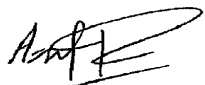


CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2006


	Note	(Un audited) Mar. 31, 2006	(Audited) Dec. 31, 2005
('Rupees in '000)			
ASSETS			
Cash and balances with treasury banks		36,715,560	34,143,128
Balances with other banks		11,616,022	18,688,683
Lendings to financial institutions		23,395,172	17,867,552
Investments	4	67,291,343	61,558,826
Advances	5	213,935,466	210,152,629
Other assets		8,358,790	7,932,696
Operating fixed assets		5,526,007	5,439,818
Deferred tax assets - net		1,183,149	2,272,814
		<u>368,021,509</u>	<u>358,056,146</u>
LIABILITIES			
Bills payable		6,320,531	4,181,026
Borrowings from financial institutions	6	29,455,660	22,751,015
Deposits and other accounts	7	294,468,760	296,499,113
Sub-ordinated loans		3,998,768	3,999,192
Liabilities against assets subject to finance lease		4,163	4,345
Other liabilities		8,667,893	6,347,853
		<u>342,915,775</u>	<u>333,782,544</u>
NET ASSETS		<u>25,105,734</u>	<u>24,273,602</u>
REPRESENTED BY			
Share capital		6,475,000	5,180,000
Reserves		7,325,283	6,820,234
Unappropriated profit		6,894,821	7,790,148
		20,695,104	19,790,382
Minority interest		1,609,653	1,561,005
		<u>22,304,758</u>	<u>21,351,387</u>
Surplus / (Deficit) on revaluation of assets		2,800,976	2,922,215
		<u>25,105,734</u>	<u>24,273,602</u>
CONTINGENCIES AND COMMITMENTS			

8

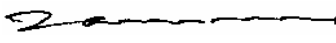
The annexed notes 1 to 11 form an integral part of these financial statements.




Atif R. Bokhari
President and
Chief Executive Officer



Muhammad Tahsin Khan Iqbal
Director



Zameer M. Choudrey
Director

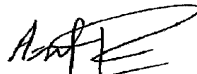



Nahayan Mabararak Al Nahayan
Chairman

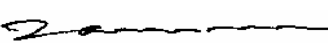
CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE QUARTER ENDED MARCH 31, 2006 - (Unaudited)


	Mar. 31, 2006	Mar. 31, 2005
	('Rupees in '000)	
Mark-up / Return / Interest Earned	7,217,977	3,654,377
Mark-up / Return / Interest Expensed	<u>(2,629,556)</u>	<u>(811,638)</u>
Net Mark-up / Interest Income	4,588,421	2,842,739
Provision for non-performing loans and advances	<u>(235,007)</u>	<u>(47,368)</u>
Provision against consumer loans	(144,169)	(114,843)
Provision for diminuation in value of investment	(17,697)	-
Bad debts written off directly	<u>(20,311)</u>	<u>-</u>
	<u>(417,184)</u>	<u>(162,211)</u>
Net Mark-up / Interest Income after provisions	4,171,237	2,680,528
NON MARK-UP/INTEREST INCOME		
Fee, Commission and Brokerage Income	<u>862,940</u>	<u>460,123</u>
Dividend Income/ Gain on sale of securities	280,838	198,341
Income from dealing in foreign currencies	178,142	81,138
Other Income	<u>295,490</u>	<u>322,639</u>
Total non-markup/interest Income	<u>1,617,409</u>	<u>1,062,241</u>
	5,788,647	3,742,769
NON MARK-UP / INTEREST EXPENSES		
Administrative expenses	<u>(2,396,992)</u>	<u>(1,829,473)</u>
Other provisions / write offs	7,500	(173,793)
Other charges	<u>(37)</u>	<u>292</u>
Total non-markup / interest expenses	<u>(2,389,529)</u>	<u>(2,002,974)</u>
	3,399,118	1,739,795
Extra ordinary / unusual items	-	-
PROFIT BEFORE TAXATION	<u>3,399,118</u>	<u>1,739,795</u>
Taxation – Current	<u>(152,579)</u>	<u>(120,301)</u>
- Deferred	<u>(1,097,281)</u>	<u>(563,419)</u>
	<u>(1,249,860)</u>	<u>(683,720)</u>
PROFIT AFTER TAXATION	<u>2,149,258</u>	<u>1,056,075</u>
Share of Minority Interest	<u>(26,178)</u>	<u>(22,719)</u>
Profit attributable to Shareholders of the Bank	<u>2,123,080</u>	<u>1,033,356</u>
Unappropriated Profit brought forward	<u>7,790,148</u>	<u>3,585,102</u>
	9,913,228	4,618,458
Transferred from surplus on revaluation of fixed assets-net of tax	<u>23,614</u>	<u>25,810</u>
Profit before appropriations	<u>9,936,842</u>	<u>4,644,268</u>
APPROPRIATIONS		
Transfer to statutory reserve	<u>(452,021)</u>	<u>(202,429)</u>
Cash Dividend 2005:Rs 2.50 (2004:Rs 1.50) per share	<u>(1,295,000)</u>	<u>(777,000)</u>
Bonus Dividend 2005:Rs 2.50 (2004:NIL) per share	<u>(1,295,000)</u>	<u>-</u>
	<u>(3,042,021)</u>	<u>(979,429)</u>
Unappropriated profit carried forward	<u>6,894,821</u>	<u>3,664,839</u>
Earnings per share (Rupees)	<u>3.28</u>	<u>1.60</u>

