

FIRST CAPITAL SECURITIES CORPORATION LIMITED

**CONDENSED INTERIM
FINANCIAL STATEMENTS**

**FOR THE QUARTER ENDED
30 SEPTEMBER 2009
(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 INFORMATION

Board of Directors	Salmaan Taseer (Chairman and Chief Executive Officer) Aamna Taseer Shahbaz Ali Taseer Shehryar Ali Taseer Omer Subhan Salamat Sulieaman Ahmed Said Al-Hoqani Jamal Said Al-Ojaili
Chief Financial Officer	Saeed Iqbal
Audit Committee	Shahbaz Ali Taseer (Chairman) Aamna Taseer Omer Subhan Salamat
Company Secretary	Muhammad Irfan Khawaja
Auditors	KPMG Taseer Hadi and Co. Chartered Accountants
Legal Advisers	Mazhar Law Associates Advocates and Solicitors
Bankers	Allied Bank Limited Bank Al-Habib Limited Bank Al-Falah Limited Faysal Bank Limited KASB Bank Limited MCB Bank Limited NIB Bank Limited Soneri Bank Limited Standard Chartered Bank (Pakistan) 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	103-C/II, Gulberg-III Lahore, Pakistan ☎ (042) 35757591-4 Fax: (042) 35757590, 35877920

FIRST CAPITAL SECURITIES CORPORATION LIMITED

DIRECTORS' REVIEW

The Directors of First Capital Securities Corporation Limited (the "Company" or "FCSC") are pleased to present first quarter's report together un-audited financial statements of the Company for the quarter ended 30 September 2009.

Operational Results

The operating results of the Company are summarized as follows:

Financial Overview	30 September 2009 Rupees	30 September 2008 Rupees
Operating Profit/(loss)	454,282,350	(220,233,685)
Operating Expenses	15,962,021	14,940,837
Finance and other costs	3,274,284	1,550,770
Profit/(loss) after Taxation	465,631,242	(197,168,267)
Earnings per Share (basic and diluted)	1.86	(0.79)

The Company's financials present a much better picture for the first quarter of FY 10 as compared with corresponding period last year, a strong recovery after passing through last year's arduous period. The Company has posted an after tax profit of Rs. 465.63 million as compared to a loss of Rs. 197.17 million in the corresponding period last year. A healthy unrealized gain on re-measurement of short term investments amounting to Rs. 452.23 million pushed the over all profitability of the company. Earning per share (EPS) has surged to Rs. 1.86 as compared with loss per share of Rs. 0.79 in the same period last year.

Our subsidiaries have showed a mixed performance during the quarter under review. First Capital Equities Limited (FCEL) has capitalized on the bullish trend in the equity market, which posted 31% return in this quarter that helped FCEL to register an after tax profit of Rs. 24.40 million as compared to loss of Rs. 41.35 million in the same period last year. EPS was Rs. 0.23 from Rs. (0.38) in the corresponding period last year. First Capital Investments Limited (FCIL) has reported profit after tax of Rs.13.61 million as compared to loss of Rs.10.78 million last year. Trident Construct (Pvt.) Limited (TCL) reported revenue of Rs.1.41 million, although it incurred an after tax loss of Rs.25.23 million as compared to profit of Rs.43.07 million for the corresponding period last year. Lanka Securities (Pvt.) Limited ("LSL") generated gross revenue of Rs. 32.41 million and net profit of Rs. 17.76 million during the period while EPS stood at Rs. 2.20. World Press (Pvt.) Limited earned revenues of Rs. 8.27 million while incurring an after tax loss of Rs.41.09 million as compared to profit of Rs.3.92 million for the same period last year.

Future Outlook

The global recession that started in the mid of 2008 rattled financial and corporate systems across the world including Pakistan. There are now visible signs of recovery due to coordinated actions of governments and institutions in developed and emerging economies. FCSC is very optimistic about economic recovery in Pakistan going forward as major macro indicators are stabilizing. Inflation has eased off to around 10.2%, which provides cushion for further easing of monetary policy. IMF loan and better current account balance have helped the economy to build foreign exchange reserves, which may be useful to support any

adversity of balance of payment position. Rating upgrade has provided impetus to international investors and will help in improving the prevailing business environment. It is hoped that the stellar performance of equity markets and attractive investment opportunities in real estate, capital markets, and power sectors will attract foreign inflows persistently. We feel that a number of sectors have begun to perform better, and situation should improve further in future.

