



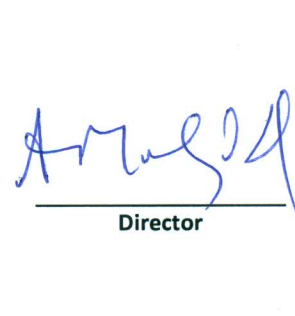
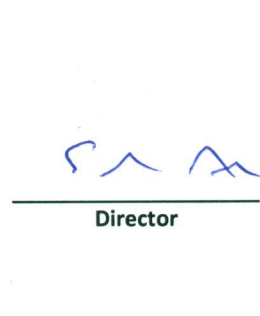
**ALBARAKA BANK (PAKISTAN) LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2015**

	31 March 2015	31 December 2014
Note	------(Rupees '000)-----	
	(Un-Audited)	(Audited)
<b>ASSETS</b>		
Cash and balances with treasury banks	9,922,896	6,465,268
Balances with other banks	586,830	3,741,342
Due from financial institutions	9,492,838	10,005,950
Investments	6 19,338,072	19,560,668
Islamic financing and related assets	7 44,280,636	47,022,578
Operating fixed assets	8 2,703,759	2,667,194
Deferred tax assets	1,487,720	1,541,433
Other assets	3,847,526	3,344,347
	<b>91,660,277</b>	<b>94,348,780</b>
<b>LIABILITIES</b>		
Bills payable	947,765	679,810
Due to financial institutions	2,202,797	2,211,568
Deposits and other accounts	9 77,059,161	80,222,579
Sub-ordinated loans	10 2,978,528	3,105,314
Liabilities against assets subject to finance lease	-	-
Deferred tax liabilities	-	-
Other liabilities	2,422,173	2,228,199
	<b>85,610,424</b>	<b>88,447,470</b>
<b>NET ASSETS</b>	<b>6,049,853</b>	<b>5,901,310</b>
<b>REPRESENTED BY</b>		
Share capital	8,935,200	8,935,200
Advance against issuance of shares	95,704	95,704
Discount on issuance of shares	(767,290)	(767,290)
Reserves	133,700	111,259
Accumulated loss	(2,234,218)	(2,323,983)
	<b>6,163,096</b>	<b>6,050,890</b>
Deficit on revaluation of investments - net of tax	(113,243)	(149,580)
	<b>6,049,853</b>	<b>5,901,310</b>

**CONTINGENCIES AND COMMITMENTS**

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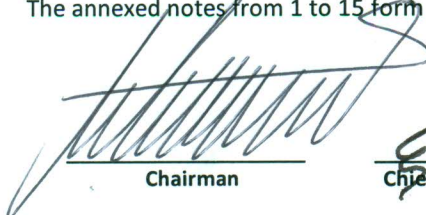


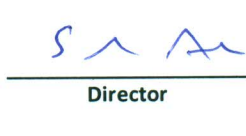
The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

 Chairman	 Chief Executive Officer	 Director	 Director
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**ALBARAKA BANK (PAKISTAN) LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE QUARTER ENDED 31 MARCH 2015**

