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OWNERS AND OPERATORS OF



Pearl-Continental  
HOTELS & RESORTS

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Produced by: Hashoogroup.com  
Reviewed by: Hashoogroup.com



# Condensed Interim Financial Information (Unaudited)

for the three months period ended 30 September 2012



PAKISTAN SERVICES LTD.

Cultured like no other pearl in the world™



Pearl-Continental, Muzaffarabad



Pearl-Continental, Bhurban



PAKISTAN SERVICES LTD.

# Condensed Interim Financial Information (Unaudited)

for the three months period ended 30 September 2012



Pearl-Continental  
HOTELS & RESORTS

Cultured like no other pearl in the world™

# Vision Statement

We are committed to dynamic growth and service excellence built upon our heritage of traditional hospitality. We strive to consistently meet and surpass guests', employees' and other stakeholders' expectations. We feel pride in making efforts to position Pakistan in the forefront of the international arena.

# Mission Statement

Secrets to our sustained leadership in hospitality are Excellency and Dynamism through offering competitive and innovative high quality value added services to our guests and business partners.

To meet the challenges of modern business, we constantly upgrade our operations and services in line with the latest technological facilities.

As a responsible corporate citizen, maintaining the highest level of governance, ethical standards and prudence.

Keeping close-watch at socio-political environment to make use of all available growth opportunities through aggressive and proactive approach.

Believe in strong and professional workforce by providing challenging and rewarding environment and equal respect to all through creating the sense of participation towards the success of our vision.

## Corporate Profile/ Information

Pearl Continental Hotels, a chain owned and operated by Pakistan Services Limited, sets the international standards for quality hotel accommodation in South Asia. The Company manages 6 luxury hotels at Karachi, Lahore, Rawalpindi, Peshawar, Bhurban and Muzaffarabad; comprising 1,526 rooms with registered office in Islamabad, Pakistan.

### BOARD OF DIRECTORS

Mr. Sadruddin Hashwani	Chairman
Mr. Murtaza Hashwani	Chief Executive Officer
Ms. Sarah Hashwani	
Mr. M. A. Bawany	
Mr. Mansoor Akbar Ali	
Syed Sajid Ali	
Mr. Muhammad Rafique	
Mr. Bashir Ahmed	
Mr. Clive Anthony Webster	

### AUDIT COMMITTEE

Mr. Sadruddin Hashwani
Ms. Sarah Hashwani
Mr. Mansoor Akbar Ali
Syed Sajid Ali

### HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Sadruddin Hashwani
Mr. Murtaza Hashwani
Mr. M. A. Bawany
Mr. Bashir Ahmed

### CHIEF FINANCIAL OFFICER

Mr. Muhammad Rafique
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### COMPANY SECRETARY

Mr. Mansoor Khan
------------------

### AUDITORS

M/s KPMG Taseer Hadi & Co.  
Chartered Accountants  
6th Floor, State Life Building No. 5  
Jinnah Avenue, Blue Area Islamabad.

### LEGAL ADVISOR

M/s Liaquat Merchant & Associates

### BANKERS

National Bank of Pakistan
The Bank of Punjab
Habib Bank Limited
Soneri Bank Limited
United Bank Limited
Askari Bank Limited
Albaraka Islamic Bank (Pakistan) Limited
Allied Bank Limited
Bank Alfalah Limited
JS Bank Limited
KASB Bank Limited
NIB Bank Limited
Silk Bank Limited
Standard Chartered Bank (Pakistan) Limited

### REGISTERED OFFICE

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Sector G-5/2, Islamabad.  
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<http://www.pchotels.biz>  
<http://www.pchotels.com.pk>  
<http://www.pearlcontinental.biz>  
<http://www.pearlcontinental.com.pk>  
<http://www.hashoogroup.com>  
<http://www.hashoogroup.com.pk>  
<http://www.hashoogroup.biz>  
<http://www.hashoogroup.info>  
<http://www.hashoo.info>

### SHARE REGISTRAR

M/s Technology Trade (Private) Limited  
Dagja House, 241-C, Block-2, PECHS,  
Off Shahrah-e-Quaideen, Karachi.

# Directors' Report

## Dear Members

The Board of Directors of your Company takes pleasure in presenting the unaudited condensed interim financial information of the Company for the three months period ended on 30 September 2012.

## Overview

The world is still struggling against cohesive effects of economic downturn and aftermaths of these are in stronghold. To counter these ill effects, socio-economic benefits and privileges are being cut back adding already inflationary swamped and ailing economic conditions of people with higher rate of unemployment. The economic condition at home is not far from the woe and is in phase of recuperating. Efforts are there to cope up with the energy and fuels crises and to maintain security and law & order situation besides revamping country's perception across the globe.

Despite the grievous economic canvas we believe that the optimism is the pillar of all entrepreneurs. Under such conventional spirit your Company struggled hard and managed to record net revenue of Rs.1,467 million in the reporting period and succeeded to register 24 percent growth with incremental revenue of Rs.285 million that surpassed revenue of Rs.1,182 million recorded in the corresponding period of last year.

The profit before tax and gain on re-measurement of marketable listed securities during the period under report recorded at Rs.176 million as against Rs.121 million of the corresponding period of last year. The blooming performance of Stock Market over the period under review added further Rs.92 million on account of "unrealized gain" on revaluation of our investment in the marketable listed securities as compared to "unrealized loss" of Rs.17 million recorded in the corresponding period of last year. After tax profit for the period under report worked out to Rs.208 million as compared to Rs.55 million achieved in the comparative period of last year registering 278 percent enormous growth in the bottom-line.

## Performance at a glance:

## For the three months period ended 30 September

	2012	2011
	(Rupees '000)	
Sales and services-net	<u>1,467,090</u>	<u>1,182,229</u>
Gross profit	<u>518,550</u>	<u>424,886</u>
Profit before taxation	<u>267,335</u>	<u>103,884</u>
Profit after taxation	<u>208,396</u>	<u>54,834</u>
Earnings per share (Rupees)	<u>6.41</u>	<u>1.69</u>

## Rooms Revenue

The average rooms occupancy during the period under report flourished fairly and jumped on to 57 percent from 47 percent that of the corresponding period of the immediate preceding year. The Average Daily Room Rate (ADR) slightly compromised to Rs.7,603 when compared with the corresponding period of immediate preceding year which was achieved at Rs.7,666. In the reporting period, rooms revenue (exclusive of GST) was recorded at Rs.619 million as against Rs.475 million (exclusive of GST) of the comparative period of last year, showing 30 percent growth with additional revenue of Rs.144 million.

