

Quarterly Report
March 31,
2010



Reflections of Commitment - the SambaWay

Samba Phone Banking 11 11 SAMBA (72622)

www.samba.com.pk

World Class Banking

Samba Bank Limited

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Board of Directors

Syed Sajjad Razvi	Chairman
Mr. Beji Tak - Tak	Executive Director
Mr. Farhat Abbas Mirza	Independent Director
Mr. Humayun Murad	Independent Director
Mr. Javed Iqbal	Independent Director
Dr. Shujaat Nadeem	Executive Director
Mr. Zaki Abdulmohsen Al-Mousa	Executive Director
Mr. Zahid Zaheer	Independent Director
Mr. Tawfiq A. Husain	President & CEO

Audit Committee

Mr. Javed Iqbal	Chairman
Mr. Beji Tak - Tak	Member
Mr. Zahid Zaheer	Member

Board Credit Committee

Mr. Beji Tak - Tak	Chairman
Syed Sajjad Razvi	Member
Mr. Tawfiq A. Husain	Member
Mr. Humayun Murad	Member

Company Secretary

Syed Ali Azfar Naqvi

Auditors

A. F. Ferguson & Co.	Chartered Accountants
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Legal Advisors

Mohsin Tayebaly & Co.	Advocates & Legal Consultants
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Head Office & Registered Office

6th Floor, Sidco Avenue Centre, M.D.M. Wafai Road, Karachi

Share Register

Femco Associates (Pvt.) Limited
1st Floor, State Life Building No. 1-A, U. Chundrigar Road, Karachi

Samba Phone Banking

11 11 SAMBA (72622)

Website

www.samba.com.pk

Credit Rating by JCR-VIS

Long Term Credit Rating	A (single A)
Short Term Rating	A-1 (A-One)

KARACHI

Bahria Complex 1
Bahria Complex 2
DHA Phase VI
Clifton
Bahadurabad
S.I.T.E.
Fountain
Rashid Minhas Road
Shahra-e-Faisal
Gulshan-e-Iqbal
North Karachi



LAHORE

Mall Road
DHA
Cavalry Ground
Garden Town
Sarwar Road
Gulberg
Montgomery Road
Circular Road



ISLAMABAD / RAWALPINDI

Razia Sharif Plaza
F-10
F-7
Saddar, Rawalpindi Cantt.



GUJRANWALA

G.T. Road



FAISALABAD

Liaquat Road



MULTAN

Nusrat Road



SIALKOT

Paris Road



PESHAWAR

Saddar Road



On behalf of the Board of Directors, I would like to present the Director's Review of Samba Bank Limited along with the interim condensed financial statements for the quarter ended March 31, 2010.

Financial Results

The financials highlights of your bank for the period ended March 31, 2010 are:

	(Rupees in million)	
	For the period ended	For the period ended
	Mar 31, 2010	Mar 31, 2009
Loss before taxation	(61)	(206)
Taxation (including deferred)	(3)	41
Loss after taxation	(64)	(165)
Loss per share - in Rupees	(0.07)	(0.19)

	(Rupees in million)	
	Mar 31, 2010	Dec 31, 2009
Total assets	22,235	23,734
Investments	5,677	5,808
Advances	10,193	9,723
Deposits	11,679	12,521
Paid up capital & reserves (before revaluation reserve)	6,978	7,073
Surplus / (deficit) on revaluation of securities - net of tax	1	3

Financial Overview

During the first quarter of 2010, your bank registered after tax loss of Rs. 64 million, 61% less than the corresponding period of 2009. Net mark-up income amounts to Rs.253 million, registering the growth of 60% over the corresponding period of last year. This is indicative of the management efforts to reduce the cost of fund and its focused approach in building good quality corporate loan portfolio. At the same time, the risk profile of your bank was effectively managed and provisions were reduced by 96% compared to the first quarter of the last year. Similarly, operating expenses were lower by 6% against the corresponding period of the previous year.

