

ORIX Leasing Pakistan Limited



PASSION TO SUCCEED

HALF YEARLY REPORT 2015-16





PASSION TO SUCCEED

Over the last decade, ORIX Leasing Pakistan Limited has emerged as the largest leasing Company of Pakistan. This year, we manifest the indomitable spirit and unbridled enthusiasm of our organisation by using the image of a charging horse on the cover of our annual report. To us, this mighty creature underlines the valour and zeal through which we do our business, where no challenge is too unnerving, no goal is too far to reach. It is this progressive insight and solid dedication that has sustained our growth and fuelled our passion to succeed for all time to come.

Contents

Corporate Information	2
Directors’ Review Report	4
Independent Auditors’ Report	5
Condensed Interim Balance Sheet	6
Condensed Interim Profit and Loss Account	7
Condensed Interim Statement of Comprehensive Income	8
Condensed Interim Cash Flow Statement	9
Condensed Interim Statement of Changes In Equity	10
Notes to and Forming Part of the Condensed Interim Financial Information	11
Offices In Pakistan	

Corporate Information

BOARD OF DIRECTORS

Mr. Kunwar Idris

Chairman

Mr. Harukazu Yamaguchi

Non Executive Director

Mr. Humayun Murad SI

Non Executive Director

Ms. Nargis Ghaloo

Non Executive Director

Mr. Shahid Usman

Independent Non Executive Director

Mr. Kazuhito Inoue

Non Executive Director

Mr. Hiroshi Nishio*

Non Executive Director

Mr. Shaheen Amin

Chief Executive

AUDIT COMMITTEE

Mr. Shahid Usman

Chairman

Mr. Harukazu Yamaguchi

Member

Mr. Kazuhito Inoue

Member

CREDIT COMMITTEE

Mr. Shaheen Amin

Member

Mr. Ramon Alfrey

Member

Mr. Amjad Iqbal

Member

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mr. Harukazu Yamaguchi

Member

Mr. Kazuhito Inoue

Member

Mr. Shaheen Amin

Member

Ms. Nargis Ghaloo

Member

CHIEF FINANCIAL OFFICER

Mr. Ramon Alfrey

COMPANY SECRETARY

Ms. Effat Assad

HEAD OF INTERNAL AUDIT & SECRETARY TO AUDIT COMMITTEE

Ms. Maryam Aziz

THE MANAGEMENT TEAM

Mr. Amjad Iqbal

General Manager - Credit

Mr. Arshad Abbas

General Manager - Commercial Vehicle

Mr. Hiralal Bhargava

General Manager - Treasury & Consumer Auto

Mian Faysal Riaz

General Manager - Corporate Lease

Mr. Irfan Ahmed

General Manager & Branch Controller
(Northern Region)

Mr. Ayub Khan

General Manager - Special Assets
Management and Administration

Ms. Aseya Qasim

General Manager - Micro Finance | Agri Lease

Mr. Muhammad Kashif Yaqoob

General Manager - Corporate, Planning &
Communication

Mr. Masood Ahmed Zia

General Manager - Human Resource

Mr. M. Ismail Khan

Head - Business Control

Mr. M. Moizuddin

Head - Information Systems

Mr. Mohsin Siraj

Head - Law Division

Mr. Shakir Vasi

Head - Operating Lease

Mr. Asad Ali Sheikh

Head - Compliance

SHARIAH ADVISOR

Mufti Ibrahim Essa

REGISTERED OFFICE

Islamic Chamber of Commerce Building,
Ground Floor, ST-2/A, Block 9, KDA
Scheme No.5, Clifton, Karachi-75600

HEAD OFFICE

ORIX Building, Plot No.16, Sector
No.24, Korangi Industrial Area,
Karachi-74900

CREDIT RATING BY THE PAKISTAN CREDIT RATING AGENCY

Long term entity rating AA+

Short term entity rating A1+

BANKS AND LENDING INSTITUTIONS

AlBaraka Bank (Pakistan) Limited
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Bank Islami Pakistan Limited
Bank of Khyber
Burj Bank Limited
ECO Trade & Development Bank, Turkey
Faysal Bank Limited
Habib Bank Limited
Habib Bank Limited-Islamic Banking
Habib Metropolitan Bank Limited
JS Bank Limited
NIB Bank Limited
Pak China Investment Company Limited
Pak Oman Investment Company Limited
Standard Chartered Bank (Pakistan)
Limited
The Bank of Punjab
The Bank of Tokyo - Mitsubishi UFJ,
Limited
United Bank Limited

AUDITORS

A.F. Ferguson & Company
Chartered Accountants
State Life Building No. 1-C,
I.I Chundrigar Road, P.O Box 4716,
Karachi-74000, Pakistan

LEGAL ADVISORS

M/s Mansoor Ahmad Khan & Co.
M/s Walker Martineau & Saleem

REGISTRAR AND SHARE TRANSFER OFFICE

THK Associates (Private) Limited
2nd Floor, State Life Building No.3
Dr. Ziauddin Ahmed Road,
Karachi - 75530

* The appointment of Mr. Hiroshi Nishio as a director, is subject to approval of Securities and Exchange Commission of Pakistan

Corporate Information

ORIX CORPORATION – Parent Company

Tokyo Headquarters, World Trade Center Building
2-4-1 Hamamatsu-cho
Minato-ku, Tokyo 105-6135, Japan
Tel: (81)-3-3435-3145
Fax: (81)-3-3435-3163
www.orix.co.jp

Associated Companies – Overseas Joint Ventures

Oman ORIX Leasing Company SAOG
2nd & 3rd Floor, Rumaila 106, Watayah,
P.O.Box 106, Postal code 118, Muscat
Sultanate of Oman
Tel: (968) 24661900
Fax: (968) 24565610, 24567940
www.omanorix.com

ORIX Leasing Egypt SAE
5th Floor, Cairo Center Building
2, Abd El Kader Hamza Street
Garden City, Cairo 11461, Egypt
Tel: (202) 27922757-9
Fax: (202) 27922760
www.orix-egypt.com

Saudi ORIX Leasing Company
P.O. Box 22890, Riyadh 11416
343 Al Ma'ather Street, Riyadh
Kingdom of Saudi Arabia
Tel: (9661) 2997777
Fax: (9661) 2997770
www.saudiorix.com.sa

Al Hail ORIX Finance PSC
Office No. 403, Emaar Square Bldg. 6,
Burj Khalifa, Dubai-UAE
Tel: (971) 43691600
Fax: (971) 44310623
www.alhailorix.ae

SK Leasing JSC
136 Dostyk Ave,
Almaty, 050051, ("RFCA" BC, 8th Floor)
Republic of Kazakhstan
Tel: 8 (727) 3130757, 7(727) 2507979
Fax: 7(727) 3130748
www.leasing.kz

Directors' Review Report

The Board of Directors of ORIX Leasing Pakistan Limited (the Company) is pleased to present the unaudited condensed interim financial statements for the half year ended December 31, 2015.

Most national macroeconomic indicators continued to exhibit improvement in the first half of the current financial year. Inflation remained under control easing the monetary policy. Lower interest rates and improved business environment encouraged companies to avail credit not for working capital alone but also for capital expenditure.

The Company recorded a net profit of Rs. 324.9 million for the half year ended December 31, 2015 compared to Rs. 321.9 million earned in the same period last year. Prior period's profit included a one-time gain on disposal of investments of Rs. 75.7 million which was not available in the current year. Earnings per share were Rs. 3.96 compared to Rs. 3.92 in the same period last year.

