

## HABIB BANK MIRIO TOLOGOZIA FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2018

TATEMENT OF FINANCIAL POSITION S at 31 march 2018	BANK LKR	BANK (AUDITED) LKR	GROUP (A Pk	
In Rupees Thousand	31/03/2018	12/31/2017	31/12/2017	31/12/2016
Assets	0900000	55457550000		
Cash and cash equivalents	466,104	674,754	130,203,020	115,822,169
Balances with central banks	1,317,616	1,358,716	156,644,279	168,575,209
Placements with banks	606,938	651,420	500,000	100,000
Other financial assets held-for-trading			68,670,659	41,305,459
Reverse repurchase agreements		650,389	33,400,345	32,863,803
Loans and receivables to customers	3,669,788	3,878,365	851,502,420	748,466,297
Financial Investment - Available -for-sale			1,000,048,908	1,022,980,450
Financial Investment – Held-to-maturity	492,371	488,451	278,730,258	256,433,520
Other Financial Assets	1,272,080	397,927		
Income Tax Receivable	55,189	65,204	07.057.040	00 005 040
Investments in associates and joint ventures			27,357,818	23,685,342
Property, plant and equipment	309,018	319,121	57,098,390	30,763,913
Investment Properties	1			
Goodwill and Intangible assets	0.000		5,694,453	5,323,596
Deferred tax assets	24,276	24,276		
Other assets	123,155.04	59,890	74,251,149	59,778,445
Total assets Liabilities	8,336,535	8,568,513	2,684,101,699	2,506,098,203
Due to banks	45,144	63,545		
Due to other customers	2.243.629	2.479.216	1.998.935.057	1.885.959.026
Borrowing	2,243,629	30.022	397.802.667	331.726.654
Current tax liabilities	1	30,022	1.758.747	1,563,854
Deferred tax liabilities	1	1 1	971,368	6,090,983
Other provision			371,300	0,050,503
Employee benefit liabilities	46.097	45,228	5.706.547	4.334.366
Subordinated loan	40,037	40,220	9.994.000	9,998,000
Other liabilities	55.671	44.057	80.117.819	70.156.450
Total liabilities	2,390,541	2.662.068	2,495,286,205	2,309,829,333
Equity	2,330,341	2,002,000	2,700,200,200	2,000,020,000
Stated capital/Assigned capital	4.938.390	4.938.390	14.668.525	14.668.525
Statutory reserve fund	68.122	68.122	31,537,231	30.654.465
Retained earnings	108,368	109.931	97,105,942	106,142,374
Other reserves	831.115	790.002	42.016.515	41,367,796
Total shareholders' equity	5.945.995	5.906.445	185.328.213	192,833,160
Non Controlling Interest	5,545,555	2,000,440	3.487.281	3,435,710
Total equity	5,945,995	5,906,445	188,815,494	196,268,870
Total equity and liabilities	8,336,535	8,568,513	2,684,101,699	2,506,098,203
Contingent liabilities and commitments	1,670,062	1,915,092	329,889,310	334,995,522
Memorandum Information	100		0000000	
Number of Employees	62	69	18,129	17,303
Number of Branches	7	7	1,751	1,731

			Reser	voe			
BANK In Rupees Thousand (LKR)	Share capital	Assigned capital	Reserve fund	Revaluation reserve	Retained earnings	Other reserves	Total equity
Balance as at 01/01/2018 (Opening balance) Total comprehensive income for the year Profit(illoss) for the year Other comprehensive income (net of tax)		4,938,390	68,122	222,649	109,931	567,352 41,114	5,906,444 (1,563) 41,114
Total comprehensive income for the year		4,938,390	68,122	222,649	108,368	608,466	5,945,994
Transaction with equity holders, recognised directly in equity Share issue/increase of assigned capital Share outlines exercised		¥					
Bonus issue Right issue Transfers to reserves during the period	9		-				
Dividend to equity holders profit transferred to head office		1					
Profit capitalisation during the year Total transaction with equity holders Balance as at 31(03/2018 (Closing Balance)		4,938,390	68,122	222,649	108,368	608,466	5,945,994

