

Oman International Bank S.A.O.G**Annual Report 2000****AUDITORS' REPORT TO THE DIRECTOR**

We have audited the annexed balance sheet of OMAN INTERNATIONAL BANK S.A.O.G. - PAKISTAN BRANCHES as at December 31, 2000 and the related profit and loss account and the cash flow statement together with the notes forming part thereof for the year then ended, and we state that we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and, after due verification thereof, found them satisfactory and, we report that:

(a) in our opinion proper books of account have been kept by OMAN INTERNATIONAL BANK S.A.O.G. PAKISTAN BRANCHES as required by the Companies Ordinance, 1984;

(b) in our opinion-

(i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Banking Companies Ordinance, 1962, and the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied, except for the change in accounting policies as stated in note 3.2 with which we concur;

(ii) the expenditure incurred during the year was for the purpose of the branches' business; and

(iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the branches and the transactions of the branches which have come to our notice have been within the powers of the branches;

(c) in our opinion and to the best of our information and according to the explanations given to us the balance sheet and the profit and loss account and the cash flow statement, together with the notes forming part thereof give the information required by the Banking Companies Ordinance, 1962, and the Companies Ordinance, 1984, in the manner so required and give a true and fair view of the state of the branches' affairs as at December 31, 2000 and their true balance of the loss and the cash flow statement for the year then ended; and

(d) in our opinion Zakat deductible at source under the Zakat and Ushr Ordinance, 1980, was deducted by the branches and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

Karachi -
March 16, 2001

Ford, Rhodes, Robson, Morrow
Chartered Accountants

BALANCE SHEET AS AT DECEMBER 31, 2000

	<i>Note</i>	<i>2000</i> <i>(Rupees in '000)</i>	<i>1999</i>
ASSETS			
Cash		749,842	764,369
Balances with other banks		63,372	17,410
Money at call and short notice		--	100,000
Investments		125,280	--
Advances - net of provision		952,217	1,035,195
Operating fixed assets		15,227	16,514
Other assets		67,176	100,974
		-----	-----
		1,973,114	2,034,462
LIABILITIES			
Deposits and other accounts	10	1,144,003	1,345,677
Borrowings from other banks, agents etc.	11	198,000	93,229
Bills payable		8,603	6,489
Other liabilities	12	717,121	641,379
Deferred liability - provision for gratuity		--	2,147

		-----	-----
		2,067,727	2,088,921
		-----	-----
NET ASSETS		(94,613)	(54,459)
		=====	=====

REPRESENTED BY:

Head office capital account	13		
Accumulated losses		(94,613)	(54,459)
		=====	=====

MEMORANDUM ITEMS

Bills for collection	14	49,174	43,747
Acceptances, endorsements and other obligations		156,117	130,380
Contingent liabilities and commitments	15		

The annexed notes form an integral part of these accounts

Sd/-
Ashraf N. Irshaduddin
Country Manager

Sd/-
Parvaiz Ahmad
Senior Manager

PROFIT AND LESS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2000

	<i>Note</i>	<i>2000</i>	<i>1999</i>
		<i>(Rupees in '000)</i>	
Mark up/Interest and discount and/or return earned		148,066	168,733
Less: Cost/Return on deposits, borrowings etc.		153,180	152,994
		-----	-----
		(5,114)	15,739
Fees, commissions and brokerage		8,359	8,934
Other operating income	16	15,729	10,225
		-----	-----
		24,088	19,159
		-----	-----
		18,974	34,898
Operating expenses:			
Administrative expenses	17	(44,063)	(42,933)
Provisions against non-performing advances	7.2	(14,993)	--
		-----	-----
		(59,056)	(42,933)
Other charges - net (loss)/profit on sale of fixed assets		(72)	282
		-----	-----
Loss) before taxation		(40,154)	(7,753)
Taxation		--	--
		-----	-----
(Loss) after taxation		(40,154)	(7,753)
Accumulated losses brought forward		(54,459)	(46,706)
		-----	-----
Accumulated losses carded forward		(94,613)	(54,459)
		=====	=====

