

Quarterly Accounts
(Un-Audited)
September 2007



TRUST INVESTMENT BANK LIMITED
(Formerly Trust Leasing & Investment Bank Limited)

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Asif Kamal	–	Chairman
Mr. Ali Aslam Malik	–	Director
Mr. Zahid Rafique	–	Director
Mr. Humayun Nabi Jan	–	Director
Mr. Shafiq A. Khan	–	Director
Mr. Hamesh Khan	–	Director
Mr. Javaid Bashir Sheikh	–	Chief Executive Officer

AUDIT COMMITTEE

Mr. Humayun Nabi Jan - Chairman
Mr. Asif Kamal
Mr. Ali Aslam Malik

CHIEF FINANCIAL OFFICER

Mr. Imran Hameed

COMPANY SECRETARY

Mr. Mudassar Kaiser Pal

AUDITORS

KPMG Taseer Hadi & Co.
Chartered Accountants

LEGAL ADVISOR

Nawaz Kasuri & Rashdeen
Law Chambers

BANKERS TO THE COMPANY

The Bank of Punjab
Habib Bank Limited
National Bank of Pakistan
Faysal Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Al-Barka Islamic Bank Limited
Allied Bank Limited
Soneri Bank Limited
Askari Bank Limited
Bank Al Habib Limited

REGISTRARS

Vision Consulting Limited
1st Floor, 3-C, LDA Flats,
Lawrence Road, Lahore.
Tel: 042-6375531, 6375339
Fax: 042-6374839

REGISTERED & HEAD OFFICE

23-D/1-A, Gulberg - III, Lahore.

Tel: (042) 2404714-19

Fax: (042) 2404720

E. mail: info@trustbank.com.pk

Website: www.trustbank.com.pk

BRANCH NETWORK

Main Branch

35-A/II, Aziz Avenue, Canal Bank,
Lahore. Ph: 042-5710988, 5875412-13
Fax: 042-5713453

Jail Road, Lahore Branch

M-I, First Floor, Khaleej Tower,
38/A, Jail Road, Lahore
Ph: 042-7584385

Faisal Town, Lahore Branch

753/C, Adjacent Ravi Restaurant,
Faisal Town, Lahore
Ph: 042-5178893

Defence Housing Authority, Lahore Branch

1st Floor, 4-S, DHA,
Lahore Cantt.
Ph: 042-5748029, 5707011 Fax: 5707012

Multan Road, Lahore Branch

Office # 101, 1st Floor, Ghulam Plaza,
Opp. Grand Battery,
Multan Road, Lahore

Gujrat Branch

Ground Floor, Kashmir Plaza,
Ram Talai Road, Gujrat
Ph: 0533-510223, Fax: 0533-535819

Gujranwala Branch

Data Plaza, G. T. Road, Opp.
Trust Plaza, Gujranwala
Ph: 0553-733617, Fax: 0553-733618

Sargodha Branch

60/ A, Railway Road, Civil Lines
(Opp. Solo Hotel), Sargodha
Ph: 0483-213836

Islamabad Branch

Ground Floor, Kashmir Commercial Complex,
54-E, Fazal-e-Haq Road, Blue Area, Islamabad
Ph: 051-2271544, 051-2272330

Mandi Baha-ud-Din Branch

Al Ghani Plaza, Jail Road,
Mandi Baha-ud-Din
Ph: 0546-509568

Multan Branch

1733/B-Ground Floor, LMQ Road
(Central Chungi 8-9 High Way), Multan
Ph: 061-6222008

Karachi Branch

Office # 1006, 10th Floor, Saima Trade
Tower-B, I. I. Chundrigar Road, Karachi
Ph: 021-2272198, 2275002-3
Fax: 021-2272199

Rawalpindi Branch

49/62-Uni Building, 1st Floor,
Bank Road, Rawalpindi Cantt.
Ph: 051-5810149

Sialkot Branch

Kashmir Road,
Near Meezan Bank, Sialkot
Ph: 052-4298350

Jhelum Branch

24-Civil Lines, Near Imam Bargah,
Jhelum Ph: 0544-625961
Fax: 0544- 625972

Peshawar Branch

Commercial Building, Jehangirabad,
University Road, Peshawar.
Ph: 091-5701484 Fax: 091-5846302

Faisalabad Branch

Ground Floor, Saeed Arcade,
721 Batala Colony, Faisalabad
Ph: 041-8737542, Fax: 041-8737431

DIRECTORS' REPORT

We are pleased to present the quarterly accounts of your Bank for the quarter ended September 30, 2007 (Un-audited).

