









Condensed Interim
Financial Statements
for the nine months ended
September 30, 2017
(Un-Audited)

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CORPORATE INFORMATION

Board of Directors

Shahzad Khan Bangash	Chairman
Shakeel Qadir Khan	
Maqsood Ismail Ahmad	
Asad Muhammad Iqbal	
Javed Akhtar	
Rashid Ali Khan	

*Managing Director / CEO (Acting)

Muhammad Shahbaz Jameel

Audit Committee

Asad Muhammad Iqbal	Chairman
Shakeel Qadir Khan	
Javed Akhtar	
Rashid Ali Khan	

HR&R Committee

Rashid Ali Khan	Chairman
Maqsood Ismail Ahmad	
Asad Muhammad Iqbal	
The Managing Director	

Risk Management Committee

Mr. Maqsood Ismail Ahmad	Chairman
Mr. Rashid Ali Khan	
The Managing Director	

Chief Financial Officer

Rahat Gul

Company Secretary

Zahid Sahibzada

Registered Office / Head Office

The Bank of Khyber,
24-The Mall, Peshawar Cantt.

1st Floor, State Life Building
34-The Mall, Peshawar Cantt.
UAN#00-92-91-111 95 95 95
URL: www.bok.com.pk

Auditors

Grant Thornton Anjum Rahman
Chartered Accountants

Legal Advisors

Mr. Nisar Ahmed Khan
Advocate, Peshawar

M/s. Mohsin Tayebaly & Co., Karachi

Registrar and Share Registration Office

THK Associates (Pvt) Ltd.
1st Floor, 40-C, Block 6
P.E.C.H.S, Karachi – 75530
Pakistan.

*Notification of appointment issued on October 23, 2017

DIRECTORS' REVIEW

On behalf of the Board of Directors of the Bank of Khyber, I am pleased to present the condensed interim financial information of the Bank for the 3rd quarter ended September 30, 2017. The results are inclusive of Islamic Banking Operations.

Financial Highlights

The financial results of the Bank of Khyber for the 3rd quarter ended September 30, 2017 are as under:

	(Rs. in Million)	
	September 30 2017	December 31 2016
Total Assets	242,022	206,400
Deposits	161,546	157,020
Advances (Gross)	70,611	36,054
Investments (Net)	157,999	141,602

	(Rs. in Million)	
	Period Ended September 30	
	2017	2016
Operating Profit	2,299	2,825
Provision against non-performing advances/others	(87)	(423)
Profit before taxation	2,212	2,402
Taxation	(837)	(932)
Profit after tax	1,375	1,470

Performance Review

For the third quarter of the year 2017, the Bank posted Profit Before Tax of Rs.2,212 million as compared to Rs.2,402 million in the corresponding period of previous year. Profit after Tax stood at Rs.1,375 million thus yielding Earnings Per Share of Rs.1.38.

Total Assets of the Bank have been increased from Rs.206,400 million as of year-end 2016 to Rs.242,022 million registering an increase of 17%. The deposits increased to Rs. 161,546 million whereas advances increased to Rs.70,611 million an increase of 96% over year end figure of Rs.36,054 million. Major contribution in advances was from commodity financing. Investments increased by 12% and stood at Rs.157,999 million.

Future Outlook

The Bank continues to strengthen its presence in the market through its expanded branch network. By the end of the third quarter of the current year, the Bank is operating with 165 branches. Among these, 82 branches are working on the Conventional side whereas 83 branches are functioning as dedicated Islamic Banking Branches.

The Bank remains cognizant of the challenging business environment and stands committed to its strategy of steady growth through diversification in products, services and outreach. The Bank is also focusing on increasing its customer base and mobilizing cost effective deposit mix with an emphasis on prudent lending to maintain trend of stable profitability.

Credit Rating

The JCR-VIS Credit Rating Company Limited (JCR-VIS) has reaffirmed the medium to long term and short term entity ratings of the Bank at “A” (Single A) and “A-1” (A One) respectively. Outlook on the assigned rating is “Stable”.

The Pakistan Credit Rating Agency Limited (PACRA) has maintained the long term and short term entity ratings of the Bank at “A” (Single A) and “A1” (A One) respectively. Rating outlook is “Stable”. These ratings denote low expectation of credit risk emanating from a strong capacity for timely payment of financial commitments.

Acknowledgement

The Board would like to thank the Provincial Government, State Bank of Pakistan and other regulatory authorities for their guidance and support. We are also grateful to our valued customers for their patronage and continued confidence in the Bank.

For and on behalf of the Board of Directors

Islamabad: October 20, 2017

Chairman

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

		(Un-audited) September 30, 2017	(Audited) December 31, 2016
	Note	Rupees in '000'	
ASSETS			
Cash and balances with treasury banks		7,709,911	8,636,526
Balances with other banks		2,104,968	9,980,928
Lendings to financial institutions	6	2,076,347	8,827,307
Investments - net	7	157,999,396	141,602,355
Advances - net	8	66,097,350	31,643,885
Other assets		3,436,996	3,638,719
Operating fixed assets	9	2,292,122	2,070,554
Deferred tax asset - net	12	304,495	-
		242,021,585	206,400,274
LIABILITIES			
Bills payable		866,401	775,938
Borrowings	10	59,932,977	28,700,825
Deposits and other accounts	11	161,545,889	157,020,365
Sub-ordinated loans		-	-
Liabilities against assets subject to finance lease		-	-
Other liabilities		4,507,090	3,608,857
Deferred tax liability - net		-	151,745
		226,852,357	190,257,730
NET ASSETS		15,169,228	16,142,544
REPRESENTED BY			
Share capital		10,002,524	10,002,524
Reserves		2,467,238	2,192,169
Un-appropriated profit		2,090,272	2,490,553
		14,560,034	14,685,246
Surplus on revaluation of assets - net of tax	13	609,194	1,457,298
		15,169,228	16,142,544

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

Statement under section 241(2) of the Company Ordinance, 1984:

"At the time of meeting of the Board of Directors, office of Managing Director was vacant, as such these Financial Statements, as approved by the Board of Directors, have been signed by four Directors.


