

**BARCLAYS BANK PLC –
PAKISTAN BRANCHES**

**CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED JUNE 30, 2011**



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

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Barclays Bank PLC – Pakistan Branches** as at June 30, 2011 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 accounts for the half year 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. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended June 30, 2011 and 2010 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2011.

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 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 of and for the half year ended June 30, 2011 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

A. Ferguson & Co.
Chartered Accountants

Dated: August 12, 2011

Karachi

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BARCLAYS BANK PLC - PAKISTAN BRANCHES

(Barclays Bank Plc is a public limited company, Incorporated in Great Britain)

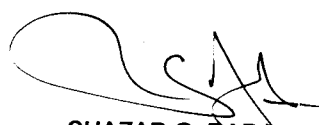
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

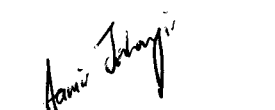
AS AT JUNE 30, 2011

	(Un-audited)	(Audited)
Note	June 30, 2011	December 31, 2010
	----- Rupees in '000 -----	
ASSETS		
Cash and balances with treasury banks	3,694,802	2,912,164
Balances with other banks	1,045,146	2,189,397
Lendings to financial institutions	9 2,434,221	1,646,369
Investments - net	10 23,461,050	21,014,371
Advances - net	11 19,720,060	17,436,859
Operating fixed assets	12 841,838	928,091
Deferred tax assets - net	13 1,450,120	1,501,850
Other assets	758,368	651,594
	53,405,605	48,280,695
LIABILITIES		
Bills payable	422,225	402,249
Borrowings	14 4,734,716	7,193,234
Deposits and other accounts	15 40,382,440	32,301,878
Sub-ordinated loans	-	-
Liabilities against assets subject to finance lease	-	-
Deferred tax liabilities	-	-
Other liabilities	1,304,284	1,915,282
	46,843,665	41,812,643
NET ASSETS	<u>6,561,940</u>	<u>6,468,052</u>
REPRESENTED BY		
Head office capital account	9,756,756	9,756,756
Reserves	-	-
Accumulated loss	(3,192,748)	(3,279,855)
	6,564,008	6,476,901
Deficit on revaluation of assets - net	(2,068)	(8,849)
	<u>6,561,940</u>	<u>6,468,052</u>
CONTINGENCIES AND COMMITMENTS	16	

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

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SHAZAD G. DADA
 Chief Executive Officer


AMIR JAHANGIR
 Chief Financial Officer

BARCLAYS BANK PLC - PAKISTAN BRANCHES

(Barclays Bank Plc is a public limited company, Incorporated in Great Britain)


CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE QUARTER & HALF YEAR ENDED JUNE 30, 2011

Note	For the quarter ended		For the half year ended	
	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010
----- Rupees in '000 -----				
Mark-up / return / interest earned	1,380,353	1,102,000	2,676,103	2,158,507
Mark-up / return / interest expensed	889,049	708,979	1,717,543	1,336,097
Net mark-up / interest income	491,304	393,021	958,560	822,410
Provision against loans and advances	59,384	46,725	72,282	83,260
Provision for diminution in the value of investments	-	-	-	-
Bad debts written off directly	-	837	-	837
Net mark-up / interest income after provisions	431,920	345,459	886,278	738,313
Non mark-up / interest income				
Fee, commission and brokerage income	59,570	39,419	119,089	84,693
Dividend income	-	-	-	-
Income from dealing in foreign currencies	79,743	44,988	139,320	70,429
Gain / (loss) on sale of securities	-	-	-	12
Unrealised gain on revaluation of investments classified as held for trading	-	-	-	-
Other income	19	-	19	-
Total non mark-up / interest income	139,332	84,407	258,428	155,134
	571,252	429,866	1,144,706	893,447
Non mark-up / interest expense				
Administrative expenses	431,979	554,573	998,338	1,189,025
Other provisions / write offs	2,948	-	2,948	-
Other charges	6,564	3,664	8,234	6,386
Total non mark-up / interest expense	441,491	558,237	1,009,520	1,195,411
Extra ordinary / unusual items	-	-	-	(461,445)
Profit / (loss) before taxation	129,761	(128,371)	135,186	(763,409)
Taxation - Current	-	-	-	-
- Prior years	-	-	-	-
- Deferred	44,926	(38,337)	48,079	(267,151)
	44,926	(38,337)	48,079	(267,151)
Profit / (loss) after taxation	84,835	(90,034)	87,107	(496,258)

