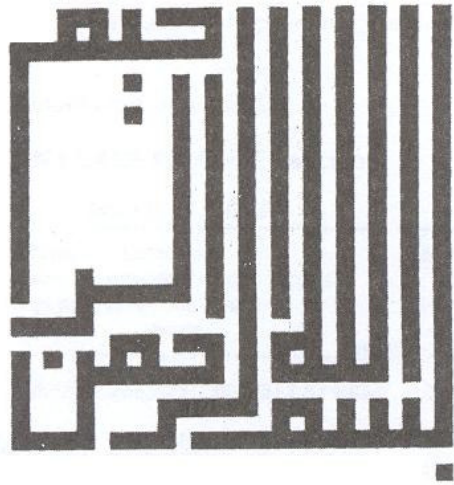




**CONDENSED INTERIM
FINANCIAL INFORMATION
(UN-AUDITED)
FOR THE PERIOD
ENDED MARCH 31, 2012**



Pak-Gulf Leasing Company Limited





Board of Directors

Mr. Sohail Inam Ellahi	Chairman
Air Marshal (R) Syed Masood Hatif	Vice Chairman
Mr. Shoaib Salim Malik	Director
Mr. Pervez Inam	Director
Mr. Shaheed H. Gaylani	Director
Mr. Shaikh Aftab Ahmed	Director
Brig. Naveed Nasar Khan (R)	Director
Mr. Rizwan Humayun	Director

Company Secretary

Mian Muhammad Shoaib

Audit Committee

Mr. Rizwan Humayun	Chairman
Air Marshal (R) Syed Masood Hatif	Vice Chairman
Mr. Pervez Inam	Member & Secretary
Mr. Shaheed H. Gaylani	Member

Senior Management

Mr. Sohail Inam Ellahi	Chief Executive
Mr. Khalil Anwer Hassan	Chief Manager
Lt. Col (R) Saleem Ahmed Zafar	Chief Operating Officer
Mian Muhammad Shoaib	Chief Financial Officer
Ms. Farah Farooq	Internal Auditor
Major (R) Arifullah Lodhi	Manager Administration

Credit Rating Agency

JCR-VIS Credit Rating Co. Ltd.

Entity Rating

- BBB+ for medium to long term
- A-3 for short term
- Outlook stable

Share Registrar / Transfer Office

THK Associates (Pvt.) Limited
Ground Floor, State Life Building - 3,
Dr. Ziauddin Ahmed Road, Karachi.
Tel # : 92 (21) 111-000-322
Fax # : 92 (21) 35655595

Auditors

M/s. KPMG Taseer Hadi & Co.
Chartered Accountants
Shaikh Sultan Trust Building,
Beaumont Road,
Karachi - 74000

Legal Advisors

M/s. Mohsin Tayebaly & Company
2nd Floor, Dime Centre,
BC-4, Block # 9, Kehkashan, Clifton,
Karachi.
Tel # : 3538077, 3571653, 35872690
Fax # : 35870240, 35870468

Tax Consultants

M/s. Riaz Ahmad, Saqib, Gohar & Co.
5 Nasim C.H.S., Major Nazir Bhatti Road,
Off. Shaheed-e-Millat Road, Karachi.
Tel # : 34945427, 34931736
Fax # : 34932629

Bankers

Soneri Bank Limited
Bank Al-Falah Ltd.
Albaraka Islamic Bank
National Bank of Pakistan.
NIB Bank Ltd.

Registered Office

Pak-Gulf Leasing Company Limited
THE FORUM:
Room # 125-127, First Floor,
G-20, Block # 9,
Main Khayaban-e-Jami,
Clifton, P.O.Box # 12215,
Karachi-75600.
Tel #: 35820301, 35820956-7
35824401, 35375986-7
Fax #: 35820302, 35375985
E-mail: pgl@cyber.net.pk
Website: www.pakgulfleasing.com

Mission Statement

The Company will:

- Aim to gain the confidence of all its stakeholders by earning a credible reputation for being an innovative enterprise that is prepared to change in the best interests of its stakeholders.
- Continually monitor structural changes in the various sectors of the economy, and accordingly alter the Company's business strategy to benefit from the emerging opportunities.
- Focus on changing customer needs and strive to improve tangible and intangible returns to its customers by providing service and satisfaction at par with the best in the industry, which would be reflected in prompt risk evaluation and facility disbursement procedures and practices.
- Consciously share, and remain part of all initiatives by the leasing industry to play a positive role in the evolution of small and medium size enterprises to expand the country's industrial base and support economic growth, higher employment and a better future for all.

