Annual Report 2006

Pakistan International Container Terminal Limited
Experience, Commitment and Service

Pakistan International Container Terminal Limited

Contents

Board of Directors

PICT
Pakistan International Container Terminal Limited

Standing from left to right

Mr. Masood A. Usmani
Mr. Sharique Azim Siddiqui
Capt. Haleem A. Siddiqui
Mr. Aasim Azim Siddiqui
Syed Nizam A. Shah
Capt. Zafar Iqbal Awan
Mr. Danish Azim Siddiqui

Pakistan International Container Terminal Limited

COMPANY INFORMATION

BOARD OF DIRECTORS

Chairman	Capt. Haleem A. Siddiqui
Chief Executive	Capt. Zafar Iqbal Awan
Directors	Mr. Aasim Azim Siddiqui Mr. Sharique Azim Siddiqui Mr.Danish Azim Siddiqui Syed Nizam A. Shah Mr. Ali J. Siddiqui
Chief Financial Officer & Company Secretary	Mr. M. Masood Ahmed Usmani
AUDIT COMMITTEE	
Chairman	Syed Nizam A. Shah
Members	Mr. Aasim Azim Siddiqui Mr. Ali J. Siddiqui
Chief Internal Auditor	Mr. Mehran Siddique Khan
Secretary to Audit Committee	Mr. M. Asif Malik
AUDITORS	Ford Rhodes Sidat Hyder & Co. Chartered Accountants 6th Floor, Progressive Plaza, Beaumont Road, P.O. Box 15541, Karachi-75530 Tel : 5650007-11
LEGAL ADVISOR	Kabraji & Talibuddin 64-A/1, Gulshan-e-Faisal, Bath Island, Karachi. Usmani & Iqbal 6th Floor, Business Centre, Mumtaz Hassan Road, Karachi.
BANKERS	Faysal Bank Limited United Bank Limited Standard Chartered Bank Crescent Commercial Bank Limited
REGISTERED & HEAD OFFICE	2nd Floor, Business Plaza, Mumtaz Hassan Road, Karachi. Tel : 2400450-3 Fax :2400281
TERMINAL	Berth 6-9, East Wharf Karachi. Tel : 2855701-14 Fax :2854815
REGISTRAR/TRANSFER AGENT	Technology Trade Services (Pvt.) Ltd. 241-C, Block-2, P.E.C.H.S., Karachi. Tel: 4391316-7

Pakistan International
Container Terminal Limited

Vision

Operate a Container Terminal at Karachi Port that provides the highest level of quality services to its clients

Mission

A Company dedicated to fulfilling the Port Service requirements of Customers and Users of Karachi Port at an economic cost through optimum use of human and financial resources and giving a fair return to investors

Pakistan International Container Terminal Limited

Notice of the Fifth Annual General Meeting

Notice is hereby given that the 5th Annual General Meeting of the members of Pakistan International Container Terminal Limited will be held at Beach Luxury Hotel, Karachi, on Friday, September 29, 2006 at 11:30 A.M. to transact the following business:

1) To confirm the minutes of last Annual General Meeting held on October 11, 2005.

2) To receive and adopt Audited Accounts of the Company for the year ended June 30, 2006 together with Auditors' and Directors' Reports thereon.

3) To approve final dividend on Preference Shares @ Re. 1 per share amounting to Rs. 18,000,000.

4) To appoint Auditors for the financial year 2006-2007 and fix their remuneration. The present auditors, M/s. Ford Rhodes Sidat Hyder & Co., Chartered Accountants, retire and being eligible, offer themselves for re-appointment.

5) To transact any other business with the permission of the Chair.

By order of the Board

September 08, 2006

M. Masood Ahmed Usmani
Company Secretary

Notes

Share Transfer Books of the Company will remain closed from September 21, 2006 to September 28, 2006 (both days inclusive). Transfer received in order at Company's Registrar, Technology Trade (Pvt.) Ltd., 241-C, P.E.C.H.S., Block 2, Karachi by close of business on September 20, 2006 will be considered in time.

2. A member eligible to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies, in order to be effective, must be received at the Company's Registered Office, not less than 48 hours before the time for holding the meeting and must be duly stamped, signed and witnessed.

3. CDC shareholders, entitled to attend and vote at this meeting, must bring with them their Computerized National Identity Cards/Passport in original alongwith Participants' ID Numbers and their Account Numbers to prove his/her identity, and in case of Proxy, must enclose an attested copy of his/her CNIC or Passport. Representatives of corporate members should bring the usual documents required for such purpose.

4. Shareholders are requested to notify any change in their addresses to the company immediately.

PICT

Pakistan International Container Terminal Limited

Chairman
Capt. Haleem A. Siddiqui

Chairman's Review

It is a matter of pride for me to commend the management team of PICT for achieving 46% growth in container handling in financial year 2005-6 and crossing the 300,000 TEU (Twenty Foot Equivalent Container Units) mark to handle 302,028 TEUs. Our revenues have grown significantly by 27% and we have seen a growth of 33% in our net profits before tax. We have completed Phase II Expansion by June 2006 and are commencing Phase III Expansion well ahead of our scheduled target. Our Project Development is well ahead of our scheduled time and our growth has been commendable ever since we started commercial operations in 2002. All this has been possible by the Grace of God with the full dedication of our team of professionals.

Our priority is to add shareholder value by reinvesting our earnings in the company to support our expansion plans in order to capture a significant share in the double digit growth in Pakistan's container throughput. Through our forward planning, we have procured and successfully commissioned the first and only Quayside Crane in Pakistan capable of lifting two empty twenty foot containers at a time. This has enabled us to positively increase our berth productivity to the satisfaction of our clients. We had ordered the Phase III Equipment well ahead of time and we expect the equipment to arrive at PICT Terminal in September 2006. After completion of Phase III Expansion by December 2007, PICT will be operating with a total of four Quayside Cranes and two Mobile Harbour Cranes with a capacity to handle 550,000 TEUs per anum.

This year, PICT has earned the distinction of being awarded the gold medal from the President of Pakistan for the "Businessman of the Year Award" which I have received. On behalf of PICT, I would like to thank the management of Karachi Port Trust, our Lenders, the International Finance Corporation and the OPEC Fund for International Development, our clients and our valued shareholders.

Our objective remains to build PICT as the first and only Pakistani-owned container terminal in the country and to operate at international norms of productivity and service, and to be second to none.

Karachi: August 29, 2006

Capt. Haleem A. Siddiqui
Chairman

Pakistan International
Container Terminal Limited

Directors' Report

The Directors have pleasure in presenting the Annual Report together with the audited Financial Statements of the Company for the year ended June 30, 2006.

During the last year, PICT has shown remarkable progress in terms of growth in containers handled, increase in berth productivity, increase in company revenues and profits. The significant milestones achieved were the following:

- 46 percent growth in annual container throughput to 302,028 TEUs (Twenty Foot Equivalent Container Units) (2005: 206,773 TEUs);
- 27 percent growth in annual revenues to Rs. 1,707.76 million (2005: Rs. 1,342.68 million); and
- 33% increase in net profits (before tax) to Rs. 450.58 million (2005: Rs. 338.98 million).

PICT had successfully completed the Phase II Development of its Container Terminal Project in June 2006 – earlier than the scheduled target. The year under review saw the successful commissioning and operations of the Phase II equipment and allied civil works. PICT team was organized to successfully operate the new container handling equipments and integrate the operations with the terminal management software installed at the Terminal. The above milestones are a result of the successful teamwork whereby state-of-the-art container handling equipment was installed at PICT and container handling services of international standards were provided to shipping lines and the trade by a team of dedicated Pakistani professionals.

Future Plans:

The extraordinary growth of container throughput at PICT has led us to commence the Phase III Development of the Project. PICT is committed to develop in three phases under the terms of the concession agreement with Karachi Port Trust as follows:

Pakistan International Container Terminal Limited

	Phase I	Phase II	Phase III
Trigger	Up to 150,000 Containers per annum	Over 150,000 Container per annum	Over 300,000 Containers per annum
Ship to Shore Cranes	2	1	1
Rubber Tyred Gantry Cranes	4	2	4
Reach Stackers	2	2	1
Top Lifters	1	0	0
Empty Handlers	2	0	0
Terminal Tractors	10	5	15
Trailer Units	20	10	15
Status	**Completed**		**In Progress**

By the Grace of God, at the end of the year under review, PICT container volumes of 302,028 TEU's have triggered the Phase III Development of the Project four years ahead of the forecast. PICT has also placed the order of one new Ship to Shore Crane and four Rubber Tyred Gantry Cranes, along with the other required equipment. It is expected that Phase III development would be completed by end 2007.

The estimated project cost for Phase III is approximately US$ 24 million. This is to be partly financed through PICT's cash generations and partly through leasing facility and foreign debt from International Finance Corporation (IFC) and OPEC Fund for International Development (OPEC Fund). Agreements in respect of loans amounting to US$ 8 million and US$ 3 million have been finalized with IFC and OPEC Fund. Negotiations in respect of lease amounting to US$ 6.2 million with leasing syndicate have been finalized and agreement is in the process of being signed. The balance of US$ 6.8 million is to be funded through PICT's cash generations.

We are confident that with the additional equipments of Phase III, PICT will continue to grow in productivity and in shareholders' value.

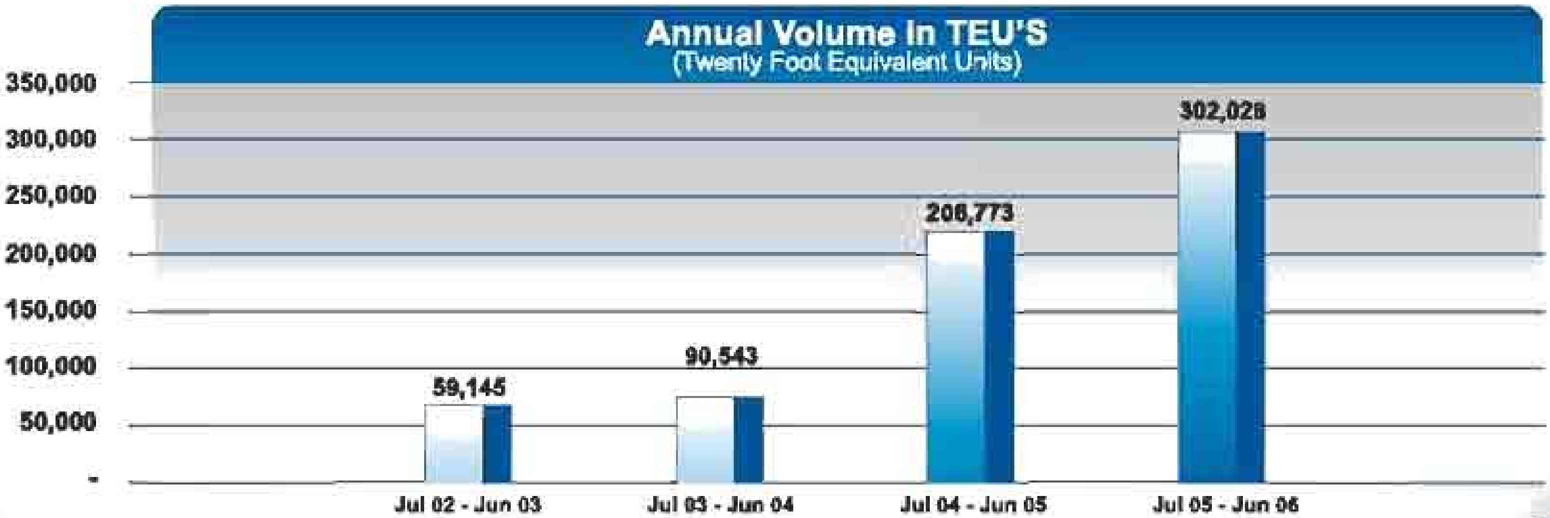
Pakistan International
Container Terminal Limited

INTEGRATED MANAGEMENT SYSTEM (IMS)

PICT is the first Container Terminal in Pakistan to have an IMS Certification from Bureau Veritas Quality International. IMS Integrates the main parameter of ISO9001:2000 (Quality Management System), ISO14001 (Environment Management System) and OSHAS 18001 (Occupational Safety and Health Standards). By complying with all the three standards we are actually committed to follow the World Bank Guidelines on Quality, Environment, Health and Safety.

