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InvestBank.

INVEST CAPITAL INVESTMENT BANK LIMITED

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Board of Directors

Mr. Saeed Iqbal Chaudhry - Chairman
Mr. Nusrat Yar Ahmad - Chief Executive
Mr. Qasim Rabbani
Mr. Sulaiman Ahmad Saeed Al-Hoqani
Syed Abid Raza
Mr. Rehman Ghani
Mr. Aamer Saeed

Audit Committee

Mr. Aamer Saeed - Chairman
Mr. Rehman Ghani
Syed Abid Raza

Company Secretary

Mr. Shamir S. Ismail

Bankers

Bank Alfalah Limited
Bank Al-Habib Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
KASB Bank Limited
MCB Bank Limited
Meezan Bank Limited
Mybank Limited
NIB Bank Limited
The Royal Bank of Scotland Limited
Saudi Pak Commercial Bank Limited
Standard Chartered Bank (Pakistan) Limited
The Bank of Khyber
United Bank Limited

Auditors

M/s KPMG Taseer Hadi & Co., Chartered Accountants

Legal Advisors

Mohsin Tayebaly & Co.

Share Registrar

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Registered Office

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Phone: (92-21) 111-111-097 Fax: (92-21) 531 3887

Website: www.investbank.com.pk

On behalf of the Board of Directors, I am pleased to present the half-year financial statements of your Bank for the period ended December 31, 2008.

Economic Outlook

The last six months of the year 2008 have been one of the most difficult times in the economic history of Pakistan, and especially for financial institutions. The global financial crisis directly and indirectly impacted the country and ever-rising trade deficit, due to high commodity prices exacerbated this situation. Whereas, the current account deficit started increasing in 2004, it was managed through funds available from foreign direct investments, the privatization program and issuance of sovereign Eurobonds. However, the resources that were previously available for replenishing foreign exchange reserves dissipated due to global economic meltdown.

In order to avoid further deterioration in the reserves, the Government of Pakistan adopted a comprehensive program of macroeconomic stabilization and sustainable development and entered into a 23-month Standby Arrangement with the IMF.

The closure of equity market of Pakistan, devaluation of currency due to depleting foreign exchange reserves and substantial reduction in funds for Public Sector Development Program among other issues, resulted in slower economic growth and lesser demand for advances. These factors have adversely affected the growth trajectory of the financial sector.

In tandem with the international stock exchanges, the equity market of the country declined by 60% during the calendar year 2008. The situation was made worse as equity market not only remained closed for more than 100 days, but the average volumes also declined from over 255 million shares in 2007 to 133 million shares in the preceding year, thus seriously impacting revenues of your bank.

Although, the declining prices of commodities and especially oil have abated the surge of imports, nonetheless, the Current Account Deficit for first half of fiscal year 2009 rose by 20% to USD 7.27 billion. Trade deficit for the same period increased by 22% of which imports grew by 14% while exports posted a relatively modest improvement of 9% on a year on year basis. Inward remittances showed healthy increase and went up by an impressive 19%, from USD 3.066 billion in first half of fiscal year 2008 to USD 3.639 billion in the corresponding period of fiscal year 2009, despite a global slowdown.

The central bank aggressively increased the discount rate during the first half of fiscal year 2009 and consumer price index (CPI) continued its declining trend since Oct-08, with Jan-09 CPI recorded at 20.5%, a notable drop of 280bps on a month on month basis.

Financial Statements

Your bank has faced tremendous challenges in the period under review. For the half-year ended December 31, 2008, your company has posted an after tax loss of Rs.156.633 million, which equates to Rs 2.098 per share.

The major factor behind this loss has been closure of stock market for more than 100 days and a 50% decline in market volumes. This has directly impacted the brokerage business, and brokerage revenues have declined by 49% as a consequence. Additionally your bank did not opt for the SECP relaxation in accounting treatment for equity securities held by companies under the head "available for sale" as required under IAS-39 and made provisions amounting to Rs. 67.608 million against

impairment in the value of investments classified as available for sale. We are confident that this step would strengthen our bank in the future.

Administrative expenses showed an increase of 28% primarily due hiring of new staff in various areas and higher depreciation expenses. Your bank has made a conscious decision to retain its human resource base. The staff on the other hand has voluntarily taken a cut in their salaries in the range of 15-20% since November 2008.

