

 **KASB** SECURITIES



Interim Financial Statements
(Un-Audited)
For the Quarter Ended March 31, 2015



Winning is a Habit!

Awarded the “**Best Brokerage House in Pakistan for the period 1990-2013**” in the 25th Anniversary Poll of Polls conducted by **Asiamoney**.

Awarded the “**Best Domestic Equities House in Pakistan**” from 2008-2013 by **CFA Institute**.

Ranked as the **#1 Broker for 2012, 2013 and 2014** by the **Pakistan Mercantile Exchange**.

Our success is a direct result of the trust, faith and support of our clients. We will continue to live up to your expectations in delivering unparalleled service.



0800-52722
www.kasb.com

KARACHI | LAHORE | ISLAMABAD | RAWALPINDI | PESHAWAR | MULTAN | SIALKOT | RAHIM YAR KHAN | GUJRANWALA

CONTENTS

	Page No.
Company Information	2
Directors' Report to the Members	3
STANDALONE CONDENSED FINANCIAL STATEMENTS	
Balance Sheet	6
Profit and Loss Account	7
Cash Flow Statement	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10
CONSOLIDATED CONDENSED FINANCIAL STATEMENTS	
Balance Sheet	20
Profit and Loss Account	21
Cash Flow Statement	22
Statement of Changes in Equity	23
Notes to the Financial Statements	24

COMPANY INFORMATION

Board of Directors:

Saeed Yousuf Chinoy - Chairman
Irfan Nadeem - Chief Executive Officer
Salman Naqvi
Mahmood Ali Shah Bukhari
Mohammad Muzaffar Khan
Tahir Iqbal
Asad Mustafa Shafqat - Chief Financial Officer

Audit Committee:

Mohammad Muzaffar Khan - Chairman
Saeed Yousuf Chinoy
Mahmood Ali Shah Bukhari
Zia-ul-Haq - Secretary

HR Committee:

Salman Naqvi - Chairman
Saeed Yousuf Chinoy
Mahmood Ali Shah Bukhari
Najmus Saqib - Secretary

Company Secretary:

Zia-ul-Haq

Auditors:

Avais Hyder Liaquat Nauman
Chartered Accountants
Progressive Plaza, Beaumont Road
Karachi, Pakistan

Bankers:

Allied Bank Limited
Askari Bank Limited
Bank Al-Habib Limited
Bank Al-Falah Limited
Deutsche Bank AG
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
KASB Bank Limited
MCB Bank Limited
Meezan Bank Limited
NIB Bank Limited
United Bank Limited

Legal Advisor:

Bawaney & Partners
Advocates & Investment & Corporate Advisers
3rd & 4th Floors, 68-C, Lane-13,
Bokhari Commercial Area, Phase-VI,
DHA, Karachi, Pakistan
Ph : (92-21) 35156191-4, Fax: 35156195
E-mail: bawaney@cyber.net.pk

Registered and Head Office:

5th Floor, Trade Centre, I.I. Chundrigar Road,
Karachi, Pakistan
Ph : (92-21) 111-222-000
Fax: (92-21) 32630202
E-mail: kasbho@kasb.com

Branches:

Gujranwala

81, Ground Floor,
Gujranwala Development Authority Trust Plaza.
Ph: (92-55) 3822501-4
Fax: (92-55) 3822505
Email: kasbgrw@kasb.com

Gulshan-e-Iqbal - Karachi

Friends Paradise, 1st Floor, SB-36, Block No. 13-B,
KDA Scheme # 24, Main University Road.
Ph: (92-21) 34980763-4 & 66
Fax: (92-21) 34980761
E-mail: kasbgul@kasb.com

Islamabad

90-91, Razia Sharif Plaza, Jinnah Avenue, Blue Area.
UAN: (92-51) 111-222-000
Fax: (92-51) 2272841
E-mail: kasbisb@kasb.com

Lahore

2nd Floor, Fountain Avenue Building,
64-A, Main Boulevard, Main Gulberg.
UAN: (92-42) 111-222-000
Fax: (92-42) 35787545
E-mail: kasblhr@kasb.com

Multan

Ground Floor, State Life Building, Abdali Road.
Ph : (92-61) 4500273-6
Fax: (92-61) 4500272
E-mail: kasbmul@kasb.com

Peshawar Cantt

1st Floor, State Life Building, 34 - The Mall.
Ph : (92-91) 5276025-8
Fax: (92-91) 5273683
E-mail: kasbpsh@kasb.com

Rahim Yar Khan

Plot No. 24, Model Town, Near Town Hall Road,
Ph: (92-68) 5873252-4
Fax: (92-68) 5873251
E-mail: kasbryk@kasb.com

Rawalpindi

3rd Floor, East Wing, Ferozsons Chamber,
Saddar Road,
Ph: (92-51) 5701520-4
Fax: (92-51) 5701525
E-mail: kasbrwp@kasb.com

Sialkot

Ground Floor, City Tower,
Shahab Pura Road,
Ph: (92-52) 3256035-7
E-mail: kasbskt@kasb.com

Website:

www.kasb.com

Share Registrar:

THK Associates (Private) Limited
2nd Floor, State Life Building No. 3,
Dr. Ziauddin Ahmed Road, Karachi, Pakistan.
Ph: (92-21) 111-000-322
Fax: (92-21) 35655595

DIRECTORS' REPORT TO THE MEMBERS

On behalf of the Board of Directors of KASB Securities Limited, I am pleased to present the unaudited standalone and consolidated financial statements of the Company, and review for the quarter ended March 31, 2015.

Economic Review

The economic turnaround continued to gain strength in the first quarter of 2015. Foreign exchange reserves have increased to US\$ 16.5 billion by end of quarter from US\$ 15.3 billion in December 2014, following US\$ 700 million receipts of coalition support fund and US\$ 500 million on successful completion of IMF program quarterly review. The recent successful divestment of government shares in Habib Bank generated further US\$ 750 million inflow. External account also showed signs of improvement as current account recorded net surplus of US\$ 961 million during 1Q vs US\$ 770 million deficit in quarter ending December 2014. In addition, Moody's upgrade of Pakistan's credit rating outlook to Positive from Neutral increased the confidence on overall economic progress.

CPI inflation touched an 11-year low of 2.5% in March 2015 from 4.3% in December 2014, on account of a cut in petroleum product prices and improved crop harvest. This prompted the Central Bank to further cut the policy rate by cumulative 150bp to 8% during the quarter.

