

**EMIRATES GLOBAL ISLAMIC BANK LIMITED**

**FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED JUNE 30, 2009**

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

### Introduction

We have reviewed the accompanying condensed interim balance sheet of Emirates Global Islamic Bank Limited as at June 30, 2009 and the related condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity for the half year then ended (here-in-after referred to as the "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim profit and loss account for the quarters ended June 30, 2009 and 2008 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2009.

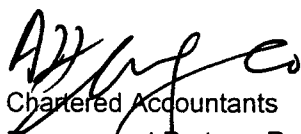
### Scope of Review

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


### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended June 30, 2009 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan.

Without qualifying our conclusion, we draw attention to note 9 to the condensed interim financial information which more fully explains that the bank has not met the minimum paid-up capital (net of losses) of Rs. 5 billion as applicable to the bank as at December 31, 2008. The State Bank of Pakistan has granted extension to the bank upto August 31, 2009 to meet the afore-mentioned capital requirement.

  
Chartered Accountants  
Engagement Partner: Rashid A. Jafer  
Dated: 29 AUG 2009  
Karachi






EMIRATES GLOBAL ISLAMIC BANK LIMITED  
 CONDENSED INTERIM BALANCE SHEET  
 AS AT JUNE 30, 2009

	Note	(Un-Audited) June 30, 2009	(Audited) December 31, 2008
----- Rupees in '000 -----			
<b>ASSETS</b>			
Cash and balances with treasury banks		1,393,032	909,378
Balances with other banks		2,222,118	195,134
Due from Financial Institutions	5	2,075,000	320,000
Investments	6	3,432,638	2,756,159
Financing	7	10,518,864	9,967,625
Operating fixed assets	8	1,688,719	1,619,029
Deferred tax assets		318,218	239,336
Other assets		755,097	530,726
		22,403,686	16,537,387
<b>LIABILITIES</b>			
Bills payable		282,661	148,403
Due to Financial Institutions		600,000	725,000
Deposits and other accounts		16,874,142	10,892,602
Sub-ordinated loans		-	-
Liabilities against assets subject to finance lease		60,246	77,486
Deferred tax liabilities		-	-
Other liabilities		748,407	625,057
		18,565,456	12,468,548
<b>NET ASSETS</b>			
		<u>3,838,230</u>	<u>4,068,839</u>
<b>REPRESENTED BY</b>			
Share capital	9	4,500,000	4,500,000
Share subscription money		657	657
Reserves		-	-
Accumulated loss		(669,594)	(448,416)
		<u>3,831,063</u>	<u>4,052,241</u>
Surplus on revaluation of available for sale investments		7,167	16,598
		<u>3,838,230</u>	<u>4,068,839</u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	10		

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements

W/o

  
 President / Chief Executive

  
 Director

  
 Director

  
 Director



EMIRATES GLOBAL ISLAMIC BANK LIMITED  
 CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
 FOR THE QUARTER & HALF YEAR ENDED JUNE 30, 2009

