



# Managing UTP Mutual Funds

Unaudited financial statements  
for the period ended March 31, 2007

**JS ABAMCO Limited**  
(formerly ABAMCO Limited)

## ***Vision***

*To be Industry Leaders in  
Financial Services*








## ***Mission***

*Pursuit of Professional  
Excellence*

## ***Core Values***

- *Share Holder Value*
- *Integrity*
- *Commitment*

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# Organization

## **Board of Directors**

Munawar Alam Siddiqui - Chairman  
Muhammad Najam Ali - Chief Executive Officer  
Ali Raza Siddiqui - Executive Director  
Nazar Mohammad Shaikh  
Sher Afgan Zuhair Siddiqui  
Lt. Gen. (Retd.) Masood Parwaiz  
William H. Kleh

## **Chief Financial Officer and Company Secretary**

Suleman Lalani

## **Auditors**

A.F. Ferguson & Co.  
Chartered Accountants

## **Legal Adviser**

Bawaney & Partners

## **Bankers**

Bank Al-Falah Limited  
Faysal Bank Limited  
Habib Metropolitan Bank Limited  
JS Bank Limited  
MCB Bank Limited  
Soneri Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
The Bank of Punjab

## **Registered Office**

7<sup>th</sup> Floor, The Forum, G-20, Khayaban-e-Jami,  
Block-9, Clifton, Karachi-75600.  
Tel: (92-21) 111-222-626 Fax: (92-21) 5361724  
E-mail: [info@abamco.com](mailto:info@abamco.com)  
Website: [www.abamco.com](http://www.abamco.com)

## **Share Registrar**

Technology Trade (Private) Limited  
Dagja House, 241-C, Block-2, P.E.C.H.S.,  
Karachi.  
Tel: (92-21) 4391316-7  
Fax: (92-21) 4391318

## Directors' Report for the period ended March 31, 2007

The Board of Directors of JS ABAMCO Limited (formerly ABAMCO Limited) is pleased to present the quarterly report for the period ended March 31, 2007.

During the period, twenty percent shares of the Company were offered for sale to the general public at Rs. 65/- per share by few of the shareholders out of their shareholding in the Company. The Offer for Sale document was published on March 12, 2007 and public subscription was opened on March 21, 2007 and March 22, 2007. We received an overwhelming response to the offer, as the subscriptions of nearly two times of the shares offered were received.

The Company has achieved another milestone during the quarter by securitization and sale of its present and future management fee for Rs. 702.5 million to Financial Receivables Securitization Company Limited, a Special Purpose Vehicle created for this purpose. Furthermore, JS ABAMCO has been registered to act as Pension Fund Manager by the Securities and Exchange Commission of Pakistan (SECP). Pakistan Credit Rating Agency Limited (PACRA) awarded the Company an asset manager rating of AM2+, the highest ever to be received by any asset management company in Pakistan. PACRA also upgraded the long-term and short term credit rating of the Company to AA- (Double A minus) and A1+ (A One plus), respectively.

Staying on its promise to deliver a diversified product range to cater different preferences of investors, JS ABAMCO has launched a new open-end fund, UTP – Capital Protected Fund, during the current quarter. Units were offered to the general public from February 20, 2007 to February 22, 2007. The fund aims to protect investors' capital by investing significant portion of its funds in term deposits of AA rated banks or other fixed income instruments. The seed capital was Rs. 100 million and it stands at Rs. 1.119 billion as at March 31, 2007.

JS ABAMCO has posted the profit after taxation of Rs. 211.746 million (EPS of Rs. 2.12, 2006: Rs. 1.78), showing a growth of around 18.6% over the corresponding period of last year. Operating income jumped by 16% to Rs. 525.621 million. Remuneration from funds under management increased to Rs. 340.477 million from Rs. 324.725 million. Administrative expenses increased to Rs. 237.887 million during the period from Rs. 162.726 million of the corresponding period of nine months. Financial charges decreased by 7% to Rs. 56.387 million during the nine months period. We remain optimistic for the continuing growth the company has achieved over the years and thereby expects to maximize returns to its shareholders.

In the end, the Directors express their gratitude to the Securities and Exchange Commission of Pakistan for its valuable support, assistance and guidance. The Board also thanks the employees of the Company for their dedication and hard work and the shareholders for their confidence in the Management and the Group.