Balance sheet size of your bank was marginally lower by 6% as compared to December 31, 2009, primarily due to reduction in interbank lending by 42% on the asset side whereas deposits dipped by about 7%.

Credit Rating

Your bank maintained its long term credit rating of A (single A) depicting adequate credit quality with reasonable protection, where as due to the strong capacity for timely payment of its financial commitment, your bank's short term rating remained A-1 (A One). These credit ratings are issued by JCR-VIS Credit Rating Agency.

Future Outlook

Your bank will remain focused on growing its deposit base and managing its cost of fund by improving its deposit mix and steadily building its earning assets base, while effectively managing the associated risks. During 2010, your bank expects to build on the momentum of first quarter performance and to show a significant improvement over 2009.

Acknowledgment

On behalf of Board of Directors and Management, I would like to express sincere gratitude to our customer, business partners and shareholders for their patronage and trust in us and our parent, Samba Financial Group, for their unwavering support. I also like to thank State Bank of Pakistan and other regulatory authorities for their continuous guidance. On behalf of Board of Directors and Management, I wish to thank our employees for their continued commitment, dedication and team work.

On behalf of Board of Directors,

Tawfiq A. Husain
President & Chief Executive Officer

April 27, 2010.

Condensed Interim Balance Sheet

As at March 31, 2010

Note	(Rupees in '000)	
	(Un-audited)	(Audited)
	March 31, 2010	December 31, 2009
ASSETS		
Cash and balances with treasury banks	915,819	961,280
Balances with other banks	184,331	707,912
Lendings to financial institutions	1,818,741	3,123,377
Investments - net	6 5,676,804	5,807,829
Advances - net	7 10,193,083	9,723,411
Operating fixed assets	1,078,300	1,112,169
Deferred tax assets - net	1,550,335	1,550,008
Other assets	817,388	748,140
	22,234,801	23,734,126
LIABILITIES		
Bills payable	97,766	78,127
Borrowings from financial institutions	8 2,535,921	3,141,284
Deposits and other accounts	9 11,679,254	12,520,633
Sub-ordinated loans	-	-
Liabilities against assets subject to finance lease	279	279
Deferred tax liabilities	-	-
Other liabilities	942,231	918,143
	15,255,451	16,658,466
NET ASSETS REPRESENTED BY:	6,979,350	7,075,660
Share capital	8,769,517	8,769,517
Reserves	43,080	43,080
Advance share subscription money received against proposed issue of right shares	2,189,440	2,189,440
Accumulated loss	(4,023,621)	(3,929,320)
	6,978,416	7,072,717
(Deficit) / surplus on revaluation of assets - net of tax	934	2,943
	6,979,350	7,075,660

CONTINGENCIES AND COMMITMENTS

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The annexed notes 1 to 15 form an integral part of these interim condensed financial statements.

President & Chief Executive Officer

Chairman

Director

Director

Condensed Interim Profit and Loss Account (Un-audited)

For The Quarter Ended March 31, 2010

Note	(Rupees in '000)	
	Quarter ended	Quarter ended
	March 31, 2010	March 31, 2009
Mark-up / return / interest earned	555,287	456,871
Mark-up / return / interest expensed	302,613	298,548
Net mark-up / return / interest income	252,674	158,323
(Reversal) / Provision against loans and advances - net	(1,051)	47,583
Provision for diminution in the value of investments- net	11,794	-
Bad debts written-off directly / (recoveries against debts written-off)	(905)	(1,074)
	9,838	46,509
Net mark-up / return / interest income after provisions	242,836	111,814
Non mark-up / interest income		
Fee, commission and brokerage income	20,469	15,962
Dividend income	8	-
Income from dealing in foreign currencies	(11,270)	6,388
Gain / (loss) on sale of securities	8	2,249
Gain / (loss) on revaluation of investments classified as held for trading	-	(437)
Other income	1,816	4,703
Total non mark-up / interest income	11,031	28,865
	253,867	140,679
Non mark-up / interest expenses		
Administrative expenses	323,157	342,140
Other provisions / write offs- net	(8,000)	4,745
Other charges	107	-
Total non mark-up / interest expenses	315,264	346,885
	(61,397)	(206,206)
Extraordinary items	-	-
Loss before taxation	(61,397)	(206,206)
Taxation - Current year	2,904	-
- Prior years	-	-
- Deferred	-	(40,722)
	2,904	(40,722)
Loss after taxation	(64,301)	(165,484)
Accumulated loss brought forward	(3,929,320)	(3,336,267)
Share issue cost	(30,000)	-
Accumulated loss carried forward	(4,023,621)	(3,501,751)
Basic / diluted loss per share (Rupees)	(0.07)	(0.19)

