



Condensed Interim Financial Information  
For the Nine Months Period ended  
September 30, 2016 (Un-Audited)

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278 Branches in 138 Cities





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## 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

## 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

## 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



On behalf of the Board of Directors, I am pleased to present the financial statements of JS Bank Limited (the 'Bank') along with consolidated financial statements of the Bank with its subsidiaries JS Global Capital Limited and JS Investments Limited for the nine months period and third quarter ended September 30, 2016.

## **Economic Review**

The growth momentum sustained in Pakistan's economy for the first nine months of 2016 ended with some important developments on the macroeconomic front. Pakistan received IMF's last tranche of US\$ 135 million thereby successfully completing IMF's Extended Fund Facility (EFF) program. Along with increasing sources of foreign funding and decreasing concerns over debt sustainability, global commodity prices continued to stay weak, painting a positive outlook in the near term and giving Pakistan the necessary time to address structural problems in the economy. In the long term, successful and timely completion of the China Pakistan Economic Corridor (CPEC) will be the key in ensuring continued economic progress. Key macroeconomic indicators such as (1) low inflation (CPI averaged at a low of 3.85% year-over-year (YoY) in the first three months of financial year 2017), (2) high FX reserves (above US\$ 20 billion, translating into over 5 months of import cover) and (3) low interest rates (policy rate at a historic low of 5.75%) are reflective of a healthy economic outlook.

## **Banking Review**

The State Bank of Pakistan (SBP) continued the monetary easing cycle with the policy rate at 5.75%. Private sector credit off-take growth remained flat during the first eight months of 2016. Banking spreads dropped to 5.16% in the same period, marking a 53 basis points (bps) YoY decline. As per SBP, banking deposits touched PKR 10,166 billion during the first eight months of 2016, registering a growth of 13% YoY. Investments increased by 13% YoY, reaching PKR 7,114 billion with Investments to Deposits Ratio (IDR) intact at 70%. Advances grew 10% YoY to PKR 5,041 billion whereas Advances to Deposits Ratio (ADR) for the industry dropped slightly to 50% owing to limited loan book expansion by scheduled banks. Non-Performing Loans (NPLs) for the industry also increased PKR 605 billion as of December 2015 to PKR 635 billion as of June 2016. However, infection ratio for the industry has decreased from 11.4% to 11.1% during the same period.

## **Financial Performance**

During the period under review, deposits and advances increased from PKR 141.8 billion and PKR 76.7 billion as of December 31, 2015 to PKR 188.8 billion (growth of 33.1%) and PKR 79.6 billion (growth of 3.9%) respectively as at September 30, 2016. Investments increased to PKR 130.9 billion from PKR 116.0 billion (growth of 12.8%) during the same period.

The Bank has earned profit before tax of PKR 1,842.8 million (profit after tax of PKR 1,118.4 million) for the nine months period ended September 30, 2016 as compared to the profit before tax of PKR 1,732.4 million (profit after tax of PKR 1,081.9 million) in the corresponding period last year. This is a reflection of the steadily improving performance of the Bank during this period. The increase in profit is mainly due to an increase in net interest income (after provisions) and non-markup income by 20.2% and 25.5% respectively.

## **Business Review**

The Bank continues to grow its market share in assets, deposits, alternate delivery channels, bancassurance and home remittances. During Q3 2016, the Bank has taken further initiatives to enhance its service delivery and distribution, including the roll out of a dedicated sales force for consumer liabilities and

consumer assets. On the asset side, the focus remains on prudent expansion in advances and growing our fee income streams. The Bank is also gradually and prudently expanding its Agriculture Credit, Auto Loans, Credit Cards, Leasing and Gold Finance portfolios while developing a concrete footing in the small and medium-sized enterprises (SME) business.

After the SBP's final approval in June 2016, the Branchless Banking business was commercially launched on July 1, 2016. Simultaneously, the Bank started activating its agent's network for transaction acquiring and for generating business volumes.

During the Q3 2016, the Investment Banking Group achieved the financial close of Pakistan's first ever "AAA" (Triple A) rated corporate bond. Currently, it is advising and arranging a number of transactions in real estate, pharmaceutical, microfinance and chemical sectors.

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

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 JS Bank a 'Positive Outlook' to the long term entity rating of "A+" (Single A Plus), while maintaining the short-term rating at "A1+" (A One Plus) which is the highest possible rating in this category.

### 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 2,458.2 million as of September 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:

PKR Million

Particulars	For the nine months ended	For the nine months ended
	September 30, 2016	September 30, 2015
	(Unaudited)	(Unaudited)
Profit before tax	162.2	296.4
Profit after tax	115.4	186.8
EPS (Rupees)	2.71	3.74



The decrease in the company's profits was mainly due to lower average trading volumes at the stock exchange (16% percent less as compared to the corresponding period last year), thereby significantly reducing the brokerage income of the company.

- **JS Investments Limited**

JS Investments has shareholders' equity of PKR 2,304.3 million as of September 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:

PKR Million

Particulars	For the nine months ended September 30, 2016	For the nine months ended September 30, 2015
	(Unaudited)	(Unaudited)
Profit before tax	42.6	215.0
Profit after tax	31.8	197.5
EPS (Rupees)	0.40	1.98

The decrease in the company's profits was mainly due to non-realization of capital gains.

### **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 continued support and guidance. We would like to thank all our customers for their confidence and continued patronage. We also wish to convey our appreciation to all of our staff members for their professionalism and commitment.

On behalf of the Board

Khalid Imran  
President & CEO

Karachi: October 19, 2016

## ڈائریکٹرز رپورٹ برائے ممبران

ہورڈ آف ڈائریکٹرز کے توسط سے ستمبر 2016 کو ختم ہونے والی تیسری سہ ماہی اور نو ماہ کی مدت کیلئے JS بینک لیٹزر ("بینک") نیز اسکے ذیلی اداروں JS گلوبل سیکورٹیز اور JS انٹرنیشنل لیٹزر کے مجموعی مالیاتی گوشوارے کے ساتھ بینک کے مالیاتی گوشوارے پیش کرتے ہوئے مجھے از حد مسرت ہو رہی ہے۔

### معاشی جائزہ

2016ء کے پہلے نو ماہ کے لئے پاکستان کی معیشت میں پائیدار ترقی کا رجحان دیکھا گیا جو بڑے پیمانے پر معاشی محاذ پر رکھو اہم پیش رفتوں کے ساتھ اختتام پذیر ہوا۔ پاکستان نے آئی ایم ایف کی 135 ملین ڈالر کی آخری قسط وصول کرتے ہوئے آئی ایم ایف کے ایکسٹینڈڈ فنڈ فیٹیلٹی (EFF) پروگرام کو کامیابی سے مکمل کیا۔ غیر ملکی امداد کے بڑھتے وسائل اور قرضے پر انحصار پر کمی سے عالمی طور پر ایشیا کی معیشتیں کم سطح پر رہیں جو اس حوالے سے مثبت اور خوش کن منظر ہے کہ پاکستان کو اپنے اسٹرکچرل مسائل کے حل کیلئے ضروری وقت مل جائے گا۔ طویل المدت حوالے سے چاٹا پاکستان آئی ایم ایف کے پروگرام (CPEC) کی کامیابی اور بروقت بحیل معاشی ترقی کی رفتار کو جاری رکھنے میں اہم عنصر ثابت ہوگی۔ بڑے پیمانے پر اہم معاشی اشاریے سمیت معاشی منظر نامے کے عکاس ہیں، جیسا کہ (1) کم انفرالوزر (مالیاتی سال 2017ء) کے پہلے تین ماہ میں CPI کی سال بہ سال 3.85 فیصد کمی (آدھ پر) (2) زرمبادلہ کے ذریعہ 20 خزاں 2016 ملین امریکی ڈالر سے زائد جو 5 ماہ سے زائد کی درآمدات کیلئے کافی ہیں (3) اور (3) کم شرح سود (5.75 فیصد) تاریخ کی کم ترین پالیسی سطح) سمیت معاشی مہم کی عکاس ہے۔

### بینکاری کا جائزہ

5.75 فیصد کے پالیسی ریٹ کی مدد سے اسٹیٹ بینک آف پاکستان (SBP) گردش زرمیں آسانی پیدا کر رہا ہے۔ 2016ء کے ابتدائی آٹھ ماہ کے دوران پرائمیٹیکٹر کی جانب سے قرضے لینے کی شرح میں کوئی خاص بڑھوتری دیکھنے میں نہیں آئی۔ اسی مدت کے دوران بینکوں کے قرضے لینے اور دینے کی شرح 5.16 فیصد تک گری جس میں گزشتہ سالوں کی بہ نسبت 53 بنیادی پوائنٹس (bps) کمی کی واقع ہوئی۔ SBP کے مطابق 2016ء کے ابتدائی آٹھ ماہ کے دوران بینکنگ ڈپازٹس نے 10,166 ملین پاکستانی روپے کے ہدف کو چھوئے ہوئے گزشتہ سالوں کی بہ نسبت 13 فیصد بڑھوتری کاہر کی۔ گزشتہ برسوں کی بہ نسبت سرمایہ کاری میں بھی 13 فیصد کا اضافہ ہوا جو 7,114 ملین پاکستانی روپے تک پہنچی جبکہ سرمایہ کاری سے ڈپازٹس (IDR) کی شرح 70 فیصد بڑھوتری کاہر کی۔ گزشتہ برسوں کے مقابلے میں اینڈوائسز 10 فیصد بڑھ کر 5,041 ملین روپے تک پہنچے جبکہ صنعت ہڈا کیلئے اینڈوائسز سے ڈپازٹس (ADR) کی شرح معمولی کم ہو کر 50 فیصد تک پہنچی جس کی وجہ سے ڈیولپمنٹ بینکوں کی جانب سے قرضوں کے اجراء کی حد میں کمی تھی۔ اینڈوائسز کیلئے نان پرفارمنگ لوٹز (NPL) ستمبر 2015ء میں 605 ملین روپے سے بڑھ کر جون 2016ء میں 635 ملین روپے تک پہنچے۔ تاہم اسی مدت کے دوران اینڈوائسز کیلئے نفع کی شرح میں کمی آئی جو 11.4 فیصد سے کم ہو کر 11.1 فیصد تک پہنچی۔

