

1. STATUS AND NATURE OF BUSINESS

Allied Bank Limited (the Bank), incorporated in Pakistan, is a scheduled Bank, engaged in commercial banking and related services. The Bank is listed on all stock exchanges in Pakistan. The Bank operates a total of 768 (2008: 766) branches in Pakistan including the Karachi Export Processing Zone Branch (overseas business unit). The long term credit rating of the Bank assigned by The Pakistan Credit Rating Agency Limited (PACRA) is 'AA'. Short term rating of the Bank is 'A1+'. The Bank is a holding company of ABL Asset Management Company Limited.

The registered office of the Bank is situated in Lahore whereas the principal office is situated at Khayaban-e-Iqbal, Main Clifton Road, Bath Island, Karachi.

2. STATEMENT OF COMPLIANCE

2.1 These unconsolidated 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 (IASB) as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Banking Companies Ordinance, 1962, the Companies Ordinance, 1984, and the directives issued by State Bank of Pakistan (SBP). In case requirements differ, the provisions of and directives issued under the Banking Companies Ordinance, 1962, the Companies Ordinance, 1984, and the directives issued by SBP shall prevail.

2.2 The SBP, vide BSD Circular Letter No. 10, dated August 26, 2002 had deferred the applicability of International Accounting Standard 39, Financial Instruments: Recognition and Measurement (IAS 39) and International Accounting Standard 40, Investment Property (IAS 40) for the banking companies till further instructions. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by SBP through various circulars.

2.3 During the current period, International Accounting Standard 1 (Revised), Presentation of Financial Statements (IAS 1) became effective from January 1, 2009. The application of this standard has resulted in certain increased disclosures only.

Other new standards, amendments and interpretations that were mandatory for accounting periods beginning on or after January 1, 2009 and are not considered to be relevant or have any significant effect on the Bank's operations, are not detailed in these unconsolidated condensed interim financial statements.

2.4 These unconsolidated condensed interim financial statements are being submitted to the shareholders in accordance with section 245 of the Companies Ordinance, 1984. These are un-audited but subject to limited scope review by the auditors.

3. BASIS OF PRESENTATION

3.1 The disclosures included in these unconsolidated condensed interim financial statements are limited based on the format prescribed by the State Bank of Pakistan, vide BSD Circular Letter No. 2 dated May 12, 2004 and International Accounting Standard 34, Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and these unconsolidated condensed interim financial statements should be read in conjunction with the unconsolidated financial statements of the Bank for the year ended December 31, 2008.

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the half year ended June 30, 2009

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND RISK MANAGEMENT POLICIES

- 4.1 The accounting policies, underlying estimates and methods of computation followed in the preparation of these unconsolidated condensed interim financial statements are same as those applied in preparing the most recent annual unconsolidated financial statements of the Bank.
- 4.2 The financial risk management objectives and policies adopted by the Bank are consistent with that disclosed in the financial statements of the Bank for the year ended December 31, 2008.

Note	Un-audited June 30, 2009	Audited December 31, 2008
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Rupees in '000'

5. LENDINGS TO FINANCIAL INSTITUTIONS

Call money lendings	5.1	1,300,000	100,000
Letters of placement	5.2	133,000	736,000
Repurchase agreement lendings (Reverse Repo)	5.3	29,477,177	14,957,183
Certificates of investment	5.4	184,722	-
		<u>31,094,899</u>	<u>15,793,183</u>
Provision against lending to Financial Institution.	5.2	(66,500)	-
		<u>31,028,399</u>	<u>15,793,183</u>

- 5.1 These are unsecured lendings to Financial Institutions, carrying mark-up at rates, ranging between 13.30% and 14.00% (December 31, 2008 at the rate of 15.40%) per annum and maturing on various dates, latest by September 10, 2009.
- 5.2 This represents a placement with a Non-Banking Finance Company. Provision aggregating to Rs. 66.5 million has been made against this placement outstanding as at June 30, 2009.
- 5.3 These are short-term lendings to various financial institutions against government securities, carrying mark-up at rates, ranging between 12.00% and 13.90% (December 31, 2008: 10.00% and 14.90%) per annum and maturing on various dates, latest by August 17, 2009.
- 5.4 The certificate of investment carries mark-up at the rate of 15.61% (December 31, 2008: Nil) per annum and will mature completely by April 30, 2012.

