

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**



**CONDENSED INTERIM UN-CONSOLIDATED  
FINANCIAL INFORMATION  
FOR THE SIX MONTHS PERIOD ENDED  
31 DECEMBER 2016  
(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.

# Contents

***Page Seven***

Company information

***Page Nine***

Directors' review

***Page Thirteen***

*Review report*

***Page Fourteen***

*Balance sheet*

***Page Fifteen***

Profit & loss account

***Page Sixteen***

Statement of comprehensive income

***Page Seventeen***

Cash flow statement

***Page Eighteen***

Statement of changes in equity

***Page Nineteen***

Notes to the accounts

***Page Twenty Seven***

Consolidated accounts

## FIRST CAPITAL SECURITIES CORPORATION LIMITED

### COMPANY'S INFORMATION

<b>Board of Directors</b>	Aamna Taseer (Chairman & Chief Executive Officer) Shahbaz Ali Taseer Shehryar Ali Taseer Maheen Taseer Shehribano Taseer Kanwar Latafat Ali Khan Jamal Said Al-Ojaili	Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Independent
<b>Chief Financial Officer</b>	Saeed Iqbal	
<b>Audit Committee</b>	Shehryar Ali Taseer (Chairman) Maheen Taseer Shehribano Taseer	
<b>Human Resource and Remuneration (HR&amp;R) Committee</b>	Shehryar Ali Taseer (Chairman) Aamna Taseer Shehribano Taseer	
<b>Company Secretary</b>	Sajjad Ahmad	
<b>Auditors</b>	A.F. Ferguson & 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/Head 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

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 2016.

### Operational Results

The operating results of the Company are summarized as follows:

<b>Financial Overview</b>	<b>31 December 2016</b>	<b>31 December 2015</b>
	<i>Rupees</i>	<i>Rupees</i>
Revenue	<b>7,507,287</b>	<b>12,739,107</b>
Unrealized gain/(loss) on short term investments	<b>44,661,792</b>	<b>(4,493,984)</b>
Operating Expenses	<b>20,433,593</b>	<b>21,991,619</b>
Impairment loss on available-for-sale investments	<b>1,112,562,650</b>	<b>789,717,762</b>
Finance and other costs	<b>13,175</b>	<b>533,823</b>
(Loss)/profit after Taxation	<b>(1,075,523,234)</b>	<b>(775,967,361)</b>
(Loss)/earnings per Share (basic and diluted)	<b>(3.40)</b>	<b>(2.45)</b>

The company has reported revenue of Rs.7.50 million other than unrealized gain of Rs.44.66 million. Operating expenses occurred were Rs.20.43 million. Fluctuations in the market affecting the shares price of its subsidiaries "MDTL" and "FCEL" forced the company to recognize an impairment of Rs.1,112.56 million as compared to 789.71 million in the corresponding period. The company showed a loss of Rs.1,075.52 million and per share loss was Rs.3.40 in comparison with a loss of Rs.775.97 million and per share loss Rs.2.45 last year.

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

**First Capital Equities Limited ("FCEL")** has reported after tax profit of Rs. 21.25 million as compared to the loss of Rs. 33.26 million in the corresponding period. Earning per share was reported to be Rs. 0.15 as compared to loss per share of Rs. 0.24 in the preceding period.

**Lanka Securities (Pvt.) Limited ("LSL")** generated a gross revenue of LKR. 25.95 million and net profit of Rs. 8.55 million during the period while EPS stood at Rs. 0.49.

**First Capital Investments Limited ("FCIL")** has reported an after tax profit of Rs.21.91 million as compared to Rs. 25.59 million in the corresponding period. Profit per share was reported to be Rs. 1.04 as compared to Rs. 1.22 in the preceding period.

**World Press (Pvt.) Limited ("WPL")** reported after tax loss of Rs.11.07 million as compared to a loss of Rs. 6.38 million for the period in comparison.

**Falcon Commodities (Pvt.) Limited ("FCL")** posted an after tax loss of Rs.0.21 million during the period under review against the comparative loss of Rs.0.39 million.

**Evergreen Water Valley (Pvt.) Limited ("EGWV")** posted a net profit of Rs.5.43 million as compared to Rs.8.34 million for the period in comparison during the period.

### Outlook

Pakistan is in for interesting times where a balancing act between economic progress and stability will have to be undertaken. The GoP's initiatives on economic structural reforms have had the desired effect, with GDP growth in FY17 projected around the 5% range and reserves currently at USD21.8bn. Inflation has remained contained with 1HFY17 CPI at 3.9% while the stock market has at the same time performed impressively with FY17 to-date return of 30%, ranking Pakistan as amongst the best performing markets in the world. That said, risks have begun emanating particularly as slippages on the fiscal and Balance of Payment sides have started rearing heads. In this regard, the country's Current Account Deficit (CAD) in 7MFY17 stood at USD4.7bn or 2.5% of GDP, significantly above the 1.5% of GDP in the same period last year. With a trade deficit of USD13.2bn in 7M, the country's reserves, while still healthy, have declined by 8% from peak touched in Oct'16, which may lead to some pressure on exchange rate in the near term.

While the above highlighted risks remain, we believe the economy is likely to fare well in the medium to long term as benefits of the China-Pakistan Economic Corridor trickle in. Moving forward, with energy bottlenecks expected to be removed courtesy the CPEC, one of the key determinants in hampering industrial growth, we can reasonably expect expansions. In the shorter term, we believe beginning FY18 will likely see a plethora of activities as Elections 2018 come ever closer.

### Change in Board of Directors

Mr. Shahbaz Ali Taseer appointed as Director of the Company to fill the casual vacancy arising upon the sad demise of Mr. Sulaiman Ahmad Saeed Al-Hoqani since the last printed report.

### 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**  
28 February 2017

**Aamna Taseer**  
Chief Executive Officer

## ڈائریکٹرز کا جائزہ

ہم فرسٹ کیپٹل سکیورٹیز کارپوریشن لمیٹڈ کے بورڈ آف ڈائریکٹرز کی طرف سے 31 دسمبر 2016 کو ختم ہونے والی ششماہی کے لیے کمپنی ہذا کے محاسب شدہ کیفیت نامے پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

### عملیاتی نتائج

مالیاتی جائزہ	31 دسمبر 2016 روپوں میں	31 دسمبر 2015 روپوں میں
ریونیو	7,507,287	12,739,107
قلیل المدتی سرمایہ کاریوں پر غیر حاصل شدہ نفع/ (نقصان)	44,661,792	(4,493,984)
عملیاتی اخراجات	20,433,593	21,991,619
دستیاب برائے فروخت سرمایہ کاریوں پر نقصان	1,112,562,650	789,717,762
فنانس اور دیگر لاگتیں	13,175	533,823
(خسارہ)/ نفع بعد از ٹیکس	(1,075,523,234)	(775,967,361)
(خسارہ)/ کمائی فی حصص (بنیادی اور تھیلی)	(3.40)	(2.45)

