

		2,019	2,018
Rupees in '000			
	Amount	Amounts subject to Pre-Basel III treatment	Amount
1.3 Regulatory Adjustments and Additional Information			
1.3.1	Common Equity Tier 1 capital: Regulatory adjustments		
1	Goodwill (net of related deferred tax liability)	666,865	762,213
2	All other intangibles (net of any associated deferred tax liability)	126,420	129,279
3	Shortfall in provisions against classified assets	-	-
4	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
5	Defined-benefit pension fund net assets	-	-
6	Reciprocal cross holdings in CET1 capital instruments of banking, financial and insurance entities	68,580	26,513
7	Cash flow hedge reserve	-	-
8	Investment in own shares/ CET1 instruments	-	-
9	Securitization gain on sale	-	-
10	Capital shortfall of regulated subsidiaries	-	-
11	Deficit on account of revaluation from bank's holdings of fixed assets/ AFS	-	-
12	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above	-	-
13	Significant investments in the common stocks of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-
14	Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	2,522,859	4,611,073
15	Amount exceeding 15% threshold	-	-
16	of which: significant investments in the common stocks of financial entities	-	-
17	of which: deferred tax assets arising from temporary differences	-	-
18	National specific regulatory adjustments applied to CET1 capital	-	-
19	Investments in TFCs of other banks exceeding the prescribed limit	-	-
20	Any other deduction specified by SBP (mention details)	-	-
21	Adjustment to CET1 due to insufficient AT1 and Tier 2 to cover deductions	-	-
22	Total regulatory adjustments applied to CET1 (sum of 1 to 21)	<u>3,384,724</u>	<u>5,529,078</u>
1.3.2	Additional Tier-1 & Tier-1 Capital: regulatory adjustments		
23	Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment]	-	-
24	Investment in own AT1 capital instruments	-	-
25	Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities	-	-
26	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above	-	-
27	Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-
28	Portion of deduction applied 50:50 to Tier-1 and Tier-2 capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from additional tier-1 capital	-	-
29	Adjustments to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-
30	Total regulatory adjustment applied to AT1 capital (sum of 23 to 29)	<u>-</u>	<u>-</u>
1.3.3	Tier 2 Capital: regulatory adjustments		
31	Portion of deduction applied 50:50 to Tier-1 and Tier-2 capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-2 capital	-	-
32	Reciprocal cross holdings in Tier 2 instruments of banking, financial and insurance entities	4,989	4,989
33	Investment in own Tier 2 capital instrument	-	-
34	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above	-	-
35	Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-
35A	Unrecognized portion of Tier 2 Capital	-	108,218
36	Total regulatory adjustment applied to T2 capital (sum of 31 to 35)	<u>4,989</u>	<u>113,207</u>
1.3.4	Additional Information		
	Risk weighted assets subject to pre-Basel III treatment		
37	Risk weighted assets in respect of deduction items (which during the transitional period will be risk weighted subject to Pre-Basel III Treatment)		
(i)	of which: deferred tax assets	-	-
(ii)	of which: Defined-benefit pension fund net assets	-	-
(iii)	of which: Recognized portion of investment in capital of banking, financial and insurance entities where holding is less than 10% of the issued common share capital of the entity	-	-
(iv)	of which: Recognized portion of investment in capital of banking, financial and insurance entities where holding is more than 10% of the issued common share capital of the entity	-	-
	Amounts below the thresholds for deduction (before risk weighting)		
38	Non-significant investments in the capital of other financial entities	-	-
39	Significant investments in the common stock of financial entities	-	-
40	Deferred tax assets arising from temporary differences (net of related tax liability)	-	-
	Applicable caps on the inclusion of provisions in Tier 2		
41	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)	-	-
42	Cap on inclusion of provisions in Tier 2 under standardized approach	-	-
43	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-	-
44	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-	-

