



BANK ALFALAH

3rd Quarter Report 2008

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Corporate Information

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. Nadeem Iqbal Sheikh	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

Central Management Committee

Mr. Sirajuddin Aziz	Chairman
Mr. Parvez A. Shahid	Co-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

A. F. Ferguson & 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, 2008.

	Nine-month period ended Sept. 2008	Nine-month period ended Sept. 2007
(Rupees in '000)		
Profit before provisions and Taxation	4,635,181	5,312,164
Provisions	(919,308)	(922,388)
Profit before Taxation	<u>3,715,873</u>	<u>4,389,776</u>
Taxation	(1,264,003)	(1,383,346)
Profit After Taxation	<u>2,451,870</u>	<u>3,006,430</u>
Earnings per share	Rs. 3.07	Rs. 3.76

During the nine-month period ended September 30, 2008 the Bank's profit before provision and taxation stood at Rs. 4,635.181 million as compared to Rs. 5,312.164 million for the previous comparable period. It is significant to record here that during the nine-month period ended September 30, 2007 the bank earned capital gain on sale of Warid Telecom shares amounting to Rs.1,789 million. Therefore the bank's profit before provision and taxation from core operations in September 30, 2008 is 31.54% higher than corresponding period last year after adjusting for the one time capital gain of Warid Telecom Sale.

Bank Alfalah Ltd has maintained the general provisions against the consumer portfolio in compliance with the current prudential regulations on consumer banking.

We continue to strengthen our presence in the market place and as of September 30, 2008, we are operating through 233 branches that include 33 Islamic Banking branches and seven foreign branches in Bangladesh and Afghanistan and one offshore banking unit in Bahrain. Our plan is to add more branches to the network during the year 2008.

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: November 05, 2008
 Place: Abu Dhabi

Condensed Interim Balance Sheet

As at September 30, 2008

		September 30, 2008 (Un-audited)	December 31, 2007 (Audited)
	<i>Note</i>	(Rupees in '000)	
ASSETS			
Cash and balances with treasury banks		35,446,490	29,436,378
Balances with other banks		18,939,727	18,380,738
Lendings to financial institutions		3,184,990	3,452,059
Investments	7	66,643,650	88,491,564
Advances	8	187,935,411	171,198,992
Operating fixed assets		13,287,362	11,922,324
Deferred tax assets - net		-	-
Other assets		7,796,612	6,013,097
		333,234,242	328,895,152
LIABILITIES			
Bills payable		3,971,219	4,138,243
Borrowings from financial institutions		15,009,433	21,230,697
Deposits and other accounts		280,717,636	273,173,841
Sub-ordinated loans		2,896,013	3,220,858
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities - net		1,041,612	1,379,809
Other liabilities		12,130,331	9,531,860
		315,766,244	312,675,308
NET ASSETS		17,467,998	16,219,844
REPRESENTED BY			
Share capital		7,995,000	6,500,000
Reserves		3,413,001	2,414,833
Unappropriated profit		4,361,775	4,851,840
		15,769,776	13,766,673
Surplus on revaluation of assets - net of tax		1,698,222	2,453,171
		17,467,998	16,219,844

CONTINGENCIES AND COMMITMENTS

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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 quarter and nine months period ended September 30, 2008

Note	Quarter ended Sept 30, 2008	Nine Months period ended Sept 30, 2008	Quarter ended Sept 30, 2007	Nine Months period ended Sept 30, 2007
	(Rupees in '000)		(Rupees in '000)	
Mark-up / return / interest earned	8,128,444	21,890,021	6,812,965	18,841,411
Mark-up / return / interest expensed	(5,289,744)	(13,737,699)	(4,397,588)	(12,319,267)
Net mark-up / return / interest income	2,838,700	8,152,322	2,415,377	6,522,144
Provision against non-performing loans and advances - net	(420,844)	(919,308)	(308,233)	(922,388)
Provision for diminution in value of investments	-	(3,926)	-	-
Bad debts written-off directly	(6,707)	(17,147)	(1,654)	(3,290)
	(427,551)	(940,381)	(309,887)	(925,678)
Net mark-up / return / interest income after provisions	2,411,149	7,211,941	2,105,490	5,596,466
Non mark-up / interest income				
Fee, commission and brokerage income	649,971	1,975,283	642,991	1,804,390
Dividend income	106,160	222,984	26,249	39,992
Income from dealing in foreign currencies	329,206	781,671	128,238	343,362
Gain on sale of securities	(3,455)	433,396	1,788,625	1,985,697
Unrealized (loss) / gain on revaluation of investments classified as held for trading	(133,806)	(187,281)	(13,029)	(5,317)
Other income	326,621	947,943	276,733	776,452
Total non-mark-up / interest income	1,274,697	4,173,996	2,849,807	4,944,576
	3,685,846	11,385,937	4,955,297	10,541,042
Non mark-up / interest expenses				
Administrative expenses	2,743,429	7,588,351	2,379,937	6,149,702
Provision against off-balance sheet obligations	157	2,941	-	-
Other charges	14,543	78,772	1,313	1,564
Total non-mark-up / interest expenses	2,758,129	7,670,064	2,381,250	6,151,266
	927,717	3,715,873	2,574,047	4,389,776
Extra ordinary / unusual items	-	-	-	-
Profit before taxation	927,717	3,715,873	2,574,047	4,389,776
Taxation				
- Current	483,063	1,540,643	877,324	1,320,839
- Prior years	-	-	-	-
- Deferred	(188,253)	(276,640)	(79,246)	62,507
	294,810	1,264,003	798,078	1,383,346
Profit after taxation	632,907	2,451,870	1,775,969	3,006,430
			(Rupees)	(Rupees)
Basic / diluted earnings per share	0.79	3.07	2.22	3.76

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 quarter and nine months period ended September 30, 2008

