



Unaudited Statement of Financial Position as at 30th June 2011

	Unaudited		Audited
	Jun-11 Rs 000	Jun-10 Rs 000	Dec-10 Rs 000
ASSETS			
Cash and cash equivalents	2,438,124	2,905,981	3,339,743
Derivative assets held for risk management	25,463	1,327	6,258
Loans and advances to banks	155,963	235,183	100,459
Loans and advances to customers	8,745,412	6,808,929	7,965,781
Investment securities	1,319,378	1,171,749	1,415,166
Property plant and equipment	321,708	326,229	322,116
Intangible assets	47,065	45,608	46,152
Deferred tax assets	42,151	64,470	49,461
Other assets	804,982	643,143	703,478
Total assets	13,900,246	12,202,619	13,948,614
LIABILITIES			
Deposits from customers	12,484,622	11,064,378	12,598,708
Derivative liabilities held for risk management	26,992	2,564	5,995
Subordinated liabilities	266,223	240,747	281,376
Other liabilities	259,265	198,910	255,853
	13,037,102	11,506,599	13,141,932
Shareholders' Equity			
Stated capital	551,456	551,456	551,456
Other reserves	105,095	81,427	103,652
Retained earnings	206,593	63,137	151,574
	863,144	696,020	806,682
Total equity and liabilities	13,900,246	12,202,619	13,948,614

Unaudited Income Statement for quarter ended 30th June 2011

	Quarter ended		Y-T-D		Audited
	Jun-11 Rs' 000	Jun-10 Rs' 000	Jun-11 Rs' 000	Jun-10 Rs' 000	Dec-10 Rs' 000
Interest income	200,895	183,682	392,433	351,210	731,286
Interest expense	(114,569)	(111,743)	(218,958)	(226,823)	(439,124)
Net interest income	86,326	71,939	173,475	124,387	292,162
Fee and commission income	30,438	24,204	69,440	47,950	114,249
Fee and commission expense	(5,934)	(4,538)	(13,313)	(8,187)	(19,694)
Net fee and commission income	24,504	19,666	56,127	39,763	94,555
Net trading income	21,412	19,840	40,910	28,993	57,416
Other operating income	1,750	266	(95)	723	10,278
	23,162	20,106	40,815	29,716	67,694
Operating income	133,992	111,711	270,417	193,866	454,411
Non interest expense	(89,548)	(64,353)	(176,866)	(130,813)	(317,889)
Profit before exceptional item	44,444	47,358	93,551	63,053	136,522
Profit on sale and recovery of assets	-	-	-	-	59,322
Profit before tax	44,444	47,358	93,551	63,053	195,844
Income tax expense	(6,552)	(6,571)	(13,532)	(8,502)	(27,556)
Profit for the period/year	37,892	40,787	80,019	54,551	168,288

Unaudited Statement of comprehensive income for quarter ended 30th June 2011

	Quarter ended		Y-T-D		Audited
	Jun-11 Rs' 000	Jun-10 Rs' 000	Jun-11 Rs' 000	Jun-10 Rs' 000	Dec-10 Rs' 000
Profit for the period/year	37,892	40,787	80,019	54,551	168,288
Other Comprehensive Income					
Net gain/(loss) on available for sale investment securities	(3,008)	(10,776)	1,443	(751)	(3,827)
Other Comprehensive Income for the period/year	(3,008)	(10,776)	1,443	(751)	(3,827)
Total Comprehensive Income for the period/year	34,884	30,011	81,462	53,800	164,461

