

United Bank Limited

Performance Review

FY 2009

March 01, 2010

Key Highlights

- PAT rises 12% yoy at Rs. 9.5 B
- Net Interest income up 16%
 - Mainly due to higher yield on earning assets (Yield 2008: 11.0%; 2009: 11.9%)
 - Increase in average advances by 5%
 - Net interest margin (NIM) up to 6.5% (2008: 6.1%)
 - QTD NIM up to 7.3% (Sep 09: 6.6%)
- Non Interest income up 18%
 - Derivative income contributed a healthy Rs 1.7B
 - Capital gain up to Rs 697M reflecting the strong performance of the bonds & stock markets
 - Commissions on consumer loans declined by 37% owing to net attrition in the lending portfolio
 - Exchange income down to Rs. 1.3B

Key Highlights

- Provision charge of Rs 13.5 B,
 - 40% charge from corporate; 23% from consumer; 12% from commercial & 16% from international
 - Includes impairment loss of Rs. 1.1B
- Bank expenses up by 7%;
 - Dom. Exp. up by 5% while average inflation at 14% yoy; Intl rupee exp.+16%; Intl dollar exp. +0%
 - Excluding rupee devaluation, admin expenses are only up by 4%
- Advances reduced to Rs. 362B; Domestic -3%; Intl -9% ; Intl \$ -14%
 - Reflecting reduction in systemic credit off-take and Bank's conscious strategy of risk containment
- Deposits up by 2% to Rs 504B; Domestic 3% ; Intl -4% ; Intl \$ -9%
 - CASA ratio increased to 67% at Dec'09 from 59% at Dec'08
 - Increase of Rs. 36bn in low cost deposits; expensive deposits shed by 27bn
- Total capital adequacy of 14.0% and Tier-1 CAR of 10.4%

Summary

| | Dec 2009 | Dec 2008 | Change |
|---------------------------|----------|----------|-------------|
| Assets (PKR bn) | 640 | 621 | +3% |
| Advances (PKR bn) | 362 | 378 | -4% |
| Market Share-Adv-DOM | 8.8% | 9.2% | |
| Deposits (PKR bn) | 504 | 492 | +2% |
| Market Share-Deposits-DOM | 8.8% | 9.6% | |
| Online branches | 928 | 894 | +34 |
| ATMs | 412 | 354 | +58 |
| ROAA | 1.5% | 1.4% | |
| ROAE | 16% | 17% | |
| Credit Rating (JCR-VIS) | AA+/A-1+ | AA+/A-1+ | re-affirmed |

Share Info

| | Dec 2009 | Dec 2008 |
|------------------------|----------|----------|
| EPS (Rs/share-annual.) | 8.6 | 7.5 |
| BV/share (Rs/share) | 60.5 | 44.4 |
| Price* - (Rs /share) | 64.1 | 43.3 |
| P/E | 7.5x | 5.8x |
| P/BV | 1.1x | 1.0x |
| # of shares | 1,113M | 1,113M |

**Dec-09 Price dated February 26, 2010*

**Dec-08 Price dated March 04, 2009 adjusted for bonus shares*

Income Statement (PKR bn)

| | QTD Dec'09 | QTD Sep'09 | Var % | FY Dec-09 | FY Dec-08 | Var % |
|-----------------------------------|---------------|---------------|-------------|--------------|--------------|-------------|
| Net Interest Income | 9.00 | 8.39 | +7% | 33.17 | 28.52 | +16% |
| Non Interest Income | 3.51 | 2.76 | +27% | 13.01 | 11.07 | +18% |
| Operating Revenue | 12.50 | 11.15 | +12% | 46.18 | 39.59 | +17% |
| Operating Expense | (4.61) | (4.53) | -2% | (17.80) | (16.68) | -7% |
| Pre-Provision Oper. Profit | 7.89 | 6.62 | +19% | 28.38 | 22.91 | +24% |
| Provision Exp./Other writeoffs | (3.90) | (3.03) | -29% | (13.52) | (8.22) | -64% |
| WWF / SBP Penalty | (0.18) | (0.12) | -57% | (0.47) | (0.63) | +26% |
| Profit Before Tax | 3.82 | 3.47 | +10% | 14.39 | 14.05 | +2% |
| Profit After Tax | 2.55 | 2.34 | +9% | 9.49 | 8.45 | +12% |

Balance Sheet (PKR bn)

| | Dec'09 | Dec'08 | % Change | Mix- Dec'09 | Mix- Dec'08 |
|----------------------|--------|--------|-------------|----------------|----------------|
| Cash & bank balances | 75.3 | 64.7 | +16% | 12% | 10% |
| Investments | 137.7 | 115.1 | +20% | 22% | 19% |
| Advances | 362.1 | 378.3 | -4% | 57% | 61% |
| Fixed assets | 23.7 | 19.9 | +19% | 4% | 3% |

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|---------------------|--------------|--------------|------------|-------------|-------------|
| Total Assets | 640.4 | 620.7 | +3% | 100% | 100% |
|---------------------|--------------|--------------|------------|-------------|-------------|

| | | | | | |
|------------|-------|-------|------|-----|-----|
| Deposits | 503.8 | 492.3 | +2% | 88% | 86% |
| Borrowings | 37.2 | 44.7 | -17% | 6% | 8% |

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|--------------------------|--------------|--------------|------------|-------------|-------------|
| Total Liabilities | 573.1 | 571.3 | +0% | 100% | 100% |
|--------------------------|--------------|--------------|------------|-------------|-------------|

| | | | | | |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|
| Shareholder equity | 58.2 | 47.1 | +23% | 86% | 95% |
| Surpl/(Def.) on reval.of assets | 9.1 | 2.3 | +301% | 14% | 5% |
| Total Equity | 67.3 | 49.4 | +36% | 100% | 100% |

Financial Ratios

| | QTD Dec'09 | QTD Sep'09 | FY Dec'09 | FY Dec'08 |
|---------------------------|---------------|---------------|--------------|--------------|
| Loan/Deposits | 72% | 78% | 72% | 77% |
| ROAE | 16% | 16% | 16% | 17% |
| ROAA | 1.6% | 1.5% | 1.5% | 1.4% |
| Cost/Income Ratio | 54% | 56% | 55% | 53% |
| Gross NPLs/Gross Advances | 10.3% | 10.0% | 10.3% | 7.3% |
| Net NPLs/Gross Advances | 3.2% | 3.3% | 3.2% | 2.6% |
| Coverage Ratio | 71% | 70% | 71% | 68% |
| CAR (Standalone) | 13.2% | 12.8% | 13.2% | 9.9% |
| Tier 1 CAR (Standalone) | 9.0% | 8.8% | 9.0% | 5.8% |

Deposit Structure (Bank level)

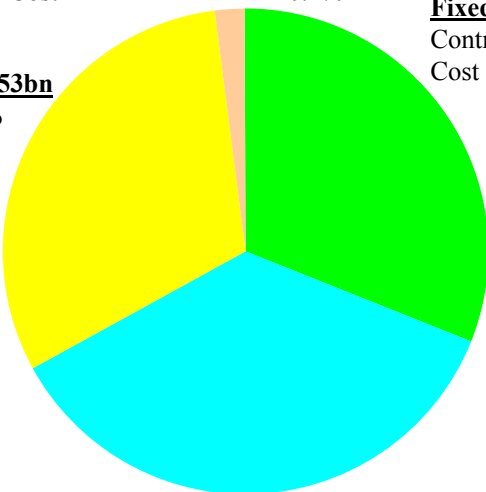
Deposit Mix (FY 2009) - Bank (Parent Company)

Other Deposits – PKR 10bn

Contribution 2%
Cost 0.4%

Fixed Deposits – PKR 151bn

Contribution 31%
Cost 8.3%



Current Deposits – PKR 153bn

Contribution 31%
Cost 0%

Saving Deposits – PKR 178bn

Contribution 36%
Cost 5.2%

Total Deposits = PKR 492 bn

Cost of Deposits = 4.8%

CASA = 67%

Cost of Deposits

| | QTD Dec'09 | | QTD Sep'09 | |
|-----------------------|-----------------|-----------------|-----------------|-----------------|
| | Period end Rs B | Avg.Yield /Cost | Period end Rs B | Avg.Yield /Cost |
| Saving deposits | 178 | 4.9% | 158 | 4.9% |
| Current deposits | 153 | 0.0% | 138 | 0.0% |
| Fixed deposits | 151 | 7.0% | 148 | 7.6% |
| Other deposits | 10 | 0.8% | 9 | 0.0% |
| Total deposits | 492 | 4.0% | 452 | 4.4% |

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|------|-----|-----|
| CASA | 67% | 65% |
|------|-----|-----|

