

First Capital Securities Corporation Limited

CONDENSED INTERIM UN-CONSOLIDATED

FINANCIAL INFORMATION

FOR THE SIX MONTHS PERIOD ENDED

31 DECEMBER 2017

(Un-Audited)

First Capital Securities Corporation Limited

First Capital Securities Corporation Limited

VISION

First Capital Securities Corporation Limited aspires to become a well-diversified and successful conglomerate and develop its image as a premier telecom and financial services group.

MISSION

At First Capital Securities Corporation Limited we are committed to provide high quality services in a positive environment that encourages innovation, creativity and teamwork, promotes ethical and efficient behavior and enables shareholders to maximize the returns on their investments.

First Capital Securities Corporation Limited

First Capital Securities Corporation Limited

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First Capital Securities Corporation Limited

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COMPANY INFORMATION

Board of Directors

Shehribano Taseer (Chairman/Director)
Aamna Taseer (Chief Executive Officer)
Shehryar Ali Taseer
Shahbaz Ali Taseer
Maheen Taseer
Kanwar Latafat Ali Khan
Sikandar Ahmed

Non-Executive
Executive
Non-Executive
Non-Executive
Non-Executive
Non-Executive
Independent

Chief Financial Officer

Saeed Iqbal

Audit Committee

Sikandar Ahmed (Chairman)
Maheen Taseer (Member)
Shehribano Taseer (Member)

Human Resource and Remuneration (HR&R)
Committee

Sikandar Ahmed (Chairman)
Aamna Taseer (Member)
Shehribano Taseer (Member)

Company Secretary

Sajjad Ahmad

Auditors

Nasir Javaid Maqsood Imran
Chartered Accountants

Legal Advisers

Mazhar Law Associates
Advocates & Solicitors

Bankers

Allied Bank Limited
Bank Alfalah Limited
Faysal Bank Limited
Bank Islami
MCB Bank Limited
Standard Chartered Bank (Pakistan)
Limited
Soneri Bank Limited

Registrar and Shares Transfer Office

THK Associates (Pvt.) Limited
1st Floor, 40-C, Block-6
P.E.C.H.S. Karqchi-75400
Tel: +(021) 111-000-322

Registered Office/Head Office

2nd Floor, Pace Shopping Mall
Fortress Stadium, Lahore Cantt
Lahore, Pakistan
Tel: (042)36623005/6/8
Fax: (042)36623121-36612122

First Capital Securities Corporation Limited

First Capital Securities Corporation Limited

DIRECTORS' REVIEW

We on behalf of the Board of Directors of First Capital Securities Corporation Limited (the "Company" or "FCSC") feel immense pleasure to present the auditors' reviewed financial statements of the Company for the six months ended 31 December 2017.

Operational Results

The operating results of the Company are summarized as follows:

Financial Overview	31 December 2017 Rupees	31 December 2016 Rupees
Revenue	6,769,877	7,507,287
Gain/(loss) on disposal of investment properties	(46,029,400)	-
Unrealized gain/(loss) on short term investments	(22,787,347)	44,661,792
Operating Expenses	(19,927,420)	20,433,593
Impairment loss on available-for-sale of investments	-	1,112,562,650
Finance and other costs	(10,929)	13,175
(Loss)/profit after Taxation	(79,553,011)	(1,075,523,234)
(Loss)/earnings per Share (basic and diluted)	(0.25)	(3.40)

The Company has reported revenue of Rs. 6.77 million other than unrealized loss of Rs. 25.5 million in 1HFY18. Operating expenses occurred were Rs. 19.92 million. Under the review period Impairment loss on available-for-sale investments is nil as compared to the corresponding year when the company had to record impairment of Rs. 1,112.56 million. The Company showed a loss of Rs. 79.55 million and per share loss was Rs. 0.25 in comparison with a loss of Rs. 1,075.52 million and per share loss of Rs. 3.40 last year.

The financial results of subsidiaries of "FCSC" during the period under review are given hereunder:

First Capital Equities Limited ("FCEL") has reported after tax profit of Rs. 76.99 million in 1HFY18 as compared to the profit of Rs. 25.20 million in the corresponding period. Earnings per share was reported to be Rs. 0.54 as compared to earnings per share of Rs. 0.18 in the preceding period.

Lanka Securities (Pvt.) Limited ("LSL") generated a gross revenue of LKR. 47.2 million in 1HFY18 and translated net profit of LKR. 24.1 million during the period while EPS stood at LKR. 1.38.

First Capital Investments Limited ("FCIL") has reported an after tax loss of Rs. 31.68 million in 1HFY18 as compared to a profit of Rs. 21.91 million in the corresponding period. Loss per share was reported to be Rs. 1.51 as compared to a profit per share of Rs. 1.04 in the preceding period.

Falcon Commodities (Pvt.) Limited ("FCL") posted an after tax loss of Rs.0.04 million during the period under review against the comparative loss of Rs.0.22 million.

Evergreen Water Valley (Pvt.) Limited ("EGWV") posted a net profit of Rs. 2.40 million in 1HFY18 as compared to Rs.5.43 million for the period in comparison during the period.

Outlook

Pakistan is in a tight spot, with US using its influence to bring the country under pressure over terrorism issues. In this situation, SBP is targeting a GDP of 5.5% in FY18, lower than target growth of 6.0% which shows that there are demand pressures and output gap reductions will be witnessed during the year. The impact of 5% Pak Rupee to USD depreciation will play a major role in setting the economic trend of this year. Inflation is expected to remain around 4.6% in light of recent price hikes in oil and a proportional reduction in food prices. Fiscal deficit is expected to be 6.5% of GDP - higher than previous year, despite efforts from government to increase its tax base. It is expected that the Financial Action Task Force (FATF) "Grey List" might create some difficulties for the country in raising financing but there are opposing views with regards to the extent of issues Pakistan might have to face. The current account deficit is expected to reach 5% of GDP because of import of machinery from China under China-Pakistan Economic Corridor ("CPEC").

Many risks are looming over Pakistan's economy but it is essential to highlight that the Government of Pakistan has started looking inward to address issues regarding FATF and it is highly likely that Pakistan will be able to satisfy international bodies regarding its progress on counter terrorism. Further, the benefits of CPEC are likely to help the economy grow in the long term on the back of rapid development and debottlenecking of energy issues.

First Capital Securities Corporation Limited

Changes in Board of Directors since the last printed report

Mr. Sikander Ahmed has been appointed as Director of the Company to fill in the casual vacancy arising upon the ceasing of office of Mr. Jamal Said Al-Ojaili.

Mrs. Aamna Taseer has been re-appointed as Chief Executive of the Company and Ms. Shehrbano Taseer has been appointed as Chairman of the Company.

Composition:

Independent Directors	01
Other Non-Executive Directors	05
Executive Directors	01

Committee of the board

Audit Committee	Mr. Sikander Ahmad (Chairman) Ms. Maheen Taseer (Member) Ms. Shehrbano Taseer (Member)
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Human Resource and Remuneration (HR&R) Committee	Mr. Sikander Ahmad (Chairman) Mrs. Aamna Taseer (Member) Ms. Shehrbano Taseer (Member)
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The composition of the Board of Directors and sub committees shall be changed in due course of time as per deadlines provided in new code of Corporate Governance.

Acknowledgment

Directors of the Company place on record their sincere appreciation for the assistance and co-operation provided by financial institutions, government authorities and other stake holders in attaining such commendable performance. The directors also appreciate the committed services of the employees of the Company.

