

DISCOVERING POSSIBILITIES



HALF YEARLY REPORT 2013

June 30, 2013

Summit  **Bank**

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CORPORATE INFORMATION



Board of Directors.

Mr. Nasser Abdulla Hussain Lootah
Chairman
Mr. Husain Lawai
President and CEO
Mr. Nasim Beg
Director
Mr. Asadullah Khawaja
Director
Mr. M. Farid Uddin
Director
Mr. Shehryar Faruque
Director
Muhammad Zahir Esmail
Director

Audit Committee

Mr. Asadullah Khawaja
Chairman
Mr. Nasim Beg
Member
Mr. Shehryar Faruque
Member

Risk Management Committee

Mr. Nasim Beg
Chairman
Mr. Asadullah Khawaja
Member
Mr. Shehryar Faruque
Member
Mr. Husain Lawai
Member

Human Resource (HR) Committee

Mr. Shehryar Faruque
Chairman
Mr. Nasim Beg
Member
Mr. Asadullah Khawaja
Member
Mr. Husain Lawai
Member

Company Secretary

Mr. Muhammad Raza Wasaya

Auditors

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Legal Advisors

Tahir Ali Tayebi & Co
Hyat & Meerjees

Head Office

Arif Habib Centre, 23 M.T Khan Road
Karachi-74000. Pakistan
UAN: (021) 111-124-725
Fax: 021 32435736

Registered Office

Plot No. 6-B, F-6, Supermarket, Islamabad, Pakistan

Share Registrar

Technology Trade (Pvt) Ltd
Dagia House, 241-C, Block 2, PECHS
off Shahrah-e-Qaideen, Karachi-74000, Pakistan
Tel: (021) 34391316-7
Fax: (021) 34391318

Entity Ratings

Rated by JCR-VIS
Medium to Long term "A-"
Short Term "A-3"

Email: info@summitbank.com.pk
website: www.summitbank.com.pk
Toll Free: 0800-24365



VISION

To be the preferred provider of financial products & services to the markets.

MISSION

- To be a financial institution based on Trust, Integrity and Good Governance.
- To deliver financial solutions to our customers.
- To provide equal opportunities & professional working environment to our employees.
- To provide fair return to our shareholders on their investment.
- To serve the community at large.
- To discharge corporate social responsibility.



DIRECTORS' REPORT

DIRECTORS' REPORT

On behalf of the Board of Directors of Summit Bank Limited, I present the un-audited financial statements of the Bank for the period ended June 30, 2013.

Performance Review

Operational highlights of the Bank for the period under review are:

	June 30, 2013	June 30, 2012
	(Unaudited)	
	Rupees in '000	
Operating loss before provisions and diminution in value of Investments	(1,260,827)	(956,918)
Reversal for non performing advances	215,619	236,509
Reversal / (Provision) for diminution in value of investments	135,170	(2,500)
Bad debts written off directly	(1,109)	(39,511)
Loss before tax	(911,147)	(762,420)
Taxation	(244,025)	(183,344)
Loss after tax	(1,155,172)	(945,764)
Loss per share – Rupees	(1.07)	(0.88)

Despite the phases of mergers / acquisitions, sick portfolios, economic constraints and increasing market competition, the management have managed to stabilize the operational losses and to some extent, the turnaround has started as evident from improvement in the Net Interest Income during the second quarter of 2013. The bank is moving with a focused approach to convert itself into a profitable organization by concentrating on a) recovery of existing Non-Performing Loans b) reducing cost of deposit c) rationalizing operating cost and d) improving revenue streams from Mark up and Non Mark up Income during the second half of 2013.

During the period under review, though deposits recorded nominal decrease of Rs. 539 million (i.e. 0.55%), the management was successful in reducing the cost of deposits and concentration of deposits as detailed below:

- Decrease in cost of deposit approximately by 1% (*Cost: June 2013: 6.30%, December 2012: 7.28%*).
- CASA deposits during the reporting period grew by 23.4% mainly growth coming from increase in Current Account Deposit.
- Contribution of top 10 depositors of the bank went down to 10.06% (*as on June 2013*) as compared to 14.69% as of December 31, 2012.

The Bank remained focused on making recoveries from Non Performing Loans (NPL) and as a result of continuous coordination and concentrated efforts, a substantial amount was recovered from NPL Accounts during the period under review. This helped in reversal of provisions against NPLs upto Rs. 1,896 million which fully absorbed additional provisions made during the period amounting to Rs. 1,681 million (*the additional provision mainly consist of impact of reduction of FSV benefit and downgrading of existing NPLs*) thus providing a net reversal of provision of Rs. 215.62 million.

The bank was also able to attract sufficient import/export and other businesses (e.g. Bancaassurance, Home Remittance etc.) during the period under review which produced increase in Fee, Commission and brokerage income by 22% (*Income: June 2013: Rs. 390 million, June 2012: Rs. 319 million*).

Keeping in view the importance of the technology in current competitive market, the Bank launched Mobile version of existing Internet Banking Services which allowed our customers to avail internet banking services through their Mobile phones with ease.

The bank will continue to offer its customers various products/services in all segments through our 187 Branches and 194 ATMs. The bank introduced Young Bee Saving Accounts specially for young and youth segment of society. The product was very well received by the target market and the bank managed to attract new customers through this product. The bank planned to launch Gold Loan and Prepaid Card in the next half of 2013.

Economic Outlook

The country's economy continues to face challenges of a) energy shortfall b) deteriorating security position and c) floods and rains in most of part of the country. With the smooth transition of power on 5th June 2013, it is expected that the economy will show the sign of improvement as the new government has initiated corrective measures and embark on economic reforms.

DIRECTORS' REPORT

Expatriate Pakistanis continue to remit record sum of remittance under Home Remittance thus helping overcome external finance challenge. It is expected that Foreign Direct Investment will record healthy increase during the coming months as the new government has embarked on attracting foreign investment in energy and infrastructure sector of the country.

Our country is expected to receive IMF Loan of US Dollars 6.6 Billion in coming months to ease the pressure on our foreign exchange reserves which went down due to repayment on account of previous IMF Loan. This will help in stabilizing the exchange rate of Pakistan Rupees against US Dollars and Other currencies

However, on the domestic front, the growth in FBR tax revenues remained sluggish, while expenditures on power subsidies and debt servicing increased sharply.

Minimum Capital Requirement

The State Bank of Pakistan (SBP) vide BSD Circular No. 7 of 2009 dated April 15, 2009 has set the minimum capital requirement (MCR) for banks to Rs.10 billion that is to be achieved in a phased manner by December 31, 2013. The paid up capital of the Bank as of June 30, 2013 amounts to Rs. 10.780 billion while the reserves and accumulated losses on such date are Rs. 1.812 billion and Rs. 7.216 billion respectively. The State Bank of Pakistan has granted final approval to the Bank for the issuance of preference shares amounting to Rs. 2.156 billion. Out of total amount, the Bank has received advance against the said issue of Rs. 930.165 million as of June 30, 2013 and subsequent to period end, the bank has received amount to the extent of Rs. 1.859 billion. The remaining amount will be received shortly.

In addition to the preference shares of Rs. 2.156 billion, the Board of Directors of the Bank has also approved injection of further Capital of Rs. 5 billion by the end of year 2013 from domestic and international market, subject to all regulatory approvals.

In order to comply with the current shortfall in meeting the regulatory capital requirement, the Bank has also applied for extension in MCR requirement to SBP till June 30, 2014 and response of same is awaited.

Credit rating

The medium to long-term rating of the Bank by JCR-VIS, a credit rating Company, is 'A-' whereas short-term rating of the Bank is 'A-3' with a 'Developing' outlook.

Future Outlook

The Bank is focusing to convert itself into a profitable organization in near future and accordingly continued to strengthen its capital base. It will not only help to comply with the Minimum Capital Requirement (MCR) of SBP but also improve Capital Adequacy Ratio (CAR) of the bank (*necessary to conduct various financing/investment activities freely resulting net income to the Bank*). Apart from increase in paid up capital, Bank is also concentrating on increase in yield on advances, further reduction in Cost of Deposits and Administrative cost and increase in trade/other businesses (*to generate sufficient fee income*).

Islamic Banking

The bank has plans to convert itself into a complete Islamic Bank in phased manner in next five years. Accordingly, the bank will commence its Islamic Branches. In this regard, The Bank has completed the planning phase and has also applied to State Bank of Pakistan for approval to commence Islamic Banking Operations.

Subject to regulatory approvals, the Bank, Insha Allah, will commence its Islamic Banking Branches before the end of 2013 across the country offering Shariah compliant products and services to wide range of customers.

Acknowledgements

I, on the behalf of the Board, would like to express gratitude and thanks to the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan for their professional support and guidance. Gratitude is also due to our customers for their confidence and trust that they have reposed in the Bank. I would like to thank our shareholders for their continued patronage and support; and also the management and the staff for their hard work and commitment.

On behalf of Board of Directors

Husain Lawai
President & CEO

Dated: August 29, 2013

Karachi

AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of Summit Bank Limited (the Bank) as at 30 June 2013 and the related unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of cash flows, unconsolidated condensed interim statement of changes in equity and notes to the accounts for the six-month period then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with 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 interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Emphasis of matter

We draw attention to the following matters:

- (i) notes 1.3 and 1.4 to the accompanying unconsolidated condensed interim financial statements, which fully explain the Bank's capital deficiency in terms of the regulatory requirements as prescribed by the State Bank of Pakistan (SBP) and the management's future plans and actions in relation thereto. The said note also indicates the existence of material uncertainties with respect to the recapitalisation of the Bank and, consequently, its sustainability in future; and
- (ii) note 10 to the accompanying unconsolidated condensed interim financial statements relating to deferred tax asset amounting to Rs.5,906.700 (2012: Rs.6,041.513) million. The management has recorded the said asset based upon their assessment of its recoverability, on the basis of financial projections for future years, as approved by the Board of Directors of the Bank, which take into account various assumptions regarding the future business and economic conditions. However, as disclosed in the said note, a significant change in the assumptions used may have an effect on the realisability of the deferred tax asset recorded in the financial statements.

Our conclusion is not qualified in respect of the above matters.

Ernst & Young Ford Rhodes Sidat Hyder

Chartered Accountants

Engagement Partner: Shabbir Yunus

Date: August 29, 2013

Karachi

SUMMIT BANK LIMITED

**UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS**

AS AT JUNE 30, 2013

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2013

		Un-audited June 30, 2013	(Restated note 5.1.1) Audited December 31, 2012
	Note	----- (Rupees in '000) -----	
ASSETS			
Cash and balances with treasury banks		7,832,616	8,110,185
Balances with other banks		1,361,071	3,600,977
Lendings to financial institutions		1,171,500	2,038,500
Investments	7	58,985,823	49,945,062
Advances	8	52,985,953	52,549,154
Operating fixed assets	9	6,193,777	5,405,336
Deferred tax assets - net	10	5,906,700	6,041,513
Other assets		6,782,366	6,694,468
		141,219,806	134,385,195
LIABILITIES			
Bills payable		2,022,018	1,654,302
Borrowings		36,285,431	28,900,432
Deposits and other accounts	11	96,376,947	96,916,430
Sub-ordinated loans		1,498,965	1,499,310
Other liabilities		2,313,261	2,350,576
		138,496,622	131,321,050
NET ASSETS		2,723,184	3,064,145
REPRESENTED BY			
Share capital		10,779,796	10,779,796
Reserves		(1,811,675)	(1,811,675)
Accumulated losses		(7,215,866)	(6,069,740)
Advance against proposed right issue of preference shares	12	930,165	-
		2,682,420	2,898,381
Surplus on revaluation of assets - net of tax		40,764	165,764
		2,723,184	3,064,145
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The annexed notes from 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.

 President &
Chief Executive

Director

Director

Director

UNCONSOLIDATED CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE PERIOD ENDED JUNE 30, 2013

	Quarter Ended June 30, 2013	Quarter Ended June 30, 2012	Half year Ended June 30, 2013	Half year Ended June 30, 2012
Note	----- (Rupees in '000) -----			
Mark-up / return / interest earned	2,452,884	2,780,757	5,030,071	5,581,239
Mark-up / return / interest expensed	(2,312,020)	(2,652,947)	(4,793,346)	(5,325,296)
Net mark-up / interest income	140,864	127,810	236,725	255,943
Reversal of provision against non-performing loans and advances	8.3.1 111,818	94,256	215,619	236,509
Reversal of provision / (provision) for diminution in the value of investments	7.2 194,462	(8,750)	135,170	(2,500)
Bad debts written off directly	8.4 (1,010)	-	(1,109)	(39,511)
	305,270	85,506	349,680	194,498
Net mark-up / interest income after provisions	446,134	213,316	586,405	450,441
NON MARK-UP / INTEREST INCOME				
Fee, commission and brokerage income	215,979	189,742	390,406	319,701
Dividend income	-	48,733	65,761	51,799
Gain from dealing in foreign currencies	110,120	94,743	194,846	191,881
(Loss) / gain on sale of securities - net	14 (49,929)	143,189	(26,547)	178,475
Gain on disposal of operating fixed assets	1,158	18,583	3,545	23,414
Unrealised gain / (loss) on revaluation of investments classified as held-for-trading	2,090	(9,264)	5	(7,493)
Other income	16,556	18,164	46,627	32,173
Total non-mark-up / interest income	295,974	503,890	674,643	789,950
	742,108	717,206	1,261,048	1,240,391
NON MARK-UP / INTEREST EXPENSES				
Administrative expenses	(1,111,884)	(1,016,338)	(2,130,911)	(1,997,456)
Other provisions / write-offs	(19,463)	(668)	(26,424)	(1,138)
Other charges	(9,995)	(1,837)	(14,860)	(4,217)
Total non-mark-up / interest expenses	(1,141,342)	(1,018,843)	(2,172,195)	(2,002,811)
	(399,234)	(301,637)	(911,147)	(762,420)
Extraordinary / unusual items	-	-	-	-
Loss before taxation	(399,234)	(301,637)	(911,147)	(762,420)
Taxation				
Current	(41,920)	(15,563)	(62,947)	(46,800)
Prior years	-	-	-	-
Deferred	(47,116)	(72,127)	(181,078)	(136,544)
	(89,036)	(87,690)	(244,025)	(183,344)
Loss after taxation	(488,270)	(389,327)	(1,155,172)	(945,764)
Basic and diluted loss per share (Rupees)	15 (0.45)	(0.36)	(1.07)	(0.88)

The annexed notes from 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.

