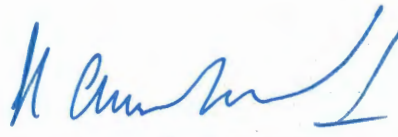


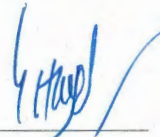
SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2016

	Note	Unaudited 30 September 2016 Rupees	Audited 31 December 2015 Rupees
ASSETS			
Cash and balances with treasury banks	6	24,728,884	64,560,467
Balances with other banks	7	60,288,304	758,317,400
Lendings to financial institutions and others	8	375,350,678	180,000,000
Investments	9	7,405,020,163	12,702,241,117
Advances	10	6,229,996,347	6,674,954,403
Operating fixed assets	11	2,653,282,288	2,738,964,706
Deferred tax assets		-	-
Other assets	12	1,129,042,652	1,743,267,307
		17,877,709,316	24,862,305,400
LIABILITIES			
Bills payable		-	-
Borrowings from financial institutions	13	4,518,180,368	12,010,452,912
Deposits and other accounts	14	131,600,000	7,000,000
Sub-ordinated loans		-	-
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities		814,748,057	878,194,901
Other liabilities	15	188,056,221	224,419,749
		5,652,584,646	13,120,067,562
NET ASSETS		12,225,124,670	11,742,237,838
REPRESENTED BY			
Share capital		6,600,000,000	6,600,000,000
Reserve fund		706,004,599	706,004,599
General reserve		358,662,940	358,662,940
Unappropriated profit		2,276,916,617	1,715,039,059
		9,941,584,156	9,379,706,598
Surplus on revaluation of assets - net of tax	16	2,283,540,514	2,362,531,240
		12,225,124,670	11,742,237,838
CONTINGENCIES AND COMMITMENTS	17		

The annexed notes 1 to 25 form an integral part of this condensed interim unconsolidated financial information.


General Manager/Chief Executive


Director


Director


Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT [UN-AUDITED]
FOR THE PERIOD ENDED SEPTEMBER 30, 2016

	Note	30 September 2016		30 September 2015	
		For the period ended Jul to Sep Rupees	For the period nine months ended Rupees	For the period ended Jul to Sep Rupees	For the period nine months ended Rupees
Mark-up/Return/Interest Earned	18	283,733,826	1,030,408,903	404,607,992	1,296,962,802
Mark-up/Return/Interest Expensed	19	82,749,283	404,502,455	199,718,008	672,817,409
Net mark-up/Interest Income		200,984,543	625,906,448	204,889,984	624,145,393
(Reversal)/ provision against non-performing loans and advances		(15,901,066)	115,057,352	(855,214)	20,225,455
Provision for diminution in the value of investments - net		69,686,855	198,024,631	1,186,858	154,917,377
Bad debts written off directly		-	-	-	-
		53,785,789	313,081,983	331,644	175,142,832
Net Mark-up/ Interest Income after provisions		147,198,754	312,824,465	204,558,340	449,002,561
NON MARK-UP/INTEREST INCOME					
Fee, Commission and Brokerage income		1,303,186	4,365,441	3,403,420	8,094,058
Dividend Income		17,243,920	88,560,062	17,457,905	81,852,739
Gain on sale of securities - net	20	119,053,656	475,744,684	18,121,653	334,760,919
Unrealized gain/(loss) on revaluation of held for trading investments - net		(2,273,727)	-	9,118,834	(7,087,409)
(Loss)/gain from dealing in foreign currencies		(2,086)	(26,029)	492,628	652,936
Other income		50,289,563	122,656,802	28,611,341	76,878,715
Total non mark-up/interest Income		185,614,512	691,300,960	77,205,781	495,151,958
		332,813,266	1,004,125,425	281,764,121	944,154,519
NON MARK-UP/INTEREST EXPENSES					
Administrative expenses		87,939,185	234,761,848	78,449,599	221,039,066
Other provisions/ (reversals) /write offs		-	-	-	13,512,000
Other charges - penalties imposed by SBP		-	-	-	-
Total non mark-up/interest expenses		87,939,185	234,761,848	78,449,599	234,551,066
		244,874,081	769,363,577	203,314,522	709,603,453
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		244,874,081	769,363,577	203,314,522	709,603,453
Taxation - Current		61,325,803	261,272,381	38,529,422	123,013,088
- Prior years	21	-	37,781,486	-	42,249,411
- Deferred		(7,724,816)	(39,292,047)	(8,398,256)	33,790,055
		53,600,987	259,761,820	30,131,166	199,052,554
PROFIT AFTER TAXATION		191,273,094	509,601,757	173,183,356	510,550,899
Earning Per Share - basic and diluted (Rupees)		0.290	0.772	0.262	0.774

The annexed notes 1 to 25 form an integral part of this condensed interim unconsolidated financial information.


