



Half Yearly Report
December 31, 2009
(Un-audited)



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Company Information

Board Of Directors

Mazharul Haq Siddiqui	Chairman
Syed Nizam Ahmed Shah	Independent Director
Chief Justice (R) Mahboob Ahmed	Independent Director
Ali J. Siddiqui	Director
Ali Raza Siddiqui	Director
Ali Hussain	Director
Stephen Christopher Smith	Director
Munaf Ibrahim	Chief Executive Officer

Audit Committee

Syed Nizam Ahmed Shah	Chairman
Chief Justice (R) Mahboob Ahmed	Member
Ali J. Siddiqui	Member
Farah Qureshi	Secretary

Executive Committee

Munaf Ibrahim
Ali J. Siddiqui
Ali Raza Siddiqui

Executive Compensation Committee

Syed Nizam Ahmed Shah
Chief Justice (R) Mahboob Ahmed

Company Secretary

Farah Qureshi

Chief Financial Officer

Kamran Qadir

Auditors

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Legal Advisors

Bawaney & Partners
Sayeed & Sayeed

Share Registrar

Technology Trade (Pvt.) Ltd.
241-C, Block-2, P.E.C.H.S., Karachi

Registered Office

6th Floor, Faysal House Shahra-e-Faisal
Karachi-75530, Pakistan

Website

www.js.com



CHAIRMAN'S STATEMENT TO THE SHAREHOLDERS

Dear Shareholders

On behalf of the Board of Directors, I am presenting the un-audited financial statements of Jahangir Siddiqui & Co. Ltd. (the "Company") along with consolidated financial statements of Jahangir Siddiqui & Co. Ltd. (the "Holding Company") and its subsidiaries for the six months period ended December 31, 2009.

The Economy

Pakistan's economy continued on the recovery path in the current period, as major macro indicators hinted towards improvement. Both the current account and trade deficit shrunk by 78% and 30% to PKR 1,800 million and PKR 5,700 million, respectively in 1HFY10, thanks to record remittances and lower imports. Inflation too came down to 10.5%, as lower commodity prices have kept price levels under check. That fundamentals are improving was also reiterated in a report by rating agency Moody's, which concluded the local downturn may have bottomed out. Moreover, money flows from IMF have helped build reserves to US\$ 15 billion, highest in 24 months.

However, concern remains over delays with respect to the promised foreign inflows, being a key element in meeting the budgetary targets. The effect was amplified by increasing government expenditure, especially pertaining to military spending. This has led the State Bank of Pakistan to keep a tight stance on its monetary policy and has resulted in the government announcing a cut in developmental expenditure, which will hurt the pace of recovery. We currently expect the economy to grow at 3.5% in FY10, as opposed to 2% in FY09 mainly led by growing agriculture output, coupled with a slim recovery in the manufacturing sector.

Stock Market Review

The half year ended December 31, 2009, has provided a return of 31% with an average trading volume of 173 million shares. Macroeconomic recovery and inclusion in the MSCI Frontier Market Index encouraged offshore investments to return to Pakistan after a major exodus in 2008. During July – December 2009, foreigners bought and sold shares worth US\$ 697 million and US\$ 406 million respectively, thus resulting in net buying of US\$ 291 million. Though the local market recovery was broad based, the E&P (+36%) and Fertilizer (+32%) stocks fared better than others. E&P scrips rallied on the back of higher dividend yields and a rebound in international oil prices, whereas the fertilizer sector perked up owing to higher DAP and urea offtake amid improved agricultural growth. We expect the market to carry forth its positive momentum, with an improved risk profile owing to economic recovery and improvement in the law and order situation.



Brief review of results

The Company has reported an after tax profit of PKR 950.8 million for the half year ended December 31, 2009 compared to profit after tax of PKR 2,124.7 million for the comparative period last year. Overall revenue for the half year was PKR 1,510.5 million as compared to PKR 2,756.3 million for the same period last year. Operating expenses for the half year of the current financial year were PKR 99.2 million as compared to PKR 136.6 million for the same period last year.

The basic and diluted earnings per share is PKR 1.25 per share.

Credit Rating

The Directors are pleased to inform you that the Company has a long term rating of AA+ (Double A plus) and short term rating of A1+ (A one plus) assigned to it by Pakistan Credit Rating Agency Limited. The long term rating denotes a very low expectation of credit risk and indicates a very strong capacity for timely payment of financial commitments. The short term rating denotes that obligations are supported by the highest capacity for timely repayment.

Outlook

The Company has managed to maintain its position since the first quarter and with improvement in activity and volumes in the Stock market performance would reflect. Further return from strategic investments will have an impact on the future earnings of the Company.

Acknowledgment

We express our sincere gratitude to our clients and business partners for their continued patronage to the Company and our management and employees for their dedication and hard work.

We would also like to acknowledge the work of the Securities and Exchange Commission of Pakistan, the State Bank of Pakistan and the Federal Board of Revenue for their efforts to strengthen the financial markets and measures to safeguard investor rights.

For and on behalf of the
Board of Directors

Karachi: February 20, 2010

Mazharul Haq Siddiqui
Chairman



AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim balance sheet of Jahangir Siddiqui & Co. Ltd. as at 31 December 2009 and the related condensed interim profit and loss account and condensed interim statements of comprehensive income, cash flows and changes in equity, together with the notes forming part thereof (here-in-after referred to as “interim financial information”) for the six-months’ period then ended. Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with international standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Ernst & Young Ford Rhodes Sidat Hyder & Co.

Chartered Accountants

February 20, 2010
Karachi





CONDENSED INTERIM FINANCIAL STATEMENTS

Condensed Interim Balance Sheet

As at December 31, 2009

	Note	December 31, 2009 (Un-audited)	June 30, 2009 (Audited)
.....(Rupees in '000).....			
ASSETS ■			
Non-Current Assets			
Property and equipment	5	22,513	28,591
Investment properties		2,732	3,052
Stock exchange membership cards and room		12,201	12,201
Long term investments	6	22,889,228	20,612,214
Long term loans and advance		1,673	1,945
Long term security deposits		1,493	1,493
		<u>22,929,840</u>	<u>20,659,496</u>
Current Assets			
Trade debts		-	21,781
Loans and advances	7	655	81,593
Prepayments, interest accrued and other receivables		7,909	16,300
Short term investments	8	5,926,164	2,148,669
Taxation - net		202,410	154,777
Cash and bank balances		68,231	101,874
		<u>6,205,369</u>	<u>2,524,994</u>
		<u>29,135,209</u>	<u>23,184,490</u>
EQUITY AND LIABILITIES ■			
Share Capital and Reserves			
Share Capital		7,632,853	7,632,853
Reserves		13,283,836	11,646,141
		<u>20,916,689</u>	<u>19,278,994</u>
Non-Current Liability			
Long term financing		2,838,724	3,212,313
Current Liabilities			
Trade and other payables		318,422	127,240
Accrued interest / mark-up on borrowings		252,003	153,080
Short term borrowings	9	4,402,671	100,511
Current portion of long term financing		406,700	312,352
		<u>5,379,796</u>	<u>693,183</u>
Commitment	10		
		<u>29,135,209</u>	<u>23,184,490</u>

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

Mazharul Haq Siddiqui
Chairman

Munaf Ibrahim
Chief Executive

Condensed Interim Profit and Loss Account

For The Half Year Ended December 31, 2009
(Un-audited)

