PAKISTAN INTERNATIONAL AIRLINES CORPORATION
CONSOLIDATED BALANCE SHEET
AS AT DECEMBER 31, 2013

	Note	2013	2012	2013	2012
		Rupees in '000		US$ in '000	
ASSETS					
NON CURRENT ASSETS					
Fixed assets					
- Property, plant and equipment	5	155,319,884	153,662,065	1,469,531	1,580,398
- Intangibles	6	3,521,475	3,238,045	33,318	33,303
		158,841,359	156,900,110	1,502,849	1,613,701
Long-term investments	7	120,386	94,394	1,139	971
Receivable in respect of Centre Hotel	8	798,648	734,496	7,556	7,554
Long-term loans and advances	9	8,696	12,009	82	124
Long-term deposits and prepayments	10	6,266,652	6,020,026	59,291	61,915
		166,035,741	163,761,035	1,570,917	1,684,265
CURRENT ASSETS					
Stores and spares	11	3,686,116	4,096,403	34,875	42,131
Trade debts - net	12	9,368,145	10,014,544	88,635	102,998
Short-term loans and advances	13	1,116,518	2,054,153	10,564	21,127
Trade deposits and prepayments	14	3,164,950	1,204,634	29,944	12,390
Other receivables	15	6,311,289	4,300,365	59,713	44,229
Short-term investments	16	305,019	517,767	2,886	5,325
Taxation		129,748	102,102	1,227	1,050
Cash and bank balances	17	8,309,897	6,303,877	78,623	64,835
		32,391,682	28,593,845	306,467	294,085
TOTAL ASSETS		198,427,423	192,354,880	1,877,384	1,978,350
EQUITY AND LIABILITIES					
SHARE CAPITAL AND RESERVES					
Issued, subscribed and paid-up share capital	18	28,779,674	28,779,674	272,294	295,996
Reserves	19	10,049,476	8,248,965	95,081	84,840
Accumulated losses		(191,032,943)	(146,466,912)	(1,807,424)	(1,506,397)
		(152,203,793)	(109,438,273)	(1,440,049)	(1,125,561)
Advance against equity from Government of Pakistan (GoP)	20	14,921,244	1,928,167	141,175	19,831
Attributable to the Holding company's shareholders		(137,282,549)	(107,510,106)	(1,298,874)	(1,105,730)
Non-controlling interest		1,752,273	1,385,606	16,579	14,251
TOTAL EQUITY		(135,530,276)	(106,124,500)	(1,282,295)	(1,091,479)
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF TAX	21	27,488,558	26,213,286	260,078	269,601
NON-CURRENT LIABILITIES					
Long-term financing	22	32,671,889	28,120,287	309,119	289,214
Term finance and sukuk certificates	23	-	4,394,027	-	45,192
Liabilities against assets subject to finance lease	24	31,357,890	38,305,557	296,687	393,968
Long-term deposits	25	435,530	534,767	4,121	5,500
Deferred taxation	26	20,852,961	18,314,706	197,296	188,365
Deferred liabilities	27	15,248,903	13,206,159	144,275	135,824
		100,567,173	102,875,503	951,498	1,058,063
CURRENT LIABILITIES					
Trade and other payables	28	78,594,908	55,313,306	743,611	568,891
Accrued interest	29	12,788,401	6,784,356	120,995	69,776
Provision for taxation		284,221	679,144	2,689	6,985
Short-term borrowings	30	56,747,538	61,354,530	536,907	631,025
Current maturities of:					
- Long-term financing	22	27,615,121	20,783,496	261,275	213,756
- Term finance and sukuk certificates	23	19,589,760	15,195,733	185,345	156,287
- Advance rent		-	4,831	-	50
- Liabilities against assets subject to finance lease	24	10,282,019	9,275,195	97,281	95,395
		205,901,968	169,390,591	1,948,103	1,742,165
TOTAL LIABILITIES		306,469,141	272,266,094	2,899,601	2,800,228
TOTAL EQUITY AND LIABILITIES		198,427,423	192,354,880	1,877,384	1,978,350
CONTINGENCIES AND COMMITMENTS	31				

The annexed notes 1 to 47 form an integral part of these consolidated financial statements.

