

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

Dear Sir,

FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2017

We have to inform you that the Board of Directors of National Bank of Pakistan in its meeting **held on Tuesday the February 20, 2018 at 9:00 A.M.** deliberated at length whether or not cash dividend and / or bonus shares should be recommended. However, the likely impact of pension case, despite some positive signals, still remains a cause of concern. The first priority of BoD is to maintain continuity of Bank's business which is very much dependent on the capital base of the Bank. The BoD is conscious of the fact that the shareholders look forward to receiving dividend. However, eventually it was considered more prudent to retain the profits for the time being and once the position becomes clearer and positive, the Bank may consider declaration of dividend at a later stage. Accordingly the BoD does not recommend any dividend for the year 2017.

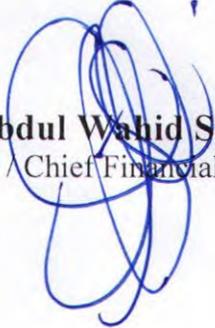
The financial results of the Bank are enclosed.

The Annual General Meeting of the Bank will be held on **Thursday the 29th March, 2018 at 9:15 A.M at Karachi** as already informed vide letter No. HO:SBoD /133 dated 10-01-2018.

The Share Transfer Books of the Bank will remain closed from **March 22, 2018 to March 29, 2018 (both days inclusive)**. Transfers received at the office of the Bank's Shares Registrar, Messrs CDC of Pakistan Ltd., CDC House 99-B, Block "B" SMCHS, Main Shahrah-e- Faisal, Karachi, at the close of business on **March 21, 2018**, will be treated in time for the purpose of Annual General Meeting.

We will be sending 200 copies of printed Accounts for distribution amongst the TRE Certificate Holders of the Exchange 21 days before the date of AGM.

Yours sincerely,


(Abdul Wahid Sethi)
SEVP / Chief Financial Officer


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

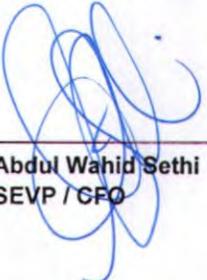
NATIONAL BANK OF PAKISTAN
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2017

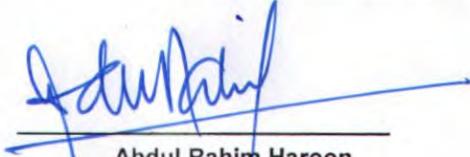
	2017	2016
	Rupees in '000	
Mark-up / return / interest earned	123,415,023	115,028,828
Mark-up / return / interest expensed	68,810,743	59,594,350
Net mark-up / interest income	54,604,280	55,434,478
Provision against non-performing advances - net	1,244,608	707,870
Reversal of provision for diminution in the value of investments - net	(2,576,910)	(1,676,066)
Bad debts written off directly	-	-
Provision against off balance sheet obligations	-	-
	(1,332,302)	(968,196)
Net mark-up / interest income after provisions	55,936,582	56,402,674
NON MARK-UP / INTEREST INCOME		
Fee, commission and brokerage income	18,403,001	15,908,884
Dividend income	3,531,391	2,797,675
Income from dealing in foreign currencies	2,417,473	2,314,852
Gain on sale and redemption of securities - net	6,507,225	8,525,471
Unrealized gain / (loss) on revaluation of investments classified as held-for-trading	10,317	(67,457)
Share of profit from joint venture - net of tax	1,709	319,422
Share of loss from associates - net of tax	(512,422)	(333,276)
Other income	1,756,537	1,566,568
Total non-markup / interest income	32,115,231	31,032,139
	88,051,813	87,434,813
NON MARK-UP / INTEREST EXPENSES		
Administrative expenses	49,735,202	48,432,410
Other provisions / write offs	1,867,034	1,098,216
Other charges	306,057	309,450
Total non-markup / interest expenses	51,908,293	49,840,076
	36,143,520	37,594,737
Extra ordinary / unusual items	-	-
PROFIT BEFORE TAXATION	36,143,520	37,594,737
Taxation – Current	8,676,731	9,686,755
– Prior year(s)	271,652	1,344,024
– Deferred	3,849,275	3,476,698
	12,797,658	14,507,477
PROFIT AFTER TAXATION	23,345,862	23,087,260
Attributable to:		
Shareholders of the bank	23,180,529	23,039,550
Non-controlling interest	165,333	47,710
	23,345,862	23,087,260

..... Rupees

Basic and diluted earnings per share

10.90 10.83


Abdul Wahid Sethi
SEVP / CFO


Abdul Rahim Haroon
Executive Vice President

NATIONAL BANK OF PAKISTAN
UNCONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2017

	2017	2016
Rupees in '000		
Mark-up / return / interest earned	123,072,600	114,402,671
Mark-up / return / interest expensed	<u>68,819,721</u>	<u>59,578,235</u>
Net mark-up / interest income	54,252,879	54,824,436
Provision against non-performing advances - net	1,068,269	685,057
Reversal of provision for diminution in the value of investments - net	(1,743,534)	(1,386,314)
Bad debts written off directly	-	-
Provision against off balance sheet obligations	-	-
	<u>(675,265)</u>	<u>(701,257)</u>
Net mark-up / interest income after provisions	54,928,144	55,525,693
NON MARK-UP / INTEREST INCOME		
Fee, commission and brokerage income	16,774,473	14,833,449
Dividend income	3,820,934	2,998,821
Income from dealing in foreign currencies	2,251,341	2,179,289
Gain on sale and redemption of securities - net	6,493,427	8,473,391
Unrealized loss on revaluation of investments classified as held-for-trading	(13,829)	(67,457)
Other income	1,739,524	1,549,113
Total non mark-up / interest income	<u>31,065,870</u>	<u>29,966,606</u>
	85,994,014	85,492,299
NON MARK-UP / INTEREST EXPENSES		
Administrative expenses	48,224,847	46,943,418
Other provisions / write offs	1,867,209	1,098,582
Other charges	302,690	309,084
Total non mark-up / interest expenses	<u>50,394,746</u>	<u>48,351,084</u>
	35,599,268	37,141,215
Extra ordinary / unusual items	-	-
PROFIT BEFORE TAXATION	35,599,268	37,141,215
Taxation - Current	8,455,056	9,540,915
- Prior year(s)	271,678	1,343,826
- Deferred	3,844,547	3,504,189
	<u>12,571,281</u>	<u>14,388,930</u>
PROFIT AFTER TAXATION	<u>23,027,987</u>	<u>22,752,285</u>

----- Rupees -----

Basic and diluted earnings per share

10.82

10.69

Abdul Wahid Sethi
SEVP / CFO

Abdul Rahim Haroon
Executive Vice President