

**Dubai Islamic Bank
Pakistan Limited**

Condensed Interim Financial Information
for the quarter ended March 31, 2019

Dubai Islamic Bank Pakistan Limited
Condensed Interim Statement of Financial Position
As at March 31, 2019

	<i>Note</i>	March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
----- Rupees in '000 -----			
ASSETS			
Cash and balances with treasury banks	6	17,108,568	17,752,920
Balances with other banks	7	5,872,373	1,241,840
Due from financial institutions	8	9,718,778	4,000,000
Investments	9	55,826,677	45,850,970
Islamic financing and related assets - net	10	158,489,297	153,306,380
Fixed assets	11	1,339,176	1,381,172
Intangible assets	12	162,890	169,752
Deferred tax assets	13	290,516	460,313
Other assets	14	8,913,756	7,659,406
		257,722,031	231,822,753
LIABILITIES			
Bills payable	15	3,490,582	2,811,457
Due to financial institutions	16	20,471,373	12,670,525
Deposits and other accounts	17	197,845,457	182,186,634
Subordinated sukuk	18	7,120,000	7,120,000
Deferred tax liabilities		-	-
Other liabilities	19	11,128,607	10,283,963
		240,056,019	215,072,579
NET ASSETS		17,666,012	16,750,174
REPRESENTED BY			
Share capital		11,652,288	11,652,288
Reserves		1,344,699	1,226,954
Deficit on revaluation of investments	20	(493,556)	(820,667)
Unappropriated profit		5,162,581	4,691,599
		17,666,012	16,750,174
CONTINGENCIES AND COMMITMENTS			
	21		

The annexed notes 1 to 38 form an integral part of this condensed interim financial information.

President & CEO

Chief Financial Officer

Director

Director

Director

Dubai Islamic Bank Pakistan Limited
Condensed Interim Profit and Loss Account (Un-Audited)
For the quarter ended March 31, 2019

	<i>Note</i>	March 31, 2019	March 31, 2018 Restated
		----- Rupees in '000 -----	
Profit / return earned	22	5,339,325	3,021,450
Profit / return expensed	23	(2,964,115)	(1,210,077)
Net Profit / return		2,375,210	1,811,373
OTHER INCOME			
Fee and commission income	24	423,868	396,944
Dividend income		-	-
Foreign exchange income		117,445	111,744
Gain on securities	25	271	-
Other income	26	82	118
Total other income		541,666	508,806
Total income		2,916,876	2,320,179
OTHER EXPENSES			
Operating expenses	27	(1,559,948)	(1,440,068)
Workers welfare fund		(23,478)	(17,630)
Other charges	28	(3,495)	(22)
Total other expenses		(1,586,921)	(1,457,720)
Profit before provisions		1,329,955	862,459
(Provisions) / reversal of provision and write offs - net	29	(200,532)	1,421
PROFIT BEFORE TAXATION		1,129,423	863,880
Taxation	30	(540,696)	(302,366)
PROFIT AFTER TAXATION		588,727	561,514
		----- Rupees -----	
Basic & diluted earnings per share	31	0.51	0.48

The annexed notes 1 to 38 form an integral part of this condensed interim financial information.

President & CEO

Chief Financial Officer

Director

Director

Director

Dubai Islamic Bank Pakistan Limited

Condensed Interim Statement of Comprehensive Income (Un-Audited)

For the quarter ended March 31, 2019

	March 31, 2019	March 31, 2018
	----- Rupees in '000 -----	
Profit after taxation for the period	588,727	561,514
Other comprehensive income		
Items that may be reclassified to profit and loss account in subsequent periods:		
Decrease / (increase) in deficit on revaluation of investments - net of tax	327,111	(365,687)
Total comprehensive income	<u>915,838</u>	<u>195,827</u>

The annexed notes 1 to 38 form an integral part of this condensed interim financial information.

President & CEO

Chief Financial Officer

Director

Director

Director

Dubai Islamic Bank Pakistan Limited
Condensed Interim Statement of Changes in Equity (Un-Audited)
For the quarter ended March 31, 2019

	Share capital	Statutory reserve	Deficit on revaluation of investments	Unappropriated profit	Total
	Rupees in '000				
Balance as at January 01, 2018 - Restated	11,652,288	725,101	(142,265)	2,677,047	14,912,171
Total Comprehensive income for the quarter					
Profit after taxation for the quarter ended March 31, 2018	-	-	-	561,514	561,514
Other comprehensive income - net of tax	-	-	(365,687)	-	(365,687)
	-	-	(365,687)	561,514	195,827
Transfer to statutory reserve	-	112,303	-	(112,303)	-
Balance as at March 31, 2018 - Restated	11,652,288	837,404	(507,952)	3,126,258	15,107,998
Total Comprehensive income for the nine months period ended					
Profit after taxation for the nine months period ended December 31, 2018	-	-	-	1,947,751	1,947,751
Other comprehensive income - net of tax	-	-	(312,715)	7,140	(305,575)
	-	-	(312,715)	1,954,891	1,642,176
Transfer to statutory reserve	-	389,550	-	(389,550)	-
Balance as at December 31, 2018	11,652,288	1,226,954	(820,667)	4,691,599	16,750,174
Total Comprehensive income for the quarter					
Profit after taxation for the quarter ended March 31, 2019	-	-	-	588,727	588,727
Other comprehensive income - net of tax	-	-	327,111	-	327,111
	-	-	327,111	588,727	915,838
Transfer to statutory reserve	-	117,745	-	(117,745)	-
Balance as at March 31, 2019	11,652,288	1,344,699	(493,556)	5,162,581	17,666,012

The annexed notes 1 to 38 form an integral part of this condensed interim financial information.

President & CEO

Chief Financial Officer

Director

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Dubai Islamic Bank Pakistan Limited
Condensed Interim Cash Flow Statement (Un-Audited)
For the quarter ended March 31, 2019

	Note	March 31, 2019 ----- Rupees in '000 -----	March 31, 2018
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		1,129,423	863,880
Adjustments for:			
Depreciation	27	79,396	79,893
Amortisation	27	17,703	19,012
Gain on securities	25	(271)	-
Gain on sale of fixed assets		(82)	(78)
Provisions / (reversal of provision) and write offs - net	29	200,532	(1,421)
		<u>297,278</u>	<u>97,406</u>
		1,426,701	961,286
Increase in operating assets			
Due from financial institutions		(5,718,778)	(3,998,701)
Islamic financing and related assets		(5,383,449)	(12,308,155)
Others assets		(1,115,454)	(579,626)
		<u>(12,217,681)</u>	<u>(16,886,482)</u>
Increase / (decrease) in operating liabilities			
Bills payable		679,125	361,927
Due to financial institutions		7,800,666	3,019,113
Deposits and other accounts		15,658,823	13,406,731
Other liabilities (excluding current taxation)		611,212	440,968
		<u>24,749,826</u>	<u>17,228,739</u>
		13,958,846	1,303,543
Income taxes paid		<u>(452,498)</u>	<u>(181,860)</u>
Net cash flow generated from operating activities		<u>13,506,348</u>	<u>1,121,683</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Net investments in available for sale securities		(9,472,189)	(286,077)
Investments in fixed assets		(37,410)	(49,555)
Proceeds from sale of fixed assets		92	106
Investments in intangible assets		(10,841)	(4,231)
Net cash flow used in investing activities		<u>(9,520,348)</u>	<u>(339,757)</u>
Increase in cash and cash equivalents		<u>3,985,999</u>	<u>781,926</u>
Cash and cash equivalents at beginning of the period		18,988,985	11,597,265
Cash and cash equivalents at end of the period	32	<u><u>22,974,984</u></u>	<u><u>12,379,191</u></u>

The annexed notes 1 to 38 form an integral part of this condensed interim financial information.