For the Period ended
March 31, 2012

Dear Shareholders,

The Directors of your Company are pleased to present the financial statements of the Company for the nine months ended March 31, 2012. The arrangements with the banks for credit lines at more competitive rates are being made. With the expected borrowing cost at lower level, the Company hopes to further improve its profitability and performance in administering and writing leases. Efforts are being made to further reduce the cost of borrowing and keep check on other expenses to achieve the desired profit margin.

Despite the competitive markets and depressed market conditions, the overall performance of the Company was remained very satisfactory. With the tougher competition by commercial lenders, higher interest rates, and trends of pre-mature termination of contractual legal obligations, PGL's performance was very pleasing.

During nine months under review, the balance sheet footing of your Company was Rs. 813 million as on March 31, 2012 as compared to Rupees 816 million on June 30, 2011. The total revenue of the Company was Rs. 59.86 million for the nine months ended March 31, 2012 as compared to Rs.52.42 million, depicting an increase of 14 percent over the revenue for the corresponding period which is mainly due all time high volume of new business written in the preceding year. The net profit before tax was Rs.30.48 million for the period under review as compared to Rs.23.19 million for the corresponding period. Shareholders equity of the Company was Rs. 422.98 million as at March 31,2012 as compared to Rs. 406.01 million as at June 30,2011. Earning per share was Rs.0.67 as compared to EPS of Rs.0.32 for the corresponding period.

In August 2011, JCR-VIS had revised upward, entity rating of the Company to BBB+(plus) from BBB for medium to long-term and had reaffirmed short term rating at A-3 whereas outlook of the Company has been revised to Stable from Positive.

The Board would like to place on record its appreciation for the management team of the Company and each and every member of its staff for the hard work and dedication. We, the members of the Board, as representatives of shareholders, assure the management and staff of the Company of our continued support in strengthening the Company. We are sure that the management and the staff will continue to serve the customers of the Company with the better zeal and will be able to improve the reputation of the Company in financial services sector.

The Board also acknowledges the cooperation and guidance extended to the Company by the Securities and Exchange Commission of Pakistan (SECP), State Bank of Pakistan and other Regulatory Authorities. Their role is critical in developing the financial services sector and we hope that their actions will continue to strengthen this sector.

At the end, we would like to thank our valued shareholders, customers, bankers, and financiers and other stakeholders for their valuable support. We look forward to reinforce and build further an excellent relationship existing between them and PGL, in coming years.

Karachi

Dated: April 27, 2012

Director

Director

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

The Chief Executive of the Company is presently out of the country, therefore these financial statements have been signed by two directors of the Company duly authorised by the Board of Directors.

**CONDENSED INTERIM
BALANCE SHEET**

As at March 31, 2012

	Note	March 31 2012 (Unaudited)	June 30 2011 (Audited)
----- Rupees -----			
Assets			
Cash and bank balances		50,760,136	2,236,955
Other receivables - net		14,172,655	19,693,435
Short term investment	4	1,629,543	1,745,202
Loans and advances		-	225,500
Deposits and prepayments		448,607	652,908
Accrued markup on investment		29,301	111,563
Current portion of net investment in lease finance	3	245,826,973	262,537,530
Taxation recoverables-net		810,656	1,040,133
Total current assets		313,677,871	288,243,226
Long-term investments	4	2,931,113	2,931,113
Net investment in lease finance	3	423,211,660	450,676,078
Long-term loans			
Long-term deposits		206,500	206,500
Operating fixed assets	5	72,492,970	73,977,505
Total non-current assets		498,842,243	527,791,196
Total assets		812,520,114	816,034,422
Liabilities			
Trade and other payables		4,817,682	11,488,010
Profit / mark-up accrued		2,786,611	2,022,827
Certificates of investment-unsecured		28,455,613	29,230,138
Current portion of long term financing	6	6,250,000	33,333,340
Current portion of Long term deposits		48,650,218	45,485,139
Total current liabilities		90,960,124	121,559,454
Non-current liabilities			
Long-term financing-secured		25,000,000	24,999,992
Long-term deposits		197,642,120	198,579,521
Deferred taxation - net		75,936,596	64,884,190
Total non-current liabilities		298,578,715	288,463,703
Total liabilities		389,538,839	410,023,157
Net assets		422,981,276	406,011,265
Financed by			
Share capital		253,698,000	253,698,000
Reserves		129,599,390	110,556,883
		383,297,390	364,254,883
Surplus on revaluation of AFS investment		435,343	551,002
Total Equity		383,732,733	364,805,885
Surplus on revaluation of operating fixed assets-net of tax		39,248,543	41,205,380
		422,981,276	406,011,265
CONTINGENCIES AND COMMITMENTS	7		

The annexed notes 1 to 09 form an integral part of these financial statements.

