

Quarterly Accounts  
(Un-Audited)  
March 2008



TRUST INVESTMENT BANK LIMITED



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## COMPANY INFORMATION

### BOARD OF DIRECTORS

Mr. Asif Kamal	–	Chairman
Mr. Khalid Niaz Khawaja	–	Director
Mr. Zahid Rafique	–	Director
Mr. Humayun Nabi Jan	–	Director
Mr. Shafiq A. Khan	–	Director
Mr. Hamesh Khan	–	Director
Mr. Javaid Bashir Sheikh	–	Chief Executive Officer

### AUDIT COMMITTEE

Mr. Humayun Nabi Jan - Chairman  
Mr. Asif Kamal  
Mr. Khalid Niaz Khawaja

### CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Mr. Imran Hameed

### AUDITORS

KPMG Taseer Hadi & Co.  
Chartered Accountants

### LEGAL ADVISOR

Nawaz Kasuri & Rashdeen  
Law Chambers

### BANKERS TO THE COMPANY

The Bank of Punjab  
Habib Bank Limited  
National Bank of Pakistan  
Faysal Bank Limited  
Habib Metropolitan Bank Limited  
Allied Bank Limited  
Askari Bank Limited  
Bank Al Habib Limited  
Standard Chartered Bank (Pakistan) Limited  
Atlas Bank Limited

### REGISTRARS

Vision Consulting Limited  
1st Floor, 3-C, LDA Flats,  
Lawrence Road, Lahore.  
Tel: 042-6375531, 6375339  
Fax: 042-6374839

### REGISTERED & HEAD OFFICE

23-D/1-A, Gulberg - III, Lahore.

Tel: (042) 2404714-19

Fax: (042) 2404720

E. mail: info@trustbank.com.pk

Website: www.trustbank.com.pk

## BRANCH NETWORK

### Main Branch

35-A/II, Aziz Avenue, Canal Bank,  
Lahore. Ph: 042-5710988, 5875412-13  
Fax: 042-5713453

### Jail Road, Lahore Branch

M-I, First Floor, Khaleej Tower,  
38/A, Jail Road, Lahore  
Ph: 042-7584385

### Faisal Town, Lahore Branch

753/C, Adjacent Ravi Restaurant,  
Faisal Town, Lahore  
Ph: 042-5178893

### Defence Housing Authority, Lahore Branch

1st Floor, 4-S, DHA,  
Lahore Cantt.  
Ph: 042-5748029, 5707011 Fax: 5707012

### Multan Road, Lahore Branch

Office #01, 1st Floor, Ghulam Plaza,  
Opp. Grand Battery,  
Multan Road, Lahore

### Gujrat Branch

Ground Floor, Kashmir Plaza,  
Ram Talai Road, Gujrat  
Ph: 0533-510223, Fax: 0533-535819

### Gujranwala Branch

Data Plaza, G. T. Road, Opp.  
Trust Plaza, Gujranwala  
Ph: 0553-733617, Fax: 0553-733618

### Sargodha Branch

60/ A, Railway Road, Civil Lines  
(Opp. Solo Hotel), Sargodha  
Ph: 0483-213836

### Islamabad Branch

Ground Floor, Kashmir Commercial Complex,  
54-E, Fazal-e-Haq Road, Blue Area, Islamabad  
Ph: 051-2271544, 051-2272330

### Mandi Baha-ud-Din Branch

Near Alvi Chowk  
Mandi Baha-ud-Din  
Ph: 0546-509568

### Multan Branch

1733/B-Ground Floor, LMQ Road  
(Central Chungi 8-9 High Way), Multan  
Ph: 061-6222008

### Karachi Branch

30-A Progressive Centre, Ground Floor  
Pechs Block 6, Main Shahra-e-Faisal, Karachi  
Ph: 021-4322128-30  
Fax: 021-4322082

### Rawalpindi Branch

49/62-Uni Building, 1st Floor,  
Bank Road, Rawalpindi Cantt.  
Ph: 051-5810149

### Sialkot Branch

Kashmir Road,  
Near Meezan Bank, Sialkot  
Ph: 052-4298350

### Jhelum Branch

24-Civil Lines, Near Imam Bargah,  
Jhelum Ph: 0544-625961  
Fax: 0544- 625972

### Peshawar Branch

Commercial Building, Jehangirabad,  
University Road, Peshawar.  
Ph: 091-5701484, Fax: 091-5846302

### Faisalabad Branch

Ground Floor, Saeed Arcade,  
721 Batala Colony, Faisalabad  
Ph: 041-8737542, Fax: 041-8737431

### Sahiwal Branch

79-A-F, Canal Colony  
Farid Town Road, Sahiwal  
Ph: 040-4463990-91, Fax: 040-4463987

**DIRECTORS' REPORT**

We are pleased to present the accounts for the nine months period ended on March 31, 2008.

