

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**

**UNCONSOLIDATED CONDENSED INTERIM  
FINANCIAL INFORMATION**

**FOR THE THREE MONTHS PERIOD ENDED  
30 SEPTEMBER 2013  
(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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Consolidated accounts

# FIRST CAPITAL SECURITIES CORPORATION LIMITED

## COMPANY'S INFORMATION

<b>Board of Directors</b>	Aamna Taseer (Chairman & Chief Executive Officer) Shehryar Ali Taseer Maheen Ghani Taseer Shehrebano Taseer Kanwar Latafat Ali Khan Sulaiman Ahmed Saeed Al-Hoqani Jamal Said Al-Ojaili	Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Independent
<b>Chief Financial Officer</b>	Saeed Iqbal	
<b>Audit Committee</b>	Shehryar Ali Taseer (Chairman) Maheen Ghani Taseer Shehrebano Taseer	
<b>Human Resource and Remuneration (HR&amp;R) Committee</b>	Shehryar Ali Taseer (Chairman) Aamna Taseer Shehrebano Taseer	
<b>Company Secretary</b>	Sajjad Ahmad	
<b>Auditors</b>	KPMG Taseer Hadi & Co. Chartered Accountants	
<b>Legal Advisers</b>	Mazhar Law Associates Advocates & Solicitors	
<b>Bankers</b>	Allied Bank Limited Bank Al-Falah Limited Faysal Bank Limited KASB Bank Limited MCB Bank Limited Standard Chartered Bank (Pakistan) Limited Soneri Bank Limited	
<b>Registrar and Shares Transfer Office</b>	THK Associates (Pvt.) Limited Ground Floor, State Life Building No. 3 Dr. Ziauddin Ahmed Road, Karachi. ☎ (021) 111 000 322	
<b>Registered Office/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") are pleased to present the un-audited condensed interim financial information of the Company for the first quarter ended 30 September, 2013.

#### Operational Results

The operating results of the Company are summarized as follows:

Financial Overview	30 September 2013 Rupees	30 September 2012 Rupees
Revenue	6,798,332	6,104,390
Unrealized (loss)/ gain on short term investments	(34,738,517)	40,428,166
Operating Expenses	6,048,949	6,892,366
Operating (loss)/profit	(121,979,365)	39,640,190
Finance and other costs	1,076,485	119,959
(Loss)/profit after Taxation	(122,612,665)	43,983,109
Earning/(loss) per Share (basic and diluted)	(0.39)	0.14

The Company has reported after tax loss of Rs. 122.61 million as compared to profit of Rs. 43.98 million in the corresponding period due to an impairment loss of Rs. 87.99 million and an unrealized loss on investments available for sale Rs. 34.74 million. Operating expenses are reported to be Rs.6.05 million in comparison with Rs. 6.89 million in the same period last year. Per share loss of the Company was Rs.0.39 in comparison with profit of Rs. 0.14 in the same period 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 loss of Rs. 146.81 million as compared to the loss of Rs.99.66 million in the corresponding period. Loss per share was reported to be Rs. 1.36 as compared to Rs. 0.92 in the preceding period.

**Lanka Securities (Pvt.) Limited ("LSL")** generated a gross revenue of Rs. 9.98 million and net loss of Rs. 9.00 million during the period while EPS stood at Rs. (0.52).

**Media Times Limited ("MDTL")** reported net revenue of Rs.76.48 million while reported loss after tax of Rs.50.61 million in comparison with income of Rs. 69.61 million and after tax loss of Rs.66.89 million last year during the same period. Loss per share is reported to be Rs.0.28 in comparison with Rs. 0.32 last year.

**First Capital Investments Limited ("FCIL")** has reported an after tax loss of Rs.5.76 million as compared to profit of Rs.1.60 million in the corresponding period.

**World Press (Pvt.) Limited ("WPL")** reported after tax loss of Rs.3.39 million as compared to a loss of Rs.3.81 million for the same period last year.

**Falcon Commodities (Pvt.) Limited ("FCL")** posted an after tax loss of Rs.14.13 million during the period under review against the comparative profit of Rs.0.39 million.

#### Future Outlook

The State Bank of Pakistan (SBP) announced its Monetary Policy Statement (MPS) on September 13th wherein the discount rate was increased by 50 bps to 9.5% as compared to 9.00% at the beginning of the year. On the other hand Pakistan has entered into IMF program receiving first tranche of USD 550mn under IMF's Extended Fund Facility (EFF) in September 2013. The entry into IMF program will also open up doors for fresh inflows from other donor agencies like Asian Development Bank (ADB) and Islamic Development Bank (IDB) that should support declining reserves of the country. These circumstances will support the money market operations and this opportunity will certainly be capitalized by the Company.

KSE 100 index has seen a sharp decline of 2000 points in September only, which shows the adverse impact of signing the IMF EFF program as well as increase in the discount rate by SBP. In this scenario stock market may remain bearish for a certain period of time due to conscious investors making very careful decisions because of unstable stock market.

#### Board of Directors

There has been no change in the composition of the Board of Directors since last reported in annual report of the Company for the period ended 30 June 2013.