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

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BARCLAYS BANK PLC - PAKISTAN BRANCHES

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CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2011

	<u>For the quarter ended</u>		<u>For the half year ended</u>	
	<u>June 30,</u> <u>2011</u>	<u>June 30,</u> <u>2010</u>	<u>June 30,</u> <u>2011</u>	<u>June 30,</u> <u>2010</u>
	----- Rupees in '000 -----			
Profit / (loss) after taxation	84,835	(90,034)	87,107	(496,258)
Components of comprehensive income not reflected in equity				
Surplus / (deficit) on revaluation of available-for-sale securities - net of tax	1,299	(3,996)	6,781	(8,922)
Total comprehensive income / (loss)	<u>86,134</u>	<u>(94,030)</u>	<u>93,888</u>	<u>(505,180)</u>

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Chief Executive Officer


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Chief Financial Officer

BARCLAYS BANK PLC - PAKISTAN BRANCHES
 (Barclays Bank Plc is a public limited company, Incorporated in Great Britain)
 CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
 FOR THE HALF YEAR ENDED JUNE 30, 2011

For the half year ended
 Note June 30, 2011 June 30, 2010
 -----Rupees in `000-----

CASH FLOWS FROM OPERATING ACTIVITIES

Profit / (loss) before taxation		135,186	(763,409)
Adjustments			
Depreciation		108,996	133,332
Amortisation		17,481	14,871
Extra ordinary / unusual items		-	461,445
Provision against loans and advances - net	11.3	72,282	83,260
Bad debts written off directly		-	837
(Gain) / loss on sale of securities - net		-	(12)
(Gain) / loss on disposal of operating fixed assets		(19)	866
		<u>198,740</u>	<u>694,599</u>
		333,926	(68,810)
(Increase) / decrease in operating assets			
Lendings to financial institutions		(787,852)	4,379,148
Advances		(2,355,483)	1,482,184
Other assets (excluding advance taxation)		(104,335)	(96,627)
		<u>(3,247,670)</u>	<u>5,764,705</u>
Increase / (decrease) in operating liabilities			
Bills payable		19,976	(110,334)
Borrowings		(2,458,518)	(102,373)
Deposits and other accounts		8,080,562	3,119,986
Other liabilities		(602,176)	(1,021,095)
		<u>5,039,844</u>	<u>1,886,184</u>
		2,126,100	7,582,079
Income taxes deducted at source		(2,439)	(2,045)
Net cash generated from operating activities		<u>2,123,661</u>	<u>7,580,034</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Net investment in available-for-sale securities		(2,436,247)	(7,744,701)
Investment in operating fixed assets		(52,369)	(22,767)
Proceeds from disposal of operating fixed assets		3,342	65
Net cash used in investing activities		<u>(2,485,274)</u>	<u>(7,767,403)</u>

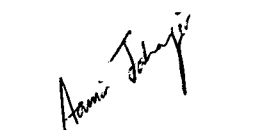
CASH FLOWS FROM FINANCING ACTIVITIES

Remittances received from head office as capital		-	436,192
Net cash generated from financing activities		<u>-</u>	<u>436,192</u>
Increase in cash and cash equivalents during the period		<u>(361,613)</u>	<u>248,823</u>
Cash and cash equivalents at the beginning of the period		5,101,561	3,952,035
Cash and cash equivalents at the end of the period	17	<u>4,739,948</u>	<u>4,200,858</u>

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

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 Chief Executive Officer


AAMIR JAHANGIR
 Chief Financial Officer

BARCLAYS BANK PLC - PAKISTAN BRANCHES
(Barclays Bank Plc is a public limited company, Incorporated in Great Britain)
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2011