Note	Half Year Ended		Quarter Ended	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
.....(Rupees in '000).....				
INCOME ■				
Return on investments	523,366	305,216	394,364	170,815
Gain on sale of investments - net	624,867	2,820,234	194,894	-
Income from long-term loans and fund placements	2,173	184,812	526	128,463
Other income	65,780	54,807	7,143	12,157
Gain / (loss) on revaluation of investments carried at fair value through profit and loss account - net	294,260	(608,777)	(181,843)	(218,784)
	<u>1,510,446</u>	<u>2,756,292</u>	<u>415,084</u>	<u>92,651</u>
EXPENDITURE ■				
Operating and administrative expenses	99,261	136,654	49,051	21,125
Finance cost	400,036	275,130	248,884	145,488
Provision for Workers' Welfare Fund	19,109	-	19,109	-
Provision for impairment against investments - net	36,614	219,639	36,614	219,639
	<u>555,020</u>	<u>631,423</u>	<u>353,658</u>	<u>386,252</u>
PROFIT / (LOSS) BEFORE TAXATION ■	<u>955,426</u>	<u>2,124,869</u>	<u>61,426</u>	<u>(293,601)</u>
Taxation				
Current	4,125	134	2,724	86
Prior	534	-	534	-
	<u>4,659</u>	<u>134</u>	<u>3,258</u>	<u>86</u>
PROFIT / (LOSS) FOR THE PERIOD AFTER TAXATION ■	<u>950,767</u>	<u>2,124,735</u>	<u>58,168</u>	<u>(293,687)</u>
.....(Rupees).....				
EARNINGS / (LOSS) PER SHARE ■				
	11			
Basic and diluted	<u>1.25</u>	<u>2.78</u>	<u>0.08</u>	<u>(0.38)</u>

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

Mazharul Haq Siddiqui
Chairman

Munaf Ibrahim
Chief Executive



Condensed Interim Statement of Comprehensive Income

For The Half Year Ended December 31, 2009

(Un-audited)

	Half Year Ended		Quarter Ended	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	.....(Rupees in '000).....			
PROFIT / (LOSS) FOR THE PERIOD AFTER TAXATION ■	950,767	2,124,735	58,168	(293,687)
OTHER COMPREHENSIVE INCOME / (LOSS)				
Revaluation of available for sale investments	1,450,213	(9,041,721)	(621,285)	(1,833,669)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD ■	<u>2,400,980</u>	<u>(6,916,986)</u>	<u>(563,117)</u>	<u>(2,127,356)</u>

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

Mazharul Haq Siddiqui
Chairman

Munaf Ibrahim
Chief Executive

Condensed Interim Cash Flow Statement

For The Half Year Ended December 31, 2009

(Un-audited)

Note	Half Year Ended	
	December 31, 2009	December 31, 2008
	..... (Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES ■		
Profit before taxation for the period	955,426	2,124,869
Adjustment for non cash charges and other items:		
Depreciation	6,606	9,174
Gain on sale of property and equipment	(188)	-
Gain on sale of NCEL membership card	(1,650)	-
Amortisation of transaction costs on term finance certificates	2,148	2,197
Interest income from special and defence saving certificates	(22,769)	(371)
(Gain) / loss on revaluation of investments carried at fair value through profit or loss - net	(294,260)	608,777
Provision for impairment against investments - net	36,614	219,639
Liability written back	50,000	-
Finance cost	397,888	272,933
	<u>174,389</u>	<u>1,112,349</u>
Operating profit before working capital changes	1,129,815	3,237,218
(Increase) / decrease in operating assets:		
Trade debts	21,781	-
Loans and advances	(162)	(352,973)
Prepayments, accrued mark-up and other receivables	8,391	1,071
Short term investments	(3,458,855)	1,951,558
Fund placements - net	-	325,411
Long term loans, advance and security deposits	272	178
	<u>(3,428,573)</u>	<u>1,925,245</u>
Increase / (decrease) in trade and other payables	79,927	(1,355,660)
Net cash (used in) / generated from operations	(2,218,831)	3,806,803
Mark-up paid	(298,965)	(236,453)
Taxes paid	(52,292)	(54,827)
Dividend paid	(702,030)	(10)
Net cash (outflow) / inflow from operating activities	(3,272,118)	3,515,513
CASH FLOWS FROM INVESTING ACTIVITIES ■		
Capital expenditure incurred	(234)	(945)
Proceeds from sale of property and equipment	214	-
Proceeds from sale of NCEL membership card	5,000	-
Investments acquired - net of sale	(787,276)	(4,400,800)
Net cash outflow from investing activities	(782,296)	(4,401,745)
CASH FLOWS FROM FINANCING ACTIVITIES ■		
Proceeds from issue of ordinary shares	-	4,002
Redemption of Term Finance Certificates	(281,389)	(31,889)
Net cash outflow from financing activities	(281,389)	(27,887)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,335,803)	(914,119)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,363	3,324,187
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	(4,334,440)	2,410,068

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

Mazharul Haq Siddiqui
Chairman

Munaf Ibrahim
Chief Executive

Condensed Interim Statement Of Changes In Equity

For The Half Year Ended December 31, 2009
(Un-audited)

	Issued, subscribed and paid-up capital			Reserves			Total
	Ordinary share capital	Ordinary Share premium	Bonus issue	General	Revenue	Other	
					Unappropriated profit/(accumulated loss)	Unrealised gain/(loss) on revaluation of available for sale investments - net	
	.....(Rupees in '000)						
Balance as at July 1, 2008	2,220,200	9,906,545	-	10,000,000	11,586,011	(2,684,863)	31,027,893
Proposed bonus Issue @243.7782003%	-	(5,412,569)	5,412,569	-	-	-	-
Profit for the period after taxation	-	-	-	-	2,124,735	-	2,124,735
Other comprehensive income / (loss)	-	-	-	-	-	(9,041,721)	(9,041,721)
Issue of right shares	84	3,918	-	-	-	-	4,002
Balance as at December 31, 2008	2,220,284	4,497,894	5,412,569	10,000,000	13,710,746	(11,726,584)	24,114,909
Balance as at July 1, 2009	7,632,853	4,497,894	-	10,000,000	(2,827,373)	(24,380)	19,278,994
Profit for the period after taxation	-	-	-	-	950,767	-	950,767
Other comprehensive income / (loss)	-	-	-	-	-	1,450,213	1,450,213
Appropriation during the period:							
Interim dividend @ Rs. 1 per ordinary share	-	-	-	-	(763,285)	-	(763,285)
Balance as at December 31, 2009 ■	7,632,853	4,497,894	-	10,000,000	(2,639,891)	1,425,833	20,916,689

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

Mazharul Haq Siddiqui
Chairman

Munaf Ibrahim
Chief Executive

Notes To The Condensed Interim Financial Statements

For the Half Year Ended December 31, 2009

(Un-audited)

1. THE COMPANY AND ITS OPERATIONS ■

Jahangir Siddiqui & Co. Ltd. (the Company) was incorporated under the Companies Ordinance, 1984 (the Ordinance) on May 4, 1991 as a public unquoted company. The Company is presently listed on Karachi Stock Exchange (Guarantee) Limited. The Company is also a corporate member of Karachi Stock Exchange (Guarantee) Limited and Islamabad Stock Exchange (Guarantee) Limited. The registered office of the Company is situated at 6th Floor, Faysal House, Main Shahra-e-Faisal, Karachi. The principal activities of the Company are trading of securities, maintaining strategic investments, consultancy services, underwriting, etc.

