

SAZGAR ENGINEERING WORKS LIMITED
INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED
INTERIM FINANCIAL INFORMATION TO THE MEMBERS

Introduction

We have reviewed the accompanying condensed interim balance sheet of **SAZGAR ENGINEERING WORKS LIMITED** as at December 31, 2010 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming parts thereof (here-in-after referred to as the "interim financial information") for the six months' period then ended. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standards on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the six-months period ended December 31, 2010, is not prepared in all material respects, in accordance with the approved accounting standards as applicable in Pakistan relating to interim financial reporting.

The figures of the condensed interim profit and loss account for the quarter ended December 31, 2010 and December 31, 2009 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2010.

February 22, 2011
Lahore.

KABANI AND COMPANY.
Chartered Accountants
Younus Kamran