The fiscal deficit has reportedly been contained within the target of 3.7% of GDP in the first nine months of FY15. Restricted development expenditure and adhoc taxation measures during the quarter helped achieve the target, though meeting the full year target of 4.9% remains a challenge. Overall, the medium term growth outlook look favorable with the recent pacts signed with Chinese government, given the China Pakistan Economic Corridor focuses keenly on addressing issues of energy deficit and low investment level in the country.

Equity Market Review

The bull run in Pakistan's equity market entered a hiatus as a combination of factors led the benchmark KSE-100 index post negative 5.9% return during the first quarter of 2015. Sentiments were pulled down due to net outflow from foreign investors portfolio investment of US\$ 131 million (US\$ 71 million in March alone) on the back of changes in Capital Gains Tax rules for foreign investors and liquidation of a foreign fund with sizeable exposure in Pakistan. Heightened liquidity concerns and selling from local mutual funds led to steep 10.1% dive in KSE-100 index.

However the index has gained almost 11% since the period close, as positive macro fundamentals and healthy corporate earnings season find their niche in improving investor sentiments. Market volumes decreased by almost ~7% year-on-year to ~239 million shares per day, while value traded rose by 47% to ~USD 131.4 million per day

Additional impetus came in from successful book-building and divestment of government' shares in HBL. The government has positively maintained the momentum of macroeconomic reforms particularly its privatization program, a key positive for the local bourses. The government's successful reform agenda and unprecedented investment commitment by Chinese government builds the case for potential upgrade of Pakistan's sovereign rating. The focus will now largely be on the upcoming federal budget announcement in June, for its implications on the market and the corporate sector.

Debt and Currency Market Review

The first quarter saw active liquidity management by the State Bank of Pakistan's as the Open Market Operations increased gradually close to PRs 1 trillion. The increased liquidity operations were on the back of active participation in T-bill and PIB auctions during the period. SBP has conducted fortnightly T-bill auctions worth ~PRs 1.04 trillion, six PIB auctions worth PRs 192. The 6month benchmark T-bill rate declined by ~150bp close to 8% during the quarter as the State Bank of Pakistan cut policy rate cumulatively by 150bp.

The inter-bank currency market saw relative stability with only 1% weakness recorded in 1Q. Positive statements on completion of IMF's sixth review and Moody's outlook upgrade, along with CSF flows helped PKR close the quarter at 101.9 against USD.

Operating and Financial Performance

The Company remained focused on rebuilding its market share across its key business functions following suspension and restricted re-opening of its trading rights at the KSE in 4Q 2014.

KASB SECURITIES

Details of financial performance for the quarter are as follows:

	QUARTER ENDED MARCH 31,	
	2015 PKR mn	2014 PKR mn
Operating revenue	37.59	138.89
Mark-up / profit on bank deposits, investments and other receivables	17.12	11.17
Gain / (loss) on sale of investments - net	23.74	(0.20)
Dividend income	0.98	0.35
Unrealized (loss) / gain on investments - net	(1.50)	6.73
Other income	1.57	1.21
Total income	79.50	158.15
Operating and administrative expenses	(100.68)	(111.90)
Financial cost	(4.52)	(3.36)
Total expenses	(105.20)	(115.26)
Net (loss) / profit (before provision)	(25.70)	42.89
Reversal of provision	-	0.77
Taxation	(8.54)	(18.93)
Net (loss) / profit after tax	(34.24)	24.73

Future Outlook

For 2Q 2015 and onwards, key focus continues to remain in reestablishing and rebuilding Company's presence and market share in both the equities (KSE) and commodities markets (PMEX).

Upkeeping Stakeholders' Trust & Employees' Confidence

On November 14, 2014, the Federal Government, on the application of the State Bank of Pakistan ("SBP"), and in exercise of the powers conferred upon it under the Section 47 of the Banking Companies Ordinance, 1962, imposed a 6 months moratorium on KASB Bank Limited ("KBL"), the majority shareholder of KSL, and also suspended payment of debts and obligations from KBL, allowing a maximum withdrawal of up to PKR 300,000/- for all deposit account holders of KBL with balance of more than PKR 300,000/-.

As KSL uses KBL for majority of its banking arrangements, including daily clearing for all transactions executed on the Karachi Stock Exchange ("KSE") through KSL, the moratorium on KBL temporarily affected KSL's liquidity position in view of KSL's stuck funds at KBL. As a result, on 17 November 2014, the Securities & Exchange Commission of Pakistan ("SECP") temporarily restricted KSL's trading facilities on the Karachi Stock Exchange ("KSE") and the Pakistan Mercantile Exchange ("PMEX"). KSL was therefore not suspended; instead all new investments for KSL's clients were temporarily put on hold, due to the quantum of money stuck in KSL's deposit accounts with KBL, a result of the moratorium placed by SBP, which applies equally to all deposit account holders of KBL.


The Company remained in close dialogue with the SECP, and the concerned stakeholders, KSE, PMEX, CDC, and NCCPL with respect to the curtailment of its trading facilities and the steps required for reinstatement. During the restriction period, all requests for transfer of shares and payments by the company's clients were honored successfully.

KSL's trading rights on the KSE were subsequently restored by the SECP in a controlled environment effective December 02, 2014, whereas the SECP granted further relaxations to KSL on its trading rights on February 03, 2015 and March 25, 2015. The SECP also restored KSL's trading rights on PMEX effective January 23, 2015. The Company's trading rights at the KSE will be fully restored once KBL's moratorium is removed during Q2 2015.

Acknowledgement

The Directors wish to record their gratitude to the Company's valued clients, shareholders, business partners and other stakeholders for their continued trust that they have reposed in the Company. The Board would also like to record their appreciation to the employees of the Company for their commitment and dedication.

On behalf of the Board of Directors.



