

**Habib Bank Limited**  
**Annual Accounts 2004**



## **HABIB BANK LIMITED**

### **Directors' Report**

On behalf of the Board of Directors, it gives me immense pleasure to present 63<sup>rd</sup> Annual Report to the members together with Audited Financial Statements and Auditors' Report for the year ended 31<sup>st</sup> December 2004.

The Board is committed to ensure that requirements of corporate governance set by the Securities and Exchange Commission of Pakistan are fully met. The Bank has adopted corporate governance practice and the directors are pleased to inform that:

- The financial statements prepared by the management of the Bank presents a true and fair view of the state of its affairs, operational results, cash flows and changes in equity.
- Proper books of account of the company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements, except for change in accounting policy as disclosed in note 4.4 of the annual financial statements, regarding unrealized surplus/deficit arising on revaluation of held for trading investment portfolio and valuation of securities classified as held to maturity. This change has been made to comply with the requirements laid down in BSD Circular No. 10, dated July 13, 2004 and BSD Circular No. 14, dated September 24, 2004 issued by State Bank of Pakistan.
- The Accounting estimates are based on reasonable and prudent judgment.
- The company has followed international accounting standards (as applicable to banks in Pakistan) in the preparation of accounts and there is no departure from the said standards.
- As a continuous process, efforts have been made to effectively implement the internal control system. Issues identified during the review process are rectified through appropriate corrective actions and by further strengthening the internal control procedures.
- There are no doubts whatsoever about the Banks' ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance as detailed in the regulations.

Your Board has appointed the following three committees

- Credit Committee
- Human Resources Committee
- Audit Committee

Summarized key operating and financial data of last ten years is annexed to the audited accounts.

### **Risk Management Framework**

The Management recognizes all the risk inherent in the banking business, and has in place procedures to mitigate such risks in the shape of different circulars, manuals and self-assessment checklist.

A credit policy risk manual duly approved by the Board of Directors is in place since 1998 and is being regularly updated to cover areas such as Portfolio Risk Rating. For Managing Market Risk, Interest Rate risk, Foreign Exchange Risk, Equity/Commodity Price Risk. ALCO meets on fortnightly basis to assess market risk management.

For mitigation of Operational Risk, Internal Control and Compliance Division was established to proactively identify and provide analysis of weaknesses in the system of control besides ensuring compliance with regulatory policies, Prudential Regulation, KYC Policy and Anti-money Laundering Measures. To address the requirement of having one committee overseeing all areas mentioned above, a Bank Risk Management Committee is being formed. The Committee will meet on quarterly basis and will be headed by the Chief Risk Officer (Head of Credit Policy Committee).

Formal Risk Management Policy and framework is under formulation in the light of State Bank's guidelines on risk management, and the task will be completed by June 30, 2005.

#### **Value of Investments in Employee Retirement Benefit Fund**

The following is the value of investments of provident, gratuity, pension and benevolent funds maintained by the Bank, based on latest audited financial statements as at December 31, 2003

	<b>Amount in '000</b>
Employees' Provident Fund	4,798,192
Employees' Pension Fund	6,051,081
Employees' Gratuity Fund	529,709
Employees' Benevolent Fund – Executive and Officers	671,045
Employees' Benevolent Fund – Clerical and Non- Clerical	246,047

#### **Transfer of Ownership**

During the year, management control was transferred to Aga Khan Fund for Economic Development, S.A. (AKFED) registered in Switzerland after signing of agreement between AKFED and Privatization Commission, Government of Pakistan on February 26, 2004 for the sale of 51% holding of State Bank of Pakistan in Habib Bank Limited to AKFED.

#### **Increase / Reduction in Capital**

During the year, the Board of Directors approved issue of right shares of Rs. 8,000 million in lieu of advance received from State Bank of Pakistan.

Subsequently, the Bank applied under section 96 of the Companies Ordinance, 1984 to the High Court of Sindh for capital reduction to offset accumulated losses up to 13,278,495 million against its paid up share capital of Rs. 20,178,495 million. Simultaneously, the Bank also applied for reduction in authorized share capital from Rs. 30,000 million to Rs. 13,800 million. The High Court of Sindh approved the application and final orders were issued on December 6, 2004. On December 29, 2004 the Bank's authorized and paid-up capital was accordingly reduced from Rs. 30 billion to Rs. 13.8 billion and from Rs. 20.178 billion to Rs. 6.9 billion respectively.

#### **Dividend**

The Directors recommend the payment of Cash Dividend of 5% (Rs. 0.50 per share) based on the performance for the year ended December 31, 2004, payable to those shareholders of the Bank whose names appear on the Register of Shareholders at the close of business on 9 April 2005.

### Meetings of the Board

Five Board meetings were held during 2004 and were attended by the Directors as follows:

<b>Name</b>	<b>Meetings held during tenure</b>	<b>Attendance</b>
Mr. Sultanali Allana	4	4
Mr. R. Zakir Mahmood	5	5
Mr. Iain Donald Cheyne	4	4
Mr. Sajid Zahid	5	4
Mr. Ahmad Waqar	4	2
Mr. Muhammad Ismail Qureshi	4	3
Mr. Arif Mansur	4	2
Mr. Shaukat Hayat Durrani	4	3

The following directors also served during the year

<b>Name</b>	<b>Date Ceased</b>	<b>Meetings held during tenure</b>	<b>Attendance</b>
Mr. Sikandar Mustafa Khan	26/02/2004	2	2
Mr. Javed Sadiq Malik	26/02/2004	2	2
Ms. Musharaf Hai	26/02/2004	2	1
Mr. Javed Saifullah Khan	26/02/2004	2	-

### Pattern of Shareholding

The pattern of shareholding as required by the code of Corporate Governance and Section 236 of the Companies Ordinance 1984 is given below:

<b>Shareholders</b>	<b>Shareholding</b>	<b>%</b>
Securities & Exchange Commission of Pakistan	1	-
National Bank of Pakistan (Trustee Department)	105,924	0.015
Investment Corporation of Pakistan	66,390	0.010
Pakistan Reinsurance Company Limited	44,813	0.007
Privitization Commission	1,886	-
State Life Insurance Corp. of Pakistan	952,891	0.138
Islamic Republic of Pakistan	5,404,093	0.783
State Bank of Pakistan	504,024,002	73.047
Aga Khan Fund for Economic Development	179,400,000	26.000
Total	<u>690,000,000</u>	<u>100.00</u>

After Tax earning per share for the year 2004 is Rs. 8.21.

**Auditors**

On the suggestion of the Audit committee, the Board of Directors recommends to appoint M/s A.F Ferguson & Co., Chartered Accountants for the next term.

On behalf of the Board

**R. Zakir Mahmood**  
President & Chief Executive Officer

Karachi: March 28, 2005

## **STATEMENT OF INTERNAL CONTROL**

The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of the Bank's policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. This process has been in place for the year ended 31<sup>st</sup> December 2004 and upto the date of approval of the annual report in accordance with guidance from State Bank of Pakistan.

In this connection, it may be mentioned that the Bank has documented Procedures Manuals including a "Procedure and Accounting Manual", which incorporates the internal controls system applicable while conducting any banking transaction.

The adequacy and implementation of internal controls is reviewed on a regular basis by the Audit, BRR & Investigation Group (ABIG) of the Bank and deficiencies, if any, are followed up until they are rectified. Quarterly updates on unresolved significant issues highlighted by the Audit are reviewed by the Audit Committee of the Board of Directors together with recommendations for improvements.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve the organization's policies, aims and objectives; it can therefore, only provide reasonable and not absolute assurance of effectiveness. In our view, the system of internal controls being followed by the Bank are considered adequate and sound in design and are being effectively implemented and monitored.

**AYAZ AHMED  
SEVP/MMC & CFO  
FINCON**

**SHAHID M. LOAN  
SEVP & GROUP EXECUTIVE  
AUDIT BRR & INVESTIGATION**

## **HABIB BANK LIMITED**

### **STATEMENT OF COMPLIANCE WITH THE BEST PRACTICES OF CORPORATE GOVERNANCE TO THE MEMBERS**

The statement is being presented to comply with the Code of Corporate Governance in accordance with the requirements of the Prudential Regulation No. G-1, Responsibilities of the Board of directors vide BSD Circular No.15 date June 13, 2002 for the purpose of establishing a framework of good governance, whereby a Bank is managed in compliance with the best practices of Corporate Governance.

The Bank applies the principles contained in the Code of Corporate Governance in the following manner:

- Except for the Chief Executive Officer, all the other directors are non-executive.
- None of the directors are serving as director in ten or more listed companies.
- All the resident directors are registered taxpayers and to the best of our knowledge none of them have defaulted in the payment of any loans, to a banking company, a development financial institution or non-banking finance company, or stock exchange.
- There was no casual vacancy in the Board during 2004.
- The Board has adopted its vision/mission statement, overall corporate strategy and significant policies.
- The Bank maintains a complete record of the particulars of significant policies along with the dates on which these were approved or amended.
- All the major decisions relating to investment and disinvestment of funds are taken in accordance with the policies laid down by the Board of Directors.
- The terms and conditions and remuneration of the Chief Executive Officer are approved by the Board of Directors.
- Since his appointment on 26-2-2004, the Chairman presides over Board meetings.
- The Board met at least once in every quarter.
- The Chief Financial Officer and the Company Secretary also attend the meetings of the Board. Written notice of the board meetings, as well as agenda and working papers, were circulated before the meetings. The minutes of meetings were appropriately recorded and circulated.
- No formal orientation course was arranged by the Bank for the directors to apprise them of their duties and responsibilities, but all relevant regulations have been provided to them, to make them aware of the relevant laws applicable to the Bank, its

policies and procedures, and provisions of the Memorandum and Articles of Association, to manage the affairs of the Bank on behalf of the shareholders.

- The appointments of Chief Financial Officer, Head of Internal Audit and Company Secretary including their remuneration and terms and conditions have been approved by the Board.
- The Directors' Report for this year has been prepared keeping in view the requirements of the Code and fully describes the salient matters required to be disclosed.
- The directors, Chief Executive Officer and executives do not hold any interest in the shares of the Bank.
- The Bank has prepared a "Statement of Ethics and Business Practices" which has been approved by the Board of Directors and signed by the senior executives. Arrangements are being made for their signing by all the employees of the Bank.
- An effective internal audit department is in place.
- The Chief Executive Officer and the Chief Financial Officer have duly endorsed the financial statements of the Bank.
- The Bank has complied with the applicable corporate and financial reporting requirements of the code.
- The statutory joint auditors of the Bank have confirmed that they have been given a satisfactory rating under the quality control review programme of the Institute of Chartered Accountants of Pakistan and that the firms and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan. The auditors have also confirmed that they or any of the partners of the firm, their spouses and minor children do not hold any share in the bank.
- The board has formed an Audit Committee. It comprises four members, all of whom are non-executive. The Chairman of the Board of Directors, who is also non-executive, is the chairman of the committee.
- For the year 2004, the audit committee met four times, once during each quarter. On the recommendation of the Audit Committee, the Board approved the financial statements of the bank.
- The terms of reference have been formulated and communicated to the Committee.
- The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Prudential Regulation No. G-1, responsibilities of Board of Directors vide BSD circular No.15, dated June 13,2002 and the auditors have confirmed that they have observed IFAC guidelines in this regard.
- We confirm that all other material principles contained in the code have been complied with.

This Statement of Compliance with best practices of corporate governance is being published and circulated along with the annual report of the Bank.

For and on behalf of the Board

R. Zakir Mahmood  
President & Chief Executive Officer

Karachi: March 28, 2005

**REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE  
WITH BEST PRACTICES OF THE CODE OF CORPORATE GOVERNANCE**

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance prepared by the Board of Directors of Habib Bank Limited to comply with Regulation G-1 of the Prudential Regulations for Corporate / Commercial Banking issued by the State Bank of Pakistan.

The responsibility for compliance with the Code of Corporate Governance is that of the Board of Directors of the Bank. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Bank's compliance with the provisions of the Code of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the Bank personnel and review of various documents prepared by the Bank to comply with the Code.

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We have not carried out any special review of the internal control system to enable us to express an opinion as to whether the Board's statement on internal control covers all controls and the effectiveness of such internal controls.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Bank's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance as applicable to the Bank for the year ended December 31, 2004.

A. F. FERGUSON & CO.  
Chartered Accountants  
State Life Building 1 – C  
I. I. Chundrigar Road  
Karachi

March 28, 2005

TASEER HADI KHALID & CO.  
Chartered Accountants  
Sheikh Sultan Trust  
Building No. 2, Beaumont Road  
Karachi

March 28, 2005

## **AUDITORS' REPORT TO THE MEMBERS**

We have audited the annexed consolidated financial statements comprising consolidated Balance Sheet of Habib Bank Limited and its subsidiary companies as at December 31, 2004 and the related consolidated Profit and Loss Account, consolidated Cash Flow Statement and consolidated Statement of Changes in Equity together with the notes forming part thereof, for the year then ended. These financial statements include unaudited certified returns from the branches, except for eighty branches which have been audited by us and forty-eight branches audited by auditors abroad. We have also expressed a separate opinion on the financial statements of Habib Bank Limited while the financial statements of subsidiary companies Habib Allied International Bank Plc., Habib Finance (Australia) Limited, Habib Finance International Limited, Habib Bank Financial Services (Private) Limited and Habib Currency Exchange (Private) Limited were audited by other firms of Chartered Accountants and our opinion in so far as it relates to the amounts included for such companies, is based solely on the report of such auditors. These financial statements are the responsibility of the Holding Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements examined by us, based on eighty branches audited by us and the returns referred to above received from the branches which have been found adequate for the purposes of our audit, present fairly the financial position of Habib Bank Limited and its subsidiary companies as at December 31, 2004 and the results of their operations, their cash flows and changes in equity for the year then ended in accordance with approved accounting standards as applicable in Pakistan.

A. F. FERGUSON & CO.  
Chartered Accountants  
State Life Building 1 – C  
I. I. Chundrigar Road  
Karachi

March 28, 2005

TASEER HADI KHALID & CO.  
Chartered Accountants  
Sheikh Sultan Trust  
Building No. 2, Beaumont Road  
Karachi

March 28, 2005

**HABIB BANK LIMITED AND SUBSIDIARY COMPANIES**  
**CONSOLIDATED BALANCE SHEET**  
**AS AT DECEMBER 31, 2004**

2004 (US \$ in '000)	2003		Note	2004 (Rupees in '000)	2003 (Rupees in '000)
<b>ASSETS</b>					
538,492	465,543	Cash and balances with treasury banks	5	31,970,290	27,639,313
562,340	342,137	Balances with other banks	6	33,386,118	20,312,646
63,248	380,588	Lendings to financial institutions	7	3,755,039	22,595,488
2,266,137	2,675,944	Investments	8	134,540,558	158,870,811
4,350,784	3,093,381	Advances	9	258,306,053	183,654,042
201,030	194,099	Other assets	10	11,935,142	11,523,641
187,137	119,790	Operating fixed assets	11	11,110,314	7,111,940
33,319	54,304	Deferred tax asset - net	12	1,978,144	3,224,049
<u>8,202,487</u>	<u>7,325,786</u>			<u>486,981,658</u>	<u>434,931,930</u>
<b>LIABILITIES</b>					
128,041	105,411	Bills payable	13	7,601,766	6,258,226
491,768	532,427	Borrowings from financial institutions	14	29,196,284	31,610,200
6,815,379	6,074,587	Deposits and other accounts	15	404,629,059	360,648,228
-	-	Sub-ordinated loans		-	-
-	-	Liabilities against assets subject to finance lease		-	-
237,338	213,869	Other liabilities	16	14,090,772	12,697,392
-	-	Deferred tax liabilities		-	-
<u>7,672,526</u>	<u>6,926,294</u>			<u>455,517,881</u>	<u>411,214,046</u>
<u>529,961</u>	<u>399,492</u>	<b>NET ASSETS</b>		<u>31,463,777</u>	<u>23,717,884</u>
<b>REPRESENTED BY:</b>					
4,644	3,924	Minority interest		275,702	233,010
<b>Shareholders' equity</b>					
116,220	205,129	Share capital	17	6,900,000	12,178,495
-	134,748	Other tier 1 capital		-	8,000,000
44,535	27,546	Capital reserves		2,644,052	1,635,407
228,173	(84,978)	Unappropriated profit / (accumulated loss) and other reserves		13,546,636	(5,045,153)
<u>388,928</u>	<u>282,445</u>			<u>23,090,688</u>	<u>16,768,749</u>
136,389	113,123	Surplus on revaluation of assets - net of tax	18	8,097,387	6,716,125
<u>529,961</u>	<u>399,492</u>			<u>31,463,777</u>	<u>23,717,884</u>
<b>CONTINGENCIES AND COMMITMENTS</b>					
			19		

The annexed notes 1 to 45 and annexures I to III form an integral part of these financial statements.

**R. Zakir Mahmood**  
President and Chief Executive Officer

**Shaukat Hayat Durrani**  
Director

**Arif Mansur**  
Director

**Sajid Zahid**  
Director

**HABIB BANK LIMITED AND SUBSIDIARY COMPANIES**  
**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

2004 (US \$ in '000)	2003 (US \$ in '000)		Note	2004 (Rupees in '000)	2003 (Rupees in '000)
305,658	320,868	Mark-up / return / interest earned	20	18,146,938	19,049,914
75,247	91,736	Mark-up / return / interest expensed	21	4,467,402	5,446,340
230,411	229,132	Net mark-up / interest income		13,679,536	13,603,574
32,004	82,189	Provision against non-performing loans and advances - net	9.4	1,900,090	4,879,574
9,624	7,617	Provision against off-balance sheet obligations and others		571,352	452,223
(2,547)	2,576	(Reversal) / provision against diminution in value of investments	8.8	(151,218)	152,947
-	-	Bad debts written off directly		-	-
39,081	92,382			2,320,224	5,484,744
191,330	136,750	Net mark-up / interest income after provisions		11,359,312	8,118,830
<b>Non mark-up / interest income</b>					
42,285	34,439	Fee, commission and brokerage income		2,510,433	2,044,657
70,843	59,185	Income / gain on investments	22	4,205,921	3,513,808
18,457	18,009	Income from dealing in foreign currencies		1,095,789	1,069,192
34,030	19,073	Other income	23	2,020,347	1,132,385
165,615	130,706	Total non-mark-up / interest income		9,832,490	7,760,042
356,945	267,456			21,191,802	15,878,872
<b>Non mark-up / interest expense</b>					
232,033	164,766	Administrative expenses	24	13,775,787	9,782,136
4,126	5,378	Other provisions / write offs - net		244,950	319,301
127	348	Other charges	25	7,523	20,685
236,286	170,492	Total non mark-up / interest expenses		14,028,260	10,122,122
120,659	96,964			7,163,542	5,756,750
-	(4,844)	Staff welfare fund		-	(287,582)
120,659	92,120	<b>PROFIT BEFORE TAXATION</b>		7,163,542	5,469,168
<b>Taxation</b>					
6,706	8,232	- current		398,152	488,750
258	(11)	- prior year		15,341	(629)
18,032	16,227	- deferred		1,070,543	963,390
24,996	24,448		26	1,484,036	1,451,511
95,663	67,672	<b>PROFIT AFTER TAXATION</b>		5,679,506	4,017,657
(234)	(81)	Share of profit attributable to minority interest		(13,910)	(4,837)
95,429	67,591	<b>PROFIT ATTRIBUTABLE TO SHAREHOLDERS</b>		5,665,596	4,012,820
0.138	0.098	Basic and diluted earnings per share	27	8.21	5.82

The annexed notes 1 to 45 and annexures I to III form an integral part of these financial statements.

**R. Zakir Mahmood**  
President and Chief Executive Officer

**Shaukat Hayat Durrani**  
Director

**Arif Mansur**  
Director

**Sajid Zahid**  
Director

**HABIB BANK LIMITED AND SUBSIDIARY COMPANIES**  
**CONSOLIDATED PROFIT AND LOSS ACCOUNT (continued)**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

2004	2003		Note	2004	2003
(US \$ in '000)				(Rupees in '000)	
95,429	67,591	<b>PROFIT ATTRIBUTABLE TO SHAREHOLDERS</b>		5,665,596	4,012,820
(219,451)	(248,209)	Accumulated loss brought forward		(13,028,813)	(14,736,177)
223,657	-	Accumulated loss written off against share capital	17.3	13,278,495	-
<u>99,635</u>	<u>(180,618)</u>			<u>5,915,278</u>	<u>(10,723,357)</u>
<b>APPROPRIATIONS AND TRANSFERS:</b>					
Transferred from :					
Surplus on revaluation of fixed assets					
1,142	1,514	Current year - net of tax	18.1	67,772	89,910
-	(2,702)	Adjustment		-	(160,437)
<u>1,142</u>	<u>(1,188)</u>			<u>67,772</u>	<u>(70,527)</u>
Transferred to:					
(19,086)	(13,518)	Statutory reserve		(1,133,119)	(802,564)
-	-	Capital reserve		-	-
(49,872)	(23,186)	General reserve		(2,960,893)	(1,376,562)
-	-	Reserves set aside as per regulatory requirements of			
(1,265)	(940)	overseas joint ventures		(75,074)	(55,803)
(5,811)	-	Cash dividend Re 0.50 (2003: Nil) per share		(345,000)	-
<u>(76,034)</u>	<u>(37,644)</u>			<u>(4,514,086)</u>	<u>(2,234,929)</u>
<u>24,743</u>	<u>(219,450)</u>	Unappropriated profit / (accumulated loss) carried forward		<u>1,468,964</u>	<u>(13,028,813)</u>

The annexed notes 1 to 45 and annexures I to III form an integral part of these financial statements.

**R. Zakir Mahmood**  
**President and Chief Executive Officer**

**Shaukat Hayat Durrani**  
**Director**

**Arif Mansur**  
**Director**

**Sajid Zahid**  
**Director**

**HABIB BANK LIMITED AND SUBSIDIARY COMPANIES**  
**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

2004	2003	Note	2004	2003
(US \$ in '000)			(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
120,659	92,120		7,163,542	5,469,168
		Profit before taxation		
(14,234)	(14,412)	Less: Dividend income and share of profit of subsidiaries / joint ventures	(845,093)	(855,651)
(56,608)	(44,773)	Profit from investment securities	(3,360,828)	(2,658,157)
(70,842)	(59,185)		(4,205,921)	(3,513,808)
49,817	32,935		2,957,621	1,955,360
Adjustment for non-cash charges				
14,249	15,348	Depreciation	845,945	911,216
(2,547)	2,576	(Reversal) / Provision against diminution in the value of investments	(151,218)	152,947
32,004	82,189	Provision against non-performing loans and advances - net of reversals	1,900,090	4,879,574
6,802	5,257	Amortisation of premium on investments	403,892	312,120
(409)	(138)	Profit on sale of fixed assets	(24,302)	(8,164)
8,614	27,079	Miscellaneous provisions	511,432	1,607,708
58,713	132,311		3,485,839	7,855,401
108,530	165,246		6,443,460	9,810,761
(Increase) / decrease in operating assets				
348,928	(204,189)	Government securities	20,715,839	(12,122,717)
317,340	(212,133)	Lendings to financial institutions	18,840,449	(12,594,365)
(1,289,407)	(353,888)	Loans and advances	(76,552,102)	(21,010,317)
(3,909)	(7,460)	Other assets - net	(232,052)	(442,902)
(627,048)	(777,670)		(37,227,866)	(46,170,301)
Increase / (decrease) in operating liabilities				
740,792	546,845	Deposits and other accounts	43,980,831	32,466,174
(40,659)	(108,394)	Borrowings from financial institutions	(2,413,916)	(6,435,341)
22,630	7,134	Bills payable	1,343,540	423,553
9,529	(2,665)	Other liabilities - net	565,730	(158,196)
732,292	442,920		43,476,185	26,296,190
213,774	(169,504)		12,691,779	(10,063,350)
(11,828)	110,985	Income tax (paid) / refund received	(702,256)	6,589,171
201,946	(58,519)	Net cash flows from operating activities	11,989,523	(3,474,179)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
72,807	(57,837)	Net investments in held to maturity and available-for-sale securities and joint ventures	4,322,566	(3,433,790)
16,076	14,078	Dividend income received	954,407	835,833
(13,790)	(15,833)	Fixed capital expenditure - net of adjustments	(818,704)	(940,023)
913	1,146	Proceeds from sale of fixed assets	54,209	68,051
76,006	(58,446)	Net cash flows from investing activities	4,512,478	(3,469,929)
Exchange adjustment on translation of balances in foreign branches, subsidiaries and joint ventures				
15,200	9,302		902,448	552,256
293,152	(107,663)	Increase / (decrease) in cash and cash equivalents during the year	17,404,449	(6,391,852)
772,766	936,538	Cash and cash equivalents at beginning of the year	45,879,138	55,602,269
34,914	(21,195)	Effects of exchange rate changes on cash and cash equivalents	2,072,821	(1,258,458)
807,680	915,343		47,951,959	54,343,811
1,100,832	807,680	Cash and cash equivalents at end of the year	65,356,408	47,951,959

The annexed notes 1 to 45 and annexures I to III form an integral part of these financial statements.

**R. Zakir Mahmood**  
President and Chief Executive Officer

**Shaukat Hayat Durrani**  
Director

**Arif Mansur**  
Director

**Sajid Zahid**  
Director

**HABIB BANK LIMITED AND SUBSIDIARY COMPANIES**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

	Share Capital	Other tier 1 Capital	RESERVES				Total	
			Capital		Other Reserves			
			Exchange Translation Reserve	Joint Ventures and Subsidiaries	Statutory	General		Unappropriated profit / (accumulated loss)
----- (Rupees in '000) -----								
Balance as at December 31, 2002	12,178,495	8,000,000	472,640	554,708	4,068,177	1,736,357	(14,736,177)	12,274,200
Profit for the year attributable to shareholders	-	-	-	-	-	-	4,012,820	4,012,820
Share of statutory reserves of joint ventures	-	-	-	55,803	-	-	(55,803)	-
Transferred from surplus on revaluation of fixed assets to accumulated losses for:								
- Adjustment	-	-	-	-	-	-	(160,437)	(160,437)
- Current year - net of tax	-	-	-	-	-	-	89,910	89,910
Transferred to statutory reserves	-	-	-	-	802,564	-	(802,564)	-
Transferred to general reserves	-	-	-	-	-	1,376,562	(1,376,562)	-
Effect of translation of net investment in foreign branches, subsidiaries and joint venture companies	-	-	552,256	-	-	-	-	552,256
Balance as at December 31, 2003	12,178,495	8,000,000	1,024,896	610,511	4,870,741	3,112,919	(13,028,813)	16,768,749
Profit for the year attributable to shareholders	-	-	-	-	-	-	5,665,596	5,665,596
Issue of right shares during the period	8,000,000	(8,000,000)	-	-	-	-	-	-
Reduction in share capital	(13,278,495)						13,278,495	-
Share of statutory reserves of joint ventures	-	-	-	75,074	-	-	(75,074)	-
Share premium reserve of joint ventures	-	-	-	31,123	-	-	-	31,123
Transferred from surplus on revaluation of fixed assets to accumulated losses for:								
- current year - net of tax	-	-	-	-	-	-	67,772	67,772
Transferred to statutory reserves	-	-	-	-	1,133,119	-	(1,133,119)	-
Transferred to general reserves	-	-	-	-	-	2,960,893	(2,960,893)	-
Final cash dividend	-	-	-	-	-	-	(345,000)	(345,000)
Effect of translation of net investment in foreign branches, subsidiaries and joint venture companies	-	-	902,448	-	-	-	-	902,448
Balance as at December 31, 2004	6,900,000	-	1,927,344	716,708	6,003,860	6,073,812	1,468,964	23,090,688

The annexed notes 1 to 45 and annexures I to III form an integral part of these financial statements.