President &
Chief Executive

Director

Director

Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE PERIOD ENDED JUNE 30, 2013

	Half year Ended	
	June 30, 2013	June 30, 2012
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(911,147)	(762,420)
Less: Dividend income	(65,761)	(51,799)
	(976,908)	(814,219)
Adjustments:		
Depreciation	274,354	278,183
Amortisation of intangible assets	41,414	33,373
Reversal of provision against non-performing loans and advances	(215,619)	(196,998)
Bad debts directly written off	1,109	39,511
Other provisions / write offs	26,424	1,138
Reversal / charge of provision for diminution in the value of investments	(135,170)	2,500
Unrealised (gain) / loss on revaluation of investments as held-for-trading securities	(5)	7,493
Loss / (gain) on disposal of securities	26,547	(178,475)
Gain on sale of non-banking assets	(2,873)	-
Gain on disposal of operating fixed assets	(3,545)	(23,414)
	12,636	(36,689)
	(964,272)	(850,908)
(Increase) / decrease in operating assets		
Lendings to financial institutions	867,000	848,544
Investments in held-for-trading securities - net	(73,244)	81,135
Advances	5,711	(54,662)
Other assets (excluding advance taxation) - net	(430,186)	(1,215,249)
	369,281	(340,232)
Increase / (decrease) in operating liabilities		
Bills payable	367,716	329,846
Borrowings from financial institutions	7,300,498	1,548,685
Deposits and other accounts	(539,483)	(693,085)
Other liabilities	(37,314)	(540,174)
	7,091,417	645,272
Income tax paid	6,496,426	(545,868)
Net cash generated from / (used in) operating activities	(30,025)	(101,676)
	6,466,401	(647,544)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments in available-for-sale securities - net	(9,014,711)	566,290
Investments in held-to-maturity securities - net	(6,398)	249,755
Dividend received	65,761	47,530
Investment in operating fixed assets	(1,134,582)	(194,080)
Sale proceeds from disposal of property and equipment	11,112	80,687
Sale proceeds from disposal of non-banking assets	80,621	-
Net cash (used in) / generated from investing activities	(9,998,197)	750,182
CASH FLOWS FROM FINANCING ACTIVITIES		
Advance against proposed right issue of preference shares	930,165	-
Repayment of sub-ordinated loans	(345)	(345)
Net cash generated from / (used in) financing activities	929,820	(345)
Decrease in cash and cash equivalents	(2,601,976)	102,293
Cash and cash equivalents at beginning of the period	11,669,898	7,504,682
Cash and cash equivalents at end of the period	9,067,922	7,606,975

The annexed notes from 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.

President &
Chief Executive

Director

Director

Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
 FOR THE PERIOD ENDED JUNE 30, 2013

	Quarter Ended June 30, 2013	Quarter Ended June 30, 2012	Half year Ended June 30, 2013	Half year Ended June 30, 2012
	----- (Rupees in '000) -----			
Loss after taxation	(488,270)	(389,327)	(1,155,172)	(945,764)
Other comprehensive income	-	-	-	-
Total comprehensive loss	<u>(488,270)</u>	<u>(389,327)</u>	<u>(1,155,172)</u>	<u>(945,764)</u>

Surplus / (deficit) on revaluation of 'Available-for-sale securities' and 'Fixed assets' are presented under a separate head below equity as 'surplus / (deficit) on revaluation of assets' in accordance with the requirements specified by the State Bank of Pakistan vide its BSD Circular No. 20 dated August 04, 2000 and the Companies Ordinance, 1984 respectively.

The annexed notes from 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.

**President &
 Chief Executive**

Director

Director

Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE PERIOD ENDED JUNE 30, 2013

	Share capital	Advance against proposed right issue	Share premium account	Discount on issue of shares	Statutory reserve	Reserve arising on amalgamation	Accumulated losses	Total
(Rupees in '000)								
Balance as at January 01, 2012 (as per previously reported)	10,779,796	-	1,000,000	(1,297,298)	64,828	(1,579,205)	(3,392,192)	5,575,929
Effect of change in accounting policy as stated in note 5.2	-	-	-	-	-	-	5,280	5,280
Balance as at January 01, 2012 - (restated)	10,779,796	-	1,000,000	(1,297,298)	64,828	(1,579,205)	(3,386,912)	5,581,209
Total comprehensive income for the half year ended June 30, 2012								
Loss for the period	-	-	-	-	-	-	(945,764)	(945,764)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	-	-	-	-	(945,764)	(945,764)
Balance as at June 30, 2012 - (restated)	10,779,796	-	1,000,000	(1,297,298)	64,828	(1,579,205)	(4,324,622)	4,643,499
Total comprehensive income for the half year ended December 31, 2012 - (restated)								
Loss for the period	-	-	-	-	-	-	(1,787,848)	(1,787,848)
Other comprehensive income for the period	-	-	-	-	-	-	(4,354)	(4,354)
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	-	-	-	-	(1,792,202)	(1,792,202)
Balance as at December 31, 2012 - (restated)	10,779,796	-	1,000,000	(1,297,298)	64,828	(1,579,205)	(6,069,740)	2,898,381
Total comprehensive income for the half year ended June 30, 2013								
Loss for the period	-	-	-	-	-	-	(1,155,172)	(1,155,172)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	-	-	-	-	(1,155,172)	(1,155,172)
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	-	-	-	-	9,046	9,046
Advance against proposed right issue of preference shares	-	930,165	-	-	-	-	-	930,165
Balance as at June 30, 2013	10,779,796	930,165	1,000,000	(1,297,298)	64,828	(1,579,205)	(7,215,866)	2,682,420

The annexed notes from 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.

**President &
Chief Executive**

Director

Director

Director

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2013

1. STATUS AND NATURE OF BUSINESS

- 1.1 Summit Bank Limited (the Bank) was incorporated in Pakistan as public company limited by shares on December 09, 2005 under the Companies Ordinance, 1984. It is listed on all the stock exchanges of Pakistan. Registered office of the Bank is situated at Plot No. 6-B, F-6, Supermarket, Islamabad, Pakistan.
- 1.2 The Bank is principally engaged in the business of banking through its 187 branches (2012: 186 Branches) in Pakistan as defined in the Banking Companies Ordinance, 1962. The medium to long-term rating of the Bank rated by JCR-VIS, credit rating company, is 'A-' whereas short-term rating of the Bank is 'A-3'.
- 1.3 The SBP through its BSD Circular No. 7 dated April 15, 2009 has prescribed that the minimum paid-up capital (net of losses) for Banks / Development Finance Institutions (DFIs) be raised to Rs.10 billion in phased manner by the year ending December 31, 2013. Further, vide its aforesaid Circular, the SBP has prescribed the banks to achieve minimum Capital Adequacy Ratio (CAR) of 10% with effect from December 31, 2009 irrespective of their CAMEL-5 rating, till further instructions. The paid up capital of the Bank (net of losses) as of June 30, 2013 amounted to Rs.2.618 billion and CAR remained below the prescribed level of 10%.

During the period, SBP vide its letter number BPRD/BAID/649/2424/2013 dated March 01, 2013 has allowed the Bank extension in meeting the MCR and CAR requirement till June 30, 2013 and advised the Bank to submit a Board approved capital enhancement plan for meeting the regulatory capital requirement of MCR and CAR, which has been duly submitted to the SBP. Subsequently, the Bank vide its letter dated June 08, 2013 has requested SBP to extend the timeline to comply with minimum capital requirement by June 2014, the response to which is currently awaited.

- 1.4 In view of the above shortfall in meeting the regulatory capital requirements and the financial condition of the Bank, the management and sponsors of the Bank have taken the following steps:
 - During the current period, the State Bank of Pakistan has given the final approval to the Bank vide its letter no. BPRD/BAID/649/3813/2013 dated March 28, 2013 to issue listed convertible, perpetual, irredeemable, non-cumulative preference shares of Rs.2.155 billion as Tier 1 Capital to raise the equity of Bank. The Bank has received advance against the said issue of Rs.930.165 million (including Rs.930 million from their sponsors against their portion) as of June 30, 2013, and subsequent to period end, the Bank has received amount to the extent of Rs.1.859 billion, whereas Rs.0.296 billion are receivable from underwriters in this regard, which will be received by August 31, 2013.
 - The Bank intends to raise further capital of Rs.5 billion in addition to above from domestic and international market to meet the regulatory capital requirements during the year 2013.
 - The management of the Bank has prepared financial projections for a period of seven years for the purpose of setting the future course of action for the Bank. These projections are approved by the Board and envisage additional capital injection through equity into the Bank and indicate future profitable operations based on various assumptions such as growth of deposits and advances, investment returns, recoveries against loan losses, interest rates, cost of funds, etc. Under the said projections, the Bank meets the MCR in the year 2016 and, hence, it has been assumed that necessary relaxation in this regard will be available from the SBP in the future.

Based on the above, the Bank's management and the Board have made an assessment and are satisfied that the Bank has adequate resources to continue its business in the foreseeable future and therefore, have prepared these financial statements on a going concern basis. In making such assessments, the Board has taken into account the material uncertainties with respect to events or conditions that may impact the recapitalisation plan of the Bank and, consequently, its sustainability in the future.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2013

2. BASIS OF PRESENTATION

These unconsolidated interim financial statements are presented in condensed form in accordance with approved accounting standards as applicable in Pakistan for Interim Financial Reporting. These unconsolidated condensed interim financial statements do not include all of the information required for full financial information and should be read in conjunction with the unconsolidated financial statements of the Bank for the year ended December 31, 2012.

3. STATEMENT OF COMPLIANCE

3.1 These unconsolidated condensed interim financial statements of the Bank for the six months ended June 30, 2013 have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting, provisions of the Companies Ordinance, 1984, Banking Companies Ordinance, 1962 and directives issued by the Securities and Exchange Commission of Pakistan (SECP) and the State Bank of Pakistan (SBP). In case where requirements differ, the provisions of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and the said directives have been followed.

3.2 The SBP vide BSD Circular No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 39, Financial Instruments: Recognition and Measurement (IAS 39) and International Accounting Standard 40, Investment Property (IAS 40) for banking companies till further instructions. Further, according to the notification of the SECP dated April 28, 2008, IFRS - 7 "Financial Instruments: Disclosures" has not been made applicable to banks. Accordingly, the requirements of these standards have not been considered in the preparation of the unconsolidated condensed interim financial statements.

4. BASIS OF MEASUREMENT

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention, except that certain investments and derivatives financial instruments have been carried at fair value. All amounts are in Pakistan Rupees which is the functional and presentation currency of the Bank.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 The accounting policies adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the annual unconsolidated financial statements of the Bank for the year ended December 31, 2012, other than those disclosed below:

New standards, interpretations and amendments thereof adopted by the Bank

The Bank has adopted the following amended IFRS which became effective during the period:

Standard or interpretation

IAS 1 – Presentation of Financial Statements – Presentation of Items other comprehensive income (Amendment)

IAS 19 – Employee Benefits (Revised)

The adoption of the above revision, amendments, improvements and interpretation of the standards did not have any effect on the financial statements, other than the amendments to IAS 19 'Employees Benefits' as described in 5.2.

Further, certain new standards have been issued by IASB which are effective for accounting periods beginning on or after January 01, 2013 but are yet to be notified by the SECP for the purpose of applicability in Pakistan.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2013

5.2 Change in accounting policy

The Bank has adopted amendments made to the IAS 19, applicable from January 01, 2013. The significant changes include the following:

- For defined benefit plans, the ability to defer recognition of actuarial gains and losses (i.e., the corridor approach) has been removed. As revised, actuarial gains and losses are recognised in other comprehensive income when they occur. Amounts recorded in profit and loss account are limited to current and past service costs, gains or losses on settlements, and net interest income / expense. All other changes in the net defined benefit asset / liability are recognised in other comprehensive income with no subsequent recycling to profit and loss account.
- The distinction between short-term and other long-term employee benefits will be based on the expected timing of settlement rather than the employee's entitlement to the benefits.
- Objectives for disclosures of defined benefit plans are explicitly stated in the revised standard, along with new or revised disclosure requirements. These new disclosures include quantitative information of the sensitivity of the defined benefit obligation to a reasonably possible change in each significant actuarial assumption.

The adoption of the said amendments has resulted in change in the Bank's accounting policy relating to recognition of actuarial gains and losses to recognise actuarial gains and losses in full in other comprehensive income in the period in which they occur. The changes have been applied retrospectively in accordance with IAS 8 Accounting policies, Changes in Accounting Estimates and Errors, resulting in the restatement of prior year financial information. The financial impact on previous years is as follows:

	(Rs. in '000)
As of January 01, 2012	
Net increase / (decrease) in employees' benefit liability	(5,280)
Net increase / (decrease) in other comprehensive income	5,280
As of December 31, 2012	
Net increase / (decrease) in employees' benefit liability	3,810
Net increase / (decrease) in other comprehensive income	(4,354)
Net increase / (decrease) in profit for the year	544

The effect on loss per share relating to the restatement of 2012 figures is less than Re.0.01.

- 5.3 The financial risk management objectives and policies are consistent with those disclosed in the annual unconsolidated financial statements of the Bank for the year ended December 31, 2012.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The basis for significant accounting estimates and judgments adopted in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of the annual unconsolidated financial statements of the Bank for the year ended December 31, 2012.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2013

7. INVESTMENTS

Note	Un-audited June 30, 2013			Audited December 31, 2012		
	Held by Bank	Given as collateral	Total	Held by bank	Given as collateral	Total
----- (Rupees in '000) -----						
7.1 Investments by types:						
Held-for-trading securities						
Listed Ordinary shares	79,364	-	79,364	6,125	-	6,125
Available-for-sale securities						
Market Treasury Bills	19,351,717	31,842,940	51,194,657	17,297,902	22,778,000	40,075,902
Pakistan Investment Bonds	1,761,287	-	1,761,287	1,157,294	2,537,191	3,694,485
Listed Ordinary shares	3,027,548	-	3,027,548	2,376,774	-	2,376,774
Preference shares	111,168	-	111,168	107,941	-	107,941
Unlisted Ordinary shares	1,000	-	1,000	1,000	-	1,000
Mutual fund units - open end	225,000	-	225,000	1,063,363	-	1,063,363
Term Finance Certificates - listed	335,742	69,860	405,602	395,502	44,919	440,421
Term Finance Certificates - unlisted	1,462,857	-	1,462,857	1,425,727	-	1,425,727
Sukuk Bonds	889,743	-	889,743	905,085	-	905,085
	27,166,062	31,912,800	59,078,862	24,730,588	25,360,110	50,090,698
Held to maturity						
Pakistan Investment Bonds	594,468	-	594,468	588,070	-	588,070
Associate						
Unlisted Ordinary shares	34,998	-	34,998	34,998	-	34,998
Subsidiaries						
Unlisted Ordinary shares	396,942	-	396,942	396,942	-	396,942
Investments at cost	28,271,834	31,912,800	60,184,634	25,756,723	25,360,110	51,116,833
Less: Provision for diminution in the value of investments	7.2 (882,654)	-	(882,654)	(1,017,824)	-	(1,017,824)
Investments - net of provisions	27,389,180	31,912,800	59,301,980	24,738,899	25,360,110	50,099,009
Surplus / (deficit) on revaluation of held-for-trading securities	5	-	5	(5)	-	(5)
(Deficit) / surplus on revaluation of available-for-sale securities	(360,750)	44,588	(316,162)	(442,743)	288,801	(153,942)
Total investments	27,028,435	31,957,388	58,985,823	24,296,151	25,648,911	49,945,062

7.2 Particulars of provision	Un-audited June 30, 2013	Audited December 31, 2012
	----- (Rupees in '000) -----	
Opening balance	1,017,824	1,058,828
Charge for the period	218,966	133,680
Reversal during the period	(354,136)	(174,684)
	(135,170)	(41,004)
Closing balance	882,654	1,017,824

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2013

7.3 Particulars of provision in respect of type and segment	Note	Un-audited	Audited
		June 30, 2013	December 31, 2012
----- (Rupees in '000) -----			
Available-for-sale securities			
Ordinary shares of listed companies	7.4	306,242	188,136
Ordinary shares of unlisted companies		1,000	1,000
Mutual Fund units		-	337,527
Term Finance Certificates - listed		78,332	40,947
Term Finance Certificates - unlisted		136,833	102,442
Sukuk Bonds		162,475	150,000
		684,882	820,052
Subsidiary		197,772	197,772
		882,654	1,017,824

- 7.4 The SBP, vide its letter No. BPRD/BRD-(Policy)/2013-11339 dated July 25, 2013, has permitted banks to maintain provision against classified Term Finance Certificates (TFCs) issued by Agritech Limited at 30% of the required provision and against deficit on revaluation on Ordinary shares of Agritech Limited at 30% (December 31, 2012: 10%) of the identified provision. Accordingly, provision for diminution in value of investment include Rs.74.223 million (December 31, 2012: Rs.24.740 million) against TFCs and Rs.196.566 million (December 31, 2012: Rs.65.270 million) against Ordinary shares of Agritech Limited. The provision amounting to Rs.173.175 million against TFCs and Rs.458.655 million against Ordinary shares of Agritech Limited have not be recorded in these financial statements based upon the above relaxation from SBP.

