
CONTENTS

Company Information	02
Chairman's Statement to the Shareholders	03
Review Report on Condensed Interim Financial Information to the Members	06
Condensed Interim Balance Sheet	08
Condensed Interim Profit and Loss Account	09
Condensed Interim Statement of Comprehensive Income	10
Condensed Interim Statement of Changes in Equity	11
Condensed Interim Cash Flow Statement	12
Notes to the Condensed Interim Financial Statements	13
Condensed Interim Consolidated Balance Sheet	26
Condensed Interim Consolidated Profit and Loss Account	27
Condensed Interim Consolidated Statement of Comprehensive Income	28
Condensed Interim Consolidated Statement of Changes in Equity	29
Condensed Interim Consolidated Cash Flow Statement	30
Notes to the Condensed Interim Consolidated Financial Statements	31

COMPANY INFORMATION

Board of Directors	Mazharul Haq Siddiqui Chief Justice (R) Mahboob Ahmed Ali J. Siddiqui Ali Hussain Munawar Alam Siddiqui Stephen Christopher Smith Munaf Ibrahim Suleman Lalani	Chairman - Non-Executive Director - Independent Non Executive Director - Non-Executive Director - Non-Executive Director - Non-Executive Director - Non-Executive Director - Non-Executive Chief Executive Officer
Company Secretary	Naveed Khimani	
Chief Financial Officer	Hasan Shahid	
Audit Committee	Chief Justice (R) Mahboob Ahmed Ali J. Siddiqui Ali Hussain Naveed Khimani	Chairman Member Member Secretary
Executive Committee	Chief Justice (R) Mahboob Ahmed Ali J. Siddiqui Suleman Lalani	
Human Resource & Remuneration Committee	Mazharul Haq Siddiqui Chief Justice (R) Mahboob Ahmed Suleman Lalani	Chairman Member Member
External Auditor	M. Yousuf Adil Saleem & Co. Chartered Accountants	
Internal Auditors	Anjum Asim Shahid Rahman Chartered Accountants	
Legal Advisors	Bawaney & Partners	
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 UAN: (+92-21) 111-574-111 Phone: (+92-21) 32799005 Fax: (+92-21) 32800090	
Website	www.js.com	

JAHANGIR SIDDIQUI & CO. LTD.

CHAIRMAN'S STATEMENT TO THE SHAREHOLDERS

Dear Shareholders

The Board of Directors of Jahangir Siddiqui & Co. Ltd. (the "Company") has reviewed the performance of the Company for the half year and quarter ended June 30, 2013. I am pleased to present, on behalf of the board, the report on the performance of your Company along with consolidated performance of the Company with its subsidiaries for the period under review.

Economic Review

Performance of Pakistan's economy over January-June 2013 (1H2013) remained a mixed bag. While inflation statistics and resulting interest rate scenario for the country were positive, almost all other key macro-economic scores were weak. Inflation numbers were soft in January-June 2013 (6.5% CPI), with FY13 CPI averaging at 7.4%YoY. Moderation in inflation was led by (1) sharp cut in gas prices in July 2012 and (2) soft commodity prices. As a result, the State Bank of Pakistan opted to cut the policy rate by 50 basis points to 9.0% in its Monetary Policy Statement on June 21, 2013. However on the flipside, GDP growth remained slow, clocking in at 3.6% for FY13 vs. target of 4.3%. This was largely due to acute energy shortages which have lowered industrial capacity utilization. Another key concern was the fiscal deficit, which continued to expand and final government estimates suggest an FY13 fiscal deficit of 8.4% (vs. 4.7% target). Likewise, external account woes continued where despite a moderate current account deficit of US\$2.3bn (~1.0% of GDP) in FY13, IMF debt repayments pushed down Pakistan's foreign exchange reserves from US\$13.86 billion as of December 31, 2012 to US\$11.01 billion as on June 30, 2013 while the Pak Rupee depreciated by 1.9% vs. the US Dollar over January-June 2013.

Stock Market Review

The Karachi Stock Exchange Limited (KSE) posted strong returns in the period under review, where the benchmark KSE-100 Index rose by 24.25% over January-June 2013. With regional markets posting an average return of only 2.16% in the same period. Volumes too improved in 1H2013, where Average Daily Turnover at the KSE rose to 250 million shares in 1H2013 vis-à-vis 196 million shares in 1H2012 and 149 million shares in 2H2012. Strong market returns resulted from (1) higher investor confidence after smooth general elections on May 11, 2013; (2) increase in foreign investment inflow, where foreign portfolio investment in January-June 2013 under review clocked in at US\$409.82 million (including a one-time inflow due to Unilever Pakistan buy-back) vs. US\$38.20 million in the corresponding period last year; (3) rising corporate profitability; (4) continued monetary easing by the Central Bank; and (5) partial settlement of the energy circular debt in end June 2013, which boosted the energy sector. Improvement in economic activity post elections, possible re-start of the privatization process and strong corporate earnings growth are the key triggers that could further boost to the market going forward while Rupee weakness and any harsh conditions imposed by the IMF prior to loan disbursement are the key risks.

JAHANGIR SIDDIQUI & CO. LTD.

CHAIRMAN'S STATEMENT TO THE SHAREHOLDERS

Brief Review of Results

Your Company has reported an after tax profit of PKR 131.915 million for the half year ended June 30, 2013 compared to after tax profit of PKR 694.251 million for the comparative period last year. Overall revenue for the half year has declined to PKR 414.975 million as compared to PKR 547.100 million last year comparative period. The major reason for decline in revenue is reductions on return of investments during the half year ended June 30, 2013 which is PKR 309.788 million as compared to PKR 468.318 million in the corresponding period last year. The operating and administrative expenses for the period under review remain approximately stable to comparative period last year. Finance cost for the period under review has decreased to PKR 115.651 million from PKR 151.928 million.

The basic and diluted earnings per share is PKR 0.17 for the half year ended June 30, 2013.

Consolidated Financial Statements

In the consolidated financial statements the company has reported a net profit of PKR 392.199 million for the half year ended June 30, 2013 as compared to a net profit of PKR 899.816 million for the comparative period last year.

The revenues from continuing operations have improved by 13.9% over the comparative period last year namely on account of increase in return on investments. However, the total operating, administrative and finance cost have increased by 29.8%.

The basic and diluted earnings per share from continuing operations is PKR 0.29 for the half year ended June 30, 2013.

Credit Rating

The Directors are pleased to inform you that the Company has a long term rating of AA (Double A) and short term rating of A1+ (A one plus) assigned to it by Pakistan Credit Rating Agency Limited (PACRA). Further, the TFC issue of PKR 1,000 million has a credit rating of AA+ (Double A plus) by PACRA. These rating denote a very low expectation of credit risk, the strong capacity for timely payment of financial commitments and strong risk absorption capacity.

Future Outlook

With improvement in performance of investee companies, we expect the Company to report improved performance in the future.

JAHANGIR SIDDIQUI & CO. LTD.

CHAIRMAN'S STATEMENT TO THE SHAREHOLDERS

Acknowledgement

Your Directors greatly value the efforts, continued support and patronage of clients and business partners. We also wish to appreciate our employees and management for their dedication and hard work and to regulators for their efforts to strengthen the financial market, guidance on good corporate governance and other measures to safeguard investor rights.

For and on behalf of the Board of Directors

Mazharul Haq Siddiqui
Chairman
Karachi: August 29, 2013

JAHANGIR SIDDIQUI & CO. LTD.

REVIEW REPORT ON CONDENSED INTERIM FINANCIAL INFORMATION TO THE MEMBERS

Introduction

We have reviewed the accompanying condensed interim balance sheet of Jahangir Siddiqui & Co. Ltd. (the Company) as at June 30, 2013 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the accounts for the half year then ended (here-in-after referred to as the "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed 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 condensed 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 condensed interim financial information as of and for the half year ended June 30, 2013 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures of the condensed interim profit and loss account and the condensed interim statement of comprehensive income for the quarters ended June 30, 2013 and 2012 have not been reviewed, as we are required to review only the cumulative figures for the six month ended June 30, 2013.

The figures in the condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity for the half year ended June 30, 2012 have not been reviewed by us as the accounting year of the Company has changed from June 30 to December 31, and the comparative period was not subject to review.

The financial statements of the Company for the eighteen month period ended December 31, 2012 were audited by another firm of chartered accountants who through their report dated March 04, 2013 expressed an unqualified opinion thereon.

Chartered Accountants

Engagement Partner:
Nadeem Yousuf Adil

Place: Karachi
Date: August 29, 2013.

**CONDENSED
INTERIM
FINANCIAL
STATEMENTS**

JAHANGIR SIDDIQUI & CO. LTD.

CONDENSED INTERIM BALANCE SHEET

AS AT JUNE 30, 2013

	Note	June 30, 2013 (Un-audited)	December 31, 2012 (Audited)
ASSETS			
Non-current assets			
Property and equipment	5	9,213	8,756
Investment property		2,812	3,191
Trading right entitlement certificates	6	28	11,201
Long term investments	7	10,874,658	11,451,896
Long term loans		2,399	2,228
Long term security deposits		1,588	1,674
		10,890,698	11,478,946
Current assets			
Loans and advances		150,806	100,463
Prepayments, interest accrued and other receivables		28,130	16,274
Short term investments	8	1,329,083	1,846,364
Taxation - net		347,899	347,670
Cash and bank balances		1,960,598	2,629,053
		3,816,516	4,939,824
Non-current assets held for sale	9	-	-
		3,816,516	4,939,824
		14,707,214	16,418,770
EQUITY AND LIABILITIES			
Share capital and reserves			
Share Capital		7,632,853	7,632,853
Reserves		5,125,494	5,989,508
		12,758,347	13,622,361
Non-Current Liability			
Long term financing		621,844	855,370
Current Liabilities			
Trade and other payables		156,550	79,577
Accrued interest / mark-up on borrowings		55,111	109,728
Current portion of long term financing		1,115,362	1,751,734
		1,327,023	1,941,039
Contingencies	10		
		14,707,214	16,418,770

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

Mazharul Haq Siddiqui
Chairman

Suleman Lalani
Chief Executive

JAHANGIR SIDDIQUI & CO. LTD.