*On behalf of the Board*

**Muhammad Najam Ali**  
*Chief Executive Officer*

Karachi, April 23, 2007

**JS ABAMCO LIMITED (FORMERLY ABAMCO LIMITED)  
CONDENSED INTERIM BALANCE SHEET  
AS AT MARCH 31, 2007**

	(Unaudited)	(Audited)
Note	March 31, 2007	June 30, 2006
Amount in Rupees		
<b>Non-current assets</b>		
Fixed assets		
	Tangible fixed assets	269,135,161
4	309,347,690	
	Capital work-in-progress	5,456,497
4	13,025,886	
	Intangible assets	117,035,832
4	108,751,426	
	Long-term receivable from related parties - unsecured, considered good	13,300,000
	Long-term loans and advances - considered good	1,847,366
	1,553,401	
<b>Current assets</b>		
	Investments - available for sale	1,081,904,697
5	1,402,461,640	
	Loans and advances - considered good	21,275,020
	Deposits, prepayments and other receivables	29,801,475
	Balance due from Funds under management	211,334,255
	Cash and bank balances	602,183,393
6	23,692,728	
	1,724,082,689	1,946,498,840
<b>Current liabilities</b>		
	Short-term borrowings - secured	15,602,199
	Short-term redeemable capital	542,433,431
	Current maturity of long-term financing	288,785,534
	Accrued expenses and other liabilities	81,197,101
	Accrued mark-up	13,515,583
	Taxation payable	25,719,008
	-	25,719,008
	101,484,464	967,252,856
<b>Net current assets</b>		
	1,622,598,225	979,245,984
<b>Total assets less current liabilities</b>		
	2,068,576,628	1,386,020,840
<b>Represented by:</b>		
	Share capital	500,000,000
7	1,000,000,000	
	Unrealised loss on remeasurement of available for sale investments to fair value - net	(17,085,136)
5	(104,253,133)	
	Accumulated profit	701,034,158
	414,824,558	701,034,158
<b>Shareholders' equity</b>		
	Long-term financing	99,999,992
	Deferred Management Fee	-
8	496,485,660	
	Liability against Class B&C TFC	-
	Deferred taxation	52,920,476
	Surplus on revaluation of fixed assets - net of tax	49,151,350
	47,106,873	49,151,350
	2,068,576,628	1,386,020,840
<b>Commitments</b>		
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The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

**For JS ABAMCO Limited [Formerly ABAMCO Limited]**

**Muhammad Najam Ali**  
Chief Executive Officer

**Munawar Alam Siddiqui**  
Director

**JS ABAMCO LIMITED (FORMERLY ABAMCO LIMITED)  
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)  
FOR THE PERIOD ENDED MARCH 31, 2007**

Note	Period Ended		Quarter Ended	
	March 31, 2007	March 31, 2006	March 31, 2007	March 31, 2006
<b>Amount in Rupees</b>				
<b>INCOME</b>				
Remuneration from funds under management	340,476,855	324,725,067	110,562,074	141,192,196
Commission from open ended funds under management	6,167,612	7,939,778	693,447	5,558,623
Dividend Income	110,437,840	109,583,236	110,437,840	109,583,236
Mark-up on Term Finance Certificates	24,681,163	-	-	-
Gain / (loss) on sale of investments - net	11,689,883	5,579,836	9,200,467	(210,050)
Mark-up on lendings against securities purchased under resale arrangements	3,140,637	3,110,774	-	1,745,583
Underwriting commission	734,941	-	-	-
Return on bank deposits	5,148,279	295,518	467,003	9,129
Return on Certificates of Deposit	-	118,356	-	-
Rental income	10,180,754	1,849,703	3,766,822	579,915
Amortisation of Liability against Class B&C TFC 8	2,170,566	-	2,170,566	-
Liabilities no longer required written back	10,792,929	-	-	-
	<b>525,621,459</b>	<b>453,202,268</b>	<b>237,298,219</b>	<b>258,458,632</b>
<b>OPERATING EXPENSES</b>				
Administrative expenses	237,886,863	162,725,593	92,365,894	57,486,218
<b>OPERATING PROFIT</b>				
	<b>287,734,596</b>	<b>290,476,675</b>	<b>144,932,325</b>	<b>200,972,414</b>
Financial charges	56,386,888	60,723,877	3,185,142	20,002,819
	<b>231,347,708</b>	<b>229,752,798</b>	<b>141,747,183</b>	<b>180,969,595</b>
Other operating income	3,512,576	1,952,004	645,118	868,419
<b>Profit before tax</b>	<b>234,860,284</b>	<b>231,704,802</b>	<b>142,392,301</b>	<b>181,838,014</b>
Taxation - Current - for the period	36,437,015	52,314,158	2,501,945	38,319,916
- for prior years	(19,135,229)	-	-	-
- Deferred	5,812,574	902,180	6,140,297	2,064,784
	<b>23,114,360</b>	<b>53,216,338</b>	<b>8,642,242</b>	<b>40,384,700</b>
<b>Profit after taxation</b>	<b>211,745,924</b>	<b>178,488,464</b>	<b>133,750,059</b>	<b>141,453,314</b>
Earnings per share - basic and diluted 10	<b>2.12</b>	<b>1.78</b>	<b>1.34</b>	<b>1.41</b>

