

SILKBANK LIMITED
BALANCE SHEET
AS AT SEPTEMBER 30, 2009

		September 30, 2009 (Un-Audited)	December 31, 2008 (Audited)
	Note	Rupees in '000	
ASSETS			
Cash and balances with treasury banks		2,981,030	3,070,067
Balances with other banks		237,808	190,197
Lending to financial institutions		816,658	1,376,651
Investments	4	19,720,639	12,012,233
Advances	5	33,228,814	31,087,373
Other assets		3,869,542	2,292,358
Operating fixed assets		3,280,090	3,002,450
Deferred tax assets (net)		2,274,429	2,613,939
		66,409,010	55,645,268
LIABILITIES			
Bills payable		624,683	431,537
Borrowings from financial institutions		13,773,072	8,738,616
Deposits and other accounts		47,441,791	41,056,630
Sub-ordinated loan		-	-
Liabilities against assets subject to finance lease		16,596	39,731
Other liabilities		1,236,130	987,394
		63,092,272	51,253,908
NET ASSETS		3,316,738	4,391,360
REPRESENTED BY			
Share capital	6	9,003,150	9,003,150
Reserves		218,556	218,556
Accumulated loss		(7,459,566)	(6,131,709)
		1,762,140	3,089,997
Surplus on revaluation of assets (net of tax)		1,554,598	1,301,363
		3,316,738	4,391,360
CONTINGENCIES AND COMMITMENTS	7		

The annexed notes from 1 to 12 form an integral part of these financial statements.

Azmat Tarin
President & Chief Executive

Munnawar Hamid, OBE
Chairman

Arif Mahmood Ali
Director

Humayun Bashir
Director

SILKBANK LIMITED
PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009

	<i>Quarter ended</i>		<i>Nine Months ended</i>	
	<i>Jul-Sep</i> 2009	<i>Jul-Sep</i> 2008	September 30, 2009	September 30, 2008
	----- Rupees In '000 -----			
Mark-up/return/interest earned	1,507,247	1,243,267	4,388,509	3,384,550
Mark-up/return/interest expensed	1,512,186	1,113,339	4,301,811	3,016,315
Net mark-up/ interest earned	(4,939)	129,927	86,698	368,235
Provision against non-performing loans and advances - net	(686,047)	1,162,007	(407,021)	1,595,799
Reversal of provision against consumer finance	(867)	(3,324)	(4,927)	(9,813)
Diminution/(reversal) in the value of investments	-	-	1,598	(4,827)
Impairment of Available-for-Sale investments	29,487	-	131,380	-
Bad debts written off directly	-	1,599	-	2,610
	(657,427)	1,160,281	(278,970)	1,583,768
Net mark-up / interest income/(loss) after provisions	652,488	(1,030,354)	365,668	(1,215,534)
NON MARK-UP/INTEREST INCOME				-
Fee, commission and brokerage income	71,112	44,738	250,479	121,305
Dividend income	3,741	6,312	22,683	20,439
Income from dealing in foreign currencies	17,525	34,701	89,097	63,567
(Loss) / Gain on sale of investments - net	14,986	2,840	82,030	19,042
Unrealized (loss)/gain on revaluation of investments classified as Held-for-Trading	899	(5,620)	(1,143)	(5,620)
Other income	34,430	27,378	95,017	70,595
Total non-markup/interest income	142,693	110,350	538,163	289,328
	795,181	(920,004)	903,831	(926,205)
NON MARK-UP/INTEREST EXPENSES				-
Administrative expenses	682,403	476,132	1,879,129	1,274,485
Other provisions / write offs	-	-	-	-
Other charges	(30)	131	15,881	448
Total non-markup/interest expenses	682,373	476,263	1,895,010	1,274,933
PROFIT/(LOSS) BEFORE TAXATION	112,808	(1,396,267)	(991,179)	(2,201,138)
	-			-
Taxation - Current	9,728	2,974	32,435	7,997
- Prior years	-	-	-	20,000
- Deferred	325,668	-	307,033	(58,646)
	335,396	2,974	339,468	(30,649)
LOSS AFTER TAXATION	(222,588)	(1,399,241)	(1,330,647)	(2,170,489)
Accumulated Losses brought forward	(7,239,768)	(4,890,785)	(6,131,709)	(4,119,537)
Accumulated Losses carried forward	(7,462,356)	(6,290,026)	(7,462,356)	(6,290,026)
Basic and Diluted Earnings/(Loss) Per Share-Rupee/(s)	(0.25)	(3.19)	(1.48)	(3.13)

The annexed notes from 1 to 12 form an integral part of these financial statements.