Salman Naqvi
Chairman


Karachi: April 29, 2015

**STANDALONE CONDENSED
FINANCIAL STATEMENTS**

INTERIM CONDENSED BALANCE SHEET AS AT MARCH 31, 2015

	Note	(Un-audited) March 31, 2015	(Audited) December 31, 2014
----- (Rupees in '000) -----			
ASSETS			
Non-current assets			
Property and equipment	4	47,766	52,005
Intangible assets	5	8,854	8,854
Long-term investments	6	855,822	863,259
Long-term loans and advances		3,945	4,239
Long-term deposits and prepayments		5,983	6,443
Deferred tax asset - net		38,130	37,178
		960,500	971,978
Current assets			
Short-term investments	7	17,150	18,647
Trade debts	8	67,502	68,017
Advances, deposits, prepayments and other receivables	9	243,997	234,350
Taxation - net		37,126	41,375
Cash and bank balances	10	624,004	652,580
		989,779	1,014,969
TOTAL ASSETS		1,950,279	1,986,947
EQUITY AND LIABILITIES			
Share capital and reserves			
Issued, subscribed and paid-up capital		1,000,000	1,000,000
General reserve		18,752	18,752
Unrealised gain on re-measurement of 'available-for-sale' investments to fair value - net		125,976	133,413
Unappropriated profit		70,556	104,791
		1,215,284	1,256,956
Non-current liabilities			
Long-term loan	11	150,000	150,000
Current liabilities			
Trade and other payables	12	580,456	579,939
Accrued mark-up		4,539	52
		584,995	579,991
TOTAL EQUITY AND LIABILITIES		1,950,279	1,986,947
CONTINGENCIES AND COMMITMENTS	13		

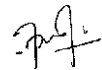
The annexed notes 1 to 18 form an integral part of these interim condensed financial statements.



Salman Naqvi
Chairman



Irfan Nadeem
Chief Executive Officer

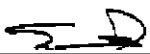
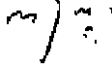
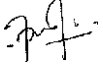


Asad Mustafa Shafqat
Chief Financial Officer

**INTERIM CONDENSED PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2015**

	Note	Quarter ended March 31,	
		2015	2014
.....(Rupees in '000)			
Operating revenue	14	37,591	138,894
Net gain / (loss) on investments 'at fair value through profit and loss'			
Gain / (loss) on sale of investments - net		23,735	(201)
Unrealised (loss) / gain on re-measurement of investments - net		(1,497)	6,727
		22,238	6,526
Dividend income		978	347
Mark-up / profit on bank deposits, investments and other receivables	15	17,118	11,170
		77,925	156,937
Operating and administrative expenses		(100,675)	(111,904)
Reversal of provision against doubtful debts		-	775
		(100,675)	(111,129)
Operating (loss) / profit		(22,750)	45,808
Finance cost		(4,521)	(3,362)
		(27,271)	42,446
Other income		1,577	1,215
(Loss) / profit before taxation		(25,694)	43,661
Taxation			
Current - for the period		(9,493)	(18,981)
Deferred		952	54
		(8,541)	(18,927)
(Loss) / profit after taxation		(34,235)	24,734
Other comprehensive (loss) / income for the period:			
Net unrealised loss arising during the period on re-measurement of 'available-for-sale' investments - net		(7,437)	(22,547)
Total comprehensive (loss) / income for the period		(41,672)	2,187
.....(Rupees).....			
(Loss) / earnings per share - basic and diluted		(0.34)	0.25

The annexed notes 1 to 18 form an integral part of these interim condensed financial statements.

 _____ Salman Naqvi Chairman	 _____ Irfan Nadeem Chief Executive Officer	 _____ Asad Mustafa Shafiq Chief Financial Officer
---	--	---

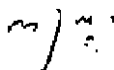
INTERIM CONDENSED CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2015

	Quarter ended March 31,	
	2015	2014
 (Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	(25,694)	43,661
Non-cash adjustments to reconcile (loss) / profit before tax to net cash flows:		
Depreciation	4,063	2,888
(Gain) / loss on sale of investments - net	(23,735)	201
Gain on sale of property and equipments	(3)	(5)
Unrealised loss / (gain) on re-measurement of investments 'at fair value through profit or loss' - net	1,497	(6,727)
Reversal of provision against doubtful debts	-	(775)
Finance cost	4,521	3,362
Dividend income	(978)	(347)
	(14,635)	(1,403)
	(40,329)	42,258
Working capital adjustments:		
Decrease / (increase) in assets		
Trade debts	515	(153,591)
Advances, deposits, prepayments and other receivables	(9,566)	24,932
	(9,051)	(128,659)
Increase in current liabilities		
Trade and other payables	520	89,074
	(48,860)	2,673
Finance cost paid	(34)	(3,360)
Income tax paid	(5,244)	(9,634)
	(54,138)	(10,321)
Net cash flows used in operating activities	(54,138)	(10,321)
CASH FLOW FROM INVESTING ACTIVITIES		
Investments 'at fair value through profit or loss' - net	23,735	(109,796)
Purchase of property and equipment	(335)	(4,204)
Proceeds from disposal of property and equipment	514	18
Dividend received	897	347
Net cash flows generated from / (used in) investing activities	24,811	(113,635)
CASH FLOW FROM FINANCING ACTIVITIES		
Long-term loans and advances	294	(1,339)
Long-term deposits and prepayments	460	(82)
Dividend paid	(3)	(16)
Net cash flows generated from / (used in) financing activities	751	(1,437)
Net decrease in cash and cash equivalents	(28,576)	(125,393)
Cash and cash equivalents at the beginning of the period	652,580	337,397
Cash and cash equivalents at the end of the period	624,004	212,004

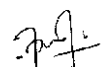
The annexed notes 1 to 18 form an integral part of these interim condensed financial statements.



Salman Naqvi
Chairman



Irfan Nadeem
Chief Executive Officer

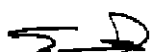


Asad Mustafa Shafiqat
Chief Financial Officer

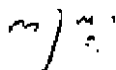
**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2015**

	Share capital	General reserve	Unappropriated profit	Unrealised gain / (loss) on remeasurement of 'available-for-sale' investments to fair value - net	Total
..... (Rupees in '000)					
Balance as at January 01, 2014	1,000,000	18,752	46,133	153,530	1,218,415
Total comprehensive income for the period	-	-	24,734	(22,547)	2,187
Balance as at March 31, 2014	1,000,000	18,752	70,867	130,983	1,220,602
Total comprehensive income for the period	-	-	83,924	2,430	86,354
Dividend paid during the period	-	-	(50,000)	-	(50,000)
Balance as at December 31, 2014	1,000,000	18,752	104,791	133,413	1,256,956
Total comprehensive loss for the period	-	-	(34,235)	(7,437)	(41,672)
Balance as at March 31, 2015	1,000,000	18,752	70,556	125,976	1,215,284

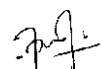
The annexed notes 1 to 18 form an integral part of these interim condensed financial statements.