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT

FOR THE HALF YEAR ENDED JUNE 30, 2013
(UN-AUDITED)

	Note	Half Year Ended		Quarter Ended	
		June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
(Rupees in '000)					
(Un-audited) (Un-reviewed) (Un-reviewed) (Un-reviewed)					
INCOME					
Return on investment		309,788	468,318	127,663	166,790
Gain / (loss) on sale of investment - net		10,534	(225)	8,776	(225)
Income from long-term loans and fund placements		78,576	12,435	32,209	5,305
Other income		16,077	66,572	8,143	57,462
		414,975	547,100	176,791	229,332
EXPENDITURE					
Operating and administrative expenses		55,483	52,819	29,119	19,733
Finance cost		115,651	151,928	55,211	71,715
Provision for Workers' Welfare Fund	11	57,331	-	1,247	-
Provision / (reversal) of provision for impairment against investments - net		30,101	(351,898)	30,101	125,262
		258,566	(147,151)	115,678	216,710
PROFIT BEFORE TAXATION					
		156,409	694,251	61,113	12,622
Taxation					
Current		24,494	-	24,472	-
Prior		-	-	-	-
		24,494	-	24,472	-
NET PROFIT FOR THE PERIOD					
		131,915	694,251	36,641	12,622
(Rupees)					
EARNINGS PER SHARE					
	12				
Basic and diluted		0.17	0.91	0.05	0.02

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

Mazharul Haq Siddiqui
Chairman

Suleman Lalani
Chief Executive

JAHANGIR SIDDIQUI & CO. LTD.

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED JUNE 30, 2013
(UN-AUDITED)

	Half Year Ended		Quarter Ended	
	June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
	(Rupees in '000)			
	(Un-audited)	(Un-reviewed)	(Un-reviewed)	(Un-reviewed)
Net profit for the period	131,915	694,251	36,641	12,622
OTHER COMPREHENSIVE (LOSS) / INCOME:				
Items that will not be reclassified to profit and loss	-	-	-	-
Items that may be reclassified subsequently to profit and loss				
Net (loss) / gain on revaluation of available for sale investments	(414,567)	3,846,489	64,629	(262,020)
(Loss) / gain realized on disposal of investment	(8,898)	324	(8,880)	324
Total items that may be reclassified subsequently to profit and loss	(423,465)	3,846,813	55,749	(261,696)
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	(291,550)	4,541,064	92,390	(249,074)

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

Mazharul Haq Siddiqui
Chairman

Suleman Lalani
Chief Executive

JAHANGIR SIDDIQUI & CO. LTD.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED JUNE 30, 2013
(UN-AUDITED)



	Issued, subscribed and paid-up capital	Reserves			Sub-total	Total	
		Capital	Revenue				Other
	Ordinary share capital	Ordinary share premium	General	Accumulated loss	Unrealised gain / (loss) on revaluation of available for sale investments - net		
(Rupees in '000)							
Balance as at December 31, 2011	7,632,853	4,497,894	10,000,000	(14,141,283)	654,360	1,010,971	8,643,824
Total Comprehensive income for the six months period							
Items that may be reclassified subsequently to profit and loss							
Profit for the six months period ended 30 June 2012	-	-	-	694,251	-	694,251	694,251
Net gain on revaluation of available for sale investments during the period	-	-	-	-	3,846,489	3,846,489	3,846,489
Gain realized on disposal of investment	-	-	-	-	324	324	324
	-	-	-	694,251	3,846,813	4,541,064	4,541,064
Transaction with owners							
Appropriation during the period: transfer from general reserve	-	-	(10,000,000)	10,000,000	-	-	-
Balance as at June 30, 2012 (Un-reviewed)	<u>7,632,853</u>	<u>4,497,894</u>	<u>-</u>	<u>(3,447,032)</u>	<u>4,501,173</u>	<u>5,552,035</u>	<u>13,184,888</u>
Balance as at December 31, 2012	7,632,853	4,497,894	-	(1,488,444)	2,980,058	5,989,508	13,622,361
Total Comprehensive loss for the six months period							
Items that may be reclassified subsequently to profit and loss							
Profit for the six months period ended 30 June 2013	-	-	-	131,915	-	131,915	131,915
Net loss on revaluation of available for sale investments during the period	-	-	-	-	(414,567)	(414,567)	(414,567)
Loss realized on disposal of investment	-	-	-	-	(8,898)	(8,898)	(8,898)
Total comprehensive income / (loss)	-	-	-	131,915	(423,465)	(291,550)	(291,550)
Transaction with owners							
Final Dividend for the eighteen months period ended December 31, 2012	-	-	-	(572,464)	-	(572,464)	(572,464)
Balance as at June 30, 2013	<u>7,632,853</u>	<u>4,497,894</u>	<u>-</u>	<u>(1,928,993)</u>	<u>2,556,593</u>	<u>5,125,494</u>	<u>12,758,347</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

Mazharul Haq Siddiqui
Chairman

Suleman Lalani
Chief Executive

JAHANGIR SIDDIQUI & CO. LTD.

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE HALF YEAR ENDED JUNE 30, 2013
(UN-AUDITED)

	Note	June 30, 2013	June 30, 2012
		(Rupees in '000)	
		(Un-audited)	(Un-reviewed)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation for the period		156,409	694,251
Adjustment for non cash charges and other items:			
Depreciation		1,754	1,537
Gain on sale of property and equipment		(175)	(1,810)
Amortisation of transaction costs on term finance certificates		3,550	1,039
Provision / (reversal) of provision for impairment		30,101	(351,898)
Liability written back		-	(50,000)
Finance cost		112,101	150,889
		147,331	(250,243)
Operating profit before working capital changes		303,740	444,008
(Increase) / decrease in assets and liabilities:			
Loans and advances		(150,343)	(1,138)
Prepayments, accrued mark-up and other receivables		(11,856)	1,663
Short term investments		752,126	(584,987)
Long term loans, advance and security deposits		(85)	1,145
		589,842	(583,317)
Increase in trade and other payables		66,408	95
Net cash generated from / (used in) operations		959,990	(139,214)
Dividend paid		(561,899)	(13)
Mark-up paid		(166,718)	(170,511)
Taxes paid- net		(24,723)	(44,938)
Net cash generated from / (used in) operating activities		206,650	(354,676)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(1,832)	(893)
Proceeds from sale of property and equipment		175	1,960
Investments sold net of investments purchased		-	143,406
Net cash (used in) / generated from investing activities		(1,657)	144,473
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of term finance certificates		(873,448)	(381,360)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(688,455)	(591,563)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		2,629,053	699,197
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	13	1,960,598	107,634

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

Mazharul Haq Siddiqui
Chairman

Suleman Lalani
Chief Executive

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED JUNE 30, 2013
(UN-AUDITED)

1. STATUS AND NATURE OF BUSINESS

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 Limited. The Company is also a Trading Right Entitlement Certificate holder of Karachi Stock Exchange Limited and Islamabad Stock Exchange 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

2.1 This condensed interim financial information is 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 Karachi Stock Exchange Limited.

2.2 This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan. This condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's financial statements for the eighteen month period ended December 31, 2012.

2.3 This condensed interim financial information has been prepared under the accrual basis of accounting except for cash flow information.

2.4 The comparative figures for June 30, 2012 presented in condensed interim profit and loss, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity are extracted from reviewed financial statements for the twelve months period ended June 30, 2012 and these were not subject to review of external auditors.

2.5 This condensed interim financial information is separate financial statements of the Company in which investments in subsidiaries and associates are stated at cost less impairment, if any, and have not been accounted for on the basis of reported results and net assets of the investees.

3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this condensed interim financial information is consistent with those followed in the preparation of the Company's annual financial statements for the eighteen month period ended December 31, 2012.

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED JUNE 30, 2013
(UN-AUDITED)

4. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

The preparation of condensed interim financial information in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The significant judgments 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 eighteen month period ended December 31, 2012.

	Note	June 30, 2013 (Un-audited) (Rupees in '000)	December 31, 2012 (Audited)
5. PROPERTY AND EQUIPMENT			
The details of additions and disposals during the period are as follows:			
Additions – cost			
Office equipment		114	200
Motor vehicles		1,718	2,451
		1,832	2,651
Disposals – cost			
Office equipment		-	798
Motor vehicles		879	11,815
		879	12,613
6. TRADING RIGHTS ENTITLEMENT CERTIFICATES			
Trading rights entitlement certificates:			
- Karachi Stock Exchange Limited (KSE)		27	100
- Islamabad Stock Exchange Limited (ISE)		1	11,101
	6.1	28	11,201

6.1 These represent Trading Right Entitlement Certificates (TRECs) received from Karachi Stock Exchange Limited (KSE) and Islamabad Stock Exchange Limited (ISE) in accordance with the requirements of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012 (The Act). The Company has also received shares of KSE and ISE after completion of the demutualisation process. The TRECs have been recorded at Rs. 28,000 (for details refer note 7.4.1. and 7.4.2).

