

The General Manager
 Karachi Stock Exchange (Guarantee) Ltd.
 Karachi

Dear Sir,

Sub: **FINANCIAL RESULTS OF THE BANK FOR THE QUARTER ENDED SEPTEMBER 30, 2008**

We have to inform you that the Board of Directors of the Bank in their meeting held at 09:30 a.m. on Wednesday, October 22, 2008 has recommended the following:

i	Cash Dividend	Nil
ii	Bonus shares	Nil
iii	Right Issue	Nil

	Quarter Ended September 30, 2008	Period Ended September 30, 2008	Quarter Ended September 30, 2007	Period Ended September 30, 2007
(Rupees in '000)				
Mark-up / return / interest earned	873,625	1,981,118	323,042	958,704
Mark-up / return / interest expensed	735,700	1,556,432	311,468	939,739
Net mark-up / interest income	137,925	424,686	11,574	48,965
Provision for non-performing loans and advances	17,625	19,062	39,798	42,862
Reversal of provision for diminution in value of investments	(6,064)	(6,064)	-	(303)
Bad debts written off directly	-	-	-	5
Net mark-up / interest income after provisions	11,561	12,998	39,798	42,564
	126,364	411,688	(28,224)	6,401
Non mark-up / interest income				
Fee, commission and brokerage income	15,823	48,770	5,176	14,064
Dividend income	27,598	39,071	24,913	32,534
Income from dealing in foreign currencies	392	9,113	13,737	18,114
Gain on sale of securities	15,004	90,761	51,957	169,837
Unrealised gain on revaluation of investments classified as held for trading	1,801	1,801	4,889	3,903
Other income	10,321	16,181	2,447	6,183
Total non mark-up / interest income	70,939	205,697	103,119	244,635
	197,303	617,385	74,895	251,036
Non mark-up / interest expenses				
Administrative expenses	494,182	1,237,160	164,414	385,282
Other provisions / write offs	-	98	-	-
Other charges	79	736	2,857	3,196
Total non mark-up / interest expenses	494,261	1,237,994	167,271	388,478
	(296,958)	(620,609)	(92,376)	(137,442)
Extraordinary / unusual items	-	-	-	-
Loss before taxation	(296,958)	(620,609)	(92,376)	(137,442)
Taxation - Current	-	-	3,634	10,539
- Prior years	145	145	(377)	(377)
- Deferred	(164,207)	(290,937)	(39,177)	(93,974)
	(164,062)	(290,792)	(35,920)	(83,812)
Loss after taxation	(132,896)	(329,817)	(56,456)	(53,630)
Accumulated loss brought forward	(518,292)	(321,371)	(9,501)	(12,327)
Accumulated loss carried forward	(651,188)	(651,188)	(65,957)	(65,957)
Loss per share - Basic and diluted (Rupee)	(0.27)	(0.66)	(0.18)	(0.17)

