

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the quarter ended March 31, 2010

## 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 784 (2009: 779) 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. 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 State Bank of Pakistan shall prevail.

2.2 The SBP, vide BSD Circular No. 10, dated August 26, 2002 has 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 banking companies till further instructions. Further, according to a notification of Securities and Exchange Commission of Pakistan dated April 28, 2008, International Financial Reporting Standard (IFRS) 7 "Financial Instruments Disclosure" has not been made applicable for banks. 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 These unconsolidated condensed interim financial statements are being submitted to the shareholders in accordance with section 245 of the Companies Ordinance, 1984.

## 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, 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, except, general provision is maintained against advances other than non performing advances and consumer financing.

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, 2009.

## Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the quarter ended March 31, 2010

	Note	Un-audited March 31, 2010	Audited December 31, 2009
Rupees in '000			
<b>5. LENDINGS TO FINANCIAL INSTITUTIONS</b>			
Call money lendings	5.1	1,950,000	525,000
Letters of placement	5.2	399,750	649,750
Repurchase agreement lendings (Reverse Repo)	5.3	23,135,859	26,347,932
Certificates of investment	5.4	180,845	880,845
		25,666,454	28,403,527
Provision against lending to Financial Institution.	5.5	(280,595)	(280,595)
		25,385,859	28,122,932

- 5.1** These are unsecured lendings to Financial Institutions, carrying mark-up at rates, ranging between 9.50% and 12.10% (December 31, 2009 at the rates ranging between 12.10% and 12.70%) per annum and maturing on various dates, latest by April 03, 2010.
- 5.2** This represents clean placements with Non-Banking Finance Companies carrying mark-up rate at 12.40% (December 31, 2009: ranging between 12.60% and 12.70%) per annum on performing placements and will mature on various dates, latest by April 14, 2010.
- 5.3** These are short-term lendings to various financial institutions against the government securities, carrying mark-up at rates, ranging between 9.73% and 12.20% (December 31, 2009: ranging between 11.75% and 12.40%) per annum and will mature on various dates, latest by April 30, 2010.
- 5.4** The certificate of investment carries mark-up at the rate of 14.38% (December 31, 2009: ranging between 13.0% and 14.47%) per annum on performing investment and will mature on April 05, 2010.
- 5.5** This represents provision made under the prudential regulations of the State Bank of Pakistan against certain clean placements.

### 6. INVESTMENTS

	Note	Held by Bank	Given as collateral	Total
Rupees in '000				
Current period - March 31, 2010 (Un-audited)	6.1	92,894,596	1,304,408	94,199,004
Prior year corresponding period - December 31, 2009 (Audited)	6.1	87,812,873	6,976,619	94,789,492

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the quarter ended March 31, 2010

	Un-audited As at March 31, 2010			Audited As at December 31, 2009		
	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	82,686	-	82,686	67,385	-	67,385
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### Available-for-sale securities

Market Treasury Bills	32,038,208	1,305,686	33,343,894	27,019,901	6,976,575	33,996,476
Pakistan Investment Bonds	246,336	-	246,336	246,204	-	246,204
Ordinary shares / certificates of listed companies	4,711,851	-	4,711,851	4,882,928	-	4,882,928
Preference shares of listed companies	200,667	-	200,667	191,667	-	191,667
Units of open-end mutual Funds	3,876,746	-	3,876,746	4,347,813	-	4,347,813
Ordinary Shares of unlisted companies	215,193	-	215,193	215,193	-	215,193
Ordinary Shares of related parties						
-Listed Shares	2,664,396	-	2,664,396	2,449,082	-	2,449,082
-Unlisted Shares	597,496	-	597,496	597,496	-	597,496
Pre IPO Investments	35,000	-	35,000	35,000	-	35,000
Sukuk Bonds	4,204,612	-	4,204,612	3,637,774	-	3,637,774
Term Finance Certificates (TFCs)	25,989,027	-	25,989,027	26,036,936	-	26,036,936
	74,779,532	1,305,686	76,085,218	69,659,994	6,976,575	76,636,569

### Held-to-maturity securities

Pakistan Investment Bonds	7,642,699	-	7,642,699	7,690,909	-	7,690,909
Foreign Currency Bonds (US\$)	295,844	-	295,844	73,286	-	73,286
TFCs, Debentures, Bonds and Participation Term Certificate (PTC's)	10,261,614	-	10,261,614	10,274,764	-	10,274,764
	18,200,157	-	18,200,157	18,038,959	-	18,038,959

### Subsidiary

ABL Asset Management Company Limited	500,000	-	500,000	500,000	-	500,000
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### Investment at cost

