



United Bank Limited
Performance Review
3Q 2010

October 28, 2010

Abu Dhabi



Key Highlights

- PAT up 27% yoy at Rs. 8.1 B, while 14% yoy at Rs. 7.9 B on consolidated basis
- Net Interest income up 5%
 - Mainly due to lower cost of funds (Sep' 2009: 5.5%; Sep' 2010: 4.4%)
 - Increase in average core deposits by 5%
 - Net interest margin (NIM) up to 7.1% (Sep'2009: 6.7%)
- Non Interest income down 18% to Rs. 7.7B
 - Fee income up 12.6% to Rs 5.2B due to an overall growth in trade commissions, income generated on remittances and higher corporate service charges
 - Commissions on consumer loans declined by 11% owing to net attrition in the lending portfolio
 - Exchange income up by 27% to Rs. 1,233M
 - Other income down by Rs 1.5B to Rs 901M mainly due to lower gain on derivatives by Rs 1.2B
 - Share of Income from Associates down by 39% to Rs. 241M

Key Highlights

- **Provision charge of Rs 6.2 B, lower by 36%,**
 - Credit provisions of Rs. 6.2 billion for the nine months ended Sept 2010 were significantly lower compared to Rs. 9.6 billion in the corresponding period last year while our coverage has improved to 72% over the same period
 - Net credit loss ratio (NCL) improved from 3.1% in Sep'09 to 2.3% in Sep'10

- **Bank expenses up by 5%;**
 - Standalone expense up by 5%; Subsidiaries expense up by 5%;
 - while average inflation at 15.7% yoy; Intl rupee exp.+7%; Intl dollar exp. +1%

- **Advances reduced to Rs. 344B; Domestic -5%; Intl -8% ; Intl \$ -10%**
 - Reflecting reduction in systemic credit off-take and Bank's conscious strategy of risk containment

- **Deposits increased by 1% to Rs 507B; Domestic +0% ; Intl -2% ; Intl \$ -4%**
 - CASA ratio maintained at 67%
 - Rs 18B increase in low cost deposits; expensive deposits shed by 19bn

- **Total capital adequacy of 15.3% and Tier-1 CAR of 10.4%**

Summary

| | Sep 2010 | Dec 2009 | Change |
|---------------------------|----------|----------|-------------|
| Assets (PKR bn) | 650 | 640 | +1% |
| Advances (PKR bn) | 344 | 362 | -5% |
| Market Share-Adv-DOM | 8.6% | 8.8% | |
| Deposits (PKR bn) | 507 | 504 | +1% |
| Market Share-Deposits-DOM | 8.4% | 8.8% | |
| Online branches | 928 | 928 | - |
| ATMs | 413 | 412 | +1 |
| ROAA | 1.6% | 1.5% | |
| ROAE | 15% | 16% | |
| Credit Rating (JCR-VIS) | AA+/A-1+ | AA+/A-1+ | re-affirmed |

Share Info

| | Sep 2010 | Dec 2009 |
|------------------------|----------|----------|
| EPS (Rs/share-annual.) | 8.7 | 7.8 |
| BV/share (Rs/share) | 58.7 | 55.0 |
| Price* - (Rs /share) | 51.4 | 58.6 |
| P/E | 5.9x | 7.5x |
| P/BV | 0.9x | 1.1x |
| # of shares | 1,224M | 1,224M |

**Sep-10 Price dated October 18, 2010 & Dec-09 Price dated February 18, 2010*

**All figures have been adjusted for bonus shares*

Income Statement (Bank only)

| (PKR bn) | QTD Sep'10 | QTD Jun'10 | Var % | 9 Month Sep'10 | 9 Month Sep'09 | Var % |
|-----------------------------------|---------------|---------------|-------------|-------------------|-------------------|-------------|
| Net Interest Income | 8.57 | 8.32 | +3% | 25.08 | 23.90 | +5% |
| Non Interest Income | 2.57 | 2.37 | +8% | 7.29 | 8.25 | -12% |
| Operating Revenue | 11.13 | 10.68 | +4% | 32.37 | 32.15 | +1% |
| Operating Expense | (4.43) | (4.34) | -2% | (12.86) | (12.28) | -5% |
| Pre Provision Oper. Profit | 6.70 | 6.34 | +6% | 19.52 | 19.87 | -2% |
| Provision Exp./Other writeoffs | (2.14) | (1.85) | -16% | (6.12) | (9.64) | +36% |
| Workers welfare fund | (0.12) | (0.09) | -37% | (0.30) | (0.28) | -6% |
| SBP Penalty | (0.07) | (0.09) | +18% | (0.17) | (0.00) | -100% |
| Profit Before Tax | 4.36 | 4.31 | +1% | 12.92 | 9.95 | +30% |
| Profit After Tax | 2.86 | 2.42 | +18% | 8.06 | 6.37 | +27% |

Income Statement (Consolidated)

| (PKR bn) | QTD Sep'10 | QTD Jun'10 | Var % | 9 Month Sep'10 | 9 Month Sep'09 | Var % |
|-----------------------------------|---------------|---------------|-------------|-------------------|-------------------|-------------|
| Net Interest Income | 8.72 | 8.44 | +3% | 25.50 | 24.29 | +5% |
| Non Interest Income | 2.66 | 2.57 | +3% | 7.75 | 9.39 | -18% |
| Operating Revenue | 11.38 | 11.02 | +3% | 33.25 | 33.68 | -1% |
| Operating Expense | (4.74) | (4.69) | -1% | (13.81) | (13.19) | -5% |
| Pre Provision Oper. Profit | 6.65 | 6.33 | +5% | 19.44 | 20.49 | -5% |
| Provision Exp./Other writeoffs | (2.15) | (1.87) | -15% | (6.16) | (9.63) | +36% |
| Workers welfare fund | (0.12) | (0.09) | -36% | (0.30) | (0.28) | -7% |
| SBP Penalty | (0.07) | (0.09) | +18% | (0.17) | (0.00) | -4689% |
| Profit Before Tax | 4.29 | 4.28 | +0% | 12.80 | 10.58 | +21% |
| Profit After Tax | 2.78 | 2.38 | +17% | 7.91 | 6.94 | +14% |

Balance Sheet (PKR bn)

| | Sep'10 | Dec'09 | % Change | Mix- Sep'10 | Mix- Dec'09 |
|----------------------|--------|--------|-------------|----------------|----------------|
| Cash & bank balances | 83.9 | 75.3 | +11% | 13% | 12% |
| Investments | 158.9 | 137.7 | +15% | 24% | 22% |
| Advances | 344.0 | 362.1 | -5% | 53% | 57% |
| Fixed assets | 24.2 | 23.7 | +2% | 4% | 4% |

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|---------------------|--------------|--------------|------------|-------------|-------------|
| Total Assets | 649.7 | 640.4 | +1% | 100% | 100% |
|---------------------|--------------|--------------|------------|-------------|-------------|

| | | | | | |
|------------|-------|-------|-----|-----|-----|
| Deposits | 507.4 | 503.8 | +1% | 88% | 88% |
| Borrowings | 38.0 | 37.2 | +2% | 7% | 6% |

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|--------------------------|--------------|--------------|------------|-------------|-------------|
| Total Liabilities | 577.9 | 573.1 | +1% | 100% | 100% |
|--------------------------|--------------|--------------|------------|-------------|-------------|

| | | | | | |
|----------------------------|-------------|-------------|------------|-------------|-------------|
| Shareholder equity | 63.3 | 58.2 | +9% | 88% | 86% |
| Surplus on reval.of assets | 8.6 | 9.1 | -6% | 12% | 14% |
| Total Equity | 71.8 | 67.3 | +7% | 100% | 100% |

Financial Ratios

| | QTD Sep'10 | QTD Jun'10 | 9 month Sep'10 | 9 month Sep'09 |
|---------------------------|---------------|---------------|-------------------|-------------------|
| Loan/Deposits | 68% | 68% | 68% | 78% |
| ROAE | 16% | 14% | 15% | 17% |
| ROAA | 1.7% | 1.5% | 1.6% | 1.5% |
| Cost/Income Ratio | 42% | 43% | 42% | 39% |
| Gross NPLs/Gross Advances | 12.6% | 11.1% | 12.6% | 10.0% |
| Net NPLs/Gross Advances | 4.0% | 3.1% | 4.0% | 3.3% |
| Coverage Ratio | 68% | 72% | 68% | 67% |
| CAR (Standalone) | 14.4% | 13.7% | 14.4% | 12.8% |
| Tier 1 CAR (Standalone) | 10.0% | 9.4% | 10.0% | 8.8% |

Deposit Structure (Bank level)

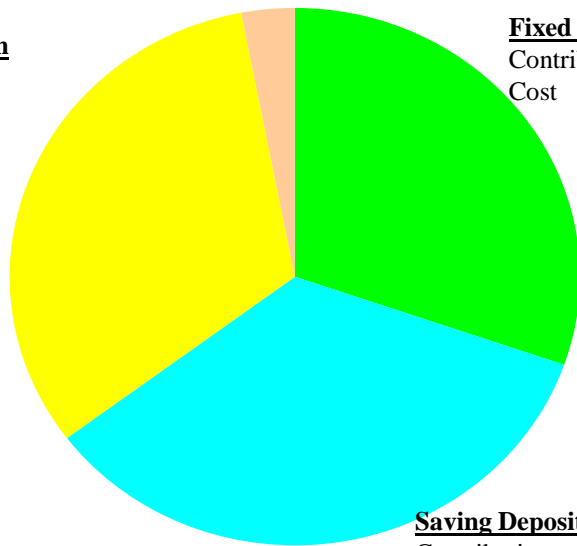
Deposit Mix (YTD Sept. 2010) - Bank (Parent Company)

