

**PAK OMAN INVESTMENT  
COMPANY LIMITED**

**CONDENSED INTERIM  
CONSOLIDATED  
FINANCIAL STATEMENTS  
(UN-AUDITED)**

**FOR THE FIRST QUARTER  
ENDED MARCH 31, 2011**

PAK-OMAN INVESTMENT COMPANY LIMITED  
 CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
 AS AT MARCH 31, 2011

Unaudited March 31, 2011	Audited December 31, 2010		Note	Unaudited March 31, 2011	Audited December 31, 2010
(US \$ in '000)				(Rupees in '000)	
<b>ASSETS</b>					
1,055	820	Cash and balances with treasury banks		90,568	70,420
3,695	7,738	Balances with other banks		317,100	664,169
24,140	28,748	Lendings to financial institutions		2,071,924	2,467,467
120,117	106,367	Investments	5	10,309,608	9,129,453
70,774	69,265	Advances	6	6,074,540	5,945,041
857	873	Operating fixed assets	7	73,519	74,901
5,014	4,712	Deferred taxation		430,350	404,429
5,471	5,095	Other assets		469,633	437,244
231,123	223,618			19,837,242	19,193,124
<b>LIABILITIES</b>					
-	-	Bills payable		-	-
72,532	71,599	Borrowings from financial institutions		6,225,429	6,145,349
70,886	64,793	Deposits and other accounts		6,084,108	5,561,165
-	-	Sub-ordinated loans		-	-
158	186	Liabilities against assets subject to finance lease		13,574	15,978
11,704	8,254	Other liabilities		1,004,489	708,485
-	-	Deferred taxation		-	-
155,280	144,832			13,327,600	12,430,977
75,843	78,786	<b>NET ASSETS</b>		6,509,642	6,762,147
<b>REPRESENTED BY</b>					
71,653	71,653	Share capital	8	6,150,000	6,150,000
5,085	5,739	Reserves		436,416	492,568
1,116	1,763	Accumulated Loss		95,777	151,276
77,854	79,155			6,682,193	6,793,844
804	866	Non controlling interest		69,037	74,309
78,658	80,021			6,751,230	6,868,153
(2,815)	(1,235)	Deficit on revaluation of securities - net of tax		(241,588)	(106,006)
75,843	78,786			6,509,642	6,762,147

Contingencies and commitments 9

The annexed notes from 1 to 14 form an integral part of this condensed interim consolidated financial report.

Chief Financial Officer

Managing Director  
and Chief Executive

Managing Director  
and Chief Executive

Chairman

PAK-OMAN INVESTMENT COMPANY LIMITED  
CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE FIRST QUARTER ENDED MARCH 31, 2011

March 31, 2011	March 31, 2010		Note	March 31, 2011	March 31, 2010
(US \$ in '000)				(Rupees in '000)	
6,934	6,459	Mark-up/return/interest earned		595,108	554,406
4,615	4,397	Mark-up/return/interest expensed		396,132	377,398
2,319	2,062	Net mark-up/ interest income		198,976	177,008
(29)	(211)	(Reversal) against non -performing loans and advances	6.2	(2,513)	(18,110)
233	-	Provision for diminution in the value of investments		19,971	-
-	-	Bad debts written off directly		-	-
204	(211)			17,458	(18,110)
2,115	2,273	Net mark-up/ interest income after provisions		181,518	195,118
<b>NON MARK-UP/INTEREST INCOME</b>					
160	214	Fee, commission and brokerage income		13,706	18,398
130	174	Dividend income		11,143	14,971
23	(27)	Income / (loss) from trading in Government securities		1,968	(2,293)
-	-	Income from dealing in foreign currencies		-	-
626	333	Income from trading in listed and other securities		53,713	28,609
(119)	(46)	Unrealised (deficit) on revaluation of investments classified as 'held-for-trading' securities		(10,226)	(3,907)
3	18	Other income		269	1,513
823	666	Total non -mark up/interest income		70,573	57,291
2,938	2,939			252,091	252,409
<b>NON MARK-UP/INTEREST EXPENSES</b>					
1,031	884	Administrative expenses		88,519	75,850
-	-	Other provisions/write offs		-	-
51	35	Other charges		4,335	3,054
1,082	919	Total non-mark up/interest expenses		92,854	78,904
1,856	2,020			159,237	173,505
159	134	Share of results of associates before taxation		13,639	11,509
-	-	Extra ordinary /unusual items		-	-
2,015	2,154	PROFIT BEFORE TAXATION		172,876	185,014
934	624	Taxation - current		80,186	53,524
-	-	- prior		-	-
(424)	(13)	- deferred		(36,387)	(1,078)
510	611			43,799	52,446
1,505	1,543	PROFIT AFTER TAXATION		129,077	132,568
61	16	Share of loss attributable to non controlling interest		5,272	1,344
1,566	1,559	PROFIT ATTRIBUTABLE TO SHAREHOLDERS		134,349	133,912
US \$ 0.0025	US \$ 0.0025	Basic and diluted earnings per share (Rs per share)	10	0.22	0.22

The annexed notes from 1 to 14 form an integral part of this condensed interim consolidated financial report.

