

taking entrepreneurship to scale

Condensed Interim Financial Information (Un-audited)
for the Quarter and Nine Months ended September 30, 2012



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Company Information

As at 30 September 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 Nadeem

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

Tax Consultants

A. F. Ferguson & Co.
(Chartered Accountants)
State Life Building 1-A,
I.I. Chundrigar Road, Karachi.
Website: www.pwc.com/pk

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
Standard Chartered Bank

Registered Office

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

Website

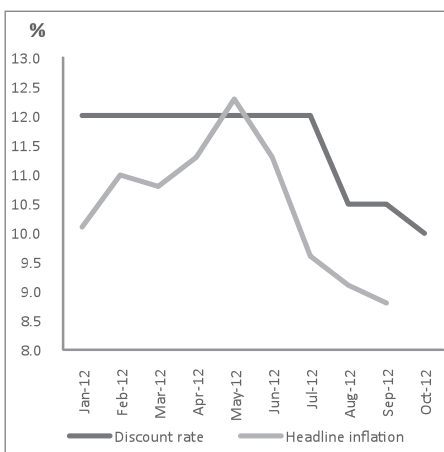
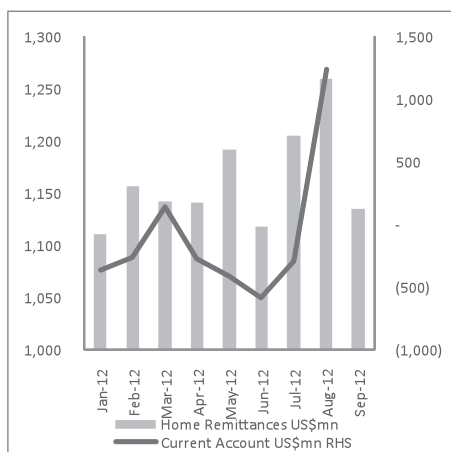
www.cyanlimited.com

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 and nine months ended September 30, 2012.

Economy Review

Inflation (headline CPI) has come off into the single digits, averaging 9.15%YoY in 1QFY13 vs. 11.5%YoY in the same period last year. As a result, the SBP has indicated that the FY13 average inflation target of 9.5%YoY may be met. In this regard, single-digit CPI amidst lackluster private sector credit offtake was a key reason behind the central bank's monetary easing where the benchmark Discount Rate has now come off by 400bps since July11 to 10% at present. Going forward however, risks to inflationary pressures remain entrenched due to potential high deficit monetization ahead of general elections while non-materialization of foreign inflows leading to forex reserves erosion may accelerate depreciating pressure on the Pak Rupee. As such, beyond the immediate-term, the SBP's stance could potentially reverse by mid-CY13 particularly if Pakistan returns to an IMF program.



On the external front, the Current Account balance has registered a surplus of US\$919million in 2MFY13 vs. a deficit of US\$261million in the same period last year. This improvement is largely attributable to inflows from the US as part of Coalition Support Funds of US\$1.1billion while remittances were also supportive (up 4%MoM in Aug'12). With Sep'12 remittances coming in at US\$1.1billion, cumulative 1QFY13 remittances have risen to US\$3.6billion, up 9%YoY. In addition, there have been emergent positives on the trade deficit (goods) which has contracted by 21%MoM to US\$1.06billion in Aug'12 largely due to an 8%MoM decline in imports. As a result, the 2MFY13 trade deficit has contracted by 5%YoY to US\$2.4billion. However, provisional tax collection of PkR403billion in 1QFY13 has fallen short of the quarterly target of PkR437billion while latent risks to the Balance of Payments position remain in view of IMF repayments of US\$1.7billion in 2HFY13, delays in release of further CSF flows, sticky international oil prices and non-materialization of targeted receipts.

