

Condensed Interim Financial Information
For the Half Year ended
June 30, 2016 (Un-Audited)

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277 Branches in 138 Cities

 **JS BANK**
BARHNA HAI AAGEY

Table of Contents



Company Information	02
Directors' Report to the Members	03
ڈائریکٹرز رپورٹ برائے ممبران	09
Auditors' Report to the Members on Review of Unconsolidated Condensed Interim Financial Information	10
Unconsolidated Condensed Interim Statement of Financial Position	11
Unconsolidated Condensed Interim Profit and Loss Account	12
Unconsolidated Condensed Interim Statement of Comprehensive Income	13
Unconsolidated Condensed Interim Statement of Changes in Equity	14
Unconsolidated Condensed Interim Cash Flow Statement	15
Notes to the Unconsolidated Condensed Interim Financial Information	16
Auditors' Report to the Members on Review of Consolidated Condensed Interim Financial Information	34
Consolidated Condensed Interim Statement of Financial Position	35
Consolidated Condensed Interim Profit and Loss Account	36
Consolidated Condensed Interim Statement of Comprehensive Income	37
Consolidated Condensed Interim Statement of Changes in Equity	38
Consolidated Condensed Interim Cash Flow Statement	39
Notes to the Consolidated Condensed Interim Financial Information	40



Board of Directors

Mr. Ali Jehangir Siddiqui	Chairman
Ms. Nargis Ghaloo	Independent Director
Mr. Shahab Anwar Khawaja	Independent Director
Mr. Adil Matcheswala	Non-Executive Director
Mr. Ashraf Nawabi	Non-Executive Director
Mr. Kalim-ur-Rahman	Non-Executive Director
Mr. Munawar Alam Siddiqui	Non-Executive Director
Mr. G.M. Sikander	Independent Director
Mr. Khalid Imran	President & CEO

Audit Committee

Mr. Shahab Anwar Khawaja	Chairman
Mr. Adil Matcheswala	Member
Mr. G.M. Sikander	Member

Chief Financial Officer

Mr. Muhammad Yousuf Amanullah

Company Secretary

Mr. Ashraf Shahzad

Auditors

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants
(a Member firm of Ernst &
Young Global Limited)

Legal Advisors

Haidermota BNR
Bawaney & Partners
Liaquat Merchant Associates

Share Registrar

Technology Trade (Pvt.) Limited
241-C, Block – 2, P.E.C.H.S, Karachi

Registered office

JS Bank Limited
Shaheen Commercial Complex
Dr. Ziauddin Ahmed Road
P.O. Box 4847 Karachi-74200, Pakistan
UAN: +92 21 111 JS Bank (572-265)
0800-011-22 www.jsbl.com

Directors' Report To The Members



On behalf of the Board of Directors, I am pleased to present the reviewed financial statements of JS Bank Limited (the 'Bank') along with reviewed consolidated financial statements of the Bank with its subsidiaries JS Global Capital Limited and JS Investments Limited for the half year ended June 30, 2016.

Economic Review

The first half of 2016 (1H2016) came to an end with a number of developments on the macroeconomic landscape and Pakistan sustaining its growth momentum. Benign commodity prices have proved to be a boon for the country which, combined with the pro-growth policies of the incumbent government, have helped Pakistan continue its growth trajectory. The progress on the China Pakistan Economic Corridor (CPEC), albeit with a few hitches, is on track and the government looks determined to steer it forward. Key macroeconomic indicators such as a reduction in the Current Account deficit (down 6.8% YoY to US\$ 2,525 million), reduction in inflation (CPI average of 2.9% YoY from 4.6% YoY in FY15) and increase in FX reserves (up from US\$ 20,812 million to US\$ 23,085 million over 1H2016) are reflective of the continuing economic transformation.

Banking Sector Review

The State Bank of Pakistan (SBP) continued the monetary easing cycle with a further 25 basis points reduction in the Policy Rate during 1H2016 to 5.75%. In tandem, private sector credit off-take continued its upward trend with support from growth in the manufacturing sector. Banking spreads during the first 5 months of 2016 further dropped to 5.16%, marking a 59bps YoY decline. As per SBP, banking deposits crossed PKR 10 trillion during 1H2016, registering a growth of 10% YoY. Investments increased by 30% YoY to PKR 7,543 billion, while advances grew 12% YoY to PKR 5,114 billion. Consequently, IDR escalated to 75% whereas ADR for the industry inched up to 51%. NPLs for the industry declined to PKR 619 billion as of March 2016 from PKR 632 billion as at June 2015.

Financial Performance

During the period under review, deposits and advances increased from PKR 141.8 billion and PKR 76.7 billion as at December 31, 2015 to PKR 177.5 billion (growth of 25.2%) and PKR 79.8 billion (growth of 4.1%) respectively as at June 30, 2016, whereas the investments decreased to PKR 110.4 billion from PKR 116 billion (a decrease of 4.8%) during the same period.

The Bank has earned profit before tax of PKR 1,283.9 million (profit after tax of PKR 754.9 million) for the half year ended June 30, 2016 as compared to the profit before tax of PKR 940.2 million (profit after tax of PKR 566.6 million) in the corresponding period last year. This reflects steadily improving performance of your Bank during the period. The increase in profit is mainly due to increase in net interest income after provisions and non-markup income by 37.3% and 35% respectively.

Business Review

The Bank continues to grow its market share in assets, deposits, alternative delivery channels, bancassurance and home remittances. During Q2 2016, the Bank has taken further initiatives to enhance its service delivery and distribution, including the roll out of dedicated sales forces for consumer liabilities and consumer assets. On the asset side, the focus remains on prudent expansion in advances and growing our fee income streams.

In June 2016, your Bank was granted commercial launch approval for its Branchless Banking (BB) business, by the State Bank of Pakistan. The Bank is now developing its marketing outreach so as to push its BB business commercially.

The Investment Banking Group had a strong 1H2016, wherein it advised and arranged two PPTFC issues – including the largest TFC for a micro finance bank in Pakistan. It also facilitated new projects by advising and arranging syndicated debt, Letter of Credit and guarantee facilities for oil/gas exploration and production (E&P), bulk terminal handling and microfinance sectors.

At the start of CY 2016, JS Bank's first international (wholesale) banking branch commenced operations in Bahrain. The branch offers a wide range of corporate and institutional banking services tailor-made for our customers.

Having a network of 277 branches across 138 cities and a competitive set of banking products and services, the Bank is well placed to record an impressive growth in its core and ancillary revenues in 2016 and beyond.

Credit Ratings

The Pakistan Credit Rating Agency Limited (PACRA) has assigned a 'Positive Outlook' to the long term entity rating of "A+" (Single A Plus), while maintaining short-term rating at "A1+" (A One Plus) which is the highest possible short term rating.

Subsidiary Companies

- **JS Global Capital Limited**

JS Global Capital Limited is one of the largest securities brokerage and investment banking firms in Pakistan with a leadership position in the domestic capital markets. JS Bank has 67.2% ownership of the company.

JS Global has shareholders' equity of PKR 2,408 million as at June 30, 2016. It is listed on the Pakistan Stock Exchange.

The Pakistan Credit Rating Agency (PACRA) has assigned long-term and short-term entity ratings to JS Global of "AA" (Double A) and "A1+" (A One plus), respectively. The ratings denote a very low expectation of credit risk emanating from very strong capacity for timely payment of financial commitments.

Summarized results of the company are set out below:

Particulars	PKR Million	
	For the Six Months ended June 30, 2016 (Un Audited)	For the Six Months ended June 30, 2015 (Un Audited)
Profit before tax	104.1	195.6
Profit after tax	75.0	116.7
EPS (Rupees)	1.62	2.33

Decrease in Company's profits was mainly due to lower average trading volumes (29% less as compared to corresponding period last year) at the stock exchange, significantly reducing the brokerage income of the Company.



- **JS Investments Limited**

JS Investments has shareholders' equity of PKR 2,172.8 million as on June 30, 2016. It is listed on the Pakistan Stock Exchange. JS Bank has 65.2% ownership of the company.

The Company has a Management Quality Rating of "AM2, with stable outlook" assigned by JCR-VIS and Credit Rating of "A+/A1" (Long/Short - term) assigned by PACRA.

The Company is an Investment Adviser and Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). In addition, the Company is also a licensed Pension Fund Manager under the Voluntary Pension System Rules, 2005, to manage voluntary pension schemes.

Summarized results of the Company are set out below:

Particulars	PKR Million	
	For the Six Months ended June 30, 2016 (Un Audited)	For the Six Months ended June 30, 2015 (Un Audited)
Profit before tax	29.7	217.9
Profit after tax	18.4	199.1
EPS (Rupees)	0.23	1.99

Decrease in Company's profits was mainly due to non-realization of capital gains and decline in management fee from funds.

Acknowledgments

We wish to place on record our gratitude to the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan for their continuous support and guidance. We also thank all our customers for their confidence and continued patronage. We also wish to convey our appreciation to all our staff members for their professionalism and commitment.

Karachi: August 25, 2016

On behalf of the Board

Khalid Imran
President & CEO



ڈائریکٹرز رپورٹ برائے ممبران

میں ڈائریکٹران کی جانب سے بسمت 30، جون 2016 کو ختم ہونے والی ششماہی اول کیلئے بینک کی متعلقہ کمپنیز JS گلوبل کیپیٹل لیمنڈ اور JS انویسٹمنٹس لیمنڈ کے ساتھ JS بینک (لیمنڈ) کی نظر ثانی شدہ مجموعی مالیاتی تفصیلات پیش کر رہا ہوں۔

معاشی جائزہ

2016 کی اول ششماہی مجموعی طور پر معاشی حوالے سے ارتقاء کے ساتھ ساتھ ملکی سطح پر بھی ترقی میں اضافے کی رفتار کو برقرار رکھتے ہوئے اختتام پذیر ہوئی۔ تجارتی اشیائے صرف کی قیمتوں میں معمولی کمی اور برسر اقتدار حکومت کی پروگروٹھ پالیسیز کی معاونت پاکستان کیلئے نہ صرف خوش آئند ثابت ہوئی بلکہ اس سے ملک کی معاشی ترقی میں اضافے کی تحریک بھی رواں دواں رہی۔ کچھ عارضی رکاوٹوں کے باوجود پاک چائنا معاشی راہداری (CPEC) کامیابی سے رواں دواں ہے اور حکومت اسے مزید بہتر اور آگے لے جانے میں مصروف عمل ہے۔ مجموعی طور پر معاشی حوالے سے بہتر آثار جیسا کہ کرنٹ اکاؤنٹ کے خسارے میں کمی (2,525 ملین امریکی ڈالرز سے سال بسال 6.8 فیصد کی کمی)، افراط زر میں کمی (مالی سال 2015 میں سال بسال 4.6 فیصد سے (CPI) اوسطاً سال بسال 2.9 فیصد کم ہوا) اور زرمبادلہ کے ذخائر میں اضافہ (20,812 ملین امریکی ڈالرز سے بڑھ کر 2016 کے اول ششماہی میں 23,085 ملین امریکی ڈالرز ہوئے) مسلسل بہتر معاشی تبدیلی کی عکاسی کرتے ہیں۔

شعبہ بینکاری کا جائزہ

اسٹیٹ بینک آف پاکستان نے اول ششماہی 2016 کے دوران پالیسی کی شرح میں مزید 25 بیس پوائنٹس کی کمی (5.75 فیصد کی کمی) کر کے مالیاتی اعتبار سے اس سہولت کو بدستور قائم رکھا۔ ساتھ ہی ساتھ مینوفیکچرنگ شعبے میں ترقی کے باعث نجی شعبوں کی جانب سے قرضوں کے حصول کا رجحان اپنی بلند سطح پر رہا۔ سال 2016 کے پہلے 5 ماہ کے دوران شعبہ بینکاری کی توسیع میں مزید 5.16 فیصد کی کمی واقع ہوئی اور سال بسال 59 بیس پوائنٹس کی کمی ریکارڈ کی گئی۔ اسٹیٹ بینک آف پاکستان کے تحت بینکوں میں جمع شدہ رقوم سال 2016 کی اول ششماہی کے دوران 10 کھرب پاکستانی روپے سے تجاوز کر گئیں جس سے سال بسال 10 فیصد اضافہ ریکارڈ ہوا۔ سرمایہ کاری میں سال بسال 30 فیصد اضافہ ہوا جو 7,543 بلین پاکستانی روپے ہے جبکہ قرضوں میں سال بسال 12 فیصد اضافہ ہوا جو کہ 5,114 بلین پاکستانی روپے ہے جس کے نتیجے میں 75 IDR فیصد تک بڑھ گئے جبکہ صنعت کیلئے ADR میں 51 فیصد کا اضافہ دیکھا گیا۔ مارچ 2016 کے اختتام پر صنعتی قرضوں کی عدم ادائیگی میں 619 بلین پاکستانی روپے کی کمی واقع ہوئی جو جون 2015 میں 632 بلین پاکستانی روپے تھی۔

مالیاتی کارکردگی کا جائزہ

31 ستمبر 2015 کے اختتام پر ڈپازٹس 141.8 بلین پاکستانی روپے اور قرضے 76.7 بلین پاکستانی روپے سے بڑھ کر 30 جون 2016 کو بالترتیب 177.5 بلین پاکستانی روپے (25.2 فیصد کا اضافہ) اور 79.8 بلین پاکستانی روپے (4.1 فیصد

اضافہ) ہو گئے جبکہ سرمایہ کاری اسی مدت کے دوران 116 بلین پاکستانی روپے سے کم ہو کر 110.4 بلین پاکستانی روپے کی سطح پر آگئی جو کہ 4.8 فیصد کم ہے۔

بینک نے گذشتہ مالی سال کی اول ششماہی میں 940.2 بلین پاکستانی روپے کے قبل از ٹیکس منافع (بعد از ٹیکس منافع 566.6 بلین پاکستانی روپے) کے مقابلے میں 30 جون 2016 کو ختم ہونے والی ششماہی میں 1283.9 بلین پاکستانی روپے (بعد از ٹیکس 754.9 پاکستانی روپے) کے منافع کا حصول کیا یہی حصول اس مدت کے دوران آپ کے بینک کی کارکردگی میں بہتری کی نشاندہی کرتا ہے۔ منافع میں اضافے کے اصل اسباب پروویڈنرز کے بعد خالص انٹرسٹ سے حاصل ہونے والی آمدنی اور نان-مارک اپ کی آمدنی ہے جو بالترتیب 37.3 فیصد اور 35 فیصد ہے۔

کاروباری جائزہ

بینک اثاثوں، ڈپازٹس، متبادل ترسیلی ذرائع، بینک اشورنس اور ملکی ترسیلات زر کے اعتبار سے اپنے مارکیٹ حصص میں اضافے کیلئے مسلسل کوشاں ہے۔ دوسری سہ ماہی 2016 کے دوران بینک نے صارفین کے واجبات اور اثاثوں کیلئے اپنے سرگرم سیلز عملے کی توسیع کے ساتھ ساتھ اپنی خدمات کی فراہمی اور ڈسٹری بیوشن میں اضافے کیلئے مزید اقدامات کئے ہیں۔ اثاثہ جات کے حوالے سے قرضوں اور فیس کی مد میں آمدنی کی محتاط توسیع پر خصوصی توجہ مرکوز ہے۔