## Food & Beverage Revenue

During the period under report, Food & Beverage revenue (exclusive of GST) recorded at Rs.773 million with an increase of Rs.139 million over Rs.634 million of the comparative period of last year. The increase in revenue from this segment reflects nearly 22 percent growth over comparative period.

### **Other Related Services, Shop License Fees & Tour Division**

The revenue (exclusive of GST) from these minor operating segments for the period under report remained at par with the corresponding period of the last year and recorded at Rs.74 million.

### **Future Prospects**

The encouraging operating results of the Company depict that scarce business opportunities are being tapped effectively by the competent team of your Company. Though competitive and economic challenges are expected to prevail in the foreseeable future, but, the management of your Company is fully committed to capitalize the "Pearl Continental" brand image in an optimal manner to consolidate and expand our market share through continuous growth opportunities.

### **Consolidated Results**

The propitious results of the parent company complemented well to achieve a healthy bottom-line when we look at the consolidated performance. For the three months period under report total revenue, based on the consolidated financial information, stood at Rs.1,490 million against that of Rs.1,210 million recorded in the corresponding period of last year. It reflects that there was a fair increase of Rs.280 million in the reporting period with a promising growth of 23 percent. Profit before tax for the reporting period achieved at Rs.252 million in comparison to Rs.129 million that of corresponding period of last year. These healthy numbers further led to achieve profit after tax for the period under report with nearly 149 percent robust impact recorded at Rs.192 million as against Rs.77 million of the comparative period.

### **Acknowledgement**

The Board of Directors wishes to express its deep appreciation of the highly professional and dedicated services of all the employees, experts, consultants and others associated with the Company. The Board also places on record its profound gratitude to the Company's bankers, and the shareholders as well as all other stakeholders who sustained with their strong support and faith on the management of the Company. And most importantly the Board also thanks the valued guests for constantly patronizing the Company.

For and on behalf of the Board of Directors



**M. A. Bawany**  
Director

Islamabad: 31 October 2012



**Muhammad Rafique**  
Director





A photograph of a hotel room. In the foreground, a bed is covered with a white sheet and a gold-colored blanket. A gold-colored tufted bench with ornate legs sits at the foot of the bed. In the background, a large dark wood wardrobe stands against the wall. To the left, a bedside table holds a lamp with a gold base and a white shade. To the right, a desk with a chair and another lamp is visible. The room is dimly lit with warm light from the lamps.

**Condensed Interim  
Unconsolidated Financial  
Information (Unaudited)**  
For the three months period ended  
30 September 2012

## Condensed Interim Unconsolidated Balance Sheet As at 30 September 2012

		Unaudited 30 September 2012	Audited 30 June 2012
	Note	(Rupees'000)	
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised share capital		500,000	500,000
50,000,000 (30 June 2012: 50,000,000) ordinary shares of Rs. 10 each			
Issued, subscribed and paid up share capital		325,242	325,242
Reserves		1,869,424	1,869,424
Unappropriated profit		2,250,375	2,041,979
		<b>4,445,041</b>	<b>4,236,645</b>
<b>SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT</b>		<b>19,988,725</b>	19,988,725
<b>NON CURRENT LIABILITIES</b>			
Long term financing - secured	4	525,000	583,333
Liabilities against assets subject to finance lease	5	58,408	24,029
Long term deposits		49,234	49,884
Deferred liabilities		416,135	417,628
		<b>1,048,777</b>	1,074,874
<b>CURRENT LIABILITIES</b>			
Trade and other payables		1,336,825	1,328,562
Markup accrued		34,628	32,323
Short term borrowings - secured	6	211,374	63,936
Current portion of long term borrowings		249,541	223,606
Provision for taxation		900	-
		<b>1,833,268</b>	1,648,427
		<b>27,315,811</b>	<b>26,948,671</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	7		

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

### Statement under section 241(2) of the Companies Ordinance, 1984

At the time of the meeting of the Board of Directors, the Chief Executive was not in Pakistan, as such this condensed interim unconsolidated financial information, as approved by the Board of Directors, has been signed by two Directors.

<b>Unaudited</b>	Audited
<b>30 September</b>	30 June
<b>2012</b>	2012

#### NON CURRENT ASSETS

Note (Rupees'000)

Property, plant and equipment	8	<b>22,553,044</b>	22,507,365
Advance for capital expenditure		<b>1,194,082</b>	962,220
Investment property		<b>47,000</b>	47,000
Long term investments		<b>1,428,457</b>	1,315,377
Advance for equity investment	9	<b>12,500</b>	113,080
Long term deposits		<b>18,258</b>	13,385
		<b>25,253,341</b>	24,958,427

#### CURRENT ASSETS

Stores, spare parts and loose tools	<b>107,650</b>	101,538
Stock in trade - food and beverages	<b>81,408</b>	65,589
Trade debts	<b>519,693</b>	463,439
Advances	<b>585,461</b>	570,211
Trade deposits and prepayments	<b>51,524</b>	59,188
Interest accrued	<b>27,392</b>	7,729
Other receivables	<b>34,253</b>	30,724
Other financial assets	<b>585,638</b>	493,887
Non current assets held for sale	-	55,955
Advance tax - net	-	13,215
Cash and bank balances	<b>69,451</b>	128,769
	<b>2,062,470</b>	1,990,244

<b>27,315,811</b>	<b>26,948,671</b>
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M. A. Bawany  
Director

  
Muhammad Rafique  
Director

## Condensed Interim Unconsolidated Profit and Loss Account (Unaudited) For the three months period ended 30 September 2012

	Note	Three months ended 30 September	
		2012	2011
		(Rupees'000)	
Sales and services - net	10	1,467,090	1,182,229
Cost of sales and services	11	(948,540)	(757,343)
Gross profit		518,550	424,886
Administrative expenses		(341,140)	(302,862)
Other operating expenses		-	(16,729)
Finance cost		(41,783)	(47,308)
Other operating income		131,708	45,897
Profit before taxation		267,335	103,884
Taxation		(58,939)	(49,050)
Profit after taxation		208,396	54,834
Earnings per share - basic and diluted (Rupees)	12	6.41	1.69

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

### Statement under section 241(2) of the Companies Ordinance, 1984

At the time of the meeting of the Board of Directors, the Chief Executive was not in Pakistan, as such this condensed interim unconsolidated financial information, as approved by the Board of Directors, has been signed by two Directors.

