



Jahangir Siddiqui & Co. Ltd.

Quarterly Report

March 31, 2014
(Un-audited)

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JAHANGIR SIDDIQUI & CO. LTD.

Company Information

Board of Directors

Chief Justice (R) Mahboob Ahmed Suleman Lalani	Chairman	Non-Executive
Asad Ahmed	Chief Executive Officer	
Ali Hussain	Director - Independent	Non-Executive
Ali Jehangir Siddiqui	Director	Non-Executive
Saud Ahmed Mirza *	Director	Non-Executive
Munawar Alam Siddiqui	Director - Independent	Non-Executive
Stephen Christopher Smith	Director	Non-Executive

Chief Financial Officer & Company Secretary

Hasan Shahid

Audit Committee

Saud Ahmed Mirza *	Chairman
Munawar Alam Siddiqui	Member
Stephen Christopher Smith	Member

Human Resource & Remuneration Committee

Chief Justice (R) Mahboob Ahmed	Chairman
Munawar Alam Siddiqui	Member
Suleman Lalani	Member

Executive Committee

Ali Jehangir Siddiqui	Member
Munawar Alam Siddiqui	Member
Suleman Lalani	Member

External Auditors

M. Yousuf Adil Saleem & Co
Chartered Accountants

Internal Auditors

Anjum Asim Shahid Rahman
Chartered Accountants

Registered Office

6th Floor, Faysal House
Main Shahra-e-Faisal
Karachi - 75530, Pakistan
UAN: (+92-21) 111 574 111
Phone: (+92-21) 32799005
Fax: (+92-21) 32800090

Legal Advisor

Bawaney & Partners

Share Registrar

Technology Trade (Private) Limited
241-C, Block-2, P.E.C.H.S., Karachi, Pakistan

Website

www.js.com

* Appointed on April 28, 2014 in place of Mr. Asif R. Sana.

Chairman's Statement to the Shareholders**Dear Shareholders**

The Board of Directors of Jahangir Siddiqui & Co. Ltd. (the "Company") has reviewed the performance of the Company for the quarter ended March 31, 2014. I am pleased to present, on behalf of the Board, the report on the performance of your Company along with consolidated performance of the Company with its subsidiaries for the period under review.

Economic Review

Pakistan's economic performance during Jan-Mar 2014 remained mixed though there were visible signs of improvement. On the positive front, (1) GDP growth improved and picked up to 5% in 1QFY14 on the back of better manufacturing sector growth; (2) CPI inflation remained in single digits averaging at 8.1% in 3QFY14, up from 7.4% in the same quarter last year and (3) continuous efforts were made to strengthen Pak Rupee via building Country's foreign exchange reserves which crossed the US\$ 10 billion mark by the end of March 2014 after hitting a low of US\$ 7.9 billion in January 2014. As a result, Pak Rupee appreciated by 6.8% against the US\$ during Jan-Mar 2014. However, concerns on the external account persisted as 8MFY14 Current Account deficit stood at US\$ 2.02 billion vs. US\$ 831 million in the corresponding period last year. In light of (1) myriad economic challenges; (2) the need for a pro-active policy effort and (3) need for a substantial and consistent accumulation of reserves as opposed to one-off inflows, the State Bank of Pakistan (SBP) kept the Discount Rate unchanged at 10.0% in its March 15, 2014 Monetary Policy Statement. However, the SBP appreciated the recent macro positives which have boosted the economy and lowered its FY14 inflation forecast to 8.5-9.5% from earlier outlook of 10-11%.

Stock Market review

During Jan-Mar 2014, the KSE-100 gained 7.5% beating the region's average return of 1.4% for the same period. KSE-100 made a new high of 27,307 points during 3QFY14. Trading volumes at the local bourse also showed an improvement, where average daily turnover at the KSE rose to 226 million shares over Jan-Mar 2014, as against average daily turnover of 211 million shares in the corresponding period last year. The gains at the bourse were largely owed to (1) expectations of a long term truce between the government and the Tehrik-i-Taliban Pakistan (TTP) as negotiations progressed smoothly; (2) sharp Pak Rupee appreciation (+6.8%) vs. the US dollar on the back of rise in Forex reserves; and (3) an increase in foreign portfolio investment inflow coupled with expectation that the same will continue to trend higher as MSCI started a consultation on a methodology change that would lift Pakistan's weight in MSCI Frontier Market 100 index from 4.3% to 8.9% (this was approved in April 2014). Investor confidence was boosted further as some market participants pegged their hopes on a rate cut in the next Monetary Policy Statement scheduled to be announced in May 2014.

Brief Review of Results

Your Company has reported an after tax profit of PKR 144.64 million for the three month period ended March 31, 2014. The overall revenue and operating and administrative expenses for the period under review remain approximately stable to comparative period last year. The Finance cost for the period under review has decreased to PKR 33.13 million from PKR 60.44 million in the last year comparative period on account of major redemptions of TFCs in the second half of last year.

During the quarter under review, the Company has witnessed significant improvement in investment portfolio which resulted in enhancing the shareholders equity of the Company to PKR 16,242 million as on March 31, 2014 from PKR 13,769 million as on December 31, 2013 translating to an increase of shareholders wealth by 17.96%. The breakup value per share as of the quarter end also grew to PKR 21.28 per share from PKR 18.04 per share as of December 31, 2013.

The basic and diluted earnings per share is PKR 0.19 for the quarter ended March 31, 2014.

Consolidated Financial Statements

In the consolidated financial statements the Company has reported a net profit of PKR 414.89 million for the quarter ended March 31, 2014 as compared to a net profit of PKR 224.81 million for the comparative period last year.

The revenues from continuing operations have improved by 23.17% over the comparative period last year primarily on account of increase in income from long term loans and fund placements. However, the total operating, administrative and finance cost have increased by 15.60%.

The basic and diluted earnings per share from continuing operations is PKR 0.40 for the quarter ended March 31, 2014.

Significant events after the balance sheet date

Right shares of Pakistan International Bulk Terminal Limited

The Company currently holds 11,500,000 ordinary shares of Pakistan International Bulk Terminal Limited (PIBT) representing 21.07% shareholding. The aforesaid shares of PIBT were received in 2011 as in-specie dividend from Pakistan International Container Terminal Limited.

Chairman's Statement to the Shareholders

On April 11, 2014, PIBT has announced 1290% Right Shares at par value. Being one of the major shareholders, the Company will be entitled to receive 148,350,000 ordinary shares of PKR 10/- each of PIBT aggregating to PKR 1,483.50 million. Further, the Company has already paid PKR 400.00 million to PIBT as advance against right issue call which will be adjusted against the aforesaid entitlement.

Issuance of Term Finance Certificate

Subsequent to the period end, on April 08, 2014, the Company has issued term finance certificates (8th issue) of PKR 750 million (inclusive of green shoe option of PKR 250 million). The profit on these TFCs will be payable semi-annually, based on the six month KIBOR average rate plus 175 basis points per annum. These TFCs have a tenor of five years i.e. 2014-2019. The Company is currently in the process of induction of aforesaid TFCs in Central Depository System and listing on Stock Exchange. Further, the Pakistan Credit Rating Agency has assigned credit rating of AA+ (Double A plus) to the aforesaid TFCs issue which denotes a very low expectation of credit risk, the strong capacity for timely payment of financial commitments and strong risk absorption capacity.

