

The image is a cover for a quarterly report. It features a large, stylized graphic of a blue and red metal ring or link, possibly representing a chain or a connection. The ring is set against a background of a dark, starry space with glowing orange and red lines and dots, suggesting a network or data flow. The Summit Bank logo is prominently displayed in the upper left quadrant, with the tagline 'Committed to you' below it. The main title 'STRENGTHENING RELATIONSHIPS' is centered in the middle, and the subtitle 'QUARTERLY REPORT SEPTEMBER 2017' is located in the lower right quadrant.

**Summit** S **Bank**  
Committed to you

STRENGTHENING  
RELATIONSHIPS

QUARTERLY REPORT  
SEPTEMBER 2017

# CONTENTS

<b>Corporate Information</b>	<b>03</b>
<b>Vision Statement</b>	<b>04</b>
<b>Mission Statement</b>	<b>05</b>
<b>Directors' Report</b>	<b>06</b>
<b>Unconsolidated Condensed Interim Financial Statements (Un-audited)</b>	
Unconsolidated Condensed Interim Statement of Financial Position	18
Unconsolidated Condensed Interim Profit and Loss Account	19
Unconsolidated Condensed Interim Statement of Comprehensive Income	20
Unconsolidated Condensed Interim Cash Flow Statement	21
Unconsolidated Condensed Interim Statement of Changes in Equity	22
Notes to the Unconsolidated Condensed Interim Financial Statements	23
<b>Consolidated Condensed Interim Financial Statements (Un-audited)</b>	
Consolidated Condensed Interim Statement of Financial Position	42
Consolidated Condensed Interim Profit and Loss Account	43
Consolidated Condensed Interim Statement of Comprehensive Income	44
Consolidated Condensed Interim Cash Flow Statement	45
Consolidated Condensed Interim Statement of Changes in Equity	46
Notes to the Consolidated Condensed Interim Financial Statements	47
<b>Branch Network</b>	<b>64</b>



## CORPORATE INFORMATION

### Board of Directors

**Mr. Nasser Abdulla Hussain Lootah**  
Chairman

**Mr. Husain Lawai**  
Vice-Chairman

**Mr. Muhammad Zahir Esmail**  
President and CEO

**Mr. Asadullah Khawaja**  
Director

**Mr. Shehryar Faruque**  
Director

**Mr. Md. Aatur Rahman Prodhani**  
Director

**Mr. Mohammad Faisal Shaikha**  
Director

### Audit Committee

**Mr. Shehryar Faruque**  
Chairman

**Mr. Asadullah Khawaja**  
Member

**Mr. Husain Lawai**  
Member

### Risk Management Committee

**Mr. Husain Lawai**  
Chairman

**Mr. Shehryar Faruque**  
Member

**Mr. Asadullah Khawaja**  
Member

### HR & Compensation Committee

**Mr. Asadullah Khawaja**  
Chairman

**Mr. Shehryar Faruque**  
Member

**Mr. Husain Lawai**  
Member

### Information Technology Committee

**Mr. Shehryar Faruque**  
Chairman

**Mr. Muhammad Zahir Esmail**  
Member

**Mr. Mohammad Faisal Shaikha**  
Member

### Chief Financial Officer

**Mr. Irfan Saleem Awan**

### Company Secretary

**Syed Muhammad Talib Raza**

### Auditors

**Deloitte Yousuf Adil**  
Chartered Accountants

### Legal Advisors

**Hyat & Meerjees**

### Shares Registrar

**Technology Trade (Private) Limited**  
Dagia House, 241-C, Block-2, PECHS,  
Off. Shahrah-e-Quaideen, Karachi-74000, Pakistan  
Tel: (021) 34391316-7  
Fax: (021) 34391318

### 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. 9-C, F-6 Markaz, Supermarket,  
Islamabad, Pakistan

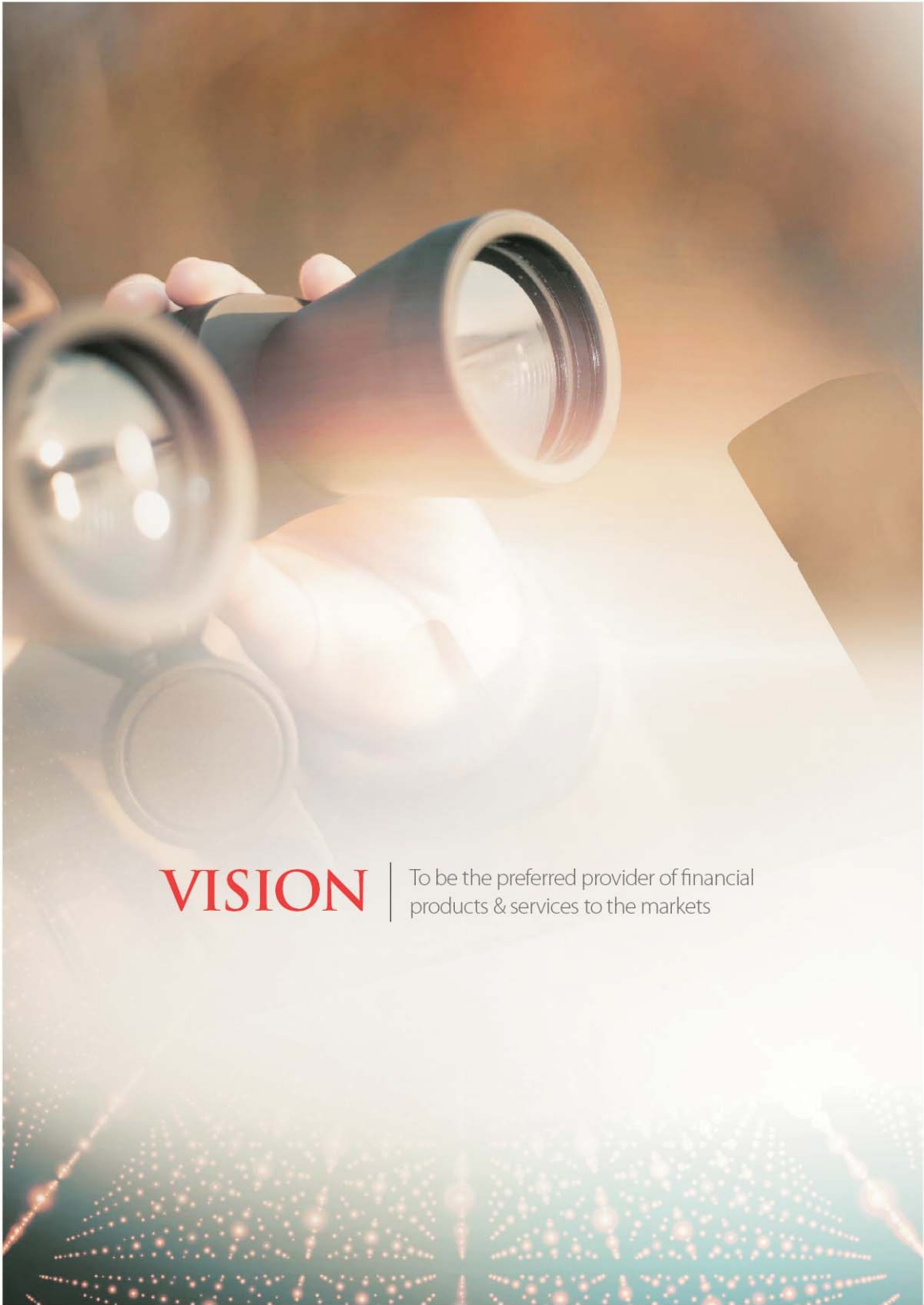
### Entity Ratings

Rated by JCR-VIS Credit Rating Company Ltd.  
Medium to Long term "A- (Single A minus)"  
Short Term "A-1 (A-one)"

**Email** : info@summitbank.com.pk  
companysecretary@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 TO THE SHAREHOLDERS FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2017

On behalf of the Board of Directors of Summit Bank Limited (the Bank), I hereby present the un-audited condensed interim financial statements of the Bank for the nine months period ended September 30, 2017 (9M-2017).

### PERFORMANCE REVIEW

The summarized financial highlights of the Bank for the nine months period under review are as follows:

	For the nine months period ended	
	September 30 2017	September 30 2016
	..... (Rupees in '000) .....	
Loss before provisions and direct write-offs	(346,496)	(56,312)
Provision against non-performing loans and advances -net	(40,043)	(1,710,065)
Reversal of Provision for diminution in the value of investments - net	105,579	39,093
Bad debts written off directly	(12,120)	-
Loss before taxation	(293,080)	(1,727,284)
Tax (expense) / income	(134,704)	451,587
Loss after taxation	(427,784)	(1,275,697)
Basic & Diluted loss per share - Rupees	(0.20)	(0.59)

During the nine months period under review (9M-2017), the Bank posted a loss after tax of Rs. 427.78 million as compared to loss after tax of Rs. 1,275.70 million during the same period last year. This comparative reduction in loss is primarily attributable to significant reduction in provision expense against non-performing loans and advances (NPLs) and increase in net mark-up income achieved during the period.

As a result of strenuous recovery efforts by the management and increase in gross advances, gross infection ratio (Gross NPLs to Gross Advances) of the Bank as of September 30, 2017 reduced to 17.28% (December 31, 2016: 17.74%). Gross NPLs at the period-end stood at Rs. 17,620.70 million as against Rs. 16,719.02 million as of December 31, 2016. In this respect, management is in constant negotiations and follow-ups with the defaulted parties and hopeful of a positive outcome of these efforts, which should help in reduction of NPLs. During 9M-2017, provision expense against NPLs amounted to Rs. 40.04 million as against Rs. 1,710.07 million in the same period last year, depicting a significant comparative reduction. On a similar pattern, there was a net reversal in provision for diminution in the value of investments amounting to Rs. 105.58 million during 9M-2017 as against a net reversal of Rs. 39.09 million in the corresponding period last year.

In line with its strategy, the Bank achieved reduction in cost of deposits (CoD) during 9M-2017 in comparison with the corresponding period last year and remained focused on improving its current account and savings account (CASA) ratio. This resulted in decrease of mark-up expenses for 9M-2017 to Rs. 5,764.50 million as against Rs. 5,902.21 million during the same period last year. Moreover, mark-up income of the Bank during 9M-2017 increased to Rs. 8,112.15 million as against Rs. 8,050.69 million in the corresponding period last year, which is reflective of increase in earning assets portfolio. These factors helped in increase of net markup income of the Bank by 9.27% during 9M-2017 that amounted to Rs. 2,347.65 million as against net markup of Rs. 2,148.48 million during the same period last year.

Non-markup income during 9M-2017 amounted to Rs. 1,769.91 million declining by 21.20% in comparison with the same period last year (9M-2016: Rs. 2,246.21 million), main reason for decline being the reduction in gain on sale of securities which amounted to Rs. 322.96 million as against Rs. 891.65 million during 9M-2016. Due to the prevailing market interest rates, capital gain opportunities on Government Bonds portfolio were lesser which resulted in decline of overall gains on sale of securities in comparison with 9M-2016.

As a result of constant monitoring of non-markup expenses and efforts to identify the areas of cost savings and rationalization, the Bank managed to curtail its non-markup expenses during 9M-2017 to Rs. 4,464.06 million that translates into a nominal increase of 0.29% in comparison with the expenses of Rs. 4,451.00 million incurred during same period last year.

The total assets of the Bank stood at Rs. 210.07 billion as at September 30, 2017 as against Rs. 215.02 billion as of December 31, 2016 resulting in a decline of 2.30%. This reduction in total assets was mainly due to reduction in investments held in Government Securities, which were reduced keeping in view the prevailing market interest rates and comparative returns offered by various available income generating avenues. Accordingly, net investments of the Bank stood at Rs. 75.55 billion as of September 30, 2017 (December 31, 2016: Rs. 90.58 billion) reflecting a decline of 16.59%. The Bank continued its focus on core business activities and managed to expand its net advances, which increased by 9.86% and stood at Rs. 87.72 billion (December 31, 2016: Rs. 79.84 billion). On the liabilities side, deposits of the Bank as at September 30, 2017 closed at a healthy figure of Rs. 137.59 billion (December 31, 2016: Rs. 142.87 billion). It is important to highlight here that average deposits of the Bank during 9M-2017 were higher than the average deposits during same period last year, which is reflective of focused and continuous deposits mobilization efforts. Going forward, the management will continue its efforts for increasing the deposit base along with further reduction in cost of deposits. Moreover, borrowings of the Bank as at September 30, 2017 amounted to Rs. 52.63 billion as against Rs. 49.82 billion as of December 31, 2016.

The Bank has recognized a net deferred tax asset of Rs. 5,428.64 million as at September 30, 2017. This represents the management's best estimate of the probable tax benefits expected to be realized in future. We are hopeful that Bank will be able to realize these deferred tax benefits.

#### **ECONOMIC REVIEW**

Pakistan's economic growth continues its momentous leap forward and the full year Large Scale Manufacturing (LSM) data indicates healthy and broad-based growth of 5.7 percent for FY-2017. Delving deeper into FY-2018, manufacturing activity is expected to benefit from higher development spending, growing investments in China Pakistan Economic Corridor (CPEC) related projects, improvement in security situation, and the continued trend of stable and low cost of borrowing. Based on current projections of agriculture sector growth, Gross Domestic Product (GDP) growth is likely to reach the annual target of 6.0 percent for FY-2018 leading to an improved capacity to accommodate rising domestic demand.

Macroeconomic environment remains conducive to growth without impacting headline inflation. Favorable initial estimates of major crops, a healthy growth in credit to private sector and growing productive imports all indicate solid gains in the real sector. With comfortable wheat and sugar stocks, no major disruption is expected from supply side in the coming months. Keeping in view the overall demand and supply side dynamics, average Consumer Price Index (CPI) inflation is expected to remain well below FY-2018 target of 6.0 percent. Moreover, considering various economic factors, the Monetary Policy Committee of State Bank of Pakistan (SBP) kept the policy rate unchanged at 5.75 percent during 9M-2017.

Mainly due to political uncertainties, KSE-100 Index performed negatively during 9M-2017 and the benchmark index declined by 11.29% to close at 42,409 points as of September 30, 2017, depicting a decline of 5,398 points (December 31, 2016: 47,807 points).

Going forward, there are anticipations of gain in exports on account of favorable global economic conditions, improvement in domestic energy supplies, and incentives given to exporting industry. Moreover, ongoing CPEC related investments and domestic economic activities are likely to boost the country's economy.



## STRATEGIC INITIATIVES

### Status of capital increase transaction

As of September 30, 2017 the Bank has received Rs. 1,854.87 million as advance against subscription of shares. This includes Rs. 1,157.67 million received from Suroor Investments Limited (Sponsor of the Bank) and Rs. 697.20 million from an investor. The State Bank of Pakistan vide its letter dated October 28, 2016 has allowed the Bank to treat the advance amount of Rs. 1,854.87 million as share capital for the purposes of Minimum Capital Requirement (MCR), Capital Adequacy Ratio (CAR) and Leverage Ratio (LR) requirements till completion of the shares issuance process. The management is taking all the necessary steps for earliest completion of share issuance against the same. Moreover, as at September 30, 2017 the Bank is compliant with applicable MCR, while SBP has allowed extension in the timeline for meeting applicable CAR and LR requirements till December 31, 2017. In this respect, continuous efforts are underway by the management to ensure compliance with all the applicable minimum capital requirements.

### Merger with Sindh Bank Limited

In light of the Board of Directors' approval dated November 21, 2016, Summit Bank Limited evaluated the potential merger option with Sindh Bank Limited. A similar evaluation exercise was conducted by Sindh Bank Limited. Based on the due diligence exercise, the Board of Directors of Summit Bank Limited has proposed amalgamation of Summit Bank Limited with and into Sindh Bank Limited and also approved a proposed shares swap ratio for this transaction, whereby 1 (one) ordinary share of Sindh Bank Limited is proposed to be issued for every 4.17 ordinary shares of Summit Bank Limited. This is subject to necessary regulatory approvals and compliances as well as shareholders' approval. The Bank is taking all the necessary steps in this respect.

## ISLAMIC BANKING

By the grace of Allah, the Bank is continuously increasing its Islamic Banking Branches (IBBs) network and outreach as per its strategy of conversion to an Islamic Bank. As at September 30, 2017, Bank's IBBs network has expanded to 14 (December 31, 2016: 13 IBBs). Moreover, the Bank has 35 Islamic Banking Windows (IBWs) at the end of 9M-2017 (December 31, 2016: 34 IBWs) and plans to expand Islamic banking business by utilizing the existing network of branches through introduction of more IBWs at various geographical locations.

The Bank has suitably equipped itself with a range of Islamic banking products to meet the requirements of customers, which should be helpful in expansion of Islamic Banking operations. Moreover, continuous training and development activities are being carried out to equip the Bank's human resource with required Islamic banking skills set.

## CREDIT RATINGS

In June-2017, JCR-VIS Credit Rating Company Limited (JCR-VIS) maintained medium to long-term rating of the Bank at A- (Single A minus), whereas short-term rating of the Bank has been maintained at A-1 (A one). Moreover, rating of the TFC issue of the Bank has been maintained at A- (SO) (Single A- minus (Structured Obligation)). These ratings have been placed on 'Rating Watch-Developing' status in view of the ongoing potential merger with Sindh Bank Limited.

## FUTURE OUTLOOK

The Bank is fully geared up to capitalize on the business opportunities available in the market. Moreover, Board of Directors' decision to approve the proposed amalgamation of the Bank with and into Sindh Bank Limited aims to provide quantum leap to the Bank and its stakeholders, achieve benefit from the synergies offered by the two banks and to enable continued compliance with all applicable minimum capital requirements.

The Bank will continue to focus on its strategy for long-term sustainable growth. To achieve its objectives, the Bank has a well-managed infrastructure, technology platform and trained human resource. Besides that, the Bank is fully geared up for transforming its existing core-banking systems and related technologies according to the business plan of the Bank and necessary implementation work for new core banking system is in progress. Going forward, the Bank will continue to focus on all the key areas for improvement in results, some of which are as follows:

- Improvement in return on assets and overall quality of portfolio;
- Reduction in Cost of Deposits (CoD) and improvement in current account and saving account (CASA) ratio;
- Continuous improvement and strengthening of capital base;
- Recoveries from non-performing loans and advances;
- Rationalization and reduction of non-earning assets; and
- Identification of areas for cost savings and rationalization.

#### **ACKNOWLEDGEMENTS**

The Board would like to express its appreciation on the efforts of the Management and all employees of the Bank, while acknowledging the role of the State Bank of Pakistan, the Securities and Exchange Commission of Pakistan, other regulators and Federal and Provincial Governments in developing and strengthening the banking and financial services industry. I would like to take this opportunity to also thank on behalf of the Board and Management of Summit Bank Limited, the customers and the shareholders for entrusting their confidence in us and assure them that we remain committed to maintaining high service standards and a strong culture of good corporate governance and compliance in all our endeavors.

