

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Sixty-Third Annual General Meeting of DIESEL & MOTOR ENGINEERING PLC will be held at the Registered Office of the Company, No. 65, Jetawana Road, Colombo 14, on Friday, 20th June 2008 at 3.00 p.m. and the business to be brought before the meeting will be:

AGENDA

1. To receive, consider and adopt the Annual Report of the Directors and the Statement of Accounts for the year ended 31st March 2008, with the Report of the Auditors thereon.
2. To re-elect Mr. A.G. Pandithage, who retires by rotation in terms of Article 66 of the Articles of Association as a Director of the Company.*
3. To re-elect Mr. A.N. Algama, who retires by rotation in terms of Article 66 of the Articles of Association as a Director of the Company.*
4. To re-elect Mr. T.G.H. Peries, who retires by rotation in terms of Article 66 of the Articles of Association as a Director of the Company.*
5. To re-elect Mr. R.C. Weerawardane, who retires by rotation in terms of Article 66 of the Articles of Association as a Director of the Company.*
6. (a) To reappoint KPMG Ford, Rhodes, Thornton & Co., as Auditors to the Company for the ensuing year.
(b) To authorise the Board of Directors to determine their remuneration.
7. To authorise the Directors to determine contributions to charities

* The profiles of the Directors proposed for re-election are given on page 11 of the Annual Report.

NOTE

- (i) **A member is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company.**
A Form of Proxy is enclosed for this purpose. The instrument appointing a proxy must be deposited at the Registered Office, No. 65, Jetawana Road, Colombo 14, not less than forty-eight hours before the time fixed for the Meeting.
- (ii) It is proposed to post ordinary dividend warrants on 27th June 2008 and in accordance with the rules of the Colombo Stock Exchange, the shares of the Company will be quoted ex-dividend with effect from 16th June 2008.

By Order of the Board,

Diesel & Motor Engineering PLC

Company Registration No. PQ-146



B.C.S.A.P. Gooneratne

Secretary

Colombo

9th May 2008

FORM OF PROXY

I/We,

of

being a member/members of DIESEL & MOTOR ENGINEERING PLC hereby appoint:

1. of
Holder of NIC No.
 or failing him/them.

2. ASOKA RANJITH PANDITHAGE (Chairman of the Company) of Colombo or, failing him, one of the Directors of the Company as my/our proxy to vote as indicated hereunder for me/us and on my/our behalf at the Sixty-Third Annual General Meeting of the Company to be held on Friday, 20th June 2008 and at every poll which may be taken in consequence of the aforesaid meeting and at any adjournment thereof.

	For	Against
1. To receive, consider and adopt the Annual Report of the Directors and the Statement of Accounts for the year ended 31st March 2008, with the Report of the Auditors thereon.	<input type="checkbox"/>	<input type="checkbox"/>
2. To re-elect Mr. A.G. Pandithage, who retires by rotation in terms of the Article 66 of the Articles of Association as a Director.	<input type="checkbox"/>	<input type="checkbox"/>
3. To re-elect Mr. A.N. Algama, who retires by rotation in terms of the Article 66 of the Articles of Association as a Director.	<input type="checkbox"/>	<input type="checkbox"/>
4. To re-elect Mr. T.G.H. Peries, who retires by rotation in terms of the Article 66 of the Articles of Association as a Director.	<input type="checkbox"/>	<input type="checkbox"/>
5. To re-elect Mr. R.C. Weerawardane, who retires by rotation in terms of the Article 66 of the Articles of Association as a Director.	<input type="checkbox"/>	<input type="checkbox"/>
6. (a) To reappoint KPMG Ford, Rhodes, Thornton & Co. as Auditors to the Company for the ensuing year.	<input type="checkbox"/>	<input type="checkbox"/>
(b) To authorise the Board of Directors to determine their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>
7. To authorise the Directors to determine contributions to charities.	<input type="checkbox"/>	<input type="checkbox"/>

The proxy may vote as he thinks fit on any other resolution brought before the meeting.

Dated this day of 2008.

Witness:

.....

.....
 Signature of Shareholder

1. A proxy need not be a member of the Company.
2. Instructions to fill the proxy (please see overleaf).