

Crescent Leasing Corporation Limited

(Report and Accounts for the eighteen months
ended June 30, 1996)

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Aftab Ahmed Khan
Chairman
Mr. Abdul Jabbar Kasim
Chief Executive

Mr. A.K.M. Sayeed
Mr. Altaf M. Saleem
Mr. Manzurul Haque
Mr. Nessar Ahmed
Mr. Rashid Ahmed
Mr. Stephen Potter

CORPORATE SECRETARY

Mr. Rashid Sadiq
Mr. Zaheer A. Sheikh

AUDITORS

Khalid Majid Husain Rahman & Co.
Chartered Accountants

LEGAL ADVISORS

Cornelius Lane & Mufti
Advocates & Solicitors

REGISTERED AND SHARE TRANSFER OFFICE

83-Babar Block, New Garden Town, Lahore.
Tel: 042-5881974-75
Fax: 042-5839631

HEAD OFFICE

B-801 & 802, 8th Floor Lakson Square, Bldg.# 3, Sarwar Shaheed Road, Karachi.
Tel: 021-5661938-48-58 Fax: 021-5661988

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 9th Annual General Meeting of the shareholders of CRESCENT LEASING CORPORATION LIMITED will be held on Monday, October 21, ;1996 at 1500 hours at Registered Office, 83-Babar Block, New Garden Town, Lahore to transact the following business:

ORDINARY BUSINESS:

1. To confirm the Minutes of the 8th Annual General Meeting held on May 30, 1995.
2. To receive, consider and adopt the audited accounts of the company for the eighteen months period ended June 30, 1996 together with Directors and Auditors Reports thereon.
3. To approve payment of cash dividend. The Directors have recommended the payment of Cash Dividend @ 15% i.e. Rs. 1.50 per share for the period ended June 30, 1996.

4. To appoint Auditors (for the year ending June 30, 1997) and fix their remuneration. The present Auditors M/S Khalid Majid Husain Rahman, Chartered Accountants, retire and being eligible, offer themselves for re-appointment.

SPECIAL BUSINESS:

5. To consider and if approved pass special resolution for increase in authorised capital of the company from Rs. 200 million to Rs. 300 million.

6. To consider and if approved pass the following resolution as special resolution under section 208 of the Companies Ordinance, 1984.

Resolved:

That the company be and is hereby authorised to invest in fully paid up ordinary shares at par value of Rs. 10/- each of the following associated undertaking and its disposal at such time(s) as deemed appropriate:

| | |
|---------------------------------------|-------------------|
| International Housing Finance Limited | Rs. 3.125 million |
| Trust Investment Bank Limited | Rs. 1.000 million |

Resolved Further:

That the Chief Executive of the Company be and is hereby authorised to take or cause to be taken any and all actions necessary to purchase the shares and to dispose of the same as deemed appropriate.

Statement under section 160(1)(b) of the Companies Ordinance, 1984

This statement sets out the material facts concerning the special business to be transacted at the 9th Annual General Meeting of the Company to be held on October 21, 1996.

INCREASE IN AUTHORISED CAPITAL:

The present paid-up capital of the company is Rs. 150 million as against authorised capital of Rs. 200 million. In order to meet the future growth in the company's capital, it is appropriate to increase the authorised capital of the company to Rs. 300 million. Accordingly the Memorandum & Articles of Association are sought to be amended to reflect the increase in the amount of authorised capital appearing therein. The Directors of the company are not interested in this business. The following resolution is proposed to be passed as Special Resolution:

Resolved:

That the authorised capital of the company be increased from Rs. 200,000,000 (Rupees two hundred million) to Rs. 300,000,000 (Rupees three hundred million) by creation of 10,000,000 (Ten million) additional ordinary shares of Rs. 10/- each ranking in dividend and in all other respects pari passu with the existing 20,000,000 (twenty million) ordinary shares of Rs. 10/- each in the capital of the company and the capital clauses of the Memorandum and Articles of Association be and are hereby altered accordingly to read as under:

Clause V of Memorandum of Association:

The Authorised Capital of the company is Rs. 300,000,000 (Rupees three hundred million) divided into 30,000,000 (thirty million) ordinary shares of Rs. 10/- each.

Article 4 Of Articles of Association:

The authorised capital of the company is Rs. 300,000,000 (Rupees three hundred million) divided into 30,000,000 (thirty million) ordinary shares of Rs. 10/- each.

Resolved Further:

That corporate secretary of the company be and is hereby authorised to do all necessary arrangements including signing of all documents in this regard to alter the capital clauses of the Memorandum and Articles of Association.

INVESTMENT IN ASSOCIATED UNDERTAKINGS:

International Housing Finance Limited (IHFL) is a housing finance company sponsored by International Finance Corporation (IFC), Commonwealth Development Corporation (CDC) and Crescent Investment Bank Limited (Cres Bank). The primary object of the company is to provide housing finance facilities to individuals and corporate clients. The company has issued right shares @ 100% which brings the total paid-up capital of IHFL to Rs. 125 million. Crescent Leasing Corporation Limited (CLC) has agreed to subscribe to 312,500 shares at par amounting to Rs. 3.125 million. The authorised capital of IHFL is Rs. 150 million.

The final structure of paid up capital is as under:

| | No. of shares of Rs. 10/- each. | Rupees | Ownership Percentage |
|-----------|------------------------------------|------------|-------------------------|
| CDC | 3,750,000 | 37,500,000 | 30.0% |
| IFC | 2,500,000 | 25,000,000 | 20.0% |
| CRES BANK | 3,750,000 | 37,500,000 | 30.0% |

| | | | |
|---------|------------|-------------|-------|
| PICIC | 1,875,000 | 18,750,000 | 15.0% |
| PILCORP | 312,500 | 3,125,000 | 2.5% |
| CLC | 312,500 | 3,125,000 | 2.5% |
| | ----- | ----- | ----- |
| | 12,500,000 | 125,000,000 | 100% |
| | ===== | ===== | ===== |

Trust Investment Bank Limited (TIBL) is an investment bank with authorised and paid-up capital of Rs. 200 million and Rs. 100 million respectively. TIBL has been recently listed on the stock exchanges. Although the public offer was under-subscribed, the bank offers good investment opportunity and has potential for growth. CLC has agreed to take up shares worth Rs. 1.00 million out of public offer at par value of Rs. 10/- each.

