



Soneri Bank

SECOND QUARTERLY REPORT 2012
(Un-audited)



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Corporate Information

BOARD OF DIRECTORS

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 | MR. SHEIKH MUHAMMED MOEEN

COMPANY SECRETARY | MR. MUHAMMAD ALTAF 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 | 5TH FLOOR, AL-RAHIM TOWER,
I.I. CHUNDRIGAR ROAD,
KARACHI - 74000

**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
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DIRECTORS' REVIEW

It gives me pleasure to present, on behalf of the Board of Directors, the un-audited financial statements of Soneri Bank Limited ('the Bank') for the half year period ended 30 June 2012. The year 2012 marks the 20th year of bank's operations and I would like to take this opportunity to congratulate the shareholders for this land mark achievement.

The summarized financial position of the Bank for the first six month period is as follow:

Profit & Loss Account	30-June-2012	30-June-2011
	(Rupees in '000)	
Net Markup income after provisions	2,331,841	1,331,770
Non Markup Expenses	2,080,633	1,632,913
Profit before tax	1,137,553	668,366
Profit after tax	752,908	474,283
Earnings per share – Rupee	0.83	0.67
Statement of Financial Position	30-June-2012	31-December-2011
	(Rupees in '000)	
Shareholders Equity (excluding surplus)	11,019,225	10,236,801
Deposits	115,263,866	99,733,970
Advances - net	67,524,131	65,339,947
Investments - net	59,681,891	45,775,969

The country's overall economic environment during the second quarter was same as during the first quarter 2012. With issues such as energy shortage, law and order and increasing political activity making headlines, economic activities remained under pressure during the six month period of FY2012. In the wake of growing trade and current account deficit the overall environment is having a dampening impact on the overall business and trading activities of the country.

In a bid to stimulate the overall business environment the Central Bank has recently reduced the discount rate by 150 bps. While the possible positive impact that this move may have on the overall trade and business activities is yet to be seen, the banking sector core earning spreads are expected to be impacted going forward.

Your Bank's half yearly financial performance considering the challenging environment was impressive. The overall deposit base closed at Rs 115,263.86 million as at 30 June 2012, thus registering growth of 15.57% from December 2011 level (FY2011: Rs 99,733.97 million) . This was the key reason behind the growth witnessed in net investment and net advances which registered an increase and closed at Rs 59,681.89 million (FY2011: Rs 45,775.97 million) and Rs 67,524.13 million (FY2011: Rs 65,339 million) indicating a growth of 30.37% and 3.34% respectively.

As a result of the above growth, net markup income for the first half year period increased to Rs 2,268.75 million as compared to Rs 1,807.39 million during the comparable period last year. In addition to this, a net reversal of Rs 63.09 million on non-performing loans and investments coupled with an income flow of Rs 886.34 million from non-markup sources pushed the total revenues of your bank to Rs 3,218.18 million (1HY2011: Rs 2,301.28 million)

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In line with the growth strategy your bank continued to expand its branch network and is presently operating with 214 fully-operational branches (1HY2011:184 branches). The bank has completed the journey of successful 20 years of operations in year 2012. In this connection the bank has relaunched its signage. In addition, during the half year 2012 your bank has also filled the required resources gap and the core functional team is now fully operational. These initiatives were implemented through conscious planning.

Consequent to the expansion of branch network and higher business levels, the administrative expenses of your bank increased to Rs 2,040.67 million (1HY 2011: Rs 1,619.53 million). Your bank has adopted a strategy of centralizing its operations and augmenting its information technology systems and in this regard has plans to continue to invest in these areas.

Profit before tax for the first half year amounted to Rs 1,137.55 million which is 70.20% up from Rs 668.36 million during the first half year 2011. Net profit after tax amounted to Rs 752.90 million as compared to Rs 474.28 million in the same period last year.

Under the directions of the Board the management of your bank operates with a clear focus on expanding its deposit base and increasing the bottom line. With the objective to adequately diversify its earnings mix and increase the proportion of fee based income your Bank has recently taken a series of new initiatives including setting up of a dedicated remittance unit and signing up with an internationally reputable global payment services company for providing remittance services through its present network.

I am pleased to inform you that your Bank continues to operate with sound liquidity and capital adequacy levels, effective risk management, internal control and proactive compliance systems. These systems and controls have ensured that the Bank remains satisfactorily compliant with the regulatory requirements.

I am confident that your bank shall continue to maintain this trend of growth and profitability.

In its recent annual credit rating review, 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 Certificate with a stable outlook.

I would like to avail 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 thankful to our valued customers for their continued patronage and confidence. I am pleased to extend my appreciation to the bank employees for their hard work and on behalf of the Board, congratulate them on the Bank's 20th Anniversary.

ALAUDDIN FEERASTA
Chairman
Lahore: 18 August 2012



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INDEPENDENT AUDITORS REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE MEMBERS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Soneri Bank Limited ("the Bank") as at 30 June 2012 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the condensed interim financial information for the six months period then ended (here-in-after referred to as the "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the six months period ended 30 June 2012 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

The figures of the condensed interim profit and loss account, condensed interim statement of comprehensive income for the quarters ended 30 June 2012 and 2011 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended 30 June 2012.

Karachi : 18 August 2012

KPMG Taseer Hadi & Co.
Chartered Accountants
Muhammad Taufiq

KPMG Taseer Hadi & Co., a partnership firm registered in Pakistan and a member firm of the KPMG network of independent member firm affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

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Condensed Interim Statement of Financial Position

AS AT 30 JUNE 2012

	Note	(Un-audited) 30 June 2012	(Audited) 31 December 2011
(Rupees in '000)			
ASSETS			
Cash and balances with treasury banks		10,232,734	8,959,130
Balances with other banks		984,288	879,000
Lendings to financial institutions		1,300,000	813,190
Investments - net	6	59,681,891	45,775,969
Advances - net	7	67,524,131	65,339,947
Operating fixed assets	8	3,920,812	3,833,916
Deferred tax assets - net		349,258	362,156
Other assets - net		4,410,533	3,769,078
		148,403,647	129,732,386
LIABILITIES			
Bills payable		1,982,219	1,571,314
Borrowings	9	16,738,021	14,557,179
Deposits and other accounts	10	115,263,866	99,733,970
Sub-ordinated loans	11	598,560	897,840
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities		-	-
Other liabilities		2,113,898	1,994,796
		136,696,564	118,755,099
NET ASSETS		11,707,083	10,977,287
REPRESENTED BY			
Share capital		9,029,185	9,029,185
Reserves		1,333,083	1,182,501
Discount on issue of right shares		(1,001,361)	(1,001,361)
Unappropriated profit		1,658,318	1,026,476
		11,019,225	10,236,801
Surplus on revaluation of assets - net of tax		687,858	740,486
		11,707,083	10,977,287
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The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

