

**DUBAI ISLAMIC BANK PAKISTAN LIMITED**

**FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED JUNE 30, 2011**

**DUBAI ISLAMIC BANK PAKISTAN LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2011**

**ASSETS**

Cash and balances with treasury banks  
Balances with other banks  
Due from financial institutions  
Investments  
Financings  
Operating fixed assets  
Deferred tax assets - net  
Other assets

Note	Un-audited June 30, 2011	Audited December 31, 2010
	Rupees in '000	
	3,657,737	3,197,884
9	351,226	3,455,665
	3,007,321	1,020,725
10	9,170,598	5,945,370
11	22,393,722	22,764,954
12	1,655,111	1,703,588
13	409,561	447,788
	1,843,193	1,352,762
	42,488,469	39,888,736

**LIABILITIES**

Bills payable  
Due to financial institutions  
Deposits and other accounts  
Sub-ordinated loans  
Liabilities against assets subject to finance lease  
Deferred tax liabilities - net  
Other liabilities

	471,077	411,944
	1,558,430	950,000
14	33,298,268	31,414,908
	-	-
	-	-
	-	-
	1,007,057	1,063,545
	36,334,832	33,840,397
	6,153,637	6,048,339

**NET ASSETS**

**REPRESENTED BY**

Share capital  
Reserves  
Accumulated losses

Advance against future issue of share capital  
Surplus / Deficit on revaluation of assets - net of tax

	6,776,030	6,776,030
	68,021	46,961
	(690,432)	(774,670)
	6,153,619	6,048,321
	18	18
	6,153,637	6,048,339

**CONTINGENCIES AND COMMITMENTS**

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The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

  
**PRESIDENT & CHIEF EXECUTIVE**

  
**DIRECTOR**

  
**DIRECTOR**

  
**DIRECTOR**

**DUBAI ISLAMIC BANK PAKISTAN LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2011**

	Note	Quarter ended June 30, 2011	Half year ended June 30, 2011	Quarter ended June 30, 2010	Half year ended June 30, 2010
Rupees in '000					
Profit / return earned on financing, investments and placements		1,147,592	2,227,341	1,023,410	1,997,065
Return on deposits and other dues expensed		549,054	1,078,497	544,191	1,036,210
Net spread earned		598,538	1,148,844	479,219	960,855
Provision against non-performing financings - net	11.2	11,974	44,492	36,222	71,785
Provision for diminution in the value of investments		-	-	-	-
Bad debts written off		-	-	-	-
Net spread after provisions		586,564	1,104,352	442,997	889,070
<b>Other income</b>					
Fee, commission and brokerage income		35,981	130,527	61,959	144,029
Dividend income		-	-	-	-
Income from dealing in foreign currencies		21,187	49,349	35,962	61,619
Gain on sale of securities		27,783	27,783	2,161	2,661
Unrealised gain on revaluation of investments classified as held for trading		-	-	-	-
Other income		1,893	6,573	-	200
Total other income		86,844	214,232	100,082	208,509
<b>Other expenses</b>					
Administrative expenses		568,452	1,129,976	577,667	1,048,679
Other provisions / write offs		16,306	16,306	-	(2,251)
Other charges		2,675	4,361	1,143	1,243
Total other expenses		587,433	1,150,643	578,810	1,047,671
Extraordinary / unusual items		85,975	167,941	(35,731)	49,908
<b>Profit / (loss) before taxation</b>		85,975	167,941	(35,731)	49,908
Taxation - Current period		(12,345)	(24,416)	(16,646)	(22,056)
- Prior years		-	-	-	-
- Deferred		(17,784)	(38,227)	26,741	642
<b>Profit / (loss) after taxation</b>		(30,129)	(62,643)	10,095	(21,414)
		55,846	105,298	(25,636)	28,494
Basic and diluted earnings / (loss) per share	16	0.08	0.16	(0.04)	0.04