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Director

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SILKBANK LIMITED
CASH FLOW STATEMENT (UNAUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009

September 30,
2009
----- Rupees in '000 -----

September 30,
2008

CASH FLOW FROM OPERATING ACTIVITIES

Loss before taxation	(991,179)	(2,201,138)
Less: Dividend Income	(22,683)	(20,439)
	(1,013,862)	(2,221,577)
Adjustments for non-cash items		
Depreciation	161,436	114,029
Amortization of premium on investments	143,220	168,271
Amortization of intangible assets	6,479	11,845
Provision against non-performing advances	(407,021)	1,598,409
Reversal of provision against consumer finance	(4,927)	(9,813)
Provision for diminution in Investments	1,597	(4,827)
Unrealized Loss on revaluation of investments classified as Held for Trading	1,142	5,620
Impairment of investment classified as Available for Sale	131,380	-
Provision for Gratuity	18,448	14,713
Gain on sale of fixed assets	(7,716)	(5,967)
Financial charges on leased assets	3,879	7,007
	47,917	1,899,287
	(965,945)	(322,290)
(Increase)/ Decrease in operating assets		
Lendings to financial institutions	75,500	(1,089,114)
Net investments in Held-for-Trading securities	(73,161)	(26,679)
Advances	(1,579,503)	(5,238,301)
Other assets (excluding advance taxation)	(1,762,281)	(407,640)
	(3,339,445)	(6,761,734)
Increase/ (Decrease) in operating liabilities		
Bills payable	193,146	(81,698)
Borrowings from financial institutions	5,034,456	(1,656,862)
Deposits	6,385,161	478,651
Other liabilities	230,289	110,976
	11,843,052	(1,148,932)
	7,537,662	(8,232,957)
Income tax paid	(32,435)	(7,997)
Net cash flow from operating activities	7,505,227	(8,240,954)
CASH FLOW FROM INVESTING ACTIVITIES		
Net investment in Available-for-Sale securities	(6,892,627)	6,850,073
Net investment in Held-to-Maturity securities	(726,513)	(42,474)
Dividend Income	22,683	20,439
Sale proceeds of property & equipment disposed off	18,275	23,395
Investment in operating fixed assets	(467,601)	(268,431)
Net cash flow from investing activities	(8,045,783)	6,583,002
CASH FLOW FROM FINANCING ACTIVITIES		
Payments of lease obligations	(27,020)	(39,158)
Re-payment of Subordinated Loan	-	(650,000)
Issue of Share Capital	-	4,001,400
Net cash flow from financing activities	(27,020)	3,312,242
Increase/(Decrease) in cash and cash equivalents	(567,576)	1,654,291
Cash and cash equivalents at January 01,	4,561,415	3,352,771
Cash and cash equivalents at September 30,	3,993,839	5,007,062

The annexed notes from 1 to 12 form an integral part of these financial statements.

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Director

SILKBANK LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009

	Share Capital	Share Deposit Money	Statutory Reserves	Accumulated Profit / (Loss)	Net Equity
	----- Rupees In '000 -----				
Balance as at January 01, 2008	5,001,750	-	218,556	(4,119,537)	1,100,769
Loss for the nine months after taxation	-	-	-	(2,170,489)	(2,170,489)
Share deposit money for issue of right shares	-	4,001,400	-	-	4,001,400
Issue of right shares	4,001,400	(4,001,400)	-	-	-
Transfer to statutory reserve	-	-	-	-	-
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation- net of tax	-	-	-	1,572	1,572
Balance as at September 30, 2008	9,003,150	-	218,556	(6,288,454)	2,933,252
Loss for the three months ended after taxation	-	-	-	156,221	156,221
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation- net of tax	-	-	-	524	524
Balance as at December 31, 2008 Audited	9,003,150	-	218,556	(6,131,709)	3,089,997
Loss for the nine months after taxation	-	-	-	(1,330,647)	(1,330,647)
Transfer to Statutory Reserve	-	-	-	-	-
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation- net of tax	-	-	-	2,790	2,790
Balance as at September 30, 2009 Unaudited	9,003,150	-	218,556	(7,459,566)	1,762,140

* Statutory reserve represents amount set aside as per requirements of section 21 of the Banking Companies Ordinance, 1962.