For and on behalf of the Board of Directors

Lahore
27 February 2018

Director

Chief Executive Officer

First Capital Securities Corporation Limited

ڈائریکٹرز کا تجزیہ

ہم فرسٹ کیپٹل سیکورٹیز کارپوریشن لمیٹڈ ("کمپنی" یا "FCSC") کے بورڈ آف ڈائریکٹرز کی جانب سے 31 دسمبر 2017ء کو اختتام پزیر نصف سال کے لئے آڈیٹرز کی نظر جانی شدہ مالیاتی اسٹیٹمنٹس پیش کرنے میں خوشحوص کرتے ہیں۔

آپریٹنگ نتائج

کمپنی کے آپریٹنگ نتائج کا خلاصہ حسب ذیل ہے:

مالی جائزہ	31 دسمبر 2017	31 دسمبر 2016
	(روپے)	(روپے)
ریونیٹ	6,769,877	7,507,287
انوسٹمنٹ پر اپریٹرز کی فروخت پر آمدنی / (خسارہ)	(46,029,400)	44,661,792
تقلیل مدتی سرمایہ داری پر قابل وصول آمدنی / (خسارہ)	(22,787,347)	20,433,593
آپریٹنگ اخراجات	(19,927,420)	20,433,593
فروخت کے لئے دستیاب انوسٹمنٹ پر خسارہ	-	1,113,562,650
قرضہ جات اور دیگر اخراجات	(10,929)	13,175
(نقصان) / نفع علاوہ ٹیکس	(79,553,011)	(1,075,523,234)
(خسارہ) / فی شخص آمدنی (نہایتی اور ڈائریکٹرز)	(0.25)	(3.40)

کمپنی نے سال 2018ء کے پہلے نصف حصے میں غیر معمولی شدہ 25.5 ملین روپے کے نقصان کے علاوہ 6.77 ملین روپے کی آمدنی رپورٹ کی۔ آپریٹنگ اخراجات 19.92 ملین روپے تھے۔ گذشتہ سال میں فروخت کے لئے دستیاب انوسٹمنٹ پر ایجنٹ منٹ خسارہ 1,112.56 تھا جو زبردانہ مدت کے مطابق 0 ریکارڈ کیا گیا۔ کمپنی نے 79.55 ملین روپے کا خسارہ ظاہر کیا جب کہ فی شخص نقصان 0.25 روپے تھا جتنا ہی گذشتہ سال میں 1,075.52 ملین روپے کا خسارہ درج کیا گیا جب کہ فی شخص نقصان 3.40 تھا۔

زبردانہ مدت کے دوران "FCSC" کی ڈیلی کیٹیوں مالی نتائج حسب ذیل ہیں:

فرسٹ کیپٹل ایکویٹی لمیٹڈ ("FCEL") نے گذشتہ سال کی اسی مدت میں 25.20 ملین روپے کے نفع کے مقابلہ میں مالی سال 2018ء کے پہلے نصف حصے میں 76.99 ملین روپے کا نفع علاوہ ٹیکس رپورٹ کیا۔ گذشتہ سال کی اسی مدت کے مقابلہ میں 0.18 فی شخص آمدنی کے مقابلہ میں رواں سال فی شخص آمدنی 0.54 روپے رہی۔

انکا سیکورٹیز (پرائیویٹ) لمیٹڈ ("LSL") نے مالی سال 2018ء کے پہلے نصف حصے میں 47.2 ملین ٹکن روپے کی مجموعی آمدنی حاصل کی۔ جب کہ اس مدت میں خاص منافع 24.1 ملین ٹکن روپے اور فی شخص آمدنی 1.38 ٹکن روپے رہی۔

فرسٹ کیپٹل انوسٹمنٹس لمیٹڈ ("FCIL") نے گذشتہ سال کی اسی مدت میں 21.91 ملین روپے کے نفع کے مقابلہ میں مالی سال 2018ء کے پہلے نصف حصے میں 31.68 ملین روپے کا خسارہ علاوہ ٹیکس رپورٹ کیا۔ گذشتہ سال کی اسی مدت کی 1.04 روپے فی شخص آمدنی کے مقابلہ میں رواں سال فی شخص نقصان 1.51 روپے رہا۔

فالکن کوڈ بیئرز (پرائیویٹ) لمیٹڈ ("FCL") نے 0.22 ملین روپے خسارہ کے مقابلہ میں زبردانہ مدت کے دوران 0.04 ملین روپے کا خسارہ علاوہ ٹیکس رپورٹ کیا۔

ایوگرین واٹر ویلی (پرائیویٹ) لمیٹڈ ("EGVV") نے 5.43 ملین روپے کے نفع کے مقابلہ میں مالی سال 2018ء کے پہلے نصف حصے میں 2.40 ملین روپے کا خاص منافع درج کیا۔

First Capital Securities Corporation Limited

مستقبل کا نقطہ نظر

امریکی جانب سے ملک پر دہشت گردی کے مسئلہ پر دباؤ کی وجہ سے پاکستان اس وقت مشکل حالات میں ہے۔ اس صورت حال میں، بنگ دولت پاکستان مالی سال 2018ء میں مجموعی قومی پیداوار کا ہدف 5.5 فی صد ہے۔ جو 6.0 فی صد مقررہ ہدف سے کم ہے۔ جس کا مطلب ہے کہ سال کے دوران طلب کے دباؤ اور پیداواری صلاحیت میں کمی کا اندیشہ ہے۔ امریکی ڈالر کے مقابلہ میں پاکستانی روپے میں 5 روپے کی کمی اس سال میں اقتصادی رجحان میں طبعی اہم کردار ادا کرے گی۔ تیل کی قیمتوں میں حالیہ اضافہ اور خوراک کی نسبتاً کم قیمتوں کی روشنی میں افراط زر کی شرح 4.6 فی صد رہنے کا امکان ہے۔ نجس نہیں کو بڑھانے کے لئے حکومتی اقدامات کے باوجود مالی خسارہ مجموعی قومی پیداوار کا 6.5 فی صد رہنے کی توقع ہے جو گذشتہ سال کے مقابلہ میں زیادہ ہے۔ یہ توقع کی جاتی ہے کہ فائنٹیشیل ایکشن ٹاسک فورس (FATF) "گرے لسٹ" ایلیٹ کو بڑھانے میں پاکستان کے لئے مشکلات پیدا کرے گا لیکن پاکستان کو کم از کم خطرہ کا سامنا کرنے میں مختلف آراء ہیں۔ پاک چین اقتصادی راہداری (CPEC) کی مد میں چین سے مشینری کی درآمدات کی وجہ سے حالیہ تجارتی خسارہ مجموعی قومی پیداوار کا 5 فی صد رہنے کی توقع ہے۔

پاکستان کی معیشت پر کئی خطرات منظر آ رہے ہیں لیکن یہ واضح کرنا ضروری ہے کہ حکومت پاکستان نے FATF سے متعلق معاملات سے تیز رفتاری سے نمٹنے کی کوشش کی ہے اور یہ امید کی جاتی ہے کہ پاکستان انسداد دہشت گردی میں اپنی پیش رفت سے بین الاقوامی اداروں کو مطمئن کر لے گا۔ مزید یہ کہ تیز ترین ترقی اور توانائی کے بحران پر قابو پا کر CPEC کے فوائد مستقل بنیادوں پر معیشت کو آگے بڑھائیں گے۔

گذشتہ سال کے بعد بورڈ آف ڈائریکٹرز میں تبدیلیاں
محترم جمال سعید الاونجیلی کے عہدہ کے خاتمہ کے بعد حالی ہونے والی میٹنگ پر کرنے کے لئے محترم سکندر احمد کو کھینچی کا ڈائریکٹر مقرر کیا گیا ہے۔

محترمہ آمنہ شہزادہ بارہ کھینچی کی چیف ایگزیکٹو مقرر کیا گیا ہے اور محترمہ شہر بانو شہزادہ کھینچی کا چیئر مین مقرر کیا گیا ہے۔
تحقیق

