

**UNITED BANK LIMITED AND ITS SUBSIDIARY COMPANIES  
CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 2005**

	2005	2004
	(US Dollars in '000)	
<b>ASSETS</b>		
Cash and balances with treasury banks	571,778	400,997
Balances with other banks	312,970	404,831
Lendings to financial institutions	299,219	307,476
Investments	1,030,894	882,670
Advances		
Performing	3,454,742	2,403,643
Non-performing	64,577	78,607
	3,519,319	2,482,250
Other assets	132,845	75,982
Fixed assets	91,098	85,468
Deferred tax asset - net	38,062	86,996
	5,996,185	4,726,670
<b>LIABILITIES</b>		
Bills payable	70,018	64,232
Borrowings from financial institutions	381,000	211,626
Deposits and other accounts	4,965,320	3,969,830
Sub-ordinated loans	66,972	58,613
Liabilities against assets subject to finance lease	73	55
Other liabilities	106,304	97,782
	5,589,687	4,402,138
<b>NET ASSETS</b>	<u>406,498</u>	<u>324,532</u>
<b>REPRESENTED BY:</b>		
Share capital	86,747	86,747
Reserves	114,215	100,152
Unappropriated profit	130,458	60,038
	331,420	246,937
Minority interest	26,141	27,353
	357,561	274,290
Surplus on revaluation of assets	48,937	50,242
	<u>406,498</u>	<u>324,532</u>
<b>CONTINGENCIES AND COMMITMENTS</b>		



## UNITED BANK LIMITED AND ITS SUBSIDIARY COMPANIES

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2005

	2005	2004
	(US Dollars in '000)	
Mark-up / return / interest earned	346,441	161,781
Mark-up / return / interest expensed	103,093	30,152
Net mark-up / interest income	<u>243,348</u>	<u>131,629</u>
Provision against loans and advances - net	21,497	7,598
Provision / (reversal) for diminution in value of investments - net	1,887	(1,681)
Bad debts written off directly	639	64
	<u>24,023</u>	<u>5,981</u>
Net mark-up / return / interest income after provisions	<u>219,325</u>	<u>125,648</u>
<b>Non mark-up / interest income</b>		
Fee, commission and brokerage income	47,228	31,675
Dividend income / gain on sale of investments	9,269	18,474
Income from dealing in foreign currencies	12,044	12,072
Other income	21,205	18,474
Total non mark-up / interest income	<u>89,746</u>	<u>80,695</u>
	309,071	206,343
<b>Non mark-up / interest expenses</b>		
Administrative expenses	140,962	123,014
Other provisions / write offs / (reversals)	5,625	(743)
Other charges	118	175
Total non mark-up / interest expenses	<u>146,705</u>	<u>122,446</u>
Extraordinary items	-	-
Share of income of associate	220	-
<b>Profit before taxation</b>	<u>162,586</u>	<u>83,897</u>
	-	-
Taxation - Current - for the year	8,460	4,821
- for prior years	1,336	4,712
- Deferred	49,493	10,381
	<u>59,289</u>	<u>19,914</u>
<b>Profit after taxation</b>	<u>103,297</u>	<u>63,983</u>
Share of minority interest	(1,517)	735
Profit attributable to shareholders of the Bank	101,780	63,248
Unappropriated profit brought forward	60,038	27,128
	<u>161,818</u>	<u>90,376</u>
Transfer from surplus on revaluation of fixed assets - net of tax	1,577	1,577
<b>Profit before appropriations</b>	<u>163,395</u>	<u>91,953</u>
<b>Appropriations</b>		
Transfer to:		
Statutory reserve	(19,925)	(12,397)
Capital reserve	-	-
Revenue reserve	-	-
Final cash dividend for the years ended December 31, 2004 (USD.0.02 per share) and 2003 (USD.0.04 per share) declared subsequent to the year end	-	-
	<u>(13,012)</u>	<u>(19,518)</u>
	<u>(32,937)</u>	<u>(31,915)</u>
<b>Unappropriated profit carried forward</b>	<u>130,458</u>	<u>60,038</u>
	<b>US Dollars</b>	
<b>Basic and diluted earnings per share</b>	<u>0.20</u>	<u>0.12</u>