

DISCOVERING POSSIBILITIES



QUARTERLY REPORT 2013

September 30, 2013

Summit  **Bank**

CONTENTS

Corporate Information	03
Vision & Mission	04
Directors' Report	06
Condensed Interim Financial Statements	
• Interim Condensed Unconsolidated Statement of Financial Position	10
• Interim Condensed Unconsolidated Income Statement (Un-audited)	11
• Interim Condensed Unconsolidated Statement of Comprehensive Income (Un-audited)	12
• Interim Condensed Unconsolidated Statement of Cash Flows (Un-audited)	13
• Interim Condensed Unconsolidated Statement of Changes in Equity (Un-audited)	14
• Notes to the Interim Condensed Unconsolidated Financial Statements	15
Consolidated Condensed Interim Financial Statements	
• Interim Condensed Consolidated Statement of Financial Position	30
• Interim Condensed Consolidated Income Statement (Un-audited)	31
• Interim Condensed Consolidated Statement of Comprehensive Income (Un-audited)	32
• Interim Condensed Consolidated Statement of Cash Flows (Un-audited)	33
• Interim Condensed Consolidated Statement of Changes in Equity (Un-audited)	34
• Notes to the Interim Condensed Consolidated Financial Statements	35
Branch Network	49

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

Chief Financial Officer - Acting

Syed Imran Hashmi

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, 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

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 September 30, 2013.

Performance Review

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

	September 30, 2013	September 30, 2012
	<i>(Unaudited)</i>	
	Rupees in '000	
Operating loss before provisions and diminution in value of Investments	(1,598,016)	(1,407,119)
Reversal for non performing advances	134,472	402,850
Reversal / (provision) for diminution in value of investments	55,885	(2,500)
Bad debts written off directly	(1,109)	(39,591)
Loss before tax	(1,408,768)	(1,046,360)
Taxation	(391,116)	(261,909)
Loss after tax	(1,799,884)	(1,308,269)
Loss per share basic and diluted – Rupees	(1.63)	(1.21)

During the current quarter, the net mark-up income of the Bank has increased by Rs. 138.287 million (September 30, 2013: Rs. 279.151 million, June 30, 2013: Rs.140.864 million) as a result of Management's approach to improve its net mark-up income by rationalizing its return on funds deployed, improving recovery against non-performing loans and reducing cost of deposits (CoD).

Despite the fixation of higher mandatory cost on saving deposits by State Bank of Pakistan (SBP), the Bank has succeeded to reduce its CoD to 5.97% in September 30, 2013 (December 31, 2012: 7.28%) which reflects reduction of 18% in overall CoD. This has been achieved due to Management's commitment to increase its CASA deposits, dilution of high CoD and widening its customer base.

On the front of the higher Non Performing Loans (NPLs) i.e. Rs. 23,409 million as of December 31, 2012 of the Bank, the Management's coordinated, concentrated and untiring efforts for their early recovery resulted in substantial reduction in NPLs by Rs. 3,418 million thus reducing the NPLs to a figure of Rs. 19,991 million as of September 30, 2013. This consequently resulted in reversals in provision against NPLs by Rs. 2,358 million. However, this was almost absorbed by the additional provisions against NPLs made during the period amounting to Rs. 2,223 million. The additional provisions mainly consist of impact of reduction of FSV benefit and downgrading of existing NPLs in line with regulatory requirements. Importantly, all these efforts reduced the infection ratio by 5.04% which currently stands at 31.01% in comparison with 36.05% as of December 31, 2012 though gross advances remained almost at the same level.

Fees, commission and brokerage income increased by 27% i.e. Rs. 127.459 million (September 30, 2013: Rs. 605.678 million, September 30, 2012: Rs. 478.219 million). To further improve non-interest income of the Bank, the management is trying to provide swift and quality services to existing customers and attracting the new customers.

Keeping in view good Information Technology infrastructure of the Bank and introduction of various value added services for its customers, the Bank is now looking for enhancement in its customer base by further offering innovative and lucrative Assets, Deposits, and other Services products (e.g. Summit Gold Loan Account, Summit Prepaid Card, Loyalty and Discount Debit Card and Cash Management Services). All these products are in the launching phase and will be fully available to the customers by the end of 2013.

Imperatively, the Bank has also extended its Internet Banking Facilities through the mobile version which will allow our existing registered users to use internet banking on their Mobile phones.

Economic Outlook

Despite the positive intent and commitment shown by the newly elected Government, the first few months have remained challenging on both economical and political fronts. Further, the law & order situation has also remained under tremendous stress. The government has initiated to address the deeper issues of the economy through swift settlement of circular debts of energy sector, reduction in subsidy on electricity tariff and introduction of some taxation measures to reduce the budget deficits.

DIRECTORS' REPORT

The Rupee has remained under continuous pressure during the current year and has depreciated by around 9% during 2013, the Foreign Exchange reserves have declined from US\$ 13.8 in December 31, 2012 to US\$ 9.9 billion by end of September 31, 2013 and the SBP reserve have fallen below US\$ 4 billion. The IMF has approved new Extended Fund Facility (EFF) of US\$ 6.6 billion for Pakistan in September 2013 and the first trench of same has been received in September 2013. The Government believes that the initiatives taken by the Government such as measure to improve law and order conditions, reconciliation and dialogue with extremist groups, curtailment of fiscal deficit, rationalizing the subsidies, restructuring of loss making public sectors organizations and other related corrective measures will bring clarity in market and boost the investors' confidence to escalate the economic activities.

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 September 30, 2013 amounts to Rs. 12,936 million including the convertible preference shares amounting to Rs 2,156 million, while the reserves and accumulated losses on such date are Rs. (1,812) million and Rs. (7,857) million respectively.

In addition to the preference shares of Rs. 2,156 million, the Board of Directors of the Bank has also approved injection of further Capital of Rs. 5 billion 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 the matter is still under discussion with SBP.

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 promoting a culture of excellence, leadership and customer focus to achieve market leading levels of operating efficiency as well as delivering outstanding customer services to customers. The Bank is further strengthening its Compliance Culture and improving all processes, procedures and systems to attain sustained growth and profitability. To achieve its targets, the Bank is initially emphasizing to strengthen its capital base in order to meet the regulatory requirement and same will also allow broadening the exposure to various financing and investing activities and increasing its customer base by presenting better picture to the market.

Islamic Banking

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

In Sha Allah, subject to regulatory approvals, the Bank will commence its Islamic Banking Branches which is expected by the end of 2013 across the country, thus 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: November 11, 2013

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SUMMIT BANK LIMITED

**UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS**

AS AT SEPTEMBER 30, 2013

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2013

		Un-audited September 30, 2013	(Restated note 5.2) Audited December 31, 2012
ASSETS	Note	----- (Rupees in '000) -----	
Cash and balances with treasury banks		9,291,235	8,110,185
Balances with other banks		1,913,872	3,600,977
Lendings to financial institutions		2,141,960	2,038,500
Investments	7	27,648,988	49,945,062
Advances	8	52,312,109	52,549,154
Operating fixed assets	9	6,089,895	5,405,336
Deferred tax assets - net	10	5,858,490	6,041,513
Other assets		6,727,881	6,694,468
		111,984,430	134,385,195
 LIABILITIES			
Bills payable		2,045,717	1,654,302
Borrowings		7,547,324	28,900,432
Deposits and other accounts	11	95,492,613	96,916,430
Sub-ordinated loans		1,498,965	1,499,310
Other liabilities		2,154,160	2,350,576
		108,738,779	131,321,050
NET ASSETS		3,245,651	3,064,145
 REPRESENTED BY			
Share capital		10,779,796	10,779,796
Reserves		(1,811,675)	(1,811,675)
Convertible Preference shares	12	2,155,959	-
Accumulated losses		(7,857,194)	(6,069,740)
		3,266,886	2,898,381
(Deficit) / surplus on revaluation of assets - net of tax		(21,235)	165,764
		3,245,651	3,064,145

