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ABOUT MCB ISLAMIC BANK

MCB Islamic Bank Limited (the Bank) is the wholly owned subsidiary of MCB Bank Limited and commenced its operations in 2015 with nation-wide network of branches.

The aim of MCB Islamic Bank Limited is to be the 1st choice Shari'ah Compliant Financial Services Provider for the customers and to carry out business purely in accordance with the Shari'ah rules with full conviction and devotion.

MISSION STATEMENT

- To provide innovative Shari'ah compliant financial solutions and quality services to our customers.
- To maximize returns in Halal manner for our shareholders.
- To nurture an internal environment of qualified professionals and cutting-edge technology

VISION

To be the leading provider of Shari'ah Compliant Innovative financial products with a focus on service quality and providing superior value for our customers, shareholders, employees and the community.

OUR VALUES

We are Shari'ah driven

Following the Shari'ah we will conduct our activity in a fair, ethical and socially responsible manner.

Dedicated and Dependable

We will build strong, enduring relationships, delivering an experience that delights our customers.

Aspirational

We will be professional and fulfil our commitments, delivering high quality products and services.

CREDIT RATING

Long Term

A

Short Term

A - 1

CORPORATE INFORMATION

Board of Directors

Mr. Raza Mansha (Chairman)	Non-Executive Director
Dr. Khalid Zaheer	Independent Director
Ms. Seema Aziz	Independent Director
Mr. Ahmed Ebrahim Hasham	Non-Executive Director
Mr. Ibrahim Shamsi	Non-Executive Director
Mr. Aftab Ahmad Khan	Non-Executive Director
Mr. Omair Safdar	Non-Executive Director
Mr. Muhtashim Ahmad Ashai	President / CEO

Audit Committee

Dr. Khalid Zaheer	Chairman
Mr. Aftab A. Khan	Member
Mr. Ibrahim Shamsi	Member
Mr. Omair Safdar	Member

Human Resource & Remuneration Committee

Dr. Khalid Zaheer	Chairman
Mr. Raza Mansha	Member
Mr. Ahmed Ebrahim Hasham	Member
Mr. Omair Safdar	Member

Risk Management & Portfolio Review Committee

Mr. Omair Safdar	Chairman
Mr. Aftab Ahmad Khan	Member
Mr. Ibrahim Shamsi	Member

Board Evaluation Committee

Mr. Ahmed Ebrahim Hasham	Chairman
Mr. Omair Safdar	Member

Business Strategy & Service Quality Review Committee

Mr. Raza Mansha	Chairman
Mr. Aftab A. Khan	Member
Mr. Ibrahim Shamsi	Member

I.T. Committee

Mr. Raza Mansha	Chairman
Mr. Ahmed Ebrahim Hasham	Member
Mr. Ibrahim Shamsi	Member

Shari'ah Board

Prof. Mufti Munib-ur-Rehman	Chairman
Mufti Syed Sabir Hussain	Resident Shari'ah Board Member
Mufti Nadeem Iqbal	Shari'ah Board Member

Chief Financial Officer

Syed Iftikhar Hussain Rizvi

Company Secretary

Ms. Maimoona Cheema

Head of Internal Audit

Mr. Muhammad Tariq Gondal

Legal Advisor

M/s Imtiaz Siddiqui & Associates,
Advocates & Solicitor

Auditors

M/s KPMG Taseer Hadi & Co., Chartered
Accountants

Registered Office

59-T Block, Phase-II, DHA, Lahore

Website

www.mcbislamicbank.com

DIRECTORS' REPORT TO THE MEMBERS

On behalf of the Board of Directors of MCB Islamic Bank Limited ('the Bank'), I am pleased to present the condensed interim financial statements for the quarter ended March 31, 2019.

Following are the financial highlights of the period under review:

Statement of Financial Position	Rupees in million		
	Mar 31, 2019	Dec 31, 2018	Growth (%)
Investments – net	19,196	12,714	50.9
Islamic Financing and related assets – net	62,261	62,907	-1.0
Total Assets	104,545	94,894	10.2
Deposits	77,987	73,307	6.4
Shareholders' Equity (including Revaluation)	9,896	10,070	-1.7

Profit & Loss Account	Rupees in million		
	Jan – Mar 2019	Jan – Mar 2018	Growth (%)
Net spread earned	840	326	157.7
Other income	70	69	1.5
Operating income	910	395	130.4
Operating and other expenses	1,140	464	145.7
Loss before provisions	-230	-69	-233.3
Provisions against financing and investments	38	1	3600.0
Loss before taxation	-268	-70	-282.9
Loss after taxation	-197	-45	-337.8
Basic / diluted loss per share (Rupees)	-0.176	-0.042	-314.7

Performance Review

Alhamdulillah, our continued expanding market outreach and growth focused initiatives have now made us **"Hundred Billion Rupees' Bank"**. Total Assets reached to Rs.104.5 billion as at March 31, 2019 against Rs.94.9 billion as of December 31, 2018, showing a 10.2% increase over the comparative period.

Despite the intense competition in banking industry, the Bank successfully grew deposits portfolio by 6.4% to Rs.77.9 billion as of March 31, 2019 from Rs.73.3 billion as at December 31, 2018. Presently CASA mix stands at 76.7% whereas cost free CA deposit is at 28.4% of total deposits.

Investments witnessed impressive growth of 50.9% to Rs.19.2 billion as of March 31, 2019 from Rs.12.7 billion as at December 31, 2018. In order to grow investment portfolio efficiently with more risk free treasury instruments, the Bank successfully participated and invested Rs.10 billion in Pakistan Energy Sukuks during the quarter.

A slight decrease in financing portfolio by 1% was observed, leading it to Rs.62.3 billion as at March 31, 2019 from Rs.62.9 as at December 31, 2018. This was mainly due to usual repayments and vigilant portfolio growth approach. Further, taking exogenous circumstances into perspective, the Bank has created discretionary general provision of PKR 66 million, in addition to the prescribed provision.

The Bank earned total revenue of Rs.2,065 million against Rs.794 million showing a promising growth of 160%. Income generated from Islamic financing and related assets, investments and placements contributed Rs.1,995 million and other income contributed Rs.70 million to total revenue against Rs.725 million and PKR 69 million respectively in the same quarter last year.

Operating and other expenses were also increased by 145.7% to Rs.1,140 million from Rs.464 million in the same quarter last year mainly due to expanded network and work force.

On profitability side, the Bank remained under pressure mainly due to continued expansion cost and lack of performance on the capital markets side led the Bank to post an after tax loss of Rs.197 million against loss after tax of Rs.45 million in the same quarter last year.

Return on earning assets was reported at 9.6% while the cost of fund came to 5.6% against 6.2% and 3.8% respectively in the same quarter last year. Loss per share for the period came to Rs.0.176 against loss per share of Rs.0.042 in the same quarter last year, whereas book value per share including revaluation surplus stood at Rs.8.8 against Rs.8.9 as at December 31, 2018.

Credit Rating

Pakistan Credit Rating Agency (PACRA) has maintained the Bank's medium to long-term rating as "A" and the short-term rating as 'A-1' with positive outlook.

Economic Review

Pakistan economy is passing through considerable challenging time in FY 2019 as a tighter fiscal stance, weak manufacturing & agricultural sectors and outgoing tepid investor sentiment eat away growth. Yawning twin deficits, low international reserves and high public debt pose downside economic growth. However, ongoing negotiations with the IMF over a crucial bailout package if successful will be a key to recouping confidence.

Current account deficit narrowed considerably by 29.5% to US\$ 9.6 billion during first nine months (July-March) of FY19 as compared to US\$ 13.6 billion in the same period last year. This improvement is mainly due to decline in imports and a significant rise in worker remittances. Import of goods shrank by 5% to US\$ 39.3 billion during (July-March) FY19 compared to \$41.4 billion in the same period of last year. The drop in import of goods also caused a decrease in the import of services by 21.7% to US\$ 6.5 billion in during (July-March) FY19 compared to US\$ 8.3 billion in the same period of last year. Remittances from overseas Pakistani workers surged 8.7% to US\$16.1 billion in the first nine months of FY19 compared to US\$ 14.8 billion in the same period of last year.

SBP's net liquid FX reserves stood at US\$ 17.4 billion at the end of March 2019 as compared to US\$13.8 billion at the closure of December 2018. Exchange rate remains relatively stable during the first quarter of Calendar Year (CY) 2019. The USD - PKR exchange rate, stood at PKR 140.8 as at March 31, 2019 as compared to PKR138.9 as at December 31, 2018.

On monetary side, the State Bank of Pakistan during the first three months of CY-19 has gradually increased the policy rate by 75 bps in January, and March 2019 by 25 bps and 50 bps respectively, took the benchmark rate to 10.75%. On the other hand, inflation is at a five-year high, as General Consumer Price Index (CPI) YoY was reported at 9.4% in March 2019 as compared to 3.2% in March 2018.

However, average CPI was recorded at 6.8% during first nine months (July-March) of FY19 as compared to 3.8% average maintained during the period of FY18. Core inflation measured by non-food non-energy CPI (Core NFNE) increased by 8.5% on (YoY) basis in March 2019 as compared to an increase of 8.8% in the previous month and 5.8% in March 2018. On (MoM) basis, it increased by 0.5% in March 2019 as compared to an increase of 0.2% in previous month, and an increase of 0.7% in corresponding month of last year i.e. March 2018.

In Pakistan, Islamic banking continues to broaden its outreach and is competing effectively with conventional banks, supported by an increasing range of products and higher quality services. Total assets and deposits of Islamic banking industry (IBI) were recorded at Rs.2,658 billion and Rs.2,203 billion respectively by the end of December 2018. Market share of Islamic banking assets and deposits in overall banking industry stood at 13.5% and 15.5% respectively as at December 31, 2018. Branch network of IBI was recorded at 2,851 branches (including sub-branches) with the closure of December 2018. IBI registered profit after tax of Rs.34 billion for the year ended December 31, 2018 as compared to Rs. 23 billion during the last year.

Future Outlook

The Bank will continue with its strategy of expansion and long-term sustainable growth. To achieve this objective, the Bank will add 11 more branches in its network by the end of this year. More focus on generating low cost CASA deposits, better service quality, trade finance, commercial and consumer banking is expected to improve the spread on the balance sheet assisted by a higher benchmark rate environment.

The economic stabilization measures taken during the last few months have given some breath to the economy but the prompt implementation of key structural reforms is the only way to put the economy back on track towards self-sustaining economic growth and durable financial stability.

Acknowledgment

On behalf of the Board of Directors and management, I wish to express my sincere gratitude to our customers, business partners and shareholders for their continued patronage and trust. I would also like to thank State Bank of Pakistan, Securities & Exchange Commission of Pakistan and other regulatory authorities for their continuous guidance and support. The Board of Directors sincerely appreciates the significant contribution by all its staff members to the growth of this franchise under challenging business conditions.

For and on behalf of the Board of Directors



Raza Mansha
Chairman
April 23, 2019

احسن طریقے سے نبرد آزما ہے۔ اسلامی بینکاری کی صنعت کے کل اثاثہ جات اور ڈیپازٹس دسمبر 2018ء کے اختتام تک بالترتیب 2,658 بلین روپے اور 2,203 بلین روپے رہے۔ اسلامی بینکاری کے اثاثہ جات اور ڈیپازٹس کا مجموعی بینکاری کی صنعت میں حصہ 31 دسمبر 2018 تک بالترتیب 13.5 فیصد اور 15.5 فیصد رہا۔ دسمبر 2018 کے اختتام تک اسلامی بینکاری کی برانچوں کی تعداد 2,851 رہی (بشمول سب برانچیں)۔ اسلامی بینکاری کی صنعت نے گزشتہ سال کے 23 بلین روپے کے مقابلہ میں 31 دسمبر 2018 کو اختتام پذیر سال میں 34 بلین روپے کا منافع قبل از ٹیکس حاصل کیا۔

مستقبل کی پیش بینی

بینک اپنی وسعت اور طویل المدت دیرپا ترقی کے حصول کی حکمت عملی کو جاری رکھے گا۔ اس مقصد کے حصول کی خاطر بینک اس سال کے اختتام تک اپنے نیٹ ورک میں مزید 11 برانچوں کا اضافہ کرے گا۔ کم لاگت کے کاسا (CASA) ڈیپازٹس، خدمات کے بہتر معیار، ٹریڈ فنانس، کمرشل اور صارف بینکاری پر مزید توجہ کے ذریعہ اس بات کی توقع کی جاتی ہے کہ بڑھتے ہوئے بینچ مارک ریٹ کے ماحول کی مدد سے بینک اپنے سپریڈ کو بہتر بنانے سکے گا۔

پچھلے چند ماہ کے دوران معاشی بحالی کیلئے اٹھائے گئے اقدامات نے معیشت کو کسی حد تک توانائی بخشی ہے تاہم اہم تعمیری اصلاحات کا فوری نفاذ ہی وہ واحد راستہ ہے جس کے ذریعے خود کار و پائیدار معاشی ترقی اور مالیاتی استحکام کا حصول ممکن ہے۔

تسلیم و تحسین

بورڈ آف ڈائریکٹرز کی جانب سے میں اپنے صارفین، کاروباری شراکت دار اور شیئرولڈرز کا انکے مسلسل اعتماد اور تعاون پر تہہ دل سے مشکور ہوں۔ میں اسٹیٹ بینک آف پاکستان، سیکیورٹی اینڈ ایکسچینج کمیشن آف پاکستان اور دیگر انضباطی اداروں کا انکی جاری معاونت اور رہنمائی پر بھی بے حد مشکور ہوں۔ بورڈ آف ڈائریکٹرز اپنے تمام ملازمین کی خدمات کا پُر خلوص اعتراف کرتے ہیں جنکی بدولت ادارے نے مشکل ماحول میں بھی شاندار ترقی کی ہے۔