CHAIRMAN

PRESIDENT AND
CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

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Condensed Interim Profit and Loss Account (Un-Audited)

FOR THE HALF YEAR ENDED 30 JUNE 2012

Note	For the half year ended		For the quarter ended		
	30 June 2012	30 June 2011	30 June 2012	30 June 2011	
----- (Rupees in '000) -----					
Mark-up / return / interest earned	7,003,192	6,088,031	3,605,819	3,111,526	
Mark-up / return / interest expensed	(4,734,442)	(4,280,639)	(2,395,558)	(2,235,680)	
Net mark-up / return / interest income	2,268,750	1,807,392	1,210,261	875,846	
Reversal / (provision) against non - performing loans - net	70,353	(505,224)	18,212	(233,842)	
Provision for / (reversal in) diminution in the value of investments	(7,262)	29,602	(7,440)	9,602	
Bad debts written off directly	-	-	-	-	
	63,091	(475,622)	10,772	(224,240)	
Net mark-up / return / interest income after provisions	2,331,841	1,331,770	1,221,033	651,606	
Non mark-up / interest income					
Fee, commission and brokerage income	257,660	231,543	137,226	104,040	
Dividend income	112,081	144,555	29,922	69,534	
Income from dealing in foreign currencies	113,930	244,232	26,075	125,465	
Unrealised loss on revaluation of investments classified as held-for-trading	(909)	-	(597)	-	
Gain on sale of securities - net	76,764	42,656	50,783	29,375	
Other income	326,819	306,523	168,327	147,445	
Total non mark-up / interest income	886,345	969,509	411,736	475,859	
	3,218,186	2,301,279	1,632,769	1,127,465	
Non mark-up / interest expenses					
Administrative expenses	(2,040,676)	(1,619,530)	(1,143,295)	(892,504)	
(Provision) / reversal against other assets - net	(3,129)	3,635	(1,662)	4,294	
Other charges	(36,828)	(17,018)	(29,861)	(5,973)	
Total non mark-up / interest expenses	(2,080,633)	(1,632,913)	(1,174,818)	(894,183)	
	1,137,553	668,366	457,951	233,282	
Extraordinary / unusual items	-	-	-	-	
Profit before taxation	1,137,553	668,366	457,951	233,282	
Taxation - Current	(365,000)	(250,000)	(129,278)	(81,000)	
- Prior	-	-	-	-	
- Deferred	(19,645)	55,917	(69,602)	18,614	
	(384,645)	(194,083)	(198,880)	(62,386)	
Profit after taxation	752,908	474,283	259,071	170,896	
----- (Rupee) -----					
		(Restated)		(Restated)	
Basic and diluted earnings per share	14	0.83	0.67	0.29	0.24

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

CHAIRMAN

PRESIDENT AND
CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

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Condensed Interim Statement of Comprehensive Income (Un-Audited) FOR THE HALF YEAR ENDED 30 JUNE 2012

	For the half year ended		For the quarter ended	
	30 June 2012	30 June 2011	30 June 2012	30 June 2011
	----- (Rupees in '000) -----			
Profit after taxation for the period	752,908	474,283	259,071	170,896
Other comprehensive income				
Surplus / (deficit) on revaluation of "Available-for-sale securities" (i)	-	-	-	-
Surplus on revaluation of operating fixed assets (ii)	-	-	-	-
Total Comprehensive income for the period	<u>752,908</u>	<u>474,283</u>	<u>259,071</u>	<u>170,896</u>

(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 20 dated 4 August 2000 and BSD circular 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 19 form an integral part of these condensed interim financial statements.

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Condensed Interim Cash Flow Statement (Un-Audited)

FOR THE HALF YEAR ENDED 30 JUNE 2012

	30 June 2012	30 June 2011
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	1,137,553	668,366
Less: Dividend income	(112,081)	(144,555)
	<u>1,025,472</u>	<u>523,811</u>
Adjustments:		
Depreciation / amortisation	314,990	268,181
Reversal / provision against non-performing loans and advances	(70,353)	505,224
Provision / (reversal) against other assets	3,129	(3,635)
Other charges - workers welfare fund	23,000	17,000
Provision for / (reversal in) diminution in the value of investments	1,190	(29,602)
Reversal of provision for diminution in the value of investments recognised in capital gains	(91,106)	(56,275)
Gain on sale of fixed assets	(3,799)	(18,531)
	<u>177,051</u>	<u>682,362</u>
	1,202,523	1,206,173
(Increase) / decrease in operating assets:		
Lendings to financial institutions	(486,810)	2,331,900
Advances - net	(2,113,831)	(298,981)
Others assets - (excluding advance taxation)	(388,623)	94,885
	<u>(2,989,264)</u>	<u>2,127,804</u>
Increase / (decrease) in operating liabilities		
Bills payable	410,905	(81,167)
Borrowings	2,180,842	8,513,493
Deposits and other accounts	15,529,896	10,818,752
Other liabilities	96,102	(323,854)
	<u>18,217,745</u>	<u>18,927,224</u>
Cash inflows before taxation	16,431,004	22,261,201
Income tax paid	(645,592)	(853,401)
Net cash flows from operating activities	<u>15,785,412</u>	<u>21,407,800</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in securities	(13,845,866)	(20,682,252)
Dividend received	136,712	143,119
Investment in operating fixed assets (including intangible assets)	(403,473)	(561,055)
Proceeds from disposal of fixed assets	5,387	68,966
Net cash used in investing activities	<u>(14,107,240)</u>	<u>(21,031,222)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Sub-ordinated loan	(299,280)	(240)
Subscription money received against right shares	-	886,450
Net cash (used in) / flows from financing activities	<u>(299,280)</u>	<u>886,210</u>
Increase in cash and cash equivalents	1,378,892	1,262,788
Cash and cash equivalents at the beginning of the period	9,838,130	8,648,162
Cash and cash equivalents at the end of the period	<u>11,217,022</u>	<u>9,910,950</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		
Cash and balances with treasury banks	10,232,734	8,662,741
Balances with other banks	984,288	1,248,209
	<u>11,217,022</u>	<u>9,910,950</u>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