CONTINGENCIES AND COMMITMENTS

13

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 SEPTEMBER 30, 2013

	Quarter Ended September 30, 2013	Quarter Ended September 30, 2012	Nine Months Ended September 30, 2013	Nine Months Ended September 30, 2012
Note	----- (Rupees in '000) -----			
Mark-up / return / interest earned	2,111,400	2,708,853	7,141,471	8,290,092
Mark-up / return / interest expensed	(1,832,249)	(2,519,572)	(6,625,595)	(7,844,868)
Net mark-up / interest income	279,151	189,281	515,876	445,224
(Provision) / reversal of provision against non-performing loans and advances	8.3.1 (81,147)	166,341	134,472	402,850
(Provision) / reversal of provision for diminution in the value of investments	7.2 (79,285)	-	55,885	(2,500)
Bad debts written off directly	8.4 -	(80)	(1,109)	(39,591)
	(160,432)	166,261	189,248	360,759
Net mark-up / interest income after provisions	118,719	355,542	705,124	805,983
NON MARK-UP / INTEREST INCOME				
Fee, commission and brokerage income	215,272	158,518	605,678	478,219
Dividend income	34,553	88,731	100,314	140,530
Gain from dealing in foreign currencies	163,332	93,616	358,178	285,497
Gain on sale of securities - net	14 75,758	53,591	49,211	232,066
Gain on disposal of operating fixed assets	2,832	543	6,377	23,957
Unrealised (loss) / gain on revaluation of investments classified as held-for-trading	(8,305)	7,493	(8,300)	-
Other income	24,962	15,013	71,589	47,186
Total non-mark-up / interest income	508,404	417,505	1,183,047	1,207,455
	627,123	773,047	1,888,171	2,013,438
NON MARK-UP / INTEREST EXPENSES				
Administrative expenses	(1,116,407)	(1,054,770)	(3,247,318)	(3,052,226)
Other provisions / write-offs	(2,950)	-	(29,374)	(1,138)
Other charges	(5,387)	(2,217)	(20,247)	(6,434)
Total non-mark-up / interest expenses	(1,124,744)	(1,056,987)	(3,296,939)	(3,059,798)
	(497,621)	(283,940)	(1,408,768)	(1,046,360)
Extraordinary / unusual items	-	-	-	-
Loss before taxation	(497,621)	(283,940)	(1,408,768)	(1,046,360)
Taxation				
Current	(29,319)	(25,467)	(92,266)	(72,267)
Prior years	-	-	-	-
Deferred	(117,772)	(53,098)	(298,850)	(189,642)
	(147,091)	(78,565)	(391,116)	(261,909)
Loss after taxation	(644,712)	(362,505)	(1,799,884)	(1,308,269)
Basic and diluted loss per share (Rupees)	15 (0.58)	(0.34)	(1.63)	(1.21)

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 SEPTEMBER 30, 2013

	Quarter Ended September 30, 2013	Quarter Ended September 30, 2012	Nine Month Ended September 30, 2013	Nine Month Ended September 30, 2012
	----- (Rupees in '000) -----			
Loss after taxation	(644,712)	(362,505)	(1,799,884)	(1,308,269)
Other comprehensive income	-	-	-	-
Total comprehensive loss	<u>(644,712)</u>	<u>(362,505)</u>	<u>(1,799,884)</u>	<u>(1,308,269)</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 CASH FLOWS (UN-AUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2013

	Period Ended	
	September 30, 2013	September 30, 2012
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(1,408,768)	(1,046,360)
Less: Dividend income	(100,314)	(140,530)
	<u>(1,509,082)</u>	<u>(1,186,890)</u>
Adjustments:		
Depreciation	414,421	415,985
Amortization of intangible assets	60,690	50,182
Reversal of provision against non-performing loans and advances	(134,472)	(402,850)
Bad debts directly written off	1,109	39,591
Other provisions / write offs	29,374	1,138
(Reversal) / charge of provision for diminution in the value of investments	(55,885)	2,500
Unrealized loss on revaluation of investments as held-for-trading securities	8,300	-
Gain on disposal of securities	(49,211)	(232,066)
Gain on sale of non-banking assets	(2,698)	-
Gain on disposal of operating fixed assets	(6,377)	(23,957)
	<u>265,251</u>	<u>(149,477)</u>
	<u>(1,243,831)</u>	<u>(1,336,367)</u>
(Increase) / decrease in operating assets		
Lendings to financial institutions	(103,460)	(353,969)
Investments in held-for-trading securities - net	(406,015)	34,334
Advances	598,408	3,207,391
Other assets (excluding advance taxation) - net	(399,256)	(613,391)
	<u>(310,323)</u>	<u>2,274,365</u>
Increase / (decrease) in operating liabilities		
Bills payable	391,415	855,523
Borrowings from financial institutions	(22,179,115)	12,009,853
Deposits and other accounts	(1,423,817)	(2,034,292)
Other liabilities	(196,415)	(387,463)
	<u>(23,407,932)</u>	<u>10,443,621</u>
	<u>(24,962,086)</u>	<u>11,381,619</u>
Income tax paid	(59,140)	(126,603)
Net cash (used in) / generated from operating activities	<u>(25,021,226)</u>	<u>11,255,016</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments in available-for-sale securities - net	22,419,006	(11,548,327)
Investments in held-to-maturity securities - net	89,482	547,673
Dividend received	82,457	132,059
Investment in operating fixed assets	(1,191,140)	(233,632)
Sale proceeds from disposal of property and equipment	14,661	68,805
Sale proceeds from disposal of non-banking assets	119,084	-
Net cash generated from / (used in) investing activities	<u>21,533,550</u>	<u>(11,033,422)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from right issue of convertible preference shares	2,155,959	-
Repayment of sub-ordinated loans	(345)	(345)
Net cash generated from / (used in) financing activities	<u>2,155,614</u>	<u>(345)</u>
(Decrease) / increase in cash and cash equivalents	(1,332,062)	221,249
Cash and cash equivalents at beginning of the period	11,669,898	7,504,682
Cash and cash equivalents at end of the period	<u>10,337,836</u>	<u>7,725,931</u>

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 SEPTEMBER 30, 2013

	Share capital	Share premium account	Discount on issue of shares	Statutory reserve	Reserve arising on amalgamation	Convertible preference shares	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 nine months ended September 30, 2012								
Loss for the period	-	-	-	-	-	-	(1,308,269)	(1,308,269)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	(1,308,269)	(1,308,269)
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	-	-	-	-	13,011	13,011
Balance as at September 30, 2012 - (restated)	10,779,796	1,000,000	(1,297,298)	64,828	(1,579,205)	-	(4,682,170)	4,285,951
Total comprehensive income for the quarter ended December 31, 2012 - (restated)								
Loss for the period	-	-	-	-	-	-	(1,425,343)	(1,425,343)
Other comprehensive income for the period	-	-	-	-	-	-	(4,354)	(4,354)
	-	-	-	-	-	-	(1,429,697)	(1,429,697)
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	-	-	-	-	42,127	42,127
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 nine months ended September 30, 2013								
Loss for the period	-	-	-	-	-	-	(1,799,884)	(1,799,884)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	(1,799,884)	(1,799,884)
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	-	-	-	-	12,430	12,430
Convertible preference shares - Listed	-	-	-	-	-	2,155,959	-	2,155,959
Balance as at September 30, 2013	10,779,796	1,000,000	(1,297,298)	64,828	(1,579,205)	2,155,959	(7,857,194)	3,266,886

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 SEPTEMBER 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-S rating, till further instructions. The paid up capital of the Bank (net of losses) as of September 30, 2013 amounted to Rs 3.202 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 Bank has issued 215,595,916 listed convertible, perpetual, irredeemable, non-cumulative preference shares of Rs. 2.156 billion subject to condition as disclosed in note 12 to the unconsolidated condensed interim financial statements as Tier 1 Capital to raise the equity of Bank after getting final approval from the State Bank of Pakistan vide its letter No. BPRD/BAID/649/3813/2013 dated March 28, 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.
 - 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 recapitalization plan of the Bank and, consequently, its sustainability in the future.