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Director

Silkbank Limited
Notes to the Financial Statements
For the Nine Months Ended September 30, 2009

1. STATUS AND NATURE OF BUSINESS

- 1.1 Silkbank Limited (formerly Saudi Pak Commercial Bank Limited) ("the Bank") was incorporated in Pakistan on April 04, 1994 as a public limited company under the Companies Ordinance, 1984. The Bank commenced commercial operations on May 07, 1995. Its shares are quoted on all the Stock Exchanges in Pakistan. The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962. It operates through 66 branches (2008: 65) in Pakistan with the registered office located at Silkbank Building, I. I. Chundrigar Road, Karachi. The short term and long term credit rating of the Bank rated by JCR-VIS Credit Rating Company Limited as at June 30, 2009 is 'A-3' and 'A-' respectively.
- 1.2 The Bank has a short fall of Rs. 3.456 billion as on September 30, 2009 in meeting minimum capital requirement of Rs. 5 billion free of losses, as required by BSD circular No. 19 of 2008. State Bank of Pakistan has deferred the applicability of the requirement of minimum capital requirement till December 31, 2009 on specific request of the bank.

2. STATEMENT OF COMPLIANCE

- 2.1 These condensed interim financial statements (i.e. "financial information") have been prepared in accordance with the approved accounting standards as applicable in Pakistan and the requirements of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and directives issued by the State Bank of Pakistan (SBP) and Securities and Exchange Commission of Pakistan (SECP). Approved accounting standards comprise such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Ordinance, 1984. In case requirement differ, the provisions of the Companies Ordinance, 1984, Banking Companies Ordinance, 1962 or the requirement of the said directives shall prevail.

The SBP vide BSD Circular No.10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 39, Financial Instrument: 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 SECP dated April 28, 2008, the IFRS – 7 "Financial Instruments: Disclosures" has not been made applicable for banks. However instruments have been valued in accordance with the requirements of various circulars issued by SBP.

- 2.2 During the period, following new / revised standards, amendments and interpretations to published approved accounting standards became effective:

Presentation of Financial Statements (Revised)	IAS 1
Borrowing Costs (Revised)	IAS 23
Financial Instruments: Presentation – Amendments regarding Puttable Financial Instruments	IAS 32
Share-Based Payment – Vesting Conditions and Cancellations	IFRS 2
Insurance Contracts	IFRS 4
Operating Segments	IFRS 8
Customer Loyalty Programs	IFRIC 13
Agreements for the Construction of Real Estate	IFRIC 15

Adoption of the above standards, amendments and interpretations did not affect the accounting policies of the Bank as disclosed in the annual financial statements for the year ended December 31, 2008. However, the revised IAS 1 was issued in September 2007 with subsequent amendments in November 2008 and was effective for financial years beginning on or after 1 January 2009. As the standard separates owner and non-owner changes in equity, the statement of changes in equity will include only details of transactions attributable to or with owners, with non-owner changes in equity presented as a single line as "other component of equity". In addition, the standard introduces the statement of comprehensive income; it presents all items of recognized income and expense, either in one single statement, or in two linked statements.

The disclosures made in these condensed interim financial statements have been limited based on the format prescribed by the SBP vide BSD circular letter No.2, dated May 12, 2004 and IAS 34 "Interim Financial Reporting", therefore the above referred to changes introduced through IAS 1 (revised) have not been taken into consideration in the preparation of these condensed interim financial statements. Further, they do not include all of the information required for full annual financial statements, and these condensed interim financial statements should be read in conjunction with the financial statements of the Bank for the year ended December 31, 2008.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in preparing the annual financial statements for the year ended December 31, 2008.