	Nine months period ended Sept 30, 2008	Nine months period ended Sept30, 2007
(Rupees in '000)		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	3,715,873	4,389,776
Less: Dividend income	(222,984)	(39,992)
	<u>3,492,889</u>	<u>4,349,784</u>
Adjustments for non-cash charges:		
Depreciation	881,848	682,844
Amortisation	32,235	15,314
Provision against loans and advances - net	919,308	922,388
Unrealized loss / (gain) on revaluation of investments classified as held for trading	187,281	5,317
Bad debts written-off directly	17,147	3,290
Provision for diminution in value of investment	3,926	-
(Gain) on sale of operating fixed assets	(51,783)	(12,122)
Provision against off-balance sheet obligations	2,941	-
Provision for gratuity	111,716	83,965
	<u>2,104,619</u>	<u>1,700,996</u>
	<u>5,597,508</u>	<u>6,050,780</u>
(Increase) / decrease in operating assets		
Lendings to financial institutions	1,488,934	5,486,916
Held-for-trading securities	(90,273)	532,620
Advances - net	(17,672,874)	(262,862)
Other assets - net of provision against other assets	(1,780,374)	(790,758)
	<u>(18,054,587)</u>	<u>4,965,916</u>
Increase / (decrease) in operating liabilities		
Bills payable	(167,024)	868,084
Borrowings from financial institutions	(6,221,264)	7,701,931
Deposits and other accounts	7,543,795	20,719,057
Other liabilities	1,387,470	3,312,753
	<u>2,542,977</u>	<u>32,601,825</u>
	<u>(9,914,102)</u>	<u>43,618,521</u>
	<u>(444,299)</u>	<u>21,011</u>
Income tax (paid) / refund		
Net cash flows (used in) / generated from operating activities	<u>(10,358,401)</u>	<u>43,639,532</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Net investments in available-for-sale securities	22,361,292	(25,240,871)
Net investments in held-to-maturity securities	(1,412,379)	(7,267,821)
Investments in associated companies	-	(1,179,577)
Dividend income received	219,843	23,611
Investment in operating fixed assets	(2,331,286)	(1,093,990)
Proceeds from sale of operating fixed assets	103,948	22,553
Net cash flows generated from / (used in) investing activities	<u>18,941,418</u>	<u>(34,736,095)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Redemption of sub-ordinated loans	(324,845)	(624)
Dividend paid	(975,000)	-
Net cash flows (used in) financing activities	<u>(1,299,845)</u>	<u>(624)</u>
Exchange difference on translation on the net investment in foreign branches	507,794	(906)
Increase in cash and cash equivalents	<u>7,790,966</u>	<u>8,901,907</u>
Cash and cash equivalents at beginning of the period	<u>48,814,698</u>	<u>43,181,100</u>
Cash and cash equivalents at end of the period	<u>56,605,664</u>	<u>52,083,007</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
Cash and balance with treasury banks	35,446,490	25,404,127
Balance with other banks	18,939,727	25,718,628
Call money lendings	2,219,447	960,252
	<u>56,605,664</u>	<u>52,083,007</u>

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 quarter and nine months period ended September 30, 2008

	Share Capital	Capital Reserve			Unappropriated Profit	Total	
		Share Premium	Statutory Reserve	Reserve for issue of Bonus Shares			Exchange Translation Reserve
(Rupees in ' 000)							
Balance as at January 1, 2007	5,000,000	1,000,000	1,701,729	-	47,804	2,823,072	10,572,605
Changes in equity for nine months ended September 30, 2007							
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	18,439	18,439
Exchange differences on translation of net investment in foreign branches	-	-	-	-	(906)	-	(906)
Profit after taxation for nine months ended September 30, 2007	-	-	-	-	-	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 as at September 30, 2007	6,500,000	-	2,303,015	-	46,898	4,746,655	13,596,568
Changes in equity for the quarter ended upto December 31, 2007							
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	6,146	6,146
Exchange differences on translation of net investment in foreign branches	-	-	-	-	40,160	-	40,160
Profit after taxation for the quarter ended upto December 31, 2007	-	-	-	-	-	123,799	123,799
Total recognized income and expense for the period	-	-	-	-	40,160	129,945	170,105
Transfer to statutory reserve	-	-	24,760	-	-	(24,760)	-
Balance as at December 31, 2007	6,500,000	-	2,327,775	-	87,058	4,851,840	13,766,673
Changes in equity for nine months ended September 30, 2008							
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	18,439	18,439
Exchange differences on translation of net investment in foreign branches	-	-	-	-	507,794	-	507,794
Profit after taxation for nine months ended September 30, 2008	-	-	-	-	-	2,451,870	2,451,870
Total recognized income and expense for the period	-	-	-	-	507,794	2,470,309	2,978,103
Transfer to statutory reserve	-	-	490,374	-	-	(490,374)	-
Final cash dividend for the year ended December 31, 2007 declared subsequent to the year end at Rs. 1.5 per share	-	-	-	-	-	(975,000)	(975,000)
Issue of bonus shares	1,495,000	-	-	-	-	(1,495,000)	-
Balance as at September 30, 2008	7,995,000	-	2,818,149	-	594,852	4,361,775	15,769,776

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

Chief Executive Officer

Director

Director

Chairman

Notes to and forming part of the Condensed Interim Financial Statements (un-audited)

For the quarter and nine months period ended September 30, 2008

1. STATUS AND NATURE OF BUSINESS

Bank Alfalah Limited (the Bank) is a banking company incorporated in Pakistan on June 21, 1992 as a public limited company under the Companies Ordinance, 1984. It commenced its banking operations on November 01, 1992. The Bank's registered office is at B.A. Building I.I. Chundrigar Road, Karachi and the Bank is listed on all three Stock Exchanges in Pakistan. The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and is operating through 192 conventional banking branches (December 2007: 191), 7 overseas branches (December 2007: 7), 33 Islamic banking branches (December 2007: 32) and 1 off shore banking unit (December 2007: 1).

2. BASIS OF PRESENTATION

In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by banks from their customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. 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 utilized and the appropriate portion of mark-up thereon.

The financial results of the Islamic banking branches have been consolidated in these condensed interim financial statements for reporting purposes, after eliminating material inter branch transactions / balances. Key financial figures of the Islamic banking branches are disclosed in note 11 to these condensed interim financial statements.

3. STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board, as are notified under the Companies Ordinance, 1984, the requirements of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 or the directives issued by the Securities and Exchange Commission of Pakistan and the State Bank of Pakistan. Wherever the requirements of the Companies Ordinance, 1984, the 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 IFRS, the requirements of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 or the requirements of the said directives prevail.

The Securities Exchange Commission of Pakistan (SECP) has approved and notified the adoption of International Accounting Standards 39 – Financial Instruments; Recognition and Measurement and International Accounting Standard 40 – Investment Property. The requirements of these Standards have not been considered in preparation of these condensed interim financial statements as the State Bank of Pakistan has deferred the applicability of these standards through BSD circulars No. 10 dated August 26, 2002, for Banking companies in Pakistan till further instructions. However, investments have been classified and valued in accordance with the requirements prescribed by the State Bank of Pakistan through various circulars.

In addition, Securities and Exchange Commission of Pakistan has notified the Islamic Financial Accounting Standards (IFAS) 1 – Murabaha and IFAS 2 - Ijara issued by the Institute of Chartered Accountants of Pakistan. IFAS 1 was effective for financial periods beginning on or after January 01, 2006 and IFAS 2 was effective for financial periods beginning on or after July 01, 2007. These Standards have not been adopted by the stand alone Islamic branches of the Bank pending the resolution of certain issues including invoicing of goods, recording of inventories, concurrent application with other accounting standards in place for conventional banks and disclosure requirements. Pakistan Banks Association and Modaraba Association of Pakistan have taken up the issue with the SBP and the SECP.

Notes to and forming part of the Condensed Interim Financial Statements (un-audited)

The disclosures made in these condensed interim financial statements have, however been limited based on the format prescribed by the State Bank of Pakistan through BSD Circular No. 2 dated May 12, 2004 and International Accounting Standard 34, Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and these condensed interim financial statements should be read in conjunction with the financial statements of the Bank for the year ended December 31, 2007.

4. BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared under the historical cost convention except that certain fixed assets are stated at revalued amounts, trading and available for sale investments and derivative financial instrument are measured at fair value.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are same as those applied in the preparation of the annual financial statements of the Bank for the year ended December 31, 2007.

6. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis and methods used for critical accounting estimates and judgments adopted in these condensed interim financial statements are same as those applied in the preparation of the annual financial statements of the Bank for the year ended December 31, 2007.

7. INVESTMENTS

	September 30, 2008 (Un-audited)			December 31, 2007 (Audited)		
	Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total
	----- (Rupees in ‘000) -----					
7.1 Investments by types						
Held-for-trading securities	641,205	-	641,205	550,932	-	550,932
Available-for-sale securities	21,812,471	7,200,982	29,013,453	36,632,045	14,742,700	51,374,745
Held-to-maturity securities	33,782,625	-	33,782,625	32,370,246	-	32,370,246
	56,236,301	7,200,982	63,437,283	69,553,223	14,742,700	84,295,923
Associates	4,196,535	-	4,196,535	4,196,535	-	4,196,535
Subsidiary	76,000	-	76,000	76,000	-	76,000
Investment at cost	60,508,836	7,200,982	67,709,818	73,825,758	14,742,700	88,568,458
Less: Provision for Diminution in value of Investments	(3,926)	-	(3,926)	-	-	-
Investments (net of Provisions)	60,504,910	7,200,982	67,705,892	73,825,758	14,742,700	88,568,458
(Deficit) on revaluation of held-for-trading securities	(208,811)	-	(208,811)	(21,530)	-	(21,530)
(Deficit) on revaluation of available-for-sale securities	(827,196)	(26,235)	(853,431)	(21,148)	(34,216)	(55,364)
Total investments	59,468,903	7,174,747	66,643,650	73,783,080	14,708,484	88,491,564

Notes to and forming part of the Condensed Interim Financial Statements (un-audited)

	Note	September 30, 2008 (Un-audited)	December 31, 2007 (Audited)
		(Rupees in '000)	
8 ADVANCES			
Loans, cash credits, running finances, etc.			
- In Pakistan		163,105,492	145,107,469
- Outside Pakistan		9,358,092	7,598,767
		<u>172,463,584</u>	<u>152,706,236</u>
Net investment in finance lease / Ijara Financing			
- In Pakistan		14,911,075	15,824,501
- Outside Pakistan		-	-
		<u>14,911,075</u>	<u>15,824,501</u>
Bills discounted and purchased (excluding treasury bills)			
- Payable in Pakistan		1,364,170	1,579,472
- Payable outside Pakistan		4,503,481	5,568,601
		<u>5,867,651</u>	<u>7,148,073</u>
		<u>193,242,310</u>	<u>175,678,810</u>
Specific provision against non-performing advances	8.1	(4,202,323)	(3,380,409)
General provision against performing advances	8.2	(1,104,576)	(1,099,409)
		<u>187,935,411</u>	<u>171,198,992</u>

8.1 Advances include Rs.6.548 billion (December 2007: Rs.4.705 billion) which have been placed under non-performing status as detailed below:

Category of classification	September 30, 2008 (Un-audited)								
	Classified Advances			Provision Required			Provision Held		
	Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
	----- (Rupees in '000) -----								
Other Assets Especially									
Mentioned	280,608	-	280,608	-	-	-	-	-	-
Substandard	1,799,697	2,058	1,801,755	424,109	38	424,147	424,109	38	424,147
Doubtful	956,067	99,554	1,055,621	447,017	43,212	490,229	447,017	43,212	490,229
Loss	3,332,921	77,005	3,409,926	3,250,967	36,980	3,287,947	3,250,967	36,980	3,287,947
	<u>6,369,293</u>	<u>178,617</u>	<u>6,547,910</u>	<u>4,122,093</u>	<u>80,230</u>	<u>4,202,323</u>	<u>4,122,093</u>	<u>80,230</u>	<u>4,202,323</u>

8.2 General provision against consumer loans includes provision maintained at an amount equal to 1.5% of the fully secured performing portfolio and 5% of the unsecured performing portfolio as required by the Prudential Regulations for consumer financing issued by the State Bank of Pakistan. In addition, the bank also maintains general provision against certain advances based on its internal estimates. General provision for overseas branches is maintained in accordance with the requirements of the monetary agencies and regulatory authorities of the respective countries in which the overseas branches operate.

Notes to and forming part of the Condensed Interim Financial Statements (un-audited)

	September 30, 2008 (Un-audited)	December 31, 2007 (Audited)
(Rupees in '000)		
9 CONTINGENCIES AND COMMITMENTS		
9.1 Direct credit substitutes		
Contingent liability in respect of guarantees given favouring:		
- Government	1,731,164	1,292,972
- Banking companies and other financial institutions	189,910	180,164
- Others	748,723	2,413,750
	<u>2,669,797</u>	<u>3,886,886</u>
9.2 Transaction - related contingent liabilities		
Contingent liability in respect of performance bonds, bid bonds, shipping guarantees, standby letters of credit, etc. given favouring:		
- Government	24,559,646	13,045,987
- Banking companies and other financial institutions	356,531	446,639
- Others	6,934,918	11,627,301
	<u>31,851,095</u>	<u>25,119,927</u>
9.3 Trade - related contingent liabilities		
Letters of credit	<u>43,230,438</u>	<u>38,533,186</u>
Acceptances	<u>8,410,930</u>	<u>8,558,681</u>
9.4 Other contingencies		
Claims against the Bank not acknowledged as debts	<u>1,011,893</u>	<u>728,489</u>
9.5 Commitments in respect of forward lending		
Commitments to extend credit	<u>1,600,000</u>	<u>6,014,000</u>
9.6 Commitments in respect of forward exchange contracts		
Purchase	<u>9,628,504</u>	<u>11,653,723</u>
Sale	<u>7,262,284</u>	<u>12,625,977</u>
9.7 Commitments for the acquisition of operating fixed assets and intangibles	<u>666,267</u>	<u>492,230</u>
10. 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 includes 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.

Notes to and forming part of the Condensed Interim Financial Statements (un-audited)

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

Details of amounts outstanding as at period end are as follows:

	September 30, 2008 (Un-audited)						
	Directors	Key Management Personnel	Group Companies	Associates	Subsidiaries	Others	Total
	(Rupees in '000)						
Deposits							
Balance at the beginning of the period	2,129	111,269	155,582	9,702,460	7,763	18	9,979,221
Placements during the period	178,233	294,448	2,738,840	83,829,905	607,093	-	87,648,519
Withdrawals / adjustments during the period	(117,109)	(336,626)	(2,834,073)	(88,301,935)	(612,496)	-	(92,202,239)
Balance at the end of the period	<u>63,253</u>	<u>69,091</u>	<u>60,349</u>	<u>5,230,430</u>	<u>2,360</u>	<u>18</u>	<u>5,425,501</u>
Financing							
Balance at the beginning of the period	-	145,835	-	12,018	171,342	-	329,195
Disbursements during the period	10,000	52,440	-	14,952,440	25,752,479	-	40,767,359
Repayments / adjustments during the period	(668)	(88,886)	-	(11,053,666)	(25,778,847)	-	(36,922,067)
Balance at the end of the period	<u>9,332</u>	<u>109,389</u>	<u>-</u>	<u>3,910,792</u>	<u>144,974</u>	<u>-</u>	<u>4,174,487</u>
Investments							
Balance at the beginning of the period	-	-	305,000	4,196,535	76,000	120,000	4,697,535
Investment during the period	-	-	214,558	-	-	-	214,558
Withdrawals during the period	-	-	(249,761)	-	-	-	(249,761)
Balance at the end of the period	<u>-</u>	<u>-</u>	<u>269,797</u>	<u>4,196,535</u>	<u>76,000</u>	<u>120,000</u>	<u>4,662,332</u>
Call Borrowings / Repo							
Balance at the beginning of the period	-	-	-	-	-	-	-
Placements during the period	-	-	30,630,730	-	-	-	30,630,730
Withdrawals during the period	-	-	(29,680,019)	-	-	-	(29,680,019)
Balance at the end of the period	<u>-</u>	<u>-</u>	<u>950,711</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>950,711</u>
Call Lendings / Reverse repo							
Balance at the beginning of the period	-	-	-	-	-	-	-
Placements during the period	-	-	34,025,113	-	-	-	34,025,113
Withdrawals during the period	-	-	(34,025,113)	-	-	-	(34,025,113)
Balance at the end of the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Receivable against trade of marketable securities	-	-	-	-	23	-	23
Receivable against others	-	-	-	-	1,857	-	1,857
Security deposit	-	-	-	-	652	-	652

Notes to and forming part of the Condensed Interim Financial Statements (un-audited)

	Nine months period ended Sept 30, 2008 (Un-audited)	Nine months period ended Sept 30, 2007 (Un-audited)
(Rupees in '000)		
Details of transactions with related parties during the period are given below:		
With subsidiary company		
Brokerage expense	1,602	1,317
Mark-up income	8,183	5,760
Rent income	2,417	4,004
Finance lease income	281	1,001
Lease rentals	1,566	2,838
Bank charges recovered	118	142
With associated companies		
Insurance premium paid	109,380	45,750
Mark-up income on advances	131,146	254,152
Commission income on letters of credit and guarantees	-	146
Mark-up expense	552	1,070
With other related parties		
Capital gain on sale of shares	5,534	21,516
Contribution to employees provident fund	110,128	82,807
Others charges	19,652	-
The key management personnel / directors compensation are as follows:		
Salaries and benefits	346,556	382,012

In addition the Chief Executive Officer and other executive officers are provided with the Bank maintained car.

Notes to and forming part of the Condensed Interim Financial Statements (un-audited)

11 ISLAMIC BANKING BUSINESS

The bank is operating 33 Islamic banking branches as at September 30, 2008 (December 31, 2007 : 32 branches).

	September 30, 2008 (Un-audited)	December 31, 2007 (Audited)
(Rupees in '000)		
ASSETS		
Cash and balances with treasury banks	3,000,064	2,804,104
Balances with other banks	3,296,372	3,326,484
Lending to financial institutions	-	-
Investments	4,037,989	3,057,155
Advances	20,199,237	15,065,056
Operating fixed assets	1,436,807	1,343,387
Other assets	1,158,652	987,021
	33,129,121	26,583,207
LIABILITIES		
Bills payable	305,856	299,333
Borrowings from financial institutions	3,959,719	99,573
Deposits and other accounts	23,196,982	21,016,068
Sub-ordinated loans	-	-
Liabilities against assets subject to finance lease	-	-
Other liabilities	3,465,044	3,214,445
	30,927,601	24,629,419
NET ASSETS	2,201,520	1,953,788
REPRESENTED BY		
Funds provided by head office	1,200,000	1,200,000
Exchange equalization reserve	4,223	178
Unappropriated profit	542,359	288,973
	1,746,582	1,489,151
Surplus on revaluation of assets	454,938	464,637
	2,201,520	1,953,788

12 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on November 05, 2008 by the Board of Directors.

13 GENERAL

Corresponding information has been re-classified, re-arranged or additionally incorporated in these condensed interim financial statements, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current period.

Chief Executive Officer

Director

Director

Chairman

Consolidated Financial Statements
of
Bank Alfalah Limited
and
Subsidiary Company
for the quarter ended
September 30, 2008

Consolidated Condensed Interim Balance Sheet

As at September 30, 2008

		September 30, 2008 (un-audited)	December 31, 2007 (Audited)
	Note	(Rupees in '000)	
ASSETS			
Cash and balances with treasury banks		35,446,490	29,436,378
Balances with other banks		18,942,502	18,388,124
Lendings to financial institutions		3,184,990	3,452,059
Investments	7	67,009,383	89,578,391
Advances	8	187,788,974	171,031,183
Operating fixed assets		13,333,726	11,955,258
Deferred tax assets - net		-	-
Other assets		8,270,355	6,838,479
		333,976,420	330,679,872
LIABILITIES			
Bills payable		3,971,219	4,138,243
Borrowings from financial institutions		15,234,275	21,548,849
Deposits and other accounts		280,716,570	273,172,088
Sub-ordinated loans		2,896,013	3,220,858
Liabilities against assets subject to finance lease		19,693	11,303
Deferred tax liabilities - net		1,041,318	1,379,967
Other liabilities		12,185,488	9,794,410
		316,064,576	313,265,718
NET ASSETS		17,911,844	17,414,154
REPRESENTED BY			
Share capital		7,995,000	6,500,000
Reserves		3,413,001	2,414,833
Share in share premium of associate		1,615,473	1,615,473
Unappropriated profit		3,171,259	4,404,631
		16,194,733	14,934,937
Minority interest		18,889	26,046
		16,213,622	14,960,983
Surplus on revaluation of assets - net of tax		1,698,222	2,453,171
		17,911,844	17,414,154
CONTINGENCIES AND COMMITMENTS	9		

The annexed notes 1 to 12 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 quarter and nine months period ended September 30, 2008