The Company has diversified investments in media, property and financial services businesses. It has the strategic depth, experienced management, skilled manpower and sufficient resources to capitalize on opportunities in the economy and to cope with challenges in any probable environment. We are exerting our all efforts to maximize the wealth of shareholders.

Board of Directors

There is no change in the composition of Board of Directors of the Company, since annual report. In extraordinary general meeting held on 26 September 2009 all existing directors were retired and reappointed for a term of three years.

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
30 October 2009

Salmaan Taseer
Chairman and Chief Executive Officer

Aamna Taseer
Director

**FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT 30 SEPTEMBER 2009**

	Un-audited 30 September 2009	Audited 30 June 2009
Note	Rupees	Rupees
NON CURRENT ASSETS		
Property and equipment	183,914,604	184,140,444
Long term loans	361,029,002	349,429,002
Investment property	850,008,150	850,008,150
Long term investments	5	6,817,025,949
Long term deposits	596,000	646,838
	<u>9,487,955,622</u>	<u>8,201,250,383</u>
Current assets		
Trade debts	3,479,528	1,681,297
Loans and advances	2,378,638	2,303,978
Short term prepayments	283,043	111,777
Taxation recoverable	18,572,973	18,743,777
Other receivables	8,075,178	11,401,062
Investments at fair value through profit or loss	6	1,905,044,077
Cash and bank balances	27,660,697	17,279,396
	<u>2,364,373,184</u>	<u>1,956,565,364</u>
Current liabilities		
Current portion of liabilities against assets subject to finance lease	710,663	666,661
Mark up accrued	2,741,029	2,755,132
Short term borrowings - secured	70,325,587	70,325,587
Trade and other payables	262,534,386	309,947,791
	<u>336,311,665</u>	<u>383,695,171</u>
Working capital	<u>2,028,061,519</u>	<u>1,572,870,193</u>
Net assets	<u>11,516,017,141</u>	<u>9,774,120,576</u>
Non current liabilities		
Liabilities against assets subject to finance lease	782,292	984,576
Staff retirement benefits	12,816,309	11,730,619
	<u>13,598,601</u>	<u>12,715,195</u>
Contingencies and commitments	7	-
	<u>-</u>	<u>-</u>
Net capital employed	<u>11,502,418,540</u>	<u>9,761,405,381</u>
Represented by:		
Share capital and reserves		
Issued, subscribed and paid-up capital	2,502,846,740	2,502,846,740
Reserves	3,596,852,943	2,321,471,026
Unappropriated profit	5,402,718,857	4,937,087,615
	<u>11,502,418,540</u>	<u>9,761,405,381</u>

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

LAHORE
30 October 2009

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

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**FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2009**

	Quarter ended July-September 2009	Quarter ended July-September 2008
	Rupees	Rupees
Operating revenue		
Unrealized gain/(loss) on remeasurement of short term investments	452,228,589	(210,421,097)
Financial consultancy services	-	1,500,000
Money market services	4,012,315	3,465,037
Gain/(loss) on sale of investments	9,576,926	(1,303,341)
Rental income from investment property	4,426,541	1,466,553
	<u>470,244,371</u>	<u>(205,292,848)</u>
Operating expenses	15,962,021	14,940,837
Operating profit/(loss)	<u>454,282,350</u>	<u>(220,233,685)</u>
Finance and other costs	3,274,284	1,550,770
	<u>451,008,066</u>	<u>(221,784,455)</u>
Other operating income	15,054,254	24,727,843
Profit/(loss) before taxation	<u>466,062,320</u>	<u>(197,056,612)</u>
Taxation	(431,078)	(111,655)
Profit/(loss) after taxation	<u>465,631,242</u>	<u>(197,168,267)</u>
Earnings per share- basic and diluted	<u>1.86</u>	<u>(0.79)</u>
(2008 : restated)		

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

LAHORE
30 October 2009

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

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**FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2009**

