

Half Yearly Report
December 31,
2015



fcibank

FIRST CREDIT AND INVESTMENT BANK LTD.

Major Joint Venture Partners:





Vision

*Be a preferred investment bank enhancing value
for the stakeholders and contributing to the
National goals.*

Mission Statement

*Contributing through innovative financing and
investment in quality portfolio, advisory services
delivered in an environment of trust and
customer confidence supported by a team of
professionals.*



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FIRST CREDIT AND INVESTMENT BANK LIMITED

BOARD OF DIRECTORS



Mr. Wajahat A. Baqai
Chairman



Mr. Ahsanullah Khan
President & CEO



Mr. Najib Tariq
Director



Mr. Anwar-ul-Haq
Director



Mr. Asad Ullah Saleem
Director



Mr. Muhammad Naeemuddin
Director



Mr. Javed Rashid
Director



Mr. Jehangir Akber
Director
(subject to approval from SECP)



Mr. Muhammad Ameen
Director
(subject to approval from SECP)



Mr. Muhammad Iqbal Hussain
Director

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FIRST CREDIT AND INVESTMENT BANK LIMITED

COMPANY INFORMATION

AUDIT COMMITTEE:

Mr. Muhammad Naeemuddin Chairman
Mr. Anwar-ul-Haq
Mr. Javed Rashid

HR AND REMUNERATION COMMITTEE:

Mr. Asad Ullah Saleem Chairman
Mr. Najib Tariq
Mr. Muhammad Naeemuddin
Mr. Ahsanullah Khan

RISK MANAGEMENT COMMITTEE

Mr. Najib Tariq Chairman
Mr. Asad Ullah Saleem
Mr. Muhammad Iqbal Hussain
Mr. Ahsanullah Khan

COMPANY SECRETARY:

Mr. Muhammad Mohsin Ali

AUDITORS:

Grant Thornton Anjum Rahman
Chartered Accountants

LEGAL ADVISOR:

Ahmed & Qazi

BANKERS:

MCB Bank Limited
National Bank of Pakistan

SHARE REGISTRAR:

THK Associates (Pvt.) Limited
2nd Floor, State Life Building-3
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Karachi. 75530
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FIRST CREDIT AND INVESTMENT BANK LIMITED

DIRECTORS' REVIEW

On behalf of the Board of Directors, I have the privilege of presenting condensed interim financial statements (un-audited) of **First Credit & Investment Bank Limited** for the half year ended December 31, 2015.

Operating Results

Financial results of the Bank are as under:

	For the half year ended	
	Dec. 31, 2015 (Unaudited)	Dec. 31, 2014
	(Rupees in thousand)	
Profit & Loss Account		
Total revenue	42,377	51,561
Operating profit	21,159	21,527
Profit before tax	45,918	26,285
Profit after tax	29,902	24,134
Earning per share (Rs.)	0.46	0.37

	As at	
	Dec. 31, 2015 (Unaudited)	June 30, 2015 (Audited)
Balance Sheet		
Shareholders' equity	702,678	672,776
Total assets	707,293	692,618

Total income for the half year ended December 31, 2015 reduced to Rs.42.38 million as compared to Rs.51.56 million for the half year ended December 31, 2014. Similarly, the Company reports operating profit of Rs.21.22 million during the first six months ended December 31, 2015 as compared to operating profit of Rs.21.53 million for the corresponding period last year. Further, after taking effect of provisions/reversals against nonperforming investments, the Company was able to report profit before tax of Rs.45.92 million against Rs.26.29 million for the corresponding period of previous year showing a significant increase of Rs.19.63 million. Similarly, the Company closed the current half year with a net profit after tax of Rs.29.90 million as compared to profit after tax of Rs.24.13 million for the corresponding period of last year. As a result, shareholders equity increased by Rs.29.90 million to Rs.702.68 million as at December 31, 2015 from Rs.672.78 million as at June 30, 2015. Total balance sheet footing as at December 31, 2015 was Rs.707.29 million as against Rs.692.62 million as at June 30, 2015.



