

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**

**UNCONSOLIDATED CONDENSED INTERIM  
FINANCIAL INFORMATION**

**FOR THE QUARTER ENDED  
30 SEPTEMBER 2012  
(Un-Audited)**

**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.

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# FIRST CAPITAL SECURITIES CORPORATION LIMITED

## COMPANY'S INFORMATION

<b>Board of Directors</b>	Aamna Taseer (Chairman & Chief Executive Officer) Shehryar Ali Taseer Maheen Ghani Taseer Shehrbano Taseer Samira Ahmed Zia Sulaiman Ahmed Saeed Al-Hoqani Jamal Said Al-Ojaili Etrat Hussain Rizvi (Alternate Director to Sheikh Sulaiman Ahmed Saeed Al-Hoqani)	Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive
<b>Chief Financial Officer</b>	Saeed Iqbal	
<b>Audit Committee</b>	Shehryar Ali Taseer (Chairman) Maheen Ghani Taseer Shehrbano Taseer	
<b>Company Secretary</b>	Sajjad Ahmad	
<b>Auditors</b>	KPMG Taseer Hadi & Co. Chartered Accountants	
<b>Legal Advisers</b>	Mazhar Law Associates Advocates & Solicitors	
<b>Bankers</b>	Allied Bank Limited Bank Al-Falah Limited Faysal Bank Limited KASB Bank Limited MCB Bank Limited Standard Chartered Bank (Pakistan) Limited Soneri Bank Limited	
<b>Registrar and Shares Transfer Office</b>	THK Associates (Pvt.) Limited Ground Floor, State Life Building No. 3 Dr. Ziauddin Ahmed Road, Karachi. ☎ (021) 111 000 322	
<b>Registered Office</b>	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

I, on behalf of the Board of Directors of First Capital Securities Corporation Limited (the "Company" or "FCSC") feel immense pleasure to present the un-audited condensed interim financial information of the Company for the first quarter ended 30 September, 2012.

#### Operational Results

The operating results of the Company are summarized as follows:

Financial Overview	30 September 2012 Rupees	30 September 2011 Rupees
Revenue	6,104,390	3,718,540
Unrealized gain/(loss) on short term investments	40,428,166	(14,824,883)
Operating Expenses	6,892,366	11,083,915
Operating profit/(loss)	39,640,190	(22,190,258)
Finance and other costs	119,959	2,181,013
Profit/(loss) after Taxation	43,983,109	(186,711)
Earning/(loss) per Share (basic and diluted)	0.14	(0.001)

The Company has shown better financial performance for the period under review and reported after tax profit of Rs. 43.98 million as compared to loss of Rs. 0.19 million in the corresponding period. The Company's operating expenses are reduced by 38% which are reported at Rs.6.89 million in comparison with Rs. 11.08 million in the same period last year. Financial costs have also been reduced to almost the ground level due to the restructuring of running finance facility availed from Bank Alfalah @ 3KIBOR plus 3% previously and rescheduled at a flat rate of 10 % per annum w.e.f. 1<sup>st</sup> of October 2011. This arrangement helped the company to reduce the costs to Rs.0.12 million against Rs.2.18 million last year for the same period. EPS of the Company stood at Rs.0.14 in comparison with loss per share of Rs. 0.001 in the corresponding period.

Profit for the period includes a significant amount of Rs.40.43 million being unrealized gains on re-measurement of short term investments.

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

**First Capital Equities Limited ("FCEL")** reported after tax loss of Rs. 99.66 million as compared to the loss of Rs.142.71 million in the comparative period. Loss per share stood at Rs. 0.92 as compared to Rs. 1.32 in the corresponding period.

**Lanka Securities (Pvt.) Limited ("LSL")** generated a gross revenue of Rs. 15.60 million and net loss of Rs. 0.78 million during the period while EPS stood at Rs. (0.04).

**Media Times Limited ("MDTL")** generated net revenue of Rs.69.61 million while reported loss after tax of Rs.56.89 million in comparison with income of Rs. 66.68 million and after tax loss of Rs.60.34 million last year during the same period. Loss per share is reported to be Rs.0.32 in comparison with Rs. 0.45 last year.

**First Capital Investments Limited ("FCIL")** has reported an after tax profit of Rs.1.60 million as compared to profit of Rs.0.32 million in the corresponding period.

**Trident Construct (Pvt.) Limited ("TCL")** reported after tax profit of Rs.0.72 million as compared to after tax profit of Rs. 10.92 million for the corresponding period.

**World Press (Pvt.) Limited ("WPL")** reported after tax loss of Rs.3.81 million as compared to a loss of Rs.2.77 million for the same period last year.

**Falcon Commodities (Pvt.) Limited ("FCL")** posted an after tax profit of Rs.0.65 million during the period under review against the comparative profit of Rs.0.11 million.