4. INVESTMENTS

Held by bank	Given as collateral	Total
Rupees in '000		
9,467,395	10,253,244	19,720,639
6,045,770	5,966,463	12,012,233

As at September 30, 2009-Unaudited

As at December 31, 2008-Audited

September 30, 2009-Unaudited			December 31, 2008-Audited		
Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total
----- Rupees In '000 -----					

4.1 Investments by type:

Held-for-Trading securities	73,161	-	73,161	-	-	-
Held-to-Maturity securities	991,525	5,143,702	6,135,227	3,217,940	2,333,994	5,551,934
Available-for-Sale securities	8,514,348	5,109,542	13,623,890	3,230,173	3,632,469	6,862,642
Investment in Associate	75,000	-	75,000	75,000	-	75,000
Investment at cost	9,654,034	10,253,244	19,907,278	6,523,113	5,966,463	12,489,576
Less: Provision for diminution in value of investments	(80,590)	-	(80,590)	(78,993)	-	(78,993)
Investments-net of provision	9,573,444	10,253,244	19,826,688	6,444,120	5,966,463	12,410,583
(Deficit) / Gain on revaluation of Held-for-Trading securities	(1,143)	-	(1,143)	-	-	-
Available-for-Sale securities	(104,906)	-	(104,906)	(398,350)	-	(398,350)
Total investments at market value	9,467,395	10,253,244	19,720,639	6,045,770	5,966,463	12,012,233

4.2 Consistent with SECP SRO 150(1)/2009 and SBP BSD Circular 04 of 2009, one fourth of the impairment loss on available for sale securities has been charged off to profit & loss account on quarterly basis (Rs 131.380 million in aggregate). The amount of impairment to be charged off to profit & loss account in the remaining quarter aggregated Rs. 37.702 million as at September 30, 2009.

September 30, 2009-
Unaudited
December 31, 2008-Audited
Rupees in '000

4.3 Investments by segments

Federal Government Securities
Market treasury bills
Pakistan investment bonds

8,701,140	5,317,401
8,578,436	5,958,801
17,279,576	11,276,202

Fully paid-up ordinary shares
Listed companies
Unlisted companies

290,595	206,105
65,680	65,680
356,275	271,785

Term Finance Certificates, Debentures,
Bonds and Participation Term Certificates
Term finance certificates - Listed
- Unlisted

154,227	80,239
1,804,228	506,838
1,958,455	587,077

Other investments
Mutual fund units
Preference shares - Listed
- Unlisted

67,312	88,907
44,538	65,000
-	50,000

Investment in commercial papers
Investment in associate
Shares repo

51,212	-
75,000	75,000
74,910	75,605

Total investments at cost
Provision for diminution in the value of investments
Investments - net of provision

19,907,278	12,489,576
(80,590)	(78,993)
19,826,688	12,410,583

Deficit on revaluation of held for trading investments
Deficit on revaluation of available for sale investments

(1,143)	-
(104,906)	(398,350)

Total investments at market value

19,720,639	12,012,233
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5. ADVANCES - NET

	Note	September 30, 2009- Unaudited	December 31, 2008-Audited
Rupees in '000			
Loans, cash credits, running finances, etc.			
In Pakistan		38,859,454	37,657,007
Outside Pakistan		-	-
		38,859,454	37,657,007
Bills discounted and purchased (excluding treasury bills)			
Payable in Pakistan		193,079	21,691
Payable outside Pakistan		634,761	508,694
		827,840	530,385
		39,687,294	38,187,392
Provision for non-performing advances - specific	5.2	(6,453,158)	(7,089,770)
Provision against consumer finance - general	5.3	(5,322)	(10,249)
		33,228,814	31,087,373

5.1

Advances include Rs.12,113 million (2008: Rs.12,845 million) which have been placed under non-performing status as detailed below:

Category of classification - specific	September 30, 2009-Unaudited			December 31, 2008-Audited		
	Classified Advances	Provision Required (Domestic)	Provision held	Classified Advances	Provision Required (Domestic)	Provision held
	----- Rupees In '000 -----					
Substandard	1,741,339	318,601	318,601	2,690,610	303,455	303,455
Doubtful	1,010,949	339,574	339,574	2,081,799	459,526	459,526
Loss	9,360,995	5,794,983	5,794,983	8,072,816	6,326,789	6,326,789
	12,113,283	6,453,158	6,453,158	12,845,225	7,089,770	7,089,770