On Behalf of the Board of Directors

---

**Muhammad Zahir Esmail**  
President & Chief Executive

October 31, 2017  
Karachi

## ڈائریکٹرز کی رپورٹ برائے شیئر ہولڈرز

30 ستمبر 2017ء کو ختم ہونے والی نو ماہ کی مدت کیلئے

سمٹ بینک لمیٹڈ (بینک) کے بورڈ آف ڈائریکٹرز کی طرف سے میں بذریعہ ہذا 30 ستمبر 2017ء کو ختم ہونے والی نو ماہ کی مدت (9M-2017) کیلئے بینک کے غیر آڈٹ شدہ مختصر عیوبی مالی گوشوارہ جات پیش کر رہا ہوں۔

### کارکردگی کا جائزہ

زیر نظر نو ماہ کی مدت کے لئے بینک کی مالیاتی جھلکیوں کا خلاصہ درج ذیل ہے:

ختم ہونے والی نو ماہ کی مدت برائے		
30 ستمبر 2017ء	30 ستمبر 2016ء	
———— (Rupees in '000) ————		
(56,312)	(346,496)	پروویژن اور ڈائریکٹ رائٹ آف سے قبل نقصان
		غیر کارکردگی والے قرضہ جات اور ایڈوانسز (NPLs) کے عوض
(1,710,065)	(40,043)	پروویژن - نیٹ
39,093	105,579	سرمایہ کاریوں کی مالیت میں پروویژن کا ریورسل - نیٹ
-	(12,120)	بڑے قرضہ جات کا ڈائریکٹ رائٹ آف
(1,727,284)	(293,080)	قبل از ٹیکس نقصان
451,587	(134,704)	ٹیکس (خرچ) / آمدن
(1,275,697)	(427,784)	بعد از ٹیکس نقصان
(0.59)	(0.20)	فی شیئر نقصان - بینک اور ڈائریکٹرز (روپے)

زیر نظر نو ماہ کی مدت (9M-2017) کے دوران بینک نے 427.78 ملین روپے کا بعد از ٹیکس نقصان درج کیا جبکہ پچھلے سال کی اسی مدت میں 1,275.70 ملین روپے کا بعد از ٹیکس نقصان تھا۔ نقصان کی یہ موازاتی کمی بنیادی طور پر غیر کارکردگی والے قرضہ جات اور ایڈوانسز کے عوض پروویژن میں بڑی کمی اور نیٹ مارک اپ آمدن میں اضافے پر مشتمل ہے۔

انتظامیہ کی جانب سے ریکوری کی انتھک کوششوں اور گراس ایڈوانسز میں اضافے کے نتیجے میں بینک کا گراس انفیکشن کا تناسب

(Gross Infection Ratio) (گراس NPLs اور گراس ایڈوانسز کا تناسب) 30 ستمبر 2017 پر کم ہو کر 17.28 فیصد ہو گیا (31 دسمبر 2016: 17.74 فیصد)۔ گراس NPLs 31 دسمبر 2016 کے 16,719.02 ملین روپے کے مقابلے میں مدت کے آخر میں 17,620.70 ملین روپے ہو گئے۔ اس سلسلے میں انتظامیہ ڈیفالٹ کرنے والے قرض داروں سے مسلسل رابطہ اور گنت و شنید کر رہی ہے اور پرامید ہے کہ ان کوششوں سے مثبت نتائج حاصل ہوں گے جس سے بینک کے NPLs میں کمی حاصل کرنے میں مدد ملے گی۔ 9M-2017 کے دوران NPLs کے لئے پروویژن کا خرچ 40.04 ملین روپے رہا جبکہ پچھلے سال اس مدت کے دوران 1,710.07 ملین روپے کا خرچ تھا جو کہ بڑی موازاتی کمی ظاہر کرتا ہے۔ اسی طرز پر سرمایہ کاریوں کی مالیت میں کمی کے لئے پروویژن کارپوریشنل 9M-2017 کے دوران 105.58 ملین روپے رہا جبکہ پچھلے سال اسی مدت کے دوران 39.09 ملین روپے کا نیٹ ریورسل تھا۔

اپنی حکمت عملی کے تحت، بینک نے 9M-2017 کے دوران اپنے ڈپازٹس کی لاگت (Cost of Deposits-CoD) میں پچھلے سال کی اسی مدت کے مقابلے میں کمی حاصل کی اور اپنی توجہ کرنٹ اور سیونگ اکاؤنٹ کے تناسب (CASA Ratio) کی بہتری پر مرکوز رکھی۔ اس کی وجہ سے 9M-2017 کے دوران بینک کے مارک اپ اخراجات کم ہو کر 5,764.50 ملین روپے رہے جو کہ پچھلے سال اسی مدت کے دوران 5,902.21 ملین روپے تھے۔ علاوہ ازیں، بینک کی مارک اپ آمدن بھی 9M-2017 کے دوران بڑھ کر 8,112.15 ملین روپے رہی جو کہ پچھلے سال اسی مدت کے دوران 8,050.69 ملین روپے تھی جو کہ آمدنی والے اثاثوں میں اضافے کی عکاسی کرتا ہے۔ ان عوامل نے بینک کی نیٹ مارک اپ آمدن کو بڑھانے میں مدد دی جو کہ 9M-2017 کے دوران 9.27 فیصد بڑھ کر پچھلے سال کی اسی مدت کے 2,148.48 ملین روپے کے مقابلے میں 2,347.65 ملین روپے رہی۔

غیر مارک اپ آمدن 9M-2017 کے دوران پچھلے سال کی اسی مدت کے مقابلے میں 21.20 فیصد کم ہو کر 1,769.91 ملین روپے رہی (9M-2016: 2,246.21 ملین روپے)۔ اس کمی کی بنیادی وجہ سیکورٹیز کی فروخت پر آمدن میں کمی تھی جو کہ 9M-2016 کے 891.65 ملین روپے کے مقابلے میں 322.96 ملین روپے رہی۔ موجودہ مارکیٹ انٹرسٹ ریٹ کے منظر نامے میں، گورنمنٹ بانڈز کے پورٹفولیو پر منافع کے مواقع قدرے کم رہے جس کی وجہ سے مجموعی طور پر سیکورٹیز کی فروخت پر آمدن 9M-2016 کے مقابلے میں کم رہی۔

غیر مارک اپ اخراجات کی لگا تار گرامی اور ان کی لاگت میں ضروری پخت اور معقولیت کی کاوشوں کے نتیجے میں بینک کے غیر مارک اپ اخراجات کو محدود رکھا گیا جو کہ 9M-2017 کے دوران 4,464.06 ملین روپے رہے۔ یہ پچھلے سال کی اسی مدت کے دوران 4,451.00 ملین روپے کے اخراجات کے مقابلے میں 0.29 فیصد کے معمولی اضافے کو ظاہر کرتا ہے۔

بینک کے مجموعی اثاثے 30 ستمبر 2017 کو 210.07 ملین روپے رہے جو کہ 31 دسمبر 2016 کے 215.02 ملین روپے کے مقابلے میں 2.30 فیصد کمی ظاہر کرتے ہیں۔ کل اثاثوں کی یہ کمی بنیادی طور پر گورنمنٹ سیکورٹیز میں انویسٹمنٹس میں کمی کی وجہ سے تھی جو کہ مارکیٹ کے موجودہ انٹرسٹ ریٹس اور آمدنی کے مختلف ذرائعوں سے حاصل ہونے والی موازاتی کمائی کی شرح کو مد نظر رکھتے ہوئے کی گئی۔ ان وجوہات کی بناء پر بینک کی نیٹ انویسٹمنٹس 31 دسمبر 2016 کے 90.58 ملین روپے کے مقابلے میں 16.59 فیصد کم ہو کر 30 ستمبر 2017 کو 75.55 ملین روپے ہو گئیں۔ بینک نے اپنی بنیادی بزنس کی سرگرمیوں پر توجہ مرکوز رکھی اور اپنے نیٹ ایڈوانسز میں اضافہ کیا جو کہ 9.86 فیصد بڑھ کر

87.72 بلین روپے پر پہنچ گئے (31 دسمبر 2016 : 79.84 بلین روپے)۔ ذمہ داریوں (liabilities) کی طرف دیکھا جائے تو 30 ستمبر 2017 کو بینک کے ڈپازٹس 137.59 بلین روپے کی صحت مندانہ سطح پر تھے (31 دسمبر 2016: 142.87 بلین روپے)۔ یہاں اس بات کا ذکر بھی ضروری ہے کہ 9M-2017 کے دوران بینک کے اوسط ڈپازٹس پچھلے سال کی اسی مدت کے مقابلے میں زیادہ تھے جو کہ مسلسل اور توجہ مرکوز ڈپازٹس بڑھانے کی کوششوں (Deposit Mobilization efforts) کی عکاسی کرتا ہے۔ آگے بڑھتے ہوئے انتظامیہ ڈپازٹس میں اضافے کے ساتھ ساتھ ڈپازٹس کی لاگت میں کمی کی کوششوں کو بھی جاری رکھے گی۔ اس کے علاوہ، 30 ستمبر 2017 کو بورونگنز 52.63 بلین روپے رہیں جو کہ 31 دسمبر 2016 کو 49.82 بلین روپے تھیں۔

30 ستمبر 2017 کو بینک نے 5,468.64 بلین روپے کا Deferred Tax Asset-net ریکارڈ کیا ہے جو کہ مستقبل میں ممکنہ ٹیکس فوائد کے حصول کے بارے میں مینجمنٹ کی توقعات کا ترجمان ہے۔ ہم پر امید ہیں کہ بینک ان Deferred Tax کے فوائد کو حاصل کر سکے گا۔

### اقتصادی جائزہ

پاکستان کی اقتصادی حالت ترقی کی راہ پر گامزن ہے اور پورے سال کے ایل ایس ایم (Large Scale Manufacturing - LSM) کے اعداد و شمار سے مالی سال 2017 کے لیے 5.7 فیصد کی بھرپور اور وسیع البنیاد نمو ظاہر ہوتی ہے۔ مالی سال 2018 جوں جوں آگے بڑھے گا اشیاء سازی کی سرگرمیوں کو بلند ترقیاتی اخراجات، چین پاکستان اقتصادی راہداری (CPEC) سے متعلق منصوبوں میں بڑھتی ہوئی سرمایہ کاری، امن و امان کے حالات میں بہتری اور قرض گیری کی مسلسل مستحکم اور کم لاگت سے فائدہ پہنچنے کی توقع ہے۔ شعبہ زراعت کی نمو کی موجودہ پیش گوئیوں کی بنیاد پر مالی سال 2018 میں جی ڈی پی نمو کا سالانہ ہدف 6.0 فیصد تک پہنچنے کا امکان ہے جس کے نتیجے میں بڑھتی ہوئی ملکی طلب کو پورا کرنے کی استعداد بہتر ہوگی۔

معاشی ماحول نمو کے لیے بدستور سازگار ہے اور عمومی مہنگائی پر کوئی اثر نہیں پڑا ہے۔ اہم فصلوں کے سازگار ابتدائی تخمینوں، نجی شعبے کو قرض میں بھرپور نمو اور بڑھتی ہوئی پیداواری درآمدات سب سے نشاندہی ہوتی ہے کہ حقیقی شعبے میں ٹھوس فوائد حاصل ہوئے ہیں۔ گندم اور چینی کے کافی ذخائر موجود ہیں اس لیے مالی سال 2018 کے آئندہ مہینوں میں رسد کے لحاظ سے کوئی بڑی خرابی پیدا ہونے کی توقع نہیں۔ طلب اور رسد کے مجموعی متحرکات کو مدنظر رکھتے ہوئے اوسط مہنگائی بلحاظ صارف اشاریہ قیمت مالی سال 2018 کے ہدف 6.0 فیصد سے خاصی نیچے رہنے کا امکان ہے۔ علاوہ ازیں مختلف اقتصادی عوامل کے پیش نظر اسٹیٹ بینک آف پاکستان (SBP) کی زری پالیسی کمیٹی نے 9M-2017 کے دوران پالیسی ریٹ 5.75 فیصد پر برقرار رکھا ہے۔

بالخصوص سیاسی غیر یقینی صورت حال کی وجہ سے کے ایس ای (KSE) 100 انڈیکس نے 9M-2017 کے دوران منفی کارکردگی کا مظاہرہ کیا اور بینچ مارک انڈیکس 11.29 فیصد کمی کے ساتھ 30 ستمبر 2017 کو 42,409 پوائنٹس پر بند ہوا جو کہ 5,398 پوائنٹس کی کمی ظاہر کرتا ہے (31 دسمبر 2016: 47,807 پوائنٹس)۔

آگے چل کر سازگار معاشی حالات، ملک میں توانائی کی فراہمی میں بہتری اور برآمدی صنعت کو دی گئی ترغیبات کی بناء پر برآمدات میں اضافہ

ہونے کی توقعات ہیں۔ علاوہ ازیں CPEC سے متعلق جاری سرمایہ کاریوں اور ملک میں معاشی سرگرمیوں کی وجہ سے ملک کی اقتصادی حالت میں بہتری متوقع ہے۔

### حکمت عملی کے اقدامات

#### کے پیٹل بڑھانے کے اقدامات کا جائزہ

30 ستمبر 2017 تک بینک نے شیئرز کے حوالے سے ایڈوانس کے طور پر 1,854.87 ملین روپے کی رقم وصول کی ہے، جس میں سرورنو سٹیمٹس لمیٹڈ (بینک کا اسپانسر) سے وصول کردہ 1,157.67 ملین روپے اور ایک سرمایہ کار سے وصول کی گئی 697.20 ملین روپے کی رقم شامل ہے۔ اسٹیٹ بینک آف پاکستان نے اپنے 28 اکتوبر 2016ء کے خط کے ذریعے بینک کو اس بات کی اجازت دی ہے کہ وہ اس 1,854.87 ملین روپے ایڈوانس کی رقم کو Minimum Capital Requirement (MCR) ، Capital Adequacy Ratio (CAR) اور Leverage Ratio (LR) کی ضروریات کی غرض سے شیئرز کے اجراء کی تکمیل تک شیئر کے پیٹل تصور کرے۔ اس سلسلے میں انتظامیہ شیئرز کے اجراء کی جلد تکمیل کے لئے تمام ضروری اقدامات اٹھا رہی ہے۔ علاوہ ازیں 30 ستمبر 2017ء کو بینک لاگو شدہ MCR سے ہم آہنگ ہے۔ جبکہ SBP نے بینک کو CAR اور LR کی لاگو شدہ ضروریات کو پورا کرنے کے لئے 31 دسمبر 2017ء تک کی رعایت دی ہے۔ اس سلسلے میں انتظامیہ کی طرف سے مسلسل کوششیں جاری ہیں جن کا مقصد بینک پر لاگو شدہ تمام minimum capital requirements سے ہم آہنگی حاصل کرنا ہے۔

#### سندھ بینک کے ساتھ Merger

بورڈ آف ڈائریکٹرز کی 21 نومبر 2016ء کی منظوری کی روشنی میں، سمٹ بینک لمیٹڈ نے سندھ بینک لمیٹڈ کے ساتھ merger کے آپشن کا جائزہ لیا۔ اسی طرح کے جائزے کی exercise سندھ بینک کی جانب سے بھی کی گئی۔ Due diligence exercise کی روشنی میں، سمٹ بینک لمیٹڈ کے بورڈ آف ڈائریکٹرز نے سمٹ بینک لمیٹڈ کی سندھ بینک لمیٹڈ میں amalgamation کے تجویز دی ہے اور اس ٹرانزیکشن کے لئے تجویز شدہ Swap ratio کو بھی منظور کیا ہے جس کے تحت سمٹ بینک لمیٹڈ کے 4.17 عام شیئرز (ordinary shares) کے بدلے میں سندھ بینک لمیٹڈ کے ایک (1) عام شیئر (ordinary share) کے اجراء کو تجویز کیا گیا ہے۔ اس معاملے پر ضروری ریگولیشنری پابندیوں اور منظور یوں اور شیئرز ہولڈرز کی منظوری کا اطلاق ہوگا۔ بینک اس سلسلے میں تمام ضروری اقدامات کر رہا ہے۔

### اسلامی بینکاری

اللہ کے فضل و کرم سے، بینک تسلسل سے اپنی اسلامک بینک میں تبدیلی کی حکمت عملی کے تحت اسلامک بینکنگ برانچز (IBBs) کے نیٹ ورک اور آؤٹ ریچ میں اضافہ کر رہا ہے۔ 30 ستمبر 2017ء تک، بینک کا اسلامک بینکاری برانچز کا نیٹ ورک 14 IBBs تک پھیل چکا ہے (31 دسمبر 2016: 13 IBBs) اس کے علاوہ مدت کے آخر میں بینک کی 35 اسلامک بینکاری ونڈوز (IBWs) ہیں (31 دسمبر 2016: 34 IBWs) اور پلان ہے کہ اپنی موجودہ برانچوں کے نیٹ ورک کا استعمال کرتے ہوئے مختلف مقامات پر مزید IBWs متعارف کروا کر اسلامک

بینکاری کے برنس کو پھیلا جائے۔

بینک نے اپنے صارفین کی ضروریات کو پورا کرنے کیلئے اپنے آپ کو پورا پورا انداز میں بہت ساری اسلامی بینکنگ پروڈکٹس سے آراستہ کر رکھا ہے جو کہ اسلامی بینکنگ کے برنس کے پھیلاؤ میں معاون ہوں گی۔ اس کے علاوہ بینک میں تسلسل کے ساتھ ٹریننگ اور ڈیولپمنٹ کی سرگرمیاں جاری ہیں تاکہ اپنے افرادی اثاثوں کو ضروری اسلامی بینکاری کی مہارت سے آراستہ کیا جاسکے۔

### کرڈٹ ریٹنگ

جون 2017 میں JCR-VIS کرڈٹ ریٹنگ کمپنی لمیٹڈ نے بینک کی درمیانی سے طویل مدت کی 'A' (سنگل A مائنس) ریٹنگ اور مختصر مدت کی 'A-1' (اے ون) ریٹنگ کو قائم رکھا ہے۔ مزید یہ کہ بینک کے ٹی ایف سی کی 'A-(SO)' (سنگل اے مائنس structured) Rating watch obligation ریٹنگ کو بھی قائم رکھا ہے۔ ان ریٹنگز کو سندھ بینک لمیٹڈ کے ساتھ ملانے Merger کے پیش نظر - Rating watch Developing کا نقطہ نظر دیا گیا ہے۔

### مستقبل کا نقطہ نظر

بینک مکمل طور پر مارکیٹ میں دستیاب کاروباری مواقعوں سے فائدہ اٹھانے کے لئے تیار ہے۔ اس کے علاوہ، بورڈ آف ڈائریکٹرز کی جانب سے سمٹ بینک لمیٹڈ کی سندھ بینک لمیٹڈ میں / کے ساتھ amalgamation کی تجویز کی منظوری، بینک اور اس کے stakeholders کے لئے ترقی کی نئی سطح کے حصول میں مدد، دونوں بینکوں کے مشترکہ فوائد سے مستفید ہونے اور لاگو شدہ تمام minimum capital requirements سے ہم آہنگی حاصل کرنے پر مبنی ہے۔

بینک طویل المیعاد مستحکم ترقی کے لیے اپنی حکمت عملی پر توجہ مرکوز رکھے گا۔ اس کے مقاصد کے حصول کے لیے، بینک ایک اچھی طرح سے منظم انفراسٹرکچر، ٹیکنالوجی پلیٹ فارم اور تربیت یافتہ انسانی وسائل کا حامل ہے۔ اس کے علاوہ بینک برنس پلان کے مطابق اپنے موجودہ کوری بینکنگ سسٹمز اور ان سے متصل ٹیکنالوجیز کی تبدیلی کے لئے پوری طرح تیار ہے اور اس سلسلے میں نئے کوری بینکنگ سسٹم کی اپیلی میٹیشن کیلئے ضروری کام جاری ہے۔ آگے بڑھتے ہوئے، بینک کے نتائج میں بہتری کے لئے تمام اہم چیزوں پر توجہ مرکوز رکھی جائے گی۔ جن میں سے کچھ مندرجہ ذیل ہیں:

- اثاثوں پر منافع اور پورٹ فولیو کے مجموعی معیار میں بہتری،
- ڈپازٹس کی لاگت (CoD) میں کمی اور کرنٹ اور سیونگ اکاؤنٹس (CASA) کے تناسب میں اضافہ،
- سرمائے کی بنیاد میں مضبوطی اور مسلسل بہتری،
- غیر فعال قرضہ جات اور ایڈوانسز سے وصولی،
- غیر منافع بخش اثاثہ جات میں معقولیت اور کمی، اور
- لاگت میں بچت اور معقولیت کے مواقعوں کی نشاندہی۔

### اعترافات

بورڈ بینک کی انتظامیہ اور تمام ملازمین کی کاوشوں کو سراہتے ہوئے اسٹیٹ بینک آف پاکستان، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، دیگر ریگولیٹرز اور وفاقی اور صوبائی حکومتوں کے کردار کو بھی تسلیم کرتا ہے جو کہ انہوں نے بینکنگ اور مالیاتی خدمات کی صنعت کو مضبوط کرنے میں ادا کیا ہے۔

میں اس موقع پر بورڈ اور سمٹ بینک لمیٹڈ کی انتظامیہ کی جانب سے، کسٹمرز اور شیئرز ہولڈرز کا بھی شکریہ ادا کرتا ہوں جنہوں نے ہم پر بھروسہ کیا اور اس بات کا یقین دلاتا ہوں کہ ہم ہمیشہ اپنی بہترین خدمت کے معیار کو برقرار رکھیں گے اور بہترین نظم و نسق اور کمپلائنس کے رجحان پر عمل پیرا ہوئے گے۔