1.4 Capital structure reconciliation

	Balance sheet of the published financial statements	Under regulatory scope of consolidation
	2,019	2,019
	Rupees in '000	
Assets		
Cash and balances with treasury banks	53,414,628	53,414,628
Balances with other banks	10,310,569	10,310,569
Lendings to financial institutions	4,059,771	4,059,771
Investments - net	361,452,930	361,452,930
Advances - net	383,313,380	383,313,380
Operating fixed assets	15,218,893	15,218,893
Intangible	793,285	793,285
Deferred tax assets - net	6,567,783	6,567,783
Other assets - net	33,796,541	33,796,541
Total assets	868,927,780	868,927,780
Liabilities & Equity		
Bills payable	3,421,083	3,421,083
Borrowings	77,044,955	77,044,955
Deposits and other accounts	691,017,447	691,017,447
Sub-ordinated loan	8,794,420	8,794,420
Liabilities against assets subject to finance lease	-	-
Deferred tax liabilities - net	-	-
Other liabilities	41,967,541	41,967,541
Total liabilities	822,245,446	822,245,446
Share capital	26,173,766	26,173,766
Reserves	6,640,276	6,640,276
Accumulated losses	8,497,085	8,497,085
Minority Interest	-	-
Surplus on revaluation of assets - net of tax	5,371,207	5,371,207
Total equity	46,682,334	46,682,334
Total liabilities & equity	868,927,780	868,927,780

1.4.1 Detail of Capital structure reconciliation

	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	2,019	2,019	
	Rupees in '000		
Assets			
Cash and balances with treasury banks	53,414,628	53,414,628	
Balances with other banks	10,310,569	10,310,569	
Lending to financial institutions	4,059,771	4,059,771	
Investments	361,452,930	361,452,930	
<i>of which: Non-significant investments in the capital instruments of banking, financial and insurance entities exceeding 10% threshold</i>	-	-	a
<i>of which: significant investments in the capital instruments issued by banking, financial and insurance entities exceeding regulatory threshold</i>	-	-	b
<i>of which: Mutual Funds exceeding regulatory threshold</i>	-	-	c
<i>of which: reciprocal crossholding of capital instrument (separate for CET1, AT1, T2)</i>	68,580	68,580	d
<i>of which: others (mention details)</i>	-	-	e
Advances	383,313,380	383,313,380	
<i>shortfall in provisions/ excess of total EL amount over eligible provisions under IRB</i>	-	-	f
<i>general provisions reflected in Tier 2 capital</i>	-	-	g
Fixed Assets	15,218,893	15,218,893	
Intangible Assets	793,285	793,287	
Deferred Tax Assets	6,567,783	6,567,783	
<i>of which: DTAs that rely on future profitability excluding those arising from temporary differences</i>	-	-	h
<i>of which: DTAs arising from temporary differences exceeding regulatory threshold</i>	2,522,860	2,522,860	i
Other assets	33,796,541	33,796,541	
<i>of which: Goodwill</i>	-	-	j
<i>of which: Intangibles</i>	-	-	k
<i>of which: Defined-benefit pension fund net assets</i>	-	-	l
Total assets	868,927,780	868,927,782	
Liabilities & Equity			
Bills payable	3,421,083	3,421,083	
Borrowings	77,044,955	77,044,955	
Deposits and other accounts	691,017,447	691,017,447	
Sub-ordinated loans	8,794,420	8,794,420	
<i>of which: eligible for inclusion in AT1</i>	-	-	m
<i>of which: eligible for inclusion in Tier 2</i>	7,194,420	7,194,420	n
Liabilities against assets subject to finance lease	-	-	
Deferred tax liabilities	-	-	
<i>of which: DTLs related to goodwill</i>	-	-	o
<i>of which: DTLs related to intangible assets</i>	-	-	p
<i>of which: DTLs related to defined pension fund net assets</i>	-	-	q
<i>of which: other deferred tax liabilities</i>	-	-	r
Other liabilities	41,967,541	41,967,541	
Total liabilities	822,245,446	822,245,446	