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED JUNE 30, 2013
(UN-AUDITED)

	Note	June 30, 2013 (Un-audited) (Rupees in '000)	December 31, 2012 (Audited)
7. LONG TERM INVESTMENTS			
Investments in:			
- subsidiaries	7.1	5,569,676	5,634,194
- associates	7.2	-	101,150
- other related parties - available for sale	7.3	5,121,794	5,563,621
		10,691,470	11,298,965
Other investments - available for sale	7.4	183,188	152,931
		10,874,658	11,451,896

7.1 Investment in subsidiaries - at cost

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

Number of shares		Activity	Holding		(Un-audited)	(Audited)
June 30, 2013	December 31, 2012		June 30, 2013 %	December 31, 2012 %	June 30, 2013 (Rupees in '000)	December 31, 2012
Quoted						
755,245,007 *	755,245,007	JS Bank Limited Commercial Banking Market value Rs. 3,285.32 (December 31, 2012: Rs. 4,433.40) million	70.42	70.42	4,673,400	4,673,400
Un-quoted						
73,736,250	73,736,250	JS Infocom Limited Telecom Media & Technology Net assets value Rs. 397.935 (December 31, 2012: Rs. 462.45) million based on un-audited financial statements for the period ended June 30, 2013 Less: Impairment	100.00	100.00	708,490 (310,555) 397,935	708,490 (246,037) 462,453
10,000	10,000	JS International Limited Investment services Ordinary Shares of US\$ 1/- each having net assets value Rs. 20.94 (September 30, 2012: Rs. 24.78) million based on un-audited financial statements for the period ended March 31, 2013 Less: Impairment	100.00	100.00	294,882 (294,882) -	294,882 (294,882) -
63,000,000	63,000,000	Energy Infrastructure Holding (Private) Limited Power Generation & Distribution Net assets value Rs. 505.441 (December 31, 2012: 498.34) million based on un-audited financial statements for the period ended June 30, 2013 Less: Impairment	100.00	100.00	630,000 (131,659) 498,341	630,000 (131,659) 498,341
					5,569,676	5,634,194

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

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED JUNE 30, 2013
(UN-AUDITED)

7.2 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)
June 30, 2013	December 31, 2012			June 30, 2013 %	December 31, 2012 %	June 30, 2013 (Rupees in '000)	December 31, 2012
<u>Quoted</u>							
-	11,238,812	8.1	Closed end mutual fund	-	9.48	-	135,566
						-	(34,416)
						-	101,150
						-	101,150

7.3 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)	(Audited)	
June 30, 2013	December 31, 2012		June 30, 2013 %	December 31, 2012 %	June 30, 2013 (Rupees in '000)	December 31, 2012	
<u>Quoted - at fair value</u>							
7,000,000	7,000,000	Hum Network Limited	Television Network	14.00	14.00	266,000	184,800
111,256,116 *	111,256,116	BankIslami Pakistan Limited	Islamic Banking	21.07	21.07	724,277	1,024,669
20,299,455	20,299,455	EFU General Insurance Limited	General Insurance	16.24	16.24	1,766,053	1,735,604
20,047,708	17,040,552	EFU Life Assurance Limited	Life Assurance	20.05	20.05	1,529,640	1,588,691
112,157,863	112,157,863	Azgard Nine Limited	Textile Composite	24.96	24.96	713,324	907,357
<u>Un-quoted - at cost</u>							
750,000	750,000	EFU Services (Private) Limited	Investment company	37.50	37.50	7,500	7,500
11,500,000	11,500,000	Pakistan International Bulk Terminal Limited	Bulk Terminal	21.07	21.07	115,000	115,000
						5,121,794	5,563,621

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

7.3.1 Investments in Hum Network Limited and BankIslami Pakistan Limited represent investment in 'associated companies' by virtue of common directorship in terms of provisions of Companies Ordinance, 1984.

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED JUNE 30, 2013
(UN-AUDITED)

7.4 Other investments

Available for sale

These shares are ordinary shares of Rs.10/- each.

Number of shares		Note	(Un-audited)	(Audited)
June 30, 2013	December 31, 2012		June 30, 2013	December 31, 2012
			(Rupees in '000)	
<u>Quoted - at fair value</u>				
7,179,873	7,179,873		172,015	152,931
<u>Un-quoted - at cost</u>				
4,007,383	-	7.4.1	73	-
3,034,603	-	7.4.2	11,100	-
			<u>183,188</u>	<u>152,931</u>

7.4.1 Pursuant to demutualization of the Karachi Stock Exchange (KSE), the ownership rights in a Stock Exchange were segregated from the right to trade on an exchange. As a result of such demutualization, the Company received shares and TREC from the KSE against its membership card which was carried at Rs. 100,000 in the books of the Company.

The above arrangement has resulted in allocation of 4,007,383 shares at Rs. 10 each with a total face value of Rs. 40 million and TREC to the Company by the KSE. Out of total shares issued by the KSE, the Company has received 40% equity shares i.e. 1,602,953 shares in its CDC account. The remaining 60% shares have been transferred to CDC sub-account in the Company's name under the KSE's participant IDs with the CDC which will remain blocked until these are divested/sold to strategic investor(s), general public and financial institutions and proceeds are paid to the Company.

The Institute of Chartered Accountants of Pakistan in its technical guide dated May 29, 2013, concluded that the demutualization, in substance, had not resulted in exchange of dissimilar assets, and therefore no gain or loss should be recognized and the segregation of ownership rights and the trading rights should be accounted for by allocating the cost/carrying value of the membership card between the two distinct assets on a reasonable basis.

The above mentioned face value (Rs. 40 million) of the shares issued by the KSE to its members including the Company has been determined on the basis of the fair valuation of the underlying assets and liabilities of the Stock Exchange in accordance with the requirements of the Demutualization Act. In other words, shares worth Rs. 40 million received by the Company represent its share in the fair value of the net assets of the KSE. Under the current circumstances where active market is not available for such shares, this net asset value based valuation has been considered as the closest estimate of the fair value of the shares.

Further recently, the KSE has introduced a minimum capital regime for the brokers, and for this purpose have valued TREC at Rs. 15 million as per the decision of the BOD of the KSE. This fact indicates an acceptable level of value for TREC which is also used by the Stock Exchange for risk management and to safeguard the investor's interest. In the absence of an active market for TREC, this assigned value of Rs. 15 million has been considered as the closest estimate of the fair value of the TREC.

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED JUNE 30, 2013
(UN-AUDITED)

Therefore, based on the above estimates of fair values of KSE shares (Rs. 40 million) and TREC (Rs. 15 million), the Company has allocated its carrying value of the membership card in the ratio of 0.73 to shares and 0.27 to TREC. Consequently, the investments have been recognized at Rs. 73,000 and TREC at Rs. 27,000.

- 7.4.2** These represent shares received from Islamabad Stock Exchange (ISE) pursuant to similar demutualization process as mentioned in note 7.4.1 relating to KSE because no reasonable basis has yet been finalized, the management has recorded TREC at token value of Rs. 1,000 whereas the remaining amount (Rs. 11.099 million) has been allocated to shares.

Note	June 30, 2013 (Un-audited) (Rupees in '000)	December 31, 2012 (Audited)
------	--	-----------------------------------

8. SHORT TERM INVESTMENTS

Available for sale - at fair value

Government securities - Market treasury bills
Open end mutual funds
-Related parties
-Others

8.1

1,088,986	1,644,314
135,294	202,050
104,803	-
1,329,083	1,846,364
1,329,083	1,846,364

- 8.1** Included herein is investment in 1,123,881.20 units valuing Rs. 131.606 million (December 31, 2012: Nil) of JS Value Fund (JSVF), an open end fund managed by JS Investments Limited (a sub-subsidiary of the Company). The investment is JSVF was previously classified as investment in associates, however, subsequent to the conversion of the fund to an open ended fund on June 28, 2013, the investment was classified to available-for-sale category.

Note	June 30, 2013 (Un-audited) (Rupees in '000)	December 31, 2012 (Audited)
------	--	-----------------------------------

9. NON-CURRENT ASSETS HELD FOR SALE

Investment in a subsidiary:

- Credit Chex (Private) Limited
Less: Impairment

9.1

189,500	189,500
(189,500)	(189,500)
-	-

- 9.1** The Board of Directors of the Company in their meeting held on August 30, 2012 have approved to dispose of entire investment in Credit Chex (Private) Limited - a subsidiary of the Company. Accordingly, on December 24, 2012, the Company entered into a share purchase agreement with LoanLink International (BVI) Limited to sell 1,895,000 shares of Credit Chex (Private) Limited subject to completion of necessary regulatory formalities.

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED JUNE 30, 2013
(UN-AUDITED)

10. CONTINGENCIES

- 10.1** The Additional Commissioner of Inland Revenue – Audit Division (ACIR) issued orders under section 122 (5A) of the Income Tax Ordinance, 2001 (the Ordinance) in respect of the tax years 2008 and 2009. According to the orders, the ACIR raised tax liability of Rs. 217.14 million in respect of the above mentioned tax years. Such additions were made mainly because income was classified under different heads instead of treating income from all sources as business income. Accordingly, expenses were apportioned under section 67 of the Ordinance read with Rule 13 of Income Tax Rules, 2002. The Company filed appeals against the above orders before the Commissioner Inland Revenue – Appeals (CIR-Appeals). Further, the Company has also filed Constitutional petition on point of jurisdiction for Tax year 2009 and obtained stay order against recovery of tax demand. The CIR-Appeals eliminating the tax liability restored the return versions for the above tax years. The tax department filed appeals to the Appellate Tribunal Inland Revenue (ATIR) against the orders of CIR-Appeals. The ATIR also decided the subject matter in respect of tax years 2008 and 2009 in favour of the Company.

However, appeal effect orders passed by the department in respect of aforesaid tax years resulted in income tax refund of Rs. 11.02 million. Rectification applications have been filed with ACIR to allow appeal effect in accordance with the order passed by the ATIR.

The management, based on its discussions with its tax advisors, is confident that the rectifications applied for in respect of appeal effect orders for tax years 2008 and 2009 will eventually be allowed in favor of the Company. Hence, no provision for liability has been made in this condensed interim financial information.