The annexed notes form an integral part of these accounts

Sd/-
Ashraf N. Irshaduddin
Country Manager

Sd/-
Parvaiz Ahmad
Senior Manager

CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2000

<i>Note</i>	<i>2000</i>	<i>1999</i>
	<i>(Rupees in '000)</i>	
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) before taxation	(40,154)	(7,753)
Adjustment for non-cash charges:		
Depreciation	3,320	2,953
Provision against non performing advances	14,993	--
Loss/(profit) on sale of fixed assets - net	72	(282)
Unrealised exchange losses/(gains) on forward exchange contracts	1,353	(936)
Provision for gratuity	--	1,065
	-----	-----
	(20,416)	(4,953)
(Increase)/decrease in operating assets:		
Investments	(125,280)	145,496
Advances	67,985	(278,743)
Other assets (excluding advances tax)	33,793	48,603
	-----	-----
	(23,502)	(84,644)
Increase/(decrease) in operating liabilities:		
Deposits and other accounts	(201,674)	(96,025)
Bills payable	2,114	5,358
Other liabilities	1,436	4,095
	-----	-----
	(198,124)	(86,572)
Cash flows before tax		
Income tax refund/(paid)	(242,042)	(176,169)
	5	(18)
Gratuity paid	(2,147)	(265)
	-----	-----
Net cash (used) in operating activities	(244,184)	(176,452)
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(2,124)	(2,307)
Sale proceeds of fixed asset	19	828
	-----	-----
Net cash (used) in investing activities	(2,105)	(1,479)
CASH FLOW FROM FINANCING ACTIVITIES		
Capital from Head Office (inclusive of exchange revaluation)	729,531	707,861
Borrowings from other banks, agents etc.	104,771	60,566
	-----	-----
Net cash generated from financing activities	177,724	131,352
Increase/(decrease) in cash and cash equivalents for the year	(68,565)	(46,579)
Cash and cash equivalents at the beginning of the year	881,779	928,358
	-----	-----
Cash and cash equivalents at the end of the year	813,214	881,779
	=====	=====
Cash and cash equivalents		
Cash		
Balances with other banks	749,842	764,369
Money at call and short notice	63,372	17,410
	-----	-----
	813,214	881,779
	=====	=====

Sd/-

Sd/-

Ashraf N. Irshaduddin
Country Manager

Parvaiz Ahmad
Senior Manager

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2000

1. STATUS AND NATURE OF BUSINESS

Oman International Bank S.A.O.G. is an Omani joint stock company which was incorporated on January 1, 1979. The company operates as a commercial bank through a network of branches in the Sultanate of Oman, India and Pakistan. It commenced operations in Pakistan in April 1996 under a license issued by the State Bank of Pakistan. The bank presently in Pakistan through branches in Karachi and Lahore.

2. BASIS OF PRESENTATION

These financial statements have been prepared in accordance with the requirements of the State Bank of Pakistan under the powers conferred upon it under the Banking Companies Ordinance, 1962 to conform with BPRD Circular No. 31 dated August 13, 1997. Expenses of the head office allocable to the Pakistan branches are not incorporated in the books of account.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Accounting convention

These financial statements are prepared on the historical cost convention except for certain investments which are stated on mark to market basis as described in notes 3.2 and 3.6 to these accounts.

3.2 Charges in accounting policy

Commencing from the current year, the bank marks to market its investments in securities excluding securities acquired under resale obligation, in accordance with the guidelines contained in State Bank of Pakistan's BSD Circular No. 20 dated August 4, 2000. Any difference between the carrying value and the revalued amount is taken to surplus/deficit on revaluation account and shown separately in the balance sheet below Head Office Capital Account.

Previously these securities were carded at cost less amortisation of premium or discount, where applicable. However no adjustment to carrying values is required in the current year.

3.3 Recognition of revenue and expense

Interest/markup income and expense are recorded on an accrual basis. If the recovery of interest/markup income is doubtful, its recognition in the Profit and Loss Account is deferred until it is received. Commission and fees are credited to income at the time of affecting the transaction to which they relate.

3.4 Staff retirement benefits

The bank has established a recognised contributory Provident Fund for all its permanent employees. Contributions are made monthly in accordance with the fund rules.

The bank operates a gratuity scheme which has been funded since April 2000. The scheme provides for terminal benefits for all its permanent employees equivalent to thirty days of last drawn basic salary for each year of service or part thereof for employees who have completed the qualifying period of three years.

Annual contribution is based on actuarial valuation using the Projected Unit Credit Method at the rate of 8.33% of the basic salary. An actuarial valuation is conducted once every three years. Based on the latest actuarial valuation carded out as at December 31, 2000, the fair market value of the assets and liabilities of the fund were Rs. 3.047 million and Rs. 2.907 million respectively.