General Manager/Chief Executive


Director

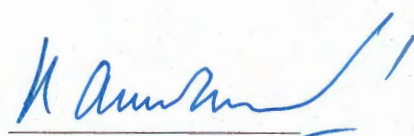

Director


Chairman

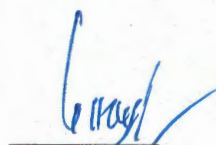
SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME [UN-AUDITED]
FOR THE PERIOD ENDED SEPTEMBER 30, 2016

	30 September 2016		30 September 2015	
	For the period ended Jul to Sep Rupees	For the period nine months ended Rupees	For the period ended Jul to Sep Rupees	For the period nine months ended Rupees
Profit after tax for the period	191,273,094	509,601,757	173,183,356	510,550,899
Other comprehensive income				
Items that will never be reclassified to profit and loss account				
Remeasurement of defined benefit plan	-	-	-	-
Comprehensive income - transferred to statement of changes in equity	<u>191,273,094</u>	<u>509,601,757</u>	<u>173,183,356</u>	<u>510,550,899</u>
Components of comprehensive income not reflected in equity				
Items that are or may be reclassified subsequently to profit and loss account				
(Deficit)/surplus on revaluation of securities - net of tax	(61,052,579)	(35,100,109)	182,044,383	263,507,793
Total comprehensive income	<u><u>130,220,515</u></u>	<u><u>474,501,648</u></u>	<u><u>355,227,739</u></u>	<u><u>774,058,692</u></u>

The annexed notes 1 to 25 form an integral part of this condensed interim unconsolidated financial information.


General Manager/Chief Executive


Director


Director

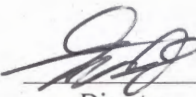

Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT [UN-AUDITED]
FOR THE PERIOD ENDED SEPTEMBER 30, 2016

	30 September 2016 Rupees	30 September 2015 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	769,363,577	709,603,453
Less: Dividend income	(88,560,062)	(81,852,739)
	680,803,515	627,750,714
Adjustments for non-cash charges		
Depreciation/ amortization	100,288,129	88,455,045
Provision against non-performing loans and advances	115,057,352	20,225,455
Provision/ (reversal) for diminution in value of investments - net	198,024,631	154,917,377
Others provisions/ (reversals)	-	13,512,000
Loss on disposal of operating fixed assets	463,348	9,393,956
Provision for gratuity/compensated absences	3,004,845	3,766,392
Reversal of impairment on AFS securities	(43,363,509)	(43,286,914)
Unrealized (gain)/loss on revaluation of held for trading investments - net	-	7,087,409
	373,474,796	254,070,720
	1,054,278,311	881,821,434
Decrease/ (increase) in operating assets		
Lendings to financial institutions and others	-	900,000,000
Advances	329,900,704	(278,402,153)
Other assets (excluding advance taxation)	545,108,064	109,767,175
	875,008,768	731,365,022
Increase/ (Decrease) in operating liabilities		
Borrowings from financial institutions	(7,492,272,544)	955,483,614
Deposits	124,600,000	(30,000,000)
Other liabilities (excluding current taxation)	(35,804,298)	(34,564,703)
	(7,403,476,842)	890,918,911
	(5,474,189,763)	2,504,105,367
Gratuity/compensated absences paid	(3,564,075)	(1,370,834)
Income tax/Excise duty paid	(219,699,775)	(153,118,383)
	(223,263,850)	(154,489,217)
Net cash generated from/ (used in) operating activities	(5,697,453,613)	2,349,616,150
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available for sale securities	4,826,332,473	(2,989,433,185)
Net investments in held to maturity securities	265,357,636	349,652,476
Net investment in held for trading securities	-	(26,616,012)
Dividend received	78,322,562	67,446,490
Investment in operating fixed assets	(16,950,615)	(26,982,161)
Sale proceeds on disposal of operating fixed assets- property and equipment	1,881,556	4,465,325
Net cash (used in)/ generated from investing activities	5,154,943,612	(2,621,467,067)
CASH FLOW FROM FINANCING ACTIVITIES	-	-
Decrease in cash and cash equivalents	(542,510,001)	(271,850,917)
Cash and cash equivalents at beginning of the year	627,527,189	741,757,783
Cash and cash equivalents at the end of the period	85,017,188	469,906,866

The annexed notes 1 to 25 form an integral part of this condensed interim unconsolidated financial information.