Credit Rating

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

Future Outlook

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

Acknowledgement

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

For and on behalf of the
Board of Directors

Karachi: April 28, 2014

Chief Justice (R) Mahboob Ahmed
Chairman

**CONDENSED
INTERIM
UNCONSOLIDATED
FINANCIAL
STATEMENTS**

JAHANGIR SIDDIQUI & CO. LTD.

Condensed Interim Unconsolidated Balance Sheet

As at March 31, 2014

		March 31, 2014 (Un-audited)	December 31, 2013 (Audited)
	Note	(Rupees in '000)	
ASSETS			
Non-Current Assets			
Fixed assets			
- Property and equipment	5	9,191	7,345
- Investment property		2,401	2,471
- Intangible assets	6	28	28
Long term investments	7	15,523,236	11,769,417
Long term loans and advances		401,875	404,590
Long term security deposits		704	704
		<u>15,937,435</u>	<u>12,184,555</u>
Current Assets			
Short term loans and advances		809	876
Short term prepayments and other receivables		187,604	2,476
Interest accrued		3,001	12,382
Financial assets - Short term investments	8	946,774	869,543
Taxation - net		341,696	356,722
Cash and bank balances		592,427	1,541,814
		<u>2,072,311</u>	<u>2,783,813</u>
Non-current assets held for sale	9	-	-
		<u>2,072,311</u>	<u>2,783,813</u>
		<u>18,009,746</u>	<u>14,968,368</u>
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Share Capital			
Authorised capital		65,000,000	65,000,000
Issued, subscribed and paid-up share capital		7,632,853	7,632,853
Reserves		8,608,800	6,136,099
		<u>16,241,653</u>	<u>13,768,952</u>
Non-Current Liability			
Long term financing	10	1,130,684	658,932
Current Liabilities			
Trade and other payables		216,482	151,792
Accrued interest on long term borrowings		50,240	18,374
Current portion of long term financing		370,687	370,318
		<u>637,409</u>	<u>540,484</u>
Contingencies and Commitment			
	11		
		<u>18,009,746</u>	<u>14,968,368</u>

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

Chief Justice (R) Mahboob Ahmed
Chairman

Suleman Lalani
Chief Executive

JAHANGIR SIDDIQUI & CO. LTD.

Condensed Interim Unconsolidated Profit and Loss Account

For the quarter ended March 31, 2014
(Un-audited)

	March 31, 2014	March 31, 2013
Note	(Rupees in '000)	
INCOME		
Return on investments	207,240	182,125
Gain on sale of investments - net	945	1,758
Income from long-term loans and fund placements	20,680	46,367
Commission	3,056	-
Other income	8,481	7,934
Gain on revaluation of investments carried at fair value through profit or loss account - net	1	-
	240,403	238,184
EXPENDITURE		
Operating and administrative expenses	29,188	26,364
Finance cost	33,134	60,440
Provision for Workers' Welfare Fund	3,296	56,084
Provision for impairment against investment - net	10,000	-
	75,618	142,888
PROFIT BEFORE TAXATION	164,785	95,296
Taxation		
Current	20,146	22
NET PROFIT FOR THE PERIOD	144,639	95,274
 (Rupees)	
EARNINGS PER SHARE	12	
Basic and diluted	0.19	0.12

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

Chief Justice (R) Mahboob Ahmed
Chairman

Suleman Lalani
Chief Executive

JAHANGIR SIDDIQUI & CO. LTD.

Condensed Interim Unconsolidated Statement of Comprehensive Income

For the quarter ended March 31, 2014
(Un-audited)

	March 31, 2014	March 31, 2013
	(Rupees in '000)	
NET PROFIT FOR THE PERIOD	144,639	95,274
OTHER COMPREHENSIVE INCOME / (LOSS) :		
Items that will not be reclassified to profit and loss account	-	-
Items that may be reclassified subsequently to profit and loss		
Net gain / (loss) on revaluation of available for sale investments during the period	2,328,284	(479,196)
Gain realized on disposal of investments - net	(222)	(18)
Total items that may be reclassified subsequently to profit and loss	2,328,062	(479,214)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	2,472,701	<u>(383,940)</u>

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

Chief Justice (R) Mahboob Ahmed
Chairman

Suleman Lalani
Chief Executive

Condensed Interim Unconsolidated Cash Flow Statement

 For the quarter ended March 31, 2014
(Un-audited)

	March 31, 2014	March 31, 2013
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation for the period	164,785	95,296
Adjustment for non cash charges and other items:		
Depreciation	830	887
Gain on sale of property and equipment	(22)	(176)
Amortisation of transaction costs on term finance certificates	1,252	1,865
Gain on revaluation of investments carried at fair value through profit or loss - net	(1)	-
Provision for impairment against investment - net	10,000	-
Finance cost	31,882	58,575
	<u>43,941</u>	<u>61,151</u>
Operating profit before working capital changes	208,726	156,447
Increase in operating assets:		
Loans and advances	67	(392)
Prepayments, accrued mark-up and other receivables	(175,747)	(243,393)
Short term investments	(59,238)	(371,826)
Long term loans, advance and security deposits	150	(315)
	<u>(234,768)</u>	<u>(615,926)</u>
Increase in trade and other payables	65,025	57,187
Net cash generated from / (used in) operations	38,983	(402,292)
Mark-up paid	(16)	(85,458)
Taxes paid- net	(5,120)	(5,010)
Dividend paid	(335)	(54)
Net cash generated from / (used in) operating activities	33,512	(492,814)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(70)	(1,718)
Proceeds from sale of property and equipment	51	176
Investment acquired	(1,453,749)	-
Net cash used in investing activities	(1,453,768)	(1,542)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue / (redemption) of term finance certificates - net	470,869	(623,849)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(949,387)	(1,118,205)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,541,814	2,629,053
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	592,427	1,510,848

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

Chief Justice (R) Mahboob Ahmed
Chairman

Suleman Lalani
Chief Executive

JAHANGIR SIDDIQUI & CO. LTD.

Condensed Interim Unconsolidated Statement of Changes in Equity

For the quarter ended March 31, 2014
(Un-audited)

	Issued, subscribed and paid-up capital	Reserves			Sub-total	Total
		Capital	Revenue			
	Ordinary share capital	Ordinary Share premium	Accumulated loss	Unrealised gain/(loss) on revaluation of available for sale investments - net		
.....(Rupees in '000)						
Balance as at January 1, 2013	7,632,853	4,497,894	(1,488,444)	2,980,058	5,989,508	13,622,361
Net profit for the period	-	-	95,274	-	95,274	95,274
Other comprehensive loss	-	-	-	(479,214)	(479,214)	(479,214)
Total comprehensive income / (loss)	-	-	95,274	(479,214)	(383,940)	(383,940)
Transaction with owners:						
Final dividend @ Rs. 0.75 per ordinary share for the eighteen months period ended December 31, 2012	-	-	(572,464)	-	(572,464)	(572,464)
Balance as at March 31, 2013	7,632,853	4,497,894	(1,965,634)	2,500,844	5,033,104	12,665,957
Balance as at January 1, 2014	7,632,853	4,497,894	(1,880,077)	3,518,282	6,136,099	13,768,952
Net profit for the period	-	-	144,639	-	144,639	144,639
Other comprehensive income	-	-	-	2,328,062	2,328,062	2,328,062
Total comprehensive income	-	-	144,639	2,328,062	2,472,701	2,472,701
Balance as at March 31, 2014	7,632,853	4,497,894	(1,735,438)	5,846,344	8,608,800	16,241,653

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

Chief Justice (R) Mahboob Ahmed
Chairman

Suleman Lalani
Chief Executive

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended March 31, 2014
(Un-audited)

1. THE COMPANY AND ITS OPERATIONS

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

2. BASIS OF PREPARATION

2.1 These condensed interim financial statements are un-audited and are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and the Listing Regulations of Karachi Stock Exchange Limited.