کمپنی ہذا نے 7.50 ملین روپے کا ریونیو بتایا ہے جس میں 44.66 ملین روپے کا غیر حاصل شدہ نفع شامل نہیں۔ عملیاتی اخراجات 20.43 ملین روپے ہوئے۔ مارکیٹ میں اتار چڑھاؤ کی وجہ سے کمپنی ہذا کی سبسڈری کمپنیوں MTDL اور FCCL کے حصص کی قیمتیں متاثر ہوئیں جس وجہ سے کمپنی ہذا نے 1112.56 ملین کا نقصان تسلیم کیا جو کہ گذشتہ سال کے متعلقہ دورانیہ میں 789.71 ملین روپے تھا۔ کمپنی ہذا نے 1075.52 ملین روپے کا خسارہ دکھایا اور فی حصص خسارہ 3.40 روپے تھا جبکہ گذشتہ سال کے متعلقہ دورانیہ میں خسارہ 775.97 ملین روپے اور فی حصص خسارہ 2.45 روپے تھا۔

FCSC کی سبسڈری کمپنیوں کے مالیاتی نتائج برائے دورانیہ ہذا درج ذیل ہیں:

فرسٹ کیپٹل ایکویٹی لمیٹڈ (ایف سی ایل) نے گذشتہ سال کے متعلقہ دورانیہ میں 33.26 ملین روپے خسارہ کے مقابلے میں 21.25 ملین روپے کا منافع بعد از ٹیکس بتایا۔ فی حصص آمدن 0.15 روپے بتائی گئی جبکہ گذشتہ دورانیہ میں فی حصص 0.24 روپے خسارہ تھا۔

انکاسیکورٹیر لمیٹڈ (ایل ایس ایل) نے 25.95 ملین سری لنکن روپے کا ٹکل ریونیو پیدا کیا اور خالص نفع 8.55 ملین روپے جبکہ فی حصص آمدن 0.49 روپے رہی۔

فرسٹ کیپٹل انویسٹمنٹس لمیٹڈ (ایف سی آئی ایل) نے بعد از ٹیکس منافع 21.91 ملین روپے بتایا جبکہ اس کے مقابلے میں گذشتہ سال کے متعلقہ دورانیہ میں یہ نفع 25.59 ملین روپے تھا۔ فی حصص آمدن 1.04 روپے بتائی گئی جو کہ گذشتہ دورانیہ میں 1.22 روپے فی حصص تھی۔

ورلڈ پریس پرائیویٹ لمیٹڈ (ڈبلیو پی ایل) نے بعد از ٹیکس خسارہ 11.07 ملین روپے بتایا جبکہ گذشتہ متعلقہ دورانیہ میں خسارہ 6.38 ملین روپے تھا۔

فالکن کموڈٹی پرائیویٹ لمیٹڈ (سی ایف ایل) نے زیر غور دورانیہ کے لیے بعد از ٹیکس خسارہ 0.21 ملین روپے بتایا جبکہ اس کے مقابلے میں گذشتہ دورانیہ کا خسارہ 0.39 ملین روپے تھا۔

یورگرین واٹر ویلی پرائیویٹ لمیٹڈ (ای جی ڈبلیو وی) نے 5.43 ملین روپے کا خالص نفع بتایا جبکہ گذشتہ متعلقہ دورانیہ کے لیے منافع 8.34 ملین روپے تھا۔

### منظر نامہ

اس وقت پاکستان دلچسپ حالات میں ہے جن میں معاشی ترقی اور استحکام کے مابین متوازن قدم اٹھانا پڑے گا۔ حکومت پاکستان کے معاشی ساختیاتی اصلاحات کے لیے اٹھائے گئے اقدام کا مطلوبہ اثر حاصل ہوا اور مالیاتی سال 2017 میں جی ڈی پی شرح میں 5% اضافہ ہوا اور اس وقت ذخائر 2.18 امریکی ڈالر ہیں۔ مالیاتی سال 2017 کے لیے افراط زر 3.9% رہی جبکہ سٹاک مارکیٹ نے متاثر کن کارکردگی دکھائی اور 30% ریٹرن رہا، جس سے پاکستان دنیا کی بہترین کارکردگی کی حامل مارکیٹوں میں شامل ہو گیا۔ اس کے برعکس خطرات ظاہر ہونا شروع ہو گئے ہیں کیونکہ مالیاتی اور ادائیگیوں کے توازن کے پہلو میں کمزوری آنے لگی ہے۔ اس سلسلے میں ملک کا سات ماہی مالیاتی سال 2017 کا موجودہ خسارہ (کرنٹ اکاؤنٹ ڈیفیٹ) 4.7 بلین امریکی ڈالر یا جی ڈی پی کا 2.5% ہے، جو گذشتہ سال کے متعلقہ دورانیہ میں جی ڈی پی کا 1.5% تھا۔ سات ماہ میں 13.2 بلین کے تجارتی خسارہ کے ساتھ ملک کے ذخائر (جو ابھی تک صحت مند ماندہ ہیں) 8% کم ہو گئے ہیں اور اکتوبر میں عروج پر تھے، اس سے مستقبل قریب میں شرح تبادلہ پر کچھ دباؤ پیدا ہو سکتا ہے۔

متذکرہ بالا خطرات کے ہوتے ہوئے بھی ہم ماننے ہیں کہ اوسط اور طویل المدتی دورانیوں میں معیشت بہتر رہے گی کیونکہ پاک چین اقتصادی راہداری کے فوائد ظاہر ہونے لگیں گے۔ مستقبل میں سی بی کے وجہ سے توانائی کی مشکلات کم ہونے کی توقع ہے، صنعتی ترقی میں رکاوٹ بننے والی بنیادی رکاوٹوں میں توانائی بھی ہے، بہر حال ہم توقع کرتے ہیں کہ توانائی کے وسائل میں اضافہ ہوگا۔ قلیل المدتی دورانیہ میں ہماری توقع ہے کہ مالیاتی سال 2018 کا آغاز بہت سی سرگرمیاں دیکھے گا کیوں کہ 2018 کے انتخابات قریب آ رہے ہیں۔

### بورڈ آف ڈائریکٹرز میں تبدیلیاں

گذشتہ شائع شدہ رپورٹ کے بعد مسٹر سلیمان احمد سعید الحوقانی کی افسوس ناک وفات کی وجہ سے اتفاقاً پیدا ہونے والی نشست پوری کرنے کے لیے مسٹر شہباز علی تاثیر کو کمپنی کے ڈائریکٹر کے طور پر تعینات کیا گیا ہے۔

### اقرار نامہ

کمپنی ہذا کے ڈائریکٹرز یا دیگر کارکردگی حاصل کرنے میں معاونت اور تعاون کرنے پر مالیاتی اداروں، حکومتی اداروں اور دیگر اسٹیک ہولڈرز کے تہ دل سے مشکور ہیں۔ ڈائریکٹرز کمپنی ہذا کے کارکنان کی پر خلوص خدمات کا بھی اعتراف کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