Stock Market Review 9MCY12

The KSE-100 Index gained 12% in 3QCY12, bringing 9MCY12 gains to 36% which makes Pakistan one of the best performing markets in the world. Strong Index gains in the previous quarter were driven by monetary easing (Discount Rate cut by 150bps to 10.5% and, subsequently, by another 50bps to 10% in Oct'12) and improved US-Pakistan relations, underpinned by the release of pending Coalition Support Funds. Corporate results continued to surprise on the upside, particularly in terms of dividend payouts, while political noise remained relatively subdued with only sporadic episodes of uncertainty. Net foreign portfolio investment for the quarter came in at US\$93million, bringing net 9MCY12 inflow to US\$64.4million. However, average daily volumes in 3QCY12 contracted by 34%QoQ to 140million shares (All Share) with the sequential decline partly attributable to shorter working hours in Ramadan. Within mainboard sectors, top gainers in the last quarter were Fixed Line Telecom (+39%QoQ on implementation of the International Clearing House mechanism), Cements (+28%QoQ on strong 4QFY12 results amidst higher Gross Margins) and Textiles (+19%QoQ on lower interest rates, reduced Gas Infrastructure Development Cess and improved prospects for exports). Underperforming sectors included Banks (up a subdued 1%QoQ due to interest margin compression concerns) and Chemicals (-0.3%QoQ on poor product offtake). Index heavyweight Oil & Gas returned 13%QoQ in 1QFY13 but still underperformed the Index by 15% in 9MCY12.

Outlook

The KSE-100 Index has breached its previous high level of 15,676 achieved on Apr 18'08 but its current market capitalization of PKr 4trillion is still lower than the 2008 high market capitalization of PKr4.8 trillion while current valuations (P/B: 1.5x, P/E: 6.7x) are still much lower than peak 2008 valuations (P/B: 2.5x, P/E: more than 10x). This indicates that the ongoing rally could potentially extend provided latent macroeconomic risks (particularly on the Balance of Payment front) do not come to the forefront. In this regard, near-term checkpoints include monetary policy trajectory (single digit CPI indicates SBP has further room for easing) and corporate results season (results expected to stay strong). Developments that would stem risks on the Balance of Payments front include materialization of earmarked foreign flows (e.g. 3G license auction) in the absence of which Pakistan will likely find it difficult to arrest a decline in foreign exchange reserves in 2013.

Company Performance

The company continued realigning its portfolio towards high yield and low growth investments and as a result, dividends from our portfolio have increased by 181% to Rs.250 million for the nine months ended September 30, 2012 as opposed to Rs.89 million earned in the corresponding period last year. Dividend income from related parties increased by 261% from Rs.44 million to Rs.159 million, however, dividend income from others increased by 105% from Rs.45 million to Rs.92 million. This was mainly achieved due to investment in HUBC, POL, FFC, and NBP. The company also earned capital gains of Rs.736 million during the nine months as opposed to Rs.190 million recorded in the corresponding period in 2011 mainly on account of Engro, LUCK, FFC, UBL.

The brief summary of the financial highlights for the nine months ended September 30, 2012 and 2011 is as under:

	PAT/(LAT) Rs. '000	EPS/(LPS) Rupees
	September 30, 2012	
Continuing Operations	1,252,008	21.36
Discontinued Operations	(624)	(0.01)
Total	1,251,384	21.35

Rs.'000

CONTINUING OPERATIONS	September 30, 2012	September 30, 2011 Restated	Change
Return on Investments	253,547	92,136	175%
Gain on Sale of Investments - Net	736,197	189,756	288%
Gain on revaluation of investments carried at fair value through profit and loss-net	563,236	-	-
Other Income	5,378	1,906	182%
	1,558,358	283,798	449%
Provision for Impairment	(50,078)	(198,087)	-75%
	1,508,280	85,711	1660%
Operating & Administrative Expenses	(189,393)	(27,106)	599%
Financial Charges	-	(200)	-
	(189,393)	(27,306)	594%
Profit before tax	1,318,887	58,405	2158%
Taxation	(66,879)	(7,059)	847%
Profit after tax	1,252,008	51,346	2338%
Earning per share - Rupees	21.36	0.88	2327%