Group			Reserve	es					
In Rupees Thousand (PKR)	Share capital	Assigned capital	Reserve fund	Revaluation reserve	Retained earnings	Other reserves	Total	Non controlling interest	Total equit
Balance as at 01/01/2017 (Opening balance)	14,668,525	-	30,654,465	24,063,847	106,142,374	17,303,949	192,833,160	3,435,710	196,268,87
Total comprehensive income for the year	2.0		20 10	0.0	19.00	100 000	77 77 24		1100000000
Profit/lloss) for the year	- 2				7,829,064		7,829,064	353,063	8,182,12
Other comprehensive income (net of tax)				- 4	(1,013,583)	3,781,696	2,768,113	140,441	2,908,55
Total comprehensive income for the year	14,668,525		30,654,465	24,063,847	112,957,855	21,085,645	203,430,337	3,929,214	207,359,55
Transaction with equity holders, recognised directly in equity	- 1								
Share issue/increase of assigned capital	1.1				10.				ı
Share options exercised									l
Bonus issue									ı
Right issue									l
Transfers to reserves during the period			882,766		(882,766)				l
Capital contribution to Statutory funds of associates	- 1		222,100		19.914		19.914		19.91
Dividend to equity holders					(15.401.952)	I .	(15.401.952)		(15.401.95
Gain on Rusiness Combination	- 1		100		(10)101/000/	I (1	110,101,002,		(10,101,00
profit transferred to head office		- 1	12					100	
Transferred from surpuls on revaluatuation of fixed assets				(2,776,521)	41.869		(2,734,652)		(2.734.65
Exchange translation realized on sale of foreign operation					371.022	(371.022)			10,704,000
Exchange translation realized on sale of Bank branches					0.1,000	14.566	14,566		14.58
Non-controlling interest acquired in HABIB during the period						1,020		(441,933)	(441,93)
Total transaction with equity holders			882,766	(2,776,521)	(15,851,913)	(356,456)	(18,102,124)	(441,933)	(18.544.05)
Balance as at 31/12/2017 (Closing Balance)	14.668.525			21.287.326			185.328.213	3.487.281	188,815,49

NCOME STATEMENT FOR THE PERIOD ENDED 31 MARCH 2018	BANK LKR	BANK LKR	GROUP (A	
In Rupees Thousand	31/03/2018	31/03/2017	31/12/2017	31/12/2016
Interest income	104,259	170,055	148,010,269	141,089,244
Interest expenses	40.988	43.443	64,942,797	59,137,882
Net interest income	63,271	126,612	83.067.472	81,951,362
Fee and commission income	1,047	8,797	19,519,052	18,652,985
Fee and commission expense		5000000		
Net fee and commission income	1,047	8,797	19,519,052	18,652,985
Net gain/ (Loss) from trading			7,764,681	5,329,667
Net gain/ (Loss) from financial instruments designated			CHEST SALSON OF C	202000000000000000000000000000000000000
at fair value through profits or loss		9	190	
Net gain/(loss) from financial investments		9	(6)	19
Other Operating Income (net)	46,851	8,986	5,605,404	7,079,114
Total operating income	46,851	8,986	13,370,085	12,408,78
Impairment for loans and other losses	10,421	15,648	(115,409)	717,563
Individual impairment	11,221	15,920	583,288	209,97
Collective impairment	(800)	(272)	(632,842)	281,18
Other			(65,855)	226,40
Net operating income	100,748	128,747	116,072,018	112,295,56
Personnel expenses	44,917	59,176	29,205,611	25,774,27
Depreciation and amortisation	12,560 37,600	11,349 36.003	4,008,753	3,529,57
Other expenses Operating profit/(loss) before value added tax (VAT)	5.671	22,219	54,044,174 28.813.480	26,466,79
Value added tax (VAT)on financial services	7,234	11.319	28,813,480	56,524,91
Value added tax (VAT) on financial services Profit/(loss) before tax	(1.563)	10,900	28.813.480	56,524,91
Tax expenses	(1,563)	10,900	28,813,480	22.318.65
Profit/(loss) for the period	(1,563)	10.900	8,182,127	34,206,25
Profit attributable to:	(1,503)	10,500	0,102,127	34,200,23
Owners of the parent	(1.563)	10.900	7.829.064	34.070.14
Non-controlling interests	(1,503)	10,900	353,063	136.10
Earnings per share on profit			333,003	130,10
Basic earnings per ordinary share			5.34	23.2
Diluted earnings per ordinary share			5.34	23.2