	Note	Quarter ended June 30, 2009	Half year ended June 30, 2009	Quarter ended June 30, 2008	Half year ended June 30, 2008
----- Rupees in '000 -----					
Profit / return earned on financings, investments and placements	11	488,737	967,394	241,499	400,722
Return on deposits and other dues expensed		351,463	535,143	99,650	164,339
Net spread earned		137,274	432,251	141,849	236,383
Provision against non-performing commodity murabaha		-	-	-	-
Provision against non-performing financing		199,643	251,359	3,094	4,924
Provision for diminution in the value of investments		-	18,818	-	2,237
Bad debts written off directly		-	-	-	-
		199,643	270,177	3,094	7,161
Net spread after provisions		(62,369)	162,074	138,755	229,222
<b>Other income</b>					
Fee, commission and brokerage Income		23,676	29,597	6,138	13,961
Dividend Income		-	-	-	-
Income from dealing in foreign currencies		38,170	40,603	7,522	15,097
Capital gain / (loss) on sale of securities		(103)	(4,473)	-	5,204
Unrealized gain / (loss) on revaluation of investments classified as 'held for trading'		-	-	-	-
Other Income		98,834	105,580	12,484	37,754
Total other income		160,577	171,307	26,144	72,016
		98,208	333,381	164,899	301,238
<b>Other expenses</b>					
Administrative expenses		333,262	628,481	193,213	350,274
Other provisions / write offs		-	-	-	-
Other charges		-	62	20	543
Total other expenses		333,262	628,543	193,233	350,817
		(235,054)	(295,162)	(28,334)	(49,579)
Extra ordinary / unusual items		-	-	-	-
<b>Loss before taxation</b>		(235,054)	(295,162)	(28,334)	(49,579)
<b>Taxation</b>					
- Current - for the period		(5,694)	(5,694)	1,070	-
- for prior periods		-	-	-	-
- Deferred		79,312	79,678	32,738	14,638
		73,618	73,984	33,808	14,638
<b>Profit / (loss) after taxation</b>		(161,436)	(221,178)	5,474	(34,941)
Accumulated loss brought forward		(508,158)	(448,416)	(228,715)	(188,300)
Accumulated loss carried forward		(669,594)	(669,594)	(223,241)	(223,241)
----- Rupees -----					
<b>Basic earnings / (loss) per share</b>		(0.36)	(0.49)	0.01	(0.08)

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements

President / Chief Executive

Director

Director

Director

EMIRATES GLOBAL ISLAMIC BANK LIMITED  
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE HALF YEAR ENDED JUNE 30, 2009

	Half year ended June 30, 2009	Half year ended June 30, 2008
----- Rupees in '000-----		
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(295,162)	(49,579)
<b>Adjustments</b>		
Depreciation	55,010	25,523
Amortisation	15,102	10,537
Amortisation of premium on Sukuk Bonds	1,941	1,746
Provision against non-performing financings	251,359	4,924
Provision for diminution in the value of investments	18,818	2,237
Finance charges on leased assets	6,328	2,871
	<u>348,558</u>	<u>47,838</u>
	53,396	(1,741)
<b>Increase in operating assets</b>		
Due from financial institutions	(1,755,000)	1,150,000
Financing	(802,598)	(4,730,848)
Others assets	(222,261)	(155,269)
	<u>(2,779,859)</u>	<u>(3,736,117)</u>
<b>Increase/(decrease) in operating liabilities</b>		
Bills payable	134,258	62,657
Due to financial institutions	(125,000)	1,025,092
Deposits and other accounts	5,981,540	2,693,868
Other liabilities	123,350	129,800
	<u>6,114,148</u>	<u>3,911,417</u>
Income tax paid	(7,804)	(5,091)
<b>Net cash flow from operating activities</b>	<u>3,379,881</u>	<u>168,468</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net investments in available-for-sale securities	(705,873)	(759,463)
Net investments in operating fixed assets	(141,232)	(404,369)
Receipt on disposal of fixed assets	1,430	7
<b>Net cash outflow on investing activities</b>	<u>(845,675)</u>	<u>(1,163,825)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payments of lease obligations	(23,568)	(12,234)
Receipt of shares subscription money	-	492,802
<b>Net cash (outflow) / inflow from financing activities</b>	<u>(23,568)</u>	<u>480,568</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<u>2,510,638</u>	<u>(514,789)</u>
Cash and cash equivalents as at December 31	1,104,512	1,411,038
Cash and cash equivalents as at June 30	<u>3,615,150</u>	<u>896,249</u>

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President / Chief Executive

  
Director

  
Director

  
Director

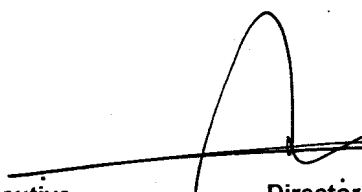
EMIRATES GLOBAL ISLAMIC BANK LIMITED  
 CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
 FOR THE HALF YEAR ENDED JUNE 30, 2009