01	آزاد ڈائریکٹرز
05	نان ایگزیکٹو ڈائریکٹرز
01	ایگزیکٹو ڈائریکٹرز

بورڈ کی کمیٹیاں

آڈٹ کمیٹی	محترم سکندر احمد (چیئر مین)
	محترمہ ماجین تاثیر (رکن)
	محترمہ شہر بانو تاثیر (رکن)
پیوٹن ریسورس اینڈ ریسورس (HR&R)	محترم سکندر احمد (چیئر مین)
	محترمہ آمنہ تاثیر (رکن)
کمیٹی	محترمہ شہر بانو تاثیر (رکن)

اعتراف

بورڈ آف ڈائریکٹرز کھینچی کی اس قابل تعریف کارکردگی پر ملی اداروں، حکومتی اہتمام اور دیگر سٹیک ہولڈرز کی رہنمائی اور تعاون کے تہہ دل سے شکر گزار ہیں۔ ڈائریکٹرز کھینچی کے ملازمین کی پر خلوص خدمات کو بھی قدر کی نگاہ سے دیکھتے ہیں۔

بورڈ آف ڈائریکٹرز..... کے لئے/کی جانب سے

چیف ایگزیکٹو آفیسر

ڈائریکٹر

28 فروری، 2018

لاہور:

First Capital Securities Corporation Limited

AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim unconsolidated balance sheet of First Capital Securities Corporation Limited, as at December 31, 2017, and the related condensed interim unconsolidated profit and loss account, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity, condensed unconsolidated interim cash flow statement and notes to the condensed interim unconsolidated financial information for the half year then ended (here-in-after referred to as "interim financial information"). Management is responsible for the preparation and fair presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan relating to interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

The figures for the condensed interim unconsolidated profit and loss account and condensed interim unconsolidated statement of comprehensive income for the Quarter ended December 31, 2017 and December 31, 2016 have not been reviewed, as we are required to review only the cumulative figures for the six months ended December 31, 2017.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as at and for the half year ended December 31, 2017 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan relating to interim financial reporting.

Date: 27, February, 2018
Islamabad

NASIR JAVAID MAQSOOD IMRAN
CHARTETED ACCOUNTANTS
Imran-ul-Haq

First Capital Securities Corporation Limited

CONDENSED INTERIM UN-CONSOLIDATED BALANCE SHEET (UN-AUDITED) AS AT 31 DECEMBER 2017

		(Un-Audited) 31 December 2017	(Audited) 30 June 2017
		Rupees	
NON-CURRENT ASSETS			
Property, plant and equipment	5	159,855,792	147,356,780
Investment properties	6	6,468,000	163,092,400
Long term investments	7	1,945,825,522	1,873,748,445
Long term deposits		37,500	37,500
		<u>2,112,186,814</u>	<u>2,184,235,125</u>
CURRENT ASSETS			
Trade debts - unsecured, considered good		2,702,568	2,673,997
Loans, advances, prepayments and other receivables	8	158,623,166	68,524,173
Short term investments	7	45,380,418	69,421,355
Income tax receivable		31,525,188	31,009,439
Cash and bank balances		477,096	1,159,924
		<u>238,708,436</u>	<u>172,788,888</u>
CURRENT LIABILITIES			
Trade and other payables	9	33,731,869	32,231,722
		<u>33,731,869</u>	<u>32,231,722</u>
NET CURRENT ASSETS		<u>204,976,567</u>	<u>140,557,166</u>
		<u>2,317,163,381</u>	<u>2,324,792,291</u>
NON-CURRENT LIABILITIES			
Staff retirement benefits payable		11,105,373	10,367,949
Long term payable		-	890,400
		<u>11,105,373</u>	<u>11,258,349</u>
Contingencies and commitments	10	<u>2,306,058,008</u>	<u>2,313,533,942</u>
REPRESENTED BY			
EQUITY			
SHARE CAPITAL AND RESERVES			
Authorized share capital: 320,000,000 (30 June 2017: 320,000,000) ordinary shares of Rs 10 each		3,200,000,000	3,200,000,000
Issued, subscribed and paid-up capital		3,166,101,120	3,166,101,120
Reserves		135,900,403	63,823,326
Retained earnings		(995,943,515)	(916,390,504)
		<u>2,306,058,008</u>	<u>2,313,533,942</u>

The annexed notes 1 to 15 form an integral part of these condensed interim un-consolidated financial information.

Chief Executive Officer

Chief Finance Officer

Director

First Capital Securities Corporation Limited

CONDENSED INTERIM UN-CONSOLIDATED PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER AND HALF YEAR ENDED 31 DECEMBER 2017

	Half year ended 31 December 2017 Rupees	Half year ended 31 December 2016 Rupees	Quarter ended 31 December 2017 Rupees	Quarter ended 31 December 2016 Rupees
Revenue				
Money market services	6,622,857	6,101,289	2,589,550	3,288,190
Dividend income	-	339,848	-	-
Investment property rentals	192,000	192,000	96,000	96,000
Gain/ (loss) on disposal of short term investments	(44,980)	874,150	-	874,150
Gain / (loss) on disposal of investment properties	(46,029,400)		(46,029,400)	
Unrealized (loss)/gain on re-measurement of 'investments at fair value through profit and loss'	(22,787,347)	44,661,792	(23,253,513)	(6,535,636)
Change in fair value of investment properties	(2,744,000)	-	(2,744,000)	-
	(64,790,870)	52,169,079	(69,341,363)	(2,277,296)
Expenses				
Impairment (loss)/gain on 'available-for- sale' investments - net	-	(1,112,562,650)	-	(1,027,697,406)
Operating and administrative expenses	(19,927,420)	(20,433,593)	(9,994,004)	(10,808,190)
Operating loss	(84,718,290)	(1,080,827,164)	(79,335,367)	(1,040,782,892)
Other income	5,706,037	5,841,318	2,884,827	2,985,576
Finance cost	(10,929)	(13,175)	(4,823)	(6,450)
Loss before taxation	(79,023,182)	(1,074,999,021)	(76,455,363)	(1,037,803,766)
Taxation	(529,829)	(524,213)	(207,164)	(73,213)
Loss after taxation	(79,553,011)	(1,075,523,234)	(76,662,527)	(1,037,876,979)
Loss per share				
- basic and diluted	(0.25)	(3.40)	(0.24)	(3.28)

The annexed notes 1 to 15 form an integral part of these condensed interim un-consolidated financial information.

Chief Executive Officer

Chief Finance Officer

Director

First Capital Securities Corporation Limited

CONDENSED INTERIM UN-CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER AND HALF YEAR ENDED 31 DECEMBER 2017

	Half year ended 31 December 2017 Rupees	Half year ended 31 December 2016 Rupees	Quarter ended 31 December 2017 Rupees	Quarter ended 31 December 2016 Rupees
Loss after taxation	(79,553,011)	(1,075,523,234)	(76,662,527)	(1,037,876,979)
Other comprehensive (loss)/income for the period:				
Items that will not be reclassified to profit and loss:				
Remeasurement of post retirement benefit obligation	-	-	-	-
Items that may be subsequently reclassified to profit and loss:				
Change in fair value of available-for-sale financial assets	(62,465,383)	148,468,446	(63,370,678)	(1,357,943)
Change in fair value of available-for-sale financial assets	134,542,460	-	237,001,718	-
Other comprehensive (loss)/income for the period - net of tax	72,077,077	148,468,446	173,631,040	(1,357,943)
Total comprehensive loss for the period - net of tax	(7,475,934)	(927,054,788)	96,968,513	(1,039,234,922)

The annexed notes 1 to 15 form an integral part of these condensed interim un-consolidated financial information.