#### 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  
30 October 2013

Aamna Taseer  
Chairman and Chief Executive Officer

**FIRST CAPITAL SECURITIES CORPORATION LIMITED  
CONDENSED INTERIM UNCONSOLIDATED BALANCE SHEET  
AS AT 30 SEPTEMBER 2013**

	Un-audited 30 September 2013	Audited 30 June 2013
Note	Rupees	Rupees
<b>NON CURRENT ASSETS</b>		
Property and equipment	139,480,981	139,574,926
Investment property	284,934,600	284,934,600
Long term investments	5 4,319,826,395	4,474,875,122
Long term deposits	37,500	37,500
	<u>4,744,279,476</u>	<u>4,899,422,148</u>
<b>Current assets</b>		
Trade debts	4,606,450	2,007,784
Loans and advances	238,600	154,500
Prepayments	-	5,728
Short term investments	6 147,252,699	182,316,334
Tax refunds due from Government	30,764,721	30,468,166
Cash and bank balances	29,572,384	1,116,306
	<u>212,434,854</u>	<u>216,068,818</u>
<b>Current liabilities</b>		
Trade and other payables	26,909,978	34,993,390
Current portion of long term loan	17,786,692	18,346,400
	<u>44,696,670</u>	<u>53,339,790</u>
<b>Working capital employed</b>		
	<u>167,738,184</u>	<u>162,729,028</u>
	<u>4,912,017,660</u>	<u>5,062,151,176</u>
<b>Non-current liabilities</b>		
Deferred liabilities	6,954,180	6,630,603
Long term loan	16,938,447	21,985,739
	<u>23,892,627</u>	<u>28,616,342</u>
Contingencies and commitments	7 -	-
<b>Net capital employed</b>	<u>4,888,125,033</u>	<u>5,033,534,834</u>
<b>Represented by:</b>		
<b>Share capital and reserves</b>		
Issued, subscribed and paid-up capital	3,166,101,120	3,166,101,120
Reserves	-	22,797,136
Retained earnings	1,722,023,913	1,844,636,578
	<u>4,888,125,033</u>	<u>5,033,534,834</u>

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

LAHORE  
30 October 2013

CHIEF EXECUTIVE OFFICER

DIRECTOR

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**FIRST CAPITAL SECURITIES CORPORATION LIMITED  
CONDENSED INTERIM UNCONSOLIDATED PROFIT AND  
LOSS ACCOUNT (UN-AUDITED)  
FOR THE THREE MONTHS PERIOD ENDED 30 SEPTEMBER 2013**

	July-September 2013	July-September 2012
Note	Rupees	Rupees
Money market services	2,093,116	3,689,984
Dividend income	15,495	1,824,127
Investment property rentals	1,413,341	590,279
Gain on disposal of investments	3,276,380	-
Unrealized (loss) / gain on re-measurement of 'investments at fair value through profit or loss'	(34,738,517)	40,428,166
	<u>(27,940,185)</u>	<u>46,532,556</u>
<b>Expenses</b>		
Impairment loss on 'available-for-sale' investments	(87,990,231)	-
Operating and administrative expenses	(6,048,949)	(6,892,366)
<b>Operating (loss) / profit</b>	<u>(121,979,365)</u>	<u>39,640,190</u>
Other income	464,116	4,632,369
Finance costs	(1,076,485)	(119,959)
<b>(Loss) / profit before taxation</b>	<u>(122,591,734)</u>	<u>44,152,600</u>
Taxation	(20,931)	(169,491)
<b>(Loss) / profit after taxation</b>	<u>(122,612,665)</u>	<u>43,983,109</u>
<b>(Loss) / profit per share - basic and diluted</b>	8 (0.39)	0.14

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

LAHORE  
30 October 2013

CHIEF EXECUTIVE OFFICER

DIRECTOR

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**FIRST CAPITAL SECURITIES CORPORATION LIMITED  
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF  
COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE THREE MONTHS PERIOD ENDED 30 SEPTEMBER 2013**

	July-September 2013 Rupees	July-September 2012 Rupees
<b>(Loss) / profit after taxation</b>	<b>(122,612,665)</b>	43,983,109
<b>Other comprehensive loss for the period</b>		
<b><i>Items that are or may be subsequently reclassified to profit or loss:</i></b>		
Net change in fair value of 'available-for-sale' financial assets reclassified to profit and loss account	(2,818,530)	-
Net change in fair value of 'available-for-sale' financial assets	(19,978,606)	-
Other comprehensive loss for the period	(22,797,136)	-
<b>Total comprehensive (loss)/income for the period</b>	<b>(145,409,801)</b>	<b>43,983,109</b>

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

LAHORE  
30 October 2013

CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED  
CONDENSED INTERIM UNCONSOLIDATED CASH FLOW  
STATEMENT (UN-AUDITED)  
FOR THE THREE MONTHS PERIOD ENDED 30 SEPTEMBER 2013**