  
M. A. Bawany  
Director

  
Muhammad Rafique  
Director

## Condensed Interim Unconsolidated Statement of Comprehensive Income (Unaudited) For the three months period ended 30 September 2012

	Three months ended 30 September	
	2012	2011
	(Rupees'000)	
<b>Profit for the period</b>	<b>208,396</b>	54,834
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	<b><u>208,396</u></b>	<u>54,834</u>

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

### Statement under section 241(2) of the Companies Ordinance, 1984

At the time of the meeting of the Board of Directors, the Chief Executive was not in Pakistan, as such this condensed interim unconsolidated financial information, as approved by the Board of Directors, has been signed by two Directors.

  
M. A. Bawany  
Director

  
Muhammad Rafique  
Director

# Condensed Interim Unconsolidated Cash Flow Statement (Unaudited) For the three months period ended 30 September 2012

CASH FLOWS FROM OPERATING ACTIVITIES	Three months ended 30 September	
	2012	2011
	(Rupees'000)	
Profit before taxation	267,335	103,884
<b>Adjustments for:</b>		
Depreciation	67,911	48,389
Gain on disposal of property, plant and equipment	(1,229)	-
Gain on disposal of non current assets held for sale	(1,545)	-
Provision for staff retirement benefit - gratuity	13,649	10,880
Provision for doubtful debts	4,876	2,403
Return on bank deposits and short term advance	(21,187)	(23,210)
Finance cost	41,783	47,308
Dividend income	-	(725)
Unrealised (gain)/ loss on remeasurement of investments to fair value - net	(91,751)	16,729
	<u>279,842</u>	<u>205,658</u>
<b>Working capital changes (Increase) / decrease in current assets</b>		
Stores, spare parts and loose tools	(6,112)	(12,722)
Stock in trade - food and beverages	(15,819)	(7,414)
Trade debts	(61,130)	(26,146)
Advances	(15,250)	(17,870)
Trade deposits and prepayments	7,664	(24,588)
Other receivables	(3,529)	(1,144)
<b>Increase in current liabilities</b>		
Trade and other payables	8,263	47,873
<b>Cash used in operations</b>	<u>(85,913)</u>	<u>(42,011)</u>
Staff retirement benefit - gratuity paid	(9,992)	(6,529)
Income tax paid	(49,974)	(96,833)
Finance cost paid	(39,478)	(42,485)
<b>Net cash from operating activities</b>	<u>94,485</u>	<u>17,800</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(60,703)	(78,461)
Additions to advance for capital expenditure	(237,661)	(43,055)
Proceeds from disposal of property, plant and equipment	2,869	-
Advance for equity investment	(12,500)	(13,600)
Proceeds from disposal of non current assets held for sale	57,500	-
Dividend income received	-	725
Receipts of return on bank deposits and letters of placements	1,524	46,748
Long term deposits	(5,523)	500
<b>Net cash used in investing activities</b>	<u>(254,494)</u>	<u>(87,143)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long term financing	(41,667)	(18,000)
Repayment of lease liability	(5,080)	-
<b>Net cash used in financing activities</b>	<u>(46,747)</u>	<u>(18,000)</u>
Net decrease in cash and cash equivalents	(206,756)	(87,343)
Cash and cash equivalents at beginning of the period	64,833	(313,241)
Cash and cash equivalents at end of the period	<u>(141,923)</u>	<u>(400,584)</u>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	69,451	86,604
Running finance	(211,374)	(487,188)
	<u>(141,923)</u>	<u>(400,584)</u>

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

## Statement under section 241(2) of the Companies Ordinance, 1984

At the time of the meeting of the Board of Directors, the Chief Executive was not in Pakistan, as such this condensed interim unconsolidated financial information, as approved by the Board of Directors, has been signed by two Directors.

  
M. A. Bawany  
Director

  
Muhammad Rafique  
Director

## Condensed Interim Unconsolidated Statement of Changes in Equity (Unaudited) For the three months period ended 30 September 2012

Share capital	Capital reserve	Revenue reserves		Total equity
	Share premium	General reserve	Unappropriated profit	

(Rupees'000)

**Balance at 01 July 2011** 325,242      269,424      1,600,000      1,258,128      3,452,794

Changes in equity for the period  
ended 30 September 2011

**Total comprehensive income for the period**

Profit for the period	-	-	-	54,834	54,834
Total comprehensive income for the period	-	-	-	54,834	54,834

**Balance at 30 September 2011** 325,242      269,424      1,600,000      1,312,962      3,507,628

**Balance at 01 July 2012** 325,242      269,424      1,600,000      2,041,979      4,236,645

Changes in equity for the period  
ended 30 September 2012

**Total comprehensive income for the period**


Profit for the period	-	-	-	208,396	208,396
Total comprehensive income for the period	-	-	-	208,396	208,396

**Balance at 30 September 2012** 325,242      269,424      1,600,000      2,250,375      4,445,041

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

**Statement under section 241(2) of the Companies Ordinance, 1984**

At the time of the meeting of the Board of Directors, the Chief Executive was not in Pakistan, as such this condensed interim unconsolidated financial information, as approved by the Board of Directors, has been signed by two Directors.

  
M. A. Bawany  
Director

  
Muhammad Rafiqe  
Director

# Notes to the Condensed Interim Unconsolidated Financial Information (Unaudited) For the three months period ended 30 September 2012

## 1. STATUS AND NATURE OF BUSINESS

Pakistan Services Limited ("the Company") was incorporated in 1958 in Pakistan under the Companies Act, 1913 (now Companies Ordinance, 1984) as a public limited company and is quoted on Karachi Stock Exchange (Guarantee) Limited. The Company is principally engaged in hotel business and owns and operates the chain of Pearl Continental Hotels in Pakistan and Azad Jammu and Kashmir. The Company's registered office is situated at 1st Floor, NESPAK House, Sector G-5/2, Islamabad.

