

**CONSOLIDATED BALANCE SHEET (UN-AUDITED)
AS AT JUNE 30, 2006**

	Note	(Un audited) Jun. 30, 2006	(Audited) Dec. 31, 2005
('Rupees in '000)			
ASSETS			
Cash and balances with treasury banks		42,444,125	34,143,128
Balances with other banks		11,715,098	18,688,683
Lendings to financial institutions		24,520,121	17,867,552
Investments	4	65,537,709	61,558,826
Advances	5	242,061,935	210,152,629
Other assets		10,272,001	7,932,696
Fixed assets		5,885,482	5,439,818
Deferred tax assets - net		831,893	2,272,814
		<u>403,268,364</u>	<u>358,056,146</u>
LIABILITIES			
Bills payable		4,414,680	4,181,026
Borrowings from financial institutions	6	24,479,165	22,751,015
Deposits and other accounts	7	333,516,169	296,499,113
Sub-ordinated loans		3,998,768	3,999,192
Liabilities against assets subject to finance lease		3,977	4,345
Other liabilities		9,241,236	6,347,853
		<u>375,653,995</u>	<u>333,782,544</u>
NET ASSETS		<u><u>27,614,370</u></u>	<u><u>24,273,602</u></u>
REPRESENTED BY			
Issued, subscribed and paid up capital		6,475,000	5,180,000
Reserves		8,037,866	6,820,234
Unappropriated profit		8,976,697	7,790,148
		23,489,563	19,790,382
Minority interest		1,700,197	1,561,005
		<u>25,189,760</u>	<u>21,351,387</u>
Surplus on revaluation of assets - net of tax		2,424,610	2,922,215
		<u><u>27,614,370</u></u>	<u><u>24,273,602</u></u>
CONTINGENCIES AND COMMITMENTS	8		

The annexed notes 1 to 10 form an integral part of these financial statements.

Atif R. Bokhari
President and
Chief Executive Officer

Ahmed Waqar
Director

Sir Mohammed Anwar Pervez, OBE
Deputy Chairman

Nahayan Mabarak Al Nahyan
Chairman

**CONSOLIDATED PROFIT AND LOSS ACCOUNT - (UNAUDITED)
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2006**

	Apr - Jun 2006	Apr - Jun 2005	Jan - Jun 2006	Jan - Jun 2005
	-----('Rupees in '000)-----			
Mark-up / Return / Interest Earned	8,136,504	4,589,217	15,354,481	8,243,594
Mark-up / Return / Interest Expensed	<u>(2,837,213)</u>	<u>(1,132,286)</u>	<u>(5,466,769)</u>	<u>(1,943,924)</u>
Net Mark-up / Interest Income	5,299,291	3,456,931	9,887,712	6,299,670
Provision for non-performing loans and advances -net	(256,703)	(211,188)	(491,710)	(258,556)
Provision against consumer loans	(113,066)	(191,304)	(257,235)	(306,147)
Provision for diminuation in value of investment	(79,271)	(25,000)	(96,968)	(25,000)
Bad debts written off directly	(53,998)	-	(74,309)	-
	<u>(503,038)</u>	<u>(427,492)</u>	<u>(920,222)</u>	<u>(589,703)</u>
Net Mark-up / return / Interest Income after provisions	4,796,253	3,029,439	8,967,490	5,709,967
Non mark-up / return / interest income				
Fee, Commission and Brokerage Income	1,076,194	523,699	1,939,134	1,110,714
Dividend Income/ Gain on sale of securities	163,051	105,335	443,889	303,676
Income from dealing in foreign currencies	128,566	121,696	306,708	202,834
Other Income	339,528	291,678	635,018	487,425
Total non-markup / return / interest Income	<u>1,707,339</u>	<u>1,042,408</u>	<u>3,324,749</u>	<u>2,104,649</u>
	6,503,592	4,071,847	12,292,239	7,814,616
Non Mark-up / Interest Expenses				
Administrative expenses	(2,784,742)	(2,058,859)	(5,181,734)	(3,888,332)
Other provisions / write offs / reversals	(39,767)	(17,612)	(32,267)	(191,405)
Other charges	(471)	(2,996)	(508)	(2,704)
Total non-markup / interest expenses	<u>(2,824,980)</u>	<u>(2,079,467)</u>	<u>(5,214,509)</u>	<u>(4,082,441)</u>
	3,678,612	1,992,380	7,077,730	3,732,175
Share of income from Associate	23,576	-	23,576	-
Profit before taxation	3,702,188	1,992,380	7,101,306	3,732,175
Taxation - Current - for the period	(747,068)	(298,446)	(899,647)	(312,859)
- Prior	(9,801)	-	(9,801)	(105,888)
- Deferred	(370,824)	(544,446)	(1,468,105)	(1,107,865)
	<u>(1,127,693)</u>	<u>(842,892)</u>	<u>(2,377,553)</u>	<u>(1,526,612)</u>
Profit after taxation	2,574,495	1,149,488	4,723,753	2,205,563
Share of Minority Interest	(29,332)	(29,135)	(55,510)	(51,854)
Profit attributable to Shareholders of the Bank	2,545,163	1,120,353	4,668,243	2,153,709
Unappropriated Profit brought forward	6,894,821	3,664,839	7,790,148	3,585,102
	9,439,984	4,785,192	12,458,391	5,738,811
Transferred from surplus on revaluation of fixed assets-net of tax	23,613	21,266	47,227	47,076
Profit before appropriations	<u>9,463,597</u>	<u>4,806,458</u>	<u>12,505,618</u>	<u>5,785,887</u>
Appropriations				
Transfer to statutory reserve	(486,900)	(214,528)	(938,921)	(416,957)
Final Cash Dividend for the year ended December 31, 2004 and 2005 declared subsequent to the year end	-	-	(1,295,000)	(777,000)
Transfer to the reserve for bonus shares	-	-	(1,295,000)	-
	<u>(486,900)</u>	<u>(214,528)</u>	<u>(3,528,921)</u>	<u>(1,193,957)</u>
Unappropriated profit carried forward	8,976,697	4,591,930	8,976,697	4,591,930
	(Rupees)		(Rupees)	
Basic and diluted earnings per share	<u>3.93</u>	<u>1.73</u>	<u>7.21</u>	<u>3.33</u>