Financial charges of the company reduced through continuous efforts and negotiation for reduction in rates on borrowings from financial institutions and effective cash management and despite the fact that the interest rates remained high, we were able to reduce our financial charges by 24%.

Future Outlook

During the last half-year your bank focused on further improving its systems and procedures. We feel that we are now internally stronger and are in a position to focus on further expanding and increasing our business. A highly competent team was hired in the corporate finance division. We are now expecting regular stream of revenues from our corporate finance activities in the future. The treasury division of the bank has started actively participating in the market and that will hopefully translate into respectable revenue contribution.

Your bank feels that one of its areas of expertise is in financial advisory and portfolio management. Keeping that in view, we have launched "InvestFolio" discretionary and non-discretionary portfolio management schemes. Two more products are in the pipeline and we are confident that these would be launched in the first quarter of the calendar year 2009. In addition to that trading in commodities is increasing exponentially, and several new products would be launched by National Commodity Exchange in the near future for which, our bank is well-placed to benefit from this increased interest.

Undoubtedly your bank will come through the current malaise stronger than before and will maximize the available opportunities to deliver value to our investors.

In the end, the directors of the company wish to express their sincere gratitude to the regulatory authorities particularly the Securities and Exchange Commission of Pakistan (SECP), shareholders, valued customers and the financial institutions for their continuous guidance and support. We also like to extend our appreciation to all the executives and staff of the company for their dedication and commitment throughout the period under review.

For and on Behalf of Board of Directors

Karachi
February 25, 2009

Nusrat Yar Ahmad
Chief Executive Officer



KPMG Taseer Hadi & Co.
Chartered Accountants
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Sheikh Sultan Trust Building No. 2
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Karachi 75530 Pakistan

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Introduction

We have reviewed the accompanying condensed interim balance sheet of **Invest Capital Investment Bank Limited** ("the Company") as at December 31, 2008 and the related condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity for the six months period then ended (the interim financial information). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan relating to 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 the 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 the 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 as at and for the six months period ended December 31, 2008 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan relating to interim financial reporting.

Other matters

The figures for the quarters ended December 31, 2008 and 2007 in the condensed interim profit and loss account have not been reviewed and we do not express a conclusion thereon. The financial statements of the Company for the year ended June 30, 2008 and six months period ended December 31, 2007 were audited and reviewed respectively by another firm of chartered accountants who had expressed unqualified opinions thereon vide their reports dated October 9, 2008 and June 4, 2008 respectively.

Karachi
February 25, 2009

KPMG Taseer Hadi & Co.
Chartered Accountants
Syed Najmul Hussain

Condensed Interim Balance Sheet

As at December 31, 2008



	Note	Un-audited December 31, 2008 Rupees	Audited June 30, 2008 Rupees
Non-Current Assets			
Property and equipments	4	222,312,717	157,652,617
Intangibles	5	1,182,032	1,367,126
Goodwill		92,238,600	92,238,600
Membership cards and room		97,500,000	97,500,000
Long-term loans and deposits	6	34,889,165	33,054,994
		448,122,514	381,813,337
Current Assets			
Trade debtors		1,516,540,010	1,352,383,735
Investments	7	73,468,060	127,635,483
Receivable against Continuous Funding System		11,103,380	-
Receivable under reverse repurchase transactions		325,430,487	-
Current maturity of long-term loans and deposits	6	7,537,053	6,451,816
Advances, deposits, prepayments and other receivables		53,588,658	100,520,683
Cash and bank balances	8	143,198,687	59,434,825
		2,130,866,335	1,646,426,542
		2,578,988,849	2,028,239,879
Share Capital and Reserves			
Authorised share capital 285,000,000 (June 30, 2008: 285,000,000) ordinary shares of Rs. 10 each		2,850,000,000	2,850,000,000
Issued, subscribed and paid-up capital		746,423,700	746,423,700
Capital reserve on amalgamation		(347,923,700)	(347,923,700)
Unrealised gain / (loss) on remeasurement of available for sale investments at fair value		594,300	(12,076,479)
Accumulated losses		(174,747,625)	(18,261,890)
Subordinated loan - Convertible	9	121,000,000	121,000,000
		345,346,675	489,161,631
Surplus on revaluation of assets		81,403,996	81,552,224
Non-current Liabilities			
Liability against assets subject to finance lease Long-term loan	10	109,116 67,500,000	1,291,051 -
		67,609,116	1,291,051
Current Liabilities			
Current portion of liability against assets subject to finance lease	10	2,653,280	3,603,698
Current portion of long-term loan		22,500,000	-
Borrowings	11	848,605,987	-
Short-term running finance		916,133,668	1,262,703,702
Trade creditors, accrued and other liabilities	12	294,736,127	189,927,573
		2,084,629,062	1,456,234,973
Contingencies and commitments			
	13	-	-
		2,578,988,849	2,028,239,879