Note	30 September 2013 Rupees	30 September 2012 Rupees
<b>Cash flows from operating activities</b>		
(Loss) / profit before taxation	(122,591,734)	44,152,600
Adjustments for:		
Finance costs	1,076,485	119,959
Dividend income	(15,495)	(1,824,127)
Unrealized loss / (gain) on re-measurement of investments at 'fair value through profit or loss'	34,738,517	(40,428,166)
Impairment loss on 'available-for-sale' investments	87,990,231	-
Depreciation	93,945	201,936
Gain on disposal of property and equipment	-	(400,000)
Gain on disposal of investment	(3,276,380)	-
Interest income	(297,523)	(4,232,369)
Provision for staff retirement benefits	323,577	913,977
	<b>120,633,357</b>	<b>(45,648,790)</b>
<b>Loss before working capital changes</b>	<b>(1,958,377)</b>	<b>(1,496,190)</b>
<b>Changes in working capital</b>		
Trade debts	(2,598,666)	(1,203,259)
Loans and advances	(84,100)	(25,200)
Prepayments	5,728	30,539
Other receivables	-	(699,583)
Trade and other payables	(7,933,412)	(5,409,232)
	<b>(10,610,450)</b>	<b>(7,306,735)</b>
<b>Net cash used in operations</b>	<b>(12,568,827)</b>	<b>(8,802,925)</b>
Staff retirement benefits paid	(150,000)	-
Finance cost paid	(1,076,485)	(119,959)
Taxes paid	(317,486)	(273,080)
	<b>(1,543,971)</b>	<b>(393,039)</b>
<b>Net cash used in operating activities</b>	<b>(14,112,798)</b>	<b>(9,195,964)</b>
<b>Cash flows from investing activities</b>		
Dividend received	15,495	-
Proceeds from disposal of property and equipment	-	400,000
Long term loans and advances -net	-	(3,835,000)
Proceeds from disposal of long term investments	45,629,740	-
Short term investments - net	325,118	-
Interest received	297,523	4,076,984
<b>Net cash generated from investing activities</b>	<b>48,175,876</b>	<b>641,984</b>
<b>Cash flows from financing activities</b>		
Long term loan - net	(5,607,000)	(1,000,000)
<b>Net cash used in financing activities</b>	<b>(5,607,000)</b>	<b>(1,000,000)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>28,456,078</b>	<b>(9,553,980)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,116,306</b>	<b>18,880,959</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>29,572,384</b>	<b>9,326,979</b>

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

LAHORE  
30 October 2013

CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF**  
**CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE THREE MONTHS PERIOD ENDED 30 SEPTEMBER 2013**

	Share capital	Capital reserve Fair value reserve	Revenue reserve Retained earnings	Total
-----Rupees-----				
<b>Balance at 01 July 2012</b>	3,166,101,120	305,478,367	4,412,696,360	7,884,275,847
<b><u>Comprehensive profit for the period</u></b>				
Profit for the period	-	-	43,983,109	43,983,109
Total comprehensive profit for the period	-	-	43,983,109	43,983,109
<b>Balance at 30 September 2012</b>	3,166,101,120	305,478,367	4,456,679,469	7,928,258,956
<b><u>Comprehensive loss for the year</u></b>				
Loss for the period	-	-	(2,612,042,891)	(2,612,042,891)
Other comprehensive loss	-	(282,681,231)	-	(282,681,231)
Total comprehensive loss for the period	-	(282,681,231)	(2,612,042,891)	(2,894,724,122)
<b>Balance at 30 June 2013</b>	3,166,101,120	22,797,136	1,844,636,578	5,033,534,834
<b><u>Comprehensive loss for the year</u></b>				
Loss for the period	-	-	(122,612,665)	(122,612,665)
Other comprehensive loss	-	(22,797,136)	-	(22,797,136)
Total comprehensive loss for the period	-	(22,797,136)	(122,612,665)	(145,409,801)
<b>Balance at 30 September 2013</b>	<b>3,166,101,120</b>	<b>-</b>	<b>1,722,023,913</b>	<b>4,888,125,033</b>

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

LAHORE:  
30 October 2013

CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED**  
**FINANCIAL INFORMATION (UN-AUDITED)**  
**FOR THE THREE MONTHS PERIOD ENDED 30 SEPTEMBER 2013**

**1 Status and nature of business**

First Capital Securities Corporation Limited ("the Company") was incorporated in Pakistan on 11 April 1994 as a public limited company under the Companies Ordinance, 1984 and is listed on the Karachi, Lahore and Islamabad stock exchanges. The registered office of the Company is situated at 2nd & 3rd Floor, Pace Shopping Mall Fortress Stadium, Lahore Cantt, Lahore. The Company is involved in making long and short term investments, money market operations and financial consultancy services.

**2 Basis of preparation**

**2.1 Statement of compliance**

This unconsolidated condensed interim financial information of the company for the three months period ended 30 September 2013 has been prepared in accordance with the requirements of the International Accounting Standard 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 disclosures made in these unconsolidated condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34; (Interim Financial Reporting) thus these do not include the information reported for full annual financial statements and should therefore be read in conjunction with the financial statements for the year ended 30 June 2013. The unconsolidated condensed interim financial information is un-audited and is being submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984 and Listing Regulations of Stock Exchanges of Pakistan.

The comparative balance sheet presented in this unconsolidated condensed interim financial information has been extracted from the audited financial statements of the Company for the year ended 30 June 2013, whereas the comparative unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim cash flow statement and unconsolidated condensed interim statement of changes in equity are extracted from the unaudited unconsolidated condensed interim financial information for the quarter ended 30 September 2012.

**2.2 Functional and presentation currency**

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

**3 Accounting policies**

The accounting policies and methods of computation adopted in the preparation of this unconsolidated condensed interim financial information are the same as those applied in the preparation of audited annual separate financial statements of the Company for the preceding year ended 30 June 2013.

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

#### 4 ESTIMATES

The preparation of unconsolidated condensed interim financial information requires management to make judgments, estimates and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the accounting policies and the key sources of estimating uncertainty were the same as those that were applied to the financial statements for the year ended 30 June 2013.