OPERATING RESULTS

The financial results for the said quarter are as follows:

	September 2007	September 2006
	(Rupees in Million)	
Revenue	182	181
Operating Expenses	48	30
Financial Expenses	123	104
Profit before tax	17	56
Profit after Tax	16	55
Earning per Share (Rs.)	0.33	1.17

REVIEW OF OPERATIONS

New management has completed the reorganization phase of your bank. The impact of these achievements on revenue will be evident in the coming quarters.

Due to political uncertainty, overall business activities of the country have been effected specifically stock markets have lately showed wavered response. Leasing business growth though equal to previous levels but is not at desired or expected level. The spreads remained under pressure due to increase in overall interest rates and stiff competition in financial markets.

During the quarter ended September 30, 2007, contribution of lease income towards revenues remained unchanged, whereas contribution from other avenues, which have previously offset any decrease in lease income were also hit by the political turmoil in the country. Stock exchange index hits it recent low in August 2007 and significant changes in market dynamics have drastically lowered the returns on CFS as compared to last year. These factors have resulted in lower Operating Profit for the quarter as compared to corresponding period.

Administrative expenses increased due to development of infrastructure essential for future business growth like information technology, renovation of existing branches, relocation of certain branches to new business locations to tap more business, relocation of two new additional branches, and shifting of Head Office to a better location for good business prospects and to accommodate additional staff.

Pakistan Credit Rating Agency Limited (PACRA) maintained the entity ratings of AA- (double A minus) for long term and A1+(A one plus) for short term. PACRA also maintained instrument rating of AA (double A) of listed term finance certificates of the Bank. These ratings indicate high credit quality and strong capacity of the Bank for timely repayment of its obligations.

FUTURE OUT LOOK

General elections will be held in the coming period. If the incoming government continues the same fiscal and economical policies, the economy has strong potential to keep itself on the path of accelerated growth. The positive economic growth of the country will be omen for small financial institutions. With the reorganized branch network, leasing business of your Bank will be increased up to the desired level.

Reorganized Equity Brokerage Services Division has shown lot of progress during the period and is expected to continue to contribute more towards the profitability of the Bank. Now with the expanded brokerage operations in other cities i.e. Faisalabad and Islamabad, brokerage division is poised to become a choice brokerage house for corporate as well as individual stock market investors.

As highlighted in the annual accounts that Real Estate Advisory Management (REAM) Department has established and a number of projects have been identified and are under the preliminary appraisal process. With this envisaged diversification in place the future prospects of your Bank are bright. The Investment Banking division of the Bank is now fully functional offering a range of investment banking services in addition to customized solution to customer needs, which would add to the profitability of the Bank. Trusteeship and financial arrangements with some reputable companies have been obtained.

The Board wishes to place on record its appreciation for the guidance, support extended by the regulatory authorities. We also take this opportunity to appreciate the commitment, dedication and hard working put in by the management and staff members of the Bank.