	Quarter ended	
	31 March 2015	31 March 2014
Note	----- (Rupees '000) -----	
Profit / return earned on islamic financing and related assets, investments and placements	12      1,766,861	1,591,468
Return on deposits and other dues expensed	<u>(1,187,054)</u>	<u>(1,019,505)</u>
<b>Net spread earned</b>	<b>579,807</b>	<b>571,963</b>
Provision against non-performing islamic financing and related assets	<u>(123,889)</u>	<u>(91,241)</u>
Reversal / (provision) for diminution in the value of investments	<u>225,067</u>	<u>(1,658)</u>
<b>Net spread after provisions</b>	<b>680,985</b>	<b>479,064</b>
<b>Other income</b>		
Fee, commission and brokerage income	<u>86,445</u>	<u>107,689</u>
Dividend income	<u>7,589</u>	<u>-</u>
Income from dealing in foreign currencies	<u>31,377</u>	<u>56,150</u>
Gain on sale of securities - net	<u>15,017</u>	<u>57,402</u>
Unrealized gain on revaluation of investments classified as held for trading	<u>3,738</u>	<u>-</u>
Other income	<u>1,116</u>	<u>867</u>
<b>Total other income</b>	<b>145,282</b>	<b>222,108</b>
<b>Other expenses</b>	<b>826,267</b>	<b>701,172</b>
Administrative expenses	<u>(653,135)</u>	<u>(635,501)</u>
Other provisions / write offs	<u>(2,204)</u>	<u>(15,306)</u>
Other charges	<u>-</u>	<u>(101)</u>
<b>Total other expenses</b>	<b>(655,339)</b>	<b>(650,908)</b>
<b>170,928</b>	<b>50,264</b>	
Extra ordinary / unusual items	-	-
<b>PROFIT BEFORE TAXATION</b>	<b>170,928</b>	<b>50,264</b>
Taxation - Current	<u>(24,578)</u>	<u>(18,136)</u>
- Prior years	<u>-</u>	<u>-</u>
- Deferred	<u>(34,144)</u>	<u>3,326</u>
	<u>(58,722)</u>	<u>(14,810)</u>
<b>PROFIT AFTER TAXATION</b>	<b>112,206</b>	<b>35,454</b>
<b>Basic / diluted earning per share</b>	<b>0.13</b>	<b>0.04</b>

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





Chairman                      Chief Executive Officer                      Director                      Director

**ALBARAKA BANK (PAKISTAN) LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE QUARTER ENDED 31 MARCH 2015**

	Quarter ended	
	31 March 2015	31 March 2014
	----- (Rupees '000) -----	
<b>Profit after taxation</b>	<b>112,206</b>	35,454
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>112,206</b>	35,454

As per the requirement of the State Bank of Pakistan, surplus / deficit on revaluation of available-for-sale securities is required to be taken to a separate account 'Surplus / deficit on revaluation of investments' shown in the statement of financial position below equity. Accordingly, it has not been included in statement of comprehensive income.

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

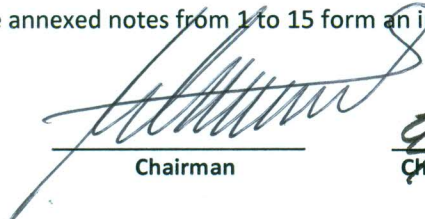
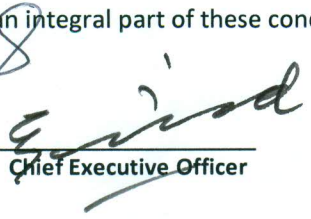

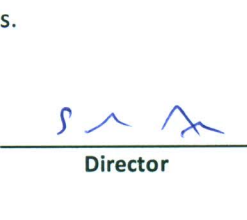
 <hr style="width: 100%; border: 0.5px solid black;"/> <p>Chairman</p>	 <hr style="width: 100%; border: 0.5px solid black;"/> <p>Chief Executive Officer</p>	 <hr style="width: 100%; border: 0.5px solid black;"/> <p>Director</p>	 <hr style="width: 100%; border: 0.5px solid black;"/> <p>Director</p>
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**ALBARAKA BANK (PAKISTAN) LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE QUARTER ENDED 31 MARCH 2015**