Other Deposits – PKR 12bn

| | |
|--------------|------|
| Contribution | 2% |
| Cost | 0.0% |

Current Deposits – PKR 164bn

| | |
|--------------|-----|
| Contribution | 33% |
| Cost | 0% |



Fixed Deposits – PKR 146bn

| | |
|--------------|------|
| Contribution | 30% |
| Cost | 7.0% |

Saving Deposits – PKR 140bn

| | |
|--------------|------|
| Contribution | 35% |
| Cost | 4.8% |

Total Deposits = PKR 491 bn
Cost of Deposits = 3.9%
CASA = 68%

Cost of Deposits

| | QTD Sep'10 | | QTD Jun'10 | |
|-----------------------|-----------------|-----------------|-----------------|-----------------|
| | Period end Rs B | Avg.Yield /Cost | Period end Rs B | Avg.Yield /Cost |
| Saving deposits | 169 | 4.6% | 173 | 4.9% |
| Current deposits | 164 | 0.0% | 167 | 0.0% |
| Fixed deposits | 146 | 6.9% | 147 | 7.1% |
| Other deposits | 12 | 0.0% | 13 | 0.0% |
| Total deposits | 491 | 3.7% | 500 | 4.0% |

| | | |
|------|-----|-----|
| CASA | 68% | 68% |
|------|-----|-----|

| | | | | |
|------------------------|-------|------|-------|------|
| Domestic deposits | 393 | 4.1% | 397 | 4.4% |
| International deposits | 98 | 2.3% | 103 | 2.4% |
| Intl. deposits -US\$ M | 1,138 | 2.3% | 1,202 | 2.4% |

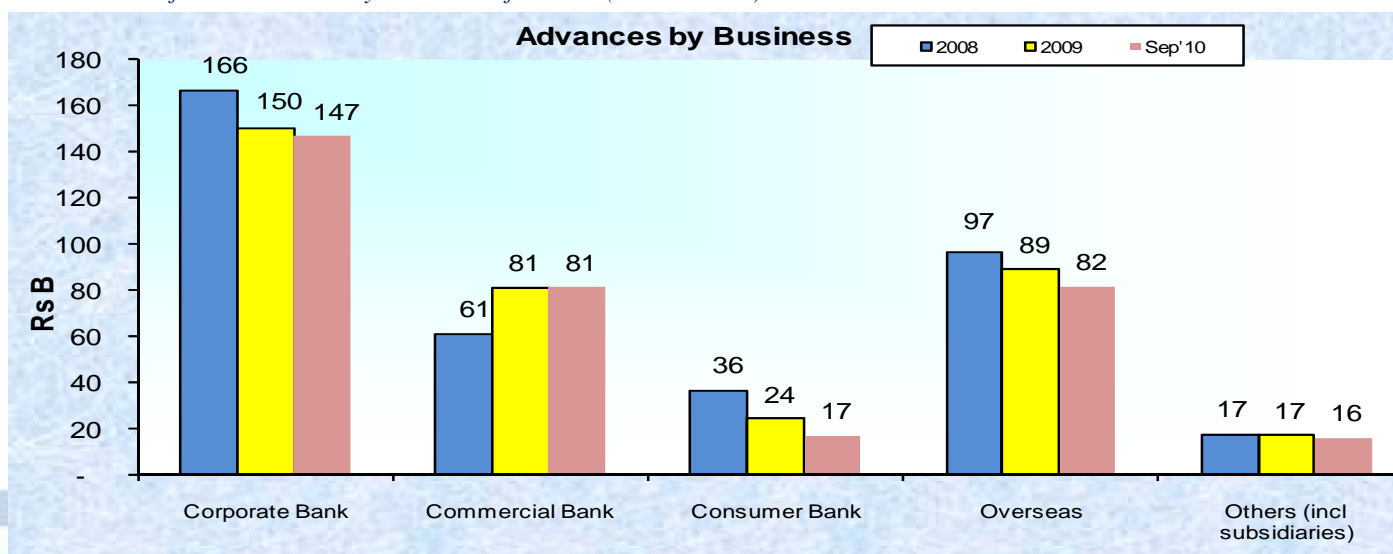
| | | |
|--------------------|-----|-----|
| Domestic CASA | 74% | 76% |
| International CASA | 33% | 32% |

Advances by Business

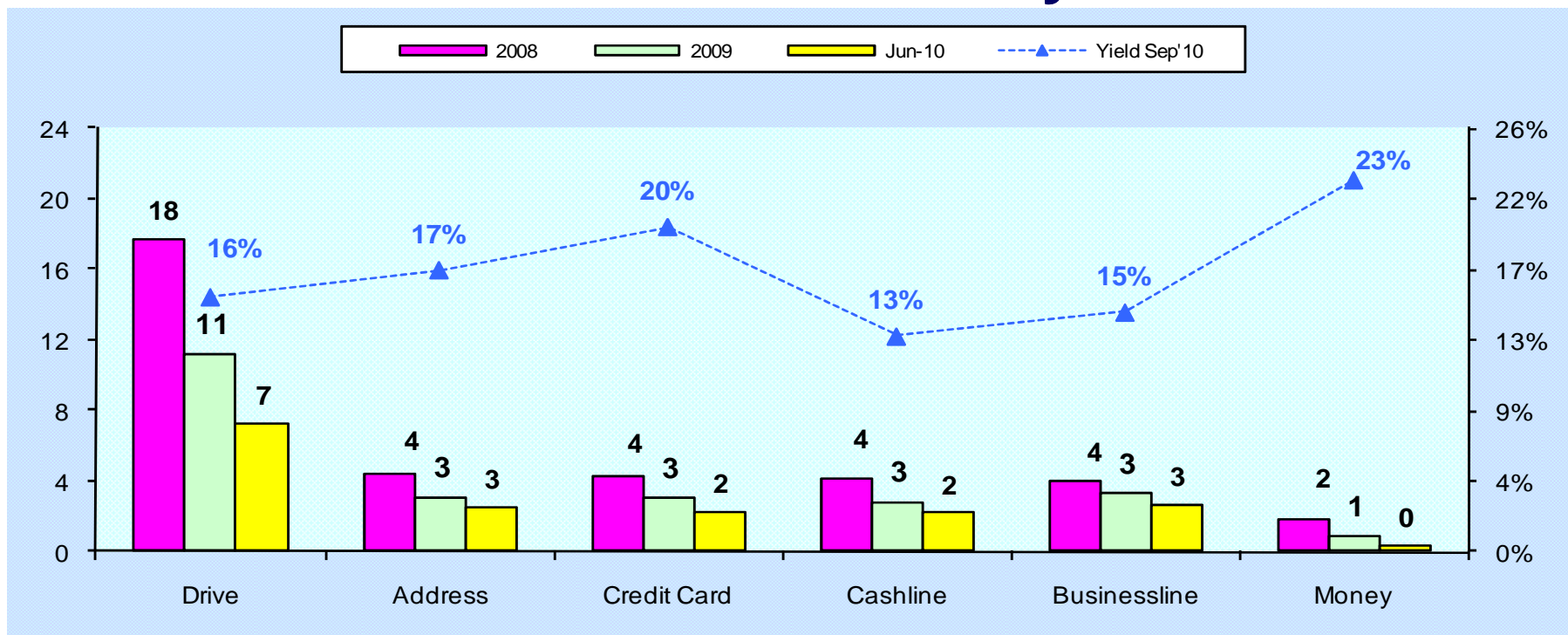
| Net Advances-Rs.B | % Change | | | Mix'10 | Yield 10 | Yield 09 |
|--------------------------|--------------|--------------|------------|-------------|--------------|--------------|
| | Sep'10 | Dec'09 | | | | |
| Corporate Bank | 146.7 | 150.1 | -2% | 58% | 13.3% | 14.3% |
| Commercial Bank* | 81.5 | 81.2 | +0% | 32% | 14.4% | 16.1% |
| Consumer Bank | 17.3 | 24.3 | -29% | 7% | 16.4% | 17.9% |
| Others | 7.3 | 9.3 | -21% | 3% | 10.6% | 10.2% |
| Domestic | 252.8 | 264.9 | -5% | 100% | 13.0% | 15.1% |
| International | 82.0 | 89.2 | -8% | | 7.9% | 8.1% |
| Bank | 334.8 | 354.1 | -5% | | 12.4% | 13.2% |
| Subsidiaries | 9.1 | 8.0 | +15% | | | |
| Bank-Consolidated | 344.0 | 362.1 | -5% | | | |

| | | | | | | |
|------------------------|-----|-------|------|--|--|--|
| International (US\$ M) | 950 | 1,059 | -10% | | | |
|------------------------|-----|-------|------|--|--|--|

* of which commodity advances of Rs.56B (Dec'09: 50B)



