

TRANSCENDING
towards
EXCELLENCE

3rd Quarterly Report
2018

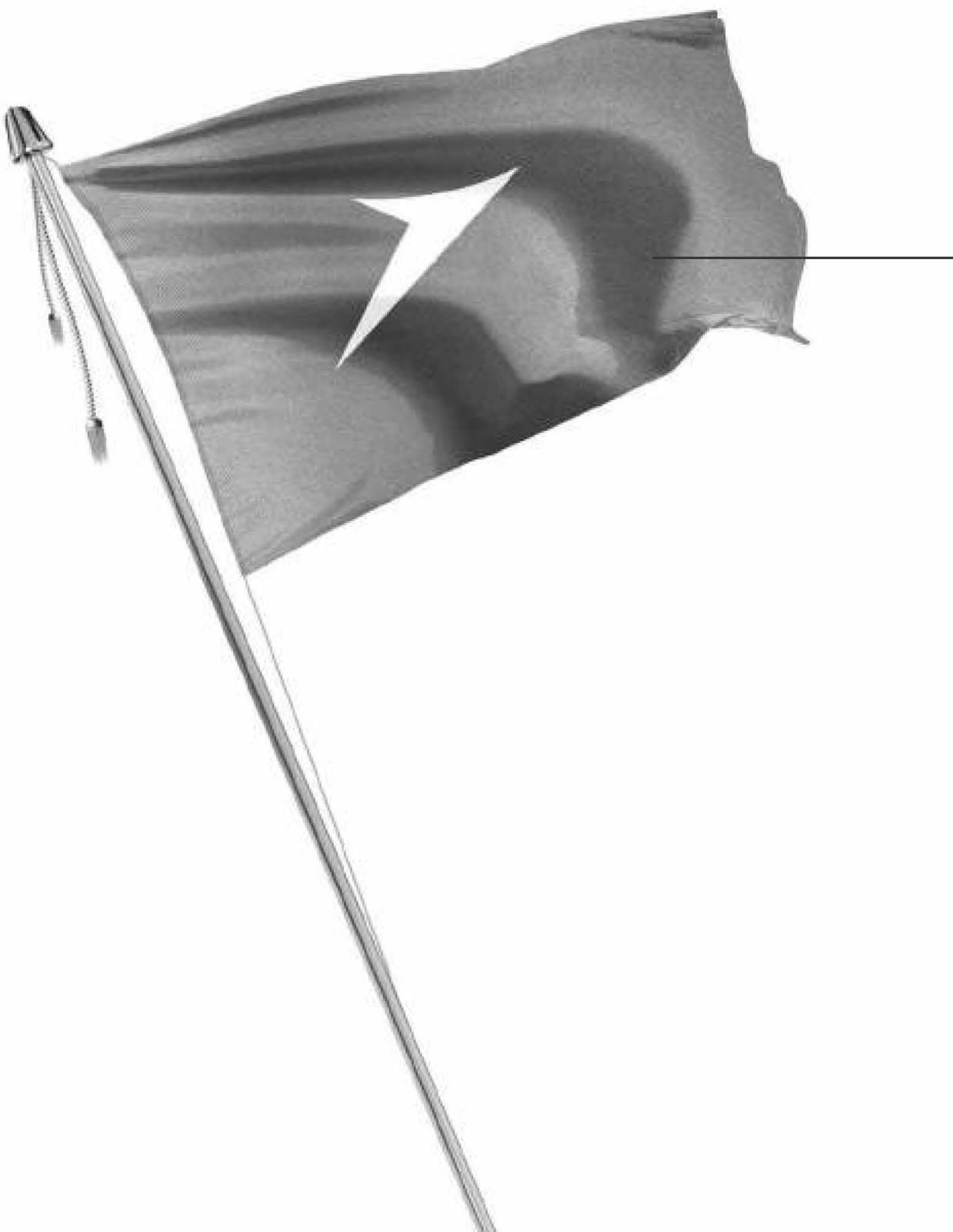


TRANSCENDING towards EXCELLENCE

Embedding our values in our services, we have transcended in our journey towards excellence, achieving a remarkable status at the end of the 3rd Quarter of 2018. This reflects our continuous dedication and top-notch innovative banking services in premium banking.

Our products symbolize reliability and diversity coupled with strength and integrity, with which, we are rising towards our destined benchmark of *Excellence*.





VISION

Benchmark of excellence in
Premier Banking.

MISSION

To be the leader in Premier
Banking; trusted by customers
for accessibility, service and
innovation. Be an employer of
choice, creating value for all
stakeholders.



CORE VALUES

Customer Focus

At Silkbank, the customer remains at the core of all activities.
Service Quality is our key differentiator.

Integrity

At Silkbank, we are honest and upfront maintaining the highest level of personal and corporate integrity.

Teamwork

Teamwork is our key strength. Our success lies in unity.

Creativity

Out of the box thinking is the enabling factor for us to be recognized as an innovative organization.

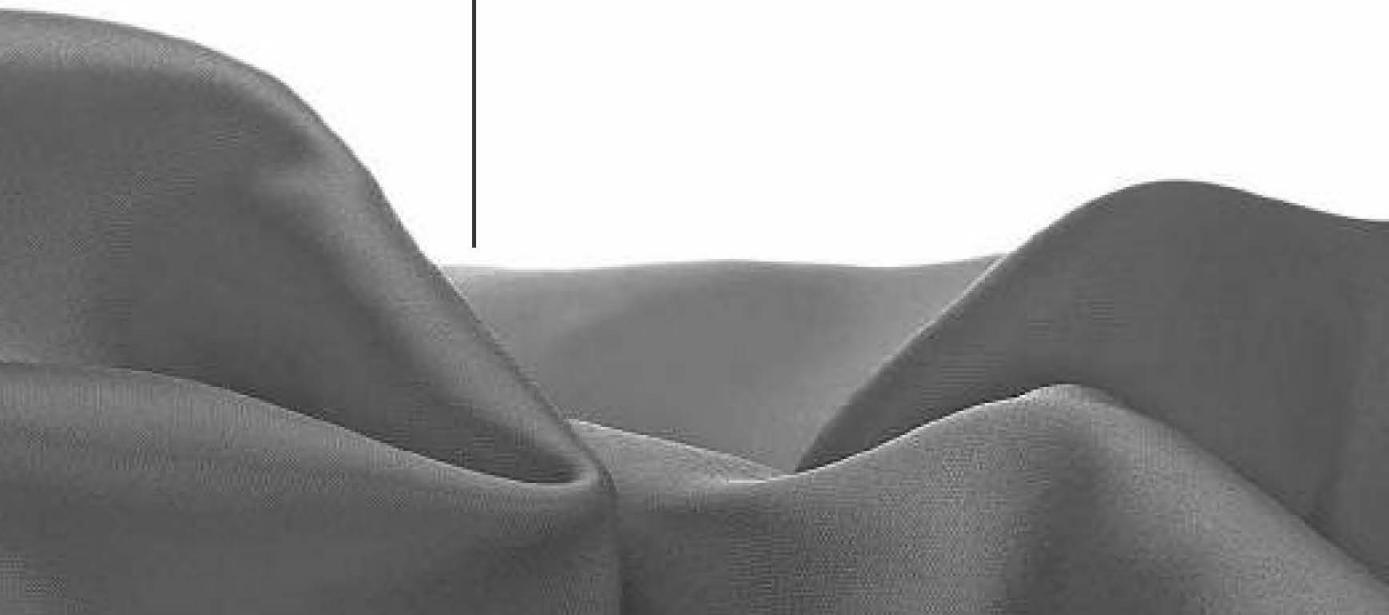
Meritocracy

Merit remains our key primary criteria for rewarding performance.

Humility

Humility remains at the core of all our relationships.

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CORPORATE INFORMATION

PENNING SUCCESS

A proficient team with high ambitions can turn simple into magnificent. Such a team exists along the corporate ladder of Silkbank that has worked day and night to transcend in its journey towards excellence. Courtesy of their hard work, the Bank has borne fruitful results at the end of the 3rd Quarter of 2018, turning aspirations into reality.

CORPORATE INFORMATION

AS AT SEPTEMBER 30, 2018

Board of Directors	
Munnawar Hamid, OBE	Chairman
Khalid Aziz Mirza	Director
Nasim Beg	Director
Rashid Akhtar Chughtai	Director
Shahzad Enver Murad	Director
Talha Saeed Ahmed	Director
Tariq Iqbal Khan, FCA	Director
Zubair Nawaz Chattha	Director
Azmat Shahzad Ahmed Tarin	President & CEO
Shaukat Tarin	Advisor to the Chairman

Company Secretary

Faiz Ul Hasan Hashmi

Chief Financial Officer

Khurram Khan

Audit Committee

Shahzad Enver Murad	Chairman
Nasim Beg	Member
Tariq Iqbal Khan, FCA	Member
Wajih Zaidi	Secretary

Risk Committee

Tariq Iqbal Khan, FCA	Member/Acting Chairman
Shahzad Enver Murad	Member
Muhammad Atif Kauser	Secretary

IT Committee

Nasim Beg	Chairman
Zubair Nawaz Chattha	Member
Javed Yousuf Edhi	Secretary

Human Resources Committee

Khalid Aziz Mirza	Chairman
Munnawar Hamid, OBE	Member
Rashid Akhtar Chughtai	Member
Goharulayn Afzal	Acting Secretary

Auditors

**M/s. Grant Thornton Anjum Rahman (GTAR)
Chartered Accountants**

Legal Advisor

Ghani Law Associates

Registered Office

**Silbank Limited,
13-L, F-7 Markaz,
Islamabad.**

Direct Tel: (051) 26080-26-27-28,

PABX: (051) 26080-77-78-79 Ext: 111

Fax: (051) 26080-29

Email: companysecretary@silbank.com.pk

Website: www.silbank.com.pk

Share Registrar

Central Depository Company of Pakistan Limited (CDCPL)

Share Registrar Department

**CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shahra-e-Faisal,
Karachi-74400.**

Tel: Customer Support Services (Toll Free) 0800-CDCPL (23275)

Fax: (92-21) 34326053

Email: info@cdcpak.com

Website: www.cdcPakistan.com



REPORTS AND STATEMENTS TO THE MEMBERS

A DISTINCT
STATURE

Years of best practices have earned us a high status in terms of growth, progress and leadership, reflecting well in the 3rd Quarterly Reports and Statements of 2018. With a profitable portfolio representing our success, we have proudly transcended in our journey towards excellence.

DIRECTOR'S REPORT

DIRECTORS' REVIEW REPORT

AS OF SEPTEMBER 30, 2018

Dear Shareholders,

We are pleased to present the financial statements of the Bank for the third quarter ended September 30, 2018.



Economic Review

Pakistan currently faces complex economic conditions with escalating fiscal and current account deficits and low foreign exchange reserves. The rapid rise in international oil prices, FED tightening and difficult financial conditions for emerging markets have added to this complex situation. In this economic environment, GDP growth is expected to slow down and inflation is likely to rise.

Another IMF program in this situation seems inevitable. According to IMF, fresh policy measures are a step in the right direction, but more needs to be done. Supplementary policy actions and significant external financing will be required in the short-term.

The headline inflation stood at 5.1% whilst core inflation (excluding food and energy) increased by 8.0% YoY in September, 2018. Preempting this increase and to contain aggregate demand, State Bank of Pakistan has increased its policy rates by 200bps in the 1QFY-2019 to 8.50%. Major threat to economy is still from the external front as current account deficit remains high at US\$2.7 billion for 2MFY19. The unfolding global developments, whether in terms of oil-price shocks, protectionist trade policies and falling flows to the emerging markets, all pose challenges to macroeconomic management in Pakistan.

Banking Sector

Private sector credit expanded by Rs. 775 billion in FY18 and by Rs. 123 billion in 3 months of FY19. The increase was notable in fixed investments and working capital, especially in construction, consumer finance and food processing, besides other sectors. As a consequence, overall banking sector advances grew to Rs. 7,426 billion, investments rose to Rs. 5,650 billion whereas deposits reached to Rs. 12,691 billion.

Due to the ongoing monetary contraction, overall spreads of the banking industry would witness an uptick. On the other hand, the industry would experience negative mark to market on the government securities held in their portfolios. Banks might also have to incorporate rising number of Non-Performing Loans which would hamper their march towards profitability in the short run.

Financial Performance

The Bank has posted after tax Profit of Rs. 1,235 million for the period ended September 30, 2018.

During this period, total deposits of the Bank grew by Rs. 12.05 billion to Rs. 122.33 billion and gross advances increased by Rs. 14.29 billion.

Summarized financial performance of Silkbank Limited for the nine months ended September 30, 2018 is as follows:

Financial Performance	Rs. in million
Profit before Tax	1,757
Tax - Current	(67)
Prior	-
Deferred	(455)
Profit after Tax	1,235
	Rupee
Earnings per share - Basic	0.14
Earnings per share - Diluted	0.14



Business Performance

Branch Banking

Branch Banking remains one of the most critical businesses for the Bank, serving over 168,561 customers, and consisting of approximately 64.36% of the Bank's deposit base. Branch Banking deposit remained ahead of its budget by maintaining a positive momentum right from the beginning. Accordingly, total deposits of the Branch Banking as at September 30, 2018 increased by Rs. 13.356 billion, taking the overall deposit figure to Rs. 78.742

billion. This included a significant growth of 48.49% in CASA amounting to Rs. 6.477 billion. This also enabled Branch Banking deposit to remain ahead on budgeted target by Rs. 3.716 billion.

