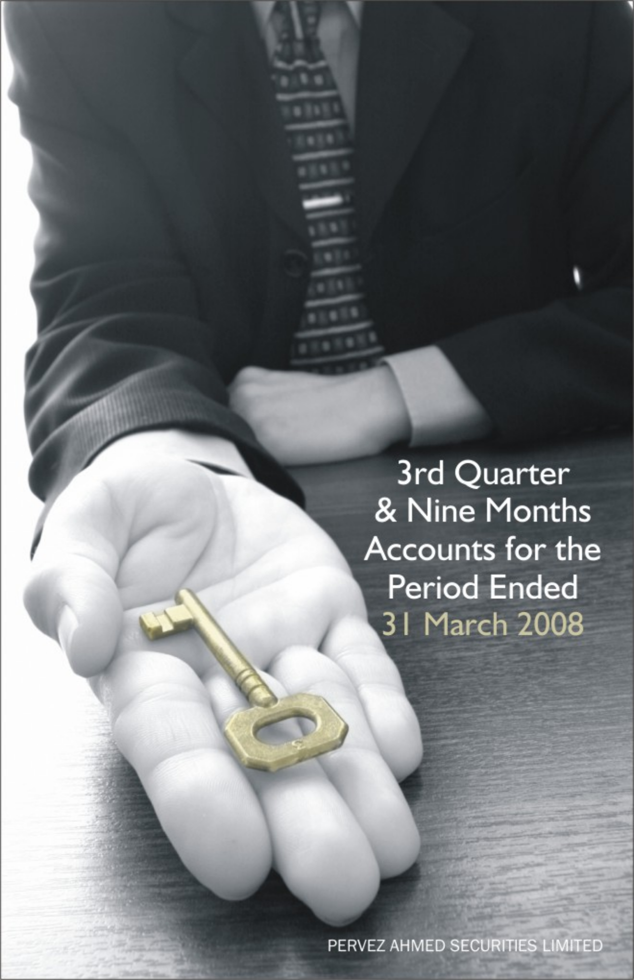

3rd Quarter & Nine Months Accounts for the Period Ended 31 March 2008

PERVEZ AHMED SECURITIES LIMITED

Contents

Company Information

Board of Directors	Mr. Pervez Ahmed Mrs. Rehana Pervez Ahmed Mr. Ali Pervez Ahmed Mr. Hassan Ibrahim Ahmed Mr. Suleman Ahmed Mrs. Ayesha Ahmed Mansoor Mr. Muhammad Khalid Khan	Chief Executive
Audit Committee	Mr. Muhammad Khalid Khan Mrs. Rehana Pervez Ahmed Mr. Suleman Ahmed	Chairman
Chief Financial Officer	Mr. Muhammad Yousuf	
Company Secretary	Mr. Rizwan Atta.	
Auditors	M/s M.Hussain Chaudhury & Co. Chartered Accountants	
Legal Advisor	Cornelius, Lane & Mufti Advocates & Solicitors	
Banks	MCB Bank Limited NIB Bank Limited Arif Habib Bank Limited Dawood Islamic Bank Limited	
Registered Office	20-K, Gulberg II, Lahore.	
Stock Exchange Office	Room No. 317, Third Floor, Lahore Stock Exchange Building, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore.	
Karachi Office	C 107, Block 2, KDA Scheme No. 5, Clifton Karachi	
Share Registrars	Gangjees Registrar Services (Pvt.) Limited 516-Clifton Centre, Khayaban-e-Roomi, Block - 5, Clifton, Karachi - 75 600	
Website	www.pervezahmed.net	

VISION

Being an investment and financial services organization whose principles are centered to the financial success of its shareholders and clients, we are devoted to holding the highest degree of service quality and reliability while using our specialized skills and judgments for the financial and operational growth of the Company.

MISSION

To be an esteemed and prosperous Company, providing a diverse range of value added financial services to meet the growing demands of our clients and to earn a highest possible return for our shareholders, through dependable investment behavior and adhering to the best corporate governance standards.

DIRECTORS' REVIEW

On behalf of the Board of Directors of Pervez Ahmed Securities Limited, I am pleased to present un-audited Financial Statements for the third quarter and nine months period ended March 31, 2008.

Capital Market Review

In the first nine months of the Financial Year 2007-08, the Karachi Stock Exchange (KSE) - 100 index increased by 9.83%. During this period the KSE-100 index reached high at 15,275 points from 13,772 points at the beginning of the period and closed at 15,126 points on March 31, 2008.The market remained volatile during this period, achieved an all time high of 15,275 during last days of March 2008 and after that it is range bound due to the political & economic issues of the country.