بورڈ آف ڈائریکٹرز کی جانب سے

محمد ظہیر اسماعیل

صدر و مینٹننم اعلیٰ

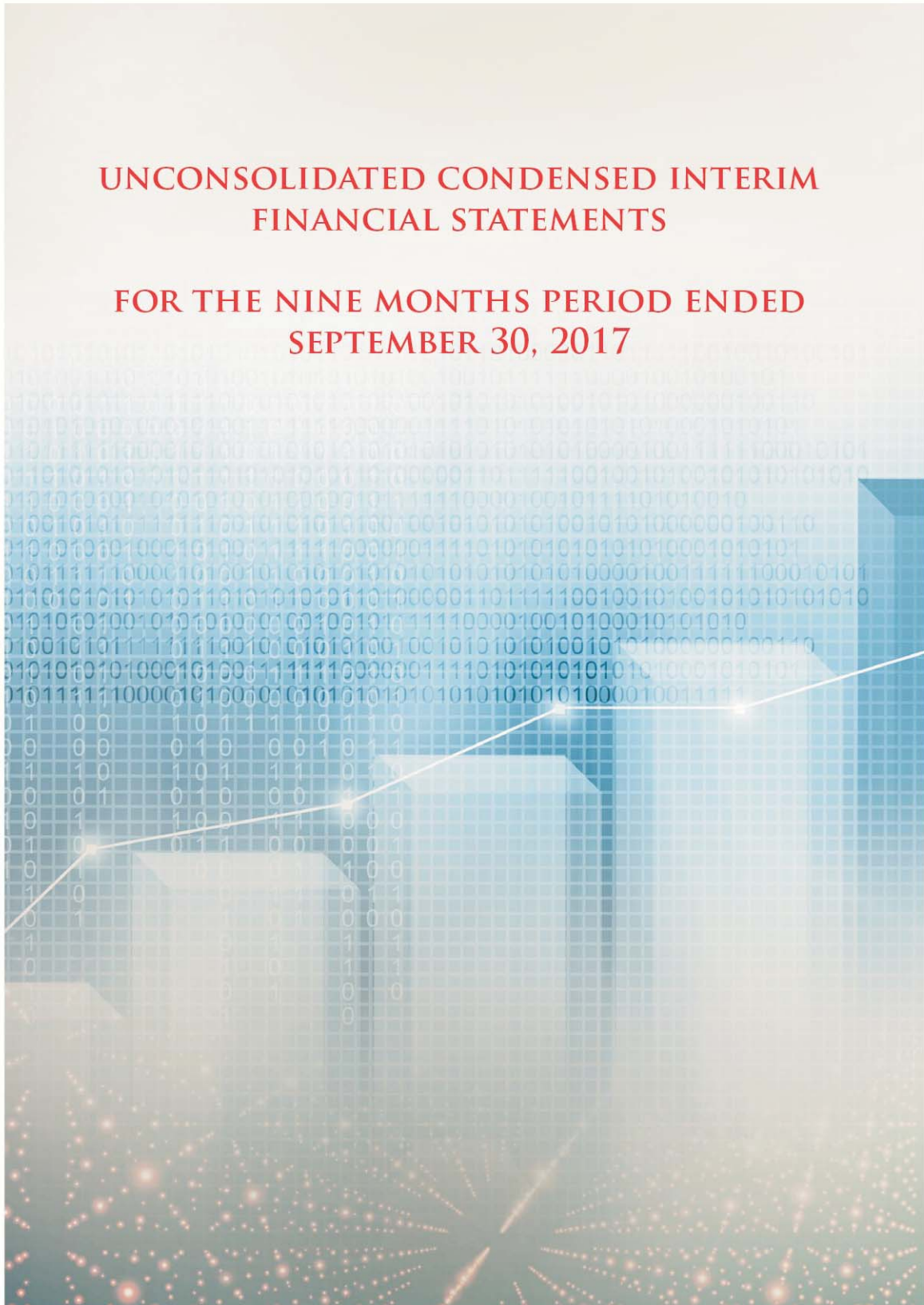
31 اکتوبر 2017

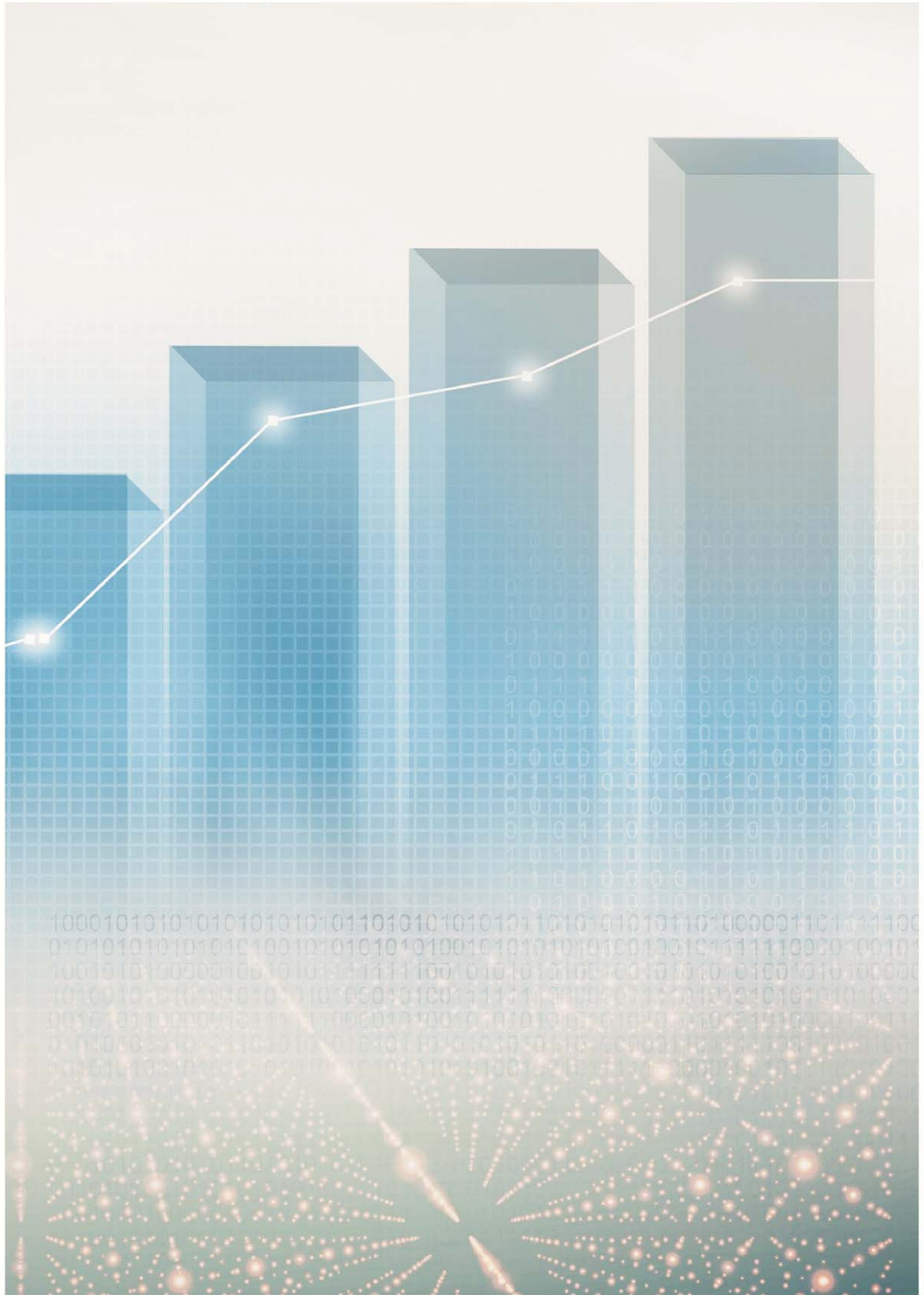
کراچی



**UNCONSOLIDATED CONDENSED INTERIM  
FINANCIAL STATEMENTS**

**FOR THE NINE MONTHS PERIOD ENDED  
SEPTEMBER 30, 2017**





**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT SEPTEMBER 30, 2017**

		<b>Un-audited September 30, 2017</b>	<b>Audited December 31, 2016</b>
	<b>Note</b>	<b>----- (Rupees in `000) -----</b>	
<b>ASSETS</b>			
Cash and balances with treasury banks		<b>12,394,965</b>	12,786,616
Balances with other banks		<b>1,481,991</b>	2,582,531
Lendings to financial institutions		<b>7,078,324</b>	1,631,583
Investments	7	<b>75,549,146</b>	90,575,032
Advances	8	<b>87,716,354</b>	79,843,732
Operating fixed assets	9	<b>12,609,945</b>	12,272,884
Deferred tax assets - net		<b>5,428,641</b>	5,200,972
Other assets		<b>7,810,190</b>	10,128,998
		<b>210,069,556</b>	215,022,348
<b>LIABILITIES</b>			
Bills payable		<b>2,816,124</b>	5,061,470
Borrowings		<b>52,634,847</b>	49,819,840
Deposits and other accounts	10	<b>137,591,076</b>	142,871,229
Sub-ordinated loans		<b>1,496,205</b>	1,496,550
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities		-	-
Other liabilities		<b>3,646,085</b>	3,101,307
		<b>198,184,337</b>	202,350,396
<b>NET ASSETS</b>		<b>11,885,219</b>	12,671,952
<b>REPRESENTED BY</b>			
Share capital		<b>17,786,663</b>	17,786,663
Convertible preference shares		<b>2,155,959</b>	2,155,959
Advance against subscription of shares		<b>1,854,870</b>	1,854,870
Reserves		<b>(1,722,341)</b>	(1,722,341)
Accumulated losses		<b>(9,857,979)</b>	(9,515,201)
		<b>10,217,172</b>	10,559,950
Surplus on revaluation of assets - net of tax		<b>1,668,047</b>	2,112,002
		<b>11,885,219</b>	12,671,952
<b>CONTINGENCIES AND COMMITMENTS</b>			
	11		

The annexed notes from 1 to 18 form an integral part of these unconsolidated condensed interim financial statements.

\_\_\_\_\_  
**President &  
Chief Executive**

\_\_\_\_\_  
**Director**

\_\_\_\_\_  
**Director**

\_\_\_\_\_  
**Director**

## UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2017

	Note	Quarter ended		Nine Months period ended	
		September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
----- Rupees in `000 -----					
Mark-up / return / interest earned		2,807,511	2,598,092	8,112,145	8,050,688
Mark-up / return / interest expensed		<u>(2,074,062)</u>	<u>(1,740,342)</u>	<u>(5,764,498)</u>	<u>(5,902,206)</u>
Net mark-up / interest income		733,449	857,750	2,347,647	2,148,482
Reversal of provision / (provision) against non-performing loans and advances - net	8.2.1	<u>15,538</u>	<u>(556,503)</u>	<u>(40,043)</u>	<u>(1,710,065)</u>
Reversal of provision for diminution in the value of investments - net	7.2	<u>1,541</u>	<u>103,442</u>	<u>105,579</u>	<u>39,093</u>
Bad debts written off directly		<u>(8,229)</u>	<u>-</u>	<u>(12,120)</u>	<u>-</u>
		<u>8,850</u>	<u>(453,061)</u>	<u>53,416</u>	<u>(1,670,972)</u>
Net mark-up / interest income after provisions		<u>742,299</u>	<u>404,689</u>	<u>2,401,063</u>	<u>477,510</u>
<b>NON MARK-UP / INTEREST INCOME</b>					
Fee, commission and brokerage income		<u>296,775</u>	<u>262,015</u>	<u>863,582</u>	<u>831,917</u>
Dividend income		<u>24,316</u>	<u>23,650</u>	<u>38,495</u>	<u>49,803</u>
Income from dealing in foreign currencies		<u>180,266</u>	<u>102,352</u>	<u>459,257</u>	<u>376,228</u>
Gain on sale of securities - net		<u>146,804</u>	<u>300,367</u>	<u>322,964</u>	<u>891,652</u>
Gain on disposal of operating fixed assets - net		<u>4,765</u>	<u>17,025</u>	<u>32,030</u>	<u>24,856</u>
Unrealised (loss) / gain on revaluation of investments classified as held-for-trading - net		<u>(14,693)</u>	<u>1,381</u>	<u>(28,386)</u>	<u>(5,027)</u>
Other income		<u>26,305</u>	<u>44,548</u>	<u>81,972</u>	<u>76,781</u>
Total non mark-up / interest income		<u>664,538</u>	<u>751,338</u>	<u>1,769,914</u>	<u>2,246,210</u>
		<u>1,406,837</u>	<u>1,156,027</u>	<u>4,170,977</u>	<u>2,723,720</u>
<b>NON MARK-UP / INTEREST EXPENSES</b>					
Administrative expenses		<u>(1,490,802)</u>	<u>(1,427,932)</u>	<u>(4,445,400)</u>	<u>(4,368,759)</u>
Other provisions / write-offs		<u>(1,345)</u>	<u>(29,675)</u>	<u>(1,343)</u>	<u>(42,681)</u>
Other charges		<u>(6,435)</u>	<u>4,048</u>	<u>(17,314)</u>	<u>(39,564)</u>
Total non mark-up / interest expenses		<u>(1,498,582)</u>	<u>(1,453,559)</u>	<u>(4,464,057)</u>	<u>(4,451,004)</u>
		<u>(91,745)</u>	<u>(297,532)</u>	<u>(293,080)</u>	<u>(1,727,284)</u>
Extra ordinary / unusual items		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>LOSS BEFORE TAXATION</b>		<u>(91,745)</u>	<u>(297,532)</u>	<u>(293,080)</u>	<u>(1,727,284)</u>
<b>Taxation</b>					
Current		<u>(41,606)</u>	<u>(29,783)</u>	<u>(118,939)</u>	<u>(93,096)</u>
Prior years		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred		<u>(2,261)</u>	<u>94,199</u>	<u>(15,765)</u>	<u>544,683</u>
		<u>(43,867)</u>	<u>64,416</u>	<u>(134,704)</u>	<u>451,587</u>
<b>LOSS AFTER TAXATION</b>		<u>(135,612)</u>	<u>(233,116)</u>	<u>(427,784)</u>	<u>(1,275,697)</u>
----- Rupees -----					
<b>Basic loss per share</b>	12.1	<u>(0.06)</u>	<u>(0.11)</u>	<u>(0.20)</u>	<u>(0.59)</u>
<b>Diluted loss per share</b>	12.2	<u>(0.06)</u>	<u>(0.11)</u>	<u>(0.20)</u>	<u>(0.59)</u>

The annexed notes from 1 to 18 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, 2017**

	Quarter ended		Nine Months period ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
	----- Rupees in `000 -----			
<b>Loss after taxation for the period</b>	<b>(135,612)</b>	(233,116)	<b>(427,784)</b>	(1,275,697)
Other comprehensive income	-	-	-	-
<b>Total comprehensive loss for the period transferred to equity</b>	<b>(135,612)</b>	(233,116)	<b>(427,784)</b>	(1,275,697)
<b>Components of comprehensive (loss) / income not reflected in equity</b>				
(Deficit) / surplus on revaluation of 'available for-sale securities - net of tax'	<b>(332,339)</b>	70,251	<b>(377,049)</b>	17,050
Surplus on revaluation of 'operating fixed assets - net of tax' and 'non banking assets - net of tax'	-	-	-	-
<b>Total comprehensive loss for the period</b>	<b>(467,951)</b>	(162,865)	<b>(804,833)</b>	(1,258,647)

\* Deficit on revaluation of 'available-for-sale securities - net of tax' has been shown in the Statement of Comprehensive Income in order to comply with the revised "Prudential Regulations for Corporate / Commercial Banking" issued by the State Bank of Pakistan vide BPRD Circular No. 06 of 2014 dated June 26, 2014.

\*\* Surplus on revaluation of 'operating fixed assets - net of tax' and 'non banking assets - net of tax' is presented under a separate head below equity as 'surplus on revaluation of assets - net of tax' in accordance with the requirements of Section 235 of the Companies Ordinance 1984 (repealed) and BPRD Circular No. 1 dated January 01, 2016 respectively.

The annexed notes from 1 to 18 form an integral part of these unconsolidated condensed interim financial statements.

\_\_\_\_\_  
President &  
Chief Executive

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

**UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

	September 30, 2017	September 30, 2016
	----- (Rupees in `000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Loss before taxation</b>	(293,080)	(1,727,284)
Less: Dividend income	(38,495)	(49,803)
	<u>(331,575)</u>	<u>(1,777,087)</u>
<b>Adjustments:</b>		
Depreciation on operating fixed assets	526,711	458,606
Depreciation on non banking assets	21,600	17,006
Amortization	46,428	35,840
Provision against non-performing loans and advances - net	40,043	1,710,065
Bad debts written off directly	12,120	-
Other provisions / write offs made	1,343	42,681
Reversal of provision for diminution in the value of investments - net	(105,579)	(39,093)
Unrealised loss on revaluation of investments classified as held-for-trading - net	28,386	5,027
(Gain) / loss on sale of non banking assets - net	(350)	1,704
Gain on sale of operating fixed assets - net	(32,030)	(24,856)
	<u>538,672</u>	<u>2,206,980</u>
	207,097	429,893
<b>(Increase) / decrease in operating assets</b>		
Lendings to financial institutions	(5,446,741)	253,242
Held-for-trading securities	177,373	(1,058)
Advances - net	(7,924,785)	(3,120,309)
Other assets (excluding taxation) - net	2,116,735	716,251
	<u>(11,077,418)</u>	<u>(2,151,874)</u>
<b>Increase / (decrease) in operating liabilities</b>		
Bills payable	(2,245,346)	(742,861)
Borrowings	2,578,887	(2,880,682)
Deposits and other accounts	(5,280,153)	7,467,968
Other liabilities	544,778	296,577
	<u>(4,401,834)</u>	<u>4,141,002</u>
	(15,272,155)	2,419,021
Income taxes paid	(130,315)	(74,742)
<b>Net cash (outflow) / inflow from operating activities</b>	<u>(15,402,470)</u>	<u>2,344,279</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net investment in available-for-sale securities	14,345,631	(3,077,763)
Dividend received	37,094	29,417
Investment in operating fixed assets	(763,245)	(1,397,464)
Sale proceeds of property and equipment - disposed off	50,474	35,302
Sale proceeds of non banking assets - disposed off	4,550	321,973
<b>Net cash inflow / (outflow) from investing activities</b>	<u>13,674,504</u>	<u>(4,088,535)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of sub-ordinated loan	(345)	(345)
Advance against subscription of shares	-	1,854,870
<b>Net cash (outflow) / inflow from financing activities</b>	<u>(345)</u>	<u>1,854,525</u>
(Decrease) / increase in cash and cash equivalents	(1,728,311)	110,269
Cash and cash equivalents at beginning of the period	15,365,291	13,455,182
<b>Cash and cash equivalents at end of the period</b>	<u>13,636,980</u>	<u>13,565,451</u>

The annexed notes from 1 to 18 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 (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

	Capital Reserves						Revenue Reserve		Total Reserves	Total
	Share capital	Convertible preference shares	Advance against subscription of shares	Share premium	Discount on issue of shares	Statutory reserve	Reserve arising on amalgamation	Accumulated losses		
	10,779,796	2,155,959	7,006,867	1,000,000	(1,297,298)	154,162	(1,579,205)	(7,421,199)	(9,143,540)	10,799,082
<b>Balance as at January 01, 2016 (Audited)</b>										
<b>Total comprehensive loss for the period</b>										
Loss after taxation for the nine months period ended September 30, 2016								(1,275,697)	(1,275,697)	(1,275,697)
Other comprehensive income								(1,275,697)	(1,275,697)	(1,275,697)
Transfer from surplus on revaluation of operating fixed assets								45,966	45,966	45,966
Shares issued during the period	7,006,867		(7,006,867)							
Advance against subscription of shares			1,854,870							
<b>Balance as at September 30, 2016 (Un-audited)</b>	17,786,663	2,155,959	1,854,870	1,000,000	(1,297,298)	154,162	(1,579,205)	(8,650,990)	(1,037,327)	11,424,221
<b>Total comprehensive loss for the period</b>										
Loss after taxation for the three months period ended December 31, 2016								(898,695)	(898,695)	(898,695)
Other comprehensive income								19,101	19,101	19,101
Transfer from surplus on revaluation of operating fixed assets								(879,594)	(879,594)	(879,594)
<b>Balance as at December 31, 2016 (Audited)</b>	17,786,663	2,155,959	1,854,870	1,000,000	(1,297,298)	154,162	(1,579,205)	(9,515,201)	(11,237,542)	10,559,950
<b>Total comprehensive loss for the period</b>										
Loss after taxation for the nine months period ended September 30, 2017								(427,784)	(427,784)	(427,784)
Other comprehensive income								(427,784)	(427,784)	(427,784)
Transfer from surplus on revaluation of operating fixed assets								85,006	85,006	85,006
<b>Balance as at September 30, 2017 (Un-audited)</b>	17,786,663	2,155,959	1,854,870	1,000,000	(1,297,298)	154,162	(1,579,205)	(9,857,979)	(11,580,320)	10,217,172

The annexed notes form 1 to 18 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 (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

**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 (repealed). It is listed on Pakistan Stock Exchange Limited. The Registered office of the Bank is situated at Plot No. 9-C, F-6 Markaz, Supermarket, Islamabad, Pakistan.
- 1.2** The Bank is principally engaged in the business of banking through its 193 branches including 14 Islamic Banking Branches [December 31, 2016:192 Branches including 13 Islamic Banking Branches] in Pakistan as defined in the Banking Companies Ordinance, 1962 . In June 2017, JCR-VIS Credit Rating Company Limited has maintained the Bank's medium to long-term rating at 'A - (Single A minus)' and short-term rating at 'A-1 (A-one)'. Moreover, Bank's TFC rating has been maintained at 'A-(SO)' (Single A minus (Structured Obligation)). These ratings have been placed on 'Rating Watch-Developing' status in view of the ongoing potential merger with Sindh Bank Limited.
- 1.3** As per the applicable laws and regulations, the Bank is required to maintain Minimum Paid-up Capital (net of losses) (MCR) of Rs. 10 billion, Capital Adequacy Ratio (CAR) at 10.65% (Minimum CAR of 10% plus Capital Conservation Buffer requirement of 0.65%) and Leverage Ratio (LR) at 3% as of September 30, 2017.