#### Future Outlook

Economy of the country is seen to be successful to keep growing reasonably during the period under review. In its opening quarter of FY13, Pakistan stock market witnessed a bullish trend with equity values registering 12% gain in just three months. Pakistan's key index closed at 15,445 points on end-Sep 2012 as against the opening level of 13,801. Total market capitalization also increased by 11% to PRs3.89tn from that of PRs3.52tn on June 30, 2012. Weekly turnover went up by 90.40 percent at the end of last week of the quarter and traded 113.94 million shares.

Discount of 150 basis points in policy rates announced by State Bank of Pakistan in August and further discount of 50 basis points has also positively affected the money and forex markets and gave a healthier push to the financial market as well. The effectiveness of the SBP's current monetary policy stance continues to weigh upon improvement in the fiscal position, better availability of energy, and an increase in foreign financial inflows. Govt. policies ahead of up coming elections, healthy results announcements and discounted rate of mark up by the SBP has patronized the investors and further growth in market is expected in Fy13.

#### Delay in Election of Directors

The term of directors was expired on 26<sup>th</sup> September 2012, the directors have fixed the number of directors as seven for the next term of three years in accordance with section 178 of the Companies Ordinance, 1984. However, the board did not decide the date of election of directors due to certain impediments in holding the election of Directors. It was agreed in a meeting of Board of Directors held on 06 October 2012 that the Board will decide a date for election as soon as the impediments are cleared. An Impediment Report has been filed with CRO, Lahore under section 177 of the Companies Ordinance 1984.

#### Acknowledgement

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  
24 October 2012

Aamna Taseer  
Chairman and Chief Executive Officer

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2012**

	Un-audited 30 September 2012	Audited 30 June 2012
Note	Rupees	Rupees
<b>NON CURRENT ASSETS</b>		
Fixed assets	140,049,597	140,251,533
Investment property	144,269,000	144,269,000
Long term investments	5 7,449,056,273	7,449,056,273
Long term loans and advances	26,118,613	22,283,613
Long term deposits	266,850	266,850
	<u>7,759,760,333</u>	<u>7,756,127,269</u>
<b>Current assets</b>		
Trade debts	2,501,760	1,298,501
Loans and advances	3,394,120	3,368,920
Current maturity of long term loans and advances	86,685,922	86,685,922
Prepayments	85,190	115,729
Interest accrued	3,304,783	3,916,146
Other receivables	2,523,710	-
Investments at fair value through profit or loss	6 128,650,140	88,221,974
Tax refund due from Government	29,384,189	29,280,600
Cash and bank balances	9,326,979	18,880,959
	<u>265,856,793</u>	<u>231,768,751</u>
<b>Current liabilities</b>		
Trade and other payables	29,142,429	34,551,661
Mark-up accrued	5,199,804	5,966,552
Short term borrowings	50,855,970	51,855,970
Current portion of liabilities against assets subject to finance lease	1,325,083	1,325,083
	<u>86,523,286</u>	<u>93,699,266</u>
<b>Working capital employed</b>		
	<u>179,333,507</u>	<u>138,069,485</u>
	<u>7,939,093,840</u>	<u>7,894,196,754</u>
<b>Non-current liabilities</b>		
Deferred liabilities	10,834,884	9,920,907
<b>Contingencies and commitments</b>		
	7 -	-
<b>Net capital employed</b>	<u>7,928,258,956</u>	<u>7,884,275,847</u>
<b>Represented by:</b>		
<b>Share capital and reserves</b>		
Issued, subscribed and paid-up capital	3,166,101,120	3,166,101,120
Reserves	305,478,367	305,478,367
Retained earnings	4,456,679,469	4,412,696,360
	<u>7,928,258,956</u>	<u>7,884,275,847</u>

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

LAHORE  
24 October 2012

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM PROFIT AND**  
**LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2012**

	Note	July-September 2012	July-September 2011
		Rupees	Rupees
Operating revenue	8	6,104,390	3,718,540
Unrealized gain/(loss) on remeasurement of short term investments		40,428,166	(14,824,883)
		<u>46,532,556</u>	<u>(11,106,343)</u>
Operating and administrative expenses		(6,892,366)	(11,083,915)
Other income		4,632,369	24,252,665
Finance cost		(119,959)	(2,181,013)
<b>Profit/(loss) before taxation</b>		<u>44,152,600</u>	<u>(118,606)</u>
Taxation		(169,491)	(68,105)
<b>Profit/(loss) after taxation</b>		<u>43,983,109</u>	<u>(186,711)</u>
<b>Earnings/(loss) per share - basic and diluted</b>	9	<u>0.14</u>	<u>(0.001)</u>

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

LAHORE  
24 October 2012

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF  
COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2012**