The following assumptions have been used for the valuation mentioned above:

- Expected rate of increase in salaries at 11% per annum.
- Expected rate of increase in investment at 12% per annum.

3.5 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any.

Deferred

The tax effects for deferred taxation calculated using the liability method on all temporary differences are being dealt with as stated in note 18 to the accounts.

3.6 Investments

Investments in securities, except for securities acquired under resale obligations, are marked to market in accordance with State Bank of Pakistan's BSD Circular No. 20 dated August 4, 2000. The difference between the carrying value, representing cost adjusted for amortisation of discount or premium, and the revalued amount is recognised in the surplus/deficit on revaluation account, until realised.

The bank also enters into transaction of repurchase/reverse repurchase of securities at contracted rates for specific periods of time. These are recorded as follows:

(a) In the case of sale under repurchase obligations the securities are deleted from the books and the charges arising from the differential in sale and repurchase values are accrued on a pro-rata basis and recorded as expense. Upon repurchase the securities are reinstated at their respective original cost.

(b) In the case of purchase under resale obligations the securities are booked at the contracted purchase price and the differential of the contracted purchase and resale price is amortised over the period of their contract and recorded as income.

3.7 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount reported in the balance sheet if the bank has a legally enforceable right to set-off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.8 Provision for possible credit losses

Loans and advances are stated net of provisions for possible credit losses and reserved interest, if any. Irrecoverable loans and advances, if any, are written off or fully provided for and specific provision is made for all doubtful loans and advances in accordance with SBP's Prudential Regulations.

3.9 Operating fixed assets

Fixed assets are stated at cost less accumulated depreciation. Cost represents their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost of an asset on a straight line basis over its estimated useful life. Depreciation is charged from the month following the month of acquisition of fixed assets and no depreciation is charged in the month of disposal.

3.10 Foreign currencies

Transactions in foreign currencies are translated into rupees at the exchange rates prevailing on the transaction date. Assets and liabilities denominated in foreign currencies are translated into rupees at the exchange rates prevailing at the balance sheet date except those in respect of which forward exchange contracts are booked. Forward exchange contracts are translated at the rates of exchange approximate to those prevalent at the balance sheet date. Exchange gains and losses are included in the profit and loss account currently

	<i>2000</i>	<i>1999</i>
	<i>(Rupees in '000)</i>	
4. CASH	18,257	21,050
In hand - local currency	8,026	5,177
- foreign currencies		
With State Bank of Pakistan in:		
Special deposit account:		
Capital deposited in foreign currency with the State		
Bank of Pakistan	695,739	622,786
Current account	27,820	115,356
	-----	-----
	749,842	764,369
	=====	=====

5. BALANCES WITH OTHER BANKS

Current account:		
In Pakistan	436	552
Outside Pakistan	62,936	16,858
	-----	-----
	63,372	17,410
	=====	=====

6. INVESTMENTS

investment securities (unquoted):

Federal Government Securities:	25,280	--
Treasury Bills - note 6.1	100,000	--
Fully paid up shares in listed companies - note 6.2	-----	-----
	125,280	--
	=====	=====

6.1 Book value of the unquoted securities is Rs. 25,280 thousand (1999: Rs. nil).

6.2 Market value of quoted securities is Rs. 107,203 thousand (1999: Rs. nil).

7. ADVANCES - NET OF PROVISION

Loans, cash credits, overdrafts etc:

In Pakistan	935,125	1,016,664
Bills discounted and purchased (excluding Government Treasury Bills)		
Payable outside Pakistan	31,085	18,531
	-----	-----
	967,210	1,035,195
Provision for non-performing advances - note 7.2	(14,993)	--
	-----	-----
	952,217	1,035,195
	=====	=====

Advances include Rs. 14,963 thousand (1999: Rs. nil) which have been placed on non-performing status.

7.1 Particulars of advances

in local currency	921,132	1,016,664
In foreign currencies	31,085	18,531
	-----	-----
	952,217	1,035,195
	=====	=====

Debts considered good in respect of which the bank is fully secured.

952,217 1,035,195

Debts considered good for which the bank holds no other security than the debtors' personal security.

-- --

Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors.

