



FIRST PAK MODARABA



Muhammad Amin
Chief Executive

Corporate History

First Pak Modaraba (Modaraba) was floated on August 15, 1991 with a paid up capital of Rs.100 million which subsequently increased to Rs 125.4 million. The total equity of the Modaraba as on June 30, 2007 was Rs.97.551 million. The modaraba is managed by Royal Management Services (Private) Limited. The First Pak Modaraba is listed on Karachi, Lahore and Islamabad Stock Exchanges.

This is a perpetual and multipurpose Modaraba engaged in Islamic modes of financing viz Musharika, Morabaha and Ijarah (Leasing) in accordance with the injunction of sharia

Key Management Personnel

Mr. Muhammad Amin, the Chief Executive of the First Pak Modaraba has a vast working experience of over 43 years mostly in investment and development banking. Starting his professional career from State Bank of Pakistan, Mr. Amin has also worked in the prestigious organizations viz Investment Corporation of Pakistan, Bankers Equity and National Development Finance Corporation on various positions with diversified responsibilities. He is also working as GM / Company Secretary of Prudential Securities Limited a corporate member of Karachi and Lahore Stock Exchanges.

Mr. Shabbir Hussain, the Chief Financial Officer is a fellow member of Institute of Chartered Accountants of Pakistan and fellow member of Corporate Secretaries of Pakistan. He has 16 years of audit experience in manufacturing, financial and services sectors. He is looking after the entire accounting and financial aspects of the Modaraba .

Mr Farooq Naqvi, Head of Internal Audit is a senior banker and has over 40 years of rich experience in commercial

banking. He looks after the internal audit functions of the Modaraba.

Mr. Muhammad Yousuf, Manager Marketing has over 10 years working experience in the financial sector. He is looking after the functions of the Marketing Department of the Modaraba.

Mr Mefooz A Shakoor, Assistant Manager Finance is qualified intermediate of the Institute of Cost & Management Accountants of Pakistan. He looks after the accounting and finance related functions of the Modaraba.

Mr. Fayyaz Khan, Administration Officer is a senior banker and looks after the Administration & HR functions

Performance Highlights (2006-2007)

The Modaraba has registered a significant growth both in terms of Income and Profitability. The total income during the year is Rs.11.254 million as against Rs.5.804 million earned during previous year, while the net profit amounted to Rs.6.469 million as against a net loss of Rs.1.773 million during the previous year. The net equity of modaraba rises from Rs.93.148 million to Rs.97.551 million.

Future Outlook

The management is determined to make First Pak Modaraba a prosperous and viable Islamic Financial Institution by adopting strategic measures. By the grace of Allah the operating results of the Modaraba during the year, have showed a satisfactory growth, we are fully geared to maintain this upward trend and Inshah Allah foresee to achieve better results and to regularly pay progressive rate of return to the certificate holders of the Modaraba.

Board of Directors

Mr. Abdul Hameed Khan	Chairman
Mr. Muhammad Akhtar I. Pathan	Director
Mr. Muhammad Yunus Khan	Director
Mr. Muhammad Musharraf Khan	Director
Mr. Muhammad Amin	Chief Executive

Commenced

Business on : September 10, 1991

Registered Office

: Office No. 54, Ground Floor, Beverley Centre, 56-G, Blue Area, Islamabad.

Phone : (92-21) 2429632-6

Fax : (92-21) 2429635

E-mail : firstpakmodaraba@hotmail.com

Branches : Karachi

Staff Strength : 7

Auditors : BOD Ebrahim & Co. Chartered Accountants

Registrar : M/s. Shares & Corporate Services (Pvt.) Ltd., Karachi.

Bankers : FBL, BAF, ABN Amro, MCB





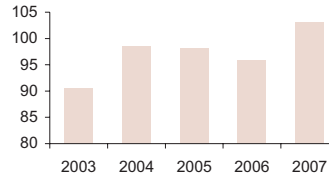
FIRST PAK MODARABA

Balance Sheet Summary

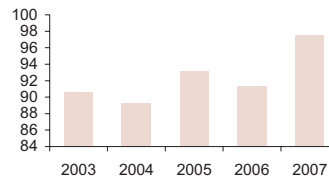
(Rs. In Million)

