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These quarterly condensed interim financial statements are available on bank's official website: www.bankalfalah.com

CORPORATE INFORMATION

AS AT OCTOBER 28, 2007

Board of Directors

H.E. Sheikh Hamdan Bin Mubarak Al Nahayan	Chairman
Mr. Abdulla Khalil Al Mutawa	Director
Mr. Abdulla Nasser Hawaileel Al-Mansoori	Director
Mr. Khalid Mana Saeed Al Otaiba	Director
Mr. Ikram Ul-Majeed Sehgal	Director
Mr. Nadeem Iqbal Sheikh	Director
Mr. Sirajuddin Aziz	Chief Executive Officer

Board Advisory Committee

Mr. Khalid Mana Saeed Al Otaiba	Director
Mr. Abdulla Khalil Al Mutawa	Director
Mr. Bashir A. Tahir	Member
Mr. Ganpat Singhvi	Member
Mr. M. Iftikhar Shabbir	Secretary

Board Audit Committee

Mr. Abdulla Khalil Al Mutawa	Director
Mr. Khalid Mana Saeed Al Otaiba	Director
Mr. Bashir A. Tahir	Member
Mr. Ganpat Singhvi	Member
Mr. M. Iqbal Saifi	Secretary

Board Credit And Finance Committee

Mr. Abdullah Khalil Al Mutawa	Director
Mr. Khalid Mana Saeed Al Otaiba	Director
Mr. Ganpat Singhvi	Member
Mr. Bashir A. Tahir	Member
Mr. M. Iftikhar Shabbir	Secretary

Board Risk Management Committee

Mr. Khalid Mana Saeed Al Otaiba	Director
Mr. Abdullah Khalil Al Mutawa	Director
Mr. Ganpat Singhvi	Member
Mr. Bashir A. Tahir	Member
Mr. Haroon Khalid	Secretary

CORPORATE INFORMATION
AS AT OCTOBER 28, 2007

Central Management Committee

Mr. Sirajuddin Aziz	Chairman
Mr. Parvez A. Shahid	Deputy Chairman
Mr. Mohammad Yousuf	Member
Mr. Shakil Sadiq	Member
Mr. Shahid M. Murtaza	Member
Mr. Nadeemul Haq	Member
Mr. Bakhtiar Khawaja	Member
Mr. Adil Rashid	Member
Mr. Ijaz Farooq	Member
Mr. Arfa Waheed Malik	Member
Mr. Adnan Anwar Khan	Member
Mr. Ashfaq A. Qureshi	Secretary

Company Secretary

Mr. Hamid Ashraf

Chief Financial Officer

Mr. Zahid Ali H. Jamall

Auditors

KPMG Taseer Hadi & Co.,
Chartered Accountants

Registered / Head Office

B. A. Building
I. I. Chundrigar Road
Karachi.

Website

www.bankalfalah.com

DIRECTORS' REVIEW

The Board of Directors is pleased to present the un-audited financial statements of the Bank for the nine month period ended September 30, 2007.

	(Rupees in '000)	
	Nine-month period ended Sept. 2007	Nine-month period ended Sept. 2006
Profit before provisions and Taxation	5,312,164	2,365,745
Provisions	(922,388)	(467,112)
Profit before Taxation	4,389,776	1,898,633
Taxation	(1,383,346)	(557,074)
Profit After Taxation	<u>3,006,430</u>	<u>1,341,559</u>
Earnings per share	Rs. 4.63	Rs. 2.27

During the nine-month period ended September 30, 2007 the Bank's profit before provision and taxation stood at Rs. 5,312.164 million as compared to Rs.2,365.745 million for the previous comparable period, registering an increase of 124.55%. This increase in profit is primarily attributable to overall increase in business volumes and includes capital gain on sale of shares of Warid Telecom (Pvt) Limited amounting to Rs.1.789 billion.

In compliance with the current prudential regulations on consumer banking, your Bank has created general provisions amounting to Rs.106.261 million against the consumer portfolio, for the nine month period ended September 2007.

We continue to strengthen our presence in the market place and as of September 30, 2007, we are operating through 199 branches that includes 23 Islamic Banking branches and 7 foreign branches in Bangladesh and Afghanistan and one Wholesale banking unit in Bahrain. Our plan is to add more branches to the network during the last quarter of 2007.

PACRA, a premier rating agency of the country, has rated the Bank 'AA', Entity Rating for Long Term and A1+ for the Short Term. These ratings denote a very low expectation of credit risk, strong capacity for timely payment of financial commitments in the long term and by highest capacity for timely repayment in the short term, respectively. Further, the unsecured subordinated debt (Term Finance Certificates) of the Bank has been awarded a credit rating of AA- (double A minus).

The Board would like to thank our valued customers for their continued patronage and support, the State Bank of Pakistan, Ministry of Finance and other regulatory authorities for their continuous guidance and support with whom we enjoy a very cordial relationship. The Board would also like to place on record its appreciation for the hard work, dedication, professionalism and sincere efforts of the senior management, officers and staff of the Bank at all levels.

Sirajuddin Aziz
Director & Chief Executive Officer

Date: October 28, 2007
Place: Abu Dhabi

CONDENSED INTERIM BALANCE SHEET
AS AT 30 SEPTEMBER 2007

	Note	30 September 2007 (un-audited)	31 December 2006
(Rupees in '000)			
ASSETS			
Cash and balances with treasury banks		25,404,127	27,859,360
Balances with other banks		25,718,628	12,731,952
Lendings to financial institutions		5,340,201	12,456,653
Investments	7	89,778,769	56,502,210
Advances	8	149,336,509	149,999,325
Operating fixed assets		10,888,391	10,502,990
Deferred tax assets		-	-
Other assets		5,993,399	5,633,051
		312,460,024	275,685,541
LIABILITIES			
Bills payable		3,959,218	3,091,135
Borrowings from financial institutions		16,096,061	8,394,130
Deposits and other accounts		260,228,448	239,509,391
Sub-ordinated loans		3,221,482	3,222,106
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities		1,995,264	1,921,338
Other liabilities		11,597,273	7,305,496
		297,097,746	263,443,596
NET ASSETS		15,362,278	12,241,945
REPRESENTED BY			
Share capital		6,500,000	5,000,000
Reserves		2,349,913	2,749,533
Unappropriated profit		4,746,655	2,823,072
		13,596,568	10,572,605
Surplus on revaluation of assets - net of deferred tax		1,765,710	1,669,340
		15,362,278	12,241,945
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The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director

Director

Chairman

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2007

	Note	2007		2006	
		Three months period ended 30 Sept 2007	Nine months period ended 30 Sept 2007	Three months period ended 30 Sept 2006	Nine months period ended 30 Sept 2006
----- (Rupees in '000) -----					
Mark-up / return / interest earned		6,812,965	18,841,411	5,475,961	15,537,009
Mark-up / return / interest expensed		(4,397,588)	(12,319,267)	(3,748,921)	(11,066,596)
Net mark-up / return / interest income		2,415,377	6,522,144	1,727,040	4,470,413
Provision against loans and advances		(308,233)	(922,388)	(167,814)	(467,112)
Provision for diminution in value of investment		-	-	-	-
Bad debts written off directly		(1,654)	(3,290)	(509)	(1,022)
		(309,887)	(925,678)	(168,323)	(468,134)
Net mark-up / return / interest income after provisions		2,105,490	5,596,466	1,558,717	4,002,279
Non mark-up / interest income					
Fee, commission and brokerage income		642,991	1,804,390	461,699	1,257,590
Dividend income		26,249	39,992	20,724	30,195
Income from dealing in foreign currencies		128,238	343,362	84,263	268,004
Gain / (loss) on sale of securities	10	1,788,625	1,985,697	(5,025)	197,044
Unrealized (loss) / gain on revaluation of investment classified as held for trading		(13,029)	(5,317)	56,591	(40,967)
Other income	11	276,733	776,452	227,401	580,868
Total non-mark-up / interest income		2,849,807	4,944,576	845,653	2,292,734
		4,955,297	10,541,042	2,404,370	6,295,013
Non mark-up / interest expense					
Administrative expenses		2,379,937	6,149,702	1,588,189	4,357,206
Other provisions / write-offs		-	-	-	-
Other charges		1,313	1,564	39,557	39,174
Total non-mark-up / interest expenses		2,381,250	6,151,266	1,627,746	4,396,380
		2,574,047	4,389,776	776,624	1,898,633
Extra ordinary / unusual items		-	-	-	-
Profit before taxation		2,574,047	4,389,776	776,624	1,898,633
Taxation					
- Current		877,324	1,320,839	120,869	321,778
- Prior years		-	-	-	(45,000)
- Deferred		(79,246)	62,507	127,470	280,296
		798,078	1,383,346	248,339	557,074
Profit after taxation		1,775,969	3,006,430	528,285	1,341,559
Basic / diluted earnings per share	Rupees	2.73	4.63	0.89	2.27

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director

Director

Chairman

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2007

	30 September 2007	30 September 2006
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	4,389,776	1,898,633
Less: Dividend income	(39,992)	(30,195)
	4,349,784	1,868,438
Adjustments:		
Depreciation	682,844	499,508
Amortisation	15,314	11,899
Provision against non-performing loans and advances	922,388	467,112
Unrealized loss on revaluation of investments classified as held for trading	5,317	40,967
Bad debts written-off directly	3,290	1,022
(Gain) on sale of operating fixed assets	(12,122)	(9,803)
Provision for gratuity	83,965	56,811
	1,700,996	1,067,516
	6,050,780	2,935,954
(Increase) / decrease in operating assets		
Lending to financial institutions	5,486,916	17,604,582
Held-for-trading securities	532,620	188,318
Advances	(262,862)	(15,359,471)
Other assets - net of provision against other assets	(790,758)	(1,171,664)
	4,965,916	1,261,765
Increase / (decrease) in operating liabilities		
Bills payable	868,084	144,679
Borrowings	7,701,931	14,438,429
Deposits and other accounts	20,719,057	(7,502,016)
Other liabilities	3,312,753	2,477,924
	32,601,825	9,559,016
	43,618,520	13,756,735
Income tax refund / (paid)	21,011	(442,371)
Net cash flow from operating activities	43,639,531	13,314,364
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available-for-sale securities	(25,240,871)	(27,104,787)
Net investments in held-to-maturity securities	(7,267,821)	16,683,240
Investments in associated companies	(1,179,577)	(637,660)
Dividend income received	23,611	13,074
Investment in operating fixed assets	(1,093,990)	(1,702,605)
Proceeds from sale of operating fixed assets	22,553	22,268
Net cash flow from investing activities	(34,736,095)	(12,726,470)
CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Share Capital	-	1,000,000
Share premium received	-	1,000,000
Redemption of sub-ordinated loans	(624)	(624)
Net cash flow from financing activities	(624)	1,999,376
Exchange differences on translation of the net investment in foreign branches	(906)	(648)
Increase / (decrease) in cash and cash equivalents	8,901,906	2,586,622
Cash and cash equivalents at beginning of the period	43,181,100	35,291,994
Cash and cash equivalents at end of the period	52,083,006	37,878,616
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
Cash and balance with treasury banks	25,404,127	25,237,859
Balance with other banks	25,718,628	10,741,965
Call money lendings	960,251	1,898,792
	52,083,006	37,878,616