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

PRESIDENT & CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

DIRECTOR

**DUBAI ISLAMIC BANK PAKISTAN LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2011**

	Quarter ended June 30, 2011	Half year ended June 30, 2011	Quarter ended June 30, 2010	Half year ended June 30, 2010
	Rupees in '000			
Profit / (loss) for the period after tax	55,846	105,298	(25,636)	28,494
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	55,846	105,298	(25,636)	28,494

AXO The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

  
 PRESIDENT & CHIEF EXECUTIVE

  
 DIRECTOR

  
 DIRECTOR

  
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**DUBAI ISLAMIC BANK PAKISTAN LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2011**

	June 30, 2011	June 30, 2010
	Rupees in '000	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	167,941	49,908
Adjustments for:		
Depreciation	106,625	104,094
Amortisation	40,008	35,013
Provision against non-performing financings - net	44,492	71,785
Amortisation of Preliminary Expenses	10,401	20,506
Gain on sale of non trading investments	(27,783)	(2,661)
Provision / ( Reversal ) of provision against other assets	15,995	(2,251)
Fixed assets written off	204	-
Gain on sale of operating fixed assets	(2,812)	(195)
	187,130	226,291
	355,071	276,199
<b>(Increase) / decrease in operating assets</b>		
Due from financial institutions	(1,986,596)	(2,750,605)
Financings	326,740	(383,084)
Other assets (excluding advance taxation and deferred cost)	(515,383)	308,409
	(2,175,239)	(2,825,280)
<b>Increase / (decrease) in operating liabilities</b>		
Bills payable	59,133	682,523
Due to financial institutions	608,430	(100,000)
Deposits and other accounts	1,883,360	4,918,184
Other liabilities	(56,488)	47,822
	2,494,435	5,548,529
	674,267	2,999,448
	(25,858)	(12,055)
Income tax paid	648,409	2,987,393
<b>Net cash generated from operating activities</b>		
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net investment in available for sale securities	(3,197,445)	(233,664)
Investment in operating fixed assets	(102,337)	(90,386)
Proceeds realised on disposal of operating fixed assets	6,787	770
<b>Net cash used in investing activities</b>	(3,292,995)	(323,280)
	(2,644,586)	2,664,113
<b>(Decrease) / increase in cash and cash equivalents</b>		
Cash and cash equivalents at beginning of the period	6,653,549	5,362,701
	4,008,963	8,026,814
<b>Cash and cash equivalents at end of the period</b>		

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

  
PRESIDENT & CHIEF EXECUTIVE

  
DIRECTOR

  
DIRECTOR

  
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**DUBAI ISLAMIC BANK PAKISTAN LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2011**

	Share capital	Advance against future issue of share capital	Statutory reserve	Accumulated Losses	Total
	Rupees in '000				
Balance as at January 1, 2010	6,776,030	18	45,347	(781,130)	6,040,265
Profit after taxation for the half year ended June 30, 2010	-	-	-	28,494	28,494
Transfer to statutory reserve	-	-	5,699	(5,699)	-
Balance as at June 30, 2010	6,776,030	18	51,046	(758,335)	6,068,759
Loss after taxation for the half year ended December 31, 2010	-	-	-	(20,420)	(20,420)
Transfer from statutory reserve	-	-	(4,085)	4,085	-
Balance as at December 31, 2010	6,776,030	18	46,961	(774,670)	6,048,339
Profit after taxation for the half year ended June 30, 2011	-	-	-	105,298	105,298
Transfer to statutory reserve	-	-	21,060	(21,060)	-
Balance as at June 30, 2011	<u>6,776,030</u>	<u>18</u>	<u>68,021</u>	<u>(690,432)</u>	<u>6,153,637</u>

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

  
PRESIDENT & CHIEF EXECUTIVE

  
DIRECTOR

  
DIRECTOR

  
DIRECTOR

**DUBAI ISLAMIC BANK PAKISTAN LIMITED**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2011**

**1 STATUS AND NATURE OF BUSINESS**

- 1.1 Dubai Islamic Bank Pakistan Limited (the Bank) was incorporated in Pakistan as an unlisted public limited company on May 27, 2005 under the Companies Ordinance, 1984 to carry out the business of an Islamic Commercial Bank in accordance with the principles of Islamic Shariah.