### مالیاتی کارکردگی

زیر جائزہ مدت کے دوران ڈپازٹس اور اینڈوائسز میں 31 ستمبر 2015ء کو 141.8 ملین روپے اور 76.7 ملین روپے بالترتیب سے 30 ستمبر 2016ء کو 188.8 ملین روپے (33.1 فیصد بڑھوتری) اور 79.6 ملین روپے (3.9 فیصد بڑھوتری) بالترتیب اضافہ ہوا۔ اسی مدت کے دوران سرمایہ کاری کا حجم 1160 ملین روپے سے بڑھ کر 130.9 ملین روپے (12.8 فیصد بڑھوتری) تک پہنچ گیا۔

بینک نے 30 ستمبر 2016 کو ختم ہونے والی نو ماہی مدت کے دوران 1,842.8 ملین روپے کا قس از قس منافع (1,118.4 ملین منافع بعد از ٹیکس) کا یا جبکہ گزشتہ برس اسی مدت کے دوران قس از قس منافع 1,732.4 ملین روپے (1,081.9 ملین روپے بعد از ٹیکس) کا رہا تھا۔ اس سے ظاہر ہوتا ہے کہ اس مدت کے دوران جاری بینک کی بڑھوتری کی رفتار کا مظہر رہی ہے۔ منافع میں اضافے کی بڑی وجہ (بعد از اطلاق قواعد) خالص سودی آمدنی اور تان مارک اپ آمدنی میں بالترتیب 20.2 فیصد اور 25.5 فیصد اضافہ ہے۔





## کاروباری جائزہ

۱۴۵ جات، ڈپازٹس، آن لائن ڈیلوری چھٹاؤ، bancassurance اور بیرون ملک سے محصول ہونے والی ترسیلات کے ضمن میں مارکیٹ شیئر میں اضافے کی بدولت بینک ترقی کر رہا ہے۔ 2016ء کی تیسری سہ ماہی کے دوران واجبات صارفین (کنزیومر ایکٹیویٹیز) اور ۱۴۵ جات صارفین (کنزیومر سٹیٹسٹس) کیلئے پرجوش سٹریٹجیوں میں میدان میں اتار نے سمیت سروس ڈیلوری اور ڈسٹری بیوٹن بڑھانے کی غرض سے بینک نے مزید اقدامات اٹھائے ہیں۔ ۱۴۵ جات کے ضمن میں ایڈوانسز کا اہتمام زریعی سے توسیع دینے اور فیصلوں کی مدد میں ہونے والی آمدنی کا بہاؤ بڑھانے پر توجہ مرکوز ہے۔ بینک اپنے زرعی قرضوں، آٹو لونز، کریڈٹ کارڈز، کریڈٹ لیننگ اور گولڈن ٹائمس پورٹ فولیو میں بھی بتدریج ترقی کر رہی اور ادائیگی کے ساتھ اضافہ کر رہا ہے اور ساتھ ہی اس سال اور میڈیم سائز انڈسٹری (SME) میں بھی قدم بٹانے کی تیاری کر رہا ہے۔

جون 2016ء میں SBP کی جانب سے حتمی منظوری دینے جانے کے بعد یکم جولائی 2016ء کو براچ لیننگ بینکنگ کا آغاز بھی کر دیا گیا ہے۔ ساتھ ساتھ بینک نے سودوں اور کاروباری حجم میں اضافے کی غرض سے اپنے انجینئرنگ نیٹ ورک کو متحرک کرنے کی کارروائی بھی شروع کر دی ہے۔

2016ء کی تیسری سہ ماہی کے دوران انٹرنیشنل بینکنگ گروپ نے پاکستان کا پہلا "AAA" (ٹریبل اے) ریٹنگ کارپوریٹ بونڈ حاصل کر لیا۔ حالیہ طور سے بینک رینٹل ایسیٹ، فارماسیوٹیکل، مائیکرو فنانس اور ٹیکنیکل سیکٹرز میں متعدد سودوں کیلئے مشاورت فراہم کرنے کے علاوہ ان کا انتظام بھی کر رہا ہے۔

بینک کی مالی لین الاوامی (ہول سیل) براچ لیننگ نے بحران میں 2016ء کے شروع میں کاروبار کا آغاز کیا۔ یہ براچ بحران میں ایسی کارپوریٹ اور اسٹیٹیوٹل بینکنگ کی ایسی خدمات پیش کر رہی ہے جو بحران کے صارفین کی ضروریات کے ضمن میں مطابقت ہے۔

ملک کے 138 شہروں میں 277 شاخوں کے نیٹ ورک کی موجودگی اور مسابقتی بینکاری محصولات و خدمات کے ساتھ نہ صرف 2016ء بلکہ اسکے بعد بھی متاثر کن مرکزی اور ملٹی ریجنیو ریٹائرڈ کروانے کے لئے پوری طرح تیار ہے۔

## کریڈٹ ریٹنگز

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے JS بینک کو بطور ادارہ طویل مدت میں "A++" (سنگل اے پلس) ریٹنگ عطا کر کے "پوزیٹو آؤٹ لوک" فراہم کیا ہے جبکہ اس کی گھل ملتی ریٹنگ "A1++" (اے او پلس) برقرار رکھی ہے جو اس کی ٹیکسٹری میں سب سے زیادہ بہترین ریٹنگ ہے۔

## ذیلی کمپنیاں

### ● JS گلوبل کپٹل لمیٹڈ

JS گلوبل کپٹل لمیٹڈ پاکستان کی ایک بڑے سیکورٹیز بروکرینج ایجنٹ انٹرنیشنل بینکنگ فرم ہے جسے ملٹی کپٹل مارکیٹ میں ایڈریٹیوٹی حیثیت حاصل ہے۔ JS بینک اس کمپنی کے 67.2 فیصد حصے کا مالک ہے۔

JS گلوبل کے پاس 30 ستمبر 2016ء تک کپٹل کی 2,458.2 ملین روپے کی شیئر ہولڈرز ڈیکوٹیٹی ہے۔ یہ پاکستان اسٹاک ایکسچینج میں منسلک کمپنی ہے۔

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے JS گلوبل کو بطور ادارہ "بلیٹریٹ" "AA" (ڈبل اے) اور "A1++" (اے او پلس) ریٹنگ عطا کی ہے۔ یہ ریٹنگز انتہائی کم کریڈٹ ریسک کی نظر میں جو بلاشبہ مالیاتی معاہدوں کی بروقت ادائیگی کی مضبوط صلاحیت کی مرہون بنتی ہیں۔

اس کمپنی کے نتائج کا خلاصہ ذیل میں پیش کیا جا رہا ہے:

تھریٹس روپے	30 ستمبر 2016ء کو اختتام پذیر ایبٹائی نو ماہ	30 ستمبر 2015ء کو اختتام پذیر ایبٹائی نو ماہ
تھریٹس	30 ستمبر 2016ء کو اختتام پذیر ایبٹائی نو ماہ	30 ستمبر 2015ء کو اختتام پذیر ایبٹائی نو ماہ
غیر آؤٹ شدہ	162.2	296.4
غیر آؤٹ شدہ	115.4	186.8
EPS (روپے)	2.71	3.74

کمپنی کے نتائج میں کمی کی بڑی وجہ اسٹاک ایکسچینج میں کاروباری حجم کی اوسط کا کم ہونا تھا (گزشتہ برس ای مدت کے مقابلے میں 16 فیصد کم) جو کمپنی کی بروکرینج کی مدد میں

آرڈر میں کمی پر متوجہ ہوئی۔

### ● JS انویسٹمنٹس لمیٹڈ

JS انویسٹمنٹس کو 30 ستمبر 2016 تک 2,304.3 ملین روپے کی شیئر ہولڈرز ایکٹیوٹی حاصل ہے۔ یہ پاکستان اسٹاک ایکسچینج میں لسٹڈ کمپنی ہے۔ اس کمپنی کی 65.2 فیصد ملکیت JS بینک کو حاصل ہے۔

اس کمپنی کو مستحکم آڈٹ کنک کے ساتھ AM2 "ہیجمنٹ کو ایٹی ریٹنگ حاصل ہے جو JCR-VIS نے جبکہ (طویل اگلی مدت میں) بالترتیب "A+/A1" کی کریڈٹ ریٹنگ حاصل ہے جو PACRA کی عطا کردہ ہے۔

یہ کمپنی انویسٹمنٹ ایڈوائزر اور ایسٹیبلیشمنٹ ہیجمنٹ کمپنی ہے جو نان بینکنگ فنانس کمپنیز (اسٹیبلشمنٹ اینڈ ریگولیشن) رولز 2003 (دی NBFC رولز) اور نان بینکنگ فنانس کمپنیز اینڈ ٹریڈنگ اینڈ انعامیٹیو ریگولیشنز 2008 (دی NBFC ریگولیشنز) کے تحت کام کر رہی ہے۔ اسکے علاوہ یہ کمپنی ایک لائسنس یافتہ پمپن فنڈ منیجر ہے جو واپس پمپن سسٹم رولز 2005 کے تحت رضا کارانہ پمپن اسکیموں کا انتظام کرتی ہے۔

اس کمپنی کے نتائج کا خلاصہ ذیل میں پیش کیا جا رہا ہے :

ملین روپے

تفصیلات	30 ستمبر 2016 کو اختتام پزیرا ہفتائی نو ماہ	30 ستمبر 2015 کو اختتام پزیرا ہفتائی نو ماہ
منافع قبل از ٹیکس	42.6	215.0
منافع بعد از ٹیکس	31.8	197.5
EPS (روپے)	0.40	1.98

کمپنی کے منافع میں کمی کی بڑی وجہ اضافہ شدہ سرمایہ (کمپنیل گینز) کی عدم وصولیائی ہے۔

### اظہار تشکر

ہم اسٹیٹ بینک آف پاکستان اور سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان سے اظہار تشکر کرتے ہیں کہ ان کی جانب سے اعانت و رہنمائی ہمیں مسلسل حاصل ہے۔ اسکے علاوہ ہم ان کے اتحاد و ہمدردی سے اور مسلسل سرپرستی کرنے پر اپنے گاہکوں کے بھی شکر گزار ہیں۔ اسکے ساتھ ساتھ ان کے مکمل طور پر پیشہ وارانہ رویوں اور وفاداریوں کی بدولت اپنے تمام اسٹاف ممبرز کو بھی مدد و تہمت پیش کرتے ہیں۔

