



PAKISTAN KUWAIT INVESTMENT COMPANY (PRIVATE) LIMITED

**CONDENSED INTERIM FINANCIAL INFORMATION
(UN-AUDITED)**

For the nine months period ended September 30, 2014

Pakistan Kuwait Investment Company (Private) Limited

Condensed Interim Statement of Financial Position

As at September 30, 2014

	Note	September 30, 2014 (Un -Audited) (Rupees in '000)	December 31, 2013 (Audited)
ASSETS			
Cash and balances with treasury banks		58,893	30,795
Balances with other banks		13,401	27,561
Lendings to financial institutions		-	5,824,062
Investments	6	19,705,320	11,886,802
Advances	7	3,643,324	3,772,490
Operating fixed assets		189,884	203,854
Deferred tax assets		-	-
Other assets		718,088	545,733
		24,328,910	22,291,297
LIABILITIES			
Bills payable		-	-
Borrowings from financial institutions	8	4,858,626	5,042,353
Deposits and other accounts	9	387,003	349,680
Sub-ordinated loans		-	-
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities		520,261	256,857
Other liabilities		392,954	373,302
		6,158,844	6,022,192
NET ASSETS			
		18,170,066	16,269,105
REPRESENTED BY			
Share capital		6,000,000	6,000,000
Reserves		3,553,438	3,553,438
Unappropriated profit		7,650,883	6,126,502
		17,204,321	15,679,940
Surplus on revaluation of 'available-for-sale' securities - net of tax	10	965,745	589,165
		18,170,066	16,269,105
CONTINGENCIES AND COMMITMENTS			
	11		

The annexed notes 1 to 15 form an integral part of the condensed interim financial information.


Deputy General Manager / Chief Financial Officer


Chief Executive


Director


Director

Pakistan Kuwait Investment Company (Private) Limited

Condensed Interim Profit and Loss Account - (Un-audited)

For the nine months period ended September 30, 2014

	Note	Quarter ended	Nine months period ended	Quarter ended	Nine months period ended
		September 30, 2014	September 30, 2014	September 30, 2013	September 30, 2013
-----Rupees in '000-----					
Mark-up / return / interest earned		331,990	1,073,572	321,567	1,395,088
Mark-up / return / interest expensed		156,805	500,686	155,208	879,374
Net mark-up / interest income		175,185	572,886	166,359	515,714
Reversal of provision against non-performing loans and advances - net		(145,214)	(162,317)	(7,027)	(33,620)
Reversal of provision for diminution / impairment in the value of investments		320	(296)	677	61
Bad debts written off directly		-	-	-	-
Net mark-up / interest income after provisions		320,079	735,499	172,709	549,273
NON MARK-UP / INTEREST INCOME					
Fee, commission and brokerage income		-	1,162	-	-
Dividend income		64,551	186,677	32,532	131,180
Income from dealing in foreign currencies		-	-	-	-
Gain on sale of securities		19,740	322,690	266,930	650,129
Unrealised gain / (loss) on revaluation of 'held-for-trading' securities		2,968	21	(619)	(619)
Share in results of associates - net	6.2	711,670	1,744,608	514,203	1,384,642
Other income		9,920	24,541	10,954	24,777
Total non mark-up / interest income		808,849	2,279,699	824,000	2,190,109
NON MARK-UP / INTEREST EXPENSES					
Administrative expenses		176,687	403,679	168,121	398,319
Other charges		-	-	-	-
Total non mark-up / interest expenses		176,687	403,679	168,121	398,319
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		952,241	2,611,519	828,588	2,341,063
Taxation					
- Current		89,603	269,710	118,231	306,257
- Prior years		-	-	-	-
- Deferred		68,006	142,428	13,892	86,286
PROFIT AFTER TAXATION		794,632	2,199,381	696,465	1,948,520
-----Rupees-----					
Basic and diluted earning per share		3,311	9,164	2,902	8,119
(On share of Rs. 25,000 each)					

The annexed notes 1 to 15 form an integral part of the condensed interim financial information.