جون 2016 میں اسٹیٹ بینک آف پاکستان کی جانب سے آپ کے بینک کو برانچلس بینکنگ (BB) بزنس کے باعث کمرشل افتتاح کی منظوری دی گئی۔ اپنی برانچلس بزنس کے تجارتی فروغ اور مارکیٹنگ حوالے سے رسائی اور سبقت کے لئے بینک اب بہتری کی جانب گامزن ہے۔

انویسٹمنٹ بینکنگ گروپ 2016 کی اول ششماہی میں مستحکم رہا جس میں اس نے دو PPTFC کی تجویز اور اسے ترتیب دیا۔ اس میں پاکستان کے مائیکرو فنانس بینک کا سب سے بڑا TFC شامل ہے۔ گروپ نے نئے منصوبہ جات اور انتظام کرنے میں بھی معاونت کی جن میں تیل اور گیس کی تلاش اور پیداوار (E&P)، بلک ٹرینل پیڈلنگ اور مائیکرو فنانس کے شعبوں کے لئے معاون قرضے، لیٹر آف کریڈٹ اور ضمانتی سہولیات شامل ہیں۔

رواں سال 2016 کے آغاز میں JS بینک کی پہلی بین الاقوامی (ہول سپل) بینکنگ برانچ کے آپریشن کا بحریں میں افتتاح ہوا۔ برانچ اپنے کسٹمرز کی ضروریات کے مطابق کارپوریٹ اور اسٹیٹیویشنل بینکنگ خدمات کا وسیع دائرہ کار پیش کرتی ہے۔

138 شہروں میں 277 برانچز پر مشتمل وسیع نیٹ ورک اور بینکنگ پروڈکٹس اور خدمات کے مسابقتی مجموعے کے ساتھ بینک سال 2016 میں اور آئندہ اپنی مرکزی اور ضمنی اداروں کی آمدنی میں قابل قدر توسیع کے ساتھ ایک مستحکم وجود کی حیثیت رکھتا ہے۔

کریڈٹ ریٹنگز

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے "A" (سنگل A+) کی طویل المدتی ریٹنگ دیکر مثبت اظہار رائے سے سراہا ہے، جب کہ قلیل المدتی ریٹنگ کے حوالے سے "A1+" (اے ون پلس) کی ریٹنگ کو برقرار رکھا ہے جو کہ قلیل المدتی کی ریٹنگ میں ممکنہ طور پر ایک بلند ترین سطح ہے۔

متعلقہ کمپنیز:

JS گلوبل کیپٹل لمیٹڈ
JS گلوبل کیپٹل لمیٹڈ ملکی سطح پر حصص کی مارکیٹ میں نمایاں حیثیت کے ساتھ پاکستان کی سب سے بڑی سیکورٹیز بروکرئج اور انویسٹمنٹ بینکنگ فرمز میں سے ایک ہے۔ JS بینک کمپنی کے 67.2% کے حصص کی ملکیت رکھتی ہے۔

JS گلوبل 30 جون 2016 کے اختتام پر 2,408 ملین پاکستانی روپے کے سرمایہ حصص کی مالک ہے۔

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے JS گلوبل کو طویل المدتی حوالے سے "AA" (ڈبل اے) اور قلیل المدتی حوالے سے "A1+" (اے ون پلس) کی ریٹنگ دی ہے۔ یہ ریٹنگز قرضہ جات کے متوقع نقصانات سے تحفظ اور ان کی وقت پر ادائیگی کو یقینی بنانے کی نشاندہی کرتی ہے۔

کمپنی کے نتائج کا مختصر خلاصہ درج ذیل ہے:

ملین پاکستانی روپے	30 جون 2016 کو ختم ہونے والی	30 جون 2015 کو ختم ہونے والی	مندرجات
ششماہی کیلئے (غیر آڈٹ شدہ)	ششماہی کیلئے (غیر آڈٹ شدہ)	ششماہی کیلئے (غیر آڈٹ شدہ)	
195.6	104.1	104.1	منافع قبل از ٹیکس
116.7	75.0	75.0	منافع بعد از ٹیکس
2.33	1.62	1.62	ای پی ایل (روپے میں)

کمپنی میں منافعوں میں کمی کی بنیادی وجہ اسٹاک ایکسچینج میں اوسط تجارتی حجم میں کمی ہے جو گذشتہ سال اسی مدت کے مقابلے میں نسبتاً 29 فیصد کم ہے جس کے باعث کمپنی کی بروکرئج آمدنی میں خاطر خواہ کمی واقع ہوئی ہے۔



JS انویسٹمنٹ لمیٹڈ
JS انویسٹمنٹ کے شیئرز ہولڈرز کی ایکویٹی 30 جون 2016 تک 2,172.8 ملین روپے ہے۔ یہ پاکستان اسٹاک ایکسچینج کی فہرست میں شامل ہے۔ JS بینک اس کمپنی کی 65.2% کی ملکیت رکھتا ہے۔

کمپنی کی مستحکم اندازے کے ساتھ JCR-VIS کی جانب سے تفویض کردہ مینجمنٹ کوالٹی ریٹنگ "AM2" اور پا کر کی تفویض کردہ کریڈٹ ریٹنگ "A+/A1" (طویل / قلیل مدتی) ہے۔

کمپنی نان بینکنگ فنانس کمپنیز (قیام اور قوانین) رولز، 2003 (این بی ایف سی رولز) اور نان بینکنگ فنانس کمپنیز اور نوٹیفائیڈ اینٹیٹیز ریگولیشنز 2008، (این بی ایف سی ریگولیشنز) کے تحت انویسٹمنٹ ایڈوائزر اور لیسٹ مینجمنٹ کمپنی ہے۔ مزید برآں، کمپنی وائسٹری پیسن سسٹم رولز، 2005 کے تحت وائسٹری پیسن اسکیمز کے انتظامات کے لئے پیسن فنڈ مینیجر کے طور پر لائسنس یافتہ ہے۔

کمپنی کے نتائج کا خلاصہ ذیل میں پیش کیا جاتا ہے؛

ملین پاکستانی روپے	30 جون 2016 کو ختم ہونے والی	مندرجات
30 جون 2015 کو ختم ہونے والی	30 جون 2016 کو ختم ہونے والی	
ششماہی کیلئے	ششماہی کیلئے	
(غیر آڈٹ شدہ)	(غیر آڈٹ شدہ)	
217.9	29.7	منافع قبل از ٹیکس
199.1	18.4	منافع بعد از ٹیکس
1.99	0.23	ای پی ایلس (روپے میں)

کمپنی کے منافع میں کمی کی بنیادی وجہ حاصلات سرمایہ کی نان ریٹائریشن اور فنڈ سے مینجمنٹ فیس کی کمی ہے۔

اعتراف
ہم مسلسل سرپرستی اور رہنمائی کیلئے اسٹیٹ بینک آف پاکستان اور سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے شکر گزار ہیں۔ ہم مستقل تعاون اور اعتماد کیلئے اپنے تمام صارفین کے سبھی ممنون ہیں اور تمام تر پیشہ ورانہ مہارت اور وابستگی کیلئے اپنے تمام عملے کو بھی خراج تحسین پیش کرتے ہیں۔

منجانب

کراچی: 25 اگست، 2016

خالد عمران

پریذیڈنٹ اینڈ سی ای او

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

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **JS Bank Limited** (the Bank) as at **30 June 2016** and the related unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim cash flow statement, unconsolidated condensed interim statement of changes in equity and notes to the accounts for the half year then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this unconsolidated condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this unconsolidated condensed interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matter

The unconsolidated condensed interim financial information for the half year ended 30 June 2015 and the unconsolidated financial statements of the Bank for the year ended 31 December 2015 were reviewed and audited respectively by another firm of Chartered Accountants, whose review report dated 12 August 2015 and audit report dated 20 February 2016 expressed an unmodified conclusion and an unmodified opinion on the aforementioned financial information and financial statements, respectively.



Chartered Accountants
Engagement Partner: Shabbir Yunus
Date: 25 August 2016
Karachi

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at June 30, 2016



	(Unaudited) June 30, 2016	(Audited) December 31, 2015
Note	(Rupees in '000)	
ASSETS		
Cash and balances with treasury banks	14,030,741	11,159,432
Balances with other banks	1,027,310	583,724
Lendings to financial institutions	7 8,277,659	3,581,329
Investments - net	8 110,420,955	116,029,825
Advances - net	9 79,791,398	76,666,180
Operating fixed assets	10 5,706,316	4,573,671
Deferred tax assets - net	-	-
Other assets	5,779,776	5,881,502
	<u>225,034,155</u>	<u>218,475,663</u>
LIABILITIES		
Bills payable	2,946,728	1,609,425
Borrowings	23,231,177	54,638,318
Deposits and other accounts	11 177,541,089	141,840,487
Sub-ordinated loans	-	-
Liabilities against assets subject to finance lease	-	-
Deferred tax liabilities	12 1,710,449	1,695,393
Other liabilities	3,217,654	2,724,137
	<u>208,647,097</u>	<u>202,507,760</u>
NET ASSETS	<u>16,387,058</u>	<u>15,967,903</u>
REPRESENTED BY:		
Share capital	10,724,643	10,724,643
Discount on issue of shares	(2,105,401)	(2,105,401)
Preference shares	1,500,000	1,500,000
Reserves	1,069,788	918,816
Unappropriated profit	2,953,005	2,529,092
	<u>14,142,035</u>	<u>13,567,150</u>
Surplus on revaluation of assets - net of tax	13 2,245,023	2,400,753
	<u>16,387,058</u>	<u>15,967,903</u>
CONTINGENCIES AND COMMITMENTS	14	

The annexed notes from 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Chairman

President and
Chief Executive Officer

Director

Director

UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)

For the half year ended June 30, 2016



	Half year ended		Quarter ended		
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015	
Note	----- (Rupees in '000) -----				
Mark-up / return / interest earned	7,358,636	7,611,087	3,725,407	3,787,484	
Mark-up / return / interest expensed	4,496,448	5,073,407	2,217,499	2,437,075	
Net mark-up / interest income	2,862,188	2,537,680	1,507,908	1,350,409	
Reversal / (provision) against non-performing loans and advances - net	20,235	(576,176)	139,761	(237,848)	
Provision for diminution in the value of investments	(383,374)	(141,150)	(383,374)	(62,834)	
Bad debts written off directly	-	-	-	-	
	(363,139)	(717,326)	(243,613)	(300,682)	
Net mark-up / return / interest income after provisions	2,499,049	1,820,354	1,264,295	1,049,727	
NON MARK-UP / INTEREST INCOME					
Fee, commission and brokerage income	735,909	565,307	407,514	342,224	
Dividend income	61,042	45,987	27,658	45,987	
Income from dealing in foreign currencies	248,302	69,374	156,562	16,590	
Gain on sale / redemption of securities - net	1,240,734	937,296	606,362	343,926	
Unrealised gain / (loss) on revaluation of investments classified as held-for-trading - net	13,612	(1,751)	2,348	(23,390)	
Other (loss) / income	(51,202)	49,854	(67,716)	44,333	
Total non-mark-up / interest income	2,248,397	1,666,067	1,132,728	769,670	
	4,747,446	3,486,421	2,397,023	1,819,397	
NON MARK-UP / INTEREST EXPENSES					
Administrative expenses	3,406,020	2,526,246	1,775,565	1,334,945	
Other provisions / write offs	-	-	-	-	
Other charges	57,533	19,958	43,241	10,613	
Total non mark-up / interest expenses	3,463,553	2,546,204	1,818,806	1,345,558	
	1,283,893	940,217	578,217	473,839	
Extra ordinary / unusual items	-	-	-	-	
PROFIT BEFORE TAXATION	1,283,893	940,217	578,217	473,839	
Taxation					
- Current	(340,028)	(82,458)	(214,506)	(41,463)	
- Prior years	(79,838)	(10,531)	(79,838)	(10,531)	
- Deferred	(109,167)	(280,653)	12,363	(159,363)	
	(529,033)	(373,642)	(281,981)	(211,357)	
PROFIT AFTER TAXATION	754,860	566,575	296,236	262,482	
	----- (Rupee) -----				
Basic earnings per share	16	0.54	0.38	0.28	0.24
Diluted earnings per share	16	0.54	0.38	0.23	0.20

The annexed notes from 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Chairman

President and
Chief Executive Officer

Director

Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the half year ended June 30, 2016



	Half year ended		Quarter ended	
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
	----- (Rupees in '000) -----			
Profit after taxation	754,860	566,575	619,632	262,482
Other comprehensive income:				
Items that are not to be reclassified to profit or loss in subsequent periods	-	-	-	-
Items that may be reclassified to profit or loss in subsequent periods	-	-	-	-
Other comprehensive income transferred to equity	754,860	566,575	619,632	262,482
Items that may be reclassified to profit or loss in subsequent periods				
(Deficit) / surplus arising on revaluation of available-for-sale securities	(270,403)	1,776,823	(378,064)	527,784
Related deferred tax asset / (liability)	94,641	(621,888)	132,322	(184,724)
	(175,762)	1,154,935	(245,742)	343,060
Total comprehensive income during the period - net of tax	579,098	1,721,510	373,890	605,542

The annexed notes from 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Chairman	President and Chief Executive Officer	Director	Director
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UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the half year ended June 30, 2016



	Share capital	Discount on issue of shares	Preference shares	Statutory reserve	Unappropriated profit	Total
	(Rupees in '000)					
Balance as at January 01, 2015 (Audited)	10,724,643	(2,105,401)	1,500,000	513,707	1,070,775	11,703,724
Total comprehensive income for the half year ended June 30, 2015						
Profit after taxation	-	-	-	-	566,575	566,575
Other comprehensive Income	-	-	-	-	-	-
	-	-	-	-	566,575	566,575
Transaction with owners recorded directly in equity						
Preference dividend for the period ended December 31, 2014 @ 12% p.a	-	-	-	-	(155,836)	(155,836)
Transfers						
Transfer to statutory reserve	-	-	-	113,315	(113,315)	-
Balance as at June 30, 2015 (Unaudited)	10,724,643	(2,105,401)	1,500,000	627,022	1,368,199	12,114,463
Total comprehensive income for the half year ended December 31, 2015						
Profit after taxation	-	-	-	-	1,458,972	1,458,972
Other comprehensive Income	-	-	-	-	(6,285)	(6,285)
	-	-	-	-	1,452,687	1,452,687
Transfers						
Transfer to statutory reserve	-	-	-	291,794	(291,794)	-
Balance as at December 31, 2015 (Audited)	10,724,643	(2,105,401)	1,500,000	918,816	2,529,092	13,567,150
Total comprehensive income for the half year ended June 30, 2016						
Profit after taxation	-	-	-	-	754,860	754,860
Other comprehensive Income	-	-	-	-	-	-
	-	-	-	-	754,860	754,860
Transfer from surplus on revaluation of non-banking assets to unappropriated profit - net of tax	-	-	-	-	25	25
Preference dividend for the period ended December 31, 2015 @ 12% p.a	-	-	-	-	(180,000)	(180,000)
Transfers						
Transfer to statutory reserve	-	-	-	150,972	(150,972)	-
Balance as at June 30, 2016 (Un-audited)	<u>10,724,643</u>	<u>(2,105,401)</u>	<u>1,500,000</u>	<u>1,069,788</u>	<u>2,953,005</u>	<u>14,142,035</u>