**R. Zakir Mahmood**  
**President and Chief Executive Officer**

**Shaukat Hayat Durrani**  
**Director**

**Arif Mansur**  
**Director**

**Sajid Zahid**  
**Director**

**HABIB BANK LIMITED AND SUBSIDIARY COMPANIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004**

**1. THE GROUP AND ITS OPERATIONS**

Habib Bank Limited (the Bank) is incorporated in Pakistan and is engaged in commercial banking, modaraba management and related services in Pakistan and overseas. The Group comprises of:

Holding company

- Habib Bank Limited, Pakistan

Subsidiary companies

- Habib Allied International Bank Plc., United Kingdom – shareholding at 90.5%
- Habib Finance International Limited, Hong Kong – wholly owned
- Habib Finance (Australia) Limited, Australia – wholly owned
- Habib Bank Financial Services (Private) Limited, Pakistan – wholly owned
- Habib Currency Exchange (Private) Limited, Pakistan – wholly owned

The consolidated financial statements of the Group for the year ended December 31, 2004 comprise of the Bank and its subsidiaries (together referred to as the Group) and the Group's interest in its associated and jointly controlled entities.

**2. BASIS OF PRESENTATION**

- The consolidated financial statements include the financial statements of Habib Bank Limited and its subsidiary companies. The financial statements of such subsidiary companies have been consolidated on a line-by-line basis.
- 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 utilised and the appropriate portion of mark-up thereon.
- Material intra-group balances and transactions have been eliminated.
- The US Dollar amounts shown in the financial statements are stated solely for information convenience. For the purpose of translation to US Dollars, the rate of Rs 59.37 per US Dollar has been used for both December 31, 2004 and 2003.

**3. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan and the requirements of the Companies Ordinance, 1984 and the Banking Companies Ordinance, 1962. Approved accounting standards comprise of such International Accounting Standards as notified under the provisions of the Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance, 1984, Banking Companies Ordinance, 1962 or directives issued by the Securities and Exchange Commission of Pakistan and the State Bank of Pakistan differ with the requirements of these standards, the requirements of the Companies Ordinance, 1984, Banking Companies Ordinance, 1962 or the requirements of the said directives take precedence.

International Accounting Standard 39, Financial Instruments: Recognition and Measurement (IAS 39) and International Accounting Standard 40, Investment Property (IAS 40) are not applicable for banking companies in Pakistan. Accordingly, the requirements of these standards have not been considered in the

preparation of these financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the State Bank of Pakistan through various circulars.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### 4.1 Accounting convention

These financial statements have been prepared under the historical cost convention, except that certain fixed assets have been included at revalued amounts and certain investments have been marked to market.

##### 4.2 Revenue recognition

###### **Advances and investments**

Income on loans and advances and debt security investments are recognised on a time proportion basis that takes into account effective yield on asset. Where debt securities are purchased at a premium or discount, those premiums / discounts are amortised through the profit and loss account over the remaining maturity, using the effective yield method.

Interest or mark-up recoverable on classified loans and advances and investments is recognised on receipt basis. Interest / mark-up on rescheduled / restructured loans and advances and investments is recognised as permitted by the regulations of State Bank of Pakistan or overseas regulatory authorities of countries where the branches / companies operate, except where in the opinion of the management, it would not be prudent to do so.

Dividend income from investments (other than those which are accounted for under the equity method) is recognised when the right to receive it is established.

###### **Lease financing**

Financing method is used in accounting for income from lease financing. Under this method, the unearned lease income (excess of the sum of total lease rentals and estimated residual value over the cost of leased assets) is deferred and taken to income over the term of the lease period so as to produce a constant periodic rate of return on the outstanding net investment in lease.

Unrealised lease income is suspended, where necessary, in accordance with the requirements of the prudential regulations of the State Bank of Pakistan. Gains/losses on termination of lease contracts, documentation charges, front-end fees and other lease income are recognised as income on receipt basis.

###### **Letters of credit and guarantees**

Commission on letters of credit and guarantees etc., is recognised on time proportion basis.

##### 4.3 Taxation

###### **Current taxation**

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 taxation**

Deferred tax is recognised using the balance sheet liability method on all temporary differences between the amounts attributed to assets and liabilities for financial reporting purposes and amounts used for taxation purposes, except that deferred tax assets / liabilities associated with investments in foreign entities are recognised to the extent that these temporary differences will reverse in the foreseeable future at rates enacted at the balance sheet date. In addition, the Group also records deferred tax asset on available tax losses using the tax rates, enacted or substantially enacted at the balance sheet date, expected to be applicable at the time of its utilisation.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no

longer probable that the related tax benefit will be realised.

#### 4.4 Investments

- The Group classifies its investment portfolio into 'held to maturity', 'held for trading', or 'available for sale' categories in accordance with the State Bank of Pakistan's BSD Circulars No. 10, dated July 13, 2004. 'Held-to-maturity' investments are financial assets with fixed maturity that the Group intends to hold till maturity. 'Held-for-trading' investments are financial assets which are acquired by the Group with the intention of generating profit from short-term fluctuations in price. 'Available for sale' investments are financial assets that are neither classifiable as 'held-to-maturity' nor 'held-for-trading' investment portfolio.
- Group revalues its security holdings in quoted securities that are classified as held for trading or available for sale and where ready quotes are available on Reuters page (PKRV) or Stock Exchange, at market value in accordance with the guidelines given in the State Bank of Pakistan's BSD Circular No. 20 dated August 04, 2000. Any unrealised surplus/deficit arising on revaluation of investment classified as 'held-for-trading' is taken to the profit and loss account and unrealised surplus/deficit arising on revaluation of investments classified as 'available for sale' is taken directly to "surplus/deficit on revaluation of securities" in the balance sheet. Securities classified as held to maturity are carried at amortised cost. Effective from September 30, 2004, the Group has changed its accounting policy in respect of accounting for unrealised surplus/deficit arising on revaluation of held-for-trading investment portfolio and valuation of securities classified as held to maturity. Previously all investments were classified as available for sale and surplus/ deficit on revaluation was shown below equity. This change has been made to comply with the requirements laid down in BSD Circular No. 10, dated July 13, 2004 and BSD Circular No. 14 dated September 24, 2004 issued by State Bank of Pakistan. The change in accounting policy has no impact on current year profit and loss account and if previous accounting policy was applied investment and surplus on revaluation would have been lower by Rs. 1,078 million and Rs. 701 million respectively.
- Where securities are sold subject to a commitment to repurchase them at a pre-determined price, they remain on the balance sheet and a liability is recorded in respect of the consideration received in "Borrowing from Banks". Conversely, securities purchased under analogous commitments to resell are not recognized on the balance sheet and the consideration paid is recorded in "Lendings to financial institutions" or "Loans and advances" as appropriate.
- The Group records its investments in associated and joint venture companies on the basis of equity accounting. The investments in undertakings where the Group does not exercise significant influence or control and those held with a view for disposal in the near future continue to be stated at cost less impairment losses (if any).
- Unquoted investments and overseas government securities are carried at cost less provision for impairment in value based on difference between carrying value and book value.
- Gain / loss on disposal of investments during the period are taken to the profit and loss account.

#### 4.5 Advances including net investment in finance lease

##### **Loans and advances**

Loans and advances and net investment in finance lease are stated net of provision for loan losses. Provision for loan losses of Pakistan operations is made in accordance with the requirements of the Prudential Regulations, issued by State Bank of Pakistan.

Provision for loan losses of overseas branches and subsidiary companies are made as per the requirements of the respective Central Banks.

##### **Finance lease receivables**

Leases where the Group transfers substantially all the risks and rewards incidental to ownership of an asset to the lessee are classified as finance leases. A receivable is recognised at an amount equal to the

present value of the lease payments, including any guaranteed residual value. Finance lease receivables are included in loans and advances to customers.

#### 4.6 Operating fixed assets and depreciation

- Operating fixed assets are stated at cost or revalued amount less accumulated depreciation and impairment losses (if any). Cost of fixed assets of foreign branches and subsidiary companies includes exchange differences arising on translation at year-end rates. Land and buildings are revalued by independent professionally qualified valuers with sufficient regularity to ensure that the net carrying amount does not differ materially from the fair value. Surplus arising on revaluation is credited to the 'Surplus on revaluation of fixed assets' account. Under the provisions of the Companies Ordinance, 1984, deficit arising on revaluation of fixed assets is adjusted against the balance in the above surplus account.
- All operating assets, except land, are being depreciated over their expected economic lives using the straight-line method from the date the assets are available for use .
- Surplus on revaluation of fixed assets to the extent of the incremental depreciation charged on the related assets is transferred by the Group to retained earnings / accumulated losses (net of deferred tax).
- Normal repairs and maintenance are charged to the profit and loss account as and when incurred. However, major repairs and renewals are capitalised.
- Gains and losses on sale of fixed assets are included in income currently.
- Capital work in progress is stated at cost.

#### 4.7 Employee benefits

##### 4.7.1 Habib Bank Limited operates the following schemes for its employees:

- For new employees and for those who did not opt for the pension scheme of 1977, the Bank operates:
  - Approved funded provident fund (defined contribution scheme)
  - Approved funded gratuity scheme (defined benefit scheme)

Liability under the gratuity scheme is determined on the basis of actuarial advice under the Projected Unit Credit method.
- For those who opted for the pension scheme introduced in May 1977, the Bank operates:
  - Approved funded pension scheme (defined benefit scheme)

Liability under the pension scheme is determined on the basis of actuarial advice using the Projected Unit Credit method.
- Post retirement medical benefits

The Bank also provides post retirement medical benefits to its employees. Provision is made in the financial statements for this benefit based on actuarial advice using the Projected Unit Credit method.
- Employees' compensated absences

The Bank also makes provision in the financial statements for its liabilities towards compensated absences. This liability is estimated on the basis of actuarial advice under the Projected Unit Credit method.

- Benevolent Fund

The bank operates funded benevolent scheme for its executives/officers and clerical/non-clerical employees. Under this scheme, the employees of the bank are entitled to defined grants during their service and after retirement. As per the rules of the scheme the contributions of both the bank and employees have also been defined. The benevolent fund plan covers all the employees of the bank.

4.7.2 Any surplus / deficit arising on actuarial valuation of these schemes is recognised in the year in which it arises.

4.7.3 Employee benefits offered by subsidiary companies are as follows:

Habib Allied International Bank Plc, United Kingdom	- Defined contributory pension scheme.
Habib Finance International Limited, Hong Kong	- Provident fund and Long service payment schemes.
Habib Finance (Australia) Limited, Australia	- A contributory superannuation scheme.

#### 4.8 Foreign currencies

- Foreign currency transactions

Transactions in foreign currencies are translated to rupees at the foreign exchange rates ruling on the transaction date. Monetary assets and liabilities in foreign currencies are expressed in rupee terms at the rates of exchange ruling on the balance sheet date. The fair value of forward cover taken from the State Bank of Pakistan for currency deposits is added/ deducted from value of foreign currency deposits. Forward foreign exchange contracts and foreign bills purchased are valued at forward rates applicable to their respective maturities.

- Foreign entities

The assets and liabilities of foreign entities are translated to rupees at exchange rates prevailing at the balance sheet date. The results of foreign entities are translated at the average rate of exchange for the year.

- Translation gains and losses

Translation gains and losses are included in the profit and loss account, except those arising on the translation of net investment in foreign branches, subsidiaries and joint venture companies, which are taken to capital reserve (Exchange Translation Reserve).

- Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at forward rates applicable to their respective maturities. Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in rupee terms at the rates of exchange ruling on the balance sheet date.

#### 4.9 Cash and cash equivalents

Cash and cash equivalents include cash, balances with banks in current and deposit accounts.

#### 4.10 Off setting

Financial assets and financial liabilities are set off and the net amount is reported in the financial statements when there is a legally enforceable right to set off and the Group intends either to settle on a net basis, or to realise the assets and to settle the liabilities simultaneously.

#### **4.11 Impairment**

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the assets recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit and loss account.

#### **4.12 Provision for guarantee claim and other off-balance sheet obligations**

Provision for guarantee claim is recognized when intimated and reasonable certainty exists for the Group to settle the obligation. Expected recoveries are recognized by debiting customers' account. Charge to profit and loss account is stated net of expected recoveries.

Other provisions are recognised when the Group has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

	Note	2004	2003
		(Rupees in '000)	
<b>5. CASH AND BALANCES WITH TREASURY BANKS</b>			
In hand including National Prize Bonds			
Local currency		3,895,377	3,368,181
Foreign currency		985,457	844,138
		<u>4,880,834</u>	<u>4,212,319</u>
With State Bank of Pakistan in:			
Local currency current account		16,554,535	13,211,911
Foreign currency deposit account		5,592,582	4,401,504
		<u>22,147,117</u>	<u>17,613,415</u>
With other Central Banks in:			
	5.1		
Foreign currency current account		2,698,606	2,771,343
Foreign currency deposit account		951,933	1,567,456
		<u>3,650,539</u>	<u>4,338,799</u>
With National Bank of Pakistan in			
Local currency current account		1,291,800	1,474,780
		<u>31,970,290</u>	<u>27,639,313</u>

The above balances include remunerative accounts amounting to Rs. 5,623.072 million (2003: Rs. 5,366.213 million).

- 5.1 This includes balances held with the Central Banks of the respective countries in accordance with the requirements of the local statutory / Central Bank regulations.

	Note	2004	2003
		(Rupees in '000)	
<b>6. BALANCES WITH OTHER BANKS</b>			
In Pakistan			
On current account		250,164	88,527
On deposit account		-	-
		<u>250,164</u>	<u>88,527</u>
Outside Pakistan			
On current account	6.1	4,173,413	3,174,320
On deposit account		28,962,541	17,049,799
		<u>33,135,954</u>	<u>20,224,119</u>
		<u>33,386,118</u>	<u>20,312,646</u>

- 6.1 This includes remunerative current account balance amounting to Rs. 403.980 million (2003: Rs 84.611 million).

	Note	2004	2003
		(Rupees in '000)	
<b>7. LENDINGS TO FINANCIAL INSTITUTIONS</b>			
Call money lendings		2,120,000	250,000
Repurchase agreement lendings (reverse repo)	7.1	1,635,039	22,345,488
		<u>3,755,039</u>	<u>22,595,488</u>

7.1 Securities held as collateral against lendings to financial institutions	2004			2003		
	Held by bank	Further given as collateral	Total	Held by bank	Further given as collateral	Total
----- (Rupees in '000) -----						
Market treasury bills	985,039	-	985,039	21,051,735	693,753	21,745,488
Pakistan investment bonds	650,000	-	650,000	600,000	-	600,000
	<u>1,635,039</u>	<u>-</u>	<u>1,635,039</u>	<u>21,651,735</u>	<u>693,753</u>	<u>22,345,488</u>

Market value of securities held as collateral against lendings to financial institutions as at December 31, 2004 amounted to Rs.1,686.808 million (2003: Rs. 22,663.069 million)

8. INVESTMENTS	Note	2004			2003		
		Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total
----- (Rupees in '000) -----							

### 8.1 Investments by type

#### Held to Maturity securities (HTM)

##### Federal Government Securities

- Pakistan investment bonds	21,398,951	-	21,398,951	-	-	-
- Government of Pakistan US Dollar/Euro bonds	1,622,989	-	1,622,989	-	-	-

##### Overseas Government securities

	4,571,042	-	4,571,042	-	-	-
--	-----------	---	-----------	---	---	---

##### Debentures and Corporate Debt Instruments

	280,417	-	280,417	-	-	-
--	---------	---	---------	---	---	---

	<u>27,873,399</u>	<u>-</u>	<u>27,873,399</u>	<u>-</u>	<u>-</u>	<u>-</u>
--	-------------------	----------	-------------------	----------	----------	----------

#### Available-for-sale securities (AFS)

##### Federal Government Securities

- Market treasury bills	47,250,726	8,367,090	55,617,816	74,098,959	10,904,607	85,003,566
- Pakistan investment bonds	905,446	-	905,446	19,762,970	-	19,762,970
- Government of Pakistan Guaranteed bonds	24,203,445	-	24,203,445	25,381,334	-	25,381,334
- WAPDA bonds	899,993	-	899,993	1,199,996	-	1,199,996
- Government of Pakistan bonds (US Dollar / Euro)	1,114,367	-	1,114,367	2,846,547	-	2,846,547

##### Overseas Government securities

	5,666,681	-	5,666,681	2,926,048	-	2,926,048
--	-----------	---	-----------	-----------	---	-----------

##### Fully paid-up ordinary shares:

- Listed companies	1,619,112	-	1,619,112	2,405,474	-	2,405,474
- Unlisted companies	355,791	-	355,791	360,319	-	360,319

##### Modaraba certificates

	30,000	-	30,000	30,000	-	30,000
--	--------	---	--------	--------	---	--------

##### Debentures and Corporate Debt Instruments

	13,799,168	-	13,799,168	14,264,475	-	14,264,475
--	------------	---	------------	------------	---	------------

##### NIT units

	3,537	-	3,537	365,989	-	365,989
--	-------	---	-------	---------	---	---------

##### Preference shares

	189,466	-	189,466	175,339	-	175,339
--	---------	---	---------	---------	---	---------

##### Other investments

	82,112	-	82,112	65,000	-	65,000
--	--------	---	--------	--------	---	--------

Investment (net of provision)	96,119,844	8,367,090	104,486,934	143,882,450	10,904,607	154,787,057
Surplus on revaluation of investments	738,037	(15,278)	722,759	3,149,318	4,566	3,153,884
Investments (at revalued amount)	<u>96,857,881</u>	<u>8,351,812</u>	<u>105,209,693</u>	<u>147,031,768</u>	<u>10,909,173</u>	<u>157,940,941</u>

Investment in associated undertakings	63,300	-	63,300	63,300	-	63,300
---------------------------------------	--------	---	--------	--------	---	--------

Investment in joint venture companies	1,394,166	-	1,394,166	866,570	-	866,570
---------------------------------------	-----------	---	-----------	---------	---	---------

	<u>126,188,746</u>	<u>8,351,812</u>	<u>134,540,558</u>	<u>147,961,638</u>	<u>10,909,173</u>	<u>158,870,811</u>
--	--------------------	------------------	--------------------	--------------------	-------------------	--------------------

	Note	2004	2003
		(Rupees in '000)	
<b>8.2 Investments by segments</b>			
Federal Government Securities:			
- Market treasury bills		55,617,816	85,003,566
- Pakistan investment bonds		22,304,397	19,762,970
- Government of Pakistan Guaranteed bonds	8.3	24,203,445	25,381,334
- WAPDA bonds		899,993	1,199,996
- Government of Pakistan bonds (US Dollar / Euro)	8.5	2,737,356	2,846,547
Overseas Government securities		10,237,723	2,926,048
Fully paid-up ordinary shares:			
- Listed companies		1,619,112	2,405,474
- Unlisted companies		355,791	360,319
Modaraba certificates		30,000	30,000
Debentures and Corporate Debt Instruments		14,079,585	14,264,475
NIT units		3,537	365,989
Preference shares		189,466	175,339
Other investments		82,112	65,000
Investment in associated undertakings	8.6	63,300	63,300
Investment in joint venture companies	8.7	1,394,166	866,570
Investment (net of provision)		133,817,799	155,716,927
Surplus on revaluation of investments		722,759	3,153,884
Investments (at revalued amount)		<u>134,540,558</u>	<u>158,870,811</u>

8.3 This figure includes an amount of Rs 10,899.739 million in respect of which the Government of Pakistan (GOP) has committed to issue bonds against assessed tax refunds and in respect of certain non-performing advances, debentures and corporate debt instruments transferred to Corporate and Industrial Restructuring Corporation (CIRC). For details refer Annexure "I" to these financial statements.

8.4 The market value of Pakistan Investment Bonds classified as "held-to-maturity" amounted to Rs 20,321 million as at December 31, 2004.

8.5 This includes certificates with carrying value of Rs 261 million. Subsequent to year end an application has been filed with the issuing authority for their transfer to staff retirement benefit fund.

8.6 This represents investment of Habib Bank Limited (bank) in First Women Bank Limited. This investment is being carried at cost and has not been accounted for under the equity method as the Bank does not have significant influence over this entity.

	2004	2003
	(Rupees in '000)	
<b>8.7 Investment in joint venture companies - under equity method</b>		
<b>Habib Nigeria Bank Limited - Holding 40% (2003: 40%)</b>		
Opening balance	633,630	578,357
Share of profit for the year - net of tax	287,327	147,873
Exchange translation reserve for the year	74,230	(70,356)
Share of "Share Premium Reserves" received during the year	31,123	-
Investment during the year	190,092	-
Dividend received during the year	(90,201)	(22,244)
	<u>1,126,201</u>	<u>633,630</u>

	2004	2003
	(Rupees in '000)	
<b>Himalayan Bank Limited, Nepal - Holding 20% (2003: 20%)</b>		
Opening balance	232,940	174,451
Share of profit for the year - net of tax	24,266	70,403
Exchange translation reserve for the year	10,759	6,379
Dividend received during the year	-	(18,293)
	<u>267,965</u>	<u>232,940</u>
	<u>1,394,166</u>	<u>866,570</u>

#### 8.8 Particulars of provision held against diminution in value of investments

The balances above are stated net of specific provision held. The analysis of total provision held is as follows:

	2004	2003
	(Rupees in '000)	
Opening balance	904,172	821,449
(Reversed) / charged during the year	(151,218)	152,947
Provision reversed on transfer of related investments to CIRC	-	(70,224)
Amount written off	(97,084)	-
Closing balance	<u>655,870</u>	<u>904,172</u>

8.9 Investments held for maintaining the liquidity requirements of the State Bank of Pakistan amounted to Rs 52,960 million as at December 31, 2004 (2003: Rs 46,366 million).

8.10 Investments include Rs 543.500 million as at December 31, 2004 (2003: Rs 543.500 million) pledged with State Bank of Pakistan and National Bank of Pakistan against TT/DD discounting facilities and demand loan facilities.

8.11 Investments include Rs 10 million as at December 31, 2004 (2003: Rs 10 million) pledged with the Controller of Military Accounts in lieu of Regimental Fund Accounts being maintained at various branches of the bank.

8.12 Information relating to investments in shares of listed and unlisted companies, redeemable capital and bonds, required to be disclosed as part of the financial statements by the State Bank of Pakistan, is given in Annexure "I" and is an integral part of these financial statements.

	Note	2004	2003
		(Rupees in '000)	
<b>9. ADVANCES</b>			
Loans, cash credits, running finances, etc.			
In Pakistan		220,599,097	155,985,729
Outside Pakistan		41,387,378	36,844,823
		<u>261,986,475</u>	<u>192,830,552</u>
Net investment in finance lease - in Pakistan	9.2	6,833,790	2,643,150
Bills discounted and purchased (excluding Government treasury bills)			
Payable in Pakistan		9,800,467	10,122,965
Payable outside Pakistan		12,978,982	10,784,073
		22,779,449	20,907,038
Provision against non-performing advances	9.4	(33,293,661)	(32,726,698)
		<u>258,306,053</u>	<u>183,654,042</u>
<b>9.1 Particulars of advances</b>			
9.1.1 In local currency		215,255,719	139,937,472
In foreign currencies including foreign currency financing by domestic branches amounting to Rs. 10,748.828 million (2003: Rs 16,057.286 million)		43,050,334	43,716,570
		<u>258,306,053</u>	<u>183,654,042</u>

	2004	2003
	(Rupees in '000)	
9.1.2 Short term (for upto one year)	162,696,226	140,329,156
Long term (for over one year)	95,609,827	43,324,886
	<u>258,306,053</u>	<u>183,654,042</u>

9.2 Net investment in finance lease	2004			2003		
	Not later than one year	Later than one and less than five years	Total	Not later than one year	Later than one and less than five years	Total
----- (Rupees in '000) -----						
Lease rentals receivable	1,920,296	4,692,943	6,613,239	639,734	2,104,266	2,744,000
Residual value	21,936	1,188,895	1,210,831	1,373	420,555	421,928
Gross investment in finance lease	1,942,232	5,881,838	7,824,070	641,107	2,524,821	3,165,928
Unearned finance income	96,015	894,265	990,280	194,054	328,724	522,778
Net investment in finance lease	<u>1,846,217</u>	<u>4,987,573</u>	<u>6,833,790</u>	<u>447,053</u>	<u>2,196,097</u>	<u>2,643,150</u>

9.3 Category of Classification	Non-performing advances	Provision required	Provision held
----- (Rupees in '000) -----			
<b>Pakistan</b>			
Other assets especially mentioned	1,159,591	-	-
Substandard	2,623,161	402,993	402,993
Doubtful	1,587,632	657,413	657,413
Loss	24,663,146	17,885,960	17,885,960
	<u>30,033,530</u>	<u>18,946,366</u>	<u>18,946,366</u>
<b>Overseas operations</b>	14,472,903	13,483,405	13,483,405
<b>General Provision</b>	-	863,890	863,890
<b>Total</b>	<u>44,506,433</u>	<u>33,293,661</u>	<u>33,293,661</u>

Non-performing advances include Government guaranteed debts of Rs. 9.471 million as at December 31, 2004 (2003: Rs. 152.538 million).

#### 9.4 Particulars of provision against non-performing advances

	2004			2003		
	Specific	General	Total	Specific	General	Total
----- (Rupees in '000) -----						
Opening balance	32,726,698	-	32,726,698	32,990,877	-	32,990,877
Exchange adjustment and other movement	791,638	-	791,638	227,429	-	227,429
Charge for the year	1,242,550	863,890	2,106,440	5,062,466	-	5,062,466
Reversals	(206,350)	-	(206,350)	(182,892)	-	(182,892)
	1,036,200	863,890	1,900,090	4,879,574	-	4,879,574
Provision reversed on transfer of related loans and advances to CIRC	-	-	-	(4,554,551)	-	(4,554,551)
Amounts written off	(2,124,765)	-	(2,124,765)	(816,631)	-	(816,631)
Closing balance	<u>32,429,771</u>	<u>863,890</u>	<u>33,293,661</u>	<u>32,726,698</u>	<u>-</u>	<u>32,726,698</u>

9.5 During the year ended December 31, 2003 in order to comply with the prudential regulations effective from January 1, 2004, the Group decided to restrict the value of collaterals relating to mortgage of fixed assets to 80% of their forced sale value excluding collaterals relating to the advances covered under the SBP Settlement Scheme which were not discounted. For the calculation of provision during this period, the value of collaterals, including collaterals relating to advances covered under SBP scheme, has been restricted to 70% of their forced sale values. Had the values of collaterals against non performing loans and advances not been further restricted by 10% of their forced sale value the profit before tax for the year ended December 31, 2004 would have been higher by Rs 681.367 million.