Deputy General Manager / Chief Financial Officer


Chief Executive


Director


Director

Pakistan Kuwait Investment Company (Private) Limited
 Condensed Interim Statement of Comprehensive Income (Un-audited)
 For the nine months period ended September 30, 2014

Note	Quarter ended	Nine months period ended	Quarter ended	Nine months period ended
	September 30, 2014		September 30, 2013	
	----- (Rupees in '000) -----			
Profit for the period	794,632	2,199,381	696,465	1,948,520
Other comprehensive income				
Not to be reclassified to profit and loss account in subsequent periods				
Remeasurement of defined benefit plan	-	-	-	-
Comprehensive income transferred to equity	794,632	2,199,381	696,465	1,948,520
Component of comprehensive income not transferred to equity				
Share of other comprehensive income of associates	6.2 (6,445)	481,748	(153,857)	(268,807)
Deferred tax on share of other comprehensive income of associates	645	(47,532)	18,406	26,495
Surplus / (deficit) on revaluation of 'available for sale' securities	110,992	15,802	(209,988)	(7,055)
Deferred tax on (deficit) / surplus on revaluation of 'available-for-sale' securities	(55,737)	(73,438)	46,495	31,142
Total comprehensive income for the period	844,087	2,575,961	397,521	1,730,295

The annexed notes 1 to 15 form an integral part of the condensed interim financial information.


 Deputy General Manager / Chief Financial Officer


 Chief Executive


 Director


 Director

Pakistan Kuwait Investment Company (Private) Limited
 Condensed Interim Statement of Changes in Equity - (Un-audited)
 For the nine months period ended September 30, 2014

	Share capital	Reserve Statutory	Unappropriated profit	Total
------(Rupees in '000)-----				
Balance as at January 01, 2013	6,000,000	3,285,976	4,490,626	13,776,602
Profit for the nine months period ended September 30, 2013	-	-	1,948,520	1,948,520
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	1,948,520	1,948,520
Transactions with the owners of the Company				
Dividend for the year ended December 31, 2012 @ Rs. 1,875 per share approved subsequent to year end	-	-	(450,000)	(450,000)
Balance as at September 30, 2013	<u>6,000,000</u>	<u>3,285,976</u>	<u>5,989,146</u>	<u>15,275,122</u>
Balance as at January 01, 2014	6,000,000	3,553,438	6,126,502	15,679,940
Profit for the nine months period ended September 30, 2014	-	-	2,199,381	2,199,381
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	2,199,381	2,199,381
Transactions with the owners of the Company				
Dividend for the year ended December 31, 2013 @ Rs. 2,812.5 per share approved subsequent to year end	-	-	(675,000)	(675,000)
Balance as at September 30, 2014	<u>6,000,000</u>	<u>3,553,438</u>	<u>7,650,883</u>	<u>17,204,321</u>

The annexed notes 1 to 15 form an integral part of the condensed interim financial information.


 Deputy General Manager / Chief Financial Officer


 Chief Executive


 Director


 Director

Pakistan Kuwait Investment Company (Private) Limited
Condensed Interim Cash Flow Statement (Un-audited)
For the nine months period ended September 30, 2014

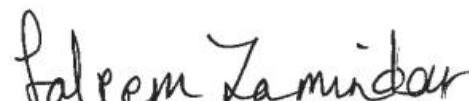
	September 30, 2014	September 30, 2013
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	2,611,519	2,341,063
Less: Dividend income	186,677	131,180
	<u>2,424,842</u>	<u>2,209,883</u>
Adjustments for:		
Depreciation	8,635	11,538
Amortization	9,608	8,111
Reversal of provision against non-performing loans and advances - net	(162,317)	(33,620)
Reversal of provision for diminution / impairment in the value of investments	(296)	61
Unrealised loss on revaluation of 'held for trading' securities	(21)	619
Share in results of associates - net	(1,744,608)	(1,384,642)
Gain on disposal of operating fixed assets	(1,946)	-
	<u>(1,890,945)</u>	<u>(1,397,933)</u>
	533,897	811,950
Decrease in operating assets		
Lendings to financial institutions	5,824,062	-
'Held-for-trading' securities	(1,696)	(20,645)
Advances	291,482	731,832
Others assets (excluding advance taxation)	(173,694)	12,464
	5,940,154	723,651
(Decrease) in operating liabilities		
Borrowings from financial institutions	(183,727)	(9,464,981)
Deposits and other accounts	37,324	(585,080)
Other liabilities (excluding current taxation)	19,651	27,119
	<u>(126,752)</u>	<u>(10,022,942)</u>
	6,347,299	(8,487,341)
Income tax paid	(129,731)	(178,890)
<i>Net cash inflow / (outflow) from operating activities</i>	<u>6,217,568</u>	<u>(8,666,231)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net investment in 'available-for-sale' securities	(6,247,616)	7,939,372
Net investment in associates	(33,506)	27,367
Net investment in 'held-to-maturity' securities	(11,352)	(105,596)
Dividend income received	766,190	573,025
Investments in operating fixed assets	(4,273)	(16,949)
Sale proceeds of operating fixed assets	1,927	-
<i>Net cash (outflow) / inflow from investing activities</i>	<u>(5,528,630)</u>	<u>8,417,219</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(675,000)	(450,000)
<i>Net cash used in financing activities</i>	<u>(675,000)</u>	<u>(450,000)</u>
Increase / (decrease) in cash and cash equivalents	<u>13,938</u>	<u>(699,012)</u>
Cash and cash equivalents at beginning of the period	58,356	745,626
Cash and cash equivalents at end of the period	<u>72,294</u>	<u>46,614</u>

