

**SUMMIT CAPITAL (PRIVATE) LIMITED
INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2012**

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM BALANCE SHEET AS AT JUNE 30, 2012

| | June 30, 2012 | December 31, 2011 |
|-------------------------------------------------------------------|------------------------------------------|-----------------------|
| Note | ----- (Rs. in '000) ----- (Unaudited) | ----- (Audited) ----- |
| ASSETS | | |
| NON-CURRENT ASSETS | | |
| Fixed assets | 4 74,801 | 81,386 |
| Investment properties | 21,971 | 22,193 |
| Long term loans, deposits and trade debts | 5 2,601 | 3,091 |
| Deferred tax asset - net | 20,819 | 20,819 |
| | <u>120,192</u> | <u>127,489</u> |
| CURRENT ASSETS | | |
| Trade debts | 6 27,370 | 23,048 |
| Loan, advances, prepayments and other receivables | 7 16,755 | 9,877 |
| Investment in shares | 8 53,760 | 28,910 |
| Advance tax - net | 10,460 | 10,017 |
| Cash and bank balances | 9 30,999 | 41,791 |
| | <u>139,343</u> | <u>113,643</u> |
| | <u>259,535</u> | <u>241,132</u> |
| EQUITY AND LIABILITIES | | |
| SHARE CAPITAL AND RESERVES | | |
| Authorised capital 50,000,000 ordinary shares of Rs. 10/- each | <u>500,000</u> | <u>500,000</u> |
| Issued, subscribed and paid up capital | 300,000 | 300,000 |
| Accumulated loss | <u>(109,775)</u> | <u>(105,105)</u> |
| | 190,225 | 194,895 |
| NON-CURRENT LIABILITIES | | |
| Long term deposits | 769 | 664 |
| Deferred liability | 2,266 | 2,074 |
| Long term loan - secured | 10 18,000 | - |
| | <u>21,035</u> | <u>2,738</u> |
| CURRENT LIABILITIES | | |
| Current maturity of long-term loan | 10 - | 18,000 |
| Trade and other payables | 11 47,606 | 24,765 |
| Accrued interest | 669 | 734 |
| | <u>48,275</u> | <u>43,499</u> |
| | <u>259,535</u> | <u>241,132</u> |

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

Rohat Sana

CHIEF EXECUTIVE

[Signature]
DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2012

| | June 30, 2012 | June 30, 2011 |
|---------------------------------------------------------------------------------|--------------------------|------------------|
| Note | ------(Rs. in '000)----- | |
| Income | | |
| Brokerage commission | 12 | 16,036 |
| Unrealised gain on sale of investments at fair value through profit and loss | | 14,194 |
| Loss on sale of operating fixed assets | | 10,350 |
| Other income | 12 | (9,406) |
| | | (4,845) |
| | | 3,270 |
| | | 8,793 |
| | | <u>24,810</u> |
| | | <u>13,258</u> |
| Expenditure | | |
| Operating and administrative expenses | | 26,901 |
| Financial charges | 12 | 27,309 |
| | | 1,370 |
| | | 1,895 |
| | | <u>28,270</u> |
| | | <u>29,204</u> |
| Profit before taxation | | <u>(3,460)</u> |
| Taxation - current | | 1,210 |
| | | 2,275 |
| Profit after taxation / total comprehensive profit for the period | | <u>(4,670)</u> |
| | | <u>(18,221)</u> |
| Profit per share - basic and diluted (Rupee) | | <u>(0.16)</u> |
| | | <u>(0.61)</u> |

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

Rahat Siro

CHIEF EXECUTIVE

[Signature]

DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2012

| | June 30, 2012 | June 30, 2011 |
|-----------------------------------------------------------------|---------------------------|------------------|
| Note | ----- (Rs. in '000) ----- | |
| Cash flows from operating activities | | |
| Profit before taxation | (3,460) | (15,946) |
| Adjustments for: | | |
| Depreciation | 2,005 | 2,312 |
| Amortization | 229 | 354 |
| Loss on sale of operating fixed assets | 4,845 | 323 |
| Financial charges | 1,370 | 1,895 |
| | 8,450 | 4,884 |
| | 4,990 | (11,062) |
| (Increase) / decrease in current assets | | |
| Trade debtors | (4,322) | 18,402 |
| Advances, pre-payments and other receivables | (6,878) | 3,152 |
| Short term investments | (24,850) | (27,794) |
| Long term loans and deposits | 490 | (24) |
| | (35,559) | (6,264) |
| Increase / (decrease) in current liabilities | | |
| Trade and other payables | 23,032 | (24,592) |
| Long term deposits | 105 | 95 |
| | 23,137 | (24,497) |
| Cash (used in) / generated from operations | (7,432) | (41,823) |
| Income tax paid | (1,653) | (2,767) |
| Financial charges paid | (1,436) | (1,162) |
| Net cash (used in) / inflow from operating activities | (10,521) | (45,752) |
| Cash flows from investing activities | | |
| Capital expenditure incurred | (548) | (6,545) |
| Proceed from sale of tangible fixed assets | 277 | 439 |
| Net cash (used in) / inflow from investing activities | (271) | (6,106) |
| Cash flows from financing activities | | |
| Long term loan | - | - |
| Net cash used in financing activities | - | - |
| Net decrease in cash & cash equivalents | (10,792) | (51,858) |
| Cash and cash equivalents at the beginning of the period | 41,791 | 107,125 |
| Cash and cash equivalents at the end of the period | 30,999 | 55,267 |
| Cash and cash equivalents: | | |
| Cash and bank balances | 9 | 30,999 |
| | 30,999 | 55,267 |