The annexed notes 1 to 11 form an integral part of these financial statements.


Atif R. Bokhari
President and
Chief Executive Officer


Muhammad Tahsin Khan Iqbal
Director

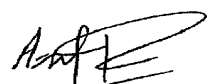

Zameer M. Choudrey
Director


Nahayan Mabarak Al Nahayan
Chairman

CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED MARCH 31, 2006

	Mar. 31, 2006	Mar. 31, 2005
	('Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	3,399,118	1,739,795
Less: Dividend income	(25,262)	(55,571)
	<u>3,373,856</u>	<u>1,684,224</u>
Adjustments for non-cash charges		
Depreciation	119,986	107,903
Provision for retirement benefits	40,576	5,558
Provision Against Non-performing Advances	379,176	23,518
Provision for Diminution in the value of investments	17,697	162,211
(Gain) on sale of fixed assets	(166)	(1,487)
Finance Charges on leased assets	118	39
Provision against other assets	(7,500)	173,793
Bad debts written off	20,311	-
	<u>570,198</u>	<u>471,535</u>
	<u>3,944,053</u>	<u>2,155,759</u>
(Increase)/ Decrease in operating assets		
Lendings to financial institutions	(5,527,620)	(207,500)
Held-for-trading securities	1,307,512	101,685
Advances	(4,182,324)	(10,200,359)
Others assets	(426,094)	(1,450,789)
	<u>(8,828,526)</u>	<u>(11,756,963)</u>
Increase/ (Decrease) in operating liabilities		
Bills Payable	2,139,505	1,481,359
Borrowings from financial institutions	6,704,645	90,247
Deposits	(2,030,353)	15,328,292
Other liabilities	1,221,702	1,534,309
	<u>8,035,498</u>	<u>18,434,207</u>
	<u>3,151,026</u>	<u>8,833,003</u>
Payments for retirement benefits	(113,859)	(101,868)
Income tax paid	(270,809)	(201,668)
Net cash flow from operating activities	2,766,358	8,529,467
CASH FLOW FROM INVESTING ACTIVITIES		
Net investment in securities	(7,140,157)	(8,443,640)
Dividend income	4,969	133,166
Investments in operating fixed assets	(208,428)	(168,304)
Sale proceeds of property and equipment disposed-off	2,253	2,893
Net cash flow from investing activities	(7,341,363)	(8,475,885)
CASH FLOW FROM FINANCING ACTIVITIES		
Payments of Sub-ordinated loan	(424)	(384)
Payments of lease obligations	(300)	(3,344)
Dividend paid	-	(777,000)
Net cash flow from financing activities	(724)	(780,728)
Net cash flow	(4,575,729)	(727,146)
Exchange difference on transaction of net investment in foreign branches and subsidiaries	53,028	(142,528)
Exchange difference on transaction of net investment in foreign branches and subsidiaries - minority	22,471	(56,124)
Increase/(Decrease) in cash and cash equivalents	(4,500,230)	(925,798)
Cash and cash equivalents at beginning of the period	52,831,811	48,119,210
Cash and cash equivalents at end of the period	48,331,581	47,193,412

The annexed notes 1 to 11 form an integral part of these financial statements.