The annexed notes 1 to 15 form an integral part of the condensed interim financial information.


Deputy General Manager / Chief Financial Officer


Director


Chief Executive


Director

Pakistan Kuwait Investment Company (Private) Limited
Notes to the Condensed Interim Financial Information (Un-audited)
For the nine months period ended September 30, 2014

1. STATUS AND NATURE OF BUSINESS

1.1 Pakistan Kuwait Investment Company (Private) Limited ("the Company") was incorporated in Pakistan as a Private Limited Company on March 17, 1979. The registered office is situated at 4th Floor, Block 'C', Finance and Trade Centre, Shahrah-e-Faisal, Karachi. The Company has one representative office in Lahore. The Company is a 50:50 joint venture between the Governments of Pakistan and Kuwait. The objective of the Company is to profitably promote industrial investments in Pakistan.

2. BASIS OF PRESENTATION

2.1 The condensed interim financial information has been prepared based on the format prescribed by the State Bank of Pakistan (SBP) vide BSD Circular Letter No. 2, dated 12 May 2004, BSD Circular letter No. 07, dated 20 April 2010 and IAS 34 "Interim Financial Reporting" and do not include all the information required in the annual financial statements. Accordingly, the condensed interim financial information should be read in conjunction with the annual consolidated financial statements of the Company for the year ended December 31, 2013.

2.2 The condensed interim financial information is the only set of financial information prepared by the Company consequent to the disposal of its subsidiary First Choice Securities Limited (FCSL) in 2013, in which associates are accounted for based on the equity method in accordance with IAS 28 'Investment in Associates'. Previously, the Company prepared unconsolidated and consolidated financial statements, where associates were accounted for at cost in unconsolidated and on equity method in consolidated financial statements. For comparison purposes, relevant figures have been taken from the consolidated financial statements as at December 31, 2013 for statement of financial position and September 30, 2013 for profit and loss items.

3. STATEMENT OF COMPLIANCE

3.1 The condensed interim financial information has been prepared in accordance with the requirements of International Accounting Standard 34 - "Interim Financial Reporting" as applicable in Pakistan, provisions of and directives issued under the Companies Ordinance, 1984 and the directives issued by SBP. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 and directives issued by the SBP have been followed.

3.2 The SBP through its BSD Circular letter No. 11 dated September 11, 2002 has deferred the implementation of IAS 39 'Financial Instruments: Recognition and Measurement' and IAS 40 'Investment Property' for Non-Banking Financial Institutions (NBFIs) in Pakistan. Further, SECP has deferred the implementation of IFRS 7 'Financial Instruments: Disclosures' through SRO 411(1)/ 2008. Accordingly, the requirements of these International Financial Reporting Standards (IFRSs) and their respective interpretations issued by International Financial Reporting Interpretations Committee (IFRIC) and Standing Interpretations Committee (SIC), have not been considered in preparation of these financial statements. However, investments have been classified and valued in accordance with the requirements of various circulars issued by the SBP.

4. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are consistent with those applied in preparation of consolidated financial statements for the year ended December 31, 2013.

5. FINANCIAL RISK MANAGEMENT / JUDGEMENTS AND ESTIMATES

The financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements of the Company for the year ended December 31, 2013.

In preparing this interim financial information, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended December 31, 2013.

