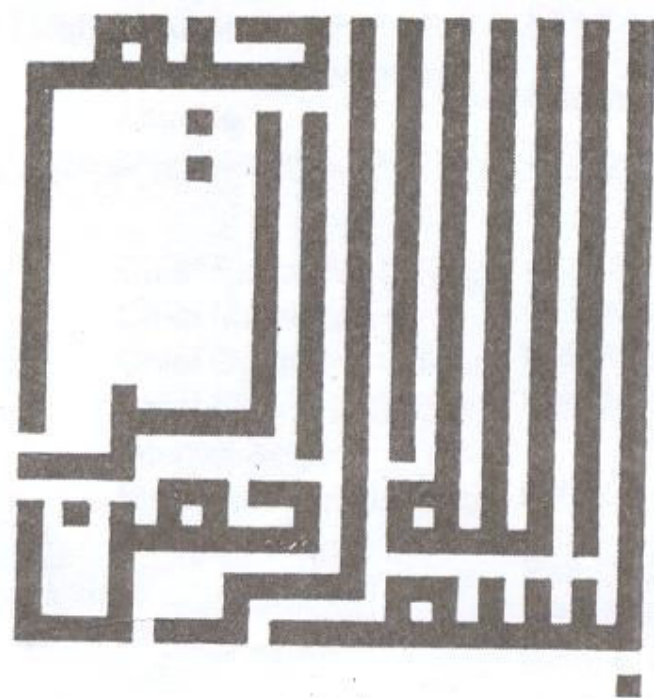




**CONDENSED INTERIM
FINANCIAL INFORMATION
(UN-AUDITED)
FOR THE PERIOD
ENDED 31 MARCH, 2011**



Pak-Gulf Leasing Company Limited





Board of Directors

Mr. Sohail Inam Ellahi	CEO/Chairman
Air Marshal (R) Syed Masood Hatif	Vice Chairman
Mr. Shoaib Salim Malik	Director
Mr. Pervez Inam	Director
Mr. Shaheed H. Gaylani	Director
Mr. Shaikh Aftab Ahmed	Director
Brig. Naveed Nasar Khan (R)	Director
Mr. Rizwan Humayun	Director

Company Secretary

Mian Muhammad Shoaib

Audit Committee

Mr. Rizwan Humayun	Chairman
Air Marshal (R) Syed Masood Hatif	Vice Chairman
Mr. Pervez Inam	Member & Secretary
Mr. Shaheed H. Gaylani	Member

Senior Management

Mr. Sohail Inam Ellahi	Chief Executive Officer
Mr. Khalil Anwer Hassan	Chief Manager
Col. Saleem Ahmed Zafar (Ret.)	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 Positive

Auditors

M/s. KPMG Taseer Hadi & Co.
Chartered Accountants
Shaikh Sultan Trust Building,
Beaumont Road,
Karachi - 74000
Tel # : 32426682-32426711
Fax # : 32415007

Legal Advisors

M/s. Mohsin Tayebaly & Company
2nd Floor, Dime Centre,
BC-4, Block # 9, Kehkashan, Clifton,
Karachi.
Tel # : 3538077, 3571653, 35872690
Fax # : 35870240, 35870468

Bankers

Askari Commercial Bank Ltd.
Bank Al-Falah Ltd.
Albaraka Islamic Bank
National Bank of Pakistan.
NIB Bank Ltd.
Standard Chartered 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 #: 35820301, 35820956-7
35824401, 35375986-7
Fax #: 35820302, 35375985
E-mail: pgl@cyber.net.pk
Website: www.pakgulfleasing.com

Share Registrar / Transfer Office

THK Associates (Pvt.) Limited
Ground Floor, State Life Building - 3,
Dr. Ziauddin Ahmed Road, Karachi.
Tel # : 92 (21) 111-000-322
Fax # : 92 (21) 35655595

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.

For the Period Ended
March 31, 2011

Dear Shareholders,

The Directors of your Company are pleased to present the financial statements of the Company for the nine months ended March 31, 2011. The arrangements with the banks for credit lines at more competitive rates are being made. With the expected borrowing cost at lower level, the Company hopes to improve its profitability and performance in administering and writing leases. 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 markets and depressed market conditions, the overall performance of the Company was reasonable. With the tougher competition by commercial lenders, higher interest rates, and trends of pre-mature termination of contractual legal obligations, PGL's performance was satisfactory.

