ASKARI COMMERCIAL BANK LTD.
The Security Bank - A Name to Trust

Head Office, The Mall,
RAWALPINDI - 46000

The Best Bank in Pakistan

SECRETARY'S OFFICE

SECTT/KSE/ 57 /05
10 Feb 05

The General Manager
Karachi Stock Exchange (Guarantee) Limited
Stock Exchange Building
Stock Exchange Road
KARACHI

Subject: **FINANCIAL RESULTS FOR THE YEAR ENDED 31 DEC 2004**

Dear Sir,

1. We have to inform you that the Board of Directors of our Bank in their Meeting held on 10 Feb 2005 at Askari Commercial Bank Limited, Head Office, AWT Plaza, the Mall, Rawalpindi has recommended the following: -

a. **CASH DIVIDEND**

A final Cash Dividend for the year ended 31 December 2004 @ Rs 2.00 per share i.e. 20%

b. **BONUS SHARES**

The Board of Directors has in principal decided to recommend issuance of bonus shares in proportion of 20 shares for every 100 shares held i.e. at the rate of 20%

Please note that a clarification was earlier sought from SECP whether the Bank could ignore its contingencies, being peculiar in nature to banking business, in order to arrive at its "free reserves" in terms of rule 5 of the Companies (Issue of Capital) Rules 1996, as required by rule 6(iv) of the said Rules. SECP clarified this issue in its letter No. EMD/233/2/2002-1936 dated 21 Mar 2002 that the Bank need not take into account these contingencies in order to arrive at its "free reserves". A further clarification is therefore not required from SECP.

2. The financial results of the Bank as on 31 Dec 2004 duly approved by the Board of Directors are as under:-

Rs in thousands

	Dec 2004	Dec 2003
Profit before tax	2,842,740	1,901,800
Less: Provision for taxation	(919,700)	(798,735)
Profit after tax	1,923,040	1,103,065
Add: Unappropriated profit b/f	-	-
Available for appropriation	1,923,040	1,103,065

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