9.6 According to instructions issued by State Bank of Pakistan effective from January 1, 2004, banks are required to maintain a general provision at an amount equivalent to 1.5% of the secured consumer portfolio and an amount equivalent to 5% of the unsecured consumer portfolio, to protect them from the risks associated with the economic cyclical nature of the business. Had this general provision not been made, provision against non-performing loans would have been lower and profit before tax for the period would have been higher by Rs 863.890 million.

		2004 (Rupees in '000)	2003 (Rupees in '000)
<b>9.7 Particulars of write-offs:</b>			
9.7.1 Against provisions		2,124,765	816,631
Directly charged to profit and loss account		-	-
		<u>2,124,765</u>	<u>816,631</u>
<b>9.7.2 Analysis of write-offs</b>			
Rs 500,000 and above in Pakistan (Note 9.8)		1,774,499	305,027
Below Rs 500,000 in Pakistan and overseas		350,266	511,604
		<u>2,124,765</u>	<u>816,631</u>
<b>9.8 Details of loan write-off of Rs 500,000 and above</b>			
In terms of sub-section (3) of Section 33A of the Banking Companies Ordinance, 1962, the statement in respect of written-off loans or any other financial relief of five hundred thousand rupees or above allowed to a person(s) during the year ended December 31, 2004 is given in Annexure II.			
<b>9.9 Particulars of loans and advances to directors, associated companies, etc.</b>		<b>Balance as at December 31, 2004</b>	<b>Maximum total amount of loans and advances including temporary advances granted during the year (Rupees in '000) **</b>
Debts due by directors or executives of the Group or any of them either severally or jointly with any other persons:			
- in respect of directors		-	-
- in respect of executives *		102,571	141,757
Debts due by companies or firms in which the directors of the Group are interested as directors, partners or in the case of private companies as members			
		224,000	331,500
Debts due by controlled firms, managed modarabas and other related parties			
		-	-
* (These represent staff loans given by the Group to its executives as per their terms of employment)			
** (Maximum amount has been arrived at by reference to month end balance)			
	<b>Note</b>	<b>2004</b>	<b>2003</b>
		<b>(Rupees in '000)</b>	
<b>10. OTHER ASSETS</b>			
Income / mark-up accrued in local currency	10.1	3,180,865	3,090,385
Income / mark-up accrued in foreign currency		572,851	313,538
Prepaid exchange risk fee		4,721	9,952
Advances, deposits, advance rent and other prepayments		511,539	529,715
Advance taxation (payments less provisions)		3,040,310	2,751,547
Unrealised gain on forward foreign exchange contracts - net		-	103,000
Receivable from defined benefit plans	30.3.3	3,584,238	3,900,951
Stationery and stamps on hand		140,415	128,640
Due from Government of Pakistan	10.3	328,620	328,620
Others	10.4	571,583	367,293
		<u>11,935,142</u>	<u>11,523,641</u>

10.1 This includes interest accrued on DSC's held by the bank in the name of 'Habib Bank Limited - Cash Security Staff' amounting to Rs 354.317 million. The bank has a policy of taking cash security from some of its staff. The bank's practice is of settling the liability of cash security deposits to outgoing employees and confirming annually the cash security balance held by the bank along with the return offered by the bank to all current employees. During the year the bank has discontinued the taking of cash security and replaced it with increased insurance coverage. The bank has now decided that all outstanding security deposits along with declared interest thereon be returned to the employees.

The encashment value of these DSC's amounted to Rs 649.390 million as at December 31, 2004. These DSCs were purchased in prior years which were initially recorded in the books by adjusting the liability for security deposits. No interest was recorded in those years for either investment or security deposits. During the year, based on legal advice, these DSCs were recorded in the books along with interest thereon and subsequently an application has been filed with the issuing authority for their transfer to staff retirement benefit funds. The liability of the bank for security deposits and interest thereon has also been reinstated at Rs 285 million. The proforma information is presented in note 41 to these financial statements.

10.2	<b>Provision against other assets:</b>	<b>2004</b>	<b>2003</b>
		<b>(Rupees in '000)</b>	
	Opening balance	581,182	575,811
	Charge for the year	<u>123,045</u>	<u>5,371</u>
	Closing balance	<u><u>704,227</u></u>	<u><u>581,182</u></u>

10.3 This represents residual amount recoverable from the Government of Pakistan on account of payments made to retrenched employees under the Voluntary Separation Scheme (VSS). All payments made under this scheme are recoverable from the Government of Pakistan as grant to the bank.

10.4 This includes Rs 117.022 million (2003: Rs 75.411 million), recoverable from the State Bank of Pakistan (SBP) on account of encashment of various instruments on behalf of SBP by the bank, and Rs 61.305 million, receivable from Corporate and Industrial Restructuring Corporation (CIRC) on account of non-performing advances transferred to them.

	<b>Note</b>	<b>2004</b>	<b>2003</b>	
		<b>(Rupees in '000)</b>		
11.	<b>OPERATING FIXED ASSETS</b>			
	Capital work-in-progress	11.1	371,011	227,428
	Operating fixed assets	11.2	<u>10,739,303</u>	<u>6,884,512</u>
			<u><u>11,110,314</u></u>	<u><u>7,111,940</u></u>
11.1	<b>Capital work-in-progress</b>			
	Civil works		39,306	15,821
	Equipment		-	145
	Intangible assets	11.1.1	305,234	199,392
	Others		<u>26,471</u>	<u>12,070</u>
			<u><u>371,011</u></u>	<u><u>227,428</u></u>

11.1.1 This represents payment made upto the balance sheet date for purchase of computer software system as referred to in note 19.8.

#### 11.2 Operating fixed assets

Description	COST / REVALUATION				DEPRECIATION				Book value as at December 31, 2004	Rate of depreciation %
	As at January 1, 2004	Additions/ (deletions) / adjustments during the year	Surplus / (deficit) on revaluation during the year	As at December 31, 2004	As at January 1, 2004	Charge for the year/ (depreciation on deletions) / adjustments	Reversed on revaluation	As at December 31, 2004		
----- Rupees in 000 -----										
Land	3,177,958	6,253 (19,598) 19,308	3,311,943	6,495,864	-	-	-	-	6,495,864	-
Building including related machinery	3,098,229	20,625 (1,641) (78,895)	305,252	3,343,570	802,473	170,692 (915) (83,961)	(438,327)	449,962	2,893,608	5-10
Furniture, fixture and office equipment	3,829,174	534,390 (76,136) 24,370	-	4,311,798	2,563,535	618,412 (71,975) 17,878	-	3,127,850	1,183,948	20-33
Vehicles	523,945	67,315 (43,964) 6,015	-	553,311	378,786	56,841 (38,542) (9,657)	-	387,428	165,883	20
<b>2004</b>	<u>10,629,306</u>	<u>628,583 (141,339) (29,202)</u>	<u>3,617,195</u>	<u>14,704,543</u>	<u>3,744,794</u>	<u>845,945 (111,432) (75,740)</u>	<u>(438,327)</u>	<u>3,965,240</u>	<u>10,739,303</u>	
<b>2003</b>	<u>9,792,080</u>	<u>912,583 (252,511) 218,759</u>	<u>(41,605)</u>	<u>10,629,306</u>	<u>2,705,222</u>	<u>911,216 (192,624) 320,980</u>	<u>-</u>	<u>3,744,794</u>	<u>6,884,512</u>	

- 11.3 The Bank's domestic properties were revalued by independent professional valuers as on December 31, 2004. These properties were revalued by M/s Iqbal A. Nanjee & Co., professional valuers on the basis of market value. The revaluation has resulted in increasing the surplus on revaluation of fixed assets by Rs. 4,055.522 million. The bank's properties in Colombo branch were revalued on December 26 and 27, 1998, by A.Y. Daniel and Sons, licensed valuers, on market value basis. This revaluation resulted in a surplus of Rs. 63.686 million. However, as per the regulations of Central Bank of Srilanka only 50% of the above revaluation surplus amounting to Rs. 31.843 million has been recorded by the bank. Had there been no revaluation, the carrying amount of revalued assets would have been as follows;

	(Rupees in '000)
Land	475,604
Building including related machinery	886,295

The movement in surplus on revaluation of properties is given in note 18 to these financial statements.

#### 11.4 Details of disposal of fixed assets

The information relating to disposal of properties and equipment in aggregate having book value exceeding Rs. 250,000 or cost exceeding Rs. 1 million (whichever is lower) by the group required to be disclosed as part of the financial statements by the State Bank of Pakistan is given in Annexure III and is an integral part of these financial statements.

- 11.5 At December 31, 2004 carrying value of temporarily idle properties and equipment and those retired from active service and held for disposal purposes amounted to Rs 181.181 million (2003: Rs 185.830 million) and Rs 212.974 million (2003: Rs 337.815 million), respectively. Gross carrying amount of fully depreciated properties that are still in the bank's use, as at the above date, amounted to Rs 0.762 million (2003: Rs 1.522 million).

	Note	2004	2003
(Rupees in '000)			
<b>12. DEFERRED TAX ASSET - net</b>			
<i>Deductible temporary differences</i>			
Recognised tax losses		1,601,080	3,073,560
Other deductible temporary differences		<u>1,010,012</u>	<u>1,001,391</u>
		2,611,092	4,074,951
<i>Taxable temporary differences</i>			
On fixed assets		(609,610)	(430,485)
Surplus on revaluation of investments	18.2	50,743	(32,198)
Other taxable temporary differences		<u>(74,081)</u>	<u>(388,219)</u>
		(632,948)	(850,902)
<b>Net deferred tax asset recognised by the group</b>		<u><u>1,978,144</u></u>	<u><u>3,224,049</u></u>
<b>13. BILLS PAYABLE</b>			
In Pakistan		6,732,213	5,587,368
Outside Pakistan		<u>869,553</u>	<u>670,858</u>
		<u><u>7,601,766</u></u>	<u><u>6,258,226</u></u>
<b>14. BORROWINGS FROM FINANCIAL INSTITUTIONS</b>			
In Pakistan		23,662,209	26,130,192
Outside Pakistan		<u>5,534,075</u>	<u>5,480,008</u>
		<u><u>29,196,284</u></u>	<u><u>31,610,200</u></u>

	Note	2004	2003
(Rupees in '000)			
<b>14.1 Particulars of borrowings from financial institutions</b>			
In local currency		23,662,209	26,130,192
In foreign currencies		5,534,075	5,480,008
		<u>29,196,284</u>	<u>31,610,200</u>
<b>14.2 Details of borrowings from financial institutions</b>			
<b>Secured</b>			
Borrowings from State Bank of Pakistan under			
Export refinance scheme	14.3	14,771,718	13,855,285
Locally manufactured machinery refinance scheme	14.3	4,163	296,884
Repurchase agreement borrowings		8,329,748	11,602,747
		<u>23,105,629</u>	<u>25,754,916</u>
<b>Unsecured</b>			
<b>In Pakistan</b>			
International Development Agency		-	125,276
Interbank call money borrowing		556,580	250,000
		556,580	375,276
<b>Outside Pakistan</b>			
Overdrawn nostro accounts		349,208	314,172
Borrowings of overseas branches		5,184,867	5,165,836
		5,534,075	5,480,008
		6,090,655	5,855,284
		<u>29,196,284</u>	<u>31,610,200</u>
<b>14.3 Borrowings from State Bank of Pakistan (SBP) under the export and local manufactured machinery refinance scheme of SBP is secured by the bank's cash and security balances held by SBP.</b>			
		<b>2004</b>	<b>2003</b>
		<b>(Rupees in '000)</b>	
<b>15. DEPOSITS AND OTHER ACCOUNTS</b>			
<b>Customers</b>			
Fixed deposits		74,439,968	72,046,231
Savings deposits		239,817,027	212,574,936
Current accounts - non-remunerative		84,067,896	64,770,934
		<u>398,324,891</u>	<u>349,392,101</u>
<b>Financial institutions</b>			
Remunerative deposits		2,891,984	9,447,135
Non-remunerative deposits		3,412,184	1,808,992
		6,304,168	11,256,127
		<u>404,629,059</u>	<u>360,648,228</u>
<b>15.1 Particulars of deposits</b>			
In local currency		314,016,047	276,232,096
In foreign currencies {including foreign currency deposits of domestic branches of Rs. 31,564.561 million, (2003: Rs 30,754.347 million)}		90,613,012	84,416,132
		<u>404,629,059</u>	<u>360,648,228</u>

	Note	2004	2003
(Rupees in '000)			
<b>16. OTHER LIABILITIES</b>			
Mark-up / return / interest payable in local currency		1,977,591	2,390,613
Mark-up / return / interest payable in foreign currency		283,679	249,196
Security deposits against leases		1,210,831	421,928
Accrued expenses		401,179	159,657
Unrealised loss on forward foreign exchange contracts - net		11,315	-
Staff welfare fund payable		-	287,582
Unclaimed dividends		2,295	2,295
Proposed dividend		345,000	-
Provision for employees' compensated absences	30.5	1,268,478	1,201,526
Provision for post retirement medical benefits	30.4.2	2,279,646	2,080,116
Provision against off-balance sheet obligations	16.1	391,044	452,223
Branch adjustment account		3,129,712	3,867,351
Others		2,790,002	1,584,905
		<u>14,090,772</u>	<u>12,697,392</u>

**16.1 Provision against off-balance sheet obligations**

Opening balance	452,223	-
Charge for the year	253,821	452,223
Reversals	(21,783)	-
Amount written off	(293,217)	-
Closing balance	<u>391,044</u>	<u>452,223</u>

**17. SHARE CAPITAL**

**17.1 Authorised Capital**

2004	2003		2004	2003
Number of shares in '000			(Rupees in '000)	
<u>1,380,000</u>	<u>3,000,000</u>	Ordinary shares of Rs. 10 each	<u>13,800,000</u>	<u>30,000,000</u>

**17.2 Issued, subscribed and paid-up capital**

2004	2003		2004	2003
Number of shares in '000			(Rupees in '000)	
690,000	1,210,249.5	Ordinary shares of Rs. 10 each	6,900,000	12,102,495
-	7,600.0	Issued as bonus shares	-	76,000
<u>690,000</u>	<u>1,217,849.5</u>		<u>6,900,000</u>	<u>12,178,495</u>

### 17.3 Increase / reduction in Capital

During the year, the Board of Directors approved issue of right shares of Rs. 8,000 million in lieu of advance received from State Bank of Pakistan.

Subsequently, the bank applied under section 96 of the Companies Ordinance, 1984 to the High Court of Sindh for capital reduction to offset accumulated losses up to Rs 13,278.495 million against its paid up share capital of Rs 20,178.495 million. Simultaneously, the Bank also applied for reduction in authorised share capital from Rs 30,000 million to Rs 13,800 million. The High Court of Sindh approved the application on December 6, 2004.

### 17.4 Transfer of Ownership

During the year, management control was transferred to Aga Khan Fund for Economic Development, S.A. (AKFED) registered in Switzerland after signing of agreement between AKFED and the Privatisation Commission, Government of Pakistan on February 26, 2004 for the sale of 51% holding of State Bank of Pakistan in Habib Bank Limited to AKFED.

## 18. SURPLUS ON REVALUATION OF ASSETS - net of tax

	Note	2004	2003
		(Rupees in '000)	
Surplus arising on revaluation of:			
- fixed assets	18.1	7,323,885	3,594,439
- investments	18.2	773,502	3,121,686
Surplus on revaluation of assets - net of tax		<u>8,097,387</u>	<u>6,716,125</u>

### 18.1 Surplus on revaluation of fixed assets

Surplus on revaluation of fixed assets as at January 1		4,074,924	4,083,071
Surplus relating to incremental depreciation charged on related assets in prior years - reversed due to adjustments		-	160,437
Surplus / (adjustment) on revaluation of bank's properties during the year	11.3	4,055,522	(41,605)
Surplus realised on disposal of revalued properties during the year		(17,259)	(42,731)
Transferred to accumulated losses in respect of incremental depreciation charged during the year - net of deferred tax		(50,513)	(47,179)
Related deferred tax liability of incremental depreciation charged during the year		<u>(35,102)</u>	<u>(37,069)</u>
Surplus on revaluation of fixed assets as at December 31		8,027,572	4,074,924
Less: related deferred tax liability on:			
revaluation as at January 1		480,485	540,792
revaluation of bank's properties recognised / adjusted during the year		258,567	(23,132)
incremental depreciation charged during the year transferred to profit and loss account		(35,102)	(37,069)
disposal of revalued properties reversed during the year		(263)	(106)
		<u>703,687</u>	<u>480,485</u>
		<u>7,323,885</u>	<u>3,594,439</u>



## 19.8 Other commitments

The Group has committed to upgrade its computer software system for all its international and domestic operations and the remaining committed cost in this respect is approximately Rs. 207.989 million.

## 19.9 Taxation

In respect of the assessment proceedings relating to Azad Jammu and Kashmir (AJK), the Bank has filed a reference application with the High Court of AJK regarding excessive assessments made by the AJK taxation authorities in the financial years 1982 to 2001 on account of profits relating to AJK branches. The difference in tax assessed and the amount acknowledged by the Bank relating to the above years amounts to Rs 2,378 million. No provision has been made in the financial statements for these amounts, as the management is confident that the eventual outcome of these cases will be in favor of the Bank.

	2004	2003
	(Rupees in '000)	
<b>20. MARK-UP / RETURN / INTEREST EARNED</b>		
On loans and advances to customers	11,187,376	10,016,124
On investments	6,003,745	7,968,809
On deposits with financial institutions	675,207	799,931
On lendings to financial institutions	280,610	265,050
	<u>18,146,938</u>	<u>19,049,914</u>
<b>21. MARK-UP / RETURN / INTEREST EXPENSED</b>		
Deposits	3,905,763	4,814,736
Securities sold under repurchase agreement borrowings	194,313	163,876
Other short term borrowings	356,794	452,421
Long term borrowings	7,921	8,070
Others	2,611	7,237
	<u>4,467,402</u>	<u>5,446,340</u>
<b>22. INCOME / GAIN ON INVESTMENTS</b>		
Dividend income	516,426	561,995
Gain on sale of investments	3,360,828	2,658,157
Share of profit of joint venture companies	328,667	293,656
	<u>4,205,921</u>	<u>3,513,808</u>
<b>23. OTHER INCOME</b>		
Incidental charges	1,010,252	300,642
Rent on lockers	91,366	67,510
Gain on sale of property and equipment - net	24,302	8,164
Rent on property	57,396	53,210
Miscellaneous earnings	837,031	702,859
	<u>2,020,347</u>	<u>1,132,385</u>

	Note	2004	2003
(Rupees in '000)			
<b>24. ADMINISTRATIVE EXPENSES</b>			
Salaries, allowances, etc.		8,455,877	8,020,752
Charge / (Reversal) for defined benefit plan and other benefits	30.3.2 / 30.4.1 / 30.5	635,257	(2,208,342)
Contribution to defined contribution plan		68,787	73,398
Non-executive directors' fees, allowances and other expenses		40	34
Brokerage and commission		11,284	11,700
Rent, taxes, insurance, electricity, etc.		1,077,283	884,435
Legal and professional charges		163,648	139,885
Communications		142,446	113,279
Repairs and maintenance		274,285	235,765
Stationery and printing		216,004	197,815
Advertisement and publicity		287,670	190,921
Auditors' remuneration	24.1	63,066	57,546
Depreciation	11.2	845,945	911,216
Entertainment		46,867	41,226
Travelling		147,100	142,621
Conveyance and motor car		84,415	79,677
Training		67,777	33,196
Security charges		102,330	96,818
Remittance charges		180,127	194,836
Donations		-	20,000
Others		905,579	545,358
		13,775,787	9,782,136

#### 24.1 Auditors' remuneration

	A.F. Ferguson & Co.	Taseer Hadi Khalid & Co.	Domestic and Overseas Auditors of		
			Branches and Subsidiaries		
			2004	2003	
(Rupees in '000)					
Audit fee	1,380	1,380	83	2,843	2,654
Fee for interim audit	1,400	1,400	-	2,800	5,000
Fee for audit of local branches of Habib Bank Limited	2,110	2,110	-	4,220	4,010
Fee for audit of foreign branches/ subsidiary companies of Habib Bank Limited	-	-	42,815	42,815	36,108
Special certifications/examinations and sundry advisory services	1,144	1,203	2,255	4,602	2,981
Tax services	-	1,350	2,321	3,671	4,459
Out of pocket expenses	927	1,149	39	2,115	2,334
	6,961	8,592	47,513	63,066	57,546

**2004**                      **2003**  
**(Rupees in '000)**

**25. OTHER CHARGES**

Penalties imposed by State Bank of Pakistan

7,523                      20,685

**26. TAXATION**

For the year

For Pakistan - current

53,670                      170,246

- prior year

27,460                      3,444

- deferred

1,070,543                      963,390

For overseas branches, subsidiaries and  
joint venture companies - current

344,482                      318,504

- prior year

(12,119)                      (4,073)

332,363                      314,431

1,484,036                      1,451,511

**26.1 Relationship between tax expense and accounting profit**

Accounting profit for the current year

7,163,542                      5,469,168

Tax on income @ 41% (2003: 44%)

2,937,052                      2,406,434

Permanent differences:

- Exempted income

(1,343,457)                      (429,077)

- Reduced rate income

(361,966)                      (221,461)

- Others

225,342                      33,217

Effect of change in tax rate

(332,758)                      -

Loss utilised including other deductible temporary differences

net of current year's recognition of previously unrecognised losses

-                      (776,392)

Minimum tax

-                      120,915

Tax charge for prior year - for Pakistan

27,460                      3,444

Tax charge of overseas branches of Habib Bank Limited - current year

271,170                      234,725

Tax charge of overseas branches of Habib Bank Limited - prior year

34,109                      (7,986)

Tax charge of subsidiaries and joint venture companies - current year

73,312                      83,779

Tax charge of subsidiaries and joint venture companies - prior year

(46,228)                      3,913

Tax charge for the current year

1,484,036                      1,451,511

**27. BASIC AND DILUTED EARNINGS PER SHARE**

Profit for the year attributable to shareholders

5,665,596                      4,012,820

**(Number)**

Weighted average number of ordinary shares

690,000,000                      690,000,000

**(Rupees)**

Basic and Diluted earnings per share

8.21                      5.82

	Note	2004	2003
(Rupees in '000)			
28.	<b>CASH AND CASH EQUIVALENTS</b>		
	Cash and balance with treasury banks	5 31,970,290	27,639,313
	Balance with other banks	6 33,386,118	20,312,646
		65,356,408	47,951,959

		2004	2003
(Number)			
29.	<b>STAFF STRENGTH</b>		
	Total number of employees	18,625	18,800

### 30. DEFINED BENEFIT PLANS AND OTHER BENEFITS

#### 30.1 Habib Bank Limited (bank) - general description

The bank operates an approved funded pension scheme introduced in 1977. This scheme is now closed to new employees. For staff who did not opt for the bank's pension scheme and for new employees the bank operates an approved funded gratuity scheme. Further, the bank also operates a contributory benevolent fund scheme and provides post retirement medical benefit to eligible retired employees. The benevolent fund plan and post retirement medical plan covers all the regular employees of the Bank.

#### 30.2 Principal actuarial assumptions

The latest actuarial valuation was carried out for pension and gratuity schemes as at December 31, 2004, assuming that no indexation of pension will take place, using the Projected Unit Credit Actuarial Cost method. The following significant assumptions were used for the valuation of these schemes:

	Per Annum
Valuation discount rate	8.00%
Expected rate of increase in salary level	6.00%
Expected rate of return on funds invested	8.00%

#### 30.3 Pension, gratuity and benevolent fund schemes

30.3.1 Fair value of plan assets and present value of defined benefits obligations of these schemes as at December 31, 2004 are as follows:

	Pension	Gratuity	Benevolent
----- (Rupees in '000) -----			
Fair value of plan assets	9,510,662	761,031	1,554,015
Present value of defined benefit obligation	(6,259,884)	(427,571)	(885,670)
Surplus	3,250,778	333,460	668,345
Asset recognised in the balance sheet	3,250,778	333,460	-

30.3.1.1 The surplus on Benevolent fund has not been recognised as this is a contributory scheme with contributions both from the employees and Bank.

30.3.2 The following amounts have been charged/credited to the profit and loss account in respect of the above-referred schemes:

	<b>Pension</b>	<b>Gratuity</b>	<b>Benevolent</b>
	----- (Rupees in '000) -----		
Current service cost	220,250	13,843	33,464
Mark-up cost	412,999	29,857	64,127
Expected return on plan assets	(665,575)	(62,003)	(104,560)
Actuarial losses / (gains) recognised	308,982	58,360	(21,779)
Contributions - employees	-	-	(30,995)
Asset not recognised by the bank	-	-	90,738
Charge for the year	<u>276,656</u>	<u>40,057</u>	<u>30,995</u>

Charge for the year is included in administrative expenses (note 24 to the financial statements) under 'Charge / (Reversal) for defined benefit plans and other benefits' account head.

<b>30.3.3 Movement in amounts receivable from defined benefit plans</b>	<b>Pension</b>	<b>Gratuity</b>	<b>Benevolent</b>
	----- (Rupees in '000) -----		
Opening balance	(3,527,434)	(373,517)	-
Charge for the year	276,656	40,057	30,995
Contributions during the year	-	-	(30,995)
Closing balance	<u>(3,250,778)</u>	<u>(333,460)</u>	<u>-</u>

#### 30.3.4 Actual return on plan assets

Expected return on plan assets	665,575	62,003	104,560
Actuarial losses on plan assets	(426,317)	(71,016)	(68,515)
Actual return / (deficit) on plan assets	<u>239,258</u>	<u>(9,013)</u>	<u>36,045</u>

#### 30.4 Post retirement medical benefits

The liability of the bank in respect of medical benefits is based on actuarial valuation carried out as at September 30, 2003 which after considering the estimated liability for the period October 1, 2003 to December 31, 2004 amounted to Rs 2,279.647 million (2003: Rs 2,080.116 million). Provision for this balance is held by Habib Bank Limited.

30.4.1 The following amounts have been charged to the profit and loss account in respect of post retirement medical benefits:

	<b>(Rupees in '000)</b>
Current service cost	57,414
Mark-up cost	142,116
Expense recognised in the profit and loss account	<u>199,530</u>

#### 30.4.2 Movement in amount payable to post retirement benefits

Opening balance	2,080,116
Charge for the year	199,530
Closing balance	<u>2,279,646</u>

The charge for the year is included in administrative expenses (note 24 to the financial statements) under 'Charge / (Reversal) for defined benefit plans and other benefits' account head.

### 30.5 **Other benefits - Employee compensated absences**

The liability of the bank in respect of employee compensated absences is based on actuarial valuation carried out as at September 30, 2003 which after considering the estimated liability for the period October 01, 2003 to December 31, 2004 amounted to Rs 1,268.478 million (2003: Rs 1,201.526 million). Provision for this balance is held by the bank.

The charge for the year amounting to Rs 88.019 million is included in administrative expenses (note 24 to the financial statements) under 'Charge / (Reversal) for defined benefit plans and other benefits' account head.