	93,562,375	1,305,686	94,868,061	88,266,338	6,976,575	95,242,913
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Provision for diminution in value of investments	(2,518,778)	-	(2,518,778)	(2,185,929)	-	(2,185,929)
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Unrealised gain on revaluation of Held-for-trading securities	(7,696)	-	(7,696)	(7,897)	-	(7,897)
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Surplus/(deficit) on revaluation of Available-for-sale securities	1,858,695	(1,278)	1,857,417	1,740,361	44	1,740,405
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### Investments (net of provision)

	92,894,596	1,304,408	94,199,004	87,812,873	6,976,619	94,789,492
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## Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the quarter ended March 31, 2010

	Note	Un-audited March 31, 2010	Audited December 31, 2009
Rupees in '000			
<b>7. ADVANCES</b>			
Loans, cash credits, running finances, etc. - in Pakistan		234,255,096	243,166,083
Net investment in finance lease - in Pakistan		850,118	846,699
Bills discounted and purchased (excluding government treasury bills)			
Payable in Pakistan		620,142	389,507
Payable outside Pakistan		4,633,831	5,484,414
		5,253,973	5,873,921
Advances gross		240,359,187	249,886,703
Provision against non-performing advances / others	7.1	(13,217,513)	(12,535,255)
General provision	7.2	(100,000)	-
General provision against consumer financing		(7,703)	(7,410)
		227,033,971	237,344,038

7.1 Advances include Rs. 16,940.855 million (2009: Rs. 16,281.178 million) which have been placed under the non-performing status as detailed below:

Category of Classification	March 31, 2010 (Un-audited)				
	Classified Advances			Provision required	Provision held
	Domestic	Overseas	Total		
Rupees in '000					
Other Assets Especially					
Mentioned	32,448	-	32,448	-	-
Substandard	3,527,260	-	3,527,260	881,433	881,433
Doubtful	2,090,134	-	2,090,134	1,045,067	1,045,067
Loss	11,291,013	-	11,291,013	11,291,013	11,291,013
	16,940,855	-	16,940,855	13,217,513	13,217,513

Category of Classification	December 31, 2009 (Audited)				
	Classified Advances			Provision required	Provision held
	Domestic	Overseas	Total		
Rupees in '000					
Other Assets Especially					
Mentioned	21,370	-	21,370	-	-
Substandard	3,045,384	-	3,045,384	760,816	760,816
Doubtful	2,713,157	-	2,713,157	1,356,579	1,356,579
Loss	10,501,267	-	10,501,267	10,417,860	10,417,860
	16,281,178	-	16,281,178	12,535,255	12,535,255

7.2 This represents general provision against advances other than non performing advances and consumer financing.

7.3 No benefit of FSV has been taken while determining the provision against non performing loans as allowed under BSD Circular No. 10 of 2009 dated October 20, 2009.

### 8. OPERATING FIXED ASSETS

During the current period, additions and disposals in operating fixed assets amounted to Rs. 347,634 thousand (March 31, 2009: Rs. 522,714 thousand) and Rs. 9,796 thousand (March 31, 2009: Rs. 6,315 thousand) respectively.

## Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the quarter ended March 31, 2010

### 9. DEFERRED TAX ASSETS - NET

Through Finance Act 2007, a new section 100A and the 7th Schedule (the Schedule) were inserted in the Income Tax Ordinance, 2001 governing taxation of banking companies. The Schedule seeks to simplify the taxation of banking companies and was applicable from the tax year 2009 (financial year ended on December 31, 2008).

The Schedule does not contain transitory provisions to deal with the disallowances made up to the year ended December 31, 2007. This issue has been taken up with the tax authorities through Pakistan Banks' Association for formulation of transitory provisions to deal with the items which were previously treated differently under the then applicable provisions.

The deferred tax asset on the deductible temporary differences disallowed as a deduction in the past up to December 31, 2007 is being kept as an asset as the Bank is confident that transitory provisions would be introduced to set out the mechanism of claiming where benefit of these allowances can be claimed.

