



Jahangir Siddiqui & Co. Ltd.  
Quarterly Report  
September 30, 2007  
(Un-audited)

# Jahangir Siddiqui & Co. Ltd.

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# Jahangir Siddiqui & Co. Ltd.

## COMPANY INFORMATION

### BOARD OF DIRECTORS

Mazharul Haq Siddiqui	Chairman
Munaf Ibrahim	Chief Executive Officer
Ali J. Siddiqui	Director
Ali Raza Siddiqui	Director
Nauzer Aspl Dinshaw	Director
Syed Nizam Ahmed Shah	Independent Director
Chief Justice (R) Mahboob Ahmed	Independent Director
Siraj Ahmed Dadabhoy	Independent Director
Adli Matcheswala	Independent Director

### AUDIT COMMITTEE

Syed Nizam Ahmed Shah	Chairman
Ali J. Siddiqui	Member
Ali Raza Siddiqui	Member
Farah Qureshi	Secretary

### EXECUTIVE COMMITTEE

Munaf Ibrahim  
Ali J. Siddiqui

### EXECUTIVE COMPENSATION COMMITTEE

Syed Nizam Ahmed Shah  
Chief Justice (R) Mahboob Ahmed

### COMPANY SECRETARY

Farah Qureshi

### CHIEF FINANCIAL OFFICER

Kamran Qadir

### AUDITORS

Ford Rhodes Sidat Hyder & Co.  
Chartered Accountants

### LEGAL ADVISORS

Bawaney & Partners  
Sayeed & Sayeed

### SHARE REGISTRAR

Technology Trade (Pvt.) Limited  
241-C, Block-2, P.E.C.H.S., Karachi.

### REGISTERED OFFICE

6th Floor, Faysal House  
Shahra-e-Faisal  
Karach-75530, Paklstan.

### WEBSITE

[www.js.com](http://www.js.com)

# Jahangir Siddiqui & Co. Ltd.

## CHAIRMAN'S STATEMENT TO THE SHAREHOLDERS

On behalf of the Board of Directors, I am pleased to present to you the unaudited, parent and consolidated financial statements of Jahangir Siddiqui & Co. Ltd. ("JSCL" or the "Company") and its subsidiaries for the first quarter ended September 30, 2007.

### The Economy

Pakistan's economy began the year on a positive note. Economic Indicators confirm that the growth experienced in the past four years remains strong. During the first quarter, tax collection has grown an impressive 11.4% year over year. Also pleasing has been the abatement of inflation in the first two months (July and August) as exemplified by the decline in the CPI to 6.41% from 8.28% last year.

With respect to International trade, exports recovered sharply, increasing 19.3% during the period. Coupled with a higher than expected 21.4% growth in foreign remittances, the current account deficit now stands at just US\$ 2.145 billion in first quarter down from US\$ 2.752 billion last year. Foreign investment inflows also continued to pour in; Foreign Direct Investment showed an inflow of US\$ 461 million in the first two months, up 22.0% from last year.

### Equity Markets

Pakistan's equity markets did not match the rise that they experienced last year with the KSE-100 index declining by 3.1% during the period. The markets remained volatile, achieving an all-time high of 14,202 in early July, and then declining, partly due to political uncertainty, to 11,955 in late August. Once the situation stabilized, the markets staged a strong recovery in September on the back of substantial buying by foreign investors who invested a significant US\$180 million (by October 25, 2007).

### Review of the Results

The Board is pleased to report a profit after tax of Rs.18.76 million for the quarter ending September 30, 2007 as compared to a net loss of Rs. 156.02 million for the same period last year. Operating revenue increased 373.3% to Rs. 283.62 million as compared to Rs. 59.92 million last year. At the same time, operating expenses for the quarter declined (18.9%) to Rs. 46.46 million from Rs. 57.27 million for the same period last year.

The net asset value of the Company on September 30, 2007 was Rs. 8.34 billion or Rs. 108.27 per share, on a diluted basis.

### Credit Rating

The Pakistan Credit Rating Agency Ltd. has maintained the long term rating of the Company at "AA+" (Double A plus) and the short term rating at "A1+" (A one plus) during the period. The long-term rating denotes a very low expectation of credit risk and indicates a very strong capacity for timely payment of financial commitments. The short term rating indicates that obligations are supported by the highest capacity for timely repayment.

### Outlook

Given the improving political and economic situation, we believe there will be sustained growth in the capital markets and in turn the principal trading activities of the Company. Each of the Company's strategic holdings continues to achieve its defined milestones.

JS Global Capital's business remains strong and we continue to win new business, and expand the relationships with our existing client base.

JS Investments (formerly JS ABAMBCO) continues along its plan to introduce new funds into the market, and sign distribution agreements with a number of international financial institutions.

JS Bank has won a record number of Sukuk and fixed income mandates during the quarter. With the improving macro environment, we expect this performance to continue.

# Jahangir Siddiqui & Co. Ltd.

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## CHAIRMAN'S STATEMENT TO THE SHAREHOLDERS

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### **Acknowledgement**

We would like to express our gratitude to our clients and business partners for their continued patronage of the Company and to our management and employees for their dedication and hard work.

We would also like to acknowledge the Securities and Exchange Commission of Pakistan, the State Bank of Pakistan and the Central Board of Revenue for their efforts to strengthen and develop the financial markets.

**Mazharul Haq Siddiqui**  
Chairman

Karachi: October 26, 2007

# Jahangir Siddiqui & Co. Ltd.

## INTERIM CONDENSED BALANCE SHEET AS AT SEPTEMBER 30, 2007

	Note	September 30, 2007 (Un-Audited)	June 30, 2007 (Audited)
..... (Rupees In 000') .....			
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property and equipment		54,526	58,495
Investment properties		4,171	4,332
Stock exchange membership cards and room		12,201	12,201
Long term investments	4	6,521,867	6,165,311
Long term loans, advances and other receivables		2,500	2,605
Long term security deposits		2,494	2,494
		6,597,759	6,245,438
<b>Current Assets</b>			
Loans and advances		98,048	323,281
Short term investments	5	9,121,263	7,648,302
Trade debts		317,712	24,593
Prepayments, accrued mark-up and other receivables		197,748	200,517
Taxation – net		3,753	-
Cash and bank balances		17,018	1,159,054
		9,755,542	9,355,747
		<u>16,353,301</u>	<u>15,601,185</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Share capital	6	1,400,000	1,050,000
Reserves		6,937,071	7,227,328
Shareholders' equity		<u>8,337,071</u>	<u>8,277,328</u>
<b>Non-Current Liability</b>			
Long term financing	7	3,830,410	3,729,413
<b>Current Liabilities</b>			
Trade and other payables	8	393,271	1,571,239
Accrued interest / mark-up on borrowings		170,725	87,946
Short term borrowings	9	3,371,084	1,683,775
Current portion of long term financing		250,740	250,740
Taxation – net		-	744
		4,185,820	3,594,444
<b>CONTINGENCY AND COMMITMENTS</b>	10	<u>16,353,301</u>	<u>15,601,185</u>

The annexed notes 1 to 15 form an integral part of these financial statements.