The State Bank of Pakistan (the SBP) granted a "Scheduled Islamic Commercial Bank" license to the Bank on November 26, 2005 and subsequently the Bank received the Certificate of Commencement of Business from the Securities and Exchange Commission of Pakistan (the SECP) on January 26, 2006. The Bank commenced operations as a scheduled Islamic Commercial Bank with effect from March 28, 2006 on receiving certificate of its commencement of business from the SBP.

- 1.2 The Bank is operating through 64 branches as at June 30, 2011 (31 December 2010: 51 branches). The registered office of the Bank is situated at Hasan Chambers, DC-7, Block-7 Kehkashan, Clifton, Karachi. The Bank is a wholly owned subsidiary of Dubai Islamic Bank PJSC, UAE (The Holding Company).

- 1.3 The State Bank of Pakistan (SBP) vide BSD Circular No. 7 dated April 15, 2009 has set the Minimum Capital Requirement (MCR) for banks up to Rs 10 billion to be achieved in phased manner by December 31, 2013. Further, as per the said circular, MCR (free of losses) and Capital Adequacy Ratio (CAR) requirements as of December 31, 2010 was Rs 7 billion and 10% respectively. The paid-up capital of the Bank (free of losses) as of December 31, 2010 amounted to Rs 6.001 billion while its CAR stood at 20.87%.

Subsequent to the December 31, 2010, the Bank has been granted exemption from the MCR by the State Bank of Pakistan (SBP) vide its letter number BSD/BA1-3/608/132/2011 dated February 02, 2011, for a period of two years i.e. December 31, 2010 to December 31, 2011, subject to the compliance of the following conditions during the exemption period:

- The Bank shall maintain paid-up capital (free of losses) of at least Rs 6 billion at all times;
- The Bank shall maintain CAR of 15% or above;
- There would be moratorium on dividend payments until the Bank meets the existing regulatory capital requirements; and
- The Bank shall not undertake related party transactions (as defined in BSD Circular No. 4, dated February 17, 2006).

In addition, the Bank was also required to formulate and submit a capital enhancement plan to the SBP by June 30, 2011 so that the Bank eventually meets the capital requirements as of December 31, 2012 and onwards. The bank has filed the capital enhancement plan on May 6, 2011 to the State Bank of Pakistan regarding meeting the capital requirements applicable to the Bank as of December 31, 2012 and onwards.

**2 BASIS OF PRESENTATION**

The Bank provides financing through Shariah compliant financial products. The transactions of purchases, sales and leases executed arising under these arrangements are not reflected in these financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of rental / profit thereon. However, Murabaha transactions are accounted for under the Islamic Financial Accounting Standard – 1. Income, if any, received which does not comply with the principles of Shariah is segregated and recognized as charity payable if so directed by the Sharia Advisory / Sharia Supervisory Board.

**3 STATEMENT OF COMPLIANCE**

- 3.1 This condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, Islamic Financial Accounting Standard - 1 (IFAS-1) "Murabaha" issued by the Institute of Chartered Accountants of Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP), the requirements of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962, or the directives issued by the SECP and the State Bank of Pakistan (SBP). Wherever the requirements of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962, IFAS-1 "Murabaha" 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, IFAS-1 "Murabaha" or the requirements of the said directives issued by the SECP and SBP prevail.

*Atto*

- 3.2 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 this condensed interim financial information. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.
- 3.3 The disclosures made in this condensed interim financial information have been limited based on the format prescribed by the State Bank of Pakistan through BSD Circular Letter No. 2 dated May 12, 2004 and the requirements of International Accounting Standard 34, "Interim Financial Reporting". They do not include all of the information required for the full annual financial statements and this condensed interim financial information should be read in conjunction with the annual financial statements of the Bank for the year ended December 31, 2010.
- 3.4 SBP vide its BSD Circular No. 07 dated April 20, 2010 has clarified that for the purpose of preparation of financial statements in accordance with International Accounting Standard - 1 (Revised), 'Presentation of Financial Statements', two statement approach shall be adopted i.e. separate 'Profit and Loss Account' and 'Statement of Comprehensive Income' shall be presented and Balance Sheet shall be renamed as 'Statement of Financial Position'. Furthermore, the Surplus / (Deficit) on Revaluation of Available for sale (AFS) Securities only, may be included in the 'Statement of Comprehensive Income'. However, it should continue to be shown separately in the statement of financial position below equity. Accordingly, the above requirements have been adopted in the preparation of this condensed interim financial information.