Chief Financial Officer

Managing Director  
and Chief Executive

Managing Director  
and Chief Executive

Chairman

PAK-OMAN INVESTMENT COMPANY LIMITED  
 CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
 FOR THE FIRST QUARTER ENDED MARCH 31, 2011

March 31, 2011	March 31, 2010		March 31, 2011	March 31, 2010
(US \$ in '000)			(Rupees in '000)	
1,505	1,543	PROFIT AFTER TAXATION	129,077	132,568
		Other comprehensive income not transferred to equity		
(1,531)	567	(Deficit) / surplus net on revaluation of securities	(131,419)	48,641
(49)	(18)	Deferred tax (liability) on Government Securities	(4,163)	(1,578)
(17)	13	Share of other comprehensive income of associates	(1,487)	1,105
(1,597)	562		(137,069)	48,168
(92)	2,105	Total comprehensive income / (loss) for the period	(7,992)	180,736

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Chief Financial Officer

Managing Director  
and Chief Executive

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and Chief Executive

Chairman

PAK-OMAN INVESTMENT COMPANY LIMITED  
CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE FIRST QUARTER ENDED MARCH 31, 2011

March 31, 2011	March 31, 2010		Note	March 31, 2011	March 31, 2010
(US \$ in '000)				(Rupees in '000)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
2,015	2,154	Profit before taxation		172,876	185,014
130	174	Less: Dividend income		11,143	14,971
1,885	1,980			161,733	170,043
60	63	Adjustments for non-cash charges			
9	12	Depreciation		5,178	5,391
		Amortisation of intangible assets		741	1,037
119	46	Unrealised deficit on revaluation of investments classified as 'held-for-trading'		10,226	3,907
(3)	(18)	(Gain) on sale of fixed assets		(272)	(1,513)
(159)	(134)	Share of (gain) from associates before taxation		(13,639)	(11,509)
(29)	(211)	Provision against non-performing loans and advances	6.2	(2,513)	(18,110)
233	-	Provision for diminution in the value of investments		19,971	-
5	7	Financial charges on leased assets		452	610
235	(235)			20,144	(20,187)
2,120	1,745			181,877	149,856
<b>(Increase)/decrease in operating assets</b>					
4,459	11,962	Lendings to financial institutions		382,686	1,026,685
-	-	Balances with other banks		-	-
(1,480)	(9,958)	Advances		(126,986)	(854,711)
(293)	(73)	Other assets		(25,151)	(6,297)
2,686	1,931			230,549	165,677
<b>Increase/(decrease) in operating liabilities</b>					
-	-	Bills payable		-	-
933	(15,895)	Borrowings from financial institutions		80,080	(1,364,297)
6,093	14,401	Deposits and other accounts		522,943	1,236,045
76	384	Other liabilities		6,455	32,929
7,102	(1,110)			609,478	(95,323)
11,908	2,566			1,021,904	220,210
(6)	(7)	Financial charges on leased assets paid		(529)	(624)
(426)	(61)	Income tax paid		(36,560)	(5,205)
11,476	2,498	Net cash inflow from operating activities		984,815	214,381
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
(15,401)	(3,985)	Net investments		(1,321,829)	(342,027)
45	93	Dividend received		3,905	7,959
(54)	(66)	Investments in operating fixed assets		(4,625)	(5,630)
4	34	Sale proceeds of property and equipment disposed-off		360	2,897
(15,406)	(3,924)	Net cash (outflow) from investing activities		(1,322,189)	(336,801)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
(28)	(15)	Liabilities against assets subject to finance lease		(2,404)	(1,323)
-	-	Dividend paid		-	-
(28)	(15)	Net cash (outflow) from financing activities		(2,404)	(1,323)
(3,958)	(1,441)	(Decrease) in cash and cash equivalents		(339,778)	(123,743)
8,708	8,679	Cash and cash equivalents at the beginning of the period		747,446	744,947
4,750	7,238	Cash and cash equivalents at the end of the period		407,668	621,204

The annexed notes from 1 to 14 form an integral part of this condensed interim consolidated financial report.