The trajectory seems to be heading in the right direction and we hope to see Branch Banking produce even better results by the end of the year.



■ All-In-One Account

This provides insurance coverage on ATM & over-the-counter cash snatching, mobile phone & vital documents snatching, home burglary and further allows special auto-insurance rate and now has more than 5,361 customers with a deposit base of Rs. 2.583 billion.



■ Business Value Account

Business Value Account, a Current Account specifically designed for businessmen providing inventory insurance for up to Rs. 10 million, has a deposit base of Rs. 436 million with 891 customers.

■ Online Express

Online Express, a Current Account allowing unlimited transactions across the country absolutely free, has a total deposit of Rs. 15,294 billion with 83,771 customers.

■ Munafa Rozana

Munafa Rozana, a unique Savings Account which pays profit in cash daily, has a deposit base of Rs. 4.022 billion with 10,377 customers.

■ ADC Business

Silkbank VISA Debit Card ("VDC") continued to show steady growth in 2018, where 9,210 new VDCs were issued during Q-3 of 2018, increasing the total card base to 127,447. During Q-3 of 2018, VDC usage over Point of Sales (POS) recorded a spent of Rs. 369.28 million against 99,812 transactions, reflecting a growth of 21% & 26% respectively as compared to same period of 2017. The highest POS spent of Rs. 133.16 million was recorded during August, 2018 against 34,558 transactions. Silkbank ATMs dispensed a cash volume of Rs. 5.48 billion through 499,097 transactions during Q-3 of 2018 with a monthly usage of Rs. 1.82 billion. ATMs cash dispensed volume & number of transactions recorded a growth of 25% & 29% respectively over the comparative period of 2017.

■ Alternate Distribution & e-delivery Channels

Alternate distribution & e-delivery channels have added value to the product offerings of the Bank and have enhanced the reach / accessibility of its banking services. SilkMobile registrations have reached to 44,366 customers, where new features are continuously being added to attract more customers towards greater usage of its digital platform.

■ Bancassurance

Bancassurance segment of the Bank registered a business of Rs. 87.05 million as at September 30, 2018. Total revenue generated amounted to Rs. 52.26 million as at September 30, 2018, whereas, YTD cancellation remained at 1%. Productivity per branch also increased significantly through a sales drive, "Participation from All".



■ Consumer Banking

Silkbank offers a combination of both secured and unsecured products through its Consumer Banking Division. All of these products have performed above expectations and have contributed positively in profitability of Consumer Banking Division.

Unsecured

Silkbank's unsecured portfolio comprising of Personal Loan, Ready Line and Credit Cards continued to build the momentum right from the start of 2018 and saw greater heights in profitability and ENR growth. During Q-3, the Bank crossed Rs. 12 billion ENR in Personal Loan and Ready Line and stood as the market leader among the peer banks by maintaining 38% market share.

DIRECTOR'S REPORT

DIRECTORS' REVIEW REPORT

AS OF SEPTEMBER 30, 2018

■ Personal Loan

Silkbanks Personal Loan witnessed an ever highest ENR growth of Rs. 1.13 billion during the year which have contributed into EBIT of Rs. 355 million as of September 30, 2018. This was contributed through successful mass media campaign, 'Apno ke liye kuch bhi'. The Q-3 of 2018 was closed with 9,204 number of accounts with the volume of Rs. 2.87 billion.



■ Ready Line

Silkbanks Ready Line, an unsecured running finance facility, posted an EBIT of Rs. 618 million as at September 30, 2018 with 39,804 active customers and an ENR of Rs. 6.2 billion.

The Bank also launched other tactical spend promotions, such as Schooling can be Free to 50 lucky customers on spend of Rs. 10,000 and 10% Cashback on Mobile and Internet Banking promotions. Mobile and Internet Banking registration promotion was launched, offering the iPhone XS which would ultimately contribute in increasing spend on these modern avenues. Apart from these, traditional SMS, e-billing and VDC promotions were also launched. We are confident that all these ATL & BTL promotions will further augment the business and will help us overachieve key milestones in the remaining part of the year.



■ Credit Cards

Silkbanks continues to be the market leader in fresh credit card acquisitions and in Q-3 of 2018, Silkbanks acquired 11,920 new cards which increased the total cards base (Cards in Force) to 143,273 cards. During the quarter, various portfolio campaigns were launched, targeting at increasing credit card spending and revolver base. A reinforced impetus was injected in increasing

value-added services enrollments, where customers were approached via outbound calling and enrollments were also promoted via SMS campaigns. The Alliances menu on Silkbanks Credit Cards was also enhanced with new discount offers and tactical campaigns. Spending on Silkbanks Credit Cards soared to Rs. 1.7 billion in July, the ever highest spending recorded in a month. Spending for the entire quarter closed at Rs. 4.7 billion. Spend Stimulation Unit booked ENR of Rs. 563 million during Q-3 which helped increase total receivables to 4.1 billion.



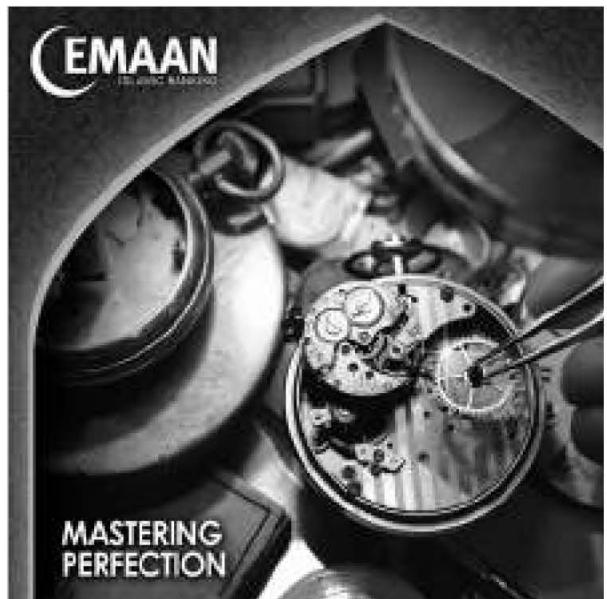
Secured

■ M'Power

M'Power, a product secured against residential and commercial property, stood at an ENR of Rs. 2,507 million. Fresh lending in M'Power is on hold and our focus is on retaining existing customers and on more high-yielding products.

Emaan Islamic Banking

Emaan Islamic Banking closed the third quarter of 2018 by posting a Profit before Tax of Rs. 679 million. The deposit book registered YTD growth of Rs. 3,634 million and stood at Rs. 17,891 million with CASA TD ratio of 81:19. Advances book increased by Rs. 8,062 million and closed at Rs. 25,589 million.



Compliance with Minimum Capital Requirement (MCR) and Capital Adequacy Ratio (CAR)

The Bank is compliant with the minimum capital requirement as prescribed by the State Bank of Pakistan. As at September 30, 2018, the capital of the Bank (net of losses and discount on shares) is Rs. 13.82 billion. This excludes general reserves of Rs. 555 million. Further, the CAR of the Bank as disclosed in note # 1.3 is 11.33% against the minimum CAR requirement of SBP of 11.275%.

Credit Rating

The JCR VIS Credit Rating Company Limited vide its credit rating report dated July 03, 2018, has reaffirmed the Long Term entity rating of Silkbanks as A- (Single A Minus) and Short Term rating as A-2 (A-Two). Outlook on the assigned ratings is "Positive".

Future Outlook

In addition to implementing the Bank's declared strategy to improve profitability by greater coverage, asset performance and productivity, efforts will be made to revive the mortgage assets business to provide further growth in the Consumer Banking business. Most importantly, the Bank will increasingly emphasize on its human capital by strengthening "a pay for performance culture" and an improved succession planning process. In addition to the 35 new branches established in 2017, the Bank intends to continue increasing its geographical footprint.

In order to provide a platform to cater for the unbanked population, the Bank has prepared to establish digital banking to increase its outreach, which is expected to be launched shortly. By introducing the "smart branch" concept, the Bank will also increase its distribution footprint and increase the number of branches at strategic locations all over the country which should enhance the Bank's ability to mobilize deposits and subsequently, lend and invest increasingly in earning assets.

With the successful implementation of the strategies outlined above, your Directors are hopeful that the profitable growth of the Bank will continue in the years to come.

Acknowledgement

We once again take this opportunity to express our deepest gratitude to our customers and business partners for their continued support and trust, and our sincere appreciation to the State Bank of Pakistan for their guidance and cooperation extended to the Bank. We are also equally thankful to our associates, staff and colleagues for their committed services to the Bank, and look forward to their continued support.

**For and on Behalf of the Board of
Silkbanks Limited**



Azmat Tarin
President & CEO



Munnawar Hamid, OBE
Chairman

Karachi, October 25, 2018

کم سے کم کمپنیل کی ضروریات اور کمپنیل کے موزوں تناسب کی محیل

بینک، اسٹیٹ بینک آف پاکستان کی طرف سے تجویز کردہ کم سے کم کمپنیل کی ضروریات کی محیل رکتا ہے۔ 30 ستمبر، 2018 تک بینک کامپنیل (شیئرز پر نقصانات اور عالیات کا مجموع) 13.82 بلین روپے ہے، جو کہ 555 ملین روپے کے عمومی محفوظ سرمایہ کے علاوہ ہے۔ مزید یہ کہ، اسٹیٹ بینک آف پاکستان کے 11.275% کم سے کم کمپنیل کے موزوں تناسب کی ضرورت کے لیے بینک کے کمپنیل کا موزوں تناسب 11.33% ہے جو کہ نوٹ نمبر 1.3 میں بیان کیا گیا ہے۔

کریٹریٹ رینگ

چھی آر وی آئی ایس کریٹریٹ رینگ کمپنی لیٹڈ نے اپنی 03 جولائی، 2018 کی کریٹریٹ رینگ، پورٹ میں سلک بینک کی لائگ ٹرم پیشی رینگ-A (سلک اے ماہن) اور شارٹ ٹرم رینگ-2A (اے ٹو) مخفین کی ہے۔ آؤٹ اک "ثابت" قرار دیا گیا ہے۔

توقیعات مستقبل

بینک کی اعلان کردہ حکمت عملی پر مزید عمل کرتے ہوئے بڑی کوئی، اضافہ چاٹ کی کارکروگی اور پوڈ کمپنی میں کے ذریعہ منافع چاٹ میں بہتری لانے کے لیے موچ گرنس کو بحال کرنے کے لیے کوششیں کی جائیں گی تاکہ کمزیور پینگکمپنی میں حزیرتی کی جاسکے۔ سب سے اہم یہ ہے کہ بینک "a pay for performance culture" or improved succession planning process "a pay for performance culture" کا سلسلہ کر کے پیش کرے گا۔ 2017 میں 35 تی براچوں کے اضافے کے ساتھ بینک مزید برائجیں کوئے کا ارادہ رکھتا ہے تاکہ وہ ملک میں اپنائیں ورک بڑھا سکے۔

ان آبادیوں میں جو بینک کی رسائی ہیں ہے، بینک نے ذکیطل بینکنگ کے قیام کا ارادہ کیا ہے جس کا آغاز بہت جلد کر دیا جائے گا۔ "اسارت برائج" کو متعارف کرو اک بینک اپنی ذمہ داری پیش کر دیں تو اس کا ارادہ رکھنا گوئی کو بڑھانے کا اور ملک بھر میں اپنی براچوں کی تعداد میں اضافہ کرے گا۔ جس کی بدولت بینک ڈپارٹمنٹ گردش میں لائسنس کا اور نیچا آمدنی میں قرض اور سرمایہ کاری میں اضافہ ہو گا۔

مذکورہ بالاحکمت عملیوں کے کامیاب نتائج کے ساتھ آپ کے ذائقہ کی رکھنے کا ارادہ رکھا گی۔

اعتزاف

ہم اپنے صارفین اور کاروباری شرائکت داروں کا تہذیل سے شریادا کرتے ہیں جنہوں نے ہمارے ساتھ مسلسل تعاون کا مظاہرہ کیا اور ہم پر اپنے اعتماد کا اظہار کیا۔ ہم خلوص دل سے اسٹیٹ بینک آف پاکستان کے شکرگزار ہیں جس نے بینک کو اگے بڑھانے میں اپنی رہنمائی اور تعاون فراہم کیا۔ اسی طرح ہم اپنے ایسی ایش، عملی اور کوئیگز کے بھی شکرگزار ہیں کہ بینک نے بینک کو اپنی بھرپور خدمات سے نوازا اور مستقبل میں بھی ان کے مسلسل تعاون کی امید رکھتے ہیں۔