#### 4 BASIS OF MEASUREMENT

This condensed interim financial information has been prepared under the historical cost convention except that certain investments and commitments in respect of certain foreign exchange contracts are marked to market and are carried at fair value.

#### 5 FUNCTIONAL AND PRESENTATION CURRENCY

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

#### 6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Bank for the year ended December 31, 2010.

#### 7 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis and the methods used for critical accounting estimates and judgments adopted in this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Bank for the year ended December 31, 2010.

#### 8 FINANCIAL RISK MANAGEMENT

The Bank's Financial Risk Management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended December 31, 2010.

#### 9 BALANCES WITH OTHER BANKS

##### In Pakistan

- Current accounts
- Saving accounts

##### Outside Pakistan

- Current accounts
- Saving accounts

	Un-audited June 30, 2011	Audited December 31, 2010
	Rupees in '000	
	4,937	5,343
	10	10
	346,279	1,309,394
	-	2,140,918
	<u>351,226</u>	<u>3,455,665</u>

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## 10 INVESTMENTS

### 10.1 Investments by type

#### Available for sale securities

WAPDA Sukuk Certificates  
Ijara Sukuk - GOP  
Other Sukuk Certificates  
Units of Mutual fund

#### Investments at cost

(Deficit) / surplus on revaluation of  
available for sale securities - net

#### Total investments

Un-audited June 30, 2011			Audited December 31, 2010		
Held by Bank	Given as collateral	Total	Held by Bank	Given as collateral	Total
Rupees in '000					
790,608	-	790,608	790,695	-	790,695
6,100,000	-	6,100,000	3,000,000	-	3,000,000
1,079,990	-	1,079,990	2,154,675	-	2,154,675
1,200,000	-	1,200,000	-	-	-
9,170,598	-	9,170,598	5,945,370	-	5,945,370
-			-		
9,170,598	-	9,170,598	5,945,370	-	5,945,370

## 11 FINANCINGS

#### Financings in Pakistan

- Murabaha  
- Musharaka cum Ijara - Housing  
- Musharaka cum Ijara - Autos  
- Ijara Muntahiya Bil Tamleek- Autos  
- Musharaka cum Ijara - Other  
- Export Refinance under Islamic Scheme  
- Wakala Istithmar - Pre manufacturing  
- Wakala Istithmar - Post manufacturing  
- Shirkatulmilk  
- Service Ijara  
- Musharaka  
- Istisna cum Wakala

#### Financings - gross

#### Provision against non-performing financings

#### Financings - net of provision

Note	Un-audited June 30, 2011	Audited December 31, 2010
Rupees in '000		
11.1	1,896,074	3,033,796
	5,392,046	5,493,212
	5,739,136	5,610,713
	191,752	172,699
	740,415	921,526
	1,302,066	950,000
	1,234,963	297,574
	75,600	23,116
	1,285,358	1,184,212
	700,000	700,000
	330,667	369,417
	4,103,340	4,561,892
	22,991,417	23,318,157
11.2	(597,695)	(553,203)
	22,393,722	22,764,954

11.1 Financings include Rs. 1,866.610 million (December 31, 2010: Rs 1,858.799 million) which have been placed under non-performing status as detailed below:

Category of classification	June 30, 2011 (Un-audited)								
	Classified financing			Provision required			Provision held		
	Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Rupees in '000									
Other Assets (Specially Mentioned)	-	-	-	-	-	-	-	-	-
Substandard	946,375	-	946,375	35,115	-	35,115	35,115	-	35,115
Doubtful	162,829	-	162,829	24,643	-	24,643	24,643	-	24,643
Loss	757,406	-	757,406	477,831	-	477,831	477,831	-	477,831
	1,866,610	-	1,866,610	537,589	-	537,589	537,589	-	537,589