During nine months under review, the balance sheet footing of your Company was Rs. 717 million as on March 31, 2011 as compared to Rupees 700 million on June 30, 2010. The total revenue of the Company was Rs. 52.42 million for the nine months ended March 31, 2011 as compared to Rs.54.65 million, depicting a decrease of 4 percent over the revenue for the corresponding period which is mainly due to settlement with one of the lessee (Health Care Hospital). The net profit before tax was Rs.23.19 million for the period under review as compared to Rs.17.46 million for the corresponding period. Shareholders equity of the Company was Rs. 397.67 million as at March 31,2011 as compared to Rs. 390.27 million as at June 30,2010. Earning per share was Rs.0.32 as compared to EPS of Rs.0.66 for the corresponding period which is mainly due to increase in provision for taxation.

In March 2010, JCR-VIS had revised upward, entity rating of the Company to BBB from BBB-(minus) for medium to long-term and had reaffirmed short term rating at A-3 whereas outlook of the Company has been revised to Positive from 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. We look forward to reinforce and build further an excellent relationship existing between them and PGL, in the coming years.

Karachi

Dated: April 29, 2011

Chairman/Chief Executive

Director

**CONDENSED INTERIM
BALANCE SHEET**
As at March 31, 2011

	Note	March 31, 2011 (Un-audited)	June 30, 2010 (Audited)
----- Rupees -----			
Assets			
Cash and bank balances		34,194,385	6,233,344
Other receivables - net		22,156,411	28,452,633
Short term investment	4	1,715,880	1,529,631
Loans and advances		-	740,442
Deposits and prepayments		889,740	836,387
Accrued markup on investment		-	111,061
Current portion of net investment in lease finance	3	221,350,934	215,096,678
Taxation recoverables-net			
Total current assets		280,307,350	253,000,176
Long-term investments	4	2,914,640	2,914,640
Net investment in lease finance	3	359,368,926	366,450,399
Long-term loans			
Long-term deposits		206,500	206,500
Operating fixed assets	5	74,044,703	77,531,795
Total non-current assets		436,534,769	447,103,334
Total assets		716,842,120	700,103,510
Liabilities			
Trade and other payables		6,457,320	7,187,499
Profit / mark-up accrued		1,209,340	1,542,707
Certificates of investment-unsecured		23,380,138	17,089,649
Current portion of long term financing	6	12,500,006	16,666,668
Current portion of Long term deposits		30,770,528	31,460,409
Provision for Taxation		7,461,975	17,559
Total current liabilities		81,779,306	73,964,491
Non-current liabilities			
Long-term financing-secured		-	8,333,332
Long-term deposits		182,958,078	178,168,201
Deferred taxation - net		54,437,333	49,370,549
Total non-current liabilities		237,395,411	235,872,082
Total liabilities		319,174,717	309,836,573
Net assets		397,667,403	390,266,937
Financed by			
Share capital		253,698,000	253,698,000
Reserves		102,415,770	92,419,010
		356,113,770	346,117,010
Surplus on revaluation of AFS investment		521,680	335,431
Total Equity		356,635,450	346,452,441
Surplus on revaluation of operating fixed assets-net of tax		41,031,953	43,814,496
		397,667,403	390,266,937
CONTINGENCIES AND COMMITMENTS	7		

The annexed notes 1 to 10 form an integral part of these condensed financial statements.

Chairman/Chief Executive

Director



**Pak-Gulf Leasing
Company Limited**

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

**For The Period Ended
March 31, 2011**

Note	Period Ended		Quarter ended	
	March 31		March 31	
	2011	2010	2011	2010
	Rupees			
Income				
Income from leasing operations	49,183,420	50,315,126	15,917,479	15,484,556
Profit on bank accounts / return on investments	3,025,384	3,736,004	759,056	1,334,858
Other income	216,111	602,333	83,898	68,065
	52,424,915	54,653,463	16,760,433	16,887,479
Expenses				
Administrative and operating expenses	23,003,546	15,357,872	5,931,565	5,131,369
Finance cost	4,222,164	7,941,977	1,300,749	2,313,505
Provision for potential lease losses	2,010,940	13,889,741	3,272,558	6,007,723
	29,236,650	37,189,590	10,504,872	13,452,597
Profit before taxation	23,188,265	17,463,873	6,255,561	3,434,881
Taxation				
- Current	(10,909,704)	1,846,104	-	275,686
- Deferred	(4,092,894)	(1,081,661)	-	-
	(15,002,598)	764,443	-	275,686
Profit after taxation	8,185,667	16,699,429	6,255,561	3,159,195
Earning per share-basic	0.32	0.66	0.25	0.12

The annexed notes 1 to 10 form an integral part of these condensed financial statements.

