PAKISTAN International Airlines
Great People to Fly With

CORPORATE SECRETARIAT

CS/S&T/FT/PSX/PIAC-AAC-15/16

October 28, 2016

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

FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2015 OF PAKISTAN INTERNATIONAL AIRLINES CORPORATION

Dear Sir,

1. We have to inform you that the Board of Directors of our Company in their Meeting held on Friday, October 28, 2016 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
(v)	ANY OTHER PRICE SENSITIVE INFORMATION	The Financial Results of PIAC are attached

2. The Annual Audited Financial Results for the year ended December 31, 2015 of the Pakistan International Airlines Corporation (PIAC) are being transmitted through Pakistan Unified Corporate Action Reporting System (PUCARS) and a hard copy is being sent through courier.

Yours sincerely,

Younus M. Khan
Company Secretary
PIACL

Encl: As stated above

Pakistan International Airlines
PIA Building
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Tel : 9904 4850,
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Pakistan International Airlines Corporation
Unconsolidated Balance Sheet
As at December 31, 2015

	Note	December 31, 2015	December 31, 2014	January 01, 2014	December 31, 2015	December 31, 2014	January 01, 2014
			-------- *(Restated)* --------			-------- *(Restated)* --------	
		(Rupees in '000)			**(US$ in '000)**		
ASSETS							
NON - CURRENT ASSETS							
Fixed assets							
- Property, plant and equipment	5	**76,602,307**	84,035,983	90,363,868	**730,440**	832,569	854,961
- Intangibles	6	**45,645**	66,165	88,204	**435**	656	835
		76,647,952	84,102,148	90,452,072	**730,875**	833,225	855,796
Long-term investments	7	**4,511,581**	4,500,342	4,465,759	**43,020**	44,586	42,252
Long-term advances	8	**-**	-	-	**-**	-	-
Long-term deposits and prepayments	9	**9,602,902**	7,510,203	7,951,649	**91,569**	74,406	75,234
Total non - current assets		**90,762,435**	96,112,693	102,869,480	**865,464**	952,217	973,282
CURRENT ASSETS							
Stores and spares	10	**3,039,872**	3,410,626	3,582,728	**28,986**	33,790	33,897
Trade debts	11	**9,294,690**	10,367,251	8,712,578	**88,629**	102,711	82,432
Advances	12	**1,574,020**	1,189,840	1,388,716	**15,009**	11,788	13,139
Trade deposits and prepayments	13	**2,355,635**	975,662	704,573	**22,462**	9,666	6,666
Other receivables	14	**6,154,674**	7,085,804	6,039,732	**58,688**	70,201	57,144
Short-term investments	15	**19,220**	19,220	19,220	**183**	190	182
Cash and bank balances	16	**2,641,305**	1,685,124	2,290,134	**25,187**	16,695	21,668
Total current assets		**25,079,416**	24,733,527	22,737,681	**239,144**	245,041	215,128
TOTAL ASSETS		**115,841,851**	120,846,220	125,607,161	**1,104,608**	1,197,258	1,188,410
EQUITY AND LIABILITIES							
SHARE CAPITAL AND RESERVES							
Issued, subscribed and paid-up share capital	17	**52,345,110**	28,779,674	28,779,674	**499,136**	285,129	272,294
Reserves	18	**4,374,621**	4,363,382	4,328,799	**41,714**	43,229	40,956
Accumulated losses		**(269,946,703)**	(234,916,125)	(200,631,111)	**(2,574,071)**	(2,327,381)	(1,898,235)
		(213,226,972)	(201,773,069)	(167,522,638)	**(2,033,221)**	(1,999,023)	(1,584,985)
Advance against equity from Government of Pakistan (GoP)	19	**-**	19,591,065	14,921,244	**-**	194,094	141,175
Total shareholders' equity		**(213,226,972)**	(182,182,004)	(152,601,394)	**(2,033,221)**	(1,804,929)	(1,443,810)
Surplus on revaluation of property, plant and equipment - net	20	**4,863,889**	7,530,285	9,274,408	**46,380**	74,605	87,748
NON - CURRENT LIABILITIES							
Long-term financing	21	**49,766,421**	36,087,553	31,407,996	**474,547**	357,530	297,161
Term finance and sukuk certificates	22	**26,707,209**	-	-	**254,666**	-	-
Liabilities against assets subject to finance lease	23	**13,218,479**	19,656,064	31,357,890	**126,045**	194,738	296,687
Advance from a subsidiary	24	**4,209,056**	3,752,325	1,479,709	**40,135**	37,175	14,000
Long-term deposits		**-**	6,582	6,444	**-**	65	61
Deferred liabilities	25	**24,732,719**	19,543,479	15,190,860	**235,838**	193,623	143,726
Total non current liabilities		**118,633,884**	79,046,003	79,442,899	**1,131,231**	783,131	751,635
CURRENT LIABILITIES							
Trade and other payables	26	**108,498,696**	98,032,778	76,543,532	**1,034,588**	971,238	724,202
Accrued interest	27	**11,965,110**	12,619,246	12,799,646	**114,093**	125,022	121,102
Provision for taxation		**231,779**	193,226	220,564	**2,210**	1,914	2,087
Short-term borrowings	28	**36,940,201**	59,772,367	56,747,538	**352,242**	592,183	536,907
Current maturities of:							
- Long-term financing	21	**27,534,829**	15,954,282	13,308,189	**262,557**	158,064	125,913
- Term finance and sukuk certificates	22	**13,196,419**	19,589,760	19,589,760	**125,834**	194,081	185,345
- Liabilities against assets subject to finance lease	23	**7,204,016**	10,290,277	10,282,019	**68,694**	101,949	97,281
Total current liabilities		**205,571,050**	216,451,936	189,491,248	**1,960,218**	2,144,451	1,792,837
TOTAL LIABILITIES		**324,204,934**	295,497,939	268,934,147	**3,091,449**	2,927,582	2,544,472
TOTAL EQUITY AND LIABILITIES		**115,841,851**	120,846,220	125,607,161	**1,104,608**	1,197,258	1,188,410
Contingencies and commitments	29						