President & CEO

Chief Financial Officer

Director

Director

Director

Dubai Islamic Bank Pakistan Limited

Notes to and forming part of the Condensed Interim Financial Information (Un-Audited)

For the quarter ended March 31, 2019

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 Act, 2017 (Previously Companies Ordinance, 1984) to carry out the business of an Islamic Commercial Bank in accordance with the principles of Shari'a.
- 1.2** 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 its operations as a scheduled Islamic Commercial Bank with effect from March 28, 2006 on receiving certificate of commencement of business from the SBP. The Bank is principally engaged in Corporate, Commercial, Consumer Islamic banking activities and investing activities.
- 1.3** JCR-VIS Credit Rating Company Limited on June 29, 2018 has reaffirmed the Bank's medium to long-term rating as 'AA-' (AA minus) and the short term rating as 'A-1' (A one) with stable outlook.
- 1.4** The Bank is operating through 200 branches as at March 31, 2019 (December 31, 2018: 200 branches). The registered office of the Bank is situated at Hassan Chambers, DC-7, Block-7 Kehkashan, Clifton, Karachi. The Bank is a wholly owned subsidiary of Dubai Islamic Bank PJSC, UAE (the Holding Company).

2 BASIS OF PRESENTATION

The Bank provides Islamic financing and makes investments mainly through Murabaha, Musharaka, Running Musharaka, Shirkatulmilk, Istisna cum Wakala, Wakala Istithmar and export refinance under Islamic export refinance scheme of State Bank of Pakistan (SBP) and other Islamic modes as briefly explained in the annual financial statements for the year ended December 31, 2018. The transactions of purchases, sales and leases executed 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. The income on such Islamic financing and related assets is recognised in accordance with the principles of Shari'a. However, income if any, received which does not comply with the principles of Shari'a is recognised as charity payable if so directed by the Shari'a Board / Resident Shari'a Board Member.

2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan.

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of the IAS 34 or IFAS, requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

The disclosures made in this condensed interim financial information have been limited based on the format prescribed by the SBP through BPRD Circular Letter No. 5 dated March 22, 2019 and the requirements of International Accounting Standard 34, "Interim Financial Reporting". They do not include all the disclosures required for annual financial statements and this condensed interim financial information should be read in conjunction with the financial statements for the year ended December 31, 2018.

2.2 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that are effective in the current period

There are certain new and amended standards, interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 1, 2019 but are considered not to be relevant or do not have any significant effect on the Bank's operations and therefore not detailed in these condensed interim financial information other than IFRS16 for which the SBP has advised the banks to submit impact assessment and necessary guidance and instruction is awaited.

State Bank of Pakistan through BPRD Circular Letter No. 5 dated March 22, 2019 prescribed a new format for condensed interim financial information of banks effective from the quarter ended March 31, 2019. Accordingly, this condensed interim financial information is prepared in accordance with the new format. The changes impacting (other than certain presentation changes) this condensed interim financial information include:

- Inclusion of surplus / deficit on revaluation of investments as part of equity (previously shown below equity).
- Foreign currency swap costs have been grossed up from income from dealing in foreign currencies and included in profit / return expensed (note 23).
- Other reversal of provisions / write offs have now been combined under provisions & write off - net (note 29).

2.3 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective

There are certain standards, amendments and interpretations with respect to the approved accounting standards that are not yet effective and are not expected to have any material impact on the Bank's financial statements in the period of their initial application.

3 BASIS OF MEASUREMENT

3.1 Accounting convention

This condensed interim financial information have been prepared under the historical cost convention, except that held for trading and available for sale investments and derivative financial instruments are carried at fair value.

3.2 Functional and presentation currency

This condensed interim financial information have been presented in Pakistani Rupees, which is the Bank's functional and presentation currency.

3.3 Critical accounting estimates and judgments

The basis for accounting estimates adopted in the preparation of this condensed interim financial information is the same as that applied in the preparation of the annual financial statements for the year ended December 31, 2018.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial information are consistent with those applied in the preparation of the annual financial statements of the Bank for the year ended December 31, 2018.

5 FINANCIAL RISK MANAGEMENT

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

		March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
	Note	----- (Rupees in '000) -----	
6 CASH AND BALANCES WITH TREASURY BANKS			
In hand			
- local currency		2,366,492	2,629,526
- foreign currencies		981,577	816,475
		<u>3,348,069</u>	<u>3,446,001</u>
With State Bank of Pakistan in			
- local currency current accounts	6.1	10,033,830	10,938,070
- foreign currency current accounts		31,096	3,423
- foreign currency deposit accounts			
- Cash reserve account	6.2	1,527,540	1,305,371
- Special cash reserve account	6.2	1,832,949	1,566,348
		<u>3,360,489</u>	<u>2,871,719</u>
With National Bank of Pakistan in			
- local currency current accounts		335,084	493,707
		<u>17,108,568</u>	<u>17,752,920</u>

- 6.1** The local currency current account is maintained with the State Bank of Pakistan (SBP) as per the requirements of Section 22 of the Banking Companies Ordinance, 1962. This section requires banking companies to maintain a local currency cash reserve in the current account opened with the SBP at a sum not less than such percentage of its demand and time liabilities in Pakistan as may be prescribed by SBP.
- 6.2** As per BSD Circular No. 15 dated June 21, 2008, cash reserve of 5% and special cash reserve of 6% are required to be maintained with SBP on deposits held under the New Foreign Currency Accounts Scheme (FE-25 deposits). These accounts are non-remunerative in nature.

		March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
	Note	----- (Rupees in '000) -----	
7 BALANCES WITH OTHER BANKS			
In Pakistan			
- in current accounts		501,110	589,720
- in deposit account		10	10
		<u>501,120</u>	<u>589,730</u>
Outside Pakistan			
- in current accounts	7.1	5,371,253	652,110
		<u>5,872,373</u>	<u>1,241,840</u>

- 7.1** This includes an amount of Rs. 4,320.66 million (December 31, 2018: Rs.43.13 million) deposited with the holding company.

		March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
		----- (Rupees in '000) -----	
8 DUE FROM FINANCIAL INSTITUTIONS			
Musharaka	8.1	5,500,000	4,000,000
Bai Muajjal receivable with State Bank of Pakistan	8.2	4,218,778	-
		<u>9,718,778</u>	<u>4,000,000</u>

- 8.1** These carry expected profit rates ranging from 9.60% to 10.25% (December 31, 2018: 9.5%) per annum and are due to mature latest by April 03, 2019 (December 31, 2018: January 02, 2019).
- 8.2** These carry expected profit rates ranging from 10.22% to 10.25% (December 31, 2018: Nil) per annum and are due to mature latest by August 08, 2019 (December 31, 2018: Nil).

