



**ISE TOWERS REIT MANAGEMENT COMPANY LIMITED
CONDENSED INTERIM FINANCIAL STATEMENTS**

FOR THE NINE MONTHS ENDED

MARCH 31, 2017

**ISE TOWERS REIT MANAGEMENT COMPANY LIMITED
(FORMERLY ISLAMABAD STOCK EXCHANGE LIMITED)
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2017**

		March 31, 2017	June 30, 2016
	Note	----- Rupees -----	
		Unaudited	Audited
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	6	931,999,240	982,421,543
Intangible assets		269,548	328,471
Investment property		3,233,745,265	3,233,745,265
Long term investments - under equity method	7	149,664,503	138,278,490
Long term investment - available for sale	8	69,412,424	58,655,904
Long term advances		200,004	16,667
Long term security deposits		15,349,816	15,346,816
Deferred tax		93,648,918	93,274,909
		<u>4,494,289,718</u>	<u>4,522,068,065</u>
CURRENT ASSETS			
Account receivables	9	319,891	1,784,080
Advances		6,296,674	4,810,822
Deposits and prepayments		2,532,228	766,123
Interest accrued		376,159	111,300
Other receivables	10	22,977,065	30,599,144
Tax refund due from government	11	57,272,216	79,446,227
Short term investment - held to maturity	12	76,947,000	-
Cash and bank balances	13	42,343,258	43,805,974
		<u>209,064,491</u>	<u>161,323,670</u>
TOTAL ASSETS		<u><u>4,703,354,209</u></u>	<u><u>4,683,391,735</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL & RESERVES			
Share capital	14	3,671,869,630	3,671,869,630
Accumulated profit		559,178,595	462,958,872
Surplus on remeasurement of available for sale investment to fair value		22,249,270	11,492,750
		<u>4,253,297,495</u>	<u>4,146,321,252</u>
SURPLUS ON REVALUATION OF FIXED ASSETS		137,319,844	139,073,570
NON-CURRENT LIABILITIES			
Advances, deposits and other receipts		33,447,774	101,287,344
Deferred liabilities		12,547,591	11,372,013
		45,995,365	112,659,357
CURRENT LIABILITIES			
Accrued and other payables	15	95,094,062	113,199,862
Accrued mark-up		-	130,757
Advances and deposits		151,901,956	149,829,888
Taxation - net	16	19,745,487	22,177,049
		266,741,505	285,337,556
CONTINGENCIES AND COMMITMENTS	17	-	-
TOTAL EQUITY AND LIABILITIES		<u><u>4,703,354,209</u></u>	<u><u>4,683,391,735</u></u>

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.


CHAIRMAN


CHIEF EXECUTIVE OFFICER

**ISE TOWERS REIT MANAGEMENT COMPANY LIMITED
(FORMERLY ISLAMABAD STOCK EXCHANGE LIMITED)
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2017**

	Note	Nine months ended March 31,		Quarter ended March 31,	
		2017	2016	2017	2016
----- Rupees -----					
Income					
Operating income	18	169,483,773	142,771,912	57,307,412	51,445,653
Administrative expenses					
Depreciation / amortization		(51,705,485)	(47,959,072)	(17,106,719)	(15,893,052)
Others	19	(29,205,832)	(36,511,087)	(6,222,351)	(9,211,494)
		(80,911,317)	(84,470,159)	(23,329,070)	(25,104,546)
Other operating income	20	25,495,056	38,172,496	7,885,761	10,859,024
Finance cost		(40,558)	(165,114)	(10,264)	(22,266)
Operating profit		114,026,953	96,309,134	41,853,839	37,177,865
Share of profits from associated companies		22,757,225	12,893,665	8,445,437	2,403,883
Profit before taxation		136,784,178	109,202,799	50,299,276	39,581,748
Taxation		(42,218,947)	(38,501,411)	(13,679,902)	(12,930,420)
Profit after taxation		94,565,231	70,701,388	36,619,374	26,651,328
Loss for the period from discontinued operation - net of tax	21	-	(56,885,683)	-	(19,613,823)
		94,565,231	13,815,705	36,619,374	7,037,505
Earning per share					
- basic and diluted	22	0.26	0.04	0.10	0.02

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.


