



Report of Independent Auditors' on the Board of Directors'
 endorsement regarding efficacy of MCB Bank Limited's Internal Control over Financial Reporting


We have audited MCB Bank Limited ("the Bank") Board's endorsement regarding the efficacy of the Bank's internal control over financial reporting (ICFR) as of December 31, 2008, excluding the internal control over financial reporting of foreign operations of the Bank, included in 'Statement on Internal Controls' in the Directors' Report to Members, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Bank's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting. Our responsibility is to express an opinion on the Board's assessment of internal control relating to internal control over financial reporting based on our audit.

We conducted our audit in accordance with auditing standards as applicable in Pakistan and Auditing Standard No. 5 issued by the Public Company Accounting Oversight Board (United States) - An Audit of Internal Control Over Financial Reporting That Is Integrated with An Audit of Financial Statements. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

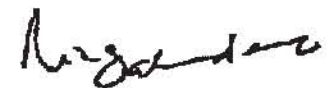
A bank's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with approved accounting standards, the requirements of the Banking Companies Ordinance, 1962 and the Companies Ordinance, 1984. A bank's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the bank; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with the approved accounting standards, the requirements of the Banking Companies Ordinance, 1962 and the Companies Ordinance, 1984, and that receipts and expenditures of the bank are being made only in accordance with authorizations of management and directors of the bank; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the bank's assets that could have a material effect on the financial statements. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion the Board's assessment presents fairly, in all material respects, that the Bank maintained, effective internal control over financial reporting, as of December 31, 2008, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

We have also audited, in accordance with the International Standards on Auditing as applicable in Pakistan, the balance sheet as at December 31, 2008, the related profit and loss account, cash flow statement and statement of changes in equity, together with the notes forming part thereof for the year then ended and our report dated February 16, 2009 expressed an unqualified opinion on those financial statements.


KPMG TASEER HADI & CO.
 Chartered Accountants
 Lahore

February 16, 2009


RIAZ AHMAD & CO.
 Chartered Accountants
 Lahore