NBP
National Bank of Pakistan

FORM-7

October 27, 2016

The General Manager,
Pakistan Stock Exchange Ltd.,
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Dear Sir,

FINANCIAL RESULTS FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2016

We have to inform you that the Board of Directors of National Bank of Pakistan in its meeting held at **9:00 A.M.** on **Thursday the October 27, 2016,** has not recommended any Cash Dividend, Bonus issue / Right Shares or any other entitlement. The financial results of the Bank for the nine month period ended September 30, 2016 and press release are enclosed.

We will be sending you required copies of printed Accounts for distribution amongst the members of the Exchange in due course.

Yours faithfully,

(Aamir Sattar)
SEVP / Chief Financial Officer

(S. M. Ali Zamin)
EVP & Secretary (Board)

Encl: (a.a.)

Secretary Board of Directors
NBP, 2nd Floor, Head Office, I.I. Chundrigar Road, Karachi. Ph: 99220224 Fax: 99220239
Website: www.nbp.com.pk

NATIONAL BANK OF PAKISTAN
CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2016

	Quarter Ended September 30, 2016	Nine Months Ended September 30, 2016	Quarter Ended September 30, 2015	Nine Months Ended September 30, 2015
	(Rupees in '000')			
Mark-up / Return / Interest earned	26,477,445	84,185,902	26,191,579	84,057,346
Mark-up / Return / Interest expensed	14,999,254	44,580,429	14,520,122	45,889,443
Net mark-up / return / interest income	11,478,191	39,605,473	11,671,457	38,167,903
Provision against non-performing advances - net	1,016,619	2,953,533	1,280,974	8,034,332
Reversal of provision for diminution in value of investments - net	(616,798)	(1,160,392)	321,267	(168,399)
Provision against off-balance sheet obligations		-	-	140,238
Bad debts written off directly	-	-	-	-
	399,822	1,793,141	1,602,241	8,006,171
Net mark-up / interest income after provisions	11,078,370	37,812,332	10,069,216	30,161,732
NON MARK-UP/ INTEREST INCOME				
Fee, commission and brokerage income	3,207,348	10,690,252	2,832,283	9,089,183
Dividend income	467,707	1,979,435	602,598	2,062,299
Income from dealing in foreign currencies	84,008	1,805,627	1,623,618	2,839,351
Gain on sale and redemption of securities - net	2,685,698	5,912,445	2,295,985	9,849,564
Unrealized loss on revaluation of investments classified as held-for-trading	25,091	19,660	3,797	3,063
Share of profit from joint ventures	75,316	225,802	293,354	465,353
Share of profit / (loss) from associates	(373,525)	(272,722)	(225,513)	(749,662)
Other income	416,566	1,152,194	468,562	1,398,484
Total non mark-up / interest income	6,588,208	21,512,693	7,894,684	24,957,635
	17,666,577	59,325,025	17,963,900	55,119,367
NON MARK-UP/ INTEREST EXPENSES				
Administrative expenses	11,479,242	35,269,573	10,846,575	33,107,106
Other provisions / write-offs	239,140	773,598	213,574	562,550
Other charges	7,459	121,229	21,543	38,774
Total non mark-up / interest expenses	11,725,841	36,164,400	11,081,692	33,708,430
	5,940,736	23,160,625	6,882,208	21,410,937
Extra ordinary / unusual items	-	-	-	-
PROFIT BEFORE TAXATION	5,940,736	23,160,625	6,882,208	21,410,937
Taxation - current	1,903,267	7,105,957	2,488,304	9,121,866
- prior year(s)	-	1,343,826	-	2,298,465
- deferred	475,028	1,066,708	(51,811)	(1,329,795)
	2,378,295	9,516,491	2,436,493	10,090,536
PROFIT AFTER TAXATION	3,562,441	13,644,134	4,445,715	11,320,401
Share holders of the bank	3,534,078	13,605,518	4,415,034	11,254,254
Minority Interest	28,363	38,616	30,681	66,147
	3,562,441	13,644,134	4,445,715	11,320,401
Basic and diluted earnings per share (Rupees)	1.66	6.40	2.08	5.29

Aamir Sattar
SEVP / CFO

Abdul Rahim
SVP / Wing Head

NATIONAL BANK OF PAKISTAN
UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2016