	July-September 2009 Rupees	July-September 2008 Rupees
Profit/(loss) after taxation	465,631,242	(197,168,267)
Other comprehensive income		
Surplus on remeasurement of available for sale of financial assets - net of tax	1,275,381,917	442,804,032
Total comprehensive income for the period	<u>1,741,013,159</u>	<u>245,635,765</u>

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

LAHORE
30 October 2009

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2009**

	30 September 2009 Rupees	30 September 2008 Rupees
Cash flow from operating activities		
Profit/(loss) before taxation	466,062,320	(197,056,612)
Adjustments for:		
Finance and other costs	3,274,284	1,550,770
Unrealized (gain)/loss on remeasurement of investments at fair value through profit or loss	(452,228,589)	210,421,097
Depreciation	225,840	543,948
Mark up income	(15,054,254)	(24,722,063)
Provision for staff retirement benefits	1,085,690	837,742
	<u>(462,697,029)</u>	<u>188,631,494</u>
Profit/(loss) before working capital changes	3,365,291	(8,425,118)
Effect on cash flow due to working capital changes:		
Trade debts	(1,798,231)	(2,540,122)
Loans and advances	(74,660)	(65,922)
Short term prepayments	(171,266)	(153,196)
Other receivables	3,314,084	(184,891)
Short term investments-net	53,349,539	(14,267,977)
Trade and other payables	(47,413,405)	193,011
	<u>7,206,061</u>	<u>(17,019,097)</u>
Cash generated/(used in) from operations	10,571,352	(25,444,215)
Finance and other costs paid	(3,288,387)	(1,166,526)
Taxes paid	(260,274)	(2,244,043)
	<u>(3,548,661)</u>	<u>(3,410,569)</u>
Net cash generated/(used in) from operating activities	7,022,691	(28,854,784)
Cash flows from investing activities		
Capital expenditure incurred	-	(5,080,735)
Dividend received	11,800	11,111,164
Long term loans-net	(11,600,000)	(325,000)
Long term deposits	50,838	-
Mark up received	15,054,254	24,837,482
Net cash (used in)/generated from investing activities	3,516,892	30,542,911
Cash flows from financing activities		
Repayment of liabilities against assets subject to finance lease	(158,282)	(140,119)
Short term borrowings-net	-	5,896,805
Net cash (used in)/generated from financing activities	(158,282)	5,756,686
Net increase in cash and cash equivalents	10,381,301	7,444,813
Cash and cash equivalents at the beginning of the period	17,279,396	350,905,292
Cash and cash equivalents at the end of the period	<u>27,660,697</u>	<u>358,350,105</u>

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

LAHORE
30 October 2009

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
(UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2009

	Share capital Rupees	Fair value reserve Rupees	Revenue reserve Unappropriated profit Rupees	Total Rupees
Balance as at 01 July 2008	1,625,225,160	2,905,945,335	7,187,419,201	11,718,589,696
Total comprehensive income for the period				
Loss for the period after tax	-	-	(197,168,267)	(197,168,267)
Other comprehensive income for the period				
Fair value gain during the period	-	442,804,032	-	442,804,032
Total comprehensive income/(loss) for the period	-	442,804,032	(197,168,267)	245,635,765
Balance as at 30 September 2008	1,625,225,160	3,348,749,367	6,990,250,934	11,964,225,461
Total comprehensive income for the period				
Loss for the period after tax	-	-	(1,175,541,739)	(1,175,541,739)
Other comprehensive income for the period				
Fair value loss during the period	-	(1,027,278,341)	-	(1,027,278,341)
Total comprehensive (loss) for the period	-	(1,027,278,341)	(1,175,541,739)	(2,202,820,080)
Distribution to owners				
Issuance of bonus shares	877,621,580	-	(877,621,580)	-
Total transaction with owners	877,621,580	-	(877,621,580)	-
Balance as at 30 June 2009	<u>2,502,846,740</u>	<u>2,321,471,026</u>	<u>4,937,087,615</u>	<u>9,761,405,381</u>
Balance as at 01 July 2009	2,502,846,740	2,321,471,026	4,937,087,615	9,761,405,381
Total comprehensive income for the period				
Profit for the period after tax	-	-	465,631,242	465,631,242
Other comprehensive income for the period				
Fair value gain during the period	-	1,275,381,917	-	1,275,381,917
Total comprehensive income for the period	-	1,275,381,917	465,631,242	1,741,013,159
Balance as at 30 September 2009	<u>2,502,846,740</u>	<u>3,596,852,943</u>	<u>5,402,718,857</u>	<u>11,502,418,540</u>

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

LAHORE: CHAIRMAN AND CHIEF EXECUTIVE OFFICER DIRECTOR
30 October 2009

FIRST CAPITAL SECURITIES CORPORATION LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2009

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 103 C/II, Gulberg-III, Lahore. The Company is involved in making long and short term investments, money market operations and financial consultancy services.

