



Soneri Bank

Soneri Bank Limited

Registered Office: Rupali House 241-242,
Upper Mall Scheme, Anand Road, Lahore - 54000, Pakistan
Tel: (042) 35713101-04

Head Office: 90-B-C/II, Liberty Market,
Gulberg III, Lahore - 54000, Pakistan
Tel: (042) 35772362-65

Central Office: 10th Floor, PNSC Building,
M.T. Khan Road, Karachi - 74000, Pakistan
Tel: (021) 32444401-5

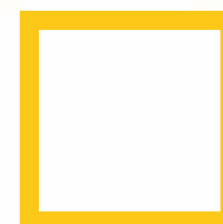
Website: www.soneribank.com

24/7 Call Centre: 0800-00500

UAN: 111-SONERI



Soneri Bank Limited



QUARTERLY REPORT
March 2013

Quarterly **Report**

March 2013 (Un-audited)

CONTENTS

Corporate Information	02
Directors' Review	03
Statement of Financial Position	05
Profit and Loss Account	06
Statement of Comprehensive Income	07
Cash Flow Statement	08
Statement of Changes in Equity	09
Notes to the Financial Statements	10
List of Branches	26

CORPORATE INFORMATION

CHAIRMAN

MR. ALAUDDIN FEERASTA

CHIEF EXECUTIVE OFFICER

MR. MOHAMMAD AFTAB MANZOOR

DIRECTORS

MR. NOORUDDIN FEERASTA

MR. INAM ELAHI

MR. S. ALI ZAFAR

MR. MUHAMMAD RASHID ZAHIR

MR. SHAHID ANWAR (NIT NOMINEE)

MR. MANZOOR AHMED (NIT NOMINEE)

CHIEF FINANCIAL OFFICER

MS. ANJUM HAI

COMPANY SECRETARY

MR. MUHAMMAD ALTAH BUTT

AUDITORS

KPMG TASEER HADI & CO.

CHARTERED ACCOUNTANTS

LEGAL ADVISORS

MANAN ASSOCIATES, ADVOCATES

REGISTERED OFFICE

RUPALI HOUSE 241-242,
UPPER MALL SCHEME,
ANAND ROAD, LAHORE - 54000

CENTRAL OFFICE

10TH FLOOR, PNSC BUILDING,
M.T. KHAN ROAD, KARACHI

REGISTRAR AND SHARE TRANSFER AGENT

THK ASSOCIATES (PRIVATE) LTD.,
GROUND FLOOR,
STATE LIFE BUILDING NO. 3,
DR. ZIAUDDIN AHMED ROAD
KARACHI - 75530
UAN: (021) 111-000-322
FAX: (021) 3565 5595

DIRECTORS' REVIEW

On behalf of the Board of Directors, I am pleased to present the Directors' Review of Soneri Bank Limited ('the Bank') along with its un-audited condensed interim Financial Statements for the quarter ended 31 March 2013.

Economy

The overall macroeconomic landscape remained strained during the first quarter of 2013, despite improvement in some key indicators. The YOY CPI inflation came down to 6.6 percent versus 10.8 percent in same period last year, largely on account of declining food prices. State Bank of Pakistan (SBP), however kept the discount rate unchanged at 9.5 percent in February 2013 citing higher money supply, worsening external account and exchange parity. Repayments to the IMF (circa US\$ 3 billion in FY 2013) and delay in re-entry into an IMF program are seen to be exerting constant pressure on the rupee. Current account deficit has widened to US\$ 596 million in February 2013. Fiscal deficit currently at 4.1 percent of GDP is expected to miss the budgeted target of 4.7 percent of GDP by a wide margin.

As per SBP Monetary Policy Statement of February 2013, the GDP growth is expected to remain below 4 percent in FY 2013. The fundamental drivers of this expectancy are the prolonged and severe crisis in the energy sector and worsening law and order conditions in the country. On the banking front, SBP recently issued a directive of providing profit on monthly average versus widely practiced minimum, which is likely to start another round of spread erosion from April 2013.

For the first time in Pakistan's history a democratic government completed five years and handed reins to a caretaker set up to conduct elections scheduled in May, 2013. Going forward with the formation of new government, new policies and fresh outlook on investments is expected to provide impetus to the economy.

Operating Results and Business Overview

The summarized financial position of the Bank for the quarter is as follows:

Profit & Loss Account	31 March 2013	31 March 2012	Variance %
----- (Rupees in '000) -----			
Revenue (Net interest margin & non markup Income)	1,702,865	1,519,851	12.04
Non markup expenses	(1,040,312)	(892,568)	16.55
Profit before tax & Provisions	662,553	627,283	5.62
Profit before tax	457,468	679,602	-32.69
Profit after tax	299,808	493,837	-39.29
Earnings per share - Rupee	0.30	0.49	-38.78

Statement of Financial Position	31 March 2013	31 December 2012	Variance %
Restated ----- (Rupees in '000) -----			
Shareholders equity (excluding Surplus)	11,692,614	11,378,298	2.76
Deposits	129,450,904	120,830,571	7.13
Advances - net	78,383,221	76,825,006	2.03
Investments - net	64,316,616	59,517,180	8.06

DIRECTORS' REVIEW

Despite the challenging economic environment, your Bank posted pretax profit of Rs. **457.46** million. The Bank's strategy of focused growth and cost discipline has yielded favourable results. The deposits base of the Bank increased by 7.1 percent to Rs. 129.45 billion (December 2012: Rs. 120.83 billion) while net advances grew by 2.0 percent to Rs. 78.38 billion (December 2012: Rs. 76.83 billion). The net investments also registered an increase of 8.1 percent over 2012 level (December 2012: Rs. 59.52 billion). Consequently, the net asset of your bank stood at Rs. 12.56 billion at the end of first quarter being 1.9 percent higher from end of 2012 base of Rs. 12.33 billion.

As a result of growth in earning assets the net markup income posted substantial improvement and grew by 11.9 percent to Rs. 1.19 billion as compared to Rs. 1.06 billion during the corresponding period last year. This is despite compressed spreads in 2013, arising due to discount rate cut by SBP last year.

Following the practice of prudently providing for non-performing loans and in line with the regulatory requirements your bank has provided an amount of Rs. 205 million during the quarter ended 31 March, 2013 (Q1 2012: Reversal Rs. 52.3 million).

Administrative and operating expenses grew by 17.2 percent as compared to corresponding period last year primarily due to impact of inflation and branches opened in 2012. Branch network presently comprises 233 fully operational branches (Q1 2012: 214 branches).

I am pleased to inform you that your bank continues to operate with adequate liquidity and capital adequacy levels and enjoys a respectable standing with the international financial institutions. I am confident that with an effective risk management, strong internal control and compliance systems the Bank will remain satisfactorily compliant with all the regulatory requirements and will continue to maintain the present trend of growth in business and profitability.

Credit Rating

The Pakistan Credit Rating Agency Limited (PACRA) has maintained your Bank's credit rating at AA- for the long term and A1+ for the short term and A+ for the Term Finance Certificates with a stable outlook.

Acknowledgment

I would like to take this opportunity to thank the State Bank of Pakistan, the Securities and Exchange Commission of Pakistan and the Ministry of Finance for their continued support and guidance. I am also thankful to our valued customers for their continued patronage and confidence and also want to extend my appreciation to the Bank employees as the driving force in the growth of the Bank over the years.

ALAUDDIN FEERASTA

Chairman

Lahore: 19 April 2013

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2013

	Note	(Un-audited) 31 March 2013	31 December 2012 Restated
ASSETS			
(Rupees in '000)			
Cash and balances with treasury banks		9,971,412	11,491,348
Balances with other banks		765,920	1,249,168
Lendings to financial and other institutions		4,490,135	1,123,067
Investments - net	8	64,316,616	59,517,180
Advances - net	9	78,383,221	76,825,006
Operating fixed assets	10	4,093,676	4,015,233
Deferred tax assets - net		349,920	304,047
Other assets - net		4,335,680	4,104,348
		166,706,580	158,629,397
LIABILITIES			
Bills payable		2,183,084	2,522,405
Borrowings	11	19,386,549	20,398,487
Deposits and other accounts	12	129,450,904	120,830,571
Sub-ordinated loan	13	299,280	299,280
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities		-	-
Other liabilities		2,824,192	2,246,482
		154,144,009	146,297,225
		12,562,571	12,332,172
NET ASSETS			
REPRESENTED BY			
Share capital		10,022,396	10,022,396
Reserves		1,470,091	410,129
Discount on issue of right shares		(1,001,361)	(1,001,361)
Unappropriated profit		1,201,488	1,947,134
		11,692,614	11,378,298
Surplus on revaluation of assets - net of tax		869,957	953,874
		12,562,571	12,332,172
CONTINGENCIES AND COMMITMENTS	14		