Rs. '000

DISCONTINUED OPERATIONS	September 30, 2012	September 30, 2011 Restated	Change
Net premium revenue	-	756	-
Net claims recovery/(expense)	(37)	10,702	(100%)
	(37)	11,458	(100%)
Net expense	(587)	(16,314)	96%
(Loss)/Profit before tax	(624)	(4,856)	87%
Taxation	-	-	-
(Loss)/Profit after tax	(624)	(4,856)	87%
(Loss)/earnings per share - Rupees	(0.01)	(0.08)	88%

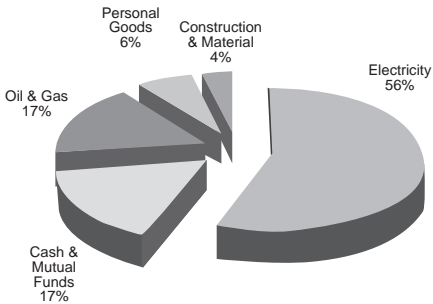
Earnings per Share

During the nine months ended September 30, 2012 the company posted earnings per share of Rs.21.35 compared to Rs.0.80 (restated) in the corresponding period in 2011.

Credit Rating

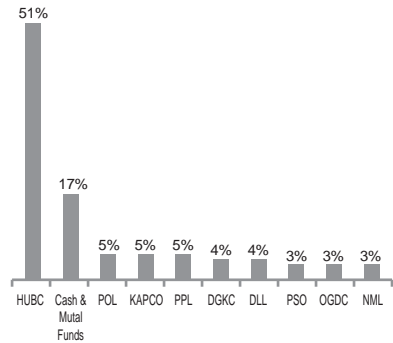
On December 01, 2011 JCR-VIS Credit Rating Company Limited has withdrawn the Insurer Financial Strength (IFS) rating of 'A' (Single A) assigned to Formerly Central Insurance Company Limited presently Cyan Limited on account of revocation of company's insurance license on November 30, 2011.

Sector wise Break-up Based on Top Ten Holdings* as at September 30, 2012



* Top Ten Holdings Represents 87% of the total portfolio

Portfolio Break-up based on Top Ten Holdings* as at September 30, 2012



Related Party Transactions

During the period 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.

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 KSE-100 still trades much cheaper than the regional market in term of PER & ROE and offer the highest dividend yield and therefore the outlook is positive. The management team 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: October 22, 2012

Condensed Interim Balance Sheet

As at September 30, 2012

	Note	September 30, 2012 Un-audited (Rupees in '000)	December 31, 2011 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	5	17,393	1,586
Intangible assets	6	4,161	4
Long term loan		5,883	6,778
Deferred taxation		-	3,418
Long term Investments	7	26,545	27,940
Other deposits		2,500	-
		<u>56,482</u>	<u>39,726</u>
CURRENT ASSETS			
Short term Investments	7	4,388,816	2,919,085
Short term deposits		2,000	2,000
Long term loan - current portion		1,116	1,116
Taxation - net		13,456	5,104
Trade and other receivables		179,110	227,186
Advances and short term prepayments		740	100
Cash and bank balances	8	10,302	8,330
		<u>4,595,540</u>	<u>3,162,921</u>
TOTAL ASSETS		<u>4,652,022</u>	<u>3,202,647</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
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			
		586,277	390,851
Unappropriated profit			
		3,511,654	2,592,494
Reserves			
		133,088	133,088
Surplus on revaluation of available-for-sale investments			
		191,398	37,670
		<u>4,422,417</u>	<u>3,154,103</u>
NON-CURRENT LIABILITIES			
Deferred liability - gratuity		3,251	1,904
Deferred taxation		60,233	-
		<u>63,484</u>	<u>1,904</u>
CURRENT LIABILITIES			
Creditors, accrued expenses and other liabilities		<u>166,121</u>	<u>46,640</u>
TOTAL EQUITY AND LIABILITIES		<u>4,652,022</u>	<u>3,202,647</u>
CONTINGENCIES AND COMMITMENTS			
	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 Quarter and Nine Months ended September 30, 2012