2. BASIS OF PREPARATION ■

These condensed interim financial statements are un-audited but subject to limited scope review by the auditors. These are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Karachi Stock Exchange. These condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan. These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2009.

These condensed interim financial statements are separate financial statements of the Company in which investments in subsidiaries and associates are accounted for on the basis of direct equity interest and are not consolidated.

3. ACCOUNTING POLICIES AND DISCLOSURES ■

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2009, except for the presentation changes resulting from the adoption of IAS 1 - "Presentation of Financial Statements (Revised)" as described below:

IAS 1 - Presentation of Financial Statements (Revised)

The revised standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented as a single line. In addition, the standard introduces the statement of comprehensive income: it presents all items of recognised income and expense, either in one single statement, or in two linked statements. The Company has elected to present two statements.

4. ESTIMATES ■

The preparation of condensed interim financial statements requires management to make judgements, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were same as those applied to the financial statements for the year ended June 30, 2009.

5. PROPERTY AND EQUIPMENT ■

The details of additions and disposals during the half year ended December 31, 2009 are as follows:

	December 31, 2009 (Un-audited)	June 30, 2009 (Audited)
.....(Rupees in '000).....		
Additions – cost		
Office equipment	151	735
Office furniture and fixtures	83	350
	<u>234</u>	<u>1,085</u>
Disposals – cost		
Office equipment	120	-
Motor vehicles	870	3,805
	<u>990</u>	<u>3,805</u>



6. LONG TERM INVESTMENTS ■

Investments in related parties:

Investment in subsidiaries
Investment in associates
Other related parties

Note	December 31, 2009 (Un-audited) .....(Rupees in '000).....	June 30, 2009 (Audited)
6.1	6,972,493	6,887,357
6.2	6,429,896	6,429,896
6.3	9,151,040	6,340,922
	22,553,429	19,658,175
	335,799	954,039
	22,889,228	20,612,214

Other investments

6.1 Investment in subsidiaries - at cost

These shares are Ordinary shares of Rs.10/- each, unless stated otherwise.

Number of shares		Quoted	Note	Activity	Holding		(Un-audited) December 31, 2009 .....(Rupees in '000).....	(Audited) June 30, 2009
December 31, 2009	June 30, 2009				December 31, 2009 %	June 30, 2009 %		
395,162,551*	395,162,551	JS Bank Limited Market value Rs. 2,007.42 (June 30, 2009: Rs. 2,382.83) million		Commercial Banking	64.49	64.49	2,596,056	2,596,056
52,023,617**	52,023,617	JS Investments Limited Market value Rs. 747.58 (June 30, 2009: Rs. 881.28) million	6.1.1	Asset Management & Investment Advisor	52.02	52.02	3,046,057	3,046,057
21,245,184***	21,245,184	Network Microfinance Bank Limited Market value Rs. 57.15 (June 30, 2009: Rs. 42.70) million Less: Impairment	6.1.1	Microfinance Banking	70.82	70.82	212,452 (4,500) 207,952	212,452 (4,500) 207,952
		Un-quoted						
73,736,250	73,736,250	JS Infocom Limited Net assets value Rs. 577.98 (June 30, 2009: Rs. 557.56) million based on un-audited financial statements for the period ended December 31, 2009 Less: Impairment		Telecom Media & Technology	100.00	100.00	708,490 (130,509) 577,981	708,490 (178,061) 530,429
10,000	10,000	JS International Limited Ordinary Shares of US\$ 1/- each having net assets value Rs.111.20 (March 31, 2009: Rs. 153.17) million based on un-audited financial statements for the period ended September 30, 2009 Less: Impairment		Investment services	100.00	100.00	294,882 (183,683) 111,199	294,882 (141,714) 153,168
1,895,000	1,177,500	Credit Chex (Private) Limited Ordinary shares of Rs. 100/- each having net assets value Rs. 12.85 (June 30, 2009: negative equity balance Rs. 17.10) million based on un-audited financial statements for the period ended December 31, 2009 Less: Impairment	6.1.2	Credit information & Credit rating	82.84	75.00	189,500 (176,648) 12,852	117,750 (114,120) 3,630
Balance carried forward							6,552,097	6,537,292

* These represent sponsor shares which are blocked for trading as per the requirements of the State Bank of Pakistan.

** These represent sponsor shares which are blocked for trading as per the requirements of the Securities and Exchange Commission of Pakistan.

*** Included herein are 9 million sponsor shares which are blocked for trading as per the requirements of the State Bank of Pakistan.

Number of shares		Activity	Holding		(Un-audited)	(Audited)	
December 31, 2009	June 30, 2009		December 31, 2009 %	June 30, 2009 %	December 31, 2009	June 30, 2009	
Balance brought forward					6,552,097	6,537,292	
63,000,000	58,000,000	Energy Infrastructure Holding (Private) Limited Net assets value Rs. 420.40 (June 30, 2009: Rs. 350.74) million based on un-audited financial statements for the period ended December 31, 2009 Less: Impairment	Power Generation & Distribution	100.00	100.00	630,000	580,000
					(209,604)	(229,935)	
					420,396	350,065	
					6,972,493	6,887,357	

6.1.1 The Company calculates the recoverable amount of its investment based on a value in use calculation as prescribed under IAS 36 - Impairment of Assets which was higher than the carrying value. These calculations have been made on a discounted cash flow based valuation methodology.

6.1.2 During the months of June and August 2009, Credit Chex (Private) Limited (CCPL), a subsidiary of the Company, offered 23.5669% and 17.9124% Right Shares to its shareholders respectively. Accordingly, the Company subscribed 277,750 Right Shares and 277,194 Right Shares of Rs. 100/- each of CCPL amounting to Rs. 55.47 million. Out of the total offered 717,500 Right Shares, CCPL received subscription against 554,694 Right Shares of Rs. 100/- each. The Company also subscribed 162,806 unsubscribed right shares of CCPL. As a result, the holding percentage of the Company in CCPL has increased from 75.00% to 82.84%.

6.2 Investment in associates - at cost ■

These shares are Ordinary shares of Rs.10/- each unless stated otherwise.

Number of shares		Note	Activity	Holding		(Un-audited)	(Audited)	
December 31, 2009	June 30, 2009			December 31, 2009 %	June 30, 2009 %	December 31, 2009	June 30, 2009	
Quoted								
21,734,826	21,734,826	6.2.1	JS Global Capital Limited Market value Rs. 1,526.22 (June 30, 2009: Rs. 1,489.05) million Less: Impairment	Dealing in & brokerage of marketable securities	43.47	43.47	3,701,314	3,701,314
					(448,934)	(448,934)	3,252,380	3,252,380
112,157,863	112,157,863		Azgard Nine Limited Market value Rs. 2,331.76 (June 30, 2009: Rs. 2,483.17) million	Textile Composite	24.96	24.96	3,041,950	3,041,950
11,238,812	11,238,812		JS Value Fund Limited Net asset value Rs. 63.16 (June 30, 2009: Rs. 117.22) million	Mutual Fund	9.48	9.48	135,566	135,566
					6,429,896	6,429,896	6,429,896	6,429,896

6.2.1 The Company calculates the recoverable amount of its investment based on a value in use calculation as prescribed under IAS 36 - Impairment of Assets which was higher than the carrying value. These calculations have been made on a discounted cash flow based valuation methodology.