-- --

952,217 1,035,195

Balance **Maximum total amount**
outstanding **of advances including**
at December **temporary advances**
31, 2000 **granted during the year**
(Rupees in '000)

Debts due by directors or executives of the bank or any of them either severally or jointly with any other persons.

13,109 14,089

=====

7.2 Particulars of provisions for non-performing advances**Specific**

Opening balance	--	--
Charge for the year	14,993	--
	-----	-----

Closing balance	14,993	--
Provision against Advances to banks	--	--
Advances to others	14,993	--
	14,993	--

7.3 In terms of sub-section (3) of section 33A of the Banking Companies Ordinance, 1962, there were no amounts written off during the year ended December 31,2000.

8. OPERATING FIXED ASSETS

Description	As at January 1, 2000	Cost		As at December 31, 2000	Accumulated as at January 1, 2000	Depreciation Change for the Year/ (accumulated as on deletion)	Accumulated as at December 31, 2000	Book value As at December 31, 2000	Rate of Depreciation %
		Additions	Deletions						
Improvement to property on lease	10,201	--	--	10,201	2,997	1,020	4,017	6,184	10
Furniture, fixtures and office equipment	12,022	2,124	(149)	13,997	3,564	2,048 (63)	5,549	8,448	10-20
Vehicles	1,261	--	(6)	1,255	408	252	660	595	20
	23,484	2,124	(155)	25,453	6,969	3,320 (63)	10,226	15,227	
1999	21,842	2,307	(665)	23,484	4,135	2,953 (119)	6,969	16,514	

2000 1999
(Rupees in '000)

9. OTHER ASSETS

Stationery and stamps on hand	232	256
Income/mark-up accrued on advances and investments	30,531	33,926
Prepaid exchange risk fee	4,178	2,226
Other advances, deposits, advance rent and prepayments	3,421	7,305
Taxation -- payment less provision	40	35
Balance of Head Office and Branches outside Pakistan -- net	28,774	57,226
	67,176	100,974

10. DEPOSIT AND OTHER ACCOUNTS

Fixed deposits	916,784	1,078,405
Savings deposits	169,486	170,127
Current accounts	34,588	84,616
Call and short notice deposits	8,772	4,996
Margin deposits	14,373	7,533
	1,144,003	1,345,677

10.1 Particulars of deposits and other accounts

In local currency	269,937	233,166
In foreign currencies	874,066	1,112,511
	1,144,003	1,345,677

11. BORROWINGS FROM OTHER BANKS, AGENTS ETC.

In Pakistan	198,000	93,229
Outside Pakistan	--	--
	-----	-----
	198,000	93,229
	=====	=====

The interest rates applicable to the above varied between 6% and 35% (1999: 6% and 12.95 %) per annum.

11.1 Particulars of borrowings from other banks

In local currency	198,000	93,299
in foreign currencies	--	--
	-----	-----
	198,000	93,299
	=====	=====

11.2 Secured

Loans from State Bank of Pakistan		
Export refinance (note 11.2.1)	23,000	18,299
Unsecured		
Borrowings from banks	175,000	75,000
	-----	-----
	198,000	93,229
	=====	=====

11.2.1 These loans are secured against the customers' promissory notes, undertaking of the bank and export documents.

12. OTHER LIABILITIES

Mark-up/Interest on loans/borrowings	2,604	1,166
Profit payable on PLS deposits and other accounts	10,338	12,032
interest on foreign currency deposits	4,792	4,850
Accrued expenses	2,295	1,481
Due to Head Office - capital deposited in foreign currency with the State Bank of Pakistan	695,739	622,786
Other - exchange adjustment account	1,353	(936)
	-----	-----
	717,121	641,379
	=====	=====

13. HEAD OFFICE CAPITAL ACCOUNT

Capital deposited in foreign currency with the State Bank of Pakistan under section 13(3) of the Banking Companies Ordinance, 1962 Rs. 695,739 thousand (1999: Rs. 622,786 thousand), as per State Bank of Pakistan's certificate.