Financial Review	Nine Months Ended	
	July 1,2007 to March 31, 2008 Rupees	July 1,2006 to March 31, 2007 Rupees
Operating revenue	376,316,691	20,548,894
Operating Profit	349,550,982	12,073,069
Surplus on remeasurement of investments	156,255,429	(30,550,706)
Profit before Taxation	492,637,805	(19,134,417)
Taxation	(2,396,573)	(106,122)
Profit after Taxation	490,241,232	(19,240,539)
Earnings per Share	7.43	(0.72)

The Company earned profit after tax of Rs. 490.24 million in the nine months period ended March 31, 2008 as compared to loss of Rs. 19.24 million for the same period of last year. Operating profit for the period under review has been Rs. 349.55 million as against Rs. 12.07 million for the same period of last year. Revenue, earnings, earning per share & return on equity all grew strongly as a result of healthy performance of the last quarter where the Company posted a net profit of Rs. 241.61 million making in all net profit of Rs. 490.24 million in the first nine months of operations for the Financial Year 2007-08.

In the third quarter of Financial Year 2007-08 i.e. Jan-March 2008, Company earned a net profit of Rs. 241.61 million, which translated into earnings of Rs. 3.66 per ordinary share of Rs. 10 each. Company's investments in shares & securities which were Rs. 1,298.52 million at the close of half year on December 31, 2007 have now reached at Rs. 2,165.50 million. Similarly shareholders equity has also crossed Rs. 1 billion mark. Return on equity which were 8.82% and 24.14% for the first and second quarter respectively has been 27.78% for this quarter. Moreover return on total assets for this quarter has been 15.82% which were 6.66% and 18.11% for the first & second quarter respectively.

Payout

On behalf of the Board of Directors of the Company I am pleased to announce third interim payout. This payout will be in the form of 17.50% Bonus Shares. This payout is in addition to first interim cash dividend of 15% and second interim payout of cash dividend of 5% Bonus shares of 10%. This will make a total cash dividend of 20% and Bonus shares of 27.50% (Making a total payout of 47.5%) for the first three quarters of year ending June 30, 2008.

In our first quarter report of Financial Year 2007-08 we had stated that it is our objective to maximize our shareholders wealth and that we shall InshaAllah try to declare good dividends every quarter. We hope we will be able to carrying on giving good dividends / payouts every quarter but this would depend on market conditions & our performance.

Book Closure

The Share Transfer Books of the Company will remain closed and no transfer of shares will be accepted for registration from May 19, 2008 to May 25, 2008 (both days inclusive) to determine entitlement of Bonus shares.

The Bonus Shares will be allotted to those shareholders whose names appear on the register of members of the Company at the close of business on May 17, 2008.

Investment in Subsidiary

During the period under review we have acquired Pervez Ahmed Capital (Private) Limited Formerly Mashriq Securities (Private) Limited which is Corporate member of the Karachi Stock Exchange (Guarantee) Limited. Change of Nominee Directorship with the Karachi Stock Exchange has been completed and registration with the Securities & Exchange Commission of Pakistan (SECP) under the Broker & Agents Registration Rules 2001 has been made. Now we are building-up infrastructure to start brokerage business and have hired professionals for this trade.

Future Outlook

Stability on the political front is very crucial for the country in achieving economic growth and to avoid law and order issues. This will also help the investors to built their confidence in the stock market. We also hope InshaAllah the Company will continue its pace of growth as well in the future and will also develop new business ventures to maximize profit.

Social Responsibility

Social responsibility is one of the objective of the Company. Accordingly, financial assistance is being provided on regular basis to the following credible charitable organizations directly by your Company.

1 Care Foundation - Lahore
2 Shaukat Khanum Memorial Cancer Hospital - Lahore
3 SIUT - Karachi
4 Fatmid Foundation - Lahore
5 Edhi Trust - Karachi
6 LRBT - Lahore
7 Bali Memorial Hospital - Lahore,
8 Quaid-e-Azam Musafarkhana, Mayo Hospital - Lahore
9 DSRA Educational & Welfare Trust - Karachi
10 Society for Welfare of Orthopaedically Disabled - Lahore.
11 Ansar Burney Trust International - Karachi
12 SOS Children's Village - Lahore
13 Al-Panah Foundation - Lahore
14 The Trust School - Lahore, and
15 The Pakistan Society for the Welfare of Mentally Retarded Children - Lahore.

The Board is thankful to its valued shareholders for their confidence in the Company, its clients, the Securities & Exchange Commission of Pakistan and to the management of Karachi & Lahore Stock Exchanges for their valuable support, assistance and guidance. The Board also thanks to the employees of the Company for their dedication and hard work.