Director

Director

Director

Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

Note	Three months ended September 30, 2017	Nine months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2016
	Rupees in '000'			
Mark-up / return / interest earned	3,870,031	10,601,510	3,280,628	8,868,450
Mark-up / return / interest expensed	2,631,613	7,136,439	2,178,165	5,526,328
Net mark-up / return/ interest income	1,238,418	3,465,071	1,102,463	3,342,122
(Reversal) / provision against loans and advances - Net	(115,445)	102,681	99,309	521,200
(Reversal) of provision for diminution in value of investments - net	-	(8,378)	(39,932)	(97,101)
Bad debts written off directly	-	-	327	438
	(115,445)	94,303	59,704	424,537
Net mark-up / return / interest income after provisions	1,353,863	3,370,768	1,042,759	2,917,585
NON MARK-UP / INTEREST INCOME				
Fee, commission and brokerage income	61,793	219,094	59,163	183,731
Dividend income	5,353	41,910	9,239	95,294
Income from dealing in foreign currencies	18,638	54,586	21,879	66,505
Gain on sale of securities - net	208	1,156,717	303,595	1,397,252
Unrealised gain on revaluation of investments classified as held-for-trading - net	(527)	-	48	48
Other income	35,639	88,658	25,832	66,606
Total non mark-up / interest income	121,104	1,560,965	419,756	1,809,436
	1,474,967	4,931,733	1,462,515	4,727,021
NON MARK-UP / INTEREST EXPENSES				
Administrative expenses	922,135	2,726,564	806,772	2,327,584
Reversal against other assets	(7,420)	(7,420)	-	(2,299)
Other charges	-	(87)	-	28
Total non mark-up / interest expenses	914,715	2,719,057	806,772	2,325,313
PROFIT BEFORE TAXATION	560,252	2,212,676	655,743	2,401,708
Taxation				
- Current	(212,056)	(770,570)	(175,323)	(810,227)
- Prior	68,629	(66,329)	-	(90,643)
- Deferred	19,402	(432)	(31,423)	(30,828)
	(124,025)	(837,331)	(206,746)	(931,698)
PROFIT AFTER TAXATION	436,227	1,375,345	448,997	1,470,010
Earnings per share - Basic and Diluted (in Rupees)	15 0.44	1.38	0.45	1.47

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

Statement under section 241(2) of the Company Ordinance, 1984:

"At the time of meeting of the Board of Directors, office of Managing Director was vacant, as such these Financial Statements, as approved by the Board of Directors, have been signed by four Directors.


Director

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Director

Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

	Three months ended September 30, 2017	Nine months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2016
	----- Rupees in '000' -----			
Profit after taxation	436,227	1,375,345	448,997	1,470,010
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	436,227	1,375,345	448,997	1,470,010
Components of comprehensive income not reflected in equity				
Items that may be reclassified to profit and loss account				
(Decrease)/increase in surplus on revaluation of available for sale securities	(916,000)	(1,304,776)	394,894	1,773,722
Related deferred tax reversal / (charge)	320,600	456,672	(138,213)	(620,803)
	(595,400)	(848,104)	256,681	1,152,919
	(595,400)	(848,104)	256,681	1,152,919

Surplus / (deficit) on revaluation of 'Available for sale' securities and 'Fixed assets' are presented under a separate head below equity as 'surplus / (deficit) on revaluation of assets' in accordance with the requirements specified by the State Bank of Pakistan vide its BSD Circular No. 20 dated August 04, 2000 and BSD Circular No. 10 dated July 13, 2004 respectively and Companies Ordinance, 1984.

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.


Director

Director

Director

Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

	Share capital	Statutory reserve	Un- appropriated profit	Total
	----- Rupees in '000' -----			
Balance as at January 1, 2016 - Audited	10,002,524	1,788,074	2,182,400	13,972,998
Changes in equity during the nine months ended September 30, 2016				
Transactions with owners recorded directly in equity				
Final cash dividend for the year ended December 31, 2015 declared at Rs 1.25 per share	-	-	(1,250,464)	(1,250,464)
Total comprehensive income				
Profit after taxation for the nine months ended September 30, 2016	-	-	1,470,010	1,470,010
Other comprehensive income - net of tax	-	-	-	-
	-	-	1,470,010	1,470,010
Transfer to statutory reserve	-	294,002	(294,002)	-
Balance as at September 30, 2016 - Unaudited	10,002,524	2,082,076	2,107,944	14,192,544
Changes in equity during three months ended December 31, 2016				
Total comprehensive income				
Profit after taxation for the three months ended December 31, 2016	-	-	550,466	550,466
Other comprehensive income	-	-	(57,764)	(57,764)
	-	-	492,702	492,702
Transfer to statutory reserve	-	110,093	(110,093)	-
Balance as at December 31, 2016 - Audited	10,002,524	2,192,169	2,490,553	14,685,246
Changes in equity during the nine months ended September 30, 2017				
Transactions with owners recorded directly in equity				
Final cash dividend for the year ended December 31, 2016 declared at Rs 1.50 per share	-	-	(1,500,557)	(1,500,557)
Total comprehensive income				
Profit after taxation for the nine months ended September 30, 2017	-	-	1,375,345	1,375,345
Other comprehensive income - net of tax	-	-	-	-
	-	-	1,375,345	1,375,345
Transfer to statutory reserve	-	275,069	(275,069)	-
Balance as at September 30, 2017 - Unaudited	10,002,524	2,467,238	2,090,272	14,560,034

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.


