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# Maruti Suzuki India Limited

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Q2 FY'19 and H1 FY'19 Financial Results

25<sup>th</sup> October, 2018

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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'19

VS.

Q1 FY'19

## Highlights of Q2 FY'19 and Growth over Q1 FY'19

■ Sales Volume	484,848 Veh.	(1.1) %	↓
■ Net Sales	215,519 Mn	(1.2) %	↓
■ Op. EBIT	27,101 Mn	3.0 %	↑
■ PBT	32,110 Mn	11.4 %	↑
■ PAT	22,404 Mn	13.4 %	↑

## Key Financial Ratios (% of Net Sales)

Parameter	Q2 FY'19	Q1 FY'19	Change bps	
Material Cost	70.8	71.0	(20)	↓
Employee Cost	3.7	3.5	20	↑
Other Expenses	13.7	13.1	60	↑
Other Operating Income	4.1	3.0	110	↑
Depreciation	3.3	3.3	-	
<b>Op. EBIT</b>	<b>12.6</b>	<b>12.1</b>	<b>50</b>	↑
Non-Operating Income	2.4	1.2	120	↑
PBT	14.9	13.2	170	↑
<b>PAT</b>	<b>10.4</b>	<b>9.1</b>	<b>130</b>	↑

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# Financial Analysis of Q2 FY'19 vs. Q1 FY'19

## Key reasons for operating margin movement

- Cost reduction efforts
  - ...partially offset by
- Higher sales promotion expense
- Adverse foreign exchange movement

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Q2 FY'19

VS.

Q2 FY'18



## Highlights of Q2 FY'19 and Growth over Q2 FY'18

■ Sales Volume	484,848 Veh.	(1.5) %	↓
■ Net Sales	215,519 Mn	0.5 %	↑
■ Op. EBIT	27,101 Mn	(9.5) %	↓
■ PBT	32,110 Mn	(8.3) %	↓
■ PAT	22,404 Mn	(9.8) %	↓

## Key Financial Ratios (% of Net Sales)

Parameter	Q2 FY'19	Q2 FY'18	Change bps	
Material Cost	70.8	69.7	110	↑
Employee Cost	3.7	3.1	60	↑
Other Expenses	13.7	11.6	210	↑
Other Operating Income	4.1	1.6	250	↑
Depreciation	3.3	3.2	10	↑
<b>Op. EBIT</b>	<b>12.6</b>	<b>14.0</b>	<b>(140)</b>	↓
Non-Operating Income	2.4	2.4	-	
PBT	14.9	16.3	(140)	↓
<b>PAT</b>	<b>10.4</b>	<b>11.6</b>	<b>(120)</b>	↓

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# Financial Analysis of Q2 FY'19 vs. Q2 FY'18

## Key reasons for operating margin movement

- Adverse commodity prices
- Adverse foreign exchange variation
- Higher sales promotion expense
  - ...partially offset by
- Cost reduction efforts

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H1 FY'19

VS.

H1 FY'18

## Highlights of H1 FY'19 and Growth over H1 FY'18

■ Sales Volume	975,327 Veh.	10.0 %	↑
■ Net Sales	433,626 Mn	12.4 %	↑
■ Op. EBIT	53,414 Mn	15.1 %	↑
■ PBT	60,934 Mn	5.0 %	↑
■ PAT	42,157 Mn	4.3 %	↑

## Key Financial Ratios (% of Net Sales)

Parameter	H1 FY'19	H1 FY'18	Change bps	
Material Cost	70.9	70.5	40	↑
Employee Cost	3.6	3.4	20	↑
Other Expenses	13.4	12.4	100	↑
Other Operating Income	3.5	1.9	160	↑
Depreciation	3.3	3.5	(20)	↓
<b>Op. EBIT</b>	<b>12.3</b>	<b>12.0</b>	<b>30</b>	↑
Non-Operating Income	1.8	3.1	(130)	↓
PBT	14.1	15.0	(90)	↓
<b>PAT</b>	<b>9.7</b>	<b>10.5</b>	<b>(80)</b>	↓






# Sales Volumes

	Market	Q2 FY'19		H1 FY'19	
		Number	Growth	Number	Growth
Total Sales	Domestic	455,400	(0.4) %	919,240	11.3 %
	Exports	29,448	(15.2) %	56,087	(7.8) %
	<b>Total Sales</b>	<b>484,848</b>	<b>(1.5) %</b>	<b>975,327</b>	<b>10.0 %</b>

	Segments	Q2 FY'19		H1 FY'19	
		Number	Growth	Number	Growth
Domestic Sales	Mini	108,576	(6.6) %	213,615	(2.8) %
	Compact	219,748	4.7 %	452,415	23.9 %
	Mid Size	13,296	(27.9) %	24,015	(29.6) %
	UVs	64,115	(4.5) %	129,869	4.5 %
	Vans	44,099	1.7 %	88,887	12.3 %
	LCV	5,566	140.7 %	10,439	211.0 %
	<b>Domestic</b>	<b>455,400</b>	<b>(0.4) %</b>	<b>919,240</b>	<b>11.3 %</b>

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## Going Forward

- Strong product portfolio 
- Higher interest rates 
- Higher fuel prices 
- Adverse foreign exchange 
- Rising commodity prices 





Thank You