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

CHAIRMAN

PRESIDENT AND
CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE QUARTER ENDED 31 MARCH 2013

	Note	2013 (Rupees in '000)	2012
Mark-up / return / interest earned		3,364,953	3,337,770
Mark-up / return / interest expensed		(2,176,939)	(2,276,918)
Net mark-up / return / interest income		1,188,014	1,060,852
(Provision) / reversal against non - performing advances - net		(229,586)	52,141
Reversal for diminution in the value of investments		24,501	178
Bad debts written off directly		-	-
		(205,085)	52,319
Net mark-up / return / interest income after provisions		982,929	1,113,171
Non mark-up / interest income			
Fee, commission and brokerage income		246,027	217,331
Dividend income		33,420	82,159
Income from dealing in foreign currencies	15	42,979	87,855
Unrealised gain / (loss) on revaluation of investments classified as held-for-trading		6,266	(312)
Gain on sale of securities - net		138,978	25,981
Other income		47,181	45,985
Total non mark-up / interest income		514,851	458,999
		1,497,780	1,572,170
Non mark-up / interest expenses			
Administrative expenses		(1,036,429)	(884,134)
Reversal / (provision) against other assets - net		3,901	(1,467)
Other charges		(7,784)	(6,967)
Total non mark-up / interest expenses		(1,040,312)	(892,568)
		457,468	679,602
Extraordinary / unusual items		-	-
Profit before taxation		457,468	679,602
Taxation - Current		(138,000)	(235,722)
- Prior		-	-
- Deferred		(19,660)	49,957
		(157,660)	(185,765)
Profit after taxation		299,808	493,837
			(Restated)
Basic and diluted earnings per share (Rupee)		0.30	0.49

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

CHAIRMAN

PRESIDENT AND
CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE QUARTER ENDED 31 MARCH 2013

	2013	2012
	(Rupees in '000)	
Profit after taxation	299,808	493,837
Other comprehensive income	-	-
Surplus / (deficit) on revaluation of "Available-for-sale securities" (i)	-	-
Surplus on revaluation of operating fixed assets (ii)	-	-
Total Comprehensive income transferred to equity	299,808	493,837

(i) Surplus / (deficit) on revaluation of "Available-for-sale securities" net of tax is presented under separate head below equity as " Surplus / (deficit) on revaluation of assets " in accordance with the requirements specified by the State Bank of Pakistan vide BSD circular No. 20 dated 4 August 2000 and BSD circular No. 10 dated 13 July 2004.

(ii) Surplus on revaluation of operating fixed assets net of tax is presented under separate head below equity as " Surplus / (deficit) on revaluation of assets " in accordance with the requirements of section 235 of the Companies Ordinance, 1984.

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

CHAIRMAN

PRESIDENT AND
CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED 31 MARCH 2013

Note	2013	2012
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	457,468	679,602
Less: Dividend income	(33,420)	(82,159)
	<u>424,048</u>	<u>597,443</u>
Adjustments:		
Depreciation	140,452	131,720
Amortisation of intangible assets	22,822	20,922
Provision / (reversal) against non-performing advances	229,586	(52,141)
(Reversal) / provision against other assets	(3,901)	1,467
Reversal of provision for diminution in the value of investments	(24,501)	(178)
Reversal of provision for diminution in the value of investments recognised in capital gains	(38,575)	(10,316)
Unrealised (gain) / loss on revaluation of investments classified as held-for-trading	(6,266)	312
Gain on sale of fixed assets	(4,706)	(2,102)
	<u>314,911</u>	<u>89,684</u>
	<u>738,959</u>	<u>687,127</u>
(Increase) / decrease in operating assets:		
Lendings to financial institutions	(3,367,068)	(1,044,833)
Advances - net	(1,787,801)	(3,100,552)
Others assets - (excluding advance taxation)	212,892	(265,437)
	<u>(4,941,977)</u>	<u>(4,410,822)</u>
Increase / (decrease) in operating liabilities		
Bills payable	(339,321)	497,765
Borrowings	(1,011,938)	(3,453,620)
Deposits and other accounts	8,620,333	4,214,649
Other liabilities	577,713	480,285
	<u>7,846,787</u>	<u>1,739,079</u>
	<u>3,643,769</u>	<u>(1,984,616)</u>
	<u>(557,506)</u>	<u>(283,222)</u>
Income tax paid		
Net cash flows from operating activities	<u>3,086,263</u>	<u>(2,267,838)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in held for trading securities	(6,172,402)	(6,835)
Net investments in available for sale securities	1,894,706	2,445,545
Net investments in held to maturity securities	(587,343)	(6,074)
Dividend received	12,603	74,157
Investment in operating fixed assets (including intangible assets)	(242,034)	(216,045)
Sale proceeds on disposal of fixed assets	5,023	2,957
Net cash used in investing activities	<u>(5,089,447)</u>	<u>2,293,705</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Sub-ordinated loan	-	-
Net cash (used in) / flows from financing activities	<u>-</u>	<u>-</u>
Increase in cash and cash equivalents	<u>(2,003,184)</u>	<u>25,867</u>
Cash and cash equivalents at the beginning of the period	<u>12,740,516</u>	<u>9,838,130</u>
Cash and cash equivalents at the end of the period	<u>10,737,332</u>	<u>9,863,997</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		
Cash and balances with treasury banks	9,971,412	8,891,325
Balances with other banks	765,920	972,672
	<u>10,737,332</u>	<u>9,863,997</u>

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

CHAIRMAN

PRESIDENT AND
CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE QUARTER ENDED 31 MARCH 2013

	Share capital	Capital reserves			General reserve	Unappropriated profit (b)	Total
		Discount on issue of shares	Share premium	Statutory reserve (a)			
----- (Rupees in '000) -----							
Opening Balance for the year 2012 as previously reported	9,029,185	(1,001,361)	1,405	616,886	564,210	1,026,476	10,236,801
Effect of change in accounting policy (note 5)							
Total comprehensive income for the period							
Actuarial loss on defined plan-net	-	-	-	-	-	(44,143)	(44,143)
Opening Balance for the year 2012 as restated	9,029,185	(1,001,361)	1,405	616,886	564,210	982,333	10,192,658
Transactions with owners, recorded directly in equity							
Total comprehensive income for the quarter ended 31 March 2012 -profit after tax for the quarter	-	-	-	-	-	493,837	493,837
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	28,111	28,111
Balance as at 31 March 2012 as restated	9,029,185	(1,001,361)	1,405	616,886	564,210	1,504,281	10,714,606
Changes in equity for the nine months ended 31 December 2012							
Transactions with owners, recorded directly in equity							
Issue of bonus shares	993,211	-	-	(429,001)	(564,210)	-	-
Total comprehensive income for the nine months ended 31 December 2012							
Profit after tax for the nine months ended	-	-	-	-	-	610,356	610,356
Effect of change in accounting policy (note 5)							
Actuarial Gain on defined plan-net	-	-	-	-	-	23,415	23,415
	-	-	-	-	-	633,771	633,771
Transfer to statutory reserve	-	-	-	220,839	-	(220,839)	-
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	29,921	29,921
Balance as at 31 December 2012 as restated	10,022,396	(1,001,361)	1,405	408,724	-	1,947,134	11,378,298
Changes in equity for quarter ended 31 March 2013							
Transactions with owners, recorded directly in equity							
Transfer to General Reserves	-	-	-	-	1,000,000	(1,000,000)	-
Total comprehensive income for the period							
Profit after tax for quarter ended 31 March 2013	-	-	-	-	-	299,808	299,808
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	14,508	14,508
Transfer to statutory reserve				59,962		(59,962)	-
Balance as at 31 March 2013	10,022,396	(1,001,361)	1,405	468,686	1,000,000	1,201,488	11,692,614

(a) This represents reserves created under section 21 (i) (a) of the Banking Companies Ordinances, 1962.

(b) As more fully explained in note 8.8 and 9.4 of these condensed interim financial statements the amount of Rs. 1,312.3350 million (net of tax) as at 31 March 2013 represents additional profit 'arising from availing forced sale value benefit for determining provisioning requirement and is not available for the purpose of distribution of dividend to shareholders.

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

CHAIRMAN

PRESIDENT AND
CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE QUARTER ENDED 31 MARCH 2013

1. STATUS AND NATURE OF BUSINESS

Soneri Bank Limited ("the Bank") was incorporated in Pakistan on 28 September 1991 as a public limited company under the Companies Ordinance, 1984 with registered office situated at Rupali House 241-242, Upper Mall Scheme, Anand Road, Lahore, Punjab. Its shares are quoted on all the stock exchanges in Pakistan. The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and operates 233 branches including 8 Islamic banking branches (31 December 2012: 233 branches including 8 Islamic banking branches) in Pakistan.