منجانب و برائے بورڈ آف ڈائریکٹرز:



رضامنشاء

چیرمین

23 اپریل 2019

بلین امریکی ڈالرز پر رہیں۔ جبکہ گزشتہ سال کی اسی تقابلی مدت میں ان کا حجم 41.4 بلین امریکی ڈالرز تھا۔ اشیاء کی درآمدات کی کمی کے باعث خدمات کی درآمدات بھی مالی سال 2019 (جولائی تا مارچ) کے دوران 21.7 فیصد کی کمی کے ساتھ 6.5 بلین امریکی ڈالرز پر رہیں۔ جبکہ گزشتہ سال کی اسی تقابلی مدت میں ان کا حجم 8.3 بلین امریکی ڈالرز تھا۔ سمندر پار پاکستانی افراد کی ترسیلات مالی سال 2018 کی تقابلی مدت کی 14.8 بلین امریکی ڈالرز کی سطح سے مالی سال 2019 کے پہلے نو ماہ کے عرصہ میں 8.7 فیصد کے اضافے کے ساتھ 16.1 بلین امریکی ڈالرز تک پہنچ گئیں۔

اسٹیٹ بینک آف پاکستان کے خالص سیال زرمبادلہ کے ذخائر دسمبر 2018 کے اختتام کی 13.8 بلین امریکی ڈالرز کی سطح کی نسبت مارچ 2019 کے اختتام پر 17.4 بلین امریکی ڈالرز تک درج کیے گئے۔ سال 2019 کی پہلی سہ ماہی کے دوران روپے کے تبادلہ کی شرح قدرے مستحکم رہی۔ 31 دسمبر 2018 تک روپے اور امریکی ڈالر کے مابین 138.9 روپے فی ڈالر کی نسبت 31 مارچ 2019ء تک یہ شرح 140.8 روپے فی ڈالر پر پہنچ گئی۔

مالیاتی حوالہ سے اسٹیٹ بینک آف پاکستان نے سال 2019 کے پہلے تین ماہ کے عرصہ میں پالیسی ریٹ میں بتدریج 75 بی پی ایس کا مجموعی اضافہ کیا جس میں جنوری اور مارچ 2019 میں بالترتیب 25 بی پی ایس اور 50 بی پی ایس کا اضافہ کیا گیا اور بینچ مارک ریٹ کو 10.75 فیصد تک پہنچا دیا۔ دوسری طرف افراط زر پانچ سال کی بلند ترین سطح پر ہے۔ جیسا کہ صارفین کی قیمتوں کے عمومی جدول (سی پی آئی) میں، سال بہ سال کی بنیاد پر، مارچ 2018 کی 3.2 فیصد کی شرح کی نسبت مارچ 2019 میں اس کی شرح 9.4 فیصد پر رپورٹ ہوئی۔ تاہم مالی سال 2018 کے دوران برقرار رکھی گئی 3.8 فیصد سی پی آئی کی اوسط شرح کے مقابلہ میں مالی سال 2019 کے ابتدائی نو ماہ کے عرصہ (جولائی تا مارچ) کے دوران 6.8 فیصد کی اوسط شرح درج کی گئی۔ نان فوڈ-نان انرجی سی پی آئی (خالص این ایف این ای Core-NFNE) کی مدد سے تعین کئے گئے خالص افراط زر میں گزشتہ ماہ کی 8.8 فیصد کی شرح کی نسبت مارچ 2019 میں، سال بہ سال کی بنیاد پر، 8.5 فیصد تک اضافہ دیکھا گیا جبکہ مارچ 2018ء میں اس کی شرح 5.8 فیصد تھی۔ ماہانہ بنیاد پر اس میں مارچ 2019 تک 0.5 فیصد کا اضافہ ہوا بہ نسبت پچھلے ماہ کے جس میں اس کی شرح 0.2 فیصد تھی اور اس کے ساتھ گزشتہ سال کے اسی تقابلی مہینے یعنی مارچ 2018 سے اس میں 0.7 فیصد کا اضافہ ہوا۔

پاکستان میں اسلامی بینکاری اپنی استطاعت اور وسعت کے فروغ کو جاری رکھے ہوئے ہے اور اپنی بڑھتی ہوئی پراڈکٹس کی اقسام اور اعلیٰ معیار کی خدمات کے ذریعے روایتی بینکوں سے

کے اضافہ کے ساتھ 1,140 ملین روپے پر درج کئے گئے۔

منافع کے حوالہ سے بینک اپنی وسعت کے فروغ کی لاگت اور کیپٹل مارکیٹ میں کمزور کارکردگی کے باعث مسلسل دباؤ کا شکار رہا جس کے نتیجہ میں گزشتہ سال کی اسی سہ ماہی میں حاصل کئے گئے 45 ملین روپے کے نقصان بعد از ٹیکس کے مقابلہ میں 197 ملین روپے کا نقصان بعد از ٹیکس ریکارڈ کیا گیا۔

منافع بخش اثاثہ جات کی آمدنی کی شرح 9.6 فیصد پر رپورٹ ہوئی جبکہ سرمایہ کی لاگت کا تعین 5.6 فیصد کی شرح پر کیا گیا۔ گزشتہ سال کی اسی سہ ماہی میں یہ شرحیں بالترتیب 6.2 فیصد اور 3.8 فیصد رہیں تھیں۔ نقصان فی حصص گزشتہ سال کی اسی سہ ماہی کی 0.042 روپے کی سطح سے رواں مدت کے دوران 0.176 روپے فی حصص کی سطح پر رہا۔ جبکہ بک ویلیو فی حصص، تخمینہ نو کے اضافہ کی شمولیت کے ساتھ، 31 دسمبر 2018 کی 8.9 روپے کی سطح کی نسبت 8.8 روپے رہی۔

کریڈٹ ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (پاکرا) نے مثبت آؤٹ لک (outlook) کے ساتھ بینک کی درمیانی سے طویل المدت ریٹنگ کو "A" (اے) اور قلیل المدت ریٹنگ کو "A-1" (اے ون) کی سطح پر برقرار رکھا ہے

معاشی جائزہ

مالی سال 2019 میں کڑے انضباطی بیانیہ، صنعتی اور زرعی شعبہ کی ناقص کارکردگی اور سرمایہ کاروں میں اعتماد کے فقدان، جو ساری نمو کو چاٹ گئے، جیسے عوامل کے باعث پاکستان کی معیشت ایک نازک اور مشکل دور سے نبرد آزما رہی۔ تیزی سے بڑھتے دہرے خسارے، زرمبادلہ کے ناتواں ذخائر اور بلند ترین حکومتی قرضوں نے معاشی نمو میں منفی رجحان پیدا کر دیا ہے۔ تاہم عالمی مالیاتی فنڈ (آئی ایم ایف) سے بیل آؤٹ پیکیج کے حصول کے لئے جاری مذاکرات، اگر کامیاب ہو گئے، تو یہ اعتماد کی بحالی میں ایک نمایاں کردار ادا کر سکیں گے۔

کرنٹ اکاؤنٹ کے خسارہ میں 29.5 فیصد کی قابل قدر کمی واقع ہوئی ہے۔ جو کہ مالی سال 2019 کے پہلے نومہ کے عرصہ (جولائی تا مارچ) میں 9.6 بلین امریکی ڈالرز پر درج ہوا۔ جبکہ اس کے تقابل میں گزشتہ سال کی اسی مدت کے دوران اس کا حجم 13.6 بلین امریکی ڈالرز تھا۔ اس بہتری کی بنیادی وجہ درآمدات میں کمی اور افرادی ترسیلات زر میں نمایاں اضافہ رہا۔ اشیاء کی درآمدات مالی سال 2019 (جولائی تا مارچ) میں 5 فیصد کی کمی کے ساتھ 39.3

کارکردگی کا جائزہ

الحمد للہ مارکیٹ میں اپنی رسائی میں جاری وسعت اور مسلسل ترقی پر مرکوز اقدامات کی بدولت ہم اب ایک "سو ارب روپے کا بینک" بن چکے ہیں۔ 31 دسمبر 2018 کے 94.9 بلین روپے کی نسبت 31 مارچ 2019 تک کل اثاثہ جات کا حجم 104.5 ارب روپے پر پہنچ چکا ہے۔ جو کہ اس تقابلی عرصہ کی نسبت 10.2 فیصد کی نمو کو ظاہر کرتا ہے۔

بینکاری کی صنعت میں جاری سخت مسابقتی ماحول کے باوجود بینک اپنے ڈیپازٹس میں 31 دسمبر 2018 کی 73.3 بلین روپے کی سطح سے 6.4 فیصد کے اضافہ کے ساتھ 77.9 بلین روپے تک کی افزائش حاصل کرنے میں کامیاب رہا ہے۔ موجودہ طور پر کاسا (CASA) کی ترکیب کی شرح 76.7 فیصد رہی جبکہ بغیر لاگت کے کرنٹ اکاؤنٹس ڈیپازٹ کی کل ڈیپازٹس سے شرح 28.4 فیصد رہی۔

سرمایہ کاری میں 50.9 فیصد کی نہایت شاندار نمو دیکھی گئی جو 31 دسمبر 2018ء کی 12.7 بلین روپے کی سطح کی نسبت 31 مارچ 2019 کو 19.2 بلین روپے پر جا پہنچی۔ سرمایہ کاری کو مؤثر اور خدشات سے پاک مالیاتی آلات سے نمو حاصل کرنے کے لیے بینک نے اس سہ ماہی کے دوران پاکستان توانائی سٹوکس میں کامیابی کے ساتھ حصہ لیا اور 10 ارب روپے کی سرمایہ کاری کی۔

فنانس پورٹ فولیو میں 1 فیصد کی معمولی کمی دیکھی گئی جس کے باعث ان کا حجم 31 دسمبر 2018 کی 62.9 بلین روپے کی سطح کی نسبت 31 مارچ 2019 تک 62.3 بلین روپے پر درج ہوا۔ جس کی بڑی وجہ عمومی وصولیاں اور اپنے پورٹ فولیو کی ترقی کے عمل کی بہتر نگرانی کی حکمت عملی تھی۔ علاوہ ازیں بیرونی ماخذ کے حالات کو مد نظر رکھتے ہوئے بینک نے اپنی معین پرویشن کے علاوہ اضافی طور پر 66 بلین روپے صوابدیدی عام پروویشن کی مد میں مختص کئے ہیں۔

بینک نے 794 ملین روپے کے مقابلہ میں 2,065 ملین روپے کی کل آمدن حاصل کی ہے جو کہ 160 فیصد کی شاندار نمو کو ظاہر کرتی ہے۔ اس میں اسلامی فنانسنگ اور اس سے منسلک اثاثہ جات سے حاصل آمدنی، سرمایہ کاری اور پلیسمنٹ (Placement) کے ذریعے حاصل شدہ آمدنی کا حصہ 1,995 ملین روپے رہا اور دیگر آمدنی کی شمولیت کا حجم 70 ملین روپے رہا جبکہ گزشتہ سال کی اسی سہ ماہی میں ان کی سطح بالترتیب 725 ملین روپے اور 69 ملین روپے رہی تھی۔

کاروباری اور دیگر اخراجات بھی، بینک کے اپنے نیٹ ورک اور افرادی قوت میں اضافہ کے سبب گزشتہ سال کی اسی سہ ماہی کے 464 ملین روپے کے حجم سے 145.7 فیصد

ممبران کیلئے ڈائریکٹرز کی رپورٹ:

میں انتہائی مسرت کے ساتھ ایم سی بی اسلامک بینک لمیٹڈ (بینک) کے بورڈ آف ڈائریکٹرز کی جانب سے، 31 مارچ 2019 کو ختم ہونے والی سہ ماہی کی مختصر عبوری مالیاتی اسٹیٹمنٹس پیش کر رہا ہوں۔ زیر تجزیہ مدت کا مالیاتی جائزہ درج ذیل ہے۔

مالیاتی پوزیشن کی اسٹیٹمنٹ	31 مارچ 2019	31 دسمبر 2018	شرح ترقی (%)
	ملین روپے		
سرمایہ کاری - خالص	19,196	12,714	50.9
اسلامک فنانسنگ اور متعلقہ اثاثہ جات - خالص	62,261	62,907	-1.0
کل اثاثہ جات	104,545	94,894	10.2
ڈیپازٹس	77,987	73,307	6.4
حصص یافتگان کی ایکویٹی (بشمول تفتیش نو)	9,896	10,070	-1.7

نفع نقصان کھاتہ	جنوری - مارچ 2019	جنوری - مارچ 2018	شرح ترقی (%)
	ملین روپے		
خالص آمدن - خالص	840	326	157.7
دیگر آمدنی	70	69	1.5
کاروباری آمدن	910	395	130.4
کاروباری و دیگر اخراجات	1,140	464	145.7
نقصان قبل از پروویژنز	-230	-69	-233.3
سرمایہ کاری اور فنانسنگ کے عوض پروویژن	38	1	3600.0
خسارہ قبل از ٹیکس	-268	-70	-282.9
خسارہ بعد از ٹیکس	-197	-45	-337.8
بنیادی / معتدل فی حصص خسارہ (روپے)	-0.176	-0.042	-314.7



MCB Islamic Bank Ltd.

