





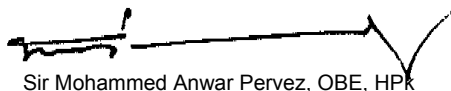
**UNITED BANK LIMITED AND ITS SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 2003**


	2003 (US Dollars in '000)	2002 (US Dollars in '000)
ASSETS		
Cash and balances with treasury banks	302,023	273,844
Balances with other banks	318,064	326,681
Lendings to financial institutions	331,912	63,201
Investments	951,051	1,173,669
Advances		
Performing	1,735,360	1,197,723
Non-performing	63,975	100,001
Other assets	56,571	64,483
Operating fixed assets	67,686	49,332
Taxation recoverable	4,570	5,487
Deferred tax asset – net	95,586	87,573
	3,926,798	3,341,994
LIABILITIES		
Bills payable	52,115	32,180
Borrowings from financial institutions	165,917	141,752
Deposits and other accounts	3,307,347	2,835,094
Sub-ordinated loans		
Liabilities against assets subject to finance lease	697	1,421
Other liabilities	102,684	99,904
Deferred liabilities	26,744	15,017
	3,655,504	3,125,368
NET ASSETS	271,294	216,626
REPRESENTED BY:		
Share capital	90,248	90,248
Reserves	82,105	74,202
Unappropriated profit / (accumulated loss)	7,917	(12,586)
	180,270	151,864
Minority interest	24,617	22,156
Surplus on revaluation of assets	66,407	42,606
	271,294	216,626
CONTINGENCIES AND COMMITMENTS		

These have been converted at Rs 57.3972 per US Dollar from the audited financial statements.


Amar Zafar Khan
President and
Chief Executive Officer


Ahmad Waqar
Director


Sir Mohammed Anwar Pervez, OBE, HPK
Deputy Chairman



Nafāyan Mabarak Al Nahayan
Chairman

**UNITED BANK LIMITED AND ITS SUBSIDIARY COMPANIES
CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2003**

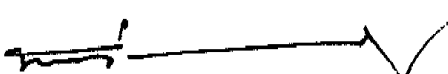
	2003 (US Dollars in '000)	2002
Mark-up / return / interest earned	161,497	198,361
Mark-up / return / interest expensed	33,646	95,398
Net mark-up / interest income	<u>127,851</u>	<u>102,963</u>
Provision against non-performing loans and advances – net	7,825	14,961
Provision / (reversal) for diminution in the value of investments - net	1,794	(2,793)
Bad debts written off directly	225	835
	<u>9,844</u>	<u>13,003</u>
Net mark-up / return / interest income after provisions	118,007	89,960
NON MARK-UP / INTEREST INCOME		
Fee, commission and brokerage income	29,109	26,843
Dividend income / gain on sale of investments	35,877	7,458
Income from dealing in foreign currencies	8,213	18,923
Other income	12,959	8,153
Total non mark-up / return / interest income	<u>86,158</u>	<u>61,377</u>
	204,165	151,337
NON MARK-UP / INTEREST EXPENSES		
Administrative expenses	115,672	102,427
Other provisions / write offs	9,614	477
Other charges	96	422
Total non mark-up / interest expenses	<u>125,382</u>	<u>103,326</u>
Extraordinary items	-	448
PROFIT BEFORE TAXATION	78,783	48,459
Taxation - Current - for the year	3,480	3,444
- for prior years	3,996	326
- Deferred	22,213	19,207
	<u>29,689</u>	<u>22,977</u>
PROFIT AFTER TAXATION	49,094	25,482
Share of minority interest	376	185
	<u>48,718</u>	<u>25,297</u>
Accumulated loss brought forward	(12,586)	(475,331)
Accumulated loss adjusted against share capital	-	439,075
	<u>36,132</u>	<u>(10,959)</u>
Transfer from surplus on revaluation of fixed assets		
Prior years	-	3,194
Current year - net of tax	1,274	958
	<u>1,274</u>	<u>4,152</u>
Profit / (accumulated loss) before appropriations	37,406	(6,807)
APPROPRIATIONS		
Transfer to:		
Statutory reserve	(9,183)	(5,779)
Capital reserve	-	-
Revenue reserve	-	-
Proposed cash dividend	(20,306)	-
	<u>(29,489)</u>	<u>(5,779)</u>
Unappropriated profit / (accumulated loss) carried forward	<u>7,917</u>	<u>(12,586)</u>
	0.09	0.01
Basic earnings per share		
Diluted earnings per share	0.09	0.01

(US Dollars)

These have been converted at Rs 57.3972 per US Dollar from the audited financial statements


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President and
Chief Executive Officer


Ahmad Waqar
Director


Sir Mohammed Anwar Pervez, OBE, HPK
Deputy Chairman


Nahayan Mabarak Al Nahayan
Chairman