F I R S T   D A W O O D   I N V E S T M E N T   B A N K   L I M I T E D

FDIBL/MG/ 4741 /2018

October 1, 2018

The General Manager
Pakistan Stock Exchange Ltd.
Stock Exchange Building
Stock Exchange Road
Karachi.

Sub: **Financial Results of First Dawood Investment Bank Limited for the Year Ended June 30, 2018**

Dear Sir,

We have to inform you that the Board of Directors of **First Dawood Investment Bank Limited** in their meeting held on **Monday, October 01, 2018 at 11:00 a.m.** at 18th Floor, B.R.R Tower, Hassan Ali Street, Off: I.I. Chundrigar Road, Karachi, recommended the following:

(i) **CASH DIVIDEND** -NIL- **AND/OR**
(ii) **BONUS SHARES** -NIL- **AND/OR**
(iii) **RIGHT SHARES** -NIL- **AND/OR**

(iv) **ANY OTHER ENTITLEMENT/CORPOPRATE ACTION** -NIL-
AND/OR
(v) **ANY OTHER PRICE-SENSITIVE INFORMATION** -NIL-

The copy of profit and loss account and extract from Auditor report is enclosed.

The Annual General Meeting of First Dawood Investment Bank Limited will be held on Friday, October 26, 2018 at 11:30a.m. at BRR Tower, Hassan Ali Street, Off: I.I. Chundrigar Road Karachi.

The Share Transfer Books of the Company will be closed from October 19, 2018 to October 26, 2018 (both days inclusive) the Transfer received at the Registrar Office, FD Registrar Services (SMC-Pvt.) Ltd. at 1705, 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi, at the close of business on October 18, 2018 will be treated in time for the purpose of above entitlement to the transferees.

The Annual Report of the Company will be transmitted through PUCARS and in hard form by sending three (03) copies to you at least 21 days before holding of Annual General Meeting.

Yours truly,

Musharaf Ali

Syed Musharaf Ali
Company Secretary

18th Floor, B.R.R. Tower, Hassan Ali Street, Off: I.I. Chundrigar Road, Karachi-74000.
Tel: 021-32602401-6 Fax: (92-21) 32271912

FIRST DAWOOD INVESTMENT BANK LIMITED
STATEMENT OF PROFIT OR LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
Income			
Lease income		**2,330,581**	4,365,073
Income from long term finances		**63,484**	4,878,644
Income from placement and finance		-	1,019,162
Return on investments and deposits	36	**2,923,063**	12,840,535
Gain on sale of securities - net	37	**10,022,201**	5,143,547
Reclassification of gain to profit and loss account		**208,195**	-
Other income	38	**688,682**	3,630,537
		16,236,206	31,877,498
Expenses			
Administrative expenses	39	**(37,462,739)**	(39,216,290)
Finance cost - Net	40	**(3,347)**	(8,586)
Other operating charges	41	-	(683,857)
		(37,466,086)	(39,908,733)
Operating loss before provisions and changes in fair value		**(21,229,880)**	(8,031,235)
Provisions / changes in fair value			
Reversal of provision / (provision) for potential lease and other loan losses - net	42	**58,665,428**	5,567,595
Unrealized loss on remeasurment of investments - held for trading		**(2,441,441)**	(9,272,983)
Liabilities written back	43	**62,492,349**	-
Unrealized gain on remeasurment of investments property		**10,632,000**	5,414,000
Amount transferred from other comprehensive income		-	2,485,258
		129,348,336	4,193,870
		108,118,456	(3,837,365)
Loss on disposal of asset classified as held for Sale		**(10,592,960)**	(300,000)
Share of profit from associates- net	44	**5,949,473**	15,859,151
Profit before taxation		**103,474,969**	11,721,786
Taxation	45	**(1,849,146)**	(296,360,790)
Profit/(Loss) after taxation		**101,625,823**	(284,639,004)
Earning/(Loss) per share - basic	46	**0.68**	(1.92)
Earning/(Loss) per share - diluted	46	**0.68**	(1.92)

The annexed notes from 1 to 55 form an integral part of these financial statements.

Chief Executive	*Director*	*Chief Financial Officer*

EXTRACT FROM AUDITOR'S REPORT TO THE MEMBER

Report that:

As at June 30, 2018, the Company has recognized deferred tax asset of Rs.397.34 million in respect of carry forward of unused tax losses and provisions that result in deductible temporary differences. As stated in note 14 to the financial statements, assessment for recoverability of the said deferred tax asset on the basis of projections for future taxable income taking into account various assumptions regarding future business prospects and conditions has been carried out by the management. However, we could not substantiate deferred tax assets and relevant projections realization of which is dependent on renewal of license and availability of taxable profit which are uncertain.

in their opinion, except for the possible effects of the matter described in above (a) paragraph, proper books of accounts have been kept by the Company as required by the Repealed Companies ordinance, 1984;

they draw attention to the following matters:

(i) to note 1.1 to the financial statements which state that licenses for Leasing Business and Investment and Finance Services under Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non Banking Finance Companies and Notified Entities Regulations, 2008 from the Securities and Exchange Commission of Pakistan (SECP) has been expired and awaiting renewal.

(ii) to note 1.2 to the financial statements which state that appeal for renewal of registration as Debt Securities Trustee under Regulation 6(2) of Debt Securities Trustee Regulations, 2012 is currently pending at the Hon' able High Court of Sindh.

(iii) to note 1.10 & 11.4of the financial statements discloses that the Company is not in compliance with certain requirements of NBFC Regulations.

(iv) to note 35.6 of the financial statements which state that the company has received assessment order from Sindh Revenue Board (SRB) against which the company has reconciled their records of last six years and made payment of Sindh Sales Tax to SRB of Rs.2.732 million against demand of Rs. 14.735 million to dispose of the proceeding. Company expects that no further demand will be arisen.

(v) to note 32.1 to the financial statements which describes the litigation with HBFC over the settlement amount of liabilities due to different cost of funds as determined by SBP and JCR-VIS.

Their opinion is not qualified in respect of these matters.

Company Secretary

First Dawood Investment Bank Ltd. KARACHI

Date: October 01, 2018