THE BANK OF PUNJAB



	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	2,019	2,019	
Rupees in '000			
Share capital	26,173,766	26,173,766	
<i>of which: amount eligible for CET1</i>	-	-	s
<i>of which: amount eligible for AT1</i>	-	-	t
Reserves	6,640,276	6,640,276	
<i>of which: portion eligible for inclusion in CET1(provide breakup)</i>	-	-	u
<i>of which: portion eligible for inclusion in Tier 2</i>	-	-	v
Unappropriated profit/ (losses)	8,497,085	8,497,085	w
Minority Interest	-	-	
<i>of which: portion eligible for inclusion in CET1</i>	-	-	x
<i>of which: portion eligible for inclusion in AT1</i>	-	-	y
<i>of which: portion eligible for inclusion in Tier 2</i>	-	-	z
Surplus on revaluation of assets	5,371,207	5,371,207	
<i>of which: Revaluation reserves on Fixed Assets</i>	1,913,503	1,913,503	aa
<i>of which: Unrealized Gains/Losses on AFS</i>	2,226,912	2,226,912	ab
<i>In case of Deficit on revaluation (deduction from CET1)</i>	-	-	
Total liabilities & Equity	868,927,780	868,927,780	

Common Equity Tier 1 capital (CET1): Instruments and reserves

1 Fully paid-up capital/ capital deposited with SBP	26,173,766	
2 Balance in share premium account, share deposit money and discount on issue of shares	2,215,040	(s)
3 Reserve for issue of bonus shares		
4 General/ Statutory reserves	4,425,236	(u)
5 Gain/(Losses) on derivatives held as Cash Flow Hedge		
6 Accumulated losses	8,497,085	(w)
7 Minority Interests arising from CET1 capital instruments issued to third parties by consolidated bank subsidiaries (amount allowed in CET1 capital of the consolidation group)	-	(x)
8 CET 1 before Regulatory Adjustments	41,311,127	
Common Equity Tier 1 capital: Regulatory adjustments		
9 Goodwill (net of related deferred tax liability)	666,865	(j) - (o)
10 All other intangibles (net of any associated deferred tax liability)	126,420	(k) - (p)
11 Shortfall of provisions against classified assets	-	(f)
12 Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	{{(h) - (r)} * x%
13 Defined-benefit pension fund net assets		{{(l) - (q)} * x%
14 Reciprocal cross holdings in CET1 capital instruments	68,580	(d)
15 Cash flow hedge reserve	-	
16 Investment in own shares/ CET1 instruments	-	
17 Securitization gain on sale	-	
18 Capital shortfall of regulated subsidiaries	-	
19 Deficit on account of revaluation from bank's holdings of fixed assets/ AFS	-	(ab)

	Component of regulatory capital reported by bank	Source based on reference number from step 2
	2,019	
	Rupees in '000	
20 Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	(a) - (ac) - (ae)
21 Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	(b) - (ad) - (af)
22 Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	2,522,860	(i)
23 Amount exceeding 15% threshold	-	
24 of which: significant investments in the common stocks of financial entities	-	
25 of which: deferred tax assets arising from temporary differences	-	
26 National specific regulatory adjustments applied to CET1 capital	-	
27 of which: Investment in TFCs of other banks exceeding the prescribed limit	-	
28 of which: Any other deduction specified by SBP (mention details)	-	
29 Regulatory adjustment applied to CET1 due to insufficient AT1 and Tier 2 to cover deductions	-	
30 Total regulatory adjustments applied to CET1 (sum of 9 to 29)	3,384,724	
31 Common Equity Tier 1	37,926,403	
Additional Tier 1 (AT 1) Capital		
32 Qualifying Additional Tier-1 instruments plus any related share premium	-	(t)
33 of which: Classified as equity	-	(m)
34 of which: Classified as liabilities	-	
35 Additional Tier-1 capital instruments issued by consolidated subsidiaries and held by third parties (amount allowed in group AT 1)	-	(y)
36 of which: instrument issued by subsidiaries subject to phase out	-	
37 AT1 before regulatory adjustments		
Additional Tier 1 Capital: regulatory adjustments		
38 Investment in mutual funds exceeding the prescribed limit (SBP specific adjustment)	-	
39 Investment in own AT1 capital instruments	-	
40 Reciprocal cross holdings in Additional Tier 1 capital instruments	-	
41 Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	(ac)
42 Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	(ad)
43 Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-1 capital	-	