Year Ended June 30,	2003	2004	2005	2006	2007
EQUITY					
Issued, subscribed and paid up capital	125.40	125.40	125.40	125.40	125.40
Statutory Reserve	11.70	13.45	14.23	14.23	16.52
Revenue Reserve and accumulated losses	(55.36)	(49.61)	(46.48)	(48.25)	(44.37)
Total Equity	81.74	89.24	93.15	91.38	97.55
LIABILITIES					
Redeemable Capital	—	—	—	—	—
Long Term Morabaha and Musharaka	—	—	—	—	—
Long Term Finance	—	—	—	—	—
Customer Security Deposit	0.58	0.49	0.45	0.53	0.81
Other Deferred Liabilities	—	—	—	—	—
Current Liabilities					
Current Maturity of Morabaha and Musharaka	—	—	—	—	—
Current Maturity of Long Term Loans	—	—	—	—	—
Short Term Morabaha and Musharaka	—	—	—	—	—
Short Term Finances	—	—	—	—	—
Other Current Liabilities	8.25	7.55	4.64	4.01	4.84
Proposed Dividend	—	1.25	—	—	—
Total Current Liabilities	8.25	8.80	4.64	4.01	4.84
Total Liabilities	90.57	98.54	98.24	95.92	103.20
Assets					
Assets Leased Out	3.70	2.75	1.63	2.58	4.40
Work-in Progress on Assets Leased Out	—	—	—	—	—
Net Investment in Lease Finance	—	—	—	—	—
Assets in Own Use	1.32	1.10	0.78	0.71	0.21
Long Term Morabaha and Musharaka	—	—	—	—	—
Long Term Investments	—	—	—	—	—
Other Long Term Assets	—	—	0.04	0.14	0.22
Current Assets					
Current Portion of Lease Finance	—	—	—	—	—
Trade Debts	—	—	—	—	—
Short Term Morabaha and Musharaka	26.52	39.87	39.28	39.60	15.95
Short Term Investments	13.11	20.52	16.66	17.64	22.45
Other Current Assets	7.09	7.11	9.44	3.95	7.01
Cash and Bank Balances	38.82	27.19	30.41	31.31	52.96
Total Current Assets	85.55	94.69	95.80	92.50	98.37
Total Assets	90.57	98.54	98.24	95.92	103.2

Balance Sheet Growth



Equity Growth



Income Statement Highlights

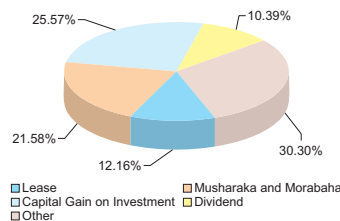
(Rs. In Million)

Year Ended June 30,	2003	2004	2005	2006	2007
Income					
Lease	1.41	1.52	1.50	1.41	1.37
Trading	—	—	—	—	—
Musharaka and Morabaha	0.98	0.96	1.75	0.16	2.43
Capital Gain on investment	8.70	2.48	(1.82)	0.10	2.88
Dividend	2.12	0.69	(0.01)	1.26	1.17
COI	—	—	—	—	—
Other	2.11	0.89	1.74	1.47	3.42
Total Income	15.32	6.55	3.17	4.39	11.26
Expenses					
Operating	3.55	5.54	4.78	4.79	3.69
Financial	—	—	—	—	—
Amortisation, Depreciation	0.93	1.11	1.10	1.00	1.02
Allowance for potential lease losses	(4.59)	(10.67)	(7.02)	(0.38)	(0.64)
Provision for Diminution in value of investment	—	—	—	—	—
Management Fee	1.54	1.81	0.43	—	0.72
Profit Before Taxation	13.89	8.76	3.88	(1.78)	6.47
Taxation	0.11	—	—	—	—
Net Profit	13.78	8.76	3.88	(1.78)	6.47
Appropriations					
Total Dividend	—	1.25	—	—	3.76
Bonus	—	—	—	—	—
Statutory Reserve	2.76	1.75	0.77	—	2.59
Other Reserves	—	—	—	—	—

Significant Ratios

Year Ended June 30,	2003	2004	2005	2006	2007
Break-up Value per Certificate (Rs.)	6.52	7.11	7.43	7.29	7.78
Market Price on 30th June (Rs.)	2.40	3.05	1.40	1.60	1.90
Dividend per Certificate (Rs.)	—	0.10	—	—	0.30
Earning per Certificate (Rs.)	1.10	0.70	0.31	(0.14)	0.52
Total Assets/Net Worth (x)	1.11	1.10	1.09	1.05	1.06
Debt Leverage (x)	0.11	0.10	—	—	—
Current Ratio (x)	1.04	0.96	12.27	23.04	20.35
Net Profit Margin (%)	89.95	133.52	122.60	—	57.48
Return on Equity (%)	16.86	9.81	4.17	—	6.63
Return on Investment (%)	15.22	8.89	8.89	15.66	17.99
Financial Charges/Total Expenses (%)	—	—	—	—	—
Dividend payout (%)	—	17.90	—	—	97.00

Revenue Analysis (2006-2007)



Categories of Certificate Holders as at June 30, 2007