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

**For JS ABAMCO Limited [Formerly ABAMCO Limited]**

**Muhammad Najam Ali**  
Chief Executive Officer

**Munawar Alam Siddiqui**  
Director

**JS ABAMCO LIMITED (FORMERLY ABAMCO LIMITED)  
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE PERIOD ENDED MARCH 31, 2007**

	<b>Period Ended</b>	
	<b>March 31, 2007</b>	<b>March 31, 2006</b>
	<b>Amount in Rupees</b>	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit for the period before taxation	234,860,284	231,704,802
<b>Adjustment for non-cash and other items:</b>		
Remuneration income	(340,476,855)	(324,725,067)
Commission income	(6,167,612)	(7,939,778)
Depreciation	28,380,733	25,165,498
Amortisation of intangible assets	15,862,300	13,125,000
Financial charges	56,386,888	60,723,877
Dividend Income	(110,437,840)	(109,583,236)
Provision for Bonus	6,000,000	-
Liabilities no longer required written back	(10,792,929)	-
Gain on sale of fixed assets	(266,302)	(295,100)
Amortisation of Liability against Class B&C TFC	(2,170,566)	-
	<b>(128,821,899)</b>	<b>(111,824,004)</b>
<b>(Increase) / decrease in assets</b>		
Long term loans and advances	293,965	-
Long term receivable from related parties	1,000,000	(3,343,216)
Loans and advances	225,377	(2,766,047)
Deposits, prepayments and other receivables	(4,927,841)	(1,926,292)
<b>Increase / (decrease) in liabilities</b>		
Accrued expenses and other liabilities	(2,225,656)	(19,103)
	<b>(5,634,155)</b>	<b>(8,054,658)</b>
Net cash used in operating activities	(134,456,054)	(119,878,662)
Taxes paid	(56,658,624)	(28,169,981)
Bonus paid	(49,207,071)	(12,702,619)
Financial charges paid	(33,394,332)	(51,502,179)
Remuneration and commission received	369,950,301	281,175,587
<b>Net cash inflow from operating activities</b>	<b>96,234,220</b>	<b>68,922,146</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investments - net	(407,724,940)	(9,633,932)
Fixed capital expenditure incurred	(84,507,196)	(24,878,879)
Proceeds from sale of fixed assets	1,020,000	469,100
Dividend received	68,967,682	109,583,236
<b>Net cash (outflow)/ inflow from investing activities</b>	<b>(422,244,454)</b>	<b>75,539,525</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Short-term borrowings	(15,602,199)	129,690,194
Repayments against long term financing	(288,785,530)	(297,706,372)
Short- term redeemable capital	(577,428,551)	-
Securitisation of future management fee	629,335,849	-
<b>Net cash outflow on financing activities</b>	<b>(252,480,431)</b>	<b>(168,016,178)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(578,490,665)</b>	<b>(23,554,507)</b>
Cash and cash equivalents at beginning of the period	602,183,393	24,350,055
<b>Cash and cash equivalents at end of the period</b>	<b>23,692,728</b>	<b>795,548</b>

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

For JS ABAMCO Limited [Formerly ABAMCO Limited]

**Muhammad Najam Ali**  
Chief Executive Officer

**Munawar Alam Siddiqui**  
Director

**JS ABAMCO LIMITED (FORMERLY ABAMCO LIMITED)  
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)  
FOR THE PERIOD ENDED MARCH 31, 2007**