2.2 These condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan. These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2013.

2.3 These condensed interim financial statements have been prepared under the accrual basis of accounting except for cash flow information.

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

3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended December 31, 2013.

4. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

The preparation of condensed interim financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were same as those applied to the financial statements for the year ended December 31, 2013.

JAHANGIR SIDDIQUI & CO. LTD.

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended March 31, 2014
(Un-audited)

	Note	March 31, 2014 (Un-audited)	December 31, 2013 (Audited)
(Rupees in '000)			
5. PROPERTY AND EQUIPMENT			
The details of additions and disposals during the period are as follows:			
Additions – cost			
Office equipment		-	164
Motor vehicles		2,635	990
		2,635	1,154
Disposals – cost			
Office equipment		-	1,310
Motor vehicles		101	879
		101	2,189
6. INTANGIBLE ASSETS			
Trading rights entitlement certificates:			
- Karachi Stock Exchange Limited		27	27
- Islamabad Stock Exchange Limited		1	1
	6.1	28	28

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

	Note	March 31, 2014 (Un-audited)	December 31, 2013 (Audited)
(Rupees in '000)			
7. LONG TERM INVESTMENTS			
Investments in related parties			
Investment in subsidiaries	7.1	6,980,364	5,536,615
Other related parties - Available for sale	7.2	8,353,997	6,034,055
		15,334,361	11,570,670
Other investments	7.3	188,875	198,747
		15,523,236	11,769,417

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended March 31, 2014
(Un-audited)

7.1 Investment in subsidiaries - at cost

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

Number of shares		Note	Activity	Holding		(Un-audited) March 31, 2014	(Audited) December 31, 2013	
March 31, 2014	December 31, 2013			March 31, 2014 %	December 31, 2013 %			
Quoted								
755,245,007*	755,245,007		JS Bank Limited Market value Rs.3,315.53 (December 31, 2013: Rs.3,398.60) million	Commercial Banking	70.42	70.42	4,673,400	4,673,400
Un-quoted								
145,374,878	-	7.1.1	JS Bank Limited Convertible Preference Shares	Commercial Banking	-	-	1,453,749	-
73,736,250	73,736,250		JS Infocom Limited Net assets value Rs.373.65 (December 31, 2013: Rs.372.53) million based on un-audited financial statements for the period ended March 31, 2014 Less: Impairment	Telecom Media & Technology	100.00	100.00	708,490 (347,673)	708,490 (337,673)
							360,817	370,817
10,000	10,000		JS International Limited Ordinary Shares of US\$ 1/- each having net assets value Rs.26.12 (September 30, 2013: Rs.31.74) million based on un-audited financial statements for the period ended December 31, 2013 Less: Impairment	Investment services	100.00	100.00	294,882 (294,882)	294,882 (294,882)
63,000,000	63,000,000	7.1.2	Energy Infrastructure Holding (Private) Limited Net assets value Rs.507.44 (December 31, 2013: 511.92) million based on un-audited financial statements for the period ended March 31, 2014 Less: Impairment	Power Generation & Distribution	100.00	100.00	630,000 (137,602)	630,000 (137,602)
							492,398	492,398
							6,980,364	5,536,615

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

7.1.1 During the period JS Bank Limited (a subsidiary company) made a right issue of 150 million unlisted, convertible, irredeemable, perpetual, non-cumulative, non-voting preference shares of Rs. 10 each amounting to Rs. 1,500 million to meet its minimum capital requirement of Rs. 10 billion of paid up capital (free of losses). The Company has subscribed 145.37 million preference shares of the said right issue amounting to Rs.1,453.75 million.

7.1.2 Net assets of the subsidiary includes, investments in shares of carrying value Rs.382.59 (December 31, 2013: Rs. 334.98) million are pledged with a bank as collateral against guarantees issued on behalf of Gujranwala Energy Limited (GEL), a joint venture (JV). During the year ended June 30, 2010, the JV was not able to meet the financial close mandated with National Bank of Pakistan and was not allowed to make amendments in the power purchase agreement by Private Power and Infrastructure Board (PPIB). Accordingly, the operations of GEL were ceased. Further, it was not able to raise the requisite funds and deposit initial mobilization advance with Wartsila Finland. In the meantime, GEL filed petition in the High Court of Sindh to protect the Company from the encashment of performance guarantees. The High Court of Sindh ordered the GEL to keep the guarantees alive and restricted PPIB and Wartsila Finland from encashing the same till the adjudication of the above petition. Further, subsequent to the year end, the JV has filed a civil suit in Civil Court Lahore, wherein the Preliminary Agreement with Wartsila Finland has been challenged on the grounds that no legal and binding contract has been concluded as the Preliminary Agreement was merely an understanding to enter into contract at some future date and upon happening of certain events, therefore, the question of encashment of above guarantees does not arise. The stay order is still valid and the case is pending for adjudication. The management, based on legal advice, believes that the ultimate outcome of the case will be in favour of the subsidiary company as well as JV.

JAHANGIR SIDDIQUI & CO. LTD.

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended March 31, 2014
(Un-audited)

7.2 Other related parties

Available for sale

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

Number of shares		Note	Activity	Holding		(Un-audited) March 31, 2014	(Audited) December 31, 2013		
March 31, 2014	December 31, 2013			March 31, 2014 %	December 31, 2013 %				
Quoted - at fair value									
9,800,000	9,800,000		Hum Network Limited	Television Network	14.00	14.00	917,770	734,902	
111,256,116	111,256,116	7.2.1	BankIslami Pakistan Limited	Islamic Banking	21.07	21.07	1,165,964	772,117	
25,983,302	20,299,455	7.2.2	EFU General Insurance Limited	General Insurance	16.24	16.24	2,578,843	1,865,926	
20,047,708	20,047,708		EFU Life Assurance Limited	Life Assurance	20.05	20.05	2,094,985	1,638,098	
112,157,863	112,157,863		Azgard Nine Limited	Textile Composite	24.96	24.96	813,145	800,807	
11,500,000	11,500,000		Pakistan International Bulk Terminal Limited	Bulk Terminal	21.07	21.07	775,790	214,705	
Un-quoted - at cost									
750,000	750,000		EFU Services (Private) Limited	Investment company	37.50	37.50	7,500	7,500	
								8,353,997	6,034,055

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

7.2.2 Included herein are 5,683,847 bonus shares of EFU General Insurance Limited (EFUG) having market value of Rs. 564.12 million (December 2013: Nil) to which the Company was entitled as of March 31, 2014. Subsequent to the period end, the shareholders of EFUG in their Annual General Meeting held on April 5, 2014 have approved the issue of the aforesaid bonus shares.

