



Dawood Hercules

11 December 2012

The General Manager
Karachi Stock Exchange (Guarantee) Limited
Stock Exchange Building
Stock Exchange Road
Karachi-74000
(Fax No. 021 – 111 573 329)

The General Manager
Lahore Stock Exchange (Guarantee) Limited
19, Khayaban-e-Aiwan-e-Iqbal
P.O. Box 1315
Lahore-54000
(Fax No. 042-3636 8485)

The General Manager
Islamabad Stock Exchange
Stock Exchange Building
101-E-Fazal-ul-Haq Road
Blue Area
Islamabad-44000
(Fax No. 051-111-473-329)

Dear Sirs,

Negotiations relating to the sale of DH Fertilizers Limited by Dawood Hercules Corporation Limited to Pakarab Fertilizers Limited

We write with reference to our letter dated September 17, 2012 wherein we had advised that a memorandum of understanding ("MOU") had been executed between Dawood Hercules Corporation Limited ("DHCL") and Pakarab Fertilizers Limited ("Pakarab") in relation to a possible sale of DHCL's entire shareholding in DH Fertilizers Limited to Pakarab (the "Transaction").

The consummation of the Transaction under the MOU was subject to entering into definitive agreements and under the MOU the parties made no binding agreement in relation to the Transaction. Till date no definitive agreement has been entered into.

The Board of Directors of DHCL at its meeting held yesterday has decided that DHCL does not wish to pursue the Transaction for commercial reasons. DHCL has also informed Pakarab of its intention to discontinue the negotiations in relation to the Transaction.

Regards,

For Dawood Hercules Corporation Limited

Shafiq Ahmed
Company Secretary

C.c
The Securities and Exchange Commission of Pakistan,
NIC Building, Jinnah Avenue, Islamabad
(Fax No. 051-9218592)