PAKISTAN International Airlines
Great People to Fly With

CORPORATE SECRETARIAT

FORM – 7

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

CS/S&T/FT/PSX/HYRFS-19/20
12th February, 2020

FINANCIAL RESULTS
FOR THE SECOND QUARTER ENDED JUNE 30, 2019

Dear Sir,

1. We have to inform you that the Board of Directors of PIACL in their Meeting held on Tuesday, February 11, 2019 at 01:00 P.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

2. The Half Yearly Financial Results of PIACL under clause (V) of Form-7 of PSX Correspondence Manual are being transmitted through Pakistan Unified Corporate Action Reporting System (PUCARS) and a hard copy is being sent through courier.

3. The Half Yearly Report of PIACL for the period ended June 30, 2019 will be transmitted through PUCARS separately, within the specified time.

Yours truly,

Muhammad SHUAIB
Company Secretary

Encl: As stated above

Pakistan International Airlines Corporation Limited
Head Office: Karachi Airport-Pakistan
Tel : 9904 4850
E-mail : secretary@piac.aero
Website : www.piac.com.pk

PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2019

		Six months period ended		Quarter ended		Six months period ended	
		June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
	Note	(Rupees in '000)				(USD in '000)	
REVENUE - NET	14	65,923,687	45,590,115	35,164,603	20,231,436	440,996	375,096
COST OF SERVICES							
Aircraft fuel		(22,480,492)	(19,489,666)	(12,196,156)	(9,976,469)	(150,383)	(160,353)
Others	15	(44,120,717)	(37,338,497)	(22,665,352)	(17,641,968)	(295,145)	(307,205)
		(66,601,209)	(56,828,163)	(34,861,508)	(27,618,437)	(445,528)	(467,558)
GROSS (LOSS) / PROFIT		(677,521)	(11,238,048)	303,094	(7,387,001)	(4,532)	(92,462)
Distribution costs		(3,053,689)	(2,604,690)	(1,808,347)	(1,270,558)	(20,428)	(21,430)
Administrative expenses		(3,493,136)	(3,250,224)	(1,848,588)	(1,487,567)	(23,367)	(26,741)
Other provisions and adjustments		(1,031,449)	(710,110)	(592,984)	(561,065)	(6,900)	(5,842)
Other income		1,134,228	266,779	1,143,154	249,043	7,587	2,195
		(6,444,046)	(6,298,245)	(3,106,767)	(3,070,147)	(43,108)	(51,818)
LOSS FROM OPERATIONS		(7,121,568)	(17,536,293)	(2,803,673)	(10,457,148)	(47,640)	(144,280)
Exchange loss - net	16	(14,591,353)	(5,839,395)	(13,963,066)	(3,535,398)	(97,609)	(48,044)
LOSS BEFORE INTEREST AND TAXATION		(21,712,921)	(23,375,688)	(16,766,739)	(13,992,546)	(145,249)	(192,324)
Finance costs	17	(15,849,829)	(8,807,576)	(9,061,749)	(4,626,417)	(106,027)	(72,465)
LOSS BEFORE TAXATION		(37,562,750)	(32,183,264)	(25,828,488)	(18,618,963)	(251,276)	(264,789)
Taxation	18	(329,618)	(227,951)	(175,823)	(101,172)	(2,205)	(1,875)
LOSS FOR THE PERIOD		(37,892,369)	(32,411,215)	(26,004,311)	(18,720,135)	(253,481)	(266,664)
LOSS PER SHARE - BASIC AND DILUTED		(Rupees)				(US$)	
Loss attributable to:							
'A' class ordinary shares of Rs. 10 each		(7.24)	(6.19)	(4.97)	(3.58)	(0.05)	(0.05)
'B' class ordinary shares of Rs. 5 each		(3.62)	(3.10)	(2.48)	(1.79)	(0.02)	(0.03)

The annexed notes 1 to 24 form an integral part of this unconsolidated condensed interim financial information.