2. BASIS OF PRESENTATION

These unconsolidated condensed 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.

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

3. STATEMENT OF COMPLIANCE

- 3.1** These unconsolidated condensed interim financial statements of the Bank for the nine months ended September 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 of 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 SEPTEMBER 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 recognized 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 recognized 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 recognize 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 SEPTEMBER 30, 2013

7. INVESTMENTS

7.1 Investments by types:

Note	Un-audited September 30, 2013			Audited December 31, 2012		
	Held by Bank	Given as collateral	Total	Held by bank	Given as collateral	Total
	----- (Rupees in '000) -----					
Held-for-trading securities						
	Listed Ordinary shares					
	412,135	-	412,135	6,125	-	6,125
Available-for-sale securities						
	Market Treasury Bills					
	17,281,678	2,955,924	20,237,602	17,297,902	22,778,000	40,075,902
	Pakistan Investment Bonds					
	1,863,803	-	1,863,803	1,157,294	2,537,191	3,694,485
	Listed Ordinary shares					
	2,843,993	-	2,843,993	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					
	25,000	-	25,000	1,063,363	-	1,063,363
	Term Finance Certificates - listed					
	182,882	69,832	252,714	395,502	44,919	440,421
	Term Finance Certificates - unlisted					
	1,504,033	-	1,504,033	1,425,727	-	1,425,727
	Sukuk Bonds					
	881,590	-	881,590	905,085	-	905,085
	24,695,147	3,025,756	27,720,903	24,730,588	25,360,110	50,090,698
Held to maturity						
	Pakistan Investment Bonds					
	498,588	-	498,588	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 carrying value						
	26,037,810	3,025,756	29,063,566	25,756,723	25,360,110	51,116,833
Less: Provision for diminution in the value of investments						
	(961,939)	-	(961,939)	(1,017,824)	-	(1,017,824)
Investments - net of provisions						
	25,075,871	3,025,756	28,101,627	24,738,899	25,360,110	50,099,009
Deficit on revaluation of held-for-trading securities (Deficit) / surplus on revaluation of available-for-sale securities						
	(8,300)	-	(8,300)	(5)	-	(5)
	(445,874)	1,535	(444,339)	(442,743)	288,801	(153,942)
	24,621,697	3,027,291	27,648,988	24,296,151	25,648,911	49,945,062

7.2 Particulars of provision

	Un-audited September 30, 2013	Audited December 31, 2012
	----- (Rupees in '000) -----	
Opening balance	1,017,824	1,058,828
Charge for the period	344,167	133,680
Reversal during the period	(400,052)	(174,684)
	(55,885)	(41,004)
Closing balance	961,939	1,017,824

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

		Un-audited September 30, 2013	Audited December 31, 2012
	Note	----- (Rupees in '000) -----	
7.3 Particulars of provision in respect of type and segment			
Available-for-sale securities			
Ordinary shares of listed companies	7.4	346,128	188,136
Ordinary shares of unlisted companies		1,000	1,000
Mutual Fund units		-	337,527
Term Finance Certificates - listed		117,731	40,947
Term Finance Certificates - unlisted		136,833	102,442
Sukuk Bonds		162,475	150,000
		764,167	820,052
Subsidiary		197,772	197,772
		961,939	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 40% of the required provision and against deficit on revaluation on Ordinary shares of Agritech Limited at 40% (December 31, 2012: 10%) of the identified provision. Accordingly, provision for diminution in value of investment include Rs.138.602 million (December 31, 2012: Rs.24.740 million) against TFCs and Rs.257.389 million (December 31, 2012: Rs.65.270 million) against Ordinary shares of Agritech Limited.

		Un-audited September 30, 2013	Audited December 31, 2012
	Note	----- (Rupees in '000) -----	
8. ADVANCES			
Loans, cash credits, running finances, etc. - in Pakistan		59,863,037	61,675,373
Net investment in finance lease - in Pakistan	8.2	297,244	285,014
Bills discounted and purchased (excluding Treasury Bills)			
Payable in Pakistan		2,019,691	1,713,160
Payable outside Pakistan		2,288,887	1,268,910
		4,308,578	2,982,070
Advances - gross		64,468,859	64,942,457
Provision against non-performing advances	8.3.1	(12,156,750)	(12,393,303)
Advances - net of provision		52,312,109	52,549,154
8.1 Particulars of advances			
8.1.1 In local currency		62,091,727	63,451,658
In foreign currencies		2,377,132	1,490,799
		64,468,859	64,942,457
8.1.2 Short-term (upto one year)		55,839,333	56,056,410
Long-term (over one year)		8,629,526	8,886,047
		64,468,859	64,942,457

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

8.2 Net investment in finance lease - in Pakistan

	Un-audited September 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	126,350	130,181	-	256,531	95,670	168,088	-	263,758
Residual value	61,116	9,501	-	70,617	46,485	16,599	-	63,084
Minimum lease payments	187,466	139,682	-	327,148	142,155	184,687	-	326,842
Financial charges for future periods	(13,789)	(16,115)	-	(29,904)	(11,893)	(29,935)	-	(41,828)
Present value of minimum lease payments	173,677	123,567	-	297,244	130,262	154,752	-	285,014

8.3 Advances include Rs 19,991.789 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 September 30, 2013			Audited December 31, 2012		
	Classified advances	Provision required	Provision held	Classified advances	Provision required	Provision held
	(Rupees in '000)					
OAEM	32,266	1,361	1,361	-	-	-
Substandard	701,994	80,792	80,792	915,923	227,787	227,787
Doubtful	1,041,941	409,137	409,137	3,889,308	780,251	780,251
Loss	18,215,588	11,633,828	11,633,828	18,604,716	11,382,777	11,382,777
	19,991,789	12,125,118	12,125,118	23,409,947	12,390,815	12,390,815

8.3.1 Particulars of provision against non-performing advances

	Un-audited September 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	2,194,473	29,144	2,223,617	1,938,087	1,255	1,939,342
Reversals	(2,358,089)	-	(2,358,089)	(1,905,703)	-	(1,905,703)
	(163,616)	29,144	(134,472)	32,384	1,255	33,639
Amount written off	(102,081)	-	(102,081)	(21,745)	-	(21,745)
Closing balance	12,125,118	31,632	12,156,750	12,390,815	2,488	12,393,303

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2013

8.3.2 Particulars of provision against non-performing advances

	Un-audited September 30, 2013			Audited December 31, 2012		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
In local currency	12,125,118	31,632	12,156,750	12,390,815	2,488	12,393,303
In foreign currencies	-	-	-	-	-	-
	12,125,118	31,632	12,156,750	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. 5,998 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. 791 million (December 31, 2012: Rs.1,385 million).

As per SBP IH & SMEFD circular No.8 dated May 7, 2013, the Revised Prudential Regulations for Small and Medium Enterprise (SME) financing, has been issued, which is effective from September 30, 2013, which among other things requires bank to maintain general provision at 1% of secured performing portfolio and 2% of unsecured performing portfolio against small enterprises (SE) financing and 10% specific provisioning against OAEM category, where principal/markup is over due by 90 days.

