



taking entrepreneurship to scale

Condensed Interim Financial Information (Un-audited)  
for the quarter ended March 31, 2012

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# Company Information

As at 31 March 2012

## Board of Directors

Shabbir Hussain Hashmi (Chairman)  
A. Samad Dawood (Chief Executive)  
Isar Ahmad  
Shafiq Ahmed  
M. Jawaid Iqbal  
Shahid Hamid Pracha  
Ruhail Yousuf Muhammad

## Board Audit Committee

Shahid Hamid Pracha (Chairman)  
Shafiq Ahmed  
Ruhail Yousuf Muhammad

## Board Compensation Committee

Shabbir Hussain Hashmi (Chairman)  
A. Samad Dawood  
Shahid Hamid Pracha

## Board Investment Committee

Shabbir Hussain Hashmi (Chairman)  
Isar Ahmad  
M. Jawaid Iqbal  
Ruhail Yousuf Muhammad

## COO & Company Secretary

Sulaiman S. Mehdi

## CFO

Faisal N. Mangrora

## Head of Compliance

Ghulam Haider

## Internal Auditor

The Internal Audit Function has been outsourced to Anjum Asim Shahid Rahman (Chartered Accountants)

## Share Registrar/Transfer Agent

Technology Trade (Pvt.) Ltd.  
Dagia House, 241-C, Block-2,  
P.E.C.H.S., Off: Shahrah-e-Quaideen, Karachi.  
Tel: (92-21) 34387960-1  
Fax: (92-21) 34391318

## Auditors

KPMG Taseer Hadi & Co.  
(Chartered Accountants)  
Sheikh Sultan Trust Building No. 2,  
Beaumont Road, Karachi  
Website: [www.kpmg.com.pk](http://www.kpmg.com.pk)

## Tax Consultants

Tanuli Qazi Law Associates  
346-Hotel Metropole, Club Road, Karachi

## Legal Advisors

Zahid & Tariq Advocates  
65, Hussain Manzil, Chestnut Street,  
Garden East, Karachi

## Bankers

Allied Bank Limited  
Bank Al Habib Limited  
Barclays Bank PLC Pakistan  
MCB Bank Limited  
Meezan Bank Limited  
Standard Chartered Bank  
Summit Bank Limited

## Registered Office

Dawood Centre, M.T. Khan Road  
Karachi-75530

## Website

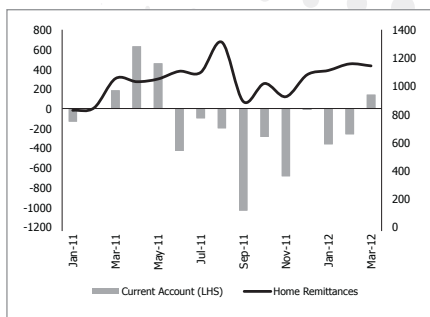
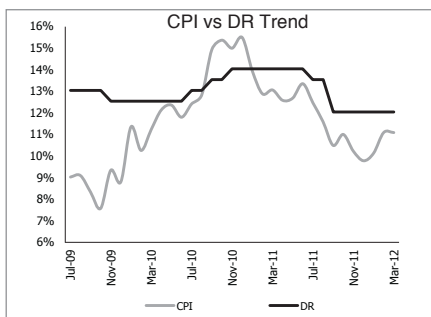
[www.cyanlimited.com](http://www.cyanlimited.com)

# Directors' Review

The Board of Directors of Cyan Limited (formerly Central Insurance Company Limited) is pleased to present the un-audited condensed interim financial information of the company for the quarter ended March 31, 2012.

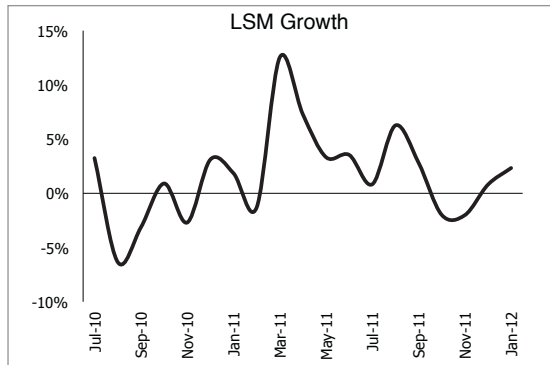
## Economy Review

Inflation in 1QCY12 averaged 10.6%YoY versus 13.26%YoY in the same period last year. However, Non-Food Non-Energy (NFNE) inflation maintained its upward trajectory to average at 10.53%YoY in 1QCY12 against 9.73%YoY in 1QCY11. While the FY12 inflation target will likely be met, consistently growing government borrowing requirement from the banking system is a key variable that is adversely affecting the inflation outlook in the medium term. At the same time, the PKR/US\$ has depreciated by 3.17%QoQ in 1QCY12 against a minor depreciation of 0.32% QoQ in the same period last year. In this regard, the SBP in its April 13, 2012 monetary policy statement kept the discount rate unchanged at 12%. However, the SBP has raised the minimum floor on PLS savings deposits to 6% from 5% previously in a bid to encourage private sector credit offtake.



On the external front, 8MFY12 Current Account (CA) deficit has widened to US\$2,952mn vs. a slight deficit of US\$194mn in 8MFY11. The expansion in CA deficit is primarily due to a widening of the trade deficit, which reached US\$12.4bn in 8MFY12 vs. US\$8.1bn in 8MFY11, up 53%YoY following a rising import bill (up 16%YoY) and flattish exports (up 5%YoY). On a positive note, the remittances trend has been robust; up 23%YoY to US\$8.59bn in 8MFY12 while 'other' current transfers have led to a MoM contraction in the CA deficit. Going forward, considering IMF repayments appear below-the-line, there should not be a major incremental pressure on the CA although Balance of Payments concerns remain with SBP's liquid reserves down by 3%MoM/14%YoY to leave import cover at 3.6 months. In this regard, consistent IMF principal retirements and non-materialization of foreign flows (CSF/Etisalat/3G proceeds) pose risks to the BoP profile beyond 2012. On a positive note however, normalizing US-Pakistan relations and talks on reopening of NATO supply routes have indicated resumption of some amount of the outstanding CSF of US\$3bn. At the same time World Bank has approved a US\$1.1bn soft loan for Pakistan.

On the real side, the Large-Scale Manufacturing (LSM) sector witnessed a growth of 6.04%YoY in Feb'12 mainly driven by growth in the food and beverages industries. However, the LSM sector depicted a growth of 1.78% in 8MFY12 over the same period last year. Improvement on the manufacturing side coupled with expected strong agriculture growth should drive real GDP growth of 3.6%-3.8% in full-year FY12.



## Stock Market Review 1QCY12

CY12 has kicked off positively for major world indices. In this regard, the KSE-100 Index returned a stellar 21% in 1QCY12, thereby ranking as the 3rd best performing market in the world. This is also the highest gain in the preceding 10 quarters. During this period, foreign investors turned net buyers with net inflows of US\$16mn. Furthermore, 1QCY12 saw the return of big volumes at the market where average daily volumes clocked in at 196mn shares, up 227%QoQ (average traded value up by 61% to US\$52mn). The substantial improvement at the local bourse was largely led by anticipated changes in the Capital Gain Tax (CGT) regime along with healthy corporate results announcements. Interestingly, 741 points or ~25% of this rally have been driven by (hitherto) penny stocks i.e. stocks less than Pkr10/share at CY11-end. Notable contributors include JSCL, SCBPL, NIB, BWCL and LPOL with the run-up in JSCL share price alone contributing a sizeable 228 points. In terms of major sectors, top performers were Construction & Materials (+64%QoQ), Banks (+36%QoQ) and Non Life Insurance (+31%QoQ).

## Outlook

The KSE-100 Index is now at its highest level since May'08, while CYTD gains are now at 22%, making the Pakistan Market one of the best performing markets in the world. This is despite a potential delay in release of CGT SRO, indicating that the market is taking stock of improving fundamentals at the companies' level. While updates on CGT will continue to be keenly anticipated, near term market direction could be dictated by pre-budget news flows that has already started to filter through. Despite robust recent gains, the Pakistan Market still trades at an attractive forward PER of 7.0x, significantly lower than PER for regional peers (40% discount to the region). Considering improving fundamentals at the company level, the ongoing rally could potentially extend although the CGT SRO remains a key swing factor. Moreover, recent increase in rate on savings a/c rate for Banks could provide room for the near-term breather.

## Company Performance

The company has realigned its portfolio to compliment its allocation towards high growth, low yield investments. To this effect, sizable investment in group companies like Engro Corporation and Dawood Hercules were substituted by energy, oil and gas, cement companies and money market mutual funds. Reduction in group related companies has also served in mitigating the concentration risk towards the fertilizer sector. These equity investments, by nature, are high yielding defensive positions that not only improve cash flows from our investments but also provide protection from currency devaluations and are positively skewed towards rising oil prices. Investment in mutual funds provides a stable and consistent return on the portfolio and helps curtail volatility of equity investments. As a result, dividends from our portfolio have increased by 70% to Rs.100 million for the quarter ended March 31, 2012 as opposed to Rs.59 million earned in the corresponding quarter last year. Dividend income from related parties increased by 23% from Rs.22 million to Rs.27 million, however, dividend

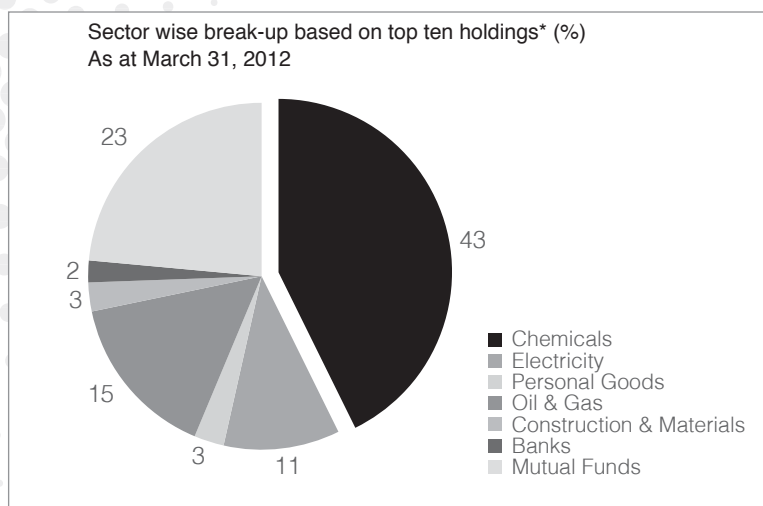
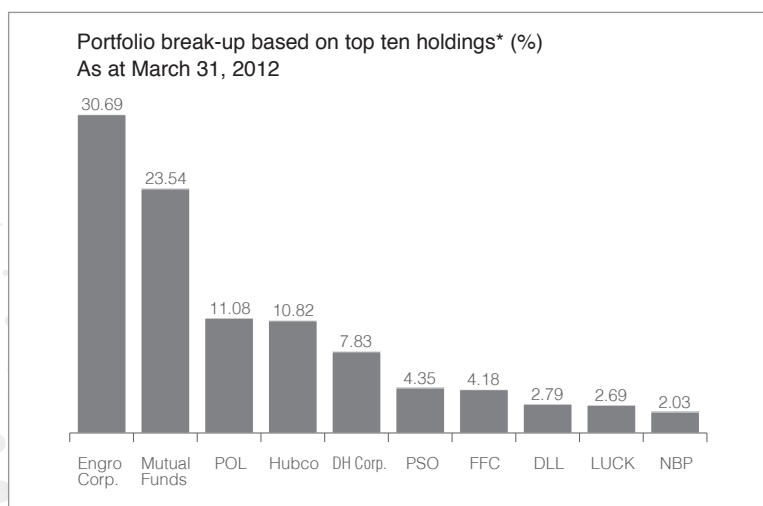
income from others increased by 100% from Rs.36 million to Rs.72 million. This was mainly achieved due to investment in Hubco, FFC and POL. This combination of investments in high growth companies along with high yielding defensive plays, positions the company well to provide sustained long term capital growth whilst generating healthy cash flows to fund future investments. The Company also earned capital gains of Rs.196 million during the quarter as opposed to Rs.145 million recorded in the corresponding quarter in 2011.

The brief summary of the financial highlights (Un-audited) for the quarter ended March 31, 2011 and 2012 is as under:

	PAT/(LAT) Rs. '000	EPS/(LPS) Rupees
	March 31, 2012	
Continuing Operations	232,034	5.94
Discontinued Operations	(150)	-
<b>Total</b>	<b>231,884</b>	<b>5.94</b>

			Rs.'000
CONTINUING OPERATIONS	March 31, 2012	March 31,2011 Restated	Change
Return on Investments	100,233	58,901	70%
Gain on Sale of Investments - Net	196,135	145,075	35%
Gain on revaluation of investments carried at fair value through profit and loss-net	22,269	-	-
Other Income	1,737	155	1,021%
	320,374	204,131	57%
Provision for Impairment	(14,833)	(1,093)	1,257%
	<b>305,541</b>	<b>203,038</b>	<b>50%</b>
Operating & Administrative Expenses	(55,675)	(24,709)	125%
Financial Charges	-	(156)	-
	(55,675)	(24,865)	124%
<b>PBT</b>	<b>249,866</b>	<b>178,173</b>	<b>40%</b>
Taxation	(17,832)	(4,515)	295%
<b>PAT</b>	<b>232,034</b>	<b>173,658</b>	<b>34%</b>
<b>EPS - Rupees</b>	<b>5.94</b>	<b>4.44</b>	<b>34%</b>

			Rs. in '000
DISCONTINUED OPERATIONS	March 31, 2012	March 31,2011 Restated	Change
Net premium revenue	-	657	-
Net claims recovery/(expense)	(35)	(229)	(84%)
	(35)	428	(108%)
Net expense	(196)	(3,257)	(94%)
<b>(LBT)</b>	<b>(231)</b>	<b>(2,829)</b>	<b>(92%)</b>
Taxation	81	990	(92%)
<b>(LAT)</b>	<b>(150)</b>	<b>(1,839)</b>	<b>(92%)</b>
<b>(LPS)</b>	<b>-</b>	<b>(0.05)</b>	



\* Top ten holdings represent 96% of the total portfolio

## Earnings per Share

During the quarter ended March 31, 2012 the company posted earnings per share of Rs.5.94 compared to Rs.4.44 (restated) in the corresponding quarter in 2011.

## Credit Rating

On December 01, 2011 JCR-VIS Credit Rating Company Limited has withdrawn the Insurer Financial Strength (IFS) rating of 'A' (Single A) assigned to Formerly Central Insurance Company Limited presently Cyan Limited on account of revocation of company's insurance license on November 30, 2011.

## Related Party Transactions

During the quarter all transactions made with associated companies/related parties were duly approved by the Board of Directors of the company. All transactions with related parties are on arms length basis.

## Material Information

The Company has executed a Share Purchase Agreement (SPA) for proposed acquisition of 32,260,000 fully paid ordinary shares of Hubco from National Power International Holdings BV at a price of PKR 31/- per share. The consummation of shares of Hubco by the Company is conditional upon certain regulatory consents and approvals.

## Future Outlook

The economy is showing early signs of revival and with the change in the business model of the company, whereby it has discontinued its insurance business in entirety and is actively undertaking growth equity and portfolio investment business, the outlook is positive. The management team under its CEO is fully committed to effectively implement the new business model to deliver a superior risk adjusted return to the shareholders.

## Acknowledgement

We would like to thank all our stakeholders, especially our valued investors, who have placed their confidence in us and also appreciate the efforts put in by the management team for their unswerving commitment and hard work. The Board would also like to place its appreciation for the Securities & Exchange Commission of Pakistan, State Bank of Pakistan, the management of the Karachi and Lahore Stock Exchanges and the Auditors for their continued support and cooperation.

On behalf of the Board

**Shabbir Hussain Hashmi**  
Chairman

**A. Samad Dawood**  
CEO

Karachi: April 24, 2012

# Condensed Interim Balance Sheet

As at March 31, 2012

	Note	March 31, 2012 Un-audited (Rupees in '000)	December 31, 2011 (Audited)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	5	1,438	1,586
Intangible		3	4
Long term loan		5,479	5,814
Deferred taxation		-	3,418
Investments	6	39,080	27,940
		<u>46,000</u>	<u>38,762</u>
<b>CURRENT ASSETS</b>			
Investments	6	3,566,077	2,919,085
Short term deposits		2,000	2,000
Taxation - net		-	5,104
Trade receivables		26,315	17,662
Advances and short term prepayments		4,791	100
Other receivables		169,082	200,704
Cash and bank balances		32,166	19,230
		<u>3,800,431</u>	<u>3,163,885</u>
<b>TOTAL ASSETS</b>		<u><b>3,846,431</b></u>	<u><b>3,202,647</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorised share capital			
100,000,000 (2011: 100,000,000) Ordinary shares of Rs.10/- each		<u>1,000,000</u>	<u>1,000,000</u>
Issued, subscribed and paid-up share capital		390,851	390,851
Unappropriated profit		2,824,378	2,592,494
Reserves		133,088	133,088
Surplus on revaluation of available-for-sale investments		370,466	37,670
		<u>3,718,783</u>	<u>3,154,103</u>
<b>NON-CURRENT LIABILITIES</b>			
Deferred liability		2,220	1,904
Deferred taxation		6,046	-
		<u>8,266</u>	<u>1,904</u>
<b>CURRENT LIABILITIES</b>			
Creditors, accrued expenses and other liabilities		114,093	46,640
Taxation-Net		5,289	-
		<u>119,382</u>	<u>46,640</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	7		
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>3,846,431</b></u>	<u><b>3,202,647</b></u>

The annexed notes 1 to 12 form an integral part of these financial information.

Shabbir Hussain Hashmi  
Chairman

A. Samad Dawood  
CEO

# Condensed Interim Profit and Loss Account

For the quarter ended March 31, 2012 - (Un-audited)

	Note	March 31, 2012	March 31, 2011 Restated
(Rupees in '000)			
<b>CONTINUING OPERATIONS</b>			
Return on investments		100,233	58,901
Gain on sale of investments - net		196,135	145,075
Gain on revaluation of investments carried at fair value through profit and loss-net		22,269	-
Other income		1,737	155
		<u>320,374</u>	<u>204,131</u>
Provision of impairment in value of available-for-sale investments		(14,833)	(1,093)
		<u>305,541</u>	<u>203,038</u>
<b>EXPENSES</b>			
Operating and administrative expenses		(55,675)	(24,709)
Financial charges		-	(156)
		<u>(55,675)</u>	<u>(24,865)</u>
<b>PROFIT BEFORE TAXATION</b>		<u>249,866</u>	<u>178,173</u>
Taxation - current		(10,805)	(9,500)
- deferred		(7,027)	4,985
		<u>(17,832)</u>	<u>(4,515)</u>
<b>PROFIT FROM CONTINUING OPERATIONS</b>		<u>232,034</u>	<u>173,658</u>
<b>DISCONTINUED OPERATIONS</b>			
(Loss) from discontinued operations - (net of tax)	8	(150)	(1,839)
<b>NET PROFIT FOR THE QUARTER</b>		<u>231,884</u>	<u>171,819</u>
<b>Basic and diluted (loss) / earnings per share</b>	9		
		(Rupees)	
From continuing operations		5.94	4.44
From discontinued operations		(0.00)	(0.05)
<b>Total</b>		<u>5.94</u>	<u>4.39</u>

The annexed notes 1 to 12 form an integral part of these financial information.

**Shabbir Hussain Hashmi**  
Chairman

**A. Samad Dawood**  
CEO

# Condensed Interim Statement of Comprehensive Income

For the quarter ended March 31, 2012 - (Un-audited)

	March 31, 2012	March 31, 2011 Restated (Rupees in '000)
Profit after tax	231,884	171,819
Surplus on revaluation of available-for-sale - (net of tax)	332,796	148,669
<b>Total comprehensive income for the quarter</b>	<b><u>564,680</u></b>	<b><u>320,488</u></b>

The annexed notes 1 to 12 form an integral part of these financial information.

Shabbir Hussain Hashmi  
Chairman

A. Samad Dawood  
CEO

# Condensed Interim Statement of Changes in Equity

For the quarter ended March 31, 2012 - (Un-audited)

	Share capital Issued, subscribed and paid-up	Capital reserves Reserve for exceptional losses	Reserve for bonus shares	Capital gain reserve	Revenue reserves General reserve	Unappropriated profit	Surplus / (deficit) on revaluation	Total
	(Rupees in '000)							
Balance as at January 01, 2011 - as restated	279,179	10,535	-	2,553	120,000	2,943,551	528,709	3,884,527
<b>Total comprehensive income for the quarter</b>								
Net profit for the quarter ended March 31, 2011	-	-	-	-	-	171,819	-	171,819
Other comprehensive income	-	-	-	-	-	-	148,669	148,669
<b>Balance as at March 31, 2011 - as restated</b>	<b>279,179</b>	<b>10,535</b>	<b>-</b>	<b>2,553</b>	<b>120,000</b>	<b>3,115,370</b>	<b>677,378</b>	<b>4,205,015</b>
Balance as at January 01, 2012	390,851	10,535	-	2,553	120,000	2,592,494	37,670	3,154,103
Net Profit for the quarter ended March 31, 2012	-	-	-	-	-	231,884	-	231,884
Other comprehensive income	-	-	-	-	-	-	332,796	332,796
<b>Balance as at March 31, 2012</b>	<b>390,851</b>	<b>10,535</b>	<b>-</b>	<b>2,553</b>	<b>120,000</b>	<b>2,824,378</b>	<b>370,466</b>	<b>3,718,783</b>

The annexed notes 1 to 12 form an integral part of these financial information.

**Shabbir Hussain Hashmi**  
Chairman

**A. Samad Dawood**  
CEO

# Condensed Interim Statement of Cash Flow

For the quarter ended March 31, 2012 - (Un-audited)

March 31,  
2012

March 31,  
2011  
Restated

(Rupees in '000)

## CASH FLOWS FROM OPERATING ACTIVITIES

Profit before taxation for the period 249,635 175,344

Adjustment for non cash charges and other items:

Depreciation /Amortization	117	124
Underwriting Provisions	-	(46,736)
Gain on sales of property and equipment	(658)	-
Impairment	14,833	1,093
Provision for Employee Benefits	316	74
Gain on revaluation of investments carried at fair value through profit or loss-net	(22,269)	-
	(7,661)	(45,445)
Operating profit before working capital changes	241,974	129,899

(Increase)/Decrease in operating assets

Trade Receivables	(8,653)	(16,256)
Long term loan recovery	335	159
Advances and short term prepayments	(4,691)	25,277
Investments	(315,382)	(63,288)
Other receivables	31,622	(35,786)
	(296,769)	(89,894)
(Decrease)/Increase in trade and other payables	67,453	15,218
<b>Net cash generated from operations</b>	<b>12,658</b>	<b>55,223</b>

Taxes Paid	(412)	(878)
<b>Net cash generated from operating activities</b>	<b>12,246</b>	<b>54,345</b>

## CASH FLOWS FROM INVESTING ACTIVITIES

Capital expenditure incurred	(170)	(78)
Proceeds from sale of property and equipment	860	-
<b>Net cash generated/(used) from/(in) investing activities</b>	<b>690</b>	<b>(78)</b>

## CASH FLOWS FROM FINANCING ACTIVITIES

Short term Running Finance	-	(33,852)
<b>Net cash used in financing activities</b>	<b>-</b>	<b>(33,852)</b>

<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>12,936</b>	<b>20,415</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>19,230</b>	<b>10,296</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>32,166</b>	<b>30,711</b>

The annexed notes 1 to 12 form an integral part of these financial information.

Shabbir Hussain Hashmi  
Chairman

A. Samad Dawood  
CEO

# Notes to the Condensed Interim Financial Information

For the quarter ended March 31, 2012 - (Un-audited)

## 1. STATUS AND NATURE OF BUSINESS

Cyan Limited (formerly Central Insurance Company Limited), a Dawood Group Company ("the Company"), is a Public Limited Company incorporated in Pakistan on 23 April 1960 under the Companies Act, 1913 (now Companies Ordinance, 1984). The Company is listed on the Karachi and Lahore Stock Exchanges. The registered office of the Company is situated at Dawood Centre, Molvi Tamizuddin Khan Road, Karachi.

On November 30, 2011, the Securities and Exchange Commission of Pakistan (SECP) has de-registered the company as an insurer and revoked the insurance license to carry on insurance business in exercise of its power under section 9 (2) of the Insurance Ordinance 2000. On December 08, 2011, SECP has issued certificate of change of name of the company from Central Insurance Company Limited to Cyan Limited.

- 1.2 Due to change in accounting policy as reflected in note 2.5.1 of the financial statements for the year ended December 31, 2011, the reversal of impairment amounting to Rs.148.669 million charged in profit and loss for the quarter ended March 31, 2011 has been reclassified and recognized in other comprehensive income.

Effect of the retrospective application of change in accounting policy are as follows:

	For the quarter ended March 31, 2011		
	As previously reported	As re-stated	Re-statement
		(Un-audited)	
		(Rupees in '000)	
<b>Effect on Profit and Loss Account</b>			
Provision of impairment in value of available-for-sale investments	147,576	(1,093)	(148,669)
<b>Effect on the Statement of Comprehensive Income</b>			
Surplus / (deficit) on revaluation of investments for the quarter	-	148,669	148,669
Effect on comprehensive income	-	148,669	148,669
		(Amount in Rupees)	
<b>Effect on earnings per share</b>			
Earnings per share - basic and diluted (including discontinued operations)	11.48	4.39	(7.09)
Effect of 40 % bonus shares issued			3.28
Effect of retrospective application of change in accounting policy			(3.81)

## 2. BASIS OF PRESENTATION

These condensed interim financial information are un-audited and are being submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Karachi and Lahore Stock Exchanges. These condensed interim financial information have been prepared in accordance with the requirements of the International Accounting Standards (IAS) - 34 "Interim Financial Reporting" as applicable in Pakistan. In case where requirements of IAS differ with Companies Ordinance, 1984, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

These condensed interim financial information do not include all of the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2011.

These condensed interim financial information have been presented in Pakistan rupee, which is also the Company's functional currency and rounded to the nearest thousand rupees.

## 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of the condensed interim financial information are the same as those applied in the preparation of the financial statements of the Company for the year ended December 31, 2011

## 4. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

The preparation of the condensed interim financial information in conformity with approved Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected. The significant judgement made by the management in applying company's accounting policies and the key resources of estimation and uncertainty were same as those applied to the financial statements for the year ended December 31, 2011.

## 5. PROPERTY AND EQUIPMENT

	March 31, 2012 (Un-audited)	December 31, 2011 Audited
	(Rupees in '000)	
Opening book value	1,586	1,931
Add: addition during the quarter / year	170	385
	1,756	2,316
Less: Written down value of disposal during the quarter / year	(202)	(209)
Less: Depreciation for quarter / year	(116)	(521)
	(318)	(730)
	1,438	1,586

## 6. INVESTMENTS

The investments comprise of the following:

### Held-to-maturity investments

Defence Saving Certificate  
Pakistan Investment Bonds and Treasury Bills

March 31, 2012  
(Un-audited)  
December 31, 2011  
Audited  
Restated  
(Rupees in '000)

		41	41
		39,039	27,899
		39,080	27,940
Available-for-sale investments	6.1	2,066,859	2,919,085
Investments carried at fair value through profit and loss	6.2	1,499,218	-
		3,566,077	2,919,085
		3,605,157	2,947,025

### 6.1 Available-for-sale investments

Market Value  
March 31, 2012  
(Un-audited)  
December 31, 2011  
Audited  
(Rupees in '000)

Quoted shares	6.1.1	570,010	842,279
Un-quoted shares	6.1.2	-	-
Mutual funds	6.1.3	17,017	692,506
Un-quoted debentures	6.1.4	-	-
Government bonds	6.1.5	54	54
Quoted shares - related parties	6.1.6	1,479,778	1,384,246
		2,066,859	2,919,085

### 6.1.1 Quoted shares

Quoted shares			Cost	Market Value	
			March 31, 2012	March 31, 2012	December 31, 2011
			(Un-audited)	(Un-audited)	Audited
			(Rupees in '000)		
Number of Shares		Name of Investee Company			
March 31, 2012	December 31, 2011				
		<b>Chemicals</b>			
300,000	1,000,000	Fauji Fertilizer Company Limited	38,355	37,452	149,540
1,000	1,000	Pakistan PVC Limited	5	4	4
		<b>Oil and Gas</b>			
43	43	Pakistan Refinery Limited	4	3	3
236,820	427,000	Pakistan Oilfields Limited	77,354	86,496	147,934
50,000	209,263	Pakistan Petroleum Limited	8,537	9,140	35,223
		<b>Non Life Insurance</b>			
12	12	PICIC Insurance Limited	-	-	-
		<b>Construction and Materials</b>			
-	550,000	Lucky Cement Limited	-	-	41,272
		<b>Electricity</b>			
9,900,000	10,000,000	The Hub Power Company Limited	337,781	372,537	342,000
1,500,000	1,500,000	Nishat Chunian Power Limited	23,928	20,955	19,125
		<b>Engineering</b>			
1,700	1,700	Gandhara Industries Limited	16	12	12
		<b>Commercial Banks</b>			
1,135	1,135	NIB Bank Limited	4	3	2
		<b>Personal Goods</b>			
-	1,700,000	Nishat Mills Limited	-	-	68,765
2,150,000	2,150,000	Nishat (Chunian) Limited	53,163	43,408	38,399
9	9	Crescent Jute Product Limited *	-	-	-
			<b>539,147</b>	<b>570,010</b>	<b>842,279</b>
		Provision for impairment in value of investment	(27,579)		
		Surplus on revaluation of investments	58,442		
			<b>570,010</b>		

\*As at 31 March 2012, the company was listed on default counter of Karachi Stock Exchange and the cost is below thousand.

### 6.1.2 Un-quoted shares

Un-quoted shares		Cost		
		March 31, 2012	December 31, 2011	
		(Un-audited)	Audited	
		(Rupees in '000)		
Number of Shares	Name of Investee Company			
March 31, 2012	December 31, 2011			
28,600	28,600	Aslo Electrical Industries Limited	162	162
1,800	1,800	Adamjee Paper and Boards Limited	7	7
1,700	1,700	Adamjee Floorings Limited	13	13
13,465	13,465	Bankers Equity Limited	117	117
45,900	45,900	Electric Lamp Manufacturers	305	305
500	500	Punjab Lamp Works Limited	2	2
8,900	8,900	Saifi Development Corporation Limited	34	34
	Cost as on 31 March	640	640	
	Provision for impairment in value of investment	(640)	(640)	
		-	-	

Unquoted companies in which the Company has made investments are in the process of liquidation, therefore, the names of respective Chief Executives are not available.

### 6.1.3 Mutual funds

Mutual funds			Cost	Market Value	
			March 31, 2012	March 31, 2012	December 31, 2011
			(Un-audited)		Audited
			(Rupees in '000)		
Number of Units		Name of Investee			
March 31, 2012	December 31, 2011				
240,500	240,500	National Investment Unit Trust (NIT)*	3,131	7,020	6,239
22,955	21,413,134	ABL Cash Fund - related party	209	230	214,534
2,405,532	2,405,532	Golden Arrow Selected Stock Fund	8,798	9,767	6,519
-	740	UBL Liquidity Plus Fund - related party	-	-	74
-	2,393,491	PICIC Cash Fund	-	-	240,153
-	1,569,738	HBL Money Market Fund	-	-	161,968
-	627,083	Askari Sovereign Cash Fund	-	-	63,019
			12,138	17,017	692,506
		Provision for impairment in value of investment	(2,279)		
		Surplus on revaluation of investments	7,158		
			17,017		

\*NIT units amounting to Rs.7.020 million, are under lien against a bank guarantee issued by Habib Bank Limited

### 6.1.4 Unquoted Debenture

		Cost		
		March 31, 2012	December 31, 2011	
		(Un-audited)	Audited	
		(Rupees in '000)		
Number of Shares	Name of investee company			
March 31, 2012	December 31, 2011			
240,500	240,500	Hyson Sugar Mills Limited	60	60
		Provision for impairment in value of investment	(60)	(60)
		-	-	

### 6.1.5 Government bonds

Number of Bonds	
March 31, 2012	December 31, 2011

5	5	Government Bonds
17	17	Government Bonds

Cost	
March 31, 2012	December 31, 2011
(Un-audited)	Audited
(Rupees in '000)	
52	52
2	2
54	54

### 6.1.6 Quoted shares - related parties

Number of Shares	
March 31, 2012	December 31, 2011

7,195,752	7,281,245
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11,073,761	10,510,586
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3,215,095	3,215,095
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-	7,409
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#### Name of Investee Company

#### Chemicals

Dawood Hercules Corporation Limited  
(formerly Dawood Hercules Chemicals Ltd.)  
Equity held: 1.50% (2011: 1.51%)

Engro Corporation Limited  
(formerly Engro Chemical Pakistan Limited)  
Equity held: 2.17% (2011: 2.67%)

#### Personal Goods

Dawood Lawrencepur Limited  
Equity held: 5.44% (2011: 5.44%)

#### Multiutilities

Sui Northern Gas Pipelines Limited  
Equity held: 0.00% (2011: 0.02%)

Cost	Market Value	
March 31, 2012	March 31 2012	December 31, 2011
(Un-audited)	Audited	
.....(Rupees in '000).....		

431,649	280,418	308,652
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1,340,787	1,099,403	974,331
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240,837	99,957	101,147
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-	-	116
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2,013,273	1,479,778	1,384,246
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Provision for impairment in value of investment  
(843,253)

Surplus on revaluation of investments  
309,758

1,479,778
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### 6.2 Investment Carried at fair value through Profit and loss

Quoted shares  
Mutual funds

	Market Value	
	March 31, 2012	December 31, 2011
	(Un-audited)	Audited
(Rupees in '000)		
6.2.1	790,331	-
6.2.2	708,887	-
	1,499,218	-

## 6.2.1 Quoted shares

Quoted shares			Cost	Market Value	
			March 31, 2012	March 31, 2012	December 31, 2011
Number of Shares		Name of Investee Company	(Un-audited)	Audited	
March 31, 2012	December 31, 2011		(Rupees in '000)		
Chemicals					
900,000	-	Fauji Fertilizer Company Limited	103,405	112,356	-
Oil and Gas					
850,100	-	Pakistan Oilfields Limited	311,565	310,491	-
624,480	-	Pakistan State Oil Company Ltd.	162,220	155,695	-
Construction and Materials					
850,000	-	Lucky Cement Limited	75,229	96,433	-
Electricity					
400,000	-	The Hub Power Company Limited	13,192	15,052	-
Commercial Banks					
1,595,000	-	National Bank of Pakistan	80,723	72,764	-
1,700,000	-	Bank Alfalah Limited	22,622	27,540	-
-	-				
			768,956	790,331	-
Gain on Revaluation of Investments carried at fair value through profit and loss-net			21,375		
			790,331		

## 6.2.2 Mutual funds

Mutual funds			Cost	Market Value	
			March 31, 2012	March 31, 2012	December 31, 2011
Number of Units		Name of investee	(Un-audited)		Audited
March 31, 2012	December 31, 2011		(Rupees in '000)		
54,951,544	-	*ABL Cash Fund - related party	550,045	550,697	-
1,568,281	-	PICIC Cash Fund	157,232	157,458	-
3,438	-	HBL Money Market Fund	346	354	-
3,776	-	Askari Sovereign Cash Fund	370	378	-
			707,993	708,887	-
Gain on Revaluation of Investments carried at fair value through profit and loss-net			894		
			708,887		

\*ABL Cash Fund units amounting to Rs.550 million are under pledge against underwriting facility agreement for the proposed acquisition of 32,260,000 fully paid ordinary shares of Hubco from National Power International Holdings BV

## 7. CONTINGENCIES AND COMMITMENTS

The status of contingencies and commitments remained unchanged as disclosed in the financial statements for the year ended December 31, 2011 except for the following:

Management has executed a Share Purchase Agreement (SPA) for proposed aquisition of 32,260,000 fully paid ordinary shares of Hubco from the National Power International Holdings BV at a price of PKR 31/- per share. The consummation of shares of Hubco by the company is conditional upon certain regulatory consents and approvals.

For implementation of SPA, the company has entered into an underwriting facility agreement with ABL against a pledge of units of ABL Cash Fund amounting to Rs.550 million.

## 8. DISCONTINUED OPERATIONS

	March 31, 2012	March 31, 2011
	(Un-audited)	
	(Rupees in '000)	
<i>Results of discontinued operations:</i>		
Net Premium Revenue	-	657
Net Claim (expenses)	(35)	(229)
Net Expenses	(196)	(3,257)
(Loss) before tax	(231)	(2,829)
Taxation - deferred	81	990
(Loss) after tax	(150)	(1,839)

## 9. EARNINGS PER SHARE - BASIC AND DILUTED

	March 31, 2012	March 31, 2011
	(Un-audited)	
	(Rupees in '000)	
		(Restated)
<b>Profit after tax for the period</b>		
Continuing Operations	232,034	173,658
Discontinued Operations	(150)	(1,839)
	<u>231,884</u>	<u>171,819</u>
	(Number of shares)	
Weighted average number of ordinary shares outstanding as at the period end	<u>39,085,148</u>	<u>39,085,148</u>
	(Rupees)	
		(Restated)
<b>Earnings/(Loss) per share</b>		
Continuing Operations	5.94	4.44
Discontinued Operations	(0.00)	(0.05)
	<u>5.94</u>	<u>4.39</u>

The number of shares for the prior period have been adjusted for the effect of bonus shares issued.

## 10. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise related group companies, entities under common control, entities with common directors, major shareholders, directors, key management personnel and staff retirement benefits fund.

Material transactions with related parties are given below:

		March 31, 2012	March 31, 2011
		(Un-audited)	
		(Rupees in '000)	
Premiums (refund) /underwritten		-	(9,036)
Premiums collected		-	5,155
Claims paid		8,817	16,606
Rent paid		1,063	925
Dividend received		27,617	21,676
Bonus shares received (face value)		32,460	102,149
Brokerage		703	2,193
Purchase of unit		550,045	-
Sale of unit		216,076	-
Management fee on investment		145	-
Contribution to Provident Fund	10.1	370	345
Contribution to Staff Retirement	10.2	316	74
<b>Key Management Personnel</b>			
Remuneration		7,735	6,660
Director Fee		300	-
Employee Loan Recovery		335	159

10.1 Contribution to the provident fund and staff retirement benefits are in accordance with the terms of employment

10.2 Remuneration to the key management personnel are in accordance with the terms of their employment.

## 11. AUTHORIZATION FOR ISSUE

These condensed interim financial information were authorized for issue on April 24, 2012 by the Board of Directors of the Company.

## 12. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However no significant re-arrangements have been made except as disclosed in note 1.2 of the condensed interim financial information.

**Shabbir Hussain Hashmi**  
Chairman

**A. Samad Dawood**  
CEO



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