

# PICIC

Pakistan Industrial Credit & Investment Corporation Ltd.

Ref.No.AC-110/2006

February 23, 2006

The General Manager  
Karachi Stock Exchange  
(Guarantee) Limited  
Stock Exchange Building  
Karachi

The General Manager  
Lahore Stock Exchange  
(Guarantee) Limited  
19 Khayaban-e-Arwan-e-Iqbal  
Lahore

The General Manager  
Islamabad Stock Exchange  
(Guarantee) Limited  
Stock Exchange Building  
101-E, Fazlul Haq Road  
Blue Area, Islamabad

The Securities and Exchange  
Commission of Pakistan  
7th Floor, NTC Building,  
63-Jinnah Avenue,  
Blue Area  
Islamabad

**SUB: FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2005**

Dear Sir

We are pleased to inform you that the Board of Directors of Pakistan Industrial Credit & Investment Corporation Limited (PICIC) in their meeting held on Thursday, 23rd February 2006 has approved the audited financial statements of the Corporation for the year ended December 31, 2005 and approved final Cash Dividend @ 35%.

The financial results of the Corporation are as follows:

	For the year: ended	
	Dec 31, 2005	Dec 31, 2004
	--- (Rupees in '000) ---	
Mark-up / return / interest earned	2,057,930	1,401,890
Mark-up / return / interest expensed	1,629,321	683,932
Net mark-up / interest income	428,609	717,958
Provision/(reversal) made against non-performing loans and advances - net	74,866	(8,045)
(Reversal)/ provision against diminution in the value of investments	(2,104)	(1,849)
Bad debts directly written off	1,912	1,780
	74,674	(8,114)
<b>NET MARK-UP/ INTEREST INCOME AFTER PROVISIONS</b>	<b>353,935</b>	<b>726,072</b>
<b>NON MARK-UP/ INTEREST INCOME</b>		
Fee, commission and brokerage income	12,643	173,470
Dividend income	1,889,355	553,379
Income/(loss) from trading in government securities - net	2,617	(130,619)
Income from trading in listed securities - net	1,208,250	893,010
Income from dealing in foreign currencies		
Loss on remeasurement of held for trading investment	(1,063)	
Other income	33,428	219,094
Total non-mark-up / interest income	2,645,230	1,708,334
	1,999,165	2,434,406
<b>NON MARK-UP / INTEREST EXPENSES</b>		
Administrative expenses	568,935	474,562
Other (reversals)/ provisions / write off	(17,762)	12,602
Other charges	1,267	45,563
Total non-mark-up / interest expenses	552,440	532,727
	2,446,725	1,901,679
Extra-ordinary / unusual items		
<b>PROFIT BEFORE TAXATION</b>	<b>2,446,725</b>	<b>1,901,679</b>
Taxation:		
• Current	115,437	38,293
• Prior years	391	
• Deferred	103,627	227,079
	219,455	265,372
<b>PROFIT AFTER TAXATION</b>	<b>2,227,270</b>	<b>1,636,307</b>
	(Rupees)	
<b>BASIC/ DILUTED EARNINGS PER SHARE</b>	<b>5.90</b>	<b>4.64</b>
<b>BASIC/ DILUTED EARNINGS PER SHARE - CONSOLIDATED</b>	<b>9.43</b>	<b>6.88</b>

*Zamin*  
(Syed Meherumud Ali Zamin)  
Secretary

*Mirza*  
(Imran Ahmad Mirza)  
Chief Financial Officer