6. INVESTMENTS

Note	Held by Bank	Given as collateral	Total
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Rupees in '000'

Current period – June 30, 2009 (Un-audited)	6.1	<u>86,005,991</u>	<u>317,393</u>	<u>86,323,384</u>
Prior year corresponding period – December 31, 2008 (Audited)	6.1	<u>74,433,540</u>	<u>8,197,578</u>	<u>82,631,118</u>

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the half year ended June 30, 2009

	Un-audited As at June 30, 2009			Audited As at December 31, 2008		
	Held by Bank	Given as collateral	Total	Held by Bank	Given as collateral	Total
Rupees in '000'						
6.1 Investments by types						
Held-for-trading securities						
Ordinary Shares of listed companies	35,195	-	35,195	-	-	-
Available for sale securities						
Market Treasury Bills	27,606,850	315,435	27,922,285	26,512,476	8,197,541	34,710,017
Pakistan Investment Bonds	245,940	-	245,940	445,580	-	445,580
Ordinary Shares / Certificates of listed companies	7,284,947	-	7,284,947	6,672,140	-	6,672,140
Preference Shares of listed companies	250,000	-	250,000	250,000	-	250,000
Units of Open-End Mutual Funds	8,968,888	-	8,968,888	12,761,149	-	12,761,149
Ordinary Shares of unlisted companies	466,072	-	466,072	544,822	-	544,822
Ordinary Shares of unlisted companies (-related parties)	1,069,970	-	1,069,970	447,853	-	447,853
Pre IPO Investments	35,000	-	35,000	35,000	-	35,000
Sukuk Bonds	3,268,520	-	3,268,520	2,686,250	-	2,686,250
Term Finance Certificates (TFCs)	19,619,113	-	19,619,113	7,603,733	-	7,603,733
	68,815,300	315,435	69,130,735	57,959,003	8,197,541	66,156,544
Held-to-maturity securities						
Pakistan Investment Bonds	7,785,576	-	7,785,576	9,084,116	-	9,084,116
Foreign Currency Bonds (US\$)	141,564	-	141,564	137,767	-	137,767
TFCs, Debentures, Bonds, and Participation Term Certificate (PTC's)	10,289,777	-	10,289,777	10,682,356	-	10,682,356
	18,216,917	-	18,216,917	19,904,239	-	19,904,239
Subsidiary						
ABL Asset Management Company Limited	500,000	-	500,000	500,000	-	500,000
	87,567,412	315,435	87,882,847	78,363,242	8,197,541	86,560,783
Provision for diminution in value of investments	(2,123,041)	-	(2,123,041)	(1,955,903)	-	(1,955,903)
Unrealised gain on revaluation of Held-for-trading securities	56	-	56	-	-	-
Surplus/(deficit) on revaluation of Available-for-sale securities	561,564	1,958	563,522	(1,973,799)	37	(1,973,762)
Investments (net of provision)	86,005,991	317,393	86,323,384	74,433,540	8,197,578	82,631,118

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the half year ended June 30, 2009

- 6.2 The Karachi Stock Exchange (Guarantee) Limited (“KSE”) placed a “Floor Mechanism” on the market value of securities based on the closing prices of securities prevailing as on August 27, 2008. Under the “Floor Mechanism”, the individual security price of equity securities could vary within normal circuit breaker limit, but not below the floor price level. The mechanism was effective from August 28, 2008 and remained in place until December 15, 2008. Consequent to the introduction of “Floor Mechanism” by KSE, the market volume declined significantly during the period from August 27, 2008 to December 15, 2008. There were lower floors on a number of securities at December 31, 2008. The equity securities have been valued at prices quoted on the KSE on December 31, 2008 without any adjustment as allowed by the State Bank of Pakistan (SBP) BSD Circular Letter No. 2 dated January 27, 2009.