Category of classification	December 31, 2010 (Audited)								
	Classified financing			Provision required			Provision held		
	Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Rupees in '000									
Other Assets (Specially Mentioned)	-	-	-	-	-	-	-	-	-
Substandard	1,039,471	-	1,039,471	43,238	-	43,238	43,238	-	43,238
Doubtful	180,949	-	180,949	40,781	-	40,781	40,781	-	40,781
Loss	638,379	-	638,379	408,574	-	408,574	408,574	-	408,574
	1,858,799	-	1,858,799	492,593	-	492,593	492,593	-	492,593

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## 11.2 Particulars of provision against non-performing financings

	June 30, 2011 (Un-audited)		
	Specific	General	Total
	Rupees in '000		
Opening balance	492,593	60,610	553,203
Charge for the period	107,761	-	107,761
Reversals during the period	(62,765)	(504)	(63,269)
Net charge	44,996	(504)	44,492
Closing balance	537,589	60,106	597,695

	December 31, 2010 (Audited)		
	Specific	General	Total
	Rupees in '000		
Opening balance	307,445	64,534	371,979
Charge for the year	292,691	667	293,358
Reversals during the year	(107,543)	(4,591)	(112,134)
Net charge	185,148	(3,924)	181,224
Closing balance	492,593	60,610	553,203

11.2.1 The State Bank of Pakistan (SBP) vide its letter no. BSD/BRP-5/X/8787/2011 dated July 6, 2011 has allowed relaxation in maintaining provisioning against the exposure of Agritech Limited till August 31, 2011, to all those banks who have agreed to reschedule / restructure their exposures against the company. Had the exemption not been available, the provision against financings would have been higher by Rs 185.348 million while the profit before taxation for the current period would have been lower by Rs 185.348 million.

11.2.2 Under the guidelines issued by the SBP, banks have been allowed to avail the benefit of 40% of forced sales value of pledged stocks and mortgaged commercial, residential and industrial properties held as collateral against all non-performing loans for 4 years from the date of classification for calculating provisioning requirement. However, as per the Circular, the additional impact on profitability arising from availing the benefit of forced sales value against pledged stocks and mortgaged residential, commercial and industrial properties would not be available for payment of cash or stock dividend.

The accumulated FSV benefit availed as at June 30, 2011 amounts to Rs 214.746 million (December 31, 2010: Rs 189.184 million) which is not available for either cash or stock dividend to shareholders.

11.3 General provision against consumer loans has been maintained at an amount equal to 1.5% of the fully secured regular portfolio of consumer loans and 5% of the unsecured regular portfolio of consumer loans as per the requirements of the Prudential Regulations issued by the State Bank of Pakistan. The SBP through its letter No. BPRD/BLRD-03/2009/6877 dated October 15, 2009 has granted exemption from general reserve requirement for the auto finance portfolio.

	Un-audited Half year ended	
	June 30, 2011	June 30, 2010
	Rupees in '000	
<b>12 FIXED ASSETS</b>		
<b>12.1 Additions to operating fixed assets</b>		
Leasehold improvements	49,041	16,641
Furniture and fixtures	16,628	2,552
Electrical, office and computer equipment	32,949	56,134
Vehicles	-	1,849
Capital work-in-progress	503	18,424
<b>12.2 Intangibles</b>		
Software	3,216	4,549
<b>12.3 Disposals and write offs of operating fixed assets</b>		
Electrical, office and computer equipment ((WDV: Rs 4.179 million) June 30, 2010 (Rs 0.575 million))	7,242	10,228
Vehicles	-	1,328

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# 13 DEFERRED TAX ASSETS - NET

The Bank has an aggregate amount of Rs 1,106.474 million unabsorbed tax losses as at June 30, 2011. The management has recognised deferred tax debit balance on the entire amount of these losses based on management's best estimate of the probable benefit expected to be realised in future years in the form of reduced tax liability as the Bank would be able to set off the profit earned in these years against losses carried forward from prior years. The amount of this benefit has been determined based on projections of the Bank for the next three years ending December 31, 2011, December 31, 2012 and December 31, 2013 as approved by the Board of Directors of the Bank.