	Share capital	Accumulated profit	Reserve on amalgamation	Unrealised gain / (loss) on remeasurement of available for sale investments to fair value - net	Total
(Amount in Rupees)					
<b>Balance as at June 30, 2005</b>	500,000,000	168,778,729	(2,000,000)	(100,251,180)	566,527,549
Gain realised on disposal of available for sale investment	-	-	-	(217)	(217)
Unrealised gain on revaluation of available for sale investments - net	-	-	-	522,378,824	522,378,824
Incremental depreciation - net of deferred tax	-	2,044,478	-	-	2,044,478
Profit after taxation for the period ended March 31, 2006	-	178,488,464	-	-	178,488,464
<b>Balance as at March 31, 2006</b>	<u>500,000,000</u>	<u>349,311,671</u>	<u>(2,000,000)</u>	<u>422,127,427</u>	<u>1,269,439,098</u>
Gain realised on disposal of available for sale investments	-	-	-	(15,113,748)	(15,113,748)
Reserve on amalgamation adjusted against accumulated profit	-	(2,000,000)	2,000,000	-	-
Unrealised loss on revaluation of available for sale investments - net	-	-	-	(424,098,813)	(424,098,813)
Incremental depreciation - net of deferred tax	-	597,614	-	-	597,614
Profit after taxation for the period ended June 30, 2006	-	353,124,871	-	-	353,124,871
<b>Balance as at June 30, 2006</b>	<u>500,000,000</u>	<u>701,034,156</u>	<u>-</u>	<u>(17,085,134)</u>	<u>1,183,949,022</u>
Unrealised loss on revaluation of available for sale investments - net	-	-	-	(89,498,109)	(89,498,109)
Loss/ gain realized on disposal of investments	-	-	-	2,330,110	2,330,110
Issue of bonus shares during the period	500,000,000	(500,000,000)	-	-	-
Incremental depreciation - net of deferred tax	-	2,044,478	-	-	2,044,478
Profit after taxation for the period ended March 31, 2007	-	211,745,924	-	-	211,745,924
<b>Balance as at March 31, 2007</b>	<u>1,000,000,000</u>	<u>414,824,558</u>	<u>-</u>	<u>(104,253,133)</u>	<u>1,310,571,425</u>

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

**For JS ABAMCO Limited [Formerly ABAMCO Limited]**

**Muhammad Najam Ali**  
Chief Executive Officer

**Munawar Alam Siddiqui**  
Director

**JS ABAMCO LIMITED (FORMERLY ABAMCO LIMITED)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2007**

**1 STATUS AND NATURE OF BUSINESS**

**1.1** JS ABAMCO Limited (formerly ABAMCO Limited) is a public limited company incorporated in Pakistan on February 22, 1995 under the Companies Ordinance, 1984. During the current period, the company has applied for listing of its shares on the Karachi Stock Exchange (Guarantee) Limited as a result of the offer for sale of shares by few of the shareholders of the company to the general public. The registered office of the company is situated at 7th floor, 'The Forum', Khayaban-e-Jami, Clifton, Karachi. The company is a subsidiary of Jahangir Siddiqui and Company Limited (which has 52.02 percent direct holding in the company).

The company is registered with the Securities and Exchange Commission of Pakistan (SECP) as an "Investment Adviser" and "Asset Management Company" under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003. Further, the company has also obtained license from SECP to undertake Investment Finance Services and registered to act as Pension Fund Manager under Voluntary Pension System Rules, 2005.

**1.2** The company is an investment adviser and asset management company for the following:

Investment adviser of the following closed-end funds:

- BSJS Balanced Fund Limited
- UTP Large Cap Fund (formerly ABAMCO Composite Fund)
- UTP Growth Fund

Asset management company of the following open-ended funds:

- Unit Trust of Pakistan
- UTP - Income Fund
- UTP - Islamic Fund
- UTP - Aggressive Asset Allocation Fund
- UTP - Fund of Funds
- UTP - A-30+ Fund
- UTP - Capital Protected Fund

**2 STATEMENT OF COMPLIANCE**

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan, the requirements of the Companies Ordinance, 1984 and the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as are notified under the provisions of the Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance 1984, Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of these standards, the requirements of the Companies Ordinance 1984, Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 or the requirements of the said directives take precedence.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of International Accounting Standard (IAS) 34: "Interim Financial Reporting".

**3 ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of these financial statements are same as those applied in the preparation of the annual financial statements of the company for the year ended June 30, 2006.