Furthermore, SBP BSD Circular No. 4 dated February 13, 2009 has allowed to follow Securities and Exchange Commission of Pakistan (SECP) notification vide SRO 150 (1)/2009 dated February 13, 2009 allowing that the impairment loss, if any, recognized as on December 31, 2008 due to valuation of listed equity investments held as “Available for Sale” to quoted market prices may be shown under the equity. The amount taken to equity including any adjustment/effect for price movements shall be taken to Profit and Loss Account on quarterly basis during the year ending December 31, 2009.

The impairment loss as of June 30 2009, based on the above discussions and the market values as of that date have been determined at Rs. 254.301 million (December 31, 2008 : Rs 1,859.256 million) after quarterly adjustments as required.

The full recognition of impairment loss based on the market values as at June 30, 2009 would have had the following effect on these financial statements:

	June 30, 2009
	Rupees in ‘000’
Increase in ‘Impairment Loss’ in Profit and Loss Account	254,301
Decrease in tax charge for the year	89,005
Decrease in profit for the year - after tax	165,296
	Rupees
Decrease in earnings per share -after tax (basic and diluted)	0.23
	Rupees in ‘000’
Increase in net surplus on revaluation of available for sale securities	254,301
Decrease in unappropriated profit	165,296

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the half year ended June 30, 2009

	Note	Un-audited June 30, 2009	Audited December 31, 2008
Rupees in '000'			
7. ADVANCES			
Loans, cash credits, running finances, etc. – in Pakistan		217,403,757	215,733,161
Net investment in finance lease – in Pakistan		709,884	768,173
Bills discounted and purchased (excluding treasury bills)			
Payable in Pakistan		592,457	1,738,019
Payable outside Pakistan		5,047,402	5,400,424
		5,639,859	7,138,443
		223,753,500	223,639,777
Provision against non-performing advances / others	7.1	(11,522,840)	(10,657,709)
General provision against consumer financing		(6,987)	(10,060)
		212,223,673	212,972,008

- 7.1 Advances include Rs. 15,579,788 thousand (December 31, 2008: Rs. 13,771,895 thousand) which have been placed under the non-performing status as detailed below:

Category of Classification	June 30, 2009 (Un-audited)				
	Classified Advances			Provision required	Provision held
	Domestic	Overseas	Total		
Rupees in '000'					
Other Assets Especially					
Mentioned	17,831	-	17,831	-	-
Substandard	2,128,064	-	2,128,064	530,727	530,727
Doubtful *	4,768,977	-	4,768,977	2,327,197	2,327,197
Loss	8,664,916	-	8,664,916	8,664,916	8,664,916
	15,579,788	-	15,579,788	11,522,840	11,522,840
December 31, 2008 (Audited)					
Category of Classification	Classified Advances			Provision required	Provision held
	Domestic	Overseas	Total		
Rupees in '000'					
Other Assets Especially Mentioned	40,689	-	40,689	-	-
Substandard	3,805,228	-	3,805,228	950,134	950,134
Doubtful	722,223	-	722,223	361,111	361,111
Loss	9,203,755	-	9,203,755	9,201,191	9,201,191
	13,771,895	-	13,771,895	10,512,436	10,512,436

* This includes net exposure of Rs. 317.785 million against Japan Power Generation Limited, classification of which as loss has been deferred till 30 September 2009 under a permission by the State Bank of Pakistan's letter BID(insp)/332/045-01/2009 dated 13 July 2009.

8. OPERATING FIXED ASSETS

During the current period, additions and disposals in operating fixed assets amounted to Rs. 887,102 thousand (June 30, 2008: 1,336,351 thousand) and Rs. 11,962 thousand (June 30, 2008: 192,221 thousand), respectively.

