

**THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED****KSE/N-1669****NOTICE****March 19, 2009**

*Reproduced hereunder the letter received from NATIONAL BANK OF PAKISTAN for information of members of the Exchange.*

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**FORD RHODES SIDAT HYDER & CO.,  
CHARTERED ACCOUNTANTS  
6<sup>th</sup> Floor, Progressive Plaza,  
Beaumont Road,  
Karachi.**

**M. YOUSUF ADIL SALEEM & CO.,  
CHARTERED ACCOUNTANTS  
Cavish Court, A-35, Block 7 & 8  
KCHSU, Sharaq Faisal  
Karachi**

March 18, 2009

Amir Sattar, Esq.,  
Financial Controller,  
National Bank of Pakistan (the bank),  
Head Office,  
I.I. Chundrigar Road,  
Karachi.

Dear Sir,

**FREE RESERVES**

As requested, we have reviewed the computation of residual free reserves for the issue of bonus shares made by the bank and have ascertained from the bank's financial statements for the year ended December 31, 2008 that the residual free reserves in terms of the meaning given to free reserves in the Companies (Issue of Capital) Rules, 1996 after the proposed issue of bonus shares of face value of Rs. 1,794 million would be higher than twenty five percent of the enhanced paid-up capital of Rs. 10,764 million.

We have reviewed the contingent liabilities outstanding as at 31 December 2008 to determine the contingent loss, if any, falling within the scope of paragraph 14 of the International Accounting Standard 37 "Provisions, Contingent Liabilities and Contingent Assets" and confirm that there are no such liabilities that have not been recognized in the financial statements and would need to be deducted from aforementioned free reserves of the Bank.

This letter is being issued on request of the Bank for the purpose of issue of bonus shares in accordance with Rule 6 of the Companies (Issue of Capital) Rules, 1996.

Yours faithfully,

*Ford Rhodes Sidat Hyder*  
Ford Rhodes Sidat Hyder & Co.,  
Chartered Accountants

*M. Yousuf Adil Saleem*  
M. Yousuf Adil Saleem & Co.,  
Chartered Accountants