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

Chairman

Actg. Chief Executive Officer
Pakistan International Airlines

Chief Financial Officer

Chairman

Director

Actg. Chief Executive Officer
Pakistan International Airlines

Pakistan International Airlines Corporation
Unconsolidated Profit and Loss account
For the year ended December 31, 2015

	Note	**2015**	2014 *(Restated)*	**2015**	2014 *(Restated)*
		(Rupees in '000)		**(US$ in '000)**	
Revenue - net	*30*	**91,268,545**	99,519,057	**870,289**	985,964
Cost of services					
Aircraft fuel		**(28,256,224)**	(48,033,885)	**(269,437)**	(475,886)
Others	*31*	**(64,530,382)**	(56,903,883)	**(615,328)**	(563,763)
		(92,786,606)	(104,937,768)	**(884,765)**	(1,039,649)
Gross loss		**(1,518,061)**	(5,418,711)	**(14,476)**	(53,685)
Distribution costs	*32*	**(4,232,278)**	(4,415,728)	**(40,357)**	(43,748)
Administrative expenses	*33*	**(5,572,735)**	(5,869,628)	**(53,139)**	(58,152)
Other provisions and adjustments	*34*	**(3,820,524)**	(2,825,541)	**(36,431)**	(27,993)
Exchange (loss)/gain - net		**(2,065,869)**	3,105,045	**(19,699)**	30,763
Other income	*35*	**773,571**	485,746	**7,376**	4,812
		(14,917,835)	(9,520,106)	**(142,250)**	(94,318)
Loss from operations		**(16,435,896)**	(14,938,817)	**(156,726)**	(148,003)
Finance costs	*36*	**(13,517,442)**	(14,372,621)	**(128,895)**	(142,394)
Loss before taxation		**(29,953,338)**	(29,311,438)	**(285,621)**	(290,397)
Taxation	*37*	**(2,576,222)**	(2,433,126)	**(24,566)**	(24,106)
Loss for the year		**(32,529,560)**	(31,744,564)	**(310,187)**	(314,503)

Loss per share - basic and diluted		**(Rupees)**	*(Restated)*	**(US$)**	*(Restated)*
Loss attributable to:					
'A' class ordinary shares of Rs. 10 each	*38*	**(6.39)**	(6.90)	**(0.06)**	(0.07)
'B' class ordinary shares of Rs. 5 each	*38*	**(3.19)**	(3.45)	**(0.03)**	(0.03)

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

Chairman | Actg. Chief Executive Officer Pakistan International Airlines | **Chief Financial Officer**

Chairman | Actg. Chief Executive Officer Pakistan International Airlines | **Director**