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

Note	Un-audited September 30, 2013	Audited December 31, 2012
	----- (Rupees in '000) -----	
8.4 Particulars of write offs		
Against provisions	102,081	21,745
Directly charged to profit and loss account	1,109	39,745
	103,190	61,490
9. OPERATING FIXED ASSETS		
Capital work-in-progress	9.1 1,159,912	350,579
Property and equipment	9.2 4,616,638	4,671,543
Intangible assets	9.3 313,345	383,214
	6,089,895	5,405,336
9.1 Capital work-in-progress		
Civil works	69,570	198,059
Advances to suppliers and contractors	39,032	37,210
Advances against purchase of land	9.1.1 956,000	20,000
Advances against computer software	123,165	123,165
Less: Provision thereagainst	(27,855)	(27,855)
	95,310	95,310
	1,159,912	350,579

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 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 September 30, 2013	Audited December 31, 2012
Note	----- (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	378,036	422,248
Book value of deletions / write offs during the period / year	(18,520)	(528,469)
Depreciation charge for the period / year	(414,421)	(525,337)
Book value at end of the period / year	4,616,638	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	3,771	17,112
Written off during the period	(12,950)	-
Amortization charge for the period / year	(60,690)	(99,653)
Book value at end of the period / year	313,345	383,214

10. DEFERRED TAX ASSETS - NET

Deferred debits arising in respect of:

Provision against non performing loans	1,899,834	2,354,472
Provision for compensated absences	43,801	43,164
Provision against other assets	65,910	63,743
Unused tax losses	4,145,082	4,022,092
Deficit on revaluation of available for sale securities	61,881	-
Provision for impairment losses	336,679	356,238
	6,553,187	6,839,709

Deferred credits arising in respect of:

Surplus on revaluation of fixed assets	(96,492)	(102,038)
Difference between accounting and tax written down values	(598,205)	(643,962)
Surplus on revaluation of available for sale securities	-	(52,196)
	(694,697)	(798,196)
10.1	5,858,490	6,041,513

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

- 10.1** The Bank has an aggregate amount of deferred tax asset of Rs 5,858.490 million which represents management's best estimate of the probable benefits expected to be realized 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 realized in the future.

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

11. DEPOSITS AND OTHER ACCOUNTS

Customers

Fixed deposits	28,135,916	36,804,444
Savings deposits	37,611,892	31,070,072
Current accounts - non-remunerative	23,706,986	19,168,420
Margin accounts	2,325,560	1,580,182
	91,780,354	88,623,118

Financial institutions

Non-remunerative deposits	318,435	381,725
Remunerative deposits	3,393,824	7,911,587
	3,712,259	8,293,312
	95,492,613	96,916,430

11.1 Particulars of deposits

In local currency	89,693,938	92,266,570
In foreign currencies	5,798,675	4,649,860
	95,492,613	96,916,430

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

12. CONVERTIBLE PREFERENCE SHARES

During the period, the Bank has issued two classes of listed convertible, perpetual, irredeemable, non-cumulative preference shares (CPS), eligible Tier 1 Capital, namely Class "A" 110,942,434 shares and Class "B" 104,653,482 shares both at issue price of Rs. 10 per share aggregating to the paid-up amount of Rs. 2,156 million and have 5 years tenor. The terms and conditions for the issue are as under:

	Class A	Class B
Dividend	: 5% fixed return in the form of bonus Preference Shares	Six Months KIBOR + 0.50% will be paid in the form of cash dividend subject to profitability and regulatory compliance. However, if the Bank is not able to pay cash dividend, then subject to profitability and regulatory compliance, the bank will issue bonus Ordinary Shares of equivalent amount at the conversion price
	The dividends should only be paid from current year's earnings and will be subject to condition that any payment on such instruments should not result in breach of regulatory MCR and CAR requirements set by SBP from time to time.	
Conversion option	: Preference Shares including all the returns / dividends in the form of Preference Shares shall be converted in Ordinary Shares after five years from the date of issuance.	Preference shareholders will have the option to convert Preference Shares into Ordinary Shares starting from the end of 42nd month of the date of issuance and every six months thereafter in equal tranches of 25% each at the conversion price agreed.
		If the investors intend to exercise the conversion option, they will give one month prior notice to the Bank stating their intention to convert the Class B shares as per formula prescribed above.
		The maximum number of ordinary shares to be issued at the time of conversion must not exceed the ratio of price of the Preference shares at the time of its issuance divided by 20% of the Bank's Ordinary Shares price at the same time
Conversion price	: Shares will be issued at the audited book value as at December 31, 2012.	The par value i.e. Rs 10.00 per share or Market price per share as quoted on local stock exchanges whichever is lower. In case the market price per share is greater than par value, then the Class B shares will be converted at a 12.5% discount to market price per share. The market price used for determining the conversion price will be the three months average market price per share prior to the date of issuance of conversion notice by Class B shareholders or the completion of its tenor, whichever is earlier.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2013

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

13. CONTINGENCIES AND COMMITMENTS

13.1 Direct credit substitutes

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

Financial institutions	-	400,000
Others	339,092	403,873
	339,092	803,873

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	2,284,816	3,254,100
Banking companies and other financial institutions	808,916	372,074
Others	4,618,914	3,763,472
	7,712,645	7,389,646

13.3 Trade-related contingent liabilities

Letters of credit	9,541,114	6,196,252
Acceptances	713,579	1,157,134
	10,254,693	7,353,386

13.4 Other contingencies - claims against Bank not acknowledged as debts

	8,443,003	9,723,708
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13.5 Contingent asset

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

13.6 Commitments in respect of forward lending

Forward documentary bills	1,868,866	2,834,502
Commitments to extend credit	9,984,513	9,805,740
	11,853,379	12,640,242

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2013

	Un-audited Sep 30, 2013	Audited December 31, 2012
	----- (Rupees in '000) -----	
13.7 Commitments in respect of forward exchange contracts		
Purchase	5,202,207	7,633,493
Sale	3,423,157	8,836,456
	<u>8,625,363</u>	<u>16,469,950</u>
13.8 Commitments in respect of purchase and sale of securities		
Purchase of shares	122,565	-
Sale of shares	8,443	-
	<u>131,008</u>	<u>-</u>
13.9 Commitments for capital expenditure		
Civil works (at branches)	10,771	32,488
	<u>10,771</u>	<u>32,488</u>
13.10 Commitments in respect of purchase of rupee traveler cheques	-	1,210
	<u>-</u>	<u>1,210</u>

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.4.897 million resulting in an aggregate provision of Rs.25.694 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 SEPTEMBER 30, 2013

	Un-audited Nine Months Ended September 30, 2013	Un-audited Nine Months Ended September 30, 2012
	----- (Rupees in '000) -----	
14. GAIN / (LOSS) ON SALE OF SECURITIES - NET		
Federal Government Securities		
- Market Treasury Bills	7,716	2,907
- Pakistan Investment Bonds	13,443	5,802
Listed Ordinary shares	160,888	216,959
Unlisted Ordinary shares	-	6,398
Mutual Fund Units	(132,836)	-
	<u>49,211</u>	<u>232,066</u>
15. LOSS PER SHARE - BASIC AND DILUTED		
Loss for the period	<u>(1,799,884)</u>	<u>(1,308,269)</u>
	----- (Number of shares) -----	
Weighted average number of Ordinary shares	<u>1,104,712,481</u>	<u>1,077,979,582</u>
	----- (Rupees) -----	
Loss per share - basic and diluted (Rupees)	<u>(1.63)</u>	<u>(1.21)</u>
15.1 Diluted EPS has not been disclosed in these unconsolidated condensed interim Financial Statements as the effect of the potential Ordinary Shares is anti-dilutive.		

	Un-audited September 30, 2013	Audited December 31, 2012
	----- (Rupees in '000) -----	
16. CASH AND CASH EQUIVALENTS		
Cash and balances with treasury banks	9,291,235	8,110,185
Balances with other banks	1,913,872	3,600,977
Overdrawn nostro accounts	(867,271)	(41,264)
	<u>10,337,836</u>	<u>11,669,898</u>

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 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).

