بنك المشرق (ش.م.ع)
إشعار للمساهمين بشأن الجمعية العمومية السنوية

يسر مجلس إدارة بنك المشرق (ش.م.ع) " البنك" دعوة السادة مساهمي البنك ، لحضور اجتماع الجمعية العمومية السنوية العادية المقرر عقده بمقر الإدارة العامة للبنك في دبي في تمام الساعة الرابعة من بعد ظهر يوم الأربعاء الموافق الثامن من شهر مارس لسنة **2006** م
وذلك للنظر في جدول الأعمال التالـي:

1- مناقشة و اعتماد تقرير مراجعي الحسابات و التقرير المقدم من المجلس حول نشاطات البنك عن السنة المالية **2005** م

2- مناقشة واعتماد الميزانية العمومية وحساب الأرباح والخسائر عن السنة المالية **2005**م .

3- دراسة واعتماد توزيع الأرباح عن السنة المالية **2005**م .

4- إبراء ذمة أعضاء مجلس الإدارة ومراجعي الحسابات من المسؤولية عن السنة المالية **2005**م .

5- تعيين مراجعي الحسابات للسنة المالية **2006** م ، وتحديد بدل أتعابهم .

6- المصادقة على قرار مجلس الإدارة بإغلاق فرع السودان.

7- أية أمور أخرى متعلقة بالاجتماع المذكور أعلاه .

يرجى ممن لا يستطيع الحضور من السادة المساهمين تعيين وكيل عنه كتابة لحضور الاجتماع يكون له حق المناقشة والتصويت على جميع الأمور المطروحة في جدول الأعمال كما ينبغي أن يودع التوكيل بمقر الإدارة العامة للبنك قبل **48** ساعة على الأقل من الموعد المحدد للاجتماع ويشترط في الوكيل أن يكون من غير أعضاء مجلس الإدارة إلا إذا كان المساهم شخصا اعتباريا فيجوز له أن ينيب عنه عضو مجلس الإدارة التي يمثله في حضور الجمعية العمومية. وفي جميع الأحوال – باستثناء الأشخاص الاعتبارية – لا يجوز أن يزيد عدد الأسهم التي يحملها النائب بهذه الصفة على **5 %** من أسهم رأس مال البنك.

راجين التكرم بالحضور في الموعد المحدد.

عبد الله بن أحمد الغرير
رئيس مجلس الإدارة

بنك المشرق (ش.م.ع)

إشعار للمساهمين بشأن الجمعية العمومية السنوية غير العادية

يسر مجلس إدارة بنك المشرق (ش.م.ع) " البنك" دعوة السادة مساهمي البنك ، لحضور اجتماع الجمعية العمومية السنوية غير العادية المقرر عقده بمقر الإدارة العامة للبنك في دبي في تمام الساعة الخامسة من بعد ظهر يوم الأربعاء الموافق الثامن من شهر مارس لسنة 2006

وذلك للنظر في جدول الأعمال التالي :

1- زيادة رأس مال البنك وذلك بإصدار أسهم أفضلية و/ أو أسهم منحة للمساهمين وتفويض المجلس بتحديد وقت الإصدار.

2- تفويض المجلس بإصدار خيارات تخصيص أسهم للموظفين.

3- إصدار منتجات مصرفية إسلامية .

4- السماح لغير المواطنين بشراء أسهم في البنك .

5- تجزئة قيمة السهم الواحد من (10)دراهم " عشرة دراهم " إلى (1) درهم " درهم واحد ، و إصدار أسهم إضافية للمساهمين.

6- الموافقة على إجراء التعديلات اللازمة في عقد التأسيس و النظام الأساسي للبنك بحيث تتضمن التعديلات التي تمت الموافقة عليها من قبل الجمعية العمومية غير العادية ، وتفويض كل من رئيس مجلس الإدارة أو الرئيس التنفيذي للبنك ، للتوقيع على التعديلات أمام كاتب العدل لمحاكم دبي و الجهات الرسمية الأخرى المختصة .