CHAIRMAN

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CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

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Condensed Interim Statement of Changes in Equity (Un-Audited) FOR THE HALF YEAR ENDED 30 JUNE 2012

	Share capital	Subscription money received against issuance of right shares	Discount on issue of shares	Reserves			Unappropriated profit (b)	Total
				Share premium	Statutory (a)	General		
(Rupees `000)								
Balance as at 1 January 2011	6,023,221	-	-	1,405	1,463,421	564,210	329,103	8,381,360
Changes in equity during half year ended 30 June 2011								
Transactions with owners, recorded directly in equity								
Subscription money received against issuance of right shares	-	886,450	-	-	-	-	-	886,450
Total comprehensive income for the period								
Profit after tax for the half year ended 30 June 2011	-	-	-	-	-	-	474,283	474,283
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	-	35,237	35,237
Balance as at 30 June 2011	6,023,221	886,450	-	1,405	1,463,421	564,210	838,623	9,777,330
Changes in equity during half year ended 31 December 2011								
Transactions with owners, recorded directly in equity								
Issue of right shares	2,002,722	(886,450)	(1,001,361)	-	-	-	-	114,911
Issue of bonus shares	1,003,242	-	-	-	(1,003,242)	-	-	-
Total comprehensive income for the period								
Profit after tax for the half year ended 31 December 2011	-	-	-	-	-	-	309,250	309,250
Transfer to statutory reserve	-	-	-	-	156,707	-	(156,707)	-
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	-	35,310	35,310
Balance as at 31 December 2011	9,029,185	-	(1,001,361)	1,405	616,886	564,210	1,026,476	10,236,801
Changes in equity during half year ended 30 June 2012								
Transactions with owners, recorded directly in equity								
Total comprehensive income for the period								
Profit after tax for the half year ended 30 June 2012	-	-	-	-	-	-	752,908	752,908
Transfer to statutory reserve	-	-	-	-	150,582	-	(150,582)	-
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	-	29,516	29,516
Balance as at 30 June 2012	9,029,185	-	(1,001,361)	1,405	767,468	564,210	1,658,318	11,019,225

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

(b) As more fully explained in note 6.8 and 7.5 of these condensed interim financial statements the amount of Rs. 1,119.151 million net of tax as at 30 June 2012 represents additional profit arising from availing forced sale value benefit for determining provisioning requirement is not available for the purpose of distribution of dividend to shareholders.

The annexed notes 1 to 19 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 HALF YEAR ENDED 30 JUNE 2012

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 214 branches including 7 Islamic banking branches (31 December 2011: 214 branches including 7 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 2011.

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 purchases 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 17 to these condensed interim financial statements.

3. 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 2011.

4. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with that disclosed in the annual financial statements of the Bank for the year ended 31 December 2011.

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5. 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 2011.

However, during the period the Bank completed a review of the estimated useful life of its buildings and related improvements. Such a review was performed because considerable technical data and related information indicated that the useful life of the building and improvements require re-assessment. As a result of this review, the Bank revised the useful life as assessed by the independent valuer with effect from 1 January 2012.

The extension of the building's depreciable life qualifies as a change in accounting estimate in accordance with requirements of International Accounting Standards 8 - "Accounting Policies, Changes in Accounting Estimates and Errors" and was made on a prospective basis with effect from 1 January 2012. The effect of these changes on depreciation expense in current and future periods is as follows:

	2012	2013	2014	2015	2016	Later
	----- (Rupees in '000) -----					
Decrease in depreciation expense	21,066	12,597	11,241	13,579	17,918	8,940

6. INVESTMENTS

6.1 Investments by types

	30 June 2012			31 December 2011		
	Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total
	----- (Rupees in '000) -----					
Held-for-Trading investments	32,385	-	32,385	-	-	-
Available-for-sale investments	48,051,194	7,675,038	55,726,232	36,579,464	5,870,878	42,450,342
Held-to-maturity investments	4,058,533	-	4,058,533	3,520,942	-	3,520,942
Investments at cost	52,142,112	7,675,038	59,817,150	40,100,406	5,870,878	45,971,284
Provision for diminution in the value of investments	(160,840)	-	(160,840)	(250,756)	-	(250,756)
Surplus / (Deficit) on revaluation of available for sale investments	25,609	(28)	25,581	61,392	(5,951)	55,441
Investments - net of provisions	52,006,881	7,675,010	59,681,891	39,911,042	5,864,927	45,775,969
6.2 Held-for-Trading investments						
Fully paid-up ordinary shares	32,385	-	32,385	-	-	-