As of the closing date, the Bank has received Rs. 1,854.87 million as advance against subscription of shares, which is considered as share capital for MCR, CAR and LR purposes as allowed by the SBP vide letter dated October 28, 2016. The management is taking necessary steps for earliest issuance of shares against the same pursuant to the approval of the Board of Directors dated August 24, 2017 for issuance of shares other than by way of rights issue subject to the approval of competent authorities and shareholders of the Bank.

As of September 30, 2017, the Bank is compliant with the applicable MCR. However, the Bank's CAR and LR is less than the applicable requirements of BASEL III regulations. In this regard, SBP has granted extension to the Bank in timeline to meet the applicable CAR and LR requirements till December 31, 2017.

The management is confident that if the growth factors and other key assumptions stipulated in the business plan materialise, the Bank will be able to achieve compliance with applicable CAR and LR requirements. The key assumptions in the projections have been disclosed in note 1.3 to the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2016.

Moreover, in light of the Board of Directors' approval dated November 21, 2016, Summit Bank Limited evaluated the potential merger option with Sindh Bank Limited. A similar evaluation exercise was conducted by Sindh Bank Limited. Based on the due diligence exercise, the Board of Directors of Summit Bank Limited has proposed amalgamation of Summit Bank Limited with and into Sindh Bank Limited and also approved a proposed shares swap ratio for this transaction, whereby 1 (one) ordinary share of Sindh Bank Limited is proposed to be issued for every 4.17 ordinary shares of Summit Bank Limited. This is subject to necessary regulatory approvals and compliances as well as shareholders' approval of both the banks. The management is confident that the applicable regulatory CAR and LR requirements would be met through the materialization of business plan and completion of merger transaction and is taking all the necessary steps in this respect.



**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

**2. BASIS OF PRESENTATION**

- 2.1** In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan has issued various circulars from time to time. Permissible forms of trade-related modes of financing comprise of purchase of goods by banks from its customers and resale to them at appropriate mark-up in price on deferred payment basis. The purchase and sale arising under these arrangements are not reflected in these unconsolidated condensed interim financial statements as such but are restricted to the amount of facility actually utilised and the appropriate portion of mark-up thereon.
- 2.2** 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 annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2016.
- 2.3** The financial results of the Islamic Banking operations of the Bank have been included in these unconsolidated condensed interim financial statements for reporting purposes, after eliminating material inter-branch transactions / balances. Key financial figures of the Islamic Banking operations are also separately disclosed in note 16 to these unconsolidated condensed interim financial statements.
- 2.4** These unconsolidated condensed interim financial statements of the Bank are being submitted to the shareholders in accordance with the requirement of section 245 of the Companies Ordinance, 1984 (repealed).

**3. STATEMENT OF COMPLIANCE**

- 3.1** These unconsolidated condensed interim financial statements of the Bank for the nine months period ended September 30, 2017 are un-audited and have been prepared in accordance with the requirements of the International Accounting Standard 34 – 'Interim Financial Reporting' and the requirements of BSD Circular Letter No. 2 dated May 12, 2004 and the approved Accounting Standards applicable in Pakistan. Approved Accounting Standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFASs) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Ordinance, 1984 (repealed), provisions of and directives issued under the Banking Companies Ordinance, 1962, the Companies Ordinance, 1984 (repealed) and the directives issued by State Bank of Pakistan (SBP). In case requirements differ, the provisions of and directives issued under the Banking Companies Ordinance, 1962, the Companies Ordinance, 1984 (repealed) and the directives issued by SBP shall prevail.

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

- 3.2** The SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for banking companies through BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the Securities and Exchange Commission of Pakistan (SECP) has deferred the applicability of International Financial Reporting Standard (IFRS) 7 'Financial Instruments: Disclosures' for banks through its notification S.R.O. 411(I)/2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.
- 3.3** These unconsolidated condensed interim financial statements represent the separate condensed interim financial statements of the Bank. The consolidated condensed interim financial statements of the Bank and its subsidiary company are presented separately.
- 3.4** The Companies Ordinance, 1984 has been repealed as a result of the enactment of the Companies Act, 2017. However, these unconsolidated condensed interim financial statements have been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984 as directed by the SECP vide circular no. 23 of 2017, dated October 04, 2017.

**4. BASIS OF MEASUREMENT**

- 4.1** These unconsolidated condensed interim financial statements have been prepared under the historical cost convention, except that certain operating fixed assets and certain non banking assets have been stated at revalued amounts and certain investments and derivative financial instruments have been stated at fair value.
- 4.2** These unconsolidated condensed interim financial statements have been presented in Pakistani Rupee, which is Bank's functional and presentation currency.

**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 audited unconsolidated financial statements of the Bank for the year ended December 31, 2016.
- 5.2** The financial risk management objectives and policies are consistent with those disclosed in the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2016.

**6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of unconsolidated condensed interim financial statements in conformity with approved accounting standards requires certain judgements, accounting estimates and assumptions. It also requires the management to exercise its judgement in the process of applying the Bank's accounting policies. These estimates and associated assumptions are continually evaluated and are based on historical experience, statutory requirements and other factors considered reasonable in the circumstances. Revision to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. The basis for significant accounting estimates and judgements adopted in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2016.

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

**7. INVESTMENTS**

	September 30, 2017 (Un-audited)			December 31, 2016 (Audited)		
	Held by Bank	Given as collateral	Total	Held by Bank	Given as collateral	Total
<b>7.1 Investments by types:</b>	<b>Note</b>					
	<b>----- (Rupees in '000) -----</b>					
<b>Held-for-trading securities</b>						
Ordinary shares - listed	208,419	-	208,419	401,429	-	401,429
<b>Available-for-sale securities</b>						
Market treasury bills	15,582,665	35,000,878	50,583,543	37,156,123	20,229,721	57,385,844
Pakistan investment bonds	4,610,749	10,274,976	14,885,725	1,100,481	23,758,983	24,859,464
GoP ijarah sukuku	4,795,246	-	4,795,246	2,553,379	-	2,553,379
Ordinary shares - listed	3,431,533	52,510	3,484,043	3,758,043	57,689	3,815,732
Ordinary shares - unlisted	2,830	-	2,830	1,000	-	1,000
Units of open ended mutual funds	87,861	-	87,861	85,000	-	85,000
Preference shares - unlisted	37,056	-	37,056	-	-	-
Term finance certificates - listed	17,266	-	17,266	17,266	-	17,266
Term finance certificates - unlisted	1,594,732	-	1,594,732	1,594,732	-	1,594,732
Sukuk bonds	2,042,994	-	2,042,994	1,564,510	-	1,564,510
	<u>32,202,932</u>	<u>45,328,364</u>	<u>77,531,296</u>	<u>47,830,534</u>	<u>44,046,393</u>	<u>91,876,927</u>
<b>Subsidiary</b>						
Ordinary shares - unlisted	396,942	-	396,942	396,942	-	396,942
<b>Investments at cost</b>	<u>32,808,293</u>	<u>45,328,364</u>	<u>78,136,657</u>	<u>48,628,905</u>	<u>44,046,393</u>	<u>92,675,298</u>
Less: Provision for diminution in the value of investments	7.2 & 7.3 (1,816,464)	-	(1,816,464)	(1,922,043)	-	(1,922,043)
<b>Investments - net of provisions</b>	<u>30,991,829</u>	<u>45,328,364</u>	<u>76,320,193</u>	<u>46,706,862</u>	<u>44,046,393</u>	<u>90,753,255</u>
Deficit on revaluation of held-for-trading securities	(28,386)	-	(28,386)	(15,637)	-	(15,637)
(Deficit) / surplus on revaluation of available-for-sale securities	(641,839)	(100,822)	(742,661)	37,405	(199,991)	(162,586)
<b>Total Investments</b>	<u><u>30,321,604</u></u>	<u><u>45,227,542</u></u>	<u><u>75,549,146</u></u>	<u><u>46,728,630</u></u>	<u><u>43,846,402</u></u>	<u><u>90,575,032</u></u>

	Note	Un-audited	Audited
		September 30, 2017	December 31, 2016
		<b>----- (Rupees in `000) -----</b>	
<b>7.2 Particulars of provision</b>			
Opening balance		1,922,043	1,948,733
Add: Charge for the period / year		132,080	128,618
Less: Reversal during the period / year		(237,659)	(155,308)
		<u>(105,579)</u>	<u>(26,690)</u>
Closing balance	7.3	<u><u>1,816,464</u></u>	<u><u>1,922,043</u></u>

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

Note	Un-audited September 30, 2017	Audited December 31, 2016
	----- (Rupees in `000) -----	
<b>7.3 Particulars of provision in respect of type and segment</b>		
<b>Available-for-sale securities</b>		
Ordinary shares - listed	939,516	1,045,095
Ordinary shares - unlisted	1,000	1,000
Term finance certificates - listed	17,266	17,266
Term finance certificates - unlisted	501,127	501,127
Sukuk Bonds	200,000	200,000
	<b>1,658,909</b>	1,764,488
<b>Subsidiary</b>	<b>157,555</b>	157,555
	<b>1,816,464</b>	1,922,043
<b>8. ADVANCES</b>		
Loans, cash credits, running finances, etc.- in Pakistan	<b>84,358,152</b>	79,331,177
Islamic financing and related assets (Gross)	8.1 & 16.5 <b>11,789,617</b>	9,328,368
Net investment in finance lease - in Pakistan	<b>1,557,130</b>	1,482,638
Bills discounted and purchased (excluding Treasury Bills)		
Payable in Pakistan	<b>1,653,607</b>	1,796,122
Payable outside Pakistan	<b>2,601,848</b>	2,317,128
	<b>4,255,455</b>	4,113,250
<b>Advances - gross</b>	<b>101,960,354</b>	94,255,433
Provision against non-performing advances	8.2.1 <b>(14,244,000)</b>	(14,411,701)
<b>Advances - net of provision</b>	<b>87,716,354</b>	79,843,732
<b>8.1</b> These represent Islamic financing and related assets placed under shariah permissible modes.		

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

**8.2** Advances include Rs. 17,620.697 million (December 31, 2016 : Rs.16,719.020 million) which have been placed under non-performing status as detailed below:

Category of classification	September 30, 2017 (Un-audited)			December 31, 2016 (Audited)		
	Classified advances	Provision required	Provision held	Classified advances	Provision required	Provision held
----- (Rupees in '000) -----						
Other Assets Especially Mentioned (OAEM)	10,619	273	273	11,141	944	944
Substandard	324,565	42,558	42,558	74,037	5,550	5,550
Doubtful	806,899	177,791	177,791	544,145	98,145	98,145
Loss	16,478,614	13,954,172	13,954,172	16,089,697	14,257,987	14,257,987
	<u>17,620,697</u>	<u>14,174,794</u>	<u>14,174,794</u>	<u>16,719,020</u>	<u>14,362,626</u>	<u>14,362,626</u>

**8.2.1 Particulars of provision against non-performing advances**

	September 30, 2017 (Un-audited)			December 31, 2016 (Audited)		
	Specific	General	Total	Specific	General	Total
----- (Rupees in '000) -----						
Opening balance	14,362,626	49,075	14,411,701	12,519,860	24,986	12,544,846
Charge for the period / year	751,547	20,131	771,678	2,852,713	24,089	2,876,802
Reversals during the period / year	(731,635)	-	(731,635)	(966,041)	-	(966,041)
Amount written off	19,912	20,131	40,043	1,886,672	24,089	1,910,761
Closing balance	<u>(207,744)</u>	<u>-</u>	<u>(207,744)</u>	<u>(43,906)</u>	<u>-</u>	<u>(43,906)</u>
	<u>14,174,794</u>	<u>69,206</u>	<u>14,244,000</u>	<u>14,362,626</u>	<u>49,075</u>	<u>14,411,701</u>

**8.2.2** As allowed under the applicable Prudential Regulations, the Bank has availed the benefit of Forced Sale Value (FSV) of collaterals held against the non-performing loans and advances (NPLs). Had this benefit not been availed, the specific provisioning against NPLs as at September 30, 2017 would have been higher by Rs. 2,260 million (December 31, 2016: Rs. 1,812 million). This benefit has a net of tax positive impact of Rs.1,469 million (December 31, 2016: Rs. 1,178 million) on profit and loss account. As per the Prudential Regulations, the positive impact arising from availing the benefit of FSV is not available for payment of cash or stock dividend / bonus to employees. Furthermore, as at September 30, 2017, the Bank has availed the benefits of relaxations from provisioning and classification requirements against certain advances amounting to Rs. 206 million (December 31, 2016: Rs. 206 million) and Rs. 857 million (December 31, 2016: Rs. 857 million) respectively, as allowed by State Bank of Pakistan.

**8.2.3** Moreover, as per the Prudential Regulations for Small and Medium Enterprise (SME) financing, the Bank has maintained a general provision at 1% of secured performing portfolio and 2% of unsecured performing portfolio against small enterprises (SE) financing. Moreover, 10% specific provisioning has been held against the SE financing falling in OAEM category i.e., where the principal / mark-up is over due by 90 days. For Consumer Financing Portfolios a general provision at the rate of 1% of secured portfolio and 4% of the unsecured portfolio has been maintained pursuant to the revised "Prudential Regulations for Consumer Financing" issued by the State Bank of Pakistan vide BPRD Circular No. 10 dated August 03, 2016.

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

	Note	Un-audited September 30, 2017	Audited December 31, 2016
----- (Rupees in `000) -----			
<b>9. OPERATING FIXED ASSETS</b>			
Capital work-in-progress		4,896,127	4,494,221
Property and equipment	9.1	7,504,375	7,533,938
Intangible assets	9.2	209,443	244,725
		12,609,945	12,272,884
<b>9.1 Property and equipment</b>			
Book value at beginning of the period / year		7,533,938	5,958,258
Surplus on revaluation of fixed assets		18,828	1,153,684
Cost of additions / transfers during the period / year		498,121	1,081,523
Book value of deletions / write off during the period / year		(19,801)	(43,085)
Depreciation charge for the period / year		(526,711)	(616,442)
<b>Book value at end of the period / year</b>		<b>7,504,375</b>	<b>7,533,938</b>
<b>9.2 Intangible assets</b>			
Book value at beginning of the period / year		244,725	211,909
Cost of additions during the period / year		11,146	82,578
Book value of deletions / write off during the period / year		-	(3)
Amortization charge for the period / year		(46,428)	(49,759)
<b>Book value at end of the period / year</b>		<b>209,443</b>	<b>244,725</b>
<b>10. DEPOSITS AND OTHER ACCOUNTS</b>			
<b>Customers</b>			
Fixed deposits		26,990,512	27,039,090
Savings deposits		51,661,102	49,065,442
Current accounts - non-remunerative		42,141,809	51,887,008
Margin accounts		6,124,400	4,928,462
		126,917,823	132,920,002
<b>Financial institutions</b>			
Non-remunerative deposits		1,455,419	1,472,875
Remunerative deposits		9,217,834	8,478,352
		10,673,253	9,951,227
		<b>137,591,076</b>	<b>142,871,229</b>

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

**Un-audited**      **Audited**  
**September 30,**      **December 31,**  
**2017**                      **2016**  
----- (Rupees in `000) -----

**11. CONTINGENCIES AND COMMITMENTS**

**11.1 Direct credit substitutes**

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

- Government	-	222,720
- Financial institutions	-	-
- Others	<b>283,950</b>	-
	<u><b>283,950</b></u>	<u>222,720</u>

**11.2 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	<b>13,957,255</b>	12,719,385
- Banking companies and other financial institutions	<b>1,423,922</b>	1,522,881
- Others	<b>6,774,255</b>	7,772,523
	<u><b>22,155,432</b></u>	<u>22,014,789</u>

**11.3 Trade-related contingent liabilities**

Letters of credit	<b>14,039,483</b>	20,950,933
Acceptances	<b>1,357,328</b>	1,423,278
	<u><b>15,396,811</b></u>	<u>22,374,211</u>

**11.4 Other contingencies - claims against Bank not acknowledged as debts**

	<u><b>7,674,043</b></u>	<u>6,993,573</u>
--	-------------------------	------------------

**11.5 Contingent asset**

There was no contingent asset as at September 30, 2017 (December 31, 2016: Nil).

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

	<b>Un-audited September 30, 2017</b>	<b>Audited December 31, 2016</b>
	----- (Rupees in `000) -----	
<b>11.6 Commitments in respect of forward lending</b>		
Forward documentary bills	3,424,042	3,537,409
Commitments to extend credit	<u>21,264,201</u>	<u>10,890,126</u>
	<u><u>24,688,243</u></u>	<u><u>14,427,535</u></u>
<b>11.7 Commitments in respect of forward exchange contracts</b>		
Purchase	14,134,175	9,132,872
Sale	<u>12,145,697</u>	<u>8,141,786</u>
	<u><u>26,279,872</u></u>	<u><u>17,274,658</u></u>
<b>11.8 Commitments for capital expenditure</b>		
Civil works and others	<u>396,473</u>	<u>96,167</u>
<b>11.9 Commitments in respect of repo transactions</b>		
Repurchase of securities	<u>30,691,886</u>	<u>24,423,287</u>
<b>11.10 Taxation</b>		

The Income Tax Returns of the Bank have been submitted up to and including the Bank's financial year ended December 31, 2015 i.e. tax year 2016.

In respect of assessments of Summit Bank Limited from tax year 2008 through tax year 2013, the tax authorities disputed Bank's treatment on certain issues and created additional tax demand (net of rectification) of Rs.232.29 million through amended assessment orders and the same have been paid / adjusted against available refunds. During the nine months period ended September 30, 2017, Azad Jammu & Kashmir tax authorities have audited the income tax returns of the Bank for tax years 2014 through 2016 and created additional tax demand of Rs.4.37 million (aggregate for all three tax years) through amended assessment orders and the same have been paid/adjusted against available refunds.

In respect of assessments of ex-My Bank Limited (now Summit Bank Limited) from tax year 2003 through tax year 2011, the tax authorities disputed Bank's treatment on certain issues and created additional tax demand of Rs.456.62 million through amended assessment orders and the same have been paid / adjusted against available refunds.

In respect of assessments of ex-Atlas Bank Limited (now Summit Bank Limited) from tax year 2003 through tax year 2010, the tax authorities disputed Bank's treatment on certain issues and created additional tax demand of Rs.89.74 million through amended assessment orders and the same have been paid/adjusted against available refunds.



**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

Such issues mainly include disallowances of mark-up payable, taxation of mutual fund distribution at corporate tax rate, disallowance of provision against non-performing loans, disallowance of reversal of provisions, allocation of expenses against dividend income and capital gain, disallowances against non banking assets etc. The Bank has filed appeals before various appellate forums against these amended assessment orders which are either pending for hearing or order.

The management of the Bank is confident about the favourable outcome of the appeals hence, no provision/adjustment with respect to the above matters has been made in these unconsolidated condensed interim financial statements.

	Note	Un-audited September 30, 2017 ----- (Rupees in `000) -----	Un-audited September 30, 2016
<b>12. BASIC AND DILUTED LOSS PER SHARE</b>			
Loss for the period		<u>(427,784)</u>	<u>(1,275,697)</u>
		----- (Number of shares) -----	
<b>12.1 Weighted average number of Ordinary shares - basic</b>		<u>2,168,966,870</u>	<u>2,168,966,870</u>
		----- (Rupees) -----	
Basic loss per share		<u>(0.20)</u>	<u>(0.59)</u>
		----- (Number of shares) -----	
<b>12.2 Weighted average number of Ordinary shares - diluted</b>		<u>2,627,765,288</u>	<u>2,547,551,683</u>
		----- (Rupees) -----	
Diluted loss per share	12.2.1	<u>(0.20)</u>	<u>(0.59)</u>

**12.2.1** Diluted loss per share for the periods ended September 30, 2017 and September 30, 2016 has been reported same as basic loss per share in these unconsolidated condensed interim financial statements as the impact of potential ordinary shares was anti-dilutive.

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

**13. FAIR VALUE MEASUREMENT**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Bank has access at that date. The fair value of a liability reflects its non-performance risk.

All assets and liabilities for which fair value is measured or disclosed in the unconsolidated condensed interim financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The basis for determination of fair values of various assets and liabilities and their hierarchies as disclosed in note 13.1 below are the same as those adopted in the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2016.

In the opinion of management, fair values of the remaining financial assets and liabilities are either not significantly different from their carrying values or cannot be calculated with sufficient reliability. Moreover, provision for impairment of loans and advances has been calculated in accordance with Bank's accounting policy.