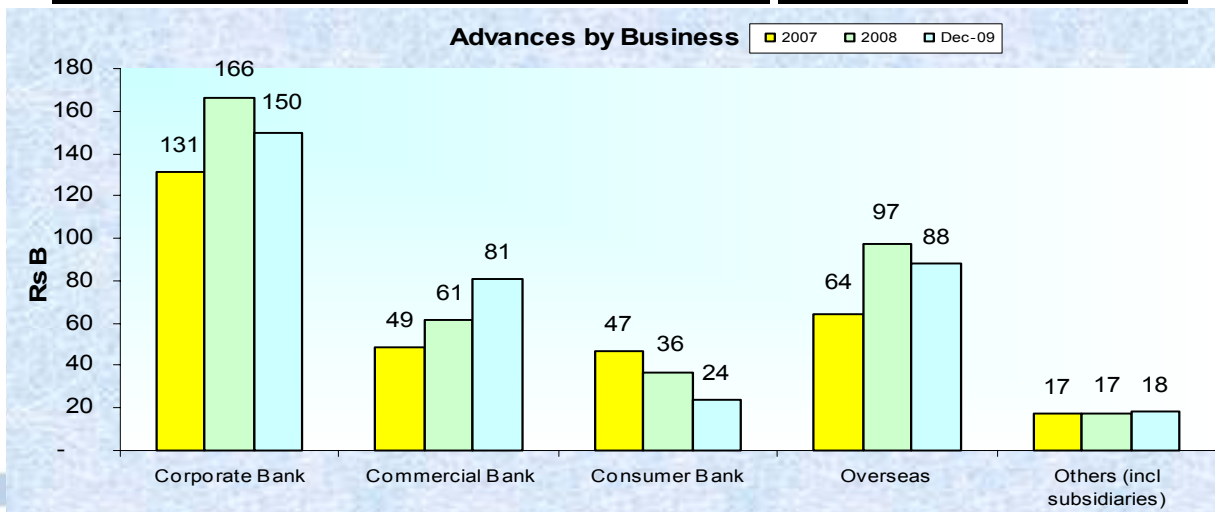
| | | | | |
|------------------------|-------|------|-------|------|
| Domestic deposits | 392 | 4.5% | 346 | 4.7% |
| International deposits | 100 | 2.5% | 106 | 3.2% |
| Intl. deposits -US\$ M | 1,186 | 2.5% | 1,276 | 3.2% |

| | | |
|--------------------|-----|-----|
| Domestic CASA | 75% | 75% |
| International CASA | 32% | 31% |

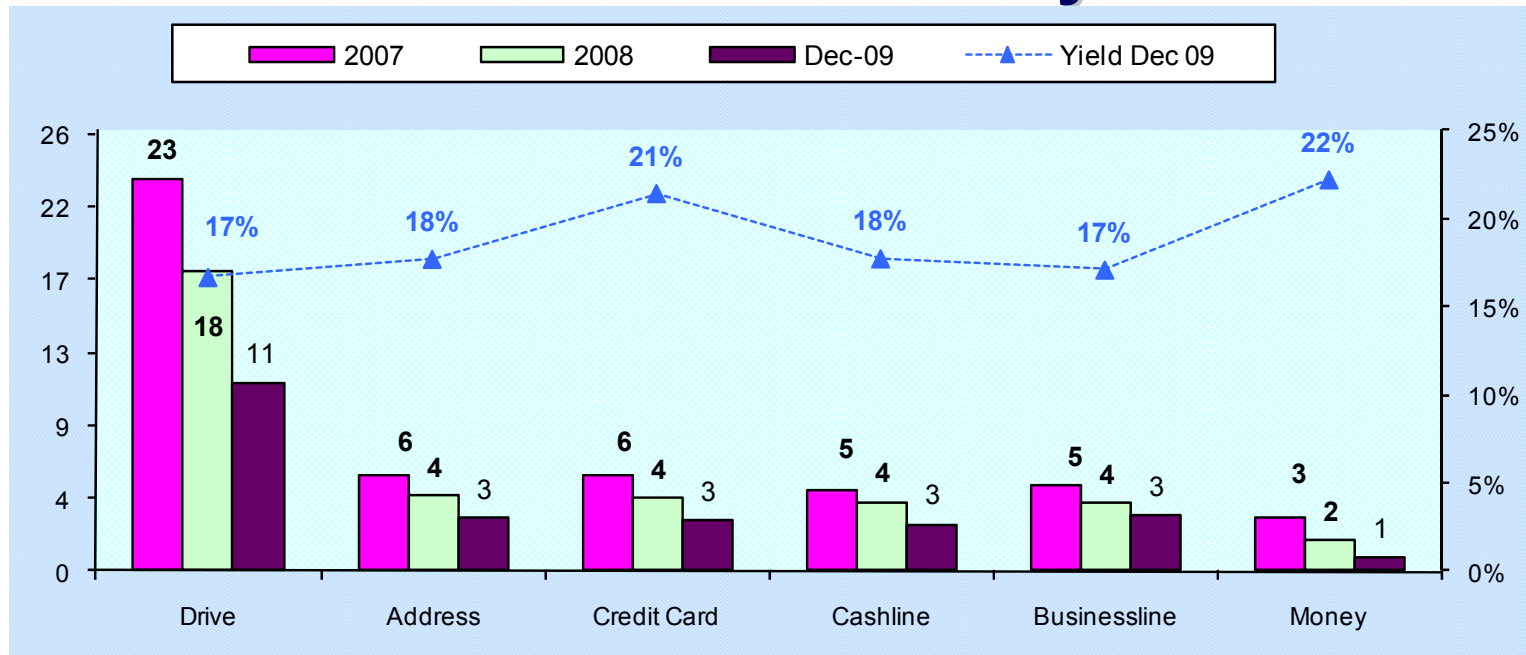
Advances by Business

| Net Advances-Rs.B | % Change | | | Mix 09 | Yield 09 | Yield 08 |
|--------------------------|--------------|--------------|------------|-------------|--------------|--------------|
| | Dec'09 | Dec'08 | Change | | | |
| Corporate Bank | 150.1 | 166.2 | -10% | 56% | 14.1% | 12.5% |
| Commercial Bank | 81.2 | 61.4 | +32% | 31% | 16.0% | 14.6% |
| Consumer Bank | 24.3 | 36.4 | -33% | 9% | 17.9% | 16.5% |
| Others | 10.1 | 10.1 | -1% | 4% | 1.2% | 9.5% |
| Domestic | 265.7 | 274.1 | -3% | 100% | 14.6% | 13.5% |
| International | 88.4 | 97.0 | -9% | | 8.1% | 7.5% |
| Bank | 354.1 | 371.1 | -5% | | 12.9% | 12.1% |
| Subsidiaries | 8.0 | 7.2 | +12% | | | |
| Bank-Consolidated | 362.1 | 378.3 | -4% | | | |

| | | | | | | |
|------------------------|-------|-------|------|--|--|--|
| International (US\$ M) | 1,052 | 1,229 | -14% | | | |
|------------------------|-------|-------|------|--|--|--|



Consumer Advances by Product



| | Dec'09 | Dec'08 | % Change | Mix 09 | Yield 09 | Yield 08 |
|--------------|-------------|-------------|-------------|-------------|--------------|--------------|
| Drive | 11.2 | 17.7 | -37% | 46% | 16.7% | 13.6% |
| Address | 3.1 | 4.4 | -30% | 13% | 17.7% | 13.9% |
| Credit Card | 3.0 | 4.3 | -30% | 12% | 21.4% | 23.1% |
| Cashline | 2.8 | 4.1 | -31% | 12% | 17.8% | 22.7% |
| Businessline | 3.3 | 4.0 | -18% | 14% | 17.1% | 16.1% |
| Money | 0.8 | 1.8 | -54% | 3% | 22.2% | 20.7% |
| Total | 24.3 | 36.4 | -33% | 100% | 17.9% | 16.5% |

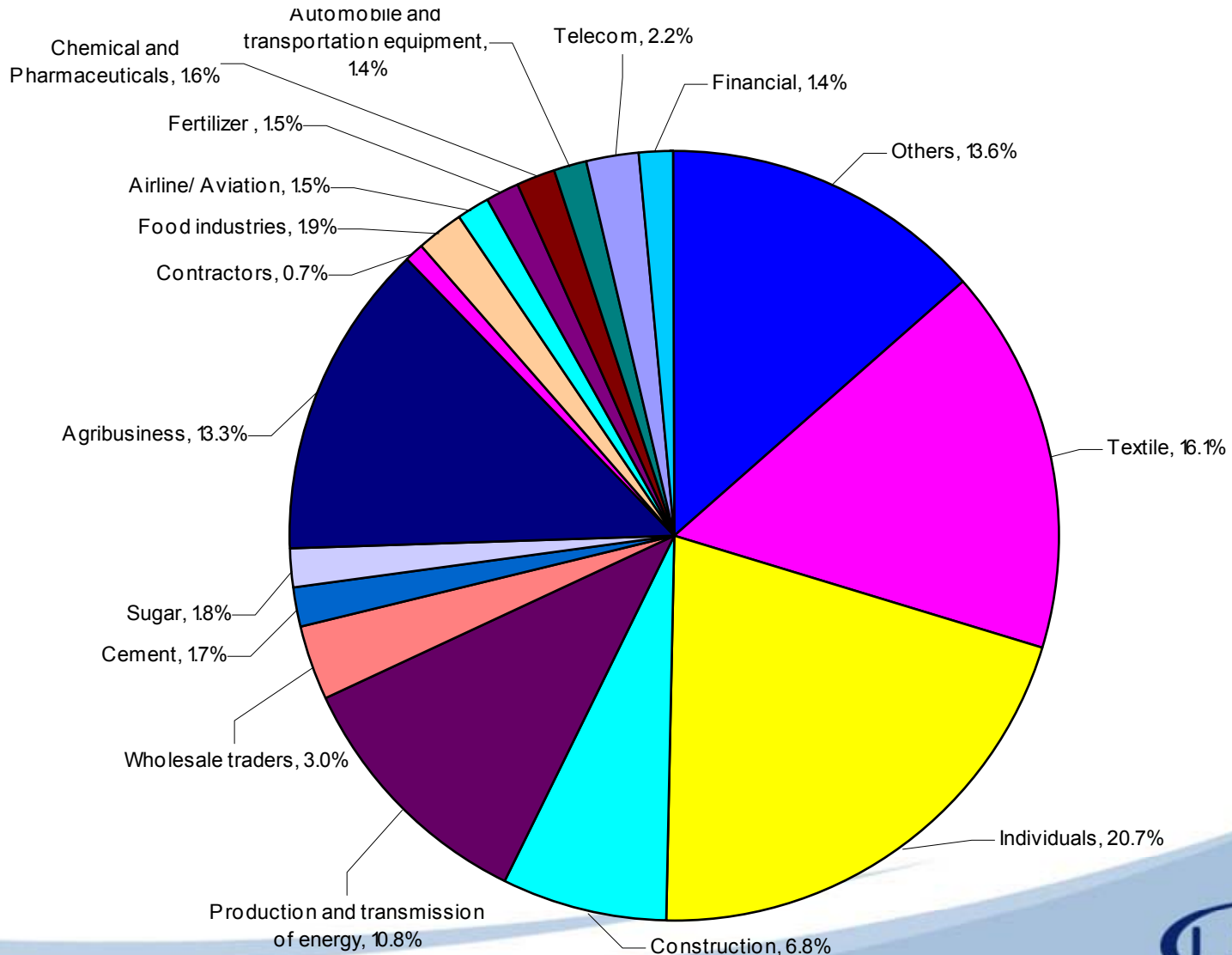
QTD – Net Interest Income (Bank Level)