Chief Executive Officer

Chief Financial Officer

Chief Executive Officer

Director

Chief Financial Officer

PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

	Note	June 30, 2019 (Un-Audited)	December 31, 2018 (Audited)	June 30, 2019 (Un-Audited)	December 31, 2018 (Audited)
		(Rupees in '000)		(US$ in '000)	
ASSETS					
NON CURRENT ASSETS					
Fixed assets					
- Property, plant and equipment	4	98,536,363	78,026,605	615,652	561,649
- Intangibles		262,029	275,563	1,637	1,984
		98,798,392	78,302,168	617,289	563,633
Long-term investments		4,592,850	4,599,767	28,696	33,110
Long-term deposits and prepayments		7,450,996	8,562,836	46,554	61,637
Total non current assets		110,842,238	91,464,771	692,539	658,380
CURRENT ASSETS					
Stores and spares		3,402,348	3,981,893	21,258	28,662
Trade debts	5	15,066,336	16,377,366	94,134	117,887
Advances		5,295,104	2,591,560	33,084	18,655
Trade deposits and short term prepayments		3,238,321	2,170,964	20,233	15,627
Other receivables	6	7,484,443	8,070,202	46,763	58,091
Short-term investments		19,220	19,220	120	138
Cash and bank balances	7	5,403,804	1,734,448	33,763	12,485
Total current assets		39,909,576	34,945,653	249,355	251,545
TOTAL ASSETS		150,751,814	126,410,424	941,894	909,925
EQUITY AND LIABILITIES					
SHARE CAPITAL AND RESERVES					
Issued, subscribed and paid-up share capital		52,345,110	52,345,110	327,050	376,789
Reserves		4,455,889	4,462,806	27,840	32,124
Surplus on revaluation of property, plant and equipment- net		23,611,572	24,134,932	147,524	173,727
Accumulated losses		(487,803,720)	(437,696,479)	(3,047,781)	(3,150,616)
Total Shareholders' Equity		(407,391,149)	(356,753,631)	(2,545,367)	(2,567,976)
NON CURRENT LIABILITIES					
Long-term financing	8	160,304,367	148,742,994	1,001,576	1,070,678
Term finance and sukuk certificates		-	2,054,401	-	14,788
Lease liabilities	9	19,789,681	172,771	123,645	1,244
Advance from a subsidiary		6,423,725	5,575,748	40,135	40,135
Deferred liabilities		42,871,436	38,048,236	267,859	273,878
Total non-current liabilities		229,389,209	194,594,150	1,433,215	1,400,723
CURRENT LIABILITIES					
Trade and other payables	10	182,090,809	164,570,556	1,137,701	1,184,609
Unclaimed dividend - Preference shares		3,297	3,297	21	24
Accrued interest	11	18,976,457	16,531,580	118,564	118,997
Provision for taxation - net		1,462,785	1,380,723	9,140	9,939
Short-term borrowings	12	35,259,858	34,447,358	220,302	247,958
Current maturity of non-current liabilities	13	90,960,548	71,636,391	568,318	515,651
Total current liabilities		328,753,754	288,569,905	2,054,046	2,077,178
TOTAL LIABILITIES		558,142,963	483,164,055	3,487,261	3,477,900
TOTAL EQUITY AND LIABILITIES		150,751,814	126,410,424	941,894	909,925

CONTINGENCIES AND COMMITMENTS 19

The annexed notes 1 to 23 form an integral part of this unconsolidated condensed interim financial information.

Chief Executive Officer | **Chief Financial Officer**

Chief Executive Officer | **Director** | **Chief Financial Officer**

PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2019

	Issued, subscribed, and paid-up share capital	Capital reserves	Unrealised gain on remeasurement of investments at FVOCI	Surplus on revaluation of property, plant & equipment	Subtotal	Revenue reserves	Accumulated losses	Total
	(Rupees in '000)							
Balance as at January 01, 2018	52,345,110	2,501,038	169,991	22,008,745	24,679,774	1,779,674	(370,276,199)	(291,471,641)
Loss for the period	-	-	-	-	-	-	(32,411,215)	(32,411,215)
Other comprehensive loss for the period	-	-	(865)	-	(865)	-	-	(865)
Total comprehensive loss for the period	-	-	(865)	-	(865)	-	(32,411,215)	(32,412,080)
Surplus on revaluation of property, plant and equipment realised during the period on account of incremental depreciation charged thereon-Net of Tax	-	-	-	(242,555)	(242,555)	-	242,555	-
Balance as at June 30, 2018	52,345,110	2,501,038	169,126	21,766,190	24,436,354	1,779,674	(402,444,859)	(323,883,722)
Balance as at January 01, 2019 - as previously reported	52,345,110	2,501,038	182,095	24,134,932	26,818,065	1,779,674	(437,696,479)	(356,753,631)
Effect of change in accounting policy due to adoption of IFRS -1 6 (note 3.1.3)	-	-	-	-		-	(11,594,541)	(11,594,541)
Effect of change in accounting policy due to adoption of IFRS 9 (note 3.1.1)	-	-	-	-	-	-	(1,143,691)	(1,143,691)
Balance as at January 01, 2019 as restated	52,345,110	2,501,038	182,095	24,134,932	26,818,065	1,779,674	(450,434,712)	(369,491,864)
Loss for the period	-	-	-	-	-	-	(37,892,369)	(37,892,369)
Other comprehensive loss for the period	-	-	(6,917)	-	(6,917)	-	-	(6,917)
Total comprehensive loss for the period	-	-	(6,917)	-	(6,917)	-	(37,892,369)	(37,899,286)
Surplus on revaluation of property, plant and equipment realised during the period on account of incremental depreciation charged thereon - net of tax	-	-	-	(523,360)	(523,360)	-	523,360	-
Balance as at June 30, 2019	52,345,110	2,501,038	175,178	23,611,572	26,287,789	1,779,674	(487,803,720)	(407,391,149)