6.3 Other related parties ■

Available for sale

These shares are Ordinary shares of Rs.10 each unless stated otherwise.

Number of shares		Activity	Holding		(Un-audited) December 31, 2009	(Audited) June 30, 2009	
December 31, 2009	June 30, 2009		December 31, 2009 %	June 30, 2009 %			
Quoted - at fair value							
7,000,000	9,000,000	Eye Television Network Limited	Television Network	14.00	18.00	203,770	258,750
111,256,116 *	111,256,116	BankIslami Pakistan Limited	Islamic Banking	21.07	21.07	653,073	708,701
18,675,500	18,675,500	EFU General Insurance Limited	General Insurance	16.24	16.24	1,822,729	1,645,125
15,435,000	15,838,400	EFU Life Assurance Limited	Life Assurance	20.58	21.12	2,122,312	1,582,890
25,040,389	-	Lucky Cement Limited	Cement Manufacturing	7.74	-	1,658,675	-
405,000	3,708,000	Attock Petroleum Limited	Oil Marketing	0.70	6.44	140,786	1,181,035
24,000,000	17,909,800	Pakistan International Container Terminal Limited	Container Terminal	21.99	19.69	2,378,640	956,921
5,394,346	-	Singer Pakistan Limited	Electrical Goods	17.39	-	161,830	-
50,000	-	Dadex Eternit Limited	Construction & Engineering	0.46	-	1,725	-
Un-quoted - at cost							
750,000	750,000	EFU Services (Private) Limited	Investment company	37.50	37.50	7,500	7,500
						9,151,040	6,340,922

* These represents sponsor shares which are blocked for trading as per the requirements of the State Bank of Pakistan.

7. Includes Rs Nil (June 30, 2009: Rs. 77.75 million) given as advance against subscription of shares of related parties.

December 31, 2009 (Un-audited)	June 30, 2009 (Audited)
.....(Rupees in '000).....	

8. SHORT TERM INVESTMENTS ■

Assets at fair value through profit or loss

- Listed equity securities	5,630,492	922,818
- Term finance certificates	-	603
- Open-end fund units	295,672	908,119
	5,926,164	1,831,540

Available for sale

- Listed equity securities	-	262,544
Related parties	-	54,585
Others	-	317,129
	5,926,164	2,148,669

		December 31, 2009 (Un-audited)	June 30, 2009 (Audited)
	Note	.....(Rupees in '000).....	
9. SHORT TERM BORROWINGS ■			
- Short term running finance under mark-up arrangements	9.1	<u>4,402,671</u>	<u>100,511</u>

9.1 The Company has short-term running finance facilities under mark-up arrangements aggregating to Rs. 5,570 million (June 30, 2009: Rs. 4,200 million) from various commercial banks carrying mark-up ranging between 13.96% and 15.77% (June 30, 2009: 13.93% and 17.49%) per annum. The unavailed aggregate credit facility of running finances amounts to Rs. 1,167.33 million (June 30, 2009: Rs. 4,099.49 million).

		December 31, 2009 (Un-audited)	June 30, 2009 (Audited)
		.....(Rupees in '000).....	
10. COMMITMENT ■			
Commitment in respect of:			
- Future purchase transactions of equity securities - Net		<u>139,101</u>	<u>-</u>

	Half Year Ended		Quarter Ended	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	.....(Un-audited).....			
	.....(Rupees in '000).....			

11. EARNINGS PER SHARE - BASIC AND DILUTED ■

Profit / (loss) after taxation attributable to Ordinary shareholders	<u>950,767</u>	2,124,735	<u>58,168</u>	<u>(293,687)</u>
	.....(Number in '000).....			

Weighted average number of Ordinary shares:				
weighted average number of Ordinary shares outstanding during the period	<u>763,285</u>	763,285	<u>763,285</u>	<u>763,285</u>
	.....(Rupees).....			

Earnings / (loss) per share:				
- Basic and diluted	<u>1.25</u>	2.78	<u>0.08</u>	<u>(0.38)</u>

		December 31, 2009 (Un-audited)	December 31, 2008 (Audited)
		.....(Rupees in '000).....	
12. CASH AND CASH EQUIVALENTS ■			

Cash and bank balances	68,231	2,410,068
Short term running finance utilised under mark-up arrangement	<u>(4,402,671)</u>	<u>-</u>
	<u>(4,334,440)</u>	<u>2,410,068</u>

13. RELATED PARTY TRANSACTIONS ■

Related parties comprise subsidiaries, associates, joint venture, directors, key management personnel and provident fund scheme. Significant transactions with related parties during the half year ended December 31, 2009 are as follows:



	Half Year Ended		Quarter Ended	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	.....(Un-audited).....			
	.....(Rupees in '000).....			
Subsidiary Companies				
Dividend income	-	52,024	-	52,024
Rent expense	3,606	3,355	1,803	1,678
Profit received on fund placements and deposit accounts	151	57,570	150	41,681
Subscription of shares	27,719	1,014,227	-	614,227
Underwriting commission received	-	375	-	375
Right shares received (No. of shares)	5,370,000	-	-	-
Associates				
Dividend income	231,338	100,146	228,587	19,677
Dividend paid	50	-	50	-
Brokerage expense	16,721	2,006	7,178	-
Rental income	11,731	10,913	5,865	5,457
Bonus shares received (No. of Shares)	-	6,209,837	-	-
Common Directorship				
Dividend income	182,542	89,729	96,907	89,729
Subscription of shares	-	338,293	-	325,061
Common Directorship and Key Management Personnel				
Dividend paid	1,181	-	1,181	-
Donations paid	-	237,379	-	-
Bonus shares received (No. of Shares)	-	618,000	-	618,000
Other Related Parties				
Dividend paid	354,663	-	354,663	-
Contributions to Staff Provident Fund	1,387	1,387	695	695
Interest / markup paid	6,310	5,901	3,118	2,743
Principal redemptions made against TFCs	1,002	1,428	1,002	8
Insurance premium paid	-	2,100	-	1
Royalty paid	4,950	4,950	2,475	2,475
Advisory fee paid	3,000	3,000	1,500	1,500
Key management personnel:				
Remuneration to Chief Executive Officer	6,704	6,658	3,381	3,354
Remuneration to Executives	13,984	15,867	7,261	7,952
Advisory fee to Director	3,000	3,000	1,500	1,500

The Company continues to have policy whereby all transactions with related parties are entered into arm's length prices using admissible valuation method.

14. DATE OF AUTHORISATION ■

These interim condensed financial statements were authorised for issue by the Board of Directors in their meeting held on February 20, 2010.

15. GENERAL ■

15.1 Figures for the quarter ended December 31, 2009 and the corresponding figures for the quarter ended December 31, 2008 as reported in these condensed interim financial statements have not been subject to limited scope review by the external auditors.