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

Aamer Saeed
Director

Nusrat Yar Ahmad
Chief Executive

Condensed Interim Profit and Loss Account

For the six months period ended December 31, 2008 (Un-audited)



Note	Six months period ended December 31,		Three months period ended December 31,	
	2008 Rupees	2007 Rupees	2008 Rupees	2007 Rupees
Brokerage, commission and fees	38,293,622	75,434,515	14,926,157	37,559,599
Income from Continuous Funding System	3,535,322	-	3,535,322	-
Capital gain on sale of shares - net	4,418,956	2,981,921	33,237	12,145,196
Unrealised (loss) / gain on remeasurement of investments carried at fair value through profit or loss	(4,658,394)	(789,994)	22,750	264,000
	41,589,506	77,626,442	18,517,466	49,968,795
Impairment in the value of investments classified as available for sale				
- Transferred from statement of changes in equity	(14,186,409)	-	(14,186,409)	-
- For the period	(53,422,291)	-	(53,422,291)	-
	(67,608,700)	-	(67,608,700)	-
Administrative and operating expenses	(116,934,571)	(90,929,272)	(56,346,683)	(54,161,073)
	(142,953,765)	(13,302,830)	(105,437,917)	(4,192,278)
Other operating income	10,697,252	31,416,583	8,009,091	22,264,196
	(132,256,513)	18,113,753	(97,428,826)	18,071,918
Financial charges - net	(21,103,016)	(27,796,849)	(16,552,726)	(19,148,067)
Loss before taxation	(153,359,529)	(9,683,096)	(113,981,552)	(1,076,149)
Provision for taxation	(3,274,434)	(5,451,083)	(2,170,424)	(2,779,311)
Loss after taxation	(156,633,963)	(15,134,179)	(116,151,976)	(3,855,460)
Loss per share				
- Basic	(2.098)	(0.054)	(1.556)	(0.014)
- Diluted	(1.806)	(0.054)	(1.339)	(0.014)

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

Aamer Saeed
Director

Nusrat Yar Ahmad
Chief Executive

Condensed Interim Cash Flow Statement

For the six months period ended December 31, 2008 (Un-audited)



		Six months period ended December 31,	
		2008	2007
		Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
	Loss before taxation	(153,359,529)	(9,683,096)
Adjustment for non-cash charges:			
	Depreciation of property and equipments	16,232,660	5,283,702
	Amortization of intangibles	208,594	292,956
	Gain on disposal of fixed assets	(322,123)	(230,271)
	Unrealised loss on remeasurement of investments carried at fair value through profit or loss	4,658,394	789,994
	Impairment in the value of investments classified as available for sale	67,608,700	-
	Financial charges - net	21,103,016	27,796,849
		109,489,241	33,933,230
Cash (used in) / generated from operating activities before working capital changes		(43,870,288)	24,250,134
Working capital changes			
(Increase) / decrease in current assets			
	Trade debtors	(164,156,275)	(47,555,605)
	Advances, deposits, prepayments and other receivables	44,463,447	(83,795,421)
		(119,692,828)	(131,351,026)
Increase / (decrease) in current liabilities			
	Short-term deposits	-	22,766,506
	Amalgamation working capital adjustment	-	(43,738,600)
	Trade creditors, accrued and other liabilities	99,081,062	(519,096,777)
		99,081,062	(540,068,871)
Changes in working capital		(20,611,766)	(671,419,897)
Cash (used in) operations		(64,482,054)	(647,169,763)
	Financial charges paid	(15,157,072)	(29,488,828)
	Income tax paid	(805,854)	(5,451,083)
		(15,962,926)	(34,939,911)
Net cash (used in) operating activities		(80,444,980)	(682,109,674)
CASH FLOW FROM INVESTING ACTIVITIES			
	Capital expenditure	(84,791,812)	(18,412,457)
	Long-term loans and deposits	(2,919,408)	(3,807,210)
	Investments	(5,428,892)	(783,606,109)
	Sale proceeds from disposal of property and equipment	4,197,673	2,102,707
	Net cash (used in) investing activities	(88,942,439)	(803,723,069)
CASH FLOW FROM FINANCING ACTIVITIES			
	Receivable against Continuous Funding System	(11,103,380)	-
	Receivable under reverse repurchase transactions	(325,430,487)	222,323,762
	Repayment of liability against assets subject to finance lease	(2,350,805)	(1,930,891)
	Long-term loans	90,000,000	-
	Borrowings	848,605,987	-
	Deferred liabilities	-	296,250
	Net cash generated from financing activities	599,721,315	220,689,121
Net increase / (decrease) in cash and cash equivalents		430,333,896	(1,265,143,622)
Cash and cash equivalents at the beginning of the period		(1,203,268,877)	275,489,715
Cash and cash equivalents at the end of the period		(772,934,981)	(989,653,907)