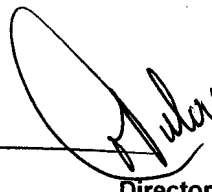
	Share capital	Share subscription money	Capital reserve	Statutory reserve	Revenue reserve	Accumulated loss	Total
Rupees in '000							
Balance as at January 01, 2008	3,000,000	1,007,855	-	-	-	(188,300)	3,819,555
Loss after taxation for the period	-	-	-	-	-	(34,941)	(34,941)
Receipt of subscription money	-	492,802	-	-	-	-	492,802
Transfer to Statutory Reserve	-	-	-	-	-	-	-
Issue of right shares	1,500,000	(1,500,000)	-	-	-	-	-
<b>Balance as at June 30, 2008</b>	<b>4,500,000</b>	<b>657</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(223,241)</b>	<b>4,277,416</b>
Loss after taxation for the period	-	-	-	-	-	(225,175)	(225,175)
Transfer to statutory reserve	-	-	-	-	-	-	-
Issue of share capital	-	-	-	-	-	-	-
<b>Balance as at December 31, 2008</b>	<b>4,500,000</b>	<b>657</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(448,416)</b>	<b>4,052,241</b>
Loss after taxation for the period	-	-	-	-	-	(221,178)	(221,178)
<b>Balance as at June 30, 2009</b>	<b>4,500,000</b>	<b>657</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(669,594)</b>	<b>3,831,063</b>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements

Atto

  
 President / Chief Executive

  
 Director

  
 Director

  
 Director



**EMIRATES GLOBAL ISLAMIC BANK LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2009**

**1. STATUS AND NATURE OF BUSINESS**

The bank was incorporated in Pakistan on December 20, 2004 as a public limited company under the Companies Ordinance, 1984.

The main objective of the bank is to carry on Islamic banking business in and outside Pakistan in accordance and in conformity with Islamic Shariah. The bank was granted an Islamic Banking License BL(i)-01(07), issued by the Banking Policy and Regulations Department of the State Bank of Pakistan vide their letter no. BPRD (LCGD-02)/625-76/D/2007/521 dated January 18, 2007 under section 27 of the Banking Companies Ordinance, 1962 read with Islamic Banking Department circular no. 2 of 2004. Subsequently, the bank was also granted approval for commencement of business as a scheduled bank with effect from February 13, 2007 by the State Bank of Pakistan vide their letter no. BPRD (LCGD-02)/625-76/X/JD/2007/1269 dated February 12, 2007.

The bank's registered office is located at the Hotel Arcade, Sheraton Hotels and Towers, Karachi. The bank operates 42 branches and 1 sub-branch (December 31, 2008: 40 branches) in Pakistan.

**2. BASIS OF PRESENTATION**

The Bank provides financing mainly through Murabaha, Ijarah, and other Islamic modes. Under Murabaha the goods are purchased and are then sold to the customers on credit. The purchases and sales arising under these arrangements are not reflected in these financial statements as such but are restricted to the amount of facility actually utilised and the appropriate portion of profit thereon. The income on such financing is recognized in accordance with the principles of Islamic Shariah. However income, if any, received which does not comply with the principles of Islamic Shariah is recognised as charity payable if so directed by the Shariah Advisor.

**3. STATEMENT OF COMPLIANCE**

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of 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 are notified under the Companies Ordinance, 1984, the requirements of the Companies Ordinance, 1984, Banking Companies Ordinance, 1962 or directives issued by the Securities and Exchange Commission of Pakistan and the State Bank of Pakistan. Wherever the requirements of the Companies Ordinance, 1984, Banking Companies Ordinance, 1962 or directives issued by the Securities and Exchange Commission of Pakistan and the State Bank of Pakistan differ with the requirements of IFRS or IFAS, the requirements of the Companies Ordinance, 1984, Banking Companies Ordinance 1962 or the requirements of the said directives prevail.

