

1/2

**growth through energy****THE HUB POWER COMPANY LIMITED**

Islamic Chamber Building
Block-9, Clifton
P.O. Box No. 13841, Karachi-75600
Tel: 92-21 35874677-86 Fax: 92-21 35870397
Website: <http://www.hubpower.com>

Ref. No. 389-KSE

May 30, 2012

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

Fax No. 111-573-329

Dissemination of Material Information

Dear Sir,

We have to inform you that in order to restrict the potential exposure / liability of the Company, the Company has decided to avail the scheme offered by the Federal Bureau of Revenue (FBR) vide their SRO 547 dated 22 May 2012 and pay Rs. 1,615,474,998 in connection with the case of levy of tax by FBR on issuance of shares against the project development costs. The background information on this case is available in note 11.2 to the condensed interim unconsolidated financial statements for the period ended March 31, 2012 which are already available with you and are also readily available on the Company's website (for easy reference copy of the note is attached).

The Company strongly believes that it is not liable for this tax and will continue to vigorously defend itself before the Honourable Supreme Court of Pakistan. The Company, its tax and legal advisors strongly believe that the Company has a strong case and eventual outcome ought to be in favour of the Company and the tax paid will become refundable.

You may please inform the members of the Exchange accordingly.

Yours sincerely,

Shamsul Islam
Company Secretary