## 2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

This condensed interim unconsolidated financial information of the Company for the three months period ended 30 September 2012 has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. The disclosures in this condensed interim unconsolidated financial information do not include the information reported for full audited annual financial statements and should therefore be read in conjunction with the audited annual financial statements for the year ended 30 June 2012. Comparative unconsolidated balance sheet is extracted from the audited annual financial statements as of 30 June 2012, whereas comparative unconsolidated profit and loss account, unconsolidated statement of comprehensive income, unconsolidated cash flow statement and unconsolidated statement of changes in equity are stated from unaudited condensed interim unconsolidated financial information for the three months period ended 30 September 2011.

This condensed interim unconsolidated financial information is unaudited and is being submitted to the members as required under Section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Karachi Stock Exchange (Guarantee) Limited.

## 3. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The accounting policies and methods of computation adopted in preparation of this condensed interim unconsolidated financial information are the same as those applied in preparation of audited annual unconsolidated financial statements for the year ended 30 June 2012. The following standards, amendments and interpretations of approved accounting standards, effective for accounting periods beginning as mentioned there against are either not relevant to the Company's current operations or are not expected to have significant impact on the Company's financial information other than certain additional disclosures:

- Amendments to IAS 12 – Deferred Tax on investment property	(effective 01 January 2012)
- Amendments to IAS 1 – Presentation of Financial Statements	(effective 01 July 2012)
- Amendments to IAS 19 – Employee Benefits	(effective 01 January 2013)
- Amendments to IAS 16 – Property, Plant and equipment	(effective 01 January 2013)
- Amendments to IAS 27 – Separate financial statements (2011)	(effective 01 January 2013)
- Amendments to IAS 28 – Investments in Associates and Joint Ventures (2011)	(effective 01 January 2013)
- Amendments to IAS 32 – Financial instruments	(effective 01 January 2013)



## Notes to the Condensed Interim Unconsolidated Financial Information (Unaudited) For the three months period ended 30 September 2012

	<b>Unaudited 30 September 2012</b>	Audited 30 June 2012
<b>4. LONG TERM FINANCING - secured</b>	<b>(Rupees'000)</b>	
<b>From banking companies:</b>		
The Bank of Punjab	<b>458,333</b>	500,000
Askari Bank Limited	<b>300,000</b>	300,000
	<b>758,333</b>	800,000
Current portion	<b>(233,333)</b>	(216,667)
	<b>525,000</b>	583,333

The markup rates, facility limits and securities offered for these long term financing facilities are the same as disclosed in the annual audited financial statements of the Company for the year ended 30 June 2012.

	<b>Unaudited 30 September 2012</b>	Audited 30 June 2012
<b>5. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE</b>	<b>(Rupees'000)</b>	
<b>Present value of minimum lease payments</b>		
Balance as at beginning of the period / year	<b>30,968</b>	-
Lease acquired during the period / year	<b>48,728</b>	32,749
Repayments made during the period / year	<b>(5,080)</b>	(1,781)
	<b>74,616</b>	30,968
Current portion	<b>(16,208)</b>	(6,939)
	<b>58,408</b>	24,029

During the period the Company availed a fresh lease finance facility of Rs.48.728 million from M/s First Habib Modaraba (30 June 2012: Nil) out of total limit of Rs.75 million. This facility carries markup equal to 3- month KIBOR plus 1.30% per annum (30 June 2012: Nil) and secured by way of ownership of leased vehicles.

## Notes to the Condensed Interim Unconsolidated Financial Information (Unaudited) For the three months period ended 30 September 2012

	30 September 2012	30 June 2012	Unaudited 30 September 2012	Audited 30 June 2012
<b>6. SHORT TERM BORROWINGS - secured</b>	<b>Facility limit Rupees in million</b>		<b>(Rupees'000)</b>	
<b>Running finance from banking companies</b>				
National Bank of Pakistan	650	650	1,253	3,623
Habib Bank Limited	350	350	5,238	538
Soneri Bank Limited	100	100	1,739	59,775
The Bank of Punjab	250	50	203,144	-
			<b>211,374</b>	<b>63,936</b>

The markup rates, securities offered and facility limits of these short term borrowings are the same as disclosed in the annual audited financial statements of the Company for the year ended 30 June 2012 except the following:

- Facility limit extended by The Bank of Punjab enhanced from Rs. 50 million to Rs. 250 million with reduction in its pricing from 3- month KIBOR plus 2.5% to 3- month KIBOR plus 1.5% per annum. The security against this facility provided earlier has been enhanced to cover the additional borrowing.

## 7. CONTINGENCIES AND COMMITMENTS

### 7.1 Contingencies

Contingencies are the same as disclosed in the audited annual financial statements of the Company for the year ended 30 June 2012, except for the guarantees and commitments as disclosed below:

	Unaudited 30 September 2012	Audited 30 June 2012
	<b>(Rupees'000)</b>	
<b>7.1.1 Guarantees</b>	<b>109,128</b>	<b>108,478</b>
<b>7.2 Commitments</b>		
Commitments for capital expenditure	<b>26,248</b>	<b>277,957</b>

## Notes to the Condensed Interim Unconsolidated Financial Information (Unaudited) For the three months period ended 30 September 2012

### 8. PROPERTY, PLANT AND EQUIPMENT

	Unaudited 30 September 2012			Audited 30 June 2012		
	Owned assets	Leased assets	Total	Owned assets	Leased assets	Total
	------(Rupees '000)-----					
Carrying value at beginning of the period/ year	22,476,378	30,987	22,507,365	21,990,412	-	21,990,412
Additions during the period/ year	65,195	52,328	117,523	792,151	31,550	823,701
Disposals/ adjustments during the period/ year	(3,933)	-	(3,933)	(8,013)	-	(8,013)
Transfer to non current assets held for sale	-	-	-	(55,955)	-	(55,955)
Impairment loss on revalued assets	-	-	-	(19,045)	-	(19,045)
Depreciation charge for the period/ year	(66,109)	(1,802)	(67,911)	(223,172)	(563)	(223,735)
Carrying value at end of the period/ year	<b>22,471,531</b>	<b>81,513</b>	<b>22,553,044</b>	22,476,378	30,987	22,507,365

### 9. ADVANCE FOR EQUITY INVESTMENT

This represents advance given to wholly owned subsidiary company M/s Musafa International (Private) Limited for issuance of 125,000 ordinary shares of Rs. 100/- each.