CHAIRMAN


CHIEF EXECUTIVE OFFICER

**ISE TOWERS REIT MANAGEMENT COMPANY LIMITED
(FORMERLY ISLAMABAD STOCK EXCHANGE LIMITED)
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2017**

	Nine months ended March 31,		Quarter ended March 31,	
	2017	2016	2017	2016
	----- Rupees -----			
Profit after taxation	94,565,231	13,815,705	36,619,374	7,037,505
Other comprehensive income				
Share of other comprehensive loss of associated companies - net of tax	(99,234)	(607,556)	(4,351)	(259,088)
Surplus on remeasurement of available for sale investment to fair value	10,756,520	2,871,184	3,769,651	2,062,126
Other comprehensive income after tax	10,657,286	2,263,628	3,765,300	1,803,038
Total comprehensive income for the period	<u>105,222,517</u>	<u>16,079,333</u>	<u>40,384,674</u>	<u>8,840,543</u>

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.


CHAIRMAN


CHIEF EXECUTIVE OFFICER

**ISE TOWERS REIT MANAGEMENT COMPANY LIMITED
(FORMERLY ISLAMABAD STOCK EXCHANGE LIMITED)
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2017**

	March 31, 2017	March 31, 2016
Note	----- Rupees -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Cash generated from operations	23 156,810,873	59,810,243
Gratuity paid	(2,181,182)	(27,222,298)
Compensated absences paid	(677,881)	(5,007,517)
Income tax paid	(22,850,507)	(22,528,708)
Net cash generated from operating activities	<u>131,101,303</u>	<u>5,051,720</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(1,224,259)	(8,685,133)
Proceeds from sale of assets	-	13,043,613
Proceeds from sale of investment property	-	15,224,000
Interest received	1,718,389	4,086,799
Investment made during the period	(76,947,000)	(65,918,000)
Dividend received	11,771,978	29,011,730
Net cash used in investing activities	<u>(64,680,892)</u>	<u>(13,236,991)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Advances, deposits and other receipts	(67,839,570)	(54,951,417)
Security deposit paid	(3,000)	-
Loan repaid	-	(118,858,132)
Dividend paid	-	(45,898,371)
Financial charges paid	(40,558)	(6,808,302)
Net cash used in financing activities	<u>(67,883,127)</u>	<u>(226,516,222)</u>
Net decrease in cash and cash equivalents	<u>(1,462,716)</u>	<u>(234,701,493)</u>
Cash and cash equivalents at beginning of the period	43,805,974	246,620,817
Cash and cash equivalents at end of the period	<u><u>42,343,258</u></u>	<u><u>11,919,324</u></u>

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.


CHAIRMAN


CHIEF EXECUTIVE OFFICER

**ISE TOWERS REIT MANAGEMENT COMPANY LIMITED
(FORMERLY ISLAMABAD STOCK EXCHANGE LIMITED)
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2017**