The following are material facts about the proposed investment:

| | | |
|--|---|---|
| 1. Name of investee company or associated undertaking. | International Housing Finance Limited | Trust Investment Bank Limited |
| 2. Nature, amount and extent of investment. | Investment in shares Rs. 3,125,000 (Rupees Three Million One Hundred Twenty Five Thousand only) | Investment in shares Rs. 1,000,000 (Rupees One Million only) |
| 3. Price at which shares would be purchased. | At par value i.e. Rs. 10/- per share. | At par value i.e. Rs.10/ per share. |
| 4. Source of funds from where shares would be purchased. | Internal generation. | Internal generation. |
| 5. Period for which investment would be made. | As deemed appropriate | As deemed appropriate |
| 6. Purpose of investment: | To earn dividend & capital gain. | To earn dividend & capital gain. |
| 7. Benefits likely to accrue to the company and the shareholders from the proposed investment. | The company will earn dividend and capital gain to increase its profits | The company will earn dividend and capital gain to increase its profits |

The proposed investment in associated undertakings will be beneficial for CLC. It is, therefore, recommended that the shareholders may pass the proposed resolution as special resolution under section 208 of the Companies Ordinance, 1984. Mr. Altaf M. Saleem and Mr. Nessar Ahmed are Directors of IHFL. Mr. Altaf M. Saleem is Chairman of TIBL. The other Directors of the company have no interest in the above investments.

Copies of the Memorandum and Articles of Association of IHFL and TIBL are kept at the Registered Office of the Company which can be inspected from 10.00 a.m. to 11.30 a.m. on all working days upto October 14, 1996.

BOOK CLOSURE:

The share transfer books of the company will remain closed from October 16, 1996, to October 22, 1996, (both days inclusive). Transfer received in order at the Registered Office by the close of business hours on October 15, 1996 will be treated in time for the entitlement of cash dividend.

BY ORDER OF THE BOARD
Zaheer A. Shaikh

Dated: September 15, 1996

Corporate Secretary

NOTE:

1. 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.
2. The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarially certified copy of the power of attorney must be deposited at the registered office of the company at least 48 hours before the meeting. A form of proxy is enclosed.
3. Shareholders are requested to immediately notify the change in address, if any.

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Audited Accounts for the period January 1995 to June 1996, covering a period of 18 months. Pursuant to the Finance Act 1995, your company changed its accounting year from calendar to fiscal; to comply with the requirement.

The financial results of the Company for the period under review are summarized as follows:

| | For eighteen months ended June '96 | For the year ended Dec. '94 |
|--|---------------------------------------|--------------------------------|
| | Rs. ('000) | Rs. ('000) |
| Revenue | 80,862 | 24,131 |
| Expenditure | 36,540 | 14,172 |
| | ----- | ----- |
| Profit before taxation | 44,322 | 9,959 |
| Provision for taxation | 653 | 406 |
| | ----- | ----- |
| Profit after taxation | 43,669 | 9,553 |
| Unappropriated profit brought forward | 8,345 | 3,457 |
| | ----- | ----- |
| Profit available for appropriation | 52,014 | 13,010 |
| Appropriations | | |
| Transfer to reserve under NBFI regulations | 8,734 | 1,911 |
| Transfer to general reserve | 4,835 | 2,755 |
| Proposed Dividend @ 15% | 22,500 | - |
| | ----- | ----- |
| | 36,069 | 4,666 |
| | ----- | ----- |
| Unappropriated profit carried forward | 15,945 | 8,345 |
| | ===== | ===== |

OPERATING RESULTS

By the grace of Almighty Allah, your company has shown substantial improvement in operating results during the period under review. All the figures show an upward trend. Net Investment in Lease Financing which was Rs. 137 million at the end of December 1994, stands at Rs. 379 million as on June 30, 1996. On an yearly basis it is an increase of around 117%. During the preceding six months it went up by 50%. Lease finance income shows an increase of Rs. 40 million during the eighteen months. Total income went by 237% from Rs. 24 million to Rs. 81 million. The Company Net Profit was Rs. 43.67 million up by 4.57 times from a figure of Rs. 9.55 million, on a comparative basis.

Long-term funds available through Commonwealth Development Corporation have been successfully utilized. The remaining draw-down will be in October 1996. The funds from second right issue were available for utilization in May 1995. The adjusted earning per share works to Rs. 3.38 per share.

Lease disbursement and commitments during the review period were to the tune of Rs. 370 million. The company continuing with its strategy of prudent and judicious selection of sectors and clients has developed a qualify portfolio. The emphasis is to support areas which have growth potential and in the process select best users of lease financing. Judged from this view-point Lease Portfolio by Type of Asset depict around 65% in Plant & Machinery followed by 22% in vehicles (including commercial).

REVIEW OF OPERATIONS

The government over the last couple of years has had moderate success in bringing down the budget deficit. Despite this the economy is experiencing a high current account deficit, approaching six percent of GDP, a sluggish growth in manufacturing sector and a double digit inflation fuelled by cost - push factors giving rise to high cost of imported inputs.

Economic numbers are not very encouraging and would therefore leave scar on the recovery process. Macroeconomic fundamentals will have to be substantially improved in order to keep the tempo of industrialization and direct foreign investment up. In the emerging business scenario the function of financial intermediation is demanding. The lessors will have to concentrate not only on business expansion but focus to manage financial risk.

Our strategy aims at providing services and products with long-term view in perspective. This requires a close understanding of client's business, his performance and growth perspective. In the circumstances, we aim to augment our role in the credit delivery, tapping new areas with improved efficacy to achieve the objective of quality services to the clients.

Resource mobilization is the mainstay of leasing companies to maintain a sustainable growth rate. Local funds are not only expensive but also come with a tinge of short-term characteristics. According to the State Bank Governor the financial intermediation cost of public sectors banks was in the band of 7 to 8 percent, whereas it should be in the range of 2 to 3 percent. Obviously leasing

companies borrowing from such sources, working on limited margins, have not much to influence. Long-term funds, due various factors, now come expensive. One of the anxieties of lessors is arrangement of matching funds.

The state of affairs of commercial banks and DFIs will provide opportunities to leasing companies to play significant role in the capital formation of the economy. However, in the coming years, leasing companies will have to be innovative both in the matter of soliciting business and mobilization of resources. Leasing Companies for a variety of factors need to join hands, to complement each other in situation of sectoral and client exposure and in the process giving credence that the leasing companies now possess strength to arrange large ticket leasing to off-set domination of DFIs and commercial banks. Creslease has participated in syndicated lease financing with the objective of manifesting its transaction capability. We have during this endeavour developed strength and have focused on "market need" approach in the matter of seeking quality clients.