		(Unaudited)	(Unaudited)
	Note	March 31, 2007	March 31, 2006
Amount in Rupees			
<b>4</b>	<b>FIXED ASSETS</b>		
<b>4.1</b>	<b>Tangible fixed assets</b>		
	The following additions were made to tangible fixed assets during the period:		
	Office premises	4,828,502	-
	Branch set-up	17,624,421	6,307,483
	Furniture and fixtures	686,865	1,768,347
	Office equipment	35,216,622	9,008,686
	Vehicles	11,003,500	3,479,000
		<u>69,359,910</u>	<u>20,563,516</u>
	The following disposals of tangible fixed assets were made during the period:		
	Office Equipment - Cost	-	84,000
	Vehicles - Cost	1,207,350	555,000
		<u>1,207,350</u>	<u>639,000</u>
<b>4.2</b>	<b>Intangible assets</b>		
	The following additions were made to intangible assets during the period:		
	Computer software	7,577,897	-
		<u>7,577,897</u>	<u>-</u>
		<b>(Unaudited)</b>	<b>(Audited)</b>
		<b>March 31, 2007</b>	<b>June 30, 2006</b>
		Amount in Rupees	
<b>4.3</b>	<b>Capital work-in-progress - at cost</b>		
	<b>Advance to suppliers against</b>		
	Civil works	4,032,026	2,500,000
	Acquisition of vehicles	2,288,000	879,000
	Acquisition of office and computer equipment	4,184,763	785,000
	Acquisition of software	1,521,097	1,292,497
	<b>Advance against membership of National Commodity Exchange Limited (NCEL)</b>	1,000,000	-
		<u>13,025,886</u>	<u>5,456,497</u>
<b>5</b>	<b>INVESTMENTS - available for sale</b>		
	<b>Investments in certificates / shares / units - at fair value</b>		
	<b>In related parties:</b>		
	BSJS Balanced Fund Limited	233,239,920	260,301,503
	UTP Large Cap Fund (formerly ABAMCO Composite Fund)	296,153,000	350,157,500
	UTP-Growth Fund	465,898,056	464,598,056
	UTP-Income Fund	143,822,220	-
	UTP-Capital Protected Fund	12,476,100	-
	Eye Television Network	14,918,069	6,847,638
		1,166,507,365	1,081,904,697
	<b>Others:</b>		
	KASB Bank Limited	154,497,750	-
	TRG Pakistan	66,351,355	-
	MCB Dynamic Cash Fund	10,084,670	-
	HBL Income Fund	5,020,500	-
		<u>1,402,461,640</u>	<u>1,081,904,697</u>

5.1 Details of investment of the company are as follows:

Name of the Investee Company / Fund	As at March 31, 2007					As at June 30, 2006				
	As at the beginning of the period	Purchases	Sales	As at March 31, 2007	Cost	Market value	Unrealised gain / (loss)	Cost	Market value	Unrealised gain / (loss)
--Number of certificates/shares/units --						-- Amount in Rupees --				
BSIS Balanced Fund Limited	21,423,992	1,900,000	-	23,323,992	266,283,336	233,239,920	(33,043,416)	244,904,080	260,301,503	15,397,423
UTP Large Cap Fund (formerly ABAMCO Composite Fund)	41,195,000	225,000	-	41,420,000	41,318,096	296,153,000	(117,034,096)	411,380,211	350,157,500	(61,222,711)
UTP Growth Fund	35,738,312	100,000	-	35,838,312	434,278,472	465,898,056	31,619,584	432,923,202	464,598,056	31,674,854
UTP Income Fund	-	328,231	64,636	263,595	141,468,812	143,822,220	2,353,408	-	-	-
UTP Capital Protected Fund	-	130,000	-	130,000	13,000,000	12,476,100	(523,900)	-	-	-
UTP Islamic Fund	-	34,603	34,603	-	-	-	-	-	-	-
UTP A30+ Fund	-	1,015,132	1,015,132	-	-	-	-	-	-	-
MCB Dynamic Cash Fund	-	100,000	-	100,000	10,000,000	10,084,670	84,670	-	-	-
HBL Income Fund	-	50,000	-	50,000	5,000,000	5,020,500	20,500	-	-	-
Faysal Bank Limited	-	200,000	200,000	-	-	-	-	-	-	-
MCB Bank Limited	-	100,000	100,000	-	-	-	-	-	-	-
Adamiye Insurance Limited	-	300,000	300,000	-	-	-	-	-	-	-
Pakistan Oilfield Limited	-	500,000	500,000	-	-	-	-	-	-	-
Pakistan Petroleum Limited	-	375,000	375,000	-	-	-	-	-	-	-
Eye Television Network	978,234	-	-	978,234	9,782,340	14,918,069	5,135,729	9,782,340	6,847,638	(2,934,702)
KASB Bank Limited	-	9,363,500	-	9,363,500	150,220,597	154,497,750	4,277,153	-	-	-
TRG Pakistan	-	7,349,412	1,000,000	6,349,412	63,494,120	66,351,355	2,857,235	-	-	-
					1,506,714,773	1,402,461,640	(104,253,133)	1,098,989,833	1,081,904,697	(17,085,136)

The above investments have been made in the shares / certificates with face value of Rs. 10 each, except for UTP-Capital Protected Fund, MCB Dynamic Cash Fund, HBL Income Fund where the face value is Rs 100 per unit and UTP Income Fund where the face value is Rs 500 per unit.