For & on behalf of the Board

Lahore
April 26,2008

Pervez Ahmed
Chief Executive

PERVEZ AHMED SECURITIES LIMITED

BALANCE SHEET AS AT MARCH 31, 2008

	Note	March 31, 2008 (Un-Audited) Rupees	June 30, 2007 (Audited) Rupees
Non Current Assets			
Property and equipments	4	2,287,382	458,039
Membership & room of Lahore Stock Exchange (G) Limited		40,000,000	40,000,000
Long term investment in subsidiary	5	106,100,805	-
Long term security deposits		1,320,000	1,055,000
		149,708,187	41,513,039
Current Assets			
Short term investments	6	2,169,500,295	787,700,093
Advances, tax refundable and other receivables		72,792,671	4,306,828
Cash and bank balances		41,052,936	130,545,659
		2,283,345,902	922,552,580
Current Liabilities			
Short term borrowings	7	(260,923,365)	-
Trade and other payables		(1,114,123,118)	(236,671,604)
		(1,375,046,483)	(236,671,604)
Net Current Assets		908,299,419	685,880,976
NET ASSETS		1,058,007,606	727,394,015
REPRESENTED BY			
Issued, subscribed and paid up capital	8	659,042,970	599,130,000
Share deposit money		870,000	870,000
Unappropriated profits		437,896,277	127,394,015
Deficit on revaluation of available for sale investments	6	(39,801,641)	-
		1,058,007,606	727,394,015
Contingencies and Commitments	9	-	-
		1,058,007,606	727,394,015

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE **DIRECTOR**

PERVEZ AHMED SECURITIES LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE 3RD QUARTER AND NINE MONTHS ENDED MARCH 31, 2008

	Note	For The Quarter Ended		For The Nine Months Ended	
		March 31, 2008 (Un-audited)	March 31, 2007 (Un-audited)	March 31, 2008 (Un-audited)	March 31, 2007 (Un-audited)
		Rupees	Rupees	Rupees	Rupees
Operating revenue	10	167,660,615	8,157,705	376,316,691	20,548,894
Administrative expenses		(16,820,482)	(3,059,481)	(26,765,709)	(8,475,825)
Operating Profit		150,840,133	5,098,224	349,550,982	12,073,069
Financial & other operating charges		(9,754,871)	(656,780)	(13,308,870)	(656,780)
Other operating income		-	-	140,264	-
		141,085,262	4,441,444	336,382,376	11,416,289
Surplus on remeasurement of investments at fair value through profit and loss - Net		101,917,575	(27,225,183)	156,255,429	(30,550,706)
Profit before Taxation		243,002,837	(22,783,739)	492,637,805	(19,134,417)
Taxation		(1,391,569)	(30,000)	(2,396,573)	(106,122)
Profit after Taxation		241,611,268	(22,813,739)	490,241,232	(19,240,539)
Earnings per Share - Basic	11	3.66	(0.85)	7.43	(0.72)

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE **DIRECTOR**

PERVEZ AHMED SECURITIES LIMITED

CASH FLOW STATEMENT
FOR THE NINE MONTHS ENDED MARCH 31, 2008

	March 31, 2008 (Un-audited) Rupees	March 31, 2007 (Un-audited) Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	492,637,805	(19,134,417)
Adjustments for:		
- (Surplus) / Deficit on remeasurement of investments at fair value through profit and loss - Net	(156,255,429)	30,550,706
- Dividend income	(23,733,100)	(2,122,457)
- Depreciation	254,868	35,598
	(179,733,661)	28,463,847
Operating Profit before Working Capital Changes	312,904,144	9,329,430
Decrease / (increase) in current assets		
- Short term investments	(1,265,346,414)	(152,639,737)
- Advances and other receivables	(56,050,038)	(1,372,290)
Increase in current liabilities:		
- Trade and other payables	836,690,370	26,846,130
	(484,706,082)	(127,165,897)
Cash used in Operations	(171,801,938)	(117,836,467)
Taxes paid	(5,992,448)	(106,122)
Dividend income received	14,893,170	2,122,457
Net Cash used in Operating Activities	(162,901,216)	(115,820,132)
CASH FLOWS FROM INVESTING ACTIVITIES		
Security deposit	(265,000)	-
Investment in subsidiary	(106,100,805)	-
Fixed capital expenditure	(2,084,211)	(205,093)
Net Cash used in Investing Activities	(108,450,016)	(205,093)
CASH FLOW FROM FINANCING ACTIVITIES		
Share capital issued	-	140,000,000
Dividend paid	(79,064,856)	-
Short term borrowings	260,923,365	-
Net Cash from Financing Activities	181,858,509	140,000,000
Net (Decrease) / Increase in Cash and Cash Equivalents	(89,492,723)	23,974,775
Cash and cash equivalents at the beginning of the period	130,545,659	2,331,571
Cash and Cash Equivalents at the End of the Period	41,052,936	26,306,346