**OPERATING RESULTS**

Financial results of the Bank are as under:-

	<b>March 2008</b>	March 2007
	<b>(Rupees)</b>	
Total revenue	<b>641,065,335</b>	529,809,665
Lease income	<b>275,357,793</b>	271,370,427
Income form investments	<b>219,571,590</b>	224,769,747
Expenditure	<b>532,265,313</b>	452,566,497
Operating Profit	<b>108,800,022</b>	77,243,168
Profit before taxation	<b>42,265,396</b>	55,914,557
Profit after taxation	<b>34,265,396</b>	47,914,557
Earning per share	<b>0.59</b>	0.82*

(\* Restated)

**REVIEW OF OPERATIONS**

The operational results are well indicative that irrespective of political instability and holding of general elections in the country, your Bank has successfully managed a steady growth in the total revenues, which are higher by 21% as compared to the results of the nine months period of last year. Although, total expenditure are increased by 18 % in comparison, mainly attributed to the higher financial cost however, operating profits shows a very healthy growth of 41% increase in comparison to last period. Whereas, the net profits of the Bank decreased by 28%, mainly due to provisions and suspension of income made on account of leasing portfolio, as prudent and professional approach.

Management proactively realigns its business strategy with the changing business dynamics and diversifies its lending portfolio into new business avenues i.e. mortgage / term financing to seek volume expansion and earn better spreads.

**CREDIT RATING**

The credit rating is under review by Pakistan Credit Rating Agency Limited (PACRA). Our last year ratings were AA- (double A minus) for long term and A1+(A one plus) for short term. PACRA also assigned instrument rating of AA (double A) of listed term finance certificates of the Bank. These ratings indicate high credit quality and strong capacity of the Bank for timely repayment of its obligations.

## **FUTURE OUT LOOK**

The constant and dedicated efforts of the management to convert the Bank from a simple leasing company to a dynamic and modern Investment Bank have started bearing fruits in the form of prudent approach to book quality business, innovative credit product, strengthening the systems and controls within the organization, delegation of authority at different levels, and collaboration with other significant players in the financial sector. These efforts and measures will definitely result in enhancing of the profitability and market standing of your Bank in the coming years.

We thank and appreciate the regulatory authorities, shareholders, valued customers and financial institutions for their guidance and support and we also thank the company's executives and staff for their efforts, hard work and dedication.

For and on Behalf of the Board

**Javaid Bashir Sheikh**  
Chief Executive Officer

**Lahore: April 25, 2008**

## Condensed Interim Balance Sheet (Un-Audited)

As at 31 March 2008

	<i>Note</i>	<b>31 March 2008 (Un-Audited) Rupees</b>	<b>30 June 2007 (Audited) Rupees</b>
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Property and equipment	4	112,302,621	108,061,123
Intangible asset		31,332,181	30,955,585
		<b>143,634,802</b>	139,016,708
Net investment in lease finance	5	3,155,182,462	3,017,606,748
Long term finances	6	128,173,262	42,912,864
Long term investments		230,490,114	527,614
Long term deposits		4,173,328	3,965,828
Long term advances		82,560,726	38,025,000
		<b>3,600,579,892</b>	3,103,038,054
		<b>3,744,214,694</b>	3,242,054,762
<b>Current assets</b>			
Current maturities of non-current assets	7	1,224,945,429	972,804,725
Short term finances	8	251,458,359	39,190,979
Short term placements	9	466,683,063	633,577,736
Short term investments	10	440,165,533	770,405,616
Taxation - net		31,117,065	27,529,228
Mark up accrued		25,115,733	17,544,269
Advances, prepayments and other receivables	11	715,138,034	539,624,140
Cash and bank balances	12	16,143,467	200,947,091
		<b>3,170,766,683</b>	3,201,623,784
		<b>6,914,981,377</b>	6,443,678,546
<b>Equity and liabilities</b>			
Share capital		585,528,729	468,422,983
Reserves		394,537,148	547,640,945
		<b>980,065,877</b>	1,016,063,928
<b>(Deficit)/Surplus on revaluation of investments</b>			
		<b>(5,626,494)</b>	6,594,532
		<b>974,439,383</b>	1,022,658,460
<b>Non current liabilities</b>			
Term finance certificates	13	182,161,620	291,899,573
Long term certificates of investment	14	142,915,955	1,132,432,940
Long term borrowings	15	494,888,441	249,973,660
Long term deposits		954,466,756	933,431,375
Deferred taxation		30,036,526	25,036,526
Long Term Advances	16	450,000,000	-
Staff service costs		4,310,975	4,019,593
		<b>2,258,780,273</b>	2,636,793,667
<b>Current liabilities</b>			
Current maturities of long term liabilities	17	1,940,433,343	794,041,048
Short term certificates of investment		481,957,562	331,874,225
Short term borrowings	18	1,081,641,449	1,373,653,324
Mark up accrued		110,561,012	54,181,534
Trade and other payables	19	67,168,355	230,476,288
		<b>3,681,761,721</b>	2,784,226,419
		<b>5,940,541,994</b>	5,421,020,086
<b>Contingencies and commitments</b>			
	20	<b>6,914,981,377</b>	6,443,678,546

The annexed notes 1 to 25 form an integral part of this condensed interim financial information.



## Condensed Interim Profit and Loss Account (Un-Audited)

For the quarter and nine months period ended 31 March 2008

	Notes	Quarter ended 31 March		Nine months ended 31 March	
		2008	2007	2008	2007
		(Un-Audited) Rupees	(Un-Audited) Rupees	(Un-Audited) Rupees	(Un-Audited) Rupees
<b>Revenue</b>					
Income from lease operations	21	115,168,102	94,033,392	275,357,793	271,370,427
Income from investments	22	64,640,942	75,561,359	219,571,590	224,769,747
Income from brokerage		10,890,232	6,762,229	34,379,799	18,927,366
Other income		16,038,227	4,072,597	111,756,153	14,742,125
		<b>206,737,503</b>	<b>180,429,577</b>	<b>641,065,335</b>	<b>529,809,665</b>
<b>Expenditure</b>					
Finance cost		127,777,781	112,653,296	377,232,268	326,168,399
Administrative and operating expenses		44,960,498	43,008,105	140,919,244	117,330,991
Depreciation and amortization		4,540,788	3,512,387	13,093,314	9,067,107
Lease receivables written off		–	–	1,020,487	–
		<b>177,279,067</b>	<b>159,173,788</b>	<b>532,265,313</b>	<b>452,566,497</b>
<b>Operating profit</b>					
		<b>29,458,436</b>	<b>21,255,789</b>	<b>108,800,022</b>	<b>77,243,168</b>
Provision for miscellaneous receivables and potential lease losses		(15,000,000)	(4,699,989)	(50,350,727)	(21,540,211)
(Deficit) / Surplus on revaluation of held for trading investments		(7,693,978)	6,047,085	(16,183,899)	211,600
		<b>(22,693,978)</b>	<b>1,347,096</b>	<b>(66,534,626)</b>	<b>(21,328,611)</b>
<b>Profit / (loss) before taxation</b>					
		<b>6,764,458</b>	<b>22,602,885</b>	<b>42,265,396</b>	<b>55,914,557</b>
Provision for taxation		1,000,000	1,000,000	8,000,000	8,000,000
<b>Profit / (loss) after taxation</b>					
		<b>5,764,458</b>	<b>21,602,885</b>	<b>34,265,396</b>	<b>47,914,557</b>
<b>Earnings per share - basic and diluted</b>					
	23	<b>0.10</b>	0.37	<b>0.59</b>	0.82

The annexed notes 1 to 25 form an integral part of this condensed interim financial information.

Lahore: April 25, 2008

Chief Executive

Director

**Condensed Interim Cash Flow Statement (Un-Audited)**

For the nine months period ended 31 March 2008

	Nine months ended 31 March	
	2008 Rupees	2007 Rupees
<b>Cash flows from operating activities</b>		
Profit before taxation	42,265,396	55,914,557
Adjustments for non cash and other items		
Depreciation	13,093,314	9,067,107
Amortization of transaction costs	2,762,047	1,291,492
Provision for gratuity	6,000,000	9,000,000
Provision for potential lease losses	50,350,727	21,540,211
Lease balances written-off	1,020,487	-
Finance cost	377,232,268	326,168,399
Profit on sale of fixed assets	(79,018,979)	(42,358)
Deficit / (Surplus) on revaluation of held for trading investments	16,183,899	(211,600)
Gain on sale of investments available for sale	(9,525,000)	(3,629,346)
	<b>378,098,763</b>	363,183,905
<b>Cash flows from operations before working capital changes</b>	<b>420,364,159</b>	419,098,462
<b>Changes in operating assets and liabilities</b>		
(Increase)/decrease in		
Long term and short term investments	(9,653,296)	(217,307,713)
Short term placements	166,894,673	624,526,150
Mark up accrued	(7,571,464)	(39,824,553)
Advances, prepayments and other receivables	(214,639,576)	186,616,932
Long and short term finances	(332,035,530)	(22,586,516)
Long term advances	(44,535,726)	-
Net investment in lease finance	(366,433,711)	(46,960,244)
Purchase of investment available for sale	-	(24,152,334)
Certificates of investment	188,099,292	936,667,275
Long term deposits	134,784,328	43,938,626
	<b>(485,091,010)</b>	1,440,917,623
Increase/(decrease) in trade and other payables	<b>(164,409,845)</b>	(46,072,164)
	<b>(649,500,855)</b>	1,394,845,459
<b>Cash generated from/(used in) operations</b>	<b>(229,136,696)</b>	1,813,943,921
Finance cost paid	(320,852,790)	(306,876,781)
Taxes paid	(6,587,837)	(3,443,223)
Gratuity paid	(5,708,618)	(9,135,578)
	<b>(333,149,245)</b>	(319,455,582)
<b>Net cash generated from/(used in) operating activities</b>	<b>(562,285,941)</b>	1,494,488,339
<b>Cash flows from investing activities</b>		
Purchase of operating fixed assets	(80,322,239)	(49,284,225)
Purchase of intangible asset	(462,050)	-
Long term deposits	(207,500)	(847,300)
Sale proceeds of fixed assets	47,222,500	90,000
Sale proceeds of long term investments	184,899,827	23,629,346
<b>Net cash used in investing activities</b>	<b>151,130,538</b>	(26,412,179)

## Condensed Interim Cash Flow Statement (Un-Audited)

For the nine months period ended 31 March 2008

	Nine months ended 31 March	
	2008 Rupees	2007 Rupees
<b>Cash flow from financing activities</b>		
Long term and short term borrowings	11,525,189	(1,247,749,557)
Advance for issue of Term Finance Certificates	450,000,000	—
Redemption of Term Finance Certificates	(157,500,000)	(137,500,000)
Dividends paid	(69,161,535)	(59,408,936)
<b>Net cash generated used in financing activities</b>	<b>234,863,654</b>	<b>(1,444,658,493)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(176,291,749)</b>	<b>23,417,667</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>(10,206,233)</b>	<b>(17,652,461)</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>(186,497,982)</b>	<b>5,765,206</b>

The annexed notes 1 to 25 form an integral part of this condensed interim financial information.

Lahore: April 25, 2008

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Director

## Condensed Interim Statement of Changes in Equity (Un-Audited)

For the nine months period ended 31 March 2008

	Share capital	Share premium	Statutory reserve	General reserve	Un-appropriated profit	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
<b>Balance as at 1 July 2006</b>	407,324,333	70,714,920	156,192,221	61,000,000	278,883,552	974,115,026
Final dividend for 2006 paid @5% (Rs 1.50 per share)	-	-	-	-	(61,098,650)	(61,098,650)
Bonus shares issued for 2006 @5%	61,098,650	-	-	-	(61,098,650)	-
Net profit for the nine months ended 31 March 2007	-	-	-	-	47,914,557	47,914,557
Transfer to statutory reserve	-	-	9,582,911	-	(9,582,911)	-
<b>Balance as at 31 March 2007</b>	468,422,983	70,714,920	165,775,132	61,000,000	195,017,898	960,930,933
<b>Balance as at 1 July 2007</b>	468,422,983	70,714,920	176,801,731	61,000,000	239,124,294	1,016,063,928
Final dividend for 2007 paid @5% (Rs 1.50 per share)	-	-	-	-	(70,263,447)	(70,263,447)
Bonus shares issued for 2007 @5%	117,105,746	(70,714,920)	-	-	(46,390,826)	-
Net profit for the nine months ended 31 March 2008	-	-	-	-	34,265,396	34,265,396
Transfer to statutory reserve	-	-	6,853,079	-	(6,853,079)	-
<b>Balance as at 31 March 2008</b>	585,528,729	-	183,654,810	61,000,000	149,882,338	980,065,877

The annexed notes 1 to 25 form an integral part of this condensed interim financial information.

Lahore: April 25, 2008

Chief Executive

Director

# Notes to the Condensed Interim Financial Information (Un-Audited)

For the nine months period ended 31 March 2008

## 1 The Company's operations and registered office

Trust Investment Bank Limited ("the Company") was incorporated in 1992 as a public limited Company under the Companies Ordinance, 1984 and is listed on Lahore, Karachi and Islamabad stock exchanges. The registered office of the Company is situated at 23-D-1/A, Gulberg III, Lahore. The Company is mainly engaged in the business of leasing & investment banking. The Company also holds license for housing finance services. It is classified as a Non-Banking Finance Company (NBFC) and is regulated by the Securities and Exchange Commission of Pakistan (SECP). The Company is a member of Lahore Stock Exchange (Guarantee) Limited.

Pakistan Credit Rating Agency Limited has maintained the long term credit rating of the Company at "AA-"(double A minus), while short term credit rating has also been maintained at "A1+" (A one plus) with stable out look. Rating of all categories of term finance certificates has been maintained at "AA"(double A).

Vide its Notifications dated November 21, 2007, the Securities and Exchange Commission of Pakistan has announced certain revisions in the NBFC Rules 2003 and has also promulgated the NBFC Regulations 2007. The existing NBFCs have been allowed different time limits for aligning themselves with different revised provisions. The management of the Company will deliberate on the course of action to be taken, with a view to fall in line with the revised regime.

## 2 Statement of compliance

These accounts have been prepared in accordance with the approved International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Committee (IASC) and interpretations issued by the Standards Interpretations Committee of the IASC, as applicable in Pakistan and the requirements of the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulations) Rules 2003, the Prudential Regulations for NBFCs, along with the requirements of the Securities and Exchange Commission of Pakistan (SECP). Wherever, the requirements of the Companies Ordinance, 1984, the Rules, the Regulations or the directives issued by the SECP differ with the requirements of these IAS, the requirements of the Ordinance, the Rules, the Regulations or the requirements of the said directives take precedence.

## 3 Significant accounting policies

There is no change in accounting policies since June 2007.

## 4 Fixed assets - property and equipment

	31 March 2008 (Un-Audited)	
	Additions cost	Disposal book value
	Rupees	Rupees
Building / land	56,520,025	60,888,035
Lease hold improvements	5,603,382	—
Office equipment and machines	4,229,839	131,175
Furniture and fixtures	1,375,307	38,102
Air conditioning equipment	556,725	42,935
Vehicles	12,036,961	1,958,274
	<b>80,322,239</b>	<b>63,058,521</b>
<b>Intangible assets</b>	<b>462,050</b>	<b>—</b>

	Note	31 March 2008 (Un-Audited) Rupees	30 June 2007 (Audited) Rupees
<b>5 Net investment in lease finance</b>			
Lease payments receivable		4,151,268,204	3,864,762,908
Add: Residual value		1,182,111,955	1,054,280,794
<b>Gross investment in leases</b>		<b>5,333,380,159</b>	4,919,043,702
Less: Unearned finance income		671,337,848	687,719,451
Income suspended		225,816,153	161,531,804
Provision for potential lease losses		92,126,007	80,900,962
		<b>989,280,008</b>	930,152,217
<b>Net investment in lease finance</b>		<b>4,344,100,151</b>	3,988,891,485
Less: Current portion of net investment in lease finance	7	1,188,917,689	971,284,737
		<b>3,155,182,462</b>	3,017,606,748

	31 March 2008 (Un-Audited)			
	Not later than one year	Later than one year and not later than five years	Later than five years	Total
	Rupees	Rupees	Rupees	Rupees
Gross investment	1,546,720,434	3,786,659,725	–	5,333,380,159
Less: Unearned finance income	357,802,745	313,535,103	–	671,337,848
	<b>1,188,917,689</b>	<b>3,473,124,622</b>	–	<b>4,662,042,311</b>

	30 June 2007 (Audited)			
	Not later than one year	Later than one year and not later than five years	Later than five years	Total
	Rupees	Rupees	Rupees	Rupees
Gross investment	1,317,703,796	3,601,339,906	–	4,919,043,702
Less: Unearned finance income	346,419,059	341,300,392	–	687,719,451
	971,284,737	3,260,039,514	–	4,231,324,251

	<i>Note</i>	<b>31 March 2008 (Un-Audited) Rupees</b>	30 June 2007 (Audited) Rupees
<b>6 Long term finances</b>			
Employees - considered good		<b>7,620,047</b>	9,632,852
Others: Secured - considered good		<b>156,280,955</b>	34,500,000
Unsecured - considered good		<b>300,000</b>	300,000
		<b>164,201,002</b>	44,432,852
Less: Current maturity	7	<b>36,027,740</b>	1,519,988
		<b>128,173,262</b>	42,912,864
<b>7 Current maturities of non-current assets</b>			
Long term finances	6	<b>36,027,740</b>	1,519,988
Net investment in lease finance	5	<b>1,188,917,689</b>	971,284,737
		<b>1,224,945,429</b>	972,804,725
<b>8 Short term finances</b>			
Employees - considered good		<b>5,858,359</b>	1,190,979
Others: Secured - considered good		<b>245,600,000</b>	38,000,000
Secured - considered doubtful		<b>650,000</b>	650,000
Less: Provision against doubtful finance		<b>(650,000)</b>	(650,000)
		-	-
		<b>251,458,359</b>	39,190,979
<b>9 Short term placements - considered good</b>			
Continuous funding system		<b>141,668,963</b>	357,563,636
Placements with Financial Institutions		<b>70,000,000</b>	-
Securities purchased under reverse repurchase agreements		<b>255,014,100</b>	276,014,100
		<b>466,683,063</b>	633,577,736
Fair value of quoted securities held as collateral against lending on Continuous Funding System and Reverse Repurchase Agreement.			
<b>Quoted Shares</b>		<b>617,703,112</b>	706,548,416

These have been placed for a period upto one year.

## 10 Short term investments

Note	March 2008 (Un-Audited)			30 June 2007 (Audited)			
	Held by Company	Given as Collateral	Total	Held by Company	Given as Collateral	Total	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Investments at fair value through profit and loss account	10.1	248,603,643	182,536,050	431,139,693	500,027,796	167,605,000	667,632,796
Investments available for sale	10.2	9,025,840	–	9,025,840	102,772,820	–	102,772,820
		<b>257,629,483</b>	<b>182,536,050</b>	<b>440,165,533</b>	<b>602,800,616</b>	<b>167,605,000</b>	<b>770,405,616</b>

## 10.1 Investments at fair value through profit and loss account

	Shares/Units		Cost		Fair Value		
	31 March 2008	30 June 2007	31 March 2008	30 June 2007	31 March 2008	30 June 2007	
Investments held for trading:	Number	Number	Rupees	Rupees	Rupees	Rupees	
<b>Name of investee company</b>							
<b>Technology and communication</b>							
Callmate Telips Telecom Limited	–	400,000	–	20,718,995	–	19,800,000	
<b>Energy and power</b>							
Pakistan Petroleum Limited	–	200,000	–	53,200,274	–	52,490,000	
Pakistan Oil fields Limited	135,000	306,000	48,272,394	107,460,471	49,599,000	97,002,000	
Oil & Gas Development Company Limited	–	425,000	–	52,508,240	–	50,915,000	
Pakistan State Oil Limited	40,000	–	20,997,693	–	21,338,000	–	
<b>Commercial Banks</b>							
Askari Bank Limited	–	150,000	–	15,359,513	–	15,885,000	
The Bank of Punjab Ltd	13,750	450,000	916,083	50,771,686	912,313	52,425,000	
National Bank of Pakistan Limited	–	125,000	–	31,430,123	–	32,750,000	
Crescent Commercial Bank Limited	2,363,000	2,790,500	52,692,183	49,700,534	41,588,800	62,646,725	
My Bank Limited	1,400,250	1,994,000	32,997,421	56,401,210	34,306,125	59,620,600	
United Bank Limited	–	200,000	–	42,911,295	–	43,990,000	
NIB Bank Ltd (formerly PICIC Commercial Bank Ltd)	–	881,500	–	36,922,073	–	38,786,000	
Saudi Pak Commercial Bank Ltd	–	1,000,000	–	23,136,907	–	25,150,000	
<b>Investment Companies</b>							
Arif Habib Securities Limited	430,085	512,685	74,974,957	39,363,593	75,888,498	59,779,071	
Pervez Ahmed Securities Limited	687,750	–	33,972,040	–	47,214,038	–	
Javed Omer Vohra & Company	150,000	–	16,456,853	–	16,410,000	–	
Jahangir Siddiqui Co. Limited	20,000	–	15,007,406	–	14,307,000	–	
<b>Cable and Electronics</b>							
Pak Electron Limited	270,975	472,500	18,643,080	40,049,100	19,848,919	40,635,000	
<b>Automobiles</b>							
Pak Suzuki Motors Company Limited	124,000	40,200	50,919,186	8,388,400	31,620,000	15,758,400	
<b>Refinery</b>							
National Refinery Limited	43,200	–	17,413,326	–	14,580,000	–	
Attock Refinery Limited	140,000	–	37,878,313	–	36,400,000	–	
<b>Fertilizer</b>							
Fauji Fertilizer Co. Limited	25,000	–	3,044,362	–	3,512,500	–	
Fauji Fertilizer Bin Qasim Limited	30,000	–	1,221,742	–	1,359,000	–	
Engro Chemical Pakistan Limited	50,000	–	16,495,382	–	16,195,000	–	
<b>Insurance</b>							
Pakistan Reinsurance	15,500	–	5,421,170	–	6,060,500	–	
		<b>5,938,510</b>	<b>9,947,385</b>	<b>447,323,591</b>	<b>628,322,414</b>	<b>431,139,693</b>	<b>667,632,796</b>

## 10.2 Investments Available for Sale:

Pervaiz Ahmad Securities Limited	–	750,000	–	7,500,000	–	17,025,000
Hira Textile Mills Limited	1,172,187	1,172,187	11,721,870	14,652,338	9,025,840	11,721,870
<b>Investment in Commercial Papers</b>						
Dewan Farooq Motors Limited	–	–	–	–	–	46,525,950
Azgard Nine Limited	–	–	–	–	–	27,500,000
<b>TOTAL</b>	<b>1,172,187</b>	<b>1,922,187</b>	<b>11,721,870</b>	<b>22,152,338</b>	<b>9,025,840</b>	<b>102,772,820</b>
					<b>440,165,533</b>	<b>770,405,616</b>



	<i>Note</i>	<b>31 March 2008 (Un-Audited) Rupees</b>	30 June 2007 (Audited) Rupees
<b>11 Advances, prepayments and other receivables</b>			
Advance to employees-considered good		<b>30,167</b>	–
Advance against leases		<b>123,344,979</b>	77,815,311
Advance against purchase of fixed assets		<b>6,133,116</b>	36,710,266
Other advances - considered good		<b>537,134</b>	2,773,194
Initial transaction cost of term finance certificates		<b>3,759,181</b>	1,203,542
Receivable from broker		<b>51,498,594</b>	–
Receivable from brokerage customers		<b>321,263,962</b>	113,052,333
Receivable From National Clearing Company Limited		–	227,784,312
Receivable against sale of fixed assets		<b>104,605,000</b>	–
Prepayments		<b>12,897,537</b>	6,729,665
Miscellaneous receivables from lessees		<b>87,716,551</b>	71,654,315
Other receivables - considered good		<b>3,351,813</b>	1,901,202
		<b>715,138,034</b>	539,624,140
<b>12 Cash and bank balances</b>			
Cash in hand		<b>1,926,213</b>	395,429
With banks in:			
Deposit accounts		<b>231,894</b>	231,791
Current accounts		<b>13,985,360</b>	200,319,871
		<b>14,217,254</b>	200,551,662
		<b>16,143,467</b>	200,947,091
<b>13 Term Finance Certificates (TFC) - secured</b>			
TFC I		<b>95,375,000</b>	140,375,000
TFC II-1st Tranche		<b>112,500,000</b>	187,500,000
TFC II-2nd Tranche		<b>225,000,000</b>	262,500,000
		<b>432,875,000</b>	590,375,000
Less: Unamortized portion of the initial transaction cost		<b>(5,338,380)</b>	(8,100,427)
		<b>427,536,620</b>	582,274,573
Less: Current maturity	17	<b>(245,375,000)</b>	(290,375,000)
		<b>182,161,620</b>	291,899,573

	<i>Note</i>	<b>31 March 2008 (Un-Audited) Rupees</b>	30 June 2007 (Audited) Rupees
<b>14 Long term certificates of investment - unsecured</b>			
Local currency:			
Financial institutions		<b>1,025,000,000</b>	1,100,000,000
Corporate		<b>20,937,940</b>	13,352,940
Individuals		<b>125,000,955</b>	19,570,000
		<b>1,170,938,895</b>	1,132,922,940
Less: Current maturity	<i>17</i>	<b>(1,028,022,940)</b>	(490,000)
		<b>142,915,955</b>	1,132,432,940
<b>15 Long term borrowings - secured</b>			
Banking companies and other financial institutions:			
The Bank of Punjab Ltd		<b>93,749,999</b>	137,500,002
Faysal Bank Limited		<b>91,666,666</b>	-
Askari Bank Limited		<b>4,166,663</b>	16,666,664
Allied Bank Limited		<b>60,000,000</b>	86,666,665
National Bank of Pakistan Limited		-	33,160,441
Habib Bank Limited		<b>83,333,338</b>	141,666,666
Pak Kuwait Investment Company (Private) Limited		<b>4,166,664</b>	16,666,664
Pak Oman Investment Company (Private) Limited		<b>13,562,988</b>	25,000,000
Syndicated Term Finance		-	55,432,466
Soneri Bank Limited		-	50,000,000
Saudipak Industrial & Agricultural Investment Company (Private) Limited		<b>63,166,662</b>	66,666,664
Pak Libya Holding Company (Private) Limited		<b>10,638,441</b>	-
Standard Chartered Bank (Pakistan) Limited		<b>500,000,000</b>	-
		<b>924,451,421</b>	629,426,232
Less: Current portion shown under current liabilities	<i>17</i>	<b>(429,562,980)</b>	(379,452,572)
		<b>494,888,441</b>	249,973,660
<b>16 Long term advances</b>			
This represents advances from various financial institutions against Pre IPO of 3rd issue of Term Finance Certificates. It carries mark up at the rate of 11.95%.			

	<i>Note</i>	<b>31 March 2008 (Un-Audited) Rupees</b>	30 June 2007 (Audited) Rupees
<b>17 Current maturities of long term liabilities</b>			
Term finance certificates - secured	<i>13</i>	<b>245,375,000</b>	290,375,000
Certificates of investment - unsecured	<i>14</i>	<b>1,028,022,940</b>	490,000
Long term borrowings - secured	<i>15</i>	<b>429,562,980</b>	379,452,572
Long term deposits		<b>237,472,423</b>	123,723,476
		<b>1,940,433,343</b>	794,041,048
<b>18 Short term borrowings</b>			
Banking companies and other financial institutions:			
Running finances - secured		<b>202,641,449</b>	211,153,324
Placements from financial institutions - unsecured		<b>879,000,000</b>	1,162,500,000
		<b>1,081,641,449</b>	1,373,653,324
<b>19 Trade and other payables</b>			
Customer's credit balances		<b>19,868,300</b>	199,320,252
Advance receipt against leases		<b>28,912,549</b>	17,807,071
Unclaimed dividend		<b>3,599,113</b>	2,497,201
Accrued liabilities		<b>1,382,481</b>	3,770,675
Other liabilities		<b>13,405,912</b>	7,081,089
		<b>67,168,355</b>	230,476,288
<b>20 Contingencies and commitments</b>			
<b>20.1 Contingencies</b>			
As at 31 March 2008 guarantees issued by the Company to various parties on behalf of clients amounted to Rs. 189.622 million (30 June 2007: 25.681 million). There is no change in all other contingencies from those disclosed in the audited financial statements for the year ended 30 June 2007			
<b>20.2 Commitments</b>			
<b>20.2.1</b> Lease commitments approved but not disbursed as at balance sheet date amount to Rs. 91.36 million (30 June 2007: Rs. 217.065 million).			
<b>20.2.2</b> Commitment for the purchase of office space amounting to Rs. 44.455 million (30 June 2007: Rs. 136.63 million).			

	<b>Nine months ended 31 March</b>	
	<b>2008</b> Rupees	2007 Rupees
<b>21 Income from lease operations</b>		
Finance lease income	<b>244,081,400</b>	249,944,303
Front end fee	<b>723,329</b>	3,177,334
Commitment and other fees	<b>5,243,456</b>	620,360
Miscellaneous	<b>25,309,608</b>	17,628,430
	<b>275,357,793</b>	271,370,427
<b>22 Income from investments</b>		
Profit on disposal of investment held for trading	<b>110,382,972</b>	97,985,384
Profit on investment in continuous funding system	<b>25,163,206</b>	84,427,188
Profit on disposal of shares under reverse repurchase agreements	<b>37,219,404</b>	33,615,299
Profit on disposal of shares purchased under future contract	<b>1,094,383</b>	-
Profit on short term placements	<b>26,019,170</b>	1,070,197
Dividend income	<b>9,929,330</b>	4,042,333
Underwriting and trusteeship fee	<b>238,125</b>	-
Gain on disposal of investments available for sale	<b>9,525,000</b>	3,629,346
	<b>219,571,590</b>	224,769,747
<b>23 Earnings per share - basic</b>		
Profit for the year after taxation	<i>Rupees</i>	<b>34,265,396</b>
Weighted average number of ordinary shares	<i>Numbers</i>	<b>58,552,873</b>
Earnings per share	<i>Rupees</i>	<b>0.59</b>

**23.1** Corresponding figure of weighted average number of ordinary shares for the nine months ended 31 March 2007 have been restated in order to incorporate the impact of bonus issue.

## 24 Transactions with related parties

Related parties comprise of directors, entities over which directors are able to exercise significant influence, entities with common directors, major shareholders, key management employees and employees' fund. The transactions and balances with related parties are as follows:

	Nine months ended 31 March		Year ended
	2008 Rupees	2007 Rupees	30 June 2007 Rupees
<b>First Pakistan Securities Limited</b>			
Amount due against leases	480,241	654,438	613,135
Finance income charged during the period	42,579	59,848	77,036
Deposits against lease arrangements	149,700	149,700	149,700
<b>MCD Pakistan Limited</b>			
Amount due against leases	–	325,433	232,360
Finance income charged during the period	782	22,926	26,066
Deposit against lease arrangements	–	169,000	169,000
<b>Switch Securities (Private) Limited</b>			
Amount due against leases	–	349,065	273,725
Finance income charged during the period	1,534	34,214	40,582
Deposit against lease arrangements	–	142,200	142,200
<b>The Bank of Punjab Limited</b>			
Total facilities availed	348,000,000	548,000,000	348,000,000
Markup accrued during the period	11,288,348	21,269,879	21,936,484
Deposit of COI	500,000,000	500,000,000	1,000,000,000
Markup accrued during the period	4,290,419	17,884,930	19,002,740
Short term placements	–	–	2,782,000,000
<b>Tricon Developers (Private) Limited</b>			
Amount due against leases	480,248	–	–
Finance income charged during the period	5,395	–	–
Deposit against lease arrangements	48,700	–	–
Advance for purchase of office space	82,560,726	–	38,025,000
<b>Union Communications (Private) Limited</b>			
Amount due against leases	–	2,000,000	2,000,000
Finance income charged during the period	–	48,874	–
Deposit against lease arrangements	–	200,000	–
Letter of Inland Credit	–	15,000,000	–
Commission income	–	109,432	109,432
Communication services	568,501	177,618	345,407
Purchase of supplies	–	–	68,533
<b>Employees' retirement fund</b>			
Payment made	5,723,963	9,861,577	9,290,233

## 25 Authorization

The condensed interim financial information is authorized for issue on April 25, 2008 by the Board of Directors.

Lahore: April 25, 2008

Chief Executive

Director

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