

MASHREQBANK PSC GROUP

CONSOLIDATED INCOME STATEMENT

	31/03/2005 (Unaudited) AED'000	31/03/2004 (Unaudited) AED'000
Interest income	432,457	306,651
Interest expense	(199,798)	(111,757)
Net interest income	232,659	194,894
Net commission income	61,026	43,603
Other income	295,515	134,152
Total Operating Income	589,200	372,649
General and administrative expenses	(179,719)	(139,459)
Allowances for loans & advances and other financial assets	(71,488)	(52,600)
Income before taxes and minority interest	337,993	180,590
Taxation	(6,266)	(5,000)
Net income before minority interest	331,727	175,590
Minority interest	(59,306)	(10,290)
Net income for the period	272,421	165,300
EARNINGS PER SHARE	3.15	1.91

MASHREQBANK PSC GROUP
CONSOLIDATED BALANCE SHEETS

	31/03/2005 (Unaudited) AED'000	31/12/2004 (Audited) AED'000	31/03/2004 (Unaudited) AED'000
<u>ASSETS</u>			
Cash and balances with central banks	2,950,398	3,058,500	2,653,247
Deposits and balances due from banks	7,530,203	4,649,506	6,037,622
Loans and advances (net)	19,234,628	17,845,387	15,728,110
Interest receivable and other assets	1,570,674	835,018	656,837
Investments in securities	6,614,779	5,240,765	3,545,747
Investment property	145,493	145,493	140,761
Property and equipment	153,037	174,159	165,230
TOTAL ASSETS	38,199,212	31,948,828	28,927,553
<u>LIABILITIES</u>			
Customers' deposits	21,022,078	21,107,058	20,203,093
Deposits and balances due to banks	3,253,709	3,090,409	2,137,382
Insurance and life assurance funds	228,277	189,143	151,272
Medium-term floating rate notes	2,295,625	1,101,900	1,101,900
Long-term loans	44,523	45,786	49,808
Interest payable and other liabilities	5,854,799	1,159,461	969,593
Total Liabilities	32,699,011	26,693,757	24,613,047
Minority Interest	527,613	404,803	250,419
<u>SHAREHOLDERS' EQUITY</u>			
Share capital	866,195	787,450	787,450
Statutory and legal reserves	393,984	393,984	371,323
General reserve	312,000	312,000	312,000
Cumulative translation adjustment	(13,056)	(9,845)	(20,824)
Cumulative changes in fair value and other reserves	645,177	516,459	327,033
Retained earnings	2,768,288	2,495,867	2,287,105
Proposed dividends	-	354,353	-
Total shareholders' equity	4,972,588	4,850,268	4,064,087
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	38,199,212	31,948,828	28,927,553
<u>CONTRA ACCOUNTS (MEMORANDA)</u>	14,032,961	13,772,653	10,982,692

MASHREQBANK PSC GROUP

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Unaudited)
FOR THE THREE MONTHS ENDED MARCH 31, 2005

	Share Capital AED'000	Statutory and legal Reserve AED'000	General Reserve AED'000	Cumulative translation adjustment AED'000	Cumulative change in fair value AED'000	Retained Earnings AED'000	Proposed Cash Dividend AED'000	Proposed Bonus Shares AED'000	Total AED'000
Balance at January 1, 2005	787,450	393,984	312,000	(9,845)	516,459	2,495,867	275,608	78,745	4,850,268
Changes in fair value of investments during the year	-	-	-	-	128,718	-	-	-	128,718
Net profit for the period	-	-	-	-	-	272,421	-	-	272,421
Transfer to statutory and legal reserves	-	-	-	-	-	-	-	-	-
Proposed cash dividend	-	-	-	-	-	-	-	-	-
Proposed bonus shares	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	(275,608)	-	(275,608)
Bonus shares distributed during the year	78,745	-	-	-	-	-	-	(78,745)	-
Overseas entities' translation adjustment	-	-	-	(3,211)	-	-	-	-	(3,211)
Balance at March 31, 2005	866,195	393,984	312,000	(13,056)	645,177	2,768,288	-	-	4,972,588