| Bank | QTD Dec 2009 | | | | QTD Sep 2009 | | | |
|---|--------------|------------|--------------|-----------------|--------------|------------|--------------|-----------------|
| | PE | AVG | IE | Avg.Yield/ Cost | PE | AVG | IE | Avg.Yield/ Cost |
| Rs B | | | | | | | | |
| Interest Earning Assets | | | | | | | | |
| <i>Performing Advances</i> | 343 | 341 | 11.0 | 12.8% | 341 | 343 | 10.6 | 12.3% |
| Corporate | 145 | 141 | 5.0 | 14.0% | 141 | 141 | 4.7 | 13.2% |
| Commercial | 79 | 80 | 3.3 | 16.2% | 78 | 79 | 3.0 | 15.2% |
| Consumer | 23 | 24 | 1.0 | 16.8% | 25 | 27 | 1.1 | 16.4% |
| International | 87 | 88 | 1.7 | 7.7% | 89 | 89 | 1.8 | 8.2% |
| Others | 9 | 8 | 0.0 | 0.6% | 8 | 8 | 0.0 | 0.2% |
| Investments (earning) | 127 | 122 | 3.4 | 11.1% | 126 | 123 | 3.4 | 11.0% |
| Lending To Financial Institution | 23 | 12 | 0.4 | 11.6% | 11 | 18 | 0.5 | 10.8% |
| Others | 18 | 16 | 0.0 | 0.9% | 23 | 22 | 0.0 | 0.6% |
| Total int. earning assets (a) | 511 | 492 | 14.8 | 11.9% | 501 | 505 | 14.6 | 11.4% |
| <i>Non earning assets</i> | 109 | 78 | - | 0.0% | 89 | 87 | - | 0.0% |
| Total Assets (A) | 620 | 570 | 14.8 | 10.3% | 590 | 592 | 14.6 | 9.7% |
| Interest bearing liabilities | | | | | | | | |
| <i>Total deposits</i> | 492 | 451 | (4.6) | 4.0% | 452 | 470 | (5.2) | 4.4% |
| Core Deposits | 412 | 388 | (2.9) | 3.0% | 395 | 398 | (3.2) | 3.2% |
| Unisaver Plus | 45 | 33 | (0.8) | 9.2% | 30 | 35 | (0.8) | 9.1% |
| UTTIP | 36 | 29 | (0.9) | 12.0% | 28 | 36 | (1.1) | 12.4% |
| Subordinated Debts - TFC | 12 | 12 | (0.4) | 12.2% | 12 | 12 | (0.4) | 12.5% |
| Swap cost (net) | - | - | (0.2) | 0.0% | - | - | - | 0.0% |
| Borrowings | 35 | 39 | (0.8) | 8.1% | 52 | 43 | (0.8) | 7.1% |
| Total interest bearing liab (b) | 539 | 502 | (5.9) | 4.7% | 517 | 525 | (6.3) | 4.8% |
| <i>Non earning liabilities & equity</i> | 81 | 67 | - | 0.0% | 73 | 68 | - | 0.0% |
| Total Liabilities+Equity (B) | 620 | 570 | (5.9) | 4.1% | 590 | 592 | (6.3) | 4.2% |
| Net Interest Margin (a-b) | - | - | 8.9 | 7.3% | - | - | 8.2 | 6.6% |
| Spread (A-B) | | | - | 6.2% | | | - | 5.5% |

Spread Analysis (Bank Level)

| Bank | FY Dec 2009 | | | | FY Dec 2008 | | | |
|---|-------------|------------|---------------|-----------------|-------------|------------|---------------|-----------------|
| | PE | AVG | IE | Avg.Yield /Cost | PE | AVG | IE | Avg.Yield /Cost |
| Rs B | | | | | | | | |
| Interest Earning Assets | | | | | | | | |
| Performing Advances | 343 | 349 | 45.2 | 12.9% | 362 | 332 | 40.0 | 12.1% |
| Corporate | 145 | 148 | 20.9 | 14.1% | 162 | 148 | 18.5 | 12.5% |
| Commercial | 79 | 73 | 11.7 | 16.0% | 59 | 52 | 7.7 | 14.6% |
| Consumer | 23 | 29 | 5.2 | 17.9% | 35 | 41 | 6.8 | 16.5% |
| International | 87 | 90 | 7.3 | 8.1% | 97 | 80 | 6.0 | 7.5% |
| Others | 9 | 9 | 0.1 | 1.2% | 9 | 11 | 1.1 | 9.5% |
| Investments (earning) | 127 | 123 | 13.8 | 11.2% | 114 | 100 | 9.5 | 9.4% |
| Lending To Financial Institution | 23 | 16 | 1.7 | 11.0% | 23 | 22 | 2.1 | 9.5% |
| Others | 18 | 22 | 0.2 | 0.9% | 17 | 16 | 0.3 | 1.9% |
| Total int. earning assets (a) | 511 | 509 | 60.9 | 11.9% | 515 | 471 | 51.9 | 11.0% |
| <i>Non earning assets</i> | 109 | 79 | - | 0.0% | 90 | 78 | - | 0.0% |
| Total Assets (A) | 620 | 589 | 60.9 | 10.3% | 605 | 548 | 51.9 | 9.5% |
| Interest bearing liabilities | | | | | | | | |
| Total deposits | 492 | 465 | (22.2) | 4.8% | 484 | 436 | (18.6) | 4.3% |
| Core Deposits | 412 | 384 | (12.6) | 3.3% | 385 | 353 | (9.9) | 2.8% |
| Unisaver Plus | 45 | 36 | (3.5) | 9.9% | 38 | 39 | (3.4) | 8.9% |
| UTTIP | 36 | 45 | (6.1) | 13.6% | 60 | 45 | (5.3) | 11.7% |
| Subordinated Debts - TFC | 12 | 12 | (1.5) | 12.6% | 12 | 11 | (1.3) | 12.6% |
| Swap cost (net) | - | - | (0.2) | 0.0% | - | - | - | 0.0% |
| Borrowings | 35 | 45 | (4.3) | 9.6% | 44 | 45 | (4.1) | 9.2% |
| Total interest bearing liab (b) | 539 | 522 | (28.2) | 5.4% | 540 | 491 | (24.1) | 4.9% |
| <i>Non earning liabilities & equity</i> | 81 | 67 | - | 0.0% | 65 | 57 | - | 0.0% |
| Total Liabilities+Equity (B) | 620 | 589 | (28.2) | 4.8% | 605 | 548 | (24.1) | 4.4% |
| Net Interest Margin (a-b) | - | - | 32.7 | 6.5% | - | - | 27.9 | 6.1% |
| Spread (A-B) | | | - | 5.6% | | | - | 5.1% |

Concentration of Advances



Non Interest Income (PKR mm)

| | QTD Dec'09 | QTD Sep'09 | % Change | FY Dec 09 | FY Dec 08 | % Change |
|---|---------------|---------------|-------------|---------------|---------------|-------------|
| Comm.on Commodity Operations | 185 | 7 | +100% | 192 | 33 | +483% |
| Commission on consumer loan | 229 | 287 | -20% | 1,070 | 1,691 | -37% |
| Minimum balance charges | 160 | 130 | +23% | 571 | 561 | +2% |
| Commission on trade | 383 | 399 | -4% | 1,462 | 1,385 | +6% |
| Commission on remittances/uniremote | 209 | 195 | +7% | 787 | 591 | +33% |
| Commission on cash manag. | 79 | 68 | +16% | 271 | 215 | +26% |
| Corporate Service Charges | 43 | 76 | -44% | 218 | 306 | -29% |
| Other fee commission income | 319 | 282 | +13% | 1,353 | 1,467 | -8% |
| Sub total - fee, commission income | 1,608 | 1,445 | +11% | 5,925 | 6,249 | -5% |
| Capital gain / Dividend income | 338 | 550 | -39% | 1,233 | 769 | +60% |
| Exchange income | 293 | 78 | +275% | 1,214 | 1,795 | -32% |
| Gain / loss on Derivatives | 272 | (4) | +100% | 1,720 | 575 | +199% |
| Recovery from Client | 114 | 119 | -4% | 460 | 467 | -1% |
| Ijarah rental Income | 63 | 61 | +4% | 250 | 214 | +17% |
| Other income | 620 | 57 | +980% | 867 | 610 | +42% |
| Total non funded income | 3,308 | 2,306 | +43% | 11,670 | 10,680 | +9% |
| Subsidiaries | (98) | 270 | -136% | 651 | 520 | +25% |
| Share of (loss) / income of associates | 296 | 181 | +64% | 690 | (128) | +637% |
| Total non funded income-Consol. | 3,506 | 2,757 | +27% | 13,010 | 11,071 | +18% |