## 31. **DEFINED CONTRIBUTION PLAN**

### **Habib Bank Limited (bank)**

#### 31.1 **Provident Fund**

For new employees and for those employees who did not opt for the bank's pension scheme introduced in 1977, the bank operates an approved provident fund under which both the bank and employees contribute at 5% of basic salary. The staff who are covered by the bank's Pension Plan (now closed) are also eligible to join the Provident Fund by contributing 5% of their basic pay. However, the bank does not contribute for those employees.

The total assets of the Fund were Rs 5,216.456 million as at December 31, 2003 (2002: Rs 4,389.959 million) as per latest available audited financial statements.

#### 31.2 **Subsidiary companies**

##### 31.2.1 **Habib Finance (Australia) Limited**

Habib Finance (Australia) Limited is maintaining an accumulating superannuation scheme for its employees, administrated by Australian Mutual Provident Society, and the membership of this scheme is mandatory. The company has legal obligation to contribute a minimum 9 % of base pay to the plan. Employees are not required to contribute to the plan.

##### 31.2.2 **Habib Finance International Limited, Hongkong**

Habib Finance International Limited, Hong Kong is maintaining the following two schemes for its employees.

#### Provident Fund

The company is required to contribute at 5% of salary of all of its employees, subject to a maximum contribution of HK \$ 1000. Employees who earn HK \$ 4,000 or more per month are also required to contribute the same amount. Those who earn less than HK \$ 4,000 per month have an option to contribute to the fund.

#### Long Service Payment

The company is required to pay long service payment at 2/3rd of employee's last month's full wages or 2/3rd of HK \$ 15,000 whichever is lower, for every year of service. The maximum payment is the total amount of wages earned during the last 12 months or HK \$ 180,000 whichever is lower.

### 31.2.3 Habib Allied International Bank plc., United Kingdom

Habib Allied International Bank Plc. is maintaining a defined contribution pension scheme for its employees. Employer's contribution is 6% of basic salary, whereas contribution from the employees is voluntary. Bank also makes defined contribution towards personal pension plans of some of the staff members as per their terms of employment.

### 32. REMUNERATION OF DIRECTORS AND EXECUTIVES

	Group President/Chief Executive		Directors		Executives	
	2004	2003	2004	2003	2004	2003
	----- (Rupees in '000) -----					
Fees	-	-	40	34	-	-
Managerial remuneration	8,342	2,759	-	-	142,104	100,926
Charge for defined benefit plan	-	-	-	-	9,079	10,814
Contribution to provident and benevolent fund	788	193	-	-	11,775	9,066
Rent and house maintenance	1,122	1,793	-	-	64,512	49,298
Utilities	274	271	-	-	18,664	9,665
Medical	214	99	-	-	12,298	7,233
Conveyance	131	164	-	-	24,223	11,032
Others	5,705	5,821	-	-	43,837	9,706
	<u>16,576</u>	<u>11,100</u>	<u>40</u>	<u>34</u>	<u>326,492</u>	<u>207,740</u>
Number of persons	<u>2</u>	<u>2</u>	<u>7</u>	<u>6</u>	<u>133</u>	<u>105</u>

The Group President / Chief Executive and executives are provided with free use of the group's maintained cars and club membership in accordance with their entitlement.

The Bank operates a performance based scheme in respect of cash award / special bonus for all employees. The individual entitlements are determined after the year end and therefore are being reported on paid basis.

### 33. MATURITIES OF ASSETS AND LIABILITIES

	2004				
	Total	Upto three months	Over 3 months to one year	Over one year to five years	Over five years
	----- (Rupees in '000) -----				
<b>Assets</b>					
Cash and balances with treasury banks	31,970,290	30,373,667	655,149	889,524	51,950
Balances with other banks	33,386,118	30,512,148	2,873,970	-	-
Lending to financial institutions	3,755,039	3,755,039	-	-	-
Investments	134,540,558	62,699,939	11,910,541	35,392,220	24,537,858
Loans and advances	258,306,053	90,303,852	72,392,374	63,999,478	31,610,349
Other assets	11,935,142	4,992,114	3,358,790	3,584,238	-
Operating fixed assets	11,110,314	103,662	310,985	1,732,789	8,962,878
Deferred tax assets - net	1,978,144	543,123	1,477,140	415,089	(457,208)
	<u>486,981,658</u>	<u>223,283,544</u>	<u>92,978,949</u>	<u>106,013,338</u>	<u>64,705,827</u>
<b>Liabilities</b>					
Bills payable	7,601,766	7,601,766	-	-	-
Borrowings from financial institutions	29,196,284	25,425,377	3,770,907	-	-
Deposits and other accounts - note 33.1	404,629,059	373,395,631	14,920,404	15,500,646	812,378
Other liabilities	14,090,772	6,944,478	2,586,681	1,898,520	2,661,093
	<u>455,517,881</u>	<u>413,367,252</u>	<u>21,277,992</u>	<u>17,399,166</u>	<u>3,473,471</u>
<b>Net gap - note 33.1</b>	<u>31,463,777</u>	<u>(190,083,708)</u>	<u>71,700,957</u>	<u>88,614,172</u>	<u>61,232,356</u>
Share capital	6,900,000				
Capital reserves	2,644,052				
Unappropriated profit and other reserves	13,546,636				
Surplus on revaluation of assets	8,097,387				
Minority interest	275,702				
	<u>31,463,777</u>				

33.1 Expected repricing and maturity dates do not differ significantly from the contract dates except for the maturity of Rs 289 billion of deposits representing retail deposit accounts considered by the Group as stable core source of funding of its operations.

### 34. YIELD/INTEREST RATE RISK

#### 34.1 Interest rate risk management

The Group is mainly exposed to mark-up / interest rate risk on its deposit liabilities and its loans and advances and investment portfolios. The Asset Liability Committee of the Group reviews the portfolio of the Group on a regular basis to ensure that risk is managed within acceptable limits.

A high proportion of loans and advances portfolio of the Group comprises of working capital finances which are re-priced on a three monthly basis. The Group's interest / mark-up rate risk is limited since the majority of customers deposits are retrospectively re-priced on a six monthly basis on the profit and loss sharing principles.

		2004					
Effective Yield/ Interest rate	Total	Exposed to Yield/ Interest risk				Not exposed to Yield/ Interest Risk	
		Upto three months	Over 3 months to one year	Over one year to five years	Over five years		
----- (Rupees '000) -----							
<b>On-balance sheet assets</b>							
<b>Financial Assets</b>							
Cash and balances with treasury banks	} 2.90%	31,970,290	5,321,187	123,937	168,320	9,630	26,347,216
Balances with other banks		33,386,118	26,492,551	2,873,970	-	-	4,019,597
Lendings to financial institutions	} 5.85%	3,755,039	3,755,039	-	-	-	-
Investments		133,146,392	67,419,360	28,074,642	19,044,930	15,397,297	3,210,163
Advances	4% - 11%	258,306,053	155,724,198	39,845,802	35,619,745	12,899,957	14,216,351
Other assets	-	5,091,192	-	-	-	-	5,091,192
		465,655,084	258,712,335	70,918,351	54,832,995	28,306,884	52,884,519
<b>Financial Liabilities</b>							
Bills payable	-	7,601,766	-	-	-	-	7,601,766
Borrowings from financial institutions	2.73%	29,196,284	24,907,768	3,770,907	-	-	517,609
Deposits and other accounts	1.00% - 2.05%	404,629,059	313,165,158	3,702,290	281,531	-	87,480,080
Other liabilities	-	14,090,772	-	-	-	-	14,090,772
		455,517,881	338,072,926	7,473,197	281,531	-	109,690,227
<b>On-balance sheet gap</b>		10,137,203	(79,360,591)	63,445,154	54,551,464	28,306,884	(56,805,708)
<b>Non - financial assets</b>		21,326,574	-	-	-	-	-
<b>Total Net assets</b>		<u>31,463,777</u>					
<b>Cumulative Yield/Interest Risk Sensitivity Gap</b>			<u>(79,360,591)</u>	<u>(15,915,437)</u>	<u>38,636,027</u>	<u>66,942,911</u>	<u>10,137,203</u>

### 35. CURRENCY RISK

#### 35.1 Currency risk management

The management of the Group manages this risk by setting dealer, currency and counterparty limits and monitors the Group's exposure in this regard at all times.

For this purpose, the Group enters into ready, spot, forward and swap transactions in the inter bank market and with the State Bank of Pakistan in order to hedge its assets and liabilities and cover its foreign exchange position.

The management of the Group has also established dealing centres at certain strategic business centres and offshore banking units which operate in accordance with the strategies communicated by the Treasury Division. The currency risk at these locations is also managed in accordance with the instructions of Treasury Division which monitors the Group's exposure to currency risk on a global basis.

	2004			
	Assets	Liabilities	Off-balance sheet items	Net foreign currency exposure
----- (Rupees '000) -----				
Pakistan rupee	319,789,475	297,553,393	(8,559,410)	13,676,672
United States dollar	83,570,870	85,362,990	7,368,736	5,576,616
Great Britain pound	28,220,483	26,437,897	1,204,432	2,987,018
UAE Dirhem	15,168,830	12,511,069	(24,211)	2,633,550
Japanese yen	234,380	130,253	4,924	109,051
Euro	6,276,756	6,038,010	992,918	1,231,664
Other currencies	33,720,864	27,484,269	(987,389)	5,249,206
	<u>486,981,658</u>	<u>455,517,881</u>	<u>-</u>	<u>31,463,777</u>

### 36. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of traded investments is based on quoted market prices and unquoted equity investments are estimated using the equity method based on their available financial statements. Fair value of these investments has been disclosed in note 8.

Fair value of fixed term loan, other assets and other liabilities cannot be calculated with sufficient reliability due to absence of current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments. The provision for impairment of loans and advances has been calculated in accordance with the Group's accounting policy as stated in note 4.5.

The maturity and repricing profile and effective rates are stated in notes 33 and 34 respectively.

In the opinion of the management, the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since assets and liabilities are either short-term in nature or in the case of customer loans and deposits are frequently repriced.

### 37. CONCENTRATION OF CREDIT AND DEPOSITS

#### 37.1 Credit risk management

Habib Bank Limited (bank) has an established credit policy department responsible for formulating policies for extending and monitoring of credit in line with the management's risk acceptance methodology. The department has formally issued these credit policies through Credit Policy Manual. Credit risk is monitored, reviewed and analysed by appropriate officials in line with the guidelines contained in this manual.

This risk is managed through counterparty and credit limits and by obtaining adequate collaterals. Loans and advances to financial institutions are granted in accordance with the limits assigned to each institution. Cross border risk is mitigated by employing exposure limits computed with reference to the country / sovereign risk associated with such transactions and are updated on a regular basis.

The bank has also established an Asset Remedial Division to focus on expediting recoveries from all problem credits. This division negotiates with these borrowers and recommends all restructuring and rescheduling of stuck-up loans to the senior management. In case of willful default, the division coordinates with the legal division for commencing legal proceedings against these borrowers.

## 38. GEOGRAPHICAL SEGMENT ANALYSIS

	2004			
	Profit before taxation	Total assets employed	Net assets employed	Contingencies and Commitments
	----- (Rupees '000) -----			
Pakistan	6,181,910	397,637,219	17,227,296	97,718,272
Asia Pacific (including South Asia)	361,380	21,174,835	3,543,842	2,856,981
Europe (net of minority interest)	134,053	30,640,057	4,550,165	4,651,779
United States of America and Canada	50,550	1,608,511	609,492	211,001
Middle East	53,568	26,753,119	2,979,480	4,605,362
Others	382,081	9,167,917	2,553,502	269,073
	<u>7,163,542</u>	<u>486,981,658</u>	<u>31,463,777</u>	<u>110,312,468</u>

## 39. NET ASSETS OF SUBSIDIARY COMPANIES

(before intra-group elimination)

	2004	2003
	(Rupees in '000)	
Habib Allied International Bank plc., United Kingdom	2,626,430	2,219,728
Habib Finance International Limited, Hong Kong	423,953	413,343
Habib Finance (Australia) Limited, Sydney	540,400	470,037
Habib Bank Financial Services (Private) Limited, Karachi	73,187	54,392
Habib Currency Exchange (Private) Limited	92,392	-
	<u>3,756,362</u>	<u>3,157,500</u>

## 40. RELATED PARTY TRANSACTIONS

The Group has related party relationship with its associated undertakings, joint venture companies (refer note 8.7), employee benefit plans (refer note 4.7), 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 normal risk (i.e. under the comparable uncontrolled price method). Details of loans and advances to the companies or firms in which the directors of the Group are interested as directors, partners or in case of private companies as members, are given in note 9.9 to these financial statements.

Contributions to and accruals in respect of staff retirement and other benefits plans are made in accordance with the actuarial valuation / terms of the contribution plan. Remuneration to the executives, disclosed in note 32 to these financial statements, are determined in accordance with the terms of their appointment.

Details of transactions with related parties and balances with them as at the year-end were as follows:

	Note	2004	2003
		(Rupees in '000)	
Balances outstanding as at the year end			
- Borrowings from related parties outstanding as at the year end		6,700,394	4,971,451
- Deposits from retirement benefit funds		218,510	1,349,324
- Payable to staff welfare fund		-	287,582
- Receivable from defined benefit plan	30.3.3	3,584,238	3,900,951
- Balances with related parties		224,000	10,194
- Other contingencies and commitments		-	535,655
Profit / Expense for the year			
- Share of profit of joint venture companies - net of tax under equity basis of accounting		311,593	218,276
- Interest paid during the year		96,103	86,145
- Modaraba management fees		8,707	15,892
- Interest income for the year		14,777	8,611
- Other income		-	2,836

Transactions entered into with directors / executive officers as per their terms of employment are excluded from related party transactions.

## 41. PROFORMA INFORMATION

Restated proforma information as referred to in note 10.1 of the financial statements is presented below:

## 41.1 Extract of the profit and loss account

	For the year ended		Restated profit For the year ended	
	December 31, 2004	December 31, 2003	December 31, 2004	December 31, 2003
	----- (Rupees in '000) -----			
Mark-up/ return / interest earned	18,146,938	19,049,914	17,819,311	19,129,204
Mark-up/ return / interest expensed	4,467,402	5,446,340	4,424,490	5,469,252
Mark-up/ return / interest income	13,679,536	13,603,574	13,394,821	13,659,952
Provisions	2,320,224	5,484,744	2,320,224	5,484,744
Non mark-up/ return income	9,832,490	7,760,042	9,832,490	7,760,042
Administrative expenses	13,775,787	9,782,136	13,775,787	9,782,136
Other provisions and charges	252,473	339,986	252,473	339,986
Staff welfare funds	-	287,582	-	287,582
Profit before taxation	7,163,542	5,469,168	6,878,827	5,525,546
Taxation	1,484,036	1,451,511	1,360,453	1,474,626
Share of profit attributable to minority interest	13,910	4,837	13,910	4,837
Profit after taxation	5,665,596	4,012,820	5,504,464	4,046,083

## 41.2 Reconciliation of profit after taxation for the year to restated profit after taxation for the year

	For the year ended	
	December 31, 2004	December 31, 2003
	(Rupees in '000)	
Profit after taxation	5,665,596	4,012,820
Adjustment		
Interest on		
- investments against cash security	(327,627)	79,290
- security deposits	42,912	(22,912)
Related Tax charge	123,583	(23,115)
	(161,132)	33,263
Restated profit after taxation	5,504,464	4,046,083

## 41.3 Extract of statement of unappropriated profit/(loss)

	For the year ended		Restated profit For the year ended	
	December 31, 2004	December 31, 2003	December 31, 2004	December 31, 2003
	----- (Rupees in '000) -----			
Opening retained earnings as previously reported	(13,028,813)	(14,736,177)	(13,028,813)	(14,736,177)
Interest on investments and cash security - net of tax	-	-	161,132	127,869
Opening retained earnings as restated	(13,028,813)	(14,736,177)	(12,867,681)	(14,608,308)
Reduction in share capital	13,278,495	-	13,278,495	-
Profit for the year	5,665,596	4,012,820	5,504,464	4,046,083
Transfers to reserves - net	4,446,314	2,305,456	4,446,314	2,305,456
Closing retained earnings	1,468,964	(13,028,813)	1,468,964	(12,867,681)

42. **SPECIFIC PROVISIONS**

The Companies Ordinance, 1984 requires disclosure of the gross carrying value of the assets and provision made against them. The following are the specific provisions held in the books against the carrying value of the relevant assets:

	<b>2004</b>	<b>2003</b>
	<b>(Rupees in '000)</b>	
Balances with other banks	764,713	642,238
Investments	655,870	904,172

43. **CORRESPONDING FIGURES**

Corresponding figures have been rearranged and reclassified, where ever necessary, for the purpose of comparison. Significant reclassifications are as follows;

- Amount of Rs 222.120 million in respect of amortisation premium of Pakistan Investment Bonds, previously classified in Mark-up / return / interest expense - others, now netted off from Mark-up / return / interest earned - on Investments.
- Amount of Rs 213.157 million in respect of forward cover fee, previously classified in Mark-up / return / interest expense - forward cover fee, has now been included in Mark-up / return / interest expense - on deposits.
- Amount of Rs 67.949 million in respect of processing fees, previously classified in Other income - miscellaneous earnings, now reclassified as Fee, commission.
- Amount of Rs 166.520 million in respect of cash transfer and sorting charges, previously classified in Admin - others, now reclassified as remittance charges in Administration expenses.

44. **DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorised for issue on 28<sup>th</sup> March 2005 by the Board of Directors of the Bank.

45. **GENERAL**

These financial statements have been prepared in accordance with the revised format for financial statements of banks issued by the State Bank of Pakistan through BSD Circular No. 36 dated October 10, 2001.

**R. Zakir Mahmood**  
President and Chief Executive Officer

**Shaukat Hayat Durrani**  
Director

**Arif Mansur**  
Director

**Sajid Zahid**  
Director

HABIB BANK LIMITED  
DETAILS OF INVESTMENTS  
AS AT DECEMBER 31, 2004

ANNEXURE I

1.1 DETAIL OF INVESTMENTS  
Particulars of investments held in listed companies

1.1.1 Ordinary shares

Investee	Number of shares held	Paid-up value per share (Rupees)	Total paid-up value (Rupees)	Market value (Rupees)
Abamco growth fund	2,909,375	10	29,093,750	66,624,688
Abamco Capital fund	8,670,865	10	86,708,650	94,078,885
PICIC investment fund	11,546,714	10	115,467,140	176,664,724
Pakistan Strategic Allocation Fund	7,500,000	10	75,000,000	73,500,000
TRG Pakistan Ltd.	16,017,000	10	160,170,000	205,818,450
National Bank of Pakistan Ltd.	1,000,000	10	10,000,000	80,350,000
Dawood Lawrencepur Limited	317,855	10	3,178,550	26,984,667
HUBCO	25,659,000	10	256,590,000	823,653,913
Fauji Fertilizer Co. Limited	659,544	10	6,595,440	91,973,411
SEARLE Pakistan Limited	50,518	10	505,180	2,263,206
Unilever Pakistan Limited (Lever Brothers)	158,760	50	7,938,000	234,171,000
First Habib Bank Modaraba	197	10	1,970	2,561
Meezan Balanced Fund	2,500,000	10	25,000,000	25,000,000
Pakistan Industrial Credit & Investment Corporation	781,613	10	7,816,130	70,001,719
National Refinery Limited	1,400,182	10	14,001,820	425,235,273
Pakistan National Shipping Corporation	94,007	10	940,070	6,195,061
Pakistan International Airlines (Class 'A' Ordinary Shares)	100	10	1,000	1,370
			<b>799,007,700</b>	<b>2,402,518,929</b>

1.1.2 Preference Shares

Investee	Terms of Redemption	Number of Shares Held	Paid-up value per share (Rupees)	Total Paid-up value (Rupees)	Market value (Rupees)
Chenab Limited (preference shares)	Redeemable	10,000,000	10	100,000,000	100,000,000

1.1.3 Investments held in modarba certificates

Investee	Number of certificates held	Paid-up value per certificate (Rupees)	Total paid-up value (Rupees)	Market value (Rupees)
First Habib Bank Modaraba	3,970,720	10	39,707,200	52,413,504

1.1.4 Units

Investee	Number of units held	Paid-up value per unit (Rupees)	Total paid-up value (Rupees)	Market value (Rupees)
National Investment Trust	500,000	10	5,000,000	18,700,000
Pakistan Stock Market Fund	492,627	50	24,631,350	49,666,654
Pakistan Income Fund	340,724	50	17,036,200	17,571,137
Al Meezan Islamic Fund	300,000	50	15,000,000	18,765,000
Faysal balanced Growth Fund	250,000	100	25,000,000	26,017,500
Atlas Stock Market Fund	30,000	500	15,000,000	15,362,400
			<b>101,667,550</b>	<b>146,082,691</b>

1.1.5 Term finance certificates

Investee	Number of certificates held	Paid-up value per certificate (Rupees)	Total paid-up value (Rupees)
Bank Al Habib	5,000	15,000	75,000,000
Bank Al falah	5,000	10,000	50,000,000
Packages Limited	543	100,000	54,300,000
Packages Limited	17	5,000	85,000
Azgard Nine Limited	5,000	20,000	100,000,000
			<b>279,385,000</b>

## ANNEXURE I

## 1.2 Particulars of investment held in unlisted companies

## 1.2.1 Ordinary shares

Investee	Percentage of holding	Number of Shares Held	Paid-up value per share (Rupees)	Total Paid-up value (Rupees)	Break up value (Rupees)	Based on accounts as at	Name of Chief Executive
SME Bank Limited	4.08%	1,490,663	10.00	14,906,630	32,965,675	December 31, 2003	Mr. Mansur Khan
First Women Bank	37.98%	7,596,000	10.00	75,960,000	238,960,285	December 31, 2003	Ms. Zarine Aziz
Khushhali Bank (Micro Finance Bank)	17.60%	300	1,000,000.00	300,000,000	322,196,401	December 31, 2003	Mr. M. Ghalib Nistar
Pakistan Export Finance Guarantee Agency	10.55%	1,139,916	10.00	11,399,160	9,611,069	December 31, 2003	Mr. S. M. Zaem
N I T	16.67%	52,800	100.00	5,280,000	139,208,671	June 30, 2004	Mr. Tariq Iqbal Khan
Central Depository Company of Pakistan Ltd.	6.35%	634,600	10.00	6,346,000	20,067,406	June 30, 2004	Mr. Mohammad Hanif Jakhura
National Inst. Facilitation Technologies (PVT) Ltd.	10.68%	472,744	10.00	4,727,440	12,928,432	June 30, 2004	Mr. M. M. Khan
TMT PKIC Incubation Fund	12.50%	2,500,000	10.00	25,000,000	24,401,900	June 30, 2004	Mr. Kashif Shamim
				<b>443,619,230</b>			

## 1.2.2 Preference Shares

Investee	Terms of Redemption	Number of Shares Held	Paid-up value per share (Rupees)	Total Paid-up value (Rupees)	Break up value	Based on accounts as at	Name of Chief Executive
South Asia Regional Fund (preference shares)	Redeemable	2,086	54,328.28	113,328,792	89,465,201	December 31, 2004 Unaudited	Mr. Kandiah Belendra

## 1.2.3 Term finance certificates

Investee	No. of certificates	Paid-up value per certificate (Rupees)	Total Paid-up value (Rupees)	Name of Chief Executive
Pak Kuwait Investment Co.	400,000	5,000	2,000,000,000	Mr. Zaigaham Mahmood Rizvi
Bosicor Pakistan Limited	5,000	50,000	250,000,000	Mr. Pervez Abbasi
Pakistan International Airlines	700,000	5,000	3,500,000,000	Mr. Ahmad Saeed
			<b>5,750,000,000</b>	

## ANNEXURE I

## 1.3 Particulars of investments held in bonds and debentures &amp; Government Loans

Bonds and Debentures	Terms of Redemption			Principal Rupees in '000	
	Principal	Interest / Profit	Rate of Interest / Profit		
<b>1.3.1 Government guaranteed bonds - denominated in Pak Rupees</b>					
Government of Pakistan Bonds (A/c various PSE)	Repayable in full on maturity	Semi - Annual	Simple average of annual weighted average yield of six months treasury bill of preceeding year	3,523,940	
Rice Export Corporation of Pakistan Bond	Repayable in full on maturity	Annual	14%	476,000	
Saindak Metals Ltd. Bond	Semi - Annual	Semi - Annual	Federal Investment Bond rate at the time of issuance of Bond	762,901	
Rice Export Corporation of Pakistan Bond	Semi - Annual	Semi - Annual	Average of last six months Federal Investment Bond rate	1,022,212	
Trading Corporation of Pakistan Bond	Semi - Annual	Semi - Annual	Average of last six months Federal Investment Bond rate	356,385	
Ghee Corporation of Pakistan Bond	Semi - Annual	Semi - Annual	Average of last six months Federal Investment Bond rate	792,001	
Government of Pakistan Bond (A/c HEC,USC & PO DB )	Semi - Annual	Semi - Annual	Mark-up rate of 3 years' PIB + 30 bps	788,861	
Government of Pakistan Bonds (A/c SML)	Semi - Annual	Semi - Annual	Mark-up rate of 3 years' PIB + 30 bps	1,209,953	
				<b>8,932,253</b>	
WAPDA	Repayable in five years	Semi - Annual	SBP discount rate + 2%	<b>899,993</b>	
<b>1.3.2 Government guaranteed bonds to be issued against:</b>					
Assessed tax refunds and tax paid on Interest suspended of Non performing loans	Three years bonds with a six months grace period, effective from July 1, 2004 and will carry mark-up rate of 3 years PIB + 30 bps.			9,840,000	
Loan & advances transferred to CIRC	Terms not yet finalised			1,059,739	
				<b>10,899,739</b>	
<b>1.3.3 Government guaranteed bonds- denominated in US Dollars</b>					
Government of Pakistan - Bonds	Annual	Annual	6.75 to 10%	481,175	
Government of Pakistan - SML / RDC Bonds	Semi Annual	Semi Annual	6 Month Libor +2%	716,655	
Government of Pakistan - GOP Construction Bonds	Annual	Annual	3 Month Libor +1%	3,173,623	
				<b>4,371,453</b>	
<b>1.3.4 Government of Pakistan bonds (US Dollar / Euro)</b>					
Government of Pakistan US Dollar / Euro bonds	Annual	Annual	6.75 to 10%	2,475,958	
Other Certificates (Note No. 8.5)				261,398	
				<b>2,737,356</b>	
<b>1.3.5 Debentures - Government Guaranteed</b>					
	No. of Units	Paid up value per unit (Rupees)	Rate of interest	Total paid up value (Rupees)	Principal out standing (Rupees)
Cold Storage Haripur	10	100,000	12.5%	1,000,000	1,200,000
Cold Storage Haripur	30	10,000	12.5%	300,000	924,709
Cold Storage Mardan	9	85,000	15.0%	765,000	878,000
Cold Storage Mardan	1	91,308	12.5%	91,308	1,278,308
Cold Storage Peshawar	9	104,000	12.5%	936,000	1,102,000
Cold Storage Peshawar	40	10,000	12.5%	400,000	1,340,736
KDA - I	-	-	12.5%	-	53,250,000
KDA - II	-	-	15.0%	-	102,784,000
Leather Tanneries Jhangira	6	124,000	12.5%	744,000	657,325
				<b>4,236,308</b>	<b>163,415,078</b>