FIRST CREDIT AND INVESTMENT BANK LIMITED

Credit Rating

JCR-VIS Credit Rating Company Limited vide its report dated December 30, 2015 maintained the medium to long-term entity rating of the Company at 'A-' (Single A Minus) and Short-term rating at 'A-2' (A-Two). The outlook of the rating is 'Stable'.

Future Outlook

Your Company would endeavour to restore reasonable quality of its assets, improve its infrastructure, recover non-performing assets, build capacity through training of existing personnel and hiring key professionals, diversify products and services, and updating policies and procedures to meet the requirements of the new challenges and opportunities.

Acknowledgement

The directors wish to express their appreciation to our stakeholders, valued customers and financial institutions for their continued trust and patronage. We are grateful to the regulatory authorities especially the Securities & Exchange Commission of Pakistan, the State Bank of Pakistan and the Pakistan Stock Exchange (formerly Karachi Stock Exchange) for their continued guidance and support. We also acknowledge hard work and dedication of the management/ employees.

By order of the Board

Ahsanullah Khan
President & Chief Executive

Karachi
February 20, 2016



FIRST CREDIT AND INVESTMENT BANK LIMITED

AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE MEMBERS

INTRODUCTION

We have reviewed the accompanying condensed interim balance sheet of **First Credit and Investment Bank Limited** (the bank) as at December 31, 2015 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and relevant notes for the six month period then ended (herein after referred to as the 'interim financial information'). Management is responsible for the preparation and presentation of the condensed interim financial information in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of condensed interim financial information consist of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the six-month period ended December 31, 2015 is not prepared, in all material respects, in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting

Emphasis of Matters

We draw attention to the following:

Note 1.2 to the condensed interim financial information which inter alia states that the Company's application for renewal of license to undertake business of investment finance services as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 is pending since December 2013 with the Securities and Exchange Commission of Pakistan (SECP).

Note 8 to the condensed interim financial information in which, the management of the Company has described their assumptions and estimates affecting deferred tax asset.

Our opinion is not qualified in respect of these matters.

Other Matters

The figures of the condensed interim profit and loss account and the condensed interim statement of comprehensive income for the three-month period ended December 31, 2015 and 2014 have not been reviewed, as we are required to review only the cumulative figures for the six month period ended December 31, 2015.

Grant Thornton Anjum ahman
Chartered Accountants
Khaliq-ur-Rahman

Karachi
Date: February 20, 2016

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FIRST CREDIT AND INVESTMENT BANK LIMITED

CONDENSED INTERIM BALANCE SHEET

AS AT DECEMBER 31, 2015

	Note	December 31, 2015 Rupees (Un-audited)	June 30, 2015 (Audited)
ASSETS			
Non-current Assets			
Fixed assets			
- Property and equipment	6	4,481,409	6,076,764
- Intangible assets		212,325	269,799
Long-term investments	7	172,419,358	199,525,617
Long-term loans and finances		56,750,248	34,488,666
Long-term security deposits		57,500	50,000
Deferred tax asset - net	8	81,118,237	91,918,895
		315,039,077	332,329,741
Current Assets			
Short-term investments	9	69,723,567	65,360,177
Short-term placements	10	256,500,000	211,500,000
Current portion of			
- Long-term investments	7	31,292,846	41,335,526
- Long-term loans and finances		7,640,843	7,418,569
Accrued mark-up		13,432,361	14,722,412
Advances prepayments and other receivables		765,616	720,634
Advance taxation - net		4,985,228	10,351,316
Cash and bank balances		7,913,884	8,879,700
		392,254,345	360,288,334
		707,293,422	692,618,075
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Authorized share capital 75,000,000 (June 30, 2015: 75,000,000) shares of Rs. 10 each		750,000,000	750,000,000
Issued, subscribed and paid-up share capital 65,000,000 (June 30, 2015: 65,000,000) shares of Rs. 10 each		650,000,000	650,000,000
Statutory reserves		128,525,953	122,545,534
Accumulated loss		(75,847,827)	(99,769,501)
		702,678,126	672,776,033
Deficit on revaluation of investments - net	11	(9,986,465)	(10,372,080)
LIABILITIES			
Non-current liabilities			
Deferred liability - staff gratuity		4,544,465	3,925,700
Current liabilities			
Current portion of long-term loan		-	15,625,000
Current portion of long-term certificate of deposit		5,000,000	5,000,000
Accrued mark-up	12	1,480,412	1,610,740
Accrued expenses and other liabilities		3,576,884	4,052,682
		10,057,296	26,288,422
CONTINGENCIES AND COMMITMENTS	13	707,293,422	692,618,075