066

Chairman

Chief Financial Officer

Chairman

Director

PAKISTAN INTERNATIONAL AIRLINES CORPORATION
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2013

	Note	2013	2012 (Restated)	2013	2012 (Restated)
		Rupees in '000		US$ in '000	
REVENUE - NET	32	109,811,240	124,777,545	1,038,959	1,283,324
COST OF SERVICES					
Aircraft fuel		(55,116,104)	(61,157,291)	(521,471)	(628,996)
Others	33	(56,778,235)	(57,247,383)	(537,197)	(588,783)
		(111,894,339)	(118,404,674)	(1,058,668)	(1,217,779)
GROSS (LOSS) / PROFIT		(2,083,099)	6,372,871	(19,709)	65,545
Distribution costs	34	(6,343,290)	(7,247,768)	(60,016)	(74,543)
Administrative expenses	35	(12,770,497)	(11,531,806)	(120,826)	(118,603)
Other provisions and adjustments	36	(2,281,524)	(698,310)	(21,586)	(7,182)
Exchange loss - net		(6,406,746)	(6,703,945)	(60,616)	(68,949)
Other income	37	1,586,833	3,327,619	15,013	34,224
		(26,215,224)	(22,854,210)	(248,031)	(235,053)
LOSS FROM OPERATIONS		(28,298,323)	(16,481,339)	(267,740)	(169,508)
Finance costs	38	(13,414,851)	(12,169,934)	(126,922)	(125,166)
Share of loss from associated company	7.1	(1,456)	(637)	(14)	(7)
LOSS BEFORE TAXATION		(41,714,630)	(28,651,910)	(394,676)	(294,681)
Taxation	39	(1,941,218)	(1,121,158)	(18,366)	(11,531)
LOSS FOR THE YEAR		(43,655,848)	(29,773,068)	(413,042)	(306,212)
Attributable to:					
Equity holders of the Holding company		(43,699,015)	(29,806,208)	(413,451)	(306,553)
Non-controlling interest		43,167	33,140	409	341
		(43,655,848)	(29,773,068)	(413,042)	(306,212)

		Rupees		US$	
EARNINGS PER SHARE - BASIC AND DILUTED					
Loss attributable to:					
'A' class Ordinary shares of Rs 10 each	40	(12.33)	(9.88)	(0.12)	(0.10)
'B' class Ordinary shares of Rs 5 each	40	(6.17)	(4.94)	(0.06)	(0.05)

The annexed notes 1 to 47 form an integral part of these consolidated financial statements.

Chairman

Chief Financial Officer

Chairman

Director

PAKISTAN INTERNATIONAL AIRLINES CORPORATION
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2013

	2013	2012 (Restated)	2013	2012 (Restated)
	----------Rupees in '000----------		------------US$ in '000------------	
Loss for the year	(43,655,848)	(29,773,068)	(413,042)	(306,212)
Other comprehensive income				
Items that will be reclassified subsequently to profit and loss account				
Unrealised gain on remeasurement of available for sale investments	21,268	4,037	201	42
Exchange differences on translation of foreign operations	1,922,387	1,011,593	18,188	10,404
Items that will not be reclassified subsequently to profit and loss account				
Remeasurement of post retirement defined benefits obligation	(611,860)	(2,947,546)	(5,789)	(30,315)
Impact of deferred tax	142,695	352,341	1,350	3,624
	(469,165)	(2,595,205)	(4,439)	(26,691)
Total comprehensive income	(42,181,358)	(31,352,643)	(399,092)	(322,457)
Attributable to:				
Equity holders of the Holding company	(42,367,669)	(31,455,263)	(400,855)	(323,512)
Non-controlling interest	186,311	102,620	1,763	1,055
	(42,181,358)	(31,352,643)	(399,092)	(322,457)

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.

The annexed notes 1 to 47 form an integral part of these consolidated financial statements.