2 BASIS OF PREPARATION

These condensed interim financial statements are prepared in accordance with the requirements of the International Accounting Standard-34 "Interim Financial Statements" and are being submitted to the shareholders under section 245 of the Companies Ordinance 1984. The condensed interim financial information does not include all the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended 30 June 2009.

3 ACCOUNTING POLICIES

Accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the company for the year ended 30 June 2009. In accordance with revised International Accounting Standard (IAS) 1 "Presentation of Financial Statements" which is applicable for accounting years beginning on or after January 01, 2009, 'non-owner changes in equity' have been presented separately as "Condensed Statement of Comprehensive Income" thereby separated from owner changes in equity classified under "Condensed Statement of Changes in Equity".

4 ESTIMATES

The preparation of condensed interim financial statements require 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 2009.

5 LONG TERM INVESTMENTS

Available for sale

Subsidiary companies - at cost
Impairment loss

30 September 2009 Rupees	30 June 2009 Rupees
152,760,200	154,470,093
-	(1,709,893)
152,760,200	152,760,200

Subsidiary company - at fair value
Unrealized gain/(loss) on revaluation of available for sale

4,917,512,424	6,665,937,168
1,048,946,316	(1,748,424,744)
5,966,458,740	4,917,512,424

Associated companies - at cost
Associated company - at fair value
Unrealized gain on revaluation of available for sale

245,045,000	245,045,000
1,501,708,325	337,757,890
226,435,601	1,163,950,435
1,973,188,926	1,746,753,325

8,092,407,866	6,817,025,949
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	30 September 2009 Rupees	30 June 2009 Rupees
6 INVESTMENTS AT FAIR VALUE THROUGH		
PROFIT OR LOSS		
<i>Held for trading</i>		
Related parties	18,494,100	36,730,831
Others	14,268,053	38,418,975
Others - related parties	1,818,932,385	3,236,430,652
	1,851,694,538	3,311,580,458
Unrealised gain/(loss) on account of remeasurement to fair value during the period	452,228,589	(1,406,536,381)
	2,303,923,127	1,905,044,077

7 CONTINGENCIES AND COMMITMENTS

Contingencies

There is no change in contingencies from those disclosed in the published financial statements of the Company for the year ended 30 June 2009.

	30 September 2009 Rupees	30 June 2009 Rupees
Commitments		
Commitments in respect of capital expenditure	239,830,434	239,830,434

8 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:

	30 September 2009 Rupees	30 September 2008 Rupees
Subsidiary companies		
Brokerage / Commission / Loan arrangement fee paid	78,300	324,843
Associated companies		
Income from financial consultancy services	-	1,500,000
Mark up income	15,004,362	13,346,981
Long term loan given	11,600,000	-
Liability paid against purchase of property	51,221,304	-
Insurance premium paid	64,682	59,400

9 DATE OF AUTHORIZATION FOR ISSUE

These un-audited condensed interim financial statements for the quarter ended 30 September 2009 were authorized for issue on 30 October 2009 by the Board of Directors of the Company.

10 GENERAL

Figures have been rounded off to the nearest rupee.