For and on Behalf of the Board

Javaid B. Sheikh
Chief Executive Officer

Balance Sheet (Un-Audited)

As at 30 September 2007

		September 2007 (Un-Audited) Rupees	June 2007 (Audited) Rupees
Non-Current Assets	<i>Note</i>		
Fixed assets			
Property and equipment	4	90,789,835	108,061,123
Intangible asset	4	30,931,818	30,955,585
		121,721,653	139,016,708
Net investment in lease finance	5	3,097,276,717	3,017,606,748
Long term finances	6	116,404,913	42,912,864
Long term investments		70,527,614	527,614
Long term deposits		3,835,828	3,965,828
Long term advances		52,923,542	38,025,000
		3,340,968,614	3,103,038,054
		3,462,690,267	3,242,054,762
Current Assets			
Current maturities of non-current assets	7	1,059,743,580	972,804,725
Short term finances	8	67,558,554	39,190,979
Short term placements	9	903,104,678	633,577,736
Short term investments		881,804,776	770,405,616
Taxation - net		27,646,870	27,529,228
Markup accrued		18,751,915	17,544,269
Advances, prepayments and other receivables	10	709,171,278	539,624,140
Cash and bank balances	11	35,128,252	200,947,091
		3,702,909,903	3,201,623,784
		7,165,600,170	6,443,678,546
Equity and Liabilities			
Share capital		468,422,983	468,422,983
Reserves		563,208,881	547,640,945
		1,031,631,864	1,016,063,928
Surplus / (deficit) on revaluation of investments		(39,327,115)	6,594,532
		992,304,749	1,022,658,460
Non-Current Liabilities			
Term finance certificates	12	702,155,695	291,899,573
Long term certificates of investment	13	1,085,721,985	1,132,432,940
Long term borrowings	14	282,552,983	249,973,660
Long term deposits		970,286,415	933,431,375
Deferred taxation		25,036,526	25,036,526
Staff service costs		6,119,115	4,019,593
		3,071,872,719	2,636,793,667
Current Liabilities			
Current maturities of long term liabilities	15	885,458,918	794,041,048
Short term certificates of investment		891,226,878	331,874,225
Short term borrowings	16	901,828,363	1,373,653,324
Markup accrued		105,987,052	54,181,534
Trade and other payables	17	316,921,491	230,476,288
		3,101,422,702	2,784,226,419
		6,173,295,421	5,421,020,086
Contingencies and Commitments	18	-	-
		7,165,600,170	6,443,678,546

The annexed notes 1 to 23 form an integral part of these financial statements.

Chief Executive

Director

Profit and Loss Account (Un-Audited)

For the quarter ended 30 September 2007

Revenue	<i>Note</i>	September 2007 (Un-Audited) Rupees	September 2006 (Un-Audited) Rupees
Income from lease operations	19	108,088,749	106,940,982
Income from investments	20	34,718,563	67,253,316
Income from brokerage		10,842,044	2,935,246
Other income		28,257,464	3,557,705
		181,906,820	180,687,249
Expenditure			
Finance cost		122,928,587	103,876,583
Administrative and operating expenses		47,674,232	30,321,867
Depreciation & Amortization		4,217,843	2,180,319
Other charges		31,197	-
		174,851,859	136,378,769
Operating profit before provisions and taxation		7,054,961	44,308,480
Provision for potential lease losses		(3,000,000)	(2,000,000)
Surplus / (deficit) on revaluation of held for trading investments		12,512,975	13,301,955
		9,512,975	11,301,955
Profit before taxation		16,567,936	55,610,435
Provision for Taxation		(1,000,000)	(1,000,000)
Profit after taxation		15,567,936	54,610,435
Earnings per share - basic	21	0.33	1.17

The annexed notes 1 to 23 form an integral part of these financial statements.

Chief Executive

Director

Cash Flow Statement (Un-Audited)

