

Maruti Suzuki India Limited

Q2 FY'20 and H1 FY'20 Financial Results

24th October, 2019

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'20

VS.

Q1 FY'20

Highlights of Q2 FY'20 and Growth over Q1 FY'20

■ Sales Volume	338,317 Veh.	(16.0) %	↓
■ Net Sales	161,204 Mn	(14.0) %	↓
■ Op. EBIT	6,802 Mn	(39.8) %	↓
■ PBT	15,720 Mn	(17.7) %	↓
■ PAT	13,586 Mn	(5.4) %	↓

Key Financial Ratios (% of Net Sales)

Parameter	Q2 FY'20	Q1 FY'20	Change bps	
Material Cost	74.7	75.1	(40)	↓
Employee Cost	5.2	4.6	60	↑
Other Expenses	15.5	14.6	90	↑
Other Operating Income	5.4	5.2	20	↑
Depreciation	5.8	4.9	90	↑
Op. EBIT	4.2	6.0	(180)	↓
Interest Expense	0.2	0.3	(10)	↓
Non-Operating Income	5.7	4.5	120	↑
PBT	9.8	10.2	(40)	↓
PAT	8.4	7.7	70	↑

Financial Analysis of Q2 FY'20 vs. Q1 FY'20

Key reasons for margin movement

Positive Factors

- Higher fair value gain on invested surplus
- Cost reduction efforts
- Benefit due to reduction in corporate tax rate
- Lower advertisement expense

Negative Factors

- Lower capacity utilization
- Higher sales promotion expense
- Higher depreciation expense

Q2 FY'20

VS.

Q2 FY'19

Highlights of Q2 FY'20 and Growth over Q2 FY'19

■ Sales Volume	338,317 Veh.	(30.2) %	↓
■ Net Sales	161,204 Mn	(25.2) %	↓
■ Op. EBIT	6,802 Mn	(74.9) %	↓
■ PBT	15,720 Mn	(51.0) %	↓
■ PAT	13,586 Mn	(39.4) %	↓

Key Financial Ratios (% of Net Sales)

Parameter	Q2 FY'20	Q2 FY'19	Change bps	
Material Cost	74.7	70.8	390	↑
Employee Cost	5.2	3.7	150	↑
Other Expenses	15.5	13.7	180	↑
Other Operating Income	5.4	4.1	130	↑
Depreciation	5.8	3.3	250	↑
Op. EBIT	4.2	12.6	(840)	↓
Interest Expense	0.2	0.1	10	↑
Non-Operating Income	5.7	2.4	330	↑
PBT	9.8	14.9	(510)	↓
PAT	8.4	10.4	(200)	↓

Financial Analysis of Q2 FY'20 vs. Q2 FY'19

Key reasons for margin movement

Positive Factors

- Higher fair value gain on invested surplus
- Cost reduction efforts
- Benefit due to reduction in corporate tax rate

Negative Factors

- Lower capacity utilization
- Higher sales promotion expense
- Higher depreciation expense

H1 FY'20

VS.

H1 FY'19

Highlights of H1 FY'20 and Growth over H1 FY'19

■ Sales Volume	740,911 Veh.	(24.0) %	↓
■ Net Sales	348,556 Mn	(19.6) %	↓
■ Op. EBIT	18,094 Mn	(66.1) %	↓
■ PBT	34,829 Mn	(42.8) %	↓
■ PAT	27,941 Mn	(33.7) %	↓

Key Financial Ratios (% of Net Sales)






Parameter	H1 FY'20	H1 FY'19	Change bps	
Material Cost	74.9	70.9	400	↑
Employee Cost	4.9	3.6	130	↑
Other Expenses	15.0	13.4	160	↑
Other Operating Income	5.3	3.5	180	↑
Depreciation	5.3	3.3	200	↑
Op. EBIT	5.2	12.3	(710)	↓
Interest Expense	0.2	0.1	10	↑
Non-Operating Income	5.0	1.8	320	↑
PBT	10.0	14.1	(410)	↓
PAT	8.0	9.7	(170)	↓

Sales Volumes

Total Sales	Market	Q2 FY'20			H1 FY'20		
		Number	Growth %	% to Total sales	Number	Growth %	% to Total sales
	Domestic	312,519	(31.4) %	92.4 %	687,000	(25.3) %	92.7 %
	Exports	25,798	(12.4) %	7.6 %	53,911	(3.9) %	7.3 %
	Total Sales	338,317	(30.2) %	100 %	740,911	(24) %	100 %

Domestic Sales	Segments	Q2 FY'20			H1 FY'20		
		Number	Growth %	% to Domestic sales	Number	Growth %	% to Domestic sales
	Mini	41,785	(61.5) %	13.4 %	99,678	(53.3) %	14.5 %
	Compact	168,965	(23.1) %	54.1 %	374,143	(17.3) %	54.5 %
	Mini + Compact	210,750	(35.8) %	67.4 %	473,821	(28.9) %	69 %
	Mid Size	5,708	(57.1) %	1.8 %	14,411	(40) %	2.1 %
	UVs	55,226	(13.9) %	17.7 %	114,210	(12.1) %	16.6 %
	Vans	28,421	(35.6) %	9.1 %	61,080	(31.3) %	8.9 %
	LCV	5,333	(4.2) %	1.7 %	11,901	(14) %	1.7 %
	Sales to other OEM(Compact)	7,081	-	2.3 %	11,577	-	1.7 %
	Domestic	312,519	(31.4) %	100 %	687,000	(25.3) %	100 %

Going Forward

- Strong product portfolio 
- Higher interest rates 
- Higher fuel prices 
- Commodity Prices 
- Adverse foreign exchange 



Thank You