	July-September 2012 Rupees	July-September 2011 Rupees
<b>Profit/(loss) after taxation</b>	<b>43,983,109</b>	(186,711)
<b>Other comprehensive loss for the period</b>		
Net change in fair value of 'available-for-sale' financial assets	-	(234,663,321)
Other comprehensive loss for the period	-	(234,663,321)
<b>Total comprehensive income/(loss) for the year</b>	<b>43,983,109</b>	(234,850,032)

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

LAHORE  
24 October 2012

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED  
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW  
STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2012**

	Note	30 September 2012 Rupees	30 September 2011 Rupees
<b>Cash flow from operating activities</b>			
Gain/(loss) before taxation		44,152,600	(118,606)
Adjustments for:			
Finance cost		119,959	2,181,013
Dividend income		(1,824,127)	-
Unrealized (gain)/loss on re-measurement of investments at 'fair value through profit or loss'		(40,428,166)	14,824,883
Depreciation		201,936	312,092
Gain on disposal of fixed assets		(400,000)	(8,000)
Loss on disposal of long term investment		-	62,250
Mark-up income		(4,232,369)	(24,244,665)
Provision for staff retirement benefits		913,977	961,923
		(45,648,790)	(5,910,504)
<b>Loss before working capital changes</b>		(1,496,190)	(6,029,110)
<b>Changes in working capital</b>			
Trade debts		(1,203,259)	(1,736,087)
Loans and advances		(25,200)	156,222
Prepayments		30,539	69,776
Other receivables		(699,583)	(47,455,300)
Trade and other payables		(5,409,232)	3,079,728
		(7,306,735)	(45,885,661)
<b>Cash used in operations</b>		(8,802,925)	(51,914,771)
Finance cost paid		(119,959)	(1,650,895)
Taxes paid		(273,080)	(308,058)
		(393,039)	(1,958,953)
<b>Net cash used in operating activities</b>		(9,195,964)	(53,873,724)
<b>Cash flows from investing activities</b>			
Proceeds from disposal of fixed assets		400,000	8,000
Long term loans and advances		(3,835,000)	(8,332,000)
Long term investments - net		-	(32,887)
Short term investments - net		-	1,029,452
Mark-up received		4,076,984	24,601,714
<b>Net cash generated from investing activities</b>		641,984	17,274,279
<b>Cash flows from financing activities</b>			
Repayment of liabilities against assets subject to finance lease		-	(84,266)
Short term borrowings		(1,000,000)	-
<b>Net cash used in financing activities</b>		(1,000,000)	(84,266)
<b>Net (decrease) / increase in cash and cash equivalents</b>		(9,553,980)	(36,683,711)
<b>Cash and cash equivalents at the beginning of the year</b>		18,880,959	70,867,446
<b>Cash and cash equivalents at the end of the year</b>	14	9,326,979	34,183,735

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

LAHORE  
24 October 2012

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF**  
**CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2012**

	Share capital	Capital reserve	Revenue reserve	Total
		Fair value reserve	Retained earnings	
(----- Rupees -----)				
<b>Balance at 30 June 2011</b>	3,166,101,120	4,250,934,506	4,936,231,018	12,353,266,644
<b>Total comprehensive loss for the period</b>				
Loss for the period	-	-	(186,711)	(186,711)
Total other comprehensive loss	-	(234,663,321)	-	(234,663,321)
Total comprehensive loss for the period	-	(234,663,321)	(186,711)	(234,850,032)
<b>Balance at 30 September 2011</b>	3,166,101,120	4,016,271,185	4,936,044,307	12,118,416,612
Loss for the period	-	-	(523,347,947)	(523,347,947)
Total other comprehensive loss	-	(3,710,792,818)	-	(3,710,792,818)
Total comprehensive loss for the period	-	(3,710,792,818)	(523,347,947)	(4,234,140,765)
<b>Balance at 30 June 2012</b>	3,166,101,120	305,478,367	4,412,696,360	7,884,275,847
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	43,983,109	43,983,109
Total comprehensive income for the period	-	-	43,983,109	43,983,109
<b>Balance at 30 September 2012</b>	<b>3,166,101,120</b>	<b>305,478,367</b>	<b>4,456,679,469</b>	<b>7,928,258,956</b>

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

LAHORE:  
24 October 2012

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED**  
**FINANCIAL INFORMATION (UN-AUDITED)**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2012**

**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 & 3rd 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**

This unconsolidated condensed interim financial information has been prepared in accordance with 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. Wherever the requirements of the Companies Ordinance, 1984, differ with the requirements of IFRS, the requirements of the Companies Ordinance, 1984 shall prevail.

The disclosures made in this unconsolidated condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34; (Interim Financial Reporting) thus these do 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 2011. The unconsolidated condensed interim financial information is un-audited and is being submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984 and Listing Regulations of Stock Exchanges of Pakistan.