Business volume for the half year at Rs. 7.420 billion was 19% higher than Rs. 6.234 billion disbursed during the first half of last year. Improving business confidence in the Country together with aggressive marketing led to higher disbursements.

The Company's core business revenue from finance lease at Rs. 1.154 billion was 7% more than Rs. 1.083 billion in the comparative period last year despite reduction in interest rates during the period. Revenue from operating lease at Rs. 284.7 million was 22% lower than Rs. 365.2 million in the same period last year chiefly because of sharp decline in demand for generators due to gas shortage.

Mark-up income on term finance at Rs. 240.2 million (December 2014: Rs. 224.1 million) was 7% higher on improved disbursements of vehicle finance and micro finance. Other income at Rs. 104.6 million (December 2014: Rs. 180.4 million) was 42% lower because the previous period's income included a non-recurring gain of Rs. 75.7 million on sale of investments. Share of profit from overseas associated companies at Rs. 127.5 million (December 2014: 137.4 million) decreased by 7% due to lower earnings by the associate companies in oil dependent economies.

Finance cost at Rs. 823.9 million (December 2014: Rs. 853.1 million) was 3% lower on a borrowing portfolio of Rs. 17.7 billion (December 2014: Rs. 15.0 billion). Reduction in interest rate helped in containing the finance cost.

Administrative and general expenses at Rs. 408.4 million (December 2014: Rs. 386.1 million) were 6% higher than in the comparative period last year mainly due to annual revision in salaries of staff. Direct cost of lease, which primarily consists of depreciation, maintenance and insurance costs of operating lease, decreased by 18% to Rs. 207.6 million against Rs. 253.7 million in the comparative period last year. The reduction reflects lower business activity in the operating lease segment.

Provision against lease and loan losses for the current period at Rs. 49.7 million was 34% lower than Rs. 75.1 million provided in the comparative period. Tight credit controls and settlement of long outstanding contracts resulted in lower provisioning for the current period. Recoveries, particularly against operating lease receivable, resulted in reversal of other provisions.

As explained in note 22, the Company will be exiting its e-business segment in the near future. e-business assets have been classified as held for sale at recoverable value and an impairment loss of Rs. 30.7 million has been recorded against these assets in the current period.

The Pakistan Credit Rating Agency has maintained the Company's long term rating of AA+ (Double A Plus) and short term rating of A1 Plus (A One Plus). These ratings denote the lowest expectation of credit risk emanating from a strong capacity for timely payment of financial commitments.

Looking forward, improved economic conditions, favourable interest rates and renewed business confidence are expected to increase the demand for credit to the gain of the Company.

On behalf of the Board



Shaheen Amin
Chief Executive

Dated: February 22, 2016



A. F. FERGUSON & CO.

Introduction

We have reviewed the accompanying condensed interim balance sheet of **ORIX Leasing Pakistan Limited** as at December 31, 2015 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof (here-in-after referred to as 'the condensed interim financial information') for the half year then ended. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended December 31, 2015 and December 31, 2014 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2015.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended December 31, 2015 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

A handwritten signature in black ink, appearing to read 'Rashid A. Jafer'.

Chartered Accountants

Engagement Partner: **Rashid A. Jafer**

Dated: February 24, 2016

Karachi.

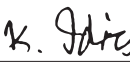
Condensed Interim Balance Sheet

As at December 31, 2015

	Note	December 31, 2015 (Un-audited)	June 30, 2015 (Audited)
		Rupees	
ASSETS			
Non-current assets			
Property, plant and equipment	5	1,652,441,300	1,761,811,476
Intangible assets	6	4,907,123	8,631,456
Net investment in finance lease	7	22,597,323,227	20,823,948,377
Current maturity		(9,500,304,557)	(8,746,722,525)
Allowance for potential lease losses		(690,387,963)	(721,375,996)
		(10,190,692,520)	(9,468,098,521)
		12,406,630,707	11,355,849,856
Investment in associated undertakings		2,284,473,758	2,176,352,899
Long term investments	8	14,525,695	14,404,648
Long term finances and loans		1,073,638,688	879,256,372
Long term deposits		10,148,740	10,048,864
		17,446,766,011	16,206,355,571
Current assets			
Short term finances		295,963,704	407,365,321
Accrued return on investments and term finance		76,590,007	74,783,699
Current maturity of non-current assets	9	10,894,201,825	9,966,101,697
Short term investments	10	1,159,141,549	1,105,942,382
Advances and prepayments		50,923,515	46,986,270
Other receivables		81,208,188	74,513,043
Cash and bank balances		167,619,915	173,286,352
Taxation - net		159,496,918	171,010,858
		12,885,145,621	12,019,989,622
Assets classified as held for sale	11	125,506,286	91,302,209
Total assets		30,457,417,918	28,317,647,402
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital			
350,000,000 (June 30, 2015: 350,000,000) Ordinary shares of Rs.10 each		3,500,000,000	3,500,000,000
Issued, subscribed and paid-up-capital		820,529,300	820,529,300
Reserves		2,626,949,893	2,616,491,028
		3,447,479,193	3,437,020,328
Surplus on revaluation of leasehold land and office building		111,025,116	112,009,008
Non-current liabilities			
Long term finances	12	4,134,737,318	4,707,563,110
Long term loans	13	-	-
Long term certificates of deposit		5,183,662,509	5,116,943,351
Long term deposits		5,854,593,630	5,238,768,218
Deferred taxation		497,120,399	453,715,266
Other long term liabilities		293,303,339	268,234,514
Post-employment benefits		-	849,197
		15,963,417,195	15,786,073,656
Current liabilities			
Trade and other payables		584,209,532	641,102,036
Accrued interest / mark-up on loans, term finances and certificates of deposit		295,250,641	318,976,673
Short term borrowings	14	2,467,052,997	884,301,394
Short term certificates of deposit		1,139,064,341	944,348,226
Current maturity of non-current liabilities	15	6,449,918,903	6,193,816,081
		10,935,496,414	8,982,544,410
Total equity and liabilities		30,457,417,918	28,317,647,402
CONTINGENCIES AND COMMITMENTS			
	16		

The annexed notes 1 to 28 form an integral part of this condensed interim financial information.


Shaheen Amin
 Chief Executive


Kunwar Idris
 Chairman

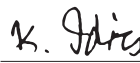
Condensed Interim Profit and Loss Account (Un-audited)