15.2 Figures have been rounded off to the nearest thousand rupees.

Mazharul Haq Siddiqui
Chairman

Munaf Ibrahim
Chief Executive





CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Condensed Interim Consolidated Balance Sheet

As at December 31, 2009

	Note	December 31, 2009 (Un-audited)	June 30, 2009 (Audited)
.....(Rupees in '000).....			
ASSETS ■			
Non-Current Assets			
Property and equipment	4	1,782,425	1,597,042
Intangible assets		5,828,968	5,850,417
Investment properties		2,732	3,052
Stock exchange membership cards and room		35,701	35,701
Long term investments	5	17,673,859	15,290,891
Long term loans, advances and other receivables		2,221,381	2,812,378
Long term deposits		32,178	2,191
Deferred taxation		949,995	119,711
		28,527,239	25,711,383
Current Assets			
Short term investments	6	17,273,080	12,136,289
Trade debts - unsecured		-	21,781
Loans and advances		9,922,199	7,121,787
Accrued markup		482,828	436,684
Deposits, prepayments and other receivables		218,861	375,385
Fund placements		3,628,564	2,953,017
Taxation - net		355,808	312,924
Cash and bank balances		3,825,106	4,730,508
		35,706,446	28,088,375
		64,233,685	53,799,758
EQUITY AND LIABILITIES ■			
Share Capital and Reserves			
Share capital		7,632,853	7,632,853
Reserves		15,810,091	13,496,418
Equity attributable to equity holders' of the parent		23,442,944	21,129,271
Non-controlling interests		3,759,667	3,543,608
Total equity		27,202,611	24,672,879
Non-Current Liabilities			
Long term financing		3,307,615	3,725,550
Deposits and other accounts		138,766	217,829
Employee benefit liability		37,961	32,261
		3,484,342	3,975,640
Current Liabilities			
Trade and other payables		1,095,300	1,043,125
Accrued interest / mark-up on borrowings		499,905	393,694
Short term borrowings		10,208,525	4,349,538
Current portion of non-current liabilities	7	21,743,002	19,364,882
Contingencies and Commitments	8	33,546,732	25,151,239
		64,233,685	53,799,758

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial information.

Mazharul Haq Siddiqui
Chairman

Munaf Ibrahim
Chief Executive

Condensed Interim Consolidated Profit and Loss Account

For the Half Year Ended December 31, 2009

(Un-audited)

Note	Half Year Ended		Quarter Ended	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	.....(Rupees in '000).....			
INCOME ■				
Return on investments	840,965	511,696	447,377	304,385
Gain on sale of investments - net	710,286	2,165,961	304,967	25,027
Income from long term loans and fund placements	892,775	972,285	474,606	529,316
Fee, commission and brokerage	279,446	324,274	154,179	135,353
Other income	156,932	173,926	56,435	83,024
Gain / (loss) on revaluation of investments carried at fair / value through profit and loss - net	316,907	(608,863)	(192,821)	(219,176)
	<u>3,197,311</u>	<u>3,539,279</u>	<u>1,244,743</u>	<u>857,929</u>
EXPENDITURE ■				
Operating and administrative expenses	1,456,878	1,060,544	637,635	488,479
Finance cost	1,496,498	1,153,509	802,749	593,457
Provision for workers' welfare fund	20,423	-	20,423	-
Provision / (reversal of provision) for impairment against investments	78,423	(754)	66,524	-
	<u>3,052,222</u>	<u>2,213,299</u>	<u>1,527,331</u>	<u>1,081,936</u>
	145,089	1,325,980	(282,588)	(224,007)
Share of profit / (loss) from:				
- associates	395,095	(292,004)	90,986	(195,606)
- joint ventures	(1,696)	(3,104)	(335)	(1,426)
	<u>393,399</u>	<u>(295,108)</u>	<u>90,651</u>	<u>(197,032)</u>
PROFIT / (LOSS) FOR THE PERIOD BEFORE TAXATION	<u>538,488</u>	<u>1,030,872</u>	<u>(191,937)</u>	<u>(421,039)</u>
TAXATION ■				
- Current	27,235	4,799	14,485	2,261
- Prior	534	-	534	-
- Deferred	(864,434)	35,534	(862,995)	36,755
	<u>(836,665)</u>	<u>40,333</u>	<u>(847,976)</u>	<u>39,016</u>
PROFIT / (LOSS) FOR THE PERIOD AFTER TAXATION	<u>1,375,153</u>	<u>990,539</u>	<u>656,039</u>	<u>(460,055)</u>
(Profit) / Loss attributable to non-controlling interests	(89,925)	61,453	(261,837)	39,834
	<u>1,285,228</u>	<u>1,051,992</u>	<u>394,202</u>	<u>(420,221)</u>
	.....(Rupees).....			
EARNINGS / (LOSS) PER SHARE ■				
- Basic and diluted	1.68	1.38	0.52	(0.55)

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial information.

Mazharul Haq Siddiqui
Chairman

Munaf Ibrahim
Chief Executive

Condensed Interim Consolidated Statement of Comprehensive Income

For The Half Year Ended December 31, 2009
(Un-audited)

	Half Year Ended		Quarter Ended	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	.....(Rupees in '000).....			
PROFIT / LOSS FOR THE PERIOD AFTER TAXATION ■	1,375,153	990,539	656,039	(460,055)
OTHER COMPREHENSIVE INCOME / (LOSS)				
Net effect of revaluation of available for sale investments to fair value held as at the period end	1,795,312	(10,928,918)	(743,808)	(2,633,362)
Exchange difference of translation of net assets of foreign subsidiaries to reporting currency	7,292	25,025	(689)	13,567
Share of other comprehensive income / (loss) of associates	133,377	87,634	31,866	1,083,184
	1,935,981	(10,816,259)	(712,631)	(1,536,611)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	3,311,134	(9,825,720)	(56,592)	(1,996,666)
Total comprehensive income / (loss) attributable to non-controlling interest	143,957	(892,384)	119,097	(369,149)
	3,167,177	(8,933,336)	(175,689)	(1,627,517)

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial information.

Mazharul Haq Siddiqui
Chairman

Munaf Ibrahim
Chief Executive

Condensed Interim Consolidated Cash Flow Statement

For the Half Year Ended December 31, 2009

(Un-audited)

