

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2006

PROFIT AND LOSS ACCOUNT

Rupees in '000	Note	December 31, 2006	December 31, 2005
Mark up/Return/Interest earned	25	17,215,507	9,892,051
Mark up/Return/Interest expensed	26	6,793,101	2,024,659
Net Mark up/Interest income		10,422,406	7,867,392
Provision against non performing loans and advances – net (Reversal)/Provision for diminution in the value of investments – net	12.5	583,305	399,608
Bad debts written off directly	11.3 12.6.1	(14,623) 136,189	20,411 160,059
		704,871	580,078
Net Mark up/Interest income after provisions		9,717,535	7,287,314
NON MARK UP/ INTEREST INCOME			
Fee, commission and brokerage income	27	1,353,888	1,220,362
Dividend income		193,255	46,146
Income from dealing in foreign currencies		282,285	250,224
Gain on sale of securities	28	376,792	124,383
Unrealized (loss)/gain on revaluation of investments classified as held for trading – net	11.5	(30,180)	25,706
Other income	29	273,028	272,762
Total non markup/Interest income		2,449,068	1,939,583
		12,166,603	9,226,897
NON MARK UP/ INTEREST EXPENSES			
Administrative expenses	30	5,290,578	4,259,532
Provision against other assets – net	15.2	205,307	35,076
Provision against off balance sheet obligations – net	20.1	2,546	79,095
Other charges	31	7,078	18,999
Total non markup/interest expenses		5,505,509	4,392,702
Extra ordinary/unusual items		–	–
PROFIT BEFORE TAXATION		6,661,094	4,834,195
Taxation – Current	32	2,215,092	1,331,468
– Prior years	32	–	22,000
– Deferred	32	48,752	390,594
		2,263,844	1,744,062
PROFIT AFTER TAXATION		4,397,250	3,090,133
Unappropriated profit/(Accumulated losses) brought forward		2,731,979	(6,387,872)
Transfer from surplus on revaluation of fixed assets – net of tax	22.1	19,452	19,882
		2,751,431	(6,367,990)
Accumulated losses set off against share premium account		–	6,323,707
PROFIT AVAILABLE FOR APPROPRIATION		7,148,681	3,045,850
Basic earnings per share (in Rupees)	33	9.80	6.88
Diluted earnings per share (in Rupees)	33	9.80	6.88

The annexed notes 1 to 48 form an integral part of these financial statements.

Chief Financial Officer

President and Chief Executive

Director

Director

Chairman