



AL FUTTAIM



AGTL



NEWHOLLAND

QUALITY MANAGEMENT-BRAND STRENGTH

AL-GHAZI TRACTORS LTD.

PRODUCERS OF NEW HOLLAND TRACTORS IN PAKISTAN

The Commissioner
Securities and Exchange Commission of Pakistan
NIC Building, 63 Jinnah Avenue
Islamabad

August 2, 2011

Dear Sir,

Sub: Fall in tractor bookings

Following the imposition of 17% sales tax in March 2011, tractor bookings started falling. This reduction was notified in the Directors' Report to the shareholders for the period ended March 31, 2011.

Impact of 16% sales tax on tractors, announced in the financial bill of the year 2011-12, continues to jeopardize the company's sales. This has been spoiled further by the fall of cotton prices.

Since banks are reluctant to extend credit for tractors, cash sales are expected to remain stagnant until the season beginning September 2011. This aspect will be covered in the Directors' Report for the half year ended June 30, 2011.

Yours faithfully,
For Al Ghazi Tractors Limited


SOBIKA MUZAMMIL
COMPANY SECRETARY

CC: Karachi Stock Exchange (Gte) Ltd.
Lahore Stock Exchange (Gte) Ltd.