Note	Half Year Ended	
	December 31, 2009	December 31, 2008
	..... (Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES ■		
Profit for the period before taxation	538,488	1,030,872
Adjustments for non cash charges and other items:		
Depreciation	130,680	74,280
Amortisation on intangible assets	33,401	31,905
Loss on sale of property and equipment	1,797	1,992
Interest income from national saving schemes	(22,769)	(371)
Share of (profit) / loss from associates and joint ventures	(393,399)	295,108
Charge for defined benefit plan	5,700	(638)
Liabilities no longer payable written back	(78,123)	(1,859)
Provision / (reversal of provision) for impairment against investments	78,423	(754)
(Gain) / loss on revaluation of investments carried at fair value through profit and loss - net	(316,907)	608,863
Finance cost	1,496,498	1,153,509
	<u>935,301</u>	<u>2,162,035</u>
Operating profit before working capital changes	1,473,789	3,192,907
(Increase) / decrease in operating assets :		
Short term investments	(4,519,649)	(55,894)
Trade debts	21,781	198,524
Loans and advances	(2,800,412)	1,127,938
Long term loans, advances, deposits and other receivables	561,010	(1,957,375)
Fund placements	(675,547)	967,592
Deposits, prepayments, accrued mark-up and other receivables	110,380	(161,507)
	<u>(7,302,437)</u>	<u>119,278</u>
Increase / (decrease) in operating liabilities:		
Trade and other payables	69,063	(1,821,447)
Deposits and other accounts	2,246,028	1,216,272
Net cash (used in) / generated from operations	(3,513,557)	2,707,010
Interest / mark-up paid	(1,388,139)	(1,102,688)
Taxes paid	(70,653)	(81,494)
Dividend paid	(702,050)	(7,506)
Net cash (outflow) / inflow from operating activities	(5,674,399)	1,515,322
CASH FLOWS FROM INVESTING ACTIVITIES ■		
Capital expenditure incurred	(321,674)	(442,075)
Intangible assets acquired	(11,952)	(24,637)
Proceeds from sale of property and equipment	4,134	4,251
Investment acquired - net of sale	(393,444)	(663,159)
Net cash outflow from investing activities	(722,936)	(1,125,620)
CASH FLOWS FROM FINANCING ACTIVITIES ■		
Redemption of term finance certificates	(367,054)	(106,289)
Proceeds from issue of ordinary shares	-	4,002
Long term loans - net of repayment	-	(1,543)
Repayment of lease liability	-	(2,034)
Securities sold under repurchase agreements	3,394,411	(854,084)
Net cash inflow / (outflow) from financing activities	3,027,357	(959,948)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(3,369,978)	(570,246)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	380,970	3,064,305
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	(2,989,008)	2,494,059

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial information.

Mazharul Haq Siddiqui
Chairman

Munaf Ibrahim
Chief Executive

Condensed Interim Consolidated Statement of Changes In Equity

For the Half Year Ended December 31, 2009

(Un-audited)

Note	ATTRIBUTABLE TO EQUITY HOLDERS' OF THE PARENT										NON-CONTROLLING INTERESTS	TOTAL
	Issued, subscribed and paid-up capital	Reserves								Sub-total		
		Capital	Revenue			Others						
			Ordinary share premium	General	Foreign exchange translation	Unappropriated profit / (accumulated loss)	Unrealised (loss) / gain on revaluation of available for sale investment - net	Statutory	Hedging				Preference share redemption
Ordinary shares												
..... (Rupees in '000)												
Balance as at July 1, 2008	2,220,200	11,395,668	10,000,000	7,461	13,385,998	(2,802,182)	61,514	49,125	25,589	34,343,373	3,223,523	37,566,896
Profit for the period	-	-	-	-	1,051,992	-	-	-	-	1,051,992	(61,453)	990,539
Other comprehensive income / (loss)	-	(36,775)	-	24,763	-	(10,036,795)	-	53,097	71,835	(9,923,875)	(892,384)	(10,816,259)
Statutory reserve	-	-	-	-	-	-	3,885	-	-	3,885	-	3,885
Proceeds from issue of Right Shares	84	3,918	-	-	-	-	-	-	-	4,002	-	4,002
Issue of bonus shares @243.7782003%	5,412,569	(5,412,569)	-	-	-	-	-	-	-	-	-	-
Balance as at December 31, 2008	7,632,853	5,950,242	10,000,000	32,224	14,437,990	(12,838,977)	65,399	102,222	97,424	25,479,377	2,269,686	27,749,063
Balance as at July 1, 2009	7,632,853	5,951,464	10,000,000	29,052	(2,578,541)	(102,636)	69,226	16,423	111,430	21,129,271	3,543,608	24,672,879
Profit for the period	-	-	-	-	1,285,228	-	-	-	-	1,285,228	89,925	1,375,153
Other comprehensive income	-	64,434	-	27,213	-	1,684,745	-	1,911	13,721	1,792,024	143,957	1,935,981
Appropriations during the period:												
Interim dividend @ Rs. 1 per Ordinary share	-	-	-	-	(763,285)	-	-	-	-	-	-	(763,285)
Statutory reserve	-	-	-	-	-	-	(294)	-	-	(294)	-	(294)
Acquisition of non-controlling interest 1.2.1	-	-	-	-	-	-	-	-	-	-	(17,823)	(17,823)
Balance as at December 31, 2009	7,632,853	6,015,898	10,000,000	56,265	(2,056,598)	1,582,109	68,932	18,334	125,151	24,206,229	3,759,667	27,202,611

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial information.

Mazharul Haq Siddiqui
Chairman

Munaf Ibrahim
Chief Executive

Notes To The Condensed Interim Consolidated Financial Statements

For the Half Year ended December 31, 2009

(Un-audited)

1. THE GROUP AND ITS OPERATIONS ■

1.1 Jahangir Siddiqui & Co. Ltd. (the Holding Company) and its subsidiary companies (together the Group) are involved in trading of securities, maintaining strategic investments, investment advisory, asset management, agency telecommunication, commercial banking, power generation and other businesses.

The Holding Company was incorporated under the Companies Ordinance, 1984 (the Ordinance) on May 4, 1991 as a public unquoted company. The Holding Company is presently listed on Karachi Stock Exchange (Guarantee) Limited. The Holding Company is also a corporate member of Karachi Stock Exchange (Guarantee) Limited and Islamabad Stock Exchange (Guarantee) Limited. The registered office of the Holding Company is situated at 6th Floor, Faysal House, Main Shahra-e-Faisal, Karachi. The principal activities of the Holding Company are trading of securities, maintaining strategic investments, consultancy services, underwriting, etc.

1.2 The Group comprises of the Holding Company and the following subsidiary companies that have been consolidated in these financial statements on the line by line basis. All material inter company balances, transactions and resulting unrealised profits / losses have been eliminated:

Subsidiary Companies	Nature of Business	Note	Date of Acquisition /Disposal	Holding (including indirect holding)	
				December 2009	June 2009
JS Investments Limited (JSIL)	Investment Advisor, Asset Manager and Investment Banking		July 31, 2000	52.02%	52.02%
JS Infocom Limited	Telecom, Media and Technology		August 25, 2003	100.00%	100.00%
JS International Limited	Investment Advisory Services		July 14, 2005	100.00%	100.00%
JS International LLP (Sub-subsidiary)	Investment Advisory Services		April 11, 2006	100.00%	100.00%
JS Bank Limited (JSBL)	Commercial Banking		December 30, 2006	64.49%	64.49%
JS Fund Management (Mauritius) Limited (Sub-subsidiary)	Investment Advisory & Investment Management Services		April 04, 2007	100.00%	100.00%
Credit Chex (Private) Limited	Credit Information and Credit Rating Services	1.2.1	October 8, 2007	82.84%	75.00%
JS ABAMCO Commodities Limited (Sub-subsidiary)	Commodity brokerage		December 12, 2007	52.02%	52.02%
MOBEX Limited (Sub-subsidiary)	Telecom and Technology		March 20, 2008	70.00%	70.00%
Energy Infrastructure Holding (Private) Limited	Power generation		July 07, 2008	100.00%	100.00%
Network Microfinance Bank Limited	Microfinance Services		March 11, 2009	70.82%	70.82%

1.2.1 During the period, the Group acquired an additional 7.84% of the voting shares of Credit Chex (Private) Limited (CCPL), a subsidiary of the Holding Company, through investment in unsubscribed right shares taking its ownership to 82.84%. The difference between the consideration and the book value of the interest acquired, has been recognized as acquisition of non-controlling interest.