	Head office capital account	Accumulated loss	Share based payment contribution reserve	Total
----- Rupees in '000 -----				
Balance as at January 1, 2010	9,320,564	(2,480,542)	-	6,840,022
Changes in equity for the half year ended June 30, 2010				
Remittances received from head office	436,192	-	-	436,192
Loss after taxation for the half year ended June 30, 2010	-	(496,258)	-	(496,258)
Other comprehensive income for the half year ended June 30, 2010	-	-	-	-
Contribution by Barclays Bank PLC in respect of share-based payments	-	-	10,606	10,606
Recharged balance payable to Barclays Bank PLC in respect of share-based payments	-	-	(10,606)	(10,606)
Balance as at June 30, 2010	9,756,756	(2,976,800)	-	6,779,956
Changes in equity for the half year ended December 31, 2010				
Loss after taxation for the half year ended December 31, 2010	-	(303,055)	-	(303,055)
Other comprehensive income for the half year ended December 31, 2010	-	-	-	-
Contribution by Barclays Bank PLC in respect of share-based payments	-	-	14,624	14,624
Recharged balance payable to Barclays Bank PLC in respect of share-based payments	-	-	(14,624)	(14,624)
Balance as at December 31, 2010	9,756,756	(3,279,855)	-	6,476,901
Changes in equity for the half year ended June 30, 2011				
Profit after taxation for the half year ended June 30, 2011	-	87,107	-	87,107
Other comprehensive income for the half year ended June 30, 2011	-	-	-	-
Contribution by Barclays Bank PLC in respect of share-based payments	-	-	18,472	18,472
Recharged balance payable to Barclays Bank PLC in respect of share-based payments	-	-	(18,472)	(18,472)
Balance as at June 30, 2011	9,756,756	(3,192,748)	-	6,564,008

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

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 Chief Executive Officer


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 Chief Financial Officer

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**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2011**

1 STATUS AND NATURE OF BUSINESS

Barclays Bank PLC, Pakistan Branches (the Bank) operates as a branch of Barclays Bank PLC which is a foreign banking company incorporated and domiciled in Great Britain with limited liability (rated "AA-", Long term and "A-1+", Short term by Standard & Poor's) and is a member of Barclays PLC Group (rated "A+", Long term and "A-1", Short term by Standard & Poor's) which is the ultimate holding company. The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and operates through fifteen branches (December 31, 2010: fifteen branches) across Pakistan. The Bank commenced its operations on July 23, 2008 and its registered office in Pakistan is situated at Dawood Centre, M. T. Khan Road, Karachi.

2 BASIS OF PRESENTATION

In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan has issued various circulars from time to time. Permissible forms of trade related modes of financing includes purchasing of goods by banks from their customers and immediate resale to them at appropriate mark-up in price on a deferred payment basis. The purchase and sale arising under these arrangements are not reflected in this condensed interim financial information as such but are restricted to the amount of facility actually utilised and appropriate portion of mark-up thereon.

3 STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board, as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and the directives issued by the State Bank of Pakistan (SBP). In case the requirements differ, the provisions of and directives issued under the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and the directives issued by the SBP shall prevail.

The SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for Banking Companies through BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' through its notification S.R.O. 411(I)/2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of this condensed interim financial information. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

SBP vide its BSD Circular No. 07 dated April 20, 2010 has clarified that for the purpose of preparation of financial statements in accordance with International Accounting Standard - 1 (Revised), 'Presentation of Financial Statements', two statement approach shall be adopted i.e. separate 'Profit and Loss Account' and 'Statement of Comprehensive Income' shall be presented, and Balance Sheet shall be renamed as 'Statement of Financial Position'. Furthermore, the Surplus / (Deficit) on Revaluation of Available for sale (AFS) Securities only, may be included in the 'Statement of Comprehensive Income'. However, it should continue to be shown separately in the statement of financial position below equity Accordingly, the above requirements have been adopted in the preparation of this condensed interim financial information.

The disclosures made in this condensed interim financial information have been limited based on the format prescribed by the State Bank of Pakistan through BSD Circular Letter No. 2 dated May 12, 2004 and the requirements of International Accounting Standard 34, "Interim Financial Reporting". They do not include all of the information required for the full annual financial statements and this condensed interim financial information should be read in conjunction with the financial statements of the Bank for the year ended December 31, 2010.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Bank for the year ended December 31, 2010.

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5 **BASIS OF MEASUREMENT**

This condensed interim financial information has been prepared under the historical cost convention except that certain investments and derivative financial instruments have been marked to market and are carried at fair value.

6 **CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

The basis and the methods used for critical accounting estimates and judgments adopted in this condensed interim financial information are same as those applied in the preparation of the annual financial statements of the Bank for the year ended December 31, 2010.

7 **FUNCTIONAL AND PRESENTATION CURRENCY**

Items included in this condensed interim financial information are measured using the currency of the primary economic environment in which the Bank operates. This condensed interim financial information are presented in Pakistani Rupees, which is the Bank's functional and presentation currency.

8 **FINANCIAL RISK MANAGEMENT**

The Bank's Financial Risk Management objectives and policies are consistent with those disclosed in the annual financial statements of the Bank for the year ended December 31, 2010.