Note	Un-audited	Audited
	June 30, 2013	December 31, 2012
----- (Rupees in '000) -----		

8. ADVANCES

Loans, cash credits, running finances, etc. - in Pakistan		60,760,378	61,675,373
Net investment in finance lease - in Pakistan	8.2	284,435	285,014
Bills discounted and purchased (excluding Treasury Bills)			
Payable in Pakistan		2,022,568	1,713,160
Payable outside Pakistan		1,996,326	1,268,910
		4,018,894	2,982,070
Advances - gross		65,063,707	64,942,457
Provision against non-performing advances	8.3.1	(12,077,754)	(12,393,303)
Advances - net of provision		52,985,953	52,549,154

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2013**

	Un-audited June 30, 2013	Audited December 31, 2012
	----- (Rupees in '000) -----	
8.1 Particulars of advances		
8.1.1 In local currency	62,903,960	63,451,658
In foreign currencies	2,159,747	1,490,799
	65,063,707	64,942,457
8.1.2 Short-term (upto one year)	56,618,179	56,056,410
Long-term (over one year)	8,445,528	8,886,047
	65,063,707	64,942,457

8.2 Net investment in finance lease - in Pakistan

	Un-audited June 30, 2013				Audited December 31, 2012					
	Later than Not later than one year		one and less than five years	Over five years	Total	Later than Not later than one year		one and less than five years	Over five years	Total
	----- (Rupees in '000) -----									
Lease rentals receivable	106,190	146,446	-	252,636	95,670	168,088	-	263,758		
Residual value	55,691	8,819	-	64,510	46,485	16,599	-	63,084		
Minimum lease payments	161,881	155,265	-	317,146	142,155	184,687	-	326,842		
Financial charges for future periods	(12,302)	(20,409)	-	(32,711)	(11,893)	(29,935)	-	(41,828)		
Present value of minimum lease payments	149,579	134,856	-	284,435	130,262	154,752	-	285,014		

8.3 Advances include Rs.20,627.333 million (December 31, 2012: Rs.23,409.947 million) which have been placed under non-performing status as detailed below:

Category of classification	Un-audited June 30, 2013			Audited December 31, 2012		
	Classified advances	Provision required	Provision held	Classified advances	Provision required	Provision held
	----- (Rupees in '000) -----					
Substandard	620,811	100,794	100,794	915,923	227,787	227,787
Doubtful	960,056	340,148	340,148	3,889,308	780,251	780,251
Loss	19,046,466	11,634,256	11,634,256	18,604,716	11,382,777	11,382,777
	20,627,333	12,075,198	12,075,198	23,409,947	12,390,815	12,390,815

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2013

8.3.1 Particulars of provision against non-performing advances

	Un-audited June 30, 2013			Audited December 31, 2012		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
Opening balance	12,390,815	2,488	12,393,303	12,380,176	1,233	12,381,409
Charge for the period	1,680,594	68	1,680,662	1,938,087	1,255	1,939,342
Reversals	(1,896,281)	-	(1,896,281)	(1,905,703)	-	(1,905,703)
	(215,687)	68	(215,619)	32,384	1,255	33,639
Amount written off	(99,930)	-	(99,930)	(21,745)	-	(21,745)
Closing balance	12,075,198	2,556	12,077,754	12,390,815	2,488	12,393,303

8.3.2 Particulars of provision against non-performing advances

	Un-audited June 30, 2013			Audited December 31, 2012		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
In local currency	12,075,198	2,556	12,077,754	12,390,815	2,488	12,393,303
In foreign currencies	-	-	-	-	-	-
	12,075,198	2,556	12,077,754	12,390,815	2,488	12,393,303

- 8.3.3 Consistent with prior years, the Bank has availed the benefit of Forced Sale Value (FSV) and exemptions of pledged stocks, mortgaged residential and commercial properties (land and building only) held as collateral against the non-performing advances (excluding consumer housing finance portfolio). Had this benefit of FSV not been taken by the Bank, the specific provision against non-performing advances would have been higher by Rs.6,645 million (December 31, 2012: Rs.7,515 million). Further, the Bank has also availed the benefit of certain exemption from Prudential Regulations requiring provision against non performing loans which are given by the State Bank of Pakistan. The aggregate amount of such benefit amounted to Rs.952 million (December 31, 2012: Rs.1,385 million).

The FSV and exemptions benefits recognised will not be available for the distribution of cash and stock dividend to shareholders.

8.4 Particulars of write offs

	Un-audited June 30, 2013	Audited December 31, 2012
	----- (Rupees in '000) -----	
Against provisions	99,930	21,745
Directly charged to profit and loss account	1,109	39,745
	101,039	61,490

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2013

		Un-audited June 30, 2013	Audited December 31, 2012
	Note	----- (Rupees in '000) -----	
9. OPERATING FIXED ASSETS			
Capital work-in-progress	9.1	1,194,326	350,579
Property and equipment	9.2	4,670,002	4,671,543
Intangible assets	9.3	329,449	383,214
		6,193,777	5,405,336
9.1 Capital work-in-progress			
Civil works		88,149	198,059
Advances to suppliers and contractors		60,869	37,210
Advances against purchase of land	9.1.1	950,000	20,000
Advances against computer software		123,163	123,165
Less: Provision thereagainst		(27,855)	(27,855)
		95,308	95,310
		1,194,326	350,579

9.1.1 This represents advance paid for acquisition of a commercial plot at G-2, Block-2, Scheme No. 5, Clifton, Karachi, measuring 4,000 square yards for construction of head office building. The title of the said property is currently in the process of being transferred in the name of the Bank.

	Un-audited June 30, 2013	Audited December 31, 2012
	----- (Rupees in '000) -----	
9.2 Property and equipment		
Book value at beginning of the year	4,671,543	5,303,101
Cost of additions during the period / year	290,236	422,248
Book value of deletions / write offs during the period / year	(17,423)	(528,469)
Depreciation charge for the period / year	(274,354)	(525,337)
Book value at end of the period / year	4,670,002	4,671,543
9.3 Intangible assets		
Book value at beginning of the year	383,214	465,755
Cost of additions during the period / year	599	17,112
Written off during the period	(12,950)	-
Amortization charge for the period / year	(41,414)	(99,653)
Book value at end of the period / year	329,449	383,214

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2013

	Un-audited June 30, 2013	Audited December 31, 2012
10. DEFERRED TAX ASSETS - net	----- (Rupees in '000) -----	
Note		
Deferred debits arising in respect of:		
Provision against non performing loans	2,059,504	2,354,472
Provision for compensated absences	43,573	43,164
Provision against other assets	65,010	63,743
Unused tax losses	4,210,711	4,022,092
Provision for impairment losses	308,930	356,238
	6,687,728	6,839,709
Deferred credits arising in respect of:		
Surplus on revaluation of fixed assets	(98,314)	(102,038)
Difference between accounting and tax written down values	(675,032)	(643,962)
Surplus on revaluation of available for sale securities	(7,682)	(52,196)
	(781,028)	(798,196)
10.1	5,906,700	6,041,513

10.1 The Bank has an aggregate amount of deferred tax asset of Rs.5,906.700 million which represents management's best estimate of the probable benefits expected to be realised in future years in the form of reduced tax liability as the Bank would be able to set off the profits earned in those years against losses carried forward and other taxable temporary differences relating to prior years. The management of the Bank has prepared a seven years' business plan which has been approved by the Board of Directors of the Bank. The business plan involves certain key assumptions underlying the estimation of future taxable profits projected in the plan. The determination of future profits is most sensitive to certain key assumptions such as cost to income ratio of the Bank, deposit composition, growth of deposits and advances, investment returns, potential provision against assets, branch expansion plan, etc. Any significant change in the key assumptions may have an effect on the realisability of the deferred tax asset. The management believes that it is probable that the Bank will be able to achieve the profits projected in the business plan and, consequently, the recorded deferred tax asset will be fully realised in the future.

11. DEPOSITS AND OTHER ACCOUNTS

Customers

	Un-audited June 30, 2013	Audited December 31, 2012
	----- (Rupees in '000) -----	
Fixed deposits	29,855,342	36,804,444
Savings deposits	35,401,141	31,070,072
Current accounts - non-remunerative	24,600,310	19,168,420
Margin accounts	1,898,491	1,580,182
	91,755,284	88,623,118

Financial institutions

Non-remunerative deposits	318,353	381,725
Remunerative deposits	4,303,310	7,911,587
	4,621,663	8,293,312
	96,376,947	96,916,430

11.1 Particulars of deposits

In local currency	91,349,376	92,266,570
In foreign currencies	5,027,571	4,649,860
	96,376,947	96,916,430

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2013

12. ADVANCE AGAINST PROPOSED RIGHT ISSUE OF PREFERENCE SHARES

During the current period, the State Bank of Pakistan has given the final approval to the Bank vide its letter no. BPRD/BAID/649/3813/2013 dated March 28, 2013 to issue listed convertible, perpetual, irredeemable, non-cumulative preference shares of Rs.2.155 billion as Tier 1 Capital to raise the equity of the Bank. The Bank has received advance against the said issue of Rs.930.165 million (including Rs.930 million from their sponsors against their portion) upto June 30, 2013.

13. CONTINGENCIES AND COMMITMENTS

13.1 Direct credit substitutes

Including guarantees and standby letters of credit serving as financial guarantees for loans and securities

	Un-audited June 30, 2013	Audited December 31, 2012
Government	-	-
Financial institutions	-	400,000
Others	336,530	403,873
	336,530	803,873

----- (Rupees in '000) -----

13.2 Transaction-related contingent liabilities / commitments / guarantees issued favouring

Contingent liability in respect of performance bonds, bid bonds, shipping guarantees and standby letters of credit favouring:

Government	2,062,036	3,254,100
Banking companies and other financial institutions	934,592	372,074
Others	5,047,953	3,763,472
	8,044,581	7,389,646

13.3 Trade-related contingent liabilities

Letters of credit	8,626,114	6,196,252
Acceptances	825,013	1,157,134
	9,451,127	7,353,386

13.4 Other contingencies - claims against Bank not acknowledged as debts

	9,045,003	9,723,708
--	------------------	------------------

13.5 Contingent asset

There was no contingent asset as at June 30, 2013 (December 31, 2012: Nil).

13.6 Commitments in respect of forward lending

Forward documentary bills	2,308,983	2,834,502
Commitments to extend credit	10,582,400	9,805,740
	12,891,383	12,640,242

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2013

	Un-audited June 30, 2013	Audited December 31, 2012
	----- (Rupees in '000) -----	
13.7 Commitments in respect of forward exchange contracts		
Purchase	4,350,278	7,633,493
Sale	2,822,082	8,836,456
	7,172,360	16,469,950
13.8 Commitments in respect of purchase and sale of securities		
Purchase of shares	50,599	-
Sale of shares	79,211	-
	129,810	-
13.9 Commitments for capital expenditure		
Civil works (at branches)	15,891	32,488
13.10 Commitments in respect of purchase of rupee traveller cheques	-	1,210
13.11 Taxation		

Status of tax contingencies remained unchanged as disclosed in the annual audited financial statements as of December 31, 2012 except for the following:

- In respect of the tax assessments of ATBL relating to tax years 2003 to 2005, 2007 and 2008, various disallowances have been made by assessing officer including provision against non-performing advances, leasing losses, allocation of expenses against exempt income and amortization of goodwill, intangibles and deferred cost.
- In relation to tax year 2003, the Bank has filed an appeal before ATIR in respect of disallowances of provision for non-performing advances who confirmed the order of CIR(A) against the Bank. Further, the department has filed tax references before the Honourable High Court of Sindh.
- In respect of tax years 2004, 2005, 2007 and 2008 the Bank has filed appeals before CIR(A) in respect of the aforesaid disallowances. In respect of tax year 2004 the CIR(A) has confirmed the order of the officer and the Bank has preferred an appeal before ATIR. The above matters may result in reduction of claimed tax losses and have an aggregate tax impact of Rs.275.36 million. The management of the Bank is confident about the favourable outcome of the appeals and hence, no adjustment with regard to the above matters has been made in the financial statements.

13.12 Other contingencies

In the matter relating to Speedway Fondmetall (Private) Limited (Speedway) as disclosed in note 24.11 to the annual audited financial statements as at December 31, 2012, the Bank has made a further provision of Rs.3.258 million resulting in an aggregate provision of Rs.24.056 million as at the period end. There has been no change in the status of this contingency during the period.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2013

	Un-audited Half year Ended June 30, 2013 ----- (Rupees in '000) -----	Un-audited Half year Ended June 30, 2012
14. (LOSS) / GAIN ON SALE OF SECURITIES - net		
Federal Government Securities		
- Market Treasury Bills	1,309	1,980
- Pakistan Investment Bonds	12,912	-
Listed Ordinary shares	93,493	166,059
Unlisted Ordinary shares	-	10,436
Mutual Fund Units	(134,261)	-
	<u>(26,547)</u>	<u>178,475</u>
15. LOSS PER SHARE - BASIC AND DILUTED		
Loss for the period	<u>(1,155,172)</u>	<u>(945,764)</u>
	----- (Number of shares) -----	
Weighted average number of Ordinary shares	<u>1,077,979,582</u>	<u>1,077,979,582</u>
	----- (Rupees) -----	
Loss per share - Basic and diluted	<u>(1.07)</u>	<u>(0.88)</u>
16. CASH AND CASH EQUIVALENTS		
Cash and balances with treasury banks	7,832,616	8,110,185
Balances with other banks	1,361,071	3,600,977
Overdrawn nostro accounts	(125,765)	(41,264)
	<u>9,067,922</u>	<u>11,669,898</u>
	Un-audited June 30, 2013 ----- (Rupees in '000) -----	Audited December 31, 2012

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2013

17. RELATED PARTY TRANSACTIONS

Bank has related party transactions with its associates, parent company, subsidiary companies, employee benefit plans, its directors and executive officers (including their associates).

Suroor Investments Limited (SIL), parent company, Arif Habib Corporation Limited, a related party and Rupali Bank Limited, Bangladesh, a related party held 554,680,393 (51.46%), 1,000,355 (0.10%) and 32,777,450 (3.04%) [December 31, 2012: 554,680,393 (51.46%), 1,119,355 (0.10%) and 32,777,450 (3.04%)] Ordinary shares in the Bank, respectively.