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

##### Investments in related parties

Subsidiary companies - at cost	5.1	<b>186,060,738</b>	186,060,738
Associated companies - at cost	5.2	<b>547,313,110</b>	547,313,110
Subsidiary companies - at fair value	5.3	<b>3,586,452,547</b>	3,741,501,274
		<b>4,319,826,395</b>	<b>4,474,875,122</b>

##### 5.1 Subsidiary companies - at cost

###### Unquoted

30 September 2013	30 June 2013		Un-audited 30 September 2013	Audited 30 June 2013
-----Number of shares-----			-----Rupees-----	
<b>11,124,634</b> <b>76.39% equity</b>	11,124,634 <i>76.39% equity</i>	First Capital Investments Limited	<b>101,681,450</b>	101,681,450
<b>1,949,041</b> <i>65% equity</i>	1,949,041 <i>65% equity</i>	World Press (Private) Limited	<b>19,490,410</b>	19,490,410
<b>10,455,000</b> <i>51.00% equity</i>	10,455,000 <i>51.00% equity</i>	Trident Construct (Private) Limited	<b>10,200,000</b>	10,200,000
<b>3,150,000</b> <i>100% equity</i>	3,150,000 <i>100% equity</i>	Falcon Commodities (Private) Limited	<b>8,451,602</b>	8,451,602
<b>8,912,250</b> <i>51.00% equity</i>	8,912,250 <i>51.00% equity</i>	Lanka Securities (Private) Limited	<b>46,229,683</b>	46,229,683
<b>1,000</b> <i>100% equity</i>	1,000 <i>100% equity</i>	Ozer Investments Limited	<b>7,593</b>	7,593
			<b>186,060,738</b>	<b>186,060,738</b>

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

##### 5.2 Associated companies - at cost

###### Unquoted

30 September 2013	30 June 2013		Un-audited 30 September 2013	Audited 30 June 2013
-----Number of shares-----		Note	-----Rupees-----	
<b>11,250</b> <b>0.07% equity</b>	11,250 0.07% equity	Pace Super Mall (Private) Limited	<b>112,500</b>	112,500
<b>54,790,561</b> <i>17.95% equity</i>	54,790,561 <i>17.95% equity</i>	Pace Barka Properties Limited	<b>547,200,610</b>	547,200,610
			<b>547,313,110</b>	<b>547,313,110</b>

#### 5.3 Subsidiary companies - available-for-sale

##### Quoted

30 September 2013	30 June 2013		Un-audited 30 September 2013	Audited 30 June 2013
-----Number of shares-----			-----Rupees-----	
<b>70,190,200</b> <i>64.97% equity</i>	70,190,200 <i>64.97% equity</i>	First Capital Equities Limited	<b>3,358,601,070</b>	3,358,601,070
<b>74,461,267</b> <i>41.88% equity</i>	84,900,267 <i>47.47% equity</i>	Media Times Limited	<b>227,851,477</b>	382,900,204
			<b>3,586,452,547</b>	<b>3,741,501,274</b>

#### 6 Short term investments

Investments at fair value through profit or loss	6.1	<b>138,492,242</b>	173,230,759
Market treasury bills - Held to maturity		<b>8,760,457</b>	9,085,575
		<b>147,252,699</b>	<b>182,316,334</b>

##### 6.1 Investments at 'fair value through profit or loss'

###### Held for trading

Related parties	<b>136,491,912</b>	74,380,454
Others	<b>36,738,847</b>	38,845,603
	<b>173,230,759</b>	<b>113,226,057</b>
Unrealized (loss) / gain on remeasurement to fair value	<b>(34,738,517)</b>	60,004,702
	<b>138,492,242</b>	<b>173,230,759</b>

#### 7 Contingencies and commitments

There is no change in contingencies and commitments from those disclosed in the published financial statements of the Company for the year ended 30 June 2013.

##### Three months ended

30 September 2013	30 September 2012
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#### 8 Earning per share

##### 8.1 Basic earning per share

Net (loss)/profit for the period	<b>Rupees (122,612,665)</b>	43,983,109
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##### Weighted average number of ordinary shares

Weighted average number of ordinary shares as at 30 September	<b>Numbers 316,610,112</b>	316,610,112
Earning per share - basic	<b>Rupees (0.39)</b>	0.14

##### 8.2 Diluted earning per share

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



## 9 Transactions and balances with related parties

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

	Three months ended	
	30 September 2013 Rupees	30 September 2012 Rupees
<b>9.1 Transactions during the period</b>		
<b><u>Subsidiary companies</u></b>		
<b>First Capital Equities Limited</b>		
Long term loan given	-	3,835,000
Mark up income	-	3,177,143
Brokerage commission	<b>313,170</b>	-
<b>World Press (Private) Limited</b>		
Purchase of goods / services	<b>15,832</b>	525,000
<b>Media Times Limited</b>		
Mark up Income	-	127,639
<b><u>Associated companies</u></b>		
<b>Pace (Pakistan) Limited</b>		
Service charges	<b>674,463</b>	369,496
<b>First Capital Mutual Fund Limited</b>		
Dividend income received	<b>15,495</b>	-
	<b>Un-Audited 30 September 2013 Rupees</b>	<b>Audited 30 June 2013 Rupees</b>
<b>9.2 Amount Outstanding at period end</b>		
<b><u>Subsidiary companies</u></b>		
<b>World Press (Private) Limited</b>		
Payable against services	<b>211,634</b>	-
<b><u>Associated companies</u></b>		
<b>Pace (Pakistan) Limited</b>		
Payable against purchase of investment property	<b>6,681,123</b>	6,681,123

## 10 Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual separate financial statements of the Company as at and for the year ended 30 June 2013.