7.4 Other investments

Available for sale

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

Number of shares		Note	(Un-audited) March 31, 2014	(Audited) December 31, 2013
March 31, 2014	December 31, 2013			
Quoted - at fair value				
7,897,860	7,897,860		177,702	187,574
Un-quoted - at cost				
4,007,383	4,007,383		73	73
3,034,603	3,034,603		11,100	11,100
		7.4.1	11,173	11,173
			188,875	198,747

7.4.1 These represent shares received from Karachi Stock Exchange Limited (KSE) and Islamabad Stock Exchange Limited (ISE) in accordance with the requirements of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012.

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended March 31, 2014
(Un-audited)

	March 31, 2014 (Un-audited)	December 31, 2013 (Audited)
Note	(Rupees in '000)	
8. SHORT TERM INVESTMENTS		
Financial assets at fair value through profit or loss		
Listed equity securities	79,815	-
Available for sale - at fair value		
Listed equity securities	11,044	7,436
Government securities	467,945	491,300
Mutual funds - open end (at redemption value)		
Related parties	171,459	158,978
Others	216,511	211,829
	<u>387,970</u>	<u>370,807</u>
	<u>946,774</u>	<u>869,543</u>
9. NON-CURRENT ASSETS HELD FOR SALE		
Investment in a subsidiary:		
- Credit Chex (Private) Limited	9.1 189,500	189,500
Less: Impairment	(189,500)	(189,500)
	<u>-</u>	<u>-</u>

9.1 The Board of Directors of the Company in their meeting held on August 30, 2012 approved to dispose of entire investment in Credit Chex (Private) Limited - a subsidiary of the Company. Accordingly, the Company has entered into a share purchase agreement with LoanLink International (BVI) Limited to sell 1,895,000 shares of Credit Chex (Private) Limited subject to completion of necessary regulatory formalities. The approval of the State Bank of Pakistan has been obtained and the Company is in the phase of completing other formalities.

10. LONG TERM FINANCING

Included herein is advance amounting to Rs. 635 (December 31, 2013: 165) million net of issue cost of Rs. 1.37 (December 31, 2013: 1.23) million received against eighth issue of term finance certificates (TFC). Subsequent to the period end, on April 8, 2014, the Company has issued TFCs amounting to Rs. 750 million (inclusive of green shoe option of Rs. 250 million). The profit on these TFCs is payable semi-annually, based on the six month KIBOR average rate plus 175 basis points per annum. These TFCs have a tenor of five years i.e. 2014-2019 with a call option exercisable by the Company at any time on a coupon date during the tenor of the TFCs by giving a 30 days notice at a premium of 0.25% of the outstanding face value. The instrument is structured to redeem the principal in ten (10) stepped up semi-annual instalments starting from the 6th month of the Issue Date. These TFCs are secured against lien over a designated account with the Central Depository Company of Pakistan Limited. The account contains marketable securities having a market value of Rs. 1,521.33 million to secure the outstanding principal with 35% margin. In the event of any sale and repurchase of marketable securities, the trustee will have a hypothecation charge on the ensuing receivable and a lien over subsequent cash which is to be maintained in a specified bank account.

11. CONTINGENCIES AND COMMITMENT

11.1 Contingencies

There were no material change in the status of contingencies as reported in the annual unconsolidated financial statements for the year ended December 31, 2013 except for the following:

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended March 31, 2014
(Un-audited)

11.1.1 The Additional Commissioner of Inland Revenue – Audit Division (ACIR) has issued another order under section 122 (5A) of the Ordinance in respect of the tax year 2008 and raised an undue demand of Rs. 96.476 million by unlawfully charging minimum tax @ 0.5% u/s 113 of the Ordinance on capital gain of Rs. 19,255.036 million and despite the fact that capital gains are treated under separate head of income as 'Capital Gains' and not as part of 'Income from Business'. Further, capital gains are not covered under the exclusive definition of 'turnover' stipulated in section 113 of the Ordinance. Subsequent to the period end, the Company has filed appeal against the above order before the Commissioner Inland Revenue – Appeals (CIR-Appeals). The hearing for the aforementioned appeal was held on March 10, 2014, however, order thereof is still awaited.

The management, based on its discussions with its tax advisors, is confident that the subject matter in respect of tax year 2008 will eventually be decided in favor of the Company. Hence, no provision for liability has been made in this condensed interim financial information.

	March 31, 2014 (Un-audited)	December 31, 2013 (Audited)
(Rupees in '000)		

11.2 Commitment

Commitment in respect of future sale transactions of equity securities

76,954

-

	March 31, 2014 (Un-audited)	March 31, 2013 (Un-audited)
(Rupees in '000)		

12. BASIC AND DILUTED EARNINGS PER SHARE

Profit / (loss) after taxation attributable to Ordinary shareholders

144,639

95,274

Weighted average number of Ordinary shares
outstanding during the period

..... (Number in '000)

763,285

763,285

Earnings per share:

Basic and diluted

..... (Rupees)

0.19

0.12

13. CASH AND CASH EQUIVALENTS

Cash and bank balances

..... (Rupees in '000)

592,427

1,510,848

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended March 31, 2014
(Un-audited)

14. RELATED PARTY TRANSACTIONS

Related parties comprise subsidiaries, associates, joint venture, directors, key management personnel and provident fund scheme. Significant transactions with related parties during the period ended March 31, 2014 are as follows:

	March 31, 2014 (Un-audited)	March 31, 2013 (Un-audited)
(Rupees in '000)		
TRANSACTIONS		
Subsidiary and Sub-subsidiary Companies:		
Brokerage expense paid	178	135
Purchase of government securities	465,069	1,016,605
Rent income	8,531	7,482
Market maker fee paid	522	450
Profit received on fund placements and deposit accounts	30,559	34,101
Bank charges paid	2	2
Reimbursement of expenses by the Company	431	68
Reimbursement of expenses to the Company	3,494	2,287
Underwriting commission received	3,056	-
Investment in convertible right preference shares (No. of shares received: 145,374,878)	1,453,749	-
Companies having common directorship		
Dividend income	14,700	-
Other Related Parties		
Contributions to Staff Provident Fund	812	736
Interest / markup paid	-	2,324
Principal redemptions made against TFCs	-	16,966
Insurance premium paid	1,104	1,232
Proceeds against insurance claim / cancellation	1	27
Royalty paid	2,475	2,475
Advisory fee paid	1,500	1,500
Investments during the period	-	100,000
Reimbursement of expenses to the Company	7	-
Units purchased during the period (No. of Units)	-	975,277
Bonus units received during the period (No. of Units)	-	28,778
Key Management Personnel		
Remuneration to Chief Executive Officer	2,485	2,234
Advisory fee to Director	1,500	1,500
Remuneration to executives	2,230	2,252
Interest on long term loans to executives	47	69
Loan and advances disbursed during the period	-	700
Loan and advances repayments from executives	148	17
Proceeds from sale of vehicle	-	176

JAHANGIR SIDDIQUI & CO. LTD.

