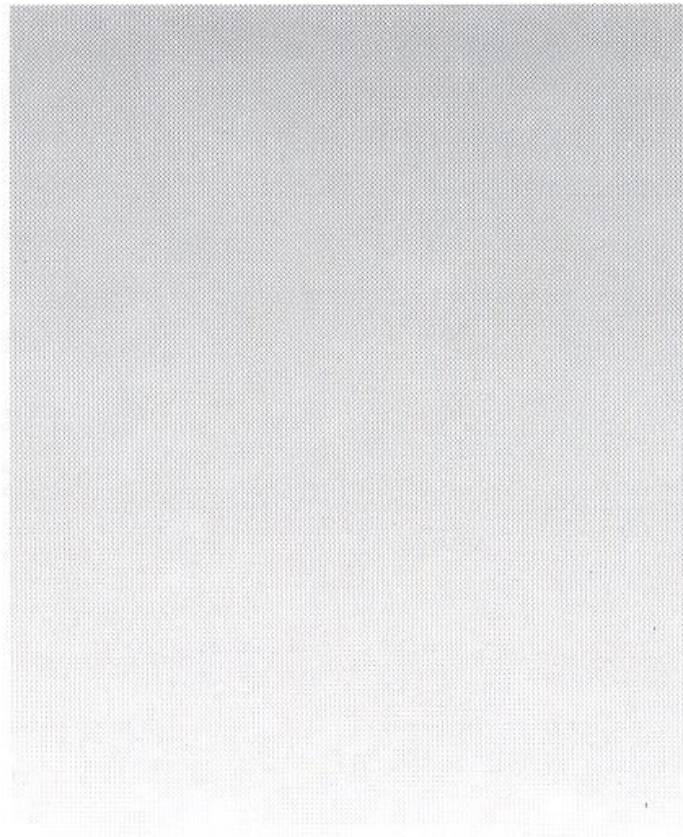
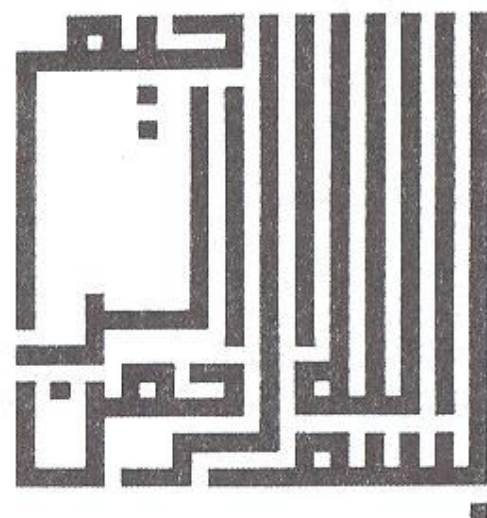




**FINANCIAL STATEMENTS
FOR THE THIRD QUARTER
ENDED MARCH 31, 2009
(UN-AUDITED)**



Pak-Gulf Leasing Company Limited



Board of Directors

Mr. Sohail Inam Ellahi	Chairman
Mr. Fawad S. Malik	Vice Chairman
Mr. Pervez Inam	Director
Mr. Shaheed H. Gaylani	Director
Mr. Shaikh Aftab Ahmed	Director
Mr. Sheikh Mohammad Jawed	Director
Mr. Yousuf Jan Mohammad	Director
Air Marshal (R) Syed Masood Hatif	Director

Company Secretary

Mian Muhammad Shoaib

Audit Committee

Sheikh Mhammad Jawed	Chairman
Mr. Shaikh Aftab Ahmed	Vice Chairman
Mr. Fawad S. Malik	Member & Secretary
Air Marshal (R) Syed Masood Hatif	Member

Senior Management

Mr. Sohail Inam Ellahi	Chief Executive Officer
Col (R) Saleem Ahmed Zafar	Chief Operating Officer
Mian Muhammad Shoaib	Chief Financial Officer
Ms. Farah Farooq	Internal Auditor
Mr. Abdul Sattar Dakhan	Manager Administration & Legal Affairs

Credit Rating Agency

JCR-VIS Credit Rating Co. Ltd.