- 10.2** The Additional Commissioner of Inland Revenue – Audit Division (ACIR) has issued order under section 122 (5A) of the Income Tax Ordinance, 2001 (the Ordinance) in respect of the tax year 2010. According to the order, the ACIR has raised tax liability of Rs. 63.49 million in respect of the above mentioned tax year. The Company filed application for rectification in the order on various grounds including credit for tax of Rs. 54.10 million not allowed by the ACIR against which rectification order under section 221 of the Ordinance was issued according to which the tax demand was reduced to Rs. 9.64 million after accounting for the tax credit. Further, the Company has also filed appeal against the above order before the Commissioner Inland Revenue – Appeals (CIR-Appeals). The CIR-Appeals has confirmed the order of ACIR. As a result of the aforesaid order of CIR-Appeals, the Company has filed an Appeal before the Appellate Tribunal Inland Revenue (ATIR).

The management, based on its discussions with its tax advisors, is confident that the subject matter in respect of tax year 2010 will eventually be decided in favor of the Company. Hence, no provision for liability has been made in this condensed interim financial information.

- 10.3** Citibank Overseas Investment Corporation (COIC) had on February 1, 1999 entered into an agreement to sell 6.00 million shares of Jahangir Siddiqui Investment Bank Limited (JSIBL), now merged into JS Bank Limited, [formerly Citicorp Investment Bank Limited] to the Company. In that agreement it was agreed by the parties that the purchase consideration of Rs.123.90 million (representing 6.00 million shares at the rate of Rs. 20.65 per share) would be adjusted to the extent of 70.00% if there is any subsequent reduction in total disputed tax liability as of December 31, 1998 amounting to Rs.68.65 million as confirmed by a Chartered Accountant firm. Therefore as and when this disputed tax liability is resolved in favour of JSIBL, the Company would pay to the COIC the above amount to the extent of 70.00% which would be adjusted against the purchase consideration for the investment in JSIBL. It should be noted that even if the matter is decided in favour of JSIBL, the matter is most likely to be referred to a higher forum.

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED JUNE 30, 2013
(UN-AUDITED)

11. WORKERS' WELFARE FUND

This represents provision for Workers Welfare Fund (WWF) of Rs. 57.331 million at the rate of 2% of the profit before taxation for the period from January 1, 2012 to June 30, 2013. During the period, on March 1, 2013, the Honorable Sindh High Court (SHC) pronounced the verdict holding WWF a "tax" rather than "fee". Previously, the Honorable High Court of Lahore, in a separate Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and 2008 declared the said amendments as unlawful and unconstitutional. However, the decision of the SHC resulted in the applicability of aforesaid amendments.

Half Year Ended		Quarter Ended	
June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
..... (Rupees in '000)			
(Un-audited)	(Un-reviewed)	(Un-reviewed)	(Un-reviewed)

12. BASIC AND DILUTED EARNINGS PER SHARE

Profit after taxation attributable to Ordinary shareholders	131,915	726,304	36,641	12,622
	..... (Number in '000)			
Weighted average number of Ordinary shares outstanding during the period	763,285	763,285	763,285	763,285
	..... (Rupees)			
Earnings per share:				
- Basic and diluted	0.17	0.95	0.05	0.02

June 30, 2013	June 30, 2012
(Un-audited)	(Un-reviewed)
..... (Rupees in '000)	

13. CASH AND CASH EQUIVALENTS

Cash and bank balances	1,960,598	107,634
------------------------	------------------	---------

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED JUNE 30, 2013
(UN-AUDITED)

14. RELATED PARTY TRANSACTIONS

The Company has related party relationship with its associates, subsidiaries, companies having common directorship, employee benefit plan and its key management personnel (including their associates).

Contributions to the account in respect of staff requirement benefit are made in accordance with terms of the contribution plan. Remuneration of the key management personnel is in accordance with the terms of their employment. Other transactions are at agreed terms.

	June 30, 2013 (Un-audited) (Rupees in '000)	June 30, 2012 (Un-reviewed)
Direct and indirect subsidiaries		
Dividend income	66,363	-
Brokerage expense	224	142
Purchase of government securities	1,603,950	-
Rent income	16,944	16,570
Market maker fee paid	450	-
Interest / markup paid	6,396	-
Principal redemptions made against TFCs	13,375	-
Profit received on fund placements and deposit accounts	63,158	11,230
Bank charges paid	3	-
Reimbursement of expenses by the Company	165	154
Reimbursement of expenses to the Company	6,080	2,238
Associate		
Dividend income	16,858	-
Reimbursement of expenses by the Company	-	258
Units issued on conversion to open end fund (No. of units)	1,123,881	-

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED JUNE 30, 2013
(UN-AUDITED)

	June 30, 2013 (Un-audited) (Rupees in '000)	June 30, 2012 (Un-reviewed)
Companies having common directorship		
Dividend income	-	7,000
Reimbursement of expenses to the Company	162	-
Other related parties		
Dividend income	149,360	-
Dividend paid	311,573	-
Contributions to Staff Provident Fund	1,472	1,708
Interest / markup paid	9,216	6,612
Principal redemptions made against TFCs	34,582	45,572
Insurance premium paid	1,234	253
Proceeds against insurance claim / cancellation	51	61
Royalty paid	4,950	4,950
Advisory fee paid	3,000	3,000
Investments during the period	100,000	
Disinvestments during the period	305,367	-
Units purchased during the period (No. of Units)	975,277	-
Units Sold during the period (No. of Units)	2,982,418	-
Bonus units received during the period (No. of Units)	64,488	-
Key management personnel		
Remuneration to Chief Executive Officer	4,492	5,138
Advisory fee to Director	3,000	3,000
Dividend paid	3,373	-
Remuneration to executives	3,160	5,437
Interest on long term loans to executives	154	70
Loan and advances disbursed during the peirod	700	346
Loan and advances repayments from executives	168	171
Proceeds from sale of vehicle	176	1,275

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED JUNE 30, 2013
(UN-AUDITED)



	June 30, 2013 (Un-audited) (Rupees in '000)	December 31, 2012 (Audited)
BALANCES		
Direct and indirect subsidiaries		
Receivable against expenses incurred on their behalf	3,215	291
Cash at bank accounts	1,957,638	1,984,899
Profit receivable on deposit accounts	11,593	910
Outstanding principal of TFCs issued by the Company	93,625	107,000
Markup payable on TFCs issued by the Company	1,905	2,210
Companies having common directorship		
Receivable against expenses incurred on their behalf	43	140
Other related parties		
Dividend receivable	12,363	-
Outstanding principal of TFCs issued by the Company	113,332	247,914
Markup payable on TFCs issued by the Company	3,038	7,126
Key management personnel		
Loans and advances receivable	2,734	2,402

15. DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue by the Board of Directors in their meeting held on August 29, 2013.

16. GENERAL

Figures have been rounded off to the nearest thousand rupees.

Mazharul Haq Siddiqui
Chairman

Suleman Lalani
Chief Executive

**CONDENSED
INTERIM
CONSOLIDATED
FINANCIAL
STATEMENTS**

JAHANGIR SIDDIQUI & CO. LTD.

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET

AS AT JUNE 30, 2013

	Note	June 30, 2013 (Un-audited)	December 31, 2012 (Audited) * Restated
ASSETS			
Non-Current Assets			
Property and equipment	6	1,966,306	1,798,330
Intangible assets		1,262,956	1,258,223
Investment property		2,812	3,191
Trading right entitlement certificates and membership card	7	10,756	48,201
Long term investments	8	5,643,197	6,267,619
Long term loans, advances and other receivables		2,351,739	847,294
Long term deposits		46,996	16,513
Deferred taxation		888,556	869,588
		12,173,318	11,108,959
Current Assets			
Short term investments	9	44,191,608	50,118,587
Trade debts - unsecured		1,591,750	564,756
Loans and advances		21,176,985	19,080,993
Accrued markup		1,164,396	720,352
Deposits, prepayments and other receivables		777,873	603,981
Fund placements		8,116,205	3,940,958
Taxation - net		451,783	525,620
Cash and bank balances		6,085,544	6,934,808
		83,556,144	82,490,055
Assets classified as held for sale	10	3,889	3,788
		83,560,033	82,493,843
		95,733,351	93,602,802
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Share capital		7,632,853	7,632,853
Reserves		6,401,565	7,099,634
		14,034,418	14,732,487
Equity attributable to equity holders' of the parent		14,034,418	14,732,487
Non-controlling interests		5,149,026	4,893,334
		19,183,444	19,625,821
Total equity			
Non-Current Liabilities			
Long term financing		553,094	827,908
Deposits and other accounts		26,948	28,521
Defined benefit plan		(4,835)	11,358
		575,207	867,787
Current Liabilities			
Trade and other payables		3,247,920	1,871,850
Accrued interest / mark-up on borrowings		553,821	574,995
Short term borrowings		1,990,573	8,811,882
Current portion of non-current liabilities	11	70,105,558	61,775,288
		75,897,872	73,034,015
Liabilities directly associated with assets classified as held for sale	10	76,828	75,179
		75,974,700	73,109,194
Contingencies and Commitments			
	12	95,733,351	93,602,802

* Change in accounting policy as disclosed in note 3.

The annexed notes 1 to 19 form an integral part of these condensed interim consolidated financial information.

Mazharul Haq Siddiqui
Chairman

Suleman Lalani
Chief Executive

JAHANGIR SIDDIQUI & CO. LTD.

CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE HALF YEAR ENDED JUNE 30, 2013
(UN-AUDITED)

	Note	Half Year Ended		Quarter Ended	
		June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
			* Restated		* Restated
			(Rupees in '000)		
CONTINUING OPERATIONS					
Income					
Return on investments		2,405,670	1,897,545	1,061,849	944,148
Gain on sale of investments - net		364,896	288,614	253,923	174,477
Income from long term loans and fund placements		1,324,685	1,292,826	731,993	656,001
Fee, commission and brokerage		611,046	510,190	314,054	276,506
Other income		192,164	218,348	100,736	143,276
Gain on revaluation of investments carried at fair value through profit and loss - net		28,408	117,850	(6,138)	62,395
		4,926,869	4,325,373	2,456,417	2,256,803
Expenditure					
Operating and administrative expenses		1,881,268	1,479,616	910,862	802,943
Finance cost		2,368,777	1,794,993	1,178,721	954,543
Provision for workers' welfare fund	13	75,493	-	16,308	-
Provision for impairment against investments - net		142,493	22,321	149,652	37,229
		4,468,031	3,296,930	2,255,543	1,794,715
		458,838	1,028,443	200,874	462,088
Share of profit / (loss) from:					
- associates		107,771	41,561	67,253	16,183
- joint venture		-	(27,697)	-	(26,429)
		107,771	13,864	67,253	(10,246)
Profit before taxation from continuing operations		566,609	1,042,307	268,127	451,842
Taxation					
- Current		143,500	51,896	95,687	18,330
- Prior		(2,901)	(50,661)	1,362	(50,661)
- Deferred		24,857	131,898	1,793	88,333
		165,456	133,133	98,842	56,002
Profit after taxation from continuing operations		401,153	909,174	169,285	395,840
DISCONTINUED OPERATIONS					
Loss after taxation from discontinued operations	17	(8,954)	(9,358)	(1,892)	(4,819)
PROFIT AFTER TAXATION FOR THE PERIOD		392,199	899,816	167,393	391,021
Attributable to:					
Equity holders of the parent		215,117	689,029	75,971	297,679
Non-controlling interests		177,082	210,787	91,422	93,342
		392,199	899,816	167,393	391,021
EARNINGS / (LOSS) PER SHARE					
			(Rupees)		
Basic and diluted					
Continuing operations		0.29	0.91	0.10	0.39
Discontinued operations		(0.01)	(0.01)	(0.01)	0.02
		0.28	0.90	0.09	0.41

* Change in accounting policy as disclosed in note 3.

The annexed notes 1 to 19 form an integral part of these condensed interim consolidated financial information.

Mazharul Haq Siddiqui
Chairman

Suleman Lalani
Chief Executive

JAHANGIR SIDDIQUI & CO. LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE HALF YEAR ENDED JUNE 30, 2013
 (UN-AUDITED)

	Half Year Ended		Quarter Ended	
	June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
		* Restated		* Restated
		(Rupees in '000)		
PROFIT FOR THE PERIOD AFTER TAXATION	392,199	899,816	167,393	391,021
OTHER COMPREHENSIVE (LOSS) / INCOME				
Revaluation of available for sale investments	(262,602)	3,862,096	365,592	(394,405)
Exchange difference of translation of net assets of foreign subsidiaries to reporting currency	547	(49,797)	14,315	(51,926)
Effect if retrospective change in accounting policy as disclosed in note 3	-	(849)	-	(1,698)
Actuarial gains and losses on defined benefit plan	(57)	-	(114)	-
Share of other comprehensive (loss) / income of associates	-	(1)	-	-
	(262,112)	3,811,449	379,793	(448,029)
TOTAL COMPREHENSIVE PROFIT / (LOSS) FOR THE PERIOD	130,087	4,711,265	547,186	(57,008)
Attributable to:				
Equity holders of the parent	(125,605)	4,537,875	247,508	(58,909)
Non-controlling interest	255,692	173,390	299,735	2,750
	130,087	4,711,265	547,243	(56,159)

* Change in accounting policy as disclosed in note 3.

The annexed notes 1 to 19 form an integral part of these condensed interim consolidated financial information.

Mazharul Haq Siddiqui
Chairman

Suleman Lalani
Chief Executive

JAHANGIR SIDDIQUI & CO. LTD.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED JUNE 30, 2013
(UN-AUDITED)



Note	ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT									
	Ordinary share capital	Reserves					Statutory	Sub-total	NON-CONTROLLING INTERESTS	TOTAL
		Ordinary share premium	General	Foreign exchange translation	Unappropriated profit / (accumulated loss)	Unrealised gain on revaluation of available for sale investments - net					Others
	(Rupees in '000)									
Balance as at January 1, 2012 - as previously reported	7,632,853	4,497,894	10,000,000	33,302	(13,973,255)	776,456	61,523	9,028,773	4,364,886	13,393,659
Effect of change in accounting policy as disclosed in note 3.	-	-	-	-	9,871	-	(50)	9,821	4,125	13,946
Balance as at January 1, 2012 - restated	7,632,853	4,497,894	10,000,000	33,302	(13,963,384)	776,456	61,473	9,038,594	4,369,011	13,407,605
Profit for the period	-	-	-	-	689,029	-	-	689,029	210,787	899,816
Other comprehensive income / (loss)	-	-	-	(49,797)	-	3,898,643	-	3,848,846	(37,397)	3,811,449
Transfer from statutory reserve	-	-	-	-	(38,065)	-	38,065	-	-	-
Acquisition of non-controlling interest	-	-	-	-	-	-	(50)	(50)	50	-
Transfer to general reserve	-	-	(10,000,000)	-	10,000,000	-	-	-	-	-
Balance as at June 30, 2012 - restated	7,632,853	4,497,894	-	(16,495)	(3,312,420)	4,675,099	99,488	13,576,419	4,542,451	18,118,870
Balance as at January 1, 2013 - restated	7,632,853	4,497,894	-	55,017	(1,048,853)	3,437,010	158,566	14,732,487	4,893,334	19,625,821
Profit for the period	-	-	-	-	215,117	-	-	215,117	177,082	392,199
Other comprehensive loss	-	-	-	547	-	(341,269)	-	(340,722)	78,610	(262,112)
Appropriation for the eighteen month period ended December 31, 2012:										
- Dividend @ Re. 0.75 per ordinary share	-	-	-	-	(572,464)	-	-	(572,464)	-	(572,464)
Appropriation during the period:										
- Transfer from statutory reserve	-	-	-	-	(23,206)	-	23,206	-	-	-
Balance as at June 30, 2013	7,632,853	4,497,894	-	55,564	(1,429,406)	3,095,741	181,772	14,034,418	5,149,026	19,183,444

The annexed notes 1 to 19 form an integral part of these condensed interim consolidated financial information.

Mazharul Haq Siddiqui
Chairman

Suleman Lalani
Chief Executive

JAHANGIR SIDDIQUI & CO. LTD.

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT

FOR THE HALF YEAR ENDED JUNE 30, 2013
(UN-AUDITED)

	Note	June 30, 2013	June 30, 2012
			* Restated
			(Rupees in '000)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation from continuing operations		566,609	1,042,307
Loss before taxation from discontinued operations		(8,941)	(9,358)
Profit for the period before taxation		557,668	1,032,949
Adjustments for non cash charges and other items:			
Depreciation		139,543	126,198
Amortisation on intangible assets		10,259	10,317
Amortisation of transaction cost on term finance certificates		3,550	1,039
Profit on sale of property and equipment		(32,356)	(23,711)
Share of profit from associate and joint venture		(107,771)	(13,864)
Reversal of charge for defined benefit plan		(16,193)	(56,812)
Liabilities no longer payable written back		-	(50,000)
Provision for impairment against investments		142,493	22,322
Gain on revaluation of investments carried at fair value through profit or loss - net		(28,408)	(117,850)
Finance cost		2,365,252	1,793,983
		2,476,369	1,691,622
Operating profit before working capital changes (Increase) / decrease in operating assets:		3,034,037	2,724,571
Short term investments		6,281,529	(6,881,068)
Trade debts		(1,026,994)	(216,498)
Loans and advances		(2,095,992)	(1,233,511)
Long term loans, advances, deposits and other receivables		(1,534,928)	(1,910,772)
Fund placements		(4,175,247)	289,295
Deposits, prepayments, accrued mark-up and other receivables		(617,936)	(311,641)
		(3,169,568)	(10,264,195)
Decrease in operating liabilities:			
Trade and other payables		1,365,505	(497,516)
Deposits and other accounts		8,988,863	11,097,302
Net cash generated from operations		10,218,837	3,060,162
Interest / mark-up paid		(2,386,426)	(1,689,714)
Taxes paid		(71,344)	(66,630)
Dividend paid		(561,899)	(2,513)
Net cash generated from operating activities		7,199,168	1,301,305
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(317,611)	(229,707)
Intangible assets acquired		(14,992)	(4,913)
Proceeds from sale of property and equipment		46,009	37,030
Investments acquired - net of sale		(2,000)	(251,245)
Net cash used in investing activities		(288,594)	(448,835)
CASH FLOWS FROM FINANCING ACTIVITIES			
Redemption of term finance certificates - net of issuance		(938,530)	(434,331)
Long term loans - net of repayment		-	3,274
Securities sold under repurchase agreements		(6,851,899)	(128,834)
Net cash used in financing activities		(7,790,429)	(559,891)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(879,855)	292,579
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		5,604,204	3,361,237
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	15	4,724,349	3,653,816

* Change in accounting policy as disclosed in note 3.

The annexed notes 1 to 19 form an integral part of these condensed interim consolidated financial information.