(Unaudited)	(Audited)
March 31, 2007	June 30, 2006
Amount in Rupees	

6 CASH AND BANK BALANCES

Cash in hand

Balance with banks:

In current accounts

In saving accounts

80,557	84,375
566,013	780,025
23,046,158	601,318,993
23,612,171	602,099,018
23,692,728	602,183,393

7 SHARE CAPITAL

March 31, 2007      June 30, 2006

Number of shares

100,000,000	100,000,000
50,000,000	50,000,000
150,000,000	150,000,000

**Au thorised**

Ordinary shares of Rs. 10 each  
Convertible Preference Shares

**Issued, subscribed and paid-up**

21,250,000	21,250,000
700,000	700,000
78,050,000	28,050,000
100,000,000	50,000,000

Ordinary shares of Rs. 10 each issued as fully paid in cash  
Fully paid ordinary shares of Rs. 10 each issued on amalgamation with CFSL  
Ordinary shares of Rs. 10 each issued as fully paid bonus shares

(Unaudited)	(Audited)
March 31, 2007	June 30, 2006
Amount in Rupees	
1,000,000,000	1,000,000,000
500,000,000	500,000,000
1,500,000,000	1,500,000,000
212,500,000	212,500,000
7,000,000	7,000,000
780,500,000	280,500,000
1,000,000,000	500,000,000

At March 31, 2007 Jahangir Siddiqui & Company Limited, the holding company, held 52,023,622 (June 30, 2006: 26,011,811) ordinary shares of Rs. 10/- each of the company.

On October 14, 2006, the Board of Directors approved a bonus issue of one share for every one share held, thereby increasing the issued, subscribed and paid-up capital of the company to Rs 1 billion.

During the period 20 million ordinary shares of Rs. 10 each were offered for sale to the general public at Rs. 65/- per share by few of the shareholders out of their existing shareholding in the company. The offer for sale document was published on March 12, 2007 and the public subscription was opened on March 21, 2007 and March 22, 2007 .

## 8 DEFERRED MANAGEMENT FEE

During the current period, the company has sold and assigned for Rs. 702.5 million its present and future management fee from few funds (listed below) under its management to Financial Receivables Securitization Company Limited (FRSCL), a special purpose vehicle, incorporated for this purpose in accordance with Companies (Asset Backed Securitisation) Rules, 1999.

### Securitized Funds

#### Open End Funds

- Unit Trust of Pakistan
- UTP-Islamic Fund
- UTP-Income Fund

#### Closed End Funds

- UTP-Growth Fund
- UTP - Large Cap Fund (formerly ABAMCO Composite Fund)
- BSJS Balanced Fund Limited

The SPV has issued various classes of term finance certificates (TFC) to the investors with following features:

	<b>Class 'A'</b>	<b>Class 'B'</b>	<b>Class 'C'</b>
<b>Issue Amount</b>	PKR 550 mln (Private Placement :PKR 393 mln, Public offering: PKR 157 mln)	PKR 150 mln (Private Placement :PKR 107 mln, Public offering: PKR 43 mln)	PKR 2.50 mln (Private Placement)
<b>Listing</b>	Lahore Stock Exchange	Lahore Stock Exchange	Unlisted
<b>Tenor</b>			
Grace Period	1 year on principal	3 year on principal	Till maturity on principal
Redemption	12 equal semi-annual installment commencing from 18th month after issue	8 equal semi-annual installment commencing from 42nd month after issue	Bullet payment at maturity
<b>Profit</b>	Base rate (ask side of six months KIBOR) plus 200 bps with a floor of 8% p.a. and a cap of 16% p.a. The profit will be paid in arrears on semi annual basis.		The interest will be paid out of the amount available with SPV as a result of differential, if any, between the interest charge for Class A & B calculated at the cap rate and actual incidence of interest, which is expected to be at 35% p.a. In case sufficient funds are not available on a given installment date, the same will be accumulated and payable on the succeeding installment date
<b>Put option</b>	-	The SPV will have a partial or full put option on the originator, exercisable on every semi-annual repayment date.	-
<b>Subordination</b>	-	-	Class 'C' TFCs will be subordinate to Class 'A' & 'B' TFCs for both principal and interest payments.

The company has classified the proceeds received from Class A TFC as Deferred Management fee in the balance sheet, as the management believes that it meets the true sale criteria. Deferred management fee is amortized under the units-of-revenue method. Under the units-of-revenue method, amortization for a period is calculated by computing a ratio of the proceeds received from the investor over the term of the agreement, and then applying the ratio to the deductions made by SPV during the period. While the proceeds from Class B & C TFC are recorded as debt in the balance sheet and amortized under the interest method.

