



## INDUS MOTOR COMPANY LTD.

October 28, 2008

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The General Manager,  
Karachi Stock Exchange (Guarantee) Ltd.  
Stock Exchange Building,  
Stock Exchange Road  
Karachi.  
Fax: 111-573-329

Subject: **FINANCIAL RESULTS FOR THE QUARTER  
ENDED SEPTEMBER 30, 2008**

Dear Sir,

The Board of Directors is pleased to announce financial results for the quarter ended September 30, 2008. The Company achieved total turnover of PKR 5,159.871 million for the quarter ended September 30, 2008 (September 30, 2007: PKR 10,759.091 million). During the quarter the profit after tax reduced to PKR 48.125 million compared to PKR 920.588 million for the corresponding period last year.

The decrease in profitability during the quarter compared to same period last year is attributable to lower sales volume emanating from political and economic uncertainty in the country and also on account of lower production due to planned run out phase of the old Corolla model, annual plant shutdown for refurbishing and maintenance to cater for new Corolla launch and the gradual ramp up of new model. Limited credit availability for auto financing, rising interest rates and unprecedented rise in prices of steel and other inputs purchased with depreciating Pak Rupee and post budget measures like imposition of 5% federal excise duty on cars above 850cc, withholding tax at registration stage, increase in custom duty on imported cars and additional regulatory duty on high end vehicles and imposition of L/C margin have added to the negative impact.

The 10<sup>th</sup> Generation Corolla was launched on August 19, 2008 and has been reborn as a luxurious car, with advanced features and even more modern and stylish design while retaining the Toyota DNA of QRD (Quality, Reliability and Durability). It has been received well by our customers and has led to sustained order inflows. However, due to current economic climate our unit margins are expected to remain under pressure.

We have to inform you that the Board of Directors of our Company in their meeting held on Tuesday, October 28, 2008 at 10:00 am at House of Habib, 2<sup>nd</sup> Floor, Siddiqsons Tower, Main Shakra-e-Faisal, Karachi, recommended the following:

(i) **CASH DIVIDEND**

A quarterly Cash Dividend for the first quarter ended i.e. July 01, 2008 to September 30, 2008 at Rs. NIL per share i.e. NIL%.

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