## 11 Capital management

The Company's capital management objectives and policies are consistent with those disclosed in the audited annual separate financial statements of the Company as at and for the year ended 30 June 2013.

## 12 Date of authorization for issue

These un-audited condensed interim unconsolidated financial statements for the three months period ended 30 September 2013 was authorized for issue on 30 October 2013 by the Board of Directors of the Company.

## 13 GENERAL

Figures have been rounded off to the nearest rupee.

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**

**CONDENSED INTERIM CONSOLIDATED  
FINANCIAL INFORMATION**

**FOR THE THREE MONTHS PERIOD ENDED  
30 SEPTEMBER 2013**

**(Un-Audited)**

**FIRST CAPITAL SECURITIES CORPORATION LIMITED - GROUP  
CONDENSED INTERIM CONSOLIDATED BALANCE SHEET  
AS AT 30 SEPTEMBER 2013**

	Note	Un-Audited 30 September 2013 Rupees	Audited 30 June 2013 Rupees
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment		448,348,882	1,286,048,664
Intangible assets		19,043,680	177,373,570
Investment property		1,748,686,100	1,748,686,100
Investment in equity - accounted investees	6	729,366,085	522,985,114
Long term investments	7	24,156,320	40,073,830
Long term deposits and advances		11,304,278	26,920,861
Deferred tax assets		3,402,114	173,632,991
		<u>2,984,307,459</u>	<u>3,975,721,130</u>
<b>Current assets</b>			
Stock in trade		9,329,452	12,795,823
Trade debts		2,866,225,584	3,109,601,160
Loans and advances		210,182,482	230,831,491
Prepayments		1,078,538	1,640,608
Interest accrued		-	337,079
Deposits and other receivables		67,293,648	63,364,413
Short term investments	8	155,343,505	214,984,370
Tax refund due from Government		67,718,786	71,423,680
Cash and bank balances		373,192,347	284,333,261
		<u>3,750,364,342</u>	<u>3,989,311,885</u>
<b>Current liabilities</b>			
Trade and other payables		659,819,030	901,136,538
Mark-up accrued		116,081,980	142,279,019
Short term borrowings		174,611,514	250,409,378
Current portion of long term loan		168,366,692	169,908,220
Liability against repurchase agreement		48,111,520	48,111,520
Current portion of liabilities against assets subject to finance lease		9,993,477	19,396,885
		<u>1,176,984,213</u>	<u>1,531,241,560</u>
<b>Working capital employed</b>			
		<u>2,573,380,129</u>	<u>2,458,070,325</u>
		<u>5,557,687,588</u>	<u>6,433,791,455</u>
<b>Non-current liabilities</b>			
Deferred liabilities		81,795,000	141,506,590
Long term loan	9	3,018,481,467	3,230,594,001
Liabilities against assets subject to finance lease		11,550,762	15,489,830
		<u>3,111,827,229</u>	<u>3,387,590,421</u>
<b>Contingencies and commitments</b>			
	10	-	-
<b>Net capital employed</b>			
		<u>2,445,860,359</u>	<u>3,046,201,034</u>
<b>Represented by:</b>			
<b>Share capital and reserves</b>			
Issued, subscribed and paid-up capital		3,166,101,120	3,166,101,120
Exchange translation reserve		36,560,749	28,672,594
Reserves capitalised		572,590,308	572,590,308
Retained earnings		(1,875,843,962)	(1,587,407,662)
<b>Equity attributable to owners of the Company</b>		<u>1,899,408,215</u>	<u>2,179,956,360</u>
<b>Non-controlling interests</b>			
		546,452,144	866,244,674
		<u>2,445,860,359</u>	<u>3,046,201,034</u>

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

LAHORE  
30 October 2013

CHIEF EXECUTIVE OFFICER

DIRECTOR

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**FIRST CAPITAL SECURITIES CORPORATION LIMITED - GROUP  
CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS  
ACCOUNT (UN-AUDITED)  
FOR THE THREE MONTHS PERIOD ENDED 30 SEPTEMBER 2013**

Note	July-September 2013 Rupees	July-September 2012 Rupees
Operating revenue	68,622,425	147,158,273
Direct costs	(10,900,768)	(117,667,746)
<b>Gross profit</b>	<u>57,721,657</u>	<u>29,490,527</u>
Loss on disposal of subsidiary	(13,223,237)	-
Unrealized (loss)/gain on remeasurement of short term investments at fair value through profit or loss	(33,804,244)	69,176,229
Operating and administrative expenses	(76,190,670)	(103,549,248)
Other income	6,124,634	8,911,790
	<u>(59,371,860)</u>	<u>4,029,298</u>
Finance costs	(86,136,605)	(121,247,254)
	<u>(145,508,465)</u>	<u>(117,217,956)</u>
Share of (loss) / profit of equity-accounted investee (net of tax)	(110,905,799)	3,985,804
<b>Loss before taxation</b>	<u>(256,414,264)</u>	<u>(113,232,152)</u>
Taxation	(387,821)	(991,088)
<b>Loss after taxation</b>	<u>(256,802,085)</u>	<u>(114,223,240)</u>
<b>Loss attributable to:</b>		
-Equity holders of the parent	(206,078,528)	(54,121,573)
-Non-controlling interest	(50,723,557)	(60,101,667)
<b>Loss for the period</b>	<u>(256,802,085)</u>	<u>(114,223,240)</u>
<b>Loss per share attributable to Ordinary share holders - basic and diluted</b>		
	<u>(0.65)</u>	<u>(0.17)</u>