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

AHSANULLAH KHAN
President & CEO

MUHAMMAD NAEEMUDDIN
Director

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FIRST CREDIT AND INVESTMENT BANK LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2015

Note	For the Six months period ended		For the Three months ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
----- (Un-audited) ----- ----- Rupees -----				
INCOME				
Income from term finance and fund placements	7,805,176	7,146,390	3,878,647	5,223,412
Income from investments	33,757,226	42,615,370	25,473,548	27,844,321
Fees and commission	704,924	204,510	500,000	62,435
Other income	110,021	1,594,674	53,967	63,539
	42,377,347	51,560,944	29,906,162	33,193,707
EXPENDITURES				
Finance cost:				
- Mark-up on bank loans	3,592	2,924,229	-	1,254,563
- Mark-up on repo borrowings and other short term borrowings	-	2,740,310	-	1,823,205
- Mark-up on short term running finance	-	513,648	-	163,137
- Mark-up on certificates of deposits	196,508	289,863	80,823	144,932
- Others	24,335	17,824	12,641	14,436
	224,435	6,485,874	93,464	3,400,273
Administrative and operating expenses	20,934,909	23,548,185	11,042,677	13,100,863
	21,159,344	30,034,059	11,136,141	16,501,136
Operating income	21,218,003	21,526,885	18,770,021	16,692,571
(Provision) / Reversals				
Provision for non performing investments - net	7.1 (3,305,409)	(825,000)	(3,305,409)	-
Reversal of provision for non-performing finances - net	14,149,088	-	14,149,088	-
(Provision) / Reversal for accrued mark-up	(1,381,467)	8,789,832	(1,381,467)	9,110,046
Unrealized loss on re-measurement of investments classified as held-for-trading	(1,894,672)	17,027	(208,520)	(53,480)
Impairment in investments classified as available-for-sale	-	(2,686,952)	-	(2,686,952)
Reversal of provision for non-performing investments	18,069,617	-	18,069,618	-
	46,855,160	26,821,792	46,093,331	23,062,185
Workers Welfare Fund	(937,103)	(536,436)	(922,103)	(536,436)
PROFIT BEFORE TAXATION	45,918,057	26,285,356	45,171,228	22,525,749
Taxation	14 (16,015,964)	(2,151,453)	(15,774,964)	(1,074,826)
PROFIT FOR THE PERIOD	29,902,093	24,133,903	29,396,263	21,450,923
Earnings per share - basic and diluted	16 0.46	0.37	0.45	0.33

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.



