Allied Bank

CORPORATE AFFAIRS GROUP

HOL/CAG/SW/2015/ 478
October 6, 2015

Mr. Muhammad Ghufran
Deputy General Manager
Karachi Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

Dear Sir,

Suspension of Trading in the Term Finance Certificates TFC-II of Allied Bank Limited

This is with reference to your letter KSE/S-1095-7813 dated September 22, 2015 on the subject.

We are forwarding herewith copy of Auditors Certificate issued by M/s KPMG Taseer Hadi & Co. Chartered Accountants dated October 6, 2015 in respect of Final Redemption (Principal & Profit payment) under call option of Term Finance Certificate (TFC-II) issued by Allied Bank Limited on 28-8-2009 for delisting / suspension of the above security as per Listing requirement. Please note that annual listing fee for the year 2015-2016 has already been paid vide our letter # HOL/CAG/SW/2015/467 dated September 29, 2015.

Thanks & Regards,

Hasan Raza Bukhari
Manager Shares Dept

Muhammad Raffat
Company Secretary

Encl: As above

KPMG

KPMG Taseer Hadi & Co.
Chartered Accountants
2nd Floor,
Servis House
2-Main Gulberg Jail Road,
Lahore Pakistan

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Report of Factual Findings
To The Chief Executive Officer

We have performed the procedures agreed with you and enumerated to performing Agreed Upon Procedures related to redemption of Term Finance Certificates ("TFC") TFC-II. Our engagement was undertaken in accordance with the International Standard on Related Services applicable to agreed-upon procedures engagements. The procedures were performed solely to assist you in determining the compliance with the scope of the engagement as prescribed in our engagement letter no. LA-IA-270A-15 dated 24 September 2015, and are summarized as follows:

1) We have matched the outstanding number of TFCs except for 4,003 certificates held in physical form by Mr. Muhammad Raza Rupani and Telenor Pakistan (Private) Limited Employee Provident Fund, as at 27 August 2015, as per the Final Redemption /Profit Check Register ("the Register") provided by the Registrar of the Bank with the Registrar /TA Reconciliation Report provided by Central Depository Company ("CDC");

2) We have checked from the Register that 4,003 certificates were held in physical form by Mr. Muhammad Raza Rupani and Telenor Pakistan (Private) Limited Employee Provident Fund, as at 27 August 2015.

3) We have matched the total outstanding amount of TFC-II in issuance, as at 27 August 2015, as per the redemption schedule provided in the Prospectus with the books of account of the Bank;

4) We have checked that the amount of markup for the period from 28 February 2015 to 27 August 2015 was calculated in accordance with the requirements of section 2.16 of the Prospectus;

5) We have checked that the deductions of income tax and zakat from the final payment was made in accordance with the requirements of Income Tax Ordinance, 2001 and Zakat and Ushr Ordinance, 1980;

6) We have matched the amount of Pay Orders ("POs") prepared by the Bank in the names of TFC holders with the net amounts outstanding against each individual TFC holder as per the Register;

7) We have checked that the POs were prepared in the name of correct TFC holders, as mentioned in the Register; and

8) We have checked that the POs were subsequently presented and honored by the Bank.

We report our findings below:

a) With respect to item 1 above, we have found no exceptions;

b) With respect to item 2 above, we have found no exceptions;

c) With respect to item 3 above, we have found no exceptions;

KPMG KH

MUHAMMAD RAFFAT
COMPANY SECRETARY
ALLIED BANK LIMITED

d) With respect to item 4 above, we have found no exceptions;

e) With respect to item 5 above, we have found no exceptions;

f) With respect to item 6 above, we have found no exceptions;

g) With respect to item 7 above, we have found no exceptions; and

h) With respect to item 8 above, we have found no exceptions.

Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and submission to Karachi Stock Exchange and is not to be used for any other purpose or to be distributed to any other parties. This report relates only to the items specified above and do not extend to any financial statements of the Company, taken as a whole.

MUHAMMAD RAFFAT
COMPANY SECRETARY
ALLIED BANK LIMITED

KPMG Taseer Hadi & Co.

Lahore

Date 06 OCT 2015

KPMG Taseer Hadi & Co
Chartered Accountants
(Kamran Iqbal Yousafi)