6. INVESTMENTS

6.1 Investments by type

Note	September 30, 2014 (Un-audited)			December 31, 2013 (Audited)			
	Held by the Company	Given as collateral	Total	Held by the Company	Given as collateral	Total	
------(Rupees in '000)-----							
Held for trading securities							
Shares of listed companies	1,696	-	1,696	-	-	-	
Available for sale securities							
Market treasury bills	492,243	-	492,243	-	-	-	
Pakistan investment bonds	5,843,706	-	5,843,706	902,893	-	902,893	
Shares of listed companies	2,953,974	-	2,953,974	2,375,294	-	2,375,294	
Shares of unlisted companies	110,186	-	110,186	110,501	-	110,501	
Listed preference shares	55,029	-	55,029	55,029	-	55,029	
Listed sukuk	236,375	-	236,375	-	-	-	
Unlisted term finance certificates	607,824	-	607,824	607,938	-	607,938	
	10,299,337	-	10,299,337	4,051,655	-	4,051,655	
Held to maturity securities							
Unlisted Preference Shares	121,648	-	121,648	110,297	-	110,297	
Associates	6.2	8,895,735	-	8,895,735	7,354,069	-	7,354,069
Total investments - at cost		19,318,416	-	19,318,416	11,516,021	-	11,516,021
Provision for diminution / impairment in the value of investments		(138,724)	-	(138,724)	(139,020)	-	(139,020)
Total investments - net of provisions		19,179,692	-	19,179,692	11,377,001	-	11,377,001
Surplus on revaluation of 'held for trading' securities		21	-	21	-	-	-
Surplus on revaluation of 'available for sale' securities		525,607	-	525,607	509,801	-	509,801
Total investments		19,705,320	-	19,705,320	11,886,802	-	11,886,802

Nine months period ended September 30, 2014 (Un-audited)
 Nine months period ended September 30, 2013 (Un-audited)
 (Rupees in '000)

6.2 Movement in investments in associates

Investments at beginning of the period / year	7,354,069	6,479,283
Disposal of investment in associates	(65,478)	(76,504)
Investment in associate	98,984	-
Share in surplus on revaluation / reserves of associates	481,748	(268,807)
Share of profit from associates recognized in income statement	1,744,608	1,384,642
Dividends received from associates	(718,196)	(543,303)
Investments at end of period / year	<u>8,895,735</u>	<u>6,975,311</u>

6.3 For equity accounting purposes, the financial information of associates are taken as of June 30, 2014, being the latest available financial information.

6.4 The cost of investment in associates as at September 30, 2014 amounted to Rs. 2,064 million (December 31, 2013: Rs 1,992 million). Share in results of associates recorded under equity method of accounting, net of dividend and income taxes amounted to Rs 857 million (September 30, 2013: 699 million).

7. ADVANCES

In Pakistan

Note	September 30, 2014 (Un-audited)	December 31, 2013 (Audited)
(Rupees in '000)		
Advances	4,242,572	4,353,948
Net investment in finance leases	972,202	1,152,308
	<u>5,214,774</u>	<u>5,506,256</u>
Provision for non-performing advances	7.2	(1,733,766)
Advances - net of provision	<u>3,643,324</u>	<u>3,772,490</u>

- 7.1 Advances include Rs.1,702.206 million (December 31, 2013: Rs 1,992.396 million) which have been placed under non-performing status as detailed below:

Category of classification	Domestic	Overseas	Total	Provision Required	Provision Held
	----- (Rupees in '000) -----				
Substandard	-	-	-	-	-
Doubtful	261,511	-	261,511	130,755	130,755
Loss	1,440,695	-	1,440,695	1,440,695	1,440,695
	<u>1,702,206</u>	<u>-</u>	<u>1,702,206</u>	<u>1,571,450</u>	<u>1,571,450</u>

7.2 Particulars of provision for non-performing advances - specific	Note	Period ended September 30, 2014 (Un-audited) (Rupees in '000)	Year ended December 31, 2013 (Audited)
Opening balance		1,733,766	1,636,742
Charge for the period / year		-	142,082
Reversals for the period / year		(162,316)	(45,058)
		(162,316)	97,024
Amounts written off against provisions		-	-
Closing balance		<u>1,571,450</u>	<u>1,733,766</u>

8. BORROWINGS FROM FINANCIAL INSTITUTIONS		September 30, 2014 (Un-audited) (Rupees in '000)	December 31, 2013 (Audited)
Secured			
Borrowing from SBP under LTF-EOP	8.1	31,636	49,948
Borrowing from SBP under LTFF	8.2	167,692	227,606
Borrowing from SBP under FFSAP	8.3	11,298	14,799
Term Finance Facility	8.4	4,250,000	4,750,000
Unsecured			
Murabaha	8.5	398,000	-
		<u>4,858,626</u>	<u>5,042,353</u>