AHSANULLAH KHAN
President & CEO



MUHAMMAD NAEEMUDDIN
Director

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FIRST CREDIT AND INVESTMENT BANK LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2015

	For the six months period ended		For the three months ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
	(Un-audited)			
	Rupees			
PROFIT FOR THE PERIOD	29,902,093	24,133,903	29,396,263	21,450,923
Other comprehensive income				
<i>Items that may be reclassified to profit and loss account subsequently:</i>				
Gain / (Loss) on remeasurement of investment classified as 'available for sale'	385,615	(584,191)	(8,881)	359,606
<i>Items that will not be subsequently reclassified to profit and loss account:</i>	-	-	-	-
Remeasurement of defined benefit obligations	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	30,287,708	23,549,712	29,387,382	21,810,529

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

AHSANULLAH KHAN
President & CEO

MUHAMMAD NAEEMUDDIN
Director

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FIRST CREDIT AND INVESTMENT BANK LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2015

	Issued, subscribed and paid-up capital	Reserves		Total	Total shareholders' equity
		Capital Statutory reserve	Revenue Accumulated loss		
Un-audited Rupees					
Balance as at July 01, 2014	650,000,000	118,274,313	(118,856,823)	(582,510)	649,417,490
Transactions with other than owners of equity:					
Net profit for the period	-	-	24,133,903	24,133,903	24,133,903
Other comprehensive income	-	-	-	-	-
- Profit for the period	-	-	24,133,903	24,133,903	24,133,903
- Transfer to statutory reserve	-	4,826,781	(4,826,781)	-	-
Balance as at December 31, 2014	650,000,000	123,101,094	(99,549,701)	23,551,393	673,551,393
Balance as at July 01, 2015	650,000,000	122,545,534	(99,769,501)	22,776,033	672,776,033
Transactions with other than owners of equity:					
Net profit for the period	-	-	29,902,093	29,902,093	29,902,093
Other comprehensive income	-	-	-	-	-
- Profit for the period	-	-	29,902,093	29,902,093	29,902,093
- Transfer to statutory reserve	-	5,980,419	(5,980,419)	-	-
Balance as at December 31, 2015	650,000,000	128,525,953	(75,847,827)	52,678,126	702,678,126

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

AHSANULLAH KHAN
President & CEO

MUHAMMAD NAEEMUDDIN
Director

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FIRST CREDIT AND INVESTMENT BANK LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2015

	Note	December 31,	December 31,
		2015	2014
		Un-audited	Un-audited
		Rupees	
Cash flows from operating activities			
Profit before taxation		46,855,160	26,285,356
Adjustments for non-cash and other items:			
Depreciation		1,614,943	1,350,093
Amortisation		57,474	199,407
Gain on disposal of property and equipment		-	(1,465,000)
Gratuity		618,765	142,603
Dividend income		(343,891)	(480,761)
Finance cost		224,435	-
Other charges		(937,103)	536,436
Provision for non-performing investments		3,305,409	825,000
Provision / (Reversal) for accrued markup		1,381,467	(8,789,832)
Reversal of provision for non-performing finances - net		(14,149,088)	-
Impairment in investments classified as available for sale		-	2,686,952
Unrealized loss / (gain) on held-for-trading investments		1,894,672	(17,027)
		<u>(6,332,917)</u>	<u>(5,012,129)</u>
Operating cash flows before working capital changes		40,522,243	21,273,227
(Increase) / decrease in current assets			
Short-term investments		(6,258,062)	14,789,729
Prepayments and other receivables		(44,982)	7,095,612
Accrued mark-up		(91,416)	8,612,171
		<u>(6,394,460)</u>	<u>30,497,512</u>
Increase / (decrease) in current liabilities			
Accrued expenses and other liabilities		(475,798)	(101,347)
		<u>(475,798)</u>	<u>(101,347)</u>
Cash generated from operations		33,651,985	51,669,392
Income tax paid		150,782	(1,530,514)
Dividend received		343,891	480,761
Markup paid		(354,763)	(3,165,204)
		<u>139,910</u>	<u>(4,214,957)</u>
Cash generated from operating activities		33,791,895	47,454,435
Cash flows from investing activities			
Acquisition of property and equipment		(19,588)	1,465,000
Long term deposits paid		(7,500)	-
Long-term investments - net		34,229,145	219,067,429
Long-term loan and finances (payment/ acquisition - net)		(8,334,768)	4,445,880
Net cash generated from investing activities		25,867,289	224,978,309
Cash flows from financing activities			
Long-term loan repaid		(15,625,000)	(31,250,000)
Net cash (used in) financing activities		(15,625,000)	(31,250,000)
Net increase in cash and cash equivalents		44,034,184	241,182,744
Cash and cash equivalents at the beginning of the period		220,379,700	(2,856,784)
Cash and cash equivalents at the end of the period	15	264,413,884	238,325,960