Note	Nine Months Ended		Quarter Ended	
	September 30, 2012	September 30, 2011 Restated	September 30, 2012	September 30, 2011 Restated
.....(Rupees in '000).....				
CONTINUING OPERATIONS				
Return on investments	253,547	92,136	143,628	27,718
Capital gain on sale of investments - net	736,197	189,756	44,021	5,787
Other income	5,378	1,906	1,533	738
	<u>995,122</u>	<u>283,798</u>	<u>189,182</u>	<u>34,243</u>
Net unrealized gain on revaluation of investments classified at fair value through profit or loss	563,236	-	267,986	-
Provision for impairment in value of available-for-sale investments	(50,078)	(198,087)	-	(161,100)
	<u>1,508,280</u>	<u>85,711</u>	<u>457,168</u>	<u>(126,857)</u>
EXPENSES				
Operating and administrative expenses	(189,393)	(27,106)	(57,675)	6,843
Financial charges	-	(200)	-	(5)
	<u>(189,393)</u>	<u>(27,306)</u>	<u>(57,675)</u>	<u>6,838</u>
PROFIT / (LOSS) BEFORE TAXATION FROM CONTINUING OPERATIONS	<u>1,318,887</u>	<u>58,405</u>	<u>399,493</u>	<u>(120,019)</u>
Taxation - current year	(38,676)	(7,059)	(14,987)	3,441
- prior year	35,143	-	-	-
- deferred	(63,346)	-	(27,658)	(5,226)
	<u>(66,879)</u>	<u>(7,059)</u>	<u>(42,645)</u>	<u>(1,785)</u>
PROFIT / (LOSS) FROM CONTINUING OPERATIONS	<u>1,252,008</u>	<u>51,346</u>	<u>356,848</u>	<u>(121,804)</u>
DISCONTINUED OPERATIONS				
Loss from discontinued operations - (net of tax)	(624)	(4,856)	(196)	(6,206)
NET PROFIT / (LOSS) FOR THE PERIOD	<u>1,251,384</u>	<u>46,490</u>	<u>356,652</u>	<u>(128,010)</u>
Basic and diluted earnings / (loss) per share 10				
.....(Rupees).....				
From continuing operations	21.36	0.88	6.09	(2.07)
From discontinued operations	(0.01)	(0.08)	(0.01)	(0.09)
Total	<u>21.35</u>	<u>0.80</u>	<u>6.08</u>	<u>(2.16)</u>

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 Quarter and Nine Months ended September 30, 2012

	Nine Months Ended		Quarter Ended	
	September 30, 2012	September 30, 2011 Restated	September 30, 2012	September 30, 2011 Restated
(Rupees in '000).....			
Profit after tax	1,251,384	46,490	356,652	(128,010)
Surplus/ (loss) on revaluation of available-for-sale investments - net of tax	153,728	4	14,166	(88,324)
Total comprehensive income for the period	1,405,112	46,494	370,818	(216,334)

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 Nine Months ended September 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
Total comprehensive income for the period								
Net profit for the nine months ended September 30, 2011	-	-	-	-	-	46,490	-	46,490
Other comprehensive income	-	-	-	-	-	-	4	4
Transactions with owners recorded directly in equity								
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)
Balance as at September 30, 2011	390,851	10,535	-	2,553	120,000	2,836,492	528,713	3,889,144
Balance as at December 31, 2011	390,851	10,535	-	2,553	120,000	2,592,494	37,670	3,154,103
Transactions with owners recorded directly in equity								
Final dividend @ Rs.2.5 per share for the year ended December 31, 2011	-	-	-	-	-	(97,713)	-	(97,713)
Transfer to reserve for issue of bonus shares	-	-	195,426	-	-	(195,426)	-	-
Issue of bonus shares @ 50%	195,426	-	(195,426)	-	-	-	-	-
Interim dividend of Rs.1.00 per share for the half year ended June 30, 2012	-	-	-	-	-	(39,085)	-	(39,085)
	195,426	-	-	-	-	(332,224)	-	(136,798)
Net Profit for the period ended September 30, 2012	-	-	-	-	-	1,251,384	-	1,251,384
Other comprehensive income	-	-	-	-	-	-	153,728	153,728
Balance as at September 30, 2012	586,277	10,535	-	2,553	120,000	3,511,654	191,398	4,422,417

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 Nine Months Ended September 30, 2012

