

## COMPANY INFORMATION

### Board of Directors

Mr. Kunwar Idris	Chairman
Mr. Yoshitaka Matsuno	
Mr. Fumihiko Sato	
Mr. Benjamin Lee	
Mr. Humayun Murad	
Mr. Muhammad Rashid Zahir	
Mr. S. Shahid Usman	
Mr. Naim Farooqui	Managing Director & Chief Executive

### Audit Committee

Mr. Kunwar Idris  
Mr. Humayun Murad  
Mr. S. Shahid Usman

### Company Secretary

Mr. Intisar H. Alvi

### Bankers

Allied Bank Limited  
American Express Bank Limited  
Bank Alfalah Limited  
Bank Al Habib Limited  
Crescent Commercial Bank Limited  
Habib Bank Limited  
Metropolitan Bank Limited  
Muslim Commercial Bank Limited  
National Bank of Pakistan  
Oman International Bank S.A.O.G.  
PICIC Commercial Bank Limited  
Prime Commercial Bank Limited  
Standard Chartered Bank  
The Bank of Tokyo – Mitsubishi Limited

### Auditors

Ford Rhodes Sidat Hyder & Co., Chartered Accountants

### Legal Advisors

Mohsin Tayebaly & Co.

### Registrar and Share Transfer Office

Noble Computer Services (Pvt) Limited,  
2<sup>nd</sup> Floor, Sohni Centre, BS 5 & 6,  
Main Karimabad, Block 4,  
Federal B. Area, Karachi-75950  
Tel: (021) 6801880-82  
Fax: (021) 6801129

### Registered Office

Overseas Investors Chamber of Commerce Building,  
Taipur Road, Karachi – 74000, Pakistan.  
Tel: (021) 2426020-9, UAN: 111-24-24-24, Fax: (021) 2425897

### Head Office

2<sup>nd</sup> Floor, Islamic Chamber of Commerce Building,  
ST 2/A, Block # 9, Clifton, Karachi – 75600, Pakistan.  
Tel: (021) 586-1266 Fax: (021) 586-8862

### Website:

<http://www.orixbank.com>

## DIRECTOR'S REVIEW

The Directors are pleased to present the financial statements of the Bank reviewed by the auditors for the half year ended December 31, 2004.

Profit before tax for the half year is Rs. 39.7 million compared to Rs. 87.0 million for the corresponding period last year. The reason for this decline in profitability is a capital loss of Rs. 37.2 million against a capital gain of Rs. 26.1 million in the corresponding period last year. This capital loss which occurred mainly due to a well-considered decision of the management to reduce the interest-rate risk exposure by disposing of Government Securities held by the bank. Income from investments / fund placements however has increased. In line with the long term strategy of the Bank, the non fund-based income has sharply increased to Rs. 51.3 million from Rs. 32.3 million in the last year's corresponding period.

The long-term prospects of the Bank have improved with the commencement of equity brokerage operations now in full swing. This division is contributing towards the non-fund as well as the fund-based activities with growing potential.

The increase in administrative and operating expenses is almost entirely due to the expenses directly related to the equity brokerage division which is greatly contributing to the profitability of the Bank. In a rising interest rate scenario, borrowing cost has increased which is however offset by a corresponding increase in the total fund-based revenue.

The long and short term Credit Ratings of the Bank for FY 2004 have been maintained by PACRA at 'A' (Single A) and 'A1' (A One), respectively. The ratings denote a low expectation of credit risk and a strong capacity for timely payment of financial commitments.

In the fast changing economic scene, the Bank needs to grasp the opportunities that come its way by taking quick decisions and guard against the hazards through effective risk management. The management remains forward-looking and vigilant to add value to the investment of the shareholders and at the same time contribute to the growth of the capital markets.

Karachi  
February 23, 2005

On behalf of the board

NAIM FAROOQUI  
Chief Executive

## **REVIEW REPORT TO THE MEMBERS**

We have reviewed the annexed balance sheet of **ORIX INVESTMENT BANK PAKISTAN LIMITED** as at **December 31, 2004**, and the related profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof (hereinafter referred to as the "financial statements"), for the half-year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the International Standard on Auditing applicable to review engagements. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the annexed financial statements are not presented fairly, in all material respects, in accordance with approved accounting standards as applicable in Pakistan.

