

INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014

| STATEMENT OF FINANCIAL POSITION | BANK | | GROUP | | | |
|---|------------------------|----------------------------------|----------|------------------------|----------------------------------|----------|
| | 30.09.2014 Rs. '000 | 31.12.2013 Rs. '000 (Audited) | Change % | 30.09.2014 Rs. '000 | 31.12.2013 Rs. '000 (Audited) | Change % |
| Assets | | | | | | |
| Cash and cash equivalents | 13,939,070 | 3,043,408 | 340 | 1,383,300 | 3,183,541 | 336 |
| Balances with Central Bank | 1,156,000 | 1,117,871 | 3 | 1,155,000 | 1,117,871 | 3 |
| Placements with Banks | 86,467 | 314,545 | (73) | 1,938,080 | 1,809,800 | 7 |
| Derivative Financial Instruments | 429 | 2,468 | (13) | 429 | 2,468 | (13) |
| Other financial assets held for trading | 2,468 | 312,150 | (96) | 63,102 | 312,150 | (60) |
| Loans and receivables to banks | 24,058,542 | 23,463,923 | 3 | 26,863,369 | 25,360,781 | 6 |
| Loans and receivables to other customers | 2,445,219 | 2,371,113 | 3 | 3,613,599 | 3,828,236 | (8) |
| Deep Discounted Bond | 3,977,230 | - | - | 138,004 | 138,004 | - |
| Financial Investments - Available for sale | 138,004 | 138,004 | (1) | 138,004 | 138,004 | (1) |
| Investments in subsidiaries | 892,564 | 892,564 | - | 892,564 | 892,564 | - |
| Property, plant and equipment | 789,667 | 1,025,088 | (25) | 889,564 | 1,174,115 | (23) |
| Investment in real estate | 332,952 | 340,347 | (7) | 332,952 | 340,347 | (7) |
| Goodwill and intangible assets | 1,293,202 | 407,730 | 217 | 1,293,202 | 407,730 | 217 |
| Income tax recoverable | 116,453 | 94,515 | 100 | 116,453 | 94,515 | 100 |
| Deferred tax assets | 526,931 | 442,292 | 19 | 518,994 | 520,774 | (1) |
| Other assets | 47,976,151 | 35,010,982 | 37 | 51,479,283 | 38,824,753 | 40 |
| Liabilities | | | | | | |
| Due to banks | 1,179,609 | 163,448 | 632 | 1,278,077 | 192,429 | 564 |
| Derivative Financial Instruments | 58 | - | 58 | 58 | - | 58 |
| Due to other customers | 28,556,568 | 28,468,117 | 0 | 30,918,833 | 29,989,425 | 3 |
| Other borrowings | 630,768 | 666,154 | (6) | 630,768 | 666,154 | (6) |
| Current tax liabilities | 140,713 | 213,217 | (50) | 127,260 | 163,004 | 5 |
| Deferred tax liabilities | 21,144 | 23,964 | (12) | 21,698 | 24,518 | (12) |
| Other liabilities | 1,157,248 | 897,438 | 62 | 1,889,712 | 992,902 | 90 |
| Total liabilities | 31,115,922 | 29,563,617 | 6 | 34,926,512 | 31,631,034 | 10 |
| Equity | | | | | | |
| Statutory Capital/Assigned capital | 16,134,782 | 4,979,791 | 228 | 16,134,782 | 4,979,791 | 228 |
| Reserve fund | 65,484 | 65,484 | - | 65,484 | 65,484 | - |
| Statutory reserve fund | 81,714 | 50,938 | 58 | 70,656 | 63,772 | 12 |
| Retained earnings | 147,108 | 203,208 | (28) | 396,260 | (51,333) | 12 |
| Investment fund reserve | 140,713 | 213,217 | (50) | 127,260 | 214,889 | (26) |
| Available-for-sale-reserve | 2,048 | 1,642 | 25 | 19,131 | 14,734 | 35 |
| Total shareholders' equity | 16,769,859 | 5,457,283 | 207 | 16,769,859 | 4,929,139 | 230 |
| Non-controlling interests | 42,926,151 | 35,010,982 | 207 | 42,926,151 | 35,010,982 | 207 |
| Total equity | 16,769,859 | 5,457,283 | 207 | 16,769,859 | 4,929,139 | 230 |
| Contingent liabilities and commitments | 28,040,341 | 20,811,865 | 37 | 28,040,341 | 20,811,865 | 37 |
| Net Asset Value per Ordinary Share | 15.36 | 15.43 | (2) | 14.89 | 14.09 | 6 |