**Mazharul Haq Siddiqui**  
Chairman

**Munaf Ibrahim**  
Chief Executive

# Jahangir Siddiqui & Co. Ltd.

## INTERIM CONDENSED PROFIT AND LOSS ACCOUNT FOR THE QUARTER ENDED SEPTEMBER 30, 2007 (UN-AUDITED)

	Note	July 1, to September 30, 2007	July 1, to September 30, 2006
..... (Rupees in '000) .....			
<b>INCOME</b>			
Return on Investments		148,871	65,647
Gain on sale of Investments		76,812	18,644
Income from long-term loans and fund placements		-	5,026
Fee and commission		13,951	15,248
Other Income		6,545	3,392
Gain/(loss) on revaluation of Investments carried at fair value through profit and loss account - net		37,440	(48,036)
		<u>283,619</u>	<u>59,921</u>
<b>EXPENDITURE</b>			
Operating and administrative expenses		46,459	57,270
Finance cost		214,901	150,242
Provision for impairment against investments in subsidiaries, associates and joint ventures		900	8,224
		<u>262,260</u>	<u>215,736</u>
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		<u>21,359</u>	<u>(155,815)</u>
<b>TAXATION</b>			
- Current		2,600	211
<b>PROFIT/(LOSS) AFTER TAXATION</b>		<u>18,759</u>	<u>(156,026)</u>
..... (Rupees) .....			
(Restated)			
<b>Earnings / (loss) per share:</b>	11		
- Basic		<u>0.09</u>	<u>(2.23)</u>
- Diluted		<u>0.24</u>	<u>(2.23)</u>

The annexed notes 1 to 15 form an integral part of these financial statements.

**Mazharul Haq Siddiqui**  
Chairman

**Munaf Ibrahim**  
Chief Executive

# Jahangir Siddiqui & Co. Ltd.

## INTERIM CONDENSED CASH FLOW STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2007 (UN-AUDITED)

	July 1, to September 30, 2007	July 1, to September 30, 2006
	..... (Rupees in '000) .....	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (loss) before taxation	21,359	(155,815)
Adjustments for :		
Depreciation	4,480	1,808
Profit on sale of property and equipment	(325)	(800)
Interest income from defence savings certificates	(177)	(150)
(Gain)/loss on revaluation of investments carried at fair value through profit and loss account - net	(37,440)	48,036
Provision for impairment against investments in subsidiaries, associates and joint ventures	900	8,224
Finance cost	214,901	150,242
	<u>182,339</u>	<u>207,360</u>
Operating profit before working capital changes	203,698	51,545
(Increase)/decrease in operating assets :		
Loans and advances	233	3,317
Short term investments	(1,195,253)	(357,514)
Trade debts	(293,119)	-
Prepayments, accrued mark-up and other receivables	2,769	(21,196)
Fund placements - net	-	207,047
Long term loans, advances and other receivables	105	-
	<u>(1,485,265)</u>	<u>(168,346)</u>
(Decrease)/increase in trade and other payables	<u>(1,292,452)</u>	<u>683,464</u>
Net cash (used in)/generated from operations	<u>(2,574,019)</u>	<u>566,663</u>
Mark-up paid	(131,025)	(46,017)
Taxes paid	(7,097)	(2,693)
Net cash (outflow)/inflow from operating activities	<u>(2,712,141)</u>	<u>517,953</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure incurred	(350)	(13,981)
Proceeds from sale of property and equipment	325	800
Investments acquired	(217,079)	(1,906)
Net cash used in investing activities	<u>(217,104)</u>	<u>(15,087)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue/(redemption) of term finance certificates	99,900	(100)
Securities sold under repurchase agreements - net	198,440	(869,428)
Net cash inflow/(outflow) from financing activities	<u>298,340</u>	<u>(869,528)</u>
Net decrease in cash and cash equivalents	<u>(2,630,905)</u>	<u>(366,662)</u>
Cash and cash equivalents at beginning of the period	<u>(524,721)</u>	<u>(2,935,170)</u>
Cash and cash equivalents at end of the period	<u>(3,155,626)</u>	<u>(3,301,832)</u>

The annexed notes 1 to 15 form an integral part of these financial statements.

**Mazharul Haq Siddiqui**  
Chairman

**Munaf Ibrahim**  
Chief Executive



# Jahangir Siddiqui & Co. Ltd.

## INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2007 (UN-AUDITED)

	Issued, subscribed and paid-up capital		Reserves				Total
			Capital	Revenue		Other	
	Ordinary share capital	Preference shares - Class 'A'	Ordinary share premium	General	Unappropriated profit	Unrealised gain on revaluation of available for sale Investments-net	
(Rupees in '000)							
Balance as at July 1, 2006	350,000	-	475,505	1,500,000	1,343,311	1,712,886	5,381,702
Net effect of revaluation of available for sale investments to fair value	-	-	-	-	-	(43,282)	(43,282)
Loss after taxation for the period	-	-	-	-	(156,026)	-	(156,026)
Appropriations declared for the year ended June 30, 2006:							
- Transfer to general reserve	-	-	-	1,000,000	(1,000,000)	-	-
- Proposed dividend @ Rs. 2.5 per share	-	-	-	-	(87,500)	-	(87,500)
<b>Balance as at September 30, 2006</b>	<b>350,000</b>	<b>-</b>	<b>475,505</b>	<b>2,500,000</b>	<b>99,785</b>	<b>1,669,604</b>	<b>5,094,894</b>
Balance as at July 1, 2007	350,000	700,000	475,505	2,500,000	2,488,592	1,763,231	8,277,328
Net effect of revaluation of available for sale investments to fair value	-	-	-	-	-	155,468	155,468
Profit after taxation for the period	-	-	-	-	18,759	-	18,759
Appropriations for the year ended June 30, 2007:							
- Issue of bonus shares @ 100 percent	350,000	-	(350,000)	-	-	-	-
- Dividend @ Rs. 2.5 per ordinary share	-	-	-	-	(87,500)	-	(87,500)
- Preference dividend @ 7 percent per annum	-	-	-	-	(26,984)	-	(26,984)
<b>Balance as at September 30, 2007</b>	<b>700,000</b>	<b>700,000</b>	<b>125,505</b>	<b>2,500,000</b>	<b>2,392,857</b>	<b>1,918,699</b>	<b>8,337,071</b>

The annexed notes 1 to 15 form an integral part of these financial statements.

