KASB Bank
Limited

August 28, 2009

The General Manager
Karachi Stock Exchange (Guarantee) Ltd.
Stock Exchange Building
Stock Exchange Road,
Karachi.

Subject: Financial Results for the Half-year ended June 30, 2009

Dear Sir,

We have to inform you that the Board of Directors of our Bank in their meeting held on Friday, August 28, 2009 at 9:30 AM at Karachi recommended the following:

(i) CASH DIVIDEND Nil

(ii) BONUS SHARES

The Board of Directors of our Company in their meeting held on 28th August, 2009 at 9:30 a.m. at KASB Bank Limited, City Office, Khayaban-e-Shahbaz, Karachi recommended issuance of Bonus Shares out of its share premium account in the proportion of [26] ordinary shares for every [100] ordinary shares ie. (26%) for approval of the shareholders, for which an Extra Ordinary General Meeting of the Company will be held on Friday, October 02, 2009 at The Registered Office of the Bank at Razia Sharif Plaza, Jinnah Avenue, 90-Blue Area, Islamabad at 11:00 am.

As per specific approval of Securities & Exchange Commission of Pakistan in terms of their letter dated August 04, 2009, the provisions of Rule 6 of the Companies (Issue of Capital) Rules 1996 in relation to maintenance of 25% free-reserves is not applicable to the present Bonus Shares issue.

The Share Transfer Books of the Company will be closed from September 26, 2009 to October 02, 2009 (both days inclusive). Transfers received at the Share Registrars of the Company, Nobel Computer Services (Pvt.) Limited at the close of business on September 25, 2009 will be treated in time for the purpose of above entitlement to the transferees, subject to approval of the shareholders.

It is clarified that all shareholders of KASB Capital Limited and Network Leasing Corporation Limited as on February 17, 2009 who are entitled to be issued shares of KASB Bank Limited in terms of the Schemes of Amalgamation sanctioned by the State Bank of Pakistan will also be entitled to receive the Bonus Shares in proportion to their entitlement of KASB Bank Limited shares as per the Schemes of Amalgamation and are deemed as shareholders of KASB Bank Limited as on February 17th 2009 being the date of final closure of the share transfer books of KASB Capital Limited and Network Leasing Corporation Limited.

(iii) RIGHT SHARES Nil

(iv) ANY OTHER ENTITLEMENT / CORPORATE ACTION Nil

(v) ANY OTHER PRICE-SENSITIVE INFORMATION Nil

The financial results of the Bank are as follows:

	April 1 to June 30, 2009	April 1 to June 30, 2008	January 1 to June 30, 2009	January 1 to June 30, 2008
	(Rupees in '000)			
Mark-up / return / interest earned	1,109,573	1,060,566	2,624,506	2,121,656
Mark-up / return / interest expensed	(1,449,141)	(941,086)	(2,911,383)	(1,705,504)
Net mark-up / return / interest income	(339,568)	119,480	(286,877)	416,152
Provision against loans and advances - net	696,645	67,994	587,266	105,768
Provision for diminution in the value of investments	117,660	38,945	117,660	38,945
Bad debts written-off directly	324	230	324	230
	814,629	107,169	705,250	144,943
Net mark-up / return / interest (loss) / income after provisions	(1,154,197)	12,311	(992,127)	271,209

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