آمنہ تاثیر

چیف ایگزیکٹو آفیسر

28 فروری 2017

## FIRST CAPITAL SECURITIES CORPORATION LIMITED

### Auditors' report to the members on review of interim unconsolidated financial information

#### Introduction

We have reviewed the accompanying condensed interim un-consolidated balance sheet of First Capital Securities Corporation Limited (the "Company") as at 31 December 2016 and the related condensed interim un-consolidated profit and loss account, condensed interim un-consolidated statement of comprehensive income, condensed interim un-consolidated cash flow statement, condensed interim un-consolidated statement of changes in equity and notes to the accounts for the half year then ended (here-in-after referred to as the "condensed interim un-consolidated financial information"). Management is responsible for the preparation and presentation of this condensed interim un-consolidated 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 condensed interim un-consolidated financial information based on our review. The figures of the condensed interim un-consolidated profit and loss account for the quarters ended 31 December 2015 and 2016 have not been reviewed, as we are required to review only the cumulative figures for the half year ended 31 December 2016.

#### 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 interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as of and for the half year ended 31 December 2016 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Lahore  
28 February 2017

**A. F. Ferguson & Co.**  
Chartered Accountants  
(Muhammad Masood)

## FIRST CAPITAL SECURITIES CORPORATION LIMITED CONDENSED INTERIM UN-CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2016

		31 December 2016 Un-Audited	30 June 2016 Audited
	Note	Rupees	Rupees
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	156,712,538	165,681,613
Investment properties		163,170,000	163,170,000
Long term investments	6	2,786,354,758	3,750,448,962
Long term deposits		37,500	1,122,750
		<u>3,106,274,796</u>	<u>4,080,423,325</u>
<b>CURRENT ASSETS</b>			
Trade debts - unsecured, considered good		3,673,875	2,955,175
Advances, prepayments and other receivables		65,626,130	62,162,746
Short term investments	6	107,715,213	64,279,504
Income tax recoverable - net		31,497,137	31,003,552
Cash and bank balances		2,950,204	749,569
		<u>211,462,559</u>	<u>161,150,546</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	30,325,607	27,869,064
Accrued mark-up on long term loan		5,035,732	5,035,732
Current maturities of non-current liabilities		9,837,066	8,946,666
		<u>45,198,405</u>	<u>41,851,462</u>
<b>NET CURRENT ASSETS</b>			
		<u>166,264,154</u>	<u>119,299,084</u>
<b>NON-CURRENT LIABILITIES</b>			
Staff retirement benefits payable		9,999,416	9,237,687
Long term payable		-	890,400
		<u>9,999,416</u>	<u>10,128,087</u>
Contingencies and commitments	8		10,128,087
		<u>3,262,539,534</u>	<u>4,189,594,322</u>
<b>REPRESENTED BY</b>			
<b>EQUITY</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital			
- 320,000,000 (30 June 2016: 320,000,000) ordinary share of Rs 10 each		<u>3,200,000,000</u>	<u>3,200,000,000</u>
Issued, subscribed and paid-up share capital			
- 38,165,030 (30 June 2016: 38,165,030) ordinary shares of Rs 10 each fully paid in cash		<u>381,650,300</u>	<u>381,650,300</u>
- 278,445,082 (30 June 2016: 278,445,082) ordinary shares of Rs 10 each issued as bonus shares		<u>2,784,450,820</u>	<u>2,784,450,820</u>
		<u>3,166,101,120</u>	<u>3,166,101,120</u>
Capital reserve: Fair value reserve		148,468,446	-
Revenue reserve: (Accumulated loss)/unappropriated profit		<u>(52,030,032)</u>	<u>1,023,493,202</u>
		<u>3,262,539,534</u>	<u>4,189,594,322</u>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**CONDENSED INTERIM UN-CONSOLIDATED PROFIT AND LOSS**  
**ACCOUNT (UN-AUDITED)**  
**FOR THE QUARTER AND HALF YEAR ENDED 31 DECEMBER 2016**

Note	Half year ended	Half year ended	Quarter ended	Quarter ended	
	31 December	31 December	31 December	31 December	
	2016	2015	2016	2015	
	Rupees	Rupees	Rupees	Rupees	
<b>Revenue</b>					
Money market services	6,101,289	7,790,958	3,288,190	4,175,857	
Dividend income	339,848	3,967,729	-	3,967,729	
Rental income from investment properties	192,000	980,420	96,000	440,210	
Gain on sale of investments	874,150	-	874,150	-	
Unrealized gain/(loss) on re-measurement of investments at fair value through profit or loss	6	44,661,792	(4,493,984)	(6,535,636)	2,201,373
		<u>52,169,079</u>	<u>8,245,123</u>	<u>(2,277,296)</u>	<u>10,785,169</u>
<b>Expenses</b>					
Impairment loss on available-for-sale investments	6	(1,112,562,650)	(789,717,762)	(1,027,697,406)	(789,717,762)
Operating and administrative expenses		(20,433,593)	(21,991,619)	(10,808,190)	(11,574,583)
		<u>(1,080,827,164)</u>	<u>(803,464,258)</u>	<u>(1,040,782,892)</u>	<u>(790,507,176)</u>
Other income		5,841,318	29,678,319	2,985,576	26,739,737
Finance costs		(13,175)	(533,823)	(6,450)	(527,328)
<b>Loss before taxation</b>		<u>(1,074,999,021)</u>	<u>(774,319,762)</u>	<u>(1,037,803,766)</u>	<u>(764,294,767)</u>
Taxation	9	(524,213)	(1,647,599)	(73,213)	(1,479,529)
<b>Loss after taxation</b>		<u>(1,075,523,234)</u>	<u>(775,967,361)</u>	<u>(1,037,876,979)</u>	<u>(765,774,296)</u>
<b>Loss per share</b>					
- basic and diluted		<u>(3.40)</u>	<u>(2.45)</u>	<u>(3.28)</u>	<u>(2.42)</u>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**CONDENSED INTERIM UN-CONSOLIDATED STATEMENT OF**  
**COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE QUARTER AND HALF YEAR ENDED 31 DECEMBER 2016**

Note	Half year ended	Half year ended	Quarter ended	Quarter ended	
	31 December	31 December	31 December	31 December	
	2016	2015	2016	2015	
	Rupees	Rupees	Rupees	Rupees	
<b>Loss after taxation</b>	(1,075,523,234)	(775,967,361)	(1,037,876,979)	(765,774,296)	
<b>Other comprehensive income/(loss):</b>					
Items that are or may subsequently be reclassified to profit and loss:					
- Change in fair value of available-for-sale investments	6	148,468,446	-	(1,357,943)	-
Items that will not be subsequently re-classified to profit or loss					
		-	-	-	-
<b>Other comprehensive income/(loss) - net of tax</b>		<u>148,468,446</u>	<u>-</u>	<u>(1,357,943)</u>	<u>-</u>
<b>Total comprehensive loss - net of tax</b>		<u>(927,054,788)</u>	<u>(775,967,361)</u>	<u>(1,039,234,922)</u>	<u>(765,774,296)</u>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR



**FIRST CAPITAL SECURITIES CORPORATION LIMITED  
CONDENSED INTERIM UN-CONSOLIDATED CASH FLOW  
STATEMENT (UN-AUDITED)  
FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

Note	Half year ended	Half year ended
	31 December 2016	31 December 2015
	Rupees	Rupees
<b>Cash flows from operating activities</b>		
Cash generated from operations	775,306	15,377,023
Staff retirement benefits paid	-	(36,000)
Finance cost paid	(13,175)	(14,608)
Taxes paid	(1,017,798)	(1,680,379)
<b>Net cash generated from operating activities</b>	<b>(255,667)</b>	<b>13,646,036</b>
<b>Cash flows from investing activities</b>		
Dividend received	339,848	3,967,729
Capital expenditure incurred	-	(4,400,000)
Additions made to long term investments	-	(45,370,000)
Proceeds from sale of short term investments	2,100,233	8,981,424
Proceeds from disposal of property, plant and equipment	-	30,370,000
Interest received	16,221	27,177
<b>Net cash generated from/(used in) investing activities</b>	<b>2,456,302</b>	<b>(6,423,670)</b>
<b>Cash flows from financing activities</b>		
Long term loan repaid	-	(2,000,000)
<b>Net cash used in financing activities</b>	<b>-</b>	<b>(2,000,000)</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,200,635</b>	<b>5,222,366</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>749,569</b>	<b>1,628,006</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>2,950,204</b>	<b>6,850,372</b>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED  
CONDENSED INTERIM UN-CONSOLIDATED STATEMENT OF  
CHANGES IN EQUITY (UN-AUDITED)  
FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

	Rupees			
	Share Capital	Capital reserve: Fair value reserve	Revenue reserve: Unappropriated profit/ (accumulated loss)	Total
<b>Balance as at 1 July 2015 (Audited)</b>	3,166,101,120	-	1,821,919,036	4,988,020,156
Loss for the period	-	-	(775,967,361)	(775,967,361)
Other comprehensive income for the period	-	-	-	-
Total comprehensive loss for the period	-	-	(775,967,361)	(775,967,361)
<b>Balance as at 31 December 2015 (Un-Audited)</b>	<b>3,166,101,120</b>	<b>-</b>	<b>1,045,951,675</b>	<b>4,212,052,795</b>
Loss for the period	-	-	(23,123,835)	(23,123,835)
Other comprehensive income for the period	-	-	665,362	665,362
Total comprehensive loss for the period	-	-	(22,458,473)	(22,458,473)
<b>Balance as at 30 June 2016 (Audited)</b>	<b>3,166,101,120</b>	<b>-</b>	<b>1,023,493,202</b>	<b>4,189,594,322</b>
Loss for the period	-	-	(1,075,523,234)	(1,075,523,234)
Other comprehensive income for the period	-	148,468,446	-	148,468,446
Total comprehensive income/(loss) for the period	-	148,468,446	(1,075,523,234)	(927,054,788)
<b>Balance as at 31 December 2016 (Un-Audited)</b>	<b>3,166,101,120</b>	<b>148,468,446</b>	<b>(52,030,032)</b>	<b>3,262,539,534</b>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**NOTES TO THE CONDENSED INTERIM UN-CONSOLIDATED**  
**FINANCIAL INFORMATION (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

**1 Legal status and nature of business**

First Capital Securities Corporation Limited ("the Company") was incorporated in Pakistan on 11 April 1994 as a public limited company under the Companies Ordinance, 1984 and is listed on the 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** This condensed interim unconsolidated financial information is unaudited and is being submitted to the members in accordance with section 245 of the Companies Ordinance, 1984. It has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. The figures for the half year ended 31 December 2016 have, however, been subjected to limited scope review by the auditors as required by the Code of Corporate Governance. This condensed interim financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2016.

**3 Significant accounting policies**

**3.1** The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended 30 June 2016.

**3.2 Initial application of standards, amendments or an interpretation to existing standards**

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

**3.2.1 Standards, amendments and interpretations to approved accounting standards that are effective in the current period**

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on 1 July 2016, but are considered currently not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in this condensed interim unconsolidated financial information except for:

- 'Equity method in separate financial statements – Amendments to IAS 27' applicable from periods beginning on or after January 1, 2016. These amendments will allow entities to use the equity method in their separate financial statements to measure investments in subsidiaries, joint ventures and associates. IAS 27 currently allows entities to measure their investments in subsidiaries, joint ventures and associates either at cost or as a financial asset in their separate financial statements. The amendments introduce the equity method as a third option. The election can be made independently for each category of investment (subsidiaries, joint ventures and associates). Entities wishing to change to the equity method must do so retrospectively. The Company has elected to recognize its investments in subsidiaries and associates as available-for-sale investments in its separate financial statements, which has been followed earlier.

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

The following amendments and interpretations to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 1 July 2017 or later periods, and the Company has not early adopted them:

Other standards or interpretations	Effective date (accounting periods beginning on or after)
Amendments to IAS 7, Statement of cash flows on disclosure initiative	1 January 2017
Amendments to IAS 12, Income taxes on Recognition of deferred tax assets for unrealised losses	1 January 2017
Amendments to IFRS 2, Share based payments , on clarifying how to account for certain types of share-based payment transactions	1 January 2018
<b>Standards under consideration of the relevant committee of the Institute of Chartered Accountants of Pakistan</b>	
IFRS 9, 'Financial instruments'	1 January 2018
IFRS 15, 'Revenue from contracts with customers'	1 January 2018
Amendments to IFRS 15, Revenue from contracts with customers' on gross versus net revenue presentation	1 January 2018
IFRS 16 Leases'	1 January 2019

The Company will apply these standards/amendments from their respective effective dates and has yet to assess the impact of these amendments on its financial statements.

**4. Accounting estimates**

The preparation of the condensed interim un-consolidated financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim un-consolidated financial information, the significant judgments made by management in applying accounting policies and key sources of estimation were the same as those that were applied to the financial statements for the year ended 30 June 2016, with the exception of changes in estimate that are required in determining the provision for income taxes as referred to in note 9 to this condensed interim un-consolidated financial information.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2016.

