

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

CS/S&T/FT/PSX/1QTR-16/17

13 October, 2017

**FINANCIAL RESULTS
FOR THE QUARTER ENDED MARCH 31, 2017**

Dear Sir,


1. We have to inform you that the Board of Directors of PIACL in their Meeting held on Thursday, October 12, 2017 at 10:00 A.M. at Karachi, recommended the following:

(i)	CASH DIVIDEND	NIL
(ii)	BONUS SHARES	NIL
(iii)	RIGHT SHARES	NIL
(iv)	ANY OTHER ENTITLEMENT / CORPORATE ACTION	NIL

2. The First Quarterly Financial Results of PIACL under clause (V) of Form-7 of PSX Correspondence Manual are being transmitted through Pakistan Unified Corporate Action Reporting System (PUCARS) and a hard copy is being sent through courier.

3. We will be sending you 200 copies of printed Accounts for distribution amongst the TRE Certificate Holders of the Exchange.

Yours truly,


Muhammad SHUAIB
Secretary - PIACL

Encl: As stated above

PAKISTAN INTERNATIONAL AIRLINES CORPORATION
CONSOLIDATED CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

Note	Three months period ended		Three months period ended		
	March 31, 2017 (Un-Audited)	March 31, 2016 (Un-Audited)	March 31, 2017 (Un-Audited)	March 31, 2016 (Un-Audited)	
	-----Rupees in '000 -----		----- US\$ in '000 -----		
REVENUE - NET	12	24,612,142	24,763,337	235,185	236,409
COST OF SERVICES					
Aircraft fuel		(8,133,238)	(5,256,858)	(77,718)	(50,186)
Others	13	(19,652,778)	(17,819,127)	(187,795)	(170,114)
		(27,786,016)	(23,075,985)	(265,513)	(220,300)
GROSS PROFIT		(3,173,874)	1,687,352	(30,328)	16,109
Distribution costs		(1,522,728)	(1,422,386)	(14,551)	(13,579)
Administrative expenses		(2,570,576)	(2,551,473)	(24,564)	(24,358)
Other provisions and adjustments	14	(416,834)	(569,057)	(3,983)	(5,433)
Exchange loss - net		(107,574)	15,493	(1,028)	148
Other operating income		77,279	194,852	738	1,860
		(4,540,434)	(4,332,571)	(43,388)	(41,361)
LOSS FROM OPERATIONS		(7,714,308)	(2,645,219)	(73,716)	(25,252)
Finance costs	15	(3,620,717)	(3,255,884)	(34,598)	(31,083)
LOSS BEFORE TAXATION		(11,335,025)	(5,901,103)	(108,314)	(56,335)
Taxation	16	(147,978)	(137,563)	(1,414)	(1,313)
LOSS FOR THE PERIOD		(11,483,003)	(6,038,667)	(109,728)	(57,648)
Attributable to:					
Equity holders of the Holding company		(11,522,896)	(6,035,006)	(110,109)	(57,615)
Non-controlling interest		39,893	(3,661)	381	(35)
		(11,483,003)	(6,038,667)	(109,728)	(57,648)

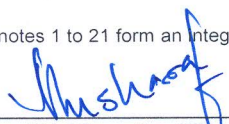
-----Rupees in '000 ----- US\$ in '000 -----

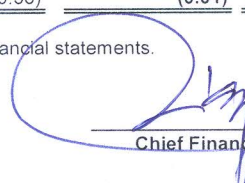
LOSS PER SHARE - BASIC AND DILUTED

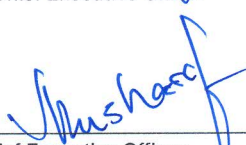
Loss attributable to:


- 'A' class Ordinary shares of Rs 10 each	17	(2.19)	(1.15)	(0.02)	(0.01)
- 'B' class Ordinary shares of Rs 5 each	17	(1.10)	(0.58)	(0.01)	(0.01)

The annexed notes 1 to 21 form an integral part of these consolidated condensed interim financial statements.