	Un-audited June 30, 2011	Audited December 31, 2010
	----- Rupees in '000 -----	
9 LENDINGS TO FINANCIAL INSTITUTIONS		
Call money lendings	-	1,646,369
Repurchase agreement lendings (Reverse Repo)	2,434,221	-
	<u>2,434,221</u>	<u>1,646,369</u>
9.1 Particulars of lendings to financial institutions		
In local currency	2,434,221	850,000
In foreign currency	-	796,369
	<u>2,434,221</u>	<u>1,646,369</u>

10 **INVESTMENTS**

10.1 Investments by type	Un-audited June 30, 2011			Audited December 31, 2010		
	Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total
	----- Rupees in '000 -----					
Available-for-sale investments						
Market Treasury Bills	21,256,914	960,224	22,217,138	17,072,761	2,713,249	19,786,010
Pakistan Investment Bonds	1,247,094	-	1,247,094	1,241,975	-	1,241,975
Investments at cost	22,504,008	960,224	23,464,232	18,314,736	2,713,249	21,027,985
(Deficit) / surplus on revaluation of available for-sale securities	(3,494)	312	(3,182)	(12,003)	(1,611)	(13,614)
Investments at market value	<u>22,500,514</u>	<u>960,536</u>	<u>23,461,050</u>	<u>18,302,733</u>	<u>2,711,638</u>	<u>21,014,371</u>

	Note	Un-audited June 30, 2011	Audited December 31, 2010
		----- Rupees in '000 -----	
10.2 Investments by segment			
Federal Government Securities			
- Market Treasury Bills	10.3	22,216,376	19,781,762
- Pakistan Investment Bonds	10.3	1,244,674	1,232,609
		<u>23,461,050</u>	<u>21,014,371</u>

10.3 Market Treasury Bills amounting to Rs. 9,000 million (December 31, 2010: Rs. 9,000) [having fair value of Rs. 8,872.791 million (December 31, 2010: Rs. 8,929.769 million)] and Pakistan Investment Bonds amounting to Rs. 1,250 million (December 31, 2010: Rs. 1,250 million) [having fair value of Rs. 1,244.674 million (December 31, 2010: Rs. 1,232.609 million)] have been deposited with the State Bank of Pakistan as per the requirements of Section 13(2) of the Banking Companies Ordinance, 1962. The remaining Market Treasury Bills are eligible for re-discounting with the State Bank of Pakistan.

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	Note	Un-audited June 30, 2011	Audited December 31, 2010
----- Rupees in '000 -----			
11 ADVANCES - NET			
Loans, cash credits, running finances, etc. - In Pakistan		18,516,505	16,957,924
Bills discounted and purchased (excluding market treasury bills)			
- Payable in Pakistan		375,203	56,557
- Payable outside Pakistan		1,359,048	882,571
		1,734,251	939,128
Advances - gross	11.1	20,250,756	17,897,052
Provision against advances			
- Specific provision against non - performing advances	11.3	(487,246)	(406,593)
- General provision against advances	11.3	(43,450)	(53,600)
		(530,696)	(460,193)
Advances - net		19,720,060	17,436,859
11.1 Particulars of advances - gross of provisions			
In local currency		17,247,366	16,952,747
In foreign currencies		3,003,390	944,305
		20,250,756	17,897,052

11.2 Advances include Rs. 623.032 million (December 31, 2010: Rs. 612.471 million) which have been placed under non-performing status as detailed below:

	----- June 30, 2011 (Un-audited) -----				
	Domestic	Overseas	Total	Provision required	Provision held
----- Rupees in '000 -----					
Category of classification					
Other assets especially mentioned	-	-	-	-	-
Substandard	49,549	-	49,549	9,199	9,199
Doubtful	76,272	-	76,272	19,592	19,592
Loss	497,211	-	497,211	458,455	458,455
	623,032	-	623,032	487,246	487,246
	----- December 31, 2010 (Audited) -----				
	Domestic	Overseas	Total	Provision required	Provision held
----- Rupees in '000 -----					
Category of classification					
Other assets especially mentioned	-	-	-	-	-
Substandard	120,303	-	120,303	30,076	30,076
Doubtful	231,302	-	231,302	115,651	115,651
Loss	260,866	-	260,866	260,866	260,866
	612,471	-	612,471	406,593	406,593