**Karachi**  
February 23, 2005

**Ford Rhodes Sidat Hyder & Co.**  
Chartered Accountants

**BALANCE SHEET  
AS AT DECEMBER 31, 2004 (UNAUDITED)**

	Note	December 31, 2004	June 30, 2004 Restated
		----- Rupees ----- ---	
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed assets - tangible			
Operating assets		17,190,919	12,005,852
Advance against purchase of fixed assets		270,000	795,000
		17,460,919	12,800,852
Intangible assets		-	472,229
Stock exchange membership card and room		43,950,000	43,950,000
Long-term loans and term finances - net		354,258,752	265,093,515
Long-term security deposits		2,717,760	2,735,760
Deferred tax asset		40,675,014	44,136,560
		<u>459,062,445</u>	<u>369,188,916</u>
<b>Current Assets</b>			
Short-term investments	4	735,807,029	1,133,981,704
Advance subscription for Term Finance Certificates		-	50,000,000
Funds placements with financial institutions	5	1,129,130,373	584,736,818
Short-term finances - net		661,766,897	596,463,933
Advances, deposits, prepayments and other receivables	6	260,746,476	114,872,814
Advance taxation - net		8,500,562	11,548,976
Cash and bank balances		344,309,336	194,292,199
		<u>3,140,260,673</u>	<u>2,685,896,444</u>
<b>TOTAL ASSETS</b>		<u><b>3,599,323,118</b></u>	<u><b>3,055,085,360</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Authorized capital			
50,000,000 (June 30, 2004 : 50,000,000) ordinary shares of Rs. 10/-each		500,000,000	500,000,000
Issued, subscribed and paid-up capital			
30,000,000 (June 30, 2004 : 30,000,000) fully paid ordinary shares of Rs. 10/-each issued for cash		300,000,000	300,000,000
3,000,000 (June 30, 2004 : Nil) fully paid ordinary shares of Rs. 10/-each issued as bonus rates		30,000,000	-
Capital Reserves			
Statutory reserve		72,243,516	72,243,516
Revenue Reserves			
Securities price fluctuation reserve		15,000,000	15,000,000
Unappropriated profit		96,863,767	127,915,040
		514,107,283	515,158,556
<b>Surplus / (Deficit) on revaluations of securities - net</b>		(6,410,351)	(12,972,931)
<b>Non-Current Liabilities</b>			
Long-term loans	7	466,666,666	300,000,000
Long-term certificates of deposit		49,135,716	51,200,716
		515,802,382	351,200,716
<b>Current Liabilities</b>			
Current maturity of long-term loans		166,666,666	85,844,088
Short-term certificates of deposit		1,118,916,028	694,512,571
Short-term borrowings		1,220,070,152	1,354,500,000
Short-term security deposits		4,025,000	4,025,000
Accrued expenses and other liabilities		52,145,958	17,817,360
Provision for taxation		14,000,000	45,000,000
		2,575,823,804	2,201,699,019
	8	-	-
		<u><b>3,599,323,118</b></u>	<u><b>3,055,085,360</b></u>

The annexed notes from 1 to 13 form an integral part of these financial statements

**PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED DECEMBER 31, 2004 (UNAUDITED)**

	Note	Half-Year Ended		Quarter Ended	
		December 31, 2004	December 31, 2003	December 31, 2004	December 31, 2003
		Rupees-----			
<b>INCOME</b>					
Income from loans, term finances and credit facilities		41,488,707	50,904,059	18,270,685	22,870,017
Income / return from investments and fund placements		102,814,662	73,208,813	70,027,930	46,975,592
Net (deficit) / gain on sale of investments		(37,184,585)	26,066,264	(34,464,374)	(2,754,043)
Fee, commission and brokerage		51,284,300	32,283,595	27,537,411	15,460,155
Other income		804,346	478,543	269,354	173,734
		<u>159,207,430</u>	<u>182,941,274</u>	<u>81,641,006</u>	<u>82,725,455</u>
<b>EXPENDITURE</b>					
Return on deposits and borrowings		64,044,110	48,152,913	37,988,568	24,419,144
Administrative and operating expenses		45,969,199	29,805,386	26,452,623	15,849,215
Allowance for potential losses on term finances / credit Facilities		9,500,000	18,000,000	3,500,000	9,000,000
		<u>119,513,309</u>	<u>95,958,299</u>	<u>67,941,191</u>	<u>49,268,359</u>
<b>Profit before taxation</b>		<u>39,694,121</u>	<u>86,982,975</u>	<u>13,699,815</u>	<u>33,457,096</u>
Provision for taxation					
- current		14,000,000	30,000,000	5,200,000	10,730,683
- deferred		(3,254,606)	(5,242,825)	(1,255,965)	(5,242,825)
		<u>10,745,394</u>	<u>24,757,175</u>	<u>3,944,035</u>	<u>5,487,858</u>
<b>Profit after taxation</b>		<u><u>28,948,727</u></u>	<u><u>62,225,800</u></u>	<u><u>9,755,780</u></u>	<u><u>27,969,238</u></u>
<b>Basic earnings per share</b>	9	<u><u>0.877</u></u>	<u><u>1.886</u></u>	<u><u>0.296</u></u>	<u><u>0.848</u></u>