HBL SRI LANKA STATEMENT OF COMPREHE	NSIVE INCOME FOR T	THE PERIOD ENDED	31 MARCH 2018	
In Rupees Thousand	BANK LKR	BANK LKR	GROUP (AUI PKR	DITED)
iii iiupooo Tiiououiiu	31/03/2018	31/03/2017	31/12/2017	31/12/2016
Profit/(loss) for the period Other Comprehensive income, net of tax	(1,563)	10,900	8,182,127	34,206,254
Other Comprehensive income, net or tax Changes in revaluation surpuls Acturain gains and losses on defined benefit plans Gains and losses (arising from translating the financial statements of foreign operation) Excalinge differences on translation of foreign currency capital & reserve Income tax on Other commorbancy income	41,114	35,173	(1,017,131) 3,925,685	(624,497) (2,566,582)
Share of surplus on revaluation of investments/operating fixed assets of associates Gain (Loss) on revaluation of Assets Deficit on revaluation of fixed assets Other comprehensive income for the period, net of taxes	41,114	35.173	(878,697) (11,643,260) 9,787,305 173,902	(12,190) 583,551 948,903 (1,670,815)
Total comprehensive income for the period	39.551	46,073	8.356.029	32,535,439
Attributable to: Owners of the parent Non-Controlling interests	39,551	46,073	7,876,250 479,779	32,584,467 (49,028)