Director

Director

Director

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

	Nine months ended September 30, 2017	Nine months ended September 30, 2016
	Rupees in '000'	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,212,676	2,401,708
Less: Dividend income	41,910	95,294
	2,170,766	2,306,414
Adjustments:		
Depreciation	192,086	148,105
Amortisation	24,414	14,657
Provision against loans and advances - net	102,681	521,200
Reversal of provision for diminution in value of investments-net	(8,378)	(97,101)
Reversal of provision against other assets	(7,420)	(2,299)
Unrealised gain on revaluation of investments classified as held-for-trading	-	(48)
Gain on sale of operating fixed assets	(1,887)	(416)
Bad debts written off directly	-	438
	301,496	584,536
	2,472,262	2,890,950
(Increase) / decrease in operating assets		
Lendings to financial institutions	6,750,960	(2,538,370)
Held-for-trading securities	360,797	57,152
Advances	(34,556,146)	11,879,899
Others assets (excluding advance taxation)	209,143	(107,524)
	(27,235,246)	9,291,157
Increase / (decrease) in operating liabilities		
Bills payable	90,463	161,424
Borrowings from financial institutions	31,232,152	(2,681,171)
Deposits and other accounts	4,525,524	37,516,189
Other liabilities (excluding current taxation)	954,263	3,217
	36,802,402	34,999,659
	12,039,418	47,181,766
	(904,846)	(1,007,751)
Income taxes paid		
Net cash generated from operating activities	11,134,572	46,174,015
CASH FLOWS FROM INVESTING ACTIVITIES		
Net investment in available-for-sale securities	(7,012,656)	(44,574,001)
Net investment in held-to-maturity securities	(11,041,580)	41,702
Dividend income received	41,910	95,294
Investment in operating fixed assets	(438,954)	(231,930)
Sale proceeds from disposal of property and equipment	2,773	2,694
Net cash used in investing activities	(18,448,507)	(44,666,241)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(1,488,640)	(1,240,261)
Net cash used in financing activities	(1,488,640)	(1,240,261)
(Decrease) / increase in cash and cash equivalents during the period	(8,802,575)	267,513
Cash and cash equivalents at beginning of the period	18,617,454	12,060,293
Cash and cash equivalents at end of the period	9,814,879	12,327,806

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.


Director

Director

Director

Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

1 STATUS AND NATURE OF BUSINESS

The Bank of Khyber ("The Bank") was established under The Bank of Khyber Act, 1991 and is principally engaged in the business of commercial banking and related services. The Bank acquired the status of a scheduled bank in 1994 and is listed on the Karachi Stock Exchange (KSE). The registered office of the Bank is situated at 24 the Mall, Peshawar Cantt, Peshawar and it has been temporarily shifted to 1st Floor, State Life Building, 34 - the Mall, Peshawar Cantt. The Bank operates 165 branches including 83 Islamic Banking Branches as at September 30, 2017 (December 31, 2016: 150 branches including 77 Islamic banking branches). The long term credit rating of the Bank assigned by The Pakistan Credit Rating Agency (PACRA) and JCR-VIS are 'A' and 'A' respectively and the short-term credit ratings assigned are 'A1' (A-One) and 'A-1' (A-One) respectively.

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 SBP has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by the banks from their customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. The purchases and sales arising under the respective arrangements (except for murabaha financings accounted for under Islamic Financial Accounting Standard - 1 "Murabaha") are not reflected in this condensed interim financial information as such but are restricted to the amount of facility actually utilized and the appropriate portion of mark-up thereon.
- 2.2 The financial results of the Islamic Banking Group have been consolidated in this financial information for reporting purpose, after eliminating the effects of intra-bank transactions and balances. Key financial figures of the Islamic Banking Group are disclosed in note 17 to this condensed interim financial information.
- 2.3 This condensed interim financial information has been presented in Pakistani Rupee, which is the Bank's functional and reporting currency. The figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

3 BASIS OF MEASUREMENT

This condensed interim financial information has been prepared under the historical cost convention except that certain fixed assets are stated at revalued amounts and certain investments, commitments in respect of employee benefits, forward exchange contracts and derivative financial instruments have been marked to market and are carried at fair value.

4 STATEMENT OF COMPLIANCE

- 4.1 This condensed interim financial information has been prepared in accordance with the requirements of International Accounting Standards (IAS - 34), Interim Financial Reporting, Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP), Companies Ordinance, 1984, Banking Companies Ordinance, 1962 and the directives issued by the Securities and Exchange Commission of Pakistan (SECP) and the State Bank of Pakistan (SBP). In case the requirements differ, the

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

requirements of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and the said directives have been followed. The Companies Ordinance, 1984 has been repealed after the enactment of the Companies Act, 2017, however, as allowed by the SECP vide its circular No. 23 of 2017, these condensed interim financial information has been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984.

