



## BRAND 'HERO' RIDES INTO COLOMBIA

### SETS INDUSTRY BENCHMARK IN THE COUNTRY WITH FIRST-OF-ITS-KIND 4-YEAR WARRANTY ON ALL MODELS

REACHES OUT TO CUSTOMERS THROUGH MORE THAN 120 OUTLETS; TO  
EXPAND TO OVER 150 OUTLETS IN A YEAR

**Pawan Munjal**

**Vice Chairman, Chief Executive Officer &  
Managing Director  
Hero MotoCorp Ltd.**



*"Colombia is one of the top two-wheelers market in South America and therefore, it is going to play a significant role as we continue to expand our footprint in the region. We are currently building a manufacturing plant at Vila Rica in the Cauca province which will be operational by the middle of next year. In the meanwhile, we have today commenced sales of our bikes with a wide network of over 120 outlets spread across the country. Within a year's time, we plan to expand this network to over 150 outlets. In the process of expansion and localisation, we will generate immense opportunities of direct and indirect employment, thereby contributing to the overall development of the economy of Colombia. Our vision is to provide convenient, fuel-efficient mobility, and we are confident our products will appeal to customers across different demography. Going forward, we will aim at making Colombia a base for expanding our operations to neighbouring countries in the region."*

**Bogota, Friday, 28<sup>th</sup> of November, 2014:** In keeping with its stated objective of clocking 1.2 million unit sales from global business by the year 2020, **Hero MotoCorp Ltd. (HMCL)**, the world's largest two-wheeler manufacturer, today marked yet another significant milestone in its global journey.

Marking the debut of the new solo brand "Hero" in Colombia, six of its best-selling bikes went on sale today in 120 outlets spread across the country. The company plans to expand its distribution network to over 150 outlets in a year's time.

Hero MotoCorp today also set yet another industry benchmark by becoming the first two-wheeler company in Colombia to offer 4-year warranty on all its models.

The two-wheelers rolled out today include the 100cc bikes - **Splendor iSmart, Eco Deluxe, and Passion-Pro**; the 125cc **Glamour**; the 150cc **Hunk** and the 225c **Karizma ZMR**.

All the models have been attractively priced, e.g. **Splendor iSmart (COP 3185000/-)**, **Eco Deluxe (COP 2750000/-)**, and **Passion-Pro (COP 3450000/-)**; the 125cc **Glamour (COP 3690000/-)**; the 150cc **Hunk (COP 4390000/-)** and the 225c **Karizma ZMR (COP 6590000/-)** – all ex-showroom Bogota.

The all-new “**Splendor iSmart**” comes with the ‘i3S Technology’ (Idle Stop and Start System). The i3S is a revolutionary green technology that automatically shuts the engine when idling and turns it on, when needed, with a simple press of the clutch, giving more mileage in congested cities. Splendor iSmart comes with a 100-cc air-cooled, 4 Stroke Single Cylinder OHC engine that delivers maximum power of 5.74 KW (7.8 Ps) at 7500 rpm and maximum torque of 0.82 Kg-m (8.04 N-M) @ 4500 rpm. The Splendor iSmart is elegantly designed for universal appeal. Its aesthetic features include exciting body graphics, stylish alloy wheels and meter console.

This July, Hero MotoCorp formed a wholly-owned subsidiary in Colombia and commenced construction of a state-of-the-art manufacturing plant in the country. The 100% subsidiary – **HMCL Colombia SAS** – has been incorporated in the industrial city of Cali, 300 kms southwest of Bogota.

At a project cost of US\$ 70 million, US\$ 38 million will be invested as CAPEX. and the rest being as working capital over the next three-year period. The equity investment will be made through HMCL’s wholly-owned subsidiary in the Netherlands –**HMCL BV**.

The state-of-the-art manufacturing plant - spread over 17 acres of land at the Parque Sur Free Trade Zone in Vila Rica - is expected to go on stream by the middle of calendar year 2015 with an initial installed capacity of 78,000 units. This will go up to around 150,000 units by 2017-18. With this, the New Delhi-headquartered Hero MotoCorp will be the first Indian two-wheeler company to have a manufacturing plant in Latin America.

HMCL’s new subsidiary will act as a hub for selling to the Andean countries and to Central America. It can also be a strategic base for shipping to North American markets such as Mexico and the US.

Hero MotoCorp, in partnership with its local distributors, also operates three assembly plants in Africa – in Kenya, Tanzania and Uganda. With two more new plants coming up – one in Colombia and the other in Bangladesh through a joint venture – the company is fast building up a global manufacturing base to cater to growing international markets.

HMCL has fast expanded its global footprint since it commenced its solo journey in 2011. As of today, Hero products sell in India, Sri Lanka, Nepal, Bangladesh, Turkey & Egypt in Asia; Peru & Ecuador and now Colombia in South America; Guatemala, Honduras, El Salvador and Nicaragua in Central America; Kenya, Mozambique, Tanzania & Uganda in East Africa; and Burkina Faso, Ivory Coast, Congo & Angola in West Africa.

Hero MotoCorp plans to launch its operations in Europe by 2015 and in the US by 2016.

Even in the midst of a highly-competitive market in India, Hero MotoCorp has maintained its pole position in the market, selling a record 6.25 million units two-wheelers in the Financial Year 2013-14 (April 1<sup>st</sup>, 2013 – March 31<sup>st</sup>, 2014) – its highest-ever sales for any financial year. In August, 2013, Hero also became the first Indian two-wheeler company to reach the historic milestone of 50 million unit production.

By the year 2020, the company aims to surpass 100 million units in cumulative production, annual bike and scooter sales of 12 million units. It also plans to have more than 20 manufacturing and assembly plants across the globe with sales in more than 50 countries by that year.

\*\*\*\*\*

Hero MotoCorp India Contact:

*Ruchica Tomar/Mansi Molasi*

*Weber Shandwick*

*M: 9999004623/ 9650215869*

*E: [rtomar@webershandwick.com](mailto:rtomar@webershandwick.com)/[mmolasi@webershandwick.com](mailto:mmolasi@webershandwick.com)*