	Issued, subscribed and paid- up share capital	Advance against issuance of shares	Discount on issuance of shares	Statutory Reserve *	Accumulated loss	Total
	----- (Rupees in '000) -----					
<b>Balance as at 01 January 2014</b>	8,935,200	-	(767,290)	82,074	(2,419,224)	5,830,760
Profit after taxation for the quarter	-	-	-	-	35,454	35,454
Other comprehensive income for the quarter	-	-	-	-	-	-
Total comprehensive income for the quarter	-	-	-	-	35,454	35,454
Transfer to statutory reserves	-	-	-	7,091	(7,091)	-
<b>Balance as at 31 March 2014</b>	8,935,200	-	(767,290)	89,165	(2,390,861)	5,866,214
Advance against issuance of shares	-	95,704	-	-	-	95,704
Profit after taxation for the period	-	-	-	-	110,469	110,469
Other comprehensive loss for the period	-	-	-	-	(21,497)	(21,497)
Total comprehensive income for the period	-	-	-	-	88,972	88,972
Transfer to statutory reserves	-	-	-	22,094	(22,094)	-
<b>Balance as at 31 December 2014</b>	8,935,200	95,704	(767,290)	111,259	(2,323,983)	6,050,890
Profit after taxation for the quarter	-	-	-	-	112,206	112,206
Other comprehensive income for the quarter	-	-	-	-	-	-
Total comprehensive income for the quarter	-	-	-	-	112,206	112,206
Transfer to statutory reserves	-	-	-	22,441	(22,441)	-
<b>Balance as at 31 March 2015</b>	<u>8,935,200</u>	<u>95,704</u>	<u>(767,290)</u>	<u>133,700</u>	<u>(2,234,218)</u>	<u>6,163,096</u>

\* This represents reserve created under section 21(1)(a) of the Banking Companies Ordinance, 1962.

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

 Chairman	 Chief Executive Officer	 Director	 Director
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**ALBARAKA BANK (PAKISTAN) LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE QUARTER ENDED 31 MARCH 2015**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** AlBaraka Bank (Pakistan) Limited (the Bank) was incorporated in Pakistan on 20 December 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 Pakistan in accordance and in conformity with 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 (SBP) vide its letter no. BPRD (LCGD-02)/625-76/D/2007/521 dated 18 January 2007 under section 27 of the Banking Companies Ordinance, 1962. Subsequently, the Bank was also granted approval for commencement of business as a scheduled bank with effect from 13 February 2007 by the SBP vide its letter no. BPRD (LCGD-02)/625-76/X/JD/2007/1269 dated 12 February 2007. Upon merger of the Pakistan branches of AlBaraka Islamic Bank B.S.C. (c) with and into the Bank, fresh license no. BL(i)-01(2011) was issued by SBP vide its letter no. BPRD (R&P-01)/2011-3087 dated 12 March 2011, effective from close of business on 29 October 2010.

The Bank is a subsidiary of AlBaraka Islamic Bank B.S.C. (c) (AlBaraka) {major sponsor} incorporated and domiciled in Bahrain and a member of AlBaraka Banking Group.

The Bank's registered office is located at 162, Bangalore Town, Main Sharah-e-Faisal, Karachi. The Bank has 135 branches including 14 sub-branches (31 December 2014: 130 branches including 10 sub-branches) in Pakistan.

Based on the financial statements of the Bank for the year ended 31 December 2013, Pakistan Credit Rating Agency Limited (PACRA) has determined the Bank's long-term rating at "A" and short term rating as 'A1' with a positive outlook. JCR-VIS, has also determined long-term and short-term ratings of "A" and 'A1' respectively with a stable outlook.

- 1.2** As per the requirements of SBP, the banks / DFIs are required to have a minimum paid-up capital (net of losses) of Rs. 10 billion. Further, the banks / DFIs are also required to maintain a capital adequacy ratio of 10% at all times.

In order to meet the regulatory capital requirements, the Bank prepared a capitalization plan which was approved by the SBP vide its letter no. BPRD/BA&CP/608/019652/2013 dated 28 December 2013 on the following terms and conditions:

- i) The Bank shall maintain a minimum paid-up capital {net of losses} (MCR) of at least Rs. 6 billion at all times and will have to meet the full MCR of Rs. 10 billion by 31 December 2016.
- ii) As a short term arrangement, the Bank would raise a foreign currency sub-ordinated debt (FCY debt) of USD 11 million from its major sponsor. The said sub-ordinated debt is deposited as non-remunerative deposit with SBP.
- iii) The above FCY debt with the SBP shall be increased to Rs. 2.1 billion by 31 December 2014 and Rs. 2.8 billion by 31 December 2015.
- iv) The FCY debt shall not be withdrawn unless the Bank achieves full compliance with MCR. However, any withdrawal will be subject to prior approval of the SBP. In the event the Bank is not MCR compliant by 31 December 2016, the sub-ordinated debt will be converted into the paid-up capital of the Bank.
- v) For regulatory purposes, the FCY debt is allowed to be included in the Bank's capital and the Bank will be required to maintain a capital adequacy ratio (CAR) of atleast 15% which may be reduced depending on the level of increase in the MCR.

As of 31 March 2015, the Bank's MCR and CAR for regulatory purposes amounts to Rs. 7.151 billion and 14.67% (un-audited) as against the required level of Rs. 8 billion and 15% respectively. In this regard, SBP has allowed extension in timeline for deposit of FCY Debt by 30 April 2015. Till such time, the Bank is allowed to maintain the CAR level as of 31 December 2014 (i.e. 14.24%), however, the Bank has been limited from undertaking related party exposures. In this regard, the Bank has received additional FCY debt on 29 April 2015, which has increased the MCR to Rs. 8 billion.

**2. STATEMENT OF COMPLIANCE**

- 2.1** These condensed interim financial statements of the Bank for the quarter ended 31 March 2015 have been prepared in accordance with approved accounting standards as applicable in Pakistan. The disclosures made in these condensed interim financial statements have been limited based on the format prescribed by SBP vide BSD Circular Letter No. 2 dated 12 May 2004 and International Accounting Standard (IAS) 34, "Interim Financial Reporting". They do not include all the disclosures required for annual financial statements, and these condensed interim financial statements should be read in conjunction with financial statements for the year ended 31 December 2014.

**3. BASIS OF MEASUREMENT**

- 3.1** These condensed interim financial statements have been prepared under the historical cost convention except that certain investments, foreign currency balances and commitments in respect of certain foreign exchange contracts have been marked to market and carried at fair value in accordance with the requirements of the SBP.

**3.2 Functional and presentation currency**

These condensed interim financial information has been presented in Pakistan Rupee, which is the Bank's functional and presentation currency.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those of the previous financial year except as described below:

**New and amended standards**

The Bank has adopted the following standard, amendments and interpretation of IFRSs which became effective during the current period:

**Standard, Interpretation or amendment**

IFRS 10 - Consolidated Financial Statements

IFRS 11 - Joint Arrangements

IFRS 12 - Disclosure of Interests in Other Entities

IFRS 13 - Fair Value Measurement

IAS 19 - Employee Benefits - (Amendment) - Defined Benefit Plans : Employee Contributions

The above standards and amendments did not have any impact on the Bank's condensed interim financial statements for the current period.

In addition to the above standards and amendments, certain improvements to various accounting standards have also been issued by the IASB. Such improvements are effective for the current accounting period but did not have any material impact on the Bank's condensed interim financial statements.

- 4.1** The financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Bank for the year ended 31 December 2014.

**5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The basis and the methods used for critical accounting estimates and judgements adopted in these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Bank for the year ended 31 December 2014.