FUTURE OUTLOOK

Our strategy in the coming years is to further enhance and deepen our understanding of target market, simultaneously to participate in syndication where the risk and reward are compatible to the objective of Creslease. Furthermore we are closely looking at some innovation of lease products whereby the vendors would be attracted to offer products through "a lease package", to bring depth to the lease market.

We have set a target for the coming year that will enable us to penetrate the market and maintain the growth tempo. Simultaneously we have arrangement in place for funds to meet our targets.

The renewed strategy and corporate commitment has given Creslease a stature in the market. The company is now poised to attain new heights and will be looked favourably by investors, lenders and analyst. Our long-term aim is to improve shareholders value. The directors recommend a cash dividend of Rs. 1.50 per share for the period ended June 30, 1996.

ACKNOWLEDGMENT

The Board acknowledges the support of the bankers, lending institutions and Commonwealth Development Corporation, particularly, for the support to enable Creslease to attain new heights. The board wishes to record its appreciation of the company personnel for hard work, team effort and achievements.

AUDITORS

The auditors, Khalid Majid Husain Rahman, Chartered Accountants retire and being eligible, offer themselves for re-appointment.

PATTERN OF SHAREHOLDING

The pattern of shareholding as on June 30, 1996, is annexed to this report.

AUDITORS REPORT TO THE MEMBERS

We have audited the annexed balance sheet of Crescent Leasing Corporation Limited as at June 30th, 1996, and the related profit and loss account and statement of changes in financial position, together with the notes forming part thereof, for the eighteen months 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 and, after due verification thereof, 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 therein 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 period was for the purpose of the company's business; and

(iii) the business conducted, investments made and the expenditure incurred during the period 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 and the statement of changes in financial position, together with the notes forming part thereof, 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 30th, 1996 and of the profit and the changes in financial position for the period then ended; and

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

KARACHI: September, 12, 1996

Khalid Majid Husain Rahman
Chartered Accountants

BALANCE SHEET AS AT JUNE 30, 1996

| | Note | June 1996 Rupees | December 1994 Rupees |
|--|------|------------------------|----------------------------|
| SHARE CAPITAL AND RESERVES | | | |
| Authorised Capital | | | |
| 20,000,000 ordinary shares of Rs. 10/- each | | 200,000,000 | 200,000,000 |
| | | ===== | ===== |
| Issued, subscribed and paid-up capital | 3 | 150,000,000 | 75,000,000 |
| Capital reserve | | | |
| Premium on issue of right shares | | 56,250,000 | |
| Revenue reserves | 4 | 35,045,985 | 13,876,948 |
| | | ----- | ----- |
| | | 241,295,985 | 88,876,948 |
| LONG-TERM FINANCES | 5 | 290,453,563 | 2,983,813 |
| LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE | 6 | 559,640 | |
| LONG-TERM DEPOSITS | 7 | 33,175,109 | 13,924,411 |
| CURRENT LIABILITIES | | | |
| Current maturity of long-term liabilities | 8 | 33,866,868 | 12,153,745 |
| Short-term finance | 9 | 3,700,094 | 35,000,000 |
| Creditors, accrued and other liabilities | 10 | 13,418,789 | 1,859,123 |
| Proposed dividend | | 22,500,000 | |
| | | ----- | ----- |
| COMMITMENTS | 11 | | |
| | | ----- | ----- |
| | | 638,970,048 | 154,798,040 |
| | | ===== | ===== |

The annexed notes form an integral part of these financial statements.

TANGIBLE FIXED ASSETS

| | | | |
|--|------|-------------|-------------|
| Operating assets | 12 | 16,659,487 | 2,568,304 |
| Assets subject to Finance lease | 13 | 995,435 | |
| | | ----- | ----- |
| | | 17,654,922 | 2,568,304 |
| NET INVESTMENT IN LEASES | 14 | 272,037,673 | 97,557,002 |
| LONG-TERM DEPOSITS AND DEFERRED COST | 15 | 168,214,578 | 1,053,538 |
| LONG-TERM LOAN | 16 | 499,994 | 164,103 |
| CURRENT ASSETS | | | |
| Current maturity of net investment in leases | 14.1 | 107,074,759 | 40,132,946 |
| Investments | 17 | 40,935,000 | 8,925,037 |
| Advances, deposits, prepayments and other receivables | 18 | 32,281,658 | 2,952,464 |
| Cash and bank balances | 19 | 271,464 | 1,444,646 |
| | | ----- | ----- |
| | | 180,562,881 | 53,455,093 |
| | | ----- | ----- |
| | | 638,970,048 | 154,798,040 |
| | | ===== | ===== |

PROFIT AND LOSS ACCOUNT

FOR THE EIGHTEEN MONTHS ENDED JUNE 30, 1996

| | Note | For the 18 months ended June 1996 Rupees | For the year ended December 1994 Rupees |
|--|------|--|---|
|--|------|--|---|

| | | | |
|--|----|------------|------------|
| Income from lease operations | 20 | 61,236,959 | 21,873,543 |
| Other income | 21 | 19,624,819 | 2,257,827 |
| | | ----- | ----- |
| | | 80,861,778 | 24,131,370 |
| Administrative and operating expenses | 22 | 13,656,391 | 6,501,144 |
| Financial charges | 23 | 20,782,897 | 7,232,917 |
| Provision for potential lease losses | | 325,232 | 45,817 |
| Amortization of deferred cost | | 1,775,470 | 392,751 |
| | | ----- | ----- |
| | | 36,539,990 | 14,172,629 |
| Operating profit | | 44,321,788 | 9,958,741 |
| Taxation | 25 | 652,751 | 405,811 |
| | | ----- | ----- |
| Profit after taxation | | 43,669,037 | 9,552,930 |
| Unappropriated profit brought forward | | 8,344,899 | 3,457,270 |
| | | ----- | ----- |
| | | 52,013,936 | 13,010,200 |
| Appropriations | | | |
| Transfer to reserve under NBFI regulations | | 8,733,807 | 1,910,586 |
| Transfer to general reserve | | 4,834,955 | 2,754,715 |
| Proposed Dividend @ 15% | | 22,500,000 | |
| | | ----- | ----- |
| | | 36,068,762 | 4,665,301 |
| | | ----- | ----- |
| Unappropriated profit carried forward | | 15,945,174 | 8,344,899 |
| | | ===== | ===== |

The annexed notes form an integral part of these financial statements.