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The annexed notes 1 to 15 form an integral part of these interim condensed financial statements.

President & Chief Executive Officer

Chairman

Director

Director

Condensed Interim Statement of Comprehensive Income

For The Quarter Ended March 31, 2010

	(Rupees in '000)	
	Quarter ended	Quarter ended
	March 31, 2010	March 31, 2009
Loss for the period	(64,301)	(165,484)
Items relating to other comprehensive income*	-	-
Total comprehensive income for the period	(64,301)	(165,484)

* Surplus / deficit on revaluation of 'Available for Sale' investments is required to be shown separately below equity as 'surplus / deficit on revaluation of assets' in accordance with the requirements specified by the State Bank of Pakistan. Accordingly, it has not been included in the Condensed Interim Statement of Comprehensive Income.

The annexed notes 1 to 15 form an integral part of these interim condensed financial statements.

Condensed Interim Cash Flow Statement (Un-audited)

For The Quarter Ended March 31, 2010

	(Rupees in '000)	
	Quarter ended	Quarter ended
	March 31, 2010	March 31, 2009
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(61,397)	(206,206)
Less: Dividend income	(8)	-
	(61,405)	(206,206)
Adjustments for non-cash charges:		
Depreciation and amortization	39,870	38,173
(Reversal) / Provision against loans and advances - net	(1,051)	47,583
Surplus on revaluation of investment held for trading	-	437
(Reversal) / Provision for diminution in the value of investment	11,794	-
Gain on sale of operating fixed assets	(1,799)	(4,666)
Gain on sale of securities	(8)	(2,249)
Other provisions / write offs-net	-	4,745
	48,806	84,023
	(12,599)	(122,184)
(Increase) / decrease in operating assets		
Lendings to financial institutions	1,304,637	(1,945,302)
Held for trading securities	-	(1,313,037)
Advances	(468,621)	(837,559)
Other assets (excluding advance & current taxation)	(71,950)	26,367
	764,066	(4,069,531)
Increase/ (decrease) in operating liabilities		
Bills payable	19,639	13,659
Borrowings from financial institutions	(605,363)	5,696,732
Deposits and other accounts	(841,379)	(704,295)
Other liabilities	17,349	68,401
	(1,409,754)	5,074,497
	(658,287)	882,782
Income tax paid	(203)	(1,020)
Net cash from operating activities	(658,490)	881,763
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in securities	116,903	(1,073,488)
Dividend received	8	-
Investment in operating fixed assets	(9,847)	(17,278)
Proceeds from sale of fixed assets	5,645	10,071
Net cash inflow from / (outflow on) investing activities	112,709	(1,080,695)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	-	-
Cost incurred on issuance of shares	(23,261)	-
Net cash used in financing activities	(23,261)	-
Increase / (Decrease) in cash and cash equivalents	(569,042)	(198,932)
Cash and cash equivalents at beginning of the period	1,669,192	1,105,776
Cash and cash equivalents at end of the period	1,100,150	906,844
Cash and cash equivalents		
Cash and balances with treasury banks	915,819	636,039
Balances with other banks	184,331	270,805
	1,100,150	906,844

The annexed notes 1 to 15 form an integral part of these interim condensed financial statements.