11.3 Particulars of provision against advances

	Half year ended			Year ended		
	----- June 30, 2011 (Un-audited) -----			----- December 31, 2010 (Audited) -----		
	Specific	General	Total	Specific	General	Total
----- Rupees in '000 -----						
Opening balance	406,593	53,600	460,193	120,720	74,248	194,968
Charge for the period / year	131,473	-	131,473	288,797	-	288,797
Reversals during the period / year	(49,041)	(10,150)	(59,191)	-	(20,648)	(20,648)
	82,432	(10,150)	72,282	288,797	(20,648)	268,149
Amounts written off	(1,779)	-	(1,779)	(2,924)	-	(2,924)
Closing balance	487,246	43,450	530,696	406,593	53,600	460,193

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	Un-audited June 30, 2011	Audited December 31, 2010
	----- Rupees in '000 -----	
14 BORROWINGS		
In Pakistan	4,734,716	7,193,234
Outside Pakistan	-	-
	<u>4,734,716</u>	<u>7,193,234</u>
14.1 Particulars of borrowings from financial institutions		
In local currency	4,734,716	7,193,234
In foreign currency	-	-
	<u>4,734,716</u>	<u>7,193,234</u>
14.2 Details of borrowings from financial institutions		
Secured		
Borrowings from the State Bank of Pakistan under		
- Export refinance scheme	3,774,634	4,282,701
Repurchase agreement borrowings	960,082	2,710,533
	<u>4,734,716</u>	<u>6,993,234</u>
Unsecured		
Call borrowings	-	200,000
	<u>4,734,716</u>	<u>7,193,234</u>
15 DEPOSITS AND OTHER ACCOUNTS		
Customers		
Fixed deposits	20,681,313	17,712,464
Savings deposits	13,481,473	9,554,398
Current accounts – Non-remunerative	6,045,845	4,958,785
Margin accounts	111,125	37,146
	<u>40,319,756</u>	<u>32,262,793</u>
Financial Institutions		
Non-remunerative deposits	62,684	39,085
	<u>40,382,440</u>	<u>32,301,878</u>
15.1 Particulars of deposits		
In local currency	35,105,971	27,580,715
In foreign currencies	5,276,469	4,721,163
	<u>40,382,440</u>	<u>32,301,878</u>
16 CONTINGENCIES AND COMMITMENTS		
16.1 Direct credit substitutes		
Contingent liabilities in respect of guarantees given favouring:		
Government	-	-
Banking companies and other financial institutions	-	-
Others	-	-
	<u>-</u>	<u>-</u>
16.2 Transaction-related contingent liabilities		
Contingent liabilities in respect of performance bonds, bid bonds, warranties, etc. given favouring:		
Government	607,826	607,826
Banking companies and other financial institutions	224,326	11,287
Others	614,717	443,452
	<u>1,446,869</u>	<u>1,062,565</u>
16.3 Trade-related contingent liabilities		
Contingent liabilities in respect of letters of credit opened favouring:		
Government	18,265	68,896
Banking companies and other financial institutions	-	-
Others	4,273,591	3,172,463
	<u>4,291,856</u>	<u>3,241,359</u>

AM 100

16.4 Commitments in respect of forward lendings

The bank makes commitments to extend credit in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facility is unilaterally withdrawn.

	Un-audited June 30, 2011	Audited December 31, 2010
	----- Rupees in '000 -----	
16.5 Commitments in respect of forward exchange contracts		
Purchase	<u>5,279,382</u>	<u>2,583,512</u>
Sale	<u>5,602,649</u>	<u>2,496,802</u>

16.6 Commitments in respect of operating lease

The Bank has obtained various offices, branches and other premises under operating lease arrangements. The leases have various terms, escalation and renewal rights. There are no contingent rents payable. The future minimum lease payment under operating leases are as follows:

	Un-audited June 30, 2011	Audited December 31, 2010
	----- Rupees in '000 -----	
Not more than one year	<u>52,421</u>	<u>53,528</u>
16.7 Commitments for the acquisition of operating fixed assets	<u>97,713</u>	<u>52,319</u>
17 CASH AND CASH EQUIVALENTS		
Cash and balances with treasury banks	3,694,802	2,912,164
Balances with other banks	1,045,146	2,189,397
	<u>4,739,948</u>	<u>5,101,561</u>
18 RELATED PARTY TRANSACTIONS		

The Bank has related party relationships with other branches and direct and indirect subsidiaries of Barclays PLC Group, Barclays Bank PLC, employee benefit plans, and its key management personnel.

Transactions between the Bank and its related parties are carried out under normal course of business except for staff loans and provident fund, that are as per terms of agreement.