The disclosures made in these financial statements have, however, been limited based on the format prescribed by the State Bank of Pakistan vide BSD Circular No. 02 dated May 12, 2004 and International Accounting Standard 34, 'Interim Financial Reporting Standard 34, 'Interim Financial Reporting'. They do not include all of the information required for a full set of annual financial statements, and should be read in conjunction with the annual financial statements of the Bank for the year ended December 31, 2008.

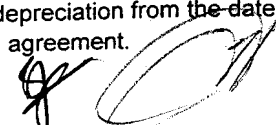
The State Bank of Pakistan has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for Banking Companies through BSD Circular No. 10 dated August 26, 2002. Accordingly, the requirements of these standards have not been considered in the preparation of these financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the State Bank of Pakistan through various circulars.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Bank for the year ended December 31, 2008, except for the change mentioned below.

The State Bank of Pakistan has notified the adoption of "Islamic Financial Accounting Standard - 2: Ijarah", which is applicable for accounting periods beginning on or after January 01, 2009. Consequent to the adoption of IFAS-2, all Ijarahs booked on or after January 01, 2009 are stated at cost less accumulated depreciation and impairment if any and are shown under Financing. The rentals received / receivable on these Ijarahs are recorded as income / revenue. Depreciation on Ijarah assets is charged to the profit and loss account by applying the straight line method whereby the depreciable value of Ijarah assets is written off over the Ijarah period. The bank charges depreciation from the date of delivery of the respective assets to mustajir upto the date of maturity / termination of Ijarah agreement.

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	June 30, 2009	December 31, 2008
	----- Rupees in '000-----	
<b>5. DUE FROM FINANCIAL INSTITUTIONS</b>		
Call money lendings	-	-
Repurchase agreement lendings (Reverse Repo)	-	-
Receivable against commodity murabaha	2,075,000	320,000
	<u>2,075,000</u>	<u>320,000</u>
<b>5.1 Receivable against commodity murabaha</b>		
Gross amount receivable against commodity murabaha	2,110,553	338,436
Less: Profit for future periods	28,026	15,195
Profits receivable as at June 30 - shown under other assets	7,527	3,241
	<u>2,075,000</u>	<u>320,000</u>
Provision against commodity murabaha	-	-
	<u>2,075,000</u>	<u>320,000</u>

5.2 These represent placements made with various institutions against commodity murabaha agreement and carry returns ranging from 12.75% to 13.90% (2008: 23% to 25%) per annum.

	Held by Bank	Given as collateral	Total
	----- Rupees in '000-----		
<b>6. INVESTMENTS</b>			
<b>Available for sale</b>			
Balance as at June 30, 2009	3,432,638	-	3,432,638
Balance as at December 31, 2008	2,756,159	-	2,756,159
Balance as at June 30, 2008	3,060,903	-	3,060,903
<b>6.1 Investments by types</b>			
<b>Available-for-sale securities</b>			
Sukuk Bonds	3,294,214	-	3,294,214
Ordinary shares of listed companies	109,507	-	109,507
	3,403,721	-	3,403,721
<b>Associates</b>			
Ordinary shares of unlisted company	52,200	-	52,200
<b>Investments at cost</b>	3,455,921	-	3,455,921
Less: Provision for diminution in value of investments	(31,246)	-	(31,246)
<b>Investments (net of provision)</b>	3,424,675	-	3,424,675
Surplus on revaluation of available-for-sale securities	7,963	-	7,963
<b>Total Investments</b>	<u>3,432,638</u>	<u>-</u>	<u>3,432,638</u>

