

October 29, 2008

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

**Subject: Financial Results for the quarter & nine months period ended September 30, 2008**

Dear Sir,

We have to inform you that the Board of Directors of our Bank in their meeting held on Wednesday, October 29, 2008 at 11:30 a.m. at Karachi recommended the following:

(i) CASH DIVIDEND	Nil
(ii) BONUS SHARES	Nil
(iii) RIGHT SHARES	Nil
(iv) ANY OTHER ENTITLEMENT / CORPORATE ACTION	Nil
(v) ANY OTHER PRICE-SENSITIVE INFORMATION	

The Board also discussed and endorsed the MOU signed for the merger of KASB Bank Ltd., KASB Capital Ltd. and Atlas Bank Ltd. through a Scheme of Amalgamation subject to compliance of related regulatory requirements.

The financial results of the Bank are as follows:

	July 1, 2008 to September 30, 2008	July 1, 2007 to September 30, 2007	January 1, 2008 to September 30, 2008	January 1, 2007 to September 30, 2007
	(Rupees in '000)			
Mark-up / return / interest earned	1,557,993	828,848	3,679,649	2,006,697
Mark-up / return / interest expensed	(1,360,200)	(620,781)	(3,065,704)	(1,562,349)
Net mark-up / return / interest income	197,793	208,067	613,945	444,348
(Charge) / reversal against non-performing loans and advances - net	(77,624)	(14,697)	(183,392)	5,967
(Provision) / reversal of provision for diminution in the value of investments	-	-	(38,945)	2,026
Bad debts written off directly	-	-	(230)	-
Net mark-up / interest income after provisions	120,169	193,370	391,378	452,341
<b>Non Mark-up / interest income</b>				
Fee, commission and brokerage income	42,337	30,866	132,022	87,216
Dividend income	4,352	-	52,635	204,444
(Loss) / Income from dealing in foreign currencies	34,250	27,492	189,855	43,125
Income on trading in government securities	-	-	-	-
Gain on sale of investments (other than Govt. Securities)	(3,332)	12,057	161,320	110,808
Unrealised (loss) / gain on revaluation of investments classified as held for trading	(4,615)	(896)	-	43,188
Gain on disposal of investment in subsidiary and associate	-	196,061	-	196,061
Other income	14,730	10,035	75,937	30,734
Total non mark-up / interest income	87,722	275,615	611,769	715,576
Non mark-up / interest expenses				
Administrative expenses	(292,705)	(295,446)	(970,732)	(798,399)
Other provisions / write offs	-	-	-	(3)
Other charges	(9)	(99)	(9,275)	(12,431)
Total non mark-up / interest expenses	(292,714)	(295,545)	(980,007)	(810,833)
<b>Profit before taxation</b>	<b>(84,823)</b>	<b>173,440</b>	<b>23,140</b>	<b>357,084</b>