For the quarter ended 30 September 2007

	September 2007 (Un-Audited) Rupees	September 2006 (Un-Audited) Rupees
Cash flows from operating activities		
Profit before taxation	16,567,936	55,610,435
Adjustments for non cash items:		
Depreciation	4,217,843	2,180,319
Amortization of transaction costs of term finance certificates	393,878	458,102
Provision for staff service costs	3,000,000	2,400,000
Provision for doubtful receivables	3,000,000	2,000,000
Lease receivables written off	19,950	-
Finance cost	122,928,587	103,876,583
Loss on sale of property and equipment	11,247	-
Profit on sale of property and equipment	(21,307,965)	(17,400)
Surplus on revaluation of held for trading investments	(12,512,975)	(13,301,955)
(Gain) / loss on sale of investments available for sale	-	(3,629,346)
	99,750,565	93,966,303
Operating profit before working capital changes	116,318,501	149,576,738
Changes in operating assets and liabilities		
(Increase) / decrease in:		
Long term and short term investments	279,473,719	97,921,046
Short term placements	(269,526,942)	(595,403,072)
Markup accrued	(1,207,646)	2,437,155
Advances, prepayments and other receivables	(170,547,138)	132,603,981
Long term and short term finances	(101,859,624)	(2,939,571)
Net investment in lease finance	(168,425,500)	(4,421,342)
Purchase of investments available for sale	(489,296,551)	-
Certificates of investment	564,074,638	(53,000,000)
Long term deposits	79,865,443	23,729,414
	(277,449,601)	(399,072,389)
Increase in trade and other payables	187,123,778	376,208,955
	(90,325,823)	(22,863,434)
Cash utilized in operations	25,992,678	126,713,304
Financial charges paid	(71,123,069)	(95,735,846)
Taxes paid	(1,117,642)	5,675,556
Staff service costs paid	(900,478)	(8,712,000)
	(73,141,189)	(98,772,290)
Net cash used in operating activities	(47,148,511)	27,941,014
Cash flows from investing activities		
Purchase of property and equipment	(12,437,079)	(13,549,550)
Purchase of Intangible assets	-	-
Long term advances	(14,898,542)	-
Long term deposits	130,000	(467,300)
Sale proceeds of investments	31,321,979	-
Sale proceeds of fixed assets	9,513,000	60,000
Net cash used in investing activities	13,629,358	(13,956,850)

Cash Flow Statement (Un-Audited)

For the quarter ended 30 September 2007

	September 2007 (Un-Audited) Rupees	September 2006 (Un-Audited) Rupees
Cash flows from financing activities		
Long and short term borrowings	(391,159,540)	(202,037,079)
Issue of term finance certificates	450,000,000	-
Redemption of term finance certificates	(39,350,000)	(37,500,000)
Dividends paid	(328,575)	(5,132)
Net cash generated from financing activities	19,161,885	(239,542,211)
Net (decrease) / increase in cash and cash equivalents	(14,357,268)	(225,558,047)
Cash and cash equivalents at the beginning of the year	(10,206,233)	(17,652,461)
Cash and cash equivalents at the end of the period	(24,563,501)	(243,210,508)

The annexed notes 1 to 23 form an integral part of these financial statements.

Chief Executive

Director

Statement of Changes in Equity (Un-Audited)

For the quarter ended 30 September 2007

	Share capital	Share premium	Reserve for issue of bonus share	Statutory reserve	General reserve	Un-appropriated profit	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at 1 July 2006	407,324,333	70,714,920	-	156,192,221	61,000,000	278,883,552	974,115,026
Final dividend for 2006 paid @ 15% (Rs 1.5 per share)	-	-	-	-	-	(61,098,650)	(61,098,650)
Bonus shares declared subsequent to year end	-	-	61,098,650	-	-	(61,098,650)	-
Net profit for the quarter ended 30 September 2006	-	-	-	-	-	54,610,436	54,610,436
Transfer to statutory reserve	-	-	-	-	-	-	-
Balance as at 30 September 2006	407,324,333	70,714,920	61,098,650	156,192,221	61,000,000	211,296,688	967,626,812
Balance as at 1 July 2007	468,422,983	70,714,920	-	176,801,732	61,000,000	239,124,293	1,016,063,928
Net profit for the quarter ended 30 september 2007	-	-	-	-	-	15,567,936	15,567,936
Balance as at 30 September 2007	468,422,983	70,714,920	-	176,801,732	61,000,000	254,692,229	1,031,631,864

The annexed notes 1 to 23 form an integral part of these financial statements.