# 14 DEPOSITS AND OTHER ACCOUNTS

June 30, 2011  
(Un-Audited)  
December 31, 2010  
(Audited)  
Rupees in '000

Fixed deposits	14,351,670	15,555,400
Savings deposits	11,761,160	10,116,105
Current accounts - non-remunerative	7,153,391	5,742,723
Margin accounts - non-remunerative	32,047	680
	<u>33,298,268</u>	<u>31,414,908</u>

# 15 CONTINGENCIES AND COMMITMENTS

## 15.1 Transactions-related contingent liabilities

Contingent liability in respect of guarantees favouring:

- i) Government
- ii) Banking companies and other financial institutions
- iii) Others

397,648	403,147
34,617	34,617
1,215,230	1,390,418
<u>1,647,495</u>	<u>1,828,182</u>

## 15.2 Trade-related contingent liabilities

Import Letters of Credit

<u>676,225</u>	<u>962,405</u>
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## 15.3 Commitments in respect of forward exchange promises to

Purchase

<u>732,290</u>	<u>1,434,666</u>
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Sale

<u>616,319</u>	<u>1,430,733</u>
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## 15.4 Commitments for the acquisition of operating fixed assets

<u>5,830</u>	<u>48,902</u>
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# 16 BASIC / DILUTED EARNINGS / (LOSS) PER SHARE

	Un-audited			
	Quarter ended June 30, 2011	Half year ended June 30, 2011	Quarter ended June 30, 2010	Half year ended June 30, 2010
	Rupees in '000			
Profit / (loss) after taxation	55,846	105,298	(25,636)	28,494
	Number of shares in thousands			
Weighted average number of ordinary shares	<u>677,603</u>	<u>677,603</u>	<u>677,603</u>	<u>677,603</u>
	Rupees			
Basic and diluted earnings / (loss) per share	<u>0.08</u>	<u>0.16</u>	<u>(0.04)</u>	<u>0.04</u>

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## 17 SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

## Primary segment information

For management purposes the Bank is organised into four major business segments:

- Corporate Finance
- Trading and Sales
- Retail Banking
- Commercial Banking

All assets, liabilities, off balance sheet items and items of income and expense are distributed in primary segments in accordance with the core functions performed by the business groups.

	Corporate Finance	Trading & Sales	Retail Banking	Commercial Banking	Others	Total
Rupees in '000						
For the half year ended June 30, 2011						
Internal Income	-	(465,159)	1,060,231	(592,331)	(2,741)	-
Total income - net	55,928	560,286	971,903	839,187	14,269	2,441,573
Total expenses	3,184	64,539	1,943,908	250,622	11,379	2,273,632
Profit before taxation	52,744	30,588	88,226	(3,766)	149	167,941
As at June 30, 2011						
Segment assets (Gross)	-	14,158,815	11,668,298	12,912,422	4,358,887	43,098,422
Segment non performing financings	-	-	893,886	929,475	43,249	1,866,610
Segment provision required	-	-	494,455	83,934	31,564	609,953
Segment liabilities	-	-	33,044,343	2,283,432	1,007,057	36,334,832
Segment return on assets (ROA) (%)	-	9.93%	18.20%	13.21%	4.60%	
Segment cost of funds (%)	-	12.31%	6.57%	8.33%	0.00%	
For the half year ended June 30, 2010						
Internal Income	-	(244,721)	829,814	(581,900)	(3,193)	-
Total income - net	45,742	318,821	954,864	874,094	12,053	2,205,574
Total expenses	2,474	60,856	1,850,247	236,687	5,402	2,155,666
Profit before taxation	43,268	13,244	(65,569)	55,507	3,458	49,908
As at December 31, 2010						
Internal Income	-	(702,988)	1,848,875	(1,148,338)	2,451	-
Total income - net	50,443	795,360	1,905,670	1,663,565	22,849	4,437,887
Total expenses	5,873	110,845	3,815,960	462,179	25,299	4,420,156
Profit before taxation	44,570	(18,473)	(61,415)	53,048	1	17,731
Segment assets (Gross)	-	11,104,292	11,611,757	13,765,853	3,960,037	40,441,939
Segment non performing financings	-	-	887,405	943,444	27,950	1,858,799
Segment provision required	-	-	455,781	82,040	15,382	553,203
Segment liabilities	-	-	31,150,450	1,626,402	1,063,545	33,840,397
Segment return on assets (ROA) (%)	-	8.04%	17.76%	13.01%	4.74%	
Segment cost of funds (%)	-	11.21%	6.72%	6.30%	-	