The annexed notes from 1 to 13 form an integral part of these financial statements.

**CASH FLOW STATEMENT  
FOR THE PERIOD ENDED DECEMBER 31, 2004 (UNAUDITED)**

**December 31,                      December 31,**  
**2004                                      2003**  
----- Rupees -----

**CASH FLOW FROM OPERATING ACTIVITIES**

Profit before taxation	39,694,121	86,982,975
Adjustment for non-cash and other items		
Depreciation on fixed assets	1,753,187	1,585,072
Allowances for potential losses on term finance / credit facilities	9,500,000	18,000,000
Amortisation on intangible assets	472,229	708,330
(Gain) / loss on sale of fixed assets	(260,292)	151,875
	11,465,124	20,445,277
	<hr/>	<hr/>
Cash flows from operating activities before working capital changes	51,159,245	107,428,252
Effect on cash flows due to working capital changes	22,781,758	5,894,523
Income tax paid	(41,951,586)	(34,215,038)
	<hr/>	<hr/>
Net cash inflow from operating activities	31,989,417	79,107,737

**CASH FLOW FROM INVESTING ACTIVITIES**

Capital expenditure	(7,112,962)	(36,786,401)
Long-term loans and term finances - net	(93,437,981)	12,247,161
Long term security deposits	18,000	75,000
Sale proceeds from disposal of fixed assets	960,000	123,066
Net cash (outflow) / inflow from investing activities	(99,572,943)	(24,341,174)

**CASH FLOW FROM FINANCING ACTIVITIES**

Certificates of deposit	(2,065,000)	(82,250,000)
Long-term loans	247,489,244	15,981,304
Dividend paid	(27,823,581)	(59,287,345)
	<hr/>	<hr/>
Net cash inflow / (outflow) from financing activities	217,600,663	(125,556,041)
	<hr/>	<hr/>
Net increase / (decrease) in cash and cash equivalents	150,017,137	(70,789,478)
Cash and cash equivalents of the beginning of the period	194,292,199	91,456,620
	<hr/>	<hr/>
Cash and cash equivalents at the end of the period	<u>344,309,336</u>	<u>20,667,142</u>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED DECEMBER 31, 2004 (UNAUDITED)**