The annexed notes 1 to 10 form an integral part of these financial statements.

Atif R. Bokhari
President and
Chief Executive Officer

Ahmed Waqar
Director

Sir Mohammed Anwar Pervez, OBE
Deputy Chairman

Nahayan Mabarak Al Nahyan
Chairman

**CONSOLIDATED CASH FLOW STATEMENT - (Unaudited)
FOR THE HALF YEAR ENDED JUNE 30, 2006**

	Jun. 30, 2006	Jun. 30, 2005
	('Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	7,101,306	3,732,175
Less: Share of Income from Associates	(23,576)	-
Less: Dividend income	(68,159)	(67,053)
	7,009,571	3,665,122
Adjustments for non-cash charges		
Depreciation	302,090	239,798
Provision for retirement benefits	123,768	24,175
Provision against advances	748,945	564,703
Provision for diminution in the value of investments	96,968	25,000
Gain on sale of fixed assets	(15,106)	(2,373)
Finance charges on assets subject to finance lease	329	107
Provision against other assets	43,826	191,405
Unrealized (Gain)/deficit on revaluation of held for trading investment portfolio	7,187	(5,775)
Bad debts written off	74,309	-
	1,382,316	1,037,040
	8,391,887	4,702,162
(Increase)/ decrease in operating assets		
Lendings to financial institutions	(6,652,569)	534,524
Held-for-trading securities	772,161	(6,075,320)
Advances - net	(32,732,560)	(25,606,828)
Others assets	(2,190,517)	(2,011,111)
	(40,803,486)	(33,158,735)
Increase/ (decrease) in operating liabilities		
Bills Payable	233,654	1,614,594
Borrowings from financial institutions	1,728,150	2,015,057
Deposits and other accounts	37,017,056	38,509,673
Other liabilities	2,183,871	2,390,359
	41,162,731	44,529,683
	8,751,132	16,073,110
Payments for retirement benefits	(255,498)	(157,270)
Income tax paid	(367,818)	(461,088)
Net cash flow from operating activities	8,127,816	15,454,752
CASH FLOW FROM INVESTING ACTIVITIES		
Net investment in securities	(5,779,165)	(13,760,031)
Dividend received	40,629	161,275
Investments in fixed assets	(154,349)	(361,942)
Sale proceeds of fixed assets disposed-off	25,881	11,252
Net cash flow from investing activities	(5,867,004)	(13,949,446)
CASH FLOW FROM FINANCING ACTIVITIES		
Payments / receipts against Sub-ordinated loan	(424)	499,616
Dividend paid	(1,295,000)	(777,000)
Payments of lease obligations	(368)	(641)
Net cash flow from financing activities	(1,295,792)	(278,025)
Net cash flow	965,019	1,227,281
Exchange difference on translation of net investment in foreign branches and subsidiaries	278,711	(230,454)
Exchange difference on translation of net investment in foreign branches and subsidiaries - minority	83,682	(20,039)
Increase/(Decrease) in cash and cash equivalents	1,327,412	976,788
Cash and cash equivalents at beginning of the period	52,831,811	48,119,210
Cash and cash equivalents at end of the period	54,159,223	49,095,998

The annexed notes 1 to 10 form an integral part of these financial statements.