## 6. INVESTMENTS

	31 March 2015 (Un-Audited)			31 December 2014 (Audited)		
	Held by Bank	Given as Collateral	Total	Held by Bank	Given as Collateral	Total
<b>Note</b>	----- Rupees in '000 -----					
<b>Held for trading securities</b>						
Sukuk certificates	46,000	-	46,000	2,024,399	-	2,024,399
<b>Available for sale securities</b>						
Sukuk certificates	19,096,076	-	19,096,076	17,768,298	-	17,768,298
Ordinary shares of listed companies	367,088	-	367,088	239,509	-	239,509
Ordinary shares of unlisted company Takaful Pakistan Limited	52,200	-	52,200	52,200	-	52,200
	<b>19,515,364</b>	-	<b>19,515,364</b>	18,060,007	-	18,060,007
<b>Investments at cost</b>	<b>19,561,364</b>	-	<b>19,561,364</b>	20,084,406	-	20,084,406
Less: Provisions for diminution in the value of investments	6.1 (49,376)	-	(49,376)	(274,443)	-	(274,443)
<b>Investments (net of provisions)</b>	<b>19,511,988</b>	-	<b>19,511,988</b>	19,809,963	-	19,809,963
Deficit on revaluation of available for sale securities	(174,220)	-	(174,220)	(230,124)	-	(230,124)
Surplus / (deficit) on revaluation of held for trading securities	304	-	304	(19,171)	-	(19,171)
<b>Total investments at market value</b>	<b>19,338,072</b>	-	<b>19,338,072</b>	19,560,668	-	19,560,668

	31 March 2015 (Un-Audited)	31 December 2014 (Audited)
<b>Note</b>	----- (Rupees '000) -----	
<b>6.1 Particulars of provisions for diminution in the value of investments:</b>		
Opening balance	274,443	210,334
Charged during the quarter / year	6.2 1,285	67,724
Reversal during the quarter / year	(226,352)	(3,615)
	(225,067)	64,109
Closing balance	49,376	274,443

- 6.2** The mark to market impairment loss on certain investment as of 31 March 2015 amounts to Rs. 22.603 (31 December 2014 : Rs. 22.398) million. However, SBP has allowed the recognition of impairment loss in a phased manner by 31 December 2015. As per such relaxation, the Bank is required to book atleast 80% of impairment loss as of 31 March 2015 which amounts to Rs. 18.083 (31 December 2014 : Rs.16.798) million and the same has been booked in these condensed interim financial statements.

	Note	31 March	31 December
		2015	2014
		----- (Rupees '000) -----	
		(Un-Audited)	(Audited)
<b>7. ISLAMIC FINANCING AND RELATED ASSETS</b>			
In Pakistan			
<b>Islamic financing and related assets</b>			
- Murabaha finance		14,793,088	18,889,191
- Advance against murabaha finance		850,401	1,671,397
- Murabaha inventory		-	1,045
- Export refinance under Islamic scheme		1,996,845	1,940,997
- Advance against export refinance under Islamic scheme		4,700	10,900
- Ijarah assets under IFAS 2		3,645,186	3,437,746
- Net investment in ijarah		96,888	103,870
- Advance against ijarah		383,360	295,954
- Service Ijarah		664,216	735,294
- Diminishing musharaka financing		11,935,223	11,157,066
- Advance against diminishing musharaka finance		70,309	137,240
- Tijara finance		569,545	463,630
- Over due acceptances		414,958	387,601
- Payment against guarantee		30,332	25,903
- Payment against documents		5,796	5,642
- Salam financing		32,525	32,525
- Advance against salam		6,908,761	5,617,643
- Salam inventory		70,000	230,000
- Financing against bills		56,206	291,513
- Istasna finance		3,013,936	3,182,871
- Advance against istasna		1,005,027	589,048
- Istasna inventory		10,000	-
- Staff financing		644,532	625,334
- Advance against staff financing		2,398	1,786
- Rahnuma travel services		409	85
Islamic financing and related assets - gross		47,204,641	49,834,281
Provisions for non-performing financing - specific	7.1	(2,903,180)	(2,795,155)
Provisions for non-performing financing - general	7.2	(20,825)	(16,548)
		(2,924,005)	(2,811,703)
Islamic financing and related assets - net of provisions		44,280,636	47,022,578

7.1 Islamic financing and related assets include Rs. 4,394.319 (31 December 2014: Rs 4,176.617) million which have been placed under non-performing status as detailed below:

Category of classifications	31 March 2015 (Un-Audited)				
	Classified financing			Provision required	Provision held
	Domestic	Overseas	Total		
----- Rupees in '000 -----					
Other assets especially mentioned	479	-	479	-	-
Substandard	590,175	-	590,175	87,608	87,608
Doubtful	104,706	-	104,706	21,207	21,207
Loss	3,698,959	-	3,698,959	2,794,365	2,794,365
	4,394,319	-	4,394,319	2,903,180	2,903,180