Operational Performance

The year under review saw the successful commissioning of the one new Ship-to-Shore Gantry crane, two Rubber Tyred Gantry Cranes and other Phase II equipment. The Company has shown robust growth both in terms of volume as well as revenue. During the year, the Company has handled 302,028 TEU's as compared to 206,773 TEU's in the last year showing a growth of 46%. This increase in volume is mainly attributable to the quality of service and state-of-the-art facilities being provided to the shipping lines calling at the Terminal.



Pakistan International
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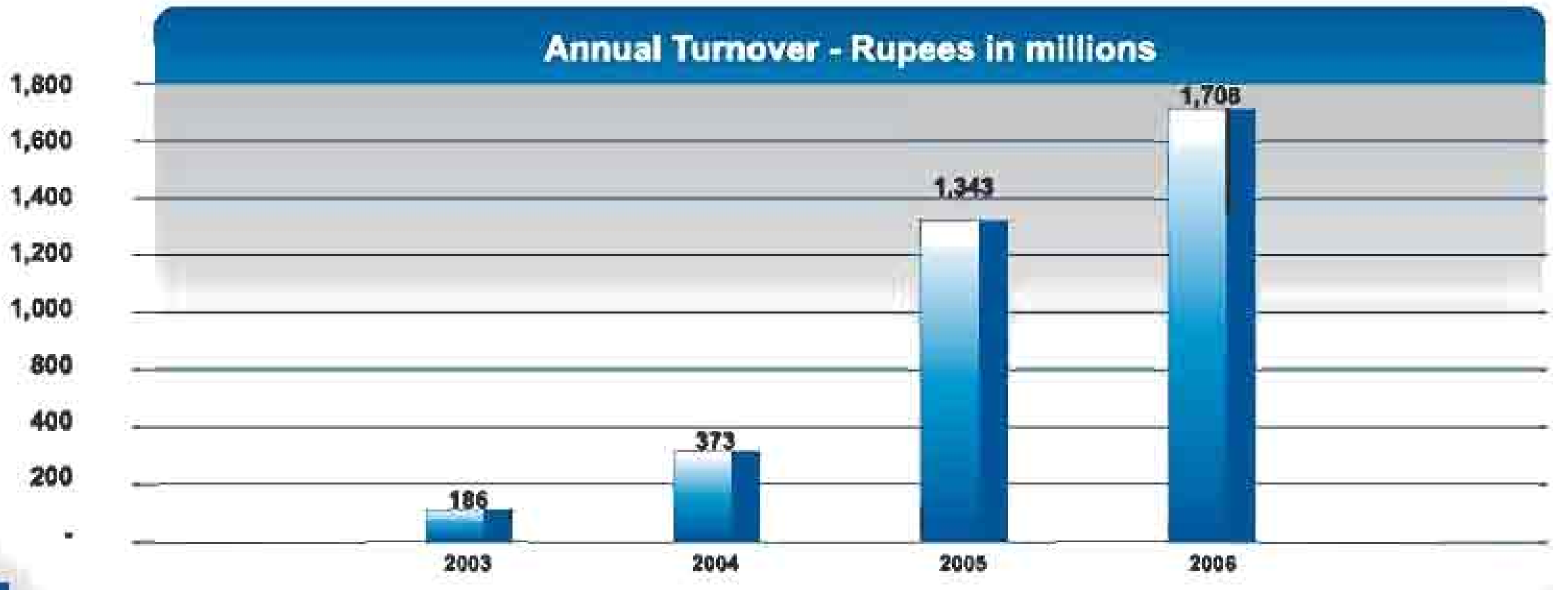
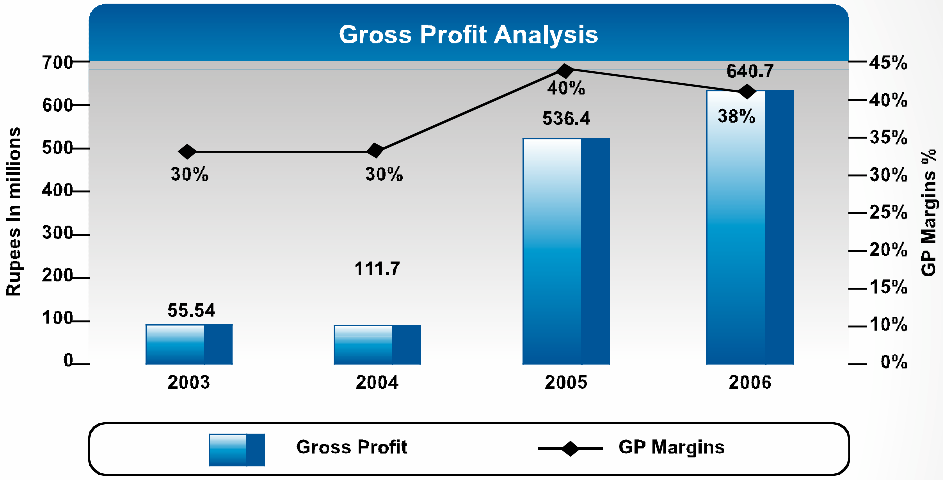
Financial Performance

The Increase in volumes has been backed by increase in margins as compared to the last year. The Company has achieved Rs. 1.7 billion turnover in the third year after starting operations. The Company has shown an increase of 27% in revenue as compared to last year i.e. from Rs. 1,342.68 million to Rs. 1,707.76 million.

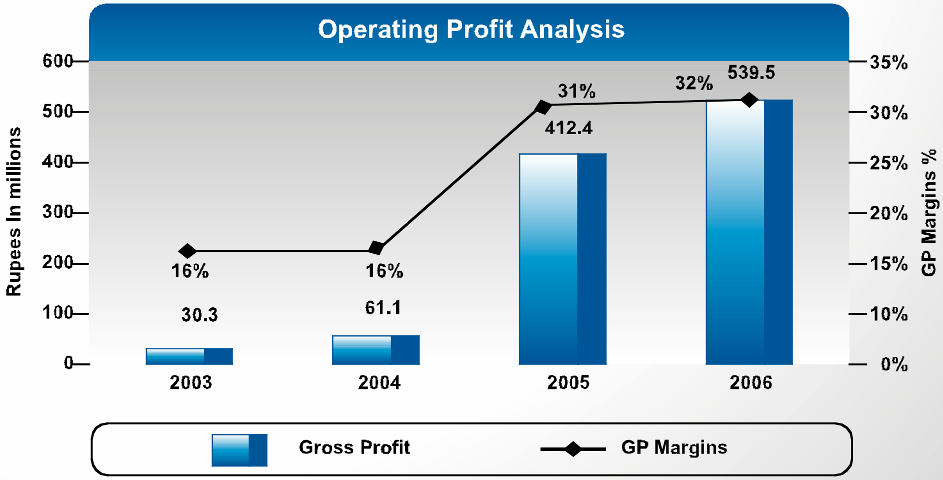


Pakistan International Container Terminal Limited

Gross profit for the year has amounted to Rs. 640.67 million (2005: Rs. 536.36 million). Gross margins for the year were 38% as compared to 40% last year.



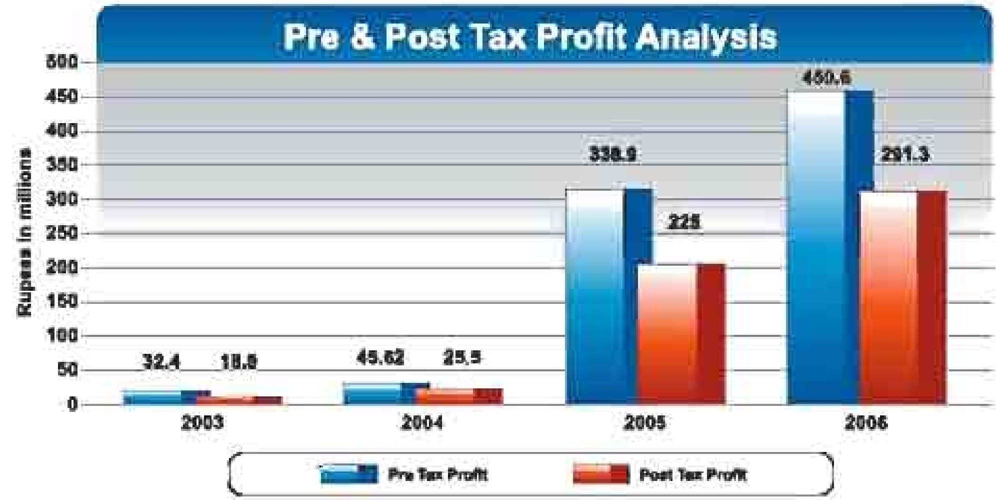
The Company has achieved an operating profit of Rs. 539.5 million as compared to Rs. 412.4 million last year showing an increase of 31% and increasing the operating profit to turnover ratio to 32% from 31%.

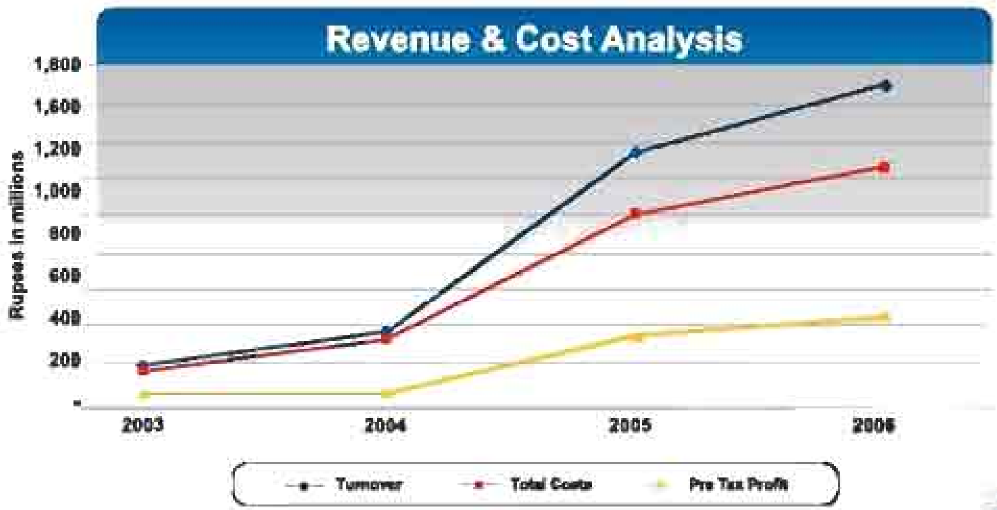


Pakistan International Container Terminal Limited

During the year the financial charges have increase from Rs. 73.42 million to Rs. 88.96 million. These costs relate to the mark up on US Dollar Loans acquired to finance the Phase I and Phase II of the project.