Salman Naqvi
Chairman



Irfan Nadeem
Chief Executive Officer



Asad Mustafa Shafiq
Chief Financial Officer

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2015****1. STATUS AND NATURE OF BUSINESS**

KASB Securities Limited (the Company) was incorporated in Pakistan on October 24, 2000 under the Companies Ordinance, 1984 and commenced its operations effective January 01, 2003, on the transfer of assets and liabilities of the securities segment of the then Khadim Ali Shah Bukhari and Company Limited under a scheme of arrangement approved by the High Court of Sindh. The shares of the Company are listed on the Karachi Stock Exchange Limited. The registered office of the Company is situated at 5th Floor, Trade Centre, I.I. Chundrigar Road, Karachi.

The Company is a subsidiary of KASB Bank Limited (the Parent Company) which holds 77.12% of the shares of the Company. The ultimate parent of the Company is KASB Corporation Limited.

The Company has corporate membership of the Karachi Stock Exchange Limited (KSE) and Pakistan Mercantile Exchange Limited (PMEX) and is principally engaged in the business of stocks, money market, foreign exchange and commodity broking. Other activities include investment in a mix of listed and unlisted equity and debt securities, economic research and advisory services.

1.2 These are separate interim condensed financial statements of the Company in which investment in subsidiary is reported on the basis of direct equity interest and is not consolidated.

1.3 During previous year November 2014 the Federal Government issued an order whereby, a moratorium was imposed on KASB Bank Limited which is the Company's Parent Company. Subsequent to the said imposition of moratorium, the Securities and Exchange Commission of Pakistan (SECP) issued directives on November 17, 2014 pursuant to which the Company's trading activities in the KSE and the PMEX were suspended with effect from November 18, 2014.

1.4 Subsequent to the aforementioned suspension of trading operations of the Company, the SECP vide its directive dated December 02, 2014 issued to the KSE, allowed the KSE to reinstate the trading facilities of the Company in the ready market subject to the certain restrictions. The SECP further issued a directive to the KSE on February 03, 2015 and March 25, 2015, allowing KSE to grant certain relaxations to the Company from the restrictions imposed earlier by the SECP. In view of this relaxations, the Company is now allowed to trade in the following manner:

- i. In the ready market, Company to execute buy orders against atleast 50% cash deposit and sell orders against atleast 50% pre-existing holding in CDS sub-accounts maintained with Company. In order to comply with these restrictions, the Company would be required to deposit 50% cash if net payable and deliver 50% securities on trade date i.e. T+0;
- ii. Trades executed on behalf of the Non-Broker Clearing Member clients shall be affirmed not later than one hour before closure of market;
- iii. Company may also be allowed to trade in the Deliverable Future Market only on behalf of its clients and no proprietary exposure will be allowed in this segment; and
- iv. Company shall submit to KSE, weekly reconciliations of clients cash balances as per back office record with the designated clients account available in their banks.
- v. Company may also be allowed to execute IDS transaction of its institutional clients as per the regulatory framework of NCCPL without the restriction obtain affirmation of the same not later than one hour before close of market, against margin deposit of upto Rs. 100 million. The subject exposure margins should be deposited by KSL from its own resources or by collection from subject NBCM client.

Further, the PMEX vide its letter dated January 23, 2015 also allowed the Company to resume its trading activities subject to certain conditions which mainly relates to initial increase in auto liquidation threshold and deposit margin requirements with gradual reduction within a period of 4 weeks and after February 23, 2015 onward back to normal margin.

2. STATEMENT OF COMPLIANCE

2.1 These interim condensed financial statements of the Company for the quarter ended March 31, 2015 have been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting" and provisions of the Companies Ordinance, 1984 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements differ, the provisions of the Companies Ordinance, 1984 and the said directives have been followed.

2.2 These 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 December 31, 2014.

These interim condensed financial statements are un-audited.

3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these interim condensed financial statements are consistent with those of the previous financial year except as follows:

New, amended and revised standards and interpretations of International Financial Reporting Standards (IFRSs).

The Company has adopted the following revised standards, amendments and interpretation of IFRSs which became effective for the current period:

- IFRS 10 – Consolidated Financial Statements
- IFRS 11 – Joint Arrangements
- IFRS 12 – Disclosure of Interests in Other Entities
- IFRS 13 – Fair Value Measurement

The adoption of the above amendments to accounting standards and interpretations did not have any effect on the interim condensed financial statements.

4. PROPERTY AND EQUIPMENT

The details of additions and disposals during the period are as follows:

	Quarter ended (Un-audited)			
	March 31, 2015		March 31, 2014	
	Additions	Disposals	Additions	Disposals
	(Rupees in '000')			
Computers and office equipment	335	(1,062)	1,015	438
Furniture and fixtures	-	(313)	20	-
Vehicles - owned	-	-	3,190	-
	<u>335</u>	<u>(1,375)</u>	<u>4,225</u>	<u>438</u>

Note	(Un-audited) March 31, 2015	(Audited) December 31, 2014
	(Rupees in '000)	

5. INTANGIBLE ASSETS

Book value of:

- Membership card of KSE		1,350	1,350
- Membership card of PMEX		750	750
- Rooms at KSE	5.1	5,804	5,804
- Booths at KSE		950	950
		<u>8,854</u>	<u>8,854</u>

- 5.1 Currently, rooms at KSE are used by KASB Bank Limited (the Parent Company) under rental arrangements.

