



Operating Cost to Net Interest Income ratio

Operating cost to net interest income ratio of the banks included in the survey has improved to 66.3% in 2009 from 69.1% in 2008 due to increase in net interest income and lesser increase in operating costs.

Large Size Banks

Operating costs of large size banks increased by 10.7% compared to increase in net interest income by 14.5%.

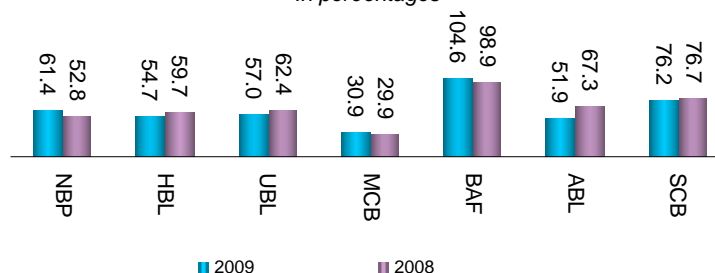
Operating cost includes all expenses charged to arrive at profit before tax excluding cost of funds and provisions.

Net interest income means mark-up/return/interest earned (before provisions) less mark-up/return/interest expensed.

	Operating cost		Net interest income	
	2009	2008	2009	2008
	<i>Rupees in millions</i>			
NBP	23,767	19,698	38,677	37,274
HLB	23,359	22,014	42,671	36,850
UBL	18,911	17,781	33,172	28,516
MCB	11,066	8,511	35,782	28,457
BAF	11,346	10,345	10,845	10,462
ABL	9,719	8,973	18,723	13,331
SCB	12,594	12,728	16,517	16,604
	110,762	100,050	196,387	171,494

Operating Cost to Net Interest Income

In percentages



Large Size Banks operating cost to net interest income ratio decreased to 56.40% from 58.34% in 2008.

Medium Size Banks

Operating costs of medium size banks decreased by 0.7% compared to increase in net interest income by 13.5%.

Operating cost includes all expenses charged to arrive at profit before tax excluding cost of funds and provisions.

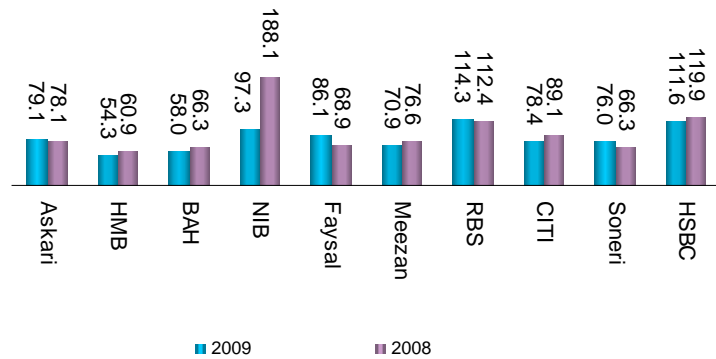
Net interest income means mark-up/return/interest earned (before provisions) less mark-up/return/interest expensed.

	Operating cost		Net interest income	
	2009	2008	2009	2008
	<i>Rupees in millions</i>			
Askari	7,159	6,048	9,048	7,749
HMB	3,657	3,250	6,740	5,336
BAH	5,265	4,374	9,080	6,601
NIB	5,357	8,452	5,503	4,493
Faysal	4,312	3,423	5,011	4,968
Meezan	3,639	2,849	5,136	3,719
RBS	5,941	6,564	5,198	5,842
CITI	4,124	5,168	5,263	5,799
Soneri	2,079	1,952	2,735	2,945
HSBC	2,200	1,952	1,971	1,628
	43,733	44,032	55,685	49,079

Operating Cost to Net Interest Income

In percentages

Medium Size Banks operating cost to net interest income ratio decreased to 78.54% from 89.72% in 2008.



Small Size Banks

Operating costs of small size banks increased by 33.3% compared to increase in net interest income by 12.6%.

Operating cost includes all expenses charged to arrive at profit before tax excluding cost of funds and provisions.

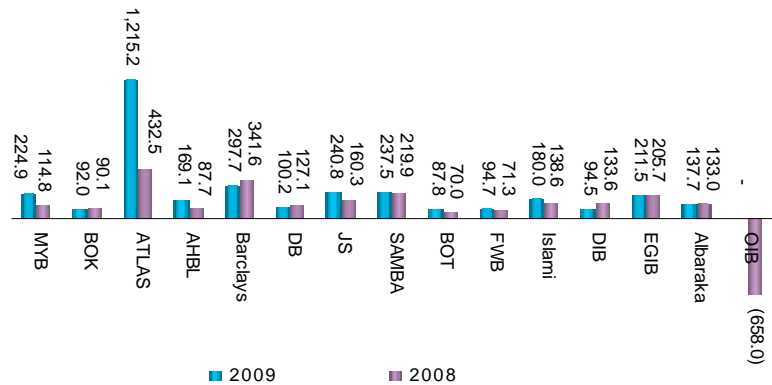
Net interest income means mark-up/return/interest earned (before provisions) less mark-up/return/interest expended.