Mazharul Haq Siddiqui
Chairman

Suleman Lalani
Chief Executive

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2013

(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, brokerage, 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 Limited. The Holding Company is also a Trading Right Entitlement Certificate holder of Karachi Stock Exchange Limited and Islamabad Stock Exchange 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)	
				June 30, 2013	December 31, 2012
JS Bank Limited (JSBL)	Commercial Banking		December 30, 2006	70.42%	70.42%
JS Investments Limited (JSIL) (Sub-subsidiary)	Investment Advisor and Asset Manager		November 1, 2012	36.79%	36.79%
JS Global Capital Limited (Sub-subsidiary)	Brokerage, advisory and consultancy services		December 21, 2011	35.95%	35.95%
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%
Credit Chex (Private) Limited	Credit Information and Credit Rating Services	10	October 8, 2007	82.84%	82.84%
JS ABAMCO Commodities Limited (Sub-subsidiary)	Commodity brokerage		November 1, 2012	36.79%	36.79%
Energy Infrastructure Holding (Private) Limited	Power generation		July 07, 2008	100.00%	100.00%

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2013

(UN-AUDITED)

2. BASIS OF PREPARATION

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 eighteen month period ended December 31, 2012.

These condensed interim consolidated financial statements have been prepared under the accrual basis of accounting except for cash flows statements.

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 eighteen month period ended December 31, 2012, whereas the comparative profit and loss account, statement of comprehensive income, statement of changes in equity and cash flow statement are extracted from the un-audited condensed interim consolidated financial statements for the twelve months period ended June 30, 2012.

3. ACCOUNTING POLICIES

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 eighteen month period ended December 31, 2012, except for change in accounting policy due to adoption of revised IAS 19 "Employee Benefit" with effect from January 1, 2013 and as fully explained in note 3.1 below:

3.1 Change in accounting policy - Staff retirement benefits

The amendments to IAS 19 change the accounting for defined benefit plans and termination benefits. The significant changes are as follows:

a) Unrecognized actuarial gains and losses:

The amendments require all actuarial gains and losses to be recognised immediately through other comprehensive income in order for the net plan asset or liability recognised in the statement of financial position to reflect the full value of the plan deficit or surplus. Previously, actuarial gains and losses over and above the corridor limit were amortised over the expected average remaining working lives of employees as allowed under the relevant provision of previous IAS 19.

b) Past service cost:

Past service cost (either vested or non-vested) is recognised immediately in the profit and loss as soon as the change in the benefit plans are made. Previously, non-vested portion was amortised over the expected average lives of employees.

c) Interest cost and expected return on plan assets

The interest cost and expected return on plan assets used in the previous version of IAS 19 are replaced with a 'net-interest' amount, which is calculated by applying the discount rate to the net defined benefit liability or asset.

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2013

(UN-AUDITED)

d) Presentation of changes in defined benefit obligations and plan assets

Presentation of changes in defined benefit obligations and plan assets will be split into three components:

i) Service cost

recognised in profit or loss and includes current and past service cost as well as gains or losses on settlements.

ii) Net interest

recognised in profit or loss and calculated by applying the discount rate at the beginning of the reporting period to the net defined benefit liability or asset at the beginning of each reporting period.

iii) Re-measurement

recognised in other comprehensive income and comprises actuarial gains and losses on the defined benefit obligation, the excess of the actual return on plan assets over the change in plan assets due to the passage of time and the changes, if any, due to the impact of the asset ceiling. As a result, the profit or loss will no longer include an expected return on plan assets; instead, imputed finance income is calculated on the plan assets and is recognised as part of the net interest cost in profit or loss. Any actual return above or below the imputed finance income on plan assets is recognised as part of re-measurement in other comprehensive income.

3.2 Revised accounting policy of staff retirement benefits is as follows:

3.2.1 Defined benefit plans

JS Bank Limited (a subsidiary of the Holding Company) operates an approved funded gratuity scheme covering all its eligible employees, which requires contribution to be made in accordance with the actuarial recommendations. An actuarial valuation of defined benefit scheme is conducted at the end of every year or any significant change occur. The most recent valuation in this regard was carried out as at June 30, 2013, using the projected unit credit actuarial valuation method. Under this method cost of providing for gratuity is charged to profit and loss account so as to spread the cost over the service lives of the employees in accordance with the actuarial valuation. Actuarial gains and losses are recognised immediately in other comprehensive income. Past-service costs are recognised immediately in profit and loss account, unless the changes to the plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

3.3 Effects of change in accounting policy

With effect from January 1, 2013, IAS 19 revised has become effective. The change in accounting policy has been accounted for retrospectively in accordance with International Accounting Standard - 8 Accounting Policies, Changes in Accounting Estimates 'and Errors'. Accordingly the opening equity has been adjusted and cost related to past service has not deferred. Cost deferred in the past has been recognised retrospectively so that the profit and loss account for the current period reflects values related to the current period only as if the revised standard had always applied.

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2013

(UN-AUDITED)

Effect of retrospective application of change in accounting policy are as follows:

	December 31, 2012 (Audited)		
	As previously reported	Effect of Restatement	As Restated
	..... (Rupees in '000)		
Effect on balance Sheet			
Decrease in defined benefit plan	22,967	(11,609)	11,358
Increase in reserves	11,981,359	11,609	11,992,968
	Prior to January 01, 2012		
	As previously reported	Effect of Restatement	As Restated
	..... (Rupees in '000)		
Effect on balance Sheet			
Decrease in defined benefit plan	78,946	(13,946)	65,000
Increase in reserves	5,760,806	13,946	5,774,752
	Quarter ended June 30, 2012	Half year ended June 30, 2012	Prior to January 01, 2012
	(Un-audited)		Audited
	..... (Rupees in '000)		
Effect on profit and loss account			
Net increase/ (decrease) in profit after tax due to amortisation of actuarial gains and losses recognised in other comprehensive income	(167)	(334)	(354)
Increase / (decrease) in profit after tax due to recognition of past service cost immediately	(94)	(188)	-
Increase / (decrease) in profit after tax due to increase in expected return on plan assets	656	1,313	-
Increase / (decrease) in profit after tax due to decrease in curtailment gain	(131)	(262)	-
	264	529	(354)

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2013

(UN-AUDITED)



	Half Year ended June 30, 2012		
	As previously reported	Effect of Restatement	As Restated
	..... (Un-audited)		
	..... (Rupees in '000)		
Decrease in administrative expenses	2,932,270	(529)	2,931,741

	Quarter ended June 30, 2012	Half year ended June 30, 2012	Prior to January 01, 2012
	(Un-audited)		Audited
	..... (Rupees in '000)		
Effect on other comprehensive income			
Amortisation of actuarial gains reclassified to other comprehensive income	-	-	354
Net (expense) / income recognised in other comprehensive income	(849)	(1,698)	12,814
Increase in profit after tax due to recognition of past service cost immediately	-	-	1,132
	(849)	(1,698)	14,300

	Half year ended June 30, 2012		
	As previously reported	Effect of Restatement	As Restated
	..... (Un-audited)		
	..... (Rupees in '000)		
Decrease in other comprehensive income	-	(1,698)	(1,698)

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2013

(UN-AUDITED)

3.4 Staff retirement benefits

Changes in defined benefit obligation, fair value of plan assets are as follows:

Reconciliation of payable/ (receivable) to / from defined benefit plan

	June 30, 2013 (Un-audited) (Rupees in '000)	December 31, 2012 (Audited)
Present Value of defined benefit obligation	103,466	91,269
Fair value of any plan assets	(108,301)	(79,911)
	(4,835)	11,358
Movement in net liability/ (asset) recognized		
Opening net (asset) / liability	11,358	61,399
Expense	6,660	21,566
Contribution/Benefits Paid during the year	(22,967)	(75,000)
Other comprehensive income (OCI)	114	3,393
	(4,835)	11,358
Charge/ (prepaid) for the defined benefit plan		
Current service cost	15,360	27,745
Interest cost	5,003	7,600
Expected return	(5,253)	(9,375)
Curtailment gain	(8,450)	(4,404)
	6,660	21,566
Principal actuarial valuation assumptions:		
- Valuation discount Rate	11.50%	11.50%
- Salary increase rate	11.50%	11.50%
- Expected return on plan assets	11.50%	11.50%

4. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements of the Company for the eighteen month period ended December 31, 2012.

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2013

(UN-AUDITED)

5. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

The preparation of condensed interim consolidated financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. 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 consolidated financial statements for the eighteen month period ended December 31, 2012.

6. PROPERTY AND EQUIPMENT

The details of additions in and disposals of operating assets for the half year ended June 30, 2013 are as follows:

	June 30, 2013 (Un-audited) (Rupees in '000)	December 31, 2012 (Audited)
Additions - cost		
Owned:		
- Office premises - leasehold	36,666	12,341
- Leasehold improvements	-	22,578
- Office equipment	134,485	184,768
- Office furniture and fixtures	17,199	47,438
- Motor vehicles	106,031	207,304
	<u>294,381</u>	<u>474,429</u>
Disposals - cost		
- Office premises - leasehold	-	50
- Leasehold improvements	2,285	174
- Office equipment	6,373	9,231
- Office furniture and fixtures	-	698
- Motor vehicles	49,503	95,892
	<u>58,161</u>	<u>106,045</u>

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2013

(UN-AUDITED)



	Note	June 30, 2013 (Un-audited) (Rupees in '000)	December 31, 2012 (Audited)
7. TRADING RIGHT ENTITLEMENT CERTIFICATES AND MEMBERSHIP CARD			
Trading right entitlement certificates			
Karachi Stock Exchange Limited	7.1	5,754	21,100
Islamabad Stock Exchange Limited	7.1	2	22,101
		5,756	43,201
Pakistan Mercantile Exchange Limited - Membership card		5,000	5,000
		10,756	48,201

7.1 These represent Trading Right Entitlement Certificates (TREC)s received from Karachi Stock Exchange Limited (KSE) and Islamabad Stock Exchange Limited (ISE) by the Holding Company, JS Bank Limited (subsidiary company) and JS Global Capital Limited (a sub-subsidiary company) in accordance with the requirements of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012. The Company has also received shares of KSE and ISE after completion of the demutualisation process. The TREC)s have been recorded at Rs. 5.76 million (for details refer note 8.1).

