

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2018

	Note	Unaudited 31 March 2018 Rupees	Audited 31 December 2017 Rupees
ASSETS			
Cash and balances with treasury banks	6	23,072,555	40,303,180
Balances with other banks	7	80,595,052	123,073,428
Lendings to financial institutions and others	8	3,223,695,700	-
Investments	9	4,289,006,724	9,468,147,212
Advances	10	8,308,205,555	8,457,894,406
Operating fixed assets	11	2,514,833,529	2,518,447,287
Deferred tax assets		-	-
Other assets	12	1,448,627,161	1,558,819,473
		19,888,036,276	22,166,684,986
LIABILITIES			
Bills payable		-	-
Borrowings from financial institutions	13	6,408,946,839	9,076,845,649
Deposits and other accounts	14	7,500,000	7,500,000
Sub-ordinated loans		-	-
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities		679,626,482	651,353,904
Other liabilities	15	265,493,118	225,559,300
		7,361,566,439	9,961,258,853
NET ASSETS		12,526,469,837	12,205,426,133
REPRESENTED BY			
Share capital		6,600,000,000	6,600,000,000
Reserve fund		926,690,686	926,690,686
General reserve		358,662,940	358,662,940
Unappropriated profit		2,964,955,145	2,746,287,226
		10,850,308,771	10,631,640,852
Surplus on revaluation of assets - net of tax	16	1,676,161,066	1,573,785,281
		12,526,469,837	12,205,426,133
CONTINGENCIES AND COMMITMENTS	17		

The annexed notes 1 to 24 form an integral part of this condensed interim unconsolidated financial information.


 General Manager/Chief Executive

 Director

 Director

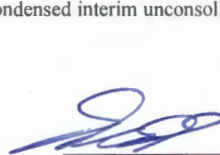
 Chairman

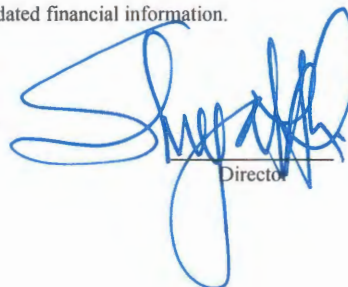
SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT [UN-AUDITED]
FOR THE PERIOD ENDED MARCH 31, 2018

	Note	31 March 2018		31 March 2017	
		For the period ended Jan to Mar	For the period three months ended	For the period ended Jan to Mar	For the period three months ended
		Rupees	Rupees	Rupees	Rupees
Mark-up/Return/Interest Earned	18	254,471,627	254,471,627	314,153,808	314,153,808
Mark-up/Return/Interest Expensed	19	115,564,407	115,564,407	118,184,309	118,184,309
Net mark-up/Interest Income		138,907,220	138,907,220	195,969,499	195,969,499
Provision against non-performing loans and advances		(54,412,290)	(54,412,290)	42,259,255	42,259,255
Provision for diminution in the value of investments - net		(49,032,120)	(49,032,120)	-	-
Bad debts written off directly		-	-	-	-
Net Mark-up/ Interest Income after provisions		242,351,630	242,351,630	153,710,244	153,710,244
NON MARK-UP/INTEREST INCOME					
Fee, Commission and Brokerage income		142,840	142,840	245,000	245,000
Dividend Income		27,253,683	27,253,683	33,440,301	33,440,301
Gain on sale of securities - net	20	48,411,489	48,411,489	59,150,979	59,150,979
Unrealized (loss) on revaluation of held for trading investments - net		(8,224,770)	(8,224,770)	(3,431,349)	(3,431,349)
Gain/(loss) from dealing in foreign currencies		726,270	726,270	(1,473)	(1,473)
Other income		41,036,542	41,036,542	35,806,468	35,806,468
Total non mark-up/interest Income		109,346,054	109,346,054	125,209,926	125,209,926
NON MARK-UP/INTEREST EXPENSES		351,697,684	351,697,684	278,920,170	278,920,170
Administrative expenses		85,361,601	85,361,601	72,731,135	72,731,135
Other provisions/ (reversals) /write offs		-	-	-	-
Other charges - penalties imposed by SBP		-	-	-	-
Total non mark-up/interest expenses		85,361,601	85,361,601	72,731,135	72,731,135
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		266,336,083	266,336,083	206,189,035	206,189,035
Taxation - Current		70,707,944	70,707,944	54,231,792	54,231,792
- Prior years		-	-	-	-
- Deferred		15,091	15,091	(7,373,795)	(7,373,795)
PROFIT AFTER TAXATION		70,723,035	70,723,035	46,857,997	46,857,997
Basic earning per share		0.296	0.296	0.241	0.241

The annexed notes 1 to 24 form an integral part of this condensed interim unconsolidated financial information.