Operating Expenses

| Operating Cost - Rs. M | QTD | QTD | Var % | FY | FY | Var % |
|----------------------------------|--------------|--------------|------------|---------------|---------------|------------|
| | Dec'09 | Sep'09 | | Dec 09 | Dec 08 | |
| Personnel cost | 1,862 | 1,818 | -2% | 7,463 | 6,754 | -11% |
| Early Retirement Scheme | 76 | 113 | +33% | 275 | 271 | -2% |
| Outsourced cost/commission | 336 | 328 | -3% | 1,325 | 1,652 | +20% |
| Premises cost | 702 | 718 | +2% | 2,657 | 2,224 | -19% |
| Advertising / Loyalty programs | 96 | 50 | -93% | 221 | 319 | +31% |
| Depreciation - others | 290 | 274 | -6% | 1,092 | 880 | -24% |
| Legal & Professional consul. | 62 | 53 | -17% | 213 | 243 | +12% |
| Courier / Communication | 189 | 178 | -6% | 722 | 667 | -8% |
| Banking service charges | 170 | 140 | -22% | 566 | 454 | -25% |
| Repair & Maintenance | 78 | 64 | -22% | 246 | 172 | -43% |
| Stationery | 103 | 86 | -20% | 330 | 286 | -16% |
| Office Running expense | 40 | 38 | -5% | 152 | 123 | -24% |
| Traveling expense | 49 | 34 | -44% | 161 | 182 | +11% |
| Cash transportation | 77 | 59 | -31% | 339 | 228 | -48% |
| Zakat / Donation | 6 | 35 | +84% | 102 | 44 | -132% |
| Insurance others | 22 | 97 | +77% | 167 | 120 | -39% |
| Other cost | 168 | 126 | -33% | 577 | 902 | +36% |
| Total Bank | 4,328 | 4,212 | -3% | 16,609 | 15,520 | -7% |
| Subsidiaries | 284 | 320 | +11% | 1,195 | 1,160 | -3% |
| Total Bank - Consolidated | 4,612 | 4,532 | -2% | 17,803 | 16,680 | -7% |

E-Banking

| <i>E-Banking</i> | <i>Dec-09</i> | <i>Dec-08</i> | <i>% Change</i> | <i>Dec-07</i> |
|--------------------------------------|---------------|---------------|---------------------|---------------|
| # of ATMs | 412 | 354 | +16% | 313 |
| # of Transactions (M) | 14.6 | 11.7 | +25% | 9.5 |
| Average transactions per day | 40k | 32k | +25% | 26k |
| Total transaction amount (Rs B) | 84 | 63 | +32% | 48 |
| Average transaction size (Rs 000) | 5.7 | 5.4 | +5% | 5.0 |
| Average monthly trans.per ATM (Rs M) | 17 | 15 | +13% | 13 |
| <i>Internet Banking</i> | | | | |
| Users | 70,834 | 52,766 | +34% | 37,408 |
| Total # of transactions (000) | 450 | 253 | +78% | 148 |
| Total transaction amount (Rs M) | 22,403 | 8,746 | +156% | 2,089 |
| Average transaction size (Rs 000) | 50 | 35 | +44% | 14 |
| <i>Click N Remit</i> | | | | |
| Users | 28,379 | 23,255 | +22% | 19,950 |
| Total # of transactions (000) | 74 | 78 | -5% | 79 |
| Total transaction amount (US\$ M) | 56 | 65 | -14% | 70 |
| Average transaction size (US\$) | 759 | 834 | -9% | 885 |
| <i>Remittances</i> | | | | |
| Total # of transactions (000) | 687 | 636 | +8% | 595 |
| Total transaction amount (US\$ M) | 1,242 | 823 | +51% | 709 |
| Average transaction size (US\$) | 1,808 | 1,295 | +40% | 1,192 |

Financial Ratios (1 of 3)

| DuPont | Full Year | | | QTD Annualized | | | |
|----------------------------------|-----------|-------|-------|----------------|--------|--------|--------|
| | 2007 | 2008 | 2009 | Mar-09 | Jun-09 | Sep-09 | Dec-09 |
| Net Interest Yield ¹ | 5.0% | 4.9% | 5.3% | 5.2% | 4.9% | 5.3% | 5.8% |
| Net Interest Margin ² | 6.1% | 5.8% | 6.4% | 6.4% | 6.2% | 6.3% | 7.0% |
| Non Interest Yield ³ | 2.0% | 1.9% | 2.1% | 1.6% | 2.6% | 1.7% | 2.2% |
| Operating Exp. / Assets | 2.9% | 2.9% | 2.8% | 2.7% | 2.8% | 2.9% | 2.9% |
| Cost Income Ratio | 50.8% | 53.0% | 55.6% | 49.2% | 58.7% | 55.8% | 54.0% |
| Loan Loss / Assets | 1.3% | 1.0% | 1.9% | 1.4% | 2.8% | 1.7% | 1.9% |
| Loan Loss / RWA ⁴ | 1.8% | 1.2% | 2.4% | 1.8% | 3.5% | 2.3% | 2.4% |
| Effective Tax Rate | 33.0% | 39.9% | 34.2% | 33.9% | 37.3% | 32.6% | 33.7% |
| Pre-Provision ROA ⁵ | 2.8% | 2.3% | 2.9% | 2.7% | 2.9% | 2.8% | 3.2% |
| ROA | 1.9% | 1.4% | 1.5% | 1.8% | 1.1% | 1.5% | 1.6% |
| Return on RWA | 2.6% | 1.8% | 1.9% | 2.2% | 1.4% | 2.0% | 2.0% |
| Pre-Provision ROE ⁶ | 33.4% | 27.5% | 31.4% | 32.4% | 32.7% | 29.2% | 31.4% |
| ROE | 22.8% | 17.4% | 16.2% | 21.2% | 12.9% | 15.6% | 15.5% |

Formulas

- | | |
|---|---|
| 1. Net interest income / average assets | 4. Risk weighted assets |
| 2. Net interest income / average earning assets | 5. Return on avg. assets (before net provisions) |
| 3. Non interest income / average assets | 6. Return on average equity (before net provisions) |

Financial Ratios (2 of 3)

| Asset Quality | Full Year | | | QTD (Annu.) | | | |
|-------------------------|-----------|-------|-------|-------------|--------|--------|--------|
| | 2007 | 2008 | 2009 | Mar-09 | Jun-09 | Sep-09 | Dec-09 |
| Gross NPLs / Gross Loan | 6.9% | 7.3% | 10.3% | 8.2% | 8.8% | 10.0% | 10.3% |
| Net NPLs / Gross Loan | 1.9% | 2.4% | 3.0% | 3.0% | 2.9% | 3.0% | 3.0% |
| Coverage Ratio | 77.9% | 66.8% | 70.9% | 67.0% | 70.5% | 69.9% | 70.9% |
| Prov. held / Gross loan | 4.9% | 4.8% | 7.3% | 5.2% | 5.9% | 7.0% | 7.3% |
| Prov. Exp. / Gross loan | 2.0% | 1.5% | 3.0% | 2.3% | 4.4% | 2.7% | 3.0% |

| Growth | Full Year | | | QTD (over prev. quarter) | | | |
|----------------------------|-----------|-------|-------|--------------------------|--------|--------|--------|
| | 2007 | 2008 | 2009 | Mar-09 | Jun-09 | Sep-09 | Dec-09 |
| Growth in Loan Book | 21.0% | 22.7% | -4.3% | -2.5% | 2.8% | -4.4% | 0.0% |
| Growth in Deposits | 19.9% | 19.6% | 2.3% | -2.1% | 8.2% | -11.0% | 7.9% |
| Operating Revenue | 21.3% | 14.0% | 16.6% | 23.1% | 10.8% | -5.9% | 11.9% |
| Operating Expense | 22.5% | 17.0% | 6.7% | -5.2% | 6.2% | 1.6% | 1.8% |
| Pre-provision Oper.Profit | 20.6% | 11.9% | 23.8% | 58.2% | 13.8% | -10.4% | 18.9% |
| Provision exp./Other prov. | 170.0% | 23.5% | 64.5% | -43.4% | 97.0% | -30.7% | 28.6% |
| Profit After Tax | -4.4% | -8.6% | 12.3% | 554.8% | -33.7% | 27.7% | 9.0% |