سلک بینک لیٹڈ کے بورڈ کے لیے اور اس کی جانب سے

Munawar Ahmad

منور حامد، اوبی ای

چیئرمین

عظیمت ترین

صدر اوری ای او

کراچی، 25 اکتوبر، 2018

■ کریٹ کارڈز

سک پینک نے فریشن کریٹ کارڈز کی حصوں میں اپنی مارکیٹ لیڈر کی حیثیت قائم کی اور 2018 کی تیری س ماہی میں 11,920 نئے کارڈز جاری کئے گئے، جس سے گل کریٹ کارڈز میں 143,273 کارڈز کا اضافہ ہوا۔ س ماہی کے دوران، کمپنی پر ٹوکنے کے لیے آغاز کیا گیا۔ جس کا مقصود کریٹ کارڈ سیمنٹ گ اور یا لوہ میں کو بڑھانا ہے۔ ایک مضمون تیزی کا رجحان بڑھایا گیا۔ جس سے دلیل ایڈ سرویز انڈسٹریز میں اضافہ ہوا۔ جس میں صارفین تک وکٹچے کے لیے آٹھ بادھ کاٹ کا استعمال کیا گیا اور اس ایس ایس کمپنی کے ذریعے اندر میں کوہی فروغ دیا گیا۔ سک پینک کریٹ کارڈز پر الائسر میونکو ہی فنی اکاؤنٹ آفزر اور ٹیکنالوجیکل کمپنیوں کے ذریعے بڑھایا گیا۔ جولائی میں سک پینک کریٹ کارڈز پر اسپینٹ گ میں 1.7 ملین روپے کا اضافہ ہوا، جو ایک ماہ میں سب سے زیادہ اسپینٹ گر لیکارڈ ہوئی۔ پوری س ماہی 4.7 ملین روپے پر ختم ہوئی۔ تیری س ماہی کے دوران 563 ملین روپے کے ای این آر کے ساتھ اسپینٹ اسٹولیشن یونٹ کا بک کیا گیا۔ جس سے 4.1 ملین گل واجب الادائیں اضافہ ہوا۔



محفوظ پر لفڑیوں

■ ایگر پاور

ایگر پاور ایک محفوظ پر ڈوڈکٹ ہے جو رہائشی اور تجارتی پر اپنی کو محفوظ کرتی ہے۔ اس کا ای این آر 2,507 ملین روپے پر ہے۔ نئے قرضے میں ابھی روک دیئے گئے ہیں اور ہماری تجربہ موجودہ صارفین کو قائم رکھنے اور زیادہ پیداواری پر ڈکش پر ہے۔

ایمان اسلامک بینکنگ

2018 کی تیری س ماہی میں ایمان اسلامک بینکنگ نے 679 ملین روپے کا ایل ایکس منافع حاصل کیا۔ ڈپاٹ بک میں 3,634 ملین روپے کی TTD گر توہر کارڈ کی گئی اور کرنٹ اکاؤنٹ سیمینٹ گ اکاؤنٹریم ڈپاٹ کے 81:19 کے تابع کے تابع کے تابع کے 17,891 ملین روپے رہی۔ ایڈ انس 8,062 ملین روپے تک بڑھے اور 25,589 ملین روپے پر قائم ہوئے۔



ڈائریکٹر کی رپورٹ

30 ستمبر، 2018 تک کے لیے ڈائریکٹر کی رپورٹ

■ پرست اون

سال کے دوران سک پینک پرست اون میں 1.13 ملین روپے کی ای این آر گر توہر ہوئی۔ جو 30 ستمبر، 2018 تک 355 ملین روپے کے EBIT میں شامل ہے۔ یہ شمولیت کامیاب میڈیا میں کمپنی "ایون کے لیے کچھ بھی" کے ذریعے کی گئی۔ 2018 کی تیری س ماہی 9,204 اکاؤنٹس کی تعداد کے ساتھ ختم ہوئی اور 2.87 ملین روپے کا والیدم رہا۔



■ ریٹی لائنز

سک پینک ریٹی لائنز ایک غیر محفوظ قابل فضیلی ہے۔ 30 ستمبر، 2018 تک اس فضیلی نے 39,804 صارفین کے ساتھ 618 ملین روپے کا EBIT اور 6.2 ملین روپے کا ENR حاصل کیا۔

پینک نے دیگر ٹکنالوجیکل اسپینٹ پر موہر کا بھی آغاز کیا ہے 10,000 روپے کے خرچ پر 50 خوش قسم صارفین پر اعتماد اسکو لانگ حامل کر سکتے ہیں اور اخیر میں بینکنگ پر موہر پر 10% کیس بیک۔ موبائل اور اخیر میں بینکنگ رجسٹریشن پر موہن کا آغاز ہوا جس میں iPhone XS آفر کیا گیا۔ جس سے اسپینٹ میں اضافہ ہوا۔ اس کے طلاہ ایس ایس ایس، ای۔ بینکنگ اور ووڈی ڈی ای کی روایتی پر موہر کا بھی آغاز کیا گیا۔ ہم ہر اضافہ ہیں کہ ان تمام اے ایل اور بی ایل پر موہر سے کارڈارٹس اضافہ ہو گا اور اسال کے باقی اگلے حصے کے لیے ایہ سمجھ میں توقع سے زیادہ حاصل کرنے میں ہیں مد ملتے گی۔



پر راست ایک بیت سوت میں آگے پرست نظر آتا ہے اور ہم امید کرتے ہیں کہ سال کے آخر تک برا جی بیٹنگ میں ہر یہ ہتر ناچ حاصل ہو گے۔



■ آل ان-ون اکاؤنٹ

آل ان-ون اکاؤنٹ، اے ائم او کاؤنٹ، اے ائم او کاؤنٹ اسکے میڈیم میں ہر یہ ہتر بھتی گی رقم ہموں کون اور ہم دستاویزات کے چھپ جانے، گھر میں ڈکٹنی ہونے پر انشوں کو رجی فراہم کرتا ہے اور اس کے ساتھ ساتھ مخفی آنٹوشاں ریٹ فراہم کرتا ہے اور اب 5,361 سے زائد صارفین کہتا ہے اور ڈپاٹ میں 2.583 ملین روپے ہے۔



■ بیٹنگ ویڈیو اکاؤنٹ

بیٹنگ ویڈیو اکاؤنٹ جو کہ ایک کرنٹ اکاؤنٹ ہے، خاص طور پر کارڈ باری افراد کے لیے ہایا گیا ہے اور 10 ملین روپے تک اونیٹری انشوں فراہم کر رہا ہے، 891 صارفین کے ساتھ اس کا ڈپاٹ میں 436 ملین روپے ہے۔



■ کنزیور بینکنگ

سک بیک بذریعہ اپنی کنزیور بینکنگ ڈیویشن محفوظ اور غیر محفوظ پر ڈکٹن کا احران پیش کرتا ہے۔ یہ تمام پر ڈکٹن سے زیادہ کارکرداری کا مظاہرہ کرتی ہیں اور کنزیور بینکنگ ڈیویشن کے منافع میں بہت بہت کروڑا دا کیا ہے۔

■ غیر محفوظ

سک بیک کا غیر محفوظ پورٹفولیو پر ٹیکن لون، ریلی اگن اور کریڈٹ کارڈ پر مشتمل ہے جو 2018 کے آغاز سے ٹیکنی کی جانب گھرzn ہے اور منافع اور اسین آن گر ٹوچ سے تعلق پوری کامیابیاں اور میں سک میں بیکھے میں آئے۔ تیسری سماں کے دوران، بیک نے پر ٹیکن لون اور ریلی اگن میں 12 ملین روپے سے زائد اسی میں آئیں اور حاصل کیے۔ بیک نے 38% مارکیٹ شیئر کو قائم رکھنے والے سماں بیکھوں کے درمیان مارکیٹ لائڈر کی حیثیت حاصل کی ہوئی ہے۔

■ آن لائن ایک پر لیں

آن لائن ایک پر لیں ایک کرنٹ اکاؤنٹ ہے جو ملک بھر میں لامحدود ڈیزیکشنز بلا معاوضہ فراہم کرتا ہے۔ 83,771 صارفین کے ساتھ اس کا ڈپاٹ میں 15,294 ملین روپے ہے۔

■ منافع روزانہ

منافع روزانہ ایک میکر سیوگ اکاؤنٹ ہے جو روزانہ کی شیاد پر نقد منافع ادا کرتا ہے۔ 10,377 صارفین کے ساتھ اس کا ڈپاٹ میں 4,022 ملین روپے ہے۔

■ اے ڈی سی بیٹنگ

سک بیک پر ڈیزیکٹ کارڈ ("VDC") نے 2018 میں سچک بیدار جاری کی۔ 2018 کی تیسری سماں کے دوران 9,210 نئے ڈیزیکٹ کارڈ روز جاری کیے گئے جس سے ٹیکن کارڈ میں میں 127,447 کا اضافہ ہوا۔ تیسری سماں کے دوران پارکنگ آنکٹ اسکل پر ڈیزیکٹ کارڈ کے استعمال سے بذریعہ 99,812 ڈیزیکشنز 369.28 ملین روپے کی لاگت کا خرچ ریکارڈ کیا گیا، جو کہ 2017 کی ای مدت

ڈائریکٹر کی رپورٹ

30 ستمبر، 2018 تک کے لیے ڈائریکٹر کی رپورٹ

بینکنگ سینکڑ
ماں سال 2018 میں پارچی بیٹ سکھر کریٹ 775 ہزار روپے تک بڑھا اور ماں سال 2019 کے 3 ماہ میں 123 ہزار روپے تک بڑھا۔ یہ اضافہ فلکسٹ اوسی سمت اور درنگ کمپنیوں میں شامل ذکر رہا، علاوہ دیگر سکھر خاص طور پر تیزات، کنزیر نہائی اور فود پر سیوگ میں۔ نتیجہ تام تر بینک سکھر بڑا انسر 26 7,426 ہزار روپے کا اضافہ ہوا، سرمایہ کاری بڑھ کر 5,650 ہزار روپے ہو گئی جبکہ ڈپاٹس 12,691 ہزار روپے کا اضافہ ہے۔

رواد مالی کی وجہ سے بینکنگ افٹر سری کے تام پر بڑا ایف معمولی اضافے کی شہادت ہو گئی اس کے پرکش افٹر سری کے پروٹوکولوں میں حکومتی سکھر بڑھ پر مارکیٹ کے لیے ایک ایک حقیقت کا سامنا ہو گا۔ بینکوں کو تان پر فارمنگ بندوں کی تعداد میں اضافہ بھی شامل کرنا ہو گا جو قابل مدت میں منافع کی طرف بڑھتا جائے گا۔

مالیاتی کارکردگی

30 ستمبر، 2018 کو ختم ہونے والی مدت کے لیے بینک نے 1,235 ہزار روپے کے بعد ایک منافع کا اعلان کیا ہے۔

اس مدت کے دوران، بینک کے ٹیل ڈپاٹس 12.05 ہزار روپے سے 2٪ کر 122.33 ہزار روپے ہو گئے اور مجموعی ایٹھ انسر 14.29 ہزار روپے تک بڑھ گئے۔

30 ستمبر، 2018 کو ختم ہونے والے نو ماہ کے لیے سلک بینک میڈیٹرکی مالیاتی کارکردگی کا خلاصہ مندرجہ ذیل ہے:

روپے ہزار میں	مالیاتی کارکردگی
1,757	قلل ایک منافع
(67)	مکمل - حالیہ
-	سابقہ
(455)	موزخ
1,235	بعد ایک منافع
روپے	
0.14	فی شیئر آمدی - بنیادی
0.14	فی شیئر آمدی - ڈائیٹریٹ



کاروباری کارکردگی

برائج بینکنگ

برائج بینکنگ، بینک کے لیے سب سے اہم کاروبار ادا کر رہا ہے۔ 168,561 سے زائد صارفین کو خدمات پیش کر رہا ہے اور بینک کی ڈپاٹس میں میں 64.36% ٹیصد کا حصہ رکھتا ہے۔ سال کے آغاز میں برائج بینکنگ کی شاندار کارکردگی کے ساتھ برائج بینکنگ ڈپاٹ برجٹ کے مقابلے میں زیادہ ہے۔ برائج بینکنگ کے ٹیل ڈپاٹس کے طبق، 30 ستمبر، 2018 تک بینک کے ٹیل ڈپاٹس 13,356 ہزار روپے تک بڑھ گئے جس سے تام تر ڈپاٹ 78.742 ہزار روپے ہو گئے۔ اس سے کرنٹ اکاؤنٹ سیوگ اکاؤنٹ کی قیمت میں 48.49% کا اہم اضافہ ہوا جو کہ 6,477 ہزار روپے کے مساوی ہے۔ اس سے برائج بینکنگ ڈپاٹ میں، بھروسہ نارک پر 3.716 ہزار روپے تک اضافہ ہے۔

محاشی چاہزہ
حالیہ طور پر پاکستان چیزیہ محاشی حالات سے دوچار ہے جس کی وجہ مالیاتی اور کرنٹ اکاؤنٹ میں تیزی سے پڑھتا ہوا خسارہ اور غیر ملکی زر مبادلے کے خاتر میں کی ہے۔ اس کے علاوہ جس کی میں الاؤوی قیمتیں میں اضافے کی تیزی، ایف ای ذی میں تخفیت اور ابھری ہوئی مارکیٹس کے لیے ہشکل مالیاتی حالات بھی ان چیزیہ حالات کا حصہ ہیں۔ اس محاشی محل میں بیڈ ڈی پی گرچہ میں کی اور مہکائی میں اضافہ ہوتا ہے۔