CONDENSED INTERIM FINANCIAL STATEMENTS



**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2019**

		(Un-audited) March 31, 2019	(Audited) December 31, 2018
	Note	Rupees in thousands	
ASSETS			
Cash and balances with treasury banks	8	8,810,239	6,990,369
Balances with other banks	9	782,654	1,422,701
Due from financial institutions	10	6,620,230	4,675,000
Investments - net	11	19,196,253	12,713,954
Islamic financing and related assets - net	12	62,261,010	62,907,204
Fixed assets	13	2,754,531	2,619,980
Intangible assets	14	576,111	524,791
Deferred tax assets - net	15	834,869	751,065
Other assets - net	16	2,708,646	2,289,371
		104,544,543	94,894,435
LIABILITIES			
Bills payable	18	1,066,487	1,303,992
Due to financial institutions	19	12,714,594	7,800,628
Deposits and other accounts	20	77,986,509	73,307,185
Liabilities against assets subject to finance lease		-	-
Sub-ordinated debts		-	-
Deferred tax liabilities - net		-	-
Other liabilities	21	2,881,189	2,413,116
		94,648,779	84,824,921
NET ASSETS		<u>9,895,764</u>	<u>10,069,514</u>
REPRESENTED BY			
Share capital	22	11,200,000	11,200,000
Reserves	23	26,444	26,444
Surplus on revaluation of assets - net of tax	24	155,436	132,272
Accumulated loss		(1,486,116)	(1,289,202)
		<u>9,895,764</u>	<u>10,069,514</u>
CONTINGENCIES AND COMMITMENTS			
	25		

The annexed notes 1 to 42 form an integral part of these condensed interim financial statements.

MUHTASHIM AHMAD ASHAI
PRESIDENT / CEO

SYED IFTIKHAR HUSSAIN RIZVI
CHIEF FINANCIAL OFFICER

RAZA MANSHA
CHAIRMAN

DR. KHALID ZAHEER
DIRECTOR

SEEMA AZIZ
DIRECTOR

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2019**

	Note	2019 Rupees in thousands	2018 Rupees in thousands
Profit / return earned	26	1,994,892	724,718
Profit / return expensed	27	<u>1,154,856</u>	<u>399,032</u>
Net spread earned		840,036	325,686
OTHER INCOME			
Fee and commission income	28	65,608	22,360
Dividend income		11,425	12,626
Foreign exchange income		20,515	31,238
Loss on securities - net	29	(32,809)	-
Other income	30	5,066	2,592
Total other income		<u>69,805</u>	<u>68,816</u>
Total income		<u>909,841</u>	<u>394,502</u>
OTHER EXPENSES			
Operating expenses	31	1,139,973	463,780
Workers welfare fund		-	-
Other charges	32	77	-
Total other expenses		<u>1,140,050</u>	<u>463,780</u>
Loss before provisions		(230,209)	(69,278)
Provisions and other write offs - net	33	37,497	538
Extra ordinary / unusual items		-	-
LOSS BEFORE TAXATION		<u>(267,706)</u>	<u>(69,816)</u>
Taxation	34	(70,581)	(24,435)
LOSS AFTER TAXATION		<u>(197,125)</u>	<u>(45,381)</u>
Rupees			
Basic and diluted loss per share - after tax	35	<u>(0.176)</u>	<u>(0.042)</u>

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**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2019**

	Note	2019 Rupees in thousands	2018 Rupees in thousands
Loss after taxation for the quarter		(197,125)	(45,381)
Other comprehensive income			
Items that may be reclassified to profit and loss account in subsequent periods:			
Movement in surplus on revaluation of investments		35,961	69,697
Related deferred tax liability		(12,586)	(24,394)
		23,375	45,303
Total comprehensive loss		(173,750)	(78)

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**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2019**

	Share Capital	Statutory Reserve	Surplus / (deficit) on revaluation of		(Accumulated Loss)	Total
			Investments	Fixed Assets		
	Rupees in thousands					
Balance as at January 01, 2018	10,000,000	26,444	(386,764)	185,164	(194,065)	9,630,779
Change in equity for the quarter ended March 31, 2018						
Total comprehensive income for the quarter ended March 31, 2018						
Loss for the quarter ended March 31, 2018	-	-	-	-	(45,381)	(45,381)
Other comprehensive income - net of tax	-	-	45,303	-	-	45,303
	-	-	45,303	-	(45,381)	(78)
Transfer from surplus on revaluation of fixed assets to unappropriated profit in respect of incremental depreciation - net of tax	-	-	-	(211)	211	-
Transactions with owners, recorded directly in equity						
Issue of right shares	1,200,000	-	-	-	-	1,200,000
Balance as at March 31, 2018 (Un-audited) - Restated	11,200,000	26,444	(341,461)	184,953	(239,235)	10,830,701
Change in equity for the nine months ended December 31, 2018						
Total comprehensive income for the nine months period ended December 31, 2018						
Loss for the nine months period ended December 31, 2018	-	-	-	-	(1,050,601)	(1,050,601)
Other comprehensive income - net of tax	-	-	289,414	-	-	289,414
	-	-	289,414	-	(1,050,601)	(761,187)
Transfer from surplus on revaluation of fixed assets to unappropriated profit in respect of incremental depreciation - net of tax	-	-	-	(634)	634	-
Balance as at December 31, 2018 (Audited)	11,200,000	26,444	(52,047)	184,319	(1,289,202)	10,069,514
Change in equity for quarter ended March 31, 2019						
Total comprehensive income for the quarter ended March 31, 2019						
Loss for the quarter ended March 31, 2019	-	-	-	-	(197,125)	(197,125)
Other comprehensive income - net of tax	-	-	23,375	-	-	23,375
	-	-	23,375	-	(197,125)	(173,750)
Transfer from surplus on revaluation of fixed assets to unappropriated profit in respect of incremental depreciation - net of tax	-	-	-	(211)	211	-
Transactions with owners, recorded directly in equity						
Issue of right shares	-	-	-	-	-	-
Balance as at March 31, 2019 (Un-audited)	11,200,000	26,444	(28,672)	184,108	(1,486,116)	9,895,764

The annexed notes 1 to 42 form an integral part of these condensed interim financial statements.

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**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2019**

	Note	2019 Rupees in thousands	2018 Rupees in thousands
CASH FLOW FROM OPERATING ACTIVITIES			
Loss before taxation		(267,706)	(69,816)
Less: Dividend income		(11,425)	(12,626)
		(279,131)	(82,442)
Adjustments			
Depreciation - Owned assets		63,427	44,299
Depreciation - Ijarah assets		217,889	113,399
Amortization		27,300	19,589
Provisions and other write offs - net	33	37,497	538
Unrealized gain on forward exchange contracts - net		(22,763)	(19,165)
Loss on sale of securities - net	29	32,809	-
Loss on sale of fixed assets - net	32	52	-
		356,211	158,660
		77,080	76,218
(Increase) / decrease in operating assets			
Due from financial institutions		(1,945,230)	(1,000,000)
Islamic financing and related assets		353,554	(7,566,378)
Other assets		(210,087)	(207,784)
		(1,801,763)	(8,774,162)
Increase / (decrease) in operating liabilities			
Bills payable		(237,505)	146,998
Due to financial institutions		4,672,375	7,994,181
Deposits and other accounts		4,679,324	2,026,997
Other liabilities		332,080	57,169
		9,446,274	10,225,345
		7,721,591	1,527,401
		(67,683)	(3,517)
Income tax paid			
Net cash (used in) / generated from operating activities		7,653,908	1,523,884
CASH FLOW FROM INVESTING ACTIVITIES			
Net investments in available-for-sale securities		(5,412,833)	(3,057,603)
Net investments in held-to-maturity securities		(1,483,391)	57,500
Dividend received		2,867	20,376
Proceeds from sale of securities		454,331	-
Investments in fixed assets	13.2	(198,205)	(152,070)
Proceeds from sale of fixed assets		175	-
Investments in intangible assets	14.1	(78,620)	(22,479)
Net cash generated from / (used in) investing activities		(6,715,676)	(3,154,276)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital	22	-	1,200,000
Net cash generated from financing activities		-	1,200,000
Increase in cash and cash equivalents during the quarter		938,232	(430,392)
Cash and cash equivalents at the beginning of the quarter		8,331,201	6,094,004
Cash and cash equivalents at the end of the quarter	36	9,269,433	5,663,612

The annexed notes 1 to 42 form an integral part of these condensed interim financial statements.

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**NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2019**

1 STATUS AND NATURE OF BUSINESS

- 1.1** MCB Islamic Bank Limited (the Bank) was incorporated in Pakistan as an unlisted public limited company on May 15, 2014 under the Companies Ordinance, 1984 (repealed after the enactment of the Companies Act, 2017) to carry out the business of an Islamic Commercial Bank in accordance and in conformity with the principles of Islamic Shari'ah and in accordance with regulations and guidelines of the State Bank of Pakistan. The Securities and Exchange Commission of Pakistan granted "Certificate of Commencement of Business" to the Bank on January 30, 2015. The Bank is a wholly owned subsidiary of MCB Bank Limited (MCB).
- 1.2** The State Bank of Pakistan (SBP) granted a "Certificate of Commencement of Banking Business" to the Bank on September 14, 2015 under Section 27 of the Banking Companies Ordinance, 1962. The Bank formally commenced operations as a Scheduled Islamic Commercial Bank with effect from October 15, 2015 upon receiving notification in this regard from SBP under section 37 of the State Bank of Pakistan Act, 1956. Currently, the Bank is engaged in corporate, commercial, consumer, micro finance, investment and retail banking activities.
- 1.3** The Bank is operating through 176 branches in Pakistan (December 31, 2018: 176 branches). The Registered Office of the Bank is situated at 59 Block T, Phase II, DHA, Lahore Cantt and Principal Office is situated at 339 Block Z, Phase III, DHA Lahore Cantt.
- 1.4** Pakistan Credit Rating Agency (PACRA) has maintained the Bank's medium to long-term rating as "A" and the short-term rating as 'A-1' with positive outlook.

2 BASIS OF PRESENTATION

- 2.1** The Bank provides financing through Shari'ah compliant financing products mainly through Murabaha, Istisna, Salam, Ijarah, Diminishing Musharaka, Running Musharaka and Export Refinance under Islamic Export Refinance Scheme.
- 2.2** The disclosures made in these condensed interim financial statements have been limited based on the format prescribed by the State Bank of Pakistan through BPRD Circular Letter No. 5 dated March 22, 2019 and the requirements of International Accounting Standard 34, "Interim Financial Reporting". They do not include all of the information required for a full set of annual financial statements and these condensed interim financial statements should be read in conjunction with the financial statements of the Bank for the year ended December 31, 2018.
- 2.3** The purchases and sales arising under these arrangements are not reflected in these condensed interim financial statements as such but are restricted to the amount of facility actually utilised and the appropriate portion of profit thereon. The income on such Islamic financing is recognised in accordance with the principles of Islamic Shari'ah and in accordance with regulations and guidelines of the State Bank of Pakistan. However, income, if any, received which does not comply with the principles of Islamic Shari'ah is recognised as charity payable if so directed by the Shari'ah Board of the Bank.

3 STATEMENT OF COMPLIANCE

- 3.1** These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan comprise of:
- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
 - Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

Whenever the requirements of the Banking Companies Ordinance, 1962, Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IFRS or IFAS, requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

The State Bank of Pakistan has deferred the applicability of IFAS 3 'Profit and Loss Sharing on Deposits', International Accounting Standard (IAS) 39 'Financial Instruments: Recognition and Measurement' and IAS 40, 'Investment Property' for Banking Companies through BPRD Circular No. 04 of 2015 dated February 25, 2015 and BSD Circular No. 10 dated August 26, 2002.

The Securities and Exchange Commission of Pakistan (SECP) has deferred applicability of IFRS 7 'Financial Instruments: Disclosures' on banks through S.R.O 411(1) / 2008 dated April 28, 2008 and has also deferred the applicability of IFRS 9 'Financial Instruments' for reporting period / year ending on or after June 30, 2019 through S.R.O. 229 (I) / 2019 dated February 14, 2019. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the State Bank of Pakistan through various circulars.

3.2 Standards, interpretations and amendments to published approved accounting standards that are effective in the current year

During the year, certain new and amended standards, interpretations and amendments became effective which are not considered to be relevant or do not have a significant effect on the Bank's operations, and are therefore not detailed in these condensed interim financial statements; except for IFRS 16 – Leases for which the Bank is awaiting instructions from SBP for its adoption.

However, the Bank is in the process of assessing the impact of adoption of IFRS 16 – Leases on the financial statements."

4 BASIS OF MEASUREMENT

4.1 These condensed interim financial statements have been prepared under the historical cost convention, except that certain classes of fixed assets are stated at revalued amounts and certain investments and foreign exchange contracts have been marked to market and carried at fair value.

4.2 Items included in these condensed interim financial statements are measured using the currency of the primary economic environment in which the Bank operates. These condensed interim financial statements are presented in Pakistani Rupees, which is the Bank's functional and presentation currency.

5 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

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 financial statements of the Bank for the year ended December 31, 2018.

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Bank for the year ended December 31, 2018.

7 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the annual financial statements for the year ended December 31, 2018.

	Note	(Un-audited) March 31, 2019	(Audited) December 31, 2018
8 CASH AND BALANCES WITH TREASURY BANKS			
In hand			
- local currency		2,098,043	1,963,099
- foreign currencies		531,535	561,844
		<u>2,629,578</u>	<u>2,524,943</u>
With State Bank of Pakistan (SBP) in			
- local currency current account	8.1	5,399,785	3,429,560
- foreign currency current accounts			
cash reserve account	8.2	187,520	188,019
special cash reserve account	8.3	218,773	219,402
US\$ clearing account		35,603	104,396
		<u>441,896</u>	<u>511,817</u>
With National Bank of Pakistan in			
- local currency current account		338,980	524,049
		<u>8,810,239</u>	<u>6,990,369</u>

8.1 The local currency current account is maintained with the SBP under the Cash Reserve Requirement of section 22 of Banking Companies Ordinance, 1962. This section requires banking companies to maintain a local currency cash reserve in the current account opened with the SBP at a sum not less than such percentage of its time and demand liabilities in Pakistan as prescribed by the SBP from time to time.

