

THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED

KSE/N-5572

NOTICE

October 18, 2010

Reproduced hereunder letter received from **HORWATH HUSSAIN CHAUDHRY & COMPANY**, for information of members of the Exchange.

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

SHAHZAD TEXTILE MILLS LIMITED
SHAHEEN COTTON MILLS LIMITED

Crowe Horwath[™]

Horwath Hussain Chaudhury & Co.
Chartered Accountants
Member Crowe Horwath International

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August 6, 2010

Ref. No. A/11232/10

AUDITOR'S CERTIFICATE FOR SPECIFIC USE OF CDC

This is to certify that:

- The revised paid up capital of Shahzad Textile Mills Limited (STML) after Amalgamation / Merger with Shaheen Cotton Mills Limited (SCML) pursuant to the Scheme of Amalgamation / Merger approved by the Honorable Lahore High Court, Lahore works out to be as under:

	No. of Shares	Amount (Rupees)
Paid-up Capital of Shahzad Textile Mills Limited before Amalgamation / Merger	13,552,569	135,525,690
Allotment of shares of STML to the shareholders of SCML consequent to the Scheme of Amalgamation / Merger in the swap ratio of 100:30	4,418,803	44,188,030
	<u>17,971,372</u>	<u>179,713,720</u>

- The following documents requirements with regards to the allotment of securities in the name of CDC have been fulfilled by the Issuer (STML):
 - Notice of final book closure from August 2, 2010 to August 10, 2010 has been given by the Issuer
 - Certified true copy of the Scheme of Amalgamation and the Order of Lahore High Court has been made available to CDC
 - Certified true copy of Board Resolution regarding merger of SCML into STML has also been provided by the Issuer
 - Allotment confirmation letter has been finalized and signed by the authorized signatory of the Issuer

This certificate is being issued on specific request of the management for submission to CDC without assuming any liability on our part.

Yours truly,

Horwath Hussain Chaudhury & Co.

