KARACHI STOCK EXCHANGE
CORPORATE ANNOUNCEMENT
Date: 30/8/06
Received at: 9:25 Initial:
Announcement at: 9:31 Initial:

PICIC
Pakistan Industrial Credit & Investment Corporation Ltd.

August 29, 2006

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

The General Manager
Lahore Stock Exchange
(Guarantee) Limited
19 Khayaban-e-Aiwan-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, NIC Building,
63-Jinnah Avenue,
Blue Area
Islamabad

SUB: FINANCIAL RESULTS FOR THE HALF YEAR ENDED JUNE 30, 2006

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 Tuesday, 29th August 2006 has approved the un-audited financial statements of the Corporation for the half year ended June 30, 2006 and approved **Interim Cash Dividend @ 10% and Bonus Shares @ 10%.**

The financial results of the Corporation are as follows:

	For the quarter ended		For the half year ended	
	June 30, 2006	June 30, 2005	June 30, 2006	June 30, 2005
	(Rupees in '000')			
Mark-up / return / interest earned	742,585	491,859	1,466,829	946,576
Mark-up / return / interest expensed	656,518	353,151	1,328,554	625,079
Net mark-up / interest income	86,067	141,708	138,275	321,497
Provision made against non-performing loans and advances - net	124,962	24,146	336,153	16,127
Provision / (reversal) against diminution in the value of investments	1,261	-	1,261	(2,164)
Bad debts directly written off	-	473	-	946
	126,223	24,619	337,414	14,909
NET MARK-UP/ INTEREST INCOME AFTER PROVISIONS	(40,156)	117,089	(199,139)	306,588
NON MARK-UP / INTEREST INCOME				
Fee, commission and brokerage income	3,763	3,496	10,277	4,346
Dividend income	441,282	186,152	1,140,912	316,441
Income from trading in government securities - net	-	-	-	-
Income from trading in listed securities - net	99,212	246,813	263,100	455,236
Income from dealing in foreign currencies	-	-	-	-
Unrealized gain / (loss) on revaluation of held for trading securities	-	5,276	-	(1,353)
Other income	41,573	7,562	26,453	14,319
Total non-mark-up / interest income	585,830	449,299	1,440,743	789,289
	545,674	566,388	1,241,604	1,095,877
NON MARK-UP / INTEREST EXPENSES				
Administrative expenses	180,563	138,248	326,939	253,756
Other reversals of provisions	(9,646)	-	(15,020)	(63,616)
Other charges	2,306	1,267	2,306	1,267
Total non-mark-up / interest expenses	173,223	139,515	314,225	191,407
	372,451	426,873	927,379	904,470
Extra-ordinary / unusual items	-	-	-	-
PROFIT BEFORE TAXATION	372,451	426,873	927,379	904,470
Taxation:				
- Current	27,708	97,353	45,515	52,119
- Prior years	-	391	3,754	391
- Deferred	67,271	184,594	33,128	219,247
	94,979	282,138	82,399	271,757
PROFIT AFTER TAXATION	277,472	194,735	844,980	632,812
	(Rupee)			
BASIC/ DILUTED EARNINGS PER SHARE	0.73	0.52	2.24	1.68

Yours truly

(Syed Muhammad Ali Zamin)
Secretary

(Imran Ahmad Mirza)
Chief Financial Officer