	Note	(Un-audited) March 31, 2015	(Audited) December 31, 2014
..... (Rupees in '000)			
6. LONG-TERM INVESTMENTS			
Subsidiary company		488,581	488,581
'Available-for-sale' investments	6.1	367,241	374,678
		<u>855,822</u>	<u>863,259</u>
6.1 'Available-for-sale' investments			
Name of the investee companies			
Quoted shares			
KASB Bank Limited - (the Parent Company)	6.1.1 & 6.1.4	28,795	39,519
Unquoted shares			
Karachi Stock Exchange Limited	6.1.2	3,595	3,595
Al Jomaih Power Limited	6.1.3 & 6.1.4	303,222	299,935
New Horizon Exploration and Production Limited			
- (Related Party)			
- Class 'A' ordinary shares	6.1.5	31,629	31,629
		<u>367,241</u>	<u>374,678</u>
6.1.1 These shares have been blocked by the Central Depository Company of Pakistan Limited in compliance with BPRD Circular No.4 dated May 22, 2008 issued by the State Bank of Pakistan. No activity (including pledge and withdrawal) in these shares is allowed without prior written permission of the State Bank of Pakistan.			
6.1.2 The Company's entitlement in respect of KSE's shares is determined on the basis of valuation of assets and liabilities of KSE as approved by the SECP and the Company has been allotted 4,007,383 shares of the face value of Rs 10/- each, out of which 2,404,430 shares are kept in the blocked account and the divestment of the same will be made in accordance with the requirements of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012 [the Act] within two years from the date of promulgation of the Act.			
6.1.3 The Company's investment in unquoted shares of Al Jomaih Power Limited valued at its fair value as at period end based on the net assets value of the investee Company as at December 31, 2013.			
6.1.4 Unrealized (loss) / gain on re-measurement of 'available for sale' investments - net			
KASB Bank Limited (Parent Company)		(10,724)	1,390
Al Jomaih Power Limited		3,287	(21,507)
		<u>(7,437)</u>	<u>(20,117)</u>
6.1.5 During the previous year, the management has carried out impairment testing of its investment in New Horizon Exploration and Production Limited, as required by IAS 36 – "Impairment of Assets". The recoverable amounts of this investment have been estimated using 'value in use' approach. Value in use computations are performed by taking into account the discount rate of 17.64%.			
In addition, the management has used various business assumptions for estimating future cash flows which are based on industry data, historical performance and trends for growth rates, market share etc. Based on such analysis, no impairment loss in respect of the Company's investment in New Horizon Exploration and Production Limited has been recognised in these interim condensed financial statements.			
7. SHORT-TERM INVESTMENTS			
'At fair value through profit or loss' - held for trading			
- Listed shares	7.1	9,659	11,156
- Term finance certificates	7.2	7,491	7,491
		<u>17,150</u>	<u>18,647</u>

Note	(Un-audited) March 31, 2015	(Audited) December 31, 2014
..... (Rupees in '000)		
7.1 Listed Shares		
- United Bank Limited	770	883
- Oil and Gas Development Corporation Limited	454	515
- Pakistan Petroleum Limited	2,134	2,436
- Pakistan Oilfields Limited	6,301	7,322
7.1.1	<u>9,659</u>	<u>11,156</u>

7.1.1 These shares are pledged with KSE against exposure margin.

7.2 Term Finance Certificates

- Pace Pakistan Limited (Face value of Rs. 5,000 each)	7.2.1	7,491	7,491
--	-------	-------	-------

7.2.1 The above TFCs are secured and carry mark-up at the rate of 6 months KIBOR +2% and will mature on February 15, 2017. These TFCs are currently rated as 'non-performing' by the Mutual Funds Association of Pakistan and accordingly, the purchase cost of the TFC amounts to Rs. 45.37 million and the Company has made a provision for decline in the value of investment to the extent of Rs. 37.88 million (December 31, 2014 Rs. 37.88 million) as at March 31, 2015.

8. TRADE DEBTS

Receivable against purchase of marketable securities			
- net of provisions	8.1	60,631	63,321
Inter-bank brokerage		6,495	4,324
Fees		376	372
		<u>67,502</u>	<u>68,017</u>

8.1 Considered good

Secured		77,997	27,878
Unsecured		2,399	3,173
		<u>80,396</u>	<u>31,051</u>

Considered doubtful

Provision for doubtful debts	8.2	99,353	151,388
		<u>(119,118)</u>	<u>(119,118)</u>

8.2 Reconciliation of provisions against trade debts

Opening balance		119,118	120,188
Reversal of provision during the period / year		-	(1,070)
		<u>119,118</u>	<u>119,118</u>

8.2.1 Provision against doubtful debts has been made after considering the market value of listed shares amounting to Rs. 19.77 million (December 31, 2014: Rs. 32.27 million) held in custody by Company against the respective customers accounts.

9. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Advances, deposits, prepayments and other receivables as at March 31, 2015 includes exposure deposits placed with KSE and PMEX amounting to Rs. 218.76 million (December 31, 2014: Rs. 212.82 million) and Rs. 0.95 million (December 31, 2014: Rs. 0.94 million) respectively.

	Note	(Un-audited) March 31, 2015	(Audited) December 31, 2014
10. CASH AND BANK BALANCES			
..... (Rupees in '000)			
Cash at bank in:			
- Current accounts		133,443	274,597
- Saving accounts	10.1	490,391	377,970
	10.1 & 10.2	623,834	652,567
Cash in hand		158	7
Stamps in hand		12	6
		624,004	652,580
10.1 These carry profit at the rates ranging from 5% to 8.75% (December 31, 2014: 1.25% to 9.25%) per annum.			
10.2 This includes Rs. 379.27 million (December 31, 2014: Rs. 371.05 million) with KASB Bank Limited (the Parent Company). On November 14, 2014 the Federal Government have imposed a moratorium for 6 months on the KASB Bank Limited under the applicable banking laws. During the moratorium period the depositors (including the Company) would not be allowed to withdraw over Rs. 0.3 million from the accounts maintained with the KASB Bank Limited. As a result, the above referred balance shall not be available to the Company until the expiry of moratorium period.			
11. LONG-TERM LOAN			
Long-term loan from KASB Bank Limited (the Parent Company)		150,000	150,000
This represents long-term loan obtained from the Parent Company. The loan carries mark-up at the rate of 3 month KIBOR + 2.5% per annum and payable on quarterly basis starting from September 2013 to January 2016. The principal amount will be paid as a bullet payment in January 2016. The loan is secured by way of first pari passu hypothecation charge over all present and future current assets of the Company.			
12. TRADE AND OTHER PAYABLE			
Trade creditors		454,098	455,170
Accrued expenses		98,901	95,588
Withholding tax		24,683	26,384
Unclaimed dividends		609	609
Dividend payable		795	798
Others		1,370	1,390
		580,456	579,939
13. CONTINGENCIES AND COMMITMENTS			
There were no material contingencies as at period / year end.			
(Un-audited)			
Quarter ended March 31,			
2015 2014			
..... (Rupees in '000)			
14. OPERATING REVENUE			
Brokerage		36,960	135,065
Subscription research income		391	1,048
Financial advisory fee		-	693
Custody services		240	2,088
		37,591	138,894
15. MARK-UP / PROFIT ON BANK DEPOSITS, INVESTMENTS AND OTHER RECEIVABLES			
Profit on bank deposits		17,118	9,648
Profit on term finance certificates		-	62
Profit on long-term receivable		-	1,460
		17,118	11,170

16. RELATED PARTY TRANSACTIONS

The related parties of the Company comprise of KASB Bank Limited (the Parent Company), associated undertakings (including companies under common directorship), employee benefit plans and its key management personnel. The balances with related parties as at March 31, 2015 and December 31, 2014 and transactions with related parties during the quarter ended March 31, 2015 and March 31, 2014 are as follows:

----- As at March 31, 2015 (Un-audited) -----

	Parent company	Subsidiary / associated	Key management personnel	Others	Total
----- (Rupees in '000) -----					
BALANCES					
Long-term deposits	-	142	-	-	142
Trade debts	3	36	19	30	88
Profit receivable on bank deposit	79	-	-	-	79
Receivable against expenses	1,738	79	52	1	1,870
Bank balances	379,266	-	-	-	379,266
Trade payables	-	-	10,723	-	10,723
Long-term loan	150,000	-	-	-	150,000
Payable against expenses	131	422	-	-	553
Prepaid rent	305	-	-	-	305
Accrued mark-up	4,539	-	-	-	4,539

----- As at December 31, 2014 (Audited) -----

	Parent company	Subsidiary / associated	Key management personnel	Others	Total
----- (Rupees in '000) -----					
BALANCES					
Long-term deposits	-	142	-	-	142
Trade debts	10	33	50	61	154
Profit receivable on bank deposit	90	-	-	-	90
Receivable against expenses	2,024	166	-	7	2,197
Bank balances	371,050	-	-	-	371,050
Trade payables	-	-	2,098	-	2,098
Long-term loan	150,000	-	-	-	150,000
Payable against expenses	294	3,157	-	-	3,451
Prepaid rent	533	-	-	-	533
Accrued mark-up	52	-	-	-	52

..... Quarter ended March 31, 2015 (Un-audited)

	Parent company	Subsidiary / associated	Key management personnel	Others	Total
..... (Rupees in '000)					
TRANSACTIONS					
Income					
Brokerage income earned	-	-	47	12	59
Custody services	1	31	13	-	45
Profit on bank deposits	6,177	-	-	-	6,177
Rental income	1,292	-	-	-	1,292
Expenses					
Charge in respect of contributory plan	-	-	-	1,555	1,555
Communication expenses	272	2,180	-	-	2,452
Mark-up expense	4,486	-	-	-	4,486
Reimbursement of expenses	98	454	228	3	783
Remuneration to management personnel	-	-	25,953*	-	25,953
Rent expense	228	-	-	-	228
Other transactions					
Loans repayment	-	-	829	-	829

*This includes remuneration paid to Chief Executive Officer resigned during the period.

..... Quarter ended March 31, 2014 (Un-audited)

	Parent company	Subsidiary / associated	Key management personnel	Others	Total
..... (Rupees in '000)					
TRANSACTIONS					
Income					
Brokerage income earned	146	-	233	86	465
Custody services	1	25	10	-	36
Profit on bank deposits	7,579	-	-	-	7,579
Rental income	1,140	-	-	-	1,140
Other	-	-	-	127	127
Expenses					
Bank charges	138	-	-	-	138
Charge in respect of contributory plan	-	-	-	1,625	1,625
Communication expenses	-	2,539	-	-	2,539
Donation	-	-	-	510	510
Mark-up expense	3,159	-	-	-	3,159
Reimbursement of expenses	327	656	298	10	1,291
Remuneration to management personnel	-	-	31,457	-	31,457
Rent expense	909	-	-	-	909
Other transactions					
Loans disbursed	-	-	475	-	475
Loans repayment	-	-	280	-	280
Investments of Mutual Funds units	-	-	-	125,000	125,000
Mutual Funds bonus units issued	-	-	-	3,498	3,498
Mutual Funds units redeemed	-	-	-	25,000	25,000

17. DATE OF AUTHORISATION

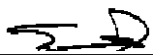
These interim condensed financial statements have been authorised for issue by the Board of Directors of the Company on April 29, 2015.

18. GENERAL

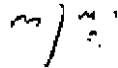
18.1 Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purpose of comparison. However, there are no material reclassification to report.

18.2 The Board of Directors of the Company proposed a cash dividend of Rs. Nil per share for the year ended December 31, 2014 amounting to Rs. Nil at its meeting held on March 19, 2015 for the approval of members at the Annual General Meeting to be held on April 28, 2015.

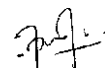
18.3 Figures have been rounded off to the nearest thousands.



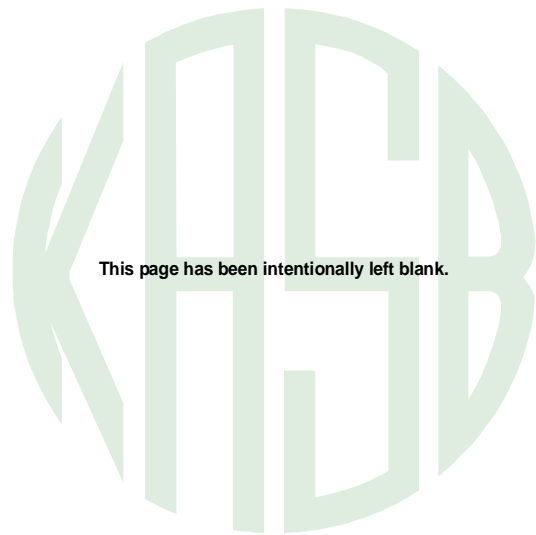
Salman Naqvi
Chairman



Irfan Nadeem
Chief Executive Officer



Asad Mustafa Shafqat
Chief Financial Officer



This page has been intentionally left blank.

**CONSOLIDATED INTERIM
CONDENSED FINANCIAL STATEMENTS**

**CONSOLIDATED INTERIM CONDENSED BALANCE SHEET
AS AT MARCH 31, 2015**

(Un-audited) (Audited)
March 31, December 31,
2015 2014
..... (Rupees in '000)

ASSETS

Non-current assets

Property and equipment	47,766	52,005
Intangible assets	8,854	8,854
Investment properties	375,000	375,000
Long-term investments	410,612	418,049
Long-term loans and advances	3,945	4,239
Long-term deposits and prepayments	5,983	6,443
Deferred tax asset - net	38,130	37,178
	890,290	901,768

Current assets

Short-term investments	17,150	18,647
Trade debts	67,502	68,017
Advances, deposits, prepayments and other receivables	243,997	234,350
Taxation - net	37,322	41,565
Cash and bank balances	627,219	656,000
	993,190	1,018,579
TOTAL ASSETS	1,883,480	1,920,347

EQUITY AND LIABILITIES

Share capital and reserves

Issued, subscribed and paid-up capital	1,000,000	1,000,000
General reserve	18,752	18,752
Unrealised gain on re-measurement of "available-for-sale" investments to fair value - net	125,976	133,413
Unappropriated profit	2,189	36,929
	1,146,917	1,189,094

Non-current liabilities

Long-term loan	150,000	150,000
----------------	---------	---------

Current liabilities

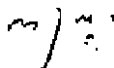
Trade and other payables	582,024	581,201
Accrued mark-up	4,539	52
	586,563	581,253
TOTAL EQUITY AND LIABILITIES	1,883,480	1,920,347

CONTINGENCIES AND COMMITMENTS

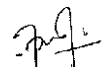
The annexed notes form an integral part of these consolidated interim condensed financial statements.