	Quarter ended Sept 30, 2008	Nine Months period ended Sept 30, 2008	Quarter ended Sept 30, 2007	Nine Months period ended Sept 30, 2007
	(Rupees in '000)		(Rupees in '000)	
Mark-up / return / interest earned	8,138,157	21,924,985	6,820,265	18,861,575
Mark-up / return / interest expensed	(5,299,153)	(13,770,107)	(4,404,536)	(12,334,929)
Net mark-up / return / interest income	2,839,004	8,154,878	2,415,729	6,526,646
Provision against non-performing loans and advances - net	(420,844)	(919,308)	(308,233)	(922,388)
Provision for diminution in value of investments	-	(3,926)	-	-
Bad debts written-off directly	(6,707)	(17,147)	(1,654)	(3,290)
	(427,551)	(940,381)	(309,887)	(925,678)
Net mark-up / return / interest income after provisions	2,411,453	7,214,497	2,105,842	5,600,968
Non mark-up / interest income				
Fee, commission and brokerage income	667,083	2,062,207	668,635	1,893,966
Dividend income	106,159	209,919	26,250	40,024
Income from dealing in foreign currencies	329,206	781,671	128,238	343,362
Gain on sale of securities	(3,982)	433,300	1,788,828	1,986,388
Unrealized (loss) / gain on revaluation of investments classified as held for trading	(133,456)	(187,211)	(13,338)	(5,052)
Other income	325,862	945,750	275,936	774,523
Total non-mark-up / interest income	1,290,872	4,245,636	2,874,549	5,033,211
	3,702,325	11,460,133	4,980,391	10,634,179
Non mark-up / interest expenses				
Administrative expenses	2,774,455	7,695,138	2,390,354	6,227,148
Provision against off-balance sheet obligations	157	2,941	-	-
Other charges	14,543	78,772	1,313	1,564
Total non-mark-up / interest expenses	2,789,155	7,776,851	2,391,667	6,228,712
	913,170	3,683,282	2,588,724	4,405,467
Share of (loss) / profit of associates	(735,966)	(919,490)	250,952	512,312
Extra ordinary / unusual items	-	-	-	-
Profit before taxation	177,204	2,763,792	2,839,676	4,917,779
Taxation				
- Current	484,631	1,551,389	881,596	1,331,642
- Prior years	-	-	-	625
- Deferred	(188,253)	(277,091)	(79,246)	62,507
- Share of tax of associates	(129,542)	(211,912)	79,310	101,915
	166,836	1,062,386	881,660	1,496,689
Profit after taxation	10,368	1,701,406	1,958,016	3,421,090
Profit and (loss) attributable to:				
Equity holders of the parent	14,236	1,708,563	1,953,865	3,420,066
Minority Interests	(3,868)	(7,157)	4,151	1,024
	10,368	1,701,406	1,958,016	3,421,090
	(Rupees)		(Rupees)	
Basic / diluted earnings per share	0.02	2.14	2.44	4.28

The annexed notes 1 to 12 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 quarter and nine months period ended September 30, 2008

	Nine months period ended Sept 30, 2008	Nine months period ended Sept 30, 2007
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,763,792	4,917,779
Share of loss / (profit) of associate	919,490	(512,312)
Less: Dividend income	(209,919)	(40,024)
	3,473,363	4,365,443
Adjustments for non-cash charges:		
Depreciation	891,169	682,844
Amortisation	33,013	15,314
Provision against loans and advances - net	919,308	922,388
Unrealized loss / (gain) on revaluation of investments classified as held for trading	187,211	5,052
Bad debts written-off directly	17,147	3,290
Provision for diminution in value of investment	3,926	-
(Gain) on sale of operating fixed assets	(51,783)	(12,112)
Provision against off-balance sheet obligations	2,941	-
Provision for gratuity	111,716	83,965
	2,114,648	1,700,741
	5,588,011	6,066,184
(Increase) / decrease in operating assets		
Lendings to financial institutions	1,488,934	5,486,916
Held-for-trading securities	(89,752)	537,081
Advances - net	(17,694,246)	(182,586)
Other assets - net of provision against other assets	(1,428,735)	(1,156,585)
	(17,723,799)	4,684,826
Increase / (decrease) in operating liabilities		
Bills payable	(167,024)	868,084
Borrowings from financial institutions	(6,314,574)	7,882,823
Deposits and other accounts	7,544,482	20,746,512
Other liabilities	1,193,897	3,443,516
	2,256,781	32,940,935
	(9,879,007)	43,691,945
	(455,801)	10,615
Income tax (paid) / refund		
Net cash flows (used in) / generated from operating activities	(10,334,808)	43,702,560
CASH FLOWS FROM INVESTING ACTIVITIES		
Net investments in available-for-sale securities	22,361,292	(25,240,871)
Net investments in held-to-maturity securities	(1,412,379)	(7,267,821)
Investments in associated companies	-	(1,235,577)
Proceeds for the issue of share capital of subsidiary company	-	23,643
Dividend income received	206,778	-
Investment in operating fixed assets	(2,354,815)	(1,109,644)
Proceeds from sale of operating fixed assets	103,948	22,594
Net cash flows generated from / (used in) investing activities	18,904,824	(34,807,676)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment against lease obligations	8,390	7,205
Redemption of sub-ordinated loans	(324,845)	(624)
Dividend paid	(975,000)	-
Net cash flows (used in) financing activities	(1,291,455)	6,581
Exchange difference on translation on the net investment in foreign branches	507,794	(906)
	7,786,355	8,900,560
Increase in cash and cash equivalents	48,822,084	43,184,755
Cash and cash equivalents at beginning of the period	56,608,439	52,085,315
	56,608,439	52,085,315
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
Cash and balance with treasury banks	35,446,490	25,404,127
Balance with other banks	18,942,502	25,720,936
Call money lendings	2,219,447	960,252
	56,608,439	52,085,315

The annexed notes 1 to 12 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 quarter and nine months period ended September 30, 2008

	Share Capital	Capital Reserves				Share in Share Premium of associate	Unappropriated Profit	Minority Interest	Total
		Share Premium	Statutory Reserve	Reserve for issue of Bonus Shares	Exchange Translation Reserve				
(Rupees in '000)									
Balance as at January 1, 2007	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 September 30, 2007									
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	-	18,439	-	18,439
Exchange differences on translation of net investment in foreign branches	-	-	-	(906)	-	-	-	-	(906)
Profit after taxation for nine months ended September 30, 2007 attributable to the equityholders of the bank	-	-	-	-	-	-	3,420,066	-	3,420,066
Profit after taxation for nine months ended September 30, 2007 attributable to the minority shareholders	-	-	-	-	-	-	-	1,024	1,024
Total recognized income and expense for the period	-	-	-	(906)	-	-	3,438,505	1,024	3,438,623
Capital contribution by minority shareholders	-	-	-	-	-	-	-	12,800	12,800
Receivable against shares from minority	-	-	-	-	-	-	-	(12,800)	(12,800)
Transfer to statutory reserve	-	-	601,286	-	-	(601,286)	-	-	-
Issue of bonus shares	1,500,000	(1,000,000)	-	-	-	(500,000)	-	-	-
Investment in associate	-	-	-	-	-	-	21,035	(27,377)	(6,342)
Balance as at September 30, 2007	6,500,000	-	2,303,015	-	46,898	-	4,337,614	26,030	13,213,557
Changes in equity for the quarter ended upto December 31, 2007									
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	-	6,146	-	6,146
Exchange differences on translation of net investment in foreign branches	-	-	-	40,160	-	-	-	-	40,160
Profit after taxation for the quarter ended upto December 31, 2007 attributable to the equityholders of the bank	-	-	-	-	-	-	85,631	-	85,631
Profit after taxation for the quarter ended upto December 31, 2007 attributable to the minority shareholders	-	-	-	-	-	-	-	16	16
Total recognized income and expense for the period	-	-	-	40,160	-	-	91,777	16	131,953
Share in equity of associate	-	-	-	-	-	1,615,473	-	-	1,615,473
Transfer to statutory reserve	-	-	24,760	-	-	-	(24,760)	-	-
Balance as at December 31, 2007	6,500,000	-	2,327,775	-	87,058	1,615,473	4,404,631	26,046	14,960,983
Changes in equity for nine months ended September 30, 2008									
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	-	18,439	-	18,439
Exchange differences on translation of net investment in foreign branches	-	-	-	507,794	-	-	-	-	507,794
Profit after taxation for nine months ended September 30, 2008 attributable to the equityholders of the bank	-	-	-	-	-	-	1,708,563	-	1,708,563
Profit after taxation for nine months ended September 30, 2008 attributable to the minority shareholders	-	-	-	-	-	-	-	(7,157)	(7,157)
Total recognized income and expense for the period	-	-	-	507,794	-	-	1,727,002	(7,157)	2,227,639
Transfer to statutory reserve	-	-	490,374	-	-	-	(490,374)	-	-
Final cash dividend for the year ended December 31, 2007 declared subsequent to the year end at Rs. 1.5 per share	-	-	-	-	-	-	(975,000)	-	(975,000)
Issue of bonus shares	1,495,000	-	-	-	-	-	(1,495,000)	-	-
Balance as at September 30, 2008	7,995,000	-	2,818,149	-	594,852	1,615,473	3,171,259	18,889	16,213,622