Category of classifications	31 December 2014 (Audited)				
	Classified financing			Provision required	Provision held
	Domestic	Overseas	Total		
----- Rupees in '000 -----					
Other assets especially mentioned	11,738	-	11,738	-	-
Substandard	376,923	-	376,923	81,142	81,142
Doubtful	47,355	-	47,355	9,658	9,658
Loss	3,740,601	-	3,740,601	2,704,355	2,704,355
	4,176,617	-	4,176,617	2,795,155	2,795,155



## 7.2 Particulars of provisions against non-performing islamic financing and related assets

	31 March 2015 (Un-Audited)			31 December 2014 (Audited)		
	Specific	General	Total	Specific	General	Total
	----- Rupees in '000 -----					
Opening balance	2,795,155	16,548	2,811,703	2,778,875	14,943	2,793,818
Charge for the quarter / year	141,215	4,277	145,492	723,845	1,605	727,214
Reversals for the quarter / year	(21,603)	-	(21,603)	(704,315)	-	(706,079)
	119,612	4,277	123,889	19,530	1,605	21,135
Written off during the quarter / year	(11,587)	-	(11,587)	(3,250)	-	(3,250)
Closing balance	2,903,180	20,825	2,924,005	2,795,155	16,548	2,811,703

- 7.2.1 The above provision against non-performing islamic financing has been computed after considering allowable forced sale value (FSV) of collateral amounting to Rs. 1,367.240 (31 December 2014: Rs. 1,219.590) million. The FSV benefit recognized is not allowed for distribution of cash or stock dividend to shareholders.
- 7.2.2 The Bank maintains general reserve (provisions) in accordance with the applicable requirements of prudential regulations for consumer, small and medium enterprise islamic financing.
- 7.2.3 SBP vide its letters BPRD/BLRD-3/DMG/2011-1035 dated 26 January 2011 and OSED/SEU-10/002(01)/18271/2014 dated 26 September 2014 has allowed relaxation from provisioning requirement against certain credit exposures having a provisioning impact of Rs. 111.513 (31 December 2014 :Rs. 182.443) million. This includes relaxation from provisions related to other assets amounting to Rs. 2.204 (31 December 2014 : Rs. 4.407) million.

	Note	31 March	31 December
		2015	2014
		----- (Rupees '000) -----	
		(Un-Audited)	(Audited)
<b>8. OPERATING FIXED ASSETS</b>			
Property and equipments		1,484,139	1,463,980
Intangible assets		832,987	838,406
Capital work-in-progress	8.1	386,633	364,808
		<u>2,703,759</u>	<u>2,667,194</u>
<b>8.1. Capital work-in-progress</b>			
Advances to suppliers and contractors	8.1.1	386,633	364,808
Advance for purchase of property		251,680	251,680
Provisions for impairment against advance for purchase of property		(251,680)	(251,680)
		-	-
Total capital work-in-progress		<u>386,633</u>	<u>364,808</u>
8.1.1 This includes advance payment amounting to Rs. 121.049 (31 December 2014: Rs.121.049) million for implementation of new core banking system of the Bank.			

		31 March 2015 ----- (Rupees '000) ----- (Un-Audited)	31 December 2014 ----- (Rupees '000) ----- (Audited)
<b>9. DEPOSITS AND OTHER ACCOUNTS</b>			
<b>Customers</b>			
Fixed deposits		25,601,417	26,186,424
Savings deposits		28,440,395	29,177,743
Current accounts - non-remunerative		12,192,668	13,612,220
Margin deposits		918,885	1,058,207
		<b>67,153,365</b>	<b>70,034,594</b>
<b>Financial Institutions</b>			
Remunerative deposits		9,872,399	10,114,392
Non-remunerative deposits		33,397	73,593
		<b>9,905,796</b>	<b>10,187,985</b>
		<b>77,059,161</b>	<b>80,222,579</b>
<b>10. SUBORDINATED LOANS</b>			
Foreign currency loans	10.1	1,121,386	1,105,314
Tier II mudarbah sukuk	10.2	1,857,142	2,000,000
		<b>2,978,528</b>	<b>3,105,314</b>