	Note	June 30, 2013 (Un-audited) (Rupees in '000)	December 31, 2012 (Audited)
8. LONG TERM INVESTMENTS			
Related parties:			
- Investment in associates		-	241,124
- Investment in joint venture		2,000	-
- Other related parties - Available for sale		5,121,794	5,563,621
		5,123,794	5,804,745
Other investments:			
- Available for sale	8.1	519,403	462,874
		5,643,197	6,267,619

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2013

(UN-AUDITED)

8.1 Included herein are shares received from Karachi Stock Exchange Limited (KSE) and Islamabad Stock Exchange Limited (ISE) by the Holding Company, JS Bank Limited (subsidiary company) and JS Global Capital Limited (a sub-subsidiary company) in pursuance of corporatisation and demutualisation of KSE and ISE as public companies limited by shares in accordance with the requirements of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012. In addition, the Holding Company, JS Bank Limited and JS Global Capital Limited have also received Trading Right Entitlement Certificates from KSE and ISE.

Accordingly, the Holding Company and JS Global Capital Limited have been allotted total 8,014,766 shares of KSE having face value of Rs. 10/- each. Further, the Holding Company and JS Bank Limited have also been allotted total 6,069,206 shares of ISE having face value of Rs. 10/- each. The face value of shares of KSE and ISE has been determined on the basis of their revalued assets and liabilities and trading right entitlements in respect thereof out of which 40% shares have been received by the above referred companies. The remaining 60% shares are transferred to CDC sub-account in Companies' names under KSE's and ISE's participant IDs with the CDC which will remain blocked until these are divested to strategic investor(s), general public and financial institutions.

The Institute of Chartered Accountants of Pakistan in its technical guide dated May 29, 2013, concluded that the demutualization, in substance, had not resulted in exchange of dissimilar assets, and therefore no gain or loss should be recognized and the segregation of ownership rights and the trading rights should be accounted for by allocating the cost/carrying value of the membership card between the two distinct assets on a reasonable basis.

The above mentioned face value of the shares issued by the KSE to its members including the Company has been determined on the basis of the fair valuation of the underlying assets and liabilities of the Stock Exchange in accordance with the requirements of the Demutualization Act. In other words, shares worth Rs. 40 million received by the Company represent its share in the fair value of the net assets of the KSE. Under the current circumstances where active market is not available for such shares, this net asset value based valuation has been considered as the closest estimate of the fair value of the shares.

Further recently, the KSE has introduced a minimum capital regime for the brokers, and for this purpose have valued TREC at Rs. 15 million as per the decision of the BOD of the KSE. This fact indicates an acceptable level of value for TREC which is also used by the Stock Exchange for risk management and to safeguard the investor's interest. In the absence of an active market for TREC, this assigned value of Rs. 15 million has been considered as the closest estimate of the fair value of the TREC.

Therefore, based on the above estimates of fair values of KSE shares (Rs. 40 million) and TREC (Rs. 15 million) issued to each member of KSE, the Group has allocated its carrying value of the membership card in the ratio of 0.73 to shares and 0.27 to TREC. Consequently, the investments have been recognized at Rs. 15.35 million and TRECs at Rs. 5.75 million.

However, in the absence availability of any estimate of fair value of ISE shares and TREC and no reasonable basis has yet been finalised, the management has recorded TRECs at token value of Rs. 2,000 whereas the remaining amount (Rs. 22.198 million) has been allocated to shares of ISE issued to the Holding Company and JS Bank Limited.

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2013

(UN-AUDITED)



	Note	June 30, 2013 (Un-audited) (Rupees in '000)	December 31, 2012 (Audited)
9. SHORT TERM INVESTMENTS			
Assets at fair value through profit or loss		9,883,944	4,472,908
Available for sale	9.1	34,307,664	45,645,679
		44,191,608	50,118,587

9.1 Included herein is investment in units of JS Value Fund (JSVF), an open end fund managed by JS Investments Limited (a sub-subsidiary of the Holding Company). The investment in JSVF was previously classified as investment in associates, however, subsequent to the conversion of the fund to an open ended fund from closed end fund on June 28, 2013, the investment was classified to available-for-sale category.

10. DISCONTINUED OPERATION

The Board of Directors of the Holding Company in their meeting held on August 30, 2012 have approved to dispose of entire investment in Credit Chex (Private) Limited - a subsidiary of the Group. Accordingly, on December 24, 2012, the Holding Company entered into a share purchase agreement with LoanLink International (BVI) Limited to sell 1,895,000 shares of Credit Chex (Private) Limited subject to completion of necessary regulatory formalities.

The results of discontinued operations are presented in Segment Information (refer note 17).

	June 30, 2013 (Un-audited) (Rupees in '000)	December 31, 2012 (Audited)
11. CURRENT PORTION OF NON-CURRENT LIABILITIES		
Long term financing:		
- Term finance certificates	1,088,612	1,751,734
- Liability against Class A, B & C TFCs	106,076	103,120
Deposits and other accounts	68,910,870	59,920,434
	70,105,558	61,775,288

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2013

(UN-AUDITED)

12. CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

There were no material changes in the status of contingencies as reported in the annual consolidated financial statements for the eighteen month period ended December 31, 2012 except for the following:

- 12.1.1** The Additional Commissioner of Inland Revenue – Audit Division (ACIR) issued orders to the Holding Company under section 122 (5A) of the Income Tax Ordinance, 2001 (the Ordinance) in respect of the tax years 2008 and 2009. According to the orders, the ACIR raised tax liability of Rs. 217.14 million in respect of the above mentioned tax years. Such additions were made mainly because income was classified under different heads instead of treating income from all sources as business income. Accordingly, expenses were apportioned under section 67 of the Ordinance read with Rule 13 of Income Tax Rules, 2002. The Holding Company filed appeals against the above orders before the Commissioner Inland Revenue – Appeals (CIR-Appeals). Further, the Holding Company has also filed Constitutional petition on point of jurisdiction for Tax year 2009 and obtained stay order against recovery of tax demand. The CIR-Appeals eliminating the tax liability restored the return versions for the above tax years. The tax department filed appeals to the Appellate Tribunal Inland Revenue (ATIR) against the orders of CIR-Appeals.

The ATIR also decided the subject matter in respect of tax years 2008 and 2009 in favour of the Holding Company. However, appeal effect orders passed by the department in respect of aforesaid tax years resulted in income tax refund of Rs. 11.02 million. Rectification applications have been filed with ACIR to allow appeal effect in accordance with the order passed by the ATIR.

The management of the Holding Company, based on its discussions with its tax advisors, is confident that the rectifications applied for in respect of appeal effect orders for tax years 2008 and 2009 will eventually be allowed in favor of the Company. Hence, no provision for liability has been made in this condensed interim financial information.

- 12.1.2** The Additional Commissioner of Inland Revenue – Audit Division (ACIR) has also issued order to the Holding Company under section 122 (5A) of the Income Tax Ordinance, 2001 (the Ordinance) in respect of the tax year 2010. According to the order, the ACIR has raised tax liability of Rs. 63.49 million in respect of the above mentioned tax year. The Holding Company filed application for rectification in the order on various grounds including credit for tax of Rs. 54.10 million not allowed by the ACIR against which rectification order under section 221 of the Ordinance was issued according to which the tax demand was reduced to Rs. 9.64 million after accounting for the tax credit. Further, the Holding Company has also filed appeal against the above order before the Commissioner Inland Revenue – Appeals (CIR-Appeals). The CIR-Appeals has confirmed the order of ACIR. As a result of the aforesaid order of CIR-Appeals, the Holding Company has filed an Appeal before the Appellate Tribunal Inland Revenue (ATIR).

The management of the Holding Company, based on its discussions with its tax advisors, is confident that the subject matter in respect of tax year 2010 will eventually be decided in favor of the Company. Hence, no provision for liability has been made in this condensed interim financial information.

- 12.1.3** In respect of the appeals filed by JS Investments Limited (JSIL), a sub-subsiary company, against orders passed for tax years 2006 and 2009 against demand of Rs. 162 million and Rs. 66 million respectively, the Commissioner Inland Revenue (CIR) Appeal had not accepted the basis of addition and set aside both the orders in respect of allocation of expenses between various sources of income for denovo proceedings with the directions to apportionment of expenditure according to actual incurrence of expenditure to the various sources of income.

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2013

(UN-AUDITED)

JSIL has filed second appeal in Appellate Tribunal Inland Revenue (ATIR) in respect of disallowances, resulting which, the CIR Appeals rectified the order passed by his predecessor for the Tax Year 2006, whereby the addition regarding the portion of capital gain included in dividend received from mutual funds was held deleted.

Appeal effect of the CIR (Appeals) order in both the years received as a result the demand were reduced at Rs. 77.33 and Rs. 59.92 million respectively however, the direction of apportionment of expenditure according to actual incurrence of expenditure to the various sources of income was not followed. The company again filed appeals before the CIR (Appeals) against the above orders.

The management and tax advisors of JSIL are confident that good ground exist to contest these disallowances and other points at appellate forums, these additions cannot be maintainable and eventually outcome will come in favour of the JSIL. Hence, no provision has been made in the condensed interim financial information.