5.2 Particulars of provision against non-performing advances

	September 30, 2009-Unaudited			December 31, 2008-Audited		
	Specific	General	Total	Specific	General	Total
	----- Rupees In '000 -----					
Opening balance	7,089,770	10,249	7,100,019	5,518,432	22,412	5,540,844
Reclassification of provision against other assets	(149,989)	-	(149,989)	-	-	-
	6,939,781	10,249	6,950,030	5,518,432	22,412	5,540,844
Charge for the period	866,428	-	866,428	2,608,208	-	2,608,208
Reversals	(1,273,449)	(4,927)	(1,278,376)	(944,894)	(12,163)	(957,057)
Net Charge / (reversals) for the period	(407,021)	(4,927)	(411,948)	1,663,314	(12,163)	1,651,151
Amounts written off	(79,602)	-	(79,602)	(91,976)	-	(91,976)
Closing Balance	6,453,158	5,322	6,458,480	7,089,770	10,249	7,100,019

5.3 General provision against consumer finance loans represents provision made equal to 1.5% of the fully secured performing portfolio and 5% of the unsecured performing portfolio as required by the Prudential Regulations issued by the SBP for Consumer Financing.

5.4 Subsequent to quarter end September 30, 2009, State Bank of Pakistan has amended Prudential Regulations No. R-8, R-11 and R-22 through BSD Circular No. 10 dated October 20, 2009. As a consequence, 40% benefit on account of forced sales value (FSV) of pledged stock and mortgaged residential, commercial and industrial properties (land and building only) held as collateral against non-performing loan has been allowed effective from September 30, 2009. This is applicable for three years from the date of classification for calculating provisioning requirement. Earlier, the said benefit was restricted to 30% only on pledge stock, residential and commercial properties vide BSD Circular No. 02 dated January 27, 2009. Had the benefit of the said new circular not been availed by the bank in this quarter, net charge for the provisions would have been higher than by an amount of Rs 582.5 million and loss after tax would have been higher by Rs 378.7 million

5.5 The SBP Inspection Report as at June 30, 2008 had identified provisions required against non-performing loans and other assets at Rs. 3,749.670 million. However, SBP has allowed the Bank to provide provisions of Rs. 1,749.67 million by December 31, 2009. Had the provision of Rs. 1,749.67 been recognized at September 30, 2009, the loss after tax would have been higher by Rs 1,137 million and capital adequacy ratio lower by 3.96%. The Bank has committed to inject funds to meet the Minimum Capital Requirements as per BSD Circular No. 7 dated April 17, 2009 till December end 2009.

6. SHARE CAPITAL

Authorized capital

September 30, 2009- Unaudited	December 31, 2008- Audited		September 30, 2009- Unaudited	December 31, 2008-Audited
No. of shares in '000			Rupees in '000	
<u>2,500,000</u>	<u>2,500,000</u>	Ordinary shares of Rs. 10 each.	<u>25,000,000</u>	<u>25,000,000</u>

Issued, subscribed and paid up share capital

September 30, 2009- Unaudited	December 31, 2008- Audited		September 30, 2009- Unaudited	December 31, 2008-Audited
No. of shares in '000			Rupees in '000	
<u>800,315</u>	<u>800,315</u>	Fully paid up ordinary shares of Rs. 10 each	<u>8,003,150</u>	<u>8,003,150</u>
<u>100,000</u>	<u>100,000</u>	Fully paid up ordinary shares of Rs. 10 each issued at a discount of Rs. 2.5 per share	<u>1,000,000</u>	<u>1,000,000</u>
<u>900,315</u>	<u>900,315</u>		<u>9,003,150</u>	<u>9,003,150</u>

7. CONTINGENCIES AND COMMITMENTS

	September 30, 2009- Unaudited	December 31, 2008-Audited
	Rupees in '000	
7.1 Direct credit substitutes	-	-
7.2 Transaction-related contingent liabilities		
Guarantees favouring		
Government	3,917,106	3,948,414
Banking companies and other financial institutions	48,482	90,442
Others	<u>1,336,518</u>	<u>1,293,072</u>
7.3 Trade-related contingent liabilities		
Letters of Credit & Acceptances	<u>3,964,495</u>	<u>2,923,902</u>
7.4 Claims against the bank not acknowledged as debt	<u>207,607</u>	<u>186,875</u>
7.5 Commitments in respect of :		
Forward Exchange contracts with State Bank of Pakistan, banks and other institutions		
Sale	<u>949,897</u>	<u>1,137,795</u>
Purchase	<u>2,233,215</u>	<u>3,190,282</u>
	<u>3,183,112</u>	<u>4,328,077</u>
7.6 Commitments in respect of :		
Property civil work & equipment	<u>101,826</u>	<u>388,052</u>
Purchase of software	<u>208,569</u>	<u>50,162</u>