يرجى ممن لا يستطيع الحضور من السادة المساهمين تعيين وكيل عنه كتابة لحضور الاجتماع يكون له حق المناقشة والتصويت على جميع الأمور المطروحة في جدول الأعمال كما ينبغي أن يودع التوكيل بمقر الإدارة العامة للبنك قبل 48 ساعة على الأقل من الموعد المحدد للاجتماع ويشترط في الوكيل أن يكون من غير أعضاء مجلس الإدارة إلا إذا كان المساهم شخصا اعتباريا فيجوز له أن ينيب عنه عضو مجلس الإدارة التي يمثله في حضور الجمعية العمومية. وفي جميع الأحوال – باستثناء الأشخاص الاعتبارية – لا يجوز أن يزيد عدد الأسهم التي يحملها النائب بهذه الصفة على 5 % من أسهم رأس مال البنك.

راجين التكرم بالحضور في الموعد المحدد.

عبد الله بن أحمد الغرير
رئيس مجلس الإدارة

Mashreqbank بنك المشرق

Mashreqbank psc
Central Accounts Department
Post Box 1250, Dubai, U.A.E.
Telephone 04-2229131
Facsimile 04-2283491
Website:www.mashreqbank.com

Our Ref: CAD/MF/DFM/0027/06
Date: February 14, 2006

Mr. Essa Kazim
Director General
Dubai Financial Market
P.O. Box No. 9700
Dubai - UAE

Dear Sir,

ANNUAL GENERAL MEETING OF SHAREHOLDERS

Mashreqbank psc Group audited financial statements for the year ended 31st December, 2005 have been submitted to UAE Central Bank for their approval.

As required, various corporate actions and their dates are given below for your information and action, wherever applicable:

1. The Annual General Meeting and Extra ordinary General Meeting of Shareholders of Mashreqbank psc Group are proposed for 8th March 2006.
2. Invitations to shareholders for both the meetings shall be sent on 15th February 2006. Besides, the notices shall also be published in two Arabic newspapers on the same day.
3. Copies of draft Notices for Annual General Meeting and Extra Ordinary General Meeting are enclosed, which contains meetings date, venue and time and the resolutions to be taken.
4. The decisions taken in the Annual General Meeting and Extra ordinary General Meeting will be communicated to you on 9 March 2006.
5. The shareholders' register will be closed on 12 March 2006.
6. Dividend cheques, if approved by AGM, will be issued by Mashreqbank psc on 15 March 2006 and delivered to shareholders.

You are requested to please provide us list of our shareholders as on 15 February 2006 and as of shareholders' register closing date i.e. 12 March 2006. The list of shareholders as of 12 March 2006 will be used for issuance of dividend cheques, if any.

The financial statements for 2005 will be sent to you on 15 February 2006.