کراچی، 19 اکتوبر 2016

مختاب پورڈ

خالد عمران

پریذیڈنٹ اور سی ای ای او

# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2016



		(Un-audited) September 30, 2016	(Audited) December 31, 2015
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
Cash and balances with treasury banks		12,585,848	11,159,432
Balances with other banks		1,878,181	583,724
Lendings to financial institutions	7	500,000	3,581,329
Investments - net	8	130,851,932	116,029,825
Advances - net	9	79,634,835	76,666,180
Operating fixed assets	10	5,791,795	4,573,671
Deferred tax assets - net		-	-
Other assets		4,756,194	5,881,502
		<b>235,998,785</b>	<b>218,475,663</b>
<b>LIABILITIES</b>			
Bills payable		2,572,598	1,609,425
Borrowings		21,833,092	54,638,318
Deposits and other accounts	11	188,834,845	141,840,487
Sub-ordinated loans		-	-
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities	12	1,777,466	1,695,393
Other liabilities		4,147,701	2,724,137
		<b>219,165,702</b>	<b>202,507,760</b>
<b>NET ASSETS</b>		<b>16,833,083</b>	<b>15,967,903</b>
<b>REPRESENTED BY:</b>			
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		1,142,494	918,816
Unappropriated profit		3,243,843	2,529,092
		<b>14,505,579</b>	<b>13,567,150</b>
Surplus on revaluation of assets - net of tax	13	2,327,504	2,400,753
		<b>16,833,083</b>	<b>15,967,903</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	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 nine months period ended September 30, 2016



	Nine months period ended		Quarter ended		
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015	
Note	----- (Rupee) -----				
Mark-up / return / interest earned	11,319,422	11,445,520	3,960,786	3,834,433	
Mark-up / return / interest expensed	6,977,241	7,405,878	2,480,793	2,332,471	
Net mark-up / interest income	4,342,181	4,039,642	1,479,993	1,501,962	
Reversal / (provision) against non-performing loans and advances - net	58,500	(554,856)	38,265	21,320	
Provision for diminution in the value of investments	(383,374)	(141,150)	-	-	
Bad debts written off directly	-	-	-	-	
	(324,874)	(696,006)	38,265	21,320	
Net mark-up / return / interest income after provisions	4,017,307	3,343,636	1,518,258	1,523,282	
<b>NON MARK-UP / INTEREST INCOME</b>					
Fee, commission and brokerage income	1,060,380	808,267	324,471	242,960	
Dividend income	65,968	54,950	4,926	8,963	
Income from dealing in foreign currencies	287,792	113,812	39,490	44,438	
Gain on sale / redemption of securities - net	1,330,049	1,109,569	89,315	172,273	
Unrealised (loss) / gain on revaluation of investments classified as held-for-trading - net	(10,898)	2,997	(24,510)	4,748	
Other (loss) / income - net	(1,198)	87,309	50,004	37,455	
Total non-mark-up / interest income	2,732,093	2,176,904	483,696	510,837	
	6,749,400	5,520,540	2,001,954	2,034,119	
<b>NON MARK-UP / INTEREST EXPENSES</b>					
Administrative expenses	4,837,373	3,751,946	1,431,353	1,225,700	
Other provisions / write offs	-	-	-	-	
Other charges	69,236	36,192	11,703	16,234	
Total non mark-up / interest expenses	4,906,609	3,788,138	1,443,056	1,241,934	
	1,842,791	1,732,402	558,898	792,185	
Extra ordinary / unusual items	-	-	-	-	
<b>PROFIT BEFORE TAXATION</b>	1,842,791	1,732,402	558,898	792,185	
Taxation					
- Current	(512,797)	(123,676)	(172,769)	(41,218)	
- Prior years	(79,838)	(10,105)	-	426	
- Deferred	(131,764)	(516,694)	(22,597)	(236,041)	
	(724,399)	(650,475)	(195,366)	(276,833)	
<b>PROFIT AFTER TAXATION</b>	1,118,392	1,081,927	363,532	515,352	
	----- (Rupee) -----				
Basic earnings per share	16	0.87	0.86	0.34	0.48
Diluted earnings per share	16	0.86	0.83	0.28	0.40

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 nine months period ended September 30, 2016



	Nine months period ended		Quarter ended	
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
	----- (Rupees in '000) -----			
Profit after taxation	1,118,392	1,081,927	363,532	515,352
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	1,118,392	1,081,927	363,532	515,352
Items that may be reclassified to profit or loss in subsequent periods				
(Deficit) / surplus arising on revaluation of available-for-sale securities	(143,490)	2,513,753	126,913	736,930
Related deferred tax asset / (liability)	50,222	(879,814)	(44,419)	(257,926)
	(93,268)	1,633,939	82,494	479,004
Total comprehensive income during the period - net of tax	1,025,124	2,715,866	446,026	994,356

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 CHANGES IN EQUITY (UNAUDITED)

For the nine months period ended September 30, 2016



	Share capital	Discount on issue of shares	Preference shares	Statutory reserve	Unappropriated profit	Total
(Rupees in '000)						
<b>Balance as at January 01, 2015 (Audited)</b>	10,724,643	(2,105,401)	1,500,000	513,707	1,070,775	11,703,724
<b>Total comprehensive income for the nine months period ended September 30, 2015</b>						
Profit after taxation	-	-	-	-	1,081,927	1,081,927
Other comprehensive income	-	-	-	-	-	-
	-	-	-	-	1,081,927	1,081,927
<b>Transaction with owners recorded directly in equity</b>						
Preference dividend for the period ended December 31, 2014 @ 12% p.a.	-	-	-	-	(155,836)	(155,836)
<b>Transfers</b>						
Transfer to statutory reserve	-	-	-	216,385	(216,385)	-
<b>Balance as at September 30, 2015 (Unaudited)</b>	10,724,643	(2,105,401)	1,500,000	730,092	1,780,481	12,629,815
<b>Total comprehensive income for the quarter ended December 31, 2015</b>						
Profit after taxation	-	-	-	-	943,620	943,620
Other comprehensive Income	-	-	-	-	(6,285)	(6,285)
	-	-	-	-	937,335	937,335
<b>Transfers</b>						
Transfer to statutory reserve	-	-	-	188,724	(188,724)	-
<b>Balance as at December 31, 2015 (Audited)</b>	10,724,643	(2,105,401)	1,500,000	918,816	2,529,092	13,567,150
<b>Total comprehensive income for the nine months period ended September 30, 2016</b>						
Profit after taxation	-	-	-	-	1,118,392	1,118,392
Other comprehensive income	-	-	-	-	-	-
	-	-	-	-	1,118,392	1,118,392
Transfer from surplus on revaluation of non-banking assets to unappropriated profit - net of tax	-	-	-	-	37	37
Preference dividend for the year ended December 31, 2015 @ 12% p.a.	-	-	-	-	(180,000)	(180,000)
<b>Transfers</b>						
Transfer to statutory reserve	-	-	-	223,678	(223,678)	-
<b>Balance as at September 30, 2016 (Un-audited)</b>	<u>10,724,643</u>	<u>(2,105,401)</u>	<u>1,500,000</u>	<u>1,142,494</u>	<u>3,243,843</u>	<u>14,505,579</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 nine months period ended September 30, 2016



	September 30, 2016	September 30, 2015
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,842,791	1,732,402
Less: Dividend income	(65,968)	(54,950)
	<u>1,776,823</u>	<u>1,677,452</u>
<b>Adjustments:</b>		
Depreciation	375,963	310,420
Amortisation of intangibles	36,339	30,856
Charge for defined benefit plan	82,978	54,023
Unrealised loss / (gain) on revaluation of investments classified as held-for-trading	10,898	(2,997)
(Reversal) / provision against non-performing loans and advances - net	(58,500)	554,856
Provision for diminution in the value of investments	383,374	141,150
Unrealised loss / (gain) on revaluation of derivative instruments	27,947	(60,238)
Gain on disposal of operating fixed assets	(26,749)	(27,071)
Provision for Workers' Welfare Fund	36,856	34,647
	<u>869,106</u>	<u>1,035,646</u>
	<u>2,645,929</u>	<u>2,713,098</u>
<b>Decrease / (increase) in operating assets</b>		
Lendings to financial institutions	3,081,329	5,953,517
Investment in held-for-trading securities - net	5,546,766	13,309,249
Advances	(2,910,155)	(3,079,436)
Other assets (excluding advance taxation)	1,252,292	1,998,168
	<u>6,970,232</u>	<u>18,181,498</u>
<b>Increase / (decrease) in operating liabilities</b>		
Bills payable	963,173	290,563
Borrowings	(33,420,166)	4,210,538
Deposits and other accounts	46,994,358	19,702,642
Other liabilities	1,339,788	425,752
	<u>15,877,153</u>	<u>24,629,495</u>
	<u>25,493,314</u>	<u>45,524,091</u>
Income tax paid	(699,032)	(219,312)
Gratuity paid	(64,005)	(21,349)
<b>Net cash flow from operating activities</b>	<u>24,730,277</u>	<u>45,283,430</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net investment in available-for-sale securities	(20,906,635)	(43,739,155)
Dividend received	65,968	50,124
Investments in operating fixed assets	(1,647,421)	(1,132,893)
Sale proceeds from disposal of operating fixed assets	43,744	56,532
<b>Net cash used in investing activities</b>	<u>(22,444,344)</u>	<u>(44,765,392)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Preference dividend paid	(180,000)	(155,836)
<b>Increase in cash and cash equivalents</b>	<u>2,105,933</u>	<u>362,202</u>
Cash and cash equivalents at beginning of the period	11,688,471	9,450,269
Cash and cash equivalents at end of the period	<u>13,794,404</u>	<u>9,812,471</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

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the nine months period ended September 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 278 (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 nine months period ended September 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, non-banking assets acquired in satisfaction of claims 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 Bank 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)

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the nine months period ended September 30, 2016

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 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.20.02 million, Rs.0.51 million and Rs.0.86 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 year.

## 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.

		(Un-audited) September 30, 2016	(Audited) December 31, 2015
	Note	-----	----- (Rupees in '000) -----
7. LENDINGS TO FINANCIAL INSTITUTIONS			
Call money lendings		500,000	628,446
Repurchase agreement lendings (Reverse Repo)	7.1	-	2,952,883
		<u>500,000</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.Nil (December 31, 2015: Rs.3,027.856 million).