Details of transactions with the related parties, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

	June 30, 2013 - Un-audited				December 31, 2012 - Audited					
	Key management personnel	Directors	Parent company	Subsidiaries	Associates / other related parties	Key management personnel	Directors	Parent company	Subsidiaries	Associates / other related parties
(Rupees in '000)										
Advances										
Balance at beginning of the year	117,626	-	-	-	110,275	103,665	-	-	18,000	107,967
Sanctioned / granted during the period / year	56,944	-	-	-	758,391	48,155	-	-	-	765,820
Payment received during the period / year	(36,691)	-	-	-	(160,061)	(34,194)	-	-	(18,000)	(763,512)
Balance at end of the period / year	137,879	-	-	-	708,605	117,626	-	-	-	110,275
Deposits										
Balance at beginning of the year	44,192	40,612	-	103,963	56,804	31,770	68,316	-	38,635	60,323
Deposits during the period / year	213,195	1,099,295	-	3,185,438	442,881	483,937	392,851	-	5,071,890	1,067,930
Withdrawal during the period / year	(221,619)	(1,095,806)	-	(3,243,713)	(424,252)	(471,515)	(420,555)	-	(5,006,562)	(1,071,449)
Balance at end of the period / year	35,768	44,101	-	45,688	75,433	44,192	40,612	-	103,963	56,804
Other transaction / balances										
Advance against proposed right issue of preference shares	-	-	930,000	-	-	-	-	-	-	-
Investment in shares - net of provision	-	-	-	199,170	1,069,988	-	-	-	199,170	340,299
Lendings	-	-	-	116,500	-	-	-	-	-	-
Guarantees, letters of credits and acceptances	-	-	-	-	438,938	-	-	-	-	125,753
Other receivables	-	-	27,000	-	6,789	-	-	27,000	-	1,312
Other payables	-	1,282	-	11,301	1,192	-	1,222	-	339	12,310
Mark-up payable	90	249	-	535	188	68	250	-	331	137
Mark-up receivable	-	-	-	7,870	293	465	-	-	-	3,657
(Rupees in '000)										
	June 30, 2013 - Un-audited				June 30, 2012 - Un-audited					
Profit / expense for the period										
Brokerage expenses paid - equity securities	-	-	-	2,836	514	-	-	-	581	-
Rental Income	-	-	-	900	-	-	-	-	450	-
Contribution to employees provident fund	-	-	-	-	32,403	-	-	-	-	27,056
Contribution to employees gratuity fund	-	-	-	-	22,727	-	-	-	-	27,244
Remuneration paid	74,005	-	-	-	-	57,338	-	-	-	-
Post employment benefits	3,128	-	-	-	-	4,677	-	-	-	-
Gain / (loss) on disposal of investments - net	-	-	-	-	3,594	-	-	-	-	9,995
Mark-up earned	2,481	-	-	4,058	17,049	2,321	-	-	1,342	636
Mark-up expensed	451	1,487	-	3,571	1,162	407	748	-	1,819	799
Repair and maintenance charges	-	-	-	-	1,478	-	-	-	-	-
Provision for diminution in value of investments	-	-	-	-	131,044	-	-	-	-	-
Director's fees	-	490	-	-	-	-	420	-	-	-

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2013

18. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on August 29, 2013 by the Board of Directors of the Bank.

19. GENERAL

- 19.1** Figures have been re-arranged and re-classified, wherever necessary, for the purpose of better presentation.
- 19.2** The figures in the unconsolidated condensed interim financial statements have been rounded off to the nearest thousand.
- 19.3** Figures of the profit and loss account for the quarters ended June 30, 2013 and June 30, 2012 have not been subjected to limited scope review by the auditors as they are only required to review half-yearly figures.

**President &
Chief Executive**

Director

Director

Director

SUMMIT BANK LIMITED

**CONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENT**

AS AT JUNE 30, 2013

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2013

		Un-audited June 30, 2013	(Restated note 5.1.1) Audited December 31, 2012
	Note	----- (Rupees in '000) -----	
ASSETS			
Cash and balances with treasury banks		7,832,638	8,110,198
Balances with other banks		1,363,026	3,601,183
Lendings to financial institutions		1,055,000	2,038,500
Investments	7	58,975,143	49,777,088
Advances	8	52,985,953	52,549,154
Operating fixed assets	9	6,263,678	5,470,400
Deferred tax assets - net	10	5,851,621	5,986,434
Other assets		6,873,154	6,756,109
		141,200,213	134,289,066
LIABILITIES			
Bills payable		2,022,018	1,654,302
Borrowings		36,285,431	28,900,432
Deposits and other accounts	11	96,330,759	96,815,372
Sub-ordinated loans		1,498,965	1,499,310
Other liabilities		2,384,250	2,412,125
		138,521,423	131,281,541
NET ASSETS		2,678,790	3,007,525
REPRESENTED BY			
Share capital		10,779,796	10,779,796
Reserves		(1,811,675)	(1,811,675)
Accumulated losses		(7,260,260)	(6,126,360)
Advance against proposed right issue of preference shares	12	930,165	-
		2,638,026	2,841,761
Surplus on revaluation of assets - net of tax		40,764	165,764
		2,678,790	3,007,525
CONTINGENCIES AND COMMITMENTS	13		

The annexed notes from 1 to 19 form an integral part of these consolidated condensed interim financial statements.

 President &
Chief Executive

Director

Director

Director

CONSOLIDATED CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE PERIOD ENDED JUNE 30, 2013

	Quarter Ended June 30, 2013	Quarter Ended June 30, 2012	Half year Ended June 30, 2013	Half year Ended June 30, 2012
	(Rupees in '000)			
Mark-up / return / interest earned	2,449,363	2,781,773	5,022,831	5,580,571
Mark-up / return / interest expensed	(2,310,228)	(2,651,987)	(4,790,069)	(5,323,505)
Net mark-up / interest income	139,135	129,786	232,762	257,066
Reversal of provision against non-performing loans and advances	8.3.1 111,818	88,007	215,619	230,260
Reversal of provision / (provision) for diminution in the value of investments	7.2 194,462	(2,500)	135,170	3,750
Bad debts written off directly	8.4 (1,010)	-	(1,109)	(39,511)
	305,270	85,507	349,680	194,499
Net mark-up / interest income after provisions	444,405	215,293	582,442	451,565
NON MARK-UP / INTEREST INCOME				
Fee, commission and brokerage income	232,234	216,314	416,627	335,156
Dividend income	211	48,733	87,418	51,799
Gain from dealing in foreign currencies	110,120	94,743	194,846	191,881
(Loss) / gain on sale of securities - net	14 (51,515)	143,189	(28,133)	178,475
Gain on disposal of operating fixed assets	1,158	13,738	3,609	18,569
Unrealised gain / (loss) on revaluation of investments classified as held-for-trading	40,028	236	(19,090)	2,007
Other income	16,833	1,422	46,779	32,950
Total non-mark-up / interest income	349,069	518,375	702,056	810,837
	793,474	733,668	1,284,498	1,262,402
NON MARK-UP / INTEREST EXPENSES				
Administrative expenses	(1,123,568)	(1,032,342)	(2,154,039)	(2,023,777)
Other provisions / write-offs	(19,488)	(668)	(26,449)	(1,138)
Other charges	(9,950)	(1,837)	(14,860)	(4,217)
Total non-mark-up / interest expenses	(1,153,006)	(1,034,847)	(2,195,348)	(2,029,132)
	(359,532)	(301,179)	(910,850)	(766,730)
Share of profit of associate	3,586	-	16,367	-
	(355,946)	(301,179)	(894,483)	(766,730)
Extra ordinary / unusual items	-	-	-	-
Loss before taxation	(355,946)	(301,179)	(894,483)	(766,730)
Taxation				
Current	(45,546)	(16,188)	(67,385)	(48,010)
Prior years	-	-	-	-
Deferred	(47,116)	(72,127)	(181,078)	(136,544)
	(92,662)	(88,315)	(248,463)	(184,554)
Loss after taxation	(448,608)	(389,494)	(1,142,946)	(951,284)
Basic and diluted loss per share (Rupees)	15 (0.42)	(0.36)	(1.06)	(0.88)

The annexed notes from 1 to 19 form an integral part of these consolidated condensed interim financial statements.

 President &
Chief Executive

Director

Director

Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE PERIOD ENDED JUNE 30, 2013

	Note	Half year Ended	
		June 30, 2013	June 30, 2012
		----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(894,483)	(766,730)
Less: Dividend income		(87,418)	(51,799)
		(981,901)	(818,529)
Adjustments:			
Depreciation		276,019	278,183
Amortisation of intangible assets		41,568	33,373
Reversal of provision against non-performing loans and advances		(215,619)	(190,749)
Bad debts directly written off		1,109	39,511
Other provisions / write offs		26,449	1,138
Reversal / charge of provision for diminution in the value of investments		(135,170)	3,750
Unrealised (gain) / loss on revaluation of investments as held-for-trading securities		19,090	2,007
Share of profit from associate		(16,367)	-
Loss / (gain) on disposal of securities		28,133	(178,475)
Gain on sale of non-banking assets		(2,873)	-
Gain on disposal of operating fixed assets		(3,609)	(23,414)
		18,730	(34,676)
		(963,171)	(853,205)
(Increase) / decrease in operating assets			
Lendings to financial institutions		983,500	848,544
Investments in held-for-trading securities - net		(233,266)	66,635
Advances		5,711	(21,677)
Other assets (excluding advance taxation) - net		(458,771)	(1,225,674)
		297,174	(332,172)
Increase / (decrease) in operating liabilities			
Bills payable		367,716	329,846
Borrowings from financial institutions		7,300,498	1,548,685
Deposits and other accounts		(484,613)	(689,554)
Other liabilities		(27,874)	(517,109)
		7,155,727	671,868
Income tax paid		6,489,730	(564,534)
		(35,025)	(103,328)
Net cash generated from / (used in) operating activities		6,454,705	(667,862)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investments in available-for-sale securities - net		(9,016,078)	572,540
Investments in held-to-maturity securities - net		(6,398)	249,755
Dividend received		87,418	47,530
Investment in operating fixed assets		(1,143,208)	(192,977)
Sale proceeds from disposal of property and equipment		13,121	86,391
Sale proceeds from disposal of non-banking assets		80,621	-
Net cash (used in) / generated from investing activities		(9,984,524)	763,239
CASH FLOWS FROM FINANCING ACTIVITIES			
Advance against proposed right issue of preference shares		930,165	-
Repayment of sub-ordinated loans		(345)	(345)
Net cash generated from / (used in) financing activities		929,820	(345)
Decrease in cash and cash equivalents		(2,599,999)	95,032
Cash and cash equivalents at beginning of the period		11,669,898	7,511,955
Cash and cash equivalents at end of the period	16	9,069,899	7,606,987

The annexed notes from 1 to 19 form an integral part of these consolidated condensed interim financial statements.

 President &
Chief Executive

Director

Director

Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2013

	Quarter Ended June 30, 2013	Quarter Ended June 30, 2012	Half year Ended June 30, 2013	Half year Ended June 30, 2012
	----- (Rupees in '000) -----			
Loss after taxation	(448,608)	(389,494)	(1,142,946)	(951,284)
Other comprehensive income	-	-	-	-
Total comprehensive loss	<u>(448,608)</u>	<u>(389,494)</u>	<u>(1,142,946)</u>	<u>(951,284)</u>

Surplus / (deficit) on revaluation of 'Available-for-sale securities' and 'Fixed assets' are presented under a separate head below equity as 'surplus / (deficit) on revaluation of assets' in accordance with the requirements specified by the State Bank of Pakistan vide its BSD Circular No. 20 dated August 04, 2000 and the Companies Ordinance, 1984 respectively.

The annexed notes from 1 to 19 form an integral part of these consolidated condensed interim financial statements.

**President &
Chief Executive**

Director

Director

Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE PERIOD ENDED JUNE 30, 2013

	Share capital	Advance against proposed right issue	Share premium account	Discount on issue of shares	Statutory reserve	Reserve arising on amalgamation	Accumulated losses	Total
(Rupees in '000)								
Balance as at January 01, 2012 (as per previously reported)	10,779,796	-	1,000,000	(1,297,298)	64,828	(1,579,205)	(3,465,687)	5,502,434
Effect of change in accounting policy as stated in note 5.2	-	-	-	-	-	-	5,280	5,280
Balance as at January 01, 2012 - (restated)	10,779,796	-	1,000,000	(1,297,298)	64,828	(1,579,205)	(3,460,407)	5,507,714
Total comprehensive income for the half year ended June 30, 2012								
Loss for the period	-	-	-	-	-	-	(951,284)	(951,284)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	-	-	-	-	(951,284)	(951,284)
	-	-	-	-	-	-	8,054	8,054
Balance as at June 30, 2012 - (restated)	10,779,796	-	1,000,000	(1,297,298)	64,828	(1,579,205)	(4,403,637)	4,564,484
Total comprehensive income for the half year ended December 31, 2012 - (restated)								
Loss for the period	-	-	-	-	-	-	(1,765,453)	(1,765,453)
Other comprehensive income for the period	-	-	-	-	-	-	(4,354)	(4,354)
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	-	-	-	-	(1,769,807)	(1,769,807)
	-	-	-	-	-	-	47,084	47,084
Balance as at December 31, 2012 - (restated)	10,779,796	-	1,000,000	(1,297,298)	64,828	(1,579,205)	(6,126,360)	2,841,761
Total comprehensive income for the half year ended June 30, 2013								
Loss for the period	-	-	-	-	-	-	(1,142,946)	(1,142,946)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	-	-	-	-	(1,142,946)	(1,142,946)
	-	-	-	-	-	-	9,046	9,046
Advance against proposed right issue of preference shares	-	930,165	-	-	-	-	-	930,165
Balance as at June 30, 2013	10,779,796	930,165	1,000,000	(1,297,298)	64,828	(1,579,205)	(7,260,260)	2,638,026

The annexed notes from 1 to 19 form an integral part of these consolidated condensed interim financial statements.

**President &
Chief Executive**

Director

Director

Director

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2013

1. STATUS AND NATURE OF BUSINESS

- 1.1 The Group comprises of Summit Bank Limited - the holding company (the Bank) and Summit Capital (Private) Limited (SCPL) - a wholly owned subsidiary. The ultimate holding company of the Group is Suroor Investments Limited, (SIL) a company incorporated in Mauritius.
- 1.2 Summit Bank Limited (the Bank) was incorporated in Pakistan as public company limited by shares on December 09, 2005 under the Companies Ordinance, 1984. It is listed on all the stock exchanges of Pakistan. Registered office of the Bank is situated at Plot No. 6-B, F-6, Supermarket, Islamabad, Pakistan.
- 1.3 The Bank is principally engaged in the business of banking through its 187 branches (2012: 186 Branches) in Pakistan as defined in the Banking Companies Ordinance, 1962. The medium to long-term rating of the Bank rated by JCR-VIS, credit rating company, is 'A-' whereas short-term rating of the Bank is 'A-3'.
- 1.4 SCPL, the subsidiary company was incorporated in Pakistan on March 08, 2006 under the Companies Ordinance, 1984. The subsidiary company is a corporate member of Karachi Stock Exchange (Guarantee) Limited, Lahore Stock Exchange (Guarantee) Limited, Islamabad Stock Exchange (Guarantee) Limited and Pakistan Mercantile Exchange Limited (formerly National Commodity Exchange Limited). The principal activities of the subsidiary company are equity and money market brokerage, advisory and consultancy services.
- 1.5 The SBP through its BSD Circular No. 7 dated April 15, 2009 has prescribed that the minimum paid-up capital (net of losses) for Banks / Development Finance Institutions (DFIs) be raised to Rs.10 billion in phased manner by the year ending December 31, 2013. Further, vide its aforesaid Circular, the SBP has prescribed the banks to achieve minimum Capital Adequacy Ratio (CAR) of 10% with effect from December 31, 2009 irrespective of their CAMEL-S rating, till further instructions. The paid up capital of the Bank (net of losses) as of June 30, 2013 amounted to Rs.2.618 billion and CAR remained below the prescribed level of 10%.

During the period, SBP vide its letter number BPRD/BAID/649/2424/2013 dated March 01, 2013 has allowed the Bank extension in meeting the MCR and CAR requirement till June 30, 2013 and advised the Bank to submit a Board approved capital enhancement plan for meeting the regulatory capital requirement of MCR and CAR, which has been duly submitted to the SBP. Subsequently, the Bank vide its letter dated June 08, 2013 has requested SBP to extend the timeline to comply with minimum capital requirement by June 2014, the response to which is currently awaited.