ان حالات میں دوسرا آئی ایم ایف پروگرام ناگزیر نظر آتا ہے۔ آئی ایم ایف کے مطابق، بینک پالیسی کے اقدامات سچے راستے کی طرف ایک قدم ہے لیکن بہت کچھ ہونا ایگی ہاتھی ہے۔ قابل مدت میں سلیمانی پالیسی ایکھڑا دراہم ہیروی فائلنگ درکار ہو گی۔

ہبہ لائن مہنگائی 5.1% 2018 میں سال پر سال کرہ مہنگائی (علاوہ فوڈ اور اڑتھی) 8.0% بڑھی۔ یہ بڑھا حصہ حاصل کرنے اور مجموعی طلب کے لیے ایشیت بینک آف پاکستان نے 2019-2020 میں اپنی پالیسی کی شرحی 200bps بڑھا کر 8.50% کری ہے۔ معیشت کو سب سے بڑی مکمل ایگی بھی خارجی مخاذے سے ہے کیونکہ 2MFY19 کے لیے کرنٹ اکاؤنٹ ڈیٹی سٹ بلندر ہے جو کہ 2.7 ہزار روپے میں ڈال رہے۔ آن فولنگ گولبل ڈیٹی میں، خواہ وہ آئی پاک شوکس کے مخاذے سے، پریمیمٹ ٹریڈ پالیسی اور امریجک مارکیٹس کی طرف بہاؤ، یہ تمام پاکستان میں میکرو اکاؤنٹ میجنت کو چیخ کرتے ہیں۔



FINANCIAL STATEMENTS AS AT SEPTEMBER 30, 2018

WEAVING
FINESSE

At the significant closing of the 3rd Quarter of 2018, Silkbank not just takes forward the glory of its perseverance and unrelenting efforts, but also an attitude, with which, it has transcended in its journey towards excellence.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2018

	Note	September 30, 2018 Un-audited	December 31, 2017 Audited
		Rupees in '000	
ASSETS			
Cash and balances with treasury banks		9,195,407	8,413,176
Balances with other banks		305,929	218,420
Lendings to financial institutions		2,022,007	8,620,649
Investments - net	8	26,213,704	38,286,735
Advances - net	9	99,435,802	85,850,715
Operating fixed assets		4,219,166	4,176,746
Deferred tax assets - net		3,076,598	3,476,129
Other assets		16,841,865	17,831,962
		161,310,478	166,854,532
LIABILITIES			
Bills payable		2,045,758	3,192,981
Borrowings		17,494,413	35,582,000
Deposits and other accounts	10	122,330,628	110,277,807
Sub-ordinated loans	11	1,999,600	2,000,000
Liabilities against assets subject to finance lease		3,758	6,880
Deferred tax liabilities		-	-
Other liabilities		3,110,319	2,613,518
		146,984,476	153,673,186
NET ASSETS		14,326,002	13,181,346
REPRESENTED BY			
Share capital	12	90,818,612	90,818,612
Discount on issue of right shares		(67,387,238)	(67,387,238)
Reserves		554,903	554,903
Accumulated loss		(9,608,787)	(10,857,654)
(Deficit) / surplus on revaluation of assets - net of tax	13	14,377,490	13,128,623
		(51,488)	52,723
		14,326,002	13,181,346
CONTINGENCIES AND COMMITMENTS		14	

The annexed notes 1 to 22 form an integral part of these condensed interim financial statements.



Khurram Khan
Chief Financial Officer



Azmat Tarin
CEO & President



Munnawar Hamid, OBE
Chairman



Shahzad Murad
Director



Nasim Beg
Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT - UNAUDITED

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

	Note	Quarter ended September 30, 2018	September 30, 2017	Nine months ended September 30, 2018	September 30, 2017
		Rupees in '000			
Mark-up / return / interest earned	15	4,129,982	3,081,997	11,215,835	8,240,001
Mark-up / return / interest expensed	16	(2,479,948)	(1,634,365)	(6,252,694)	(4,189,961)
Net Mark-up / Interest Income		1,650,034	1,447,632	4,963,141	4,050,040
(Provision) / reversal against non-performing loans and advances - net (specific)	9.3	(328,140)	181,980	(1,007,332)	(80,099)
Provision against small enterprise and consumer financing - net (general)	9.3	(30,495)	(29,396)	(95,893)	(57,162)
Recovery against written off loans		53,410	32,113	142,870	71,468
Impairment in the value of investments		-	-	-	(22,723)
		(305,225)	184,697	(960,355)	(88,516)
Net mark-up / interest income after provisions		1,344,809	1,632,329	4,002,786	3,961,524
NON MARK-UP / INTEREST INCOME					
Fee, commission and brokerage income		375,558	388,956	1,275,488	1,073,477
Dividend income		-	5,794	-	28,038
Income from dealing in foreign currencies		78,656	46,582	199,473	118,657
(Loss) / gain on sale of securities - net		(42,296)	(13,041)	(60,067)	35,396
Unrealized (loss) / gain on revaluation of investments - held-for-trading - net		(3,257)	1,884	(2,853)	1,232
Other income		562,227	151,401	1,296,170	643,977
Total non mark-up / interest income		970,888	581,576	2,708,211	1,900,777
		2,315,697	2,213,905	6,710,997	5,862,301
NON MARK-UP / INTEREST EXPENSES					
Administrative expenses		(1,589,991)	(1,664,685)	(4,845,164)	(4,635,792)
Other (provisions) / reversals / (write offs) - net		(884)	(83,385)	(1,705)	(85,982)
Other charges		(40,793)	(46,316)	(106,880)	(107,252)
Total non mark-up / Interest expenses		(1,631,668)	(1,794,386)	(4,953,749)	(4,829,026)
		684,029	419,519	1,757,248	1,033,275
Extra-ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION					
Taxation - Current		(28,815)	-	(66,996)	-
- Prior		-	-	-	-
- Deferred		(165,856)	(146,888)	(454,984)	(282,384)
PROFIT AFTER TAXATION		(194,671)	(146,888)	(521,980)	(282,384)
		489,358	272,631	1,235,268	750,891
Rupee					
Earnings per share - basic and diluted		0.05	0.03	0.14	0.08

The annexed notes 1 to 22 form an integral part of these condensed interim financial statements.

Khurram Khan
Chief Financial Officer

Azmat Tarin
CEO & President

Munnawar Hamid, OBE
Chairman

Shahzad Murad
Director

Nasim Beg
Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME - UNAUDITED

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

	Quarter ended September 30, 2018	September 30, 2017	Nine months ended September 30, 2018	September 30, 2017
	Rupees in '000			
Profit after taxation	489,358	272,631	1,235,268	750,891
Other comprehensive income / (loss)				
Items that will be reclassified to profit and loss account	-	-	-	-
Items that will not be reclassified to profit and loss account				
Remeasurement loss on defined benefit plan	-	-	(973)	(20,365)
Related tax effect	-	-	340	7,128
			(633)	(13,237)
Comprehensive Income transferred to equity	489,358	272,631	1,234,635	737,654
Components of comprehensive income / (loss) not reflected in equity				
Items that will be reclassified to profit and loss account	-	-	-	-
Net change in fair value of available-for-sale securities	(85,580)	(103,378)	(145,094)	(150,537)
Related tax effect	29,953	36,182	50,783	52,688
	(55,627)	(67,196)	(94,311)	(97,849)
Items that will not be reclassified to profit and loss account	-	-	-	-
Total comprehensive income	433,731	205,435	1,140,324	639,805

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Khurram Khan
Chief Financial Officer



Azmat Tarin
CEO & President

Munnawar Hamid, OBE
Chairman

Shahzad Murad
Director



Nasim Beg
Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - UNAUDITED

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

	Share Capital	Discount on issue of Shares	*Statutory Reserves	Advance against shares subscription	Accumulated Loss	Total Equity
Rupees in '000						
Balance as at January 01, 2017 - Audited	77,998,099	(56,566,725)	327,845	2,000,000	(11,757,111)	12,002,108
Total comprehensive Income for the nine months ended September 30, 2017						
Profit after tax for the nine months ended September 30, 2017 - Un-audited	-	-	-	-	750,891	750,891
Other comprehensive Income - Un-audited	-	-	-	-	(13,237)	(13,237)
Total comprehensive income for the nine months ended September 30, 2017- Un-audited	-	-	-	-	737,654	737,654
Issuance of right shares at discount	12,820,513	(10,820,513)	-	(2,000,000)	-	-
Share issue cost	-	-	-	-	(3,616)	(3,616)
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of tax	-	-	-	-	3,576	3,576
Balance as at September 30, 2017- Un-audited	90,818,612	(67,387,238)	327,845	-	(11,019,497)	12,739,722
Total comprehensive income for the quarter ended December 31, 2017						
Profit after tax for the quarter ended December 31, 2017 - Un-audited	-	-	-	-	384,397	384,397
Other comprehensive income - Un-audited	-	-	-	-	(11,768)	(11,768)
Total comprehensive Income for the quarter ended December 31, 2017 - Un-audited	-	-	-	-	372,629	372,629
Transfer to statutory reserves	-	-	227,058	-	(227,058)	-
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of tax	-	-	-	-	995	995
Transfer from surplus on revaluation of fixed assets on account of disposal of assets - net of tax	-	-	-	-	13,300	13,300
Transfer from surplus on revaluation of non-banking asset on account of disposal of assets - net of tax	-	-	-	-	1,977	1,977
Balance as at December 31, 2017 - Audited	90,818,612	(67,387,238)	554,903	-	(10,857,654)	13,128,623
Total comprehensive income for the nine months ended September 30, 2018						
Profit after tax for the nine months ended September 30, 2018 - Un-audited	-	-	-	-	1,235,268	1,235,268
Other comprehensive Income - Un-audited	-	-	-	-	(633)	(633)
Total comprehensive income for the period ended September 30, 2018 - Un-audited	-	-	-	-	1,234,635	1,234,635
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of tax	-	-	-	-	2,685	2,685
Transfer from surplus on revaluation of non-banking assets on account of disposal - net of tax	-	-	-	-	11,184	11,184
Transfer from surplus on revaluation of non-banking assets on account of transferred to fixed assets - net of tax	-	-	-	-	363	363
Balance as at September 30, 2018 - Un-audited	90,818,612	(67,387,238)	554,903	-	(9,608,787)	14,377,490

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

The annexed notes 1 to 22 form an integral part of these condensed interim financial statements.



Khurram Khan
Chief Financial Officer



Azmat Tarin
CEO & President



Munnawar Hamid, OBE
Chairman



Shahzad Murad
Director



Nasim Beg
Director

CONDENSED INTERIM CASH FLOW STATEMENT - UNAUDITED

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

	September 30, 2018 Note	September 30, 2017 Rupees in '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,757,248	1,033,275
Less : dividend income	-	(28,038)
	1,757,248	1,005,237
Adjustments for non-cash Items		
Depreciation on operating fixed assets	296,845	291,287
Depreciation on non-banking assets acquired in satisfaction of claims	59,771	68,348
Amortization of intangible assets	46,451	65,864
Amortization of premium on investments	153,550	162,431
Provision against non-performing loans and advances - net (specific)	9.3	1,007,332
Provision against small enterprise and consumer financing - net (general)	9.3	95,893
Impairment in the value of investments	-	22,723
Unrealized loss / (gain) on revaluation of investments - held-for-trading - net	2,853	(1,232)
Share of (profit) / loss from associate	(5,340)	694
Other provisions / (reversals) / write offs - net	1,705	85,982
Gain on sale of non-banking assets acquired in satisfaction of claims	(858,416)	(239,377)
Gain on sale of operating fixed assets - net	(9,339)	(1,077)
	791,305	592,904
	2,548,553	1,598,141
Decrease / (increase) in operating assets		
Lendings to financial institutions	6,598,642	(5,694,649)
Net investments in held-for-trading securities	(9,311,919)	(33,631,147)
Advances - net	(14,688,312)	(16,883,129)
Other assets	405,940	(656,411)
	(16,995,649)	(56,865,336)
(Decrease) / increase in operating liabilities		
Bills payable	(1,147,223)	(2,021,322)
Borrowings	(18,087,587)	5,378,754
Deposits and other accounts	12,052,821	20,924,633
Other liabilities	496,801	1,299,151
	(6,685,188)	25,581,216
	(21,132,284)	(29,685,979)
	(187,041)	(138,468)
	(21,319,325)	(29,824,447)
Income tax paid		
Net cash flows from operating activities	21,062,464	27,620,744
CASH FLOWS FROM INVESTING ACTIVITIES		
Net investment in available-for-sale securities	-	(11,537)
Subscription of right shares - investment in associate	1,025	27,359
Dividend received	(456,100)	(447,045)
Net investment in operating fixed assets	93,011	46,552
Proceeds on disposal of operating fixed assets	1,492,187	760,595
Proceeds on disposal of non-banking assets acquired in satisfaction of claims	22,192,587	27,996,668
Net cash flows from investing activities	22,192,587	27,996,668
CASH FLOWS FROM FINANCING ACTIVITIES		
Redemption of sub-ordinated loans	(400)	-
Proceeds from issuance of sub-ordinated loans	-	2,000,000
Share issue cost	-	(3,616)
Finance lease obligation paid - net	(3,122)	(2,824)
Net cash flows from financing activities	(3,522)	1,993,560
Net increase in cash and cash equivalents	869,740	165,781
Cash and cash equivalents at the beginning of the period	8,631,596	7,458,710
Cash and cash equivalents at the end of the period	9,501,336	7,624,491

The annexed notes 1 to 22 form an integral part of these condensed interim financial statements.

