RIDDEN IN OVER 70 COUNTRIES ACROSS THE WORLD, THE SUN NEVER SETS ON A BAJAJ MOTORCYCLE.
Dear Shareholder,

I am happy to share with you the financial results of your Company for the half year ended 30 September 2018.

Riding on excellent growth across all its business verticals, your Company has delivered its best ever half-yearly results.

The Company recorded its

<table>
<thead>
<tr>
<th>Highest ever (₹ in Crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Turnover (net)</td>
</tr>
<tr>
<td>✓ Operating EBITDA</td>
</tr>
<tr>
<td>✓ Operating Profit</td>
</tr>
<tr>
<td>✓ Profit before tax</td>
</tr>
<tr>
<td>✓ Profit after tax</td>
</tr>
</tbody>
</table>

The consolidated profit after tax, too, was the highest ever at ₹ 2,298 crore in H1/2018-19 as against ₹ 2,030 crore in H1/2017-18 – an increase of over 13%.

The following are the highlights for the half year ended 30 September 2018:

1. Summary of financial results

<table>
<thead>
<tr>
<th>Particulars</th>
<th>H1 2018-19</th>
<th>H1 2017-18</th>
<th>Full Year 2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales in numbers</td>
<td>2,566,085</td>
<td>1,959,944</td>
<td>4,006,791</td>
</tr>
<tr>
<td>Turnover (net)</td>
<td>16,192</td>
<td>12,776</td>
<td>26,512</td>
</tr>
<tr>
<td>Export revenue</td>
<td>6,274</td>
<td>4,901</td>
<td>9,703</td>
</tr>
<tr>
<td>Operating EBITDA</td>
<td>2,831</td>
<td>2,389</td>
<td>5,145</td>
</tr>
<tr>
<td>Operating EBITDA %</td>
<td>18.2%</td>
<td>19.7%</td>
<td>20.2%</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>3,268</td>
<td>2,806</td>
<td>5,783</td>
</tr>
<tr>
<td>Profit after tax - standalone</td>
<td>2,268</td>
<td>2,036</td>
<td>4,068</td>
</tr>
<tr>
<td>Profit after tax - consolidated</td>
<td>2,298</td>
<td>2,030</td>
<td>4,219</td>
</tr>
</tbody>
</table>
2. Motorcycle highlights

<table>
<thead>
<tr>
<th>Particulars</th>
<th>H1 2018-19</th>
<th>H1 2017-18</th>
<th>Full Year 2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic</td>
<td>1,287,133</td>
<td>1,010,559</td>
<td>1,974,577</td>
</tr>
<tr>
<td>Export</td>
<td>869,373</td>
<td>683,876</td>
<td>1,394,757</td>
</tr>
<tr>
<td>Total</td>
<td>2,156,506</td>
<td>1,694,435</td>
<td>3,369,334</td>
</tr>
</tbody>
</table>

✓ Company recorded its **highest ever half-yearly sales** for motorcycles.
✓ Motorcycle sales in the domestic market grew by **27%** in H1/2018-19 as against an industry growth of 13%.
✓ As a result, share in domestic market went up from 15.5% in H1/2017-18 to **17.5%** in H1/2018-19.
✓ During these six months,
  ➢ In the entry segment, CT100 & Platina sold over 697,000 units and achieved a market share of **36%**.
  ➢ In the sports segment, Pulsars & Avengers sold over 457,000 units with a market share of **40%**.

3. Commercial vehicle highlights

<table>
<thead>
<tr>
<th>Particulars</th>
<th>H1 2018-19</th>
<th>H1 2017-18</th>
<th>Full Year 2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic</td>
<td>206,177</td>
<td>137,285</td>
<td>369,637</td>
</tr>
<tr>
<td>Export</td>
<td>203,402</td>
<td>128,224</td>
<td>267,820</td>
</tr>
<tr>
<td>Total</td>
<td>409,579</td>
<td>265,509</td>
<td>637,457</td>
</tr>
</tbody>
</table>

✓ Company recorded its **highest ever half-yearly sales** for commercial vehicles.
✓ Domestic sales for the Company grew by **50%**, as against an industry growth of 35%.
✓ The Company continues to be a market leader in this segment with overall domestic market share of **59%**.
  ➢ In the small passenger carrier segment, Company remains the dominant player through its RE brand; market share of **85%**.
  ➢ In the big passenger carrier segment, market share has gone up to **38%** as against 22% in H1/2017-18.
  ➢ In the goods carrier space, Company achieved a sales growth in excess of 58% during H1/2018-19; market share **24%**.
4. International business highlights

<table>
<thead>
<tr>
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<th>H1 2018-19</th>
<th>H1 2017-18</th>
<th>Full Year 2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motorcycles</td>
<td>869,373</td>
<td>683,876</td>
<td>1,394,757</td>
</tr>
<tr>
<td>Commercial vehicles</td>
<td>203,402</td>
<td>128,224</td>
<td>267,820</td>
</tr>
<tr>
<td>Total</td>
<td>1,072,775</td>
<td>812,100</td>
<td>1,662,577</td>
</tr>
</tbody>
</table>

✓ Company recorded its **highest ever half-yearly sales** in H1/2018-19.
✓ For the first time ever, export volumes have crossed a coveted mark of 1 million units in a half year.
✓ Growth in International Business was witnessed across most geographies.
✓ Company witnessed an impressive growth of 27% in motorcycles and 59% in commercial vehicles.
✓ Exports revenue, in US$ was **862 million**, representing a growth of 26% and in INR was **6,274 crore**, representing a growth of 28%.

5. Cash and cash equivalents

As on 31 March 2018, surplus cash and cash equivalents stood at ₹ 15,542 crore.

After payment of dividend and tax thereon amounting to ₹ 2,074 crore, surplus cash and cash equivalents as on 30 September 2018 stood at ₹ 16,164 crore.

On this happy note, I wish you and your family a very happy Diwali and a prosperous New Year.

Rahul Bajaj  
Chairman  
24 October 2018

Bajaj Auto Limited  
CIN: L65993PN2007PLC130076  
Regd. Office: Mumbai-Pune Road, Akurdi, Pune 411035  
www.bajajauto.com