
Maruti Suzuki India Limited

Q2 FY13 Financial Results

30th Oct, 2012

Safe Harbour

This presentation might contain forward looking statements which involve a number of risks, uncertainties and other factors that could cause the actual results to differ materially from those in the forward looking statements. The Company undertakes no obligation to update these to reflect the events or circumstances thereof. Secondly, these statements should be understood in conjunction with the risks the company faces.

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Financial Highlights Q2 FY13 & Growth over Q2 FY12

■ Sales Volume	230,376 Veh.	(8.7)%	↓
■ Net Sales	80,701 Mn	8.5%	↑
■ Op. EBIDTA	5,086 Mn	15.4%	↑
■ PBT	2,798 Mn	(16.4)%	↓
■ PAT	2,275 Mn	(5.4)%	↓

Key Financial Ratios (% of Net Sales)

Parameter	Q2 FY13	Q2 FY12	Change bps	
Material Cost	81.9	81.0	90	↑
Employee Cost	2.9	2.7	20	↑
Selling & Distribution expenses	2.9	3.6	(70)	↓
Manufacturing & Admin expenses	8.9	10.0	(110)	↓
Royalty	5.4	6.0	(60)	↓
Op. EBIDTA	6.3	5.9	40	↑
Depreciation	4.3	3.6	70	↑
PBT	3.5	4.5	(100)	↓
PAT	2.8	3.2	(40)	↓
Other Non-Op. Income	1.9	2.3	(40)	↓

Financial Analysis Q2 FY13 vs Q2 FY12

Material Cost to Net Sales – higher by 90 bps

- Exchange impact of indirect imports
- Higher invoice discounts...
- ... to an extent offset by cost reduction efforts, exports gain.

Employee Cost to Net Sales – higher by 20 bps

- Annual salary increase
- Wage settlement

Other Expenses to Net Sales – lower by 180 bps

- Reduction in advt, selling and other overhead expenses
- Favorable exchange rate on royalty provisions

Depreciation to Net Sales – higher by 70bps

- Increase due to Manesar plant-B

Financial Highlights Q2 FY13 & Growth over Q1 FY13

■ Sales Volume	230,376 Veh.	(22.1)%	↓
■ Net Sales	80,701 Mn	(23.3)%	↓
■ Op. EBIDTA	5,086 Mn	(35.3)%	↓
■ PBT	2,798 Mn	(46.7)%	↓
■ PAT	2,275 Mn	(46.3)%	↓

Key Financial Ratios (% of Net Sales)

Parameter	Q2 FY13	Q1 FY13	Change bps	
Material Cost	81.9	79.7	220	↑
Employee Cost	2.9	2.3	60	↑
Selling & Distribution expenses	2.9	2.6	30	↑
Manufacturing expenses	8.9	10.3	(140)	↓
Royalty	5.4	6.2	(80)	↓
Op. EBIDTA	6.3	7.5	(80)	↓
Depreciation	4.3	3.2	110	↑
PBT	3.5	5.0	(150)	↓
PAT	2.8	4.0	(120)	↓
Other Non-Op. Income	1.9	1.1	80	↑

Financial Analysis Q2 FY13 vs Q1 FY13

Material Cost to Net Sales – higher by 220bps

- Impact of Indirect imports
- Higher discounts

Employee Cost to Net Sales – higher by 60 bps

- Wage settlement
- One time Manesar related expenses

Other Expenses to Net Sales – lower by 110bps

- Favorable exchange rate on royalty provisions
- Q1 FY'13 expenses higher due to forex losses

Depreciation to Net Sales – higher by 110bps

- Impact of Manesar plant-B, Ertiga Dies, lower base

Half yearly comparison...

H1 FY'13

VS

H1 FY'12








Key Financial Ratios (% of Net Sales)

Parameter	H1 FY13	H1 FY12	Change bps	
Material Cost	80.7	80.4	30	↑
Employee Cost	2.5	2.4	10	↑
Selling & Distribution expenses	2.7	3.0	(30)	↓
Manufacturing expenses	9.5	9.0	50	↑
Royalty	5.9	5.4	50	↑
Op. EBIDTA	7.2	8.0	(80)	↓
Depreciation	3.7	3.2	50	↑
PBT	4.3	6.9	(260)	↓
PAT	3.5	5.0	(150)	↓
Other Non-Op. Income	1.2	2.3	(110)	↓

Sales Volumes

Total Sales	Market	Q2 FY13	% to Total sales	Q2 FY12	% to Total sales	% Growth
	Domestic	209,954	91.1%	222,406	88.1%	(5.6)%
	Exports	20,422	8.9%	29,901	11.9%	(31.7)%
	Total Sales	230,376	100.0%	252,307	100.0%	(8.7)%
Domestic Sales	Segments	Q2 FY13	% to Dom. sales	Q2 FY12	% to Dom. sales	% Growth
	Mini	90,210	43.0%	112,848	50.7%	(20.1)%
	Compact	39,631	18.9%	44,864	20.2%	(11.7)%
	Super Compact	26,192	12.5%	20,288	9.1%	29.1%
	Mid Size	1,414	0.7%	4,392	2.0%	(67.8)%
	Executive	14	0.01%	54	0.02%	(74.1)%
	Van	31,092	14.8%	37,616	16.9%	(17.3)%
	MUV	21,401	10.2%	2,344	1.1%	813.0%
	Domestic	209,954	100.0%	222,406	100.0%	(5.6)%

Going Forward

- Production ramp-up at Manesar unit 
- Positive customer demand during festive season 
- Positive response to New Alto 800 
- Inventory of diesel engines 
- Macroeconomic concerns – Fuel prices, Interest rates 
- Uncertainty on foreign exchange 
- Normalized production of vans 

Thank You