Memorandum Information
Number of Employees: 745
Number of Branches: 61

SELECTED PERFORMANCE INDICATORS (AS PER REGULATORY REPORTING)

| | Bank | | Group | |
|---|------------|---------------------|-----------|---------------------|
| | 30-Sep-14 | 31-Dec-13 (Audited) | 30-Sep-14 | 31-Dec-13 (Audited) |
| Regulatory Capital Adequacy | | | | |
| Core Capital (Tier 1 Capital), Rs. '000 | 16,788,806 | 5,111,078 | | |
| Total Capital Base, Rs. '000 | 15,264,381 | 4,820,464 | | |
| Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 5%) | 54.24% | 27.61% | | |
| Total Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 10%) | 53.24% | 16.89% | | |
| Assets Quality (Quality of Loan Portfolio) | | | | |
| Group Non-Performing Advances Ratio, % of Net of interest in suspension | 11.57% | 8.24% | | |
| Net Non-Performing Advances Ratio, % of Net of interest in suspension and provision | 10.65% | 7.80% | | |
| Profitability | | | | |
| Interest Margin, % | 4.33% | 3.51% | | |
| Return on Assets (Before tax), % | 0.24% | 0.82% | | |
| Return on Equity, % | 2.07% | 2.07% | | |
| Regulatory Liquidity | | | | |
| Domestic Banking Unit | 1,145,673 | 6,182,885 | | |
| Off-Shore Banking Unit | 349,068 | 176,317 | | |
| Statutory Liquidity Assets Ratio, % (Minimum Requirement, 20%) | 23.87% | 22.01% | | |
| Domestic Banking Unit | 21,318% | 23.09% | | |

LOANS AND RECEIVABLES TO OTHER CUSTOMERS

| As at | Bank | | Group | |
|---|------------------|------------------|------------------|------------------|
| | 30.09.2014 | 31.12.2013 | 30.09.2014 | 31.12.2013 |
| Gross loans and receivables | 24,058,542 | 23,463,923 | 26,863,369 | 27,726,111 |
| Less: Indebtedness charges | (1,156,000) | (1,117,871) | (1,155,000) | (1,117,871) |
| Less: Provisions for impairment charges | (24,058,542) | (23,463,923) | (26,863,369) | (27,726,111) |
| Net loans and receivables | 2,445,219 | 2,371,113 | 3,613,599 | 3,828,236 |

Loans and Receivables to other customers - by product

| As at | Bank | | Group | |
|--|-------------------|-------------------|-------------------|-------------------|
| | 30.09.2014 | 31.12.2013 | 30.09.2014 | 31.12.2013 |
| Overdrafts | 6,014,040 | 6,014,040 | 6,014,040 | 6,014,040 |
| Trade Finance | 5,103,350 | 1,533,310 | 5,103,350 | 4,612,714 |
| Term loans | 1,080,114 | 2,681,414 | 1,080,114 | 2,681,414 |
| Term deposits | 8,400,488 | 8,313,415 | 30,246,200 | 5,546,786 |
| Loans and receivables to banks | 1,462,000 | 1,462,000 | 1,462,000 | 1,462,000 |
| Loans and receivables to other customers | 40,462 | 91,615 | 48,998 | 48,998 |
| Loans and receivables to government | 18,819 | 18,819 | 18,819 | 18,819 |
| Others | 10,681 | 10,681 | 10,681 | 10,681 |
| Total loans and receivables | 24,058,542 | 23,463,923 | 26,863,369 | 27,726,111 |