General Manager/Chief Executive


Director

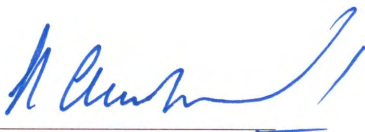

Director


Chairman

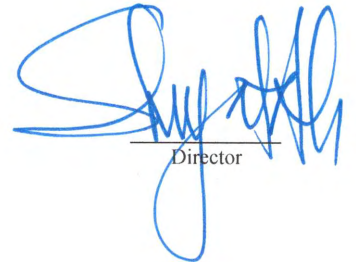
SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME [UN-AUDITED]
FOR THE PERIOD ENDED MARCH 31, 2018

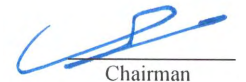
	31 March 2018		31 March 2017	
	For the period ended Jan to Mar Rupees	For the period three months ended Rupees	For the period ended Jan to Mar Rupees	For the period three months ended Rupees
Profit after tax for the period	195,613,048	195,613,048	159,331,038	159,331,038
Other comprehensive income				
Items that will never be reclassified to profit and loss account				
Remeasurement of defined benefit plan	-	-	-	-
Comprehensive income - transferred to statement of changes in equity	195,613,048	195,613,048	159,331,038	159,331,038
Components of comprehensive income not reflected in equity				
Surplus/(deficit) on revaluation of securities - net of tax	123,601,766	123,601,766	(109,602,477)	(109,602,477)
Total comprehensive income	319,214,814	319,214,814	49,728,561	49,728,561

The annexed notes 1 to 24 form an integral part of this condensed interim unconsolidated financial information.


 General Manager/Chief Executive


 Director



 Director


 Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT [UN-AUDITED]
FOR THE PERIOD ENDED MARCH 31, 2018


	31 March 2018 Rupees	31 March 2017 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	266,336,083	206,189,035
Less: Dividend income	(27,253,683)	(33,440,301)
	<u>239,082,400</u>	<u>172,748,734</u>
Adjustments for non-cash charges		
Depreciation/ amortization	34,672,139	33,415,299
Provision against non-performing loans and advances	(54,412,290)	42,259,255
Provision/ (reversal) for diminution in value of investments	(49,032,120)	-
Others provisions/ (reversals)	-	-
Loss on disposal of operating fixed assets	1,665,509	-
Gain on disposal of non banking assets	-	-
Provision for gratuity/compensated absences	1,394,157	1,263,198
Unrealized loss on revaluation of held for trading investments	8,224,770	3,531,349
	<u>(57,487,835)</u>	<u>80,469,101</u>
	<u>181,594,565</u>	<u>253,217,835</u>
Decrease/ (increase) in operating assets		
Lendings to financial institutions and others	(3,223,695,700)	340,000,000
Advances	204,101,141	84,809,526
Other assets (excluding advance taxation)	96,002,241	261,323,210
	<u>(2,923,592,318)</u>	<u>686,132,736</u>
Increase/ (Decrease) in operating liabilities		
Borrowings from financial institutions	(2,667,898,810)	(3,457,000,000)
Deposits	-	23,115,841
Other liabilities (excluding current taxation)	45,790,445	(36,491,846)
	<u>(2,622,108,365)</u>	<u>(3,470,376,005)</u>
	<u>(5,364,106,118)</u>	<u>(2,531,025,434)</u>
Gratuity/compensated absences paid	(7,250,784)	(8,080,609)
Income tax/Federal excise duty paid	(52,503,437)	(58,485,935)
	<u>(59,754,221)</u>	<u>(66,566,544)</u>
Net cash generated from/ (used in) operating activities	<u>(5,423,860,339)</u>	<u>(2,597,591,978)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available for sale securities	5,413,321,506	2,507,003,845
Net investments in held to maturity securities	1,923,000	-
Net investment in held for trading securities	(41,608,519)	37,513,984
Dividend received	22,544,468	14,826,602
Investment in operating fixed assets	(38,225,202)	(347,944)
Sale proceeds of property and equipment disposed off	6,196,085	-
Net cash generated/(used in) from investing activities	<u>5,364,151,338</u>	<u>2,558,996,487</u>
CASH FLOW FROM FINANCING ACTIVITIES	-	-
Increase/decrease in cash and cash equivalents	<u>(59,709,001)</u>	<u>(38,595,491)</u>
Cash and cash equivalents at beginning of the year	163,376,608	150,420,650
Cash and cash equivalents at the end of the period	<u>103,667,607</u>	<u>111,825,159</u>

