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Dated: 30 June 2014

Mr. Muhammad Ghufraan
Deputy General Manager
Karachi Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi
Fax: 111 – 573 – 329

Subject: Disclosure of Material Information – The Abraaj Group mandates Citi to evaluate strategic options for K-Electric

Dear Sir,

Pursuant to the requirement of Code of Corporate Governance (CCG) and the Listing Regulations of the esteemed Exchange, we state that the Company has received attached information from Abraaj Group, the controlling shareholder of KES Power Limited (KESP), which is the holding company of K-Electric Limited (KE).

Yours truly,



Muhammad Rizwan Dalia
Director Finance & Company Secretary

Copy to: 1. The Secretary, Lahore Stock Exchange Limited, Lahore	Fax: 042 – 3636 8485
2. The Secretary, Islamabad Stock Exchange Limited, Islamabad	Fax: 051 – 111 473 329
3. The Securities & Exchange Commission of Pakistan, Islamabad	Fax: 051-9218592/9204915
4. The Registrar, Joint Stock Companies, SECP, Karachi	Fax: 021 – 99213278
5. Central Depository Company of Pakistan Ltd.	Fax: 021 – 3432 6034
6. CDC Share Registrar Services	Fax: 021 – 3432 6053



This announcement does not constitute an offer, invitation to offer, or invitation for the sale or purchase of securities in K-Electric and shall not form the basis of any contract. Further, this announcement does not form any form of commitment or recommendation by either Abraaj, K-Electric or Citi in relation to any sale or purchase of such securities

This announcement is not an offer for sale of securities in the United States. Securities may not be sold in the United States absent registration with the United States Securities and Exchange Commission or an exemption from registration under the U.S. Securities Act of 1933, as amended. KES Power Limited does not intend to register any part of any offering in the United States or to conduct a public offering of shares in the United States.

The Abraaj Group mandates Citi to evaluate strategic options for K-Electric

Dubai, United Arab Emirates, 30 June 2014: The Abraaj Group ('Abraaj' or 'The Group'), a leading investor operating in global growth markets, today announced that it has mandated Citi to evaluate strategic options with respect to its indirect stake in K-Electric ('the Company'), a vertically integrated power utility listed on the Karachi, Islamabad and Lahore stock exchanges in Pakistan.

Abraaj acquired a controlling stake, through one of its Funds, in KES Power, the majority shareholder of K-Electric, in 2009. Since Abraaj's acquisition, significant equity has been injected into K-Electric, resulting in a distinct improvement in the Company's operations, notably through the addition of enhanced efficient generation capacity (1,000MW+ of new capacity since FY 2009) and a reduction by 10 percentage points in the transmission and distribution losses as of March 2014.

As a result of Abraaj's active ownership model and the clear value creation plan that was set in place, K-Electric's financial performance has improved, with the Company posting positive EBITDA and net income of US\$ 276 million and US\$ 70 million respectively in FY 2013, compared to negative EBITDA of US\$ 87 million and a net loss of US\$ 197 million in FY 2009. K-Electric reported profitability for the first time in 17 years in FY 2012.

In addition to enhancing the operational effectiveness of the Company, K-Electric has been successful in embedding sustainability into its new business model. K-Electric was recently awarded the FT/IFC Transformational Business award for the category of '*Achievement in Project Finance – Energy*', which recognized its achievement in creating truly transformational social, economic, environmental and corporate governance benefits, while positively enhancing the lives of over 20 million citizens of Karachi.

Furthermore, in November 2012, K-Electric secured a level 'A' rating from the Global Reporting Initiative (GRI), making it the first private sector utility in Pakistan to achieve such a rating for its integrated sustainability report.

ENDS

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 www.linkedin.com/company/the-abraaj-group

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About THE ABRAAJ GROUP

The Abraaj Group ("Abraaj" or "the Group") is a leading private equity investor, purpose-built for operating in the growth markets of Africa, Latin America, the Middle East, South Asia, South East Asia, Turkey and Central Asia.

Employing over 300 people, Abraaj has over 25 offices spread across six regions with hubs in Istanbul, Mexico City, Dubai, Mumbai, Nairobi and Singapore. The Group currently manages US\$ 7.5 billion across more than 20 sector and country-specific Funds, encompassing private equity and real estate investments.

Abraaj has returned c. US\$ 4.3 billion to investors from over 70 full and partial exits, and Funds managed by the Group currently have holdings in over 140 partner companies across 10 sectors including consumer, energy, financials, healthcare and utilities.

The Group is committed to the highest environmental, stakeholder engagement and corporate governance standards and is a signatory to the United Nations-backed Principles for Responsible Investment and the United Nations Global Compact. Abraaj's founder, Arif Naqvi, was appointed to the United Nations Global Compact Board by UN Secretary-General Ban Ki-moon in 2012.

This publication is issued by Abraaj Capital Limited ("ACLD" or the "Firm"), a member of The Abraaj Group that is authorised and regulated by the Dubai Financial Services Authority ("DFSA"). Several Group members are regulated by a number of international regulatory authorities including the DFSA under whose rules ACLD has issued this publication.

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