Chairman **Chief Financial Officer**

Chairman **Director**

PAKISTAN INTERNATIONAL AIRLINES CORPORATION
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013

	Issued, subscribed, and paid-up capital	Advance against equity from Government of Pakistan (GoP)	Attributable to the Holding company's shareholders — Reserves: Capital reserves	Revenue reserves	Unrealised gain on remeasurement of investments	Foreign currency translation reserves	Other reserves	Subtotal	Accumulated losses (Restated)	Non-controlling interest	Total
	----------------------					Rupees in '000					----------------------
Balance as at January 1, 2012	28,779,674	-	2,501,038	1,779,674	22,781	2,987,298	11,249	7,302,040	(114,722,720)	1,081,405	(77,559,601)
Total comprehensive income for the year ended December 31, 2012 (Restated)											
- (Loss) / profit for the year	-	-	-	-	-	-	-	-	(29,806,208)	33,140	(29,773,068)
- Other comprehensive income for the year:											
- Transfer to other reserves	-	-	-	-	-	-	775	775	(775)	-	-
- Currency translation differences	-	-	-	-	-	942,785	(672)	942,113	-	69,480	1,011,593
- Remeasurement of post retirement defined benefits obligation - net of tax	-	-	-	-	-	-	-	-	(2,595,205)	-	(2,595,205)
- Unrealised gain on remeasurement of investments	-	-	-	-	4,037	-	-	4,037	-	-	4,037
Total comprehensive income for the year transferred to equity	-	-	-	-	4,037	942,785	103	946,925	(32,402,188)	102,620	(31,352,643)
Surplus on revaluation - net of tax	-	-	-	-	-	-	-	-	-	231,564	231,564
Surplus on revaluation of property, plant and equipment realised during the year on account of incremental depreciation charged thereon - net of tax	-	-	-	-	-	-	-	-	657,996	-	657,996
Transactions with owners:											
Issue of share capital 'A' class ordinary shares	-	1,928,167	-	-	-	-	-	-	-	-	1,928,167
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	(29,983)	(29,983)
Balance as at December 31, 2012	28,779,674	1,928,167	2,501,038	1,779,674	26,818	3,930,083	11,352	8,248,965	(146,466,912)	1,385,606	(106,124,500)
Balance as at January 1, 2013	28,779,674	1,928,167	2,501,038	1,779,674	26,818	3,930,083	11,352	8,248,965	(146,466,912)	1,385,606	(106,124,500)
Total comprehensive income for the year ended December 31, 2013:											
- (Loss) / profit for the year	-	-	-	-	-	-	-	-	(43,699,015)	43,167	(43,655,848)
- Other comprehensive income for the year:											
- Currency translation differences	-	-	-	-	-	1,778,255	988	1,779,243	-	143,144	1,922,387
- Remeasurement of post retirement defined benefits obligation - net of tax	-	-	-	-	-	-	-	-	(469,165)	-	(469,165)
- Unrealised gain on remeasurement of investments	-	-	-	-	21,268	-	-	21,268	-	-	21,268
Total comprehensive income for the year transferred to equity	-	-	-	-	21,268	1,778,255	988	1,800,511	(44,168,180)	186,311	(42,181,358)
Surplus on revaluation - net of tax	-	-	-	-	-	-	-	-	-	213,972	213,972
Surplus on revaluation of property, plant and equipment realised during the year on account of reduced depreciation charged thereon - net of tax	-	-	-	-	-	-	-	-	(397,851)	-	(397,851)
Paid-up capital subscribed	-	-	-	-	-	-	-	-	-	41	41
Transactions with owners:											
Advance against equity from GoP	-	12,993,077	-	-	-	-	-	-	-	-	12,993,077
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	(33,657)	(33,657)
Balance as at December 31, 2013	28,779,674	14,921,244	2,501,038	1,779,674	48,086	5,708,338	12,340	10,049,476	(191,032,943)	1,752,273	(135,530,276)

The annexed notes 1 to 47 form an integral part of these consolidated financial statements.