The comparative balance sheet presented in this unconsolidated condensed interim financial information has been extracted from the audited annual separate financial statements of the Company for the year ended 30 June 2012, whereas the comparative 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 are extracted from the unaudited unconsolidated condensed interim financial information for the first quarter ended 30 September 2011.

**2.2 Functional and presentation currency**

These unconsolidated condensed interim financial information are presented in Pak Rupees which is the functional and presentation currency of the Company. Figures have been rounded off to the nearest rupee.

**3 Accounting policies**

The accounting policies and methods of computation adopted in the preparation of this unconsolidated condensed interim 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 2012.

Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Company's operations and did not have any impact on the accounting policies of the Company.

#### 4 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 the financial statements for the year ended 30 June 2012.

#### 5 LONG TERM INVESTMENTS - available-for-sale

##### Subsidiary companies

- at cost	5.1	<b>161,219,395</b>	161,219,395
- available-for-sale	5.2	<b>6,740,523,768</b>	6,740,523,768

##### Associated companies

- at cost	5.3	<b>547,313,110</b>	547,313,110
		<b>7,449,056,273</b>	7,449,056,273

##### 5.1 Subsidiary companies - at cost

30 September 2012 (Number of shares)	30 June 2012	Unquoted	Un-Audited 30 September 2012 Rupees	Audited 30 June 2012 Rupees
7,855,000 76.56% equity	7,855,000 76.56% equity	First Capital Investments Limited	76,840,107	76,840,107
1,949,041 65% equity	1,949,041 65% equity	World Press (Private) Limited	19,490,410	19,490,410
10,455,000 51.00% equity	10,455,000 51.00% equity	Trident Construct (Private) Limited	10,200,000	10,200,000
3,150,000 100% equity	3,150,000 100% equity	Falcon Commodities (Private) Limited	8,451,602	8,451,602
8,912,250 51.00% equity	8,912,250 51.00% equity	Lanka Securities (Private) Limited Foreign entity	46,229,683	46,229,683
1,000 100% equity	1,000 100% equity	Ozer Investments Limited	7,593	7,593
			<b>161,219,395</b>	<b>161,219,395</b>

##### 5.2 Subsidiary company - available-for-sale

30 September 2012 (Number of shares)	30 June 2012	Quoted	Un-Audited 30 September 2012 Rupees	Audited 30 June 2012 Rupees
72,690,200 67.29% equity	72,690,200 67.29% equity	First Capital Equities Limited	6,433,082,700	6,433,082,700
76,860,267 42.97% equity	76,860,267 42.97% equity	Media Times Limited	307,441,068	307,441,068
			<b>6,740,523,768</b>	<b>6,740,523,768</b>

##### 5.3 Associated companies - at cost

30 September 2012 (Number of shares)	30 June 2012	Unquoted	Un-Audited 30 September 2012 Rupees	Audited 30 June 2012 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
			<b>547,313,110</b>	<b>547,313,110</b>

	<b>Un-Audited 30 September 2012 Rupees</b>	Audited 30 June 2012 Rupees
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#### 6 Investment at fair value through profit and loss

##### Held for trading

Related parties	<b>71,367,017</b>	69,619,701
Others	<b>16,854,957</b>	23,128,610
	<b>88,221,974</b>	92,748,311

Unrealized gain /(loss) on remeasurement to fair value	<b>40,428,166</b>	(4,526,337)
	<b>128,650,140</b>	88,221,974

#### 7 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 2012.

	<b>30 September 2012 Rupees</b>	30 September 2011 Rupees
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#### 8 Operating revenue

Money market services	<b>3,689,984</b>	2,738,163
Dividend income	<b>1,824,127</b>	-
Investment property rentals	<b>590,279</b>	1,401,704
(Loss) / gain on sale of investments	-	(421,327)
	<b>6,104,390</b>	3,718,540

#### 9 Earning / (loss) per share - basic

Net profit / (loss) for the period	<b>Rupees 43,983,109</b>	(186,711)
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##### Weighted average number of ordinary shares

Weighted average number of ordinary shares as at 30 September	<b>Numbers 316,610,112</b>	316,610,112
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Earning / (loss) per share - basic	<b>Rupees 0.14</b>	(0.001)
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##### Earnings per share - diluted

There is no dilution effect on the basic EPS as the Company has no such commitments.