Salman Naqvi
Chairman



Irfan Nadeem
Chief Executive Officer


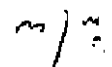
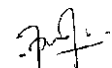


Asad Mustafa Shafqat
Chief Financial Officer

**CONSOLIDATED INTERIM CONDENSED PROFIT AND LOSS
ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2015**

	<u>Quarter ended March 31,</u>	
	<u>2015</u>	<u>2014</u>
 (Rupees in '000)	
Operating revenue	37,591	138,894
Net gain / (loss) on investments 'at fair value through profit and loss'		
Gain / (loss) on sale of investments - net	23,735	(201)
Unrealised (loss) / gain on re-measurement of investments	(1,497)	6,727
	22,238	6,526
Dividend income	978	347
Mark-up / profit on bank deposits, investments and other receivables	17,174	11,229
	77,981	156,996
Operating and administrative expenses	(101,236)	(112,005)
Reversal of provision against doubtful debts	-	775
	(101,236)	(111,230)
Operating (loss) / profit	(23,255)	45,766
Finance cost	(4,521)	(3,362)
	(27,776)	42,404
Other income	1,577	1,215
(Loss) / profit before taxation	(26,199)	43,619
Taxation		
Current - for the period	(9,493)	(18,982)
Deferred	952	54
	(8,541)	(18,928)
(Loss) / profit after taxation	(34,740)	24,691
Other comprehensive (loss) / income for the period:		
Net unrealised loss arising during the period on re-measurement of 'available-for-sale' investments - net	(7,437)	(22,547)
Total comprehensive (loss) / income for the period	(42,177)	2,144
(Rupees).....	
(Loss) / earnings per share - basic and diluted	(0.35)	0.25

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

		
Salman Naqvi Chairman	Irfan Nadeem Chief Executive Officer	Asad Mustafa Shafiq Chief Financial Officer

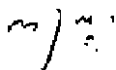
**CONSOLIDATED INTERIM CONDENSED CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2015**

	Quarter ended March 31,	
	2015	2014
 (Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	(26,199)	43,619
Non-cash adjustments to reconcile (loss) / profit before tax to net cash flows:		
Depreciation	4,063	2,888
(Gain) / loss on sale of investments - net	(23,735)	201
Gain on sale of property and equipments	(3)	(5)
Unrealised loss / (gain) on re-measurement of investments 'at fair value through profit or loss' - net	1,497	(6,727)
Reversal of provision against doubtful debts	-	(775)
Finance cost	4,521	3,362
Dividend income	(978)	(347)
	(14,635)	(1,403)
	(40,834)	42,216
Working capital adjustments:		
Decrease / (increase) in assets		
Trade debts	515	(153,591)
Advances, deposits, prepayments and other receivables	(9,566)	24,932
	(9,051)	(128,659)
Increase in current liabilities		
Trade and other payables	826	88,983
	(49,059)	2,540
Finance cost paid	(34)	(3,360)
Income tax paid	(5,250)	(9,640)
Net cash flows used in operating activities	(54,343)	(10,460)
CASH FLOW FROM INVESTING ACTIVITIES		
Investments 'at fair value through profit or loss' - net	23,735	(109,796)
Purchase of property and equipment	(335)	(4,204)
Proceeds from disposal of property and equipment	514	18
Dividend received	897	347
Net cash flows generated from / (used in) investing activities	24,811	(113,635)
CASH FLOW FROM FINANCING ACTIVITIES		
Long-term loans and advances	294	(1,339)
Long-term deposits and prepayments	460	(82)
Dividend paid	(3)	(16)
Net cash flows generated from / (used in) financing activities	751	(1,437)
Net decrease in cash and cash equivalents	(28,781)	(125,532)
Cash and cash equivalents at the beginning of the period	656,000	340,805
Cash and cash equivalents at the end of the period	627,219	215,273

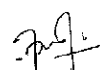
The annexed notes form an integral part of these consolidated interim condensed financial statements.



Salman Naqvi
Chairman



Irfan Nadeem
Chief Executive Officer




Asad Mustafa Shafiqat
Chief Financial Officer

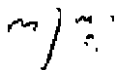
**CONSOLIDATED INTERIM CONDENSED STATEMENT OF CHANGES
IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2015**

	Share capital	General reserve	Unappro- priated profit / loss)	Unrealised gain / (loss) on remeasurement of 'available- for-sale' investments to fair value - net	Total
..... (Rupees in '000)					
Balance as at January 01, 2014	1,000,000	18,752	(21,747)	153,530	1,150,535
Total comprehensive income for the period	-	-	24,691	(22,547)	2,144
Balance as at March 31, 2014	1,000,000	18,752	2,944	130,983	1,152,679
Total comprehensive income for the period	-	-	83,985	2,430	86,415
Dividend paid during the period	-	-	(50,000)	-	(50,000)
Balance as at December 31, 2014	1,000,000	18,752	36,929	133,413	1,189,094
Total comprehensive loss for the period	-	-	(34,740)	(7,437)	(42,177)
Balance as at March 31, 2015	1,000,000	18,752	2,189	125,976	1,146,917

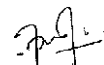
The annexed notes form an integral part of these consolidated interim condensed financial statements.



Salman Naqvi
Chairman



Irfan Nadeem
Chief Executive Officer



Asad Mustafa Shafiq
Chief Financial Officer

NOTES TO THE CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE QUARTER ENDED MARCH 31, 2015

1. STATUS AND NATURE OF BUSINESS

The Group comprises of:

Holding company

-KASB Securities Limited

Subsidiary company

-Structured Venture (Private) Limited

- 1.1 KASB Securities Limited (the Company) was incorporated in Pakistan on October 24, 2000 under the Companies Ordinance, 1984 and commenced its operations effective January 1, 2003, on the transfer of assets and liabilities of the securities segment of the then Khadim Ali Shah Bukhari and Company Limited under a scheme of arrangement approved by the High Court of Sindh. The shares of the Group are listed on the Karachi Stock Exchange Limited. The registered office of the Group is situated at 5th Floor, Trade Centre, I.I. Chundrigar Road, Karachi.