**Mazharul Haq Siddiqui**  
Chairman

**Munaf Ibrahim**  
Chief Executive

# Jahangir Siddiqui & Co. Ltd.

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2007 (UN-AUDITED)

### 1. THE COMPANY AND ITS OPERATIONS

Jahangir Siddiqui & Company Limited (the Company) was incorporated under the Companies Ordinance, 1984 (the Ordinance) on May 4, 1981 as a public unquoted company. The Company is presently listed on Karachi Stock Exchange (Guarantee) Limited. The Company is a corporate member of Karachi Stock Exchange (Guarantee) Limited and Islamabad Stock Exchange (Guarantee) Limited. The registered office of the Company is situated at 8th Floor, Faysal House, Main Shahn-e-Faisal, Karachi. The principal activities of the Company are trading of securities, maintaining strategic investments, consultancy services, underwriting etc.

### 2. BASIS OF PREPARATION

These interim condensed financial statements are unaudited. These are required to be presented to the shareholders under Section 245 of the Ordinance and have been prepared in accordance with the requirements of the International Accounting Standard (IAS) - 34 "Interim Financial Reporting". The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2007.

### 3. ACCOUNTING POLICIES

The accounting policies followed for the preparation of these interim condensed financial statements are the same as those applied in preparing the annual financial statements of the Company for the year ended June 30, 2007.

### 4. LONG TERM INVESTMENTS

#### Related parties:

	September 30, 2007 (Un-audited) ..... (Rupees in '000) .....	June 30, 2007 (Audited) ..... (Rupees in '000) .....
Investment in subsidiaries	1,213,380	1,201,336
Investment in associates	2,522,183	2,523,083
Investment in joint ventures	15,962	15,962
Other related parties	2,696,242	2,351,007
	6,447,767	6,091,388
Other investments	74,100	73,923
	<u>6,521,867</u>	<u>6,165,311</u>

4.1 During the period, the Company has acquired remaining share capital of JS Infocom Ltd. resulting in 100% holding in subsidiary company.

4.2 This includes 22,500,000 right shares of Rs. 10 each allotted during the period to the Company by BankIslami Pakistan Limited (the Bank) pursuant to the withdrawal of case in the Honourable High Court of Sindh. As a result, the Company's holding in the Bank has increased from 12.61% to 18.75%.

### 5. SHORT TERM INVESTMENTS

#### Assets at fair value through profit or loss

	September 30, 2007 (Un-audited) ..... (Rupees in '000) .....	June 30, 2007 (Audited) ..... (Rupees in '000) .....
- Listed equity securities		
Related parties	4,598,331	3,431,206
Others	2,648,237	2,211,824
- Term finance certificates	802	804
- Open-end fund units	1,113,405	1,280,175
	8,361,775	6,924,009

#### Available for sale

	September 30, 2007 (Un-audited) ..... (Rupees in '000) .....	June 30, 2007 (Audited) ..... (Rupees in '000) .....
- Listed equity securities		
Related parties	361,893	330,067
Others	397,595	394,226
	759,488	724,293
	<u>9,121,263</u>	<u>7,648,302</u>

# Jahangir Siddiqui & Co. Ltd.

## 6. SHARE CAPITAL

### 6.1 Authorised capital

September 30, 2007	June 30, 2007		September 30, 2007 (Un-audited)	June 30, 2007 (Audited)
Number of shares			..... (Rupees in '000) .....	
6,000,000,000	50,000,000	Ordinary shares of Rs.10 each	60,000,000	500,000
500,000,000	100,000,000	Preference shares of Rs. 10 each	5,000,000	1,000,000
<u>6,500,000,000</u>	<u>150,000,000</u>		<u>65,000,000</u>	<u>1,500,000</u>

During the period, the Shareholders of the Company in their Sixteenth Annual General Meeting held on September 29, 2007 passed a special resolution to increase the Authorised Share Capital of the Company.

### 6.2 Issued, subscribed and paid-up capital

September 30, 2007	June 30, 2007		September 30, 2007 (Un-audited)	June 30, 2007 (Audited)
Number of shares			..... (Rupees in '000) .....	
		Ordinary shares of Rs.10/- each:		
23,387,500	23,387,500	Fully paid in cash	233,875	233,875
46,612,500	11,612,500	Fully paid bonus shares	466,125	116,125
		Fully paid 7% Class 'A' Preference shares of Rs. 10 each		
70,000,000	70,000,000		700,000	700,000
<u>140,000,000</u>	<u>105,000,000</u>		<u>1,400,000</u>	<u>1,050,000</u>

6.2.1 The Shareholders of the Company in their Sixteenth Annual General Meeting held on September 29, 2007 approved 100% bonus issue i.e. one new Ordinary share for every Ordinary share held by those Ordinary Shareholders of the Company who were registered in the books of the Company and the entitlement list provided by the Central Depository Company at the close of business on September 20, 2007. Subsequent to the period end, these bonus shares have been issued to the Ordinary Shareholders of the Company as per their entitlement.

## 7. LONG TERM FINANCING

During the period the Company has issued privately placed Term Finance Certificates (TFCs) amounting to Rs. 1,250 million. The profit on these TFCs is payable semi-annually, based on a six months average KIBOR plus 170 basis points. These TFCs have a tenor of six years i.e. 2007 – 2013 with a call option exercisable by the Company anytime after one year on a coupon date by giving a 30 days notice at a premium of 1.00% on the outstanding face value. Transaction costs associated with the issue of TFCs, amounting to Rs. 6.875 million, are included in the initial measurement of the financial liability and have been amortised over the life of TFCs using effective interest method.