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director

Director

Chairman

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2007**

	Share Capital	Share Premium	Statutory Reserve	Reserve for Issue of Bonus Share	Exchange Translation Reserve	Unappropriated profit	TOTAL
	(Rupees in '000)						
Balance at January 1, 2006	3,000,000	500,000	1,349,191	-	2,027	1,886,845	6,738,063
Changes in equity for nine months ended upto 30 September 2006							
Transfer from surplus on revaluation of fixed asset - net of tax	-	-	-	-	-	19,556	19,556
Exchange differences on translation of net investment in foreign branches	-	-	-	-	(648)	-	(648)
Profit for the period	-	-	-	-	-	1,341,559	1,341,559
Total recognized income and expense for the period	-	-	-	-	(648)	1,361,115	1,360,467
Transfer to statutory reserve	-	-	268,312	-	-	(268,312)	-
Issue of Bonus shares	1,000,000	(500,000)	-	-	-	(500,000)	-
Issue of right shares	1,000,000	1,000,000	-	-	-	-	2,000,000
Balance at September 30, 2006	5,000,000	1,000,000	1,617,503	-	1,379	2,479,648	10,098,530
Changes in equity for three months ended upto 31 December 2006							
Transfer from surplus on revaluation of fixed assets - net of tax	-	-	-	-	-	6,518	6,518
Exchange differences on translation of net investment in foreign branches	-	-	-	-	46,425	-	46,425
Profit for the period	-	-	-	-	-	421,132	421,132
Total recognized income and expense for the period	-	-	-	-	46,425	427,650	474,075
Transfer to statutory reserve	-	-	84,226	-	-	(84,226)	-
Issue of Right shares	-	-	-	-	-	-	-
Balance at December, 2006	5,000,000	1,000,000	1,701,729	-	47,804	2,823,072	10,572,605
Changes in equity for nine months ended upto 30 September 2007							
Transfer from surplus on revaluation on fixed assets - net of tax	-	-	-	-	-	18,439	18,439
Exchange differences on translation of net investment in foreign branches	-	-	-	-	(906)	-	(906)
Profit for the period	-	-	-	-	-	3,006,430	3,006,430
Total recognized income and expense for the period	-	-	-	-	(906)	3,024,869	3,023,963
Transfer to statutory reserve	-	-	601,286	-	-	(601,286)	-
Issue of bonus shares	1,500,000	(1,000,000)	-	-	-	(500,000)	-
Balance at September 30, 2007	6,500,000	-	2,303,015	-	46,898	4,746,655	13,596,568

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director

Director

Chairman

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2007

1. STATUS AND NATURE OF BUSINESS

Bank Alfalah Limited is a banking company incorporated in Pakistan on 21 June 1992 as a public limited company under the Companies Ordinance, 1984. It commenced its banking operations on 01 November 1992. The Bank's registered office is at B.A. Building, I.I.Chundrigar Road, Karachi and is listed on the Karachi and Lahore Stock Exchanges. The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and is operating through 168 conventional banking branches (December 2006: 166 branches), 7 overseas branches (December 2006: 5 branches), 23 Islamic banking branches (December 2006: 23 branches) and 1 offshore banking unit (December 2006: 1).

2. STATEMENT OF COMPLIANCE AND BASIS OF PRESENTATION

These interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan and the requirements of the Companies Ordinance, 1984 and the Banking Companies Ordinance, 1962, directives issued by the Securities Exchange Commission of Pakistan and the State Bank of Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards as notified under the provisions of the Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance, 1984, Banking Companies Ordinance, 1962 or directives issued by the Securities and Exchange Commission of Pakistan and the State Bank of Pakistan differ with the requirements of these standards, the requirements of the Companies Ordinance, 1984, Banking Companies Ordinance, 1962 or the requirements of the said directives take precedence. The disclosures made in these financial statements have, however, been limited based on the format prescribed by the State Bank of Pakistan vide BSD Circular letter No. 2 dated 12 May 2004 and the requirements of International Accounting Standard 34 'Interim Financial Reporting'. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Bank for the year ended 31 December 2006.

The State Bank of Pakistan, vide its BSD Circular No. 10 dated 26 August 2002 has deferred the applicability of International Accounting Standard 39 'Financial Instruments Recognition and Measurement' and International Accounting Standard 40 'Investment Property' for banking companies till further instructions. Accordingly, the requirements of these standards have not been considered in the preparation of these financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the State Bank of Pakistan through various circulars.

The Securities and Exchange Commission of Pakistan notified the Islamic Financial Accounting Standard 1 issued by the Institute of Chartered Accountants of Pakistan relating to accounting for murahaba transactions undertaken by the Bank. The said Standard is effective for financial statements of banks for the financial period beginning on or after 1 January 2006. The Bank has not adopted the above Standard as it considers that this Standard should be applicable to the dedicated Islamic banks preparing their financial statements in accordance with Islamic Financial Reporting Standard rather than to certain transactions carried on an Islamic basis by Islamic Banking branches of traditional commercial banks. Further, the Bank also considers that adoption of the Standard may expose the Bank to certain additional tax liabilities which may need to be resolved before this Standard can be adopted.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

3. SIGNIFICANT ACCOUNTING POLICIES

Except for the policy given below, the accounting policies used in the preparation of these interim financial statements are the same as those applied in the preparation of the annual financial statements of the Bank for the year ended 31 December 2006

3.1 Non-Current Assets Held for Sale

During the year 2006, the Securities and Exchange Commission of Pakistan (SECP), vide SRO No.1228(i)/ 2006 dated 6 December 2006 adopted International Financial Reporting Standard (IFRS) 5 ' Non-current Assets Held for Sale and Discontinued Operations' and made it applicable to the financial statements for the period beginning on or after 01 January 2007.

On application of above IFRS, following new accounting policy has been adopted by the Bank

The Bank classifies a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. A non-current asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets (or disposal groups). Its sale must be planned and committed and an active programme initiated to locate a buyer and complete the plan within one year. The non-current asset (or disposal group) must be actively marketed for a price that is reasonable in relation to its current fair value.

A non-current asset (or disposal group) held for sale is carried at the lower of its carrying amount and the fair value less costs to sell. Impairment losses are recognized through the profit and loss account for any initial or subsequent write down of the non-current asset (or disposal group) to fair value less costs to sell. Subsequent gains in fair value less costs to sell are recognized to the extent they do not exceed the cumulative impairment losses previously recorded. A non-current asset is not depreciated while classified as held for sale or while part of a disposal group classified as held for sale.

If a non-current asset (or disposal group) ceases to be classified as held for sale or as a discontinued operation the results of the operation are reclassified and included in the profit and loss account for continuing operations for all periods presented.

The adoption of the above accounting policy did not have any impact on these interim financial statements.

4. ACCOUNTING ESTIMATES

The basis for accounting estimates adopted in the preparation of these interim financial statements are the same as those applied in the preparation of the annual financial statements of the Bank for the year ended 31 December 2006.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by Bank are consistent with those disclosed in the annual financial statements of the Bank for the year ended 31 December 2006.

6. DISCONTINUING OPERATION

On 28 October 2005, the Board of Directors of the Bank approved a plan to segregate its business of Islamic Banking into a separate entity. The segregation reflects Bank's plan to remain competitive with ever increasing competition in the local market and become the premier Islamic bank. Resultantly, in order to achieve this objective, the Board feels that the Islamic Banking Division should be converted into a wholly owned subsidiary of the Bank. As of 30 September 2007, the Islamic Banking Division's assets were Rs. 21.590 billion and its liabilities were Rs. 21.586 billion.

During the period ended 30 September 2007, Islamic Banking Division earned revenue of Rs. 1.378 billion, incurred expenses of Rs. 1.283 billion and earned a pre-tax profit of Rs. 95 million with a related tax expense (including current and deferred tax) of Rs. 31.492 million. During the period ended 30 September 2007, Islamic Banking Division's cash outflow from operating activities was Rs. 704.281 million, cash outflow from investing activities was Rs. 2.123 billion, and cash inflow from financing activities was Rs. nil.

As the approval from State Bank of Pakistan is pending, therefore the active program to complete the plan has not been finalised. Accordingly, it has not been classified as Discontinued Operation in accordance with IFRS 5 'Non-Current Assets Held for Sale and Discontinued Operations'.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

7 INVESTMENTS

7.1 Investments by types

	30 September 2007 (un-audited)			31 December 2006		
	Held by Bank	Given as collateral	Total	Held by Bank	Given as collateral	Total
	-----Rupees in '000-----					
Held for trading securities	307,357	-	307,357	839,977	-	839,977
Available for sale securities	40,590,914	10,209,660	50,800,574	23,878,490	1,681,213	25,559,703
Held to maturity securities	35,302,225	-	35,302,225	28,034,404	-	28,034,404
	76,200,496	10,209,660	86,410,156	52,752,871	1,681,213	54,434,084
Associates	3,822,041	-	3,822,041	2,586,464	-	2,586,464
Subsidiaries	76,000	-	76,000	132,000	-	132,000
Investment at cost	80,098,537	10,209,660	90,308,197	55,471,335	1,681,213	57,152,548
Provision for diminution in value of investment						
Investments (net of provisions)	80,098,537	10,209,660	90,308,197	55,471,335	1,681,213	57,152,548
Unrealized (loss) / gain on revaluation of investment classified as held for trading	(11,918)	-	(11,918)	(6,601)	-	(6,601)
Surplus / (Deficit) on revaluation of available-for-sale securities	(76,349)	48,928	(27,421)	(63,548)	(816)	(63,548)
(Deficit) on revaluation of securities - associate	(490,089)	-	(490,089)	(579,373)	-	(579,373)
Total investments at market value	79,520,181	10,258,588	89,778,769	54,821,813	1,680,397	56,503,026

7.1 Deficit on revaluation of securities on account of Warid Telecom (Pvt) Ltd has been reversed to the extent of shares sold. The remaining deficit will be reversed after the approval of State Bank of Pakistan.