- 1.6 In view of the above shortfall in meeting the regulatory capital requirements and the financial condition of the Bank, the management and sponsors of the Group have taken the following steps:
 - During the current period, the State Bank of Pakistan has given the final approval to the Bank vide its letter no. BPRD/BAID/649/3813/2013 dated March 28, 2013 to issue listed convertible, perpetual, irredeemable, non-cumulative preference shares of Rs.2.155 billion as Tier 1 Capital to raise the equity of Bank. The Bank has received advance against the said issue of Rs.930.165 million (including Rs.930 million from their sponsors against their portion) as of June 30, 2013, and subsequent to period end, the Bank has received amount to the extent of Rs.1.859 billion, whereas Rs.0.296 billion are receivable from underwriters in this regard, which will be received by August 31, 2013.
 - The Bank intends to raise further capital of Rs.5 billion in addition to above from domestic and international market to meet the regulatory capital requirements during the year 2013.
 - The management of the Bank has prepared financial projections for a period of seven years for the purpose of setting the future course of action for the Bank. These projections are approved by the Board and envisage additional capital injection through equity into the Bank and indicate future profitable operations based on various assumptions such as growth of deposits and advances, investment returns, recoveries against loan losses, interest rates, cost of funds, etc. Under the said projections, the Bank meets the MCR in the year 2016 and, hence, it has been assumed that necessary relaxation in this regard will be available from the SBP in the future.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2013

Based on the above, the Group's management and the Board have made an assessment and are satisfied that the Bank has adequate resources to continue its business in the foreseeable future and therefore, have prepared these financial statements on a going concern basis. In making such assessments, the Board has taken into account the material uncertainties with respect to events or conditions that may impact the recapitalisation plan of the Bank and, consequently, its sustainability in the future.

2. BASIS OF PRESENTATION

These consolidated interim financial statements are presented in condensed form in accordance with approved accounting standards as applicable in Pakistan for Interim Financial Reporting. These consolidated condensed interim financial statements do not include all of the information required for full financial information and should be read in conjunction with the consolidated financial statements of the Group for the year ended December 31, 2012.

3. STATEMENT OF COMPLIANCE

3.1 These consolidated condensed interim financial statements of the Bank for the six months ended June 30, 2013 have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting, provisions of the Companies Ordinance, 1984, Banking Companies Ordinance, 1962 and directives issued by the Securities and Exchange Commission of Pakistan (SECP) and the State Bank of Pakistan (SBP). In case where requirements differ, the provisions of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and the said directives have been followed.

3.2 The SBP vide BSD Circular No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 39, Financial Instruments: Recognition and Measurement (IAS 39) and International Accounting Standard 40, Investment Property (IAS 40) for banking companies till further instructions. Further, according to the notification of the SECP dated April 28, 2008, IFRS - 7 "Financial Instruments: Disclosures" has not been made applicable to banks. Accordingly, the requirements of these standards have not been considered in the preparation of the consolidated condensed interim financial statements.

4. BASIS OF MEASUREMENT

These consolidated condensed interim financial statements have been prepared under the historical cost convention, except that certain investments and derivatives financial instruments have been carried at fair value. All amounts are in Pakistan Rupees which is the functional and presentation currency of the Group.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 The accounting policies adopted in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the annual consolidated financial statements of the Bank for the year ended December 31, 2012, other than those disclosed below:

New standards, interpretations and amendments thereof adopted by the Group

The Group has adopted the following amended IFRS which became effective during the period:

Standard or interpretation

IAS 1 – Presentation of Financial Statements – Presentation of Items

of Other Comprehensive Income other comprehensive income (Amendment)

IAS 19 – Employee Benefits (Revised)

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2013

The adoption of the above revision, amendments, improvements and interpretation of the standards did not have any effect on the financial statements, other than the amendments to IAS 19 'Employees Benefits' as described in 5.2.

Further, certain new standards have been issued by IASB which are effective for accounting periods beginning on or after January 01, 2013 but are yet to be notified by the SECP for the purpose of applicability in Pakistan.

5.2 Change in accounting policy

The Group has adopted amendments made to the IAS 19, applicable from January 01, 2013. The significant changes include the following:

- For defined benefit plans, the ability to defer recognition of actuarial gains and losses (i.e., the corridor approach) has been removed. As revised, actuarial gains and losses are recognised in other comprehensive income when they occur. Amounts recorded in profit and loss account are limited to current and past service costs, gains or losses on settlements, and net interest income / expense. All other changes in the net defined benefit asset / liability are recognised in other comprehensive income with no subsequent recycling to profit and loss account.
- The distinction between short-term and other long-term employee benefits will be based on the expected timing of settlement rather than the employee's entitlement to the benefits.
- Objectives for disclosures of defined benefit plans are explicitly stated in the revised standard, along with new or revised disclosure requirements. These new disclosures include quantitative information of the sensitivity of the defined benefit obligation to a reasonably possible change in each significant actuarial assumption.

The adoption of the said amendments has resulted in change in the Group's accounting policy relating to recognition of actuarial gains and losses to recognise actuarial gains and losses in full in other comprehensive income in the period in which they occur. The changes have been applied retrospectively in accordance with IAS 8 Accounting policies, Changes in Accounting Estimates and Errors, resulting in the restatement of prior year financial information. The financial impact on previous years is as follows:

	(Rs. in '000)
As of January 01, 2012	
Net increase / (decrease) in employees' benefit liability	(5,280)
Net increase / (decrease) in other comprehensive income	5,280
As of December 31, 2012	
Net increase / (decrease) in employees' benefit liability	3,810
Net increase / (decrease) in other comprehensive income	(4,354)
Net increase / (decrease) in profit for the year	544

The effect on loss per share relating to the restatement of 2012 figures is less than Re.0.01.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2013

5.3 The financial risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements of the Group for the year ended December 31, 2012.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The basis for significant accounting estimates and judgments adopted in the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of the annual consolidated financial statements of the Group for the year ended December 31, 2012.

7. INVESTMENTS

7.1 Investments by types:

Note	Un-audited June 30, 2013			Audited December 31, 2012		
	Held by Bank	Given as collateral	Total	Held by bank	Given as collateral	Total
	----- (Rupees in '000) -----					
7.1	Investments by types:					
	Held-for-trading securities					
	Listed Ordinary shares					
	239,386	-	239,386	6,125	-	6,125
	Available-for-sale securities					
	Market Treasury Bills					
	19,351,717	31,842,940	51,194,657	17,297,902	22,778,000	40,075,902
	Pakistan Investment Bonds					
	1,761,287	-	1,761,287	1,157,294	2,537,191	3,694,485
	Listed Ordinary shares					
	3,027,548	-	3,027,548	2,376,774	-	2,376,774
	Preference shares					
	111,168	-	111,168	107,941	-	107,941
	Unlisted Ordinary shares					
	32,051	-	32,051	32,051	-	32,051
	Mutual fund units - open end					
	225,000	-	225,000	1,063,363	-	1,063,363
	Term Finance Certificates - listed					
	335,742	69,860	405,602	395,502	44,919	440,421
	Term Finance Certificates - unlisted					
	1,462,857	-	1,462,857	1,425,727	-	1,425,727
	Sukuk Bonds					
	889,743	-	889,743	905,085	-	905,085
	27,197,113	31,912,800	59,109,913	24,761,639	25,360,110	50,121,749
	Held to maturity					
	Pakistan Investment Bonds					
	594,468	-	594,468	588,070	-	588,070
	Associate					
	Unlisted Ordinary shares					
	51,510	-	51,510	35,143	-	35,143
	28,082,477	31,912,800	59,995,277	25,390,977	25,360,110	50,751,087
	Investments at cost					
	Less: Provision for diminution in the value of investments					
	7.2 (684,882)	-	(684,882)	(820,052)	-	(820,052)
	27,397,595	31,912,800	59,310,395	24,570,925	25,360,110	49,931,035
	Investments - net of provisions					
	Surplus / (deficit) on revaluation of held-for-trading securities					
	(19,090)	-	(19,090)	(5)	-	(5)
	(Deficit) / surplus on revaluation of available-for-sale securities					
	(360,750)	44,588	(316,162)	(442,743)	288,801	(153,942)
	27,017,755	31,957,388	58,975,143	24,128,177	25,648,911	49,777,088

7.2 Particulars of provision

	Un-audited June 30, 2013	Audited December 31, 2012
	----- (Rupees in '000) -----	
Opening balance	820,052	870,494
Charge for the period	218,966	133,680
Reversal during the period	(354,136)	(184,122)
	(135,170)	(50,442)
Closing balance	684,882	820,052

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2013

	Note	Un-audited June 30, 2013	Audited December 31, 2012
7.3 Particulars of provision in respect of type and segment		----- (Rupees in '000) -----	
Available-for-sale securities			
Ordinary shares of listed companies	7.4	306,242	188,136
Ordinary shares of unlisted companies		1,000	1,000
Mutual Fund units		-	337,527
Term Finance Certificates - listed		78,332	40,947
Term Finance Certificates - unlisted		136,833	102,442
Sukuk Bonds		162,475	150,000
		684,882	820,052

- 7.4** The SBP, vide its letter No. BPRD/BRD-(Policy)/2013-11339 dated July 25, 2013, has permitted banks to maintain provision against classified Term Finance Certificates (TFCs) issued by Agritech Limited at 30% of the required provision and against deficit on revaluation on Ordinary shares of Agritech Limited at 30% (December 31, 2012: 10%) of the identified provision. Accordingly, provision for diminution in value of investment include Rs.74.223 million (December 31, 2012: Rs.24.740 million) against TFCs and Rs.196.566 million (December 31, 2012: Rs.65.270 million) against Ordinary shares of Agritech Limited. The provision amounting to Rs.173.175 million against TFCs and Rs.458.655 million against Ordinary shares of Agritech Limited have not be recorded in these financial statements based upon the above relaxation from SBP.

	Note	Un-audited June 30, 2013	Audited December 31, 2012
8. ADVANCES		----- (Rupees in '000) -----	
Loans, cash credits, running finances, etc. - in Pakistan		60,760,378	61,675,373
Net investment in finance lease - in Pakistan	8.2	284,435	285,014
Bills discounted and purchased (excluding Treasury Bills)			
Payable in Pakistan		2,022,568	1,713,160
Payable outside Pakistan		1,996,326	1,268,910
		4,018,894	2,982,070
Advances - gross		65,063,707	64,942,457
Provision against non-performing advances	8.3.1	(12,077,754)	(12,393,303)
Advances - net of provision		52,985,953	52,549,154

8.1 Particulars of advances

8.1.1 In local currency	62,903,960	63,451,658
In foreign currencies	2,159,747	1,490,799
	65,063,707	64,942,457

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2013

	Un-audited June 30, 2013	Audited December 31, 2012
	----- (Rupees in '000) -----	
8.1.2 Short-term (upto one year)	56,618,179	56,056,410
Long-term (over one year)	8,445,528	8,886,047
	65,063,707	64,942,457

8.2 Net investment in finance lease - in Pakistan

	Un-audited June 30, 2013				Audited December 31, 2012					
	Not later than one year	Later than one and less than five years		Over five years	Total	Not later than one year	Later than one and less than five years		Over five years	Total
	----- (Rupees in '000) -----									
Lease rentals receivable	106,190	146,446	-	252,636	95,670	168,088	-	263,758		
Residual value	55,691	8,819	-	64,510	46,485	16,599	-	63,084		
Minimum lease payments	161,881	155,265	-	317,146	142,155	184,687	-	326,842		
Financial charges for future periods	(12,302)	(20,409)	-	(32,711)	(11,893)	(29,935)	-	(41,828)		
Present value of minimum lease payments	149,579	134,856	-	284,435	130,262	154,752	-	285,014		

8.3 Advances include Rs.20,627.333 million (December 31, 2012: Rs.23,409.947 million) which have been placed under non-performing status as detailed below:

Category of classification	Un-audited June 30, 2013			Audited December 31, 2012		
	Classified advances	Provision required	Provision held	Classified advances	Provision required	Provision held
Substandard	620,811	100,794	100,794	915,923	227,787	227,787
Doubtful	960,056	340,148	340,148	3,889,308	780,251	780,251
Loss	19,046,466	11,634,256	11,634,256	18,604,716	11,382,777	11,382,777
	20,627,333	12,075,198	12,075,198	23,409,947	12,390,815	12,390,815

8.3.1 Particulars of provision against non-performing advances

	Un-audited June 30, 2013			Audited December 31, 2012		
	Specific	General	Total	Specific	General	Total
Opening balance	12,390,815	2,488	12,393,303	12,380,176	1,233	12,381,409
Charge for the period	1,680,594	68	1,680,662	1,938,087	1,255	1,939,342
Reversals	(1,896,281)	-	(1,896,281)	(1,905,703)	-	(1,905,703)
	(215,687)	68	(215,619)	32,384	1,255	33,639
Amount written off	(99,930)	-	(99,930)	(21,745)	-	(21,745)
Closing balance	12,075,198	2,556	12,077,754	12,390,815	2,488	12,393,303

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2013

8.3.2 Particulars of provision against non-performing advances

	Un-audited June 30, 2013			Audited December 31, 2012		
	Specific	General	Total	Specific	General	Total
	(Rupees in '000)					
In local currency	12,075,198	2,556	12,077,754	12,390,815	2,488	12,393,303
In foreign currencies	-	-	-	-	-	-
	<u>12,075,198</u>	<u>2,556</u>	<u>12,077,754</u>	<u>12,390,815</u>	<u>2,488</u>	<u>12,393,303</u>

- 8.3.3** Consistent with prior years, the Bank has availed the benefit of Forced Sale Value (FSV) and exemptions of pledged stocks, mortgaged residential and commercial properties (land and building only) held as collateral against the non-performing advances (excluding consumer housing finance portfolio). Had this benefit of FSV not been taken by the Bank, the specific provision against non-performing advances would have been higher by Rs.6,645 million (December 31, 2012: Rs.7,515 million). Further, the Bank has also availed the benefit of certain exemption from Prudential Regulations requiring provision against non performing loans which are given by the State Bank of Pakistan. The aggregate amount of such benefit amounted to Rs.952 million (December 31, 2012: Rs.1,385 million).

The FSV and exemptions benefits recognised will not be available for the distribution of cash and stock dividend to shareholders.

	Note	Un-audited June 30, 2013	Audited December 31, 2012
		----- (Rupees in '000) -----	

8.4 Particulars of write offs

Against provisions		99,930	21,745
Directly charged to profit and loss account		1,109	39,745
		<u>101,039</u>	<u>61,490</u>

9. OPERATING FIXED ASSETS

Capital work-in-progress	9.1	1,196,826	353,079
Property and equipment	9.2	4,736,534	4,733,084
Intangible assets	9.3	330,318	384,237
		<u>6,263,678</u>	<u>5,470,400</u>

9.1 Capital work-in-progress

Civil works		90,649	200,559
Advances to suppliers and contractors		60,869	37,210
Advances against purchase of land	9.1.1	950,000	20,000
Advances against computer software		123,163	123,165
Less: Provision thereagainst		(27,855)	(27,855)
		<u>95,308</u>	<u>95,310</u>
		<u>1,196,826</u>	<u>353,079</u>

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2013

9.1.1 This represents advance paid for acquisition of a commercial plot at G-2, Block-2, Scheme No. 5, Clifton, Karachi, measuring 4,000 square yards for construction of head office building. The title of the said property is currently in the process of being transferred in the name of the Bank.