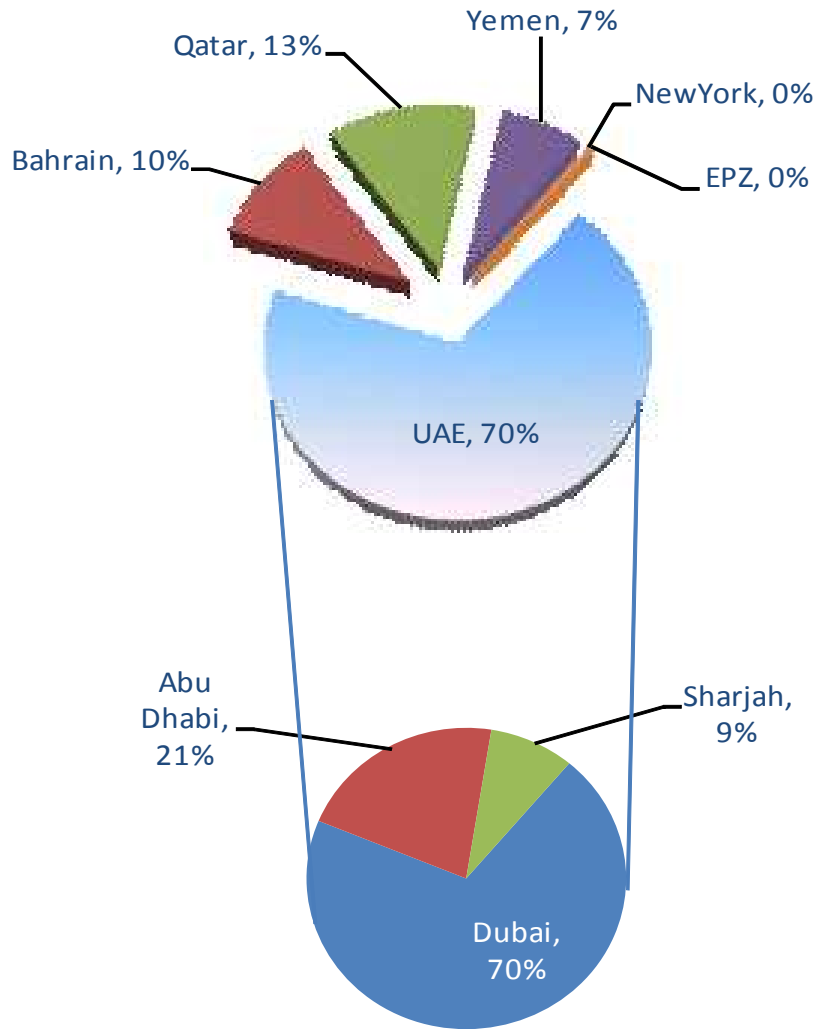
Consumer Advances by Product



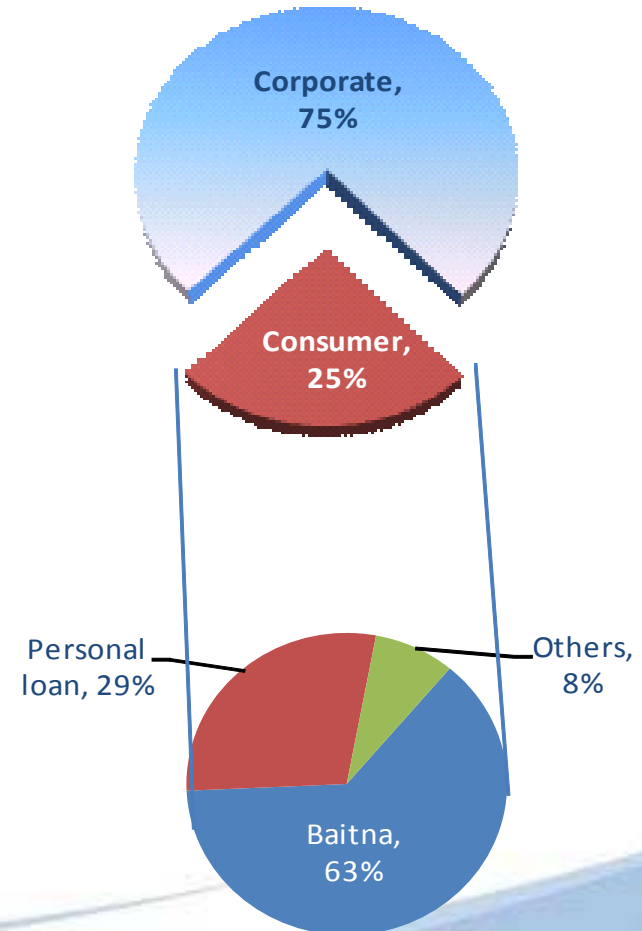
| | Sep'10 | Dec'09 | % Change | Mix'10 | Yield 10 | Yield 09 |
|--------------|-------------|-------------|-------------|-------------|--------------|--------------|
| Drive | 7.3 | 11.2 | -35% | 42% | 15.7% | 16.7% |
| Address | 2.5 | 3.1 | -18% | 15% | 17.3% | 17.7% |
| Credit Card | 2.3 | 3.0 | -24% | 13% | 20.0% | 21.6% |
| Cashline | 2.2 | 2.8 | -22% | 13% | 13.3% | 17.7% |
| Businessline | 2.7 | 3.3 | -19% | 15% | 14.7% | 17.1% |
| Money | 0.3 | 0.8 | -61% | 2% | 22.8% | 22.2% |
| Total | 17.3 | 24.3 | -29% | 100% | 16.4% | 17.9% |

International Advances

By Geography



By Business



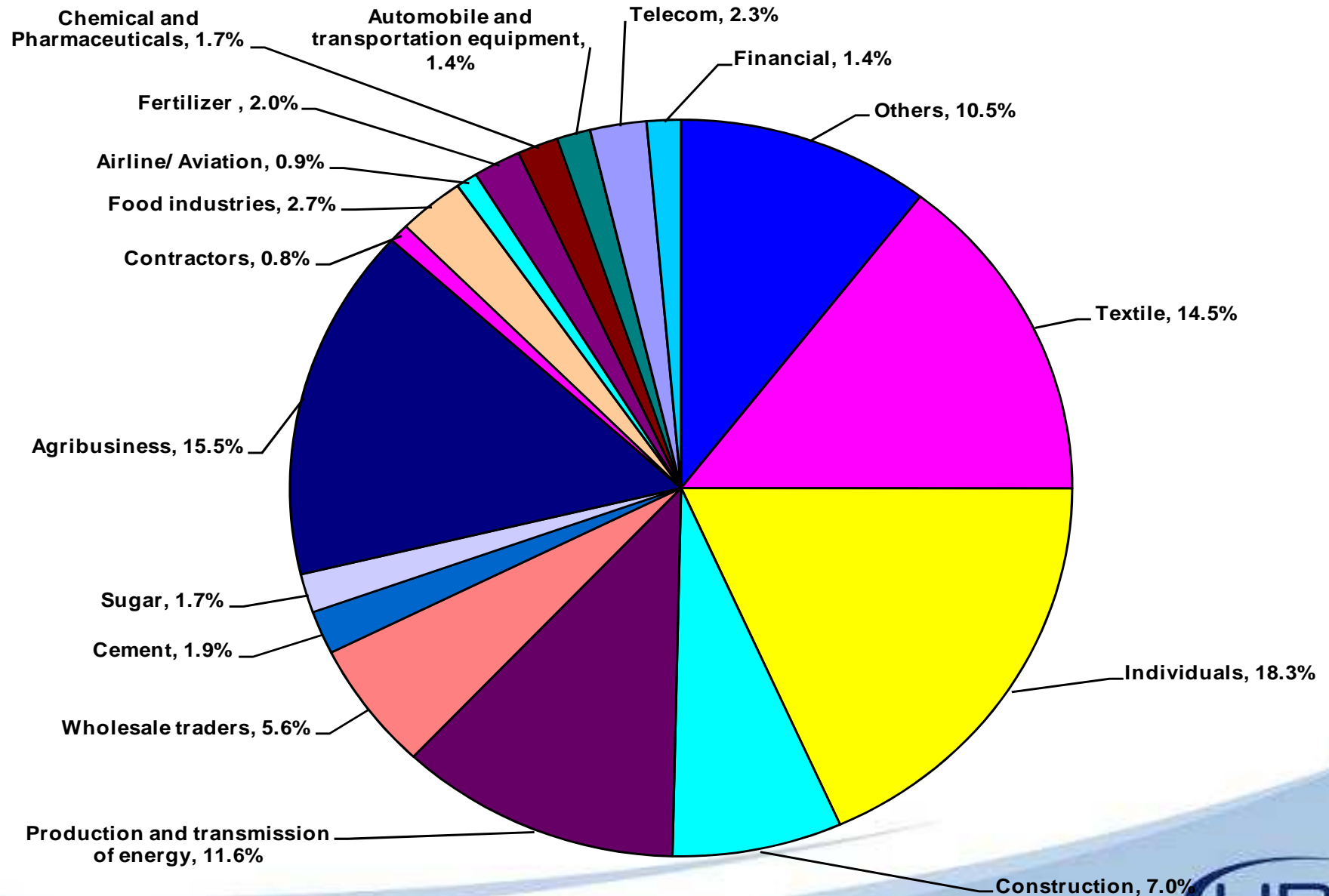
Spread Analysis-Bank Level

| Bank | YTD September 2010 | | | | YTD September 2009 | | | |
|--|--------------------|------------|---------------|-----------------|--------------------|------------|---------------|-----------------|
| | PE | AVG | IE | Avg.Yield /Cost | PE | AVG | IE | Avg.Yield /Cost |
| Rs B | | | | | | | | |
| Avg Kibor - 6M | | | | 12.5% | | | | 13.2% |
| Interest Earning Assets | | | | | | | | |
| Performing Advances | 313 | 321 | 29.8 | 12.4% | 334 | 345 | 34.3 | 13.3% |
| Corporate | 131 | 138 | 13.7 | 13.3% | 135 | 144 | 15.4 | 14.3% |
| Commercial | 22 | 24 | 2.5 | 14.1% | 25 | 29 | 3.5 | 15.9% |
| Commodity | 56 | 53 | 6.0 | 15.2% | 52 | 41 | 4.9 | 16.1% |
| Consumer | 16 | 19 | 2.3 | 16.4% | 25 | 31 | 4.2 | 18.2% |
| International | 80 | 80 | 4.7 | 7.9% | 89 | 91 | 5.6 | 8.2% |
| Others (staff, FAS, IMB) | 7 | 8 | 0.6 | 10.6% | 8 | 9 | 0.7 | 10.8% |
| Investments (earning) | 125 | 114 | 9.2 | 10.7% | 100 | 111 | 8.6 | 10.3% |
| Corporate Bonds (TFC) | 29 | 28 | 3.0 | 14.2% | 27 | 15 | 1.7 | 15.7% |
| Lending To Financial Institution | 16 | 13 | 1.0 | 9.8% | 11 | 17 | 1.4 | 10.6% |
| Others | 13 | 16 | 0.2 | 1.5% | 15 | 13 | 0.1 | 0.7% |
| Total int. earning assets (a) | 495 | 492 | 43.1 | 11.7% | 487 | 500 | 46.0 | 12.3% |
| Non earning assets | 126 | 112 | - | 0.0% | 106 | 104 | - | 0.0% |
| Total Assets (A) | 622 | 604 | 43.1 | 9.5% | 593 | 604 | 46.0 | 10.2% |
| Interest bearing liabilities | | | | | | | | |
| Total deposits | 491 | 466 | (13.6) | 3.9% | 452 | 469 | (17.7) | 5.0% |
| Core Deposits | 432 | 403 | (8.9) | 2.9% | 395 | 383 | (9.7) | 3.4% |
| Unisaver Plus | 29 | 33 | (2.2) | 9.1% | 30 | 37 | (2.8) | 10.1% |
| UTTIP | 30 | 30 | (2.5) | 11.3% | 28 | 50 | (5.2) | 13.8% |
| Subordinated Debts - TFC | 12 | 12 | (1.1) | 11.8% | 12 | 12 | (1.1) | 12.8% |
| Borrowings | 33 | 43 | (3.4) | 10.5% | 52 | 47 | (3.3) | 9.3% |
| Total interest bearing liab (b) | 537 | 521 | (18.0) | 4.6% | 517 | 528 | (22.1) | 5.6% |
| Non int. bearing liabilities & equity | 85 | 83 | - | 0.0% | 76 | 76 | - | 0.0% |
| Total Liabilities+Equity (B) | 622 | 604 | (18.0) | 4.0% | 593 | 604 | (22.1) | 4.9% |
| Net Interest Margin (a-b) | - | - | 25.1 | 7.1% | - | - | 23.9 | 6.7% |
| Spread (A-B) | | | - | 5.6% | | | - | 5.3% |

