Bajaj Auto Limited

Press Release

Results : Q4 and FY18

Highest ever Turnover – ₹ 26,911 crore
Highest ever EBITDA – ₹ 5,145 crore

Highest ever Profits

Profit before tax – ₹ 5,783 crore; Profit after tax – ₹ 4,068 crore

A meeting of the Board of Directors of Bajaj Auto Limited was held today to consider and approve the results for FY18.

The Board of Directors recommended a dividend of ₹ 60 per share – 600% (previous year – 550%). The total amount of dividend and tax thereon amounts to ₹ 2,093 crore (previous year – ₹ 1,916 crore).

Performance Highlights of the Company are:-

1. Results

1.1. Standalone – Q4 / FY18

✔ Highest ever
  — Turnover : ₹ 7,140 crore
  — Operating EBITDA : ₹ 1,431 crore
  — Profit before tax : ₹ 1,594 crore

✔ Profit after tax : ₹ 1,080 crore
✔ EBITDA margin – 20.9%

1.2. Standalone – FY18

✔ Highest ever
  — Turnover : ₹ 26,911 crore
  — Operating EBITDA : ₹ 5,145 crore
  — Profit before tax : ₹ 5,783 crore
  — Profit after tax : ₹ 4,068 crore

✔ EBITDA margin – 20.2%
✔ Profit after tax, for the first time ever, crosses ₹ 4,000 crore
1.3. Consolidated

✓ For Q4 / FY18, consolidated profit after tax was ₹ 1,175 crore
✓ For FY18, consolidated profit after tax was ₹ 4,219 crore

2. Volumes:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Q4 FY18</th>
<th>Q4 FY17</th>
<th>Growth Q4oQ4</th>
<th>FY18</th>
<th>FY17</th>
<th>Growth YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motorcycles</td>
<td>497,587</td>
<td>413,539</td>
<td>20%</td>
<td>1,974,577</td>
<td>2,001,391</td>
<td>-1%</td>
</tr>
<tr>
<td>CV</td>
<td>122,229</td>
<td>50,037</td>
<td>144%</td>
<td>369,637</td>
<td>253,226</td>
<td>46%</td>
</tr>
<tr>
<td>sub-total</td>
<td>619,816</td>
<td>463,576</td>
<td>34%</td>
<td>2,344,214</td>
<td>2,254,617</td>
<td>4%</td>
</tr>
<tr>
<td>Exports</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motorcycles</td>
<td>358,802</td>
<td>287,478</td>
<td>25%</td>
<td>1,394,757</td>
<td>1,218,541</td>
<td>14%</td>
</tr>
<tr>
<td>CV</td>
<td>66,760</td>
<td>36,573</td>
<td>83%</td>
<td>267,820</td>
<td>192,792</td>
<td>39%</td>
</tr>
<tr>
<td>sub-total</td>
<td>425,562</td>
<td>324,051</td>
<td>31%</td>
<td>1,662,577</td>
<td>1,411,333</td>
<td>18%</td>
</tr>
<tr>
<td>Total</td>
<td>856,389</td>
<td>701,017</td>
<td>22%</td>
<td>3,369,334</td>
<td>3,219,932</td>
<td>5%</td>
</tr>
</tbody>
</table>