	Quarter Ended September 30, 2016	Nine Months Ended September 30, 2016	Quarter Ended September 30, 2015	Nine Months Ended September 30, 2015
	(Rupees in '000')			
Mark-up / Return / Interest earned	26,646,478	83,842,029	26,084,518	83,489,519
Mark-up / Return / Interest expensed	15,025,369	44,574,005	13,264,088	45,850,020
Net mark-up / return / interest income	11,621,109	39,268,024	12,820,430	37,639,499
Provision against non-performing advances - net	1,060,776	2,989,934	1,088,706	7,860,008
Reversal of provision for diminution in value of investments - net	(616,811)	(870,640)	334,168	192,556
Provision against off-balance sheet obligations	-	-	-	140,238
Bad debts written off directly	-	-	-	
	443,965	2,119,294	1,422,874	8,192,802
Net mark-up / interest income after provisions	11,177,144	37,148,730	11,397,556	29,446,697
NON MARK-UP/ INTEREST INCOME				
Fee, commission and brokerage income	2,926,657	9,964,643	2,569,086	8,279,943
Dividend income	623,813	2,146,953	642,814	2,585,482
Income from dealing in foreign currencies	47,021	1,701,870	578,629	2,637,645
Gain on sale and redemption of securities - net	2,685,698	5,912,424	2,295,985	10,179,048
Unrealized loss on revaluation of investments classified as held-for-trading	25,091	19,660	3,797	3,063
Other income	415,876	1,146,531	458,989	1,374,542
Total non mark-up / interest income	6,724,156	20,892,081	6,549,300	25,059,723
	17,901,300	58,040,811	17,946,856	54,506,420
NON MARK-UP/ INTEREST EXPENSES				
Administrative expenses	11,340,374	34,294,362	10,737,091	31,790,472
Other provisions / write-offs	241,246	780,512	210,836	565,371
Other charges	7,459	121,229	21,543	38,774
Total non mark-up / interest expenses	11,589,079	35,196,103	10,969,470	32,394,617
	6,312,221	22,844,708	6,977,386	22,111,803
Extra ordinary / unusual items	-	-	-	-
PROFIT BEFORE TAXATION	6,312,221	22,844,708	6,977,386	22,111,803
Taxation - current	1,860,717	7,004,052	2,463,518	9,044,027
- prior year(s)	-	1,343,826	-	2,298,465
- deferred	483,320	1,081,444	(51,245)	(1,335,830)
	2,344,037	9,429,322	2,412,273	10,006,662
PROFIT AFTER TAXATION	3,968,184	13,415,386	4,565,113	12,105,141
Basic and diluted earnings per share (Rupees)	1.87	6.31	2.15	5.69

Aamir Sattar
SEVP / CFO

Abdul Rahim
SVP / Wing Head

NBP Maintains Profit Growth

After-tax Profit up by 11% YoY

Meeting of the Board of Directors (BoD) of National Bank of Pakistan (bank) was held on October 27, 2016 at Bank's Head Office in Karachi in which the BoD approved the financial statements of the bank for the nine months period ended September 30, 2016.

Bank's after-tax profit for the nine months period increased by 11% to Rs. 13.4 billion compared to Rs. 12.1 billion for the corresponding nine months of 2015. This translates into earnings per share of Rs. 6.3 i.e. 11% up against Rs. 5.7 for the comparative period last year. Pre-tax and after-tax return on equity were 26.4%, and 15.5% (September 2015: 26.2% & 14.5%) respectively; whereas the pre-tax and after tax return on assets are 1.7% and 1.0% respectively.

Despite a continued reduction in the discount rate during recent quarters, bank's net interest income increased by 4.3% YoY to Rs. 39.3 billion against Rs. 37.6 billion for nine months of 2015. Specific provision charge for the period was Rs. 1.9 billion, 76% lower than Rs. 8.2 billion for the corresponding nine month period of 2015. This depicts an improvement in the assets quality of the bank. During the period, the bank earned a fee/commission income of Rs. 9.96 billion being 20.4% up against Rs. 8.3 billion for the comparative nine months period of 2015.

During this period, a healthy balance sheet growth has also been recorded YoY. Compared to Rs. 1,541 billion as of September 30, 2015, the balance sheet has increased by 19% to Rs. 1,829 billion. Gross advances of the bank have increased by 7% to Rs. 737 billion compared to Rs. 692 billion as of December 2015. Growth was also achieved in the deposits which have increased by 19% to Rs. 1,417 billion compared to Rs. 1,191 billion at the end of September 2015. Aitemaad Islamic Banking operations of the bank achieved commendable growth during the year as the same has increased to 118 branches from 79 in December 2015 with 80% YoY growth in deposits to Rs. 19.2 billion.

With "AAA" credit rating, the Bank is a driving force in retail banking, given its large distribution network. Product and service initiatives have also been introduced by the bank to boost SME business, and to adopt alternative delivery channels to broaden customer reach. Bank's ATM network that consisted of 374 machines in December 2014 has now increased to 1,188 machines; and is being further expanded.