

The Karachi Electric Supply Corporation Ltd.

2nd Floor, Handicraft Bldg., Abdullah Haroon Road, Saddar, Karachi-74400
Ph: 9206281 : Fax: 9205147 : Website: www.kesco.com.pk

Ref: SECK/KSE/06

Date: April 25, 2006

The General Manager
Karachi Stock Exchange (G) Ltd.
Stock Exchange Building
Off I.I. Chundrigar Road
Karachi
Fax: 2415763 / 2437560
E-mail: corpaction@kse.com.pk

Subject: Financial Results for the 3rd Quarter Ended 31.03.2006

Dear Sir,

In compliance with the listing rules of the esteemed Exchange, we have to inform you that the Board of Directors of Karachi Electric Supply Corporation Ltd., at its meeting held on April 25, 2006 at 11:30 a.m. in Karachi, considered the issue of Redeemable Preference Shares and KESC Quarterly Accounts for the period ended 31.03.2006 and approved the same as detailed below.

A. i. Right Shares

To offer / issue 13.02% Redeemable Preference Shares (as Right Shares) at par viz. Rs.3.50 per share in proportion of 13.02 share(s) for every 100 ordinary shares bearing cumulative preferential dividend @ 3% p.a.

ii. The shareholders whose names will appear in the Register of Members at the close of working hours on June 02, 2006 will be entitled to the above Right Issue.

iii. The Share Transfer Books of the Company will be closed from June 03, 2006 to June 12, 2006 (both days inclusive). Transfers received at the Shares Department, 2nd Floor, Handicraft Building, Abdullah Haroon Road, Karachi at the close of business on June 02, 2006 will be treated in time for the purpose of above entitlement to the transferees.

B. Financial Results

The financial results of the Company are as follows:

	July - March		January - March	
	2005-06	2004-05	2006	2005
Revenue				
Energy Sale - Net	30,451,438	28,318,583	8,486,590	8,736,174
Rental of meters and equipment	144,711	139,722	49,453	48,169
	30,596,149	28,458,305	8,536,043	8,784,343
Expenditure				
Fuel and oil consumed	(20,354,689)	(16,303,180)	(6,548,147)	(5,045,049)
Generation, transmission & distribution including public lamps expenses	(5,555,002)	(4,740,700)	(1,874,366)	(1,688,162)
Electricity purchased	(16,751,443)	(11,506,876)	(4,924,188)	(3,409,636)
	(42,661,135)	(32,550,756)	(13,346,702)	(10,142,847)
Gross loss	(12,064,986)	(4,092,451)	(4,810,659)	(1,358,504)