Chief Executive Officer

Chief Finance Officer

Director

First Capital Securities Corporation Limited

CONDENSED INTERIM UN-CONSOLIDATED CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	Half Year Ended 31 December 2017	Half Year Ended 31 December 2016
	Note	Rupees
Cash generated/(used) from (in) operations	11	(15,680,447) 775,306
Long term payable		(890,400) -
Staff retirement benefits paid		(21,593) -
Finance cost paid		(10,929) (13,175)
Taxes paid-net		(1,045,578) (1,017,798)
		(1,968,500) (1,030,973)
Net cash generated from/ (used in) operating activities		<u>(17,648,947)</u> <u>(255,667)</u>
Cash flows from investing activities		
Proceeds from disposal of investment property		37,095,000 -
Purchase of capital work in progress-net		(20,309,013) -
Transfer from current assets to vehicles		(1,085,250) -
Proceeds from disposal of short term investment		1,253,590 2,100,233
Dividend received		- 339,848
Interest received		11,792 16,221
Net cash generated from/ (used in) investing activities		<u>16,966,119</u> <u>2,456,302</u>
Cash flows from financing activities		
Net cash outflow from financing activities		<u>-</u> <u>-</u>
Net increase/(decrease) in cash and cash equivalents		(682,828) 2,200,635
Cash and cash equivalents at the beginning of the period		1,159,924 749,569
Cash and cash equivalents at the end of the period		<u>477,096</u> <u>2,950,204</u>

The annexed notes 1 to 15 form an integral part of these condensed interim un-consolidated financial information.

Chief Executive Officer

Chief Finance Officer

Director

First Capital Securities Corporation Limited

CONDENSED INTERIM UN-CONSOLIDATED STATEMENT OF CHANGES IN EQUITY(UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2017

	Share Capital	Capital reserve Fair value reserve	Revenue reserve Retained earnings	Total
	Rupees			
Balance as at 01 July 2016 (Audited)	3,166,101,120	-	1,023,493,202	4,189,594,322
Loss for the period	-	-	(1,075,523,234)	(1,075,523,234)
Other comprehensive income for the period - net of tax	-	148,468,446	-	148,468,446
Total comprehensive loss for the period - net of tax	-	148,468,446	(1,075,523,234)	(927,054,788)
Balance as at 31 December 2016 (Un-Audited)	3,166,101,120	148,468,446	(52,030,032)	3,262,539,534
Loss for the period	-	-	(864,360,472)	(864,360,472)
Other comprehensive loss for the period - net of tax	-	(84,645,120)	-	(84,645,120)
Total comprehensive loss for the period - net of tax	-	(84,645,120)	(864,360,472)	(949,005,592)
Balance as at 30 June 2017 (Audited)	3,166,101,120	63,823,326	(916,390,504)	2,313,533,942
Loss for the period	-	-	(79,553,011)	(79,553,011)
Other comprehensive income for the period - net of tax	-	72,077,077	-	72,077,077
Total comprehensive income/(loss) for the period - net of tax	-	72,077,077	(79,553,011)	(7,475,934)
Balance as at 31 December 2017 (Un-Audited)	3,166,101,120	135,900,403	(995,943,515)	2,306,058,008

The annexed notes 1 to 15 form an integral part of these condensed interim un-consolidated financial information.

Chief Executive Officer

Chief Finance Officer

Director

First Capital Securities Corporation Limited

NOTES TO THE CONDENSED INTERIM UN-CONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2017

1 Legal status and nature of business

First Capital Securities Corporation Limited ("the Company") was incorporated in Pakistan on 11 April 1994 as a public limited company under the Companies Ordinance, 1984 and is listed on the Pakistan Stock Exchange. The registered office of the Company is situated at 2nd floor, Pace Shopping Mall, Fortress Stadium, Lahore Cant., Lahore. The Company is involved in making long and short term investments, money market operations and financial consultancy services.

2 Basis of preparation

"2.1 This condensed interim unconsolidated Financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim Financial reporting. As per the requirements of circular No. CLD/CCD/PR(11)/2017 dated July 20, 2017 and circular No. 23 of 2017 dated October 4, 2017 issued by the Securities & Exchange Commission of Pakistan (SECP), the Company has prepared these Financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (the Ordinance). Accordingly, approved accounting standards for interim Financial reporting comprise of International Accounting Standard 34, 'Interim Financial Reporting' and provisions of and directives issued under the Ordinance. In case requirements differ, the provisions of or directives issued under the Ordinance prevail. "

The figures for the half year ended 31 December 2017 have, however, been subjected to limited scope review by the auditors as required by the code of Corporate Governance. This condensed interim unconsolidated financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2017.

The figures included in the unconsolidated condensed interim profit and loss account for the quarters ended December 31, 2017 and 2016 and in the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated Figures for the half years ended December 31, 2017 and 2016.

3 Significant accounting policies

3.1 The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended 30 June 2017.

3.2 Change in accounting standards, interpretations and amendments to published approved accounting standards

a) Amendments to published approved accounting standards which are effective during the year ended December 31, 2017

Following are certain new amendments to published International Financial Reporting Standards and interpretations that are mandatory to the financial period beginning on or after January 1, 2017. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations.

IAS 7- Statement of Cash Flows: Disclosure Initiative (Amendment)	January 1, 2017
IAS 12 Income Taxes – Recognition of Deferred Tax Assets for Unrealized losses (Amendments)	January 1, 2017

b) Standards and amendments to published approved accounting standards that are not yet effective

The following revised standards, amendments and improvements with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards or interpretations:

First Capital Securities Corporation Limited

Standards or Interpretation	Effective date (on periods beginning on or after)
IFRS 9 – Financial Instruments: Classification and Measurement	July 01, 2018
IFRS 15 – Revenue from Contracts with Customers	July 01, 2018
IFRS 2 – Classification and Measurement of Share Based Payment Transactions (Amendment)	January 01, 2018
IFRS 10 - Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Yet not finalized
IFRS 4- Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – (Amendments)	January 1, 2018
IFRIC 22 -Foreign Currency Transactions and Advance Consideration	January 1, 2018
IFRIC 23 -Uncertainty over Income tax treatment	January 1, 2019

The Company expects that the adoption of the above standards and amendments will not have any material impact on the Company's financial statements in the period of initial application

Further, the following new standards have been issued by IASB which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan.

Standards or Interpretation	Effective date (periods beginning on or after)
IFRS 14 – Regulatory Deferral Accounts	January 01, 2018
IFRS 16 – Leases	January 01, 2019
IFRS 17 - Insurance Contracts	January 01, 2021

The Company expects that above new standards will not have any material impact on the Company's financial statements in the period of initial application.

In addition to the foregoing, the Companies Act, 2017 which is not effective on this unconsolidated condensed interim financial information has added certain disclosure requirements which will be applicable in the future.

4 Significant accounting judgments and estimates

The preparation of condensed interim un-consolidated financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim unconsolidated financial information, the significant judgments made by management in applying accounting policies and the key sources of estimation were the same as those that were applied to the financial statements for the year ended 30 June 2017.