QTD – Net Interest Income (Bank Level)

| Bank | QTD September 2010 | | | | QTD June 2010 | | | |
|--|--------------------|------------|--------------|-----------------|---------------|------------|--------------|-----------------|
| | PE | AVG | IE | Avg.Yield /Cost | PE | AVG | IE | Avg.Yield /Cost |
| Rs B | | | | | | | | |
| Avg Kibor - 6M | | | | 12.7% | | | | 12.3% |
| Interest Earning Assets | | | | | | | | |
| Performing Advances | 313 | 321 | 9.9 | 12.3% | 326 | 318 | 9.9 | 12.5% |
| Corporate | 131 | 137 | 4.5 | 13.1% | 136 | 136 | 4.5 | 13.4% |
| Commercial | 22 | 22 | 0.8 | 14.5% | 24 | 23 | 0.8 | 13.8% |
| Commodity | 56 | 59 | 2.2 | 15.2% | 60 | 53 | 2.0 | 15.3% |
| Consumer | 16 | 17 | 0.7 | 15.8% | 18 | 19 | 0.7 | 15.9% |
| International | 80 | 80 | 1.5 | 7.6% | 81 | 79 | 1.6 | 8.0% |
| Others (staff, FAS, IMB) | 7 | 7 | 0.2 | 9.3% | 7 | 8 | 0.2 | 11.7% |
| Investments (earning) | 125 | 125 | 3.5 | 11.0% | 133 | 112 | 3.0 | 10.7% |
| Corporate Bonds (TFC) | 29 | 29 | 1.0 | 14.2% | 29 | 28 | 1.0 | 14.0% |
| Lending To Financial Institution | 16 | 11 | 0.3 | 9.3% | 12 | 13 | 0.3 | 9.5% |
| Others | 13 | 18 | 0.0 | 1.1% | 19 | 16 | 0.1 | 1.9% |
| Total int. earning assets (a) | 495 | 503 | 14.7 | 11.6% | 518 | 487 | 14.2 | 11.7% |
| <i>Non earning assets</i> | 126 | 114 | | 0.0% | 126 | 111 | | 0.0% |
| Total Assets (A) | 622 | 617 | 14.7 | 9.5% | 645 | 598 | 14.2 | 9.6% |
| Interest bearing liabilities | | | | | | | | |
| Total deposits | 491 | 473 | (4.4) | 3.7% | 500 | 463 | (4.6) | 4.0% |
| Core Deposits | 432 | 417 | (3.0) | 2.9% | 444 | 401 | (3.0) | 3.0% |
| Unisaver Plus | 29 | 28 | (0.6) | 8.9% | 28 | 32 | (0.7) | 9.0% |
| UTTIP | 30 | 29 | (0.8) | 11.1% | 28 | 31 | (0.9) | 11.4% |
| Subordinated Debts - TFC | 12 | 12 | (0.4) | 12.1% | 12 | 12 | (0.3) | 9.8% |
| Borrowings | 33 | 46 | (1.4) | 11.8% | 48 | 38 | (1.0) | 10.7% |
| Total interest bearing liab (b) | 537 | 532 | (6.2) | 4.6% | 560 | 514 | (5.9) | 4.6% |
| <i>Non int. bearing liabilities & equity</i> | 85 | 86 | | 0.0% | 85 | 84 | | 0.0% |
| Total Liabilities+Equity (B) | 622 | 617 | (6.2) | 4.0% | 645 | 598 | (5.9) | 4.0% |
| Net Interest Margin (a-b) | - | - | 8.6 | 7.0% | - | - | 8.3 | 7.1% |
| Spread (A-B) | | | - | 5.5% | | | - | 5.6% |

Concentration of Advances – (Standalone)



Non Interest Income-(Consolidated)

| Rs. M | QTD Sep'10 | QTD Jun'10 | % Change | 9 month Sep'10 | 9 month Sep'09 | % Change |
|---|---------------|---------------|-------------|-------------------|-------------------|-------------|
| Commission on consumer loan | 289 | 249 | +16% | 780 | 841 | -7% |
| Minimum balance charges | 68 | 128 | -47% | 289 | 411 | -30% |
| Commission on trade | 452 | 435 | +4% | 1,279 | 1,079 | +19% |
| Commission on remittances/uniremot | 186 | 208 | -10% | 607 | 578 | +5% |
| Commission on home remittance | 101 | 57 | +77% | 254 | 55 | +364% |
| Commission on cash manag. | 42 | 40 | +5% | 128 | 137 | -6% |
| Corporate finance fee / service chgs. | 147 | 192 | -23% | 450 | 361 | +25% |
| Commission Income - Bancassurance | 25 | 34 | -26% | 76 | 10 | +658% |
| Other fee commission income | 291 | 289 | +1% | 848 | 850 | -0% |
| Sub total - fee, commission income | 1,603 | 1,634 | -2% | 4,710 | 4,321 | +9% |
| Capital gain / Dividend income | 176 | 180 | -2% | 572 | 971 | -41% |
| Exchange income | 505 | 331 | +53% | 1,197 | 920 | +30% |
| Gain / loss on Derivatives | 74 | 10 | +628% | 206 | 1,448 | -86% |
| Recovery from Client | 128 | 119 | +8% | 360 | 347 | +4% |
| Other income | 78 | 93 | -17% | 248 | 244 | +2% |
| Total non funded income | 2,565 | 2,367 | +8% | 7,294 | 8,251 | -12% |
| Subsidiaries | 36 | 88 | -59% | 213 | 749 | -72% |
| Share of income from associates | 56 | 119 | -53% | 241 | 394 | -39% |
| Total non funded income-Consol. | 2,658 | 2,574 | +3% | 7,747 | 9,394 | -18% |

Operating Expenses-(Consolidated)

| Operating Cost - Rs. M | QTD Sep'10 | QTD Jun'10 | Var % | 9 month Sep'10 | 9 month Sep'09 | Var % |
|----------------------------------|---------------|---------------|------------|-------------------|-------------------|------------|
| Personnel cost | 1,835 | 1,798 | -2% | 5,532 | 5,601 | +1% |
| Early Retirement Scheme | 10 | 11 | +6% | 70 | 199 | +65% |
| Outsourced cost/commission | 423 | 348 | -22% | 1,102 | 988 | -11% |
| Premises cost | 732 | 730 | -0% | 2,132 | 1,955 | -9% |
| Advertising / Loyalty programs | 144 | 137 | -5% | 314 | 126 | -150% |
| Depreciation - others | 259 | 293 | +12% | 846 | 801 | -6% |
| Legal & Professional consul. | 58 | 93 | +38% | 205 | 150 | -36% |
| Courier / Communication | 177 | 181 | +3% | 530 | 533 | +1% |
| Banking service charges | 208 | 165 | -26% | 509 | 396 | -29% |
| Repair & Maintenance | 96 | 89 | -8% | 226 | 169 | -34% |
| Stationery | 108 | 101 | -7% | 301 | 235 | -28% |
| Office Running expense | 42 | 44 | +5% | 128 | 112 | -13% |
| Traveling expense | 44 | 48 | +10% | 120 | 112 | -7% |
| Cash transportation | 71 | 69 | -3% | 202 | 262 | +23% |
| Zakat / Donation | 45 | 43 | -5% | 129 | 97 | -34% |
| Other cost | 182 | 195 | +7% | 514 | 545 | +6% |
| Total Bank | 4,433 | 4,345 | -2% | 12,860 | 12,280 | -5% |
| Subsidiaries | 303 | 342 | +11% | 955 | 911 | -5% |
| Total Bank - Consolidated | 4,735 | 4,686 | -1% | 13,815 | 13,191 | -5% |

E-Banking

| <i>E-Banking</i> | <i>Sep-10</i> | <i>Dec-09</i> | <i>Dec-08</i> | <i>% Change</i> | <i>Dec-07</i> |
|--------------------------------------|---------------|---------------|---------------|---------------------|---------------|
| # of ATMs | 413 | 412 | 354 | +16% | 326 |
| # of Transactions (M) | 12.2 | 14.6 | 11.7 | +25% | 9.5 |
| Average transactions per day | 45k | 40k | 32k | +25% | 26k |
| Total transaction amount (Rs B) | 72 | 84 | 63 | +32% | 48 |
| Average transaction size (Rs 000) | 5.9 | 5.7 | 5.4 | +5% | 5.0 |
| Average monthly trans.per ATM (Rs M) | 19 | 17 | 15 | +13% | 12 |
| <i>Internet Banking</i> | | | | | |
| Users | 79,446 | 70,834 | 52,766 | +34% | 37,408 |
| Total # of transactions (000) | 451 | 450 | 253 | +78% | 148 |
| Total transaction amount (Rs M) | 47,589 | 22,403 | 8,746 | +156% | 2,089 |
| Average transaction size (Rs 000) | 105 | 50 | 35 | +44% | 14 |
| <i>Click N Remit</i> | | | | | |
| Users | 30,231 | 28,379 | 23,255 | +22% | 19,950 |
| Total # of transactions (000) | 57 | 74 | 78 | -5% | 79 |
| Total transaction amount (US\$ M) | 44 | 56 | 65 | -14% | 70 |
| Average transaction size (US\$) | 773 | 759 | 834 | -9% | 885 |
| <i>Remittances</i> | | | | | |
| Total # of transactions (000) | 1,116 | 636 | 230 | +176% | 595 |
| Total transaction amount (US\$ M) | 1,296 | 1,242 | 823 | +51% | 709 |
| Average transaction size (US\$) | 1,160 | 1,954 | 3,573 | -45% | 1,192 |