	30 September 2007 (un-audited)	31 December 2006
	(Rupees in '000)	
Loans, cash credits, running finances etc.		
- in Pakistan	124,424,958	128,054,207
- outside Pakistan	5,124,035	3,552,842
Net investment in finance lease / Ijarah Financing		
- in Pakistan	15,707,308	14,289,817
- outside Pakistan	-	-
	15,707,308	14,289,817
Bills discounted and purchased (excluding treasury bills)		
- Payable in Pakistan	1,451,620	1,687,954
- Payable outside Pakistan	5,779,984	4,650,961
	7,231,604	6,338,915
Provision against advances	152,487,905	152,235,781
- Specific provision	(1,946,458)	(1,175,568)
- General provision	(1,204,938)	(1,060,888)
	149,336,509	149,999,325

8.1 Advances include Rs. 4.025 billion (2006: Rs.2.31 billion) which have been placed under non-performing status as detailed below.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

	Domestic	Overseas	Total	Provision Required		Provision held	
				Specific	General	Specific	General
(Rupees in '000)							
Other Assets Especially							
Mentioned (Agri Financing)	126,579	-	126,579	-	-	-	-
Substandard	942,676	21,173	963,849	118,389	-	118,389	-
Doubtful	836,770	-	836,770	272,858	-	272,858	-
Loss	2,050,443	47,061	2,097,504	1,555,211	-	1,555,211	-
	<u>3,956,468</u>	<u>68,234</u>	<u>4,024,702</u>	<u>1,946,458</u>	<u>1,114,293</u>	<u>1,946,458</u>	<u>1,204,938</u>

Note 30 September 31 December
2007 2006
(un-audited)

9 CONTINGENCIES AND COMMITMENTS

(Rupees in '000)

9.1 Direct credit substitutes

i) Government	1,496,648	1,060,022
ii) Banking companies and other financial institutions	172,532	50,077
iii) Others	2,387,570	1,607,806
	<u>4,056,750</u>	<u>2,717,905</u>

9.2 Transaction-related contingent liabilities

i) Government	12,197,422	11,477,550
ii) Banking companies and other financial institutions	403,762	617,392
iii) Others	10,996,493	5,603,788
	<u>23,597,677</u>	<u>17,698,730</u>

9.3 Trade-related contingent liabilities

Letters of credit	39,956,736	27,080,933
Acceptances	6,866,471	5,261,893

9.4 Other contingencies

Claims against the Banks not acknowledged as debt	724,765	643,384
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9.5 Commitments in respect of forward lending

Forward repurchase agreement lending	-	922,102
Commitments to extend credit	5,834,000	6,106,000

9.6 Commitments in respect of forward exchange contracts

Purchase	11,029,523	4,331,315
Sale	12,264,599	4,821,648

9.7 Commitments for the acquisition of operating fixed assets and intangibles

	442,982	520,565
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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

	30 September 2007 (un-audited)	31 December 2006
	(Rupees in '000)	
9.8 Commitments in respect repo transactions		
Repurchase	11,285,226	1,777,650
Resale	4,050,665	9,924,099

10 This includes an amount of Rs.1.789 billion as gain on sale of 48,816,474 shares of Warid Telecom (Pvt) Limited to Singapore Telecom Limited.

11 OTHER INCOME

	2007		2006	
	Three months period ended 30 Sept 2007	Nine months period ended 30 Sept 2007	Three months period ended 30 Sept 2006	Nine months period ended 30 Sept 2006
	----- (Rupees in '000) -----			
Net profit on sale of property and equipment	2,272	12,122	8,284	9,803
Postage, telex, service charges etc.	274,461	764,330	219,117	571,065
	<u>276,733</u>	<u>776,452</u>	<u>227,401</u>	<u>580,868</u>

11.1 This includes other income of Rs.33.425 million (September 2006: Rs 29.007 million) of Islamic Banking Division.

12 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and include major shareholders, associated companies with or without common directors, retirement benefit funds and directors and key management personnel and their close family members.

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

Contributions to and accruals in respect of staff retirements and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives are determined in accordance with the terms of their appointment.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

Details of transactions with related parties and balances with them as at the period-end were as follows:

		30 September 2007 (Un-audited)						
		Directors	Key Management Personnel	Group Companies	Associates	Subsidiaries	Strategic Investments	Total
		(Rupees in '000)						
12.1	Deposits							
	Balance at the beginning of the period	3,905	20,467	16,095	1,047,226	7,142	6	1,094,841
	Placements / Adjustment during the period	10,219	404,837	1,127,177	108,500,656	334,925	-	110,377,814
	Withdrawals / Adjustment during the period	(3,915)	(379,959)	(1,131,045)	(92,871,301)	(338,809)	(2)	(94,725,031)
	Balance at end of the period	10,209	45,345	12,227	16,676,581	3,258	4	16,747,624
12.2	Financing							
	Balance at the beginning of the period	-	59,043	-	3,100,908	97,121	183,333	3,440,405
	Disbursement / Adjustment during the period	-	127,666	-	5,927	17,816,764	-	17,950,357
	Repayment / Adjustment during the period	-	(24,642)	-	(3,091,886)	(17,681,735)	(150,000)	(20,948,263)
	Balance at the end of the period	-	162,067	-	14,949	232,150	33,333	442,499
12.3	Investments							
	Balance at the beginning of the period	-	-	349,580	2,586,464	132,000	120,000	3,188,044
	Investment / Adjustment during the period	-	-	5,000	1,723,742	-	-	1,728,742
	Withdrawals / Adjustment during the period	-	-	(354,580)	(488,165)	(56,000)	-	(898,745)
	Balance at the end of the period	-	-	-	3,822,041	76,000	120,000	4,018,041
12.4	Call Borrowings							
	Balance at the beginning of the period	-	-	-	-	-	-	-
	Placements during the period	-	-	12,395,217	-	-	-	12,395,217
	Withdrawals during the period	-	-	(12,395,217)	-	-	-	(12,395,217)
	Balance at end of the period	-	-	-	-	-	-	-
12.5	Call Lendings							
	Balance at the beginning of the period	-	-	920,644	-	-	-	920,644
	Placements during the period	-	-	29,034,460	-	-	-	29,034,460
	Withdrawals during the period	-	-	(29,955,104)	-	-	-	(29,955,104)
	Balance at end of the period	-	-	-	-	-	-	-

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

	Note	30 September 2007 (Un-audited)	31 December 2006
(Rupees in '000)			
12.6			
Loans and Advances			
Running Finance			
- Subsidiary Company		226,712	85,306
- Other Related Parties		10,442	3,100,908
Long term loans			
- Subsidiary Company		5,438	11,815
- Other Related Parties		199,907	242,376
12.7			
Contingencies and commitments			
Letter of credit and acceptance issued		5,143	157,048
Guarantees issued		46,200	169,200
12.8			
Customer accounts			
PLS accounts			
- Subsidiary Company		-	5,750
- Other Related Parties		15,423,754	390,387
Current accounts			
- Subsidiary Company		3,258	1,392
- Other Related Parties		182,928	112,750
Fixed deposit accounts			
- Subsidiary Company		-	-
- Other Related Parties		1,137,681	584,562
		30 September 2007	30 September 2006
		(Un-audited)	
		(Rupees in '000)	
12.9			
With subsidiary companies			
Brokerage expense		1,317	1,789
Mark-up income		5,760	10,532
Mark-up expense		1,070	-
Rent income		4,004	2,402
Finance lease income		1,001	261
Lease rentals		2,838	1,463
Lease disbursed during the period to subsidiary companies		-	2,806
Contributions to employee provident fund		-	-
Receivable against trade of marketable securities		16,361	2,806
Receivable against others		192	-
Bank balance held with Bank Alfalah Limited		3,258	-
Security deposit		862	1,138
Bank charges recovered		142	115

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

	30 September 2007	30 September 2006
	(Un-audited) (Rupees in '000)	
12.10 With associated companies		
Commission Income from Warid Telecom (Pvt) Ltd	-	55,375
Insurance Premium paid to Alfalah Insurance Limited	45,750	-
Mark-up income on advances	254,152	12,302
Commission income on letters of credit	146	-
12.11 With other related parties		
Capital gain on sale of shares of UBL	21,516	-
Contribution to Employees Provident Fund	82,807	58,666
12.12 The Key Management Personal / Directors compensation are as follows:		
Salaries & benefits	382,012	193,930
In addition the chief executive and other executive officers are provided with bank maintained car.		
13 DATE OF AUTHORISATION FOR ISSUE		
These condensed interim financial statements were authorised for issue on October 28, 2007 by the Board of Directors.		

Chief Executive Officer

Director

Director

Chairman

ISLAMIC BANKING DIVISION

The bank is operating 23 Islamic banking branches as at 30 September 2007 (23 Islamic banking branches as at 31 December 2006).

	30 September 2007	31 December 2006
	(Rupees in '000)	
ASSETS		
Cash and balances with treasury banks	2,187,806	3,210,942
Balances with and due from financial institutions	2,827,007	4,631,442
Investments	2,866,205	833,203
Financing and Receivables		
-Murahaba	2,354,349	2,979,948
-Ijara	7,674,980	6,869,769
-Musharaka	332,725	293,656
-Diminishing musharaka	2,547,691	2,371,423
-Salam	361,229	100,000
-Istesina	5,985	-
-Other islamic modes	180,938	210,834
Operating fixed assets	1,320,267	1,284,651
Other assets	855,864	710,391
Total Assets	23,515,046	23,496,259
LIABILITIES		
Bills payable	327,453	165,580
Borrowing from financial institutions	5,000	-
Deposits and other accounts	-	-
-Current Accounts	5,046,723	5,057,425
-Saving Accounts	3,877,925	3,701,738
-Term Deposits	6,096,695	6,808,727
-Others	189,375	116,796
-Deposit from financial institutions -remunerative	2,925,309	3,275,330
-Deposits from financial institutions-non-remunerative	-	-
Due to head office	-	-
Deferred tax liabilities	253,457	215,936
Other liabilities	2,863,719	2,280,394
	<u>21,585,656</u>	<u>21,621,926</u>
Net Assets	1,929,390	1,874,333
REPRESENTED BY		
Islamic banking fund	1,200,000	1,200,000
Reserves	20	-
Unappropriated / Unremitted profit	261,797	190,586
	<u>1,461,817</u>	<u>1,390,586</u>
Surplus / (Deficit) on revaluation of assets	467,573	483,747
	<u>1,929,390</u>	<u>1,874,333</u>
Remuneration to Shariah Advisor / Board	375	1,019
CHARITY FUND		
Opening balance	23,042	2,908
Additions during the period	2,114	13,703
Payments / Utilization during the period	-	-
Closing balance	<u>25,156</u>	<u>16,611</u>

Note: The Bank has not recognized separate income tax charge and resulting tax liability on the Islamic Banking Business for the purpose of this disclosure

Consolidated Financial Statements
of
Bank Alfalah Limited
and
Subsidiary Companies
for the nine months period ended
September 30, 2007



CONSOLIDATED CONDENSED INTERIM BALANCE SHEET
AS AT 30 SEPTEMBER 2007

	Note	30 September 2007 (un-audited)	31 December 2006
(Rupees in '000)			
ASSETS			
Cash and balances with treasury banks		25,404,127	27,859,360
Balances with other banks		25,720,936	12,735,607
Lendings to financial institutions		5,340,201	12,456,653
Investments	7	89,778,497	56,128,577
Advances	8	149,199,626	149,942,717
Operating fixed assets		10,949,444	10,548,441
Deferred tax assets		-	-
Other assets		6,558,672	5,840,128
		<u>312,951,503</u>	<u>275,511,483</u>
LIABILITIES			
Bills payable		3,959,218	3,091,135
Borrowings from financial institutions		16,291,150	8,408,327
Deposits and other accounts		260,227,284	239,480,772
Sub-ordinated loans		3,221,482	3,222,106
Liabilities against assets subject to finance lease		8,342	1,137
Deferred tax liabilities		2,166,795	2,124,118
Other liabilities		11,779,218	7,356,679
		<u>297,653,489</u>	<u>263,684,274</u>
NET ASSETS		<u>15,298,014</u>	<u>11,827,209</u>
REPRESENTED BY			
Share capital		6,500,000	5,000,000
Reserves		2,349,913	2,749,533
Unappropriated profit		4,337,803	1,979,360
		<u>13,187,716</u>	<u>9,728,893</u>
Minority Interest		26,030	52,383
		<u>13,213,746</u>	<u>9,781,276</u>
Surplus on revaluation of assets - net of deferred tax		2,084,268	2,045,933
		<u>15,298,014</u>	<u>11,827,209</u>