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30 2006**

	Share capital	General Reserve	Statutory Reserve	Exchange Reserve	Reserve for issue of bonus shares	Unappropriated Profit	Total
	Rupees in '000						
Balance on January 01, 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	-	-	-	-	-	47,076	47,076
Profit after taxation for the half year ended June 30, 2005	-	-	-	-	-	2,153,709	2,153,709
Transfer to Statutory reserve	-	-	416,957	-	-	(416,957)	-
Exchange differences on translation of net investments in foreign branches, subsidiaries and associates	-	-	-	(230,454)	-	-	(230,454)
Balance as at June 30, 2005	<u>5,180,000</u>	<u>3,000</u>	<u>4,369,396</u>	<u>1,794,555</u>	<u>-</u>	<u>4,591,930</u>	<u>15,938,881</u>
Profit after taxation for the half year ended December 31, 2005	-	-	-	-	-	3,923,995	3,923,995
Transfer from surplus on revaluation of fixed assets to un-appropriated profit-net of tax	-	-	-	-	-	47,072	47,072
Exchange differences on translation of net investments in foreign branches, subsidiaries and associates	-	-	-	(119,566)	-	-	(119,566)
Transfer to Statutory reserve	-	-	772,849	-	-	(772,849)	-
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>-</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)
Transfer to reserve for issue of bonus shares	-	-	-	-	1,295,000	(1,295,000)	-
Issue of bonus shares	1,295,000	-	-	-	(1,295,000)	-	-
Profit after taxation for the half year ended June 30, 2006	-	-	-	-	-	4,668,243	4,668,243
Transfer from surplus on revaluation of fixed assets to un-appropriated profit-net of tax	-	-	-	-	-	47,227	47,227
Exchange differences on translation of net investments in foreign branches, subsidiaries and associates	-	-	-	278,711	-	-	278,711
Transfer to Statutory reserves	-	-	938,921	-	-	(938,921)	-
Balance as at June 30, 2006	<u>6,475,000</u>	<u>3,000</u>	<u>6,081,166</u>	<u>1,953,700</u>	<u>-</u>	<u>8,976,697</u>	<u>23,489,563</u>

The annexed notes 1 to 10 form an integral part of these financial statements.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 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 - (UNAUDITED)
4. INVESTMENTS

	Note	Jun. 30, 2006			Dec. 31, 2005		
		Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total
-----Rupees in 000'-----							
Held-for-trading securities	4.1	742,963	-	742,963	1,061,504	460,807	1,522,311
Available-for-sale securities	4.2	28,888,278	11,220,562	40,108,840	22,500,774	4,103,980	26,604,754
Held-to-maturity securities	4.3	24,337,138	479,121	24,816,259	29,542,389	3,930,984	33,473,373
Investments in associates	4.4	543,676	-	543,676	270,101	-	270,101
		54,512,055	11,699,683	66,211,738	53,374,768	8,495,771	61,870,539
Provision for Diminution in value of investments		(526,270)	-	(526,270)	(634,002)	-	(634,002)
Surplus / (deficit) on revaluation of available for sale investments		(143,065)	(11,101)	(154,166)	322,591	736	323,327
Surplus / (deficit) on revaluation of held for trading investments		6,407	-	6,407	(1,328)	290	(1,038)
Investments (net of provisions)		53,849,127	11,688,582	65,537,709	53,062,029	8,496,797	61,558,826

4.1 Held-for-trading securities

Ordinary shares of listed companies	543,200	-	543,200	460,770	-	460,770
Market treasury bills	199,763	-	199,763	600,734	460,807	1,061,541
	742,963	-	742,963	1,061,504	460,807	1,522,311