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE **DIRECTOR**

PERVEZ AHMED SECURITIES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2008

	Share Capital	Share Deposit Money	Unappropriated Profit	Revaluation Reserve on Investments Available for Sale	Total
	(Un-audited) Rupees	**(Un-audited) Rupees**	**(Un-audited) Rupees**	**(Un-audited) Rupees**	**(Un-audited) Rupees**
Balance as at July 1, 2006	200,000,000	10,000,000	5,129,143	-	215,129,143
Issue of share capital	150,000,000	-	-	-	150,000,000
Share deposit money received	-	11,500,000	-	-	11,500,000
Transfer to share capital	-	(21,500,000)	-	-	(21,500,000)
Net profit for the period	-	-	(19,240,539)	-	(19,240,539)
Balance as at March 31, 2007	350,000,000	-	(14,111,396)	-	335,888,604
	(Un-audited) Rupees	**(Un-audited) Rupees**	**(Un-audited) Rupees**	**(Un-audited) Rupees**	**(Un-audited) Rupees**
Balance as at July 1, 2007	599,130,000	870,000	127,394,015	-	727,394,015
Net profit for the period	-	-	490,241,232	-	490,241,232
(Deficit) on remeasurement of available for sale investments	-	-	-	(39,801,641)	(39,801,641)
First interim cash dividend @ 15%	-	-	(89,869,500)	-	(89,869,500)
Second interim cash dividend @ 5%	-	-	(29,956,500)	-	(29,956,500)
Issue of Bonus shares @ 10%	59,912,970	-	(59,912,970)	-	-
Balance as at March 31, 2008	659,042,970	870,000	437,896,277	(39,801,641)	1,058,007,606

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE **DIRECTOR**

PERVEZ AHMED SECURITIES LIMITED

NOTES TO THE ACCOUNTS

FOR THE 3RD QUARTER AND NINE MONTHS ENDED MARCH 31, 2008

Note 1
The Company and its Operations

Pervez Ahmed Securities Limited was incorporated under the Companies Ordinance, 1984 on June 8, 2005 as a single member company and was listed on Karachi and Lahore Stock Exchanges on June 21, 2007. The principal activities of the Company include shares brokerage and trading, consultancy services and underwriting. The registered office of the Company is situated at 20-K Gulberg II, Lahore.

Note 2
Basis of Preparation

These accounts have been prepared and are being submitted to the shareholders in accordance with the requirements of Section 245 of the Companies Ordinance, 1984 and International Accounting Standard, IAS 34 " Interim Financial Reporting".

Note 3
Significant Accounting Policies

Accounting policies, related judgments, estimates, method of computation and assumptions adopted for the preparation of these interim financial statements are the same as those applied in preparation of the annual financial statements of the Company for the year ended June 30, 2007 except to the extent of new accounting policy adopted on long term investment in subsidiary mentioned as under:

Long term investment in subsidiary

Investment in subsidiary is initially recognized at cost, comprising the consideration paid and cost of transaction. After initial recognition, investment is classified as available of sale and is remeasured at fair value. Any change in carrying value and fair value is recognized in equity until investment is sold or determined to be impaired at which time the accumulated gain or loss previously recognized in equity is included in the profit and loss account.

Where active market exists, closing quotations of stock exchanges on last working day of the accounting year are considered for determining the fair value, while for unquoted securities, fair value is determined by using valuation techniques.

Note 4
Property and Equipments

	Nine Months Ended March 31,2008 (Un-Audited) Rupees	Year Ended June 30, 2007 (Audited) Rupees
Opening written down value	458,039	-
Additions during the period	2,084,211	511,893
Less: Depreciation charged for the period / year	(254,868)	(53,854)
Closing written down value	2,287,382	458,039

Note 5
Long Term Investment in Subsidiary

Pervez Ahmed Securities Limited acquired 100% shareholding comprising of 8,500,300 shares of Rs. 10 each in Pervez Ahmed Capital (Private) Limited - Formerly Mashriq Securities (Private) Limited on October 5, 2007 for a total consideration of Rs. 106,100,805. Pervez Ahmed Capital (Private) Limited - Formerly Mashriq Securities (Private) Limited is a corporate member of Karachi Stock Exchange (Guarantee) Limited and its principal activity includes shares brokerage, underwriting and investments.

