

## Press Release

### Company of the year !!!

Turnover for the year crosses ₹ 20,000 crore

Operating EBITDA for the year crosses ₹ 4,000 crore

A meeting of the Board of Directors of Bajaj Auto Limited was held today to consider and approve the results for FY12.

The Board of Directors recommended a dividend of ₹45 per share – 450% (previous year – 400%). The total amount of dividend and tax thereon amounts to ₹1513 crore ( previous year – ₹1345 crore ).

**Bajaj Auto** is the “ **Company of the year** ” – The Economic Times Award, 2010-11.

**Bajaj Auto** is amongst the world’s most profitable automobile manufacturer.

- Operating EBITDA margins at 20.2%, **best in the industry**
- **Operating profit margin**, before exceptional items, at 19.4% is *almost double* that of any other automobile company in the country

**Bajaj Auto** is now the world’s 3<sup>rd</sup> largest motorcycle manufacturer.

- Sold over **3.8 million** motorcycles worldwide
- “ **Pulsar** ”, cumulative sales, from launch, across the globe exceed **5 million** units
- “ **Discover** ”, estimated to be the **second** largest motorcycle brand of the country
- Overall, market share in excess of **32%**

**Bajaj Auto** continues to be world’s largest manufacturer of three-wheelers.

- Sales crossed **500,000** units

**Bajaj Auto** is India’s No. 1 exporter, in terms of % of production exported.

- Exports contribute **36%** of total production
- Sold over **1.5 million** motorcycles and three-wheelers
- Spread across **35** countries, enjoy **leadership** position in **12** countries
- Exports, by value, in excess of **1.36 billion USD**; growth of **40%** over last year

## 1. Performance highlights

₹ in crore	Q4 FY12	Q4 FY11	Growth QoQ	FY12	FY11	Growth YoY
Sales (No's)	1,017,167	948,198	7%	4,349,560	3,823,954	14%
Turnover	4791	4301	11%	20137	16975	19%
Export revenue	1477	1058	40%	6604	4552	45%
Operating EBITDA	972	859	13%	4001	3382	18%
Profit from operations before exceptional items	926	828	12%	3833	3257	18%
<b>Profit after tax before exceptional items</b>	<b>759</b>	<b>676</b>	<b>12%</b>	<b>3095</b>	<b>2615</b>	<b>18%</b>
Profit after tax, after exceptional items	772	1400		3004	3340	

### Q4 / FY12

- ✓ Sales cross **1 million** units; 4<sup>th</sup> quarter in a row.
- ✓ Operating EBITDA margin – **20.7%**.

### FY12

- ✓ **Highest ever turnover**; ₹ **20,137 crore** – growth of 19%.
- ✓ **Operating Profit**, before exceptional items, at ₹ **3,833 crore** – growth of 18%.
- ✓ **Profit after tax**, before exceptional items, at ₹ **3,095 crore** – growth of 18%.

## 2. Motorcycle highlights

	Q4 FY12	Q4 FY11	Growth QoQ	FY12	FY11	Growth YoY
Domestic	616,516	617,255	-	2,566,757	2,414,606	6%
Exports	280,732	219,416	28%	1,267,648	972,437	30%
<b>Total</b>	<b>897,248</b>	<b>836,671</b>	<b>7%</b>	<b>3,834,405</b>	<b>3,387,043</b>	<b>13%</b>

- **Overall**, motorcycle sales witnessed a growth of **13%** – market share in excess of **32%**.
- The “bigger and sportier” motorcycles contribute **64%** of total motorcycles sold
  - “**Pulsar**”, is now in its **10<sup>th</sup>** year. The **DTS-i** technology introduced in the Pulsar has evolved further from twin-spark two-valve to **four-valve triple-spark**.
  - “**Discover**” sold nearly 1.5 million units during FY12.

## 3. Commercial Vehicle highlights

	Q4 FY12	Q4 FY11	Growth QoQ	FY12	FY11	Growth YoY
Domestic	53,237	55,100	-3%	202,979	205,603	-1%
Exports	66,682	56,427	18%	312,176	231,281	35%
<b>Total</b>	<b>119,919</b>	<b>111,527</b>	<b>8%</b>	<b>515,155</b>	<b>436,884</b>	<b>18%</b>

- Sales, for the first time **crossed 500,000** units – attributed to strong exports.
- Domestic sales for **diesel** carriers grew by **19%** as against an industry growth of 2%; resulting in an increase in segment **market share** to **27%**; a **gain** of **400** basis points.
- Continue to dominate the alternate fuel passenger segment; market share of **~88%**.
- Capacity for commercial vehicles increased to 50,000 units / month.