9. DEFERRED TAX ASSETS - NET

The Finance Act, 2009 has made significant amendments in the Seventh Schedule to Income Tax Ordinance, 2001. The deduction for provisions for doubtful and loss categories of advances and off balance sheet items is now allowable upto a maximum of 1% of total advances. The amount of bad debts classified as substandard under Prudential Regulations issued by State Bank of Pakistan would not be allowed as an expense. Provisioning in excess of 1% of total advances would be allowed to get carried over to succeeding years. The management is of the view that it would be able to get deduction of provision in excess of 1% of total advances provided for the half year and accordingly has recognized deferred tax amounting to Rs. 447.77 million on such provisions.

The status of the transitional provisions mentioned in note 12.2 of the financial statements as of December 31, 2008 is the same as mentioned there in.

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the half year ended June 30, 2009

Un-audited
June 30,
2009
Audited
December 31,
2008
Rupees in '000'

10. DEPOSITS AND OTHER ACCOUNTS

Customers	Un-audited June 30, 2009	Audited December 31, 2008
Fixed deposits	91,287,929	105,939,618
Savings deposits	82,229,487	72,448,664
Current accounts – Remunerative	46,689,035	37,830,504
– Non-remunerative	90,318,605	77,755,031
	<u>310,525,056</u>	<u>293,973,817</u>
Financial Institutions		
Remunerative deposits	2,251,619	3,501,504
	<u>312,776,675</u>	<u>297,475,321</u>

11. The Bank has restructured the issue of second TFC from Rs. 4,000 million to Rs. 3,000 million out of which, Rs. 2,250 million had been raised through Pre IPO and Rs. 750 million will be offered for subscription through IPO for which SECP approval is awaited. As of June 30, 2009, Rs. 2,250 million has been received as Pre IPO proceeds and are included in other liabilities.

12. SHARE CAPITAL

12.1 Authorised capital

Un-audited June 30, 2009 No. of shares	Audited December 31, 2008		Un-audited June 30, 2009 Rupees in '000'	Audited December 31, 2008
<u>1,000,000,000</u>	<u>1,000,000,000</u>	Ordinary shares of Rs. 10 each	<u>10,000,000</u>	<u>10,000,000</u>

12.2 Issued, subscribed and paid-up capital

Fully paid-up Ordinary shares of Rs. 10 each

Un-audited June 30, 2009 No. of shares	Audited December 31, 2008	Ordinary Shares	Un-audited June 30, 2009 Rupees in '000'	Audited December 31, 2008
406,780,094	406,780,094	Fully paid in cash	4,067,801	4,067,801
286,672,114	222,035,681	Issued as bonus shares	2,866,721	2,220,357
<u>693,452,208</u>	<u>628,815,775</u>		<u>6,934,522</u>	<u>6,288,158</u>
9,148,550	9,148,550	18,348,550 Ordinary Shares of Rs. 10 each determined pursuant to the Scheme of Amalgamation of ILL with ABL in accordance with the share swap ratio stipulated therein less 9,200,000 Ordinary Shares of Rs. 10 each held by ILL on the cut-off date (September 30, 2004)	91,486	91,486
8,400,000	8,400,000	8,400,000 Ordinary Shares of Rs. 10 each determined pursuant to the Scheme of Amalgamation of First Allied Bank Modaraba with Allied Bank Limited in accordance with the share swap ratio stipulated therein	84,000	84,000
<u>711,000,758</u>	<u>646,364,325</u>		<u>7,110,008</u>	<u>6,463,644</u>

Ibrahim Fibres Limited and Ibrahim Agencies (Private) Limited, related parties of the Bank, held 287,678,696 (40.46%) and 65,965,220 (9.28%) [December 31, 2008: 261,526,088 (40.46%) and 58,968,382 (9.12%)] Ordinary shares of Rs. 10 each, respectively, as at June 30, 2009.