The annexed notes 1 to 23 form an integral part of this unconsolidated condensed interim financial information.

Chief Executive Officer

Chief Executive Officer

Director

Chief Financial Officer

Chief Financial Officer

PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2019

	Note	Six months period ended June 30, 2019	Six months period ended June 30, 2018	Six months period ended June 30, 2019	Six months period ended June 30, 2018
		(Rupees in '000)		(US$ in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash generated from operations	20	14,280,014	6,063,052	95,526	49,884
Profit on bank deposits received		36,976	(9,246)	247	(76)
Finance costs paid		(14,110,862)	(7,541,121)	(94,395)	(62,045)
Taxes paid		(247,556)	(217,373)	(1,656)	(1,788)
Staff retirement benefits paid		(346,714)	(1,671,563)	(2,319)	(13,753)
Long-term deposits and prepayments - net		1,111,840	(57,083)	7,438	(470)
Net cash generated from / (used in) operating activities		723,699	(3,433,334)	4,841	(28,248)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		(5,114,484)	(3,150,631)	(34,213)	(25,922)
Purchase of Intangibles		(33,037)	(16,858)	(221)	(139)
Proceeds from sale of property, plant and equipment		36	-	-	-
Net cash used in investing activities		(5,147,485)	(3,167,489)	(34,434)	(26,061)
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of long-term financing		(19,854,438)	(6,609,819)	(132,816)	(54,383)
Proceeds from long-term financing		32,339,109	14,682,938	216,333	120,805
Repayment of term finance certificates		(4,883,095)	(2,923,174)	(32,665)	(24,051)
Proceeds from short term borrowings		253,539	153,586	1,696	1,264
Repayment of lease liabilities		(320,937)	(839,424)	(2,147)	(6,906)
Net cash generated from financing activities		7,534,178	4,464,107	50,401	36,729
Increase / (decrease) in cash and cash equivalents		3,110,392	(2,136,716)	20,808	(17,580)
Cash and cash equivalents at the beginning of the period		(1,185,820)	1,090,312	(7,933)	8,971
Cash and cash equivalents at the end of the period		1,924,571	(1,046,404)	12,875	(8,609)
Cash and cash equivalents					
Cash and bank balances		5,403,804	2,453,534	36,149	20,187
Running finance under mark-up arrangements		(3,479,233)	(3,499,938)	(23,274)	(28,796)
		1,924,571	(1,046,404)	12,875	(8,609)

The annexed notes 1 to 23 form an integral part of this unconsolidated condensed interim financial information.

Chief Executive Officer

Chief Financial Officer

Chief Executive Officer

Director

Chief Financial Officer

PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2019

	Six months period ended		Quarter ended		Six months period ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
	(Rupees in '000)				(US$ in '000)	
Loss for the period	(37,892,369)	(32,411,215)	(26,004,311)	(18,720,135)	(253,481)	(266,664)
Other comprehensive income						
Items that will not be reclassified subsequently to unconsolidated condensed interim statement of profit or loss						
Unrealised (loss) / gain on re-measurement of investment at FVOCI	(6,917)	-	20,317	-	(46)	-
Items that will be reclassified subsequently to unconsolidated condensed interim statement of profit or loss						
Unrealised gain on re-measurement of available for sale investment	-	(865)	-	-	-	(7)
Total comprehensive loss for the period	(37,899,286)	(32,412,080)	(25,983,994)	(18,720,135)	(253,527)	(266,671)

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Chief Executive Officer

Chief Executive Officer

Director

Chief Financial Officer

Chief Financial Officer