Financial Ratios (3 of 3)

| Other Metrics | Yearly | | | QTD (Annu.) | | | |
|--------------------------------------|--------|-------|-------|-------------|--------|--------|--------|
| | 2007 | 2008 | 2009 | Mar-09 | Jun-09 | Sep-09 | Dec-09 |
| Capital Adequacy Ratio | 10.2% | 9.9% | 13.2% | 11.4% | 11.8% | 12.8% | 13.2% |
| Tier-I CAR | 7.4% | 5.8% | 9.0% | 7.7% | 8.0% | 8.8% | 9.0% |
| Loan / Deposits | 74.8% | 76.8% | 71.9% | 76.5% | 72.7% | 78.1% | 71.9% |
| Loan / Assets | 56.4% | 60.9% | 56.5% | 57.4% | 57.9% | 59.0% | 56.5% |
| RWA / Assets | 73.1% | 77.0% | 75.9% | 83.2% | 73.7% | 75.8% | 75.9% |
| Average Headcount ² | 9,702 | 9,192 | 8,639 | 8,845 | 8,777 | 8,581 | 8,457 |
| Personnel cost / Headcount (000) | 679.4 | 736.4 | 863.9 | 849.6 | 867.8 | 847.5 | 880.7 |
| Yield on Earning Assets ³ | 10.3% | 10.7% | 11.8% | 12.5% | 11.6% | 11.2% | 11.6% |
| Cost of Funds ⁴ | 4.0% | 4.7% | 5.2% | 6.0% | 5.5% | 4.6% | 4.4% |
| Yield on Performing Adv | 10.9% | 12.1% | 12.7% | 13.7% | 12.6% | 12.4% | 12.9% |
| Cost of Deposits | 3.6% | 4.2% | 4.5% | 5.6% | 4.7% | 4.4% | 4.1% |

Formulas

2. Permanent Staff

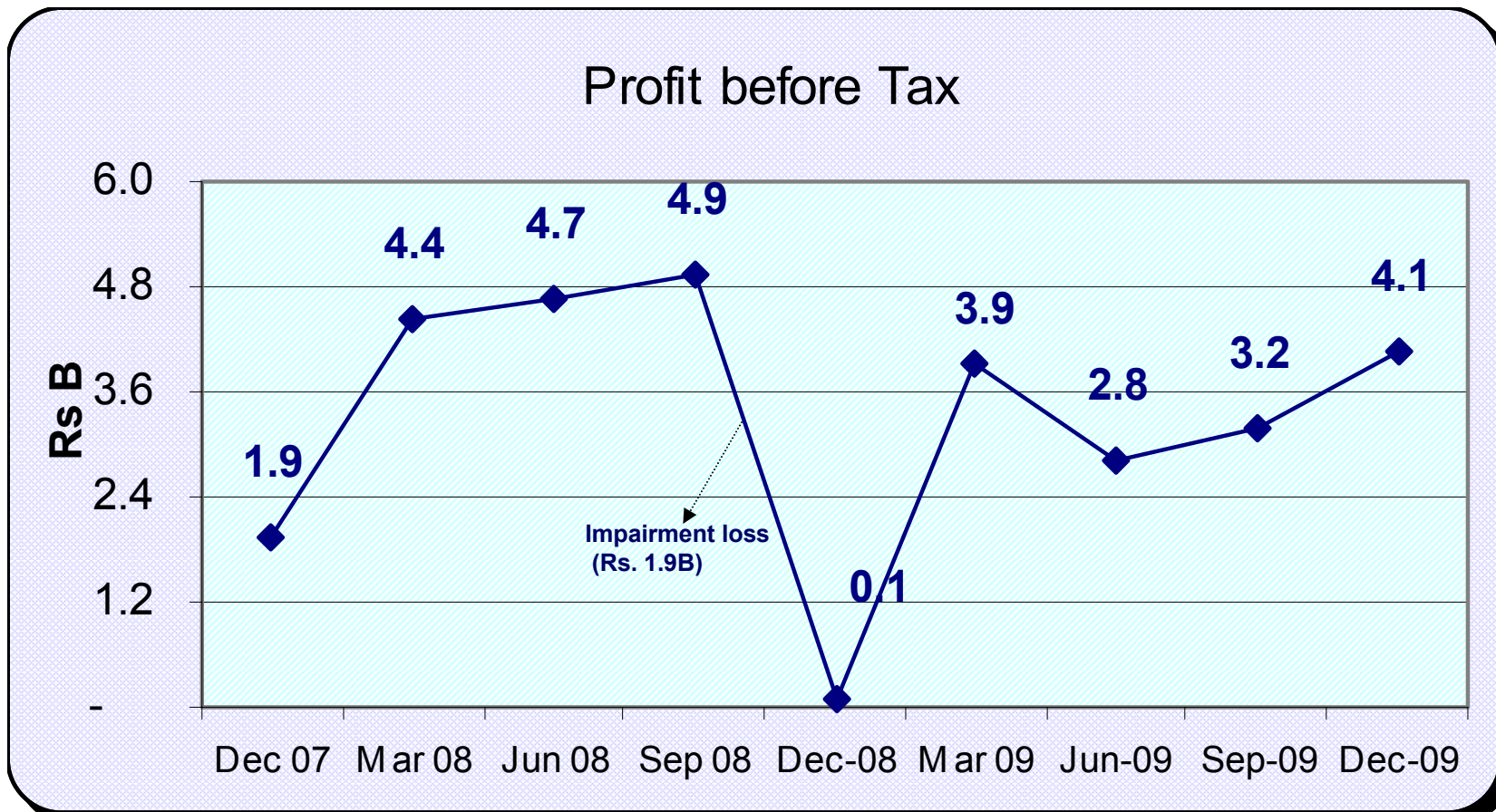
3. Earning assets incl bal. with other banks, lending to F.I., investments & perf adv