Financial Ratios (1 of 3)

| DuPont | Full Year | | | | QTD Ann. | | | |
|----------------------------------|-----------|-------|-------|--------|----------|--------|--------|--------|
| | 2007 | 2008 | 2009 | Sep'10 | Dec-09 | Mar-10 | Jun-10 | Sep-10 |
| Net Interest Yield ¹ | 5.0% | 4.9% | 5.3% | 5.3% | 5.8% | 5.3% | 5.3% | 5.3% |
| Net Interest Margin ² | 6.1% | 5.8% | 6.4% | 6.4% | 7.0% | 6.5% | 6.5% | 6.5% |
| Non Interest Yield ³ | 2.0% | 1.9% | 2.1% | 1.6% | 2.2% | 1.7% | 1.6% | 1.6% |
| Operating Exp. / Assets | 2.9% | 2.9% | 2.8% | 2.9% | 2.9% | 2.9% | 3.0% | 2.9% |
| Cost Income Ratio | 40.1% | 42.1% | 38.6% | 41.5% | 36.9% | 40.5% | 42.5% | 41.6% |
| Loan Loss / Assets | 1.3% | 1.0% | 1.9% | 1.3% | 1.9% | 1.4% | 1.3% | 1.3% |
| Loan Loss / RWA ⁴ | 1.8% | 1.2% | 2.4% | 1.7% | 2.4% | 1.7% | 1.6% | 1.8% |
| Effective Tax Rate | 33.0% | 39.9% | 34.2% | 38.2% | 33.7% | 35.2% | 44.3% | 35.2% |
| Pre-Provision ROA ⁵ | 2.8% | 2.3% | 2.9% | 2.4% | 3.2% | 2.6% | 2.2% | 2.5% |
| ROA | 1.9% | 1.4% | 1.5% | 1.6% | 1.6% | 1.8% | 1.5% | 1.7% |
| Return on RWA | 2.6% | 1.8% | 1.9% | 2.1% | 2.0% | 2.2% | 1.9% | 2.3% |
| Pre-Provision ROE ⁶ | 33.4% | 27.5% | 31.4% | 22.6% | 31.4% | 24.6% | 20.5% | 23.7% |
| ROE | 22.8% | 17.4% | 16.2% | 15.2% | 15.5% | 16.4% | 14.0% | 15.7% |

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 | Sep'10 | Dec-09 | Mar-10 | Jun-10 | Sep-10 |
| Gross NPLs / Gross Loan | 6.9% | 7.3% | 10.3% | 12.6% | 10.3% | 11.3% | 11.1% | 12.6% |
| Net NPLs / Gross Loan | 1.9% | 2.4% | 3.0% | 4.0% | 3.0% | 3.6% | 3.1% | 4.0% |
| Coverage Ratio | 71.7% | 64.2% | 69.1% | 68.0% | 69.1% | 68.4% | 72.0% | 68.0% |
| Prov. held / Gross loan | 4.9% | 4.8% | 7.3% | 8.5% | 7.3% | 7.8% | 8.0% | 8.5% |
| Prov. Exp. / Gross loan | 2.0% | 1.5% | 3.0% | 2.3% | 3.0% | 2.3% | 2.1% | 2.4% |

| Growth | Full Year | | | | QTD (Annu.) | | | |
|----------------------------|-----------|-------|-------|--------|-------------|--------|--------|--------|
| | 2007 | 2008 | 2009 | Sep'10 | Dec-09 | Mar-10 | Jun-10 | Sep-10 |
| Growth in Loan Book | 21.0% | 22.7% | -4.3% | -5.0% | 0.0% | -6.2% | 3.6% | -2.2% |
| Growth in Deposits | 19.9% | 19.6% | 2.3% | 0.7% | 7.9% | -8.2% | 11.4% | -1.5% |
| Operating Revenue | 21.3% | 14.0% | 16.6% | -1.3% | 11.9% | -13.2% | 1.5% | 3.3% |
| Operating Expense | 22.5% | 17.0% | 6.7% | 4.8% | 1.8% | -5.2% | 6.6% | 1.7% |
| Pre-provision Oper.Profit | 20.6% | 11.9% | 23.8% | -6.2% | 18.9% | -17.4% | -3.4% | 4.9% |
| Provision exp.+ Other prov | 170.0% | 23.5% | 64.5% | -36.0% | 28.6% | -45.2% | -12.4% | 15.1% |
| Profit After Tax | -4.4% | -8.6% | 12.3% | 13.9% | 9.0% | 11.0% | -13.1% | 16.7% |

Financial Ratios (3 of 3)

| Other Metrics | Yearly | | | | QTD (Annu.) | | | |
|--------------------------------------|--------|-------|-------|--------|-------------|--------|--------|--------|
| | 2007 | 2008 | 2009 | Sep'10 | Dec-09 | Mar-10 | Jun-10 | Sep-10 |
| Capital Adequacy Ratio (St) | 10.2% | 9.9% | 13.2% | 14.4% | 13.2% | 13.2% | 13.7% | 14.4% |
| Tier-I CAR (St) | 7.4% | 5.8% | 9.0% | 10.0% | 9.0% | 8.9% | 9.4% | 10.0% |
| Loan / Deposits | 74.8% | 76.8% | 72.0% | 67.8% | 72.0% | 73.4% | 68.3% | 67.8% |
| Loan / Assets | 56.4% | 58.3% | 53.7% | 52.9% | 53.7% | 56.1% | 52.6% | 52.9% |
| RWA / Assets | 73.1% | 77.0% | 75.9% | 76.6% | 75.9% | 83.0% | 72.7% | 76.6% |
| Average Headcount ² | 9,702 | 9,192 | 8,639 | 8,417 | 8,457 | 8,386 | 8,282 | 8,296 |
| Personnel cost / Headcount (000) | 679.4 | 736.4 | 863.9 | 876.3 | 880.7 | 905.6 | 868.7 | 884.7 |
| Yield on Earning Assets ³ | 10.3% | 10.7% | 11.8% | 11.0% | 11.6% | 11.2% | 11.1% | 11.1% |
| Cost of Funds ⁴ | 4.0% | 4.7% | 5.2% | 4.4% | 4.4% | 4.5% | 4.3% | 4.5% |
| Yield on Performing Adv | 10.9% | 12.1% | 12.7% | 11.8% | 12.9% | 12.0% | 11.8% | 11.6% |
| Cost of Deposits | 3.6% | 4.2% | 4.5% | 3.6% | 4.1% | 3.8% | 3.6% | 3.5% |

Formulas

2. Permanent Staff

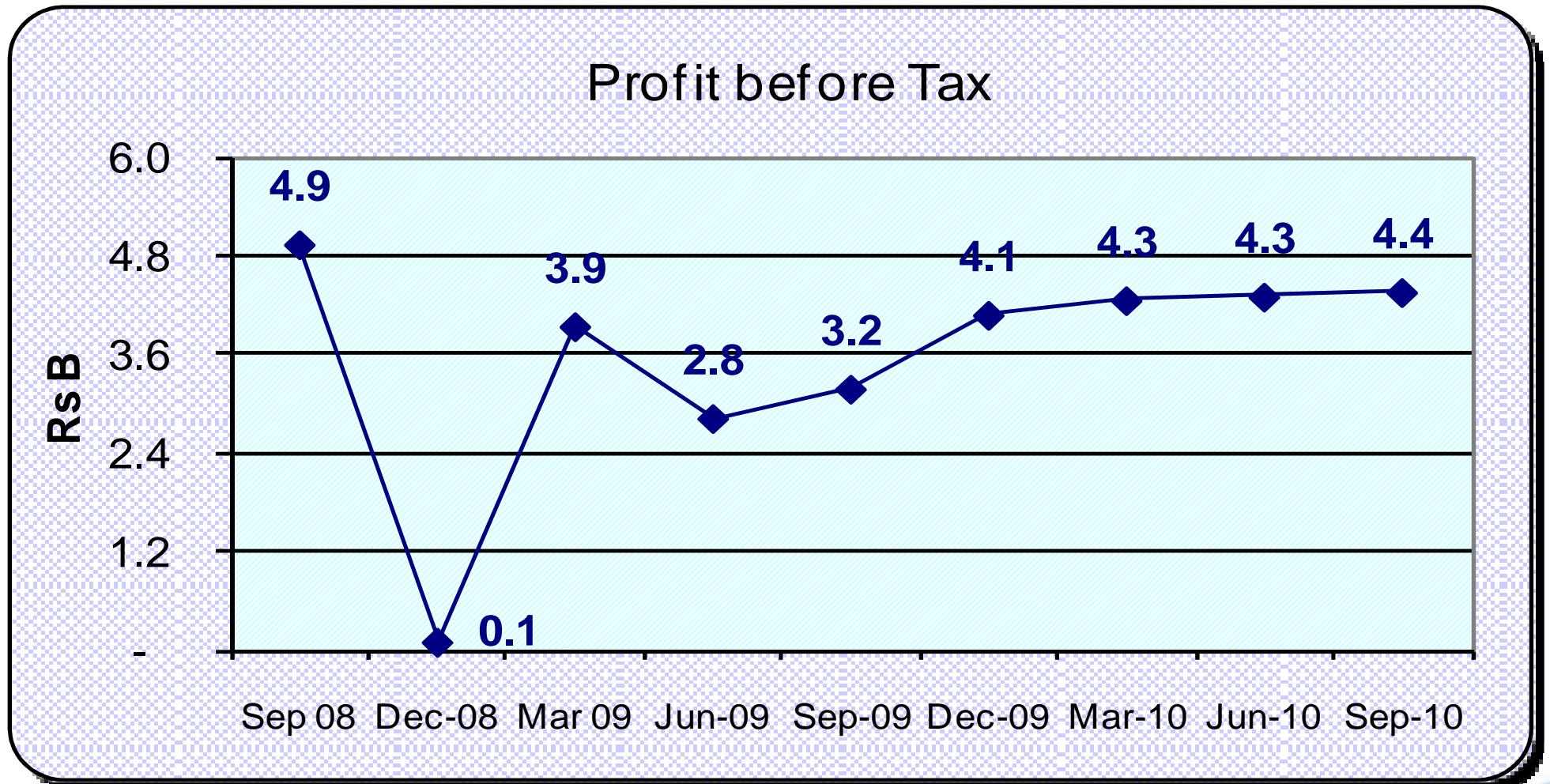
3. Earning assets incl bal.with other banks, lending to F.I., investments & perf adv