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

LAHORE  
30 October 2013

CHIEF EXECUTIVE OFFICER

DIRECTOR

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**FIRST CAPITAL SECURITIES CORPORATION LIMITED - GROUP  
CONDENSED INTERIM CONSOLIDATED STATEMENT OF  
COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE THREE MONTHS PERIOD ENDED 30 SEPTEMBER 2013**

	July-September 2013 Rupees	July-September 2012 Rupees
Loss after taxation	(256,802,085)	(114,223,240)
<b>Other comprehensive income for the period</b>		
Foreign currency translation difference recognized as :		
- Currency translation reserve	7,888,155	6,190,123
- Non controlling interest	7,578,817	5,947,376
<b>Total comprehensive loss for the period</b>	<u>(241,335,113)</u>	<u>(102,085,741)</u>
<b>Total Comprehensive loss attributable to:</b>		
-Equity holders of the parent	(198,190,373)	(47,931,450)
-Non-controlling interest	(43,144,740)	(54,154,291)
	<u>(241,335,113)</u>	<u>(102,085,741)</u>

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

LAHORE  
30 October 2013

CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED - GROUP  
CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT -  
(UN-AUDITED)  
FOR THE THREE MONTHS PERIOD ENDED 30 SEPTEMBER 2013**

	30 September 2013 Rupees	30 September 2012 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(256,414,264)	(113,232,152)
Adjustments for:		
Depreciation	5,936,482	44,564,257
Finance cost	157,124,095	126,040,765
Gain on remeasurement of short term investments	33,804,244	(69,176,229)
Dividend income	(586,815)	(2,104,199)
Amortization of intangible assets	-	136,700
Gain on disposal of property, plant and equipment	(937,000)	(1,060,000)
Currency translation difference	7,888,155	12,137,499
Retirement benefits	2,019,819	4,276,636
Loss on sale of investment	13,223,237	-
Share of loss / (profit) of equity-accounted investee	110,905,799	(3,985,804)
Mark up income	(310,986)	(4,339,702)
	<u>329,067,030</u>	<u>106,489,923</u>
<b>Profit before working capital changes</b>	<u>72,652,766</u>	<u>(6,742,229)</u>
Effect on cash flow due to working capital changes:		
(Increase)/decrease in:		
Inventories	3,466,371	1,653,099
Trade debts	243,375,576	(256,022,699)
Loans and advances	20,649,009	86,098,543
Short term prepayments	562,070	506,996
Deposits and other receivables	(14,393,985)	(8,329,735)
Mark-up received	-	247,972
Increase/(decrease) in:		
Trade and other payables	(241,317,508)	100,116,064
Short term borrowings - net	(75,797,864)	34,648,436
	<u>(63,456,331)</u>	<u>(41,081,324)</u>
Cash generated/(used in) from operations	<u>9,196,435</u>	<u>(47,823,553)</u>
Long term deposits and advances	15,616,583	(211,500)
Retirement benefits paid	(215,350)	(720,000)
Finance costs paid	(2,631,746)	(97,222,040)
Taxes paid	174,323,592	(2,475,943)
<b>Net cash generated/(used in) from operating activities</b>	<u>196,289,514</u>	<u>(148,453,036)</u>
<b>Cash flows from investing activities</b>		
Fixed capital expenditure	(1,581,059)	(29,250)
Short term investments - net	25,836,621	7,020,217
Proceeds of property and equipment	937,000	1,060,000
Disposal of subsidiary	82,673,918	-
Dividend received	11,051,565	-
Mark up received	648,065	4,689,644
<b>Net cash generated from investing activities</b>	<u>119,566,110</u>	<u>12,740,611</u>
<b>Cash flows from financing activities</b>		
Repayment of liabilities against assets subject to finance lease - net	(13,342,476)	(252,756)
Long term finance	(213,654,062)	105,287,035
<b>Net cash (used in)/generated from financing activities</b>	<u>(226,996,538)</u>	<u>105,034,279</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<u>88,859,086</u>	<u>(30,678,146)</u>
<b>Cash and cash equivalents in the beginning of the period</b>	<u>284,333,261</u>	<u>329,052,967</u>
<b>Cash and cash equivalents at the end of the period</b>	<u>373,192,347</u>	<u>298,374,821</u>

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

LAHORE  
30 October 2013

CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED - GROUP  
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE THREE MONTHS PERIOD ENDED 30 SEPTEMBER 2013**