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

	September 30, 2013 - Un-audited				December 31, 2012 - Audited				
	Key management personnel	Parent company	Subsidiaries	Associates / other related parties	Key management personnel	Parent company	Subsidiaries	Associates / other related parties	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	69,680	-	-	2,334,874	48,155	-	-	-	765,820
Payment received during the period / year	(42,968)	-	-	(1,853,128)	(34,194)	-	-	(18,000)	(763,512)
Balance at end of the period / year	144,338	-	-	592,021	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
Deposits during the period / year	348,254	1,736,150	-	4,671,263	965,872	483,937	392,851	-	5,071,890
Withdrawal during the period / year	(335,356)	(1,724,954)	-	(4,713,813)	(947,940)	(471,515)	(420,555)	-	(5,006,562)
Balance at end of the period / year	57,090	51,808	-	61,413	74,736	44,192	40,612	-	103,963
Other transaction / balances									
Subscription of right issue of convertible preference shares - refer note 12	-	50,000	1,109,361	-	-	-	-	-	-
Assets acquired	-	-	-	10,316	-	-	-	-	-
Investment in shares - net of provision	-	-	-	1,008,913	-	-	-	199,170	340,299
Guarantees, letters of credits and acceptances	-	-	-	412,783	-	-	-	-	125,753
Other receivables	-	-	-	11,242	-	-	27,000	-	1,312
Other payables	-	1,301	-	1,215	-	1,222	-	339	12,310
Mark-up payable	69	-	-	557	214	68	250	-	331
Mark-up receivable	-	-	-	293	465	-	-	-	3,657
(Rupees in '000)									
Profit / expense for the period									
Brokerage expenses	-	-	-	4,459	514	-	-	1,171	1,224
Rental Income	-	-	-	1,350	-	-	-	-	-
Contribution to employees provident fund	-	-	-	-	48,894	-	-	-	39,507
Contribution to employees gratuity fund	-	-	-	-	34,091	-	-	-	38,494
Remuneration paid	109,633	-	-	-	-	83,277	-	-	-
Professional charges	-	-	-	-	4,220	-	-	-	-
Post employment benefits	4,797	-	-	-	-	5,236	-	-	-
Gain on disposal of investments - net	-	-	-	-	3,594	-	-	-	9,995
Mark-up earned	3,823	-	-	7,977	17,049	3,393	-	2,022	15,478
Mark-up expensed	479	1,598	-	4,808	1,754	599	5,700	3,065	1,065
Repair and maintenance charges	-	-	-	-	2,126	-	-	-	-
Director's fees	-	770	-	-	-	-	1,435	-	-
Dividend Income	-	-	-	-	-	-	-	-	8,408

18. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on November 11, 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.

President & Chief Executive

Director

Director

Director

SUMMIT BANK LIMITED

**CONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENT**

AS AT SEPTEMBER 30, 2013

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2013

		Un-audited September 30, 2013	(Restated note 5.2) Audited December 31, 2012
	Note	----- (Rupees in '000) -----	
ASSETS			
Cash and balances with treasury banks		9,291,237	8,110,198
Balances with other banks		1,914,299	3,601,183
Lendings to financial institutions		2,141,960	2,038,500
Investments	7	27,520,204	49,777,088
Advances	8	52,312,109	52,549,154
Operating fixed assets	9	6,161,158	5,470,400
Deferred tax assets - net	10	5,803,411	5,986,434
Other assets		6,843,731	6,756,109
		111,988,109	134,289,066
LIABILITIES			
Bills payable		2,045,717	1,654,302
Borrowings		7,547,324	28,900,432
Deposits and other accounts	11	95,435,467	96,815,372
Sub-ordinated loans		1,498,965	1,499,310
Other liabilities		2,243,265	2,412,125
		108,770,738	131,281,541
NET ASSETS		3,217,371	3,007,525
REPRESENTED BY			
Share capital		10,779,796	10,779,796
Reserves		(1,811,675)	(1,811,675)
Convertible Preference shares	12	2,155,959	-
Accumulated losses		(7,885,474)	(6,126,360)
		3,238,606	2,841,761
(Deficit) / Surplus on revaluation of assets - net of tax		(21,235)	165,764
		3,217,371	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 SEPTEMBER 30, 2013

	Quarter Ended September 30, 2013	Quarter Ended September 30, 2012	Nine month Ended September 30, 2013	Nine month Ended September 30, 2012
Note	----- (Rupees in '000) -----			
Mark-up / return / interest earned	2,111,773	2,708,350	7,134,604	8,289,589
Mark-up / return / interest expensed	(1,830,712)	(2,516,548)	(6,620,781)	(7,841,844)
Net mark-up / interest income	281,061	191,802	513,823	447,745
(Provision) / reversal of provision against non-performing loans and advances	8.3.1 (81,147)	166,341	134,472	402,850
(Provision) / reversal of provision for diminution in the value of investments	7.2 (79,285)	-	55,885	(2,500)
Bad debts written off directly	8.4 -	(80)	(1,109)	(39,591)
	(160,432)	166,261	189,248	360,759
Net mark-up / interest income after provisions	120,629	358,063	703,071	808,504
NON MARK-UP / INTEREST INCOME				
Fee, commission and brokerage income	229,982	181,396	646,609	501,097
Dividend income	35,054	88,731	122,472	140,530
Gain from dealing in foreign currencies	163,332	93,616	358,178	285,497
Gain on sale of securities - net	14 77,963	78,493	49,830	256,968
Gain on disposal of operating fixed assets	2,832	543	6,441	23,957
Unrealised gain / (loss) on revaluation of investments classified as held-for-trading	5,670	7,493	(13,420)	-
Other income	25,955	11,249	72,734	43,422
Total non-mark-up / interest income	540,788	461,521	1,242,844	1,251,471
	661,417	819,584	1,945,915	2,059,975
NON MARK-UP / INTEREST EXPENSES				
Administrative expenses	(1,136,140)	(1,092,777)	(3,290,179)	(3,090,233)
Other provisions / write-offs	(2,950)	-	(29,399)	(1,138)
Other charges	(5,447)	(2,217)	(20,307)	(6,434)
Total non-mark-up / interest expenses	(1,144,537)	(1,094,994)	(3,339,885)	(3,097,805)
	(483,120)	(275,410)	(1,393,970)	(1,037,830)
Share of profit of associate	3,041	-	19,408	-
	(480,079)	(275,410)	(1,374,562)	(1,037,830)
Extra ordinary / unusual items	-	-	-	-
Loss before taxation	(480,079)	(275,410)	(1,374,562)	(1,037,830)
Taxation				
Current	(30,747)	(27,421)	(98,132)	(74,221)
Prior years	-	-	-	-
Deferred	(117,772)	(53,098)	(298,850)	(189,642)
	(148,519)	(80,519)	(396,982)	(263,863)
Loss after taxation	(628,598)	(355,929)	(1,771,544)	(1,301,693)
Basic and diluted loss per share (Rupees)	15 (0.58)	(0.33)	(1.60)	(1.21)

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 SEPTEMBER 30, 2013

	Quarter Ended September 30, 2013	Quarter Ended September 30, 2012	Nine month Ended September 30, 2013	Nine month Ended September 30, 2012
	----- (Rupees in '000) -----			
Loss after taxation	(628,598)	(355,929)	(1,771,544)	(1,301,693)
Other comprehensive income	-	-	-	-
Total comprehensive loss	<u>(628,598)</u>	<u>(355,929)</u>	<u>(1,771,544)</u>	<u>(1,301,693)</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 CASH FLOWS (UN-AUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2013

