

April 28, 2009.

The General Manager
Karachi Stock Exchange (Guarantee) Limited
Stock Exchange Building
Stock Exchange Road
Karachi

The General Manager
Lahore Stock Exchange (Guarantee) Limited
19, Khayaban-e-Aiwan-e-Iqbal
P.O. Box 1315
Lahore-54000

The General Manager
Islamabad Stock Exchange
Stock Exchange Building
101-E- Fazal-ul-Haq Road
Blue Area
Islamabad-44000

Re: Proposed de-merger of Engro Chemical Pakistan Limited (“Engro”)

Dear Sirs,

We hereby inform you that the Board of Directors of Engro in their meeting on April 28, 2009 have agreed in principle to carry out a de-merger of Engro, in terms of which its fertilizer business is proposed to be bifurcated from Engro and transferred / merged into a wholly owned subsidiary (to be incorporated). The Company will be seeking the requisite consents / approvals and shall then file a Petition in the High Court of Sind at Karachi to implement the demerger. Essentially the fertilizer assets of Engro will be substituted by shares of its new wholly owned subsidiary.

Engro will then function as a pure holding company and oversee the business of its new fertilizer subsidiary as well as the business of its other existing subsidiaries / affiliate. This will provide a number of organizational and other benefits to the Company.

Very truly yours,

ANDALIB ALAVI
General Manager – Legal
& Company Secretary

c.c.: Securities and Exchange Commission of Pakistan
NIC Building, Saudi Pak Tower
Jinnah Avenue, Blue Area
Islamabad-44000
Pakistan

The Registrar of Companies
Securities and Exchange Commission of Pakistan
Company Registration Office
4th and 5th Floor, State Life Building No. 2
Wallace Road
Karachi
Pakistan