The Company has posted a pre-tax profit of Rs. 450.58 million (2005: Rs. 338.98 million) and post-tax profit of Rs. 291.27 million (2005: Rs. 225.01 million) showing an increase of 33% and 29% respectively from last year figures.





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Financial Results:

These are summarized below:

	Rs in 000's
Profit for the year before taxation	450,580
Less: Provision for taxation	(159,310)
Profit after tax	291,270
Add: Un-appropriated profit brought forward	269,431
Final dividend for the year ended June 30, 2005- Preference shares	(3,358)
Un-appropriated profit carried forward	557,343
EPS	Rs. 3.61

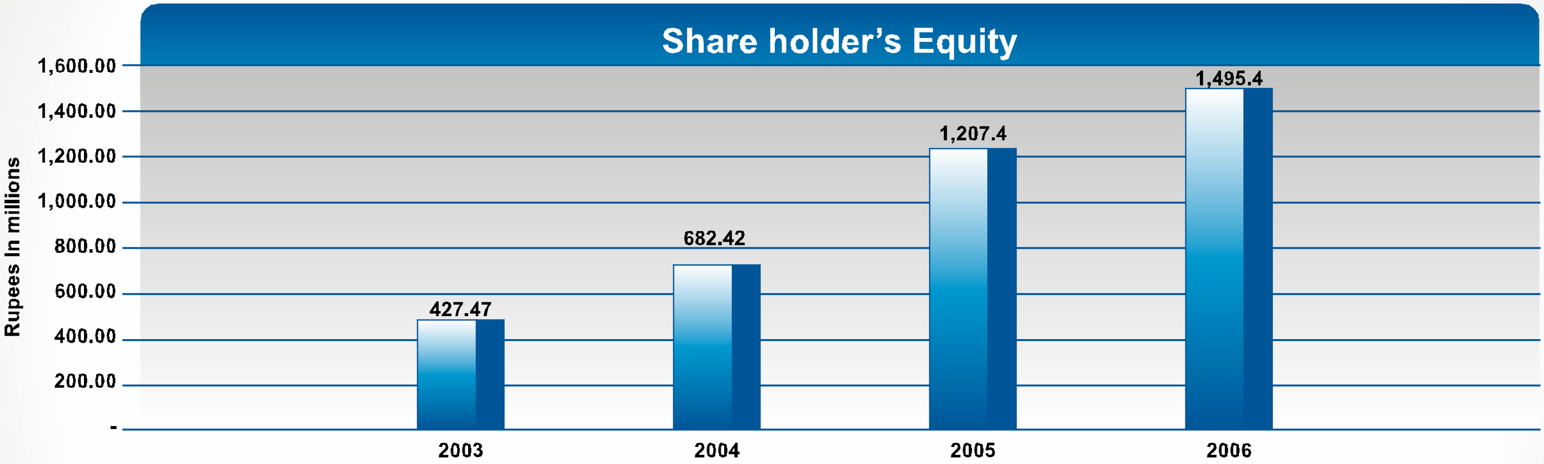
Considering the expansion of the Company into Phase III of the Project, the Directors of the Company have not recommended any dividend on ordinary shares for the year. However, the Board has recommended dividend on Preference Shares @ 10% (Re. 1 per preference share) amounting to Rs. 18 million.

Earnings per Ordinary Share (EPS)

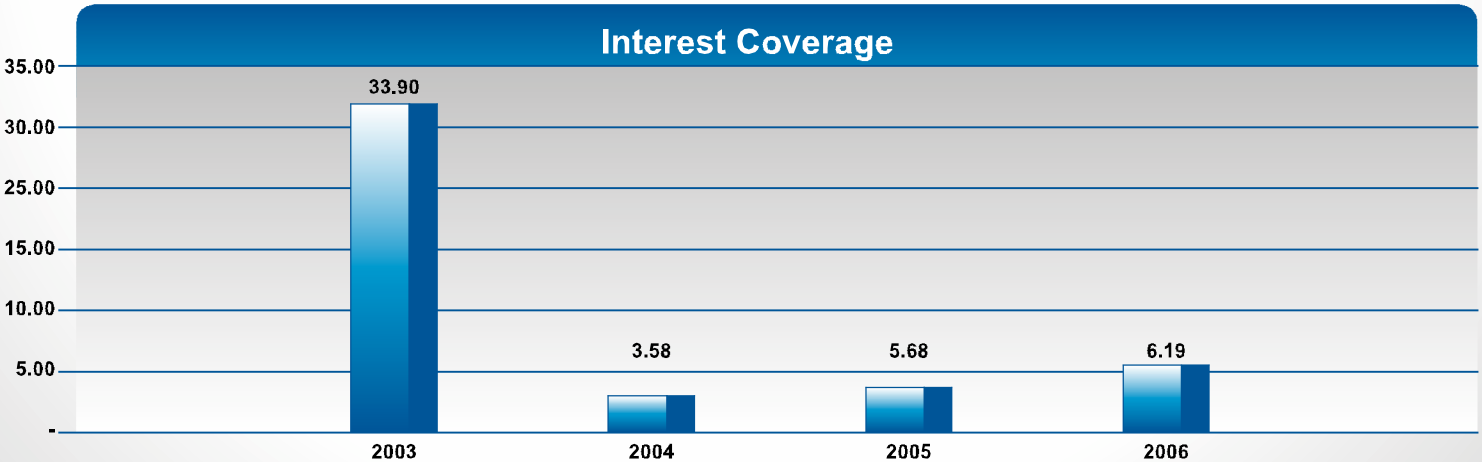
Basic and diluted EPS for the year ended June 30, 2006 works out to Rs. 3.61 (2005: Re. 3.30).

Share Holders' Equity & Capital Gearing

At the year end, the shareholders' equity stood at Rs. 1,495.35 million (2005: Rs. 1,207.44 million). Debt to Equity ratio is 52:48 as compared to 46:54 last year and the interest coverage for the year is 6.2 times as compared to 5.7 times last year. Liquidity ratios have improved during the year and the current ratio at the year end stood at 2.86 as compare to 2.75 last year.



Share holder's Equity
Rupees In millions
1,600.00
1,400.00
1,200.00
1,000.00
800.00
600.00
400.00
200.00
-
427.47
682.42
1,207.4
1,495.4
2003
2004
2005
2006



Interest Coverage
35.00
30.00
25.00
15.00
10.00
5.00
-
33.90
3.58
5.68
6.19
2003
2004
2005
2006

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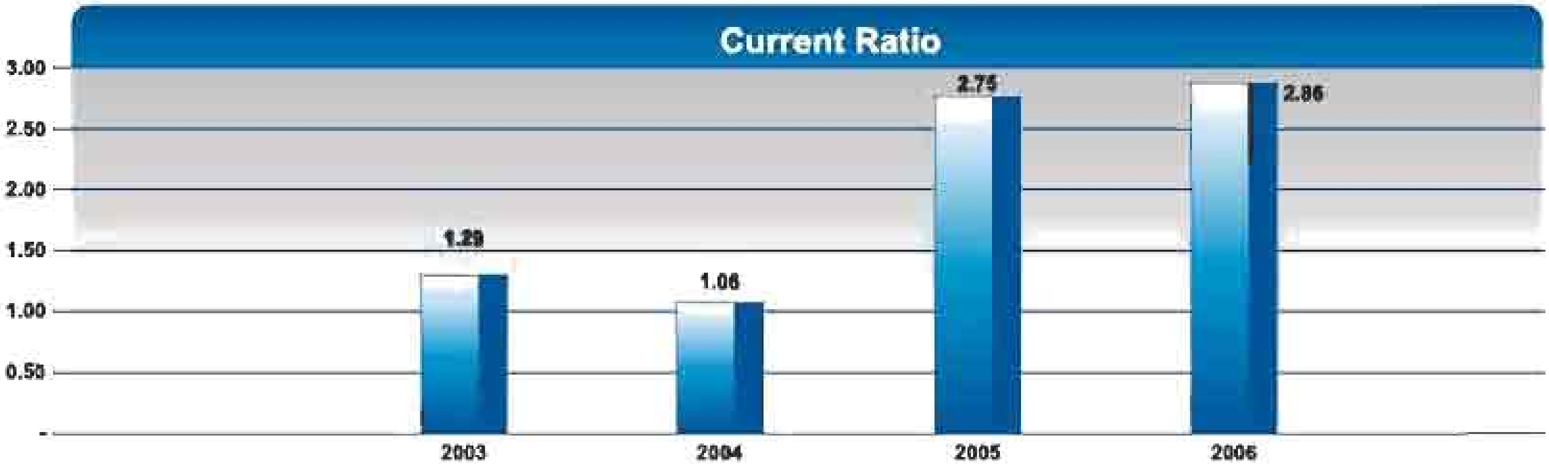


Health Safety & Environment

The Company has implemented the ISO 9001:2000 (Quality Management System), ISO 14001 (Environmental Management System) and OHSAS 18001 (Occupational Health & Safety Management System) certification through a recognized consultant.

ISPS Code Compliant Terminal

PICT is compliant with the International Ship and Port Facility Security Code whereby the Terminal facility is well equipped to deal with security threats and respond to potential emergencies. Furthermore, the Terminal is equipped with a camera surveillance system and monitors the entry of all vehicles into the Terminal.

Auditors

The auditors M/s Ford Rhodes Sidat Hyder & Co., Chartered Accountants retire and being eligible they have offered themselves for reappointment. The Audit Committee has recommended the reappointment of the retiring auditors for the year ending June 30, 2007 and the Board agrees to the recommendation of the Audit Committee.

Compliance with the Code of Corporate Governance

The compliance with the Code of Corporate Governance set out by the Karachi Stock Exchange in the listing regulations, relevant for the year ended June 30, 2006 have been duly complied with. A statement to this effect is annexed with the report.

Board of Directors

During the year an Extraordinary General meeting of the Company was held on February 25, 2006 wherein all the directors were reelected for a period of three years w.e.f. from February 26, 2006.

During the year seven meetings of the Board of Directors of the Company were held. These were attended as follows

Name of Director	Meeting Attended
Capt. Haleem A. Siddiqui	7
Capt. Zafar Iqbal Awan	7
Mr. Aasim A. Siddiqui	7
Mr. Sharique A. Siddiqui	6
Mr. Danish A. Siddiqui	6
Syed Nizam A. Shah	5
Mr. Ali Siddiqui	6

Leave of absence was granted to Directors who could not attend the Board Meetings.


1 ZPMC
CMA CGM
PICT

Pakistan International Container Terminal Limited

Audit Committee

During the year four meetings of Audit Committee were held.

Corporate Governance and Financial Reporting Framework:

- The financial statements, prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account have been maintained by the Company.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the Listing Regulations.
- There has been no departure from the best practices of transfer pricing, as detailed in the Listing Regulations.
- The key operating and financial data is annexed.
- The value of investments of provident fund based on their un-audited accounts as on June 30, 2006 was Rs. 18.7 million.
- No trading in PICT shares was carried out by its directors, CEO, CFO, Company Secretary and their spouses and minor children.
- Pattern of shareholding is included in the annexed shareholders' information.

Code of Ethics & Business Principles

The Board has adopted the Statement of Ethics and Business Principles, which is signed and acknowledged by all the Directors and employees of the Company and are required to abide by the Code.

Pakistan International
Container Terminal Limited

Material Changes & Commitments:

Proposed final dividend on preference Shares carrying dividend @10% (Re. 1 per preference share) amounting to Rs. 18 million. The Companies Ordinance, 1984 requires that events subsequent to the balance sheet date including declaration of dividend should be incorporated in the year it is declared. Therefore, the Preference Dividend proposed by the directors in the meeting held on August 29, 2006 shall be incorporated in the financial statements for the year ending June 30, 2007.