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 1

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6+7)
1	2	3	4	5	6	7	8
1	SHAHBAZ COTTON GINNER & OIL MILLS KHIPRO MIR PUR KHAS	HOTOO MAL / MIR MUHAMMAD  PERUMAL / DIN MUHAMMAD  KIRSHAN MAL / KARIM BUX		5.840	0.000	(Waiver) .722 (Reversal) .000	0.722
2	YUHAZ CORPORATION 5- WAQAR CENTRE MUHAMMADFEROZ STREET JODIA BAZAR KAR	M. HAZQUEEL 511-65-454876	H. HASHIM	8.273	1.648	(Waiver) 18.797 (Reversal) .000	20.445
3	PERVEEN IQBAL W/O M. IQBAL H- 37 GOVT COLLEGE RD AMILCOLONY HIRABAD HYD	449-58-241763		0.235	0.177	(Waiver) .318 (Reversal) .026	0.522
*4	RAVI ASBESTOS CEMENT PIPEIND(PVT)LTD 95-F INDUSTRIAL AREA KOTLAKHPAT LAHORE	CH. ASIAD ALI  RTD GEN SARFARAZ KHAN  BEGUM SIDDIQA SARFARAZ  MRS SHARMEEN ALI		7.225	2.436	(Waiver) 5.598 (Reversal) 4.060	12.095
5	FRONTIER PARTICAL BOARD (PVT) LTD 94-A JAMRUD RD PESHAWAR NWFP	OWAIS GHANI 136-51-090289 MRS RAFIA BEGUM  SHAHID HAYAT 128-53-093817 TAHIRA UMER 137-51-229033	SARDAR ABDUL GHANI  W/O COL ABDUL WADOOD KHAN  SAIRAL HAYAT  UMER KHAN	2.290	0.572	(Waiver) .480 (Reversal) .000	1.052
6	JAVOID AKHTAR AWAN S/O KHADIM HUSSAIN 796-C RAVI BLOCK ALLAMA IQBALTOWN LHR	272-49-041350		0.628	0.359	(Waiver) .038 (Reversal) .270	0.666
7	MRS NAFEEES BANO B-22/05 G.E IQBAL KARACHI	515-53-027376		0.197	0.074	(Waiver) .438 (Reversal) .000	0.512
8	SYED TALAT MEHBOOB S/O MEHBOOB ASGHAR FLAT B/10 KDA FLAT RASHIDMINHAS RD BLOCK G.E IQBAL	451-85-078365		0.233	0.136	(Waiver) .374 (Reversal) .000	0.511
9	MRS NAZIA ARIF 18/13 FLAT NO 4 SULEMAN PLAZABLOCK-10 GULSHAN-E-IQBAL	520-86-438391		0.230	0.143	(Waiver) .399 (Reversal) .000	0.542

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 2

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6+7)
10	MRS. BADRE HARAM C/O MUHAMMAD PERVAIZ KARYANASTORE 6/P MILLS AREA KORANGI			0.473	0.143	(Waiver) .402 (Reversal) .108	0.652
11	K.M. ZAKI & K.M SAMI MUNIR 15- OLD CLIFTAN KAR	K.M ZAKI/K.MSAMI/K.MUNIR 510-44-039478 MRS.KHAMAR KHANUM  BILAL RAFI/ MRS SAMIA RAFI  MISS SANI ZAKI/MISS SADAF ZAKI  K.MSAMI 510-47-039422		6.488	1.502	(Waiver) 6.446 (Reversal) 2.486	10.434
12	N.P. SPINNING MILLS LTD 702 UNI TOWER LICH RD KAR	INAM UR REHMAN 517-40-142657 ASIF INAM 517-85-392563 KHALID INAM/MAZHAR.H.JAFRI 517-88-392565/5 ABDUL QADIR 504-43-076522 MAZHAR.H.JAFRI 501-39-047688 MRS.SUMMAYYA 517-48-145920 KHURRAM IMAM 517-85-392564	LATE S.M.YAHAYA  INAM UR REHMAN  INAM UR REHMAN  IMAM UR REHMAN	34.153	5.513	(Waiver) .000 (Reversal) .000	5.513
13	SHUJAT ALI SHAH 37/111 2TH STREET KHAYABAN-E-MUJHAID DEFENCE SOCIETY KAR	457-85-108202		0.243	0.176	(Waiver) .262 (Reversal) .067	0.505
*14	M.S SPORTS WEAR R-4356 SEC 11-L N. KARACHI	MUKARRAM SAEED 518-60-361836	SYED MUHAMMAD ABDUL GHAFUOR	32.504	21.027	(Waiver) 37.027 (Reversal) 3.977	62.031
*15	RAFIQUE ENTERPRISES ROOM NO M-19 AL REHMAN TRADECENTRE SHAHRAH-E-LIAQUAT KAR.	RAFIQUE PARAKH 512-53-002140	HAJI ABDUL GHAFFAR	3.782	0.000	(Waiver) 2.308 (Reversal) 2.207	4.514
16	KHALIL ( PVT ) LTD OFFICE D-33 BLOCK 9 KESHANCLIFTAN KAR/FAC 5- BOAT BLDG FISH HARBER WEST WHARF KAR	CH MUHAMMAD YOUSUF 514-86-0500331 CH.ADNAN YOUSUF 514-85-050331	CH M. KHALIL  CH.M.YOUSUF	41.425	0.000	(Waiver) 43.533 (Reversal) .613	44.145
17	M. SIRAJ DIN MUHAMMAD SHAFI 77-A SATEILTE TOWN GUJRANWALA	M. MUNAWAR KHOKHAR	MUHAMMAD SHAFI(CDC A/C NO 9554	1.008	0.000	(Waiver) 1.102 (Reversal) .000	1.102
18	SINSAS ENTERPRISES (PVT) LTD PLOT NO 45 PHASE 111 HATTARINDUSTRIAL ESTAT HARI PUR	IKRAMULLAH 17301-1641601-5 SAEED IKRAMULLAH 173011588386-5	REHMATULLAH  KAMRANULLAH	24.896	9.498	(Waiver) 24.718 (Reversal) 4.718	38.933

HABIB BANK LIMITED

AMOUNTSWRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 3

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
		MRS SHSHNAZ IKRAMULLAH 173011393947-4 MRS NADIA IKRAMULLAH	W/O IKRAMULLAH KHAN				
		MRS RAZIA AZIZUDDIN					
		MRS IMRAH AZIZUDDIN 374059503283-1 TAHIR AZIZUDDIN 374056439255-7					
19	POLYMER PRODUCTS (PVT) LTD 160 IND ESTSTE GADOON AMAZAI	M.K. BABAR /MRS FAUZIA BABAR		1.661	1.061	(Waiver) 2.265 (Reversal) .000	3.327
20	SURRIA BEGUM H NO 770 BLOCK NO 3-D-11 SEC GREEN TOWN LHR	270-43-322030		0.230	0.171	(Waiver) .285 (Reversal) .059	0.515
21	NAJAM-UL-ISLAM FAROOQI ALLAH TAWAKAL RD RAMZAN ST SHAH GOHER ABAD SHALIMAR LHR	267-89-029311	JALIL-UR-REHMAN	0.270	0.200	(Waiver) .381 (Reversal) .070	0.651
22	MUHAMMAD ANWAR CH 9/2 MAIN CHAMBER TEMPLE RD LHR343-A/1 TOWN SHIP LHR	270-49-043732		0.624	0.000	(Waiver) 1.198 (Reversal) .000	1.198
23	SAJJAD BROTHERS 338 SHAMSABAD COLONY MULTAN	SAJJAD AHMED 322-53-667811	FAIZ AHMED	0.495	0.000	(Waiver) .919 (Reversal) .000	0.919
24	IBRAHIM SONS PRINTERS KHAN RIZAN OPP STARLITE CINEMA NEWABADI COLONG MULTAN	KHAN RIZWANI 322-42-692691	M. IBRAHIM KHAN	0.716	0.000	(Waiver) .432 (Reversal) .324	0.756
25	SALEEM CLOTH HOUSE 42-43 NISHTER BAZAR RAHIM YARKHAN	MUHAMMAD SHAFI 358-85-241188	MUHAMMAD HUSSAIN	0.582	0.000	(Waiver) .564 (Reversal) .119	0.683
26	MODERN TEXTILE MILLS LTD 1ST FLOOR 18 BADRI BUILDING L.I. CH RD KAR	M. QASIM / M. YOUNUS AYOOB  EJAZ TAHIR MUHAMMAD  MUHAMMAD YOUSUF SULEMAN  AMIN TAHIR MUHAMMAD  SHOUKATALI/M. HAJI OMAR		32.261	22.261	(Waiver) 29.324 (Reversal) .000	51.585
27	HALEEM STEEL & RE ROLLING MILL 9-B IND ESTATE MULTAN	IFTIKHAR HUSSAIN KHAKWANI  ASSHA KHAKWANI / AYUB KHAKWANI  FARHAT SHAH KHAKWANI  ZARGHAM KHAN KHAKWANI		15.083	0.000	(Waiver) 23.201 (Reversal) 3.382	26.583

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section (3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 4

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6+7)
28	SPINZER IND LTD INDUSTRIAL ESTATE JAMRUD RDPESHAWAR	GHULAM MUHAMMAD YOUSUF ZAI 136-28-040807 MUHAMMAD AKBAR/TARIQ HUSSAIN 117-29-176665/ SAIFUR REHMAN/M. NISAR  WAKIL/PERVAIZ/ZUBAIDA YOUSUF		28.525	20.011	(Waiver) 52.744 (Reversal) 3.077	75.832
29	SPINZER INDUSTRIES LTD PLOT NO 138 IND ESTATE JAMRUDRD PESHAWAR	GHULAM MUHAMMAD/ M. AKBAR 136-28-040807/117-29-176665 TARIQ HUSSAIN/SAIFUR REHMAN  MUHAMMAD NISAR/WAKEEL  PERVAIZ / MRS ZUBAIDA YOUSUFZA		25.999	16.793	(Waiver) 32.492 (Reversal) 4.643	53.928
*30	AAN HOSSIERY (PVT) LTD P/157 RAILWAY ROAD SADIQ MKT FAISALABAD.	MS.NIGHAT GUL 246-88-327577 M. ARSAHAD / FAQIR AHMED KHAN 33100-8704284-7		14.410	5.471	(Waiver) 5.904 (Reversal) 5.539	16.914
*31	MACMOD TEXTILE MACHINERY (PVT) LTD 277 REWAZ GARDEN LHR	IMRAN SABIR 295-64-462743 HUMAYAN ZAFAR 295-87-261690 CH M. YOUSUF / CH. ALI AHMED  SABIR ALI CH		2.765	0.552	(Waiver) 3.880 (Reversal) 1.143	5.575
32	AAMI BROTHERS H NO 7 ST NO 7 NAZIMABADTAJPURA SHED BAGH LHR	M. IQBAL 260-62-320740	MUHAMMAD BUKHSH	4.253	1.753	(Waiver) 7.206 (Reversal) .000	8.959
33	DYFIN (PVT) LTD PLOT NO 4/90 SECTOR 21 KORANGIIND AREA KAR	KHALID MUJTAB MUSTAFA 502-52-067309 MRS FARAHAT ZIA 514-85-133738 MRS REHANA MOHSIN 514-37-122274 MRS RAKHSHANDA QURESHI 514-41-104091		17.339	7.608	(Waiver) 8.595 (Reversal) 2.254	18.457
34	MAK TEX (PVT) LTD 107 HATIM ALVI RD BLOCK 5CLIFTAN KAR	SIKANDER HAYAT/REHMAT UN NISA BEGUM		82.171	10.879	(Waiver) 40.974 (Reversal) .000	51.854
35	N.J.K TEXTILE CA-331 GABOL TOWN BLOCK -16F.B.AREA KARACHI .	MUHAMMAD HANIF		1.782	0.197	(Waiver) 1.124 (Reversal) .391	1.712

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 5

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6+7)
36	DASCON (PVT) LTD 128 SANTI RD LAHORE CANTT	R.D DURRANI/AYAZ DURRAYNI  SHAMA DURRANI/ ASFA DURRANI  K.S SAIFULLAH/SHEIKH SAIFULLAH  MAKEEN SAIFULLAH  MRS.ASMA ASLAM BAIG		23.196	5.407	(Waiver) 39.538 (Reversal) 7.289	52.234
37	METROPOLITAN STEEL CORP LTD MAIN OFFICE BLDG 1ST FLOOR PLOT NO H-E-1 LANDHI IND AREA KAR	SIKANDER ALIJATOI/JAMAL HASSAN  MAZHAR ALIJATOI/SYED.M. MASOOD	DUR MUHAMMAD/SHAFI AHMED  DUR MUHAMMAD JATOI/SYED.M. ILYA	107.193	51.510	(Waiver) 202.339 (Reversal) 6.921	260.769
38	METROPOLITAN STEEL CORP LTD MAIN OFFICE BLDG 1ST FLOOR PLOT NO H.E.1 LANDHI IND AREA KAR	SIKANDER ALIJATOI/JAMAL HASSAN  MAZHAR ALIJATOI/SYED.M.MASOOD	DUR MUHAMMAD /SHAFI AHMED  DUR.M. JATOI/SYED.M.ILYAS	69.000	69.000	(Waiver) .000 (Reversal) .000	69.000
39	PAK STEEL CORPORATION 724/10 LIQUATABAD KAR	IRFAN AHMED SHAIKH 501-60-184641	SULTAN AHMED SHAIKH	3.415	0.000	(Waiver) 1.976 (Reversal) 1.075	3.052
40	H.N MOTORS 22/4 JAIL RD LHR	MIAN MUHAMMAD HAFEEZ 265-86-200870		0.232	0.000	(Waiver) .469 (Reversal) .232	0.701
41	KHURSHED AHMED SOOMIO 19-B JAMAL APPTT KHOJAK RDQUETTA	601-88-381811		0.190	0.000	(Waiver) .497 (Reversal) .013	0.510
42	CH MUHAMMAD TUFAIL GALI CH NAWAB DIN WALIKHOKHERKEE GRW.	285-92-711675	CH.BERKAT ALI	0.262	0.000	(Waiver) .426 (Reversal) .250	0.676
*43	FAROOQ AHMED COTTON MILLS LTD NEW BLOCK 2 HOCKEY STADIUM KAR	TASFIN I HAQ/FAISAL HAQ 517-35-120664 IZHAR-UL-HAQ/MRS.AMRIN HUQ		90.765	49.897	(Waiver) 30.399 (Reversal) 29.622	109.918
44	SHAIKH NADEEM IQBAL H NO 601 NARGIS BLOCK ALLAMAIQBAL TOWN LHR	276-88-142056		0.415	0.099	(Waiver) .374 (Reversal) .086	0.559
45	SHAIKH SOHAIL JAMIL PHERMOX 34- NICHOLSAN RD LHR	265-89-336838		0.735	0.062	(Waiver) .372 (Reversal) .142	0.576
46	MRS.MALIK SULTAN W/O SADDARUDDIN FLAT NO 16 KHADIJA MANZILPUNJABI CLUB KAR	511-30-023064		0.306	0.067	(Waiver) .381 (Reversal) .056	0.504
47	ABDUL KARIM MAIN LANGEER COMPUND KAKA ST LAWRENCE RD KAR			0.218	0.166	(Waiver) .349 (Reversal) .001	0.517
48	MUHAMMAD YOUSUF			0.242	0.150	(Waiver) .378	0.528

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 6

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
	E-1 ASPERA APPTT F.C AREA KAR	641-89-183495				(Reversal) .000	
49	ABDUL WAHID ABDUL MAJID 1ST & 2ND FLOOR ADAM BLDGMUHAMMAD FEROUZ STREET JODIA BAZAR KAR	ABDUL WAHID 501-44-184051 MST. HANIFA HAJIANI 501-27-605421 ABDUL MAJID 501-94-351609	HAJI MUHAMMAD  W/O HAJI MUHAMMAD  HAJI MUHAMMAD	116.691	67.251	(Waiver) 125.637 (Reversal) 2.457	195.345
50	H.M. INTERNATIONAL 1ST & 2ND FLOOR ADAM BLDGMUHAMMAD FEROUZ STREET JODIA BAZAR KAR	ABDUL WAHID 501-44-184051	HAJI MUHAMMAD	4.613	0.000	(Waiver) 3.395 (Reversal) .112	3.507
51	FUJI ELECTRONICS 4/C 4/7 COMMERCIAL AREANAZIMABAD KAR	SHOUKAT ALI MUGHAL	HAJI LUTAFULLAH	1.555	0.000	(Waiver) 1.843 (Reversal) .430	2.273
52	AHMED OIL IND (PVT) LTD 1ST 2ND FLOOR ADAM BLDGMUHAMMAD FEROUZ STREET JODIA BAZAR KAR	M.YOUNUS  ABDUL MAJID 501-94-351609 ABDUL WAHID	HAJI MUHAMMAD	8.953	0.000	(Waiver) 6.626 (Reversal) .438	7.064
53	TAIMOOR TEXTILE (PVT) LTD 21 KMCHAK NO 245/RB SHANTIPUR SAMMANDRI RD F/ ABAD	ATTAULLAH SAJJAD/M. TARIQ  HAJIM. SHARIF/M. AKRAM  SHAMIM AKHTAR/NABILA KHANUM		2.029	0.000	(Waiver) 1.225 (Reversal) 2.029	3.255
54	M.AZIZ & COMPANY ADAMJEE DAWOOD RD KAR	ABDUL MALIK (BARO)  ABDUL MALIK (CHATIO)  MRS. MARIUM KHATOON		0.843	0.144	(Waiver) 1.082 (Reversal) .298	1.525
55	ABDUL AZIZ RAMZAN WALI 28/B M.T KHAN RD KARACHI	ABDUL MALIK (BARA)  ABDUL MALIK (CHOTA)		15.056	1.629	(Waiver) 14.163 (Reversal) 7.427	23.219
56	ABDUL AZIZ RAMZAN WALI ADAMJEE DAWOOD RD KAR	ABDUL MALIK (BARA)  ABDUL MALIK (CHOTA)		6.757	2.000	(Waiver) 10.574 (Reversal) 1.757	14.331
57	RAJA HAFEEZ AHMED S/O ABDUL MAJID			0.939	0.125	(Waiver) .322	0.777

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 7

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
	5/61 SADIWAL COLONY MULTAN RDLHR					(Reversal) .331	
58	RAJA MUHAMMAD BANARAS S/O KALO KHAN UPPER GODWAN STORE KHUDAD STREET NEAR FAROOQI SCHOOL SHALIMA	267-31-135352		0.391	0.194	(Waiver) .244 (Reversal) .063	0.501
59	NAWAB DIN GARMENTS IND (PVT) LTD 69 71/C 12TH COMMERCIAL STREET PHASE 11 EXT DEFENCE HOUSING AUTHORITY KAR	M. SAEED NAWABDIN/M.SARFARAZ NAWAB DIN MRS.AMNA NAWABDIN/NOOR SAEED MRS.MISBAH SARFARAZ		1.121	0.270	(Waiver) 1.202 (Reversal) .000	1.472
60	KH. ARSHAD SHAHEEN S/O KH.M.BASHIR 87 RAZA BLOCK ALLAMA IQBAL TOWN LHR	221-92-187676		0.271	0.157	(Waiver) .308 (Reversal) .039	0.504
61	HUSNAIN & COMPANY CHEEMA COTTON FACTORY OKANWALARD CHICHAWATNI	ASHFAQ AHMED CHEEMA/M. AFZAL 255-59-301739 SAIMA HASREEN/ SHAHID MAQBOOL MR. RAZ AHMED		1.224	0.165	(Waiver) 1.668 (Reversal) .224	2.058
62	SALEEM KHAN R-883 SEC 15A/4 BUFFER ZONE KARACHI	512-55-122408		0.242	0.193	(Waiver) .332 (Reversal) .000	0.525
63	KAY & KAY 201-204 FARID CHAMBER ABDULLAH HIRON RD KARACHI	KHALID SHEIKH	GHULAM SHAIKH	1.030	0.134	(Waiver) .235 (Reversal) .164	0.533
64	GHULAM MUSTAFA S/O MUHAMMAD IBRAHIM BANGLOW NO 34B DEFENCE SOCIETY HYD			0.462	0.000	(Waiver) .717 (Reversal) .176	0.894
65	MOON STRAW BOARD FACTORY NEAR QADIRABAD BARRAGE WAZIRA-BAD DISTT GRW	NAZIR AHMED BUTT 288-47-233402	FAZAL AHMED	1.052	0.000	(Waiver) 1.439 (Reversal) .352	1.791
66	HAFEEN HALLA 100 POONCH RD LHR	MALIK NAVEED AHMED 272-45-361054		9.104	0.000	(Waiver) 7.258 (Reversal) 2.276	9.534
67	AL- HAMAD HI TECH IND (PVT) LTD INSHALLAH KHAN BUILDING THORANTAN RD LAHORE	WING COMM (R) LAEEQUE AHMED MRS FAUZIA LAEEQUE LT.COL (RTD) FAZL-E-NAEEM 210-37-202235	INSHALLAH KHAN W/O LAQUE AHMED FAZL-E-ELLAHI	1.393	0.000	(Waiver) 1.925 (Reversal) .000	1.925
68	NASEEB TRADERS 498-JINNAH COLONY FAISALBAD	MUHAMMAD SAEED 248-71-394160	MUHAMMAD DIN	1.350	0.000	(Waiver) .529 (Reversal) .000	0.529
*69	MUSTAFA SPINNING MILLS (PVT) LTD PROJECT 36 K.M SHAIKHUPURA RD FAISALABAD	SAFDAR MUNIR 517-62-193892 MST AMBREEN ALI 42301-2685480-2	IQBAL MUNIR W/O ALI RIAZ	276.844	177.395	(Waiver) 242.908 (Reversal) 12.177	432.479

H A B I B B A N K L I M I T E D

AMOUNTSWRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 8

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
70	NASURALLAH S/O MUHAMMAD YAQOOB R/O TALIBAL MOULA COLONYHALA	453-92-035507		0.236	0.158	(Waiver) .324 (Reversal) .026	0.508
71	ZEESHAN ENTERPRISES 608-G-1 M.A JOHAR TOWN LAHORE	KHALID MALIK	MALIK MUHAMMAD AMIN	0.903	0.319	(Waiver) .466 (Reversal) .000	0.786
72	SHAHZAD ENTERPRISES R NO 7 1ST FLOOR YOUSUFCHAMBER DARYALAL STREET JODIA	MUHAMMAD ASHFAQ 518-60-073705	ABDUL GHAFFAR	0.900	0.000	(Waiver) 2.274 (Reversal) .000	2.274
*73	ABDUL HAFEEZ KHOKAR(LATE) S/O M.SAD H NO R. 40 BLOCK 13D/1GULSHAN-E-IQBAL	518-87-013344	HAJI MUHAMMAD SADIQ	0.205	0.185	(Waiver) .336 (Reversal) .000	0.521
74	GADOON INDUSTRIES (PVT) LTD BAHARIA COMPLEX NO 1 GROUND FLOOR M.T. KHAN RD KAR	QAISER AHMED SHAIKH 517-46-063081 IRFAN QAISER SHEIKH 517-90-210639	HAJI MIAN MUHAMMAD UMER  QAISER AHMED SHEIKH	8.187	0.627	(Waiver) 6.421 (Reversal) .000	7.048
75	STEELMELT (PVT) LTD MOUZA DOLLO KHURD 21-K.M.FEROZPUR LAHORE	M. SAFDAR KHAN/ HAROON BASHIR  OMAR FAROOQ / BEGUM TASNIM SAF		7.635	3.553	(Waiver) 11.604 (Reversal) 1.172	16.329
*76	MILKWAYS LTD 18-RACLAWN RD LAHORE	CH.NAZIR AHMED/CH.BASHIR AHMED  AHMED SAEED SYED/DR.AHMED TANVEER  MRS.SHAHEEN RAHEEM/MRS.REHANA YASMEEN  MRS. MUQADUS NAQVI		13.631	2.020	(Waiver) 26.274 (Reversal) 1.917	30.211
*77	NIAZ KNITWEAR (PVT) LTD 1/2 K.M DEFENCE RD LHR24K.M. MULTAN RD LHR	FARRUKH NIAZ 270-90-387368 SYED MEHMOOD-UL-HASSAN 502-86-030942 NASIM LATIF 272-88-495614	GHULAM RASOOL  SYED NOORUL HASSAN  ABDUL LATIF ANJUM	27.287	9.963	(Waiver) 7.635 (Reversal) 11.100	28.697
78	ZAKARIA WEAVING IND (PVT) LTD 47-B IND ESTATE MULTAN	SHAMIM HAIDER 322-36-583872 NADEEM HAIDER 322-86-583876 WASIM HYDER 322-93-583874 SHAHIDA PARVEEN 244-91-148696	ZIAUDDIN HAIDER  SHAMIM HAIDER  SHAMIM HYDER  W/O KH.SHAHID	4.092	0.000	(Waiver) 1.470 (Reversal) 3.392	4.862
79	PUNJAB ARMS 605 THE MALL LHR	MIAN FERAZ SALHUDDIN		1.239	0.000	(Waiver) 1.086 (Reversal) .093	1.179

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 9

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6+7)
80	ORION CERAMICS (PVT) LTD 137-A IND AREA 1/9 ISB	CH.M. AZAM 705-36-041682 TAHIR NIZAMI 601-64-207114 JAVED AKHTER 705-58-077937			0.537	0.537 (Waiver) .023 (Reversal) .000	0.559
81	AXEL ENTERPRISES KHADIM ALI RD SIALKOT	JAVED IQBAL 288-45-118003 KASHIF IQBAL 300-89-341470 KHALID MEHMOOD	SH. M.TAJ  HAJI JAVED IQBAL	2.795	0.398	(Waiver) 2.605 (Reversal) .315	3.318
82	RIAFFAT ZAMAN KIYANI H NO 7 BLOCK 8 SCHEME 33GULISTAN-E-JOHER, KARACHI	502-47-408670		0.274	0.129	(Waiver) .351 (Reversal) .021	0.501
83	BASHEER AHMED BISHMILLAH KUSHAN MARKET YOUSF GOTH NATIONAL HIGHWAY	519-52-335141		0.386	0.159	(Waiver) .477 (Reversal) .037	0.673
84	M.ASGHAR HUSSAIN S/O M. HUSSAIN H NO 710/17 FATIMA JINNAH COLONY JAMSHEED RD KAR	505-92-087622		0.411	0.094	(Waiver) .387 (Reversal) .074	0.554
*85	QAYYUM SPINNING LTD A-24/A TEXTILE AVENUE SITEKAR	M.QAYYUM/MRSMAHMOODA KHATOON  MRS.AZEEMA KHATOON/ABDULKHALIQ  M. NAEEM /SAIFUR REHMAN  M. SHAFIQ	M.KHALIL/W/O M. KHALIL  W/O M.QAYYUM/S/O M. KHALIL  M.KHALIL/NAZEEM AHMED  M.DIN	95.155	16.978	(Waiver) 123.596 (Reversal) 4.016	144.590
86	ALLIANCE TEXTILE MILLS LTD G.T.RD JHELUM 201-FFC GREENVILLAGE SYED MIRATBALI RD LHR NTN.NO.30-07-0658193	SH.AMJAD RASHID/AHSAN RASHID 270-42-183364/ SH.ATIF RASHID 270-87-183366 ABDUL ROUF MALIK/MRS.AFZAL  MRS.IRUM ABID		30.708	0.000	(Waiver) 56.967 (Reversal) 19.062	76.029
87	MUHAMMAD HANIF S/O QASIM ALI 76-M GULBERG -3 LAHORE	279-59-617335		0.389	0.176	(Waiver) .249 (Reversal) .114	0.539
88	KHAMISANE SERVICES (PVT) LTD 19/1 A BLOCK 6 PECHS KARACHI	JUNAID KHAMISANI  MRS.SHAHEEN KHAMISANI  MRS.FAHMEEDA  M. IQBAL KHAMISANI	S/O ABDUL QADIR  W/O ABDUL JABBAR KHAMISANI	2.987	0.342	(Waiver) 4.692 (Reversal) .405	5.439