The annexed notes from 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Chairman

President and
Chief Executive Officer

Director

Director

UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

For the half year ended June 30, 2016



	June 30, 2016	June 30, 2015
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,283,893	940,217
Less: Dividend income	(61,042)	(45,987)
	1,222,851	894,230
Adjustments:		
Depreciation	241,841	202,368
Amortisation of intangibles	23,823	19,865
Charge for defined benefit plan	47,121	35,429
Unrealised (gain) / loss on revaluation of investments classified as held-for-trading	(13,612)	1,751
(Reversal) / provision against non-performing loans and advances - net	(20,235)	576,176
Provision for diminution in the value of investments	383,374	141,150
Unrealised loss / (gain) on revaluation of derivative instruments	63,304	(34,556)
Gain on disposal of operating fixed assets	(12,102)	(15,298)
Provision for Workers' Welfare Fund	25,678	18,804
	739,192	945,689
	1,962,043	1,839,919
Decrease / (increase) in operating assets		
Lendings to financial institutions	(4,696,330)	10,590,518
Investment in held-for-trading securities - net	9,092,793	16,503,885
Advances	(3,104,983)	(3,755,698)
Other assets (excluding advance taxation)	240,521	(174,645)
	1,532,001	23,164,060
Increase / (decrease) in operating liabilities		
Bills payable	1,337,303	653,947
Borrowings	(31,412,080)	(6,607,621)
Deposits and other accounts	35,700,602	20,741,256
Other liabilities	421,419	(185,601)
	6,047,244	14,601,981
	9,541,288	39,605,960
Income tax paid	(524,970)	(91,213)
Gratuity paid	(64,005)	(21,349)
Net cash flow from operating activities	8,952,313	39,493,398
CASH FLOWS FROM INVESTING ACTIVITIES		
Net investment in available-for-sale securities	(4,124,088)	(39,245,491)
Dividend received	47,938	45,987
Investments in operating fixed assets	(1,404,962)	(643,835)
Sale proceeds from disposal of operating fixed assets	18,755	37,775
Net cash used in investing activities	(5,462,357)	(39,805,564)
CASH FLOWS FROM FINANCING ACTIVITIES		
Preference dividend paid	(180,000)	(155,835)
Increase / (decrease) in cash and cash equivalents	3,309,956	(468,001)
Cash and cash equivalents at beginning of the period	11,688,471	9,450,269
Cash and cash equivalents at end of the period	14,998,427	8,982,268

The annexed notes from 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Chairman

President and
Chief Executive Officer

Director

Director

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the half year ended June 30, 2016

1. STATUS AND NATURE OF BUSINESS

- 1.1 JS Bank Limited (the Bank / JSBL), incorporated in Pakistan, is a scheduled bank, engaged in commercial banking and related services. The Bank's ordinary shares are listed on Pakistan Stock Exchange (PSX), formerly Karachi Stock Exchange (KSE). The Bank is a subsidiary of Jahangir Siddiqui & Co. Ltd. (JSCL). The registered office of the Bank is situated at Shaheen Commercial Complex, Dr. Ziauddin Ahmed Road, Karachi. The Bank operates with 277 (December 31, 2015: 277) branches / sub-branches in Pakistan and one wholesale banking branch in Bahrain (December 31, 2015: Nil). The Pakistan Credit Rating Agency Limited (PACRA) has assigned 'Positive Outlook to the long term entity rating of "A+" (Single A Plus), while maintaining short-term rating "A1+" (A One Plus) which is the highest possible short term rating.
- 1.2 Jahangir Siddiqui Investment Bank Limited, JSIBL, (formerly Citicorp Investment Bank Limited which was acquired by JSCL on February 01, 1999), and its holding company, JSCL, entered into a Framework Agreement with American Express Bank Limited, New York (AMEX) on November 10, 2005 for acquisition of its American Express Bank Limited - Pakistan Branches, (AEBL). Consequently, a new banking company, JSBL was incorporated on March 15, 2006 and a restricted Banking License was issued by the State Bank of Pakistan (SBP) on May 23, 2006.
- 1.3 A Transfer Agreement was executed on June 24, 2006 between JSIBL and JSBL for the transfer of entire business and undertaking of JSIBL to JSBL and a separate Transfer Agreement was also executed on June 24, 2006, between AMEX and JSBL for the transfer of AEBL's commercial banking business in Pakistan with all assets and liabilities (other than certain excluded assets and liabilities) (AEBL business). The shareholders of JSIBL and JSBL in their respective extra ordinary general meetings held on July 31, 2006 approved a Scheme of Amalgamation (the Scheme) under Section 48 of the Banking Companies Ordinance, 1962. The Scheme was initially approved by the Securities and Exchange Commission of Pakistan vide its letter No. SC/NBFC(J)-R/JSIBL/2006/517 dated September 28, 2006. Subsequently, the Scheme was sanctioned by the SBP vide its order dated December 02, 2006 and, in accordance therewith, the effective date of amalgamation was fixed at December 30, 2006.

2. STATEMENT OF COMPLIANCE

- 2.1 This unconsolidated condensed interim financial information of the Bank for the half year ended June 30, 2016 has been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting', provisions of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and directives issued by the Securities and Exchange Commission of Pakistan (SECP) and SBP. In case where requirements differ, the provisions of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and the said directives have been followed.
- 2.2 The SBP has deferred the applicability of International Accounting Standard 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard 40, 'Investment Property' for Banking Companies through BSD Circular Letter No. 10 dated August 26, 2002. Further, according to the notification of the SECP dated April 28, 2008, International Financial Reporting Standard 7 'Financial Instruments: Disclosures' has not been made applicable to banks. Accordingly, the requirements of these standards have not been considered in the preparation of this unconsolidated condensed interim financial information. However, investments have been classified and valued in accordance with the requirements of various circulars issued by the SBP.



2.3 IFRS 10 “Consolidated Financial Statements” was made applicable from periods beginning on or after January 01, 2015 vide S.R.O 633(I)/2014 dated July 10, 2014 by Securities and Exchange Commission of Pakistan (SECP). However, vide S.R.O 56(I) /2016 dated January 28, 2016, SECP has directed that the requirements of consolidation under section 237 of the Companies Ordinance 1984 and IFRS-10 “Consolidated Financial Statements” are not applicable in case of investment by companies in mutual funds established under trust structure. Accordingly, the requirements of this standard have not been considered in the preparation of the unconsolidated condensed interim financial information.

2.4 The disclosures made in this unconsolidated condensed interim financial information have been limited based on the format prescribed by the SBP vide BSD Circular No. 2 dated May 12, 2004 and International Accounting Standard 34, ‘Interim Financial Reporting’ and do not include all the disclosures required in the annual financial information. Accordingly, this unconsolidated condensed interim financial information should be read in conjunction with the annual audited financial information of the Bank for the year ended December 31, 2015.

3. BASIS OF MEASUREMENT

This unconsolidated condensed interim financial information has been prepared under the historical cost convention except for held-for-trading, available-for-sale investments and derivative financial instruments which are stated at fair value and defined benefit liability which is stated at net present value.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

The estimates / judgments and associated assumptions used in the preparation of this unconsolidated condensed interim financial information are consistent with those applied in the preparation of the annual financial information of the Bank for the year ended December 31, 2015.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual audited financial information for the year ended December 31, 2015 other than those disclosed below:

5.1 New, Amended and Revised Standards and Interpretations of IFRSs

The Company has adopted the following accounting standards and the amendments and interpretations of IFRSs which became effective during the period:

IFRS 10 – Consolidated Financial Statements, IFRS 12 – Disclosure of Interests in Other Entities and IAS 28 – Investment in Associates – Investment Entities: Applying the Consolidation Exception (Amendment)

IFRS 11 – Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment) IAS 1 – Presentation of Financial Statements - Disclosure Initiative (Amendment)

IAS 16 – Property, Plant and Equipment and IAS 38 – Intangible assets - Clarification of

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the half year ended June 30, 2016

Acceptable Method of Depreciation and Amortization (Amendment)

IAS 16 – Property, Plant and Equipment and IAS 41 – Agriculture - Agriculture: Bearer Plants (Amendment)

IAS 27 – Separate Financial Statements – Equity Method in Separate Financial Statements (Amendment)

Improvements to Accounting Standards Issued by the IASB

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations - Changes in methods of disposal

IFRS 7 Financial Instruments: Disclosures - Servicing contracts

IFRS 7 Financial Instruments: Disclosures - Applicability of the offsetting disclosures to condensed interim financial statements

IAS 19 Employee Benefits - Discount rate: regional market issue

IAS 34 Interim Financial Reporting - Disclosure of information 'elsewhere in the interim financial report'

The adoption of the above standards / amendments / interpretations did not have any material effect on the interim financial information of the Bank.

- 5.2 During the period, the Bank changed its accounting policy in respect of valuation of non-banking assets acquired in satisfaction of claims, whereby, with effect from the current year, these are carried at the revalued amounts, being the fair value at the date of revaluation less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any. Previously, these were stated at lower of the net realizable value of the related advances and the current fair value of such assets.

The above change is made to comply with the requirements of Regulations for Debt Property Swap issued by State Bank of Pakistan vide its BPRD Circular No. 1 of 2016, on January 01, 2016 and has been accounted for in accordance with the requirements of above referred regulations and IAS – 8 "Accounting Policies, Changes in Accounting Estimates and Errors". The surplus arising on revaluation of non-banking assets is credited to the "Surplus on Revaluation of Fixed Assets Account" shown below equity in the statement of financial position in accordance with the requirements of section 235 of the Companies Ordinance 1984 and any deficit arising on revaluation is taken to profit and loss account directly. Legal fees, transfer costs and direct costs of acquiring title to property are charged to profit and loss account and not capitalised.

Had there been no revaluation, the carrying value of non-banking assets acquired in satisfaction of claims would have been Rs.63.09 million and surplus on revaluation of assets, deferred tax liability and depreciation expense would have been lower by Rs.20.59 million, Rs.0.53 million and Rs.0.013 million respectively.



Surplus on revaluation of fixed assets

The surplus arising on revaluation of non-banking assets is credited to the "Surplus on Revaluation of Fixed Assets Account" shown below equity in the statement of financial position in accordance with the requirements of section 235 of the Companies Ordinance 1984. The Bank has adopted the following accounting treatment for depreciation on revalued assets, keeping in view the requirements of the Companies Ordinance, 1984 and SECP's SRO 45(1)/2003 dated January 13, 2003:

- depreciation on assets which are revalued is determined with reference to the value assigned to such assets on revaluation and depreciation charge for the year is taken to the profit and loss account; and
- an amount equal to incremental depreciation for the year net of deferred taxation is transferred from "Surplus on Revaluation of Fixed Assets account" to unappropriated profit through statement of changes in equity to record realization of surplus to the extent of the incremental depreciation charge for the period.

6. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies applied during the period are consistent with those disclosed in the annual financial information of the Bank for the year ended December 31, 2015.

		(Unaudited) June 30, 2016	(Audited) December 31, 2015
7. LENDINGS TO FINANCIAL INSTITUTIONS	Note	(Rupees in '000)	
Call money lendings		1,327,804	628,446
Repurchase agreement lendings (Reverse Repo)	7.1	6,949,855	2,952,883
		<u>8,277,659</u>	<u>3,581,329</u>

7.1 Repurchase agreement lendings are secured through Pakistan Investment Bonds and Market Treasury Bills having total market value of Rs.7,478.633 million (December 31, 2015: Rs.3,027.856 million).

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the half year ended June 30, 2016

8. INVESTMENTS - net

(Unaudited) June 30, 2016			(Audited) December 31, 2015		
Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total

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

8.1 INVESTMENTS BY TYPES:

Held-for-trading securities

Market Treasury Bills	11,156,359	-	11,156,359	18,782,717	-	18,782,717
Pakistan Investment Bonds	2,288,739	-	2,288,739	3,698,417	49,445	3,747,862
	13,445,098	-	13,445,098	22,481,134	49,445	22,530,579

Available-for-sale securities

Market Treasury Bills	5,789,293	-	5,789,293	5,696,991	-	5,696,991
Pakistan Investment Bonds	57,984,088	18,190,350	76,174,438	31,595,615	44,201,767	75,797,382
Ordinary shares of listed companies	2,892,243	-	2,892,243	2,851,487	-	2,851,487
Ordinary shares of unlisted companies	549,406	-	549,406	11,000	-	11,000
Preference shares of listed companies	136,589	-	136,589	136,589	-	136,589
Open end mutual funds	100,000	-	100,000	191,159	-	191,159
Term Finance Certificates-listed	182,322	-	182,322	266,322	-	266,322
Term Finance Certificates-unlisted	1,485,532	-	1,485,532	1,759,344	-	1,759,344
Sukuk Certificates-unlisted	370,000	-	370,000	380,000	-	380,000
Foreign Currency Bonds	4,857,405	-	4,857,405	1,322,866	-	1,322,866
	74,346,878	18,190,350	92,537,228	44,211,373	44,201,767	88,413,140

Investments in subsidiaries	8.1.5	1,919,121	-	1,919,121	1,919,121	-	1,919,121
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Investments at cost	8.1.4	89,711,097	18,190,350	107,901,447	68,611,628	44,251,212	112,862,840
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Less: Provision for diminution in value of investments	8.1.4	(917,167)	-	(917,167)	(533,793)	-	(533,793)
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Investments (net of provision)	8.1.4	88,793,930	18,190,350	106,984,280	68,077,835	44,251,212	112,329,047
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Unrealised gain on revaluation of investments classified as held-for-trading		13,612	-	13,612	7,270	42	7,312
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Surplus on revaluation of available-for-sale securities	13	3,009,006	414,057	3,423,063	1,890,171	1,803,295	3,693,466
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Total investments at carrying value		91,816,548	18,604,407	110,420,955	69,975,276	46,054,549	116,029,825
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8.1.1 Included herein are the investments in related parties amounting to Rs.1,806.811 million (December 31, 2015: Rs.1,778.111 million) having market value of Rs.2,417.006 million (December 31, 2015: Rs.2,405.618 million).

8.1.2 Included herein is the investment in a related party, amounting to Rs.Nil (December 31, 2015: Rs.91.159 million) and having market value of Rs.Nil (December 31, 2015: Rs.102.972 million).