Entity Rating

- BBB- for medium to long term
- A-3 for short term
- Outlook stable

Auditors

M/s. A.F. Ferguson & Co.
Chartered Accountants
State Life Building No. 1-C,
I.I.Chundrigar Road, P.O.Box 4716,
Karachi-74000.
Tel # : 2426682-2426711
Fax # : 2415007

Legal Advisors

M/s. Mohsin Tayebaly & Company
2nd Floor, Dime Centre,
BC-4, Block # 9, Kehkashan, Clifton,
Karachi.
Tel # : 538077, 571653, 5872690
Fax # : 5870240, 5870468

Bankers

Askari Commercial Bank Ltd.
Bank Al-Falah Ltd.
Albaraka Islamic Bank
National Bank of Pakistan
United Bank Limited
NIB Bank Ltd.
Standard Chartered Bank
Oman International Bank

Registered Office

Pak-Gulf Leasing Company Limited
THE FORUM:
Room # 125-127, First Floor,
G-20, Block # 9, Main Khayaban-e-Jami,
Clifton, P.O.Box # 12215,
Karachi-75600.
Tel #: 5820301, 5820956-7
5824401, 5375986-7
Fax #: 5820302, 5375985
E-mail: pgl@cyber.net.pk
Website: www.pakgulfleasing.com

Registrar / Share Transfer Office

THK Associates (Pvt.) Limited
Ground Floor, State Life Building - 3,
Dr. Ziauddin Ahmed Road, Karachi.
Tel # : 111-000-322
Fax # : 5655595

Mission Statement

The Company will:

- Aim to gain the confidence of all its stakeholders by earning a credible reputation for being an innovative enterprise that is prepared to change in the best interests of its stakeholders.
- Continually monitor structural changes in the various sectors of the economy, and accordingly alter the Company's business strategy to benefit from the emerging opportunities.
- Focus on changing customer needs and strive to improve tangible and intangible returns to its customers by providing service and satisfaction at par with the best in the industry, which would be reflected in prompt risk evaluation and facility disbursement procedures and practices.
- Consciously share, and remain part of all initiatives by the leasing industry to play a positive role in the evolution of small and medium size enterprises to expand the country's industrial base and support economic growth, higher employment and a better future for all.

Dear Shareholders,

The Directors of your Company are pleased to present the financial statements of the company for the period ended March 31, 2009. The arrangements with the banks for credit lines at rates to be more competitive are being arranged and with the borrowing cost at lesser level, the company hopes to gradually improve its profitability and performance in administering and writing leases. Negotiations with the banks are in process to meet additional requirements. Efforts are being made to further reduce the cost of borrowing and keep check on other expenses to achieve the desired profit margin.

Despite the competitive and challenging economic conditions of the country, the overall performance of the company remained satisfactory. With the tougher competition by commercial lenders, higher interest rates, and trends of pre-mature termination of contractual legal obligations, your company's performance is satisfactory.

During nine months under review, the balance sheet footing of your company was Rs.619 million as on March 31,2009 as compared to Rupees 564 million on June 30,2008. The total revenue of the company was Rs. 40.33 million for the period ended March 31,2009 as compared to Rs.43.89 million depicting an increase of 8.11 % over the revenue for the corresponding period. The net profit after tax was Rs.4.8 million for the period ended as compared to Rs.19.66 million for the corresponding period which is mainly due to provision against taxation. Shareholders equity of the company rose from Rs. 281.57 million as at June 30, 2008 to Rs. 365.24 million as at March 31, 2009. This is because of issuance of right shares and revaluation surplus on the revaluation of office premises of the company. Earning per share was Rs.0.19 as compared to Rs.0.78 for the corresponding period.