Pakistan International Airlines Corporation
Unconsolidated Statement of Comprehensive Income
For the year ended December 31, 2015

	2015	2014 *(Restated)*	2015	2014 *(Restated)*
	(Rupees in '000)		**(US$ in '000)**	
Loss for the year	**(32,529,560)**	(31,744,564)	**(310,187)**	(314,503)
Other comprehensive income				
Items that will be reclassified subsequently to unconsolidated profit and loss account				
Unrealised gain on remeasurement of available for sale investments	**11,239**	34,583	**107**	343
Items that will not be reclassified subsequently to unconsolidated profit and loss account				
Remeasurement of post retirement defined benefits obligations	**(3,397,005)**	(2,595,919)	**(32,392)**	(25,719)
Effect of deferred tax	**900,747**	146,316	**8,589**	1,450
	(2,496,258)	(2,449,603)	**(23,803)**	(24,269)
	(2,485,019)	(2,415,020)	**(23,696)**	(23,926)
Total comprehensive income - loss	**(35,014,579)**	(34,159,584)	**(333,883)**	(338,429)

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 45 form an integral part of these unconsolidated financial statements.

Chairman

Actg. Chief Executive Officer
Pakistan International Airlines

Chief Financial Officer

Chairman

Actg. Chief Executive Officer
Pakistan International Airlines

Director

Pakistan International Airlines Corporation
Unconsolidated Statement of Changes in Equity
For the year ended December 31, 2015

	Issued, subscribed, and paid-up share capital	Advance against equity from Government of Pakistan (GoP) (Note 19)	Reserves: Capital reserves	Reserves: Revenue reserves	Reserves: Unrealised gain on remeasurement of investments	Reserves: Subtotal	Accumulated losses	Total
	(Rupees in '000)							
Balance as at December 31, 2013 - as previously reported	28,779,674	14,921,244	2,501,038	1,779,674	24,083,981	28,364,693	(192,075,962)	(120,010,351)
Effect of restatement - note 2.7	-	-	-	-	(24,035,894)	(24,035,894)	(8,555,149)	(32,591,043)
Balance as at December 31, 2013 - as restated	28,779,674	14,921,244	2,501,038	1,779,674	48,087	4,328,799	(200,631,111)	(152,601,394)
Total comprehensive income for the year ended December 31, 2014:								
Loss for the year	-	-	-	-	-	-	(31,744,564)	(31,744,564)
Other comprehensive income for the year	-	-	-	-	34,583	34,583	(2,449,603)	(2,415,020)
Total comprehensive income for the year - loss	-	-	-	-	34,583	34,583	(34,194,167)	(34,159,584)
Surplus on revaluation of property, plant and equipment realised during the year on account of reduced depreciation charged thereon - net of tax	-	-	-	-	-	-	(90,847)	(90,847)
Transactions with owners:								
Advance against equity from GoP	-	4,669,821	-	-	-	-	-	4,669,821
Balance as at December 31, 2014 - as restated	28,779,674	19,591,065	2,501,038	1,779,674	82,670	4,363,382	(234,916,125)	(182,182,004)
Balance as at December 31, 2014 as previously reported	**28,779,674**	**19,591,065**	**2,501,038**	**1,779,674**	**22,775,869**	**27,056,581**	**(226,838,884)**	**(151,411,564)**
Effect of restatement - note 2.7	-	-	-	-	(22,693,199)	(22,693,199)	(8,077,241)	(30,770,440)
Balance as at December 31, 2014 - as restated	28,779,674	19,591,065	2,501,038	1,779,674	82,670	4,363,382	(234,916,125)	(182,182,004)
Total comprehensive income for the year ended December 31, 2015:								
Loss for the year	-	-	-	-	-	-	**(32,529,560)**	**(32,529,560)**
Other comprehensive income for the year	-	-	-	-	**11,239**	**11,239**	**(2,496,258)**	**(2,485,019)**
Total comprehensive income for the year - loss	-	-	-	-	**11,239**	**11,239**	**(35,025,818)**	**(35,014,579)**
Surplus on revaluation of property, plant and equipment realised during the year on account of reduced depreciation charged thereon - net of tax	-	-	-	-	-	-	**(4,760)**	**(4,760)**
Transactions with owners:								
Advance against equity from GoP	-	**3,974,371**	-	-	-	-	-	**3,974,371**
Issuance of shares to GoP - note 17.2	**23,565,436**	**(23,565,436)**	-	-	-	-	-	-
Total transactions with owners	**23,565,436**	**(19,591,065)**	-	-	-	-	-	**3,974,371**
Balance as at December 31, 2015	**52,345,110**	**-**	**2,501,038**	**1,779,674**	**93,909**	**4,374,621**	**(269,946,703)**	**(213,226,972)**