9 INVESTMENTS

9.1	Investments by types:	Note	March 31, 2019 (Un-audited)				December 31, 2018 (Audited)			
			Cost / amortised cost	Provision for diminution	(Deficit) / surplus	Carrying value	Cost / amortised cost	Provision for diminution	(Deficit) / surplus	Carrying value
----- (Rupees in '000) -----										
Available-for-sale securities										
	Federal Government debt securities		31,156,850	-	(8,638)	31,148,212	21,606,259	-	135,693	21,741,952
	Non-Government debt securities		3,409,973	(70,495)	15,821	3,355,299	3,717,332	(70,495)	19,073	3,665,910
	Foreign debt securities		18,089,666	-	(766,500)	17,323,166	17,860,438	-	(1,417,330)	16,443,108
			52,656,489	(70,495)	(759,317)	51,826,677	43,184,029	(70,495)	(1,262,564)	41,850,970
Held-to-maturity securities										
	Federal Government debt securities	9.4	4,000,000	-	-	4,000,000	4,000,000	-	-	4,000,000
	Total investments		56,656,489	(70,495)	(759,317)	55,826,677	47,184,029	(70,495)	(1,262,564)	45,850,970

9.2 Investments given as collateral - at market value	Note	March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
----- (Rupees in '000) -----			
Foreign debt securities		17,323,166	-
9.3 Provision for diminution in value of investments			
Opening balance		70,495	47,102
Charge for the period / year		-	23,393
Closing balance	9.3.1	70,495	70,495

9.3.1 This represent sukuk of Quetta Textile Mills Limited amounting to Rs. 89.32 million (December 31, 2018: Rs. 89.32 million) which have been placed under non-performing status. The forced sale value (FSV) benefit of the collateral held in respect of this sukuk is Rs. 18.82 million (December 31, 2018: Rs. 18.82 million). Therefore, provision for diminution has been made in respect of the same. Profit accrued on this sukuk has been suspended. The additional profit arising from availing the FSV benefit - net of tax as at March 31, 2019 amounting to Rs. 12.23 million (December 31, 2018: Rs. 12.23 million) is not available for distribution as either cash or stock dividend.

9.3.2 Particulars of provision against debt securities

Category of classification	March 31, 2019 (Un-audited)		December 31, 2018 (Audited)	
	*NPI	Provision	*NPI	Provision
----- (Rupees in '000) -----				
Domestic				
Other Assets Especially Mentioned	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	89,316	70,495	89,316	70,495
	89,316	70,495	89,316	70,495
Overseas	-	-	-	-
Total	89,316	70,495	89,316	70,495

* NPI stands for non-performing investments.

9.4 The market value of securities classified as held to maturity as at March 31, 2019 amounted to Rs. 3,958 million (December 31, 2018: Rs. 3,928 million).

10 ISLAMIC FINANCING AND RELATED ASSETS

	Note	Performing		Non-Performing		Total	
		March 31,	December 31,	March 31,	December 31,	March 31,	December 31,
		2019	2018	2019	2018	2019	2018
		(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
----- (Rupees in '000) -----							
Murabaha	10.1	30,033,867	30,777,169	483,869	197,450	30,517,736	30,974,619
Musawamah	10.2	1,841,634	1,680,357	51,299	38,472	1,892,933	1,718,829
Tijarah cum wakala	10.3	6,723,408	5,233,529	-	-	6,723,408	5,233,529
Istisna cum Wakala	10.4	10,892,970	10,576,752	647,755	649,773	11,540,725	11,226,525
Salam	10.5	2,839,496	289,498	-	-	2,839,496	289,498
Islamic Export Refinance Scheme - SBP	10.6	6,397,488	6,483,750	-	-	6,397,488	6,483,750
Advance against Islamic Long Term Financing Facility - SBP		95,111	-	-	-	95,111	-
Wakala Istithmar – Local		16,850,248	12,739,704	27,433	27,433	16,877,681	12,767,137
Wakala Istithmar – Pre manufacturing		1,687,491	1,723,368	99,000	99,000	1,786,491	1,822,368
Wakala Istithmar – Post manufacturing		84,828	16,930	9,671	9,539	94,499	26,469
Running Musharaka financing		7,922,374	10,480,970	-	-	7,922,374	10,480,970
Shirkatulmilk - Housing	10.7	9,797,335	9,706,066	313,005	289,404	10,110,340	9,995,470
Shirkatulmilk - Autos	10.8	18,294,372	18,331,125	301,451	298,290	18,595,823	18,629,415
Shirkatulmilk - Fleet financing	10.9	7,920,077	7,833,852	187,207	146,139	8,107,284	7,979,991
Shirkatulmilk Financing - Others		16,365,801	17,501,522	1,544,178	1,137,555	17,909,979	18,639,077
Diminishing Musharaka - Others		17,450,477	17,307,175	-	-	17,450,477	17,307,175
Staff financing		1,942,876	1,842,761	41,751	45,440	1,984,627	1,888,201
Islamic financing and related assets (gross)		157,139,853	152,524,528	3,706,619	2,938,495	160,846,472	155,463,023
Provision against Islamic financing and related assets							
Specific	10.11	-	-	(2,253,292)	(2,056,910)	(2,253,292)	(2,056,910)
General		(103,883)	(99,733)	-	-	(103,883)	(99,733)
		(103,883)	(99,733)	(2,253,292)	(2,056,910)	(2,357,175)	(2,156,643)
Islamic financing and related assets - net of provision		157,035,970	152,424,795	1,453,327	881,585	158,489,297	153,306,380

		March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
		--- (Rupees in '000) ---	
10.1 Murabaha			
Financing		9,540,094	9,890,353
Inventory		20,157,893	19,980,138
Advance		819,749	1,104,128
		30,517,736	30,974,619
10.2 Musawamah			
Financing		1,858,139	1,683,843
Advance		34,794	34,986
		1,892,933	1,718,829
10.3 Tijarah cum wakala			
Financing		6,030,143	4,996,704
Inventory		693,265	236,825
		6,723,408	5,233,529
10.4 Istisna cum Wakala			
Financing		7,054,131	10,150,038
Advance		4,486,594	1,076,487
		11,540,725	11,226,525

	March 31, 2019 (Un-audited) --- (Rupees in '000) ---	December 31, 2018 (Audited)
10.5 Salam		
Financing	2,702,336	289,498
Advance	137,160	-
	2,839,496	289,498
10.6 Islamic Export Refinance Scheme - SBP		
Istisna - Advance	56,000	56,000
Istisna - Financing	28,300	-
Running Musharaka - Financing	3,686,900	3,686,900
Wakala Istithmar - Financing	2,626,288	2,740,850
	6,397,488	6,483,750
10.7 Shirkatulmilk - Housing		
Financing	10,009,930	9,904,350
Advance	100,410	91,120
	10,110,340	9,995,470
10.8 Shirkatulmilk - Autos		
Financing	18,166,571	18,057,537
Advance	429,252	571,878
	18,595,823	18,629,415
10.9 Shirkatulmilk - Fleet financing		
Financing	7,786,468	7,407,445
Advance	320,816	572,546
	8,107,284	7,979,991
10.10 Particulars of Islamic financing and related assets (gross)		
In local currency	160,749,459	155,419,905
In foreign currencies	97,013	43,118
	160,846,472	155,463,023