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## 18 RELATED PARTY TRANSACTIONS

The related parties of the Bank comprise group companies, directors and their close family members, employee benefits plan, executives and the holding company of the Bank i.e. Dubai Islamic Bank PJSC, UAE.

Usual transactions with related parties include deposits, financing, returns and provision of other banking services. Transactions with executives are undertaken at terms in accordance with employment agreements and service rules.

	Note	June 30, 2011 (Un-Audited)	December 31, 2010 (Audited)
		----- (Rupees '000) -----	
<b><u>Key management personnel</u></b>			
<b>Financings</b>			
At beginning of the period / year		15,008	10,309
Disbursements		-	5,000
Payments		(15,008)	(301)
At the end of the period / year		<u>-</u>	<u>15,008</u>
<b>Deposits</b>			
At beginning of the period / year		21,432	24,076
Deposits		55,778	192,355
Withdrawals		(60,861)	(194,999)
At the end of the period / year		<u>16,349</u>	<u>21,432</u>
<b><u>Directors</u></b>			
<b>Financings</b>			
At beginning of the period / year		13,425	13,682
Disbursement		-	-
Payments		(13,425)	(257)
At the end of the period / year		<u>-</u>	<u>13,425</u>
<b>Deposits</b>			
At beginning of the period / year		182	313
Deposits		-	11,903
Withdrawals		(182)	(12,034)
At the end of the period / year		<u>-</u>	<u>182</u>
<b><u>Holding company</u></b>			
<b>Placements</b>			
At beginning of the period / year	18.1	2,140,918	421,208
Placements		882,790	6,442,397
Payments		(3,023,708)	(4,722,687)
At the end of the period / year		<u>-</u>	<u>2,140,918</u>

18.1 These include placements made by the holding company under Wakala arrangement on behalf of the Bank.

	June 30, 2011 (Un-Audited)	December 31, 2010 (Audited)
	----- (Rupees '000) -----	
<b>Deposits</b>		
At beginning of the year	35,338	13,213
Deposits	295,769	502,455
Withdrawals	(316,463)	(480,330)
At the end of the year	<u>14,644</u>	<u>35,338</u>
<b>Balance held abroad</b>		
At beginning of the year	317,727	430,075
Deposits	11,007,211	44,954,769
Withdrawals	(11,287,381)	(45,067,117)
At the end of the year	<u>37,557</u>	<u>317,727</u>

*Atto*

	June 30, 2011 (Un-Audited) ----- (Rupees '000) -----	Decemeber 31, 2010 (Audited) ----- (Rupees '000) -----
Other payables	16,000	-
Other receivables	-	31,070
	June 30, 2011 (Un-Audited) ----- (Rupees '000) -----	June 30, 2010 (Un-Audited) ----- (Rupees '000) -----
Profit earned on financing to key management personnel	577	814
Return on deposits to key management personnel	349	301
Profit earned on financing to directors	513	917
Gain on sale of Securities to holding company	27,783	-
Profit earned on placements with holding company	2,802	15,104
Remuneration to key management personnel	43,481	79,674
<b>Employee benefit plans</b>		
Contribution to Employees Gratuity Fund	8,274	10,530
Contribution to Employees Provident Fund	14,380	16,235

19 **DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information was authorised for issue on 15 AUG 2011 by the Board of Directors of the Bank.

20 **GENERAL**

Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

  
PRESIDENT & CHIEF EXECUTIVE

  
DIRECTOR

  
DIRECTOR

  
DIRECTOR