First Capital Securities Corporation Limited

		(Un-Audited) 31 December 2017	(Audited) 30 June 2017
	Note	Rupees	
5 Property, plant and equipment			
Property, plant and equipment	5.1	27,430,686	35,240,687
Capital work in progress (CWIP)	5.2	132,425,106	112,116,093
		<u>159,855,792</u>	<u>147,356,780</u>
5.1 Opening book value		35,240,687	53,565,520
Net (Disposal)/Additions for the period/year		<u>1,085,250</u>	(423,359)
		36,325,937	53,142,161
Depreciation charged for the period/year		<u>(8,895,251)</u>	(17,901,474)
Closing book value		<u>27,430,686</u>	<u>35,240,687</u>
5.2 Opening balance		112,116,093	112,116,093
Additions for the period/year	5.3	25,334,248	-
Disposal for the period/year	5.3	(5,025,235)	-
Closing balance	5.4	<u>132,425,106</u>	<u>112,116,093</u>

5.3 During the period company purchased property of Rs. 25,334,248 from Pace Barka Properties Limited (associated company) and as consideration transferred property of Rs. 5,025,235 and adjusted receivable balance of Rs. 20,309,013.

5.4 This represents property in Pace Tower Gulberg, Lahore and Pace Circle, Lahore amounting to Rs 107,090,858 (June 2017: Rs 107,090,858) and Rs. 25,334,248 (June 2017: Rs 5,025,235) respectively.

		(Un-Audited) 31 December 2017	(Audited) 30 June 2017
		Rupees	
6 Investment properties			
Opening balance		163,092,400	163,170,000
Addition during the period/year		-	-
Disposal during the period/year		(153,880,400)	-
Fair value adjustment		<u>(2,744,000)</u>	(77,600.00)
		<u>6,468,000</u>	<u>163,092,400</u>

6.1 These investment properties are measured using level 2 inputs (observable comparable data) as described in IFRS 13 fair value measurement. Level 2 fair value of investment properties has been derived using the sales comparison approach. Sale prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as location, size, nature and condition of the property. The most significant input into this valuation approach is price per square foot.

		(Un-Audited) 31 December 2017	(Audited) 30 June 2017
	Note	Rupees	
7 Investments			
Carrying value of investments at the beginning of the period / year		1,943,169,800	3,814,728,466
Impairment loss during the period / year on available for sale investments		-	(1,940,523,843)
Unrealized (loss) / gain on re-measurement of investments at fair value through profit or loss	7.1	(22,787,347)	10,198,763
Change in fair value of available-for-sale financial assets	7.2	(62,465,383)	63,823,326
Change in fair value of available-for-sale financial assets	7.3	134,542,460	-
		<u>49,289,730</u>	(1,866,501,754)
Investments disposed off during the period/year		(1,253,590)	(5,056,912)
Carrying value at the end of the period / year		<u>1,991,205,940</u>	<u>1,943,169,800</u>
Investments classified in current assets		45,380,418	69,421,355
Closing book value		<u>1,945,825,522</u>	<u>1,873,748,445</u>

First Capital Securities Corporation Limited

7.1 This includes un-realized loss on remeasurement of Company's investment in Pace (Pakistan) Limited, a related party (associated undertaking) amounting to Rs. 21,168,826 due to decrease in market value per share as at the reporting date. Also un-realized loss on remeasurement of Company's investment in First Capital Mutual Fund, a related party amounting to Rs. 627,564 due to decrease in market value per unit of the fund at the reporting date.

7.2 This represents a loss on account of change in fair value of Company's available for sale investment in Media Times Limited a related party (associated company) due to decrease in market value per share as at the reporting date. The related loss has been recognized in condensed interim un-consolidated statement of comprehensive income for the period.

7.3 This represents a gain on account of change in fair value of Company's available for sale investment in First Capital Equities Limited a related party (subsidiary) due to increase in market value per share as at the reporting date. The related gain has been recognized in condensed interim un-consolidated statement of comprehensive income for the period.

		(Un-Audited) 31 December 2017	(Audited) 30 June 2017
		Rupees	
8	Loans, advances, prepayments and other receivables		
	Note		
	Loans and advances		
	Advances to staff - secured, considered good	138,500	148,500
	Due from related parties		
	- unsecured, considered good	<u>32,500,000</u>	<u>48,422,022</u>
		32,638,500	48,570,522
	Short term deposits and prepayments		
	Prepayments	13,110	39,445
	Ijarah deposit	-	1,085,250
		<u>13,110</u>	<u>1,124,695</u>
	Other receivables		
	Receivable against sale of capital work in progress	18,695,000	18,695,000
	Receivable against sale of investment properties	70,756,000	-
	Advance against purchase of investment property	36,194,600	-
	Rent receivable	<u>325,956</u>	<u>133,956</u>
		<u>125,971,556</u>	<u>18,828,956</u>
		158,623,166	68,524,173
9	Trade and other payables		
	Creditors	9.1	4,270,295
	Accrued liabilities		4,289,752
	Security deposit from tenants		6,422,413
	Payable against purchase of investment property	9.2	486,660
	Final settlements payable		6,681,123
	Unclaimed dividend		6,681,123
	Withholding income tax payable		11,607,362
	Withholding sales tax payable		1,856,586
	Other liabilities		1,856,586
			2,290,047
			518,640
			292,347
			98,743
			236,830
			<u>33,731,869</u>
			<u>32,231,722</u>

9.1 This include amount payable to Media Times Limited (associated company) Rs. 233,100(June,2017: Rs. 168,600) and to World Press (Pvt.) Limited (subsidiary) Rs. 1,001,442(June, 2017: Rs. 1,001,442)

9.2 This include amount payable to Pace Pakistan Limited (associated company) Rs. 6,181,123(June,2017: 6,681,123)

10 Contingencies and commitments

There are no significant changes in contingencies and commitments from those disclosed in the preceding annual financial statements of the Company for the year ended 30 June 2017.

First Capital Securities Corporation Limited

Half year ended
31 December 2017
(Un-Audited)

Half year ended
31 December 2016
(Un-Audited)

11 Cash generated from/(used in) operations

..... Rupees

	Half year ended 31 December 2017 (Un-Audited)	Half year ended 31 December 2016 (Un-Audited)
Profit/(loss) before taxation	(79,023,182)	(1,074,999,021)
Adjustments for:		
Finance cost	10,929	13,175
Dividend income	-	(339,848)
Change in value of investment properties	2,744,000	-
Unrealized loss/(gain) on re-measurement of investments at 'fair value through profit or loss'	22,787,347	(44,661,792)
Impairment loss on available for sale investments	-	1,112,562,650
Depreciation	8,895,251	8,969,075
Interest income	(11,792)	(16,221)
Provision for staff retirement benefits	759,017	761,729
Loss on sale of investment property	46,029,400	-
Gain/(loss) on sale of investments	-	(874,150)
	81,214,152	1,076,414,618
Profit before working capital changes	2,190,970	1,415,597
	(Un-Audited)	(Audited)
	31 December	30 June
	2017	2017

..... Rupees

Effect on cash flow due to working capital changes

(Increase)/decrease in current assets:		
Trade debts	(28,571)	(718,700)
Advance, prepayments and other receivables-net	(19,342,993)	(2,378,134)
(Decrease)/increase in current liabilities:		
Trade and other payable	1,500,147	2,456,543
	(17,871,417)	(640,291)
Net cash generated from operations	(15,680,447)	775,306

12 Transactions with related parties

The related parties comprise the subsidiaries and associates of the Company, associated undertakings other related companies, directors and key management personnel of the Company. The Company in the normal course of business carries out transactions with various related parties. Significant transactions with related parties other than those disclosed elsewhere in the condensed interim un-consolidated financial information are as follows:

Relationship with the related party	Nature of transactions	Note	Half year ended 31 December 2017 (Un-Audited)	Half year ended 31 December 2016 (Un-Audited)
		 Rupees	
Subsidiary companies	Rental income earned		5,700,000	5,700,000
	Brokerage commission paid		-	4,430
	Long term payable paid		890,400	-
Associated companies	Purchase of goods/services		-	97,500
	Dividend income		-	254,840
	Receipt against services		-	3,800,450
	Advertisement		64,500	-
	Purchase of CWIP	5.3	25,334,248	-
Key management personnel	Salaries and other employee benefits		3,453,413	3,447,240

First Capital Securities Corporation Limited

12.1 The amount due o / due from related parties are disclosed in respective notes to condensed interim un-consolidated financial information.