	Share capital	Surplus on remeasurement of available for sale investment to fair value	Reserves			Total
			Unrealized surplus on remeasurement of investments	Asset replacment fund	Unappropriated income	
Rupees						
Balance as at June 30, 2015 (Audited)	3,671,869,630	5,673,235	1,390,920	-	332,776,546	4,011,710,331
Total comprehensive income for the period:						
Profit for the period after taxation	-	-	-	-	13,815,705	13,815,705
Transferred from surplus on revaluation of operating fixed assets - net of deferred tax	-	-	-	-	735,973	735,973
Transaction with owners						
Final dividend for the year ended June 30, 2015 at Re. 0.125 per share	-	-	-	-	(45,898,371)	(45,898,371)
Share of other comprehensive loss of associates	-	-	(607,556)	-	-	(607,556)
Surplus on remeasurement of available for sale investment	-	2,871,184	-	-	-	2,871,184
Balance as at March 31, 2016 (Unaudited)	<u>3,671,869,630</u>	<u>8,544,419</u>	<u>783,364</u>	<u>-</u>	<u>301,429,853</u>	<u>3,982,627,266</u>
Balance as at June 30, 2016 (Audited)	3,671,869,630	11,492,750	729,067	3,564,639	458,665,166	4,146,321,252
Total comprehensive income for the period:						
Profit for the period after taxation	-	-	-	-	94,565,231	94,565,231
Amount collected for asset replacment	-	-	-	11,137,493	(11,137,493)	-
Transferred from surplus on revaluation of operating fixed assets - net of deferred tax	-	-	-	-	1,753,726	1,753,726
Share of other comprehensive loss of associates	-	-	(99,234)	-	-	(99,234)
Surplus on remeasurement of available for sale investment	-	10,756,520	-	-	-	10,756,520
Balance as at March 31, 2017 (Unaudited)	<u>3,671,869,630</u>	<u>22,249,270</u>	<u>629,833</u>	<u>14,702,132</u>	<u>543,846,630</u>	<u>4,253,297,495</u>

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.


CHAIRMAN


CHIEF EXECUTIVE OFFICER

**ISE TOWERS REIT MANAGEMENT COMPANY LIMITED
(FORMERLY ISLAMABAD STOCK EXCHANGE LIMITED)
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2017**

1 LEGAL STATUS AND OPERATIONS

1.1 ISE Towers REIT Management Company Limited ("the Company") (Formerly Islamabad Stock Exchange Limited (ISE)) was incorporated in Islamabad, Pakistan on October 25, 1989, under the Companies Ordinance, 1984, as a company limited by guarantee. On August 27, 2012 the ISE, in accordance with the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012 (the Act), was converted to a public company limited by shares on issuance of certificate of re-registration by the Registrar of Companies. The principal activity of the ISE was to conduct, regulate and control the trade and business of stocks, shares, securities, bonds, government papers, loans and other investments or securities of like nature. On January 11, 2016, ISE changed its name and scope of business and get converted from ISE to a REIT company under the Companies Ordinance, 1984, as a consequence of Securities and Exchange Commission of Pakistan's approval of scheme of integration under the Act. The Company licensed as a Non-Banking Finance Company (NBFC) under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 by Securities and Exchange Commission of Pakistan to undertake and carry out REIT Management Services under Real Estate Investment Trust Regulations, 2015. The registered office of the Company is situated in ISE Tower, 55-B, Jinnah Avenue, Islamabad.

1.2 ISE entered into a Memorandum of Understanding (MoU) on August 25, 2015 with Karachi Stock Exchange Limited (KSE) and Lahore Stock Exchange Limited (LSE) with the objective to form an integrated stock exchange for development of capital market of Pakistan under the name of Pakistan Stock Exchange Limited (PSX). Accordingly the ISE proposed a scheme of integration in its AGM on October 27, 2015 to shift the stock exchange related business, the core business of the ISE, to KSE and change the name and scope of the Company subject to approval of the scheme by Securities and Exchange Commission of Pakistan (SECP). Accordingly, the TREC holdres of Islamabad Stock Exchange Limited were become TREC holders of PSX effective from January 11, 2016, in terms of Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012.

SECP has approved the scheme of integration under Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012 through its order number 01/2016 dated January 11, 2016. As a consequence of this approval of integration, the name and scope of the ISE has been changed. The new name of the Company is "ISE Towers REIT Management Company Limited" which has been licensed as a Non-Banking Finance Company (NBFC) under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information is unaudited and is being submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984.

This condensed interim financial information of the Company for the nine months ended March 31, 2017 are unaudited and has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984 (the Ordinance). In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

This condensed interim financial information does not include all the information and disclosures required for audited financial statements and should be read in conjunction with the audited financial statements of the Company as at and for the year ended June 30, 2016.