8.2 As per BSD Circular No. 15 dated June 21, 2008, cash reserve of 5% is required to be maintained with the SBP on deposits held under the New Foreign Currency Accounts Scheme (FE-25 deposits). This account is non-remunerative in nature.

8.3 Special cash reserve of 6% is required to be maintained with the SBP on FE-25 deposits as specified in BSD Circular No. 15 dated June 21, 2008. This account is non-remunerative in nature.

	Note	(Un-audited) March 31, 2019	(Audited) December 31, 2018
9 BALANCES WITH OTHER BANKS			
In Pakistan			
- deposit account	9.1	6,172	979,332
Outside Pakistan			
- current account		776,482	443,369
		<u>782,654</u>	<u>1,422,701</u>

9.1 This represents savings accounts carrying profit at expected rates ranging from 0.03% to 8.5% per annum (December 31, 2018: 0.03% to 9.95% per annum).

	Note	(Un-audited) March 31, 2019	(Audited) December 31, 2018
10 DUE FROM FINANCIAL INSTITUTIONS			
Secured			
Bai Muajjal receivable - with State Bank of Pakistan	10.1	3,720,230	-
Unsecured			
Musharaka arrangements	10.2	2,900,000	4,675,000
		<u>6,620,230</u>	<u>4,675,000</u>

10.1 The includes average return of 10.34% per annum (December 31, 2018: Nil) having maturity at February 07, 2020 (December 31, 2018: Nil).

- 10.2** This represents Musharaka arrangements with banks carrying profit at expected rates ranging from 8.65% to 9.75% per annum (December 31, 2018: 9.25% to 9.55% per annum) and having maturity till April 05, 2019.

	(Un-audited) March 31, 2019	(Audited) December 31, 2018
	Rupees in thousands	
10.3 Particulars of due from financial institutions		
- local currency	6,620,230	4,675,000
- foreign currencies	-	-
	<u>6,620,230</u>	<u>4,675,000</u>

11 INVESTMENTS

11.1 Investments by type:

	March 31, 2019 (Un-audited)			
	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
	Rupees in thousands			
Available-for-sale securities				
Federal Government securities	13,258,433	-	(17,749)	13,240,684
Shares	2,009,253	844,649	(30,485)	1,134,119
Non Government securities	1,369,000	-	4,123	1,373,123
	<u>16,636,686</u>	<u>844,649</u>	<u>(44,111)</u>	<u>15,747,926</u>
Held-to-maturity securities				
Federal Government securities	2,700,827	-	-	2,700,827
Non Government securities	747,500	-	-	747,500
	<u>3,448,327</u>	<u>-</u>	<u>-</u>	<u>3,448,327</u>
Total Investments	<u>20,085,013</u>	<u>844,649</u>	<u>(44,111)</u>	<u>19,196,253</u>

	December 31, 2018 (Audited)			
	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
	Rupees in thousands			
Available-for-sale securities				
Federal Government securities	8,452,080	-	(41,163)	8,410,917
Shares	1,831,580	881,903	(43,325)	906,352
Non Government securities	1,427,333	-	4,416	1,431,749
	<u>11,710,993</u>	<u>881,903</u>	<u>(80,072)</u>	<u>10,749,018</u>
Held-to-maturity securities				
Federal Government securities	1,159,936	-	-	1,159,936
Non Government securities	805,000	-	-	805,000
	<u>1,964,936</u>	<u>-</u>	<u>-</u>	<u>1,964,936</u>
Total Investments	<u>13,675,929</u>	<u>881,903</u>	<u>(80,072)</u>	<u>12,713,954</u>

- 11.1.1** There was no investment given as collateral as at March 31, 2019 (December 31, 2018: Nil).

	(Un-audited) March 31, 2019	(Audited) December 31, 2018
	Rupees in thousands	
11.2 Provision for diminution in value of investments		
Opening balance	881,903	-
Charge for the quarter / year	-	881,903
Reversal on disposals	(37,254)	-
	<u>(37,254)</u>	<u>881,903</u>
Closing balance	<u>844,649</u>	<u>881,903</u>

- 11.3** The market value of non Government securities classified as held-to-maturity as at March 31, 2019 amounted to Rs.756.966 million (December 31, 2018: Rs.814.422 million).

12 ISLAMIC FINANCING AND RELATED ASSETS - NET

	Note	Performing		Non performing		Total	
		(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
		March 31,	December 31,	March 31,	December 31,	March 31,	December 31,
Rupees in thousands							
Murabaha	12.1	17,615,954	17,096,368	753	759	17,616,707	17,097,127
Istisna	12.2	1,994,951	1,793,878	-	-	1,994,951	1,793,878
Salam		-	4,118	-	-	-	4,118
Ijarah	12.3	4,889,370	4,269,903	-	-	4,889,370	4,269,903
Running Musharaka	12.4	17,213,255	19,441,575	-	-	17,213,255	19,441,575
Diminishing Musharaka	12.5	19,315,141	19,047,410	11,781	10,007	19,326,922	19,057,417
Staff finance	12.6	1,309,416	1,258,046	-	-	1,309,416	1,258,046
Islamic financing and							
related assets - gross		62,338,087	62,911,298	12,534	10,766	62,350,621	62,922,064
Less: Provision against non-performing							
Islamic financing and related assets							
- Specific		-	-	(2,355)	(758)	(2,355)	(758)
- General		(87,256)	(14,102)	-	-	(87,256)	(14,102)
	12.9	(87,256)	(14,102)	(2,355)	(758)	(89,611)	(14,860)
Islamic financing and related assets							
- net of provisions		62,250,831	62,897,196	10,179	10,008	62,261,010	62,907,204

	(Un-audited) March 31, 2019	(Audited) December 31, 2018
Rupees in thousands		
12.1 Murabaha		
- Murabaha financing	7,276,968	7,334,021
- Murabaha inventory	9,458,242	6,625,790
- Advances against Murabaha financing	831,497	3,056,316
- Advances against Murabaha financing under Islamic export refinance scheme	50,000	81,000
	<u>17,616,707</u>	<u>17,097,127</u>
12.2 Istisna		
- Istisna inventory	338,574	594,687
- Advances against Istisna financing	454,444	24,244
- Istisna financing under Islamic export refinance scheme	111,824	-
- Istisna inventory under Islamic export refinance scheme	190,408	-
- Advances against Istisna financing under Islamic export refinance scheme	899,701	1,174,947
	<u>1,994,951</u>	<u>1,793,878</u>
12.3 Ijarah		
- Net book value of assets in Ijarah under IFAS 2	4,002,787	2,948,075
- Advances against Ijarah	886,583	1,321,828
	<u>4,889,370</u>	<u>4,269,903</u>
12.4 Running Musharaka		
- Running Musharaka financing	16,026,255	18,285,575
- Running Musharaka financing under Islamic export refinance scheme	1,187,000	1,156,000
	<u>17,213,255</u>	<u>19,441,575</u>
12.5 Diminishing Musharaka		
- Diminishing Musharaka financing	17,620,233	15,347,739
- Advances against Diminishing Musharaka financing	1,706,689	3,709,678
	<u>19,326,922</u>	<u>19,057,417</u>
12.6 Staff finance		
- Staff vehicle finance under Diminishing Musharaka	227,545	213,215
- Staff housing finance under Diminishing Musharaka	1,081,871	1,044,831
	<u>1,309,416</u>	<u>1,258,046</u>
12.7 Particulars of Islamic financing and related assets - gross		
In local currency	62,350,621	62,922,064
In foreign currency	-	-
	<u>62,350,621</u>	<u>62,922,064</u>

12.8 Islamic financing and related assets include Rs. 12.534 million (December 31, 2018: Rs. 10.766 million) which have been placed under non-performing status as detailed below:

Category of Classification	(Un-audited) March 31, 2019		(Audited) December 31, 2018	
	Non-performing Islamic financing and related assets	Provision	Non-performing Islamic financing and related assets	Provision
Rupees in thousands				
Domestic				
Other Assets Especially Mentioned	5,102	-	9,832	-
Substandard	6,742	1,685	235	59
Doubtful	41	21	-	-
Loss	649	649	699	699
	<u>12,534</u>	<u>2,355</u>	<u>10,766</u>	<u>758</u>

12.9 Particulars of provision against Islamic financing and related assets

	March 31, 2019 (Un-audited)			December 31, 2018 (Audited)		
	Specific	General	Total	Specific	General	Total
Rupees in thousands						
Opening balance	758	14,102	14,860	729	490	1,219
Charge for the quarter / year	1,696	73,154	74,850	59	13,612	13,671
Reversals	(99)	-	(99)	(30)	-	(30)
	<u>1,597</u>	<u>73,154</u>	<u>74,751</u>	<u>29</u>	<u>13,612</u>	<u>13,641</u>
Amounts written off	-	-	-	-	-	-
Closing balance	<u>2,355</u>	<u>87,256</u>	<u>89,611</u>	<u>758</u>	<u>14,102</u>	<u>14,860</u>

12.9.1 The Bank has maintained general provision at an amount equal to 1% of the fully secured performing portfolio of consumer auto finance and unsecured performing portfolio of micro financing as required by the Prudential Regulations issued by the SBP. Further, general provision on consumer house finance is maintained as per the criteria defined in relevant Prudential Regulations issued by SBP.

12.9.2 In addition to general provision maintained under Prudential Regulations issued by SBP, the Bank had made an additional general provision amounting to Rs. 66 million in respect of potential losses in corporate, commercial and SME portfolio which have not been specifically identified in these condensed interim financial statements.

12.10 Particulars of provision against Islamic financing and related assets

	March 31, 2019 (Un-audited)			December 31, 2018 (Audited)		
	Specific	General	Total	Specific	General	Total
Rupees in thousands						
In local currency	2,355	87,256	89,611	758	14,102	14,860
In foreign currency	-	-	-	-	-	-
	<u>2,355</u>	<u>87,256</u>	<u>89,611</u>	<u>758</u>	<u>14,102</u>	<u>14,860</u>

	Note	(Un-audited) March 31, 2019	(Audited) December 31, 2018
		Rupees in thousands	
13 FIXED ASSETS			
Capital work-in-progress	13.1	437,781	274,249
Property and equipment		2,316,750	2,345,731
		<u>2,754,531</u>	<u>2,619,980</u>
13.1 Capital work-in-progress			
Civil works		138,985	96,620
Advance to suppliers and contractors		166,493	153,267
Others		132,303	24,362
		<u>437,781</u>	<u>274,249</u>

(Un-audited)
For the quarter ended
March 31,
2019 2018
Rupees in thousands

13.2 Additions to fixed assets - at cost

Capital work-in-progress	158,058	97,576
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Property and equipment

Building freehold	4,478	-
Leasehold improvements	-	119
Furniture and fixtures	2,540	3,585
Office equipment	26,133	2,074
Computer equipment	1,521	37,041
Vehicles	5,475	11,675
	40,147	54,494
	198,205	152,070

13.3 Disposal to fixed assets - at cost

Furniture and fixtures	3	-
Computer equipment	739	-
	742	-

(Un-audited) (Audited)
March 31, December 31,
2019 2018
Rupees in thousands

14 INTANGIBLE ASSETS

Advance against purchase of software	3,680	3,680
Computer software	572,431	521,111
	576,111	524,791

(Un-audited)
For the quarter ended
March 31,
2019 2018
Rupees in thousands

14.1 Additions to intangible assets

Directly purchased	78,620	22,479
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15 DEFERRED TAX ASSETS / (LIABILITY) - NET

March 31, 2019 (Un-audited)

At Jan 01, 2019	Recognised in P&L A/C	Recognised in OCI	At Mar 31, 2019
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Rupees in thousands

Deductible temporary difference

Tax losses carried forward	806,991	64,013	-	871,004
Minimum tax	88,851	25,809	-	114,660
Deficit on revaluation of investments - net	28,025	-	(12,586)	15,439
Provision against Islamic financing and related assets	21	569	-	590
Workers welfare fund	797	-	-	797
	924,685	90,391	(12,586)	1,002,490

Taxable temporary difference

Surplus on revaluation of fixed assets	(25,818)	114	-	(25,704)
Accelerated tax depreciation	(147,802)	5,885	-	(141,917)
	(173,620)	5,999	-	(167,621)
	751,065	96,390	(12,586)	834,869

December 31, 2018 (Audited)

At Jan 01, 2018	Recognised in P&L A/C	Recognised in OCI	At Dec 31, 2018
--------------------	--------------------------	----------------------	--------------------

Rupees in thousands

Deductible temporary difference

Tax losses carried forward
Minimum tax
Deficit on revaluation of investments - net
Provision against Islamic financing
and related assets
Workers welfare fund

189,882	617,109	-	806,991
31,249	57,602	-	88,851
208,258	-	(180,233)	28,025
-	21	-	21
797	-	-	797
430,186	674,732	(180,233)	924,685

Taxable temporary difference

Surplus on revaluation of fixed assets
Accelerated tax depreciation

(26,273)	455	-	(25,818)
(114,448)	(33,354)	-	(147,802)
(140,721)	(32,899)	-	(173,620)
289,465	641,833	(180,233)	751,065

(Un-audited) (Audited)
March 31, December 31,
2019 2018
Rupees in thousands

16 OTHER ASSETS

Profit / return accrued in local currency	1,515,562	1,058,880
Advances, deposits, advance rent and other prepayments	309,061	267,118
Advance taxation (payments less provisions)	77,762	35,888
Dividend receivable	8,558	-
Receivable against ATM transactions	167,190	288,577
Receivable under home remittances	9,606	13,945
Mark to market gain on forward foreign exchange contracts	19,988	169,697
Acceptance	545,422	409,429
Others	55,497	45,837
	<u>2,708,646</u>	<u>2,289,371</u>

17 CONTINGENT ASSETS

There were no contingent assets of the Bank as at March 31, 2019 (December 31, 2018: Nil).