	Nine month Ended	
	September 30, 2013	September 30, 2012
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(1,374,562)	(1,037,830)
Less: Dividend income	(122,472)	(140,530)
	<u>(1,497,034)</u>	<u>(1,178,360)</u>
Adjustments:		
Depreciation	417,204	415,985
Amortisation of intangible assets	60,920	50,182
Reversal of provision against non-performing loans and advances	(134,472)	(402,850)
Bad debts directly written off	1,109	39,591
Other provisions / write offs	29,399	1,138
(Reversal) / charge of provision for diminution in the value of investments	(55,885)	2,500
Unrealised loss on revaluation of investments		
as held-for-trading securities	13,420	-
Share of profit from associate	(19,408)	-
Gain on disposal of securities	(49,830)	(256,968)
Gain on sale of non-banking assets	(5,193)	-
Gain on disposal of operating fixed assets	(6,441)	(23,957)
	<u>250,823</u>	<u>(174,379)</u>
	<u>(1,246,211)</u>	<u>(1,352,739)</u>
(Increase) / decrease in operating assets		
Lendings to financial institutions	(103,460)	(273,969)
Investments in held-for-trading securities - net	(430,917)	(82,548)
Advances	598,408	3,207,281
Other assets (excluding advance taxation) - net	(411,972)	(597,302)
	<u>(347,941)</u>	<u>2,253,462</u>
Increase / (decrease) in operating liabilities		
Bills payable	391,415	855,523
Borrowings from financial institutions	(22,179,115)	12,009,853
Deposits and other accounts	(1,379,905)	(2,039,703)
Other liabilities	(168,859)	(362,986)
	<u>(23,336,464)</u>	<u>10,462,687</u>
	<u>(24,930,616)</u>	<u>11,363,410</u>
Income tax paid	(65,760)	(126,603)
Net cash (used in) / generated from operating activities	<u>(24,996,376)</u>	<u>11,236,807</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments in available-for-sale securities - net	22,419,844	(11,523,425)
Investments in held-to-maturity securities - net	89,482	547,673
Dividend received	104,615	132,059
Investment in operating fixed assets	(1,202,322)	(227,203)
Sale proceeds from disposal of property and equipment	16,670	68,805
Sale proceeds from disposal of non-banking assets	80,621	-
Net cash generated from / (used in) investing activities	<u>21,508,910</u>	<u>(11,002,091)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from right issue of convertible preference shares	2,155,959	-
Repayment of sub-ordinated loans	(345)	(345)
Net cash generated from / (used in) financing activities	<u>2,155,614</u>	<u>(345)</u>
Decrease in cash and cash equivalents	(1,331,852)	234,371
Cash and cash equivalents at beginning of the period	11,670,117	7,511,955
Cash and cash equivalents at end of the period	<u>10,338,265</u>	<u>7,746,326</u>

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 SEPTEMBER 30, 2013

	Share capital	Share premium account	Discount on issue of shares	Statutory reserve	Reserve arising on amalgamation	Convertible preference shares	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 nine month ended September 30, 2012								
Loss for the period	-	-	-	-	-	-	(1,301,693)	(1,301,693)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	(1,301,693)	(1,301,693)
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	-	-	-	-	13,011	13,011
Balance as at September 30, 2012 - (restated)	10,779,796	1,000,000	(1,297,298)	64,828	(1,579,205)	-	(4,749,089)	4,219,032
Total comprehensive income for the period ended December 31, 2012 - (restated)								
Loss for the period	-	-	-	-	-	-	(1,415,044)	(1,415,044)
Other comprehensive income for the period	-	-	-	-	-	-	(4,354)	(4,354)
	-	-	-	-	-	-	(1,419,398)	(1,419,398)
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	-	-	-	-	42,127	42,127
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 nine month ended September 30, 2013								
Loss for the period	-	-	-	-	-	-	(1,771,544)	(1,771,544)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	(1,771,544)	(1,771,544)
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	-	-	-	-	12,430	12,430
Convertible preference shares - Listed	-	-	-	-	-	2,155,959	-	2,155,959
Balance as at September 30, 2013	10,779,796	1,000,000	(1,297,298)	64,828	(1,579,205)	2,155,959	(7,885,474)	3,238,606

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 SEPTEMBER 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 September 30, 2013 amounted to Rs 3.202 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 Bank have taken the following steps:
 - During the current period, the Bank has issued 215,595,916 listed convertible, perpetual, irredeemable, non-cumulative preference shares of Rs. 2.156 billion subject to condition as disclosed in note 12 to the unconsolidated condensed interim financial statements as Tier 1 Capital to raise the equity of Bank after getting final approval from the State Bank of Pakistan vide its letter No. BPRD/BAID/649/3813/2013 dated March 28, 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.
 - 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 SEPTEMBER 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 condensed 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 (Amendment)

IAS 19 – Employee Benefits (Revised)

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 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.

- 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.

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

7. INVESTMENTS

Note	Un-audited September 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	437,037	-	437,037	6,125	-	6,125
Available-for-sale securities						
Market Treasury Bills	17,281,678	2,955,924	20,237,602	17,297,902	22,778,000	40,075,902
Pakistan Investment Bonds	1,863,803	-	1,863,803	1,157,294	2,537,191	3,694,485
Listed Ordinary shares	2,843,993	-	2,843,993	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
Mutual fund units - open end	25,000	-	25,000	1,063,363	-	1,063,363
Term Finance Certificates - listed	182,882	69,832	252,714	395,502	44,919	440,421
Term Finance Certificates - unlisted	1,504,033	-	1,504,033	1,425,727	-	1,425,727
Sukuk Bonds	881,590	-	881,590	905,085	-	905,085
	24,726,198	3,025,756	27,751,954	24,761,639	25,360,110	50,121,749
Held to maturity						
Pakistan Investment Bonds	498,588	-	498,588	588,070	-	588,070
Associate						
Unlisted Ordinary shares	54,551	-	54,551	35,143	-	35,143
Investments at cost	25,716,374	3,025,756	28,742,130	25,390,977	25,360,110	50,751,087
Less: Provision for diminution in the value of investments	(764,167)	-	(764,167)	(820,052)	-	(820,052)
Investments - net of provisions	24,952,207	3,025,756	27,977,963	24,570,925	25,360,110	49,931,035
Deficit on revaluation of held-for-trading securities (Deficit) / surplus on revaluation of available-for-sale securities	(13,420)	-	(13,420)	(5)	-	(5)
	(445,874)	1,535	(444,339)	(442,743)	288,801	(153,942)
Total investments	24,492,913	3,027,291	27,520,204	24,128,177	25,648,911	49,777,088

	Un-audited September 30, 2013	Audited December 31, 2012
	----- (Rupees in '000) -----	
7.2 Particulars of provision		
Opening balance	820,052	870,494
Charge for the period / year	344,167	133,680
Reversal during the period / year	(400,052)	(184,122)
	(55,885)	(50,442)
Closing balance	764,167	820,052

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2013

7.3	Particulars of provision in respect of type and segment	Note	Un-audited	Audited
			September 30, 2013 ----- (Rupees in '000) -----	December 31, 2012 -----
Available-for-sale securities				
	Ordinary shares of listed companies	7.4	346,128	188,136
	Ordinary shares of unlisted companies		1,000	1,000
	Mutual Fund units		-	337,527
	Term Finance Certificates - listed		117,731	40,947
	Term Finance Certificates - unlisted		136,833	102,442
	Sukuk Bonds		162,475	150,000
			<u>764,167</u>	<u>820,052</u>

- 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 40% of the required provision and against deficit on revaluation on Ordinary shares of Agritech Limited at 40% (December 31, 2012: 10%) of the identified provision. Accordingly, provision for diminution in value of investment include Rs.138.602 million (December 31, 2012: Rs.24.740 million) against TFCs and Rs.257.389 million (December 31, 2012: Rs.65.270 million) against Ordinary shares of Agritech Limited.