Director

Director

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

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**CONDENSED INTERIM
PROFIT AND LOSS ACCOUNT
(UN-AUDITED)**

For the Period ended
March 31, 2012

	Period ended		Quarter ended	
	March 31		March 31	
	2012	2011	2012	2011
INCOME	Rupees			
Income from leasing operations	55,683,758	49,183,420	18,854,096	15,917,479
Profit on bank accounts / return on investments	3,682,597	3,025,384	1,201,386	759,056
Other income	489,826	216,111	230,966	83,898
	<u>59,856,181</u>	<u>52,424,915</u>	<u>20,286,448</u>	<u>16,760,433</u>
EXPENSES				
Administrative and operating expenses	19,973,850	23,003,546	6,554,231	5,931,565
Finance cost	8,731,774	4,222,164	2,512,832	1,300,749
Provision for potential lease losses	665,619	2,010,940	1,426,554	3,272,558
	<u>29,371,243</u>	<u>29,236,650</u>	<u>10,493,617</u>	<u>10,504,872</u>
Profit before taxation	<u>30,484,938</u>	<u>23,188,265</u>	<u>9,792,831</u>	<u>6,255,561</u>
Taxation				
- current	(2,346,957)	(10,909,704)	(803,167)	-
- deferred	(11,052,406)	(4,092,894)	(3,963,433)	-
	<u>(13,399,363)</u>	<u>(15,002,598)</u>	<u>(4,766,600)</u>	<u>-</u>
Profit after taxation	<u>17,085,575</u>	<u>8,185,667</u>	<u>5,026,231</u>	<u>6,255,561</u>
	Rupees			
Earning per share - basic	<u>0.67</u>	<u>0.32</u>	<u>0.20</u>	<u>0.25</u>

The annexed notes 1 to 09 form an integral part of these financial statements.

Director

Director

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

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**CONDENSED INTERIM
STATEMENT OF COMPREHENSIVE
INCOME (UN-AUDITED)**

For the Period ended
March 31, 2012

	Period ended		Quarter ended	
	March 31		March 31	
	2012	2011	2012	2011
	----- Rupees -----			
Profit for the period	17,085,575	8,185,667	5,026,231	6,255,561
Other Comprehensive Income				
Unrealized gain / (loss) on revaluation of available for sale assets	(115,659)	186,239	223,173	9,774
Total Comprehensive income for the period	16,969,916	8,371,906	5,249,404	6,265,335

The annexed notes 1 to 09 form an integral part of these financial statements.

Director

Director

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

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CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

For the Period ended
March 31, 2012

	March 31 2012	March 31 2011
----- Rupees -----		
Cash flow from operating activities	30,484,938	23,188,265
Profit before taxation		
Adjustments for non cash items:		
Depreciation	3,197,894	3,859,411
Amortization income	-	-
Reversal of provision	(3,727,622)	(3,272,558)
Financial charges	8,731,774	4,222,164
Provision for potential lease losses	665,619	2,010,940
	8,867,665	6,819,957
Operating profit before working capital changes	39,352,603	30,008,222
Movements in working capital		
Increase in current assets		
Accrued return on investments	82,262	111,061
Other receivables - net	6,800,680	5,919,590
Loan and advances	225,500	740,442
Deposits and prepayments	204,301	(53,353)
	7,312,743	6,717,740
(Decrease)/Increase in current liabilities		
Trade and other payables	(6,670,328)	(730,179)
CASH GENERATED FROM OPERATIONS	39,995,018	35,995,783
Financial cost paid	(7,967,990)	(4,555,532)
Taxes paid	(2,804,411)	(3,465,287)
Deposits received from lessees	2,227,678	4,099,996
Decrease/(Increase) in net investment in lease finance	46,644,098	2,465,468
Decrease / (increase) in long-term deposits	-	-
Decrease / (increase) in long-term loans	-	-
	38,099,375	(1,455,355)
Net cash flow on operating activities	78,094,394	34,540,428
Cash flow from investing activities		
Capital expenditure	(1,713,353)	(372,327)
Proceeds from disposal of fixed assets		
Net cash flow on investing activities	(1,713,353)	(372,327)
Cash flow from financing activities		
Proceeds from issue of certificate of investments	(774,525)	6,290,489
Repayment of long term financing	(27,083,332)	(12,499,994)
	(27,857,857)	(6,209,505)
Net cash flow from financing activities	48,523,184	27,958,596
Net increase/ (decrease) in cash and cash equivalents	2,236,955	6,235,791
Cash and Cash equivalents at beginning of the period	50,760,136	34,194,387
Cash and cash equivalents at the end of the period	52,997,091	40,430,178