8.1.3 Included herein is the investment of Rs.65.022 million (December 31, 2015: Rs.65.022 million) in a related party at the rate of 6 months KIBOR ask rate + 1.75% maturing on December 04, 2017. Due to weak financial position of the investee the Bank has recognised full impairment loss on these term finance certificates.

8.1.4 This includes provision held for diminution in the value of an un-quoted investment, Appollo Pharma Limited (APL). This provision has been recognised as per the specific requirement of Prudential Regulation R-8 of the Corporate /Commercial Banking issued by State Bank of Pakistan



which states that "Shares will be carried at cost. However, in cases where the breakup value of such shares is less than the cost, the difference of the cost and breakup value will be classified as loss and provided for accordingly by charging to the Profit and Loss account of the Bank / DFI".

However, in accordance with the requirements of the IAS-39, 'Financial Instruments: Recognition and Measurement', the fair value of Bank's investment based on the present value of estimated cash flows is higher than its cost and does not result in any impairment.

8.1.5 Included herein are the investments in the following subsidiaries:

	Shares		Holding		Cost	
	(Un-audited) June 30, 2016	(Audited) December 31, 2015	(Un-audited) June 30, 2016	(Audited) December 31, 2015	(Un-audited) June 30, 2016	(Audited) December 31, 2015
	Numbers		Percentage		----- (Rupees in '000) -----	
JS Global Capital Limited (JSGCL)	25,525,169	25,525,169	67.16%	51.05%	1,357,929	1,357,929
JS Investments Limited (JSIL)	52,236,978	52,236,978	65.16%	52.24%	561,192	561,192
					<u>1,919,121</u>	<u>1,919,121</u>

Note (Unaudited) (Audited)
June 30, December 31,
2016 2015
(Rupees in '000)

9. ADVANCES - net

Loans, cash credits, running finances, etc.		
In Pakistan	73,446,805	72,795,661
Outside Pakistan	-	-
	<u>73,446,805</u>	<u>72,795,661</u>
Net Investment in Finance lease - in Pakistan	5,610,270	3,226,785
Bills discounted and purchased (excluding treasury bills)		
Payable in Pakistan	1,592,805	1,266,902
Payable outside Pakistan	1,844,311	2,100,013
	<u>3,437,116</u>	<u>3,366,915</u>
Advances - gross	<u>82,494,191</u>	<u>79,389,361</u>
Provision for non-performing advances		
specific	9.1 (2,675,185)	(2,705,929)
General	(27,608)	(17,252)
	<u>(2,702,793)</u>	<u>(2,723,181)</u>
Advances - net of provision	<u>79,791,398</u>	<u>76,666,180</u>

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the half year ended June 30, 2016

- 9.1 Advances include Rs.3,205.750 million (December 31, 2015: Rs.2,982.825 million) which have been placed under non-performing status as detailed below:

Category of classification	(Unaudited) June 30, 2016			Provision required	Provision held
	Domestic	Overseas	Total		
	----- (Rupees in '000) -----				
Other assets especially mentioned	-	-	-	-	-
Substandard	250,505	-	250,505	47,763	47,763
Doubtful	207,252	-	207,252	100,297	100,297
Loss	2,747,993	-	2,747,993	2,527,125	2,527,125
	<u>3,205,750</u>	<u>-</u>	<u>3,205,750</u>	<u>2,675,185</u>	<u>2,675,185</u>

Category of classification	(Audited) December 31, 2015			Provision required	Provision held
	Domestic	Overseas	Total		
	----- (Rupees in '000) -----				
Other assets especially mentioned	-	-	-	-	-
Substandard	1,533	-	1,533	383	383
Doubtful	181,136	-	181,136	32,984	32,984
Loss	2,800,156	-	2,800,156	2,672,562	2,672,562
	<u>2,982,825</u>	<u>-</u>	<u>2,982,825</u>	<u>2,705,929</u>	<u>2,705,929</u>

10. OPERATING FIXED ASSETS

- 10.1 During the period, the Bank has made additions and deletions of Rs.1,334.829 million (June 30, 2015: Rs.588.371 million) and Rs.119.959 million (June 30, 2015: Rs.5.443 million) respectively.

	(Unaudited) June 30, 2016	(Audited) December 31, 2015
Note	(Rupees in '000)	

11. DEPOSITS AND OTHER ACCOUNTS

Customers

Fixed deposits	78,485,186	61,877,181
Savings deposits	30,012,267	32,635,288
Current accounts - non-remunerative	45,981,639	34,570,446
Margin accounts	4,764,374	1,557,573
	<u>159,243,466</u>	<u>130,640,488</u>

Financial institutions

Remunerative deposits	17,749,049	10,996,136
Non-remunerative deposits	548,574	203,863
	<u>18,297,623</u>	<u>11,199,999</u>
11.1	<u>177,541,089</u>	<u>141,840,487</u>



	(Unaudited) June 30, 2016	(Audited) December 31, 2015
	(Rupees in '000)	
11.1 Particulars of deposits		
In local currency	164,947,506	130,091,091
In foreign currencies	12,593,583	11,749,396
	<u>177,541,089</u>	<u>141,840,487</u>
12. DEFERRED (ASSET) / TAX LIABILITY - net		
Deferred tax (debits) arising from:		
Provision against investments	(57,149)	(57,149)
Provision against loans and advances	(16,717)	(94,246)
Provision for Workers' Welfare Fund	(57,349)	(48,362)
Unrealised loss on revaluation of derivative instruments	(17,715)	(14,366)
	<u>(148,930)</u>	<u>(214,123)</u>
Deferred tax credits arising due to:		
Operating fixed assets	169,161	152,922
Goodwill	486,866	461,322
Unrealised gain on revaluation of investment classified as held for trading	4,764	2,559
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	516	-
Surplus on revaluation of investment classified assets as available for sale	1,198,072	1,292,713
	<u>1,859,379</u>	<u>1,909,516</u>
	<u>1,710,449</u>	<u>1,695,393</u>
13. SURPLUS ON REVALUATION OF ASSETS - net of tax		
Surplus on revaluation of non-banking assets acquired In satisfaction of claims	20,549	-
Surplus / (deficit) on revaluation of available-for-sale securities - net of tax		
Government Securities	2,977,698	3,159,726
Ordinary shares - listed	480,877	597,692
Open end mutual funds	(5,382)	8,999
Term Finance Certificates - listed	-	35
Foreign currency bonds	(30,130)	(72,986)
	<u>3,423,063</u>	<u>3,693,466</u>
	<u>3,443,612</u>	<u>3,693,466</u>
Related deferred tax liability	<u>(1,198,589)</u>	<u>(1,292,713)</u>
	<u>2,245,023</u>	<u>2,400,753</u>

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the half year ended June 30, 2016

		(Unaudited) June 30, 2016	(Audited) December 31, 2015
		(Rupees in '000)	
14.	CONTINGENCIES AND COMMITMENTS		
14.1	Transaction-related contingent liabilities		
	Includes performance bonds, bid bonds, warranties, advance payment guarantees, shipping guarantees and standby letters of credit related to particular transactions.		
	i) Government	18,189,777	13,374,471
	ii) Banking companies and other financial institutions	2,686,110	590,642
	iii) Others	4,500,273	2,888,172
		<u>25,376,160</u>	<u>16,853,285</u>
14.1.1	Included herein the outstanding guarantees of Rs.28.218 million (December 31, 2015: Rs.47.902 million) of related parties.		
14.2	Trade-related contingent liabilities		
	Documentary credits	14.2.1 <u>16,455,981</u>	<u>11,134,071</u>
14.2.1	Included herein the outstanding amount of Rs.2,532.579 million (December 31, 2015: Rs.3.080 million) of related parties.		
14.3	Claims not acknowledged as debts	<u>66,886</u>	<u>66,884</u>
14.4	Commitments in respect of forward lending	<u>662,761</u>	<u>1,396,767</u>
14.4.1	Included herein the commitment of Rs.347.077 million (December 31, 2015: Rs.600 million) of related parties.		
14.5	Commitment in respect of capital expenditure	<u>103,129</u>	<u>616,466</u>
14.6	Commitments in respect of derivative instruments		
14.6.1	Forward exchange contracts		
	Purchase	<u>9,424,060</u>	<u>9,076,271</u>
	Sale	<u>8,102,864</u>	<u>5,218,707</u>
14.6.2	Forward government securities		
	Purchase	<u>127,486</u>	<u>-</u>
	Sale	<u>-</u>	<u>267,151</u>
14.6.3	Cross currency swaps (notional principal)	<u>2,085,600</u>	<u>2,627,850</u>



14.7 There is no change in contingent liabilities since the date of annual unconsolidated audited financial information for the year ended December 31, 2015 except as disclosed above.

15. **OTHER CHARGES**

This includes the penalties imposed by State Bank of Pakistan of Rs.31.660 million (June 30, 2015: Rs.1.134 million).

	Half year ended		Quarter ended	
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
16. BASIC AND DILUTED EARNINGS PER SHARE - UNAUDITED	Note ----- (Rupees in '000) -----			
Profit after taxation for the period - attributable to equity holders of the Bank for diluted earnings	754,860	566,575	296,236	262,482
Preference dividend for the period ended December 31, 2015 @ 12% p.a.	(180,000)	(155,836)	-	-
Profit after taxation for the period - attributable to ordinary equity holders of the Bank for basic earnings	<u>574,860</u>	<u>410,739</u>	<u>296,236</u>	<u>262,482</u>
Weighted average number of basic outstanding ordinary shares during the period	----- (Numbers) -----			
	<u>1,072,464,262</u>	<u>1,072,464,262</u>	<u>1,072,464,262</u>	<u>1,072,464,262</u>
Weighted average number of diluted outstanding ordinary shares during the period	16.1 <u>1,072,464,262</u>	<u>1,072,464,262</u>	<u>1,297,464,262</u>	<u>1,297,464,262</u>
	----- (Rupee) -----			
Basic earnings per share	<u>0.54</u>	<u>0.38</u>	<u>0.28</u>	<u>0.24</u>
Diluted earnings per share	16.1 <u>0.54</u>	<u>0.38</u>	<u>0.23</u>	<u>0.20</u>

16.1 The diluted earnings per share for the half year ended June 30, 2016 increased when taking the convertible preference shares into account, therefore the convertible preference shares are anti-dilutive and are excluded from the weighted average number of ordinary shares for the purpose of diluted earnings per share.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the half year ended June 30, 2016

17. RELATED PARTY TRANSACTIONS

The Bank has related party relationship with its associates, parent, subsidiaries, companies having common directors, companies in which parent holds more than 20% shares, employee benefit plans, and its key management personnel (including their associates). The details of investments in subsidiaries and associates are stated in note 8.14 to these unconsolidated financial information.

Contributions to the accounts in respect of staff retirement benefits are made in accordance with terms of the contribution plans. Remuneration of the key management personnel are in accordance with the terms of their employment. Other transactions are carried out as per agreed terms.

The details of transactions with related parties, other than those which have been specifically disclosed elsewhere in the financial information is as follows:

	Key management personnel		Subsidiaries companies		Companies in which parent company holds 20% or more		Companies having common directorship		Other related parties	
	(Unaudited) June 30, 2016	(Audited) December 31, 2015	(Unaudited) June 30, 2016	(Audited) December 31, 2015	(Unaudited) June 30, 2016	(Audited) December 31, 2015	(Unaudited) June 30, 2016	(Audited) December 31, 2015	(Unaudited) June 30, 2016	(Audited) December 31, 2015
Advances										
Opening balance	395,639	252,004	-	-	388,689	353,777	7,074	8,490	2,044,664	1,435,534
Disbursements	156,613	217,429	375,017	375,017	467,460	1,155,211	14,843,281	2,156	3,498,610	5,746,165
Repayments	(72,500)	(73,794)	-	(375,017)	(368,275)	(1,120,299)	(13,145,819)	(3,572)	(3,109,477)	(5,137,035)
Balance as at	419,752	395,639	-	-	487,874	388,689	1,704,536	7,074	2,433,797	2,044,664
Disbursements made during half year ended June 30, 2015		122,473		374,446		282,395		2,156		2,622,257
Repayment made during half year ended June 30, 2015		(32,908)		(374,446)		(270,125)		(2,970)		(2,121,107)
Mark-up / return / interest earned for the half year ended June 30 (unaudited)	9,911	6,793	-	188	9,611	14,028	67,606	458	113,019	113,470
Deposits										
Opening balance	2,016,612	152,442	1,485,323	1,310,303	2,227,657	2,085,915	1,108,568	49,987	2,580,416	3,122,210
Deposits during the period	9,947,625	29,822,405	668,798	398,176,310	15,896,739	13,813,555	5,472,379	7,762,799	29,770,872	47,036,332
Withdrawals during the period	(10,068,599)	(27,958,235)	(651,513)	(82,9563)	(228,702,076)	(229,570,234)	(398,001,290)	(15,706,155)	(13,671,813)	(6,704,218)
Balance as at	1,895,638	2,016,612	93,819	76,534	2,418,241	2,227,657	414,952	1,108,568	3,745,124	2,580,416
Deposits during the half year ended June 30, 2015		19,859,489		449,066		8,309,205		2,408,826		25,174,580
Withdrawals made during the half year ended June 30, 2015		(17,802,834)		(433,577)		(8,231,216)		(2,227,540)		(25,602,148)
Mark-up / return / interest expensed for the half year June 30 (unaudited)	55,506	75,708	1,664	1,267	75,858	19,714	21,652	5,050	89,927	110,891



Material transactions with related parties are given below:

Nature of transactions	Subsidiaries companies		Companies having common directorship		Companies in which parent company holds 20% or more		Other related parties	
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
	(Rupees in '000)							
	21,005	5,773,716	643,480	-	7,673,218	13,153,264	1,490,589	160,685
Sale of government securities	43,136	1,277,674	-	-	1,073,438	3,839,204	434,597	77,577
Purchase of government securities	-	-	-	-	192,469	5,040	103,508	-
Sale of Sukuk / Ijara Sukuk	-	-	-	-	8,396,085	3,931,858	102,370	-
Sale of shares / Units	-	-	-	-	4,217,228	4,274,732	-	-
Purchase of foreign exchange contracts	-	-	-	-	-	-	-	-
Purchase of foreign exchange contracts	709	1,256	-	-	-	-	-	-
Rent received / receivable	710	745	17,016	7,565	-	5,261	82,127	3,313
Rent expense paid / accrued	-	-	-	-	-	7,748	-	84,375
Letter of credits	-	-	-	-	-	-	2,091	3,143
Letter of guarantees	-	-	-	-	-	-	-	-
Reimbursement of expenses	288	30	-	-	-	-	56,526	-
Reimbursement of expenses	-	-	39,998	5,677	25,605	16,986	64,005	21,349
Insurance premium paid	-	-	-	71,313	-	-	248,326	37,795
Insurance claim received	-	-	-	-	-	-	228,216	177,146
Payment to staff benefit plan	-	-	-	-	-	-	7,000	1,650
Payment to staff contribution plan	-	-	-	-	-	-	-	-
Remuneration to key management personnel	-	-	-	-	-	-	-	-
Director fees and allowances	-	-	-	-	-	-	-	-
Expenses incurred on behalf	460	1,153	-	-	-	-	-	-
Services rendered	908	825	-	-	-	-	-	-
Commission paid / accrued	1,111	2,185	20	1,387	29,761	32,027	82	332
Commission income	-	-	-	-	7,856	-	18,142	21,443
Dividend income	-	-	-	-	-	-	15,000	9,000
Advisory fee	-	-	-	-	-	-	369	-
Services received	-	-	-	-	-	-	-	2,285
sale proceeds of operating fixed assets	-	-	-	-	-	-	-	-

Parent company	
June 30, 2016	June 30, 2015
(Rupees in '000)	
Un-audited	
-	5,597,020
-	3,623,500
654	598
3,046	2,545

Nature of transactions

Sale of Government Securities	5,597,020
Purchase of Government Securities	3,623,500
Rent expense paid / accrued	598
Reimbursement of expenses	2,545

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the half year ended June 30, 2016

18. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 “Fair Value Measurement” defines fair value as 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.