12.2 Transaction-related Contingent Liabilities

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

	June 30, 2013 (Un-audited) (Rupees in '000)	December 31, 2012 (Audited) (Rupees in '000)
- Government	1,913,314	1,950,045
- Banking companies and other financial institutions	206,671	588,099
- Others	321,621	293,522
	<u>2,441,606</u>	<u>2,831,666</u>

12.3 Trade related contingent liabilities

	June 30, 2013 (Un-audited) (Rupees in '000)	December 31, 2012 (Audited) (Rupees in '000)
Documentary credits	5,111,263	4,992,746

12.4 Other Contingencies

Claims not acknowledged as debts	<u>66,773</u>	<u>66,718</u>
----------------------------------	---------------	---------------

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2013

(UN-AUDITED)



	June 30, 2013 (Un-audited) (Rupees in '000)	December 31, 2012 (Audited)
12.5 Commitments		
Commitments in respect of:		
Forward exchange contracts:		
- Purchase	3,498,345	2,292,630
- Sale	3,894,472	2,450,968
Forward commitments to extend credit	780,918	604,511
Capital expenditure	32,421	33,149
Bank guarantee	-	400,000
Assets acquired under operating lease / ijarah	2,418	3,720
Future sale transactions of equity securities	262,500	-

13. WORKERS' WELFARE FUND

Included herein is the provision for Workers' Welfare Fund (WWF) of Rs. 57.331 million at the rate of 2% of the profit before taxation of the Holding Company for the period from January 1, 2012 to June 30, 2013. During the period, on March 1, 2013, the Honorable Sindh High Court (SHC) pronounced the verdict holding WWF a "tax" rather than "fee". Previously, the Honorable High Court of Lahore, in a separate Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and 2008 declared the said amendments as unlawful and unconstitutional. However, the decision of the SHC resulted in the applicability of aforesaid amendments.

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2013

(UN-AUDITED)



	Half Year Ended		Quarter Ended	
	June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
	..... (Un-audited)			
	..... (Rupees in '000)			
14. BASIC AND DILUTED EARNINGS / (LOSS) PER SHARE				
Attributable to equity holders' of the parent:				
Profit from continuing operations	222,534	696,781	75,971	297,679
Loss after taxation from discontinued operations	(7,417)	(7,752)	(7,417)	15,904
Profit after taxation attributable to Ordinary shareholders	215,117	689,029	68,554	313,583
	..... (Number in '000)			
Weighted average number of Ordinary shares outstanding during the period	763,285	763,285	763,285	763,285
	..... (Rupees)			
Earnings / (loss) per share:				
Basic				
Continuing operations	0.29	0.91	0.10	0.39
Discontinued operations	(0.01)	(0.01)	(0.01)	0.02
	0.28	0.90	0.09	0.41
			June 30, 2013	June 30, 2012
			..... (Un-audited)	
			..... (Rupees in '000)	
15. CASH AND CASH EQUIVALENTS				
Cash and bank balances			6,085,544	5,001,204
Short term running finances under mark-up arrangements			(355,595)	(175,545)
Borrowings from banks / NBFCs			(1,005,600)	(1,171,843)
			4,724,349	3,653,816

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2013

(UN-AUDITED)

16. RELATED PARTY TRANSACTIONS

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

Significant transactions with related parties during the half year ended are as follows:

	June 30, 2 0 1 3	June 30, 2 0 1 2
	..... (Un-audited) .....	..... (Rupees in '000)
Brokerage and commission expense	4,736	142
Purchase of money market instruments	8,084,822	14,018,722
Sale of money market instruments	36,031,880	23,331,085
Purchase of units	100,000	248,237
Sale of units	663,038	269,748
Call borrowing / repurchase transactions / encashment of fund placements	7,500,000	3,150,000
Call lending / reverse repurchase transactions / fund placements	-	1,993,778
Return on investments in related parties	285,085	13,949
Advisory and consultancy fee	41,059	18,903
Commission income	51,250	46,329
Foreign exchange purchases transaction	4,818,017	4,458,161
Foreign exchange sale transaction	6,434,814	4,129,310
Rental income	7,979	992
Interest / markup paid	11,778	6,612
Principal redemptions made against TFCs	34,582	45,572
Rent expense	1,176	1,091
Royalty paid	9,950	14,950
Advisory fee paid	6,000	7,500
Insurance premium paid	46,124	25,886
Insurance claim received	3,577	8,552
Investments disposed off in funds under management - at cost	305,367	649,735
Investments made in funds under management	70,000	776,732
Proceeds from sale of property and equipment	176	1,275
Investment in related parties	-	1,500
Remuneration and commission income from funds	111,687	103,411
Contribution to provident fund	15,077	44,746
Expenses incurred on behalf of funds	4,414	-
Loan repayment from executives	168	171
Loans disbursed to executives	700	-
Dividend paid	314,944	-

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2013

(UN-AUDITED)



	June 30, 2 0 1 3 (Un-audited)	June 30, 2 0 1 2 (Number)
Bonus shares/units received from related parties	1,663,913	149
Purchase of units	975,277	-
Sale of units	2,985,716	-
Units issued on conversion to open end fund	1,123,881	-

17. SEGMENT INFORMATION

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

Capital market & brokerage Principally engaged in trading of equity securities, maintaining strategic and trading portfolios and earning share brokerage and money market, forex and commodity brokerage.

Banking Principally engaged in providing investment and commercial banking.

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.

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2013
(UN-AUDITED)

The operating results of the group operations were as follows:

	CONTINUING OPERATIONS				DISCONTINUED OPERATIONS	TOTAL
	Capital Market & Brokerage	Banking	Investment Advisor/ Assets Manager	Others		
	(Rupees in '000)					
Segment results for the quarter ended June 30, 2013						
Return on investments	399,829	1,879,016	118,867	7,958	-	2,405,670
Gain on sale of investments - net	49,574	309,700	2,420	3,202	-	364,896
Income from long term loans and fund placements	97,307	1,223,830	-	3,548	-	1,324,685
Fee, commission and brokerage	142,194	324,127	112,464	32,261	2,545	613,591
Gain / (loss) on revaluation of investments carried at fair value through profit or loss - net	22,234	1,410	-	4,764	-	28,408
Unallocated revenue	-	-	-	-	55	192,219
	711,138	3,738,083	233,751	51,733	2,600	4,929,469
Share of profit / (loss) from:						
Associates	107,771	-	-	-	-	107,771
Joint venture	-	-	-	-	-	-
	818,909	3,738,083	233,751	51,733	2,600	5,037,240
Operating and administrative expenses	154,796	1,525,483	107,673	57,761	11,516	1,857,229
Finance cost	37,999	2,288,892	34,068	7,818	25	2,368,802
Provision for workers' welfare fund	57,331	6,109	5,700	6,353	-	75,493
Provision for impairment in investments	(68,832)	211,325	-	-	-	142,493
	181,294	4,031,809	147,441	71,932	11,541	4,444,017
Segment results	637,615	(293,726)	86,310	(20,199)	(8,941)	593,223
Unallocated expenses	-	-	-	-	-	(35,555)
Profit / (loss) for the period before taxation	637,615	(293,726)	86,310	(20,199)	(8,941)	557,668
Taxation:						
Segment	67,620	60,854	13,025	2,001	13	143,513
Prior period	(2,901)	-	-	-	-	(2,901)
Deferred	-	25,896	(1,039)	-	-	24,857
	64,719	86,750	11,986	2,001	13	165,469
Profit / (loss) for the period after taxation	572,896	(380,476)	74,324	(22,200)	(8,954)	392,199
Non-controlling interests	(77,619)	(48,773)	(51,639)	(588)	1,537	(177,082)
	495,277	(429,249)	22,685	(22,788)	(7,417)	215,117
Segment results for the quarter ended June 30, 2012 (restated)						
Return on investments	517,548	1,372,766	5,054	2,177	-	1,897,545
Gain / (loss) on sale of investments - net	25,043	105,405	155,727	2,439	-	288,614
Income from long term loans and fund placements	36,089	1,253,862	-	3,722	-	1,293,673
Fee, commission and brokerage	115,944	273,222	103,595	16,582	826	510,169
Gain / (loss) on revaluation of investments carried at fair value through profit or loss - net	42,616	(2,821)	-	78,055	-	117,850
Unallocated revenue	-	-	-	-	53	218,401
	737,240	3,002,434	264,376	102,975	879	4,326,252
Share of profit / (loss) from:						
Associates	41,561	-	-	-	-	41,561
Joint venture	(27,697)	-	-	-	-	(27,697)
	751,104	3,002,434	264,376	102,975	879	4,340,116
Operating and administrative expenses	125,463	1,169,897	96,701	42,338	10,208	1,444,607
Finance cost	58,467	1,678,692	48,174	9,660	29	1,795,022
Provision for workers' welfare fund	2,684	-	-	(376)	-	2,308
Provision for impairment in investments	(2)	2,323	-	20,000	-	22,321
	186,612	2,850,912	144,875	71,622	10,237	3,264,258
Segment results	564,492	151,522	119,501	31,353	(9,358)	1,075,858
Unallocated expenses	-	-	-	-	-	(42,909)
Profit / (Loss) for the period before taxation	564,492	151,522	119,501	31,353	(9,358)	1,032,949
Taxation:						
Segment	-	20,528	816	30,552	-	51,896
Prior period	-	(50,661)	-	-	-	(50,661)
Deferred	-	121,780	(2,370)	12,488	-	131,898
	-	91,647	(1,554)	43,040	-	133,133
Profit / (Loss) after taxation for the period	564,492	59,875	121,055	(11,687)	(9,358)	899,816
Non-controlling interests	-	(88,410)	(58,631)	(65,352)	1,606	(210,787)
	564,492	(28,535)	62,424	(77,039)	(7,752)	689,029

JAHANGIR SIDDIQUI & CO. LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2013

(UN-AUDITED)



18. DATE OF AUTHORISATION FOR ISSUE

These condensed interim consolidated financial statements were authorised for issue by the Board of Directors of the Holding Company in its meeting held on August 29, 2013.

19. GENERAL

Figures have been rounded off to the nearest thousand rupees.

Mazharul Haq Siddiqui
Chairman

Suleman Lalani
Chief Executive