2. BASIS OF PRESENTATION

These condensed interim financial statements are presented in condensed form in accordance with approved accounting standards as applicable in Pakistan for Interim Financial Reporting. These condensed Interim Financial Statements do not include all of the information required for full financial statements and should be read in conjunction with the annual financial statements of the Bank for the year ended 31 December 2012.

In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, SBP has issued various circulars from time to time. One permissible form of trade related mode of financing includes purchase of goods by the Bank from its customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. The purchase and sales arising under these arrangements are not reflected in these condensed interim financial statements as such but are restricted to the amount of facility actually utilised and the appropriate portion of mark-up thereon.

The financial results and position of the Islamic Banking branches of the Bank has been consolidated in these condensed interim financial statements for reporting purposes, after eliminating material intra bank transactions / balances. The key financial figures of the Islamic Banking branches are disclosed in note 18 to these condensed interim financial statements.

3. ACCOUNTING CONVENTION

These condensed interim financial statements have been prepared under the historical cost convention, except that certain fixed assets are stated at revalued amounts, certain investments and commitments in respect of certain forward exchange contracts have been marked to market and are carried at fair value and staff retirement benefits are carried at present value.

4. FUNCTIONAL AND PRESENTATION CURRENCY

These condensed interim financial statements are presented in Pakistani Rupee which is the currency of primary economic environment in which the Bank operates.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation followed for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Bank for the year ended 31 December 2012 except for adoption of amendment in IAS 19.

The amended IAS 19 requires actuarial gains and losses to be recognised immediately in other comprehensive income; this change removes the corridor method and eliminates the ability for entities to recognise all changes in the defined benefit obligation and plan assets in profit or loss, which was earlier allowed and that the expected return on plan assets recognised in profit or loss is calculated based on the rate used to discount the defined benefit obligation. As per requirement of standard the amendment has been applied retrospectively and prior periods restated. As a result unappropriated profit at 31 December 2012 is lower by Rs. 20.728 million. However profit and loss impact of Rs. 4.2 million (pre-tax) for full year 2012 being immaterial has not been incorporated in these condensed interim financial statements.

	2013	2012	2011
	(Rupees in '000)		
Impact on statement of financial position			
Increase in Deferred Tax Asset-net	11,161	11,161	23,769
Increase in Other Liabilities	31,889	31,889	67,912
Increase / (Decrease) in Unappropriated profit	(20,728)	(20,728)	(44,143)
Impact on cash flow statement			
Increase in other liabilities	(31,889)	(31,889)	(67,912)

6. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the annual financial statements of the Bank for the year ended 31 December 2012.

7. ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of these condensed interim financial statements is in conformity with approved accounting standards which requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Bank's accounting policies. The areas involving higher degree of judgement or complexity, or areas where assumptions and estimates are significant to these condensed interim financial statements are the same as those disclosed in the annual financial statements for the year ended 31 December 2012.

8. INVESTMENTS

8.1 Investments by types

		31 March 2013			31 December 2012		
		Held by Bank	Given as collateral	Total	Held by Bank	Given as collateral	Total
		(Rupees in '000)					
Held-for-Trading investments	8.2	6,185,316	-	6,185,316	12,914	-	12,914
Available-for-sale investments	8.3	42,555,050	10,873,701	53,428,751	43,826,566	11,496,891	55,323,457
Held-to-maturity investments	8.4	4,467,484	-	4,467,484	3,880,141	-	3,880,141
Investments at cost		53,207,850	10,873,701	64,081,551	47,719,621	11,496,891	59,216,512
Provision for diminution in the value of investments		(97,356)	-	(97,356)	(160,432)	-	(160,432)
Surplus / (Deficit) on revaluation of Held-for-Trading investments		6,097	-	6,097	(169)	-	(169)
Surplus on revaluation of Available-for-Sale investments		285,252	41,072	326,324	374,260	87,009	461,269
Investments - net of provisions		53,401,843	10,914,773	64,316,616	47,933,280	11,583,900	59,517,180

8.2 Held-for-Trading investments

Fully paid-up ordinary shares	77,691	-	77,691	12,914	-	12,914
Market Treasury Bills	4,907,625	-	4,907,625	-	-	-
Government Ijarah Sukuk	1,200,000	-	1,200,000	-	-	-
	6,185,316	-	6,185,316	12,914	-	12,914

8.3 Available-for-sale investments

Market Treasury Bills	36,806,808	10,873,701	47,680,509	37,602,471	11,496,891	49,099,362
Pakistan Investment Bonds	3,821,204	-	3,821,204	4,665,901	-	4,665,901
Government Ijarah Sukuk	200,000	-	200,000	200,000	-	200,000
Fully paid-up ordinary shares	1,087,916	-	1,087,916	731,769	-	731,769
Units of mutual funds	639,122	-	639,122	626,425	-	626,425
	42,555,050	10,873,701	53,428,751	43,826,566	11,496,891	55,323,457

8.4 Held-to-maturity investments

Pakistan Investment Bonds	1,471,287	-	1,471,287	1,475,734	-	1,475,734
Term Finance Certificates	939,561	-	939,561	1,117,270	-	1,117,270
Sukuk Bonds / Commercial paper	2,056,636	-	2,056,636	1,287,137	-	1,287,137
	4,467,484	-	4,467,484	3,880,141	-	3,880,141

		31 March 2013	31 December 2012
		(Rupees in '000)	
8.5 Investments by segment			
Federal Government Securities			
- Market Treasury Bills		52,588,134	49,099,362
- Pakistan Investment Bonds		5,292,491	6,141,635
- Government of Pakistan Ijara Sukuk Bonds		3,204,721	1,200,056
		61,085,346	56,441,053
Fully paid-up ordinary shares			
- Listed companies		1,098,268	677,344
- Listed companies - strategic investment		25,539	25,539
- Unlisted companies	8.6	41,800	41,800
		1,165,607	744,683
Units of Mutual Funds			
- Close end		112,098	99,401
- Open ended		527,024	527,024
		639,122	626,425
Term Finance Certificates, Bonds, Participation Term Certificates and Certificates of Investments			
- Listed Term Finance Certificates		447,274	530,985
- Unlisted Term Finance Certificates		492,287	586,285
- Commercial Paper		-	-
- Sukuk Bonds	8.7	251,915	287,081
		1,191,476	1,404,351
Investments at cost		64,081,551	59,216,512
Provision for diminution in value of investments	8.8	(97,356)	(160,432)
Surplus / (Deficit) on revaluation of Held-for-Trading investments		6,097	(169)
Surplus on revaluation of Available-for-Sale investments		326,324	461,269
Investments (net of provisions)		64,316,616	59,517,180

8.6 This includes shares of Islamabad Stock Exchange Limited (ISEL) acquired in pursuance of corporatization and demutualization of ISEL as a public limited company by shares (Note 10.1).

8.7 The Bank purchased 4,000 certificates (on 29 September 2009) of Wapda Sukuk through a market based transaction for a cash consideration of Rs. 19.8 million having a face value of Rs. 20 million. These certificates were available in the seller's CDC account and on completion of the transaction were transferred to Bank's CDC account. A periodic Ijarah rental was due on 22 October 2009, which was not paid to the Bank on the plea, that certain discrepancy in Central Depository Register was the reason for non payment.

The Bank through a legal notice has clarified the position that the Bank has purchased the aforesaid Sukuk Certificates from the market for a valuable consideration when these Sukuks were already entered in the Central Depository Register of seller's account. However, the Bank has fully provided the outstanding amount against these sukuks. The Bank has filed a recovery suit which is pending before Sindh High Court, Karachi.

8.8 Particulars of provision for diminution in value of investments

The analysis of total provision held are as follows:

	31 March 2013	31 December 2012
	(Rupees in '000)	
Opening balance	160,432	250,756
Charge for the period / year	(24,501)	30,023
Write off / Transfer	(38,575)	(6,072)
Reversal due to disposal of impaired shares	-	(114,275)
Net reversal	(63,076)	(90,324)
Closing balance	97,356	160,432

8.8.1 The Bank has considered a forced sales value (FSV) benefit of Rs. 21.55 million against Eden Housing Limited sukuk, secured against the mortgaged property in respect of provision for diminution in the value of held-to-maturity investments. The impact on profitability arising from availing the benefit of FSV under the revised guidelines resulted in reduction of provision for diminution in the value of investments of Rs. 21.55 million (31 December 2012: Rs. 24.36 million).