Chief Executive

Director

Notes to the Financial Statements (Un-Audited)

For the quarter ended 30 September 2007

1 The Company's operations and registered office

Trust Investment Bank Limited ("the Company") was incorporated in 1992 as a public limited Company under the Companies Ordinance, 1984 and is listed on Lahore, Karachi and Islamabad Stock Exchanges. The registered office of the Company is situated at 23-D/1-A, Gulberg III, Lahore. The Company is mainly engaged in the business of leasing & investment banking. It is classified as a Non-Banking Finance Company (NBFC) and is regulated by the Securities and Exchange Commission of Pakistan (SECP). The Company is a member of Lahore Stock Exchange (Guarantee) Limited.

Pakistan Credit Rating Agency Limited has maintained the long term credit rating of the Company at "AA-"(double A minus), while short term credit rating has also been maintained at "A1+" (A one plus) with stable out look. Rating of all categories of term finance certificates has been maintained at "AA" (double A).

2 Statement of compliance

These accounts have been prepared in accordance with the approved International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Committee (IASC) and interpretations issued by the Standards Interpretations Committee of the IASC, as applicable in Pakistan and the requirements of the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulations) Rules 2003, the Prudential Regulations for NBFCs, along with the requirements of the Securities and Exchange Commission of Pakistan (SECP). Wherever, the requirements of the Companies Ordinance, 1984, the Rules, the Regulations or the directives issued by the SECP differ with the requirements of these IAS, the requirements of the Ordinance, the Rules, the Regulations or the requirements of the said directives take precedence.

3 Significant accounting policies

There is no change in accounting policies since June 2007.

4 Fixed assets - property and equipment

	30 September 2007	
	Additions cost	Disposal book value
	(Un-Audited)	
	Rupees	Rupees
Building on freehold land	271,500	25,138,035
Lease hold improvements	1,178,620	-
Office equipment and machines	1,239,835	-
Furniture and fixtures	626,493	-
Air-Conditioning equipment	485,060	-
Vehicles	8,635,571	376,247
	12,437,079	25,514,282

5 Net investment in lease finance	<i>Note</i>	September 2007 (Un-Audited) Rupees	June 2007 (Audited) Rupees
Lease payments receivable		3,966,125,087	3,864,762,908
Add: Residual value		1,132,030,319	1,054,280,794
Gross investment in leases		5,098,155,406	4,919,043,702
Less: Unearned finance income		693,503,110	687,719,451
Income suspended		166,434,349	161,531,804
Provision for potential lease losses		82,900,962	80,900,962
		942,838,421	930,152,217
Net investment in lease finance		4,155,316,985	3,988,891,485
Less: Current portion of net investment in lease finance	7	1,058,040,268	971,284,737
		3,097,276,717	3,017,606,748

30 September 2007 (Un-Audited)

	Not later than one year Rupees	Later than one year and not later than five years Rupees	Later than five years Rupees	Total Rupees
Gross investment	1,414,922,005	3,683,233,401	–	5,098,155,406
Less: Unearned finance income	356,881,737	336,621,373	–	693,503,110
	1,058,040,268	3,346,612,028	–	4,404,652,296

30 June 2007 (Audited)

	Not later than one year Rupees	Later than one year and not later than five years Rupees	Later than five years Rupees	Total Rupees
Gross investment	1,317,703,796	3,601,339,906	–	4,919,043,702
Less: Unearned finance income	346,419,059	341,300,392	–	687,719,451
	971,284,737	3,260,039,514	–	4,231,324,251

6 Long term finances	<i>Note</i>	September 2007 (Un-Audited) Rupees	June 2007 (Audited) Rupees
Employees - considered good		9,384,240	9,632,852
Others			
Secured - considered good		108,423,985	34,500,000
Unsecured - considered good		300,000	300,000
		118,108,225	44,432,852
Less: current maturity	7	1,703,312	1,519,988
		116,404,913	42,912,864
7 Current maturities of non-current assets			
Net investment in lease finance	5	1,058,040,268	971,284,737
Long term finances	6	1,703,312	1,519,988
		1,059,743,580	972,804,725