These TFCs are secured against first ranking charge on all present and future movable assets including book debts, receivables and investments, but excluding pledge of listed securities offered as security along with the requisite margin on existing secured TFC of Rs. 500 million and current and future overdraft / short term borrowing limits upto Rs. 4,000 million at any time outstanding. However, the trustee will be authorised to issue No Objection Certificate for creation of pari passu floating charges in favour of other creditors, so long as and to the extent that the value of the movable assets of the Company included in the floating charge exceeds 133% of the total liabilities secured by the floating charge in favour of the TFC holders.

8. Includes dividend payable amounting to Rs. 87.50 million to the Ordinary Shareholders of the Company at the rate of Rs. 2.50 per Ordinary share and Rs. 26.88 million to the Preference Shareholders of the Company at the rate of 7% per annum on pro rata basis as approved by the Shareholders of the Company in their Sixteenth Annual General Meeting held on September 29, 2007. The same has been presented in the Statement of Changes in Equity for the period ended September 30, 2007 as appropriations from the unappropriated profits of the Company.

# Jahangir Siddiqui & Co. Ltd.

	September 30, 2007 (Un-audited) ..... (Rupees in '000) .....	June 30, 2007 (Audited) ..... (Rupees in '000) .....
<b>9. SHORT TERM BORROWINGS</b>		
Securities sold under repurchase agreements	198,440	-
Short term running finance under mark-up arrangements	3,172,644	1,683,775
	<u>3,371,084</u>	<u>1,683,775</u>
<b>10. CONTINGENCY AND COMMITMENTS</b>		
<b>10.1 Contingency</b>		
No contingency exist as at the balance sheet date.		
<b>10.2 Commitments</b>		
Commitments in respect of:		
- Underwriting of shares	77,633	-
- Private placement in shares	22,367	-
- Preference dividend	12,351	26,984
	<u>112,351</u>	<u>26,984</u>
	September 30, 2007 ..... (Un-audited) .....	September 30, 2006 (Restated) ..... (Rupees in '000) .....
<b>11. BASIC AND DILUTED EARNINGS / (LOSS) PER SHARE</b>		
Profit / (loss) after taxation	18,759	(156,026)
Less: Cumulative preference dividend on convertible preference shares	(12,351)	-
Profit / (loss) after taxation attributable to Ordinary shareholders	<u>6,408</u>	<u>(156,026)</u>
	September 30, 2007 ..... (Number in '000) .....	September 30, 2006 (Restated) ..... (Number in '000) .....
Weighted average number of Ordinary shares	70,000	70,000
Number of ordinary shares outstanding during the period	70,000	70,000
Convertible preference shares	7,000	-
Weighted average number of Ordinary shares adjusted for the effect of dilution	<u>77,000</u>	<u>70,000</u>
	September 30, 2007 ..... (Rupees) .....	September 30, 2006 (Restated) ..... (Rupees) .....
Earnings / (loss) per share:		
- Basic	<u>0.09</u>	<u>(2.23)</u>
- Diluted	<u>0.24</u>	<u>(2.23)</u>
<b>12. RELATED PARTY TRANSACTIONS</b>		
Related parties comprise subsidiaries, associates, joint ventures, directors, key management personnel and provident fund schemes. Significant transactions with related parties during the quarter ended September 30, 2007 are as follows:		
	September 30, 2007 ..... (Un-audited) .....	September 30, 2006 (Restated) ..... (Rupees in '000) .....
Brokerage expense	2,869	358
Purchase of government securities	-	43,325
Sale of government securities	-	101,420
Proceed from sale of vehicle	325	-
Rental Income	5,076	1,549
Rent expense	1,580	-
Advisory and consultancy fees	87,795	89,960
Underwriting commission received	13,906	-
Investment in/advance against TFCs/shares subscription	12,045	314,406
Contribution to Staff Provident Fund	349	434

# Jahangir Siddiqui & Co. Ltd.

The Company continues to have policy whereby all transactions with related parties are entered into arm's length prices using admissible valuation method.

## 13. SEGMENT INFORMATION

For management purposes, the company is organised into following major business segments:

<b>Capital market operations</b>	Principally engaged in trading of equity securities and maintaining strategic and trading portfolios.
<b>Fixed income operations</b>	Principally engaged in fixed income trading and management of the Company's funding operations by use of government securities and placements. The Company with effect from December 30, 2006, had discontinued its fixed income operations.
<b>Others</b>	Other operations of the company comprise underwriting and consultancy services.

	Capital Market Operations	Fixed Income Operations	Others	Total
.....(Rupees in '000).....				
<b>Segment results for the period ended September 30, 2007</b>				
Gross operating revenue	262,946	-	13,961	276,897
Unallocated revenue	-	-	-	6,722
	<u>262,946</u>	<u>-</u>	<u>13,961</u>	<u>283,619</u>
Segment results	22,493	-	12,379	41,594
Unallocated expenditure				(20,236)
Profit before taxation				21,359
Taxation				(2,600)
Net profit for the period				<u>18,759</u>
<b>Segment results for the period ended September 30, 2006</b>				
Gross operating revenue	26,350	13,050	15,248	54,648
Unallocated revenue	-	-	-	5,273
	<u>26,350</u>	<u>13,050</u>	<u>15,248</u>	<u>69,921</u>
Segment results	(148,573)	(5,997)	13,910	(135,387)
Unallocated expenditure				(20,428)
Loss before taxation				(155,815)
Taxation				(211)
Net loss for the period				<u>(156,026)</u>

## 14. DATE OF AUTHORISATION

These financial statements were authorised for issue in the Board of Directors meeting held on October 26, 2007.

## 15. GENERAL

Figures have been rounded off to the nearest thousand rupees.

**Mazharul Haq Siddiqui**  
Chairman

**Munaf Ibrahim**  
Chief Executive

Jahangir Siddiqui & Co. Ltd.

