



LCL/FNC/2014-15/019

July 15, 2014

The General Manager
Karachi Stock Exchange
(Guarantee) Limited
Karachi

The Secretary
Lahore Stock Exchange
(Guarantee) Limited
Lahore

The Managing Director
Islamabad Stock Exchange
(Guarantee) Limited
Islamabad

The Deputy Chief
Securities & Exchange
Commission of Pakistan
Islamabad

The Joint Registrar
of Companies, Company
Registration Office
Peshawar

The Regulatory News Service
London Stock Exchange
10 Paternoster Square,
London

Dear Sir(s).

Material Information

Pursuant to the requirements of Section 15-D of the Securities and Exchange Ordinance 1969 and sub-clause xx of Listing Regulation No. 35 of the Listing Regulations of the esteemed Stock Exchanges, we are pleased to inform that the Board of Directors of Lucky Cement Limited (the Company) has resolved to recommend to its shareholders to invest in setting up a 660MW Coal Based Power Project in Karachi through its subsidiary M/s Lucky Holdings Limited (LHL) in which the Company holds 75% shares and has further recommended the same to be considered for the approval of the shareholders in the forthcoming Annual General Meeting of the Company which is likely to be held in September 2014.

The Board has recommended for the approval of the shareholders, an equity investment of approximately PKR 20 billion (US\$ 200.0 million approximately) for the above referred project to be set up by a newly formed entity by the name of 'Lucky Electric Power Company Limited' (LEPCL). LEPCL will be a wholly owned subsidiary of LHL and a 75% indirect subsidiary of the Company.

The power project will be set up with an estimated project cost of US\$ 1.08 billion and financed in the debt / equity ratio of 75:25. The Company will be the main sponsor of LEPCL investing an amount of approximately PKR 20 billion (US\$ 200.0 million approximately) for the project and holding 75% equity stake of LEPCL via LHL. The Company has also consented to the Private Power and Infrastructure Board (PPIB) to continue to hold at least 20% indirect stake in the project from the date of the Letter of Support (LOS) to the 6th anniversary of the commercial operations date of the project. The implementation of the power project is subject to all necessary regulatory approvals and required consents.

This is for the information and circulation to the members of your exchange(s).

Yours truly,

For: **LUCKY CEMENT LIMITED**


MUHAMMAD FAISAL
Director Finance / CFO &
Chief Investment Officer