

August 13, 2020

Online intimation/submission

The Secretary

BSE Limited

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai - 400 001

Security Code: 505200

The Secretary

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No. C/1,

G Block, Bandra Kurla Complex, Bandra (E),

Mumbai - 400 051

Symbol: EICHERMOT

Subject: Regulation 30 of SEBI (LODR) Regulations, 2015 - Press Release

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015, please find attached a copy of press release being issued today.

Thanking you,

For **Eicher Motors Limited**

Manhar Kapoor

General Counsel & Company Secretary

Encl: a.a.



For Immediate Release

Eicher Motors Limited announces financial results for the quarter ended June 30, 2020

For the quarter ended June 30, 2020, Eicher Motors Limited recorded total revenue from operations at Rs. 818 crores, EBITDA at Rs. 4 crores and Loss of Rs. 55 crores

New Delhi, August 13, 2020: Eicher Motors Limited (EML) today announced its audited consolidated financial results for the quarter ended June 30, 2020.

For the **quarter ended June 30, 2020**, Eicher Motors' total revenue from operations was recorded at Rs. 818 crores, down by 66% as compared to Rs. 2,382 crores in the corresponding quarter of FY 2019-20; EBITDA was Rs. 4 crores as compared to Rs. 614 crores in the same quarter of the previous financial year; Loss of Rs. 55 crores against profit of Rs. 452 crs during the same period last year. Royal Enfield sold 58,383 motorcycles in the quarter, a decline of 68% from 181,966 motorcycles sold over the same period in FY 2019-20.

Commenting on Eicher Motors' performance, **Siddhartha Lal, Managing Director of Eicher Motors Ltd**, said, "The previous quarter put forth unprecedented challenges for the industry and for Eicher Motors. However, we believe that the long term potential for both Royal Enfield and VECV is very promising. Towards the end of the quarter we've witnessed encouraging consumer sentiment which was evident in our sales for the month of June. We believe that this trend will continue into this quarter as well. International business at Royal Enfield is doing extremely well, led by the modern 650 Twin motorcycles and the Himalayan. The Interceptor 650 has been the highest selling motorcycle in the middleweight segment in the UK for the last one year. At VECV, we have always remained focused on our long term plans and have rolled out initiatives to improve efficiencies, productivity and further upgrade processes. We are very happy to announce that VECV has signed a definitive agreement with Volvo Group India Pvt Ltd. for acquisition of its bus business under Volvo Buses India. This is a momentous occasion for us. We believe this integration will be instrumental in shaping the future of the Indian bus industry"

Speaking on Royal Enfield's performance, **Vinod K. Dasari, CEO, Royal Enfield** said, "Through a challenging environment, we've remained focused on the opportunities for Royal Enfield. We've worked on strengthening our relationship with our customers and have ensured full support to our network partners. From a consumer point of view, our effort has been to build seamless and hasslefree processes and focus on retail and service excellence. We have launched several initiatives that offer contactless purchase and service experience for the consumer, including the Service on Wheels initiative launched recently. From a business point of view the initial consumer sentiment over the last two months has been very encouraging. Demand from semi-urban and rural towns have picked up well, and our network of studio stores across the country have been able to cater to this demand. There is pent up demand and we are optimistic about stronger recovery once supply chain stabilizes."



Royal Enfield's manufacturing units resumed operations on May 06, 2020 after being suspended on March 23, 2020. Retail operations have also resumed through the unlock phases in a staggered manner. We now have 921 dealerships and 638 studio stores open and functional across the country

To enhance customer experience and ensure safety and convenience, Royal Enfield announced several initiatives to offer contactless purchase and service. Through digital and online conveniences and 'At-your-doorstep' services, the aim is to provide customers with a seamless and hassle-free discovery, purchase and ownership journey. Royal Enfield also launched Service on Wheels, a fleet of mobile, service-ready motorcycles, across the country for safe and hasslefree service experience at customers' doorstep. 800 units of Service on Wheels motorcycles capable of undertaking upto 80% of all typical service and repair requirements have been deployed across dealerships.

Last quarter, Royal Enfield announced the launch of its first-ever exclusive Women's Apparel and Riding Gear range. The collection has been purpose built to suit women's riding comfort, inspired by the motorcycling way of life.