10.11 Islamic financing and related assets include Rs. 3,706.619 (December 31, 2018: Rs. 2,938.495 million) which have been placed under non-performing status as detailed below:

Category of Classification	March 31, 2019 (Un-audited)		December 31, 2018 (Audited)	
	Non-Performing	Provision	Non-Performing	Provision
	----- (Rupees in '000) -----			
Domestic				
Other Assets Especially Mentioned	78,050	-	19,704	-
Substandard	902,726	83,947	423,956	96,435
Doubtful	579,100	217,029	686,151	358,849
Loss	2,146,743	1,952,316	1,808,684	1,601,626
	3,706,619	2,253,292	2,938,495	2,056,910

10.11.1 Particulars of provision against Islamic financing and related assets:

	March 31, 2019 (Un-audited)			December 31, 2018 (Audited)		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
Opening balance	2,056,910	99,733	2,156,643	1,881,404	76,844	1,958,248
Exchange adjustment	131	-	131	1,950	-	1,950
Charge for the period / year	228,493	4,150	232,643	291,555	22,889	314,444
Reversals during the period / year	(32,242)	-	(32,242)	(117,999)	-	(117,999)
	196,251	4,150	200,401	173,556	22,889	196,445
Amounts written-off	-	-	-	-	-	-
Closing balance	2,253,292	103,883	2,357,175	2,056,910	99,733	2,156,643

10.11.1.1 As allowed by the SBP, the Bank has availed benefit of Forced Sale Value (FSV) amounting to Rs.404.45 million (December 31, 2018: Rs. 280.12 million) in determining the provisioning against non performing Islamic financings as at March 31, 2019. The additional profit arising from availing the FSV benefit - net of tax as at March 31, 2019 which is not available for distribution as either cash or stock dividend to shareholders amounted to Rs. 262.89 million (December 31, 2018: Rs. 182.06 million).

10.11.1.2 General provisioning is held against consumer finance portfolio in accordance with the requirements of the Prudential Regulations issued by the State Bank of Pakistan except for Shirkatulmilk financing - Autos. The SBP vide its letter no BPRD / BLRD - 03 / 2009 / 6877 dated October 15, 2009 has allowed relaxation to the Bank from recognising general provision against Shirkatulmilk financing - Autos on the condition that the facility will be categorised as "Loss" on the 180th day from the date of default. In this regard, the SBP vide its letter no BPRD / BRD - 04 / DIB / 2013 / 1644 dated February 12, 2013 has decided that the exemption from general reserve requirement shall only be valid till classified Auto Financing portfolio of the Bank remains upto 5% i.e. if the classified Auto Financing portfolio increases beyond the 5% threshold, the exemption shall stand withdrawn from that point of time.

	Note	March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
		--- (Rupees in '000) ---	
11 FIXED ASSETS			
Capital work-in-progress	11.1	33,324	18,237
Property and equipment		1,305,852	1,362,935
		<u>1,339,176</u>	<u>1,381,172</u>
11.1 Capital work-in-progress			
Civil works		972	-
Equipment		32,352	18,237
		<u>33,324</u>	<u>18,237</u>
12 INTANGIBLE ASSETS			
Capital work-in-progress	12.1	57,423	50,503
Intangible assets		105,467	119,249
		<u>162,890</u>	<u>169,752</u>

	March 31, 2019 (Un-audited) --- (Rupees in '000) ---	December 31, 2018 (Audited)
12.1 Capital work-in-progress		
Advance to suppliers	72,823	65,903
Less: Provision against capital work-in-progress	(15,400)	(15,400)
	<u>57,423</u>	<u>50,503</u>
12.2 Additions to intangible assets		
Directly purchased (including transfer from CWIP)	<u>3,921</u>	<u>4,231</u>

13 DEFERRED TAX ASSETS

Deductible temporary differences on:

	At Jan 1, 2019	Recognised in P&L	Recognised in OCI	At Mar 31, 2019
Provision for diminution in the value of investments	-	-	-	-
Provision against non-performing Islamic financing and related assets	34,893	(4,282)	-	30,611
Provision against other assets (including capital work-in-progress)	6,273	-	-	6,273
Deficit on revaluation of investments	441,897	-	(176,136)	265,761
Deficit on defined benefit plan	13,257	-	-	13,257
	<u>496,320</u>	<u>(4,282)</u>	<u>(176,136)</u>	<u>315,902</u>

Taxable temporary differences on:

Accelerated tax depreciation and amortisation	(36,007)	10,621	-	(25,386)
	<u>460,313</u>	<u>6,339</u>	<u>(176,136)</u>	<u>290,516</u>

	At Jan 1, 2018	Recognised in P&L	Recognised in OCI	At Dec 31, 2018
Provision for diminution in the value of investments	16,486	(16,486)	-	-
Provision against non-performing Islamic financing and related assets	3,703	31,190	-	34,893
Provision against other assets (including capital work-in-progress)	6,273	-	-	6,273
Deficit on revaluation of investments	76,604	-	365,293	441,897
Deficit on defined benefit plan	17,101	-	(3,844)	13,257
	<u>120,167</u>	<u>14,704</u>	<u>361,449</u>	<u>496,320</u>
Deductible temporary differences on:				
Provision for diminution in the value of investments	16,486	(16,486)	-	-
Provision against non-performing Islamic financing and related assets	3,703	31,190	-	34,893
Provision against other assets (including capital work-in-progress)	6,273	-	-	6,273
Deficit on revaluation of investments	76,604	-	365,293	441,897
Deficit on defined benefit plan	17,101	-	(3,844)	13,257
	<u>120,167</u>	<u>14,704</u>	<u>361,449</u>	<u>496,320</u>
Taxable temporary differences on:				
Accelerated tax depreciation and amortisation	(48,408)	12,401	-	(36,007)
	<u>71,759</u>	<u>27,105</u>	<u>361,449</u>	<u>460,313</u>