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	30 June 2012			31 December 2011		
	Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total
6.3 Available-for-sale investments	(Rupees in '000)					
Market Treasury Bills	40,770,276	7,675,038	48,445,314	31,627,635	5,870,878	37,498,513
Pakistan Investment Bonds	3,361,613	-	3,361,613	2,312,135	-	2,312,135
Government Ijarah Sukuk	1,100,075	-	1,100,075	-	-	-
Fully paid-up ordinary shares	419,600	-	419,600	275,760	-	275,760
Units of mutual funds	2,399,630	-	2,399,630	2,363,934	-	2,363,934
	<u>48,051,194</u>	<u>7,675,038</u>	<u>55,726,232</u>	<u>36,579,464</u>	<u>5,870,878</u>	<u>42,450,342</u>
6.4 Held-to-maturity investments						
Pakistan Investment Bonds	1,484,101	-	1,484,101	1,492,036	-	1,492,036
Term Finance Certificates	1,223,797	-	1,223,797	1,116,404	-	1,116,404
Sukuk Bonds / Commercial paper	1,350,635	-	1,350,635	912,502	-	912,502
	<u>4,058,533</u>	<u>-</u>	<u>4,058,533</u>	<u>3,520,942</u>	<u>-</u>	<u>3,520,942</u>
6.5 Investments by segment				30 June 2012	31 December 2011	
				(Rupees in '000)		
	Note					
Federal Government Securities						
- Market Treasury Bills				48,445,314	37,498,513	
- Pakistan Investment Bonds				4,845,714	3,804,171	
- Government of Pakistan Ijara Sukuk Bonds				2,100,237	500,163	
				55,391,265	41,802,847	
Fully paid-up ordinary shares						
- Listed companies				421,285	245,060	
- Unlisted companies				30,700	30,700	
				451,985	275,760	
Units of Mutual Funds						
- Close end				79,687	75,586	
- Open ended				2,319,943	2,288,348	
				2,399,630	2,363,934	
Term Finance Certificates, Bonds, Participation Term Certificates and Certificates of Investments						
- Listed Term Finance Certificates				606,030	662,577	
- Unlisted Term Finance Certificates				617,767	453,827	
- Commercial Paper				-	18,981	
- Sukuk Bonds		6.6		350,473	393,358	
				1,574,270	1,528,743	
Investments at cost				59,817,150	45,971,284	
Provision for diminution in value of investments		6.7		(160,840)	(250,756)	
Surplus on revaluation of Available-for-Sale investments				25,581	55,441	
Investments (net of provisions)				59,681,891	45,775,969	

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6.6 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 the 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.

6.7 Particulars of provision for diminution in value of investments

The analysis of total provision held are as follows:	30 June 2012	31 December 2011
	(Rupees in '000)	
Opening balance	250,756	289,482
Charge for the period / year	7,262	28,640
Transfer	(6,072)	-
Reversal due to disposal of impaired shares	(91,106)	(67,366)
Net reversal	(89,916)	(38,726)
Closing balance	160,840	250,756

6.8 The Bank has considered a forced sales value (FSV) benefit of Rs. 26.70 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. 26.70 million (31 December 2011: Rs. 33.74 million).

7. ADVANCES		30 June 2012	31 December 2011
		(Rupees in '000)	
Loans, cash credits, running finances, etc.	Note		
- In Pakistan		66,369,749	64,709,899
- Outside Pakistan		-	-
		66,369,749	64,709,899
Bills discounted and purchased (excluding treasury bills)			
- In Pakistan		1,410,811	1,283,182
- Outside Pakistan		5,410,573	5,078,541
		6,821,384	6,361,723
Advances - gross		73,191,133	71,071,622
Provision against advances			
Provision for non-performing loans and advances	7.2	5,667,002	5,731,675
Advances - net of provision		67,524,131	65,339,947

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7.1 Advances include Rs. 8,728.300 million (31 December 2011: Rs. 8,941.653 million) which have been placed under non-performing status as detailed below:

Category of classification	30 June 2012			Provision required (Domestic)	Provision held (Domestic)
	Domestic	Overseas	Total		
	(Rupees `000)				
OAEM *	41,561	-	41,561	-	-
Substandard	267,280	-	267,280	46,965	46,965
Doubtful	1,393,961	-	1,393,961	460,457	460,457
Loss	7,025,498	-	7,025,498	5,151,054	5,151,054
	<u>8,728,300</u>	<u>-</u>	<u>8,728,300</u>	<u>5,658,476</u>	<u>5,658,476</u>

Category of classification	31 December 2011			Provision required (Domestic)	Provision held (Domestic)
	Domestic	Overseas	Total		
	(Rupees `000)				
OAEM *	26,542	-	26,542	-	-
Substandard	158,601	-	158,601	26,350	26,350
Doubtful	1,899,812	-	1,899,812	610,827	610,827
Loss	6,856,698	-	6,856,698	5,085,972	5,085,972
	<u>8,941,653</u>	<u>-</u>	<u>8,941,653</u>	<u>5,723,149</u>	<u>5,723,149</u>

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

7.2 Advances includes non-performing loan of Rs. 381.200 million relating to Agritech Limited. The State Bank of Pakistan (SBP) vide its letter no. BSD/BRP-1/5388/2012 dated 2 May 2012 has allowed extension for withholding provisioning against the exposure of Agritech Limited until 30 June 2012.

Had the exemption not been provided by the SBP, the provision against loans and advances would have been higher by Rs. 381.200 million and the current period profit after taxation would have been lower by Rs. 247.780 million.

7.3 Particulars of provision against non-performing loans and advances

	30 June 2012				31 December 2011			
	Specific	Consumer	General	Total	Specific	Consumer	General	Total
	(Rupees in `000)							
Opening balance	5,723,149	8,526	-	5,731,675	4,609,089	8,554	-	4,617,643
Charge for the period / year	511,462	-	-	511,462	1,920,272	-	-	1,920,272
Reversals made during the period / year	(581,815)	-	-	(581,815)	(676,706)	(28)	-	(676,734)
	(70,353)	-	-	(70,353)	1,243,566	(28)	-	1,243,538
Amount written off	(392)	-	-	(392)	(129,506)	-	-	(129,506)
Transfer	6,072	-	-	6,072	-	-	-	-
Closing balance	<u>5,658,476</u>	<u>8,526</u>	<u>-</u>	<u>5,667,002</u>	<u>5,723,149</u>	<u>8,526</u>	<u>-</u>	<u>5,731,675</u>

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- 7.4 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. 8.526 million (31 December 2011: Rs. 8.526 million).
- 7.5 The State Bank of Pakistan vide BSD Circular No. 2 dated 27 January 2009 introduced certain amendments in the Prudential Regulations in respect of maintenance of provisioning requirements against non-performing loans and advances. During the year 2009 the said amendments were again revised by the State Bank of Pakistan vide BSD Circular No. 10 dated 20 October 2009 by which the banks were allowed to avail the benefit of 40% (instead of 30%) of forced sales value of pledged stocks and mortgaged commercial, residential and industrial properties (previously not allowed) held as collateral against all non-performing loans for 4 years from the date of classification for calculating provisioning requirement with effect from 31 December 2009. The impact on profitability arising from availing the benefit of forced sales value under the revised guidelines resulted in reduction of specific provisions against non-performing loans and advances of approximately Rs.1,695.071 million (31 December 2011: Rs. 1,686.485 million). During the year 2011, the SBP has issued another BSD Circular No. 1 dated 21 October 2011 which increases the benefit of FSV. The Bank has not taken the benefit of this circular in these condensed interim financial statements and has maintained the policy as was consistently applied before the issuance of BSD Circular of No. 1 of 2011 except for, downgrading the FSV to 30% and 20% in the fourth and fifth year of classification respectively.

