

Press Release

A meeting of the Board of Directors of Bajaj Auto Limited was held today to consider and approve the results for FY10.

A summary of the results is given in Annexure I.

The Board of Directors recommended a dividend of Rs. 40 per share - 400% (previous year – 220%). The total amount of dividend and tax thereon amounts to Rs. 675 crores.

Q4 / FY10

- ✓ Motorcycles – **712,410** v/s 373,704 in Q4 / FY09; ↑ **91%**
- ✓ Three-wheelers – **96,304** v/s 64,830 in Q4 / FY09; ↑ **49%**
- ✓ Exports – **214,471** v/s 151,639 in Q4 / FY09; ↑ **41%**
- ✓ Turnover – **Rs. 3442** crores v/s Rs. 1916 crores; ↑ **80%**
- ✓ Profit after tax – **Rs. 532** crores v/s Rs. 130 crores; ↑ **309%**
- ✓ Operating EBITDA Margin – **22.9%**

FY10

The year 2009-10 has been an extremely rewarding year for the company:

- ✓ “**Highest**” ever **motorcycles** sold – 2,506,791 vehicles
- ✓ “**Highest**” ever **three-wheelers** sold – 340,937 vehicles
- ✓ “**Highest**” ever **exports** – 891,002 vehicles
- ✓ “**Highest**” ever **turnover** – Rs. 12043 crores
- ✓ “**Highest**” ever **operating profit** – Rs. 2450 crores
- ✓ “**Highest**” ever **profit after tax** – Rs. 1703 crores
- ✓ **EBITDA** margin – at record 21.7%

Sales in numbers

| | FY10 | FY09 | Growth |
|-----------------------|------------------|------------------|------------|
| Motorcycles | 2,506,791 | 1,907,853 | 31% |
| 2 wheelers | 2,511,643 | 1,919,625 | 31% |
| 3 wheelers | 340,937 | 274,529 | 24% |
| Total | 2,852,580 | 2,194,154 | 30% |
| Export (of the above) | 891,002 | 772,519 | 15% |

- **Domestic** motorcycle sales for the company witnessed a growth of **40%** – 1,781,768 units as against industry growth of 26%; domestic market share for the company improved from 21.9% in 2008-09 to **24.3%** in **2009-10**
- Focus on the “ bigger and sportier ” motorcycles enabled the company to grow its market share without compromising on profits – **EBITDA** margins at **21.7%**, highest in the industry
- It is expected that the company's brand centric strategy of its two key brands - the Discover and the Pulsar will become a **million** units / year brand
- Commercial vehicle sales have continued to grow across in-city and semi-urban markets. Domestic sales grew by **30%** as against industry growth of 26%
- The year also witnessed **highest** ever **exports** for the company. Exports in value grew 23% to Rs. 3246 crores

Operating Results

Margins

Richer product mix, higher volumes resulting in leveraging of fixed cost, effective cost management and focused sales promotional activities enabled the company to declare an industry high EBITDA margin of **21.7%**

Cash and cash equivalents

Strong operating margins together with efficient working capital management has resulted in surplus cash and cash equivalents of **Rs. 3263 crores** as on 31st March 2010 as against Rs. 933 crores as on 31st March 2009.

Kevin D'sa
Vice President (Finance)
12th May 2010.

Annexure I - Summary results of Bajaj Auto



Bajaj Auto Limited
Mumbai - Pune Road, Akurdi, Pune 411 035

AUDITED FINANCIAL RESULTS OF BAJAJ AUTO LIMITED FOR THE YEAR ENDED MARCH 31, 2010

(Rs. in lakhs)

| Particulars | QUARTER ENDED 31.03.2010 (Audited) | QUARTER ENDED 31.03.2009 (Audited) | YEAR ENDED 31.03.2010 (Audited) | YEAR ENDED 31.03.2009 (Audited) |
|---|---|---|--|--|
| Sales in numbers | 808,973 | 440,269 | 2,852,580 | 2,194,154 |
| Gross Sales | 347530 | 189814 | 1211808 | 904966 |
| Less: Excise duty | 18485 | 11060 | 60958 | 61272 |
| Net Sales | 329045 | 178754 | 1150850 | 843694 |
| Other Operating Income | 10900 | 9587 | 41248 | 37342 |
| TOTAL INCOME | 339945 | 188341 | 1192098 | 881036 |
| EXPENDITURE : | | | | |
| Materials | 235436 | 129515 | 807044 | 646347 |
| Employees Cost | 8619 | 9464 | 39946 | 35436 |
| Depreciation and write downs | 3411 | 3129 | 13645 | 12979 |
| Other expenditure | 18768 | 20944 | 87419 | 80463 |
| Expenses capitalised | (588) | (166) | (1567) | (1442) |
| Total | 265646 | 162886 | 946487 | 773783 |
| Profit from Operations before Other Income, Interest & Exceptional Items | 74299 | 25455 | 245611 | 107253 |
| Other Income (net) | 4250 | 2291 | 12250 | 11167 |
| Profit before Interest & Exceptional Items | 78549 | 27746 | 257861 | 118420 |
| Interest | (1) | 520 | 598 | 2101 |
| Profit after Interest but before Exceptional Items | 78550 | 27226 | 257263 | 116319 |
| Exceptional items | | | | |
| Expenditure incurred for Voluntary Retirement of employees | (4583) | (6110) | (18330) | (18330) |
| Valuation gains/(losses) on derivative hedging instruments | - | (2180) | 2180 | (2180) |
| Profit / (Loss) from ordinary activities before tax | 73967 | 18936 | 241113 | 95809 |
| Tax expense | 20750 | 5911 | 70750 | 30161 |
| Profit for the year after tax | 53217 | 13025 | 170363 | 65648 |
| Prior period adjustments (net) | (90) | (4) | (90) | (198) |
| Net Profit / (Loss) before deferred tax adjustments | 53127 | 13021 | 170273 | 65450 |
| Basic and Diluted Earnings Per Share (Rs.) (not annualised) before and after extraordinary items | 36.7 | 9.0 | 117.7 | 45.2 |