For the half year and quarter ended December 31, 2015

		Half year ended		Quarter ended	
		December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
	Note	Rupees			
CONTINUING OPERATIONS					
INCOME					
Income from operations					
Finance lease		1,153,889,716	1,083,455,953	577,184,523	556,087,453
Operating lease	17	284,729,414	365,159,487	133,771,193	176,580,499
Mark-up on term finance		240,173,482	224,099,775	120,156,632	111,843,321
		1,678,792,612	1,672,715,215	831,112,348	844,511,273
Income from other activities					
Other income - net		104,604,332	180,434,937	51,319,870	111,945,620
Share of profit of equity accounted undertakings	18	127,520,554	137,398,644	64,346,567	74,024,469
		232,124,886	317,833,581	115,666,437	185,970,089
		1,910,917,498	1,990,548,796	946,778,785	1,030,481,362
EXPENSES					
Finance cost	19	827,169,464	856,686,319	411,848,648	425,439,270
Administrative and general expenses		408,447,494	386,158,601	206,495,393	200,302,956
Direct cost of lease		207,598,779	253,740,567	97,159,057	123,102,296
		1,443,215,737	1,496,585,487	715,503,098	748,844,522
Profit before provision and taxation		467,701,761	493,963,309	231,275,687	281,636,840
Allowance for potential lease and other loan losses - net		49,738,204	75,140,471	20,605,190	39,174,462
Other (reversal) / provisions - net	20	(15,227,194)	33,012,244	(3,947,368)	29,537,244
		34,511,010	108,152,715	16,657,822	68,711,706
Profit before tax		433,190,751	385,810,594	214,617,865	212,925,134
Taxation - Current		56,879,847	50,723,698	30,411,970	31,454,256
- Deferred		37,300,000	36,000,000	16,300,000	19,000,000
	21	94,179,847	86,723,698	46,711,970	50,454,256
Profit from continuing operations for the period		339,010,904	299,086,896	167,905,895	162,470,878
(Loss) / profit after taxation from discontinued operations	22	(14,060,431)	22,812,251	(21,540,799)	9,480,703
Net profit for the period		324,950,473	321,899,147	146,365,096	171,951,581
BASIC AND DILUTED EARNING / (LOSS) PER SHARE					
From continuing operations		4.13	3.64	2.04	1.98
From discontinued operations		(0.17)	0.28	(0.26)	0.12
Total		3.96	3.92	1.78	2.10

The annexed notes 1 to 28 form an integral part of this condensed interim financial information.


Shaheen Amin
 Chief Executive


Kunwar Idris
 Chairman

Condensed Interim Statement of Comprehensive Income (Un-audited)

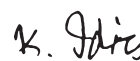
For the half year and quarter ended December 31, 2015

	Half year ended		Quarter ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
	Rupees			
Profit for the period	324,950,473	321,899,147	146,365,096	171,951,581
Other comprehensive income				
Items that may be reclassified subsequently to profit and loss				
Exchange difference arising on translation of foreign associates - net of deferred tax	45,991,373	26,495,583	13,459,056	(15,806,515)
Unrealised (loss) / gain due to change in fair value of available for sale securities - net	(11,014,716)	16,755,037	(12,749,290)	13,502,850
Unrealised gain due to sale of available for sale securities transferred to profit and loss account	-	(10,265,402)	-	(692,982)
Net unrealised loss on revaluation of investments classified as available for sale transferred to profit and loss account as impairment loss	-	2,755,600	-	2,755,600
	34,976,657	35,740,818	709,766	(241,047)
Items that will not be reclassified to profit and loss				
Net gain / (loss) on cash flow hedging instruments	18,256,228	11,634,099	(1,880,094)	(27,053,125)
Total comprehensive income for the period	378,183,358	369,274,064	145,194,768	144,657,409

The annexed notes 1 to 28 form an integral part of this condensed interim financial information.



Shaheen Amin
Chief Executive



Kunwar Idris
Chairman

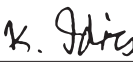
Condensed Interim Cash Flow Statement (Un-audited)

For the half year ended December 31, 2015

	December 31, 2015	December 31, 2014
Note	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax for the period (including discontinued operations)	416,250,473	413,295,234
Adjustments for:		
Depreciation and amortisation	144,252,094	154,589,020
Amortisation of transaction cost	7,296,344	9,188,088
Allowance for potential lease and other loan losses - net	49,738,204	75,140,471
(Reversal) / provision for other receivable	(22,489,408)	29,202,010
Provision for workers welfare fund	9,000,000	8,000,000
Impairment on available for sale securities	-	2,755,600
Impairment loss on e-business assets	30,670,015	-
Reversal of provision on investment	(1,737,786)	(1,050,000)
Share of profit of equity accounted undertakings	(127,520,554)	(137,398,644)
(Gain) / loss on hedging instruments	(4,428,556)	4,715,257
Exchange loss / (gain) on long term borrowings	4,428,556	(4,715,257)
Exchange loss on dividend	341,945	-
Unrealised gain on remeasurement of financial assets at fair value through profit or loss	4,565,822	492,379
Finance cost	406,641,668	440,121,773
Profit on certificates of deposit	413,231,452	407,376,458
Dividend income	(7,094,574)	(355,645)
Return on investments and deposit	(53,522,812)	(56,354,741)
Gain on disposal of fixed assets	(6,185,070)	(11,693,286)
	847,187,340	920,013,483
Operating profit before working capital changes	1,263,437,813	1,333,308,717
(Increase) / decrease in operating assets		
Investment in finance lease - net	(1,827,420,195)	(1,851,640,730)
Long term finances and loans - net	(399,520,524)	69,007,336
Short term finances	115,340,844	(45,702,056)
Advances and prepayments	(10,888,335)	(37,358,267)
Other receivables	4,787,279	(45,351,744)
Long term deposits	(99,876)	100,839
	(2,117,800,807)	(1,910,944,622)
Increase / (decrease) in operating liabilities		
Deposits from lessees - net	765,770,953	756,948,876
Interest / mark-up paid	(379,525,942)	(453,419,627)
Profit paid on certificates of deposit	(439,004,385)	(527,048,626)
Trade and other payables	(53,809,404)	15,298,436
	(106,568,778)	(208,220,941)
Net cash used in operating activities before income tax	(960,931,772)	(785,856,846)
Income tax paid	(42,486,060)	(76,822,204)
Cash used in operating activities	(1,003,417,832)	(862,679,050)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred - own use and intangible assets	(43,754,126)	(20,272,165)
Proceeds from disposal of assets - own use	12,845,805	5,169,586
Capital expenditure incurred - operating lease assets	(9,955,625)	(21,771,679)
Capital expenditure incurred - assets classified as held for sale	(16,599,890)	(1,499,395)
Capital expenditure incurred - ijarah finance	(41,604,000)	(53,759,000)
Proceeds from sale of operating lease assets	15,388,551	14,950,000
Proceeds from sale of assets classified as held for sale	8,000	-
Proceeds from sale of ijarah finance assets	926,875	1,850,761
Investments - net	(56,407,546)	105,036,447
Purchase of right shares of equity accounted undertaking	-	(67,375,000)
Dividend received	78,778,629	8,959,259
Interest received	42,767,390	31,901,700
Net cash (used in) / generated from investing activities	(17,605,937)	3,190,514
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term loans	1,000,000,000	2,201,010,000
Short term borrowings-net	1,130,000,000	525,000,000
Certificates of deposit issued - net	420,821,359	67,955,954
Repayment of long term loans and finances	(1,621,422,303)	(2,177,978,405)
Dividend paid	(366,793,327)	(257,439,540)
Net cash generated from financing activities	562,605,729	358,548,009
Net increase / (decrease) in cash and cash equivalents	(458,418,040)	(500,940,527)
Cash and cash equivalents at beginning of the period	(711,015,042)	(594,151,272)
Cash and cash equivalents at end of the period	25 (1,169,433,082)	(1,095,091,799)

The annexed notes 1 to 28 form an integral part of this condensed interim financial information.