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Fair value of fixed term loans, other assets, other liabilities and fixed term deposits cannot be calculated with sufficient reliability due to absence of current and active market for 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 as stated in note 6.8 to the annual audited financial statements for the year ended December 31, 2015.

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 repriced.

IFRS 13 requires the Bank to classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

18.1 The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.



As at June 30, 2016			
Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----			
On balance sheet financial instruments			
Financial assets classified as 'held-for-trading securities'			
Government Securities			
Market treasury bills	- 11,157,225	-	11,157,225
Pakistan investment bonds	- 2,301,485	-	2,301,485
	13,458,710		13,458,710
Financial assets classified as 'available-for-sale securities' Government Securities			
Market treasury bills	- 5,795,523	-	5,795,523
Pakistan investment bonds	- 79,145,906	-	79,145,906
Ijara sukuk	- -	-	-
	- 84,941,429	-	84,941,429
Ordinary Shares			
Ordinary shares of listed companies	3,373,120	-	3,373,120
Ordinary shares of unlisted company	- 166,032		166,032
	3,373,120	166,032	- 3,539,152
Term Finance Certificates and Sukuks			
Term finance certificates - listed	- -	-	-
Term finance certificates - unlisted	- 1,270,650	-	1,270,650
Sukuk certificates - unlisted	- 370,000	-	370,000
	- 1,640,650	-	1,640,650
Open end mutual funds	94,618	-	94,618
Foreign currency bonds	- 4,827,275	-	4,827,275
	3,467,738	105,034,096	- 108,501,834
Off balance sheet financial instruments			
Forward exchange contracts			
Purchase	- 9,333,520	-	9,333,520
Sale	- 8,073,282	-	8,073,282
Forward government securities			
Purchase	- 127,670	-	127,670
Sale	- -	-	-
Cross currency swaps (notional principal)	- 2,175,264	-	2,175,264

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the half year ended June 30, 2016

	As at December 31, 2015			Total
	Level 1	Level 2	Level 3	
----- Rupees in '000 -----				
On balance sheet financial instruments				
Financial assets classified as 'held-for-trading securities'				
Government Securities				
Market treasury bills	-	18,782,767	-	18,782,767
Pakistan investment bonds	-	3,755,124	-	3,755,124
	-	22,537,891	-	22,537,891
Financial assets classified as 'available-for-sale securities'				
Government Securities				
Market treasury bills	-	5,705,149	-	5,705,149
Pakistan investment bonds	-	78,948,950	-	78,948,950
Ijara sukuk	-	-	-	-
	-	84,654,099	-	84,654,099
Ordinary Shares				
Ordinary shares of listed companies	3,449,179	-	-	3,449,179
Ordinary shares of unlisted company	-	11,000	-	11,000
	3,449,179	11,000	-	3,460,179
Term Finance Certificates and Sukuks				
Term finance certificates - listed	84,035	-	-	84,035
Term finance certificates - unlisted	-	1,544,462	-	1,544,462
Sukuk certificates - unlisted	-	380,000	-	380,000
	84,035	1,924,462	-	2,008,497
Open end mutual funds	-	200,158	-	200,158
Foreign currency bonds	-	1,249,880	-	1,249,880
	3,533,214	110,577,490	-	114,110,704
Off balance sheet financial instruments				
Forward exchange contracts				
Purchase	-	9,010,743	-	9,010,743
Sale	-	5,232,871	-	5,232,871
Forward government securities				
Purchase	-	-	-	-
Sale	-	267,228	-	267,074
Cross currency swaps (notional principal)	-	2,638,243	-	2,638,243



19. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

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

	2016						
	Corporate finance	Trading and sales	Retail banking	Commercial banking	Payment and settlement	Others	Total
	(Rupees in '000)						
June 30, 2016 (Unaudited)							
Total income - external	152,403	5,696,503	1,662,641	2,005,595	77,789	12,102	9,607,033
Inter-segment revenues-net	-	(2,075,058)	2,158,498	(83,440)	-	-	-
Total income	152,403	3,621,445	3,821,139	1,922,155	77,789	12,102	9,607,033
Total expenses	(11,629)	(1,230,338)	(4,033,966)	(1,933,185)	(35,659)	(715,224)	(7,960,001)
Provisions / impairments	-	(383,374)	(107,169)	127,404	-	-	(363,139)
Current taxation	-	-	-	-	-	(340,028)	(340,028)
Prior year taxation	-	-	-	-	-	(79,838)	(79,838)
Deferred taxation	-	-	-	-	-	(109,167)	(109,167)
Net income / (loss)	140,774	2,007,733	(319,996)	116,374	42,130	(1,232,155)	754,860
June 30, 2016 (Unaudited)							
Segment assets (gross)	-	129,321,595	38,962,307	48,884,121	-	11,496,953	228,664,976
Segment non performing assets	-	917,167	161,557	3,044,193	-	10,861	4,133,778
Segment provision required	-	(917,167)	(80,961)	(2,621,832)	-	(10,861)	(3,630,821)
Segment liabilities	-	18,951,172	124,434,971	57,386,123	2,946,728	4,928,103	208,647,097
	2015						
	Corporate finance	Trading and sales	Retail banking	Commercial banking	Payment and settlement	Others	Total
	(Rupees in '000)						
June 30, 2015 (Unaudited)							
Total income - external	101,071	5,538,891	1,644,502	1,883,058	94,331	15,301	9,277,154
Inter-segment revenues - net	-	(1,973,056)	1,883,110	17,525	-	72,421	-
Total income	101,071	3,565,835	3,527,612	1,900,583	94,331	87,722	9,277,154
Total expenses	(8,817)	(1,794,786)	(3,575,314)	(1,743,032)	(35,151)	(462,511)	(7,619,611)
Provisions	-	(141,150)	(17,167)	(559,009)	-	-	(717,326)
Current taxation	-	-	-	-	-	(82,458)	(82,458)
prior year taxation	-	-	-	-	-	(10,531)	(10,531)
Deferred taxation	-	-	-	-	-	(280,653)	(280,653)
Net income / (loss)	92,254	1,629,899	(64,869)	(401,458)	59,180	(748,431)	566,575
December 31, 2015 (audited)							
Segment assets (gross)	-	127,893,217	36,295,844	47,088,403	-	10,466,034	221,743,498
Segment non-performing assets	-	533,793	108,493	2,874,332	-	10,861	3,527,479
Segment provision required	-	(533,793)	(74,626)	(2,648,555)	-	(10,861)	(3,267,835)
Segment liabilities	-	49,392,266	97,650,140	49,436,399	1,609,425	4,419,530	202,507,760

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the half year ended June 30, 2016



20. GENERAL

The figures in this unconsolidated condensed interim financial information have been rounded off to the nearest thousand.

21. DATE OF AUTHORISATION FOR ISSUE

This unconsolidated condensed interim financial information was authorised for issue by the Board of Directors of the Bank in their meeting held on August 25, 2016.

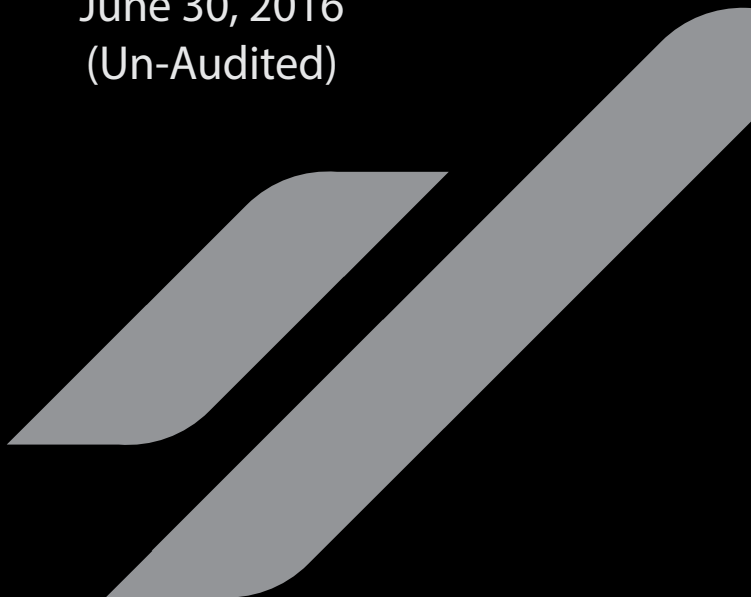
Chairman

President and
Chief Executive Officer

Director

Director

Consolidated Condensed Interim
Financial Information
for the half year ended
June 30, 2016
(Un-Audited)



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

Introduction

We have reviewed the accompanying consolidated condensed interim statement of financial position of **JS Bank Limited** (the Bank) as at **30 June 2016** and the related consolidated condensed interim profit and loss account, consolidated condensed interim statement of comprehensive income, consolidated condensed interim cash flow statement, consolidated condensed interim statement of changes in equity and notes to the accounts for the half year then ended (here-in-after referred to as the "consolidated condensed interim financial information"). The condensed interim financial information of the subsidiaries JS Global Capital Limited and JS Investments Limited for the half year ended June 30, 2016 was reviewed by us in accordance with the International Standard on Review Engagements 2410. The condensed interim financial information of JS Abamco Commodities Limited (a subsidiary of JS Investments Limited) has not been reviewed. Management is responsible for the preparation and presentation of this consolidated condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this consolidated condensed interim financial information based on our review.

Scope of review

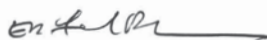
We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matter

The consolidated condensed interim financial information for the half year ended 30 June 2015 and the consolidated financial statements of the Bank for the year ended 31 December 2015 were reviewed and audited respectively by another firm of Chartered Accountants, whose review report dated 12 August 2015 and audit report dated 20 February 2016 expressed an unmodified conclusion and an unmodified opinion thereon, respectively.



Chartered Accountants

Engagement Partner: Shabbir Yunus

Date: August 25, 2016

Karachi

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at June 30, 2016



	Note	(Unaudited) June 30, 2016	(Audited) December 31, 2015
(Rupees in '000)			
ASSETS			
Cash and balances with treasury banks		14,031,038	11,160,169
Balances with other banks		1,065,197	629,407
Lendings to financial institutions	8	8,277,659	3,581,329
Investments - net	9	111,622,905	116,884,984
Advances - net	10	79,806,771	76,678,864
Operating fixed assets	11	5,877,743	4,731,135
Deferred tax assets - net		-	-
Other assets		7,168,410	7,140,798
		227,849,723	220,806,686
LIABILITIES			
Bills payable		2,946,728	1,609,425
Borrowings		23,231,177	54,638,318
Deposits and other accounts	12	176,923,926	140,355,175
Sub-ordinated loans		-	-
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities	13	1,586,925	1,571,252
Other liabilities		4,144,771	3,624,371
		208,833,527	201,798,541
NET ASSETS			
		19,016,196	19,008,145
REPRESENTED BY:			
Share capital		10,724,643	10,724,643
Discount on issue of shares		(2,105,401)	(2,105,401)
Preference shares		1,500,000	1,500,000
Reserves		1,069,787	918,815
Unappropriated profit		3,651,750	3,066,149
		14,840,779	14,104,206
Non-controlling interest		1,337,604	1,952,266
		16,178,383	16,056,472
Surplus on revaluation of assets - net of tax	14	2,837,813	2,951,673
		19,016,196	19,008,145
CONTINGENCIES AND COMMITMENTS			
	15		

The annexed notes from 1 to 22 form an integral part of this consolidated condensed interim financial information.

Chairman

President and
Chief Executive Officer

Director

Director

CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)

For the half year ended June 30, 2016



	Half year ended		Quarter ended	
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
Note	----- (Rupees in '000) -----			
Mark-up / return / interest earned	7,397,335	7,684,646	3,741,367	3,816,073
Mark-up / return / interest expensed	4,453,264	5,045,796	2,201,609	2,421,350
Net mark-up / interest income	2,944,071	2,638,850	1,539,758	1,394,723
Reversal / (provision) against non-performing loans and advances - net	20,235	(576,176)	139,761	(237,848)
Provision for diminution in the value of investments - net	(383,374)	(97,704)	(383,374)	(62,834)
Bad debts written off directly	-	-	-	-
	(363,139)	(673,880)	(243,613)	(300,682)
Net mark-up interest income after provisions	2,580,932	1,964,970	1,296,145	1,094,041
NON MARK-UP / INTEREST INCOME				
Fee, commission and brokerage income	1,006,258	903,287	556,490	516,819
Dividend income	116,485	93,713	65,418	78,033
Income from dealing in foreign currencies	248,268	69,283	156,562	16,572
Gain on sale / redemption of securities - net	1,296,620	1,153,063	661,798	492,519
Unrealised (loss) / gain on revaluation of investments classified as held-for-trading - net	(9,018)	2,803	(27,576)	(10,895)
Other (loss) / income	(8,960)	68,983	(31,634)	29,872
Total non-mark-up / interest income	2,649,653	2,291,132	1,381,058	1,122,920
	5,230,585	4,256,102	2,677,203	2,216,961
NON MARK-UP / INTEREST EXPENSES				
Administrative expenses	3,745,133	2,862,579	1,958,562	1,507,202
Other provisions / write offs	-	-	-	-
Other charges	60,282	28,438	44,886	15,060
Total non mark-up / interest expenses	3,805,415	2,891,017	2,003,448	1,522,262
Extra ordinary / unusual items	1,425,170	1,365,085	673,755	694,699
	-	-	-	-
PROFIT BEFORE TAXATION	1,425,170	1,365,085	673,755	694,699
Taxation				
- Current	(384,353)	(164,729)	(236,207)	(83,791)
- Prior years	(79,838)	(10,531)	(79,838)	(10,531)
- Deferred	(107,415)	(298,086)	12,382	(175,357)
	(571,606)	(473,346)	(303,663)	(269,679)
PROFIT AFTER TAXATION	853,564	891,739	370,092	425,020
ATTRIBUTABLE TO:				
Equity holders of the Bank	820,676	735,012	351,093	346,407
Non-controlling interest	32,888	156,727	18,999	78,613
	853,564	891,739	370,092	425,020
	----- (Rupee) -----			
Basic and diluted earnings per share	17 0.60	0.54	0.33	0.32
Diluted earnings per share	17 0.60	0.54	0.27	0.27

The annexed notes from 1 to 22 form an integral part of this consolidated condensed interim financial information.