Details of transactions with related parties during the period and balances with them as at period end are as follows:

	Un-audited June 30, 2011	Audited December 31, 2010
	----- Rupees in '000 -----	
Balances as at period-end		
Group		
Nostro balances with other branches of Barclays Bank PLC	920,134	2,039,703
Placements with Barclays Bank PLC	-	796,369
Accrued interest on placements with Barclays Bank PLC	-	32
Payable to affiliate for IT expenditure	243,047	232,032
Payable to affiliate for Services & Recharges	24,324	376,296
Payable to Barclays Bank PLC in respect of share-based payments	59,335	40,863
Key management personnel		
Loans and advances	81,155	97,827
Deposits	43,490	32,091
Others		
Deposits of staff retirement benefit fund	116,036	15,874
Other receivables	7,507	7,713

AM 140

Un-audited
For the half year ended
June 30, June 30,
2011 2010
----- Rupees in '000 -----

Transactions during the period

Group

Income for the period on:

- Nostro balances with other branches of Barclays Bank PLC	3,720	2,993
- Placements with Barclays Bank PLC	-	554

Recharged balance in respect of share-based payments

18,472

10,606

Additions to capital work in progress

28,154

8,919

Regional office expenses

-

116,767

Key management personnel

Markup / interest / return earned

1,248

1,191

Markup / interest / return expensed

778

2,103

Salaries and benefits

178,360

143,217

Post-retirement benefits

5,668

5,770

Others

Contributions to staff retirement benefit fund

44,199

73,462

19 SEGMENT DETAILS

The business activities of the Bank are confined to three segments i.e. trading and sales, retail banking and commercial banking. The products and services offered by these segments are as follows:

Trading and sales

Overall management of treasury operations of the Bank.

Retail banking

Deposits, mortgages, personal installment loans and business installment loans.

Commercial banking

Deposits, trade and lending activities for corporate enterprises.

	Un-audited			
	----- For the half year ended June 30, 2011 -----			
	Commercial banking	Trading and sales	Retail banking	Total
	----- Rupees in '000 -----			
Net mark-up / interest income before provisions	72,070	1,447,062	(560,572)	958,560
Non mark-up / interest income	62,869	139,260	56,299	258,428
Non mark-up / interest expense	495,169	60,295	526,338	1,081,802
Net income / (loss)	(360,230)	1,526,027	(1,030,611)	135,186
Segment return on assets (ROA) (%)	-1.82%	4.82%	-41.78%	
Segment cost of funds (%)	9.58%	7.20%	6.57%	

	Un-audited			
	----- For the half year ended June 30, 2010 -----			
	Commercial banking	Trading and sales	Retail banking	Total
	----- Rupees in '000 -----			
Net mark-up / interest income before provisions	(91,592)	916,288	(2,286)	822,410
Non mark-up / interest income	44,507	84,504	26,123	155,134
Non mark-up / interest expense	337,267	194,220	1,209,466	1,740,953
Net income / (loss)	(384,352)	806,572	(1,185,629)	(763,409)
Segment return on assets (ROA) (%)	-2.47%	3.11%	-39.64%	
Segment cost of funds (%)	8.92%	6.74%	6.27%	

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Segment assets
 Segment non-performing advances
 Segment provision required
 Segment liabilities

Un-audited			
As at June 30, 2011			
Commercial banking	Trading and sales	Retail banking	Total
Rupees in '000			
19,810,010	31,659,415	2,466,876	53,936,301
237,498	-	385,534	623,032
237,498	-	293,198	530,696
22,093,581	1,050,041	23,700,043	46,843,665

Segment assets
 Segment non-performing advances
 Segment provision required
 Segment liabilities

Audited			
As at December 31, 2010			
Commercial banking	Trading and sales	Retail banking	Total
Rupees in '000			
17,096,253	28,742,090	2,902,545	48,740,888
237,498	-	374,973	612,471
143,748	-	316,445	460,193
19,840,355	3,047,777	18,924,511	41,812,643

20 DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on **12 AUG 2011** by the management of the Bank.

21 GENERAL

- 21.1 Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.
- 21.2 Corresponding figures have been re-arranged and reclassified, wherever necessary, for better presentation. However, there are no material reclassifications to report in this condensed interim financial information, other than the following:

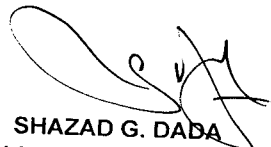
Reclassification from component	Reclassification to component	(Rupees '000)
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Income from dealing in foreign currencies

Mark-up / return / interest expensed

46,009

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 SHAZAD G. DADA
 Chief Executive Officer


 AAMIR JAHANGIR
 Chief Financial Officer