PERVEZ AHMED SECURITIES LIMITED
Notes to the Accounts

Note 6
Short Term Investments

	Nine Months Ended March 31,2008 (Un-Audited) Rupees	Year Ended June 30, 2007 (Audited) Rupees
Available for sale		
- Cost	489,446,236	-
- (Deficit) on remeasurement of investments	(39,801,641)	-
	449,644,595	-
Investments at fair value through profit and loss		
- Cost	1,563,600,271	753,493,120
- Surplus on remeasurement of investments	156,255,429	34,206,973
	1,719,855,700	787,700,093
	2,169,500,295	787,700,093

Note 7
Short Term Borrowings

	Note	Nine Months Ended March 31,2008 (Un-Audited) Rupees	Year Ended June 30, 2007 (Audited) Rupees
Banking company - Secured			
- Dawood Islamic Bank Limited	7.1	100,000,000	-
- Arif Habib Bank Limited	7.2	160,923,365	-
		260,923,365	-

7.1 This represents Murabaha facility of Rs. 150 million obtained from Dawood Islamic Bank Limited (DIBL) for investment in shariah compliant shares. The profit shall be charged at matching KIBOR + 1.30%. The facility is secured against pledge of shares of blue chip listed companies approved by DIBL's Shariah Board with 35% margin. The facility is valid till 30-09-2008.

7.2 This represents running finance facility of Rs. 200 million obtained from Arif Habib Bank Limited to finance working capital / short term investment requirements of the Company. The mark-up is charged at three months KIBOR + 2.50% per annum. The facility is secured against pledge of shares of listed companies at Central Depository Company (CDC) with 30% margin on overall exposure. The facility is valid till 30-09-2008.

7.3 Shares valued at Rs. 611.81 million are pledged with banks against above facilities.

Note 8
Share Capital

	Nine Months Ended March 31,2008 (Un-Audited)	Year Ended June 30, 2007 (Audited)
8.1 Authorized Capital		
90,000,000 (June 30,2007:60,000,000) ordinary shares of Rs. 10 each	900,000,000	600,000,000
8.2 Issued, subscribed and paid up capital		
59,913,000 (June 30,2007:59,913,000) ordinary shares of Rs. 10 each fully paid in cash	599,130,000	599,130,000
5,991,297 (June 30,2007: Nil) ordinary shares of Rs. 10 each issued as fully paid bonus shares	59,912,970	-
	659,042,970	599,130,000

Note 9
Contingencies and Commitments

Contingencies

There are no material contingencies outstanding at the close of the balance sheet date (June 30, 2007: Nil).

Commitments

There are no material commitments outstanding at the close of the balance sheet date (June 30, 2007: Nil).

PERVEZ AHMED SECURITIES LIMITED
Notes to the Accounts

Note 10
Operating Revenue

	Nine Months Ended March 31,2008 (Un-Audited) Rupees	Nine Months Ended March 31,2007 (Un-Audited) Rupees
Gain on sale of investments - Net	351,948,505	18,426,437
Dividend income	23,733,100	2,122,457
Brokerage income	425,086	-
Underwriting commission	210,000	-
	376,316,691	20,548,894

Note 11
Earnings per Share

	Nine Months Ended March 31,2008 (Un-Audited) Rupees	Nine Months Ended March 31,2007 (Un-Audited) Rupees
Profit after tax attributable to ordinary shareholders	490,241,232	(19,240,539)
	Number of shares	Number of shares
Weighted average number of ordinary shares	65,991,297	26,717,033
	Rupees	Rupees
Earnings per share	7.43	(0.72)

11.1 Share deposit money has been considered as issued share capital for the calculation of earning per share.

Note 12
Transactions with Related Parties

The related parties comprise related group companies, associated companies, staff retirement funds, directors and close family members and key management personnel. Transactions with related parties other than remuneration and benefits to key management personnel under the terms of their employment are as follows.

	Nine Months Ended March 31,2008 (Un-Audited) Rupees	Nine Months Ended March 31,2007 (Un-Audited) Rupees
Utilities and other common expenses charged by associated undertaking	4,800	322,855
Shares purchased	-	184,500
Share capital issued to associated undertaking	-	20,000,000
Investment in subsidiary company	106,100,805	-
Funds repaid to associated undertakings	614,592	13,977,145
Purchase of marketable securities on behalf of associated undertaking	18,168,704	-
Sale of marketable securities on behalf of associated undertaking	18,034,774	-
Funds repaid to directors	-	15,519,978

Note 13
General

13.1 These interim financial statements have been authorized for issue on April 26, 2008 by the Board of Directors of the Company; and
13.2 Figures have been rounded off to the nearest rupees.