		March 31, 2019	December 31, 2018
	<i>Note</i>	(Un-audited)	(Audited)
14 OTHER ASSETS		--- (Rupees in '000) ---	
Profit / return accrued in local currency - net		2,863,981	2,016,364
Profit / return accrued in foreign currencies - net		309,713	137,800
Advances, deposits, advance rent and other prepayments		1,277,034	1,114,221
Mark to market gain on forward foreign exchange contracts		615,259	757,969
Acceptances		3,562,740	3,423,846
Commission receivable		147,876	120,098
Defined benefit plan		10,984	10,984
Others		128,693	80,648
		8,916,280	7,661,930
Less: Provision held against other assets	<i>14.1</i>	(2,524)	(2,524)
		8,913,756	7,659,406
14.1 Provision held against other assets			
Others - Trackers		2,524	2,524
15 BILLS PAYABLE			
In Pakistan		3,481,596	2,799,251
Outside Pakistan		8,986	12,206
		3,490,582	2,811,457
16 DUE TO FINANCIAL INSTITUTIONS			
Secured			
Musharaka from the State Bank of Pakistan (SBP)			
- under Islamic Export Refinance Scheme	<i>16.1</i>	6,338,195	6,389,750
- under Islamic Long Term Finance Facility	<i>16.2</i>	49,161	-
Unsecured			
Musharka borrowings	<i>16.3</i>	-	3,275,000
Wakala borrowings	<i>16.4 & 16.5</i>	14,078,060	3,000,000
Overdrawn nostros		5,957	5,775
		20,471,373	12,670,525
16.1	These Musharka are on a profit and loss sharing basis having maturity between April 03, 2019 to September 25, 2019 (December 31, 2018: January 01, 2019 to June 24, 2019) and are secured against demand promissory notes executed in favor of the SBP. A limit of Rs. 6,550 million (December 31, 2018: Rs. 6,550 million) has been allocated to the Bank by SBP under Islamic Export Refinance Scheme.		
16.2	These Musharka are on a profit and loss sharing basis having maturity of February 20, 2024 (December 31, 2018: Nil) and are secured against demand promissory notes executed in favor of the SBP. A limit of Rs. 1,000 million (December 31, 2018: Nil) has been allocated to the Bank by SBP under Islamic Long Term Finance Facility.		
16.3	These carry expected profit rates of Nil (December 31, 2018: 9.25% to 9.6%) per annum and are due to mature latest by Nil (December 31, 2018: January 10, 2018).		
16.4	This carry expected profit rate of 4.31% (December 31, 2018: 9.90% to 10.70%) per annum and is due to mature latest by September 12, 2019 (December 31, 2018: February 13, 2019).		
16.5	This represents an amount of Rs. 14,078.06 million (December 31, 2018: Nil) borrowed from the holding company and is secured against foreign debt securities.		

17 DEPOSITS AND OTHER ACCOUNTS

	March 31, 2019 (Un-audited)			December 31, 2018 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
----- (Rupees in '000) -----						
Customers						
Current deposits	38,823,877	11,334,366	50,158,243	40,186,572	10,919,720	51,106,292
Savings deposits	68,495,622	8,573,873	77,069,495	55,818,854	8,232,595	64,051,449
Term deposits	41,193,924	10,642,447	51,836,371	40,738,315	6,743,377	47,481,692
Others	3,204,479	-	3,204,479	3,316,505	-	3,316,505
	151,717,902	30,550,686	182,268,588	140,060,246	25,895,692	165,955,938
Financial institutions						
Current deposits	374,949	9,596	384,545	423,584	16,801	440,385
Savings deposits	12,286,274	-	12,286,274	12,007,261	-	12,007,261
Term deposits	2,906,050	-	2,906,050	3,743,050	-	3,743,050
Others	-	-	-	40,000	-	40,000
	15,567,273	9,596	15,576,869	16,213,895	16,801	16,230,696
	167,285,175	30,560,282	197,845,457	156,274,141	25,912,493	182,186,634

18 SUBORDINATED SUKUK

	Note	March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
		---- (Rupees in '000) ----	
Additional Tier I Sukuk	18.1	3,120,000	3,120,000
Tier II Sukuk	18.2	4,000,000	4,000,000
		7,120,000	7,120,000

- 18.1** In December 2018, the Bank issued regulatory Shari'a compliant perpetual, unsecured, subordinated privately placed Additional Tier I Sukuk based on Mudaraba of Rs. 3,120 million as instrument of redeemable capital under section 66 of the Companies Act, 2017. The brief description of sukuk is as

Credit rating	A (Single A) by JCR-VIS Credit Rating Company Limited
Tenor	Perpetual
Profit payment frequency	Monthly in arrears
Redemption	Perpetual
Expected periodic profit amount (Mudaraba profit amount)	The Mudaraba Profit is computed under General Pool on the basis of profit sharing ratio and monthly weightages announced by the Bank under the SBP guidelines of pool management. Last announced profit rate on the Sukuk is 12.27% per annum.
Call option	The Bank may call Additional Tier I Sukuk with prior approval of SBP on or after five years from the date of issue.
Loss absorbency	The Additional Tier I Sukuk, at the option of the SBP, will be fully and permanently converted into common shares upon the occurrence of a point of non-viability trigger event as determined by SBP or for any other reason as may be directed by SBP.
Lock-in-clause	Profit and/or redemption amount can be held back in respect of the Additional Tier I Sukuk, if such payment will result in a shortfall in the Issuer's minimum capital or capital adequacy ratio requirement.

- 18.2** In July 2017, the Bank issued regulatory Shariah compliant unsecured, subordinated privately placed Tier II Sukuk based on Mudaraba of Rs. 4,000 million as instrument of redeemable capital under section 66 of the Companies Act, 2017. The brief description of sukuk is as follows:

Credit rating	A+ (Single A plus) by JCR-VIS Credit Rating Company Limited
Tenor	10 years from the issue date
Profit payment frequency	Semi-annually in arrears
Redemption	On the tenth anniversary from the issue date of sukuk
Expected periodic profit amount (Mudaraba profit amount)	The Mudaraba Profit is in accordance with the agreed profit sharing ratios / weightages assigned by the bank from time-to-time coinciding with the relevant profit distribution frequency for the relevant profit distribution period. Last announced profit rate on the sukuk is 11.26% per annum.
Call option	The Bank may call Tier II Sukuk with prior approval of SBP on or after five years from the date of issue.
Loss absorbency	The Tier II Sukuk, at the option of the SBP, will be fully and permanently converted into common shares upon the occurrence of a point of non-viability trigger event as determined by SBP or for any other reason as may be directed by SBP.
Lock-in-clause	Profit and/or redemption amount can be held back in respect of the Tier II Sukuk, if such payment will result in a shortfall in the Issuer's minimum capital or capital adequacy ratio requirement.

19 OTHER LIABILITIES

	March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
	--- (Rupees in '000) ---	
Profit / return payable in local currency	1,663,620	1,296,837
Profit / return payable in foreign currencies	94,723	35,891
Deferred profit murabaha / musawamah income in local currency	2,385,060	2,119,367
Deferred profit murabaha / musawamah income in foreign currencies	1,616	1,579
Accrued expenses	493,848	553,049
Advance from financing customers	902,067	877,280
Mark to market loss on forward foreign exchange contracts	462,238	761,963
Acceptances	3,562,740	3,423,846
Current taxation (provisions less payments)	211,478	116,940
Security deposits against Islamic financing and related assets	39,239	51,748
Retention money	150	711
Payable to dealers, contractors, etc.	317,859	318,937
Charity payable	835	154
Workers welfare fund payable	198,368	174,890
Withholding tax payable	46,875	16,986
Payable to Employees Old Age Benefit Institution (EOBI)	77,354	72,508
Others	670,537	461,277
	11,128,607	10,283,963

20 DEFICIT ON REVALUATION OF INVESTMENTS

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

Federal Government debt securities	9.1	(8,638)	135,693
Non-Government debt securities	9.1	15,821	19,073
Foreign debt securities	9.1	(766,500)	(1,417,330)
		(759,317)	(1,262,564)
Less: Related deferred tax asset		265,761	441,897
		(493,556)	(820,667)