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**INTERIM CONDENSED  
CONSOLIDATED  
FINANCIAL STATEMENTS**

# Jahangir Siddiqui & Co. Ltd.

## INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2007

	Note	September 30, 2007 (Un-Audited)	June 30, 2007 (Audited)
..... (Rupees in '000) .....			
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property and equipment	4	617,547	568,421
Intangible assets		804,909	851,832
Investment properties		4,171	4,332
Stock exchange membership cards and room		33,201	33,201
Long term investments	5	7,874,769	7,613,096
Long term loans, advances and other receivables		32,612	82,382
Long term deposits		2,494	2,494
		9,369,703	9,155,758
<b>Current Assets</b>			
Short term investments	6	17,031,048	13,006,027
Trade debts - unsecured		317,712	61,622
Loans and advances		5,410,940	5,376,046
Accrued markup		128,028	70,354
Deposits, prepayments, accrued mark-up and other receivables		480,225	660,602
Fund placements		4,717,423	5,680,640
Taxation – net		128,492	105,339
Cash and bank balances		3,302,114	2,843,056
		31,515,982	27,803,686
		<u>40,885,685</u>	<u>36,959,444</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Share capital	7	1,400,000	1,050,000
Reserves		10,373,846	10,756,535
Equity attributable to equity holders' of the parent		11,773,846	11,806,535
Minority Interest		2,432,847	2,488,944
Total equity		14,206,693	14,295,479
<b>Non-Current Liabilities</b>			
Long term financing	8	4,519,002	4,444,299
Deposits and other accounts		239,230	228,000
Deferred tax liability		10,602	8,458
		4,768,834	4,680,757
<b>Current Liabilities</b>			
Trade and other payables	9	1,436,180	2,663,039
Accrued interest / mark-up on borrowings		293,160	176,601
Short term borrowings		8,521,869	1,971,495
Current portion of non-current liabilities	10	11,658,949	13,172,073
		21,910,158	17,983,208
<b>CONTINGENCY AND COMMITMENTS</b>			
	11	<u>40,885,685</u>	<u>36,959,444</u>

The annexed notes 1 to 17 form an integral part of these interim condensed consolidated financial statements.

**Mazharul Haq Siddiqui**  
Chairman

**Munaf Ibrahim**  
Chief Executive

# Jahangir Siddiqui & Co. Ltd.

## INTERIM CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED SEPTEMBER 30, 2007 (UN-AUDITED)

	Note	July 01 to September 30, 2 0 0 7	July 01 to September 30, 2 0 0 6
		..... (Rupees in '000) .....	
<b>INCOME</b>			
Return on investments		149,308	181,986
Gain on sale of investments		98,017	27,072
Income from long term loans and fund placements		273,117	6,691
Fee, commission and brokerage		166,792	220,894
Other income		41,925	27,052
Loss on revaluation of investments carried at fair value – net		(1,733)	(34,288)
		727,426	429,407
<b>Share of profit/(loss) from:</b>			
- associates		165,206	5,453
- joint ventures		(34)	309
		165,172	5,762
		892,598	435,169
<b>EXPENDITURE</b>			
Operating and administrative expenses		350,414	233,642
Finance cost		556,984	264,864
		907,398	498,506
<b>Loss for the period before taxation</b>		(14,800)	(63,337)
<b>TAXATION</b>			
- Current		8,380	32,801
- Deferred		2,198	17
		10,578	32,818
<b>Loss for the period after taxation</b>		(25,378)	(96,155)
Loss/(profit) attributable to minority interest		42,892	(27,764)
		17,514	(123,919)
		(Restated)	
		..... (Rupees) .....	
<b>EARNINGS/(LOSS) PER SHARE</b>			
	12		
- Basic		0.07	(1.77)
- Diluted		0.23	(1.77)

The annexed notes 1 to 17 form an integral part of these interim condensed consolidated financial statements.

**Mazharul Haq Siddiqui**  
Chairman

**Munaf Ibrahim**  
Chief Executive



# Jahangir Siddiqui & Co. Ltd.

## INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED SEPTEMBER 30, 2007 (UN-AUDITED)

Note	July 01 to September 30, 2007	July 01 to September 30, 2006
	..... (Rupees in '000) .....	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(14,800)	(63,337)
<b>Adjustments for non cash charges and other items:</b>		
Depreciation	22,791	11,729
Amortisation on intangible assets	49,544	5,474
Amortisation of deferred cost	(677)	-
Profit on sale of property and equipment	(1,225)	(1,687)
Interest income from defence saving certificates	(177)	(150)
Share of profit in associates and joint ventures	(165,172)	(5,762)
Liabilities no longer payable written back	(4,439)	-
Loss on revaluation of investments carried at fair value through profit and loss account - net	1,733	34,288
Finance cost	556,984	264,864
	<u>459,362</u>	<u>308,756</u>
<b>Operating profit before working capital changes</b>	<b>444,562</b>	<b>245,419</b>
<b>(Increase)/decrease in operating assets :</b>		
Short term investments	(3,932,881)	(3,255,497)
Trade debts	(256,090)	(544,673)
Loans and advances	(34,894)	135,616
Long term loans, advances and other receivables	49,770	(29,830)
Long term deposits	-	967
Fund placements	963,217	2,400,287
Deposits, prepayments, accrued mark-up and other receivables	122,703	184,930
	<u>(3,088,175)</u>	<u>(1,108,200)</u>
<b>(Decrease)/increase in operating liabilities:</b>		
Trade and other payables	(1,341,411)	1,353,842
Deposits and other accounts	(1,464,674)	-
<b>Net cash (used in)/generated from operations</b>	<b>(5,449,698)</b>	<b>491,061</b>
Mark-up paid	(439,328)	(142,081)
Taxes paid	(31,587)	(38,777)
Dividend paid	(4,371)	-
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(5,924,984)</b>	<b>310,203</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure incurred	(91,731)	(19,846)
Intangible assets acquired	(2,621)	(663)
Proceeds from sale of property and equipment	21,039	8,500
Investment acquired - net of sale	(479,405)	84,351
<b>Net cash (outflow)/inflow from investing activities</b>	<b>(552,718)</b>	<b>72,342</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue/(redemptions) of term finance certificates - net	98,886	(100)
Proceeds from issue of preference shares	350,000	-
Long term loans	(62,500)	(133,784)
Commercial papers - net of redemption	-	713
Certificate of deposits - net of redemption	-	(58,157)
Securities sold under repurchase agreements	728,440	(1,042,984)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>1,114,826</b>	<b>(1,234,312)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(5,362,876)</b>	<b>(851,767)</b>
Cash and cash equivalents at beginning of the period	871,561	(2,364,492)
<b>Cash and cash equivalents at end of the period</b>	<b>13 (4,491,315)</b>	<b>(3,216,259)</b>

The annexed notes 1 to 17 form an integral part of these interim condensed consolidated financial statements.