	Note	June 30, 2009	December 31, 2008
		----- Rupees in '000-----	
<b>7. FINANCING</b>			
In Pakistan			
- Murabaha financing	7.1	4,615,373	4,762,840
- Net investment in Ijarah		1,252,425	1,454,505
- Net asset / investment in Ijarah accounted for under IFAS - 2	7.1.2	218,835	-
- Advance against Ijarah financing		646,941	577,995
- Diminishing musharaka financing		3,197,553	2,471,518
- Overdue acceptance payment		32,867	7,666
- Salam financing		747,183	607,183
- Musawamah financing		50,471	79,892
- Qarz-e-Hasna		18,317	15,652
- Financing in respect of rahnuma travel services		1,439	1,555
Financing - gross		<u>10,781,404</u>	<u>9,978,806</u>
Provision for non-performing financing - specific	7.3	253,406	2,047
Provision for non-performing financing - general	7.3	9,134	9,134
Financing - net of provision		<u>10,518,864</u>	<u>9,967,625</u>

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	Note	June 30, 2009	December 31, 2008
----- Rupees in '000-----			
7.1	Murabaha receivable - gross	5,029,901	4,990,259
	Less: Deferred murabaha income	133,788	100,010
	Profit receivable at period end - shown under other assets	280,740	127,409
	Murabaha financing	<u>4,615,373</u>	<u>4,762,840</u>

7.1.1 This includes advance for murabaha aggregating Rs 471.963 million (December 31,2008: Rs 1,612.147 million).

	June 30, 2009	December 31, 2008
7.1.2	<b>Net asset / investment in Ijarah accounted for under IFAS - 2</b>	
	234,339	-
	(15,504)	-
	<u>218,835</u>	<u>-</u>

7.2 Financing includes Rs. 896.979 million (December 31,2008: 13.537 million) which have been placed under non-performing status as detailed below:

Category of classification	June 30, 2009			Provision required	Provision held
	Domestic	Overseas	Total		
----- Rupees in '000-----					
Substandard	505,123	-	505,123	98,748	98,748
Doubtful	391,856	-	391,856	154,658	154,658
Loss	-	-	-	-	-
	<u>896,979</u>	<u>-</u>	<u>896,979</u>	<u>253,406</u>	<u>253,406</u>
----- Rupees in '000-----					
Category of classification	December 31, 2008			Provision required	Provision held
	Domestic	Overseas	Total		
Substandard	13,537	-	13,537	2,047	2,047
Doubtful	-	-	-	-	-
Loss	-	-	-	-	-
	<u>13,537</u>	<u>-</u>	<u>13,537</u>	<u>2,047</u>	<u>2,047</u>

7.3 Particulars of provisions against non-performing financing

	June 30, 2009			December 31, 2008		
	Specific	General	Total	Specific	General	Total
----- Rupees in '000-----						
Opening balance	2,047	9,134	11,181	-	2,138	2,138
Charge for the period/year	251,359	-	251,359	2,047	6,996	9,043
Reversals	-	-	-	-	-	-
Closing balance	<u>253,406</u>	<u>9,134</u>	<u>262,540</u>	<u>2,047</u>	<u>9,134</u>	<u>11,181</u>

8. OPERATING FIXED ASSETS

	June 30, 2009	December 31, 2008
----- Rupees in '000-----		
Capital work-in-progress	450,419	501,931
Property and equipment	1,200,370	1,065,992
Intangible assets	37,930	51,106
	<u>1,688,719</u>	<u>1,619,029</u>

8.1 Capital work-in-progress

Advance against purchase of property  
Advances to suppliers and contractors

	June 30, 2009	December 31, 2008
	251,666	251,680
	198,753	250,251
	<u>450,419</u>	<u>501,931</u>

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## 9. SHARE CAPITAL

## 9.1 Authorized Capital

June 30, 2009	December 31, 2008		June 30, 2009	December 31, 2008
Number of shares			----- Rupees in'000-----	
<u>600,000,000</u>	<u>600,000,000</u>	Ordinary shares of Rs 10 each	<u>6,000,000</u>	<u>6,000,000</u>