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

Chairman

Actg. Chief Executive Officer
Pakistan International Airlines

Chief Financial Officer

Chairman

Actg. Chief Executive Officer
Pakistan International Airlines

Director

Pakistan International Airlines Corporation

Unconsolidated Cash Flow Statement

For the year ended December 31, 2015

	Note	2015	2014	2015	2014
		(Rupees in '000)		(US$ in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash generated from operations	39	**5,631,117**	11,882,155	**53,695**	117,720
Profit on bank deposits received		**38,307**	55,124	**365**	546
Finance costs paid		**(13,898,654)**	(14,141,326)	**(132,531)**	(140,102)
Taxes paid		**(417,790)**	(524,933)	**(3,984)**	(5,201)
Employee benefits paid		**(828,160)**	(782,433)	**(7,897)**	(7,752)
Insurance claim received in respect of airfleet		**-**	551,650	**-**	5,465
Long-term deposits and prepayments - net		**(2,215,461)**	(294,897)	**(21,125)**	(2,922)
Net cash (used in) operating activities		**(11,690,641)**	(3,254,660)	**(111,477)**	(32,246)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		**(3,001,460)**	(6,106,781)	**(28,621)**	(60,502)
Proceeds from sale of property, plant and equipment		**283,530**	155,031	**2,704**	1,536
Net cash (used in) investing activities		**(2,717,930)**	(5,951,750)	**(25,917)**	(58,966)
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts of advance against equity from GoP		**3,974,371**	4,669,821	**37,898**	46,266
Repayments of long-term financing		**(13,389,668)**	(1,677,898)	**(127,677)**	(16,623)
Proceeds from long-term financing		**37,518,361**	10,522,146	**357,756**	104,246
Receipts of advance from a subsidiary		**456,731**	2,308,460	**4,355**	22,871
Proceeds from long-term deposits		**-**	138	**-**	1
Repayments of short term borrowings		**(3,161,720)**	(1,548,497)	**(30,149)**	(15,342)
Proceeds from short term borrowings		**-**	5,046,403	**-**	49,996
Repayments of obligations under finance lease - net		**(10,408,106)**	(10,282,035)	**(99,246)**	(101,867)
Net cash from financing activities		**14,989,969**	9,038,538	**142,937**	89,548
Increase / (decrease) in cash and cash equivalents		**581,398**	(167,872)	**5,543**	(1,664)
Cash and cash equivalents at beginning of the year		**(2,572,418)**	(2,397,665)	**(24,529)**	(23,754)
Effects of exchange rate changes on cash and cash equivalents		**(4,032)**	(6,881)	**(38)**	(68)
Cash and cash equivalents at end of the year		**(1,995,052)**	(2,572,418)	**(19,024)**	(25,486)
Cash and cash equivalents					
Cash and bank balances	16	**2,641,305**	1,685,124	**25,186**	16,695
Running finance under mark-up arrangements	28.2	**(4,636,357)**	(4,257,542)	**(44,210)**	(42,181)
		(1,995,052)	(2,572,418)	**(19,024)**	(25,486)

