بينك الفلاح المحدود
BANK ALFALAH LIMITED

LDN/MEA/3500
3rd December 2013.

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

By Hand

Dear Sir,

ISSUANCE OF SHARES UNDER ESOS

We refer to your letter No: KSE/C 1077-6516 dated 29th November 2013 and subsequent telephonic discussion of our Mr. Wasim Akhter with you.

We would like to inform you that the Employees Stock Option Scheme ("**ESOS**") of Bank Alfalah Limited ("**Bank**") has already been approved in the 21st Annual General Meeting held on 29th March 2013, subject to approval of Securities and Exchange Commission of Pakistan ("SECP"). The SECP has also approved the ESOS and advised the Bank to take further approval of the shareholders for issuance of new shares of Rs. 10/- each under ESOS without issuance of right shares. The ESOS was submitted to the Stock Exchanges along with the Notice of 21st AGM/Annual Report 2012. We enclose a printed copy of the ESOS, approved by the shareholders.

In light of the advice of SECP, the matter was presented in the EOGM of the Bank held on November 22, 2013 and the shareholders have passed the Special Resolution; certified copy of which was submitted to the Stock Exchanges.

As desired, we enclose a copy of SECP's letter No: SMD/CIW/ESOS/02/2013 dated September 3, 2013 regarding approval of ESOS. Since the Bank has yet not issued any shares under the ESOS, therefore, the requirements mentioned in your letter under reply does not attract at the moment. We will, however, ensure to submit the requisite information to you as and when the Bank decides to issue new shares under the ESOS.

Yours truly,

MIAN EJAZ AHMAD
Company Secretary

Encl: as above