



growth through energy

THE HUB POWER COMPANY LIMITED

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Ref. 339 - si/an/ra

April 03, 2012

The General Manager,
Karachi Stock Exchange (Guarantee) Limited,
Karachi.

Fax No. 111-573-329

Dear Sir,

Disclosure of Material Information

This is with reference to our letter (Ref. No. 234) dated February 8, 2012 regarding declaration of interim dividend of Rs. 3.0 per share. The Interim Dividend is to be paid to the shareholders whose names appear in the Register of the Members at the close of business on March 8, 2012. However, before the dividend warrants could be dispatched to the shareholders, the Honorable Islamabad High Court delivered a judgment (refer our letter dated March 12, 2012) dismissing the appeals of the company against the levy of tax by Federal Board of Revenue (FBR) on issuance of shares against the project development costs.

Following the said judgment, the FBR immediately issued notices under Income Tax Ordinance 2001 to banks with which the Company maintains its accounts, including the dividend payment accounts, with a direction that all funds, available in the bank accounts, for and on behalf of the Company be remitted to the Deputy Commissioner, Inland Revenue Enforcement – V, Large Tax Payers Unit, Islamabad. Following our discussions with FBR, it withdrew the notices on 28 March 2012 but on 31 March 2012 FBR again issued the notices to the banks as such the accounts cannot presently be used.

The Company has filed its appeals before the Honorable Supreme Court of Pakistan along with the stay application in order to restrain FBR from taking any coercive action until the matter is finally adjudicated by the Honorable Supreme Court of Pakistan.

Under the circumstances, until such time the Company obtains an interim order from the Honourable Supreme Court of Pakistan restraining the FBR from taking any action against the Company it is constrained to delay the payment of dividend to its shareholders.

We are also applying to SECP for their permission to delay the payment of dividend. We assure you that the Company is taking all possible measures to pay the dividend to its shareholders as soon as possible.

You are requested to share this information with the members of the Exchange accordingly.

Best regards

A handwritten signature in black ink, appearing to read "Shamsul Islam".

Shamsul Islam
Company Secretary