**10.1** During the year 2013, the Bank has entered into a sub-ordinated loan agreement with AlBaraka Islamic Bank BSC (the major sponsor). In terms of the said agreement, a sub-ordinated loan of Rs. 1,121.386 (USD 11) million has been provided to the Bank. No return will be payable on the loan and the loan stands sub-ordinated to all other creditors, depositors and third party obligations of the Bank. The loan is intended to bridge the regulatory capital shortfall of the Bank and will only be repaid if and when the Bank is compliant with the MCR requirements. In the event, the Bank is not MCR compliant by 31 December 2016, the loan will be converted into the paid up capital of the Bank. As per the terms of the agreement, the proceeds of the loan shall be placed by the Bank in an profit free deposit account maintained by the Bank with the SBP in US Dollars.

**10.2** During the year 2014, the Bank has issued unsecured, sub-ordinated and privately placed sukuk amounting to Rs. 2,000 million. The issuance of sukuk is intended to comply with regulatory requirements related to CAR as stated in note 1.2 to these condensed interim financial statements. The tenor of the sukuk is seven years maturing in 2021. During the quarter ended March 2015, the Bank has paid first principal and profit repayment to sukuk holders amounting to Rs. 142.858 million and Rs. 113.361 million respectively.

31 March 2015	31 December 2014
----- (Rupees '000) -----	----- (Rupees '000) -----
(Un-Audited)	(Audited)

**11. CONTINGENCIES AND COMMITMENTS****11.1 Transaction-related contingent liabilities**

Includes performance bonds, bid bonds, shipping guarantees favouring:

- i) Government
- ii) Others

4,804,687	4,785,202
534,240	551,823
5,338,927	5,337,025

**11.2 Trade-related contingent liabilities**

Letters of credit

4,978,820	4,440,887
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Others - Shipping Guarantees

-	252,899
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Acceptances

950,895	873,157
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**11.3 Commitments in respect of forward exchange contracts**

Purchase

5,127,238	4,052,452
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Sale

4,537,781	3,908,355
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**11.4 Commitments to incur capital expenditure**

32,870	42,092
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**11.5 Other Contingencies**

- 11.5.1** There is no change in the status of contingencies disclosed in note 21.5 to the financial statements for the year ended 31 December 2014.

Quarter ended	
31 March 2015	31 March 2014
----- (Rupees '000) -----	----- (Rupees '000) -----
----- (Un-Audited) -----	----- (Un-Audited) -----

**12. PROFIT / RETURN EARNED ON ISLAMIC FINANCING AND RELATED ASSETS, INVESTMENTS AND PLACEMENTS**

On islamic financing and related assets

1,140,846 956,231

On investments in

- Available for sale securities
- Held for trading securities

375,877	435,740
6,205	-
382,082	435,740

On deposits with banks

13,304 199,178

On due from financial institutions

230,629 319

1,766,861	1,591,468
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## 13. RELATED PARTY TRANSACTIONS

13.1 Parties are considered to be related if one party has the ability to control the other party or exercise significant influence or the other party in making financial and operational decisions and include Key management personnel, parent Bank, shareholders of the Bank, staff retirement benefit plan and Directors of Bank.

