

FORM – 7

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

CS/S&T/FT/PSX/HYFS-18/19

22nd November, 2019

**FINANCIAL RESULTS
FOR THE SECOND QUARTER ENDED JUNE 30, 2018**

Dear Sir,

1. We have to inform you that the Board of Directors of PIACL in their Meeting held on Thursday, November 21, 2019 at 01:00 P.M. at Karachi, recommended the following:

(i)	CASH DIVIDEND	NIL
(ii)	BONUS SHARES	NIL
(iii)	RIGHT SHARES	NIL
(iv)	ANY OTHER ENTITLEMENT / CORPORATE ACTION	NIL

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

3. The Half Yearly Report of PIACL for the period ended June 30, 2018 will be transmitted through PUCARS separately, within the specified time.

Yours truly,



Muhammad SHUAIB
Company Secretary

Encl: As stated above

PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2018

AS AT JUNE 30, 2018

		June 30 2018 (Un-Audited)	December 31 2017 (Audited) (Restated)	January 01, 2017 (Audited) (Restated)	June 30 2018 (Un-Audited)	December 31 2017 (Audited) (Restated)	January 01, 2017 (Audited) (Restated)
	Note	Rupees in '000			US\$ in '000		
ASSETS							
NON CURRENT ASSETS							
Fixed assets							
- Property, plant and equipment	5	67,493,042	66,828,518	68,828,761	555,304	604,633	656,420
- Intangibles	6	303,474	328,669	7,884	2,497	2,974	75
		67,796,516	67,157,187	68,836,645	557,801	607,607	656,495
Long-term investments		4,586,798	4,587,663	4,569,247	37,738	41,507	43,577
Long-term deposits and prepayments		8,068,136	8,011,052	7,020,724	66,381	72,480	66,957
Total non current assets		80,451,450	79,755,902	80,426,616	661,920	721,594	767,029
CURRENT ASSETS							
Stores and spares	7	3,850,868	3,092,587	2,554,584	31,683	27,980	24,363
Trade debts		9,987,296	11,147,710	9,294,099	82,171	100,859	88,638
Advances		3,139,069	2,640,948	2,154,433	25,827	23,894	20,547
Trade deposits and short term prepay ments		3,095,846	4,109,283	3,891,662	25,471	37,179	37,115
Other receivables	8	6,735,035	6,873,787	8,083,390	55,413	62,191	77,091
Short-term investments		19,220	19,220	19,220	158	174	183
Cash and bank balances	9	2,453,537	4,262,457	3,449,152	20,187	38,565	32,895
Total current assets		29,280,871	32,145,992	29,446,540	240,910	290,842	280,832
TOTAL ASSETS		109,732,321	111,901,894	109,873,156	902,830	1,012,436	1,047,861
EQUITY AND LIABILITIES							
SHARE CAPITAL AND RESERVES							
Issued, subscribed and paid-up share capital	10	52,345,110	52,345,110	52,345,110	430,673	473,594	499,215
Reserves		4,449,838	4,450,703	4,432,287	36,611	40,268	42,271
Surplus on revaluation of property, plant and equipment- net		21,766,190	22,008,745	18,529,680	179,083	199,125	176,718
Accumulated losses		(402,444,859)	(370,276,199)	(319,234,231)	(3,311,145)	(3,350,085)	(3,044,536)
Total Shareholders' Equity		(323,883,721)	(291,471,641)	(243,927,154)	(2,664,778)	(2,637,099)	(2,326,332)
NON CURRENT LIABILITIES							
Long-term financing	11	115,791,664	102,242,919	74,829,943	952,685	925,046	713,653
Term finance and sukuk certificates	12	12,919,773	17,072,007	25,289,606	106,298	154,460	241,187
Liabilities against assets subject to finance lease		1,467,157	1,781,163	5,811,849	12,071	16,115	55,428
Advance from a subsidiary		4,878,134	4,436,041	4,208,390	40,135	40,135	40,135
Deferred liabilities		33,952,727	33,531,987	29,960,940	279,349	303,382	285,737
Total non-current liabilities		169,009,455	159,064,117	140,100,728	1,390,538	1,439,138	1,336,140
CURRENT LIABILITIES							
Trade and other payables	13	157,307,992	138,668,164	119,226,391	1,294,266	1,254,606	1,137,062
Unclaimed dividend - Preference shares		3,297	3,297	3,297	27	30	32
Accrued interest	14	15,853,247	14,586,792	13,320,144	130,434	131,974	127,034
Provision for taxation - net		771,032	760,454	561,255	6,341	6,878	5,353
Short-term borrowings	15	34,818,448	34,358,474	34,351,311	286,471	310,859	327,608
Current maturity of non-current liabilities	16	55,852,571	55,932,237	46,237,184	459,531	506,049	440,964
Total current liabilities		264,606,587	244,309,418	213,699,582	2,177,070	2,210,396	2,038,053
TOTAL LIABILITIES		433,616,042	403,373,535	353,800,310	3,567,608	3,649,534	3,374,193
TOTAL EQUITY AND LIABILITIES		109,732,321	111,901,894	109,873,156	902,830	1,012,436	1,047,861

