

# Habib Bank AG Zurich

Weinbergstrasse 59, 8006 Zürich  
Switzerland



(INCORPORATED IN SWITZERLAND)  
1967

Half-yearly Report  
(unaudited)  
as on June 30, 2012



# Habib Bank AG Zurich

## Half-yearly Report (unaudited) as on June 30, 2012

### *Our Pledge*

We re-dedicate ourselves always to consider the customer first,  
give full measure and to deliver more than we promise.



(Incorporated in Switzerland 1967)

Board of Directors  
*Verwaltungsrat*

Dr. Robert Sutz \* <sup>1</sup>  
*Chairman / VR Präsident*

Habib M. Habib <sup>1</sup>  
*Vice Chairman / VR Vizepräsident*

Dr. Andreas Länzlinger \* <sup>1</sup>  
*Vice Chairman / VR Vizepräsident*

Dr. Marco Duss \*

Dr. Ulrich Grete \*

Urs Seiler \*

Audit Committee

Dr. Marco Duss  
*Chairman*

Dr. Ulrich Grete

Urs Seiler

General Management  
*Generaldirektion*

Muhammad H. Habib  
*President*

Mohamedali R. Habib  
*Joint President*

Trevor J. Bastow  
*Deputy General Manager*

\* Independent directors / *unabhängige Verwaltungsratsmitglieder*

<sup>1</sup> Member of the Executive Committee

## **Habib Bank AG Zurich – A Short Profile**

Habib Bank AG Zurich was incorporated in Switzerland in 1967 and is privately owned and managed by the Habib family. The Habibs have been actively involved in banking for over 160 years, and the current General Management of the bank includes two family members: Mr. Muhammad H. Habib, President and Mr. Mohamedali R. Habib, Joint President. Other members of the family are currently working their way up through the management grades. Mr. Tevor J. Bastow was appointed Deputy General Manager in 2011. The Group Board is made up principally of outside directors, all of whom have extensive banking and/or legal experience.

The philosophy of our bank is reflected in its motto:

***Service with Security, that's Habib Banking***

The concept of security is fundamental to our bank's strategy and is based on a strong capital base, high liquidity, close co-operation with the various regulatory bodies and central banks in the countries in which the bank operates, coupled with the stability provided by its Swiss base. From its head office – where it is subject to the consolidated supervision of the Swiss Federal Banking Commission – the bank manages equity and reserves which provide it with a capital adequacy ratio which is more than double that required by the Bank for International Settlement in Basle. Its high level of liquidity provides additional comfort to customers and regulators alike.

Habib Bank AG Zurich places a high emphasis on personal service. Over the past 44 years our bank has built up a network of 197 modern branches in the parent company and the four operating subsidiaries. This network of branches (see page 8) currently covers eight countries spread over four continents, the branches being strategically placed to provide maximum assistance to the bank's international customers. Each country is managed by a professional team with long experience of both the local and international market places, and of our valued clients.

The bank provides a comprehensive range of commercial and private banking services and products designed to cover the needs of all its customers from the small saver to large international corporations. These services are backed up by leading edge technology, designed to ensure that Habib Bank AG Zurich is well placed to react swiftly to the ever increasing pace of change in the world of banking.

Balance Sheet at 30<sup>th</sup> June 2012 (unaudited)*Bilanz per 30. Juni 2012 (ungeprüft)*

in CHF

31.12.2011	Assets / <i>Aktiven</i>	30.06.2012
761'059'662	Liquid assets <i>Flüssige Mittel</i>	727'839'960
1'557'205'249	Amounts due arising from money-market papers <i>Forderungen aus Geldmarktpapieren</i>	1'061'748'043
2'293'355'864	Amounts due from banks <i>Forderungen gegenüber Banken</i>	2'088'491'251
2'642'719'074	Amounts due from customers <i>Forderungen gegenüber Kunden</i>	2'557'776'522
2'500'000	Amounts due secured by mortgage <i>Hypothekarforderungen</i>	-
887'954	Securities and precious metals trading portfolio <i>Handelsbestände in Wertschriften und Edelmetallen</i>	620'026
892'269'998	Financial investments <i>Finanzanlagen</i>	1'344'085'121
192'017	Non-consolidated participations <i>Nicht konsolidierte Beteiligungen</i>	192'017
75'061'810	Fixed assets <i>Sachanlagen</i>	73'932'004
71'156'791	Accrued receivables and pre-paid expenses <i>Rechnungsabgrenzungen</i>	74'806'212
57'223'075	Other assets <i>Sonstige Aktiven</i>	55'039'613
8'353'631'494	<b>Total assets</b> <b><i>Total Aktiven</i></b>	<b>7'984'530'769</b>