## 8. INVESTMENTS - net

		(Unaudited) September 30, 2016			(Audited) December 31, 2015		
		Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total
8.1	INVESTMENTS BY TYPES:	Note ----- (Rupees in '000) -----					
	<b>Held-for-trading securities</b>						
	Market Treasury Bills	9,241,884	2,285,386	11,527,270	18,782,717	-	18,782,717
	Pakistan Investment Bonds	5,462,915	-	5,462,915	3,698,417	49,445	3,747,862
	Ordinary shares of listed companies	940	-	940	-	-	-
		<u>14,705,739</u>	<u>2,285,386</u>	<u>16,991,125</u>	<u>22,481,134</u>	<u>49,445</u>	<u>22,530,579</u>
	<b>Available-for-sale securities</b>						
	Market Treasury Bills	5,087,657	-	5,087,657	5,696,991	-	5,696,991
	Pakistan Investment Bonds	79,381,170	14,586,522	93,967,692	31,595,615	44,201,767	75,797,382
	Ordinary shares of listed companies	2,699,403	-	2,699,403	2,851,487	-	2,851,487
	Ordinary shares of unlisted companies	553,191	-	553,191	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	962,675	-	962,675	1,759,344	-	1,759,344
	Sukuk Certificates - unlisted	360,000	-	360,000	380,000	-	380,000
	Foreign Currency Bonds	5,270,246	-	5,270,246	1,322,866	-	1,322,866
		<u>94,733,253</u>	<u>14,586,522</u>	<u>109,319,775</u>	<u>44,211,373</u>	<u>44,201,767</u>	<u>88,413,140</u>
	<b>Investment in subsidiaries</b>	1,919,121	-	1,919,121	1,919,121	-	1,919,121
	<b>Investments at cost</b>	111,358,113	16,871,908	128,230,021	68,611,628	44,251,212	112,862,840
	Less: Provision for diminution in value of investments	(917,167)	-	(917,167)	(533,793)	-	(533,793)
	<b>Investments (net of provision)</b>	<u>110,440,946</u>	<u>16,871,908</u>	<u>127,312,854</u>	<u>68,077,835</u>	<u>44,251,212</u>	<u>112,329,047</u>
	Unrealised (loss) / gain on revaluation of investments classified as held-for-trading	(10,785)	(113)	(10,898)	7,270	42	7,312
	Surplus on revaluation of available-for-sale securities	3,046,826	503,150	3,549,976	1,890,171	1,803,295	3,693,466
	<b>Total investments at carrying value</b>	<u>113,476,987</u>	<u>17,374,945</u>	<u>130,851,932</u>	<u>69,975,276</u>	<u>46,054,549</u>	<u>116,029,825</u>

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the nine months period ended September 30, 2016

- 8.1.1 Included herein are the investments in related parties amounting to Rs.1,812.626 million (December 31, 2015: Rs.1,778.111 million) having market value of Rs.3,087.484 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 banks 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)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
	Numbers		Percentage		----- (Rupees in '000) -----	
JS Global Capital Limited	25,525,169	25,525,169	67.16%	51.05%	1,357,929	1,357,929
JS Investments Limited	52,236,978	52,236,978	65.16%	65.16%	561,192	561,192
					<u>1,919,121</u>	<u>1,919,121</u>



	(Un-audited) September 30, 2016	(Audited) December 31, 2015
Note	----- (Rupees in '000) -----	
<b>9. ADVANCES - net</b>		
Loans, cash credits, running finances, etc.		
In Pakistan	72,717,726	72,795,661
Outside Pakistan	-	-
	<u>72,717,726</u>	<u>72,795,661</u>
Net Investment in finance lease - in Pakistan	6,269,260	3,226,785
Bills discounted and purchased (excluding treasury bills)		
Payable in Pakistan	1,468,206	1,266,902
Payable outside Pakistan	1,844,171	2,100,013
	<u>3,312,377</u>	<u>3,366,915</u>
Advances - gross	82,299,363	79,389,361
Provision for non-performing advances		
Specific	(2,636,453)	(2,705,929)
General	(28,075)	(17,252)
	<u>(2,664,528)</u>	<u>(2,723,181)</u>
Advances - net of provision	<u>79,634,835</u>	<u>76,666,180</u>

9.1 Advances include Rs.3,350.036 million (December 31, 2015: Rs.2,982.825 million) which have been placed under non-performing status as detailed below:

Category of classification	(Unaudited) September 30, 2016				
	Domestic	Overseas	Total	Provision required	Provision held
	----- (Rupees in '000) -----				
Other assets especially mentioned	-	-	-	-	-
Substandard	418,463	-	418,463	47,001	47,001
Doubtful	27,647	-	27,647	297	297
Loss	2,903,926	-	2,903,926	2,589,155	2,589,155
	<u>3,350,036</u>	<u>-</u>	<u>3,350,036</u>	<u>2,636,453</u>	<u>2,636,453</u>
	(Audited) December 31, 2015				
Category of classification	Domestic	Overseas	Total	Provision required	Provision held
	----- (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>

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the nine months period ended September 30, 2016

## 10. OPERATING FIXED ASSETS

- 10.1 During the period, the Bank has made additions of Rs.1,639.190 million (September 30, 2015: Rs.1,132.893 million) and deletions of Rs.160.932 million (September 30, 2015: Rs.90.257 million) having written down value of Rs.16.995 million (September 30, 2015: Rs.29.461 million).

	(Un-audited) September 30, 2016	(Audited) December 31, 2015
<b>11. DEPOSITS AND OTHER ACCOUNTS</b>	Note	----- (Rupees in '000) -----
<b>Customers</b>		
Fixed deposits	82,782,571	61,877,181
Savings deposits	41,928,470	32,635,288
Current accounts - non-remunerative	42,895,437	34,570,446
Margin accounts	3,647,860	1,557,573
	<b>171,254,338</b>	<b>130,640,488</b>
<b>Financial institutions</b>		
Remunerative deposits	17,102,021	10,996,136
Non-remunerative deposits	478,486	203,863
	<b>17,580,507</b>	<b>11,199,999</b>
	<b>11.1 188,834,845</b>	<b>141,840,487</b>
<b>11.1 Particulars of deposits</b>		
In local currency	178,926,532	130,091,091
In foreign currencies	9,908,313	11,749,396
	<b>188,834,845</b>	<b>141,840,487</b>
<b>12. DEFERRED TAX (ASSET) / LIABILITY - net</b>		
<b>Deferred tax (debits) arising from:</b>		
Provision against investments	(57,149)	(57,149)
Provision against loans and advances	(17,792)	(94,246)
Provision for Workers' Welfare Fund	(61,261)	(48,362)
Unrealised loss on revaluation of derivative instruments	(3,723)	(14,366)
	<b>(139,925)</b>	<b>(214,123)</b>
<b>Deferred tax credits arising due to:</b>		
Operating fixed assets	178,426	152,922
Goodwill	499,777	461,322
Unrealised (loss) / gain on revaluation of investment classified as held for trading	(3,814)	2,559
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	510	-
Surplus on revaluation of investment classified assets as available for sale	1,242,492	1,292,713
	<b>1,917,391</b>	<b>1,909,516</b>
	<b>1,777,466</b>	<b>1,695,393</b>



	(Un-audited) September 30, 2016	(Audited) December 31, 2015
Note	----- (Rupees in '000) -----	
<b>13. SURPLUS ON REVALUATION OF ASSETS - net of tax</b>		
Surplus on revaluation of non-banking assets acquired In satisfaction of claims	20,530	-
Surplus / (deficit) on revaluation of available-for-sale securities - net of tax		
Government Securities	2,235,798	3,159,726
Ordinary shares - listed	1,272,233	597,692
Open end mutual funds	(4,114)	8,999
Term Finance Certificates - listed	-	35
Foreign currency bonds	46,059	(72,986)
	<u>3,549,976</u>	<u>3,693,466</u>
	<u>3,570,506</u>	<u>3,693,466</u>
Related deferred tax liability	(1,243,002)	(1,292,713)
	<u>2,327,504</u>	<u>2,400,753</u>
<b>14. CONTINGENCIES AND COMMITMENTS</b>		
<b>14.1 Transaction-related contingent liabilities</b>		
Includes performance bonds, bid bonds, warranties, advance payment guarantees, shipping guarantees and standby letters of credit related to particular transactions		
i) Government	21,811,478	13,374,471
ii) Banking companies and other financial institutions	2,635,983	590,642
iii) Others	4,888,363	2,888,172
14.1.1	<u>29,335,824</u>	<u>16,853,285</u>
14.1.1 Included herein the outstanding guarantees of Rs.8.710 million (December 31, 2015: Rs.47.902 million) of related parties.		
<b>14.2 Trade-related contingent liabilities</b>		
Documentary credits	14.2.1 <u>15,054,894</u>	<u>11,134,071</u>
14.2.1 Included herein the outstanding amount of Rs.2,184.954 million (December 31, 2015: Rs.3.080 million) of related parties.		
<b>14.3 Claims not acknowledged as debts</b>	<u>66,886</u>	<u>66,884</u>
<b>14.4 Commitments in respect of forward lending</b>	14.4.1 <u>68,062</u>	<u>1,396,767</u>
14.4.1 Included herein the commitment of Rs.64.062 million (December 31, 2015: Rs.600 million) of related parties.		
<b>14.5 Commitment in respect of capital expenditure</b>	<u>91,163</u>	<u>616,466</u>

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the nine months period ended September 30, 2016

	(Un-audited) September 30, 2016	(Audited) December 31, 2015
	----- (Rupees in '000) -----	
<b>14.6 Commitments in respect of derivative instruments</b>		
<b>14.6.1 Forward exchange contracts</b>		
Purchase	7,035,433	9,076,271
Sale	8,360,348	5,218,707
<b>14.6.2 Forward investment securities</b>		
Purchase	106,334	-
Sale	196,164	267,151
<b>14.6.3 Cross currency swaps (notional principal)</b>	<b>2,085,600</b>	<b>2,627,850</b>
<b>14.7</b> 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.32.160 million (September 30, 2015: Rs.1.134 million).