	Un-audited June 30, 2013	Audited December 31, 2012
	----- (Rupees in '000) -----	
9.2 Property and equipment		
Book value at beginning of the year	4,733,084	5,371,535
Cost of additions during the period / year	298,862	424,240
Book value of deletions / write offs during the period / year	(19,393)	(533,471)
Depreciation charge for the period / year	(276,019)	(529,220)
Book value at end of the period / year	4,736,534	4,733,084
9.3 Intangible assets		
Book value at beginning of the year	384,237	498,400
Cost of additions during the period / year	599	17,112
Written off during the period	(12,950)	-
Amortization charge for the period / year	(41,568)	(100,102)
Deletion / adjustment for the period / year	-	(31,173)
Book value at end of the period / year	330,318	384,237

10. DEFERRED TAX ASSETS - net

Deferred debits arising in respect of:

Provision against non performing loans	2,059,504	2,354,472
Provision for gratuity	840	840
Provision for compensated absences	43,573	43,164
Provision against other assets	65,010	63,743
Unused tax losses	4,224,474	4,035,855
Minimum tax	345	345
Provision for impairment losses	239,710	287,018
	6,633,456	6,785,437

Deferred credits arising in respect of:

Surplus on revaluation of fixed assets	(98,314)	(102,038)
Difference between accounting and tax written down values	(675,839)	(644,769)
Surplus on revaluation of available for sale securities	(7,682)	(52,196)
	(781,835)	(799,003)
	5,851,621	5,986,434

10.1 The Group has an aggregate amount of deferred tax asset of Rs.5,851.621 million which represents management's best estimate of the probable benefits expected to be realised in future years in the form of reduced tax liability as the Group would be able to set off the profits earned in those years against losses carried forward and other taxable temporary differences relating to prior years. The management of the Bank has prepared a seven years' business plan which has been approved by the Board of Directors of the Group. The business plan involves certain key assumptions underlying the estimation of future taxable profits projected in the plan. The determination of future profits is most sensitive to certain key assumptions such as cost to income ratio of the Bank, deposit composition, growth of deposits and advances, investment returns, potential provision against assets, branch expansion plan, etc. Any significant change in the key assumptions may have an effect on the realisability of the deferred tax asset. The management believes that it is probable that the Bank will be able to achieve the profits projected in the business plan and, consequently, the recorded deferred tax asset will be fully realised in the future.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2013

Un-audited
June 30,
2013
----- (Rupees in '000) -----

Audited
December 31,
2012

11. DEPOSITS AND OTHER ACCOUNTS

Customers

Fixed deposits	29,855,342	36,804,444
Savings deposits	35,355,453	31,070,072
Current accounts - non-remunerative	24,600,310	19,168,420
Margin accounts	1,897,991	1,580,182
	91,709,096	88,623,118

Financial institutions

Non-remunerative deposits	318,353	381,725
Remunerative deposits	4,303,310	7,810,529
	4,621,663	8,192,254
	96,330,759	96,815,372

11.1 Particulars of deposits

In local currency	91,303,188	92,165,512
In foreign currencies	5,027,571	4,649,860
	96,330,759	96,815,372

12. ADVANCE AGAINST PROPOSED RIGHT ISSUE OF PREFERENCE SHARES

During the current period, the State Bank of Pakistan has given the final approval to the Bank vide its letter no. BPRD/BAID/649/3813/2013 dated March 28, 2013 to issue listed convertible, perpetual, irredeemable, non-cumulative preference shares of Rs.2.155 billion as Tier 1 Capital to raise the equity of the Bank. The Bank has received advance against the said issue of Rs.930.165 million (including Rs.930 million from their sponsors against their portion) upto June 30, 2013.

13. CONTINGENCIES AND COMMITMENTS

13.1 Direct credit substitutes

Including guarantees and standby letters of credit serving as financial guarantees for loans and securities

Un-audited
June 30,
2013
----- (Rupees in '000) -----

Audited
December 31,
2012

Government	-	-
Financial institutions	-	400,000
Others	336,530	403,873
	336,530	803,873

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2013

	Un-audited June 30, 2013 ----- (Rupees in '000) -----	Audited December 31, 2012
13.2 Transaction-related contingent liabilities / commitments / guarantees issued favouring		
Contingent liability in respect of performance bonds, bid bonds, shipping guarantees and standby letters of credit favouring:		
Government	2,062,036	3,254,100
Banking companies and other financial institutions	934,592	372,074
Others	5,047,953	3,763,472
	<u>8,044,581</u>	<u>7,389,646</u>
13.3 Trade-related contingent liabilities		
Letters of credit	8,626,114	6,196,252
Acceptances	825,013	1,157,134
	<u>9,451,127</u>	<u>7,353,386</u>
13.4 Other contingencies - claims against Bank not acknowledged as debts	<u>9,045,003</u>	9,723,708
13.5 Contingent asset		
There was no contingent asset as at June 30, 2013 (December 31, 2012: Nil).		
13.6 Commitments in respect of forward lending		
Forward documentary bills	2,308,983	2,834,502
Commitments to extend credit	10,582,400	9,805,740
	<u>12,891,383</u>	<u>12,640,242</u>
13.7 Commitments in respect of forward exchange contracts		
Purchase	4,350,278	7,633,493
Sale	2,822,082	8,836,456
	<u>7,172,360</u>	<u>16,469,950</u>
13.8 Commitments in respect of purchase and sale of securities		
Purchase of shares	50,599	-
Sale of shares	79,211	-
	<u>129,810</u>	<u>-</u>
13.9 Commitments for capital expenditure		
Civil works (at branches)	<u>15,891</u>	<u>32,488</u>
13.10 Commitments in respect of purchase of rupee traveller cheques	<u>-</u>	<u>1,210</u>

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2013

13.11 Taxation

Status of tax contingencies remained unchanged as disclosed in the annual audited consolidated financial statements as of December 31, 2012 except for the following:

- In respect of the tax assessments of ATBL relating to tax years 2003 to 2005, 2007 and 2008, various disallowances have been made by assessing officer including provision against non-performing advances, leasing losses, allocation of expenses against exempt income and amortization of goodwill, intangibles and deferred cost.
- In relation to tax year 2003, the Bank has filed an appeal before ATIR in respect of disallowances of provision for non-performing advances who confirmed the order of CIR(A) against the Bank. Further, the department has filed tax references before the Honourable High Court of Sindh.
- In respect of tax years 2004, 2005, 2007 and 2008 the Bank has filed appeals before CIR(A) in respect of the aforesaid disallowances. In respect of tax year 2004 the CIR(A) has confirmed the order of the officer and the Bank has preferred an appeal before ATIR. The above matters may result in reduction of claimed tax losses and have an aggregate tax impact of Rs.275.36 million. The management of the Bank is confident about the favourable outcome of the appeals and hence, no adjustment with regard to the above matters has been made in the financial statements.

13.12 Other contingencies

In the matter relating to Speedway Fondmetall (Private) Limited (Speedway) as disclosed in note 24.11 to the annual audited consolidated financial statements as at December 31, 2012, the Group has made a further provision of Rs.3.258 million resulting in an aggregate provision of Rs.24.056 million as at the period end. There has been no change in the status of this contingency during the period.

Un-audited Half year Ended June 30, 2013 ----- (Rupees in '000) -----	Un-audited Half year Ended June 30, 2012
---	---

14. (LOSS) / GAIN ON SALE OF SECURITIES - net

Federal Government Securities

- Market Treasury Bills
- Pakistan Investment Bonds

Listed Ordinary shares

Unlisted Ordinary shares

Mutual Fund Units

1,309	1,980
12,912	-
93,493	166,059
-	10,436
(134,261)	-
(26,547)	178,475

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2013

	Un-audited Half year Ended June 30, 2013 ----- (Rupees in '000) -----	Un-audited Half year Ended June 30, 2012 ----- (Rupees in '000) -----
15. LOSS PER SHARE - BASIC AND DILUTED		
Loss for the period	<u>(1,142,946)</u>	<u>(951,284)</u>
	----- (Number of shares) -----	
Weighted average number of Ordinary shares	<u>1,077,979,582</u>	<u>1,077,979,582</u>
	----- (Rupees) -----	
Loss per share - Basic and diluted	<u>(1.06)</u>	<u>(0.88)</u>
	Un-audited June 30, 2013	Audited December 31, 2012
	----- (Rupees in '000) -----	
16. CASH AND CASH EQUIVALENTS		
Cash and balances with treasury banks	<u>7,832,638</u>	8,110,185
Balances with other banks	<u>1,363,026</u>	3,600,977
Overdrawn nostro accounts	<u>(125,765)</u>	(41,264)
	<u>9,069,899</u>	<u>11,669,898</u>

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2013

17. RELATED PARTY TRANSACTIONS

The Group has related party transactions with its associates, parent company, employee benefit plans, its directors and executive officers (including their associates).

Suroor Investments Limited (SIL), parent company, Arif Habib Corporation Limited, a related party and Rupali Bank Limited, Bangladesh, a related party held 554,680,393 (51.46%), 1,000,355 (0.10%) and 32,777,450 (3.04%) [December 31, 2012: 554,680,393 (51.46%), 1,119,355 (0.10%) and 32,777,450 (3.04%)] Ordinary shares in the Bank, respectively.

Details of transactions with the related parties, other than those which have been disclosed elsewhere in these condensed consolidated interim financial statements, are as follows:

	June 30, 2013 - Un-audited				December 31, 2012 - Audited			
	Key management personnel	Directors	Parent company	Associates / other related parties	Key management personnel	Directors	Parent company	Associates / other related parties
	(Rupees in '000)							
Advances								
Balance at beginning of the year	117,626	-	-	110,275	103,665	-	-	107,967
Sanctioned / granted during the period / year	56,944	-	-	758,391	48,155	-	-	765,820
Payment received during the period / year	(36,691)	-	-	(160,061)	(34,194)	-	-	(763,512)
Balance at end of the period / year	137,879	-	-	708,605	117,626	-	-	110,275
Deposits								
Balance at beginning of the year	44,192	40,612	-	56,804	31,770	68,316	-	60,323
Deposits during the period / year	213,195	1,099,295	-	442,881	483,937	392,851	-	1,067,930
Withdrawal during the period / year	(221,619)	(1,095,806)	-	(424,252)	(471,515)	(420,555)	-	(1,071,449)
Balance at end of the period / year	35,768	44,101	-	75,433	44,192	40,612	-	56,804
Other transaction / balances								
Advance against proposed right issue of preference shares	-	-	930,000	-	-	-	-	-
Investment in shares - net of provision	-	-	-	1,069,988	-	-	-	340,299
Lendings	-	-	-	-	-	-	-	-
Guarantees, letters of credits and acceptances	-	-	-	438,938	-	-	-	125,753
Other receivables	-	-	27,000	6,789	-	-	27,000	1,312
Other payables	-	1,282	-	1,192	-	1,222	-	12,310
Mark-up payable	90	249	-	188	68	250	-	137
Mark-up receivable	-	-	-	293	465	-	-	3,657
	June 30, 2013 - Un-audited				June 30, 2012 - Un-audited			
	(Rupees in '000)							
Profit / expense for the period								
Brokerage expenses paid - equity securities	-	-	-	514	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-
Contribution to employees provident fund	-	-	-	32,753	-	-	-	27,345
Contribution to employees gratuity fund	-	-	-	22,877	-	-	-	27,424
Remuneration paid	74,005	-	-	-	57,338	-	-	-
Post employment benefits	3,128	-	-	-	4,677	-	-	-
Gain / (loss) on disposal of investments - net	-	-	-	3,594	-	-	-	9,995
Mark-up earned	2,481	-	-	17,049	2,321	-	-	636
Mark-up expensed	451	1,487	-	1,162	407	748	-	799
Repair and maintenance charges	-	-	-	1,478	-	-	-	-
Provision for diminution in value of investments	-	-	-	131,044	-	-	-	-
Director's fees	-	490	-	-	-	420	-	-

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2013

18. DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on August 29, 2013 by the Board of Directors of the Group.

19. GENERAL

- 19.1** Figures have been re-arranged and re-classified, wherever necessary, for the purpose of better presentation.
- 19.2** The figures in the consolidated condensed interim financial statements have been rounded off to the nearest thousand.

**President &
Chief Executive**

Director

Director

Director

BRANCH NETWORK

Karachi

I. I. Chundrigar Road Branch 1

Uni Towers, I.I. Chundrigar Road
Tel: 021-32466410-413
Fax: 021-32466500

Ranchore Line Branch

R.C. 11, Old Survey # E-7/143, Ranchore
Line, New Lakhpati Hotel- Karachi.
Tel: 021-32767234-5
Fax: 021-32767236

Karachi Stock Exchange Branch

Office No. 52, 52-A, 52-B, (1st Floor) KSE
Building-KHI
Tel: 021-32462850, 32462844-9
Fax: 021-32462843

Atrium Mall Branch

Shop No. 6 and 21 Ground floor, Plot No.
249, Atrium Mall, Staff Lines, Zaibunnisa
Street, Saddar, KARACHI
Tel: 021-35641000-5
Fax: 021-35641008

Bahadurabad Branch

Plot # C-23, Shop # 1&2 Block-3, BMC
Commercial Area Bahadurabad, Karachi.
Tel: 021-34913447 -49
Fax: 021-34913453

Soldier Bazar Branch

Shop # 4,5 & 6, Plot No 14, Survey # 13-
B-2, Soldier Bazar Quarters-Karachi.
Tel: 021-32231559-60
Fax: 021-32231556

Gulshan-e-Iqbal Branch 1

Ground Floor, Hasan Center, Block-16,
Main University Road, Karachi.
Tel: 021-34829024-27
Fax: 021-34829023

Gulistan-e-Jauhar Branch 1

Plot # 118/A-B, Shop # 02,03,04 Ground
Floor Ruffi Paradise Block-18 Gulistan-e-
Jauhar, Karachi
Tel: 021-34621281-3
Fax: 021-34621285

Adamjee Nagar Branch

115-A/Z, Block 7/8, Tipu sultan Road,
Karachi.
Tel: 021-"34312984-9"
Fax: 021-34312980

Manzoor Colony Branch

Plot No. 23, Sector I, Street No. 02,
Manzoor Colony, Jamshed Town-KHI
Tel: 021-35393829-31
Fax: 021-35393832

Korangi Industrial Area Branch

33/1, Sector-15, Korangi Industrial Area,
Karachi
Tel: 021-35114290, 35121294,
35122231-32
Fax: 021-35114282

Khayaban-e-Jami Branch

64 C, Jami Commercial Phase VII, 7th
Street, DHA. Karachi.
Tel: 021-35316200-07
Fax: 021-35316199

BRANCH NETWORK

Dolmen City Branch

Ground Floor Harbor Front, Triangular Towers, Dolmen City Marine Drive Phase IV, Clifton. Karachi.
Tel: 021-35297611-15
Fax: 021-35297610

Hyderi Branch

D-10 Block-F, North Nazimabad, Hyderi. Karachi.
Tel: 021-36724992-4
Fax: 021-36724972

Karimabad Branch

Plot No BS-16, Block 1, FB Area, Karimabad-KHI.
Tel: 021-36826646-48
Fax: 021-36826649

M. A. Jinnah Road Branch

Mezzanine & Ground Floor, Plot Survey # 19, Street # R.B.6. Shop # 3,4, Ram Bagh Quarters 166 M.A. Jinnah Road Karachi
Tel: 021-32218395, 32218409, 32218428
Fax: 021-32218376

Electronic Market (Abdullah Haroon Road) Branch

Shop No 1 & 2, Plot # 19, Ghafoor Chambers, Preedy Quarters, Saddar, Karachi.
Tel: 021-32711614-7
Fax: 021-32716113