2000 1999
(Rupees in '000)

14. BILLS FOR COLLECTION

Payable in Pakistan	--	1,548
Payable out side Pakistan	49,174	42,199
	-----	-----
	49,174	43,747
	=====	=====

15. CONTINGENT LIABILITIES AND COMMITMENTS CONTINGENCIES

Money for which the bank is contingently liable

Contingent liability in respect of guarantees given favouring:	26,263	9,535
(if) Banking companies and other financial institutions	--	--
(i) Government	21,343	19,771
(iii) Others	-----	-----
	47,606	29,306
	=====	=====

COMMITMENTS

Commitments in respect of forward exchange contracts:	122,779	110,426
Sale	893,134	1,129,735
Purchase	22	629
Commitments in respect of operating leases		
Other Commitments		
Purchase and resale agreements (Reverse Repos)	126,000	--
Sale and repurchase agreements (Repos)	--	--

16. OTHER OPERATING INCOME

Income form dealing in foreign currencies	15,584	10,146
Miscellaneous income	145	79
	-----	-----
	15,729	10,225
	=====	=====

17. ADMINISTRATIVE EXPENSES

Salaries, allowances etc	18,856	18,089
Staff retirement benefits	1,831	1,969
Brokerage and commission	216	345
Rent, taxes, insurance, electricity etc.	4,814	5,440
Legal and professional charges	1,286	192
Communication	281	400
Repairs and maintenance	1,753	1,557
Rentals of operating leases	609	2,114
Stationery and printing	767	839
Advertisement and publicity	693	459
Donations	--	40
Auditors' remuneration - note 17.1	448	368
Depreciation - note 8	3,320	2,953
Fees and subscriptions	2,959	1,498
Travelling	583	336
Vehicle running expenses	1,170	1,409
Surveillance charges	649	795
Other expenditure	3,828	4,130
	-----	-----
	44,063	42,933
	=====	=====

17.1 Auditors' remuneration

Audit fee	180	180
Tax services	125	100
Special certifications and other services	98	55
Out of pocket expenses	45	33
	-----	-----
	448	368
	=====	=====

18. TAXATION**Current**

As the Bank has accumulated losses, no provision for taxation is required. Assessments for the assessment years 1998-97 to 1988-99 have been finalised resulting in an assessed taxable accumulated loss. Appeals had been filed against orders of Deputy Commissioner (Income-Tax) to Commissioner Income-Tax (Appeals) [CIT-A]. Subsequent to the orders of CIT (A) for these assessment years, appeals have been filed by the tax department and the bank to the Income Tax Appellate Tribunal (ITAT) against orders of CIT(A). Assessments for assessment years 1998-99 to 2000-01 are also expected to result in an accumulated taxable loss when finalised.

Deferred

At year end total taxable temporary differences amounted to Rs. 549 thousand credit (1999: Rs. 1,023 thousand debit). These taxable temporary differences will reverse during the period for which losses can be carded forward. At year end total accumulated unused tax losses amounted to Rs. 114,675 thousand (1999:Rs.69,967 thousand). Liabilities against taxable temporary differences have not been provided as sufficient unused tax losses are available as above. Deferred tax assets for remaining tax

losses have not been recognised as it is not probable that taxable profit will be available against which tax losses can be utilised.

19. REMUNERATION OF COUNTRY MANAGER AND EXECUTIVES

The aggregate amount charged in the accounts for remuneration, including all benefits, to the Country Manager and Executives of the bank was as follows:

	Country Manager		Executives	
	2000	1999	2000	1999
	Rupees'000	Rupees'000	Rupees'000	Rupees'000
Managerial remuneration	2,042	1,840	3,038	2,285
Retirement benefits	374	337	557	419
Rent and house maintenance	817	736	1,215	914
Utilities	204	184	304	228
Bonus	192	307	140	374
	-----	-----	-----	-----
	3,629	3,404	5,254	4,220
	=====	=====	=====	=====
Number of persons	1	1	4	3
	=====	=====	=====	=====

The Country Manager and certain Executives are also provided with bank maintained cars.

20. MATURITIES OF ASSETS AND LIABILITIES

	As at December 31, 2000				
	Total	Upto one month	Over one month to one year	Over one year to five year	Over five years
	Rupees in '000				
ASSETS					
Cash	749,842	54,103	--	--	695,739
Balances with other banks	63,372	63,372	--	--	--
Money at call and short notice	--	--	--	--	--
Investments	125,280	125,280	--	--	--
Advances	952,217	616,783	311,426	14,507	9,501
Operating fixed assets	15,227	--	--	--	15,227
Other assets	67,176	62,168	2,787	304	1,917
	-----	-----	-----	-----	-----
	1,973,114	921,706	314,213	14,811	722,384
	=====	=====	=====	=====	=====
LIABILITIES					
Deposits and other accounts	1,144,003	439,574	89,626	614,803	--
Borrowings from other banks	198,000	175,000	23,000	--	--
Bills payable	8,603	8,603	--	--	--
Other liabilities	717,121	21,382	--	--	695,739
	-----	-----	-----	-----	-----
	2,067,727	644,559	112,626	614,803	695,739
	=====	=====	=====	=====	=====
NET BALANCE	(94,613)	277,147	201,587	(599,992)	26,645
	=====	=====	=====	=====	=====
ACCUMULATED LOSSES	(94,613)				
	=====				

