

Ref: KAPCO/2006/Annual Accounts/I-014
August 31, 2006

404, Siddiq Trade Centre
72-Main Boulevard, Gulberg
Lahore 54660, Pakistan
Tel: (92-42) 578 1631-5
Fax: (92-42) 578 1636-7
Email: info@kapco.com.pk

To

The General Manager
Karachi Stock Exchange (Guarantee) Limited
Karachi

The Secretary
Lahore Stock Exchange (Guarantee) Limited
Lahore

The Secretary
Islamabad Stock Exchange (Guarantee) Limited
Islamabad

Subject: Financial Results for the Year Ended June 30, 2006

Dear Sirs:

We have to inform you that the Board of Directors of Kot Addu Power Company Limited (the "Company") in their meeting held on August 31, 2006 at 12.30 p.m. (which meeting concluded at 4.10 p.m.) at Lahore recommended the following:

Cash Dividend:

A final Cash Dividend for the Year ended June 30, 2006 at Rs. 4.10 per share, that is, 41%. This is in addition to the Interim Cash Dividend already paid at Rs. 4.00 per share, that is, 40%.

The financial results of the Company are as enclosed herewith.

The Annual General Meeting of the Company will be held on October 18, 2006 at 11.00 a.m. at the Islamabad Serena Hotel, Islamabad.

The above entitlement will be paid to the shareholders whose names appear on the Register of Members on October 6, 2006.

A. Ali

1



307

Site Office
Kot Addu Power Complex
Kot Addu, District Muzaffargarh
Punjab - Pakistan
Tel: (92-6622) 41 316, 42 925
Fax: (92-6622) 41 817

Registered Office
No. 12, Street No. 31
F-6/1, Islamabad
Pakistan