THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED

KSE/N-1328 **NOTICE** **March 04, 2010**

Reproduced hereunder letter received from ***NISHAT MILLS LIMITED*** *for information of members of the Exchange.*

(Copy of the same is also available on our Website www.kse.com.pk).

NISHAT MILLS LIMITED

NISHAT GROUP

Issue of Ordinary Right Shares

Purpose of Right Issue:

The purpose of the right issue is to generate funds for investment in AES Lal Pir power projects, capital expenditure for expansion and modernization plans and to meet the working capital requirements of the Company.

Benefits to the Company:

The following benefits are likely to accrue to the Company:

i) Dividend income from investment in AES Lal Pir power projects;
ii) Production capacity enhancement and better margins;
iii) Strengthening of the equity and improved financial health;
iv) Improvement in liquidity of the Company.

Use of Funds:

The funds generated from the right issue would be utilized for investment in AES Lal Pir power projects, expansion and modernization and for working capital requirements of the Company.

Financial Projections:

	2010	2011	2012
		(Rupees in million)	
Sales	28,644	30,650	32,795
Profit after taxation	2,055	2,156	2,251

Note:

The information provided herein above is based on the perception of the Directors of the Company regarding the performance of the business in the current business environment. The Company or its Directors do not accept any liability for any investment decisions by any person on the basis of the above information.

Mian Umer Mansha
(Chairman/CEO/Director)

Mian Hassan Mansha
(Director)

Khalid Qadeer Qureshi
(Director)

Muhammad Asif
(Director Nominee NIT)

Nabiha Shahnawaz Cheema
(Director)

Certified to be True Copy
for Nishat Mills Limited.