Chief Executive Officer


Chief Financial Officer


Chief Executive Officer


Director

PAKISTAN INTERNATIONAL AIRLINES CORPORATION
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

	Three months period ended		Three months period ended	
	March 31, 2017 (Un-Audited)	March 31, 2016 (Un-Audited)	March 31, 2017 (Un-Audited)	March 31, 2016 (Un-Audited)
	-----Rupees in '000-----		----- US\$ in '000 -----	
Loss for the period	(11,483,003)	(6,038,666)	(109,728)	(57,649)
Other comprehensive income				
Unrealised loss on re-measurement of available for sale investments	(7,067)	(7,781)	(68)	(74)
Exchange differences on translation of foreign operations	24,590	-	-	-
Total comprehensive income	<u>(11,465,480)</u>	<u>(6,046,447)</u>	<u>(109,795)</u>	<u>(57,724)</u>
Attributable to:				
Equity holders of the Holding company	(11,505,373)	(6,042,786)	(148,799)	(54,063)
Non-controlling interest	39,893	(3,661)	39,004	(3,661)
	<u>(11,465,480)</u>	<u>(6,046,447)</u>	<u>(109,795)</u>	<u>(57,724)</u>

Surplus / (deficit) arising on revaluation of operating fixed assets has been reported in accordance with the requirements of the Companies Ordinance, 1984, in a separate account below equity.

The annexed notes 1 to 21 form an integral part of these consolidated condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Chief Executive Officer



Director

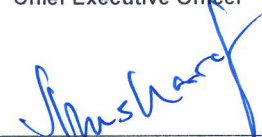
PAKISTAN INTERNATIONAL AIRLINES CORPORATION
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

	Note	Three months period ended		Three months period ended	
		March 31, 2017 (Un-Audited)	March 31, 2016 (Un-Audited)	March 31, 2017 (Un-Audited)	March 31, 2016 (Un-Audited)
		----- Rupees in '000 -----		-----US\$ in '000-----	
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash generated from operations	18	168,147	6,880,898	1,606	65,801
Profit on bank deposits received		6,553	8,025	62	76
Finance costs paid		(3,850,689)	(2,313,477)	(36,796)	(22,124)
Taxes paid		(25,258)	(47,627)	(241)	(455)
Staff retirement benefits paid		(220,722)	(200,289)	(2,109)	(1,915)
Long-term deposits and prepayments - net		925,084	231,875	8,840	2,217
Net cash (used in) / generated from operating activities		(2,996,884)	4,559,404	(28,638)	43,600
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		(350,415)	(822,318)	(3,348)	(7,864)
Proceeds from sale of operating fixed assets		-	4,194	-	40
Currency translation differences		(18,963)	-	(181)	-
Receivable from Central hotel - net		1,548	(10,955)	15	(105)
Net cash used in investing activities		(367,830)	(829,079)	(3,514)	(7,929)
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of long-term financing		(11,417,821)	(4,521,931)	(109,105)	(43,243)
Proceeds from long-term financing		20,172,289	8,324,532	192,760	79,608
Repayment of term finance certificates		(2,054,400)	(16,361)	(19,632)	(156)
Payment of Dividend to NCI		-	(3,661)	-	(35)
Short term borrowing - net		-	93,622	-	895
Repayment of obligations under finance lease - net		(1,855,890)	(1,846,281)	(17,734)	(17,656)
Net cash generated from financing activities		4,844,178	2,029,920	46,289	19,413
Decrease in cash and cash equivalents		1,479,463	5,760,245	14,137	55,085
Cash and cash equivalents at the beginning of the period		4,676,204	2,988,885	44,684	28,583
Cash and cash equivalents at the end of the period		6,155,667	8,749,130	58,821	83,668
CASH AND CASH EQUIVALENTS					
Cash and bank balances	6	9,178,888	10,263,489	87,710	98,149
Short-term borrowings	10	(3,023,221)	(1,514,359)	(28,889)	(14,482)
		6,155,667	8,749,130	58,821	83,668