FOR THE PERIOD ENDED 31 MARCH 2018	2018 LKR	2017	2017	
Item		LKR	2017 PKR	2016 PKR
Cash Flow from Operating Activities	(1.563)	10.900	52.530.595	56.524.91
(Gain)/Loss on disposal of Property, plant & equipment	(1,563)	10,900	(33,107)	(60.02)
(Gain)/Loss on sale of securities				
Share of profit of associates & joint venture Depreciation & Amortisation	10.906	11,349	(2,051,887) 4,008,753	(3,768,08
Provision for gratuity	3,000	1,500		
Impairment charge for Loans & advances (Increase)/Decrease in Interest Receivable	10,421	15,648	(49,554)	491,15
(Increase)/Decrease in Interest Receivable Increase/ (Decrease) in interest payable	10,826	(29,383) 16,610		
Increase/(Decrease) in accrued expenses	(19,358)	(7,407)	- 1	
Increase in financial liabilities	(2.131)			
Gratuity payments made Other non cash items	(2,131)	1 1	52.868	164.01
Dividend income			(1,219,610)	(1,286,48)
Exchange loss on sub-ordinated loan/goodwill-net Reversal against dimunution in the value of investments			(253,239) 465,867	329,47 248.61
Neversal against dimunution in the value of investments Workers Welfare Fund	10		1.039.582	1.073.52
Operating Profit before changes in Operating Assets & Liabilities	6,853	19,217	54,490,268	57,246,66
(Increase)/Decrease in Operating Assets and Liabilities				
(Increase)/Decrease in Operating Assets	(48,173)	1,209,581	(139, 262, 597)	(118,783,46)
(Increase)/Decrease in Operating Liabilities  Net Cash from Operating Activities before Income Tax	(247,790) (295,964)	(1,557,442) (347,861)	188,271,023 49,008,426	261,700,50 142,917,03
Income Tax (Paid) / Refunds Net Cash from Operating Activities	(290,060)	(8,709)	(27.250.907) 76,247,787	(27.319.49) 172,844,21
	(290,000)	(337,353)	/6,247,/8/	172,844,21
Cash Flow from Investing Activities			4 050 004	
Dividends Received Purchase of Property & Equipment	(803)	(467)	1,259,924	1,230,93
Proceeds form Sale of Property Plant & Equipment	(000)	(407)	83,110	74.23
Net cash flows from purchase of financial investments Net cash flows on business combination		1 1	(20,021,127)	(66,575,800
Effect of translation of net investment in foreign branches, subsidiaries & associates			3,781,696	(2.361.719
Net Cash from Investing Activities	(803)	(467)	(34,618,504)	(74,944,302
Cash Flow from Financing Activities				
Acquisition of additional interest in a subsidiary from a minority shareholder		8	(441,933)	
Excannge adjustment on translation of non-controlling interest in subsidiarry Issuance/ (Repayment) of surbordinated loan			143,989 (4,000)	(204,863
Issuance/ (Repayment) of surbordinated loan Dividend paid	1		(15.160.303)	(21.016.41)
			(15,462,247)	(21,223,280
Cash outflow for settlement payment to New York State Department of Financial Services Net Increase/(Decrease) in Cash and Cash Equivalents	(290.863)	(337,821)	(23,717,115) 2,449,921	76,676,62
Exchange difference in respect of cash & cash equivalent	41.113	95.443	11.341.165	(5.033.239
Cash and Cash Equivalents at Beginning of the year Cash and Cash Equivalents at end of the period	2,033,470 1,783,720	1,870,506 1,628,128	273,056,213 286,847,299	212,753,98 284,397,37

								ADDI	TIONAL
1) Loan & Receivables	to Other	Custom	ers		2) Loans and Receivabl	es to Oth	er Custo	ners- By	Product
	BANK (LKR)	BANK (Audited) (LKR)	GROUP (PKF	Audited)		BANK (LKR)	BANK (Audited) (LKR)	GROUP (P8	(Audited)
					In Rupees Thousand	31/03/2018	31/12/2017	31/12/2017	31/12/2016
In Rupees Thousand	31/03/2018	31/12/2017	31/12/2017	31/12/2016	By Product- Demestic Currency				
Gross leans & receivables	3,803,134	4,001,197	921,007,939	817,250,038	Overdraft Term loans	953,544 990,084	1,196,261	179,628,303 328,608,068 17,127,661	135,343,419 265,667,544 16,571,941 4,519,229 9,922,184
(Less): Individual Impairment	116,737	105,516	66,417,176	65,160,197	Leans rentals reneivable	550,064	1,010,071	12.122.001	16,571,941
Collective Impairment	16,609	17,316	3,088,343	3,623,544	Credit cards Bills of exchange		1 1	5.785.846 10.340.024	9.922.184
					Coans to financial institusions	55.472	64,393	35.527.762	81,386,115 7,563,665
Net loans and receivables including those					Payming Other loans				
designated at fair value through profit or loss	3,669,788	3,878,365	851,502,420	748,466,297	Sub total	2,531,551	2,777,927	130,242,993	587,490,526
					By product: Foreign Currency		20000000		
(Less): Loans and receivables designated at					Overdraft Term loans	1,144,837 23,651	1,091,383 41,531	53.238.579 68.538.555 68.538.555	43,944,712 81,518,407 75,335,638
fair vale through profit or loss					Bills of exchange Other loans	23,651	41,531	44,289,815	75,335,638
					Sub total	1 284 323	4.014.218	190 755 757	218 750 713 817 750 018
Net loans and receivables	3,669,788	3,878,365	851,502,420	748,466,297	Less: Saff Ioan fair value adjustment Less: Allowance for ampairment losses	3.040	13.040		817,250,038
* Provision is made according to prudential regulati	ons issued by Stat	e Bank of Pakistan			Less: Allowance for impairment losses	7 650 750	122 812	£9 585 519	788-783-741