H A B I B B A N K L I M I T E D

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 10

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
		MRS AMINA KHAMISANI	W/O HAJI MUHAMMAD KHAMISANI				
89	KHAMISANI SONS 22-A NEW CLOH MARKET BUILDING M.A JINNAH ROAD KARACHI	ABDUL JABBAR/JAWED KHAMISANI  WAQAR AYUB KHAMISANI	ALHAJ M. AYUB KHAMISANI  MRS. ZULEKHA KHAMISANI	6.390	0.078	(Waiver) 12.388 (Reversal) 1.519	13.985
90	SAFA PLASTIC C-34 BLOCK I NORTH NAZIMABAD KARACHI	JAMAL AHMED SIDDIQUE 210-52-218677 MRS. SABA JAMAL 502-62-110722 IQBAL HUSSAIN/MRS FARHAT  ADNAN HUSSAIN/ TARIQ HUSSAIN		2.972	1.190	(Waiver) 4.540 (Reversal) 1.032	6.762
91	TOUCH STONE (PVT) LTD 28 C/2 GULBERG-III. LAHORE	MIRZA SHOUKAT MEHMOOD 272-38-412413 UZMA BEG /KAMRAN KHAN 272-92-249152	MIRZA SHOUKAT BEG/WAQAR KHAN	2.246	0.000	(Waiver) .670 (Reversal) .000	0.670
92	JUNEJO FLOUR & GEN MILLS (PVT) LTD A-2 SITE AREA SHIKARPUR ROADSUKKUR	MRS.GULNAR SHAIKH 516-38-425739 MST SAIRA REHMAN 516-45-048621 MST SAKINA CHANNA 450-93-007724 QADIR BUX 473-86-023574 SHAH GHULAM 312-93-011127	GHULAM ALI SHAIKH  D/O ABDUL REHMAN  D/O M. ISSA  ABDULLAH  NABI BUX	11.864	0.000	(Waiver) 4.285 (Reversal) .000	4.285
*93	A&B OILS IND LTD H-6 ESTATE AVENUE S.I.T.EKARACHI	CAPT.TARIQ SUBHAN		4.627	0.000	(Waiver) 7.221 (Reversal) .627	7.848
94	AZAR AYUB S/O MD AYUB P-01 LATEEF CHOWK G.M.ABADFAISALABAD	246-88-220743		0.409	0.210	(Waiver) .145 (Reversal) .174	0.529
95	QAISER BROTHERS (PVT) LTD BAHARIA COMPLEX NO 1 GROUND FLOOR M.T KHAN KARACHI	QAISER AHMED SHAIKH 517-46-063081 IRFAN QAISER 517-90-210639	M. UMER  QAISER AHMED SHAIKH	9.491	3.723	(Waiver) 7.693 (Reversal) .000	11.416
96	ATLAS CABLES (PVT)LTD 9TH FLOOR TEXTILE PLAZA MUMTAZ HASSAN ROAD KARACHI.	S.ARSHAD JAVED 517-43-051145 S.RASHEED MAZHAR 517-91-021495 S.SOHAIL MAZHAR 517-59-021494	S.NAZIR HUSSAIN  S.MAZHAR HUSSAIN  S.MAZHAR HUSSAIN	35.000	0.000	(Waiver) 8.251 (Reversal) .000	8.251

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 11

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6+7)
		S.DANISH JAVED 517-91-051148	S.ARSHAD JAVED				
97	MUHAMMAD UMER SOLANGI 48-5-27AK SLAUGHTER YARD RDSHAH BAIG LYARI KAR	508-52-163260		0.213	0.090	(Waiver) .337 (Reversal) .083	0.510
98	SHAHID ABBAS S/O IQBAL HUSSAIN 163-A GHULAM MUHAMMAD ABAD/ ABAD	246-57-198569		0.337	0.279	(Waiver) .286 (Reversal) .057	0.623
99	AJRAK GARMENTS E-12 NAJMA SQ BLOCK 13GULSHAN-E- IQBAL KAR	BASHIR NIAZAI/GHULFAM AHMED ALTAF HUSSAIN	SARFARAZ KHAN/ M. NAZIR AHMED GUL HUSSAIN	3.852	0.000	(Waiver) 3.470 (Reversal) 1.002	4.473
*100	TEEKO IMPEX 7/21 RIMPA PLAZA M.A JINNAHRD KAR	TARIQ SAYEED 42201-1698741-5	SAEED A SHEIKH	9.096	5.996	(Waiver) 18.682 (Reversal) .000	24.678
*101	NATIONAL CONSTRUCTION CO LTD INST. OF ENG BUILDING SHAHRAH-E-FAISAL KAR	BRIG M. KHALID CHEEMA LATIF KHAWAR/FIRASAT ALI SHAHID HAMID/ABDUL GHANI SAMEEN LAIQ SHAH/RASOOL AHMED KALEEM M. RAZIQ/ BRIDG RTD SYED DILBAR		49.980	0.000	(Waiver) 109.184 (Reversal) .000	109.184
*102	NATIOANL CONSTRUCTION LTD NC H NO 26 MOUVE AREA G-9/1ISLAMABAD/ INST OF ENGG BLDG SHAHRAH-E-FAISAL KAR	SYED JALIL ABBAS/SYED DILBAR ATIF RIAZ/ ABDUL GHANI SAMEEN ABDUL ROUF/RASOOL AHMED		49.153	0.000	(Waiver) 118.048 (Reversal) .000	118.048
103	STAR SILICA IND LTD 309-A UPPER MALL LAHORE	ZAKARIA GHANI/M.UMAR HAJIGHANI YUSUF DADA/ A.WAHAB GHANI A.WAHAB GHANI/IDRIS GHANI M. NASEER /RAZA BALAND IQBAL QASIM SIDDIQUE/SARFARAZ RANA SIDDIQUE BUDHANI		5.128	3.693	(Waiver) 5.838 (Reversal) 1.267	10.798
*104	KASBATI AGENCIES 3RD FLOOR RIZWAN CHAMBER JODIABAZAR KAR	HABIB AHMED /BASHIR AHMED	M.UMER /AHMED ALI	0.168	0.168	(Waiver) .579 (Reversal) .000	0.747

H A B I B B A N K L I M I T E D

AMOUNTSWRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance,1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 12

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
105	EUROPAK IMPEX 14-15 NOOR ESTATE SHAHRAH-E-FAISAL KAR	ABUBAKAR ISMAIL/TAHIR HUSSAIN  MRS. LUBNA MEHMOOD/SAFIA TAHIR  NAHID ASGHAR	ISMAIL / SYED SHABBIR HUSSAIN  MEHMOOD/ TAHIR HUSSAIN  W/O S.M ASGHAR		1.243 0.793	(Waiver) 5.591 (Reversal) .000	6.384
106	NAZIR SHAH S/O BAHADUR SHAH 32/2 AHATA MALIK MUHAMMAD DIRFAIZ BAGH LHR	275-61-332584		0.555	0.190	(Waiver) .455 (Reversal) .000	0.646
107	YASEEN SHAHAB S/O SHAHABUDDIN H NO 330 BLOCK 2-C-1 TOWNSHIP LHR	273-92-402		0.535	0.358	(Waiver) .878 (Reversal) .000	1.236
108	HUSSAIN.M.TEXTILE MILLS (PVT) LTD SITE-AT MOUZA JODHU DHEERTEHSIL LAHORE DISTT OFF143 ABU BAKAR BLOCK NEW GARDEN TOWNLHR	HUSSAIN AHMED KHAN LEGHARI 309-86-035538 MRS. KAUSER LEGHARI 309-46-035536 MRS.AMINA AMMNUDDIN 309-66-035537	SARDAR MAQSOOD AHMED KHAN LAGHARI  W/O SARDAR MAQSOOD KHAN LAGHARI  SARDAR MAQSOOD AHMERD KHAN	33.071	19.732	(Waiver) 6.293 (Reversal) 7.639	33.664
109	IRAM TEXTILES LTD 16 KM MULTAN RD KAR	KHURSHID AKHTAR KHAN 272-85-155748 MRS.IRAM AKHTAR KHAN 272-85-155750 DR.RASHID AKHTAR KHAN 272-93-143238 WAJID ALI 272-36-381571 MRS. NASREEN WAJID 272-42-381572 MRS. SHAH NAZ ARSHAD 274-29-060991 MRS.KHADJJA BEGUM 272-09-143237 MRS.SHAHNAZ ARSHAD 274-29-060991 MRS.KHUDJJA BEGUM 272-09-143237		63.095	27.975	(Waiver) 30.076 (Reversal) .000	58.051
110	AL-FARAN INTERNATIONAL 65- RAILWAY LAREX COLONY SHAHDARA LHR	IJAZ UL HAQ 244-52-111930	CH. NOOR UDDIN	0.780	0.000	(Waiver) 1.801 (Reversal) .000	1.801
111	CRYSTAL TEXTILE PROCESSING MILLS(PVT)LTD G.T RD ATTAWA GRW	M. ANWAR JAWAID 210-36-342262 KHALID MEHMOOD 285-86-408705 ABDUL QAYUM 285-89-071070 MANSOOR HAIDER JAVAID 210-90-342267 NASIM JAVED	MALIK SHAH MUHAMMAD AWAN.  HAJI MIRAJ DIN  HAJI MIRAJ DIN  MALIK SHAH MUHAMMAD AWAN  W/O M.ANWAR JAWAID	13.743	0.000	(Waiver) 3.305 (Reversal) 1.743	5.048

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section (3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 13

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6+7)
		210-38-342263 M.AYUB 285-85-408707 MRS.NAJMA QURESHI 274-43-298929	HAJI MIRAJ DIN  W/O JAVED AHMED QURESHI				
112	TARI LEATHER INDS BUTT STREET BOGHARA DASKA RDSIALKOT	HAFIZ M. RIAZ BUTT 300-61231561 M.IFTIKHAR 34603-2137587-3 M. ASHRAF RAZA 300-56-231558 MST.BUSHARA BUTT 300-51-588495	M.TUFAIL BUTT  M.TUFAIL BUTT  M.TUFAIL BUTT  M.AFZAL	10.737	0.000	(Waiver) .345 (Reversal) .000	4.151
113	MANZAR IDREES AWAN H NO 1 SHERWANI COLONY TIPPOST.MOH. IMAM SAHIB SIALKOT.	300-88-029070		0.191	0.191	(Waiver) .345 (Reversal) .000	0.537
114	RUBAB MASOOD 7-W-E MADINA TOWN FAISALBAD	244-93-060100		0.332	0.277	(Waiver) .353 (Reversal) .055	0.686
*115	AL-HAMEED ENTERPRISES 44- NISBET RD LHR	MRS.SAMEENA HUSSAIN  M.MUDABBAR HAMEED 275-60-331380 MIRZA FAREED 302-44-050499		3.540	0.900	(Waiver) 3.245 (Reversal) 1.640	5.785
116	MUHAMMAD IBRAHIM S/O MUHAMMAD URIS MOHANA MOHALLAHA TANDOMUHAMMAD KHAN	455-55-015682		0.277	0.192	(Waiver) .352 (Reversal) .044	0.588
117	HAFIZ TEXTILE MILLS LTD PLOT NO D/9 SITE KAR97 ALLIANCE BLDG MOULJEE ST. M.W TOWER KAR.	FAKHRUDDIN/QAMARUDDIN  M. FAROOQ / M.YASIN HAJI KARIM  WASIM ALI KHAN/ MUHAMMAD AYUB	WALI MUHAMMAD/NOOR MUHAMMAD  WALI MUHAMMAD/	96.212	0.000	(Waiver) 23.983 (Reversal) 53.212	77.195
118	STAR SILICA IND LTD SHEIKHUPURA ROAD, LAHORE	ZAKARIA GHANI/M. OMER HAJI GHA  YUSUF DADA/A.WAHAB GHANI  A.WAHAB GHANI/IDREES GHANI  M.NASEER/ RAZA BALAND IQBAL  QASIM SIDDIQUE/SARFARAZ RANA  SIDDIQUE BUDHANI		9.836	2.009	(Waiver) 46.622 (Reversal) 7.736	56.367

HABIB BANK LIMITED

AMOUNTSWRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 14

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
119	PARAS TEXTILE MILLS LTD 63- MAIN GULBERG LHR	FAISAL ABBAS MALIK/NISAR HUSSA 322-58-191409/322-31-056529 MST.AKHTARUN NISA 322-32-135269 MRS.ALIYA FAISAL MALIK 322-89-843571 MISS ALIYA HUSSAIN 322-65-181416 FARHAT ABBAS 322-61-638218 M.HAYAT 322-33-298693		30.857	4.858	(Waiver) 26.931 (Reversal) 19.019	50.808
*120	H.S. ABDULLAH 1ST FLOOR CHEMICAL AHAMBERADAMJEE DAWOOD RD JODIA BAZAR KAR	HAJI SULMAN GHALLI 42201-0452582-3 SALIM HAJI SULEMAN GHALLI 42000-0503506-1	HAJI ABDULLAH  SULEMAN GHALLI	100.999	21.978	(Waiver) 45.310 (Reversal) 25.999	93.287
*121	JABBAR AGENCIES 1ST FLOOR HANIF MANZIL ALAKBER ST ACHI QABAR KAR	ASHRAF	A.KASAM	0.179	0.179	(Waiver) .695 (Reversal) .000	0.875
122	SOLV-TECH IND (PVT) LTD PLOT NO 140/145 PHASE V HATTARIND ESTATE HARIPUR	UZAIR ZAHEER KHAN  MRS.HAJRA ZAHEER 213-52-077859 DR.MUHAMMAD BASHIR  MRS.SURRAIYA BASHIR 121-93-49964 ALI JAMIL QAZI 137-89-151022 MISS.SOHA ZAHEER KHAN 213-90-077860 AFZAL UR REHMAN KHAN  A.R.BAIG 244-42-720251	W/O ZAHEER KHAN  M.BASHIR  QAZI M. JAMIL  M. ZAHEER KHAN  MIRZA GHULAM MUHAMMAD	28.943	0.011	(Waiver) 11.464 (Reversal) .000	11.475
123	SHAMS DIN S/O SHARAF DIN H NO 45 ST NO 22 RAM NAGARRAJ GARH LHR	272-90-085074		0.790	0.244	(Waiver) .716 (Reversal) .000	0.960
*124	MUHAMMAD DIN HAMAYUN S/O HAJI IMAM DIN H NO 33 ST 10 CHAH MIRAN LHR	267-30-015658		0.326	0.326	(Waiver) .577 (Reversal) .000	0.903
125	NADEEM SHEIKH S/O MUSHTAQ TARIQ 555 SHADMAN COLONY LHR	271-87-102656		1.183	0.322	(Waiver) .992 (Reversal) .210	1.524
126	MUSHTAQ TARIQ S/O M.G SHAIKH 555 SHADMAN COLONY LHR	271-32-102654		0.516	0.377	(Waiver) .449 (Reversal) .013	0.840
127	MRS. NASEEM AKHTAR W/O SYED ZAKIR HUSSAIN			0.457	0.181	(Waiver) .477	0.702

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
	H NO 5 BLOCK B-1 MAIN BAZAR TOWN SHIP LHR	271-44-002362				(Reversal) .043	
128	NOOR MUHAMMAD S/O ABDUL JABBAR 919-C FAISAL TOWN LHR	270-47-118600		0.444	0.296	(Waiver) .611 (Reversal) .032	0.940
129	M. ASHRAF BAJWA S/O SHER MUHAMMAD 42-2 C-1 COLLEGE RD TOWN SHIPLHR	265-48-146939		0.379	0.049	(Waiver) .511 (Reversal) .000	0.560
130	MASOOD BARI S/O GHULAM BARI ALEG 34 OLD ANARKALI LHR	272-44-153531		0.703	0.243	(Waiver) .979 (Reversal) .000	1.222
131	JAVAID SIDDIQUE KHAN S/O M.SIDDIQ KHAN H NO 27 ST NO 98 ISLAM PURALHR	273-91-279380		0.804	0.669	(Waiver) 1.268 (Reversal) .000	1.937
132	MUHAMMAD ISHAQUE S/O GHULAM MUHAMMAD H NO 63 ST NO 10 CHAH MIRANLHR	267-32-316729		0.621	0.340	(Waiver) .653 (Reversal) .000	0.994
133	NAZAR HUSSAIN H NO 310 SECTOR D-11 BLOCK NOGREEN TOWN LHR	270-54-033470		0.520	0.360	(Waiver) .613 (Reversal) .000	0.973
*134	ADAM LIMITED ADAM CHAMBER ALTAH HUSSAINRD KAR	INAMUR REHMAN ATTAUR REHMAN	MOULVI M. SULEMAN MOULVI M. SULEMAN	6.500	0.569	(Waiver) 20.311 (Reversal) .000	20.880
135	ZUBEDA AGHA V-11 JAHANGIR RD TEEN HATTINEAR NOORANI MASJID KAR.			0.301	0.202	(Waiver) .250 (Reversal) .079	0.531
*136	ABDUL GHAFOOR S/O ALI MUHAMMAD A-155 HAZARA COLONY KORANGIRD KAR	519-39-100691		0.299	0.230	(Waiver) .247 (Reversal) .031	0.508
*137	ABDUL GHAFOOR A-155 HAZARH COLONY KORANGIRD KAR			0.291	0.238	(Waiver) .254 (Reversal) .014	0.506
138	WEAVERS (PVT) LTD 29- IND AREA KOT LAKHPAT LHR	MRS.NIGHAT SARFARAZ/TARIQKAMAL		14.466	9.325	(Waiver) 5.896 (Reversal) .141	15.362
139	SHEIKH SALEEM ULLAH S/O SH.MUHAMMAD ABDULLAH H.NO.2.ST.NO16 BAGHANPURA LHR	267-88-439596		0.593	0.296	(Waiver) .580 (Reversal) .000	0.876
140	SYED ZAFAR ALI 4/116 LIAQUATABAD KYC	501-58-451577		0.250	0.127	(Waiver) .362 (Reversal) .014	0.503
141	SH. MUHAMMAD ZUBAIRUDDIN R-21 SEC Z VI GULSHAN-E-MAYMARKAR	502-88-024082		0.282	0.194	(Waiver) .343 (Reversal) .042	0.579
142	MUHAMMAD MUSA 118- MUHAMMAD HASSAN GOTHBLOCK L-M N. NAZIMABAD KYC	502-91-339722		0.282	0.163	(Waiver) .335 (Reversal) .042	0.540
143	MUHAMMAD ALI 19/44 H- F.C AREA KAR	507-86-163678		0.265	0.158	(Waiver) .326 (Reversal) .040	0.523

HABIB BANK LIMITED

AMOUNTSWRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 16

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
144	MALIK MUZAFFAR & COMPANY JAVED MANZIL CIRCULAR RDQUETTA	NAYYAR AHMED MALIK 601-64-155648	NASEEM AHMED MALIK	20.009	0.000	(Waiver) 6.586 (Reversal) .000	6.586
145	CHANAN SONS IND MUJAHID RD SIALKOT	M. ASHRAF MEHMOOD CHANON 34603-2155430 TARIQ MEHMOOD CHANON 34603-0237348		7.911	0.000	(Waiver) 3.671 (Reversal) 1.737	5.408
146	ALFA GAMA INT.L (PVT) LTD IND ESTSTE GADOON AMAZAI DISTT SWABI .	M.NISAR 285-65-053659 MST.TAHIRA JABEEN 285-59-432186 YOUNAS SHEIKH 285-46-183079	ABDUL RASHID  D/O MANZOOR AHMED	1.640	0.000	(Waiver) 2.015 (Reversal) .000	2.015
147	EHTESHAM ENTERPRISES GONDLANWALA DISTT GRW	EHTSHAM UL HAQ KHAN  BURHAN UL HAQ/SAJJAD UL HAQ KHAN  ALTAF UL HAQ/NAJAM UL HAQ KHAN		4.898	0.000	(Waiver) 14.062 (Reversal) 1.748	15.810
148	PARAS TEXTILE MILLS LTD 63-MAIN GULBERG LHR	FAISAL ABBAS MALIK 322-58-191409 MST AKHTAR UN NISA 322-32-135269 MRS. ALTYA FAISAL MALIK 322-89-843571 MRS ALTYA HUSSAIN 322-65-181416 NISAR HUSSAIN MALIK 322-31-056529 FARHAT ABBAS MALIK 322-61-638218 M.HAYAT 322-33-298693		11.773	0.000	(Waiver) 35.610 (Reversal) 6.202	41.812
149	SULTAN SIKANDER H NO 103 DHOBI GHOT SERVEYNO 86 GOLDEN TOWN KAR	507-53-097673		0.969	0.343	(Waiver) 1.737 (Reversal) .000	2.080
*150	RAJA ABDUL GHAFOOR A-157 HAZARA COLONY KORANGIKARACHI	519-91-100641		0.663	0.553	(Waiver) .933 (Reversal) .000	1.486
151	SAMCO EXPORTERS S.A 12/10 CHANDNI CHOWKNAZIMABAD NO 5 KARACHI	ABDUL SATTAR/MRS ISHRAT BANO W/O ABDUL SATTAR		0.486	0.314	(Waiver) 1.730 (Reversal) .172	2.216
152	ABDUL KHALIQ DARVESH HOTEL BLOCK OABDULLAH COLLAGE ROAD KARACHI	450-45-097351		0.426	0.266	(Waiver) .589 (Reversal) .000	0.855
153	M.SAEED KHAN S/O ABDUL MAJEED			0.240	0.201	(Waiver) .301	0.524

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 17

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
	H NO R-114 SECTOR 5-B -NORTH KARACHI	501-91-570893				(Reversal) .021	
154	KHUDA BUX S/O ABDUL AZIZ 105-H BLOCK 2 PECHS KAR	462-92-107930		0.792	0.311	(Waiver) .580 (Reversal) .255	1.146
*155	KHALIL AHMED S/O MUHAMMAD YOUNUS B-2 BLOCK 2 GULSHAN-E-IQBALKAR	501-57-108180		0.530	0.341	(Waiver) .424 (Reversal) .150	0.914
*156	LIAQUAT HUSSAIN S/O LATAFAT HUSSAIN 5C 20/14 NAZIMABAD KAR	502-54-399539		0.550	0.336	(Waiver) .530 (Reversal) .114	0.980
*157	JAVED HUSSAIN 5-C 20/14 NAZIMABAD KAR	502-89-308928		0.548	0.404	(Waiver) .516 (Reversal) .114	1.034
158	MISS SIKANDER JAHAN 5-C 20/14-A NAZIMABAD KAR	502-54-308926		0.785	0.599	(Waiver) .794 (Reversal) .146	1.539
159	AZIZULLAH S/O M.ISMAIL DEH MIRZA PUR DISTT HYDERABAD	455-89-047419		0.274	0.189	(Waiver) .349 (Reversal) .042	0.579
160	BAJHOO S/O LOUNG PIR MUHALLAH T.M KHAN	455-85-131725		0.191	0.077	(Waiver) .409 (Reversal) .027	0.513
161	ISRAR SHAHID S/O NOOR MUHAMMAD H NO 1411 /1413 IQRA ACADEMYSCHOOL TANDO MUHAMMAD KHAN	455-93-005535		0.279	0.172	(Waiver) .355 (Reversal) .040	0.566
162	ZULFIQAR ALI S/O MOHRA KHAN H NO 104 BLOCK NO 1 SECTORA-2 TOWNSHIP LHR			0.989	0.218	(Waiver) .273 (Reversal) .156	0.647
163	MUHAMMAD ASHRAF H NO 19 ST NO FAISAL TOWNLHR CANTT	277-62-347396		0.682	0.263	(Waiver) .327 (Reversal) .146	0.736
164	PERVAIZ JALAL S/O CH. JALALUDDIN 105-D JALAL STREET AL-FAISALLHR CAANTT	270-90-390415		0.698	0.346	(Waiver) .426 (Reversal) .108	0.880
165	ABDUL KHALIQ S/O KARAM ALI ST NO 1 BLOCK C AL-FAISALTOWN LHR	277-85-029428		0.784	0.346	(Waiver) .407 (Reversal) .116	0.869
166	MALIK ABID HUSSAIN S/O MALIK GHULAM HUSSAIN H NO 8 ST NO 7 AL-FAISALTOWN GHAZI RD LHR	278-87-114084		0.411	0.232	(Waiver) .253 (Reversal) .056	0.541
167	MUHAMMAD NAWAZ VILL DOGACH GHAZI RD LHR CANTT	269-56-162125		0.523	0.251	(Waiver) .312 (Reversal) .000	0.563
168	A.G.MOTAWALA & SONS 280/3/B 1ST FLOOR GHURDHANDASMKT KAR	ABDUL GHANI ABDUL GHAFOOR IBRAHIM A. GHANI/ISMAIL.A.GHANI ABDUL GHAFFAR.A.GHANI/ABDUL RAHIM		0.384	0.384	(Waiver) 1.090 (Reversal) .000	1.474

HABIB BANK LIMITED

AMOUNTSWRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 18

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
*169	HUSSAIN BEVERAGES LTD 1706 SEA BREEZE SHAHRAH-E-FAISAL KAR	SAJJAD HUSSAIN/MS.UZMA HUSSAIN  MATLOOB HUSSAIN/MRS.MEHNAAZ MALIK  BEGUM ZERAK AHMED/NASIRUDDIN  MS. MALIKA BEGUM		6.549	2.971	(Waiver) 11.493 (Reversal) .643	15.107
170	MTM INT,L BEARING IND LTD 46/1 NISHTER RD LHR	MIAN FIAZ AHMED/ MUHAMAD RIAZ  ABDUL SATTAR/ ABDUL GHAFFAR  MIAN TALIB HUSSAIN/  MRS.NASEEM KOUSER  MST RAMZAN BIBI		1.808	0.975	(Waiver) 3.443 (Reversal) .027	4.445
171	PAK BELT IND LTD 22-KETOMALA G-T RD MURIDKA	SH.ARSHAD SAEED/ SH.ASAD AMIN  SH.AKMAL ARSHAD/SH.NADEEM SIDDIQUE  SH.ASIF AMIN/SH.AFTAB ARSHAD  MS.PAZIRA ARSHAD		1.261	0.757	(Waiver) 3.496 (Reversal) .030	4.283
172	ALI PUR JUTE MILLS LTD 30-A JOHARBAD KHUSHAB	M.ASHRAF KHAN /GHULAM DASTAGIR KHAN  GHULAM SUBHANI/MRS REHANA REHMAT  GH.SAMDANI KHAN/GH.RABBANI KHAN		9.813	7.081	(Waiver) 12.575 (Reversal) .691	20.347
173	MUHAMMAD MASOOD KHAKI 139/11 MARTAN QTR JAHANGIRRD KAR	511-88-001391		1.592	0.986	(Waiver) 1.312 (Reversal) .220	2.517
174	SYED RIZWAN ALI AHMED A-263 BLOCK 12 F.B AREA KAR	518-90-049652		0.263	0.183	(Waiver) .326 (Reversal) .034	0.542
*175	AVON TRADERS A-6-J PECHS KAR C/O HAJI ABDUR RAZZAK BROTHER	MST HAWA BAI 517-30-202527	W/O ADAMJEE GHANI	1.929	1.579	(Waiver) 4.652 (Reversal) .000	6.231
176	NADIR H NO 256 SEC 4-D NAIABADIBALDIA TOWN KAR	631-42-041322		0.764	0.000	(Waiver) .876 (Reversal) .000	0.876
177	SHAMSI BUILDERS LTD 8TH FLOOR KASHIF CENTRE SHAHREH-E-FAISAL KAR	S.M. YOUSUF SHAMSI/M.MASOOD ALAM SHAMSI 4220107579425 ARSHAD ALAM		10.545	0.000	(Waiver) 5.235 (Reversal) .000	5.235