in CHF

<b>31.12.2011</b>	<b>Liabilities / <i>Passiven</i></b>	<b>30.06.2012</b>
16'652'704	Liabilities in respect of money market paper <i>Verpflichtungen aus Geldmarktpapieren</i>	22'263'265
768'843'188	Due to banks <i>Verpflichtungen gegenüber Banken</i>	243'762'372
837'141'139	Due to customers: savings and deposits <i>Verpflichtungen gegenüber Kunden in Spar- und Anlageform</i>	903'555'660
5'601'846'088	Due to customers: other <i>Übrige Verpflichtungen gegenüber Kunden</i>	5'689'931'922
64'994'313	Accrued expenses and deferred income <i>Rechnungsabgrenzungen</i>	74'972'813
64'756'936	Other liabilities <i>Sonstige Passiven</i>	58'450'629
11'516'049	Value adjustments and provisions <i>Wertberichtigungen und Rückstellungen</i>	11'516'019
525'507'987	Reserves for general banking risks <i>Reserven für allgemeine Bankrisiken</i>	502'246'700
150'000'000	Share capital <i>Aktienkapital</i>	150'000'000
208'256'073	Revenue reserves <i>Gewinnreserve</i>	214'950'378
104'117'017	Equity attributable to minorities <i>Minderheitsanteile am Eigenkapital</i>	112'881'011
<b>8'353'631'494</b>	<b>Total liabilities and equity</b> <b><i>Total Passiven</i></b>	<b>7'984'530'769</b>

**Off-balance sheet**

***Ausserbilanzgeschäfte***

1'197'537'908	Contingent liabilities / <i>Eventualverpflichtungen</i>	1'023'795'505
27'706'653	Irrevocable commitments / <i>Unwiderrufliche Zusagen</i>	25'244'805
-	Call liabilities / <i>Einzahlungs- und Nachschussverpflichtungen</i>	-
154'130'311	Commitment credits / <i>Verpflichtungskredite</i>	141'837'325
14'007'624	Derivative financial instruments / <i>Derivative Finanzinstrumente:</i>	12'697'644
14'387'350	- positive replacement values / <i>positive Wiederbeschaffungswerte</i>	12'957'924
2'915'579'371	- negative replacement values / <i>negative Wiederbeschaffungswerte</i>	2'971'766'800
416'385'650	- contract volume / <i>Kontraktvolumen</i>	416'926'874
	Fiduciary transactions / <i>Treuhandgeschäfte</i>	

Profit and Loss Account as on June 30, 2012

*Erfolgsrechnung per 30. Juni 2012*

in CHF

30.06.2011	<b>Income and Expenditure from Ordinary Banking Business</b> <i>Ertrag und Aufwand aus dem ordentlichen Bankgeschäft</i>	30.06.2012
	<b>Income from interest business</b> <i>Erfolg aus dem Zinsengeschäft</i>	
154'062'251	Interest and discount income <i>Zins- und Diskontertrag</i>	174'455'181
-	Interest and dividend income from trading portfolio <i>Zins- und Dividendenertrag aus Handelsbeständen</i>	-
38'234'552	Interest and dividend income from investment portfolio <i>Zins- und Dividendenertrag aus Finanzanlagen</i>	38'113'323
- 104'238'910	Interest expense <i>Zinsaufwand</i>	- 108'068'575
<b>88'057'893</b>	<b>Sub-total, income from interest business</b> <i>Subtotal Erfolg Zinsengeschäft</i>	<b>104'499'929</b>
	<b>Commission and fee income</b> <i>Erfolg aus dem Kommissions- und Dienstleistungsgeschäft</i>	
12'243'777	Credit commissions <i>Kommissionsertrag Kreditgeschäft</i>	13'000'707
3'200'365	Securities and investment commissions <i>Kommissionsertrag Wertschriften- und Anlagegeschäft</i>	2'742'014
16'136'188	Other commissions and fee income <i>Kommissionsertrag übriges Dienstleistungsgeschäft</i>	20'272'139
- 1'995'728	Commission expense <i>Kommissionsaufwand</i>	- 2'002'577
<b>29'584'602</b>	<b>Sub-total, commission and fee income</b> <i>Subtotal Erfolg aus dem Kommissions- und Dienstleistungsgeschäft</i>	<b>34'012'283</b>
<b>15'185'930</b>	<b>Income from trading</b> <i>Erfolg aus dem Handelsgeschäft</i>	<b>12'279'441</b>
	<b>Other ordinary income</b> <i>Übriger ordentlicher Erfolg</i>	
2'091'625	Profit on sale of financial investments <i>Erfolg aus Veräusserungen von Finanzanlagen</i>	3'112'868
-	Income from permanent investments <i>Beteiligungsertrag</i>	-
-	- from other non-consolidated participations <i>- aus übrigen nicht konsolidierten Beteiligungen</i>	216'001
212'036	Income from real estate <i>Liegenschaftenerfolg</i>	297'784
230'050	Other ordinary profit <i>Anderer ordentlicher Erfolg</i>	831'563
<b>2'533'711</b>	<b>Sub-total, other ordinary income</b> <i>Subtotal übriger ordentlicher Erfolg</i>	<b>4'458'216</b>
<b>135'362'136</b>	<b>Total Income</b> <i>Total Bruttoertrag</i>	<b>155'249'869</b>