21 CONTINGENCIES AND COMMITMENTS

		March 31, 2019 (Un-audited) --- (Rupees in '000) ---	December 31, 2018 (Audited)
	Note		
Guarantees	21.1	11,228,985	11,093,915
Commitments	21.2	38,014,664	25,748,183
		49,243,649	36,842,098
Other commitments	21.3	4,351,430	4,654,873
		53,595,079	41,496,971
21.1 Guarantees			
Financial guarantees		5,509,298	7,327,883
Performance guarantees		5,543,307	3,737,662
Other guarantees		176,380	28,370
		11,228,985	11,093,915
21.2 Commitments			
Documentary credits and short-term trade-related transactions			
Import letters of credit		18,329,428	18,874,140
Commitments in respect of:			
- Forward foreign exchange contracts - net	21.2.1	16,818,062	3,723,053
- Islamic financing and related assets		2,800,064	3,083,701
Commitments for acquisition of:			
- Fixed assets		3,264	1,526
- Intangible assets		63,846	65,763
		38,014,664	25,748,183
21.2.1 Commitments in respect of forward foreign exchange contracts - net			
Purchase		32,001,313	13,226,270
Sale		15,183,251	9,503,217
		16,818,062	3,723,053
21.3 Commitments in respect of operating leases			
Not later than one year		738,653	809,033
Later than one year but not later than 5 years		2,844,734	2,977,030
Later than 5 years		768,043	868,810
		4,351,430	4,654,873

	March 31, 2019 (Un-audited) ----- Rupees in '000 -----	March 31, 2018
22 PROFIT / RETURN EARNED		
On Islamic financing and related assets to customers	4,279,579	2,429,156
On investments in available-for-sale securities	772,100	496,377
On investments in held-to-maturity securities	51,682	51,682
On deposits / placements with financial institutions	235,964	44,235
	<u>5,339,325</u>	<u>3,021,450</u>
23 PROFIT / RETURN EXPENSED		
Deposits and other accounts	2,637,518	1,071,728
Subordinated sukuk	200,915	66,081
Due to financial institutions	93,491	49,020
Mark to market loss on foreign currency swaps	32,191	23,248
	<u>2,964,115</u>	<u>1,210,077</u>
24 FEE & COMMISSION INCOME		
Consumer finance related fees	164,014	163,129
Credit related fees	12,545	9,878
Investment banking fees	30,417	18,800
Branch banking customer fees	26,007	25,937
Card related fees	56,013	63,389
Commission on trade	58,280	47,052
Commission on guarantees	17,482	17,999
Commission on cash management	10,953	9,402
Commission on remittances including home remittances	5,967	7,398
Commission on bancassurance	15,298	15,170
Rebate income	26,473	17,453
Others	419	1,337
	<u>423,868</u>	<u>396,944</u>
25 GAIN ON SECURITIES		
Realised		
- Federal Government debt securities	<u>271</u>	<u>-</u>
26 OTHER INCOME		
Gain on sale of fixed assets	<u>82</u>	<u>118</u>

27 OPERATING EXPENSES

March 31, March 31,
2019 2018
(Un-audited)
----- Rupees in '000 -----

Total compensation expense	657,294	607,567
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Property expense

Rent & taxes	200,108	188,369
Takaful charges	373	731
Utilities cost	63,368	55,761
Security	39,409	40,449
Repair & maintenance (including janitorial charges)	17,762	14,599
Depreciation	23,078	22,812
	344,098	322,721

Information technology expenses

Software maintenance	48,589	51,193
Hardware maintenance	14,540	20,384
Depreciation	23,240	24,423
Amortisation	17,703	19,012
Networking and connectivity charges	25,642	20,503
Outsourced services cost	6,405	5,608
Takaful charges	268	541
Others	347	275
	136,734	141,939

Other operating expenses

Directors' fee and allowances	1,650	1,546
Fees and allowances to Shari'a Board members	750	550
Legal and professional charges	5,702	6,163
Outsourced services cost	19,656	15,823
Travelling and conveyance	13,528	10,036
NIFT clearing charges	7,473	6,750
Depreciation	33,078	32,658
Training and development	2,008	903
Postage and courier charges	8,367	8,958
Communications	31,613	37,005
Stationary and printing	19,617	19,744
Marketing, advertising and publicity	16,819	16,577
Auditors' remuneration	1,800	1,800
Brokerage, commission and bank charges	65,677	73,910
Tracker related charges	44,458	38,913
Cash transportation charges	25,522	25,189
Repair and maintenance	23,890	18,299
Subscription fees	3,822	3,624
Takaful charges	35,876	8,179
Others	60,516	41,214
	421,822	367,841
	1,559,948	1,440,068

		March 31, 2019	March 31, 2018
	Note	(Un-audited)	
		----- Rupees in '000 -----	
28 OTHER CHARGES			
Penalties imposed by State Bank of Pakistan		3,495	3
Penalties imposed by Sindh Board of Revenue		-	19
		<u>3,495</u>	<u>22</u>
29 PROVISIONS & WRITE OFFS - NET			
Provision / (reversal of provision) against Islamic financing and related assets - net	10.11.1	<u>200,532</u>	<u>(1,421)</u>
30 TAXATION			
Current		448,668	264,006
Prior years	30.1	98,367	-
Deferred		(6,339)	38,360
		<u>540,696</u>	<u>302,366</u>
30.1	The Finance Supplementary (Second Amendment) Act, 2019 has levied super tax on taxable income for tax year 2018 (accounting year 2017) retrospectively at the rate of 4%. Accordingly, the Bank has made super tax provision amounting to Rs. 98.37 million for tax year 2018 (accounting year 2017) in this condensed interim financial information.		
31 BASIC AND DILUTED EARNINGS PER SHARE		(Un-audited)	
		----- Rupees in '000 -----	
Profit after taxation for the period		<u>588,727</u>	<u>561,514</u>
		---- (Number) ----	
Weighted average number of ordinary shares		<u>1,165,228,776</u>	<u>1,165,228,776</u>
		---- (Rupees) ----	
Earning per share - basic and diluted		<u>0.51</u>	<u>0.48</u>
32 CASH AND CASH EQUIVALENTS		March 31, 2019	March 31, 2018
		(Un-audited)	
		----- Rupees in '000 -----	
Cash and balance with treasury banks	6	17,108,568	11,529,783
Balance with other banks	7	5,872,373	850,647
Overdrawn nostros	16	(5,957)	(1,239)
		<u>22,974,984</u>	<u>12,379,191</u>