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 19

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
		4200026495149 SHOAB ALAM SHAMSI 42201-7624776-1 MRS.SEEMA FAREED 42201-5424912-8					
178	JAVID AZIZ S/O ABDUL AZIZ H NO 31-A STREET NO S-1 BANKRD SAMANABAD LHR	272-54-262819		1.208	0.525	(Waiver) .418 (Reversal) .468	1.410
179	ONEIL EARNEAST ENGLS S/O EDWIN-D-ENGLS 8/B/2 SHAHLIMAR RD NEAR GHORISHAHO LHR	274-86-341288		1.129	0.369	(Waiver) .286 (Reversal) .055	0.710
180	YOUSUF FARHAT S/O FARHAT MASIH MASKEN-E-FARHAT-5- DILKUSHA RD NEAR 5 BLOCK MODEL TOWN LHR	271-58-058898		1.084	0.561	(Waiver) .526 (Reversal) .000	1.087
181	MUHAMMAD AKHTAR S/O WALI MUHAMMAD H NO 673-E GULSHAN-E-RAVI LHR	234-42-161886		0.657	0.329	(Waiver) .631 (Reversal) .077	1.036
182	MUHAMMAD TAUFIQUE TAHIR S/O MUHAMMAD RAFIQ 65-RAVI PARK QILA LAKHSHMANSINGH RAVI RD LHR	265-88-060693		1.464	0.211	(Waiver) .206 (Reversal) .588	1.005
183	ABDUL GHANI SAQIB S/O HAJI ALI MUHAMMAD 184-C GULSHAN-E- RAVI LHR	281-92-022366		0.653	0.451	(Waiver) .665 (Reversal) .097	1.213
184	MRS.SAJJADA ZAMAN W/O M. SHAH ZAMAN H NO 8 RIZWAN STREET NO 13FIRDOUS NAGAR GHARI SHAHOO	274-92-412024		0.914	0.574	(Waiver) .868 (Reversal) .021	1.463
185	GHAFUR TEXTILE MILLS LTD 10-A MANGHOPIR RD SITE KAR	MIAN GULZAR YOUSUF MIAN AFTAB YOUSUF MIAN INAM ELLAHI/MIAN M. IQBAL MIAN EHSAN ELAHI/MIAN M. AKRAM	M. YOUSUF M.YOUSUF M.YOUSUF /QADIO BUKHSH HAJI KHUDA BAKSH/NOOR MUHAMMAD	6.364	6.364	(Waiver) 17.422 (Reversal) .000	23.786
186	ASAD KHAN H NO 266 SECTOR 1-D ORANGITOWN KAR	502-90-347810		0.536	0.381	(Waiver) .610 (Reversal) .055	1.046
*187	MRS.SALMA BEGUM 1-E 1/1 NAZIMABAD KAR	502-35-407297		0.337	0.296	(Waiver) .370 (Reversal) .001	0.667
188	UNITED OIL MILLS SHEIKHPURA RD TATLAYAALI DISTTGRW.	M. KHALID / M. FAROOQ ASIF JAVED /M. YOUNIS		1.868	0.000	(Waiver) 3.256 (Reversal) .830	4.086
*189	HAJI MUHAMMAD SHARIF TEXTILE (PVT) LTD CHAK NO 17/11-L BUREWALA RDCHICHAWATNI	MALIK MUHAMMAD JAWAID IQBAL 3530282730351 MRS. YASMEEN SAEED 340-56-615280		18.726	5.911	(Waiver) 20.147 (Reversal) 6.096	32.155

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 20

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
		MRS.PARVEEN KAUSER 340-53-057671 SAJJAD IQBAL 335-89-195114 MRS.NASEEM JAWED 35302-0804098-4					
190	MIAN MUHAMMAD YOUNUS 10-B MODEL TOWN LHR	303-45-002074		0.252	0.045	(Waiver) .402 (Reversal) .071	0.519
191	WALEED LEATHER IND LTD 206-NOOR ESTAT SHAHRAH-E-FAISAL KAR	SHAFIQ.A.CHAUDHERY/NAEEM.S.CHUDERY  WAHEED ARSHAD CHUDERY  KAMRAN BASHIR JAVOID ZIA  MRS.TASNEEM AKHTAR		2.200	1.457	(Waiver) 3.630 (Reversal) .742	5.830
192	ZAHUR TEXTILE MILLS LTD OFFICE 57-T QAZI NAZAR-ULISLAM RD GULBERG 11 LAOIL MILL 49TH MULTAN RD DISTT KASUR	ARIF ZOHUR 27051030196 MRS.SEPHRA ARA ZAHUR 270-28-135831 MRS.RUBINA MOHSIN 270-56-346359 M.RASHID CHUDERY 271-34-027070 MOHSIN ZAHOUR 270-91-325739 EJAZ-UL-HAQ 270-53-149867 AMJAD MEHMOOD ALI 235-46-004589		123.234	0.000	(Waiver) 39.947 (Reversal) 54.686	94.633
193	SHAHZAD TEXTILE MILLS LTD 19/A OFF ZAFAR ALI RD LHR	MIAN IMRAH ASLAM 231-69-075485 CH.HAKIM ALI 267-38-040507 RASHID AHMED 249-56-393761 HUMAYUN BAKHT 267-59-047741 MIAN PERVAIZ ASLAM 231-44-075484 LT.COL.ABDUL QAYYUM 143-89-394796 HUSSAIN-UD-DIN ANSARI 285-41-051597		397.919	0.000	(Waiver) 101.650 (Reversal) 136.813	238.463
*194	VENTURE PHARMACEUTICALS LTD D-90 BLOCK NO 2 SCHEME 5 KEHKASHAN CLIFTAN KAR	REHAN.A.KHAN 507-85-153284	JAMEEL.A.KHAN	4.435	2.632	(Waiver) 3.866 (Reversal) .000	6.498

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 21

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
		YASIR.S.MUFTI 514-75-143759 ALLJ.MUFTI 517-78-387852 AMIR.S.MUFTI 502-77-450515	ADIL SULTAN MUFTI				
195	MOUNTAIN VALLEY WATER (PVT) LTD. 44-A STREET NO 18 F/11/1 ISLAMABAD	IFTIKHAR.A.TALIB/MRS NEELOFAR SIDDIQUI  DR.SHAJRUDIN SIDDIQUE  MS. KHALIDA AHMED		49.207	29.726	(Waiver) 11.022 (Reversal) 19.481	60.229
*196	NUTRI PAK FOOD INDUSTRIES LTD PLOT NO 224 SEC 23 KORANGI IND KAR	ANWAR AHMED 502-93-417550 HABIBULLAH 42000-0472151 SALAHUDDIN AHMED 4230188925633 PERVAIZ SULTAN MUFTI 4230133083139 FAISAL SULTAN 502-57-238627 AQIL SULTAN MUFTI 42301-4678442-7 ADIL WALI KHAN 516-53-215683	HAFIZ NAEEM AHMED  ALLAHDINN.R.WADIWALA  SHARFUDDIN AHMED  MUHAMMAD SULTAN MUFTI  M.S.MUFTI  M.S.MFTI  AHMED WALI KHAN	71.198	51.241	(Waiver) 64.222 (Reversal) .000	115.463
197	KARACHI PROPERTIES INVESTMENT (1974) LTD HOTEL HAYAT REGENCY DR. ZIA--UDDIN ROAD KARACHI.	K.M.MUNIR CHAIRMAN/  D.C.MINWALA/ZAKI MUNIR  RAFI MUNIR		425.785	0.000	(Waiver) 1,003.185 (Reversal) .000	1,003.185
198	MUHAMMAD EJAZ S/O GHULAM RASOOL 142-A GULISTAN COLONY NO 2 F/ABAD	248-64-302913		1.879	1.385	(Waiver) 1.733 (Reversal) .494	3.612
199	AHMED COTTON GINNING & PRESSING FACTORY KHIPRO RD MIRPUR KHAS	M. SADIQ SATTAR  ASLAM HAJI SATTAR  AHMED HAJI SATTAR		12.281	2.998	(Waiver) 10.272 (Reversal) 6.227	19.497
200	MISS NAHEED AKHTAR D/O AKHTAR H NO P-20 BLOCK 10 CIVIL LINE F/ABAD	246-84-013515		0.371	0.284	(Waiver) .382 (Reversal) .087	0.753
201	WAHEED AHMED S/O MUHAMMAD NAZIR SHABHAN COLONY NEAR SMALLRAILWAY CARRIAGE PECO RD LHR	270-91-048846		1.010	0.428	(Waiver) .860 (Reversal) .116	1.405

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 22

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
202	ZAHID MANZOOR S/O M.UMERDERAZ 87-D NEW TOHID PARK MULTAN RDLHR	272-60-365246		0.938	0.550	(Waiver) .927 (Reversal) .132	1.608
203	MUHAMMAD IKRAM UL HAQ H NO 32 RAFIQUE STREET NO 4MULTAN RD SANDA KHUAD LHR	272-92-055413		0.646	0.276	(Waiver) .482 (Reversal) .034	0.792
*204	KAKASIAN PHARMACEUTICAL (PVT) LTD 55 SHADMAN 1 LHR	M.ARSHAD MALIK/MRS.BUSHRA RIZWAN 274-90-311959	M. ASHRAF /W/O RIZWAN MALIK	10.254	2.254	(Waiver) 5.700 (Reversal) .000	7.953
*205	PAPER PACKAGING (PVT) LTD UNIT AT 123/1-B IND ESTATEKOTLAKHPAT LHR	MIAN IFTIKHAR HASSAN 273-46-062317 MRS.SAMINA HUSSAIN 273-49-062318		33.553	18.042	(Waiver) 11.594 (Reversal) 10.000	39.636
206	KARAMAT ULLAH L-766 SHIREEN JINNAH COLONYCLIFTAN KAR	156-88-009232		0.526	0.000	(Waiver) .526 (Reversal) .281	0.808
207	KAZMI TEXTILE IND SAMMA SATHA RD B/PUR	SYED AZHAR ALI SHAH 344-60-108539 SYED ASIF ALI SHAH  NASIR ALI KAZMI  MUSARRAT ALI SHAH 344-58-108537 MAZHAR ALI SHAH 344-60-108538 SYED SHAHID ALI KAZMI 344-88-108540	SYED SAIF ALI SHAH   SYED SAIF ALI SHAH  SYED SAIF ALI SHAH	1.539	0.000	(Waiver) 1.919 (Reversal) .532	2.451
208	KAZMI TEXTILE IND SAMMA SATHA RD B/ PUR	SYED AZHAR ALI SHAH 344-60-108539 SYED ASIF ALI SHAH/NASIR ALI  MUSARRAT ALI SHAH/MAZHAR ALI 344-58-108537 SYED SHAHID ALI KAZMI 344-88-108540	SYED SAIF ALI SHAH   SYED SAIF ALI SHAH/SYED SAIF	1.903	0.000	(Waiver) 1.404 (Reversal) .613	2.016
209	ASHRAF IMPEX & M.H.INTERNATIONAL ROOM NO 2 1ST FLOOR CHEMICALCHAMBERS ADAMJEE HAJI DAWOOD ROAD KARACHI.	M.ASHRAF 4220113688555 M.HANIF 4220182404903	A.SATTAR  HAROON	117.856	101.855	(Waiver) 121.141 (Reversal) 5.442	228.439
*210	PROVENCO (PVT) LTD ROOM NO 806 808 UNI SHOPPINGCENTRE 8TH FLOOR SADDER KAR.	OSMAN SULEMAN (LATE) 518-25-002005	SULEMAN	28.575	12.289	(Waiver) 33.545 (Reversal) .000	45.833
*211	UNI MILK LIMITED 78 ZAFAR COLONY OKARA	CH.ABDUL RASHEED 340-55-626885 RUBINA ABBAS	W/O GULNAR ABBAS	3.582	1.965	(Waiver) 7.060 (Reversal) .582	9.606

H A B I B B A N K L I M I T E D

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6+7)
		35302-1934580 FATH MUHAMMAD/NAJIB UR REHMAN 340-96-140317 ARSHAD ALI/GHULAM ABBAS 35302-1934580-7 NAZIR BEGUM	IMAM UDDIN/ ABDUL RASHEED				
		M.ASGHAR 340-92-310002 YASMEEN SATTAR 17301-5253089	CH.ABDUL RASHEED W/O ABDUL SATTAR				
212	MUHAMMAD SHAHID RAFIQUE H-29 MUHAMMAD ST NO3 CIRCULARROAD LAHORE	276-58-280678	HAJI MUHAMMAD RAFIQ	0.929	0.545	(Waiver) .694 (Reversal) .280	1.518
213	MUHAMMAD AJMAL SHAFIQUE H NO 160B AHMED BLOCK NEWGARDEN TOWN LHR	35202-1288242-9	SHAFIQ AHMAD SHAIKH	2.928	0.823	(Waiver) 2.046 (Reversal) .101	2.970
214	MALIK HAKMEEN KHAN SHEEN BAGH HOUSE VILLAGE & P/OSHEEN BAGH TEH & DISTT ATTOCK			0.043	0.000	(Waiver) .571 (Reversal) .023	0.594
215	YASMEEN WEAVING MILLS LTD 46-M GULBERG III LHR	SIDDIQUE MUHAMMAD MALIK 35202-2413276-1 MRS.TAUSEEF.SIDDIQUE MALIK 35202-2311970-6 SAQLIN SIDDIQUE MALIK 270-89-364899 SABTAIN SIDDIQUE MALIK 270-65-361495 MUJAHID KHURSHID 270-57-173689 IZHAR.K.HAQ	MALIK NAZIR AHMED W/O SIDDIQUE MUHAMMAD MALIK SIDDIQUE MUHAMMAD MALIK SIDDIQUE MUHAMMAD MALIK IZHAR K. HAQ KHURSHEED UL HAQ MALIK ZAFAIL ELLAHI	254.538	179.091	(Waiver) 120.979 (Reversal) 43.748	343.818
216	MUHAMMAD MANIK S/O MUHAMMAD SIDDIQUE HATANI MUHALLAH KHAN PURDISTT SHIKAR PUR	411-52-200934	MUHAMMAD SIDDIQUE	0.462	0.001	(Waiver) .744 (Reversal) .111	0.856
217	ABU BAKAR SIDDIQUE ANSARI B-1V/1168 MOHALLAH QAMARABADRAHIM YAR KHAN	347-86-005289	ABDUL QADOOS ANSARI	0.409	0.000	(Waiver) .375 (Reversal) .157	0.532
218	NADEEM AHMED BUTT H.NO 1185-E HARYANA COLONYORANGI TOWN SECTOR NO 10	504-92-102522		0.239	0.186	(Waiver) .406 (Reversal) .000	0.592
219	DADABHOY CEMENT IND LTD H.NO 5TH FLOOR MAQBOOL COMMERCIL COMPLEX BLOCK 7 & 8 JCHS SHAHRAH-E-FAISAL KARACHI	MUHAMMAD HUSSAIN DADABHOY MRS. RAZIA HUSSAIN DADABHOY MRS.HUMAIRA DADABHOY		9.971	0.000	(Waiver) 20.638 (Reversal) .000	20.638

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 24

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6+7)
		MUHAMMAD AMIN DADABHOY					
		MS.YASMEEN DADABHOY					
		FAZAL KARIM DADABHOY					
220	FARHAT ASSOCIATES D-9 RIZVIA SOCIETY NAZIMABAD KARACHI	ISHRAT SWALEH 502-55-218919 MRS.RIFFAT SWALEH	MUHAMMAD SWALEH	1.688	0.000	(Waiver) 2.257 (Reversal) .000	2.257
*221	ORIENT STRAW BOARD & PAPERS MILLS LTD C/O M/S ORIENT STRAW BOARD & PAPER MILLS LTD 49 NAPIER RD KARACHI	ABDUL GHAFAR ABDULLAH MAJEED ABDULLAH ABDUL RAZAK AHMED ABDUL HAMID ISMAIL M.AMIN KHETRI ABDUL RASHID YOUSUF M.RIAZ ABDUL MAJEED		7.333	0.000	(Waiver) 8.572 (Reversal) .850	9.422
222	CYTOZYME PAKISTAN (PVT) LTD 2ND FLOOR AL-MANZOOR BLDGLI.CHUNDRIGAR RD KARACHI	RAFIQ M. HABIB/ KESRI-D-KAPODIA IQBAL .A.REHMAN HUSSAIN ALI RAJANI/F.H. MUKHIM AFZAL RAJAB ALI RAJANI RAFIQ HUSSAIN NAQVI/MUHAMMAD AFZAL		15.777	1.547	(Waiver) .000 (Reversal) 1.389	2.936
223	TOBACCO INTERNATIONAL (PVT) LTD ABDUL HYYE CHAMBER WEST WHARFRD KARACHI	K.M.BASHIR/K.M MUNIR/K.M. RAFI K.M.N. FEROUZE/K.M ZAKI K.M.USMAN/ MRS.HAJIRA SHAMIM MRS.JAMILA RAFI/ K.M. SAMI K.M.ASAF		34.494	3.955	(Waiver) 12.693 (Reversal) 30.340	46.987

H A B I B B A N K L I M I T E D

AMOUNTSWRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 25

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
224	GREEN FARM (PVT) LTD 301-308 BHAYANI SHOPPING CENTEBLOCK M N. NAZIMABAD KAR	M.AZEEM/MRS YASMEEN AZEEM  ABDUL SATTAR /ABDUL REHMAN	AZIZ UR REHMAN/ W/O M.AZEEM  SHER MUHAMMAD / SHER MUHAMMAD		2.110 2.110	(Waiver) 4.613 (Reversal) .000	6.723
*225	BELA GHEE MILLS LTD PLOT NO B-66 HUB CHOWKIDISTT LASEBELA BALAUCHISTAN	JAN MUHAMMAD YOUSUF/ JAM AKBAR ALI  GUL HASSAN BHOTANI/BIBI SHIREEN  BIBI SHALO /M.SHARIF			2.677 1.546	(Waiver) 5.098 (Reversal) .000	6.643
226	LEATHER CONCEPT (PVT) & OTHERS PLOT 463 SECTOR 7-A KORANGIIND AREA KARACHI	ARJANDAS 508-55-038524 ARSHAD JAVED SHAIKH 270-52-004534	PROOBI  HAJI MUHAMMAD ISMAIL		6.962 2.571	(Waiver) 6.901 (Reversal) 1.692	11.163
227	MUHAMMAD AKHTAR MUSLIM S/O MADDDAH HUSSAIN H NO Q-325 KORANGI NO 2 KARACHI	521-35-004464			0.237 0.177	(Waiver) .315 (Reversal) .025	0.517
228	NASIM AKHTAR R-247-18 F.B AREA KAR	501-36-430645			0.254 0.165	(Waiver) .361 (Reversal) .018	0.543
*229	KASSAM SONS 5/38 IST FLOOR SALEH MUHAMMADSTREET KARACHI	MUHAMMAD IQBAL KASSAM 511-50-044132	QASIM ISMAIL		8.903 4.127	(Waiver) 23.129 (Reversal) .000	27.256
230	DEDHI AGENCIES 5/38 IST FLOOR SALEH MUHAMMADSTREET KAR	IQBAL KASSAM/MRS.RAZIA KASSAM  MST RASHIDA KASSAM/MISS RUKHSANA	M. KASSAM/D/O M. KASSAM  D/O M.KASIM D/O M. KASIM		7.505 3.505	(Waiver) 22.977 (Reversal) .000	26.482
231	H.A SATTAR & CO 5/38 IST FLOOR SALEH MUHAMMADSTREET KARACHI	HAJIANI FATIMA BAI	W/O MUHAMMAD KASSAM		4.016 4.016	(Waiver) 9.746 (Reversal) .000	13.762
*232	MRS.IMRANA SHAHID W/O SHAHID IQBAL H NO 23 ILYAS COLONY MUSLIMTOWN LHR	271-85-238030			0.327 0.257	(Waiver) .337 (Reversal) .070	0.663
233	M.RIAZ SPRING COMPANY NOOR RD SIDDDIQA COLONY BADAMIBAGH LHR/ BANGLOW NO 289ST NO	MALIK RIAZ ALI 270-87-260837	MALIK MUHAMMAD ALI		0.597 0.130	(Waiver) 1.863 (Reversal) .000	1.993
234	SHEIKH ZULFIQAR ALI S/O SH.GHULAM YASEEN 9-G WAHDAT COLONY LHR	271-44-149185			0.314 0.230	(Waiver) .250 (Reversal) .083	0.564
235	MEHTAB BASHIR BUTT S/OM.BASHIR AHMEDBUTT 197-D RIZWAN BLOCK AWAN TOWNLHR	266-92-169380			0.304 0.267	(Waiver) .480 (Reversal) .037	0.784
*236	HEIGHTS IMPEX (PVT) LTD 22-SADIQ PLAZA T&T FLOOR 69SHAHRAH-E-QUAID-E-AZAM LHR	IMTIAZ AHMED 210-43-525799 CH. EJAZ AHMED/MRS NAGHMA SAJJAD 228-90-737067 ZAHID JAMAL DEWAN	CH.SARDAR KHAN  CH.SARDAR KHAN  M.TUFAIL DEWAN		1.545 0.617	(Waiver) 1.690 (Reversal) .228	2.535

HABIB BANK LIMITED

AMOUNTSWRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 26

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6+7)
		517-85-395274					
237	NASH GROUP(PVT) LTD 78-B-II GULBERG III LHR	MRS.NAVEED SHAHZAD 271-45-111961 MUHAMMAD SIDDIQUE 244-25-471726 MRS.SHAHIDA IMTIAZ 271-85-238530		4.440	0.336	(Waiver) 8.938 (Reversal) 2.144	11.418
238	RAO FAIZUL HASAN FAIZ GALI NO 23 ARFAT COLONY MAINBAZAR GUJRANWALA	285-89-546292	MAQSOOD UL HASSAN	0.270	0.270	(Waiver) .452 (Reversal) .000	0.722
239	ABBASI ENTERPRISES 94-D PHASE I DEFENCE SOCIETY LHR CANTT	ZULFIQAR.H.ABBASI	ABDUL HAMEED KHAN	0.364	0.199	(Waiver) .502 (Reversal) .089	0.790
240	JAVAID IQBAL SAMRA SAMRA HOUSE B.BLOCK AL-FAISALTOWN GHAZI ROAD LHR CANTT	269-88-081778	CH. GHULAM RASOOL SAMRA	0.265	0.203	(Waiver) .281 (Reversal) .062	0.546
241	RANA SALMAN ZAFAR 4-SAFIA STREET FAIZ RD MUSLIMTOWN LHR	271-86-241913	RANA M. ZAFAR ULLAH KHAN	0.314	0.299	(Waiver) .410 (Reversal) .015	0.724
242	SHEHZAD JAHANGIR S/O M.SIDDIQU KIR KALAN PLOT KHASRA NO 67868/275 KIRKALA NEAR BAGRH-AN-	267-86-056848		0.229	0.210	(Waiver) .291 (Reversal) .019	0.520
243	SARFARAZ AKHTAR S/O M.SADIQ 266 NEW EXT CAVALARY GROUND LHR CANTT	270-60-042726		0.360	0.309	(Waiver) .268 (Reversal) .051	0.628
244	AHMED BIN ZAHID S/O MALIK M.ZAHID 28/1-A GHOUSIA COLONY WALTONRD OPP SHAHTAJ MARKET LHR CANT	325-89-462709		0.564	0.330	(Waiver) .650 (Reversal) .008	0.987
245	SHOUKAT HAYAT MUFTI S/O ABDUL MAJID MUFTI 325-B FAISAL TOWN LAHORE 573/9-S LCCHS LHR	270-46-098554		0.492	0.319	(Waiver) .466 (Reversal) .000	0.785
246	MUHAMMAD KHALIL S/O MUHAMMAD SHARIF H NO 8/309 MOHALLAH KARIM PURALALAMUSA	228-91-290616		0.197	0.197	(Waiver) .323 (Reversal) .000	0.520
247	FARRUKH IBRAR HUMAYUN S/O.MUHAMMAD NAWAZ H NO 7/101 KARIMPURA LALAMUSA	271-48-086153		0.390	0.390	(Waiver) .664 (Reversal) .000	1.054
*248	SAITH SONS BEHIND CITY KOTWALI NEW LOHAMKT LANDA BAZAR LHR	SAITH MUBARAK HUSSAIN 266-48-081639	MUHAMMAD ASHIQ	0.668	0.000	(Waiver) .881 (Reversal) .129	1.010
249	LUCKY COTTON FACTORY & OIL MIL PAKPATTAN RD ARIFWALA	CH.MUHAMMAD ASHRAF 338-45-270403 MUHAMMAD ARSHAD TARIQ 338-53-270461		0.536	0.000	(Waiver) .377 (Reversal) .374	0.751
250	SAEED INTERNATIONAL 2644 NEAR SULTAN FLOOR MILLSFAZALABAD MULTAN	ASHRAF SAEED M.SHAHID/ MISS KISHWAR SAEED	SAEED AHMED QURESHI M.IDRIS/ D/O SAEED AHMAD	0.819	0.000	(Waiver) 3.754 (Reversal) .000	3.754