	Attributable to equity holders of the Parent company					Total Equity Rupees
	Share capital Rupees	Currency translation reserve Rupees	Reserves capitalised Rupees	Unappropriated profit/(loss) Rupees	Total Rupees	
Balance as at 01 July 2012	3,166,101,120	19,041,966	564,735,308	(1,491,531,691)	2,258,346,693	3,241,932,418
Comprehensive income/(loss) for the period	-	-	-	(54,121,573)	(54,121,573)	(114,223,240)
Loss for the period	-	6,190,123	-	-	6,190,123	12,137,499
Total other comprehensive income	-	-	-	(54,121,573)	(54,121,573)	(102,085,741)
<b>Total comprehensive income / (loss) for the period</b>	-	6,190,123	-	(54,121,573)	(47,931,450)	(102,085,741)
Balance at 30 September 2012	3,166,101,120	25,232,079	564,735,308	(1,545,653,264)	2,210,415,243	3,139,846,677
Comprehensive income/(loss) for the period	-	3,440,515	-	(131,748,610)	(131,748,610)	(236,562,274)
Loss for the period	-	-	-	-	-	-
Total other comprehensive loss	-	3,440,515	-	(131,748,610)	(128,308,095)	(229,816,168)
<b>Total comprehensive income / (loss) for the period</b>	-	3,440,515	-	(131,748,610)	(128,308,095)	(229,816,168)
<b>Changes in ownership interests in subsidiaries</b>						
Disposal of subsidiary without losing control - FCFL	-	-	-	88,166,923	88,166,923	100,000,000
Disposal of subsidiary without losing control - MTL	-	-	-	9,950,765	9,950,765	28,240,428
Issue of bonus share by subsidiary	-	-	7,855,000	(7,855,000)	-	-
Increase in NCI of FCIL	-	-	-	(268,476)	(268,476)	7,930,097
Balance at 30 June 2013	3,166,101,120	28,672,594	572,590,308	(1,587,407,662)	2,179,956,360	3,046,201,034
Balance at 01 July 2013	3,166,101,120	28,672,594	572,590,308	(1,587,407,662)	2,179,956,360	3,046,201,034
Total comprehensive income / (loss) for the period	-	-	-	(206,078,528)	(206,078,528)	(256,802,085)
Loss for the period	-	7,888,155	-	-	7,888,155	15,466,972
Total other comprehensive income	-	-	-	(206,078,528)	(206,078,528)	(241,335,113)
<b>Total comprehensive income / (loss) for the period</b>	-	7,888,155	-	(206,078,528)	(198,190,373)	(241,335,113)
Disposal of investment in subsidiary	-	-	-	(82,357,772)	(82,357,772)	(959,005,562)
Balance at 30 September 2013	3,166,101,120	36,560,749	572,590,308	(1,875,843,962)	1,899,408,215	2,445,860,359

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

LAHORE: 30 October 2013

CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED GROUP  
NOTES TO THE CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2013**

**1. Status and nature of business**

First Capital Securities Corporation Limited (FCSC) ("the Parent Company") was incorporated in Pakistan on 11 April 1994 as a public limited company under the Companies Ordinance, 1984 and is listed on the Karachi, Lahore and Islamabad stock exchanges. The registered office of the Parent Company is situated at 2nd & 3rd Floor, Pace Shopping Mall Fortress Stadium, Lahore Cantt, Lahore. The Parent Company is involved in making long and short term investments, money market operations and financial consultancy services.

**2. Basis of preparation**

**2.1 Statement of compliance**

This consolidated condensed interim financial report of the company for the three months period ended 30 September 2013 has been prepared in accordance with the requirements of the International Accounting Standard 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 disclosures made in these condensed interim consolidated financial statements have , however , been limited based on the requirements of the International Accounting Standard 34; (Interim Financial Reporting) thus these do not include the information reported for full annual financial statements and should therefore be read in conjunction with the consolidated financial statements for the year ended 30 June 2013. The condensed interim consolidated financial information is un-audited and is being submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984 and Listing Regulations of Stock Exchanges of Pakistan.

The comparative balance sheet presented in this consolidated condensed interim financial information has been extracted from the audited annual consolidated financial statements of the Company for the year ended 30 June 2013, whereas the comparative consolidated condensed interim profit and loss account, consolidated condensed interim statement of comprehensive income, consolidated condensed interim cash flow statement and consolidated condensed interim statement of changes in equity are extracted from the unaudited consolidated condensed interim financial information for the three months period ended 30 September 2012.

**2.2 Functional and presentation currency**

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

**3. Accounting policies**

Accounting policies and methods of computation adopted in the preparation of this condensed interim consolidated financial information are the same as those applied in the preparation of audited annual consolidated financial statements of the Group for the preceding year ended 30 June 2013.

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

#### 4 Estimates

The preparation of condensed interim consolidated financial information requires management to make judgments, estimates and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the accounting policies and the key sources of estimating uncertainty were the same as those that were applied to in the consolidated financial statements for the year ended 30 June 2013.

#### 5. Subsidiary companies

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

	Percentage of Holding	
	30 September 2013	30 June 2013
First Capital Investments Limited	76.39	76.39
Lanka Securities (Pvt.) Limited, Sri Lanka	51	51
World Press (Pvt.) Limited	65	65
First Capital Equities Limited (FCEL)	67.97	67.97
Trident Construct (Pvt.) Limited	51	51
Ever green Water Valley (Pvt.) Limited	51	51
Falcon Commodities (Pvt.) Limited	100	100
Ozer Investments Limited	100	100

5.1 During the period the company has dispose off sahares of MDTL due to which it has not been consolidated and treated as an equity-accounted investee.