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

Chairman

Actg. Chief Executive Officer
Pakistan International Airlines

Chief Financial Officer

Chairman

Actg. Chief Executive Officer
Pakistan International Airlines

Director

Pakistan International Airlines Corporation

Consolidated Balance Sheet

As at December 31, 2015

	Note	December 31, 2015	December 31, 2014	January 01, 2014	December 31, 2015	December 31, 2014	January 01, 2014
			-------- (Restated) --------			-------- (Restated) --------	
		(Rupees in '000)			(US$ in '000)		
ASSETS							
NON - CURRENT ASSETS							
Fixed assets							
- Property, plant and equipment	5	**138,098,487**	143,931,025	156,034,308	**1,316,835**	1,425,966	1,476,290
- Intangibles	6	**3,490,204**	3,711,867	3,538,086	**33,281**	36,775	33,475
		141,588,691	147,642,892	159,572,394	**1,350,116**	1,462,741	1,509,765
Long-term investments	7	**164,897**	151,435	120,386	**1,572**	1,500	1,139
Receivable in respect of Centre Hotel	8	**792,329**	763,114	798,648	**7,555**	7,560	7,556
Long-term loans and advances	9	**-**	3,030	8,696	**-**	30	82
Long-term deposits and prepayments	10	**10,723,347**	8,353,538	8,112,483	**102,252**	82,761	76,755
Total non - current assets		**153,269,264**	156,914,009	168,612,607	**1,461,495**	1,554,592	1,595,297
CURRENT ASSETS							
Stores and spares	11	**3,092,446**	3,459,839	3,627,086	**29,488**	34,278	34,316
Trade debts - net	12	**9,870,517**	10,975,590	9,368,145	**94,120**	108,738	88,635
Short-term loans and advances	13	**1,580,917**	1,195,825	1,394,699	**15,075**	11,847	13,196
Trade deposits and prepayments	14	**3,130,516**	1,676,697	2,376,511	**29,851**	16,612	22,485
Other receivables	15	**6,445,893**	7,346,783	6,311,289	**61,465**	72,787	59,713
Short-term investments	16	**208,066**	197,288	305,019	**1,985**	1,954	2,886
Taxation		**153,086**	135,291	129,748	**1,460**	1,340	1,227
Cash and bank balances	17	**7,625,242**	6,112,858	7,252,505	**72,710**	60,562	68,619
Total current assets		**32,106,683**	31,100,171	30,765,002	**306,154**	308,118	291,077
TOTAL ASSETS		**185,375,947**	188,014,180	199,377,609	**1,767,649**	1,862,710	1,886,374
EQUITY AND LIABILITIES							
SHARE CAPITAL AND RESERVES							
Issued, subscribed and paid-up share capital	18	**52,345,110**	28,779,674	28,779,674	**499,136**	285,129	272,294
Reserves	19	**4,395,484**	4,772,977	5,491,197	**41,913**	47,288	51,954
Accumulated losses		**(261,532,285)**	(227,489,535)	(194,806,014)	**(2,493,835)**	(2,253,804)	(1,843,122)
		(204,791,691)	(193,936,884)	(160,535,143)	**(1,952,786)**	(1,921,387)	(1,518,874)
Advance against equity from Government of Pakistan (GoP)	20	**-**	19,591,065	14,921,244	**-**	194,094	141,175
Attributable to the Holding Company's shareholders		**(204,791,691)**	(174,345,819)	(145,613,899)	**(1,952,786)**	(1,727,293)	(1,377,699)
Non-controlling interest		**1,657,742**	1,562,703	1,764,958	**15,807**	15,482	16,699
Total equity		**(203,133,949)**	(172,783,116)	(143,848,941)	**(1,936,979)**	(1,711,811)	(1,361,000)
Surplus on revaluation of property, plant and equipment - net	21	**30,949,467**	32,412,924	36,241,172	**295,118**	321,124	342,889
NON - CURRENT LIABILITIES							
Long-term financing	22	**64,362,044**	50,538,303	32,671,889	**613,723**	500,698	309,119
Term finance and sukuk certificates	23	**26,707,209**	-	-	**254,666**	-	-
Liabilities against assets subject to finance lease	24	**13,218,479**	19,656,064	31,357,890	**126,045**	194,738	296,687
Long-term deposits		**99,611**	93,399	99,525	**950**	925	942
Deferred taxation	25	**20,450,267**	19,576,643	21,369,198	**195,003**	193,951	202,180
Deferred liabilities	26	**24,862,040**	19,671,914	15,308,519	**237,071**	194,895	144,839
Total non - current liabilities		**149,699,650**	109,536,323	100,807,021	**1,427,458**	1,085,207	953,767
CURRENT LIABILITIES							
Trade and other payables	27	**110,533,748**	100,083,514	78,874,154	**1,053,992**	991,556	746,253
Accrued interest	28	**11,790,141**	12,528,208	12,788,401	**112,424**	124,121	120,995
Provision for taxation		**232,263**	193,745	281,364	**2,215**	1,919	2,662
Short-term borrowings	29	**36,940,201**	59,772,367	56,747,538	**352,243**	592,182	536,907
Current maturities of:					**-**		
- Long-term financing	22	**27,963,991**	16,390,178	27,615,121	**266,650**	162,382	261,275
- Term finance and sukuk certificates	23	**13,196,419**	19,589,760	19,589,760	**125,834**	194,081	185,345
- Liabilities against assets subject to finance lease	24	**7,204,016**	10,290,277	10,282,019	**68,694**	101,949	97,281
Total current liabilities		**207,860,779**	218,848,049	206,178,357	**1,982,052**	2,168,190	1,950,718
TOTAL LIABILITIES		**357,560,429**	328,384,372	306,985,378	**3,409,510**	3,253,397	2,904,485
TOTAL EQUITY AND LIABILITIES		**185,375,947**	188,014,180	199,377,609	**1,767,649**	1,862,710	1,886,374
Contingencies and commitments	30						

