

NATIONAL BANK OF PAKISTAN HALF YEARLY FINANCIAL RESULTS- JUNE 30, 2017

Meeting of the Board of Directors (BoD) of National Bank of Pakistan (Bank) was held on August 24, 2017 at the Bank's Head Office in Karachi in which the BoD approved the financial statements of the Bank for half year ended June 30, 2017.

Half yearly operating income of the Bank amounted to Rs.41.7 billion (June 16: Rs.27.8 billion). Bank's net interest/mark-up income for the half year amounted to Rs.26.4 billion (June 16: Rs.27.6 billion) due to lower yield on Government securities. Non-interest/mark-up income for the half year recorded growth as it amounted to Rs.15.3 billion (June 16: Rs.14.2 billion). The Bank maintained interest/mark-up earning for the period by managing an efficient asset-mix of loans and investments. After-tax profit for the six months period amounted to Rs.8.6 billion (June 16: Rs.9.5 billion). This translates into earnings per share of Rs.4.02 profitability of the bank remained under pressure during the period on account of lower interest rates and maturity of high-yielding Pakistan Investment Bonds (PIBs).

During this period, the Bank achieved a growth milestone as its balance sheet size increased to Rs.2.32 trillion i.e. 18% up against Rs.1.98 trillion of December 2016. As of June 30, 2017 Bank's deposits amounted to Rs.1,740 billion being 5% up against that of December 2016: whereas gross advances also increased to Rs.836 billion i.e 7% up as compared to December 2016.

The Bank has recently redesigned its business model and delivery strategies introducing modern-day banking concepts. Customer service quality, provision of services through alternate delivery channels and e-banking products will become key areas of focus for the Bank.