Jodia Bazar Branch 1

A/25/28 Darayalal Street, Jodia Bazar, Karachi.
Tel: 021-32500121-5
Fax: 021-32500128

Khayaban-e-Shahbaz Branch

Plot No. 21-C Khayaban-e-Shahbaz, Phase VI, DHA Karachi.
Tel: 021-35344952 & 35344957
Fax: 021-35344942

Saeedabad Branch

Plot # 1004/1 & 1004-A/1 (5G/102-A & 5G/012-A/2), Saeedabad, Baldia, Mahajir Camp, Karachi.
Tel: 021-32815092-94
Fax: 021-32815096

Burns Road Branch

Plot No. 55-A, Survey Sheet A.M., Artillery Maidan Quarters (Burns Road), Karachi.
Tel: 021-32215174-75
Fax: 021-32215289

Cloth Market Branch

41, Saleh Muhammad Street, Cloth Market, Karachi.
Tel: 021-32461601-03
Fax: 021-32461604

Truck Stand Branch

Truck Stand, K-28, Hawksbay Road, Trans Lyari-Karachi.
Tel: 021-35428829-30
Fax: 021-37671962

Shahra-e-Faisal Branch(I)

44/A-Nice Trade Orbit, Shop 8, Blk-6, PECHS, Shahrah-e-Faisal, Karachi.
Tel: 021-34328426-7
Fax: 021-34386180

BRANCH NETWORK**Shershah. Branch**

Plot # D-175, Industrial Trading Estate
Area, Trans Lyari Qtrrs, Shershah-KHI
Tel: 021-32588191-193
Fax: 021-32588195

Nazimabad (Gol Market) Branch

Plot # 7, Sub Block 'E', in Block # III (III-E-7), Nazimabad (Gole Market), Karachi
Tel: 021-36620261-63
Fax: 021-36620264

Khayaban-e-Tanzeem Branch

C 4-C, Tauheed Commercial, Khayaban-e-Tanzeem, Phase-5, DHA, Karachi.
Tel: 021-35869147-35869207-35871640
Fax: 021-35869342

Zaibunnisa Street Branch

B-6/16-A, Sadar Bazar Quarters, Zaibun Nisa Street, Karachi.
Tel: 021-35210084,35660613,
35660611,35215033
Fax: 021-35224762

DHA Phase I Branch

101-C, Commercial Area 'B', Phase-1 DHA, Karachi.
Tel: 021-35314063,35314065,35314067
Fax: 021-35314070

Clifton Branch

Pearl Heaven Apartments, Khayaban-e-Roomi, Block No-5, Clifton, Karachi.
Tel: 021-35823469, 35824171,35823619
Fax: 021-35821463

DHA Phase IV Branch

Plot # 129, 9th Commercial Street, Phase IV, DHA, Karachi
Tel: 021-35313068-70
Fax: 021-35313071

Jodia Bazar Branch 2

Ram Bharti Street, Ismail Trade Centre, Karachi
Tel: 021-32437991-3 - 32471120
Fax: 021-32437994

North Napier Road Branch

18-19, North Napier Road, Karachi.
Tel: 021-32766477 & 32766755
Fax: 021-32766487

New Challi Branch

Ground Floor, Trade Tower, Altaf Hussain Road, New Challi, Karachi
Tel: 021-32422071,32422027, 32422096, 32422069
Fax: 021-32422051

Paper Market Branch

Al-Abbas Centre, Paper Market, Shahrach-e-Liaquat, Karachi.
Tel: 021-32639671-2
Fax: 021-32639670

Abdullah Haroon Road Branch

282/3, Abdullah Haroon Road, Saddar, Karachi.
Tel: 021-35685269, 35685393,35685940
Fax: 021-35683991

BRANCH NETWORK

Water Pump Branch

Lateef Square. Block-16, Federal 'B' Area,
Main Water Pump Market, Karachi.
Tel: 021-36321387, 36314817
Fax: 021-36314848

Bahadur Shah Center Branch

Bahadur Shah Center, Urdu Bazar, Off:
M.A. Jinnah Road, Karachi.
Tel: 021-32768547, 32768559
Fax: 021-32765083

I. I. Chundrigar Road Branch 2

5-Business & Finance Centre, Opp: State
Bank of Pakistan, Karachi.
Tel: 021-32438212, 32472176, 32471796
Fax: 021-32438218

North Karachi Industrial Area Branch

Plot No. R-14, Gabol Town, North
Karachi Industrial Area, Karachi.
Tel: 021-32015919 -20 , 36995925
Fax: 021-36975919

Garden East Branch

Shop No. 4,5 & 6, Jumani Centre Plot No.
177-B, Garden East, Karachi
Tel: 021-32243311-13
Fax: 021-32243314

S.I.T.E. Branch

B/9-B/3, Near Metro Chowrangi S.I.T.E.,
Area, Karachi.
Tel: 021-32586801-4, 32587166-8
Fax: 021-32586806

Plaza Quarters Branch

Al-Shafi Building Noman Street, Off:
M.A. Jinnah Road, Karachi
Tel: 021-32771515-16-18
Fax: 021-32771517

Muhammad Ali Society Branch

Plot# 4-C Commercial Area
Muhammad Ali Co-Operative Housing
Society
Karachi.
Tel: 021-34168036-37
Fax: 021-34186045

Timber Market Branch

Siddique Wahab Road, Karachi.
Tel: 021-32732729, 32766995
Fax: 021-32733214

Gulshan-e-Iqbal Branch 2

B-44, Block 13/A, Main University Road,
Gulshan-e-Iqbal, Karachi.
Tel: 021-34987688, 34987739-40
Fax: 021-34987689

Tariq Road Branch

C-51, Central Commercial Area, Near
KFC Tariq Road, P.E.C.H.S., Karachi.
Tel: 021-34556486, 34556682
Fax: 021-34555478

Barkat-e- Hyderi Branch

Almas Square, Block-G, North
Nazimabad, Karachi.
Tel: 021-36628931, 36706896-7
Fax: 021-36723165

BRANCH NETWORK

Shahrah-e-Faisal Branch(II)

Business Avenue Block-6, P.E.C.H.S.,
Karachi.
Tel: 021-34386417-18
Fax: 021-34531819

Defence Branch

55-C, Phase-II, D.H.A, Opp Toyota
Motors, Main Korangi Road, Karachi.
Tel: 021-35387809-35396263 -
35312592
Fax: 021-35387810

Badar Commercial Branch

Plot No. 41-C, Badar Commercial, Street
No. 10, Phase-V Extension, DHA Karachi
Tel: 021-35348501-3
Fax: 021-35348504

Steel Market, Branch

Ground Floor, Shop #. G-13, 14, 32, 33
Steel Market, Ranchorelines Quarters
Karachi
Tel: 021-32763001- 07
Fax: 021-32763009

Gulistan-e-Jauhar Branch 2

Shop No. 5,6,7 & Office No. D-2 , Farhan
Centre Block No. 1. Gulistan-e-Jauhar
Karachi
Tel: 021-34022259, 34613674,
34016488-9
Fax: 021-34022639

Rizvia Society Branch

B-12, Rizvia Cooperative Society,
Nazimabad, Karachi
Tel: 021-36600956-57
Fax: 021-36600958

Jamshed Quarters Branch

Showroom no. 3 & 4, AB Arcade Plot #.
714-6-1 Block A, New M.A. Jinnah Road,
Karachi
Tel: 021-34860422-23, 34860425
Fax: 021-34860424

Dhoraji Colony Branch

Plot No. 133, Block No. 7 & 8 Dhoraji
Colony, C.P & Berar Co- operative
Housing Society, Karachi
Tel: 021-34860773-75
Fax: 021-34860772

PAF-Base Faisal Sub-Branch

Camp-2, Faisal Arcade, PF-I, Market
PAF-Base Faisal, Karachi
PABX: 021-34601360-62
Fax: 021-34601363

Fish Harbour Branch, Karachi

K - 3, Export Zone, Adjacent Main
Auction Hall, Fish Harbour, Karachi
PABX No. : 021 - 32315383 - 85
Fax No. :021 - 32315386

Lahore

DHA Y Block Branch

163, Block Y, Phase III, DHA Lahore
Cantt.
Tel: 042-3569 2531-36
Fax: 042-3589 4682

Gulberg Branch

132-E/I Main Boulevard, Gulberg-III,
Lahore
Tel: 042-35870832-3, 35870975-6
Fax: 042-35870834

BRANCH NETWORK

Lahore Stock Exchange Branch

Office No. 5, LSE Building, 19, Aiwane Iqbal Road, Lahore
Tel: 042-36280853-56
Fax: 042-36280851

Ferozpur Road Branch

Siza Farmer Factory, Sufiabad, Lahore
Tel: 042-35800092-93 & 96
Fax: 042-35800094

Kashmir Block, Allama Iqbal Town Branch,

Plot # 1, Kashmir Block, Allama Iqbal Town Scheme, Lahore
PABX No. : 042 - 37809021 - 24
F A X No. : 042 - 37809026

Circular Road Branch

Babar Centre, 51, Circular Road, Lahore
Tel: 042-37379371 - 74
Fax: 042-37379370

Ichhra More Branch

House # 146, Muhallah Ferozpur Road, Ichhra More, Lahore.
Tel: 042-37572091-93
Fax: 042-37572089

Faisal Town Branch

853/D, Akbar Chowk, Faisal Town, Lahore.
Tel: 042-35204101-3
Fax: 042-35204104

Azam Cloth Market Branch

285-286, Punjab Block, Azam Cloth Market, Lahore.
Tel: 042-37661686 / 37654320 / 37642344
Fax: 042-37661863

Z Block DHA Branch

323-Z, DHA, Phase-3, Lahore.
Tel: 042-35693112-15
Fax: 042-35693117

New Garden Town Branch

19-A, Ali Block, New Garden Town, Lahore.
Tel: 042-35911361-4
Fax: 042-35911365

Mall Road Branch

56, Ground Floor, Sh-e-Quaid-e-Azam (The Mall), Lahore.
Tel: 042-36284801-3
Fax: 042-36284805

Model Town Branch

14-15, Central Commercial Market, Model Town, Lahore.
Tel: 042-35915540-49
Fax: 042-35915549

Lahore- Cantt Branch

Day building 1482/A, Abdul Rehman Road, Lahore Cantt.
Tel: 042- 36603061-63
Fax: 042-36603065

BRANCH NETWORK**Pasco House Branch**

PASSCO House, 11, Kashmir Road,
Adjacent LDA Plaza, Lahore.
Tel: 042-36300670-1
Fax: 042-36310362

DHA G Block Branch

Plot # 13 G, Commercial Zone DHA,
Phase-I, Lahore. Cantt.
Tel: 042-35691173-78
Fax: 042-35691171

Liberty Market Branch

26/C, Commercial Zone, Liberty Market,
Gulberg, Lahore.
Tel: 042-35784321, 35784328,
35717273, 35763308
Fax: 042-35763310

Badami Bagh Branch

25 - Peco Road Badami Bagh Lahore
Tel: 042-37724583, 37720382, 37705036
Fax: 042-37730867

Ravi Road Branch

Plot # 48-J, Ravi Road, Lahore.
Tel: 042-37722903 - 04
Fax: 042-37722905

Shahalam Gate Branch

12-A, ShahAlam Gate, Lahore.
Tel: 042-37666854 - 57
Fax: 042-37663488

Johar Town Branch

Plot # 85, Block G/1, M.A Johar Town-
Lahore
Tel: 042-35291172-74
Fax: 042-35291174

Egerton Road Branch

27-Ajmal House, Egerton Road, Lahore.
Tel: 042-36364522, 36364532
Fax: 042-36364542

Allama Iqbal Town Branch

56/12, Karim Block, Allama Iqbal Town,
Lahore.
Tel: 042-35434160-61, 35434163
Fax: 042-35434164

Darogawala Branch

Near Shalimar G.T.Road Darogawala
Lahore
Tel: 042-36520681 - 83
Fax: 042-36520684

Wahdat Road Branch

Mauza Ichra, Wahdat Road, Lahore
Tel: 042-37503001-3
Fax: 042-37503004

Bedian Road Branch

Plot No. 2512/1, Phase-VI, Bedian Road,
(Talal Medical Center), Lahore.
Tel: 042-37165300 & 03
Fax: 042-37165304

Samanabad Branch

Plot No.855, Poonch Road, Samanabad,
Lahore.
Tel: 042-37568831, 37568844,
37568847, 37568842
Fax: 042-37568854

Airport Road Branch

M. M. Arcade, 192-B, New Air Port Road,
Lahore
Tel: 042-35700336, 35700338-9
Fax: 042-35700323

BRANCH NETWORK

Urdu Bazar Branch

S - 38-R, Urdu Bazar Chowk - 205,
Circular Road, Lahore
Tel: 042-37116001 - 3
Fax: 042-37116004

Islamabad

Super Market Branch

Plot No. 6B, F-6, Super Market,
Islamabad
Tel: 051-2279168-70, 051-2824533-34
Fax: 051-2279166

Stock Exchange Branch

Plot # 109, East F-7/G-7, Jinnah Avenue,
Blue Area-Islamabad
Tel: 051-2806281-83
Fax: 051-2806284

Bahria Town Branch

Plot # 3-4, Express Way, Sufiyan Plaza,
Phase VII, Bahria Town, Islamabad.
Tel: 051- 5707360 - 63
Fax: 051-5707358

F-6 Markaz Branch

2-Fateh Plaza, Block C, Super Market, F-6
Markaz, Islamabad.
Tel: 051-2601701-3
Fax: 051-2601710

F-10 Markaz Branch

Plot No. 08, Maroof Hospital, F-10
Markaz-Islamabad.
Tel: 051-2222860-62
Fax: 051-2222863

F-11 Markaz Branch

Plot # 29, Select Center, F-11 Markaz-
Islamabad.
Tel: 051-2228027 – 28
Fax: 051-2228365

Blue Area Branch

20 - Al Asghar Plaza, Blue Area,
Islamabad.
Tel: 051-2823204, 2872913
Fax: 051-2274276

Barah Koh Branch

Murree Road, Tehsil / District,
Islamabad.
Tel: 051-2231344, 2233136
Fax: 051-2231345

G-11 Markaz Branch

Shop #. 25-34, Plot #. 23, Sajid Sharif
plaza, G-11 Markaz, Islamabad
Tel: 051-2220973-6
Fax: 051-2220977

I-9 Markaz Branch

Plot # 3/L, Shops Nos. 6, 7, 13, & 14, I-9,
Markaz, Islamabad
Tel: 051-4449832-35
Fax: 051-4449836

Rawalpindi

Bank Road Branch 1

60, Bank Road, Rawalpindi.
Tel: 051-5564123, 051-5120778-80
Fax: 051-5528148

BRANCH NETWORK

Bank Road Branch 2

Saddar Bazar, Rawalpindi Cantt.
Tel: 051-5523840-41
Fax: 051-5523837

Raja Bazar Branch

Raja Bazar, Rawalpindi.
Tel: 051-5534173-5557244
Fax: 051-5559544

Shamsabad Muree Road Branch

DD/29, Shamsabad Muree Rd., Ojri
Kalan, Rawalpindi.
Tel: 051-4854400, 4854401-03
Fax: 051-4854404