CHIEF EXECUTIVE **DIRECTOR**

Consolidated Financial Statements

PERVEZ AHMED SECURITIES LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2008

	Note	March 31, 2008 (Un-Audited) Rupees	June 30, 2007 (Audited) Rupees
Non Current Assets			
Property and equipments	5	2,287,382	458,039
Membership of Stock Exchanges	6	140,000,000	40,000,000
Long term security deposits		1,320,000	1,055,000
		143,607,382	41,513,039
Current Assets			
Short term investments	7	2,169,500,295	787,700,093
Advances, tax refundable and other receivables		72,833,595	4,306,828
Cash and bank balances		47,112,817	130,545,659
		2,289,446,707	922,552,580
Current Liabilities			
Short term borrowings	8	(260,923,365)	-
Trade and other payables		(1,114,123,118)	(236,671,604)
		(1,375,046,483)	(236,671,604)
Net Current Assets		914,400,224	685,880,976
NET ASSETS		1,058,007,606	727,394,015
REPRESENTED BY			
Issued, subscribed and paid up capital	9	659,042,970	599,130,000
Share deposit money		870,000	870,000
Unappropriated profits		437,896,277	127,394,015
Deficit on revaluation of available for sale investments	7	(39,801,641)	-
		1,058,007,606	727,394,015
Contingencies and Commitments	9	-	-
		1,058,007,606	727,394,015

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE **DIRECTOR**

PERVEZ AHMED SECURITIES LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE 3RD QUARTER AND NINE MONTHS ENDED MARCH 31, 2008

		For The Quarter Ended		For The Nine Months Ended	
		March 31, 2008 (Un-audited)	March 31, 2007 (Un-audited)	March 31, 2008 (Un-audited)	March 31, 2007 (Un-audited)
	Note	Rupees	Rupees	Rupees	Rupees
Operating revenue	10	167,660,615	8,157,705	376,316,691	20,548,894
Administrative expenses		(16,820,482)	(3,059,481)	(26,765,709)	(8,475,825)
Operating Profit		150,840,133	5,098,224	349,550,982	12,073,069
Financial & other operating charges		(9,754,871)	(656,780)	(13,308,870)	(656,780)
Other operating income		-	-	140,264	-
		141,085,262	4,441,444	336,382,376	11,416,289
Surplus on remeasurement of investments at fair value through profit and loss - Net		101,917,575	(27,225,183)	156,255,429	(30,550,706)
Profit before Taxation		243,002,837	(22,783,739)	492,637,805	(19,134,417)
Taxation		(1,391,569)	(30,000)	(2,396,573)	(106,122)
Profit after Taxation		241,611,268	(22,813,739)	490,241,232	(19,240,539)
Earnings per Share - Basic	11	3.66	(0.85)	7.43	(0.72)

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE **DIRECTOR**

PERVEZ AHMED SECURITIES LIMITED

CONSOLIDATED CASH FLOW STATEMENT
FOR THE NINE MONTHS ENDED MARCH 31, 2008

	March 31, 2008 (Un-audited) Rupees	March 31, 2007 (Un-audited) Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	492,637,805	(19,134,417)
Adjustments for:		
- (Surplus) / Deficit on remeasurement of investments at fair value through profit and loss - Net	(156,255,429)	30,550,706
- Dividend income	(23,733,100)	(2,122,457)
- Depreciation	254,868	35,598
	(179,733,661)	28,463,847
Operating Profit before Working Capital Changes	312,904,144	9,329,430
Decrease / (increase) in current assets		
- Short term investments	(1,265,346,414)	(152,639,737)
- Advances and other receivables	(56,050,038)	(1,372,290)
Increase in current liabilities:		
- Trade and other payables	836,690,370	26,846,130
	(484,706,082)	(127,165,897)
Cash used in Operations	(171,801,938)	(117,836,467)
Taxes paid	(6,033,372)	(106,122)
Dividend income received	14,893,170	2,122,457
Net Cash used in Operating Activities	(162,942,140)	(115,820,132)
CASH FLOWS FROM INVESTING ACTIVITIES		
Security deposit	(265,000)	-
Purchase of Membership of KSE	(100,000,000)	-
Fixed capital expenditure	(2,084,211)	(205,093)
Net Cash used in Investing Activities	(102,349,211)	(205,093)
CASH FLOW FROM FINANCING ACTIVITIES		
Share capital issued	-	140,000,000
Dividend paid	(79,064,856)	-
Short term borrowings	260,923,365	-
Net Cash from Financing Activities	181,858,509	140,000,000
Net (Decrease) / Increase in Cash and Cash Equivalents	(83,432,842)	23,974,775
Cash and cash equivalents at the beginning of the period	130,545,659	2,331,571
Cash and Cash Equivalents at the End of the Period	47,112,817	26,306,346