		31 December 2016 Un-Audited	30 June 2016 Audited
	Note	Rupees	Rupees
<b>5. Property, plant and equipment</b>			
Operating fixed assets	5.1	44,596,445	53,565,520
Capital work-in-progress	5.2	112,116,093	112,116,093
		<b>156,712,538</b>	<b>165,681,613</b>

Note	31 December 2016 Un-Audited	30 June 2016 Audited
	Rupees	Rupees
<b>5.1 Operating fixed assets</b>		
Opening book value	53,565,520	71,578,933
Additions for the period/year	-	-
Depreciation charged during the period/year	(8,969,075)	(18,013,413)
Closing book value	<u>44,596,445</u>	<u>53,565,520</u>

**5.2** This represents advance against purchase of property in Pace Tower Gulberg, Lahore and Pace Circle, Lahore amounting to Rs 107,090,858 (30 June 2016: Rs 107,090,858) and Rs 5,025,235 (30 June 2016: Rs 5,025,235) respectively. Construction work on these properties is in progress as at 31 December 2016.

Note	(Un-Audited) 31 December 2016	(Audited) 30 June 2016
	Rupees	Rupees
<b>6 Investments</b>		
Carrying value of investments at the beginning of the period/year	3,814,728,466	4,592,924,788

Investments made during the period/year in:

- Related parties	-	45,370,000
- Others	-	-
	-	45,370,000

Impairment loss on available-for-sale investments	6.1	(1,112,562,650)	(805,303,369)
Unrealized gain/(loss) on re-measurement of investments at fair value through profit or loss	6.2	44,661,792	(9,632,941)
Change in fair value of available-for-sale investments taken to condensed interim un-consolidated statement of comprehensive income	6.3	148,468,446	-
		(919,432,412)	(814,936,310)

Investments disposed off during the period/year

Carrying value at the end of the period/year

Carrying value of investments at the end of the period/year classified in current assets

Carrying value of investments at the end of the period/year classified in non-current assets

**6.1** This represents provision for diminution in value of investment charged due to decrease in market value per share of Company's subsidiary, First Capital Equities Limited, as at the reporting date. The related impairment loss has been recognized in condensed interim un-consolidated profit and loss account for the period.

**6.2** This includes an unrealized gain on re-measurement of Company's investment in Pace (Pakistan) Limited, a related party (associated undertaking), amounting to Rs 37.759 million due to increase in market value per share as at the reporting date. The related gain has been recognized in condensed interim un-consolidated profit and loss account for the period.

**6.3** This represents a gain (including a reversal of impairment loss charged in the prior period amounting to Rs 116.456 million) on account of change in fair value of Company's available-for-sale investment in Media Times Limited, a related party (associated undertaking), due to increase in market value per share as at the reporting date. The related gain has been recognized in condensed interim un-consolidated statement of comprehensive income for the period.

	(Un-Audited) 31 December 2016	(Audited) 30 June 2016
	Rupees	Rupees

#### 7. Trade and other payables

Creditors	4,430,067	3,370,206
Accrued liabilities	3,711,409	2,819,345
Security deposit from tenants	486,660	486,660
Payable against purchase of investment property	6,681,123	6,681,123
Final settlements payable	11,455,329	11,455,329
Unclaimed dividend	1,856,586	1,856,586
With-holding sales tax payable	199,039	219,612
With-holding income tax payable	1,237,652	743,373
Other liabilities	267,742	236,830
	<u>30,325,607</u>	<u>27,869,064</u>

#### 8. Contingencies and commitments

**8.1** There are no significant changes in contingencies and commitments from those disclosed in the preceding annual financial statements of the Company for the year ended 30 June 2016.

#### 9. Taxation

Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

	Half year ended 31 December 2016	Half year ended 31 December 2015
	(Un-Audited)	(Un-Audited)
	Rupees	

#### 10. Cash generated from operations

Loss before taxation

#### Adjustments for:

- Finance costs	13,175	533,823
- Dividend income	(339,848)	(3,967,729)
- Unrealized (gain)/loss on re-measurement of investments at 'fair value through profit and loss'	(44,661,792)	4,493,984
- Impairment loss on 'available-for-sale' investments	1,112,562,650	789,717,762
- Profit on disposal of property, plant and equipment	-	(22,521,343)
- Depreciation on property, plant and equipment	8,969,075	9,038,791
- Interest income	(16,221)	(378,590)
- Provision for staff retirement benefits	761,729	810,692
- Gain on sale of investments	(874,150)	-

#### Profit before working capital changes

1,076,414,618 777,727,390

1,415,597 3,407,628

	Half year ended 31 December 2016 (Un-Audited)	Half year ended 30 June 2016 (Audited)
<b>Rupees</b>		
<b>Effect on cash flow due to working capital changes</b>		
<i>(Increase)/decrease in current assets:</i>		
- Trade debts	(718,700)	(23,062)
- Advances, prepayments and other receivables	(2,378,134)	15,211,229
<i>Increase/(decrease) in current liabilities:</i>		
- Trade and other payables	2,456,543	(3,218,772)
<b>Net cash generated from operations</b>	<b>(640,291)</b>	<b>11,969,395</b>
	<b>775,306</b>	<b>15,377,023</b>

#### 11. Transactions and balances with related parties

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

Relationship with the Company	Nature of transactions	Half year ended 31 December 2016 Un-Audited	Half year ended 31 December 2015 Un-Audited
		Rupees	Rupees
Subsidiary companies	Rental income earned	5,700,000	5,700,000
	Purchase of goods/services	-	550,005
	Dividend income received	-	3,577,584
	Brokerage commission paid	4,430	-
Associated companies	Purchase of goods/services	97,500	30,800
	Service charges	-	336,419
	Dividend income earned and received	254,840	305,137
	Receipt against services	3,800,450	21,251,088
Key management personnel	Salaries and other employee benefits	3,447,240	3,630,383
<b>Period/year end balances</b>		<b>31 December 2016 Un-Audited</b>	<b>30 June 2016 Audited</b>
		<b>Rupees</b>	<b>Rupees</b>
<b>Receivables from related parties</b>			
- Subsidiary company		22,829,631	16,190,000
- Associated company		22,667,022	26,467,472
<b>Payables to related parties</b>			
- Subsidiary companies		1,896,842	1,896,842
- Associated companies		6,849,723	6,752,223

## 12. Financial risk management

### 12.1 Financial risk factors

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

The condensed interim un-consolidated financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at 30 June 2016.

There have been no changes in the risk management department since the year ended 30 June 2016 or in any risk management policies.

### 12.2 Liquidity risk

Compared to year ended 30 June 2016, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

### 12.3 Fair value estimation

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

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

The following table presents the Company's assets and liabilities that are measured at fair value at 31 December 2016.

	Level 1	Level 2	Level 3	Total
<b>Rupees</b>				
<b>Assets</b>				
Available-for-sale investments	1,983,462,012	-	-	1,983,462,012
Investments at fair value through profit and loss	107,715,213	-	-	107,715,213
<b>Total assets</b>	<b>2,091,177,225</b>	<b>-</b>	<b>-</b>	<b>2,091,177,225</b>
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The following table presents the Company's assets and liabilities that are measured at fair value at 30 June 2016.

