

Ref: SECK/KSE/14/
Date: 28 August 2014

The General Manager
Karachi Stock Exchange Limited
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Stock Exchange Road
Karachi
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The General Manager
Lahore Stock Exchange Limited
19-Khayaban-e-Aiwan-e-Iqbal
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The General Manager
Islamabad Stock Exchange Limited
ISE Towers, 55-B, Jinnah Avenue,
Blue Area
Islamabad
Fax: 051 – 111 – 473 - 329

Subject: **Financial Results of K-Electric Limited for the year ended 30 June 2014**

Dear Sirs,

We have to inform you that the Board of Directors of our Company in its meeting held on **28 August 2014 at 11:00 a.m.** in KE Board Room, 3RD Floor, KE House, 39-B, Sunset Boulevard, Phase-II, Defence Housing Authority, Karachi, recommended the following:

i. Dividend – Ordinary Shares

i-a) Majority Shareholders (GOP, KESP, IFC & ADB)

NIL

i-b) Minority Shareholders (other than above shareholders)

The Board, in order to extend a goodwill gesture to minority shareholders in particular and the corporate sector in general and as KE at this point in time is not in a position due to circular debt and cash flow constraints to declare dividend for all shareholders, proposed that the four (4) major shareholders of KE that are GOP, KESP, IFC and ADB should be requested to forgo / waive their right to dividend for the financial year 2014. The Board has proposed, subject to waiver from the four (4) majority shareholders (GOP, KESP, IFC & ADB), **cash dividend up to a maximum of 15% i.e. PKR 0.525 per share**, only for minority shareholders. GOP and KESP consent will also include waiver of their right, for FY 2014, to outstanding accumulated dividend on Redeemable Preference Shares (RPS).

The Proposed cash dividend for minority shareholders is subject to waiver from all the above majority shareholders (GOP, KESP, IFC & ADB).

ii. Bonus Shares / Right Issue

NIL

iii. Financial Results of the Company

The financial results of the Company are attached.

iv. Annual General Meeting (AGM)

The Annual General Meeting (AGM) of the Company will be held on **Thursday, 23 October 2014 at 11:00 a.m.** at Navy Welfare Centre Liaquat Barracks, Karachi.



Formerly Karachi Electric Supply Company Limited

K-Electric Limited, KE House, 3rd Floor, 39-B, Sunset Boulevard, DHA II, Karachi, Pakistan.

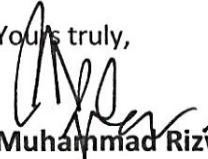
Phone: 92-21-32647017, Fax: 92-21- 99205165, UAN: 111-537-211, Ext.: 7024, Website: www.ke.com.pk

v. Closure of Share Transfer Books

- i. The Share Transfer Books of the Company, **for the purpose of attending AGM**, will remain closed from **16 October to 23 October 2014** (both days inclusive). Transfer received at CDC Share Registrar Department, Central Depository Company of Pakistan Limited, CDC House 99-B, Block-B, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi-74400 at the close of business on **Wednesday, 15 October 2014** will be treated in time.
- ii. Closure of Share Transfer Books of the Company to determine shareholders entitlement to the proposed cash dividend will be announced in due course of time.

We will be sending you 200 copies of printed financial statements for distribution amongst the TRE Certificate Holders of the Exchange 21 days before the date of AGM.

Yours truly,



Muhammad Rizwan Dalia

Director Finance & Company Secretary

Copy to:	1. The Securities & Exchange Commission of Pakistan, Islamabad	Fax: 051-9218592/ 9204915
	2. The Registrar, Joint Stock Companies, SECP, Karachi	Fax: 021 – 99213278
	3. Central Depository Company of Pakistan Ltd.	Fax: 021 – 34326034
	4. CDC Share Registrar Services	Fax: 021 – 34326053

**Financial Results of K-Electric Limited
for the year ended 30 June 2014**

	2014	2013 <i>(Restated)</i>
	(Rupees in '000)	
REVENUE		
Sale of energy – net	139,112,606	112,165,872
Tariff adjustment	55,377,622	76,615,185
Rental of meters and equipment	218,087	217,591
	<u>194,708,315</u>	<u>188,998,648</u>
EXPENDITURE		
Purchase of electricity	(82,970,897)	(78,371,645)
Consumption of fuel and oil	(64,335,938)	(67,807,844)
	<u>(147,306,835)</u>	<u>(146,179,489)</u>
Expenses incurred in generation, transmission and distribution	<u>(14,983,057)</u>	<u>(13,999,481)</u>
GROSS PROFIT	<u>32,418,423</u>	<u>28,819,678</u>
Consumers services and administrative expenses	(16,247,074)	(15,301,832)
Other operating expenses	(1,483,990)	(646,507)
Other income	6,162,939	5,090,344
	<u>(11,568,125)</u>	<u>(10,857,995)</u>
OPERATING PROFIT	<u>20,850,298</u>	<u>17,961,683</u>
Finance cost	<u>(11,275,212)</u>	<u>(13,960,441)</u>
PROFIT BEFORE TAXATION	<u>9,575,086</u>	<u>4,001,242</u>
Taxation		
- Prior	-	1,823,548
- Deferred	3,312,149	1,000,760
	<u>3,312,149</u>	<u>2,824,308</u>
NET PROFIT FOR THE PERIOD	<u><u>12,887,235</u></u>	<u><u>6,825,550</u></u>
	(Rupees)	
EARNING PER SHARE - BASIC / DILUTED	<u>0.47</u>	<u>0.26</u>
	(Rupees in '000)	
Earning Before Interest, Tax, Depreciation and Amortization (EBITDA)	<u><u>30,158,619</u></u>	<u><u>26,902,772</u></u>


 Muhammad Rizwan Dalia
 Director Finance & Company Secretary