General Manager/Chief Executive


Director


Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY [UN-AUDITED]
FOR THE PERIOD ENDED SEPTEMBER 30, 2016

	Share Capital Rupees	Reserve Fund Rupees	General Reserve Rupees	Unappropriated Profit Rupees	Total Rupees
Balance as at January 01, 2015	6,000,000,000	561,263,576	358,662,940	1,666,254,393	8,586,180,909
Profit for the period ended 30 September 2015	-	-	-	510,550,899	510,550,899
Effect of recognition of actuarial losses	-	-	-	-	-
Total comprehensive income	-	-	-	510,550,899	510,550,899
Bonus shares issued	600,000,000	-	-	(600,000,000)	-
Transfer to reserve fund	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-
Transferred from surplus on revaluation of operating fixed assets - net of deferred tax	-	-	-	56,529,007	56,529,007
Balance as at 30 September 2015 - Unaudited	6,600,000,000	561,263,576	358,662,940	1,633,334,299	9,153,260,815
Profit for the period ended 31 December 2015	-	-	-	213,154,217	213,154,217
Effect of recognition of actuarial gains	-	-	-	(1,480,562)	(1,480,562)
Total comprehensive income	-	-	-	211,673,655	211,673,655
Transfer to reserve fund *	-	144,741,023	-	(144,741,023)	-
Transfer to general reserve	-	-	-	-	-
Transferred from surplus on revaluation of operating fixed assets - net of deferred tax	-	-	-	14,772,128	14,772,128
Balance as at 31 December 2015 - Audited	6,600,000,000	706,004,599	358,662,940	1,715,039,059	9,379,706,598
Profit for the period ended 30 September 2016	-	-	-	509,601,757	509,601,757
Effect of recognition of actuarial losses	-	-	-	-	-
Total comprehensive income	-	-	-	509,601,757	509,601,757
Transfer to reserve fund	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-
Transferred from surplus on revaluation of operating fixed assets - net of deferred tax	-	-	-	52,275,801	52,275,801
Balance as at 30 September 2016 - Unaudited	6,600,000,000	706,004,599	358,662,940	2,276,916,617	9,941,584,156

The annexed notes 1 to 25 form an integral part of this condensed interim unconsolidated financial information.


General Manager/Chief Executive


Director


Director


Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION [UN-AUDITED]
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016

1. LEGAL STATUS AND OPERATIONS

Saudi Pak Industrial and Agricultural Investment Company Limited ("the Company") was incorporated in Pakistan as a private limited company on December 23, 1981 and subsequently converted as a public limited company on April 30, 2008. The Company is jointly sponsored by the Governments of Kingdom of Saudi Arabia and the Islamic Republic of Pakistan. The principal activity of the Company is to invest in the industrial and agro-based industrial projects in Pakistan on commercial basis and market their products in Pakistan and abroad. The Company has been setup for a period of fifty years which may be extended with approval of both of the Governments.

The registered office of the Company is situated at Saudi Pak Tower , Jinnah Avenue, Islamabad.

2. BASIS OF PRESENTATION

This unconsolidated condensed interim financial information has been prepared under the historical cost convention as modified for certain investments which are carried at fair value, non-banking assets acquired in satisfaction of claims, leasehold land which are shown at revalued amounts and staff retirement gratuity and compensated absences which are carried at present value of defined benefit obligations net of fair value of plan assets.

3. STATEMENT OF COMPLIANCE

- 3.1** This unconsolidated condensed interim financial information of the Company for the nine months ended September 30, 2016 is unaudited and has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and the requirements of BSD Circular Letter No. 2 dated May 12, 2004 and provisions of and directives issued under the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and the directives issued by the Securities and Exchange Commission of Pakistan (SECP) and the State Bank of Pakistan (SBP). In case where requirements differ, the provisions of and directives issued under the Companies Ordinance, 1984 and the Banking Companies Ordinance, 1962, and the directives issued by SECP and SBP shall prevail.
- 3.2** The SBP through its BSD Circular Letter No.11 dated September 11, 2002 has deferred the implementation of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and IAS 40, 'Investment Property' for Development Financial Institutions (DFIs) till further order. Further, according to the notification of the SECP dated April 28, 2008, the International Financial Reporting Standard (IFRS) - 7 "Financial Instruments: Disclosures" has not been applicable for Banks and DFIs. Accordingly, the requirements of these standards have not been considered in the preparation of this unconsolidated condensed interim financial information. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION [UN-AUDITED]
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016

4. ACCOUNTING POLICIES AND ESTIMATES

Accounting policies, related judgments, estimates and assumptions adopted for the preparation of this condensed interim unconsolidated financial information are the same as those applied in the preparation of the annual financial statements of the Company for the year ended December 31, 2015 except for the following.

Non banking assets acquired in satisfaction of claims:

The Company has changed its accounting policy effective January 1, 2016 for recording of non-banking assets acquired in satisfaction of claims to comply with the requirements of the 'Regulations for Debt Property Swap' (the Regulations) issued by SBP vide BPRD Circular No. 1 of 2016 dated January 1, 2016. In accordance with the Regulations, the non-banking assets acquired in satisfaction of claims are now being carried at revalued amounts. Depreciation is charged on non-banking assets acquired in satisfaction of claims as per the Company's policy for operating fixed assets. These assets are revalued by professionally qualified valuers with sufficient regularity to ensure that their net carrying value does not differ materially from their fair value. Surplus arising on revaluation of such properties is credited to the 'surplus on revaluation of non banking assets' account and any deficit arising on revaluation is taken to profit and loss account directly. Legal fees, transfer costs and direct costs of acquiring title to property is charged to profit and loss account and are not capitalised. Previously, non-banking assets acquired in satisfaction of claims were carried at cost including attached costs less impairment, if any.

Amendments and interpretations to approved accounting standards effective from January 1, 2016 are not expected to have a material impact on this unconsolidated condensed interim financial information.

5. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended 31 December 2015.