Thanking you and assuring you of our best cooperation at all times,

Yours faithfully,

ALI RAZA KHAN
Vice-President

Encl: As stated above

Mashreqbank psc Group

Consolidated Balance Sheet as of

	Note	December 31, 2005 AED'000	December 31, 2005 US$'000 Equivalent	December 31, 2004 AED'000	December 31, 2004 US$'000 Equivalent
Assets					
Cash and balances with central banks	5	**4,004,935**	**1,090,372**	3,058,500	832,698
Deposits and balances due from banks	6	**7,066,495**	**1,923,903**	4,649,506	1,265,861
Loans and advances (net)	7	**22,269,429**	**6,063,008**	17,606,168	4,793,403
Interest receivable and other assets	8	**893,548**	**243,274**	835,018	227,339
Investment in securities	9	**11,090,130**	**3,019,366**	5,479,984	1,491,964
Investment property	10	**224,103**	**61,014**	145,493	39,611
Property and equipment	11	**193,827**	**52,771**	174,159	47,416
Total assets		**45,742,467**	**12,453,708**	31,948,828	8,698,292
Liabilities					
Customers' deposits	12	**30,004,792**	**8,169,014**	21,107,058	5,746,544
Deposits and balances due to banks	13	**3,500,231**	**952,962**	3,090,409	841,386
Insurance and life assurance funds	14	**260,448**	**70,909**	189,143	51,495
Medium-term floating rate notes	15	**2,295,625**	**625,000**	1,101,900	300,000
Long-term loans	16	**30,665**	**8,349**	45,786	12,466
Interest payable and other liabilities	17	**1,495,887**	**407,266**	1,159,461	315,671
Total liabilities		**37,587,648**	**10,233,500**	26,693,757	7,267,562
Shareholders' equity					
Share capital	18(a)	**866,195**	**235,828**	787,450	214,388
Statutory and legal reserves	18(b)	**468,839**	**127,645**	393,984	107,265
General reserve	18(c)	**312,000**	**84,944**	312,000	84,944
Cumulative translation adjustment		**(16,005)**	**(4,357)**	(9,845)	(2,680)
Cumulative changes in fair values		**1,467,341**	**399,494**	516,459	140,610
Retained earnings		**4,160,362**	**1,132,688**	2,850,220	775,992
Equity attributable to equity holders of the parent		**7,258,732**	**1,976,242**	4,850,268	1,320,519
Minority interest	19	**896,087**	**243,966**	404,803	110,211
Total equity		**8,154,819**	**2,220,208**	5,255,071	1,430,730
Total liabilities and shareholders' equity		**45,742,467**	**12,453,708**	31,948,828	8,698,292

The accompanying notes form an integral part of these consolidated financial statements.

The financial statements on pages 2 to 48 were approved by the Board of Directors (Note 41) and signed on its behalf by:

Abdulla Ahmed Al Ghurair
Chairman

Abdul Aziz Abdulla Al Ghurair
Chief Executive Officer

Mashreqbank psc Group

Consolidated Income Statement
for the year ended

	Note	December 31, 2005 AED'000	December 31, 2005 US$'000 Equivalent	December 31, 2004 AED'000	December 31, 2004 US$'000 Equivalent
Interest income	21	**2,024,336**	**551,140**	1,423,612	387,588
Interest expense	22	**(1,049,752)**	**(285,802)**	(558,584)	(152,078)
Net interest income		**974,584**	**265,338**	865,028	235,510
Net commission income		**313,331**	**85,306**	245,701	66,894
Other income	23	**1,818,941**	**495,219**	610,293	166,156
Operating income		**3,106,856**	**845,863**	1,721,022	468,560
General and administrative expenses	24	**(776,887)**	**(211,513)**	(568,933)	(154,896)
Allowances for loans and advances and other financial assets	25	**(311,319)**	**(84,759)**	(312,470)	(85,072)
		2,018,650	**549,591**	839,619	228,592
Write-off of cumulative translation adjustment on disposal of subsidiary	39	**-**	**-**	(10,165)	(2,767)
Income before taxes		**2,018,650**	**549,591**	829,454	225,825
Income tax		**(6,578)**	**(1,791)**	(4,083)	(1,112)
Net income for the year		**2,012,072**	**547,800**	825,371	224,713
Attributed to:					
Equity holders of the parent		**1,739,350**	**473,550**	751,076	204,486
Minority interest	19	**272,722**	**74,250**	74,295	20,227
		2,012,072	**547,800**	825,371	224,713
Earnings per share	26	**AED 20.08**	**US$ 5.47**	AED 8.67	US$ 2.36

The accompanying notes form an integral part of these consolidated financial statements.