- 4.2 The SBP vide BSD Circular No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard (IAS) 39, "Financial Instruments: Recognition and Measurement" and International Accounting Standards (IAS) 40, "Investment Property" for banking companies till further instructions. Further, according to a notification of SECP dated April 28, 2008, IFRS 7 "Financial Instruments: Disclosure" has not been made applicable for banks. Accordingly, the requirements of these standards have not been considered in the preparation of this condensed interim financial information. However, investments have been classified and valued in accordance with the requirements of various circulars issued by the SBP.
- 4.3 The disclosures made in this condensed interim financial information have been limited based on the format prescribed by the SBP vide BSD Circular Letter No. 2, dated May 12, 2004 and IAS 34 "Interim Financial Reporting" and do not include all the information required for the annual financial statements. Accordingly, this condensed interim financial information should be read in conjunction with the annual financial statements of the Bank for the year ended December 31, 2016.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS AND FINANCIAL RISK MANAGEMENT POLICIES

- 5.1 The accounting policies, underlying estimates and judgments and methods of computation followed in the preparation of this condensed interim financial information are same as those applied in preparing the most recent annual financial statements of the Bank for the year ended December 31, 2016.
- 5.2 The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the financial statements of the Bank for the year ended December 31, 2016.

	(Un-audited) September 30, 2017	(Audited) December 31, 2016
	Rupees in '000'	
6 LENDINGS TO FINANCIAL INSTITUTIONS		
Call money lendings	-	5,475,000
Bai Muajjal receivable from other financial institution	1,529,106	-
Repurchase agreement lendings (Reverse Repo)	547,241	192,307
Placements with other financial institutions	238,944	3,398,944
	2,315,291	9,066,251
Provision against lendings to financial institutions	(238,944)	(238,944)
	2,076,347	8,827,307

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

7 INVESTMENTS

Note	September 30, 2017 (Un-audited)			December 31, 2016 (Audited)		
	Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total
----- Rupees in '000' -----						
7.1 Investments by types						
Held-for-trading securities						
Market Treasury Bills	-	-	-	-	-	-
Pakistan Investment Bonds	-	-	-	360,081	-	360,081
Ordinary shares of listed companies	-	-	-	-	-	-
	-	-	-	360,081	-	360,081
Available-for-sale securities						
Market Treasury Bills	38,987,971	24,325,336	63,313,307	43,620,749	14,420,352	58,041,101
Pakistan Investment Bonds	37,238,283	30,283,769	67,522,052	55,822,793	9,695,393	65,518,186
Government of Pakistan Sukuk	6,250,381	-	6,250,381	7,250,546	-	7,250,546
Ordinary shares of listed companies	1,153,116	-	1,153,116	888,612	-	888,612
Ordinary shares of unlisted companies	30,487	-	30,487	30,487	-	30,487
Ordinary shares of related party - Unlisted	112,500	-	112,500	112,500	-	112,500
Preference shares of unlisted company	195,000	-	195,000	195,000	-	195,000
Listed term finance certificates	338,345	-	338,345	138,550	-	138,550
Unlisted term finance certificates	86,881	-	86,881	168,762	-	168,762
Sukuks	3,583,115	-	3,583,115	3,228,784	-	3,228,784
	87,976,079	54,609,105	142,585,184	111,456,783	24,115,745	135,572,528
Held-to-maturity securities						
Pakistan Investment Bonds	16,481,056	-	16,481,056	5,372,809	-	5,372,809
Sukuks	-	-	-	66,667	-	66,667
	16,481,056	-	16,481,056	5,439,476	-	5,439,476
Investment in associate	40,504	-	40,504	40,504	-	40,504
Investments at cost	104,497,639	54,609,105	159,106,744	117,296,844	24,115,745	141,412,589
Provision for diminution in value of investments	7.2 (853,519)	-	(853,519)	(861,897)	-	(861,897)
Investments - net of provisions	103,644,120	54,609,105	158,253,225	116,434,947	24,115,745	140,550,692
Surplus on revaluation of held-for-trading securities - net	-	-	-	716	-	716
(Deficit) / surplus on revaluation of available-for-sale-securities - net	13 (253,829)	-	(253,829)	1,050,947	-	1,050,947
Total investments	103,390,291	54,609,105	157,999,396	117,486,610	24,115,745	141,602,355

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

		(Un-audited) September 30, 2017	(Audited) December 31, 2016
	Note	Rupees in '000'	
7.2 Provision for diminution in value of investments			
Opening balance		861,897	958,614
Charge for the period / year		-	46,820
Reversal on disposal		(8,378)	(143,537)
		(8,378)	(96,717)
Closing balance		853,519	861,897
8 ADVANCES			
Loans, cash credits, running finances, etc.			
In Pakistan		33,048,443	29,845,102
Outside Pakistan		-	-
		33,048,443	29,845,102
Islamic financing and related assets		36,516,429	5,275,801
Net investment in Ijarah:			
In Pakistan		736,625	581,858
Outside Pakistan		-	-
		736,625	581,858
Bills discounted and purchased (excluding treasury bills)			
Payable in Pakistan		166,172	204,902
Payable outside Pakistan		142,956	146,816
		309,128	351,718
Advances - gross	8.1	70,610,625	36,054,479
Provision against loan and advances	8.2		
Specific		(4,470,570)	(4,379,722)
General		(42,705)	(30,872)
		(4,513,275)	(4,410,594)
Advances - net of provision		66,097,350	31,643,885

- 8.1** Advances include Rs. 5,314.221million (December 31, 2016:Rs. 5,456.524million) which have been placed under non-performing status as detailed below:

	September 30, 2017 (Un-audited)				
Category of classification	Classified advances			Provision required	Provision held
	Domestic	Overseas	Total		
----- Rupees in '000' -----					
Other Assets Especially Mentioned *	13,983	-	13,983	-	-
Substandard	195,878	-	195,878	27,900	27,900
Doubtful	100,791	-	100,791	980	980
Loss	5,003,569	-	5,003,569	4,441,690	4,441,690
	5,314,221	-	5,314,221	4,470,570	4,470,570

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

Category of classification	December 31, 2016 (Audited)				
	Classified Advances			Provision	Provision
	Domestic	Overseas	Total	required	held
Rupees in '000'					
Other Assets Especially Mentioned *	87,643	-	87,643	-	-
Substandard	288,582	-	288,582	55,851	55,851
Doubtful	627,585	-	627,585	302,838	302,838
Loss	4,452,714	-	4,452,714	4,021,033	4,021,033
	<u>5,456,524</u>	<u>-</u>	<u>5,456,524</u>	<u>4,379,722</u>	<u>4,379,722</u>

* Other Assets Especially Mentioned category pertains to agricultural finance and small enterprise finance.

