

CS - 238/STOCKS/2015
August 31, 2015

FORM 7

The General Manager
Karachi Stock Exchange Ltd
Stock Exchange Building
I. I. Chundrigar Road
Karachi.

The General Manager
Lahore Stock Exchange Limited
19, Khyaban-e- Aiwan Iqbal
Lahore.

The General Manager
Islamabad Stock Exchange Limited
ISE Tower, 55-B, Jinnah Avenue
Islamabad.

Silkbank Limited

Financial Results for the 2nd Quarter (half yearly) Ended June 30, 2015

Dear Sir,

We have to inform you that the Board of Directors of our Bank in their meeting held on Friday, August 28, 2015 at 12:00 noon (PST) at 22nd Floor Conference Room, Centre point, Off Shaheed-e-Millat Expressway, near KPT Interchange Korangi, recommended the following:

1)	Cash Dividend	Nil
2)	Bonus Shares	Nil
3)	Right Shares	Nil
4)	Any Other Entitlement	Nil

The financial results approved by the Board of Directors of the Silkbank Limited are appended as Annexure – A

You may circulate the same among the members of the Exchange.

We will be sending you 200 copies of printed accounts for distribution amongst the members of the Exchange in due course of time.

Yours truly,



Uzman Naveed Chaudhary
Company Secretary/ Head of Investor Relations
& Legal Affairs



Encls: As above.

Silkbank Limited

Central Office: 22nd Floor, Centrepont Off: Shaheed-e-Millat
Expressway, Near KPT Interchange Korangi, Karachi-74900
PABX / UAN: 021-111-00-7455 Fax: 021-35805787
Website: www.silkbank.com.pk

SILKBANK LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2015

June 30,
2015
Un-audited
----- Rupees in '000 -----

December 31,
2014
Audited

ASSETS

Cash and balances with treasury banks		5,628,471	5,102,984
Balances with other banks		296,715	139,478
Lendings to financial institutions	8	4,742,054	3,000,000
Investments - net	9	28,764,889	18,105,414
Advances - net	10	58,777,918	58,966,877
Operating fixed assets	11	4,584,249	4,563,290
Deferred tax assets - net	12	4,008,403	3,937,182
Other assets	13	11,804,300	8,833,892
		118,606,999	102,649,117

LIABILITIES

Bills payable		2,777,667	2,153,091
Borrowings	14	23,224,897	21,742,246
Deposits and other accounts	15	82,549,478	68,770,255
Sub-ordinated loans		-	-
Liabilities against assets subject to finance lease		15,688	17,105
Deferred tax liabilities		-	-
Other liabilities	16	1,653,077	1,465,593
		110,220,807	94,148,290
		8,386,192	8,500,827

NET ASSETS

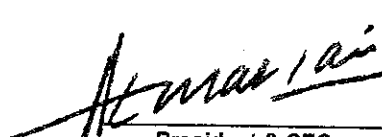
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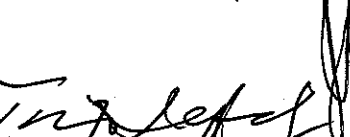
Share capital	17	26,716,048	26,716,048
Discount on issue of right shares		(13,284,674)	(13,284,674)
Reserves		180,134	180,134
Advance against share subscription	17.5	2,000,000	2,000,000
Convertible preference shares	18	2,200,000	2,200,000
Accumulated loss		(9,546,124)	(9,444,123)
		8,265,384	8,367,385
Surplus on revaluation of assets - net of tax	19	120,808	133,442
		8,386,192	8,500,827

CONTINGENCIES AND COMMITMENTS

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The annexed notes 1 to 30 form an integral part of these condensed interim financial statements.