Karachi: August 29, 2006

For and on behalf of Board of Directors

Capt. Zafar Iqbal Awan
Chief Executive Officer

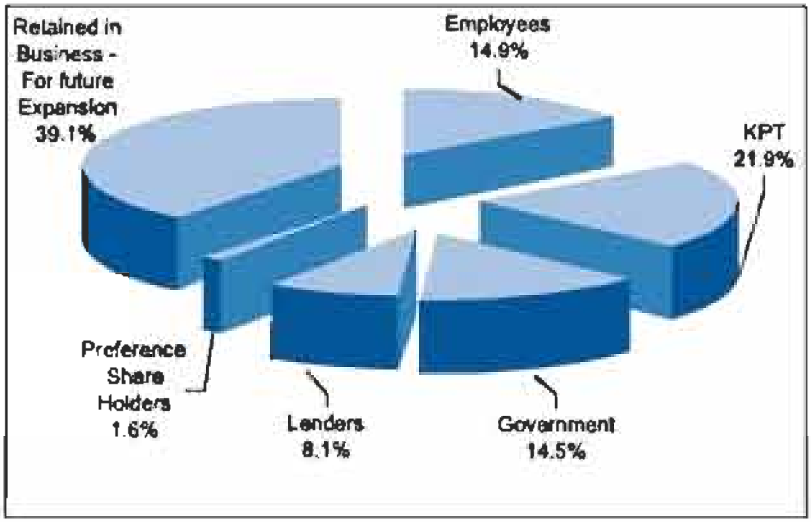
	2006	2005	2004	2003
	Rupees in Millions			
TURNOVER & PROFITS				
Revenue	1,707.76	1,342.68	372.60	186.43
Gross Profit	640.67	536.40	112.07	55.54
Operating Profit	539.54	412.40	60.09	30.28
Profit Before Taxation	450.58	338.90	45.62	32.40
Profit After Taxation	291.27	225.01	25.51	18.91
ASSETS EMPLOYED				
Operating Assets - net	2,033.52	1,496.32	1,529.50	147.74
Intangible Assets - net	53.41	63.30	70.48	38.55
Net Current Assets	786.62	501.33	18.54	86.71
FINANCED BY				
Share Capital	938.01	938.01	638.01	408.57
Share Holder's Equity	1,495.4	1,207.4	682.42	427.47
Long Term Loans	1,416.99	847.06	924.50	-
STATISTICS				
Break up Value Per Share (Rs.)	17.35	13.55	10.70	10.46
Market Value Per Share (Rs.)	77.15	24.50	23.00	-
Earnings Per Ordinary Share (Rs.)	3.61	3.30	0.43	2.33
Total TEU's for the Year (Numbers)	302,028	206,773	90,950	59,145
Total Boxes for the Year (Numbers)	216,230	152,606	69,986	46,924
CAPITAL MARKET ANALYSIS RATIOS				
Price Earning Ratio	21.37	7.42	53.49	-
LIQUIDITY ANALYSIS RATIOS				
Current Ratio	2.86	2.75	1.06	1.29
PROFITABILITY ANALYSIS RATIOS				
Return on Assets (before tax)	14.53%	15.15%	3.66%	5.80%
Return on Capital Employed (before tax)	33.34%	35.67%	8.22%	7.58%
Return on Capital Employed (after tax)	21.55%	23.81%	4.60%	4.42%
Gross Profit Margin	37.52%	39.95%	30.08%	29.79%
Net Profit Margin-Before Tax	26.38%	25.24%	12.24%	17.38%
Net Profit Margin-After Tax	17.06%	16.76%	6.85%	10.14%
CAPITAL STRUCTURE ANALYSIS RATIOS				
Debt Ratio	45.03%	41.32%	54.02%	11.98%
Debt Equity Ratio	52:48	46:54	60:40	13:87
Interest Coverage	6.19	5.68	3.58	33.90

Pakistan International Container Terminal Limited

Value Added	2006 Rupees in 000
Revenue	1,707,760
Net Cost of services rendered	648,150
	1,059,610
Other Income	42,705
	1,102,315
Distribution	
Employees	
- Salaries & Wages	164,157
Karachi Port Trust	
- Royalty & HMS Charges	241,416
Government	
- Taxes	159,310
Lenders	
- Mark up on Loans and Leased Assets	88,963
Preference Share Holders	
- Cash Dividend	18,000
Retained in Business	
- Depreciation & Amortization	157,199
- Retained Earnings	273,270
	430,469
	1,102,315

Distribution - %

Employees	14.9%
KPT	21.9%
Government	4.5%
Lenders	8.1%
Preference Share Holders	1.6%
Retained in Business - For future Expansion	39.1%
	100%



REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance for the year ended June 30, 2006 prepared by the Board of Directors of Pakistan International Container Terminal Limited (the Company) to comply with the Listing Regulations of the Karachi Stock Exchange.

The responsibility for compliance with the Code of Corporate Governance is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the Company personnel and review of various documents prepared by the Company to comply with the Code.

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We have not carried out any special review of the internal control system to enable us to express an opinion as to whether the Board's statement on internal control covers all controls and the effectiveness of such internal controls.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance, for the year under review.

Ford Rhodes Sidat Hyder & Co.
Chartered Accountants

KARACHI: August 29, 2006

This statement is being presented to comply with the Code of Corporate Governance contained in the listing regulations of Karachi Stock Exchange for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the Code in the following manner:

1. The Company encourages representation of independent Non-Executive Directors and Directors representing minority interests on its Board of Directors. At present the Board consists of seven Directors out of which three are Non-Executive Directors including two nominee directors.

2. The Directors have confirmed that none of them is serving as a Director in more than ten listed companies, including this company.

3. All the Directors of the Company are registered as tax payers and none of them has defaulted in payment of any loan to a banking company, a DFI or NBFI. No Director in the board is a member of any of the Stock Exchanges in Pakistan.

4. There has been no casual vacancy in the Board during the year 2005-2006.

5. The Company has prepared a "Statement of Ethics and Business Practices", which has been signed by all of the directors and employees of the Company.

6. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

7. All the powers of the Board have been duly exercised and decisions on material transactions including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive Officer and other Executive Directors, have been taken by the Board.

8. The meetings of the Board were presided over by the Chairman and, in his absence, by a Director elected by the Board for this purpose and the Board met atleast once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

9. An orientation course was arranged last year for the directors to appraise them of their duties and responsibilities.

10. No new appointment of CFO, Company Secretary and Head of Internal Audit has been made during the year. However, the Board has approved their annual remuneration and terms and conditions of employment, as determined by the Chief Executive Officer.

11. The Directors' report for the year ended June 30, 2006 has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.

12. The financial statements of the Company were duly endorsed by Chief Executive Officer and Chief Financial Officer before approval of the Board.

13. The Directors, Chief Executive Officer and Executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.

14. The Company has complied with all the corporate and financial reporting requirements of the Code.

15. The Board has formed an Audit Committee comprising of two Non-Executive Directors as members including the Chairman of the Committee.

16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the Company and as required by the Code. The terms of reference of the committee have been formulated and advised to the committee for compliance.

17. The Board has set up an effective internal audit function.

18. The statutory Auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by Institute of Chartered Accountants of Pakistan.

19. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
20. We confirm that all other material principles contained in the Code have been complied with except that presently the position of the Company Secretary and the Chief Financial Officer is held by the same person. The said decision has been taken by the Board keeping in view the size of the Company.

Karachi: August 29, 2006

Capt. Zafar Iqbal Awan
Chief Executive Officer

STATEMENT OF COMPLIANCE WITH THE BEST PRACTICES ON TRANSFER PRICING FOR THE YEAR ENDED JUNE 30, 2006

The Company has fully complied with the Best practices on Transfer Pricing as contained in the Listing Regulations of the Karachi Stock Exchange.

Karachi: August 29, 2006

Capt. Zafar Iqbal Awan
Chief Executive Officer

Financial Statements

Financial Statements

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of PAKISTAN INTERNATIONAL CONTAINER TERMINAL LIMITED as at June 30, 2006 and the related profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;

b) in our opinion:

i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;

ii) the expenditure incurred during the year was for the purpose of the Company's business; and

iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;

c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984 in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2006 and of the profit, its cash flows and changes in equity for the year then ended; and

d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

Without qualifying our opinion, we draw attention to the contents of note 15.2.3 to the financial statements. As fully explained in the said note, preference shares have been treated as part of equity in view of the requirements of the Companies Ordinance,1984 and the matter of its classification will be dealt with in accordance with the clarification from Securities and Exchange Commission of Pakistan.

Ford Rhodes Sidat Hyder & Co.
Chartered Accountants

KARACHI: August 29, 2006

	Note	**2006**	2005
		(Rs. in thousands)	
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	5	**2,437,442**	1,732,721
Long-term deposits	6	**8,060**	8,637
Deferred costs	7	**7,553**	11,126
		2,453,055	1,752,484
CURRENT ASSETS			
Stores and spares	8	**118,505**	72,923
Trade debts - unsecured	9	**168,309**	124,345
Advances	10	**8,946**	5,807
Deposits and prepayments	11	**24,840**	17,902
Other receivables	12	**1,276**	1,409
Investments	13	**53,703**	-
Taxation - net		**76,577**	44,288
Cash and bank balances	14	**756,442**	521,461
		1,208,598	788,135
TOTAL ASSETS		**3,661,653**	2,540,619

Pakistan International Container Terminal Limited

	Note	2006	2005
		(Rs. in thousands)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital	15.1	**1,000,000**	1,000,000
Issued, subscribed and paid-up capital	15.2	**938,008**	938,008
Unappropriated profit		**557,343**	269,431
		1,495,351	1,207,439
NON-CURRENT LIABILITIES			
Long-term loans - secured	16	**1,416,994**	847,062
Liabilities against assets subject to finance lease	17	**36,227**	63,772
Deferred tax liability	18	**280,565**	129,855
Staff compensated absences	19	**10,538**	5,690
		1,744,324	1,046,379
CURRENT LIABILITIES			
Current portion of long-term loans	16	**144,121**	103,247
Current portion of liabilities against assets subject to finance lease	17	**27,545**	26,822
Accrued interest on long term loans		**23,994**	8,967
Trade payables and other liabilities	20	**226,318**	147,765
		421,978	286,801
TOTAL EQUITY AND LIABILITIES		**3,661,653**	2,540,619
CONTINGENCIES AND COMMITMENTS	21	-	-

The annexed notes from 1 to 35 form an integral part of these financial statements.

Capt. Zafar Iqbal Awan
CHIEF EXECUTIVE

Aasim Azim Siddiqui
DIRECTOR

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2006

	Note	2006	2005
		(Rs. in thousands)	
REVENUE		**1,707,760**	1,342,677
Terminal operating costs	22	**1,067,086**	806,317
GROSS PROFIT		**640,674**	536,360
Other operating income	23	**42,705**	4,070
		683,379	540,430
Administrative expenses	24	**143,836**	128,026
Finance costs	25	**88,963**	73,419
PROFIT BEFORE TAXATION		**450,580**	338,985
Taxation	26	**159,310**	113,970
PROFIT AFTER TAXATION		**291,270**	225,015
EARNINGS PER ORDINARY SHARE - Basic and diluted	27	**Rs. 3.61**	Rs. 3.30

The annexed notes from 1 to 35 form an integral part of these financial statements.