	Nine Months Ended	
	September 30, 2012	September 30, 2011 Restated
 (Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation for the period	1,318,263	53,549
Adjustment for non cash charges and other items:		
Depreciation/Amortization	893	389
Underwriting Provisions	-	(72,287)
Gain on sale of property and equipment	(784)	(96)
Provision for impairment in value of investments	50,078	198,087
Capital gain on sale of investments - net	(736,197)	(189,756)
Amortization of Premium	(1,301)	(3,058)
Net unrealized gain on revaluation of investments classified at fair value through profit or loss	(563,236)	-
	(1,250,547)	(66,721)
Operating profit / (loss) before working capital changes	67,716	(13,172)
(Increase)/Decrease in operating assets		
Trade and other receivables	48,076	25,805
Long term loan	895	(893)
Deferred Liability	1,347	836
Other deposits	(2,500)	-
Advances, short term prepayments	(640)	(5,015)
	47,178	20,733
Increase in trade and other payables	78,361	(275)
Net cash generated from operations	193,255	7,286
Taxes Paid	(11,885)	(9,315)
Dividend Paid	(96,279)	(41,318)
Net cash generated from / (used in) operating activities	85,092	(43,347)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	9,368,580	2,285,468
Investment in securities	(9,432,227)	(2,202,166)
Capital expenditure incurred	(20,473)	(385)
Proceeds from sale of property and equipment	1,000	291
Net cash (used in) / generated from investing activities	(83,120)	83,208
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term Running Finance	-	(33,852)
Net cash used in financing activities	-	(33,852)
Net increase in cash and cash equivalents	1,972	6,009
Cash and cash equivalents at the beginning of the period	8,330	10,296
Cash and cash equivalents at the end of the period	10,302	16,305

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 Quarter and Nine Months ended September 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. 0.004 million charged in the profit and loss account for the nine months ended September 30, 2011 has been reclassified and recognized in other comprehensive income.

	For the nine months ended September 30, 2011		
	As previously reported	As re-stated	Re-statement
 (Rupees in '000)		
Effect on Profit and Loss Account			
Provision for impairment in value of available-for-sale investments	<u>(198,083)</u>	<u>(198,079)</u>	<u>4</u>
Effect on the Statement of Comprehensive Income			
Surplus / (deficit) on revaluation of investments for the period	<u>-</u>	<u>4</u>	<u>4</u>
Effect on comprehensive income	<u>-</u>	<u>4</u>	<u>4</u>
Effect on earning per share : (Rupees)		
Earning per share - basic and diluted	<u>-</u>	<u>-</u>	<u>-</u>

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

	September 30, 2012 (Un-audited)	December 31, 2011 (Audited)
 (Rupees in '000)	
Opening book value	1,586	1,931
Additions during the period	16,804	385
	18,390	2,316
Less: Written down value (WDV) of disposal during the period	(216)	(209)
Less: Depreciation for the period	(781)	(521)
	(997)	(730)
	<u>17,393</u>	<u>1,586</u>

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

Additions-Cost

Office Equipment	2,518	385
Vehicles	1,587	-
Furniture Fixtures	9,798	-
Computers & Accessories	2,901	-
	<u>16,804</u>	<u>385</u>

Disposal-Cost

Office Equipment	-	66
Vehicles	1,829	969
	<u>1,829</u>	<u>1,035</u>

	September 30, 2012 (Un-audited) (Rupees in '000).....	December 31, 2011 (Audited)
6. INTANGIBLE ASSETS		
Opening book value	4	13
Additions during the period	4,269	-
	4,273	13
Less: Written down value (WDV) of disposal during the period	-	-
Less: Depreciation for the period	(112)	(9)
	(112)	(9)
	<u>4,161</u>	<u>4</u>

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

Additions-Cost		
Computer License / Softwares	4,269	-
	<u>4,269</u>	<u>-</u>
		Market Value
	September 30, 2012 (Un-audited) (Rupees in '000).....	December 31, 2011 (Audited)
Note		

7. INVESTMENTS

The investments comprise of the following:

Held-to-maturity investments - long term

Pakistan Investment Bonds	26,545	27,899
Defence Savings Certificate	-	41
	26,545	27,940

Held-to-maturity investments - short term

Treasury Bills	11,583	-
Available-for-sale investments	693,178	2,919,085
Investments carried at fair value through profit or loss	3,684,055	-
	4,388,816	2,919,085
	<u>4,415,361</u>	<u>2,947,025</u>

7.1 Available-for-sale investments

Quoted shares	7.1.1	26	500,279
Un-quoted shares	7.1.2	-	-
Mutual funds	7.1.3	19,327	692,506
Un-quoted debentures	7.1.4	-	-
Government bonds	7.1.5	54	54
Quoted shares - related parties	7.1.6	673,771	1,726,246
		<u>693,178</u>	<u>2,919,085</u>

7.1.1 Quoted Shares

Name of investee company

Chemicals

	Number of Shares		Cost	Market Value	
	31-Dec-11	30-Sep-12	30-Sep-12	30-Sep-12	31-Dec-11
				(Rupees in '000)	
Fauji Fertilizer Company Limited	1,000,000	-	-	-	149,540
Pakistan PVC Limited	1,000	1,000	5	11	4

Oil & Gas

Pakistan Oilfields Limited	427,000	-	-	-	147,934
Pakistan Petroleum Limited	209,263	-	-	-	35,223
Pakistan Refinery Limited	43	-	-	-	3

Insurance

PICIC Insurance Limited	12	-	-	-	-
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Construction and Materials

Lucky Cement Limited	550,000	-	-	-	41,272
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Electricity

Nishat Chunian Power Limited	1,500,000	-	-	-	19,125
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Automobiles Assemblers

Ghandhara Industries Limited	1,700	1,700	16	15	12
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Commercial Banks

NIB Bank Limited	1,135	-	-	-	2
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Personal Goods

Nishat Mills Limited	1,700,000	-	-	-	68,765
Nishat (Chunian) Limited	2,150,000	-	-	-	38,399
Crescent Jute Product Limited	9	9	-	-	-

			21	26	500,279
Less:	Provision for Impairment		(5)		
	Carrying Value		16		
	Market Value as at 30 September 2012		26		
	Unrealised Gain on Quoted Share		10		

7.1.2 Un-quoted Shares*

Name of investee company

	31-Dec-11	30-Sep-12	September 30, 2012 Cost	Market Value
		(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	-
			<u>640</u>	<u>-</u>
Less: Provision for Impairment			(640)	
Carrying Value			-	
Market Value as at 30 September 2012			-	
			<u>-</u>	<u>-</u>
Unrealised Gain on Quoted Share			-	
			<u>-</u>	<u>-</u>

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

7.1.3 Mutual Funds

	Note	Number of Units		Cost	Market Value	
		31-Dec-11	30-Sep-12	30-Sep-12	30-Sep-12	31-Dec-11
				 (Rupees in '000).....	
Mutual Funds						
National Investment Unit Trust (NIT)	7.1.3.1	240,500	240,500	3,131	7,277	6,239
ABL Cash Fund - related party		21,413,134	-	-	-	214,534
Golden Arrow Selected Stock Fund		2,405,532	2,405,532	8,798	12,100	6,519
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	19,327	692,506
Less:	Provision for Impairment			(2,279)		
	Carrying Value			9,650		
	Market Value as at 30 September 2012			19,327		
	Unrealised Gain on Quoted Share			9,677		

7.1.3.1 NIT units amounting to Rs. 7.227 million (2011: 6.239 million), are under lien against a bank guarantee issued by Habib Bank Limited

7.1.4 Un-quoted debentures

Name of investee company

	31-Dec-11	30-Sep-12	30-Sep-12	30-Sep-12	31-Dec-11
Hyson Sugar Mills Limited		240,500	240,500	60	-
				60	-
Less: Provision for Impairment			(60)		
Carrying Value			-		

..... (Rupees in '000).....

7.1.5 Government Bonds

	31-Dec-11	30-Sep-12	30-Sep-12	30-Sep-12	31-Dec-11
Government Bonds	5	5	52	-	-
Government Bonds	17	17	2		
			54	-	-

..... (Rupees in '000).....