8.8.2 During 2012, the State Bank of Pakistan vide through circular no. BPRD / BRD - (policy) / 2012 - 13702 directed the Bank to provide the classified exposure of term finance certificates of Azgard Nine Limited in phased manner. Therefore, the Bank has made a provision of Rs. 17.187 million against outstanding exposure of Rs. 27.019 million after considering a forced sale value (FSV) benefit of Rs. 4.094 million, secured against the mortgaged property, in respect of provision for diminution in the value of held to maturity investments. The impact on profitability arising from availing the benefit of FSV under the revised guidelines resulted in reduction of provision for diminution in the value of investments by Rs. 4.094 million (2012: Rs.4.094 million).

9. ADVANCES

Loans, cash credits, running finances, etc.

	31 March 2013	31 December 2012
	(Rupees in '000)	
- In Pakistan	78,208,906	75,901,692
- Outside Pakistan	-	-
	78,208,906	75,901,692
Bills discounted and purchased (excluding treasury bills)		
- In Pakistan	1,011,467	1,368,579
- Outside Pakistan	5,821,567	5,984,092
	6,833,034	7,352,671
Advances - gross	85,041,940	83,254,363
Provision for non-performing advances	9.2 6,658,719	6,429,357
Advances - net of provision	78,383,221	76,825,006

- 9.1 Advances include Rs. 10,494.062 million (31 December 2012: Rs. 9,927.397 million) which have been placed under non-performing status as detailed below:

	31 March 2013				
	Domestic	Overseas	Total	Provision required (Domestic)	Provision held (Domestic)
	----- (Rupees in '000) -----				
Category of classification	82,953	-	82,953	-	-
OAEM *	1,083,229	-	1,083,229	114,948	114,948
Substandard	1,422,695	-	1,422,695	474,160	474,160
Doubtful	7,905,185	-	7,905,185	6,061,157	6,061,157
Loss	<u>10,494,062</u>	<u>-</u>	<u>10,494,062</u>	<u>6,650,265</u>	<u>6,650,265</u>

	31 December 2012				
	Domestic	Overseas	Total	Provision required (Domestic)	Provision held (Domestic)
	----- (Rupees in '000) -----				
Category of classification	78,968	-	78,968	-	-
OAEM *	921,281	-	921,281	149,513	149,513
Substandard	1,234,281	-	1,234,281	417,495	417,495
Doubtful	7,692,867	-	7,692,867	5,853,895	5,853,895
Loss	<u>9,927,397</u>	<u>-</u>	<u>9,927,397</u>	<u>6,420,903</u>	<u>6,420,903</u>

* The Other Assets Especially Mentioned (OAEM) category pertains to agriculture finance only.

9.2 Particulars of provision against non-performing loans and advances

	31 March 2013			31 December 2012		
	Specific	Consumer General	Total	Specific	Consumer General	Total
	----- (Rupees in '000) -----					
Opening balance	6,420,903	8,454	6,429,357	5,723,149	8,526	5,731,675
Charge for the period / year	326,877	-	326,877	1,452,320	-	1,452,320
Reversals made during the period / year	(97,291)	-	(97,291)	(964,744)	(72)	(964,816)
	<u>229,586</u>	<u>-</u>	<u>229,586</u>	<u>487,576</u>	<u>(72)</u>	<u>487,504</u>
Amount written off	(224)	-	(224)	(3,783)	-	(3,783)
Transfer	-	-	-	213,961	-	213,961
Closing balance	<u>6,650,265</u>	<u>8,454</u>	<u>6,658,719</u>	<u>6,420,903</u>	<u>8,454</u>	<u>6,429,357</u>

- 9.3 Provision against consumer financing represents provision maintained at an amount equal to 1.5% of the fully secured performing portfolio and 5% of the unsecured performing portfolio as required under the Prudential Regulations issued by SBP. Provision in this respect equals to Rs. 8.454 million (31 December 2012: Rs. 8.454 million).

- 9.4 At 31 March 2013, the provision requirement has been reduced by Rs.1,993.333 million (31 December 2012: Rs. 1,875.413 million) being benefit of Forced Sale Value (FSV) held as collateral, in accordance with the State Bank of Pakistan Prudential Regulations (PR) and SBP Circular 10 dated 21 October 2011. Increase in accumulated profits net of tax amounting to Rs.1,295.666 million due to the said FSV benefit is not available for distribution of cash and stock dividend.

- 9.4.1 Although the Bank has made provision against its non performing portfolio as per the category of the loans forming part thereof, the Bank still holds enforceable collateral in the event of recovery through litigation. These securities comprise of charge against various tangible assets of the borrower including land, building and machinery, stock in trade etc.

10. OPERATING FIXED ASSETS

	31 March 2013	31 December 2012
	(Rupees in '000)	
Capital work-in-progress	119,856	186,121
Property and equipments:		
Land		
- Freehold	362,778	362,778
- Leasehold	109,209	109,209
Building on:		
- Freehold	75,196	81,628
- Leasehold	1,400,048	1,417,950
Leasehold Improvements	599,196	539,961
Furniture, Fixtures, Equipments and Computers	916,360	891,957
Vehicles	91,825	93,133
Assets held under ijarah:		
- Motor Vehicle	139,811	133,001
- Plant and Machinery	150,977	61,094
Intangibles assets	128,420	138,401
	4,093,676	4,015,233

10.1 The Trading Right Entitlement Certificate (TRE Certificate) acquired on surrender of Islamabad Stock Exchange Membership Card has not been assigned any value, as the fair value of asset obtained cannot be determined with reasonable accuracy. The matter of accounting is being reviewed by The Institute of Chartered Accountants of Pakistan which will be adopted on finalization (Note 8.6).

11. BORROWINGS

	31 March 2013	31 December 2012
	(Rupees in '000)	
Secured		
Borrowings from the State Bank of Pakistan		
- Export refinance scheme	7,212,260	7,602,611
- Long term financing facility (LTFF) for plant and machinery	788,146	834,518
- Long term financing - export oriented projects	295,935	329,297
- Modernization of SME - rice husking	47,172	17,549
- Repurchase agreement borrowings	8,616,953	10,578,064
	16,960,466	19,362,039
Repurchase agreement borrowings - other banks	2,273,815	993,981
	19,234,281	20,356,020
Unsecured		
Call borrowings	-	-
Overdrawn nostro accounts	152,268	42,467
	19,386,549	20,398,487

	31 March 2013	31 December 2012
12. DEPOSITS AND OTHER ACCOUNTS		
Customers		
<i>Remunerative</i>		
Fixed deposits	42,621,663	38,228,631
Savings deposits	56,762,416	55,075,350
	99,384,079	93,303,981
<i>Non-remunerative</i>		
Current accounts	27,469,323	25,130,788
Call deposits	110,064	187,268
Margin deposits / Others	2,301,217	1,958,260
	29,880,604	27,276,316
	129,264,683	120,580,297
Financial Institutions		
Remunerative - savings deposits	186,043	250,096
Non-remunerative - current deposits	178	178
	186,221	250,274
	129,450,904	120,830,571
12.1 Particulars of deposit and other accounts		
In local currency	117,756,434	109,482,749
In foreign currencies	11,694,470	11,347,822
	129,450,904	120,830,571
13. SUB-ORDINATED LOAN		
Unsecured (Non-Participatory)		
Listed Term Finance Certificates	299,280	299,280

- 13.1** Liability against Term Finance Certificates is stated at nominal amount. The liability is sub-ordinated as to payment of principal and profit to all other indebtedness of the Bank (including deposits) and is not redeemable before maturity without prior approval of the State Bank of Pakistan. Mark-up rate on the liability is based on the floating rate of six months KIBOR prevailing immediately preceding the date before the start of each six month period for the profit due at the end of the semi-annual period plus 1.6% (subject to no floor and cap) per annum payable semi-annually. The credit rating of the instrument is A+.

The major redemption commenced from 78th month of the issue in November 2011 being the 25% of the issue amount. Remaining redemption will be in the following manner:

MONTH

- May 2013

REDEMPTION

25% of the issue amount

		31 March 2013	31 December 2012
		(Rupees in '000)	
14	CONTINGENCIES AND COMMITMENTS		
14.1	Direct credit substitutes		
	Financial guarantees issued favouring:		
	- Government	2,726,286	1,420,685
	- Others	100,724	275,420
		2,827,010	1,696,105
14.2	Transaction - related contingent liabilities		
	Guarantees issued favouring:		
	- Government	2,562,376	3,554,075
	- Financial Institutions	323,477	327,417
	- Others	3,510,518	2,950,663
		6,396,371	6,832,155
14.3	Trade - related contingent liabilities		
	Letters of credit	16,558,661	21,132,353
	Acceptances	4,610,793	2,559,741
14.4	Commitments in respect of forward lending		
	Commitments to extend credit	2,250,000	1,250,000
14.5	Commitments in respect of forward exchange contracts		
	Purchase		
	- From other banks	13,475,609	9,701,704
	- From customers	5,353,988	5,824,561
	Sale		
	- To other banks	12,905,012	11,627,310
	- To customers	238,123	594,803
14.6	Commitments in respect of equity future contracts		
	- Purchase	12,800	33,701
	- Sale	12,950	47,142
14.7	Commitments in respect of lendings to financial and other institutions		
	- Margin trading system	30,720	24,992

14.8 Other Contingencies

- 14.8.1 (a)** For the tax years 2012 and 2011, the Bank had filed returns under self assessment scheme as envisaged in section 120 of the Income Tax Ordinance, 2001. The income tax department have amended the assessment of tax years 2012 and 2011 under section 122(5A) of the Income Tax Ordinance, 2001. The amended assessment orders have been passed by adding / disallowing certain expenses / deductions resulting in additional tax liability of Rs.455.350 and Rs.313.383 million respectively.