	Un-audited March 31, 2010	Audited December 31, 2009
	Rupees in '000	

### 10. DEPOSITS AND OTHER ACCOUNTS

Customers		
Fixed deposits	93,807,232	98,425,685
Savings deposits	87,685,179	85,274,893
Current accounts — Remunerative	45,367,876	47,706,475
— Non—remunerative	90,184,522	93,273,720
	317,044,809	324,680,773
Financial Institutions		
Remunerative deposits	697,377	4,194,264
	317,742,186	328,875,037

### 11. SUB-ORDINATED LOANS

Term Finance certificates - I	2,497,000	2,497,000
Term Finance certificates - II	2,999,400	3,000,000
	5,496,400	5,497,000

The Bank has issued following unsecured sub-ordinated Term Finance certificates to improve the Bank's capital adequacy. Liability to the TFC holders is subordinated to and rank inferior to all other debts of the Bank including deposits and is not redeemable before maturity without prior approval of the SBP. The salient features of the issues are as follows:

	Term Finance certificate - I	Term Finance certificate - II
Outstanding Amount-		
Rupees in thousand	2,497,000	2,999,400
Issue date	December 06, 2006	August 28, 2009
Total issue		
Rupees in thousand	2,500,000	3,000,000
Rating	AA-	AA-
Listing	Karachi Stock Exchange (Guarantee) Limited	Karachi Stock Exchange (Guarantee) Limited
Rate	Payable semi annually - Six months KIBOR plus 1.9%	Payable semi annually -Six months KIBOR plus 0.85% for first 5 years -Six months KIBOR plus 1.30% from start of 6th year
Call option	Call option is not available to the issuer, except with prior approval of SBP	Issuer has the right to seek redemption after the eleventh redemption date of the entire TFC issue, prior to its stated maturity.
Repayment	8 Years (2007 - 2014)	10 Years (2010 - 2019)

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the quarter ended March 31, 2010

## 12. SHARE CAPITAL

### 12.1 Authorised capital

Un-audited March 31, 2010 No. of shares	Audited December 31, 2009		Un-audited March 31, 2010 Rupees in '000	Audited December 31, 2009
1,000,000,000	1,000,000,000	Ordinary shares of Rs. 10 each	10,000,000	10,000,000

### 12.2 Issued, subscribed and paid-up capital

Fully paid-up Ordinary shares of Rs. 10 each

Un-audited March 31, 2010 No. of shares	Audited December 31, 2009	Ordinary Shares	Un-audited March 31, 2010 Rupees in '000	Audited December 31, 2009
406,780,094	406,780,094	Fully paid in cash	4,067,801	4,067,801
357,772,190	286,672,114	Issued as bonus shares	3,577,722	2,866,721
764,552,284	693,452,208		7,645,523	6,934,522
		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 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
8,400,000	8,400,000		84,000	84,000
782,100,834	711,000,758		7,821,009	7,110,008

Ibrahim Fibres Limited and Ibrahim Agencies (Private) Limited, related parties of the Bank, held 309,846,565 (39.62%) and 72,872,624 (9.32%) (December 31, 2009, 287,678,696 (40.46%) and 66,247,840 (9.32%)) Ordinary shares of Rs.10 each, respectively, as at March 31, 2010.

Note	Un-audited March 31, 2010 Rupees in '000	Audited December 31, 2009
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## 13. SURPLUS ON REVALUATION OF ASSETS - NET OF TAX

Surplus/(deficit) arising on revaluation of:			
- fixed assets	13.1	2,788,093	2,801,082
- available for sale securities	13.2	1,207,321	1,267,618
Surplus on revaluation of assets - net of tax		3,995,414	4,068,700

## Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the quarter ended March 31, 2010

	Un-audited March 31, 2010	Audited December 31, 2009
	Rupees in '000	

### 13.1 Surplus on revaluation of fixed assets

Surplus on revaluation of fixed assets as at January 1	3,132,247	3,182,032
Surplus arose on revaluation of properties	-	-
Surplus realized on disposal of revalued properties	(5,303)	-
Transferred to unappropriated profit in respect of incremental depreciation charged during the period/year - net of deferred tax	(7,686)	(32,360)
Related deferred tax liability	(4,138)	(17,425)
	(11,824)	(49,785)
Surplus on revaluation of fixed assets as at March 31 and December 31	3,115,120	3,132,247
Less: Related deferred tax liability on :		
Revaluation as at January 1	331,165	348,590
Charge on revaluation during the period/year	-	-
Disposal of revalued properties during the period/year transferred to profit and loss account	-	-
Incremental depreciation charged during the period/year transferred to profit and loss account	(4,138)	(17,425)
	327,027	331,165
	2,788,093	2,801,082

### 13.2 Surplus/(Deficit) on revaluation of available-for-sale securities

Federal Government Securities		
Market Treasury Bills	(25,662)	1,127
Pakistan Investment Bonds	(18,449)	(19,305)
Term Finance Certificates	(335,727)	(381,506)
Sukuk Bonds	(110,855)	(97,281)
Shares/Certificates - Listed	2,225,955	2,069,929
Mutual Funds	122,155	167,441
	1,857,417	1,740,405
Less : Related deferred tax liability	(650,096)	(472,787)
	1,207,321	1,267,618