CONTINGENCIES AND COMMITMENTS 9

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director

Director

Chairman

**CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2007**

	Note	2007		2006	
		Three months period ended 30 Sept 2007	Nine months period ended 30 Sept 2007	Three months period ended 30 Sept 2006	Nine months period ended 30 Sept 2006
------(Rupees in '000)-----					
Mark-up / return / interest earned		6,820,265	18,861,575	5,478,463	15,540,304
Mark-up / return / interest expensed		(4,404,536)	(12,334,929)	(3,749,758)	(11,068,562)
Net mark-up / return / interest income		2,415,729	6,526,646	1,728,705	4,471,742
Provision against loans and advances		(308,233)	(922,388)	(167,814)	(467,112)
Provision for diminution in value of investment		-	-	-	-
Bad debts written off directly		(1,654)	(3,290)	(509)	(1,022)
		(309,887)	(925,678)	(168,323)	(468,134)
Net mark-up / return / interest income after provisions		2,105,842	5,600,968	1,560,382	4,003,608
Non mark-up / interest income					
Fee, commission and brokerage income		668,635	1,893,966	477,501	1,303,862
Dividend income		26,250	40,024	20,724	30,198
Income from dealing in foreign currencies		128,238	343,362	84,263	268,004
Gain on sale of securities		1,788,828	1,986,388	330	202,399
Unrealized (loss) / gain on revaluation of investment classified as held for trading	10	(13,338)	(5,052)	58,627	(41,790)
Other income	11	275,936	774,523	223,267	578,926
Total non-mark-up / interest income		2,874,549	5,033,211	864,712	2,341,599
		4,980,391	10,634,179	2,425,094	6,345,207
Non mark-up / interest expense					
Administrative expenses		2,390,354	6,227,148	1,610,098	4,414,661
Other provisions / write-offs		-	-	-	-
Other charges		1,313	1,564	39,557	39,174
Total non-mark-up / interest expenses		2,391,667	6,228,712	1,649,655	4,453,835
		2,588,724	4,405,467	775,439	1,891,372
Extra ordinary / unusual items		-	-	-	-
Share of Profit / (loss) of associated undertaking		250,952	512,312	(254,612)	(785,764)
Profit before taxation		2,839,676	4,917,779	520,827	1,105,608
Taxation					
- Current		881,596	1,331,642	122,915	325,772
- Prior years		-	625	-	(45,000)
- Deferred		(79,246)	62,507	127,470	280,296
- Share of tax of associated undertaking		79,310	101,915	(101,186)	(280,081)
		881,660	1,496,689	149,199	280,987
Profit after taxation		1,958,016	3,421,090	371,628	824,621
Attributable to:					
Shareholders of the bank		1,953,865	3,420,066	373,297	829,864
Minority Interest		4,151	1,024	(1,669)	(5,243)
		1,958,016	3,421,090	371,628	824,621
Basic / diluted earnings per share	Rupees	3.00	5.26	0.63	1.40

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director

Director

Chairman

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2007

	30 September 2007	30 September 2006
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	4,917,779	1,105,608
Share of (Profit) / loss of associated undertaking	(512,312)	785,764
Less: Dividend income	(40,024)	(30,198)
	<u>4,365,443</u>	<u>1,861,174</u>
Adjustments:		
Depreciation	682,844	503,602
Amortisation	15,314	11,899
Provision against non-performing advances	922,388	467,112
Unrealized loss on revaluation of investments classified as held for trading	-	-
Bad debts written-off directly	5,052	41,790
(Gain) on sale of operating fixed assets	3,290	1,022
Provision for gratuity	(12,112)	(9,803)
	83,965	56,811
	<u>1,700,741</u>	<u>1,072,433</u>
	6,066,184	2,933,607
 (Increase) / decrease in operating assets		
Lending to financial institutions	5,486,916	17,604,582
Held-for-trading securities	537,081	194,741
Advances	(182,586)	(15,585,440)
Other assets - net of provision against other assets	(1,156,585)	(822,061)
	<u>4,684,826</u>	<u>1,391,822</u>
Increase / (decrease) in operating liabilities		
Bills payable	868,084	144,679
Borrowings	7,882,823	14,455,642
Deposits and other accounts	20,746,512	(7,496,849)
Other liabilities	3,443,516	2,350,708
	<u>32,940,935</u>	<u>9,454,180</u>
	43,691,945	13,779,609
Income tax refund / (paid)	10,615	(446,365)
Net cash flow from operating activities	<u>43,702,560</u>	<u>13,333,244</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available-for-sale securities	(25,240,871)	(27,112,347)
Net investments in held-to-maturity securities	(7,267,821)	16,683,240
Investments in associated companies	(1,235,577)	(637,672)
Dividend income received	23,643	13,077
Investment in operating fixed assets	(1,109,644)	(1,712,878)
Proceeds from sale of operating fixed assets	22,594	22,543
Net cash flow from investing activities	<u>(34,807,676)</u>	<u>(12,744,037)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Share Capital	-	1,000,000
Share premium received	-	1,000,000
Redemption of sub-ordinated loans	(624)	(624)
Payment against lease obligations	7,205	(149)
Dividend paid	-	-
Net cash flow from financing activities	<u>6,581</u>	<u>1,999,227</u>
Exchange differences on translation of the net investment in foreign branches	(906)	(648)
Increase in cash and cash equivalents	<u>8,900,559</u>	<u>2,587,786</u>
Cash and cash equivalents at beginning of the period	43,184,755	35,294,831
Cash and cash equivalents at end of the period	<u>52,085,314</u>	<u>37,882,617</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
Cash and balance with treasury banks	25,404,127	25,237,859
Balance with other banks	25,720,936	10,745,966
Call money lendings	960,251	1,898,792
	<u>52,085,314</u>	<u>37,882,617</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director

Director

Chairman

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2007**

	Share Capital	Share Premium	Statutory Reserve	Reserve for Issue of Bonus Share	Exchange Translation Reserve	Unappropriated profit	Minority Interest	TOTAL
(Rupees in '000)								
Balance at January 1, 2006	3,000,000	500,000	1,349,191	-	2,027	1,473,076	42,142	6,366,436
Changes in equity for nine months ended upto 30 September 2006	-	-	-	-	-	-	-	-
Transfer from surplus on revaluation of fixed asset - net of tax	-	-	-	-	-	19,556	-	19,556
Exchange differences on translation of net investment in foreign branches	-	-	-	-	(648)	-	-	(648)
Profit attributable to equity holders of the parent	-	-	-	-	-	829,864	-	829,864
Loss attributable to minority shareholders	-	-	-	-	-	-	(5,243)	(5,243)
Total recognized income and expense for the period	-	-	-	-	(648)	849,420	(5,243)	843,529
Transfer to statutory reserve	-	-	268,312	-	-	(268,312)	-	-
Issue of Bonus shares	1,000,000	(500,000)	-	-	-	(500,000)	-	-
Issue of right shares	1,000,000	1,000,000	-	-	-	-	-	2,000,000
Balance at September 30, 2006	5,000,000	1,000,000	1,617,503	-	1,379	1,554,184	36,899	9,209,965
Changes in equity for three months ended upto 31 December 2006	-	-	-	-	-	-	-	-
Transfer from surplus on revaluation of fixed assets - net of tax	-	-	-	-	-	6,518	-	6,518
Exchange differences on translation of net investment in foreign branches	-	-	-	-	46,425	-	-	46,425
Profit attributable to equity holders of the parent	-	-	-	-	-	502,884	-	502,884
Loss attributable to minority shareholders	-	-	-	-	-	-	(2,116)	(2,116)
Total recognized income and expense for the period	-	-	-	-	46,425	509,402	(2,116)	553,711
Receivable against shares from minority	-	-	-	-	-	-	17,600	17,600
Transfer to statutory reserve	-	-	84,226	-	-	(84,226)	-	-
Issue of Right shares	-	-	-	-	-	-	-	-
Balance at December, 2006	5,000,000	1,000,000	1,701,729	-	47,804	1,979,360	52,383	9,781,276
Changes in equity for nine months ended upto 30 September 2007	-	-	-	-	-	-	-	-
Transfer from surplus on revaluation on fixed assets - net of tax	-	-	-	-	-	18,439	-	18,439
Exchange differences on translation of net investment in foreign branches	-	-	-	-	(906)	-	-	(906)
Profit attributable to equity holders of the parent	-	-	-	-	-	3,420,066	-	3,420,066
Profit attributable to minority shareholders	-	-	-	-	-	-	1,024	1,024
Total recognized income and expense for the period	-	-	-	-	(906)	3,438,505	1,024	3,438,624
Investment in associate - (Note-1)	-	-	-	-	-	21,223	(27,377)	(6,154)
Transfer to statutory reserve	-	-	601,286	-	-	(601,286)	-	-
Issue of bonus shares	1,500,000	(1,000,000)	-	-	-	(500,000)	-	-
Balance at September 30, 2007	6,500,000	-	2,303,015	-	46,898	4,337,803	26,030	13,213,746

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director

Director

Chairman

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2007**

1. STATUS AND NATURE OF BUSINESS

Bank Alfalah Limited is a banking company incorporated in Pakistan on 21 June 1992 as a public limited company under the Companies Ordinance, 1984. It commenced its banking operations on 01 November 1992. The Bank's registered office is at B.A. Building, I.I.Chundrigar Road, Karachi and is listed on the Karachi and Lahore Stock Exchanges. The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and is operating through 168 conventional banking branches (December 2006: 166 branches), 7 overseas branches (December 2006: 5 branches), 23 Islamic banking branches (December 2006: 23 branches) and 1 offshore banking unit (December 2006: 1).

The Bank has invested in 76 % (December 2006: 76 %) shares of Alfalah Securities (Private) Limited. The principal objective of the company is to undertake the business of a brokerage house. Alfalah Securities (Private) Limited was incorporated on September 23, 2003 with registered office in Karachi, Pakistan. The company obtained corporate membership from Karachi Stock Exchange (Guarantee) Limited on November 24, 2003.

The Bank has invested in 38% (December 2006: 56%) shares of Alfalah GHP Investment Management Limited. The principal activity of the company is to act as asset management company, investment advisor / fund manager and constitute, float and manage open-ended and closed-ended funds. Due to injection of equity from M/s MAB Investment the Bank's holding has reduced from 56% to 38% that has converted Alfalah GHP Investment Management Limited from Bank's subsidiary to associate.

