

INDUS MOTOR COMPANY LTD.

Ref IMC/SR/STOCK-1/2007(HY)

Date February 6, 2007

The General Manager,
Karachi Stock Exchange (Guarantee) Ltd.
Stock Exchange Building,
Stock Exchange Road
Karachi.
Fax No. 021-2415763 - 2437580 - 2460923

**Subject: FINANCIAL RESULTS FOR THE
HALF YEAR ENDED 31st DECEMBER 2006**

Dear Sir,

We have to inform you that the Board of Directors of our company in their Meeting held at 3:30 p.m. on Tuesday, February 06, 2007, recommended the following:

(I) CASH DIVIDEND

An Interim Cash Dividend for the half year ended December 31, 2006 @
Rs.5/- per share i.e. 50 %.

(II) BONUS ISSUE

It has also been recommended by the Board of Directors to issue Bonus share in the proportion of NIL shares for every NIL shares held i.e. NIL %. The bonus shares will be entitled / not entitled for the right shares.

(III) RIGHT SHARES

The Board has also recommended to issue NIL % Right Shares at par / at a premium of Rs. NIL per share in proportion of NIL shares for every NIL shares.