

FIRST CAPITAL SECURITIES CORPORATION LIMITED

**CONDENSED INTERIM UN-CONSOLIDATED
FINANCIAL INFORMATION
FOR THE SIX MONTHS PERIOD ENDED
31 DECEMBER 2014
(Un-Audited)**

VISION

First Capital Securities Corporation Limited aspires to become a well-diversified and successful conglomerate and develop its image as a premier media, real estate 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.

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FIRST CAPITAL SECURITIES CORPORATION LIMITED

COMPANY'S INFORMATION

Board of Directors	Aamna Taseer (Chairman & Chief Executive Officer) Shehryar Ali Taseer Maheen Ghani Taseer Shehribano Taseer Kanwar Latafat Ali Khan Sulaiman Ahmed Saeed Al-Hoqani Jamal Said Al-Ojaili	Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Independent
Chief Financial Officer	Saeed Iqbal	
Audit Committee	Shehryar Ali Taseer (Chairman) Maheen Ghani Taseer Shehribano Taseer	
Human Resource and Remuneration (HR&R) Committee	Shehryar Ali Taseer (Chairman) Aamna Taseer Shehribano Taseer	
Company Secretary	Sajjad Ahmad	
Auditors	KPMG Taseer Hadi & Co. Chartered Accountants	
Legal Advisers	Mazhar Law Associates Advocates & Solicitors	
Bankers	Allied Bank Limited Bank Al-Falah Limited Faysal Bank Limited KASB Bank Limited MCB Bank Limited Standard Chartered Bank (Pakistan) Limited Soneri Bank Limited	
Registrar and Shares Transfer Office	THK Associates (Pvt.) Limited Ground Floor, State Life Building No. 3 Dr. Ziauddin Ahmed Road, Karachi. ☎ (021) 111 000 322	
Registered Office/Head Office	2nd Floor, Pace Shopping Mall, Fortress Stadium, Lahore Cantt. Lahore, Pakistan ☎ (042) 36623005/6/8 Fax: (042) 36623121-36623122	

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 2014.

Operational Results

The operating results of the Company are summarized as follows:

Financial overview	31 December 2014	31 December 2013
	Rupees	Rupees
Revenue	23,777,774	10,721,502
Unrealized gain/(loss) on short term investments	(6,695,443)	(25,865,496)
Operating Expenses	20,875,398	11,249,246
Impairment loss on available-for-sale investments	8,600,306	113,307,062
Finance and other costs	8,138,658	3,872,871
(Loss)/profit after Taxation	(20,409,599)	(143,502,621)
(Loss)/earnings per Share (basic and diluted)	(0.06)	(0.45)

The company has reported revenue of Rs.23.77 million other than unrealized loss of Rs.6.70 million. Operating expenses occurred were Rs.20.88 million as compared to Rs.11.25 million during the same period last year. Fluctuations in the market affecting the shares price of one of its subsidiaries "MDTL" forced the company to recognize an impairment of Rs.8.60 million as compared to 113.31 million in the corresponding period. The company showed a loss of Rs.20.41 million and per share loss was Rs.0.06 in comparison with a loss of Rs.143.50 million and per share loss Rs.0.45 last year.

The subsidiaries of FCSC showed the following results during the last six months under review. First Capital Equities Limited (FCEL) reported revenue of Rs.30.59million, operating expenses were reported Rs. 50.90 million in comparison with the corresponding period Rs.50.90 million. Loss per share stood at Rs.0.66 as compared to loss of Rs.0.76 in the corresponding period. Lanka Securities (Pvt.) Limited ("LSL") generated a gross revenue of Rs. 94.53 million and profit of Rs.27.49 million during the period while EPS stood at Rs. 1.57. First Capital Investments Limited (FCIL) has reported an after tax profit of Rs.7.34 million as compared to Rs.11.99 million last year. Another subsidiary of your Company namely World Press (Pvt.) Limited earned revenue of Rs. 17.97 million while after tax loss stood at Rs.1.38 million as compared to a profit of Rs. 2.00 million for the same period last year. Falcon commodities (FCL) generated revenue of Rs.0.35 million and reported a loss Rs. 5.67 million.

Election of Directors

Securities and Exchange Commission of Pakistan ("SECP") vide its order no. EMD/233/14/02-534 dated 21 December 2012 has accepted the matter of pending

succession of late Mr. Salmaan Taseer as a valid impediment in holding of election of directors. SECP also advised the Company to take steps to remove the impediment and file a report

Board of Directors

There is no change in the composition of the Board of Directors since last printed report of the Company for the period ended 30 September 2014.

Acknowledgement

The directors 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
28 February 2015

Aamna Taseer
Chairman and Chief Executive Officer

FIRST CAPITAL SECURITIES CORPORATION LIMITED

Independent Report on Review of Condensed Interim Financial Information to the members

Introduction

We have reviewed the accompanying unconsolidated condensed interim balance sheet of **First Capital Securities Corporation Limited** ("the Company") as at 31 December 2014 and the related unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim cash flow statement, unconsolidated condensed interim statement of changes in equity and notes to the accounts for the six months then ended (here-in-after referred to as the "unconsolidated condensed interim financial information"). Management is responsible for the preparation and presentation of this unconsolidated condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this unconsolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of unconsolidated condensed 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 unconsolidated condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

The figures for the quarters ended 31 December 2014 and 31 December 2013 in the unconsolidated condensed interim profit and loss account and unconsolidated condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion thereon.