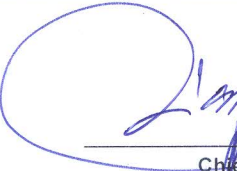
The annexed notes 1 to 21 form an integral part of these consolidated condensed interim financial statements




Chief Executive Officer



Chief Executive Officer



Chief Financial Officer

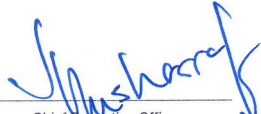



Director

PAKISTAN INTERNATIONAL AIRLINES CORPORATION
 CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
 FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

	Attributable to the Holding company's shareholders						Sub Total	Accumulated loss	Non-controlling interest	Total
	Capital reserves	Revenue reserves	Reserves Unrealised loss on re-measurement of investments	Foreign currency translation reserves	Other reserves					
Rupees in '000										
Balance as at January 1, 2016	52,345,110	2,501,038	1,779,674	93,908	(13,524)	34,388	4,395,484	(261,532,285)	1,657,742	(203,133,949)
Total comprehensive income for the period:										
- Loss for the period								(6,035,006)	(3,661)	(6,038,667)
- Other comprehensive income for the period:										
- Currency translation differences										
- Unrealised loss on re-measurement of investments				(7,781)			(7,781)			(7,781)
Total comprehensive income for the period transferred to equity				(7,781)			(7,781)	(6,035,006)	(3,661)	(6,046,448)
Surplus on revaluation of operating fixed assets realised during the period on account of incremental depreciation charged thereon - net of tax										
Transaction with owners; Advance against Equity from GoP										
Balance as at March 31, 2016	52,345,110	2,501,038	1,779,674	86,127	(13,524)	34,388	4,387,703	(267,567,291)	1,654,081	(209,180,397)
Balance as at January 1, 2017	52,345,110	2,501,038	1,779,674	151,574	(142,918)	35,723	4,325,091	(307,580,570)	1,774,904	(249,135,465)
Total comprehensive income for the period:										
- Loss for the period								(11,522,896)	39,893	(11,483,003)
- Other comprehensive income for the period:										
- Currency translation differences					24,660	(70)	24,590			24,590
- Unrealised gain on re-measurement of investments				(7,067)			(7,067)			(7,067)
Total comprehensive income for the period transferred to equity				(7,067)	24,660	(70)	17,523	(11,522,896)	39,893	(11,465,480)
Surplus on revaluation										
Surplus on revaluation of operating fixed assets realised during the period on account of incremental depreciation charged thereon - net of tax										
Transaction with owners; Advance against equity from GoP										
Balance as at March 31, 2017	52,345,110	2,501,038	1,779,674	144,507	(118,258)	35,653	4,342,614	(319,103,466)	1,814,797	(260,600,945)