The Bank has filed appeals before the Commissioner Inland Revenue (Appeals) and Appellate Tribunal Inland Revenue (ATIR) for the above referred tax years against these disallowances and deductions.

- (b)** For years ended 31 December 2008, 2009 and 2010, aggregate liability of Rs.159.11 million has been adjudged under Rule 40A of the Federal Excise Rules 2005 read with section 7 of the Federal Excise Act 2005, on the grounds that Bank failed to recover applicable Federal Excise Duty on certain income heads. Against the said liability the Bank has preferred appeal before the Commissioner Inland Revenue (Appeals).
- (c)** In addition, the tax department has filed tax references before honorable Lahore High Court, Lahore in respect of certain deductions allowed by the Appellate Tribunal Inland Revenue (ATIR) for assessment year 2000-2001 to tax year 2009.

The Bank and its tax advisor are of the view that the above issues will ultimately be decided in Bank's favour. Therefore no additional provision has been made in these condensed interim financial statements.

- 14.8.2** Claims against the Bank not acknowledged as debts amounted to Rs.2.4 million (2012: Rs.2.4 million).

15. INCOME FROM DEALING IN FOREIGN CURRENCIES

This includes conversion cost of foreign currency transactions into / from local currency funds (i.e swap cost on foreign currency transactions) which amount to Rs. 95.352 million (31 March 2012: Rs. 47.182 million).

16. RELATED PARTY TRANSACTIONS

The related parties comprise of related group companies, directors and their close family members, staff retirement funds, major shareholders holding not less than 10% of the total shareholding and key management personnel.

Usual transaction with related parties include deposits, advances, acceptances and provision of other banking services carried out in accordance with agreed terms. Transaction with key management personnel are undertaken at terms in accordance with employment agreements and service rules and include provision of advances on concessional terms. Contributions to and accruals in respect of staff retirement and other benefit schemes are made in accordance with the actuarial valuation / terms of the contribution plan.

The details of transactions with related parties during the period / year are as follows:

	31 March 2013	31 December 2012
	(Rupees in '000)	
Deposits at the end of the period / year:		
- Bank's Chief Executive / Executives	29,811	13,540
- Directors and their close family members	355,043	184,355
- Related group companies	163,761	169,821
- Major shareholders	117,832	121,098
- Staff retirement funds	523,711	558,037
	1,190,158	1,046,851
Loans and advances at the end of the period / year:		
- Key management personnel	69,752	116,428
	69,752	116,428
	Transactions for the three months period ended	
	31 March 2013	31 March 2012
	(Rupees in '000)	
Loans and advances repaid during the period	61,220	5,580
Loans and advances granted during the period	3,798	37,917
Mark-up received / accrued on loans and advances	1,539	810
Profit paid / accrued on deposits		
- Bank's Chief Executive / Executives	-	-
- Directors and their close family members	4,685	2,778
- Related group companies	1,897	2,063
- Major shareholders	1,825	2,246
- Staff retirement funds	2,224	4,414
	10,631	11,501
Contributions to employees' benefit plans	25,854	21,749
Key management personnel compensation		
- Salaries and benefits	53,742	36,624
- Post retirement benefits	1,918	1,098
	55,660	37,722

17. CONCENTRATION OF CREDIT AND DEPOSITS

17.1 Credit risk and concentration of credit risk

Credit risk is a risk arising from an obligors' unwillingness to perform an obligation or its ability to perform being impaired resulting in financial loss to the Bank. Bank regularly monitor credit risk at portfolio level to ensure no undue concentration of risk is present. The Bank also attempts to control credit risk by continually assessing the credit worthiness of counter parties and obtaining security where appropriate.

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Bank's performance to developments, affecting a particular industry or geographical location. The Bank seeks to manage its credit risk exposure through diversification of lending activities to avoid undue concentration of risks with individuals or groups of customers in specific locations or business.

17.2 Segment by class of business

	31 March 2013					
	Gross advances		Deposits		Contingencies and commitments	
	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)
Textile and synthetic	16,287,506	19.15%	1,481,779	1.14%	2,299,371	7.57%
Export/Import	6,263,698	7.37%	1,870,744	1.45%	3,400,742	11.19%
Electronic and electrical appliances	1,057,140	1.24%	192,788	0.15%	3,029,961	9.97%
Individuals	3,962,459	4.66%	73,098,120	56.47%	2,508,592	8.25%
Others	57,471,137	67.58%	52,807,473	40.79%	19,154,169	63.02%
	85,041,940	100.00%	129,450,904	100.00%	30,392,835	100.00%
31 December 2012						
	Gross advances		Deposits		Contingencies and commitments	
	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)
Textile and synthetic	16,660,102	20.01%	1,507,983	1.25%	2,406,358	7.47%
Electronic and electrical appliances	1,213,313	1.46%	134,925	0.11%	2,586,882	8.03%
Individuals	4,154,272	4.99%	67,371,789	55.76%	2,357,763	7.32%
Others	61,226,676	73.54%	51,815,874	42.88%	24,869,351	77.19%
	83,254,363	100.00%	120,830,571	100.00%	32,220,354	100.00%

17.2.1 Business classes where bank has greater than ten percent concentration are disclosed, including their outstanding across the categories.

17.3 Segment by sector

	31 March 2013					
	Gross advances		Deposits		Contingencies and commitments	
	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)
Public / Government	10,889,439	12.80%	13,854,760	10.70%	46,765	0.15%
Private	74,152,501	87.20%	115,596,144	89.30%	30,346,070	99.85%
	85,041,940	100.00%	129,450,904	100.00%	30,392,835	100.00%
31 December 2012						
	Gross advances		Deposits		Contingencies and commitments	
	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)
Public / Government	7,633,011	9.17%	13,256,563	10.97%	46,765	0.15%
Private	75,621,352	90.83%	107,574,008	89.03%	32,173,589	99.85%
	83,254,363	100.00%	120,830,571	100.00%	32,220,354	100.00%

17.4 CREDIT RATING

The credit rating done by PACRA in June 2012 for Soneri Bank Limited is AA- for the long term and A1+ for the short term.

18. ISLAMIC BANKING BUSINESS

The Bank is operating 8 Islamic Banking branches at the end of reporting period (31 December 2012: 8). The statement of financial position, profit and loss account and other related information in respect of these branches (including Islamic Banking Division) are as follows:

	(Un-audited) 31 March 2013 (Rupees in '000)	(Audited) 31 December 2012
18.1 Statement of Financial Position		
ASSETS		
Cash and balances with treasury banks	225,250	261,948
Balances with and due from financial institutions	26	26
Investments	2,020,609	1,231,261
Islamic Financing and Related Assets - Net	1,438,443	2,175,972
Operating fixed assets	411,727	317,477
Due from head office	-	-
Other assets	308,598	259,638
Total Assets	4,404,653	4,246,322
LIABILITIES		
Bills payable	6,741	6,291
Due to financial institutions	101,325	118,425
Deposits and other accounts		
- Current accounts	523,451	489,043
- Saving accounts	1,867,384	1,315,463
- Term deposits	1,283,331	1,658,648
- Others	108,281	160,661
Due to head office	71,317	916
Other liabilities	48,896	107,459
Total Liabilities	4,010,726	3,856,906
NET ASSETS	393,927	389,416
REPRESENTED BY:		
Islamic Banking Fund	400,000	400,000
Accumulated loss	(6,910)	(12,081)
	393,090	387,919
Deficit on revaluation of operating fixed assets	837	1,497
	393,927	389,416