The Group is a subsidiary of KASB Bank Limited (the Parent Company) which holds 77.12% of the shares of the Group. The ultimate parent of the Group is KASB is KASB Corporation Limited.

The Group has corporate membership of the Karachi Stock Exchange Limited (KSE) and Pakistan Mercantile Exchange Limited (PMEX) and is principally engaged in the business of stocks, money market, foreign exchange and commodity broking. Other activities include investment in a mix of listed and unlisted equity and debt securities, economic research and advisory services.

Structured Venture (Private) Limited (the subsidiary) was incorporated in Pakistan on June 25, 2010 under the Companies Ordinance, 1984. The registered office of the Company is situated at 5th Floor, Trade Centre, I.I. Chundrigar Road, Karachi.

The subsidiary is wholly owned by KASB Securities Limited.

The subsidiary's core objective is to capitalize on opportunities across different asset classes, including but not limited to, commodities, structured products, real estate etc. In addition, the subsidiary can, subject to regulatory approvals, invest / participate in selected local and foreign business ventures.

- 1.2 During previous year November 2014 the Federal Government issued an order whereby, a moratorium was imposed on KASB Bank Limited which is the Group's Parent Company. Subsequent to the said imposition of moratorium, the Securities and Exchange Commission of Pakistan (SECP) issued directives on November 17, 2014 pursuant to which the Holding Company's trading activities in the KSE and the PMEX were suspended with effect from November 18, 2014.
- 1.3 Subsequent to the aforementioned suspension of trading operations of the Holding Company, the SECP vide its directive dated December 02, 2014 issued to the KSE, allowed the KSE to reinstate the trading facilities of the Holding Company in the ready market subject to the certain restrictions. The SECP further issued a directive to the KSE on February 03, 2015 and March 25, 2015, allowing KSE to grant certain relaxations to the Holding Company from the restrictions imposed earlier by the SECP. In view of this relaxations, the Holding Company is now allowed to trade in the following manner:
- In the ready market, Holding Company to execute buy orders against atleast 50% cash deposit and sell orders against atleast 50% pre-existing holding in CDS sub-accounts maintained with Holding Company. In order to comply with these restrictions, the Holding Company would be required to deposit 50% cash if net payable and deliver 50% securities on trade date i.e. T+0;
 - Trades executed on behalf of the Non-Broker Clearing Member clients shall be affirmed not later than one hour before closure of market;
 - Holding Company may also be allowed to trade in the Deliverable Future Market only on behalf of its clients and no proprietary exposure will be allowed in this segment; and

- iv. Holding Company shall submit to KSE, weekly reconciliations of clients cash balances as per back office record with the designated clients account available in their banks.
- v. Holding Company may also be allowed to execute IDS transaction of its institutional clients as per the regulatory framework of NCCPL without the restriction obtain affirmation of the same not later than one hour before close of market, against margin deposit of upto Rs. 100 million. The subject exposure margins should be deposited by KSL from its own resources or by collection from subject NBCM client.

Further, the PMEX vide its letter dated January 23, 2015 also allowed the Holding Company to resume its trading activities subject to certain conditions which mainly relates to initial increase in auto liquidation threshold and deposit margin requirements with gradual reduction within a period of 4 weeks and after February 23, 2015 onward back to normal margin.

2. BASIS OF PREPARATION

These consolidated interim condensed financial statements have been prepared under the historical cost convention except for investments which are carried at fair value.

3. STATEMENT OF COMPLIANCE

These consolidated interim condensed financial statements of the Group for the quarter ended March 31, 2015 have been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting" and provisions of the Companies Ordinance, 1984 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements differ, the provisions of the Companies Ordinance, 1984 and the said directives have been followed.

These Consolidated 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 December 31, 2014.

These Consolidated interim condensed financial statements are un-audited.

4. ACCOUNTING POLICIES

The accounting policies and methods of computation followed in the preparation of these consolidated interim condensed financial statements are consistent with those followed in the preparation of the Group consolidated annual published financial statements for the year ended December 31, 2014.

5. BASIS OF CONSOLIDATION

The financial statements of the subsidiary are included in the consolidated interim condensed financial statements from the date the control commences until the date the control ceases. In preparing consolidated interim condensed financial statements, the financial statements of the Holding Company and subsidiary are consolidated on a line by line basis by adding together the like items of assets, liabilities, income and expenses. Significant intercompany transactions have been eliminated.

6. DATE OF AUTHORISATION

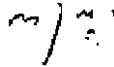
These consolidated interim condensed financial statements have been authorised for issue by the Board of Directors of the Group on April 29, 2015.

7. GENERAL

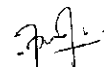
- 7.1 Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purpose of comparison. However, there are no material reclassification to report.
- 7.2 The Board of Directors of the Group proposed a cash dividend of Re. Nil per share for the year ended December 31, 2014 amounting to Rs. Nil at its meeting held on March 19, 2015 for the approval of members at the Annual General Meeting to be held on April 28, 2015.
- 7.3 Figures have been rounded off to the nearest thousands.



Salman Naqvi
Chairman



Irfan Nadeem
Chief Executive Officer



Asad Mustafa Shafiq
Chief Financial Officer

This page has been intentionally left blank.

This page has been intentionally left blank.



TRADE EASY

To facilitate you better, we announce the KASB DIRECT smart phone APPLICATION which enables you to trade from anywhere and everywhere!

Available on the iPhone
App Store

ANDROID APP ON
Google play

Desktop version also available.

www.kasbdirect.com
0800 - 52722



Ranked #1 Commodity Broker for 2012, 2013 & 2014 by PMEX

You can now trade online Gold, Oil & Silver and avail a unique opportunity to invest in foreign markets via the Pakistan Mercantile Exchange.



Why Commodities?

- Long and short positions
- Up to 22 x leverage
- Return on idle funds
- Liquid Investment
- Hedge against currency devaluation
- Hedge against inflation

Why KASB Securities?

- Market Leader
- Extensive foreign markets experience
- Technical and fundamental research reports
- Tried and tested superior client service
- Lowest commissions
- Robust risk management



5th Floor, Trade Centre,
I.I. Chundrigar Road, Karachi,
UAN: +92 21 111 222 000 Fax: +92 21 3263 0202
E-mail: kashno@kash.com URL: www.kash.com