Notes to the Unconsolidated Condensed Interim Financial Statements
(Un-audited) for the half year ended June 30, 2009

	Note	Un-audited June 30, 2009	Audited December 31, 2008
Rupees in '000'			
13. SURPLUS ON REVALUATION OF ASSETS - NET OF TAX			
Surplus/(deficit) arising on revaluation of:			
- fixed assets	13.1	2,817,262	2,833,442
- available for sale securities	13.2	366,289	(1,282,945)
Surplus on revaluation of assets - net of tax		<u>3,183,551</u>	<u>1,550,497</u>
13.1 Surplus on revaluation of fixed assets			
Surplus on revaluation of fixed assets as at January 1		3,182,032	1,696,306
Surplus arised on revaluation of properties		-	1,512,713
Transferred to unappropriated profit in respect of incremental depreciation charged during the period/year - net of deferred tax		(16,180)	(17,541)
Related deferred tax liability		(8,713)	(9,446)
		<u>(24,893)</u>	<u>(26,987)</u>
Surplus on revaluation of fixed assets as at June 30 and December 31		3,157,139	3,182,032
Less: Related deferred tax liability on :			
Revaluation as at January 1		348,590	189,006
Charge on revaluation during the period/year		-	169,030
Incremental depreciation charged during the period/year transferred to profit and loss account		(8,713)	(9,446)
		<u>339,877</u>	<u>348,590</u>
		<u>2,817,262</u>	<u>2,833,442</u>
13.2 Surplus/(Deficit) on revaluation of available-for-sale securities			
Federal Government Securities			
Market Treasury Bills		81,295	(7,932)
Pakistan Investment Bonds		(16,118)	(50,562)
Term Finance Certificates		(152,658)	(115,353)
Sukuk Bonds		(90,810)	-
Shares/Certificates - Listed		420,217	(1,696,544)
Mutual Funds		321,596	(103,371)
		<u>563,522</u>	<u>(1,973,762)</u>
Less : Related deferred tax (liability) / asset		(197,233)	690,817
		<u>366,289</u>	<u>(1,282,945)</u>

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the half year ended June 30, 2009

	Un-audited June 30, 2009	Audited December 31, 2008
	Rupees in '000'	
14. CONTINGENCIES AND COMMITMENTS		
14.1 Direct credit substitutes		
Guarantees in favour of:		
Banks and financial institutions	1,133,110	1,455,678
14.2 Transaction-related contingent liabilities		
Guarantees in favour of:		
Government	6,538,446	7,736,845
Others	5,774,016	4,088,278
	12,312,462	11,825,123
14.3 Trade-related contingent liabilities	72,579,180	75,991,804
14.4 Claims against the Bank not acknowledged as debt	4,369,690	5,155,293
14.5 Commitments to extend credit		
<p>The Bank makes commitments to extend credit in the normal course of business but these being revocable commitments do not attract any significant penalty or expense if the facility is unilaterally withdrawn.</p>		
	Un-audited June 30, 2009	Audited December 31, 2008
	Rupees in '000'	
14.6 Commitments in respect of forward foreign exchange contracts		
Purchase	16,701,016	17,083,600
Sale	4,981,930	4,831,414
14.7 Commitments in respect of operating fixed assets		
Civil works	551,997	929,810
Acquisition of operating fixed assets	508,798	145,987
Procurement of software	195	142,859
14.8 Commitments in respect of lease financing	4,400	48,567
14.9 Commitments in respect of purchase of shares	490,751	450,643
14.10 Commitments in respect of purchase of T-Bills	-	8,000,000

14.11 Contingencies

14.11.1 There is no change in the status of contingencies, set out in note 22.14 to the financial statements of the Bank for the year ended December 31, 2008, except for the contingency as mentioned below:

14.11.2 The income tax assessments of the Bank have been finalized upto and including tax year 2008 for local and Azad Kashmir operations. While finalizing income tax assessments upto tax year 2008, income tax authorities made certain add backs with aggregate tax impact of Rs. 7,448 million. As a result of appeals filed by the Bank before appellate authorities, the add backs amounting to Rs. 2,523 million and Rs. 4,102 million were set-aside and deleted respectively. While giving appeal effects on most of the deleted issues, a refund of Rs. 3,875 million has been determined. Against most of the deleted and set-aside issues, Department is in appeal before higher appellate authorities. Pending finalization of appeals, no provision has been made by the Bank on aggregate sum of Rs. 7,448 million. The management is hopeful that the outcome of these appeals will be in favor of the Bank.