	Note	Issued, Subscribed and paid-up capital	Capital reserves		Revenue reserves		Total reserves	Total
			Statutory reserve	Reserve for issue of bonus shares	Securities price fluctuation reserve	Unappropriated profit		
<b>Balance as at July 1, 2003 - as previously reported</b>		300,000,000	48,871,226	-	-	50,484,913	99,356,139	399,356,139
Effect of change in accounting policy Appropriations declared subsequent to the year end - added back - Dividend	3.1	-	-	-	-	60,000,000	60,000,000	60,000,000
<b>Balance as at July 1, 2003 - restated</b>		300,000,000	48,871,226	-	-	110,484,913	159,356,139	459,356,139
Effect of change in accounting policy Appropriations declared subsequent to the year end - Dividend		-	-	-	-	(60,000,000)	(60,000,000)	(60,000,000)
Net profit for the half-year		-	-	-	-	62,225,800	62,225,800	62,225,800
<b>Balance as at December 31, 2003</b>		<u>300,000,000</u>	<u>48,871,226</u>	<u>-</u>	<u>-</u>	<u>112,710,713</u>	<u>161,581,939</u>	<u>461,581,939</u>
<b>Balance as at July 1, 2004 - as previously reported</b>		300,000,000	72,243,516	30,000,000	15,000,000	67,915,040	185,158,556	485,158,556
Effect of change in accounting policy Appropriations declared subsequent to the year end - added back - Dividend - Bonus share		-	-	-	-	30,000,000	30,000,000	30,000,000
		-	-	(30,000,000)	-	30,000,000	-	-
<b>Balance as at July 1, 2004 - restated</b>		300,000,000	72,243,516	-	15,000,000	127,915,040	215,158,556	515,158,556
Effect of change in accounting policy Appropriations declared subsequent to the year end - Dividend - Bonus share		-	-	-	-	(30,000,000)	(30,000,000)	(30,000,000)
		-	-	30,000,000	-	(30,000,000)	-	-
Net profit for the half-year		-	-	-	-	28,948,727	28,948,727	28,948,727
Transferred during the half-year		30,000,000	-	(30,000,000)	-	-	(30,000,000)	-
<b>Balance as at December 31, 2004</b>		<u>330,000,000</u>	<u>72,243,516</u>	<u>-</u>	<u>15,000,000</u>	<u>96,863,767</u>	<u>184,107,283</u>	<u>514,107,283</u>

The annexed notes from 1 to 13 form an integral part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED DECEMBER 31, 2004 (UNAUDITED)

### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 ORIX Investment Bank Pakistan Limited (the Company) was incorporated as a public limited Company in Pakistan under the name of ORIX Investment Finance Company Pakistan Limited. Subsequently, the name of the Company was changed to ORIX Investment Bank Limited. The registered office of the company is situated at Overseas Investors Chamber of Commerce Building, Talpur Road, Karachi, Pakistan. The Company is licensed to carry out investment finance services as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 issued by the Securities and Exchange Commission of Pakistan (SECP) [Previously described under SRO 585 (1)/87 dated July 13, 1987 issued by the Ministry of Finance, Government of Pakistan]. The company is listed on the Karachi and Lahore Stock Exchanges.
- 1.2 The company is corporate member of the Karachi Stock Exchange (Guarantee) Limited and is engaged in equity brokerage services since April 15, 2004.

### 2. BASIS FOR PREPARATION

These financial statements are unaudited but subject to limited scope review by the auditors and are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" as applicable in Pakistan.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed for the preparation of these financial statements are the same as those applied in preparing the financial statements for the year ended June 30, 2004, except for the change in accounting policy as stated below:

#### 3.1 Change in accounting policy

During the half-year, the Securities and Exchange Commission of Pakistan (SECP) substituted the Fourth Schedule to the Companies Ordinance, 1984 vide SRO 589(I)/2004 dated July 5, 2004, which is effective from the financial year ending on or after July 5, 2004. This has resulted in the change in accounting policy pertaining to the recognition of dividends and other appropriations declared subsequent to the year / period end. Dividends and other appropriations to general reserve are now recognised in the period in which these are declared. Up until the previous year, dividends declared and appropriations made after the balance sheet date but before the financial statements were authorised for issue, were recognised as of the balance sheet date.

The change in accounting policy has been accounted for retrospectively and comparative information has been restated in accordance with the benchmark treatment specified in International Accounting Standard (IAS) 8 "Net Profit or Loss for the Period, Fundamental Errors and Changes in Accounting Policies". Had there been no change in the accounting policy, the Unappropriated profit as at June 30, 2004 would have been lower by Rs. 60,000,000 (June 30, 2003: Rs. 60,000,000) and the liability for the proposed dividend and reserves for issue of bonus shares would have been higher as at June 30, 2004 by Rs. 30,000,000 (June 30, 2003: Rs. 60,000,000) and Rs. 30,000,000 (June 30, 2003: Nil) respectively. The effect of change in accounting policy has been reflected in the comparative balance sheet and the statement of change in equity. The change in accounting policy has not resulted in any change in the profit for the current period.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED DECEMBER 31, 2004 (UNAUDITED)**