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE **DIRECTOR**

PERVEZ AHMED SECURITIES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2008

	Share Capital	Share Deposit Money	Unappropriated Profit	Revaluation Reserve on Investments Available for Sale	Total
	(Un-audited) Rupees	**(Un-audited) Rupees**	**(Un-audited) Rupees**	**(Un-audited) Rupees**	**(Un-audited) Rupees**
Balance as at July 1, 2006	200,000,000	10,000,000	5,129,143	-	215,129,143
Issue of share capital	150,000,000	-	-	-	150,000,000
Share deposit money received	-	11,500,000	-	-	11,500,000
Transfer to share capital	-	(21,500,000)	-	-	(21,500,000)
Net profit for the period	-	-	(19,240,539)	-	(19,240,539)
Balance as at March 31, 2007	350,000,000	-	(14,111,396)	-	335,888,604
	(Un-audited) Rupees	**(Un-audited) Rupees**	**(Un-audited) Rupees**	**(Un-audited) Rupees**	**(Un-audited) Rupees**
Balance as at July 1, 2007	599,130,000	870,000	127,394,015	-	727,394,015
Net profit for the period	-	-	490,241,232	-	490,241,232
(Deficit) on remeasurement of available for sale investments	-	-	-	(39,801,641)	(39,801,641)
First interim cash dividend @ 15%	-	-	(89,869,500)	-	(89,869,500)
Second interim cash dividend @ 5%	-	-	(29,956,500)	-	(29,956,500)
Issue of Bonus shares @ 10%	59,912,970	-	(59,912,970)	-	-
Balance as at March 31, 2008	659,042,970	870,000	437,896,277	(39,801,641)	1,058,007,606

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE **DIRECTOR**

PERVEZ AHMED SECURITIES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE 3RD QUARTER AND NINE MONTHS ENDED MARCH 31, 2008

Note 1
The Group and its Operations

1.1 Pervez Ahmed Securities Limited (Company) and its subsidiary Mashriq Securities (Private) Limited (Subsidiary) were incorporated in Pakistan under the Companies Ordinance, 1984. The Company and its Subsidiary are corporate members of the Lahore and Karachi stock exchanges and their principal activities include shares brokerage and trading, consultancy services and underwriting. The registered office of the Company is situated at 20-K Gulberg II, Lahore.

1.2 Pervez Ahmed Capital (Private) Limited Formerly Mashriq Securities (Private) Limited has not yet started its operations.

Note 2
Basis of Preparation

These financial statements have been prepared and are being submitted to the shareholders in accordance with the requirements of Section 245 of the Companies Ordinance, 1984 and International Accounting Standard, IAS 34 " Interim Financial Reporting". The financial statements of the Subsidiary have been consolidated on a line-by-line basis and all intra group balances and transactions have been eliminated.

Note 3
Significant Accounting Policies

Accounting policies, related judgments, estimates, method of computation and assumptions adopted for the preparation of these interim financial statements are the same as those applied in preparation of the annual financial statements of the Company for the year ended June 30, 2007.

Note 4
Investment in Subsidiary

Pervez Ahmed Securities Limited acquired 100% shareholding comprising of 8,500,300 shares of Rs. 10 each in Pervez Ahmed Securities Limited - Formerly Mashriq Securities (Private) Limited on October 5, 2007 for a total consideration of Rs. 106,100,805. The detail of acquisition of the shareholding is as under:

	Nine Months Ended March 31, 2008 Rupees
Consideration paid	106,100,805
Fair value of assets acquired	
- Membership of Karachi Stock Exchange	100,000,000
- Advance tax	40,924
- Cash and bank balances	6,059,881
	106,100,805

Note 5

Property and Equipments	**Nine Months Ended March 31, 2008 (Un-Audited)** Rupees	**Year Ended June 30, 2007 (Audited)** Rupees
Opening written down value	458,039	-
Additions during the period	2,084,211	511,893
Less: Depreciation charged for the period / year	(254,868)	(53,854)
Closing written down value	2,287,382	458,039

PERVEZ AHMED SECURITIES LIMITED
Notes to the Consolidated Financial Statements

Note 6
Membership of Stock Exchanges

	Nine Months Ended March 31, 2008 (Un-Audited) Rupees	Year Ended June 30, 2007 (Audited) Rupees
Membership and room of Lahore Stock Exchange (Guarantee) Limited	40,000,000	40,000,000
Membership of Karachi Stock Exchange (Guarantee) Limited	100,000,000	-
	140,000,000	40,000,000