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 General Manager/Chief Executive


 Director



 Director



 Chairman

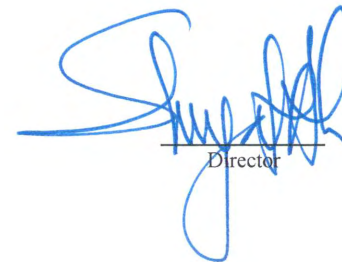
SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
 UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY [UN-AUDITED]
 FOR THE PERIOD ENDED MARCH 31, 2018

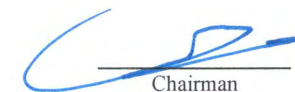
	Share Capital Rupees	Reserve Fund Rupees	General Reserve Rupees	Unappropriated Profit Rupees	Total Rupees
Balance as at January 01, 2017	6,600,000,000	801,227,124	358,662,940	2,160,685,872	9,920,575,936
Profit for the period ended March 31, 2017	-	-	-	159,331,038	159,331,038
Other comprehensive income related to equity	-	-	-	-	-
Total comprehensive income	-	-	-	159,331,038	159,331,038
Bonus shares issued	-	-	-	-	-
Transfer to reserve fund	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-
Transferred from surplus on revaluation of operating fixed assets - net of deferred tax	-	-	-	17,443,132	17,443,132
Balance as at March 31, 2017 - Unaudited	6,600,000,000	801,227,124	358,662,940	2,337,460,042	10,097,350,106
Loss for the period ended December 31, 2017	-	-	-	467,986,774	467,986,774
Other comprehensive income related to equity	-	-	-	999,498	999,498
Total comprehensive income	-	-	-	468,986,272	468,986,272
Bonus shares issued	-	-	-	-	-
Transfer to reserve fund	-	125,463,562	-	(125,463,562)	-
Transfer to general reserve	-	-	-	-	-
Transferred from surplus on revaluation of operating fixed assets - net of deferred tax	-	-	-	65,304,474	65,304,474
Balance as at December 31, 2017 - Audited	6,600,000,000	926,690,686	358,662,940	2,746,287,226	10,631,640,852
Profit for the period ended March 31, 2018	-	-	-	195,613,048	195,613,048
Other comprehensive income related to equity	-	-	-	-	-
Total comprehensive income	-	-	-	195,613,048	195,613,048
Transfer to reserve fund	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-
Transferred from surplus on revaluation of operating fixed assets - net of deferred tax	-	-	-	23,054,871	23,054,871
Balance as at March 31, 2018 - Unaudited	6,600,000,000	926,690,686	358,662,940	2,964,955,145	10,850,308,771

The annexed notes 1 to 24 form an integral part of this condensed interim unconsolidated financial information.


 General Manager/Chief Executive


 Director


 Director


 Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION [UN-AUDITED]
FOR THE PERIOD ENDED MARCH 31, 2018

1. LEGAL STATUS AND OPERATIONS

Saudi Pak Industrial and Agricultural Investment Company Limited ("the Company") was incorporated in Pakistan as a private limited company on December 23, 1981 and subsequently converted as a public limited company on April 30, 2008. The Company is jointly sponsored by the Governments of Kingdom of Saudi Arabia and the Islamic Republic of Pakistan. The principal activity of the Company is to invest in the industrial and agro-based industrial projects in Pakistan on commercial basis and market their products in Pakistan and abroad. The Company has been setup for a period of fifty years which may be extended with approval of both of the Governments.

The registered office of the Company is situated at Saudi Pak Tower , Jinnah Avenue, Islamabad.

2. BASIS OF MEASUREMENT

- 2.1** This unconsolidated condensed interim financial information has been prepared under the historical cost convention as modified for certain investments which are carried at fair value, non-banking assets acquired in satisfaction of claims and certain items of operating fixed assets which are shown at revalued amounts and staff retirement benefit which is stated at present value of defined benefit obligations net of fair value of plan assets.