Shaheen Amin
 Chief Executive


Kunwar Idris
 Chairman

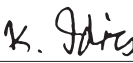
Condensed Interim Statement of Changes In Equity (Un-audited)

For the half year ended December 31, 2015

	Issued, subscribed and paid-up capital	Capital Reserves		Reserves				Total shareholders equity
		Share premium	Statutory reserve	Unappropriated profit	Unrealised gains / (losses) on investment	Hedging reserve	Foreign currency translation reserve	
(Rupees)								
Balance as at July 01, 2014	820,529,300	448,603,499	866,000,000	608,531,814	9,738,741	(58,090,553)	287,507,333	2,982,820,134
Total comprehensive income for the six months period ended December 31, 2014								
Profit for the period	-	-	-	321,899,147	-	-	-	321,899,147
Other comprehensive income								
Exchange difference arising on translation of foreign associates - net of deferred tax	-	-	-	-	-	-	26,495,583	26,495,583
Unrealised gain due to change in fair value of available for sale securities - net	-	-	-	-	16,755,037	-	-	16,755,037
Unrealized gain due to sale of available for sale securities transferred to profit and loss account	-	-	-	-	(10,265,402)	-	-	(10,265,402)
Net unrealized loss on revaluation of investments classified as available for sale transferred to profit & loss as impairment loss	-	-	-	-	2,755,600	-	-	2,755,600
Net gain on cash flow hedging instruments	-	-	-	-	-	11,634,099	-	11,634,099
	-	-	-	-	9,245,235	11,634,099	26,495,583	47,374,917
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation	-	-	-	1,513,692	-	-	-	1,513,692
Transactions with owner recorded directly in equity-distribution								
Cash dividend @ Rs.3.50 per ordinary share of Rs. 10.00 each for the year ended June 30, 2014	-	-	-	(287,185,255)	-	-	-	(287,185,255)
Balance as at December 31, 2014	820,529,300	448,603,499	866,000,000	644,759,398	18,983,976	(46,456,454)	314,002,916	3,066,422,635
Balance as at July 01, 2015	820,529,300	448,603,499	899,545,177	961,597,991	27,566,224	(35,031,846)	314,209,983	3,437,020,328
Total comprehensive income for the six months period ended December 31, 2015								
Profit for the period	-	-	-	324,950,473	-	-	-	324,950,473
Other comprehensive income								
Exchange difference arising on translation of foreign associates - net of deferred tax	-	-	-	-	-	-	45,991,373	45,991,373
Unrealised loss due to change in fair value of available for sale securities - net	-	-	-	-	(11,014,716)	-	-	(11,014,716)
Unrealised gain due to sale of available for sale securities transferred to profit and loss account	-	-	-	-	-	-	-	-
Net unrealised loss on revaluation of investments classified as available for sale transferred to profit and loss account as impairment loss	-	-	-	-	-	-	-	-
Net gain on cash flow hedging instruments	-	-	-	-	-	18,256,228	-	18,256,228
	-	-	-	-	(11,014,716)	18,256,228	45,991,373	53,232,885
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation	-	-	-	1,513,692	-	-	-	1,513,692
Transactions with owner recorded directly in equity-distribution								
Cash dividend @ Rs.4.50 per ordinary share of Rs. 10.00 each for the year ended June 30, 2015	-	-	-	(369,238,185)	-	-	-	(369,238,185)
Balance as at December 31, 2015	820,529,300	448,603,499	899,545,177	918,823,971	16,551,508	(16,775,618)	360,201,356	3,447,479,193

The annexed notes 1 to 28 form an integral part of this condensed interim financial information.


Shaheen Amin
Chief Executive


Kunwar Idris
Chairman

Notes to and Forming Part of the Condensed Interim Financial Information (Un-audited)

For the half year ended December 31, 2015

1 LEGAL STATUS AND OPERATIONS

ORIX Leasing Pakistan Limited ("the Company") was incorporated in Pakistan as a private limited company on July 1, 1986 under the Companies Ordinance, 1984 and was converted into a public limited company on December 23, 1987. The Company is listed on the Pakistan Stock Exchange. The registered office of the Company is situated at Islamic Chamber of Commerce Building, Clifton, Karachi. The Company is licensed to carry out leasing business as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulations) Rules 2003 issued by the Securities and Exchange Commission of Pakistan (SECP).

- 1.1 Pakistan Credit Rating Agency Limited (PACRA) has assigned long term credit rating of AA+ and short term credit rating of A1+ to the Company on January 14, 2016.

2 BASIS OF PREPARATION

- 2.1 This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountant of Pakistan (ICAP) as are notified under the Companies Ordinance, 1984, the provisions of the Companies Ordinance, 1984, the Non-Banking Finance Companies (Established and Regulations) Rules, 2003 (the "NBFC Rules"), the Non-Banking Finance and Notified Entities Regulations, 2008 (the "NBFC Regulations") and the directives issued by the SECP. In case the requirements differ, the provisions of and directives issued under the Companies Ordinance, 1984, the NBFC regulations, the NBFC Rules and the directives issued by SECP prevail.
- 2.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all of the information required for a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Company for the year ended June 30, 2015.
- 2.3 This condensed interim financial information is unaudited. However, a review has been performed by the external auditors in accordance with the requirements of the Code of Corporate Governance.
- 2.4 The comparative balance sheet presented in this condensed interim financial information has been extracted from the audited financial statements of the Company for the year ended June 30, 2015, whereas the comparative profit and loss account, statement of comprehensive income, statement of changes in equity and cash flow statement are stated from the unaudited condensed interim financial information for the period ended December 31, 2014.
- 2.5 This condensed interim financial information has been presented in Pakistani Rupees, which is the functional currency of the Company.

3 SIGNIFICANT POLICIES, ESTIMATES, ASSUMPTIONS AND CHANGES THEREIN

- 3.1 The accounting policies adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited annual published financial statements of the Company for the year ended June 30, 2015.
- 3.2 The preparation of this condensed interim financial information in conformity with the approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.
- 3.3 The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the audited annual published financial statements for the year ended June 30, 2015.
- 3.4 Standards, interpretations and amendments to published approved accounting standards that are effective in the current period
- 3.4.1 IFRS 13 'Fair Value Measurement' establishes a single framework for measuring fair value and making disclosures about fair value measurements when such measurements are required or permitted by other IFRS. It unifies the definition of fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It replaces and expands the disclosure requirements about fair value measurements in other IFRSs, including IFRS 7 'Financial Instruments: Disclosures'. As a result the company has included additional disclosures in this regard in note 24 to the condensed interim financial information. Notwithstanding the above, the change had no significant impacts on the measurements of the Company's assets and liabilities.
- 3.4.2 Certain amendments to approved accounting standards have been published and are mandatory for the Company's accounting period beginning on or after July 1, 2015. None of these amendments have a significant effect on this condensed interim financial information.

4 RISK MANAGEMENT POLICIES

The financial risk management objectives and policies are consistent with those disclosed in the annual audited published financial statements of the Company for the year ended June 30, 2015.

Notes to and Forming Part of the Condensed Interim Financial Information (Un-audited)

For the half year ended December 31, 2015

5	PROPERTY, PLANT AND EQUIPMENT	December 31, 2015 (Un-audited)	June 30 2015 (Audited)
		Rupees	
	Fixed assets - own use	400,380,451	392,126,268
	Fixed assets - on operating lease	1,081,182,060	1,184,613,802
	Fixed assets - Ijarah finance	170,878,789	185,071,406
		1,652,441,300	1,761,811,476

- 5.1 The following is a statement of cost of additions and disposals to / from property, plant and equipment for the six months period ended December 31, 2015.