Chairman/Chief Executive

Director



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

**For The Period Ended
March 31, 2011**

	Period ended		Quarter ended	
	March 31		March 31	
	2011	2010	2011	2010
	Rupees			
Profit for the period	8,185,667	16,699,429	6,255,561	3,159,195
Other Comprehensive Income				
Unrealized gain / (Loss) on revaluation of available for sale investments	186,239	250,323	9,774	65,703
Total Comprehensive income for the period	8,371,916	16,949,752	6,265,335	3,224,898

The annexed notes 1 to 10 form an integral part of these condensed financial statements.

Chairman/Chief Executive

Director



CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

**For The Period Ended
March 31, 2011**

	31 March 2011	31 March 2010
	Rupees-----	
Cash flow from operating activities		
Profit before taxation	23,188,265	17,463,872
Adjustments for non cash items:		
Depreciation	3,859,411	4,317,653
Gain on disposal of fixed assets	-	(167,306)
Reversal of provision	(3,272,558)	-
Financial charges	4,222,164	7,941,977
Provision for potential lease losses	2,010,940	13,889,741
	6,819,957	25,982,066
Operating profit before working capital changes	30,008,222	43,445,938
Movements in working capital		
Increase in current assets		
Accrued return on investments	111,061	-
Other receivables - net	5,919,590	(3,993,769)
Loan and advances	740,442	189,223
Deposits and prepayments	(53,353)	39,460
	6,717,740	(3,765,085)
(Decrease)/Increase in current liabilities		
Trade and other payables	(730,179)	(3,358,998)
CASH GENERATED FROM OPERATIONS	35,995,783	36,321,855
Financial cost paid	(4,555,532)	(7,795,741)
Taxes paid	(3,465,287)	(2,169,180)
Deposits received from lessees	4,099,996	4,033,784
Decrease/(Increase) in net investment in lease finance	2,465,468	32,324,814
Decrease / (increase) in long-term deposits	-	-
Decrease / (increase) in long-term loans	-	-
	(1,455,354)	26,393,678
Net cash flow on operating activities	34,540,429	62,715,533
Cash flow from investing activities		
Capital expenditure	(372,327)	-
Proceeds from disposal of fixed assets	-	350,000
Net cash flow on investing activities	(372,327)	350,000
Cash flow from financing activities		
Proceeds from issue of certificate of investments	6,290,489	3,580,563
Dividend Paid	-	(12,684,932)
Repayment of long term financing	(12,499,994)	(34,999,997)
	(6,209,505)	(44,104,365)
Net cash flow from financing activities	(6,209,505)	(44,104,365)
Net increase/ (decrease) in cash and cash equivalents	27,958,597	18,961,169
Cash and Cash equivalents at beginning of the period	6,235,791	22,921,743
Cash and cash equivalents at the end of the period	34,194,388	41,882,912

The annexed notes 1 to 10 form an integral part of these condensed financial statements.

Chairman/Chief Executive

Director



**CONDENSED INTERIM STATEMENT
OF CHANGES IN EQUITY (UN-AUDITED)**
For The Period Ended
March 31, 2011

	Share Capital	Statutory reserve	Reserve for issue of bonus shares	Unappro- priated profit	Sub Total	Surplus on revaluation of Available for Sale Investments	Total equity
Balance as at 30 June 2008	193,698,000	25,178,410	4,402,000	33,424,000	63,004,410	1,648,405	258,350,815
Total comprehensive income for the year ended 30 June 2009							
Profit after taxation	-	-	-	14,877,931	14,877,931	-	14,877,931
Other comprehensive income							
Deficit on revaluation of available for sale investments	-	-	-	-	-	(1,384,650)	(1,384,650)
Transaction with owners, recorded directly in equity							
Issue of right shares	60,000,000	-	-	-	-	-	60,000,000
Others							
Transfer from surplus on revaluation of operating fixed assets to unappropriated profit - net of deferred tax	-	-	-	2,186,000	2,186,000	-	2,186,000
Transfer to statutory reserve	-	2,975,586	-	(2,975,586)	-	-	-
Balance as at June 30, 2009 as previously stated	253,698,000	28,153,996	4,402,000	47,512,345	80,068,341	263,755	334,030,096
Correction of error	-	235,416	-	941,661	1,177,077	-	1,177,077
Balance as at June 30, 2009 as re-stated	253,698,000	28,389,412	4,402,000	48,454,006	81,245,418	263,755	335,207,173
Total comprehensive income for the period ended 30 June 2010							
Profit after taxation	-	-	-	21,249,408	21,249,408	-	21,249,408
Other comprehensive income							
Deficit on revaluation of available for sale investments	-	-	-	-	-	71,676	71,676
Transaction with owners, recorded directly in equity							
First interim dividend for the year ended 30 June 2010 @Re.0.5 per share	-	-	-	(12,684,932)	(12,684,932)	-	(12,684,932)
Others							
Transfer from surplus on revaluation of operating fixed assets to unappropriated profit - net of deferred Tax	-	-	-	2,609,116	2,609,116	-	2,609,116
Transfer to statutory reserve	-	4,249,882	-	(4,249,882)	-	-	-
Balance as at 30 June 2010	253,698,000	32,639,294	4,402,000	55,380,156	92,421,450	335,431	346,454,881
Total comprehensive income for the year ended 30 June 2010							
Profit after taxation	-	-	-	8,185,667	8,185,667	-	8,185,667
Other comprehensive income							
Surplus on revaluation of available for sale investment	-	-	-	-	-	186,249	186,249
Others							
Transfer from surplus on revaluation of operating fixed assets to unappro- priated profit- net of deferred tax	-	-	-	1,808,653	1,808,653	-	1,808,653
Transfer to statutory reserve	-	1,637,133	-	(1,637,133)	-	-	-
	<u>253,698,000</u>	<u>34,276,427</u>	<u>4,402,000</u>	<u>63,737,343</u>	<u>102,415,770</u>	<u>521,680</u>	<u>356,635,450</u>