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

**13.1 Fair value hierarchy**

	<b>September 30, 2017 (Un-audited)</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
----- (Rupees in '000) -----				
<b>Financial assets</b>				
Investments				
- Market Treasury Bills	-	50,576,263	-	50,576,263
- Pakistan Investment Bonds	-	14,805,946	-	14,805,946
- GOP Ijarah Sukuks	-	4,813,063	-	4,813,063
- Ordinary shares - listed	2,020,943	-	-	2,020,943
- Ordinary shares - unlisted (including subsidiary)	-	-	241,217	241,217
- Investments in mutual funds	73,178	-	-	73,178
- Preference shares - unlisted	-	-	37,056	37,056
- Term Finance Certificates and Sukuk Bonds	1,198,688	1,782,792	-	2,981,480
	<u>3,292,809</u>	<u>71,978,064</u>	<u>278,273</u>	<u>75,549,146</u>
<b>Non-financial assets</b>				
Operating fixed assets	-	6,730,250	-	6,730,250
Other assets	-	4,012,802	-	4,012,802
	<u>-</u>	<u>10,743,052</u>	<u>-</u>	<u>10,743,052</u>
	<u>3,292,809</u>	<u>82,721,116</u>	<u>278,273</u>	<u>86,292,198</u>
<b>Commitments in respect of forward exchange contracts</b>				
Forward purchase of foreign exchange	-	14,113,711	-	14,113,711
Forward sale of foreign exchange	-	12,127,812	-	12,127,812
	<u>-</u>	<u>26,241,523</u>	<u>-</u>	<u>26,241,523</u>
<b>December 31, 2016 (Audited)</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
----- (Rupees in '000) -----				
<b>Financial assets</b>				
Investments				
- Market Treasury Bills	-	57,360,077	-	57,360,077
- Pakistan Investment Bonds	-	24,691,214	-	24,691,214
- GOP Ijarah Sukuks	-	2,613,180	-	2,613,180
- Ordinary shares - listed	3,103,348	-	-	3,103,348
- Ordinary shares - unlisted (including subsidiary)	-	-	239,387	239,387
- Investments in mutual funds	86,976	-	-	86,976
- Preference shares - unlisted	-	-	-	-
- Term Finance Certificates and Sukuk Bonds	948,070	1,532,780	-	2,480,850
	<u>4,138,394</u>	<u>86,197,251</u>	<u>239,387</u>	<u>90,575,032</u>
<b>Non-financial assets</b>				
Operating fixed assets	-	6,750,937	-	6,750,937
Other assets	-	3,967,929	-	3,967,929
	<u>-</u>	<u>10,718,866</u>	<u>-</u>	<u>10,718,866</u>
	<u>4,138,394</u>	<u>96,916,117</u>	<u>239,387</u>	<u>101,293,898</u>
<b>Commitments in respect of forward exchange contracts</b>				
Forward purchase of foreign exchange	-	9,046,390	-	9,046,390
Forward sale of foreign exchange	-	8,105,242	-	8,105,242
	<u>-</u>	<u>17,151,632</u>	<u>-</u>	<u>17,151,632</u>

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

**14. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES**

The segment analysis with respect to business activities is as follows:

	Corporate finance	Trading and sales	Retail banking	Commercial banking	Payment & settlement / others	Total
	----- (Rupees in '000) -----					
<b>For the Nine months period ended September 30, 2017 (Un-audited)</b>						
Total income	41,191	4,466,052	669,000	4,597,812	108,004	9,882,059
Total expenses	17,784	2,870,228	4,728,213	2,515,121	43,793	10,175,139
Net income / (loss) before tax	23,407	1,595,824	(4,059,213)	2,082,691	64,211	(293,080)
<b>For the Nine months period ended September 30, 2016 (Un-audited)</b>						
Total income	32,453	4,893,557	893,980	4,393,361	83,547	10,296,898
Total expenses	12,056	3,484,893	3,494,325	4,990,459	42,449	12,024,182
Net income / (loss) before tax	20,397	1,408,664	(2,600,345)	(597,098)	41,098	(1,727,284)
<b>As at September 30, 2017 (Un-audited)</b>						
Segment assets - gross	106,803	91,369,397	23,563,406	111,183,601	334,394	226,557,601
Segment non-performing loans	-	-	991,562	16,629,135	-	17,620,697
Segment provision	-	1,816,464	818,216	13,853,365	-	16,488,045
Segment assets - net	106,803	89,552,933	22,745,190	97,330,236	334,394	210,069,556
Segment liabilities	12,155	38,921,882	1,643,931	154,439,406	3,166,963	198,184,337
<b>As at December 31, 2016 (Audited)</b>						
Segment assets - gross	81,174	107,987,136	23,979,477	99,329,026	406,868	231,783,681
Segment non-performing loans	-	-	1,429,330	15,289,690	-	16,719,020
Segment provision	-	1,922,043	1,092,960	13,746,330	-	16,761,333
Segment assets - net	81,174	106,065,093	22,886,517	85,582,696	406,868	215,022,348
Segment liabilities	6,952	32,375,318	68,966,855	95,758,515	5,242,756	202,350,396

For the purpose of segmental reporting, unallocated items of income and expenses have been allocated to the above segments in proportion to segment revenue.

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

**15. RELATED PARTY TRANSACTIONS**

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

Details of material 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, 2017 (Un-audited)					December 31, 2016 (Audited)				
	Key management personnel	Directors	Parent company	Subsidiary	Other related parties	Key management personnel	Directors	Parent company	Subsidiary	Other related parties
----- (Rupees in '000) -----										
<b>Advances</b>										
Balance at beginning of the year	324,233	-	-	-	1,078,078	224,353	-	-	-	1,924,931
Disbursements / granted during the period / year	231,078	-	-	3,352,408	3,753,232	147,067	-	-	200,957	6,509,216
Payments received / adjustments during the period / year	(136,649)	-	-	(3,261,162)	(3,253,051)	(47,187)	-	-	(200,957)	(7,336,069)
Balance at end of the period / year	<u>418,662</u>	<u>-</u>	<u>-</u>	<u>91,246</u>	<u>1,578,259</u>	<u>324,233</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,078,078</u>
<b>Deposits</b>										
Balance at beginning of the year	19,957	45,147	-	144,472	501,960	22,490	38,545	-	102,771	559,432
Deposits during the period / year	476,262	57,980	-	3,151,489	4,288,282	508,431	1,668,944	-	13,904,974	25,614,336
Withdrawals / adjustments during the period / year	(478,727)	(75,378)	-	(3,062,554)	(4,451,477)	(510,964)	(1,662,342)	-	(13,863,273)	(25,671,808)
Balance at end of the period / year	<u>17,492</u>	<u>27,749</u>	<u>-</u>	<u>233,407</u>	<u>338,765</u>	<u>19,957</u>	<u>45,147</u>	<u>-</u>	<u>144,472</u>	<u>501,960</u>
<b>Other balances</b>										
Advance against subscription of shares	-	-	1,157,670	-	-	-	-	1,157,670	-	-
Convertible preference shares	-	50,000	1,109,361	-	-	-	50,000	1,109,361	-	-
Investment in shares / TFC's	-	-	-	239,387	313,787	-	-	-	239,387	528,005
Guarantees, letters of credit, acceptances and commitment to extend credit	-	-	-	308,754	223,249	-	-	-	-	345,722
Other receivable	6,412	-	488	169	33,352	6,835	-	255	-	1,309
Other payable	-	-	-	7,524	384	-	-	-	960	393
Mark-up receivable	1,067	-	-	6,870	7,454	-	-	-	1,671	16,336
Mark-up payable	84	74	-	1,473	3,554	36	129	-	29	2,775
----- (Rupees in '000) -----										
	September 30, 2017 (Un-audited)					September 30, 2016 (Un-audited)				
<b>Transactions, income and expenses</b>										
Repurchase agreement borrowing (repo)	-	-	-	-	-	-	-	-	6,289,164	-
Purchase of investments	-	-	-	-	48,786	-	-	-	-	251,367
Disposal of investments	-	-	-	-	123,101	-	-	-	-	78,561
Capital work-in-progress	-	-	-	-	-	-	-	-	-	1,295
Brokerage expenses	-	-	-	14,230	3,781	-	-	-	5,983	-
Subscription paid	2,367	-	-	-	6,991	3,590	-	-	-	15,131
Education and training	-	-	-	-	3,102	-	-	-	-	717
Capital gain / (loss)	-	-	-	-	1,315	-	-	-	-	1,099
Dividend income	-	-	-	-	975	-	-	-	-	905
Contribution to the provident fund	-	-	-	-	59,139	-	-	-	-	52,287
Contribution to the gratuity fund	-	-	-	-	44,572	-	-	-	-	42,221
Remuneration paid	167,189	-	-	-	-	172,035	-	-	-	-
Post employment benefits	5,118	-	-	-	-	6,170	-	-	-	-
Rental income	-	-	-	2,108	-	-	-	-	1,917	-
Mark-up earned	11,635	-	-	13,157	49,556	10,320	-	-	7,522	69,488
Mark-up expensed	188	644	-	5,301	23,197	699	1,456	-	367	24,786
Other income	-	-	-	84	-	-	-	-	168	-
Rental expense	-	-	-	-	22,571	-	-	-	-	20,053
Provision for diminution in the value of Investments	-	-	-	-	132,080	-	-	-	-	62,102
Advertisement and Publicity	-	-	-	-	50	-	-	-	-	114
Fees paid	-	3,300	-	-	-	-	1,400	-	-	-

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

**16. ISLAMIC BANKING OPERATIONS**

**16.1** The Bank commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 14 Islamic Banking Branches (IBBs) (December 31, 2016: 13 IBBs) and 35 Islamic Banking Windows (IBWs) (December 31, 2016: 34 IBWs) as at September 30, 2017.

BSD Circular letter No. 03 dated January 22, 2013 and BPRD circular no. 05 dated February 29, 2016 require all Islamic Banks / Other Banks with Islamic Banking Branches to present all financing and advances under Islamic modes of financing and other related assets pertaining to Islamic mode of financing under the caption "Islamic Financing and Related Assets" in the statement of financial position.

**16.2** The condensed interim statement of financial position of Islamic Banking Operations as at September 30, 2017 is as follows:

	Note	Un-audited September 30, 2017	Audited December 31, 2016
		----- (Rupees in `000) -----	
<b>ASSETS</b>			
Cash and balances with treasury banks		948,940	788,422
Balances with other banks		417,820	51,571
Due from financial institutions		4,078,324	150,000
Investments		4,389,318	3,612,571
Islamic financing and related assets	16.5	11,789,617	9,328,368
Operating fixed assets		153,721	157,330
Deferred tax assets - net		-	-
Other assets		427,575	133,292
<b>TOTAL ASSETS</b>		<b>22,205,315</b>	<b>14,221,554</b>
<b>LIABILITIES</b>			
Bills payable		134,818	151,857
Due to financial institutions		350,000	-
Deposits and other accounts			
- Current accounts		6,415,873	4,258,760
- Saving accounts		9,155,324	4,956,649
- Term deposits		2,181,338	1,794,576
- Others		419,035	106,421
- Deposits from financial institutions - remunerative		1,526,617	813,622
- Deposits from financial institutions - non - remunerative		77,995	62,534
Due to head office		-	-
Deferred tax liabilities - net		19,019	29,349
Other liabilities		316,425	657,484
		<b>20,596,444</b>	<b>12,831,252</b>
<b>NET ASSETS</b>		<b>1,608,871</b>	<b>1,390,302</b>
<b>REPRESENTED BY</b>			
Islamic banking fund		1,000,000	1,000,000
Reserves		-	-
Unappropriated profit		573,550	335,796
		<b>1,573,550</b>	<b>1,335,796</b>
Surplus on revaluation of assets - net of tax		35,321	54,506
		<b>1,608,871</b>	<b>1,390,302</b>

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

	<b>Un-audited September 30, 2017</b>	<b>Un-audited September 30, 2016</b>
	----- (Rupees in `000) -----	
<b>16.3 Remuneration to Shariah Advisor (RSBM) / Board for the period</b>	<b>8,372</b>	7,952
	<b>Un-audited September 30, 2017</b>	<b>Audited December 31, 2016</b>
	----- (Rupees in `000) -----	
<b>16.4 Charitable fund</b>		
Opening balance	-	-
Addition during the period / year	26	-
Payment / utilization during the period / year	-	-
Closing balance	<b>26</b>	-
<b>16.5 Islamic financing and related assets</b>		
<b>Financings / investments / receivables</b>		
- Murabaha	657,424	824,385
- Ijarah	760,255	487,496
- Diminishing Musharaka	4,541,372	2,031,556
- Istisna	26,112	63,057
- Tijarah	3,200,262	3,965,075
- Salam	-	17,679
- Running Musharaka	560,517	15,152
- Term Musharaka	520,000	520,000
- Other Islamic modes	1,095	37,492
	<b>10,267,037</b>	7,961,892
<b>Advances</b>		
- Advance against Murabaha	88,988	110,000
- Advance against Islamic Export Refinance - Murabaha	150,000	-
- Advance against Diminishing Musharaka	162,983	52,217
- Advance against Ijarah	94,357	81,536
	<b>496,328</b>	243,753
<b>Inventories</b>		
- Murabaha inventories	-	8,440
- Tijarah inventories	901,723	1,052,003
- Istisna inventories	124,529	62,280
	<b>1,026,252</b>	1,122,723
	<b>11,789,617</b>	9,328,368
Less: Provision against Islamic financing and related assets	-	-
	<b>11,789,617</b>	9,328,368

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

**17. GENERAL**

**17.1** The figures in the unconsolidated condensed interim financial statements have been rounded off to the nearest thousand.

**17.2** Figures have been re-arranged and re-classified, wherever necessary, for the purpose of better presentation.

**18. DATE OF AUTHORISATION FOR ISSUE**

These unconsolidated condensed interim financial statements were authorised for issue on October 31, 2017 by the Board of Directors of the Bank.

\_\_\_\_\_  
**President &  
Chief Executive**

\_\_\_\_\_  
**Director**

\_\_\_\_\_  
**Director**

\_\_\_\_\_  
**Director**



**CONSOLIDATED CONDENSED INTERIM  
FINANCIAL STATEMENTS**

**FOR THE NINE MONTHS PERIOD ENDED  
SEPTEMBER 30, 2017**





**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT SEPTEMBER 30, 2017**

		<b>Un-audited September 30, 2017</b>	<b>Audited December 31, 2016</b>
	<b>Note</b>	<b>----- (Rupees in `000) -----</b>	
<b>ASSETS</b>			
Cash and balances with treasury banks		<b>12,394,988</b>	12,786,629
Balances with other banks		<b>1,482,166</b>	2,582,694
Lendings to financial institutions		<b>7,078,324</b>	1,631,583
Investments	7	<b>75,445,667</b>	90,364,950
Advances	8	<b>87,625,588</b>	79,844,271
Operating fixed assets	9	<b>12,664,035</b>	12,326,303
Deferred tax assets - net		<b>5,378,719</b>	5,151,050
Other assets		<b>8,015,345</b>	10,298,579
		<b>210,084,832</b>	214,986,059
<b>LIABILITIES</b>			
Bills payable		<b>2,816,124</b>	5,061,470
Borrowings		<b>52,634,847</b>	49,819,840
Deposits and other accounts	10	<b>137,500,620</b>	142,735,727
Sub-ordinated loans		<b>1,496,205</b>	1,496,550
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities		-	-
Other liabilities		<b>3,760,582</b>	3,227,249
		<b>198,208,378</b>	202,340,836
<b>NET ASSETS</b>		<b>11,876,454</b>	12,645,223
<b>REPRESENTED BY</b>			
Share capital		<b>17,786,663</b>	17,786,663
Convertible preference shares		<b>2,155,959</b>	2,155,959
Advance against subscription of shares		<b>1,854,870</b>	1,854,870
Reserves		<b>(1,722,341)</b>	(1,722,341)
Accumulated losses		<b>(9,866,744)</b>	(9,541,930)
		<b>10,208,407</b>	10,533,221
Surplus on revaluation of assets - net of tax		<b>1,668,047</b>	2,112,002
		<b>11,876,454</b>	12,645,223
<b>CONTINGENCIES AND COMMITMENTS</b>			
	11		

The annexed notes from 1 to 18 form an integral part of these consolidated condensed interim financial statements.

\_\_\_\_\_  
**President &  
Chief Executive**

\_\_\_\_\_  
**Director**

\_\_\_\_\_  
**Director**

\_\_\_\_\_  
**Director**

**CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

	Note	Quarter ended		Nine Months period ended	
		September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
----- Rupees in `000 -----					
Mark-up / return / interest earned		<b>2,803,558</b>	2,598,122	<b>8,101,766</b>	8,054,123
Mark-up / return / interest expensed		<b>(2,074,038)</b>	(1,740,195)	<b>(5,764,361)</b>	(5,901,724)
Net mark-up / interest income		<b>729,520</b>	857,927	<b>2,337,405</b>	2,152,399
Reversal of provision / (provision) against non-performing loans and advances - net	8.2.1	<b>15,538</b>	(556,503)	<b>(40,043)</b>	(1,710,065)
Reversal of provision for diminution in the value of investments - net	7.3	<b>1,541</b>	103,442	<b>105,579</b>	39,093
Bad debts written off directly		<b>(8,229)</b>	-	<b>(12,120)</b>	-
		<b>8,850</b>	(453,061)	<b>53,416</b>	(1,670,972)
Net mark-up / interest income after provisions		<b>738,370</b>	404,866	<b>2,390,821</b>	481,427
<b>NON MARK-UP / INTEREST INCOME</b>					
Fee, commission and brokerage income		<b>317,297</b>	286,080	<b>934,558</b>	889,098
Dividend income		<b>24,316</b>	23,650	<b>38,869</b>	50,837
Income from dealing in foreign currencies		<b>180,266</b>	102,352	<b>459,257</b>	376,228
Gain on sale of securities - net		<b>153,654</b>	301,503	<b>383,478</b>	897,878
Gain on disposal of operating fixed assets - net		<b>5,322</b>	17,025	<b>32,697</b>	24,978
Unrealised (loss) / gain on revaluation of investments classified as held-for-trading - net		<b>(15,577)</b>	1,381	<b>(48,856)</b>	(5,027)
Other income		<b>30,844</b>	44,079	<b>85,771</b>	76,284
Total non mark-up / interest income		<b>696,122</b>	776,070	<b>1,885,774</b>	2,310,276
		<b>1,434,492</b>	1,180,936	<b>4,276,595</b>	2,791,703
<b>NON MARK-UP / INTEREST EXPENSES</b>					
Administrative expenses		<b>(1,515,520)</b>	(1,449,664)	<b>(4,519,369)</b>	(4,430,144)
Other provisions / write-offs		<b>(1,345)</b>	(29,675)	<b>(1,343)</b>	(42,681)
Other charges		<b>(6,437)</b>	4,011	<b>(17,322)</b>	(39,575)
Total non-mark-up / interest expenses		<b>(1,523,302)</b>	(1,475,328)	<b>(4,538,034)</b>	(4,512,400)
		<b>(88,810)</b>	(294,392)	<b>(261,439)</b>	(1,720,697)
Extra ordinary / unusual items		-	-	-	-
<b>LOSS BEFORE TAXATION</b>		<b>(88,810)</b>	(294,392)	<b>(261,439)</b>	(1,720,697)
<b>Taxation</b>					
Current		<b>(41,989)</b>	(31,813)	<b>(132,616)</b>	(100,363)
Prior years		-	-	-	-
Deferred		<b>(2,261)</b>	94,199	<b>(15,765)</b>	544,683
		<b>(44,250)</b>	62,386	<b>(148,381)</b>	444,320
<b>LOSS AFTER TAXATION</b>		<b>(133,060)</b>	(232,006)	<b>(409,820)</b>	(1,276,377)
----- Rupees -----					
<b>Basic loss per share</b>	12.1	<b>(0.06)</b>	(0.11)	<b>(0.19)</b>	(0.59)
<b>Diluted loss per share</b>	12.2	<b>(0.06)</b>	(0.11)	<b>(0.19)</b>	(0.59)

The annexed notes from 1 to 18 form an integral part of these consolidated condensed interim financial statements.

\_\_\_\_\_  
President &  
Chief Executive

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

	Quarter ended		Nine Months period ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
	----- Rupees in `000 -----			
<b>Loss after taxation for the period</b>	<b>(133,060)</b>	(232,006)	<b>(409,820)</b>	(1,276,377)
Other comprehensive income	-	-	-	-
<b>Total comprehensive loss for the period transferred to equity</b>	<b>(133,060)</b>	(232,006)	<b>(409,820)</b>	(1,276,377)
<b>Components of comprehensive (loss) / income not reflected in equity</b>				
(Deficit) / surplus on revaluation of 'available for-sale securities - net of tax'	<b>(332,339)</b>	70,251	<b>(377,049)</b>	17,050
Surplus on revaluation of 'operating fixed assets - net of tax' and 'non banking assets - net of tax'	-	-	-	-
<b>Total comprehensive loss for the period</b>	<b>(465,399)</b>	(161,755)	<b>(786,869)</b>	(1,259,327)

\* Deficit on revaluation of 'available-for-sale securities - net of tax' has been shown in the Statement of Comprehensive Income in order to comply with the revised "Prudential Regulations for Corporate / Commercial Banking" issued by the State Bank of Pakistan vide BPRD Circular No. 06 of 2014 dated June 26, 2014.

