THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED

KSE/N-571 **N O T I C E** February 03, 2009

Reproduced hereunder the letter received from **CAPITAL ASSETS LEASING CORPORATION LIMITED** *for information of members of the Exchange.*

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CALCORP

CAPITAL ASSETS LEASING CORPORATION LIMITED

Ref:CAL/LSE/2009-336

January 31, 2009

Mr. Haroon Askari
General Manager
Karachi Stock Exchange (Guarantee) Ltd.
Stock Exchange Building,
Stock Exchange Road,
Karachi

Dear Sir,

Show Cause Notice

Reference to your letter # KSE/Gen-11507 dated December 17, 2008 regarding the above-mentioned subject. We informed you that on March 2003, judge of the Lahore High Court approved the scheme of amalgamation of Capital Assets Leasing Corporation Limited and International Multi Leasing Limited. After that an application was filed by IML for recall of the Order in the Lahore High Court and the appeals of IML were dismissed. Then IML approached the Supreme Court in CPLA 318 of 2003, challenging the ICA (the Supreme Court Case). The uncertainty surrounding the merger is damaging the business interests of Calcorp and company was facing heavy loss last four (4) years. In these circumstances we were not in a position to declare dividend.

In July 2007, the sponsors of Calcorp have entered into an agreement to sell their shareholding to a third party, (Optimus Limited). This acquisition process has taken longer than expected and should be completed shortly. As we understand it, the new owner, Optimus Limited will be required to inject additional equity following the acquisition and thereafter the Company will be returning to normal business operations. This will clearly benefit all shareholders and therefore it is crucial that this acquisition concludes as soon as possible.

We are attached herewith copies of relevant documents regarding merger, cancellation/revocation, sale of majority shareholding to Optimus Limited for your ready reference and perusal.

Sincerely yours,

(Mohammad Nadeem)
Company Secretary