

**CASH FLOW STATEMENT (UNAUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2006**

	<b>September 30, 2006</b>	<b>September 30, 2005</b>
	<b>Rupees in '000</b>	
<b>Cash flows from operating activities</b>		
Profit/(Loss) for the quarter from ordinary activities before taxation	659	(30,892)
<b>Adjustments</b>		
Exchange loss	-	9
Gain on disposal of fixed assets	(154)	(302)
Depreciation	5,072	1,470
Amortisation of deferred costs	-	-
Amortisation of software	275	218
Provision for gratuity	420	420
Provision for doubtful finance / potential lease losses - general	1,307	1,218
(Reversal of provision) for doubtful finance / potential lease losses - specific	535	-
	7,455	3,033
<b>(Increase) / decrease in current assets</b>	8,114	(27,859)
Short-term finance	50,524	(34,548)
Fund placements	196,695	(534,586)
Short-term investments	47,597	374,722
Prepayments and other receivables	12,099	(14,118)
	306,915	(208,530)
<b>Increase / (decrease) in current liabilities</b>		
Short-term certificates of deposit	(241,188)	411,197
Borrowings from institutions	5,653	(42,618)
Accrued expenses and other liabilities	(10,862)	67,927
	(246,397)	436,506
<b>Cash generated from operations</b>	68,632	200,117
Disbursements of long-term finance - net	(137,431)	(29,586)
Net investments in lease finance	(64,173)	(73,972)
Long-term deposits and deferred costs - net	-	820
Repayments of long-term certificates of deposit - net	(77,948)	101,297
Receipts from deposits on lease contracts - net	30,560	18,396
	(248,992)	16,955
<b>Net cash (used in)/generated from operating activities before income tax and gratuity</b>	(180,360)	217,072
Income tax paid	(17,373)	(1,802)
Gratuity paid	(2,377)	-
<b>Net cash (used in)/generated from operating activities</b>	(200,110)	215,270
<b>balance c/f</b>	(200,110)	215,270

**September 30, September 30,**  
**2006                      2005**  
**----- Rupees in '000-----**

<b>Net cash (used in)/generated from operating activities</b>	<b>balance b/f</b>	(200,110)	215,270
<b>Cash flows from investing activities</b>			
Acquisition of long-term investments		-	-
Acquisition of fixed assets		(4,843)	(4,248)
Sale proceeds of fixed assets		154	412
<b>Net cash used in investing activities</b>		(4,689)	(3,836)
<b>Cash flows from financing activities</b>			
Term finance certificates redeemed and sold - net		125,000	-
Long-term borrowings - net		(66,145)	-
Proceeds against right issue		-	-
<b>Net cash generated from financing activities</b>		<u>58,855</u>	<u>-</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>		(145,944)	211,434
<b>Cash and cash equivalents at the beginning of the period</b>		196,741	(103,329)
Effect of exchange rate changes on cash and cash equivalents		-	-
<b>Cash and cash equivalents at the end of the period</b>		<u><u>50,797</u></u>	<u><u>108,105</u></u>
<b>Cash and cash equivalents at the end of the period</b>			
Cash and bank balances		167,002	108,105
Short-term finance		(116,205)	-
		<u><u>50,797</u></u>	<u><u>108,105</u></u>

The annexed notes 1 to 16 form an integral part of these financial statements.

**SYED BABAR ALI**  
Chairman

**SAMIR AHMED**  
Managing Director and Chief Executive