

# Habib Bank AG Zurich

Weinbergstrasse 59, 8006 Zürich  
Switzerland



(INCORPORATED IN SWITZERLAND)  
1967

Half-yearly Report  
(unaudited)  
as on June 30, 2013



# Habib Bank AG Zurich

## Half-yearly Report (unaudited) as on June 30, 2013

### *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. Andreas Länzlinger \*  
*Chairman / VR Präsident*

Habib M. Habib  
*Vice Chairman / VR Vizepräsident*

Dr. Ulrich Grete \*  
*Vice Chairman / VR Vizepräsident*

Dr. Marco Duss \*

Walter Mathis \*

Urs Seiler \*

Ursula Suter \*

Audit Committee

Dr. Marco Duss  
*Chairman*

Dr. Ulrich Grete

Urs Seiler

Risk & Control Committee

Habib M. Habib

Walter Mathis

Ursula Suter

\* Independent directors / *unabhängige Verwaltungsratsmitglieder*



## **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. The current General Management of the bank comprises four members: Mr. Muhammad H. Habib, President, Mr. Mohamedali R. Habib, Joint President, Mr. Trevor J. Bastow, Deputy General Manager and Shaun Wallis, Group Chief Operating Officer. Other members of the family are currently working their way up through the management grades. The Group's Board is composed, primarily, of independent 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 Financial Market Supervisory Authority – 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 45 years our bank has built up a network of 227 modern branches in the parent company and the five operating subsidiaries. This network of branches (see page 8) currently covers nine 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 listed in detail on the back page of this report, and 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.

## General Management / *Generaldirektion*

Muhammad H. Habib  
*President*

Mohamedali R. Habib  
*Joint President*

Shaun Wallis  
*Group Chief Operating Officer*

Trevor J. Bastow  
*Deputy General Manager*

## Country Management / *Landesdirektion*

Christian Lerch (*Switzerland*)

Mohamedali Husain (*Kenya*)

Arif Lakhani (*U.A.E.*)

Anjum Iqbal (*U.K.*)

Muslim Hassan (*Canada*)

Mohamed Jafri (*Isle of Man*)

Sirajuddin Aziz (*Pakistan*)

Zafar Khan (*South Africa*)

Ikram Quraishi (*Hong Kong*)

## Group Support Functions / *Konzern-Supportfunktionen*

Dr. Holger Hohgardt (*Private Banking*)

Dr. Pascal Mang (*Legal & Compliance*)

Alfred Merz (*Financial Control*)

Ralph Schneider (*Risk Management*)

Jamil Husain (*Human Resources*)

Nauman Hussain (*Operations & IT*)

Sibel Sanus (*Financial Institutions*)

S. Iftikhar Ali (*Internal Audit*)

**Balance Sheet at 30<sup>th</sup> June 2013 (unaudited)**
*Bilanz per 30. Juni 2013 (ungeprüft)*

in CHF

<b>31.12.2012</b>	<b>Assets / Aktiven</b>	<b>30.06.2013</b>
686'937'459	Liquid assets <i>Flüssige Mittel</i>	894'786'083
1'280'347'576	Amounts due arising from money-market papers <i>Forderungen aus Geldmarktpapieren</i>	1'357'327'819
2'135'843'508	Amounts due from banks <i>Forderungen gegenüber Banken</i>	2'095'853'039
2'351'321'183	Amounts due from customers <i>Forderungen gegenüber Kunden</i>	2'486'620'638
630'412	Securities and precious metals trading portfolio <i>Handelsbestände in Wertschriften und Edelmetallen</i>	599'245
1'200'997'290	Financial investments <i>Finanzanlagen</i>	1'555'149'226
192'017	Non-consolidated participations <i>Nicht konsolidierte Beteiligungen</i>	127'017
72'684'890	Fixed assets <i>Sachanlagen</i>	84'202'435
-	Intangible assets (Goodwill) <i>Immaterielle Werte (Goodwill)</i>	7'144'007
65'683'362	Accrued receivables and pre-paid expenses <i>Rechnungsabgrenzungen</i>	89'367'459
55'784'271	Other assets <i>Sonstige Aktiven</i>	61'437'420
<b>7'850'421'968</b>	<b>Total assets</b> <b>Total Aktiven</b>	<b>8'632'614'388</b>