Note 7
Short Term Investments

	Nine Months Ended March 31,2008 (Un-Audited) Rupees	Year Ended June 30, 2007 (Audited) Rupees
Available for sale		
- Cost	489,446,236	-
- (Deficit) on remeasurement of investments	(39,801,641)	-
	449,644,595	-
Investments at fair value through profit and loss		
- Cost	1,563,600,271	753,493,120
- Surplus on remeasurement of investments	156,255,429	34,206,973
	1,719,855,700	787,700,093
	2,169,500,295	787,700,093

Note 8
Short Term Borrowings

	Note	Nine Months Ended March 31,2008 (Un-Audited) Rupees	Year Ended June 30, 2007 (Audited) Rupees
Banking company - Secured			
- Dawood Islamic Bank Limited	8.1	100,000,000	-
- Arif Habib Bank Limited	8.2	160,923,365	-
		260,923,365	-

8.1 This represents Murabaha facility of Rs. 150 million obtained from Dawood Islamic Bank Limited for trading in shariah compliant shares. The profit shall be charged at matching KIBOR + 1.30%. The facility is secured against pledge of shares of blue chip listed companies approved by DIBL's Shariah Board with 40% margin. The facility is valid till 30-09-2008.

8.2 This represents running finance facility of Rs. 200 million obtained from Arif Habib Bank Limited to finance working capital / short term investment requirements of the Company. The mark-up is charged at three months KIBOR + 2.50% per annum. The facility is secured against pledge of shares of listed companies at Central Depository Company (CDC) with 30% margin on overall exposure. The facility is valid till 30-09-2008.

8.3 Shares valued at Rs. 611.81 million are pledged with banks against above facilities.

Note 9
Share Capital

	Nine Months Ended March 31,2008 (Un-Audited)	Year Ended June 30, 2007 (Audited)
9.1 Authorized Capital		
90,000,000 (June 30,2007:60,000,000) ordinary shares of Rs. 10 each	900,000,000	600,000,000
9.2 Issued, subscribed and paid up capital		
59,913,000 (June 30,2007:59,913,000) ordinary shares of Rs. 10 each fully paid in cash	599,130,000	599,130,000
5,991,297 (June 30,2007: Nil) ordinary shares of Rs. 10 each issued as fully paid bonus shares	59,912,970	-
	659,042,970	599,130,000

PERVEZ AHMED SECURITIES LIMITED
Notes to the Consolidated Financial Statements

Note 10
Contingencies and Commitments

Contingencies
There are no material contingencies outstanding at the close of the balance sheet date (June 30, 2007: Nil).
Commitments
There are no material commitments outstanding at the close of the balance sheet date (June 30, 2007: Nil).

Note 11
Operating Revenue

	Nine Months Ended March 31,2008 (Un-Audited) Rupees	Nine Months Ended March 31,2007 (Un-Audited) Rupees
Gain on sale of investments - Net	351,948,505	18,426,437
Dividend income	23,733,100	2,122,457
Brokerage income	425,086	-
Underwriting commission	210,000	-
	376,316,691	20,548,894

Note 12
Earnings per Share

	Nine Months Ended March 31,2008 (Un-Audited) Rupees	Nine Months Ended March 31,2007 (Un-Audited) Rupees
Profit after tax attributable to ordinary shareholders	490,241,232	(19,240,539)
	Number of shares	Number of shares
Weighted average number of ordinary shares	65,991,297	26,717,033
	Rupees	Rupees
Earnings per share	7.43	(0.72)

12.1 Share deposit money has been considered as issued share capital for the calculation of earning per share.

Note 13
Transactions with Related Parties

The related parties comprise related group companies, associated companies, staff retirement funds, directors and close family members and key management personnel. Transactions with related parties other than remuneration and benefits to key management personnel under the terms of their employment are as follows.

	Nine Months Ended March 31,2008 (Un-Audited) Rupees	Nine Months Ended March 31,2007 (Un-Audited) Rupees
Utilities and other common expenses charged by associated undertaking	4,800	322,855
Shares purchased	-	184,500
Share capital issued	-	20,000,000
Funds repaid to associated undertakings	614,592	13,977,145
Purchase of marketable securities on behalf of associated undertaking	18,168,704	-
Sale of marketable securities on behalf of associated undertaking	18,034,774	-
Funds repaid to directors	-	15,519,978

Note 14
General

14.1 These interim financial statements have been authorized for issue on April 28, 2008 by the Board of Directors of the Company; and
14.2 Figures have been rounded off to the nearest rupees.

CHIEF EXECUTIVE **DIRECTOR**