## 9.2 Issued, subscribed and paid up capital

June 30, 2009	December 31, 2008		June 30, 2009	December 31, 2008
Number of shares			----- Rupees in'000-----	
		Ordinary shares of Rs 10 each		
450,000,000	450,000,000	Fully paid in cash	4,500,000	4,500,000
-	-	Issued as bonus shares	-	-
-	-	Issued for consideration other than cash	-	-
<u>450,000,000</u>	<u>450,000,000</u>		<u>4,500,000</u>	<u>4,500,000</u>

As per the State Bank of Pakistan's circular no. 19 dated September 05, 2008 banks are required to raise their minimum paid-up capital (net of losses) to Rs 5 billion upto December 31, 2008. In this connection, the State Bank of Pakistan vide its letter BSD/BAI – 3/700/110/2009 dated July 9, 2009 has granted an extension to the bank upto August 31, 2009 for meeting the capital requirement (net of accumulated losses) of Rs 5 billion. The afore-mentioned capital requirement would be met by way of capital injection through a rights issue.

	June 30, 2009	December 31, 2008
	----- Rupees in'000-----	
<b>10. CONTINGENCIES AND COMMITMENTS</b>		
<b>10.1 Commitments in respect of forward exchange contracts</b>		
Purchase	<u>1,179,612</u>	<u>1,303,054</u>
Sale	<u>2,628,628</u>	<u>628,971</u>
<b>10.2 Commitments for acquisition of operating fixed assets</b>		
Commitments in respect of purchase of property	<u>281,728</u>	<u>281,728</u>
<b>10.3 Transaction related contingent liabilities</b>		
Guarantees	<u>3,012,757</u>	<u>504,957</u>
<b>10.4 Trade related contingent liabilities</b>		
Letters of credit	<u>1,201,242</u>	<u>259,694</u>
Acceptances	<u>175,174</u>	<u>85,747</u>
<b>10.5 Commitments for lease liability</b>		
Commitments in respect of ijarah payments under ijarah are:		
- not later than one year	4,543	-
- later than one year and not later than five years	7,595	-
- later than five years	-	-
	<u>12,138</u>	<u>-</u>
<b>10.6 Commitments in respect of purchase of Investments</b>	<u>175,637</u>	<u>-</u>

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11. PROFIT / RETURN EARNED ON FINANCINGS, INVESTMENTS AND PLACEMENTS	Note	June 30,	June 30,
		2009	2008
----- Rupees in '000-----			
On financing to:			
- Customers	11.1	696,857	246,368
- Employees		3,999	1,804
On investments in:			
- Available for sale securities		202,300	132,719
On deposits with banks		2,409	9,642
On placements against commodity murabaha		61,829	10,189
		<u>967,394</u>	<u>400,722</u>

11.1 This includes return on Ijarah assets / investment accounted for under IFAS - 2 as follows:

Rental income on Ijarah assets / investments	14,228	-
Less: Depreciation on Ijarah assets / investments	(15,504)	-
	<u>(1,276)</u>	<u>-</u>

## 12. RELATED PARTY TRANSACTIONS

12.1 Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial or operational decisions and include associated companies with or without common directors and key management personnel.

