



HERO HONDA REGISTERS HIGHEST-EVER QUARTERLY SALES OF 1.2 MN

REPORTS 5TH CONSECUTIVE QUARTER OF MILLION-PLUS UNIT SALES

- **TURNOVER (NET SALES & OTHER OPERATING INCOME) GROWS
BY 12%**

Highlights of Q1, FY'10-11

- Total cumulative sales for Q1 FY10-11 stands at **12,34,039** units, growth of 10 per cent
- Total turnover (Net Sales & Other Operating income) Rs 4296.61crores
- Net profit after tax at Rs. 491.69 crores
- EBIDTA margin for the quarter 14 per cent
- Fifth consecutive quarter of million-plus unit sales

New Delhi, July 29, 2010: Riding on its highest-ever quarterly sales of 1.2 million, **Hero Honda Motors Ltd (HHML)**, the world's largest two-wheeler manufacturer, today announced its first quarter (April-June) results for the Financial Year (FY) 2010-11, with continued market leadership and steady growth.

The Q1'11 also marked the **fifth consecutive quarter** registering sales of over one million two-wheeler units.

Fuelled by its all-time high monthly sales of 4.35 lakh units (in May) and yet another four-lakh plus sales in June, Hero Honda registered a total turnover (Net Sales & Other Operating income) of Rs 4296.61crores. The company's turnover was Rs 3829.16 crores in the corresponding period last fiscal.

(more...2)

The company reported profit after tax (PAT) of Rs 491.69 crores and EBIDTA margin of 14%, in the face of a steep rise in commodity prices in the first half of the quarter and additional expenditure incurred on account of conversion to new emission norms. The company's PAT for the corresponding period last fiscal (April – June' 09-10) was Rs 500.11 crores

Dr. Brijmohan Lall, Chairman, Hero Honda Motors Ltd, said *“The value systems ingrained in the very foundations of Hero Honda's culture combined with our strong partnerships, dealer network, joint venture partners as well as customers' confidence have continued to drive our success in the market. We are committed to adhering to the highest standards, and will continue to strive towards achieving new landmarks and milestones.”*

Mr. Pawan Munjal, MD & CEO, Hero Honda Motors Ltd said, *“It has been a record quarter of highest-ever numbers, and we could have done even better but for the short supply of some components. On the other hand, it was a challenging quarter for the bottom line due to the rise in commodity prices. Switching over to the new emission norms also added to the expenditure, even as we witnessed substantial increase in input costs in the first half of the quarter.*

“Going forward, we are striving to meet continuously rising demand of our products in the market. Accordingly, we are scaling up production in our existing plants to meet the expected market demand.”

Q1 of FY '11 witnessed growth from all segments of Hero Honda models. The refreshed models of Glamour and Glamour FI - introduced in April'10 are doing very well in the deluxe segment. Sales of Pleasure have also recorded a growth of over 50 per cent and have crossed the threshold of 25,000 unit sales per month.

Hero Honda, as the **Presenting Partner of the Queens Baton Relay, and a Partner of the XIX Commonwealth Games Delhi 2010**, has initiated a slew of programmes to generate the spirit of sports and connect with customers across the country.

In yet another validation of Hero Honda's popularity amongst its customers, the company recently won the **“Most Preferred Brand of Two-Wheelers”** award at the **CNBC Awaaz Consumer Awards**.

For further information please contact:

Vikas Kumar | Nitin Yadav

Corporate Voice | Weber Shandwick

M: +91-9811054648 | +91-9811278920

E: vikas@corvoshandwick.co.in; nitin@corvoshandwick.co.in