HABIB BANK LIMITED

AMOUNTSWRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 27

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
		MISS SIKANDER BAKHT	D/O SAEED AHMED				
251	ZULFIQAR AHMED QURESHI 85-E MODEL TOWN LHR	224-90-009457	GHULAM AHMED QURESHI	0.358	0.222	(Waiver) .285 (Reversal) .095	0.603
252	MIAN TARIQ SALEEM S/O MIAN MUHAMMAD SALEEM 2-S-H-E/2 PIR GHAZI RD ICHRA LHR	271-64-120108		0.987	0.281	(Waiver) .371 (Reversal) .337	0.988
253	MUHAMMAD SALEEM BHATTI 615-N SAMANABAD LHR	272-50-033157	MUHAMMAD AMIN BHUTTI	1.320	0.563	(Waiver) .642 (Reversal) .341	1.547
254	MUHAMMAD IQBAL NAJMI S/O CH. MUHAMMAD SARWAR 3-1/A TOWN SHIP LHR	346-91-000005		0.726	0.421	(Waiver) .518 (Reversal) .217	1.155
255	LIAQUAT ALI SABRI S/O BARKAT ALI SABRI 6-D CHAUBRAJI CENTRE LHR	265-89-153113		0.926	0.521	(Waiver) .657 (Reversal) .254	1.432
256	KHAWAJA MUHAMMAD NAEEM RASHID H.NO 48/5 3-A MAIN RDSAMANABAD LHR		KHAWAJA MUHAMMAD MUNIR	1.442	0.558	(Waiver) .656 (Reversal) .304	1.519
257	HAJI MUHAMMAD ANWAR 615-N SAMANABAD LHR	296-87-001145		1.221	0.270	(Waiver) .414 (Reversal) .456	1.139
*258	RAEES AHMED S/O SAGHEER AHMED 86-B REHMAN PURA ICHRA LHR	271-41-212642		0.386	0.279	(Waiver) .419 (Reversal) .107	0.805
*259	KAKASIAN PACKAGES (PVT) LTD UNIT SITUATED AT PLOT NO 104/S-AT SMALL IND.ESTATE TOWNSHIP LHR	IFTIKHAR HASSAN 273-46-062317 SAMINA HASSAN 273-49-062318	W/O IFTIKHARUL HASSAN	51.766	31.018	(Waiver) 32.933 (Reversal) 16.142	80.092
*260	KWALITY PAPER (PVT) LTD UNIT SITUATED AT HADBAST MOUZAKACHA TEHSIL & DISTT LHR CANTT	IFTIKHAR HASSAN 273-46-062317 USMAN HASSAN 273-92-062320	IZHAR UL HASSAN IFTIKHAR HASSAN	87.619	42.718	(Waiver) 49.121 (Reversal) 21.003	112.842
261	FLOORA TEXTILE MILLS LTD 7-B NEW MUSLIM TOWN LHR	M.FAROOQ UMER/MST.REHANA MST TAHIR SIDDIQUE/SANAULLAH BASHIR.M.AKHTAR/AHMED.LMIAN		8.094	1.845	(Waiver) 17.043 (Reversal) 6.249	25.137
262	THREE STAR WEAVING&TEXTILE MILLS(PVT)LTD 31-32 MADINA SUPER MKT OKARA	CH.M. HUSSAIN 340-38-368992 WASEEM HUSSAIN 340-62-369001 NADEEM HUSSAIN 340-59-368988 NAEEM HUSSAIN	MUHAMMAD RAMZAN	8.697	1.585	(Waiver) 2.872 (Reversal) 1.848	6.305

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 28

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6+7)
		340-85-369002					
263	IFTIKHAR UR REHEEM CHUGHATI 44-TAGHOOR PARK MELEOD RDLHR	270-89-354901	ABDUL RAHEEM CHUGHATI	0.351	0.204	(Waiver) .211 (Reversal) .147	0.562
264	KHALID IQBAL STREET NO 30 KACCHA HALL RDILAUAT ALI PARK LHR	265-86-171821		0.346	0.215	(Waiver) .223 (Reversal) .131	0.569
265	MAQSOOD AHMED S/O BASHEER AHMED BROTHERS PLAZA 31 HALL RD LHR	276-86-026829		0.329	0.244	(Waiver) .307 (Reversal) .085	0.637
266	SHAHID SULTAN KHAN S/O INYATULLAH KHAN H.NO. 6 STREET NO 73 SHAMNAGAR CHOURBURJI LHR	272-54-257946		0.260	0.196	(Waiver) .274 (Reversal) .064	0.535
*267	HUSSAIN BEVERAGES LIMITED HEAD OFFICE 1706 SEA BREEZE PLAZA SHAHRAH-E-FAISAL/PLOT NO 1-6 SEC NO.5 KORANGI KARACHI	SAJJAD HUSSAIN 517-89-187185 MRS.UZMA HUSSAIN 517-93-187187 MRS.NASERUDDIN AHMED  MRS.MAHNAZ MALIK 517-64-187186 MRS.MATLOOB HUSSAIN  MRS.MALKA BEGUM 517-28-014033 MRS.MALKA BEGUM/MRS.BEGUM ZARAK AHMED 517-28-014033		8.017	5.122	(Waiver) 12.190 (Reversal) 1.315	18.627
268	MUHAMMAD FAROOQ A.R F-187 SITE KARACHI	MUHAMMAD FAROOQ .A.R 512-47-128608	HAJI ABDUL RAHIM	16.661	2.917	(Waiver) 35.776 (Reversal) 9.030	47.723
269	GENERAL DAIRIES & FOOD LIMITED REGISTERED OFFICE 44 FARIDCHAMBER ABDULLAH HAROON ROAD KARACHI	BRIG (RTD)M.A.BAIG/QAMARAHMED  MRS.B.A.SIDDIQUE/ZUBAIR RASHID  RAIZ UR REHMAN/SADIQ BAIG  TAUFIQ AHMED		1.374	1.350	(Waiver) 3.956 (Reversal) .024	5.330
270	FIRDOUS TEXTILE MILLS LIMITED BANK HOUSE NO 3 HABIB BANKSQUARE M.A JINNAH RD KARACHI	INAM ELAHI/ EHSAN ELAHI  NOOR ELAHI/ MEHBOOB ELAHI		0.664	0.315	(Waiver) .922 (Reversal) .349	1.586
271	PUNJAB CABLES LIMITED 2-A GULBERG II LAHORE	RAZA HUSSAIN / ZAFAR ALI KHAN  NASIR HUSSAIN/MISS KAUSER PERVEEN  MISS TAHMINA ZAWAR/MISS RUBINA ZAWAR		4.028	3.833	(Waiver) 11.067 (Reversal) .194	15.095

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 29

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
		MISS. NARGIS PERVEEN					
272	BAHWAL PUR BOARD MILLS LIMITED OFFICE AT-4-A.3/10 NAZIMABAD.	KHURSHID AHMED/SH.MUHAMMAD ASLAM MRS.TUFAIL NASREEN/M.AMJAD MRS.NOOR JEHAN/SHAHBAZ AHMED IRSHAD AHMED		2.569	1.918	(Waiver) 1.919 (Reversal) .651	4.488
273	SHAAFI WOOLEN IND LIMITED KHALA BAT HARI PUR HAZARA	AURANGZEB.S.BURKI M.SALEEM KHAN/MRS.FARUKHBARKI MST.NAFEES BANO/LT.GEN.WAJID ALI BURKI JEHANZEB BURKI		1.530	0.511	(Waiver) .968 (Reversal) .546	2.025
274	ULTRA ENGINEERING LIMITED REGISTERED OFFICE C-1 418 SEC 16-B NORTH KARACHI INDUSTRIAL AREA KARACHI	SALEEM AHMED/ M. HANIF KHALIL-UR-REHMAN/SULTAN AHMED		1.414	0.210	(Waiver) 1.946 (Reversal) .203	2.359
275	IQBAL HUSSAIN H.NO 312 SECTOR NO 3 METROVILLSITE KAR	130-92-276628		0.352	0.033	(Waiver) .445 (Reversal) .050	0.529
276	DOMESTIC APPLIANCE LIMITED F-75 SITE HUB CHOWKI RD KAR	RAFEEQ-UR-REHMAN/KEITH.S.STACK HASSAN IRSHAD/KHALID AMIN FARHAT MIRZA/ SHEIKH ANJUM BASHIR JAVED BURKI		33.338	26.526	(Waiver) 82.578 (Reversal) 6.812	115.916
*277	NASEER AHMED S/O NISAR AHMED KHAN 23 SHADMAN COLONY LHR	272-91-004512		0.321	0.268	(Waiver) .341 (Reversal) .053	0.662
278	SHAHDIN LIMITED 31- NICHOSION RD LHR	SALAHUDDIN AHMED SAHAFI WAHEEUDDIN MUHAMMAD SAHAFI QAMAR JAVAID BUKHARI PERVAIZ AKHTAR MRS.SAJIDA WAHID		9.684	2.221	(Waiver) 12.893 (Reversal) 7.463	22.577

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section (3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 30

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6+7)
279	FERRY INDUSTRIES 242-A SEC 27 KORANGI IND AREA KARACHI	JAVED MASOOD KHAN		1.402	0.540	(Waiver) .887 (Reversal) .862	2.289
280	NEW AGE GARMENTS IND(PVT) LTD A-91 SEC X GULSHAN-MAYMAR KAR	ANWAR AFTAB IQBAL 516-47-173475 MRS.ISHRAT IQBAL/MUSHTAQ YAHYA		5.450	0.000	(Waiver) 4.191 (Reversal) .521	4.712
281	BUYING & BUYING TEXTILE APP.BUYING AGENT ROOM NO 512 & 513 ANUM ESTATESH.FAISAL KARACHI	SHOAIB.A.SHAIKH 512-74-195042	BASHIR.A. SHAIKH	2.254	0.000	(Waiver) .593 (Reversal) .000	0.593
282	GOLDEN PLASTIC(PVT)LTD&GOLDEN IND(PVT)LIMITED A-38 SITE KARACHI C-16 SITE KARACHI	SAIFUDDIN.AKBAR.ALI HUSSAIN.E. DEWAN ABBAS.T.LAKDAWALA NOORUDDIN.M.A.KANDAWALA ZULFIQAR ALI ALVI QIAZER A. QADIR		105.671	0.000	(Waiver) 179.132 (Reversal) 5.671	184.803
283	BAGO KHAN S/O JAFAR KHAN CHANG R/O VILL Jafa CHANG NEAR NASIRABAD TALUKA WARAH LARKANA			0.576	0.350	(Waiver) 1.077 (Reversal) .076	1.503
*284	UNIVERSAL DISTRIBUTORS 2-A MICTOORIA PARK BEHIND INDUS HOTEL LHR	MUHAMMAD YOUSUF 272-91-180989	MUHAMMAD YASIN	2.027	1.122	(Waiver) 1.591 (Reversal) .504	3.218
285	GHULAM NABI KAZMI S/O SYED RASOOL KAZMI R/O 20 EMPRESS RD LHR	272-91-535269		0.405	0.290	(Waiver) .335 (Reversal) .115	0.740
286	AHMED FOOD (PVT) LTD D-112 NAURUS RD SITE KARACHI	MIAN ZIAUDDIN SHAIKH/M.M.ALVI 517-85-011048 SH.SAIFUDDIN/KHURSHID HAIDER		49.773	8.276	(Waiver) 48.714 (Reversal) .000	56.990
287	SHAH DIN LIMITED 31 NICHOLSAN RD LHR	SALAHUDDIN AHMED SHAFI/WAHEEDUDDIN QAMAR JAVAID BUKHARI/MRS. SAJIDA WAHID		0.822	0.536	(Waiver) .494 (Reversal) .286	1.317
*288	AL-JADEED TEXTILE MILLS (PVT) LTD 20-BADRI BUILDING 1ST FLOOR.II.CHUNDRIGAR RD KARACHI	SHOUKAT ALI/M.QASIM 517-56-209743 M.ASIF 4220152790661	HAJI SULEMAN/HAJI UMER A.KARIM	67.070	18.566	(Waiver) 27.588 (Reversal) .002	46.156

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section (3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 31

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6+7)
		MRS.ZARINA KARIM					
		MUHAMMAD HANIF 517-92-106822	HAJI MUHAMMAD AYUB				
289	FAISAL COLTH MILLS (PVT) LTD 91-B IQBAL AVENUE JOHAR TOWNLHR	SAJID NABI MALIK 3520251056981 MRS.ZEBA SAJID 274-52-315809	MALIK GHULAM NABI  W/O SAJID NABI MALIK	2.140	0.000	(Waiver) (Reversal) .640	3.549
290	HAIDER CONSTRUCTION CO 2498-A JACAB RD HYD	SYED BADAR UL HASSAN HAIDER 4130344885259 MRS.FAUZIA HAIDER	S.SHAMSUL HASSAN HAIDER  W/O S. NAYYAR HASNAIN HAIDER	3.495	0.000	(Waiver) (Reversal) .302	7.490
291	SOLV TECH INDUSTRIES LIMITED 1102 KASHIF CENTRE SHAHRAH-E-FAISAL KARACHI	ASHFAQ UR REHMAN  TASHFIN IFTIKHAR UL HAQ  AZIZ UR REHMAN  MUHAMMAD BASHEER  MRS.HAJRA ZAHEER		3.962	0.000	(Waiver) (Reversal) .000	5.309
*292	KARIMI INDUSTRIES C-1 135 SECTOR 6-B NORTH KAR.TOWNSHIP.	MRS.MUSARRAT JEHAN 358-48-075958 MISS.SHAHIDA BEGUM 409-54-056753 SHAMSHAD HUSSAIN 415-50-080461	W/O HAMID HUSSAIN  D/O ABDUL MAJEED FAROOQI  HAJI MUSHTAQ HUSSAIN	1.640	0.000	(Waiver) (Reversal) .166	1.176
293	HASAN ALI & CO. 14 RAWALPIND WALA BUILDING 1ST FLOOR M.A JINNAH RD	HASAN ALI RAMZAN ALI		0.657	0.000	(Waiver) (Reversal) .263	1.458
*294	MUHAMMAD ZUBAIR S/O M.BUKHSH L-330 BLOCK 1 SHIREEN JINNAH COLONY CLIFTAN KARACHI			1.258	0.394	(Waiver) (Reversal) .314	1.918
295	MUHAMMAD ARIF S/O MIRZA.M.JAMIL H.NO 11 HEARVE ROAD ISLAM PURALAHORE	273-51-192444		0.960	0.253	(Waiver) (Reversal) .000	0.876
296	TARIQ AZIZ BUTT 1/7 ROYAL PARK LHR	275-64-119230		0.360	0.208	(Waiver) (Reversal) .152	0.571
297	ABDUL REHMAN KHAN SHOP NO 17 REHMAT MKT 22YASIN STREET LHR	270-90-656968		0.294	0.250	(Waiver) (Reversal) .044	0.665
298	MEHBOOB ALAM PURAN SINGH BIDG NO1 BEADONRD LHR	276-91-026830		0.345	0.254	(Waiver) (Reversal) .091	0.710

H A B I B B A N K L I M I T E D

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 32

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
*299	MONA TEXTILE (PAKISTAN) KOTWALI RD F/ABAD	FARRUKH HAMEED BHATTI 61101-9445900-5	ABDUL RASHEED BHATTI		4.993	3.873 (Waiver) 8.646 (Reversal) .567	13.086
*300	SUPERIOR TEXTILE MILLS LTD 32-N GULBERG 11 LHR	AKBAR AKHTAR KHAN 3520116923275 GHAZI AKHTAR KHAN 3520116923341 JEHANGIR KHAN TAREEN 3520226988295 MAKHDOOM SYED AHMED MEHMOOD 3520286327795 HAROON AKHTAR KHAN 3520116923341 MST RASHEEDA BEGUM 3520115449220 MRS.AMINA TAREEN 3520014361874 MISS MEHER KHAN TAREEN 3520014955848	AKHTAR ABDUL REHMAN KHAN AKHTAR ABDUL REHMAN KHAN ALLAH NAWAZ KHAN TAREEN MUKHDOOM ZADA.S.HASSAN MEHMOOD AKHTAR ABDUL REHMAN KHAN W/OAKHTAR ABDUL REHMAN KHAN W/O JEHANGIR TAREEN KHAN D/O JEHANGIR KHAN TAREEN	472.289	70.643	(Waiver) .000 (Reversal) 176.944	247.587
*301	AYAZ TEXTILE MILLS LTD 93-CMA COLONY LHR CANTT	AYAZ UDDIN DURRANI 270-85-418960 MST.ASFA AYAZ DURRANI 270-85-418961 MRS.AMINA SHAH MEHMOOD  MRS.ZUBAIDA AFZAL 277-41-162375 RIAZUDDIN DURRANI 517-18-080276 SHAH MAHAMOOD 270-86-372180 MRS.& MR.IRFAN AFZAL		91.045	63.322	(Waiver) .000 (Reversal) 16.679	80.000
*302	KHYBER EXTRUSION (PVT) LTD 28-B GADOON AMAZAI IND ESTATEDISTT SWABI	HASSAN MEHMOOD 514-91-151362 AZMAT KHAN 740-55-057936 HASSAN HARAVI 514-91-151361		6.705	1.784	(Waiver) 4.200 (Reversal) .000	5.984
303	INDUSTRIAL SAFETY 681 SHADMAN COLONY LHR	WAHEED HAIDER KHAN 270-28-391941 ARIF MEHMOOD KHAN 270-85-416408 MRS. TAHSEEN AKHTER KHAN 270-61-110168 PERVAIZ IMTIAZ KHAN 213-57-095230 MRS.FARHAT KHAN	SULTAN MEHMOOD KHAN WAHEED HAIDER KHAN W/O ARIF MEHMOOD KHAN IMTIAZ ALI KHAN W/O WAHEED HAIDER KHAN	4.200	0.000	(Waiver) 4.546 (Reversal) .000	4.546

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 33

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6 + 7)
		270-37-391940					
*304	MIAN MUHAMMAD YOUSUF S/O MUHAMMAD SALEEM NEAR RATTAN CINEMA SALEEMCHAMBER 114 MCLEOD ROAD LAHORE	285-89-613929		0.328	0.275	(Waiver) .408 (Reversal) .053	0.736
305	HEAVY ELECTRICAL COMPLEX (PVT) LTD HATTAR IND ESTATE HARIPURDISTT	JAVED AKHTAR /S.K. PERVAIZ  KAMAL AKHTAR ABBASI/DR. MUNIR AHMED  MAJ GEN SIKANDER HAYAT  HASNAIN AKHTAR/IQBAL HUSSAIN  RASUL ZIA		323.117	0.000	(Waiver) 418.562 (Reversal) .000	418.562
306	MRS. TANEES ARIF W/O ARIF MEHMOOD H.NO 48-T BLOCK 2 PECHS KAR	517-55-274641		0.375	0.168	(Waiver) .505 (Reversal) .033	0.706
307	AKHTAR HUSSAIN 5/13-G FATIMA JINNAH COLONYJAMSHEED ROAD KARACHI.	507-58-179413		0.274	0.135	(Waiver) .381 (Reversal) .022	0.537
*308	YOUNIS & COMPANY 462-KACHA RAHIM RD BUND RDLHR	M.YOUNIS 266-55-162642 MUHAMMAD SAEED 266-55-082674		3.500	0.000	(Waiver) .749 (Reversal) .000	0.749
*309	KASHIF STEEL INDUSTRIES (PVT) LTD CHOWK BHOGI WAL BUND RD LHR	HAJI M.AMIN 266-55-162634 M.SAEED 266-55-082674 M.YOUNIS 266-55-162642		56.322	20.129	(Waiver) 35.262 (Reversal) 16.400	71.791
*310	FAISAL ENTERPRISES LTD 29 KM G.T RD MURIDKEY	SHABBIR AHMED 275-48-052027 SYED MANZOOR ALAM SHAH 285-32-032071 ISMAT ARA/M.ASLAM BUTT 275-85-340943 AMEENA KHANUM 205-46-004665 MEHTAB QAZZAFI 285-90-032078	MIAN ALLAM DIN  HAKIM SARDAR.M.SHAH  W/O M.HANIF  W/O BASHIR AHMED  SYED MANZOOR ALAM	78.526	33.839	(Waiver) 81.050 (Reversal) 27.265	142.153
*311	SAHIL INTERNATIONAL ROOM NO 201 E-2 FISHERY HOUSEFISH HERBOUR WEST WHARF KAR	SYED IQBAL NAQVI  ABDUL AZIZ MEMON  SYED IFTIKHAR NAQVI		20.218	13.977	(Waiver) 21.466 (Reversal) 5.210	40.652

H A B I B B A N K L I M I T E D

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 34

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6+7)
312	SYED MUSHTAQUE HUSSAIN 757/20 F.B AREA KAR	501-88-368110	SYED AFAQ HUSSAIN	0.430	0.164	(Waiver) .515 (Reversal) .036	0.715
313	RAINBOW PACKAGES LIMITED 31 KM TIBBI HARYA LAHORESHEIKHPURA RD SHEIKHPURA	SYED BASHIR AHMED  SHAHID MASOOD  SHAMS RAFI  S.MAQSOOD MAJID  RIZWAN SHAFI  MASOOD IQBAL  HAMID MASOOD  MS.RABBIYA BASHIR  UMER SHAFI		2.451	1.847	(Waiver) 5.838 (Reversal) .071	7.756
314	DATA GARMENTS (PVT) LTD LA-8-26 BLOCK NO 22 F.B AREAKAR	M.AMIN/MST.MOMIN BAI  MST.HAMEEDA/MST.HAEEMA BAI		5.928	0.000	(Waiver) 4.001 (Reversal) 1.251	5.252
315	PAKISTAN OIL SEED DEVELOPMENT BOARD M/O FOOD & AGRICULTURE & LIVESTOCK GOP-79E AL REHMAN CHAMB-	ABDUL RAUF KHAN		160.077	0.001	(Waiver) 184.019 (Reversal) .000	184.020
316	SALAHUDDIN H NO A/2865 TILAK CHARH HYD	SALHUDDIN RAJPUT 516-67-443912	SALEEMUDDIN RAJPUT	0.328	0.182	(Waiver) .313 (Reversal) .085	0.581
317	PAKISTAN OIL SEED DEVELOPMENT BOARD AGRICULTURE INSTITUTE TARNABFORM G.T RD PESHAWER			4.152	0.000	(Waiver) 3.255 (Reversal) .000	3.255
318	KHOKHAR TEXTILE MILLS LTD 90- QASIM RD MULTAN CANTT.	SHAHID NASEEM KHOKHAR AKHTAR (CEO) 323-86-509405 DR. KHALID AHMED KHOKHAR 322-58-696472 ZUBAIR AHMED KHOKHAR 322-91-888466 MRS.SHAHNAZ PERVEEN 322-59-532000 MRS.FATIMA LEGHARI 322-68-033335 MRS.SARA YOUSUF 344-85-030843 MRS.YASMEEN TARIQ 322-86-734933		253.800	33.800	(Waiver) 99.791 (Reversal) .000	133.591

HABIB BANK LIMITED

AMOUNTS WRITTEN OFF DURING THE YEAR 2004

In terms of sub-section(3) of Section 33A of Banking Companies Ordinance, 1962, the details of individual cases where aggregate amount of Loans/Advances/Financing facilities/Mark-up or other dues written off and other financial reliefs provided through rescheduling or restructuring of Rs.0.5 million or more during the year ended 31/Dec/2004 are as follows: RS IN (MILLION)

PAGE NO. # 35

S. No.	Name and Address of the Borrower	Name of Individuals / Partners / Directors (with NIC Number)	Father's Name	Outstanding Liabilities on the opening day of the year As on 01/01/2004	Amount Written off	Interest/Mark-up waived and other Financial Relief Provided	TOTAL (6+7)
*319	AHMED ABDUL KARIM M.FEROZ STREET JODIA BAZARKAR	AHMED / MUHAMMAD ILYAS 517-54-176518	ABDUL KARIM		2.060	1.360 (Waiver) 4.945 (Reversal) .000	6.305
*320	ALIF TEXTILE IND LTD PLOT NO 52 SEC NO 7-A KORANGHIND AREA KARACHI	HASNAIN RAZA  ABDUL RASHEED KHAN 519-93-100753 GHULAM HUSNAIN KHAN 501-71-734315 SYED SALMAN NAQVI 4220193678845 AHMED ZULFI 4210169144243			91.393	52.850 (Waiver) 54.060 (Reversal) 10.848	117.758
*321	SARITOW SPINNING MILLS LTD 17-AZIZ AVENUE CANAL BANKGULBERG LHR	M.AZAM SAIGAL 3520227832219 M.NASIM SAIGAL 3520203313031 SHAHID SETHI 3520015593749 M.ILYAS BAJWA 247-46-010655 SAEED MIAN ANSARI 3520015434085 ASIFBAJWA 3540188333083			260.825	0.000 (Waiver) 7.755 (Reversal) 118.158	125.913
*322	AYAZ TEXTILE MILLS LTD 128 SHAMI RD LAHORE CANTT	IRFAN AFZAL  MRS.ASFA AYAZ  SHAH MAHMOOD  ZUBEIDA AFZAL  MRS.AMINA SHAH MAHMOOD  RIAZUDDIN DURRANI  AYAZ DURRANI	      W/O NIZA M.AFZAL  W/O SHAH MAHMOOD  BASHES ALAM  R.D. DURRANI		281.376	143.746 (Waiver) 173.326 (Reversal) 103.266	420.337
<b>TOTAL :-</b>					<b>6,372.222</b>	<b>1,774.499</b> 5,378.119 1,182.289	<b>8,334.908</b>

\* NOTE CASES SETTELED UNDER SBP GUIDELINE VIDE SBP BSD CIRCULAR NO 29 DATED 15-10-2002

## DETAILS OF DISPOSAL OF OPERATING FIXED ASSETS for the year ended December 31, 2004

## GROUP

Particulars	original cost	accumulated depreciation	book value	sale proceeds	mode of disposal	particular of buyers
----- Rupees in 000 -----						
Land	3,883	-	3,883	7,120	Tender	Imran Malik
<b>Building including Land</b>	<b>11,132</b>	<b>872</b>	<b>10,260</b>	<b>13,208</b>		
Land	9,940	-	9,940	13,208	Tender	Mr. Maqbool Alam s/o Mr. Didar Alam
Building	1,192	872	320			
	<b>6,224</b>	<b>43</b>	<b>6,181</b>	<b>5,000</b>		
Land	5,775	-	5,775	5,000	Tender	Mr. Muhammad Ibrahim Dosani s/o Haji Noor Muhammad.
Building	449	43	406			
<b>Motor Vehicle</b>	<b>15,988</b>	<b>12,207</b>	<b>3,780</b>	<b>7,434</b>		
	595	119	476	591	Insurance claim received	Car was stolen and received insurance claim
	2,564	2,564	-	173	Negotiation	S.E.A. Product Services Pte Ltd
	4,622	4,622	-	1,937	Negotiation	KahMotor Co Sdn Bhd - Trade In
	1,102	1,060	42	387	Negotiation	Mr. Kamran Mirza -Staff
	769	410	359	244	On retirement	Mr. Manzoor Ali Ex - EVP
	939	178	761	620	On retirement	Mr. S. Pervaiz Mehdi Ex- EVP
	769	417	352	650	On retirement	Mr. Manzoor Ali Ex - EVP
	560	65	495	555	Insurance claim	Insurance claim from N.I.C
	995	732	263	183	Negotiation	Mr. Khayyam Mahmood Butt Ex- SEVP
	1,079	360	719	665	Negotiation	Mr. Khawaja Waheed Raza Ex- SEVP
	769	456	313	625	Insurance claim	National Insurance Co.
	1,225	1,225	-	805	Tender	Mr. Amanullah, 136 Qaziabad Railway station Peshawar
Assets having book value of less than Rs.250,000 or cost of less than Rs. 1 million	104,112	98,310	5,802	21,446		
	<b>141,339</b>	<b>111,432</b>	<b>29,906</b>	<b>54,208</b>		