12.2 Details of transactions with related parties and balances as at the period end are as follows:

	Total		Associates		Key management personnel	
	2009	2008	2009	2008	2009	2008
----- Rupees in '000 -----						
<b>Subscription money</b>						
At January 1,	657	1,007,855	657	994,755	-	13,100
Received during the period	-	492,802	-	492,802	-	-
Refund during the period	-	-	-	-	-	-
Allotment of shares	-	(1,500,000)	-	(1,486,900)	-	(13,100)
At June 30,	<u>657</u>	<u>657</u>	<u>657</u>	<u>657</u>	<u>-</u>	<u>-</u>
<b>Financing</b>						
At January 1,	128,445	107,587	14,197	9,259	114,248	98,328
Disbursed during the period	19,829	2,277	4,829	2,277	15,000	-
Repaid during the period	(17,244)	(11,637)	(4,350)	(1,097)	(12,894)	(10,540)
At June 30,	<u>131,030</u>	<u>98,227</u>	<u>14,676</u>	<u>10,439</u>	<u>116,354</u>	<u>87,788</u>
<b>Deposits</b>						
At January 1,	123,136	66,810	93,837	45,613	29,299	21,197
Received during the period	552,964	414,696	503,246	162,406	49,718	252,290
Withdrawn during the period	(459,177)	(392,376)	(407,397)	(148,188)	(51,780)	(244,188)
At June 30,	<u>216,923</u>	<u>89,130</u>	<u>189,686</u>	<u>59,831</u>	<u>27,237</u>	<u>29,299</u>
<b>Other payable</b>						
At January 1,	4,334	32,420	4,334	32,420	-	-
Accrued during the period	2,872	4,632	2,872	4,632	-	-
Paid during the period	(2,803)	(32,718)	(2,803)	(32,718)	-	-
At June 30,	<u>4,403</u>	<u>4,334</u>	<u>4,403</u>	<u>4,334</u>	<u>-</u>	<u>-</u>
<b>Other Balances</b>						
Profit receivable on financing	1,041	343	471	110	570	233
Investment in Takaful Pakistan Limited	52,200	52,200	52,200	52,200	-	-
Provision for diminution in value of investment	18,746	12,428	18,746	12,428	-	-
Return payable on deposit	392	1,409	346	1,346	46	63
<b>Transactions, income and expenses</b>						
Profit earned on financing	5,014	4,291	2,161	1,957	2,853	2,334
Return on deposits	6,958	3,812	6,790	3,352	168	460
Salaries and allowances	38,397	76,502	-	-	38,397	76,502
Contribution to defined contribution plan	10,091	5,617	-	-	10,091	5,617
Charge for defined benefit plan	9,377	5,797	-	-	9,377	5,797

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## 13. SEGMENT BY CLASS OF BUSINESS

	June 30, 2009			
	Corporate Finance	Trading & Sales	Retail Banking	Commercial Banking
	Rupees in'000			
Total income	100,433	302,668	54,079	681,521
Total expenses	6,907	80,776	543,495	802,685
Net income (loss)	93,526	221,892	(489,416)	(121,164)
Segment Return on Net Assets (ROA) (%)	235.67%	3.85%	(21.84%)	(1.05%)
Segment Cost of funds (%)	0.00%	12.94%	6.42%	5.19%

	June 30, 2009			
	Corporate Finance	Trading & Sales	Retail Banking	Commercial Banking
	Rupees in'000			
Segment assets (gross of provisions)	40,378	8,017,583	2,463,723	12,175,788
Segment non performing loans (NPL)	-	-	30,511	943,409
Segment provisions required against NPL	-	-	15,359	247,181
Segment liabilities	2,467	611,147	6,638,601	11,313,241

	June 30, 2008			
	Corporate Finance	Trading & Sales	Retail Banking	Commercial Banking
	Rupees in'000			
Total income	36,233	174,597	22,752	239,157
Total expenses	3,658	30,604	266,281	221,775
Net income (loss)	32,575	143,993	(243,529)	17,382
Segment Return on Assets (ROA) (%)	6.27%	3.77%	(17.34%)	0.32%
Segment Cost of funds (%)	0.00%	12.35%	8.29%	9.37%

	December 31, 2008			
	Corporate Finance	Trading & Sales	Retail Banking	Commercial Banking
	Rupees in'000			
Segment assets (gross of NPL provisions)	38,992	3,520,276	2,018,581	10,963,147
Segment non performing loans (NPL)	-	-	3,100	10,437
Segment provision required against NPL	-	-	775	10,406
Segment liabilities	9,385	744,316	4,361,988	7,352,859

14. These financial statements were authorized for issue on 29 AUG 2009, 2009 by the Board of Directors of the bank.

## 15. GENERAL

15.1 Figures have been rounded off to the nearest thousand rupees.

  
President / Chief Executive

  
Director

  
Director

  
Director