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

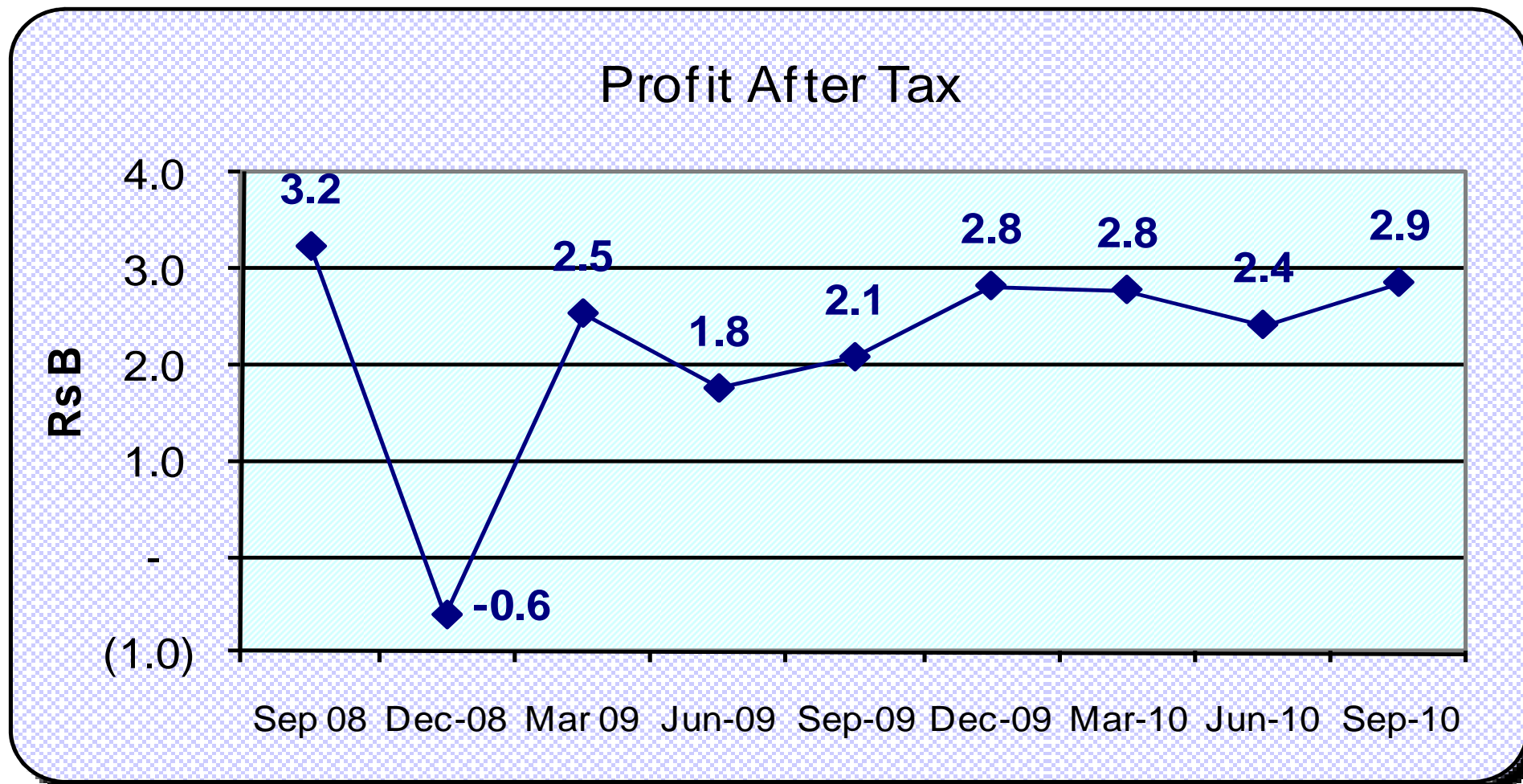
Quarterly Trend Analysis

Bank Level

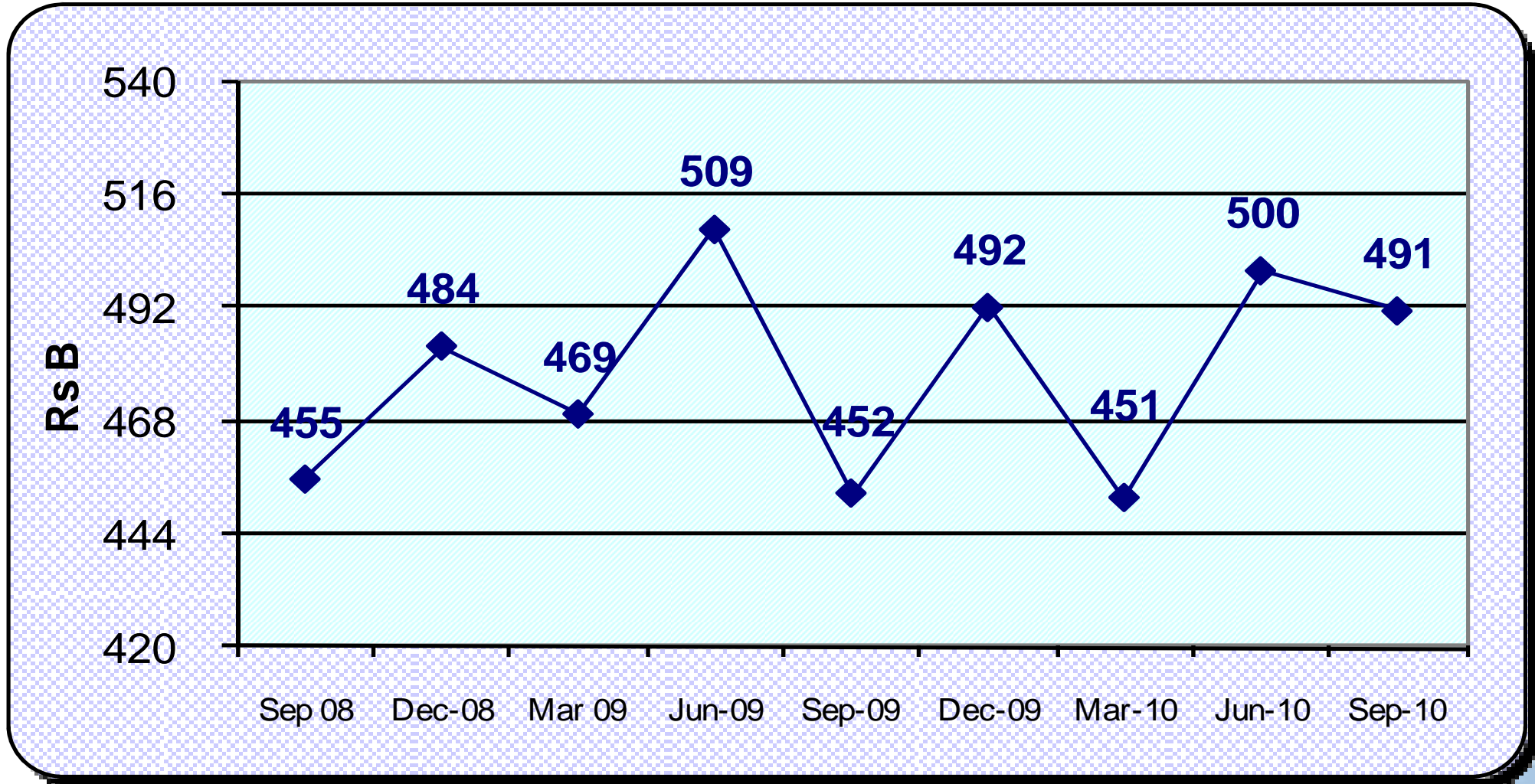
Profit Before Tax



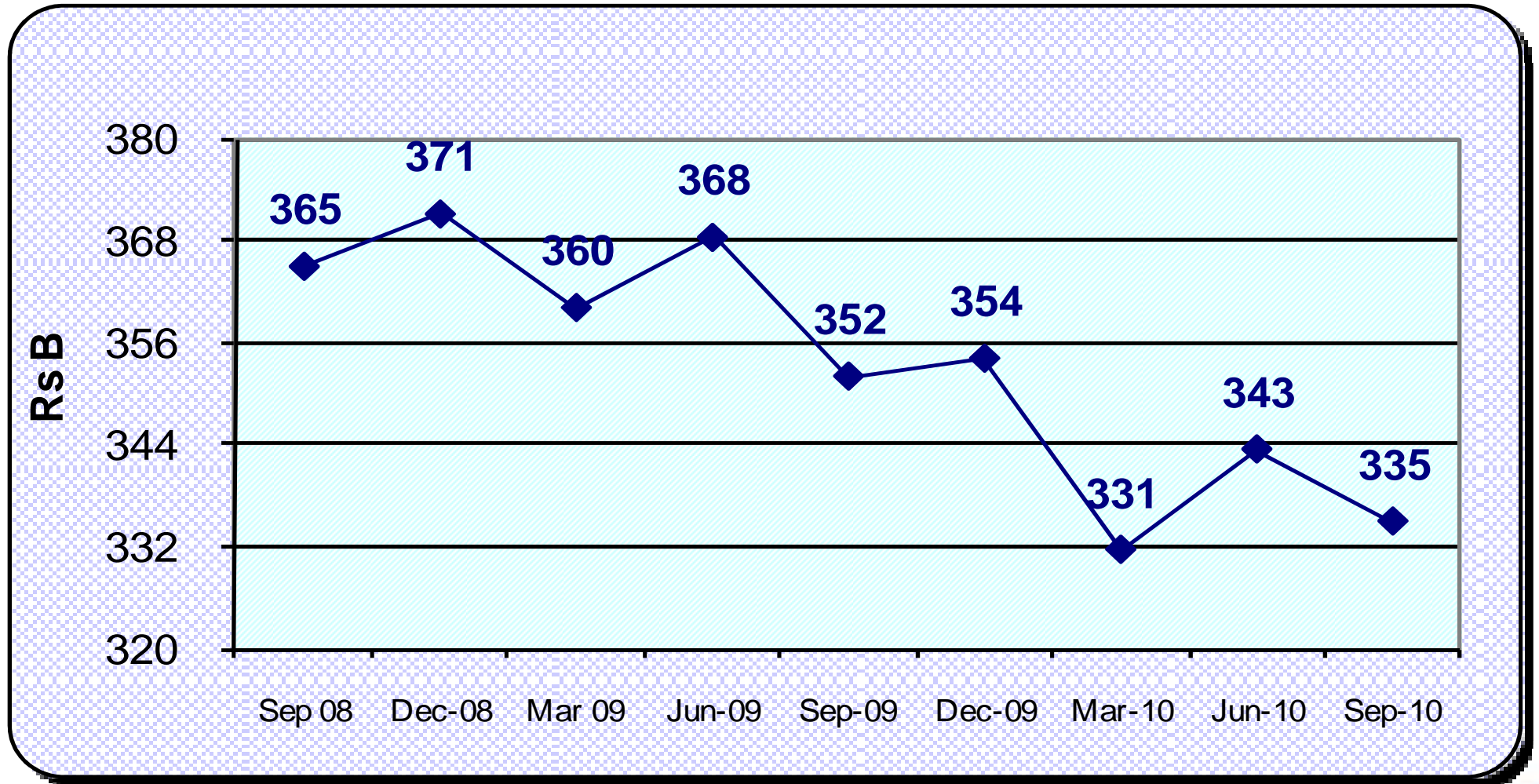
Profit after Tax



