



NOTICE FOR ALL LISTED COMPANIES

CRITERIA FOR SELECTION OF TOP 25 COMPANIES FOR THE YEAR 2010

All the listed companies are hereby informed that the Governing Board of Directors of the Exchange reviewed the criteria for selection of Top Companies and to make these awards reflect stakeholder's return comprehensively, it has been decided to amend/ revise the criteria for selection of Top Companies for the year 2010, detailed as under:

- 1) **Prerequisites for Selection of Top Companies:**
 - a) A minimum distribution of 30% (including at least 15% cash dividend) for the year;
 - b) The shares of the company are traded 50% of the total trading days during the year
 - c) The company should not be in the Defaulters' Segment of the Exchange or trading in its shares has not been suspended on account of violation of Listing Regulations / any other applicable law during the year.

- 2) **The Companies that Qualify above Prerequisites will be Selected on the Basis of Highest Marks Obtained as per the following Criteria:**
 - a) **Capital Efficiency:**
 - (i) Shareholders Return (on the basis of before tax profit) 25%
 - (ii) Market Value Added (Difference of the average daily closing prices for the year and the preceding year). 2.5%

 - b) **Profitability:**
Total Distribution pertaining to free-float of shares. 25%
(Out of current years profit only. In case dividend/ bonus is paid out of prior years earnings/ reserves, then the dividend/ bonus shall be adjusted proportionately)

Growth in Earnings before Tax Depreciation and Amortization (EBTDA) 12.5%

 - c) **Free-Float of Shares:** 7.5%
Free-float of shares as a percentage of total shares outstanding

 - d) **Turnover of Shares:**
Transactions that are executed on Karachi Automated Trading System (KATS) 2.5%