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

Rohat Khan

CHIEF EXECUTIVE

[Signature]

DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2012

| | Issued, subscribed and paid up capital | Accumulated loss | Total |
|-----------------------------------------|-------------------------------------------------|---------------------|----------------|
| | (Rs. in 000') | | |
| Balance as on January 1, 2011 | 300,000 | (90,798) | 209,202 |
| Total comprehensive loss for the period | - | (18,221) | (18,221) |
| Balance as at June 30, 2011 | 300,000 | (109,019) | 190,981 |
| Balance as on January 1, 2012 | 300,000 | (105,105) | 194,895 |
| Total comprehensive loss for the period | - | (4,670) | (4,670) |
| Balance as at June 30, 2012 | 300,000 | (109,775) | 190,225 |


 CHIEF EXECUTIVE


 DIRECTOR



SUMMIT CAPITAL (PRIVATE) LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2012

1. THE COMPANY AND ITS OPERATIONS

Summit Capital (Private) Limited is a private limited company, incorporated in Pakistan on March 08, 2006 under the Companies Ordinance, 1984. The company is a corporate member of Karachi Stock Exchange (Guarantee) Limited, Lahore Stock Exchange (Guarantee) Limited, Islamabad Stock Exchange (Guarantee) Limited and Pakistan Mercantile Exchange Limited. The principal activities of the company are equity brokerage, money market brokerage, forex brokerage, commodity brokerage, advisory & consultancy services and distribution of open end units. The registered office of the company is situated at 701-702, 7th Floor, Business & Finance Centre, Opposite State Bank of Pakistan, I.I Chundrigar Road, Karachi. The company is a wholly owned subsidiary of Summit Bank Limited.

2. BASIS OF PREPARATION

These condensed interim financial statements are prepared in accordance with the requirements of International Accounting Standard (IAS) - 34 "Interim Financial Reporting" as applicable in Pakistan. These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended December 31, 2011.

These condensed interim financial statements are unaudited and are being submitted to the shareholders in accordance with the requirements of section 245 of the Companies Ordinance, 1984. These condensed interim financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency and rounded off to the nearest rupee.

3. ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial statements are same as those applied in the preparation of financial statements for the year ended December 31, 2011.

| | | June 30, 2012 (Unaudited) | December 31, 2011 (Audited) |
|-----------------------------------|------|---------------------------------|-----------------------------------|
| | Note | ------(Rs. in '000)----- | |
| 4. FIXED ASSETS | | | |
| Operating fixed assets - tangible | | 17,207 | 23,441 |
| Intangible assets | | 55,094 | 55,445 |
| Capital work in progress | | 2,500 | 2,500 |
| | | <u>74,801</u> | <u>81,386</u> |

5. LONG TERM LOANS AND DEPOSITS - secured, considered good

| | | | |
|---------------------------|-----|--------------|--------------|
| Long term loans - secured | | | |
| Employees | 5.1 | 21 | 28 |
| Current maturity | 7.1 | (7) | (14) |
| | | <u>14</u> | <u>14</u> |
| Security deposits | | 2,587 | 3,077 |
| | | <u>2,601</u> | <u>3,091</u> |

5.1 These represent interest free loans given to employees for purchase of vehicles under the terms of employment and secured against the respective assets.

6. TRADE DEBTS

Considered good

| | | | |
|------------------------------------------------------------------|--|--------|--------|
| Due from clients in respect of securities transactions - secured | | 24,990 | 19,852 |
| Receivable from stock exchanges - unsecured | | - | - |
| Commission receivable - unsecured | | 2,380 | 3,196 |

Considered doubtful

| | | | |
|--------------------------------------------------------------------|--|----------------|----------------|
| Due from clients in respect of securities transactions - unsecured | | 88,031 | 88,031 |
| | | <u>115,401</u> | <u>111,079</u> |

| | | | |
|------------------------------------|--|---------------|---------------|
| Less: provision for doubtful debts | | 88,031 | 88,031 |
| | | <u>27,370</u> | <u>23,048</u> |

6.2 Includes Rs. 0.173 (2011: 0.231) million due from the holding company.

7. LOANS, ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES

| | | | |
|----------------------------------------|-----|---------------|--------------|
| Prepayments | | 256 | 648 |
| Short term loans | 7.1 | 277 | 671 |
| Exposure deposits | 7.2 | 15,978 | 8,213 |
| Accrued mark-up | 7.3 | 243 | 335 |
| Amount receivable from holding company | | - | - |
| Others | | - | 10 |
| | | <u>16,755</u> | <u>9,877</u> |

7.1 Short term loans

| | | | |
|--------------------------------------|-----|------------|------------|
| - current maturity of long term loan | 5.1 | 7 | 14 |
| - staff loan | | 271 | 657 |
| | | <u>277</u> | <u>671</u> |

7.2 This represents exposure deposit held with the Karachi Stock Exchange (Guarantee) Limited under the exposure rules.

7.3 Includes Rs. 0.243 (2011:0.308) million accrued from the holding company.

June 30, December 31,
2012 2011
(Unaudited) (Audited)
------(Rs. in '000)-----

8. SHORT TERM INVESTMENTS

At fair value through profit and loss (held-for-trading)

8.1 53,760 28,910

8.1 At fair value through profit and loss (held-for-trading)

| 2012 | 2011 |
|-----------------|------|
| (No. of Shares) | |

| | | Unlisted Shares |
|-----------|-----------|---------------------------|
| 5,314,286 | 5,314,286 | Rozgar Micro Finance Bank |
| 5,000,000 | - | Golden Arrow Stock Funds |

| | 2012 | 2011 |
|--------------------------|---------------|---------------|
| Cost | Market Value | Market Value |
| ------(Rs. in '000)----- | | |
| 37,200 | 29,760 | 28,910 |
| 14,500 | 24,000 | - |
| <u>51,700</u> | <u>53,760</u> | <u>28,910</u> |

9. CASH AND BANK BALANCES

Cash with banks:

- Current accounts
- PLS saving accounts
Cash in hand

| | |
|-----------------|---------------|
| 7 | 7 |
| 9.1 30,981 | 41,772 |
| <u>12</u> | <u>12</u> |
| <u>30,999</u> | <u>41,791</u> |

9.1 Includes aggregate balance of Rs. 30.88 (2011: Rs. 38.538) million maintained with the holding company.

10. LONG TERM LOAN - secured

Represents a loan facility of Rs. 18 million obtained from a holding company against equitable mortgage of six flats located at Bhurban Heights, Bhurban, Islamabad. The loan is repayable in May 2015 and carries mark-up at three months KIBOR plus 3% per annum with no floor and cap and payable on quarterly basis.

11. TRADE AND OTHER PAYABLES

| | | |
|------------------------------------------------------|---------------|---------------|
| Due to clients in respect of securities transactions | 33,173 | 20,282 |
| Payable to Staff Gratuity Fund (a related party) | - | 758 |
| Accrued liabilities | 805 | 1,346 |
| Amount payable to holding company | - | - |
| Payable to stock exchanges | 13,558 | 2,310 |
| Others | 69 | 69 |
| | <u>47,606</u> | <u>24,765</u> |

June 30, June 30,
2012 2011
(Unaudited) (Unaudited)
------(Rs. in '000)-----

12. RELATED PARTY TRANSACTIONS

The related parties comprise parent company, related group companies, staff retirement funds, directors and key management personnel. Transactions with related parties, other than remuneration and benefits to key management personnel under the terms of their employment are as follows:

Holding Company

| | | |
|-------------------------|--------------|--------------|
| Brokerage commission | <u>678</u> | <u>1,829</u> |
| Financial charges | <u>1,341</u> | <u>1,472</u> |
| Profit on bank accounts | <u>824</u> | <u>3,930</u> |

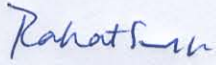
12.1 The outstanding balances of related parties are included in their respective notes to these condensed interim financial

13. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue in the Board of Directors meeting held on August 15 2012.

14. GENERAL

14.1 Figures have been rounded off to the nearest thousand rupees.



Rohat Singh

CHIEF EXECUTIVE



DIRECTOR