



# National Bank Modaraba Management Company Ltd.

(A Subsidiary Of National Bank Of Pakistan)

**The General Manager**  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

NBMMCL/LHR/0022  
February 23, 2018

Subject: **Financial Results for the Half Year Ended December 31, 2017**

Dear Sir,

We have to inform you that the Board of Directors of our company in their meeting held on February 23, 2018 at 11:00 a.m., at NBP RHQ Building Lahore recommended the following:

CASH DIVIDEND:   **NIL**  
BONUS SHARES:   **NIL**  
RIGHT SHARES:   **NIL**

We have to inform you that the Board of Directors of our company in their meeting held on February 23, 2018 at 11:00 a.m., at NBP RHQ Building Lahore approved the half yearly financial statements of First National Bank Modaraba for the period ended December 31, 2017.

The external auditors have included an emphasis of matter paragraph (copy attached) in their review report to the certificate holders.

The complete profit and loss account of First National Bank Modaraba for the Half year ended December 31, 2017 is enclosed.

We will be sending you 200 copies of printed Accounts for distribution amongst the members of the Exchange.

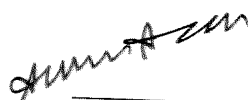
Yours Sincerely,


  
**Ali Abbass**  
Company Secretary


**FIRST NATIONAL BANK MODARABA**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2017**

	HALF YEAR ENDED		QUARTER ENDED	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Rupees	Rupees	Rupees	Rupees
<b>INCOME</b>				
Ijarah rentals earned / income from ijarah finance	42,632,437	101,678,323	21,106,337	51,976,949
Profit on diminishing musharaka	1,123,216	2,529,150	434,655	1,172,768
Profit on murabaha investments	199,100	601,000	199,100	(622,490)
Profit on bank deposits	631,275	448,227	212,654	295,278
Gain on disposal of ijarah assets	4,193,145	2,867,771	3,931,154	1,544,474
Other income	818,548	733,231	765,492	701,621
	<u>49,597,721</u>	<u>108,857,702</u>	<u>26,649,392</u>	<u>55,068,600</u>
<b>EXPENSES</b>				
Depreciation on ijarah assets	(27,548,402)	(78,191,720)	(13,387,635)	(38,454,914)
Operating expenses	(7,457,893)	(7,181,260)	(3,342,465)	(3,422,734)
Finance cost	(8,094,052)	(14,404,411)	(3,607,197)	(5,967,641)
	<u>(43,100,347)</u>	<u>(99,777,391)</u>	<u>(20,337,297)</u>	<u>(47,845,289)</u>
<b>OPERATING PROFIT BEFORE PROVISION AND TAXATION</b>	6,497,374	9,080,311	6,312,095	7,223,311
Provision reversed / (charged) for doubtful receivables - net	3,234,441	(35,910,096)	(3,158,116)	(20,760,064)
Impairment loss on ijarah assets	(8,368,237)	(3,199,383)	(8,368,237)	(3,199,383)
	<u>1,363,578</u>	<u>(30,029,168)</u>	<u>(5,214,258)</u>	<u>(16,736,136)</u>
Modaraba management company fee	(136,358)	-	521,426	-
<b>PROFIT / (LOSS) BEFORE TAXATION</b>	<u>1,227,220</u>	<u>(30,029,168)</u>	<u>(4,692,832)</u>	<u>(16,736,136)</u>
Taxation	(208,630)	-	(208,630)	-
<b>PROFIT / (LOSS) AFTER TAXATION</b>	<u>1,018,590</u>	<u>(30,029,168)</u>	<u>(4,901,462)</u>	<u>(16,736,136)</u>
<b>EARNING / (LOSS) PER CERTIFICATE - BASIC AND DILUTED</b>	<u>0.04</u>	<u>(1.20)</u>	<u>(0.20)</u>	<u>(0.67)</u>

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

  
**Chief Executive**  
National Bank Modaraba  
Management Company Limited

  
**Director**  
National Bank Modaraba  
Management Company Limited

  
**Director**  
National Bank Modaraba  
Management Company Limited

# Riaz Ahmad & Company

Chartered Accountants

## ***Emphasis of Matter***

We draw attention to note 1.1 to the condensed interim financial information which states that the Modaraba is no longer a going concern, therefore, this condensed interim financial information has been prepared on the basis of estimated realisable / settlement values of assets and liabilities respectively. Estimated realisable / settlement values are based on the management's best estimate. Estimation involves judgements based on the latest available, reliable information, historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In future, these estimates may need revision if changes occur in the circumstances on which the estimates are based or as a result of new information. Hence, the ultimate values at which assets will be realized and liabilities will be settled may be different from those carried in this condensed interim financial information. Our conclusion is not qualified in respect of this matter.

**RIAZ AHMAD & COMPANY**  
Chartered Accountants

**Name of Engagement partner:**  
**Syed Mustafa Ali**

**Date:**

**LAHORE**