Net loans and receivables 3,669, * Provision is made according to prudential regulations is sued by	State Bank of Pakistan.	1,502,420 748,466,297	Total Less: Saff loan fair vali Less: Allawance for im		1816173 4616 112336 122 123376 1276	949 365 851.585	518 788.783.741
ANALYSIS OF FINANC	IAL INSTRU	MENTS BY MI	Provision is made	according to prudent	S AT 31 MA	RCH 20	akistan. 18
a. Bank -2018							
In Rupees Thousand	Held for Trading	Designated at FVTPL	Held to Maturity	Amotised cost	Available for sale	Others	Total
ASSETS Cash and cash equivalents Balances with central banks Placement with banks Loans and receivables to bank Loans and receivables to other customers Financial invastments Total financial assets			492,371 492,371	466,104 1,317,616 606,938 3,669,788 1,272,080 7,332,526		:	466,104 1,317,616 606,938 3,669,788 1,764,451 7,824,897
In Rupees Thousand			Heald for Trading	Designated at FVTPL	Amortised cost	Others	Total
LIABILITIES Due to banks Due to other customers Other borrowings Total financial liabilities			:		45,144 2,243,629 2,288,773	:	45,144 2,243,629 <b>2,288,773</b>
b. Bank (Audited) -201	7						
In Rupees Thousand	Held for Trading	Designated at FVTPL	Held to Maturity	Amotised cost	Available for sale	Others	Total
ASSETS Cash and cash equivalents Cash and will control bunks Placement with banks Loans and receivables to bank Loans and receivables to other customers Financial investments Total financial assets			488,451 488,451	674,754 1,358,716 651,420 650,385 3,878,365 397,927 7,611,571			674,754 1,358,716 651,420 650,389 3,878,365 886,378 8,100,022
In Rupees Thousand			Heald for Trading	Designated at FVTPL	Amortised cost	Others	Total
LIABILITIES Due to banks Due to other customers Other borrowings Total financial liabilities					63,545 2,479,216 30,022 <b>2,572,783</b>		63,545 2,479,216 30,022 <b>2,572,783</b>
c. Group (Audited) -20°	17						
In PKR Thousand	Held for Trading	Designated at FVTPL	Held to Maturity	Amotised cost	Available for sale	Others	Total
ASSETS Cash and cash equivalents Balances with central banks Placement with banks Loans and receivables to bank Loans and receivables to other customers Financial investments Total financial assets	68,670,659 68,670,659	1	278,730,258 278,730,258	130,203,020 156,644,279 500,000 33,400,345 851,502,420 1,172,250,064	1,000,048,908 1,000,048,908		130,203,020 156,644,279 500,000 33,400,345 851,502,420 1,347,449,825 2,519,699,889

1,998,935,057 397,802,667 2,396,737,724

LIABILITIES
Due to banks
Due to other customers
Other borrowings
Total financial liabilities