6. CASH AND BALANCES WITH TREASURY BANKS

	Unaudited 30 September 2016 Rupees	Audited 31 December 2015 Rupees
Balance with State Bank of Pakistan	24,452,646	64,320,614
Cash in hand	276,238	239,853
	<u>24,728,884</u>	<u>64,560,467</u>

7. BALANCES WITH OTHER BANKS

On current accounts - local currency	5,060,616	6,655,659
On deposit accounts		
- Local currency	38,086,349	732,529,963
- Foreign currency	17,141,339	19,131,778
	<u>60,288,304</u>	<u>758,317,400</u>

8. LENDINGS TO FINANCIAL INSTITUTIONS AND OTHERS

Money market placements	25,000,000	180,000,000
Reverse repo - Treasury Bills/PIBs	350,350,678	-
	<u>375,350,678</u>	<u>180,000,000</u>

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION [UN-AUDITED]
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016

9. INVESTMENTS

9.1 Investments by types

Held for trading (HFT)

Quoted shares

Available for sale (AFS) securities

Market Treasury Bills

Pakistan Investment Bonds

Quoted shares

Unquoted shares

Term Finance Certificates (TFCs)

Islamabad Stock Exchange membership

Held to maturity (HTM) securities

Term Finance Certificates (TFCs)

Investment in subsidiaries

Saudi Pak Leasing Company Limited

Saudi Pak Real Estate Company Limited

Investment in associate

Saudi Pak Leasing Company Limited

Investments at cost

Provision for diminution in value of un-quoted shares

Provision against subsidiaries

Provision against associates

Provision against TFCs

Provision for impairment loss on quoted shares

Surplus on revaluation of AFS securities

Surplus on revaluation of HFT securities

Investments (net of provisions)

	(Un-audited) September 30, 2016			(Audited) December 31, 2015		
	Held by the Company	Given as collateral	Total	Held by the Company	Given as collateral	Total
	-----Rupees-----			-----Rupees-----		
Held for trading (HFT)						
Quoted shares	-	-	-	-	-	-
Available for sale (AFS) securities						
Market Treasury Bills	283,897,200	-	283,897,200	523,211,395	-	523,211,395
Pakistan Investment Bonds	4,757,386,100	-	4,757,386,100	2,395,818,161	6,358,195,317	8,754,013,478
Quoted shares	979,505,433	-	979,505,433	1,289,390,956	-	1,289,390,956
Unquoted shares	453,833,048	-	453,833,048	703,833,048	-	703,833,048
Term Finance Certificates (TFCs)	106,518,541	-	106,518,541	137,023,918	-	137,023,918
Islamabad Stock Exchange membership	2,500,000	-	2,500,000	2,500,000	-	2,500,000
	6,583,640,322	-	6,583,640,322	5,051,777,478	6,358,195,317	11,409,972,795
Held to maturity (HTM) securities						
Term Finance Certificates (TFCs)	540,757,486	-	540,757,486	806,115,122	-	806,115,122
Investment in subsidiaries						
Saudi Pak Leasing Company Limited	-	-	-	576,676,075	-	576,676,075
Saudi Pak Real Estate Company Limited	500,000,000	-	500,000,000	500,000,000	-	500,000,000
	500,000,000	-	500,000,000	1,076,676,075	-	1,076,676,075
Investment in associate						
Saudi Pak Leasing Company Limited	576,676,075	-	576,676,075	-	-	-
Investments at cost	8,201,073,883	-	8,201,073,883	6,934,568,675	6,358,195,317	13,292,763,992
Provision for diminution in value of un-quoted shares	(344,788,264)	-	(344,788,264)	(291,302,066)	-	(291,302,066)
Provision against subsidiaries	-	-	-	(576,676,075)	-	(576,676,075)
Provision against associates	(576,676,075)	-	(576,676,075)	-	-	-
Provision against TFCs	(550,363,006)	-	(550,363,006)	(427,624,198)	-	(427,624,198)
Provision for impairment loss on quoted shares	(142,391,310)	-	(142,391,310)	(163,955,194)	-	(163,955,194)
	(1,614,218,655)	-	(1,614,218,655)	(1,459,557,533)	-	(1,459,557,533)
Surplus on revaluation of AFS securities	818,164,935	-	818,164,935	869,034,658	-	869,034,658
Surplus on revaluation of HFT securities	-	-	-	-	-	-
	818,164,935	-	818,164,935	869,034,658	-	869,034,658
Investments (net of provisions)	7,405,020,163	-	7,405,020,163	6,344,045,800	6,358,195,317	12,702,241,117

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION [UN-AUDITED]
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016

10 ADVANCES	Note	Unaudited 30 September 2016 Rupees	Audited 31 December 2015 Rupees
Loans, cash, credits, running finances, etc.			
- In Pakistan		8,275,367,874	8,591,513,212
- Outside Pakistan		-	-
		8,275,367,874	8,591,513,212
Net investment in finance lease			
- In Pakistan		167,467,469	182,631,084
- Outside Pakistan		-	-
		167,467,469	182,631,084
		8,442,835,343	8,774,144,296
Less: Provision for non-performing advances	10.2	2,212,838,996	2,099,189,893
		6,229,996,347	6,674,954,403