	Own Use		Operating lease assets		Asset under Ijarah financing	
	Additions	Disposals	Additions	Disposals	Additions	Disposals
	Rupees					
Generators / Machinery	-	-	8,417,192	30,314,770	30,540,000	-
Generators accessories	-	-	1,538,433	-	-	-
Leasehold improvements	4,859,505	36,933	-	-	-	-
Furniture, fittings and office equipment	13,599,243	8,034,000	-	-	-	-
Computers and accessories	4,932,910	1,769,000	-	-	-	-
Communication equipment	-	-	16,599,890	160,000	-	-
Vehicles	19,776,658	19,862,422	-	3,365,500	11,064,000	19,035,500
December 31, 2015	43,168,316	29,702,355	26,555,515	33,840,270	41,604,000	19,035,500
December 31, 2014	20,272,165	9,837,423	23,271,074	31,741,628	53,759,000	3,023,000

6	INTANGIBLE ASSETS	Note	December 31, 2015 (Un-audited)	June 30 2015 (Audited)
			Rupees	
	Computer software and license		4,907,123	8,631,456

- 6.1 During the period additions amounting to Rs 585,810 (December 2014:Rs nil) were made to intangibles by the company. No disposals were made during the period.

7 NET INVESTMENT IN FINANCE LEASE

Instalment contract receivables	18,048,772,381	17,062,648,835
Residual value	7,575,324,525	6,808,120,022
	25,624,096,906	23,870,768,857
Less: Unearned finance income	3,026,773,679	3,046,820,480
	22,597,323,227	20,823,948,377

8 LONG TERM INVESTMENTS

Held to maturity investments :			
Pakistan investment bonds (PIBs)	8.1	14,525,695	14,404,648
Term finance certificates (TFCs) - Unlisted	8.2	2,570,628	3,265,627
		17,096,323	17,670,275
Less: Allowance for potential losses		2,570,628	3,265,627
		14,525,695	14,404,648

- 8.1 This investment has been made as required under Regulation 14(4)(g) of the Non Banking Finance Companies and Notified Entities Regulations, 2008 to maintain liquidity against certificates of deposit. This is redeemable within a period of 1.5 years (June 2015: 2 years) from the balance sheet date, carrying coupon rate of 9.60% (June 2015: 9.60%) per annum due half yearly from the date of issue.

- 8.2 This represents investment made by the Company in unlisted Term Finance Certificates (TFCs). The exposure against these TFCs has been fully provided.

Notes to and Forming Part of the Condensed Interim Financial Information (Un-audited)

For the half year ended December 31, 2015

9	CURRENT MATURITY OF NON-CURRENT ASSETS	Note	December 31, 2015 (Un-audited)	June 30 2015 (Audited)
			Rupees	
	Current maturity of :			
	Net investment in finance lease		9,500,304,557	8,746,722,525
	Long term finances and loans		1,393,897,268	1,219,379,172
			10,894,201,825	9,966,101,697

10 SHORT TERM INVESTMENTS

	Held to maturity investment :			
	Certificates of deposit		-	708,602
	At fair value through profit and loss :			
	Treasury bills	10.1	530,127,848	463,531,798
	Term finance certificates	10.2	15,335,790	18,992,047
			545,463,638	482,523,845
	Available-for-sale :			
	Pakistan investment bonds (PIBs)	10.3	606,618,771	616,133,538
	Ordinary shares		15,059,667	15,285,526
			621,678,438	631,419,064
	Loans and receivables :			
	Fund placements		-	334,183
	Less: Allowance for potential losses		8,000,527	9,043,312
			1,159,141,549	1,105,942,382

10.1 These represent investments made as required under Regulation 14(4)(g) of the NBFC Regulations to maintain liquidity against certificates of deposit. These are redeemable within a period of 12 months (June 2015: 12 months) from the balance sheet date. These carry yields ranging from 6.05% to 7.1663% (June 2015: 6.73% to 8.33%).

10.2 These represent investments made by the Company in Term Finance Certificates (TFCs). These investments carry markup upto 6 months KIBOR + 2.4% (June 2015: upto 6 month KIBOR + 2.4%).

10.3 These represent investments made as required under Regulation 14(4)(g) of the NBFC Regulations to maintain liquidity against certificates of deposit. These are highly liquid and can be sold in the secondary market at any time. These carry coupon rate ranging from 11.25% to 11.50% (June 2015: 11.25% to 11.50%).

11 ASSETS CLASSIFIED AS HELD FOR SALE

	Non current assets pertaining to E-business	11.1	32,000,000	-
	Investment in associated undertaking	11.2	87,754,399	87,754,399
	Reposessed assets		5,751,887	3,547,810
			125,506,286	91,302,209

11.1 Fixed and intangible assets having a book value of Rs 57,372,051 and Rs 399,840 respectively as at December 31, 2015 have been measured at fair value less cost to sell, i.e Rs 32 million, in accordance with the requirements of IFRS 5 " Non-current assets held for sale and discontinued operations"

11.2 The management intends to divest the Company's investment in OPP (Private) Limited, subject to necessary regulatory approvals.

12 LONG TERM FINANCES - secured

	Long term finances utilised under mark-up arrangements - financial institutions		7,661,260,687	8,033,455,235
	Less: Unamortised transaction cost		24,206,687	31,503,031
	Less: Current maturity	15	3,502,316,682	3,294,389,094
			3,526,523,369	3,325,892,125
			4,134,737,318	4,707,563,110

Notes to and Forming Part of the Condensed Interim Financial Information (Un-audited)

For the half year ended December 31, 2015

13 LONG TERM LOANS

Name of lending institution	Commencement of repayment	Mode of loan repayment	Rate	December 31, 2015 (Un-audited)	June 30 2015 (Audited)
				Rupees	
Secured :					
Pakistan Poverty Alleviation Fund	June 28, 2013	11 quarterly instalments	KIBOR+1.50%	-	120,299,248
Unsecured :					
ECO Trade and Development Bank	January 7, 2013	7 equal semi annual instalments	US\$ six month LIBOR+1.50%	149,714,373	290,571,518
Total long term loans				149,714,373	410,870,766
Less: Current maturity (note 15)				149,714,373	410,870,766
				-	-

14 SHORT TERM BORROWINGS

		December 31, 2015 (Un-audited)	June 30 2015 (Audited)
14	SHORT TERM BORROWINGS	Note	Rupees
From banking Companies :			
	Running finance arrangements - secured	1,337,052,997	884,301,394
	Short term loans - secured	1,130,000,000	-
		2,467,052,997	884,301,394

15 CURRENT MATURITY OF NON-CURRENT LIABILITIES

Current maturity of :			
Long term finances	12	3,502,316,682	3,294,389,094
Long term loans	13	149,714,373	410,870,766
Long term certificates of deposit		1,081,353,226	921,967,140
Long term deposits		1,716,534,622	1,566,589,081
		6,449,918,903	6,193,816,081

16 CONTINGENCIES AND COMMITMENTS

- 16.1 In November 2011, the Company received a show cause notice from the Large Taxpayers Unit of the Federal Board of Revenue (FBR) Karachi as to why Federal Excise Duty (FED) on mark-up and other income for the years ended June 30, 2008, 2009 and 2010 amounting to Rs. 1,126 million along with applicable penalty and default surcharge should not be recovered from the Company. The Company's legal advisor is of the opinion that charging of FED on mark-up based income is unlawful and accordingly the Company filed a suit before the Honorable High Court of Sindh challenging levy of FED on mark-up income. The Honorable High Court of Sindh in its order dated November, 19th, 2015 directed FBR to issue the notice of hearing and thereafter decide the matter. The Honorable High Court of Sindh further directed that recovery shall not be affected till the decision is made. Subsequent to the said order no notice from FBR for hearing has been received. Management, based on the merit of the case, consider that decision will be in the Company's favor hence no provision has been made in this regard.
- 16.2 There were no changes in the status of contingencies as disclosed in the note 31 to the financial statements for the year ended June 30, 2015 except as disclosed in note 16.1.
- 16.3 Finance lease and Ijarah contracts committed but not executed at the balance sheet date amounted to Rs 28.59 million (June 2015: Rs 28 million)