	Note	December 31, 2004 Rupees	June 30, 2004 Rupees
<b>4. SHORT TERM INVESTMENTS</b>			
Held for trading		52,503,728	56,181,129
Quoted equity securities			
Available for sale			
Government securities		344,153,270	774,850,668
Quoted securities			
- Term Finance Certificates		143,708,836	161,939,383
- Investment in Mutual Funds		107,692,847	83,258,176
		251,401,683	245,197,559
Unquoted securities - Term Finance Certificates	4.1	68,325,334	38,329,334
Commercial paper	4.2	19,423,014	19,423,014
		683,303,301	1,077,800,575
		<u>735,807,029</u>	<u>1,133,981,704</u>

**4.1 Unquoted term Finance Certificates (at Cost):**

Crescent Commercial Bank Limited (formerly Fidelity Investment Bank Limited)	4.1.1	19,992,000	19,996,000
Orient Petroleum Inc.	4.1.1	8,333,334	8,333,334
Pakistan Mobile Communications (Private) Limited	4.1.1	5,000,000	5,000,000
Crescent Steel & Allied Products Limited	4.1.1	5,000,000	5,000,000
Al-Noor Sugar Mills Limited		30,000,000	-
		<u>68,325,334</u>	<u>38,329,334</u>

**4.1.1** These Term Finance Certificates have been reclassified from quoted Term Finance Certificates to unquoted Term Finance Certificates in comparative figures.

**4.2** This is a short term, unsecured, Commercial Paper issued by a local manufacturing company carrying a return of 3.90 percent per annum and will mature in February 2005.

**5. FUNDS PLACEMENTS - Considered good**

Clean placements - unsecured	5.1
Under reverse repurchase agreements of government securities - secured	5.2 & 5.3
Under reverse repurchase agreements of quoted securities - secured	5.3

**5.1** Represents amounts placed with financial institutions carrying mark-up at the rate of 9.00 to 15.00 percent (June 30, 2004: 5.00 to 11.00 percent) per annum.

**5.2** Represents amounts carrying mark-up at the rate of 8.52 to 18.64 percent (June 30, 2004: Nil) per annum.

**5.3** Market value of securities held as collateral against funds placements:

Quoted shares	1,091,100,169	-
Pakistan Investment Bonds	-	419,800,000
	<u>1,091,100,169</u>	<u>419,800,000</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED DECEMBER 31, 2004 (UNAUDITED)**

**6. ADVANCES, DEPOSIT, PREPAYMENTS AND OTHER RECEIVABLES**

The above includes Rs. 118,563,987 (June 30, 2004: Nil) and Rs. 49,841,300 (June 30, 2004: Nil) due from customers and dividend receivable, respectively, pertaining to the Equity Brokerage Division.

**7. LONG TERM LOANS / CREDIT FACILITIES**

**7.1** This includes a long term loan obtained during the half-year from a commercial bank amounting to Rs. 100 million carrying a mark-up at the rate of 6 months ask average KIBOR plus 1.50 percent per annum with no floor or cap. The loan is secured by way of first ranking pari passu charge by the way of hypothecation of present and future book debts and receivables of the Company. The balance loan amounting to Rs. 83.33 million as at December 31, 2004 is repayable in four installments by June 21, 2007.

**7.2** This also includes a long term loan of Rs. 300 million obtained from commercial bank carrying a mark-up at the rate of 6 months ask average KIBOR plus 1.00 percent per annum. The loan is secured by way of first ranking pari passu charge by way of hypothecation of present and future book debts and receivables of the Company. The loan is repayable in twelve installments by November 30, 2007.

**8. CONTINGENCIES AND COMMITMENTS**

	<b>December 31, 2004 Rupees</b>	<b>June 30, 2004 Rupees</b>
<b>8.1 Contingencies</b>		
Guarantees issued on behalf of customers	124,200,000	14,200,000
Tax contingencies	5,954,257	5,954,257
<b>8.2 Commitments</b>		
Undisbursed credit commitments	38,125,000	32,500,000

**9. BASIC EARNINGS PER SHARE**

	<b>Half-Year Ended</b>		<b>Quarter Ended</b>	
	<b>December 31, 2004</b>	<b>December 31, 2003</b>	<b>December 31, 2004</b>	<b>December 31, 2003</b>
Net profit for the period (Rupees)	28,948,727	62,225,800	9,755,780	27,969,238
Weighted average number of ordinary shares outstanding during the period	33,000,000	33,000,000	33,000,000	33,000,000
Basic earnings per share (Rupees)	0.877	1.886	0.296	0.848

**9.1** The comparative figure for weighted average number of shares has been readjusted for bonus issue during the period.