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended March 31, 2014
(Un-audited)

	March 31, 2014 (Un-audited)	December 31, 2013 (Audited)
(Rupees in '000)		
BALANCES		
Subsidiary and Sub-subsidiary Companies:		
Receivable against expenses incurred on their behalf	2,780	782
Cash at bank accounts	589,400	1,538,625
Profit receivable on deposit accounts	2,437	12,380
Payable against purchase of equity securities - net	64,676	-
Outstanding principal of TFCs issued by the Company	111,875	7,875
Markup payable on TFCs issued by the Company	665	163
Other Related Parties		
Dividend receivable	181,436	-
Advance against subscription of right shares	400,000	400,000
Outstanding principal of TFCs issued by the Company	83,250	78,750
Markup payable on TFCs issued by the Company	3,962	1,627
Key Management Personnel		
Loans and advances receivable	2,180	2,328

15. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue by the Board of Directors in their meeting held on April 28, 2014.

16. GENERAL

Figures have been rounded off to the nearest thousand rupees.

Chief Justice (R) Mahboob Ahmed
Chairman

Suleman Lalani
Chief Executive

**CONDENSED
INTERIM
CONSOLIDATED
FINANCIAL
STATEMENTS**

JAHANGIR SIDDIQUI & CO. LTD.

Condensed Interim Consolidated Balance Sheet

As at March 31, 2014

		March 31, 2014 (Un-audited)	December 31, 2013 (Audited)
	Note	(Rupees in '000)	
ASSETS			
Non-Current Assets			
Fixed assets:			
- Property and equipment	6	2,296,127	2,205,868
- Intangible assets	7	218,918	185,068
- Investment property		2,401	2,471
Long - term investments	8	8,850,088	6,540,018
Long - term loans, advances and other receivables		5,531,460	2,987,007
Long - term deposits		9,781	9,227
Deferred taxation		946,576	1,052,958
		17,855,351	12,982,617
Current Assets			
Short - term investments	9	63,567,828	45,250,138
Trade debts		498,137	303,760
Loans and advances		32,325,592	31,203,878
Accrued mark - up		1,315,488	1,334,807
Short-term deposits, prepayments and other receivables		982,342	657,305
Other financial asset - Fund placements		4,872,529	21,585,799
Taxation - net		430,479	440,072
Cash and bank balances		7,495,531	8,413,827
		111,487,926	109,189,586
Assets classified as held for sale	10	3,131	3,536
		129,346,408	122,175,739
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Share capital		7,632,853	7,632,853
Reserves		9,916,219	7,190,933
		17,549,072	14,823,786
Equity attributable to equity holders of the parent		17,549,072	14,823,786
Non-controlling interests		4,525,533	4,277,080
		22,074,605	19,100,866
Total equity			
Non-Current Liabilities			
Long - term financing	11	1,018,539	651,056
Long - term deposits and other accounts		83,979	142,667
Deferred liability - employee benefits		13,712	1,289
		1,116,230	795,012
Current Liabilities			
Trade and other payables		3,009,830	2,729,410
Accrued interest / mark-up on borrowings		564,156	568,310
Short - term borrowings		20,586,746	20,150,846
Current portion of non-current liabilities	12	81,913,756	78,751,025
		106,074,488	102,199,591
Liabilities directly associated with assets classified as held for sale	10	81,085	80,270
Contingencies and Commitments			
	13	129,346,408	122,175,739

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

Chief Justice (R) Mahboob Ahmed
Chairman

Suleman Lalani
Chief Executive

Condensed Interim Consolidated Profit and Loss Account

For the quarter ended March 31, 2014
(Un-audited)

	Note	March 31, 2014	March 31, 2013
(Rupees in '000)			
CONTINUING OPERATIONS			
Income			
Return on investments		238,943	1,343,821
Gain on sale of investments - net		174,495	110,973
Income from long term loans and fund placements		2,153,831	592,692
Fee, commission and brokerage		308,928	296,992
Other income		109,587	91,428
Gain on revaluation of investments carried at fair value through profit and loss - net		57,150	34,546
		3,042,934	2,470,452
Expenditure			
Operating and administrative expenses		1,092,407	970,406
Finance cost		1,405,103	1,190,056
Provision for workers' welfare fund		10,175	59,185
Provision / (reversal of provision) for impairment against investments - net		14,986	(7,159)
		2,522,671	2,212,488
		520,263	257,964
Share of profit / (loss) from:			
- associate		-	40,518
- joint venture		-	-
		-	40,518
		520,263	298,482
Profit before taxation from continuing operations			
Taxation			
- Current		60,723	47,813
- Prior		69	(4,263)
- Deferred		39,473	23,064
		100,265	66,614
		419,998	231,868
DISCONTINUED OPERATIONS			
Loss after taxation from discontinued operations	17	(5,107)	(7,062)
PROFIT AFTER TAXATION FOR THE PERIOD			
		414,891	224,806
Attributable to:			
Equity holders of the parent		299,095	139,146
Non-controlling interests		115,796	85,660
		414,891	224,806
..... (Rupees)			
EARNINGS PER SHARE			
	14		
Basic and diluted			
Continuing operations		0.40	0.19
Discontinued operations		(0.01)	(0.01)
		0.39	0.18

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

Chief Justice (R) Mahboob Ahmed
Chairman

Suleman Lalani
Chief Executive

JAHANGIR SIDDIQUI & CO. LTD.

Condensed Interim Consolidated Statement of Comprehensive Income

For the quarter ended March 31, 2014
(Un-audited)

	March 31, 2014	March 31, 2013
	(Rupees in '000)	
PROFIT FOR THE PERIOD AFTER TAXATION	414,891	224,806
OTHER COMPREHENSIVE INCOME / (LOSS)		
Items that will not be reclassified to profit and loss account	-	-
Items that may be reclassified subsequently to profit and loss		
Revaluation of available for sale investments	2,439,031	(628,194)
Exchange difference of translation of net assets of foreign subsidiaries to reporting currency	(12,840)	(13,768)
Total items that may be reclassified subsequently to profit and loss	2,426,191	(641,962)
TOTAL COMPREHENSIVE PROFIT / (LOSS) FOR THE PERIOD	2,841,082	(417,156)
Attributable to:		
Equity holders of the parent	2,614,317	(373,113)
Non-controlling interest	226,765	(44,043)
	2,841,082	(417,156)

Chief Justice (R) Mahboob Ahmed
Chairman

Suleman Lalani
Chief Executive

Condensed Interim Consolidated Cash Flow Statement

For the quarter ended March 31, 2014
(Un-audited)

