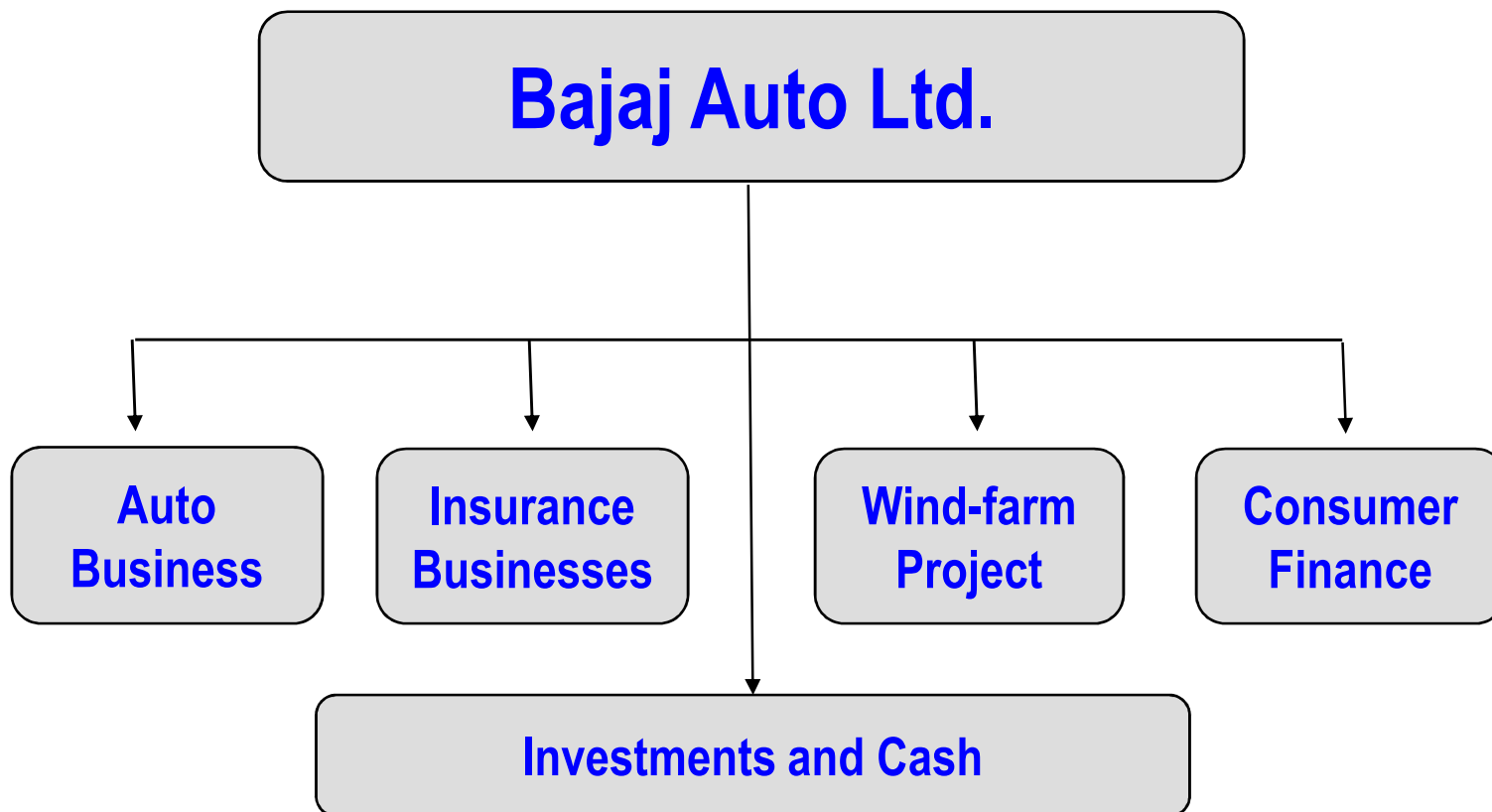




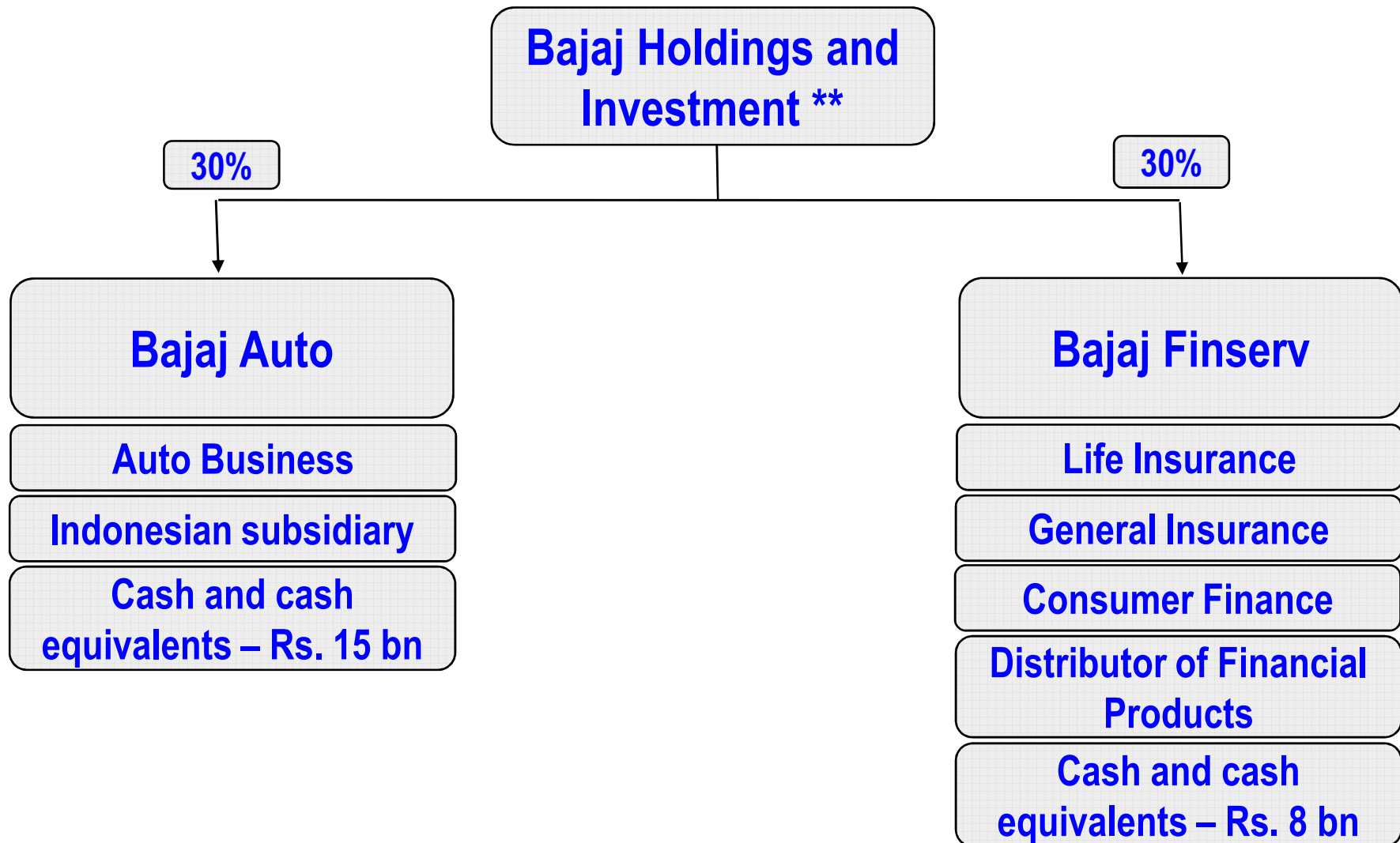
BAJAJ

Distinctly Ahead

Pre-demerger



Post-demerger



**** 30% stake in BAL & BFS, holding in MSL, ICICI and cash equivalents – Rs. 56 bn**

Status on De-merger

- **Board Approval of Scheme** : **17th May 2007**
- **Court convened meeting** : **18th August 07**
- **Court hearing** : **October 07**
- **Filing of Court order with ROC** : **20th February 08**
- **Listing of shares of BHIL** : **March 08**
- **Approval from SEBI** : **Received**
- **Expected listing – BAL** : **26th May 08**
- **BFS** : **26th May 08**

Bajaj Auto Ltd

(post de-merger)

SALES IN UNITS : TOTAL						
	2007-08		2006-07		GROWTH	
	Q4	Total	Q4	Total	Q4	Total
100cc	224,030	986,232	291,057	1,438,323		
125cc	152,364	686,389	104,326	450,845		
150cc	103,511	467,158	140,462	490,331		
Motorcycles	479,905	2,139,779	535,845	2,379,499	-10%	-10%
Total 2Wh's	482,912	2,161,095	543,757	2,399,996		
3 Wh's	69,676	290,312	84,630	321,828	-18%	-10%
Total Units	552,588	2,451,407	628,387	2,721,824	-12%	-10%

of which EXPORTS are						
	2007-08		2006-07		GROWTH	
	Q4	Total	Q4	Total	Q4	Total
100cc	70,510	269,176	43,964	174,312		
125cc	37,408	138,306	17,753	66,363		
150cc	15,712	74,067	15,826	59,981		
Motorcycles	123,630	481,549	77,543	300,656	59%	60%
Total 2Wh's	123,890	482,026	77,550	301,766		
3 Wh's	34,168	136,315	39,133	140,645	-13%	-3%
Total Units	158,058	618,341	116,683	442,411	35%	40%
Rs. in billion	5.05	20.48	4.49	16.94	12%	21%