The comparative balance sheet presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Company for the year ended June 30, 2016, whereas the comparative condensed interim profit and loss accounts, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity are extracted from the unaudited financial information for the nine months ended March 31, 2016.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except for some operating fixed assets which have been stated at revalued amount, investment property at fair value and employee benefits at present value.

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

This condensed interim financial information has been presented in Pak Rupees, which is the functional and presentation currency of the Company.

3 ACCOUNTING POLICIES

3.1 The accounting policies adopted and methods of computation followed in the preparation of this condensed interim financial information are same as those for the preceding audited financial statements for the year ended June 30, 2016.

3.2 The other standards, amendments and interpretations of approved accounting standards that became effective during the period do not have a significant impact on the Company's condensed interim financial information.

4 TAXATION

The provision for taxation for the nine months ended March 31, 2017 has been made using the estimated effective tax rate applicable to expected total annual taxable income.

5 ESTIMATES

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2016.

		March 31, 2017	June 30, 2016
----- Rupees -----			
	Note	Unaudited	Audited
6 PROPERTY AND EQUIPMENT			
Operating assets	6.1	931,346,740	979,406,088
Capital work in progress		652,500	3,015,455
		<u>931,999,240</u>	<u>982,421,543</u>
6.1 Operating assets			
Opening written down value		979,406,088	1,040,170,027
Additions during the period / year	6.1.1	3,587,214	9,698,479
Transfer from investment property		-	142,948,835
Transfer to investment property		-	(216,284,763)
Deletions (net book value) during the period / year		-	(5,240,448)
Depreciation charge for the period / year		(51,646,562)	(69,595,071)
Revaluation		-	77,709,029
Closing written down value		<u>931,346,740</u>	<u>979,406,088</u>
6.1.1 Additions during the period / year			
Building		-	2,914,884
Electrical equipment		117,890	298,935
HVAC equipment		-	1,110,010
Security equipment		69,900	1,032,461
IT equipment		25,553	3,832,633
Furniture & fixture		3,257,821	329,100
Office equipment		-	180,456
Computers & accessories		116,050	-
		<u>3,587,214</u>	<u>9,698,479</u>

		March 31, 2017	June 30, 2016
----- Rupees -----			
	Note	Unaudited	Audited
7 LONG TERM INVESTMENTS - UNDER EQUITY METHOD			
National Clearing Company of Pakistan Limited (NCCPL)		145,514,477	134,458,597
Pakistan Mercantile Exchange Limited (PMEX)	7.1	-	-
JCR-VIS Credit Rating Company Limited (JCR-VIS)		4,150,026	3,819,893
		<u>149,664,503</u>	<u>138,278,490</u>

7.1 Pakistan Mercantile Exchange Limited (PMEX)

Investment - at cost		61,886,355	61,886,355
Share in post acquisition loss brought forward	7.1.1	(61,886,355)	(61,886,355)
		<u>-</u>	<u>-</u>

7.1.1 The Company has not recognised loss amounting to Rs. 0.678 million (June 30, 2016: Profit of Rs. 5.125 million). While, the accumulated losses not recognised were Rs. 9.841 million (June 30, 2016: Rs. 19.310 million). The share of profit will be recognized only after its share of the profits exceeds the share of losses not recognized.

7.2 The balances of all long term investments have been presented based on management accounts of associated companies.

8 LONG TERM INVESTMENT - AVAILABLE FOR SALE

		March 31, 2017	June 30, 2016
----- Rupees -----			
		Unaudited	Audited
Central Depository Company of Pakistan Limited		47,163,154	47,163,154
Fair value adjustment		22,249,270	11,492,750
		<u>69,412,424</u>	<u>58,655,904</u>

8.1 The balance of long term investment has been presented based on management accounts of Central Depository Company of Pakistan Limited.