7.1.6 Quoted Shares - Related Parties

Name of investee company

Chemicals

Dawood Hercules Corporation Limited (formerly Dawood Hercules Chemicals Ltd.) Equity held: 0.37% (2011: 1.51%)	7,281,245	1,803,380	108,179	64,399	308,652
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Engro Corporation Limited (formerly Engro Chemical Pakistan Limited) Equity held: 0% (2011: 2.67%)	10,510,586	-	-	-	974,331
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Personal Goods

Dawood Lawrencepur Limited Equity held: 5.02% (2011: 5.44%)	3,215,095	2,965,095	222,110	145,260	101,147
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Oil and gas

Sui Northern Gas Pipelines Limited Equity held: 0.00% (2011: 0.00%)	7,409	-	-	-	116
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Electricity

The Hub Power Company Limited Equity held: 0.86% (2011: 0.86%)	10,000,000	9,900,000	337,781	464,112	342,000
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			668,070	673,771	1,726,246
Less: Provision for Impairment			(178,667)		
Carrying Value			489,403		
Market Value as at 30 September 2012			673,771		
Unrealised Gain on Quoted Share			184,368		

	Note	Market Value	
		September 30, 2012 (Un-audited) (Rupees in '000)	December 31, 2011 (Audited)
7.2 Investment Carried at fair value through Profit or loss			
Quoted shares	7.2.1	3,217,438	-
Mutual funds	7.2.2	466,617	-
		<u>3,684,055</u>	<u>-</u>

7.2.1 Quoted Shares	Number of Shares		Carrying Value	Market Value	
	31-Dec-11	30-Sep-12	30-Sep-12	30-Sep-12	31-Dec-11
(Rupees in '000)					
Name of investee company					
Oil & Gas					
Oil & Gas Development Company Limited	-	650,000	116,125	116,597	-
Pakistan Oil Fields Limited	-	500,000	188,541	216,680	-
Pakistan Petroleum Limited	-	1,125,000	190,456	197,921	-
Pakistan State Oil Limited	-	629,376	136,046	136,700	-
Construction & Materials					
D.G Khan Cement Limited	-	3,024,921	135,612	152,154	-
Lafarge Pakistan Limited	-	5,000,000	26,713	29,250	-
Lucky Cement Limited	-	200,000	26,274	26,628	-
Maple Leaf Cement Limited	-	5,000,000	42,042	45,500	-
Personal Goods					
Nishat Mills Limited	-	1,978,500	111,504	112,102	-
Electricity					
The Hub Power Company Limited (related party)	7.2.1.1	-	32,660,000	1,013,229	1,531,101
Equity held: 2.82% (2011: 0.00%)					
Kot Addu Power Company Limited	-	4,440,500	213,144	214,521	-
Nishat Power Limited	-	5,000,000	74,999	78,550	-
Commercial Banks					
National Bank of Pakistan	-	2,170,000	107,814	95,350	-
Bank Al-falah Limited	-	3,532,275	57,997	54,962	-
United Bank Limited	-	1,033,239	83,175	76,222	-
Non Life Insurance					
Adamjee Insurance Company Limited	-	880,501	61,541	57,233	-
IGI Insurance Limited	-	16,000	1,037	1,232	-
Technology Hardware and Equipment					
TPL Trakker Limited	-	431,847	4,318	3,852	-
Fixed line telecommunication					
Wateen Telecom Limited	-	5,005,000	15,035	12,713	-
Pakistan Telecommunication Company Limited	-	3,000,000	56,763	58,170	-
Carrying Cost as at 30 September 2012			2,662,365	3,217,438	-
Market Value as at 30 September 2012			3,217,438		
Unrealised Gain on Quoted Shares			555,073		

7.2.1.1 5,000,000 shares of The Hub Power Company Limited having market value of Rs.234.40 million as at September 30, 2012 have been pledged as collateral in favor of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