Lahore
28 February 2015

KPMG Taseer Hadi & Co.
Chartered Accountants
(Bilal Ali)

FIRST CAPITAL SECURITIES CORPORATION LIMITED CONDENSED INTERIM UN-CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2014

		(Un-Audited) 31 December 2014 Rupees	(Audited) 30 June 2014 Rupees
<u>Non-current assets</u>			
Property and equipment	5	219,267,322	228,369,706
Investment property		149,635,000	149,635,000
Long term investments	6	4,509,420,194	4,517,820,500
Long term deposits		1,122,750	37,500
		4,879,445,266	4,895,862,706
<u>Current assets</u>			
Trade debts - unsecured, considered good		2,913,581	2,519,394
Loans, advances, prepayments and other receivables		46,705,695	50,142,000
Short term investments	7	46,979,007	53,370,023
Tax refunds due from the Government		30,966,007	28,777,220
Cash and bank balances		1,686,272	1,979,324
		129,250,562	136,787,961
<u>Current liabilities</u>			
Trade and other payables	8	30,444,829	29,939,462
Mark-up accrued		419,372	1,143,163
Current portion of long term loan		18,463,498	16,814,378
		49,327,699	47,897,003
Working capital employed		79,922,863	88,890,958
		4,959,368,129	4,984,753,664
<u>Non-current liabilities</u>			
Deferred liabilities		7,151,441	6,349,016
Long term loan		-	5,778,361
		7,151,441	12,127,377
Contingencies and commitments	9		
Net capital employed		4,952,216,688	4,972,626,287
Represented by:			
<u>Share capital and reserves</u>			
Issued, subscribed and paid-up capital		3,166,101,120	3,166,101,120
Retained earnings		1,786,115,568	1,806,525,167
		4,952,216,688	4,972,626,287

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

LAHORE

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONDENSED INTERIM UN-CONSOLIDATED PROFIT AND LOSS
ACCOUNT (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2014

	Note	Six months ended		Three months ended	
		31 December 2014 Rupees	31 December 2013 Rupees	31 December 2014 Rupees	31 December 2013 Rupees
Revenue					
Operating revenue / (loss)	10	17,082,331	(15,168,558)	8,649,202	12,771,627
		17,082,331	(15,168,558)	8,649,202	12,771,627
Expenses					
Impairment loss on 'available-for-sale' investments		(8,600,306)	(113,307,062)	(8,600,306)	(25,316,831)
Operating and administrative expenses		(20,875,398)	(11,249,246)	(11,236,087)	(5,200,297)
Operating loss		(12,393,373)	(139,724,866)	(11,187,191)	(17,745,501)
Other income		477,161	905,969	242,003	441,853
Finance costs		(8,138,658)	(3,872,871)	(6,191,800)	(2,796,386)
Loss before taxation		(20,054,870)	(142,691,768)	(17,136,988)	(20,100,034)
Taxation		(354,729)	(810,853)	(25,323)	(789,922)
Loss after taxation		(20,409,599)	(143,502,621)	(17,162,311)	(20,889,956)
Loss per share - basic and diluted		(0.06)	(0.45)	(0.05)	(0.07)

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

LAHORE: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONDENSED INTERIM UN-CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2014

	Six months period ended		Three months period ended	
	December 2014 Rupees	December 2013 Rupees	December 2014 Rupees	December 2013 Rupees
Loss after taxation	(20,409,599)	(143,502,621)	(17,162,311)	(20,889,956)
Other comprehensive loss for the period				
Items that are or may be reclassified to profit or loss:				
Net change in fair value of 'available-for-sale' financial assets reclassified to profit and loss account on disposal	-	(2,818,530)	-	-
Impairment loss recognized on 'available-for-sale' financial assets	-	(19,978,606)	-	-
Other comprehensive loss for the period	-	(22,797,136)	-	-
Total comprehensive loss for the period	(20,409,599)	(166,299,757)	(17,162,311)	(20,889,956)

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

LAHORE

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONDENSED INTERIM UN-CONSOLIDATED CASH FLOW
STATEMENT (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2014**

