THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED

KSE/N-4163 ***N O T I C E*** ***August 15, 2011***

Reproduced hereunder Financial Projections received from ***FIRST NATIONAL EQUITIES LIMITED****, for information of members of the Exchange.*
(Copy of the same is also available on our Website www.kse.com.pk).
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First National Equities Limited

The Proposal

The First National Equities Limited (FNEL) intends to offer the = 80,500,000= Right Shares to its existing Ordinary Shareholders @ 140 % (i.e. 1.40 shares for every one share held). The Right Shares are proposed to be offered at Rs. 2.50 per share at a discount of Rs. 7.50 per share. The proposed Right Issue will increase the paid up capital to Rs 1,380.00 million- from the existing paid up capital of Rs. 575 million and will inject a fresh equity of Rs. 201.25 million

Purpose OF Right Issue

To purpose of the Right Issue is to improve the liquidity position of the company and compliance of the SECP requirement for the injection of fresh equity.

Benefits to the Company:

The proposed Right issue will

- improve liquidity position of the company.
- streamline the day to day operations.
- enhance the clients, creditors and lenders confidence.
- enhance business capacity of the company.
- enhance repayment capacity towards creditors and lenders.
- increase the profitability and improve the financial health of the company.

Use of Funds:

The proceeds from the Right Issue will be used to meet the working capital requirements and explore the investment opportunities for the capital gains and dividends

Financial Projections:

The Financial Projection for five years is attached.

Company Secretary
First National Equities Limited

First National Equities Limited Karachi

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