	Three months ended 30 September	
	2012	2011
	(Rupees'000)	
10. SALES AND SERVICES - net		
Rooms	730,661	557,605
Food and beverages	899,210	734,291
Other related services	83,924	82,422
Shop license fees	1,719	1,693
	<b>1,715,514</b>	1,376,011
Discounts and commissions	(6,164)	(2,339)
Sales tax	(242,260)	(191,443)
	<b>1,467,090</b>	1,182,229

## Notes to the Condensed Interim Unconsolidated Financial Information (Unaudited) For the three months period ended 30 September 2012

11. COST OF SALES AND SERVICES	Three months ended 30 September	
	2012	2011
	(Rupees'000)	
<b>Food and beverages</b>		
Opening balance	65,589	53,833
Purchases during the period	293,085	238,165
	<u>358,674</u>	<u>291,998</u>
Closing balance	(81,408)	(61,247)
Consumption during the period	<u>277,266</u>	<u>230,751</u>
<b>Direct expenses</b>		
Salaries, wages and benefits	217,533	189,985
Heat, light and power	226,561	154,836
Repairs and maintenance	60,130	47,474
Depreciation	61,119	43,550
Guest supplies	39,400	31,813
Linen, china and glassware	25,355	22,382
Communication and other related services	13,943	14,338
Banquet and decoration	10,132	9,910
Transportation	6,094	3,971
Uniforms	5,476	4,686
Music and entertainment	1,788	1,589
Others	3,743	2,058
	<u>948,540</u>	<u>757,343</u>
<b>12. EARNINGS PER SHARE</b>		
Profit for the period (Rupees'000)	208,396	54,834
Weighted average number of ordinary shares (Numbers)	<u>32,524,170</u>	<u>32,524,170</u>
Earnings per share- basic (Rupees)	<u>6.41</u>	<u>1.69</u>

There is no dilution effect on the basic earnings per share of the Company.

## Notes to the Condensed Interim Unconsolidated Financial Information (Unaudited) For the three months period ended 30 September 2012

### 13. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, directors and their close family members, companies with common directorship, executives, key management personnel, major shareholders and staff retirement fund of the Company. Transactions with related parties are as follows:

	Three months ended 30 September	
	2012	2011
	(Rupees'000)	
<b>Transactions with subsidiary companies</b>		
Sales	372	188
Services provided	798	613
Services availed	9,364	8,152
Advance for equity investment	12,500	13,600
<b>Transactions with associated undertakings</b>		
Sales	428	944
Services provided	1,374	9,424
Services availed	12,866	13,451
Purchases	30,928	34,419
Purchase of air tickets	2,637	1,643
Purchase of property, plant and equipment	3,821	-
Contribution to the defined contribution plan	4,980	4,767
Donation	-	20,000
Markup on short term advance	19,383	21,677
<b>Transactions with key management personnel</b>		
Remuneration and allowances	17,273	15,618

### 14. DATE OF AUTHORISATION FOR ISSUE

This unaudited condensed interim unconsolidated financial information was authorised for issue by the Board of Directors of the Company in its meeting held on 31 October 2012.

#### STATEMENT UNDER SECTION 241(2) OF THE COMPANIES ORDINANCE, 1984

At the time of the meeting of the Board of Directors, the Chief Executive was not in Pakistan, as such this condensed interim unconsolidated financial information, as approved by the Board of Directors, has been signed by two Directors.

  
M. A. Bawany  
Director

  
Muhammad Rafique  
Director



A photograph of a grand, ornate dining room. The room features high ceilings with recessed lighting and large, decorative chandeliers. In the foreground, a long, ornate buffet table is set with various dishes and glassware. The background shows a long, brightly lit hallway with more tables and chairs, suggesting a large, formal dining area. The overall atmosphere is elegant and sophisticated.

# **Condensed Interim Consolidated Financial Information (Unaudited)**

**For the three months period ended  
30 September 2012**

## Condensed Interim Consolidated Balance Sheet As at 30 September 2012

		Unaudited 30 September 2012	Audited 30 June 2012
	Note	(Rupees'000)	
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised share capital		<b>500,000</b>	500,000
50,000,000 (30 June 2012: 50,000,000) ordinary shares of Rs. 10 each			
Issued, subscribed and paid up share capital		<b>325,242</b>	325,242
Reserves		<b>2,572,809</b>	2,564,890
Unappropriated profit		<b>2,034,433</b>	1,842,756
		<b>4,932,484</b>	4,732,888
<b>SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT</b>		<b>19,988,725</b>	19,988,725
<b>NON CURRENT LIABILITIES</b>			
Long term financing - secured	4	<b>525,000</b>	583,333
Liabilities against assets subject to finance lease	5	<b>58,408</b>	26,024
Long term deposits		<b>49,234</b>	49,884
Deferred liabilities		<b>430,603</b>	431,512
		<b>1,063,245</b>	1,090,753
<b>CURRENT LIABILITIES</b>			
Trade and other payables		<b>1,326,209</b>	1,333,092
Markup accrued		<b>34,627</b>	32,323
Short term borrowings - secured	6	<b>211,374</b>	63,936
Current portion of long term borrowings		<b>252,467</b>	229,595
		<b>1,824,677</b>	1,658,946
		<b>27,809,131</b>	27,471,312
<b>CONTINGENCIES AND COMMITMENTS</b>	7		

The annexed notes 1 to 12 form an integral part of this condensed interim consolidated financial information.

### Statement under section 241(2) of the Companies Ordinance, 1984

At the time of the meeting of the Board of Directors, the Chief Executive of the Parent Company was not in Pakistan, as such this condensed interim consolidated financial information, as approved by the Board of Directors, has been signed by two Directors.