Memorandum Information and Off-balance sheet charges during the period

| As at | Bank | | Group | |
|--|----------------|----------------|------------------|------------------|
| | 30.09.2014 | 31.12.2013 | 30.09.2014 | 31.12.2013 |
| Individual impairment charges | | | | |
| Opening balance | 163,228 | 100,637 | 1,943,142 | 100,637 |
| Charge/(Write back) to loan impairment | 10,318 | (23,240) | 20,347 | 20,347 |
| Net change during the year | 11,986 | (12,603) | 20,347 | 20,347 |
| Other movements | - | - | (80,262) | (80,262) |
| Closing balance | 175,214 | 165,034 | 1,973,631 | 1,973,631 |
| Collective impairment charges | | | | |
| Opening balance | 36,872 | 87,056 | 467,024 | 699,813 |
| Charge/(Write back) to loan impairment | 22,449 | (20,240) | 29,250 | 29,250 |
| Net change during the year | 13,623 | (16,796) | 56,774 | 56,774 |
| Other movements | - | - | - | - |
| Closing balance | 50,500 | 70,260 | 523,798 | 756,587 |
| Total impairment | 225,717 | 185,294 | 2,500,429 | 2,730,218 |

Due to other customers

| As at | Bank | | Group | |
|---|------------|------------|------------|------------|
| | 30.09.2014 | 31.12.2013 | 30.09.2014 | 31.12.2013 |
| Depository liability | 1,179,609 | 1,179,609 | 1,179,609 | 1,179,609 |
| Derivative liability (Current accounts) | 58 | - | 58 | - |
| Trade payables | 4,312,911 | 4,171,071 | 4,312,911 | 4,171,071 |
| Trade receivables | 18,752,849 | 21,318,246 | 20,214,889 | 21,318,246 |
| Other payables - C&I | 2,008,191 | 3,101,244 | 2,008,191 | 3,101,244 |
| | 27,662,518 | 30,169,170 | 27,662,518 | 30,169,170 |

MEASUREMENT OF FINANCIAL INSTRUMENTS

| As at 30 September 2014 | BANK | | GROUP | | | |
|--|------------------------|----------------------------------|-------------------|------------------------|----------------------------------|----------|
| | 30.09.2014 Rs. '000 | 31.12.2013 Rs. '000 (Audited) | Change % | 30.09.2014 Rs. '000 | 31.12.2013 Rs. '000 (Audited) | Change % |
| ASSETS | | | | | | |
| Cash and cash equivalents | 1,434,890 | - | - | 1,434,890 | - | - |
| Balances with Central Bank | - | 1,156,000 | - | - | 1,156,000 | - |
| Placements with Banks | 429 | 2,468 | (13) | 429 | 2,468 | (13) |
| Derivative Financial Instruments | 42,800 | - | - | 42,800 | - | - |
| Other financial assets held for trading | - | - | - | - | - | - |
| Loans and receivables to other customers | - | 24,058,542 | - | - | 24,058,542 | - |
| Deep Discounted Bond | - | 2,445,819 | - | - | 2,445,819 | - |
| Financial Investments - Available for sale | - | 138,004 | - | - | 138,004 | - |
| Total Financial Assets | 1,477,919 | 138,004 | 39,005,618 | 3,397,979 | 44,711,599 | |
| LIABILITIES | | | | | | |
| Due to banks | - | - | - | - | - | - |
| Derivative Financial Instruments | - | 58 | - | - | 1,179,609 | - |
| Due to other customers | - | - | - | - | 28,556,568 | - |
| Other borrowings | - | - | - | - | 28,556,568 | - |
| Total Financial Liabilities | - | 58 | 28,556,568 | 28,556,568 | - | |