Capt. Zafar Iqbal Awan
CHIEF EXECUTIVE

Aasim Azim Siddiqui
DIRECTOR

	2006	2005
	(Rs. in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	**450,580**	338,985
Adjustments for non-cash items:		
Depreciation	**141,869**	134,728
Amortisation	**15,331**	15,048
Provision for staff compensated absences	**5,068**	4,714
Finance costs	**88,963**	73,419
Provision for doubtful debts	**-**	2,066
Unrealised gain on investment	**(3,203)**	-
	248,028	229,975
Operating profit before working capital changes	**698,608**	568,960
(Increase)/decrease in current assets		
Stores and spares	**(45,582)**	(27,947)
Trade debts	**(43,964)**	(59,243)
Advances, deposits, prepayments and other receivables	**(17,861)**	1,463
	(107,407)	(85,727)
	591,201	483,233
Increase/(decrease) in current liabilities		
Accrued financial charges	**15,027**	(1,994)
Trade payables and other liabilities	**78,553**	(44,146)
Cash generated from operations	**684,781**	437,093
Staff compensated absences paid	**(220)**	(74)
Tax paid	**(40,889)**	(32,650)
Finance costs paid	**(78,986)**	(73,419)
Net cash generated from operating activities	**564,686**	330,950

	2006	2005
	(Rs. in thousands)	
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to operating fixed assets	**(677,893)**	(47,955)
Addition to intangible assets	**-**	(2,506)
Sale of operating fixed assets	**831**	2,260
Capital work-in-progress	**(214,675)**	(170,056)
Investments	**(50,500)**	-
Net cash used in investing activities	**(942,237)**	(218,257)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of ordinary shares	**-**	120,000
Proceeds from issue of preference shares	**-**	180,000
Front-end fee paid for long-term loans	**(8,430)**	(4,178)
Long-term loans-net	**649,988**	(24,424)
Dividend paid on preference shares	**(3,358)**	-
Security deposits against lease assets	**577**	(1,357)
Lease rentals paid	**(26,245)**	(27,620)
Net cash generated from financing activities	**612,532**	242,421
Net increase in cash and cash equivalents	**234,981**	355,114
Cash and cash equivalents at the beginning of the year	**521,461**	166,347
Cash and cash equivalents at the end of the year	**756,442**	521,461

The annexed notes from 1 to 35 form an integral part of these financial statements.

Capt. Zafar Iqbal Awan
CHIEF EXECUTIVE

Aasim Azim Siddiqui
DIRECTOR

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2006

	Issued, subscribed and paid-up capital			
	Ordinary shares	**Redeemable preference shares**	**Unappropriated profit**	**Total**
	(Rs. in thousands)			
Balance as at June 30, 2004	638,008	-	44,416	682,424
Issue of 12,000,000 ordinary shares at Rs. 10/- each	120,000	-	-	120,000
Issue of 18,000,000 preference shares at Rs. 10/- each	-	180,000	-	180,000
Net profit for the year	-	-	225,015	225,015
Balance as at June 30, 2005	**758,008**	**180,000**	**269,431**	**1,207,439**
Net profit for the year	**-**	**-**	**291,270**	**291,270**
Dividend - preference shares	**-**	**-**	**(3,358)**	**(3,358)**
Balance as at June 30, 2006	**758,008**	**180,000**	**557,343**	**1,495,351**

The annexed notes from 1 to 35 form an integral part of these financial statements.

Capt. Zafar Iqbal Awan
CHIEF EXECUTIVE

Aasim Azim Siddiqui
DIRECTOR

1. CORPORATE INFORMATION AND OPERATIONS

1.1. Pakistan International Container Terminal Limited (the company) was incorporated in Pakistan as a private limited company in June 2002. Subsequently, it was converted to an unquoted public company and is now listed on the Karachi Stock Exchange. The registered office of the company is situated at 2nd Floor, Business Plaza, Mumtaz Hassan Road, Karachi.

1.2. The company has a Build Operate Transfer (BOT) contract with Karachi Port Trust (KPT) for the exclusive construction, development, operations and management of a common user container terminal at Karachi Port for a period of twenty-one years commencing June 18, 2002.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan and the requirements of Companies Ordinance, 1984. Approved accounting standards comprise of such International Accounting Standards as notified under the provisions of the Companies Ordinance, 1984. Wherever, the requirements of the Companies Ordinance, 1984 or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of these standards, the requirements of Companies Ordinance, 1984 or the requirements of the said directives take precedence.

3. BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except for investments which are carried at fair value as referred to in note 4.7 below.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in preparing these financial statements are as follows:

4.1. Fixed assets and depreciation

4.1.1. Operating fixed assets - tangible

These are stated at cost less accumulated depreciation and any impairment in value except capital work-in-progress which is stated at cost. Such costs include the cost of replacing parts of fixed assets when that cost is incurred. Maintenance and normal repairs are charged to income as and when incurred.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset. Depreciation on additions is charged for the full month in which an asset is put to use and on deletions up to the month immediately preceding the month of deletion.

An item of fixed asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

The assets residual values, useful lives and methods are reviewed and adjusted, if appropriate at each financial year end.

Gains and losses on disposal, if any, of assets are included in income currently.

4.1.2. Assets subject to finance lease

Finance leases, which transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease, at the fair value of the leased property or, if lower at the present value of the minimum lease payments, lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Assets acquired under finance lease are depreciated using the same basis as for owned assets.

4.1.3. Impairment

The carrying values of the company's fixed assets are reviewed at each financial year end for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists, and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

4.2. Intangible assets

Costs incurred on the acquisition of computer software are capitalized and are amortized over the life of the related assets on straight line basis.

Development expenditure incurred on the project is capitalized when its future recoverability can reasonably be regarded as assured. These are amortized over a period of five years on straight line basis commencing from the date of completion of the project, on a monthly pro-rata basis.

Useful lives of intangible assets are reviewed, at each financial year end and adjusted if appropriate.

The carrying value of intangible assets are reviewed for impairment at each financial year end when events or changes in circumstances, indicate that the carrying value may not be recoverable.

4.3. Borrowing costs

Borrowing costs that are directly attributable to the acquisition and construction of assets and incurred during the period in connection with the activities necessary to prepare the asset for its intended use are in progress, are capitalized as a part of the cost of related asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

4.4. Deferred costs

Deferred costs representing preliminary expenses and share issue expenses capitalised (before July 05, 2004 i.e. the date of revision of the Fourth Schedule of the Companies Ordinance, 1984) are amortised over a period of five years as allowed under Securities and Exchange Commission of Pakistan Circular No. 1 dated January 19, 2005.

4.5. Stores and spares

These are stated at cost less provision for obsolescence and damage, if any. Cost is determined by average cost method.

4.6. Trade and other receivable

Trade debts are recognized and carried at original invoice amount less an allowances for any uncollectible amounts. An estimate for doubtful debts is made when the collection is no longer probable. Bad debts are written off when identified.

4.7. Investments

Investments are classified as either 'investments at fair value through profit and loss account', 'held-to-maturity' investments or 'available-for-sale' investments, as appropriate.

When investments are recognised initially, these are measured at fair value plus, in the case of investment not at fair value through profit and loss account, directly attributable transaction cost.

Subsequent to initial recognition the investment classified as 'investment at fair value through profit and loss account' are carried at fair value. Gain / loss on remeasurement of such investment to fair value is recognised in the profit and loss account.

4.8. Taxation

Current

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credits, rebates and exemption available, if any, or minimum tax at the rate of 0.5 percent of the turnover whichever is higher.

Deferred

Deferred tax is provided for all temporary differences at the balance sheet date between tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax is recognised for all deductible temporary differences and carry forward of unused tax losses to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rate that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

4.9. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits.

For the purposes of cash flow statement, cash and cash equivalent consists of cash and cash equivalents as defined above.

4.10. Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at fair value net of transaction costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings, are subsequently measured at amortised cost using the effective interest rate method.

4.11. Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

4.12. Transactions with related parties

The company enters into transactions with related parties on arm's length basis.

4.13. Revenue

- Revenues from port operations are recognised when services are rendered;
- Profit on deposits / saving accounts are recognised on accrual basis; and
- Dividend is recognised when the right to receive the same is established.

4.14. Staff retirement benefits - defined contribution plan

The company operates an approved defined contributory provident fund scheme for all eligible employees who have completed the minimum qualifying period of services. Equal monthly contributions are made by the company and the employees to fund.

4.15. Staff compensated absences

The company accounts for these benefits in the period in which the absences are earned, using current salary levels.

4.16. Financial Instruments

All financial assets and liabilities are recognized at the time when the company becomes party to the contractual provisions of the instrument and are derecognised in case of assets, when the contractual rights under the instrument are realised, expired or surrendered and in case of liability, when the obligation is discharged, cancelled or expired.

Any gain / loss on the recognition and derecognition of the financial assets and liabilities is included in the profit and loss for the period in which it arises.

4.17. Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount reported in the balance sheet, if the company has the enforceable legal right to set off the transaction and also intends either to settle on net basis or to realize the asset and settle the liability simultaneously.

4.18. Foreign currency transactions

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the balance sheet date. Exchange gains and losses are included in profit and loss account except for exchange differences on translation of borrowings, that were outstanding before July 05, 2004 and were specifically acquired for purchase of assets which are capitalized as part of cost of the related assets as allowed under SECP circular no. 1 dated January 19, 2005.

4.19. Accounting estimates and judgments

The company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. These estimates and judgments that have a significant effect on the financial statements are in respect of the following:

	Note
Useful lives of fixed assets and method of depreciation	4.1 & 5.1
Provision for obsolescence and damages of stores and spares	4.5
Classification of investments and provision for impairment	4.7 & 13
Deferred taxation	4.8 & 18
Provision for doubtful debts	4.11 & 9
Provision for staff compensated absences	4.15 & 19

4.20. Dividend and other appropriation of reserves

These are recognised in the period in which such dividend and appropriation are approved by the Board of Directors.

4.21. Accounting standards not yet effective

The company has not applied the following accounting standards that have been issued by the International Accounting Standards Board (IASB) but are not yet effective.

4.21.1. International Financial Reporting Standards (IFRSs)

A new series of standards called "International Financial Reporting Standards (IFRSs)" have been introduced and seven IFRSs have been issued by IASB under such series. Out of these following four IFRS have been adopted by Institute of Chartered Accountants of Pakistan (ICAP), however, since these have not yet been adopted by SECP therefore, at present these do not form part of the approved local financial reporting framework:

IFRS-2 (Share based Payments);
IFRS-3 (Business Combinations);
IFRS-5 (Non-current Assets held for Sale and Discontinued Operations); and
IFRS-6 (Exploration for and Evaluation of Mineral Resources).

The adoption of the above pronouncements is not expected to be relevant for activities of the company.

4.21.2. International Accounting Standards (IASs)

a) Following amendments to existing standards applicable to the company have been published that are mandatory for the company's accounting periods beginning on or after January 01, 2006 or later periods:

i.	IAS 1 Presentation of Financial Statements - Capital Disclosures	effective from January 1, 2007
ii.	IAS 19 (Amendments) - Employee Benefits	effective from January 1, 2006
iii.	IAS 39 - Financial Instruments: Recognition and Measurement	effective from January 1, 2006

The company expects that the above amendments to the standards will have no significant impact on the company's financial statements in the period of initial application.

b) Under IAS - 21 "The Effects of Changes in Foreign Exchange Rates", the exchange gain or loss arising in respect of borrowing denominated in foreign currency should be included in the profit and loss account. However, under the SECP Circular No. 1 dated January 19, 2005, the said exchange differences on translation of borrowings, that were outstanding before July 05, 2004 and were specifically acquired for purchase of assets are allowed to capitalised as part of its cost of related assets uptil September 30, 2007 on which date the aforesaid requirement of IAS - 21 in respect of accounting of exchange difference would become effective. Accordingly, the financial statements of the company for the year June 30, 2007 are expected to be affected by the above referred requirement of IAS - 21, the amount whereof cannot be determined at this stage.