	March 31, 2014	March 31, 2013
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation from continuing operations	520,263	298,482
Loss before taxation from discontinued operations	(5,118)	(7,052)
Profit for the period before taxation	<u>515,145</u>	<u>291,430</u>
Adjustments for non cash charges and other items:		
Depreciation	85,339	67,351
Amortisation on intangible assets	7,993	124
Amortisation of transaction cost on term finance certificates	1,252	1,856
Profit on sale of property and equipment	(5,616)	(13,421)
Provision for doubtful debts, loans and advances	11,744	-
Share of profit from associate and joint venture	-	(40,518)
Charge / (reversal of charge) for defined benefit plan	12,423	(11,938)
Provision / (Reversal of provision) for impairment against investments - net	14,986	(7,159)
Gain on revaluation of investments carried at fair value through profit or loss - net	(57,150)	(34,546)
Finance cost	<u>1,403,851</u>	<u>1,188,222</u>
	<u>1,474,822</u>	<u>1,149,971</u>
Operating profit before working capital changes (Increase) in operating assets :	<u>1,989,967</u>	<u>1,441,401</u>
Short term investments	(17,790,554)	(6,113,926)
Trade debts	(194,377)	34,868
Loans and advances	(1,133,458)	1,310,932
Long term loans, advances, deposits and other receivables	(2,545,007)	(3,356,985)
Fund placements	16,713,270	(953,107)
Deposits, prepayments, accrued mark-up and other receivables	<u>(305,313)</u>	<u>(232,985)</u>
	<u>(5,255,439)</u>	<u>(9,311,203)</u>
Decrease in operating liabilities:		
Trade and other payables	281,570	382,881
Deposits and other accounts	<u>3,103,674</u>	<u>2,741,145</u>
Net cash generated from / (used in) operations	<u>119,772</u>	<u>(4,745,776)</u>
Interest / mark-up paid	(1,408,014)	(1,217,415)
Taxes paid	(51,199)	(28,010)
Dividend paid	(335)	(84)
Net cash used in operating activities	<u>(1,339,776)</u>	<u>(5,991,285)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(394,313)	(191,189)
Intangible assets acquired	(41,842)	-
Proceeds from sale of property and equipment	6,749	18,089
Investments acquired - net of sale	-	(160,131)
Net cash used in investing activities	<u>(429,406)</u>	<u>(333,231)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance /(redemption) of term finance certificates - net of issuance	368,735	(674,081)
Proceeds from issuance of convertible preference shares	46,251	-
Securities sold under repurchase agreements	<u>1,167,118</u>	<u>5,431,571</u>
Net cash generated from financing activities	<u>1,582,104</u>	<u>4,757,490</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(187,078)</u>	<u>(1,567,026)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	5,443,584	5,604,204
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>5,256,506</u>	<u>4,037,178</u>

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

Chief Justice (R) Mahboob Ahmed
Chairman

Suleman Lalani
Chief Executive

JAHANGIR SIDDIQUI & CO. LTD.**Condensed Interim Consolidated Statement of Changes in Equity**

For the quarter ended March 31, 2014
(Un-audited)

	ATTRIBUTABLE TO EQUITY HOLDERS' OF THE PARENT							NON-CONTROLLING INTERESTS	TOTAL
	Capital		Reserves			Statutory	Sub-total		
	Ordinary share capital	Ordinary share premium	Unappropriated profit / (accumulated loss)	Revenue	Others				
Balance as at January 1, 2013	7,632,853	4,497,894	(1,056,929)	55,107	3,437,010	158,467	14,724,402	4,889,900	19,614,302
Profit for the period	-	-	139,146	-	-	-	139,146	85,660	224,806
Other comprehensive loss	-	-	-	(13,768)	(498,491)	-	(512,259)	(129,703)	(641,962)
Total comprehensive income for the period	-	-	139,146	(13,768)	(498,491)	-	(373,113)	(44,043)	(417,156)
Transfer from statutory reserve	-	-	(11,862)	-	-	11,862	-	-	-
Transaction with owners recognized directly in equity									
Final Dividend for the eighteen months period ended December 31, 2012 @ Rs.0.75 per ordinary share	-	-	(572,464)	-	-	-	(572,464)	-	(572,464)
Balance as at March 31, 2013	7,632,853	4,497,894	(1,502,109)	41,339	2,938,519	170,329	13,778,825	4,845,857	18,624,682
Balance as at January 1, 2014	7,632,853	4,497,894	(1,406,105)	127,591	3,763,732	207,821	14,823,786	4,277,080	19,100,866
Profit for the period	-	-	299,095	-	-	-	299,095	115,796	414,891
Other comprehensive (loss) / income	-	-	-	(12,840)	2,439,031	-	2,426,191	86,406	2,512,597
Total comprehensive income for the period	-	-	299,095	(12,840)	2,439,031	-	2,725,286	202,202	2,927,488
Transfer from statutory reserve	-	-	(19,483)	-	-	19,483	-	-	-
Convertible preference shares issued to non-controlling interest	-	-	-	-	-	-	-	46,251	46,251
Balance as at March 31, 2014	7,632,853	4,497,894	(1,126,493)	114,751	6,202,763	227,304	17,549,072	4,525,533	22,074,605

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

Chief Justice (R) Mahboob Ahmed
Chairman

Suleman Lalani
Chief Executive

Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended March 31, 2014
(Un-audited)

1. THE GROUP AND ITS OPERATIONS

1.1 Jahangir Siddiqui & Co. Ltd. (the Holding Company) and its subsidiary companies (together the Group) are involved in trading of securities, managing strategic investments, investment advisory, asset management, agency telecommunication, commercial banking and other businesses. The Group is mainly operating in Pakistan but also provides services in United Kingdom and Cayman Island.

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

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

Subsidiary Companies	Nature of Business	Note	Date of Acquisition /Disposal	Holding (including indirect holding)	
				March 31, 2014	December 31, 2013
JS Bank Limited (JSBL)	Commercial Banking		December 30, 2006	70.42%	70.42%
JS Investments Limited (JSIL) (Sub-subsidiary)	Investment Advisor and Asset Manager		November 1, 2012	36.79%	36.79%
JS Global Capital Limited (Sub-subsidiary)	Brokerage, advisory and consultancy services		December 21, 2011	35.95%	35.95%
JS Infocom Limited	Telecom, Media and Technology		August 25, 2003	100.00%	100.00%
JS International Limited	Investment Advisory Services		July 14, 2005	100.00%	100.00%
JS International LLP (Sub-subsidiary)	Investment Advisory Services		April 11, 2006	100.00%	100.00%
Credit Chex (Private) Limited	Credit Information and Credit Rating Services	10	October 8, 2007	82.84%	82.84%
JS ABAMCO Commodities Limited (Sub-subsidiary)	Commodity brokerage		November 1, 2012	36.79%	36.79%
Energy Infrastructure Holding (Private) Limited	Power generation		July 07, 2008	100.00%	100.00%

2. BASIS OF PREPARATION

These condensed interim consolidated financial statements are un-audited and are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Karachi Stock Exchange. These condensed interim consolidated financial statements have been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan. These condensed interim consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Company's annual consolidated financial statements for the year December 31, 2013.

Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended March 31, 2014
(Un-audited)

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

The comparative balance sheet presented in these condensed interim consolidated financial statements has been extracted from the audited consolidated financial statements of the Group for the year ended December 31, 2013, whereas the comparative profit and loss account, statement of comprehensive income, statement of changes in equity and cash flow statement are extracted from the un-audited condensed interim consolidated financial statements for the quarter ended March 31, 2013.

3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended December 31, 2013.

4. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements of the Company for the year ended December 31, 2013.

5. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

The preparation of condensed interim consolidated financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. The significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were same as those applied to the consolidated financial statements for the year ended December 31, 2013.