		<b>Unaudited 30 September 2012</b>	Audited 30 June 2012
<b>NON CURRENT ASSETS</b>	<b>Note</b>	<b>(Rupees'000)</b>	
Property, plant and equipment	8	<b>23,052,610</b>	23,016,357
Advance for capital expenditure		<b>1,194,082</b>	962,220
Investment property		<b>47,000</b>	47,000
Long term investments		<b>1,946,795</b>	1,852,348
Long term deposits		<b>19,788</b>	17,048
		<b>26,260,275</b>	25,894,973

#### CURRENT ASSETS

Stores, spare parts and loose tools	<b>107,650</b>	101,538
Stock in trade - food and beverages	<b>81,408</b>	65,589
Trade debts	<b>533,898</b>	484,135
Advances	<b>588,319</b>	573,255
Trade deposits and prepayments	<b>55,055</b>	65,056
Interest accrued	<b>27,523</b>	8,364
Other receivables	<b>26,440</b>	22,957
Other financial assets	<b>27,331</b>	24,884
Non current assets held for sale	-	55,955
Advance tax - net	<b>20,233</b>	33,816
Cash and bank balances	<b>80,999</b>	140,790
	<b>1,548,856</b>	1,576,339
	<b>27,809,131</b>	27,471,312

  
M. A. Bawany  
Director

  
Muhammad Rafique  
Director

## Condensed Interim Consolidated Profit and Loss Account (Unaudited) For the three months period ended 30 September 2012

	Note	Three months ended 30 September	
		2012	2011
		(Rupees'000)	
Sales and services - net	9	1,490,260	1,210,340
Cost of sales and services	10	(975,590)	(775,638)
Gross profit		514,670	434,702
Administrative expenses		(350,218)	(311,570)
Other operating expenses		-	(379)
Finance cost		(41,872)	(48,082)
Other operating income		115,539	48,139
		238,119	122,810
Share of gain in equity accounted investments		13,615	6,180
Profit before taxation		251,734	128,990
Taxation		(60,057)	(51,622)
Profit after taxation		191,677	77,368

The annexed notes 1 to 12 form an integral part of this condensed interim consolidated financial information.

### Statement under section 241(2) of the Companies Ordinance, 1984

At the time of the meeting of the Board of Directors, the Chief Executive of the Parent Company was not in Pakistan, as such this condensed interim consolidated financial information, as approved by the Board of Directors, has been signed by two Directors.

  
M. A. Bawany  
Director

  
Muhammad Rafique  
Director

## Condensed Interim Consolidated Statement of Comprehensive Income (Unaudited) For the three months period ended 30 September 2012

Three months ended 30 September

2012                      2011  
(Rupees'000)

<b>Profit for the period</b>	<b>191,677</b>	77,368
<b>Other comprehensive income for the period</b>		
Exchange gain on translation of long term investments	7,057	19,643
Exchange gain on translation of capital reserve	862	-
<b>Total comprehensive income transferred to equity</b>	<b>199,596</b>	97,011

The annexed notes 1 to 12 form an integral part of this condensed interim consolidated financial information.

### Statement under section 241(2) of the Companies Ordinance, 1984

At the time of the meeting of the Board of Directors, the Chief Executive of the Parent Company was not in Pakistan, as such this condensed interim consolidated financial information, as approved by the Board of Directors, has been signed by two Directors.

  
M. A. Bawany  
Director

  
Muhammad Rafique  
Director

# Condensed Interim Consolidated Cash Flow Statement (Unaudited) For the three months period ended 30 September 2012

	Three months ended 30 September	
	2012	2011
	(Rupees'000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	251,734	128,990
<b>Adjustments for:</b>		
Depreciation	82,089	51,366
Gain on disposal of property, plant and equipment	(1,236)	(1,283)
Gain on disposal of non current assets held for sale	(1,545)	-
Provision for staff retirement benefit - gratuity	13,649	10,880
Provision for doubtful debts	4,876	2,403
Return on bank deposits, term deposits receipts and short term advance	(21,918)	(23,813)
Share of gain in equity accounted investments	(13,615)	(6,180)
Finance cost	41,872	48,082
Dividend income	-	(725)
Reversal of impairment loss on investments in associated companies	(72,913)	-
Unrealised (gain)/ loss on remeasurement of investments to fair value - net	(1,751)	379
	<b>281,242</b>	<b>210,099</b>
<b>Working capital changes (Increase) / decrease in current assets</b>		
Stores, spare parts and loose tools	(6,112)	(12,722)
Stock in trade - food and beverages	(15,819)	(7,414)
Trade debts	(54,639)	(33,145)
Advances	(15,064)	(17,350)
Trade deposits and prepayments	10,001	(24,318)
Other receivables	(3,483)	2,580
<b>(Decrease) / increase in current liabilities</b>		
Trade and other payables	(6,883)	30,638
<b>Cash used in operations</b>	<b>(91,999)</b>	<b>(61,731)</b>
Staff retirement benefit - gratuity paid	(9,992)	(6,529)
Income tax paid	(51,041)	(97,934)
Finance cost paid	(39,568)	(43,259)
<b>Net cash from operating activities</b>	<b>88,642</b>	<b>646</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(65,478)	(78,882)
Additions to advance for capital expenditure	(237,661)	(50,687)
Proceeds from disposal of property, plant and equipment	2,899	1,837
Purchase of other financial assets	(695)	(14,954)
Proceeds from disposal of non current assets held for sale	57,500	-
Dividend income received	-	725
Receipts of return on bank deposits, letters of placements and term deposit receipts	2,759	47,470
Long term deposits	(3,390)	500
<b>Net cash used in investing activities</b>	<b>(244,066)</b>	<b>(93,991)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long term financing	(41,667)	(18,000)
Repayments of lease liability	(10,138)	(3,701)
<b>Net cash used in financing activities</b>	<b>(51,805)</b>	<b>(21,701)</b>
Net decrease in cash and cash equivalents	(207,229)	(115,046)
Cash and cash equivalents at beginning of the period	76,854	(271,797)
Cash and cash equivalents at end of the period	<b>(130,375)</b>	<b>(386,843)</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	80,999	100,345
Running finance	(211,374)	(487,188)
	<b>(130,375)</b>	<b>(386,843)</b>

The annexed notes 1 to 12 form an integral part of this condensed interim consolidated financial information.

## Statement under section 241(2) of the Companies Ordinance, 1984

At the time of the meeting of the Board of Directors, the Chief Executive of the Parent Company was not in Pakistan, as such this condensed interim consolidated financial information, as approved by the Board of Directors, has been signed by two Directors.