Mazharul Haq Siddiqui  
Chairman

Munaf Ibrahim  
Chief Executive

# Jahangir Siddiqui & Co. Ltd.

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

### FOR THE PERIOD ENDED SEPTEMBER 30, 2007

#### ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

	Issued, subscribed and paid-up capital		Capital			Revenue			Reserves			Minority Interest	TOTAL
	Ordinary shares	Preference shares Class 'A'	Ordinary share premium	General	Foreign exchange translation	Unappropriated profit	Unrealized gain on evaluation of available for sale investments - net	Others	Preference share redemption	Minority Interest	TOTAL		
Balance as at July 1, 2006	350,000	-	475,595	1,500,000	(212)	2,777,150	1,580,119	-	-	1,238,580	7,821,152		
Net effect of revaluation of available for sale investments to fair value held as at the period end	-	-	-	-	-	-	(48,619)	-	-	(21,728)	(70,346)		
Net effect of translation of net assets of foreign subsidiary to reporting currency	-	-	-	-	21	-	-	-	-	-	21		
Loss for the period	-	-	-	-	-	(123,919)	-	-	-	27,764	(86,156)		
Appropriations declared subsequent to year ended June 30, 2006:	-	-	-	1,000,000	-	(1,000,000)	-	-	-	-	-		
- Final dividend @ Rs. 2.50 per Ordinary share	-	-	-	-	-	(87,500)	-	-	-	-	(87,500)		
<b>Balance as at September 30, 2006</b>	<b>350,000</b>	<b>-</b>	<b>475,595</b>	<b>2,500,000</b>	<b>(91)</b>	<b>1,585,731</b>	<b>1,531,501</b>	<b>-</b>	<b>-</b>	<b>1,244,858</b>	<b>7,667,172</b>		
Balance as at July 1, 2007	350,000	700,000	2,016,379	2,500,000	968	4,240,430	1,732,408	241,048	25,302	2,488,844	14,296,479		
Net effect of revaluation of available for sale investments to fair value held as at the year end	-	-	-	-	-	-	131,988	-	-	(13,205)	118,784		
Net effect of translation of net assets of foreign subsidiaries to reporting currency	-	-	-	-	(613)	-	-	-	-	-	(613)		
Share of associates	-	-	(61,751)	-	-	-	(3,478)	(18,278)	6,411	-	(87,096)		
Loss for the period	-	-	-	-	-	17,514	-	-	-	(42,862)	(25,378)		
Appropriations for the year ended June 30, 2007:	-	-	-	-	-	-	-	-	-	-	-		
- Issue of bonus shares @ 100%	350,000	-	(860,000)	-	-	-	-	-	-	-	-		
- Final dividend @ Rs. 2.50 per Ordinary share	-	-	-	-	-	(87,500)	-	-	-	-	(87,500)		
- Preferred dividend @ 7 % per annum	-	-	-	-	-	(26,894)	-	-	-	-	(26,894)		
<b>Balance as at September 30, 2007</b>	<b>700,000</b>	<b>700,000</b>	<b>1,614,628</b>	<b>2,500,000</b>	<b>358</b>	<b>4,183,460</b>	<b>1,860,921</b>	<b>225,769</b>	<b>31,713</b>	<b>2,432,647</b>	<b>14,208,693</b>		

The annexed notes 1 to 17 form an integral part of these interim condensed consolidated financial statements.

**Misbahul Haq Siddiqui**  
Chairman

**Munaf Ibrahim**  
Chief Executive

# Jahangir Siddiqui & Co. Ltd.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2007 (UN-AUDITED)

### 1. THE GROUP AND ITS OPERATIONS

- 1.1 Jahangir Siddiqui & Company Ltd. (the Holding Company) and its subsidiary companies (together the Group) are involved in trading of securities, maintaining strategic investments, investment advisory, asset management, agency telecommunication, commercial and investment banking and other business. The Group is mainly operating in Pakistan and also provides services in United Kingdom and Cayman Islands.

The Holding Company was incorporated under the Companies Ordinance, 1984 on May 4, 1991 as a public unquoted company. The Holding Company is presently listed on Karachi Stock Exchange (Guarantee) Limited. The Holding Company is also a corporate member of Karachi Stock Exchange (Guarantee) Limited and Islamabad Stock Exchange (Guarantee) Limited. The registered office of the Holding Company is situated at 8th Floor, Faysal House, Main Shakra-e-Faisal, Karachi. The principal activities of the Holding Company are trading of securities, maintaining strategic investments, consultancy services, underwriting, etc.

- 1.2 The Group comprises of the Holding Company and the following subsidiary companies that have been consolidated in these financial statements on the line by line basis. All material intra group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full.

Subsidiary Companies	Nature of Business	Date of Acquisition	Holding (Including Indirect holding)	
			September 2007	June 2007
JS Investments Ltd. (formerly JS ABAMCO Ltd.)	Investment Advisor, Asset Manager and Investment Banking	July 31, 2000	52.02%	52.02%
JS Infocom Ltd.	Telecom, Media and Technology	August 25, 2003	100.00%	97.97%
JS International Ltd.	Investment Advisory Services	July 14, 2005	100.00%	100.00%
JS International LLP (Sub-subsidiary)	Investment Advisory Services	April 11, 2006	100.00%	100.00%
JS Bank Ltd. (JSBL)	Commercial Banking	December 30, 2006	50.68%	50.68%

### 2. BASIS OF PREPARATION

These interim condensed consolidated financial statements are un-audited and are required to be presented to the shareholders under Section 237(7) read with Section 245 of the Ordinance and have been prepared in accordance with the requirements of the International Accounting Standard (IAS) - 34 "Interim Financial Reporting". The Interim consolidated condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2007.

### 3. ACCOUNTING POLICIES

The accounting policies and methods of computation followed in the preparation of these interim condensed consolidated financial statements are the same as those of the published annual financial statements for the year ended June 30, 2007.