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

Chairman

Actg. Chief Executive Officer
Pakistan International Airlines

Chief Financial Officer

Chairman

Actg. Chief Executive Officer
Pakistan International Airlines

Director

Pakistan International Airlines Corporation
Consolidated Profit and Loss account
For the year ended December 31, 2015

	Note	**2015**	2014 *(Restated)*	**2015**	2014 *(Restated)*
		(Rupees in '000)		**(US$ in '000)**	
Revenue - net	*31*	**104,514,672**	113,780,088	**996,597**	1,127,252
Cost of services					
Aircraft fuel		**(28,256,224)**	(48,033,885)	**(269,437)**	(475,886)
Others	*32*	**(73,388,550)**	(65,824,902)	**(699,795)**	(652,146)
		(101,644,774)	(113,858,787)	**(969,232)**	(1,128,032)
Gross profit / (loss)		**2,869,898**	(78,699)	**27,365**	(780)
Distribution costs	*33*	**(4,947,130)**	(5,039,677)	**(47,173)**	(49,929)
Administrative expenses	*34*	**(8,352,457)**	(8,428,496)	**(79,644)**	(83,503)
Other provisions and adjustments	*35*	**(3,816,540)**	(2,848,768)	**(36,393)**	(28,224)
Exchange (loss) / gain - net		**(2,065,869)**	3,098,216	**(19,699)**	30,695
Other income	*36*	**671,767**	384,999	**6,406**	3,814
		(18,510,229)	(12,833,726)	**(176,503)**	(127,147)
Loss from operations		**(15,640,331)**	(12,912,425)	**(149,138)**	(127,927)
Finance costs	*37*	**(13,911,907)**	(15,016,848)	**(132,657)**	(148,776)
Share of profit in an associate	*7.1*	**612**	933	**6**	9
Loss before taxation		**(29,551,626)**	(27,928,340)	**(281,789)**	(276,694)
Taxation	*38*	**(2,579,556)**	(2,774,256)	**(24,597)**	(27,485)
Loss for the year		**(32,131,182)**	(30,702,596)	**(306,386)**	(304,179)
Attributable to:					
Equity holders of the Holding company		**(32,149,308)**	(30,743,036)	**(306,559)**	(304,580)
Non-controlling interest		**18,126**	40,440	**173**	401
		(32,131,182)	(30,702,596)	**(306,386)**	(304,179)
Loss per share - basic and diluted		**(Rupees)**	*(Restated)*	**(US$)**	*(Restated)*
Loss attributable to:					
'A' class Ordinary shares of Rs 10 each	*39*	**(6.31)**	(6.68)	**(0.06)**	(0.07)
'B' class Ordinary shares of Rs 5 each	*39*	**(3.16)**	(3.34)	**(0.03)**	(0.04)

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

Chairman | **Chief Financial Officer**

Actg. Chief Executive Officer
Pakistan International Airlines

Chairman | **Director**

Actg. Chief Executive Officer
Pakistan International Airlines

Pakistan International Airlines Corporation
Consolidated Statement of Comprehensive Income
For the year ended December 31, 2015

	2015	2014 *(Restated)*	2015	2014 *(Restated)*
	(Rupees in '000)		(US$ in '000)	
Loss for the year	**(32,131,182)**	(30,702,596)	**(306,386)**	(304,179)
Other comprehensive income				
Items that will be reclassified subsequently to consolidated profit and loss account				
Unrealised gain on remeasurement of available for sale investments	**11,239**	34,583	**107**	343
Exchange differences on translation of foreign operations	**(378,703)**	(888,050)	**(3,611)**	(8,798)
	(367,464)	(853,467)	**(3,504)**	(8,455)
Items that will not be reclassified subsequently to consolidated profit and loss account				
Remeasurement of post retirement defined benefits obligation	**(3,397,005)**	(2,595,919)	**(32,392)**	(25,719)
Effect of deferred tax	**900,747**	146,316	**8,589**	1,450
	(2,496,258)	(2,449,603)	**(23,803)**	(24,269)
Total comprehensive income - loss	**(34,994,904)**	(34,005,666)	**(333,693)**	(336,903)
Attributable to:				
Equity holders of the Holding Company	**(35,023,059)**	(33,910,859)	**(333,961)**	(335,964)
Non-controlling interest	**28,155**	(94,807)	**268**	(939)
	(34,994,904)	(34,005,666)	**(333,693)**	(336,903)

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.