Khurram Khan
Chief Financial Officer

Azmat Tarin
CEO & President

Munnawar Hamid, OBE
Chairman

Shahzad Murad
Director

Nasim Beg
Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - UNAUDITED FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

1 STATUS AND NATURE OF BUSINESS

- 1.1 Silk Bank Limited ("the Bank") was incorporated in Pakistan on April 04, 1994 as a public limited company under the Companies Act, 2017 (previously the Companies Ordinance, 1984). The Bank commenced commercial operations on May 7, 1995. The Bank's shares are quoted on Pakistan Stock Exchange Limited. The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962. The Bank operates through 123 branches (December 31, 2017: 123 branches) including 30 (December 31, 2017: 30) Islamic banking branches in Pakistan. The Bank's registered office is located at Silk Bank Building, 13-L, F-7 Markaz, Islamabad. The short-term and long-term credit ratings of the Bank rated by JCR-VIS Credit Rating Company Limited in June 2018 are 'A-2' and 'A-' respectively.
- 1.2 Major shareholders of the Bank as on September 30, 2018 are Sinthos Capital (comprising of Mr. Shaukat Tarin, Mr. Sadeq Sayeed and Mr. Azmat Tarin), Arif Habib Corporation Limited, International Finance Corporation (IFC), Nomura European Investment Limited, Bank Muscat S.A.O.G and Mr. Zulqarnain Nawaz Chatta / Mr. Zubair Nawaz Chatta of Gourmet Group.
- 1.3 As at September 30, 2018, the equity of the bank is Rs. 14.38 billion. This includes share capital (net of losses and discount on shares) of Rs. 13.82 billion against the minimum requirement of Rs. 10 billion as prescribed by SBP. Further, the CAR of the Bank is 11.33% against the minimum CAR requirement of SBP of 11.275%. The CAR requirement of 11.275% is made up of minimum CAR of 10% plus 1.275% of Capital Conservation Buffer (CCB).

2 BASIS OF PRESENTATION

- 2.1 In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the SBP has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by the banks from their customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these condensed interim financial statements as such but are restricted to the amount of facility actually utilised and the appropriate portion of mark-up thereon.
- 2.2 The Islamic banking branches of the Bank have complied with the requirements set out under the Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) and notified under the provisions of the Companies Act, 2017 except for the adoption of IFAS-3 'Profit & Loss Sharing on Deposits' as disclosed in note 4.3.
- 2.3 The financial results of the Islamic banking branches have been included in these condensed interim financial statements for reporting purposes, after eliminating material inter-branch transactions / balances. Key financial figures of the Islamic banking branches are disclosed in note 20 to these condensed interim financial statements.
- 2.4 These condensed interim financial statements have been prepared in Pakistani Rupee which is the functional and presentation currency of the Bank.

3 BASIS OF MEASUREMENT

These condensed interim financial statements comprising of condensed interim statement of financial position, condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with explanatory notes have been prepared under the historical cost convention except that certain fixed assets and non-banking assets acquired under satisfaction of claims are stated at revalued amounts less accumulated depreciation and accumulated impairment losses (where applicable) and certain investments and derivative financial instruments have been measured at fair value.

These condensed interim financial statements have been prepared following the accrual basis of accounting except for the condensed interim cash flow statement.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - UNAUDITED FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

4 STATEMENT OF COMPLIANCE

4.1 These condensed interim financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFASs) issued by the ICAP, as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962;
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the SBP and the Securities and Exchange Commission of Pakistan ("the SECP").

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IAS 34 or IFASs, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

4.2 The SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and IAS 40, 'Investment Property' for Banking Companies through BSD Circular No. 10 dated August 26, 2002. Further, the SECP has deferred the applicability of IFRS-7 'Financial Instruments: Disclosures' on banks through S.R.O. 411(1) / 2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

4.3 The State Bank of Pakistan through BPRD Circular No. 04 of 2015 dated February 25, 2015 has deferred applicability of Islamic Financial Accounting Standard 3 for Profit & Loss Sharing on Deposits (IFAS-3) issued by the ICAP and notified by the SECP, vide their SRO No. 571 of 2013 dated June 12, 2013 for Institutions offering Islamic Financial Services (IIFS). The standard will result in certain new disclosures in the condensed interim financial statements of the Bank.

4.4 The disclosures made in these condensed interim financial statements are limited based on the format prescribed by the SBP vide BSD circular letter No. 2 dated May 12, 2004 and International Accounting Standard (IAS) 34, 'Interim Financial Reporting' and do not include all the information required in the annual financial statements. Accordingly, these condensed interim financial statements should be read in conjunction with the annual financial statements of the Bank for the year ended December 31, 2017.

5 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are same as those followed in the preparation of the annual financial statements of the Bank for the year ended December 31, 2017.

6 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis and methods used for critical accounting estimates and judgments adopted in these condensed interim financial statements are same as those applied in the preparation of the annual financial statements of the Bank for the year ended December 31, 2017.

7 FINANCIAL RISK MANAGEMENT

The Bank's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended December 31, 2017.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - UNAUDITED FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

8	INVESTMENTS - NET	Note	September 30, 2018 - (Un-audited)			December 31, 2017 - Audited		
			Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total
Rupees in '000								
8.1	INVESTMENTS BY TYPES:							
Held-for-trading securities								
Market Treasury Bills		4,576,662	7,362,471	11,939,133		-	-	-
Pakistan Investment Bonds		-	-	-		2,630,067	-	2,630,067
		4,576,662	7,362,471	11,939,133		2,630,067	-	2,630,067
Available-for-sale securities								
Market Treasury Bills		-	-	-		10,273,974	8,286,497	18,560,471
Pakistan Investment Bonds		7,282,247	2,989,000	10,271,247		83,880	12,908,809	12,992,689
GoP Ijara Sukuk		3,669,968	-	3,669,968		3,703,816	-	3,703,816
Sukuk - listed		200,000	-	200,000		200,000	-	200,000
Term Finance Certificates - listed		75,000	-	75,000		87,500	-	87,500
Term Finance Certificates - unlisted		8,780	-	8,780		8,780	-	8,780
Shares in listed companies		137,851	-	137,851		25,604	-	25,604
Shares in unlisted companies		5,680	-	5,680		5,680	-	5,680
		11,379,526	2,989,000	14,368,526		14,389,234	21,195,306	35,584,540
Held-to-maturity securities								
Shares repurchase (fully provided)		74,910	-	74,910		74,910	-	74,910
Associate								
SPI Insurance Company Limited		8.3	123,352	-	123,352	118,012	-	118,012
Investments at cost			16,154,450	10,351,471	26,505,921	17,212,223	21,195,306	38,407,529
Less : Provisions for diminution in value of Investments			(89,370)	-	(89,370)	(89,370)	-	(89,370)
Investments - net of provision			16,065,080	10,351,471	26,416,551	17,122,853	21,195,306	38,318,159
Unrealised (loss) / gain on revaluation of investments - held-for-trading			(1,088)	(1,765)	(2,853)	3,476	-	3,476
Deficit on revaluation of available-for-sale securities		13.1	(166,159)	(33,835)	(199,994)	(1,323)	(53,577)	(54,900)
Total Investments at market value			15,897,833	10,315,871	26,213,704	17,125,006	21,141,729	38,266,735

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - UNAUDITED

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

	Note	September 30, 2018 Un-audited	December 31, 2017 Audited
		Rupees In '000	
8.2 INVESTMENTS BY SEGMENTS			
Federal Government Securities			
Market Treasury Bills		11,939,133	18,560,471
Pakistan Investment Bonds		10,271,247	15,622,756
GoP Ijara Sukus		3,669,968	3,703,816
		25,880,348	37,887,043
Sukuk and Term Finance Certificates			
Sukus - listed		200,000	200,000
Term Finance Certificates - listed		75,000	87,500
Term Finance Certificates - unlisted		8,780	8,780
		283,780	296,280
Fully paid-up ordinary shares			
Listed companies		137,851	25,604
Unlisted companies		5,680	5,680
		143,531	31,284
Other Investments			
Investment in associate		123,352	118,012
Shares repurchase (fully provided)		74,910	74,910
		198,262	192,922
Investments at cost			
Less : Provision for diminution in the value of investments		26,505,921	38,407,529
Investments - net of provision		(89,370)	(89,370)
		26,416,551	38,318,159
Unrealized (loss) / gain on revaluation of - held-for-trading investment - net		(2,853)	3,476
Deficit on revaluation of available-for-sale securities - net	13.1	(199,994)	(54,900)
Total Investments at market value		26,213,704	38,266,735
8.3 Movement in Investment in associate			
Investment at the beginning of the period / year		118,012	102,824
Share of profit for the period / year		5,340	3,651
Subscription of right shares during the period / year		-	11,537
		5,340	15,188
Closing balance		123,352	118,012
9 ADVANCES - NET			
Loans, cash credits, running finances, etc.			
In Pakistan		78,176,100	72,334,524
Outside Pakistan		-	-
		78,176,100	72,334,524
Islamic Financing and related assets	9.1	25,589,099	17,527,355
Bills discounted and purchased (excluding Market Treasury Bills)			
Payable in Pakistan		60,306	125,839
Payable outside Pakistan		601,257	150,066
		661,563	275,905
Advances - gross			
Provision against non-performing advances - specific	9.3	104,426,762	90,137,784
Provision against small enterprises and consumer advances - general	9.3	(4,338,787)	(3,730,789)
Advances - net of provision		(652,173)	(556,280)
		99,435,802	85,850,715

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - UNAUDITED FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

	Note	September 30, 2018 Un-audited	December 31, 2017 Audited
		Rupees in '000	
9.1 Islamic financing and related assets	20		
Murabaha	9.1.1	1,067,394	1,017,436
Musawammah		156,924	642,768
Diminishing Musharaka		24,364,781	15,867,151
		25,589,099	17,527,355
9.1.1 Murabaha			
Financing		1,037,309	910,838
Advances		30,085	106,598
		1,067,394	1,017,436

9.2 Advances include Rs. 6,267 million (December 31, 2017: Rs. 5,860 million) which have been placed under non-performing status as detailed below:

Category of classification - specific	September 30, 2018 - (Un-audited)			December 31, 2017 - Audited		
	Classified Advances	Provision required (Domestic)	Provision held	Classified Advances	Provision required (Domestic)	Provision held
Rupees in '000						
Sub-standard	695,202	62,888	62,888	663,102	79,824	79,824
Doubtful	403,514	94,496	94,496	857,525	128,389	128,389
Loss	5,168,437	4,181,403	4,181,403	4,339,175	3,522,576	3,522,576
	6,267,153	4,338,787	4,338,787	5,859,802	3,730,789	3,730,789

9.3 Particulars of provision against non-performing advances:

	September 30, 2018 - (Un-audited)			December 31, 2017 - Audited		
	Specific	General	Total	Specific	General	Total
Rupees in '000						
Opening balance	3,730,789	556,280	4,287,069	4,031,008	478,549	4,509,557
Charge for the period / year	1,074,569	95,893	1,170,462	991,287	100,570	1,091,857
Reversals for the period / year	(67,237)	-	(67,237)	(692,011)	(22,839)	(714,850)
Net charge for the period / year	1,007,332	95,893	1,103,225	299,276	77,731	377,007
Amounts written off during the period / year	(399,334)	-	(399,334)	(599,495)	-	(599,495)
Closing balance	4,338,787	652,173	4,990,960	3,730,789	556,280	4,287,069

- 9.3.1** SBP vide various circulars has amended Prudential Regulations in respect of provisioning against non-performing advances under which the benefit of Forced Sale Value (FSV) has been allowed for plant and machinery under charge, pledged stock and mortgaged residential, commercial and industrial properties (land and building only) held as collateral against non-performing advances upto five years from the date of classification.
- 9.3.2** As of September 30, 2018, total FSV benefit taken against all loans and advances amounts to Rs. 742 million (December 31, 2017: Rs. 615 million), net of tax, which shall not be available for payment of cash or stock dividend / bonus to employees.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - UNAUDITED