4.2 Available for sale securities

Market treasury bills	19,675,073	11,220,562	30,895,635	16,004,567	3,898,511	19,903,078
Pakistan investment bonds	2,661,166	-	2,661,166	1,317,980	205,469	1,523,449
Ordinary shares of listed companies	1,552,244	-	1,552,244	1,680,335	-	1,680,335
Ordinary shares of unlisted companies	432,720	-	432,720	432,680	-	432,680
GOP Islamic Bonds	809,957	-	809,957	833,386	-	833,386
Units of mutual funds	844,000	-	844,000	582,779	-	582,779
Govt of Pakistan						
- US \$/ Euro bonds	1,183,475	-	1,183,475	279,575	-	279,575
Foreign currency bonds	988,767	-	988,767	620,301	-	620,301
Term Finance Certificates	740,875	-	740,875	749,171	-	749,171
	28,888,278	11,220,562	40,108,840	22,500,774	4,103,980	26,604,754

4.3 Held to maturity securities

Term Finance Certificates	8,395,843	-	8,395,843	8,666,380	-	8,666,380
CIRC bonds	4,054,883	-	4,054,883	4,054,883	-	4,054,883
Pakistan investment bonds	4,728,287	-	4,728,287	5,331,699	335,502	5,667,201
GOP - Gruanteed bonds	3,509,982	-	3,509,982	4,039,971	-	4,039,971
Foreign currency bonds	1,709,007	-	1,709,007	1,694,788	-	1,694,788
Foreign securities	495,924	-	495,924	577,277	-	577,277
Debentures	12,028	-	12,028	169,351	-	169,351
Participation of Term Certificates	61,360	-	61,360	70,087	-	70,087
CDC SAARC Fund	27,611	-	27,611	65,501	-	65,501
Federal investment bonds	22,830	-	22,830	32,725	-	32,725
Market treasury bills	1,309,305	479,121	1,788,426	4,830,400	3,595,482	8,425,882
Cumulative Preference Shares	8,871	-	8,871	8,120	-	8,120
Provincial Government Securities	1,207	-	1,207	1,207	-	1,207
	24,337,138	479,121	24,816,259	29,542,389	3,930,984	33,473,373

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - (UNAUDITED)

Jun. 30, 2006			Dec. 31, 2005		
Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total
-----Rupees in 000'-----					

4.4 Investments in associates

Oman united Exchange Company, Muscat	6,981	-	6,981	6,981	-	6,981
United Growth Advantage Fund	250,000	-	250,000	-	-	-
United Growth and Income Fund	286,695	-	286,695	263,120	-	263,120
	543,676	-	543,676	270,101	-	270,101
	54,512,055	11,699,683	66,211,738	53,374,768	8,495,771	61,870,539
Provision for Diminution in value of investments	(526,270)	-	(526,270)	(634,002)	-	(634,002)
Surplus / (deficit) on revaluation of available for sale investments	(143,065)	(11,101)	(154,166)	322,591	736	323,327
Surplus / (deficit) on revaluation of held for trading investments	6,407	-	6,407	(1,328)	290	(1,038)
Investments (net of provisions)	53,849,127	11,688,582	65,537,709	53,062,029	8,496,797	61,558,826

5. ADVANCES
Jun. 30, 2006 Dec. 31, 2005
('Rupees in '000)
Loans, cash credits, running finances, etc.

In Pakistan	197,684,512	179,430,436
Outside Pakistan	39,370,276	32,244,908
	237,054,788	211,675,344

Bills discounted and purchased (excluding treasury bills)

Payable in Pakistan	3,063,156	3,104,283
Payable outside Pakistan	14,615,860	9,009,360
	17,679,016	12,113,643

Finance in respect of continuous funding system (CSF)

Provision for non-performing advances- specific	(12,593,231)	(13,506,034)
- General	(1,280,309)	(1,224,326)
	242,061,935	210,152,629

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - (UNAUDITED)

5.1 Advances include Rs.16,904 million which have been placed under non-performing status as detailed below:-

Category of Classification	Domestic	Overseas	Total	Provision Required	Provision Held
Other Assets Especially Mentioned	439,148	-	439,148	-	-
Substandard	1,829,904	23,188	1,853,092	242,435	242,435
Doubtful	911,661	101,189	1,012,850	243,380	243,380
Loss	7,485,442	5,687,014	13,172,456	11,892,818	11,892,818
	10,666,155	5,811,391	16,477,546	12,378,633	12,378,633
Subsidiary Company	-	426,592	426,592	214,598	214,598
	10,666,155	6,237,983	16,904,138	12,593,231	12,593,231

5.2 General provision represents provision amounting to Rs 987.106 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. 293.20 million (December 31, 2005: Rs. 524.906 million) pertaining to overseas branches and subsidiaries advances to meet the requirements of monetary agencies and regulating authorities of the respective country.