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

Aamer Saeed
Director

Nusrat Yar Ahmad
Chief Executive

Condensed Interim Statement of Changes in Equity
For the six months period ended December 31, 2008 (Un-audited)



	Issued, subscribed and paid-up capital	Capital reserve on amalgamation	Unrealised (loss)/ gain on remeasurement of available for sale investments at fair value	Accumulated profit / (losses)	Subordinated loan - Convertible	Total
Rupees						
Balance as at July 1, 2007	2,787,054,050	(2,388,554,050)	-	764,088	-	399,264,088
Total income and expenses recognised during the six months ended December 31, 2007 - loss for the period	-	-	-	(15,134,179)	-	(15,134,179)
Balance as at December 31, 2007	2,787,054,050	(2,388,554,050)	-	(14,370,091)	-	384,129,909
Adjustment of capital reserve on reduction of capital	(2,040,630,350)	2,040,630,350	-	-	-	-
Subordinated loan - Convertible	-	-	-	-	121,000,000	121,000,000
Incremental depreciation charged for the period	-	-	-	442,222	-	442,222
Unrealised loss on remeasurement of available for sale investments at fair value	-	-	(12,076,479)	-	-	(12,076,479)
Total income and expenses recognised during the six months ended June 30, 2008 - loss for the period	-	-	-	(4,334,021)	-	(4,334,021)
Balance as at June 30, 2008	746,423,700	(347,923,700)	(12,076,479)	(18,261,890)	121,000,000	489,161,631
Incremental depreciation charged for the period	-	-	-	148,228	-	148,228
Unrealised loss on remeasurement of available for sale investments at fair value	-	-	(1,515,630)	-	-	(1,515,630)
Impairment in the value of investment classified as available for sale taken to profit and loss account (recognised income)	-	-	14,186,409	-	-	14,186,409
Total income and expenses recognised during the six months - loss for the period	-	-	-	(156,633,963)	-	(156,633,963)
Balance as at December 31, 2008	746,423,700	(347,923,700)	594,300	(174,747,625)	121,000,000	345,346,675

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

Aamer Saeed
Director

Nusrat Yar Ahmad
Chief Executive

1. LEGAL STATUS AND OPERATIONS

Invest Capital Investment Bank Limited ("the Company") was formed after the amalgamation of Asset Investment Bank Limited (AIBL) with Invest Capital and Securities (Private) Limited (ICSL) through the order of Lahore High Court, Rawalpindi Bench dated March 27, 2007 for the sanction of the arrangement of amalgamation. Subject to the restrictions, if any, the Company will perform all the businesses and activities that the two separate entities were performing before the amalgamation. Pursuant to the same order the name of AIBL was changed to Invest Capital Investment Bank Limited.

The Company is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984. The Securities & Exchange Commission of Pakistan (SECP) on February 29, 2008 issued a license to the Company to carry out investment finance activities as a Non-Banking Finance Company. The Company is listed on Karachi, Lahore and Islamabad stock exchanges. The registered office of the Company is situated in Karachi.

JCR VIS Credit Rating Company Limited has assigned to the Company a medium to long-term entity rating of A- (Single A Minus) and a short-term rating of A-2 (A-Two) with the outlook on the rating as "Positive".

In compliance with Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, the Company is in the process of segregating its brokerage business from investment finance activities and proposes to transfer the same to a subsidiary company incorporated for this purpose.