	31 December 2014 Rupees	31 December 2013 Rupees
Cash flow from operating activities		
Loss before taxation	(20,054,870)	(142,691,768)
<i>Adjustments for:</i>		
Finance costs	8,138,658	3,872,871
Dividend income	(16,613,416)	(48,615)
Unrealized loss on re-measurement of investments at fair value through profit or loss	6,695,443	25,890,060
Impairment loss on 'available-for-sale' investments	8,600,306	113,307,062
Depreciation	9,102,384	186,711
Gain on disposal of investment	-	(3,276,380)
Interest income	(465,734)	(739,376)
Provision for staff retirement benefits	802,425	647,155
	16,260,066	139,839,488
Loss before working capital changes	(3,794,804)	(2,852,280)
Changes in working capital		
Trade debts	(394,187)	708,659
Loans, advances, prepayments and other receivables	3,436,305	(1,468,772)
Trade and other payables	505,367	(7,358,371)
	3,547,485	(8,118,484)
Net cash generated from / (used in) operations	(247,319)	(10,970,764)
Staff retirement benefits paid	-	(375,194)
Finance cost paid	(1,612,951)	(2,839,033)
Taxes paid	(2,543,516)	(730,143)
	(4,156,467)	(3,944,370)
Net cash generated from / (used in) operating activities	(4,403,786)	(14,915,134)
Cash flows from investing activities		
Dividend received	16,613,416	48,615
Proceeds from disposal of long term investments	-	45,629,740
Long term investments - net	(200,000)	1,908,00
Short term investments - net	113,313	(6,783,454)
Long term deposits	(1,085,250)	-
Interest received	47,994	739,376
Net cash (used in) / generated from investing activities	15,489,473	41,542,277
Cash flows from financing activities		
Long term loan repaid	(11,378,739)	(9,457,541)
Net cash used in financing activities	(11,378,739)	(9,457,541)
Net (decrease) / increase in cash and cash equivalents	(293,052)	17,169,602
Cash and cash equivalents at the beginning of the period	1,979,324	1,116,306
Cash and cash equivalents at the end of the period	1,686,272	18,285,908

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

LAHORE

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONDENSED INTERIM UN-CONSOLIDATED STATEMENT OF
CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2014**

	Share capital	Capital reserve Fair value reserve	Revenue reserve Retained earnings	Total
	----- Rupees -----			
Balance as at 30 June 2013 - Audited	3,166,101,120	22,797,136	1,845,601,446	5,034,499,702
Comprehensive loss for the period				
Loss for the period	-	-	(143,502,621)	(143,502,621)
Other comprehensive loss	-	(22,797,136)	-	(22,797,136)
Total comprehensive loss for the period	-	(22,797,136)	(143,502,621)	(166,299,757)
Balance at 31 December 2013	3,166,101,120	-	1,702,098,825	4,868,199,945
Comprehensive income for the period				
Income for the period	-	-	104,017,921	104,017,921
Actuarial gains	-	-	408,421	408,421
Total comprehensive income for the period	-	-	104,426,342	104,426,342
Balance as at 30 June 2014 - Audited	3,166,101,120	-	1,806,525,167	4,972,626,287
Comprehensive loss for the period				
Loss for the period	-	-	(20,409,599)	(20,409,599)
Total comprehensive loss for the period	-	-	(20,409,599)	(20,409,599)
Balance at 31 December 2014	3,166,101,120	-	1,786,115,568	4,952,216,688

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

LAHORE:

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

FIRST CAPITAL SECURITIES CORPORATION LIMITED
NOTES TO THE CONDENSED INTERIM UN-CONSOLIDATED
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2014

1 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 Karachi, Lahore and Islamabad stock exchanges. The registered office of the Company is situated at 2nd Floor, Pace Shopping Mall, Fortress Stadium, Lahore-Cantt, 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 Statement of compliance

These unconsolidated condensed interim financial information comprises the balance sheet of First Capital Securities Corporation ("the Company"), as at 31 December 2014 and the related unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim cash flow statement and unconsolidated condensed interim statement of changes in equity together with the unconsolidated condensed notes forming part thereof.

The unconsolidated condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - Interim Financial Reporting and is being submitted to the shareholders as required by section 245 of the Companies Ordinance, 1984. This unconsolidated condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended 30 June 2014.

3 Estimates

The preparation of unconsolidated condensed interim financial information requires management to make judgments, estimates and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the accounting policies and the key sources of estimating uncertainty were the same as those that were applied to in the financial statements for the year ended 30 June 2014.

4 Accounting policies

4.1 The accounting policies and the methods of computation adopted in the preparation of this unconsolidated condensed interim financial report are the same as those applied in the preparation of the financial statements for the year ended 30 June 2014.

4.2 There were certain other new standards and amendments to the approved accounting standards which became effective during the period but are considered not to be relevant or have any significant effect on the company's operations and are, therefore, not disclosed.

In addition to the above, following standards, amendments and interpretations of approved accounting standards will be effective for accounting period beginning on or after 01 January 2015:

Standards or interpretations	Effective date (accounting periods beginning on or after)
IAS 38 - Intangible Assets.	January 1, 2016
IAS 16 - Property, Plant and Equipment.	January 1, 2016
IAS 41 - Agriculture.	January 1, 2016
IFRS 10 - Consolidated Financial Statements.	January 1, 2015
IFRS 11 - Joint Arrangements.	January 1, 2015
IFRS 12 - Disclosure of Interest in Other Entities.	January 1, 2015
IFRS 13 - Fair Value Measurement.	January 1, 2015
IAS 27 - Separate Financial Statements.	January 1, 2016
Annual Improvements to IFRS 2010-2012 and 2011-2013 Cycles.	July 1, 2014
Annual Improvements to IFRS 2010-2014 Cycles.	January 1, 2016