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Chairman

Actg. Chief Executive Officer
Pakistan International Airlines

Chief Financial Officer

Chairman

Actg. Chief Executive Officer
Pakistan International Airlines

Director

Pakistan International Airlines Corporation
Consolidated Cash Flow Statement
For the year ended December 31, 2015

	Note	2015	2014	2015	2014
		(Rupees in '000)		(US$ in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash generated from operations	40	**8,994,204**	20,222,098	**85,764**	200,346
Profit on bank deposits received		**38,307**	55,124	**365**	546
Finance costs paid		**(14,649,974)**	(15,277,041)	**(139,695)**	(151,354)
Taxes paid		**(654,178)**	(1,379,911)	**(6,238)**	(13,671)
Staff retirement benefits paid		**(1,018,594)**	(782,433)	**(9,713)**	(7,752)
Proceeds from long-term loans and advances		**4,122**	5,666	**39**	56
Long-term deposits and prepayments - net		**(2,492,571)**	(624,397)	**(23,768)**	(6,186)
Net cash (used in) / from operating activities		**(9,778,684)**	2,219,106	**(93,246)**	21,985
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		**(3,407,383)**	(6,698,248)	**(32,491)**	(66,361)
Purchase of Intangibles		**(29,914)**	-	**(285)**	-
Proceeds from sale of operating fixed assets		**284,820**	155,265	**2,716**	1,539
Insurance claim received in respect of airfleet		**-**	551,650	**-**	5,465
(Repayments of) / proceeds from short-term investments		**(10,778)**	107,731	**(103)**	1,067
Net cash used in investing activities		**(3,163,255)**	(5,883,602)	**(30,163)**	(58,290)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from advance against equity from GoP		**3,974,371**	4,669,821	**37,898**	46,265
Repayments of long-term financing		**(13,815,391)**	(19,608,601)	**(131,737)**	(194,268)
Proceeds from long-term financing		**37,518,361**	24,731,474	**357,756**	245,022
Proceeds from / (repayment of) long-term deposits		**6,212**	(6,126)	**59**	(61)
Payment of dividend to non-controlling interest		**(34,187)**	(40,451)	**(326)**	(401)
Repayments of short term borrowings		**(3,161,720)**	(1,548,498)	**(30,149)**	(15,341)
Proceeds from short term borrowings		**-**	5,046,403	**-**	49,996
Repayments of obligations under finance lease - net		**(10,408,106)**	(10,282,035)	**(99,246)**	(101,867)
Net cash from financing activities		**14,079,540**	2,961,987	**134,255**	29,345
Increase / (decrease) in cash and cash equivalents		**1,137,601**	(702,509)	**10,846**	(6,960)
Cash and cash equivalents at beginning of the year		**1,855,316**	2,564,706	**17,692**	25,409
Effects of exchange rate changes on cash and cash equivalents		**(4,032)**	(6,881)	**(38)**	(68)
Cash and cash equivalents at end of the year		**2,988,885**	1,855,316	**28,500**	18,381
Cash and cash equivalents					
Cash and bank balances	17	**7,625,242**	6,112,858	**72,710**	60,562
Short-term borrowings	29	**(4,636,357)**	(4,257,542)	**(44,210)**	(42,181)
		2,988,885	1,855,316	**28,500**	18,381

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Pakistan International Airlines

Chief Financial Officer

Chairman

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Pakistan International Airlines

Director

Pakistan International Airlines Corporation
Consolidated Statement of Changes in Equity
For the year ended December 31, 2015