Number of CV’s sold during Q4 / FY18 and for the full year are the HIGHEST ever

3. Summary Financials:

<table>
<thead>
<tr>
<th>₹ in crore</th>
<th>Q4 FY18</th>
<th>Q4 FY17</th>
<th>Growth Q4oQ4</th>
<th>FY18</th>
<th>FY17</th>
<th>Growth YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>7,140</td>
<td>5,506</td>
<td>30%</td>
<td>26,911</td>
<td>24,310</td>
<td>11%</td>
</tr>
<tr>
<td>Net Sale &amp; Opg Inc.</td>
<td>6,849</td>
<td>4,973</td>
<td>38%</td>
<td>25,424</td>
<td>22,025</td>
<td>15%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>1,431</td>
<td>1,056</td>
<td>36%</td>
<td>5,145</td>
<td>4,778</td>
<td>8%</td>
</tr>
<tr>
<td>EBITDA %</td>
<td>20.9%</td>
<td>21.2%</td>
<td></td>
<td>20.2%</td>
<td>21.7%</td>
<td></td>
</tr>
<tr>
<td>Operating Profit</td>
<td>1,343</td>
<td>980</td>
<td>37%</td>
<td>4,829</td>
<td>4,470</td>
<td>8%</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>1,594</td>
<td>1,124</td>
<td>42%</td>
<td>5,783</td>
<td>5,336</td>
<td>8%</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>1,080</td>
<td>802</td>
<td>35%</td>
<td>4,068</td>
<td>3,828</td>
<td>6%</td>
</tr>
<tr>
<td>Consolidated Profit after tax</td>
<td>1,175</td>
<td>862</td>
<td>36%</td>
<td>4,219</td>
<td>4,079</td>
<td>3%</td>
</tr>
</tbody>
</table>
Highlights for individual BU’s is given below

A. International Business

FY18 sales volume recorded a growth of 18% – to 1,662,577 units.

— More than a third of Company’s growth in volumes is contributed by New / Nascent markets which now contribute ~14% of the total volume as against 10% in FY17.

— Motorcycle export grew on the back of strong recovery in Nigeria, focus on sports segment in Latin America, especially Argentina and new product launches in Philippines and Malaysia. CV growth was led by recovery in Egypt and new markets.

— Exports, by value, was at ₹ 9,703 crore (over US$ ~1.36 billion), a growth of 23% over FY17.

— Average realization was ₹ 67.0 per US$ in FY18 as against ₹ 67.2 per US$ in FY17.

B. Commercial Vehicles

Company recorded its highest ever volume of 369,637 units in the domestic market – growth of 46% over FY17.

— Share in domestic market improved by 800 bps – from 50% in FY17 to 58% in FY18.

— Market leader in the Petrol and Alternate fuel segment; market share ~89%.

— Dominant player in the diesel segment; market share ~34%.

  i. Market leader in small diesel carrier segment; market share ~75%.

  ii. Share in domestic market of big diesel carriers at ~24%.

— Cargo vehicles sold over 22,000 units; market share ~19%.

C. Motorcycle – Domestic

Recorded sales of 1,974,577 units in the domestic market.

— In the Entry level segment, sold over 951,000 units of CT, Platina and the new Discover 110 during FY18 – a growth of 14% over FY17. The new Discover 110, launched in January 2018, sold nearly 50,000 units.

  Share in domestic market for this segment was 29%.

— Pulsar, along with Avenger, sold nearly 723,000 units in FY18.

  Share in domestic market for this premium segment was ~39% in FY18.

— KTM sold over 46,000 units in FY18.

Overall share in domestic market was ~16%. 
4. Investment in KTM

Bajaj Auto International Holdings BV is a 100% Netherlands based subsidiary of Bajaj Auto Ltd. Through this subsidiary, Bajaj Auto holds ~48% stake in KTM AG of Austria at a total investment of €198.1 million ( ₹ 1,219 crore ).

For KTM, calendar year 2017 has been a record year, the accounts of which are consolidated in Bajaj Auto. It recorded its Highest ever

a. **Sales**: 238,408 motorcycles, a growth of 17%.

b. **Turnover**: €1.33 billion, a growth of 17%.

c. **Profit after tax**: €78.9 million, a growth of 10%.

   Proportionate profit after tax of €37.8 million ( ₹ 288 crore ) has been accounted in the consolidated results of Bajaj Auto Ltd.

In its Annual General Meeting for the calendar year 2017, held on 24th April 2018, KTM AG has declared a dividend of €2.25 per share ( as against €2.00 per share for the year 2016 ).

5. Cash and cash equivalents

Cash and cash equivalents as on 31st March 2018 stood at ₹ 15,542 crore as against ₹ 12,368 crore as on 31st March 2017.

________________________
Kevin D’sa
President (Finance)
18th May 2018.