Note	Un-audited	Audited
	30 September 2013 Rupees	30 June 2013 Rupees

#### 6. Investment in equity - accounted investees

Opening balance	522,985,114	588,043,276
Add: Acquisition of additional shares	-	3,674,437
Add effect of conversion of subsidiary into associate	327,751,520	-
	<u>850,736,634</u>	<u>591,717,713</u>
Share of loss for the period	(110,905,799)	(64,487,124)
Less Dividends	(10,464,750)	(4,245,475)
	<u>729,366,085</u>	<u>522,985,114</u>

#### 7 Long term investments Unquoted Shares

Karachi Stock Exchange Limited 4,007,383 shares of KSE (June 2013 : 4,007,383 shares) 7.1	<u>24,156,320</u>	<u>40,073,830</u>
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7.1 During the year 2012-13, the demutualization of the Karachi Stock Exchange Limited (KSE), the ownership rights in the Stock Exchange were segregated from the right to trade on an exchange. As a result of such demutualization, the FCEL received shares and TREC from Karachi Stock Exchange against its membership card. The FCEL has also recorded a gain on exchange of intangible asset Rs. 21,873,830/-

The Karachi Stock Exchange Limited (KSE) vide its notice # KSE/N-5639 dated October 10, 2013 to its TREC holders states that, "Nature and value of the asset given up (membership card) is similar to the nature and value of the asset acquired (shares and TREC). Therefore, exchange of asset will not result in any gain or loss. Further, it can be argued that de-recognition of the membership card has not accrued because the rights of the card holders were not lost any point during the exchange"

In this connection, paragraph 45 of IAS 38, Inter-alla states that where the fair value of neither the asset received nor the asset given up can be really measured, the cost of asset received should be measured at the carrying amount of the asset given up, and no gain or loss arise.

KSE is therefore of the view that there will not be any gain or loss recorded in the accounts of TREC holder on conversion of membership card at the time of acquisition of shares and TREC of KSE, after its demutualization.

Keeping in view the above guide lines of KSE, the management of the FCEL has decided to reverse the gain on exchange of intangible asset Rs. 21,873,820/- and it has been routed through statement of changes in equity.

The 4,007,383 shares of KSE to its members including the FCEL has been determined on the basis of the fair valuation of the underlying asset and liabilities of the Stock exchange in accordance with requirements of the demutualization Act. In other words, shares of Rs. 40,073,830/- received by the FCEL represents its share in the fair value of the net assets of the KSE. Under these circumstances where active market is not available for such shares, this net asset value based valuation has been considered as the closest estimate of the fair value of the shares.

Further, the KSE has also introduced a minimum capital regime for the brokers, and for this purpose have valued TREC at Rs. 15 million as per the decision of the BOD of the KSE. This face indicates an acceptable level of value for TREC which is also used by the Stock Exchange for risk management and safeguard the investor's interest. In the absence of an active market of TREC, this assigned value of Rs. 15 million has been considered as the closest estimate of the fair value of the TREC.

Therefore, based on the above estimates of fair value of KSE shares (Rs. 40,073,830/-) and TREC (Rs. 15,000,000), the FCEL has allocated its carrying value in the ration of 0.7276 to shares and 0.2724 to TREC.

	Un-audited 30 September 2013 Rupees	Audited 30 June 2013 Rupees
<b>8 Short term finance</b>		
Investments measured at fair value through profit and loss account		
Carrying value of investments	189,147,749	205,898,795
Un-realised loss on remeasurement of investments	(33,804,244)	9,085,575
	<u>155,343,505</u>	<u>214,984,370</u>
<b>9 Long term loan</b>		
Term finance facility	3,186,848,159	2,692,420,411
Accrued mark-up classified as long term	-	708,081,810
	<u>3,186,848,159</u>	<u>3,400,502,221</u>
Less: Current portion	168,366,692	169,908,220
	<u>3,018,481,467</u>	<u>3,230,594,001</u>

This includes agreements with different commercial banks with a mark up rate ranging from 8% to 20% and 3 months kibor plus 3% to 4% p.a (June 2013 : 8% to 20% and 3 months kibor plus 3% to 4%). These facilities are secured against the pledge of shares, charge over trade receivable and equitable mortgage of certain properties.

#### 10 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, 2013 except for the following commitments:

	<b>Un-audited 30 September 2013 Rupees</b>	Audited 30 June 2013 Rupees
<b>Commitments</b>		
Sale of Shares	<b>640,519,506</b>	410,322,357
Purchase of shares	<b>504,554,996</b>	419,558,295

#### 11 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:

	<b>Un-audited 30 September 2013 Rupees</b>	Un-audited 30 September 2012 Rupees
<b>11.1 Transaction during the period</b>		
<b><i>Associated companies</i></b>		
<b>First Capital Mutual Fund Limited</b>		
Income from financial consultancy services	<b>2,395,683</b>	3,893,474
<b>Pace (Pakistan) Limited</b>		
Service charges	<b>6,681,130</b>	369,496
Building rent	-	2,821,500
Office property acquired	<b>5,568,000</b>	-
<b>Worldcall Telecom Limited</b>		
Building Rent	-	524,814
Purchase of goods & services	-	297,015
	<b>Un-audited 30 September 2013 Rupees</b>	Audited 30 June 2013 Rupees
<b>11.2 Amount Outstanding at period end</b>		
<b><i>Associated companies</i></b>		
<b>Pace (Pakistan) Limited</b>		
Payable against purchase of investment property	<b>6,681,123</b>	6,681,123

#### 12 Financial risk management

The Group financial risk management objectives and policies are consistent with those disclosed in the audited annual consolidated financial statements of the Group as at and for the year ended 30 June 2013.

#### 13 Capital management

The Group capital management objectives and policies are consistent with those disclosed in the audited annual consolidated financial statements of the Group as at and for the year ended 30 June 2013.

#### 14 Date of authorization for issue

This un-audited condensed interim consolidated financial information for the three months period ended 30 September 2013 was authorized for issue on 30 October 2013 by the Board of Directors of the Parent Company.

#### 15 GENERAL

Figures have been rounded off to the nearest rupee.

LAHORE  
30 October 2013

CHIEF EXECUTIVE OFFICER

DIRECTOR