Chief Financial Officer

Managing Director  
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Chairman

PAK-OMAN INVESTMENT COMPANY LIMITED  
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE FIRST QUARTER ENDED MARCH 31, 2011

	Issued, subscribed and paid up capital	Reserve			Unappropriated profit / (Loss)	Sub Total	Non controlling Interest	Total
		Statutory reserve	General reserve	Contingencies reserve				
-----Rupees in '000-----								
Balance as at January 1, 2010	6,150,000	348,483	66,437	-	(126,035)	6,438,885	96,469	6,535,354
Net profit after tax for the first quarter ended March 31, 2010	-	-	-	-	132,568	132,568	-	132,568
Share of loss attributable to non-controlling interest	-	-	-	-	1,344	1,344	(1,344)	-
Transfer to statutory reserve	-	24,829	-	-	(24,829)	-	-	-
Balance as at March 31, 2010	6,150,000	373,312	66,437	-	(16,952)	6,572,797	95,125	6,667,922
Net profit after tax for the nine months period ended December 31, 2010	-	-	-	-	200,231	200,231	-	200,231
Transfer to statutory reserve	-	30,766	-	-	(30,766)	-	-	-
Transfer to contingencies reserve	-	-	-	22,053	(22,053)	-	-	-
Share of loss attributable to non-controlling interest	-	-	-	-	20,816	20,816	(20,816)	-
Balance as at December 31, 2010	6,150,000	404,078	66,437	22,053	151,276	6,793,844	74,309	6,868,153
Transfer from general reserve	-	-	(54,807)	-	54,807	-	-	-
Transfer from contingencies reserve	-	-	-	(22,053)	22,053	-	-	-
Dividend for the year ended December 31, 2010	-	-	-	-	(246,000)	(246,000)	-	(246,000)
Net profit after tax for the first quarter ended March 31, 2011	-	-	-	-	129,077	129,077	-	129,077
Share of loss attributable to non controlling interest	-	-	-	-	5,272	5,272	(5,272)	-
Transfer to statutory reserve	-	20,708	-	-	(20,708)	-	-	-
Balance as at March 31, 2011	6,150,000	424,786	11,630	-	95,777	6,682,193	69,037	6,751,230

The annexed notes from 1 to 14 form an integral part of this condensed interim consolidated financial report.

Chief Financial Officer

Managing Director  
and Chief Executive

Managing Director  
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Chairman

PAK-OMAN INVESTMENT COMPANY LIMITED  
 NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL REPORT  
 FOR THE FIRST QUARTER ENDED MARCH 31, 2011 (UN-AUDITED)

1 LEGAL STATUS AND NATURE OF BUSINESS

The Group comprises of Pak Oman Investment Company Limited - POICL (the holding company) and a subsidiary, Pak Oman Asset Management Company Limited (POAMCL). POAMCL is involved in investment advisory, portfolio management, equity research and corporate finance. POICL holds 51% of the share capital of POAMCL.

The Group's associates are as follows:

Entity	Country of incorporation	Nature of business	Holding percentage 31-Mar-11
Japan Power Generation Limited (JPGL)	Pakistan	Incorporated under the Companies Ordinance, 1984 and is engaged in generation of power and its supply to WAPDA.	19.59
Pak Oman Microfinance Bank Limited	Pakistan	Incorporated under the Companies Ordinance, 1984 and is engaged in providing microfinance services to the poor and underserved segment of the society.	33.4
Pak Oman Advantage Fund	Pakistan	Established as an closed-end scheme under the Non-Banking Finance Companies (NBFC) Rules 2003 and Notified Entities Regulations, 2008	27.36
Pak Oman Advantage Islamic Income Fund	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies (NBFC) Rules 2003 and Notified Entities Regulations, 2008	39.43
Pak Oman Islamic Asset Allocation Fund (formerly Pak Oman Advantage Islamic Fund)	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies (NBFC) Rules 2003 and Notified Entities Regulations, 2008	97.13
Pak Oman Advantage Asset Allocation fund (formerly Pak Oman Advantage stock fund)	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies (NBFC) Rules 2003 and Notified Entities Regulations, 2008	59.99

The holding company was incorporated as a private limited company on July 23, 2001. Subsequently, on March 17, 2004 the company was converted into a public limited company. It is a joint venture between the Government of Pakistan and the Government of the Sultanate of Oman. POICL's objectives inter alia include promotion of the economic growth of Pakistan and Oman through industrial development and agro-based industries on commercial basis and to carry on the business of finance and/or investment bank. Its registered office is situated at 1st Floor, Tower A, Finance and Trade Centre, Shahrah-e-Faisal, Karachi, Pakistan. POICL operates a branch at Lahore and other representative offices at Islamabad, Gwadar and Muscat. POICL is designated as a development financial institution (DFI) under the BPD circular No. 35 dated October 28, 2003 issued by the State Bank of Pakistan.