		(Un-Audited) 31 December 2014 Rupees	(Audited) 30 June 2014 Rupees
5 Property and equipment	Note		
Property and equipment	5.1	80,607,572	89,709,956
Capital work in progress	5.2	138,659,750	138,659,750
		<u>219,267,322</u>	<u>228,369,706</u>
5.1 Opening as at July 2014		89,709,956	915,176
<i>Add:</i> Additions for the period/year		-	89,311,458
		<u>89,709,956</u>	90,226,634
<i>Less:</i> Depreciation expense for the period/year		(9,102,384)	(516,678)
		<u>80,607,572</u>	89,709,956

5.2 This represents advance against purchase of property in Pace Tower Gulberg, Lahore and Pace Barka Lahore amounting to Rs. 133,634,515 (June 2014: Rs. 133,634,515) and Rs. 5,025,235 (June 2014: Rs. 5,025,235) respectively. Construction work on the said properties is in progress at 31 December 2014.

		(Un-Audited) 31 December 2014 Rupees	(Audited) 30 June 2014 Rupees
6 Long term investments - available-for-sale	Note		

Investment in related parties

Subsidiary companies - at cost	6.1	211,510,738	211,310,738
Associated companies - at cost	6.2	547,313,110	547,313,110
Associated company - at fair value	6.3	108,635,448	117,235,754
Subsidiary company - at fair value	6.4	3,641,960,898	3,641,960,898
		<u>4,509,420,194</u>	<u>4,517,820,500</u>

All subsidiary companies have been incorporated in Pakistan except for Lanka Securities (Private) Limited and Ozer Investments Limited, which are incorporated in Sri Lanka.

6.1 Subsidiary companies - at cost

Unquoted

31 December 2014	30 June 2014		(Un-Audited) 31 December 2014	Audited 30 June 2014
-----Number of shares-----		Note	Rupees	Rupees
12,024,634 77.76% equity	12,024,634 77.76% equity	First Capital Investments Limited	110,681,450	110,681,450
1,949,041 65% equity	1,949,041 65% equity	World Press (Private) Limited	19,490,410	19,490,410
715,400 100% equity	715,400 100% equity	Evergreen Water valley (Private) Limited	26,450,000	26,450,000
3,150,000 100% equity	3,150,000 100% equity	Falcon Commodities (Private) Limited	8,451,602	8,451,602
8,912,250 51% equity	8,912,250 51% equity	Lanka Securities (Private) Limited	46,229,683	46,229,683
1,000 100% equity	1,000 100% equity	Ozer Investments Limited	7,593	7,593
20,000 100% equity	-	First Construct Limited	200,000	-
			<u>211,510,738</u>	<u>211,310,738</u>

6.1.1 All subsidiary companies have been incorporated in Pakistan except for Lanka Securities (Private) Limited and Ozer Investments Limited, which are incorporated in Sri Lanka.

6.1.2 During the period the Company acquired entire shareholding i.e. 100% of First Construction Limited for consideration of Rs. 200,000. First Construction Limited incorporated on 15 August 2014 is involved in the business of construction and lending of construction equipments and the company has not obtained certificate of commencement of business.

6.2 Associated companies - at cost

Unquoted

31 December 2014	30 June 2014		(Un-Audited) 31 December 2014	Audited 30 June 2014
-----Number of shares-----			Rupees	Rupees
11,250 0.07% equity	11,250 0.07% equity	Pace Super Mall (Private) Limited	112,500	112,500
54,790,561 17.95% equity	54,790,561 17.95% equity	Pace Barka Properties Limited	547,200,610	547,200,610
			<u>547,313,110</u>	<u>547,313,110</u>

6.3 Associated company - at fair value

Quoted

31 December 2014	30 June 2014		(Un-Audited) 31 December 2014	Audited 30 June 2014
-----Number of shares-----			Rupees	Rupees
45,264,770 25.31% equity	45,264,770 25.31% equity	Media Times Limited	108,635,448	117,235,754
			<u>108,635,448</u>	<u>117,235,754</u>

6.4 Subsidiary company - at fair value

Quoted

31 December 2014	30 June 2014		(Un-Audited) 31 December 2014	Audited 30 June 2014
-----Number of shares-----			Rupees	Rupees
103,494,200 73.23% equity	103,494,200 73.23% equity	First Capital Equities Limited	3,641,960,898	3,641,960,898
			<u>3,641,960,898</u>	<u>3,641,960,898</u>

7 Short term investments

	Note	(Un-Audited) 31 December 2014	(Audited) 30 June 2014
		Rupees	Rupees
Investments at fair value through profit or loss	7.1	38,008,034	44,816,790
Market treasury bills - Held to maturity		8,970,973	8,553,233
		<u>46,979,007</u>	<u>53,370,023</u>

7.1 Investments at 'fair value through profit or loss'

Held for trading

Related parties	38,773,960	45,619,614
Others	5,929,517	7,315,134
	<u>44,703,477</u>	<u>52,934,748</u>

Unrealized loss for the period on remeasurement to fair value	(6,695,443)	(8,117,958)
	<u>38,008,034</u>	<u>44,816,790</u>

