



New Delhi, May 10, 2017

**HERO MOTOCORP RECORDS ALL-TIME HIGH 6.66 MILLION UNITS IN VOLUME SALES IN FY'17; SURPASSES LANDMARK 70 MILLION UNITS IN CUMULATIVE PRODUCTION
POSTS ROBUST NET PROFIT OF RS 3,377.12 CRORE IN FY'17; GROWTH OF 6.86% OVER FY'16**

REPORTS TOTAL INCOME OF RS 31,368.55 CRORE ON STANDALONE BASIS AND RS 31,480.14 CRORE ON CONSOLIDATED BASIS IN FY'17

ANNOUNCES DIVIDEND OF 4250% {incl. INTERIM DIVIDEND OF 2750%} FOR FY'17

➤ **TO INVEST CAPEX OF RS 2500 CRORES IN NEW PRODUCT DEVELOPMENT, DIGITISATION, PHASE-WISE CAPACITY EXPANSION & UPGRADATION OF PLANT MACHINERY UPTO FY'19**

➤ **LINES UP HALF A DOZEN NEW PRODUCT LAUNCHES THIS FISCAL (FY'18)**



Pawan Munjal
Chairman, MD & CEO
Hero MotoCorp Ltd.

"The FY'17 marked yet another year of significant milestones in both domestic and international markets.

I am proud to announce that during the fiscal, Hero surpassed the landmark 70 million units in cumulative sales since its inception - a reflection of sustained popularity of hero products among customers.

Most significantly, in FY'17 we introduced three new motorcycles –Splendor iSmart 110, Achiever and Glamour – completely designed and developed by our engineers at the Centre of Innovation and Technology (CIT) – firmly establishing Hero's in-house R&D capabilities. New world-class product development will continue to be a priority with enhanced focus on the scooters and the premium segments.

While Hero continues to be the dominant market leader and most popular motorcycle brand in India, in FY' 17 fiscal we made some key inroads into global markets, including the launch in Argentina and Nigeria. Our new manufacturing facility in Bangladesh will also commence operations in FY'18.

In the domestic market, we have maintained our market leadership in a volatile and intensely competitive environment. The four new products that we introduced in the month of March – Glamour, new Maestro Edge, Duet, and the 10th Anniversary Pleasure – are going add to our sales performance this year. With half a dozen new launches slated for FY'18, we will go for aggressive market share gains.

We have planned a CAPEX of around Rs 2500 Crores up to FY'19 towards new product development, digitization, phase-wise capacity installation & expansion at our existing facility at Gujarat and our upcoming plants at Andhra Pradesh & Bangladesh. The CAPEX also includes investments towards upgradation & modernization of plant machinery

With all these initiatives, we will further consolidate our leadership in FY'18, without compromising on the bottom line and our margins through judicious utilization of our resources and rationalization of costs."

Financial Results

April 1, 2016 - March 31, 2017, FY'17

- Total two-wheeler sales for the year at 66,64,240 units
- Stand alone Revenue from operations for the financial year at Rs. 30,846.12 Crore (vs. Rs. 30,700.88 Crore in previous year) and Total Income of Rs 31,368.55 Crore (vs. Rs 31,123.31 Crore in previous year)
- Consolidated Revenue from operations Rs. 30,958.19 Crores (vs. Rs 30,715.33 Crore in previous year) and Total Income of Rs 31,480.14 Crores (vs. Rs 31,128.16 Crores previous year)
- Earnings Before Interest Depreciation Tax & Amortization (EBIDTA) for the year 15.03% (vs. 14.51% in previous year) on stand alone basis and 14.78% (vs. 14.32% in previous year) on consolidated basis.
- Stand alone Profit Before Tax (PBT) stands at Rs. 4,658.46 Crore (vs. Rs. 4,434.87 Crore in previous year) and Profit After Tax (PAT) at Rs. 3,377.12 Crore (vs. Rs 3,160.19 Crore in previous year);
- Consolidated Profit Before Tax (PBT) stands at Rs. 4,885.40 Crore (vs. Rs 4,387.00 Crore in previous year) and Profit After Tax (PAT) at Rs. 3,546.30 Crore (vs. Rs 3,112.29 Crore in previous year)
- Dividend of 4250%, including the interim Dividend of 2750% announced earlier.