POAMCL was incorporated in Pakistan under the Companies Ordinance, 1984 on July 28, 2006 as an unlisted public limited company having its registered office at 1st Floor, Tower A, Finance and Trade Centre, Shahrah-e-Faisal, Karachi, Sindh. The company obtained certificate of commencement of business on October 31, 2006. The principal activities of the company include investment advisory and corporate finance.

PAK-OMAN INVESTMENT COMPANY LIMITED  
 NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL REPORT  
 FOR THE FIRST QUARTER ENDED MARCH 31, 2011 (UN-AUDITED)

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2 BASIS OF PRESENTATION AND CONSOLIDATION

2.1 Basis of presentation

2.1.1 This condensed interim consolidated financial report have been prepared from the information available in the condensed interim unaudited financial report of the holding company for the first quarter ended March 31, 2011 and the unaudited financial report of POAMCL for the quarter ended March 31, 2011.

2.1.2 The associates have been accounted for in this condensed interim consolidated financial report under the equity method of accounting on the respective basis as follows:

Entity	Source of information
Japan Power Generation Limited (JPGL)	Unaudited financial statements for the half year ended December 31, 2010
Pak Oman Microfinance Bank Limited (POMFBL)	Unaudited financial report for the first quarter ended March 31, 2011
Pak Oman Advantage Fund	Unaudited financial report for the quarter ended March 31, 2011
Pak Oman Advantage Islamic Income Fund	Unaudited financial report for the quarter ended March 31, 2011
Pak Oman Islamic Asset Allocation Fund ( <i>formerly Pak Oman Advantage Islamic Fund</i> )	Unaudited financial report for the quarter ended March 31, 2011
Pak Oman Advantage Asset Allocation fund ( <i>formerly Pak Oman Advantage stock fund</i> )	Unaudited financial report for the quarter ended March 31, 2011

3 STATEMENT OF COMPLIANCE

This consolidated condensed interim financial report of the group for the first quarter ended March 31, 2011 has been prepared in accordance with the requirements of the International Accounting Standard 34 – Interim Financial Reporting, requirements of the Companies Ordinance, 1984 (the Ordinance) and provisions of and directives issued by the State Bank of Pakistan (SBP). In case requirements differ, the requirements of the Ordinance or of SBP have been followed.

The financial report has been prepared on the format of the accounts and mode of disclosures prescribed by SBP through its BSD Circular letter No. 02 dated May 12, 2004.

The US dollar amounts shown in the condensed interim consolidated statement of financial position, condensed interim consolidated profit and loss account, condensed interim consolidated statement of comprehensive income and condensed interim consolidated cash flow statement are stated solely for information purposes. For this purpose the amounts in Pakistan rupees have been converted at a rate of Rs. 85.83 = US dollar 1 for the first quarter ended March 31, 2011 and the corresponding period.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this consolidated condensed interim financial report are the same as those applied in the preparation of the financial statements of the group for the year ended December 31, 2010.

PAK-OMAN INVESTMENT COMPANY LIMITED  
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL REPORT  
FOR THE FIRST QUARTER ENDED MARCH 31, 2011

5 INVESTMENTS

	Held by the company	Given as collateral	Total
	----- Rupees in '000 -----		
Balance as at March 31, 2011 (un-audited)	7,407,579	2,902,029	10,309,608
Balance as at December 31, 2010 (audited)	6,985,544	2,143,909	9,129,453
Balance as at March 31, 2010 (un-audited)	7,596,830	3,422,160	11,018,990