		Half year ended	
		December 31, 2015 (Un-audited)	December 31, 2014 (Un-audited)
		Rupees	
17	INCOME FROM OPERATING LEASE		
	Generators and Vehicles	216,445,219	309,347,837
	Islamic Finance	68,284,195	55,811,650
		284,729,414	365,159,487

Notes to and Forming Part of the Condensed Interim Financial Information (Un-audited)

For the half year ended December 31, 2015

18 SHARE OF PROFIT OF EQUITY ACCOUNTED UNDERTAKINGS

Name of associates	Note	Half year ended December 31, 2015		Half year ended December 31, 2014	
		Associates' profit / (loss) after tax	Share of associates' profit / (loss) after tax	Associates' profit / (loss) after tax	Share of associates' profit / (loss) after tax
		(Un-audited)		(Un-audited)	
Rupees					
Quoted					
Oman ORIX Leasing Company SAOG		730,364,665	85,026,862	659,829,757	76,815,401
		730,364,665	85,026,862	659,829,757	76,815,401
Un-Quoted					
Saudi ORIX Leasing Company		1,281,716,167	24,673,036	1,583,860,822	30,489,321
Al Hail ORIX Finance PSC		(69,568,516)	(2,087,055)	429,493,272	12,884,799
SK Leasing JSC		-	-	-	-
ORIX Leasing Egypt SAE		86,555,265	19,907,711	74,822,275	17,209,123
		1,298,702,916	42,493,692	2,088,176,369	60,583,243
		2,029,067,581	127,520,554	2,748,006,126	137,398,644

18.1 The Company has suspended recognising share of profit on the said investment due to significant impediments in repatriation of capital / investment. However, the Company received a dividend of Rs 7,094,574, during the period.

	Half year ended	
	December 31, 2015	December 31, 2014
	(Un-audited)	(Un-audited)
Rupees		
19 FINANCE COST		
Interest / mark-up on :		
- Long term finances	340,389,972	325,748,761
- Long term loans	9,400,521	41,926,412
- Short term borrowings	42,550,075	63,448,821
Profit on certificates of deposit	413,231,452	407,376,458
Amortisation of transaction costs	7,296,344	9,188,088
Bank charges and commission	14,301,100	8,997,779
	827,169,464	856,686,319

20 OTHER PROVISIONS - NET

(Reversal) / provision for other receivable	(22,489,408)	23,306,644
Provision for workers' welfare fund	9,000,000	8,000,000
Impairment on available for sale securities	-	2,755,600
Reversal of provision for potential losses on investments	(1,737,786)	(1,050,000)
	(15,227,194)	33,012,244

21 TAXATION

21.1 The tax charge for the current period has been made under the provisions of the Alternate Corporate Tax under Section 113C of the Income Tax Ordinance, 2001. The deferred tax calculated using the statutory rate of taxation has been charged to the profit and loss account.

Notes to and Forming Part of the Condensed Interim Financial Information (Un-audited)

For the half year ended December 31, 2015

	Half year ended	
	December 31, 2015 (Un-audited)	December 31, 2014 (Un-audited)
22 PROFIT / (LOSS) AFTER TAXATION FROM DISCONTINUED OPERATIONS	Rupees	
Income from operations	98,839,567	118,988,446
Direct cost	(61,136,777)	(63,035,878)
Administrative and general expenses	(23,973,053)	(22,572,562)
Impairment loss on e-business assets	(30,670,015)	-
Provision against debtors	-	(5,895,366)
(Loss) / profit before taxation	(16,940,278)	27,484,640
Taxation - net	2,879,847	(4,672,389)
(Loss) / profit after taxation from discontinued operations	(14,060,431)	22,812,251

The Company will be exiting its e-business segment in the near future. This business is not aligned to the Company's strategic objective of concentrating on its core leasing business. The existing technology available with the Company is obsolete and revenues are expected to decline further in the near future unless significant additional investment is made. In view of the above, an impairment loss of Rs.30.67 million has been recognized on the Company's e-business assets and these have been classified as held for sale at recoverable value.

23 SEGMENT INFORMATION

The Company has two primary reporting segments namely, 'Finance lease' and 'Operating lease', based on the nature of business and the related risks and returns associated with these segments. The finance lease operations are primarily for long term leases of movable assets to corporate entities and individuals, while under operating lease, the Company provides assets on short term rentals. Investment Financial Services represents ORIX Investment Bank Limited's assets and liabilities and related profit and loss expenses after amalgamation with ORIX Leasing Pakistan Limited. Segment results for the Company's Micro Finance operation are also disclosed separately. Other operations, which are not deemed by management to be sufficiently significant to disclose as separate items and do not fall in to the above segment categories, are reported under "Investment in associates, loans and others".

	Finance lease	Operating lease	Investment in associates, loans and others	Leasing business total	Micro Finance	Investment financial services	Total
	Rupees						
Segment analysis for the half year ended December 31, 2015 - (Unaudited)							
Segment revenues	1,153,889,716	383,568,981	272,148,095	1,809,606,792	72,382,915	246,804	1,882,236,511
Share of profit of equity accounted undertakings	-	-	127,520,554	127,520,554	-	-	127,520,554
Total segment revenue	1,153,889,716	383,568,981	399,668,649	1,937,127,346	72,382,915	246,804	2,009,757,065
Administrative and general expenses	(137,569,789)	(34,675,700)	(7,150,483)	(179,395,972)	(28,372,517)	-	(207,768,489)
Direct cost of lease	(7,429,103)	(261,306,453)	-	(268,735,556)	-	-	(268,735,556)
Allowance for potential lease other loan losses - net	(23,057,319)	-	(26,610,019)	(49,667,338)	(70,866)	-	(49,738,204)
Impairment loss on e-business assets	-	(30,670,015)	-	(30,670,015)	-	-	(30,670,015)
Reversal of provision	-	20,389,408	1,403,603	21,793,011	-	2,434,183	24,227,194
Segment result	985,833,505	77,306,221	367,311,750	1,430,451,476	43,939,532	2,680,987	1,477,071,995
Provision for workers welfare fund	-	-	-	(9,000,000)	-	-	(9,000,000)
Unallocated expenses	-	-	-	(224,652,058)	-	-	(224,652,058)
Result from operating activities	-	-	-	1,196,799,418	43,939,532	2,680,987	1,243,419,937
Finance cost	-	-	-	(813,128,912)	(13,434,297)	(606,255)	(827,169,464)
Provision for taxation	-	-	-	(91,300,000)	-	-	(91,300,000)
Profit for the period	-	-	-	292,370,506	30,505,235	2,074,732	324,950,473
Segment assets and liabilities							
Segment assets	21,906,935,264	1,252,060,849	3,518,475,785	26,677,471,898	409,001,366	13,094,627	27,099,567,891
Investment in equity accounted undertakings	-	-	2,284,473,758	2,284,473,758	-	-	2,284,473,758
Asset classified as held for sale	5,751,887	32,000,000	87,754,399	125,506,286	-	-	125,506,286
Unallocated assets	-	-	-	947,869,983	-	-	947,869,983
Total assets	-	-	-	30,035,321,925	409,001,366	13,094,627	30,457,417,918
Segment liabilities	7,571,128,252	-	-	7,571,128,252	148,085,562	13,094,627	7,732,308,441
Unallocated liabilities	-	-	-	19,166,605,168	-	-	19,166,605,168
Total liabilities	-	-	-	26,737,733,420	148,085,562	13,094,627	26,898,913,609