### 4. PROPERTY AND EQUIPMENT

The details of additions in and disposals of operating assets during the period ended September 30, 2007 are as follows:

	September 30, 2007 (Un-audited)	June 30, 2007 (Audited)
	..... (Rupees in '000) .....	
<b>Additions - cost</b>		
- Office premises - leasehold	1,044	124,106
- Leasehold improvements	-	18,147
- Office equipment	20,429	132,249
- Office furniture and fixtures	5,804	71,183
- Motor vehicles	21,402	78,443
	<u>48,679</u>	<u>424,128</u>

# Jahangir Siddiqui & Co. Ltd.

	September 30, 2007 (Un-audited)	June 30, 2007 (Audited)
	..... (Rupees in '000) .....	
<b>Disposals - cost</b>		
- Office premises - leasehold	-	20,251
- Office equipment	1,392	33,956
- Office furniture and fixtures	-	7,877
- Motor vehicles	25,695	34,517
	<u>27,087</u>	<u>96,601</u>

## 5. LONG TERM INVESTMENTS

<b>Related parties:</b>		
- Investment in associates	5,088,673	5,172,378
- Interest in joint ventures	15,754	15,788
- Other related parties	2,696,242	2,351,007
	7,800,669	7,539,173
<b>Other investments:</b>		
- Available for sale	69,998	69,998
- Held to maturity	4,102	3,925
	<u>7,874,769</u>	<u>7,613,096</u>

## 6. SHORT TERM INVESTMENTS

Investments carried at fair value through profit or loss	9,071,676	7,080,867
Available for sale	7,959,372	5,945,160
	<u>17,031,048</u>	<u>13,026,027</u>

## 7. SHARE CAPITAL

### 7.1 Authorised capital

September 30, 2007	June 30, 2007		September 30, 2007	June 30, 2007
Number of shares				
6,000,000,000	50,000,000	Ordinary shares of Rs.10 each	60,000,000	500,000
500,000,000	100,000,000	Preference shares of Rs. 10 each	5,000,000	1,000,000
<u>6,500,000,000</u>	<u>150,000,000</u>		<u>65,000,000</u>	<u>1,500,000</u>

During the period, the Shareholders of the Holding Company in their Sixteenth Annual General Meeting held on September 29, 2007 passed a special resolution to increase the Authorised Share Capital of the Holding Company.

### 7.2 Issued, subscribed and paid-up capital

September 30, 2007	June 30, 2007		September 30, 2007 (Un-audited)	June 30, 2007 (Audited)
			..... (Rupees in '000) .....	
Number of shares				
		Ordinary shares of Rs.10/- each:		
23,387,500	23,387,500	Fully paid in cash	233,875	233,875
46,612,500	11,612,500	Fully paid bonus shares	466,125	116,125
		Fully paid 7% Class 'A' Preference shares of Rs. 10 each	700,000	700,000
<u>140,000,000</u>	<u>105,000,000</u>		<u>1,400,000</u>	<u>1,050,000</u>

7.2.1 The Shareholders of the Holding Company in their Sixteenth Annual General Meeting held on September 29, 2007 approved 100% bonus issue i.e. one new Ordinary share for every Ordinary share held by these Ordinary Shareholders of the Holding Company who were registered in the books of the Holding Company and the entitlement list provided by the Central Depository Company at the close of business on September 20, 2007. Subsequent to the period end, these bonus shares have been issued to the Ordinary Shareholders of the Holding Company as per their entitlement.

# Jahangir Siddiqui & Co. Ltd.

## 8. LONG TERM FINANCING

During the period the Holding Company has issued privately placed Term Finance Certificates (TFCs) amounting to Rs. 1,250 million. The profit on these TFCs is payable semi-annually, based on a six months average KIBOR plus 170 basis points. These TFCs have a tenor of six years i.e. 2007 – 2013 with a call option exercisable by the Holding Company anytime after one year on a coupon date by giving a 30 days notice at a premium of 1.00% on the outstanding face value. Transaction costs associated with the issue of TFCs, amounting to Rs. 6,875 million, are included in the initial measurement of the financial liability and have been amortised over the life of TFCs using effective interest method.

These TFCs are secured against first ranking charge on all present and future movable assets including book debts, receivables and investments, but excluding pledge of listed securities offered as security along with the requisite margin on existing secured TFC of Rs. 500 million and current and future overdraft / short term borrowing limits upto Rs. 4,000 million at any time outstanding. However, the trustee will be authorised to issue No Objection Certificate for creation of pari passu floating charges in favour of other creditors, so long as and to the extent that the value of the movable assets of the Holding Company included in the floating charge exceeds 133% of the total liabilities secured by the floating charge in favour of the TFC holders.

9. Includes dividend payable amounting to Rs. 87.50 million to the Ordinary Shareholders of the Holding Company at the rate of Rs. 2.50 per Ordinary share and Rs. 26.98 million to the Preference Shareholders of the Holding Company at the rate of 7% per annum on pro rata basis as approved by the Shareholders of the Holding Company in their Sixteenth Annual General Meeting held on September 29, 2007. The same has been presented in the Statement of Changes in Equity for the period ended September 30, 2007 as appropriations from the unappropriated profits.

	September 30, 2 0 0 7 (Un-audited)	June 30, 2 0 0 7 (Audited)
	..... (Rupees in '000) .....	
<b>10. CURRENT PORTION OF NON-CURRENT LIABILITIES</b>		
Long term financing:		
- Long term loans	25,000	62,500
- Long term financing - TFCs	251,020	250,740
Deposits and other accounts	11,382,929	12,858,833
	<u>11,658,949</u>	<u>13,172,073</u>

## 11. CONTINGENCY AND COMMITMENTS

### 11.1 Contingency

11.1.1 No contingency exist as at the balance sheet date.

### 11.1.2 Transaction-related Contingent Liabilities

Includes performance bonds, bid bonds, warranties, advance payment guarantees, shipping guarantees and standby letters of credit related to particular transactions.

	September 30, 2 0 0 7 (Un-audited)	June 30, 2 0 0 7 (Audited)
	..... (Rupees in '000) .....	
- Government	42,569	10,665
- Others	151,546	15
	<u>194,115</u>	<u>10,680</u>

### 11.1.3 Other Contingencies

Claims not acknowledged as debts	108,421	108,425
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### 11.2 Commitments

Forward sale commitments	150,000	39,427
Commitments in respect of capital expenditure	-	964
Preferred dividend on preference shares	12,351	26,984
Underwriting commitments	629,361	550,925
Assets acquired under operating lease	450	1,800
Private placement in shares	22,367	-
Commitments in respect of forward exchange contracts:		
- Purchase	2,446,544	3,204,714
- Sale	3,533,410	3,062,625