With the lockdown easing up in parts of the country, the second edition of the Royal Enfield Slide School was kicked off at the Big Rock Dirt Park, Bengaluru. An engaging and accessible platform to encourage and grow the interest for flat-tracking in India, the second edition saw enthusiastic participation.

For the quarter ended 30 June 2020, VECV's revenue from operations was Rs. 641 crores, down by 72% from Rs. 2,255 crores in the same period last year; EBITDA loss was Rs. 72 crores as against profit of Rs. 137 crs last year in the corresponding quarter. Loss of Rs. 120 crs against profit of Rs. 38 crs last year. VECV registered an 84% decline in sales with 2,129 units as against 13,331 units in the Q1 of last year. The company however, outperformed the industry which saw a 91% drop in volumes. The company's manufacturing facilities have resumed operations with the gradual easing of restrictions

Speaking on VECV's performance **Vinod Aggarwal, MD and CEO VECV said** "The last quarter has been challenging for the commercial vehicle industry with almost complete wash out in the first two months of the quarter on account of the pandemic. Since the economic activity was impacted, movement of goods and services was also severely impacted. As a result, the industry has witnessed one of the worst quarters with an overall volume decline of 91%. We expect the situation to gradually improve starting from the festive months led by infrastructure investments and strong pent up replacement demand. At VECV, we continued to work towards our vision of modernization in commercial transportation by becoming the first in the industry to offer 100% connected vehicles to customers. This is a significant achievement and will drive both value and profitability"

VECV has signed an agreement for the integration of Volvo Bus India (VBI) business into VECV. This will cover the manufacturing, assembly, distribution, and sales of the Volvo Buses in India, and other rights forming part of the business. Consequently, the bus manufacturing facility at Hosakote, Bengaluru, and all employees of VBI will be transferred to VECV. VBI is currently a division of Volvo Group India Private Limited (VGIPL).

With successful migration to BS VI technology effective 1st April, 2020, VECV has received an encouraging response from customers on Eicher's new BSVI range – EUTECH6. VECV has now become the first company in the CV industry to offer 100% connected vehicles to its customers. With the



advanced EUTECH6 technology backed up by connectivity, VECV is committed to take the productivity of products to new heights by facilitating best in class Fuel Management, Uptime Management and Trip Management thus helping customers to derive maximise profitability.

About Eicher Motors Limited:

Eicher Motors Limited (EML) (Bloomberg: **EIM IN** Reuters: **EICH.NS**) is the listed parent of Royal Enfield, the global leader in middleweight motorcycles. The world's oldest motorcycle brand in continuous production, Royal Enfield has made its distinctive motorcycles since 1901. Focussed on bringing back simple, yet engaging and accessible motorcycling, Royal Enfield operates in India, and over 50 countries around the world. With modern development facilities in Leicestershire, UK and Chennai, India, Royal Enfield makes its motorcycles in Tamil Nadu for the world.

In addition to motorcycles, Eicher has a joint venture with Sweden's AB Volvo - VE Commercial Vehicles Limited (VECV) - which is driving modernization in India's commercial vehicle space, and in other developing countries. VECV has a complete range of trucks and buses from 5-49 tonnes, and its integrated manufacturing plant in Pithampur, Madhya Pradesh is the global hub for medium duty five- and eight-litre engines for Volvo Group.

For the twelve months ended March 2019, Eicher Motors recorded its highest ever total income of INR 9,797 crores which is approximately USD 1.4 billion. EML is listed on the Bombay and National Stock Exchanges. As of April 1st 2016, Eicher Motors Limited became a part of the Nifty 50 Index.

Please visit our website: www.eichermotors.com

Disclaimer:

All statements included or incorporated by reference in this media release, other than statements or characterizations of historical fact, are forward-looking statements. These forward-looking statements are based on our current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by us. Although EML believes that the expectations reflected in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Any forward-looking statement speaks only as of the date on which such statement was made, and EML undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. No assurance can be given that actual results, performance or achievement expressed in, or implied by, forward looking statements within this disclosure will occur, or if they do, that any benefits may be derived from them.

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