In November 2008, SECP has issued new regulations for NBFCs by inserting certain new changes to strengthening the NBFC sector. One of the major steps towards this consolidation is the relaxation in time frame respecting the enhancement in the minimum equity requirements for the various facets of the NBFC sector.

In February 2009, JCR-VIS had reaffirmed entity rating of the company as BBB- for medium to long-term and A-3 for the short-term where as outlook of the Company has been classified as stable.

The Board would like to place on record its appreciation for the management team of the company and each and every member of its staff for the hard work and dedication. We, the members of the Board, as representatives of shareholders, assure the management and staff of the company of our continued support in strengthening the company. We are sure that the management and the staff will continue to serve the customers of the company with the better zeal and will be able to improve the reputation of the company in financial services sector.

The Board also acknowledges the cooperation and guidance extended to the Company by the Securities and Exchange Commission of Pakistan (SECP), State Bank of Pakistan and other regulatory authorities. Their role is critical in developing the financial services sector and we hope that their actions will continue to strengthen this sector.

At the end, we would like to thank our valued shareholders, customers, bankers, and financiers and other stakeholders for their valuable support and look forward to reinforce and build further an excellent relationship with you in coming years.

Karachi
April 28,2009

Director

Chief Executive Officer

BALANCE SHEET

AS AT March 31, 2009

	Note	March 31, 2009 (Unaudited)	June 30, 2008 (Audited)
----- Rupees -----			
Assets			
Cash and bank balances		77,986,167	171,411
Other receivables - net		28,251,930	26,738,804
Loans and advances			150,821
Deposits and prepayments		341,370	382,244
Current portion of net investment in lease finance	4	186,108,641	181,497,475
Taxation recoverable-net		-	152,634
Total current assets		292,688,108	209,093,389
Long-term investments	5	1,373,790	2,842,605
Net investment in lease finance	4	264,289,404	303,813,079
Long-term loans		82,527	31,258
Long-term deposits		206,500	206,500
Operating fixed assets	6	75,813,237	47,894,065
Total non-current assets		341,765,458	354,787,507
Total assets		634,453,566	563,880,896
Liabilities			
Trade and other payables		7,339,705	3,752,083
Profit / mark-up accrued		864,312	4,222,099
Short-term borrowings	7	17,009	63,214,731
Certificates of investment		13,509,086	19,188,675
Current portion of long term financing	8	16,666,667	8,581,857
Current portion of Long term deposits		27,159,580	32,204,145
Taxation payable - net		6,791,936	-
Total current liabilities		72,348,295	131,163,590
Long-term financing	8	29,166,667	-
Long-term deposits		135,450,270	129,971,843
Deferred taxation - net		32,248,912	21,172,021
Total non-current liabilities		196,865,849	151,143,864
Total liabilities		269,214,143	282,307,454
Net assets		365,239,423	281,573,442
Financed by			
Share capital		253,698,000	193,698,000
Reserves		69,171,138	63,004,410
Surplus on revaluation of investment		179,590	-
		323,048,727	256,702,410
Surplus on revaluation of asset-net of tax	10	42,190,696	24,871,032
		365,239,423	281,573,442
Contingencies and commitments	9		

The annexed notes 1 to 13 form an integral part of these financial statements.