10.1 Advances placed under non-performing status:

-----30 September 2016-----					
Category of Classification	Domestic Rupees	Overseas Rupees	Total Rupees	Provision Required Rupees	Provision Held Rupees
Substandard	-	-	-	-	-
Doubtful	479,705,881	-	479,705,881	57,500,000	57,500,000
Loss	2,319,557,719	-	2,319,557,719	2,155,338,996	2,155,338,996
	2,799,263,600	-	2,799,263,600	2,212,838,996	2,212,838,996
-----31 December 2015-----					
Category of Classification	Domestic Rupees	Overseas Rupees	Total Rupees	Provision Required Rupees	Provision Held Rupees
Substandard	458,333,333	-	458,333,333	-	-
Doubtful	200,000,000	-	200,000,000	-	-
Loss	2,157,341,693	-	2,157,341,693	2,099,189,893	2,099,189,893
	2,815,675,026	-	2,815,675,026	2,099,189,893	2,099,189,893

10.2 Particulars of provisions against non-performing advances	Unaudited 30 September 2016 Rupees	Audited 31 December 2015 Rupees
	Specific	Specific
Opening balance	2,099,189,893	2,096,435,952
Charge for the year	196,940,492	118,758,927
Amounts written off	(1,408,249)	-
Reversals	(81,883,140)	(116,004,986)
Closing balance	2,212,838,996	2,099,189,893

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016

		Unaudited 30 September 2016 Rupees	Audited 31 December 2015 Rupees
11 OPERATING FIXED ASSETS	Note		
Carrying amount at beginning of the period		2,738,964,706	2,255,080,030
Additions during the period	11.1	16,950,615	39,031,050
Book value of disposals	11.2	(2,344,904)	(15,762,297)
Revaluation surplus		-	578,682,096
Depreciation for the period		(100,288,129)	(118,066,173)
Carrying amount at the end of the period		<u>2,653,282,288</u>	<u>2,738,964,706</u>
11.1 Additions during the period / year represents the following:-			
Office equipments		4,838,643	4,754,405
Electrical appliances		1,548,828	2,634,041
Furniture, fixture & fittings		70,907	279,459
Building		1,155,141	5,559,370
Motor vehicles		9,337,096	10,268,512
Elevators		-	14,327,786
Intangible assets		-	1,207,477
Work-in-progress		-	-
		<u>16,950,615</u>	<u>39,031,050</u>
11.2 Book value of disposals			
Motor vehicles		1,664,222	2,843,584
Office Equipments		11	59,274
Furniture, fixtures and fittings		4,619	36,673
Fire fighting equipments		50,571	15,741
Electrical and gas appliances		4	302,316
Elevators		-	12,504,709
Heating & airconditioning		226,984	-
Security		397,063	-
Telephone instalation		1,430	-
		<u>2,344,904</u>	<u>15,762,297</u>
12 OTHER ASSETS			
Income accrued and other receivables	12.1	222,089,419	642,128,549
Advances to suppliers		11,927,298	7,068,090
Advances for purchase of shares		256,792	256,792
Security deposits		7,398,245	7,398,245
Prepayments		6,700,023	3,209,117
Non banking assets acquired in satisfaction of claims		137,787,906	356,494,933
Amounts receivable from stock brokers		5,774,735	27,215,516
Advance taxation (payment less provision)		680,361,202	759,715,293
Federal excise duty		38,255,895	38,255,895
Utility bills receivables		7,566,199	4,041,939
Other receivables		15,000,000	15,000,000
		<u>1,133,117,714</u>	<u>1,860,784,369</u>
Less: Provision against other assets		<u>(4,075,062)</u>	<u>(117,517,062)</u>
		<u>1,129,042,652</u>	<u>1,743,267,307</u>
12.1 Income accrued and other receivables			
Accrued fee and commission		6,574,213	6,580,204
Accrued dividend income		10,237,500	-
Accrued income from advances		928,822,047	938,162,943
Accrued income from investments		366,853,346	759,940,544
Accrued income from lending to financial institutions		30,110	67,096
Rentals receivables		3,058,741	6,579,061
		<u>1,315,575,957</u>	<u>1,711,329,848</u>
Less: Suspense Account		<u>1,093,486,538</u>	<u>1,069,201,299</u>
		<u>222,089,419</u>	<u>642,128,549</u>

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016

		Unaudited 30 September 2016 Rupees	Audited 31 December 2015 Rupees
13 BORROWINGS FROM FINANCIAL INSTITUTIONS	Note		
Secured - in Pakistan local currency			
<i>Financing availed from:</i>			
State Bank of Pakistan (SBP)	13.1	218,180,368	245,452,912
Other financial institutions		4,300,000,000	5,550,000,000
Repo borrowings			
Financial institutions		-	6,215,000,000
		<u>4,518,180,368</u>	<u>12,010,452,912</u>

13.1 This represents the outstanding balance of facilities availed from SBP under Long Term Finance Facility (LT-FF) Scheme.