- 8.1 In order to facilitate the export oriented projects, SBP has introduced a scheme to refinance the fixed term loan availed from Banks / DFIs. A one time swap facility option under the Scheme (LTF-EOP) has been extended to textile sector for import of plant and machinery, allowed by the SBP through their SMED Circular No.19 of 2006. The loan is repayable over a maximum period of 7.5 years from the date of first disbursement with mark-up payable at maximum of 5 percent per annum. The sanctioned limit was Rs. 1,000 million.
- 8.2 This represents Long Term Finance Facility (LTFF) on concessional rates to promote industrial growth leading to exports. The loans availed under the facility shall be repayable within a maximum period of ten years including maximum grace period of one and a half years with mark-up payable at maximum of 9 percent per annum. SBP allocates an overall yearly limit under the facility to individual Participating Financial Institution (PFI). The sanctioned limit was Rs. 300 million.

- 8.3** This represents Financing Facility for Storage of Agricultural Produce (FFSAP) on concessional rates to develop the agricultural produce marketing and enhance storage capacity. The loans availed under the facility shall be repayable within a maximum period of seven years including a maximum grace period of six months with mark-up payable at maximum of 6.50 percent per annum. SBP allocates an overall yearly limit to individual PFI. The sanctioned limit was Rs. 500 million.
- 8.4** The Company has availed Long Term Finance facilities from two banks. The interest rates on these facilities range from 10.64 to 10.73 percent per annum (December 31, 2013: 9.93 and 10.59 percent per annum) with maturities between November 29, 2014 and June 25, 2018 (December 31, 2013: November 29, 2014 and June 25, 2018).
- 8.5** This represents finance obtained from an Islamic bank. The profit rate on the finance is 10.40 (December 31, 2013: Nil) percent per annum with maturity on October 01, 2014 (December 31, 2013: Nil).

9. DEPOSITS AND OTHER ACCOUNTS	Note	September 30, 2014 (Un-audited) (Rupees in '000)	December 31, 2013 (Audited)
Certificates of investment (COIs) / deposits	9.1	<u><u>387,003</u></u>	<u><u>349,680</u></u>

- 9.1** The profit rates on these COIs / deposits range between 9.70 and 12.25 (December 31, 2013: 8.75 and 12.25) percent per annum. The COIs / deposits are due for maturity between October 02, 2014 and June 26, 2015 (December 31, 2013: January 03, 2014 and March 22, 2015).

10. SURPLUS ON REVALUATION OF 'AVAILABLE-FOR-SALE' SECURITIES - NET OF TAX	September 30, 2014 (Un-audited) (Rupees in '000)	December 31, 2013 (Audited)
Federal government securities	23,449	2
Shares of listed companies	501,059	509,799
Listed sukuk	1,095	-
Share of surplus on revaluation held by associates	<u>603,742</u>	<u>121,994</u>
	<u>1,129,345</u>	<u>631,795</u>
Deferred Tax	<u>(163,600)</u>	<u>(42,630)</u>
	<u><u>965,745</u></u>	<u><u>589,165</u></u>

11. CONTINGENCIES AND COMMITMENTS

11.1 Other contingencies

There is no change in the status of other contingencies as disclosed in note 19.1 of the consolidated financial statements for the year ended December 31, 2013.

11.2 Other commitments

	September 30, 2014 (Un-audited) (Rupees in '000)	December 31, 2013 (Audited)
Commitment - acquisition of software	2,808	5,218
Undisbursed sanctions for financial assistance in the form of loans and advances	<u>1,264,482</u>	<u>3,060,355</u>
	<u><u>1,267,290</u></u>	<u><u>3,065,573</u></u>

12. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

The segment analysis with respect to business activities is as follows :

	Corporate Finance	Treasury	Investment Banking	Capital Markets	Others	Total
----- (Rupees in '000) -----						
Nine months period ended September 30, 2014 - (Un-audited)						
Total income - gross	679,472	603,240	1,162	2,048,491	20,885	3,353,250
Total mark-up / return / interest expense	(370,432)	(130,254)	-	-	-	(500,686)
Segment provision / impairment / unrealised gain / losses	162,613	-	-	21	-	162,634
	(207,819)	(130,254)	-	21	-	(338,052)
Net operating income	471,653	472,986	1,162	2,048,512	20,885	3,015,198
Administrative expenses and other charges						(403,679)
Profit before taxation						2,611,519

Period ended September 30, 2014 - (Un-audited)

Segment assets - net	5,446,114	6,408,193	-	10,930,907	1,543,696	24,328,910
Segment non-performing loans	1,702,206	-	-	-	-	1,702,206
Segment provision required and held	1,571,450	-	-	-	-	1,571,450
Segment liabilities	4,531,123	785,003	-	-	842,718	6,158,844
Segment return on net assets (ROA) % *	16.96%	11.21%	-	33.09%	1.80%	-
Segment cost of funds (%) *	10.23%	10.06%	-	-	-	-

* Based on daily average assets and funds. Return / cost has been annualized for rates.