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

AHSANULLAH KHAN
President & CEO

MUHAMMAD NAEEMUDDIN
Director

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FIRST CREDIT AND INVESTMENT BANK LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2015

1 STATUS AND NATURE OF BUSINESS

First Credit and Investment Bank Limited ("the Company") was incorporated in Pakistan on August 31, 1989 as a private company with its liability limited by shares under the name of 'First Credit and Discount Corporation (Private) Limited', converted in to a public company. Subsequently, the name of the Company was changed to First Credit and Investment Bank Limited. During the year ended June 30, 2009, the Company was listed on the Pakistan Stock Exchange Ltd. (formerly Karachi Stock Exchange Ltd.) by way of issue of shares to general public. The registered office of the Company is situated at 2nd floor, Sidco Avenue Centre, Stratchen Road, R.A. Lines, Karachi, Pakistan. The Company is an associated undertaking of Water and Power Development Authority (WAPDA) and National Bank of Pakistan (NBP) which each holds 30.77% holding in the Company.

1.2 The Company was licensed to undertake business of investment finance services as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 ("the NBFC Rules") issued by the Securities and Exchange Commission of Pakistan (SECP). The Company as per rule 5 of NBFC Rules, 2003 applied to SECP for renewal of the license with effect from January 16, 2014 for a period three years vide letter dated December 9, 2013. The application is pending. Further, the medium to long term credit rating of the Company, rated by JCR-VIS Credit Rating Company, on December 30, 2015 is 'A-' and Short term rating of the Company is 'A-2'. The outlook of the rating is stable.

1.3 SECP vide SRO # 1160/(1)/2015 dated November 25, 2015 has made certain amendments in NBFCs & Notified Entities Regulations 2008 which inter alia also specify the minimum equity requirement for the companies undertaking business of deposit taking investment finance companies as Rs.750.0 million and non-deposit taking investment finance services as Rs.100.0 million. Further, SECP has advised the company to take decision of opting to act as a deposit taking NBFC or otherwise by the end of February 2016. SECP has given time period of one year to the existing lending NBFCs to meet the minimum equity requirement provided that during the interim period of one year, the total deposits of such NBFCs shall be capped at the existing level i.e. outstanding deposits at the date of coming into force of these regulations i.e. November 25, 2015.

2 STATEMENT OF COMPLIANCE

This condensed interim financial information of the Company for the six months period ended December 31, 2015 has been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting Standards", provisions of and directives issued under the Companies Ordinance, 1984, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 ("the NBFC Regulations") and the other directives issued by the SECP. Wherever the requirements of the Ordinance, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of IFRS, the requirements of the Ordinance, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP shall prevail.

This condensed interim financial information does not include all the information required for full annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2015.

3 ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are same as those applied in the preparation of the annual financial statements for the year ended June 30, 2015.

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FIRST CREDIT AND INVESTMENT BANK LIMITED

4 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are same as disclosed in the annual financial statements for the year ended June 30, 2015.

5 ACCOUNTING ESTIMATES AND JUDGMENTS

In preparing this condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and key sources of estimation are same as those applied by the Company in the annual financial statements for the year ended June 30, 2015.