	Half Year Ended June 30, 2009	Half Year Ended June 30, 2008	Quarter Ended June 30, 2009	Quarter Ended June 30 2008
Rupees in '000'				

15. MARK-UP/RETURN/INTEREST EARNED

On loans and advances	14,946,918	9,315,162	7,101,964	4,865,989
On investments in:				
Available for sale securities	3,092,294	1,843,782	1,519,372	1,132,376
Held to maturity securities	1,040,424	954,429	689,273	191,308
	4,132,718	2,798,211	2,208,645	1,323,684
On deposits with financial institutions	14,841	25,671	8,785	10,614
On securities purchased under resale agreements	804,269	842,012	409,906	438,494
On certificates of investment	43,057	21,328	22,139	21,328
On letters of placement	22,647	48,936	2,550	5,025
On call money lending	35,765	55,755	13,177	32,509
	20,000,215	13,107,075	9,767,166	6,697,643

16. MARK-UP/RETURN/INTEREST EXPENSED

Deposits	9,323,465	6,071,741	4,491,103	3,172,634
Long term borrowings	108,995	-	53,888	-
Securities sold under repurchase agreements	186,038	266,493	68,393	58,667
Other short term borrowings	1,202,059	570,053	545,356	260,247
Brokerage and commission	53,064	51,260	28,522	20,269
Markup on TFCs	214,174	153,224	105,992	79,319
Markup on Pre-IPO proceeds	225,178	-	103,768	-
	11,312,973	7,112,771	5,397,022	3,591,136

17. EARNINGS PER SHARE - BASIC AND DILUTED

	Rupees in '000'			
Profit after tax for the period attributable to ordinary shareholders	3,060,538	2,508,179	1,612,402	1,150,952
	Number of Shares			
Weighted average number of Ordinary Shares outstanding during the period	711,000,758	711,000,758	711,000,758	711,000,758
	Rupees			
Earnings per share - basic and diluted	4.30	3.53	2.27	1.62

There is no dilution effect on basic earnings per share.

17.1 The comparative figure of weighted average number of shares outstanding has been restated to include the effect of bonus shares issued by the Bank during the period.

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the half year ended June 30, 2009

18. RELATED PARTY TRANSACTIONS

The Bank has related party relationships with its subsidiary companies with common directorship, directors and employee benefit plans.

Banking transactions with related parties are executed substantially on the same terms, including mark-up rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties and do not involve more than a normal risk (i.e., under the comparable uncontrolled price method).

Contributions to the accounts in respect of staff retirement benefits are made in accordance with actuarial valuation (terms of contribution plan). Transactions with key management personnel are in accordance with the terms of their employment. Other transactions are at agreed terms.

Details of transactions with related parties except those under the terms of employment and balances with them as at the period/year end were as follows:

Nature of related party transactions	Un-audited June 30, 2009				Audited December 31, 2008					
	Directors	Associated Companies	Subsidiary	Key management personnel	Other related parties	Directors	Associated Companies	Subsidiary	Key management personnel	Other related parties
Loans										
Loans at the beginning of the period/year	27,040	-	-	220,924	6,099,914	11,783	-	-	81,894	2,544,908
Loans given during the period/year	7,269	-	-	39,715	15,059,667	25,612	-	-	162,946	10,718,466
Loans repaid during the period/year	(10,323)	-	-	(23,326)	(2,814,155)	(10,355)	-	-	(23,916)	(7,163,460)
Loans at the end of the period/year	23,986	-	-	237,313	18,345,426	27,040	-	-	220,924	6,099,914
Deposits										
Deposits at the beginning of the period/year	4,845	55,423	778	14,355	135,001	3,763	89,446	502,788	17,706	2,953
Deposits received during the period/year	168,311	1,008,220	246,087	171,589	1,247,191	1,005,141	2,591,970	3,316,103	221,062	5,810,587
Deposits repaid during the period/year	(167,486)	(1,042,206)	(243,736)	(354,829)	(1,345,702)	(1,004,059)	(2,625,993)	(3,818,113)	(224,413)	(5,688,539)
Deposits at the end of the period/year	5,670	21,437	3,129	31,115	26,490	4,845	55,423	778	14,355	125,001
Netto Balances	-	159,389	-	-	-	-	372,416	-	-	-
Investment in Shares	-	240,969	500,000	-	829,001	-	778,512	500,000	-	238,993
Other receivables	-	-	588	-	-	-	-	1,140	-	-
Net receivable from staff retirement benefit funds	-	-	-	-	1,445,395	-	-	-	-	1,993,710
Staff retirement fund deposits	-	-	-	-	3,861,798	-	-	-	-	3,317,336

Repees in '000'

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the half year ended June 30, 2009

	Un-audited June 30, 2009				Audited December 31, 2008					
	Directors	Associated Companies	Subsidiary	Key management personnel	Other related parties	Directors	Associated Companies	Subsidiary	Key management personnel	Other related parties
	Rupees in '000'									
Mark-up earned on loans	193	-	-	7,404	503,802	-	-	-	3,575	79,120
Income on placements	-	106	-	-	-	-	294	-	-	-
Income on lending	-	-	-	-	-	-	33	-	-	-
Sales commission	-	-	2,163	-	-	-	-	-	-	-
Mark-up expense on deposits	-	25	70	367	142,076	12	-	9,901	101	151,628
Interest expense on Borrowing	-	-	-	-	-	-	-	-	-	-
Directors' meeting fee	925	-	-	-	-	975	-	-	-	-
NFT charges	-	-	-	-	31,355	-	-	-	-	28,831
Bank Charges Levied	-	-	-	-	-	-	-	1	-	-
Change / (reversal) in respect of staff retirement benefit funds	-	-	-	-	342,704	-	-	-	-	(67,495)

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the half year ended June 30, 2009

19. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

The segment analysis with respect to business activity is as follows:-

	For the Period Ended June 30, 2009 (Un-audited)					Total
	Corporate Finance	Trading & Sales	Retail Banking	Commercial Banking	Payment & Settlement	
	Rupees in '000'					
Total Income	606,584	942,081	10,719,814	18,325,586	106,880	30,700,945
Total Expenses	(317,851)	(826,509)	(9,115,837)	(17,322,343)	(57,867)	(27,640,407)
Net Income	288,733	115,572	1,603,977	1,003,243	49,013	3,060,538

	For the Period Ended June 30, 2008 (Un-audited)					Total
	Corporate Finance	Trading & Sales	Retail Banking	Commercial Banking	Payment & Settlement	
	Rupees in '000'					
Total Income	245,477	986,352	7,128,763	11,444,395	56,216	19,861,203
Total Expenses	(127,730)	(881,775)	(5,962,265)	(10,349,395)	(31,859)	(17,353,024)
Net Income	117,747	104,577	1,166,498	1,095,000	24,357	2,508,179

20. GENERAL

20.1 The Board of Directors of the Bank in its meeting held on August 11, 2009 has approved interim cash dividend for the half year ended June 30, 2009 at Rs. 2.0 per share (June 30, 2008: cash dividend of Rs. 1.5 per share) resulting in total distribution of Rs. 1,422.002 million. The unconsolidated condensed interim financial statements for the half year ended June 30, 2009 do not include the effect of this appropriation and will be accounted for in the financial statements of the period of declaration.

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

21. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on August 11, 2009 by the Board of Directors of the Bank.

Chief Financial Officer

President and Chief Executive

Director

Director

Director