8 Trade and other payables

Creditors	4,388,114	4,149,634
Accrued liabilities	677,670	1,405,206
Security deposit from tenants	486,660	486,660
Payable against purchase of investment property	6,681,123	6,681,123
Final settlements payable	11,209,829	11,373,570
Salaries and other benefits payable	3,575,156	2,705,858
Unclaimed dividend	1,858,918	1,858,918
Withholding tax	470,275	258,946
Other liabilities	1,097,084	1,019,547
	<u>30,444,829</u>	<u>29,939,462</u>

9 Contingencies and commitments

There is no change in contingencies and commitments from those disclosed in the published financial statements of the Company for the year ended 30 June 2014 other than that is disclosed below:

The amount of future ljarah rentals for ljarah financing and the period in which these payments will become due are as follows:

	(Un-Audited) 31 December 2014 Rupees	(Audited) 30 June 2014 Rupees
Not later than one year	871,320	-
Later than one year and not later than three years	2,628,600	-
	Six months period ended	
	31 December 2014 Rupees	31 December 2013 Rupees
10 Operating revenue		
Money market services	6,085,493	4,278,340
Dividend income	16,613,416	48,615
Investment property rentals	1,080,420	2,244,731
(Loss) / gain on disposal of investments	(1,555)	4,149,816
Unrealized loss on re-measurement of 'investments at fair value through profit or loss'	<u>(6,695,443)</u>	<u>(25,890,060)</u>
	<u>17,082,331</u>	<u>(15,168,558)</u>
11 Transactions and balances 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:

	Six months period ended	
	31 December 2014 Rupees	31 December 2013 Rupees
11.1 Transaction during the period		
<u>Subsidiary companies</u>		
First Capital Equities Limited		
Brokerage commission	-	359,349
World Press (Private) Limited		
Purchase of goods / services	-	577,182
Lanka Securities (Private) Limited		
Dividend income	16,552,696	-

	Six months period ended	
	31 December 2014 Rupees	31 December 2013 Rupees

Associated companies

Pace Pakistan Limited		
Service charges	325,707	818,435
First Capital Mutual Fund Limited		
Dividend income received	-	15,495

	(Un-Audited) 31 December 2014 Rupees	(Audited) 30 June 2014 Rupees
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11.2 Amount Outstanding at period end

Subsidiary companies

World Press (Private) Limited		
Payable against services	576,462	576,462

Associated companies

Pace (Pakistan) Limited		
Payable against purchase of investment property	6,681,123	6,681,123

Media Times Limited		
Payable against services	26,000	26,000

Pace Barka Properties Limited		
Other receivable	45,993,950	50,000,000

12 Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual separate financial statements of the Company as at and for the year ended 30 June 2014.

13 Capital management

The Company's capital management objectives and policies are consistent with those disclosed in the audited annual separate financial statements of the Company as at and for the year ended 30 June 2014.

14 Date of authorization for issue

These un-audited unconsolidated condensed interim financial statements for the half year ended 31 December 2014 were authorized for issue on 28 February 2015 by the Board of Directors of the Company.

15 General

Figures have been rounded off to the nearest rupee.

FIRST CAPITAL SECURITIES CORPORATION LIMITED-GROUP

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL INFORMATION
FOR THE SIX MONTHS PERIOD ENDED
31 DECEMBER 2014
(Un-Audited)**

**FIRST CAPITAL SECURITIES CORPORATION LIMITED-GROUP
CONDENSED INTERIM CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2014**

Note	Un-Audited 31 December 2014 Rupees	Audited 30 June 2014 Rupees
Non current assets		
	387,051,841	407,376,222
Property, plant and equipment	19,043,680	19,043,680
Intangible assets	149,635,000	149,635,000
Investment property	611,397,822	628,640,878
Investment in equity - accounted investees	24,156,320	24,156,320
Long term investments	12,155,675	11,632,925
Long term deposits and advances	3,439,490	5,205,020
Deferred tax assets	1,206,879,828	1,245,690,045
Current assets		
	3,235,920	3,194,677
Stock in trade	2,511,710,221	2,784,052,569
Trade debts	74,162,319	73,892,053
Loans, advances and other receivables	2,116,377	653,413
Prepayments	711,953	1,176,174
Interest accrued	24,611,618	17,844,907
Deposits and other receivables	71,359,745	73,977,576
Short term investments	73,176,723	60,973,647
Tax refund due from Government	234,328,218	204,191,221
Cash and bank balances	2,995,413,094	3,219,956,237
	1,601,903,100	1,601,903,100
Investment property	Assets held for sale	
	383,681,787	580,666,718
Trade and other payables	519,769,037	482,198,227
Mark-up accrued	543,971,647	547,788,263
Short term borrowings	381,469,498	278,608,376
Current portion of long term loan	7,390,694	7,495,525
Current portion of liabilities against assets subject to finance lease	1,836,282,663	1,896,757,109
	2,761,033,531	2,925,102,228
Working capital employed	3,967,913,359	4,170,792,273
	Non-current liabilities	
	79,025,982	72,999,149
Deferred liabilities	2,247,349,935	2,301,873,698
Long term loans	4,302,001	8,076,581
Liabilities against assets subject to finance lease	2,330,677,918	2,382,949,428
	Contingencies and commitments	
	1,637,235,441	1,787,842,845
Net capital employed	Represented by:	
	Share capital and reserves	
	3,166,101,120	3,166,101,120
Issued, subscribed and paid-up capital	37,690,457	28,903,533
Exchange translation reserve	478,240,308	478,240,308
Reserves capitalised	(2,285,825,745)	(2,153,362,006)
Retained earnings	1,396,206,140	1,519,882,955
Equity attributable to owners of the Company	241,029,302	267,959,890
Non-controlling interest	1,637,235,442	1,787,842,845