2. STATEMENT OF COMPLIANCE ■

These condensed interim consolidated financial statements are un-audited and are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Karachi Stock Exchange. These condensed interim consolidated financial statements have been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan. These condensed interim consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Company's annual consolidated financial statements for the year ended June 30, 2009.

The comparative balance sheet presented in these condensed interim consolidated financial statements has been extracted from the audited consolidated financial statements of the Group for the year ended June 30, 2009, whereas the comparative profit and loss account, statement of comprehensive income, statement of changes in equity and cash flow statement are stated from the unaudited condensed interim consolidated financial statements for half year ended December 31, 2008.

3. ACCOUNTING POLICIES AND DISCLOSURES ■

The accounting policies adopted in the preparation of these condensed interim consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended June 30, 2009, except for the presentation changes resulting from the adoption of IAS 1 - "Presentation of Financial Statements (Revised)" as described below:

IAS 1 - Presentation of Financial Statements (Revised)

The revised standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented as a single line. In addition, the standard introduces the statement of comprehensive income: it presents all items of recognised income and expense, either in one single statement, or in two linked statements. The Company has elected to present two statements.

4. PROPERTY AND EQUIPMENT ■

The details of additions in and disposals of operating assets during the half year ended December 31, 2009 are as follows:

	December 31, 2009 (Un-audited)	June 30, 2009 (Audited)
	.....(Rupees in '000).....	
Additions - cost		
- Office premises - leasehold	52,650	159,591
- Leasehold improvements	106,034	253,037
- Office equipment	144,824	321,265
- Office furniture and fixtures	25,423	69,735
- Motor vehicles	10,856	62,766
	<u>339,787</u>	<u>866,394</u>
Disposals - cost		
- Office premises - leasehold	7,324	10,034
- Leasehold improvements	2,477	3,984
- Office equipment	12,763	17,893
- Office furniture and fixtures	3,773	3,075
- Motor vehicles	3,942	7,041
	<u>30,279</u>	<u>42,027</u>



5. LONG TERM INVESTMENTS ■

Related parties:

- Investment in associates
- Investment in joint venture
- Other related parties - Available for sale

Other investments:

- Available for sale
- Held to maturity

December 31,
2009
(Un-audited)
.....(Rupees in '000).....

June 30,
2009
(Audited)

	8,029,101	7,768,612
	67,991	69,687
	9,151,040	6,340,922
	17,248,132	14,179,221
	89,928	730,973
	335,799	380,697
	17,673,859	15,290,891

5.1 Impairment on investments ■

During the financial year 2009, the stock exchange introduced 'Floor Mechanism' in respect of prices of equity securities based on the closing prices as prevailing on August 27, 2008. Under the 'Floor Mechanism', the individual security price of equity securities could vary within normal circuit breaker limit, but not below the floor price level. The mechanism was effective from August 28, 2008 and remained in place until December 15, 2008. During this period trading of securities effectively remained suspended on the stock exchange. The trading resumed on December 15, 2008, however, the trading volumes upto December 31, 2008 remain significantly low as compared to the volumes before the institution of 'Floor Mechanism'. However, pursuant to the press release issued by the SECP on January 29, 2009, the equity securities held by the Group have been valued at the price quoted on the stock exchange as of December 31, 2008.

Furthermore, pursuant to SRO 150(I)/2009 dated February 13, 2009 issued by the SECP and BSD Circular No. 4 dated February 13, 2009 issued by the SBP, the impairment loss resulting from the valuation of listed equity securities held under Available for sale category of investment as of December 31, 2008 was not recognised in the profit and loss account and was taken to unrealized loss on revaluation of available for sale investments - net as shown on the balance sheet. However, major portion of impairment loss was charged to profit and loss account as at June 30, 2009. The unrealised impairment loss is required to be taken to the profit and loss account in the year 2009 on quarterly basis after adjustment for the effect of price movement in that year. However, for the purposes of distribution of dividend, the impairment loss as referred above shall be treated as a charge to the profit and loss.

During the period, the Group has charged total impairment loss of Rs. 100.99 million to the profit and loss account as allowed by the aforesaid circulars.

December 31,
2009
(Un-audited)
.....(Rupees in '000).....

June 30,
2009
(Audited)

6. SHORT TERM INVESTMENTS ■

Assets at fair value through profit or loss
Available for sale

	6,226,873	2,197,640
	10,926,398	9,938,649
	17,273,080	12,136,289

7. CURRENT PORTION OF NON-CURRENT LIABILITIES ■

Long term financing:

	December 31, 2009 (Un-audited)	June 30, 2009 (Audited)
- Term finance certificates	406,700	312,352
- Liability against Class A, B & C TFCs	50,371	91,960
Deposits and other accounts	21,285,931	18,960,840
	<u>21,743,002</u>	<u>19,365,152</u>

8. CONTINGENCIES AND COMMITMENTS ■

8.1 Contingencies

8.1.1 Transaction-related Contingent Liabilities

Includes performance bonds, bid bonds, warranties, advance payment guarantees, shipping guarantees and standby letters of credit related to particular transactions.

	December 31, 2009 (Un-audited)	June 30, 2009 (Audited)
	<u>321,368</u>	<u>244,681</u>
-Government	19,660	11,527
-Banking companies and other financial institutions	626,217	400,585
-Others	<u>967,245</u>	<u>656,793</u>

8.1.2 Trade related contingent liabilities

Documentary credits	<u>1,772,874</u>	<u>2,033,327</u>
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8.1.3 Other Contingencies

Claims not acknowledged as debts	<u>66,435</u>	<u>69,171</u>
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8.2 Commitments

Future purchase transactions of listed equity securities - net	<u>139,101</u>	-
Forward purchase of government securities	<u>27,514</u>	425,000
Forward sale commitments of Government Securities	<u>160,836</u>	420,000
Commitments in respect of capital expenditure	<u>101,714</u>	164,984
Underwriting commitments	-	<u>203,643</u>
Assets acquired under operating lease	-	<u>1,920</u>
Commitments in respect of forward exchange contracts:		
- Purchase	<u>3,018,450</u>	<u>1,768,604</u>
- Sale	<u>4,285,469</u>	<u>3,441,470</u>

Half year ended		Quarter ended	
December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
..... (Un-audited)			
..... (Rupees in '000)			

9. BASIC AND DILUTED EARNINGS PER SHARE ■

Profit / (loss) after taxation attributable to Ordinary shareholders of the parent	<u>1,285,228</u>	<u>1,051,992</u>	<u>394,202</u>	<u>(420,221)</u>
..... (Number in '000)				
Weighted average number of Ordinary shares outstanding during the period	<u>763,285</u>	<u>763,285</u>	<u>763,285</u>	<u>763,285</u>
..... (Rupees)				
Earnings / (Loss) per share:				
- Basic and diluted	<u>1.68</u>	<u>1.38</u>	<u>0.52</u>	<u>(0.55)</u>

December 31, 2009
..... (Un-audited)

December 31, 2008
..... (Rupees in '000)

10. CASH AND CASH EQUIVALENTS ■

Cash and bank balances	3,825,106	4,545,240
Short term running finances under mark-up arrangements	(4,548,890)	(508,526)
Borrowings from banks / NBFCs	(2,265,224)	(1,542,655)
	<u>(2,989,008)</u>	<u>2,494,059</u>

11. RELATED PARTY TRANSACTIONS ■

Related parties comprise of subsidiaries, associates, companies under common directorship, joint ventures, directors, key management personnel and provident fund schemes.