13 Financial risk management

13.1 Financial risk factors

The Company's activities expose it to a variety of financial risks market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim un-consolidated financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at 30 June 2017.

There have been no changes in the risk management policies since year ended 30 June 2017.

13.2 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties failed completely to perform as contracted. The Company's credit risk arises from deposits with banks, trade debts, loans and advances and credit exposure arising as a result of dividends from equity securities and other receivable.

13.2.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the balance sheet date was:

	Half year ended 31 December 2017 (Un-Audited)	30 June 2017 (Audited)
	----- Rupees -----	
Other receivables	122,415,456	67,399,478
Long term deposits	37,500	37,500
Trade debts	<u>2,702,568</u>	<u>2,673,997</u>
Bank balances	<u>477,096</u>	<u>1,129,175</u>

13.3 Liquidity risk

Compared to year end 30 June 2017, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

13.4 Fair value estimation of Financial Instruments

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Company's assets and liabilities that are measured at fair value at 31 December 2017.

First Capital Securities Corporation Limited

	Level 1	Level 2	Level 3	Total
	Rupees			
Assets				
Available-for-sale investments	1,142,940,369	-	-	1,142,940,369
Investments at fair value through profit and loss	45,380,418	-	-	45,380,418
Total assets	1,188,320,787	-	-	1,188,320,787
Liabilities	-	-	-	-

The following table presents the Company's assets and liabilities that are measured at fair value at 30 June 2017.

	Level 1	Level 2	Level 3	Total
	Rupees			
Assets				
Available-for-sale investments	1,070,863,292	-	-	1,070,863,292
Investments at fair value through profit and loss	69,421,355	-	-	69,421,355
Total assets	1,140,284,647	-	-	1,140,284,647
Liabilities	-	-	-	-

There were no transfers between levels 1, 2 or 3 for recurring fair value measurements during the period.

14 Date of authorization for issue

This condensed interim financial information was authorized for issue on 27 February 2018 by the Board of Directors.

15 Corresponding figures

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim un-consolidated balance sheet has been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim un-consolidated profit and loss account, condensed interim un-consolidated statement of comprehensive income and condensed interim un-consolidated cash flow statement and condensed interim un-consolidated statement of changes in equity have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison. However, no significant re-classifications have been made.

Chief Executive Officer

Chief Finance Officer

Director

First Capital Securities Corporation Limited

First Capital Securities Corporation Limited

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL INFORMATION
FOR THE HALF YEARLY ENDED
31 DECEMBER 2017
(Un-Audited)**

First Capital Securities Corporation Limited

CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2017

	Note	Un-Audited 31 December 2017 Rupees	Audited 30 June 2017 Rupees
Non-current assets			
Property, plant and equipment	6	307,470,574	313,863,462
Intangible assets		7,937,515	15,562,519
Investment properties		1,439,469,500	1,765,542,000
Investments accounted for using the equity method	7	539,457,235	542,851,260
Long term investments		35,906,147	41,163,833
Long term deposits and advances - considered good		42,597,308	43,377,181
Deferred taxation		-	292,619
		<u>2,372,838,279</u>	<u>2,722,652,874</u>
Current assets			
Stock in trade		10,077,444	10,077,444
Trade debts		1,250,118,153	1,676,155,606
Loans, advances and other receivables		279,875,480	226,759,921
Prepayments		396,561	403,256
Interest accrued		21,221	86,447
Deposits and other receivables		93,379,066	25,159,697
Short term investments	7	324,585,536	331,144,302
Tax refund due from Government		40,512,280	17,994,235
Cash and bank balances		147,366,628	124,516,280
		<u>2,146,332,369</u>	<u>2,412,297,188</u>
Current liabilities			
Trade and other payables		478,216,839	368,568,017
Short term borrowings - secured		170,081	9,148,723
Current portion of long term loans - secured		8,824,000	2,206,000
Current portion of liabilities against assets subject to finance lease		434,554	434,554
		<u>487,645,474</u>	<u>380,357,294</u>
Net current assets			
		<u>1,658,686,895</u>	<u>2,031,939,894</u>
		<u>4,031,525,174</u>	<u>4,754,592,768</u>
Non-current liabilities			
Deferred liabilities		69,125,721	62,541,530
Long term loans - secured		2,149,959,674	2,902,580,552
Deferred tax liability		259,056	-
		<u>2,219,344,451</u>	<u>2,965,122,082</u>
Contingencies and commitments	8	<u>1,812,180,723</u>	<u>1,789,470,686</u>
Represented by			
Equity			
Share Capital and Reserves			
Authorized share capital: 320,000,000 (2017: 320,000,000) ordinary shares of Rs 10 each		<u>3,200,000,000</u>	<u>3,200,000,000</u>
Issued, subscribed and paid-up share capital		3,166,101,120	3,166,101,120
Exchange translation reserve		23,604,095	17,990,368
Reserves capitalised		480,054,923	480,054,923
Retained earnings		(2,155,867,731)	(2,143,982,701)
Equity attributable to owners of the Parent Company		<u>1,513,892,407</u>	<u>1,520,163,710</u>
Non-controlling interests (NCI)		<u>298,288,316</u>	<u>269,306,976</u>
		<u>1,812,180,723</u>	<u>1,789,470,686</u>

The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial information.

Chief Executive Officer

Chief Financial Officer

Director

First Capital Securities Corporation Limited

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT - (Un-Audited) FOR THE QUARTER AND HALF YEAR ENDED 31 DECEMBER 2017

	Half year ended 31 December 2017 Rupees	Half year ended 31 December 2016 Rupees	Quarter ended 31 December 2017 Rupees	Quarter ended 31 December 2016 Rupees
Operating revenue	70,541,678	201,931,288	19,185,766	106,355,050
Direct costs	(38,721,712)	(111,495,773)	(25,481,511)	(55,378,351)
Gross profit /(loss)	31,819,966	90,435,515	(6,295,745)	50,976,699
Change in fair value of investment properties	(2,744,000)	-	(2,744,000)	-
Unrealized (loss)/gain on re-measurement of 'investments at fair value through profit or loss'	(52,979,455)	115,585,061	(47,559,018)	(20,095,351)
Operating and administrative expenses	(124,932,136)	(113,301,661)	(65,930,320)	(66,774,819)
	(148,835,625)	92,718,915	(122,529,083)	(35,893,471)
Other income	178,916,205	8,721,903	172,278,477	869,674
Finance cost	(15,664,288)	(39,338,576)	(8,209,456)	(20,330,894)
	14,416,292	62,102,242	41,539,938	(55,354,691)
Share of (loss)/gain of equity accounted investees (net of tax)	(433,738)	10,045,597	12,833,369	485,210
Profit/(loss) before taxation	13,982,554	72,147,839	54,373,307	(54,869,481)
Taxation	2,428,591	(5,431,896)	5,486,094	(4,813,295)
Profit/(loss) after taxation from operations for the period	16,411,145	66,715,943	59,859,401	(59,682,776)
Basic and diluted (loss)/earnings per share	(0.03)	0.18	0.08	(0.15)
Profit/(loss) attributable to:				
- Owners of the Parent Company	(8,584,097)	57,351,264	25,741,589	(46,600,986)
- Non-controlling interest	24,995,242	9,364,679	34,117,812	(13,081,790)
Profit/(loss) for the period	16,411,145	66,715,943	59,859,401	(59,682,776)

The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial information.