Notes to and Forming Part of the Condensed Interim Financial Information (Un-audited)

For the half year ended December 31, 2015

	Finance lease	Operating lease	Investment in associates, loans and others	Leasing business total	Micro Finance	Investment financial services	Total
Rupees							
Other information							
Capital expenditure	-	68,159,515	-	68,159,515	1,713,070	-	69,872,585
Depreciation and amortisation	-	118,978,971	-	118,978,971	648,369	-	119,627,340
Unallocated: Capital expenditure	-	-	-	42,041,056	-	-	42,041,056
Depreciation and amortisation	-	-	-	24,624,754	-	-	24,624,754
Segment analysis for the half year ended December 31, 2014 - (Unaudited)							
Segment revenues	1,083,455,953	484,147,933	282,795,076	1,850,398,962	59,201,403	62,538,233	1,972,138,598
Share of profit of equity accounted undertakings	-	-	137,398,644	137,398,644	-	-	137,398,644
Total segment revenue	1,083,455,953	484,147,933	420,193,720	1,987,797,606	59,201,403	62,538,233	2,109,537,242
Administrative and general expenses	(134,649,997)	(37,597,218)	(25,118)	(172,272,333)	(24,909,710)	(801,839)	(197,983,882)
Direct cost of lease	(4,581,739)	(312,194,706)	-	(316,776,445)	-	-	(316,776,445)
Allowance for potential lease other loan losses - net	(69,632,574)	(29,202,010)	(7,488,743)	(106,323,327)	(236,137)	(538,617)	(107,098,081)
Reversal of provision on investment	-	-	713,502	713,502	-	336,498	1,050,000
Segment result	874,591,643	105,153,999	413,393,361	1,393,139,003	34,055,556	61,534,275	1,488,728,834
Provision for workers welfare fund	-	-	-	(8,000,000)	-	-	(8,000,000)
Unallocated expenses	-	-	-	(210,747,281)	-	-	(210,747,281)
Result from operating activities	-	-	-	1,174,391,722	34,055,556	61,534,275	1,269,981,553
Finance cost	-	-	-	(833,565,757)	(18,002,027)	(5,118,535)	(856,686,319)
Provision for taxation	-	-	-	(91,396,087)	-	-	(91,396,087)
Profit for the period				249,429,878	16,053,529	56,415,740	321,899,147
Segment assets and liabilities for the year ended June 30, 2015 (Audited)							
Segment assets	20,102,572,381	1,375,712,515	3,202,785,328	24,681,070,224	386,369,930	37,192,637	25,104,632,791
Investment in equity accounted undertakings	-	-	2,176,352,899	2,176,352,899	-	-	2,176,352,899
Assets classified as held for sale	3,547,810	-	87,754,399	91,302,209	-	-	91,302,209
Unallocated assets	-	-	-	945,359,503	-	-	945,359,503
Total assets				27,894,084,835	386,369,930	37,192,637	28,317,647,402
Segment liabilities	6,804,332,299	-	-	6,804,332,299	120,299,248	37,192,637	6,961,824,184
Unallocated liabilities	-	-	-	17,806,793,882	-	-	17,806,793,882
Total liabilities				24,611,126,181	120,299,248	37,192,637	24,768,618,066
Other information for the half year ended December 31, 2014 (Unaudited)							
Capital expenditure	-	77,030,074	-	77,030,074	1,121,390	-	78,151,464
Depreciation and amortisation	-	129,960,369	-	129,960,369	798,621	-	130,758,990
Unallocated: Capital expenditure	-	-	-	19,150,775	-	-	19,150,775
Depreciation and amortisation	-	-	-	23,830,030	-	-	23,830,030

24 TRANSACTIONS / BALANCES WITH RELATED PARTIES

The following table provides the detail of transactions and balances with related parties. Transactions with related parties are made in accordance with normal market prices. Transactions with key management personnel are in accordance with terms and conditions of their employment contracts.

	Half year ended	
	December 31, 2015 (Un-audited)	December 31, 2014 (Un-audited)
	Rupees	
Transactions during the period		
ORIX Corporation, Japan		
Parent Company		
Dividend Paid	183,113,276	142,421,437

Notes to and Forming Part of the Condensed Interim Financial Information (Un-audited)

For the half year ended December 31, 2015

	Half year ended	
	December 31, 2015 (Un-audited)	December 31, 2014 (Un-audited)
	Rupees	
Saudi Orix Leasing Company		
Associate / Common directorship		
Investment through right shares (2014: 250,000 shares)	-	67,375,000
Consultancy fee received	450,034	-
SK Leasing JSC		
Associate / Common directorship		
Dividend received	7,094,574	8,603,614
Oman ORIX Leasing Company SAOG		
Associate / Common directorship		
Dividend received	71,684,055	-
BOD attendance fee received	341,151	130,091
OPP (Private) Limited		
Common directorship		
Rent paid for serviced apartments	-	38,512
Sui Northern Gas Company Limited		
Common directorship		
Utilities bills payment	5,430	10,170
State life Insurance Corporation of Pakistan		
Common directorship		
Rent and premium payment	6,834,813	4,672,856
Related parties		
Issuance of certificates of deposit **	11,004,668	27,972,860
Redemption of certificates of deposit **	20,900,000	179,851
Amount of profit paid **	2,940,910	1,539,864
ORIX Leasing Pakistan Limited Employees Provident Fund (OLP - EPF)		
Contribution made	10,921,349	10,029,440
ORIX Leasing Pakistan Limited Staff Gratuity Fund (OLP - SGF)		
Contribution made	6,000,008	9,900,000
Compensation of Key Management Personnel		
Remuneration **	72,018,898	61,113,563
Retirement benefits **	5,942,987	5,991,791
	77,961,885	67,105,354
Loan disbursement to key management personnel **	3,938,235	7,493,360
Interest paid by key management personnel **	1,044,150	1,115,736
Principal repaid by key management personnel **	6,090,173	3,485,988

** Key Management personnel include the Chief Executive Officer, Chief Financial Officer, Company Secretary and departmental, divisional, zonal and functional heads. Previously, the Company had considered the Chief Executive Officer and the Chief Financial Officer as Key Management personnel. The comparative information has been restated accordingly.

Notes to and Forming Part of the Condensed Interim Financial Information (Un-audited)

For the half year ended December 31, 2015

	Half year ended	
	December 31, 2015 (Un-audited)	June 30, 2015 (Audited)
	Rupees	
Balances as at period / year end		
Certificates of deposit held - Related parties	62,083,287	71,978,619
Accrued profit on certificates of deposit - Related parties	4,694,128	3,668,637
Loans to Key Management Personnel	36,768,951	37,469,419
Defined benefit payable to ORIX Leasing Pakistan Limited Staff Gratuity Fund	-	849,197

24.1 The Company is a party to Technical Assistance Agreements with its foreign associates, under which the Company renders certain technical services to these foreign associates.