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

	September 30, 2018 Un-audited	December 31, 2017 Audited
	Rupees in '000	
10 DEPOSITS AND OTHER ACCOUNTS		
Customers		
Fixed deposits	38,114,991	36,614,864
Savings deposits	38,323,612	31,857,420
Current accounts - non - remunerative	26,573,804	26,076,912
Margin accounts - non - remunerative	3,003,438	1,431,960
Others	1,335,245	1,463,318
	107,351,090	97,444,474
Financial Institutions		
Remunerative deposits	14,936,612	12,778,661
Non-remunerative deposits	42,926	54,672
	14,979,538	12,833,333
	122,330,628	110,277,807
11 SUB-ORDINATED LOANS		
The Bank has issued privately placed, unsecured and subordinated Term Finance Certificates (TFCs) as instruments of redeemable capital under section 66 of Companies Act, 2017 (section 120 of Companies Ordinance, 1984) and the Basel III guidelines issued by the SBP. The key features of the issue are as follows:		
Issue amount	Rs. 2,000 million	
Issue date	August 10, 2017	
Maturity date	Up to 8 years from date of issue	
Rating	(A-) by JCR-VIS Credit Rating Company Limited ('Single A minus')	
Security	The instrument is unsecured and subordinated as to payment of principal and profit to all other indebtedness of the Bank, including deposits.	
Profit payment frequency	Profit will be payable semi-annually in arrears on the outstanding principal amount and will be calculated on a 365 day year basis.	
Redemption	0.14% of the issue amount during the first 7 years and remaining 99.86% in last two equal semi-annual installments of 49.93% each.	
Mark-up	6 months KIBOR plus 1.85% per annum	
Call option	The Bank may call TFCs in part or in full, after 5 years from date of issue on any profit payment date, subject to SBP approval and with not less than 30 days prior notice to the Trustee and Investors. The call option once announced will be irrevocable.	
Lock-in-clause	As per the lock-in requirement for Tier II issues, neither profit nor principal will be payable (even at maturity) in respect of the TFC, if such payment will result in a shortfall in the Bank's Minimum Capital Requirement ('MCR') or Capital Adequacy Ratio ('CAR') or results in an increase in any existing shortfall in MCR or CAR.	
Loss absorbency clause	The instrument will be subject to loss absorbency and / or any other requirements under SBP's Basel III Capital Rules. Upon the occurrence of a point of non-viability event as defined by SBP's Basel III Capital Rule, SBP may at its option, fully and permanently convert the TFCs into common shares of the Bank and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Face Value of the TFCs' divided by fair value per share of the Bank's common equity on the date of trigger of the non-viability event as declared by SBP, subject to a cap of 1,238,390,093 shares.	
12 SHARE CAPITAL		
12.1 Authorised capital		
September 30, 2018 Un-audited	December 31, 2017 Audited	
No. of shares in '000		
10,500,000	10,500,000	
Ordinary shares of Rs.10 each		
	105,000,000	105,000,000

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - UNAUDITED FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

12.2 Issued, subscribed and paid up share capital

September 30, 2018 Un-audited	December 31, 2017 Audited	No. of shares In '000	Note	September 30, 2018 Un-audited	December 31, 2017 Audited
				Rupees In '000	
800,315	800,315	Ordinary shares of Rs.10 each fully paid in cash		8,003,150	8,003,150
100,000	100,000	Ordinary shares of Rs.10 each fully paid in cash and issued at a discount of Rs. 2.5 per share		1,000,000	1,000,000
1,771,290	1,771,290	Ordinary shares of Rs.10 each fully paid in cash and issued at a discount of Rs. 7.5 per share		17,712,898	17,712,898
6,410,256	6,410,256	Ordinary shares of Rs.10 each fully paid in cash and issued at a discount of Rs. 8.44 per share		64,102,564	64,102,564
9,081,861	9,081,861			90,818,612	90,818,612

13 (DEFICIT) / SURPLUS ON REVALUATION OF ASSETS - NET OF DEFERRED TAX

(Deficit) / surplus on revaluation of

- available-for-sale securities	13.1	(129,996)	(35,685)
- fixed assets	13.2	47,119	48,863
- non-banking assets acquired in satisfaction of claims	13.3	31,389	39,545
		(51,488)	52,723

13.1 (Deficit) / surplus on revaluation of available-for-sale securities

Federal Government Securities

Market Treasury Bills	-	(2,324)	
Pakistan Investment Bonds		(53,168)	
GoP Ijara sukuk		(6,425)	
		(214,056)	(61,917)

Fully paid-up ordinary shares

Listed companies		14,912	3,939
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Sukuk and Term Finance Certificates

Sukuks - listed	(100)	1,250	
Term Finance Certificates - listed	(750)	1,828	
	(850)	3,078	
	(199,994)	(54,900)	
Related deferred tax asset	69,998	19,215	
	(129,996)	(35,685)	

13.2 Surplus on revaluation of fixed assets

Surplus on revaluation	59,958	62,643	
Related deferred tax liability	(12,839)	(13,780)	
	47,119	48,863	

13.3 Surplus on revaluation of non-banking assets acquired in satisfaction of claims

Surplus on revaluation	34,581	46,128	
Related deferred tax liability	(3,192)	(6,583)	
	31,389	39,545	

14 CONTINGENCIES AND COMMITMENTS

14.1 Direct credit substitutes

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - UNAUDITED

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

September 30, 2018	December 31, 2017
Un-audited	Audited
Rupees in '000	

14.2 Transaction-related contingent liabilities

Guarantees favouring

Government	10,638,424	11,309,593
Banks and other financial institutions	1,496,452	2,025,890
Others	3,157,430	2,612,982

14.3 Trade-related contingent liabilities

Letters of Credit & Acceptances	5,873,344	7,978,011

14.4 Claims against the bank not acknowledged as debt

14.5 Claims against the bank by Competition Commission of Pakistan & Others

14.6 Commitments in respect of forward contracts

Forward foreign exchange contracts

Sale	4,356,806	2,798,688
Purchase	10,768,649	8,479,756

Forward government securities transactions

Sale contract - Market Treasury Bills	11,940,492	-

14.7 Commitments in respect of

Property, civil work & equipment	5,189	268,109
Purchase of hardware / software	24,538	132,306
	29,727	400,415

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

15 MARK-UP / RETURN / INTEREST EARNED

September 30, 2018	September 30, 2017
Un-audited	Un-audited
Rupees In '000	

On loans and advances to:

Customers	8,737,884	6,681,263

On investments in:

Held-for-trading securities	1,117,728	644,796
Available-for-sale securities	943,630	637,450

On deposits with financial institutions

On call money lendings	2,061,358	1,282,246

On securities purchased under resale agreements

	13,563	1,702
	5,079	5,513
	397,951	269,277
	11,215,835	8,240,001

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - UNAUDITED FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

16 MARK-UP / RETURN / INTEREST EXPENSED

	September 30, 2018	September 30, 2017
	Un-audited	Un-audited
	Rupees in '000	
Deposits	4,204,753	2,923,830
Securities sold under repurchase agreements	1,525,767	857,680
Call Borrowings	248,041	227,847
Borrowings from SBP under export refinance scheme	19,967	19,551
SWAP money market expense	122,434	118,048
Others	131,732	43,005
	6,252,694	4,189,961

17 TAXATION

- 17.1 The income tax returns of the Bank have been submitted up to Tax Year 2017. The Bank has filed appeals before Appellate Tribunal Inland Revenue (ATIR) against certain disallowances amounting to Rs. 1,996 million (December 31, 2017 : Rs. 1,996 million) made by Tax officer for Assessment / Tax Year(s) 2000-2001, 2001-2002, 2002-2003 and 2004. The disallowances amounting to Rs. 682 million (December 31, 2017 : Rs. 682 million) in respect of Tax Years 2003 and 2006 are pending at Commissioner Inland Revenue (Appeals). Management is confident that the outcome of these appeals would be in favor of the Bank.
- 17.2 Income tax returns for Tax Years 2011 and 2014 were selected for audit. The proceedings of the audit are in process, no order has been passed by the relevant tax authorities. The proceedings u/s 161/205 of the Income Tax Ordinance regarding monitoring of withholding taxes pertaining to the Tax Years 2011 to 2014 were completed in prior years.

Orders were issued by the Assessing Officer creating total tax demand of Rs. 39 million (already paid by the Bank) along with default surcharge of Rs. 17 million. The Bank's appeals against orders u/s 161/205 for Tax Years 2013 and 2014 before the Commissioner Inland Revenue (Appeals - II) were rejected after which appeals before the ATIR, Karachi have been filed, which are pending hearing. Management is confident that the outcome of these appeals would be in favor of the Bank.

- 17.3 The Bank's return in respect of AJK operations have been submitted up to and including Tax Year 2017. Certain appeals were filed before the various appellate and other forums which are either pending for adjudication or the proceedings initiated against the Bank have been dropped / withdrawn. Management is confident that the outcome of pending appeals would be in favor of the Bank.

18 CASH AND CASH EQUIVALENTS

	September 30, 2018	December 31, 2017	September 30, 2017
	Un-audited	Audited	Un-audited
	Rupees in '000		
Cash and balance with treasury banks	9,195,407	8,413,176	7,185,098
Balance with other banks	305,929	218,420	439,393
	9,501,336	8,631,596	7,624,491

19 RELATED PARTY TRANSACTIONS

Related parties comprise 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, associate, key employees, entities that have key management personnel in common and employee benefit plan and defined contribution plan. Transactions with related parties are carried out in the normal course of business at agreed terms other than those transactions which are made under the terms of employment. Majority of the transactions with related parties comprise loans and advance, deposits, issuance of letters of credit and guarantees. Advances for the house building, conveyance and for personal use have also been provided to the staff and executives at reduced rates in accordance with the employment and pay policy and such advances have not been disclosed in the following schedule. Facility of group life insurance and hospitalisation insurance is also provided to staff and executives. In addition to this, executives of the Bank have been provided with Bank maintained cars. Transactions with associate and key management personnel are also executed substantially on the same terms or as per the employment terms. Details of transactions with related parties and balances with them as at the period-end / year-end, are as follows:

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - UNAUDITED

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

	September 30, 2018 (Un-audited)			December 31, 2017 (Audited)		
	CEO and Directors	Key Management Personnel & Others	Associated Companies & Common Directorship	CEO and Directors	Key Management Personnel & Others	Associated Companies & Common Directorship
Rupees in '000						
Balances						
Loans						
Loans outstanding at the beginning of the period / year	1,889	3,173	1,376,988	248	131,749	1,045,134
Loans given during the period / year	46,231	193,700	2,826,262	68,464	27,917	2,956,130
Loans repaid / adjusted during the period / year	(47,111)	(38,215)	(3,188,890)	(66,823)	(156,493)	(2,624,276)
Loans outstanding at the end of the period / year	1,009	158,658	1,014,360	1,889	3,173	1,376,988
Deposits						
Deposits at the beginning of the period / year	8,301	574,843	1,876,470	18,191	242,775	1,212,842
Deposits received during the period / year	420,182	5,493,611	4,872,219	317,162	4,256,352	6,859,228
Deposits repaid / adjusted during the period / year	(351,353)	(5,402,020)	(5,596,419)	(327,052)	(3,924,284)	(6,195,600)
Deposits at the end of the period / year	77,130	666,434	1,152,270	8,301	574,843	1,876,470
Investments - Shares						
Investments at the beginning of the period / year	-	-	118,012	-	-	323,557
Investments made during the period / year	-	-	235,875	-	-	365,096
Investments redeemed / impaired during the period / year	-	-	(118,288)	-	-	(570,641)
Investments at the end of the period / year	-	-	235,599	-	-	118,012
Contingencies and Commitments						
Letter of Credit	-	-	-	-	-	446,954

	September 30, 2018 (Un-audited)			September 30, 2017 (Un-audited)		
	CEO and Directors	Key Management Personnel & Others	Associated Companies & Common Directorship	CEO and Directors	Key Management Personnel & Others	Associated Companies & Common Directorship
Rupees in '000						
Transactions						
Short term employment benefits	102,850	283,111	-	99,566	287,267	-
Contribution to defined benefit Plan	3,825	9,135	-	3,675	9,991	-
Mark-up earned on advances	133	1,193	61,148	58	11,470	72,274
Mark-up paid on deposits	259	20,299	39,145	314	18,125	47,888
Services rendered	-	111,374	23,635	-	113,826	17,015
Meeting fee of non-executive directors	24,865	-	-	19,005	-	-
Share of profit / (loss) from associate	-	-	5,340	-	-	(694)
Dividend income	-	-	-	-	-	1,400
Gain on sale of securities	-	-	311	-	-	4,756

Balances pertaining to parties that were related at the beginning of the period but ceased to be so related during any part of the current period are not reflected as part of the closing balance of the current period. The same are accounted for through the movement presented above.

