



Financial Results – December 2015

Investors Presentation

Consolidated PBT is Rs 60.3 Bn, higher by 25% over 2014. PAT is Rs 35.1 Bn, up 11%

Net interest income has increased by 14% to Rs 78.2 Bn

- Average balance sheet has grown by 21% over 2014
- Average domestic current deposits are up 24% YoY
- Significant expansion in PIB volumes (up 74% YoY) and average domestic loan growth of 6% has helped build revenue
- Despite a 276 bps reduction in average interest rates, overall margins are only down by 25 bps to 3.79%.

Non markup income at Rs 36.6 Bn, up 56% YoY

- Fees and commissions have grown to Rs 17.1 Bn, an increase of 22% YoY. Major contributors remain Bancassurance, home remittances, investment banking and trade income. Card related fees increased by over 50%.
- Dividend income of Rs 1.5 Bn in 2015 vs Rs 0.9 Bn last year
- Capital gain increased to Rs 11.1 Bn, including Rs 8.2 Bn on sale of government bonds.

Gross revenue crossed \$1bn mark in 2015

Administrative expenses are up 17% to Rs 48.4 Bn

- The rise is primarily in IT and marketing spend, higher rent and maintenance costs and normal salary increases.
- However, cost to income ratio has improved to 42.2% in 2015 (2014: 44.8%) as a result of significant growth in revenue

Provisions

- Overseas NPLs have increased by \$7.6 Mn (Rs 1.6 Bn) in 2015. However, overall NPLs have reduced by Rs 2.7 Bn as domestic NPLs are down by Rs 4.4 Bn.
- As a result, asset quality has improved to 10.9% in Dec'15 (Dec'14: 12.0%)
- Provisions are Rs 4.8Bn in 2015 (2014: Rs 1.5Bn) primarily due to aging of previously classified names as well as prudent view taken by the Bank on certain borrowers
- Consequently, coverage ratio has improved to 90.1% in Dec'15 (Dec'14: 83.2%)

In Dec'15, the Balance Sheet has grown by 19% over Dec'14 to Rs 2.2 trillion

Deposits increased to Rs 1.6 trillion, up 7% from Dec'14

- Current deposits grew by 15% to Rs 600Bn, current account mix now at 36.7% (Dec'14: 34.2%)
- Domestic average current deposits are Rs 75 Bn (24%) higher YoY
- Consequently, the cost of domestic deposits reduced by 147 bps to 3.6% in 2015
- Domestic CASA ratio has improved to 85.6% in Dec'15 (Dec'14: 80.8%)
- Domestic market share has remained flat at 14.1% since Jun'15 (Dec'14: 14.8%) due to decrease in term deposits

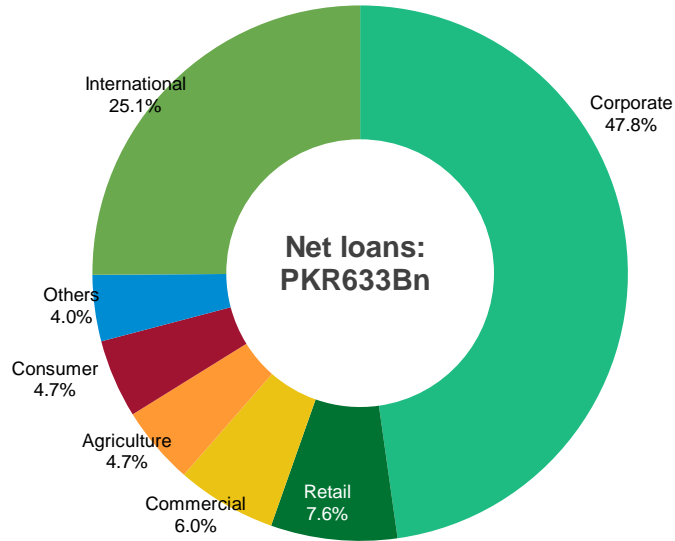
Net advances increased by 6% to Rs 633 Bn in Dec'15

- Domestic advances have increased by Rs 38.3 Bn (9%) over 2014, with major growth in corporate, Islamic and consumer financing, while International advances have remained flat.