Condensed Interim Statement of Changes in Equity (Un-audited)

For The Quarter Ended March 31, 2010

	(Rupees in '000)					
	Share capital	Capital reserve	Statutory reserve	Advance share subscription money received against proposed issue of right shares	Accumulated loss	Total
Balance as at January 01, 2009	8,769,517	20,935	22,145	-	(3,336,267)	5,476,330
Loss after taxation for the quarter ended March 31, 2009	-	-	-	-	(165,484)	(165,484)
Balance as at March 31, 2009	8,769,517	20,935	22,145	-	(3,501,751)	5,310,846
Loss after taxation for the nine months period ended December 31, 2009	-	-	-	-	(427,569)	(427,569)
Advance share subscription money received against proposed issue of right shares	-	-	-	2,189,440	-	2,189,440
Balance as at December 31, 2009	8,769,517	20,935	22,145	2,189,440	(3,929,320)	7,072,717
Loss after taxation for the quarter ended March 31, 2010	-	-	-	-	(64,301)	(64,301)
Share issue cost	-	-	-	-	(30,000)	(30,000)
Balance as at March 31, 2010	8,769,517	20,935	22,145	2,189,440	(4,023,621)	(6,978,416)

The annexed notes 1 to 15 form an integral part of these interim condensed financial statements.

President & Chief Executive Officer

Chairman

Director

Director

Notes to The Condensed Interim Financial Statements (Un-audited)

For The Quarter Ended March 31, 2010

1 STATUS AND NATURE OF BUSINESS

Samba Bank Limited is a banking company incorporated in Pakistan and is engaged in commercial banking and related services. The bank is listed on all the stock exchanges of Pakistan. Its principal and registered office is located at 6th Floor, Sidco Avenue Centre, Maulana Deen Muhammad Wafai Road, Karachi. The bank is a subsidiary of SAMBA Financial Group of Saudi Arabia, holding 68.42% shares of the bank. The bank operates 28 (December 31, 2009: 28) branches inside Pakistan.

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 financial statements as such but are restricted to the amount of facility actually utilised and the appropriate portion of mark-up thereon.

3 STATEMENT OF COMPLIANCE

- (a) These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Companies Ordinance, 1984, Banking Companies Ordinance, 1962 or the directives issued by the Securities and Exchange Commission of Pakistan (SECP) and the State Bank of Pakistan (SBP). Wherever the requirements of the Companies Ordinance, 1984, Banking Companies Ordinance, 1962 or the directives issued by the SECP and SBP 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.
- (b) The SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for Banking Companies through BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7 'Financial Instruments: Disclosures' through its notification S.R.O 411(i)/2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.
- (c) The disclosures made in these interim financial statements have, however been limited based on the format prescribed by the State Bank of Pakistan vide BSD Circular Letter No. 2 dated May 12, 2004 and International Accounting Standard 34, Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the financial statements of the bank for the year ended December 31, 2009.

4 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except that certain investments, foreign currency balances and commitments in respect of foreign exchange contracts and derivative financial instruments have been marked to market and are carried at fair value.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies 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 December 31, 2009.

6. INVESTMENTS

(Rupees in '000)