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the quarter ended March 31, 2010

	Un-audited March 31, 2010	Audited December 31, 2009
	Rupees in '000	
<b>14. CONTINGENCIES AND COMMITMENTS</b>		
<b>14.1 Direct credit substitutes</b>		
Guarantees in favour of:		
Banks and financial institutions	677,318	1,035,107
<b>14.2 Transaction—related contingent liabilities</b>		
Guarantees in favour of:		
Government	5,014,761	5,752,873
Others	12,534,753	10,352,695
	17,549,514	16,105,568
<b>14.3 Trade—related contingent liabilities</b>	63,136,779	65,895,610
<b>14.4 Claims against the Bank not acknowledged as debt</b>	4,419,810	4,346,919
<b>14.5 Commitments to extend credit</b>		

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.

	Un-audited March 31, 2010	Audited December 31, 2009
	Rupees in '000	
<b>14.6 Commitments in respect of forward foreign exchange contracts</b>		
Purchase	25,294,718	23,338,782
Sale	9,040,161	8,827,975
<b>14.7 Commitments in respect of operating fixed assets</b>		
Civil works	837,132	604,828
Acquisition of operating fixed assets	337,734	327,650
<b>14.8 Commitments in respect of lease financing</b>	91,491	32,630
<b>14.9 Commitments in respect of procurement of software</b>	5,847	36,523

## 14.10 Contingencies

**14.10.1** There is no change in the status of contingencies, set out in note 22.12 to the financial statements of the Bank for the year ended December 31, 2009, except for the contingency as mentioned below:

**14.10.2** The income tax assessments of the Bank have been finalized up to and including tax year 2009 for local and Azad Kashmir operations. While finalizing income tax assessments up to tax year 2009, income tax authorities made certain add backs with aggregate tax impact of Rs. 9,524 million. As a result of appeals filed by the Bank before appellate authorities, the add backs amounting to Rs. 2,524 million and Rs. 6,987 million were set-aside and deleted respectively. While giving appeal effects on most of the deleted issues, a refund of Rs. 5,794 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. 9,524 million. The management is hopeful that the outcome of these appeals will be in favor of the Bank.

## Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the quarter ended March 31, 2010

	Quarter ended March 31, 2010	Quarter ended March 31, 2009
	Rupees in '000	
<b>15. MARK-UP/RETURN/INTEREST EARNED</b>		
On loans and advances	7,727,558	7,844,954
On investments in:		
Available-for-sale securities	1,950,481	1,572,922
Held-to-maturity securities	548,874	351,151
	2,499,355	1,924,073
On deposits with financial institutions	4,996	2,055
On securities purchased under resale agreements	665,776	394,364
On certificates of investment	11,047	20,918
On letters of placement	5,889	24,097
On call money lending	19,769	22,588
	10,934,390	10,233,049

### 16. MARK-UP/RETURN/INTEREST EXPENSED

Deposits	4,252,011	4,832,361
Long term borrowings	84,106	55,109
Securities sold under repurchase agreements	195,563	117,644
Call money borrowing	231,698	239,003
Brokerage and commission	29,447	23,106
Markup on TFCs	186,907	229,592
Other short term borrowings	586,165	417,700
	5,565,897	5,914,515

### 17. VOLUNTARY RETIREMENT SCHEME (VRS)

During the period, Bank offered the Voluntary Retirement Scheme (VRS) for its employees. 195 employees of the Bank opted for retirement under this scheme. Total liability for these employees under this scheme for pension, gratuity, leave encashment, medical and salary compensation benefits is worked out to be Rs. 646 million. As a result Bank has incurred Rs. 294 million which is provided by the Bank during the period.

	Un-audited March 31, 2010	Audited December 31, 2009
	Rupees in '000	

### 18. EARNINGS PER SHARE - BASIC AND DILUTED

Profit after tax for the period attributable to ordinary shareholders	1,777,414	1,448,136
	Number of Shares	
Weighted average number of Ordinary Shares outstanding during the period	782,100,834	782,100,834
	Rupees	
Earnings per share - basic and diluted	2.27	1.85

There is no dilution effect on basic earnings per share.

18.1 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 quarter ended March 31, 2010

## 19. RELATED PARTY TRANSACTIONS

The Bank has related party relationships with its subsidiary, companies with common directorship, directors, employee benefit plans and key management personnel. Contributions to the accounts in respect of staff retirement benefits are made in accordance with actuarial valuation / terms of the contribution plan. Remuneration of the key management personnel are in accordance with the terms of their employment. Other transactions are as agreed terms.