5.1 Investments by types

	Held by the company	Given as collateral	Total
	----- Rupees in '000 -----		
Held-for-trading securities	928,183	833,076	1,761,259
Available for sale securities	5,893,056	2,069,743	7,962,799
Held-to-maturity securities	261,143	-	261,143
Associates	926,713	-	926,713
	8,009,095	2,902,819	10,911,914
Less: Provision for diminution in value of investments	(326,067)	-	(326,067)
Provision for impairment in the value of investments	(12,850)	-	(12,850)
	7,670,178	2,902,819	10,572,997
(Deficit) on revaluation of 'available for sale' securities	(247,747)	(1,410)	(249,157)
(Deficit) on revaluation of 'held for trading' securities	(14,852)	620	(14,232)
Balance as at March 31, 2011 (un-audited)	7,407,579	2,902,029	10,309,608

	Un-audited March 31, 2011	Audited December 31, 2010
	----- Rupees in '000 -----	
6. ADVANCES		
Loans in Pakistan	6,018,031	5,863,548
Net investment in finance lease in Pakistan	1,161,625	1,189,122
	7,179,656	7,052,670
Less: Provision for non-performing advances	(1,105,116)	(1,107,629)
	6,074,540	5,945,041

6.1 Advances include amount aggregating Rs. 1,232.653 million (December 31, 2010: Rs. 1,221,006 million), which have been placed under the non-performing status as detailed below:

	Domestic	Overseas	Total	Provision required	Provision held
	----- Rupees in '000 -----				
Substandard	38,010	-	38,010	8,125	8,125
Doubtful	20,515	-	20,515	6,949	6,949
Loss	1,174,128	-	1,174,128	1,090,042	1,090,042
	1,232,653	-	1,232,653	1,105,116	1,105,116

Rs. in '000

6.2 Movements in provision is analysed as follows:

First quarter ended March 31, 2010	
Opening balance	926,015
Charge for the period	8,625
(Reversal) for the period	(26,735)
Closing balance	907,905
First quarter ended March 31, 2011	
Opening balance	1,107,629
Charge for the period	263
(Reversal) for the period	(2,776)
Closing balance	1,105,116

PAK-OMAN INVESTMENT COMPANY LIMITED  
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL REPORT  
FOR THE FIRST QUARTER ENDED MARCH 31, 2011

	Un-audited First quarter ended March 31 2011	Un-audited March 31 2010
	----- Rupees in '000 -----	
7 OPERATING FIXED ASSETS		
Additions – cost	4,625	5,630
Disposals – cost	1,039	4,991
- Net book value	88	1,384

8 SHARE CAPITAL

8.1 Authorized share capital

	Un-audited March 31, 2011	Audited December 31, 2010	Un-audited March 31, 2011	Audited December 31, 2010
	No. of shares in '000		----- Rupees in '000 -----	
Ordinary shares of Rs. 10 each	1,000,000	1,000,000	10,000,000	10,000,000

8.2 Issued, subscribed and paid - up capital

	Un-audited March 31, 2011	Audited December 31, 2010	Un-audited March 31, 2011	Audited December 31, 2010
	No. of shares in '000		----- Rupees in '000 -----	
	615,000	615,000	6,150,000	6,150,000

8.3 The Ministry of Finance on behalf of the Government of Pakistan and the Ministry of Finance on behalf of the Government of the Sultanate of Oman each held 307,495,900 (December 31, 2010: 307,495,900) ordinary shares of the company while 4,100 (December 31, 2010: 4,100) ordinary shares each are held by the Secretary, Economic Affairs Division, Government of Pakistan and Ministry of Commerce and Industry, Sultanate of Oman.

	Un-audited March 31, 2011	Audited December 31, 2010
	----- Rupees in '000 -----	

9 CONTINGENCIES AND COMMITMENTS

Transaction related contingent liability:

- guarantees	3,500	11,301
- import letter of credit	-	13,730

Pledge of shares on behalf of JPGL - note 9.1

Pledge of shares on behalf of Orient Power Company (Pvt) Ltd - note 9.2	70,726	70,726
	226,000	226,000

Commitments for:

- purchase of TFCs	21,359	-
- sale of TFCs	3,454	-
- sale of shares (future)	57,097	-

Commitments for loans and advances and  
net investment in finance leases

	581,240	303,930
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9.1 Shares in Japan Power Generation Limited (an associate) aggregating 17,622,878 (December 31, 2010: 17,622,878) having a cost of Rs. 70.726 million (December 31, 2010: Rs. 70.726 million) have been pledged as security on behalf of that associated company against a syndicate finance facility obtained by it.

9.2 Shares in Orient Power Company (Pvt) Ltd (related party) aggregating 22,600,000 (December 31, 2010: 22,600,000) having a cost of Rs.226 million (December 31, 2010: Rs. 226 million) are pledged as security on behalf of Orient Power Company (Pvt) Ltd (related party) against a syndicate finance facility obtained by Orient Power Company (Pvt) Ltd (related party).