Had the benefit of FSV not availed by the Bank, the specific provision against non performing advances and profit before tax would have been lower by approximately Rs. 1,695.071 million as at 30 June 2012 and advances (net of provision) would have been lower by the same amount. Further the net of tax profit, amounted to Rs.1,101.796 million arising from availing the benefit of forced sale value is not available for distribution amongst the shareholders either in the form of cash or stock dividend.

- 7.5.1 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.

8. OPERATING FIXED ASSETS	Note	30 June	31 December
		2012	2011
		(Rupees in '000)	
Capital work-in-progress		192,676	133,246
Property and equipments:			
Land			
- Freehold	8.3	286,211	77,647
- Leasehold	8.3	109,208	-
Building on:			
- Freehold	8.3	48,484	-
- Leasehold	8.3	1,480,507	1,897,832
Leasehold Improvements		474,255	418,534
Furniture, Fixtures, Equipments and Computers		975,038	945,088
Vehicles		178,549	172,346
Intangibles assets:			
Intangibles		175,884	189,223
		3,920,812	3,833,916

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	30 June 2012	30 June 2011
(Rupees in '000)		
8.1 The following additions were made at cost during the period:		
- Property and leasehold improvements	83,204	167,559
- Furniture, fixtures, equipment and computers	216,753	327,954
- Vehicles	17,084	14,645
- Intangibles	27,003	207,979
	344,044	718,137

8.2 The written down value of fixed assets disposed of / deleted during the period were as follows:		
- Furniture, fixtures and equipments	1,418	5,171
- Vehicles	170	45,264
	1,588	50,435

8.3 Upto 31 December 2011 due to non availability of breakdown of cost components of land and buildings relating to certain old properties, the entire amount was shown under the head "Leasehold Land" and "Buildings on Leasehold Land". However with effect from 1 January 2012 these assets have been bifurcated into land and buildings after an assesment from the independent valuer.

	30 June 2012	31 December 2011
(Rupees in '000)		
9. BORROWINGS		
Secured		
Borrowings from the State Bank of Pakistan		
- Export refinance scheme	6,724,718	7,081,595
- Long term financing facility (LTFF) for plant and machinery	863,585	869,523
- Long term financing - export oriented projects (LTF - EOP)	405,357	477,335
- Modernization of SME - rice husking	25,649	32,349
- Repurchase agreement borrowings	4,460,801	5,763,540
	12,480,110	14,224,342
Repurchase agreement borrowings - other banks	3,205,383	98,788
	15,685,493	14,323,130
Unsecured		
Call borrowings	1,000,000	-
Overdrawn nostro accounts	52,528	234,049
	16,738,021	14,557,179

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10. DEPOSITS AND OTHER ACCOUNTS	30 June 2012	31 December 2011
	(Rupees in '000)	
Customers		
Remunerative		
Fixed deposits	41,463,928	37,701,362
Savings deposits	47,670,914	40,892,198
	<u>89,134,842</u>	<u>78,593,560</u>
Non-remunerative		
Current accounts	23,905,503	19,089,607
Call deposits	324,365	85,739
Margin deposits	1,352,781	1,100,124
Others	146,080	314,677
	<u>25,728,729</u>	<u>20,590,147</u>
	<u>114,863,571</u>	<u>99,183,707</u>
Financial Institutions		
Remunerative - savings deposits	400,117	550,085
Non-remunerative - current deposits	178	178
	<u>400,295</u>	<u>550,263</u>
	<u>115,263,866</u>	<u>99,733,970</u>
10.1 Particulars of deposit and other accounts		
In local currency	101,534,100	90,627,996
In foreign currencies	13,729,766	9,105,974
	<u>115,263,866</u>	<u>99,733,970</u>
11. SUB-ORDINATED LOAN		
Unsecured (Non-Participatory)		
Listed Term Finance Certificates	598,560	897,840

11.1 Liability against Term Finance Certificates is stated at nominal amount. The liability is subordinated 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 redemption commenced from 78th month of the issue in the following manner:

MONTH	REDEMPTION
- November 2011	25% of the issue amount
- May 2012	25% of the issue amount
- November 2012	25% of the issue amount
- May 2013	25% of the issue amount

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	30 June 2012	31 December 2011
	(Rupees in '000)	
12 CONTINGENCIES AND COMMITMENTS		
12.1 Direct credit substitutes		
Financial guarantees issued favouring:		
- Government	1,295,877	1,074,311
- Others	176,979	203,257
	1,472,856	1,277,568
12.2 Transaction - related contingent liabilities		
Guarantees issued favouring:		
- Government	3,045,159	2,728,740
- Financial Institutions	942	49,839
- Others	2,992,474	1,992,485
	6,038,575	4,771,064
12.3 Trade - related contingent liabilities		
Letters of credit	15,951,485	13,509,800
Acceptances	3,678,541	3,323,087
12.4 Commitments in respect of forward lending		
Commitments to extend credit	-	-
12.5 Commitments in respect of forward exchange contracts		
Purchase		
- From other banks	11,189,033	3,481,970
- From customers	8,108,066	6,416,997
Sale		
- To other banks	12,850,530	8,783,365
- To customers	153,040	159,501
12.6 Other Contingencies		

12.6.1 For the tax year 2011, 2010, 2009 and 2008 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 2011, 2010, 2009 and 2008 under section 122(5A), 122(5A), 122(5A) and 122(5) respectively of the Income Tax Ordinance, 2001. The amended assessment order have been passed by adding / disallowing certain expenses / deductions resulting in additional tax liability of Rs.357.791 million, Rs.309.328 million, 235.519 million and 190.450 million respectively.

