



June 30, 2010

Mr Haroon Askari
GM Operations
The Karachi Stock Exchange (Guarantee) Limited
Stock Exchange Building
Stock Exchange Road
Karachi 74000

Dear Sir:

We refer to your letter dated June 22, 2010 wherein you have requested an explanation from us with respect to the non-payment of dividend and/or bonus shares by NIB Bank for the last five years.

As you are aware, NIB Bank Limited commenced operations in October 2003 following the amalgamation of the former leasing company, National Development Leasing Corporation (NDLC), and the two Pakistan branches of International Finance Investment and Commerce Bank Limited, Bangladesh (IFIC Bank). Subsequently NIB Bank acquired the Pakistan branches of Credit Agricole Bank. In June 2007 NIB Bank acquired 63.36% of the shareholding of Pakistan Industrial Credit and Investment Corporation Limited (PICIC) which was merged into NIB Bank as of December 31, 2007. Along with PICIC, NIB Bank also acquired and merged the operations of PICIC Commercial Bank Limited (PCBL). Through the merger NIB Bank also acquired PICIC Asset Management Company Limited (PICIC Asset Management) and PICIC Insurance Limited (PICIC Insurance) as separate entities. In order to finance the acquisition, a rights issue was made in the year 2007.

NIB Bank's revenues have grown as follows over the periods indicated:

2004* (Rs. '000)	2005* (Rs. '000)	2006* (Rs. '000)	2007* (Rs. '000)	2008 (Rs. '000)	2009 (Rs. '000)	2010 FQ (Rs. '000)
502,429	834,119	1,515,178	2,602,704	6,823,751	7,081,839	1,937,130

* NIB before the merger

MAM

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