



engro corp

December 13, 2010

The Karachi Stock Exchange (Guarantee) Limited
Stock Exchange Building, Stock Exchange Road
Karachi.

Attention: Mr. Haroon Askari / Mr. Muhammad Ghufan

Dear Sirs,

**Implementation of Employees' Stock Option Scheme by Engro Corporation and its
Subsidiaries**

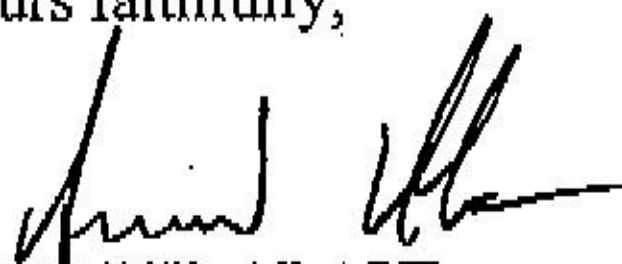
Engro Corporation Limited (formerly Engro Chemical Pakistan Limited) and Engro Polymer & Chemicals Ltd (both listed) have each established, with SECP approval, their individual Employees' Stock Option Schemes ("ESOS's") for their respective employees.

These ESOS's were established in 2007 and 2008 and Options granted thereunder are exercisable from 01 January 2011 onwards for a period of two years. During such period, eligible employees may at any time, and from time to time, avail of their respective Options, either wholly or partially. Upon exercise of any such Option, the relevant Engro entity would make an equivalent fresh issue of shares (without rights issue) for which SECP approval has already been obtained. Such fresh issues would be either in physical or scripless form. Obviously, there is no way to predict with certainty the volume of redemptions (i.e., fresh issues of shares) during the entire validity period.

It would be much appreciated if you could clarify what reporting requirements would be required by the Stock Exchanges in the above-mentioned circumstances.

Thanking you.

Yours faithfully,


ANDALIB ALAVI
Company Secretary

Engro Corporation Limited
Formerly Engro Chemical Pakistan Limited

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