	Nine months period ended		Quarter ended	
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
	----- (Rupees in '000) -----			
<b>16. BASIC AND DILUTED EARNINGS PER SHARE - UNAUDITED</b>				
Profit after taxation for the period - attributable to equity holders of the Bank for diluted earnings	1,118,392	1,081,927	363,532	515,352
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	<b>938,392</b>	926,091	<b>363,532</b>	515,352
	----- (Numbers) -----			
Weighted average number of basic outstanding ordinary shares during the period	<b>1,072,464,262</b>	1,072,464,262	<b>1,072,464,262</b>	1,072,464,262
Weighted average number of diluted outstanding ordinary shares during the period	<b>1,297,464,262</b>	1,297,464,262	<b>1,297,464,262</b>	1,297,464,262
	----- (Rupee) -----			
Basic earnings per share	<b>0.87</b>	0.86	<b>0.34</b>	0.48
Diluted earnings per share	<b>0.86</b>	0.83	<b>0.28</b>	0.40



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 8.15 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	
	(Un-audited) September 30, 2016	(Audited) December 31, 2015	(Un-audited) September 30, 2016	(Audited) December 31, 2015	(Un-audited) September 30, 2016	(Audited) December 31, 2015	(Un-audited) September 30, 2016	(Audited) December 31, 2015	(Un-audited) September 30, 2016	(Audited) December 31, 2015
<b>Advances</b>										
Opening balance	395,639	252,004	-	-	388,689	353,777	7,074	8,440	2,044,664	1,455,534
Disbursements	203,566	217,429	-	375,017	603,246	1,155,211	18,640,900	2,156	4,033,383	5,746,165
Repayments	(110,659)	(177,934)	-	(325,017)	(547,711)	(1,702,939)	(16,450,897)	(3,572)	(4,424,938)	(5,137,035)
Balance as at	488,530	356,639	-	-	444,224	388,689	2,197,077	7,074	1,653,089	2,044,664
Disbursements made during nine months period ended September 30, 2015		143,028		374,446		538,552		2,156		3,427,087
Repayment made during nine months period ended September 30, 2015		(51,983)		(374,446)		(500,097)		(3,266)		(3,000,783)
Make-up / return / interest earned for the nine months period ended September 30 (un-audited)	14,890	9,939	-	188	16,811	20,140	91,972	605	138,897	161,224
<b>Deposits</b>										
Parent										
(Un-audited) September 30, 2016	2,016,612	152,442			2,227,657	2,885,915	1,108,568	46,987	2,580,416	3,122,210
(Audited) December 31, 2015	10,985,737	29,822,405			27,360,389	13,813,555	24,987,994	7,762,789	41,910,025	47,036,332
Deposits during the period	(2,134,735)	(863,036)			(5,004,131)	(13,671,813)	(16,018,247)	(6,704,218)	(393,24,904)	(47,578,126)
Withdrawals during the period	10,867,614	(27,958,255)			24,583,915	2,227,657	10,078,315	1,108,568	51,655,537	2,580,416
Balance as at										
(Un-audited) September 30, 2016	10,867,614	76,534			14,853,323	1,485,323	10,078,315	1,108,568	51,655,537	2,580,416
(Audited) December 31, 2015	23,359,981	577,329			27,920,951	11,710,870	24,987,994	3,691,159		36,876,021
Deposits during the nine months period ended September 30, 2015										
Withdrawals made during the nine months period ended September 30, 2015										
(Un-audited) September 30, 2015	(21,852,832)	(6,666,638)			(27,920,951)	(11,473,670)		(3,450,594)		(37,432,296)
Make-up / return / interest expensed for the 10 to the nine months period ended September 30 (un-audited)	142,383	1,417			103,227	43,823	57,480	8,669	192,424	162,160





## 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.

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the nine months period ended September 30, 2016

	As at September 30, 2016			
	Level 1	Level 2	Level 3	Total
	----- Rupees in '000 -----			
<b>On balance sheet financial instruments</b>				
<b>Financial assets classified as 'held-for-trading securities'</b>				
<b>Government Securities</b>				
Market treasury bills	-	11,526,675	-	11,526,675
Pakistan investment bonds	-	5,451,606	-	5,451,606
Ordinary shares of listed companies	1,946	-	-	1,946
	1,946	16,978,281	-	16,980,227
<b>Financial assets classified as 'available-for-sale securities'</b>				
<b>Government Securities</b>				
Market treasury bills	-	5,088,545	-	5,088,545
Pakistan investment bonds	-	96,202,602	-	96,202,602
Ijara sukuk	-	-	-	-
	-	101,291,147	-	101,291,147
<b>Ordinary Shares</b>				
Ordinary shares of listed companies	3,971,636	-	-	3,971,636
Ordinary shares of unlisted company	-	169,817	-	169,817
	3,971,636	169,817	-	4,141,453
<b>Term Finance Certificates and Sukuks</b>				
Term finance certificates - listed	-	-	-	-
Term finance certificates - unlisted	-	747,793	-	747,793
Sukuk certificates - unlisted	-	360,000	-	360,000
	-	1,107,793	-	1,107,793
Open end mutual funds	95,886	-	-	95,886
Foreign currency bonds (US \$)	-	5,316,305	-	5,316,305
	4,069,468	124,863,343	-	128,932,811
<b>Off balance sheet financial instruments</b>				
<b>Forward exchange contracts</b>				
Purchase	-	6,993,235	-	6,993,235
Sale	-	8,342,698	-	8,342,698
<b>Forward government securities</b>				
Purchase	-	106,334	-	106,334
Sale	-	196,063	-	196,063
Cross currency swaps (notional principal)	-	2,156,726	-	2,156,726



	As at December 31, 2015			Total
	Level 1	Level 2	Level 3	
----- Rupees in '000 -----				
<b>On balance sheet financial instruments</b>				
<b>Financial assets classified as 'held-for-trading securities'</b>				
<b>Government Securities</b>				
Market treasury bills		18,782,767		18,782,767
Pakistan investment bonds		3,755,124		3,755,124
	-	22,537,891	-	22,537,891
<b>Financial assets classified as 'available-for-sale securities'</b>				
<b>Government Securities</b>				
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
<b>Ordinary Shares</b>				
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
<b>Term Finance Certificates and Sukuks</b>				
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 (US \$)	-	1,249,880	-	1,249,880
	3,733,372	110,377,332	-	114,110,704
<b>Off balance sheet financial instruments</b>				
<b>Forward exchange contracts</b>				
Purchase	-	9,010,743	-	9,010,743
Sale	-	5,232,871	-	5,232,871
<b>Forward government securities</b>				
Purchase	-	-	-	-
Sale	-	267,228	-	267,228
Cross currency swaps (notional principal)	-	2,638,243	-	2,638,243

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the nine months period ended September 30, 2016

## 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)						
<b>September 30, 2016 (Unaudited)</b>							
Total income - external	202,321	8,297,470	2,443,031	2,959,083	122,862	26,748	14,051,515
Inter-segment revenues-net	-	(3,671,382)	3,390,835	280,547	-	-	-
Total income	202,321	4,626,088	5,833,866	3,239,630	122,862	26,748	14,051,515
Total expenses	(46,433)	(1,778,684)	(6,401,186)	(3,002,868)	(55,509)	(599,170)	(11,883,850)
Provisions / impairments	-	(383,374)	(106,636)	165,136	-	-	(324,874)
Current taxation	-	-	-	-	-	(512,797)	(512,797)
Prior year taxation	-	-	-	-	-	(79,838)	(79,838)
Deferred taxation	-	-	-	-	-	(131,764)	(131,764)
Net income / (loss)	155,888	2,464,030	(673,956)	401,898	67,353	(1,296,821)	1,118,392
<b>September 30, 2016 (Unaudited)</b>							
Segment assets (gross)	-	142,878,447	35,206,818	44,153,173	-	17,352,903	239,591,341
Segment non performing assets	-	1,073,578	325,058	3,024,978	-	10,861	4,434,475
Segment provision required	-	(917,167)	(186,416)	(2,478,112)	-	(10,861)	(3,592,556)
Segment liabilities	-	17,134,318	134,491,533	59,042,086	2,572,598	5,925,167	219,165,702
	2015						
	Corporate finance	Trading and sales	Retail banking	Commercial banking	Payment and settlement	Others	Total
	(Rupees in '000)						
<b>September 30, 2015 (Unaudited)</b>							
Total income - external	138,296	8,236,771	2,402,321	2,683,896	134,064	27,076	13,622,424
Inter-segment revenues-net	-	(3,108,040)	2,871,528	140,563	-	95,949	-
Total income	138,296	5,128,731	5,273,849	2,824,459	134,064	123,025	13,622,424
Total expenses	(13,343)	(2,546,953)	(5,440,116)	(2,613,100)	(49,881)	(530,623)	(11,194,016)
Provisions	-	(141,150)	(14,639)	(540,217)	-	-	(696,006)
Current taxation	-	-	-	-	-	(123,676)	(123,676)
prior year taxation	-	-	-	-	-	(10,105)	(10,105)
Deferred taxation	-	-	-	-	-	(516,694)	(516,694)
Net income / (loss)	124,953	2,440,628	(180,906)	(328,858)	84,183	(1,058,073)	1,081,927
<b>December 31, 2015 (audited)</b>							
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

## 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 October 19, 2016.

Chairman	President and Chief Executive Officer	Director	Director
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Consolidated Condensed Interim  
Financial Information  
for the nine months ended  
September 30, 2016  
(Un-Audited)



# CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2016



	(Un-audited) September 30, 2016	(Audited) December 31, 2015
Note	----- (Rupees in '000) -----	
<b>ASSETS</b>		
Cash and balances with treasury banks	12,586,169	11,160,169
Balances with other banks	1,996,691	629,407
Lendings to financial institutions	8 500,000	3,581,329
Investments - net	9 131,551,570	116,884,984
Advances - net	10 79,650,864	76,678,864
Operating fixed assets	11 5,950,382	4,731,135
Deferred tax assets - net	-	-
Other assets	7,248,494	7,140,798
	<b>239,484,170</b>	<b>220,806,686</b>
<b>LIABILITIES</b>		
Bills payable	2,572,598	1,609,425
Borrowings	21,833,092	54,638,318
Deposits and other accounts	12 187,988,150	140,355,175
Sub-ordinated loans	-	-
Liabilities against assets subject to finance lease	-	-
Deferred tax liabilities-net	13 1,665,551	1,571,252
Other liabilities	5,783,651	3,624,371
	<b>219,843,042</b>	<b>201,798,541</b>
<b>NET ASSETS</b>	<b>19,641,128</b>	<b>19,008,145</b>
<b>REPRESENTED BY:</b>		
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	1,142,493	918,815
Unappropriated profit	3,980,445	3,066,149
	<b>15,242,180</b>	<b>14,104,206</b>
Non-controlling interest	1,356,606	1,952,266
	<b>16,598,786</b>	<b>16,056,472</b>
Surplus on revaluation of assets - net of tax	14 3,042,342	2,951,673
	<b>19,641,128</b>	<b>19,008,145</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	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 nine months period ended September 30, 2016



