

**FIRST HABIB MODARABA  
BALANCE SHEET AS AT JUNE 30, 2006**

	Note	2006 Rupees	2005 Rupees (Restated)
<b><u>ASSETS</u></b>			
<b>NON-CURRENT ASSETS</b>			
<i>Fixed assets - tangible</i>			
<i>Assets leased out</i>	3.1	2,744,844,126	2,047,013,872
<i>Assets in own use</i>	3.3	7,328,096	4,117,027
		<u>2,752,172,222</u>	<u>2,051,130,899</u>
<i>Intangible assets</i>	4	213,181	196,884
<i>Long-term advances and deposit</i>	5	1,406,962	799,685
		<u>2,753,792,365</u>	<u>2,052,127,468</u>
<b>CURRENT ASSETS</b>			
<i>Investments - available for sale</i>	6	987,037,140	568,367,801
<i>Short-term Murabaha finance</i>	7	69,678,393	-
<i>Lease rentals receivable - secured, considered good</i>		1,429,265	1,293,772
<i>Advances, deposits, prepayments and other receivables</i>	8	1,979,753	3,289,785
<i>Cash and bank balances</i>	9	73,492,296	31,968,744
		<u>1,133,616,847</u>	<u>604,920,102</u>
<b>TOTAL ASSETS</b>		<u><u>3,887,409,212</u></u>	<u><u>2,657,047,570</u></u>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>CAPITAL AND RESERVES</b>			
<i>Certificate Capital</i>			
<i>Authorised capital</i>			
120,000,000 (2005: 120,000,000) certificates of Rs. 5/- each		600,000,000	600,000,000
		<u>600,000,000</u>	<u>600,000,000</u>
<i>Issued, subscribed and paid-up capital</i>	10	504,000,000	504,000,000
<i>Reserves</i>	11	1,291,312,368	822,802,197
		<u>1,795,312,368</u>	<u>1,326,802,197</u>
<i>Certificate holders' equity</i>			
<b>NON-CURRENT LIABILITIES</b>			
<i>Long-term morabaha finances - secured</i>	12	360,293,146	171,618,615
<i>Certificates of musharaka - unsecured</i>	13	14,370,000	67,295,000
<i>Security deposits against assets leased out</i>	14	188,591,225	147,877,495
		<u>563,254,371</u>	<u>386,791,110</u>
<b>CURRENT LIABILITIES</b>			
<i>Morabaha finances - current portion</i>	12	265,302,608	171,040,391
<i>Certificates of musharaka - current portion</i>	13	991,629,383	520,952,497
<i>Security deposits - current portion</i>	14	40,544,153	39,373,252
<i>Short-term musharaka finances - secured</i>	15	150,000,000	153,000,000
<i>Advance lease rentals received</i>		19,241,025	13,028,473
<i>Accrued and other liabilities</i>	16	49,724,524	34,414,930
<i>Taxation - net</i>		1,482,815	1,565,703
<i>Unclaimed profit distribution</i>		10,917,965	10,079,017
		<u>1,528,842,473</u>	<u>943,454,263</u>
<b>COMMITMENTS</b>	17	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>3,887,409,212</u></u>	<u><u>2,657,047,570</u></u>

The annexed notes from 1 to 34 form an integral part of these financial statements.

Sd/-  
Chief Executive

Sd/-  
Director

Sd/-  
Director

**FIRST HABIB MODARABA  
PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2006**

	Note	2006 Rupees	2005 Rupees
<b>Operating Income</b>			
Lease rentals		1,200,665,344	1,008,815,269
Profit on Murabaha finance		5,735,693	4,805,336
		<u>1,206,401,037</u>	<u>1,013,620,605</u>
<b>Operating Costs</b>			
Depreciation on fixed assets leased out	3.1	945,712,484	812,766,804
Administrative expenses	18	24,923,306	27,299,304
		<u>970,635,790</u>	<u>840,066,108</u>
		235,765,247	173,554,497
Other income	19	34,379,722	19,220,893
		<u>270,144,969</u>	<u>192,775,390</u>
Financial charges	20	113,391,403	79,692,211
		<u>156,753,566</u>	<u>113,083,179</u>
Modaraba company's management fee		(15,675,357)	(11,308,318)
Profit for the year		<u>141,078,209</u>	<u>101,774,861</u>
Earnings per certificate	28	<u>1.40</u>	<u>1.42</u>

Appropriations have been disclosed in the statement of changes in equity.

The annexed notes from 1 to 34 form an integral part of these financial statements.

Sd/-  
Chief Executive

Sd/-  
Director

Sd/-  
Director