



## Directors Review Report

The Directors of the Company are pleased to present their review along with the interim financial statements of the Company for the half year ended December 31, 2018.

The Company has earned revenue for the period amounting to Rs. 1,069 million (2017: Rs. 1,108 million) depicting decrease of 4%. The expenses increased by Rs. 41 million which were 7% higher as compared to corresponding period of last year, resulting in net profit before and after tax of Rs. 464 million and Rs. 311 million respectively showing negative variance of 15% each compared to last year's corresponding period results.

The financial performance of the company for the period is summarized below:

Particulars	July to December		Increase / (Decrease)	
	2018	2017	Amount	Percent
Revenue	1,069	1,108	(39)	(4)
Expenses	605	564	41	7
Profit before taxation	464	543	(79)	(15)
Profit after taxation	311	364	(53)	(15)

**Rs. in million**

The management report that CDC is short of budgetary target of profit before tax by 6%. The market performed less than expectation during the period ended December 31, 2018 due to which the transaction fee, custody fee and trustee fee did not meet the budgetary targets. Revenue from securities induction fee, share registrar services and return on investments performed better than budgetary targets and the expenses remained well within the budget.

For and on behalf of the Board

**Badiuddin Akber**  
Chief Executive Officer

Karachi, Dated: Monday, February 18, 2019