CONTINGENCIES AND COMMITMENTS

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The annexed notes 1 to 26 form an integral part of this unconsolidated condensed interim financial information.

Chief Executive Officer

Chief Executive Officer

Director

Chief Financial Officer

Chief Financial Officer


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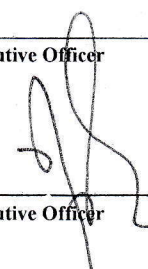
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PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2018

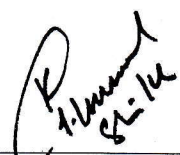
		Six months period ended		Quarter ended		Six months period ended	
		June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
		(Un-Audited)	(Un-Audited) (Restated)	(Un-Audited)	(Un-Audited) (Restated)	(Un-Audited)	(Un-Audited) (Restated)
Note		----- (Rupees in '000) -----				----- (USD in '000) -----	
REVENUE - NET	17	45,590,115	43,075,483	20,231,436	21,121,351	375,096	410,712
COST OF SERVICES							
Aircraft fuel		(19,489,666)	(15,374,880)	(9,976,469)	(7,241,642)	(160,353)	(146,595)
Others	18	(37,338,497)	(36,722,354)	(17,641,968)	(18,609,516)	(307,205)	(350,137)
		(56,828,163)	(52,097,234)	(27,618,437)	(25,851,158)	(467,558)	(496,732)
GROSS (LOSS)		(11,238,048)	(9,021,751)	(7,387,001)	(4,729,807)	(92,462)	(86,020)
Distribution costs		(2,604,690)	(2,641,711)	(1,270,558)	(1,361,702)	(21,430)	(25,188)
Administrative expenses		(3,250,224)	(3,056,616)	(1,487,567)	(1,552,134)	(26,741)	(29,144)
Other provisions and adjustments	19	(710,110)	(1,059,256)	(561,065)	(642,422)	(5,842)	(10,100)
Exchange (loss) / gain - net		(5,839,395)	(14,585)	(3,535,398)	90,596	(48,044)	(139)
Other income		266,779	108,201	249,043	73,096	2,195	1,032
		(12,137,640)	(6,663,967)	(6,605,545)	(3,392,566)	(99,862)	(63,539)
LOSS FROM OPERATIONS		(23,375,688)	(15,685,718)	(13,992,546)	(8,122,373)	(192,324)	(149,559)
Finance costs	20	(8,807,576)	(7,169,223)	(4,626,417)	(3,667,972)	(72,465)	(68,356)
LOSS BEFORE TAXATION		(32,183,264)	(22,854,941)	(18,618,963)	(11,790,345)	(264,789)	(217,915)
Taxation	21	(227,951)	(215,377)	(101,172)	(105,606)	(1,875)	(2,054)
LOSS FOR THE PERIOD		(32,411,215)	(23,070,318)	(18,720,135)	(11,895,951)	(266,664)	(219,969)
LOSS PER SHARE - BASIC AND DILUTED		-----Rupees-----				----- US\$-----	
Loss attributable to:							
'A' class ordinary shares of Rs. 10 each	22	(6.19)	(4.41)	(3.58)	(2.27)	(0.05)	(0.04)
'B' class ordinary shares of Rs. 5 each		(3.10)	(2.20)	(1.79)	(1.14)	(0.03)	(0.02)