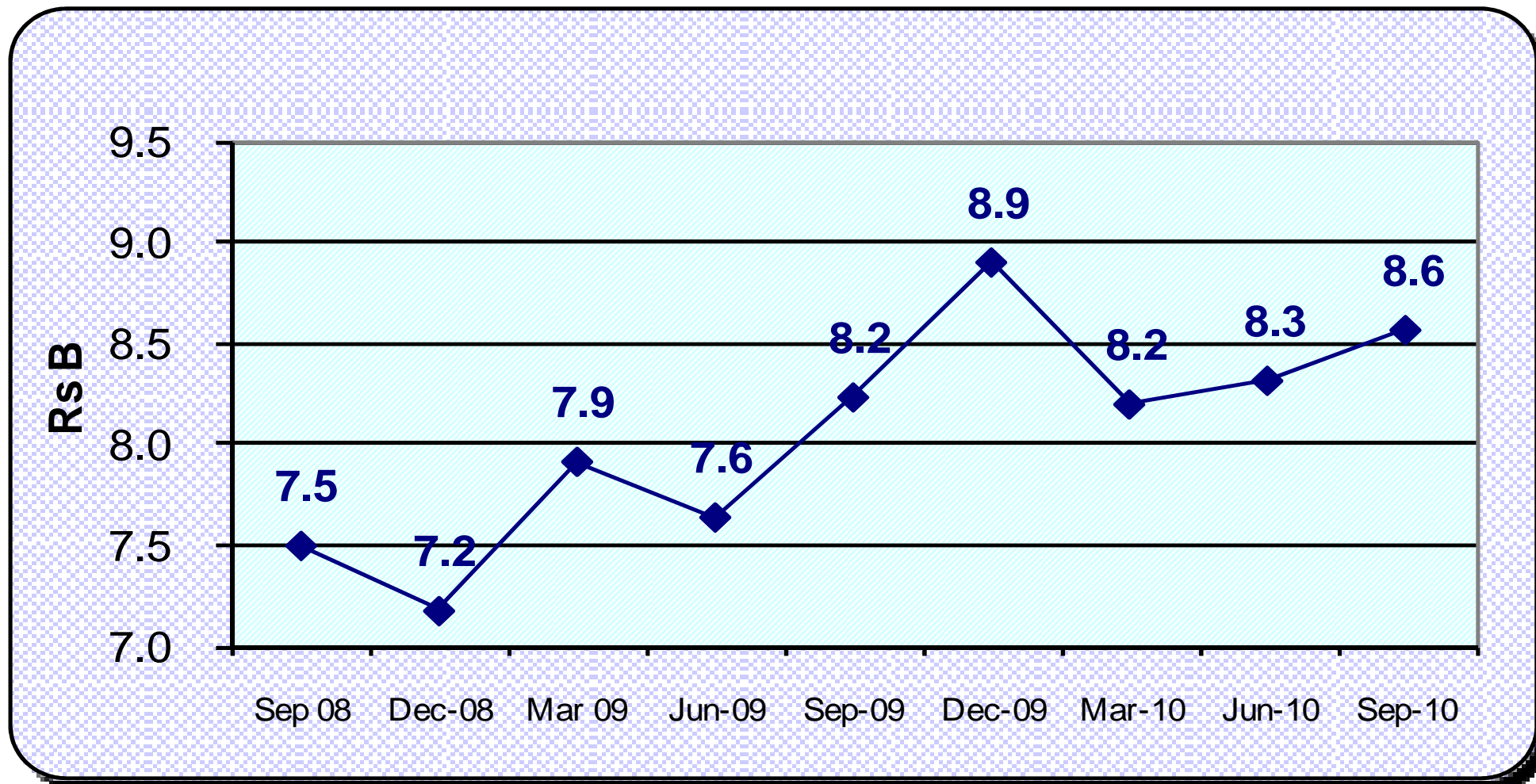
Deposits



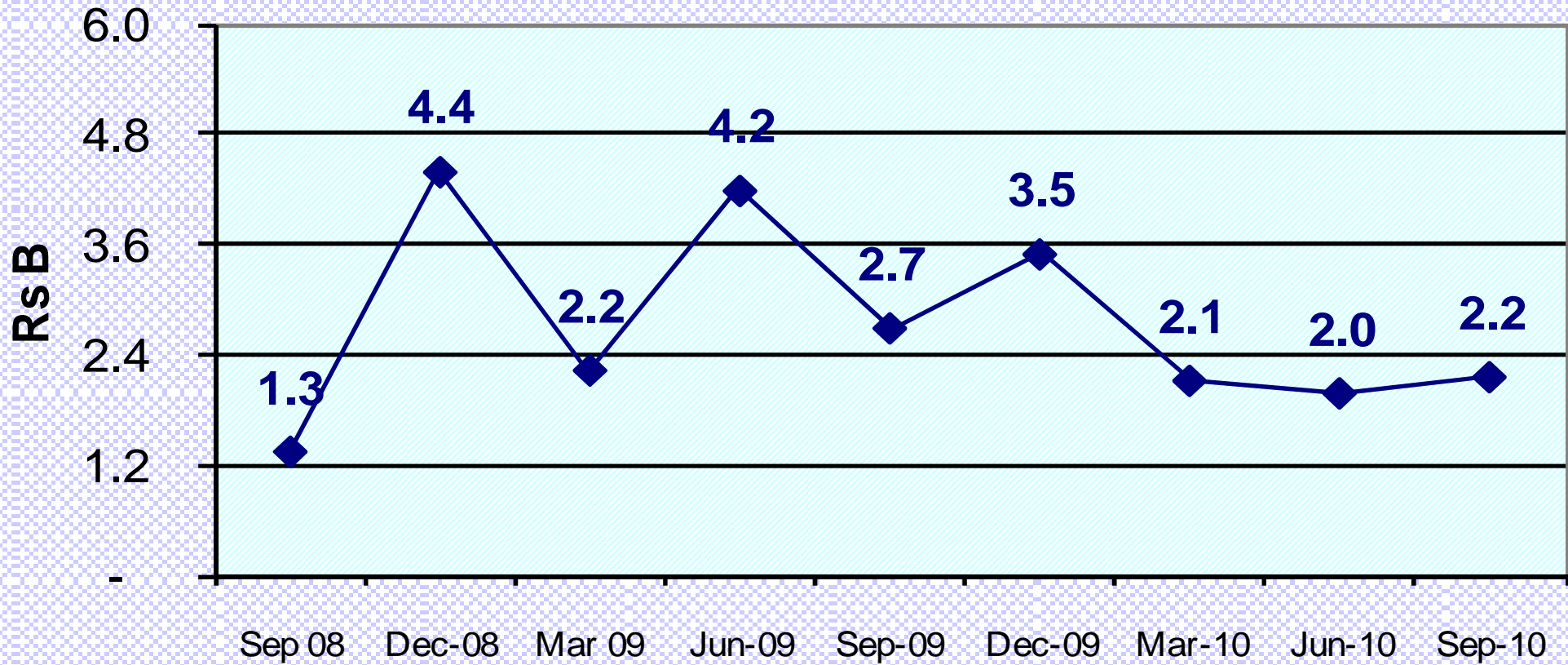
Net Advances



Net Interest Income

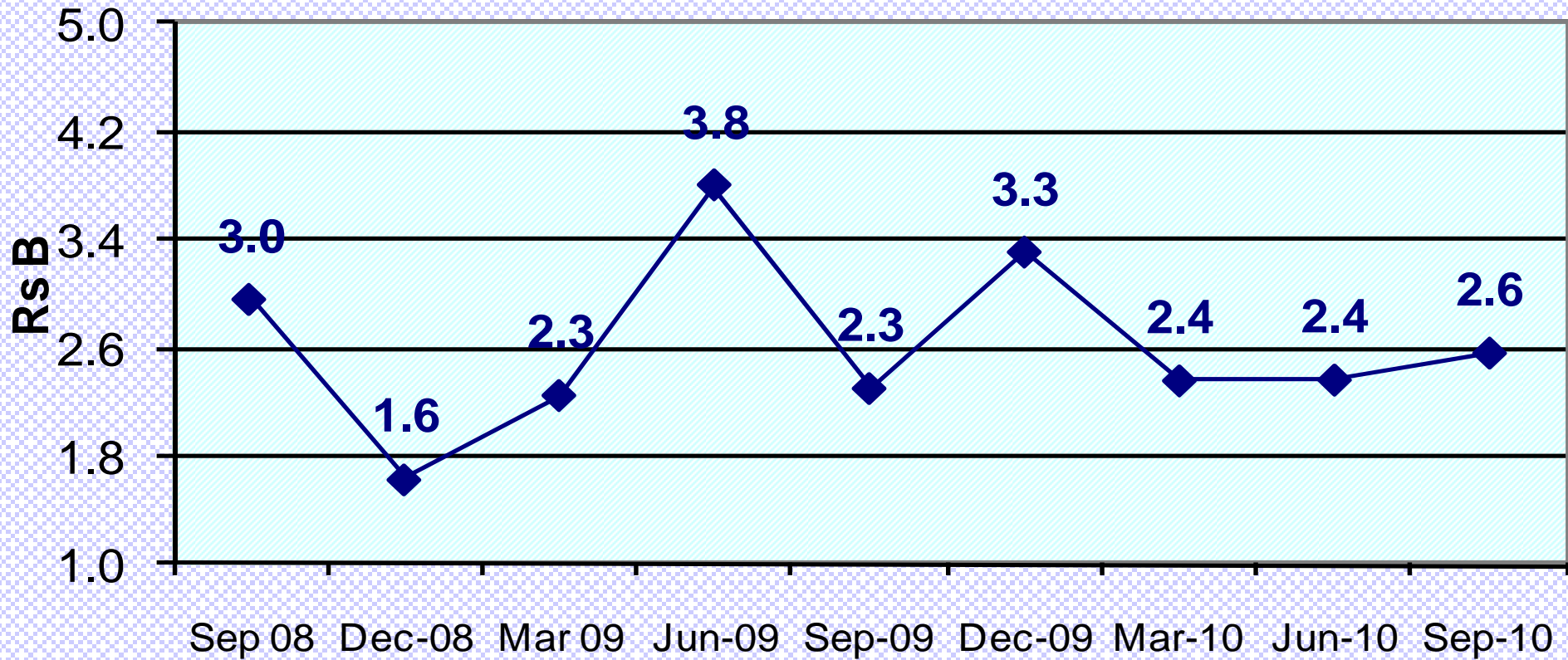


Net Provision *

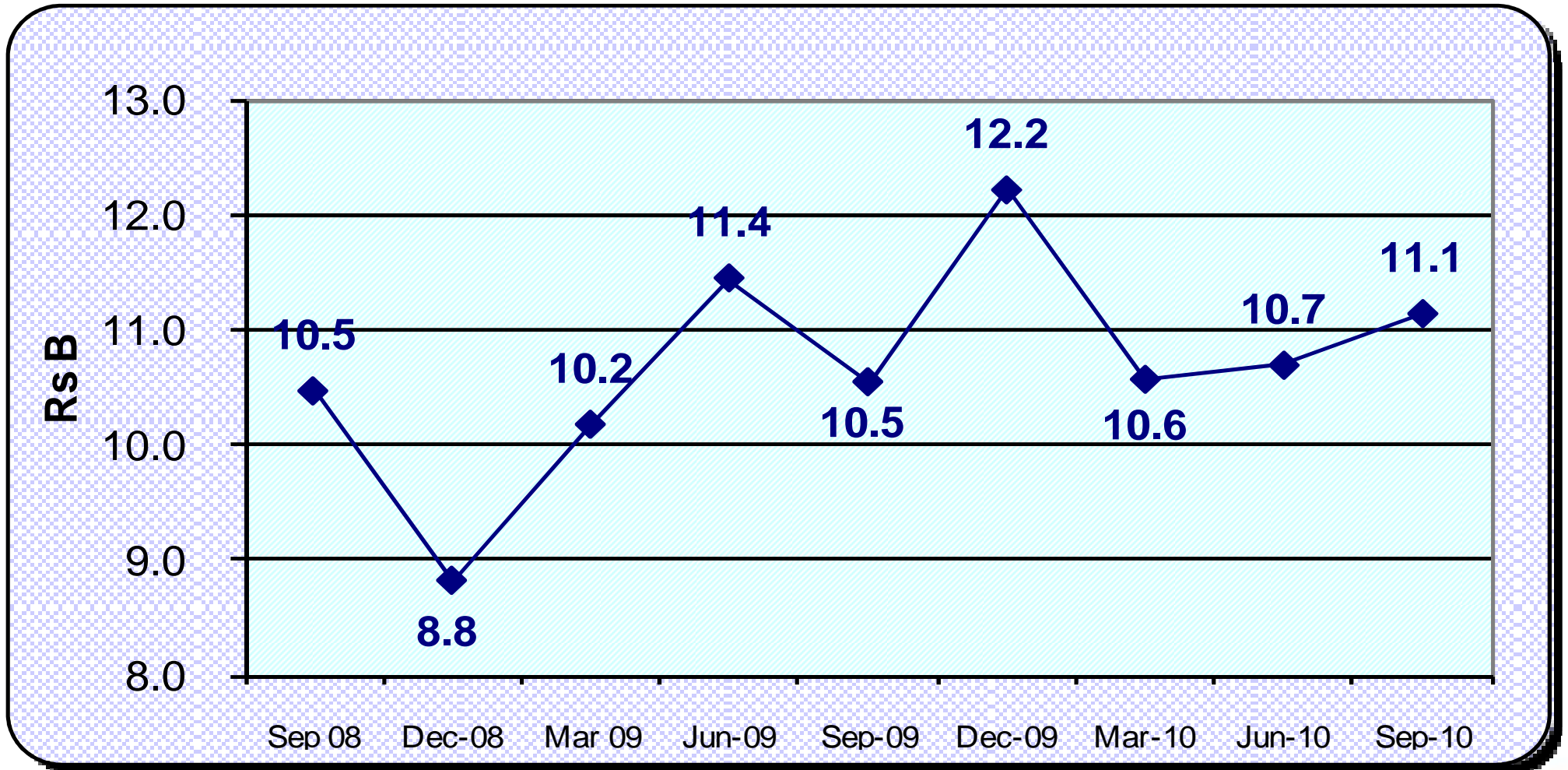


* Excluding other operational Write-offs