# Jahangir Siddiqui & Co. Ltd.

	September 30, 2007	September 30, 2006
	..... (Un-audited) .....	..... (Un-audited) .....
	..... (Rupees in '000) .....	..... (Rupees in '000) .....
<b>12. BASIC AND DILUTED EARNINGS/(LOSS) PER SHARE</b>		
Profit/(loss) after taxation attributable to equity holders' of the parent	17,514	(123,919)
Less: Cumulative preference dividend on convertible preference shares	(12,351)	-
Profit/(loss) after taxation attributable to Ordinary shareholders of the parent	<u>5,163</u>	<u>(123,919)</u>
	September 30, 2007	September 30, 2006
	..... (Number in '000) .....	..... (Restated) ..... (Number in '000) .....
Weighted average number of Ordinary shares		
Number of ordinary shares outstanding during the period	70,000	70,000
Convertible preference shares	7,000	-
Weighted average number of Ordinary shares adjusted for the effect of dilution	<u>77,000</u>	<u>70,000</u>
	September 30, 2007	September 30, 2006
	..... (Rupees) .....	..... (Restated) ..... (Rupees) .....
Earnings / (loss) per share:		
- Basic	<u>0.07</u>	<u>(1.77)</u>
- Diluted	<u>0.23</u>	<u>(1.77)</u>
	September 30, 2007	September 30, 2006
	..... (Un-audited) .....	..... (Un-audited) .....
	..... (Rupees in '000) .....	..... (Rupees in '000) .....
<b>13. CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	3,302,114	566,288
Short term running finances under mark-up arrangements	(3,172,644)	(3,582,547)
Borrowings from banks / NBFCs	(4,620,785)	(200,000)
	<u>(4,491,315)</u>	<u>(3,216,259)</u>
<b>14. RELATED PARTY TRANSACTIONS</b>		
Related parties comprise subsidiaries, associates, joint ventures, directors, key management personnel and provident fund schemes. Significant transactions with related parties during the quarter ended September 30, 2007 are as follows:		
	September 30, 2007	September 30, 2006
	..... (Un-audited) .....	..... (Un-audited) .....
	..... (Rupees in '000) .....	..... (Rupees in '000) .....
Brokerage expense	4,479	358
Purchase of money market Instruments	16,352	43,325
Sale of money market Instruments	153,913	101,420
Proceeds from sale of Motor vehicle	325	-
Rental Income	5,505	3,297
Rent expenses	2,937	1,470
Advisory and consultancy fee	88,320	90,485
Underwriting commission received	13,908	-
Investment in/advance against TFCs/shares subscription	12,045	314,406
Contribution to Provident Fund	1,869	1,594
Loan receivable from CEO of JS Investments Ltd.	20,000	20,000
Markup on loan capitalized - (JS Investments Ltd. - CEO)	674	612
Markup expenses on Deposits	47,083	-
Markup earned on Advances	165	-
Donations to Siddiqui Foundation – (common directorship and key management personnel)	-	3,500
Balances receivable from funds	100,409	95,832
Remuneration and commission income received from funds	136,121	119,579
Expenses incurred on behalf of funds	3,380	1,000

# Jahangir Siddiqui & Co. Ltd.

The Holding Company continues to have a policy whereby all transactions with related parties are entered into arm's length prices using admissible valuation method.

## 15. SEGMENT INFORMATION

For management purposes the Group is organised into following major business segments:

<b>Capital market operations</b>	Principally engaged in trading of equity securities and maintaining strategic and trading portfolios and brokerage income.
<b>Fixed Income operations</b>	Principally engaged in fixed income trading and management of the Group's funding operations by use of government securities and placements. The Holding Company with effect from December 30, 2006, had discontinued its fixed income operations.
<b>Banking</b>	Principally engaged in providing investment and commercial banking services.
<b>Investment advisor / assets manager</b>	Principally providing investment advisory and asset management services to different mutual funds and unit trusts.
<b>Others</b>	Other operations of the Group comprise of telecommunication, underwriting and consultancy services.

	Capital Market Operations	Fixed Income Operations	Banking	Investment advisor/ assets manager	Others	Total
..... (Rupees in '000) .....						
<b>Segment results for the period ended September 30, 2007</b>						
Gross operating revenue	159,446	-	395,123	155,204	10,931	720,704
Unallocated revenue	-	-	-	-	-	6,722
Share of profit/(loss) from:						
- associates	165,206	-	-	-	-	165,206
- joint ventures	(34)	-	-	-	-	(34)
<b>Total revenue</b>	<b>324,618</b>	<b>-</b>	<b>395,123</b>	<b>155,204</b>	<b>10,931</b>	<b>892,598</b>
Segment expenditure	239,553	-	505,735	122,777	20,658	888,723
Unallocated expenditure	-	-	-	-	-	18,675
<b>Total expenditure</b>	<b>239,553</b>	<b>-</b>	<b>505,735</b>	<b>122,777</b>	<b>20,658</b>	<b>907,398</b>
<b>Profit/(loss) before taxation</b>	<b>85,065</b>	<b>-</b>	<b>(110,612)</b>	<b>32,427</b>	<b>(9,727)</b>	<b>(14,800)</b>
Taxation						(10,578)
<b>Loss after taxation</b>						<b>(25,378)</b>
Minority Interest						42,892
						<b>17,514</b>
<b>Segment results for the period ended September 30, 2006</b>						
Gross operating revenue	215,960	41,840	-	16,335	131,099	405,234
Unallocated revenue	-	-	-	-	-	24,173
Share of profit/(loss) from:						
- associates	5,453	-	-	-	-	5,453
- joint ventures	309	-	-	-	-	309
<b>Total revenue</b>	<b>221,722</b>	<b>41,840</b>	<b>-</b>	<b>16,335</b>	<b>131,099</b>	<b>435,189</b>
Segment expenditure	364,452	19,047	-	93,137	1,442	478,078
Unallocated expenditure	-	-	-	-	-	20,428
<b>Total expenditure</b>	<b>364,452</b>	<b>19,047</b>	<b>-</b>	<b>93,137</b>	<b>1,442</b>	<b>498,506</b>
<b>Profit/(loss) before taxation</b>	<b>(142,730)</b>	<b>22,793</b>	<b>-</b>	<b>(76,802)</b>	<b>129,657</b>	<b>(63,337)</b>
Taxation						(32,818)
<b>Loss after taxation</b>						<b>(96,155)</b>
Minority Interest						27,784
						<b>(123,919)</b>

# Jahangir Siddiqui & Co. Ltd.

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**16. DATE OF AUTHORISATION FOR ISSUE**

These interim condensed consolidated financial statements were authorised for issue by the Board of Directors in its meeting held on October 26, 2007.

**17. GENERAL**

Figures have been rounded off to the nearest thousand rupees.

**Mazherul Haq Siddiqui**  
Chairman

**Munaf Ibrahim**  
Chief Executive





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