		(Un-audited) 31 March 2013 (Rupees in '000)	(Un-audited) 31 March 2012
18.2	PROFIT AND LOSS ACCOUNT		
	Profit / return on financing, investments and placements earned	119,057	92,046
	Return on deposits and other dues expensed (18.2.1)	(116,265)	(88,391)
	Net income earned before provision	2,792	3,655
	Provision against non-performing financings	(578)	-
	Provision for diminution in value of investment	-	-
		(578)	-
	Net income / (loss) earned after provision	2,214	3,655
	Other income		
	Fee, commission and brokerage income	32,776	33,088
		34,990	36,743
	Other expenses		
	Administrative expenses	41,900	43,895
	Provision against other assets	-	-
		(6,910)	(7,152)
	Loss before taxation	(6,910)	(7,152)
18.2.1	This includes Rs. 9.241 million (2012: Rs. 11.733 million) being profit charged on 'Islamic Banking Fund' @ 9.37% p.a (2012: 11.76% p.a)		
18.3	Remuneration to shariah advisor	300	300
18.4	CHARITY FUND	(Un-audited) 31 March 2013 (Rupees in '000)	(Audited) 31 December 2012
	Opening balance	138	11
	Addition during the period	56	1,202
	Payment / utilization during the period	-	(1,075)
	Closing balance	194	138
18.5	Islamic Financing and Related Assets - Net		
	Islamic mode of financing - Advances	1,438,443	2,175,972
18.6	Islamic Mode of Financing		
	- Murabaha	611,102	1,274,059
	- Ijarah	-	-
	- Diminishing Musharaka	610,177	528,669
	- Salam	216,115	372,195
	- Other islamic modes	1,049	1,049
		1,438,443	2,175,972

18.7 Soneri Bank Limited - Islamic Banking Division (SBL - IBD) is maintaining following pools for profit declaration and distribution.

- (i) General Pool.
- (ii) IERS Musharika Pool.

Features, Risks and rewards of each pool is given below:

(i) General Pool

(a) Priority of utilization of funds in the general pool shall be

- Equity Funds.
- Depositor Funds.
- Placement / Investments of Other IBI.
- Mudaraba Placement of SBL (Head Office).

(b) Weightages for distribution of profit in general pool

Profits are calculated on the basis of weightages assigned to different tiers and tenors. These weightages are announced at the beginning of the period, while considering weightages emphasis shall be given to the quantum, type and period of risk assessed by applying following factors:

- Contracted period, nature and type of deposits / fund.
- Payment cycle of profit on such deposit / fund i.e. monthly, quarterly or on maturity.
- Magnitude of Risk.

Any change in profit sharing weightages of any category of deposit / fund providers shall be applicable from next quarter.

(c) Identification and allocation of pool related income and expenditure

The allocation of income and expenditure to different pools is being done based on pre-defined basis and accounting principles as mentioned below:

The direct expenditure shall be charged to respective pool, while indirect expensed including the establishment cost shall be borne by SBL - IBD as Mudarib. The direct expenses to be charged to the pool may include depreciation of Ijarah assets, insurance / Takaful expenses of pool assets, stamp fee or documentation charges, brokerage fee for purchase of securities, impairment / losses due to physical damages to specific assets in pools etc. However, this is not exhaustive list; SBL - IBD pool management framework and the respective pool creation memo may identify and specify these and may similar expenses to be charged to the pool.

(d) Parameters associated with risk and rewards

Following are the consideration attached with risk and reward of general pool:

- Period, return, safety, security and liquidity of investment.
- All financing proposal under process at various stages and likely to be extended near future.
- Expected withdrawal of deposits according to the maturities affecting the deposit base.
- Maturities of funds obtained under modaraba arrangement from Head Office , Islamic Banking financial institutions.
- Element of risk associated with different kind of investments.
- Regulatory requirement .
- Shariah compliance.

(ii) IERS Musharika Pool

All the features and other details of this pool are in accordance with the SBP IERS Scheme and all circulars and instructions issued from time to time in this regard.

18.8 Avenues / sectors of economy / business where mudaraba based deposits (gross) have been deployed

	31 March 2013	31 December 2012
	(Rupees in '000)	
Chemical and Pharmaceuticals	193,672	124,640
Agribusiness	233,135	457,575
Textile	106,447	141,149
GOP Ijarah Sukuk	2,001,307	1,202,062
Shoes and leather garments	127,040	127,040
Automobile and transportation equipment	88,428	89,211
Financial	19,302	19,199
Electronics and electrical appliances	18,464	10,123
Production and transmission of energy	19,860	10,000
Carpets & Rugs Manufacturer	119,738	120,723
Glass & Ceramics	210,465	404,127
Services	500,061	857,742
Others	1,048	1,163
	<u>3,638,967</u>	<u>3,564,754</u>

18.9 Basis of profit allocation

The profit was distributed between Mudarib and Rubbul Maal as per the following profit sharing ratio based upon Gross Income Level less Direct Expenses.

Rubbul Maal	50%
Mudarib	50%

18.10 Charging expenses

The direct expenditure shall be charged to respective pool, while indirect expensed including the establishment cost shall be borne by SBL - IBD as Mudarib. The direct expenses to be charged to the pool may include depreciation of Ijarah assets, insurance / Takaful expenses of pool assets, stamp fee or documentation charges, brokerage fee for purchase of securities, impairment / losses due to physical damages to specific assets in pools etc. However, this is not exhaustive list; SBL - IBD pool management framework and the respective pool creation memo may identify and specify these and any other similar expenses to be charged to the pool.

18.11 Provisions

Specific provision of Rs. 0.578 millions has been made against murabaha financing (31 December 2012: Rs. 7.456 million)

18.12 Mudarib share (in amount and percentage of distributable income)

	31 March 2013		31 March 2012	
	(Rupees in '000)	%	(Rupees in '000)	%
Rubbul Maal	71,885	54%	62,567	50%
Mudarib	61,391	46%	62,567	50%
	<u>133,276</u>		<u>125,134</u>	

18.13 Amount and percentage of mudarib share transferred to depositors through Hiba

	31 March 2013	31 March 2012
	(Rupees in '000)	
Mudarib share	61,391	62,567
Hiba	52,107	25,823
Hiba percentage of mudarib share	<u>85%</u>	<u>41%</u>

18.14 Profit rate earned vs Profit rate distributed to the depositors during the quarter ended 31 March 2013

Profit rate earned	10%
Profit rate distributed to depositors	7%

19. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 19 April 2013 by the Board of Directors of the Bank.

20. GENERAL

Corresponding figures have been rearranged and reclassified, wherever necessary, to facilitate comparison.

CHAIRMAN

PRESIDENT AND
CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

LIST OF BRANCHES

HEAD OFFICE

3rd Floor, 90-B-C/II, Liberty Market
Gulberg-III, Lahore
Tel. No: (+92-42) 35757311-2, 35772376-7 & 35772365
Fax No: (+92-42) 35772366
Swift: SONEPKKAGLH
E-mail: gulberg.lahore@soneribank.com

CENTRAL OFFICE

10th Floor, PNSC Building, M. T. Khan Road
Karachi
Tel. No: (+92-21) 32444401-5 & 111-567-890
Fax: (+92-21) 35643314, 35643325 & 6
Swift: SONEPKKAXXX
E-mail: info@soneribank.com