8.1.1 State Bank of Pakistan through various circulars has allowed benefit of the forced sales value (FSV) of Plant & Machinery under charge, pledged stock and mortgaged residential, commercial and industrial properties (land and building only) held as collateral against Non-Performing Loans (NPLs) for a maximum of five years from the date of classification. As at September 30, 2017, the Bank has availed cumulative benefit of forced sale values of Rs. 623.024 million (December 31, 2016: Rs. 453.778 million). Increase in unappropriated profit net of tax amounting to Rs. 404.966 million (December 31, 2016: Rs. 294.956 million) is not available for the distribution of cash or stock dividend to the shareholders or bonus to employees.

8.2 Particulars of provision against loans and advances

	September 30, 2017 (Un-audited)			December 31, 2016 (Audited)		
	Specific	General	Total	Specific	General	Total
Rupees in '000'						
Opening balance	4,379,722	30,872	4,410,594	3,655,490	28,046	3,683,536
Charge for the period / year	399,133	11,833	410,966	1,060,047	2,826	1,062,873
Reversals	(308,285)	-	(308,285)	(335,815)	-	(335,815)
	90,848	11,833	102,681	724,232	2,826	727,058
Amounts written off	-	-	-	-	-	-
Closing balance	4,470,570	42,705	4,513,275	4,379,722	30,872	4,410,594
				(Un-audited)	(Audited)	
				September 30,	December 31,	
				2017	2016	
Rupees in '000'						

9 OPERATING FIXED ASSETS

Capital work-in-progress	400,338	430,319
Property and equipment	1,824,316	1,597,222
Intangible assets	67,468	43,013
	<u>2,292,122</u>	<u>2,070,554</u>

9.1 Following additions / disposals have been made to / from property and equipment;

	September 30, 2017 (Un-audited)		September 30, 2016 (Un-audited)	
	Additions	Disposals	Additions	Disposals
Rs. in '000'				
Building on leasehold land	-	-	-	11,620
Building	153,001	-	-	-
Furniture and fixtures	38,231	5,926	16,610	3,435
Office equipment	116,262	6,913	68,055	9,339
Vehicles	1,909	3,280	766	1,370
Renovations / Premises	110,659	13,223	55,359	11,072
	<u>420,062</u>	<u>29,342</u>	<u>140,790</u>	<u>36,836</u>
	<u>48,869</u>	<u>-</u>	<u>17,474</u>	<u>-</u>

9.2 Additions to intangible assets

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

		(Un-audited) September 30, 2017	(Audited) December 31, 2016
	Note	Rupees in '000'	
10 BORROWINGS FROM FINANCIAL INSTITUTIONS			
Secured			
Borrowings from State Bank of Pakistan under:			
Export refinance scheme		1,477,400	1,698,000
Long term financing for export oriented projects		150,915	13,805
Refinance facility for SME		-	1,006
		1,628,315	1,712,811
Repurchase agreement borrowings	10.1	24,957,399	14,420,352
Bai Muajjal payable to other financial institutions	10.2	29,651,706	9,695,393
		54,609,105	24,115,745
Unsecured			
Call borrowings		2,700,000	2,872,269
Bai Muajjal payable to other financial institutions	10.2	995,557	-
		3,695,557	2,872,269
		59,932,977	28,700,825
10.1 Repurchase agreements with financial institutions carry interest rate of 5.80% (2016: 5.96%) per annum with maturities up to October 06, 2017.			
10.2 It represents Bai Muajjal agreements entered into with various financial institutions and carry average return on these transactions ranging from 5.78% to 5.83% (2016: 5.80% to 5.81%) per annum with maturities up to September 11, 2018.			
		(Un-audited) September 30, 2017	(Audited) December 31, 2016
		Rupees in '000'	
11 DEPOSITS AND OTHER ACCOUNTS			
Customers			
Fixed deposits		76,870,938	61,494,660
Savings deposits		50,380,164	60,140,991
Current accounts - non-remunerative		29,713,757	28,280,085
Call deposits		2,203,732	5,316,386
Margin and sundry deposits		2,353,950	1,754,950
		161,522,541	156,987,072
Financial Institutions			
Remunerative deposits		23,000	32,224
Non-remunerative deposits		348	1,069
		23,348	33,293
		161,545,889	157,020,365
12 DEFERRED TAX ASSET / LIABILITY			
Deferred tax asset arising in respect of:			
Provision for balances with other banks		3,510	3,510
Provision against loans and advances		33,244	43,027
Provision for diminution in value of investments		87,203	87,203
Provision for other assets		3,448	3,448
Re-measurement of defined benefit plan		31,103	31,103
Accelerated tax depreciation		14,795	4,859
Islamic Pool Management reserve		42,352	42,937
		215,655	216,087
Deferred tax asset / (liability) arising in respect of:			
Deficit/(Surplus) on revaluation of investment		88,840	(367,832)
		88,840	(367,832)
Deferred tax asset / (liability) - net		304,495	(151,745)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