Proactively managing its margins, **Hero MotoCorp Ltd. (HMCL)**, the world's largest two-wheeler manufacturer, today reported a profit after tax (PAT) of Rs. 3,377.12 Crore (vs. Rs 3,160.19 Crore in previous year) and EBIDTA stood at 15.03 % (vs. 14.51% in the previous year)

Riding on its highest-ever sales of 66,64,240 units in a financial year (FY), the Company registered revenue from operations of Rs. 30,846.12 Crore and Total Income of Rs. 31,368.55 Crore for FY 2016-17, as compared to Rs. 30,700.88 Crore and Rs. 31,123.31 Crore respectively in FY'16.

Financial Results

Q4 (Jan 2017-Mar 2017), FY'17

- At Hero MotoCorp, environmental protection has always been given precedence over temporary financial benefits. In keeping with that spirit, the Company had taken a proactive approach towards the launch of BS IV-compliant vehicles, and liquidated large BS III inventory, leading up to March 29th. In the last two days of the month, the Company took some tactical steps to assist its dealers and incentivise the customers with an objective to liquidate the remaining BS III stocks, **resulting in a one-time impact to the margins of the fourth quarter**
- **Hero MotoCorp's retail sales have been outpacing wholesale numbers, as a result of which the Company has now been able to maintain healthy dealer inventory**
- **In the meanwhile, input costs have been on an upward trend. To partially offset the commodity costs, Hero MotoCorp has raised prices – ranging from Rs 500 to Rs 2,200 – on some of the models, with effect from May 1st**

- Total two-wheeler sales for the quarter at 16,21,805 units
- Total Income Rs.7,606.31 Crore (vs. Rs 8,227.93 Crores in the corresponding quarter last year)
- EBIDTA for the Quarter stands at 12.79% (vs. 14.66% for the corresponding quarter last year)
- PBT stands at Rs. 939.01 Crore (vs. Rs 1,189.98 Crores in the corresponding quarter last year) and PAT at Rs 717.75 Crore (vs. Rs 833.29 Crores in the corresponding quarter last year)

With sales of 16,21,805 units of two-wheeler in the 4th quarter of FY'17 (January-March 2017), Hero MotoCorp's Total Income for the period stood at Rs. 7,606.31 Crore. The Company had reported a Total Income of Rs. 8,227.93 crore in the corresponding quarter last year. Profit after tax (PAT) for the quarter stood at Rs. 717.75 crore (vs. Rs 833.29 Crores in corresponding quarter last year) and EBIDTA at 12.79% (Vs 14.66% in corresponding quarter last year).

Key Highlights FY '17

Global Foray	- Commenced operations in two significant global market, Argentina and Nigeria . Thereby, spreading its global footprint to 35 countries.
New Product Introductions	- Unveiled the New Glamour in Argentina – its first-ever Global Launch of a new product outside of India - Launched its completely in-house designed and developed motorcycles - Splendor iSmart 110, Achiever 150 i3S and Glamour 125 - in July 2016, September 2016 and Glamour 125 in January 2017 respectively
Sales/ Production Milestones	- 70 million cumulative production mark crossed in September 2016. Hero continues to be the largest two-wheeler manufacturer in the world in terms of annual volumes by a single company for 16 consecutive years - Highest-ever monthly sales of 674,961 achieved in September 2016 - Record retail sales registered during the festive period; 1 million sales mark crossed during the festive season even before Dhanteras and Diwali - Augmented leadership in the 125cc motorcycle segment with the 'Glamour' becoming the largest-selling 125cc motorcycle in the country
Strategic Sports Initiatives	- Became a ' National Supporter ' for the FIFA U-17 World Cup India 2017 which will be held in October 6-28, 2017 - Appointed Argentine soccer legend Diego Simeone as Hero's Brand Ambassador - Forayed into motorsports rally racing with ' Hero MotoSports Team Rally ' through strategic partnership with Speedbrain GmbH. The Team made an impressive debut at the Dakar 2017 - Association with Golf on the global stage further strengthened through association with the British Masters - Extension of Title Sponsorship of Caribbean Premier League (CPL) for another three years

For more information, please visit:

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