

**FIRST INTERNATIONAL INVESTMENT BANK LIMITED
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE-MONTH ENDED MARCH 31,
2006**

1. LEGAL STATUS AND OPERATIONS

FIRST INTERNATIONAL INVESTMENT BANK LIMITED

First International Investment Bank Limited (Interbank) is a public limited company incorporated in Pakistan on February 7, 1990 under the Companies Ordinance, 1984. Its shares are quoted on the Karachi and Lahore Stock Exchanges. The registered office of Interbank is situated at 5 F.C.C., Gulberg, Lahore. The principal place of business is situated at 7th Floor, Shaheen Commercial Complex, Dr. Ziauddin Ahmed Road, Karachi.

Interbank is licensed to carry out all investment finance activities and leasing operations as a Non-Banking Finance Company under Section 282C of the Companies Ordinance, 1984 and Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003. Interbank also offers brokerage services to retail and institutional clients through its seat at the Lahore Stock Exchange.

FINEX SECURITIES LIMITED

Finex Securities Limited is a company incorporated in Pakistan on June 28, 1994 as a Public Company under the Companies Ordinance, 1984. The Company is a Corporate member of Karachi Stock Exchange (Guarantee) Limited. The principal activities of the Company include share brokerage, money market operations, investment advisory, consultancy services, underwriting, portfolio management, research and corporate finance.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan, interpretations issued by the Standards Interpretations Committee of the IASC and the requirements of the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the Prudential Regulations for the Non-Banking Finance Companies (Prudential Regulations). Approved Accounting Standards comprise of such International Accounting Standards, (IASs) as notified under the provisions of the Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance, 1984, NBFC Rules, Prudential Regulations and directives issued by the Securities and Exchange Commission of Pakistan (SECP) differ with the requirements of these standards, the requirements of the Companies Ordinance, 1984, NBFC Rules, Prudential Regulations and the said Directives take precedence. The disclosures made in these financial statements have, however, been limited based on the requirements of the International Accounting Standard 34, "Interim Financial Reporting".

3. BASIS OF CONSOLIDATION

Consolidated Accounts were prepared upto the same reporting date using uniform accounting policies and have been consolidated on a line by line basis.

All material inter company balances, transactions and resulting unrealized profits / losses have been eliminated.

4. SUBSIDIARY COMPANY

Following subsidiary company has been consolidated in the accounts of the Holding Company:

Subsidiary Company	Nature of Business	Date of Acquisition	Group Holding
Finex Securities Limited	Brokerage, Money Market, Advisory	Jan 28, 2006	100%