3. STATEMENT OF COMPLIANCE

- 3.1** This unconsolidated condensed interim financial information of the Company for the period ended ended March 31, 2018 is unaudited and has been prepared in accordance with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting' and the requirements of format prescribed by the State Bank of Pakistan's BSD Circular Letter No. 2 dated May 12, 2004 and provisions of and directives issued under the repealed Companies Act, 2017, the Banking Companies Ordinance, 1962 and the directives issued by the Securities and Exchange Commission of Pakistan (SECP) and the State Bank of Pakistan (SBP). In case where requirements differ, the provisions of and directives issued under the repealed Companies Act, 2017 and the Banking Companies Ordinance, 1962, and the directives issued by SECP and SBP shall prevail. This is unconsolidated condensed interim financial information and does not include all the information as required in the annual financial statements. Accordingly, this unconsolidated condensed interim financial information should be read in conjunction with the Company's unconsolidated financial statements for the year ended December 31, 2017.
- 3.2** The SBP through its BSD Circular Letter No.11 dated September 11, 2002 has deferred the implementation of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and IAS 40, 'Investment Property' for Development Financial Institutions (DFIs) till further order. Further, according to the notification of the SECP dated April 28, 2008, the International Financial Reporting Standard (IFRS) - 7 'Financial Instruments: Disclosures' has not been applicable for Banks and DFIs. Accordingly, the requirements of these standards have not been considered in the preparation of this unconsolidated condensed interim financial information. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION [UN-AUDITED]
FOR THE PERIOD ENDED MARCH 31, 2018

4. ACCOUNTING POLICIES AND ESTIMATES

- 4.1 Accounting policies, related judgments, estimates and assumptions adopted for the preparation of this condensed interim unconsolidated financial information are the same as those applied in the preparation of the annual financial statements of the Company for the year ended December 31, 2017.

Amendments and interpretations to approved accounting standards effective from January 1, 2017 are not expected to have a material impact on this unconsolidated condensed interim financial information.

5. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended December 31, 2017.

Unaudited	Audited
31 March	31 December
2018	2017
Rupees	Rupees
<u> </u>	<u> </u>

6. CASH AND BALANCES WITH TREASURY BANKS

Balance with State Bank of Pakistan	22,787,625	40,037,929
Cash in hand	284,930	265,251
	<u>23,072,555</u>	<u>40,303,180</u>

7. BALANCES WITH OTHER BANKS

On current accounts - local currency	31,056,423	3,631,571
On deposit accounts		
- Local currency	32,670,480	103,299,978
- Foreign currency	16,868,149	16,141,879
	<u>80,595,052</u>	<u>123,073,428</u>

8. LENDINGS TO FINANCIAL INSTITUTIONS AND OTHERS

Money market placements	-	-
Reverse repo - Treasury Bills/PFBs	3,223,695,700	-
	<u>3,223,695,700</u>	<u>-</u>

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION [UN-AUDITED]
FOR THE THREE MONTHS ENDED MARCH 31, 2018

9. INVESTMENTS	(Un-audited) March 31, 2018			(Audited) December 31, 2017		
	Held by the Company	Given as collateral	Total	Held by the Company	Given as collateral	Total
9.1 Investments by types	-----Rupees-----			-----Rupees-----		
Held for trading (HFT)						
Quoted shares	53,434,768	-	53,434,768	15,197,333	-	15,197,333
Available for sale (AFS) securities						
Market Treasury Bills	-	-	-	2,624,726,264	1,929,936,155	4,554,662,419
Pakistan Investment Bonds	-	-	-	987,827,349	-	987,827,349
Quoted shares	2,863,749,923	-	2,863,749,923	3,064,581,661	-	3,064,581,661
Unquoted shares	786,333,048	-	786,333,048	786,333,048	-	786,333,048
Term Finance Certificates (TFCs)	436,497,841	-	436,497,841	106,497,841	-	106,497,841
	4,086,580,812	-	4,086,580,812	7,569,966,163	1,929,936,155	9,499,902,318
Held to maturity (HTM) securities						
Term Finance Certificates (TFCs)	872,599,831	-	872,599,831	874,522,831	-	874,522,831
Investment in subsidiaries						
Saudi Pak Real Estate Company Limited	500,000,000	-	500,000,000	500,000,000	-	500,000,000
Investment in associate						
Saudi Pak Leasing Company Limited	576,676,075	-	576,676,075	576,676,075	-	576,676,075
Investments at cost	6,089,291,486	-	6,089,291,486	9,536,362,402	1,929,936,155	11,466,298,557
Provision for diminution in value of un-quoted shares	(273,833,040)	-	(273,833,040)	(273,833,040)	-	(273,833,040)
Provision against subsidiaries	-	-	-	-	-	-
Provision against associates	(576,676,075)	-	(576,676,075)	(576,676,075)	-	(576,676,075)
Provision against TFCs	(465,695,414)	-	(465,695,414)	(465,695,414)	-	(465,695,414)
Provision for impairment loss on quoted shares	(571,644,899)	-	(571,644,899)	(620,677,019)	-	(620,677,019)
	(1,887,849,428)	-	(1,887,849,428)	(1,936,881,548)	-	(1,936,881,548)
Surplus/(deficit) on revaluation of AFS securities	95,789,436	-	95,789,436	(57,898,713)	-	(57,898,713)
(Deficit) on revaluation of HFT securities	(8,224,770)	-	(8,224,770)	(3,371,084)	-	(3,371,084)
	87,564,666	-	87,564,666	(61,269,797)	-	(61,269,797)
Investments (net of provisions)	4,289,006,724	-	4,289,006,724	7,538,211,057	1,929,936,155	9,468,147,212