The Bank has filed appeals before the Commissioner of Inland Revenue (Appeals) and the Appellate Tribunal for the tax years 2011, 2010, 2009 and 2008 respectively against these disallowances and deductions. The Bank and its tax advisor are of the view that the issues will be decided in Bank's favour as and when the appeals are taken up for hearing by the Commissioner of Inland Revenue (Appeals) and the Appellate Tribunal. Therefore no additional provision has been made in these financial statements.

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12.6.2 Claims against the Bank not acknowledged as debts amounted to Rs.7.4 million (2011: Rs.7.4 million).

12.6.3 A penalty of Rs. 50 million was imposed by the Competition Commission of Pakistan ("the Commission") on the Bank on account of uncompetitive behaviour and imposing uniform cost on cash withdrawal from ATM transaction. The Bank along with other Banks' have filed a constitutional petition before the High Court of Sindh, which has suspended the order of the Commission till next hearing date.

13. 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. 180.227 million (30 June 2011: Rs. 12.849 million).

14. BASIC AND DILUTED EARNINGS PER SHARE

	For the half year ended		For the quarter ended	
	30 June 2012	30 June 2011	30 June 2012	30 June 2011
	----- (Rupees in '000) -----			
Profit after taxation	<u>752,908</u>	<u>474,283</u>	<u>259,071</u>	<u>170,896</u>
	----- (Number of shares in thousands) -----			
Weighted average number of ordinary shares	<u>902,918</u>	<u>709,232</u> (Restated)	<u>902,918</u>	<u>711,448</u> (Restated)
Basic and diluted earnings per share	<u>0.83</u>	<u>0.67</u>	<u>0.29</u>	<u>0.24</u>

15. RELATED PARTY TRANSACTIONS

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

Usual transactions with related parties other than executives include deposits, advances, acceptances and provision of other banking services. Transactions with executives are undertaken at terms in accordance with employment agreements and service rules and include provision of advances on terms softer than those offered to the customers of the Bank. Contributions to and accruals in respect of staff retirement and other benefits schemes are made in accordance with the actuarial valuation / terms of the contribution plan.

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

	30 June 2012	31 December 2011
	(Rupees in '000)	
Deposits at the end of the period / year:		
- Bank's Chief Executive / Executives	15,978	15,471
- Directors and their close family members	150,448	342,142
- Related group companies	180,508	173,997
- Major shareholders	121,008	170,598
- Staff retirement funds	621,435	494,012
	<u>1,089,377</u>	<u>1,196,220</u>
Loans and advances at the end of the period / year:		
- Key management personnel	<u>82,982</u>	<u>91,473</u>
	Transactions for the half year ended	
	30 June 2012	30 June 2011
	(Rupees in '000)	
Loans and advances repaid during the period	<u>7,452</u>	<u>19,082</u>
Loans and advances granted during the period	<u>61,092</u>	<u>100,650</u>
Mark-up received / accrued on loans and advances	<u>1,774</u>	<u>4,364</u>
Profit paid / accrued on deposits		
- Bank's Chief Executive / Executives	167	141
- Directors and their close family members	6,757	12,932
- Related group companies	6,430	15,044
- Major shareholders	6,505	21,993
- Staff retirement funds	14,003	2,315
	<u>33,862</u>	<u>52,425</u>
Contributions to employees' benefit plans	<u>45,949</u>	<u>36,464</u>
Key management personnel compensation		
- Salaries and benefits	69,249	164,775
- Post retirement benefits	2,090	4,801
	<u>71,339</u>	<u>169,576</u>

16. CONCENTRATION OF CREDIT AND DEPOSITS

16.1 Credit risk and concentration of credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Bank attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counter parties and continually assessing the credit worthiness of counter parties. It also obtains security where appropriate.

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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.

16.2 Segment by class of business

	30 June 2012					
	Gross advances		Deposits		Contingencies and commitments	
	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)
Textile and synthetic	20,136,953	27.51%	3,397,074	2.95%	3,465,220	12.77%
Food and Allied	-	-	-	-	3,955,070	14.57%
Chemical & Pharmaceutical	-	-	-	-	2,760,813	10.17%
Electronic and electrical appliances	-	-	-	-	4,571,508	16.84%
Individuals	-	-	31,172,221	27.04%	-	-
Others	53,054,180	72.49%	80,694,571	70.01%	12,388,845	45.65%
	<u>73,191,133</u>	<u>100.00%</u>	<u>115,263,866</u>	<u>100.00%</u>	<u>27,141,456</u>	<u>100.00%</u>

	31 December 2011					
	Gross advances		Deposits		Contingencies and commitments	
	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)
Textile and synthetic	23,286,286	32.76%	2,577,182	2.58%	3,302,354	14.43%
Chemical & Pharmaceutical	-	-	-	-	2,382,646	10.41%
Electronic and electrical appliances	-	-	-	-	2,579,245	11.27%
Individuals	-	-	26,274,429	26.34%	-	-
Others	47,785,336	67.24%	70,882,359	71.08%	14,617,274	63.89%
	<u>71,071,622</u>	<u>100.00%</u>	<u>99,733,970</u>	<u>100.00%</u>	<u>22,881,519</u>	<u>100.00%</u>

16.2.1 All other business classes are less than ten percent of the total exposure.

16.3 Segment by sector

	30 June 2012					
	Gross advances		Deposits		Contingencies and commitments	
	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)
Public / Government	4,079,701	5.57%	15,838,737	13.74%	46,765	0.17%
Private	69,111,432	94.43%	99,425,129	86.26%	27,094,691	99.83%
	<u>73,191,133</u>	<u>100.00%</u>	<u>115,263,866</u>	<u>100.00%</u>	<u>27,141,456</u>	<u>100.00%</u>

	31 December 2011					
	Gross advances		Deposits		Contingencies and commitments	
	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)
Public / Government	4,423,554	6.22%	15,940,118	15.98%	46,765	0.20%
Private	66,648,068	93.78%	83,793,852	84.02%	22,834,754	99.80%
	<u>71,071,622</u>	<u>100.00%</u>	<u>99,733,970</u>	<u>100.00%</u>	<u>22,881,519</u>	<u>100.00%</u>

16.4 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.