2. BASIS OF PRESENTATION

These condensed interim financial statements are un-audited but subject to limited scope review by the auditors and have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - "Interim Financial Reporting" as applicable in Pakistan. These condensed interim financial statements do not include all of the information required for full financial statements and should be read in conjunction with the financial statements of the Company as at and for the year ended June 30, 2008.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and methods of computation followed for the preparation of these condensed interim financial statements are the same as those applied in preparing the financial statements for the year ended June 30, 2008.

3.2 Estimates and judgements

The preparation of 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 expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended June 30, 2008.

4. PROPERTY AND EQUIPMENTS

	Six months period ended			
	December 31, 2008		December 31, 2007	
	Additions	Disposals	Additions	Disposals
	Rupees		Rupees	
Owned				
Land and building	20,886	-	-	-
Office renovation	32,121,466	-	-	-
Furniture and fixtures	-	310,309	2,800,000	246,239
Office equipments	47,601,380	286,891	932,566	-
Vehicles	5,024,580	4,756,066	14,609,041	3,923,489
Leased				
Vehicles	-	620,000	-	519,000
	<u>84,768,312</u>	<u>5,973,266</u>	<u>18,341,607</u>	<u>4,688,728</u>
5. INTANGIBLES				
Computer software	<u>23,500</u>	<u>-</u>	<u>70,850</u>	<u>-</u>

6. LONG-TERM LOANS AND DEPOSITS

	Note	December 31, 2008 Rupees	June 30, 2008 Rupees
Long-term loans	6.1	29,547,606	25,949,801
Long-term deposits		12,878,612	13,557,009
		<u>42,426,218</u>	<u>39,506,810</u>
Current maturity of			
- Long-term loans		(6,714,553)	(6,188,416)
- Long-term deposits		(822,500)	(263,400)
		<u>(7,537,053)</u>	<u>(6,451,816)</u>
		<u>34,889,165</u>	<u>33,054,994</u>

6.1 These represents interest free loans to staff and are repayable in equal monthly instalments, in accordance with the Company's policies for staff loans.

7. INVESTMENTS

At fair value through profit or loss - held for trading

Quoted securities

Ordinary shares	116,750	-
Certificates of close end mutual funds	30,931,780	41,628,924
Term finance certificates	-	47,540

Available-for-sale

Quoted securities

Ordinary shares	42,308,170	85,879,519
Certificates of close end mutual funds	41,360	9,500
Term finance certificates	70,000	70,000

December 31, 2008 Rupees	June 30, 2008 Rupees
73,468,060	127,635,483

7.1 The Karachi Stock Exchange (Guarantee) Limited (“KSE”) placed a “Floor Mechanism” on the market value of securities based on the closing prices of securities prevailing as on August 27, 2008. Under the “Floor Mechanism”, the individual security price of equity securities could vary within normal circuit breaker limit, not below the floor price level. The mechanism was effective from August 28, 2008 and remained in place until December 15, 2008. Consequent to the introduction of ‘floor mechanism’ by KSE, the market volume declined significantly during the period from August 27, 2008 to December 15, 2008. There were lower floors on a number of securities at December 31, 2008. The equity securities have been valued at prices quoted on the KSE on December 31, 2008 without any adjustment as allowed by the Securities and Exchange Commission of Pakistan (SECP) circular No. Enf/D-III/Misc./1/2008 dated January 29, 2009.

8. CASH AND BANK BALANCES

Cash in hand	93,251	99,248
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Balances with banks on:

Current accounts

State Bank of Pakistan	2,965,010	109,565
Other banks	17,309,738	32,671,609
	20,274,748	32,781,174

Deposits accounts

December 31, 2008 Rupees	June 30, 2008 Rupees
143,105,436	59,335,577
143,198,687	59,434,825

9. SUBORDINATED LOAN - CONVERTIBLE

This represents interest free loan provided by sponsor shareholders of the Company, which is not repayable but would be converted into share capital at the discretion of such shareholders, as and when the Company would issue right shares.

10. LIABILITY AGAINST ASSETS SUBJECT TO FINANCE LEASE

Future minimum lease payments under finance lease together with the present value of minimum lease payments are:

	December 31, 2008			June 30, 2008		
	Minimum lease payments	Finance charges for future periods	Present value of minimum lease payments	Minimum lease payments	Finance charges for future periods	Present value of minimum lease payments
	Rupees			Rupees		
Due within one year	2,752,192	98,912	2,653,280	3,909,319	305,621	3,603,698
Due after one year but within five years	109,410	294	109,116	1,303,088	12,037	1,291,051
	2,861,602	99,206	2,762,396	5,212,407	317,658	4,894,749

10.1 Financial charges of 13.50% to 14% per annum (June 30, 2008: 13.50% to 14% per annum) were used as discounting factor.