Significant transactions with related parties during the six months period are as follows:

	Half year ended		Quarter ended	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
..... (Un-audited)				
..... (Rupees in '000)				
Brokerage and commission expense	23,706	2,006	12,884	-
Purchase of money market instruments	1,871,261	301,037	1,658,728	301,037
Sale of money market instruments	4,532,214	1,935,055	2,840,211	905,544
Purchase of units	5,300	-	5,300	-
Sale of units	85,000	-	5,000	-
Encashment of short term placements	184,172	-	119,172	-
Fund placements	4,042,000	-	1,580,000	-
Return on investments in related parties	448,689	-	2,827,58,890	-

	Half year ended		Quarter ended	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	(Un-audited)			
	(Rupees in '000)			
Commission income	40,434	4,857	32,727	4,857
Foreign exchange purchases transaction	8,907,149	-	3,001,389	-
Foreign exchange sale transaction	7,543,606	-	2,849,608	-
Rental income	16,307		5,456	10,420
Interest / markup earned	43,135	-	42,638	-
Interest / markup paid	27,799		2,168	24,607
Principal redemptions made against TFCs	1,002	1,428	-	1,420
Rent expense	8,449	3,355	5,954	3,105
Royalty paid	4,950	2,475	2,475	-
Advisory fee paid	3,000	3,000	-	-
Insurance premium paid	1,707	3,198	531	-
Insurance claim received	2,503	-	1,308	-
Trustee fee	1,140	-	516	-
Investments disposed off in funds under management - at cost	44,820	151,886	20,294	-
Advance against subscription of shares	-	325,061	-	325,061
Markup income on loan to CEO of a subsidiary	1,267	555	646	-
Donations paid to Mahvash and Jahangir Siddiqui Foundation- common directorship and key management personnel	-	237,379	-	-
Investment in related parties	-	13,232	-	-
Remuneration and commission income from funds	195,094	261,749	98,522	120,528
Contribution to provident fund	18,354	4,388	5,473	-
Expenses incurred on behalf of funds	2,920	314	1,830	-
Dividend paid	355,844	-	355,844	-
	(Number)			
Bonus shares/units received from related parties	237,983	7,205,221	2,188	-

The Group continues to have policy whereby all transactions with related parties are entered into arm's length prices using admissible valuation method.

12. SEGMENT INFORMATION ■

For management purposes the Group is organised into following major business segments:

Capital market operations	Principally engaged in trading of equity securities and maintaining strategic and trading portfolios.
Banking	Principally engaged in providing investment, commercial banking and microfinancing services.
Investment advisor / assets manager	Principally providing investment advisory and asset management services to different mutual funds and unit trusts.
Others	Other operations of the Group comprise of telecommunication and information technology, underwriting and consultancy services, research and corporate finance, power generation credit information and credit rating services.

The operating results of the group operations were as follows:

	O P E R A T I O N S				T O T A L
	Capital Market	Banking	Investment Advisor/ Assets Manager	Others	
..... (Rupees in '000)					
Segment results half year ended December 31, 2009					
Return on investments	287,460	499,341	35,207	18,867	840,965
Gain on sale of investments - net	624,867	17,870	67,541	8	710,286
Income from long term loans and fund placements	(26,538)	883,653	-	35,660	892,775
Fee, commission and brokerage	-	82,479	196,727	240	279,446
Gain / (loss) on revaluation of investments carried at fair value through profit and loss - net	294,260	(782)	-	23,429	316,907
Unallocated Revenue	-	-	-	-	156,932
	1,180,049	1,482,651	299,475	78,204	3,197,311
Share of profit / (loss) from:					
Associates	395,095	-	-	-	395,095
Joint venture	(1,696)	-	-	-	(1,696)
	1,573,448	1,482,651	299,475	78,204	3,590,710
Operating and administrative expenses	19,673	1,114,539	145,906	114,039	1,394,157
Finance cost	399,885	991,700	104,863	50	1,496,498
Provision for workers' welfare fund	19,109	-	1,314	-	20,423
Provision for impairment in investments	36,614	41,809	-	-	78,423
	475,281	2,148,048	252,083	114,089	2,989,501
Segment results	1,098,167	(665,397)	47,392	(35,885)	601,209
Unallocated expenses	-	-	-	-	(62,721)
Profit / (loss) for the period before taxation	1,098,167	(665,397)	47,392	(35,885)	538,488
Taxation:					
Segment	4,125	7,593	1,984	2,517	16,219
Unallocated revenue	-	-	-	-	11,016
Deferred	-	(861,620)	(2,814)	-	(864,434)
		4,685,027	(830)	2,517	(836,665)
Profit / (loss) after taxation for the period	1,093,508	188,630	48,222	(38,402)	1,375,153
Non-controlling interests	-	(65,358)	(26,161)	1,594	(89,925)
	1,093,508	123,272	22,061	(36,808)	1,285,228

	O P E R A T I O N S				T O T A L
	Capital Market	Banking	Investment Advisor/ Assets Manager	Others	
..... (Rupees in '000)					
Segment results half year ended December 31, 2008					
Return on investments	164,328	290,681	47,935	8,752	511,696
Gain on sale of investments - net	2,127,474	32,516	4,317	1,654	2,165,961
Income from long term loans and fund placements	132,670	813,282	743	25,590	972,285
Fee, commission and brokerage	-	57,981	261,879	4,414	324,274
Loss on revaluation of investments carried at fair value through profit and loss - net	(608,777)	(1,352)	-	1,266	(608,863)
Unallocated Revenue	-	-	-	-	173,926
	1,815,695	1,193,108	314,874	41,676	3,539,279
Share of loss from:					
Associates	(292,004)	-	-	-	(292,004)
Joint venture	(3,104)	-	-	-	(3,104)
	1,520,587	1,193,108	314,874	41,676	3,244,171
Operating and administrative expenses	60,676	586,938	188,433	153,880	989,927
Finance cost	275,130	706,559	170,535	1,285	1,153,509
Reversal of provision for impairment in investments	-	(754)	-	-	(754)
	335,806	1,292,743	358,968	155,165	2,142,682
Segment results	1,184,781	(99,635)	(44,094)	(113,489)	1,101,489
Unallocated expenses	-	-	-	-	(70,617)
Profit / (loss) for the period before taxation	1,184,781	(99,635)	(44,094)	(113,489)	1,030,872
Taxation:	134	-	3,902	-	4,036
Segment	-	-	-	-	763
Unallocated revenue	-	38,513	(2,979)	-	35,534
Deferred	134	38,513	923	-	40,333
Profit / (loss) after taxation for the period	1,184,647	(138,148)	(45,017)	(113,489)	990,539
Non-controlling interests	-	29,323	19,202	12,928	61,453
	1,184,647	(108,825)	(25,815)	(100,561)	1,051,992

13. DATE OF AUTHORISATION FOR ISSUE ■

These interim condensed consolidated financial statements were authorised for issue by the Board of Directors of the Holding Company in its meeting held on February 20, 2010.

14. GENERAL ■

Figures have been rounded off to the nearest thousand rupees.

Mazharul Haq Siddiqui
Chairman

Munaf Ibrahim
Chief Executive



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