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

LAHORE

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED-GROUP
CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS
ACCOUNT (UN-AUDITED)**

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2014

	Six months ended		Three months ended	
	31 December 2014 Rupees	31 December 2013 Rupees	31 December 2014 Rupees	31 December 2013 Rupees
Operating revenue	135,391,598	123,631,814	67,643,617	55,009,389
Direct costs	(23,177,272)	(20,757,502)	(8,420,677)	(9,856,734)
Gross profit	112,214,326	102,874,312	59,222,940	45,152,655
Loss on disposal of long term investments (Subsidiary)	-	(13,223,237)	-	-
Unrealized loss on re-measurement of 'investments at fair value through profit or loss'	(3,084,937)	(23,653,538)	(1,719,269)	10,150,706
Operating and administrative expenses	(155,682,760)	(144,087,436)	(93,238,674)	(67,896,766)
Other income	63,603,309	100,330,078	56,559,395	94,205,444
	17,049,938	22,240,179	20,824,392	81,612,039
Finance cost	(146,660,785)	(173,652,175)	(74,009,467)	(87,515,570)
	(129,610,847)	(151,411,996)	(53,185,075)	(5,903,531)
Share of (loss)/gain of equity accounted investees (net of tax)	(17,696,146)	(114,564,792)	(5,130,886)	(3,658,993)
Loss before taxation	(147,306,993)	(265,976,788)	(58,315,961)	(9,562,524)
Taxation	(5,287,217)	8,985,495	(4,124,987)	9,373,316
Loss after taxation from continued operations for the period	(152,594,210)	(256,991,293)	(62,440,948)	(189,208)
Basic and diluted loss per share	(0.42)	(0.66)	(0.17)	(0.01)
Basic and diluted loss per share - from continuing operations	(0.06)	(0.15)	(0.03)	0.01
Loss attributable to:				
- Owners of the Company	(132,916,829)	(210,326,399)	(53,474,288)	(4,247,871)
- Non-controlling interest	(19,677,381)	(46,664,894)	(8,966,660)	4,058,663
Loss for the period	(152,594,210)	(256,991,293)	(62,440,948)	(189,208)

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

LAHORE:

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED-GROUP
CONDENSED INTERIM CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2014**

	Six months ended		Three months ended	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
	Rupees	Rupees	Rupees	Rupees
Loss after taxation	(152,594,210)	(256,991,293)	(62,440,948)	(189,208)
Other comprehensive income for the period				
<u>Items that are or may be reclassified to profit or loss:</u>				
Equity-accounted investees- share of other comprehensive income	453,090	-	226,545	-
Foreign currency translation difference recognized as :				
- Currency translation reserve	8,786,924	8,166,868	3,690,438	278,713
- Non controlling interest	8,606,368	7,846,599	3,709,744	267,782
Other comprehensive gain for the period	17,393,292	16,013,467	7,400,182	546,495
Total comprehensive (loss)/income for the period	(134,747,828)	(240,977,826)	(54,814,221)	357,287
Total Comprehensive (loss)/income attributable to:				
- Owners of the Company	(123,676,815)	(202,159,531)	(49,557,305)	(3,969,158)
- Non-controlling interest	(11,071,013)	(38,818,295)	(5,256,916)	4,326,445
	(134,747,828)	(240,977,826)	(54,814,221)	357,287

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

LAHORE CHAIRMAN AND CHIEF EXECUTIVE OFFICER DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED-GROUP
CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2014
(UN-AUDITED)**

