

CS - 468  
December 2, 2009

**The General Manager**  
Karachi Stock Exchange (G) Ltd  
Stock Exchange Building  
Stock Exchange Road  
Karachi

**Recapitalization Plan – Silkbank Limited**

Dear Sir,

Following our recapitalization plan to raise capital to meet the SBP requirement, the Board of Directors of Silkbank Limited in its meeting held on December 2, 2009 has approved issuance of 2.8 billion rights shares @ 3.11 rights shares for every one share held (311.00 % rights) under Section 86 of the Companies Ordinance 1984 at Rs. 2.50 per share (at a discount of Rs. 7.50 per share) subject to the approval of the Securities and Exchange Commission of Pakistan (“SECP”) and the shareholders of the Bank.

The Bank has already received the approval of the State Bank of Pakistan to proceed with the issue of rights shares at Rs. 2.50 per share (at a discount of PKR 7.50 per share), subject to the compliance by the Company of the provisions of the Companies Ordinance, 1984 and Banking Companies Ordinance, 1962 and the Accounting Standards.

The Extraordinary General Meeting of the Bank will be held on Tuesday, December 29, 2009 at 11:00 am at Beach Luxury Hotel, Karachi to approve the above issue.

The Share transfer Books of the Company for the purpose of the Extraordinary General Meeting will remain closed from December 23, 2009 to December 29, 2009 (both days inclusive).

Yours truly

  
**Syed Liaquat Ali**  
Company Secretary