	Component of regulatory capital reported by bank	Source based on reference number from step 2
	2,019	
	Rupees in '000	
44 Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	
45 Total of Regulatory Adjustment applied to AT1 capital (sum of 38 to 44)	-	
46 Additional Tier 1 capital		
47 Additional Tier 1 capital recognized for capital adequacy	-	
48 Tier 1 Capital (CET1 + admissible AT1) (31+47)	37,926,403	
Tier 2 Capital		
49 Qualifying Tier 2 capital instruments under Basel III plus any related share premium	7,194,420	
50 Capital instruments subject to phase out arrangement from tier 2 (Pre-Basel III instruments)	-	(n)
51 Tier 2 capital instruments issued to third party by consolidated subsidiaries (amount allowed in group tier 2)	-	(z)
52 of which: instruments issued by subsidiaries subject to phase out	-	
53 General Provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets	412,641	(g)
54 Revaluation Reserves	4,140,415	
55 of which: Revaluation reserves on fixed assets	1,913,503	
56 of which: Unrealized Gains/Losses on AFS	2,226,912	portion of (aa)
57 Foreign Exchange Translation Reserves	-	(v)
58 Undisclosed/Other Reserves (if any)	-	
59 T2 before regulatory adjustments	11,742,487	
Tier 2 Capital: regulatory adjustments		
60 Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-2 capital	-	
61 Reciprocal cross holdings in Tier 2 instruments	4,989	
62 Investment in own Tier 2 capital instrument	-	
63 Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	(ae)
64 Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	(af)
65 Amount of Regulatory Adjustment applied to T2 capital (sum of 60 to 64)	-	
66 Tier 2 capital (T2)	-	
67 Tier 2 capital recognized for capital adequacy	-	
68 Excess Additional Tier 1 capital recognized in Tier 2 capital	-	
69 Total Tier 2 capital admissible for capital adequacy	11,742,487	
70 TOTAL CAPITAL (T1 + admissible T2) (48+69)	49,668,890	