9 ACCOUNT RECEIVABLES

(Unsecured-considered good)			
Due from building tenants		319,891	1,784,080
		<u>319,891</u>	<u>1,784,080</u>

		March 31,	June 30,
		2017	2016
		----- Rupees -----	
	Note	Unaudited	Audited
10 OTHER RECEIVABLES			
Receivable from members	10.1	1,173,226	1,173,226
Receivable from building occupants	10.2	18,681,278	25,146,494
Due from sub lessees	10.3	500,000	500,000
Others		2,622,561	3,779,424
		<u>22,977,065</u>	<u>30,599,144</u>

10.1 This includes the amount receivable from members against the inactive fee and amount paid to NCCPL on behalf of one member at the rate of Rs. 200,000 per member pursuant to the decision of the Company's Board.

10.2 This represents receivables from occupants of building on account of rentals, utilities and other maintenance services.

10.3 This represents receivables from parties to whom office spaces in ISE Towers have been sold/sub leased.

		March 31,	June 30,
		2017	2016
		----- Rupees -----	
	Note	Unaudited	Audited
11 TAX REFUND DUE FROM GOVERNMENT			
Refunds as per income tax returns (accumulated)	11.1	79,446,227	33,005,449
Adjustment for the period / year		(22,174,011)	46,440,778
		<u>57,272,216</u>	<u>79,446,227</u>

11.1 This includes an amount of Rs.13.814 million (2016: Rs.13.814 million) payable against Worker's Welfare fund before the decision of the Lahore High Court which has been adjusted against the income tax refund as per opinion of the tax consultant.

		March 31,	June 30,
		2017	2016
		----- Rupees -----	
	Note	Unaudited	Audited
12 SHORT TERM INVESTMENT			
Held to maturity			
Treasury Bills	12.1	76,947,000	-
		<u>76,947,000</u>	<u>-</u>

12.1 This represents investment in treasury bills (T-Bills) having maturity on May 25, 2017 and carries yield rate of 5.94% per annum.

		March 31,	June 30,
		2017	2016
		----- Rupees -----	
		Unaudited	Audited
13	CASH AND BANK BALANCES		
	Cash at banks		
	Saving accounts		
	- Local currency	13.1 42,073,427	43,560,635
	- Foreign currency	230,558	230,369
		<u>42,303,985</u>	<u>43,791,004</u>
	Cash in hand	39,273	14,970
		<u>42,343,258</u>	<u>43,805,974</u>

13.1 Balances in PLS accounts carry effective interest rate ranging between 3.5% to 5.0% (2016: 4% to 5.5%) per annum.

March 31,	June 30,
2017	2016
----- Rupees -----	
Unaudited	Audited

14 SHARE CAPITAL

14.1 Issued, subscribed and paid up capital:

Number of ordinary shares				
of Rs.10/-each				
31-Mar-17	30-Jun-16			
		Ordinary shares issued for		
		consideration other than		
		cash		
<u>367,186,963</u>	<u>367,186,963</u>		<u>3,671,869,630</u>	<u>3,671,869,630</u>

14.2 Authorized share capital

Authorized share capital represents 700,000,000 (June 30, 2016: 700,000,000) ordinary shares of Rs. 10 each amounting to Rs. 7,000,000,000 (June 30, 2016: Rs. 7,000,000,000).

March 31,	June 30,
2017	2016
----- Rupees -----	
Unaudited	Audited

15 ACCRUED AND OTHER PAYABLES

Proceeds from sale of assets of members in default	7,781,644	8,926,678
Payable to sub lessees	13,408,011	13,408,011
Accrued liabilities	67,179,033	82,277,962
Withholding tax payable	80,910	1,602,931
Unclaimed dividend	2,449,870	2,449,870
Other payables	4,194,594	4,534,410
	<u>95,094,062</u>	<u>113,199,862</u>

16 TAXATION - NET

Opening balance	(22,177,049)	-
Adjusted against refund due from government	22,174,011	-
Prior year adjustment	3,038	-
	-	-
Tax withheld during the period / year	22,850,507	30,030,070
Provision for the period / year	(42,595,994)	(52,207,119)
	<u>(19,745,487)</u>	<u>(22,177,049)</u>

17 Contingencies

There has been no significant change in the status of contingent liabilities disclosed as at June 30, 2016.

