Maruti Suzuki India Limited

Q2 FY'14 Financial Results

28th Oct, 2013

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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Note: *Last year, in Q2 FY’13, Company’s financials were impacted by disruption in operations.*

Financial Highlights Q2 FY'14 & Growth over Q1 FY'14

Sales Volume	275,586 Veh.	3.4 %	↑
Net Sales	102,118 Mn	2.1 %	↑
Op. EBIDTA	13,214 Mn	13.3 %	↑
PBT	8,799 Mn	4.0 %	↑
PAT	6,702 Mn	6.1 %	↑

Key Financial Ratios (% of Net Sales)

Parameter	Q2 FY'14	Q1 FY'14	Change bps
Material Cost	71.1	73.7	(260)
Employee Cost	3.6	3.0	60
Other Expenses	14.8	14.1	70
Other Operating Income	2.5	2.4	10
EBIDTA	**13.0**	**11.7**	**130**
Depreciation	4.9	4.8	10
Other Non-Operating Income	1.0	2.0	(100)
PBT	8.6	8.5	10
PAT	**6.6**	**6.3**	**30**

Financial Analysis Q2 FY'14 vs Q1 FY'14

Material Cost to Net Sales – lower by 260 bps

- Cost reduction efforts
- Favorable impact of foreign exchange

Employee Cost to Net Sales – higher by 60 bps

- Annual increment and variable pay

Other Expenses to Net Sales – higher by 70 bps

- Higher power & fuel cost
- Exchange impact on royalty reinstatement

Q2 FY'14 (post-merger) vs Q2 FY'13 (pre-merger)

Background: MSIL – SPIL merger

- Given the dieselization in India, the board of directors decided to bring together the engine and car manufacturing facility as one single entity.
- Suzuki Powertrain India Ltd. (SPIL) was merged with the Company through a share swap ratio of 1:70 with no outflow of cash from MSIL. MSIL made a fresh issue of 13.17 Mn shares to SMC, Japan, in lieu of its 70% holding in SPIL.
- Cost heads have been re-distributed leading to a change in the cost structure.
- **The term "pre-merger" represents MSIL financials (excluding the effect of SPIL merger).**

Key Financial Ratios (% of Net Sales)

Parameter	Q2 FY'14 (Post-merger)	Q2 FY'13* (Pre-merger)	Change bps
Material Cost	71.1	81.9	(1080)
Employee Cost	3.6	2.8	80
Other Expenses	14.8	11.9	290
Other Operating Income	2.5	2.9	(40)
EBIDTA	**13.0**	**6.3**	**670**
Depreciation	4.9	4.3	60
Other Non-Operating Income	1.0	1.9	(90)
PBT	8.6	3.5	510
PAT	**6.6**	**2.8**	**380**

* Includes impact of operational disruption

H1 FY’14 (post-merger)

vs

H1 FY’13 (pre-merger)

Key Financial Ratios (% of Net Sales)

Parameter	H1 FY’14 (Post-merger)	H1 FY’13* (Pre-merger)	Change bps
Material Cost	72.4	80.7	(830)
Employee Cost	3.3	2.4	90
Other Expenses	14.5	12.3	220
Other Operating Income	2.5	2.6	(10)
EBIDTA	**12.3**	**7.2**	**510**
Depreciation	4.8	3.7	110
Other Non-Operating Income	1.5	1.2	30
PBT	8.5	4.3	420
PAT	**6.4**	**3.5**	**290**

* Includes impact of operational disruption

Sales Volumes

Total Sales

Market	Q2 FY14	Q2 FY13	Growth
Domestic	241,562	209,954	15.1 %
Exports	34,024	20,422	66.6 %
Total Sales	**275,586**	**230,376**	**19.6 %**

Domestic Sales

Segments	Q2 FY14	Q2 FY13	Growth
Mini	106,667	90,210	18.2 %
Compact	52,119	39,631	31.5 %
Super Compact	45,680	26,192	74.4 %
Mid Size	1,048	1,414	(25.9) %
Executive	-	14	-
Vans	24,266	31,092	(22.0) %
MUV	11,782	21,401	(44.9) %
Domestic	**241,562**	**209,954**	**15.1 %**

Going Forward

- Economic scenario continues to be uncertain. Focus on own efforts to enhance sales.
- The impact of rupee depreciation on direct and indirect imports to reflect in future quarters.
- Increase in depreciation owing to addition of Manesar-C line and Diesel engine plant.
- Enhanced efforts on localization and cost reduction.

Thank You