  
M. A. Bawany  
Director

  
Muhammad Rafique  
Director

## Condensed Interim Consolidated Statement of Changes in Equity (Unaudited) For the three months period ended 30 September 2012

Share capital	Capital reserve		Revenue reserves			Total equity
	Share premium	Share of associate's capital reserve	General reserve	Exchange gain on translation of long term investments	Unappropriated profit	

(Rupees'000)

**Balance at 01 July 2011** 325,242 269,424 147,221 1,600,000 385,227 1,172,092 3,899,206

Changes in equity for the period ended

30 September 2011

**Total comprehensive income for the period**

Profit for the period	-	-	-	-	77,368	77,368
Other comprehensive income for the period	-	-	-	19,643	-	19,643
Total comprehensive income for the period	-	-	-	19,643	77,368	97,011

**Balance at 30 September 2011** 325,242 269,424 147,221 1,600,000 404,870 1,249,460 3,996,217

**Balance at 01 July 2012** 325,242 269,424 161,197 1,600,000 534,269 1,842,756 4,732,888

Changes in equity for the period ended

30 September 2012

**Total comprehensive income for the period**

Profit for the period	-	-	-	-	191,677	191,677
Other comprehensive income for the period	-	-	862	-	7,057	7,919
Total comprehensive income for the period	-	-	862	-	7,057	199,596

**Balance at 30 September 2012** 325,242 269,424 162,059 1,600,000 541,326 2,034,433 4,932,484

The annexed notes 1 to 12 form an integral part of this condensed interim consolidated financial information.

**Statement under section 241(2) of the Companies Ordinance, 1984**

At the time of the meeting of the Board of Directors, the Chief Executive of the Parent Company was not in Pakistan, as such this condensed interim consolidated financial information, as approved by the Board of Directors, has been signed by two Directors.

  
M. A. Bawany  
Director

  
Muhammad Rafique  
Director

# Notes to the Condensed Interim Consolidated Financial Information (Unaudited)

## For the three months period ended 30 September 2012

### 1. THE GROUP AND ITS OPERATIONS

Pakistan Services Limited ("the Parent Company") was incorporated in 1958 in Pakistan under the Companies Act, 1913 (now Companies Ordinance, 1984) as a public limited company and is quoted on Karachi Stock Exchange (Guarantee) Limited. The Parent Company is principally engaged in hotel business and owns and operates the chain of Pearl Continental Hotels in Pakistan and Azad Jammu and Kashmir. The Parent Company's registered office is situated at 1st Floor, NESPAK House, Sector G-5/2, Islamabad.

- 1.1 This condensed interim consolidated financial information includes the condensed interim financial information of the Parent Company and the following Subsidiary Companies together constituting "the group":

Subsidiary Companies	Nature of business	Holding
Pearl Tours and Travels (Private) Limited	Rent-a-car, tour packages and travel related work	100%
Pearl Continental Hotels (Private) Limited	Non-operational	100%
Bhurban Resorts (Private) Limited	Non-operational	100%
Musafa International (Private) Limited	Project management	100%

### 2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

This condensed interim consolidated financial information of the group for the three months period ended 30 September 2012 has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting and provisions of and directive issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. The disclosures in the condensed interim consolidated financial information do not include the information reported for full audited annual consolidated financial statements and should therefore be read in conjunction with the audited annual consolidated financial statements for the year ended 30 June 2012. Comparative consolidated balance sheet is extracted from audited annual consolidated financial statements as of 30 June 2012, whereas comparative consolidated profit and loss account, consolidated statement of comprehensive income, consolidated cash flow statement and consolidated statement of changes in equity are stated from unaudited condensed interim consolidated financial information for the three months period ended 30 September 2011.

This condensed interim consolidated financial information is unaudited and is being submitted to the members as required under Section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Karachi Stock Exchange (Guarantee) Limited.

### 3. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The accounting policies and methods of computation adopted in preparation of this condensed interim consolidated financial information are the same as those applied in preparation of audited annual consolidated financial statements for the year ended 30 June 2012. The following standards, amendments and interpretations of approved accounting standards, effective for accounting periods beginning as mentioned there against

## Notes to the Condensed Interim Consolidated Financial Information (Unaudited) For the three months period ended 30 September 2012

are either not relevant to the group's current operations or are not expected to have significant impact on the group's financial information other than certain additional disclosures:

- Amendments to IAS 12 – Deferred Tax on investment property	(effective 01 January 2012)
- Amendments to IAS 1 – Presentation of Financial Statements	(effective 01 July 2012)
- Amendments to IAS 19 – Employee Benefits	(effective 01 January 2013)
- Amendments to IAS 16 – Property, Plant and equipment	(effective 01 January 2013)
- Amendments to IAS 27–Separate financial statements (2011)	(effective 01 January 2013)
- Amendments to IAS 28 – Investments in Associates and Joint Ventures (2011)	(effective 01 January 2013)
- Amendments to IAS 32 – Financial instruments	(effective 01 January 2013)

	<b>Unaudited</b> <b>30 September</b> <b>2012</b>	Audited 30 June 2012
<b>4. LONG TERM FINANCING - secured</b>		
	<b>(Rupees'000)</b>	
<b>From banking companies:</b>		
The Bank of Punjab	<b>458,333</b>	500,000
Askari Bank Limited	<b>300,000</b>	300,000
	<b>758,333</b>	800,000
Current portion	<b>(233,333)</b>	(216,667)
	<b>525,000</b>	583,333

The markup rates, facility limits and securities offered for these long term financing facilities are the same as disclosed in the annual audited financial statements of the Parent Company for the year ended 30 June 2012.

	<b>Unaudited</b> <b>30 September</b> <b>2012</b>	Audited 30 June 2012
<b>5. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE</b>		
	<b>(Rupees'000)</b>	
<b>Present value of minimum lease payments</b>		
Balance as at beginning of the period / year	<b>38,952</b>	23,760
Lease acquired during the period / year	<b>48,728</b>	32,749
Repayments made during the period / year	<b>(10,138)</b>	(17,557)
	<b>77,542</b>	38,952
Current portion	<b>(19,134)</b>	(12,928)
	<b>58,408</b>	26,024

During the period the Parent Company availed a fresh lease finance facility of Rs.48.728 million from M/s First Habib Modaraba (30 June 2012: Nil) out of total limit of Rs.75 million. This facility carries markup equal to 3- month KIBOR plus 1.30% (30 June 2012: Nil) and secured by way of ownership of leased vehicles.