\*\* Surplus on revaluation of 'operating fixed assets - net of tax' and 'non banking assets - net of tax' is presented under a separate head below equity as 'surplus on revaluation of assets - net of tax' in accordance with the requirements of Section 235 of the Companies Ordinance 1984 (repealed) and BPRD Circular No. 1 dated January 01, 2016 respectively.

The annexed notes from 1 to 18 form an integral part of these consolidated condensed interim financial statements.

\_\_\_\_\_  
President &  
Chief Executive

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

**CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

	September 30, 2017	September 30, 2016
----- (Rupees in `000) -----		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Loss before taxation</b>	(261,439)	(1,720,697)
Less: Dividend income	(38,869)	(50,837)
	<u>(300,308)</u>	<u>(1,771,534)</u>
<b>Adjustments:</b>		
Depreciation on operating fixed assets	529,475	461,430
Depreciation on non banking assets	21,902	17,314
Amortization	46,483	35,919
Provision against non-performing loans and advances - net	40,043	1,710,065
Bad debts written off directly	12,120	-
Other provisions / write offs made	1,343	42,681
Reversal of provision for diminution in the value of investments - net	(105,579)	(39,093)
Unrealised loss on revaluation of investments classified as held-for-trading - net	48,856	5,027
(Gain) / loss on sale of non banking assets - net	(350)	1,704
Gain on sale of operating fixed assets - net	(32,697)	(24,978)
	<u>561,596</u>	<u>2,210,069</u>
	<b>261,288</b>	<b>438,535</b>
<b>(Increase) / decrease in operating assets</b>		
Lendings to financial institutions	(5,446,741)	253,242
Held-for-trading securities	43,301	(1,058)
Advances - net	(7,833,480)	(3,081,471)
Other assets (excluding taxation) - net	2,078,856	575,820
	<u>(11,158,064)</u>	<u>(2,253,467)</u>
<b>Increase / (decrease) in operating liabilities</b>		
Bills payable	(2,245,346)	(742,861)
Borrowings	2,578,887	(2,880,682)
Deposits and other accounts	(5,235,107)	7,455,780
Other liabilities	533,333	409,728
	<u>(4,368,233)</u>	<u>4,241,965</u>
	<u>(15,265,009)</u>	<u>2,427,033</u>
Income taxes paid	(141,989)	(82,911)
<b>Net cash (outflow) / inflow from operating activities</b>	<u>(15,406,998)</u>	<u>2,344,122</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net investment in available-for-sale securities	14,352,630	(3,077,763)
Dividend received	37,468	30,451
Investment in operating fixed assets	(768,479)	(1,399,460)
Sale proceeds of property and equipment - disposed off	52,885	36,367
Sale proceeds of non banking assets - disposed off	4,550	321,973
<b>Net cash inflow / (outflow) from investing activities</b>	<u>13,679,054</u>	<u>(4,088,432)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of sub-ordinated loan	(345)	(345)
Advance against subscription of shares	-	1,854,870
<b>Net cash (outflow) / inflow from financing activities</b>	<u>(345)</u>	<u>1,854,525</u>
(Decrease) / increase in cash and cash equivalents	(1,728,289)	110,215
Cash and cash equivalents at beginning of the period	15,365,467	13,455,350
<b>Cash and cash equivalents at end of the period</b>	<u>13,637,178</u>	<u>13,565,565</u>

The annexed notes from 1 to 18 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 (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

	Share capital	Convertible preference shares	Advance against subscription of shares	Capital Reserves				Revenue Reserve		Grand Total
				Share premium	Discount on issue of shares	Statutory reserve	Reserve arising on amalgamation	Accumulated losses	Total Reserves	
	(Rupees in '000)									
<b>Balance as at January 01, 2016 (Audited)</b>	10,779,796	2,155,959	7,006,867	1,000,000	(1,297,298)	154,162	(1,579,205)	(7,430,321)	(9,152,662)	10,789,960
<b>Total Comprehensive loss for the period</b>	-	-	-	-	-	-	-	(1,276,377)	(1,276,377)	(1,276,377)
Loss after taxation for the nine months period ended September 30, 2016	-	-	-	-	-	-	-	(1,276,377)	(1,276,377)	(1,276,377)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Transfer from surplus on revaluation of operating fixed assets	-	-	-	-	-	-	-	45,966	45,966	45,966
Shares issued during the period	7,006,867	-	(7,006,867)	-	-	-	-	-	-	-
Advance against subscription of shares	-	-	1,854,870	-	-	-	-	-	-	1,854,870
<b>Balance as at September 30, 2016 (Un-audited)</b>	17,786,663	2,155,959	1,854,870	1,000,000	(1,297,298)	154,162	(1,579,205)	(8,660,732)	(10,383,073)	11,414,419
<b>Total Comprehensive loss for the period</b>	-	-	-	-	-	-	-	(915,102)	(915,102)	(915,102)
Loss after taxation for the three months period ended December 31, 2016	-	-	-	-	-	-	-	(915,102)	(915,102)	(915,102)
Other comprehensive income	-	-	-	-	-	-	-	(896,521)	(896,521)	(896,521)
Transfer from surplus on revaluation of operating fixed assets	-	-	-	-	-	-	-	15,323	15,323	15,323
<b>Balance as at December 31, 2016 (Audited)</b>	17,786,663	2,155,959	1,854,870	1,000,000	(1,297,298)	154,162	(1,579,205)	(9,541,930)	(11,264,271)	10,533,221
<b>Total Comprehensive loss for the period</b>	-	-	-	-	-	-	-	(409,820)	(409,820)	(409,820)
Loss after taxation for the nine months period ended September 30, 2017	-	-	-	-	-	-	-	(409,820)	(409,820)	(409,820)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Transfer from surplus on revaluation of operating fixed assets	-	-	-	-	-	-	-	85,006	85,006	85,006
<b>Balance as at September 30, 2017 (Un-audited)</b>	17,786,663	2,155,959	1,854,870	1,000,000	(1,297,298)	154,162	(1,579,205)	(9,866,744)	(11,589,085)	10,208,407

The annexed notes from 1 to 18 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 (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

**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 (repealed). It is listed on Pakistan Stock Exchange Limited. The Registered office of the Bank is situated at Plot No. 9-C, F-6 Markaz, Supermarket, Islamabad, Pakistan.
- 1.3** The Bank is principally engaged in the business of banking through its 193 branches including 14 Islamic Banking Branches [December 31, 2016:192 Branches including 13 Islamic Banking Branches] in Pakistan as defined in the Banking Companies Ordinance, 1962. In June 2017, JCR-VIS Credit Rating Company Limited has maintained the Bank's medium to long-term rating at 'A - (Single A minus)' and short-term rating at 'A-1 (A-one)'. Moreover, Bank's TFC rating has been maintained at 'A-(SO)' (Single A minus (Structured Obligation)). These ratings have been placed on 'Rating Watch-Developing' status in view of the ongoing potential merger with Sindh Bank Limited.
- 1.4** SCPL, the subsidiary company was incorporated in Pakistan on March 08, 2006 under the Companies Ordinance, 1984 (repealed). The subsidiary company is a corporate member / TREC holder of Pakistan Stock Exchange Limited and Pakistan Mercantile Exchange Limited. The principal activities of the subsidiary company are equity and money market brokerage, interbank foreign exchange brokerage, commodity brokerage and research. The registered office of the Subsidiary is situated at 701-702, 7th Floor, Business and Finance Centre, opposite State Bank of Pakistan, I.I. Chundrigar Road, Karachi. The Group acquired interest in SCPL by virtue of amalgamation of Atlas Bank Limited.
- 1.5** As per the applicable laws and regulations, the Bank is required to maintain Minimum Paid-up Capital (net of losses) (MCR) of Rs. 10 billion, Capital Adequacy Ratio (CAR) at 10.65% (Minimum CAR of 10% plus Capital Conservation Buffer requirement of 0.65%) and Leverage Ratio (LR) at 3% as of September 30, 2017, both on standalone and consolidated basis.

As of the closing date, the Bank has received Rs. 1,854.87 million as advance against subscription of shares, which is considered as share capital for MCR, CAR and LR purposes as allowed by the SBP vide letter dated October 28, 2016. The management is taking necessary steps for earliest issuance of shares against the same pursuant to the approval of the Board of Directors dated August 24, 2017 for issuance of shares other than by way of rights issue subject to the approval of competent authorities and shareholders of the Bank.

As of September 30, 2017, the Bank is compliant with the applicable MCR both on standalone and consolidated basis. However, the Bank's CAR and LR is less than the applicable requirements of BASEL III regulations, both on standalone and consolidated basis. In this regard, SBP has granted extension to the Bank in timeline to meet the applicable CAR and LR requirements till December 31, 2017.

The management is confident that if the growth factors and other key assumptions stipulated in the business plan materialise, the Bank will be able to achieve compliance with applicable CAR and LR requirements. The key assumptions in the projections have been disclosed in note 1.5 to the annual audited consolidated financial statements of the Group for the year ended December 31, 2016.



**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

Moreover, in light of the Board of Directors' approval dated November 21, 2016, Summit Bank Limited evaluated the potential merger option with Sindh Bank Limited. A similar evaluation exercise was conducted by Sindh Bank Limited. Based on the due diligence exercise, the Board of Directors of Summit Bank Limited has proposed amalgamation of Summit Bank Limited with and into Sindh Bank Limited and also approved a proposed shares swap ratio for this transaction, whereby 1 (one) ordinary share of Sindh Bank Limited is proposed to be issued for every 4.17 ordinary shares of Summit Bank Limited. This is subject to necessary regulatory approvals and compliances as well as shareholders' approval of both the banks. The management is confident that the applicable regulatory CAR and LR requirements would be met through the materialization of business plan and completion of merger transaction and is taking all the necessary steps in this respect.

**2. BASIS OF PRESENTATION**

- 2.1 In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan has issued various circulars from time to time. Permissible forms of trade-related modes of financing comprise of purchase of goods by banks from its customers and resale to them at appropriate mark-up in price on deferred payment basis. The purchase and sale arising under these arrangements are not reflected in these consolidated condensed interim financial statements as such but are restricted to the amount of facility actually utilised and the appropriate portion of mark-up thereon.
- 2.2 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 annual audited consolidated financial statements of the Group for the year ended December 31, 2016.
- 2.3 The financial results of the Islamic Banking operations of the Group have been included in these consolidated condensed interim financial statements for reporting purposes, after eliminating material inter-branch transactions / balances. Key financial figures of the Islamic Banking operations are also separately disclosed in note 16 to these consolidated condensed interim financial statements.
- 2.4 These consolidated condensed interim financial statements of the Group are being submitted to the shareholders in accordance with the requirements of the Companies Ordinance, 1984 (repealed).

**3. STATEMENT OF COMPLIANCE**

- 3.1 These consolidated condensed interim financial statements of the Group for the nine months period ended September 30, 2017 are unaudited and have been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and the requirements of BSD Circular Letter No. 2 dated May 12, 2004 and the approved Accounting Standards applicable in Pakistan. Approved Accounting Standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFASs) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Ordinance, 1984 (repealed), provisions of and directives issued under the Banking Companies Ordinance, 1962, the Companies Ordinance, 1984 (repealed) and the directives issued by State Bank of Pakistan (SBP). In case requirements differ, the provisions of and directives issued under the Banking Companies Ordinance, 1962, the Companies Ordinance, 1984 (repealed) and the directives issued by SBP shall prevail.

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

- 3.2** The SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for banking companies through BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the Securities and Exchange Commission of Pakistan (SECP) has deferred the applicability of International Financial Reporting Standard (IFRS) 7 'Financial Instruments: Disclosures' for banks through its notification S.R.O. 411(I)/2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.
- 3.3** The Companies Ordinance, 1984 has been repealed as a result of the enactment of the Companies Act, 2017. However, these consolidated condensed interim financial statements have been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984 as directed by the SECP vide circular no. 23 of 2017, dated October 04, 2017.

**4. BASIS OF MEASUREMENT**

- 4.1** These consolidated condensed interim financial statements have been prepared under the historical cost convention, except that certain operating fixed assets and certain non banking assets have been stated at revalued amounts and certain investments and derivative financial instruments have been stated at fair value.
- 4.2** These consolidated condensed interim financial statements have been presented in Pakistani Rupee, which is Group's functional and presentation currency.

**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 audited consolidated financial statements of the Group for the year ended December 31, 2016.
- 5.2** The financial risk management objectives and policies are consistent with those disclosed in the annual audited consolidated financial statements of the Group for the year ended December 31, 2016.

**6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of consolidated condensed interim financial statements in conformity with approved accounting standards requires certain judgements, accounting estimates and assumptions. It also requires the management to exercise its judgement in the process of applying the Group's accounting policies. These estimates and associated assumptions are continually evaluated and are based on historical experience, statutory requirements and other factors considered reasonable in the circumstances. Revision to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. The basis for significant accounting estimates and judgements adopted in the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of the annual audited consolidated financial statements of the Group for the year ended December 31, 2016.

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

**7. INVESTMENTS**

	Note	September 30, 2017 (Un-audited)			December 31, 2016 (Audited)		
		Held by Group	Given as collateral	Total	Held by Group	Given as collateral	Total
----- (Rupees in `000) -----							
<b>7.1 Investments by types:</b>							
<b>Held-for-trading securities</b>							
Ordinary shares - listed		348,486	-	348,486	407,796	-	407,796
<b>Available-for-sale securities</b>							
Market treasury bills		15,582,665	35,000,878	50,583,543	37,156,123	20,229,721	57,385,844
Pakistan investment bonds		4,610,749	10,274,976	14,885,725	1,100,481	23,758,983	24,859,464
GoP ijarah sukus		4,795,246	-	4,795,246	2,553,379	-	2,553,379
Ordinary shares - listed	7.2	3,436,199	52,510	3,488,709	3,758,043	57,689	3,815,732
Ordinary shares - unlisted		14,475	-	14,475	24,310	-	24,310
Units of open ended mutual funds		87,861	-	87,861	85,000	-	85,000
Preference shares - unlisted		37,056	-	37,056	-	-	-
Term finance certificates - listed		17,266	-	17,266	17,266	-	17,266
Term finance certificates - unlisted		1,594,732	-	1,594,732	1,594,732	-	1,594,732
Sukuk bonds		2,042,994	-	2,042,994	1,564,510	-	1,564,510
		<u>32,219,243</u>	<u>45,328,364</u>	<u>77,547,607</u>	<u>47,853,844</u>	<u>44,046,393</u>	<u>91,900,237</u>
<b>Investments at cost</b>		<u>32,567,729</u>	<u>45,328,364</u>	<u>77,896,093</u>	<u>48,261,640</u>	<u>44,046,393</u>	<u>92,308,033</u>
Less: Provision for diminution in the value of investments	7.3 & 7.4	(1,658,909)	-	(1,658,909)	(1,764,488)	-	(1,764,488)
<b>Investments - net of provisions</b>		<u>30,908,820</u>	<u>45,328,364</u>	<u>76,237,184</u>	<u>46,497,152</u>	<u>44,046,393</u>	<u>90,543,545</u>
Deficit on revaluation of held-for-trading securities		(48,856)	-	(48,856)	(16,009)	-	(16,009)
(Deficit) / surplus on revaluation of available-for-sale securities		(641,839)	(100,822)	(742,661)	37,405	(199,991)	(162,586)
<b>Total Investments</b>		<u>30,218,125</u>	<u>45,227,542</u>	<u>75,445,667</u>	<u>46,518,548</u>	<u>43,846,402</u>	<u>90,364,950</u>

**7.2** This includes an amount of Rs. 4.67 million, which represents cost of remaining 40% shares (1,602,953 shares) of Pakistan Stock Exchange Limited (PSX) out of the total shares that were received by Summit Capital (Private) Limited (SCPL) pursuant to demutualization of PSX. These shares are carried at cost.

	Note	Un-audited September 30, 2017	Audited December 31, 2016
----- (Rupees in `000) -----			
<b>7.3 Particulars of provision</b>			
Opening balance		1,764,488	1,750,961
Add: Charge for the period / year		132,080	128,618
Less: Reversal during the period / year		(237,659)	(115,091)
		(105,579)	13,527
Closing balance	7.4	<u>1,658,909</u>	<u>1,764,488</u>

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

	<b>Un-audited September 30, 2017</b>	<b>Audited December 31, 2016</b>
Note	----- (Rupees in `000) -----	
<b>7.4 Particulars of provision in respect of type and segment</b>		
<b>Available-for-sale securities</b>		
Ordinary shares - listed	<b>939,516</b>	1,045,095
Ordinary shares - unlisted	<b>1,000</b>	1,000
Term finance certificates - listed	<b>17,266</b>	17,266
Term finance certificates - unlisted	<b>501,127</b>	501,127
Sukuk Bonds	<b>200,000</b>	200,000
	<b>1,658,909</b>	1,764,488
<b>8. ADVANCES</b>		
Loans, cash credits, running finances, etc.- in Pakistan	<b>84,267,386</b>	79,331,716
Islamic financing and related assets (Gross)	8.1 & 16.5 <b>11,789,617</b>	9,328,368
Net investment in finance lease - in Pakistan	<b>1,557,130</b>	1,482,638
Bills discounted and purchased (excluding Treasury Bills)		
Payable in Pakistan	<b>1,653,607</b>	1,796,122
Payable outside Pakistan	<b>2,601,848</b>	2,317,128
	<b>4,255,455</b>	4,113,250
<b>Advances - gross</b>	<b>101,869,588</b>	94,255,972
Provision against non-performing advances	8.2.1 <b>(14,244,000)</b>	(14,411,701)
<b>Advances - net of provision</b>	<b>87,625,588</b>	79,844,271

**8.1** These represent Islamic financing and related assets placed under shariah permissible modes.

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

**8.2** Advances include Rs. 17,620.697 million (December 31, 2016 : Rs.16,719.020 million) which have been placed under non-performing status as detailed below:

Category of classification	September 30, 2017 (Un-audited)			December 31, 2016 (Audited)		
	Classified advances	Provision required	Provision held	Classified advances	Provision required	Provision held
	----- (Rupees in '000) -----					
Other Assets Especially Mentioned (OAEM)	10,619	273	273	11,141	944	944
Substandard	324,565	42,558	42,558	74,037	5,550	5,550
Doubtful	806,899	177,791	177,791	544,145	98,145	98,145
Loss	16,478,614	13,954,172	13,954,172	16,089,697	14,257,987	14,257,987
	<u>17,620,697</u>	<u>14,174,794</u>	<u>14,174,794</u>	<u>16,719,020</u>	<u>14,362,626</u>	<u>14,362,626</u>

**8.2.1 Particulars of provision against non-performing advances**

	September 30, 2017 (Un-audited)			December 31, 2016 (Audited)		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
Opening balance	14,362,626	49,075	14,411,701	12,519,860	24,986	12,544,846
Charge for the period / year	751,547	20,131	771,678	2,852,713	24,089	2,876,802
Reversals during the period / year	(731,635)	-	(731,635)	(966,041)	-	(966,041)
	19,912	20,131	40,043	1,886,672	24,089	1,910,761
Amount written off	(207,744)	-	(207,744)	(43,906)	-	(43,906)
Closing balance	<u>14,174,794</u>	<u>69,206</u>	<u>14,244,000</u>	<u>14,362,626</u>	<u>49,075</u>	<u>14,411,701</u>

**8.2.2** As allowed under the applicable Prudential Regulations, the Group has availed the benefit of Forced Sale Value (FSV) of collaterals held against the non-performing loans and advances (NPLs). Had this benefit not been availed, the specific provisioning against NPLs as at September 30, 2017 would have been higher by Rs. 2,260 million (December 31, 2016: Rs. 1,812 million). This benefit has a net of tax positive impact of Rs.1,469 million (December 31, 2016: Rs. 1,178 million) on profit and loss account. As per the Prudential Regulations, the positive impact arising from availing the benefit of FSV is not available for payment of cash or stock dividend / bonus to employees. Furthermore, as at September 30, 2017, the Group has availed the benefits of relaxations from provisioning and classification requirements against certain advances amounting to Rs. 206 million (December 31, 2016: Rs. 206 million) and Rs. 857 million (December 31, 2016: Rs. 857 million) respectively, as allowed by State Bank of Pakistan.