LAHORE
30 October 2009

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

FIRST CAPITAL SECURITIES CORPORATION LIMITED

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS**

**FOR THE QUARTER ENDED
30 SEPTEMBER 2009**

(Un-Audited)

FIRST CAPITAL SECURITIES CORPORATION LIMITED - GROUP

DIRECTORS' REVIEW ON CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Directors of First Capital Securities Corporation Limited ("the Group") are pleased to present un-audited consolidated accounts of the group for the quarter ended 30 September 2009. The Group's performance during the period is summarized below:

Financial Overview	30 September 2009	30 September 2008
	<small>(Rupees in million)</small>	
Revenue	176	239
Direct Costs	24	90
Operating Expenses	94	101
Operating Profit	57	48
Share of Profit/(Loss) of associated companies	8	(2)
Unrealized Gain/(Loss) on re measurement of investment	144	(444)
Profit/(Loss) after Taxation	94	(341)
Non-controlling interest	7	8
Earnings per Share	0.40	(2.15)

First Capital Equities Limited capitalized on the bullish trend of the equity market in the current quarter to post an after tax profit of Rs. 24.40 million as compared to a loss of Rs. 41.35 million in the same period last year. Earning per share was Rs. 0.23 versus Rs. (0.38) in the corresponding period last year.

First Capital Investments Limited reported net profit of Rs. 13.61 million as compared to a loss of Rs. 10.78 million in the corresponding period last year.

Trident Construct (Pvt.) Limited posted revenues of Rs. 1.41 million although it incurred an after tax loss of Rs. 25.23 million as compared to profit of Rs. 43.07 million for the same period last year.

Sri Lankan based brokerage subsidiary Lanka Securities (Pvt.) Limited generated gross revenue of Rs. 32.41 million and net profit of Rs. 17.76 million during the period, while EPS stood at Rs. 2.20.

World Press (Pvt.) Limited earned revenues of Rs. 8.27 million while incurring an after tax loss of Rs. 41.09 million versus profit of Rs. 3.92 million for the corresponding period last year.

FUTURE OUTLOOK

After a turbulent year FY 2008/09, we are positive about economic recovery in the country in the coming months given lower inflation, stabilized foreign exchange reserves and improved current account balance. We expect that the improved business & economic environment will attract foreign inflows in power, capital market, agriculture, real estate sectors and improve the country's situation even further.

The Group has diversified investments in media, real estate and financial services businesses,

wherein we have experienced management, committed employees & sufficient resources to capitalize on market opportunities as they become available & face any challenges of a competitive environment.

The Board of Directors wish to express its appreciation and gratitude to the shareholders for their continued support and to the employees for their ongoing dedication and commitment to the Group.

For and on behalf of the Board of Directors

Lahore
30 October 2009

Salmaan Taseer
Chairman & Chief Executive Officer

Aamna Taseer
Director

**FIRST CAPITAL SECURITIES CORPORATION LIMITED - GROUP
CONDENSED INTERIM CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2009**

	Note	Un-Audited 30 September 2009 Rupees	Audited 30 June 2009 Rupees
NON CURRENT ASSETS			
Property, plant and equipment		581,067,477	595,179,826
Intangible assets		41,750,000	41,820,000
Long term loans		361,029,002	349,429,002
Investment property		850,008,150	850,008,150
Investment in associates	5	963,342,071	856,991,798
Long term deposits and advances		22,897,664	15,209,852
Deferred tax assets		3,643,575	867,481
		2,823,737,939	2,709,506,109
Current assets			
Inventories		21,059,894	16,867,627
Trade debts		3,728,386,582	3,705,798,389
Loans and advances		92,690,890	50,415,382
Short term prepayments		2,009,583	2,936,503
Taxation recoverable		38,568,771	42,600,687
Deposits and other receivables		30,903,163	47,747,864
Placements	6	1,453,389,574	1,503,852,766
Interest receivable		13,510,759	16,528,574
Short term investments	7	1,036,166,234	910,694,818
Cash and bank balances		184,934,284	240,064,605
		6,601,619,734	6,537,507,215
Current liabilities			
Trade and other payables		1,060,547,570	943,643,480
Mark up accrued		203,368,937	169,619,425
Liability against repurchase agreement		672,400,000	681,400,430
Short term borrowings	8	3,217,641,592	3,271,211,237
Current portion of liabilities against assets subject to finance lease		19,239,406	19,132,642
Current portion of long term finance		32,000,000	40,000,000
		5,205,197,505	5,125,007,214
Net current assets		1,396,422,229	1,412,500,001
Net assets		4,220,160,168	4,122,006,110
Non current liabilities			
Liabilities against assets subject to finance lease		15,477,765	20,026,308
Long term finance		7,000,000	7,000,000
Staff retirement benefits		53,527,734	50,720,965
		76,005,499	77,747,273
Contingencies and commitments	9	-	-
Net capital employed		4,144,154,669	4,044,258,837
Represented by:			
Share capital and reserves			
Issued, subscribed and paid up capital		2,502,846,740	2,502,846,740
Exchange translation reserve		23,402,791	20,446,936
Reserves capitalised		538,699,000	538,699,000
Unappropriated profit		304,702,420	203,729,967
Capital and reserves attributable to equity holders of the parent company		3,369,650,951	3,265,722,643
Non-controlling interest		774,503,718	778,536,194
		4,144,154,669	4,044,258,837