## Notes to the Condensed Interim Consolidated Financial Information (Unaudited) For the three months period ended 30 September 2012

	30 September 2012	30 June 2012	Unaudited 30 September 2012	Audited 30 June 2012
<b>6. SHORT TERM BORROWINGS - secured</b>	<b>Facility limit</b>		<b>(Rupees'000)</b>	
	<b>Rupees in million</b>			
<b>Running finance from banking companies</b>				
National Bank of Pakistan	650	650	1,253	3,623
Habib Bank Limited	350	350	5,238	538
Soneri Bank Limited	100	100	1,739	59,775
The Bank of Punjab	250	50	203,144	-
			<b>211,374</b>	<b>63,936</b>

The markup rates, securities offered and facility limits of these short term borrowings are the same as disclosed in the annual audited financial statements of the Parent Company for the year ended 30 June 2012 except the following:

- Facility limit extended by The Bank of Punjab enhanced from Rs. 50 million to Rs. 250 million with reduction in its pricing from 3- month KIBOR plus 2.5% to 3- month KIBOR plus 1.5% per annum. The security against this facility provided earlier has been enhanced to cover the additional borrowing.

### 7. CONTINGENCIES AND COMMITMENTS

#### 7.1 Contingencies

Contingencies are the same as disclosed in the audited annual consolidated financial statements of the group for the year ended 30 June 2012, except for the guarantees and commitments disclosed below:

	Unaudited 30 September 2012	Audited 30 June 2012
	<b>(Rupees'000)</b>	
<b>7.1.1 Guarantees</b>	<b>109,128</b>	109,113
<b>7.2 Commitments</b>		
Commitments for capital expenditure	<b>26,248</b>	277,957

### 8. PROPERTY, PLANT AND EQUIPMENT

	Unaudited 30 September 2012			Audited 30 June 2012		
	Owned assets	Leased assets	Total	Owned assets	Leased assets	Total
	------(Rupees'000)-----					
Carrying value at beginning of the period/ year	22,956,274	60,083	23,016,357	22,318,776	34,231	22,353,007
Additions during the period/ year	69,970	52,328	122,298	972,101	31,550	1,003,651
Disposals/ adjustments during the period/ year	(3,956)	-	(3,956)	(13,830)	-	(13,830)
Transfer to non current assets held for sale	-	-	-	(55,955)	-	(55,955)
Impairment loss on revalued assets	-	-	-	(19,045)	-	(19,045)
Depreciation charge for the period/ year	(79,511)	(2,578)	(82,089)	(245,773)	(5,698)	(251,471)
Carrying value at end of the period/ year	<b>22,942,777</b>	<b>109,833</b>	<b>23,052,610</b>	<b>22,956,274</b>	<b>60,083</b>	<b>23,016,357</b>



## Notes to the Condensed Interim Consolidated Financial Information (Unaudited) For the three months period ended 30 September 2012

	Three months ended 30 September	
	2012	2011
	(Rupees'000)	
<b>9. SALES AND SERVICES - net</b>		
Rooms	729,863	556,992
Food and beverages	898,838	734,103
Other related services	90,063	93,856
Vehicles rental	17,633	17,478
Parking fee	568	-
Shop license fees	1,719	1,693
	<u>1,738,684</u>	<u>1,404,122</u>
Discounts and commissions	(6,164)	(2,339)
Sales tax	(242,260)	(191,443)
	<u>1,490,260</u>	<u>1,210,340</u>
<b>10. COST OF SALES AND SERVICES</b>		
<b>Food and beverages</b>		
Balance at beginning of the period	65,589	53,833
Purchases during the period	<u>292,713</u>	<u>237,977</u>
	358,302	291,810
Balance at end of the period	(81,408)	(61,247)
Consumption during the period	<u>276,894</u>	<u>230,563</u>
<b>Direct expenses</b>		
Salaries, wages and benefits	218,443	189,985
Heat, light and power	226,561	154,836
Repairs and maintenance	60,550	48,058
Depreciation	75,031	46,230
Guest supplies	39,400	31,813
Linen, china and glassware	25,355	22,382
Communication and other related services	13,956	14,338
Banquet and decoration	10,132	9,910
Transportation	5,398	5,408
Uniforms	5,476	4,686
Music and entertainment	1,806	1,589
Insurance	983	925
Vehicle operating expense	10,681	9,553
Vehicle rental and clearance charges	287	441
Hotel bookings	73	2,427
Others	4,564	2,494
	<u>975,590</u>	<u>775,638</u>

# Notes to the Condensed Interim Consolidated Financial Information (Unaudited)

## For the three months period ended 30 September 2012

### 11. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, directors and their close family members, companies with common directorship, executives, key management personnel, major shareholders and staff retirement fund of the group. Transactions with related parties are as follows:

	Three months ended 30 September	
	2012	2011
	(Rupees'000)	
<b>Transactions with associated undertakings</b>		
Sales	428	1,075
Services provided	4,334	11,035
Services availed	13,619	13,727
Purchases	30,994	34,419
Purchase of air tickets	7,098	5,128
Purchase of property, plant and equipment	3,821	-
Contribution to the defined contribution plan	4,980	4,767
Donation	-	20,000
Markup on short term advance	19,383	21,677
<b>Transactions with key management personnel</b>		
Remuneration and allowances	17,273	15,618

### 12. DATE OF AUTHORISATION FOR ISSUE

This unaudited condensed interim consolidated financial information was authorised for issue by the Board of Directors of the Parent Company in its meeting held on 31 October 2012.

### STATEMENT UNDER SECTION 241(2) OF THE COMPANIES ORDINANCE, 1984

At the time of the meeting of the Board of Directors, the Chief Executive of the Parent Company was not in Pakistan, as such this condensed interim consolidated financial information, as approved by the Board of Directors, has been signed by two Directors.

  
M. A. Bawany  
Director

  
Muhammad Rafique  
Director