24.2 Internal Audit also provides certain Internal Audit Advisory services to the ORIX Group Companies.

25 CASH AND CASH EQUIVALENTS	Half year ended	
	December 31, 2015 (Un-audited)	December 31, 2014 (Un-audited)
	Rupees	
Cash at bank	166,171,221	105,002,112
Cash in hand	1,448,694	1,261,628
	167,619,915	106,263,740
Running finance arrangements - secured	(1,337,052,997)	(1,201,355,539)
	(1,169,433,082)	(1,095,091,799)

26 FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1 : Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 : Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

Carrying value	December 31, 2015 (un-audited)				
	Fair value				
	Level 1	Level 2	Level 3	Total	
Rupees					
On balance sheet financial instruments					
Financial assets measured at fair value					
- Investments					
At fair value through profit or loss	545,463,638	-	545,463,638	-	545,463,638
Available for sale investments	621,678,438	-	606,618,771	15,059,667	621,678,438
Total	1,167,142,076	-	1,152,082,409	15,059,667	1,167,142,076

Notes to and Forming Part of the Condensed Interim Financial Information (Un-audited)

For the half year ended December 31, 2015

	Carrying value	June 30, 2015 (Audited)			
		Fair value			
		Level 1	Level 2	Level 3	Total
		Rupees			
On balance sheet financial instruments					
Financial assets measured at fair value					
- Investments					
At fair value through profit or loss	482,523,845	-	482,523,845	-	482,523,845
Available for sale investments	631,419,064	-	616,133,538	15,285,526	631,419,064
Total	1,113,942,909	-	1,098,657,383	15,285,526	1,113,942,909

The carrying amounts of all other financial assets and liabilities reflected in the financial statements approximate their fair values.

27 GENERAL

Figures have been rounded off to the nearest rupee.

28 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on February 22, 2016 by the Board of Directors of the Company.


Shaheen Amin
 Chief Executive


Kunwar Idris
 Chairman

OFFICES IN PAKISTAN

Korangi Office

Head Office
ORIX Building, Plot No.16, Sector No.24,
Korangi Industrial Area, Karachi
Tel: 021- 3514 4029-40
Fax: 021- 3514 4002, 3514 4020
UAN: 111 24 24 24
E-mail: olp@orixpakistan.com
Website: www.orixpakistan.com

Registered Office

Islamic Chamber of Commerce Building,
Ground Floor, ST-2/A, Block-9, KDA Scheme
No.5, Clifton, Karachi
Tel :021-3530 3560-64
Fax: 021-3530 3571

Hyderabad

First Floor, State Life Building,
Thandi Sarak, Hyderabad.
Tel: 022-2784143, 2720397
Fax: 022-2785388

Lahore Zone

4-J, Gulberg-III, Near Firdous Market, Lahore
Tel: 042-35842560-1, 35842171, 35842964
Fax: 042-35845974, 35845975

Batapur/Jallo More

Opposite Sooter Mill Stop, Kot Dhoni Chand,
G.T Road, Lahore
Tel: 042-36522931

Kot Abdul Malik

11-K.M. Lahore, Main Sheikhpura Road,
Near Punjab Bank, Kot Abdul Malik, Distt.
Sheikhpura
Tel: 042-37340711

Manga Mandi

Main Multan Road, Madina Market,
Kalma Chowk, Manga Mandi
Tel: 042-35383864

Sharaqpur

Main Lahore Jaranwala Road,
Opposite Government Pilot High School
Sharaqpur Sharif, District Sheikhpura
Tell: 056-2590021

Chunian

W-1-370/26, Shop RH, Cantt Road, Chunian
Tel: 049-4311132

Faisalabad Zone

3rd Floor, Sitara Towers
Bilal Chowk, Civil Lines, Faisalabad
Tel:041-2633926, 2633811-3
Fax 041-2633927

Sargodha

A.R. Tower, Adjacent Q s International Hotel
University Road, Sargodha.
Tel:048-3729521, 3740091
Fax: 048-3729522

Sahiwal

Stadium Road Branch Five Ways Chowk,
Stadium Road, Sahiwal
Tel:040-4227613-4
Fax: 040-4227615

Jhang

Church Road, Near Government Girls Collage
Chowk, Jhang
Tel:047-7650421-2
Fax: 047-7650423

Bhalwal

First Floor, Rehmat Plaza, Mandir Road,
Block No. 3, Bhalwal. District Sargodha
Tel: 048-6644448

Sillanwali

Chaudhary Akhter Market, 46 ADA Road,
Sillanwali, District Sargodha
Tel: 048-6532666

Sahiwal Micro Finance

Main Circular Road, Opposite Kashmiri Gate
Tehsil Sahiwal District, Sargodha
Tel: 048-6785505

Sialkot Zone

First Floor, Ghoolam Kadir Arcade,
Aziz Shaheed Road, Sialkot Cantt.
Tel:052-4260616, 4260877
Fax: 052-4269548

Gujrat

Office No.1, First Floor, Empire Centre,
Opp. Small Industrial Estate Gate No, 1,
G.T. Road, Gujrat
Tel: 053-3515282, 3536953
Fax: 053-3536854

Gujranwala

76-ABC, Block - P, Trust Plaza,
G.T. Road, Gujranwala.
Tel: 055-3731021-22
Fax: 055-3250599

Islamabad Zone

Ground Floor, State Life Building No. 5,
Nizamuddin Road, Blue Area, Islamabad.
Tel:051-2822800-2, 2821706, 2821748, 2821960
Fax: 051-2821917

Rawalpindi

146-B Satellite Town,
Chandni Chowk, Murree Road,
Rawalpindi.
Tel:051-4571431-3, 4571442-3,
Fax:051-4571445

Mirpur A.K.

First Floor, Jarra Plaza,
63/F, Sector F-1,
Kotli Road, Mirpur, A.K.
Tel:05827- 434368, 451219
Fax:05827-432216

Chakwal

Ground Floor, Opposite Sadar Police Station
Talagang Road Chakwal
Tel: 0543-543523-4, 602049
Fax: 0543-602048

Multan Zone

Ground Floor, Trust Plaza, LMQ Road, Multan
Tel:061- 4518431-3, 4518435-6
Fax: 061-4580321

Rahim Yar Khan

20-21, Ground Floor, City Centre Plaza,
Shahi Road, Rahim Yar Khan.
Tel:068- 588565, 5887617-8
Fax: 068-5887610

Bahawalpur

Ground Floor, Near Cantonment Office Board
Ahmed Pur East Road, Bahawalpur
Tel: 062-9255382, 9255494
Fax: 062-2886273

Renala Khurd

Ghalla Minda, Opp. Zaka Hospital,
Renala Khurd, Distt. Okara
Tel: 0442-635185

Pattoki

Faisal Colony, Road,
Near Post Office Pattoki
Tel:049-4422064

Peshawar Zone

Ground Floor, State Life Building
The Mall, Peshawar
Tel: 091- 5278647, 5279789, 5285541,
5285520
Fax: 091-5273389

Abbottabad

Yousaf Jamal Plaza, Near HBL
Mansehra Road, Abbottabad.
Tel: 0992-343888, 343188
Fax: 0992-405856

Mingora

Shop No. 7. Ground Floor, Shahzad Plaza
Saidu Road, Makan Bagh
Mingora Sawat
Cell: 0300-5749249

ORIXPAKISTAN.COM



ORIX Leasing Pakistan Limited

ORIX Building, Plot No. 16, Sector No. 24,
Korangi Industrial Area, Karachi - 74900
Phone: (021) 35144028-40