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
 NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION [UN-AUDITED]
 FOR THE PERIOD ENDED MARCH 31, 2018

	Note	Unaudited 31 March 2018 Rupees	Audited 31 December 2017 Rupees
10 ADVANCES			
Loans, cash, credits, running finances, etc.			
- In Pakistan		10,227,266,428	10,426,876,922
- Outside Pakistan		-	-
		10,227,266,428	10,426,876,922
Net investment in finance lease			
- In Pakistan		152,672,099	157,162,746
- Outside Pakistan		-	-
		152,672,099	157,162,746
		10,379,938,527	10,584,039,668
Less: Provision for non-performing advances	10.2	2,071,732,972	2,126,145,262
		8,308,205,555	8,457,894,406

10.1 Advances placed under non-performing status:

-----31 March 2018-----					
Category of Classification	Domestic Rupees	Overseas Rupees	Total Rupees	Provision Required Rupees	Provision Held Rupees
Substandard	-	-	-	-	-
Doubtful	-	-	-	-	-
Loss	2,499,720,076	-	2,499,720,076	2,071,732,972	2,071,732,972
	2,499,720,076	-	2,499,720,076	2,071,732,972	2,071,732,972

-----31 December 2017-----					
Category of Classification	Domestic Rupees	Overseas Rupees	Total Rupees	Provision Required Rupees	Provision Held Rupees
Substandard	-	-	-	-	-
Doubtful	76,667,165	-	76,667,165	38,333,583	38,333,583
Loss	2,516,269,721	-	2,516,269,721	2,087,811,679	2,087,811,679
	2,592,936,886	-	2,592,936,886	2,126,145,262	2,126,145,262

10.2 Particulars of provisions against non-performing advances

	Unaudited 31 March 2018 Rupees	Audited 31 December 2017 Rupees
	Specific	Specific
Opening balance	2,126,145,262	2,210,414,595
Charge for the year	-	92,829,063
Amounts written off	-	-
Reversals	(54,412,290)	(177,098,396)
Closing balance	2,071,732,972	2,126,145,262

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2018

	Note	Unaudited 31 March 2018 Rupees	Audited 31 December 2017 Rupees
11 OPERATING FIXED ASSETS			
Carrying amount at beginning of the period		2,518,447,287	2,625,410,263
Additions during the period	11.1	38,225,202	43,622,797
Book value of disposals	11.2	(7,861,594)	(16,362,283)
Revaluation surplus		-	-
Depreciation for the period		(33,977,366)	(134,223,490)
Carrying amount at the end of the period		<u>2,514,833,529</u>	<u>2,518,447,287</u>
11.1 Additions during the period / year represents the following:-			
Leasehold land		27,269,637	-
Building		-	296,596
Leasehold improvement		-	-
Motor vehicles		4,095,105	7,369,778
Furniture, fixture and fittings		-	2,078,932
Office equipments		1,064,494	3,245,962
Electrical appliances		-	934,174
Electrical fittings		-	794,439
Heating and air conditioning		-	245,100
Elevators		-	537,680
Security systems		93,429	-
Fire fighting equipment		-	5,750,200
Intangible assets		-	226,448
Work in progress		5,702,537	22,143,488
		<u>38,225,202</u>	<u>43,622,797</u>
11.2 Disposals during the period/year represents the following:			
Heating & airconditioning		-	506,277
Fire fighting equipments		-	33,074
Motor vehicles		1,765,256	3,035,646
Elevators		6,096,325	12,787,260
Furniture fixture and fittings		-	26
Office equipments		13	-
		<u>7,861,594</u>	<u>16,362,283</u>
12 OTHER ASSETS			
Income/mark-up accrued in local currency	12.1	192,362,241	224,383,608
Advances, deposits, advance rent and other prepayments		103,659,061	167,639,941
Advance taxation (payments less provision)		862,363,974	880,568,481
Excise duty		78,817,895	78,817,895
Non-banking assets acquired in satisfaction of claims		244,976,949	245,671,722
Dividend receivable		53,595,205	48,885,990
Others		15,000,000	15,000,000
		<u>1,550,775,325</u>	<u>1,660,967,637</u>
Less: Provision against other assets		(102,148,164)	(102,148,164)
		<u>1,448,627,161</u>	<u>1,558,819,473</u>
12.1 Income accrued and other receivables			
Accrued fee and commission		6,359,702	6,359,702
Accrued income from advances		946,917,323	930,642,341
Accrued income from investments		300,116,888	353,362,832
Accrued income from lending to financial institutions		30,110	30,110
Rentals receivables		7,498,670	9,764,774
		<u>1,260,922,693</u>	<u>1,300,159,759</u>
Less: Suspense Account		(1,068,560,452)	(1,075,776,151)
		<u>192,362,241</u>	<u>224,383,608</u>