	Operating cost		Net interest income	
	2009	2008	2009	2008
	<i>Rupees in millions</i>			
MYB	1,093	931	486	811
BOK	920	956	1,000	1,061
ATLAS	2,163	2,222	178	514
AHBL	1,077	777	637	886
Barclays	3,977	1,700	1,336	498
DB	871	815	869	641
JS	1,736	983	721	613
SAMBA	1,591	1,511	670	687
BOT	115	103	131	147
FWB	462	373	488	523
Islami	1,771	1,037	984	748
DIB	1,739	1,798	1,841	1,346
EGIB	1,436	951	679	462
Albaraka	709	573	515	431
OIB	58	63	-	(10)
	19,718	14,793	10,535	9,358

Operating Cost to Net Interest Income

In percentages

Small Size Banks operating cost to net interest income ratio increased to 187.50% from 158.07% in 2008.



Islamic Banks

Operating costs of Islamic banks increased by 28.9% compared to increase in net interest income by 36.5%.

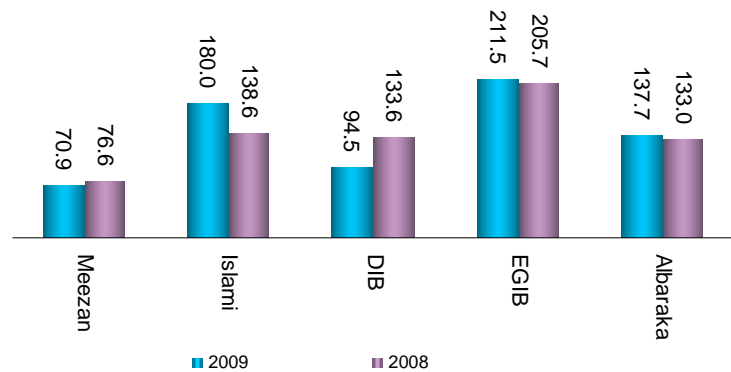
Operating cost includes all expenses charged to arrive at profit before tax excluding cost of funds and provisions.

Net interest income means mark-up/return/interest earned (before provisions) less mark-up/return/interest expensed.

	Operating cost		Net interest income	
	2009	2008	2009	2008
	<i>Rupees in millions</i>			
Meezan	3,639	2,849	5,136	3,719
Islami	1,771	1,037	984	748
DIB	1,739	1,798	1,841	1,346
EGIB	1,436	951	679	462
Albaraka	709	573	515	431
	9,294	7,208	9,155	6,707

Operating Cost to Net Interest Income

In percentages



Islamic Banks operating cost to net interest income ratio decreased to 101.52% from 107.47 % in 2008.

Staff cost

Staff costs remain one of the most significant costs for the banks, averaging approximately 47.6% (2008: 46.2%) of total operating expenses.

Large Size Banks

Staff cost includes salaries, allowances, etc., staff retirement benefits.

	Staff cost		Number of staff		Cost per staff	
	2009	2008	2009	2008	2009	2008
	Rupees in millions		Numbers		Rupees in thousand	
NBP	15,700	12,412	17,296	16,015	908	775
HBL	13,004	12,264	13,211	14,123	984	868
UBL	8,570	7,678	14,254	15,233	601	504
MCB	3,091	1,362	13,529	14,077	228	97
BAF	4,985	4,709	9,551	9,669	522	487
ABL	5,707	5,042	11,726	11,108	487	454
SCB	4,104	4,139	5,111	6,377	803	649
	55,161	47,606	84,678	86,602		

Medium Size Banks

Staff cost includes salaries, allowances, etc., staff retirement benefits.

	Staff cost		Number of staff		Cost per staff	
	2009	2008	2009	2008	2009	2008
	Rupees in millions		Numbers		Rupees in thousand	
Askari	3,834	3,233	7,361	7,618	521	424
HMB	1,683	1,453	2,715	2,487	620	584
BAH	2,360	1,981	4,678	4,208	504	471
NIB	2,554	3,529	6,427	6,929	397	509
Faysal	2,051	1,602	3,018	2,919	680	549
Meezan	1,650	1,231	3,745	3,259	441	378
RBS	3,073	3,423	3,157	4,059	973	843
CITI	1,283	1,561	1,622	2,415	791	646
Soneri	722	604	2,097	1,841	344	328
HSBC	885	833	788	1,252	1,123	665
	20,095	19,450	35,608	36,987		

Small Size Banks

Staff cost includes salaries, allowances, etc., staff retirement benefits.