5. FIXED ASSETS

	Note	**2006**	2005
		(Rs. in thousands)	
Operating fixed assets - tangible	5.1	**2,033,520**	1,498,327
Capital work-in-progress	5.2	**350,516**	171,056
Intangible assets	5.3	**53,406**	63,338
		2,437,442	1,732,721

5.1. The following is a statement of operating fixed assets:

	COST				ACCUMULATED DEPRECIATION				Written down value as at June 30, 2006	Rate %
	As at July 01, 2005	Additions/ *transfers	Disposals (Note 5.1.2)	As at June 30, 2006	As at July 01, 2005	For the year / *transfers	Disposals (Note 5.1.2)	As at June 30, 2006		
Owned										
Port improvements	281,537	671	-	282,208	16,801	14,046	-	30,847	251,361	5
Leasehold improvements	11,371	4,151	-	15,522	2,844	2,343	-	5,187	10,335	20
Power House building	15,600	-	-	15,600	975	780	-	1,755	13,845	5
Generator sets	52,395	4,461	-	59,732	6,039	5,676	-	13,277	46,455	10
		* 2,876				* 1,562				
Ship to Shore Cranes - STS	635,411	383,089	-	1,018,500	38,875	33,209	-	72,084	946,416	5
Rubber Tyred Gantry Cranes - RTG	227,354	136,766	-	364,120	19,770	16,624	-	36,394	327,726	7
Mobile Harbour Crane - Nellen	101,819	-	-	101,819	48,982	20,364	-	69,346	32,473	20
Loaders and lifters	114,063	48,625	-	162,688	22,782	15,993	-	38,775	123,913	10-20
Tractors and trailors	74,969	78,347	-	153,316	12,278	9,877	-	22,155	131,161	10-20
Gantry tracks	12,162	46	-	12,208	746	606	-	1,352	10,856	5
Other port equipment	8,219	750	-	8,969	1,260	1,000	-	2,260	6,709	10-20
Furniture and fixtures	7,447	3,852	-	11,299	1,034	792	-	1,826	9,473	10
Vehicles	11,826	3,654	(11)	15,838	2,691	2,613	(6)	5,445	10,393	20
		* 2,404	(2,035)			* 1,356	(1,209)			
Computers and accessories	8,581	10,733	-	19,314	2,580	2,455	-	5,035	14,279	20
Office equipment	8,066	2,748	-	11,235	1,175	1,361	-	2,735	8,500	20
		* 421				* 199				
	1,570,820	677,893	(2,046)	2,252,368	178,832	127,739	(1,215)	308,473	1,943,895	
		* 5,701				* 3,117				
Leased										
Generators	57,876	* (2,876)	-	55,000	8,985	5,774	-	13,197	41,803	10
						* (1,562)				
Loaders and Lifters	47,127	-	-	47,127	4,583	4,822	-	9,405	37,722	10
Office equipment	421	* (421)	-	-	192	7	-	-	-	10
						*(199)				
Vehicles	18,439	* (2,404)	-	16,035	3,764	3,527	-	5,935	10,100	20
						* (1,356)				
	123,863	-	-	118,162	17,524	14,130	-	28,537	89,625	
		* (5,701)				* (3,117)				
2006	**1,694,683**	**677,893**	**(2,046)**	**2,370,530**	**196,356**	**141,869**	**(1,215)**	**337,010**	**2,033,520**	
2005	1,585,388	113,039	(3,744)	1,694,683	63,112	134,728	(1,484)	196,356	1,498,327	

5.1.1. Additions to fixed asset include borrowing cost amounting to Rs. 8.713 million (2005: Nil) and exchange

5.1.2. Disposal of operating fixed assets:

	Cost	Accumulated depreciation	Net book value	Sale price	Mode of disposal	Particulars of buyer
	(Rs. in thousands)					
Vehicle	1,151	585	566	566	Company's policy	Capt. Zafar Iqbal Awan, Chief Executive, Karachi
Vehicle	884	624	260	260	Company's policy	Mr. M. Masood Ahmed Usmani, Employee, Karachi
Motor cycle	11	6	5	5	Company's policy	Mr. Zahoor, Employee, Karachi
	2,046	1,215	831	831		

	Note	2006	2005
		(Rs. in thousands)	
5.1.3. Depreciation charged for the year has been allocated as under:			
Terminal operating costs	22	**131,113**	127,992
Administrative expenses	24	**10,756**	6,736
		141,869	134,728

5.2. Capital work-in-progress

	Note	2006	2005
Civil work for Phase II	5.2.1	**226,004**	4,910
Mobilization advance for civil work		**2,925**	22,993
Advance against purchase of fixed assets	5.2.2	**121,587**	143,153
		350,516	171,056

5.2.1. Represents expenditure incurred for Phase II expansion of the container terminal.

5.2.2. Represents advance paid for the supply of Ship To Shore (STS) crane and Rubber Tyre Gantries (RTGs).

5.3. Intangible assets

	Note	COST			ACCUMULATED DEPRECIATION			Book value as at June 30, 2006	Amort-isation Rate %
		As at July 01, 2005	Additions	As at June 30, 2006	As at July 01, 2005	Charge for the year	As at June 30, 2006		
		(Rs. in thousands)							
Computer software		37,357	-	37,357	2,436	2,354	4,790	32,567	5-20
Project development cost	5.3.1	37,889	-	37,889	9,472	7,578	17,050	20,839	20
2006		**75,246**	**-**	**75,246**	**11,908**	**9,932**	**21,840**	**53,406**	
2005		72,740	2,506	75,246	2,258	9,650	11,908	63,338	

5.3.1. These include legal and professional charges, litigation settlement, salaries and benefits and traveling expenses incurred in connection with the main project during the pre operating period.

6. LONG-TERM DEPOSITS

Represents security deposits against leased assets.

7. DEFERRED COSTS

	Note	Preliminary expenses	Shares issue expenses	June 30, 2006	June 30, 2005
		(Rs. in thousands)			
Balance at the beginning of the year - at cost		**2,987**	**14,877**	**17,864**	17,864
Less: Accumulated amortization	7.1	**2,149**	**8,162**	**10,311**	6,738
		838	**6,715**	**7,553**	11,126

	Note	2006	2005
		(Rs. in thousands)	
7.1. Movement of amortization			
Opening balance		**6,738**	3,165
Charge for the year		**3,573**	3,573
Closing balance		**10,311**	6,738
8. STORES AND SPARES			
Stores		**32,984**	22,198
Spares		**85,521**	50,725
		118,505	72,923
9. TRADE DEBTS - Unsecured			
Considered good	9.1	**168,309**	124,345
Considered doubtful		**2,066**	2,066
		170,375	126,411
Less: Provision for doubtful debts		**2,066**	2,066
		168,309	124,345

9.1. Includes Rs. 2.556 (2005: Rs. 3.554) million due from Marine Services (Private) Limited - a related party and Rs. 1.343 (2005: Rs. 1.740) million due from Port Link International Services (Private) Limited - a related party.

	Note	2006	2005
10. ADVANCES			
Advances - unsecured, considered good			
- Employees - against salary		**775**	64
- Suppliers		**8,171**	5,743
		8,946	5,807
11. DEPOSITS AND PREPAYMENTS			
Security deposits		**2,715**	671
Prepayments			
- Insurance		**12,868**	8,490
- Others	11.1	**9,257**	8,741
		24,840	17,902

11.1. Includes front end fee of Rs. 8.43 million in connection with loans sanctioned by IFC and Fund for OPEC International Development (OPEC Fund) for financing Phase III expansion of container terminal. The said loan transaction cost would be transferred to the loan account upon disbursement of related loans in accordance with the company's accounting policy as stated in note 4.10.

	2006	2005
	(Rs. in thousands)	

12. OTHER RECEIVABLES

	2006	2005
Other receivables		
- Accrued profit on term deposit	**637**	406
- Others	**639**	647
	1,276	1,053
Sales tax	**-**	356
	1,276	1,409

13. INVESTMENTS - at fair value through profit and loss account

Number of units 2006	Number of units 2005		2006 Cost	2006 Fair value	2005 Cost	2005 Fair value
			(Rs. in thousands)			
		Listed - Mutual Funds (Open Ended)				
93,571	-	ABAMCO UTP - Income Fund	**50,000**	**53,135**	-	-
61	-	ABAMCO Unit Trust of Pakistan	**500**	**568**	-	-
			50,500	**53,703**	-	-
		Unrealized gain on revaluation of investments	**3,203**	**-**		
			53,703	**53,703**	-	-

14. CASH AND BANK BALANCES

	Note	2006	2005
		(Rs. in thousands)	
Cash with bank:			
- in current accounts			
- Local currency		**52,437**	62,884
- Foreign currency		**457,318**	-
		509,755	62,884
- in saving accounts	14.1	**41,773**	32,935
- in short-term deposits	14.2	**202,910**	424,110
		754,438	519,929
Cash in hand		**2,004**	1,532
		756,442	521,461

14.1. This carries profit 1.25 percent (2005: 1.22 percent) per annum.

14.2. These deposits carry profit rates ranging 10.50 percent to 10.55 percent (2005: 6.45 percent to 10.00 percent) per annum.

15. SHARE CAPITAL

15.1. Authorised capital

2006	2005			2006	2005
(Number of units)			Note	(Rs. in thousands)	
82,000,000	82,000,000	Ordinary shares of Rs.10/- each		**820,000**	820,000
18,000,000	18,000,000	Preference shares of Rs. 10/- each		**180,000**	180,000
100,000,000	100,000,000			**1,000,000**	1,000,000

15.2. Issued, subscribed and paid-up capital

		Ordinary shares of Rs. 10/- each			
63,761,200	63,761,200	- fully paid in cash		**637,612**	637,612
12,039,600	12,039,600	- issued for consideration other than cash	15.2.1	**120,396**	120,396
75,800,800	75,800,800			**758,008**	758,008
		Preference shares of Rs. 10/- each			
18,000,000	18,000,000	- fully paid in cash	15.2.2 &15.2.3	**180,000**	180,000
93,800,800	93,800,800			**938,008**	938,008

15.2.1. Represents shares issued in consideration for mobile harbour cranes, port equipment and a vehicle.

15.2.2. These are cumulative redeemable preference shares, issued in the ratio of 1 preference share for 3.54 ordinary shares held and carry a dividend of 10 percent on the issue price, redeemable 7 years after the issue date. The shareholders, interalia, have the right to convert these into ordinary shares in the ratio of 1 ordinary share for 1 preference share held, if the company fails to redeem these shares.

15.2.3. The above stated preference shares (the shares) have been treated as part of equity on the following bases:

- The shares were issued under the provision of section 86 of the Companies Ordinance, 1984 (the Ordinance) read with section 90 of the Ordinance and the Companies Share Capital (Variation in Rights and Privileges) Rules, 2000.

- The authorised capital of the company and the issue of the shares were duly approved by the shareholders of the company at the Extraordinary General Meeting held on December 24, 2004.

- Return of allotment of shares was filed under section 93(1) of the Ordinance.

- The company is required to set-up a reserve for redemption of preference shares under section 85 of the Ordinance in respect of the shares redeemed which effectively makes preference shares a part of equity.

- Dividend on the shares is appropriation of profit both under the Ordinance and the tax laws.

- The requirements of the Ordinance take precedence over the requirements of International Accounting Standards.