33 FAIR VALUE OF FINANCIAL INSTRUMENTS

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

March 31, 2019 (Un-audited)										
On-Balance sheet Financial Instruments	Carrying Value						Fair Value			
	Held to Maturity	Available for Sale	Financing and receivables	Other financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)									
Financial assets - measured at fair value										
Investments										
Federal Government debt securities	-	31,148,212	-	-	-	31,148,212	4,204,897	26,943,315	-	31,148,212
Non-Government debt securities	-	3,355,299	-	-	-	3,355,299	1,573,978	1,762,500	18,821	3,355,299
Foreign debt securities	-	17,323,166	-	-	-	17,323,166	17,323,166	-	-	17,323,166
Other assets										
Unrealized gain on foreign exchange contracts	-	-	-	615,259	-	615,259	-	615,259	-	615,259
Financial assets - not measured at fair value										
Cash and balances with treasury banks	-	-	-	17,108,568	-	17,108,568				
Balances with other banks	-	-	-	5,872,373	-	5,872,373				
Due from financial institution	-	-	-	9,718,778	-	9,718,778				
Investments	4,000,000	-	-	-	-	4,000,000				
Islamic financings and related assets - net	-	-	158,489,297	-	-	158,489,297				
Other asset	-	-	-	7,006,583	-	7,006,583				
	4,000,000	51,826,677	158,489,297	40,321,561	-	254,637,535				
Financial liabilities - measured at fair value										
Other liabilities										
Unrealized loss on foreign exchange contracts	-	-	-	-	462,238	462,238	-	462,238	-	462,238
Financial liabilities - not measured at fair value										
Bills payable	-	-	-	-	3,490,582	3,490,582				
Due to financial institutions	-	-	-	-	20,471,373	20,471,373				
Deposits and other accounts	-	-	-	-	197,845,457	197,845,457				
Subordinated sukuk	7,120,000	-	-	-	-	7,120,000				
Other liabilities	-	-	-	-	10,123,540	10,123,540				
	7,120,000	-	-	-	232,393,190	239,513,190				
Off-balance sheet financial instruments - measured at fair value										
Forward foreign exchange contracts	-	-	-	16,818,062	-	16,818,062	-	16,971,083	-	16,971,083
December 31, 2018 (Audited)										
On-Balance sheet Financial Instruments	Carrying Value						Fair Value			
	Held to Maturity	Available for Sale	Financing and receivables	Other financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)									
Financial assets - measured at fair value										
Investments										
Federal Government debt securities	-	21,741,952	-	-	-	21,741,952	4,422,354	17,319,598	-	21,741,952
Non-Government debt securities	-	3,665,910	-	-	-	3,665,910	1,697,089	1,950,000	18,821	3,665,910
Foreign debt securities	-	16,443,108	-	-	-	16,443,108	16,443,108	-	-	16,443,108
Other assets										
Unrealized gain on foreign exchange contracts	-	-	-	757,969	-	757,969	-	757,969	-	757,969
Financial assets - not measured at fair value										
Cash and balances with treasury banks	-	-	-	17,752,920	-	17,752,920				
Balances with other banks	-	-	-	1,241,840	-	1,241,840				
Due from financial institution	-	-	-	4,000,000	-	4,000,000				
Investments	4,000,000	-	-	-	-	4,000,000				
Islamic financings and related assets - net	-	-	153,306,380	-	-	153,306,380				
Other asset	-	-	-	6,695,519	-	6,695,519				
	4,000,000	41,850,970	153,306,380	30,448,248	-	229,605,598				
Financial liabilities - measured at fair value										
Other liabilities										
Unrealized loss on foreign exchange contracts	-	-	-	-	761,963	761,963	-	761,963	-	761,963
Financial liabilities - not measured at fair value										
Bills payable	-	-	-	-	2,811,457	2,811,457				
Due to financial institutions	-	-	-	-	12,670,525	12,670,525				
Deposits and other accounts	-	-	-	-	182,186,634	182,186,634				
Subordinated sukuk	7,120,000	-	-	-	-	7,120,000				
Other liabilities	-	-	-	-	9,897,164	9,897,164				
	7,120,000	-	-	-	208,327,743	215,447,743				
Off-balance sheet financial instruments - measured at fair value										
Forward foreign exchange contracts	-	-	-	3,723,053	-	3,723,053	-	3,719,059	-	3,719,059

There were no transfer of balances between fair value hierarchy levels during the period.

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

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

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

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

34 SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

	March 31, 2019 (Un-audited)					
	Corporate Banking	SME & Commercial Banking	Consumer Banking	Treasury	Other	Total
	(Rupees in '000)					
Profit and Loss						
Net profit earned	1,370,243	445,414	(221,370)	657,430	123,493	2,375,210
Inter segment revenue - net	(1,253,652)	(43,150)	1,946,001	(515,041)	(134,158)	-
Other income	83,880	114,483	308,223	35,080	-	541,666
Total income	200,471	516,747	2,032,854	177,469	(10,665)	2,916,876
Segment direct expenses	(110,172)	(229,927)	(1,027,208)	(28,972)	-	(1,396,279)
Inter segment expense allocation	(21,104)	(22,899)	(137,111)	(9,528)	-	(190,642)
Total expenses	(131,276)	(252,826)	(1,164,319)	(38,500)	-	(1,586,921)
Provisions	(144,752)	(35,887)	(30,558)	-	10,665	(200,532)
Profit before tax	(75,557)	228,034	837,977	138,969	-	1,129,423
Balance Sheet						
Cash and bank balances	-	413,686	2,934,384	5,872,373	13,760,498	22,980,941
Due from financial institutions	-	-	-	9,718,778	-	9,718,778
Investments	-	-	-	37,965,650	17,861,027	55,826,677
Islamic financings and related assets - net	76,685,533	41,682,618	38,160,390	-	1,960,756	158,489,297
Others	3,032,155	2,862,323	2,222,571	1,920,193	669,096	10,706,338
Total Assets	79,717,688	44,958,627	43,317,345	55,476,994	34,251,377	257,722,031
Due to financial institutions	4,871,136	1,516,220	-	14,084,017	-	20,471,373
Deposits & other accounts	24,639,710	39,256,467	133,909,852	39,428	-	197,845,457
Subordinated sukuk	-	-	-	-	7,120,000	7,120,000
Others	1,552,164	5,416,331	7,005,941	567,398	77,355	14,619,189
Total liabilities	31,063,010	46,189,018	140,915,793	14,690,843	7,197,355	240,056,019
Equity	-	-	-	(425,357)	18,091,369	17,666,012
Total Equity and liabilities	31,063,010	46,189,018	140,915,793	14,265,486	25,288,724	257,722,031
Contingencies and Commitments	13,667,719	17,061,334	6,047,964	16,818,062	-	53,595,079
	March 31, 2018 (Un-audited)					
	Corporate Banking	SME & Commercial Banking	Consumer Banking	Treasury	Other	Total
	(Rupees in '000)					
Profit and Loss						
Net profit earned	857,423	273,255	184,382	379,435	116,878	1,811,373
Inter segment revenue - net	(661,704)	39,157	1,034,652	(294,938)	(117,167)	-
Other income	95,510	90,391	300,929	21,976	-	508,806
Total income	291,229	402,803	1,519,963	106,473	(289)	2,320,179
Segment direct expenses	(89,884)	(209,850)	(961,694)	(28,145)	-	(1,289,573)
Inter segment expense allocation	(19,466)	(19,946)	(119,737)	(8,998)	-	(168,147)
Total expenses	(109,350)	(229,796)	(1,081,431)	(37,143)	-	(1,457,720)
Provisions	(29,641)	11,000	19,773	-	289	1,421
Profit before tax	152,238	184,007	458,305	69,330	-	863,880
	December 31, 2018 (Audited)					
	Corporate Banking	SME & Commercial Banking	Consumer Banking	Treasury	Other	Total
	(Rupees in '000)					
Balance Sheet						
Cash and bank balances	-	449,134	2,996,866	1,241,840	14,306,920	18,994,760
Due from financial institutions	-	-	-	4,000,000	-	4,000,000
Investments	-	-	-	27,531,372	18,319,598	45,850,970
Islamic financings and related assets - net	75,057,728	38,606,570	37,788,417	-	1,853,665	153,306,380
Others	2,701,998	2,789,644	2,312,801	1,474,360	391,840	9,670,643
Total Assets	77,759,726	41,845,348	43,098,084	34,247,572	34,872,023	231,822,753
Due to financial institutions	4,839,950	1,549,800	-	6,280,775	-	12,670,525
Deposits & other accounts	19,906,060	38,365,675	123,863,921	50,978	-	182,186,634
Subordinated sukuk	-	-	-	-	7,120,000	7,120,000
Others	1,464,295	5,115,999	5,627,439	815,178	72,509	13,095,420
Total liabilities	26,210,305	45,031,474	129,491,360	7,146,931	7,192,509	215,072,579
Equity	-	-	-	(704,936)	17,455,110	16,750,174
Total Equity and liabilities	26,210,305	45,031,474	129,491,360	6,441,995	24,647,619	231,822,753
Contingencies and Commitments	16,279,200	17,702,523	3,791,152	3,724,096	-	41,496,971

35 RELATED PARTY TRANSACTIONS

The Bank has related party relationship with Dubai Islamic Bank P.J.S.C, U.A.E, the holding company, directors, related group companies and associated undertakings, key management personnel and Staff Retirement Funds.