March 31, 2014 (Un-audited)	December 31, 2013 (Audited)
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(Rupees in '000)

6. PROPERTY AND EQUIPMENT

The details of additions in and disposals of operating assets during the period are as follows:

Additions - cost

- Office premises - leasehold	-	1,400
- Leasehold improvements	20,976	69,971
- Office equipment	51,297	259,821
- Office furniture and fixtures	11,178	35,119
- Motor vehicles	24,977	140,986
	108,428	507,297

Disposals - cost

- Leasehold improvements	-	2,285
- Office equipment	606	13,713
- Office furniture and fixtures	-	3,338
- Motor vehicles	10,937	72,088
	11,543	91,424

Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended March 31, 2014
(Un-audited)

7. INTANGIBLE ASSETS

Included herein are Trading Right Entitlement Certificates (TRECs) received from Karachi Stock Exchange Limited (KSE) and Islamabad Stock Exchange Limited (ISE) by the Company, JS Bank Limited (subsidiary company) and JS Global Capital Limited (a sub-subsidiary company) in accordance with the requirements of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012. The Company has also received shares of KSE and ISE after completion of the demutualisation process. The TRECs have been recorded at Rs. 5.76 million.

		March 31, 2014 (Un-audited)	December 31, 2013 (Audited)
	Note	(Rupees in '000)	

8. LONG TERM INVESTMENTS

Related parties

- Investment in joint venture
- Other related parties

Other investments

8.1	-	-
	8,353,997	5,563,621
	8,353,997	5,563,621
8.2	496,091	505,963
	8,850,088	6,069,584

8.1 Investments held by Energy Infrastructure (Private) Limited (the subsidiary company) includes, investments shares of carrying value Rs. 382.59 (December 31, 2013: Rs. 334.98) million are pledged with a bank as collateral against guarantees issued on behalf of Gujranwala Energy Limited (GEL), a joint venture (JV). During the year ended June 30, 2010, the JV was not able to meet the financial close mandated with National Bank of Pakistan and was not allowed to make amendments in the power purchase agreement by Private Power and Infrastructure Board (PPIB). Accordingly, the operations of GEL were ceased. Further, it was not able to raise the requisite funds and deposit initial mobilization advance with Wartsila Finland. In the meantime, GEL filed petition in the High Court of Sindh to protect the Company from the encashment of performance guarantees. The High Court of Sindh ordered the GEL to keep the guarantees alive and restricted PPIB and Wartsila Finland from encashing the same till the adjudication of the above petition. Further, subsequent to the year end, the JV has filed a civil suit in Civil Court Lahore, wherein the Preliminary Agreement with Wartsila Finland has been challenged on the grounds that no legal and binding contract has been concluded as the Preliminary Agreement was merely an understanding to enter into contract at some future date and upon happening of certain events, therefore, the question of encashment of above guarantees does not arise. The stay order is still valid and the case is pending for adjudication. The management, based on legal advice, believes that the ultimate outcome of the case will be in favour of the subsidiary company as well as JV.

8.2 This includes shares received from Karachi Stock Exchange Limited (KSE) and Islamabad Stock Exchange Limited (ISE) in accordance with the requirements of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012.

Notes to the Condensed Interim Consolidated Financial Statements

 For the quarter ended March 31, 2014
 (Un-audited)

	March 31, 2014 (Un-audited)	December 31, 2013 (Audited)
Note	(Rupees in '000)	
9. SHORT TERM INVESTMENTS		
Assets at fair value through profit or loss	35,642,080	4,472,908
Available for sale	27,925,748	45,645,679
	<u>63,567,828</u>	<u>50,118,587</u>

10. DISCONTINUED OPERATIONS

The Board of Directors of the Company in their meeting held on August 30, 2012 approved to dispose of entire investment in Credit Chex (Private) Limited - a subsidiary of the Company. Accordingly, the Company has entered into a share purchase agreement with LoanLink International (BVI) Limited to sell 1,895,000 shares of Credit Chex (Private) Limited subject to completion of necessary regulatory formalities. The approval of the State Bank of Pakistan has been obtained and the Company is in the phase of completing other formalities.

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

11. LONG TERM FINANCING

Included herein is advance amounting to Rs. 531 (December 31, 2013: Rs.165) million net of issue cost of Rs. 1.37 (December 31, 2013: Rs.1.23) million received by the Holding Company against eighth issue of term finance certificates (TFC). Subsequent to the period end, on April 8, 2014, the Holding Company has issued TFCs amounting to Rs. 750 million (inclusive of green shoe option of Rs. 250 million). The profit on these TFCs is payable semi-annually, based on the six month KIBOR average rate plus 175 basis points per annum. These TFCs have a tenor of five years i.e. 2014-2019 with a call option exercisable by the Holding Company at any time on a coupon date during the tenor of the TFCs by giving a 30 days notice at a premium of 0.25% of the outstanding face value. The instrument is structured to redeem the principal in ten (10) stepped up semi-annual instalments starting from the 6th month of the Issue Date. These TFCs are secured against lien over a designated account with the Central Depository Company of Pakistan Limited. The account contains marketable securities having a market value of Rs. 1,521.33 million to secure the outstanding principal with 35% margin. In the event of any sale and repurchase of marketable securities, the trustee will have a hypothecation charge on the ensuing receivable and a lien over subsequent cash which is to be maintained in a specified bank account.

	March 31, 2014 (Un-audited)	December 31, 2013 (Audited)
	(Rupees in '000)	
12. CURRENT PORTION OF NON-CURRENT LIABILITIES		
Long term financing - Term finance certificates	370,687	370,318
Deposits and other accounts	81,543,069	78,380,707
	<u>81,913,756</u>	<u>78,751,025</u>

Notes to the Condensed Interim Consolidated Financial Statements

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13. CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

There were no material changes in the status of contingencies as reported in the annual consolidated financial statements for the year ended December 31, 2013 except for the following:

13.1.1 The Additional Commissioner of Inland Revenue – Audit Division (ACIR) has issued order to the Holding Company under section 122 (5A) of the Income Tax Ordinance, 2001 (the Ordinance) in respect of the tax year 2010. According to the order, the ACIR has raised tax liability of Rs. 63.49 million in respect of the above mentioned tax year. The Company filed application for rectification in the order on various grounds including credit for tax of Rs. 54.10 million not allowed by the ACIR against which rectification order under section 221 of the Ordinance was issued according to which the tax demand was reduced to Rs. 9.64 million after accounting for the tax credit. Further, the Company has also filed appeal against the above order before the Commissioner Inland Revenue – Appeals (CIR-Appeals). The CIR-Appeals has confirmed the order of ACIR. As a result of the aforesaid order of CIR-Appeals, the Company has filed an Appeal before the Appellate Tribunal Inland Revenue (ATIR). The hearing of the aforesaid appeal was held on March 10, 2014, however order thereof is still pending.