6 PROPERTY AND EQUIPMENT

There have been no deletions during the period ended December 31, 2015. Additions during the period are as under:

	For the six months period ended December 31, 2015		For the year ended June 30, 2015	
	Unaudited		Audited	
	Additions (cost)	Disposal (book value)	Additions (cost)	Disposal (book value)
	----- Rupees -----			
Office Equipments	-	-	208,000	8,500
Computers	19,588	-	726,809	-
Air conditioner	-	-	81,978	-
Vehicles	-	-	1,851,137	3,173,230
	<u>19,588</u>	<u>-</u>	<u>2,867,924</u>	<u>3,181,730</u>

Note	As at December 31, 2015 Un-audited	As at June 30, 2015 Audited
 Rupees	

7 LONG-TERM INVESTMENTS

Held-to-maturity

Term Finance Certificates (TFCs) and Sukuk - unquoted		366,200,272	369,918,307
TFCs - quoted		19,938,247	49,797,017
		<u>386,138,519</u>	419,715,324
Less: Provision against investments	7.1	<u>(196,412,943)</u>	<u>(196,412,943)</u>
		<u>189,725,576</u>	223,302,381

Available-for-sale

TFCs - quoted		19,729,227	20,412,633
Less: Provision against investments		<u>(8,112,125)</u>	<u>(4,806,716)</u>
		<u>11,617,102</u>	15,605,917
Investment in shares - quoted		<u>2,369,526</u>	1,952,845
Total long-term investments		<u>13,986,628</u>	17,558,762
Less: Current portion of long-term investments		<u>(31,292,846)</u>	<u>(41,335,526)</u>
		<u>172,419,358</u>	199,525,617

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FIRST CREDIT AND INVESTMENT BANK LIMITED

	Note	As at December 31, 2015 Un-audited Rupees	As at June 30, 2015 Audited
7.1 Provision against investments			
Opening balance		196,412,943	192,362,943
Reversed during the period/year		-	4,050,000
Closing balance		<u>196,412,943</u>	<u>196,412,943</u>
8	The management of the Company has prepared financial projections. The said projections are based on certain key assumptions made for the estimation of recoveries against provisions. The determination of future taxable profits and recoveries are most sensitive to certain key assumptions. A significant change in the key assumptions and estimates may have an effect on the recovery of the deferred tax asset.. The management believes that the Company will be able to achieve the recovery and profit projected in the financial projections and consequently the deferred tax asset accounted for in the financial statements will be fully realized in the future.		
	Note	As at December 31, 2015 Un-audited Rupees	As at June 30, 2015 Audited
9 SHORT-TERM INVESTMENTS			
Held-to-maturity			
- Government securities-TBills	9.1	971,950	914,424
Available for sale			
Pre- IPO TFCs	9.2	50,000,000	50,000,000
Less: Provision against investment	9.2	(6,930,383)	(25,000,000)
		43,069,617	25,000,000
Investment in shares - quoted		13,834,440	15,307,253
Investment in preference shares		-	15,000,000
Held-for-trading			
Investment in shares - quoted		11,847,560	9,138,500
		<u>69,723,567</u>	<u>65,360,177</u>
9.1	These represents investments in government securities to comply with the requirement of regulation 14(4)(g) of the Non-Banking Finance Companies & Notified Entities Regulation, 2008.		
9.2	The investment was made for a period of five years at the rate of six-months KIBOR + 2%. This is secured by way of first pari passu charge over assets of the investee company. The Company has made provision in respect thereof in accordance with the NBFC Regulations.		
	Note	As at December 31, 2015 Un-audited Rupees	As at June 30, 2015 Audited
10 SHORT TERM PLACEMENT			
Placements - Unsecured		24,000,000	211,500,000
Term Deposit Receipts (TDRs)		232,500,000	-
		<u>256,500,000</u>	<u>211,500,000</u>
11 DEFICIT ON REVALUATION OF INVESTMENTS - net			
Available-for-sale investments			
Listed Securities			
Shares		(9,986,465)	(10,427,478)
TFCs		-	55,398
		<u>(9,986,465)</u>	<u>(10,372,080)</u>