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 Chief Executive Officer


 Chief Executive Officer


 Chief Financial Officer

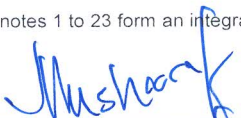

 Director

PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2017

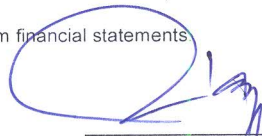
		March 31 2017 (Un-Audited)	December 31 2016 (Audited)	March 31 2017 (Un-Audited)	December 31 2016 (Audited)	
Note		Rupees in '000		US\$ in '000		
ASSETS						
NON CURRENT ASSETS						
Fixed assets						
	- Property, plant and equipment	4	67,605,960	68,831,114	646,020	656,442
	- Intangibles		3,443	7,884	33	75
			<u>67,609,403</u>	<u>68,838,998</u>	<u>646,053</u>	<u>656,517</u>
	Long-term investments		4,562,181	4,569,247	43,595	43,577
	Long-term deposits and prepayments		7,075,428	7,032,142	67,610	67,066
	Total non current assets		<u>79,247,012</u>	<u>80,440,387</u>	<u>757,258</u>	<u>767,160</u>
CURRENT ASSETS						
	Stores and spares		2,680,926	2,556,206	25,618	24,379
	Trade debts		10,735,653	8,566,349	102,586	81,697
	Advances		2,987,453	2,289,346	28,547	21,833
	Trade deposits and prepayments		4,014,801	3,891,575	38,364	37,114
	Other receivables	5	8,706,232	8,817,299	83,194	84,091
	Short-term investments		19,220	19,220	184	183
	Cash and bank balances	6	3,891,309	3,496,492	37,184	33,346
	Total current assets		<u>33,035,594</u>	<u>29,636,487</u>	<u>315,677</u>	<u>282,643</u>
	TOTAL ASSETS		<u>112,282,606</u>	<u>110,076,874</u>	<u>1,072,935</u>	<u>1,049,803</u>
EQUITY AND LIABILITIES						
SHARE CAPITAL AND RESERVES						
	Issued, subscribed and paid-up share capital	7	52,345,110	52,345,110	500,192	499,215
	Reserves		4,425,220	4,432,287	42,286	42,271
	Accumulated losses		(327,912,537)	(316,738,170)	(3,133,421)	(3,020,728)
	Total Shareholders' Equity		<u>(271,142,207)</u>	<u>(259,960,773)</u>	<u>(2,590,943)</u>	<u>(2,479,242)</u>
	Surplus on revaluation of property, plant and equipment- net		4,752,639	4,752,639	45,415	45,326
NON CURRENT LIABILITIES						
	Long-term financing	8	80,357,969	74,829,943	767,871	713,652
	Term finance and sukuk certificates	9	23,235,206	25,289,606	222,028	241,187
	Liabilities against assets subject to finance lease		4,594,446	5,811,849	43,903	55,428
	Advance from a subsidiary		4,200,186	4,208,390	40,136	40,135
	Deferred liabilities		30,601,399	29,960,940	292,417	285,737
	Total non-current liabilities		<u>142,989,206</u>	<u>140,100,728</u>	<u>1,366,355</u>	<u>1,336,139</u>
CURRENT LIABILITIES						
	Trade and other payables	10	139,075,402	130,734,207	1,328,957	1,246,811
	Accrued interest	11	13,114,947	13,320,252	125,322	127,035
	Provision for taxation - net		618,639	541,326	5,912	5,163
	Short-term borrowings	12	33,825,071	34,351,311	323,221	327,608
	Current maturities of:					
	- Long-term financing		33,863,025	30,412,813	323,584	290,046
	- Term finance and sukuk certificates		8,217,603	8,217,603	78,525	78,371
	- Liabilities against assets subject to finance lease		6,968,281	7,606,768	66,587	72,546
	Total current liabilities		<u>235,682,968</u>	<u>225,184,280</u>	<u>2,252,108</u>	<u>2,147,580</u>
	TOTAL LIABILITIES		<u>378,672,174</u>	<u>365,285,008</u>	<u>3,618,463</u>	<u>3,483,719</u>
	TOTAL EQUITY AND LIABILITIES		<u>112,282,606</u>	<u>110,076,874</u>	<u>1,072,935</u>	<u>1,049,803</u>
CONTINGENCIES AND COMMITMENTS						

13

The annexed notes 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.


Chief Executive Officer


Chief Executive Officer


Chief Financial Officer


Director

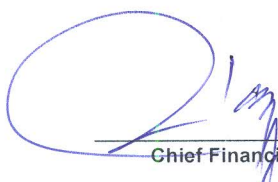
PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