Statement of changes in equity for the period ended 30th June 2011

	Stated capital	Share Capital pending allotment	Revaluation Reserve	Statutory reserve	Fair value Reserve	Retained earnings	Total
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Balance as at January 1, 2010	491,456	60,000	75,687	3,319	3,173	8,586	642,221
Share capital pending allotment transferred to Stated Capital	60,000	(60,000)					
Total comprehensive income for the year					(752)	54,551	53,799
Balance as at June 30, 2010	551,456	-	75,687	3,319	2,421	63,137	696,020
Transfer to statutory reserve				25,300		(25,300)	
Total comprehensive income for the period					(3,075)	113,737	110,662
Balance as at December 31, 2010	551,456	-	75,687	28,619	(654)	151,574	806,682
Dividend						(25,000)	(25,000)
Total comprehensive income for the period					1,443	80,019	81,462
Balance as at June 30, 2011	551,456	-	75,687	28,619	789	206,593	863,144

Unaudited statement of Cash Flow for the quarter ended 30th June 2011

	Jun-11 Rs 000	Jun-10 Rs 000	Audited Dec-10 Rs 000
Cash flows from operating activities			
Profit for the year/period	37,892	40,787	168,288
Income tax expense recognised	6,552	5,385	27,556
Net movement in derivatives	17,440	1,370	2,996
Purchase of held for trading investments	(83,799)		
Sales of held for trading investments	98,656		
Depreciation of property, plant and equipment	6,879	6,572	26,965
Amortisation of intangible assets	2,325	1,885	7,675
Impairment on financial assets	5,933	3,000	45,694
Release of provisions for credit impairment	-	(8,202)	(130,846)
Gain on sale of land and property, plant and equipment	-	(51)	(51)
Gain on sale of other assets	-		(645)
Others	5,262	2,568	3,756
Income tax paid	5,076		(2,475)
Fair value gain/(loss) on disposal of available for sale securities	(1,750)	(215)	(9,582)
Changes in operating assets and liabilities			
(Increase)/decrease in loans and advances	-		
-to banks	265,569	65,802	64,250
-to customers	(567,459)	(593,746)	(2,276,588)
(Increase)/decrease in other assets	(15,977)	(46,685)	(5,024)
Increase/(Decrease) in deposits from customers	20,645	724,401	3,119,196
Increase/(decrease) in other liabilities	10,498	(25,102)	29,694
Net cash from/(used in) operating activities	(186,258)	177,769	1,070,859
Cash flows from/ (used in) investing activities			
Purchase of investment securities	(45,751)	(17,878)	(448,066)
Proceeds from sale and redemption of investment securities	-		288,231
Purchase of held to maturity investments	(53,493)	(23,966)	
Proceeds from held to maturity investments	-	51,210	
Purchase of available for sale investments	(46,917)	(76,957)	(461,533)
Proceeds from sale of available for sale investments	152,206	3,529	295,549
Purchase of property, plant and equipment	(12,760)	(2,410)	(21,286)
Proceeds from sale of property and equipment	-	51	51
Proceeds from sale of non-banking assets	-		3,081
Purchase of intangible assets	(3,736)	(1,298)	(6,151)
Net cash from/ (used in) investing activities	10,424	17,281	(350,124)
Cash flows from/ (used in) financing activities			
Dividend paid	(25,000)		99,042
Proceeds from subordinated liabilities	-	50,000	99,042
Net cash from/ (used in) financing activities	(25,000)	50,000	99,042
Net increase in cash and cash equivalents	(200,834)	245,050	819,777
Cash and cash equivalents at beginning of period/ year	2,638,957	2,660,931	2,519,966
Cash and cash equivalents at end of period/year	2,438,124	2,905,981	3,339,743

MANAGEMENT COMMENTS

- The bank generated profit after tax of Rs80m for the six months ended June 2011 as compared to Rs54m for the same period last year.
- Growth of 14% in total assets have been recorded with improvement from Rs12.2bn in June 2010 to Rs13.9bn as at June 2011.
- Total deposits progressed by Rs1.4bn or 13% from June 2010 to June 2011, while gross Loans increased by Rs 1.9bn or 26% for the same period under review to close at Rs9.2bn as at June 2011
- As at June 2011, the Bank was well capitalised with a Capital Adequacy Ratio of 11.29% compared at 11.23% as at June 2010.