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HERO MOTOCORP LIMITED

(FORMERLY HERO HONDA MOTORS LIMITED)

Head office :- 34, Community Centre, Basant Lok, Vasant Vihar, New Delhi-110057

Unaudited Financial Results for the quarter ended December 31, 2011

S. No.	Particulars	Rupees in lacs				
		Quarter ended December 31, 2011	Quarter ended September 30, 2011	Conesponding quarter ended December 31, 2010	Nine month ended December 31, 2011	Nine month ended December 31, 2010
		Unaudited (1)	Unaudited (2)	Unaudited (3)	Unaudited (4)	Audited (5)
	No. of two wheelers sold	1,589,286	1,544,315	1,428,030	4,643,176	3,948,013
1	Gross sales/Income from Operations less: Excise duty	640,277	619,735	547,911	1,863,234	1,492,522
	Net sales/Income from Operations	598,335	578,432	511,819	1,740,551	1,389,409
	Other Operating Income	4,790	4,500	4,347	13,859	11,613
	Total Net Operating Income	603,145	582,932	516,166	1,754,410	1,401,022
2	Expenditure					
	(A) Increase/Decrease in stock in trade and work in progress	(5,864)	(4,023)	7,537	(9,555)	12,500
	(B) Consumption of raw materials	445,344	426,397	373,949	1,295,884	1,021,604
	(C) Employees cost	19,932	17,937	15,668	54,691	45,691
	(D) Depreciation	29,865	27,349	5,394	81,493	16,499
	(E) Other expenditure	49,434	50,499	61,414	144,343	158,301
	Total Expenditure	538,711	518,459	464,104	1,566,491	1,288,815
3	Profit from Operations before Other Income, Interest and Tax (1-2)	64,434	64,473	62,062	187,919	142,207
4	Other Income (net of related expenses)	7,628	7,975	6,203	24,444	19,380
5	Profit before Interest and Tax (3+4)	72,062	72,248	68,265	212,163	161,587
6	Interest (net)	(318)	(198)	(522)	380	(995)
7	Profit from Ordinary Activities before Tax (5-6)	72,380	72,446	68,767	211,763	162,582
8	Exceptional item			7,984		7,984
9	Profit after exceptional item and before Tax (7-8)	72,380	72,446	68,767	211,763	174,578
10	Provision for Tax	11,077	12,084	7,903	34,329	31,969
11	Net Profit for the period (9-10)	61,303	60,362	62,900	177,434	142,609
12	Paid-up Equity Share Capital face value of the share (Rs.)	3,994	3,994	3,994	3,994	3,994
13	Reserves excluding Revolutioin Reserve	210	210	210	210	210
14	Basic and diluted earnings per share face value Rs. 2/- each (in Rupees)	30.70	30.23	25.48	88.86	75.42
	-before exceptional item	30.70	30.23	21.49	88.86	71.42
15	Public shareholding					
	-Number of shares	95,428,010	95,428,010	95,428,010	95,428,010	95,428,010
	-Percentage of holding (to total holding)	47.79%	47.79%	47.79%	47.79%	47.79%
16	Promoters & promoter group shareholding					
	a) Pledged/encumbered					
	Number of shares	3,205,680	14,835,750		3,205,000	44,248,230
	Percentage of shares (as a % of total shareholding of promoter and promoter group)	3.07%	14.26%		3.07%	42.44%
	Percentage of shares (as a % of the total share capital of the company)	1.61%	7.48%		1.61%	22.16%
	b) Non-encumbered					
	Number of shares	101,054,490	69,423,740	104,259,490	101,054,490	60,011,280
	Percentage of shares (as a % of total shareholding of promoter and promoter group)	96.93%	85.77%	100.00%	96.93%	57.56%
	Percentage of shares (as a % of the total share capital of the company)	50.60%	44.76%	52.21%	50.60%	30.69%

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Notes:-

- 1 The above results for the third quarter and nine months ended December 31, 2011 were reviewed by the Audit Committee and thereafter were approved by the Board of Directors in their meeting held on January 19, 2012.
- 2 As the Company's business activity falls within a single primary business segment viz 'Two-wheelers and its parts' and is a single geographical segment, the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting", specified in the Companies (Accounting Standard) Rules, 2006 are not applicable.
- 3 In line with Notification No. G.S.R. 378 (E) dated May 11, 2011 issued by The Ministry of Corporate Affairs, Government of India, the exchange differences arising after April 1, 2007 on reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far as they relate to the acquisition of a depreciable capital asset, have been added to or deducted from the cost of the asset and shall be depreciated over the balance useful life of the asset.
- 4 Information on investors complaints pursuant to Clause 41 of the Listing Agreement for the third quarter ended December 31, 2011.

Opening balance	Additions	Disposal	Closing Balance
NIL	198	189	9

- 5 Corresponding previous period figures have been regrouped, wherever necessary.