Mashreqbank psc Group

Consolidated Statement of Changes in Equity
for the year ended December 31, 2005

	Share capital AED'000	Statutory and legal reserves AED'000	General reserve AED'000	Retained earnings AED'000	Cumulative translation adjustment AED'000	Cumulative changes in fair values AED'000	Attributable to equity holders of the parent AED'000	Minority interest AED'000	Total AED'000	Total US$'000
At December 31, 2003	715,864	371,323	312,000	2,372,357	(23,624)	241,622	3,989,542	216,606	4,206,148	1,145,153
Changes in fair value of investments during the year	-	-	-	-	-	274,837	274,837	122,989	397,826	108,311
Overseas entities' translation adjustment	-	-	-	-	13,779	-	13,779	-	13,779	3,752
Total income recognized directly in equity	-	-	-	-	13,779	274,837	288,616	122,989	411,605	112,063
Net income for the year	-	-	-	751,076	-	-	751,076	74,295	825,371	224,713
Total income for the year	-	-	-	751,076	13,779	274,837	1,039,692	197,284	1,236,976	336,776
Transfer to statutory and legal reserves	-	22,661	-	(22,661)	-	-	-	-	-	-
Dividend paid	-	-	-	(178,966)	-	-	(178,966)	-	(178,966)	(48,725)
Bonus shares issued	71,586	-	-	(71,586)	-	-	-	-	-	-
Dividend paid to minority	-	-	-	-	-	-	-	(9,087)	(9,087)	(2,474)
At December 31, 2004	787,450	393,984	312,000	2,850,220	(9,845)	516,459	4,850,268	404,803	5,255,071	1,430,730
Changes in fair value of investments during the year	-	-	-	-	-	950,882	950,882	177,010	1,127,892	307,077
Overseas entities' translation adjustment	-	-	-	-	(6,160)	-	(6,160)	-	(6,160)	(1,676)
Total income/(expenses) recognized directly in equity	-	-	-	-	(6,160)	950,882	944,722	177,010	1,121,732	305,401
Net income for the year	-	-	-	1,739,350	-	-	1,739,350	272,722	2,012,072	547,800
Total income for the year	-	-	-	1,739,350	(6,160)	950,882	2,684,072	449,732	3,133,804	853,201
Transfer to statutory and legal reserves	-	74,855	-	(74,855)	-	-	-	-	-	-
Dividend paid	-	-	-	(275,608)	-	-	(275,608)	-	(275,608)	(75,036)
Bonus shares issued	78,745	-	-	(78,745)	-	-	-	-	-	-
Dividend paid to minority	-	-	-	-	-	-	-	(11,814)	(11,814)	(3,216)
Share of minority in newly formed subsidiaries	-	-	-	-	-	-	-	53,366	53,366	14,529
At December 31, 2005	866,195	468,839	312,000	4,160,362	(16,005)	1,467,341	7,258,732	896,087	8,154,819	2,220,208

The accompanying notes form an integral part of these consolidated financial statements.

Mashreqbank reports record 131% increase in profit for 2005

5 February 2006, Dubai, UAE:

The Mashreqbank Group has announced a record Net Profit for 2005 of Dh1.739 billion, an increase of 131 per cent over its profit of Dh751 million the previous year.

Addressing a press conference to announce the results, Mashreqbank CEO Abdul Aziz Al Ghurair said that 2005 has been an exceptional year for the UAE economy and banking industry, adding that banks should be prudent and invest these earnings to strengthen their business fundamentals.

"During the year we participated in and facilitated economic activities across the full spectrum of business sectors while maintaining our cautious approach. While the bank's traditional lines of businesses recorded a significant growth, we were also able to successfully tap the emerging business opportunities in regional capital markets through our asset management and restructured brokerage operations."

The Group's Operating Income for 2005 jumped 80 per cent to reach Dh3.106 billion. The major contribution to this growth was from fee, commission and investments income.

Due to increased investments in infrastructure and branch expansion, the Group's Operating Expenses increased by 36 per cent, yet its Efficiency Ratio at 25 per cent was well within the targeted range.