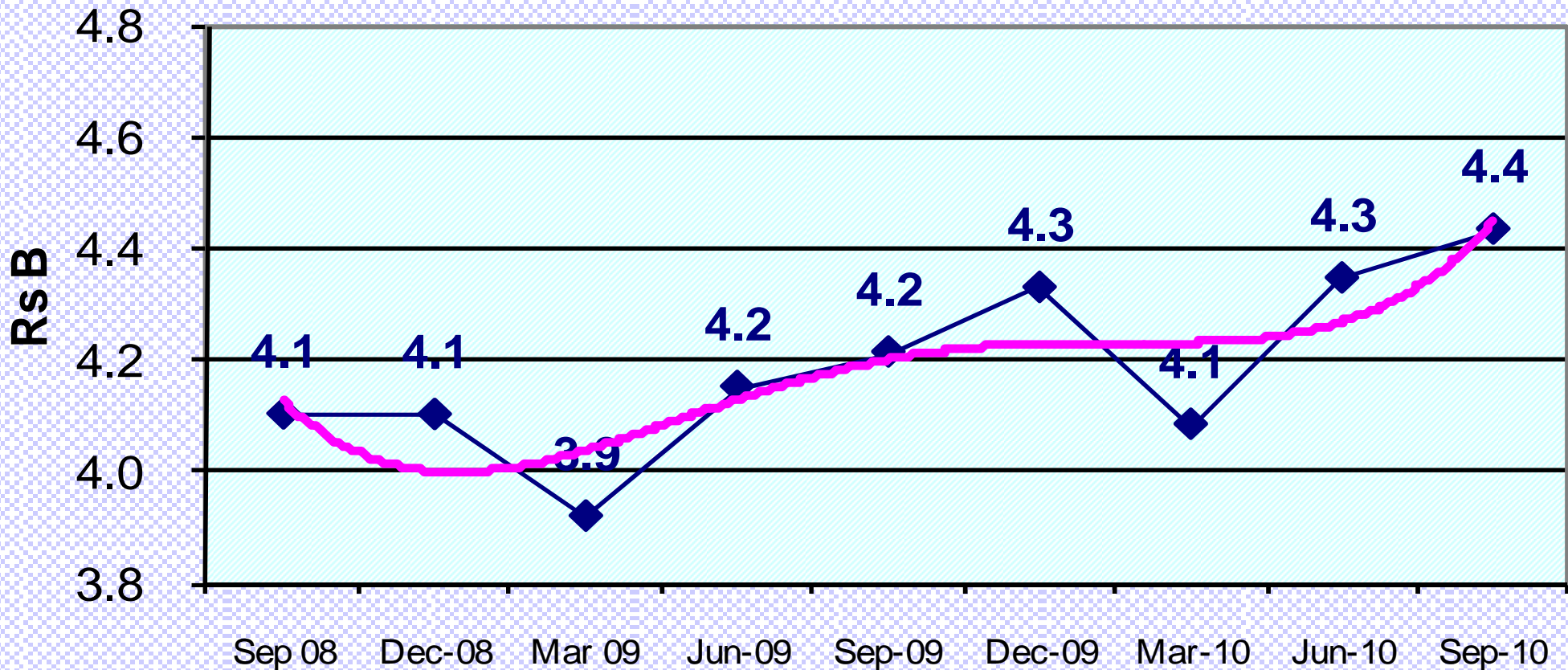
Non-Funded Income



Gross Revenue



Administrative Expenses



The information contained herein reflects our latest business statement as at September 30, 2010

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