in CHF

<b>31.12.2012</b>	<b>Liabilities / Passiven</b>	<b>30.06.2013</b>
21'347'474	Liabilities in respect of money market paper <i>Verpflichtungen aus Geldmarktpapieren</i>	32'037'388
412'660'883	Due to banks <i>Verpflichtungen gegenüber Banken</i>	840'370'930
881'414'649	Due to customers: savings and deposits <i>Verpflichtungen gegenüber Kunden in Spar- und Anlageform</i>	986'644'072
5'407'989'253	Due to customers: other <i>Übrige Verpflichtungen gegenüber Kunden</i>	5'588'718'927
74'028'346	Accrued expenses and deferred income <i>Rechnungsabgrenzungen</i>	90'889'926
54'222'818	Other liabilities <i>Sonstige Passiven</i>	58'187'243
16'931'056	Value adjustments and provisions <i>Wertberichtigungen und Rückstellungen</i>	21'824'667
530'905'128	Reserves for general banking risks <i>Reserven für allgemeine Bankrisiken</i>	517'421'366
150'000'000	Share capital <i>Aktienkapital</i>	150'000'000
198'681'129	Revenue reserves <i>Gewinnreserve</i>	202'877'812
102'241'232	Equity attributable to minorities <i>Minderheitsanteile am Eigenkapital</i>	143'642'057
<b>7'850'421'968</b>	<b>Total liabilities and equity</b> <b><i>Total Passiven</i></b>	<b>8'632'614'388</b>

**Off-balance sheet**

***Ausserbilanzgeschäfte***

1'024'186'701	Contingent liabilities / <i>Eventualverpflichtungen</i>	1'122'744'151
26'949'865	Irrevocable commitments / <i>Unwiderrufliche Zusagen</i>	29'327'686
-	Call liabilities / <i>Einzahlungs- und Nachschussverpflichtungen</i>	-
98'782'635	Commitment credits / <i>Verpflichtungskredite</i>	193'606'925
6'881'589	Derivative financial instruments / <i>Derivative Finanzinstrumente:</i>	21'471'083
6'909'630	- positive replacement values / <i>positive Wiederbeschaffungswerte</i>	21'132'971
2'050'837'565	- negative replacement values / <i>negative Wiederbeschaffungswerte</i>	2'566'399'401
252'600'966	- contract volume / <i>Kontraktvolumen</i>	207'476'125
	Fiduciary transactions / <i>Treuhandgeschäfte</i>	