Director

Chief Executive Officer



**PROFIT AND LOSS ACCOUNT
(Unaudited)
For the Period Ended March 31, 2009**

	Period ended		Quarter ended	
	March 31 2009	March 31 2008	March 31 2009	March 31 2008
	Rupees			
Income				
Income from leasing operations	37,280,259	42,377,453	11,849,911	15,551,183
Profit on bank accounts / return on investments	2,971,588	593,506	1,818,213	52,508
Other income	77,621	916,073	21,470	859,386
	<u>40,329,468</u>	<u>43,887,032</u>	<u>13,689,594</u>	<u>16,463,077</u>
Expenses				
Administrative and operating expenses	14,496,722	13,878,435	5,464,297	4,308,287
Finance cost	7,391,451	7,004,489	3,077,451	2,100,167
Other charges	374,627	375,000	118,749	125,000
Provision for potential lease losses	5,501,888	6,086,213	1,873,330	2,951,646
	<u>27,764,688</u>	<u>27,344,137</u>	<u>10,533,827</u>	<u>9,485,100</u>
Profit before taxation	<u>12,564,779</u>	<u>16,542,895</u>	<u>3,155,766</u>	<u>6,977,977</u>
Taxation				
- Current	7,766,853	677,832	(3,530,391)	225,944
- Deferred	-	(3,799,609)	-	-
	<u>7,766,853</u>	<u>(3,121,777)</u>	<u>(3,530,391)</u>	<u>225,944</u>
Profit after taxation	<u>4,797,926</u>	<u>19,664,672</u>	<u>6,686,157</u>	<u>6,752,033</u>
Earning per share-basic/diluted	<u>0.19</u>	<u>0.78</u>	<u>0.26</u>	<u>0.27</u>

The annexed notes 1 to 13 form an integral part of these financial statements.

Director

Chief Executive Officer

CASH FLOW STATEMENT (Unaudited)

For the Period Ended March 31, 2009

	March 31 2009	March 31 2008
	----- Rupees -----	
Cash flow from operating activities		
Profit before taxation	12,564,779	16,542,895
Adjustments for:		
Depreciation	3,675,986	2,964,495
Amortization of deferred cost	-	650,000
Amortization of premium on investment	-	35,980
Finance cost	7,391,451	7,004,489
Provision for potential lease losses	5,501,888	6,086,213
	<u>16,569,325</u>	<u>16,741,177</u>
Operating profit before working capital charges	29,134,105	33,284,072
Movements in working capital		
(Increase)/decrease in current assets		
Accrued return on investments	-	(61,576)
Other receivables - net	(6,404,494)	(30,006,033)
Prepayments	40,874	(49,346)
	<u>(6,363,620)</u>	<u>(30,116,956)</u>
Increase in current liabilities		
Trade and other payables	3,587,622	(6,761,113)
	<u>3,587,622</u>	<u>(6,761,113)</u>
Cash generated from operations	26,358,106	(3,593,997)
Financial cost paid	(10,749,239)	(7,617,492)
Taxes paid	(822,283)	(830,499)
Deposits received from lessees	433,862	(3,484,080)
Decrease / (Increase) in net investment in lease finance	34,301,989	33,020,454
Decrease / (increase) in long-term loans	99,552	(46,304)
	<u>23,263,881</u>	<u>21,042,078</u>
Net cash flow on operating activities	49,621,987	17,448,082
Cash flow from investing activities		
Capital expenditure	(181,398)	(99,310)
Proceeds from disposal of fixed assets	-	-
Net cash flow on investing activities	(181,398)	(99,310)
Cash flow from financing activities		
Proceeds from issue of certificate of investments	(5,679,589)	5,638,675
Proceeds from long term financing	37,251,477	(36,578,948)
Proceeds from issuance of right shares	60,000,000	-
Repayment of short term financing	(30,000,000)	-
Net cash flow from financing activities	61,571,888	(30,940,273)
Net increase/ (decrease) in cash and cash equivalents	111,012,477	(13,591,501)
Cash and Cash equivalents at beginning of the period	(33,043,320)	(35,578,393)
Cash and cash equivalents at the end of the period	<u>77,969,157</u>	<u>(49,169,894)</u>

The annexed notes 1 to 13 form an integral part of these financial statements.