(Unaudited)	(Audited)
March 31, 2007	June 30, 2006

## 9 COMMITMENTS

### 9.1 Commitments in respect of:

Capital expenditure	4,833,679	2,000,000
Consultancy services from JS Global Capital Limited - associate of JSCL	1,772,984	6,300,000
Asset acquired under operating lease	420,000	1,680,000

	Period Ended		Quarter Ended	
	March 31, 2007	March 31, 2006	March 31, 2007	March 31, 2006
	Amount in Rupees			
<b>10 EARNINGS PER SHARE - basic and diluted</b>				
Net profit for the period after taxation	211,745,924	178,488,464	133,750,059	141,453,314
Weighted average number of ordinary shares outstanding during the period	100,000,000	100,000,000	100,000,000	100,000,000
Earning per share - basic and diluted	2.12	1.78	1.34	1.41

(Unaudited) Period Ended	
March 31, 2007	March 31, 2006

## 11 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

### 11.1 The details of transactions with related parties during the period are as follows:

#### Transactions with BSJS Balanced Fund Limited

Remuneration income	27,979,181	28,335,435
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#### Transactions with ABAMCO Growth Fund

Remuneration income	-	14,246,018
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#### Transactions with ABAMCO Stock Market Fund

Remuneration income	-	23,321,096
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#### Transactions with ABAMCO Capital Fund

Remuneration income	-	54,905,288
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#### Transactions with UTP Growth Fund

Remuneration income	86,986,018	-
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#### Transactions with UTP-Large Cap Fund (formerly ABAMCO Composite Fund)

Remuneration income	53,737,298	61,502,910
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#### Transactions with UTP-Islamic Fund

Remuneration income	19,454,098	16,669,534
Commission income	513,512	544,730

#### Transactions with UTP-Income Fund

Remuneration income	39,849,200	18,726,917
Commission income	690,163	700,553

#### Transactions with Unit Trust of Pakistan

Remuneration income	54,266,993	54,574,510
Commission income	3,183,873	2,887,115

#### Transactions with UTP Aggressive Asset Allocation Fund

Remuneration income	50,153,955	51,517,967
Commission income	1,647,561	3,619,915
Other expenses incurred on behalf of the fund	473,165	-

	(Unaudited)	
	Period Ended	
	March 31, 2007	March 31, 2006
<b>Transactions with UTP - Fund of Funds</b>		
Remuneration income	1,239,421	925,392
Commission income	477	187,464
Other expenses incurred on behalf of the fund	270,243	-
Preliminary expenses incurred on behalf of the fund	-	2,380,428
Preliminary expenses incurred on behalf of the fund -reimbursed	-	2,430,428
<b>Transactions with UTP - A30+ Fund</b>		
Remuneration income	5,386,711	-
Commission income	127,843	-
Other expenses incurred on behalf of the fund	88,003	-
Preliminary expenses incurred on behalf of the fund	-	1,020,000
Preliminary expenses incurred on behalf of the fund -reimbursed	1,000,000	-
Other expenses reimbursed	187,500	-
<b>Transaction with UTP - Capital Protected Fund</b>		
Remuneration income	1,423,980	-
Commission income	4,184	-
Preliminary expenses incurred on behalf of the fund	1,225,500	-
Preliminary expenses incurred on behalf of the fund -reimbursed	1,155,000	-
<b>Transaction with UTP - Capital Protected Fund-II</b>		
Preliminary expenses incurred on behalf of the fund	1,000,000	-
<b>Transactions with Private Equity Fund</b>		
Expenses incurred	899,033	4,169,986
<b>Transactions with Mr. Jahangir Siddiqui</b>		
Royalty and advisory fee	7,500,000	-
<b>Transactions with Jahangir Siddiqui &amp; Company Limited (JSCL) - holding company</b>		
Rental Income	4,353,750	659,745
Mark-up expense on borrowing	3,391,297	8,120,372
Reimbursement of share of expenses	543,308	76,321
Expenses incurred on behalf of JSCL	1,119,490	484,723
Expenses incurred on behalf of JSCL -reimbursed	974,053	419,123
<b>Transactions with JS Global Capital Limited (JSGCL) formerly Jahangir Siddiqui Capital Markets Limited - associate of JSCL</b>		
Rental Income	3,454,857	1,080,000
Rent expense	4,410,000	434,849
Expenses incurred by the company on behalf of JSGCL	2,890,037	751,024
Expenses incurred by the the company on behalf of JSGCL -reimbursed	2,879,149	746,369
<b>Transactions with Mr. Ali Jehangir Siddiqui - major share holder</b>		
Consultancy fees paid	1,575,000	1,575,000
<b>Transactions with JS Bank Limited (JSBL) formerly Jahangir Siddiqui Investment Bank Limited - subsidiary of JSCL</b>		
Expenses incurred by the company on behalf of JSBL	22,030	8,595
Expenses incurred by the company on behalf of JSBL -reimbursed	25,661	-
<b>Transactions with Mr. Najam Ali - CEO</b>		
Mark-up on loan capitalized	1,876,999	2,114,691
<b>Transactions with key management personnel</b>		
Remuneration	45,107,592	18,064,003
Rent expense	680,000	766,000
<b>Transactions with Siddiqui Foundation</b>		
Donations made	4,500,000	-
<b>Transactions with Staff Provident Fund</b>		
Contributions during the period	3,437,944	2,941,591