17.1 Commitment

- a) The Company has entered into Ijarah arrangement with "M/s First Habib Modaraba" for Vehicle. Commitment of Ijarah rentals under this agreement are as follows:

	March 31,	June 30,
	2017	2016
	Rupees	Rupees
Not later than one year	755,804	755,804
Later than one year but not later than 5 years	-	566,853
	<u>755,804</u>	<u>1,322,657</u>

Nine months ended March 31,		Quarter ended March 31,	
2017	2016	2017	2016
----- Rupees -----			
----- Unaudited -----			

18 OPERATING INCOME

Rental income from investment

property	18.1	164,614,836	138,706,344	55,620,380	50,330,243
Other rentals		4,868,937	4,065,568	1,687,032	1,115,410
		<u>169,483,773</u>	<u>142,771,912</u>	<u>57,307,412</u>	<u>51,445,653</u>

18.1 Rental income from investment property includes the income from rented area of 136,778 sq ft (March 31, 2016: 135,338 sq ft).

Nine months ended March 31,		Quarter ended March 31,	
2017	2016	2017	2016
----- Rupees -----			
----- Unaudited -----			

19 OTHER ADMINISTRATIVE EXPENSES

Salaries and benefits	11,610,240	14,578,442	2,632,567	4,072,478
Directors' remuneration	370,000	540,000	170,000	-
Traveling and lodging	268,282	498,092	101,586	91,914
Postage, telephone and fax	675,043	656,874	212,275	201,335
Printing and stationery	726,031	976,980	100,716	73,234
News papers, books and periodicals	19,183	49,782	6,742	13,377
Publicity and advertisements	3,828	47,000	-	47,000
Rent, rates and taxes	6,826,561	1,782,620	477,170	888,510
Legal and professional charges	2,328,216	2,696,270	1,178,434	210,900
Auditors' remuneration	274,001	220,000	-	-
Contract services:				
Security	296,968	702,022	112,569	128,070
Janitorial	57,861	244,400	18,888	37,990
Others	24,876	37,875	6,000	12,625
Lease rentals	566,856	566,856	188,952	188,952
Repairs and maintenance	157,204	1,704,967	109,280	700,272
Meetings and entertainment	639,760	1,076,543	198,937	244,881
Trainings	-	43,535	-	-
MIS/trading technology charges	153,885	237,844	75,055	71,520
Electricity, gas and water	1,449,379	3,506,549	311,495	89,173
Insurance	2,040,375	2,546,914	79,505	752,012
Membership fee	-	16,000	-	16,000
Service charges	-	3,161,643	-	1,312,326
Marketing / R&D	278,633	-	206,633	-
Miscellaneous	438,650	619,879	35,547	58,925
	<u>29,205,832</u>	<u>36,511,087</u>	<u>6,222,351</u>	<u>9,211,494</u>

Nine months ended March 31,		Quarter ended March 31,	
2017	2016	2017	2016
----- Rupees -----			
----- Unaudited -----			

20 OTHER OPERATING INCOME

Income from financial assets:

Profit on bank deposits	1,983,112	3,702,885	879,130	504,548
Exchange gain	136	23,653	(249)	17,794
Dividend received	500,000	5,281,250	-	-

Income from non financial assets:

Gain/(loss) on sale of:

Operating fixed assets	-	8,162,976	-	8,190,968
Assets held for sale	-	10,039,323	-	-
Management fee	-	505,254	-	-
Room transfer fee	2,620,350	2,248,175	200,850	1,048,175
Recovery of doubtful receivables	-	1,032,245	-	-
Others	20.1	20,391,458	6,806,030	1,097,539

	<u>25,495,056</u>	<u>38,172,496</u>	<u>7,885,761</u>	<u>10,859,024</u>
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20.1 This includes car parking fees and equipment maintenance / replacement fee.