1.5 Main features template of regulatory capital instruments

Sr. No.	Main Features	Common Shares	Sub-ordinated Loan-Government	Sub-ordinated Loan-Privately Placed Term Finance Certificates	Sub-ordinated Loan- Privately Placed Term Finance Certificates
1	Issuer	The Bank of Punjab	The Bank of Punjab	The Bank of Punjab	The Bank of Punjab
2	Unique identifier (eg KSE Symbol or Bloomberg identifier etc.)	BOP	BOP	BOP- PPTFCs I	BOP- PPTFCs II
3	Governing law(s) of the instrument	Capital Market Law	Relevant rules and	Relevant rules and	Relevant rules and regulations
Regulatory treatment					
4	Transitional Basel III rules	Common equity Tier 1	Tier 2 Capital Instruments	Tier 2 Capital Instruments	Tier 2 Capital Instruments
5	Post-transitional Basel III rules	Common equity Tier 1	Tier 2 Capital Instruments	Tier 2 Capital Instruments	Tier 2 Capital Instruments
6	Eligible at solo/ group/ group & solo	Standalone and group	Standalone and group	Standalone and group	Standalone and group
7	Instrument type	Common shares	Debt	Debt	Debt
8	Amount recognized in regulatory capital (Currency in PKR thousands, as of reporting date)	26,436,924	800,000	2,498,000	4,299,140
9	Par value of instrument	PKR 10	Not applicable	PKR 100,000	PKR 100,000
10	Accounting classification	Shareholder equity	Sub-ordinated Loan	Privately Placed Term	Privately Placed Term Finance
11	Original date of issuance	1990	2014	2016	2018
12	Perpetual or dated	Perpetual	Dated	Dated	Dated
13	Original maturity date	No maturity	07 years from date of	10 years from date of	10 years from date of disbursement
14	Issuer call subject to prior supervisory approval	No	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	Not applicable	After 5 years	After 5 years	After 5 years
16	Subsequent call dates, if applicable	Not applicable	Not applicable	Not applicable	Not applicable
Coupons / dividends					
17	Fixed or floating dividend/ coupon	Not applicable	Floating	Floating	Floating
18	Coupon rate and any related index/ benchmark	Not applicable	Average SBP discount rate	6 months ask side KIBOR plus 100 bps	6 months ask side KIBOR plus 125 bps
19	Existence of a dividend / coupon stopper	No	Yes	Yes	Yes
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No
22	Noncumulative or cumulative	Not applicable	No	No	No
23	Convertible or non-convertible	Non-convertible	May be converted subject to consent of parties and necessary regulatory approvals.	May be converted on discretion of SBP upon occurrence of a point of non-viability ("PONV") event as defined in the Basel III guidelines.	May be converted on discretion of SBP upon occurrence of a point of non-viability ("PONV") event as defined in the Basel III guidelines.
24	If convertible, conversion trigger (s)	Not applicable	At the option of issuer after 05 years	Upon occurrence of a point of	Upon occurrence of a point of non-viability ("PONV") event
25	If convertible, fully or partially	Not applicable	Fully	Fully or Partially	Fully or Partially
26	If convertible, conversion rate	Not applicable	Rs. 15 per share	Market value of shares at the date of trigger of PONV as declared by the SBP	Market value of shares at the date of trigger of PONV as declared by the SBP
27	If convertible, mandatory or optional conversion	Not applicable	Optional	Optional	Optional
28	If convertible, specify instrument type convertible into	Not applicable	Ordinary shares	Ordinary shares	Ordinary shares
29	If convertible, specify issuer of instrument it converts into	Not applicable	BOP common shares	BOP common shares	BOP common shares
30	Write-down feature	Not applicable	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	Not applicable	Not applicable	Not applicable	Not applicable
32	If write-down, full or partial	Not applicable	Not applicable	Not applicable	Not applicable
33	If write-down, permanent or temporary	Not applicable	Permanent	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	Not applicable	Not applicable	Not applicable	Not applicable
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Not applicable	Ranked inferior to all other debts of the Bank including	Ranked inferior to all other debts of the Bank including	Ranked inferior to all other debts of the Bank including deposits
36	Non-compliant transitioned features	No	No	No	No
37	If yes, specify non-compliant features	Not applicable	Not applicable	Not applicable	Not applicable

1.6 Risk Weighted Assets

The capital requirements for the banking group as per the major risk categories should be indicated in the manner given below:-

	Capital Requirements		Risk Weighted Assets	
	2,019	2,018	2,019	2,018
Rupees in '000				
Credit Risk				
On-Balance sheet				
<u>Portfolios subject to standardized approach (Comprehensive)</u>				
Cash & cash equivalents	-	-	-	-
Sovereign	17,117	4,322	136,933	36,318
Public Sector entities	606,329	418,273	4,850,633	3,514,895
Banks	674,556	570,964	5,396,447	4,798,015
Corporate	19,354,464	17,156,936	154,835,711	144,175,930
Retail	3,188,180	3,969,247	25,505,439	33,355,018
Residential Mortgages	200,640	133,399	1,605,121	1,121,001
Past Due loans	878,925	609,670	7,031,399	5,123,278
Deffered Tax Assets	1,264,039	997,874	10,112,315	8,385,493
Operating Fixed Assets	1,902,362	1,045,763	15,218,892	8,787,927
Significant Inv (250%) Punjab Mod	-	10,040	-	84,368
Other assets	4,144,993	3,023,768	33,159,941	25,409,819
	32,231,604	27,940,255	257,852,831	234,792,061
Off-Balance sheet				
Non-market related				
Financial guarantees, acceptances, performance related	3,490,855	2,376,655	27,926,843	19,971,893
Market related				
Foreign Exchange contracts/ derivatives etc.	40,473	17,098	323,782	143,681
	3,531,328	2,393,753	28,250,625	20,115,574
Equity Exposure Risk in the Banking Book				
Under simple risk weight method				
Listed, Unlisted	43,011	40,981	344,086	344,378
Under Internal models approach				
	43,011	40,981	344,086	344,378
Market Risk				
<u>Capital Requirement for portfolios subject to Standardized Approach</u>				
Interest rate risk	14,057	11,107	175,713	138,838
Equity position risk	235,067	162,035	2,938,338	2,025,429
Foreign Exchange risk	21,423	13,673	267,788	170,913
	270,547	186,815	3,381,838	2,335,179
<u>Capital Requirement for portfolios subject to Basic Indicator Approach</u>				
Operational Risk				
<u>Capital Requirement for operational risks</u>	3,657,000	2,872,607	45,712,499	35,907,591
Total	39,733,490	33,434,412	335,541,879	293,494,783
Capital Adequacy Ratios				
	2,019	2,019	2,018	2,018
	Required	Actual	Required	Actual
CET1 to total RWA	6.00%	11.30%	6.00%	9.86%
Tier-1 capital to total RWA	7.50%	11.30%	7.50%	9.86%
Total capital to total RWA	12.50%	14.80%	11.900%	13.17%