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

13 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX

Surplus / (deficit) on revaluation of available-for-sale securities

Federal government securities:

- Market Treasury Bills
- Pakistan Investment Bonds
- Government of Pakistan Sukuks
- Fully paid up ordinary shares - listed

(8,161)	(19,676)
(347,954)	495,268
46,519	124,554
55,767	450,801
(253,829)	1,050,947

Surplus on revaluation of fixed assets

Leasehold land

774,183	774,183
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Deferred tax asset / (liability) - net

520,354	1,825,130
88,840	(367,832)
609,194	1,457,298

14 CONTINGENCIES AND COMMITMENTS

14.1 Direct credit substitutes

Contingent liabilities in respect of guarantees given favouring:

- Banks
- Others

-	-
628,646	539,084
628,646	539,084

14.2 Transaction-related contingent liabilities

Contingent liabilities in respect of performance bonds, bid bonds, warranties etc. given favouring:

- Government
- Others

9,806,450	6,935,508
3,653,900	4,211,008
13,460,350	11,146,516

This includes expired letters of guarantee aggregating to Rs. 3,976.739 million as at September 30, 2017 (December 31, 2016: Rs. 3,496.433 million) for which the formalities relating to return of the original documents are in process

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

14.3 Trade-related contingent liabilities

- Letters of credit
- Sight
- Usance

1,364,542	1,790,467
484,790	360,776
1,849,332	2,151,243
572,595	848,219
2,421,927	2,999,462

Acceptances

14.4 Commitments in respect of forward exchange contracts

- Purchase
- Sale

1,207,884	3,368,458
1,030,935	3,655,998

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

All forward exchange contracts are backed by trade related transactions to meet the needs of the Bank's clients to generate trading revenues and, as part of its asset and liability management activity, to hedge its own exposure to currency risk. At the period end, all foreign exchange contracts have a remaining maturity of less than one year.

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

14.5 Other commitments

Bills for collection

Inland bills

Foreign bills

84,781	117,019
420,560	659,128
505,341	776,147

14.6 Commitments to extend credit

The Bank makes commitments to extend credit in the normal course of its business but these being revocable commitments do not attract any significant penalty if the facility is unilaterally withdrawn.

14.7 Commitment for the acquisition of operating fixed assets

Commitments as on reporting date amounts to Rs. 154.775 million (December 31, 2016 : Rs. 256.979 million).

14.8 The income tax assessments of the Bank have been finalized upto tax year 2016.

14.9 During financial year 2011, the tax authorities issued an amended order for the tax year 2009 disallowing certain expenditure on account of lack of evidence for such expenditure resulting in an additional tax demand of Rs. 308.900 million. The Bank filed an appeal as well as rectification application against the said order. Based on rectification application, the order was amended and accordingly the additional demand was reduced to Rs. 256.349 million. During 2012, the Commissioner Inland Revenue (Appeals) [CIR (A)] through an order dated June 01, 2012 has deleted certain additions on account of disallowances except for the additions under certain heads of expenses having tax impact of approximately Rs. 23 million. The Bank had filed an appeal against the order of the Appellate Tribunal Inland Revenue (ATIR) in respect of remaining additions which also decided in favor of the Bank. Subsequently, CIR went in to appeal in Peshawar High Court. The management is confident that matter will be decided in Bank's favor.

14.10 The liquidator of the Indus Bank Limited (IBL), which is under liquidation since January 29, 2001, has lodged a claim of Rs. 11.518 million against the Bank in relation to a reverse repo transaction of Rs. 100 million with a maturity of February 08, 2001 secured against Federal Investment Bonds. The management of the Bank is confident that the above will have no financial impact as IBL is a defaulter of the Bank to the tune of Rs. 10.028 million which is already provided in these financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

Three months ended September 30, 2017	Nine months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2016
Rupees in '000'			

15 EARNINGS PER SHARE - BASIC AND DILUTED

Profit after taxation for the period attributable to ordinary shareholders

436,227	1,375,345	448,997	1,470,010
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Number of Shares

Weighted average number of ordinary shares outstanding during the period

1,000,252,485	1,000,252,485	1,000,252,485	1,000,252,485
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Earnings per share - basic and diluted for the period (in Rupees)

0.44	1.38	0.45	1.47
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There is no dilution effect on basic earnings per share.

16 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of quoted investments other than those classified as held to maturity is based on quoted market prices. The fair value of unquoted equity investments is determined on the basis of break-up value of these investments as per their latest available audited financial statements.

The fair value of fixed term loans, other assets, other liabilities and fixed term deposits cannot be calculated with sufficient reliability due to the absence of current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments. The provision for impairment of loans and advances has been calculated in accordance with the Bank's accounting policy.

In the opinion of the management, the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since assets and liabilities are either short-term in nature or in the case of customer loans and deposits, are frequently re-priced.

16.1 The Bank measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses the financial and non-financial assets carried at fair values, by valuation methods. For financial assets, the Bank essentially carries its investments in debt and equity securities at fair values. Valuation of investments is carried out as per guidelines specified by the SBP. In case of non-financial assets, the Bank has adopted revaluation model (as per IAS 16) in respect of leasehold land.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

On balance sheet financial instruments

Financial assets measured at fair value

Held for trading securities

- Shares in listed companies
- Market Treasury Bills
- Pakistan Investment Bonds

Available-for-sale securities

- Market Treasury Bills
- Pakistan Investment Bonds
- Shares in listed companies
- GOP Ijarah Sukuk
- Term Finance Certificates (TFCs)

Non - Financial Assets measured at fair value

Operating fixed assets (Leasehold land)