4. Funds includes deposits, borrowings & sub-ordinated loans

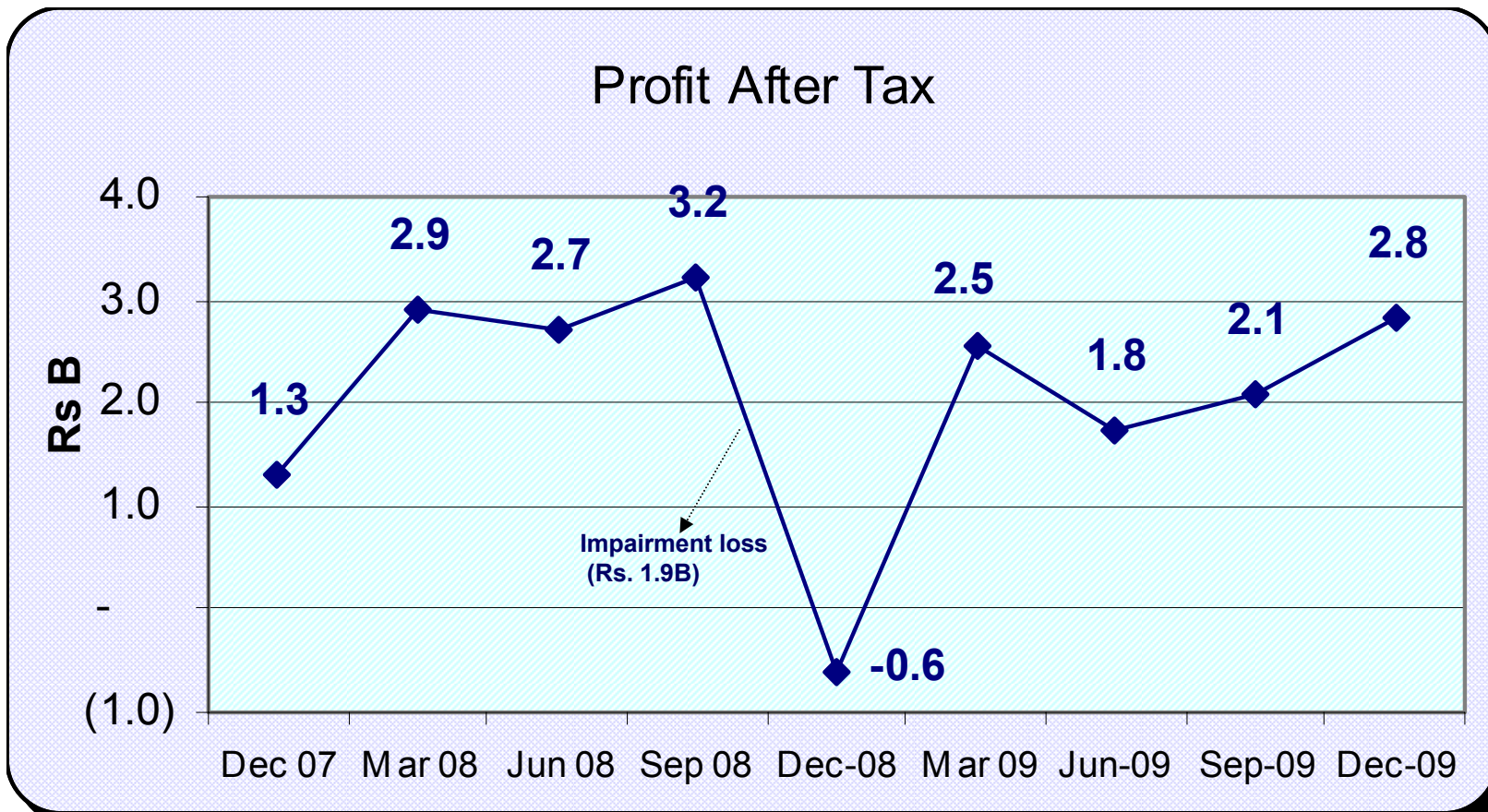
Quarterly Trend Analysis

Bank Level

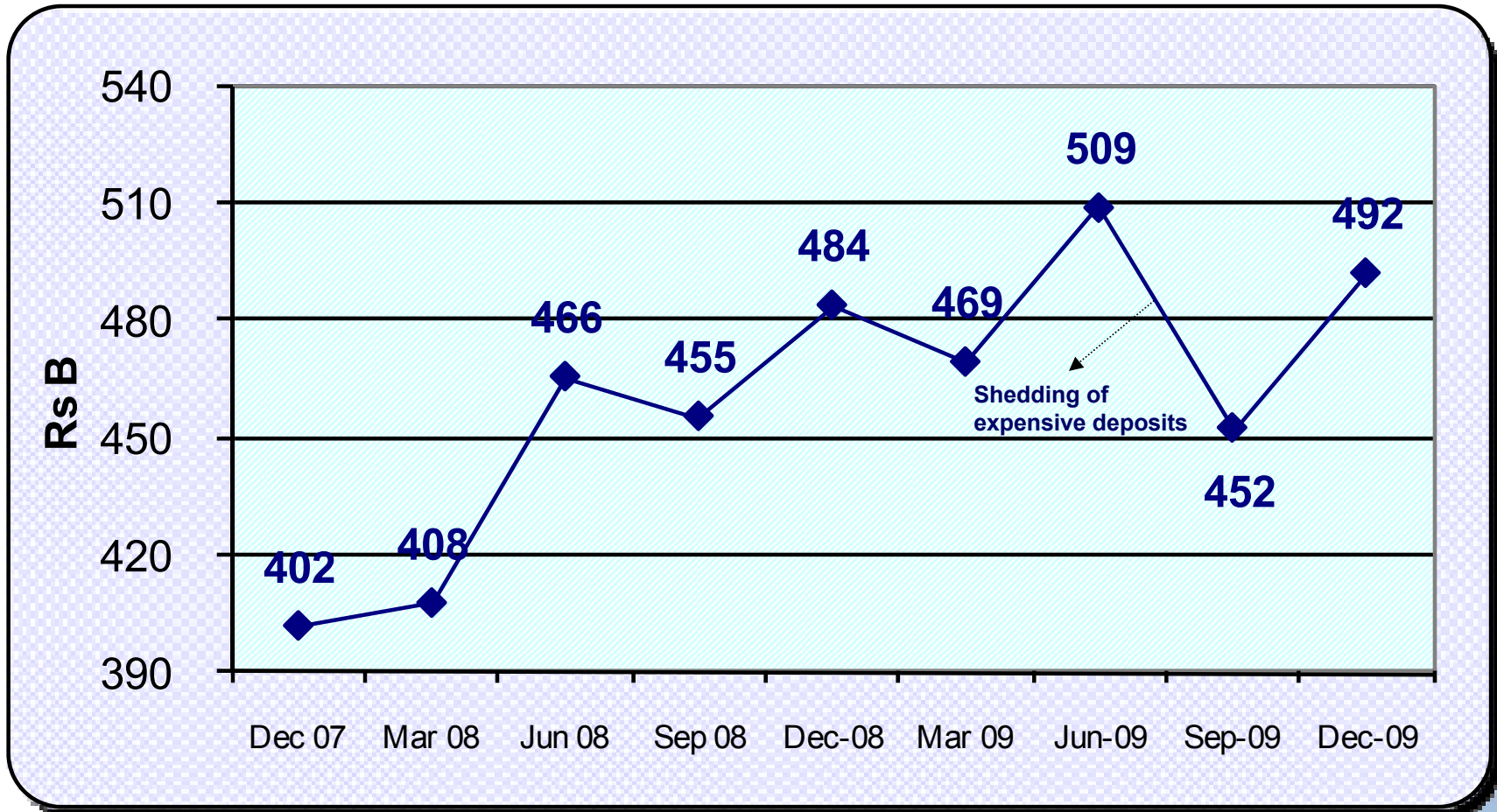
Profit Before Tax



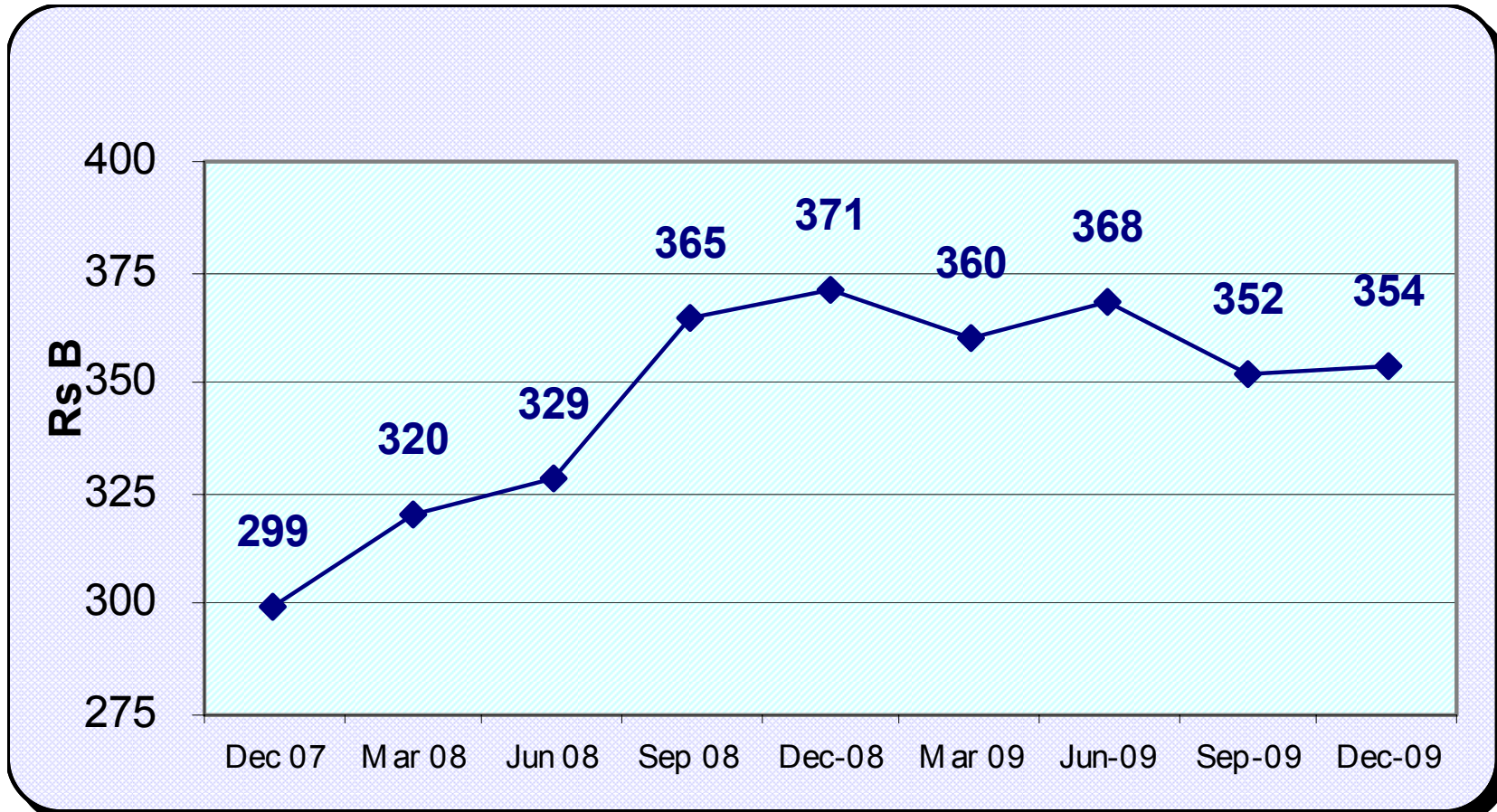
Profit after Tax



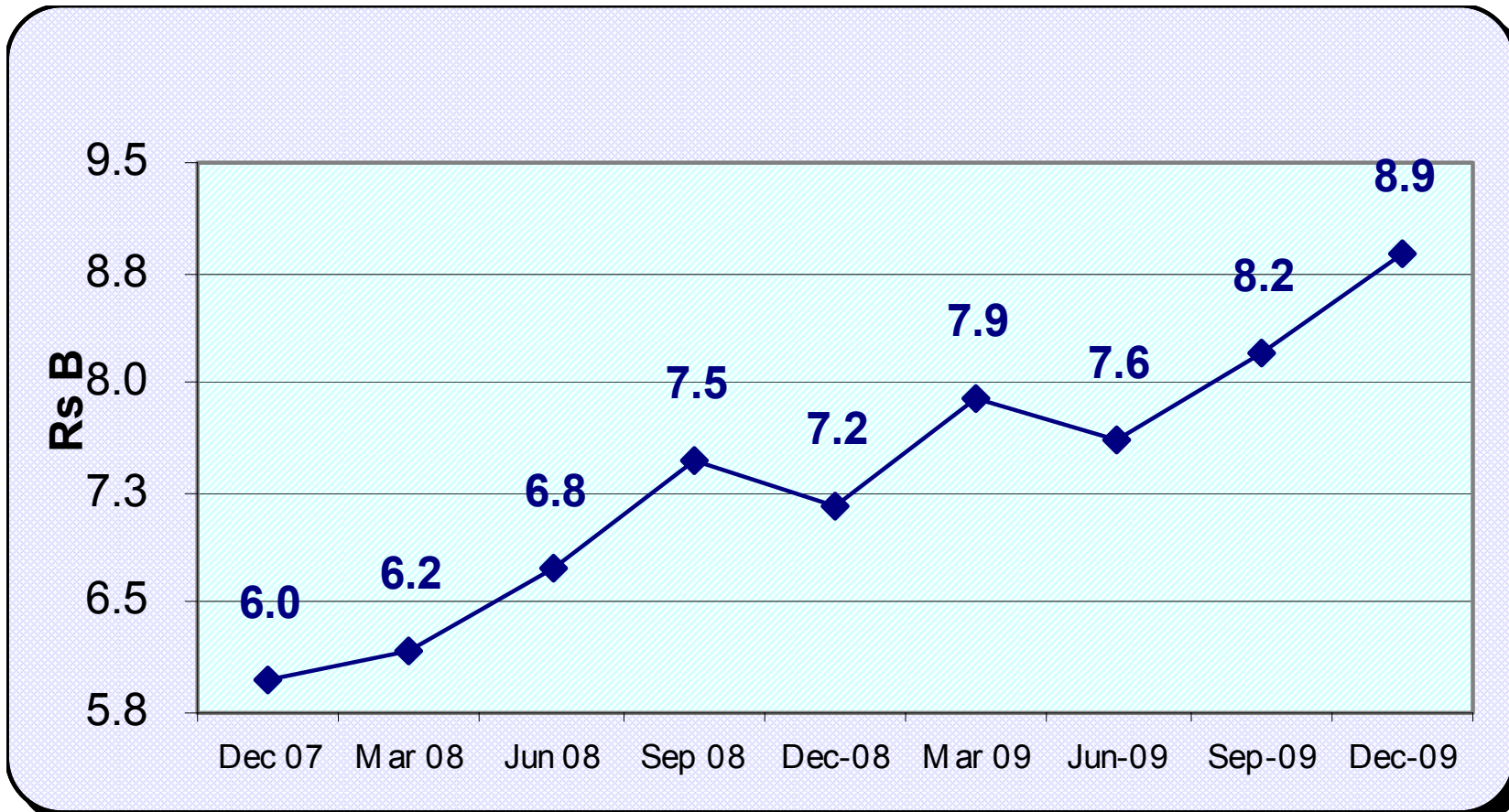
Deposits



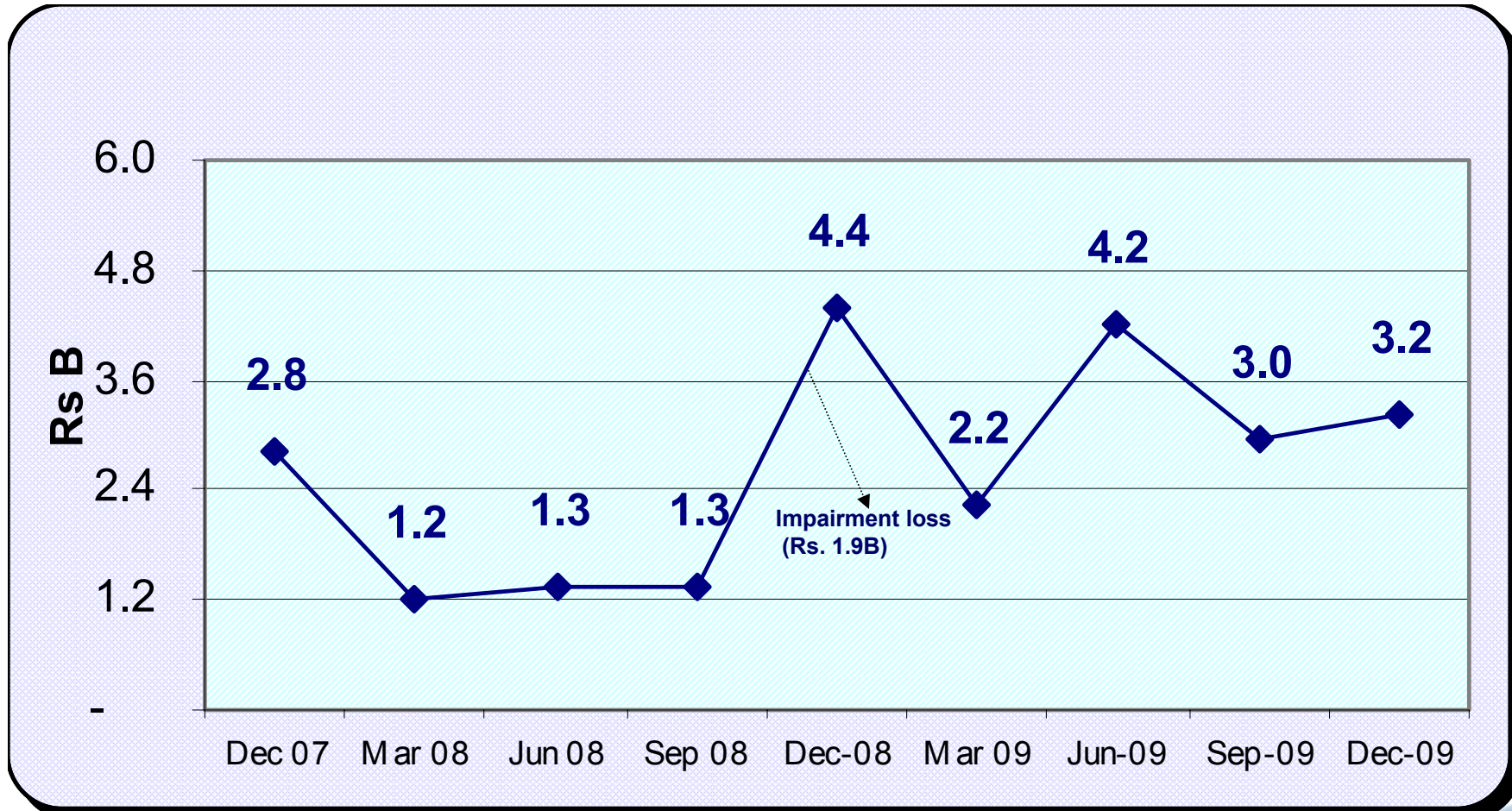
Net Advances



Net Interest Income

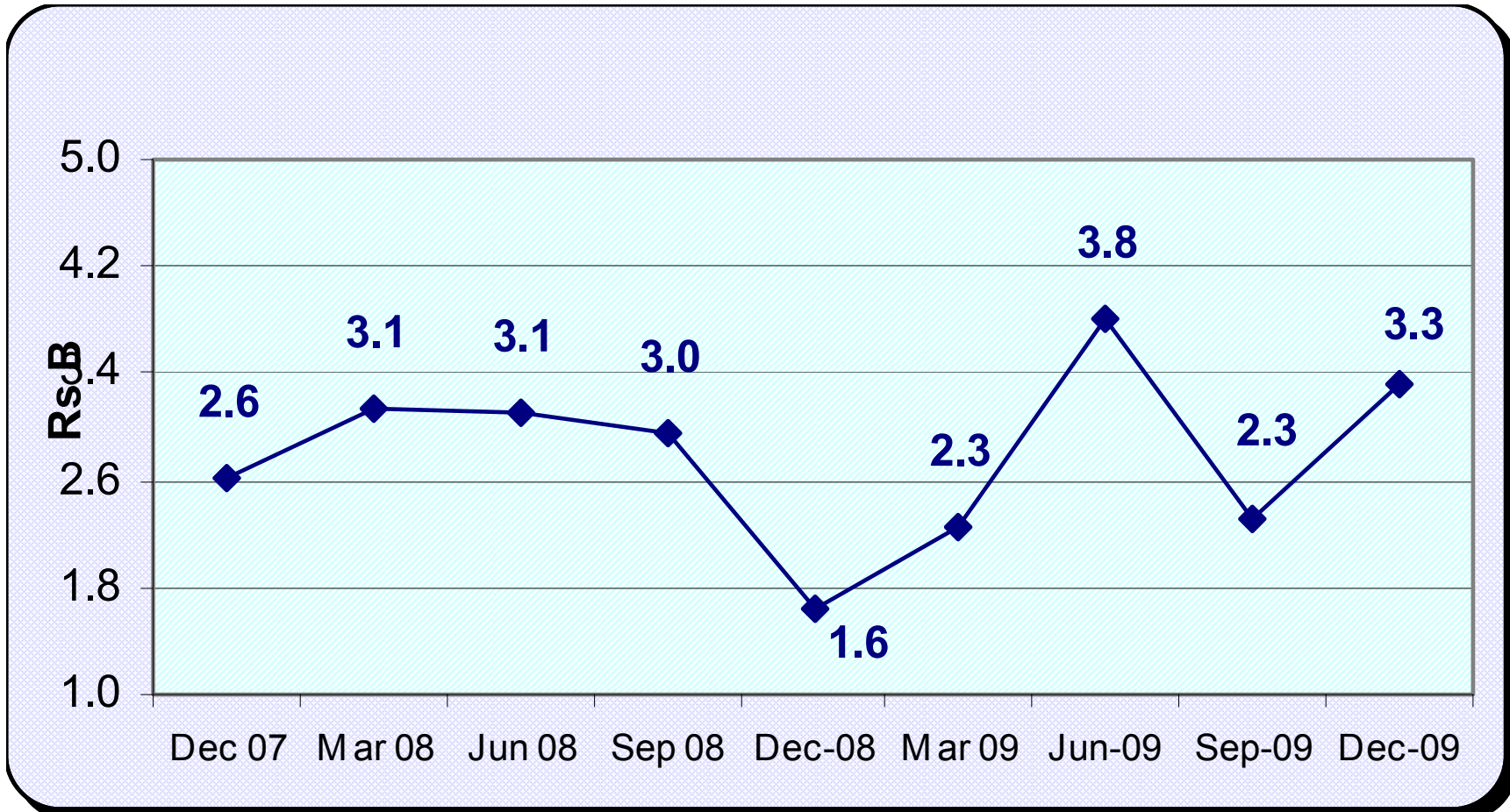


Net Provision *

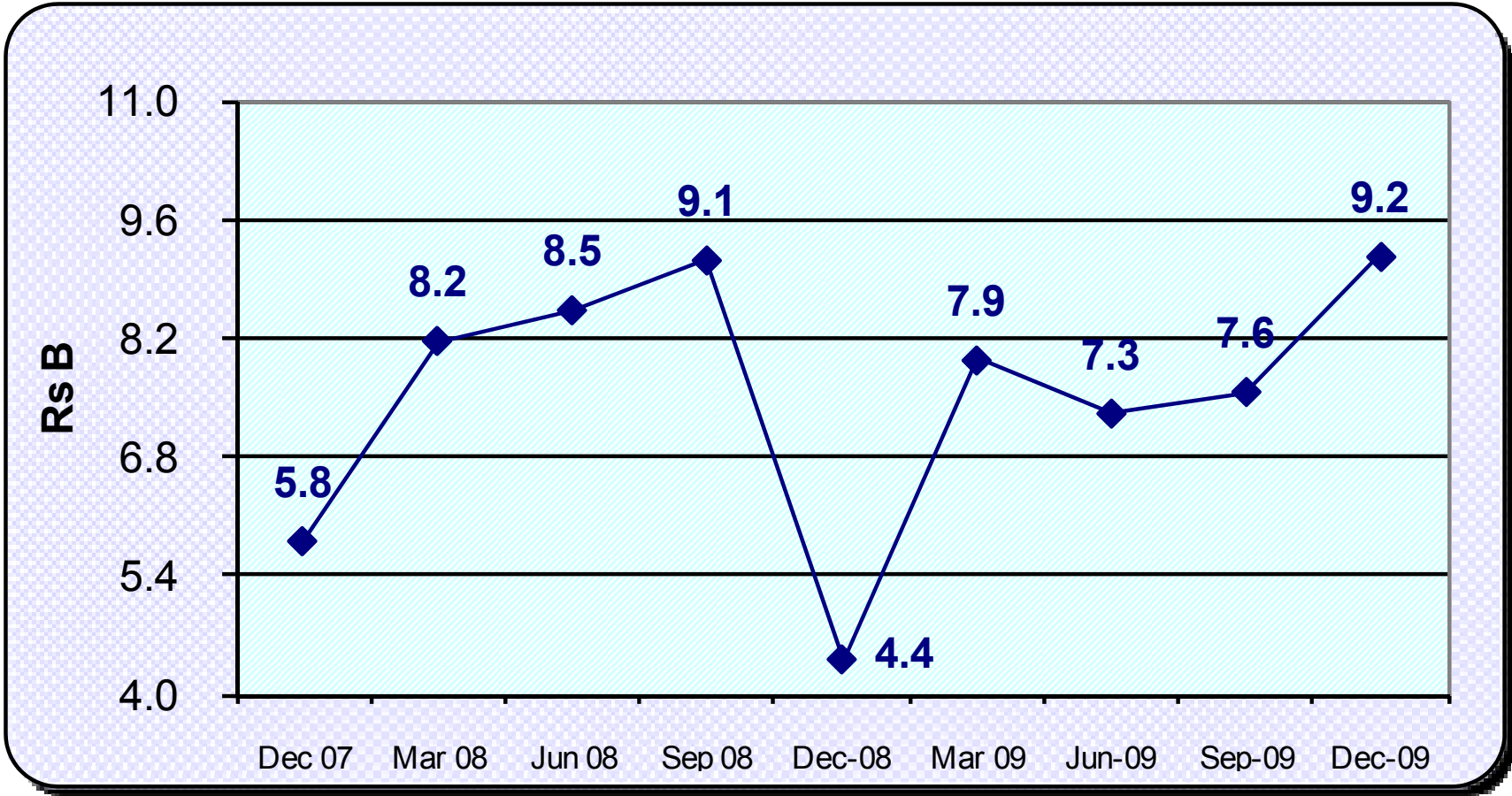


* Excluding other operational Write-offs

Non-Funded Income