Note		March 31, 2010			December 31, 2009		
		Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total
Available for sale securities	6.1	5,226,790	189,886	5,416,676	3,997,331	1,535,053	5,532,384
Held to maturity securities	6.2	318,883	-	318,883	320,071	-	320,071
Associates / Associated companies	6.3	371,470	-	371,470	371,470	-	371,470
		5,917,143	189,886	6,107,029	4,688,872	1,535,053	6,223,925
Provision for diminution in the value of investments		(428,218)	-	(428,218)	(416,424)	-	(416,424)
Deficit on revaluation of available for sale securities		(1,912)	(95)	(2,007)	(759)	1,087	328
Investments-net		5,487,013	189,791	5,676,804	4,271,689	1,536,140	5,807,829
6.1 Available-for-sale securities							
Market Treasury Bills		4,901,987	189,886	5,091,873	3,672,991	1,535,053	5,208,044
Pakistan Investment Bonds		115,687	-	115,687	115,224	-	115,224
Sukuk Bond		10,000	-	10,000	10,000	-	10,000
Ordinary shares and certificates - listed		123,707	-	123,707	123,707	-	123,707
Ordinary shares - unlisted		65,409	-	65,409	65,409	-	65,409
Preference shares - listed		10,000	-	10,000	10,000	-	10,000
		5,226,790	189,886	5,416,676	3,997,331	1,535,053	5,532,384
6.2 Held-to-maturity securities							
Pakistan Investment Bonds		318,883	-	318,883	320,071	-	320,071
6.3 Associates							
Ordinary shares - listed		371,470	-	371,470	371,470	-	371,470

7. ADVANCES - NET

(Rupees in '000)

Note	March 31, 2010		December 31, 2009	
	March 31, 2010	December 31, 2009	March 31, 2010	December 31, 2009
Loans, cash credits, running finances, etc. - in Pakistan	11,994,924	11,605,399	11,994,924	11,605,399
Net Investment in finance lease in - Pakistan	541,420	567,821	541,420	567,821
Bills discounted and purchased (excluding government treasury bills)	270,228	170,140	270,228	170,140
Advances gross	12,806,572	12,343,360	12,806,572	12,343,360
Less: Provision for loans and advances				
- Specific provision	7.1	(2,542,241)	(2,544,717)	(2,544,717)
- General provision	7.2	(71,248)	(75,232)	(75,232)
		(2,613,489)	(2,619,949)	(2,619,949)
		10,193,083	9,723,411	9,723,411

7.1 Advances include Rs 2,668.8 million which have been placed under non-performing status as detailed below:

(Rupees in '000)

Category of classification	March 31, 2010				
	Classified Advances	Total	Provision required	Provision held	
	Domestic	Overseas			
Substandard	76,825	-	76,825	18,878	18,878
Doubtful	4,684	-	4,684	2,342	2,342
Loss	2,587,369	-	2,587,369	2,521,021	2,521,021
	2,668,878	-	2,668,878	2,542,241	2,542,241

7.2 The general provision includes a provision amounting to Rs 48.648 million against consumer financing portfolio as required by the Prudential Regulations issued by the SBP. General provision also includes a provision of Rs 22.600 million made in respect of potential loan losses present in the portfolio but not specifically identified and has been determined on the basis of management best estimate.

8. BORROWINGS FROM FINANCIAL INSTITUTION

(Rupees in '000)

	March 31, 2010	December 31, 2009
Secured		
Borrowings from SBP under export refinance scheme	1,453,935	1,286,716
Repurchase agreement borrowings	189,650	1,532,232
	1,643,585	2,818,948
Unsecured		
Call money borrowing	870,000	300,000
Bankers Equity Limited (under liquidation)	22,336	22,336
	892,336	322,336
	2,535,921	3,141,284

9. DEPOSITS AND OTHER ACCOUNTS

Customers
Fixed deposits
Savings deposits
Current accounts - non-remunerative
Others - non-remunerative

Banks and Financial Institutions
Remunerative deposits
Non-remunerative deposits

10. CONTINGENCIES AND COMMITMENTS

10.1 Direct credit substitutes

Favouring others

10.2 Transaction-related contingent liabilities /commitments

Contingent liabilities in respect of performance bonds, bid bonds, warranties, etc. given favouring
- Government
- Others

