



April 25, 2014

Ms. Lubna Farooq Malik  
Director  
Off Site Supervision & Enforcement Department  
State Bank of Pakistan  
II Chundrigar Road  
Karachi

Dear Madam,

**Financial statement of Industrial and Commercial Bank of China (the Bank)**  
**For the period end 31 March 2014**

We are writing with reference to the Section 34 and Section 36 of the Banking Companies Ordinance, 1962 requiring all banks to submit their approved quarterly financial statements to the State Bank of Pakistan within 1 month of the quarter end.

In view of the above, kindly find enclosed a copy of our unaudited quarterly report. We thank you for the continued support extended to Industrial and Commercial Bank of China Limited.

Kindly let us know if any additional information is required.

Sincerely,

Xu Keen  
CEO

Wang Xin  
General Manager Finance

Industrial and Commercial Bank of China Limited  
Pakistan Branches  
Condensed Interim Statement of Financial Position  
As at March 31, 2014

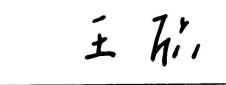
		March 31, 2014 (Un-audited)	December 31, 2013 (Audited)
	Note	(Rupees in '000)	
<b>ASSETS</b>			
Cash and balances with treasury banks		4,284,951	4,462,227
Balances with other banks		613,388	163,630
Lendings to financial institutions	5	3,751,218	3,490,017
Investments - net	6	45,951,398	47,547,395
Advances - net	7	3,053,563	3,894,413
Operating fixed assets	8	230,468	243,293
Deferred tax assets		39,373	54,325
Other assets		2,644,489	2,189,505
		<b>60,568,848</b>	<b>62,044,805</b>
<b>LIABILITIES</b>			
Bills payable		187,761	172,309
Borrowings from financial institutions	9	36,951,593	40,028,520
Deposits and other accounts	10	12,158,830	14,986,537
Sub-ordinated loans		-	-
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities		-	-
Other liabilities	11	7,499,968	3,162,092
		<b>56,798,152</b>	<b>58,349,458</b>
<b>NET ASSETS</b>		<b>3,770,696</b>	<b>3,695,347</b>
<b>REPRESENTED BY:</b>			
Head office - capital account	12	3,556,725	3,802,007
Reserves		-	-
Accumulated losses		227,525	(70,240)
		<b>3,784,250</b>	<b>3,731,767</b>
Surplus on revaluation of assets - net	13	(13,554)	(36,420)
		<b>3,770,696</b>	<b>3,695,347</b>

**CONTINGENCIES AND COMMITMENTS**

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

  
Chief Executive Officer

  
Head of Finance

Industrial and Commercial Bank of China Limited  
Pakistan Branches  
Condensed Interim Profit and Loss Account (Un-audited)  
For the quarter period ended March 31, 2014

	Quarter ended March 31, 2014	January 01 to March 31, 2014	Quarter ended March 31, 2013	January 01 to March 31, 2013
<i>Note</i>	----- (Rupees in '000) -----			
Mark-up / return / interest earned	1,228,013	1,228,013	535,818	535,818
Mark-up / return / interest expensed	(266,290)	(266,290)	(105,426)	(105,426)
Net mark-up / return / interest income	<u>961,723</u>	<u>961,723</u>	<u>430,392</u>	<u>430,392</u>
Provision against non-performing loans and advances - net	-	-	-	-
Provision for diminution in the value of investments - net	-	-	-	-
Bad debts written off directly	-	-	-	-
Net Mark-up / interest income after provisions	<u>961,723</u>	<u>961,723</u>	<u>430,392</u>	<u>430,392</u>
<b>NON MARK-UP / INTEREST INCOME</b>				
Fee, commission and brokerage income	56,880	56,880	55,094	55,094
Dividend income	-	-	-	-
(Loss) / Income from dealing in foreign currencies	(428,782)	(428,782)	(326,141)	(326,141)
Gain / (loss) on sale of securities	-	-	-	-
Unrealised gain / (loss) on revaluation of investments Classified as held-for-trading	-	-	-	-
Other income	59	59	-	-
Total non-mark-up / interest income	<u>(371,843)</u>	<u>(371,843)</u>	<u>(271,047)</u>	<u>(271,047)</u>
	589,880	589,880	159,345	159,345
<b>NON MARK-UP / INTEREST EXPENSES</b>				
Administrative expenses	(127,723)	(127,723)	(101,760)	(101,760)
Other provisions / write-offs	-	-	-	-
Other charges	-	-	-	-
Total non-mark-up / interest expenses	<u>(127,723)</u>	<u>(127,723)</u>	<u>(101,760)</u>	<u>(101,760)</u>
	462,157	462,157	57,585	57,585
Extra ordinary / unusual items	-	-	-	-
<b>(LOSS) / PROFIT BEFORE TAXATION</b>	<u>462,157</u>	<u>462,157</u>	<u>57,585</u>	<u>57,585</u>
Taxation - Current	161,755	161,755	-	-
- Prior	-	-	-	-
- Deferred	2,637	2,637	-	-
<b>(LOSS) / PROFIT AFTER TAXATION</b>	<u>297,765</u>	<u>297,765</u>	<u>57,585</u>	<u>57,585</u>

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

  
Chief Executive Officer

  
Head of Finance

**Industrial and Commercial Bank of China Limited**  
**Pakistan Branches**

**Condensed Interim Cash Flow Statement (Un-audited)**

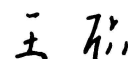
*For the nine quarter period ended March 31, 2014*

	<b>January 01 2014 to March 31, 2014</b>	January 01 2013 to March 31, 2013
	<b>(Rupees in '000)</b>	
	<i>Note</i>	
<b>Cash flows from operating activities</b>		
Profit / (loss) before taxation	462,157	57,585
Adjustments for:		
Depreciation	<u>21,109</u>	<u>20,382</u>
	<b>483,266</b>	<b>77,967</b>
<i>Decrease / (increase) in operating assets</i>		
Advances	<b>840,850</b>	(178,634)
Lending to financial institutions	<b>3,125,169</b>	(4,326,752)
Others assets	<b>(440,032)</b>	57,827
	<b>3,525,987</b>	(4,447,559)
<i>Increase / (decrease) in operating liabilities</i>		
Bills payable	<b>15,452</b>	458,508
Borrowings	<b>(14,428,637)</b>	19,132,126
Deposits and other accounts	<b>(2,827,707)</b>	3,195,174
Other liabilities	<b>4,337,876</b>	527,209
	<b>(12,903,016)</b>	23,313,017
	<b>(8,893,763)</b>	18,943,425
Income tax paid	<b>164,392</b>	-
Net cash from operating activities	<b>(8,729,371)</b>	18,943,425
<b>Cash flows from investing activities</b>		
Net investment in operating fixed assets	<b>(8,284)</b>	(2,252)
Proceeds from investments in available-for-sale securities (net)	-	-
Net investment in available for sale securities	<b>1,618,863</b>	(19,624,410)
Net cash used in investing activities	<b>1,610,579</b>	(19,626,662)
<b>Cash flows from financing activities</b>		
Remittance received from head office	-	-
Net cash generated from financing activities	-	-
Exchange adjustment on revaluation of capital	<b>(245,282)</b>	46,577
Increase in cash and cash equivalents	<b>(7,364,074)</b>	(636,660)
Cash and cash equivalents at beginning of the period	<b>2,979,827</b>	5,399,912
<b>Cash and cash equivalents at end of the period</b>	<b>(4,384,247)</b>	<b>4,763,252</b>

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



**Chief Executive Officer**



**Head of Finance**