Atif R. Bokhari
President and
Chief Executive Officer



Muhammad Tahsin Khan Iqbal
Director



Zameer M. Choudrey
Director



Nahayan Mabarak Al Nahayan
Chairman

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED MARCH 31 2006

	Share capital	General Reserve	Statutory Reserve	Exchange Reserve	Unappropriated Profit	Total
	Rupees in '000					
Opening Balance on 1 January 2005	5,180,000	3,000	3,952,439	2,025,009	3,585,102	14,745,550
Final cash dividend for the year ended December 31, 2004 declared subsequent to year end	-	-	-	-	(777,000)	(777,000)
Transfer from surplus on revaluation of fixed assets to un-appropriated profit-net of tax	-	-	-	-	25,810	25,810
Profit after taxation for the quarter ended March 31, 2005	-	-	-	-	1,033,356	1,033,356
Transfer to Statutory reserve	-	-	202,429	-	(202,429)	-
Exchange differences on translation of net investments in foreign branches, subsidiaries and associates	-	-	-	(142,528)	-	(142,528)
Closing balance as at March 31, 2005	<u>5,180,000</u>	<u>3,000</u>	<u>4,154,868</u>	<u>1,882,481</u>	<u>3,664,839</u>	<u>14,885,188</u>
Profit after taxation for the nine months ended December 31, 2005	-	-	-	-	5,044,348	5,044,348
Transfer from surplus on revaluation of fixed assets to un-appropriated profit-net of tax	-	-	-	-	68,338	68,338
Exchange differences on translation of net investments in foreign branches, subsidiaries and associates	-	-	-	(207,492)	-	(207,492)
Transfer to Statutory reserve	-	-	987,377	-	(987,377)	-
Closing balance as at December 31, 2005	<u>5,180,000</u>	<u>3,000</u>	<u>5,142,245</u>	<u>1,674,989</u>	<u>7,790,148</u>	<u>19,790,382</u>
Final cash dividend for the year ended December 31, 2005 declared subsequent to year end	-	-	-	-	(1,295,000)	(1,295,000)
Bonus shares for December 2005 declared subsequent to year end	1,295,000	-	-	-	(1,295,000)	-
Profit after taxation for the quarter ended March 31, 2006	-	-	-	-	2,123,080	2,123,080
Transfer from surplus on revaluation of fixed assets to un-appropriated profit-net of tax	-	-	-	-	23,614	23,614
Exchange differences on translation of net investments in foreign branches, subsidiaries and associates	-	-	-	53,028	-	53,028
Transfer to Statutory reserves	-	-	452,021	-	(452,021)	-
Closing balance as at March 31, 2006	<u>6,475,000</u>	<u>3,000</u>	<u>5,594,266</u>	<u>1,728,017</u>	<u>6,894,821</u>	<u>20,695,104</u>

The annexed notes 1 to 11 form an integral part of these financial statements.

Atif R. Bokhari
President and
Chief Executive Officer

Muhammad Tahsin Khan Iqbal
Director

Zameer M. Choudrey
Director

Nahayan Mabarak Al Nahayan
Chairman

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED MARCH 31, 2006
1. STATUS AND NATURE OF BUSINESS

The Group consists of:

Holding Company

United Bank Limited (The Bank)

Subsidiary Companies

United National Bank Limited (UNBL), United Kingdom

United Bank AG (Zurich), Switzerland

United Executors and Trustees Company Limited

United Bank Financial services (Pvt.) limited

UBL Fund Managers Limited

(Formerly United Asset Management Company Limited)

The Group is engaged in commercial banking, modaraba management, asset management, mutual funds and trustee services. The Bank is listed on all three Stock Exchanges in Pakistan. The Bank's registered office and principal office is situated in State Life Building No. 1, I. I. Chundirgar Road Karachi. The Bank operates 1043 (2005: 1043) branches inside including the Karachi Export Processing Zone Branch (KEPZ) and 15 (2005: 15) branches outside Pakistan.

The minority interest represents National Bank of Pakistan's 45% share in the net asset value of UNBL.