Chairman

President and
Chief Executive Officer

Director

Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the half year ended June 30, 2016



	Half year ended		Quarter ended	
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
	----- (Rupees in '000) -----			
Profit after taxation	853,564	891,739	370,092	425,020
Other comprehensive income:				
Items that are not to be reclassified to profit or loss in subsequent periods	-	-	-	-
Items that may be reclassified to profit or loss in subsequent periods	-	-	-	-
Other comprehensive income transferred to equity	853,564	891,739	370,092	425,020
Items that may be reclassified to profit or loss in subsequent periods				
(Deficit) / surplus arising on revaluation of available-for-sale securities	(205,619)	1,653,421	(306,271)	571,628
Related deferred tax asset / (liability)	91,759	(630,473)	128,181	(192,113)
	(113,860)	1,022,948	(178,090)	379,515
Total comprehensive income during the period - net of tax	739,704	1,914,687	192,002	804,535
Attributable to:				
Equity holders of the Bank	705,115	1,820,910	158,357	709,020
Non-controlling interest	34,589	93,777	33,645	95,515
Total comprehensive income during the period - net of tax	739,704	1,914,687	192,002	804,535

The annexed notes from 1 to 22 form an integral part of this consolidated condensed interim financial information.

Chairman

President and
Chief Executive Officer

Director

Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the half year ended June 30, 2016



	Share capital	Discount on issue of shares	Preference shares	Statutory reserve	Unappropriated profit	Sub total	Non-controlling interest	Total
	(Rupees in '000)							
Balance as at January 01, 2015 (Audited)	10,724,643	(2,105,401)	1,500,000	513,706	1,384,998	12,017,946	2,135,442	14,153,388
Total comprehensive income for the half year ended June 30, 2015								
Profit after taxation	-	-	-	-	735,012	735,012	156,727	891,739
Other comprehensive income - net of tax	-	-	-	-	-	-	-	-
	-	-	-	-	735,012	735,012	156,727	891,739
Transaction with owners recorded directly in equity								
Preference dividend for the period ended December 31, 2014 @ 12% p.a	-	-	-	-	(155,836)	(155,836)	-	(155,836)
Pre-acquisition surplus (net) on available-for-sale investment realised during the quarter ended June 30, 2015	-	-	-	-	(22,574)	(22,574)	(20,638)	(43,212)
Transfers								
Transfer to statutory reserve	-	-	-	113,315	(113,315)	-	-	-
Balance as at June 30, 2015	10,724,643	(2,105,401)	1,500,000	627,021	1,828,285	12,574,548	2,271,531	14,846,079
Total comprehensive income for the half year ended December 31, 2015								
Profit after taxation	-	-	-	-	1,517,244	1,517,244	56,341	1,573,585
Other comprehensive Income	-	-	-	-	(6,285)	(6,285)	-	(6,285)
	-	-	-	-	1,510,959	1,510,959	56,341	1,567,300
Transaction with owners recorded directly in equity								
Buy-back of shares by subsidiary	-	-	-	-	-	-	(385,603)	(385,603)
Gain arisen on buy back of shares by subsidiary	-	-	-	-	18,699	18,699	9,997	28,696
Transfers								
Transfer to statutory reserve	-	-	-	291,794	(291,794)	-	-	-
Balance as at December 31, 2015 (Audited)	10,724,643	(2,105,401)	1,500,000	918,815	3,066,149	14,104,206	1,952,266	16,056,472
Total comprehensive income for the half year ended June 30, 2016								
Profit after taxation	-	-	-	-	820,676	820,676	32,888	853,564
Other comprehensive Income	-	-	-	-	-	-	-	-
	-	-	-	-	820,676	820,676	32,888	853,564
Transaction with owners recorded directly in equity								
Transfer from surplus on revaluation of non-banking assets to unappropriated profit - net of tax	-	-	-	-	25	25	-	25
Buy-back of shares by subsidiary	-	-	-	-	-	-	(694,430)	(694,430)
Gain arisen on buy back of shares by subsidiary	-	-	-	-	95,872	95,872	46,880	142,752
Preference dividend for the period ended December 31, 2015 @ 12% p.a.	-	-	-	-	(180,000)	(180,000)	-	(180,000)
Transfers								
Transfer to statutory reserve	-	-	-	150,972	(150,972)	-	-	-
Balance as at June 30, 2016	10,724,643	(2,105,401)	1,500,000	1,069,787	3,651,750	14,840,779	1,337,604	16,178,383

The annexed notes from 1 to 22 form an integral part of this consolidated condensed interim financial information.

Chairman

President and
Chief Executive Officer

Director

Director

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

For the half year ended June 30, 2016



	June 30, 2016	June 30, 2015
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	1,425,170	1,365,085
Less: Dividend income	(116,485)	(93,713)
	1,308,685	1,271,372
Adjustments:		
Depreciation	258,613	221,149
Amortisation of intangibles	26,215	21,918
Charge for defined benefit plan	47,121	35,429
Unrealised loss / (gain) on revaluation of investments classified as held-for-trading	9,018	(2,803)
(Reversal) / provision against non-performing advances - net	(20,235)	576,176
Provision for diminution in the value of investments - net	383,374	97,704
Unrealised loss / (gain) on revaluation of derivative instruments	40,899	(34,556)
Gain on disposal of operating fixed assets	(12,208)	(15,268)
Provision for Workers' Welfare Fund	28,427	27,242
	761,224	926,991
	2,069,909	2,198,363
Decrease / (increase) in operating assets		
Lendings to financial institutions	(4,696,330)	10,590,518
Investment in held-for-trading securities - net	8,654,248	16,301,496
Advances - net	(3,107,672)	(3,756,273)
Other assets (excluding advance taxation)	132,094	(490,057)
	982,340	22,645,684
Increase / (decrease) in operating liabilities		
Bills payable	1,337,303	653,947
Borrowings	(31,412,080)	(6,607,677)
Deposits and other accounts	36,568,751	20,989,621
Other liabilities	467,962	(256,877)
	6,961,936	14,779,014
	10,014,185	39,623,061
Income tax paid	(589,565)	(156,155)
Gratuity paid	(64,005)	(21,349)
	9,360,615	39,445,557
CASH FLOW FROM INVESTING ACTIVITIES		
Net investment in available-for-sale securities	(4,010,729)	(39,144,641)
Dividend received	102,740	93,713
Investment in operating fixed assets	(1,438,089)	(676,184)
Sale proceeds from disposal of operating fixed assets	18,861	37,819
Net cash used in investing activities	(5,327,217)	(39,689,293)
CASH FLOW FROM FINANCING ACTIVITIES		
Share bought back from non-controlling interest	(551,678)	-
Preference dividend paid	(180,000)	(155,835)
Net cash used in financing activities	(731,678)	(155,835)
Increase / (decrease) in cash and cash equivalents	3,301,720	(399,571)
Cash and cash equivalents at beginning of the period	11,734,891	9,472,055
Cash and cash equivalents at end of the period	<u>15,036,611</u>	<u>9,072,484</u>

The annexed notes from 1 to 22 form an integral part of this consolidated condensed interim financial information.

Chairman

President and
Chief Executive Officer

Director

Director

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the half year ended June 30, 2016

1. STATUS AND NATURE OF BUSINESS

1.1 The "Group" consists of:

1.1.1 Holding Company

JS Bank Limited (the Bank / JSBL), incorporated in Pakistan, is a scheduled bank, engaged in commercial banking and related services. The Bank's ordinary shares are listed on Pakistan Stock Exchange (PSX), formerly Karachi Stock Exchange (KSE). The Bank is a subsidiary of Jahangir Siddiqui & Co. Ltd. (JSCL). The registered office of the Bank is situated at Shaheen Commercial Complex, Dr. Ziauddin Ahmed Road, Karachi. The Bank operates with 277 (December 31, 2015: 277) branches / sub-branches in Pakistan and one wholesale banking branch in Bahrain (December 31, 2015: Nil). The Pakistan Credit Rating Agency Limited (PACRA) has assigned 'Positive Outlook to the long term entity rating of "A+" (Single A Plus), while maintaining short-term rating "A1+" (A One Plus) which is the highest possible short term rating.

Jahangir Siddiqui Investment Bank Limited, JSIBL, (formerly Citicorp Investment Bank Limited which was acquired by JSCL on February 01, 1999), and its holding company, JSCL, entered into a Framework Agreement with American Express Bank Limited, New York (AMEX) on November 10, 2005 for acquisition of its American Express Bank Limited - Pakistan Branches, (AEBL). Consequently, a new banking company, JSBL was incorporated on March 15, 2006 and a restricted Banking License was issued by the State Bank of Pakistan (SBP) on May 23, 2006.

A Transfer Agreement was executed on June 24, 2006 between JSIBL and JSBL for the transfer of entire business and undertaking of JSIBL to JSBL and a separate Transfer Agreement was also executed on June 24, 2006, between AMEX and JSBL for the transfer of AEBL's commercial banking business in Pakistan with all assets and liabilities (other than certain excluded assets and liabilities) (AEBL business). The shareholders of JSIBL and JSBL in their respective extra ordinary general meetings held on July 31, 2006 approved a Scheme of Amalgamation (the Scheme) under Section 48 of the Banking Companies Ordinance, 1962. The Scheme was initially approved by the Securities and Exchange Commission of Pakistan vide its letter No. SC/NBFC(J)-R/JSIBL/2006/517 dated September 28, 2006. Subsequently, the Scheme was sanctioned by the SBP vide its order dated December 02, 2006 and, in accordance therewith, the effective date of amalgamation was fixed at December 30, 2006.

1.1.2 Subsidiary companies

JS Global Capital Limited (JSGCL)

JS Global Capital Limited, JSGCL, is principally owned by the Bank, holding 67.16% of its equity interest. The Bank acquired effective controlling interest in JSGCL on December 21, 2011 and April 15, 2016 of 51.05% and 16.11% respectively. The ownership interest has increased by 16.11%, without changing in the cost of investment, due to the fact that JSIL has bought back its 11,993,000 ordinary shares out of its 50 million ordinary shares during the year. JSGCL is a public listed company incorporated in Pakistan under the Companies Ordinance, 1984. The shares of the JSGCL are listed on Pakistan Stock Exchange (PSX), formerly Karachi and Islamabad stock exchanges. Further, the JSGCL is a corporate member of PSX and member of Pakistan Mercantile Exchange. The principal business of the JSGCL is to carry out share brokerage, money market, forex and commodity brokerage, advisory and consultancy services. Other activities include



investment in a mix of listed and unlisted equity and debt securities and reverse repurchase transactions. The registered office of the JSGL is situated at 6th floor, Faysal House, Shakra-e-Faisal, Karachi, Pakistan.

JS Investments Limited (JSIL)

JS Investments Limited, JSIL, is principally owned by the Bank, holding 65.16% of its equity interest. The Bank acquired effective controlling interest in JSIL on November 01, 2012 and December 22, 2015 of 52.24% and 12.92% respectively. The ownership interest has increased by 12.92%, without changing in the cost of investment, due to the fact that JSIL has bought back its 19,828,182 ordinary shares out of its 100 million ordinary shares during the last year. JSIL is a public listed company incorporated in Pakistan on February 22, 1995 under the Companies Ordinance, 1984. The shares of the JSIL are listed on the Pakistan Stock Exchange (PSX), formerly Karachi Stock Exchange since April 24, 2007. The registered office of the JSIL is situated at 7th floor, 'The Forum', Khayaban-e-Jami, Clifton, Karachi.

The JSIL has obtained the license of an "Investment Advisor" and "Asset Management Company" (AMC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). In addition, the Company has also obtained registration to act as Pension Fund Manager under the Voluntary Pension System Rules, 2005.

- At period end, JSIL is an asset management company of the following funds:

Open end funds:

- JS Growth Fund
- JS Value Fund
- JS Large Cap Fund
- JS Islamic Fund
- Unit Trust of Pakistan
- JS Fund of Funds
- JS Islamic Government Securities
- JS Cash Fund
- JS Income Fund
- JS Pension Savings Fund
- JS Islamic Pension Savings Fund

These funds have been treated as related parties in these consolidated financial statements.

JS ABAMCO Commodities Limited (JSACL)

JS Bank owns JS ABAMCO Commodities Limited, JSACL, indirectly through its subsidiary JS Investment Limited (JSIL) which has 100% holding in JSACL. JSACL was incorporated on September 25, 2007 as a public unlisted company under the Companies Ordinance, 1984 and is a wholly owned subsidiary company of JSIL (a subsidiary of Holding Company). The principal activities of JSACL are to deal and effectuate commodity contracts; to become member of commodity exchange including National Commodity Exchange Limited (NCEL) and to carry on the business as brokers, advisory and consultancy services, dealers and representative of all kinds

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the half year ended June 30, 2016

of commodity contracts and commodity backed securities. The registered office of the Company is situated at 7th floor, 'The Forum', Khayaban-e-Jami, Clifton, Karachi. The Company has not commenced its commercial operations up to the balance sheet date.

2. BASIS OF CONSOLIDATION

The basis of consolidation adopted in the preparation of this consolidated condensed interim financial information is the same as those applied in the preparation of annual consolidated financial statements for the year ended December 31, 2015.

3. STATEMENT OF COMPLIANCE

3.1 This consolidated condensed interim financial information of the Group for the half year ended June 30, 2016 has been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting', provisions of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and directives issued by the Securities and Exchange Commission of Pakistan (SECP) and SBP. In case where requirements differ, the provisions of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and the said directives have been followed.

3.2 The SBP vide BSD Circular No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 39, Financial Instruments: Recognition and Measurement (IAS 39) and International Accounting Standard 40, Investment Property (IAS 40) for Banking companies till further instructions. Further, according to the notification of the Securities and Exchange Commission of Pakistan (SECP) dated April 28, 2008, the IFRS - 7 "Financial Instruments: Disclosures" has not been made applicable for banks. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated financial statements. However, investments have been classified and valued in accordance with the requirements of various circulars issued by the SBP.

3.3 IFRS10 "Consolidated Financial Statements" was made applicable from period beginning on or after January 01, 2015 vide S.R.O 633(I)/2014 dated July 10, 2014 by SECP. However, SECP has directed that the requirements of consolidation under section 237 of the Companies Ordinance 1984 and IFRS-10 "Consolidated Financial Statements" are not applicable in case of investment by companies in mutual funds established under trust structure, through S.R.O 56(I) /2016 dated January 28, 2016. Accordingly, these requirements have not been considered in the preparation of the consolidated financial information.