	<i>Note</i>	September 2007 (Un-Audited) Rupees	June 2007 (Audited) Rupees
8 Short term finances			
Employees - considered good		658,554	1,190,979
Others			
Secured - considered good		66,900,000	38,000,000
Secured - considered doubtful		650,000	650,000
Less: Provision against doubtful finance		650,000	650,000
		-	-
		67,558,554	39,190,979
9 Short term placements - considered good			
Secured			
Continuous funding system		191,953,968	357,563,636
Securities purchased under reverse repurchase agreements		711,150,710	276,014,100
		903,104,678	633,577,736
10 Advances, prepayments and other receivables			
Advance to employees-considered good		30,714	-
Advance against leases		55,997,758	77,815,311
Advance against purchase of fixed assets		40,242,316	36,710,266
Other advances - considered good		2,755,670	2,773,194
Initial transaction cost of term finance certificates		-	1,203,542
Receivable from broker		73,799	-
Receivable from brokerage customers		386,970,244	113,052,333
Receivable from NCCPL		19,454,152	227,784,312
Prepayments		9,749,656	6,729,665
Miscellaneous receivables from lessees		153,431,069	71,654,315
Other receivables - considered good		40,465,900	1,901,202
		709,171,278	539,624,140
11 Cash and bank balances			
Cash in hand		799,401	395,429
With banks in:			
Deposit accounts		9,664	231,791
Current accounts		34,319,187	200,319,871
		34,328,851	200,551,662
		35,128,252	200,947,091
12 Term Finance Certificates (TFC) - secured			
TFC I		140,375,000	140,375,000
TFC II-1st Tranche		150,000,000	187,500,000
TFC II-2nd Tranche		262,500,000	262,500,000
TFC III		450,000,000	-
		1,002,875,000	590,375,000
Less: Unamortized portion of the initial transaction cost		10,344,305	8,100,427
		992,530,695	582,274,573
Less: Current maturity	15	290,375,000	290,375,000
		702,155,695	291,899,573

	<i>Note</i>	September 2007 (Un-Audited) Rupees	June 2007 (Audited) Rupees
13 Long term certificates of investment - unsecured			
Local currency			
- Financial Institution		1,175,000,000	1,100,000,000
- Corporate		16,147,940	13,352,940
- Individuals		46,846,985	19,570,000
		1,237,994,925	1,132,922,940
Less: Current maturity	<i>15</i>	152,272,940	490,000
		1,085,721,985	1,132,432,940
14 Long term borrowings - secured			
Banking companies and other financial institutions:			
The Bank of Punjab		122,916,665	137,500,002
Askari Bank Limited		12,499,997	16,666,664
Allied Bank Limited		86,666,665	86,666,665
National Bank of Pakistan		20,660,441	33,160,441
Habib Bank Limited		120,833,333	141,666,666
Pak Kuwait Investment Company (Pvt.) Ltd.		12,499,998	16,666,664
Pak Oman Investment Company (Pvt.) Ltd.		18,750,000	25,000,000
Syndicated Term Finance		55,469,653	55,432,466
Soneri Bank Ltd.		50,000,000	50,000,000
Saudi Pak Industrial & Agricultural Investment Company (Pvt.) Limited.		58,333,330	66,666,664
		558,630,082	629,426,232
Less: Current portion shown under current liabilities	<i>15</i>	276,077,099	379,452,572
		282,552,983	249,973,660
15 Current maturities of long term liabilities			
Term finance certificates - secured	<i>12</i>	290,375,000	290,375,000
Certificates of investment - unsecured	<i>13</i>	152,272,940	490,000
Long term borrowings - secured	<i>14</i>	276,077,099	379,452,572
Long term deposits		166,733,879	123,723,476
		885,458,918	794,041,048
16 Short term borrowings			
Banking companies and other financial institutions:			
Running finances - secured		59,691,753	211,153,324
Placements from financial institutions - unsecured		842,136,610	1,162,500,000
		901,828,363	1,373,653,324
17 Trade and other payables			
Customers' credit balances		260,563,203	199,320,252
Advance receipt against leases	<i>17.1</i>	23,764,599	17,807,071
Unclaimed dividend		2,168,626	2,497,201
Accrued liabilities		2,027,361	3,770,675
Other liabilities		28,397,702	7,081,089
		316,921,491	230,476,288

