



Asect/Misc/KSE/2012

September 12, 2012

Mr. M Ghufan

Deputy General Manager- Companies Affairs
Karachi Stock Exchange,
Stock Exchange Building, Stock Exchange Road,
Karachi.

Subject: Material Information

Dear Mr. Ghufan,

Please refer to your letter No. KSE/C-540-6633 of September 11, 2012 on the captioned subject.

Please note that in pursuance of the Government of Pakistan (GoP) Policy Directive, Pakistan Telecommunication Authority (PTA) mandated all LDI Operators to establish International Clearing House Exchange (ICH) for handling of international incoming traffic. This is expected to result in stabilization of Settlement Rates and to possibly curb the menace of grey traffic.

According to this arrangement, PTCL has been designated as ICH Operator and will bring all International incoming traffic into country and distribute it using its own infrastructure/network. PTCL will also receive charges from foreign carriers and distribute as per agreed arrangement amongst LDI Operators. Further, there will be an ICH Board comprising of one member from each LDI and one representative each from Ministry of IT and PTA, as observers.

The ICH is expected to become operational / effective from October 01, 2012. It is hoped that with the successful implementation and functioning, this initiative will bring benefit for all stakeholders including the Government of Pakistan.

However, kindly note that this initiative of the GoP and the PTA is still in the formative phase. Therefore, at this stage it is difficult and premature to estimate the increase in revenue as it may also have unforeseeable implications for grey traffic in the country.

Regards,

(Farah Qamar)

Company Secretary

Contact: 051- 2263732 & 34