The annexed notes 1 to 09 form an integral part of these financial statements.

Director

Director

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

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**CONDENSED INTERIM STATEMENT
OF CHANGES IN EQUITY (UN-AUDITED)**

For the Period ended
March 31, 2012

	Share Capital	Statutory reserve	Reserve for issue of bonus shares	Unappropriated profit	Sub Total	Surplus on revaluation of available for sale investments	Total equity
Rupees							
Balance as at 30 June 2009	253,698,000	28,389,412	4,402,000	48,454,006	81,245,418	263,755	335,207,173
Total comprehensive income for the period ended June 30, 2010							
Profit after taxation	-	-	-	21,249,408	21,249,408	-	21,249,408
Other comprehensive income							
Surplus on revaluation of available for sale investments	-	-	-	-	-	71,676	71,676
				21,249,408	21,249,408	71,676	21,321,084
Transaction with owners, recorded directly in equity							
Interim dividend for the year ended June 30, 2010				(12,684,932)	(12,684,932)	-	(12,684,932)
Others							
Transfer from surplus on revaluation of operating fixed assets to unappropriated profit - net of deferred tax	-	-	-	2,609,116	2,609,116	-	2,609,116
Transfer to statutory reserves	-	4,249,882	-	(4,249,882)	-	-	-
Balance as at June 30, 2010	253,698,000	32,639,294	4,402,000	55,377,716	92,419,010	335,431	346,452,441
Total comprehensive income for year ended June 30, 2011							
Profit after taxation	-	-	-	15,528,757	15,528,757	-	15,528,757
Other comprehensive income							
Surplus on revaluation of available for sale investment	-	-	-	-	-	215,571	215,571
				15,528,757	15,528,757	215,571	15,744,328
Others							
Transfer from surplus on revaluation of operating fixed assets to unappropriated profit - net of deferred tax	-	-	-	2,609,116	2,609,116	-	2,609,116
Transfer to statutory reserve	-	3,105,751	-	(3,105,751)	-	-	-
Balance as at June 30, 2011	253,698,000	35,745,045	4,402,000	70,409,933	110,556,883	551,002	364,805,885
Total comprehensive income for the period ended March 31, 2012							
Profit after taxation	-	-	-	17,085,575	17,085,575	-	17,085,575
Other comprehensive income							
Surplus on revaluation of available for sale investment	-	-	-	-	-	(115,659)	(115,659)
Others							
Transfer from surplus on revaluation of operating fixed assets to unappropriated profit - net of deferred tax	-	-	-	1,956,837	1,956,837	-	1,956,837
Transfer to statutory reserve	-	3,417,115	-	(3,417,115)	-	-	-
	<u>253,698,000</u>	<u>39,162,160</u>	<u>4,402,000</u>	<u>86,035,230</u>	<u>129,599,295</u>	<u>435,343</u>	<u>383,732,638</u>

The annexed notes 1 to 09 form an integral part of these financial statements.

Director

Director

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

The Chief Executive of the Company is presently out of the country, therefore these financial statements have been signed by two directors of the Company duly authorised by the Board of Directors.

For the Period ended
March 31, 2012

1. THE COMPANY AND ITS OPERATIONS

Pak-Gulf Leasing Company ("the company") was incorporated in Pakistan on December 27, 1994 and commenced its operations on September 16, 1996. The company is principally engaged in the business of leasing and is listed on all three Stock Exchanges of Pakistan. The registered office of the company is situated at the Forum, Room 125-127, First Floor, Main Khayaban-e-Jami, Clifton, Karachi.