ISCLUSURE									
3) Movements in Individual					4) Due to Other Custo	mers - By	Product		
period for Loans and	BANK (LKR)	BANK (Audited)	GROUP (			BANK (LKR)	BANK (Audited) (LKR)	GROUP (PK	(Audited)
In Rupees Thousand	31/03/2018	(LKR ) 31/12/2017	31/12/2017	31/12/2016	In Rupees Thousand	31)03/2018	31/12/2017	31/12/2017	31/12/2016
Individual Impairment Opening balance Chargei(Write back) to income statement Write off during the year Other movements	105,516 11,221	34,338 71,178	65,160,197 182,569 (352,567) 1,426,997	65,881,113 141,568 (262,906) (599,578)	By product- Demestic Currency Demend deposits (Current accounts) Savings deposits Fixed deposits Call Deposits Margin Balances Sub total	194,383 361,855 1,211,811 38,400 7,371 1,813,619	265,559 361,368 1,314,089 80,422 7,628 2,029,067	596,185,375 846,505,070 240,077,107	514,159,57, 749,709,17, 219,134,53
Closing balance Collective impairment Opening balance Chargel(Write back) to income statement Other movements Closing balance	17,316 (800) 93 16,609	21,486 (4,305) 135 17,316	3,623,544 (632,842) 97,641 3,088,343	3,298,099 281,182 44,263 3,623,544	By product- Fereign Currency Demand deposits (Current accounts) Swings deposits Fixed deposits Call Deposits Margin Balances	74,747 305,368 49,897	92,344 295,987 61,819	137,018,669 89,128,046 90,020,790	183,421,485 105,308,221 114,226,040
Total Impairment	133,346	122,832	69,505,519	68,783,741	Sub total Total	430,010 2,243,629	450,149 2,479,216	316,167,505 1,998,935,057	402,955,746 1,885,959,026

ANALYSIS OF FINANC	CIAL INSTR	UMENTS BY M	EASUREME	NT BASIS	AS AT 31 M	ARCH 2	2018
d. Group (Audited) -20	16						
In PKR Thousand	Held for Trading	Designated at FVTPL	Held to Maturity	Amotised cost	Available for sale	Others	Total
ASSETS Cash and cash equivalents Balances with central banks Placement with banks Loans and receivables to bank Loans and receivables to other customers Financial investments Total financial assets	41,305,459 41,305,459	:	256,433,520 256,433,520	115,822,169 168,575,209 1,184,128 32,863,803 748,466,297 1,066,911,606	1,022,980,450 1,022,980,450	:	115,822,169 168,575,209 1,184,128 32,863,803 748,466,293 1,320,719,429 2,387,631,039
In PKR Thousand			Heald for Trading	Designated at FVTPL	Amortised cost	Others	Total
LIABILITIES Due to banks Due to other customers					1,885,959,026		1,885,959,026

5,116,182 4,882,348 77.20% 78.24% 28.09% 24.59%	5,116,182 4,545,333 78.02% 79.16% 8.00% 4.93%	Group 151,591,778 185,637,530 11,99% 15,96% 8,91% 1,11%	- PKR 160,028,759 188,074,159 12,02% 15,53% 11,91% 1,62%
4,882,348 77.20% 78.24% 28.09% 24.59%	4,545,333 78.02% 79.16% 8.00%	185,637,530 11.99% 15.96% 8.91%	188,074,159 12.02% 15.53% 11.91%
4,882,348 77.20% 78.24% 28.09% 24.59%	4,545,333 78.02% 79.16% 8.00%	185,637,530 11.99% 15.96% 8.91%	188,074,159 12.02% 15.53% 11.91%
77.20% 78.24% 28.09% 24.59%	78.02% 79.16% 8.00%	11.99% 15.96% 8.91%	12.02% 15.53% 11.91%
78.24% 28.09% 24.59%	79.16% 8.00%	15.96% 8.91%	15.53% 11.91%
28.09% 24.59%	8.00%	8.91%	11.91%
24.59%			
	4.93%	1.11%	1.62%
	1.000		
		1	
0.75%	4.44%	3.20%	3.47%
-0.02%	0.05%	0.30%	1.44%
-0.03%	0.09%	4.07%	17.98%
	0.000.00		
960	1,286		
		-0.03% 0.09% 1,601,810 2,514,205 960 1,286 67.79% 51.80%	1.601,810 2.514,205 960 1,286 67.79%

1,998,935,057 397,802,667 **2,396,737,724**