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16.5 Segment details with respect to business activities

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

	Six months period ended 30 June 2012				
	Corporate Finance	Trading & Sales	Retail Banking	Commercial Banking	Total
----- (Rupees in '000) -----					
Total income	350,536	3,101,529	620,504	3,816,968	7,889,537
Total expenses	292,169	2,828,445	565,437	3,065,933	6,751,984
Net income	58,367	273,084	55,067	751,035	1,137,553
Segment assets (Gross)	5,506,771	64,857,417	6,903,300	77,126,245	154,393,733
Segment non performing loans	290,289	-	956,655	7,481,356	8,728,300
Segment provision required *	178,215	160,840	552,170	5,098,861	5,990,086
Segment liabilities	4,801,647	58,625,093	6,019,354	67,250,470	136,696,564
Segment return on net assets (ROA) (%)	21	13	25	26	21
Segment cost of funds (%)	14	9	17	9	9

	Six months period ended 30 June 2011				
	Corporate Finance	Trading & Sales	Retail Banking	Commercial Banking	Total
----- (Rupees in '000) -----					
Total income	569,420	2,817,907	577,633	3,092,580	7,057,540
Total expenses	443,707	2,583,955	467,818	2,893,694	6,389,174
Net income	125,713	233,952	109,815	198,886	668,366
Segment assets (Gross)	3,360,941	59,874,898	5,901,189	64,779,230	133,916,258
Segment non performing loans	-	-	819,143	7,128,392	7,947,535
Segment provision required *	-	203,605	505,512	4,754,840	5,463,957
Segment liabilities	2,758,397	57,364,630	4,843,234	53,165,728	118,131,989
Segment return on net assets (ROA) (%)	26	11	30	8	14
Segment cost of funds (%)	19	5	10	5	9

* The provision against each segment represents provision held against advances, investments and other assets.

16.6 The above analysis includes allocation of items as per the approved mapping policy of the Bank.

17. ISLAMIC BANKING BUSINESS

The Bank is operating 7 Islamic Banking branches at the end of reporting period (31 December 2011: 7). The balance sheet and profit and loss account of these branches (including Islamic Banking Division) are as follows:

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	(Un-audited) 30 June 2012	(Audited) 31 December 2011
	(Rupees in '000)	
BALANCE SHEET		
ASSETS		
Cash and balances with treasury banks	194,760	159,916
Balances with and due from financial institutions	26	26
Investments	1,080,622	606,897
Financing and receivables		
-Murahaba	1,497,444	1,403,741
-Ijara	261	4,879
-Diminishing Musharaka	34,402	40,136
-Salam	256,603	217,230
-Other islamic modes	135,642	98,111
Operating fixed assets	312,417	300,184
Due from head office	-	-
Other assets	135,602	167,049
Total Assets	3,647,779	2,998,169
LIABILITIES		
Bills payable	68,789	14,514
Due to financial institutions	93,725	123,975
Deposits and other accounts		
- Current accounts	418,381	410,682
- Saving accounts	1,597,083	1,011,526
- Term deposits	755,268	642,490
- Others	106,026	106,940
Due from head office	-	348,969
Other liabilities	223,619	86,715
Total Liabilities	3,262,891	2,745,811
NET ASSETS	384,888	252,358
REPRESENTED BY:		
Islamic Banking Fund	400,000	400,000
Accumulated loss	(14,689)	(147,219)
	385,311	252,781
Deficit on revaluation of operating fixed assets	(423)	(423)
	384,888	252,358

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	(Un-audited) 30 June 2012	(Un-Audited) 30 June 2011
(Rupees in '000)		
PROFIT AND LOSS ACCOUNT		
Profit / return on financing, investments and placements earned	209,297	175,235
Return on deposits and other dues expensed	(199,500)	(156,715)
Net income earned before provision	9,797	18,520
Provision against non-performing financings	-	(31,843)
Provision for diminution in the value of investment	-	-
Net income / (loss) earned after provision	9,797	(13,323)
Other income		
Fee, commission and brokerage income	76,492	73,069
	76,492	73,069
Other expenses		
Administrative expenses	100,978	81,587
Provision against other assets	-	-
Loss before taxation	(14,689)	(21,841)
Remuneration to shariah advisor	546	520
CHARITY FUND		
Opening balance	11	105
Addition during the period	52	83
Payment / utilization during the period	-	(111)
Closing balance	63	77

18. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 18 August 2012 by the Board of Directors of the Bank.

19. GENERAL

Corresponding figures have been rearranged and reclassified, wherever necessary, to facilitate comparison. However, there are no material reclassifications to report.

CHAIRMAN

PRESIDENT AND
CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

SECOND QUARTERLY REPORT 2012

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

5th Floor, Al-Rahim Tower, I. I. Chundrigar Road
P. O. Box: 5856, Karachi
Tel. No: (+92-21) 32439562-7, 32446994 & 32444401-5
Fax: (+92-21) 32439561, 32446661 & 32430639
UAN: 111-567-890 Swift: SONEPKKAXXX
E-mail: info@soneribank.com