	Nine months period ended		Quarter ended	
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
Note	(Rupees in '000)			
Mark-up / return / interest earned	11,390,778	11,553,788	3,993,443	3,869,142
Mark-up / return / interest expensed	6,926,651	7,364,930	2,473,387	2,319,134
Net mark-up interest income	4,464,127	4,188,858	1,520,056	1,550,008
Reversal / (provision) against non-performing loans and advances - net	58,500	(554,856)	38,265	21,320
(Provision) / reversal for diminution in the value of investments - net	(338,193)	(43,062)	45,181	54,642
Bad debts written off directly	-	-	-	-
	(279,693)	(597,918)	83,446	75,962
Net mark-up interest income after provisions	4,184,434	3,590,940	1,603,502	1,625,970
<b>NON MARK-UP / INTEREST INCOME</b>				
Fee, commission and brokerage income	1,493,417	1,326,786	487,159	423,499
Dividend income	141,218	119,239	24,733	25,526
Income from dealing in foreign currencies	287,758	113,711	39,490	44,428
Gain on sale / redemption of securities - net	1,374,899	1,291,590	78,279	138,527
Unrealised loss on revaluation of investments classified as held-for-trading - net	(9,551)	(4,552)	(533)	(7,355)
Other income	29,423	124,984	38,383	56,001
Total non-mark-up / interest income	3,317,164	2,971,758	667,511	680,626
	7,501,598	6,562,698	2,271,013	2,306,596
<b>NON MARK-UP / INTEREST EXPENSES</b>				
Administrative expenses	5,369,070	4,256,388	1,623,937	1,393,809
Other provisions / write offs	-	363	-	363
Other charges	73,462	46,684	13,180	18,246
Total non-mark-up / interest expenses	5,442,532	4,303,435	1,637,117	1,412,418
	2,059,066	2,259,263	633,896	894,178
Extra ordinary / unusual items	-	-	-	-
<b>PROFIT BEFORE TAXATION</b>	2,059,066	2,259,263	633,896	894,178
<b>Taxation</b>				
- Current	(576,246)	(237,706)	(191,893)	(72,977)
- Prior years	(79,838)	(10,105)	-	426
- Deferred	(129,027)	(532,859)	(21,612)	(234,773)
	(785,111)	(780,670)	(213,505)	(307,324)
<b>PROFIT AFTER TAXATION</b>	1,273,955	1,478,593	420,391	586,854
<b>ATTRIBUTABLE TO:</b>				
Equity holders of the Bank	1,222,065	1,286,880	401,389	551,868
Non-controlling interest	51,890	191,713	19,002	34,986
	1,273,955	1,478,593	420,391	586,854
	(Rupee)			
Basic earnings per share	17 0.97	1.05	0.37	0.51
Diluted earnings per share	17 0.94	0.99	0.31	0.43

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 nine months period ended September 30, 2016



	Nine months period ended		Quarter ended	
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
	----- (Rupees in '000) -----			
Profit after taxation	1,273,955	1,478,593	420,391	586,854
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	1,273,955	1,478,593	420,391	586,854
Items that may be reclassified to profit or loss in subsequent periods				
Surplus arising on revaluation of available-for-sale securities	35,387	1,531,909	241,006	665,561
Related deferred tax liability / (asset)	34,752	(93,039)	(57,007)	(249,639)
	70,139	1,438,870	183,999	415,922
Total comprehensive income during the period - net of tax	1,344,094	2,917,463	604,390	1,002,776
Attributable to:				
Equity holders of the Bank	1,237,754	2,818,790	532,639	997,879
Non-controlling interest	106,340	98,673	71,751	4,897
Total comprehensive income during the period - net of tax	1,344,094	2,917,463	604,390	1,002,776

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 nine months period ended September 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 nine months period ended September 30, 2015								
Profit after taxation	-	-	-	-	1,286,880	1,286,880	191,713	1,478,593
Other comprehensive income-net of tax	-	-	-	-	-	-	-	-
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 nine months period ended September 30, 2015	-	-	-	-	(22,574)	(22,574)	(20,638)	(43,212)
Transfers								
Transfer to statutory reserve	-	-	-	216,385	(216,385)	-	-	-
Balance as at September 30, 2015	10,724,643	(2,105,401)	1,500,000	730,091	2,277,083	13,126,416	2,306,517	15,432,933
Total comprehensive income for the quarter ended December 31, 2015								
Profit after taxation	-	-	-	-	965,376	965,376	21,355	986,731
Other comprehensive income - net of tax	-	-	-	-	(6,285)	(6,285)	-	(6,285)
Transaction with owners recorded directly in equity								
Buy-back of shares by subsidiary	-	-	-	-	-	-	(385,603)	(385,603)
Gain arised on buy back of shares by subsidiary	-	-	-	-	18,699	18,699	9,997	28,696
Transfers								
Transfer to statutory reserve	-	-	-	188,724	(188,724)	-	-	-
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 nine months period ended September 30, 2016								
Profit after taxation	-	-	-	-	1,222,065	1,222,065	51,890	1,273,955
Other comprehensive income-net of tax	-	-	-	-	-	-	-	-
Transaction with owners recorded directly in equity								
Transfer from surplus on revaluation of non-banking assets to unappropriated profit - net of tax	-	-	-	-	37	37	-	37
Buy-back of shares by subsidiary	-	-	-	-	-	-	(694,430)	(694,430)
Gain arised on buy back of shares by subsidiary	-	-	-	-	95,872	95,872	46,880	142,752
Preference dividend for the year ended December 31, 2015 @ 12% p.a.	-	-	-	-	(180,000)	(180,000)	-	(180,000)
Transfers								
Transfer to statutory reserve	-	-	-	223,678	(223,678)	-	-	-
Balance as at September 30, 2016	10,724,643	(2,105,401)	1,500,000	1,142,493	3,980,445	15,242,180	1,356,606	16,598,786

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 nine months period ended September 30, 2016



	September 30, 2016	September 30, 2015
	----- (Rupees in '000) -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	2,059,066	2,259,263
Less: Dividend income	(141,218)	(119,239)
	<u>1,917,848</u>	<u>2,140,024</u>
<b>Adjustments:</b>		
Depreciation	402,252	330,040
Amortisation of intangibles	39,843	34,026
Charge for defined benefit plan	82,978	54,023
Unrealised loss on revaluation of investments classified as held-for-trading	9,551	4,552
(Reversal) / provision against non-performing advances - net	(58,500)	554,856
Provision for diminution in the value of investments - net	338,193	43,062
Unrealised loss / (gain) on revaluation of derivative instruments	27,947	(60,238)
Other provisions	-	363
Gain on disposal of operating fixed assets	(29,542)	(27,053)
Provision for Workers' Welfare Fund	41,082	45,139
	<u>853,804</u>	<u>978,770</u>
	<u>2,771,652</u>	<u>3,118,794</u>
<b>Decrease / (increase) in operating assets</b>		
Lendings to financial institutions	3,081,329	5,953,517
Investment in held-for-trading securities - net	5,815,991	13,228,367
Advances - net	(2,913,500)	(3,081,809)
Other assets (excluding advance taxation)	63,734	1,324,637
	<u>6,047,554</u>	<u>17,424,712</u>
<b>Increase / (decrease) in operating liabilities</b>		
Bills payable	963,173	290,563
Borrowings	(33,420,166)	4,210,538
Deposits and other accounts	47,632,975	20,057,885
Other liabilities	2,071,282	407,593
	<u>17,247,264</u>	<u>24,966,579</u>
	<u>26,066,470</u>	<u>45,510,085</u>
Income tax paid	(800,103)	(340,605)
Gratuity paid	(64,005)	(21,349)
Net cash flows from operating activities	<u>25,202,362</u>	<u>45,148,131</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net investment in available-for-sale securities	(20,794,934)	(43,638,331)
Dividend received	134,394	114,413
Investment in operating fixed assets	(1,680,583)	(1,165,458)
Sale proceeds from disposal of operating fixed assets	48,783	56,602
Net cash used in investing activities	<u>(22,292,340)</u>	<u>(44,632,774)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Share bought back from non-controlling interest	(551,678)	-
Preference dividend paid	(180,000)	(155,836)
Net cash used in financing activities	<u>(731,678)</u>	<u>(155,836)</u>
<b>Increase in cash and cash equivalents</b>	<u>2,178,344</u>	<u>359,521</u>
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>13,913,235</u>	<u>9,831,576</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 nine months period ended September 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 278 (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 JSGCL 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 JSGCL is situated at 6th floor, Faysal House, Shahra-e-Faisal, Karachi, Pakistan.

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the nine months period ended September 30, 2016

## 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 Value Fund
- JS Islamic Fund
- JS Growth Fund
- JS Large Cap Fund
- Unit Trust of Pakistan
- JS Fund of Funds
- JS Islamic Government Securities
- JS Income Fund
- JS Capital Protected Fund V
- JS Cash 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 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 nine months period ended September 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 held-for-trading, available-for-sale investments, non-banking assets acquired in satisfaction of claims 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.

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the nine months period ended September 30, 2016

## 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 Bank 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

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.20.02 million, Rs.0.51 million and Rs.0.86 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.