(Un-audited) (Audited)
March 31, December 31,
2019 2018
Rupees in thousands

18 BILLS PAYABLE

In Pakistan	1,066,487	1,303,992
Outside Pakistan	-	-
	<u>1,066,487</u>	<u>1,303,992</u>

19 DUE TO FINANCIAL INSTITUTIONS

In Pakistan	12,391,134	7,718,759
Outside Pakistan	323,460	81,869
	<u>12,714,594</u>	<u>7,800,628</u>

19.1 Particulars of due to financial institutions with respect to currencies

In local currency	12,391,134	7,718,759
In foreign currencies	323,460	81,869
	<u>12,714,594</u>	<u>7,800,628</u>

	Note	(Un-audited) March 31, 2019	(Audited) December 31, 2018
		Rupees in thousands	
19.2 Details of due to financial institutions - Secured / Unsecured			
Secured			
Musharaka with the State Bank of Pakistan under Islamic Export Refinance Scheme	19.2.1	2,427,408	1,987,408
Unsecured			
Musharaka arrangements with other financial institutions	19.2.2	9,859,598	5,731,351
Musharaka arrangements with other institution	19.2.3	104,128	-
Overdrawn nostro		323,460	81,869
		<u>12,714,594</u>	<u>7,800,628</u>

19.2.1 These Musharaka arrangements are on a profit and loss sharing basis maturing between April 10, 2019 to August 30, 2019 (December 31, 2018: February 24, 2019 to June 26, 2019) and are secured against demand promissory notes executed in favour of the SBP. A limit of Rs. 2,700 million has been allocated to the Bank by SBP under Islamic Export Refinance Scheme.

19.2.2 This represents Musharaka arrangements with banks carrying profit at expected rates ranging from 9.0% to 10.4% per annum (December 31, 2018: 9.4% to 9.8% per annum) and having maturity till August 30, 2019.

19.2.3 This represents Musharaka arrangement with Karandaaz on profit and loss sharing basis. A limit of 500 million has been allocated to the Bank under the agreement.

20 DEPOSITS AND OTHER ACCOUNTS

	March 31, 2019 (Un-audited)			December 31, 2018 (Audited)		
	In Local currency	In Foreign currencies	Total	In Local currency	In Foreign currencies	Total
	Rupees in thousands					
Customers						
Current deposits	20,417,217	1,625,387	22,042,604	20,498,978	1,599,388	22,098,366
Savings deposits	29,756,320	1,560,032	31,316,352	29,634,547	1,705,967	31,340,514
Term deposits	9,584,092	104,648	9,688,740	5,040,187	104,191	5,144,378
Others	2,112,760	-	2,112,760	3,690,026	-	3,690,026
	<u>61,870,389</u>	<u>3,290,067</u>	<u>65,160,456</u>	<u>58,863,738</u>	<u>3,409,546</u>	<u>62,273,284</u>
Financial Institutions						
Current deposits	74,548	1,217	75,765	73,166	1,206	74,372
Savings deposits	6,344,080	1,408	6,345,488	5,885,028	-	5,885,028
Term deposits	6,404,800	-	6,404,800	5,074,501	-	5,074,501
	<u>12,823,428</u>	<u>2,625</u>	<u>12,826,053</u>	<u>11,032,695</u>	<u>1,206</u>	<u>11,033,901</u>
	<u>74,693,817</u>	<u>3,292,692</u>	<u>77,986,509</u>	<u>69,896,433</u>	<u>3,410,752</u>	<u>73,307,185</u>

	Note	(Un-audited) March 31, 2019	(Audited) December 31, 2018
		Rupees in thousands	
21 OTHER LIABILITIES			
Profit / return payable in local currency	21.1	483,106	390,714
Profit / return payable in foreign currencies		2,893	4,679
Accrued expenses		232,051	324,388
Income received in advance		31,999	30,365
Deferred income on Bai Mu'ajjal with SBP		348,566	-
Acceptance		545,422	409,429
Branch adjustment account		-	191,069
Payable under inter-bank fund transfer		48,418	71,960
Advance receipt against Islamic financing and related assets		5,606	3,319
Charity fund balance		29,534	25,402
Security deposits against Ijarah financing		987,294	812,429
Retention money payable		-	17,780
Payable under purchase of securities		-	14,910
Withholding tax, Federal excise duty and other payable		13,868	7,778
Others		152,432	108,894
		<u>2,881,189</u>	<u>2,413,116</u>

- 21.1 It includes Rs. 10.395 million (December 31, 2018: Rs. 8.916 million) in respect of profit / return payable on Musharaka with the SBP under Islamic Export Refinance Scheme.

22 SHARE CAPITAL

Authorized Capital

(Un-audited) March 31, 2019	(Audited) December 31, 2018		(Un-audited) March 31, 2019	(Audited) December 31, 2018
Numbers of shares			Rupees in thousands	
<u>1,500,000,000</u>	<u>1,500,000,000</u>	Ordinary shares of Rs. 10/- each	<u>15,000,000</u>	<u>15,000,000</u>

Issued, subscribed and paid up capital

(Un-audited) March 31, 2019	(Audited) December 31, 2018			
Numbers of shares				
1,120,000,000	1,000,000,000	Fully paid in cash	11,200,000	10,000,000
-	120,000,000	Balance at beginning of the quarter / year	-	1,200,000
<u>1,120,000,000</u>	<u>1,120,000,000</u>	Issued during the quarter / year - right shares	<u>11,200,000</u>	<u>11,200,000</u>
		Balance at end of the quarter / year		

- 22.1 The Bank's shares are 100 percent held by MCB Bank Limited (MCB) - the parent company and its nominee directors.

23 RESERVES

	Note	(Un-audited) March 31, 2019	(Audited) December 31, 2018
Statutory Reserves		<u>26,444</u>	<u>26,444</u>

- 23.1 Statutory reserve represents amount set aside as per the requirements of section 21 of the Banking Companies Ordinance, 1962.

24 SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS

Surplus / (deficit) on revaluation of

- Available for sale securities	(44,111)	(80,072)
- Fixed Assets	209,812	210,137
	<u>165,701</u>	<u>130,065</u>

Deferred tax on surplus / (deficit) on revaluation of:

- Available for sale securities	15,439	28,025
- Fixed Assets	(25,704)	(25,818)
	<u>(10,265)</u>	<u>2,207</u>
	<u>155,436</u>	<u>132,272</u>

25 CONTINGENCIES AND COMMITMENTS

Guarantees	25.1	3,080,552	3,092,537
Commitments	25.2	14,128,629	16,137,900
Other contingent liabilities	25.3	425,820	425,820
		<u>17,635,001</u>	<u>19,656,257</u>

25.1 Guarantees:

Financial guarantee	-	-
Performance guarantees	1,407,696	1,099,947
Other guarantees	1,672,856	1,992,590
	<u>3,080,552</u>	<u>3,092,537</u>

	Note	(Un-audited) March 31, 2019 Rupees in thousands	(Audited) December 31, 2018 Rupees in thousands
25.2 Commitments:			
Documentary credits and short-term trade-related transactions			
Letters of credit		10,519,729	11,639,176
Commitments in respect of:			
Forward foreign exchange contracts	25.2.1	2,335,268	2,237,365
Commitments for acquisition of:			
Fixed assets		6,993	10,395
Intangible assets		23,388	29,647
Other commitments	25.2.2	<u>1,243,251</u>	<u>2,221,317</u>
		<u>14,128,629</u>	<u>16,137,900</u>
25.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		3,597,382	3,465,359
Sale		<u>1,262,114</u>	<u>1,227,994</u>
		<u>2,335,268</u>	<u>2,237,365</u>
25.2.2 Other Commitments			
Commitments to extend credit	25.2.2.1	<u>1,243,251</u>	<u>2,221,317</u>
25.2.2.1 Other than those stated above, the Bank makes commitment(s) to extend credit in the normal course of business including related parties but these being revocable commitments do not attract any penalty or expense if the facility is unilaterally withdrawn.			
	Note	(Un-audited) March 31, 2019 Rupees in thousands	(Audited) December 31, 2018 Rupees in thousands
25.3 Other contingent liabilities			
Claim against the Bank not acknowledged as debt	25.3.1	<u>425,820</u>	<u>425,820</u>
25.3.1 This represents claim by a third party against the Bank, which is being contested in the Court of law. The management is of the view that this relate to the normal course of business and the possibility of an outflow of economic resources is remote.			
		(Un-audited) March 31, 2019 Rupees in thousands	(Audited) December 31, 2018 Rupees in thousands
26 PROFIT / RETURN EARNED			
Financings		1,600,682	563,621
Investments in			
- available for sale securities		224,168	104,864
- held to maturity securities		62,664	18,225
		286,832	123,089
Musharaka arrangements with financial institutions		96,157	21,641
Deposits with financial institutions		<u>11,221</u>	<u>16,367</u>
		<u>1,994,892</u>	<u>724,718</u>
27 PROFIT / RETURN EXPENSED			
Deposits and other accounts		957,636	273,747
Musharaka arrangements with the State Bank of Pakistan under IERS		12,859	4,653
Musharaka arrangements with other financial institutions		184,308	120,632
Musharaka arrangements with other institution		53	-
		<u>1,154,856</u>	<u>399,032</u>

		(Un-audited) March 31,	
		2019	2018
		Rupees in thousands	
Note			
28	FEE & COMMISSION INCOME		
	Branch banking customer fees	3,165	1,269
	Consumer finance related fees	5,012	415
	Card related fees	14,507	4,382
	Digital banking fees	1,697	837
	Commission on trade	17,405	10,233
	Commission on guarantees	4,226	3,690
	Commission on remittances including home remittances	2,027	491
	Commission on banca takaful	16,229	1,043
	Others	1,340	-
		<u>65,608</u>	<u>22,360</u>
29	GAIN / (LOSS) ON SECURITIES - NET		
	Realised	29.1	(32,809)
29.1	Realised gain / (loss) on:		
	Federal Government Securities - Sukuk certificates	2,240	-
	Shares	(35,049)	-
		<u>(32,809)</u>	<u>-</u>
30	OTHER INCOME		
	Rental income	2,614	375
	Locker rent	2,376	2,160
	Fees and charges recovered	76	57
		<u>5,066</u>	<u>2,592</u>
31	OPERATING EXPENSES		
	Total compensation expense	530,545	186,700
	Property expense		
	Rent & taxes	147,546	49,043
	Takaful expenses	8,432	6,452
	Utilities cost	44,998	7,657
	Security (including guards)	56,959	19,956
	Repair & maintenance (including janitorial charges)	26,790	8,320
	Depreciation	34,592	22,200
		319,317	113,628
	Information technology expenses		
	Software maintenance	12,595	9,920
	Hardware maintenance	8,035	7,694
	Takaful expenses	501	357
	Depreciation	26,096	20,949
	Amortisation	27,300	19,589
	Network charges	30,911	19,567
		105,438	78,076
	Other operating expenses		
	Directors' fees and allowances	200	160
	Remuneration to Shariah Board members	2,011	1,661
	Legal & professional charges	6,677	6,106
	Takaful expenses	9,351	292
	Fee and subscription	(236)	1,110
	Outsourced services costs	59,986	25,093
		77,989	34,422

..... (continue)

(Un-audited)

March 31,

2019

2018

Rupees in thousands

Other operating expenses

balances c/ d	77,989	34,422
Travelling & conveyance	21,114	9,737
Repair & maintenance vehicles	202	261
NIFT clearing charges	4,309	1,597
Brokerage, commission and bank charges	7,501	969
Depreciation	2,739	1,150
Training & development	3,772	544
Postage & courier charges	11,877	7,464
Communication	2,099	1,583
Stationery & printing	15,980	10,417
Marketing, advertisement & publicity	17,704	6,201
Auditors remuneration	1,155	2,756
Entertainment	11,105	4,979
Others	7,127	3,296
	<u>184,673</u>	<u>85,376</u>
	<u>1,139,973</u>	<u>463,780</u>

32 OTHER CHARGES

Penalties imposed by the State Bank of Pakistan	25	-
Loss on sale of fixed assets - net	52	-
	<u>77</u>	<u>-</u>

33 PROVISIONS & WRITE OFFS - NET

Reversal of provision for diminution in value of investments	11.2	(37,254)	-
Provision against Islamic financings and related assets	12.9	74,751	441
Other write offs	33.1	-	97
		<u>37,497</u>	<u>538</u>

33.1 This represents obsolete stamp papers, acquired under demerger scheme, written off.

(Un-audited)

March 31,

2019

2018

Rupees in thousands

34 TAXATION

Current	25,809	9,919
Prior years	-	-
Deferred	(96,390)	(34,354)
	<u>(70,581)</u>	<u>(24,435)</u>

35 BASIC AND DILUTED LOSS PER SHARE - AFTER TAX

Loss after taxation	<u>(197,125)</u>	<u>(45,381)</u>
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Number of shares

Weighted average number of ordinary shares	<u>1,120,000,000</u>	<u>1,069,333,333</u>
--------------------------------------------	----------------------	----------------------

Rupees

Basic / diluted loss per share - after tax	<u>(0.176)</u>	<u>(0.042)</u>
--------------------------------------------	----------------	----------------

		(Un-audited) March 31,	
	Note	2019	2018
Rupees in thousands			
36	CASH AND CASH EQUIVALENTS		
	Cash and balances with treasury banks	8	8,810,239
	Balances with other banks	9	782,654
	Overdrawn nostro		(323,460)
			-
		9,269,433	5,663,612

37 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Quoted securities classified as held to maturity are carried at cost. The fair value of unquoted equity securities, is determined on the basis of the break-up value of these investments as per their latest available audited financial statements.