	Note	Three months period ended		Three months period ended	
		March 31, 2017 (Un-Audited)	March 31, 2016 (Un-Audited)	March 31, 2017 (Un-Audited)	March 31, 2016 (Un-Audited)
		-----Rupees in '000-----		----- US\$ in '000 -----	
REVENUE - NET	14	21,954,132	22,245,320	209,786	212,370
COST OF SERVICES					
Aircraft fuel		(8,133,238)	(5,256,858)	(77,718)	(50,186)
Others	15	(18,112,838)	(16,361,772)	(173,080)	(156,201)
		(26,246,076)	(21,618,630)	(250,798)	(206,387)
GROSS (LOSS) /PROFIT		(4,291,944)	626,690	(41,012)	5,983
Distribution costs		(1,280,009)	(1,226,303)	(12,231)	(11,707)
Administrative expenses		(1,504,482)	(1,478,807)	(14,376)	(14,118)
Other provisions and adjustments	16	(416,834)	(569,057)	(3,983)	(5,433)
Exchange Gain/(loss) - net		(105,181)	15,806	(1,005)	151
Other income		35,105	156,623	335	1,495
		(3,271,401)	(3,101,738)	(31,260)	(29,612)
LOSS FROM OPERATIONS		(7,563,345)	(2,475,048)	(72,272)	(23,629)
Finance cost	17	(3,501,251)	(3,147,712)	(33,457)	(30,050)
LOSS BEFORE TAXATION		(11,064,596)	(5,622,760)	(105,729)	(53,679)
Taxation	18	(109,771)	(111,227)	(1,049)	(1,062)
LOSS FOR THE PERIOD		(11,174,367)	(5,733,987)	(106,778)	(54,741)
LOSS PER SHARE - BASIC AND DILUTED		-----Rupees-----		----- US\$-----	
Loss attributable to:					
'A' class ordinary shares of Rs. 10 each	19	(2.13)	(1.10)	(0.02)	(0.01)
'B' class ordinary shares of Rs. 5 each		(1.07)	(0.55)	(0.01)	(0.01)

The annexed notes 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.


Chief Executive Officer


Chief Executive Officer


Chief Financial Officer



Director

PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED
 UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
 FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

	<u>Three months period ended</u>		<u>Three months period ended</u>	
	<u>March 31</u> 2017 (Un-Audited)	<u>March 31</u> 2016 (Un-Audited)	<u>March 31</u> 2017 (Un-Audited)	<u>March 31</u> 2016 (Un-Audited)
	-----Rupees in '000-----		----- US\$ in '000 -----	
Loss for the period	(11,174,367)	(5,733,987)	(106,778)	(54,741)
Other comprehensive income				
Items that will be reclassified subsequently to unconsolidated profit and loss account				
Unrealised gain on re-measurement of available for sale investments	(7,067)	(7,781)	(68)	(74)
Total comprehensive income for the period - loss	<u>(11,181,434)</u>	<u>(5,741,768)</u>	<u>(106,846)</u>	<u>(54,815)</u>

Surplus / (deficit) arising on revaluation of property, plant and equipment has been reported in accordance with the requirements of the Companies Ordinance, 1984, in a separate account below equity and accordingly changes therein are reported directly into equity.

The annexed notes 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.



 Chief Executive Officer



 Chief Financial Officer



 Chief Executive Officer

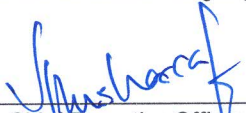


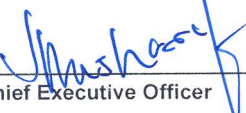
 Director


PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENTS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