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director

Director

Chairman

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (un-audited) For the quarter and nine months period ended September 30, 2008

1. STATUS AND NATURE OF BUSINESS

Bank Alfalah Limited (the Bank) is a banking company incorporated in Pakistan on June 21, 1992 as a public limited company under the Companies Ordinance, 1984. It commenced its banking operations on November 01, 1992. The Bank's registered office is at B.A. Building I.I. Chundrigar Road, Karachi and the Bank is listed on all three Stock Exchanges in Pakistan. The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and is operating through 192 conventional banking branches (December 2007: 191), 7 overseas branches (December 2007: 7), 33 Islamic banking branches (December 2007: 32) and 1 off shore banking unit (December 2007: 1).

The Group Comprises of the holding company (Bank) and a subsidiary Alfalah Securities (Private) Limited. The Principal objective of the Alfalah Securities (Private) Limited, is to undertake the business of brokerage house. The Company was incorporated on 23 September 2003 with registered office in Karachi, Pakistan. The Company obtained corporate membership from Karachi Stock Exchange (Guarantee) Limited on 24 November 2003. The Bank holds 76 percent (December 2007: 76) shares of the Company.

2. BASIS OF PRESENTATION

In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by banks from their customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. 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 utilized and the appropriate portion of mark-up thereon.

3. STATEMENT OF COMPLIANCE

These consolidated condensed interim financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board, as are notified under the Companies Ordinance, 1984, the requirements of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 or the directives issued by the Securities and Exchange Commission of Pakistan and the State Bank of Pakistan. Wherever the requirements of the Companies Ordinance, 1984, the 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 IFRS, the requirements of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 or the requirements of the said directives prevail.

The Securities Exchange Commission of Pakistan (SECP) has approved and notified the adoption of International Accounting Standards 39 – Financial Instruments; Recognition and Measurement and International Accounting Standard 40 – Investment Property. The requirements of these Standards have not been considered in preparation of these condensed interim financial statements as the State Bank of Pakistan has deferred the applicability of these standards through BSD circulars No. 10 dated August 26, 2002, for Banking companies in Pakistan till further instructions. However, investments have been classified and valued in accordance with the requirements prescribed by the State Bank of Pakistan through various circulars.

In addition, Securities and Exchange Commission of Pakistan has notified the Islamic Financial Accounting Standards (IFAS) 1 – Murabaha and IFAS 2 - Ijara issued by the Institute of Chartered Accountants of Pakistan. IFAS 1 was effective for financial periods beginning on or after January 01, 2006 and IFAS 2 was effective for financial periods beginning on or after July 01, 2007. These Standards have not been adopted by the stand alone Islamic branches of the Bank pending the resolution of certain issues including invoicing of goods, recording of inventories, concurrent application with other accounting standards in place for conventional banks and disclosure requirements. Pakistan Banks Association and Modaraba Association of Pakistan have taken up the issue with the SBP and the SECP.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (un-audited)

The disclosures made in these consolidated condensed interim financial statements have, however been limited based on the format prescribed by the State Bank of Pakistan through BSD Circular No. 2 dated May 12, 2004 and International Accounting Standard 34, Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and these condensed interim financial statements should be read in conjunction with the financial statements of the Group for the year ended December 31, 2007.

4. BASIS OF MEASUREMENT

These consolidated condensed interim financial statements have been prepared under the historical cost convention except that certain fixed assets are stated at revalued amounts, trading and available for sale investments and derivative financial instrument are measured at fair value.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are same as those applied in the preparation of the annual financial statements of the group for the year ended December 31, 2007.

6. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis and methods used for critical accounting estimates and judgments adopted in these condensed interim financial statements are same as those applied in the preparation of the annual financial statements of the group for the year ended December 31, 2007.

7. INVESTMENTS

	September 30, 2008 (Un-audited)			December 31, 2007 (Audited)		
	Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total
	----- (Rupees in ‘000) -----					
7.1 Investments by types						
Held-for-trading securities	642,253	-	642,253	552,501	-	552,501
Available-for-sale securities	21,812,471	7,200,982	29,013,453	36,632,045	14,742,700	51,374,745
Held-to-maturity securities	33,782,625	-	33,782,625	32,370,246	-	32,370,246
	<u>56,237,349</u>	<u>7,200,982</u>	<u>63,438,331</u>	<u>69,554,792</u>	<u>14,742,700</u>	<u>84,297,492</u>
Associates	4,637,677	-	4,637,677	5,358,320	-	5,358,320
Investment at cost	<u>60,875,026</u>	<u>7,200,982</u>	<u>68,076,008</u>	<u>74,913,112</u>	<u>14,742,700</u>	<u>89,655,812</u>
Less: Provision for Diminution in value of Investments	(3,926)	-	(3,926)	-	-	-
Investments (net of Provisions)	<u>60,871,100</u>	<u>7,200,982</u>	<u>68,072,082</u>	<u>74,913,112</u>	<u>14,742,700</u>	<u>89,655,812</u>
(Deficit) on revaluation of held-for-trading securities	(209,268)	-	(209,268)	(22,057)	-	(22,057)
(Deficit) on revaluation of available-for-sale securities	(827,196)	(26,235)	(853,431)	(21,148)	(34,216)	(55,364)
Total investments	<u>59,834,636</u>	<u>7,174,747</u>	<u>67,009,383</u>	<u>74,869,907</u>	<u>14,708,484</u>	<u>89,578,391</u>

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (un-audited)

	Note	September 30, 2008 (Un-audited)	December 31, 2007 (Audited)
		(Rupees in '000)	
8 ADVANCES			
Loans, cash credits, running finances, etc.			
- In Pakistan		162,961,945	144,944,115
- Outside Pakistan		9,358,092	7,598,767
		<u>172,320,037</u>	<u>152,542,882</u>
Net investment in finance lease / Ijara Financing			
- In Pakistan		14,908,185	15,820,046
- Outside Pakistan		-	-
		<u>14,908,185</u>	<u>15,820,046</u>
Bills discounted and purchased (excluding treasury bills)			
- Payable in Pakistan		1,364,170	1,579,472
- Payable outside Pakistan		4,503,481	5,568,601
		<u>5,867,651</u>	<u>7,148,073</u>
		<u>193,095,873</u>	<u>175,511,001</u>
Specific provision against non-performing advances	8.1	(4,202,323)	(3,380,409)
General provision against performing advances	8.2	(1,104,576)	(1,099,409)
		<u>187,788,974</u>	<u>171,031,183</u>