The annexed notes 1 to 12 form an integral part of these consolidated condensed interim financial statements.

LAHORE
30 October 2009

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 2009**

	Quarter ended July-September 2009 Rupees	Quarter ended July-September 2008 Rupees
Revenue	175,723,160	238,909,384
Direct costs	24,464,541	89,992,031
Gross profit	151,258,619	148,917,353
Operating expenses	93,939,479	100,756,813
Operating profit	57,319,140	48,160,540
Other income	22,037,221	264,589,544
	79,356,361	312,750,084
Finance costs	128,301,384	186,059,183
	(48,945,023)	126,690,901
Share of profit of associated companies	7,548,273	(2,438,890)
Unrealized gain/(loss) on remeasurement of short term investments	143,602,937	(443,562,313)
Profit/(loss) before taxation	102,206,187	(319,310,302)
Taxation	8,106,147	21,933,150
Profit/(loss) after taxation	94,100,040	(341,243,452)
Non-controlling interest	(6,872,413)	8,306,084
Profit/(loss) attributable to parent company	100,972,453	(349,549,536)
Earnings per share - basic and diluted	0.40	(1.40)
(2008 : restated)		

Appropriations have been reflected in the statement of changes in equity.

The annexed notes 1 to 12 form an integral part of these consolidated condensed interim financial statements.

LAHORE
30 October 2009

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED - GROUP
CONDENSED INTERIM CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2009**

	July-September 2009 Rupees	July-September 2008 Rupees
Profit/(loss) after taxation	100,972,453	(349,549,536)
Other comprehensive income	2,955,855	13,172,338
Total comprehensive income/(loss) for the period	<u>103,928,308</u>	<u>(336,377,198)</u>

The annexed notes 1 to 12 form an integral part of these consolidated condensed interim financial statements.

LAHORE
30 October 2009

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED - GROUP
CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER 2009
(UN-AUDITED)**

	Quarter ended 30 September 2009 Rupees	Quarter ended 30 September 2008 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	102,206,187	(319,310,302)
Adjustments for:		
Depreciation	17,135,765	16,719,405
Finance cost	127,326,753	186,059,183
(Loss)/gain on remeasurement of short term investments	(143,602,937)	443,562,313
Dividend income	(54,600)	(218,200)
Amortization of intangible assets	70,000	70,000
Gain on disposal of property, plant and equipment	(88,000)	-
Exchange translation difference	5,795,794	(13,172,338)
Retirement benefits	5,055,374	3,260,833
Share of (profit)/loss of associated companies	(7,548,273)	2,438,890
Mark up income	(83,950,158)	(154,004,910)
	<u>(79,860,282)</u>	<u>484,715,176</u>
Profit before working capital changes	22,345,905	165,404,874
Effect on cash flow due to working capital changes:		
(Increase)/decrease in:		
Inventories	(4,192,267)	(3,403,517)
Trade debts	(22,588,193)	(597,871,265)
Loans and advances	(42,275,508)	860,381,281
Short term prepayments	926,920	2,071,300
Deposits and other receivables	16,832,901	(30,137,213)
Short term investments - net	18,131,521	(14,267,977)
Increase/(decrease) in:		
Trade and other payables	116,904,090	(293,829,402)
Liability against repurchase agreement	(9,000,430)	553,405,874
Short term borrowings	(53,569,645)	(287,177,732)
	<u>71,632,581</u>	<u>(281,234,576)</u>
Cash generated from/(used in) operations	93,978,486	(115,829,702)
Long term deposits and advances	(7,687,812)	(4,063,918)
Retirement benefits paid	(2,248,605)	(60,060)
Finance costs paid	(93,577,241)	(148,924,617)
Taxes (paid)/received	(6,850,325)	20,935,553
Net cash used in operating activities	(16,385,497)	(247,942,744)
Cash flows from investing activities		
Fixed capital expenditure	(3,234,270)	(74,207,892)
Sale proceeds of property, plant and equipment	298,852	-
Dividend received	66,400	11,111,164
Investment in associates	(98,802,000)	-
Long term Loans	(11,600,000)	(325,000)
Mark up received	86,967,973	157,715,734
Net cash (used in)/generated from investing activities	(26,303,045)	94,294,006
Cash flows from financing activities		
Repayment of liabilities against assets subject to finance lease	(4,441,779)	(2,075,251)
Long term finance	(8,000,000)	-
Net cash used in financing activities	(12,441,779)	(2,075,251)
Net decrease in cash and cash equivalents	(55,130,321)	(155,723,989)
Exchange loss on translation of deposit account		
Cash and cash equivalents in the beginning of the period	240,064,605	993,870,985
Cash and cash equivalents at the end of the period	<u>184,934,284</u>	<u>838,146,996</u>