President & CEO Chairman Director Director

SILKBANK LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT - UNAUDITED
FOR THE HALF YEAR ENDED JUNE 30, 2015

		Quarter ended		Half Year ended	
		June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
	Note	Rupees in '000			
Mark-up / return / interest earned	21	2,172,162	2,303,418	4,502,712	4,533,081
Mark-up / return / interest expensed	22	(1,470,793)	(1,443,445)	(3,019,767)	(2,790,721)
Net mark-up / interest income		701,369	859,973	1,482,945	1,742,359
Reversal / (provision) against non-performing loans and advances - net					
General provision against consumer financing	10.3	366,588	42,045	236,028	(28,711)
Recovery against written off loans	10.3	(30,919)	(37,402)	(44,512)	(75,235)
Provision for diminution in the value of investments - net		550	(2,399)	3,300	2,691
Impairment in the value of investments	9.3	(5,344)	-	(5,344)	-
Bad debts written off directly	9.4	(10,489)	(16,761)	(24,090)	(129,618)
		320,386	(14,517)	165,382	(230,873)
Net mark-up / interest income after provisions		1,021,755	845,456	1,648,327	1,511,486
NON MARK-UP / INTEREST INCOME					
Fee, commission and brokerage income		262,021	252,131	491,589	417,184
Dividend income		6,293	9,778	19,415	28,646
Income from dealing in foreign currencies		35,727	33,234	108,878	97,088
Gain on sale of securities - net		90,374	37,107	353,278	183,685
Unrealized (loss) / gain on revaluation of investments - held-for-trading		(2,251)	2,385	(2,303)	1,492
Other income		30,097	3,405	100,950	59,505
Total non-mark-up / interest income		422,261	338,040	1,071,807	787,600
NON MARK-UP / INTEREST EXPENSES		1,444,016	1,183,496	2,720,134	2,299,086
Administrative expenses		(1,324,400)	(1,130,316)	(2,525,179)	(2,203,889)
Other (provisions) / reversals - net	23	(349,204)	960	(349,204)	960
Other charges		(2,914)	(18,874)	(3,008)	(18,989)
Total non-mark-up / interest expenses		(1,676,518)	(1,148,230)	(2,877,391)	(2,221,918)
(LOSS) / PROFIT BEFORE TAXATION		(232,502)	35,266	(157,257)	77,168
Taxation					
- Current		-	-	-	-
- Prior		-	-	-	-
- Deferred		87,006	(29,473)	61,628	(4,535)
	12 & 24	87,006	(29,473)	61,628	(4,535)
(LOSS) / PROFIT AFTER TAXATION		(145,496)	5,793	(95,629)	72,633
Earnings per share - basic		(0.05)	0.00	(0.04)	0.03
Earnings per share - diluted		(0.04)	0.00	(0.03)	0.03



The annexed notes 1 to 30 form an integral part of these condensed interim financial statements.

Atmas
President & CEO

Munawar Haamid
Chairman

Tripti
Director

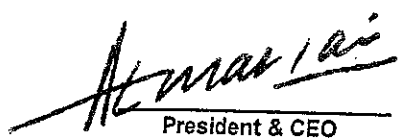
Ch
Director

SILKBANK LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME - UNAUDITED
FOR THE HALF YEAR ENDED JUNE 30, 2015

	Quarter ended		Half year ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
	Rupees in '000			
(Loss) / profit after taxation	(145,496)	5,793	(95,629)	72,633
Other comprehensive income				
Items that will not be reclassified to profit and loss				
Remeasurement of defined benefit plan	(10,996)	5,231	(10,996)	5,231
Related tax effect	3,849	(1,831)	3,849	(1,831)
	(7,147)	3,400	(7,147)	3,400
Comprehensive income transferred to equity	(152,643)	9,193	(102,776)	76,033
Components of comprehensive income not reflected in equity				
Deficit on revaluation of assets	(63,561)	(642,432)	(18,379)	(594,930)
Deferred tax asset on revaluation of assets	21,976	224,852	5,745	208,225
	(41,585)	(417,580)	(12,634)	(386,705)

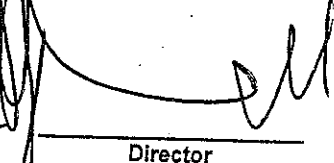
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DYA


President & CEO


Chairman


Director


Director

SILKBANK LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - UNAUDITED
FOR THE HALF YEAR ENDED JUNE 30, 2015

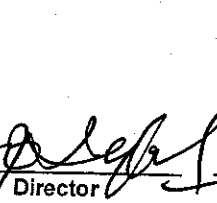
	Share capital	Discount on issue of shares	Statutory reserves	Advance against shares subscription	Convertible preference shares	Accumulated loss	Total equity
	Rupees in '000						
Balance as at January 01, 2014 - Audited	26,716,048	(13,284,674)	162,762	-	2,200,000	(9,526,849)	6,267,287
Total comprehensive income for the half year ended June 30, 2014							
Profit after tax for the half year ended June 30, 2014 - Un-audited	-	-	-	-	-	72,633	72,633
Other comprehensive income	-	-	-	-	-	3,400	3,400
Total comprehensive income for the half year ended June 30, 2014 - Un-audited	-	-	-	-	-	76,033	76,033
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of tax	-	-	-	-	-	1,860	1,860
Balance as at June 30, 2014 - Un-audited	26,716,048	(13,284,674)	162,762	-	2,200,000	(9,448,956)	6,345,180
Total comprehensive income for the half year ended December 31, 2014							
Profit after tax for the half year ended December 31, 2014 - Un-audited	-	-	-	-	-	14,227	14,227
Other comprehensive income	-	-	-	-	-	6,118	6,118
Total comprehensive income for the half year ended December 31, 2014	-	-	-	-	-	20,345	20,345
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of tax	-	-	-	-	-	1,860	1,860
Advance against shares subscription	-	-	-	2,000,000	-	-	2,000,000
Transfer to statutory reserves	-	-	17,372	-	-	(17,372)	-
Balance as at December 31, 2014 - Audited	26,716,048	(13,284,674)	180,134	2,000,000	2,200,000	(9,444,123)	8,367,385
Total comprehensive income for the half year ended June 30, 2015							
Loss after tax for the half year ended June 30, 2015 - Un-audited	-	-	-	-	-	(95,629)	(95,629)
Other comprehensive income	-	-	-	-	-	(7,147)	(7,147)
Total comprehensive income for the half year ended June 30, 2015	-	-	-	-	-	(102,776)	(102,776)
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of tax	-	-	-	-	-	775	775
Balance as at June 30, 2015 - Un-audited	26,716,048	(13,284,674)	180,134	2,000,000	2,200,000	(9,546,124)	8,265,384