10.3 Trade-related contingent liabilities

Favouring others

	March 31, 2010	December 31, 2009
10.1 Direct credit substitutes		
Favouring others	559,392	421,003
	559,392	421,003
10.2 Transaction-related contingent liabilities /commitments		
Contingent liabilities in respect of performance bonds, bid bonds, warranties, etc. given favouring		
- Government	965,810	955,835
- Others	204,792	196,792
	1,170,602	1,152,627
10.3 Trade-related contingent liabilities		
Favouring others	280,045	607,890
	280,045	607,890

10.4 Contingencies in respect of taxation

The Income tax department had raised an aggregate demand of Rs 426.787 million for the assessment years 1995-96, 1996-97, 1999-00, 2001-02, 2002-03 on account of non-deduction of tax on profit paid under portfolio management scheme, interest paid on foreign currency deposits and certificates of investment. The department had also raised further demand of Rs 782.63 million for assessment years 1995-96, 1998-99 to assessment year 2002-03 on account of taxability of investment bank as banking companies, taxation of dividend income, add back relating to extra shift allowance, lease rentals received or receivable, lease key money and certain other items. The aforementioned demands and add backs include pending assessments of amalgamated entities namely Crescent Investment Bank Limited, Trust Investment Bank Limited, Fidelity Investment Bank Limited and Pakistan Industrial Leasing Corporation.

Presently, the bank is contesting these add backs / demands at various appellate forums. The disallowances in respect of a number of assessment years have been decided / set aside by various appellate authorities for re-assessment while the bank's appeal in respect of the remaining assessment years are currently pending. Based on the professional advice received from tax advisors, the management is confident that the eventual outcome of the aforementioned matters will be in favour of the bank. Accordingly, no provision has been made in these financial statements in respect of the above mentioned demands of Rs 1,209.417 million raised by the income tax authorities.

10.5 Commitments in respect of forward lending

The bank makes commitments to extend credit in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facility is unilaterally withdrawn.

(Rupees in '000)

10.6 Commitments in respect of forward foreign exchange contracts

Purchase
Sale

	March 31, 2010	December 31, 2009
Purchase	3,663,283	3,751,883
Sale	2,807,686	3,724,147

10.7 Capital Commitments

Commitments for capital expenditure as at March 31, 2010 amounted to Rs. 5.5 million (December 31, 2009: Rs. 7.4 million).

(Rupees in '000)

11 LOSS PER SHARE - Basic & Diluted

Loss after taxation attributable to ordinary shareholders

	March 31, 2010	March 31, 2009
Loss after taxation attributable to ordinary shareholders	(64,301)	(165,484)

Number of shares

Weighted average number of shares outstanding during the period

Weighted average number of shares outstanding during the period	876,951,675	876,951,675
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Rupees

Loss per share - Basic & diluted

Loss per share - Basic & diluted	(0.07)	(0.19)
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12 RELATED PARTY TRANSACTIONS

The bank has related party relationship with its associates, employee contribution plan, its directors and key management personnel.

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.

Contribution to staff retirement benefit plan is made in accordance with the terms of the contribution plan. Remuneration to the executives are determined in accordance with the terms of their employment.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the bank. The bank considers all member of their management team, including Chief Executive and Directors to be key management personnel.

Details of transactions with related parties are given below:

(Rupees in '000)

BALANCE OUTSTANDING - GROSS

Advances

At January 01
Given during the period
Repaid during the period
Adjustments
At March 31 / December 31

