

FIRST CONSTELLATION MODARABA

Managed by: Constellation Management Co. (Private) Limited

2nd Floor, Trade Centre, I. I. Chundrigar Road, Karachi, Pakistan.

Telephones : 32634192, 32634194, 32626959, Fax : 32626963

PRIVATE & CONFIDENTIAL

MOST URGENT

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

February 29, 2010

SUBJECT: FINANCIAL INFORMATION FOR THE PERIOD ENDED DECEMBER 29, 2011
OF FIRST CONSTELLATION MODARABA

Dear Sir,

Board of Directors in their meeting have seen the audited accounts of First Constellation Modaraba for the period ended December 29, 2011, and these are being presented here-in-below. Further, financial position of the Modaraba for past periods including for period ended June 30/2011 is known to all certificate holders and other concerned, this financial position has resulted, due to prevailing uncertain economic conditions, volatility in capital markets, small paid up capital of the modaraba, ever increasing exorbitant operation costs, stiff competition from large market entities, etc., and in view of this, difficulties were being seen by the management company to meet the aspiration of certificate holders, therefore, in the best interest of Modraba's certificate holders, Board Of Directors of the management company on December, 29/2011 have made their decision to voluntary wind up the modaraba, and distribute at the earliest the assets after paying all liabilities, taxes, expenses, etc., to the certificate holders.

Briefly, the **management company** was established in 1990, and launched this **Perpetual Modaraba in 1991**, moreover, Management company has operated the Modaraba for over 19 (nineteen) years, and it has paid dividends and bonuses amounting to 82 % over these years to the certificate holders of the Modaraba, in addition, management company over 19 years have made many decisions for operations, payment of dividends and bonuses, engaging of external auditor, etc., including its decision of voluntary winding up of the Modaraba on December 29/2011, and as evident, the management company has always acted in the best interest of its certificate holders, and even now, management company in the best interest of its certificate holders has decided on December 29/2011 to voluntary wind up the Modaraba, in view of the circumstances elucidated above, as it can not meet the aspiration of its certificate holders under prevailing circumstances.

VOLUNTARY WIND UP OF THE MODARABA HAS BEEN STAYED PER ORDER OF HONORABLE SINDH HIGH COURT (Hon. SHC) RECEIVED ON FEB 23/2012 :-

FACTS: On December 29/2011, the management company decided to voluntary wind up the Modaraba for reasons stated above, since then following occurrences have happened :-

Aaa) Management Company sent its voluntary wind up Board Resolution on Dec 29/2011 to Registrar Modaraba. Registrar Modaraba office replied to its letter of Dec. 29/2011 on January 13/2012, where-in Registrar office has neither mentioned anything about certificate holders being owners (shareholders) of the Modaraba, nor needed any consent of certificate holders for voluntary wind up of the modaraba.

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