	Level 1	Level 2	Level 3	Total
	Rupees			
<b>Assets</b>				
Available-for-sale investments	2,947,556,216	-	-	2,947,556,216
Investments at fair value through profit and loss	64,279,504	-	-	64,279,504
<b>Total assets</b>	<u>3,011,835,720</u>	<u>-</u>	<u>-</u>	<u>3,011,835,720</u>
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

### 13 Date of authorization for issue

This condensed interim financial information was authorized for issue on 28 February, 2017 by the Board of Directors.

### 14 Corresponding figures

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**

**CONDENSED INTERIM CONSOLIDATED  
FINANCIAL INFORMATION  
FOR THE SIX MONTHS PERIOD ENDED  
31 DECEMBER 2016  
(Un-Audited)**

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**CONDENSED INTERIM CONSOLIDATED BALANCE SHEET (UN-AUDITED)**  
**AS AT 31 DECEMBER 2016**

	Note	Un-Audited 31 December 2016 Rupees	Audited 30 June 2016 Rupees
<b>Non-current assets</b>			
Property, plant and equipment	6	338,480,424	366,343,606
Intangible assets		15,000,000	15,000,000
Investment properties		163,170,000	163,170,000
Investments accounted for using the equity method	7	567,640,654	564,614,173
Long term investments		24,156,320	24,156,320
Long term deposits and advances - considered good		39,586,551	35,559,611
Deferred taxation		1,049,484	1,051,280
		<u>1,149,083,433</u>	<u>1,169,894,990</u>
<b>Current assets</b>			
Stock in trade		13,590,210	19,953,573
Trade debts		1,989,978,693	2,204,207,355
Loans, advances and other receivables		144,247,207	111,883,056
Prepayments		1,166,755	797,297
Interest accrued		127,652	324,619
Deposits and other receivables		24,793,804	34,259,498
Short term investments	7	349,295,666	262,773,971
Tax refund due from Government		64,541,968	59,645,932
Cash and bank balances		166,411,572	124,540,549
		<u>2,754,153,527</u>	<u>2,818,385,850</u>
<b>Non-current assets classified as held for sale</b>			
Investment properties		1,608,469,500	1,608,469,500
<b>Current liabilities</b>			
Trade and other payables		368,236,184	347,813,950
Mark-up accrued		452,336,667	440,034,745
Short term borrowings - secured		621,905,664	641,477,416
Current portion of long term loans - secured		258,383,420	255,452,674
Current portion of liabilities against assets subject to finance lease		2,812,808	4,819,525
		<u>1,703,674,743</u>	<u>1,689,598,310</u>
<b>Net current assets</b>		<u>2,658,948,284</u>	<u>2,737,257,040</u>
		<u>3,808,031,717</u>	<u>3,907,152,030</u>
<b>Non-current liabilities</b>			
Deferred liabilities		59,759,015	55,412,477
Long term loans - secured		2,121,070,148	2,286,595,962
		<u>2,180,829,163</u>	<u>2,342,008,439</u>
Contingencies and commitments	8	<u>1,627,202,554</u>	<u>1,565,143,591</u>
<b>Represented by</b>			
<b>Equity</b>			
<b>Share Capital and Reserves</b>			
Authorized share capital:			
320,000,000 (2015: 320,000,000) ordinary shares of Rs 10 each			
		<u>3,200,000,000</u>	<u>3,200,000,000</u>
Issued, subscribed and paid-up share capital			
		<u>3,166,101,120</u>	<u>3,166,101,120</u>
Exchange translation reserve		20,141,240	22,516,300
Reserves capitalised		480,054,923	480,054,923
Retained earnings		(2,256,609,393)	(2,313,960,657)
<b>Equity attributable to owners of the Parent Company</b>		<u>1,409,687,890</u>	<u>1,354,711,686</u>
<b>Non-controlling interests (NCI)</b>		<u>217,514,664</u>	<u>210,431,905</u>
		<u>1,627,202,554</u>	<u>1,565,143,591</u>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS**  
**ACCOUNT (UN-AUDITED)**  
**FOR THE QUARTER AND HALF YEAR ENDED 31 DECEMBER 2016**

	Six months ended		Three months ended	
	31 December 2016 Rupees	31 December 2015 Rupees	31 December 2016 Rupees	31 December 2015 Rupees
Operating revenue	201,931,288	200,910,577	106,355,050	83,557,575
Direct costs	(111,495,773)	(111,924,146)	(55,378,351)	(45,384,081)
<b>Gross profit</b>	<u>90,435,515</u>	<u>88,986,431</u>	<u>50,976,699</u>	<u>38,173,494</u>
Unrealized gain/(loss) on re-measurement of 'investments at fair value through profit or loss'	115,585,061	15,110,710	(20,095,351)	40,772,560
Operating and administrative expenses	(113,301,661)	(135,397,770)	(66,774,819)	(68,281,610)
	<u>92,718,915</u>	<u>(31,300,629)</u>	<u>(35,893,471)</u>	<u>10,664,444</u>
Other income	8,721,903	169,711,134	869,674	155,737,009
Finance cost	(39,338,576)	(116,478,147)	(20,330,894)	(95,563,580)
	<u>62,102,242</u>	<u>21,932,358</u>	<u>(55,354,691)</u>	<u>70,837,873</u>
Share of gain/(loss) of equity accounted investees (net of tax)	10,045,597	(23,806,300)	485,210	(6,154,099)
<b>Profit/(loss) before taxation</b>	<u>72,147,839</u>	<u>(1,873,942)</u>	<u>(54,869,481)</u>	<u>64,683,774</u>
Taxation	(5,431,896)	(3,128,562)	(4,813,295)	(1,348,600)
<b>Profit/(loss) after taxation from operations for the period</b>	<u>66,715,943</u>	<u>(5,002,504)</u>	<u>(59,682,776)</u>	<u>63,335,174</u>
<b>Basic and diluted earnings/(loss) per share</b>	<u>0.18</u>	<u>(0.01)</u>	<u>(0.15)</u>	<u>0.17</u>
<b>Profit/(loss) attributable to:</b>				
- Owners of the Parent Company	57,351,264	(3,552,003)	(46,600,986)	52,956,560
- Non-controlling interest	9,364,679	(1,450,501)	(13,081,790)	10,378,614
<b>Profit/(loss) for the period</b>	<u>66,715,943</u>	<u>(5,002,504)</u>	<u>(59,682,776)</u>	<u>63,335,174</u>

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

EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF**  
**COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE QUARTER AND HALF YEAR ENDED 31 DECEMBER 2016**

