



HMCL:ICK:11/14A:SECT:15

February 03, 2015

Fax/Email/Courier

Asst. Vice President,
Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
MUMBAI - 400 051

The Secretary,
BSE Limited
25th Floor,
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI - 400 001

Dear Sir,

Re: Outcome of Board Meeting and Press Release

Further to our letter no. HMCL:ICK:11/14A:SECT:15 dated January 12, 2015 intimating you about the meeting of the Board of Directors ("Board") to be held on Tuesday, February 03, 2015, we wish to inform you that the Board in its said meeting has considered and adopted the un-audited financial results for the third quarter and nine months ended December 31, 2014 as reviewed by the Statutory Auditors and taken on record the Limited Review Report of the Auditor's thereon, copies of the same are annexed herewith.

We are also enclosing herewith a copy of the press release.

Kindly take the same on record.

Thanking you,

Yours faithfully,
for Hero MotoCorp Ltd.

ILAM C. KAMBOJ
Asso. V. P. Legal & Company Secretary

Encl: as above

Hero MotoCorp Ltd.

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New Delhi, February 3rd, 2015:

HERO MOTOCORP CLOCKS PAT OF RS. 583 CRORE & TURNOVER OF RS 6839 CRORE FOR Q3 FY'15

Financial Results: Q3 (October-December), FY'15

- Total sales for the quarter stands at 16,48,548 units
- Total turnover (Net sales and other operating income) Rs 6839 Crore
- Profit Before Tax (PBT) stands at Rs. 829 crore
- Net Profit After Tax (PAT) stands at Rs 583 crore
- EBITDA margin for the quarter at 12.02 percent

“As always, it was yet another action-packed quarter for us. With the commissioning of our new platinum-class manufacturing facility – the Garden Factory – and the Global Parts Centre (GPC) at Neemrana in Rajasthan, we pioneered a new era of harmony between nature and cutting-edge technology. In terms of sales, we also posted a new benchmark by selling over a million units in just 37 days during the festive season. As part of our global expansion, Brand Hero made its debut in Colombia during the quarter, and immediately set a new benchmark in the country by becoming the first two-wheeler company to offer a four-year warranty on all products. By roping in iconic celebrity Tiger Woods as our global corporate partner, we have also intensified our brand building initiatives in global markets.

“We continue to make investments as we pass through a phase of global expansion, capacity enhancement and brand building and these added expenses have impacted our margins in the third quarter. We believe that these are investments which will yield the desired results in the long term as we relentlessly strive to consolidate our leadership. Going forward, we remain cautiously optimistic about the business climate. With crude prices hovering below the \$50 mark, and commodity prices continuing to remain soft, a lot will also depend on the much-awaited budget to be presented by the central government later this month. While sentiments are already high with the central government expected to revive the economy, the other factors such as interest rates, retail inflation and the likely changes in global economy will also play a role in determining the industry growth in the coming quarters.”

PAWAN MUNJAL

Vice Chairman, Chief Executive Officer & Managing Director

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Hero MotoCorp Ltd. (HMCL), the world's largest two-wheeler manufacturer, today reported the financial performance for the third quarter (October'14 – December'14) of the Financial Year (FY) 2014-15.

With sales of 16,48,548 units two-wheelers in Q3 FY'15, the company registered a total turnover (Net Sales & other Operating Income) of Rs 6839 crore and net profit after tax (PAT) of Rs 583 crore. HMCL had reported a total turnover of Rs. 6,877 crore and PAT of Rs 525 crore in the corresponding quarter in the previous fiscal (2013-14).

The Company has recorded an EBIDTA margin of 12.02 per cent.

The Q3 of FY'15 marked several milestones for Hero MotoCorp:

Global Foray	Launched brand 'Hero' and its range of products in Colombia: - Entered the market with six of its best-selling bikes through 120 outlets. - Became first two-wheeler company in Colombia to offer 4-year warranty on all its models.
New facilities	In Oct 2014, the state-of-the-art platinum-class manufacturing plant - 'Garden Factory' - of Hero MotoCorp Ltd went on stream at Neemrana in Rajasthan. The new factory is based on the core principle of sustainable development as the company remains committed to maintain the highest ecological standards. From efficient building envelope, to the Big Foot air handlers, to water and energy optimisation - the Garden Factory demonstrates HMCL's environmental aspirations.
Consolidation of Leadership Team	- Mr. Markus Braunsperger joined Hero MotoCorp as the Chief Technology Officer (CTO). - Mr. Sanjay Jorapur joined the company as Chief Human Resources Officer.
New Brand Ambassadors	- In one of the biggest brand endorsements for any Indian company, Hero MotoCorp roped in 14-time major champion Tiger Woods as its first Global Corporate Partner in Dec 2014. - Also, signed on Indian hockey captain Sardar Singh as its new brand ambassador.
Sales Performance	- Retailed a whopping One Million (10 Lakh) two-wheelers during the 37-day festive period, which started on 25th September (first day of Navratras) and lasted until 31st October 2014. - On Dhanteras, for the first time, HMCL's total sales to end-customers across the country surpassed the 200,000 mark, which is a growth of over 80 per cent over the Dhanteras day of last year.
Product launches	Commenced despatch of Passion Pro TR and Splendor Pro Classic.