#### 10 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:



	<u>First quarter ended</u>	
	<u>30 September 2012</u> Rupees	<u>30 September 2011</u> Rupees
<b>10.1 Transaction during the period</b>		
<b><u>Subsidiary companies</u></b>		
<b>First Capital Equities Limited</b>		
Loan given	3,835,000	9,177,644
Mark up income	3,177,143	3,911,133
Brokerage commission	-	11,699
<b>World Press (Private) Limited</b>		
Purchase of goods/services	525,000	450,000
<b>Media Times Limited</b>		
Long term loan given	-	1,664,000
Long term loan matured	-	1,632,000
Mark up Income	127,639	20,037,846
<b><u>Associated companies</u></b>		
<b>Pace Pakistan Limited</b>		
Service charges	369,496	20,037,846
	<b>Un-Audited 30 September 2012</b> Rupees	<b>Audited 30 June 2012</b> Rupees

**10.2 Amount Outstanding as at period end**

**Subsidiary companies**

**First Capital Equities Limited**

Long term loan receivable 108,584,613 91,643,635

**Media Times Limited**

Loan receivable 4,219,922 4,219,922  
Payable against services 98,800 98,800

**Associated companies**

**Pace Pakistan Limited**

Payable against purchase of property 6,681,123 6,681,123

**11 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 2012.

**12 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 2012.

**13 Date of authorization for issue**

This un-audited condensed interim unconsolidated financial information for the quarter ended 30 September 2012 was authorized for issue on 24 October 2012 by the Board of Directors of the Company.

**14 GENERAL**

Figures have been rounded off to the nearest rupee.

LAHORE  
24 October 2012

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**

**CONDENSED INTERIM CONSOLIDATED  
FINANCIAL INFORMATION**

**FOR THE QUARTER ENDED  
30 SEPTEMBER 2012**

**(Un-Audited)**

**FIRST CAPITAL SECURITIES CORPORATION LIMITED - GROUP  
CONDENSED INTERIM CONSOLIDATED BALANCE SHEET  
AS AT 30 SEPTEMBER 2012**

	Note	Un-Audited 30 September 2012 Rupees	Audited 30 June 2012 Rupees
<b>NON CURRENT ASSETS</b>			
Fixed assets		1,565,387,812	1,610,059,519
Investment property		143,592,640	143,592,640
Investment in equity-accounted investees	6	592,029,080	588,043,276
Long term deposits and advances		18,592,455	18,380,955
Deferred tax assets		189,181,408	188,311,908
		<b>2,508,783,395</b>	<b>2,548,388,298</b>
<b>Current assets</b>			
Stock in trade		13,739,265	15,392,364
Trade debts		3,310,278,596	3,054,255,897
Loans and advances		147,828,598	233,927,141
Prepayments		3,131,154	3,638,150
Interest accrued		23,546	621,460
Deposits and other receivables		82,799,675	72,365,741
Investments at fair value through profit or loss	7	300,741,004	238,584,992
Tax refund due from Government		72,871,418	72,256,063
Cash and bank balances		298,374,821	329,052,967
		<b>4,229,788,077</b>	<b>4,020,094,775</b>
<b>Assets held for sale</b>			
Investment property		1,601,941,000	1,601,941,000
<b>Current liabilities</b>			
Trade and other payables		1,194,819,441	1,094,703,376
Mark-up accrued		101,949,812	73,131,087
Short term borrowings		308,850,850	274,202,414
Current portion of long term finance		64,593,820	64,593,820
Liability against repurchase agreement		48,111,520	48,111,520
Current portion of liabilities against assets subject to finance lease		28,972,395	25,472,407
		<b>1,747,297,838</b>	<b>1,580,214,624</b>
<b>Working capital employed</b>		<b>4,084,431,239</b>	<b>4,041,821,151</b>
		<b>6,593,214,634</b>	<b>6,590,209,449</b>
<b>Non-current liabilities</b>			
Deferred liabilities		134,971,277	131,414,642
Long term finance	8	3,307,902,277	3,202,615,242
Liabilities against assets subject to finance lease		10,494,403	14,247,147
		<b>3,453,367,957</b>	<b>3,348,277,031</b>
<b>Contingencies and commitments</b>			
<b>Net capital employed</b>	9	<b>3,139,846,677</b>	<b>3,241,932,418</b>
<b>Represented by:</b>			
<b>Share capital and reserves</b>			
Issued, subscribed and paid-up share capital		3,166,101,120	3,166,101,120
Exchange translation reserve		25,232,079	19,041,956
Reserves capitalised		564,735,308	564,735,308
Retained earnings		(1,545,653,264)	(1,491,531,691)
<b>Equity attributable to owners of the Company</b>		<b>2,210,415,243</b>	<b>2,258,346,693</b>
<b>Non-controlling interests</b>			
		929,431,434	983,585,725
		<b>3,139,846,677</b>	<b>3,241,932,418</b>

The annexed notes 1 to 13 form an integral part of this consolidated condensed interim 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 QUARTER ENDED 30 SEPTEMBER 2012**