14 DEPOSITS AND OTHER ACCOUNTS

These represent certificate of investments (COIs) issued to Saudi Pak Employees Contributory Provident Fund and National University of Science & Technology (NUST). These COIs carry mark up ranging from 6.00% to 6.20% per annum (2015: 6.75%).

	Unaudited 30 September 2016 Rupees	Audited 31 December 2015 Rupees
15 OTHER LIABILITIES		
Provision for staff gratuity	3,004,845	2,090,658
Provision for compensated absences	3,119,825	4,593,242
Advance Rental-Saudipak Tower	98,045,509	41,531,332
Interest/markup accrued on borrowings	52,913,793	96,300,823
Directors' remuneration	2,827,337	3,250,660
Other payable and expenses accrued	28,144,912	76,653,034
	<u>188,056,221</u>	<u>224,419,749</u>
16 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX		
Surplus on revaluation of:		
Operating fixed assets	2,469,310,779	2,519,850,128
Related deferred tax liability	(758,485,720)	(756,952,802)
	<u>1,710,825,059</u>	<u>1,762,897,326</u>
Available for sale investments	818,164,936	869,034,658
Related deferred tax liability	(245,449,481)	(269,400,744)
	<u>572,715,455</u>	<u>599,633,914</u>
	<u>2,283,540,514</u>	<u>2,362,531,240</u>

17 CONTINGENCIES AND COMMITMENTS

17.1 Contingencies

There is no change in the status of contingencies and commitments of the Company from the status given in the preceeding annual published financial statements for the year ended 31 December 2015 except for the following:

17.1.1 Tax status

The Company has filed income tax returns for and up to tax year 2015 (year ended December 31, 2014). The assessments for and upto the tax year 2015 were amended by tax authorities mainly related to disallowance of provisions against non-performing loans and apportionment of expenses to income subject to final tax regime and income subject to normal tax regime. The Company has filed appeals and reference application to the higher fora in relation to adverse decisions. The Company paid tax under protest in relation to matters currently pending and the amounts paid have been carried as receivable since management, based on the opinion of its legal counsel, believes that the matters will be decided in favour of the Company.

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION [UN-AUDITED]
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016

17.1.2 Tax Contingencies

- i) Issues involving disallowance of provision of non-performing loans and apportionment of expenses between income subject to final tax regime and normal tax regime in respect of tax years 2004, 2005, 2006, 2008, 2009 and 2010 are under litigation before Islamabad High Court. Total outstanding demands in respect of tax years under litigation amounts to Rs 744.971 million. The Appellate Tribunal Inland Revenue Islamabad did not accept the Company's grounds of appeal in respect of tax years 2004 to 2006 and 2008 to 2010. The Company has filed tax reference before the Islamabad High Court which has been admitted for hearing.
- ii) For tax years 2012 to 2015, provision for non-performing loans and certain other expenses were disallowed by Deputy Commissioner Inland Revenue and raised demand of Rs 822.181 million. The Company has filed appeal before the Commissioner Inland Revenue (Appeals) and ATIR which is pending adjudication. The Company has also obtained stay from the ATIR and Islamabad High Court against the disputed demands.
- iii) For the period January 2011 to December 2014, Deputy Commissioner Inland Revenue issued order to charge Federal Excise Duty amounting to Rs 132.501 million on certain services and sales tax amounting to Rs 0.105 million. An appeal against the said order has been filed with the Commissioner Inland Revenue (Appeals) which is pending for adjudication. Further, the Company has also obtained stay from Appellate Tribunal Inland Revenue against the recovery of impugned demand.
- iv) The management, based on the opinion of its legal counsel, believes that the matters will be decided in favour of the Company.

	Unaudited 30 September 2016 Rupees	Audited 31 December 2015 Rupees
17.2 Commitments		
Non disbursed commitment for term and working capital finance	1,395,907,000	430,000,000
Commitments for the acquisition of operating fixed assets	3,067,712	4,966,892
	Unaudited 30 September 2016 Rupees	Unaudited 30 September 2015 Rupees
18 MARK-UP/RETURN/INTEREST EARNED		
Income from investments	580,090,367	811,181,648
Income from advances	437,548,558	453,647,827
Income from lending to financial institutions	12,769,978	32,133,327
	1,030,408,903	1,296,962,802
19 MARK-UP/RETURN/INTEREST EXPENSED		
Short Term Borrowings	125,830,403	165,381,623
Long Term Borrowings	135,556,490	230,331,611
Borrowing cost on Repos	140,867,574	272,571,451
Brokerage Fee & Commission	2,247,988	4,532,724
	404,502,455	672,817,409
20 GAIN ON SALE OF SECURITIES-NET		
Gain on sale of Government securities	317,144,451	182,041,963
Gain on sale of quoted securities-net	158,600,233	152,718,956
	475,744,684	334,760,919
21 TAXATION - PRIOR YEARS		

A one time super tax was imposed for tax year 2015 on the income of individuals, association of persons and companies who are earning income of Rs 500 million or above in tax year 2015. Super tax has been charged at the rate of 3% for persons other than banking companies. Through the Finance Act, 2016 the said levy has been extended to tax year 2016 also.