CENTRAL REGION

Main Branch, Lahore Tel: (042) 36368141-8 & 111-567-890	Gunpat Road Branch, Lahore Tel. No: (042) 37361607-9	Gujranwala Cantt. Br., Gujranwala Tel. No: (055) 3861931-2
Defence Branch, Lahore Tel. No: (042) 35897181-3 & 35691037-8	Airport Road Branch, Lahore Tel. No: (042) 35700115-7	Kamokee Br., Distt. Gujranwala Tel. No: (055) 6813501-2
Gulberg Branch, Lahore Tel. No: (042) 35713445-8	Ravi Road Branch, Lahore Tel. No: (042) 37725356-7	Main Branch, Faisalabad Tel. No: (041) 2639877-8 & 111-567-890
Circular Road Branch, Lahore Tel. No: (042) 37670486 & 37670489	Shahdara Chowk Branch, Lahore Tel. No: (042) 37941741-3	Peoples Colony Branch, Faisalabad Tel. No: (041) 8555715-6
Model Town Branch, Lahore Tel. No: (042) 35889311-2	Manga Mandi Branch, Lahore Tel. No: (042) 35383517-8	Ghulam Muhammadabad Br., Faisalabad Tel. No: (041) 2680113-4
Akbar Chowk Branch, Lahore Tel. No: (042) 35177800-2 & 35221410	Badian Road Branch, Lahore Tel. No: (042) 37165390 & 5	Jaranwala Br., Distt. Faisalabad Tel. No: (041) 4312201-2
Cavalry Ground Branch, Lahore Tel. No: (042) 36653728-9	Mughalpura Branch, Lahore Tel. No: (042) 36880892-4	East Canal Road Br., Faisalabad Tel. No: (041) 2421381-2
Qartaba Chowk Branch, Lahore Tel. No: (042) 37211991-3	Samanabad More Branch, Lahore Tel. No: (042) 37591404-6	Chiniot Branch Tel. No: (047) 6333841-2
Allama Iqbal Town Branch, Lahore Tel. No: (042) 37812394-5	Islampura Branch, Lahore Tel. No: (042) 37214394-6	Jhang Branch Tel. No: (047) 7651601-2
Baghbanpura Branch, Lahore Tel. No: (042) 36832811-3	Garhi Shahu Branch, Lahore Tel. No: (042) 36294201-2	Small Industrial Estate Branch, Sialkot Tel. No: (052) 3242607-9
Thokar Niaz Baig Branch, Lahore Tel. No: (042) 35313651-3	Zarrar Shaheed Road Branch, Lahore Tel. No: (042) 36635167-8	Pasrur Road Branch, Sialkot Tel. No: (052) 3521655 & 3521755
Ghazi Chowk Branch, Lahore Tel. No: (042) 35188505-7	Hamdard Chowk Kot Lakhpat Br., Lahore Tel. No: (042) 35140261-3	Sialkot Cantt Br., Sialkot Tel. No: (052) 4560023-4
Islamic Banking New Garden Town Branch, Lahore Tel. No: (042) 35940611-3	Kana Kacha Branch, Lahore Tel. No: (042) 36187413	Sheikhupura Branch Tel. No: (056) 3613570 & 3813133
DHA Phase-III Branch, Lahore Tel. No: (042) 35734083-5	Sabzazar Br., Multan Road, Lahore Tel. No: (042) 37830881-2	Nankana Sahib Branch Tel. No: (056) 2876342-3
Chungi Amer Sadhu Branch, Lahore Tel. No: (042) 35808611-3	DHA Phase-IV Br., Lahore Tel. No: (042) 35694156-7	Wazirabad Branch Tel. No: (055) 6603703-4
Johar Town Branch, Lahore Tel. No: (042) 35204191-3	Azam Cloth Market Sub Br., Lahore Tel. No: (042) 37662203-4	Ghakkhar Mandi Branch Tel. No: (055) 3832611-2
Wahdat Road Branch, Lahore Tel. No: (042) 37578211-3	Gujranwala Branch Tel. No: (055) 3843560-2 & 111-567-890	Main Branch, Multan Tel. No: (061) 4519927, 4511022

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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) 6760214-6

Azmat Road Br., Dera Ghazi Khan
Tel. No: (064) 2471635-7

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

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

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) 2400911-2

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

Burewala Branch
Tel. No: (067) 3773110 & 3773120

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

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

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

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

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) 6006351, 2 & 4

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

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

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

Sambrial Branch
Tel. No: (052) 6523451-2

Vehari Branch
Tel. No: (067) 3360015

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

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

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

SOUTH REGION

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

Clifton Branch, Karachi
Tel. No: (021) 35877773-4, 35861386
35830130

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

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) 32442995, 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

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

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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) 32220704

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) 2651967-9

Islamic Banking Isra University
Branch, 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

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

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

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

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

Buhara Branch, Distt. Thatta
Tel. No: (0298) 608301 & 624911

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

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

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

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

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

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

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

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

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

Nawabshah Branch
Tel. No: (0244) 363919

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

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

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

Main Branch, Quetta
Tel. No: (081) 2821610 & 2821641
111-567-890

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) 4455071-2

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

Bawal 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

SECOND QUARTERLY REPORT 2012

Islamic Banking I-10 Markaz Branch, Islamabad Tel. No: (051) 4101733-5	Aliabad Branch, Hunza Tel. No: (05813) 455000 & 455001
I-9 Markaz Branch, Islamabad Tel. No: (051) 4858101-3	Gahkuch Branch Tel. No: (05814) 450408-10
E-11 Branch, Islamabad Tel. No: (051) 2228756-9	Skardu Branch Tel. No: (05815) 450327 & 450189
DHA Phase-II Extn. Br., Islamabad Tel. No: (051) 2502908 & 5819837	Mansehra Road Branch, Abbottabad Tel. No: (0992) 385231-3
Lathrar Road Br., Tarlai, Distt. Islamabad Tel. No: (051) 2241664-6	Jhelum Branch Tel. No: (0544) 625794-5
Soan Garden Br., Distt. Islamabad Tel. No: (051) 5738942-4	Booni Branch, Distt. Chitral Tel. No: (0943) 470413-4
Islamic Banking F-8 Markaz Br., Islamabad Tel. No: (051) 2818019-21	Chitral Branch, Distt. Chitral Tel. No: (0943) 412078-9
Taxila Branch Tel. No: (051) 4544733 & 4544735-6	Kharian Branch Tel. No: (053) 7535446-8
Gujar Khan Branch Tel. No: (051) 3516328 - 9	Lalamusa Branch Tel. No: (053) 7511072-4
Waisa Branch, Distt. Attock Tel. No: (057) 2651066-8	Chakwal Branch Tel. No: (0543) 543128-30
Swabi Branch, Distt. Swabi Tel. No: (0938) 221741, 3 & 4	Gujrat Branch Tel. No: (0533) 520591-2
Topi Branch, Distt. Swabi Tel. No: (0938) 271614-6	Mardan Branch Tel. No: (0937) 864755-7
Mirpur Branch, (AJK) Tel. No: (05827) 444488, 448044 & 448048	Muzaffarabad Branch Tel. No: (0582) 920025-6
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) 457231-5	