17.1 These represent initial security deposit received from lessees before the structuring of leases.

18 Contingencies and commitments

18.1 Contingencies

18.1.1 The Company has issued a guarantees to various parties on behalf of clients amounting to Rs. 55.661 Million. (June 2007 : Rs. 25.681 million).

18.2 Commitments

18.2.1 Lease commitments approved but not disbursed as on balance sheet date amounting to Rs.300.065 million (June 2007 : Rs. 217.065 million)

18.2.2 Commitment for the purchase of office amounting to Rs. 136.63 million (June 2007 : Rs. 136.63 million)

	September 2007 (Un-Audited) Rupees	September 2006 (Un-Audited) Rupees
19 Income from lease operations		
Finance lease income	99,136,977	98,693,812
Front end fee	1,295,158	1,208,084
Commitment and other fees	865,000	116,000
Miscellaneous	6,791,614	6,923,086
	108,088,749	106,940,982
20 Income from investments		
Profit on disposal of investment held for trading	6,327,940	18,878,655
Profit on investment in continuous funding system	5,834,189	34,929,723
Profit on disposal of shares under reverse repurchase agreements	14,714,214	7,542,743
Profit on disposal of shares purchased under future contract	1,094,383	-
Profit on short term placements	4,596,587	57,534
Dividend income	2,031,250	2,215,315
Underwriting and trusteeship fee	120,000	-
Gain / (Loss) on disposal of investments available for sale	-	3,629,346
	34,718,563	67,253,316
21 Earnings per share - basic		
Profit for the period after taxation	<i>Rupees</i> 15,567,936	54,610,435
Weighted average number of ordinary shares	<i>Numbers</i> 46,842,298	46,842,298
Earnings per share (2006 Restated)	<i>Rupees</i> 0.33	1.17

21.1 Corresponding figure of weighted average number of ordinary shares for the year 2006 have been restated in order to incorporate the impact of bonus issue.

21.2 No figure for diluted earnings per share has been presented as the Company has not issued any instrument which would have an impact on its earning per share.

22 Transactions with related parties

Related parties comprise of directors, entities over which directors are able to exercise significant influence, entities with common directors, major shareholders, key management employees and employees' fund. The transactions and balances with related parties, other than those which have been disclosed in the relevant notes are disclosed as follows:

	September 2007 (Un-Audited) Rupees	September 2006 (Un-Audited) Rupees
First Pakistan Securities Limited		
Amount due against leases	570,369	732,855
Finance income charged during the period	15,725	21,283
Deposits against lease arrangements	149,700	149,700
MCD Pakistan Limited		
Amount due against leases	-	504,771
Finance income charged during the period	782	9,838
Deposit against lease arrangements	-	169,000
First National Equities Limited		
Repo against T-Bills	289,136,610	-
Yield on Repo	4,955,722	-
Switch Securities (Private) Limited		
Amount due against leases	-	492,103
Finance income charged during the period	1,534	13,836
Deposit against lease arrangements	-	142,200
The Bank of Punjab		
Total facility availed	400,000,000	348,000,00
Mark up accrued during the period	4,611,950	20,131,722
Deposit of COI	500,000,000	-
Mark up accrued during the period	15,123,288	-
Commission on brokerage transactions	132,502	-
Charges paid	268,223	260,432
Tricon Developers		
Advance for purchase of office	52,923,542	-
Union Communication (Pvt) Limited		
Letter of Credit	-	15,000,000
Commission income	-	54,716
Communication services	186,497	-
Employees' retirement fund		
Payment made	900,478	8,712,000

23 Authorization

These financial statements were authorized for issue on 26 October, 2007 by the Board of Directors.

Chief Executive

Director

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