

Ref.No.AC-110/840

August 15, 2005

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

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

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

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

SUB: FINANCIAL RESULTS FOR THE HALF YEAR ENDED JUNE 30, 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 Monday, 15th August 2005 has approved the un-audited financial statements of the Corporation for the half year ended June 30, 2005 and approved Bonus Shares @ 15%.

The financial results of the Corporation are as follows:

	For the quarter ended		For the half year ended	
	June 30, 2005	June 30, 2004	June 30, 2005	June 30, 2004
	(Rupees in '000)			
Mark-up / return / interest earned	494,003	261,775	944,897	517,376
Mark-up / return / interest expected	353,151	152,910	625,879	297,326
Net mark-up / interest income	140,852	108,865	319,018	220,050
Provision made against non-performing loans and advances - net (Reversal) provision against diminution in the value of investments Bad debts directly written off	24,140	8,149	16,127	8,149
		(490)	(2,164)	(490)
	473	515	946	988
NET MARK-UP / INTEREST INCOME AFTER PROVISIONS	116,233	100,671	304,909	211,492
NON MARK-UP / INTEREST INCOME				
Fee, commission and brokerage income	3,496	65,287	4,746	168,651
Dividend income	186,152	23,797	316,441	88,636
Income from trading in government securities - net		(19,629)		(15,429)
Income from trading in listed securities - net	246,813	561,238	435,236	721,242
Income from dealing in foreign currencies				
Gain / (Loss) on re-measurement of held for trading investment	5,276		(1,353)	
Other income	8,418	3,569	15,998	9,843
Total non-mark-up / interest income	450,155	634,236	751,068	908,743
NON MARK-UP / INTEREST EXPENSES	564,388	774,877	1,095,977	1,200,146
Administrative expenses	138,248	111,864	263,765	159,494
Other (Reversals) / provisions / write offs			(63,616)	
Other charges	2,262	18,059	1,267	45,563
Total non-mark-up / interest expenses	139,510	129,923	191,407	245,057
Extra-ordinary / unusual items	426,873	645,774	364,579	1,005,089
PROFIT BEFORE TAXATION	426,873	645,774	364,579	1,005,089
Taxation:				
- Current	47,353	4,480	62,119	9,227
- Prior years	391		391	
- Deferred	184,554	184,031	219,247	162,914
PROFIT AFTER TAXATION	232,138	457,263	173,767	772,741
	194,735	457,267	632,813	821,348
	(Rupees)		(Rupees)	
BASIC / DILUTED EARNINGS PER SHARE	0.71	1.52	2.31	3.59

KARACHI STOCK EXCHANGE
CORPORATE ANNOUNCEMENT

Zamir
(Syed Muhammad Ali Zamir)
Secretary

15th Aug 05

Zamir
(Iqbal Ahmad Mirza)
Chief Financial Officer