		(Un-audited) September 30, 2016	(Audited) December 31, 2015
	Note	----- (Rupees in '000) -----	
<b>8. LENDINGS TO FINANCIAL INSTITUTIONS</b>			
Call money lendings		500,000	628,446
Repurchase agreement lendings (Reverse repo)	8.1	-	2,952,883
		<b>500,000</b>	<b>3,581,329</b>

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

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the nine months period ended September 30, 2016

## 9. INVESTMENTS - net

		(Unaudited) September 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)					
<b>Held-for-trading securities</b>							
Market Treasury Bills							
		9,241,884	2,285,386	11,527,270	18,782,717	-	18,782,717
		5,462,915	-	5,462,915	3,698,417	49,445	3,747,862
		274,997	-	274,997	699,255	-	699,255
	9.1.1	135,362	-	135,362	32,652	-	32,652
	9.1.2	333,804	-	333,804	263,696	-	263,696
	9.1.3	-	-	-	10,646	-	10,646
		15,448,962	2,285,386	17,734,348	23,487,383	49,445	23,536,828
<b>Available-for-sale securities</b>							
Market Treasury Bills							
		5,087,657	-	5,087,657	5,696,991	-	5,696,991
		79,381,170	14,586,522	93,967,692	31,595,615	44,201,767	75,797,382
		2,706,858	-	2,706,858	2,858,942	-	2,858,942
	9.1.4	568,464	-	568,464	26,273	-	26,273
		136,589	-	136,589	136,589	-	136,589
		182,322	-	182,322	266,322	-	266,322
		1,289,131	-	1,289,131	2,085,800	-	2,085,800
	9.1.5	360,000	-	360,000	380,000	-	380,000
		1,301,844	-	1,301,844	1,504,704	-	1,504,704
	9.1.6	5,270,246	-	5,270,246	1,322,866	-	1,322,866
		96,284,281	14,586,522	110,870,803	45,874,102	44,201,767	90,075,869
<b>Investment at cost</b>							
		111,733,243	16,871,908	128,605,151	69,361,485	44,251,212	113,612,697
Less: Provision for diminution in value of investments							
	9.1.7	(1,418,311)	-	(1,418,311)	(1,080,118)	-	(1,080,118)
<b>Investments (net of provision)</b>							
		110,314,932	16,871,908	127,186,840	68,281,367	44,251,212	112,532,579
Unrealised (loss) / gain on revaluation of investments classified as held-for-trading							
		(9,438)	(113)	(9,551)	13,469	42	13,511
Surplus on revaluation of available-for-sale securities							
	9.1.8 & 14	3,871,131	503,150	4,374,281	2,535,599	1,803,295	4,338,894
		<b>114,176,625</b>	<b>17,374,945</b>	<b>131,551,570</b>	<b>70,830,435</b>	<b>46,054,549</b>	<b>116,884,984</b>

- 9.1.1 Included herein is the investment in a related party amounting to Rs.0.788 million (December 31, 2015: Rs.Nil) having a market value of Rs.0.779 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.23.991 million (December 31, 2015: Rs.28.465 million).
- 9.1.3 Included herein is the investment in a related party amounting to Rs.333.804 million (December 31, 2015: Rs.263.696 million) having a market value of Rs.335.695 (December 31, 2015: Rs.272.031 million).
- 9.1.4 Included herein are the investments in related parties amounting to Rs.1,820.081 million (December 31, 2015: Rs.1,785.566 million) and having market value of Rs.3,121.694 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.1,201.844 million (December 31, 2015: Rs.1,184.834 million) having a market value of Rs.1,824.705 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.

	(Un-audited) September 30, 2016	(Audited) December 31, 2015
Note	----- (Rupees in '000) -----	
<b>10. ADVANCES - net</b>		
Loans, cash credits, running finances, etc.		
In Pakistan	72,733,755	72,808,345
Outside Pakistan	-	-
	72,733,755	72,808,345
Net investment in finance lease - in Pakistan	6,269,260	3,226,785
Bills discounted and purchased (excluding market treasury bills)		
Payable in Pakistan	1,468,206	1,266,902
Payable outside Pakistan	1,844,171	2,100,013
	3,312,377	3,366,915
Advances - gross	82,315,392	79,402,045
Provision for non-performing advances		
Specific	(2,636,453)	(2,705,929)
General	(28,075)	(17,252)
	(2,664,528)	(2,723,181)
Advances - net of provision	79,650,864	76,678,864

10.1 Advances include Rs.3,350.036 million (December 31, 2015: Rs.2,982.825 million) which have been placed under non-performing status as detailed below:

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the nine months period ended September 30, 2016

(Unaudited) September 30, 2016				
Domestic	Overseas	Total	Provision required	Provision held
----- (Rupees in '000) -----				
Category of classification				
Other assets				
especially mentioned				
-	-	-	-	-
418,463	-	418,463	47,001	47,001
27,647	-	27,647	297	297
2,903,926	-	2,903,926	2,589,155	2,589,155
<u>3,350,036</u>	<u>-</u>	<u>3,350,036</u>	<u>2,636,453</u>	<u>2,636,453</u>

(Audited) December 31, 2015				
Domestic	Overseas	Total	Provision required	Provision held
----- (Rupees in '000) -----				
Category of classification				
Other assets				
especially mentioned				
-	-	-	-	-
1,533	-	1,533	383	383
181,136	-	181,136	32,984	32,984
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>

## 11. OPERATING FIXED ASSETS

- 11.1 During the period, the Group has made additions of Rs.1,672.992 million (September 30, 2015: Rs.1,161.001 million) and deletions of Rs.165.971 million (September 30, 2015: Rs.90.709 million) having written down value of Rs. 19.240 million (September 30, 2015: Rs.29.549 million).

		(Un-audited) September 30, 2016	(Audited) December 31, 2015
		----- (Rupees in '000) -----	
12.	<b>DEPOSITS AND OTHER ACCOUNTS</b>		
	<b>Customers</b>		
	Fixed deposits	82,782,571	61,877,181
	Savings deposits	41,928,470	32,635,288
	Current accounts - non-remunerative	42,895,437	34,570,446
	Margin accounts	3,647,860	1,557,573
		<u>171,254,338</u>	<u>130,640,488</u>
	<b>Financial institutions</b>		
	Remunerative deposits	16,255,833	9,511,034
	Non-remunerative deposits	477,979	203,653
		<u>16,733,812</u>	<u>9,714,687</u>
12.1		<u>187,988,150</u>	<u>140,355,175</u>
12.1	<b>Particulars of deposits</b>		
	In local currency	178,079,837	128,605,779
	In foreign currencies	9,908,313	11,749,396
		<u>187,988,150</u>	<u>140,355,175</u>



	(Un-audited) September 30, 2016	(Audited) December 31, 2015
	----- (Rupees in '000) -----	
<b>13. DEFERRED (ASSET) / TAX LIABILITY - net</b>		
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	(137,648)	(213,679)
Provision for donation	(195)	(1,067)
Provision for Workers' Welfare Fund	(80,028)	(66,938)
Unrealised loss on revaluation of derivative instruments	(3,723)	(14,366)
	<b>(288,275)</b>	<b>(362,731)</b>
Deferred tax credits arising due to:		
Operating fixed assets	185,119	162,221
Goodwill	499,777	461,110
Unrealized loss/ gain on revaluation of investment classified as held-for-trading	(3,161)	3,809
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	510	-
Surplus on revaluation of investment classified as available-for-sale	1,271,581	1,306,843
	<b>1,953,826</b>	<b>1,933,983</b>
	<b>1,665,551</b>	<b>1,571,252</b>
<b>14. SURPLUS ON REVALUATION OF ASSETS - net of tax</b>		
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	20,530	-
Surplus / (deficit) on revaluation of available-for-sale securities - net of tax		
Government securities	2,235,798	3,159,726
Ordinary shares - listed	1,298,988	616,068
Open end mutual funds	713,058	555,673
Term finance certificates - listed	-	35
Foreign currency bonds	46,059	(72,986)
	<b>4,293,903</b>	<b>4,258,516</b>
	<b>4,314,433</b>	<b>4,258,516</b>
Related deferred tax liability	(1,272,091)	(1,306,843)
	<b>3,042,342</b>	<b>2,951,673</b>
Group's share	2,793,748	2,757,529
Non-controlling interest	248,594	194,144
	<b>3,042,342</b>	<b>2,951,673</b>

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the nine months period ended September 30, 2016

	(Un-audited) September 30, 2016	(Audited) December 31, 2015
Note	----- (Rupees in '000) -----	
<b>15. CONTINGENCIES AND COMMITMENTS</b>		
<b>15.1 Transaction-related contingent liabilities</b>		
Includes performance bonds, bid bonds, warranties, advance payment guarantees, shipping guarantees and standby letters of credit related to particular transactions.		
i) Government	21,811,478	13,374,471
ii) Banking companies and other financial institutions	2,635,983	590,642
iii) Others	4,888,363	2,888,172
15.1.1	<u>29,335,824</u>	<u>16,853,285</u>
15.1.1 Included herein the outstanding guarantees of Rs.8,710 million (December 31, 2015: Rs.47,902 million) of related parties.		
<b>15.2 Trade-related contingent liabilities</b>		
Documentary credits	15.2.1 <u>15,054,894</u>	<u>11,134,071</u>
15.2.1 Included herein the outstanding amount of Rs.2,184.954 million (December 31, 2015: Rs.3.080 million) of related parties.		
<b>15.3 Claims not acknowledged as debts</b>	<u>66,886</u>	<u>66,884</u>
<b>15.4 Commitments in respect of forward lending</b>	<u>68,062</u>	<u>1,396,767</u>
15.4.1 Included herein the commitment of Rs.64,062 million (December 31, 2015: Rs.600 million) of related party.		
<b>15.5 Commitment in respect of capital expenditure</b>	<u>91,163</u>	<u>616,466</u>
<b>15.6 Commitments in respect of derivatives instruments</b>		
<b>15.6.1 Commitments in respect of forward exchange contracts</b>		
Purchase	<u>7,035,433</u>	<u>9,076,271</u>
Sale	<u>8,360,348</u>	<u>5,218,707</u>
<b>15.6.2 Forward investment securities</b>		
Purchase	<u>106,334</u>	<u>-</u>
Sale	<u>466,603</u>	<u>969,327</u>
<b>15.6.3 Cross currency swaps (notional principal)</b>	<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

This includes the penalties imposed by State Bank of Pakistan of Rs.32.160 million (September 30, 2015: Rs.1.134 million).

Nine months period ended		Quarter ended	
September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
----- (Rupees in '000) -----			

17. BASIC AND DILUTED EARNINGS PER SHARE - UNAUDITED

Profit after taxation for the period - attributable to equity holders of the Bank for diluted earnings

1,222,065	1,286,880	401,389	551,868
(180,000)	(155,836)	-	-
<u>1,042,065</u>	<u>1,131,044</u>	<u>401,389</u>	<u>551,868</u>

Preference dividend for the period ended December 31, 2015 @ 12% p.a.