	Six months ended		Three months ended	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
	Rupees	Rupees	Rupees	Rupees
Profit / (loss) after taxation	66,715,943	(5,002,504)	(59,682,776)	63,335,174
<b>Other comprehensive income for the period</b>				
<b>Items that may be subsequently reclassified to profit or loss:</b>				
Exchange differences on translation of foreign operations recognised as:				
- Exchange translation reserve	(2,375,060)	(5,758,858)	(2,322,174)	(1,839,498)
- Non-controlling interests	(2,281,920)	(5,533,021)	(2,231,108)	(1,767,360)
Other comprehensive loss for the period	(4,656,980)	(11,291,879)	(4,553,282)	(3,606,858)
<b>Total comprehensive income/(loss) for the period</b>	<b>62,058,963</b>	<b>(16,294,383)</b>	<b>(4,553,282)</b>	<b>(3,606,858)</b>
<b>Total comprehensive income/(loss) attributable to :</b>				
- Owners of the Parent Company	54,976,204	(9,310,861)	10,759,616	(12,218,112)
- Non-controlling interests	7,082,759	(6,983,522)	(15,312,898)	8,611,254
	<b>62,058,963</b>	<b>(16,294,383)</b>	<b>(4,553,282)</b>	<b>(3,606,858)</b>

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

CHIEF EXECUTIVE OFFICER

31

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2016**  
**(UN-AUDITED)**

	Half year ended	Half year ended
	31 December 2016	31 December 2015
	Rupees	Rupees
<b>Cash flows from operating activities</b>		
Loss before taxation	72,147,839	(1,873,942)
Adjustments for:		
Depreciation	14,584,643	18,574,302
Finance cost	39,338,576	116,478,147
Loss on remeasurement of short term investments	(115,585,061)	(15,110,710)
Dividend income	(1,721,339)	-
Gain on disposal of property, plant and equipment	6,713,810	(32,820,117)
Retirement benefits	5,061,729	6,833,822
Share of profit/(loss) of equity-accounted investee	(10,045,597)	23,806,300
Mark up income	(15,398,534)	(7,151,002)
	<b>(77,051,773)</b>	<b>110,610,742</b>
<b>(Loss) / profit before working capital changes</b>	<b>(4,903,934)</b>	<b>108,736,800</b>
Effect on cash flow due to working capital changes:		
(Increase)/decrease in:		
Inventories	6,363,363	7,461,795
Trade debts	214,228,662	355,838,951
Loans and advances	(32,364,151)	(97,712,450)
Short term prepayments	(369,458)	(1,202,702)
Deposits and other receivables	9,465,694	(1,390,629)
Increase/(decrease) in:		
Trade and other payables	20,422,234	(137,057,800)
Short term borrowings - net	(19,571,752)	(2,754,544)
	<b>198,174,592</b>	<b>123,182,621</b>
Cash generated from operations	193,270,658	231,919,421
Long term deposits and advances	(4,026,940)	(5,929,240)
Retirement benefits paid - net	(715,191)	(371,060)
Finance costs paid	231,346,766	378,953,324
Taxes paid	(10,326,136)	(22,382,494)
<b>Net cash generated from operating activities</b>	<b>409,549,157</b>	<b>582,189,951</b>
<b>Cash flows from investing activities</b>		
Fixed capital expenditure	(3,317,977)	(64,644,520)
Short term investments - net	29,063,366	(64,548,824)
Proceeds from sale of property, plant and equipment	9,882,706	41,822,804
Dividend received	8,740,455	8,404,468
Interest received	15,595,501	7,362,298
<b>Net cash (used in) / generated from investing activities</b>	<b>59,964,051</b>	<b>(71,603,774)</b>
<b>Cash flows from financing activities</b>		
Repayment of liabilities against assets subject to finance lease - net	(2,006,717)	(3,900,775)
Receipt/(payment) of long term loan	(420,978,488)	(507,579,076)
Transactions with non-controlling interests	-	10,000,000
<b>Net cash used in financing activities</b>	<b>(422,985,205)</b>	<b>(501,479,851)</b>
<b>Net increase in cash and cash equivalents</b>	<b>46,528,003</b>	<b>9,106,326</b>
Cash and cash equivalents at the beginning of the period	124,540,549	187,371,994
Effect of exchange translation reserve	(4,656,980)	(11,291,879)
<b>Cash and cash equivalents at the end of the period</b>	<b>166,411,572</b>	<b>185,186,441</b>

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

CHIEF EXECUTIVE OFFICER

32

DIRECTOR



**FIRST CAPITAL SECURITIES CORPORATION LIMITED  
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

	Attributable to owners of the Company					Non-controlling interests	Total equity
	Share capital	Exchange translation reserve	Reserve capitalised	Retained earnings	Total		
	Rupees						
<b>Balance at 1 July 2015 - (Audited)</b>	3,166,101,120	29,816,935	478,240,308	(2,346,784,149)	1,327,374,214	201,469,291	1,528,843,505
<b>Total comprehensive income / (loss) for the period</b>	-	-	-	(3,552,003)	(3,552,003)	(1,450,501)	(5,002,504)
Loss for the period	-	(5,758,858)	-	-	(5,758,858)	(5,593,021)	(11,291,879)
Other comprehensive loss for the period	-	(5,758,858)	-	(3,552,003)	(9,310,861)	(6,983,522)	(16,294,383)
<b>Total comprehensive loss for the period</b>	-	(5,758,858)	-	(3,552,003)	(9,310,861)	(6,983,522)	(16,294,383)
<b>Transaction with owners</b>	-	-	-	454,135	454,135	9,545,865	10,000,000
Change in NCI on exercise of right shares by subsidiary	-	-	-	454,135	454,135	9,545,865	10,000,000
<b>Balance at 31 December 2015</b>	<b>3,166,101,120</b>	<b>24,058,077</b>	<b>478,240,308</b>	<b>(2,349,882,017)</b>	<b>1,318,517,488</b>	<b>204,031,634</b>	<b>1,522,549,122</b>
<b>Balance at 01 July 2016</b>	<b>3,166,101,120</b>	<b>22,516,300</b>	<b>480,054,923</b>	<b>(2,313,960,657)</b>	<b>1,354,711,686</b>	<b>210,431,905</b>	<b>1,565,143,591</b>
<b>Total comprehensive income / (loss) for the period</b>	-	(2,375,060)	-	57,351,264	57,351,264	9,364,679	66,715,943
Income for the period	-	(2,375,060)	-	57,351,264	57,351,264	(2,281,920)	(4,656,980)
Other comprehensive loss for the period	-	(2,375,060)	-	-	(2,375,060)	-	(4,656,980)
<b>Total comprehensive income / (loss) for the period</b>	-	(2,375,060)	-	57,351,264	54,976,204	7,082,759	62,058,963
<b>Balance at 31 December 2016</b>	<b>3,166,101,120</b>	<b>20,141,240</b>	<b>480,054,923</b>	<b>(2,256,609,393)</b>	<b>1,409,687,890</b>	<b>217,514,664</b>	<b>1,627,202,554</b>

33

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED  
NOTES TO THE CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

**1. Legal status and nature of business**

First Capital Securities Corporation Limited (FCSC) ("the Parent Company") was incorporated in Pakistan on 11 April 1994 as a public limited company under the Companies Ordinance, 1984 and is listed on the Pakistan stock exchange. The registered office of the Parent Company is situated at 2nd Floor, Pace Shopping Mall, 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 is unaudited and is being submitted to the members in accordance with section 245 of the Companies Ordinance, 1984. It has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This condensed interim financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with the annual consolidated financial statements of the Company for the year ended 30 June 2016.