**STATEMENT OF CHANGES IN FINANCIAL POSITION (CASH FLOW STATEMENT)
FOR THE EIGHTEEN MONTHS ENDED JUNE 30, 1996**

| | For the 18 months ended June 1996 Rupees | For the year ended December 1994 Rupees |
|---|--|---|
| Cash flow from operating activities | | |
| Operating profit before taxation | 44,321,788 | 9,958,741 |
| Adjustment for: | | |
| Deferred cost amortized | 1,775,470 | 392,751 |
| Depreciation | 2,460,683 | 578,872 |
| Provision for doubtful debts/(written back) | 325,232 | 983,929 |
| Loss/(gain) on disposal of fixed assets | 159,443 | 42,243 |
| Retirement benefits | | 101,301 |
| | ----- | ----- |
| Operating profit before working capital changes | 49,042,616 | 10,005,493 |
| Increase in net investment in leases | 241,747,716 | 47,656,407 |
| Increase in long-term deposits from customers | 21,020,261 | 5,148,985 |
| Increase in accrued liabilities | 11,802,478 | 752,310 |
| Increase in advances, deposits, prepayments and other receivables | 13,870,812 | 1,591,870 |
| | ----- | ----- |
| Cash used in operations | 173,753,173 | 33,341,489 |
| Income tax paid | 2,478,406 | 316,240 |
| | ----- | ----- |
| Net cash used in operating activities | 176,231,579 | 33,657,729 |
| Cash flow from investing activities | | |
| Purchase of fixed assets | 19,639,433 | 1,228,355 |
| Proceed from sale of fixed assets | 1,932,665 | 195,225 |
| Long-term loans (granted)/recovered | 470,255 | 38,290 |
| Addition in long term deposits and deferred cost | 182,677,685 | 610,323 |
| | ----- | ----- |
| Net cash used in investing activities | 200,854,708 | 1,605,163 |
| Cash flow from financing activities | | |
| Proceeds from issue of share capital | 75,000,000 | 25,000,000 |

| | | |
|---|--------------------|-------------------|
| Share Premium | 56,250,000 | |
| Proceeds from long-term finances | 316,900,944 | |
| Repayment of long-term finance | 9,881,045 | 12,749,158 |
| (Repayment)/proceeds of short-term finances | 31,299,906 | 25,000,000 |
| Proceed from lease obligations | 1,303,800 | |
| Repayment of lease obligations | 350,725 | |
| | ----- | ----- |
| Net cash flow from financing activities | 407,923,068 | 37,250,842 |
| | ----- | ----- |
| Net increase in cash and cash equivalents | 30,836,781 | 1,987,950 |
| Cash and cash equivalents at beginning of the period | 10,369,683 | 8,381,733 |
| | ----- | ----- |
| Cash and cash equivalents at the end of the period (Note A) | 41,206,464 | 10,369,683 |
| | ===== | ===== |
| Note A. Cash and cash equivalents at the end of the period | | |
| Cash and bank balances | 271,464 | 1,444,646 |
| Investments | 40,935,000 | 8,925,037 |
| | ----- | ----- |
| | 41,206,464 | 10,369,683 |
| | ===== | ===== |

**NOTES TO THE FINANCIAL STATEMENTS FOR THE
EIGHTEEN MONTHS ENDED JUNE 30. 1996**

1. LEGAL STATUS AND NATURE OF BUSINESS

The company was incorporated in Pakistan as a public limited company on April 7, 1987. The company commenced commercial operations in August 1989, and is listed on all Stock Exchanges in Pakistan. Its prime business is leasing, and it is classified as a Non-Banking Financial Institution (NBFI) by the State Bank of Pakistan.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting convention

These financial statements have been prepared under the historical cost convention.

2.2 Fixed Assets and Depreciation

(a) Owned

Fixed assets are stated at cost less depreciation to date. Depreciation is charged to income by applying reducing balance method. Full years depreciation is charged on acquisitions during the year while no depreciation is charged on fixed assets disposed off during the year.

Normal repairs and maintenance are charged to income as and when incurred.

Major renewals and betterments are capitalized.

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

(b) Assets Subject to Finance Leases

These are stated at the lower of present value of minimum lease payments and fair value of assets acquired on lease. Assets so acquired are depreciated over their useful lives in the same manner as owned assets. Financial charge is allocated to accounting periods in a manner so as to produce a constant periodic rate of charge on the outstanding liability.

2.3 Deferred Cost and Amortization

Deferred costs are written off during a period not exceeding five years commencing from the year such costs are incurred.

2.4 Investments

Investments are valued at the lower of cost and market value determined on an aggregate portfolio basis.

2.5 Taxation

(a) Current

Provision is made on taxable income at the prevailing rates of taxation after taking into account tax credits available, if any.

(b) Deferred

The company accounts for deferred taxation on all major timing differences like ly to reverse in the foreseeable future, using the liability method.

2.6 Foreign Exchange Transactions

Transactions in foreign currencies are accounted for in Rupees at the rate of exchange ruling on the date of transaction. Assets and liabilities in foreign currencies are converted into Rupees at the rate of exchange at the balance sheet date, except for transactions hedged for exchange risk, in such cases the difference on exchange is

allocated until realized.

2.7 Employees Retirement Benefits

The company operates a contributory provident fund for all its confirmed employees and contributions are made by the company and the employees in accordance with the fund rules.

2.8 Recognition of Lease Income

The company follows the financing method in accounting for recognition of lease income. Accordingly, at the time of commencement of lease, the total unearned lease finance income consists of the excess of aggregate lease contracts receivable plus any residual value over the cost of the leased assets. This finance income is then allocated over the lease term on a pattern reflecting a constant periodic return on the company's net investment outstanding in respect of the lease.

Front end, commitment and other fees, if any, are taken to income when realized.

3. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

Ordinary shares of Rupees 10/- each, fully paid in cash.

| 1994 Number | 1996 Number | June 1996 Rupees | December 1994 Rupees |
|----------------|-------------------|----------------------------|----------------------------|
| 5,000,000 | 7,500,000 | At beginning of the period | 75,000,000 50,000,000 |
| | Issued during the | | |
| 2,500,000 | 7,500,000 | period | 75,000,000 25,000,000 |
| ----- | ----- | | ----- |
| 7,500,000 | 15,000,000 | | 150,000,000 75,000,000 |
| ===== | ===== | | ===== |

4. REVENUE RESERVES

Reserve under NBFBI regulations

| | | |
|------------------------------------|------------|-----------|
| Balance at beginning of the period | 2,777,334 | 866,748 |
| Add: Transfer during the period | 8,733,807 | 1,910,586 |
| | ----- | ----- |
| | 11,511,141 | 2,777,334 |

General Reserve

For doubtful debts (Note 4.1)

| | | |
|------------------------------------|------------|------------|
| Balance at beginning of the period | 2,754,715 | |
| Add: Transfer during the period | 4,834,955 | 2,754,715 |
| | ----- | ----- |
| | 7,589,670 | 2,754,715 |
| Unappropriated profit | 15,945,174 | 8,344,899 |
| | ----- | ----- |
| | 35,045,985 | 13,876,948 |
| | ===== | ===== |

4.1 As a prudent business practice, amount is set aside out of profits to meet future business losses, if any.

5. LONG-TERM FINANCES-Secured

| | June 1996 Rupees | December 1994 Rupees |
|---|------------------------|----------------------------|
| Foreign currency | | |
| From Commonwealth Development Corporation (Note 5.1) | 164,893,317 | |
| Local currency | | |
| From commercial and investment banks (Note 5.2) | 77,401,515 | 6,689,497 |
| From a development financial institution (Note 5.3) | 664,739 | 4,129,813 |
| From an investment company (Note 5.4) | 74,962,260 | |
| From a modaraba (Note 5.5) | 15,992 | 98,638 |
| | ----- | ----- |
| | 153,044,506 | 10,917,900 |
| | ----- | ----- |
| | 317,937,823 | 10,917,100 |
| Less: Current maturity of long-term finances (Note 8) | 27,484,260 | 7,934,135 |
| | ----- | ----- |
| | 290,453,563 | 2,983,813 |

=====

5.1 This represents the partial draw down of Pounds Sterling 5.000 million loan obtained from Commonwealth Development Corporation, UK. The loan is repayable in twelve equal semi-annual installments commencing from May 1997. The rate of interest is 11.5% per annum and is secured by floating pari-passu charge, through hypothecation, over certain present assets and first floating charge over certain present and all future assets of the company.

5.2 The total sanctioned amount from commercial and investment banks under mark-up arrangements amounted to Rupees 129.816 million (1994: Rupees 29.000 million). These loans carry mark-up ranging from paisas 0.036 to 0.049 (1994: paisas 0.043 to 0.051) per day. The commercial bank borrowing is repayable in twelve semi-annual equal installments commencing from May 1997, whereas only three consecutive monthly repayments are due against the investment bank borrowing. The commercial bank borrowing is secured against foreign currency deposits, included in note 15. Investment bank borrowing is secured by a floating pari-passu charge, through hypothecation, over certain assets of the company.

5.3 The company has entered into sale and purchase agreement with a development financial institution. The repayment of the last installment is due in September 1996. The payment is secured against hypothecation of the related goods.

5.4 This represents the sale and purchase agreement executed with an investment company with purchase price payable under deferred payment plan and is secured against foreign currency deposit, as shown in note 15. The payments due aggregate to Rupees 113.645 million repayable in twelve semi-annual installments commencing from May 1997.

5.5 The company has entered into sale and purchase agreement with a modaraba. The last installment of the purchase price is payable on August 1996. The payment is secured against hypothecation of the related goods.

6. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

| | June 1996 | December 1994 |
|---|--------------|------------------|
| | Rupees | Rupees |
| Minimum lease payments (Note 6.1) | 1,133,990 | |
| Less: Financial charges not yet due | 180,915 | |
| | ----- | ----- |
| | 953,075 | |
| Less: Current maturity of liabilities against assets subject to finance lease (Note 8) | 393,435 | |
| | ----- | ----- |
| | 559,640 | |

=====

6.1 The company has entered into lease agreements with leasing companies for financing to acquire motor vehicles and office equipment. Payments under these agreements include financial charges ranging from 20% to 21.5% per annum, which are used as discounting factors. The future payments due are as follows:

| Year ending | June 1996 | December 1994 |
|---------------|--------------|------------------|
| | Rupees | Rupees |
| June 30, 1997 | 526,620 | |
| June 30, 1998 | 439,084 | |
| June 30, 1999 | 168,286 | |
| | ----- | ----- |
| | 1,133,990 | |

=====

7. LONG-TERM DEPOSITS

| | | |
|--|------------|------------|
| Security deposits on leases (Note 7.1) | 39,164,282 | 18,144,021 |
| Less: Current maturity of long-term deposits (Note 8) | 5,989,173 | 4,219,610 |
| | ----- | ----- |
| | 33,175,109 | 13,924,411 |

=====

7.1 These represent security deposits received against lease contracts and are repayable/adjustable at the expiry/termination of the respective leases.

8. CURRENT MATURITY OF LONG-TERM LIABILITIES

| June 1996 | December 1994 |
|--------------|------------------|
|--------------|------------------|

| | Rupees | Rupees |
|--|------------|------------|
| Long-term finances (Note 5) | 27,484,260 | 7,934,135 |
| Liabilities against assets subject to finance lease (Note 6) | 393,435 | |
| Security deposits on leases (Note 7) | 5,989,173 | 4,219,610 |
| | ----- | ----- |
| | 33,866,868 | 12,153,745 |
| | ===== | ===== |

9. SHORT-TERM FINANCE - Secured

| | | |
|--|-----------|------------|
| From a commercial bank under mark-up arrangement | 3,700,094 | |
| From investment banks and an investment company | | 35,000,000 |
| | ----- | ----- |
| | 3,700,094 | 35,000,000 |
| | ===== | ===== |

This represents finance facility sanctioned upto Rs. 7.500 million on yearly renewal basis at a mark-up rate of paisas 0.045 per day and is secured by way of deposit of Government securities included in note 17.