in CHF

<b>30.06.2011</b>		<b>30.06.2012</b>
	<b>Operating expenditure</b>	
	<i>Geschäftsaufwand</i>	
- 47'091'997	Staff costs	- 54'794'093
	<i>Personalaufwand</i>	
- 21'772'666	Other operating expenses	- 25'134'763
	<i>Sachaufwand</i>	
- 68'864'663	<b>Sub-total, operating expenditure</b>	- 79'928'856
	<i>Subtotal Geschäftsaufwand</i>	
<b>66'497'473</b>	<b>Gross profit</b>	<b>75'321'013</b>
	<i>Bruttogewinn</i>	
- 8'990'763	Depreciation on fixed assets and goodwill	- 4'395'371
	<i>Abschreibungen auf dem Anlagevermögen und Goodwill</i>	
- 18'031'564	Value adjustments, provisions and losses	- 23'002'058
	<i>Wertberichtigungen, Rückstellungen und Verluste</i>	
<b>39'475'146</b>	<b>Group Profit prior to extraordinary items and taxes</b>	<b>47'923'584</b>
	<i>Konzerngewinn vor ausserordentlichem Erfolg und Steuern</i>	
39'298	Extraordinary income	939'203
	<i>Ausserordentlicher Ertrag</i>	
50'607	Extraordinary expenditure	- 2'651'407
	<i>Ausserordentlicher Aufwand</i>	
- 11'661'187	Taxes	- 15'166'437
	<i>Steuern</i>	
<b>27'903'864</b>	<b>Group Profit</b>	<b>31'044'943</b>
	<i>Konzerngewinn</i>	
6'668'737	thereof Group Profit attributable to minorities	9'829'127
	<i>davon Minderheitsanteile am Konzerngewinn</i>	



(Incorporated in Switzerland 1967)





## Offices *Niederlassungen*

### **Head Office**

Name: HABIB BANK AG ZURICH  
Address: Weinbergstrasse 59, P.O. Box 225  
8042 Zurich / Switzerland  
Cable: Habibbank Zurich  
Telex: 815151 HBZZ CH  
Swift: HBZUCHZZ  
Telephone: (4144) 2694500  
Telefax: (4144) 2694535 / 2694525

### **Branches**

Switzerland  
Zurich

United Kingdom  
London (6 Branches), Glasgow, Manchester, Bradford,  
Leicester, Birmingham, Southall

United Arab Emirates  
Dubai (5 Branches), Sharjah, Abu Dhabi (2 Branches)

Kenya  
Nairobi (3 Branches), Mombasa

### **Subsidiary Companies**

Isle of Man  
Habib European Bank Ltd.

South Africa  
HBZ Bank Limited

Canada  
Habib Canadian Bank

Pakistan  
Habib Metropolitan Bank Ltd.

United Arab Emirates  
HBZ Services FZ LLC

### **Representative Offices**

Bangladesh  
Hongkong  
Pakistan

### **Auditors / *Revisionsstelle***

KPMG Ltd