8. TAXATION

During the period, amendments were brought in through Finance Act 2009 regarding allowance of provision against non performing loans and off balance sheet exposures applicable from Tax year 2010 (accounting year December 31, 2009) and onwards. The Bank has accounted for these in the tax computation for the period, therefore, in accordance with the law, provision under the category of doubtful and loss category have been treated as allowed subject to a maximum limit of 1% of advances. The Bank is confident that disallowances on account of provisions against non-performing loans relating to prior periods, would be allowed to the bank. Further the bank management, based on current future projections consider that there would be adequate future profits against which the deferred tax assets would be realized.

9 RELATED PARTY TRANSACTIONS

Related parties comprise of directors, major shareholders of the Bank and the companies owned by such shareholders, entities owned by the directors of the bank, companies where directors of the bank also hold directorship, key employees and entities that have key management personnel in common.

Transactions with the related parties are executed substantially on the same terms, including mark-up rates and collaterals as those prevailing at the time for comparable transaction with the unrelated parties and do not involve more than a normal risk (i.e. under the Comparable Uncontrolled Price Method).

Other than those transactions which are made under the terms of employment, the majority of the transactions with related parties comprise of loans and advance, deposits, issuance of letter of credits and guarantees.

Advances for the house building, conveyance and for personal use have also been provided to the staff and executives at the reduced rates in accordance with the employment and pay policy. Facility of group life insurance and hospitalization insurance is also provided to staff and executives. In addition to this, executives of the Bank have been provided with Bank maintained car.

Details of transactions with related parties and balances with them as at the period-end were as follows:

	September 30, 2009-Unaudited			December 31, 2008-Audited		
	Directors	Key Management Personnel	Associated Companies & Directorship	Directors	Key Management Personnel	Associated Companies & Directorship
	----- Rupees In '000 -----					
Balances						
Loans						
Outstanding at the beginning of the period	-	1,666	-	-	2,625	64,833
Loans given during the period	-	3,355	-	-	1,605	-
Loans repaid during the period	-	(3,164)	-	-	(2,564)	(64,833)
Loans outstanding at the end of the period		1,857	-	-	1,666	-
Deposits						
Deposits at the beginning of the period	6,915	105,632	20,755	1,141	32,936	219,564
Deposit received during the period	104,545	627,315	977,080	211,809	1,392,047	10,261,430
Deposit repaid during the period	(110,111)	(681,298)	(950,630)	(206,035)	(1,319,351)	(10,460,239)
Deposit at the end of the period	1,349	51,649	47,205	6,915	105,632	20,755
Subordinated loan	-	-	-	-	-	-
Letter of credit and acceptance	-	-	-	-	-	601
Investment in Term Fiancne Certificates	-	-	-	-	-	9,193
Forward foreign exchange contracts	-	-	-	-	-	-
Transactions						
Short term employment benefits	-	236,578	-	-	247,919	-
Termination benefits	-	17,458	-	-	56,327	-
Mark-up and commission earned	-	123	-	-	116	6,923
Mark-up and commission paid	262	4,035	2,608	166	1,716	39,861
Brokerage paid	-	-	-	-	-	-
Revaluation & exchange income	-	-	-	-	-	(1,182)
Rent Income	-	-	-	-	-	57
Services Rendered	-	-	98,257	-	10,078	-
Software Procured	-	-	-	-	3,738	-

10 SUBSEQUENT EVENTS

There were no significant adjustable events subsequent to September 30, 2009, that might require an adjustment to these condensed interim financial statements or that may require disclosure and have not already been disclosed in these financial statements.

11 DATE OF AUTHORISATION FOR ISSUE

The financial statements were authorised for issuance on October 28, 2009 by the Board of Directors of the Bank.

12 GENERAL

Figures have been rounded off to the nearest thousand rupees.

Azmat Tarin
President & Chief Executive

Munnawar Hamid, OBE
Chairman

Arif Mahmood Ali
Director

Humayun Bashir
Director