21 LOSS FOR THE YEAR FROM DISCONTINUED OPERATION - NET OFF TAX

Income pertaining to stock exchange operations

Less: Expenses pertaining to Stock Exchange operations

	-	7,228,627	-	65,025
21.2	-	(64,114,310)	-	(19,678,848)
	-	<u>(56,885,683)</u>	-	<u>(19,613,823)</u>

21.1 As per IFRS - 5 "Non-current Assets Held for Sale and Discontinued Operations" A discontinued operation is a component of an entity that has been disposed of and represents a separate major line of business. These discontinued operations represents the operations related to stock exchange which have been discontinued on January 11, 2016 as provided in note 1.2 of these financial statements. Income and expenses from discontinued operations have been allocated on the basis of estimates of expenses directly related to the stock exchange operations. Comparative figures are reclassified for the purpose of comparability.

21.2 Expenses pertaining to Stock Exchange operations

Particulars of expenses	31-Mar-17			31-Mar-16		
	Continued operations	Dis - Continued operation	Total	Continued operations	Dis - Continued operation	Total
DEPRECIATION & AMORTIZATION						
Depreciation	51,705,485	-	51,705,485	47,959,072	6,874,851	54,833,923
ADMINISTRATIVE EXPENSES						
Salaries and benefits	11,610,240	-	11,610,240	14,578,442	46,517,944	61,096,386
Directors' meeting fee	370,000	-	370,000	540,000	780,000	1,320,000
Travelling and lodging	268,282	-	268,282	498,092	1,001,352	1,499,444
Postage, telephone and fax	675,043	-	675,043	656,874	72,456	729,330
Printing and stationery	726,031	-	726,031	976,980	56,582	1,033,562
News papers, books and periodicals	19,183	-	19,183	49,782	-	49,782
Publicity and advertisements	3,828	-	3,828	47,000	-	47,000
Rent, rates and taxes	6,826,561	-	6,826,561	1,782,620	-	1,782,620
Legal and professional charges	2,328,216	-	2,328,216	2,696,270	1,911,814	4,608,084
Auditors remuneration	274,001	-	274,001	220,000	-	220,000
Contract services:						
- Security	296,968	-	296,968	702,022	-	702,022
- Janitorial	57,861	-	57,861	244,400	-	244,400
- Others	24,876	-	24,876	37,875	-	37,875
Lease rentals	566,856	-	566,856	566,856	-	566,856
Repairs and maintenance	157,204	-	157,204	1,704,967	70,744	1,775,711
Meetings and entertainment	639,760	-	639,760	1,076,543	170,393	1,246,936
Trainings	-	-	-	43,535	-	43,535
MIS/trading technology charges	153,885	-	153,885	237,844	1,601,694	1,839,538
Electricity, gas and water	1,449,379	-	1,449,379	3,506,549	-	3,506,549
Insurance	2,040,375	-	2,040,375	2,546,914	1,150,478	3,697,392
Membership fee	-	-	-	16,000	225,840	241,840
Demutualization expense	-	-	-	-	2,672,198	2,672,198
Service charges	-	-	-	3,161,643	-	3,161,643
Marketing expenses	278,633	-	278,633	-	939,474	939,474
Miscellaneous	438,650	-	438,650	619,879	68,490	688,369
	<u>80,911,317</u>	<u>-</u>	<u>80,911,317</u>	<u>84,470,159</u>	<u>64,114,310</u>	<u>148,584,469</u>

Nine months ended March 31,		Quarter ended March 31,	
2017	2016	2017	2016
----- Rupees -----			
----- Unaudited -----			

22 EARNING PER SHARE - BASIC AND DILUTED

Profit after tax (Rupees)	94,565,231	13,815,705	36,619,374	7,037,505
Weighted average number of shares in issue during the year	367,186,963	367,186,963	367,186,963	367,186,963
Basic and diluted earning per share (Rupee)	0.26	0.04	0.10	0.02