The fair value of unquoted securities, placements, Islamic financing and related assets, other assets, other liabilities, fixed term deposits and acceptances cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

- 37.1** The Bank measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses the financial and non-financial assets carried at fair values, by valuation methods. For financial assets, the Bank essentially carries its investments in Sukuk and equity securities at fair values. Valuation of investments is carried out as per guidelines specified by the SBP. In case of non-financial assets, the Bank has adopted revaluation model (as per IAS 16) in respect of land and building.

March 31, 2019 (Un-audited)				
Fair Value				
	Level 1	Level 2	Level 3	Total
	Rupees in thousands			
On-balance sheet financial instruments				
Financial assets measured at fair value				
Available for sale securities				
Investments				
Federal Government Securities	-	13,240,684	-	13,240,684
Shares	1,134,119	-	-	1,134,119
Non-Government Securities	-	1,373,123	-	1,373,123
	1,134,119	14,613,807	-	15,747,926
Financial assets - disclosed but not measured at fair value				
Investments				
Non-Government Securities	-	756,966	-	756,966
Off-balance sheet financial instruments				
Foreign exchange contracts purchase	-	3,597,382	-	3,597,382
Foreign exchange contracts sale	-	1,262,114	-	1,262,114
Fair value of non-financial				
Operating fixed assets (land and buildings)	-	1,011,338	-	1,011,338

December 31, 2018 (Audited)

Fair Value			
Level 1	Level 2	Level 3	Total
Rupees in thousands			

On-balance sheet financial instruments
Financial assets measured at fair value

Available for sale securities

Investments

Federal Government Securities	-	8,410,917	-	8,410,917
Shares	906,352	-	-	906,352
Non-Government Securities	-	848,416	-	848,416
	906,352	9,259,333	-	10,165,685

Financial assets - disclosed but not measured at fair value

Investments

Non-Government Securities	-	814,422	-	814,422
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Off-balance sheet financial instruments

Foreign exchange contracts purchase	-	3,678,688	-	3,678,688
Foreign exchange contracts sale	-	1,271,642	-	1,271,642

Fair value of non-financial

Operating fixed assets (land and buildings)	-	1,012,126	-	1,012,126
---------------------------------------------	---	-----------	---	-----------

The Bank's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused the transfer occurred. There were no transfers between levels 1, 2 and 3 during the year.

(a) Financial instruments in level 1

Financial instruments included in level 1 comprise of investments in listed ordinary shares.

(b) Financial instruments in level 2

Financial instruments included in level 2 comprise of Sukuks and Forward Exchange Contracts.

(c) Financial instruments in level 3

Currently, no financial instrument is classified in level 3.

Valuation techniques and inputs used in determination of fair values

Item	Valuation techniques and input used
Fully paid-up ordinary shares	Fair values of investments in listed equity securities are valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange.
Ijarah Sukuks (GOP Ijarah Sukuks and other Ijarah Sukuks)	Fair values of GoP Ijarah Sukuks and other Ijarah Sukuks are derived using the PKISRV rates announced by the Financial Market Association (FMA) through Reuters. These rates denote an average of quotes received from eight different pre-defined / approved dealers / brokers.
Foreign exchange contracts	The valuation has been determined by interpolating the mid rates announced by the State Bank of Pakistan.
Operating fixed assets (land and building)	Land and buildings are revalued every three years using professional valuers on the panel of Pakistan Banker's Association. The valuation is based on their assessment of market value of the properties.

38 SEGMENT INFORMATION

38.1 Segment Details with respect to Business Activities

March 31, 2019 (Un-audited)

Business Distribution	Corporate	Consumer	Micro Finance	Treasury	Head Office	Total
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Rupees in thousands

Profit and Loss

Net spread earned	(869,077)	1,478,338	54,036	7,178	168,243	1,318	840,036
Inter segment revenue - net	1,438,666	(1,352,034)	(39,719)	(1,986)	(183,504)	138,577	-
Other income	51,335	11,952	3,348	1,663	(869)	2,376	69,805
Total Income	620,924	138,256	17,665	6,855	(16,130)	142,271	909,841
Segment direct expenses	(499,235)	(29,289)	(29,112)	(10,644)	(3,979)	(567,791)	(1,140,050)
Inter segment expense allocation	(147,067)	(2,045)	(1,677)	(932)	(544)	152,265	-
Total expenses	(646,302)	(31,334)	(30,789)	(11,576)	(4,523)	(415,526)	(1,140,050)
Provisions / write off	-	(66,000)	(6,824)	(289)	37,254	(1,638)	(37,497)
Profit / (loss) before tax	(25,378)	40,922	(19,948)	(5,010)	16,601	(274,893)	(267,706)

Balance Sheet

Cash and bank balances	3,506,150	-	-	-	6,086,743	-	9,592,893
Investments	-	1,487,500	-	-	17,708,753	-	19,196,253
Net inter segment placements	70,279,803	-	-	-	-	4,376,508	74,656,311
Due from financial institutions	-	-	-	-	6,620,230	-	6,620,230
Financing - performing	4,781,022	53,684,090	2,374,447	99,500	-	1,309,417	62,248,476
- non-performing	-	-	11,781	753	-	-	12,534
Others	1,189,556	982,370	116,795	2,722	292,435	4,658,462	7,242,340
Total Assets	79,756,531	56,153,960	2,503,023	102,975	30,708,161	10,344,387	179,569,037
Bills payable	353,938	2,176,227	-	-	10,184,429	-	12,714,594
Due to financial institutions	1,066,487	-	-	-	-	-	1,066,487
Deposits & other accounts	77,442,088	439,059	19	-	-	105,343	77,986,509
Net inter segment acceptances	-	52,616,943	1,869,126	107,845	20,062,397	-	74,656,311
Others	919,396	880,809	653,827	140	473,406	321,794	3,249,372
Total liabilities	79,781,909	56,113,038	2,522,972	107,985	30,720,232	427,137	169,673,273
Equity	(25,378)	40,922	(19,949)	(5,010)	(12,071)	9,917,250	9,895,764
Total Equity & liabilities	79,756,531	56,153,960	2,503,023	102,975	30,708,161	10,344,387	179,569,037
Contingencies & Commitments	79,756,531	56,153,960	2,503,023	102,975	30,708,161	10,344,387	179,569,037

March 31, 2018 (Un-audited)

Business Distribution	Corporate	Consumer	Micro Finance	Treasury	Head Office	Total
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Rupees in thousands

Profit & Loss

Net spread earned	(257,931)	547,721	1,999	513	24,241	9,143	325,686
Inter segment revenue - net	419,009	(474,155)	(1,324)	(75)	(68,856)	125,401	-
Other income	12,199	10,110	115	304	43,864	2,224	68,816
Total Income	173,277	83,676	790	742	(751)	136,768	394,502
Segment direct expenses	(210,454)	(14,550)	(4,973)	(4,061)	(4,664)	(225,078)	(463,780)
Inter segment expense allocation	(89,715)	(994)	(1,651)	(945)	(430)	93,735	-
Total expenses	(300,169)	(15,544)	(6,624)	(5,006)	(5,094)	(131,343)	(463,780)
Reversal of provisions / (write off)	-	-	(538)	-	-	-	(538)
Profit / (loss) before tax	(126,892)	68,132	(6,372)	(4,264)	(5,845)	5,425	(69,816)

December 31, 2018 (Audited)

Business Distribution	Corporate	Consumer	Micro Finance	Treasury	Head Office	Total
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Rupees in thousands

Balance Sheet

Cash & Bank balances	3,352,342	-	-	-	5,060,728	-	8,413,070
Investments	-	1,545,000	-	-	11,168,954	-	12,713,954
Net inter segment placements	67,008,132	-	-	-	-	6,162,432	73,170,564
Due from financial institutions	-	-	-	-	4,675,000	-	4,675,000
Financing - performing	4,406,883	55,495,912	1,657,100	67,342	-	1,269,201	62,896,438
- non-performing	-	-	10,705	61	-	-	10,766
Others	469,512	841,954	32,241	2,256	313,583	4,525,661	6,185,207
Total Assets	75,236,869	57,882,866	1,700,046	69,659	21,218,265	11,957,294	168,064,999
Bills payable	1,303,992	-	-	-	-	-	1,303,992
Due to financial institutions	150,019	1,837,389	-	-	5,813,220	-	7,800,628
Deposits & other accounts	72,888,033	419,152	-	-	-	-	73,307,185
Net inter segment acceptances	-	55,227,525	1,629,752	83,674	16,229,613	-	73,170,564
Others	1,382,024	266,871	170,496	85	52,687	540,953	2,413,116
Total liabilities	75,724,068	57,750,937	1,800,248	83,759	22,095,520	540,953	157,995,485
Equity	(487,199)	131,929	(100,202)	(14,100)	(877,255)	11,416,341	10,069,514
Total Equity & liabilities	75,236,869	57,882,866	1,700,046	69,659	21,218,265	11,957,294	168,064,999
Contingencies & Commitments	3,293,150	11,388,563	-	-	4,508,682	465,862	19,656,257

38.2 Segment details with respect to geographical locations

The Bank operates in Pakistan only.

39 RELATED PARTY TRANSACTIONS

The Bank has related party relationship with its parent company, associates, companies with common directorship, employee benefit plans and its directors and key management personnel and their close family members.

The Bank enters into transactions with related parties in the normal course of business.

Contributions to staff retirement benefit plan are made in accordance with the terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

39.1 The details of transactions with related parties and balances with them are given below:

..... (Continue)

	March 31, 2019				December 31, 2018			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
	Rs. In thousands				Rs. In thousands			
Balances with other banks								
In current accounts	4,615	-	-	-	7,928	-	-	-
In deposit accounts	-	-	-	-	-	-	-	-
	<u>4,615</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,928</u>	<u>-</u>	<u>-</u>	<u>-</u>
Islamic financing and related assets								
Opening balance	-	12,263	92,318	490,514	-	13,103	83,778	314,132
Addition during the year	-	-	1,928	186,189	-	-	39,988	1,258,648
Repaid during the year	-	(12,263)	(5,102)	(325,462)	-	(840)	(15,223)	(1,082,266)
Transfer in / (out) - net	-	-	-	-	-	-	(16,225)	-
Closing balance	<u>-</u>	<u>-</u>	<u>89,144</u>	<u>351,241</u>	<u>-</u>	<u>12,263</u>	<u>92,318</u>	<u>490,514</u>
Operating fixed assets								
Capital work in progress								
Advance paid against purchase of property	20,000	-	-	-	20,000	-	-	-
Other assets								
Profit receivable	-	-	1,768	14,880	-	-	1,630	4,374
Prepaid expenses	-	-	-	39,385	-	-	-	21,869
Receivable under demerger	-	-	-	-	6,303	-	-	-
Receivable under home remittance	9,673	-	-	-	13,945	-	-	-
Receivable under ATM transactions	-	-	-	77	-	-	-	66,557
Other receivable	-	-	240	-	-	-	150	-
	<u>9,673</u>	<u>-</u>	<u>2,008</u>	<u>54,342</u>	<u>20,248</u>	<u>-</u>	<u>1,780</u>	<u>92,800</u>
Due to financial institutions								
Opening balance	631,351	-	-	-	524,590	-	-	-
Addition during the year	21,474,496	-	-	-	40,942,611	-	-	-
Repaid during the year	(15,939,878)	-	-	-	(40,835,850)	-	-	-
Closing balance	<u>6,165,969</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>631,351</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deposits								
Opening balance	-	5,488	21,626	389,094	-	628	53,386	379,888
Addition during the year	-	5,785	74,235	2,478,110	-	46,565	196,910	8,756,755
Withdrawn during the year	-	(3,922)	(52,951)	(2,616,809)	-	(41,705)	(228,632)	(8,590,528)
Transfer in / (out) - net	-	(7,300)	-	-	-	-	(38)	(157,021)
Closing balance	<u>-</u>	<u>51</u>	<u>42,910</u>	<u>254,129</u>	<u>-</u>	<u>5,488</u>	<u>21,626</u>	<u>389,094</u>
Other Liabilities								
Profit payable	18,245	-	-	749	12,143	-	-	1,411
Accrued expenses	-	-	-	289	3,056	-	-	9,421
PF contribution payable	-	-	-	9,560	-	-	-	-
Other liabilities	150	140	17	1,568	2,305	110	55	1,169
	<u>18,395</u>	<u>140</u>	<u>17</u>	<u>12,166</u>	<u>17,504</u>	<u>110</u>	<u>55</u>	<u>12,001</u>
Contingencies and Commitments								
Letter of Credit	-	-	-	466,566	-	-	-	663,838
Letter of Guarantee	-	-	-	757,462	-	-	-	790,886
Commitment to extend credit	-	-	-	-	-	-	-	25,040
Forward exchange contract								
Purchase	1,595,509	-	-	-	1,516,079	-	-	-
Sale	<u>601,574</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>605,589</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unrealized gain on forward exchange contract - net	18,379	-	-	-	10,196	-	-	-