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	Note	As at December 31, 2015 Un-audited Rupees	As at June 30, 2015 Audited
12 ACCRUED MARK-UP			
Secured			
Loans and borrowings including running finances and short-term borrowings	12.1	-	326,836
Unsecured			
Long-term certificate of deposit		<u>1,480,412</u>	<u>1,283,904</u>
		<u>1,480,412</u>	<u>1,610,740</u>
12.1 This amount was due to National Bank of Pakistan, an associated undertaking.			
13 CONTINGENCIES AND COMMITMENTS			
13.1 Commitments			
Bank guarantee - secured by way of lien on long-term certificate of deposit		<u>5,000,000</u>	<u>5,000,000</u>
Stand-by letter of credit facility amounting to USD 575,000 to Hub Power Company Limited		<u>61,036,250</u>	<u>59,167,500</u>
13.2 There are no contingencies as at the balance sheet date.			
		For the six-month period ended December 31, 2015 Un-audited Rupees	For the six-month period ended December 31, 2014 Un-audited
14 TAXATION			
Current		5,215,306	3,465,844
Deferred - net		<u>10,800,658</u>	<u>(1,314,391)</u>
		<u>16,015,964</u>	<u>2,151,453</u>
15 CASH AND CASH EQUIVALENTS			
Cash and bank balances		<u>7,913,884</u>	2,325,960
Short-term placements		<u>256,500,000</u>	361,000,000
Short-term borrowings		<u>-</u>	(125,000,000)
		<u>264,413,884</u>	<u>238,325,960</u>
16 EARNINGS PER SHARE (EPS)			
16.1 Basic EPS			
Earnings for the period		<u>29,902,093</u>	<u>24,133,903</u>
Weighted average number of shares outstanding		<u>65,000,000</u>	<u>65,000,000</u>
Earnings per share - basic		<u>0.46</u>	<u>0.37</u>

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16.2 Diluted EPS

There is no dilution effect on the basic earning per share as the Company has no convertible dilutive potential ordinary shares outstanding on December 31, 2015.

17 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertaking, key management personnel and post employment benefit scheme. The Company in the normal course of business carries out transactions with various related parties.

Nature of relationship with related party	Nature of transactions and balances	For the six-month period ended and as at December 31, 2015 Rupees	For the six-month period ended December 31, 2014 and as at June 30, 2015 Rupees
Associate Undertakings	Transactions for the six-month period:		
	National Bank of Pakistan		
	Markup - paid on long term loan	<u>3,592</u>	<u>2,924,229</u>
	Markup - paid on short term running finance	<u>-</u>	<u>513,648</u>
	Markup - paid on repo borrowing	<u>-</u>	<u>2,740,310</u>
	Rent paid	<u>1,451,686</u>	<u>1,319,633</u>
	Taurus Securities Limited		
	Brokerage expenses	<u>2,670</u>	<u>2,850</u>
	NBP Fullerton Asset Management Ltd (NAFA)		
	Capital gain on mutual fund	<u>240,671</u>	<u>-</u>
	Balances as at period-end/year - end		
	National Bank of Pakistan		
	Investment in shares at cost	<u>3,573,569</u>	<u>3,573,569</u>
	Long term Loan	<u>-</u>	<u>15,625,000</u>
Key management personnel	Transactions for the six-month period:		
	Salaries, benefits and allowances	<u>6,510,238</u>	<u>6,882,981</u>
	Retirement benefits	<u>563,111</u>	<u>555,878</u>
	Return on long-term loans	<u>49,161</u>	<u>62,311</u>
	Balances as at period-end/year - end	<u>4,001,445</u>	<u>4,281,084</u>
Staff Retirement Plans	Transactions for the six-month period:		
	Contributions made to staff retirement fund	<u>291,158</u>	<u>329,873</u>

18 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information are authorized for issue on February 20, 2016 by the Board of Directors of the Company.

19 CORRESPONDING FIGURES

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

AHSANULLAH KHAN
President & CEO

MUHAMMAD NAEEMUDDIN
Director

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