**8.2.3** Moreover, as per the Prudential Regulations for Small and Medium Enterprise (SME) financing, the Group has maintained a general provision at 1% of secured performing portfolio and 2% of unsecured performing portfolio against small enterprises (SE) financing. Moreover, 10% specific provisioning has been held against the SE financing falling in OAEM category i.e., where the principal / mark-up is over due by 90 days. For Consumer Financing Portfolios a general provision at the rate of 1% of secured portfolio and 4% of the unsecured portfolio has been maintained pursuant to the revised "Prudential Regulations for Consumer Financing" issued by the State Bank of Pakistan vide BPRD Circular No. 10 dated August 03, 2016.

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

			<b>Un-audited September 30, 2017</b>	<b>Audited December 31, 2016</b>	
		Note	----- (Rupees in `000) -----		
<b>9. OPERATING FIXED ASSETS</b>					
	Capital work-in-progress		<b>4,900,380</b>	4,498,429	
	Property and equipment	9.1	<b>7,546,280</b>	7,575,163	
	Intangible assets	9.2	<b>217,375</b>	252,711	
			<u><b>12,664,035</b></u>	<u>12,326,303</u>	
<b>9.1 Property and equipment</b>					
	Book value at beginning of the period / year		<b>7,575,163</b>	6,003,658	
	Surplus on revaluation of fixed assets		<b>18,828</b>	1,153,684	
	Cost of additions / transfers during the period / year		<b>503,309</b>	1,082,094	
	Book value of deletions / write off during the period / year		<b>(21,545)</b>	(44,044)	
	Depreciation charge for the period / year		<b>(529,475)</b>	(620,229)	
	<b>Book value at end of the period / year</b>		<u><b>7,546,280</b></u>	<u>7,575,163</u>	
<b>9.2 Intangible assets</b>					
	Book value at beginning of the period / year		<b>252,711</b>	220,001	
	Cost of additions during the period / year		<b>11,147</b>	82,577	
	Book value of deletions / write off during the period / year		-	(3)	
	Amortization charge for the period / year		<b>(46,483)</b>	(49,864)	
	<b>Book value at end of the period / year</b>		<u><b>217,375</b></u>	<u>252,711</u>	
<b>10. DEPOSITS AND OTHER ACCOUNTS</b>					
<b>Customers</b>					
	Fixed deposits		<b>26,990,512</b>	27,039,090	
	Savings deposits		<b>51,661,102</b>	49,065,442	
	Current accounts - non-remunerative		<b>42,141,809</b>	51,887,008	
	Margin accounts		<b>6,124,400</b>	4,928,462	
			<u><b>126,917,823</b></u>	<u>132,920,002</u>	
<b>Financial institutions</b>					
	Non-remunerative deposits		<b>1,365,657</b>	1,373,750	
	Remunerative deposits		<b>9,217,140</b>	8,441,975	
			<u><b>10,582,797</b></u>	<u>9,815,725</u>	
			<u><b>137,500,620</b></u>	<u>142,735,727</u>	

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

	<b>Un-audited September 30, 2017</b>	<b>Audited December 31, 2016</b>
	----- (Rupees in `000) -----	
<b>11. CONTINGENCIES AND COMMITMENTS</b>		
<b>11.1 Direct credit substitutes</b>		
Including guarantees and standby letters of credit serving as financial guarantees for loans and securities		
- Government	-	222,720
- Financial institutions	-	-
- Others	283,950	-
	<u>283,950</u>	<u>222,720</u>
<b>11.2 Transaction-related contingent liabilities / commitments / guarantees issued favouring</b>		
Contingent liability in respect of performance bonds, bid bonds, shipping guarantees and standby letters of credit favouring:		
- Government	13,957,255	12,719,385
- Banking companies and other financial institutions	1,423,922	1,522,881
- Others	6,774,255	7,772,523
	<u>22,155,432</u>	<u>22,014,789</u>
<b>11.3 Trade-related contingent liabilities</b>		
Letters of credit	14,039,483	20,950,933
Acceptances	1,357,328	1,423,278
	<u>15,396,811</u>	<u>22,374,211</u>
<b>11.4 Other contingencies - claims against Bank not acknowledged as debts</b>	<u>7,674,043</u>	<u>6,993,573</u>
<b>11.5 Contingent asset</b>		
There was no contingent asset as at September 30, 2017 (December 31, 2016: Nil).		

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

	<b>Un-audited September 30, 2017</b>	<b>Audited December 31, 2016</b>
	----- (Rupees in `000) -----	
<b>11.6 Commitments in respect of forward lending</b>		
Forward documentary bills	3,424,042	3,537,409
Commitments to extend credit	<u>20,955,447</u>	<u>10,890,126</u>
	<u>24,379,489</u>	<u>14,427,535</u>
<b>11.7 Commitments in respect of forward exchange contracts</b>		
Purchase	14,134,175	9,132,872
Sale	<u>12,145,697</u>	<u>8,141,786</u>
	<u>26,279,872</u>	<u>17,274,658</u>
<b>11.8 Commitments for capital expenditure</b>		
Civil works and others	<u>396,473</u>	<u>96,167</u>
<b>11.9 Commitments in respect of repo transactions</b>		
Repurchase of securities	<u>30,691,886</u>	<u>24,423,287</u>

**11.10 Taxation**

The income tax returns of the Bank and its subsidiary have been submitted up to and including the financial year ended December 31, 2015 i.e. tax year 2016.

In respect of assessments of Summit Bank Limited from tax year 2008 through tax year 2013, the tax authorities disputed Bank's treatment on certain issues and created additional tax demand (net of rectification) of Rs.232.29 million through amended assessment orders and the same have been paid / adjusted against available refunds. During the nine months period ended September 30, 2017, Azad Jammu & Kashmir tax authorities have audited the income tax returns of the Bank for tax years 2014 through 2016 and created additional tax demand of Rs.4.37 million (aggregate for all three tax years) through amended assessment orders and the same have been paid/adjusted against available refunds.

In respect of assessments of ex-My Bank Limited (now Summit Bank Limited) from tax year 2003 through tax year 2011, the tax authorities disputed Bank's treatment on certain issues and created additional tax demand of Rs.456.62 million through amended assessment orders and the same have been paid / adjusted against available refunds.

In respect of assessments of ex-Atlas Bank Limited (now Summit Bank Limited) from tax year 2003 through tax year 2010, the tax authorities disputed Bank's treatment on certain issues and created additional tax demand of Rs.89.74 million through amended assessment orders and the same have been paid/adjusted against available refunds.

Such issues mainly include disallowances of mark-up payable, taxation of mutual fund distribution at corporate tax rate, disallowance of provision against non-performing loans, disallowance of reversal of provisions, allocation of expenses against dividend income and capital gain, disallowances against non banking assets etc. The Bank has filed appeals before various appellate forums against these amended assessment orders which are either pending for hearing or order.



**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

The management of the Bank is confident about the favourable outcome of the appeals hence, no provision/adjustment with respect to the above matters has been made in these consolidated condensed interim financial statements.

	Note	Un-audited September 30, 2017 ----- (Rupees in `000) -----	Un-audited September 30, 2016
<b>12. BASIC AND DILUTED LOSS PER SHARE</b>			
Loss for the period		<u>(409,820)</u>	<u>(1,276,377)</u>
		----- (Number of shares) -----	
<b>12.1 Weighted average number of Ordinary shares - basic</b>		<u>2,168,966,870</u>	<u>2,168,966,870</u>
		----- (Rupees) -----	
Basic loss per share		<u>(0.19)</u>	<u>(0.59)</u>
		----- (Number of shares) -----	
<b>12.2 Weighted average number of Ordinary shares - diluted</b>		<u>2,627,765,288</u>	<u>2,547,551,683</u>
		----- (Rupees) -----	
Diluted loss per share	12.2.1	<u>(0.19)</u>	<u>(0.59)</u>

**12.2.1** Diluted loss per share for the periods ended September 30, 2017 and September 30, 2016 has been reported same as basic loss per share in these consolidated condensed interim financial statements as the impact of potential ordinary shares was anti-dilutive.

**13. FAIR VALUE MEASUREMENT**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

All assets and liabilities for which fair value is measured or disclosed in the consolidated condensed interim financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The basis for determination of fair values of various assets and liabilities and their hierarchies as disclosed in note 13.1 below are the same as those adopted in the annual audited consolidated financial statements of the Group for the year ended December 31, 2016.

In the opinion of management, fair values of the remaining financial assets and liabilities are either not significantly different from their carrying values or cannot be calculated with sufficient reliability. Moreover, provision for impairment of loans and advances has been calculated in accordance with Group's accounting policy.

**13.1 Fair value hierarchy**

	September 30, 2017 (Un-audited)			
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
<b>Financial assets</b>				
Investments				
- Market Treasury Bills	-	50,576,263	-	50,576,263
- Pakistan Investment Bonds	-	14,805,946	-	14,805,946
- GOP Ijarah Sukuks	-	4,813,063	-	4,813,063
- Ordinary shares - listed	2,140,540	-	4,666	2,145,206
- Ordinary shares - unlisted	-	-	13,475	13,475
- Investments in mutual funds	73,178	-	-	73,178
- Preference shares - unlisted	-	-	37,056	37,056
- Term Finance Certificates and Sukuk Bonds	1,198,688	1,782,792	-	2,981,480
	<u>3,412,406</u>	<u>71,978,064</u>	<u>55,197</u>	<u>75,445,667</u>
<b>Non-financial assets</b>				
Operating fixed assets	-	6,754,889	-	6,754,889
Other assets	-	4,032,562	-	4,032,562
	<u>-</u>	<u>10,787,451</u>	<u>-</u>	<u>10,787,451</u>
	<u>3,412,406</u>	<u>82,765,515</u>	<u>55,197</u>	<u>86,233,118</u>
<b>Commitments in respect of forward exchange contracts</b>				
Forward purchase of foreign exchange	<u>-</u>	<u>14,113,711</u>	<u>-</u>	<u>14,113,711</u>
Forward sale of foreign exchange	<u>-</u>	<u>12,127,812</u>	<u>-</u>	<u>12,127,812</u>

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

	<b>December 31, 2016 (Audited)</b>			<b>Total</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
	----- (Rupees in '000) -----			
<b>Financial assets</b>				
Investments				
- Market Treasury Bills	-	57,360,077	-	57,360,077
- Pakistan Investment Bonds	-	24,691,214	-	24,691,214
- GOP Ijarah Sukuks	-	2,613,180	-	2,613,180
- Ordinary shares - listed	3,109,342	-	-	3,109,342
- Ordinary shares - unlisted	-	-	23,311	23,311
- Investments in mutual funds	86,976	-	-	86,976
- Preference shares - unlisted	-	-	-	-
- Term Finance Certificates and Sukuk Bonds	948,070	1,532,780	-	2,480,850
	<u>4,144,388</u>	<u>86,197,251</u>	<u>23,311</u>	<u>90,364,950</u>
<b>Non-financial assets</b>				
Operating fixed assets	-	6,775,613	-	6,775,613
Other assets	-	3,987,991	-	3,987,991
	<u>-</u>	<u>10,763,604</u>	<u>-</u>	<u>10,763,604</u>
	<u>4,144,388</u>	<u>96,960,855</u>	<u>23,311</u>	<u>101,128,554</u>
<b>Commitments in respect of forward exchange contracts</b>				
Forward purchase of foreign exchange	<u>-</u>	<u>9,046,390</u>	<u>-</u>	<u>9,046,390</u>
Forward sale of foreign exchange	<u>-</u>	<u>8,105,242</u>	<u>-</u>	<u>8,105,242</u>

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017

14. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

The segment analysis with respect to business activities is as follows:

	Corporate finance	Trading and sales	Retail banking	Commercial banking	Payment & settlement / others	Total
	----- (Rupees in '000) -----					
<b>For the Nine months period ended September 30, 2017 (Un-audited)</b>						
Total income	41,191	4,466,052	669,000	4,703,293	108,004	9,987,540
Total expenses	17,784	2,870,228	4,728,213	2,588,961	43,793	10,248,979
Net income / (loss) before tax	23,407	1,595,824	(4,059,213)	2,114,332	64,211	(261,439)
<b>For the Nine months period ended September 30, 2016 (Un-audited)</b>						
Total income	32,453	4,893,557	893,980	4,460,862	83,547	10,364,399
Total expenses	12,056	3,484,893	3,494,325	5,051,373	42,449	12,085,096
Net income / (loss) before tax	20,397	1,408,664	(2,600,345)	(590,511)	41,098	(1,720,697)
<b>As at September 30, 2017 (Un-audited)</b>						
Segment assets - gross	106,803	91,211,842	23,563,406	111,260,002	334,394	226,476,447
Segment non-performing loans	-	-	991,562	16,629,135	-	17,620,697
Segment provision	-	1,658,909	818,216	13,914,490	-	16,391,615
Segment assets - net	106,803	89,552,933	22,745,190	97,345,512	334,394	210,084,832
Segment liabilities	12,155	38,921,882	1,643,931	154,463,447	3,166,963	198,208,378
<b>As at December 31, 2016 (Audited)</b>						
Segment assets - gross	81,174	107,829,581	23,979,477	99,353,863	406,867	231,650,962
Segment non-performing loans	-	-	1,429,330	15,289,690	-	16,719,020
Segment provision	-	1,764,488	1,092,960	13,807,455	-	16,664,903
Segment assets - net	81,174	106,065,093	22,886,517	85,546,408	406,867	214,986,059
Segment liabilities	6,952	32,375,318	68,966,855	95,748,955	5,242,756	202,340,836

For the purpose of segmental reporting, unallocated items of income and expenses have been allocated to the above segments in proportion to segment revenue.

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

**15. RELATED PARTY TRANSACTIONS**

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

Details of material 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, 2017 (Un-audited)				December 31, 2016 (Audited)			
	Key management personnel	Directors	Parent company	Other related parties	Key management personnel	Directors	Parent company	Other related parties
	(Rupees in '000)							
<b>Advances</b>								
Balance at beginning of the year	324,233	-	-	1,078,078	224,353	-	-	1,924,931
Disbursements / granted during the period / year	231,078	-	-	3,753,232	147,067	-	-	6,509,216
Payments received / adjustments during the period / year	(136,649)	-	-	(3,253,051)	(47,187)	-	-	(7,356,069)
Balance at end of the period / year	418,662	-	-	1,578,259	324,233	-	-	1,078,078
<b>Deposits</b>								
Balance at beginning of the year	19,957	45,147	-	501,960	22,490	38,545	-	559,432
Deposits during the period / year	476,262	57,980	-	4,288,282	508,431	1,668,944	-	25,614,336
Withdrawals / adjustments during the period / year	(478,727)	(75,378)	-	(4,451,477)	(510,964)	(1,662,342)	-	(25,671,808)
Balance at end of the period / year	17,492	27,749	-	338,765	19,957	45,147	-	501,960
<b>Other balances</b>								
Advance against subscription of shares	-	-	1,157,670	-	-	-	1,157,670	-
Convertible preference shares	-	50,000	1,109,361	-	-	50,000	1,109,361	-
Investment in shares / TFC's	-	-	-	313,787	-	-	-	528,005
Guarantees, letters of credit, acceptances and commitment to extend credit	-	-	-	223,249	-	-	-	345,722
Other receivable	6,412	-	488	33,352	6,835	-	255	1,309
Other payable	-	-	-	384	-	-	-	393
Mark-up receivable	1,067	-	-	7,454	-	-	-	16,336
Mark-up payable	84	74	-	3,554	36	129	-	2,775
	(Rupees in '000)							
<b>Transactions, income and expenses</b>								
Purchase of investments	-	-	-	48,786	-	-	-	251,367
Disposal of investments	-	-	-	123,101	-	-	-	78,561
Capital work-in-progress	-	-	-	-	-	-	-	1,295
Brokerage expenses	-	-	-	3,781	-	-	-	-
Brokerage income	620	-	-	-	275	-	-	-
Subscription paid	2,367	-	-	6,991	3,590	-	-	15,131
Education and training	-	-	-	3,102	-	-	-	717
Capital gain / (loss)	-	-	-	1,315	-	-	-	1,099
Dividend income	-	-	-	975	-	-	-	905
Contribution to the provident fund	-	-	-	61,314	-	-	-	53,995
Contribution to the gratuity fund	-	-	-	46,372	-	-	-	43,421
Remuneration paid	171,002	-	-	-	175,426	-	-	-
Post employment benefits	5,331	-	-	-	6,360	-	-	-
Mark-up earned	11,635	-	-	49,556	10,320	-	-	69,488
Mark-up expensed	188	644	-	23,197	699	1,456	-	24,786
Rental expense	-	-	-	22,571	-	-	-	20,053
Provision for diminution in the value of Investments	-	-	-	132,080	-	-	-	62,102
Advertisement and Publicity	-	-	-	50	-	-	-	114
Fees paid	-	3,300	-	-	-	1,400	-	-

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

**16 ISLAMIC BANKING OPERATIONS**

**16.1** The Group commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 14 Islamic Banking Branches (IBBs) (December 31, 2016: 13 IBBs) and 35 Islamic Banking Windows (IBWs) (December 31, 2016: 34 IBWs) as at September 30, 2017.

BSD Circular letter No. 03 dated January 22, 2013 and BPRD circular no. 05 dated February 29, 2016 require all Islamic Banks / Other Banks with Islamic Banking Branches to present all financing and advances under Islamic modes of financing and other related assets pertaining to Islamic mode of financing under the caption "Islamic Financing and Related Assets" in the statement of financial position.

**16.2** The condensed interim statement of financial position of Islamic Banking Operations as at September 30, 2017 is as follows:

	Note	Un-audited September 30, 2017	Audited December 31, 2016
----- (Rupees in `000) -----			
<b>ASSETS</b>			
Cash and balances with treasury banks		948,940	788,422
Balances with other banks		417,820	51,571
Due from financial institutions		4,078,324	150,000
Investments		4,389,318	3,612,571
Islamic financing and related assets	16.5	11,789,617	9,328,368
Operating fixed assets		153,721	157,330
Deferred tax assets - net		-	-
Other assets		427,575	133,292
<b>TOTAL ASSETS</b>		<b>22,205,315</b>	14,221,554
<b>LIABILITIES</b>			
Bills payable		134,818	151,857
Due to financial institutions		350,000	-
Deposits and other accounts			
- Current accounts		6,415,873	4,258,760
- Saving accounts		9,155,324	4,956,649
- Term deposits		2,181,338	1,794,576
- Others		419,035	106,421
- Deposits from financial institutions - remunerative		1,526,617	813,622
- Deposits from financial institutions - non - remunerative		77,995	62,534
Due to head office		-	-
Deferred tax liabilities - net		19,019	29,349
Other liabilities		316,425	657,484
		<b>20,596,444</b>	12,831,252
<b>NET ASSETS</b>		<b>1,608,871</b>	1,390,302
<b>REPRESENTED BY</b>			
Islamic banking fund		1,000,000	1,000,000
Reserves		-	-
Unappropriated profit		573,550	335,796
		<b>1,573,550</b>	1,335,796
Surplus on revaluation of assets - net of tax		35,321	54,506
		<b>1,608,871</b>	1,390,302

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

	<b>Un-audited September 30, 2017</b>	<b>Un-audited September 30, 2016</b>
	----- (Rupees in `000) -----	
<b>16.3 Remuneration to Shariah Advisor (RSBM) / Board for the period</b>	<u>8,372</u>	<u>7,952</u>
	<b>Un-audited September 30, 2017</b>	<b>Audited December 31, 2016</b>
	----- (Rupees in `000) -----	
<b>16.4 Charitable fund</b>		
Opening balance	-	-
Addition during the period / year	26	-
Payment / utilization during the period / year	-	-
Closing balance	<u>26</u>	<u>-</u>
<b>16.5 Islamic financing and related assets</b>		
<b>Financings / investments / receivables</b>		
- Murabaha	657,424	824,385
- Ijarah	760,255	487,496
- Diminishing Musharaka	4,541,372	2,031,556
- Istisna	26,112	63,057
- Tijarah	3,200,262	3,965,075
- Salam	-	17,679
- Running Musharaka	560,517	15,152
- Term Musharaka	520,000	520,000
- Other Islamic modes	1,095	37,492
	<b>10,267,037</b>	<b>7,961,892</b>
<b>Advances</b>		
- Advance against Murabaha	88,988	110,000
- Advance against Islamic Export Refinance - Murabaha	150,000	-
- Advance against Diminishing Musharaka	162,983	52,217
- Advance against Ijarah	94,357	81,536
	<b>496,328</b>	<b>243,753</b>
<b>Inventories</b>		
- Murabaha inventories	-	8,440
- Tijarah inventories	901,723	1,052,003
- Istisna inventories	124,529	62,280
	<b>1,026,252</b>	<b>1,122,723</b>
	<u>11,789,617</u>	<u>9,328,368</u>
Less: Provision against Islamic financing and related assets	-	-
	<u>11,789,617</u>	<u>9,328,368</u>

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

**17. GENERAL**

**17.1** The figures in the consolidated condensed interim financial statements have been rounded off to the nearest thousand.