Chief Executive Officer

Chief Financial Officer

Director

First Capital Securities Corporation Limited

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME - (Un-Audited) FOR THE QUARTER AND HALF YEAR ENDED 31 DECEMBER 2017

	Half year ended 31 December 2017 Rupees	Half year ended 31 December 2016 Rupees	Quarter ended 31 December 2017 Rupees	Quarter ended 31 December 2016 Rupees
Profit / (loss) after taxation	16,411,145	66,715,943	59,859,401	(59,682,776)
Other comprehensive income for the period				
Items that may be subsequently reclassified to profit or loss:				
Share of other comprehensive income of investments accounted for using the equity method - net of tax	549,270	-	274,635	-
Unrealized loss on remeasurement of investment available for sale				
- Change in fair value of available-for-sale financial assets	(3,850,203)	-	(457,799)	-
- Non-controlling interests	(1,407,482)	-	(167,353)	-
	(5,257,685)	-	(625,152)	-
Exchange differences on translation of foreign operations recognised as:				
- Exchange translation reserve	5,613,727	(2,375,060)	4,428,571	(2,322,174)
- Non-controlling interests	5,393,580	(2,281,920)	4,254,901	(2,231,108)
Other comprehensive income/(loss) for the period	11,007,307	(4,656,980)	8,683,472	(4,553,282)
Total comprehensive income/(loss) for the period	22,710,037	62,058,963	68,192,356	(64,236,058)
Total comprehensive income/(loss) attributable to :				
- Owners of the Parent Company	(6,271,303)	54,976,204	29,986,996	(48,923,160)
- Non-controlling interests	28,981,340	7,082,759	38,205,360	(15,312,898)
	22,710,037	62,058,963	68,192,356	(64,236,058)

The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial information.

Chief Executive Officer

Chief Finance Officer

Director

First Capital Securities Corporation Limited

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - (Un-Audited) FOR THE HALF YEAR ENDED 31 DECEMBER 2017

Attributable to owners of the Company

	Share capital	Exchange translation reserve	Reserve capitalised	Fair value Reserve	Retained earnings	Total non-controlling interests	Total equity
	Rupees						
Balance at 30 June 2016 - (Audited)	3,166,101,120	22,516,300	480,054,923	-	(2,313,960,657)	1,354,711,686	210,431,905 1,565,143,591
Total comprehensive income/(loss) for the period	-	-	-	-	57,351,264	9,364,679	66,715,943
Income for the period	-	(2,375,060)	-	-	-	(2,375,060)	(4,656,980)
Other comprehensive loss for the period	-	(2,375,060)	-	-	57,351,264	7,082,759	62,058,963
Total comprehensive loss/(income) for the period	-	(2,375,060)	-	-	57,351,264	54,976,204	62,058,963
Balance at 31 December 2016	<u>3,166,101,120</u>	<u>20,141,240</u>	<u>480,054,923</u>	<u>-</u>	<u>(2,256,609,393)</u>	<u>1,409,687,890</u>	<u>217,514,664</u> <u>1,627,202,554</u>
Balance at 30 June 2017 - (Audited)	3,166,101,120	17,990,368	480,054,923	-	(2,143,982,701)	1,520,163,710	269,306,976 1,789,470,686
Total comprehensive income / (loss) for the period	-	-	-	-	(8,584,097)	(8,584,097)	24,995,242 16,411,145
Loss/(income) for the period	-	5,613,727	-	-	(3,300,933)	2,312,794	3,986,098 6,298,892
Other comprehensive income/(loss) for the period	-	5,613,727	-	-	(11,885,030)	(6,271,303)	28,981,340 22,710,037
Total comprehensive income / (loss) for the period	-	5,613,727	-	-	(11,885,030)	(6,271,303)	28,981,340 22,710,037
Balance at 31 December 2017	<u>3,166,101,120</u>	<u>23,604,095</u>	<u>480,054,923</u>	<u>-</u>	<u>(2,155,867,731)</u>	<u>1,513,892,407</u>	<u>298,286,316</u> <u>1,812,180,723</u>

The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial information.

Chief Executive Officer

Chief Financial Officer

Director

First Capital Securities Corporation Limited

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT - (Un-Audited) FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	Note	Half Year Ended	
		31 December 2017 Rupees	31 December 2016 Rupees
Cash generated from operations	9	462,134,405	193,270,658
Long term deposits and advances		779,873	(4,026,940)
Retirement benefits paid - net		1,977,832	(715,191)
Finance costs paid		(15,664,288)	231,346,766
Taxes paid		(19,537,779)	(10,326,136)
Net cash inflow from operating activities		429,690,043	409,549,157
Cash flows from investing activities			
Fixed capital expenditure		(2,147,805)	(3,317,977)
Short term investments - net		(46,420,689)	29,063,366
Proceeds from sale of property, plant and equipment		43,157,132	9,882,706
Proceeds from disposal of investment property		305,346,239	
Dividend received		8,187,850	8,740,455
Interest received		20,033,161	15,595,501
Net cash inflow from investing activities		328,155,888	59,964,051
Cash flows from financing activities			
Repayment of liabilities against assets subject to finance lease - net		-	(2,006,717)
Payment of long term loan		(746,002,890)	(420,978,488)
Net cash outflow from financing activities		(746,002,890)	(422,985,205)
Net increase in cash and cash equivalents		11,843,041	46,528,003
Cash and cash equivalents at the beginning of the period		124,516,280	124,540,549
Effect of exchange translation reserve		11,007,307	(4,656,980)
Cash and cash equivalents at the end of the period		147,366,628	166,411,572

The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial information.

Chief Executive Officer

Chief Financial Officer

Director

First Capital Securities Corporation Limited

Notes to the Condensed Interim Consolidated Financial Statements - (Un-Audited) FOR THE HALF YEAR ENDED 31 DECEMBER 2017

1. Legal status and nature of business

First Capital Securities Corporation Limited (FCSC) ("the Parent Company") was incorporated in Pakistan on 11 April 1994 as a public limited company under the Companies Ordinance, 1984 and is listed on the Pakistan stock exchange. The registered office of the Parent Company is situated at 2nd Floor, Pace Shopping Mall Fortress Stadium, Lahore Cantt, Lahore. The Parent Company is involved in making long and short term investments, money market operations and financial consultancy services.

2 Basis of preparation

2.1 Statement of compliance

This condensed interim consolidated financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. As per the requirements of circular No. CLD/CCD/PR(11)/2017 dated July 20, 2017 and circular No. 23 of 2017 dated October 4, 2017 issued by the Securities & Exchange Commission of Pakistan (SECP), the Company has prepared these financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (the Ordinance). Accordingly, approved accounting standards for interim financial reporting comprise of International Accounting Standard 34, 'Interim Financial Reporting' and provisions of and directives issued under the Ordinance. In case requirements differ, the provisions of or directives issued under the Ordinance prevail.

This condensed interim consolidated financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with the annual consolidated financial statements of the Company for the year ended 30 June 2017.

2.2 Functional and presentation currency

This consolidated condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Group. Figures have been rounded off to the nearest rupee.

3 Significant accounting policies

Accounting policies and methods of computation adopted in the preparation of this consolidated condensed interim financial report are the same as those applied in the preparation of audited annual consolidated financial statements of the Group for the preceding year ended 30 June 2017.

3.1 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the Company's consolidated financial statements covering annual periods, beginning on or after the following dates:

3.1.1 Standards, amendments and interpretations to approved accounting standards that are effective in the current year

There are certain standards, amendments and interpretations to approved accounting standards that are effective in the current year but are considered not to be relevant or to have any significant effect on the Group operations and are, therefore, not detailed in this condensed interim financial information.