For and on behalf of the board

BRIJMOHAN LALL MUNJAL
Chairman

New Delhi
January 19, 2012

Per our report attached
For A.F. Ferguson & Co.
Chartered Accountants

Manjula Banerji
Partner
Membership No.- 86423

New Delhi
Dated:-

The Limited Review as required under Clause 41 of Listing Agreement has been completed by Statutory Auditors. The Limited Review Report for the third quarter and nine months ended December 31, 2011 does not have any impact on the above Results.

For and on behalf of the board

BRIJMOHAN LALL MUNJAL
Chairman

New Delhi
January 19, 2012

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A. F. FERGUSON & CO.

CHARTERED ACCOUNTANTS

9, SCINDIA HOUSE,

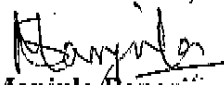
KASTURBA GANDHI MARG,

NEW DELHI - 110001.

AUDITORS' REPORT**TO THE BOARD OF DIRECTORS OF****HERO MOTOCORP LIMITED****(FORMERLY KNOWN AS HERO HONDA MOTORS LIMITED)**

1. We have reviewed the accompanying statement of unaudited financial results of Hero MotoCorp Limited ("the Company") for the quarter and nine months ended December 31, 2011 ("the Statement"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to undisputed investor complaints from the details furnished by the Management.

For A. F. Ferguson & Co.
Chartered Accountants
(Registration No. 112066W)


Manjula Banerji
Partner

(Membership No. 086423)

Place : New Delhi
Date : 19/1/2012

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HERO MOTOCORP RIDES ON HIGHEST-EVER QUARTERLY SALES TO REPORT ITS BEST-EVER TURNOVER OF RS. 6031 CRORE IN Q3', FY'12

- **PBT STANDS AT RS 724 CRORE & PAT STANDS AT RS. 613 CRORE**
- **EBIDTA MARGIN FOR THE QUARTER AT 15.6 PER CENT**
- **VOLUME SALES DURING THE QUARTER AT 15,89,286 UNITS, GROWTH OF 11.3%**

New Delhi, January 19, 2012: Riding on its highest-ever quarterly volume sales of **15,89,286 units**, Hero MotoCorp Ltd (HMCL), the world's largest two-wheeler manufacturer, today reported its best-ever turnover (Net Sales & Other Operating income) of Rs. 6031.45 crores for the third quarter (October-December 2011) of FY'12.

This is a growth of 16.85 per cent over the corresponding period in the last fiscal (October-December 2010) of FY' 11.

The company's profit before tax for the period stood at Rs 723.79 crore, while profit after tax (PAT) for the period stood at Rs 613.03 crores. The company has recorded an EBIDTA margin of 15.63 per cent.

Hero MotoCorp registered its highest ever quarterly sales of **15,89,286** two-wheelers in the third quarter this fiscal, fuelled by consistent half million-plus unit sales in all the three months of the quarter - 512,238 units in October, 536,772 units in November and 540,276 units in December.

Dr. Brijmohan Lall, Chairman, Hero MotoCorp Ltd. said, *"Last quarter has been particularly satisfying as we have set new benchmarks of excellence. This should help us realize our larger vision of building a truly global company with a strong Indian foundation. We are optimistic about the New Year and will continue to provide the best of technology and products to our customers."*

Mr. Pawan Munjal, Managing Director & Chief Executive Officer, Hero MotoCorp Ltd., said *"It is heartening to see that our sales have been in excess of half a million two-wheelers in*

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every month of the quarter, thus further strengthening our leadership. We are well in line to meet our guidance for over six million unit sales in the fiscal 2012.

"In FY '12 the industry has been facing constraints of rising fuel prices, high interest rates and a sharp rupee depreciation, leading to increased input costs impacting the margin. In these challenging times, while the domestic industry is witnessing a growth of 15 per cent, we at Hero MotoCorp are growing faster than that. We have also seen a softening in commodity prices of late, which has, however, been off-set by the rupee depreciation. Therefore, while we expect market demand for two-wheelers to remain stable, a lot will depend on the overall economic and political scenario going forward."

Hero MotoCorp recently demonstrated its intent and vision for the future, with the unveiling of a **Hybrid Concept Scooter** – "**Leap**" here at the recently-concluded Auto Expo. The company, which is fast enhancing its research and development (R&D) capabilities, is currently developing this hybrid technology to bring environment-friendly two-wheelers into the country. The company has also been in discussion with international design houses and technology suppliers for collaboration to develop new models.

Hero MotoCorp also outlined its strategic plans for the year, unveiling a range of its new generation of two-wheelers – an all-new 110cc **Passion X Pro**, a 110cc masculine scooter, **Maestro**, and a thrilling new 125cc bike, **Ignitor** - to be launched in the Indian market over the next few months.

Hero Impulse – the first bike to be launched by the company under its new brand name – has opened up a new segment in the Indian two-wheeler market – the on-road-off-road category. The bike has immediately caught the imagination of customers and experts alike. Impulse won the overall "Bike of the Year" and the "Bike of the Year (up to 150cc)" award at the ET Zigwheels Car & Bike of the Year Awards 2011, while it was also adjudged the "Bike of the Year (up to 160cc)" at the NDTV Car & Bike Awards 2011.