	Issued, subscribed, and paid-up capital	Advance against equity from Government of Pakistan (GoP) (Note 20)	Attributable to the Holding Company's shareholders — Reserves: Capital reserves	Revenue reserves	Unrealised gain on remeasur-ement of investments	Foreign currency translation reserves	Other reserves	Subtotal	Accumulated losses	Non - controlling interest	Total
	(Rupees in '000)										
Balance as at December 31, 2013 as previously reported	28,779,674	14,921,244	2,501,038	1,779,674	48,086	1,150,059	12,340	5,491,197	(193,866,202)	1,752,273	(142,921,814)
Effect of restatements - note 2.8	-	-	-	-	-	-	-	-	(939,812)	12,685	(927,127)
Balance as at December 31, 2013 - as restated	28,779,674	14,921,244	2,501,038	1,779,674	48,086	1,150,059	12,340	5,491,197	(194,806,014)	1,764,958	(143,848,941)
Total comprehensive income for the year ended December 31, 2014:											
(Loss) / profit for the year	-	-	-	-	-	-	-	-	(30,743,036)	40,440	(30,702,596)
Other comprehensive income											
- Currency translation differences	-	-	-	-	-	(774,851)	22,048	(752,803)	-	(135,247)	(888,050)
- Remeasurement of post retirement defined benefits obligation - net of tax	-	-	-	-	-	-	-	-	(2,449,603)	-	(2,449,603)
- Unrealised gain on remeasurement of investments	-	-	-	-	34,583	-	-	34,583	-	-	34,583
Total comprehensive income for the year transferred to equity	-	-	-	-	34,583	(774,851)	22,048	(718,220)	(33,192,639)	(94,807)	(34,005,666)
Deficit arising on property, plant and equipment during the year - net of tax	-	-	-	-	-	-	-	-	-	(66,997)	(66,997)
Surplus on revaluation of property, plant and equipment realised during the year on account of incremental depreciation charged thereon - net of tax	-	-	-	-	-	-	-	-	509,118	-	509,118
Transactions with owners:											
Advance against equity from GoP	-	4,669,821	-	-	-	-	-	-	-	-	4,669,821
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	(40,451)	(40,451)
Balance as at December 31, 2014 - as restated	28,779,674	19,591,065	2,501,038	1,779,674	82,669	375,208	34,388	4,772,977	(227,489,535)	1,562,703	(172,783,116)
Balance as at December 31, 2014 as previously reported	**28,779,674**	**19,591,065**	**2,501,038**	**1,779,674**	**82,669**	**135,639**	**34,388**	**4,533,408**	**(226,602,471)**	**1,536,228**	**(172,162,096)**
Effect of restatements - note 2.8	-	-	-	-	-	239,569	-	239,569	(887,064)	26,475	(621,020)
Balance as at December 31, 2014 - as restated	28,779,674	19,591,065	2,501,038	1,779,674	82,669	375,208	34,388	4,772,977	(227,489,535)	1,562,703	(172,783,116)
Total comprehensive income for the year ended December 31, 2015:											
(Loss) / profit for the year	-	-	-	-	-	-	-	-	**(32,149,308)**	**18,126**	**(32,131,182)**
Other comprehensive income											
- Currency translation differences	-	-	-	-	-	**(388,732)**	-	**(388,732)**	-	**10,029**	**(378,703)**
- Remeasurement of post retirement defined benefits obligation - net of tax	-	-	-	-	-	-	-	-	**(2,496,258)**	-	**(2,496,258)**
- Unrealised gain on remeasurement of investments	-	-	-	-	**11,239**	-	-	**11,239**	-	-	**11,239**
Total comprehensive income for the year transferred to equity	-	-	-	-	**11,239**	**(388,732)**	-	**(377,493)**	**(34,645,566)**	**28,155**	**(34,994,904)**
Surplus arising on property, plant and equipment during the year - net of tax	-	-	-	-	-	-	-	-	-	**101,071**	**101,071**
Surplus on revaluation of property, plant and equipment realised during the year on account of incremental depreciation charged thereon - net of tax	-	-	-	-	-	-	-	-	**602,816**	-	**602,816**
Transactions with owners:											
Advance against equity from GoP	-	**3,974,371**	-	-	-	-	-	-	-	-	**3,974,371**
Issuance of shares to GoP	**23,565,436**	**(23,565,436)**									**-**
	23,565,436	**(19,591,065)**	-	-	-	-	-	-	-	-	**3,974,371**
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	**(34,187)**	**(34,187)**
Balance as at December 31, 2015	**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)**

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Chairman

Chief Financial Officer

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Pakistan International Airlines

Director

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