

The Karachi Electric Supply Corporation Ltd.

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Ref: SECK/KSE/07

Date: 30 April 2007

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

Re: Financial Statements for the 3rd Quarter ended 31 March 2007

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 30 April 2007 at 1700 hours in Karachi considered the KESC Quarterly Accounts for the period ended 31 March 2007 and approved the same as detailed below:

Financial Results

The financial results of the Company are as follows:

	Nine Months ended		Quarter Ended	
	March 31, 2007	March 31, 2006	March 31, 2007	March 31, 2006
	(Rupees in thousand)		(Rupees in thousand)	
REVENUE				
Sale of energy – net	31,562,454	30,595,022	9,123,270	8,523,814
Rental of meters and equipment	140,516	144,711	49,815	49,453
	<u>31,710,970</u>	<u>30,739,733</u>	<u>9,173,085</u>	<u>8,573,267</u>
EXPENDITURE				
Purchase of electricity	(21,195,866)	(16,751,443)	(6,093,767)	(4,924,188)
Consumption of fuel and oil	(20,704,691)	(20,354,689)	(5,716,908)	(6,548,147)
	(41,900,557)	(37,106,132)	(11,810,675)	(11,472,335)
Tariff adjustment on account of increase in fuel prices and cost of power purchase	11,646,365	6,263,767	3,318,337	2,230,786
	(30,054,192)	(30,842,365)	(8,492,338)	(9,241,549)
Expenses incurred in generation, transmission & distribution	(5,993,289)	(8,180,737)	(2,142,024)	(1,921,236)
	(4,326,511)	(6,283,369)	(1,461,277)	(2,569,518)
Consumers services and administrative expenses	(4,154,083)	(4,552,822)	(1,432,165)	(1,319,215)
Other operating income	1,323,311	909,038	552,508	237,443
Other operating expenses	(140,200)	(133,018)	(47,090)	(40,158)
	(2,970,972)	(3,776,802)	(926,749)	(1,121,928)
OPERATING LOSS	<u>(7,297,483)</u>	<u>(10,060,171)</u>	<u>(2,388,026)</u>	<u>(3,711,446)</u>
Finance cost	(800,759)	(95,340)	(276,573)	(95,340)
LOSS BEFORE GOVERNMENT GRANT	<u>(8,098,242)</u>	<u>(10,155,511)</u>	<u>(2,664,599)</u>	<u>(3,806,786)</u>