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	Note	Unaudited 31 March 2018 Rupees	Audited 31 December 2017 Rupees
13 BORROWINGS FROM FINANCIAL INSTITUTIONS			
Secured - in Pakistan local currency			
<i>Financing availed from:</i>			
State Bank of Pakistan (SBP)	13.1	124,371,099	71,767,799
Other financial institutions		6,225,000,000	7,075,000,000
Repo borrowings			
Financial institutions		59,575,740	1,930,077,850
		<u>6,408,946,839</u>	<u>9,076,845,649</u>

13.1 This represents the outstanding balance of facilities availed from SBP under Long Term Finance Facility (LT-FF) Scheme.

14 DEPOSITS AND OTHER ACCOUNTS

These represent certificate of investments (COIs) issued to Saudi Pak Employees Contibutory Provident Fund for Rs 7.5 million . These COIs carry mark up at the rate of 6.40% per annum (2016: 6.15%) and having maturity in June 2018.

	Unaudited 31 March 2018 Rupees	Audited 31 December 2017 Rupees
15 OTHER LIABILITIES		
Provision for staff gratuity	1,394,157	6,821,309
Provision for compensated absences	5,815,875	6,245,350
Advance Rental-Saudipak Tower	97,306,245	93,739,647
Interest/markup accrued on borrowings	88,286,008	49,074,344
Directors' remuneration	4,244,418	3,205,008
Other payable and expenses accrued	68,446,415	66,473,642
	<u>265,493,118</u>	<u>225,559,300</u>
16 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX		
Surplus on revaluation of:		
Operating fixed assets	2,276,503,045	2,306,825,871
Related deferred tax liability	(682,950,917)	(692,047,762)
	<u>1,593,552,128</u>	<u>1,614,778,109</u>
Available for sale investments	95,789,437	(57,898,713)
Related deferred tax liability	(13,180,499)	16,905,885
	<u>82,608,938</u>	<u>(40,992,828)</u>
	<u>1,676,161,066</u>	<u>1,573,785,281</u>

17 CONTINGENCIES AND COMMITMENTS

17.1 Contingencies

There is no change in the status of contingencies and commitments of the Company from the status given in the preceeding annual published financial statements for the year ended December 31, 2017 except for the following:

	Unaudited 31 March 2018 Rupees	Audited 31 December 2017 Rupees
17.2 Direct credit substitutes		
Letter of comfor/Guarantee	86,730,000	118,770,000
17.3 Commitments		
Non disbursed commitment for term and working capital finance	3,534,000,000	2,433,480,000
Commitments for the acquisition of operating fixed assets	15,015,230	21,560,060
	<u>3,549,015,230</u>	<u>2,573,810,060</u>

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	Unaudited 31 March 2018 Rupees	Unaudited 31 March 2017 Rupees
18 MARK-UP/RETURN/INTEREST EARNED		
Income from investments	62,759,731	140,548,494
Income from advances	174,528,694	172,675,654
Income from lending to financial institutions	17,183,202	929,660
	<u>254,471,627</u>	<u>314,153,808</u>
19 MARK-UP/RETURN/INTEREST EXPENSED		
Short Term Borrowings	49,851,090	39,087,204
Long Term Borrowings	58,604,339	49,573,427
Borrowing cost on Repos	6,846,371	29,430,660
Brokerage Fee & Commission	262,607	93,018
	<u>115,564,407</u>	<u>118,184,309</u>
20 GAIN ON SALE OF SECURITIES-NET		
Gain/(loss) on sale of Government securities	81,830,611	(1,836,900)
(Loss)/gain on sale of quoted securities-net	(33,419,122)	60,987,879
	<u>48,411,489</u>	<u>59,150,979</u>