The annexed notes 1 to 12 form an integral part of these consolidated condensed interim financial statements.

LAHORE
30 October 2009

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 2009**

Attributable to equity holders of the Parent Company

	Share capital Rupees	Revenue Reserve					Total Rupees	Non-controlling interest Rupees	Total Equity Rupees
		Revaluation reserve of an associated company Rupees	Reverse capitalised Rupees	Currency translation reserve Rupees	Unappropriated profit Rupees	Total Rupees			
Balance as at 01 July 2008	1,625,225,160	-	298,898,600	9,670,933	2,172,678,728	4,108,543,421	810,971,686	4,917,515,117	
Total comprehensive income for the period (Loss)/profit for the period after tax	-	-	-	-	(849,549,536)	(849,549,536)	8,306,064	(841,243,472)	
Other comprehensive income for the period	-	-	-	-	-	-	-	-	
Exchange translation difference recognized directly in equity	-	-	-	13,172,338	-	13,172,338	12,655,772	25,828,110	
Total comprehensive income/(loss) for the period	-	-	-	13,172,338	(849,549,536)	(836,377,198)	20,961,856	(815,415,342)	
Balance as at 30 September 2008	1,625,225,160	-	298,898,600	22,843,271	1,823,129,192	3,770,166,223	831,933,552	4,602,099,775	
Total comprehensive income for the period (Loss) for the period after tax	-	-	-	-	(502,047,245)	(502,047,245)	(41,285,000)	(543,342,245)	
Other comprehensive income for the period	-	-	-	-	-	-	-	-	
Exchange translation difference recognized directly in equity	-	-	-	(2,396,395)	-	(2,396,395)	(2,302,358)	(4,698,693)	
Total comprehensive income/(loss) for the period	-	-	-	(2,396,395)	(502,047,245)	(504,443,640)	(43,587,358)	(548,040,998)	
Distribution to owners	-	-	-	-	-	-	-	-	
Issuance of bonus shares	877,621,590	-	298,730,400	-	(877,621,590)	-	(9,800,000)	(9,800,000)	
Dividend paid	-	-	-	-	(298,730,400)	-	-	-	
Issue of bonus shares by subsidiary	-	-	298,730,400	-	(1,117,351,960)	-	(9,800,000)	(9,800,000)	
Total transaction with owners	877,621,590	-	298,730,400	-	(1,117,351,960)	-	(9,800,000)	(9,800,000)	
Balance as at 30 June 2009	2,502,846,740	-	598,899,000	20,446,598	203,729,967	3,295,722,443	778,538,194	4,044,258,837	
Balance as at 01 July 2009	2,502,846,740	-	598,899,000	20,446,598	203,729,967	3,295,722,443	778,538,194	4,044,258,837	
Total comprehensive income for the period Profit/(loss) for the period after tax	-	-	-	-	100,972,453	100,972,453	(6,872,419)	94,100,040	
Other comprehensive income for the period	-	-	-	-	-	-	-	-	
Exchange translation difference recognized directly in equity	-	-	-	2,955,655	-	2,955,655	2,839,837	5,795,492	
Total comprehensive income/(loss) for the period	-	-	-	2,955,655	100,972,453	103,928,308	(4,032,479)	99,895,832	
Total comprehensive income/(loss) for the period	-	-	-	23,402,791	304,702,620	3,398,650,951	774,503,718	4,144,154,989	
Balance as at 30 September 2009	2,502,846,740	-	598,899,000	23,402,791	304,702,620	3,398,650,951	774,503,718	4,144,154,989	

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

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 2009**

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 103 C/II, Gulberg-III, Lahore. The Parent Company is involved in making long and short term investments, money market operations and financial consultancy services.