	31 December 2014	31 December 2013
	Rupees	Rupees
Cash flows from operating activities		
Loss before taxation	(147,306,993)	(265,976,788)
Adjustments for:		
Depreciation	20,757,079	12,014,586
Finance cost	146,121,918	155,787,603
Gain on remeasurement of short term investments	3,084,937	23,653,538
Dividend income	(736,633)	(1,399,550)
Gain on disposal of property, plant and equipment	-	(937,000)
Currency translation difference	-	8,166,868
Retirement benefits	7,286,833	3,568,067
Loss on sale of investment	-	13,223,237
Share of loss of equity-accounted investee	17,696,146	114,564,792
Mark up income	(2,045,093)	(1,618,188)
	192,165,187	327,023,953
	44,858,194	61,047,165
Profit before working capital changes		
Effect on cash flow due to working capital changes:		
(Increase)/decrease in:		
Inventories	(41,243)	3,405,284
Trade debts	272,342,348	356,124,251
Loans and advances	(270,266)	14,838,613
Short term prepayments	(1,462,964)	193,656
Deposits and other receivables	(6,766,711)	(33,205,913)
Mark-up received	417,740	-
Increase/(decrease) in:		
Trade and other payables	(201,231,559)	(274,868,088)
Short term borrowings - net	(3,816,616)	(77,683,329)
	59,170,729	(59,307,046)
Cash generated from operations	104,028,923	1,740,119
Long term deposits and advances	(522,750)	12,084,330
Retirement benefits paid	(1,260,000)	(710,544)
Finance costs paid	(1,714,148)	(5,525,077)
Taxes paid	(5,150,329)	161,686,074
Net cash generated from operating activities	95,381,696	169,274,902
Cash flows from investing activities		
Fixed capital expenditure	(432,698)	(1,938,693)
Short term investments - net	(467,106)	18,404,144
Proceeds of property and equipment	-	937,000
Disposal of subsidiary	-	82,673,918
Dividend received	736,633	11,864,300
Investments - net	(453,090)	-
Mark up received	2,091,574	1,955,267
Net cash generated from investing activities	1,475,313	113,895,936
Cash flows from financing activities		
Repayment of liabilities against assets subject to finance lease - net	(8,220,411)	(15,145,612)
Long term finance	(58,499,601)	(196,275,293)
Net cash used in financing activities	(66,720,012)	(211,420,905)
Net increase in cash and cash equivalents	30,136,997	71,749,933
Cash and cash equivalents at the beginning of the period	204,191,221	284,333,261
Cash and cash equivalents at the end of the period	234,328,218	356,083,194

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

LAHORE CHAIRMAN AND CHIEF EXECUTIVE OFFICER DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED-GROUP
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2014**

	Attributable to owners of the Company				Non-controlling interests	Total equity
	Share capital	Translation reserve	Reserve capitalised	Retained earnings		
Balance as at 01 July 2013	3,166,101,120	28,672,594	572,590,308	(1,587,407,682)	2,179,956,360	3,046,201,034
Change in accounting policy for recognition of actuarial loss	-	-	-	(6,936,629)	(6,936,629)	(11,627,008)
Balance at 1 July 2013 - as (Restated)	3,166,101,120	28,672,594	572,590,308	(1,594,344,291)	2,173,019,731	3,034,574,026
Comprehensive income/(loss) for the period	-	-	-	(210,326,399)	(210,326,399)	(256,991,293)
Loss for the period	-	8,166,868	-	(210,326,399)	8,166,868	16,013,467
Total other comprehensive income	-	8,166,868	-	(210,326,399)	7,840,469	16,013,467
Total comprehensive income / (loss) for the period	-	8,166,868	-	(210,326,399)	7,840,469	16,013,467
Changes in ownership interests	-	-	-	(210,326,399)	(202,159,531)	(240,977,826)
in subsidiary	-	-	-	(210,326,399)	(202,159,531)	(240,977,826)
Disposal of subsidiary	-	-	-	(82,357,772)	(82,357,772)	(959,005,562)
Balance at 31 December 2013	3,166,101,120	36,839,462	572,590,308	(1,887,028,462)	1,898,502,428	2,434,590,638
Comprehensive loss for the period	-	-	-	(346,915,995)	(346,915,995)	(498,160,253)
Loss for the period	-	-	-	(18,064,901)	(26,000,730)	(32,972,774)
Total other comprehensive loss	-	(7,935,929)	-	(18,064,901)	(26,000,730)	(32,972,774)
Other comprehensive loss	-	(7,935,929)	-	(18,064,901)	(26,000,730)	(32,972,774)
Total comprehensive loss for the period	-	(7,935,929)	-	(18,064,901)	(26,000,730)	(32,972,774)
Changes in ownership interests	-	-	-	(364,980,796)	(372,916,725)	(551,133,027)
in subsidiaries	-	-	-	(364,980,796)	(372,916,725)	(551,133,027)
Change in NCI on exercise of right shares - FCL	-	-	-	(877,343)	877,343	-
Change in NCI on exercise of right shares - FCEL	-	-	-	(89,021,679)	(89,021,679)	-
Acquisition of non-controlling interests	-	-	-	10,083,807	10,083,807	(19,860,500)
Disposal of subsidiary (TCL)	-	-	(94,350,000)	176,707,775	82,357,775	164,641,865
Disposal of subsidiary (MTL)	-	-	(94,350,000)	98,647,252	4,297,252	(687,266,131)
Balance at 30 June 2014	3,166,101,120	28,903,533	478,240,308	(2,153,362,005)	1,519,882,855	1,797,842,845
Balance at 01 July 2014	3,166,101,120	28,903,533	478,240,308	(2,153,362,006)	1,519,882,855	1,797,842,845
Total comprehensive income / (loss) for the period	-	-	-	(63,151,962,006)	63,151,962,006	-
Loss for the period	-	-	-	(132,916,829)	(132,916,829)	(152,594,210)
Other comprehensive loss for the period	-	8,786,924	-	453,090	9,240,014	17,846,382
Total comprehensive income / (loss) for the period	-	8,786,924	-	453,090	9,240,014	17,846,382
Transaction with owners in equity recognised directly in equity	-	-	-	(132,463,739)	(123,676,615)	(134,747,826)
Dividends paid during the period	-	-	-	-	-	-
Balance at 31 December 2014	3,166,101,120	37,690,457	478,240,308	(2,285,825,745)	1,396,206,140	1,637,235,442

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

LAHORE
CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED-GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2014**

1. 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 Karachi, Lahore and Islamabad stock exchanges. The registered office of the Parent Company is situated at 2nd Floor, Pace Shopping Mall, 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

These consolidated condensed interim financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions of and directives of the Companies Ordinance, 1984 shall prevail.