	Number of Units		Cost	Market Value	
	31-Dec-11	30-Sep-12	30-Sep-12	30-Sep-12	31-Dec-11
7.2.2 Mutual Funds(Rupees in '000).....				
PICIC Cash Fund	-	89,454	8,916	8,982	-
IGI Money Market Fund	-	560,434	55,496	56,324	-
Lakson Money Market Fund	-	408,470	40,150	40,905	-
MCB Cash Management Optimizer Fund	-	1,734,534	168,892	173,749	-
NAFA Money Market Fund	-	18,598,543	185,000	186,657	-
Carrying Cost as at 30 September 2012			458,454	466,617	-
Market Value as at 30 September 2012			466,617		
Unrealised Gain on Mutual Funds			8,163		

September 30, 2012 (Un-audited) December 31, 2011 (Audited)
 (Rupees in '000).....

8. CASH AND BANK BALANCES

Cash in hand	1	27
Stamps in hand	63	63
Cash at bank	10,238	8,240
	<u>10,302</u>	<u>8,330</u>

9. CONTINGENCIES AND COMMITMENTS

Guarantees issued on behalf of the company by commercial banks	<u>5,205</u>	<u>5,205</u>
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September 30, 2012 (Un-audited)	September 30, 2011 (Un-audited) (Restated)
..... (Rupees in '000)	

10. EARNINGS PER SHARE - BASIC AND DILUTED

Profit after tax for the period

Continuing Operations

1,252,008

51,346

Discontinued Operations

(624)

(4,856)

1,251,384

46,490

.....(Number of shares).....
(Restated)

Weighted average number of ordinary shares
outstanding as at the period end

58,627,722

58,627,722

.....(Rupees).....
(Restated)

Earnings per share

Continuing Operations

21.36

0.88

Discontinued Operations

(0.01)

(0.08)

21.35

0.80

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	Nine Months Ended		Quarter Ended	
	September 30, 2012 (Un-audited)	September 30, 2011 (Un-audited)	September 30, 2012 (Un-audited)	September 30, 2011 (Un-audited)
..... (Rupees in '000)				
Premiums (refund) /underwritten	-	(8,846)	-	-
Premiums collected	65	5,155	-	-
Claims paid	47,917	16,735	-	-
Rent Expense	6,373	2,913	2,225	1,063
Dividend Income	158,512	44,357	127,680	22,681
Dividend paid	67,843	29,290	-	-
Bonus shares received (face value)	41,284	118,462	-	-
Bonus shares Issued (face value)	133,772	78,105	133,772	-
Brokerage	1,879	3,050	326	225
Purchase of units of mutual funds	1,058,635	840	50,090	483
Sale of units of mutual funds	1,287,684	120,000	50,317	56,500
Management fee on investment	735	840	-	483
Contribution to Provident Fund 11.1	1,710	1,031	836	361
Contribution to Staff Retirement Benefits 11.1	1,389	1,085	756	266

Key Management Personnel

Dividend paid	2,999	1,475	-	-
Bonus shares Issued (face value)	4,197	3,937	4,197	-
Remuneration 11.2	36,823	19,097	18,446	6,793
Director Meeting fee	1,200	403	500	403
Principal received against loan to employee	893	893	223	223

	September 30, 2012 (Un-audited)	December 31, 2011 (Audited)
 (Rupees in '000)	
Balances		
Loan to executive	<u>6,999</u>	<u>7,894</u>
Rent and other Payables	<u>7,212</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.

Nine Months Ended		Quarter Ended	
September 30, 2012 (Un-audited)	September 30, 2011 (Un-audited)	September 30, 2012 (Un-audited)	September 30, 2011 (Un-audited)
..... (Rupees in '000)			

12. DISCONTINUED OPERATIONS

Results of discontinued operations:

Net Premium Revenue / (Loss)	-	756	-	(58)
Net Claim recovery/(expenses)	(37)	10,702	-	(1,312)
Net Expenses	(587)	(16,314)	(196)	(5,563)
(Loss) / Profit before tax	(624)	(4,856)	(196)	(6,933)
Taxation - deferred	-	-	-	727
(Loss) / Profit after tax	(624)	(4,856)	(196)	(6,206)

13. AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 22, 2012 by the Board of Directors of the Company.

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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