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PRESS RELEASE

NBP Announces Quarterly Accounts

Karachi April 26, 2011: Board of Director's of National Bank of Pakistan in their meeting held on April 26, 2011 at the bank's Head Office Karachi approved the financial statements of the Bank for the three months period ended March 31, 2011.

Pakistan's economy is still showing signs of weakness with high inflation, low tax to GDP ratio, energy shortage; rising fuel prices and low business activity are all adding pressure on business performance.

The bank recorded pretax profit of Rs. 6,353 million for the first quarter 2011 which is marginally higher than corresponding period last year. Earning per share stands at Rs. 3.14 almost at the same level as the corresponding period last year. Pre tax return on equity stands at 25.4% whereas pre tax return on assets is at 2.5%.

Bank's net interest income increased by Rs. 894 million or 8.9% from corresponding period last year. Non interest markup income decreased by Rs. 343 million or 8.6% compared to corresponding period last year mainly because of lower capital gains on account of settlement of NIT Units in 2010. Commission income remained stagnant due to downward revision in commission rate on government transaction. Administrative expenses increased in line with inflation and salary increases.

Deposits register a decline of Rs. 73.1 billion from year end December 2010 mainly due to shedding off expensive deposits. Compared to March 2010, increase in deposit is Rs.45 billion. Advances increased by Rs. 7.0 billion compared to year end December 2010 mainly in corporate and agriculture sector.

NBP will continue to focus on increasing low cost deposits, improvement in the quality of assets and to further diversify its products and markets to further improve its various income streams.

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Head of Corporate Communication Division