

ENGRO CHEMICAL PAKISTAN LTD.

October 29, 2009

The General Manager
Karachi Stock Exchange (Guarantee) Ltd.
Stock Exchange Building
Stock Exchange Road
Karachi.

The Secretary
Lahore Stock Exchange (Guarantee) Ltd.
19, Khayabane Aiwane Iqbal
Lahore

The Secretary
Islamabad Stock Exchange (Guarantee) Ltd.
Stock Exchange Building
Blue Area - Islamabad

Dear Sirs,

I write to inform you that the Board of Directors of Engro Chemical Pakistan Limited at their meeting held on October 28, 2009, approved entering into the Basmati rice processing/export business. The business will be conducted through a subsidiary company.

It is proposed to set up a rice processing plant in Central Punjab which is expected to come on stream by 4Q 2010. The plant is expected to cost Rs.3.2 billion with an equity injection required of Rs.1.6 billion. The rice will be exported primarily to the Middle East and European Union.

Very truly yours,

ANDALIB ALAVI
General Manager Legal
& Company Secretary