10. CREDITORS, ACCRUED AND OTHER LIABILITIES

| | | |
|-------------------------------------|------------|-----------|
| Advance lease rentals | 1,178,265 | 279,636 |
| Accrued liabilities | 1,476,776 | 782,307 |
| Mark-up payable on secured finances | 9,505,388 | 432,099 |
| Taxation | | 242,812 |
| Cheques issued but not presented | 965,015 | |
| Other liabilities | 293,345 | 122,269 |
| | ----- | ----- |
| | 13,418,789 | 1,859,123 |
| | ===== | ===== |

11. COMMITMENTS

Lease proposals approved Rupees 30.000 million (1994: Rupees 5.000 million)

12. OPERATING ASSETS

| | Cost as at January 1, 1995 | Additions/ (deletions)/ (adjustments) | Cost as at June 30, 1996 | Accumulated depreciation as at June 30, 1996 | Written down value as at June 30, 1996 | Depreciation for the period | Depreciation rate % |
|----------------------|----------------------------|---------------------------------------|--------------------------|--|--|-----------------------------|---------------------|
| | ----- Rupees ----- | | | | | | |
| Office premises | - | 11,809,442 | 11,809,442 | 787,422 | 11,022,020 | 787,422 | 5 |
| Furniture & fixtures | 584,972 | 876,661 (447,172) | 1,014,461 | 173,968 | 840,493 | 169,749 | 15 |
| Motor vehicles | 2,531,713 | 3,245,900 (2,203,313) | 3,574,300 | 1,014,137 | 2,560,163 | 739,013 | 20 |
| Office equipment | 715,305 | 2,333,630 (305,695) | 2,743,240 | 577,577 | 2,165,663 | 440,317 | 15 |
| Computer software | 32,500 | 70,000 | 102,500 | 31,352 | 71,148 | 15,817 | 15 |
| 1996 Rupees | 3,864,490 | 18,335,633 (2,956,180) | 19,243,943 | 2,584,456 | 16,659,487 | 2,152,318 | |
| 1994 Rupees | 3,005,963 | 1,321,679 (238,378) (224,774) | 3,864,490 | 1,296,186 | 2,568,304 | 578,872 | |
| | ===== | | | | | | |

12.1 Disposal of Fixed Assets

| Particulars | Cost | Accumulated depreciation | Written down value | Sale proceeds | Mode of disposal | Sold to |
|----------------------|-------------------------|--------------------------|--------------------|---------------|------------------|----------------------------|
| | ----- R u p e e s ----- | | | | | |
| Motor vehicle | | | | | | |
| Suzuki Khyber | 288,750 | 96,030 | 170,720 | 173,000 | By negotiation | Mr. Faisal Yousaf Karachi. |
| Suzuki Khyber | 210,891 | 102,918 | 107,979 | 108,000 | By negotiation | Mrs. Siddiqui Karachi. |
| Suzuki Margalla | 353,846 | 121,384 | 223462 | 227,000 | By negotiation | Mr. Taimur Ali, Karachi. |

| | | | | | | |
|---------------------------------|-----------|---------|-----------|-----------|-----------------|---|
| Toyota Corolla | 592,820 | 213,415 | 379,405 | 341,465 | By negotiation | Mr. Javed A. Callea, Karachi. |
| Honda Civic EXI | 690,000 | - | 690,000 | 680,000 | By negotiation | Abbas Sugar Mills Limited, Karachi. |
| Motorcycle | 40,500 | 8,100 | 32,400 | 40,000 | Insurance Claim | Adamjee Insurance Company Limited, Karachi. |
| Motorcycle | 48,500 | - | 48,500 | 48,500 | Insurance Claim | Adamjee Insurance Company Limited, Karachi. |
| Furniture & Fixtures | | | | | | |
| Furniture | 100,000 | 27,750 | 72,250 | 33,333 | By negotiation | Mr. Javed A. Callea, Karachi. |
| Furniture | 297,172 | 160,784 | 138,388 | 67,317 | By negotiation | Pacific Maritime (Pvt) Limited Karachi. |
| Furniture | 25,000 | 3,750 | 21,250 | 16,687 | By negotiation | Mr. Kauhab Ansari, Karachi. |
| Furniture | 25,000 | - | 25,000 | 25,000 | By negotiation | Mr. Shahid A. Khan, Karachi. |
| Office equipment | | | | | | |
| Computer equipment | 22,000 | 7,189 | 14,811 | 3,500 | By negotiation | FSA International, Karachi. |
| Equipment | 213,950 | 106,267 | 107,683 | 107,683 | By negotiation | Pacific Maritime (Pvt.) Limited Karachi. |
| Generator | 69,745 | 10,485 | 59,260 | 61,200 | Insurance Claim | Adamjee Insurance Company Limited, Karachi. |
| ----- | | | | | | |
| 1996 Rupees | 2,956,180 | 864,072 | 2,092,108 | 1,932,665 | | |
| ===== | | | | | | |
| 1994 Rupees | 238,378 | 85,396 | 152,982 | 195,225 | | |
| ===== | | | | | | |

13. ASSETS SUBJECT TO FINANCE LEASE

| | Cost as at January 1, 1995 | Additions | Cost as at June 30, 1996 | Accumulated depreciation as at June 30, 1996 | Written down value as at June 30, 1996 | Depreciation for the period | Depreciation rate % |
|------------------|----------------------------|-----------|--------------------------|--|--|-----------------------------|---------------------|
| Motor vehicles | - | 753,800 | 753,800 | 220,990 | 532,810 | 220,990 | 20 |
| Office equipment | - | 550,000 | 550,000 | 87,375 | 462,625 | 87,375 | 15 |
| 1996 Rupees | - | 1,303,800 | 1,303,800 | 308,365 | 995,435 | 308,365 | |
| 1994 Rupees | - | - | - | - | - | - | |

14. NET INVESTMENT IN LEASES

| | June 1996 Rupees | December 1994 Rupees |
|--|---------------------|-------------------------|
| Minimum lease payments receivable | 461,564,760 | 160,626,944 |
| Add: Residual value | 46,676,472 | 18,144,021 |
| | 508,241,232 | 178,770,965 |
| Less: Unearned finance income | 128,757,751 | 41,035,200 |
| Net investment in leases | 379,483,481 | 137,735,765 |
| Less: Current maturity of net investment in leases (Note 14.1) | 107,445,808 | 40,178,763 |
| | 272,037,673 | 97,557,002 |
| ===== | | |
| 14.1 Current maturity of net investment in leases | 107,445,808 | 40,178,763 |
| Less: Provision for potential lease losses | 371,049 | 45,817 |
| | 107,074,759 | 40,132,946 |
| ===== | | |