Chairman **Chief Financial Officer**

Chairman **Director**

PAKISTAN INTERNATIONAL AIRLINES CORPORATION
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2013

	Note	2013	2012	2013	2012
		Rupees in '000		US$ in '000	
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash generated from operations	41	4,170,963	904,742	39,463	9,305
Profit on bank deposits received		32,314	51,399	306	529
Finance costs paid		(7,457,795)	(10,112,603)	(70,561)	(104,007)
Taxes paid		(1,134,604)	(1,197,159)	(10,735)	(12,313)
Staff retirement benefits paid		(635,733)	(617,559)	(6,015)	(6,352)
Long-term deposits and prepayments - net		172,236	773,850	1,630	7,959
Net cash used in operating activities		(4,852,619)	(10,197,330)	(45,912)	(104,879)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		(5,053,846)	(7,947,165)	(47,816)	(81,736)
Proceeds from sale of operating fixed assets		37,430	79,359	354	816
Purchase of intangibles		(34,830)	(158,077)	(329)	(1,626)
Payments against long-term loans		3,313	3,398	31	35
Proceeds from sale of short-term investments		212,748	216,879	2,013	2,231
Net cash used in investing activities		(4,835,185)	(7,805,606)	(45,747)	(80,280)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from advance against equity from GoP		12,993,077	1,928,167	122,932	19,831
Repayment of long-term financing		(3,076,067)	(8,504,428)	(29,104)	(87,467)
Proceeds from long-term financing		15,872,898	500,000	150,179	5,143
(Payment) / receipt of advance rent		(4,831)	(4,391)	(46)	(45)
Proceeds from long-term deposits		(99,237)	89,950	(939)	925
Payment of dividend to non-controlling interest		(33,657)	(29,983)	(318)	(308)
Repayment of obligations under finance lease - net		(9,275,195)	(8,251,697)	(87,756)	(84,868)
Net cash generated from / (used in) financing activities		16,376,988	(14,272,382)	154,948	(146,789)
Increase / (decrease) in cash and cash equivalents		6,689,184	(32,275,318)	63,289	(331,948)
Cash and cash equivalents at the beginning of the year		(55,050,653)	(22,561,084)	(520,852)	(232,038)
Effects of exchange rate changes on cash and cash equivalents		(76,172)	(214,251)	(721)	(2,204)
Cash and cash equivalents at the end of the year		(48,437,641)	(55,050,653)	(458,284)	(566,190)
CASH AND CASH EQUIVALENTS					
Cash and bank balances	17	8,309,897	6,303,877	78,623	64,835
Short-term borrowings	30	(56,747,538)	(61,354,530)	(536,907)	(631,025)
		(48,437,641)	(55,050,653)	(458,284)	(566,190)

The annexed notes 1 to 47 form an integral part of these consolidated financial statements.

Chairman

Chief Financial Officer

Chairman

Director

PAKISTAN INTERNATIONAL AIRLINES CORPORATION
UNCONSOLIDATED BALANCE SHEET
AS AT DECEMBER 31, 2013

	Note	2013	2012	2013	2012
		Rupees in '000		US$ in '000	
ASSETS					
NON CURRENT ASSETS					
Fixed assets					
- Property, plant and equipment	5	89,632,833	95,712,875	848,045	984,397
- Intangibles	6	88,204	79,820	835	821
		89,721,037	95,792,695	848,880	985,218
Long-term investments	7	4,465,759	4,444,491	42,252	45,711
Long-term advances	8	-	-	-	-
Long-term deposits and prepayments	9	6,104,677	5,936,957	57,758	61,061
		100,291,473	106,174,143	948,890	1,091,990
CURRENT ASSETS					
Stores and spares	10	3,641,758	4,057,648	34,456	41,732
Trade debts	11	8,712,578	9,416,133	82,432	96,843
Advances	12	1,110,535	2,045,381	10,507	21,037
Trade deposits and prepayments	13	2,551,545	587,699	24,141	6,044
Other receivables	14	6,039,732	4,201,330	57,144	43,210
Short-term investments	15	19,220	19,220	182	198
Cash and bank balances	16	2,290,134	2,172,389	21,668	22,343
		24,365,502	22,499,800	230,530	231,407
TOTAL ASSETS		124,656,975	128,673,943	1,179,420	1,323,397
EQUITY AND LIABILITIES					
SHARE CAPITAL AND RESERVES					
Issued, subscribed and paid-up share capital	17	28,779,674	28,779,674	272,294	295,996
Reserves	18	4,328,799	4,307,531	40,956	44,302
Accumulated losses		(197,797,862)	(151,914,479)	(1,871,429)	(1,562,423)
		(164,689,379)	(118,827,274)	(1,558,179)	(1,222,125)
Advance against equity from Government of Pakistan (GoP)	19	14,921,244	1,928,167	141,175	19,831
TOTAL EQUITY		(149,768,135)	(116,899,107)	(1,417,004)	(1,202,294)
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT- NET	20	5,490,963	7,220,492	51,952	74,262
NON CURRENT LIABILITIES					
Long-term financing	21	31,407,996	13,957,198	297,161	143,548
Term finance and sukuk certificates	22	-	4,394,027	-	45,192
Liabilities against assets subject to finance lease	23	31,357,890	38,305,557	296,687	393,968
Advance from a subsidiary	24	1,479,709	1,069,530	14,000	11,000
Long-term deposits	25	435,398	534,635	4,119	5,499
Deferred liabilities	26	15,190,860	13,146,198	143,726	135,207
		79,871,853	71,407,145	755,693	734,414
CURRENT LIABILITIES					
Trade and other payables	27	76,111,721	53,308,225	720,117	548,269
Accrued interest	28	12,799,646	6,770,759	121,102	69,637
Provision for taxation		223,421	676,930	2,114	6,962
Short-term borrowings	29	56,747,538	61,354,530	536,907	631,025
Current maturities of:					
- Long-term financing	21	13,308,189	20,366,285	125,913	209,465
- Term finance and sukuk certificates	22	19,589,760	15,195,733	185,345	156,286
- Liabilities against assets subject to finance lease	23	10,282,019	9,272,951	97,281	95,371
		189,062,294	166,945,413	1,788,779	1,717,015
TOTAL LIABILITIES		268,934,147	238,352,558	2,544,472	2,451,429
TOTAL EQUITY AND LIABILITIES		124,656,975	128,673,943	1,179,420	1,323,397
CONTINGENCIES AND COMMITMENTS	30				