2. STATEMENT OF COMPLIANCE AND BASIS OF PRESENTATION

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan and the requirements of the Companies Ordinance, 1984 and the Banking Companies Ordinance, 1962, directives issued by the Securities Exchange Commission of Pakistan and the State Bank of Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards as notified under the provisions of the Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance, 1984, Banking Companies Ordinance, 1962 or directives issued by the Securities and Exchange Commission of Pakistan and the State Bank of Pakistan differ with the requirements of these standards, the requirements of the Companies Ordinance, 1984, Banking Companies Ordinance, 1962 or the requirements of the said directives take precedence. The disclosures made in these financial statements have, however, been limited based on the format prescribed by the State Bank of Pakistan vide BSD Circular letter No. 2 dated 12 May 2004 and the requirements of International Accounting Standard 34 'Interim Financial Reporting'. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Bank for the year ended 31 December 2006.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

The State Bank of Pakistan, vide its BSD Circular No. 10 dated 26 August 2002 has deferred the applicability of International Accounting Standard 39 'Financial Instruments Recognition and Measurement' and International Accounting Standard 40 'Investment Property' for banking companies till further instructions. Accordingly, the requirements of these standards have not been considered in the preparation of these financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the State Bank of Pakistan through various circulars.

The Securities and Exchange Commission of Pakistan notified the Islamic Financial Accounting Standard 1 issued by the Institute of Chartered Accountants of Pakistan relating to accounting for murahaba transactions undertaken by the Bank. The said Standard is effective for financial statements of banks for the financial period beginning on or after 1 January 2006. The Bank has not adopted the above Standard as it considers that this Standard should be applicable to the dedicated Islamic banks preparing their financial statements in accordance with Islamic Financial Reporting Standard rather than to certain transactions carried on an Islamic basis by Islamic Banking branches of traditional commercial banks. Further, the Bank also considers that adoption of the Standard may expose the Bank to certain additional tax liabilities which may need to be resolved before this Standard can be adopted.

3. SIGNIFICANT ACCOUNTING POLICIES

Except for the policy given below, the accounting policies used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Bank for the year ended 31 December 2006

3.1 Non-Current Assets Held for Sale

During the year 2006, the Securities and Exchange Commission of Pakistan (SECP), vide SRO No.1228(i)/ 2006 dated 6 December 2006 adopted International Financial Reporting Standard (IFRS) 5 'Non-current Assets Held for Sale and Discontinued Operations' and made it applicable to the financial statements for the period beginning on or after 01 January 2007.

On application of above IFRS, following new accounting policy has been adopted by the Bank

The Bank classifies a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. A non-current asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets (or disposal groups). Its sale must be planned and committed and an active programme initiated to locate a buyer and complete the plan within one year. The non-current asset (or disposal group) must be actively marketed for a price that is reasonable in relation to its current fair value.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

A non-current asset (or disposal group) held for sale is carried at the lower of its carrying amount and the fair value less costs to sell. Impairment losses are recognized through the profit and loss account for any initial or subsequent write down of the non-current asset (or disposal group) to fair value less costs to sell. Subsequent gains in fair value less costs to sell are recognized to the extent they do not exceed the cumulative impairment losses previously recorded. A non-current asset is not depreciated while classified as held for sale or while part of a disposal group classified as held for sale.

If a non-current asset (or disposal group) ceases to be classified as held for sale or as a discontinued operation the results of the operation are reclassified and included in the profit and loss account for continuing operations for all periods presented.

The adoption of the above accounting policy did not have any impact on the condensed interim financial statements.

4. ACCOUNTING ESTIMATES

The basis for accounting estimates adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Bank for the year ended 31 December 2006.

5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by Bank are consistent with those disclosed in the annual financial statements of the Bank for the year ended 31 December 2006.

6. DISCONTINUING OPERATION

On 28 October 2005, the Board of Directors of the Bank approved a plan to segregate its business of Islamic Banking into a separate entity. The segregation reflects Bank's plan to remain competitive with ever increasing competition in the local market and become the premier Islamic bank. Resultantly, in order to achieve this objective, the Board feels that the Islamic Banking Division should be converted into a wholly owned subsidiary of the Bank. As of 30 September 2007, the Islamic Banking Division's assets were Rs. 21.590 billion and its liabilities were Rs. 21.586 billion.

During the period ended 30 September 2007, Islamic Banking Division earned revenue of Rs. 1.378 billion, incurred expenses of Rs. 1.283 billion and earned a pre-tax profit of Rs. 95 million with a related tax expense (including current and deferred tax) of Rs. 31.492 million. During the period ended 30 September 2007, Islamic Banking Division's cash outflow from operating activities was Rs. 704.281 million, cash outflow from investing activities was Rs. 2.123 billion, and cash inflow from financing activities was Rs. nil.

As the approval from State Bank of Pakistan is pending, therefore the active program to complete the plan has not been finalised. Accordingly, it has not been classified as Discontinued Operation in accordance with IFRS 5 'Non-Current Assets Held for Sale and Discontinued Operations'.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

7 INVESTMENTS

7.1 Investments by types

	30 September 2007 (un-audited)			31 December 2006		
	Held by Bank	Given as collateral	Total	Held by Bank	Given as collateral	Total
-----Rupees in '000-----						
Held for trading securities	308,274	-	308,274	845,355	-	845,355
Available for sale securities	40,590,914	10,209,660	50,800,574	23,878,490	1,681,213	25,559,703
Held to maturity securities	35,302,225	-	35,302,225	28,034,404	-	28,034,404
	<u>76,201,413</u>	<u>10,209,660</u>	<u>86,411,073</u>	<u>52,758,249</u>	<u>1,681,213</u>	<u>54,439,462</u>
Associates	3,822,041	-	3,822,041	2,586,464	-	2,586,464
Loss on associates	(415,278)	-	(415,278)	(825,624)	-	(825,624)
	<u>3,406,763</u>	<u>-</u>	<u>3,406,763</u>	<u>1,760,840</u>	<u>-</u>	<u>1,760,840</u>
Investment	79,608,176	10,209,660	89,817,836	54,519,089	1,681,213	56,200,302
Provision for diminution in value of investment						
Investments (net of provisions)	79,608,176	10,209,660	89,817,836	54,519,089	1,681,213	56,200,302
Unrealized (loss) / gain on revaluation of investment classified as held for trading	(11,918)	-	(11,918)	(7,361)	-	(7,361)
(Deficit) / Surplus on revaluation of available-for-sale securities	(76,349)	48,928	(27,421)	(63,548)	(816)	(64,364)
Total investments at market value	<u>79,519,909</u>	<u>10,258,588</u>	<u>89,778,497</u>	<u>54,448,180</u>	<u>1,680,397</u>	<u>56,128,577</u>

30 September 2007 (un-audited)
(Rupees in '000)

8 ADVANCES

Loans, cash credits, running finances etc.		
- in Pakistan	124,293,028	128,009,414
- outside Pakistan	5,124,035	3,552,842
Net investment in finance lease		
- in Pakistan	15,702,355	14,278,002
- outside Pakistan	-	-
	15,702,355	14,278,002
Bills discounted and purchased (excluding treasury bills)		
- Payable in Pakistan	1,451,620	1,687,954
- Payable outside Pakistan	5,779,984	4,650,961
	7,231,604	6,338,915
Provision against advances	152,351,022	152,179,173
- Specific provision	(1,946,458)	(1,175,568)
- General provision	(1,204,938)	(1,060,888)
	<u>149,199,626</u>	<u>149,942,717</u>

8.1 Advances include Rs. 4.025 billion (2006: Rs.2.31 billion) which have been placed under non-performing status as detailed below.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

Category of Classification

	Domestic	Overseas	Total	Provision Required		Provision held	
				Specific	General	Specific	General
------(Rupees in '000)-----							
Other Assets Especially							
Mentioned (Agri Financing)	126,579	-	126,579	-	-	-	-
Substandard	942,676	21,173	963,849	118,389	-	118,389	-
Doubtful	836,770	-	836,770	272,858	-	272,858	-
Loss	2,050,443	47,061	2,097,504	1,555,211	-	1,555,211	-
	3,956,468	68,234	4,024,702	1,946,458	1,114,293	1,946,458	1,204,938

**30 September
2007
(un-audited)**

31 December
2006

9 CONTINGENCIES AND COMMITMENTS

(Rupees in '000)

9.1 Direct credit substitutes

i) Government	1,496,648	1,060,022
ii) Banking companies and other financial institutions	172,532	50,077
iii) Others	2,387,570	1,607,806
	4,056,750	2,717,905

9.2 Transaction-related contingent liabilities

i) Government	12,197,422	11,477,550
ii) Banking companies and other financial institutions	403,762	617,392
iii) Others	10,996,493	5,603,788
	23,597,677	17,698,730

9.3 Trade-related contingent liabilities

Letters of credit	39,956,736	27,080,933
Acceptances	6,866,471	5,261,893

9.4 Other contingencies

Claims against the Banks not acknowledged as debt	724,765	643,384
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9.5 Commitments in respect of forward lending

Forward repurchase agreement lending	-	922,102
Commitments to extend credit	5,834,000	6,106,000

9.6 Commitments in respect of forward exchange contracts

Purchase	11,029,523	4,331,315
Sale	12,264,599	4,821,648

9.7 Commitments for the acquisition of operating fixed assets and intangibles

	442,982	520,565
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NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

	30 September 2007 (un-audited) (Rupees in '000)	31 December 2006
9.8 Commitments in respect repo transactions		
Repurchase	11,285,226	1,777,650
Resale	4,050,665	9,924,099

10 This includes an amount of Rs.1.789 billion as gain on sale of 48,816,474 shares of Warid Telecom (Pvt) Limited to Singapore Telecom Limited.

11 OTHER INCOME

	2007		2006	
	Three months period ended 30 Sept 2007	Nine months period ended 30 Sept 2007	Three months period ended 30 Sept 2006	Nine months period ended 30 Sept 2006
	----- (Rupees in '000) -----			
Net profit on sale of property and equipment	2,271	12,112	8,284	9,803
Postage, telex, service charges etc.	273,665	762,411	214,983	569,123
	<u>275,936</u>	<u>774,523</u>	<u>223,267</u>	<u>578,926</u>

11.1 This includes other income of Rs.33.425 million (September 2006: Rs 29.007 million) of Islamic Banking Division.

12 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and include major shareholders, associated companies with or without common directors, retirement benefit funds and directors and key management personnel and their close family members.