10.2 The Company has an option to purchase the leased assets upon completion of the lease period by adjusting the security deposit and has intention to exercise the option.

11. BORROWINGS

	Note	December 31, 2008 Rupees	June 30, 2008 Rupees
Payable under repurchase transactions	11.1	398,605,987	-
Clean borrowings	11.2	450,000,000	-
		848,605,987	-

11.1 These are funds borrowed in the local inter bank market against pledge of securities at rates ranging from 13.10 % to 25% per annum (June 30, 2008: Nil) for the periods ranging from 2 days to 90 days (June 30, 2008: Nil).

11.2 Money at call and short notice carries mark-up at 16.25 % to 19% per annum (June 30, 2008: Nil) for the periods ranging from 31 days to 38 days (June 30, 2008: Nil).

12. TRADE CREDITORS, ACCRUED AND OTHER LIABILITIES

	December 31, 2008 Rupees	June 30, 2008 Rupees
Trade creditors	211,635,992	118,230,580
Accrued expenses	39,805,186	37,150,400
Accrued mark-up	32,397,220	26,669,728
Other liabilities	10,897,729	7,876,865
	294,736,127	189,927,573

13. CONTINGENCIES AND COMMITMENTS

There have been no change in the status of contingencies and commitments as stated in the annual financial statements for the year ended June 30, 2008.

14. LOSS PER SHARE - BASIC AND DILUTED

	Six months period ended December 31,		Three months period ended December 31,	
	2008 Rupees	2007 Rupees	2008 Rupees	2007 Rupees
Loss after taxation (both for the purpose of basic and diluted loss per share)	(156,633,963)	(15,134,179)	(116,151,976)	(3,855,460)
..... Number of shares				
Weighted average number of ordinary shares for the purpose of basic loss per share	74,642,370	278,705,405	74,642,370	278,705,405
Effect of diluted potential ordinary shares	12,100,000	-	12,100,000	-
Weighted average number of ordinary shares for the purpose of diluted loss per share	86,742,370	278,705,405	86,742,370	278,705,405
	Rupees	Rupees	Rupees	Rupees
Loss per share - basic	(2.098)	(0.054)	(1.556)	(0.014)
Loss per share - diluted	(1.806)	(0.054)	(1.339)	(0.014)

15. CASH AND CASH EQUIVALENTS

	December 31, 2008 Rupees	December 31, 2007 Rupees
Cash and bank balances	143,198,687	434,076,696
Short-term running finance	(916,133,668)	(1,423,730,603)
	(772,934,981)	(989,653,907)

16. TRANSACTIONS WITH RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and include major shareholders, associated companies with or without common directors, retirement benefit funds and directors and key management personnel and their close family members.

Transactions with the related parties are executed on the same terms as those prevailing at the time for comparable transactions with unrelated parties and do not involve more than a normal risk.

Details of transactions with related parties and balances with them as at the period-end were as follows:

	Six months period ended December 31,		Three months period ended December 31,	
	2008 Rupees	2007 Rupees	2008 Rupees	2007 Rupees
With Key Management Personnel				
Remuneration to chief executive officer	<u>4,544,908</u>	<u>4,000,000</u>	<u>1,860,908</u>	<u>2,000,000</u>
Directors' fee	<u>2,500</u>	<u>-</u>	<u>2,500</u>	<u>-</u>
Remuneration to executives	<u>12,965,530</u>	<u>9,374,878</u>	<u>6,262,735</u>	<u>4,080,000</u>
Brokerage income				
Directors	<u>416,650</u>	<u>170,875</u>	<u>416,650</u>	<u>110,946</u>
Contributions to employees contribution plan	<u>1,797,222</u>	<u>1,887,203</u>	<u>485,812</u>	<u>977,576</u>

Balances with related parties can be summarised as follows:

Trade receivable/ (payable)

Directors

December 31, 2008 Rupees	June 30, 2008 Rupees
<u>190,877,968</u>	<u>(61,398,654)</u>

17. CORRESPONDING FIGURES

Comparative information has been re-classified or re-arranged in these condensed interim financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current period.

18. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Company in their meeting held on February 25, 2009.

19. GENERAL

19.1 These condensed interim financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

19.2 Figures have been rounded off to the nearest rupee.

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