The annexed notes 1 to 45 form an integral part of these unconsolidated financial statements.

Chairman

Chief Financial Officer

Chairman

Director

PAKISTAN INTERNATIONAL AIRLINES CORPORATION
UNCONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2013

	Note	2013	2012 (Restated)	2013	2012 (Restated)
		Rupees in '000		US$ in '000	
REVENUE - NET	31	95,771,125	112,130,066	906,121	1,153,246
COST OF SERVICES					
Aircraft fuel		(55,116,104)	(61,157,291)	(521,471)	(628,996)
Others	32	(48,064,025)	(49,493,646)	(454,749)	(509,037)
		(103,180,129)	(110,650,937)	(976,220)	(1,138,033)
GROSS (LOSS) / PROFIT		(7,409,004)	1,479,129	(70,099)	15,213
Distribution costs	33	(5,764,850)	(6,772,016)	(54,543)	(69,649)
Administrative expenses	34	(10,196,116)	(9,080,302)	(96,469)	(93,390)
Other provisions and adjustments	35	(2,280,464)	(730,454)	(21,576)	(7,513)
Exchange loss - net		(6,406,746)	(6,696,708)	(60,616)	(68,875)
Other income	36	1,663,978	3,405,000	15,743	35,020
		(22,984,198)	(19,874,480)	(217,461)	(204,407)
LOSS FROM OPERATIONS		(30,393,202)	(18,395,351)	(287,560)	(189,194)
Finance cost	37	(12,588,077)	(11,380,757)	(119,100)	(117,050)
LOSS BEFORE TAXATION		(42,981,279)	(29,776,108)	(406,660)	(306,244)
Taxation	38	(1,549,612)	(810,227)	(14,661)	(4,709)
LOSS FOR THE YEAR		(44,530,891)	(30,586,335)	(421,321)	(310,953)
		(Rupees)		(US$)	
EARNINGS PER SHARE - BASIC AND DILUTED					
Loss attributable to:					
'A' class ordinary shares of Rs. 10 each	39	(12.57)	(10.14)	(0.12)	(0.10)
'B' class ordinary shares of Rs. 5 each	39	(6.29)	(5.07)	(0.06)	(0.05)

The annexed notes 1 to 45 form an integral part of these unconsolidated financial statements.

966

Chairman

Chief Financial Officer

Chairman

Director

PAKISTAN INTERNATIONAL AIRLINES CORPORATION
UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2013

	2013	2012 (Restated)	2013	2012 (Restated)
	Rupees in '000		US$ in '000	
Loss for the year	**(44,530,891)**	(30,586,335)	**(421,321)**	(310,953)
Other comprehensive income				
Items that will be reclassified subsequently to profit and loss account				
Unrealised gain on remeasurement of available for sale investments	**21,268**	4,037	**201**	42
Items that will not be reclassified subsequently to profit and loss account				
Remeasurement of post retirement defined benefits obligation	**(611,860)**	(2,947,546)	**(5,789)**	(30,315)
Impact of deferred tax	**142,695**	352,341	**1,350**	3,624
	(469,165)	(2,595,205)	**(4,439)**	(26,691)
Total comprehensive income	**(44,978,788)**	(33,177,503)	**(425,559)**	(337,602)

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.