20 ISLAMIC BANKING BUSINESS

The Bank is operating with 30 Islamic banking branches at the end of September 30, 2018 (December 31, 2017: 30). The condensed interim statement of financial position and condensed interim profit and loss account of these branches as at September 30, 2018 and for the nine months are as follows:

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - UNAUDITED FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

	Note	September 30, 2018 Un-audited	December 31, 2017 Audited
		Rupees in '000	
A) Condensed Interim Statement of Financial Position			
ASSETS			
Cash and balances with treasury banks		1,138,179	1,019,435
Balances with other banks		55,913	24,445
Due from financial institutions		-	-
Investments		1,941,268	1,670,391
Islamic financing and related assets	9.1 / A-1.1	25,589,099	17,527,355
Operating fixed assets		290,529	213,197
Other assets		1,630,519	814,011
Total Assets		30,645,507	21,268,834
LIABILITIES			
Bills payable		356,317	609,142
Due to financial institutions		500,000	-
Deposits and other accounts			
- Current accounts		2,420,998	4,344,680
- Saving accounts		4,982,124	2,080,377
- Term deposits		3,261,541	3,517,899
- Others		78,977	71,759
- Deposits from financial institutions - remunerative		7,131,367	4,241,823
- Deposits from financial institutions - non - remunerative		413	-
Other liabilities		8,689,072	3,808,701
Total Liabilities		27,420,809	18,674,381
NET ASSETS		3,224,698	2,594,453
REPRESENTED BY			
Islamic banking fund		2,325,000	2,325,000
Reserves		-	-
Unappropriated profit		927,537	275,944
Deficit on revaluation of assets		3,252,537	2,600,944
		(27,839)	(6,491)
		3,224,698	2,594,453
Contingencies and commitments	A-1.3		
A-1.1 Islamic financing and related assets			
Murabaha	A-1.1.1	1,067,394	1,017,436
Musawammah		156,924	642,768
Diminishing Musharaka		24,364,781	15,867,151
		25,589,099	17,527,355
A-1.1.1 Murabaha			
Financing / receivables		1,037,309	910,838
Advances		30,085	106,598
		1,067,394	1,017,436
A-1.2 Charity Fund			
Opening balance		-	-
Addition during the period / year		1,000	-
Payment / utilisation during the period / year		-	-
Closing balance		1,000	-

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - UNAUDITED

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

September 30, December 31,
2018 2017
Un-audited Audited
Rupees in '000

A-1.3 CONTINGENCIES AND COMMITMENTS

Guarantees favouring		
Government	<u>983</u>	-
Banking companies and other financial institutions	<u>841,895</u>	<u>1,512,849</u>
Commitments in respect of forward exchange promises		
Forward foreign exchange promises		
Sale	-	66,289
Purchase	<u>1,553,357</u>	<u>1,513,433</u>
Commitments in respect of		
Property, civil work and equipment	-	172,479

September 30, September 30,
2018 2017
Un-audited Un-audited
Rupees In '000

B) REMUNERATION TO SHARIA ADVISOR / BOARD

	<u>9,262</u>	7,558
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C) CONDENSED INTERIM PROFIT AND LOSS ACCOUNT

Profit / return earned on financings, investments and placements	<u>1,756,117</u>	882,668
Return on deposits and others dues expensed	(648,353)	(345,593)
Net spread earned	<u>1,107,764</u>	<u>537,075</u>

OTHER INCOME

Fees, commission and brokerage income	<u>23,810</u>	18,352
Income from dealing in foreign currencies	<u>2,067</u>	1,114
Gain on sale of securities	<u>12</u>	916
Other income	<u>8,510</u>	4,945
Total other income	<u>34,399</u>	<u>25,327</u>
	<u>1,142,163</u>	<u>562,402</u>

OTHER EXPENSES

Administrative expenses	<u>(476,365)</u>	(292,437)
Other provision / write offs - net	(821)	(4,989)
Other charges	(13,384)	(100)
	<u>(490,570)</u>	<u>(297,526)</u>
PROFIT BEFORE TAXATION	<u>651,593</u>	<u>264,876</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - UNAUDITED FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

21 GENERAL

The figures have been rounded off to the nearest thousand rupees, unless stated otherwise.

22 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 25, 2018 by the Board of Directors of the Bank.



Khurram Khan
Chief Financial Officer



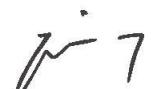
Azmat Tarin
CEO & President



Munnawar Hamid, OBE
Chairman



Shahzad Murad
Director



Nasim Beg
Director

Saeed Ahmed Khan Nazi Branch Manager Sargodha Branch, Khayam Chowk, Gulberg Park, Sargodha. Tel: (048) 3768101-2 Fax: (048) 3768103	Nawazish Ali Hashmi Branch Manager Gujranwala Branch, Plot No. 100 & 102, Mohallah Bhatia Nagar, Near PSO Petrol Pump, G.T. Road, Gujranwala. Tel: (055) 3250214, 3731269, (055) 3856266-70 Fax: (055) 3856271	Salman Salehuddin Area / Branch Manager Defence Branch, 320-Z Block, DHA, Lahore. Tel: (042) 35693080, (042) 35692930-33 Fax: (042) 35693010	Malik Tariq Aziz Branch Manager Sadiqabad Branch, Building No. 235, Hyderi Market, Mandi Sadiqabad, Alama Iqbal Road, Sadiqabad, Dist. Rahim Yar Khan. Tel: (068) 5700212	Qasim Malik Branch Manager Mansehra Branch, Javed Khan Plaza, Sarwarabad, Silk Route, Tehsil and District, Mansehra. Tel: (0997) 440409-10, 440408
Jamil Ahmad Area / Chief Manager Jehar Town Branch, Block 15, M.M.A., Johar Town, Lahore. Tel: (042) 35240990-92 Fax: (042) 35240993	Nadeem Khawaja Area / Branch Manager Sialkot Branch, 70, Paris Road, Sialkot. Tel: (052) 4268778, 4597489, (052) 4597481 Fax: (052) 4589002	Mohammad Raza Ali Regional General Manager Multan Branch, 10-A, Bosan Road, Gilgatsh, Multan. Tel: (061) 6750260 Fax: (061) 6750253	Mohsin Zia Regional General Manager Multan Branch, 10-A, Bosan Road, Gilgatsh, Multan. Tel: (061) 6750260 Fax: (061) 6750253	Naveed Amjad Branch Manager Rawalpindi Main Branch, Plot No. 60-A, Shop No. 11, Survey No. 265, Canning Road, Rawalpindi Cantt. Tel: (051) 5794165, 5512104-6 Fax: (051) 5524560
Farrukh Iqbal Branch Manager Shahalam Market Branch, 15-B, Shahalam Market, Lahore. Tel: (042) 37378166, (042) 37376780-82 Fax: (042) 37376183	Hassan Khalid Ghuman Branch Manager Gujrat Branch, B-17/553-R.R., Near Eidgah Masjid, G.T. Road, Gujrat. Tel: (053) 3531466, 3536262, (053) 3531544, 3531472 Fax: (053) 3531732	Amjad Altaf Branch Manager Behswalpur Branch, Near Fawwara Chowk, Off Ahmedpur East Road, Behswalpur. Tel: (062) 2876184, 2877520-21 Fax: (062) 2877531	Muhammad Farooq Sarwar Area / Branch Manager Islamabad Main Branch, 93-Riazia Sharif Plaza, Blue Area, Islamabad. Tel: (051) 2344663, 2344662, (051) 2802061-63 Fax: (051) 2344664	Khurram Hanif Area / Branch Manager Westridge Branch, Plot No. 488-491, Westridge Bazar Road, Westridge-1, Rawalpindi. Tel: (051) 5491544, 5491540-2 Fax: (051) 5524560
Aqeel Mirza Branch Manager Rawwind Branch, Railway Road, Near Lallyani Phatak, Rawwind. Tel: (042) 35393815, (042) 35393811-13 Fax: (042) 35393814	Ayesha Hameed Branch Manager Gulberg Branch, 97-A/D-1, PEC Building, Liberty Roundabout, Gulberg III, Lahore. Tel: (042) 35878010-11, 35878351 Fax: (042) 35878012	Afsan Noreen Branch Manager Dera Ghazi Khan Branch, Block 13, Hospital Chowk, Opp. DHQ Hospital, Railway Road, Dera Ghazi Khan. Tel: (064) 2466682 Fax: (064) 2466683	Fakhar Uddin Siddiqui Branch Manager F-11 Markaz Branch, Plot No. 25-D, F-11 Markaz, Islamabad. Tel: (051) 2228170, 2228169, (051) 2228005-06 Fax: (051) 2210587	Asif Siddiqui Butt Area / Branch Manager Bahria Town Branch, Plot No. 92, Civic Centre, Bahria Town, Rawalpindi. Tel: (051) 5731705, 5731702-3 Fax: (051) 5731704
Liaquat Ali Branch Manager Pull-111 Branch (Sargodha), Pull-111, Faislabad Road, Sargodha. Tel: (048) 3791980-82 Fax: (048) 3791983	Talib Hamid Area / Branch Manager Garden Town Branch, Flat 1-4, Usman Block, New Garden Town, Lahore. Tel: (042) 35940306-9, 35940300 Fax: (042) 35940301	Kamran Mallik Branch Operations Manager Multan Branch, 10-A, Bosan Road, Gilgatsh, Multan. Tel: (061) 6750251, 6750255, (061) 6750256 Fax: (061) 6750253	Tahir Ayub Khan Branch Manager F-10 Markaz Branch, Building No. 5-C, Unit No. 7 & 8, VIP Plaza, F-10 Markaz, Islamabad. Tel: (051) 2103104-6 Fax: (051) 2103108	Muhammad Usman Qureshi Area / Branch Manager Rawalpindi Satellite Town Branch, Ground Floor, Munir Arcade, B-215, 4th Road, Satellite Town, Rawalpindi. Tel: (051) 4571383, 4571384, Fax: (051) 4571387 PABX: (051) 4571381-82
Mahmood A. Sheikh Branch Manager WAPDA Town Branch, 11-G, PIA Housing Society, (WAPDA Town Roundabout), Lahore. Tel: (042) 35188525, 35188520 Fax: (042) 35188519	M. Taqi Raza Branch Manager Model Town Branch, 16, Bank Square Market, Model Town, Lahore. Tel: (042) 35915880-81, (042) 35915887 Fax: (042) 35915583	Saira Raza Branch Manager Sahiwal Branch, Khasra No. 4998, Khawet No. 07, Kharooni No. 07, Jail Road, Civil Lines, Sahiwal. Tel: (040) 4222842, 4224184 Fax: (040) 4222815	Sajid Hassan Khan Area / Branch Manager E-11 Markaz Branch, Plot No. 3, E-11/3 Markaz, Islamabad. Tel: (051) 2228750, 2228746-48 Fax: (051) 222749	Muhammad Mansoor Khawaja Branch Manager Bahria Town Phase-VIII Branch, 194, Tarar Arcade, Main Boulevard, Commercial Hub, Rawalpindi. Tel: (051) 5428597, 5428592-3 Fax: (051) 5426594
Sheikh Ahmed Mumtaz Branch Manager Badami Bagh Branch, 203 Grain Market, Badami Bagh, Lahore. Tel: (042) 37731353 Fax: (042) 37731355	Andreeb Hussain Branch Manager Mandi Bahauddin Branch, 7/40, Sultan Plaza, Chowk Bab-e-Farooq, Mandi Bahauddin. Tel: (0546) 507080, 507054-55 Fax: (0546) 507058	Adil Jatoi Branch Manager Sukkur Branch, Husaini Road, Sukkur. Tel: (071) 5619141-43 Fax: (071) 5619151	Kibrina Sana Branch Manager F-7 Markaz Branch, Building No. 13-L, F-7 Markaz, Islamabad. Tel: (051) 2608116, 2608075, (051) 2608077-79 Fax: (051) 2653987	Mateen Ilyas Branch Manager Murree Road Branch, Rose Arcade, Rehmanabad, Murree Road, Rawalpindi. Tel: (051) 4928047, 4928051
Weef Khalid Mallik Branch Manager Circular Road Branch, 73, Circular Road, Lahore. Tel: (042) 37655564 Fax: (042) 37673831	Farrukh Zafar Branch Manager Fortress Stadium Branch, 13, Bridge Shop, Fortress Stadium, Lahore Cantt., Lahore. Tel: (042) 36623384-86, (042) 36623380 Fax: (042) 36623387	Muhammad Arif Irfan Area Manager Larkana Branch, Station Road, Ground Floor, Sepna Hotel, Larkana. Tel: (074) 4059499 Fax: (074) 4058599	Asad Sejjad Area / Branch Manager Peshawar Main Branch, Lamsay Arcade, 1-C, Falkher-e-Alam Road, Peshawar Cantt. Tel: (091) 5276290, 5278122, (091) 5276938 Fax: (091) 5276414	Khurram Ali Mallik Area / Branch Manager Mirpur (Azad Kashmir) Branch, 82-D, Alama Iqbal Road, Sector B-4, Mirpur, Azad Kashmir. Tel: (05827) 448415, 448414, (05827) 448559 Fax: (05827) 445145
Muhammad Asif Sabir Branch Manager DHA Rahbar Branch, Khasra No. 1388, Defence Road, Opp. DHA Rahbar, Lahore.	Ramilz Hassan Farooqui Branch Manager Kalmi Chowk Branch, Plot No. 27-Tipu Block, New Garden Town, Main Ferozepur Road, Lahore. Tel: (042) 35857131-33, (042) 35857245 Fax: (042) 35857262	Mustafa Haider Branch Manager Qasim Branch (Multan), 76, Qasim Road, S.P. Chowk, Multan. Tel: (061) 4587711 Fax: (061) 4586880	Mohammad Akmal Abbasi Branch Manager Rahim Yar Khan Branch, 26-Shahi Road, Rahim Yar Khan. Tel: (068) 5884345, 5881302 Fax: (068) 5879408	Raja Mattoob Hussain Branch Manager Dadyal Branch, Plot No. 315, Rajput Plaza, Main Rawalpindi Road, Opp. Old Tehsil Headquarter Hospital, Dadyal (AJK). Tel: (05827) 465741, 465736-8 Fax: (05827) 465739
Imran Ali Bhatti Branch Manager Kasur Branch, Khasra No. 5982, Ahmad Shah Colony, Shehzab Khan Road, Kasur. Tel: (049) 2760406	Ramiz Hassan Farooqui Branch Manager Cavalry Ground Branch, 20-Commercial Area, Cavalry Ground, Lahore. Tel: (042) 36610273-6, 36610280 Fax: (042) 36610279	Ghasi Branch Manager Qasim Branch (Multan), 76, Qasim Road, S.P. Chowk, Multan. Tel: (061) 4745053, 4745051 Fax: (061) 4745053	Mohsan Ayub Branch Manager Hazar Yar Khan Branch, Plot No. B-III, 382/A, Alah Wala Chowk, Circular Road, Mohallah Abdul, Hazro. Tel: (057) 2313296, 2313292-94 Fax: (057) 2313295	Sadia Parveen Branch Manager Jhelum Branch, Plot No. 8, Pasval Plaza, G.T.S. Square, Jhelum City, Jhelum. Tel: (0544) 624972, 623973-7 Fax: (0544) 623976
Muhammad Nisar Branch Manager Manz Road Branch, Glamor Adda, Opp. Glamour Textile Mill, Moza 66, Crack Manga Road, Rawalpindi. Tel: (042) 3595202-3-4	Muhammad Omar Farooqi Branch Manager DHA Phase-6 Branch, 47 MB, DHA Phase-6, Lahore. Tel: (042) 37180149, Ext. 102 Dir: (042) 37180147	Kamran Shakat Branch Manager Okara Branch, 1-A/4-L, M.A. Jinnah Road, Okara. Tel: (044) 2510753, 2510754 Fax: (044) 2510754	Anjum Jamshed Branch Manager Chak Shahzad Branch, Al-Faroq Plaza, Kuri Road, New Mai Chak Shahzad, Islamabad. Tel: (051) 5402134	Wajid Hussain Branch Manager Gujjar Khan Branch, Ward No. 5, Main G.T. Road, Gujjar Khan. Tel: (0513) 510026, 512866-71 Fax: (0513) 512872
Khurram Hafeez Branch Manager Satiana Branch, P-719, Batala Colony, Satiana Road, Faisalabad.	Rauf ur Rehman Lodhi Branch Manager DHA Phase-6 Branch, 74-CCA, Phase-6C, DHA, Lahore. Tel: (042) 35895673-75 Dir: (042) 35695661	Syed Ammad ur Rasool Branch Manager Etihad Sugar Mills Branch, Etihad Sugar Mills Ltd., Mauza Karamehd, Tehsil-Zila, Rahim Yar Khan.	Irfan Anwar Branch Manager Attock Branch, B-2, Pleader Lane, Attock City, Tehsil & District, Attock. Tel: (057) 2702201-02, 2613646 Fax: (057) 2613486	Naheed Irtiaz Branch Manager Dina Branch, Chaudhary Street, Mangla Road, Dina. Tel: (0544) 635011, 635013-16 Fax: (0544) 636987
LAHORE WEST	Rashid Kamran Nakai Regional General Manager R.G.M. Office, 97-A/D-1, PEC Building, Liberty Market, Gulberg, Lahore. Tel: (042) 35878010-11, 35784402 Fax: (042) 35878012	Malik Muhammad Umar Tariq Branch Manager Batapur Branch, Main G.T. Road, Batapur, Lahore Lines. Tel: (042) 36580381-83 Dir: (042) 36580387 Fax: (042) 36580384	Haroon Pasha Acting Branch Manager I-8 Markaz Branch, Plot No. 6, Larib Pliez, Sector I-8 Markaz, Islamabad. Tel: (051) 48613024, 4102163 Fax: (051) 4861300	SILKBANK Yes we can