2. ACCOUNTING POLICIES

Accounting policies adopted for the preparation of these quarterly financial statements are the same as those applied in the preparation of annual statements for the year ended June 30, 2011.

2.1 STATEMENT OF COMPLIANCE

(a) These unaudited financial statements are being submitted to the shareholders as required under section 245 of the companies Ordinance 1984 and have been prepared in accordance with the requirements of International Accounting Standard-34 "Interim Financial Reporting" as applicable in Pakistan

(b) These financial statements are unaudited.

3 NET INVESTMENT IN LEASE FINANCE - secured

	March 31, 2012			June 30, 2011		
	Not later than one year	Later than one year and less than five years	Total	Not later than one year	Later than one year and less than five years	Total
	----- Rupees -----					
Minimum lease payments	266,249,788	266,621,739	532,871,527	289,261,872	299,144,312	588,406,184
Add: Estimated residual value of leased assets	48,650,218	197,642,120	246,292,338	45,485,139	198,579,521	244,064,660
Gross investment in leases	314,900,006	464,263,859	779,163,865	334,747,011	497,723,833	832,470,844
Less: Unearned lease income	(69,073,033)	(37,100,414)	(106,173,447)	(72,209,481)	(46,056,865)	(118,266,346)
	245,826,973	427,163,445	672,990,418	262,537,530	451,666,968	714,204,498
Less: Provision for potential lease losses	-	(3,951,785)	(3,951,785)	-	(990,890)	(990,890)
Net investment in finance leases	245,826,973	423,211,660	669,038,633	262,537,530	450,676,078	713,213,608

4. INVESTMENTS

	March 31, 2012	June 30, 2011
	----- Rupees -----	
Available for sale		
- National Investment (Unit) Trust		
Cost		
54,300 units (June 30, 2011: 54300)	1,194,200	1,194,200
Revaluation surplus / (Deficit)		
As at beginning of the period	551,002	335,431
(Deficit) / Surplus for the period	(115,659)	215,571
As at end of the period	435,343	551,002
	1,629,543	1,745,202
Held to maturity		
Pakistan investment bonds	2,931,113	2,914,640

5. OPERATING FIXED ASSETS	March 31, 2012	June 30, 2011
	----- Rupees -----	-----
Opening balance	93,239,577	93,423,586
Additions / (Deletion)	<u>1,713,353</u>	<u>(184,009)</u>
	94,952,930	93,239,577
Less: Accumulated depreciation	<u>23,208,970</u>	<u>20,011,082</u>
	71,743,960	73,228,495
Add:Capital work in progress	<u>749,010</u>	<u>749,010</u>
	<u>72,492,970</u>	<u>73,977,505</u>

6. LONG TERM FINANCING - Secured	March 31 2012	June 30 2011
	----- Rupees -----	-----
Long-term loans - secured	31,250,000	58,333,332
Less: Current maturity shown under current liabilities	<u>(6,250,000)</u>	<u>(33,333,340)</u>
	<u>25,000,000</u>	<u>24,999,992</u>

This represents financing facility obtained from Bank Alfalah Limited and is secured by way of first charge on specific leased assets and related lease rentals receivable. This facility carries mark-up at rate of 6 moth KIBOR plus 1.50 percent and is repayable in eight equal quarterly installments ending on June,2013.

7. **COMMITMENTS**
Leasing contracts committed but not executed at the balance sheet date amounted to Rs.6.08 million (June 2011: Rs.4.98 million).

8 **TRANSACTIONS WITH ASSOCIATED UNDERTAKING / RELATED PARTIES**

Transactions with related parties comprise of the following:

Leasing Facilities	Jul-March 2012	Jul-March 2011
	----- Rupees -----	-----
Rentals received	528,057	623,217
Implicit rate of Return (percentage)	15.66	15.66
Certificate of investment issued to:		
Director	5,500,000	-
Close relatives of Director and Chairman	<u>18,236,613</u>	<u>16,855,138</u>
Contribution to provident fund-Employees	<u>166,326</u>	<u>152,036</u>
Director's meeting fee	<u>26,000</u>	<u>24,000</u>

9 **GENERAL**

These financial statements were authorised for issue on April 27, 2012 by the Board of Directors of the company.

Figures have been rounded off to the nearest rupee.

Director

Director

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

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