The annexed notes 1 to 45 form an integral part of these unconsolidated financial statements.

Obb

Chairman

Chief Financial Officer

Chairman

Director

PAKISTAN INTERNATIONAL AIRLINES CORPORATION
UNCONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2013

	Note	2013	2012	2013	2012
		---------Rupees in '000---------		------------US$ in '000------------	
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash used in operations	40	3,655,697	(1,072,710)	34,588	(11,033)
Profit on bank deposits received		32,314	51,399	306	529
Finance costs paid		(6,606,179)	(9,300,090)	(62,503)	(95,650)
Taxes paid		(453,509)	(648,676)	(4,291)	(6,672)
Staff retirement benefits paid		(623,466)	(623,012)	(5,899)	(6,408)
Long-term deposits and prepayments - net		251,142	718,412	2,376	7,389
Net cash used in operating activities		(3,744,001)	(10,874,677)	(35,423)	(111,845)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		(4,339,971)	(7,298,756)	(41,062)	(75,067)
Proceeds from sale of property, plant and equipment		22,361	79,306	212	816
Purchase of intangibles		(34,317)	(53,368)	(325)	(549)
Net cash used in investing activities		(4,351,927)	(7,272,818)	(41,175)	(74,800)
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipt of advance against equity from GoP		12,993,077	1,928,167	122,932	19,831
Repayment of long-term financing		(6,893,800)	(10,206,640)	(65,224)	(104,974)
Proceeds from long-term financing		15,872,898	500,000	150,178	5,143
Receipt of advance from a subsidiary		296,850	-	2,808	-
(Repayment) / proceeds from long-term deposits		(99,237)	89,950	(939)	925
Repayment of obligations under finance lease - net		(9,272,951)	(8,225,660)	(87,734)	(84,600)
Net cash generated from / (used in) financing activities		12,896,837	(15,914,183)	122,021	(163,675)
Increase / (decrease) in cash and cash equivalents		4,800,909	(34,061,678)	45,423	(350,320)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		(59,182,141)	(24,906,213)	(559,941)	(256,158)
Effects of exchange rate changes on cash and cash equivalents		(76,172)	(214,250)	(721)	(2,204)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		(54,457,404)	(59,182,141)	(515,239)	(608,682)
CASH AND CASH EQUIVALENTS					
Cash and bank balances	16	2,290,134	2,172,389	21,668	22,343
Short-term borrowings	29	(56,747,538)	(61,354,530)	(536,907)	(631,025)
		(54,457,404)	(59,182,141)	(515,239)	(608,682)

The annexed notes 1 to 45 form an integral part of these unconsolidated financial statements.

Chairman

Chief Financial Officer

Chairman

Director

PAKISTAN INTERNATIONAL AIRLINES CORPORATION
UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013

	Issued, subscribed, and paid-up share capital	Advance against equity from Government of Pakistan (GoP)	Reserves				Accumulated losses (Restated)	Total
			Capital reserves	Revenue reserves	Unrealised gain on remeasurement of investments	Subtotal		
	Rupees in '000							
Balance as at January 1, 2012	28,779,674	-	2,501,038	1,779,674	22,782	4,303,494	(119,016,727)	(85,933,559)
Total comprehensive income for the year ended December 31, 2012 (Restated)								
Loss for the year	-	-	-	-	-	-	(30,586,335)	(30,586,335)
Other comprehensive income for the year	-	-	-	-	4,037	4,037	(2,595,205)	(2,591,168)
Total comprehensive income for the year	-	-	-	-	4,037	4,037	(33,181,540)	(33,177,503)
Advance against equity from GoP	-	1,928,167	-	-	-	-	-	1,928,167
Surplus on revaluation of property, plant and equipment realised during the year on account of incremental depreciation charged thereon - net of tax	-	-	-	-	-	-	283,788	283,788
Balance as at December 31, 2012	28,779,674	1,928,167	2,501,038	1,779,674	26,819	4,307,531	(151,914,479)	(116,899,107)
Total comprehensive income for the year ended December 31, 2013								
Loss for the year	-	-	-	-	-	-	(44,530,891)	(44,530,891)
Other comprehensive income for the year	-	-	-	-	21,268	21,268	(469,165)	(447,897)
Total comprehensive income for the year	-	-	-	-	21,268	21,268	(45,000,056)	(44,978,788)
Advance against equity from GoP	-	12,993,077	-	-	-	-	-	12,993,077
Surplus on revaluation of property, plant and equipment realised during the year on account of reduced depreciation charged thereon - net of tax	-	-	-	-	-	-	(883,317)	(883,317)
Balance as at December 31, 2013	28,779,674	14,921,244	2,501,038	1,779,674	48,087	4,328,799	(197,797,852)	(149,768,135)