2. BASIS OF PRESENTATION

In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by banks from their customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of mark-up thereon.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these financial statements are the same as those applied in the preparation of annual financial statements of the Bank for the year ended December 31, 2005.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED MARCH 31, 2006
4. INVESTMENTS

	Note	Mar. 31, 2006			Dec. 31, 2005		
		Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total
-----Rupees in 000'-----							
4.1 Held-for-trading securities	4.1.1	214,799	-	214,799	1,061,504	460,807	1,522,311
Available-for-sale securities	4.1.2	25,979,087	7,257,384	33,236,471	22,500,774	4,103,980	26,604,754
Held-to-maturity securities	4.1.3	28,209,028	5,635,534	33,844,562	29,542,389	3,930,984	33,473,373
Investments in Associates		256,981	-	256,981	270,101	-	270,101
		54,659,895	12,892,918	67,552,813	53,374,768	8,495,771	61,870,539
Provision for Diminution in value of investments		(483,631)	-	(483,631)	(634,002)	-	(634,002)
Surplus / (deficit) on revaluation of available for sale investments		(1,386)	-	(1,386)	(1,328)	290	(1,038)
Surplus / (deficit) on revaluation of held for trading investments		234,660	(11,113)	223,547	322,591	736	323,327
Investments (net of provisions)		54,409,538	12,881,805	67,291,343	53,062,029	8,496,797	61,558,826

4.1.1 Held-for-trading securities

- Ordinary shares of listed companies	120,955	-	120,955	460,770	-	460,770
- Pakistan investment bonds	-	-	-	-	-	-
- Market treasury bills	93,844	-	93,844	600,734	460,807	1,061,541
- Term Finance Certificates	-	-	-	-	-	-
	214,799	-	214,799	1,061,504	460,807	1,522,311

4.1.2 Available for sale securities

- Market treasury bills	16,787,836	7,257,384	24,045,220	16,004,567	3,898,511	19,903,078
- Pakistan investment bonds	1,991,858	-	1,991,858	1,317,980	205,469	1,523,449
- Ordinary shares of listed companies	1,602,787	-	1,602,787	1,680,335	-	1,680,335
- Ordinary shares of unlisted companies	573,144	-	573,144	432,680	-	432,680
- GOP Islamic Bonds - Sakkuk	807,711	-	807,711	833,386	-	833,386
- Units of mutual funds	572,000	-	572,000	582,779	-	582,779
- Euro Bonds	1,410,035	-	1,410,035	279,575	-	279,575
- Foreign Securities	80,733	-	80,733	26,519	-	26,519
- Foreign Currency bonds	1,405,255	-	1,405,255	593,782	-	593,782
- Term Finance Certificates	747,728	-	747,728	749,171	-	749,171
	25,979,087	7,257,384	33,236,471	22,500,774	4,103,980	26,604,754

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED MARCH 31, 2006

Mar. 31, 2006			Dec. 31, 2005		
Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total

-----Rupees in 000'-----

4.1.3 Held to maturity securities

- Term Finance Certificates	8,543,318	-	8,543,318	8,666,380	-	8,666,380
- CIRC bonds	4,054,883	-	4,054,883	4,054,883	-	4,054,883
- Pakistan investment bonds	5,746,112	-	5,746,112	5,331,699	335,502	5,667,201
- Government of Pakistan Dollar/Euro bonds	3,797,980	-	3,797,980	4,039,971	-	4,039,971
- Foreign currency bonds	1,702,423	-	1,702,423	1,694,788	-	1,694,788
- Foreign securities	518,259	-	518,259	577,277	-	577,277
- Debentures	13,136	-	13,136	169,351	-	169,351
- Participation of Term Certificates	70,022	-	70,022	70,087	-	70,087
- CDC SAARC Fund	36,853	-	36,853	65,501	-	65,501
- Federal investment bonds	22,779	-	22,779	32,725	-	32,725
- Market treasury bills	3,693,373	5,635,534	9,328,907	4,830,400	3,595,482	8,425,882
- Cumulative Preference Shares	8,684	-	8,684	8,120	-	8,120
- Provincial Government Securities	1,207	-	1,207	1,207	-	1,207
	28,209,028	5,635,534	33,844,562	29,542,389	3,930,984	33,473,373

Investments in Associates

- Oman united Exchange Company, Muscat	6,981	-	6,981	6,981	-	6,981
- United Growth and Income Fund	250,000	-	250,000	263,120	-	263,120
	256,981	-	256,981	270,101	-	270,101
	54,659,895	12,892,918	67,552,813	53,374,768	8,495,771	61,870,539
Less: Provision for Diminution in value of investments	(483,631)	-	(483,631)	(634,002)	-	(634,002)
Surplus / (deficit) on revaluation of held for trading ir	(1,386)	-	(1,386)	(1,328)	290	(1,038)
Surplus / (deficit) on revaluation of available for sale	234,660	(11,113)	223,547	322,591	736	323,327
Investments (net of provisions)	54,409,538	12,881,805	67,291,343	53,062,029	8,496,797	61,558,826