(Unaudited)	(Audited)
March 31, 2007	June 30, 2006

**11.2 The details of balances due from / due to related parties are as follows:**

Balance due from BSJS Balanced Fund Limited	27,979,181	37,481,372
Balance due from UTP-Growth Fund	86,986,018	70,045,230
Preliminary expenses receivable from UTP-Growth Fund	1,625,000	1,625,000
Balance due from UTP-Large Cap Fund (formerly ABAMCO Composite Fund)	53,737,298	80,725,915
Preliminary expenses receivable from UTP-Large Cap Fund	18,000,000	24,000,000
Balance due from UTP-Islamic Fund	2,252,338	2,340,926
Balance due from UTP-Income Fund	4,906,427	4,427,728
Balance due from Unit Trust of Pakistan	6,228,122	7,559,468
Balance due from UTP-Aggressive Asset Allocation Fund	4,454,311	8,582,240
Balance due from UTP-Fund of Funds	401,172	171,164
Balance due from UTP-A30+Fund	742,465	212
Preliminary expenses receivable from UTP -A30+ Fund	-	1,000,000
Balance due from UTP-Capital Protected Fund	1,172,501	-
Preliminary expenses receivable from UTP-Capital Protected Fund	70,500	-
Preliminary expenses receivable from UTP-Capital Protected Fund-II	1,000,000	-
Preliminary expenses receivable from Private Equity Fund	5,128,536	4,229,503
Balance due from Jahangir Siddiqui & Company Limited (JSCL) - holding company	192,406	45,485
Balance due from JSBL - subsidiary of JSCL	6,252	2,985
Loan to Mr. Najam Ali - CEO	20,000,000	20,000,000
Mark-up on loan to Mr. Najam Ali - CEO	1,876,999	2,706,533
Advance against Salary	31,250	-
Transactions with JS Global Capital Limited - associate of JSCL	45,601	98,978
Balance due to Mr. Ali Jehangir Siddiqui - major share holder	175,000	1,050,000
Balance due to Mr. Jahangir Siddiqui	3,750,000	-

**12 CORRESPONDING FIGURES**

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison.

**13 GENERAL**

These condensed interim financial statements were authorised for issue on April 23, 2007 by the Board of Directors of the company.

**For JS ABAMCO Limited [Formerly ABAMCO Limited]**

**Muhammad Najam Ali**

Chief Executive Officer

**Munawar Alam Siddiqui**

Director

## BRANCH NETWORK

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### **JS ABAMCO Limited(Head Office)**

7<sup>th</sup> Floor, The Forum G 20,  
Khayaban-e-Jami, Block # 9,  
Clifton, Karachi-75600.  
UAN: (92-21) 111-222-626  
Fax: (92-21) 5361724 & 27

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### **JS ABAMCO Limited (Lahore Branch)**

307, Ground floor, Upper Mall,  
Lahore-54000.  
UAN: (92-42) 111-222-626  
Fax no: (92-42) 5789108

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### **JS ABAMCO Limited (Islamabad Branch)**

Ground Floor No. 6,  
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Fazal-e-Haq Road,  
Blue Area, Islamabad.  
UAN: (92-51) 111-222-626  
Fax: (92-51) 2806323

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### **JS ABAMCO Limited (Gujranwala Branch)**

40, Trust Plaza,  
GT Road, Gujranwala-52250.  
Ph: (92-55) 3253353 , 3252953  
Fax no. (92-55) 3253373

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### **JS ABAMCO Limited (Sialkot Branch)**

27<sup>th</sup>, Paris Road,  
Sialkot-53100.  
Ph: (92-52) 4298501-2  
Fax no. (92-52) 4298503

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### **JS ABAMCO Limited (Hyderabad Branch)**

Property No. 41/97, Ground Floor,  
Saddar, Hyderabad Cantonment.  
Ph: (92-22) 2720250, 2720077, 2720010  
Fax no. (92-22) 2720581

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### **JS ABAMCO Limited (Sharah-e-Faisal Branch)**

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Main Sharah-e-Faisal Karachi-75350.  
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### **JS ABAMCO Limited (Peshawar Branch)**

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### **JS ABAMCO Limited (Park Tower Branch)**

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 **JS ABAMCO**

**JS ABAMCO Limited**

(formerly ABAMCO Limited)

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