Off balance sheet financial instruments

Foreign exchange contracts purchase

Foreign exchange contracts - Sale

September 30, 2017 (Un-audited)				
Fair Value				
Level 1	Level 2	Level 3	Total	
----- Rupees in '000' -----				
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	63,305,146	-	-	63,305,146
-	67,174,098	-	-	67,174,098
1,208,883	-	-	-	1,208,883
-	6,296,900	-	-	6,296,900
-	338,345	-	-	338,345
1,208,883	137,114,489	-	-	138,323,372
-	891,441	-	-	891,441
-	1,207,884	-	-	1,207,884
-	1,030,935	-	-	1,030,935

December 31, 2016 (Audited)

Fair Value				
Level 1	Level 2	Level 3	Total	
----- Rupees in '000' -----				
-	-	-	-	-
-	360,081	-	-	360,081
-	360,081	-	-	360,081
-	58,021,425	-	-	58,021,425
-	66,013,454	-	-	66,013,454
1,339,413	-	-	-	1,339,413
-	7,375,100	-	-	7,375,100
-	307,312	-	-	307,312
1,339,413	131,717,291	-	-	133,056,704

Non - Financial Assets measured at fair value

Operating fixed assets (Leasehold land)

Off balance sheet financial instruments

Foreign exchange contracts purchase

Foreign exchange contracts - Sale

-	891,441	-	-	891,441
-	3,368,458	-	-	3,368,458
-	3,655,998	-	-	3,655,998

The valuation techniques used for above assets are same as disclosed in annual audited financial statements for the year ended December 31, 2016.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

The Bank's policy is to recognize transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused the transfer occurred. There were no transfers between levels 1 and 2 during the year.

(a) Financial instruments in level 1

Financial instruments included in level 1 comprise of investments in listed ordinary shares and units of mutual funds.

(b) Financial instruments in level 2

Financial instruments included in level 2 comprise of Sukuks Bonds, Pakistan Investment Bonds, Market Treasury Bills, Term Finance certificates, FX options and Forward Exchange Contracts.

(c) Financial instruments in level 3

Currently, no financial instruments are classified in level 3.

Valuation techniques and inputs used in determination of fair values within level 1

Fully paid-up ordinary shares Fair values of investments in listed equity securities are valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange.

Units of mutual funds	Fair values of investments in units of mutual funds are determined based on redemption prices as at the close of the business day.
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Valuation techniques and inputs used in determination of fair values within level 2

Pakistan Investment Bonds/ Market Treasury Bills	Fair values of Pakistan Investment Bonds and Treasury Bills are derived using the PKRV rates (Reuters page).
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Government of Pakistan (GoP) - Ijarah Sukuks	Fair values of GoP Ijarah Sukuks are derived using the PKISRV rates announced by the Financial Market Association (FMA) through Reuters. These rates denote an average of quotes received from eight different pre-defined / approved dealers / brokers.
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Term Finance, Bonds Sukuk certificates	Investments in debt securities (comprising term finance and certificates, bonds, Sukuk certificates and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan. In the determination of the rates, the MUFAP takes into account the holding pattern of these securities and categorises these as traded, thinly traded and non-traded securities.
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Operating fixed assets (Leasehold land)	Leasehold land are revalued on regular basis using professional valuers on the panel of Pakistan Banker's Association. The valuation is based on their assessment of market value of the properties.
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NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

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

17 KEY FINANCIAL FIGURES OF ISLAMIC BANKING GROUP

ASSETS

Cash and balances with treasury banks	3,154,559	2,480,843
Balances with other banks	575,774	7,964,712
Due from financial institutions	1,529,106	8,635,000
Investments	9,754,112	10,541,155
Islamic financing and related assets	37,109,289	5,626,934
Operating fixed assets	335,838	280,468
Other assets	970,710	327,289
	53,429,388	35,856,401

LIABILITIES

Bills payable	323,780	312,720
Due to Financial Institutions	2,650,000	-
Deposits and other accounts		
- Current accounts	16,547,763	13,647,809
- Saving accounts	15,027,743	12,665,688
- Term deposits	2,335,606	2,982,985
- Others	1,622,122	1,534,628
Deposits from financial institutions - remunerative	30	30
Deposits from financial institutions - non-remunerative	-	-
Due to Head Office	9,639,041	219,304
Other liabilities	788,981	416,387
	48,935,066	31,779,551
	4,494,322	4,076,850

NET ASSETS

REPRESENTED BY

Islamic banking fund	460,000	460,000
Profit equalization reserves	38,678	38,125
Unappropriated profit	3,960,696	3,461,284
	4,459,374	3,959,409
Surplus on revaluation of assets	34,948	117,441
	4,494,322	4,076,850

Remuneration to Shariah Advisor during the period / year

	3,134	3,713
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CHARITY FUND

Opening balance	-	-
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Additions during the period / year

Default obligations amount (on delay payments)	2,006	4,755
Income from transactions declared in Non-Shariah Compliance	8	280
Purification of dividend/Income from shares	2,255	120
Others	35	94
	4,304	5,249

Distribution of charity

Welfare	(100)	(1,749)
Health	(152)	(3,500)
Payments during the period / year	(252)	(5,249)
Closing balance	4,052	-

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

The profit and loss account of the Islamic Banking Group for the nine months ended September 30, 2017 is as follow:

	Note	(Un-audited) September 30, 2017	(Un-audited) September 30, 2016
		Rupees in '000'	
Income / return / profit earned		1,797,324	1,372,481
Income / return / profit expensed		(542,616)	(388,608)
		1,254,708	983,873
(Reversal) / provision against loans and advances - net		(86,960)	27,596
(Reversal) of provision for diminution in value of investments		(7,951)	7,951
		(94,911)	35,547
Net income / return / profit after provisions		1,349,619	948,326
OTHER INCOME			
Fee, commission and brokerage income		56,083	58,011
Dividend income		1,103	1,911
Income from dealing in foreign currencies		28,669	34,794
Unrealised gain / (loss) on revaluation of held-for-trading securities		-	-
Gain on sale of securities		-	385
Other income		31,995	21,371
Total other income		117,850	116,472
		1,467,469	1,064,798
OTHER EXPENSES			
Administrative expenses		968,044	820,793
Other provision / write-off		-	-
Other charges		13	12
Total other charges		968,057	820,805
Net profit for the period		499,412	243,993
		(Un-audited)	(Audited)
		September 30, 2017	December 31, 2016
		Rupees in '000'	
A-1 Islamic Financing and Related Assets			
Murabaha financings	A-1.1	2,936,817	1,643,500
Ijarah financings	A-1.2	736,625	581,858
Diminishing musharaka	A-1.3	1,873,971	2,426,660
Istisna work-in-progress	A-1.4	1,700,000	1,200,000
Salam financing	A-1.5	11,000,000	-
Qarz-e-Hasna		5,641	5,641
Running musharaka		19,000,000	-
		37,253,054	5,857,659
Provision for non-performing facilities		(143,765)	(230,725)
		37,109,289	5,626,934

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017**

	(Un-audited) September 30, 2017	(Audited) December 31, 2016
	Rupees in '000'	
A-1.1 Murabaha financings		
Murabaha receivable	2,586,493	1,426,245
Assets / Inventories	350,324	217,255
	2,936,817	1,643,500
A-1.2 Ijarah financings		
Net investment in Ijarah	4,203	6,785
Ijarah under IFAS-II		
- Ijarah	719,324	554,439
- Advances	13,098	20,634
Assets/Inventories/Advances	732,422	575,073
	736,625	581,858
A-1.3 Diminishing musharaka		
Diminishing musharaka	1,798,377	2,385,860
Advances / Inventories	75,594	40,800
	1,873,971	2,426,660
A-1.4 Istisna Work in process		
Istisna work in process	1,670,000	1,200,000
Istisna sales receivable	30,000	-
	1,700,000	1,200,000
A-1.5 Salam Financing		
Salam financing	1,500,000	-
Salam sales receivable	9,500,000	-
	11,000,000	-

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

18 RELATED PARTY TRANSACTIONS

The Bank has related party relationships with Government of Khyber Pakhtunkhwa (majority shareholder), associates, directors, key management personnel, staff retirement benefit plans and other related parties.

Banking transactions with related parties are carried out in the normal course of business at agreed terms. Contributions to and accruals in respect of staff retirement benefit plans are made in accordance with actuarial valuation. Refer to note No. 7.1 of the condensed interim financial statements for investment in related party.

Transactions with key management personnel are in accordance with the terms of their employment. Other transactions are at agreed terms.

18.1 Details of transactions with related parties as at the period / year end are as follows:

	September 30, 2017 (Un-audited)			December 31, 2016 (Audited)		
	Directors and key management personnel	Associate	Employee Funds	Directors and key management personnel	Associate	Employee Funds
	Rupees in '000'					
Advances:						
At January 1,	193,406	-	-	157,795	-	-
Disbursed during the period / year	81,077	-	-	91,027	-	-
Repaid during the period / year	(52,581)	-	-	(55,416)	-	-
Balance as at September 30 / December 31	221,902	-	-	193,406	-	-
Deposits:						
At January 1,	43,360	21,677	281,325	18,216	15,852	74,963
Deposited during the period / year	367,464	34,587	1,059,146	241,700	37,685	555,817
Repaid during the period / year	(365,363)	(36,396)	(381,099)	(216,556)	(31,860)	(349,455)
Balance as at September 30 / December 31	45,461	19,868	959,372	43,360	21,677	281,325
	For the nine months ended September 30, 2017 (Un-audited)			For the nine months ended September 30, 2016 (Un-audited)		
	Directors and key management personnel	Associate	Employee Funds	Directors and key management personnel	Associate	Employee Funds
	Rupees in '000'					
Transactions, income and expenditure						
Mark-up / return / interest earned	5,645	-	-	2,485	-	-
Mark-up / return / interest expensed	923	707	53,616	606	322	63,160
Fees and expenses	6,383	-	-	4,813	-	-

18.2 Although the Government of Khyber Pakhtunkhwa holds 70.20% shares of the Bank (December 31, 2016: 70.20%), the transactions with it have not been treated as related party transactions for the purpose of this disclosure.

19 SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

The segment analysis with respect to business activity is as follows:-

	For the nine months ended September 30, 2017 (Un-audited)				
	Corporate Finance	Trading & Sales	Retail Banking	Commercial Banking	Total
	----- Rupees in '000' -----				
Total income	5,229,864	4,500,116	364,874	2,067,621	12,162,475
Total expenses	(4,635,134)	(3,996,082)	(325,637)	(1,830,276)	(10,787,130)
Net income	594,730	504,034	39,237	237,345	1,375,345

	For the nine months ended September 30, 2016 (Un-audited)				
	Corporate Finance	Trading & Sales	Retail Banking	Commercial Banking	Total
	----- Rupees in '000' -----				
Total income	5,458,779	1,681,129	178,886	3,359,092	10,677,886
Total expenses	(5,054,114)	(1,098,058)	(115,384)	(2,940,320)	(9,207,876)
Net income	404,665	583,071	63,502	418,772	1,470,010

20 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 20, 2017 by the Board of Directors of the Bank.


 Director


 Director


 Director


 Director