3.4 The disclosures made in this consolidated condensed interim financial information has been limited based on the format prescribed by the SBP vide BSD Circular No. 2 dated May 12, 2004 and International Accounting Standard 34, 'Interim Financial Reporting' and do not include all the disclosures required in the annual financial statements. Accordingly, this consolidated condensed interim financial information should be read in conjunction with the annual audited financial statements of the Group for the year ended December 31, 2015.

4. BASIS OF MEASUREMENT

This consolidated condensed interim financial information has been prepared under the historical cost convention except for fair value through profit and loss account-held-for-trading,



available-for-sale investments and derivative financial instruments which are stated at fair value and defined benefit liability which is stated at net present value.

5. ACCOUNTING ESTIMATES AND JUDGMENTS

The estimates / judgments and associated assumptions used in the preparation of this consolidated condensed interim financial information are consistent with those applied in the preparation of the consolidated annual financial statements of the Group for the year ended December 31, 2015.

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this consolidated condensed interim financial information are the same as those applied in the preparation of the consolidated annual financial statements of the Group for the year ended December 31, 2015.

6.1 New, Amended And Revised Standards And Interpretations of IFRSs

The Company has adopted the following accounting standards and the amendments and interpretations of IFRSs which became effective during the period:

IFRS 10 – Consolidated Financial Statements, IFRS 12 – Disclosure of Interests in Other Entities and IAS 28 – Investment in Associates – Investment Entities: Applying the Consolidation Exception (Amendment)

IFRS 11 – Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment)

IAS 1 – Presentation of Financial Statements - Disclosure Initiative (Amendment)

IAS 16 – Property, Plant and Equipment and IAS 38 – Intangible assets - Clarification of Acceptable Method of Depreciation and Amortization (Amendment)

IAS 16 – Property, Plant and Equipment and IAS 41 – Agriculture - Agriculture: Bearer Plants (Amendment)

IAS 27 – Separate Financial Statements – Equity Method in Separate Financial Statements (Amendment)

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations - Changes in methods of disposal

IFRS 7 Financial Instruments: Disclosures - Servicing contracts

IFRS 7 Financial Instruments: Disclosures - Applicability of the offsetting disclosures to condensed interim financial statements

IAS 19 Employee Benefits - Discount rate: regional market issue

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the half year ended June 30, 2016

IAS 34 Interim Financial Reporting - Disclosure of information 'elsewhere in the interim financial report'

The adoption of the above standards / amendments / interpretations did not have any material effect on the interim financial information of the Group.

- 6.2 During the period, the Group changed its accounting policy in respect of valuation of non-banking assets acquired in satisfaction of claims, whereby, with effect from the current year, these are carried at the revalued amounts, being the fair value at the date of revaluation less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any. Previously, these were stated at lower of the net realizable value of the related advances and the current fair value of such assets.

The above change is made to comply with the requirements of Regulations for Debt Property Swap issued by State Bank of Pakistan vide its BPRD Circular No. 1 of 2016, on January 01, 2016 and has been accounted for in accordance with the requirements of above referred regulations and IAS – 8 "Accounting Policies, Changes in Accounting Estimates and Errors". The surplus arising on revaluation of non-banking assets is credited to the "Surplus on Revaluation of Fixed Assets Account" shown below equity in the statement of financial position in accordance with the requirements of section 235 of the Companies Ordinance 1984 and any deficit arising on revaluation is taken to profit and loss account directly. Legal fees, transfer costs and direct costs of acquiring title to property are charged to profit and loss account and not capitalised.

Had there been no revaluation, the carrying value of non-banking assets acquired in satisfaction of claims would have been Rs. 63.09 million and surplus on revaluation of assets, deferred tax liability and depreciation expense would have been lower by Rs.20.59 million, Rs. 0.53 million and Rs. 0.013 million respectively.

Surplus on revaluation of fixed assets

The surplus arising on revaluation of non-banking assets is credited to the "Surplus on Revaluation of Fixed Assets Account" shown below equity in the statement of financial position in accordance with the requirements of section 235 of the Companies Ordinance 1984. The Group has adopted the following accounting treatment for depreciation on revalued assets, keeping in view the requirements of the Companies Ordinance, 1984 and SECP's SRO 45(1)/2003 dated January 13, 2003:

- depreciation on assets which are revalued is determined with reference to the value assigned to such assets on revaluation and depreciation charge for the year is taken to the profit and loss account; and
- an amount equal to incremental depreciation for the year net of deferred taxation is transferred from "Surplus on Revaluation of Fixed Assets account" to unappropriated profit through statement of changes in equity to record realization of surplus to the extent of the incremental depreciation charge for the year.

7. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the consolidated annual financial statements of the Group for the year ended December 31, 2015.



		(Unaudited) June 30, 2016	(Audited) December 31, 2015
8. LENDINGS TO FINANCIAL INSTITUTIONS	Note	(Rupees in '000)	
Call money lendings		1,327,804	628,446
Repurchase agreement lendings (Reverse repo)	8.1	6,949,855	2,952,883
		8,277,659	3,581,329

8.1 Repurchase agreement lendings are secured through Pakistan Investment Bonds and Market Treasury Bills having total market value of Rs.7,478,633 million (December 31, 2015: Rs.3,027.856 million)

9. INVESTMENTS - net	(Unaudited) June 30, 2016			(Audited) December 31, 2015		
	Held by group	Given as collateral	Total	Held by group	Given as collateral	Total
9.1 INVESTMENTS BY TYPES:	Note ----- (Rupees in '000) -----					

Held-for-trading securities

Market Treasury Bills		11,156,359	-	11,156,359	18,782,717	-	18,782,717
Pakistan Investment Bonds		2,288,739	-	2,288,739	3,698,417	49,445	3,747,862
Ordinary Shares of listed companies	9.1.1	1,029,719	-	1,029,719	699,255	-	699,255
Term Finance Certificates- listed	9.1.2	34,959	-	34,959	32,652	-	32,652
Open end mutual funds	9.1.3	366,784	-	366,784	263,696	-	263,696
Sukuk certificates - listed		-	-	-	10,646	-	10,646
		14,876,560	-	14,876,560	23,487,383	49,445	23,536,828

Available-for-sale securities

Market Treasury Bills		5,789,293	-	5,789,293	5,696,991	-	5,696,991
Pakistan Investment Bonds		57,984,088	18,190,350	76,174,438	31,595,615	44,201,767	75,797,382
Ordinary shares of listed companies	9.1.4	2,899,698	-	2,899,698	2,858,942	-	2,858,942
Ordinary shares of unlisted companies		564,679	-	564,679	26,273	-	26,273
Preference shares of a listed company		136,589	-	136,589	136,589	-	136,589
Term Finance Certificates-listed		508,778	-	508,778	266,322	-	266,322
Term Finance Certificates-unlisted	9.1.5	1,485,532	-	1,485,532	2,085,800	-	2,085,800
Sukuk Certificates-unlisted		370,000	-	370,000	380,000	-	380,000
Open end mutual funds	9.1.6	1,300,186	-	1,300,186	1,504,704	-	1,504,704
Foreign Currency Bonds		4,857,405	-	4,857,405	1,322,866	-	1,322,866
		75,896,248	18,190,350	94,086,598	45,874,102	44,201,767	90,075,869

Investments at cost

		90,772,808	18,190,350	108,963,158	69,361,485	44,251,212	113,612,697
Less: Provision for diminution in value of investments	9.1.7	(1,443,960)	-	(1,443,960)	(1,080,118)	-	(1,080,118)

Investments (net of provision) **89,328,848** **18,190,350** **107,519,198** **68,281,367** **44,251,212** **112,532,579**

Unrealised (loss) / gain on revaluation of
investments classified as held-for-trading **(9,019)** **-** **(9,019)** **13,469** **42** **13,511**

Surplus on revaluation of
available-for-sale securities **3,698,669** **414,057** **4,112,726** **2,535,599** **1,803,295** **4,338,894**

93,018,498 **18,604,407** **111,622,905** **70,830,435** **46,054,549** **116,884,984**

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the half year ended June 30, 2016

- 9.1.1 Included herein is the investment in a related party amounting to Rs.28.137 million (December 31, 2015: Rs.Nil) having a market value of Rs.27.764 million (December 31, 2015: Rs.Nil).
- 9.1.2 Included herein is the investment in a related party amounting to Rs.24.023 million (December 31, 2015: Rs.28.502 million) having a market value of Rs.24.005 million (December 31, 2015: Rs.28.465 million).
- 9.1.3 Included herein is the investment in a related party amounting to Rs.351.784 million (December 31, 2015: Rs.263.696 million) having a market value of Rs.348.360 million (December 31, 2015: Rs.272.031 million).
- 9.1.4 Included herein are the investments in related parties amounting to Rs.1,832.642 million (December 31, 2015: Rs.1,785.566 million) and having market value of Rs.2,442.017 million (December 31, 2015: Rs.2,431.449 million)
- 9.1.5 Included herein is the investments in a related party, of Rs.391.478 million (December 31, 2014: Rs.391.478 million) at the rate of 6 months KIBOR ask rate + 1.75% to 11% p.a maturing between December 04, 2017 to October 19, 2020. Due to weak financial position of the company the Group has recognised full impairment loss on these term finance certificates.
- 9.1.6 Included herein is the investment in a related party amounting to Rs.1,200.186 million (December 31, 2015: Rs.1,184.834 million) having a market value of Rs.1,671.956 million (December 31, 2015: Rs.1,823.699 million).
- 9.1.7 This includes provision held for diminution in the value of an un-quoted investment, Appollo Pharma Limited (APL). This provision has been recognised as per the specific requirement of Prudential Regulation R-8 of the Corporate /Commercial Banking issued by State Bank of Pakistan which states that "Shares will be carried at cost. However, in cases where the breakup value of such shares is less than the cost, the difference of the cost and breakup value will be classified as loss and provided for accordingly by charging to the Profit and Loss account of the Bank/DFI."

However, in accordance with the requirements of the IAS-39, ' Financial Instruments: Recognition and Measurement', the fair value of Bank's investment based on the present value of estimated cash flows is higher than its cost and does not result in any impairment.

- 9.1.8 This includes surplus on revaluation of available for sale investments of subsidiaries amounting to Rs.80.378 million (December 31, 2015: Rs.80.378 million) which represents the pre-acquisition surplus and has been included here only for meeting with requirement of the prescribed format of Banks / DFIs issued by the State Bank of Pakistan.



	(Unaudited) June 30, 2016	(Audited) December 31, 2015
Note	(Rupees in '000)	
10. ADVANCES - net		
Loans, cash credits, running finances, etc.		
In Pakistan	73,462,178	72,808,345
Outside Pakistan	-	-
	<u>73,462,178</u>	<u>72,808,345</u>
Net investment in finance lease - in Pakistan	5,610,270	3,226,785
Bills discounted and purchased (excluding market treasury bills)		
Payable in Pakistan	1,592,805	1,266,902
Payable outside Pakistan	1,844,311	2,100,013
	<u>3,437,116</u>	<u>3,366,915</u>
Advances - gross	82,509,564	79,402,045
Provision for non-performing advances		
Specific	(2,675,185)	(2,705,929)
General	(27,608)	(17,252)
	<u>(2,702,793)</u>	<u>(2,723,181)</u>
Advances - net of provision	<u>79,806,771</u>	<u>76,678,864</u>

10.1 Advances include Rs.3,250.944 million (December 31, 2015: Rs.2,982.825 million) which have been placed under non-performing status as detailed below:

	(Unaudited) June 30, 2016				
	Domestic	Overseas	Total	Provision required	Provision held
(Rupees in '000)					
Category of classification					
Other assets especially mentioned	-	-	-	-	-
Substandard	250,505	-	250,505	47,763	47,763
Doubtful	207,252	-	207,252	100,297	100,297
Loss	2,747,993	-	2,747,993	2,527,125	2,527,125
	<u>3,205,750</u>	-	<u>3,205,750</u>	<u>2,675,185</u>	<u>2,675,185</u>
	(Audited) December 31, 2015				
	Domestic	Overseas	Total	Provision required	Provision held
(Rupees in '000)					
Category of classification					
Other assets especially mentioned	-	-	-	-	-
Substandard	1,533	-	1,533	383	383
Doubtful	181,136	-	181,136	32,984	32,984
Loss	2,800,156	-	2,800,156	2,672,562	2,672,562
	<u>2,982,825</u>	-	<u>2,982,825</u>	<u>2,705,929</u>	<u>2,705,929</u>

11. OPERATING FIXED ASSETS

11.1 During the period, the Group has made additions and deletions of Rs.1,354.037 million (June 30, 2015: Rs.612.418 million) and Rs.6.884 million (June 30, 2015: Rs.22.615 million) respectively.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the half year ended June 30, 2016

	(Unaudited) June 30, 2016	(Audited) December 31, 2015
Note	(Rupees in '000)	
12. DEPOSITS AND OTHER ACCOUNTS		
Customers		
Fixed deposits	78,485,186	61,877,181
Savings deposits	30,012,267	32,635,288
Current accounts - non-remunerative	45,981,639	34,570,446
Margin accounts	4,764,374	1,557,573
	<u>159,243,466</u>	<u>130,640,488</u>
Financial institutions		
Remunerative deposits	17,132,386	9,511,034
Non-remunerative deposits	548,074	203,653
	<u>17,680,460</u>	<u>9,714,687</u>
	<u>176,923,926</u>	<u>140,355,175</u>
12.1 Particulars of deposits		
In local currency	164,330,343	128,605,779
In foreign currencies	12,593,583	11,749,396
	<u>176,923,926</u>	<u>140,355,175</u>
13. DEFERRED (ASSET) / TAX LIABILITY - net		
Deferred tax (debits) arising from:		
Unused tax losses	(9,532)	(9,532)
Provision against investments	(57,149)	(57,149)
Provision against loans, advances and trade debts	(136,444)	(213,679)
Provision for donation	(157)	(1,067)
Provision for Workers' Welfare Fund	(76,035)	(66,938)
Unrealised loss on revaluation of derivative instruments	(17,715)	(14,366)
	<u>(297,032)</u>	<u>(362,731)</u>
Deferred tax credits arising due to:		
Operating fixed assets	176,981	162,221
Goodwill	486,866	461,110
Unrealized gain on revaluation of investment classified as held-for trading	4,547	3,809
Surplus on revaluation of non-banking assets acquired In satisfaction of claims	516	-
Surplus on revaluation of investment classified as available-for-sale	1,215,047	1,306,843
	<u>1,883,957</u>	<u>1,933,983</u>
	<u>1,586,925</u>	<u>1,571,252</u>



	(Unaudited) June 30, 2016	(Audited) December 31, 2015
Note	(Rupees in '000)	
14. SURPLUS ON REVALUATION OF ASSETS - net of tax		
Surplus on revaluation of non-banking assets acquired In satisfaction of claims	20,549	-
Surplus / (deficit) on revaluation of available-for-sale securities - net of tax		
Government securities	2,977,698	3,159,726
Ordinary shares - listed	498,433	616,068
Open end mutual funds	586,347	555,673
Term finance certificates - listed	-	35
Foreign currency bonds	(30,130)	(72,986)
	<u>4,032,348</u>	<u>4,258,516</u>
Related deferred tax liability	(1,215,084)	(1,306,843)
	<u>2,837,813</u>	<u>2,951,673</u>
Group's share	2,641,968	2,757,529
Non-controlling interest	195,845	194,144
	<u>2,837,813</u>	<u>2,951,673</u>
15. CONTINGENCIES AND COMMITMENTS		
15.1 Transaction-related contingent liabilities		
Includes performance bonds, bid bonds, warranties, advance payment guarantees, shipping guarantees and standby letters of credit related to particular transactions.		
i) Government	18,189,777	13,374,471
ii) Banking companies and other financial institutions	2,686,110	590,642
iii) Others	4,500,273	2,888,172
	<u>25,376,160</u>	<u>16,853,285</u>
15.1.1 Included herein the outstanding guarantees of Rs.28.218 million (December 31, 2015: Rs.47.902 million) of related parties.		

