

THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED

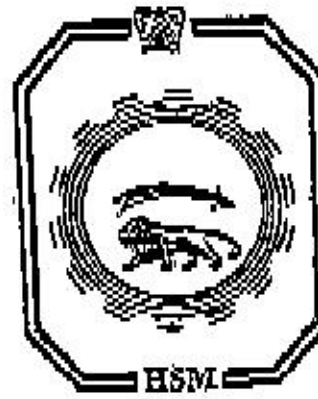
KSE/N-7069

N O T I C E

December 22, 2009

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

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

**Habib Sugar Mills Limited**

3rd/4th FLOOR, IMPERIAL COURT, DR. ZIAUDDIN AHMED ROAD, KARACHI-75530 (PAKISTAN)

Ref : HSM/SD/2009/6733

December 21, 2009

Mr. Muhammad Ghufraan
Deputy General Manager-Company Affairs
Karachi Stock Exchange (Guarantee) Ltd.
Stock Exchange Building
Stock Exchange Road
Karachi.

Dear Sir,

Subject: ISSUANCE OF BONUS SHARES

We wish to inform you that Board of Directors of the Company in their meeting held on December 16, 2009 has proposed issue of bonus shares in the ratio of 1:4 (one share for every four shares held) and cash dividend of 35 % for the year ended September 30, 2009. This will be distributed amongst the shareholders after the same has been approved by the members in Annual General Meeting scheduled to be held on January 28, 2010.

In order to save time and resources, we would like to request you to kindly allow us to issue bonus shares in jumbo certificates instead of marketable lots. If at a later date any shareholder desires to split these jumbo share certificates into marketable lots, we hereby undertake that the company will split the jumbo certificates into marketable lots on the request of certificate holders within 24 hours of such request and shall not charge any amount for the purpose.

Thanking you,

Yours faithfully

Ismail Rahim