**2.2 Functional and presentation currency**

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

**3. Significant accounting policies**

Accounting policies and methods of computation adopted in the preparation of this consolidated condensed interim financial report are the same as those applied in the preparation of audited annual consolidated financial statements of the Group for the preceding year ended 30 June 2016.

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

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

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

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

34

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

There are certain standards, amendments and interpretations to approved accounting standards that are mandatory for the Company's accounting periods beginning on or after 1 July 2017 or later periods, and the Company has not early adopted them therefore, not detailed in this condensed interim financial information.

**4 Estimates**

The preparation of 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 Company's 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 2016.

**5. Subsidiary companies**

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

	Percentage of Holding	
	31 December 2016	30 June 2016
First Capital Investments Limited (FCIL)	78.86	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	100
	<b>31 December 2016</b>	<b>30 June 2016</b>
Note	<b>Rupees</b>	<b>Rupees</b>

**6. Profit, plant and equipment**

Property, plant and equipment	6.1	120,429,331	148,292,513
Capital work in progress	6.2	218,051,093	218,051,093
		<b>338,480,424</b>	<b>366,343,606</b>
<b>6.1</b> Opening book value		<b>148,292,513</b>	181,757,798
Additions for the period/year		<b>3,317,977</b>	1,676,084
Effect of movement in exchange rate		<b>(828,597)</b>	(3,027,294)
Disposal for the period/year net book value		<b>(16,596,516)</b>	(1,821,618)
		<b>134,185,377</b>	178,584,970
Depreciation expense for the period/year		<b>14,584,643</b>	33,112,646
Effect of movement in exchange rate		<b>(828,597)</b>	(2,820,189)
Closing book value		<b>120,429,331</b>	148,292,513

**6.2** This represents advance against purchase of property in Pace Tower Gulberg, Lahore, and Pace Circle.

	31 December 2016 Rupees	30 June 2016 Rupees
<b>7 Investments</b>		
Carrying value of investments at the beginning of the period / year	<b>827,388,144</b>	801,402,168
Investments made during the period / year		
- Others	-	42,662,439
Share of loss of equity accounted investees (net of tax)	<b>10,045,597</b>	(10,269,945)
Equity accounted investees- share of other comprehensive income	-	894,034
Unrealized (loss) / gain on re-measurement of investments at fair value through profit or loss	<b>115,585,061</b>	1,103,916
Less Dividends	<b>(7,019,116)</b>	(8,404,468)
	<b>118,611,542</b>	(16,676,463)
Investments disposed off during the period/year	<b>(29,063,366)</b>	-
Carrying value at the end of the period / year	<b>916,936,320</b>	827,388,144
Investments classified in current assets	<b>349,295,666</b>	262,773,971
Closing book value	<b>567,640,654</b>	564,614,173
<b>8 Contingencies and commitments</b>		
There is no significant change in contingencies and commitments disclosed in the annual audited consolidated financial statements for the year ended June 30, 2016 except for the following commitments:		
	<b>31 December 2016 Rupees</b>	<b>30 June 2016 Rupees</b>
<b>Commitments</b>		
Sale of Shares	<b>1,010,677,794</b>	50,148,207
Purchase of shares	<b>1,041,257,090</b>	57,630,577
Capital expenditure	<b>21,825,103</b>	21,825,103
Ijarah lease rental	<b>1,095,248</b>	1,752,400
<b>9 Cash generated from operations</b>		
Profit / (loss) before taxation	<b>72,147,839</b>	(1,873,942)
Adjustments for:		
Depreciation	<b>14,584,643</b>	18,574,302
Finance cost	<b>39,338,576</b>	116,478,147
(Gain) / loss on remeasurement of short term investments	<b>(115,585,061)</b>	(15,110,710)
Dividend income	<b>(1,721,339)</b>	-
Gain on disposal of property, plant and equipment	<b>6,713,810</b>	(32,820,117)
Retirement benefits	<b>5,061,729</b>	6,833,822
Share of (profit)/loss of equity-accounted investee	<b>(10,045,597)</b>	23,806,300
Mark up income	<b>(15,398,534)</b>	(7,151,002)
	<b>(77,051,773)</b>	110,610,742
<b>Profit before working capital changes</b>	<b>(4,903,934)</b>	108,736,800

	31 December 2016 Rupees	30 June 2016 Rupees
<b>Effect on cash flow due to working capital changes:</b>		
(Increase)/decrease in:		
Inventories	6,363,363	7,461,795
Trade debts	214,228,662	355,838,951
Loans and advances	(32,364,151)	(97,712,450)
Short term prepayments	(369,458)	(1,202,702)
Deposits and other receivables	9,465,694	(1,390,629)
Increase/(decrease) in:		
Trade and other payables	20,422,234	(137,057,800)
Short term borrowings - net	(19,571,752)	(2,754,544)
<b>Net cash generated from operations</b>	<b>198,174,592</b>	<b>123,182,621</b>
	<b>193,270,658</b>	<b>231,919,421</b>

## 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:

		July - December	
		2016 Rupees	2015 Rupees
<b>10.1 Transaction during the period</b>			
Associated companies	Purchase of goods / services	97,500	198,800
	Service charges	503,820	2,672,299
	Dividend income	8,453,953	305,137
	Asset management fee	2,062,060	2,200,018
	Construction revenue	77,275,000	102,834,836
Key management personnel	Salaries and other employee benefits	29,797,413	6,595,733
		<b>31 December 2016 Rupees</b>	<b>30 June 2016 Rupees</b>
<b>10.2 Period / year end balances</b>			
Associated companies	Receivables from related parties	30,210,195	82,371,430
	Payables to related parties	88,633,911	8,724,385
	Retention money	3,863,267	5,093,061

## 11 Financial risk management

### 11.1 Financial risk factors

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

The condensed interim consolidated financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Company's annual consolidated financial statements as at 30 June 2016.

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

### 11.2 Liquidity risk

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

### 11.3 Fair value estimation

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

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

The following table presents the Group assets and liabilities that are measured at fair value at 31 December 2016.

	Level 1	Level 2	Level 3	Total
	Rupees			
<b>Assets</b>				
Investments at fair value through profit and loss	349,295,666	-	-	349,295,666
Total assets	349,295,666	-	-	349,295,666
<b>Liabilities</b>	-	-	-	-

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

## 12 Corresponding figures

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

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

**13 Date of authorization for issue**

This un-audited consolidated condensed interim financial information for the half year ended 31 December 2016 were authorized for issue on 28 February 2017 by the Board of Directors.

**14 General**

Figures have been rounded off to the nearest rupee.

CHIEF EXECUTIVE OFFICER

DIRECTOR