CENTRAL REGION

Main Branch, Lahore

Tel: (042) 36368141-8 & 111-567-890

Defence Branch, Lahore

Tel. No: (042) 35897181-2 & 35691037-8

Gulberg Branch, Lahore

Tel. No: (042) 35713445-8 & 35759273

Circular Road Branch, Lahore

Tel. No: (042) 37670486 & 37670489

Model Town Branch, Lahore

Tel. No: (042) 35889311-2 & 35915666

Akbar Chowk Branch, Lahore

Tel. No: (042) 35177800-2 & 35221410

Cavalry Ground Branch, Lahore

Tel. No: (042) 36653728-9 & 36619697

Temple Road Branch, Lahore

Tel. No: (042) 36376341, 2, 4 & 5

Allama Iqbal Town Branch, Lahore

Tel. No: (042) 37812394-5

Baghbanpura Branch, Lahore

Tel. No: (042) 36832811-3

Thokar Niaz Baig Branch, Lahore

Tel. No: (042) 35313651, 3 & 4

Ghazi Chowk Branch, Lahore

Tel. No: (042) 35188505-7

Islamic Banking

New Garden Town Branch, Lahore

Tel. No: (042) 35940611-3

DHA Phase-III Branch, Lahore

Tel. No: (042) 35734083-5

Chungi Amer Sadhu Branch, Lahore

Tel. No: (042) 35808611-3

Johar Town Branch, Lahore

Tel. No: (042) 35204191-3

Wahdat Road Branch, Lahore

Tel. No: (042) 37578211-3

Gunpat Road Branch, Lahore

Tel. No: (042) 37361607-9

Airport Road Branch, Lahore

Tel. No: (042) 35700115-7

Ravi Road Branch, Lahore

Tel. No: (042) 37725356-7

Shahdara Chowk Branch, Lahore

Tel. No: (042) 37941741-3

Manga Mandi Branch, Lahore

Tel. No: (042) 35383517-8

Badian Road Branch, Lahore

Tel. No: (042) 37165390 & 3

Mughalpura Branch, Lahore

Tel. No: (042) 36880892-4

Upper Mall Branch, Lahore

Tel. No: (042) 35789346-9

Islampura Branch, Lahore

Tel. No: (042) 37214394-6

Garhi Shahu Branch, Lahore

Tel. No: (042) 36294201-2

Zarrar Shaheed Road Branch, Lahore

Tel. No: (042) 36635167-8

Hamdard Chowk Kot Lakhpat Br., Lahore

Tel. No: (042) 35140261-5

Kana Kacha Branch, Lahore

Tel. No: (042) 36187413

Sabzazar Br., Multan Road, Lahore

Tel. No: (042) 37830881-2

DHA Phase-IV Br., Lahore

Tel. No: (042) 35694156-7

Azam Cloth Market Sub Br., Lahore

Tel. No: (042) 37662203-4

Jail Road Branch, Lahore

Tel. No: (042) 37590091, 2 & 4

Badami Bagh Branch, Lahore

Tel. No: (042) 37731601, 2 & 4

Gujranwala Branch

Tel. No: (055) 3843560-2 & 111-567-890

Gujranwala Cantt. Br., Gujranwala

Tel. No: (055) 3861932-4

Wapda Town Branch, Gujranwala

Tel. No: (055) 4291136-7

Kamokee Br., Distt. Gujranwala

Tel. No: (055) 6813501-6

Wazirabad Branch

Tel. No: (055) 6603703-4 & 6608555

Ghakar Mandi Branch

Tel. No: (055) 3832611-2

Main Branch, Faisalabad

Tel. No: (041) 2639877-8 & 111-567-890

Peoples Colony Branch, Faisalabad

Tel. No: (041) 8555715-6

Ghulam Muhammadabad Br., Faisalabad

Tel. No: (041) 2680113-4

East Canal Road Br., Faisalabad

Tel. No: (041) 2421381-2

Jaranwala Br., Distt. Faisalabad

Tel. No: (041) 4312201-2

Samundri Branch, Distt. Faisalabad

Tel. No: (041) 3423983-4

Chiniot Branch

Tel. No: (047) 6333840-2

Jhang Branch

Tel. No: (047) 7651601-2

Small Industrial Estate Branch, Sialkot

Tel. No: (052) 3242607-9

Pasrur Road Branch, Sialkot

Tel. No: (052) 3521655 & 3521755

Sialkot Cantt Br., Sialkot

Tel. No: (052) 4560023-4

Godhpur Branch, Sialkot

Daska Branch, Distt. Sialkot

Tel. No: (052) 6617847-8

Sambrial Branch

Tel. No: (052) 6523451-2

LIST OF BRANCHES

Sheikhupura Branch
Tel. No: (056) 3613570 & 3813133

Nankana Sahib Branch
Tel. No: (056) 2876342-3

Main Branch, Multan
Tel. No: (061) 4519927 & 4512884

Shah Rukn-e-Alam Branch, Multan
Tel. No: (061) 6784052 & 4

Bosan Road Branch, Multan
Tel. No: (061) 6510690-1

Mumtazabad Br., Multan
Tel. No: (061) 6760213-4

Chowk Shaheedan Branch, Multan
Tel. No: (061) 4581281-2

Azmat Road Br., Dera Ghazi Khan
Tel. No: (064) 2471630-7

Lodhran Branch
Tel. No: (0608) 364766-7

Kharoor Pacca Branch
Tel. No: (0608) 341041-2

Rahim Yar Khan Branch
Tel. No: (068) 5886042-4

Liaquatpur Br., Distt. Rahim Yar Khan
Tel. No: (068) 5792041-2

Sadiqabad Branch
Tel. No: (068) 5702162 & 5800168

Bahawalpur Branch
Tel. No: (062) 2731703-4

Sargodha Branch
Tel. No: (048) 3726021-3

Khanewal Branch
Tel. No: (065) 2551560-2

Kabirwala Br., Distt. Khanewal
Tel. No: (065) 2400910-3

Mian Channu Branch
Tel. No: (065) 2662201-2

Burewala Branch
Tel. No: (067) 3773110 & 20

Depalpur Branch
Tel. No: (044) 4541341-2

Okara Branch
Tel. No: (044) 2553012-4

Sahiwal Branch
Tel. No: (040) 4467742-3

Chichawatni Branch, Distt. Sahiwal

Muzafargarh Branch
Tel. No: (066) 2422901, 3 & 5

Fazal Garh Sanawan Br., Distt. Muzafargarh
Tel. No: (066) 2250214-5

Sheikho Sugar Mills Br., Distt. Muzafargarh
Tel. No: (061) 6006352-7

Shahbaz Khan Road Branch, Kasur
Tel. No: (0492) 764891-2

Hafizabad Branch
Tel. No: (0547) 541641-2

Pattoki Branch
Tel. No: (049) 4422435-6

Vehari Branch
Tel. No: (067) 3360015, 21 & 22

Gagoo Mandi Branch, Distt. Vehari
Tel. No: (067) 3500311-2

Mailsi Br., Distt. Vehari
Tel. No: (067) 3750140-5

Mandi Bahauddin Branch
Tel. No: (0546) 507601-2

Bahawalnagar Branch
Tel. No: (063) 2274795-6

Haroonabad Br., Distt. Bahawalnagar
Tel. No: (063) 2251664-5

Toba Tek Singh Branch
Tel. No: (046) 2513203-4

Gojra Branch, Distt. Toba Tek Singh
Tel. No: (046) 3516388-9

Kamalia Branch, Distt. Toba Tek Singh
Tel. No: (046) 3411405-6

Gujrat Branch
Tel. No: (0533) 520591-4

Panjan Kasana Br., Distt. Gujrat
Tel. No: (0537) 533525 & 534525

Kharian Branch
Tel. No: (053) 7535447-8

Lalamusa Branch
Tel. No: (053) 7511072-3

SOUTH REGION

Main Branch, Karachi
Tel. No: (021) 32436990-4 & UAN 111-567-890

Clifton Branch, Karachi
Tel. No: (021) 35877773-4, 35861386

Garden Branch, Karachi
Tel. No: (021) 32232877-8

F. B. Area Branch, Karachi
Tel. No: (021) 36373782-3

Korangi Industrial Area Branch, Karachi
Tel. No: (021) 35113898-9 & 35113900-1

AKUH Branch, Karachi
Tel. No: (021) 34852252-3

Haidery Branch, Karachi
Tel. No: (021) 36638617 & 36630409

Jodia Bazar Branch, Karachi
Tel. No: (021) 32413627, 32414920 & 37090140

Shahrah-e-Faisal Branch, Karachi
Tel. No: (021) 34535553-4

DHA Branch, Karachi
Tel. No: (021) 35852209 & 35845211

Gulshan-e-Iqbal Branch, Karachi
Tel. No: (021) 34811831-2

SITE Branch, Karachi
Tel. No: (021) 32568213

Zamzama Branch, Karachi
Tel. No: (021) 35375836-7

Gole Market Branch, Karachi
Tel. No: (021) 36618932 & 36681324

Gulistan-e-Jauhar Branch, Karachi
Tel. No: (021) 34020944-5

M. A. Jinnah Road Branch, Karachi
Tel. No: (021) 32213972 & 32213498

Gulbahar Branch, Karachi
Tel. No: (021) 36607744

LIST OF BRANCHES

North Karachi Branch, Karachi
Tel. No: (021) 36920140-1 & 34246806-7

Block-7 Gulshan-e-Iqbal Branch, Karachi
Tel. No: (021) 34815811-2

**Islamic Banking
Cloth Market Branch, Karachi**
Tel. No: (021) 32442961 & 32442977

Paria Street Kharadar Branch, Karachi
Tel. No: (021) 32201059-60