8.1 Advances include Rs.6.548 billion (December 2007: Rs.4.705 billion) which have been placed under non-performing status as detailed below:

Category of classification	September 30, 2008 (Un-audited)								
	Classified Advances			Provision Required			Provision Held		
	Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
	----- (Rupees in '000) -----								
Other Assets Especially									
Mentioned	280,608	-	280,608	-	-	-	-	-	-
Substandard	1,799,697	2,058	1,801,755	424,109	38	424,147	424,109	38	424,147
Doubtful	956,067	99,554	1,055,621	447,017	43,212	490,229	447,017	43,212	490,229
Loss	3,332,921	77,005	3,409,926	3,250,967	36,980	3,287,947	3,250,967	36,980	3,287,947
	<u>6,369,293</u>	<u>178,617</u>	<u>6,547,910</u>	<u>4,122,093</u>	<u>80,230</u>	<u>4,202,323</u>	<u>4,122,093</u>	<u>80,230</u>	<u>4,202,323</u>

8.2 General provision against consumer loans includes provision maintained at an amount equal to 1.5% of the fully secured performing portfolio and 5% of the unsecured performing portfolio as required by the Prudential Regulations for consumer financing issued by the State Bank of Pakistan. In addition, the bank also maintains general provision against certain advances based on its internal estimates. General provision for overseas branches is maintained in accordance with the requirements of the monetary agencies and regulatory authorities of the respective countries in which the overseas branches operate.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (un-audited)

	September 30, 2008 (Un-audited)	December 31, 2007 (Audited)
(Rupees in '000)		
9 CONTINGENCIES AND COMMITMENTS		
9.1 Direct credit substitutes		
Contingent liability in respect of guarantees given favouring:		
- Government	1,731,164	1,292,972
- Banking companies and other financial institutions	189,910	180,164
- Others	748,723	2,413,750
	<u>2,669,797</u>	<u>3,886,886</u>
9.2 Transaction - related contingent liabilities		
Contingent liability in respect of performance bonds, bid bonds, shipping guarantees, standby letters of credit, etc. given favouring:		
- Government	24,559,646	13,045,987
- Banking companies and other financial institutions	356,531	446,639
- Others	6,934,918	11,627,301
	<u>31,851,095</u>	<u>25,119,927</u>
9.3 Trade - related contingent liabilities		
Letters of credit	43,230,438	38,533,186
Acceptances	8,410,930	8,558,681
9.4 Other contingencies		
Claims against the Bank not acknowledged as debts	1,011,893	728,489
9.5 Commitments in respect of forward lending		
Commitments to extend credit	1,600,000	6,014,000
9.6 Commitments in respect of forward exchange contracts		
Purchase	9,628,504	11,653,723
Sale	7,262,284	12,625,977
9.7 Commitments for the acquisition of operating fixed assets and intangibles	666,267	492,230

10. 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 includes 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.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (un-audited)

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

Details of amounts outstanding as at period are as follows:

	September 30, 2008 (Un-audited)					Total
	Directors	Key Management Personnel	Group Companies	Associates	Others	
(Rupees in '000)						
Deposits						
Balance at the beginning of the period	2,129	111,269	155,582	9,702,460	18	9,971,458
Placements during the period	178,233	294,448	2,738,840	83,829,905	-	87,041,426
Withdrawals / adjustments during the period	(117,109)	(336,626)	(2,834,073)	(88,301,935)	-	(91,589,743)
Balance at the end of the period	<u>63,253</u>	<u>69,091</u>	<u>60,349</u>	<u>5,230,430</u>	<u>18</u>	<u>5,423,141</u>
Financing						
Balance at the beginning of the period	-	145,835	-	12,018	-	157,853
Disbursements during the period	10,000	52,440	-	14,952,440	-	15,014,880
Repayments / adjustments during the period	(668)	(88,886)	-	(11,053,666)	-	(11,143,220)
Balance at the end of the period	<u>9,332</u>	<u>109,389</u>	<u>-</u>	<u>3,910,792</u>	<u>-</u>	<u>4,029,513</u>
Investments						
Balance at the beginning of the period	-	-	305,000	4,196,535	120,000	4,621,535
Investment during the period	-	-	214,558	-	-	214,558
Withdrawals during the period	-	-	(249,761)	-	-	(249,761)
Balance at the end of the period	<u>-</u>	<u>-</u>	<u>269,797</u>	<u>4,196,535</u>	<u>120,000</u>	<u>4,586,332</u>
Call Borrowings / Repo						
Balance at the beginning of the period	-	-	-	-	-	-
Placements during the period	-	-	30,630,730	-	-	30,630,730
Withdrawals during the period	-	-	(29,680,019)	-	-	(29,680,019)
Balance at the end of the period	<u>-</u>	<u>-</u>	<u>950,711</u>	<u>-</u>	<u>-</u>	<u>950,711</u>
Call Lendings / Reverse repo						
Balance at the beginning of the period	-	-	-	-	-	-
Placements during the period	-	-	34,025,113	-	-	34,025,113
Withdrawals during the period	-	-	(34,025,113)	-	-	(34,025,113)
Balance at the end of the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (un-audited)

	Nine months period ended Sept 30, 2008 (Un-audited)	Nine months period ended Sept 30, 2007 (Un-audited)
	(Rupees in '000)	
With associated companies		
Insurance premium paid	109,380	45,750
Mark-up income on advances	131,146	254,152
Commission income on letters of credit and guarantees	-	146
Mark-up expense	552	1,070
With other related parties		
Capital gain on sale of shares	5,534	21,516
Contribution to employees provident fund	110,128	82,807
Other charges	19,652	-
The key management personnel / directors compensation are as follows:		
Salaries and benefits - Parent company	346,556	382,012

In addition the Chief Executive Officer and other executive officers are provided with the Bank maintained car.

11 DATE OF AUTHORISATION

These consolidated condensed interim financial statements were authorised for issue on November 05, 2008 by the Board of Directors.

12 GENERAL

Corresponding information has been re-classified, re-arranged or additionally incorporated in these condensed interim financial statements, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current period.