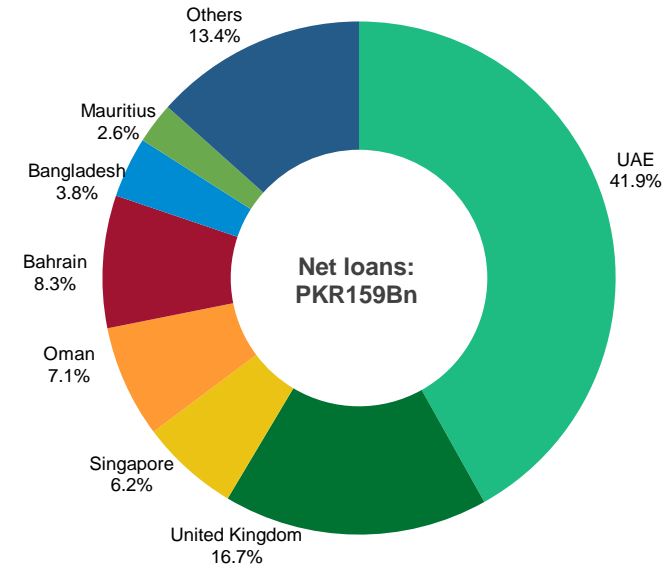
PKR Bln	Dec'14	Dec'15	Var%
Cash & Bank Balances	202.6	207.7	3%
Lending to Financial Institutions	34.3	44.3	29%
Investments	922.7	1,244.9	35%
Performing Advances	581.9	625.8	8%
Non Performing advances - net of provision	13.3	7.6	-43%
Others	109.8	88.1	-20%
Total Assets	1,864.6	2,218.4	19%

Deposits - Domestic	1,256.2	1,367.5	9%
Deposits - International	268.4	267.4	0%
Total Deposits	1,524.6	1,634.9	7%
Borrowings	103.4	314.3	204%
Subordinated loan	-	10.0	100%
Others	67.0	76.5	14%
Total Liabilities	1,695.0	2,035.8	20%
Shareholders' equity	146.9	158.4	8%
Non - controlling interest	1.2	1.7	43%
Surplus on revaluation of assets - net of tax	21.5	22.6	5%
Total Liabilities & Equity	1,864.6	2,218.4	19%

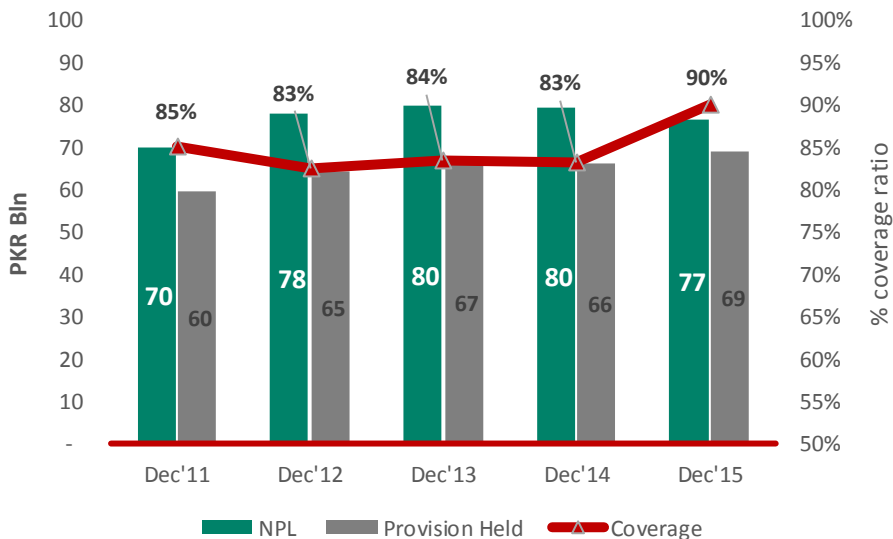
Loan portfolio composition by line of business