Earnings per share more than doubled to reach Dh20.08, as compared to Dh8.67 during 2004.

Total Assets registered a hefty growth of 43 per cent whereas growth in Advances was only 26 per cent. Customer Deposits, a key indicator of the Bank's performance, showed a healthy growth of 42 per cent to reach Dh30 billion.

The bank's Advances to Deposit ratio, an indicator of liquidity, improved significantly from 83.4 per cent to 74.2 per cent.

Shareholders equity increased by 50 per cent to Dh7.26 billion, outpacing the growth in Assets and improving the bank's Equity to

Assets ratio to 15.8 per cent. The Bank maintained its cautious approach by keeping its provisions level constant and improving its coverage of non-performing loans to over 200 per cent, one of the best in the country.

During the year the bank continued to tap international markets to diversify its funding sources by drawing down US$325 million under its European Mid Term Note programme, as well as issuing a syndicated loan facility of US$250 million. Both offerings were oversubscribed.

To provide greater convenience the bank expanded its distribution and delivery network by adding nine new branches, two Customer Service Centres and 37 ATMs across the country.

Abdul Aziz Al-Ghurair expects the UAE economy to continue to perform well but feels that the pace of growth witnessed during the last two years may begin to ease. "The outlook for the coming period looks extremely positive. With higher oil prices now stabilised we can expect a continuing high level of investment in construction and infrastructure projects as well as robust growth in other sectors. Although 2006 may not achieve the stellar growth of last year, we believe it will be extremely healthy."

He added that Mashreqbank intends to continue expanding its operations locally and regionally and has developed a comprehensive strategic plan to capitalize on emerging opportunities in the region.

Widest range of Retail Banking products in UAE

The bank reaffirmed its reputation as the most innovative bank in the region by launching various unique products across its business lines, including Unfixed Deposits, the region's first Platinum Credit Card, Step-up savings accounts, Bancassurance, and a number of investments products.

At the EFMA 2005 Cards and Payments Conference and Expo held in Paris in September 2005, Mashreqbank was awarded the first prize in the prestigious Grand Prix 2005 for having the best credit card reward and loyalty programme in the world. Independent research by the EFMA has shown Mashreqbank's cardholder base is growing by 65 per cent annually, in comparison to the market average of 15 per cent.

Mashreqbank also enhanced its Home Loan range of mortgages, which *Euromoney* magazine has rated as the best mortgage product in the UAE.

At home, the Bank was awarded the Shaikh Mohammad Bin Rashid Al Maktoum Award for performance excellence.

Atif Bajwa, Senior Vice President and Head of Retail Banking Group, said: "Our focus on providing the widest range of value added products and services in the market, together with impeccable customer service, have given us the widest customer base of any bank in the UAE."

Commercial Banking sees rapid growth in construction and infrastructure

The Bank maintained its leadership in the commercial banking arena and participated in many major infrastructure projects, such as the Dubai Rapid Link Consortium for the Dubai Metro, Dewa L Station Phase 2, Ras Laffan B water pipe in Doha, Qatar, and the iconic Burj Dubai.

Omar Bouhadiba, Senior Vice President and Head of Commercial Banking Group, Mashreqbank, said: "2005 was an excellent year for infrastructure, construction and tourism project finance. We are honoured to have been chosen to provide financing and structuring loans for some of the most prestigious projects in the region."

Mashreqbank Asset Management achieves record for growth fund

In just 11 months from its launch, the Makaseb Emirates Equity Fund, managed by Mashreqbank Asset Management, had climbed a record 131 per cent, outperforming any other growth fund in the UAE.

In order to further enhance the its emiratisation drive Mashreqbank launched Mashreq Al Mustaqbal (the Mashreq Future), a fast-track programme for top calibre UAE graduates to rise to managerial positions in just three years.

ENDS

For further information please contact:

Jack Pearce or Huda Basseer, Matrix PR, Tel: 04 3430888, email jack@matrixdubai.com