The consolidated condensed interim financial statements has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - Interim Financial Reporting and is being submitted to the shareholders as required by section 245 of the Companies Ordinance 1984. This condensed interim financial statements does not include the information reported for full annual financial statements and should therefore be read in conjunction with the financial statements for the year ended 30 June 2014.

2.2 Functional and presentation currency

These 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 rupees.

3. Accounting policies

The accounting policies and methods of computation adopted in the preparation of this consolidated condensed interim consolidated financial information are the same as those applied in the preparation of audited annual separate financial statements of the Company for the preceding year ended 30 June 2014.

4. Estimates

The preparation of consolidated condensed interim financial information requires management to make judgments, estimates and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the accounting policies and the key sources of estimating uncertainty were the same as those that were applied to in the financial statements for the year ended 30 June 2014.

5. Subsidiary companies

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

	Percentage of Holding	
	31 December 2014	30 June 2014
First Capital Investments Limited (FCIL)	77.76	77.76
Lanka Securities (Pvt.) Limited, Sri Lanka (LSL)	51	51
World Press (Pvt.) Limited (WPL)	65	65
First Capital Equities Limited (FCEL)	73.23	73.23
Ever Green Water Valley (Pvt.) Limited	100	100
Falcon Commodities (Pvt.) Limited (FCL)	100	100
Ozer Investments Limited	100	100
First Construction Limited	100	-

5.1 During the period the Company acquired entire shareholding i.e. 100% of First Construct Limited for consideration of Rs. 200,000/- .

6. Investment in equity - accounted investees

	31 December 2014 Rupees	30 June 2014 Rupees
Opening balance	628,640,878	522,985,114
Add: Acquisition of additional shares	-	25,186,560
Add effect of conversion of subsidiary into associate	-	393,894,486
	628,640,878	942,066,160
Less shares disposed off during the period	-	(163,413,213)
Share of loss of equity accounted investees (net of tax)	(17,696,146)	(120,503,624)
Less Dividends	-	(10,464,750)
Equity accounted investees- share of other comprehensive loss	453,090	(19,043,695)
Closing balance	611,397,822	628,640,878

7 Short term investments

Investments measured at fair value through profit and loss account

Market treasury bills - held to maturity	8,756,372	8,553,233
Investments at fair value through profit or loss	7.1 62,603,373	65,424,343
	71,359,745	73,977,576
7.1 Investments at fair value through		
Carrying value of investments	65,688,310	56,421,006
Un-realised loss on remeasurement of investments	(3,084,937)	9,003,337
	62,603,373	65,424,343

31 December
2014
Rupees

30 June
2014
Rupees

8 Long term loans

Term finance facility	2,628,819,433	2,137,682,458
Accrued mark-up classified as long term	-	442,799,616
	2,628,819,433	2,580,482,074
Less: Current portion	381,469,498	278,608,376
	2,247,349,935	2,301,873,698

This includes agreements with different commercial banks with a mark up rate ranging from 8% to 20% and 3 months kibar plus 3% to 4% p.a (June 2014 : 8% to 20% and 3 months kibar plus 3% to 4%). These facilities are secured against the pledge of shares, charge over trade receivable and equitable mortgage of certain properties.

9 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, 2014 except for the following commitments:

Commitments

Sale of Shares	242,524,780	707,140,121
Purchase of shares	257,220,934	854,816,664

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:

31 December
2014
Rupees

31 December
2013
Rupees

11.1 Transaction during the period

Associated companies

First Capital Mutual Fund Limited

Income from financial consultancy services	4,538,474	4,137,711
--------------------------------------------	-----------	-----------

Pace Pakistan Limited

Service charges	811,587	5,254,315
Building rent	-	-
Office property acquired	-	5,568,000

	31 December 2014 Rupees	30 June 2014 Rupees
10.2 Amount Outstanding at period end		
<u>Associated companies</u>		
First Capital Mutual Fund Limited		
Income from financial consultancy services	2,923,606	3,965,670
Pace Pakistan Limited		
Payable against purchase of investment property	6,681,123	6,681,123
Pace Barka Properties Limited		
Other receivables	45,993,950	50,000,000
Media Times Limited		
Sale of goods and services	26,000	26,000

11 Financial risk management

The Group financial risk management objectives and policies are consistent with those disclosed in the audited annual consolidated financial statements of the Group as at and for the year ended 30 June 2014.

12 Capital management

The Group capital management objectives and policies are consistent with those disclosed in the audited annual consolidated financial statements of the Group as at and for the year ended 30 June 2014.

13 Date of authorization for issue

This un-audited consolidated condensed interim financial information for the half year ended 31 December 2014 were authorized for issue on 28 February 2015 by the Board of Directors of the Parent Company.

14 General

Figures have been rounded off to the nearest rupee.