6. **BORROWINGS FROM FINANCIAL INSTITUTIONS**

Jun. 30, 2006 Dec. 31, 2005
(Rupees in '000)

Secured

Borrowings from financial institutions
Borrowings from State Bank of Pakistan
- Export refinance
- LTF for export oriented projects
- Locally Manufactured Machinery
Repurchase agreement borrowings

-	-
7,737,163	7,453,261
645,723	303,410
4,276	5,195
13,945,068	8,434,771
22,332,230	16,196,637

Unsecured

Call borrowings
Overdrawn nostro accounts
Trading account liability
Others

500,000	4,027,253
47,706	118,689
1,599,229	1,479,852
-	928,584
2,146,935	6,554,378
24,479,165	22,751,015

7. **DEPOSITS AND OTHER ACCOUNTS**

Customers

Fixed deposits
Savings deposits
Sundry Deposits
Margin Deposits
Current Accounts - Remunerative
Current Accounts - Non-remunerative

88,951,924	82,230,051
136,862,892	124,033,403
6,262,264	4,148,275
3,230,528	2,226,835
1,030,624	1,891,832
95,663,718	81,659,966
332,001,952	296,190,362

Financial Institutions

Remunerative deposits
Non-remunerative deposits

400,331	26,157
1,113,887	282,594
1,514,218	308,751
333,516,169	296,499,113

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - (UNAUDITED)

Jun. 30, 2006 **Dec. 31, 2005**
 ('Rupees in '000)

8. CONTINGENCIES AND COMMITMENTS
8.1 Direct Credit Substitutes

Contingent liability in respect of guarantees given favouring:

Government	7,401,769	1,723,733
Banking companies and other financial institutions	1,655,077	775,064
Others	2,973,980	2,427,256
	12,030,826	4,926,053

8.2 Transaction-related Contingent Liabilities

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

Government	19,209,434	14,640,161
Banking companies and other financial institutions	902,693	785,981
Others	5,142,348	5,287,560
	25,254,475	20,713,702

8.3 Trade-related Contingent Liabilities

Contingent liability in respect of letters of credit favouring:

Government	14,670,499	1,628,389
Banking companies and other financial institutions	854,060	693,229
Others	76,418,647	71,300,730
	91,943,206	73,622,348

8.4 Other Contingencies

Claims against the bank not acknowledge as debts

7,080,459	6,054,243
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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 revocable commitments do not attract any significant penalty or expense if the facility is unilaterally withdrawn.

8.6 Commitments in respect of forward exchange contracts

Sale	44,534,523	42,020,795
Purchase	46,582,239	38,156,440

8.7 Other commitments

Forward purchase contracts of government securities	-	598,194
Interest rate swaps	7,545,389	7,826,415
Equity futures	543,813	43,765
Sales of securities not yet purchased	1,349,882	1,479,279
Commitments in respect of capital expenditure	387,451	217,112

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - (UNAUDITED)
9. RELATED PARTY TRANSACTIONS

The Bank has related party relationship with its associated undertakings, 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 appointment.

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	32,440	-	-	31,112	-	1,863,892
Repaid during the year	(27,323)	-	(333,595)	(12,127)	-	(2,588,720)
At June 30 / December 31	85,811	-	1,484,546	80,694	-	1,818,141
Deposits						
At January 01	15,542	-	727,877	13,415	-	-
Received during the year	81,485	-	20,344,659	121,382	-	30,792,517
Withdrawn during the year	(88,693)	-	(14,599,272)	(119,255)	-	(30,064,640)
At June 30 / December 31	8,334	-	6,473,264	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	-	-	65,799	-	-	17,501
Mark-up / return / interest expensed	-	-	42,406	-	-	7,244
Reimbursement of liaison office expenses paid to Dubai and Abu Dhabi Group	-	-	17,996	-	-	7,447
Investment made during year	-	250,000	-	-	250,000	180,000
Distribution commission income	-	-	-	-	-	-
Remuneration paid	49,759	-	-	16,688	-	-
Post Employment benefits	7,490	-	-	3,829	-	-

Corresponding balance sheet items are as of December 31, 2005 and profit and loss items are for the half year ended June 30, 2006.

10. DATE OF AUTHORIZATION

These financial statements were authorised for issue on August 06, 2006 by the Board of Directors of the Bank.

Atif R. Bokhari
President and
Chief Executive Officer

Ahmed Waqar
Director

Sir Mohammed Anwar Pervez, OBE
Deputy Chairman

Nahayan Mabarak Al Nahyan
Chairman