21 SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

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

	Corporate Finance	Trading and sales	Building rental services	Total
	31.03.2018	31.03.2018	31.03.2018	31.03.2018
	Rupees			
Total income	183,413,172	137,702,458	84,699,089	405,814,719
Total expenses	61,441,854	36,039,744	41,997,038	139,478,636
Net income	121,971,318	101,662,714	42,702,051	266,336,083
Segment assets (gross)	12,063,842,528	9,415,070,596	2,470,853,716	23,949,766,840
Segment non performing loans	2,499,720,076	-	-	2,499,720,076
Segment provision required	2,472,472,566	1,589,257,998	-	4,061,730,564
Segment liabilities	3,739,334,769	2,824,333,643	797,898,026	7,361,566,438
Segment return on net assets (ROA) (%)	2.08	2.03	2.55	2.13
Segment cost of funds (%)	4.60	5.50	-	5.08
	Corporate Finance	Trading and sales	Building rental services	Total
	31.03.2017	31.03.2017	31.03.2017	31.03.2017
	Rupees			
Total income	172,920,654	230,636,612	77,448,401	481,005,667
Total expenses	124,064,803	109,109,896	41,641,933	274,816,632
Net income	48,855,851	121,526,716	35,806,468	206,189,035
	31.12.2017	31.12.2017	31.12.2017	31.12.2017
	Rupees			
Segment assets (gross)	12,162,348,712	11,794,523,702	2,374,987,546	26,331,859,960
Segment non performing loans	2,592,936,886	-	-	2,592,936,886
Segment provision required	2,526,884,856	1,638,290,118	-	4,165,174,974
Segment liabilities	4,711,082,858	4,452,641,145	797,534,850	9,961,258,853
Segment return on net assets (ROA) (%)	0.99	2.13	2.27	1.69
Segment cost of funds (%)	1.10	1.51	-	1.30

Assumptions used:

- Administrative expenses have been allocated to segments based on respective segment income.
- Unallocatable assets representing 5.27 % (2017: 5.27 %) of the total assets have been allocated to segments based on their respective incomes.
- Unallocatable liabilities representing 92.65% (2017: 92.65%) of the total liabilities have been allocated to segments based on their respective assets.

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22 RELATED PARTY TRANSACTIONS

22.1 The Government of Kingdom of Saudi Arabia and the Islamic Republic of Pakistan each own 50% shares of the Company. Therefore, all entities owned by and controlled by these Governments are related parties of the Company. Other related parties comprise of entities over which the Company has control (subsidiaries), entities over which the directors are able to exercise significant influence (associated undertakings), entities with common directors, major shareholders, directors, key management personnel and employees' funds. The Company in normal course of business pays for electricity, gas and telephone to entities controlled by Government of Pakistan. The Company has not extended any financing facilities to entities owned by the Governments of Kingdom of Saudi Arabia and the Islamic Republic of Pakistan.

Transactions with the related parties are executed substantially on the same terms, including markup rates and collaterals, as those prevailing at the time for comparable transactions with the unrelated parties and do not involve more than a normal risk (i.e. under the comparable uncontrolled price method).

Other than those transactions which are made under the terms of employment, majority of the transactions with related parties comprise of loans and advances, deposits etc.

Advances for the house building, conveyance and personal use have also been provided to staff and executives in accordance with the employment and pay policy. Facility of group life insurance and hospitalization facility is also provided to staff and executives. In addition to this, majority of executives of the Company have been provided with the Company maintained car.

