

August 28, 2007

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

Subject: Financial Results for the Quarter & Half-year ended June 30, 2007

Dear Sir,

We have to inform you that the Board of Directors of our Bank in their meeting held on Tuesday, August 28, 2007 at 12:30 PM at Head Office, Karachi recommended the following:

- i) CASH DIVIDEND - Nil
ii) BONUS SHARES - Nil
iii) RIGHT SHARES

The Board has decided to review and consider it separately.

- 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, 2007	April 1, to June 30, 2006	January 1, to June 30, 2007	January 1, to June 30, 2006
	(Rupees in '000)			
Mark-up / return / interest earned	636,270	445,894	1,177,849	854,204
Mark-up / return / interest expensed	(509,803)	(342,359)	(941,568)	(651,248)
Net mark-up / return / interest income	126,467	103,535	236,281	202,956
Reversal / (change) of provision against loans and advances - net	(10,463)	(125,285)	20,864	(63,121)
Reversal of provision for diminution in the value of investments	2,026	26,862	2,026	26,862
Bad debts written off directly	(8,437)	(98,423)	22,690	(28,259)
Net mark-up / interest income after provisions	118,030	6,112	258,971	177,198
Non mark-up / interest income				
Fee, commission and brokerage income	31,042	28,944	56,360	48,973
Dividend income	200,100	105,150	204,444	114,548
Income from dealing in foreign currencies	5,035	18,246	15,533	26,140
Income on trading in government securities	-	-	-	-
Gain on sale of investments (other than government securities)	63,889	5,783	98,751	25,198
Unrealized gain / (loss) on revaluation of investments classified as held for trading	8,770	(16,954)	44,084	(26,433)
Other income	10,289	4,327	20,899	7,962
Total non mark-up / interest income	317,125	143,476	439,861	203,778
	435,155	148,588	698,832	381,076

KASB BANK LIMITED

Head Office: Business & Finance Centre-11, Chundrigar Road, Karachi-74000, Pakistan.
Tel: (PAKX) 92-21-2446772-77. UAN: 111-555-666. Fax: 92-21-2446825. www.kasbbank.com

P/2