**17.2** Figures have been re-arranged and re-classified, wherever necessary, for the purpose of better presentation.

**18. DATE OF AUTHORISATION FOR ISSUE**

These consolidated condensed interim financial statements were authorised for issue on October 31, 2017 by the Board of Directors of the Group.

\_\_\_\_\_  
**President &  
Chief Executive**

\_\_\_\_\_  
**Director**

\_\_\_\_\_  
**Director**

\_\_\_\_\_  
**Director**



## BRANCH NETWORK

### KARACHI

#### Abdullah Haroon Road Branch

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

#### Adamjee Nagar Branch

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

#### Atrium Mall Branch

Shop No. 6 and 21 Ground Floor,  
Plot No. 249, Atrium Mall,  
Staff Lines, Zaibunnisa Street,  
Saddar, Karachi  
Tel: 021-35641001-7  
Fax: 021-35641008

#### Badar Commercial Branch

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

#### Bahadur Shah Center Branch

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

#### Bahadurabad Branch

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

#### Barkat-e- Hyderi Branch

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

#### Burns Road Branch

Plot No. 55-A, Survey Sheet A.M.,  
Artillery Maidan Quarters (Burns Road),  
Karachi  
Tel: 021-32215174, 75 & 76  
Fax: 021-32215289

#### Clifton Branch

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

#### Cloth Market Branch

41, Saleh Muhammad Street,  
Cloth Market, Karachi  
Tel: 021-32461601-03 & 32461605  
Fax: 021-32461608

#### Com-3, Clifton Branch, Karachi

Show Room No. 12, "Com-3",  
Opp: Bar B. Q. Tonight,  
Block 6, Clifton, Karachi.  
Tel: 021 - 35148311 - 13  
Fax: 021 - 35148314

#### Defence Branch

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

#### DHA Phase I Branch

101-C, Commercial Area 'B', Phase-1,  
DHA, Karachi  
Tel: 021- 35314061, 35314063-67, 35314105  
Fax: 021-35314070

#### DHA Phase IV Branch

Plot No. 129, 9th Commercial Street, Phase IV,  
DHA, Karachi  
Tel: 021-35313068-70  
Fax: 021-35313071

#### 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

#### Dolmen City Branch

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

## BRANCH NETWORK

### **Electronic Market (Abdullah Haroon Road) Branch**

Shop No 1 & 2, Plot # 19,  
Ghafoor Chambers,  
Preedy Quarters, Saddar, Karachi  
Tel: 021-32711614-8  
Fax: 021-32716113

### **Fish Harbour Branch**

K - 3, Export Zone, Adjacent Main  
Auction Hall, Fish Harbour, Karachi  
Tel: 021-32315383 - 85  
Fax: 021-32315386

### **Garden East Branch**

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

### **Gulistan-e-Jauhar - Branch 1**

Plot # 118/A-B, Shop # 02, 03, 04  
Ground Floor Ruffi Paradise Block-18  
Gulistan-e-Jauhar, Karachi  
Tel: 021-34621281-4  
Fax: 021-34621285

### **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

### **Gulshan-e-Iqbal - Branch 1**

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

### **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

### **Hyderi Branch**

D-10 Block-F, North Nazimabad,  
Hyderi, Karachi  
Tel: 021-36724991-4  
Fax: 021-36724972

### **I. I. Chundrigar Road Branch 1 - Unitower Branch**

Uni Towers, I.I. Chundrigar Road, Karachi  
Tel: 021-32466410-13  
Fax: 021-32466500

### **Jami Commercial, DHA Branch**

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

### **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

### **Jodia Bazar - Branch 1**

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

### **Karachi Stock Exchange Branch**

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

### **Karimabad Branch**

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

### **Khayaban-e-Shahbaz Branch**

Plot No. 21-C Khayaban-e-Shahbaz,  
Phase VI, DHA, Karachi  
Tel: 021-35344952, 35344957 & 35344963  
Fax: 021-35344942

### **Khayaban-e-Tanzeem Branch**

C 4-C, Tauheed Commercial,  
Khayaban-e-Tanzeem, Phase-5,  
DHA, Karachi  
Tel: 021-35869147-35810977 & 35871640  
Fax: 021-35869342

## BRANCH NETWORK

### **Korangi Industrial Area Branch**

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

### **Malir Cantt Branch**

Army Shopping Complex,  
Adjacent Tooba Army Store  
Malir Cantonment, Karachi  
Tel: 021-34196142-44  
Fax: 021-34196145

### **M. A. Jinnah Road Branch**

Mezzanine & Ground Floor,  
Plot Survey No. 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

### **Muhammad Ali Society Branch**

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

### **Nazimabad (Gol Market) Branch**

Plot # 7, Sub Block 'E', in Block # III (III-E-7),  
Nazimabad (Gol Market), Karachi  
Tel: 021-36620261-63 & 36620267  
Fax: 021-36620264

### **New Challi Branch**

Plot No. 27, Survey No. 27,  
(New Challi), Altaf Hussain Road,  
Karachi.  
Tel: 021- 32423999, 32423737  
Fax: 021 - 32422051

### **North Karachi Industrial Area Branch**

Plot No. R-14, Gabol Town,  
North Karachi Industrial Area, Karachi  
Tel: 021-32015919, 36995925 & 36963445  
Fax: 021-36975919

### **North Napier Road Branch**

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

### **PAF-Base Faisal Branch**

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

### **Paper Market Branch**

Al-Abbas Centre, Paper Market,  
Shahrah-e-Liaquat, Karachi  
Tel: 021-32639671-2 & 32634135  
Fax: 021-32639670

### **Plaza Quarters Branch**

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

### **Ranchore Line Branch**

R.C. 11, Old Survey # E-7/143,  
Ranchore Line, New Lakhpati Hotel,  
Karachi  
Tel: 021-32767234-36  
Fax: 021-32767460

### **Rizvia Society Branch**

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

### **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

### **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: 021-32815095

### **Shahrah-e-Faisal - Branch**

Business Avenue Block-6, P.E.C.H.S., Karachi  
Tel: 021-34386417-18 & 34374476  
Fax: 021-34531819

## BRANCH NETWORK

### Shershah Branch

Plot No. D-175, Industrial Trading Estate Area,  
Trans Lyari Quarters, Shershah,  
Karachi  
Tel: 021-32588191-93  
Fax: 021-32588195

### 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

### Steel Market Branch

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

### Tariq Road Branch

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

### Timber Market Branch

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

### Water Pump Branch

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

## LAHORE

### Allama Iqbal Town Branch

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

### Azam Cloth Market Branch

285-286, Punjab Block, Azam Cloth Market,  
Lahore  
Tel: 042-37661686, 37660341 & 37660298  
Fax: 042-37661863

### Badami Bagh Branch

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

### Bahria Town Branch

Plot No. 31 - B, Sector 'C',  
Bahria Town, Lahore  
Tel: 042 - 37862380 - 82  
Fax: 042-37862379

### Bedian Road Branch

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

### Circular Road Branch

Babar Centre, 51, Circular Road, Lahore  
Tel: 042-37379371 - 75  
Fax: 042-37379370

### Darogawala Branch

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

### DHA Phase- VI Branch

Property No 16-MB ,  
Block MB, Phase VI DHA Lahore  
Tel: 042 -37189650 -52  
Fax: 042-37189653

### DHA G Block Branch

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

### DHA Y Block Branch

163, Block Y, Phase III,  
DHA Lahore Cantt  
Tel: 042-35692531-36  
Fax: 042-35692690

### Egerton Road Branch

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

## BRANCH NETWORK

### Empress Road Branch

Plot # 29, Empress Road, Lahore  
Tel: 042-36300670-3  
Fax: 042-36310362

### Faisal Town Branch

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

### Ferozpur Road Branch

Siza Farmer Factory, Sufiabad, Lahore  
Tel: 042- 35401751-4  
Fax: 042-35800094

### Gulberg Branch

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

### Ichra More Branch

House # 146, Muhallah Ferozpur Road,  
Ichra More, Lahore  
Tel: 042-37572090-93  
Fax: 042-37572089

### Johar Town Branch

Plot # 85, Block G/1,  
M.A Johar Town, Lahore  
Tel: 042-35291172-74  
Fax: 042-35171047

### Kashmir Block, Allama Iqbal Town Branch

Plot # 1, Kashmir Block,  
Allama Iqbal Town  
Scheme, Lahore  
Tel: 042-37809021-24  
Fax: 042-37809026

### Lahore- Cantt Branch

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

### Lahore Stock Exchange Branch

Office No. 1, Lower Ground Floor # 1,  
Lahore Stock Exchange Plaza,  
Plot No. 19, Khasra No. 1047, 19,  
Khayaban e Aiwan e Iqbal, Lahore  
Tel: 042-36280853 - 56  
Fax: 042-36280851

### Liberty Market Branch

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

### Mall Road Branch

56, Ground Floor,  
Shahrah-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: 042-35915540-42 & 35915548  
Fax: 042-35915549

### New Garden Town Branch

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

### Shah Alam Gate Branch

12-A, Shah Alam Gate, Lahore  
Tel: 042-37666854 - 57  
Fax: 042-37663488

### Urdu Bazar Branch

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

### Wahdat Road Branch

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

## BRANCH NETWORK

### Z Block DHA Branch

323-Z, DHA, Phase-3, Lahore  
Tel: 042-35693112-5  
Fax: 042-35693117

## ISLAMABAD

### Bahria Town Branch

Plot # 3-4, Express Way, Sufiyan Plaza,  
Phase VII, Bahria Town, Islamabad  
Tel: 051- 5707360 – 63-65  
Fax: 051-5707358

### Barah Koh Branch

Murree Road, Tehsil / District,  
Islamabad  
Tel: 051- 2321712- 13  
Fax: 051-2321714

### Blue Area Branch

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

### 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

### 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

### Stock Exchange Branch

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

### Super Market Branch

Shop No. 9, Block - C, F-6 Markaz, Islamabad.  
Tel: 051-2279168-170 & 051-2824533-34  
Fax: 051-2279166

## RAWALPINDI

### Raja Bazar Branch

Raja Bazar, Rawalpindi  
Tel: 051-5553504, 5557244, 5777707,  
5534173 & 5557244  
Fax: 051-5559544

### Shamsabad Murree Road Branch

DD/29, Shamsabad Murree Road,  
Ojri Kalan, Rawalpindi  
Tel: 051-4854400, 4854401-03  
Fax: 051-4854404

### The Mall Road Branch

Shop No. 31-A/4, The Mall Road,  
Opp: State Life Building, Saddar, Rawalpindi  
Cantt.  
Tel: 051 - 5564123, 5120778-80  
Fax: 051 - 5528148

## FAISALABAD

### Jail Road Branch

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

### Kotwali Road Branch

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

### Liaquat Road Branch

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

## BRANCH NETWORK

### Satiana Road Branch

Plot No. 679 - DGM, Batala Colony,  
Satiana Road, Faisalabad  
Tel: 041 - 8500569 - 73  
Fax: 041 - 8500568

### Susan Road Branch

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

## MULTAN

### Abdali Road Branch

Plot No. 66-A & 66-B/9, Abdali  
Road, Multan  
Tel: 061-4588171, 4588172 & 4588175-78  
Fax: 061-4516762

### Hussain Agahi Road Branch

2576, Hussain Agahi Road,  
Multan  
Tel: 061-4548083, 4583268,  
4583168 & 4584815  
Fax: 061-4543794

### Qadafi Chowk Branch

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

### Vehari Road Branch

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

## SUKKUR

### Marich Bazar Branch

B - 885, Marich Bazar, Sukkur  
Tel: 071-5627781-2  
Fax: 071-5627755

### 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: 071-5616584

## GUJRANWALA

### 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

### Wapda Town Branch

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

## GUJRAT

### GT Road Branch

Small Estate, G. T. Road , Gujrat  
Tel: 053-3534208, 3533949 & 3534208  
Fax: 053-3533934

### Gujrat Branch

Main GT Road Tehsil & Distt., Gujrat  
Tel: 053-3517051-54  
Fax: 053-3516756

### Katchery Chowk Branch

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

## PESHAWAR

### Deans Trade Center Branch

Deans Trade Centre, Islamia Road, Peshawar  
Tel: 091-5253081 -3 & 5  
Fax: 091-5253080

## BRANCH NETWORK

### Fruit Market Branch

Near Fruit Market, G.T. Road, Peshawar  
Tel: 091-2260373-4  
Fax: 091-2260375

### Hayatabad Branch

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

### Main University Road Branch

Tehkal Payan, Main University Road-Peshawar  
Tel: 091-5850540-41 & 5850548-9  
Fax: 091-5850546

### Milad Chowk Branch

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

## QUETTA

### Fatima Jinnah Road Branch

Plot No. Khasra No.134 & 138, Ward No. 19,  
Urban # 1, Fatima Jinnah Road, Quetta  
Tel: 081-2301094-95  
Fax: 081-2301096

### Liaquat Bazar Branch

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

### 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

### Regal Chowk Branch

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

## ABBOTTABAD

### Abbottabad Branch

Sitara Market, Mansehra Road, Abbottabad  
Tel: 0992-385931-34  
Fax: 0992-385935

## ATTOCK

### Hassan Abdal Branch

Survey No. 1269/1624, Khasra No. 1935,  
G. T. Road, Hassan Abdal, District Attock  
Tel: 057-2520329-31  
Fax: 057-2520328

### Fateh Jang Branch

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

## AZAD KASHMIR

### Dadyal Branch

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

### 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: 05827-446405, 446407-9  
Fax: 05827-446406

### Muzaffarabad Branch

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

### Shaheed Chowk Branch

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



## 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

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

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

### CHAMMAN

**Chamman Branch**  
Khashra No. 1323 & 2324 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

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

### GUJAR KHAN

**Gujar Khan Branch**  
Plot # 58-D, 59-C, Sector/Block Area  
Development, Scheme # 1, Akbar Kayani  
Plaza, G. T. Road, Gujar Khan  
Tel: 051-3516431-4 & 3516436  
Fax: 051-3516435

### HARIPUR

**Haripur Branch**  
Ground Floor, Akbar Arcade,  
Main G.T. Road, Haripur  
Tel: 0995- 610832 - 34  
Fax: 0995-610829

### HAZRO

**Hazro Branch**  
Plot # B -386, 386-A,  
Dawood Centre, Bank Square,  
Zia ul 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

## BRANCH NETWORK

### Latifabad No. 7 Branch

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

### Market Chowk Branch

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

### Qasimabad Branch

Shop No. 23, 24 & 25, Rani Arcade,  
Qasimabad, Hyderabad  
Tel: 022-2650742-43 & 2652204-5  
Fax: 022-2650745

## JACOBABAD

### Jacobabad Branch

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

## JEHLUM

### Jhelum Branch

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

## KAMBAR

### Shahdad Kot Branch

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

## KAMOKE

### Kamoke - GT Road Branch

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

## KANDH KOT

### Kandh Kot Branch

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

## KASUR

### Kasur Branch

Near Pul Qatal Gahri, Kutchery Road, Kasur.  
Tel: 049-2721993  
Fax: 049-2721994

## KHAIRPUR

### 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: 0537 -515694,515699, 515697,519977  
Fax: 0537-515685

## LARKANA

### Larkana Branch

C.S. No. 1808, Pakistan Chowk,  
Larkana , Sindh  
Tel: 074-4053608-10  
Fax: 074-4053611

## MANDI BHAUDDIN

### Mandi Bahauddin Branch

Khasra # 143/112, Chak #51, Bank Road,  
Off Railway Road, Ghalla Mandi, Mandi  
Bahauddin  
Tel: 0546-600901, 600903-5  
Fax: 0546-600902

## BRANCH NETWORK

### 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

#### Khipro Bus Stand Branch

Plot No. 92-93, Samanabad, Khipro District,  
Ghumanabad Chowk, Khipro Bus Stand -  
Mirpurkhas  
Tel: 0233-876384 & 874518  
Fax: 0233-875925

#### Umer Kot Road Branch

Plot No : 988 to 991 Umerkot Gharibabad,  
Mirpur Khas  
Tel: 0233- 875113-7  
Fax: 0233-875118

### MURIDKE

#### Muridke Branch

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

### 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

### JAMSHORO

#### Nooriabad Branch

Ground Floor, SITE Office Building Nooriabad,  
Dist Jamshoro, Sindh  
Tel: 025-4670433-8  
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: 047-6213795-97 & 6213792  
Fax: 047-621 3797

### RAHIM YAR KHAN

#### 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- 5951301-3  
Fax: 068-5951300

### SAHIWAL

#### High Street Branch

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

## BRANCH NETWORK

### SARGODHA

#### Sargodha Branch

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

#### Satellite Town Branch

Satellite Town, Ground Floor,  
Afzal Towers, Plot # 302-A,  
Main Satellite Town, Sargodha.  
Tel: 048-3221025-28  
Fax: 048-3221029

### 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: 052-3573304-7  
Fax: 052-3573310

#### Paris Road Branch

B1, 16S, 71/A/1, Paris Road,  
Sialkot  
Tel: 052-4602712-17  
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 & 411606  
Fax: 0852-414048

### WAH CANTT

#### Wah Cantt Branch

Plot No. 17/37, Civic Center,  
Aslam Market, Wah Cantt  
Tel: 051-4542157, 4542167,  
4542279, 4902238-39  
Fax: 051-4542140

## BRANCH NETWORK

### ISLAMIC BANKING BRANCHES

#### KARACHI

##### **Fish Harbour Branch**

Plot No. L - 2, Block L  
Fish Harbour, Dockyard Road,  
West Wharf, Karachi  
PABX: 021-32312166-68  
Fax: 021-32312165

##### **I. I. Chundrigar Road Branch 2**

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

##### **IBL Building Centre, Shahrah-e-Faisal, Branch**

Ground Floor IBL Building Center at Plot No. 1,  
Block 7 & 8, D.M.C.H.S, Shahrah-e-Faisal, Karachi  
Tel: 021-32368002-4  
Fax: 021 - 32368005

##### **Super Highway Branch**

Shop No. 29 & 30, Plot # 1-B/3,  
Sub Sector 1-A, Scheme No. 33,  
Main Super Highway, Karachi.  
Tel: 021 - 36830161-3

##### **Zamzama Branch**

Shop No. 3, 4, 5, 6 & 7, Plot No. 16-C,  
2nd Zamzama Commercial Lane  
DHA - Karachi  
Tel: 021 - 35373135-7  
Fax: 021 - 35373138

#### LAHORE

##### **PIA Society Branch**

Plot # 40, Block-D, Main Boulevard PIA Society,  
Opp Wapda Town Roundabout, Lahore  
Tel: 042-35189957 - 59  
Fax: 042-35210895

#### ISLAMABAD

##### **DHA Phase 2 Branch**

Plot No. 7, Street SSZBS, Al Nahyaan,  
Sector - A, DHA Phase 2  
Near Al Ghurair, Main Boulevard, Islamabad  
Tel: 051 - 4918314 - 16  
Fax: 051 - 4918317

##### **Naval Anchorage Branch**

Plot # 19, Commercial No. 2,  
Naval Officers' Housing Scheme  
Anchorage, Islamabad  
Tel: 051 - 5159126 - 28  
Fax: 051 - 5159129

#### RAWALPINDI

##### **Bahria Town Branch Phase-IV**

Plot # 1, Bahria Town, Civic Centre,  
Phase IV, Rawalpindi  
Tel: 051-5733945-46  
Fax: 051-5733967

#### HUB

##### **Hub Branch**

Shop No. 12 - 14, Khasra No. 106/4,  
Int. Shopping Mall Hotel,  
Mouza Berot, Tehsil Hub, Lasbella,  
Baluchistan  
Tel: 0852 - 363056 - 058  
Fax: 0852 - 363050

#### CHILAS

##### **Chilas Branch**

Khasra No. 02, Bazar Area, Chillas,  
District Baltistan  
Tel: 05812- 450702-3  
Fax: 05812-450704

#### SKARDU

##### **Skardu Branch**

Khasra No. 1265/39,  
Yadgar Chowk, Tehsil Skardu,  
District Baltistan  
Tel: 05815- 456693-94  
Fax: 05815-456696

#### CHITRAL

##### **Chitral Branch**

Attalique Bazar, Bank Square,  
Opp: NBP Building, Chitral  
Tel: 0943 - 412536-37  
Fax: 0943 - 414352

#### HYDERABAD

##### **DHA Plaza Branch**

Shop No. 1 & 2, Block "C",  
Defence Plaza, Thandi Sarak, Hyderabad  
Tel: 022- 2108474, 2108478  
Fax: 022-210847



Arif Habib Centre, 23 M.T. Khan Road, Karachi - 74000  
UAN: 111-124-725, Toll Free: 0800-24365  
[www.summitbank.com.pk](http://www.summitbank.com.pk) | [info@summitbank.com.pk](mailto:info@summitbank.com.pk)

CORPORATE