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

Contributions to and accruals in respect of staff retirements and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives are determined in accordance with the terms of their appointment.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

Details of transactions with related parties and balances with them as at the period-end were as follows:

		30 September 2007 (Un-audited)					
		Directors	Key Management Personnel	Group Companies	Associates	Strategic Investments	Total
		------(Rupees in '000)-----					
12.1	Deposits						
	Balance at the beginning of the period	3,905	20,467	16,095	1,047,226	6	1,087,699
	Placements during the period	10,219	404,837	1,127,177	108,500,656	-	110,042,889
	Withdrawals during the period	(3,915)	(379,959)	(1,131,045)	(92,871,301)	(2)	(94,386,222)
	Balance at end of the period	10,209	45,345	12,227	16,676,581	4	16,744,366
12.2	Financing						
	Balance at the beginning of the period	-	59,043	-	3,100,908	183,333	3,343,284
	Disbursement during the period	-	127,666	-	5,927	-	133,593
	Repayment during the period	-	(24,642)	-	(3,091,886)	(150,000)	(3,266,528)
	Balance at the end of the period	-	162,067	-	14,949	33,333	210,349
12.3	Investments						
	Balance at the beginning of the period	-	-	349,580	2,586,464	120,000	3,056,044
	Investment during the period	-	-	5,000	1,723,742	-	1,728,742
	Withdrawals during the period	-	-	(354,580)	(488,165)	-	(842,745)
	Balance at the end of the period	-	-	-	3,822,041	120,000	3,942,041
12.4	Call Borrowings						
	Balance at the beginning of the period	-	-	-	-	-	-
	Placements during the period	-	-	12,395,217	-	-	12,395,217
	Withdrawals during the period	-	-	(12,395,217)	-	-	(12,395,217)
	Balance at end of the period	-	-	-	-	-	-
12.5	Call Lendings						
	Balance at the beginning of the period	-	-	920,644	-	-	920,644
	Placements during the period	-	-	29,034,460	-	-	29,034,460
	Withdrawals during the period	-	-	(29,955,104)	-	-	(29,955,104)
	Balance at end of the period	-	-	-	-	-	-

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

	30 September 2007 (Un-audited) (Rupees in '000)	31 December 2006
12.6 Financing		
Running Finance		
- Other Related Parties	10,442	3,100,908
Long term loans		
- Other Related Parties	199,907	242,376
12.7 Contingencies and commitments		
Letter of credit and acceptance issued	5,143	157,048
Guarantees issued	46,200	169,200
12.8 Customer accounts		
PLS accounts		
- Other Related Parties	15,423,754	390,387
Current accounts		
- Other Related Parties	182,928	112,750
Fixed deposit accounts		
- Other Related Parties	1,137,681	584,562
	30 September 2007 (Un-audited) (Rupees in '000)	30 September 2006
12.9 With associated companies		
Commission Income from Warid Telecom (Pvt) Ltd	-	55,375
Insurance Premium paid to Alfalah Insurance Limited	45,750	-
Mark-up income on advances	254,152	12,302
Commission income on letters of credit	146	-
12.10 With other related parties		
Capital gain on sale of shares of UBL	21,516	-
Contribution to Employees Provident Fund	82,807	58,666

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

30 September 2007 30 September 2006
(Un-audited)
(Rupees in '000)

**12.11 The Key Management Personal /
Directors compensation are as follows:**

Salaries & benefits - Parent Company	382,012	193,930
-Subsidiary company	8,010	6,380

In addition the chief executive and other executive officers are provided with bank maintained car.

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 28, 2007 by the Board of Directors.

Chief Executive Officer

Director

Director

Chairman

BRANCHES NETWORK

KARACHI

Main Branch

B.A. Building, I.I.Chundrigar Road.
Phone : (021) 2414030-39
UAN No. : 111-777-786
Fax : 2417006, 2434181

Cloth Market Branch

Cochinwala Market, Luxmidas Street.
Phone : (021) 2401621-6
Fax : 2401627-2418896

Clifton Branch

World Trade Centre, Khayaban-e-Romi, Clifton.
Phone : (021) 5833778-82 Fax : 5879175

Shahrah-e-Faisal Branch

Progressive Square, 11-A Block-6 PECHS.
Phone : (021) 4313536-38,
4522441, 4522460
Fax : 4313539

Jodia Bazar Branch

Gulzar Manzil, Jodia Bazar.
Phone : (021) 2532483-4, 2544816-20
Fax : 2532485

Korangi Industrial Area Branch

Aiwan-e-Sanat, Plot No.ST-4/2, Sector 23,
Korangi Industrial Area.
Phone : (021) 5065701-2 Fax : 5050653

M.A.Jinnah Road Branch

Plot No.23/1, Zelin Place (Habib Bank Building),
M.A.Jinnah Road/Abdullah Haroon Road.
Phone : (021)2750627-28,
Fax : 2750629

S.I.T.E. Branch

D-40, Estate Avenue, Siemens Chowrangi, S.I.T.E.
Phone : (021) 2581247, 2582114-6
Fax : 2582113, 2581247

North Karachi Industrial Area Branch

Sector 12-B, North Karachi Industrial Area,
Opp: Police Station Gabol Town.
Phone : (021) 6987644, 6986170
Fax : 6986051

Paper Market Branch

Plot No. S.R.7/23, Campbell Street, Paper Market.
Phone : (021) 2211353-58 Fax : 2211243

Gulshan-e-Iqbal Branch

Plot No.SB-15, Block 13-B, KDA Scheme No.24,
University Road, Gulshan-e-Iqbal.
Phone : (021) 4984937, 4984904
Fax : 4984971

Karachi Stock Exchange Branch

18-20, Karachi Stock Exchange Building,
Stock Exchange Road.
Phone : (021) 2417515-19 Fax : 2418353

North Napier Road Branch

Surv. No. 35 / Sheet No. NP - 10
(Old Surv.No.A26/5), Napier Quarters.
Phone : (021) 2544021-24, 2540989
Fax : 2540066

Bahadurabad Branch

Prime Arcade, Shop No. 1-3,
Bahadur Shah Zafar Road, Bahadurabad.
Phone : (021) 4129677-81, 4128578-81
Fax : 4129676

Timber Market Branch

Ground Floor, Sur. No. 15, Siddique Wahab Road,
Lawrence Quarters.
Phone : (021) 2750635-9 Fax : 2750632

Defence Housing Authority Branch

Plot No.40 & 42 C,26th Commercial St. Phase V,
Defence Housing Authority.
Phone : (021) 5304145-49 Fax : 5304157

PECHS Branch

Shop No. 3, 154-S, Block-2, P.E.C.H.S.
Phone : (021) 4535861-2 4538423-24
Fax : 4314221

Federal 'B' Area Branch

C-28, Block - 13, Federal 'B' Area.
Phone : (021) 6803041, 6344700,5&6
Fax : 6803043

Eidgah Branch

45/1/2, Wadhmal Udham Quarters,
Near Light House, M.A. Jinnah Road.
Phone : (021) 2217290-4 Fax : 2217244

Marriot Road Branch

Karachi Survey # 67, Sheet # M.R.1,
Murad Khan Road, Marriot Road.
Phone : (021) 2414138-40 & 2412080
Fax : 2412082

BRANCHES NETWORK

Hyderi (North Nazimabad) Branch

Plot # ST-4, Al-Burhan Circle Hyderi,
Block 'E', North Nazimabad.
Phone : (021) 6626066, 6626004
Fax : 6625402

Gulistan-e-Jauhar Branch

30-31, Saima Classic Rashid Minhas Road.
Phone : (021) 4815926-27, 4815930
Fax : 4815924

Tipu Sultan Road Branch

Z-111-112, Adamjee Nagar, Tipu Sultan Road.
Phone : (021) 4398457-9 Fax : 4398456

DHA Phase-I Branch

114, 9th East Street, Phase-I,
Defence Housing Authority, Main Korangi Road.
Phone : (021) 5887571-73 Fax : 5887574

Hawksbay Road Branch

KB-28, Haji Ishaq Market, Main Hawksbay Road,
Opp. Quaid-e-Azam New Truck Stand
Phone : (021) 2355871, 2355872
Fax : 2355873

Shershah Branch

D-283, Main Shershah Road, S.I.T.E.
Phone : (021) 2585001-4 Fax : 2585005

Malir Cantt. Branch

Old Malir Cantonment Library,
Cantt Bazar, Malir Cantt.
Phone : (021) 4904601 Fax : 4904602

Tariq Road Branch

124/A, Block 2, P.E.C.H.S, Main Tariq Road
Phone : (021) 4386052-5 Fax : 4386056

Landhi Branch

Area 5-D, Sector 36-E, Landhi Township
Phone : (021) 5034451-3 Fax : 5030875

Gulshan Chowrangi Branch

Gulshan Chowrangi, Sani Arcade,
Block - 3, Gulshan-e-Iqbal
Phone : (021) 4988695 Fax : 4985729

Garden East Branch

Silver Jubilee Apartment, 194/2/1, Britto Road,
Near Ismailia Jamat Khana, Garden East
Phone : (021) 2238704, 2238717, 2238722, 2238605
Fax : 2225941

DHA Phase IV, Karachi

Plot No. 80, 10th Commercial Street,
Phase IV, Defence Housing Authority, Karachi
Phone: (021) 5312832- 35 Fax: 5312837

Gizri

K-4/3, Bazar Area Clifton, Karachi
Phone: 021 - 5868991-93
Fax: 021 - 5867149

Sea View

Sahil Promenade, Block 3, Scheme 5,
Clifton, Karachi
Phone: 021 - 5364095-97
Fax: 021 - 5371259

Nazimabad

Al-Kausar Homes, Plot # 2, Block-III,
Sub-Block "E", Nazimabad, Karachi
Phone: (021) 6708980-83
Fax: (021) 6708978

Saddar Branch

Shop # 6, State Life Building # 5,
Abdullah Haroon Road.
Phone: (021) 5658710-11
Fax: (021) 5658717

HYDERABAD

Plot No.476/1 & 476/2,
adjacent to Hotel Faran, Saddar.
Phone : (0221) 786020-22, 784242
Fax : 786023

SUKKUR

B-2823/B-2851, Frere Road, Sarafa Bazar.
Phone : (071) 28173-75, 24753, 24750
Fax : 28176

NAWABSHAH

Municipal Office Chowk, Katchery Road
Phone : (0244)330721-28 Fax : 330729

QUETTA

M.A. Jinnah Road Branch

Property No.2-12(1), M.A.Jinnah Road.
Phone : (081) 2841057, 2841180-83
Fax : 2827562

Hazar Gunji Branch

Plot No. 332, 333, 334,
Truck Stand, Hazar Gunji.
Phone : (081) 2460520 Fax : 2460519

BRANCHES NETWORK

Cloth Market Branch

Cut Piece Cloth Market, Shahrah-e-Iqbal
Phone : (081) 4003849 Fax : 2821636

Double Road

Arbab Plaza, Double Road, Quetta
Phone : (081) 2441961-62, 2441662
Fax : (081) 2441665

CHAMAN

Trunch Road,
Phone : (0826) 613440, 612541
Fax : 613488

GAWADAR

Gawadar Palace Motel, Airport Road.
Phone : (0864) 211796-98 Fax : 210185

MIRPURKHAS

Plot # 854/7, Adam Town,
Main Mmerkot Road,
Phone : (02338) 74466, 74686 Fax : 75127

LARKANA

Bunder Road
Phone : (074) 4055712,
4055812, 4055360
Fax : 5053962

LAHORE

LDA Plaza Branch

LDA Plaza, Kashmir Road.
Phone : (042) 6306201-06
Fax : 6307836, 6368905

Gulberg Branch

125/E-I, Gulberg-III, Main Boulevard.
Phone : (042) 5877800-8
Fax : 5754900, 5877807