22.2 Following are the transactions and balances with related parties:

Nature of balances / transactions	Name of the Entity	Unaudited	Audited
		31 March 2018 Rupees	31 December 2017 Rupees
<u>Outstanding balances at the period / year end</u>			
- Sponsor			
Other receivables	Ministry of Finance - KSA	15,000,000	15,000,000
- Subsidiary/Associated companies			
Investments - cost	Saudi Pak Real Estate Company Ltd	500,000,000	500,000,000
Investments in shares - cost	Saudi Pak Leasing Company Ltd	243,467,574	243,467,574
Investments in preference shares - cost	Saudi Pak Leasing Company Ltd	333,208,501	333,208,501
Security deposit	Saudi Pak Real Estate Company Ltd	401,960	401,960
Rent received in advance	Saudi Pak Real Estate Company Ltd	1,004,900	1,004,900
- Key management personnel			
Advances to executives		40,955,245	36,250,784
- Employee funds			
Deposits against COIs	Employee Provident Fund	7,500,000	7,500,000
Interest payable	Employee Provident Fund	17,096	17,692
Contribution payable	Staff Gatuity Fund	1,394,157	6,821,309
		Unaudited	Unaudited
		31 March	31 March
		2018	2017
		Rupees	Rupees
<u>Transactions during the period</u>			
- Subsidiary/Associated companies			
Rent received	Saudi Pak Leasing Company Ltd	180,000	148,973
Rent charged for generator	Saudi Pak Leasing Company Ltd	81,657	105,000
Rent received	Saudi Pak Real Estate Company Ltd	1,205,880	1,014,702
Electricity bills received	Saudi Pak Real Estate Company Ltd	23,948	31,104
- Key management personnel			
Advances to executives		13,496,302	2,308,256
Repayment of advances		3,195,210	1,849,186
- Employee funds			
Contributions paid	Employee Provident Fund	1,959,943	1,562,450
Interest expensed	Employee Provident Fund	114,401	191,096
Contributions paid	Staff Gatuity Fund	6,821,309	7,775,609

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23 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of traded investments is based on quoted market prices, except for securities classified by the Company as 'held to maturity'. Securities classified as held to maturity are carried at amortized cost. Fair value of unquoted equity investments is determined on the basis of break up value of these investments as per the latest available audited financial statements.

Fair value of fixed term loans, other assets, other liabilities and fixed term deposits cannot be calculated with sufficient reliability due to the absence of current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments. The provision for impairment of loans and advances has been calculated in accordance with the Company's accounting policy as disclosed in annual financial statements for the year ended December 31, 2017.

Fair value of remaining financial assets and liabilities except fixed term loans, staff loans, non-performing advances and fixed term deposits is not significantly different from the carrying amounts since assets and liabilities are either short term in nature or are frequently repriced in the case of customer loans and deposits.

23.1 The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets (Pakistan Stock Exchange) for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) available at MUFAP, Reuters page, Redemption prices and determined by valuers on the panel of Pakistan Banker's Association .

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses the financial and non-financial assets carried at fair values, by valuation methods. Valuation of investments is carried out as per guidelines specified by the SBP. In case of non-financial assets, the Company has adopted revaluation model (as per IAS 16) in respect of land and non-banking assets acquired in satisfaction of claims.

	March 31, 2018 - (Unaudited)			Total
	Level 1	Level 2	Level 3	
	Rupees			
Financial assets:				
Held for trading				
Quoted securities	45,209,999	-	-	45,209,999
Available for sale securities				
Market Treasury Bills	-	-	-	-
Pakistan Investment Bonds	-	-	-	-
Fully paid ordinary shares / units	2,387,170,006	-	-	2,387,170,006
Term Finance Certificates	-	360,116,774	-	360,116,774
	<u>2,432,380,005</u>	<u>360,116,774</u>	<u>-</u>	<u>2,792,496,779</u>
Non-financial assets:				
Operating fixed assets				
Property and equipment (leasehold land)	-	-	1,380,588,120	1,380,588,120
Other assets				
Non-banking assets acquired in satisfaction of claims	-	-	146,903,847	146,903,847
	<u>-</u>	<u>-</u>	<u>1,527,491,967</u>	<u>1,527,491,967</u>

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	December 31, 2017 - (Audited)			Total
	Level 1	Level 2	Level 3	
	Rupees			
Financial assets:				
Held for trading				
Quoted securities	11,826,249	-	-	11,826,249
Available for sale securities				
Market Treasury Bills	-	4,554,573,400	-	4,554,573,400
Pakistan Investment Bonds	-	1,073,817,000	-	1,073,817,000
Fully paid ordinary shares / units	2,299,341,186	-	-	2,299,341,186
Term Finance Certificates	-	30,156,432	-	30,156,432
	<u>2,311,167,435</u>	<u>5,658,546,832</u>	<u>-</u>	<u>7,969,714,267</u>
Non-financial assets:				
Operating fixed assets				
Property and equipment (leasehold land)	-	-	1,380,588,120	1,380,588,120
Other assets				
Non-banking assets acquired in satisfaction of claims			147,598,620	147,598,620
	<u>-</u>	<u>-</u>	<u>1,528,186,740</u>	<u>1,528,186,740</u>

23.2 The Company's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused such transfer. There were no transfers between levels during the period.

24 GENERAL

24.1 This condensed interim unconsolidated financial information was authorized for issue by the Board of Directors of the Company in the meeting held on 26 APR 2018

24.2 Figures in these accounts have been rounded off to the nearest rupee.

			
General Manager/Chief Executive	Director	Director	Chairman