Sports Initiatives	– In Dec 2014, Hero MotoCorp signed a three-year deal with The All India Football Federation (AIFF) to be the Title Sponsors for the Federation Cup and the I-League.
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For further information please contact:

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HERO MOTOCORP LIMITED

Regd. office :- 34, Community Centre, Basant Lok, Vasant Vihar, New Delhi-110057
Unaudited Financial Results for the quarter and nine months ended December 31, 2014

Part-I

S. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Nine months ended	Corresponding	(Rupees in lacs)
		December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	nine months ended	Year ended
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
		(1)	(2)	(3)	(4)	(5)	(6)
	No. of Two wheelers sold	14,48,548	14,92,523	14,80,940	50,56,325	46,56,498	42,45,960
1	Income from Operations						
	(a) Net sales/ Income from Operations (Net of excise duty)	6,79,251	6,86,350	6,84,591	20,65,541	18,66,921	25,12,491
	(b) Other Operating Income	4,674	5,184	3,087	13,602	9,330	15,056
	Total Income from operations (net)	6,83,925	6,91,534	6,87,678	20,79,143	18,76,251	25,27,547
2	Expenses						
	(a) Cost of materials consumed	4,96,129	5,00,544	4,97,867	15,02,304	13,56,344	18,22,153
	(b) Change in inventories of finished goods and work-in-progress	-5,889	-3,468	2,027	(3,872)	(1,336)	836
	(c) Employees benefits expenses	31,611	28,498	24,386	86,890	69,435	93,004
	(d) Depreciation and amortisation expenses	8,375	7,496	27,324	45,023	83,453	1,10,737
	(e) Other expenses	79,895	72,478	73,601	2,23,440	1,87,219	2,57,548
	Total Expenses	6,10,121	6,05,548	6,25,205	18,53,785	16,95,115	22,84,278
3	Profit from Operations before Other Income, Finance cost (1-2)	73,804	85,986	62,473	2,25,358	1,81,136	2,43,269
4	Other Income	9,360	19,351	9,568	39,986	32,340	44,638
5	Profit before finance costs (3+4)	83,164	1,05,337	72,041	2,65,344	2,13,476	2,87,907
6	Finance costs	242	494	298	1,034	889	1,182
7	Profit before tax (5-6)	82,922	1,04,843	71,743	2,64,310	2,12,587	2,86,725
8	Tax expense	24,624	28,506	19,277	73,399	57,122	75,817
9	Net Profit for the period (7-8)	58,298	76,337	52,466	1,90,911	1,55,465	2,10,908
10	Paid-up Equity Share Capital	3,994	3,994	3,994	3,994	3,994	3,994
	Face value of the share (Rs.)	2.00	2.00	2.00	2.00	2.00	2.00
11	Reserves excluding Revaluation Reserve						5,55,993
12	Basic and diluted earnings per share face value Rs. 2/- each (In Rupees)	29.19	38.23	26.27	95.60	77.85	105.61

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Part-II

Part-II		Select Information for the quarter and nine months ended December 31, 2014					
Particulars		Quarter ended December 31, 2014	Quarter ended September 30, 2014	Quarter ended December 31, 2013	Nine months ended December 31, 2014	Corresponding nine months ended December 31, 2013	Year ended March 31, 2014
A PARTICULARS OF SHAREHOLDING							
1	Public shareholding	(Rs. 2.00 per share)	(Rs. 2.00 per share)	(Rs. 2.00 per share)	(Rs. 2.00 per share)	(Rs. 2.00 per share)	(Rs. 2.00 per share)
	-Number of shares	11,99,75,018	11,99,75,018	11,99,75,018	11,99,75,018	11,99,75,018	11,99,75,018
	-Percentage of holding (to total holding)	60.08%	60.08%	60.08%	60.08%	60.08%	60.08%
2	Promoters and promoter group shareholding						
	a)Pledged/encumbered						
	Number of shares	NIL	NIL	NIL	NIL	NIL	NIL
	Percentage of shares (as a % of total shareholding of promoter and promoter group)	-	-	-	-	-	-
	Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
	b)Non-encumbered						
	Number of shares	7,97,12,482	7,97,12,482	7,97,12,482	7,97,12,482	7,97,12,482	7,97,12,482
	Percentage of shares (as a % of total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	Percentage of shares (as a % of the total share capital of the company)	39.92%	39.92%	39.92%	39.92%	39.92%	39.92%
B INVESTOR COMPLAINTS		3 months ended December 31, 2014					
	Pending at the beginning of quarter						0
	Received during the quarter						63
	Disposed off during the quarter						63
	Remaining unresolved at the end of the quarter						0

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Notes:-

- 1 The above results for the third quarter and nine months ended December 31, 2014 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors ("Board") in their respective meetings held on Monday, February 2, 2015 and Tuesday, February 3, 2015.
- 2 As the Company's business activity falls within a single primary business segment viz 'Two-wheelers, its parts and ancillary services' 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 Pursuant to the approval of the shareholders through postal ballot on September 22, 2014 the Nomination and Remuneration Committee at its meeting held on October 21, 2014 granted 23110 options at an exercise price of Rs. 2159 to the certain employees of the Company under the Employee Incentive Scheme 2014 – Option and Restricted Stock units.
- 4 During the nine months, the Company has implemented Schedule II of the Companies Act, 2013, and accordingly has computed the depreciation as prescribed by Schedule II to the Act or actual useful life of assets, whichever is lower. The carrying value of assets which has completed its depreciation period as on April 1, 2014 has been adjusted to the General Reserve. The remaining assets have been depreciated over the revised useful life and as a result higher depreciation has been recognised as charge in the Statement of Profit and Loss for the nine months ended December 31, 2014.
- 5 Previous period/year figures have been regrouped/ reclassified wherever necessary, to make them comparable.
- 6 The above results of the Company are available on the Company's website www.heromotocorp.com and also on www.bseindia.com and www.nseindia.com

For and on behalf of the board

BRIJMOHAN LALL MUNJAL
Chairman

New Delhi
February 3, 2015