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED MARCH 31, 2006

	Mar. 31, 2006	Dec. 31, 2005
	('Rupees in '000)	
5. ADVANCES		
Loans, cash credits, running finances, etc.		
In Pakistan	180,909,603	179,430,436
Outside Pakistan	<u>33,982,642</u>	<u>32,244,908</u>
	214,892,245	211,675,344
Bills discounted and purchased (excluding treasury bills)		
Payable in Pakistan	<u>3,959,826</u>	<u>3,104,283</u>
Payable outside Pakistan	<u>8,720,078</u>	<u>9,009,360</u>
	12,679,904	12,113,643
	227,572,149	223,788,987
Finance in respect of continuous funding system (CSF)	1,201,025	1,094,002
Provision for non-performing advances- specific	(13,446,392)	(13,506,034)
Provision for non-performing advances- General	<u>(1,391,316)</u>	<u>(1,224,326)</u>
	<u>213,935,466</u>	<u>210,152,629</u>

5.1 Advances include Rs.18,332 million which have been placed under non-performing status as detailed below:-

Category of Classification	Domestic	Overseas	Total	Provision	Provision
				Required	Held
Rupees in '000'					
Other Assets Especially Mentioned	451,277	-	451,277	-	-
Substandard	2,129,319	39,063	2,168,382	353,789	353,789
Doubtful	613,692	100,544	714,236	176,285	176,285
Loss	<u>8,052,708</u>	<u>6,539,499</u>	<u>14,592,207</u>	<u>12,709,858</u>	<u>12,709,858</u>
	11,246,996	6,679,106	17,926,102	13,239,932	13,239,932
Subsidiary Company	-	406,407	406,407	206,460	206,460
	<u>11,246,996</u>	<u>7,085,513</u>	<u>18,332,509</u>	<u>13,446,392</u>	<u>13,446,392</u>

5.2 General provision represents provision amounting to Rs 836.367 million (December 31, 2005: Rs. 699.420 million) against consumer financing portfolio as required by the Prudential Regulations issued by State Bank of Pakistan and Rs. 554.95 million (December 31, 2004: Rs. 524.906 million) pertaining to overseas advances to meet the requirements of monetary agencies and regulating authorities of the respective country.

	Mar. 31, 2006	Dec. 31, 2005
	('Rupees in '000)	
6. BORROWINGS FROM FINANCIAL INSTITUTIONS		
Secured		
Borrowings from financial institutions	-	-
Borrowings from State Bank of Pakistan	7,748,508	7,453,261
- Under export refinance scheme	478,689	303,410
- Long term finance under export oriented projects	5,195	5,195
- Locally Manufactured Machinery	<u>16,524,308</u>	<u>8,434,771</u>
Repurchase agreement borrowings	24,756,700	16,196,637
Unsecured		
Call borrowings	2,400,000	4,027,253
Overdrawn nostro accounts	66,475	118,689
Trading account liability	1,670,000	1,479,852
Others	<u>562,484</u>	<u>928,584</u>
	4,698,960	6,554,378
	<u>29,455,660</u>	<u>22,751,015</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED MARCH 31, 2006
7. DEPOSITS AND OTHER ACCOUNTS
Customers

	Mar. 31, 2006	Dec. 31, 2005
	('Rupees in '000)	
Fixed deposits	72,836,010	82,230,051
Savings deposits	137,143,337	124,033,403
Sundry Deposits	4,700,904	4,148,275
Margin Deposits	1,694,714	2,226,835
Current Accounts - Remunerative	1,917,920	1,891,832
Current Accounts - Non-remunerative	75,567,914	81,659,966
	<u>293,860,798</u>	<u>296,190,362</u>

Financial Institutions

Remunerative deposits	-	26,157
Non-remunerative deposits	607,962	282,594
	<u>607,962</u>	<u>308,751</u>
	<u>294,468,760</u>	<u>296,499,113</u>