Chief Executive Officer

Director

Director

Chairman

Branch 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 Chowrang, 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. C-12-C
26th Commercial St. Phase V,
Defence Housing Authority.
Phone : (021) 5302639-44
Fax : 5302635

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 Udhamam 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

Hyderi (North Nazimabad) Branch

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

Branch Network

Gulistan-e-Jauhar Branch
Yasir Plaza, Block 10-A, Scheme 45,
Main Rashid Minhas Road,
Gulshan-e-Iqbal,
Phone : (021) 4812926-27, 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

Johar Chowrangi Branch
Rafi shopping Mall Block
18 Gulistan e Johar
Phone : (021)4638114
Fax : 4638115

Nagan Chowrangi Branch
Plot # SC-28, Sector 11-H,
North Karachi, Karachi
Phone : (021)-6957622
Fax : 6957176

Jamshed Road Branch
Ashfaq Plaza, Jamshed Quarters,
New M.A. Jinnah Road, Karachi
Phone : (021)-4860794-95
Fax : 4860793

Gulshan-e-Hadeed Branch
A-329, Gulshan-e-Hadeed,
Phase-I, Sub Sector 8-C/1,
Bin Qasim, Karachi.
Phone : (021) 4721406
Fax : 4721407

Steel Market (New Memon Masjid)
Plot # 8 & 9/D-1, S.R.1, Liaquat Market,
Serai Quarters, Opp. New Memon Masjid,
M.A. Jinnah Road, Karachi.
Phone : (021) 2422624, 2422679,
2422774, 2422894, 2422891
Fax : 2422526

Akbar Road Branch
Plot # 294, AM-3,
Artillery Maidan Quarters,
Preedy Steet, Saddar, Karachi.
Phone : (021) 2725107, 2725146,
2724939, 2724959, 2724962
Fax : 2724928

Branch Network

HYDERABAD

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

Grain Market Branch

Aman Center, Price Ali Road Hiranbad
Phone : (022)-2660611-5
Fax : 2660620

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

Cloth Market Branch
Cut Piece Cloth Market, Shahrah-e-Iqbal
Phone : (081) 4003849
Fax : 2827270

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

Model Town Quetta Branch
Plot # 35-B, Model Town,

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

Branch Network

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

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

Montgomery Road Branch

65-Montgomery Road, Lahore

Jauhar Town Branch

Plot No. 435, Block G-1
M.A. Johar Town, Lahore
Phone : (042)- 5311632-33

ISLAMABAD

Blue Area Branch

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

Branch Network

I-10 Markaz Branch

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

F-7 Markaz Branch

13-U, F-7 Markaz, Jinnah Super, Islamabad.
Phone : (051) 2653944-49
Fax : 2653940

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

RAWALPINDI

The Mall Branch

8, The Mall
Phone : (051) 5700038-40
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

FATEH JANG

Rawalpindi Road, Fateh Jang,
Phone : (0572)-210837-38 Fax : 210839

WAH CANTT

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

FAISALABAD

Main Branch

Ground Floor, State Life Building, Liaquat 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

Branch Network

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

Babar Chowk Branch

Peoples Colony Extension, Babar Chowk
Phone : (041)- 8557421-22
Fax : 8557424

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

Peepal Mandi Branch

Ashraf China Trade Center Peepal Mandi, Peshawar
Phone : 8557421-2
Fax : (091)-2564911

ATTOCK

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

KAMARA

Attock Road, Kamara
Phone : (057)-9317423-25 Fax : 9317420

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

Shahrukn-e-Alam Branch

230-A Main Road Multan.
Phone : (061)-6784201-4 Fax : 6784205

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

Satellite Town, Gujranwala

40-A, Satellite Town, Gujranwala
Phone : (055) 3253622-24, 3730396-99
Fax : 3251423

Branch Network

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 : (0937) 873631-3 Fax : 873733

BAHAWALPUR

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

Uch Sharif

Plot # 63, Grain and Vegetable Market,
Main Ahmedpur East Road,
Uch Sharif, District Bahawalpur
Phone : (062) 2552576-79
Fax : 2552580

CHINIOT

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

DASKA

Gujranwala 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

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 : (0966) 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 : (047) 7624701-3
Fax : 7624704

TOBA TEK SINGH

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

Branch Network

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 BHAUDDIN

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

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, Adjacent 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

Branch Network

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

BAHA WALNAGAR

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

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

Mandi Quidabad, Khushab
Plot No. 156/1, Block-D, Railway Road,
Mandi Quidabad, District Khushab
Phone : (0454) 880055-56
Fax : 880057

NANKANA SAHIB

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

MIANWALI

Watta Khel Chowk, Sargodha Road, Mianwali
Phone : (0459) 237794-6, Fax : 237791

BHERA

Circular Road, Darwaza Chakwala, Behra
Phone : (048) 6692162-3, Fax : 6692161

TALAGANG

Taqi Plaza, Chakwal Road,
Talagang Phone : (0543) 410791-4
Fax : (0543) 411030

MURREE

Sharjah Center, Mall Road,
Phone : (051)-3413210-2
Fax : 3413149

DINA

Mahfooz Plaza, G T Road
Phone : (0544)-632723-4 Fax : 632557

KHANEWAL

Cinema Road, Chak # 98-10/R
Phone : (065) 2555701-4, Fax : 2555710

PIR MAHAL

Mohallah Kasurabad,
Rajana Road, Pir Mahal
Phone : (046)-3366430-31 & 3366381
Fax : 3366382

Branch Network

DEPALPUR

Kuthcery Road, Depalpur
Phone : (044)-4542223-25 Fax : 4542220

LODHRAN

Lodhran Branch
27-2, Ward # 6, Main Multan Road, Lodhran
Phone : (0608) 361700,1,3,4
Fax : 363005

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
Pakistan Tulip Valley Plot No. SB-1, Block # 1,
Phone : (021) 4661355-7
Fax : (4661359)

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

North Nazimabad, Karachi
D-3, Block A, North Nazimabad
Phone : (021)-6633133 & 6633177
Fax : 6633135

DHA Branch, Karachi
23-C, Main Khayabane-e-Ittehad,
Phase II Extension, DHA, Karachi
Phone : (021)-531873-80
Fax : 5313872

Dhorajee, Karachi
Plot # 35/127 Block 7 & 8
C.P. Berar Cooperative Housing Society
Phone : (021) 4860321-2
Fax : 4860320

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

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

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

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

Multan Road, Lahore
Opposite Bex Factory,
Main Multan Road, Lahore
Phone : (042) 7490041-5 Fax : 7490046

Wahdat Road, Lahore
14-Main Wahdat Road, Lahore

Chung Branch
Chung Stop, Main Multan Road, District, Lahore
Phone : (042) 7499215-19
Fax : 7499220

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

G-10 Markaz, Islamabad
20-A, Sardar Plaza, G-10 Markaz
Phone : (0511)-2819101-05 Fax : 2819100

Branch Network

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

Satellite Town, Rawalpindi
400-B, Block B, Commerical Market,
Phone : (051)4452048-9 Fax : 4452050

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

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

Dera Islamil Khan
East Circular Road, Toopanwala Gate
Dera Ismail Khan
Phone : (0966) 710141-2 Fax : 710139

Pindi Ghaib
Banora Chowk, Pindi Ghaib, District Attock
Phone : (057) 2350123-28
Fax : 2350120

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

CHITTAGONG

Agrabad Branch
57, Agrabad, Chittagong, Bangla Desh
Phone : (0088) 171-888727

Sylhet Branch
Marchant Tower
582 East Mirza Bazar
Phone: (00880821) 2830679
Fax: (00880821) 2830677

Dhanmondi Branch, Bangladesh
81/A- Satmasjid Road, Dhaka City Corporation,
Union Dhanmondi,
Phone : (00880) 0161-001477

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 Herbour P.O. Box # 1375
Phone: (00973) 17203100
Fax; (00973) 17224300