



INDUS MOTOR COMPANY LTD.

February 24, 2009

The General Manager,
Karachi Stock Exchange (Guarantee) Ltd.
Stock Exchange Building,
Stock Exchange Road
Karachi.
Fax: 111-573-329 / Tel: 2439618

Subject: **FINANCIAL RESULTS FOR HALF YEAR
ENDED DECEMBER 31, 2008**

Dear Sir,

The Board of Directors is pleased to announce financial results for the half year ended December 31, 2008. The Company achieved total turnover of PKR 14,438 million for the half year ended December 31, 2008 (December 31, 2007: PKR 18,657 million). During the half year period (Jul'08 to Dec'08) the profit after tax reduced to PKR 163 million compared to PKR 1,361 million for the corresponding period last year.

The Company's sales revenue for the first half year ended December 31, 2008 was down 23% to PKR 14,438 million compared to PKR 18,657 million posted in 2007, while profit after tax recorded a substantial drop of 88% to PKR 163 million versus the record of PKR 1,361 million achieved for the same period last year.

Consistent with the overall drop in the industry demand, sales of Toyota and Daihatsu brands of both CKD and CBU, for the first half year ended December 2008 also declined by 40% to 13,927 units as compared to 23,138 units sold for the same period in the prior year, although the Company was able to improve its market share from 22% to 24% due to strong acceptance of the brand and product range by our valued customers. Reflecting the poor market sentiments, production fell 35% to 14,844 units compared to 22,824 units manufactured during half year ended December 2007. The main contributing factor affecting decline in sales volume apart from the volatile macro economic situation that engulfed the entire industry was the run out of the previous Corolla during the first quarter and subsequent launch and gradual ramp up of the new generation model which has been well appreciated by the market for its sleek styling, new features and quality engineering.

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