PAK-OMAN INVESTMENT COMPANY LIMITED  
 NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL REPORT  
 FOR THE FIRST QUARTER ENDED MARCH 31, 2011

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10. BASIC AND DILUTED EARNING PER SHARE	Un-audited	
	First quarter ended	
	March 31,	
	2011	2010
	----- Rupees in '000 -----	
Profit attributable to shareholders	<u>134,349</u>	<u>133,912</u>
	Numbers in thousand	
Weighted average number of ordinary shares	<u>615,000</u>	<u>615,000</u>
	Rupee	
Basic and diluted earning per share for the first quarter ended March, 2011/10	<u>0.22</u>	<u>0.22</u>

11. RELATED PARTY TRANSACTIONS

Associates

- Pak Oman Microfinance Bank Limited
- Japan Power Generation Limited
- Pak Oman Advantage Fund
- Pak Oman Advantage Islamic Income Fund
- Pak Oman Islamic Asset Allocation Fund (*formerly Pak Oman Advantage Islamic Fund*)
- Pak Oman Advantage Asset Allocation Fund (*formerly Pak Oman Advantage Stock Fund*)

Other related party

- Orient Power Company (Private) Limited

Key management Personnel

- All head of departments
- Directors

PAK-OMAN INVESTMENT COMPANY LIMITED  
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL REPORT  
FOR THE FIRST QUARTER ENDED MARCH 31, 2011 (UN-AUDITED)

11.1 Transactions entered into with related parties are as follows:

	Associates		Other related party		Total	
	March 31, 2011	December 31, 2010	March 31, 2011	December 31, 2010	March 31, 2011	December 31, 2010
	Rupees in '000					
Advances / Investments *						
Balance as at January 1	973,942	1,133,816	792,748	318,314	1,766,690	1,452,130
Additions during the period / year	-	-	-	862,497	-	862,497
Repayments / Transfer	-	(159,874)	(6,579)	(388,063)	(6,579)	(547,937)
Closing balance	<u>973,942</u>	<u>973,942</u>	<u>786,169</u>	<u>792,748</u>	<u>1,760,111</u>	<u>1,766,690</u>

\* including sale / purchase / transfer of units from associated mutual funds.

Borrowings / Deposits *						
Balance as at January 1	451,639	211,861	-	-	451,639	211,861
Additions during the period / year	282,960	451,639	-	-	282,960	451,639
Repayments	(261,520)	(211,861)	-	-	(261,520)	(211,861)
Closing balance	<u>473,079</u>	<u>451,639</u>	<u>-</u>	<u>-</u>	<u>473,079</u>	<u>451,639</u>

\* including security deposit against lease finance.

Balances						
Other receivable	5	-	64	138	69	138

	Associates		Other related party		Total	
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
	Rupees in '000					

11.2 Transactions, income and expenses						
Mark up expense	15,641	13,340	-	-	15,641	13,340
Mark up income	-	-	21,631	8,427	21,631	8,427
Fee income	-	-	-	6,370	-	6,370
Dividend income	-	-	-	-	-	-

11.3 Transactions with retirement benefit funds						
					March 31, 2011	March 31, 2010
					Rupees in '000	
Defined contribution plan					2,560	2,818
Defined benefit plan					1,639	1,674

11.4 Key management compensation						
Salaries and benefits					25,301	12,709
Non-executive director's remuneration					43	35
					<u>25,344</u>	<u>12,744</u>

11.5 Mark-up received on loans to key management					583	646
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11.6 Loans to key management personnel					March 31, 2011	December 31, 2010
Opening balance					46,384	53,630
Additions during the period					14,000	16,199
Repayments / transferred during the period					(702)	(23,445)
Closing balance					<u>59,682</u>	<u>46,384</u>

PAK-OMAN INVESTMENT COMPANY LIMITED  
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL REPORT  
FOR THE FIRST QUARTER ENDED MARCH 31, 2011

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12. CREDIT RATING

The JCR VIS Credit Rating Company Limited has maintained the company's rating of AA+ (Double AA Plus) in the long term and A-1+ (A One Plus) for the short term.

13. GENERAL

Figures have been rounded off to the nearest rupee in thousand.

14. DATE OF AUTHORISATION FOR ISSUE

This condensed interim consolidated financial report were authorised on May 02, 2011 by the board of directors of the holding company.

Chief Financial Officer

Managing Director  
and Chief Executive

Managing Director  
Chief Executive

Chairman