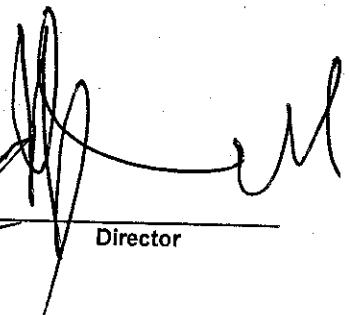
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DYA


President & CEO


Chairman


Director


Director

SILKBANK LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT - UNAUDITED
FOR THE HALF YEAR ENDED JUNE 30, 2015

Note June 30, 2015 June 30, 2014
 ----- Rupees in '000 -----

CASH FLOWS FROM OPERATING ACTIVITIES

(Loss) / profit before taxation
 Less: Dividend income

(157,257) 77,168
 (19,415) (28,646)
 (176,672) 48,522

Adjustments for non-cash items

Depreciation
 Amortization of intangible assets
 Amortization of premium on investment
 (Reversal) / provision against non-performing loans and advances - net
 General provision against consumer financing
 Provision for diminution / impairment in the value of investments
 Unrealized loss / (gain) on revaluation of investments - held for trading
 Share of profit from associate
 Other provisions / (reversals)
 Gain on sale of property and equipment

10.3
 10.3
 9.3 & 9.4
 9.1

184,756 194,895
 44,838 41,825
 26,490 (1,265)
 (236,028) 28,711
 44,512 75,235
 29,434 129,618
 2,303 (1,492)
 (8,443) (8,436)
 324,204 (960)
 (726) (1,506)
 411,340 456,425
 234,668 504,947

(Increase) / decrease in operating assets

Lendings to financial institutions
 Net investments in held-for-trading securities
 Advances
 Other assets

(1,742,054) (2,479,495)
 2,485,524 2,428,762
 380,475 (1,374,968)
 (3,147,075) (1,381,793)
 (2,023,130) (2,807,494)

Increase / (decrease) in operating liabilities

Bills payable
 Borrowings
 Deposits
 Other liabilities

624,576 (111,852)
 1,482,651 (3,613,878)
 13,779,223 9,516,046
 149,485 (81,837)
 16,035,935 5,708,479

Income tax paid

14,247,473 3,405,932
 (120,476) (69,804)
 14,126,997 3,336,128

Net cash flows from operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

Net investment in available-for-sale securities
 Dividend received
 Proceeds from sale of property and equipment
 Net investment in operating fixed assets

(13,212,386) (3,377,778)
 19,355 26,983
 27,996 30,870
 (277,823) (99,115)
 (13,442,858) (3,419,040)

Net cash flows used in investing activities

CASH FLOWS FROM FINANCING ACTIVITIES

Finance lease obligation paid

Net cash flows used in financing activities

(1,415) -
 (1,415) -
 682,724 (82,912)

Net increase / (decrease) in cash and cash equivalents

5,242,462 5,587,879

Cash and cash equivalents at beginning of the half year

Cash and cash equivalents at end of the half year

25

5,925,186 5,504,967

The annexed notes 1 to 30 form an integral part of these condensed interim financial statements.

Atmar
 President & CEO
Humayun Haund
 Chairman
Director
 Director

29. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on _____ by the Board of Directors of the Bank.

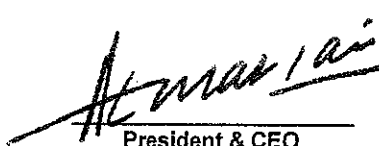
30. GENERAL

- 30.1 Corresponding figures have been rearranged and reclassified to reflect more appropriate presentation of events and transactions for the purpose of comparison, which are as follows:

Statement	Rupees in (000)	-----Reclassified-----	
		From	To
Profit and loss account	51,337	Other income	Fee, commission and brokerage

- 30.2 Figures have been rounded off to the nearest thousand rupees except stated otherwise.

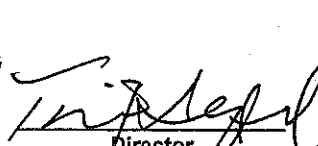
DYA



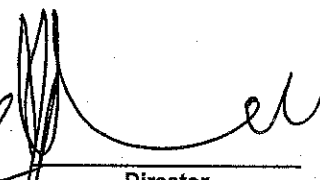
President & CEO



Chairman



Director



Director