	March 31, 2019				March 31, 2018			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
	Rs. In thousands				Rs. In thousands			
Transactions during the year								
Income								
Profit return earned	-	94	976	15,657	-	112	1,061	5,370
Commission earned	-	-	-	1,075	-	-	-	1,710
Rental income	2,376	-	-	-	2,160	-	-	-
Other income	-	-	23	-	-	-	-	-
	2,376	94	999	16,732	2,160	112	1,061	7,080
Expense								
Profit return expensed	61,549	1	47	2,005	21,639	-	308	1,683
Rental expense	8,464	-	-	-	4,259	-	-	-
Takaful expense	-	-	-	17,596	-	-	-	12,908
Security expense	-	-	-	13,403	-	-	-	9,671
Other expense	30	200	-	298	-	160	-	-
	70,043	201	47	33,302	25,898	160	308	24,262

Other transactions during the year							
Fee paid	-	170	-	-	-	-	-
Managerial remuneration including bonus paid	-	26,669	72,894	-	6,836	30,224	-
Contribution paid to provision fund	-	-	-	-	-	-	15,189
Re-imbursement under Home remittance payments	647,052	-	-	169,677	-	-	-
Proceeds from issue of Share Capital	-	-	-	1,200,000	-	-	-
Proceeds from sale of fixed assets	-	-	75	-	-	-	-
Disbursement made against advance salary	-	-	300	-	-	1,085	-
Repayment made against advance salary	-	-	210	-	-	685	-
Payment made against expenses	5,027	-	-	270	-	-	35,433
Foreign currency purchase	5,221,514	-	-	2,892,471	-	-	-
Foreign currency sale	3,229,183	-	-	1,555,328	-	-	-
Letter of Credit issued	-	-	-	-	-	-	794,900
Letter of Guarantee issued	-	-	-	-	-	-	12,558

(Un-audited) March 31, 2019 Rupees in thousands	(Audited) December 31, 2018 Rupees in thousands
----------------------------------------------------------	----------------------------------------------------------

40 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

Minimum Capital Requirement (MCR):

Paid-up capital (net of losses)	9,740,328	9,937,242
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Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier 1 (CET 1) Capital	8,178,553	8,516,609
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	8,178,553	8,516,609
Eligible Tier 2 Capital	242,692	146,374
Total Eligible Capital (Tier 1 + Tier 2)	8,421,245	8,662,983

Risk Weighted Assets (RWAs):

Credit Risk	55,771,201	58,995,689
Market Risk	4,053,457	3,325,247
Operational Risk	2,864,988	2,864,988
Total	62,689,646	65,185,924

Common Equity Tier 1 Capital Adequacy ratio

Common Equity Tier 1 Capital Adequacy ratio	13.05%	13.07%
Tier 1 Capital Adequacy Ratio	13.05%	13.07%
Total Capital Adequacy Ratio	13.43%	13.29%

Leverage Ratio (LR):

Eligible Tier-1 Capital	8,178,553	8,516,609
Total Exposures	115,167,435	112,806,919
Leverage Ratio	7.10%	7.55%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets	22,940,814	16,245,706
Total Net Cash Outflow	17,338,321	14,292,812
Liquidity Coverage Ratio	132.31%	113.66%

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding	68,875,935	65,452,794
Total Required Stable Funding	42,647,300	42,777,651
Net Stable Funding Ratio	161.50%	153.01%

41 GENERAL

Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

42 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 23, 2019 by the Board of Directors of the Bank.

MUHTASHIM AHMAD ASHAI
PRESIDENT / CEO

SYED IFTIKHAR HUSSAIN RIZVI
CHIEF FINANCIAL OFFICER

RAZA MANSHA
CHAIRMAN

DR. KHALID ZAHEER
DIRECTOR

SEEMA AZIZ
DIRECTOR

BRANCH NETWORK

Br. Code	Name of Branch	City	Address	Contact No.
001	Shahrah-e-Faisal	Karachi	Shahrah e Faisal Branch, Shop 4, 5 Nice Trade Orbit, Karachi	021-34328469
002	Liberty Market	Lahore	9-C, Commercial Zone Liberty Branch Lahore	042-35789830
003	Shah Rukhn E Alam Colony	Multan	17-F , T Chowk Shah Rukhn E Alam Colony, Multan	061-4516460
004	Thandi Sarak	Hyderabad	Ground Floor, Shop No.6 & 7, River View Apartments, Thandi Sarak, Hyderabad	022-2785486
005	Peoples Colony	Faisalabad	668-1, Block-A, Peoples Colony# 1, Faisalabad	041-8556601
006	Jinnah Avenue	Islamabad	52-East Thody Plaza Jinnah Avenue Islamabad	051-2801272
007	Rashid Minhas Road	Karachi	Plot# LM-10, Block-10/A, Main Rashid Minhas Road Karachi	021-34817649
008	DHA Z Block	Lahore	339-Z Block Commercial Area, DHA Phase III, Lahore	042-35692901
009	Bank Road	Rawalpindi	Shahbaz Plaza Bank Road Saddar Bazar Rawalpindi	051-5525434
010	Saddar Road	Peshawar	Tasneem Plaza Saddar Road Peshawar Cantt	091-5272414
011	M. A Jinnah Road Quetta	Quetta	Khasra 418/42,420/43,424/54 M.A Jinnah Road, Quetta	081-2824977
012	Shah Alam Market	Lahore	12-13/6 Block-A, Shah Alam Market Lahore	042-37667813
013	Khayaban-e-Shamsheer	Karachi	Plot No. 10 C, Showroom No. 101, Khayaban-e-Shamsheer, DHA Phase V, Karachi	021-35248771-76
014	M.A Jinnah Road	Karachi	Shop No. 1 & 1-A, Old Survery B-4/2D, Serai Quarter, M.A Jinnah Road, Karachi	021-32402166
015	S.I.T.E Karachi	Karachi	C 18-A, East Avenue, S.I.T.E, Karachi	021-3255191-95
016	Sharifpora Branch	Gujranwala	Sharifpora Chowk G.T Road Gujranwala	055-3251916-17
017	Shahi Road	Rahim Yar Khan	Shahi Road, Firdos Market, New Punjab Sweets, Rahim Yar Khan	068-5876049
018	Club Road	Sargodha	73, Club Road, Civil Line, Sargodha	048-3768633-34
019	F-10 Markaz	Islamabad	Plot No 1-G, F-10 Markaz, Double Road, Islamabad	051-2114301-04
020	Quaidabad	Quaidabad	Plot # 11, Khatooni #1403, Khewet # 862, Quaidabad	0454-880601
021	Allama Iqbal Town	Lahore	132 Jahanzaib Block, Main Boulevard, Allama Iqbal Town, Lahore	042-37813687
022	Stataion Road	Sukkur	Plot No.6/2, Ward-C, Station Road, Sukkur	071-5615132-33
023	Khalid Bin Waleed Road	Karachi	Show Room No.9-11, Plot No.167-A, Block-3, Khalid Bin Waleed Road, Karachi	021-34323051
024	Johar Town Branch	Lahore	87-E, Madina Heights, Maulana Shaukat Ali Road, Johar Town, Lahore	042-35222677

Br. Code	Name of Branch	City	Address	Contact No.
025	Tando Allah Yar	Tando Allahyar	Plot No.1, Survey No. 272/1 Deh Taluka Hyderabad Road Tehsil & District Tando Allah Yar	022-3891467-68
026	Karkhano Market	Peshawar	Unit No. 53-56, G.B. Plaza, Karkhano Market, Jamrud Road, Hayatabad, Peshawar	091-5828444
027	Kotwali Road	Faisalabad	P- 75 / 2, Kotwali Road, Faisalabad	041-2602961-64
028	Farid Town	Sahiwal	Plot# 23, Farid Town, Sahiwal	040-4270713-16
029	Bhimber Road Gujrat	Gujrat	Plot# 143, Mehmda Chowk Near Gujrat Hospital Bhimber Road, Gujrat	053-3601781-83
030	Lahore Road	Sheikhupura	Plot# 4584, Khan Colony Lahore Road, Shiekhupura	056-3501271
031	Satellite Town	Rawalpindi	Property # B-584, Unit # 1, B-Block, Satellite Town, Rawalpindi	051-4571861-65
032	Korangi Branch	Karachi	Plot # 1-A, Sector 23, Korangi Industrial Area, Karachi	021-35122311-13
033	North Nazimabad	Karachi	Shop # 1 & 2 Jasmine Heights, Plot # SC-21/A, H Block, North Nazimabad, Karachi	021-36641761-2
034	Saddar Hyderabad	Hyderabad	Qasr-e-Fatima 90/1-2, Main Saddar Bazar, Hyderabad	022-2731545-46
035	Main Gulberg	Lahore	58, Main Gulberg Branch, Lahore	042-35777788
036	Dhorajee Branch	Karachi	Shop # 5,6 & 7, Al Madina Heights, Plot # 35-C/449, Berar Co-operative Housing Society, Block 7 & 8, Dhorajee, Karachi.	021-34940153-157
037	F.B Industrial Area Branch	Karachi	Plot # St – 7, Sector No. 22, KDA Scheme No. 16, F.B Industrial Area, Karachi	0332-3538175
038	Taj Road, Chaman Branch	Chaman	Taj Road, Tehsil Chaman, Baluchistan	0826-615429-30
039	Tehsil Road, Loralai Branch	Loralai	Shop # 372, House # 425, Tehsil Road, District Loralai, Baluchistan	082-4660400
040	Main Balambat Road	Temergara	Zeb Plaza, Main Balambat Road, Timargara, Lower Dir, KPK	0945-825571-3
041	Mingora Sawat	Sawat	Opposite Bank Square Mingora Bazar Sawat, KPK	0946-725374
042	RS Plaza Shamsi Road, Mardan Branch	Mardan	RS Plaza Shamsi Road, Tehsil and District Mardan	0937-870751-53
043	Gardan Town	Lahore	Shop No. 12,13,14, Shan Arcade, Civic Centre, Garden Town, Lahore	042-35941840-41
044	Cavalry Ground	Lahore	Plot No. 7, Cavalry Ground Commercial Area, Lahore Cantt	042-36672180-4
045	Pishin Branch	Pishin	Shop No. 630/634/640, Band Road, Pishin	0826-420875 0826-420905
046	Matta Sawat	Sawat	Khatooni No. 28/50, Khasra No. 2309, Mehran Khan Plaza, Main Matta Khareri, Matta Sawat	0946-790612-15
047	Toba Tek Singh	Toba Tek Singh	Plot No. 359, Mall Godam Road , Toba Tek Singh	046-2517327 046-2515427
048	Hazara Town	Quetta	Khasra No. 1102/1041/874/531/1016/250, Lilak Shopping Centre, Barma Road, Ali Abad, Hazara Town, Quetta	0812-853127-28
049	Gawadar	Gawadar	Khasra No. 96/494/495/497/498/499/501, Airport Road, Gawadar	0864-210290-4
050	Dream Garden	Lahore	Shop No. 08 & 09, Blcok C, Dream Garden Housing Society, 1.5 KM Defence Road, Off Raiwind Road, Lahore.	042-35469652

Br. Code	Name of Branch	City	Address	Contact No.
051	Kabal Branch	Sawat	Khasra No. 2262, Khata No. 901, Khatooni No. 1176, Hassan Plaza, Kabal Chowk, Kabal, District Swat	0946-755593-94
052	Sirki Road Branch	Quetta	Khata-2 & Plot No. 136-14/32, Akram Plaza, Sirki Road, Quetta	081-2452931-3
053	Pak Haider, Malakand	Batkhela	Pak Haider Market, next to Malakand CNG, Batkhela District Malakand.	093-2410670-2
054	G-11 Markaz, Islamabad	Islamabad	Shop No. 7,8,25,26, Plot No. 33, G-11 Markaz, Islamabad	054-2361302
055	Chaklala Scheme, Rawalpindi	Rawalpindi	Plot No. 16, Commercial Area, Chaklala Scheme III. Rawalpindi Cantt.	051-5766233,35
056	Nawan Shaher, Multan	Multan	Plot No. 741/F, Ward No.9, Muslim Mouza Ismail, Chowk Nawan Shehar, Multan.	061-4573031-9
057	Gulshan e Iqbal, Karachi	Karachi	Shop No. 1&2, Al- Sammad Tower 13- Gulshan-e-Iqbal, Main University Road, Karachi.	021-34971515
058	Latifabad 07, Hyderabad	Hyderabad	Shop No. 1&2 Plot# 9, Block D, Latifabad#.07, Hyderabad.	022-3821861-5
059	Tando Adam	Tando Adam	Plot #. 543/9 Hyderabad Road, Tando Adam.	023-5571261-2
060	Nawab Shah	Nawab Shah	Plot No. 80, Masjid Road Nawab Shah.	0244-360903-05
061	Anaj Mandi, Larkana	Larkana	PB No. 1641/1/3, Shop No. 1& 2 Ground Floor Ward "A" Gajan Pur Road, Anaj Mandi, Larkana.	074-4040914
062	Saddar, Karachi	Karachi	PB No. 272/1, Ground Floor State Life Building No.11, Abdullah Haroon Road, Saddar Karachi.	021-35681851-53
063	Main Road, Turbat	Turbat	Khatooni No. 73/73, Khasra No. 2161 to 2188, Main Road Turbat.	0852-4111523-3,50
064	Expo Centre, Lahore	Lahore	Plot No. 587, Block H-III, Expo Centre, Johar Town, Lahore.	042-35468498
065	Wapda Town, Lahore	Lahore	Plot No. 8, Block D, Phase I, PIA Housing Scheme, Wapda Town, Lahore.	042-35463995-6
066	Tehsil Road, Zhob	Zhob	Plot No. C/159, C/160, Tehsil Road, Zhob.	0822-412257
067	Mansehra Road, Abbottabad	Abbottabad	GM Tower, near Sethi Masjid, Mansehra Road, Abbottabad	099-2408301-04
068	Dharampura, Lahore	Lahore	SE-6R-226/1, Dharampura, Allama Iqbal Road, Lahore.	042-37173833-38
069	Faisal Town, Lahore	Lahore	Main Boulevard Faisal Town, Lahore	042-35202200
070	Chitral	Chitral	Ataliq Bazar, Bypass Road near Bus Adda, Chitral.	0943-414389
071	Sadiqabad	Sadiqabad	19, 20 - D Main Bazar Sadiq Abad	068-5802243
072	JK Sugar Mills	Mian Channu	JK sugar Mill chak no 84/15L Mian Channu	0300-2120388
073	Muhammad Ali Society	Karachi	12-C/B Muhammad Ali Society,Karachi	021-34320831-35
074	Super Highway	Karachi	Shop No 27 28 1-B/3 Main Super Highway Scheme 33	021-36820013
075	Dera Ghazi Khan	Dera Ghazi Khan	Ashraf Plaza Block 2 Kacheri road DG Khan	064-2460256-58
076	Safoora Chowk	Karachi	Plot no Sb-15,Block 7,Gulistan E Johar, Scheme 36,Karachi	021-34184191-95