The annexed notes 1 to 45 form an integral part of these unconsolidated financial statements.

966

Chairman

Chief Financial Officer

Chairman

Director

Notice of 57th Annual General Meeting

Notice is hereby given that 57th Annual General Meeting of the Shareholders of Pakistan International Airlines Corporation will be held at 10:00 A.M. on Wednesday, May 28, 2014 at CAA Jogging Track Lawn, The Grand Ball Room, Opposite CA Club, Near Star Gate, Main Shahrah-e-Faisal, Karachi to transact the following business:

1. To receive and adopt the Audited Accounts for the Financial Year ended December 31, 2013 together with the Auditors' and Directors' Reports.
2. To elect two Directors against vacancies as required under Sections 6 and 7 of PIAC Act 1956 in place of Malik Nazir Ahmed and Mr Yousaf Waqar Shaffi who have completed their term of office of Directors.
3. To transact any other business with the permission of the Chair.

By order of the Board

Younus M. Khan
Secretary – PIA

Karachi May 06, 2014

Notes:

1. **Candidature for election as Director:** As per Rule 21 of PIAC Rules 1958, a Shareholder not being a retiring elected Director, shall not be eligible for election as a Director unless he has been recommended by an elected Director for election as a Director, or unless he or some other Shareholder intending to propose his name has, at least **seven clear days before the Meeting i.e. up to 05:30 P.M., Tuesday, May 20, 2014 left at the office of Secretary-PIA, PIA Head Office, Karachi, a notice in writing duly signed signifying his candidature.**

2. **Participation in Meeting and Appointment of Proxies:** A Shareholder entitled to attend and vote at the Meeting is entitled to appoint another Shareholder as Proxy. **The duly executed instrument of Proxy or the Power of Attorney or a notarized copy of such Power of Attorney must be lodged at the office of Secretary-PIA, PIA Head Office, Karachi, not less than 48 hours before the time fixed for holding the Meeting i.e. up to 10:00 A.M. Monday, May 26, 2014** unless the Power of Attorney has already been registered in the Corporation books. Any individual Beneficial Owner of CDC, entitled to attend and vote at the Meeting, must show his original CNIC or Passport to authenticate his identity along with Participant ID and CDC Account / Sub-Account Number.

3. **Book Closure: The Shares Transfer Books of the Corporation will remain closed from Wednesday, May 14, 2014 to Wednesday, May 28, 2014 (both days inclusive)** in order to update the register for the purpose of determining the voting rights of Shareholders. Transfer documents (Physical Scrip Transfers / CDC Transaction IDs) received in order **at the office of PIA Share Registrar / Transfer Agent, Central Depository Company of Pakistan Limited, CDC House, 99 – B, Block – B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi, up to 05:30 P.M. by Tuesday, May 13, 2014 will be treated as in time for registration of transfer of Shares.**

4. Shareholders are requested to promptly notify changes, if any, in their registered mailing address and also for the consolidation of folio numbers if any shareholder holds more than one folio to PIA Share Registrar / Transfer Agent. CDC account holders are requested to intimate change of address (if any) to their Participant / CDC Investor Account Services.

INFORMATION REQUIRED AS PER SECP S.R.O. 779(1)2011, DATED AUGUST 18, 2011

In compliance with Securities and Exchange Commission of Pakistan (SECP)'s S.R.O. 779 (1) 2011. Shareholders of the Corporation are requested to provide copy of their Computerized National Identity Card for updation of computerized record, directly at the office of PIA Share Registrar / Transfer Agent.