**Press Release**

**Mumbai, 30th May 2011:** The Board of Directors of Mahindra and Mahindra Limited today announced the financial results for the quarter ended 31st March 2011 of the company and the audited results for the year ended 31st March 2011 for the company and the consolidated Mahindra Group.

**F2011 - M&M Standalone results**

The Gross Revenues and other income of Mahindra & Mahindra Ltd. during the year ended 31st March 2011 is **Rs.25896.0 crores** as against Rs. 20595.5 crores in the previous year – **a growth of 25.7%.** The Net Profit before tax for the current year is **Rs. 3519.6 crores** as against Rs.2846.8 crores in the previous year. After providing for tax the same is **Rs. 2662.1 crores** against Rs. 2087.8 crores in the previous year - **a growth of 27.5%**. The growth in the profit of the company despite the relentless increase in material costs is due to a good volume performance by both Vehicles and Tractors, tight control on expenses and prudent financial management resulting in lower interest costs.

In the current year all the products in the company's UV segment continued to do well. In this segment the company sold a total of 230110 vehicles in F2011 with a market share of 60.9%. In the small 4W load carriage segment, Company's Maxximo launched in Q4 last year, performed exceedingly well. In the three wheeler and mini four wheeler segment, sales grew by 32.8% in the current year. During F2011 the company exported 17138 vehicles as against 10567 vehicles last year – a growth of 62.2%. SAARC, South Africa & South America are some of the markets where the company's products sold very well.

For the second consecutive year, the company was the single largest tractor company in the world, by volume, with sales of 214325 tractors against 175196 tractors sold last year - a growth of 22.3%. This includes domestic sales of 202513 tractors against 166359 tractors sold last year. With 42.0% market share in the domestic tractor market, the company celebrated its 28th consecutive year of domestic market leadership. Also the company's exports during the year grew by 33.7% to 11812 tractors as compared to 8837 tractors exported in the previous year.

**Q4 F2011 – M&M Standalone results**

The Gross Revenues and Other Income of Mahindra & Mahindra Ltd. for the quarter ended 31st March 2011 is **Rs.7391.2 crores** as against Rs.5806.7 crores during the corresponding period last year – **a growth of 27.3%**. The Net Profit before tax for the quarter is **Rs. 808.0 crores** as against Rs.768.1 crores in Q4 last year. After providing for tax, the same is **Rs. 606.5 crores** for the current Q4 as against Rs. 570.3 crores in the same period last year – a growth of 6.4%.

The Board of Directors has recommended a dividend of Rs. 10.5 (210%) per share and a special dividend of Re. 1 (20%) per share of face value Rs. 5 aggregating Rs. 11.5 (230%) per share which will absorb a sum of Rs. 802.64 crores inclusive of tax (previous year Rs. 9.50 (190%) per share of face value Rs.5.00 each which absorbed an amount of Rs. 623.75 crores inclusive of tax) and will be paid to those shareholders whose names stand registered in the books of the company as on the book closure date. The special dividend is being recommended in view of a special profit of Rs 117.5

crores made by the company on the sale of its entire holdings of Owens Corning India Ltd.

**F2011 – Group Consolidated Results**
The Gross Revenues and Other Income for the year ended 31st March 2011 **grew by 17.5 %** to **Rs. 39708.7 crores (USD 8.7 billion)** from Rs.33790.1 crores (USD 7.4 billion) in last year. The consolidated group profit for the year after exceptional items, prior-period adjustments and tax and after deducting minority interests is **Rs.3079.7 crores (USD 677.2 million)** as compared to Rs.2478.6 crores (USD 545.0 million) earned in the previous year – a growth of 24.2%. During the year, Satyam Computers Services Ltd (SCSL) – an associate of Company's Joint Venture Tech Mahindra Ltd (TML), announced its results for the period ended 31st March 2010 and for the year ended 31st March 2011. The results of SCSL, proportionate to the effective holding of the company in it, have been reported as 'Share of Profit/(Loss) in Associates'.

Excluding exceptional and earlier period items, the consolidated Group profit for the year after tax and after minority interest is **Rs 3023.2 crores (USD 664.7 million)** as compared Rs 2228.3 crores (USD 490.0 million) – **a growth of 35.7%.**

During the year, some of the major group companies like Mahindra Finance, Mahindra Lifespace Developers and Mahindra Forgings significantly improved their performance over the previous year. The performance of Mahindra Finance with a 30% growth in consolidated revenues and a 38% increase in profits, and that of Mahindra Lifespace Developers with a 46% growth in consolidated revenues and a 38% profit growth, deserve special mention.

The Group at the end of the year comprised of 110 Subsidiaries, 6 Joint Ventures and 13 Associates. A full summation of Gross Revenues and other income of all the group companies taken together for the whole year F2011 is **Rs 56,763.05 crores (USD 12.5 billion).**

**Outlook:**
Indian economy, as per advanced estimates released by the CSO, grew a healthy 8.6% in F2011. However, driven by rising commodity and fuel prices, inflation remained high right through the year leading to a significant hardening in the monetary stance of the RBI. Policy rates were raised seven times in F2011 and the RBI, prioritizing inflation control, increased the Repo and Reverse Repo Rates by a further 50 basis points in May 2011. With both input costs and interest rates rising, the current economic environment is quite clearly challenging. However, the company through its continuous focus on new product introduction, process innovation and cost control, expects to rise to this challenge adequately.

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**Notes:**
1. Translation of rupee to dollar is a convenience translation at the average exchange rate for the year ended 31st March 2011.