A number of banking transactions are entered into with related parties in the normal course of business. These include financing and deposit transactions. These transactions are executed substantially on the same terms including profit rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties and do not involve more than a normal risk. Contributions to staff retirement benefit plan are made in accordance with the terms of the contribution plan. Remuneration and other benefits to the executives are determined in accordance with the terms of their appointment.

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.

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

	March 31, 2019 (Un-audited)					December 31, 2018 (Audited)						
	Associated companies	Holding Company	Directors	Key management personnel	Others**	Total	Associated companies	Holding Company	Directors	Key management personnel	Others**	Total
----- (Rupees in '000) -----												
Balances with other banks												
As at January 1,	-	43,126	-	-	-	43,126	-	140,147	-	-	-	140,147
Deposited during the period / year	-	39,020,544	-	-	-	39,020,544	-	39,615,427	-	-	-	39,615,427
Withdrawals during the period / year	-	(34,743,007)	-	-	-	(34,743,007)	-	(39,712,448)	-	-	-	(39,712,448)
Closing balance	-	4,320,663	-	-	-	4,320,663	-	43,126	-	-	-	43,126
Investments												
As at January 1,	1,290,092	-	-	-	-	1,290,092	1,031,293	-	-	-	-	1,031,293
Investments made during the period / year	-	-	-	-	-	-	-	-	-	-	-	-
Investments redeemed during the period / year	-	-	-	-	-	-	-	-	-	-	-	-
Others	3,794	-	-	-	-	3,794	258,799	-	-	-	-	258,799
Closing balance	1,293,886	-	-	-	-	1,293,886	1,290,092	-	-	-	-	1,290,092
Islamic financing and related assets												
As at January 1,	-	-	-	184,341	-	184,341	-	-	-	98,552	-	98,552
Disbursed during the period / year	-	-	-	3,700	-	3,700	-	-	-	139,002	-	139,002
Payments during the period / year	-	-	-	(5,876)	-	(5,876)	-	-	-	(53,983)	-	(53,983)
Adjustments *	-	-	-	6,430	-	6,430	-	-	-	770	-	770
Closing balance	-	-	-	188,595	-	188,595	-	-	-	184,341	-	184,341
Due to financial institutions												
As at January 1,	-	-	-	-	-	-	-	-	-	-	-	-
Borrowed during the period / year	-	14,078,060	-	-	-	14,078,060	-	-	-	-	-	-
Repaid during the period / year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance	-	14,078,060	-	-	-	14,078,060	-	-	-	-	-	-
Deposits and other accounts												
As at January 1,	-	43,932	5,929	259,166	1,070,790	1,379,817	-	32,058	7,198	128,186	861,396	1,028,838
Received during the period / year	-	634,948	556	275,012	134,500	1,045,016	-	1,573,159	17,962	725,835	1,041,223	3,358,179
Withdrawals during the period / year	-	(640,650)	(590)	(367,614)	(69,200)	(1,078,054)	-	(1,561,285)	(19,231)	(601,154)	(831,829)	(3,013,499)
Adjustments *	-	-	-	691	-	691	-	-	-	6,299	-	6,299
Closing balance	-	38,230	5,895	167,255	1,136,090	1,347,470	-	43,932	5,929	259,166	1,070,790	1,379,817
Transactions during the period												
Fees to directors	-	-	1,650	-	-	1,650	-	-	1,546	-	-	1,546
Remuneration to key management personnel (Including bonus)	-	-	-	129,790	-	129,790	-	-	-	95,908	-	95,908
Profit earned on investments	13,598	-	-	-	-	13,598	10,841	-	-	-	-	10,841
Profit earned on financings	-	-	-	3,006	-	3,006	-	-	-	1,025	-	1,025
Profit expensed on deposits	-	-	31	3,074	27,565	30,671	-	-	12	469	11,833	12,314
Contribution made to gratuity fund	-	-	-	-	16,500	16,500	-	-	-	-	14,100	14,100
Contribution made to provident fund	-	-	-	-	23,402	23,402	-	-	-	-	20,440	20,440
Contingencies and commitments												
Foreign currency purchase contracts	-	6,353,003	-	-	-	6,353,003	-	19,802,032	-	-	-	19,802,032
Foreign currency sale contracts	-	6,353,003	-	-	-	6,353,003	-	19,740,310	-	-	-	19,740,310

* Primarily relates to those directors, associates and key management personnel who are no longer related parties or have become related parties of the Bank as at March 31, 2019.

** Represents Dubai Islamic Bank Pakistan Limited's Provident & Gratuity Funds.

36 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

March 31, 2019 **December 31, 2018**
(Un-audited) **(Audited)**
----- Rupees in '000 -----

Minimum Capital Requirement (MCR):

Paid-up capital	11,652,288	11,652,288
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Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier I (CET I) Capital	17,505,852	16,582,471
Eligible Additional Tier I (ADT I) Capital	3,120,000	3,120,000
Total Eligible Tier I Capital	20,625,852	19,702,471
Eligible Tier II Capital	4,103,883	4,099,733
Total Eligible Capital (Tier I + Tier II)	24,729,735	23,802,204

Risk Weighted Assets (RWAs):

Credit Risk	160,295,375	153,683,178
Market Risk	1,206,397	458,133
Operational Risk	15,884,313	15,884,313
Total RWAs	177,386,085	170,025,624

Common Equity Tier I Capital Adequacy Ratio

9.87%	9.75%
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Tier I Capital Adequacy Ratio

11.63%	11.59%
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Total Capital Adequacy Ratio

13.94%	14.00%
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Leverage Ratio (LR):

Eligible Tier I Capital	20,625,852	19,702,471
Total Exposures	298,600,646	279,436,498
Leverage Ratio	6.91%	7.05%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets	52,339,058	42,022,758
Total Net Cash Outflow	27,263,252	22,659,685
Liquidity Coverage Ratio	191.98%	185.45%

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding	197,852,235	181,481,846
Total Required Stable Funding	180,486,947	170,195,139
Net Stable Funding Ratio	109.62%	106.63%

37 DATE OF AUTHORISATION FOR ISSUE

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

38 GENERAL

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

President & CEO	Chief Financial Officer	Director	Director	Director
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