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

13.2 Transaction-related Contingent Liabilities

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

	March 31, 2014 (Un-audited)	December 31, 2013 (Audited)
(Rupees in '000)		
- Government	2,669,690	2,520,803
- Banking companies and other financial institutions	298,757	210,521
- Others	512,954	333,832
	<u>3,481,401</u>	<u>3,065,156</u>
13.3 Trade related contingent liabilities		
Documentary credits	<u>6,001,779</u>	<u>4,882,691</u>
13.4 Other Contingencies		
Claims not acknowledged as debts	<u>66,748</u>	<u>66,896</u>

JAHANGIR SIDDIQUI & CO. LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended March 31, 2014
(Un-audited)

	March 31, 2014 (Un-audited)	December 31, 2013 (Audited)
(Rupees in '000)		
13.5 Commitments		
Commitments in respect of:		
Forward exchange contracts:		
- Purchase	5,628,319	6,988,325
- Sale	4,440,915	6,485,184
Other Commitments		
Forward commitment to extend credit	761,250	675,700
Forward commitments in respect of sale	-	10,000
Capital expenditure	243,197	75,320
Cross currency swaps (notional principal)	1,084,500	1,084,500
Bank guarantee	30,000	394,964
Assets acquired under operating lease / ijarah	-	1,209
Future sale transactions of equity securities	529,091	-
	March 31, 2014 (Un-audited)	March 31, 2013 (Un-audited)
(Rupees in '000)		

14. BASIC AND DILUTED EARNINGS PER SHARE

Attributable to equity holders' of the parent:

Profit from continuing operations	305,090	144,996
Loss after taxation from discontinued operations	(5,995)	(5,850)
Profit after taxation attributable to ordinary shareholders	299,095	139,146

..... (Number in '000)

Weighted average number of Ordinary shares outstanding during the period

763,285 763,285

..... (Rupees)

Earnings per share:

Basic and Diluted

Continuing operations	0.40	0.19
Discontinued operations	(0.01)	(0.01)
	0.39	0.18

Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended March 31, 2014
(Un-audited)

	March 31, 2014 (Un-audited)	March 31, 2013 (Un-audited)
(Rupees in '000)		
15. CASH AND CASH EQUIVALENTS		
Cash and bank balances	7,495,531	5,422,749
Short term running finances under mark-up arrangements	-	(248,478)
Borrowings from banks / NBFCs	(2,239,025)	(1,137,093)
	<u>5,256,506</u>	<u>4,037,178</u>

16. RELATED PARTY TRANSACTIONS

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

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

	March 31, 2014 (Un-audited)	March 31, 2013 (Un-audited)
(Rupees in '000)		
Brokerage and commission income	2,555	2,309
Purchase of money market instruments	-	4,406,188
Sale of money market instruments	33,929,169	13,174,626
Purchase of units	7,130,630	100,000
Sale of units	-	170,546
Call borrowing / repurchase transactions / encashment of fund placements	-	3,000,000
Advisory and consultancy fee	6,000	36,559
Commission income	2,699	17,124
Foreign exchange purchases transaction	-	2,107,124
Foreign exchange sale transaction	-	2,643,685
Rental income	249	7,731
Interest / markup earned	-	52,379
Interest / markup earned from key management personnell	47	-
Interest / markup paid	-	62,172
Principal redemptions made against TFCs	-	16,966
Rent expense	-	597
Royalty paid	4,975	4,975
Insurance premium paid	39,337	32,537
Insurance claim received	1	2,030
Investments disposed off in funds under management - at cost	88,556	-
Investments made in funds under management	53,216	-
Proceeds from sale of property and equipment	-	176
Donations paid to Mahvash and Jahangir Siddiqui Foundation - common directorship and key management personnel	4,000	-
Advisory fee to a director	1,500	3,000
Advance against term finance certificates and share subscription	4,500	-
Remuneration and commission income from funds	55,835	63,285
Contribution to provident fund	18,262	12,329
Contribution to gratuity fund	1,290	-
Expenses incurred on behalf of funds	-	2,225
Ijarah rentals	304	-
Loan repayment from executives	148	17
Loans disbursed to executives	-	700
Acquisition of operating asset	1,438	-
Dividend received	14,700	58,142
..... (Number)		
Bonus shares/units received from related parties	222,043	41,016
Purchase of units	-	975,277
Sale of units	-	3,298

Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended March 31, 2014
(Un-audited)

17. SEGMENT INFORMATION

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

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

The following tables present revenue and profit information for the Group's operating segments for the quarter ended March 31, 2014 and 2013 respectively.

	<u>CONTINUING OPERATIONS</u>							
	Capital Market & Brokerage	Banking	Investment Advisor/ assets manager	Others	DISCONTINUED OPERATIONS	TOTAL SEGMENTS	ADJUSTMENTS AND ELIMINATIONS	CONSOLIDATED
Quarter ended March 31, 2014(Rupees in '000).....							
Revenue								
Segment revenues	382,431	2,570,837	115,953	16,432	115	3,085,768	(42,719)	3,043,049
Inter-segment revenues	(11,595)	(30,770)	(354)	-	-	(42,719)	42,719	-
Total revenue	370,836	2,540,067	115,599	16,432	115	3,043,049	-	3,043,049
Results								
Net profit for the period	188,277	107,566	63,318	6,142	(5,107)	360,197	54,694	414,891
Quarter ended March 31, 2013(Rupees in '000).....							
Revenue								
Segment revenues	417,860	2,076,882	119,051	78,471	1,952	2,694,216	(181,294)	2,512,922
Inter-segment revenues	(42,867)	(83,818)	(7,482)	(2,130)	-	(136,297)	136,297	-
Total revenue	374,993	1,993,064	111,569	76,341	1,952	2,557,919	(44,997)	2,512,922
Results								
Net profit for the period	83,164	407	38,838	34,893	(7,062)	150,240	74,566	224,806

Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended March 31, 2014
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The following tables present assets and liabilities information for the Group's operating segments for the quarter ended March 31, 2014 and year ended December 31, 2013 respectively.

	CONTINUING OPERATIONS				DISCONTINUED OPERATIONS	TOTAL SEGMENTS	ADJUSTMENTS AND ELIMINATIONS	CONSOLIDATED
	Capital Market & Brokerage	Banking	Investment Advisor/ assets manager	Others				
(Rupees in '000).....							
Assets								
March 31, 2014	<u>21,161,303</u>	<u>116,823,300</u>	<u>2,054,517</u>	<u>1,548,875</u>	<u>3,131</u>	<u>141,591,126</u>	<u>(12,244,718)</u>	<u>129,346,408</u>
December 31, 2013	<u>17,827,650</u>	<u>112,733,583</u>	<u>1,917,843</u>	<u>1,038,554</u>	<u>3,536</u>	<u>133,521,166</u>	<u>(11,345,427)</u>	<u>122,175,739</u>
Liabilities								
March 31, 2014	<u>2,328,318</u>	<u>106,124,053</u>	<u>127,210</u>	<u>18,369</u>	<u>81,085</u>	<u>108,679,035</u>	<u>(1,407,232)</u>	<u>107,271,803</u>
December 31, 2013	<u>1,522,844</u>	<u>103,799,690</u>	<u>120,180</u>	<u>11,130</u>	<u>80,270</u>	<u>105,534,114</u>	<u>(2,459,241)</u>	<u>103,074,873</u>

18. DATE OF AUTHORISATION FOR ISSUE

These condensed interim consolidated financial statements were authorised for issue by the Board of Directors of the Holding Company in its meeting held on April 28, 2014.

19. GENERAL

Figures have been rounded off to the nearest thousand rupees.

Chief Justice (R) Mahboob Ahmed
Chairman

Suleman Lalani
Chief Executive



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