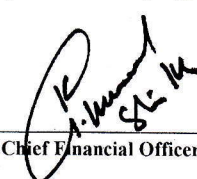
The annexed notes 1 to 26 form an integral part of this unconsolidated condensed interim financial information.


Chief Executive Officer


Chief Executive Officer


Director


Chief Financial Officer


Chief Financial Officer

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PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2018

	Six months period ended		Quarter ended		Six months period ended	
	June 30 2018 (Un-Audited)	June 30 2017 (Un-Audited) (Restated)	June 30 2018 (Un-Audited)	June 30 2017 (Un-Audited) (Restated)	June 30 2018 (Un-Audited)	June 30 2017 (Un-Audited) (Restated)
	Rupees in '000				US\$ in '000	
Loss for the period	(32,411,215)	(23,070,318)	(18,720,135)	(11,895,951)	(266,664)	(219,969)
Other comprehensive income						
Items that will be reclassified subsequently to unconsolidated condensed interim statement of profit or loss						
Unrealised gain on re-measurement of available for sale investments	(865)	3,286	-	(4,495)	(7)	31
Total comprehensive loss for the period	<u>(32,412,080)</u>	<u>(23,067,032)</u>	<u>(18,720,135)</u>	<u>(11,900,446)</u>	<u>(266,671)</u>	<u>(219,938)</u>

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Chief Executive Officer

Chief Executive Officer

Director

Chief Financial Officer

Chief Financial Officer

PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2018

	Issued, subscribed, and paid-up share capital	Capital Reserves						
	Capital reserves	Unrealised gain on remeasurement of investments	Surplus on Revaluation	Sub Total	Revenue reserves	Accumulated losses	Total Reserves	
	(Rupees in '000)							
Balance as at December 31, 2016 as previously reported	52,345,110	2,501,038	151,575	4,752,639	7,405,252	1,779,674	(305,457,190)	(243,927,154)
Effect of change in accounting policy (note 4.1)	-	-	-	13,777,041	13,777,041	-	(13,777,041)	-
Balance as at December 31, 2016 as restated	52,345,110	2,501,038	151,575	18,529,680	21,182,293	1,779,674	(319,234,231)	(243,927,154)
Total comprehensive loss for the six months period ended June 30, 2017:								
Loss for the period	-	-	-	-	-	-	-	-
Other comprehensive income for the period	-	-	3,286	-	3,286	-	(23,070,318)	(23,070,318)
Total comprehensive loss for the period	-	-	3,286	-	3,286	-	(23,070,318)	(23,067,032)
Surplus on revaluation of property, plant and equipment realised during the period on account of incremental depreciation charged thereon - net of tax	-	-	-	(305,458)	(305,458)	-	305,458	-
Balance as at June 30, 2017	52,345,110	2,501,038	154,861	18,224,222	20,880,121	1,779,674	(341,999,091)	(266,994,186)
Balance as at December 31, 2017 as previously reported	52,345,110	2,501,038	169,991	5,620,719	8,291,748	1,779,674	(353,888,173)	(291,471,641)
Effect of change in accounting policy (note 4.1)	-	-	-	16,388,026	16,388,026	-	(16,388,026)	-
Balance as at December 31, 2017 as restated	52,345,110	2,501,038	169,991	22,008,745	24,679,774	1,779,674	(370,276,199)	(291,471,641)
Total comprehensive loss for the six months period ended June 30, 2018:								
Loss for the period	-	-	-	-	-	-	-	-
Other comprehensive loss for the period	-	-	(865)	-	(865)	-	(32,411,215)	(32,411,215)
Total comprehensive loss for the period	-	-	(865)	-	(865)	-	(32,411,215)	(32,412,080)
Surplus on revaluation of property, plant and equipment realised during the quarter ended June 30, 2018 on account of incremental depreciation charged thereon-Net of Tax	-	-	-	(242,555)	(242,555)	-	242,555	-
Balance as at June 30, 2018	52,345,110	2,501,038	169,126	21,766,190	24,436,354	1,779,674	(402,444,859)	(323,883,721)