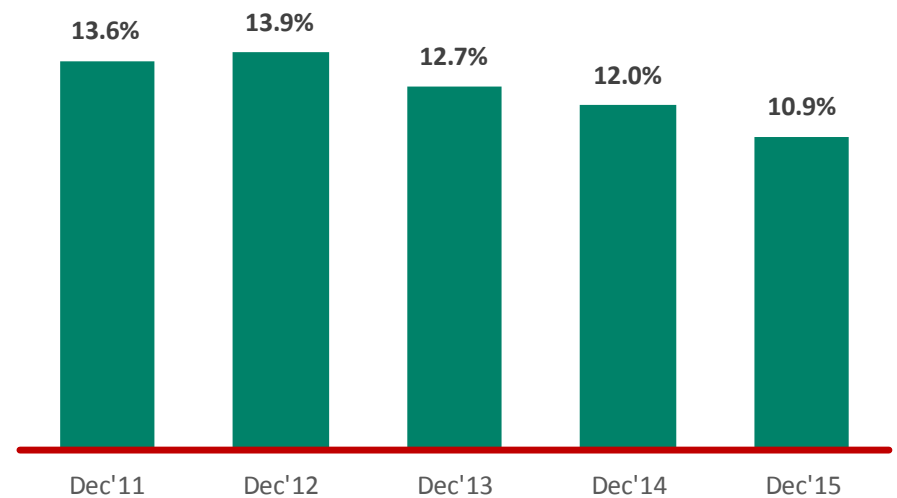
International Advances – Location wise



Improving coverage ratio



... with improved asset quality



Growth in Period End Deposits

PKR Bln	Dec 14			Sep 15	
	Dec 14	Dec 15	Var%	Sep 15	Var%
Current	395.3	469.7	19%	420.0	12%
Saving	619.4	701.5	13%	684.6	2%
Term	241.6	196.3	-19%	186.1	6%
Domestic	1,256.2	1,367.5	9%	1,290.6	6%
International	268.4	267.4	0%	260.5	3%
Group	1,524.6	1,634.9	7%	1,551.2	5%

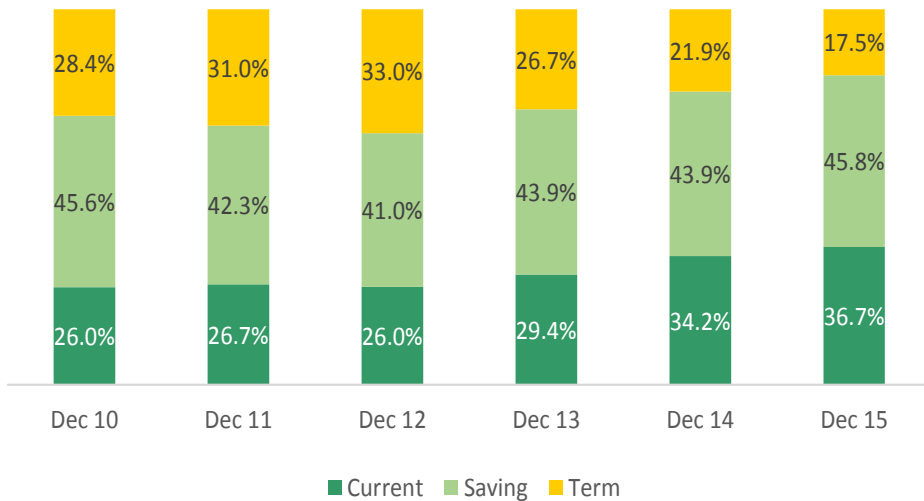
Growth in Average Deposits

PKR Bln	2014	2015	Var%
Current	314.2	388.7	24%
Saving	581.1	661.6	14%
Term	235.8	208.5	-12%
Domestic	1,131.0	1,258.9	11%
International	232.1	257.5	11%
Group	1,363.1	1,516.4	11%

CASA Ratio	78.1%	82.5%	4.4%	82.1%	0.4%
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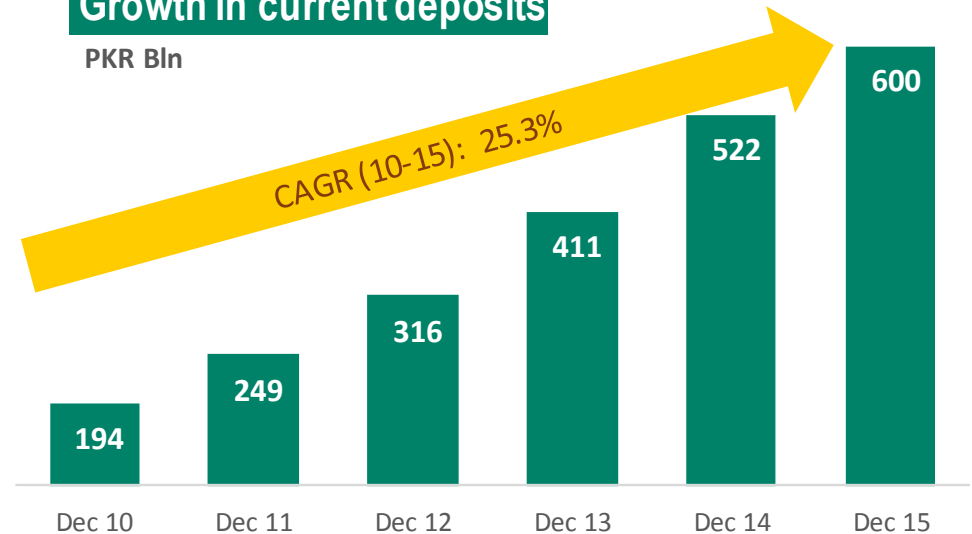
Cost of deposits	4.4%	3.2%	-1.2%
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Deposits Composition