- As stated in 15.2.2 above, shareholders have the right to convert these shares into ordinary shares.

- These shares are listed on the Karachi Stock Exchange.

However, considering the requirements of the International Accounting Standards for classification of debt and equity instruments, which suggests that the above preference shares be classified as debt. The company has sought a clarification from the SECP in respect of the presentation of preference shares in the financial statements prepared in accordance with the requirements of the Companies Ordinance, 1984. Pending the decision of the SECP in this matter, the preference shares have been reflected as equity of the company.

15.3. Premier Mercantile Services (Private) Limited - a related party holds 26,009,750 ordinary shares (2005: 26,009,750 ordinary shares) of nominal value of Rs.10/- each representing 34.31 percent (2005: 34.31 percent) of the paid-up capital of the company.

16. LONG-TERM LOANS - Secured

	2006	2005
	(Rs. in thousands)	
International Finance Corporation (IFC)		
First Loan		
- Loan A	**389,631**	438,801
- Loan C	**90,495**	89,925
	480,126	528,726
Second Loan	**361,980**	-
	842,106	528,726
OPEC Fund for International Development		
First Loan	**389,631**	438,800
Second Loan	**361,980**	-
	751,611	438,800
	1,593,717	967,526
Less:		
- Unamortised transaction cost	**32,602**	17,217
- Current portion of long-term loans	**144,121**	103,247
	176,723	120,464
	1,416,994	847,062

16.1. The principal terms and conditions of the above loans are summarized as follows:

IFC

	First Loan		Second Loan
	Loan A	Loan C	
- Principal amount in US Dollars	7,750,000	1,500,000	6,000,000
- Interest rate per annum	LIBOR plus 3.875%	5% (Note 16.1.1)	LIBOR plus 3.375%
- Repayment terms:			
· Number of installments	18 semi-annual	2 equal installments	18 semi-annual
· First installment	April 15, 2005	April 15, 2014	January 15, 2007
· Last installment	October 15, 2013	October 15, 2014	July 15, 2015

OPEC Fund

	First Loan	Second Loan
- Principal amount in US Dollars	7,750,000	6,000,000
- Interest rate per annum	LIBOR plus 3.875%	LIBOR plus 3.375%
- Repayment terms:		
· Number of installments	18 semi-annual	18 semi-annual
· First installment	April 15, 2005	January 15, 2007
· Last installment	October 15, 2013	July 15, 2015

16.1.1. In addition to the above, IFC is entitled to additional interest to be computed at the rate of US Dollar 1.85 per TEU (Twenty Feet Equivalent Container Units) in excess of 150,000 TEUs per annum subject to cap of upto US Dollars 100,000 per annum upto year 2007 and progressively increasing to US Dollar 300,000 per annum upto year 2014.

16.1.2. The above loans are secured as follows:

IFC Loans (First Loan A and Second Loan) and OPEC Fund Loans
These loans are secured by way of a first equitable mortgage on land, building, equipments, immovable assets and leasehold interest in project site and first hypothecation over all other movable assets.

IFC Loan C
This loan is secured by way of a second equitable mortgage on land, building, equipments, immovable assets and leasehold interest in project site and second hypothecation over all other movable assets.

17. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

Represent finance leases entered into with leasing companies for port equipments, vehicles and generators. Total lease rentals due under various lease agreements aggregate Rs. 69.987 (2005: Rs. 101.7) million and are payable in equal monthly installments latest by 2009. Overdue rental payments are subject to an additional charge upto 0.1 percent per day. Taxes, repairs, replacement and insurance costs are to be borne by the lessee. In case of termination of agreement, the lessee has to pay the entire rent for unexpired period. Financing rates of approximately 6.80 percent to 13.11 percent (2005: 6.80 percent to 16.50 percent) per annum have been used as discounting factor. Purchase options can be exercised by the lessee in accordance with the respective agreements. These liabilities are secured by on demand promissory notes of Rs. 70.193 million.

	2006		2005	
	Minimum lease Payments	**Present Value**	**Minimum lease Payments**	**Present Value**
	(Rs. in thousands)			
Within one year	**31,677**	**27,545**	32,421	26,822
After one year but not more than five years	**38,310**	**36,227**	69,279	63,772
Total minimum lease payments	**69,987**	**63,772**	101,700	90,594
Less: Amount representing finance charges	**6,215**	**-**	11,106	-
Present value of minimum lease payments	**63,772**	**63,772**	90,594	90,594
Less: Current portion	**27,545**	**27,545**	26,822	26,822
	36,227	**36,227**	63,772	63,772

18. DEFERRED TAX LIABILITY

	2006	2005
	(Rs. in thousands)	
Taxable temporary differences		
Accelerated tax depreciation / amortization allowance	**398,302**	238,481
Deferred cost	**450**	450
	398,752	238,931
Deductible temporary differences		
Provision for compensated absences	**(3,688)**	(1,992)
Provision for doubtful debts	**(723)**	(723)
Others	**73**	(604)
Tax losses	**(113,849)**	(105,757)
	280,565	129,855

19. STAFF COMPENSATED ABSENCES

Opening balance	**5,690**	1,050
Provision for the year	**5,068**	4,714
	10,758	5,764
Payments during the year	**(220)**	(74)
Closing balance	**10,538**	5,690

		2006	2005
		(Rs. in thousands)	
20. TRADE PAYABLES AND OTHER LIABILITIES			
Creditors	20.1	**113,180**	64,731
Bills payable - equipment		**41,053**	16,647
Due to Karachi Port Trust			
Royalty		**12,978**	13,046
Wharfage		**19,706**	22,762
Storage		**-**	1,087
		32,684	36,895
Accrued expenses			
Legal and professional charges		**3,629**	6,961
Salaries and wages		**12,757**	8,063
Others		**1,364**	1,139
		17,750	16,163
Other liabilities			
Advance against storage charges		**10,149**	4,338
Retention money		**9,086**	7,879
Sales tax payable		**1,978**	-
Others		**438**	1,112
		21,651	13,329
		226,318	147,765

20.1. Includes Rs. 10.004 (2005: Rs. 15.469) million payable to Premier Mercantile Services (Private) Limited - a related party.

21. CONTINGENCIES AND COMMITMENTS

	2006	2005
21.1. Commitments for capital expenditure		
Civil works	**122,042**	1,962
Crane and equipments	**595,608**	335,580
	717,650	337,542
21.2. Performance bond issued by a commercial bank on behalf of the company in favour of KPT	**60,330**	59,110

22. TERMINAL OPERATING COSTS

	Note	2006	2005
		(Rs. in thousands)	
Salaries, wages and benefits	22.1	**102,976**	69,933
Contracted labour		**4,648**	4,334
Staff training		**374**	620
Royalty		**162,738**	113,924
Handling and Marshalling charges		**78,678**	60,574
Crane usage charges		**32,242**	36,488
Port maintenance		**1,704**	8,955
Stevedoring		**246,473**	159,126
Custom seals		**3,900**	2,913
Stores, spares and other maintenance charges		**74,853**	83,257
Fuel consumed		**137,568**	89,531
Travelling and conveyance		**752**	1,309
Office maintenance		**7,588**	9,467
Vehicles running expenses		**4,311**	2,830
Insurance		**32,673**	25,091
Printing and stationery		**1,856**	1,585
Utilities		**3,836**	2,942
Depreciation	5.1.3	**131,113**	127,992
Amortization	5.3	**2,354**	2,072
Others		**36,449**	3,374
		1,067,086	806,317

22.1. This includes Rs. 2.416 (2005: Rs. 1.784) million in respect of staff retirement benefits and Rs. 4.054 (2005: Rs. 3.752) million in respect of compensated absences.

23. OTHER OPERATING INCOME

		2006	2005
Profit on deposit accounts		**39,502**	4,070
Gain on remeasurement of investments to fair value		**3,203**	-
		42,705	4,070

24. ADMINISTRATIVE EXPENSES

		2006	2005
Salaries, wages and benefits	24.1	**56,159**	41,041
Travelling and conveyance		**7,857**	2,654
Advertising		**2,519**	1,452

	Note	2006	2005
		(Rs. in thousands)	
Auditors' remuneration	24.2	**1,113**	1,024
Legal and professional charges		**15,604**	35,038
Office maintenance		**3,474**	1,590
Vehicles running expenses		**3,169**	2,552
Security expenses		**1,373**	3,179
Insurance expense		**1,589**	919
Communication		**1,536**	1,457
Printing and stationery		**5,844**	3,904
Utilities		**764**	606
Depreciation	5.1.3	**10,756**	6,736
Amortisation	5.3,7 &16	**12,976**	12,976
Provision for doubtful debts		**-**	2,066
Fees and subscription		**4,813**	4,331
Business promotion expenses		**5,705**	4,060
Others		**8,585**	2,441
		143,836	128,026

24.1. This includes Rs. 2.185 (2005: Rs. 3.339) million in respect of staff retirement benefits and Rs.1.014 (2005: Rs. 0.962) million in respect of compensated absences.

24.2. Auditors' remuneration

	2006	2005
Statutory audit fee	**700**	700
Fee for review of compliance with Code of Corporate Governance and half yearly accounts	**175**	100
Tax and corporate advisory services	**194**	209
Out of pocket expenses	**44**	15
	1,113	1,024

25. FINANCE COSTS

	2006	2005
Financial charges on long-term loans	**78,476**	61,443
Financial charges on leased assets	**6,824**	7,253
Mark-up and bank charges	**1,472**	3,709
Exchange loss	**2,191**	1,014
	88,963	73,419

26. TAXATION

	Note	2006	2005
Current	26.1	**8,600**	6,500
Prior		**-**	13
Deferred		**150,710**	107,457
		159,310	113,970

26.1. The provision for current income tax is based on minimum taxation under section 113 of the Income Tax Ordinance, 2001. Accordingly, tax expense reconciliation with the accounting profit is not reported.

	2006	2005
	(Rs. in thousands)	

27. EARNINGS PER ORDINARY SHARE - Basic and diluted

	2006	2005
Profit after tax	**291,270**	225,015
Preference dividend on cumulative preference shares	**(18,000)**	(3,353)
Profit after taxation attributable to ordinary shareholders	**273,270**	221,662
Weighted average number of ordinary shares in issue during the year	**75,800**	67,220
Earnings per ordinary share - Basic and diluted	**Rs. 3.61**	Rs. 3.30

28. FINANCIAL INSTRUMENTS

Yield / Mark-up rate risk

The company's exposure to interest rate risk and the effective rates on its financial assets and liabilities as of June 30, 2006 are summarized as follows:

	2006					2005				
	INTEREST BEARING			**NON-INTEREST BEARING**	**Total**	**INTEREST BEARING**			**NON-INTEREST BEARING**	**Total**
	Less than one year	**One to Five years**	**Total**			**Less than one year**	**One to Five years**	**Total**		
	(Rs. in thousands)					(Rs. in thousands)				
Financial assets:										
Long-term deposits	-	-	-	**8,060**	**8,060**	-	-	-	8,637	8,637
Trade debts - unsecured, considered good	-	-	-	**168,309**	**168,309**	-	-	-	124,345	124,345
Deposits and other receivables -	-	-	-	**3,991**	**3,991**	-	-	-	1,724	1,724
Short term investments	-	-	-	**53,703**	**53,703**	-	-	-	-	-
Cash and bank balances	**244,683**	-	**244,683**	**511,759**	**756,442**	457,045	-	457,045	64,416	521,461
	244,683	-	**244,683**	**745,822**	**990,505**	457,045	-	457,045	199,122	656,167

Financial liabilities:

Long-term loans - secured	**144,121**	**1,449,596**	**1,593,717**	**-**	**1,593,717**	103,247	864,279	967,526	-	967,526
Liabilities against assets subject to finance lease	**27,545**	**36,227**	**63,772**	**-**	**63,772**	26,822	63,772	90,594	-	90,594
Accrued interest on long-term loans	**-**	**-**	**-**	**23,994**	**23,994**	-	-	-	8,967	8,967
Trade payables and other liabilities	**-**	**-**	**-**	**214,191**	**214,191**	-	-	-	143,427	143,427
	171,666	**1,485,823**	**1,657,489**	**238,185**	**1,895,674**	130,069	928,051	1,058,120	152,394	1,210,514

Effective interest rates for the monetary financial assets and liabilities are mentioned in the respective notes to the financial statements.