2. Leverage Ratio

The State Bank of Pakistan (SBP) through its BPRD Circular No. 06 of 2013 has issued instructions regarding implementation of parallel run of leverage ratio reporting and its components from December 31, 2013 to December 31, 2017. During this period the final calibration, and any further adjustments to the definition, will be completed, with a view to set the leverage ratio as a separate capital standard on December 31, 2018. Banks are required to disclose the leverage from Dec 31, 2015

The Basel III leverage ratio is defined as the capital measure (the numerator) divided by the exposure measure (the denominator), with this ratio expressed as a percentage:

Leverage Ratio = Tier 1 capital (after related deductions) / Total Exposure

As at December 31, 2019 the Bank's Leverage ratio stood at 3.57% which is well above the minimum requirement of 3.0%

On Balance sheer Assets	2019	2018
	Rs in '000'	
Cash and balances with treasury banks	53,414,628	43,589,007
Balances with other banks	10,310,569	5,802,313
Lendings to financial institutions	4,059,771	27,843,153
Investments - net	361,452,929	210,044,966
Advances - net	383,313,380	381,877,258
Operating fixed assets	15,218,892	9,679,419
Deferred tax assets - net	4,044,926	3,354,197
Financial Derivatives (A.1)	44,756,791	22,174,434
Other assets - net	33,796,541	27,551,697
Total Assets	910,368,427	731,916,444
A.1 Derivatives (On Balance sheet)		
Interest Rate	-	-
Equity	-	-
Foreign Exchange and Gold	44,756,791	22,174,434
Precious Metal (except gold)	-	-
Commodities	-	-
Credit Derivatives (protection bought & sold)	-	-
Any other derivatives	-	-
B. Off-Balance Sheet Items excluding derivatives		
Direct Credit Substitutes	18,399,059	17,317,774
Performance-related Contingent Liabilities (i.e. Guarantees)	39,276,963	35,400,007
Trade-related Contingent Liabilities (i.e. Letter of Credits)	60,718,682	44,307,696
Lending of securities or posting of securities as collaterals		
Undrawn committed facilities (which are not cancellable)	23,449,998	14,675,323
Unconditionally cancellable commitments	10,430,299	7,664,392
Commitments in respect of operating leases		
Commitments for the acquisition of operating fixed assets		218,386
Other commitments	56,782	
Total Off-Balance Sheet Items excluding Derivatives (B)	152,331,783	119,583,578
C. Commitments in respect of Derivatives - Off Balance Sheet Items		
(Derivatives having negative fair value are also included)		
Interest Rate		
Equity		
Foreign Exchange & gold	476,003	406,934
Precious Metals (except gold)		
Commodities		
Credit Derivatives (protection sold and bought)		
Other derivatives		
Total Derivatives (C)	476,003	406,934
Tier-1 Capital	37,926,403	28,930,901
Total Exposures (sum of A,B and C)	1,063,176,213	851,906,956
Leverage Ratio	3.57%	3.40%