Suparco Branch, Karachi
Tel. No: (021) 34970560 & 37080810

Chandni Chowk Branch, Karachi
Tel. No: (021) 34937933 & 34141296

Allama Iqbal Road Branch, Karachi
Tel. No: (021) 34387673-4

Nishtar Road Branch, Karachi
Tel. No: (021) 32239711 & 3

Waterpump Branch, Karachi
Tel. No: (021) 36312108 & 36312113

Apwa Complex Branch, Karachi
Tel. No: (021) 32253143 & 32253216

Clifton Block-2 Branch, Karachi
Tel. No: (021) 35361115-6

Malir Branch, Karachi
Tel. No: (021) 34518730 & 34517983

Bahadurabad Branch, Karachi
Tel. No: (021) 34135842-3

New Challi Branch, Karachi
Tel. No: (021) 32625246 & 32625279

Shah Faisal Colony Branch, Karachi
Tel. No: (021) 34602446-7

Zaibunissa Street Saddar Branch, Karachi
Tel. No: (021) 35220026-7

Liaquatabad Branch, Karachi
Tel. No: (021) 34860723-6 & 34860725

Lea Market Branch, Karachi
Tel. No: (021) 32526193-4

Korangi Township No: 3 Branch, Karachi
Tel. No: (021) 36007572, 35071176 & 80

North Karachi Ind. Area Branch, Karachi
Tel. No: (021) 36962851-3

F. B. Industrial Area Branch, Karachi
Tel. No: (021) 36829961-3

Napier Road Branch, Karachi
Tel. No: (021) 32713538-9

Gulshan-e-Hadeed Branch, Karachi
Tel. No: (021) 34710252 & 34710256

Metroville Branch, Karachi
Tel. No: (021) 36752206-7

Defence Phase-II Extension Br., Karachi
Tel. No: (021) 35386910 & 1

North Karachi Township Branch, Karachi
Tel. No: (021) 36968605-6

Karachi Stock Exchange Branch, Karachi
Tel. No: (021) 32414003-4

Gulshan-e-Jamal Branch, Karachi
Tel. No: (021) 34682682-3

Alyabad Branch, Karachi
Tel. No: (021) 36826727 & 36332517

Saudabad Branch, Malir, Karachi
Tel. No: (021) 34111904-5

Orangi Town Branch, Karachi
Tel. No: (021) 36694381-4

Safoora Chowk Branch, Karachi
Tel. No: (021) 34657271-2

Barkat-e-Haidery Branch, Karachi
Tel. No: (021) 36645688-9

Shadman Town Branch, Karachi
Tel. No: (021) 36903038-9

New Town Branch, Karachi
Tel. No: (021) 32220702 & 4

Enquiry Office Nazimabad No: 2 Br., Karachi
Tel. No: (021) 36601504-5

Block 13-D Gulshan-e-Iqbal Br., Karachi
Tel. No: (021) 34983883-4

Timber Market Br., Karachi
Tel. No: (021) 32742491-2

**Khayaban-e-Ittehad, DHA,
Phase-VI Br., Karachi**
Tel. No: (021) 35347414-5

**Sindhi Muslim Co-operative Housing
Society Branch, Karachi**
Tel. No: (021) 34527085-6

Main Branch, Hyderabad
Tel. No: (022) 2781528-9 & UAN 111-567-890

F. J. Road Branch, Hyderabad
Tel. No: (022) 2728131 & 2785997

Latifabad Branch, Hyderabad
Tel. No: (022) 3816309

Qasimabad Branch, Hyderabad
Tel. No: (022) 2651968

**Islamic Banking
Isra University Br., Distt. Hyderabad**
Tel. No: (022) 2032322 & 2030161-4

Prince Ali Road Branch, Hyderabad
Tel. No: (022) 2638515-6

S.I.T.E. Branch, Hyderabad
Tel. No: (022) 3886861-2

Faqir Jo Pir Branch, Hyderabad
Tel. No: (022) 2612685-6

Matyari Branch, Distt. Matyari
Tel. No: (022) 2760125-6

Tando Allah Yar Branch
Tel. No: (022) 3890262-3

Sukkur Branch
Tel. No: (071) 5622382 & 5622925

Sanghar Branch, Distt. Sanghar
Tel. No: (0235) 543376-8

Tando Adam Branch, Distt. Sanghar
Tel. No: (0235) 571640-44

Shahdadpur Branch, Distt. Sanghar
Tel. No: (0235) 841982 & 4

Golarchi Branch, Distt. Badin
Tel. No: (0297) 853193-4

Talhar Branch, Distt. Badin
Tel. No: (0297) 830389

Deh. Sonhar Branch, Distt. Badin
Tel. No: (0297) 810025-6

Tando Bago Sub Branch, Distt. Badin
Tel. No: (0297) 854554-5

Matli Branch
Tel. No: (0297) 840171-2

Buhara Branch, Distt. Thatta
Tel. No: (0298) 613169

LIST OF BRANCHES

Jati Town Branch, Distt. Thatta
Tel. No: (0298) 777120 & 129

Ranipur Branch, Distt. Khairpur
Tel. No: (0243) 630256-7

Panjhatti Branch
Tel. No: (0243) 552183-4

Sultanabad Branch, Distt. Tando Allah Yar
Tel. No: (0233) 509649

Mirpurkhas Branch
Tel. No: (0233) 876418-9

Umerkot Branch
Tel. No: (0238) 571350 & 571356

Nawabshah Branch
Tel. No: (0244) 363919

Larkana Branch
Tel. No: (074) 4058601-4

Gawadar Branch
Tel. No: (086) 4211702-3

Hub Branch, Distt. Lasbela
Tel. No: (0853) 310225-7

Ghotki Branch

Main Branch, Quetta
Tel. No: (081) 2821610 & 2821641

Islamic Banking
Hazar Gunji Branch, Quetta
Tel. No: (081) 2471985-6

NORTH REGION
Main Branch, Peshawar
Tel. No: (091) 5277914-6 & 5277394

Chowk Yadgar Branch, Peshawar
Tel. No: (091) 2573335-6

Islamic Banking
Khyber Bazar Branch, Peshawar
Tel. No: (091) 2566812-3

Main Branch, Rawalpindi
Tel. No: (051) 5522901-3 & 5700519

Chandni Chowk Branch, Rawalpindi
Tel. No: (051) 4455071-3

22 Number Chungi Branch, Rawalpindi
Tel. No: (051) 5563577-8

Muslim Town Branch, Rawalpindi
Tel. No: (051) 4425925, 6 & 9

Pindora Branch, Rawalpindi
Tel. No: (051) 4419020-22

Gulraiz Branch, Rawalpindi
Tel. No: (051) 5509690-2

Bewal Br., Distt. Rawalpindi
Tel. No: (051) 3360274-5

Peshawar Road Br., Rawalpindi
Tel. No: (051) 5460115-7

Main Branch, Islamabad
Tel. No: (051) 2277551, 2272460 & UAN 111-567-890

G-9 Markaz Branch, Islamabad
Tel. No: (051) 2850171-3

Islamic Banking
I-10 Markaz Branch, Islamabad
Tel. No: (051) 4101733-5

I-9 Markaz Branch, Islamabad
Tel. No: (051) 4858101-3

E-11 Branch, Islamabad
Tel. No: (051) 2228756-9

DHA Phase-II Br., Islamabad
Tel. No: (051) 2502908 & 5819837

Islamic Banking
F-8 Markaz Branch, Islamabad
Tel. No: (051) 2818019-21

G-11 Markaz Branch, Islamabad
Tel. No: (051) 2830152-4

Lathrar Road Br., Tarlai, Distt. Islamabad
Tel. No: (051) 2241664-6

Soan Garden Br., Distt. Islamabad
Tel. No: (051) 5738942-4

Taxila Branch
Tel. No: (051) 4544733 & 5

Gujar Khan Branch
Tel. No: (051) 3516328 - 9

Waisa Branch, Distt. Attock
Tel. No: (057) 2651066-8

Swabi Branch, Distt. Swabi
Tel. No: (0938) 221741, 3 & 4

Topi Branch, Distt. Swabi
Tel. No: (0938) 271614-6

Mirpur Branch, (AJK)
Tel. No: (05827) 444488, 448044 & 448048

Islamgarh Branch, (AJK)
Tel. No: (05827) 423981-2

Chaksawari Branch, Distt. Mirpur (AJK)
Tel. No: (05827) 454775-6

Dadyal Branch, Distt. Mirpur (AJK)
Tel. No: (05827) 465555 & 465560-2

Jattlan Branch, Distt. Mirpur (AJK)
Tel. No: (05827) 403591-4

Gilgit Branch
Tel. No: (05811) 453749

Denyore Branch, Distt. Gilgit
Tel. No: (05811) 459986-7

Jutial Branch, Distt. Gilgit
Tel. No: (05811) 457233-5

Aliabad Branch, Hunza
Tel. No: (05813) 455000 & 455001

Gahkuch Branch
Tel. No: (05814) 450408-10

Skardu Branch
Tel. No: (05815) 450327 & 450189

Mansehra Road Branch, Abbottabad
Tel. No: (0992) 385231-3

Jhelum Branch
Tel. No: (0544) 625794-5

Booni Branch, Distt. Chitral
Tel. No: (0943) 470413-4

Chitral Branch, Distt. Chitral
Tel. No: (0943) 412078-9

Chakwal Branch
Tel. No: (0543) 543128-30

Mardan Branch
Tel. No: (0937) 864755-7

Muzaffarabad Branch
Tel. No: (0582) 2920025-6

Islamic Banking Chillas Br., Distt. Diamer
Tel. No: (05812) 450631-2

Hattar Branch, Distt. Haripur
Tel. No: (0995) 617152-3