3.1.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments and interpretations to approved accounting standards that are mandatory for the Company's accounting periods beginning on or after 1 July 2018 or later periods, and the Company has not early adopted them therefore, not detailed in this condensed interim financial information.

4 Estimates

The preparation of these consolidated condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The significant judgments made by management is in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial statements for the year ended 30 June 2017.

First Capital Securities Corporation Limited

5 Subsidiary companies

Following subsidiary companies have been consolidated in the financial information of the Parent Company:

		Percentage of Holding	
		31 December 2017	30 June 2017
		78.86	78.86
	First Capital Investments Limited (FCIL)	51	51
	Lanka Securities (Pvt.) Limited, Sri Lanka (LSL)	65	65
	World Press (Pvt.) Limited (WPL)	73.23	73.23
	First Capital Equities Limited (FCEL)	100	100
	Ever Green Water Valley (Pvt.) Limited	100	100
	Falcon Commodities (Pvt.) Limited (FCL)	100	100
	Ozer Investments Limited	100	100
	First Construction Limited	100	100
		31 December 2017	30 June 2017
6	Property, plant and equipment	Rupees	Rupees
	Property, plant and equipment	6.1 89,110,468	115,812,369
	Capital work in progress	6.2 218,360,106	198,051,093
		307,470,574	313,863,462
6.1	Opening book value	115,812,369	148,292,513
	Additions for the period/year	2,147,800	34,851,298
	Effect of movement in exchange rate	1,950,881	(1,446,534)
	Disposal for the period/year net book value	(17,964,705)	(37,010,902)
		101,946,345	144,686,375
	Depreciation expense for the period/year	12,781,882	30,020,094
	Effect of movement in exchange rate	53,995	(1,146,088)
	Closing book value	89,110,468	115,812,369
6.2	Opening balance	198,051,093	112,116,093
	Additions for the period/year	6.3 25,334,248	-
	Disposal for the period/year	6.3 (5,025,235)	
	Closing balance	6.4 218,360,106	112,116,093
6.3	During the period company purchased property of Rs. 25,334,248 from Pace Barka Properties Limited (associated company) and as consideration transferred property of Rs. 5,025,235 and adjusted receivable balance of Rs. 20,309,013.		
6.4	This represents property in Pace Tower Gulberg, Lahore and Pace Circle, Lahore amounting to Rs 107,090,858 (June 2017: Rs 107,090,858) and Rs. 25,334,248 (June 2017: Rs 5,025,235) respectively.		
7	Investments	31 December 2017	30 June 2017
	Carrying value of investments at the beginning of the period / year	915,159,395	851,543,464
	Investments made during the period / year		
	- Others	-	(18,496,277)
	Share of loss of equity accounted investees (net of tax)	(433,738)	(24,108,618)
	Equity accounted investees- share of other comprehensive income	549,270	1,098,540
	Unrealized loss on remeasurement of investment available for sale	(5,257,685)	31,501,305
	Unrealized (loss) / gain on re-measurement of investments at fair value through profit or loss	(52,979,455)	18,463,867
	Less Dividends	(3,509,557)	(11,821,650)
		(61,631,165)	15,133,444
	Investments disposed off during the period/year	46,420,688	66,978,764
	Carrying value at the end of the period / year	899,948,918	915,159,395

First Capital Securities Corporation Limited

	31 December 2017 Rupees	30 June 2017 Rupees
Investments classified in current assets	<u>324,585,536</u>	<u>331,144,302</u>
Closing book value	<u>575,363,382</u>	<u>584,015,093</u>

8 Contingencies and commitments

There is no significant change in contingencies and commitments disclosed in the annual audited consolidated financial statements for the year ended June 30, 2017 except for the following commitments:

	Half Year Ended	
	31 December 2017 Rupees	December 2016 Rupees
Commitments		
Sale of Shares	1,275,240,936	900,562,615
Purchase of shares	1,281,757,464	836,092,776
Capital expenditure	21,825,103	21,825,103
Ijarah lease rental	-	2,955,350

	31 December 2017 Rupees	31 December 2016 Rupees
9 Cash generated from operations		
Profit / (loss) before taxation	13,982,554	72,147,839
Adjustments for:		
Depreciation	12,781,882	14,584,643
Finance cost	15,664,288	39,338,576
Loss/(Gain) on remeasurement of short term investments	52,979,455	(115,585,061)
Change in value of investment properties	2,744,000	-
Dividend income	(8,187,850)	(1,721,339)
Amortization	7,625,004	-
Gain on disposal of property, plant and equipment	(18,444,264)	6,713,810
Loss on disposal of investment property	21,491,831	-
Retirement benefits	4,606,359	5,061,729
Share of (profit)/loss of equity-accounted investee	433,738	(10,045,597)
Mark up income	(19,967,935)	(15,398,534)
	<u>71,726,508</u>	<u>(77,051,773)</u>
Profit before working capital changes	<u>85,709,062</u>	<u>(4,903,934)</u>
Effect on cash flow due to working capital changes:		
(Increase)/decrease in:		
Inventories	-	6,363,363
Trade debts	397,083,396	214,228,662
Loans and advances	(53,115,559)	(32,364,151)
Short term prepayments	6,695	(369,458)
Deposits and other receivables	(68,219,369)	9,465,694
Increase/(decrease) in:		
Trade and other payables	109,648,822	20,422,234
Short term borrowings - net	(8,978,642)	(19,571,752)
	<u>376,425,343</u>	<u>198,174,592</u>
Cash generated from operations	<u>462,134,405</u>	<u>193,270,658</u>

10 Transactions with related parties

Related parties comprise of entities over which the directors are able to exercise significant influence, entities with common directors, major shareholders, subsidiary undertakings, associated companies, directors and key management personnel. The significant transactions with related parties are as follows:

First Capital Securities Corporation Limited

	Half Year Ended	
	31 December 2017 Rupees	31 December 2016 Rupees
10.1 Transaction during the period		
Purchase of goods / services	25,398,748	97,500
Service charges	335,880	503,820
Dividend income	-	8,453,953
Asset management fee	1,786,161	2,062,060
Construction revenue	9,134,310	102,834,836
Key management personnel	-	16,249,251
Salaries and other employee benefits	23,126,785	5,999,408
	31 December 2017 Rupees	30 June 2017 Rupees

10.2 Period / year end balances

Associated companies Receivables from related parties	61,633,004	31,651,692
Payables to related parties	1,315,460	6,963,286
Retention money	36,746,282	63,985,539

11 Financial risk management

11.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim consolidated financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Company's annual consolidated financial statements as at 30 June 2017.

There have been no changes in the risk management policies since year end.

11.2 Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

11.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

First Capital Securities Corporation Limited

The following table presents the Group assets and liabilities that are measured at fair value at 31 December 2017.

	Level 1	Level 2	Level 3 Rupees	Total
Assets				
Investments at fair value through profit and loss	324,585,536	-	-	324,585,536
Total assets	324,585,536	-	-	324,585,536
Liabilities	-	-	-	-

There were no reclassifications of financial assets and there were no changes in valuation techniques during the period.

12 Corresponding figures

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim consolidated balance sheet and condensed interim consolidated statement of changes in equity have been compared with the balances of annual consolidated audited financial statements of preceding financial year, whereas, the condensed interim consolidated profit and loss account, condensed interim consolidated statement of comprehensive income and condensed interim consolidated cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison. However, no significant re-classifications have been made.

13 Date of authorization for issue

This un-audited condensed interim consolidated financial information for the half year ended 31 December 2017 were authorized for issue on 27 February 2018 by the Board of Directors.

14 General

Figures have been rounded off to the nearest rupee.

Chief Executive Officer

Chief Finance Officer

Director