8.	ADVANCES	Note	Un-audited	Audited
			September 30, 2013 ----- (Rupees in '000) -----	December 31, 2012 -----
	Loans, cash credits, running finances, etc. - in Pakistan		59,863,037	61,675,373
	Net investment in finance lease - in Pakistan	8.2	297,244	285,014
	Bills discounted and purchased (excluding Treasury Bills)			
	Payable in Pakistan		2,019,691	1,713,160
	Payable outside Pakistan		2,288,887	1,268,910
			<u>4,308,578</u>	<u>2,982,070</u>
	Advances - gross		64,468,859	64,942,457
	Provision against non-performing advances	8.3.1	(12,156,750)	(12,393,303)
	Advances - net of provision		<u>52,312,109</u>	<u>52,549,154</u>

8.1 Particulars of advances

8.1.1	In local currency	62,091,727	63,451,658
	In foreign currencies	2,377,132	1,490,799
		<u>64,468,859</u>	<u>64,942,457</u>
8.1.2	Short-term (upto one year)	55,839,333	56,056,410
	Long-term (over one year)	8,629,526	8,886,047
		<u>64,468,859</u>	<u>64,942,457</u>

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2013

8.2 Net investment in finance lease - in Pakistan

	Un-audited September 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	126,350	130,181	-	256,531	95,670	168,088	-	263,758
Residual value	61,116	9,501	-	70,617	46,485	16,599	-	63,084
Minimum lease payments	187,466	139,682	-	327,148	142,155	184,687	-	326,842
Financial charges for future periods	(13,789)	(16,115)	-	(29,904)	(11,893)	(29,935)	-	(41,828)
Present value of minimum lease payments	173,677	123,567	-	297,244	130,262	154,752	-	285,014

8.3 Advances include Rs 19,991.789 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 September 30, 2013			Audited December 31, 2012		
	Classified advances	Provision required	Provision held	Classified advances	Provision required	Provision held
	(Rupees in '000)					
OAEM	32,266	1,361	1,361	-	-	-
Substandard	701,994	80,792	80,792	915,923	227,787	227,787
Doubtful	1,041,941	409,137	409,137	3,889,308	780,251	780,251
Loss	18,215,588	11,633,828	11,633,828	18,604,716	11,382,777	11,382,777
	19,991,789	12,125,118	12,125,118	23,409,947	12,390,815	12,390,815

8.3.1 Particulars of provision against non-performing advances

	Un-audited September 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	2,194,473	29,144	2,223,617	1,938,087	1,255	1,939,342
Reversals	(2,358,089)	-	(2,358,089)	(1,905,703)	-	(1,905,703)
	(163,616)	29,144	(134,472)	32,384	1,255	33,639
Amount written off	(102,081)	-	(102,081)	(21,745)	-	(21,745)
Closing balance	12,125,118	31,632	12,156,750	12,390,815	2,488	12,393,303

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2013

8.3.2 Particulars of provision against non-performing advances

	Un-audited September 30, 2013			Audited December 31, 2012		
	Specific	General	Total	Specific	General	Total
	(Rupees in '000)					
In local currency	12,125,118	31,632	12,156,750	12,390,815	2,488	12,393,303
In foreign currencies	-	-	-	-	-	-
	12,125,118	31,632	12,156,750	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. 5,998 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. 791 million (December 31, 2012: Rs.1,385 million).

As per SBP IH & SMEFD circular No.8 dated May 7, 2013, the Revised Prudential Regulations for Small and Medium Enterprise (SME) financing, has been issued, which is effective from September 30, 2013, which among other things requires bank to maintain general provision at 1% of secured performing portfolio and 2% of unsecured performing portfolio against small enterprises (SE) financing and 10% specific provisioning against OAEM category, where principal/markup is over due by 90 days.

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

Note	Un-audited September 30, 2013	Audited December 31, 2012
	----- (Rupees in '000) -----	
8.4 Particulars of write offs		
Against provisions	102,081	21,745
Directly charged to profit and loss account	1,109	39,745
	103,190	61,490

9. OPERATING FIXED ASSETS

Capital work-in-progress	9.1	1,163,425	353,079
Property and equipment	9.2	4,683,595	4,733,084
Intangible assets	9.3	314,138	384,237
		6,161,158	5,470,400
9.1 Capital work-in-progress			
Civil works		73,083	200,559
Advances to suppliers and contractors		39,032	37,210
Advances against purchase of land	9.1.1	956,000	20,000
Advances against computer software		123,165	123,165
Less: Provision thereagainst		(27,855)	(27,855)
		95,310	95,310
		1,163,425	353,079

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 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 September 30, 2013	Audited December 31, 2012
Note	----- (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	388,205	424,240
Book value of deletions / write offs during the period / year	(20,490)	(533,471)
Depreciation charge for the period / year	(417,204)	(529,220)
Book value at end of the period / year	4,683,595	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	3,771	17,112
Written off during the period	(12,950)	-
Amortization charge for the period / year	(60,920)	(100,102)
Deletion / adjustment for the period / year	-	(31,173)
Book value at end of the period / year	314,138	384,237

10. DEFERRED TAX ASSETS - NET

Deferred debits arising in respect of:

Provision against non performing loans	1,899,834	2,354,472
Provision for gratuity	840	840
Provision for compensated absences	43,801	43,164
Provision against other assets	65,910	63,743
Unused tax losses	4,158,845	4,035,855
Deficit on revaluation of available for sale securities	61,881	-
Minimum tax	345	345
Provision for impairment losses	267,459	287,018
	6,498,915	6,785,437

Deferred credits arising in respect of:

Surplus on revaluation of fixed assets	(96,492)	(102,038)
Difference between accounting and tax written down values	(599,012)	(644,769)
Surplus on revaluation of available for sale securities	-	(52,196)
	(695,504)	(799,003)
10.1	5,803,411	5,986,434

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

- 10.1** The Group has an aggregate amount of deferred tax asset of Rs.5,803.411 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 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.

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

11. DEPOSITS AND OTHER ACCOUNTS

Customers

Fixed deposits	28,135,916	36,804,444
Savings deposits	37,554,778	31,070,072
Current accounts - non-remunerative	23,706,954	19,168,420
Margin accounts	2,325,560	1,580,182
	91,723,208	88,623,118

Financial institutions

Non-remunerative deposits	318,435	381,725
Remunerative deposits	3,393,824	7,810,529
	3,712,259	8,192,254
	95,435,467	96,815,372

11.1 Particulars of deposits

In local currency	89,636,792	92,165,512
In foreign currencies	5,798,675	4,649,860
	95,435,467	96,815,372

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

12. CONVERTIBLE PREFERENCE SHARES

During the period, the Bank has issued two classes of listed convertible, perpetual, irredeemable, non-cumulative preference shares (CPS), eligible Tier 1 Capital, namely Class "A" 110,942,434 shares and Class "B" 104,653,482 shares both at issue price of Rs. 10 per share aggregating to the paid-up amount of Rs. 2,156 million and have 5 years tenor. The terms and conditions for the issue are as under:

	Class A	Class B
Dividend	5% fixed return in the form of bonus Preference Shares	Six Months KIBOR + 0.50% will be paid in the form of cash dividend subject to profitability and regulatory compliance. However, if the Bank is not able to pay cash dividend, then subject to profitability and regulatory compliance, the bank will issue bonus Ordinary Shares of equivalent amount at the conversion price
	The dividends should only be paid from current year's earnings and will be subject to condition that any payment on such instruments should not result in breach of regulatory MCR and CAR requirements set by SBP from time to time.	
Conversion option	Preference Shares including all the returns / dividends in the form of Preference Shares shall be converted in Ordinary Shares after five years from the date of issuance.	Preference shareholders will have the option to convert Preference Shares into Ordinary Shares starting from the end of 42nd month of the date of issuance and every six months thereafter in equal tranches of 25% each at the conversion price agreed. If the investors intend to exercise the conversion option, they will give one month prior notice to the Bank stating their intention to convert the Class B shares as per formula prescribed above. The maximum number of ordinary shares to be issued at the time of conversion must not exceed the ratio of price of the Preference shares at the time of its issuance divided by 20% of the Bank's Ordinary Shares price at the same time.
Conversion price	Shares will be issued at the audited book value as at December 31, 2012.	The par value i.e. Rs 10.00 per share or Market price per share as quoted on local stock exchanges whichever is lower. In case the market price per share is greater than par value, then the Class B shares will be converted at a 12.5% discount to market price per share. The market price used for determining the conversion price will be the three months average market price per share prior to the date of issuance of conversion notice by Class B shareholders or the completion of its tenor, whichever is earlier.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2013

	Un-audited September 30, 2013	Audited December 31, 2012
	----- (Rupees in '000) -----	
13. CONTINGENCIES AND COMMITMENTS		
13.1 Direct credit substitutes		
Including guarantees and standby letters of credit serving as financial guarantees for loans and securities		
Government	-	-
Financial institutions	-	400,000
Others	339,092	403,873
	339,092	803,873
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	2,284,816	3,254,100
Banking companies and other financial institutions	808,916	372,074
Others	4,618,914	3,763,472
	7,712,645	7,389,646
13.3 Trade-related contingent liabilities		
Letters of credit	9,541,114	6,196,252
Acceptances	713,579	1,157,134
	10,254,693	7,353,386
13.4 Other contingencies - claims against Bank not acknowledged as debts	8,443,003	9,723,708
13.5 Contingent asset		
There was no contingent asset as at September 30, 2013 (December 31, 2012: Nil).		
13.6 Commitments in respect of forward lending		
Forward documentary bills	1,868,866	2,834,502
Commitments to extend credit	9,984,513	9,805,740
	11,853,379	12,640,242
13.7 Commitments in respect of forward exchange contracts		
Purchase	5,202,207	7,633,493
Sale	3,423,157	8,836,456
	8,625,363	16,469,950

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2013

	Un-audited September 30, 2013	Audited December 31, 2012
	----- (Rupees in '000) -----	
13.8 Commitments in respect of purchase and sale of securities		
Purchase of shares	122,565	-
Sale of shares	8,443	-
	<u>131,008</u>	<u>-</u>
13.9 Commitments for capital expenditure		
Civil works (at branches)	<u>10,771</u>	<u>32,488</u>
13.10 Commitments in respect of purchase of rupee traveller cheques	<u>-</u>	<u>1,210</u>
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.4.897 million resulting in an aggregate provision of Rs.25.694 million as at the period end. There has been no change in the status of this contingency during the period.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2013

	Un-audited Nine month Ended September 30, 2013 ----- (Rupees in '000) -----	Un-audited Nine month Ended September 30, 2012 ----- (Rupees in '000) -----
14. GAIN / (LOSS) ON SALE OF SECURITIES - NET		
Federal Government Securities		
- Market Treasury Bills	7,716	2,907
- Pakistan Investment Bonds	13,443	5,802
Listed Ordinary shares	161,507	241,861
Unlisted Ordinary shares	-	6,398
Mutual Fund Units	(132,836)	-
	<u>49,830</u>	<u>256,968</u>
15. LOSS PER SHARE - BASIC AND DILUTED		
Loss for the period	<u>(1,771,544)</u>	<u>(1,301,693)</u>
	----- (Number of shares) -----	
Weighted average number of Ordinary shares	<u>1,104,712,481</u>	<u>1,077,979,582</u>
	----- (Rupees) -----	
Loss per share - Basic and diluted	<u>(1.60)</u>	<u>(1.21)</u>
15.1 Diluted EPS has not been disclosed in these consolidated condensed interim Financial Statements as the effect of the potential Ordinary Shares is anti-dilutive.		
	Un-audited Nine month Ended September 30, 2013 ----- (Rupees in '000) -----	Un-audited Nine month Ended September 30, 2012 ----- (Rupees in '000) -----
16. CASH AND CASH EQUIVALENTS		
Cash and balances with treasury banks	9,291,237	8,110,198
Balances with other banks	1,914,299	3,601,183
Overdrawn nostro accounts	(867,271)	(41,264)
	<u>10,338,265</u>	<u>11,670,117</u>

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 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).

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

	September 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	69,680	-	-	2,334,874	48,155	-	-	765,820
Payment received during the period / year	(42,968)	-	-	(1,853,128)	(34,194)	-	-	(763,512)
Balance at end of the period / year	144,338	-	-	592,021	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	348,254	1,736,150	-	965,872	483,937	392,851	-	1,067,930
Withdrawal during the period / year	(335,356)	(1,724,954)	-	(947,940)	(471,515)	(420,555)	-	(1,071,449)
Balance at end of the period / year	57,090	51,808	-	74,736	44,192	40,612	-	56,804
Other transaction / balances								
Subscription of right issue of convertible preference shares - refer note 12	-	50,000	1,109,361	-	-	-	-	-
Acquisition of operating fixed assets	-	-	-	10,316	-	-	-	-
Investment in shares - net of provision	-	-	-	1,008,913	-	-	-	340,299
Guarantees, letters of credits and acceptances	-	-	-	412,783	-	-	-	125,753
Other receivables	-	-	-	11,242	-	-	27,000	1,312
Other payables	-	1,301	-	1,215	-	1,222	-	12,310
Mark-up payable	69	-	-	214	68	250	-	137
Mark-up receivable	-	-	-	293	465	-	-	3,657
	September 30, 2013 - Un-audited				September 30, 2012 - Un-audited			
Profit / expense for the period								
Brokerage expenses	-	-	-	514	-	-	-	1,224
Brokerage Income	-	69	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-
Contribution to employees provident fund	-	-	-	48,894	-	-	-	39,507
Contribution to employees gratuity fund	-	-	-	34,091	-	-	-	38,494
Remuneration paid	109,633	-	-	-	83,277	-	-	-
Professional Fees	-	-	-	4,220	-	-	-	-
Post employment benefits	4,797	-	-	-	5,236	-	-	-
Gain / (loss) on disposal of investments - net	-	-	-	3,594	-	-	-	9,995
Mark-up earned	3,823	-	-	17,049	3,393	-	-	15,478
Mark-up expensed	479	1,598	-	1,754	599	5,700	-	1,065
Repair and maintenance charges	-	-	-	2,126	-	-	-	-
Dividend Income	-	-	-	-	-	-	-	8,408
Director's fees	-	770	-	-	-	1,435	-	-

18. DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on November 11, 2013 by the Board of Directors.

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 Qrtrs, 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,
Shahrah-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, Aiwan e Iqbal Road, Lahore
Tel: 042-36280853-56
Fax: 042-36280851

Ferozpur Road Branch

Siza Farmer Factory, Sufiabab, 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 Murree 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 Satadium,
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

BRANCH NETWORK

Hayatabad Sub-Branch

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

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

BRANCH NETWORK

Chak Ghanian

Chak Ghanian Branch

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

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

BRANCH NETWORK

Haripur

Haripur Branch

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

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

BRANCH NETWORK

Kandh Kot

Kandh Kot Branch

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

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

BRANCH NETWORK**Khipro Bus Stand Branch.**

Plot No. 92-93, Samanabad, Khipro
District, Ghumanabad Chowk, Khipro
Bus Stand - Mirpurkhas.
Tel: 0233-874518
Fax: 0233-875925

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

BRANCH NETWORK

Sahiwal

High Street Branch

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

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 *S* **Bank**

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