Growth in current deposits

PKR Bln



PKR Bn	2015	2014	Var%
Interest Income	144.2	137.4	5%
Interest expensed	(66.1)	(68.8)	4%
Net Interest Income	78.2	68.6	14%
Non Interest Income	36.6	23.4	56%
Gross Revenue	114.8	92.0	25%
Admin Expenses	(48.4)	(41.3)	-17%
Operating Expenses	(49.7)	(42.2)	-18%
Pre Provision Operating Profit	65.0	49.8	31%
Provisions	(4.8)	(1.5)	-211%
Profit Before Tax	60.3	48.3	25%
Tax	(25.2)	(16.8)	-50%
Profit After Tax	35.1	31.5	11%

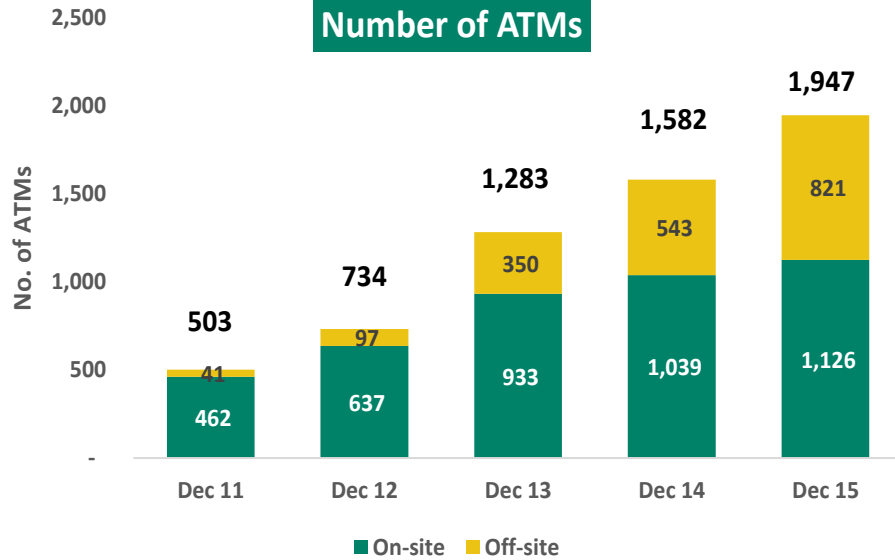
PKR Mln	2015	2014	Var%
Fee, commission and brokerage income	17,089	13,980	22%
Gain on sale of securities	11,060	1,462	656%
Share of profit of associates and joint venture	3,399	3,267	4%
Dividend income	1,543	897	72%
Income from dealing in foreign currencies	2,749	2,847	-3%
Other income	743	972	-24%
Total non interest income	36,584	23,425	56%

Ratios	Dec'14	Dec'15
Advances : Deposits	43.4%	43.0%
Asset Quality	12.0%	10.9%
Coverage	83.2%	90.1%
Capital Adequacy	16.2%	17.0%

Ratios	FY'14	FY'15
Yield on advances	9.8%	8.4%
Cost of deposits	4.4%	3.2%
Net Interest Margin	4.8%	4.5%
Return on average assets	1.8%	1.7%
Return on shareholders' equity*	22.4%	22.8%
Cost : Income ratio	44.8%	42.2%
NFI : Gross revenue	25.5%	31.9%

**excluding surplus on revaluation*

Number of ATMs



ATM Transactions

Particulars	2014	2015	Var %
No. of ATMs	1,592	1,947	22.3%
No. of Transactions (in million)	40.92	55.43	35.5%
Total Cash withdrawal (PKR million)	343,526	494,276	43.9%
Average transaction size (PKR)	8,395	8,917	6.2%
Average monthly no. of transactions per ATM	2,142	2,372	10.7%

Internet Banking

Particulars	2014	2015	Var %
No. of Users	119,529	167,994	40.5%
Total No. of transactions (in million)	0.771	0.942	22.2%
Total transaction amount (PKR million)	15,348	22,200	44.6%
Average transaction size	19,908	23,564	18.4%

Phone Banking

Particulars	2014	2015	Var %
No. of Users (in million)	3.809	5.326	39.8%
Total No. of financial transactions (excl. IVR)	23,027	36,907	60.3%
Total transaction amount (PKR million)	509	859	68.8%
Average transaction size	22,092	23,267	5.3%