Faisalabad

Susan Road Branch

Chak No. 213/RB Susan Road.Faisalabad.
Tel: 041-8502367-69
Fax: 041-8502371

Liaquat Road Branch

Liaquat Road, Chak # 212, Faisalabad
Tel: 041-2541257-59
Fax: 041-2541255

Kotwali Road Branch

P-12, Kotwali Road, Faisalabad
Tel: 041-2412151-53
Fax: 041-2412154

Jail Road Branch

House No. P-62, opposite Punjab
Medical College, Jail Road-Faisalabad.
Tel: 041-8813541-43
Fax: 041-8813544

Aminpur Bazar Branch

Plot # 183, Street No.2, Between Amipur
Bazar & Chiniot Bazar, Faisalabad.
Tel: 041-2636783 & 2626783
Fax: 041-2611363

Multan

Abdali Road Branch

Plot No. 66-A & 66-B/9, Abdali
Road,Multan
Tel: 061-
4500108,4500110,4500115,4500116
Fax: 061-4516762

Vehari Road Branch

PU # 2227-A, Chowk Shah Abbas, Vehari
Road-Multan.
Tel: 061-6241015-17
Fax: 061-6241014

Qadafi Chowk Branch

Plot # 43, Block T, New Multan Road,
Qadafi Chowk-Multan
Tel: 061-6770882-84
Fax: 061-6770889

Hussain Agahi Road Branch

2576, Hussain Agahi Road, Multan.
Tel: 061-4548083-4583268-4583168
Fax: 061-4543794

Sukkur

Marich Bazar Branch

B – 885, Marich Bazar, Sukkur
Tel: 071-5627781
Fax: 071-5627755

BRANCH NETWORK

Shikarpur Road Branch

Shop # D-195, Ward D, Near A Section
Police Station Shikarpur Road- Sukkur.
Tel: 071-5617142-44
Fax: 071-5617145

Workshop Road Branch

City Survey #. 3403/2/1 and C.s #
3403/2M/6, Ward-B Tooba Tower
Workshop Road, Sukkur
Tel: 071-5616663, 5616664, 5616582
Fax: 071-5624317

Gujranwala

Wapda Town Branch

Plot # B - III, MM - 53, Hamza Centre,
Wapda Town, Gujranwala
Tel: 055-4800204 - 06
Fax: 055-4800203

GT Road Branch

B/11-S7/103, G. T. Road, Gujranwala
Tel: 055-3842751-3842729
Fax: 055-3842890

Gujranwala Branch

G.T. Rd., Opp. General Bus Stand,
Gujranwala.
Tel: 055-3820401-3
Fax: 055-3820404

Gujrat

Gujrat Branch

Main GT Road Tehsil & Distt. Gujrat
Tel: 053-3517051-054
Fax: 053-3516756

GT Road Branch

Small Estate, G. T. Road, Gujrat
Tel: 053-3533926/3534208/3533934
Fax: 053-3533995

Katchery Chowk Branch

Shop #. 1263 & 1270 B-II, Katchery
Chowk, Opp. Zahoor Elahi Stadium,
Near New Narala Bakers, Gujrat.
Tel: 053-3601021-24
Fax: 053-3601025

Peshwar

Deans Trade Center Branch

Deans Trade Centre, Islamia Road,
Peshawar.
Tel: 091-5253081-85
Fax: 091-5253080

Main University Road Branch

Tehkal Payan, Main University Road-
Peshawar
Tel: 091-5850540-41
Fax: 091-5850546

Fruit Market Branch

Near Fruit Market, G.T. Road, Peshawar
Tel: 091-2260374
Fax: 091-2260375

Milad Chowk Branch

Milad Chowk, New Gate, Peshawar City
Tel: 091-2550477, 2550466, 2217131
Fax: 091-2550488

Hayatabad Sub-Branch

Shop# 1, Hayatabad Mall, Baghee-Naran
Road,
Phase II, Sector J-I Hayatabad Peshawar.
Tel: 091-5822923-25
Fax: 091-5822926

BRANCH NETWORK

Quetta

M. A. Jinnah Road Branch

Ground Floor, Malik Plaza, Near Adara-e-Saqafat, M.A. Jinnah Road, Quetta.
Tel: 081-2865590-95
Fax: 081-2865587

Fatima Jinnah Road Branch

Plot No. Khasra No.134 & 138, Ward No. 19, Urban # 1, Fatima Jinnah Road, Quetta
Tel: 081-2301094 , 2301095
Fax: 081-2301096

Regal Chowk Branch

Regal Chowk, Jinnah Road, Quetta.
Tel: 081-2837028-29
Fax: 081-2825065

Liaquat Bazar Branch

Ainuddin Street, Quetta.
Tel: 081-2837300-1
Fax: 081-2837302

Abbottabad

Abbottabad Branch

Sitara Market, Mansehra Road, Abbottabad
Tel: 0992- 385933-34
Fax: 0992-385935

Attock

Fateh Jang Branch

Main Rawalpindi Road, Mouza & Tehsil Fateh Jang Distt Attock
Tel: 057-2210321-23
Fax: 057-2210324

Attock Branch

Hamam Road, Attock
Tel: 057-2703120
Fax: 057-2703117

Azad Kashmir

Mirpur Azad Kashmir Branch 1

NS Tower 119 F/1, Kotli Road Mirpur – Azad Kashmir
Tel: 05827- 437193-97
Fax: 05827-437192

Mirpur Azad Kashmir Branch (2)

Ghazi Archade, 6-B/3, Part II, Allama Iqbal Road, Mirpur, Azad Kashmir
Tel: 05827-446406-9
Fax: 05827-446405

Shaheed Chowk Branch

Deen Plaza, Shaheed Chowk, Kotli Azad Kashmir
Tel: 05826-448453-54
Fax: 05826-448455

Dadyal Branch

Choudhary Centre, Ara Jattan, Dadyal, Azad Kashmir.
Tel: 05827-463475
Fax: 05827-465316

Chak Ghanian

Chak Ghanian Branch

Plot No. 547-548, Iqbal Mandi, G. T. Road, Sarai Alamgir.
Tel: 0544-654402-03, 655155
Fax: 0544-654401

BRANCH NETWORK

Chakwal

Dalwal Branch

Village & Post Office Dalwal, Tehsil
Choha, Saidan Shah, Distt Chakwal
Tel: 0543-582834
Fax: 0543-582842

Chakwal Branch

Al- Noor Plaza Sabzi Mandi, Talagang
Road, Chakwal
Tel: 0543-554796,540650-51
Fax: 0543-554797

Chamman

Chamman Branch

Khashra No. 1323 & 1324 Abdali Bazar,
Dola Ram Road, Tehsil Chaman, District
Qila Abdullah Baluchistan.
Tel: 0826- 618137-39
Fax: 0826-618143

Dadu

Dadu Branch.

CS No. 1036/2, Ward 'B', Station Road,
Dadu - Sindh.
Tel: 0254-711471-3
Fax: 0254-711474

Dina

Dina Branch

Mian G.T. Road Dina
Tel: 0544-634471 -3
Fax: 0544-636675

Gawadar

Gawadar Branch

Plot Askani Hotel, Mullah Faazul Chowk,
Gawadar.
Tel: 0864-212144- 212146
Fax: 0864-212147

Ghotki

Ghotki Branch

CS # 395 & 407, Muhallah Machhi Bazar,
Opp: Sarkari Bagh, Ghotki, Sindh
Tel: 0723-681571 - 73
Fax: 0723-681574

Gilgit

Khasra# 1103, 1112, 1113,
Haji Ghulam Hussain Building
Raja Bazar Gilgit
Tel: 05811-457366-68
Fax: 05811-457369

Gujjar Khan

Gujjar Khan Branch

Plot # 58-D, 59-C, Sector/Block Area
Development, Scheme # 1, Akbar
Kayani Plaza, G. T. Road, Gujjar Khan
Tel: 051-3516431-2
Fax: 051-3516435

Haripur

Haripur Branch

Ground Floor, Akbar Arcade, Main G.T.
Road, Haripur
Tel: 0995- 610832 - 33
Fax: 0995-610829

BRANCH NETWORK

Hazro

Hazro Branch

Plot # B -386, 386-A, Dawood Centre,
Bank Square, Ziaul Haq Road, Hazro
Tel: 057-2313283 - 85
Fax: 057-2313286

Hyderabad

Bohri Bazar Hyderabad Branch

41/364, Saddar, Bohri Bazar-Hyderabad
Tel: 022-2730911-14
Fax: 022-2730910

Qasimabad Branch

Shop No. 23, 24 & 25, Rani Arcade,
Qasimabad, Hyderabad
Tel: 022-2650742-43
Fax: 022-2650745

Market Chowk Branch

Shop CS # A/2772/2, Ward -A, Market
Road, Hyderabad
Tel: 022-2638451-54
Fax: 022-2638450

Latifabad No. 7. Branch

Latifabad # 7, 5/D Unit #. 7, Hyderabad
Tel: 022-3810524 & 3810525
Fax: 022-3810515

Hala Naka Branch

Plot # 1 & 2, Deh. Gajoo, Near Masjid
Siddiq-e-Akbar, Malka Nagar, Hala Naka,
Hyderabad - Sindh.
Tel: 022-2032991-93
Fax: 022-2032994

Jacobabad

Jacobabad Branch.

C.S. No. 480, Ward # 5, Town, Jacobabad
- Sindh
Tel: 0722-650071 - 73
Fax: 0722-650074

Jhelum

Jhelum Branch

Plot # 89, Mehfooz Plaza, Kazim Kamal
Road, Jhelum Cantt.
Tel: 0544-720216 - 18
Fax: 0544-720219

Shahdad Kot

Shahdad Kot Branch.

C.S. No. 1048, 1051, 1052, 1054, Ward 'B',
Taluqa Shahdad Kot, District Kambar -
Sindh.
Tel: 074-4014461-63
Fax: 074-4014464

Kamoke

Kamoke - GT Road Branch

Madni Trade Centre, G.T Road, Kamoke
Tel: 055- 6815175-76
Fax: 055-6815184

Kandh Kot

Kandh Kot Branch

Registry # 505 & 520, Mukhi Muhallah,
Adjacent : Press Club, Kandh Kot, Sindh
Tel: 0722-572604 - 6
Fax: 0722-572607

BRANCH NETWORK

Kasur

Kasur Branch

Near Pul Qatal Gahri, Kutchery Road,
Kasur.

Tel: 049-2721993

Fax: 049-2721994

Pacca Chang

Pacca Chang Branch

CS No. 418/1-08, Deh. Pacca Chang,
Taluqa Faiz Ganj, District Khairpur -
Sindh.

Tel: 0243-557403-5

Fax: 0243-557406

Kot Addu

Kot Addu Branch

Property # 43, RH, 48/A-49-50, Ward B-
III, Kot Addu District, Muzaffar Garh

Tel: 066-2240206-07

Fax: 066-2240208

Lalamusa

Lalamusa Branch

G. T. Road, Lalamusa

Tel: 053-7515694,7515699,

7515697,7519977

Fax: 053-7515685

Larkana

Larkana Branch.

C.S. No. 1808, Pakistan Chowk, Larkana -
Sindh.

Tel: 074-4053608-10

Fax: 074-4053611

Mandi Bahauddin

Mandi Bahauddin Branch

Khasra # 143/112, Chak #51, Bank Rd.,
Off Railway Rd., (Ghalla Mandi), Mandi
Bahauddin.

Tel: 0546-600901, 600903-4-5

Fax: 0546-600902

Mansehra

Mansehra Branch

Al- Hadeed Corporation Market Shahrah
Resham Mansehra

Tel: 0997-303186, 303180

Fax: 0997-303135

Mardan

The Mall Branch

Plot No. 337, 337-A, The Mall, Mardan.

Tel: 0937-865344-45

Fax: 0937-865342

Mirpurkhas

Umer Kot Road Branch

Plot No : 988 to 991 Umerkot

Gharibabad, Mirpur Khas

Tel: 0233- 875115-7

Fax: 0233-875118

Khipro Bus Stand Branch.

Plot No. 92-93, Samanabad, Khipro
District, Ghumanabad Chowk, Khipro
Bus Stand - Mirpurkhas.

Tel: 0233-874518

Fax: 0233-875925

BRANCH NETWORK**Muridke****Muridke Branch**

774, G.T. Road Muridke
Tel: 042-37950456,37994711-12
Fax: 042-37994713

Muzzafarabad**Muzzafarabad Branch**

Sangam Hotel, Muzzafarabad - Azad
Jammu Kashmir (AJK)
Tel: 05822-924203-5
Fax: 05822-924206

Narowal**Katchery Road Branch**

Katchery Road, Narowal
Tel: 0542-414105-7
Fax: 0542-414089

Nawabshah**Nawabshah Branch**

Survey No. 77, Masjid Road, Nawabshah
- Sindh
Tel: 0244- 372042 - 44
Fax: 0244-372045

Nooriabad**Nooriabad Branch**

Ground Floor, SITE Office Bldg
Nooriabad, Dist.Jamshoro, Sindh
Tel: 025-4670433
Fax: 025-4670434

Okara**Ravi Road Branch**

23/A, Ravi Road, Okara.
Tel: 044-2528755, 2525355
Fax: 044-2525356

Rabwah**Rabwah Branch**

Plot No-9-10, Block-14, Darul Sadar, Gol
Bazar,
(Chenab Nagar) Rabwah
Tel: 047-621 3795-96
Fax: 047-621 3797

Rahim Yar Khna**Rahim Yar Khan Branch**

31/34 Shahi Road, Rahimyar Khan.
Tel: 068-5877821-5883876
Fax: 068-5876776

Sadiqabad**Sadiqabad Branch**

Mozzah Khuda Bux Dehar, Macchi Goth,
KLP Road, Sadiqabad
Tel: 068- 5786791-3
Fax: 068-5786300

Sahiwal**High Street Branch**

558/8-1, Navid, Plaza, High Street
Sahiwal.
Tel: 040-4229247, 4221615,4229247
Fax: 040-4460960

BRANCH NETWORK

Sargodha

Satellite Town Branch

Satellite Town, Ground Floor, Afzal Towers, Plot # 302-A, Main Satellite Town, Sargodha.
Tel: 048-3221027-28
Fax: 048-3221029

Sargodha Branch

Prince Cinema Market Railway Road. Sargodha
Tel: 048-3768113-5
Fax: 048-3768116

Shikarpur

Shikarpur Branch.

C.S. No.52/33/1, Ward 'B', Lakhi Gate, Shikarpur - Sindh
Tel: 0726-522057-59
Fax: 0726-522060

Sialkot

Kashmir Road Branch

Address: Block 'A', ZHC, Kashmir Road, Sialkot
Tel: 052-3573304 to 07 (4 lines)
Fax: 052-3573310

Paris Road Branch

B1,16S, 71/A/1, Paris Road, Sialkot
Tel: 052-4602712-16
Fax: 052-4598849

Small Industrial Area Branch

Plot No. 32 / A, S.I.E -1, Small Industrial Estate, UGOKE Road, Sialkot
Tel: 052-3242690 - 92
Fax: 052-3242695

Swabi

Swabi Branch

Property bearing No. 3361, Main Mardan Road, Swabi
Tel: 0938-222968 - 69
Fax: 0938-221572

Tando Allah Yar

Tando Allah Yar Branch

C-1, Survey # 274, Main Road, Tando Allah Yar - Sindh
Tel: 022-2763181-83
Fax: 022-2763184

Turbat

Main Bazar Branch

Main Bazar, Turbat.
Tel: 0852-413874
Fax: 0852-414048

Wah Cantt

Wah Cantt Branch

Plot No. 17/37, Civic Center, Aslam Market, Wah Cantt
Tel: 051-4542157, 4542167, 4542279
Fax: 051-4542144



Summit  **Bank**

Arif Habib Center, 23 M.T. Khan Road, Karachi-74000.
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