	As at December 31, 1999				
	Total	Upto one month	Over one month to one year	Over one year to five year	Over five years
	Rupees in '000				
ASSETS					
Cash	764,369	141,583	--	--	622,786
Balances with other banks	17,410	17,410	--	--	--
Money at call and short notice	100,000	--	100,000	--	--
Investments	--	--	--	--	--
Advances	1,035,195	662,732	313,927	49,811	8,725
Operating fixed assets	16,514	--	--	--	16,514

Financial	485,278	46.68	1,056,991	78.54
Insurance	1,412	0.14	8,120	0.60
Transportation	1,761	0.17	38	0.00
Services	9,782	0.94	22,007	1.64
Fuel and energy	25,991	2.51	1,000	0.07
Tobacco	29,666	2.87	--	0.00
Engineering	8,176	0.79	4,363	0.32
Food and allied	13,737	1.33	308	0.02
Personal and consumer	51,481	4.97	181,394	13.48
Steel & allied	--	--	--	--
Others	325,817	31.47	68,230	5.07
	-----	-----	-----	-----
	1,035,195	108	1,345,677	100
	=====	=====	=====	=====

21.3 Segment by sector

	As at December 31, 2000			
	Advances		Deposits	
	<i>Rupees '000</i>	<i>Percentage</i>	<i>Rupees '000</i>	<i>Percentage</i>
Public/Government	--	--	93	0.01
Private	952,217	100	1,143,910	99.99
	-----	-----	-----	-----
	952,217	100	1,143,910	100
	=====	=====	=====	=====

	As at December 31, 1999			
	Advances		Deposits	
	<i>Rupees '000</i>	<i>Percentage</i>	<i>Rupees '000</i>	<i>Percentage</i>
Public/Government	49,923	4.82	998	0.07
Private	985,272	95.18	1,344,679	99.93
	-----	-----	-----	-----
	1,035,195	100	1,345,677	100
	=====	=====	=====	=====

22. CURRENCY BREAKDOWN OF ASSETS AND LIABILITIES

	As at December 31, 2000			
	Assets		Liabilities	
	<i>Rupees '000</i>	<i>Percentage</i>	<i>Rupees '000</i>	<i>Percentage</i>
Pak rupee	1,137,255	57.64	403,162	20.43
U.S. dollar	797,714	40.42	1,023,401	51.86
Pound sterling	15,653	0.79	2,745	0.14
Japanese yen	162	0.01	--	--
Deutsche mark	--	--	543,725	27.56
Euro	22,019	1.12	81	0.01
Others	311	0.02	--	--
	-----	-----	-----	-----
	1,973,114	100	1,973,114	100
	=====	=====	=====	=====

	As at December 31, 1999			
	Assets		Liabilities	
	<i>Rupees '000</i>	<i>Percentage</i>	<i>Rupees '000</i>	<i>Percentage</i>
Pak rupee	1,304,833	64.14	294,341	14.92
U.S. dollar	703,306	34.56	1,009.70	49.17
Pound sterling	2,826	0.14	2,148	0.11
Japanese yen	381	0.02	1	0.01
Deutsche mark	--	--	728,255	35.78
Euro	23,011	1.13	20	0.01
Others	105	0.01	--	--
	-----	-----	-----	-----
	2,034,462	100	2,034,462	100
	=====	=====	=====	=====

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23. GENERAL

23.1 Corresponding figures have been rearranged wherever considered necessary for the purpose of comparison.

23.2 Figures have been rounded off to the nearest thousand rupee.

23.3 'Return' means income from, or as the case may be, paid on non-interest bearing accounts.

Sd/=

Ashraf N. Irshaduddin
COUNTRY MANAGER

Sd/=

Parvaiz Ahmad
SENIOR MANAGER