Note	July-September 2012 Rupees	July-September 2011 Rupees
Operating revenue	147,158,273	189,706,669
Direct costs	(117,667,746)	(61,746,423)
<b>Gross profit</b>	<b>29,490,527</b>	<b>127,960,246</b>
Unrealized gain/(loss) on remeasurement of short term investments at fair value through profit or loss	69,176,229	(38,075,777)
Operating and administrative expenses	(103,549,248)	(102,350,825)
Other income	8,911,790	24,346,311
	<b>4,029,298</b>	<b>11,879,955</b>
Finance costs	(121,247,254)	(102,279,845)
	<b>(117,217,956)</b>	<b>(90,399,890)</b>
Share of profit / (loss) of equity-accounted investee (net of tax)	3,985,804	(24,492,087)
<b>Loss before taxation</b>	<b>(113,232,152)</b>	<b>(114,891,977)</b>
Taxation	(991,088)	(4,491,552)
<b>Loss after taxation</b>	<b>(114,223,240)</b>	<b>(119,383,529)</b>
<b>Loss attributable to:</b>		
-Equity holders of the parent	(54,121,573)	(97,544,602)
-Non-controlling interest	(60,101,667)	(21,838,927)
<b>Loss for the period</b>	<b>(114,223,240)</b>	<b>(119,383,529)</b>
<b>Loss per share attributable to Ordinary share holders - basic and diluted</b>	<b>(0.17)</b>	<b>(0.31)</b>

The annexed notes 1 to 13 form an integral part of this consolidated condensed interim financial information.

LAHORE CHAIRMAN AND CHIEF EXECUTIVE OFFICER DIRECTOR  
24 October 2012

**FIRST CAPITAL SECURITIES CORPORATION LIMITED - GROUP  
CONDENSED INTERIM CONSOLIDATED STATEMENT OF  
COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2012**

	July-September 2012 Rupees	July-September 2011 Rupees
Loss after taxation	(114,223,240)	(119,383,529)
<b>Other comprehensive income for the period</b>		
Foreign currency translation difference recognized as :		
- Currency translation reserve	6,190,123	1,545,209
- Non controlling interest	5,947,376	1,501,110
<b>Total comprehensive loss for the period</b>	<u>(102,085,741)</u>	<u>(116,337,210)</u>
<b>Total Comprehensive loss attributable to:</b>		
-Equity holders of the parent	(47,931,450)	(95,999,393)
-Non-controlling interest	(54,154,291)	(20,337,817)
	<u>(102,085,741)</u>	<u>(116,337,210)</u>

The annexed notes 1 to 13 form an integral part of this consolidated condensed interim financial information.

LAHORE  
24 October 2012

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED - GROUP  
CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT  
FOR THE QUARTER ENDED 30 SEPTEMBER 2012  
(UN-AUDITED)**

	30 September 2012 Rupees	30 September 2011 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(113,232,152)	(114,891,977)
Adjustments for:		
Depreciation	44,564,257	15,798,094
Finance cost	126,040,765	103,104,390
(Gain) / loss on remeasurement of short term investments	(69,176,229)	38,075,777
Dividend income	(2,104,199)	-
Amortization of intangible assets	136,700	70,000
Gain on disposal of fixed assets	(1,060,000)	(38,000)
Currency translation difference	12,137,499	3,046,319
Retirement benefits	4,276,636	7,659,444
Share of profit/(loss) of equity-accounted investee	(3,985,804)	24,492,087
Mark up income	(4,339,702)	(27,619,191)
	<u>106,489,923</u>	<u>164,588,920</u>
<b>Profit before working capital changes</b>	<u>(6,742,229)</u>	<u>49,696,943</u>
Effect on cash flow due to working capital changes:		
(Increase)/decrease in:		
Inventories	1,653,099	805,958
Trade debts	(256,022,699)	2,170,451
Loans and advances	86,098,543	29,927,339
Short term prepayments	506,996	431,838
Deposits and other receivables	(8,329,735)	(11,493,713)
Placements	-	45,520,675
Mark-up received	247,972	14,783,482
Increase/(decrease) in:		
Trade and other payables	100,116,064	(46,883,371)
Short term borrowings - net	34,648,436	29,609,537
	<u>(41,081,324)</u>	<u>64,872,196</u>
Cash (used in) / generated from operations	<u>(47,823,553)</u>	<u>114,569,139</u>
Long term deposits and advances	(211,500)	196,300
Retirement benefits paid	(720,000)	(10,429,824)
Finance costs paid	(97,222,040)	(2,889,358)
Taxes paid	(2,475,943)	(52,458,362)
<b>Net cash (used in) / generated from operating activities</b>	<u>(148,453,036)</u>	<u>48,987,895</u>
<b>Cash flows from investing activities</b>		
Fixed capital expenditure	(29,250)	(4,033,415)
Short term investments - net	7,020,217	11,447,303
Proceeds of property and equipment	1,060,000	763,813
Investment in associates - net	-	29,362
Long term Loans - net	-	(32,000)
Mark up received	4,689,644	13,272,589
<b>Net cash generated from investing activities</b>	<u>12,740,611</u>	<u>21,447,652</u>
<b>Cash flows from financing activities</b>		
Repayment of liabilities against assets subject to finance lease - net	(252,756)	(2,878,476)
Long term finance	105,287,035	-
<b>Net cash generated from/(used in) financing activities</b>	<u>105,034,279</u>	<u>(2,878,476)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<u>(30,678,146)</u>	<u>67,557,071</u>
<b>Cash and cash equivalents in the beginning of the period</b>	<u>329,052,967</u>	<u>602,045,281</u>
<b>Cash and cash equivalents at the end of the period</b>	<u>298,374,821</u>	<u>669,602,352</u>