MEASUREMENT OF FINANCIAL INSTRUMENTS

| As at 30 September 2014 | BANK | | GROUP | | | |
|--|------------------------|----------------------------------|-------------------|------------------------|----------------------------------|----------|
| | 30.09.2014 Rs. '000 | 31.12.2013 Rs. '000 (Audited) | Change % | 30.09.2014 Rs. '000 | 31.12.2013 Rs. '000 (Audited) | Change % |
| ASSETS | | | | | | |
| Cash and cash equivalents | 677,056 | - | - | 2,366,152 | - | - |
| Balances with Central Bank | - | 1,157,871 | - | - | 1,157,871 | - |
| Placements with Banks | 1,458 | 314,545 | (5) | 1,458 | 314,545 | (5) |
| Derivative Financial Instruments | 312,150 | - | - | 23,603,925 | - | - |
| Other financial assets held for trading | - | - | - | - | - | - |
| Loans and receivables to other customers | - | 23,463,923 | - | - | 23,463,923 | - |
| Deep Discounted Bond | - | 2,371,113 | - | - | 2,371,113 | - |
| Financial Investments - Available for sale | - | 138,004 | - | - | 138,004 | - |
| Total Financial Assets | 990,664 | 139,554 | 29,633,004 | 1,78,728 | 30,202,923 | |
| LIABILITIES | | | | | | |
| Due to banks | - | - | - | - | - | - |
| Derivative Financial Instruments | - | 58 | - | - | 163,448 | - |
| Due to other customers | - | - | - | - | 28,468,117 | - |
| Other borrowings | - | - | - | - | 28,468,117 | - |
| Total Financial Liabilities | - | 58 | 28,468,117 | 28,468,117 | - | |

MEASUREMENT OF FINANCIAL INSTRUMENTS

| As at 30 September 2014 | BANK | | GROUP | | | |
|--|------------------------|----------------------------------|-------------------|------------------------|----------------------------------|----------|
| | 30.09.2014 Rs. '000 | 31.12.2013 Rs. '000 (Audited) | Change % | 30.09.2014 Rs. '000 | 31.12.2013 Rs. '000 (Audited) | Change % |
| ASSETS | | | | | | |
| Cash and cash equivalents | 1,434,890 | - | - | 12,448,400 | - | - |
| Balances with Central Bank | - | 1,156,000 | - | - | 1,156,000 | - |
| Placements with Banks | 429 | 2,468 | (13) | 1,938,080 | 1,809,800 | 7 |
| Derivative Financial Instruments | 63,102 | - | - | 63,102 | - | - |
| Other financial assets held for trading | - | - | - | - | - | - |
| Loans and receivables to banks | - | 15,112 | - | - | 15,112 | - |
| Loans and receivables to other customers | - | 26,861,360 | - | - | 26,861,360 | - |
| Financial Investments - Available for sale | - | 138,004 | - | - | 138,004 | - |
| Total Financial Assets | 1,498,421 | 138,004 | 42,833,459 | 3,613,599 | 47,659,499 | |
| LIABILITIES | | | | | | |
| Due to banks | - | - | - | - | - | - |
| Derivative Financial Instruments | - | 1,278,077 | - | - | 1,278,077 | - |
| Due to other customers | - | - | - | - | 30,918,833 | - |
| Other borrowings | - | - | - | - | 829,749 | - |
| Total Financial Liabilities | - | 1,278,077 | 30,918,833 | 30,918,833 | - | |

MEASUREMENT OF FINANCIAL INSTRUMENTS

| As at 30 September 2014 | BANK | | GROUP | | | |
|-------------------------|------------------------|----------------------------------|----------|------------------------|----------------------------------|----------|
| | 30.09.2014 Rs. '000 | 31.12.2013 Rs. '000 (Audited) | Change % | 30.09.2014 Rs. '000 | 31.12.2013 Rs. '000 (Audited) | Change % |
| ASSETS | | | | | | |
| Cash and cash | | | | | | |