	Note	Three months period ended		Three months period ended	
		March 31 2017 (Un-Audited)	March 31 2016 (Un-Audited)	March 31 2017 (Un-Audited)	March 31 2016 (Un-Audited)
		-----Rupees in '000-----		-----US\$ in '000-----	
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash generated from operations after working capital changes	20	(17,491)	6,537,207	(167)	62,409
Profit on bank deposits received		6,553	8,025	63	77
Finance costs paid		(3,706,556)	(2,580,138)	(35,419)	(24,632)
Taxes paid		(32,458)	(11,616)	(310)	(111)
Staff retirement benefits paid		(184,145)	(230,882)	(1,760)	(2,204)
Long-term deposits and prepayments - net		(43,286)	62,352	(414)	595
Net cash (used in) / generated from operating activities		(3,977,383)	3,784,948	(38,007)	36,134
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		(56,123)	(150,897)	(537)	(1,442)
Proceeds from sale of property, plant and equipment		-	4,194	-	40
Net cash used in investing activities		(56,123)	(146,703)	(537)	(1,402)
CASH FLOWS FROM FINANCING ACTIVITIES					
Advance from a subsidiary - net		-	(4,957)	-	(47)
Repayment of long-term financing		(5,819,929)	(4,508,045)	(55,613)	(43,037)
Proceeds from long-term financing		14,682,938	8,324,532	140,305	79,472
Repayment of term finance certificates		(2,054,400)	-	(19,630)	-
Short term deposits		-	93,622	-	894
Repayment of obligations under finance lease		(1,855,890)	(1,815,795)	(17,734)	(17,335)
Net cash generated from/(used in) financing activities		4,952,719	2,089,357	47,328	19,947
Increase/Decrease in cash and cash equivalents		919,213	5,727,602	8,784	54,679
Cash and cash equivalents at the begning of the period		(51,125)	(1,995,052)	(489)	(19,046)
Cash and cash equivalents at the end of the period		868,088	3,732,550	8,295	35,633
Cash and Cash Equivalents					
Cash and bank balances	6	3,891,309	5,246,909	37,184	50,091
Running finance under mark-up arrangements	12	(3,023,221)	(1,514,359)	(28,889)	(14,458)
		868,088	3,732,550	8,295	35,633

The annexed notes 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.


Chief Executive Officer


Chief Executive Officer

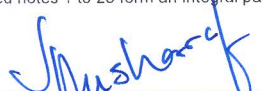

Chief Financial Officer

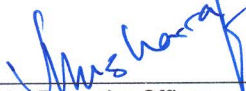

Director

PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

	Issued, subscribed, and paid-up share capital	Reserves			Subtotal	Accumulated losses	Total
		Capital reserves	Revenue reserves	Unrealised gain on remeasurement of investments			
----- Rupees in '000 -----							
Balance as at January 1, 2016	52,345,110	2,501,038	1,779,674	93,909	4,374,621	(269,946,703)	(213,226,972)
Total comprehensive income for the period:							
Loss for the period	-	-	-	-	-	(5,733,987)	(5,733,987)
Other comprehensive income for the period	-	-	-	(7,781)	(7,781)	-	(7,781)
Total comprehensive income for the period	-	-	-	(7,781)	(7,781)	(5,733,987)	(5,741,768)
Advance against equity from GoP	-	-	-	-	-	-	-
Surplus on revaluation of property, plant and equipment realised during the period on account of incremental depreciation charged thereon - net of tax	-	-	-	-	-	-	-
Balance as at March 31, 2016	52,345,110	2,501,038	1,779,674	86,128	4,366,840	(275,680,690)	(218,968,740)
Balance as at January 1, 2017	52,345,110	2,501,038	1,779,674	151,575	4,432,287	(316,738,170)	(259,960,773)
Total comprehensive income for the period:							
Loss for the period	-	-	-	-	-	(11,174,367)	(11,174,367)
Other comprehensive income for the period	-	-	-	(7,067)	(7,067)	-	(7,067)
Total comprehensive income for the period	-	-	-	(7,067)	(7,067)	(11,174,367)	(11,181,434)
Advance against equity from GoP	-	-	-	-	-	-	-
Surplus on revaluation of property, plant and equipment realised during the quarter ended March 31, 2017 on account of reduced depreciation charged thereon - net of tax	-	-	-	-	-	-	-
Balance as at March 31, 2017	52,345,110	2,501,038	1,779,674	144,508	4,425,220	(327,912,537)	(271,142,207)

The annexed notes 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.


Chief Executive Officer


Chief Executive Officer


Chief Financial Officer


Director