FOREIGN CORRESPONDENTS

Afghanistan	Egypt	Banca UBAE	Habib Bank Ltd.
Habib Bank Ltd.	Mashreqbank PSC	Iccrea Banca	Royal Bank of Scotland
Argentina	Al Baraka Bank Egypt	Deutsche Bank AG	BNP Paribas Fortis Nederland NV
Royal Bank of Scotland	Finland	Intesa Sanpaolo	
Deutsche Bank AG	Skandinaviska Enskilda Banken	Mizuho Corporate Bank Ltd.	
Australia	France	UniCredit Banca S.P.A.	
JP Morgan	Commerzbank AG	UniCredit Corporate Banking S.P.A.	
Westpac Banking Corp.	National Bank of Pakistan	UBI Banca	
Austria	UBAF	Cassa di Risparmio in Bologna	
Royal Bank of Scotland	Habib Bank Ltd.	Veneto Banca SCPA	
Raiffeisen Bank International AG	BNP Paribas S.A.	Japan	
UniCredit Bank Austria	Germany	National Bank of Pakistan	
Deutsche Bank AG	Commerzbank AG	Citibank N.A.	
Bahrain	Danske Bank A/S	Bank of New York	
Arab Investment Bank	Deutsche Bank AG	JP Morgan	
Al Baraka Islamic Bank	National Bank of Pakistan	Mizuho Corporate Bank Ltd.	
BMI Bank B.S.C.	SEB AG	Sumitomo Mitsui Banking Corp.	
Habib Bank Ltd.	Landesbank Baden-Wurttemberg	UBAF	
United Bank Ltd.	Suedwestbank AG	Royal Bank of Scotland	
National Bank of Pakistan	UniCredit Bank AG	Wells Fargo Bank N.A.	
Bangladesh	JP Morgan	Commerzbank AG	
Habib Bank Ltd.	Hungary	Kazakhstan	
Bank Alfalah	K&H Bank Zrt	BTA Bank JSC	
Belgium	Magyarorszagi Volksbank RT	Kuwait	
Habib Bank Ltd.	CIB Bank Ltd.	Gulf Bank K.S.C.	
Commerzbank AG	Commerzbank AG	Al Ahli Bank of Kuwait K.S.C.	
KBC Bank N.V.	Deutsche Bank AG	National Bank of Kuwait	
Fortis Bank S.A/N.V		Citibank N.A.	
Royal Bank of Scotland		Mashreqbank PSC	
Deutsche Bank AG	Hong Kong	Korea	
Brazil	Bank of America	Deutsche Bank AG	
Deutsche Bank AG	BNP Paribas Fortis Bank	Korea Exchange Bank	
Bulgaria	DBS Bank	Korea Development Bank	
Citibank N.A.	Citibank N.A.	Kookmin Bank	
United Bulgarian Bank	Deutsche Bank AG	JP Morgan	
Canada	Habib Finance Int'l. Ltd.	National Bank of Pakistan	
Habib Canadian Bank	HBZ Finance Ltd.	Shinhan Bank	
Royal Bank of Scotland	Intesa Sanpaolo	Suhyup Bank	
China	National Bank of Pakistan	UBAF	
Agricultural Bank of China	Mashreqbank PSC	Royal Bank of Scotland	
Commerzbank AG	JP Morgan	Busan Bank	
Bank of Jiangsu Co. Ltd.	Royal Bank of Scotland	Wells Fargo Bank N.A.	
Bank of Communication	Deutsche Bank AG	Woori Bank	
Royal Bank of Scotland	JP Morgan	Lebanon	
Bank of China	Royal Bank of Scotland	Habib Bank Ltd.	
China Construction Bank	Deutsche Bank AG	Malaysia	
China Everbright Bank	JP Morgan	Citibank N.A.	
Deutsche Bank AG	Deutsche Bank AG	Royal Bank of Scotland	
Industrial and Comm'l Bank of China	JP Morgan	JP Morgan	
Laihsing Bank Co. Ltd.	Royal Bank of Scotland	Indonesia	
JP Morgan	Deutsche Bank AG	Royal Bank of Scotland	
Shenzhen Development Bank Co. Ltd.	JP Morgan	Deutsche Bank AG	
Bank of New York Mellon	Deutsche Bank AG	Ireland	
Wells Fargo Bank N.A.		National Irish Bank	
WestLB AG		Italy	
Czech Republic	Commerzbank AG	Commerzbank AG	
Commerzbank AG	Royal Bank of Scotland	Royal Bank of Scotland	
Royal Bank of Scotland	Banca Di Roma S.P.A.	Banca Di Roma S.P.A.	
Denmark	Banca Di Napoli S.P.A.	Banca Di Napoli S.P.A.	
Danske Bank A/S	Banca Popolare SOC	Banca Popolare SOC	
	Banca Popolare Di Novara S.P.A.	Banca Popolare Di Novara S.P.A.	
	Banca Popolare Di Verona SGSP	Banca Popolare Di Verona SGSP	
	Banca Monte Parma	Banca Monte Parma	
	Banca Carige S.P.A.	Banca Carige S.P.A.	
			Netherlands
		Commerzbank AG	
		Royal Bank of Scotland	
		Deutsche Bank AG	
			Norway
			Nordea Bank Norge Asa
			DNB Nor Bank ASA
			New Zealand
			Westpac Banking Corporation
			Oman
			Habib Bank Ltd.
			Oman International Bank
			Bank Muscat
			Poland
			Nordea Bank Polska S.A.
			Royal Bank of Scotland
			Deutsche Bank AG
			Philippines
			JP Morgan
			Mizuho Corporate Bank
			Portugal
			Banco BPI S.A.
			Deutsche Bank AG
			Qatar
			United Bank Limited
			Doha Bank
			BNP Paribas Fortis Bank
			Mashreqbank PSC
			Romania
			Piraeus Bank
			Russia
			Citibank N.A.
			Commerzbank AG
			Saudi Arabia
			JP Morgan
			National Commercial Bank
			Saudi Hollandi Bank
			Deutsche Bank AG
			Bank Muscat
			National Bank of Pakistan
			The Saudi British Bank
			Singapore
			Royal Bank of Scotland
			Bank of America
			DBS Bank
			Commerzbank AG
			Deutsche Bank AG
			Citibank N.A.
			Habib Bank Ltd.
			JP Morgan
			Mizuho Corporate Bank
			National Bank of Kuwait
			Rabo Bank
			Sumitomo Mitsui Banking Corporation Ltd.
			WestLB AG
			UBAF
			South Africa
			Habib Overseas Bank Ltd.
			HBZ Bank Ltd.
			FirstRand Bank

Serbia	BNP Paribas Credit Agricole (Suisse) S.A. Habibsons Bank Royal Bank of Scotland United Bank AG Citibank N.A. Commerzbank AG Deutsche Bank AG	U.A.E.	Bank of the West Citibank N.A. Commerzbank AG Deutsche Bank Trust Co. Doha Bank Habib American Bank Habib Bank Ltd. Intesa Sanpaolo SPA JP Morgan Mashreqbank PSC Mizuho Corporate Bank Ltd. M & I Bank National Bank of Pakistan Sumitomo Mitsui Banking Corporation Union Bank of California Valley National Bank U.S. Bank Minneapolis Union Bank N.A. United Bank Ltd. Wells Fargo Bank N.A.
Slovakia			
Commerzbank AG			
Spain			
Commerzbank Fortis Bank S.A. Banco Popular Espanol, S.A. Bankinter S.A. Caja Mediterraneo Caja Espana de Inversiones Caixa D'estalvis	Taiwan Bank of New York Bank of America Deutsche Bank AG Royal Bank of Scotland JP Morgan Wells Fargo Bank N.A.		
Sri Lanka			
Muslim Commercial Bank Ltd. Deutsche Bank Habib Bank Ltd. Hatton National Bank	Bank of Ayudhya Public Company Ltd. Export Import Bank of Thailand Royal Bank of Scotland Citibank N.A. Deutsche Bank AG JP Morgan		
Sweden			
Nordea Bank Skandinaviska Enskilda Banken Svenska Handelsbanken Royal Bank of Scotland Danske Bank	Turkey Royal Bank of Scotland Habib Bank Ltd. Deutsche Bank AG Turkiye Vakiflar Bankasi T.A.O Turkiye Garanti Bankasi AS Turk Ekonomi Bankasi AS		
Switzerland			
Banque Cantonale Vaudoise Habib Bank AG Zurich			
		U.K.	
		ABC International Bank PLC Bank of America Clydesdale Bank Deutsche Bank Habib Bank AG Zurich Habib UK Commerzbank AG Mashreq Bank PSC Northern Bank JP Morgan	
		Turkey	
		Royal Bank of Scotland Habib Bank Ltd. Deutsche Bank AG Turkiye Vakiflar Bankasi T.A.O Turkiye Garanti Bankasi AS Turk Ekonomi Bankasi AS	
		U.S.A.	
		Royal Bank of Scotland Bank of America Bank of New York Mellon	



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