Defence Branch

G-9, Commercial Area, Phase-I, LCCHS.
Phone : (042) 5729772-6, 5729722-26
Fax : 5729727, 5733591

Circular Road Branch

A-43/A, Opp: Mazar Hazrat Shah
Mohammad Ghous, Circular Road.
Phone : (042) 7638256-8 Fax : 7653384

Township Branch

47-B/1, Block 10, Akbar Chowk, Township.
Phone : (042) 5152833-6 Fax : 5113716

Badami Bagh Branch

29-30 PECO Road, Badami Bagh.
Phone : (042) 7704961-66
Fax : 7728636, 7728074

Allama Iqbal Town Branch

36, College Block, Allam Iqbal Town.
Phone : (042) 5432961-5 Fax : 5432960

Shah Alam Market Branch

Hilal-e-Ahmar Health Complex,
Shah Alam Market.
Phone : (042) 7673401-6 Fax : 7673409

Shadman Market Branch

Shop No. 2, Ground Floor,
Business Centre, Shadman Market.
Phone : (042) 7538116-20
Fax : 7538128

Tufail Road Branch

50/3, Tufail Road.
Phone : (042) 6689016-19 Fax : 6688374

Lahore Stock Exchange Branch

Basement Level - 2,
Lahore Stock Exchange Building,
19, Khayaban-e-Iqbal.
Phone : (042) 6307461-69 Fax : 6307460

Baghbanpura Branch

G.T. Road, Baghbanpura.
Phone : (042) 6844002-09 Fax : 6844010

Ravi Road Branch

13 Ravi Raod.
Phone : (042) 7708661-65 Fax : 7708660

Liberty Branch

10-C, Commercial Area,
Liberty Market, Gulberg-III.
Phone : (042) 5756288 & 5756355
Fax : 5755226

Raiwind Road Branch

Thoker Niaz Beg, Raiwind Road.
Phone : (042) 5431802-05 Fax : 5431806

BRANCHES NETWORK

Shahdin Manzil Branch

Shahdin Manzil, Faysal Chowk, Mall Road.
Phone : (042) 6012000-30,
6300581, 6300586
Fax : 6300589

DHA Extension Branch

Divine Centre, Near Bhatta Chowk,
New Airport Road, Lahore Cantt
Phone : (042) 5700301-309 Fax : 5700311

Azam Cloth Market Branch

Raheem Centre, Akbar Block,
Azam Cloth Market
Phone : (042) 7665526, 7643851-55
Fax : 7643860

Shad Bagh Branch

37, Umer Din Road, Wassanpura
Phone : (042) 7616252-56 Fax : 6260295

Ferozpur Road Branch

18-KM Main Ferozpur Road
Phone : (042) 5807812-14 Fax : 5807811

Shahdara Branch

Main G.T. Road, Shahdara Chowk
Phone : (042) 7900290 Fax : 7900291

Walton Road Branch

E-28/A, Main Walton Road
Phone : (042) 6687390 Fax : 6687391

Urdu Bazar Branch

Main Kabir Street
Phone : (042) 7210644 Fax : 7210647

Brandreth Road Branch

91-A, Brandreth Road,
Near Australia Building
Phone : (042) 7674115-18 Fax : 7671633

DHA Phase II Branch

65 CCA, Phase-II, DHA
Phone : (042) 5748846-47 Fax : 5748849

Ghari Shahu Branch

99-A, Allama Iqbal Road, Ghari Shahu
Phone : (042) 6360973 Fax : 6360962

Model Town, Lahore

13 Bank Square, Central Commercial Market,
Model Town Lahore
Phone: (042) 5884670-72 Fax: 5884675

Cavalry Ground, Lahore

35 Main Boulevard, Officers Housing Scheme,
Cavalry Ground Lahore
Phone: (042) 6610531-32, 6610534
Fax: 6610536

Chuburgi

24-Niaz View Scheme, Rewaz Garden,
Chuburji, Lahore
Phone: (042) 7356640-42 Fax: 7222236

Main Market Gulberg

32-E-Main Market, Gulberg II, Lahore
Phone: 042- 5786955- 59
Fax: 042- 5786964

ISLAMABAD

Blue Area Branch

1-B, Awan Arcade, Jinnah Avenue,
Blue Area.
Phone : (051) 2206986-7
Fax : 2279897, 2274766

I-10 Markaz Branch

4-A, I-10 Markaz
Phone : (051) 4435804-6 Fax : 4435807

F-7 Markaz Branch

5-A, Markaz F-7
Phone : (051) 2653959-63 Fax : 2653964

Stock Exchange Branch

101-W, Waqas Plaza, Blue Area
Phone : (051) 2804102-104 Fax : 2804106

F-10 Markaz Branch

4-D, Urfi Centre
Phone : (051) 2809703 Fax : 2809700

I-8 Markaz Branch

Plot No. 34, I-8 Markaz
Phone : (051) 4862563-6 Fax : 4862567

G-9 Markaz, Islamabad

39-G-9 Markaz, Mauve Area, Islamabad
Phone: (051) 2253002-3 Fax: 2854932

F-8 Markaz, Islamabad

Shop No. 2 & 3, Al-Babar Centre,
F-8 Markaz, Islamabad
Phone: (051) 7151673, 2854615
Fax: 2260270

BRANCHES NETWORK

RAWALPINDI

The Mall Branch

8, The Mall
Phone : (051) 5566084-6
Fax : 5584213, 5567462

Satellite Town Branch

B/20, North Star Plaza, Satellite Town, Murree Road.
Phone : (051) 4424080-6 Fax : 4424087

Jinnah Road Branch

A-351, Jinnah Road (Old City Saddar Road).
Phone : (051) 5775325-8 Fax : 5775324

Lalazar Branch

Tulsa Road, Lalazar
Phone : (051) 3007067-68 Fax : 5568977

Chaklala Branch

59, Shah Plaza, Commercial Area,
Chaklala Scheme III
Phone : (051) 5766003-4 Fax : 576605

College Road Branch

E/20-26, College Road
Phone : 051 - 5762008, 5762010
Fax : 5762007

Peshawar Road Branch

Plot No. 400/2, Gammon House,
Peshawar Road
Phone : (051) 5468401-2 Fax : 5468403

Airport Road

7-Fazal Town, Airport Link Road, Rawalpindi
Phone: (051) 5781484- 5 Fax: 5781483

Khanna Branch

Adil Tahir Plaza, Service Road,
Al-Noor Colony, Sector 3
Phone: (051) 4479290-3, Fax: (051) 4479295

WAH CANTT

4-1/100, Officers Colony, The Mall.
Phone : (0514) 539426-28 Fax : 511980

FAISALABAD

Main Branch

Ground Floor, State Life Building,
Liaqat Road.
Phone : (041) 617436-9
Fax : 617432, 640834

Peoples Colony Branch

237-B, Commercial Area, D-Ground,
Peoples Colony No. 1.
Phone : (041) 8722636-39
Fax : 8722184

Susan Road Branch

25-Z-101, Susan Road, Madina Town
Phone : (041) 8556673-75 Fax : 8556679

Rail Bazar Branch

Property No. P-81, Rail Bazar
Phone : (041) 2540801-2 Fax : 2540803

Yarn Market Branch

P-229, Tikka Gali No. 2,
Yarn Market, Montgomery Bazar
Phone : (041) 2621486 Fax : 2621487

Minerva Road Branch

Shops No. 16 & 17, Golden Market,
New Grain Market Menerva Road
Phone : (041) 2540763- 5 Fax : 2540759

Sheikhupura Road, Faisalabad

P - 352-A, Gulistan Colony II,
Millat Chowk, Sheikhupura Road, Faisalabad
Phone : 041-8582141 - 3
Fax : 041-8582147

PESHAWAR

Peshawar Cantt. Branch

6/38/L-Islamia Road.
Phone : (0915) 5287051-7 Fax : 5287058

Peshawar City Branch

Park Inn Hotel Building,
Khyber Bazar, Peshawar City.
Phone : (0915) 2551794, 2590023-27
Fax : 2551380

Hayatabad Jamrud Road

Shop No. B-29 & 30, J.B. Plaza,
Karkhano Market
Phone : (0915) 5822902-5 Fax : 5822908

G.T. Road Branch

1045-1046, Hashtnagri,
Opp: Sarhad Chamber of Commerce,
G.T. Road
Phone : 091-2593003
Fax : 2593001

ATTOCK

Zila Council Plaza, Katchery Chowk
Phone : (057) 2701568, 2701557-58
UAN : 111-777-786 Fax : 2700248

BRANCHES NETWORK

HUNGU

Saif-ur-Rehman Market, Opp:
DCO Bungalow, Kohat Road, Main Bazar
Phone : (0925) 624641-43 Fax : 624644

MULTAN

Abdali Road Branch
62-A, Abdali Road.
Phone : (061) 4546792-6
Fax : 4570233, 4540970

Vehari Road Branch
618/B, Vehari Road.
Phone : (061) 6244492-95 Fax : 6244496

Hussain Agahi Branch
Hussain Agahi Road
Phone : (061) 4577242, 457725
Fax : 4577232

Chowk Shaeedan Branch
Akbar Road, Chowk Shaheedan
Phone : (061) 4579021-23, 4588807
Fax : 4579024

SIALKOT

40/A, Paris Road.
Phone : (0432) 590098, 591741
Fax : 591742, 593210

RAHIM YAR KHAN

City Centre Complex, Shahi Road.
Phone : (068) 5879880-1, 5885970
Fax : 5879882

GUJRANWALA

B XII-7S-145, Krishan Nagar, G.T. Road.
Phone : (055) 3859931-3, 3847031-33
Fax : 3856471, 3255295

SAHIWAL

183-Sarwar Shaheed Road.
Phone : (040) 4467691-95 Fax : 4467696

SARGODHA

Block # 5, Liaquat Road,
Opp: Jamia Mosque Hamid Ali.
Phone : (0451) 724138-9 Fax : 724193

GUJRAT

15/231, Circular Road, Opp: Rampair Mahal
Phone : (053) 3530071-3530219
Fax : 3530319

MARDAN

C-929 to 932 & C-662,
Ex-Arif Hotel Building, Bank Road.
Phone : (0931) 73631-3 Fax : 73733

BAHAWALPUR

Ground Floor, Bdg. No. V/912,
Circular Road.
Phone : (062) 2889922-5 Fax : 889874

CHINIOT

1-A, Shahrah-e-Quaid-e-Azam
Phone : (047) 6000712 Fax : 6331322

DASKA

Gujanwala Road
Phone : (052) 6616834-35 Fax : 6619650

HAFIZABAD

BV-BS-26, Railway Road
Phone : (0547) 540801 Fax : 540804

CHICHAWATNI

1-Railway Road, Rai House,
Chichawatni District Sahiwal
Phone : (0405) 487802-6 Fax : 487807

ARIFWALA

47/D, Zain Palace, Qaboola Road
Phone : (0457) 835711-12-13
Fax : 835717

PAKPATTAN

Main College Road
Phone : (0457) 76020-22 Fax : 76024

DERA GHAZI KHAN

24-Block # 15, Liaquat Bazar.
Phone : (064) 2468201-6 Fax : 2468104

BRANCHES NETWORK

MINGORA, SWAT

Khasra No.95, Makan Bagh,
Saidu Sharif Road,
Opposite PTCL Office.
Phone : (0946) 726745-6, 726740-4
Fax : 726747