	Corporate Finance	Treasury	Investment Banking	Capital Markets	Others	Total
----- (Rupees in '000) -----						
Nine months period ended September 30, 2013 - (Un-audited)						
Total income - gross	731,991	916,379	-	1,923,150	14,296	3,585,816
Total mark-up / return / interest expense	(324,210)	(555,164)	-	-	-	(879,374)
Segment provision / impairment / unrealised losses	33,559	-	-	(619)	-	32,940
	(290,651)	(555,164)	-	(619)	-	(846,434)
Net operating income	441,340	361,215	-	1,922,531	14,296	2,739,382
Administrative expenses and other charges						(398,319)
Profit before taxation						2,341,063

Period ended September 30, 2013 - (Un-audited)

Segment assets - net	5,791,430	6,965,426	-	8,415,007	920,661	22,092,524
Segment non-performing loans	1,736,574	-	-	-	-	1,736,574
Segment provision required and held	1,603,122	-	-	-	-	1,603,122
Segment liabilities	5,145,720	739,693	-	-	585,617	6,471,030
Segment return on net assets (ROA) %	14.05%	9.66%	-	44.52%	1.53%	-
Segment cost of funds (%)	9.49%	9.48%	-	-	-	-

Under the Company policy, capital market department assets are financed through equity funds.

13. RELATED PARTY TRANSACTIONS

The Company has related party relationship with its associates, associated undertakings, employee benefit plans, key management personnel and its directors.

The Company enters into transactions with related parties in the normal course of business. These transactions were carried out on commercial terms and at market rates.

	Nine months period ended September 30, 2014 (Un-audited) (Rupees in '000)	Nine months period ended September 30, 2013 (Un-audited) (Rupees in '000)
Expenses charged to :		
- associates	16,735	12,955
- other related party	200	-
Expenses charged by:		
- associates	682	677
- other related party	14,148	12,467
Dividend income from associates	718,196	543,303
Mark-up earned on bank deposit with an associate	454	564
Mark-up earned on loans and advances:		
- key management personnel	480	705
Mark-up expense on COIs of related parties:		
- associates	-	1,809
- other related party	229	229
Sale of shares of associate	1,000	115,237
Contribution made to provident fund	12,386	11,795
	September 30, 2014 (Un-audited) (Rupees in '000)	December 31, 2013 (Audited) (Rupees in '000)
Loans and advances to key management personnel		
Balance as at January 1	28,907	38,062
Addition during the period / year	828	-
Disbursement during the period / year	4,400	2,234
Recovery during the period / year	(9,159)	(11,389)
Balance as at	(3,931)	(9,155)
	24,976	28,907
Bank balances with an associate	10,863	25,154
Mark-up receivable on bank deposit with an associate	50	49
Deposits / COIs from:		
- other related party	2,500	2,500
Mark-up payable to :		
- other related party	1,080	1,159
Investments in:		
- associates	8,895,735	7,354,069
- other related parties	500	500

Key management personnel

Key management personnel include the Managing Director, Deputy General Manager / Chief Financial Officer, Head of Corporate Finance & Investment Banking, Head of Risk Management, Head of Capital Markets & Treasury, Head of Compliance, Head of Internal Audit and the Head of Human Resources. Their salaries and other benefits amount to Rs. 75.811 million (September 30, 2013: Rs. 61.203 million) and staff retirement benefits amount to Rs. 8.350 million (September 30, 2013: Rs. 6.926 million).

14. DATE OF AUTHORISATION FOR ISSUE

The condensed interim financial information was authorised for issue in the Board of Directors meeting held on December 24, 2014.

15. GENERAL

15.1. The JCR-VIS Credit Rating Company Limited has reaffirmed long term credit ratings of AAA (Triple A) and the short term rating of A1+ (A one plus) for the Company. The Pakistan Credit Rating Agency (PACRA) has also maintained the long-term entity rating of AAA (Triple A) and the short term rating at A1+ (A one plus).

15.2. The figures have been rounded off to nearest thousand rupees.


Deputy General Manager / Chief Financial Officer


Chief Executive


Director


Director