22.1 There is no dilutive effect on basic earnings per share of the company.

Note	March 31,	March 31,
	2017	2016
	----- Rupees -----	
	----- Unaudited -----	

23 CASH GENERATED FROM OPERATIONS

Profit before taxation		136,784,178	52,317,116
Adjustment for non-cash charges and other items:			
Depreciation/amortization		51,705,485	54,833,923
Profit on bank deposits		(1,983,112)	(3,702,885)
Exchange gain		(136)	(23,652)
Dividend income		(500,000)	(5,281,250)
Gain on sale of operating assets		-	(8,162,976)
Gain on sale of assets held for sale		-	(10,039,323)
Share of profits from associated companies		(22,757,225)	(12,893,665)
Provision for gratuity		1,974,989	6,865,617
Provision for compensated absences		2,059,652	2,936,760
Financial charges		40,558	165,114
Working capital changes	23.1	(10,513,516)	(17,204,535)
		<u>156,810,873</u>	<u>59,810,243</u>

23.1 Changes in working capital

Decrease / (increase) in current assets

Accounts receivables	1,464,188	4,409,393
Advances, deposits, prepayments and other receivables including long term advances	4,186,785	(8,017,993)
	<u>5,650,973</u>	<u>(3,608,600)</u>

Increase / (decrease) in current liabilities

Advances and deposits	2,072,068	(22,955,283)
Accrued and other payables	(18,236,557)	9,359,348
	<u>(16,164,489)</u>	<u>(13,595,935)</u>
	<u>(10,513,516)</u>	<u>(17,204,535)</u>

24 RELATED PARTY TRANSACTIONS

Related parties include associated companies, directors and key management personnel. Investments in and balances with associated companies and other related parties are disclosed in the relevant notes to this financial information. Transactions with related parties are as follows:

March 31, 2017	March 31, 2016
----- Rupees -----	
----- Unaudited -----	

Transactions with associates

Central Depository Company of Pakistan Limited

Dividend received by the company	500,000	5,281,250
Expenses incurred on behalf of associate	-	60,649
Amount received from associate	-	60,649

National Clearing Company of Pakistan Limited

Dividend received by the company	11,271,978	23,730,480
Investment during the period	-	65,918,000
Expenses incurred on behalf of associate	463,094	384,999
Amount received from associate	461,094	391,172

Transactions with directors

Trading fee received	-	381
Utility charges	361,997	250,183
Amount received against utility charges	311,997	-

Balances of associates

National Clearing Company of Pakistan Limited

Traveling cost of common director	2,000	-
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24.1 Remuneration of managing director and directors

	March 31,		March 31,		March 31,	
	2017	2016	2017	2016	2017	2016
	Managing Director		Directors		Total	
	Rupees					

Managerial remuneration	2,680,000	5,724,000	-	-	2,680,000	5,724,000
Leave encashment	243,636	318,000	-	-	243,636	318,000
Gratuity paid	1,340,000	-	-	-	1,340,000	-
Bonus / exgratia	-	1,908,000	-	-	-	1,908,000
Meeting fees	-	-	370,000	1,320,000	370,000	1,320,000
	<u>4,263,636</u>	<u>7,950,000</u>	<u>370,000</u>	<u>1,320,000</u>	<u>4,633,636</u>	<u>9,270,000</u>

Number of persons	1	1	10	10	11	11
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Furthermore, the Managing Director has been provided with Company maintained car (with monthly petrol entitlement: 200 Litres), health insurance, telephone and repair & maintenance of car as per Company policy.

25 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and for better presentation. We have made the following reclassification during the corresponding period.


Reclassification From	Reclassification To	Amount Rupees
Profit and Loss a/c		
Other income	Operating income	142,771,912
Other income (expenses netted-off)	Other Administrative Expenses	11,227,467
Operating income	Loss for the year from discontinued operation	7,228,627
Depreciation/ amortization	Loss for the year from discontinued operation	6,874,851
Other Administrative Expenses	Loss for the year from discontinued operation	57,239,459
Balance Sheet		
Account receivables	Other receivables	973,226

26 DATE OF AUTHORIZATION

This condensed interim financial information was authorized for issue on 26 April 2017.

27 GENERAL

Figures have been rounded off to the nearest rupee.


CHAIRMAN


CHIEF EXECUTIVE OFFICER