The details of balances and transactions with related parties during the quarter are as follows:

	31 March 2015 ------(Rupees '000)----- (Un-Audited)	31 December 2014 ------(Rupees '000)----- (Audited)
<b>Key management personnel</b>		
<b>Islamic financing and related assets</b>		
At beginning of the quarter / year	117,314	116,663
Disbursements / additions during the quarter / year	8,427	45,724
Repayments / deletions during the quarter / year	(10,956)	(45,073)
At end of the quarter / year	114,785	117,314
<b>Deposits</b>		
At beginning of the quarter / year	108,350	171,731
Deposits during the quarter / year	84,177	655,454
Withdrawals during the quarter / year	(85,972)	(718,835)
At end of the quarter / year	106,555	108,350
<b>Other Balances</b>		
Return payable on deposit	3,186	197
Profit receivable on islamic financing and related assets	115	65
	<b>Quarter ended</b>	
	<b>31 March 2015 ------(Rupees '000)----- ------(Un-Audited)-----</b>	<b>31 March 2014 ------(Rupees '000)----- ------(Un-Audited)-----</b>
<b>Transactions, income and expenses</b>		
Profit earned on islamic financing and related assets	1,154	1,147
Return on deposits expenses	565	3,308
Salaries, allowances and benefits	41,416	53,409
	<b>31 March 2015 ------(Rupees '000)----- (Un-Audited)</b>	<b>31 December 2014 ------(Rupees '000)----- (Audited)</b>
<b>Parent Bank</b>		
<b>Balances</b>		
Advance against issuance of shares	95,704	95,704
Sub-ordinated loans	1,121,386	1,105,314
<b>Shareholders and entities having directors in common with the Bank</b>		
<b>Deposits</b>		
At beginning of the quarter / year	420,289	718,217
Deposits during the quarter / year	55,853	612,893
Withdrawals during the quarter / year	(35,321)	(910,821)
At end of the quarter / year	440,821	420,289

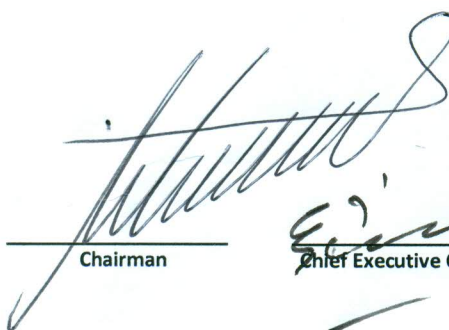
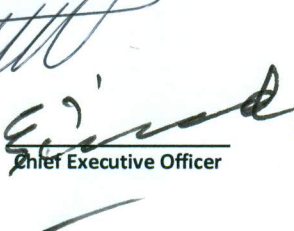

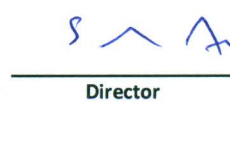
	31 March 2015	31 December 2014
	----- (Rupees '000) -----	
	(Un-Audited)	(Audited)
<b>Other balances</b>		
Return payable on deposits	2,989	3,713
Investments	-	52,200
Provision for diminution in the value of investment	-	24,257
Non funded exposures	44,601	43,963
<b>Payable to shareholders</b>	<b>657</b>	<b>657</b>
<b><u>Staff Retirement benefit plan</u></b>		
Payable in respect of defined benefit plan	18,281	18,281
	<b>Quarter ended</b>	
	<b>31 March 2015</b>	<b>31 March 2014</b>
	----- (Rupees '000) -----	
	----- (Un-Audited) -----	
<b><u>Shareholders and entities having directors in common with the Bank</u></b>		
Return on deposits expenses	8,236	16,772
Director fee and other allowances	10,295	6,726
<b><u>Staff Retirement benefit plan</u></b>		
Contribution to defined contribution plan	10,648	10,213
Contribution to defined benefit plan	9,889	9,195

#### 14. GENERAL

- 14.1 Corresponding figures have been re-arranged and reclassified, wherever necessary, to facilitate comparisons. No significant reclassifications were made during the current period.
- 14.2 Figures have been rounded off to the nearest thousand rupees.

#### 15. DATE OF AUTHORISATION

These condensed interim financial statements were authorized for issue on 29 April 2015 by the Board of Directors of the Bank.

			
Chairman	Chief Executive Officer	Director	Director