15. LONG-TERM DEPOSITS AND DEFERRED COST

| | | |
|--|-------------|-------|
| Long-term deposits (Note 15.1) | 165,033,647 | - |
| Less: Current maturity of long term deposits (Note 18) | 13,741,175 | - |
| | ----- | ----- |

| | | |
|---------------------------------|-------------|-----------|
| | 151,292,472 | - |
| Deferred cost (Note 15.2) | | |
| At beginning of the period | 1,053,538 | 2,021,845 |
| Add: Addition during the period | 19,222,668 | 610,323 |
| | ----- | ----- |
| | 20,276,206 | 2,632,168 |
| Less: Amortization to date | 3,354,100 | 1,578,630 |
| | ----- | ----- |
| | 16,922,106 | 1,053,538 |
| | ----- | ----- |
| | 168,214,578 | 1,053,538 |
| | ===== | ===== |

15.1 This includes placement of foreign currency deposits with different financial institutions amounting to Rupees 164.893 million at profit/mark-up rates declared by State Bank of Pakistan from time to time.

15.2 The balance at end of the period represents:

| | June 1996 Rupees | December 1994 Rupees |
|---------------------------------------|------------------------|----------------------------|
| Fund utilization expenses (Note 15.3) | 15,967,761 | - |
| Right issue expenses | 814,639 | 533,882 |
| Share floatation expenses | 123,386 | 493,544 |
| Others | 16,320 | 26,112 |
| | ----- | ----- |
| | 16,922,106 | 1,053,538 |
| | ===== | ===== |

15.3 This includes expenses incidental to foreign currency borrowing.

16. LONG-TERM LOAN - Considered good

| | | |
|--|---------|---------|
| Loan to Chief Executive | 699,998 | 229,743 |
| Less: Current maturity of long-term loan (Note 18) | 200,004 | 65,640 |
| | ----- | ----- |
| | 499,994 | 164,103 |
| | ===== | ===== |
| Outstanding for periods exceeding three years | 99,984 | - |
| Others | 400,010 | 164,103 |

This represents balance outstanding on house building loan granted in accordance with terms of appointment, repayable in monthly installments over four years. The loan carries 2% service charges. Maximum aggregate amount due from Chief Executive at the end of any month during the period was Rupees 0.800 million (1994: Rupees 0.262 million).

17. INVESTMENTS

| | | |
|---|------------|-----------|
| Certificates of investments (Note 17.1) | 31,000,000 | 7,516,807 |
| Government securities (Note 17.2) | 9,935,000 | 1,408,230 |
| | ----- | ----- |
| | 40,935,000 | 8,925,037 |
| | ===== | ===== |

17.1 These represent Certificates of Investments (Cols) of different financial institutions and carry return ranging from paisas 0.051 to 0.053 per day.

17.2 These represent investments in Federal Investment Bonds carried as per NBFI regulations issued by the State Bank of Pakistan.

18. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

| | June 1996 Rupees | December 1994 Rupees |
|---|------------------------|----------------------------|
| Current maturity of long-term loans (Note 16) | 200,004 | 65,640 |
| Advance - Considered good | | |
| - to staff (Note 18.1) | 178,180 | 18,139 |
| - against expenses | 124,733 | 49,489 |
| - against leases | 1,499,000 | - |

| | | |
|--|-------------------|------------------|
| - others | 9,250 | 2,165,000 |
| Current maturity of long-term deposits (Note 15) | 13,741,175 | - |
| Taxation | 1,582,843 | - |
| Prepayments | 177,807 | 413,353 |
| Receivable against sale of shares | 3,125,000 | - |
| Mark-up due from lessees | 3,663,612 | 73,594 |
| Mark-up due on certificates/securities | 6,107,111 | - |
| Other receivables | 1,872,943 | 167,249 |
| | ----- | ----- |
| | 32,281,658 | 2,952,464 |
| | ===== | ===== |

18.1 Aggregate amount due by the executives Rupees 0.158 million (1994: Nil). Maximum amount due from executives at the end of any month during the period aggregated to Rupees 0.198 million (1994: Nil)

19. CASH AND BANK BALANCES

| | | |
|--------------------------------|----------------|------------------|
| Cash in hand | 7,999 | 10,067 |
| Cash with banks on | | |
| - current accounts (Note 19.1) | 205,722 | 1,162,434 |
| - deposit accounts | 1,905 | 33,418 |
| - collection accounts | 538 | 238,727 |
| - foreign currency accounts | 55,300 | - |
| | ----- | ----- |
| | 271,464 | 1,444,646 |
| | ===== | ===== |

19.1 This includes Rupees 0.020 million (1994: Nil) in current account maintained with State Bank of Pakistan under NBFBI regulations.

20. INCOME FROM LEASE OPERATIONS

| | | |
|---------------------------|-------------------|-------------------|
| Income on lease contracts | 59,029,912 | 21,476,381 |
| Front end fee | 1,755,438 | 377,162 |
| Documentation charges | 451,609 | 20,000 |
| | ----- | ----- |
| | 61,236,959 | 21,873,543 |
| | ===== | ===== |

21. OTHER INCOME

| | | |
|---|-------------------|------------------|
| Profit/return earned (Note 21.1) | 19,281,310 | 1,040,528 |
| (Loss) / Gain on disposal of fixed assets | 159,443 | 42,243 |
| Provision for doubtful debts written back | - | 1,029,746 |
| Miscellaneous | 502,952 | 145,310 |
| | ----- | ----- |
| | 19,624,819 | 2,257,827 |
| | ===== | ===== |

21.1 Profit/return Earned

| | | |
|-----------------------------|-------------------|------------------|
| Foreign currency deposits | 3,954,332 | - |
| Certificates of Investments | 10,002,811 | 863,804 |
| Government securities | 5,314,834 | 176,724 |
| Others | 9,333 | - |
| | ----- | ----- |
| | 19,281,310 | 1,040,528 |
| | ===== | ===== |