Profit after taxation for the period - attributable to ordinary equity holders of the Bank for basic earnings

----- (Numbers) -----

Weighted average number of basic outstanding ordinary shares during the period

<u>1,072,464,262</u>	1,072,464,262	<u>1,072,464,262</u>	1,072,464,262
<u>1,297,464,262</u>	1,297,464,262	<u>1,297,464,262</u>	1,297,464,262

Weighted average number of diluted outstanding ordinary shares during the period

----- (Rupee) -----

Basic earnings per share

<u>0.97</u>	1.05	<u>0.37</u>	0.51
<u>0.94</u>	0.99	<u>0.31</u>	0.43

Diluted earnings per share

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the nine months period ended September 30, 2016

## RELATED PARTY TRANSACTIONS

The Group has related party relationship with its associates, parent, companies having common directors, companies in which parent holds more than 20% shares, employee benefit plans, and its key management personnel (including their associates). 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:

	Parent		Key management personnel		Companies in which parent company holds 20% or more		Companies having common directorship		Other related parties	
	(Un-audited) September 30, 2016	(Audited) December 31, 2015	(Un-audited) September 30, 2016	(Audited) December 31, 2015	(Un-audited) September 30, 2016	(Audited) December 31, 2015	(Un-audited) September 30, 2016	(Audited) December 31, 2015	(Un-audited) September 30, 2016	(Audited) December 31, 2015
<b>Advances</b>										
Opening balance	2,016,612	152,442	397,435	253,800	388,689	353,777	7,074	8,490	2,047,846	1,438,716
Disbursements	(10,985,737)	(29,827,405)	(206,356)	(217,429)	(603,246)	(1,155,211)	(18,640,900)	(2,156)	(4,033,363)	(5,746,165)
Repayments	(2,134,735)	(27,958,235)	(110,975)	(23,794)	(5,477,111)	(11,202,999)	(16,450,897)	(3,572)	(4,427,493)	(5,137,035)
Balance as at	10,867,614	20,666,112	492,816	397,455	444,224	388,689	2,197,077	7,074	1,656,271	2,047,846
Disbursements made during nine months period ended September 30, 2015				147,090						3,427,087
Repayment made during nine months period ended September 30, 2015				(53,623)						(3,000,283)
Mark-up / return / interest earned for nine months period ended September 30 (un-audited)			14,890	9,939	16,811	20,140	91,972	605	138,897	161,274
<b>Deposits</b>										
Opening balance	2,016,612	152,442	76,534	43,061	2,227,657	2,085,915	1,108,568	49,887	2,580,416	3,122,210
Deposits during the period	10,985,737	29,827,405	954,756	863,036	27,360,389	13,813,555	24,987,994	7,062,799	41,910,025	47,036,332
Withdrawals during the period	(2,134,735)	(27,958,235)	(562,385)	(829,563)	(5,004,131)	(13,671,813)	(16,018,247)	(6,704,718)	(39,324,904)	(47,578,126)
Balance as at	10,867,614	20,666,112	468,885	76,534	24,583,915	22,277,657	10,078,315	1,108,568	5,165,537	2,580,416
Deposits during nine months period ended September 30, 2015				572,329		117,107,870		3,691,159		36,876,021
Withdrawals made during nine months period ended September 30, 2015				(648,650)		(11,473,620)		(3,450,584)		(37,437,958)
Mark-up / return / interest, expensed on nine months period ended September 30 (un-audited)	142,383	110,487	2,455	1,417	124,214	57,807	57,480	8,669	192,424	162,140





# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the nine months period ended September 30, 2016

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## 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 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.

### 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 September 30, 2016			
	Level 1	Level 2	Level 3	Total
	----- Rupees in '000 -----			
<b>On balance sheet financial instruments</b>				
<b>Financial assets classified as 'held-for-trading securities'</b>				
Government Securities				
Market treasury bills	-	11,526,675	-	11,526,675
Pakistan investment bonds	-	5,451,606	-	5,451,606
Ordinary shares of listed companies	275,638	-	-	275,638
Open end mutual funds	335,695	-	-	335,695
Term finance certificates - listed	-	135,183	-	135,183
	<b>611,333</b>	<b>17,113,464</b>	<b>-</b>	<b>17,724,797</b>
<b>Financial assets classified as 'available-for-sale securities'</b>				
Government Securities				
Market treasury bills	-	5,088,545	-	5,088,545
Pakistan investment bonds	-	96,202,602	-	96,202,602
	-	101,291,147	-	101,291,147
Ordinary Shares				
Ordinary shares of listed companies	4,005,847	-	-	4,005,847
Ordinary shares of unlisted company	-	185,090	-	185,090
	<b>4,005,847</b>	<b>185,090</b>	<b>-</b>	<b>4,190,937</b>
Term Finance Certificates and Sukuks				
Term finance certificates - unlisted	-	747,793	-	747,793
Sukuk certificates - unlisted	-	360,000	-	360,000
	-	1,107,793	-	1,107,793
Open end mutual funds	1,920,591	-	-	1,920,591
Foreign currency bonds	-	5,316,305	-	5,316,305
	<b>6,537,771</b>	<b>125,013,799</b>	<b>-</b>	<b>131,551,570</b>
<b>Off balance sheet financial instruments</b>				
<b>Forward exchange contracts</b>				
Purchase	-	7,265,084	-	7,265,084
Sale	-	8,342,698	-	8,342,698
<b>Forward investment securities</b>				
Purchase	-	106,334	-	106,334
Sale	-	196,063	-	196,063
Cross currency swaps (notional principal)	-	2,156,726	-	2,156,726

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the nine months period ended September 30, 2016

	As at December 31, 2015			
	Level 1	Level 2	Level 3	Total
	----- Rupees in '000 -----			
<b>On balance sheet financial instruments</b>				
<b>Financial assets classified as 'held-for-trading securities'</b>				
<b>Government Securities</b>				
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
	740,418	22,809,921	-	23,550,339
<b>Financial assets classified as 'available-for-sale securities'</b>				
<b>Government Securities</b>				
Market treasury bills	-	5,705,149	-	5,705,149
Pakistan investment bonds	-	78,948,950	-	78,948,950
	-	84,654,099	-	84,654,099
<b>Ordinary Shares</b>				
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
<b>Term Finance Certificates and Sukuks</b>				
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	-	1,249,880	-	1,249,880
	4,299,463	112,585,521	-	116,884,984
<b>Off balance sheet financial instruments</b>				
<b>Forward exchange contracts</b>				
Purchase	-	9,010,743	-	9,010,743
Sale	-	5,232,871	-	5,232,871
<b>Forward investment securities</b>				
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 activities are as follows:

	2016							Total	
	Corporate finance	Trading and sales	Retail banking	Commercial banking	Payment and settlement	Brokerage	Asset Management		Others
<b>September 30, 2016 (unaudited)</b>	(Rupees in '000)								
Total income - external	202,321	8,297,470	2,443,031	2,959,083	122,862	463,445	192,982	26,748	14,707,942
Inter-segment revenues-net	-	(3,671,382)	3,390,835	280,547	-	-	-	-	-
Total income	202,321	4,626,088	5,833,866	3,239,630	122,862	463,445	192,982	26,748	14,707,942
Total expenses	(46,433)	(1,776,862)	(6,401,186)	(2,952,278)	(55,509)	(352,060)	(187,919)	(596,936)	(12,369,183)
(Provisions) / reversal	-	(383,374)	(106,636)	165,136	-	-	45,181	-	(279,693)
Current taxation	-	-	-	-	-	-	-	(576,246)	(576,246)
Prior year taxation	-	-	-	-	-	-	-	(79,838)	(79,838)
Deferred taxation	-	-	-	-	-	-	-	(129,027)	(129,027)
Net income / (loss)	155,888	2,465,852	(673,956)	452,488	67,353	111,385	50,244	(1,355,299)	1,273,955
<b>Attributable to:</b>									
Equity holders of the Bank	-	-	-	-	-	-	-	-	1,222,065
Non-controlling interest	-	-	-	-	-	-	-	-	51,890
									<u>1,273,955</u>
<b>September 30, 2016 (unaudited)</b>									
Segment assets (gross)	-	140,921,826	35,206,818	44,153,173	-	3,218,221	2,724,929	17,352,903	243,577,870
Segment non performing assets	-	1,073,578	325,058	3,024,978	-	326,456	1,023,949	10,861	5,784,880
Segment provision required	-	(917,167)	(186,416)	(2,478,112)	-	(326,456)	(174,688)	(10,861)	(4,093,700)
Segment liabilities	-	17,183,820	134,491,533	59,042,086	2,572,598	435,592	192,243	5,925,170	219,943,042

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the nine months period ended September 30, 2016

	2015								
	Corporate finance	Trading and sales	Retail banking	Commercial banking	Payment and settlement	Brokerage	Asset Management	Others	Total
	(Rupees in '000)								
<b>September 30, 2015 (unaudited)</b>									
Total income - external	138,296	82,36,771	2,40,23,211	2,683,896	1,34,064	617,523	285,599	27,076	14,525,546
Inter-segment revenues-net	-	(3,108,040)	2,871,528	140,563	-	-	-	95,949	-
Total income	138,296	51,28,731	5,273,849	2,824,459	1,34,064	617,523	285,599	123,025	14,525,546
Total expenses	(13,343)	(2,544,469)	(5,440,116)	(2,569,277)	(49,881)	(363,160)	(157,495)	(530,623)	(11,668,364)
Provisions / impairments	-	-	-	(540,218)	-	-	98,088	-	(597,919)
Current taxation	-	(141,150)	(14,639)	-	-	-	-	(237,706)	(237,706)
Prior years	-	-	-	-	-	-	-	(10,105)	(10,105)
Deferred taxation	-	-	-	-	-	-	-	(532,859)	(532,859)
Net income / (loss)	124,953	2,443,112	(180,906)	(285,036)	84,183	254,363	226,192	(1,188,268)	1,478,593
<b>Attributable to:</b>									
Equity holders of the Bank	-	-	-	-	-	-	-	-	1,286,880
Non-controlling interest	-	-	-	-	-	-	-	-	191,713
									<u>1,478,593</u>
<b>December 31, 2015 (audited)</b>									
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



21. GENERAL

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

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 October 19, 2016.

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Chairman

President and  
Chief Executive Officer








Director








Director



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