Director

Chief Executive Officer

**STATEMENT OF CHANGES IN EQUITY
(Unaudited)
For the Period Ended March 31, 2009**

Share capital	Reserves				Surplus on revaluation of Available for Sale Investments	Share holders' equity	
	Capital		Revenue	Total			
	Statutory reserve	Reserve for issue of bonus shares	Unappropriated profit				
.....Rupees.....							
Balance at June 30, 2007	193,698,000	23,008,676	4,402,000	23,405,299	244,513,975	2,153,395	246,667,370
Profit after taxation for the period ended March 31, 2008	-	-	-	19,664,672	19,664,672	-	19,664,672
Unrealised loss on remeasurement of available for sale investments	-	-	-	-	-	73,305	73,305
Transferred from surplus on revaluation of fixed assets to unappropriated profit	-	-	-	943,942	943,942	-	943,942
Transferred to statutory reserve @ 20%	-	3,932,934	-	(3,932,934)	-	-	-
Balance at March 31, 2008	<u>193,698,000</u>	<u>26,941,610</u>	<u>4,402,000</u>	<u>40,080,979</u>	<u>265,122,589</u>	<u>2,226,700</u>	<u>267,349,289</u>
Balance at June 30, 2008	193,698,000	25,178,408	4,402,000	33,424,000	256,702,408	1,648,405	258,350,813
Profit after taxation for the period ended March 31, 2009	-	-	-	4,797,926	4,797,926	-	4,797,926
Right issue during the period	60,000,000	-	-	-	60,000,000	-	60,000,000
Unrealised loss on remeasurement of available for sale investments	-	-	-	-	-	(1,468,815)	(1,468,815)
Transferred from surplus on revaluation of fixed assets to unappropriated profit	-	-	-	1,368,803	1,368,803	-	1,368,803
Transferred to statutory reserve @ 20%	-	959,585	-	(959,585)	-	-	-
Balance at March 31, 2009	<u>253,698,000</u>	<u>26,137,993</u>	<u>4,402,000</u>	<u>38,631,145</u>	<u>322,869,138</u>	<u>179,590</u>	<u>323,048,728</u>

The annexed notes 1 to 13 form an integral part of these financial statements.

Director

Chief Executive Officer

1. THE COMPANY AND ITS OPERATIONS

Pak-Gulf Leasing Company ("the company") was incorporated in Pakistan on December 27, 1994 and commenced its operations on September 16, 1996. The company is principally engaged in the business of leasing and is listed on all three Stock Exchanges of Pakistan. The registered office of the company is situated at the Forum, Room 125-127, First Floor, Main Khayaban-e-Jami, Clifton, Karachi.

2. ACCOUNTING POLICIES

Accounting policies adopted for the preparation of these financial statements are the same as those applied in the preparation of annual statements for the year ended June 30, 2008.

3. STATEMENT OF COMPLIANCE

These unaudited financial statements are being submitted to the shareholders as required under section 245 of the companies Ordinance 1984 and have been prepared in accordance with the requirements of International Accounting Standard-34 "Interim Financial Reporting" as applicable in Pakistan

4. NET INVESTMENT IN LEASE FINANCE - secured

	March 31, 2009			June 30, 2008		
	Not later than one year	Later than one year and less than five years	Total	Not later than one year	Later than one year and less than five years	Total
	----- Rupees -----					
Lease rentals receivables	201,256,198	156,277,360	357,533,558	200,415,934	199,625,173	400,041,107
Add: Estimated residual value of leased assets	27,159,580	135,419,610	162,579,190	32,914,145	129,941,183	162,855,328
Minimum lease payments	228,415,778	291,696,970	520,112,748	233,330,079	329,566,356	562,896,435
Less : Unearned lease income	(42,307,137)	(24,174,304)	(66,481,441)	(51,832,604)	(23,130,535)	(74,963,139)
	186,108,641	267,522,666	453,631,307	181,497,475	306,435,821	487,933,296
Less : Provision for potential lease losses	-	(3,233,262)	(3,233,262)	-	(2,622,742)	(2,622,742)
Net investment in leases	186,108,641	264,289,404	450,398,045	181,497,475	303,813,079	485,310,554