The annexed notes 1 to 13 form an integral part of this consolidated condensed interim financial information.

LAHORE  
24 October 2012

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED - GROUP  
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2012**

	Attributable to equity holders of the Parent company					
	Share capital Rupees	Reserves capitalised Rupees	Currency translation reserve Rupees	Unappropriated profit/(loss) Rupees	Total Rupees	Total Equity Rupees
Balance as at 01 July 2011	3,166,101,120	564,735,308	35,334,564	(976,174,561)	2,789,996,431	3,480,893,003
Total comprehensive loss for the period	-	-	-	(97,544,602)	(97,544,602)	(119,383,629)
Loss for the period	-	-	1,545,209	-	1,545,209	3,046,319
Total other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	1,545,209	(97,544,602)	(95,999,393)	(116,337,210)
Balance as at 30 September 2011	3,166,101,120	564,735,308	36,879,773	(1,073,719,163)	2,693,997,038	3,364,515,793
Total comprehensive loss for the period	-	-	-	(417,812,528)	(417,812,528)	(634,945,520)
Loss for the period	-	-	(17,837,817)	-	(17,837,817)	(35,181,770)
Total other comprehensive income	-	-	(17,837,817)	-	(17,837,817)	-
Total comprehensive loss for the period	-	-	(17,837,817)	(417,812,528)	(435,650,345)	(670,127,290)
Transactions with owners of the company recognised directly in equity	-	-	-	-	-	-
Dividend paid during the period	-	-	-	-	-	-
Changes in ownership interests in subsidiaries	-	-	-	-	-	-
Acquisition of subsidiary with non-controlling interests	-	-	-	-	-	-
Balance as at 30 June 2012	3,166,101,120	564,735,308	19,041,956	(1,491,531,691)	2,250,346,693	2,675,855,390
Balance as at 01 July 2012	3,166,101,120	564,735,308	19,041,956	(1,491,531,691)	2,250,346,693	(18,533,113)
Total comprehensive loss for the period	-	-	-	-	-	417,508,697
Loss for the period	-	-	-	-	-	566,077,028
Total other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	-	566,077,028
Balance as at 30 June 2012	3,166,101,120	564,735,308	19,041,956	(1,491,531,691)	2,250,346,693	3,241,922,418
Balance as at 01 July 2012	3,166,101,120	564,735,308	19,041,956	(1,491,531,691)	2,250,346,693	3,241,922,418
Total comprehensive loss for the period	-	-	-	(54,121,573)	(54,121,573)	(114,223,240)
Loss for the period	-	-	6,190,123	-	6,190,123	12,137,489
Total other comprehensive income	-	-	6,190,123	-	6,190,123	-
Total comprehensive loss for the period	-	-	6,190,123	(54,121,573)	(47,931,450)	(102,085,741)
Balance as at 30 September 2012	3,166,101,120	564,735,308	25,232,079	(1,545,653,264)	2,210,415,243	3,139,846,677

The annexed notes 1 to 13 form an integral part of this consolidated condensed interim financial information.

LAHORE: 24 October 2012

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED GROUP  
NOTES TO THE CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2012**

**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 & 3rd 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 have been prepared in accordance with 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. Wherever the requirements of the Companies Ordinance, 1984, differ with the requirements of IFRS, the requirements of the Companies Ordinance, 1984 shall prevail.

The disclosures made in this condensed interim consolidated financial information has , however , been limited based on the requirements of the International Accounting Standard 34; (Interim Financial Reporting) thus these do not include the information reported for full annual financial statements and should therefore be read in conjunction with the consolidated financial statements for the year ended 30 June 2012. The condensed interim consolidated financial information is un-audited and is being submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984 and Listing Regulations of Stock Exchanges of Pakistan.

The comparative balance sheet presented in this consolidated condensed interim financial information has been extracted from the audited annual consolidated financial statements of the Company for the year ended 30 June 2012, whereas the comparative consolidated condensed interim profit and loss account, consolidated condensed interim statement of comprehensive income, consolidated condensed interim cash flow statement and consolidated condensed interim statement of changes in equity are extracted from the unaudited consolidated condensed interim financial information for the first quarter ended 30 September 2011.