22. ADMINISTRATIVE AND OPERATING EXPENSES

| | | |
|--|-----------|-----------|
| Salaries and allowances including directors remuneration (Note 24) | 6,381,207 | 3,323,234 |
| Staff training expenses | 48,792 | 11,800 |
| Rent, rate and taxes | 392,407 | 220,969 |
| Travelling and conveyance | 462,399 | 111,615 |
| Vehicle running expenses | 514,069 | 315,529 |
| Utilities | 469,363 | 99,682 |
| Telephone and Fax | 356,398 | 233,831 |
| Insurance | 421,914 | 204,456 |
| Fee, subscriptions and periodicals | 212,263 | 175,889 |
| Printing and stationery | 483,955 | 205,717 |
| Postage, stamps and telegrams | 141,749 | 82,003 |
| Legal and professional charges | 294,798 | 328,152 |
| Auditors remuneration (Note 22.1) | 135,000 | 55,000 |
| Repairs and maintenance | 462,735 | 220,060 |
| Depreciation | 2,460,683 | 578,872 |
| Advertisement | 236,999 | 245,574 |
| Miscellaneous | 181,660 | 88,761 |

| | |
|------------|-----------|
| ----- | ----- |
| 13,656,391 | 6,501,144 |
| ===== | ===== |

22.1 Auditors remuneration

| | | |
|------------------------|---------|--------|
| Statutory audit fee | 35,000 | 25,000 |
| Half year audit fee | 17,500 | |
| Special Audit fee | 15,000 | 25,000 |
| Taxation charges | 60,000 | |
| Out-of-Pocket expenses | 7,500 | 5,000 |
| | ----- | ----- |
| | 135,000 | 55,000 |
| | ===== | ===== |

23. FINANCIAL CHARGES

| | | |
|--------------------------------|------------|-----------|
| Mark up on long-term finances | 15,107,178 | 3,290,659 |
| Mark up on short-term finances | 4,727,384 | 3,906,536 |
| Bank & other charges | 948,335 | 35,722 |
| | ----- | ----- |
| | 20,782,897 | 7,232,917 |
| | ===== | ===== |

24. REMUNERATION OF CHIEF EXECUTIVE AND OTHER EXECUTIVES

| | For the Eighteen Months June 30. 1996 | | | For the year ended December. 31 1994 | | |
|--|--|------------------|-----------|---|------------------|-----------|
| | Chief Executive | Executive | Total | Chief Executive | Executive | Total |
| | ----- | R u p e e s----- | ----- | ----- | R u p e e s----- | ----- |
| Managerial remuneration | 995,000 | 1,123,320 | 2,118,320 | 510,000 | 564,000 | 1,074,000 |
| Housing and utility | 365,000 | 655,266 | 1,020,266 | 255,000 | 282,000 | 537,000 |
| Company s contribution to provident fund | 73,000 | 97,190 | 170,190 | 51,000 | 56400 | 107,260 |
| Leave fare assistance | 662,440 | 116,940 | 779,380 | | | |
| | ----- | ----- | ----- | ----- | ----- | ----- |
| Total Rupees | 2,095,440 | 1,992,716 | 4,088,156 | 816,000 | 902,400 | 1,718,400 |
| | ===== | ===== | ===== | ===== | ===== | ===== |
| Number of Persons | 1 | 5 | | 1 | 4 | |
| | ===== | ===== | | ===== | ===== | |

In addition, the Chief Executive and executives were provided with free use of company cars. Directors were paid Rupees 7,500 for attending board meetings during the period.

25. TAXATION

| | June 1996 Rupees | December 1994 Rupees |
|-----------------|------------------------|----------------------------|
| Current | | |
| For the period | 652,751 | 276,271 |
| For prior years | | 129,540 |
| | ----- | ----- |
| | 652,751 | 405,811 |
| | ===== | ===== |

Deferred

There is no liability on account of deferred taxation as at June 30, 1996.

26. GENERAL

Certain prior year s figures have been re-arranged wherever necessary for the purpose of comparison.

| | |
|--------------------|--------------|
| ABDUL JABBAR KASIM | NESSAR AHMED |
| CHIEF EXECUTIVE | DIRECTOR |

PATTERN OF HOLDING OF SHARES HELD
BY THE SHAREHOLDERS AS AT 30TH JUNE, 1996

| No. of Shareholders | SHARE HOLDING | | Total Shares Held |
|---------------------|---------------|-----|-------------------|
| | From | To | |
| 2 | 1 | 100 | 180 |
| 20 | 101 | 500 | 7530 |

| | | | |
|----|---------|---------|---------|
| 39 | 501 | 1000 | 32670 |
| 95 | 1001 | 5000 | 214560 |
| 19 | 5001 | 10000 | 152850 |
| 13 | 10001 | 15000 | 150180 |
| 5 | 15001 | 20000 | 82640 |
| 10 | 20001 | 25000 | 238500 |
| 2 | 25001 | 30000 | 56800 |
| 2 | 30001 | 35000 | 60960 |
| 3 | 35001 | 40000 | 112000 |
| 1 | 40001 | 45000 | 43200 |
| 1 | 50001 | 55000 | 52000 |
| 4 | 55001 | 60000 | 233800 |
| 1 | 60001 | 65000 | 63950 |
| 1 | 75001 | 80000 | 78400 |
| 1 | 95001 | 100000 | 96000 |
| 1 | 140001 | 145000 | 143500 |
| 1 | 195001 | 200000 | 197800 |
| 1 | 445001 | 450000 | 448300 |
| 1 | 500001 | 505000 | 504000 |
| 1 | 640001 | 645000 | 644800 |
| 1 | 825001 | 830000 | 825600 |
| 1 | 1055001 | 1060000 | 1059100 |
| 1 | 1075001 | 1080000 | 1077000 |
| 1 | 1450001 | 1455000 | 1454000 |
| 1 | 1695001 | 1700000 | 1696880 |
| 1 | 2270001 | 2275000 | 2272800 |
| 1 | 2995001 | 3000000 | 3000000 |

 231
 =====

 15000000
 =====

Categories of Shareholders Number Shares Held Percentage

| | | | |
|------------------------|-----|---------|--------|
| Individuals | 204 | 1278520 | 8.523 |
| Investment Companies | 3 | 144640 | 0.964 |
| Insurance Companies | 2 | 71200 | 0.474 |
| Joint Stock Companies | 6 | 3014300 | 20.095 |
| Financial Institutions | 7 | 3620200 | 24.136 |
| Modaraba Companies | 1 | 644800 | 4.299 |
| Others | 8 | 6226340 | 41.509 |

 T o t a l 231 15000000 100.000
 =====

Others

| | | | |
|---------------|---|---------|--------|
| Modarabas | 6 | 2400740 | 16.005 |
| Non Residents | 2 | 3825600 | 25.504 |

 T o t a l 8 6226340 41.509
 =====