Profit and Loss Account as on June 30, 2013

*Erfolgsrechnung per 30. Juni 2013*

in CHF

30.06.2012	<b>Income and Expenditure from Ordinary Banking Business</b> <i>Ertrag und Aufwand aus dem ordentlichen Bankgeschäft</i>	30.06.2013
	<b>Income from interest business</b> <i>Erfolg aus dem Zinsengeschäft</i>	
174'455'181	Interest and discount income <i>Zins- und Diskontertrag</i>	141'602'938
-	Interest and dividend income from trading portfolio <i>Zins- und Dividendenertrag aus Handelsbeständen</i>	-
38'113'323	Interest and dividend income from investment portfolio <i>Zins- und Dividendenertrag aus Finanzanlagen</i>	37'005'636
- 108'068'575	Interest expense <i>Zinsaufwand</i>	- 86'658'930
<b>104'499'929</b>	<b>Sub-total, income from interest business</b> <i>Subtotal Erfolg Zinsengeschäft</i>	<b>91'949'644</b>
	<b>Commission and fee income</b> <i>Erfolg aus dem Kommissions- und Dienstleistungsgeschäft</i>	
13'000'707	Credit commissions <i>Kommissionsertrag Kreditgeschäft</i>	14'217'957
2'742'014	Securities and investment commissions <i>Kommissionsertrag Wertschriften- und Anlagegeschäft</i>	2'666'077
20'272'139	Other commissions and fee income <i>Kommissionsertrag übriges Dienstleistungsgeschäft</i>	19'439'493
- 2'002'577	Commission expense <i>Kommissionsaufwand</i>	- 2'099'631
<b>34'012'283</b>	<b>Sub-total, commission and fee income</b> <i>Subtotal Erfolg aus dem Kommissions- und Dienstleistungsgeschäft</i>	<b>34'223'896</b>
<b>12'279'441</b>	<b>Income from trading</b> <i>Erfolg aus dem Handelsgeschäft</i>	<b>10'077'621</b>
	<b>Other ordinary income</b> <i>Übriger ordentlicher Erfolg</i>	
3'112'868	Profit on sale of financial investments <i>Erfolg aus Veräusserungen von Finanzanlagen</i>	11'174'658
-	Income from permanent investments <i>Beteiligungsertrag</i>	-
216'001	- from other non-consolidated participations <i>- aus übrigen nicht konsolidierten Beteiligungen</i>	-
297'784	Income from real estate <i>Liegenschaftenerfolg</i>	2'798'213
831'563	Other ordinary profit <i>Anderer ordentlicher Erfolg</i>	- 723'721
<b>4'458'216</b>	<b>Sub-total, other ordinary income</b> <i>Subtotal übriger ordentlicher Erfolg</i>	<b>13'249'150</b>
<b>155'249'869</b>	<b>Total Income</b> <i>Total Bruttoertrag</i>	<b>149'500'311</b>



in CHF

30.06.2012		30.06.2013
	<b>Operating expenditure</b>	
	<i>Geschäftsaufwand</i>	
- 54'794'093	Staff costs	- 61'871'154
	<i>Personalaufwand</i>	
- 25'134'763	Other operating expenses	- 25'546'758
	<i>Sachaufwand</i>	
- 79'928'856	<b>Sub-total, operating expenditure</b>	- 87'417'912
	<i>Subtotal Geschäftsaufwand</i>	
75'321'013	<b>Gross profit</b>	62'082'399
	<i>Bruttogewinn</i>	
- 4'395'371	Depreciation on fixed assets and goodwill	- 5'355'140
	<i>Abschreibungen auf dem Anlagevermögen und Goodwill</i>	
- 23'002'058	Value adjustments, provisions and losses	- 10'996'308
	<i>Wertberichtigungen, Rückstellungen und Verluste</i>	
47'923'584	<b>Group Profit prior to extraordinary items and taxes</b>	45'730'951
	<i>Konzerngewinn vor ausserordentlichem Erfolg und Steuern</i>	
939'203	Extraordinary income	1'147'718
	<i>Ausserordentlicher Ertrag</i>	
- 2'651'407	Extraordinary expenditure	- 7'182'841
	<i>Ausserordentlicher Aufwand</i>	
- 15'166'437	Taxes	- 13'399'251
	<i>Steuern</i>	
31'044'943	<b>Group Profit</b>	26'296'577
	<i>Konzerngewinn</i>	
9'829'127	thereof Group Profit attributable to minorities	8'233'442
	<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  
Swift: HBZUCHZZ  
Telephone: (4144) 269 45 00  
Telefax: (4144) 269 45 35 / 269 45 25  
Website: <http://www.habibbank.com>

### **Branches**

Switzerland (1)  
Zurich

United Kingdom (12)  
London (6 Branches), Glasgow, Manchester, Bradford, Leicester,  
Birmingham, Southall

United Arab Emirates (8)  
Dubai (5 Branches), Sharjah, Abu Dhabi (2 Branches)

Kenya (4)  
Nairobi (3 Branches), Mombasa

### **Subsidiary Companies**

Habib European Bank Ltd.  
Isle of Man (1 Branch)

HBZ Bank Limited  
South Africa (7 Branches)

Habib Canadian Bank  
Canada (2 Branches)

Habib Metropolitan Bank Ltd.  
Pakistan (186 Branches)

HBZ Services FZ LLC  
United Arab Emirates (1 Branch)

HBZ Finance Limited  
Hong Kong (5 Branches)

### **Representative Offices**

Bangladesh  
Hong Kong  
Pakistan

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

KPMG AG