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# Maruti Suzuki India Limited

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Q2 FY'17 Financial Results  
27<sup>th</sup> Oct, 2016

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## 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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\*Q2 FY'16 and H1 FY'16 figures have been restated as per Ind-AS to make it comparable

All figures except volumes and ratio are in INR million denoted by M

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Q2 FY'17

VS.

Q2 FY'16

## Highlights of Q2 FY'17 & Growth over Q2 FY'16

■ Sales Volume	418,470 Veh.	18.4 %	↑
■ Net Sales	175,946 M	29.5 %	↑
■ Op. EBIDTA	30,374 M	35.3 %	↑
■ PBT	32,003 M	57.5 %	↑
■ PAT	23,980 M	60.2 %	↑

## Key Financial Ratios (% of Net Sales)

Parameter	Q2 FY'17	Q2 FY'16	Change bps	
Material Cost	68.6	68.2	40	↑
Employee Cost	3.0	3.0	0	
Other Expenses	12.5	14.2	(170)	↓
Other Operating Income	1.4	1.9	(50)	↓
<b>Op. EBIDTA</b>	<b>17.3</b>	<b>16.5</b>	<b>80</b>	↑
Depreciation & Interest	3.7	5.0	(130)	↓
Other Non-Operating Income	4.6	3.5	110	↑
PBT	18.2	15.0	320	↑
<b>PAT</b>	<b>13.6</b>	<b>11.0</b>	<b>260</b>	↑

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# Financial Analysis Q2 FY'17 vs. Q2 FY'16

## **Material Cost to Net Sales : Higher by 40 bps**

- Adverse forex impact..
- ..partially offset by material cost reduction and lower discounts

## **Other Expenses to Net Sales : Lower by 170 bps**

- Lower selling and distribution expenses
- Lower advertisement and sales promotion expenses
- Lower power and fuel expenses..

## **Depreciation to Net Sales : Lower by 130 bps**

- Due to change in amortization policy of dies and intangible assets (from 4 to 5 years)
- ..offset partly by depreciation of new model dies

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Q2 FY'17

VS.

Q1 FY'17



## Highlights Q2 FY'17 & Growth over Q1 FY'17

■ Sales Volume	418,470 Veh.	20.1 %	↑
■ Net Sales	175,946 M	19.8 %	↑
■ Op. EBIDTA	30,374 M	37.1 %	↑
■ PBT	32,003 M	56.7 %	↑
■ PAT	23,980 M	61.4 %	↑

## Key Financial Ratios (% of Net Sales)

Parameter	Q2 FY'17	Q1 FY'17	Change Bps	
Material Cost	68.6	68.9	(30)	↓
Employee Cost	3.0	3.9	(90)	↓
Other Expenses	12.5	13.7	(120)	↓
Other Operating Income	1.4	1.6	(20)	↓
<b>Op. EBIDTA</b>	<b>17.3</b>	<b>15.1</b>	<b>220</b>	↑
Depreciation & Interest	3.7	4.5	(80)	↓
Other Non-Operating Income	4.6	3.3	130	↑
PBT	18.2	13.9	430	↑
<b>PAT</b>	<b>13.6</b>	<b>10.1</b>	<b>350</b>	↑

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# Financial Analysis Q2 FY'17 vs. Q1 FY'17

## **Material Cost to Net Sales : Lower by 30 bps**

- Cost reduction and lower discounts

## **Other Expenses to Net Sales : Lower by 120 bps**

- Lower advertisement and sales promotion expense
- Economies of scale

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H1 FY'17

VS.

H1 FY'16

## Highlights H1 FY'17 & Growth over H1 FY'16

■ Sales Volume	766,913 Veh.	10.4 %	↑
■ Net Sales	322,806 M	20.9 %	↑
■ Op. EBIDTA	52,681 M	19.4 %	↑
■ PBT	52,423 M	41.1 %	↑
■ PAT	38,842 M	43.6 %	↑

## Key Financial Ratios (% of Net Sales)

Parameter	H1 FY'17	H1 FY'16	Change Bps	
Material Cost	68.8	68.5	30	↑
Employee Cost	3.4	3.3	10	↑
Other Expenses	13.0	13.7	(70)	↓
Other Operating Income	1.5	2.0	(50)	↓
<b>Op. EBIDTA</b>	<b>16.3</b>	<b>16.5</b>	<b>(20)</b>	↓
Depreciation & Interest	4.1	5.1	(100)	↓
Other Non-Operating Income	4.0	2.5	150	↑
PBT	16.2	13.9	230	↑
<b>PAT</b>	<b>12.0</b>	<b>10.1</b>	<b>190</b>	↑

# Sales Volumes

Total Sales	Market	Q2 FY'17		H1 FY'17	
		Number	Growth	Number	Growth
	Domestic	383,030	18.50%	705,370	12.1%
	Exports	35,440	17.90%	61,543	-6.3%
	<b>Total Sales</b>	<b>418,470</b>	<b>18.4%</b>	<b>766,913</b>	<b>10.4%</b>

Domestic Sales	Segments	Q2 FY'17		H1 FY'17	
		Number	Growth	Number	Growth
	Mini	114,936	3.6%	207,659	-3.8%
	Compact	146,265	8.6%	278,490	5.3%
	Super Compact	10,018	2.5%	17,814	0.8%
	Mid Size	17,920	69.9%	31,610	32.1%
	UVs	52,611	149.5%	91,959	151.0%
	Vans	41,197	13.8%	77,755	10.5%
	LCV	83	-	83	-
	<b>Domestic Sales</b>	<b>383,030</b>	<b>18.5%</b>	<b>705,370</b>	<b>12.1%</b>

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# Going Forward

- Strong product portfolio ●
- Benign fuel prices ●
- Improved market sentiments ●
- Easing of Interest rates? ●
- Uncertainty on foreign exchange ●
- Uncertainty on commodity prices ●



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Thank You

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