	Staff cost		Number of staff		Cost per staff	
	2009	2008	2009	2008	2009	2008
	Rupees in millions		Numbers		Rupees in thousand	
MYB	418	355	930	930	449	382
BOK	401	373	762	686	526	544
ATLAS	953	1,105	1,138	1,554	837	711
AHBL	501	336	615	541	815	621
Barclays	1,300	761	1,202	1,431	1,082	532
DB	360	326	107	115	3,364	2,835
JS	637	410	1,200	827	531	496
SAMBA	628	711	787	1,026	798	693
BOT	44	38	42	41	1,048	927
FWB	279	218	569	540	490	404
Islami	575	363	1,474	1,188	390	306
DIB	727	862	984	826	739	1,044
EGIB	511	367	867	699	589	525
Albaraka	248	218	528	455	470	479
OIB	21	22	32	35	656	629
	7,603	6,465	11,237	10,894		

Islamic Banks

Staff cost includes salaries, allowances, etc., staff retirement benefits.

	Staff cost		Number of staff		Cost per staff	
	2009	2008	2009	2008	2009	2008
	<i>Rupees in millions</i>		<i>Numbers</i>		<i>Rupees in thousand</i>	
Meezan	1,650	1,231	3,745	3,259	441	378
Islami	575	363	1,474	1,188	390	306
DIB	727	862	984	826	739	1,044
EGIB	511	367	867	699	589	525
Albaraka	248	218	528	455	470	479
	3,711	3,041	7,598	6,427		

Remuneration of Executives

Remuneration of executives

Large Size Banks

	CEO Remuneration		Remuneration of Executives		Number of Executives	
	2009	2008	2009	2008	2009	2008
	<i>Rupees in thousands</i>				<i>Numbers</i>	
NBP	58,137	52,072	1,303,926	901,504	507	377
HBL	13,548	12,289	2,540,871	2,132,759	1,206	987
UBL	80,964	85,750	3,460,818	2,943,813	1,135	973
MCB	60,619	56,321	1,819,211	1,459,604	616	532
BAF	16,974	23,778	1,555,593	1,771,623	718	719
ABL	29,874	23,158	1,224,443	642,109	620	342
SCB	108,811	44,378	1,868,277	1,414,880	664	635
	368,927	297,746	13,773,139	11,266,292	5,466	4,565

Remuneration of executives

Medium Size Banks

	CEO Remuneration		Remuneration of Executives		Number of Executives	
	2009	2008	2009	2008	2009	2008
	<i>Rupees in thousands</i>				<i>Numbers</i>	
Askari	19,137	20,215	935,073	960,943	495	488
HMB	52,443	123,763	817,386	603,082	434	330
BAH	18,091	12,572	863,895	678,751	409	345
NIB	39,029	53,586	985,730	1,018,328	511	452
Faysal	112,164	72,315	647,019	410,018	267	167
Meezan	59,851	30,295	409,076	253,120	176	124
RBS	59,909	54,960	1,307,397	1,166,962	465	357
CITI	47,696	39,490	720,130	1,024,919	280	298
Soneri	27,750	27,607	146,263	94,984	80	57
HSBC	26,828	32,755	433,358	407,047	146	124
	462,898	467,558	7,265,327	6,618,154	3,263	2,742

Remuneration of executives

Small Size Banks

	CEO Remuneration		Remuneration of Executives		Number of Executives	
	2009	2008	2009	2008	2009	2008
	<i>Rupees in thousands</i>				<i>Numbers</i>	
MYB	13,742	17,377	97,615	71,141	52	35
BOK	6,123	5,202	60,584	12,671	24	8
ATLAS	25,559	25,559	466,947	441,500	181	217
AHBL	19,818	38,827	290,170	166,181	116	71
Barclays	141,226	17,956	757,450	303,494	247	124
DB	19,240	19,240	119,953	138,617	44	58
JS	16,804	26,818	323,359	207,979	142	86
SAMBA	29,953	25,047	305,042	327,423	151	179
BOT	8,991	5,931	14,753	13,229	5	5
FWB	13,570	14,172	57,691	14,573	30	8
Islami	13,800	12,449	173,594	151,770	108	98
DIB	35,917	27,370	433,649	363,934	163	200
EGIB	34,134	24,986	221,347	165,114	127	110
Albaraka	10,403	9,561	90,563	64,070	45	33
OIB	1,556	2,683	3,451	1,065	3	1
	390,836	273,178	3,416,168	2,442,761	1,438	1,233

Islamic Banks

	CEO Remuneration		Remuneration of Executives		Number of Executives	
	2009	2008	2009	2008	2009	2008
	<i>Rupees in thousands</i>				<i>Numbers</i>	
Meezan	59,851	30,295	409,076	253,120	176	124
Islami	13,800	12,449	173,594	151,770	108	98
DIB	35,917	27,370	433,649	363,934	163	200
EGIB	34,134	24,986	221,347	165,114	127	110
Albaraka	10,403	9,561	90,563	64,070	45	33
	154,105	104,661	1,328,229	998,008	619	565

As per audited financial statements, CEO remuneration of HBL, ABL and DB disclosed above is exclusive of cash award / special bonus.