3) Liquidity Coverage Ratio Disclosure

Dec 31, 2019

<i>(in local currency)</i>		TOTAL UNWEIGHTED ^a	TOTAL WEIGHTED ^b VALUE (average)
HIGH QUALITY LIQUID ASSETS			
1	Total high quality liquid assets (HQLA)		346,077,837
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers of which:		
2.1	stable deposit		
2.2	Less stable deposit	93,342,000	9,334,200
3	Unsecured wholesale funding of which:		
3.1	Operational deposits (all counterparties)		
3.2	Non-operational deposits (all counterparties)	638,941,133	269,993,535
3.3	Unsecured debt		
4	Secured wholesale funding		-
5	Additional requirements of which:		
5.1	Outflows related to derivative exposures and other collateral requirements		
5.2	Outflows related to loss of funding on debt products		
5.3	Credit and Liquidity facilities	104,302,991	10,350,744
6	Other contractual funding obligations	14,942,582	14,942,582
7	Other contingent funding obligations	121,308,048	5,919,735
8	TOTAL CASH OUTFLOWS		310,540,796
CASH INFLOWS			
9	Secured lending	1,150,000	1,150,000
10	Inflows from fully performing exposures	-	15,878,918
11	Other Cash inflows	-	-
12	TOTAL CASH INFLOWS	1,150,000	17,028,918
TOTAL ADJUSTED VALUE			
21	TOTAL HQLA		346,077,837
22	TOTAL NET CASH OUTFLOWS (after CAP)		293,511,879
23	LIQUIDITY COVERAGE RATIO		117.91%

a Unweighted values are calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows)

b Weighted values are calculated after the application of respective haircuts (for HQLA) or inflow and outflow rates (for inflows and outflows)

c Adjusted values are calculated after the application of both (i) haircuts and inflow and outflow rates and (ii) any applicable caps (ie cap on level 2B and level 2 assets for HQLA and cap on inflows)

4. Net Stable Funding Ratio Disclosure

(All amounts in PKR thousands)

(Amount in PKR in thousands)		Total Unweighted Value	weighted value
Available Stable Funding (ASF)			
1	Capital:		
2	Regulatory capital	41,311,130	41,311,130
3	Other capital instruments	7,194,420	7,194,420
4	Retail deposits and deposit from small business customers:		
5	Stable deposits		
6	Less stable deposits	151,839,000	136,655,100
7	Wholesale funding:		
8	Operational deposits		
9	Other wholesale funding	516,564,000	258,282,000
10	Borrowing and Liabilities with effective residual maturity => one year	22,310,751	22,310,751
11	Other liabilities:		
12	NSFR derivative liabilities		
13	Other Liabilities with residual maturity => 6 months to <1 year including funded provided by Central Banks and Fis	17,299,000	8,649,500
14	Any Other Liabilities	112,409,482	-
15	Total ASF	868,927,783	474,402,901
Required Stable Funding (RSF)			
16	Total NSFR high-quality liquid assets (HQLA)	334,706,824	-
17	Deposits held at other financial institutions for operational purposes	10,310,569	5,155,284
18	Performing loans and securities:		
19	Performing loans to financial institutions secured by Level 1 HQLA	564,772	56,477
20	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions		
21	Level 2 B HQLA- Unencumbered Securities	3,250,000	1,625,000
22	Loans to Financial Institutions (Other than SBP) Maturity 6=> months to <=1 year	3,095,000	1,547,500
23	All other Assets not included in above categories with residual maturity <1 year	32,734,174	16,367,087
24	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:		
25	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for	79,589,000	51,732,850
26	With a risk weight of greater than 35% under the Basel II Standardized Approach for credit risk	298,023,000	253,319,550
27	Securities that are not in default and do not qualify as HQLA including exchange-traded equities.	3,554,000	3,020,900
28	Held Till Maturity with residual maturity => than 1 year	59,761,999	59,761,999
29	Other assets:		
30	Physical traded commodities, including gold		
31	Assets posted as initial margin for derivative contracts		
32	NSFR derivative assets		
33	NSFR derivative liabilities before deduction of variation margin posted		
34	All other assets not included in the above categories	43,338,445	43,338,445
35	Total On Balance sheet RSF	868,927,783	435,925,092
36	Off-balance sheet items	121,308,048	6,065,402
37	Total RSF		441,990,495
38	Net Stable Funding Ratio (%)		107.33%