JHELUM

Bungalow No.67, Kazam Kamal Road.
Phone : (0541) 610162, 610172, 610182
Fax : 610050

MIAN CHANNU

Ghazi Morr, G.T. Road.
Phone : (065) 2665301-4 Fax : 2665383

SHEIKHUPURA

Main Lahore-Sargodha Road.
Phone : (056) 3767970-4 Fax : 3614976

DERA ISMAIL KHAN

Plot # 3666-B, Kashmir Chowk,
North Circular Road,
Phone : (0961) 720606-10 Fax : 720612

OKARA

Plot No. 14, Sahiwal Road.
Phone : (0442) 550418-22 Fax : 550423

ABBOTTABAD

191, Supply Bazar, Main Mansehra Road.
Phone : (0992) 344723-6 Fax : 344728

JHANG

9-D, Yousuf Shah Road, Jhang Saddar.
Phone : (0471) 624701-3 Fax : 624704

TOBA TEK SINGH

105-Farooq Road, Mohallah Jamia Masjid.
Phone : (0462) 517837-9 Fax : 517841

BUREWALA

95-C, Al-Aziz Market, College Road.
Phone : (067) 3771901-4 Fax : 3771905

KOHAT

Bannur Road, Kohat Cantt.
Phone : (0922) 522791-7 Fax : 522798

SADIQABAD

28-29 D, Allama Iqbal Road.
Phone : (068) 5802501-4 Fax : 5802704

MANDI BAHAUDDIN

17/207 Alvi Plaza,
Alvi Hospital Chowk, Phalia Road.
Phone : (0546) 520921-23 Fax : 507886

LALA MUSA

G.T. Road.
Phone : (053) 7518068, 7518368,
7518370, 7518780
Fax : 7518070

AHMEDPUR EAST BRANCH

Plot # 188, Block XI, Kutchery Road
Phone : (062) 2275504-8 Fax : 2275503

DAHARKI

1285 - 1287, Zafar Bazar
Phone : (0723) 641255, 641355, 641217
Fax : 644040

GHOTKI

1-13, Station Road
Phone : (0723) 684404, 684483, 684432
Fax : 684296

HAROONABAD

15-C/16-C, Ghalla Mandi
Phone : (063) 2256457 Fax : 2256458

HASILPUR

37-C, Committee Bazar
Phone : (062) 2448078, 2448090, 2448075
Fax : 2441071

KHARIAN

1, Rizwan Plaza, Main G.T. Road
Phone : (053) 7536241-43 Fax : 7536245

BRANCHES NETWORK

GILGIT

Shahrah-e-Quaid-e-Azam,
Near Radio Station, Jutial
Phone : (05811) 51904-07 Fax : 51903

CHAKWAL

City Trade Centre, Tehsil Chowk,
Rawalpindi Raod
Phone : (0543) 555206-218 Fax : 555220

BHALWAL

Liaqat Shaheed Road,
Phone : (048) 6643709-6644863
Fax : 6624647

KASUR

Shop No. 8-12,
Adjecent to Mazar Hazrat Baba Bulley Shah,
Rail Road
Phone : (0492) 765218-9 Fax : 770890

MANSEHRA

Shahrah-e-Resham, Branch
Punjab Chowk, Shahrah-e-Resham
Phone : (0997) 303591, 303592
Fax : 300597

Oghi Branch

Main Bazar, District Mansehra
Phone: (0997) 321949
Fax: (0997) 321357

BANNU

Gowshala Road, Fatima Khel
Phone : (0928) 614633-36 Fax : 614099

CHITRAL

D.C. Office Road, Opposite Mountain Inn Hotel,
Attalique Bazar
Phone : (0943) 414396, 414367
Fax : 412988

HAZRO

273-M, Main Hattian Road
Phone : (057) 2313771-2 Fax : 2313773

KOTLA

Bhimber Road, Kotla Arab Ali Khan,
Tehsil Kharian, Distt. Gujrat
Phone : (0537) 586892, 586915, 586435
Fax : 586337

MIRPUR, AZAD JAMMU & KASHMIR

114, Sector F-1, Kotli Road, Mirpur,
Azad Jammu & Kashmir
Phone : (058610) 36834-7 Fax : 36838

KALLAR SYEDAN

Ghousia Shopping Centre,
Choa Road, Kallar Syedan
Phone : (051) 3570763, 3572016
Fax : 3570227

GUJAR KHAN

58-D & 59-C, Akbar Kiani Shopping Mall,
G.T. Road, Gujar Khan
Phone : 051 - 3515704-707
Fax : 051 - 3515703

GOJRA

P -86, Block III, Bohar Wali Gali, Gojra
Phone : 046- 3517876-77
Fax : 046- 3517878

MURIDKE

G.T. Road, Muridke
Phone : (042) 7983173-75
Fax : (042) 7983172

JARANWALA

P -813, Street No. 3, Nia Bazar, Jaranwala
Phone : (041) 4319003-4 Fax : (041) 4319005

BAHAWALNAGAR

Shop # 6, Ghallah Mandi, Bahawalnagar
(063) 2272005-8
(063) 2277437

MUZAFFARGARH

Mauza Taliri, Multan Road, Distt. Muzaffargarh
(0662) 428920-23 (0662) 428931

KHANPUR

Kutchery Road, Model Town, Khanpur
(068)5577502- 3, 5577617, 5577627
(068) 5577805

BRANCHES NETWORK

HARIPUR

Main Shahrah-e-Hazara, G.T. Road, Haripur
Phone : (0995) 627451-2 Fax : (0995) 627831

DINGA

Thana Road, Dinga, Distt. Gujrat
Phone : (053) 7404844-46 Fax : (053) 7404840

WAZIRABAD

Sialkot Road, Wazirabad, Distt. Gujranwala
Phone : (055) 6609460, 6609470, 6609480
Fax : (055) 6609450

KHUSHAB

Plot # 2, Block # 2, Janharabad
Phone: (0454) 723761-2 Fax: (0454) 723758

NANKANA SAHIB

Main Jaranwala Road, Mandi Faizabad
Phone: (056) 2881031-4, Fax: (056) 2882086

ISLAMIC BANKING BRANCHES

Uni-Tower, Karachi

213 - Uni-Towers, I.I.Chundrigar Road.
Phone : (021) 2472295-8 Fax : 2472141

Shahrah-e-Faisal, Karachi

Ground Floor, Fortune Center, Shahrah-e-Faisal.
Phone : (021) 4315271-4
Fax : 4313581

Jodia Bazar

Plot No. 112, Durya Lal Street,
Jodia Bazar, Karachi
Phone : (021) 2446542 - 5
Fax : (021) 2430492

Gulistan-e-Jauhar

Eastern Pride,
Gulistan-e-Jauhar No.15 Karachi

Korangi Industrial Area

Shop No. 1, Plot # 27/28, Sector-16
Korangi Industrial Area, Karachi
Phone : (021) 5061661-4
Fax : (021) 5067031

Gulshan-e-Iqbal

Plot # 40-B, Block#13-A,
KDA Scheme No. 24, Gulshan-e-Iqbal, Karachi
Phone : (021) 4144650- 52
Fax : (021) 4144653

Main Branch, Lahore

66-Main Boulevard, Gulberg.
Phone : (042) 5715241-5 Fax : 5715249

McLeod Road, Lahore

Abid Plaza, 13, McLeod Road.
Phone : (042) 7211631-5 Fax : 7211640

New Garden Town, Lahore

Awami Complex Block # 1,
New Garden Town.
Phone : (042) 5846374-85 Fax : 5846386

Y Block, Lahore

93-Y, Commercial Area, Phase III,
Defence Housing Authority.
Phone : (042) 5746191-5 Fax : 5746190

Johar Town, Lahore

69-R-I, M.A. Johar Town.
Phone : (042) 5313401-05 Fax : 5313406

Zarrar Shaheed Road

Phone : (042) 6613853-62 Fax : (042) 6673224
1500-F, Dubai Chowk, Zarrar Shaheed Road,
Lahore Cantt., Lahore

Gulshan-e-Ravi

Phone : (042) 7404811-20 Fax : (042) 7404821
Block F, Main Road,
Gulshan-e-Ravi Lahore

Qurtaba Chowk

Phone : (042) 7114612-16 Fax : (042) 7114618
Rehman Chambers, Qurtaba Chowk,
Mozang Chungi, Lahore

Mughalpura Branch

Opposite Ialpul, Jehangir Raod
Phone: (042) 6524701-09, Fax: (042) 6524710

Jinnah Avenue, Islamabad

8-E, REDCO Plaza,
Jinnah Avenue, Blue Area.
Phone : (051) 2879580-4 Fax : 2879589

Cantt. Rawalpindi

125-D, Murree Road.
Phone : (051) 5795184-88 Fax : 5795189

Kutchery Bazar Faisalabad

P - 36, Kutchery Bazar.
Phone : (041) 603021-5 Fax : 603028

Medical College Road, Faisalabad

1-Ramana, Opp: Punjab Medical College, Jail Road.
Phone : (041) 8581602-04 Fax : 8581582

Faisal Arcade G.T. Road, Gujranwala

Phone : (055) 4557301-05 Fax : 4557310

BRANCHES NETWORK

2, Bosan Road, Multan

Phone : (061) 750941-5 Fax : 750885

Jamrud Road, Peshawar

Phone : (0915) 5701385-89 Fax : 5701392

Ali Building, Khadim Ali Road, Sialkot

Phone : (052) 3241302- 5 Fax : 3241306

11 - 12 - 13, City Centre, Shahi Road

Rahim Yar Khan

Phone : (068) 5885331 -2 Fax : (068) 5885668

OVERSEAS BRANCH

BANGLA DESH

DHAKA

Dhaka Branch

5-Rajuk Avenue, Motijheel C.A.

Phone : (008802) 7168821-05

Fax : 9557413

Gulshan Branch

168, Gulshan Avenue,

Gulshan North, Dhaka 1212, Bangladesh

Phone : 0088 20 8861848, 8861704

Fax : 8850714

Dhan Mondri Branch

81/A Sat Masjid Road

CHITTAGONG

Agrabad Branch

57, Agrabad, Chittagong, Bangla Desh

Sylhet Branch

Marchant Tower

582 East Mirza Bazar

Phone: (00880821) 2830679

Fax: (00880821) 2830677

AFGHANISTAN

KABUL

Kabul Branch

410, Chahrahi-e-Sadarat, Shah-e-Nau

Phone : (009375) 2004105-10

Fax : 2002142

HERAT

Herat Branch

Ground Floor,

Chamber of Commerce & Industries,

Heart Blood Bank Street

Phone : (0093-40) 230705-07

Fax : 230704

KINGDOM OF BAHRAIN

MANAMA

1302-Harbour Tower West Bahrain

Financial Harbour

P.O. Box # 1375

Phone: (00973) 17203100

Fax; (00973) 17224300