**9.2** No figure for diluted earnings per share has been presented as the Company has not issued any instruments which would have an impact on earnings per share when exercised subsequent to December 31, 2004.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED DECEMBER 31, 2004 (UNAUDITED)**

**10. SEGMENT RESULTS**

The segment results for the half-year ended December 31, 2004 are as follows:

	Credit and Marketing	Treasury	Corporate Finance	Money Market Brokerage	Equity Brokerage	Total
	----- Rupees -----					
<b>Segment results for the half-year ended December 31, 2004</b>						
External operating revenue	41,488,707 *	6,495,955	27,700,965	6,417,132	76,300,325	158,403,084
Inter-segment revenue	-	(1,261,270)	-	795,381	465,889	-
Unallocated revenue						804,346
	<u>41,488,707</u>	<u>5,234,685</u>	<u>27,700,965</u>	<u>7,212,513</u>	<u>76,766,214</u>	<u>159,207,430</u>
Segment results	2,976,858	(23,336,676)	20,229,340	(1,344,089)	40,294,342	38,819,775
Unallocated revenue						804,346
Profit before taxation						39,624,121
Income tax expense						10,745,394
<b>Net profit for the half-year</b>						<u>28,878,727</u>
<b>Segment results for the half-year ended December 31, 2003</b>						
External operating revenue	60,558,869	89,620,267	21,496,560	10,787,035	-	182,462,731
Inter-segment revenue	-	-	-	-	-	-
Unallocated revenue						478,543
	<u>60,558,869</u>	<u>89,620,267</u>	<u>21,496,560</u>	<u>10,787,035</u>	<u>-</u>	<u>182,941,274</u>
Segment results	15,275,844	54,023,538	13,115,285	4,089,765	-	86,504,432
Unallocated revenue						478,543
Profit before taxation						86,982,975
Income tax expense						24,757,175
<b>Net profit for the half-year</b>						<u>62,225,800</u>

This amount is net of deficit on sale of Investments amounting to Rs. 37,184,585 incurred during the half-year.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED DECEMBER 31, 2004 (UNAUDITED)**

	Half-Year Ended		Half-Year Ended	
	December 31, 2004	December 31, 2003	December 31, 2004	December 31, 2003
	----- Rupees -----			
<b>11. TRANSACTIONS WITH RELATED PARTIES / ASSOCIATED UNDERTAKINGS</b>				
Brokerage fee earned	4,467,798	1,651,848	3,163,618	849,913
Underwriting / arrangement fee received during the period	-	4,750,000	-	4,680,000
Mark-up / Interest paid on long term finance to:				
- Saudi Pak Industrial and Agricultural Investment Company (Pvt.) Limited	722,112	2,554,458	242,677	1,140,612
Certificate of deposit from:				
- a relative of a director	-	1,615,707	-	1,615,707
- Pakistan Automotive Manufacturers Association	6,183,998	6,069,096	6,183,998	6,069,096
Mark-up / Interest charged on certificates of deposit from:				
- a relative of a director	-	76,789	-	76,789
- Pakistan Automotive Manufacturers Association	121,960	284,649	38,214	33,169
- Pak Kuwait Investment Company (Pvt.) Limited	739,726	-	739,726	-
Dividend Paid	15,244,500	26,364,000	15,244,500	26,364,000

**12. DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorised for issue on February 23, 2005 by the Board of Directors of the Company.

**13. GENERAL**

**13.1** Quarterly figures were not subject to an audit or a limited scope review by the auditors.

**13.2** Due to certain changes made by the Securities and Exchange Commission of Pakistan (SECP) in the Fourth Schedule to the Companies Ordinance, 1984 vide circular SRO 589(I)/2004 dated July 5, 2004, previous period's figures have been rearranged or reclassified wherever necessary for the purpose of comparison.

**13.3** Figures have been rounded off to the nearest rupee.

**KUNWAR IDRIS**  
Chairman

**NAIM FAROOQUI**  
Chief Executive