The annexed notes 1 to 10 form an integral part of these condensed financial statements.

Chairman/Chief Executive

Director

1. STATUS AND NATURE OF BUSINESS

Pak-Gulf Leasing Company ("the company") was incorporated in Pakistan on 27 December 1994 and commenced its operations on 16 September, 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 quarterly financial statements are the same as those applied in the preparation of annual statements for the year ended June 30, 2010.

2.1 STATEMENT OF COMPLIANCE

(a) 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

(b) These financial statements are unaudited.

3. NET INVESTMENT IN LEASE FINANCE - Secured

	March 31, 2011			June 30, 2010		
	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					
Min. lease payments	246,668,262	199,869,790	446,538,052	241,470,650	215,592,351	457,063,001
Add: Estimated residual value of leased assets	30,770,528	182,958,078	213,728,606	31,460,409	178,168,201	209,628,610
Gross investment in lease	277,438,790	382,827,868	660,266,658	272,931,059	393,760,552	666,691,611
Less : Unearned lease income	(56,087,856)	(22,612,293)	(78,700,149)	(57,834,381)	(24,825,253)	(82,659,634)
	221,350,934	360,215,575	581,566,509	215,096,678	368,935,299	584,031,977
Less : Provision for potential lease losses	-	(846,649)	(846,649)	-	(2,484,900)	(2,484,900)
Net investment in leases	221,350,934	359,368,926	580,719,860	215,096,678	366,450,399	581,547,077

4. INVESTMENTS

Available for sale

- National Investment (Unit) Trust

Held to maturity

	March 31 2011	June 30 2010
	Rupees	
	1,715,880	1,194,200
	2,914,640	2,914,640
	4,630,520	4,108,840



**NOTES TO
FINANCIAL INFORMATION
(UN-AUDITED)
For The Period Ended
March 31, 2011**

5. OPERATING FIXED ASSETS	March 31 2011	June 30 2010
	----- Rupees -----	
Opening balance	93,423,586	93,826,586
Additions /Deletion	272,327	403,000
	93,695,913	93,423,586
Less: Accumulated depreciation	20,362,720	16,503,301
	73,333,193	76,920,285
Add:Capital work in progress	711,510	611,510
	74,044,703	77,531,795

6. LONG TERM FINANCING - Secured

Long-term loans - secured	12,500,006	25,000,000
Less: Current maturity shown under current liabilities	(12,500,006)	(16,666,668)
	-	8,333,332

This represents financing facility obtained from National Bank of Pakistan and is secured by first charge on specific leased assets and the related lease rentals receivable. This facility carries mark-up at rate of 3 month KIBOR plus 1.65 percent and is repayable in equal quarterly installments commencing from March 30,2009.

7. COMMITMENTS

Leasing contracts committed but not executed at the balance sheet date amounted to Rs.10.158 million (June 2010: Rs.Nil).

8. TRANSACTION WITH ASSOCIATED UNDERTAKING / RELATED PARTIES

The transactions with the related parties comprises of the following:

	Jul-March 2011	Jul-March 2010
	----- Rupees -----	
Leasing Facilities		
Rentals received	623,217	107,055
Implicit rate of Return(percentage)	15.66	15.66
Certificate of investment issued to:		
Close relatives of Directors and Chairman	16,855,138	15,089,649
Contribution to provident fund-Employees	152,036	172,846
Director's meeting fee	24,000	30,000

9. GENERAL

Figures have been rounded off to the nearest rupee.

10. DATE OF AUTHORIZATION

These financial statements were authorised for issue on April 29, 2011 by the Board of Directors of the company.

Chairman/Chief Executive

Director

