

IT'S US vs. US YET AGAIN.

Highest Motorcycle Sales
 Highest Commercial Vehicle Sales
 Highest Turnover
 Highest Exports
 Highest Operating EBITDA
 Highest EBITDA Margin in the Auto Industry: 20.1%

Particulars	Q2 FY12	Q2 FY11	Growth%
Unit Sales			
Motorcycles	1,027,357	883,494	16
Commercial Vehicles	136,780	117,076	17
Total	1,164,137	1,000,570	16
Exports out of the above	424,134	307,332	38
Financial Highlights (in ₹crore)			
Turnover	5342	4426	21
Operating EBITDA	1057	897	18
Profit before tax, and exceptional item*	1072	950	13
Profit after tax, before exceptional item*	790	682	16
Profit after tax	726	682	6

*Exceptional charge due to range forward contracts is **notional** and will be **reversed** over the contract period.

This is an abridged representation of the Unaudited Financial Results of 2nd Quarter 2012 for the purpose of legal compliance. The unbridged detailed Financial Results are available on our website: www.bajajgroup.com

20 – 20 !

Growth in revenue – 21%

EBITDA margin – 20.1%

20 – 20 !

Growth in revenue – 21%

EBITDA margin – 20.1%

First time ever !

Motorcycle sales cross 1 million units

Turnover crosses ₹ 5000 crore

EBITDA crosses ₹ 1000 crore

“ Highest ” ever **Motorcycles** sold; 1,027,357 units

“ Highest ” ever **Commercial vehicles** sold; 136,780 units

“ Highest ” ever **Exports**; ₹ 1733 crore

“ Highest ” ever **Turnover**; ₹ 5342 crore

“ Highest ” ever **operating EBITDA**; ₹ 1057 crore

EBITDA margin - 20.1%; the best in the industry

Particulars	Q2 2011 – 12	Q2 2010 – 11	Growth %	2010 – 11
Domestic	684,671	632,672	8%	2,414,606
Exports	342,686	250,822	37%	972,437
Total	1,027,357	883,494	16%	3,387,043

- ✓ Quarterly motorcycle sales crossed **1 million** units
 - “ **Pulsar** ”, averaged **~86,000** units per month; market share at **47%**
 - “ **Discover** ”, averaged **~133,000** units per month; market share at **23%**
 - “ **Discover** ” brand sales cross **5 million** units till date
- ✓ **Overall** market share stood at **~34%** while share in **domestic** market was **~27%**

Particulars	Q2 2011 – 12	Q2 2010 – 11	Growth %	2010 – 11
Domestic	55,332	60,566	-9%	205,603
Exports	81,448	56,510	44%	231,281
Total	136,780	117,076	17%	436,884

- ✓ Sales of 136,780 units are its **highest** ever sales
- ✓ Demand for commercial vehicles continue to be strong
- ✓ Diesel passenger carriers witnessed a growth of **~11%** as against an industry growth of **~2%**
- ✓ Continue to dominate the petrol and alternate fuel passenger segment; market share at **~89%**
- ✓ Share in domestic market at **~40%**

Particulars	Q2 2011 – 12	Q2 2010 – 11	Growth %	2010 – 11
Motorcycles	342,686	250,822	37%	972,437
Three-wheelers	81,448	56,510	44%	231,281
Total	424,134	307,332	38%	1,203,718
₹ in crore	1733	1153	50%	4552

- ✓ **Highest** ever exports in any quarter - ₹ 1733 crore
- ✓ Overseas markets now contribute over **36%** of all vehicles sold
- ✓ Company is well poised to exceed its target of 1.5 million vehicles for the year 2011-12

₹ in crore	Q2 2011 – 12	Q2 2010 – 11	Gr. %	2010 – 11
Net sales and operating income	5267	4342	21%	16609
Material cost (net)	3750	3069		11782
Employee cost	131	114		477
Depreciation and write downs	39	30		123
Other expenditure	329	262		965
Total	4249	3475	22%	13347
Profit from operations before other income, interest and exceptional items	1018	867	17%	3262
Other income	74	84		366
Profit before interest and exceptional items	1092	951	15%	3628
Interest	20	1		2
Profit after interest but before exceptional items	1072	950	13%	3626
Tax expense	282	268		1011
Net Profit / (Loss) after tax before exceptional items	790	682	16%	2615
Exceptional items:				
Valuation loss on derivative hedging instruments (net of tax impact - ₹ 31 crore)	(64)	-		
Surplus on prepayment of sales tax deferral liability/loan	-	-		827
Provision for diminution in value of investments in PT BAI.	-	-		(102)
Net Profit / (Loss) after tax	726	682		3340

➤ **Operating Profit – ₹ 1018 crore**; highest ever

➤ **EBITDA margin – 20.1%**; the best in the auto industry

This was due to higher realization from exports, operating leverage and rationalization of spends on sales promotion

➤ **Surplus cash and cash equivalents – ₹ 4516 crore**

During the quarter, the company received VAT refund of **₹ 860 crore**

➤ **Net operating working capital and ROCE**

Net operating working capital stood at Negative **₹ 730 crore**

Pre-tax return on operating capital was at **381%**

➤ **Exceptional item :-**

Company has protected its future export realizations by entering into range forward contracts. As per the principles laid down under AS30, some of the contracts are deemed ineffective. Accordingly a **MTM loss of ₹ 95 crore** (pre-tax) is charged to P&L account. This is a purely notional loss and would get reversed on maturity of the underlying contracts. Excluding this exceptional charge, the Net Profit after tax would have been **₹ 790 crore** as against **₹ 682 crore** in Q2 / FY11

Thank You