	March 31, 2010 (Un-audited)				December 31, 2009 (Audited)					
	Directors	Associated Companies	Subsidiary	Key management personnel	Other related parties	Directors	Associated Companies	Subsidiary	Key management personnel	
<b>Rupees in 000</b>										
<b>Nature of related party transactions</b>										
<b>Loans</b>										
Loans at the beginning of the period/year					14,318,863	27,040	-	-	205,884	6,156,764
Loans given during the period/year	22,461	-	-	237,298	233,218	13,040	-	-	70,322	8,196,479
Loans repaid during the period/year	(7,035)	-	-	(8,937)	(3,115)	(17,619)	-	-	(38,908)	(34,380)
Loans at the end of the period/year	22,451	-	-	232,655	14,548,966	22,461	-	-	237,298	14,318,863
<b>Deposits</b>										
Deposits at the beginning of the period/year	9,661	9,400	2,382	10,792	-	4,845	55,423	778	14,275	-
Deposits received during the period/year	397,558	810,584	92,999	32,682	-	555,123	1,631,336	524,455	268,641	-
Deposits repaid during the period/year	(349,864)	(804,935)	(93,325)	(28,981)	-	(550,307)	(1,677,359)	(522,851)	(272,134)	-
Deposits at the end of the period/year	57,355	15,049	2,056	14,483	-	9,661	9,400	2,382	10,782	-
Nostro balances	-	(559,463)	-	-	-	-	198,082	-	-	-
Lendings	-	-	-	-	-	-	1,097,434	-	-	-
Borrowings	-	69,340	-	-	-	-	484,267	-	-	-
Investments in shares	-	240,969	500,000	-	3,020,923	-	240,969	500,000	-	2,805,599
Non Funded Exposures	-	-	-	-	4,361,491	-	-	-	-	4,003,500
Other receivables	-	-	1,385	-	-	-	-	2,016	-	-
Net receivable from staff retirement benefit funds	-	-	-	-	1,199,550	-	-	-	-	1,343,345
Staff retirement fund deposits	-	-	-	-	4,015,381	-	-	-	-	4,810,081
<b>March 31, 2010 (Un-audited)</b>										
<b>March 31, 2009 (Un-audited)</b>										
Mark-up earned	244	-	-	3,014	650,192	272	-	-	3,413	6,403
Income on placements	-	3	-	-	-	-	106	-	-	-
Income on lendings	-	-	-	-	-	-	-	-	-	-
Dividend Income	-	-	-	-	142,136	-	-	-	-	-
Sales Commission	-	-	2,100	-	-	-	-	942	-	-
Mark-up expense on Deposits	159	-	111	31	144,125	-	-	17	37	69,920
Interest expense on Borrowings	-	92	-	-	-	-	-	-	-	-
Directors' meeting fee	300	-	-	-	-	525	-	-	-	-
NIFT charges	-	-	-	-	16,660	-	-	-	-	14,712
Bank charges levied	-	-	-	-	595	-	-	-	-	-
Charge / (reversal) in respect of staff retirement benefit funds	-	3	2	-	-	-	-	-	-	-
	-	-	-	-	77,390	-	-	-	-	152,922

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the quarter ended March 31, 2010

## 20. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

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

	For the Period Ended March 31, 2010 (Un-audited)					
	Corporate Finance	Trading & Sales	Retail Banking	Commercial Banking	Payment & Settlement	Total
	Rupees in '000					
Total Income	306,036	707,545	4,547,068	9,479,948	93,834	15,134,431
Total Expenses	(159,056)	(364,246)	(4,042,942)	(8,743,345)	(47,428)	(13,357,017)
Net Income	<u>146,980</u>	<u>343,299</u>	<u>504,126</u>	<u>736,603</u>	<u>46,406</u>	<u>1,777,414</u>

	For the Period Ended March 31, 2009 (Un-audited)					
	Corporate Finance	Trading & Sales	Retail Banking	Commercial Banking	Payment & Settlement	Total
	Rupees in '000					
Total Income	214,656	463,483	5,142,728	8,858,302	83,972	14,763,141
Total Expenses	(116,251)	(437,035)	(4,431,516)	(8,295,975)	(34,228)	(13,315,005)
Net Income	<u>98,405</u>	<u>26,448</u>	<u>711,212</u>	<u>562,327</u>	<u>49,744</u>	<u>1,448,136</u>

## 21. GENERAL

Figures have been rounded off to the nearest thousand rupees.

## 22. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on April 24, 2010 by the Board of Directors of the Bank.

Chief Financial Officer

President and Chief Executive

Director

Director

Chairman