	March 31, 2010			December 31, 2009		
	Key management personnel	Associates	Others	Key management personnel	Associates	Others
At January 01	54,636	45,500	-	62,961	45,500	-
Given during the period	616	-	-	12,489	-	-
Repaid during the period	(1,732)	-	-	(20,814)	-	-
Adjustments	860	-	-	-	-	-
At March 31 / December 31	54,380	45,500	-	54,636	45,500	-
Provision held against advances	-	45,500	-	-	45,500	-
Deposits						
At January 01	102,926	3,222	92,650	58,609	15,934	57,961
Received during the period	63,389	-	15,295	251,792	162,313	300,818
Withdrawn during the period	(71,774)	-	(7,794)	(205,633)	(175,025)	(266,129)
Adjustments	6,387	-	-	(1,842)	-	-
At March 31 / December 31	100,928	3,222	100,151	102,926	3,222	92,650
Others						
Guarantees	-	42,196	-	-	42,196	-
Provision against guarantees	-	3,733	-	-	3,733	-
Balances in nostro accounts	-	3,005	-	-	4,237	-
Investment in shares	-	371,470	-	-	371,470	-
Sundry receivables	-	32,791	-	-	32,791	-
Sundry payable	-	117,861	-	-	113,989	-
Group service cost	-	100,000	-	-	70,000	-
Balances in vostro accounts	-	19,531	-	-	11,531	-
Advance share subscription money received against proposed issue of right shares	-	2,189,440	-	-	2,189,440	-
Provision against diminution in the value of investments	-	256,555	-	-	256,555	-

(Rupees in '000)

Transactions for the period

Remuneration and benefits
Directors fee
Commission on guarantee
Counter confirmation charges on guarantees
Provision against guarantees
Mark-up / return / interest expensed
Mark-up / return / interest income
Disposal of fixed assets

	January-March 31, 2010			January-March 31, 2009		
	Key management personnel	Associates	Others	Key management personnel	Associates	Others
Remuneration and benefits	25,768	-	-	27,282	-	-
Directors fee	1,078	-	-	2,008	-	-
Commission on guarantee	-	50	-	-	-	-
Counter confirmation charges on guarantees	-	-	-	-	7,705	-
Provision against guarantees	-	-	-	-	3,733	-
Mark-up / return / interest expensed	1,768	-	3,292	1,035	109	573
Mark-up / return / interest income	551	-	-	652	-	-
Disposal of fixed assets	537	-	-	-	-	-

13 BUSINESS SEGMENTS

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

(Rupees in '000)

For the quarter ended March 31, 2010 (Un-audited)					
Particulars	Corporate finance	Trading & sales	Retail banking	Commercial banking	Total
Total income (net of interest expense and provisions)	1,000	24,277	72,036	164,554	261,867
Total operating expenses	(3,094)	(18,883)	(271,888)	(29,399)	(323,264)
Net loss (before tax)	(2,094)	5,394	(199,852)	135,155	(61,397)
For the quarter ended March 31, 2009 (Un-audited)					
Particulars	Corporate finance	Trading & sales	Retail banking	Commercial banking	Total
Total income (net of interest expense and provisions)	-	50,544	59,238	26,152	135,934
Total operating expenses	(6,628)	(29,771)	(257,461)	(48,280)	(342,140)
Net loss (before tax)	(6,628)	20,773	(198,223)	(22,128)	(206,206)
As at March 31, 2010 (Un-audited)					
Particulars	Corporate finance	Trading & sales	Retail banking	Commercial banking	Total
Segment assets	11,637	9,871,858	2,975,513	12,515,641	25,374,649
Segment non-performing loans	-	-	698,730	1,970,148	2,668,878
Segment provision held	-	433,873	664,625	2,041,350	3,139,848
Segment liabilities	160	1,134,132	9,834,983	4,286,176	15,255,451
As at December 31, 2009 (Audited)					
Particulars	Corporate finance	Trading & sales	Retail banking	Commercial banking	Total
Segment assets	6,408	12,302,708	3,102,413	11,465,111	26,876,640
Segment non-performing loans	-	7,096	714,070	2,005,129	2,726,295
Segment provision held	-	440,338	638,716	2,063,460	3,142,514
Segment liabilities	-	1,890,734	9,567,611	5,200,121	16,658,466

14 GENERAL

Corresponding figures have been re-arranged and reclassified, wherever necessary, to facilitate comparison. However, there are no material reclassifications to report in these condensed interim financial statements.

Figures have been rounded off to the nearest thousand rupees.

15 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 27, 2010 by the Board of Directors of the bank.