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Chief Executive Officer

Chief Executive Officer

Director

Chief Financial Officer

Chief Financial Officer

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PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2018

Six months period ended		Six months period ended	
June 30	June 30	June 30	June 30
2018	2017	2018	2017
(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)
	(Restated)		(Restated)
Note -----Rupees in '000-----		-----US\$ in '000-----	

CASH FLOWS FROM OPERATING ACTIVITIES

Cash generated from operations	23	6,063,052	2,821,458	49,884	26,902
Profit on bank deposits received		(9,246)	5,341	(76)	51
Finance costs paid		(7,541,121)	(7,497,395)	(62,045)	(71,485)
Taxes paid		(217,373)	(84,986)	(1,788)	(810)
Staff retirement benefits paid		(1,671,563)	(730,163)	(13,753)	(6,962)
Long-term deposits and prepayments - net		(57,083)	(365,940)	(470)	(3,489)
Net cash used in operating activities		(3,433,334)	(5,851,685)	(28,248)	(55,793)

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment	(3,150,631)	(667,110)	(25,922)	(6,361)
Purchase of Intangibles	(16,858)	(434,629)	(139)	(4,145)
Proceeds from sale of property, plant and equipment	-	14,710	-	140
Net cash used in investing activities	(3,167,489)	(1,087,029)	(26,061)	(10,366)

CASH FLOWS FROM FINANCING ACTIVITIES

Advance from a subsidiary - net	884,186	-	7,275	-
Repayment of long-term financing	(7,494,005)	(12,320,561)	(61,658)	(117,473)
Proceeds from long-term financing	14,682,938	26,083,333	120,805	248,697
Repayment of term finance certificates	(2,923,174)	(4,106,589)	(24,051)	(39,155)
Proceeds from short term borrowings	153,586	1,888,011	1,264	18,002
Repayment of obligations under finance lease	(839,424)	(3,868,735)	(6,906)	(36,887)
Net cash generated from financing activities	4,464,107	7,675,459	36,729	73,184
(Decrease) / increase in cash and cash equivalents	(2,136,716)	736,745	(17,580)	7,025

Cash and cash equivalents at the beginning of the period	1,090,312	(51,125)	8,971	(487)
Effects of exchange rate changes on cash and cash equivalents	-	(414)	-	(4)

Cash and cash equivalents at the end of the period	(1,046,404)	685,206	(8,609)	6,534
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Cash and Cash Equivalents

Cash and bank balances	9	2,453,534	4,211,418	20,187	40,155
Running finance under mark-up arrangements	15	(3,499,938)	(3,526,212)	(28,796)	(33,621)
		(1,046,404)	685,206	(8,609)	6,534

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Chief Executive Officer

Chief Executive Officer

Director

Chief Financial Officer


Chief Financial Officer

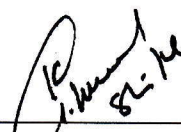
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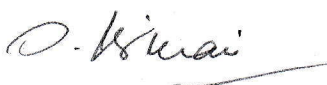
26 DATE OF AUTHORISATION FOR ISSUE


These unconsolidated condensed interim financial information were authorised for issue by the Board of Director in their meeting held on NOV 21, 2019



Chief Executive Officer

Chief Financial Officer

Chief Executive Officer

Director

Chief Financial Officer

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