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the half year ended June 30, 2016

	Note	(Unaudited) June 30, 2016 (Rupees in '000)	(Audited) December 31, 2015
15.2 Trade-related contingent liabilities			
Documentary credits	15.2.1	<u>16,455,981</u>	<u>11,134,071</u>
15.2.1		Included herein the outstanding amount of Rs.2,532.579 million (December 31, 2015: Rs.3.080 million) of related parties.	
15.3		<u>66,886</u>	<u>66,884</u>
15.4			
Forward commitment to extend credit		<u>662,761</u>	<u>1,396,767</u>
15.2.1		Included herein the commitment of Rs.347.077 million (December 31, 2015: Rs.600 million) of related parties.	
15.5		<u>103,129</u>	<u>616,466</u>
15.6			
15.6.1			
Purchase		<u>9,424,060</u>	<u>9,076,271</u>
Sale		<u>8,102,864</u>	<u>5,218,707</u>
15.6.2			
Purchase		<u>127,486</u>	<u>-</u>
Sale		<u>-</u>	<u>969,327</u>
15.6.3		<u>2,085,600</u>	<u>2,627,850</u>
15.7		There is no change in contingent liabilities since the date of annual consolidated audited financial statements for the year ended December 31, 2015 except as disclosed above.	
16. OTHER CHARGES			
16.1		This includes the penalties imposed by State Bank of Pakistan of Rs.31.660 million (June 30, 2015: Rs.1.134 million).	



	Note	Half year ended		Quarter ended	
		June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
17. BASIC AND DILUTED EARNINGS PER SHARE - UNAUDITED					
Profit after taxation for the period - attributable to ordinary equity holders of the Bank for diluted earnings	(Rs. in '000)	820,676	735,012	351,093	346,407
Preference dividend for the period ended December 31, 2015 @ 12% p.a	(Rs. in '000)	(180,000)	(155,836)	-	-
Profit after taxation for the period - attributable to ordinary equity holders of the Bank for basic earnings	(Rs. in '000)	640,676	579,176	351,093	346,407
Weighted average number of basic outstanding ordinary shares during the period	Numbers	1,072,464,262	1,072,464,262	1,072,464,262	1,072,464,262
Weighted average number of diluted outstanding ordinary shares during the period	Numbers 17.1	1,072,464,262	1,072,464,262	1,297,464,262	1,297,464,262
Basic earnings per share	Rupee	0.60	0.54	0.33	0.32
Diluted earnings per share	17.1	0.60	0.54	0.27	0.27

17.1 The diluted earnings per share for the half year ended June 30, 2016 increased when taking the convertible preference shares into account, therefore the convertible preference shares are anti-dilutive and are excluded from the weighted average number of ordinary shares for the purpose of diluted earnings per share.



Material transactions with related parties are given below:

Nature of transactions	Companies having common directorship		Companies in which parent company holds 20% or more		Other related parties	
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
	(Unaudited)					
	(Rupees in '000)					
Sale of Government Securities	643,480	-	7,673,218	13,153,264	1,490,589	160,685
Purchase of Government Securities	-	-	1,073,438	3,839,204	434,597	77,577
Sale of Sukuk / Ijara	-	-	192,469	5,040	103,508	-
Sale of shares / Units	-	-	-	-	438,572	-
Purchase of shares / Units	-	-	-	-	271,697	-
Rent / other receivable	-	-	-	-	-	1,063,442
Purchase of forward foreign exchange contracts	-	-	4,217,228	4,274,732	-	1,070,634
Sale of forward foreign exchange contracts	-	-	8,396,085	3,931,858	-	-
Letter of credits	17,016	7,565	-	5,261	-	-
Letter of guarantees	-	-	-	7,748	82,127	-
Payment to staff benefit plan	-	-	-	-	64,005	3,313
Payment to staff contribution plan	-	-	-	-	27,004	84,375
Remuneration of key management personnel	-	-	-	-	257,296	21,349
Director fees and allowances	-	-	-	-	7,275	43,262
Insurance claim received	-	-	-	-	5,326	177,146
Insurance premium paid	39,998	5,677	26,505	16,986	58,595	2,225
Rent income received / receivable	-	71,313	-	-	-	7,419
Expenses incurred on behalf	337	547	-	-	10,130	7,419
Reimbursement of expenses	261	397	-	-	8,200	6,103
Commission income	20	305	32,772	32,027	6,008	11,449
Dividend income	-	1,387	7,856	-	35,328	40,425
Advisory fee	-	-	-	-	15,000	9,000
Royalty expenses	-	-	-	-	-	5,000
Remunerative income	-	-	-	-	74,318	80,897
Services received	-	-	-	-	369	-
Sale proceeds of operating fixed assets	-	-	-	-	-	2,285
	Parent company					
	June 30, 2016	June 30, 2015				
	Un-audited					
	(Rupees in '000)					
Nature of transactions						
Purchase of Term Finance Certificates	-	938	-	-	-	-
Sale of Government Securities	-	5,597,020	-	-	-	-
Purchase of Government Securities	-	3,623,500	-	-	-	-
Rent and utilities expense paid / accrued	27,451	598	-	-	-	-
Reimbursement of expenses	3,061	26,120	-	-	-	-
Commission income	2,193	7,500	-	-	-	-
Expenses incurred on behalf	36	30	-	-	-	-
Mark-up income	-	1,285	-	-	-	-

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the half year ended June 30, 2016

19. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 "Fair Value Measurement" defines fair value as 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.

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Fair value of fixed term loans, other assets, other liabilities and fixed term deposits cannot be calculated with sufficient reliability due to absence of current and active market for 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 as stated in note 6.8 to these financial statements.

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 repriced.

Fair value hierarchy

IFRS 13 requires the Bank to classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

- 19.1 The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.



As at June 30, 2016			
Level 1	Level 2	Level 3	Total

----- Rupees in '000 -----

On balance sheet financial instruments

Financial assets classified as 'held-for-trading securities'

Government Securities

Market treasury bills	-	11,157,225	-	11,157,225
Pakistan investment bonds	-	2,301,485	-	2,301,485
Ordinary shares of listed companies	1,010,588	-	-	1,010,588
Open end mutual funds	-	363,364	-	363,364
Term finance certificates - listed	34,880	-	-	34,880
	1,045,468	13,822,074	-	14,867,542

Financial assets classified as 'available-for-sale securities' Government Securities

Market treasury bills	-	5,795,523	-	5,795,523
Pakistan investment bonds	-	79,145,906	-	79,145,906
	-	84,941,429	-	84,941,429

Ordinary Shares

Ordinary shares of listed companies	3,398,130	-	-	3,398,130
Ordinary shares of unlisted company	-	181,305	-	181,305
	3,398,130	181,305	-	3,579,435

Term Finance Certificates and Sukuks

Term finance certificates - unlisted	-	1,270,650	-	1,270,650
Sukuk certificates - unlisted	-	370,000	-	370,000
	-	1,640,650	-	1,640,650
Open end mutual funds	-	1,766,574	-	1,766,574
Foreign currency bonds (US \$)	-	4,827,275	-	4,827,275
	4,443,598	107,179,307	-	111,622,905

Off balance sheet financial instruments

Forward exchange contracts

Purchase	-	9,333,520	-	9,333,520
Sale	-	8,073,282	-	8,073,282

Forward government and equity securities

Purchase	-	127,670	-	127,670
Sale	1,038,964	-	-	1,038,964
	-	2,175,264	-	2,175,264

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the half year ended June 30, 2016

As at December 31, 2015			
Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----			

On balance sheet financial instruments

Financial assets classified as 'held-for-trading securities'

Government Securities

Market treasury bills	-	18,782,767	-	18,782,767
Pakistan investment bonds	-	3,755,124	-	3,755,124

Ordinary shares of listed companies	697,015	-	-	697,015
Open end mutual funds	-	272,030	-	272,030
Term finance certificates - listed	43,403	-	-	43,403
	<u>740,418</u>	<u>22,809,921</u>	<u>-</u>	<u>23,550,339</u>

Financial assets classified as 'available-for-sale securities'

Government Securities

Market treasury bills	-	5,705,149	-	5,705,149
Pakistan investment bonds	-	78,948,950	-	78,948,950
	-	84,654,099	-	84,654,099

Ordinary Shares

Ordinary shares of listed companies	3,475,010	-	-	3,475,010
Ordinary shares of unlisted company	-	26,273	-	26,273
	3,475,010	26,273	-	3,501,283

Term Finance Certificates and Sukuks

Term finance certificates - listed	84,035	-	-	84,035
Term finance certificates - unlisted	-	1,544,462	-	1,544,462
Sukuk certificates - unlisted	-	380,000	-	380,000
	84,035	1,924,462	-	2,008,497
Open end mutual funds	-	1,920,886	-	1,920,886
Foreign currency bonds (US \$)	-	1,249,880	-	1,249,880
	<u>4,299,463</u>	<u>112,585,521</u>	<u>-</u>	<u>116,884,984</u>

Off balance sheet financial instruments

Forward exchange contracts

Purchase	-	9,010,743	-	9,010,743
Sale	-	5,232,871	-	5,232,871

Forward government and equity securities

Purchase	-	-	-	-
Sale	706,278	267,228	-	973,506
Cross currency swaps (notional principal)	-	2,638,243	-	2,638,243



20. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

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

	2016								
	Corporate finance	Trading and sales	Retail banking	Commercial banking	Payment and settlement	Brokerage	Asset Management	Others	Total
	(Rupees in '000)								
June 30, 2016 (unaudited)									
Total income -external	152,403	5,696,503	1,662,641	2,005,595	77,789	280,502	159,453	12,102	10,046,988
Inter-segment revenues-net	-	(2,075,058)	2,158,498	(83,440)	-	-	-	-	-
Total income	152,403	3,621,445	3,821,139	1,922,155	77,789	280,502	159,453	12,102	10,046,988
Total expenses	(11,629)	(1,230,338)	(3,989,994)	(1,933,185)	(35,659)	(219,341)	(123,309)	(715,224)	(8,258,679)
Provisions / (reversal)	-	(383,374)	-	20,235	-	-	-	-	(363,139)
Current taxation	-	-	-	-	-	-	-	(384,353)	(384,353)
Prior year taxation	-	-	-	-	-	-	-	(79,838)	(79,838)
Deferred taxation	-	-	-	-	-	-	-	(107,415)	(107,415)
Net income / (loss)	140,774	2,007,733	(168,855)	9,205	42,130	61,161	36,144	(1,274,728)	853,564
Attributable to:									
Equity holders of the Bank	-	-	-	-	-	-	-	-	820,676
Non-controlling interest	-	-	-	-	-	-	-	-	32,888
June 30, 2016 (unaudited)									
Segment assets (gross)	-	127,364,974	38,962,307	48,884,121	-	2,696,414	2,602,568	11,496,953	232,007,337
Segment non performing assets	-	917,167	161,557	3,044,193	-	326,456	200,337	10,861	4,660,571
Segment provision required	-	(917,167)	(80,961)	(2,621,832)	-	(326,456)	(200,337)	(10,861)	(4,157,614)
Segment liabilities	-	19,000,674	123,826,253	57,386,123	2,946,728	554,142	191,504	4,928,103	208,833,527
	2015								
	Corporate finance	Trading and sales	Retail banking	Commercial banking	Payment and settlement	Brokerage	Asset Management	Others	Total
	(Rupees in '000)								
June 30, 2015 (unaudited)									
Total income -external	101,071	5,538,891	1,644,502	1,883,058	94,331	410,642	287,982	15,301	9,975,778
Inter-segment revenues-net	-	(1,973,056)	1,883,110	17,525	-	-	-	72,421	-
Total income	101,071	3,565,835	3,527,612	1,900,583	94,331	410,642	287,982	87,722	9,975,778
Total expenses	(8,817)	(1,836,684)	(3,591,845)	(1,695,380)	(35,151)	(243,484)	(62,941)	(462,511)	(7,936,813)
Provisions / impairments	-	(97,704)	-	(576,176)	-	-	-	-	(673,880)
Current taxation	-	-	-	-	-	-	-	(164,729)	(164,729)
Prior years	-	-	-	-	-	-	-	(10,531)	(10,531)
Deferred taxation	-	-	-	-	-	-	-	(298,086)	(298,086)
Net income / (loss)	92,254	1,631,447	(64,233)	(370,973)	59,180	167,158	225,041	(848,135)	891,739
Attributable to:									
Equity holders of the Bank	-	-	-	-	-	-	-	-	735,012
Non-controlling interest	-	-	-	-	-	-	-	-	156,727
December 31, 2015 (audited)									
Segment assets (gross)	-	127,893,217	36,295,844	45,131,782	-	2,828,092	2,563,482	10,322,818	225,035,235
Segment non performing loans and impaired Investments	-	533,793	108,493	2,874,332	-	740,883	219,869	10,861	4,488,231
Segment provision required	-	(533,793)	(74,626)	(2,648,555)	-	(740,883)	(219,869)	(10,861)	(4,228,587)
Segment liabilities	-	49,392,266	96,164,828	49,436,399	1,609,425	658,411	231,015	4,306,158	201,798,502

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the half year ended June 30, 2016

21. GENERAL

21.1 The figures in this consolidated condensed interim financial information have been rounded off to the nearest thousand.

21.2 Figures of the consolidated condensed interim profit and loss account and consolidated condensed interim statement of comprehensive income for the quarters ended June 30, 2016 and June 30, 2015 have not been subject to limited scope review by the auditors as they are only required to review half yearly figures.

22. DATE OF AUTHORISATION FOR ISSUE

This consolidated condensed interim financial information was authorised for issue by the Board of Directors of the Bank in their meeting held on August 25, 2016.

Chairman

President and
Chief Executive Officer

Director

Director



Shaheen Commercial Complex,
Dr. Ziauddin Ahmed Road, P.O. Box 4847,
Karachi-74200, Pakistan.
UAN: +92 21 111 JS BANK (572-265)