



October 26, 2007

The Secretary
Karachi Stock Exchange (Guarantee) Limited
Stock Exchange Road
Karachi.

The Secretary
Islamabad Stock Exchange (Guarantee) Limited
101-E, Fazal-ul-Haq Road
Islamabad

The Secretary
Lahore Stock Exchange (Guar.) Ltd
19, Khyabun-e-Arwan-e-Iqbal
Lahore.

FINANCIAL RESULTS FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2007

Dear Sir

We have to inform you that the Board of Directors of Sitar Energy Ltd in their meeting held on Friday, October 26, 2007 approved the financial results of the company for the first quarter ended September 30, 2007. *The financial results are as follows:*

	QUARTER ENDED	
	September 30 2007	September 30 2006
	(Rupees in Thousand)	
SALES REVENUE	409,413	391,669
COST OF GENERATION	358,281	351,729
GROSS PROFIT	51,132	39,940
OTHER OPERATING INCOME	218	1,387
	51,350	41,327
OPERATING EXPENSES	11,679	8,668
OTHER OPERATING EXPENSES-WORKERS'		
PROFIT PARTICIPATION FUND	190	164
FINANCE COST	35,868	29,384
	47,737	38,216
NET PROFIT/(LOSS) BEFORE TAXATION	3,613	3,111
PROVISION FOR TAXATION	81	98
NET PROFIT/(LOSS) AFTER TAXATION	3,532	3,013
UN APPROPRIATED BROUGHT FORWARD	174,682	173,503
UN APPROPRIATED CARRIED FORWARD	178,214	176,516
EARNING PER SHARE	0.18	0.16

We will send you 300 copies of printed accounts for distribution amongst the members of the Exchange in due course of time.

Yours faithfully
for SITARA ENERGY LIMITED

(MAZHAR ALI KHAN)
Company Secretary