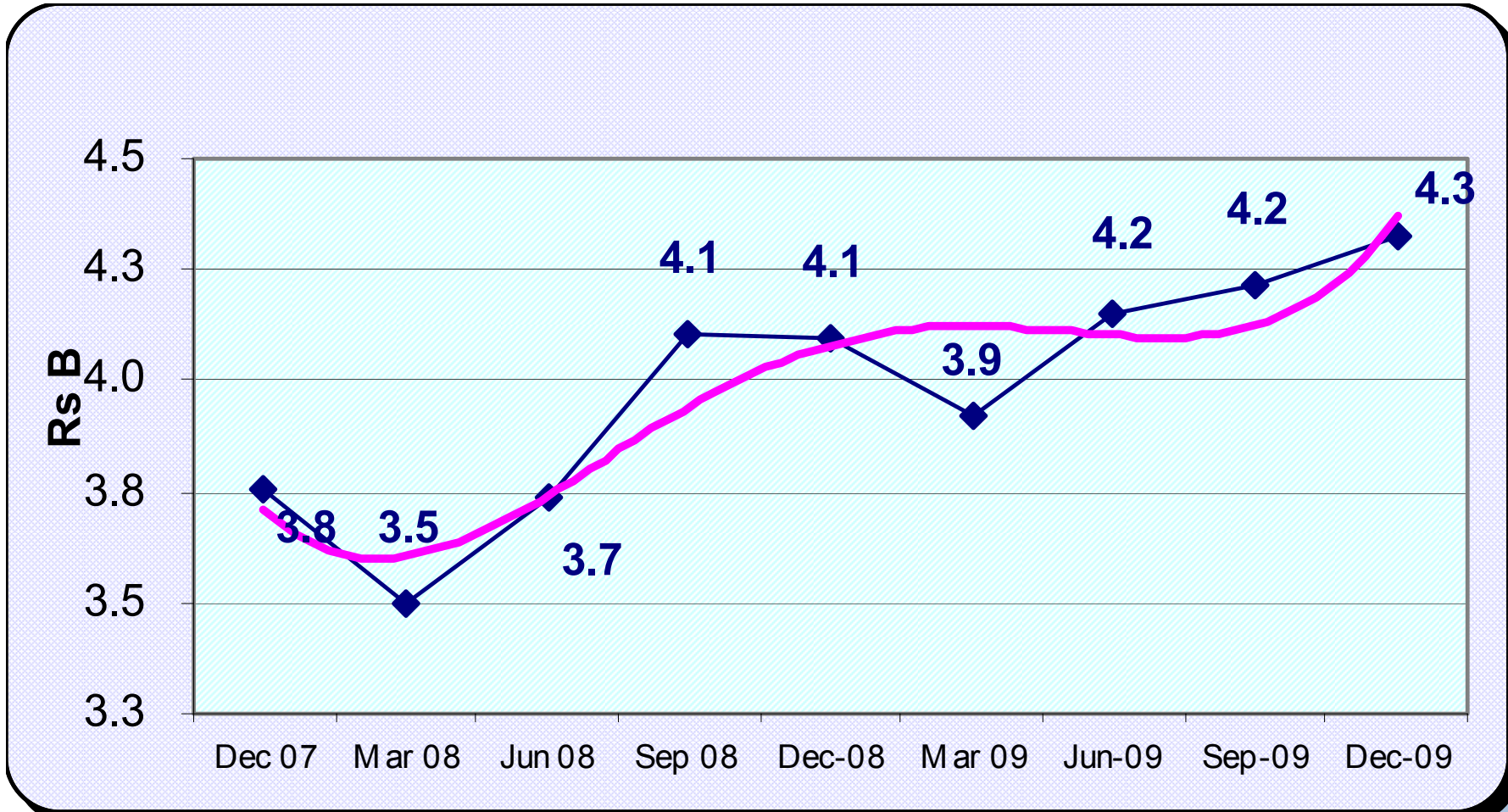


Total Revenue



* Excluding other operational Write-offs

Administrative Expenses



The information contained herein reflects our latest business statement as at December 31, 2009

Except the historical information contained herein, statements in this Release which contain words or phrases such as ‘will’, ‘would’, ‘indicating’ expected to’ etc., and similar expressions or variations of such expressions may constitute ‘forward-looking statements’. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, future levels of non-performing loans, our growth and expansion in business, the impact of any acquisitions, the adequacy of our allowance for credit losses, technological, implementation and changes, the actual growth in demand for banking products and services, investment income, cash flow projections, our exposure to market risks as well as other risks detailed in the reports filed by us with various regulatory authorities as per applicable laws and regulations. UBL undertakes no obligations to update forward-looking statements to reflect event or circumstances after the date thereof.

Thank You