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION [UN-AUDITED]
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016

22 SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

The segment analysis with respect to business activity is as follows:

	Corporate Finance	Trading and sales	Building rental services	Total
	30.09.2016 Rs. 000	30.09.2016 Rs. 000	30.09.2016 Rs. 000	30.09.2016 Rs. 000
Total income	484,703,201	1,152,475,679	245,320,520	1,882,499,400
Total expenses	463,681,355	527,254,098	122,200,370	1,113,135,823
Net income	21,021,846	625,221,581	123,120,150	769,363,577
Segment assets (gross)	9,575,046,594	8,674,913,074	2,015,600,972	20,265,560,640
Segment non performing loans	2,799,263,600	-	-	2,799,263,600
Segment provision required	2,212,838,996	1,614,218,655	-	3,827,057,651
Segment liabilities	2,344,836,306	2,466,291,384	841,456,956	5,652,584,646
Segment Return On net Assets (ROA) (%)	6.70	18.56	20.89	12.88
Segment cost of funds (%)	19.77	21.38	14.52	19.69

	Corporate Finance	Trading and sales	Building rental services	Total
	30.09.2015 Rs. 000	30.09.2015 Rs. 000	30.09.2015 Rs. 000	30.09.2015 Rs. 000
Total income	535,009,973	1,197,613,651	190,403,867	1,923,027,491
Total expenses	397,815,944	711,476,898	104,131,196	1,213,424,038
Net income	137,194,029	486,136,753	86,272,671	709,603,453

	31.12.2015 Rs. 000	31.12.2015 Rs. 000	31.12.2015 Rs. 000	31.12.2015 Rs. 000
Segment assets (gross)	10,248,942,244	15,107,186,084	2,032,991,167	27,389,119,495
Segment non performing loans	2,815,675,026	-	-	2,815,675,026
Segment provision required	2,099,189,873	1,459,557,533	-	3,558,747,406
Segment liabilities	4,802,581,468	7,504,865,233	812,620,861	13,120,067,562
Segment Return On net Assets (ROA) (%)	9.82	15.75	15.60	13.48
Segment cost of funds (%)	8.28	9.48	12.81	9.25

Assumptions used:

- Administrative expenses have been allocated to segments based on respective segment income.
- Unallocatable assets representing 7.98 % (2015: 6.26 %) of the total assets have been allocated to segments based on their respective incomes.
- Unallocatable liabilities representing 1.87% (2015: 1.52%) of the total liabilities have been allocated to segments based on their respective assets.

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016

23 RELATED PARTY TRANSACTIONS

- 23.1** Both the Government of Kingdom of Saudi Arabia and the Islamic Republic of Pakistan own 50% shares of the Company. Therefore, all entities owned by and controlled by these Governments are related parties of the Company. Other related parties comprise of entities over which the Company has control (subsidiaries), entities over which the directors are able to exercise significant influence (associated undertakings), entities with common directors, major shareholders, directors, key management personnel and employees' funds. The Company in normal course of business pays for electricity, gas and telephone to entities controlled by the Government of Pakistan which are not material, hence not disclosed in these condensed interim financial information. The Company has not extended any financing facilities to entities owned by the Governments of Kingdom of Saudi Arabia and the Islamic Republic of Pakistan.

Transactions with the related parties are executed substantially on the same terms, including markup rates and collaterals, as those prevailing at the time for comparable transactions with the unrelated parties and do not involve more than a normal risk (i.e. under the comparable uncontrolled price method).

Other than those transactions which are made under the terms of employment, majority of the transactions with related parties comprise of loans and advances, deposits etc.

Advances for the house building, conveyance and personal use have also been provided to staff and executives in accordance with the employment and pay policy. Facility of group life insurance and hospitalization facility is also provided to staff and executives. In addition to this, majority of executives of the Company have been provided with the Company maintained car.