Br. Code	Name of Branch	City	Address	Contact No.
077	Bahria Town Branch	Islamabad	DHA Phase II, Gate 3, Tulip Road, near GIGA Mall, GT Road, Islamabad	051-5146011
078	Model Colony Branch	Karachi	Model Colony, Karachi	021-34110334
079	Nilla Gumbed Branch	Lahore	Nilla Gumbed, Lahore	--
080	Bedian Road Branch	Lahore	Abadi Dahi Hadbust, Mouza Lidhar, Lahore	--
081	Jutial Branch	Gilgit	Shahrah-e-Quaid-e-Azam, Gilgit	05811-450754
082	Model Town Branch	Bahawalpur	30, Model Town-B, Block A, Bahawalpur	--
083	Tulip Road Branch	Islamabad	Tulip Road DHA Phase 2, Islamabad	051-5147164
084	Ghafoor Chamber Branch	Karachi	Shop no. 5/8, Ghafoor Chamber off Abdullah Haroon Road, Saddar, Karachi	021-32750007
085	Madras Chowk Branch	Karachi	Pioneer Tower Survey no.22 & 24, Deh Songal Gujro, Sector 16-Scheme, Karachi	--
086	M.A Jinnah Road Branch	Okara	M.A Jinnah Road, Okara	--
102	Kamra Branch	Kamra	Masha-Allah Building Kutba More PAC Chowk, G.T Road, Kamra Cantt, District Attock	057-2642521
103	Attock Branch	Attock	Dr. Ghulam Gillani Burq Road, Attock City	057-5700903
104	Chakwal Branch	Chakwal	Ghalla Mandi, Talagang Road Chakwal	0543-602050, 602051
105	Soap Market Branch	Faisalabad	Soap Market, Karkhana Bazar, Faisalabad	041-2601805
106	Liaqat Road Branch	Faisalabad	P-64, Taj Plaza, Main Kotwali Road, Faisalabad	041-2604931-32
107	Ghakar Branch	Ghakar	G.T.Road GHhakar Mandi	055-3886662
108	Anwar Industries Branch	Gujranwala	Revenue Estate Khiali Shahpur, Tehsil & Distt. Gujranwala.	055-4555091
109	GT Road Kharian	Kharian	Bilal Plaza G.T.Road Kharian	053-7601325,7601358
110	Ghalla Mandi Branch	Mandi Bahaudin	Galla Mandi, Mandi Bahaudin	0546-509551
111	G.T Road Gujrat Branch	Gujrat	Hussain Plaza, Chowk GTS, G.T. Road, Gujrat	053-3571542 053-3530287
112	Unit No. 7 Latifabad Branch	Hyderabad	Main Road, Unit # 7, Latifabad, Hyderabad	022-3821641 022-3818437
113	Market Area Branch	Hyderabad	Market Area Hyderabad	022-2635072
114	Police Line Branch	Hyderabad	Police Line,risala road Hyderabad	022-2729437, 2731000
115	Post Mall Branch	Islamabad	F-7 Markaz Post Mall Islamabad	051-2608003, 2608018
116	Babar Center Branch	Islamabad	Al-Babar Center, F-8 Markaz, Islamabad	051-2852653
117	Trade Center Branch	Islamabad	Trade Centre, F-11 Markaz, Islamabad	051-2107862

Br. Code	Name of Branch	City	Address	Contact No.
118	E-11/3 Branch	Islamabad	E-11/3 Islamabad	051-2375343
119	MB City Mall Branch	Islamabad	MB City Mall, I-8 Markaz, Islamabad	051-4862278-9
120	Wah Cantt Branch	Wah	Civic Centre, Aslam Market, Wah Cantt	051-4902231
121	Jhang Branch	Jhang	Yousaf Shah Road Jhang	047-7629594-91
122	Sarai Alamgir Branch	Sarai Alamgir	Al Fazal Plaza, G T Road Sarai Alamgir	0544-654932
123	Gujjar Khan Branch	Gujjar Khan	KH Hameed Ud Din Plaza GT Road Gujjar Khan	051-3513734
124	Jhelum Branch	Jhelum	Resham Plaza, Civil Lines, Jhelum	0544-627128
125	Pakistan Stock Exchange Branch	Karachi	2nd Floor, Pakistan Stock Exchange Building, Karachi	021-32418675
126	Medicine market Branch	Karachi	Market Quarters North Napier Road Karachi	021-32430489
127	Gul Tower Branch	Karachi	Main I I Chundrigar Road, Karachi	021-32426413
128	Cloth Market Branch	Karachi	Cloth Market, Karachi	021-32472148-9
129	Veerjee Street Branch	Karachi	Veerjee Street Jodia Bazar Karach	021-32443758 021-32432849
130	Jamshed Quarters	Karachi	G-2, Ground floor, Muhammadi Trade Tower, plot No. 5 SR 6, SR Quarters, Altaf Hussain Road, New Challi, Karachi	021-34910571
131	STATE LIFE BUILDING	Karachi	state life building no.5 saddar branch karachi	021-35212102
132	Javed Archade Branch	Karachi	Javaid Arcade,Gulistan e Johar Karachi	021-34636746
133	Shershah Branch	Karachi	Plot No.M-II-E-606, Shershah, Karachi.	021-32587581,82,83
134	Regal Chowk Branch	Karachi	Regal Chowk , Saddar Karachi.	021-32750001
135	Darakhshan Street Branch	Karachi	Darakhshan Street, Karachi	021-34115090-91
136	P.E.C.H.S Branch	Karachi	Mezzanine Floor, Block 2, PECHS, Allama Iqbal road, Karachi.	021-34398489
137	shaheed-e-Millat Road Branch	Karachi	Adam Arcade, Shaheed-e-Millt Road, Karachi	021-34943666
138	Business Arcade Branch	Karachi	P.E.C.H.S Sharah-e- Faisal Karachi	021-34326570,71,72,73
139	Landhi Branch	Karachi	Area 4D Landhi Karachi	021-5040601-5
140	Rabi Square	Karachi	Rabi Square, Khalid Bin Waleed Road Karachi	021-34398481
141	EOBI House Branch	Karachi	EOBI House, Shahrah-e- Faisal, Karachi	021-34330172
142	Port Qasim Branch	Karachi	Port Operation Area, Port Qasim Authority, Karachi	021-35277184
143	Allama Iqbal Road Branch	Karachi	Allama Iqbal Road Karachi	021-34301817

Br. Code	Name of Branch	City	Address	Contact No.
144	Korangi Industrial Area Branch	Karachi	Korangi Industrial Area Karachi	021-35114148
145	Nauras Chowrangi Site Branch	Karachi	Nauras Chowrangi SITE Karachi	021-32562656
146	BLOCK A NORTH NAZIMAD	Karachi	PLOT NO SD-12 BLOCK'A' NORTH NAZIMABAD KARACHI	021-36673597
147	Sand Appartments Branch	Karachi	Sand Appartments, Clifton Karachi	021-35375013
148	DHA Phase 5 Branch	Karachi	Phase 5, DHA Karachi.	021-35341673
149	DHA Phase 1 Branch	Karachi	Phase 1, DHA Karachi.	021-35386881-3
150	Zamzama Lane Branch	Karachi	Commercial Lane Zamzama DHA Phase-V	021-3810788
151	Kulsoom Court Branch	Karachi	Kulsoom Court Karachi	021-38798971-77
152	DHA Phase IV Branch	Karachi	DHA Phase 4 Karachi	021-35885718, 6426,4181
153	Khayaban-e- Shahbaz Branch	Karachi	DHA - VI, Shahbaz Commercial, Karachi	021-35348772
154	DHA Phase II Branch	Karachi	National Highway, DHA Phase II Karachi	021-38107889
155	Pakistan Chowk Branch	Karachi	Serai Quarters, Pakistan Chowk, Karachi.	021-32216368-69
156	Old Haji Camp Branch	Karachi	Lea Quarters, Siddique Wahab Road, Karachi.	021-32751119
157	Garden West Branch	Karachi	Garden West ,Nishter Road,Karachi	021-32231338
158	Puri House Branch	Karachi	Puri House West Wharf Road karachi	021-32205422,4639
159	A BLOCK GULSHAN-E-RAVI	Lahore	A BLOCK GULSHAN E RAVI, LAHORE	0423-7401870-3,4,90
160	BANK SQUARE, SHAHRAH-E-QUAID	Lahore	Bank Square Branch Lahore	0423-7210102
161	Shahrah-e-Aiwan-e-Tijarat Branch	Lahore	14 Shahrah-e-Aiwan-e-Tijarat Branch, Old Race Course Road (Ex-NIB House), Lahore	042-38108056-59
162	Davis Road branch	Lahore	Aftab Centre Davis Road, Lahore	042-36287029,36286965
163	Model Town C Block Branch	Lahore	C Block Commercial Market, Model Town, Lahore	042-35915403-6
164	Urdu Bazar Branch	Lahore	Paisa Akhbar Urdu Bazaar Lahore	042-37361216
165	DHA Phase II Branch	Lahore	Commercial Area DHA Phase II Lahore	0423-5749481,5707033
166	Bahria Town Branch	Lahore	Near Jamia Masjid, Sector C,Bahria Town, Lahore	0423-7861591-3
167	Kibriya Town Branch	Lahore	Kibriya Town, Raiwind Road Lahore	042-35963291
168	Ichra Branch	Lahore	Main Ferozepur Road Ichra Lahore	042-37426801-5
169	Multan Road Branch	Lahore	Industrial Area, Allama Iqbal Town, Scheme More, Multan Road	042-37803449

Br. Code	Name of Branch	City	Address	Contact No.
170	Muzaffarabad Branch	Muzaffarabad	Domel Sydian Gharipan Chowk Muzaffarabad Azad Jammu & Kashmir	05822-921137-8, 920455
171	Mirpur Branch	Mirpur AK	Ghazi Ellahi Buksh Building Allama Iqbal Road Mirpur Azad Jammu & Kashmir	05827-442840, 447683
172	Hayyatabad Branch	Peshawar	Phase 5 Hayatabad, KPK	091-5825305
173	Yadgar Chowk Branch	Peshawar	Haroon Plaza Branch Ashraf Road Chowk Yadgar Peshawar City	091-2580718, 2590762
174	Masjid Road Branch	Quetta	Masjid Road Quetta	081-2843640
175	Manan Chowk Branch	Quetta	Mannan Chowk, M.A. Jinnah Road, Quetta	081-2836204-5
176	Murree Road Branch	Rawalpindi	20-B North Star Plaza , Satellite Town , Rawalpindi	051-4426972-3,5,6
177	Police Foundation Branch	Rawalpindi	National Police Foundation PWD, Islamabad	051-5957660-2
178	Raja Bazar Branch	Rawalpindi	Hamilton Road Branch Mohalla Workshopi Raja Bazar Gunj Madi Rawalpindi	051-5778950
179	Mian Khan Road Branch	Sargodha	Mian Khan Road Sargodha	048-3726609, 3729623
180	Batti Chowk Branch	Sheikhupura	Al-Hamd Plaza Batti Chowk Sheikhupura	056-3812456
181	Kashmir Road Branch	Sialkot	Sublime Chowk, Kashmir Road, Sialkot	0523-241491
182	Teer Chowk Branch	Sukkur	Memon Mohulla Barrage Road Sukkur	071-5618227-24
183	Shahdadpur Branch	Shahdadpur	Station Road Shahdadpur	023-5844901-2
184	Muhammadi Chowk	Tando Adam	Muhammadi Chowk Hyderabad Road Tandoadam	0235-574081
185	Kunri Branch	Kunri	Bank Road Kunri	0238-55801
186	Shahrarah Branch	Lahore	Jia Musa Shahdarah	042-37919160
187	Baghbanpura Branch	Lahore	G T Road Baghbanpura Lahore	042-36844011-12
188	Ravi Road Branch	Lahore	Ravi Road Branch Lahore	042-37722338-9
189	Circular Road Branch	Lahore	Babar Center 51-Circular Road Lahore	042-37379250
190	General Truck Stand Branch	Lahore	Plot No. 193, Green Market, Badami Bagh, Lahore	042-37706366
191	Azam Cloth Market Branch	Lahore	Dehli Gate Azam Cloth Market Lahore	042-37658134