Concentration of credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties failed to perform as contracted. The company's exposure to the credit risk is limited to the extent of trade debtors. The company attempts control credit risk associated with the carrying amount of its receivables by monitoring credit exposures, limiting transactions with specific customers and continuing assessment of credit worthiness of such customers.

Liquidity risk

The company applies prudent risk management policies by maintaining sufficient cash and bank balances and by keeping committed credit lines.

Foreign exchange risk management

Foreign currency risk is the risk that the value of a financial asset or a liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions in foreign currency. Financial liabilities include Rs. 1,561.115 million (2005: 950.309 million) which are subject to currency risk exposure. The company is not exposed to foreign exchange risk as the majority of its billing is foreign currency based.

Fair value of financial instruments

The carrying value of all financial assets and liabilities reflected in the financial statements approximate their fair values.

29. UNAVAILED CREDIT FACILITIES

As at the balance sheet date, the company has unavailed credit facility from a bank amounting to Rs. 150.825 (2005: Rs. 150) million.

30. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2006			2005		
	Chief Executive	Directors	Executives	Chief Executive	Directors	Executives
	(Rs. in thousands)					
Managerial remuneration	**4,067**	**10,667**	**3,827**	2,880	7,200	2,563
Housing allowance	**1,220**	**3,200**	**1,148**	780	1,950	693
Retirement benefits	**823**	**1,888**	**759**	457	922	304
Utilities	**407**	**1,067**	**383**	240	768	219
Conveyance	**132**	**389**	**217**	65	224	148
Leave fare	**-**	**-**	**-**	-	558	-
	6,649	**17,211**	**6,334**	4,422	11,622	3,927
Number	**1**	**3**	**5**	1	3	3

The Chief Executive, some of directors and executives of the company are also provided with the use of the company maintained car, club memberships and medical benefits in accordance with their terms of service.

31. RELATED PARTIES TRANSACTIONS

The related parties include major shareholders, entities having directors in common with the company, directors and other key management personnel. Transactions with related parties, other than remuneration and benefits to key management personnel under the terms of their employment and transactions with such reflected elsewhere in these financial statements, are as under:

	2006	2005
	(Rs. in thousands)	
Major shareholder		
Premier Mercantile Services (Private) Limited		
Issue of preference shares for cash	**-**	36,000
Stevedoring charges	**209,586**	155,181
Entities having directors in common with the company		
Premier Software (Private) Limited -Software maintenance charges	**1,705**	1,705
Marine Services (Private) Limited -Revenue from container handling	**7,924**	5,118
Port Link International (Private) Limited- Revenue from container handling	**6,583**	3,627

AMI Pakistan (Private) Limited -Revenue from container handling	**40**	-
Travel Club (Private) Limited- Traveling expenses	**3,880**	1,717
Maritex (Private) Limited -Staff uniform	**-**	250
Saudi Pak Leasing Company Limited		
Short-term deposits	**50,000**	-
Lease payments	**16,330**	16,352
Profit on short-term deposits	**2,612**	-
Directors and other key management personnel Issue of right shares	**-**	9,452
Staff retirement contribution plan Contribution to staff provident fund	**2,837**	2,812

31.1. Balance outstanding with related parties have been disclosed in the specific notes to the financial statements.

31.2. The above transactions with related parties are entered into on arm's length basis.

32. DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorised for issue by the Board of Directors of the company on August 29, 2006.

33. DIVIDEND ON CUMULATIVE PREFERENCE SHARES

The Board of Directors in their board meeting held on August 29, 2006 have proposed a dividend of Re. 1 (2005: Re. 0.18) per preference share.

34. CORRESPONDING FIGURES

Certain prior year's figures have been reclassified consequent upon certain changes in current year's presentation for more appropriate comparison. Material reclassifications include stevedoring charges recovered from customers which have been reclassified to 'revenue' from 'terminal handling cost - stevedoring - net'.

35. GENERAL

Amounts have been rounded off to the nearest thousand rupee unless otherwise stated.

Capt. Zafar Iqbal Awan
CHIEF EXECUTIVE

Aasim Azim Siddiqui
DIRECTOR

Number of Shareholders	Shareholders From	Shareholders To	Total Shares Held
353	1	100	28,401
945	101	500	434,457
604	501	1000	420,164
273	1001	5000	633,518
49	5001	10000	391,607
19	10001	15000	237,218
8	15001	20000	135,153
9	20001	25000	216,000
7	25001	30000	192,700
3	30001	35000	104,142
1	35001	40000	40,000
7	45001	50000	342,546
1	50001	55000	53,000
4	55001	60000	233,808
1	65001	70000	67,990
1	70001	75000	70,500
1	80001	85000	83,500
2	95001	100000	200,000
1	100001	105000	104,000
1	115001	120000	118,808
1	125001	130000	129,000
1	140001	145000	140,310
3	175001	180000	533,920
2	195001	200000	398,500
1	200001	205000	204,000
3	245001	250000	750,000
1	250001	255000	250,150
1	260001	265000	263,650
1	510001	515000	510,688
1	590001	595000	594,042
1	610001	615000	612,458
1	635001	640000	639,500
1	795001	800000	799,100
1	800001	805000	804,500
1	975001	980000	978,739
1	995001	1000000	1,000,000
1	1020001	1025000	1,025,000
1	1235001	1240000	1,236,764
1	1255001	1260000	1,258,500
1	1385001	1390000	1,388,500
1	1450001	1455000	1,454,500
1	1740001	1745000	1,740,827
1	1985001	1990000	1,985,500
1	2080001	2085000	2,084,500
1	4200001	4205000	4,200,250
1	8785001	8790000	8,787,001
1	11910001	11915000	11,913,639
1	26005001	26010000	26,009,750
2323			**75,800,800**

CATEGORIES OF SHAREHOLDERS	NUMBER OF SHAREHOLDERS	TOTAL SHARES HELD	PERCENTAGE
INDIVIDUALS *	2241	9,104,642	12.01
INVESTMENT COMPANIES	36	12,570,140	16.58
INSURANCE COMPANIES	4	840,636	1.11
JOINT STOCK COMPANIES	11	27,341,859	36.08
FINANCIAL INSTITUTIONS	10	3,588,149	4.73
MODARABAS & MUTUAL FUNDS	12	9,004,331	11.88
FOREIGN INSTITUTIONS	3	13,302,543	17.55
OTHERS:			
TRUSTEES NESTLE MILK PAK LTD. EGF		10,000	
TRUSTEE NESTLE MILK PAK LTD. EPF		10,000	
NESTLE MILK PAK LTD. MSPF		11,500	
TRUSTEE NWFP GPI FUND		500	
TRUSTEES AL-BADAR WELFARE TRUST		15,500	
TRUSTEES ARTAL RESTAURENT INT'L EMP P.F		1,000	
	6	48500	0.06
	**** 2,323**	**75,800,800**	**100.00**

* INCLUDS 2 FOREIGN INDIVIDUALS HOLDING 35500 SHARES
** INCLUDES 1373 CDC BENEFICIAL OWNERS AS PER LIST APPEARING ON CDS.

Categories of Shareholders	Number of Shareholders	Number of Shares held
Associated Companies, undertakings and related parties		
Premier Mercantile Services (Pvt.) Ltd.	1	26,009,750
NIT and ICP	-	-
Directors, CEO and their spouse and minor children		
Capt. Haleem A.Siddiqui	1	4,200,250
Mrs. Saba Haleem	1	250,000
Mr. Aasim A.Siddiqui	1	263,650
Mr. Sharique A. Siddiqui	1	250,150
Mr. Danish Azim Siddiqui	1	250,000
CAPT. Zafar Iqbal Awan	1	500
Executives		
Mr. Masood Ahmed Usmani	1	1,880
Public Sector Companies and Corporations	-	-
Banks, DFI's, NBFI's, Insurance Companies, Modarabas and Mutual Funds	26	13,433,116
Joint Stock Companies & Others	55	27,253,292
Individuals	2234	3,888,212
	2323	**75,800,800**

Shareholders holding 10% or more voting interest

Premier Mercantile Services (Pvt.) Ltd.	1	26,009,750
Aeolina Investment Limited	1	11,913,639

NUMBER OF SHAREHOLDERS	SHARE HOLDING FROM	SHARE HOLDING TO	TOTAL SHARES HELD
526	101	500	90,099
33	105	1000	22,278
35	1001	5000	64,303
6	5001	10000	40,300
3	10001	15000	37,097
2	25001	30000	56,424
1	60001	65000	60,234
1	130001	135000	130,625
1	3595001	3600000	3,600,000
2	6945001	6950000	13,898,640
610			**18,000,000**

Categories of Shareholders	Number of Shareholders	Number of Shares held
INDIVIDUALS	600	300,617
INVESTMENT COMPANIES	7	13,968,053
JOINT STOCK COMPANY	2	3,600,705
OTHERS:		
CDC - TRUSTEE PICIC INVESTMENT FUND	1	130,625
	610	**18,000,000**

Categories of Shareholders	Number of Shareholders	Number of Shares held
Associated Companies, undertakings and related parties		
Premier Mercantile Services (Pvt.) Ltd.	1	3,600,000
NIT and ICP Investment Companies	-	-
Banks, DFI's, NBFI's, Insurance Companies, Modarabas and Mutual Funds	2	190,859
Joint Stock Companies & Others	7	13,908,524
Individuals	600	300,617
	610	**18,000,000**

Shareholders holding 10% or more

Premier Mercantile Services (Pvt.) Ltd.	1	26,009,750
Aqeel Karim Dhedhi Securities (Pvt.) Ltd.	1	6,949,320
Jahangir Siddiqui Capital Markets Ltd.	1	6,949,320

Form of Proxy
Fifth Annual General Meeting

I/ We ______________________________ of ______________________________
being a member of Pakistan International Container Terminal Limited and holder of
ordinary Shares as per Share Register Folio No. ______________________________

For beneficial owners as per CDC List

CDC Participant I.D. No.______________________________ **Sub-Account No.** ______________________________

CNIC No. ______________________________ or Passport No. ______________________________
Hereby appoint ______________________________ of ______________________________
or failing him / her______________________________ of ______________________________
as my / our proxy to vote and act for me / our behalf at the Fifth Annual General Meeting of the Company to be held on Friday, September 29, 2006 or at any adjournment thereof.

Signature of Shareholder

Dated______________________________ this day of______________ 2006

Signature of Proxy

For beneficial owners as per CDC list

1. WITNESS	**2. WITNESS**
Signature:	Signature:
Name:	Name:
Address:	Address:
CNIC No.	CNIC No.
or Passport No.	or Passport No.

Revenue Stamp

Note:

1. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the meeting.

2. CDC Shareholders and their Proxies are each requested to attach an attested photocopy of their Computerized National Identity Card (CNIC) or Passport with the proxy form before submission to the Company (Original CNIC / Passport is required to be produced at the time of the meeting)

3. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.