23.2 Following are the transactions and balances with related parties:

		Unaudited 30 September 2016 Rupees	Audited 31 December 2015 Rupees
Nature of balances / transactions	Name of the Entity		
<u>Outstanding balances at the period / year end</u>			
- Sponsor			
Other receivables	Public Investment Fund - Saudi Arabia	15,000,000	15,000,000
- Subsidiary/Associated companies			
Investments - cost	Saudi Pak Real Estate Company Ltd	500,000,000	500,000,000
Investments in shares - cost	Saudi Pak Leasing Company Ltd	243,467,574	243,467,574
Investments in preference shares - cost	Saudi Pak Leasing Company Ltd	333,208,501	333,208,501
Security deposit	Saudi Pak Real Estate Company Ltd	278,280	278,280
Rent received in advance	Saudi Pak Real Estate Company Ltd	845,585	805,391
Rent receivable	Saudi Pak Leasing Company Ltd	-	46,585
Rent payable for generator	Saudi Pak Leasing Company Ltd	-	30,000
- Key management personnel			
Advances to executives		26,806,158	30,995,219
- Employee funds			
Deposits against COIs	Employee Provident Fund	14,500,000	7,000,000
Interest payable	Employee Provident Fund	292,079	50,486
Contribution payable	Staff Gatuity Fund	3,004,845	2,090,657
		Unaudited 30 September 2016 Rupees	Unaudited 30 September 2015 Rupees
<u>Transactions during the period</u>			
- Subsidiary/Associated companies			
Borrowing availed	Saudi Pak Leasing Company Ltd	-	32,000,000
Interest expensed	Saudi Pak Leasing Company Ltd	-	2,218,554
Rent received	Saudi Pak Leasing Company Ltd	419,265	419,265
Rent paid for generator	Saudi Pak Leasing Company Ltd	104,624	97,132
Rent received	Saudi Pak Real Estate Company Ltd	2,995,869	1,932,933
- Key management personnel			
Advances to executives		4,748,300	18,522,500
Repayment of advances		11,772,720	10,005,155
- Employee funds			
Deposits against COIs	Employee Provident Fund	7,500,000	-
Contributions	Employee Provident Fund	3,737,969	3,583,106
Interest expensed	Employee Provident Fund	542,679	523,562
Contributions	Staff Gatuity Fund	5,095,502	-

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION [UN-AUDITED]
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016

24 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of traded investments is based on quoted market prices, except for securities classified by the Company as 'held to maturity'. Securities classified as held to maturity are carried at amortized cost. Fair value of unquoted equity investments is determined on the basis of break up value of these investments as per the latest available audited financial statements.

Fair value of fixed term loans, other assets, other liabilities and fixed term deposits cannot be calculated with sufficient reliability due to the absence of current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments. The provision for impairment of loans and advances has been calculated in accordance with the Company's accounting policy as disclosed in annual financial statements for the year ended December 31, 2015.

Fair value of remaining financial assets and liabilities except fixed term loans, staff loans, non-performing advances and fixed term deposits is not significantly different from the carrying amounts since assets and liabilities are either short term in nature or are frequently repriced in the case of customer loans and deposits.

24.1 The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets (Pakistan Stock Exchange) for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) available at MUFAP, Reuters page, Redemption prices and determined by valuers on the panel of Pakistan Banker's Association .

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses the financial and non-financial assets carried at fair values, by valuation methods. Valuation of investments is carried out as per guidelines specified by the SBP. In case of non-financial assets, the Company has adopted revaluation model (as per IAS 16) in respect of land and non-banking assets acquired in satisfaction of claims.

	September 30, 2016 - (Unaudited)			
	Level 1	Level 2	Level 3	Total
	Rupees '000			
Financial assets:				
Held for trading				
Quoted securities	-	-	-	-
Available for sale securities				
Market Treasury Bills	-	284,198,008	-	284,198,008
Pakistan Investment Bonds	-	5,346,795,300	-	5,346,795,300
Fully paid ordinary shares / units	1,064,893,433	-	-	1,064,893,433
Term Finance Certificates	-	30,088,638	-	30,088,638
	<u>1,064,893,433</u>	<u>5,661,081,946</u>	<u>-</u>	<u>6,725,975,379</u>
Non-financial assets:				
Operating fixed assets				
Property and equipment (leasehold land)	-	1,380,588,120	-	1,380,588,120
Other assets				
Non-banking assets acquired in satisfaction of claims	-	137,787,906	-	137,787,906
	<u>-</u>	<u>1,518,376,026</u>	<u>-</u>	<u>1,518,376,026</u>

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION [UN-AUDITED]
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016

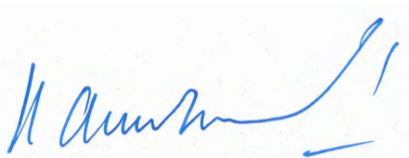
	December 31, 2015 - (Audited)		
	Level 1	Level 2	Level 3
	Rupees '000		
Financial assets:			
Held for trading			
Quoted securities	76,216,500	-	-
Available for sale securities			
Market Treasury Bills	-	524,099,491	-
Pakistan Investment Bonds	-	9,429,492,842	-
Fully paid ordinary shares / units	1,319,276,234	-	-
Term Finance Certificates	-	71,169,301	-
	<u>1,319,276,234</u>	<u>10,024,761,634</u>	<u>-</u>
			<u>11,344,037,868</u>
Non-financial assets:			
Operating fixed assets			
Property and equipment (leasehold land)	-	1,380,588,120	-
	<u>-</u>	<u>1,380,588,120</u>	<u>-</u>

The Company's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused such transfer. There were no transfers between levels 1 and 2 during the period.

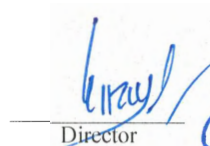
25 GENERAL

25.1 This condensed interim unconsolidated financial information was authorized for issue by the Board of Directors of the Company in the meeting held on **29 OCT 2016**

25.2 Figures in these accounts have been rounded off to the nearest rupee.


General Manager/Chief Executive


Director


Director


Chairman