Financials - Standalone

Particulars	9 Months	Rs. in billion	
		Q4	Full Year
Net Sales & operating Income	69.72	20.74	90.46
Other Income	1.02	0.21	1.23
Total Income	70.74	20.95	91.69
Material Cost	50.96	15.24	66.20
Employee cost	2.56	0.86	3.42
Depreciation	1.33	0.41	1.74
Other expenses	6.05	2.09	8.14
Expenses capitalized	(0.17)	(0.06)	(0.23)
Total Expenses	60.73	18.54	79.27
Interest	0.03	0.02	0.05
Voluntary retirement scheme	0.51	0.51	1.02
Profit before tax	9.47	1.88	11.35
Provision for tax	3.12	0.67	3.79
Profit after tax	6.35	1.21	7.56
EPS (weighted average)			54.2
Dividend (45% payout ratio)			200%

Financials - Standalone

Particulars	Rs in billion
Sources of funds	
Share capital	1.45
Reserves and surplus	14.42
Total shareholders funds	15.87
Secured loans	0.07
SICOM (Sales tax benefit)	13.27
Defered tax adjustment	0.11
	29.32
Application of funds	
Fixed assets (net)	12.93
Technical knowhow	0.11
Investments at cost	18.57
Net current assets	(2.29)
	29.32
Book value per share	110

Overview on Investments

	<u>Cost</u>	<u>Market Value</u>
➤ Subsidiaries		
✓ PTBAI	0.57	0.57 *
✓ Bajaj Auto International Holdings BV	5.69	5.69 *
✓ Other equities	<u>.01</u>	<u>.01 *</u>
Sub-total ...	6.27	6.27
➤ Fixed Income	<u>12.30</u>	<u>12.57</u>
Total ...	18.57	18.84

* At book value since not quoted

All values in INR billion unless specified otherwise

Financials - Operating

Rs. in billion	2007 - 08			2006 - 07 *	
	9M	Q4	Full Year	Q4	Full Year
Total Opg Income	69.72	20.74	90.46	23.13	95.20
Material Cost	50.80	15.17	65.97	16.78	68.69
%	72.9	73.1	72.9	72.4	72.1
Employee Cost	2.55	0.87	3.42	0.69	3.02
%	3.7	4.2	3.8	3.0	3.2
Selling & after sales	3.31	1.05	4.36	1.08	5.23
%	4.7	5.1	4.8	4.7	5.5
Other expenses	2.74	1.04	3.78	1.24	3.96
%	3.9	5.0	4.1	5.4	4.2
Total Expenditure	59.40	18.13	77.53	19.79	80.90
EBITDA	10.32	2.61	12.93	3.34	14.30
%	14.8	12.6	14.3	14.5	15.0
VRS & DEPB reversal	0.51	0.51	1.02	0.12	0.49
Revised EBITDA	9.81	2.10	11.91	3.22	13.81
Interest & Depreciation	1.36	0.43	1.79	0.41	1.66
Operating Profit	8.45	1.67	10.12	2.81	12.15
%	12.1	8.1	11.2	12.2	12.8

* for statistical comparison only

Highlights of Q4 / FY08

- EBITDA margins – 12.6% during Q4 **v/s** 14.8 for 9M
- Major reasons for fall in margins are
 - Lower turnover, hence higher % of fixed cost
(Q4 - Rs. 20.74 billion **v/s** Q3 - Rs. 25.00 billion)
 - Adverse mix change
 - Mark to market provision on forward cover, Rs 160 million

Combined annual results

Rs. in billion	2007 - 08				FY 2006 - 07	% Change
	BAL	BFS	BHIL	Total		
Sales	96.90			96.90	106.06	
Less : Excise duty	10.27			10.27	13.14	
Net sales	86.63			86.63	92.92	-7
Windpower generated		0.35		0.35	0.33	
Other income	5.06	0.71	3.55	9.32	7.51	
Total Income	91.69	1.06	3.55	96.30	100.76	-4
Expenditure						
Material	66.20			66.20	69.01	
Other expenses	11.56	0.11	0.06	11.73	12.35	
Interest	0.05			0.05	0.05	
Depreciation	1.74	0.30		2.04	1.90	
Less : Exp capitalized	0.23			0.23	0.32	
sub-total	79.32	0.41	0.06	79.79	82.99	
Compensation for VRS	1.02			1.02	0.39	
Export incentive w/off					0.10	
Total expenditure	80.34	0.41	0.06	80.81	83.48	-3
Profit before tax	11.35	0.65	3.49	15.49	17.28	-10
Provision for tax	3.79	0.21	0.42	4.42	4.90	
Profit after tax	7.56	0.44	3.07	11.07	12.38	-11
EPS (annualized)	54.2	3.1	30.3	109.4 *	122.3 *	

* Considering 101,183,510 number of shares

Dividend

declared for ...

FY07 Rs. 40 / share : 400%
(before demerger)

FY08

- Bajaj Auto Rs. 20 / share : 200%
- Bajaj Holdings &
Investment Rs. 20 / share : 200%
- Bajaj Finserv Rs. 1 / share : 20%

Thank you

No part of this presentation is to be circulated, quoted, or reproduced for any distribution without prior written approval from Bajaj Auto Limited, Mumbai-Pune Road, Akurdi, Pune-411 035, India.

Certain part of this presentation describing estimates, objectives and projections may be a “forward looking statement” within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied. This material was used by Bajaj Auto Limited during an oral presentation; it is not a complete record of the discussion.