2. Basis of preparation

These condensed interim financial statements are un-audited. These condensed financial statements have been prepared in accordance with the requirements of International Accounting Standard-34 "Interim Financial Statements" and are being submitted to the shareholders under section 245 of the Companies Ordinance 1984.

3. Accounting policies

Accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Parent Company for the year ended 30 June 2009. In accordance with revised International Accounting Standard (IAS) 1 "Presentation of Financial Statements" which is applicable for accounting years beginning on or after January 01, 2009, 'non-owner changes in equity' have been presented separately as "Condensed Statement of Comprehensive Income" thereby separated from owner changes in equity classified under "Condensed Statement of Changes in Equity".

4. Subsidiary companies

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

	Percentage of Holding	
	30 September 2009	30 June 2009
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

	30 September 2009 Rupees	30 June 2009 Rupees
5. Investment in associates		
Opening balance	856,991,798	534,831,039
Add: Acquisition of additional shares	98,802,000	240,605,114
Transfer to short term investment	-	-
Share of profit	7,548,273	81,555,645
Closing balance	<u>963,342,071</u>	<u>856,991,798</u>
6 Placements		
Securities purchased under the resale agreements of quoted shares - Others	<u>1,453,389,574</u>	<u>1,503,852,766</u>
	<u>1,453,389,574</u>	<u>1,503,852,766</u>
7 Short term investments		
Investments measured at fair value through profit and loss account		
Carrying amount of investments	892,563,297	1,819,245,700
Un-realised profit/(loss) on remeasurement of investments	143,602,937	(908,550,882)
	<u>1,036,166,234</u>	<u>910,694,818</u>

8 Short term borrowings

These facilities have been obtained from various commercial banks under mark up arrangements amounting to Rs 4,440 million (June 2009: Rs 4,440 million). These facilities carry mark up at rate ranging from 3 to 6 months KIBOR plus 3 % to 5 % per annum payable quarterly (June 2009: 2.5 % to 5% per annum) with floor limits ranging from 8 % to 17.76 % per annum (June 2009: 14.49% to 19.52% per annum). These are secured against pledge of quoted equity securities.

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, 2009 except for the following:

	30 September 2009 Rupees	30 June 2009 Rupees
Commitments		
Capital Expenditure	239,830,434	239,830,434
Sale of Shares	214,329,824	213,360,116
Purchase of shares	193,326,928	224,806,739
	<u>647,487,186</u>	<u>677,997,289</u>
Performance Guarantees		
Pakistan Telecommunication Company Limited	3,222,000	2,922,037
Punjab Textbook Board Lahore	1,356,408	4,055,066
	<u>4,578,408</u>	<u>6,977,103</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. The significant transactions with related parties are as follows:

	30 September 2009 Rupees	30 September 2008 Rupees
Associated companies		
Brokerage income	-	4,881,395
Repurchase agreement arrangement fee	-	2,929,167
Placements entered and rolled over	-	1,140,000,000
Placements matured	-	655,000,000
Income earned on placement	-	76,212,466
Mark up Income	15,004,362	13,346,981
Income from Financial Consultancy Services	1,737,568	3,350,464
Insurance premium	64,682	59,400
Sale of goods/services	2,955,095	61,872,423
Purchase of goods/services	-	28,956
Long term loan given	11,600,000	-
Contract services	-	131,122,374
Liability paid against purchase of property	51,221,304	-

11 Date of authorization for issue

These un-audited condensed interim consolidated financial statements for the quarter ended 30 September 2009 were authorized for issue on 30 October 2009 by the Board of Directors of the Parent Company.

12 GENERAL

Figures have been rounded off to the nearest rupee.

LAHORE
30 October 2009

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR