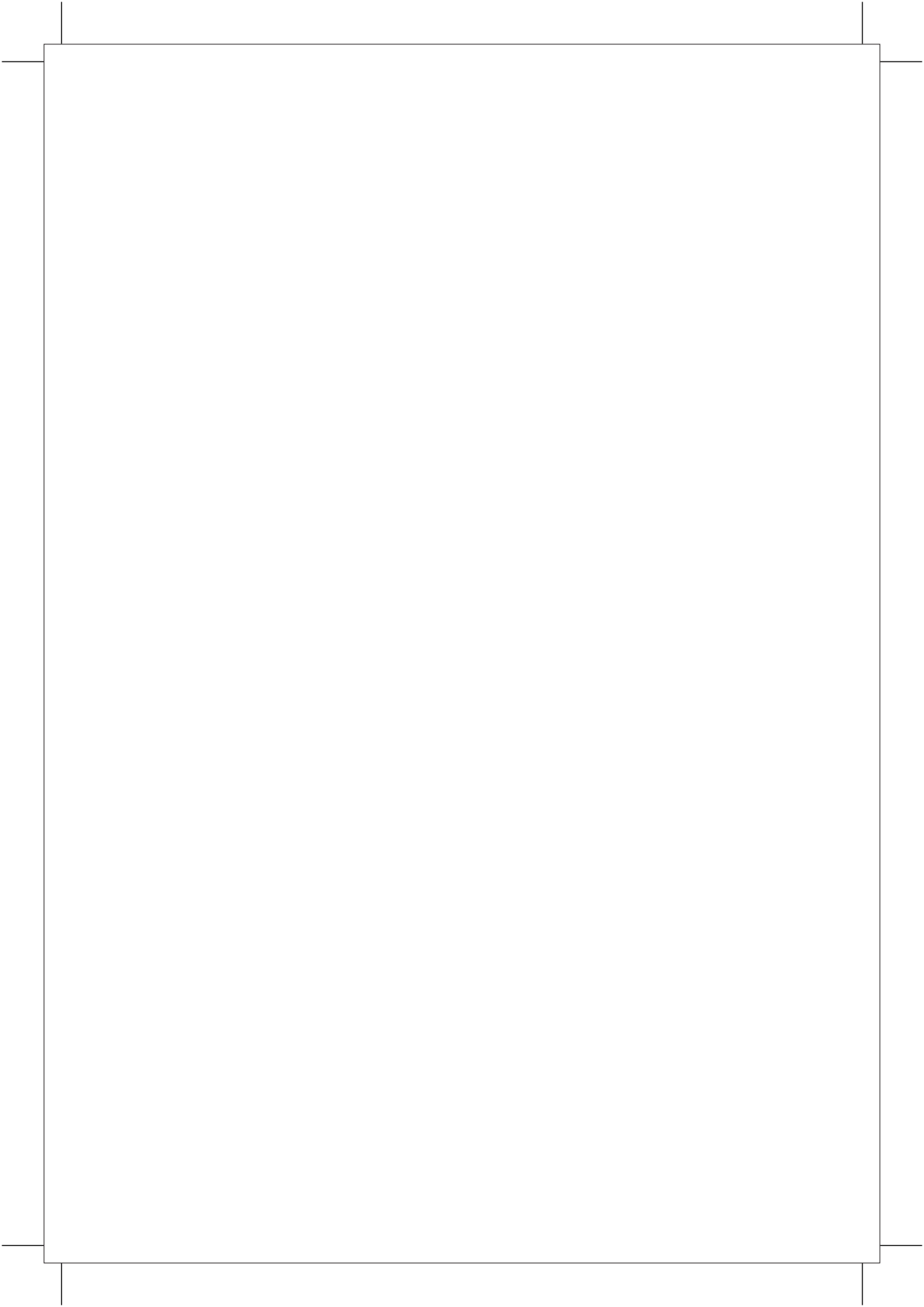




taking entrepreneurship to scale

Condensed Interim Financial Information (Un-audited)  
for the Half year ended June 30, 2012



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# Company Information

As at 30 June 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. Mangroia

## 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

A. F. Ferguson & Co.  
(Chartered Accountants)  
State Life Building 1-C,  
I.I. Chundrigar Road, Karachi.  
Website: [www.pwc.com/pk](http://www.pwc.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  
Bank Al-Falah 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

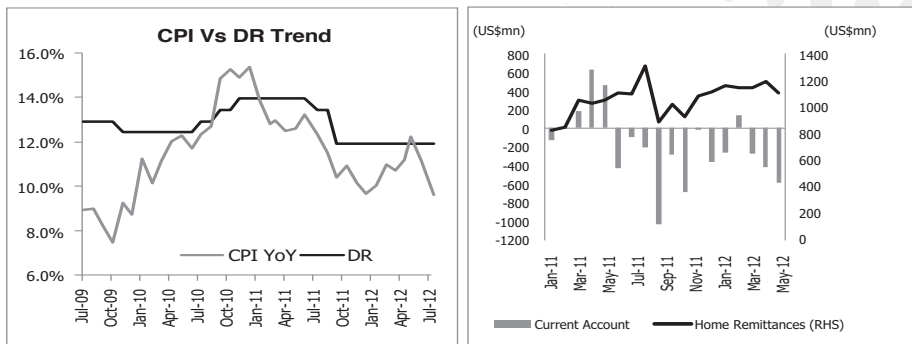
[www.cyanlimited.com](http://www.cyanlimited.com)

# 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 half year ended June 30, 2012.

## Economy Review

Inflation (headline CPI) averaged 11%YoY in 1HCY12 vs. 13% in the same period last year. As a result, the FY12 average inflation target of 11%-12% was comfortably met. However, Non-Food Non-Energy inflation maintained its upward trajectory to average at 10.9%YoY in 1HCY12 against 9.7%YoY in 1HCY11. Although CPI has dipped into single digits in Jul'12 (+9.6%YoY) - for the first time since Dec'11 - inflation concerns are expected to remain entrenched due to potential high deficit monetization ahead of general elections coupled with pass-through of higher petroleum product prices and a weaker PKR/US\$ parity (the PKR depreciated by 4.3%QoQ in 2QCY12). As such, while the SBP in its August 10, 2012 monetary policy statement lowered the discount rate by 1.5% to 10.5%, macroeconomic concern's particularly a low import cover, could potentially curb prospects for further monetary easing.

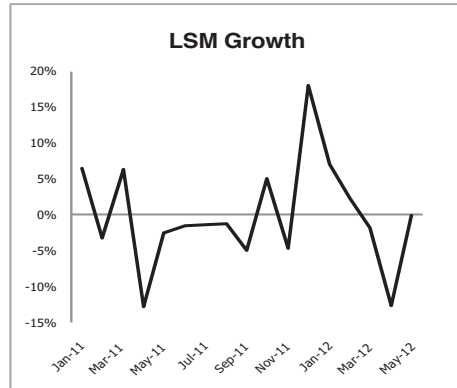


On the external front, the FY12 current account deficit clocked in at US\$4.52bn (~2% of GDP) vs. a surprise surplus of US\$214mn in the previous fiscal year. Slippage in the current account came about on the back of a 48% expansion in the trade deficit as exports contracted by 3%YoY (normalization in cotton prices) while imports rose by 12%YoY. That said, remittances continued to be strong, up 18%YoY to US\$13.2bn in FY12. Going forward, it is hoped that revival in CSF proceeds would aid the overall external account position (the PKR/US\$ parity has depicted stability post recent release of funds). Consistent IMF principal retirements and non-materialization of foreign flows (Etisalat/3G proceeds) pose risks to the Balance of Payment profile beyond 2012. Already, news flow points towards a potential return to a formal IMF program in 2013.

Large-Scale Manufacturing (LSM) sector witnessed a growth of 1.26%YoY in 11MFY12, down from 1.71% in the corresponding period last year. In this regard, the heavyweight Textile sector posted growth of just 0.4%YoY in the review period while petroleum products declined by 7%YoY and Iron & Steel Products were down by a steep 25%YoY. On a positive note, the Food sector posted growth of 6.4%YoY.

## Stock Market Review 1HCY12 & Outlook

The KSE-100 Index gained a strong 21.6% in 1HCY12 buoyed by Capital Gain Tax (CGT) reforms - Presidential Ordinance signed in late Apr'12, later ratified through the Finance Bill - and strong corporate profitability. In 2QCY12 the Index gained just 0.3%QoQ with net foreign buying clocking in at US\$21.6mn (adjusted for one-off HUBC outflow). Market volumes too depicted an uptick, up 166%YoY to average 196.5mn shares. In this regard, Index price performance was affected by unusually high political volatility with the ouster of Prime Minister Gilani on contempt of court charges (replaced by Prime Minister Ashraf) and a dip in US-Pakistan relations following closure of Nato supply routes into Afghanistan (issue resolved in early Jul'12). In terms of major sectors, top performers were Fixed Line Telecommunication (+10%QoQ on market murmurs of higher approved settlement rates on long distance and international calls), Food Producers (+10%QoQ on continued strong growth) and Construction & Materials (+6%QoQ on improved demand and margins) while laggards included Chemicals (-4%QoQ on lack of gas availability), Oil & Gas (-3%QoQ) and Commercial Banks (-3%QoQ on margin concerns).



## Outlook

The KSE-100 Index is now at its highest levels since May'08, while CYTD gains are now at 30%, making the Pakistan Market one of the best performing markets in the world. This is despite growing concerns on the macroeconomic front, specifically the Balance of Payments position even as the US has recently released Coalition Support Funds amounting to US\$1.1bn. Nevertheless, corporate profitability remains strong and, despite robust recent gains, the Pakistan Market still trades at an attractive forward P/E of 6.4x, significantly lower than P/E for regional peers (46% discount to the region). Considering sustained strong fundamentals at the company level, the ongoing rally could potentially extend particularly if the monetary easing cycle continues (leveraged companies would be the clear winners). Alternatively, Banks (up 41%CYTD) may witness profit taking on margin erosion concerns (lower yield on earnings assets and higher deposit costs following increase in floor on savings deposits by 1ppt to 6%).

## Company Performance

During the half year the company continued realigning its portfolio towards high yield and low growth 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 chemical sector (fertilizers). 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.107 million for the half year ended June 30, 2012 as opposed to Rs.63 million earned in the corresponding period last year. Dividend income from related parties increased by 41% from Rs.22 million to Rs.31 million, however,

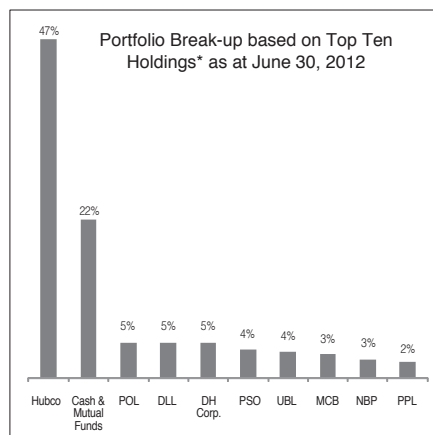
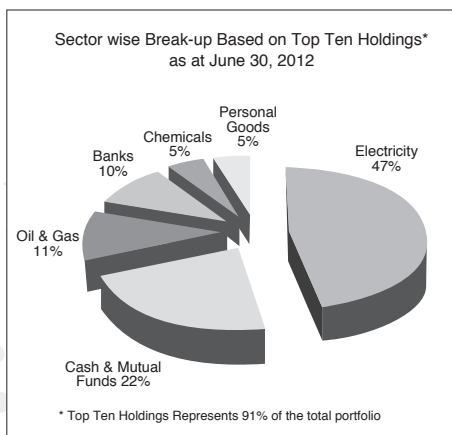
dividend income from others increased by 88% from Rs.41 million to Rs.77 million. This was mainly achieved due to investment in Hubco, POL, FFC and NBP. This combination of investments in high growth companies along with high yielding defensive plays, positions the company well to provide sustained long term capital growth whilst generating healthy cash flows to fund future investments. The company also earned capital gains of Rs.692 million during the half year as opposed to Rs.184 million recorded in the corresponding period in 2011.

The brief summary of the financial highlights for the half year ended June 30, 2011 and 2012 is as under:

	PAT/(LAT) Rs. '000	EPS/(LPS) Rupees
	June 30, 2012	
Continuing Operations	895,160	22.90
Discontinued Operations	(428)	(0.01)
<b>Total</b>	<b>894,732</b>	<b>22.89</b>

	Rs. '000		
CONTINUING OPERATIONS	June 30, 2012	June 30, 2011 Restated	Change
Return on Investments	109,919	64,418	71%
Gain on Sale of Investments - Net	692,176	183,969	276%
Gain on revaluation of investments carried at fair value through profit and loss-net	295,250	-	-
Other Income	3,845	1,168	229%
	1,101,190	249,555	341%
Provision for Impairment	(50,078)	(36,987)	35%
	<b>1,051,112</b>	<b>212,568</b>	<b>394%</b>
Operating & Administrative Expenses	(131,718)	(33,949)	288%
Financial Charges	-	(195)	-
	(131,718)	(34,144)	286%
<b>Profit before tax</b>	<b>919,394</b>	<b>178,424</b>	<b>415%</b>
Taxation	(24,234)	(5,274)	359%
<b>Profit after tax</b>	<b>895,160</b>	<b>173,150</b>	<b>417%</b>
<b>EPS - Rupees</b>	<b>22.90</b>	<b>4.43</b>	<b>417%</b>

	Rs. in '000		
DISCONTINUED OPERATIONS	June 30, 2012	June 30, 2011 Restated	Change
Net premium revenue	-	814	-
Net claims recovery/(expense)	(37)	12,014	(100%)
	(37)	12,828	(100%)
Net expense	(391)	(10,751)	(96%)
<b>(Loss)/Profit before tax</b>	<b>(428)</b>	<b>2,077</b>	<b>(121%)</b>
Taxation	-	(727)	-
<b>(Loss)/Profit after tax</b>	<b>(428)</b>	<b>1,350</b>	<b>(132%)</b>
<b>(Loss)/earnings per share</b>	<b>(0.01)</b>	<b>0.03</b>	<b>(132%)</b>



## Earnings per Share

During the half year ended June 30, 2012 the company posted earnings per share of Rs.22.89 compared to Rs.4.46 (restated) in the corresponding period in 2011.

## Appropriation and Dividend

The Company's profit after tax for the half year ended June 30, 2012 stood at Rs.894.73 million and the Board has declared interim cash dividend of 10% (Rs.1 per share) and bonus shares of 50% (5 shares for every 10 shares held) for the half year ended June 30, 2012.

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

## Material Information

As disclosed in the Directors' Review for Q1 2012, the Company had signed a Share Purchase Agreement with National Power International Holdings BV to acquire 32,260,000 fully paid ordinary shares of Hub Power Company Limited (Hubco) at a price of PKR 31 per share subject to receipt of certain regulatory approvals. The Directors are pleased to inform that all the required regulatory approvals were received during the quarter and the transaction was consummated on June 13, 2012.



## 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 new 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 unwavering 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: August 27, 2012



**A. F. FERGUSON & CO.**

## Independent Auditors' Report to the Members on Review of Condensed Interim Financial Information

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Cyan Limited (formerly Central Insurance Company Limited)** as at June 30, 2012 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the accounts for the half year then ended (here-in-after referred to as the "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended June 30, 2012 and June 30, 2011 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2012. The financial statements of the company for the year ended December 31, 2011 and half year ended June 30, 2011 were audited and reviewed respectively by another auditor. Their audit and review report dated March 27, 2012 and August 22, 2011, contained an emphasis of matter paragraph respectively on the discontinuance of the insurance business.

### Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended June 30, 2012 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Chartered Accountants  
Engagement Partner: Rashid A. Jafer  
Dated: August 29, 2012  
Karachi

# Condensed Interim Balance Sheet

As at June 30, 2012

	Note	June 30, 2012 Un-audited .....(Rupees in '000).....	December 31, 2011 (Audited)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	5	3,465	1,586
Intangible assets	6	71	4
Capital work in progress		10,425	-
Long term loan		6,106	5,814
Deferred taxation		-	3,418
Long term Investments	7	26,362	27,940
Other deposits		2,500	-
		<u>48,929</u>	<u>38,762</u>
<b>CURRENT ASSETS</b>			
Short term Investments	7	4,040,119	2,919,085
Short term deposits		2,000	2,000
Long term loan - current portion		1,116	-
Taxation - net		27,457	5,104
Trade and other receivables		84,402	229,266
Advances and short term prepayments		900	100
Cash and bank balances	8	22,106	8,330
		<u>4,178,100</u>	<u>3,163,885</u>
<b>TOTAL ASSETS</b>		<u><b>4,227,029</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		3,389,513	2,592,494
Reserves		133,088	133,088
Surplus on revaluation of available-for-sale investments		177,232	37,670
		<u>4,090,684</u>	<u>3,154,103</u>
<b>NON-CURRENT LIABILITIES</b>			
Deferred liability - gratuity		2,494	1,904
Deferred taxation		31,599	-
		<u>34,093</u>	<u>1,904</u>
<b>CURRENT LIABILITIES</b>			
Creditors, accrued expenses and other liabilities		<u>102,252</u>	<u>46,640</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>4,227,029</b></u>	<u><b>3,202,647</b></u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	9		

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

**Shabbir Hussain Hashmi**  
Chairman

**A. Samad Dawood**  
CEO

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

For the Half Year ended June 30, 2012

	Half Year Ended		Quarter Ended	
Note	June 30, 2012	June 30, 2011 Restated	June 30, 2012	June 30, 2011 Restated
..... (Rupees in '000) .....				
<b>CONTINUING OPERATIONS</b>				
Return on investments	109,919	64,418	9,686	5,517
Capital gain on sale of investments - net	692,176	183,969	496,041	38,894
Other income	3,845	1,168	2,108	1,013
	805,940	249,555	507,835	45,424
Net unrealized gain on revaluation of investments classified at fair value through profit or loss	295,250	-	272,981	-
Provision for impairment in value of available-for-sale investments	(50,078)	(36,987)	(35,245)	(35,894)
	1,051,112	212,568	745,571	9,530
<b>EXPENSES</b>				
Operating and administrative expenses	(131,718)	(33,949)	(76,043)	(9,240)
Financial charges	-	(195)	-	(39)
	(131,718)	(34,144)	(76,043)	(9,279)
<b>PROFIT BEFORE TAXATION FROM CONTINUING OPERATIONS</b>	<b>919,394</b>	<b>178,424</b>	<b>669,528</b>	<b>251</b>
Taxation - current year	(23,689)	(10,500)	(12,884)	(1,000)
- prior year	35,143	-	35,143	-
- deferred	(35,688)	5,226	(28,661)	241
	(24,234)	(5,274)	(6,402)	(759)
<b>PROFIT / (LOSS) FROM CONTINUING OPERATIONS</b>	<b>895,160</b>	<b>173,150</b>	<b>663,126</b>	<b>(508)</b>
<b>DISCONTINUED OPERATIONS</b>				
(Loss) / Profit from discontinued operations - (net of tax)	12 (428)	1,350	(278)	3,189
<b>NET PROFIT FOR THE PERIOD</b>	<b>894,732</b>	<b>174,500</b>	<b>662,848</b>	<b>2,681</b>
<b>Basic and diluted earnings / (loss) per share</b> 10				
..... (Rupees) .....				
From continuing operations	22.90	4.43	16.97	(0.01)
From discontinued operations	(0.01)	0.03	(0.01)	0.08
<b>Total</b>	<b>22.89</b>	<b>4.46</b>	<b>16.96</b>	<b>0.07</b>

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

**Shabbir Hussain Hashmi**  
Chairman

**A. Samad Dawood**  
CEO

## Condensed Interim Statement of Comprehensive Income (Un-audited)

For the Half Year ended June 30, 2012

	Half Year Ended		Quarter Ended	
	June 30, 2012	June 30, 2011 Restated	June 30, 2012	June 30, 2011 Restated
	..... (Rupees in '000) .....			
<b>Profit after tax</b>	<b>894,732</b>	<b>174,500</b>	<b>662,848</b>	<b>2,681</b>
Surplus/ (loss) on revaluation of available-for-sale investments - net of tax	<b>139,562</b>	<b>88,328</b>	<b>(193,234)</b>	<b>(60,341)</b>
<b>Total comprehensive income for the period</b>	<b>1,034,294</b>	<b>262,828</b>	<b>469,614</b>	<b>(57,660)</b>

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

**Shabbir Hussain Hashmi**  
Chairman

**A. Samad Dawood**  
CEO

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

For the Half Year ended June 30, 2012

	Share capital	Capital reserves			Revenue reserves		Surplus / (deficit) on revaluation of available for sale investments	Total
	Issued, subscribed and paid-up	Reserve for exceptional losses	Reserve for bonus shares	Capital gain reserve	General reserve	Unappropriated profit		
(Rupees in '000)								
Balance as at December 31, 2010 - as restated	279,179	10,535	-	2,553	120,000	2,943,551	528,709	3,884,527
<b>Total comprehensive income for the year</b>								
Net profit for the half year ended June 30, 2011	-	-	-	-	-	174,500	-	174,500
Other comprehensive income	-	-	-	-	-	-	88,328	88,328
<b>Transactions with owners recorded directly in equity</b>								
Transfer to reserve for issue of bonus shares	-	-	111,672	-	-	(111,672)	-	-
Issue of bonus shares @ 40%	111,672	-	(111,672)	-	-	-	-	-
Final dividend of Rs.1.50 per share for the year ended December 31, 2010	-	-	-	-	-	(41,877)	-	(41,877)
	111,672	-	-	-	-	(153,549)	-	(41,877)
<b>Balance as at June 30, 2011</b>	<b>390,851</b>	<b>10,535</b>	<b>-</b>	<b>2,553</b>	<b>120,000</b>	<b>2,964,502</b>	<b>617,037</b>	<b>4,105,478</b>
<b>Balance as at December 31, 2011</b>	<b>390,851</b>	<b>10,535</b>	<b>-</b>	<b>2,553</b>	<b>120,000</b>	<b>2,592,494</b>	<b>37,670</b>	<b>3,154,103</b>
Final dividend @ Rs.2.5 per share for the year ended Dec 31, 2011	-	-	-	-	-	(97,713)	-	(97,713)
Net Profit for the half year ended June 30, 2012	-	-	-	-	-	894,732	-	894,732
Other comprehensive income	-	-	-	-	-	-	139,562	139,562
<b>Balance as at June 30, 2012</b>	<b>390,851</b>	<b>10,535</b>	<b>-</b>	<b>2,553</b>	<b>120,000</b>	<b>3,389,513</b>	<b>177,232</b>	<b>4,090,684</b>

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

Shabbir Hussain Hashmi  
Chairman

A. Samad Dawood  
CEO

# Condensed Interim Cash Flow Statement (Un-audited)

For the Half Year ended June 30, 2012

	Half Year Ended	
	June 30, 2012	June 30, 2011
		Restated
	.....(Rupees in '000).....	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation for the period	918,966	180,501
Adjustment for non cash charges and other items:		
Depreciation/Amortization	283	251
Underwriting Provisions	-	(71,941)
Gain on sale of property and equipment	(328)	(95)
Provision for impairment in value of investments	50,078	36,987
Capital gain on sale of investments - net	(692,176)	(183,969)
Amortization of Premium	(755)	(1,834)
Net unrealized gain on revaluation of investments classified at fair value through profit or loss	(295,250)	-
	(938,148)	(220,601)
Operating profit / (loss) before working capital changes	(19,182)	(40,100)
(Increase)/Decrease in operating assets		
Trade and other receivables	144,864	9,226
Long term loan	(1,408)	670
Deferred Liability	590	570
Other deposits	(2,500)	-
Advances, short term prepayments	(800)	17,941
	140,746	28,407
Increase in trade and other payables	54,135	14,565
<b>Net cash generated from operations</b>	175,699	2,872
Taxes Paid	(10,899)	(6,376)
Dividend Paid	(96,236)	(41,257)
<b>Net cash generated from / (used in) operating activities</b>	68,564	(44,761)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	6,802,042	2,118,738
Investment in securities	(6,844,504)	(2,039,714)
Capital expenditure incurred	(12,856)	(272)
Proceeds from sale of property and equipment	530	267
<b>Net cash (used in) / generated from investing activities</b>	(54,788)	79,019
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Short term Running Finance	-	(33,852)
<b>Net cash used in financing activities</b>	-	(33,852)
<b>Net increase in cash and cash equivalents</b>	13,776	406
<b>Cash and cash equivalents at the beginning of the period</b>	8,330	10,296
<b>Cash and cash equivalents at the end of the period</b>	22,106	10,702

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

**Shabbir Hussain Hashmi**  
Chairman

**A. Samad Dawood**  
CEO

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

For the Half Year ended June 30, 2012

## 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. Accordingly, necessary amendments have also been made in the Memorandum and Articles of Association of the Company.

- 1.1 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. 88.328 million charged in the profit and loss account for the half year ended June 30, 2011 has been reclassified and recognized in other comprehensive income.

	For the half year ended June 30, 2011		
	As previously reported	As re-stated	Re-statement
	..... (Rupees in '000) .....		
<b>Effect on Profit and Loss Account</b>			
Provision for impairment in value of available-for-sale investments	51,341	(36,987)	(88,328)
<b>Effect on the Statement of Comprehensive Income</b>			
Surplus / (deficit) on revaluation of investments for the half year	-	88,328	88,328
Effect on comprehensive income	-	88,328	88,328
<b>Effect on earning per share :</b>	..... (Rupees) .....		
Earning per share - basic and diluted (including discontinued operations)	6.72	4.46	(2.26)

## 2. BASIS OF PRESENTATION

This condensed interim financial information is un-audited and is being presented to the shareholders as required under section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Karachi and Lahore Stock Exchanges. This condensed interim financial information has been prepared in accordance with the requirements of the International



Accounting Standard - 34 "Interim Financial Reporting". This condensed interim financial information does 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.

This condensed interim financial information has been presented in Pakistani 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 JUDGMENTS 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 judgment in the process of applying the company's accounting policies. Estimates and judgments 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 judgments made by the management in applying the company's accounting policies and the key resources of estimation and uncertainty were the same as those applied to the financial statements for the year ended December 31, 2011.

### 5. PROPERTY AND EQUIPMENT

	June 30, 2012 (Un-audited)	December 31, 2011 (Audited)
	..... (Rupees in '000) .....	
Opening book value	1,586	1,931
Additions during the period	2,360	385
	3,946	2,316
Less: Written down value (WDV) of disposal during the period	(202)	(209)
Less: Depreciation for the period	(279)	(521)
	(481)	(730)
	<u>3,465</u>	<u>1,586</u>

The details of additions and disposals during the six months period are as follows:

#### Additions-Cost

Office Equipment	773	385
Vehicles	1,587	-
	<u>2,360</u>	<u>385</u>

#### Disposal-Cost

Office Equipment	-	66
Vehicles	896	969
	<u>896</u>	<u>1,035</u>

	June 30, 2012 (Un-audited)	December 31, 2011 (Audited)
	..... (Rupees in '000).....	
<b>6. INTANGIBLE ASSETS</b>		
Opening book value	4	13
Additions during the period/year	71	-
	75	13
Less: Written down value (WDV) of disposal during the period	-	-
Less: Depreciation for the period	(4)	(9)
	(4)	(9)
	71	4

The details of additions and disposals during the six months period are as follows:

**Additions-Cost**

Computer License	71	-
	71	-

**Market Value**

	June 30, 2012 (Un-audited)	December 31, 2011 (Audited)
	..... (Rupees in '000).....	
<b>Note</b>		

**7. INVESTMENTS**

The investments comprise of the following:

**Held-to-maturity investments - long term**

Pakistan Investment Bonds	26,321	27,899
Defence Savings Certificate	41	41
	26,362	27,940

**Held-to-maturity investments - short term**

Treasury Bills	11,259	-
Available-for-sale investments	850,810	2,919,085
Investments carried at fair value through profit or loss	3,178,050	-
	4,040,119	2,919,085
	4,066,481	2,947,025

**7.1 Available-for-sale investments**

Quoted shares	7.1.1	46,828	500,279
Un-quoted shares	7.1.2	-	-
Mutual funds	7.1.3	18,824	692,506
Un-quoted debentures	7.1.4	-	-
Government bonds	7.1.5	54	54
Quoted shares - related parties	7.1.6	785,104	1,726,246
		850,810	2,919,085

		Number of Shares		Cost	Market Value	
		31-Dec-11	30-Jun-12	30-Jun-12	30-Jun-12	31-Dec-11
..... (Rupees in '000).....						
<b>7.1.1 Quoted Shares</b>						
	<b>Name of investee company</b>					
	<b>Chemicals</b>					
	Fauji Fertilizer Company Limited	1,000,000	-	-	-	149,540
	Pakistan PVC Limited	7.1.1.1	1,000	1,000	5	11
						4
	<b>Oil &amp; Gas</b>					
	Pakistan Oilfields Limited	427,000	-	-	-	147,934
	Pakistan Petroleum Limited	209,263	50,000	8,537	9,415	35,223
	Pakistan Refinery Limited	43	-	-	-	3
	<b>Insurance</b>					
	PICIC Insurance Limited	7.1.1.2	12	-	-	-
	<b>Construction and Materials</b>					
	Lucky Cement Limited	550,000	-	-	-	41,272
	<b>Electricity</b>					
	Nishat Chunian Power Limited	1,500,000	-	-	-	19,125
	<b>Automobiles Assemblers</b>					
	Ghandhara Industries Limited	1,700	1,700	16	11	12
	<b>Commercial Banks</b>					
	NIB Bank Limited	1,135	1,135	4	2	2
	<b>Personal Goods</b>					
	Nishat Mills Limited	1,700,000	-	-	-	68,765
	Nishat (Chunian) Limited	2,150,000	2,150,000	53,163	37,389	38,399
	Crescent Jute Product Limited	7.1.1.2	9	9	-	-
				61,725	46,828	500,279
	Less: Provision for Impairment			(15,902)		
	Carrying Value			45,823		
	Market Value as at 30 June 2012			46,828		
	Unrealised Gain on Quoted Share			1,005		

7.1.1.1 As at 30 June 2012, the company was listed on default counter of Karachi Stock Exchange.

7.1.1.2 As at 30 June 2012, the cost of securities is below thousand.

### 7.1.2 Un-quoted Shares\*

#### Name of investee company

	Number of Shares	Cost	Market Value	
	31-Dec-11	30-Jun-12	June 30, 2012	
				.....(Rupees in '000).....
Aslo Electrical Industries Limited	28,600	28,600	162	-
Adamjee Paper and Boards Limited	1,800	1,800	7	-
Adamjee Floorings Limited	1,700	1,700	13	-
Bankers Equity Limited	13,465	13,465	117	-
Electric Lamp Manufacturers	45,900	45,900	305	-
Punjab Lamp Works Limited	500	500	2	-
Saifi Development Corporation Limited	8,900	8,900	34	-
			640	-
Less: Provision for Impairment			(640)	
Carrying Value			-	
Market Value as at 30 June 2012			-	
Unrealised Gain on Quoted Share			-	

\*Unquoted companies in which the Company has made investments are in the process of liquidation.

### 7.1.3 Mutual Funds

#### Name of investee company

	Note	Number of Units	Cost	Market Value	
		31-Dec-11	30-Jun-12	30-Jun-12	31-Dec-11
					.....(Rupees in '000).....
National Investment Unit Trust (NIT)	7.1.3.1	240,500	240,500	3,131	7,277
ABL Cash Fund - related party		21,413,134	-	-	214,534
Golden Arrow Selected Stock Fund		2,405,532	2,405,532	8,798	11,547
UBL Liquidity Plus Fund - related party		740	-	-	74
PICIC Cash Fund		2,393,491	-	-	240,153
HBL Money Market Fund		1,569,738	-	-	161,968
Askari Sovereign Cash Fund		627,083	-	-	63,019
			11,929	18,824	692,506
Less: Provision for Impairment			(2,279)		
Carrying Value			9,650		
Market Value as at 30 June 2012			18,824		
Unrealised Gain on Quoted Share			9,174		

7.1.3.1 NIT units amounting to Rs. 7.277 million (2011: 6.239 million), are under lien against a bank guarantee issued by Habib Bank Limited

		Number of Units		Cost	Market Value	
		31-Dec-11	30-Jun-12	30-Jun-12	30-Jun-12	31-Dec-11
7.1.4	Un-quoted debentures	(Rupees in '000).....				
Name of investee company						
	Hyson Sugar Mills Limited	240,500	240,500	60	-	-
				60	-	-
	Less: Provision for Impairment			(60)		
	Carrying Value			-		
		Number of bonds		Cost	Market Value	
		31-Dec-11	30-Jun-12	30-Jun-12	30-Jun-12	31-Dec-11
7.1.5	Government Bonds	(Rupees in '000).....				
	Government Bonds	5	5	52	-	-
	Government Bonds	17	17	2		
				54	-	-
		Number of Shares		Cost	Market Value	
		31-Dec-11	30-Jun-12	30-Jun-12	30-Jun-12	31-Dec-11
7.1.6	Quoted Shares - Related Parties	(Rupees in '000).....				
Name of investee company						
Chemicals						
	Dawood Hercules Corporation Limited (formerly Dawood Hercules Chemicals Ltd.) Equity held: 1.17% (2011: 1.51%)	7,281,245	5,649,747	338,909	186,498	308,652
	Engro Corporation Limited (formerly Engro Chemical Pakistan Limited) Equity held: 0% (2011: 2.67%)	10,510,586	-	-	-	974,331
Personal Goods						
	Dawood Lawrencepur Limited Equity held: 5.02% (2011: 5.44%)	3,215,095	2,965,095	222,110	183,895	101,147
Oil and gas						
	Sui Northern Gas Pipelines Limited Equity held: 0.00% (2011: 0.00%)	7,409	-	-	-	116
Electricity						
	The Hub Power Company Limited Equity held: 0.86% (2011: 0.86%)	10,000,000	9,900,000	337,781	414,711	342,000
				898,800	785,104	1,726,246
	Less: Provision for Impairment			(282,429)		
	Carrying Value			616,371		
	Market Value as at 30 June 2012			785,104		
	Unrealised Gain on Quoted Share			168,733		

7.2	Investment Carried at fair value through Profit or loss	Note	Market Value	
			June 30, 2012 (Un-audited)	December 31, 2011 (Audited)
			..... (Rupees in '000).....	
	Quoted shares	7.2.1	2,456,695	-
	Mutual funds	7.2.2	721,355	-
			<u>3,178,050</u>	<u>-</u>

		Number of Shares		Carrying Value	Market Value	
7.2.1	Quoted Shares	31-Dec-11	30-Jun-12	30-Jun-12	30-Jun-12	31-Dec-11
Name of investee company		..... (Rupees in '000).....				
<b>Oil &amp; Gas</b>						
	Pakistan Oil Fields Limited	-	500,000	183,049	183,470	-
	Pakistan Petroleum Limited	-	400,000	78,202	75,316	-
	Pakistan State Oil Limited	-	624,480	161,985	147,277	-
<b>Chemicals</b>						
	Fatima Fertilizer Company Limited	-	2,100,000	54,583	51,807	-
<b>Construction &amp; Materials</b>						
	D.G Khan Cement Limited	-	500,000	19,886	19,690	-
<b>Electricity</b>						
	The Hub Power Company Limited- (related party)					
	Equity held: 2.82% (2011: 0.00%)	7.2.1.1	-	32,660,000	1,013,229	1,368,127
	Nishat Power Limited	-	5,000,000	74,999	73,500	-
<b>Commercial Banks</b>						
	National Bank of Pakistan	-	2,170,000	107,814	94,482	-
	MCB Bank Limited	-	750,000	133,694	124,680	-
	Bank Al-falah Limited	-	5,067,775	83,209	86,659	-
	United Bank Limited	-	1,770,791	142,601	138,795	-
<b>Non Life Insurance</b>						
	Adamjee Insurance Company Limited	-	580,501	41,933	33,814	-
	TPL Trakker Limited	-	431,847	4,318	4,318	-
<b>Fixed line telecommunication</b>						
	Pakistan Telecommunication Company Limited	-	4,000,000	64,546	54,760	-
Carrying Cost as at 30 June 2012				2,164,048	2,456,695	-
Market Value as at 30 June 2012				2,456,695		
Unrealised Gain on Quoted Shares				292,647		

7.2.1.1 5,000,000 shares of The Hub Power Company Limited having market value of Rs. 209.45 million as at June 30, 2012 have been pledged as collateral in favor of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

7.2.2 Mutual Funds	Number of Units		Cost	Market Value	
	31-Dec-11	30-Jun-12	30-Jun-12	30-Jun-12	31-Dec-11
Name of investee company			(Rupees in '000)		
PICIC Cash Fund	-	4,023,702	402,736	404,239	-
Askari Sovereign Cash Fund	-	758,194	75,667	75,998	-
MCB Cash Management Optimizer Fund	-	2,008,885	200,349	201,118	-
NAFA Government Securities Liquid Fund	-	3,979,189	40,000	40,000	-
Carrying Cost as at 30 June 2012			718,752	721,355	-
Market Value as at 30 June 2012			721,355		
Unrealised Gain on Quoted Share			2,603		
			June 30, 2012 (Un-audited)	December 31, 2011 (Audited)	
8. CASH AND BANK BALANCES			(Rupees in '000)		
Cash in hand			18	27	
Stamps in hand			63	63	
Cash at bank			22,025	8,240	
			22,106	8,330	
9. CONTINGENCIES AND COMMITMENTS					
Guarantees issued on behalf of the company by commercial banks			5,205	5,205	
10. EARNINGS PER SHARE - BASIC AND DILUTED			June 30, 2012 (Un-audited)	June 30, 2011 (Un-audited) (Restated)	
			(Rupees in '000)		
Profit after tax for the period					
Continuing Operations			895,160	173,150	
Discontinued Operations			(428)	1,350	
			894,732	174,500	
			(Number of shares)		
Weighted average number of ordinary shares outstanding as at the period end			39,085,148	39,085,148	
			(Rupees) (Restated)		
Earnings per share					
Continuing Operations			22.90	4.43	
Discontinued Operations			(0.01)	0.03	
			22.89	4.46	

## 11. 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:

### Transactions

Note	Half Year Ended		Quarter Ended	
	June 30, 2012 (Un-audited)	June 30, 2011 (Un-audited)	June 30, 2012 (Un-audited)	June 30, 2011 (Un-audited)
(Rupees in '000)				
Premiums (refund) /underwritten	-	(8,846)	-	190
Premiums collected	65	5,155	65	-
Claims paid	47,917	16,735	39,100	129
Rent paid	4,148	1,850	3,085	925
Dividend received	30,832	21,676	3,215	-
Dividend paid	70,842	29,290	70,842	29,290
Bonus shares received (face value)	41,284	118,462	8,824	16,313
Bonus shares Issued (face value)	-	78,105	-	78,105
Brokerage	1,553	2,825	850	632
Purchase of units of mutual funds	1,008,545	357	458,491	357
Sale of units of mutual funds	1,237,367	63,500	1,021,291	63,500
Management fee on investment	735	357	590	357
Contribution to Provident Fund	11.1 874	670	504	325
Contribution to Staff Retirement Benefits	11.1 633	819	317	745

### Key Management Personnel

Dividend paid	2,999	1,475	2,999	1,475
Bonus shares issued	-	3,937	-	3,937
Remuneration	11.2 18,377	12,304	10,642	5,644
Director Meeting fee	700	-	400	-
Principal received against loan to employee	670	670	335	670



	June 30, 2012 (Un-audited)	December 31, 2011 (Audited)
	..... (Rupees in '000).....	
<b>Balances</b>		
Loan to executive	<u>7,222</u>	<u>7,892</u>
Rent Payable	<u>4,642</u>	<u>53</u>

- 11.1 Contribution to the provident fund and staff retirement benefits are in accordance with the terms of employment.
- 11.2 Remuneration to the key management personnel are in accordance with the terms of their employment.
- 11.3 Other transactions with the related parties are in accordance with agreed terms.

	Half Year Ended		Quarter Ended	
	June 30, 2012 (Un-audited)	June 30, 2011 (Un-audited)	June 30, 2012 (Un-audited)	June 30, 2011 (Un-audited)
	..... (Rupees in '000).....			

## 12. DISCONTINUED OPERATIONS

Results of discontinued operations:

Net Premium Revenue / (Loss)	-	814	-	157
Net Claim recovery/(expenses)	(37)	12,014	(2)	12,243
Net Expenses	(391)	(10,751)	(195)	(7,494)
(Loss) / Profit before tax	(428)	2,077	(197)	4,906
Taxation - deferred	-	(727)	(81)	(1,717)
(Loss) / Profit after tax	<u>(428)</u>	<u>1,350</u>	<u>(278)</u>	<u>3,189</u>

## 13. AUTHORISATION FOR ISSUE

- 13.1 This condensed interim financial information was authorised for issue on August 27, 2012 by the Board of Directors of the Company.
- 13.2 The Board of Directors in their meeting held on August 27, 2012 have announced an interim cash dividend of Rs.1 per share (2011: nil) and bonus shares in the proportion of 5 shares for every 10 shares held (2011: nil) amounting to Rs.39.085 million (2011: nil) and Rs.195.426 million (2011: nil) respectively. The condensed interim financial information for the half year ended June 30, 2012 does not include the effect of these appropriations which will be accounted for subsequent to the half year end.

## 14. CORRESPONDING FIGURES

Corresponding information has been reclassified, rearranged or additionally incorporated in this condensed interim financial information, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current period. However no significant re-arrangements have been made.

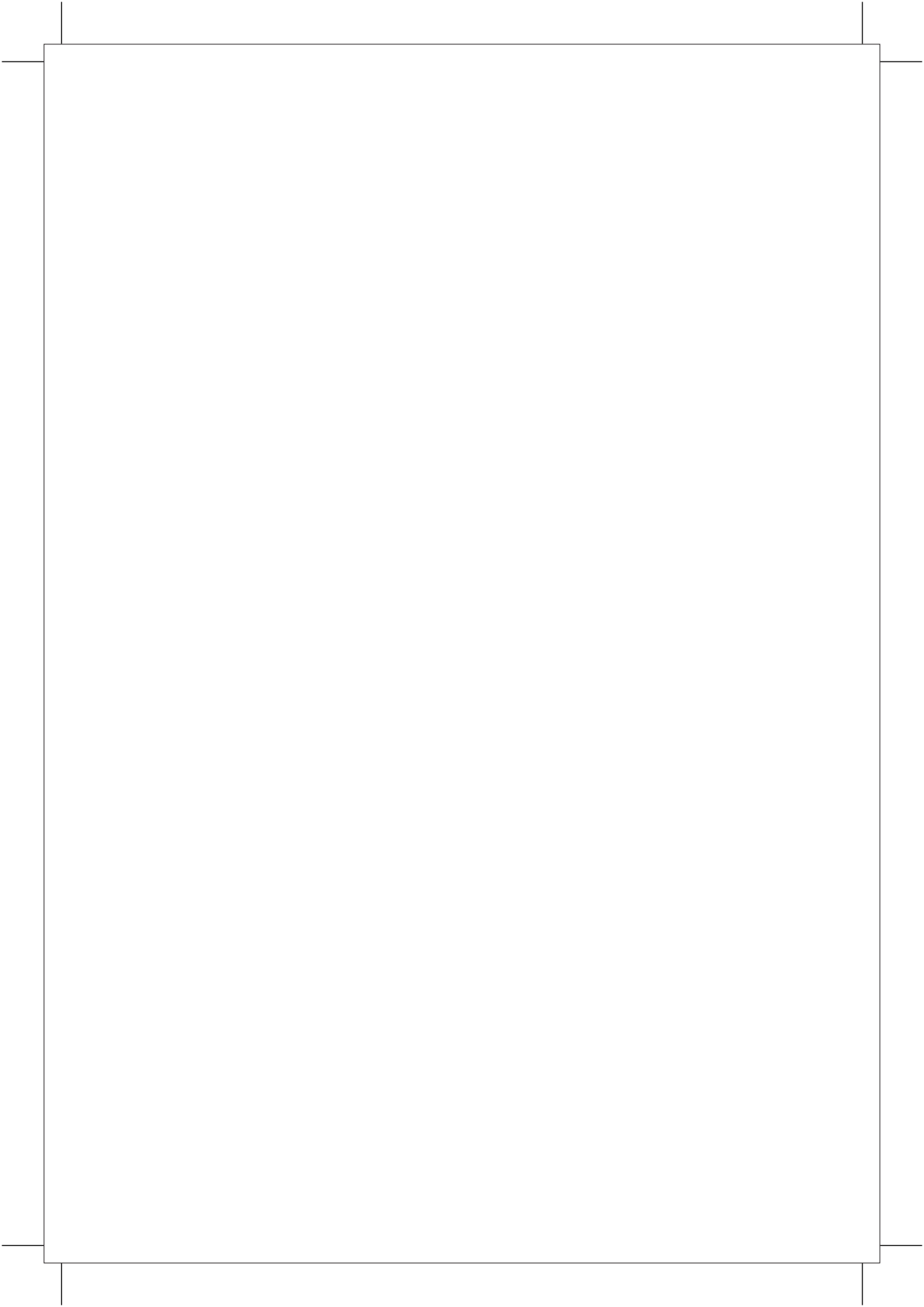
## 15. GENERAL

- 15.1 The figures in this condensed interim financial information have been rounded off to the nearest thousand rupees unless otherwise stated.

**Shabbir Hussain Hashmi**  
Chairman

**A. Samad Dawood**  
CEO

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