8. CONTINGENCIES AND COMMITMENTS
8.1 Direct Credit Substitutes

Contingent liability in respect of guarantees given favouring:

i) Government	4,551,944	1,723,733
ii) Banking companies and other financial institutions	1,567,635	775,064
iii) Others	2,909,202	2,427,256
	<u>9,028,781</u>	<u>4,926,053</u>

8.2 Transaction-related Contingent Liabilities

Contingent liability in respect of performance bonds, bid bonds, warranties, etc.

i) Government	16,583,412	14,640,161
ii) Banking companies and other financial institutions	1,476,265	785,981
iii) Others	4,330,494	5,287,560
	<u>22,390,171</u>	<u>20,713,702</u>

8.3 Trade-related Contingent Liabilities

Contingent liability in respect of letters of credit favouring:

i) Government	71,523	1,628,389
ii) Banking companies and other financial institutions	1,576,307	693,229
iii) Others	78,435,430	71,300,730
	<u>80,083,259</u>	<u>73,622,348</u>

8.4 Other Contingencies

Claims against the bank not acknowledge as debts

<u>6,237,709</u>	<u>6,054,243</u>
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8.5 Commitments to Extend Credit

The bank makes commitments to extend credit in the normal course of its business but these being recoverable commitments do not attract any significant penalty or expense if the facility is unilaterally withdrawn.

8.6 Other commitments

Forward purchase contracts of government securities	1,806,241	598,194
Interest rate swaps	7,396,667	7,826,415
Equity futures	877,451	43,765
Sales of securities not yet purchased	1,579,279	1,479,279
Commitments in respect of capital expenditure	14,010	217,112

8.7 Commitments in respect of forward exchange contracts

Sale	43,361,795	42,020,795
Purchase	44,154,785	38,156,440

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED MARCH 31, 2006
9. RELATED PARTY TRANSACTIONS

The Bank has related party relationship with its associated undertakings, subsidiary companies, employee benefit plans and its directors and executive officers (including their associates).

Banking transactions with the related parties are executed substantially on the same terms, including mark-up rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties and do not involve more than a normal risk.

Contributions to and accruals in respect of staff retirements and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives are determined in accordance with the terms of their

Details of transactions with related parties are given below:

	2006			2005		
	Key management personnel	Associates	Others	Key management personnel	Associates	Others
Advances	-----Rupees in 000'-----					
At January 01	80,694	-	1,818,141	61,709	-	2,542,969
Given during the year	23,931	-	2	31,112	-	1,863,892
Repaid during the year	(18,090)	-	(258,589)	(12,127)	-	(2,588,720)
At March 31 / December 31	86,535	-	1,559,554	80,694	-	1,818,141
Deposits						
At January 01	15,542	-	727,877	13,415	-	-
Received during the year	44,045	-	6,211,021	121,382	-	30,792,517
Withdrawn during the year	(51,961)	-	(6,543,735)	(119,255)	-	(30,064,640)
At March 31 / December 31	7,625	-	395,163	15,542	-	727,877
Placements made during the year	-	-	-	-	-	-
Placements settled during the year	-	-	-	-	-	-
Maximum amount of a placement made during the year	-	-	-	-	-	-
Mark-up / return / interest earned	-	-	50,361	-	-	17,501
Mark-up / return / interest expensed	-	-	8,350	-	-	7,244
Reimbursement of liaison office expenses paid to Dubai and Abu Dhabi Group	-	-	7,484	-	-	7,447
Investment made during year	-	-	-	-	250,000	180,000
Payable in respect of acquisition of shares	-	-	-	-	-	-
Distribution commission income	-	-	-	-	-	-
Distribution commission receivable	-	-	-	-	-	-
Dividend income received	-	-	-	-	-	-
Remuneration paid	21,597	-	-	16,688	-	-
Post Employment benefits	3,254	-	-	3,829	-	-

Corresponding balance sheet items are as of December 31, 2005 and profit and loss items are for the quarter ended March 31, 2005.

10. DATE OF AUTHORIZATION

These financial statements were authorised for issue on April 19, 2006 by the Board of Directors of the Bank.

11. GENERAL

Comparative figures have been reclassified and rearranged, wherever necessary for comparison purposes

Atif R. Bokhari
President and
Chief Executive Officer

Muhammad Tahsin Khan Iqbal
Director

Zameer M. Choudrey
Director

Nahayan Mabarak Al Nahayan
Chairman