#### 4. Export highlights

	Q4 FY12	Q4 FY11	Growth QoQ	FY12	FY11	Growth YoY
Motorcycles	280,732	219,416	28%	1,267,648	972,437	30%
Commercial Vehicles	66,682	56,427	18%	312,176	231,281	35%
Total	347,414	275,843	26%	1,579,824	1,203,718	31%

- Exports, spread across **35** countries, enjoy **leadership** position in **12** countries.
- Exports, by value, in excess of **1.36 billion USD** as against 975 million USD in the previous year – growth of **40%**.
- **Boxer** is the largest selling brand in Africa and the most visible vehicle in the city of Lagos and **Pulsar 135** ranks amongst the top selling motorcycle model in various Latin American markets.

#### 5. Results

A summary of the results is given in Annexure I

##### 5.1. Margins

Despite input cost pressures, better realization from exports enabled the company to declare for Q4 / FY12 an EBITDA of ₹ 972 crore – EBITDA margin at **20.7%** and on full year basis an EBITDA of ₹ 4001 crore – EBITDA margin at **20.2%**.

##### 5.2. Cash and cash equivalents

Strong operating margins resulted in surplus cash and cash equivalents of ₹ **5451** crore as on 31<sup>st</sup> March 2012 as against ₹ 4239 crore as on 31<sup>st</sup> March 2011.

##### 5.3. Exceptional items

The company has protected its future export realizations by entering into range forward contracts. These hedge contracts are based on highly probable forecast transactions. MTM losses in respect of effective hedges is carried to the Hedge Reserve and ineffectiveness, if any, including the time value of option contracts is recognised in the results, as per the principles of AS-30. The time value of option contracts, aggregating ₹134 crore for FY12 charged to the Profit and Loss Account, will reverse over the tenure of the contract.



**Bajaj Auto Limited**  
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**Annexure I**

**FINANCIAL RESULTS**

(₹ In Crore)

	Particulars	Standalone			
		Quarter ended		Year ended	
		31.03.2012	31.03.2011	31.03.2012	31.03.2011
	<b>Sales in numbers</b>	<b>1,017,167</b>	<b>948,198</b>	<b>4,349,560</b>	<b>3,823,954</b>
<b>1</b>	<b>Income from operations</b>				
a.	Gross sales	4,763	4,278	19,827	16,830
	Less: Excise duty	248	248	947	933
	Net sales	4,515	4,030	18,880	15,897
b.	Other operating income	136	115	649	501
	<b>Total income from operations (net)</b>	<b>4,651</b>	<b>4,145</b>	<b>19,529</b>	<b>16,398</b>
<b>2</b>	<b>Expenses</b>				
	Material	3,312	2,977	14,102	11,797
	Employee benefits expense	120	134	540	494
	Depreciation	43	30	146	123
	Other expenses	319	240	1,216	953
	Expenses capitalised	(20)	(9)	(49)	(17)
	<b>Total expenses</b>	<b>3,774</b>	<b>3,372</b>	<b>15,955</b>	<b>13,350</b>
<b>3</b>	<b>Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>877</b>	<b>773</b>	<b>3,574</b>	<b>3,048</b>
<b>4</b>	<b>Other income</b>	<b>140</b>	<b>156</b>	<b>608</b>	<b>577</b>
<b>5</b>	<b>Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>1,017</b>	<b>929</b>	<b>4,182</b>	<b>3,625</b>
<b>6</b>	<b>Finance costs</b>	<b>2</b>	<b>-</b>	<b>22</b>	<b>2</b>
<b>7</b>	<b>Profit from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>1,015</b>	<b>929</b>	<b>4,160</b>	<b>3,623</b>
<b>8</b>	<b>Exceptional items</b>	<b>20</b>	<b>725</b>	<b>(134)</b>	<b>725</b>
<b>9</b>	<b>Profit from ordinary activities before tax (7+8)</b>	<b>1,035</b>	<b>1,654</b>	<b>4,026</b>	<b>4,348</b>
<b>10</b>	<b>Tax expense</b>	<b>263</b>	<b>254</b>	<b>1,022</b>	<b>1,008</b>
<b>11</b>	<b>Net Profit from ordinary activities after tax (9-10)</b>	<b>772</b>	<b>1,400</b>	<b>3,004</b>	<b>3,340</b>
<b>12</b>	<b>Basic and Diluted Earnings per share (₹)</b>				
	(not annualised) before and after extraordinary items	26.7	48.4	103.8	115.4