5. INVESTMENTS

	March 31, 2009 Rupees	June 30, 2008 Rupees
Available for sale		
- National Investment (Unit) Trust	1,373,790	2,842,605
	<u>1,373,790</u>	<u>2,842,605</u>

		Note	March 31, 2009 Rupees	June 30, 2008 Rupees
6.	OPERATING FIXED ASSETS			
	Opening balance		62,226,425	62,189,615
	Additions / Revaluation		31,595,157	136,808
	Assets disposed of		-	-
			<u>93,821,582</u>	<u>62,326,423</u>
	Less: Accumulated depreciation		<u>18,619,855</u>	<u>14,943,868</u>
			<u>75,201,727</u>	<u>47,382,555</u>
	Add: Capital work in progress		<u>611,510</u>	<u>511,510</u>
			<u>75,813,237</u>	<u>47,894,065</u>
7.	SHORT-TERM BORROWINGS			
	Morabah financing			
	Short-term running finance utilised		<u>17,009</u>	<u>33,214,731</u>
	under mark up arrangements-secured	7.1	<u>17,009</u>	<u>33,214,731</u>
7.1	The facilities for short term finance available from various banks amount to Rs.65 million(June 2008: Rs.80 million).			
	These facilities are secured by way of first hypothecation charge on specific leased assets and related lease rentals.Mark up is payable at rates ranging from 15.27 percent to 17.27 percent(June,2008 : 11.88 % to 14.38 %) per annum.			
8.	LONG-TERM FINANCING - secured	Note	March 31, 2009 Rupees	June 30, 2008 Rupees
	Long-term loans - secured	8.1	45,833,334	8,581,857
	Less: Current maturity shown under current liabilities		(16,666,667)	(8,581,857)
			<u>29,166,667</u>	<u>-</u>
8.1	These represent financing facilities obtained from Banks and Non Banking Finance Companies (NBFC). These facilities are secured by first charge on specific assets and the related lease rentals receivable. These facilities carry mark-up at rate of three month KIBOR plus 1.65 paercent per annum. These facilities are repayable in twelve equal quarterly installments starting from March 30,2009.			
9.	COMMITMENTS			
	Leasing contracts committed but not executed at the balance sheet date amounted to Rs.12.77 million (June 2008: Rs.2.60 million).			

10.	SURPLUS ON REVALUATION OF TAX	Note	March 31, 2008 Rupees	June 30, 2008 Rupees
	Operating fixed assets	10.1	41,535,719	23,222,627
			<u>41,535,719</u>	<u>23,222,627</u>
10.1	Surplus on revaluation of operating fixed assets		67,140,878	37,788,299
	Transferred to retained earnings in respect of		2,105,851	2,061,180
	Less: Related deferred tax liability		23,499,308	12,504,492
			<u>41,535,719</u>	<u>23,222,627</u>

11. TRANSACTION WITH ASSOCIATED UNDERTAKING / RELATED PARTIES

The transactions with the related parties comprise of the following:

	July-March 2009 Rupees	July-March 2008 Rupees
Certificates of investment Issued to:		
Close relative of Director and Chairman	13,509,086	12,088,675
	<u>13,509,086</u>	<u>12,088,675</u>
Contribution to provident fund-Employees	<u>164,696</u>	<u>163,171</u>
Director's meeting fee	<u>52,000</u>	<u>30,000</u>

12. GENERAL

Figures have been rounded off to the nearest rupee.

13. DATE OF AUTHORISATION

These financial statements were authorised for issue on April 28, 2008 by the Board of Directors of the company.

Director

Chief Executive Officer

**Certificates of Investment
(COI)
Sound Investment
Better Returns!**



THE FORUM:

Room # 125-127, First Floor, G-20, Block # 9, P.O.Box # 12215,
Main Khayaban-e-Jami, Clifton, Karachi-75600.

Tel #: 5820301, 5375985-87, 5824401 Fax #: 5820302, 5375985

E-mail: pgl@cyber.net.pk Website: www.pakgulfleasing.com