**2.2 Functional and presentation currency**

This condensed interim consolidated 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. Accounting policies**

Accounting policies and methods of computation adopted in the preparation of this condensed interim consolidated financial information 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 2012.

Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Group operations and did not have any impact on the accounting policies of the Group.

#### 4 Estimates

The preparation of condensed interim consolidated 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 consolidated financial statements for the year ended 30 June 2012.

#### 5. Subsidiary companies

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

	Percentage of Holding	
	30 September 2012	30 June 2012
First Capital Investments Limited	76.56	76.56
Lanka Securities (Pvt.) Limited, Sri Lanka	51	51
World Press (Pvt.) Limited	65	65
First Capital Equities Limited (FCEL)	67.29	67.29
Trident Construct (Pvt.) Limited	51	51
Ever green Water Valley (Pvt.) Limited	51	51
Falcon Commodities (Pvt.) Limited	100	100
Ozer Investments Limited	100	100
Media Times Limited (MDTL)	53.39	53.39

  

	Un-audited	Audited
	30 September 2012 Rupees	30 June 2012 Rupees
Opening balance	588,043,276	1,241,110,290
Add: Acquisition of additional shares	-	477,439
Less shares disposed off during the period	-	(763,684)
Less effect of conversion of associate into subsidiary	-	(459,062,431)
	-	(459,826,115)
Share of loss for the period	3,985,804	(193,718,338)
Closing balance	<u>592,029,080</u>	<u>588,043,276</u>

  

#### 6. Investment in associates

Investments measured at fair value through profit and loss account		
Carrying amount of investments	231,564,775	235,407,576
Un-realised loss on remeasurement of investments	69,176,229	3,177,416
	<u>300,741,004</u>	<u>238,584,992</u>

  

#### 7 Short term investments

#### 8 Long term finance

Secured	3,372,496,097	3,267,209,062
Less: Current portion shown under current liability	64,593,820	64,593,820
	<u>3,307,902,277</u>	<u>3,202,615,242</u>

This includes agreements with different commercial banks with a mark up rate of 8 % and 3 months kibar plus 3 % to 4 % p.a (June 2012 : 8 % and 3 months kibar plus 3 % to 4 % p.a). These facilities are secured against the pledge of shares, charge over trade receivable and equitable mortgage of certain properties. In the year 2011-12, the Company has applied to commercial banks to further restructure of its loan for 5 years. M/s United Bank Limited has restructured its loan of Rs. 1.5 billion upto December 2016 and frozen / waved its previous and future mark up on certain conditions. The management is confident to get the approval for restructuring from other banks on same conditions. The shares having market value amounting to Rs. 1,274,516,062 (June 2012: Rs. 947,214,901) have been pledged by the Company which includes shares having market value of Rs. 239,407,954 (June 2012: Rs. 152,055,284) as security given by the parent company.

#### 9 Contingencies and commitments

There is no significant change in contingencies disclosed in the annual audited consolidated financial statements for the year ended June 30, 2012 except for the following commitments:

Commitments	Un-audited 30 September 2012 Rupees	Audited 30 June 2012 Rupees
Capital Expenditure	3,130,103	3,130,103
Sale of Shares	209,537,593	53,190,034
Purchase of shares	156,400,485	53,438,826
	<u>369,068,181</u>	<u>109,758,963</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, associated companies, directors and key management personnel. Details of transactions with related parties and balances with them at period end are as follows:

	30 September 2012 Rupees	30 September 2011 Rupees
<b>Associated companies</b>		
<b>First Capital Mutual Fund Limited</b>		
Income from financial consultancy services	3,893,474	1,298,037
<b>Pace Pakistan Limited</b>		
Service charges	369,496	725,404
Building rent	2,821,500	-
<b>Worldcall Telecom Limited</b>		
Building Rent	524,814	-
Purchase of goods & services	297,015	-

#### 11 EARNINGS PER SHARE-BASIC

Net loss for the period	Rupees	<u>(54,121,573)</u>	<u>(97,544,602)</u>
Weighted average number of ordinary shares as at 30 September	Numbers	<u>316,610,112</u>	<u>316,610,112</u>
Loss per share - basic	Rupees	<u>(0.17)</u>	<u>(0.31)</u>

**Earnings per share - diluted**

There is no dilution effect on the basic EPS as the Company has no such commitments.

**12 Date of authorization for issue**

This un-audited condensed interim consolidated financial information for the quarter ended 30 September 2012 were authorized for issue on 24 October 2012 by the Board of Directors of the Parent Company.

**13 GENERAL**

Figures have been rounded off to the nearest rupee.

LAHORE      CHAIRMAN AND CHIEF EXECUTIVE OFFICER      DIRECTOR  
24 October 2012