Maruti **Suzuki** India Limited

Q2 Fy'09 Financial Results

24th October, 2008

Safe Harbour

1. This presentation might contain forward looking statements which involve a number of risks, uncertainties and other factors that could cause the actual results to differ materially from those in the forward looking statements. The Company undertakes no obligation to update these to reflect the events or circumstances thereof.

2. This presentation also contains reference to the findings of various reports available in the public domain. The Company takes no responsibility as to their accuracy or that the company subscribes to those findings.

3. All comparisons have been done with the corresponding figure of same period last year unless mentioned otherwise.

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Financial Highlights

Parameters	Q2' Fy09 (Rs Mn)	Q2' Fy08 (Rs Mn)	Change
Net Sales	48,063	45,297	6.1%
Other Income (Operating + Non Operating)	2,594	2,098	23.6%
EBITDA	6,118	7,863	(22.2)%
Depreciation	1,658*	881	88.2%
Profit Before Tax	4,251	6,841	(37.9)%
Profit After Tax	2,961	4,665	(36.5)%
EPS (Rs)	10.25	16.15	(36.5)%

** Pursuant to revision in useful life of assets in Q4' Fy08*

Financial Highlights

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As % of Net Sales

Parameter	Q2'Fy09	Q2' Fy08	Change
Material Cost	79.3%	76.7%	2.6%
Employee Cost	2.4%	2.0%	0.4%
Selling & Distribution expenses	4.1%	3.2%	0.9%
Manufacturing Expenses	7.4%	5.9%	1.5%
Royalty	*3.4%*	*2.6%*	*0.8%*
Power & Fuel	*1.1%*	*0.8%*	*0.3%*
EBITDA	**12.7%**	**17.4%**	**(4.7)%**
Depreciation	3.5%	1.9%	1.6%
PBT	8.8%	15.1%	(6.3)%
PAT	**6.2%**	**10.3%**	**(4.1)%**
Other Income (Operating + Non Operating)	5.4%	4.6%	0.8%

Financial Analysis

- **Total Other Income**
  - 63% operational
  - Increase in Scrap sales by Rs 182 Mn

- **Depreciation**
  - Rs. 568 Mn is the additional depreciation due to revision in useful life of the asset
  - Excluding the above impact, depreciation is 2.3% of net sales

- **Foreign Exchange Rates**
  - Higher Net sales Rs. 210 Mn- Increase in export realisation due to dollar appreciation against rupee
  - Higher Material cost Rs. 390 Mn - Increase in import cost due to yen appreciation against rupee
  - Net impact is unfavourable Rs. 180 Mn

Financial Analysis

- **Average Realization** (ASP) increased by 6.3% to Rs. 236,190 per car

- **PAT** margin fall by 4.1% due to increase in following costs
  - Material 2.6%
  - Manufacturing & Administrative 1.5%
  - Selling & distribution 0.9%
  - Depreciation 1.6%

- **Material** cost to net sales increases by 2.6% to 79.3%
  - Higher commodity prices
  - Rupee depreciating against yen by 21% resulting in higher import cost

- **Selling & Distribution increased from 3.2% to 4.1%**
  - Higher export freight

Financial Analysis

- **Manufacturing & Administrative increased by 1.5% to 7.4%**

  - **Royalty increased by 0.8% from 2.6% to 3.4%**
    - Increase in number of units on which royalty is paid
    - Increase in average realization – base for royalty calculation
    - Yen appreciation against rupee

  - **Increase in power cost by 0.3% to 1.1%**
    - Increase in price of diesel – fuel for captive power in Manesar plant
    - Share of units from Manesar plant out of total sales increased

- **Increase in employee cost by 0.4% to 2.4%**
  - Increase in number of employees to 8,102 from 6,731
  - Recruitments for K Series engine plant, expanded capacity at Manesar and R&D

Sales Volumes – Q2 Fy'09

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Total Sales

Market	Q2'09 (A)	% to Total sales	Q2'08 (B)	% to Total sales	Growth (A) vs (B)
Domestic	171,706	91%	176,154	92%	-3%
Exports	17,745	9%	15,171	8%	17%
Total Sales	**189,451**	**100%**	**191,325**	**100%**	**-1%**

Domestic Sales

Segments	Q2'09 (A)	% to Domestic sales	Q2'08 (B)	% to Domestic sales	Growth (A) vs (B)	Segment Market share (Q2 Fy09)
A1	12,137	7%	16,677	9%	-27.2%	100.0%
A2	118,083	69%	122,689	70%	-3.8%	58.3%
A3	18,849	11%	14,118	8%	33.5%	30.0%
C	20,209	12%	21,453	12%	-5.8%	100.0%
MUV	2,428	1%	1,223	1%	98.5%	4.2%
Domestic	**171,706**	**100%**	**176,154**	**100%**	**-2.5%**	**45.5%**

Market Share A+C segment Q2 Fy09 – 54.2% (55.3% Q2 Fy'08)

Sales Volumes – H1 Fy’09

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Total Sales

Market	H1’09 (A)	% to Total sales	H1’08 (B)	% to Total sales	Growth (A) vs (B)
Domestic	351,799	92%	336,758	93%	4.5%
Exports	30,236	8%	24,236	7%	24.8%
Total Sales	**382,035**	**100%**	**360,994**	**100%**	**5.8%**

Domestic Sales

Segments	H1’09 (A)	% to Domestic sales	H1’08 (B)	% to Domestic sales	Growth (A) vs (B)	Segment Market share (H1 Fy09)
A1	28,786	8%	34,665	10%	(17)%	100%
A2	243,510	69%	233,102	69%	4.5%	57.8%
A3	34,789	10%	25,174	7%	38.2%	28.3%
C	40970	12%	42,084	13%	(2.6)%	100.0%
MUV	3,744	1%	1,733	1%	116.0%	3.0%
Domestic	**351,799**	**100%**	**336,758**	**100%**	**4.5%**	**45.2%**

Market Share A+C segment H1 Fy’09 – 54.2% (54.7% H1 Fy’08)

Current Environment

1. Lack of credit availability
2. High rates of retail finance
3. High inflation
4. Financial markets underperforming

Leading to uncertainty and spoiling the overall sentiment resulting in deferment of demand…

…however

- New models are still attracting customers
- 6^{th} pay commission may improve sentiment

Initiatives

- Increased production of Swift & DZire
- Special marketing focus on select consumer segments
  1. Government employees due to 6th Pay commission
  2. Rural markets
  3. Corporate Sales
- New model launches – A Star and Splash
- Enhanced focus on cost reduction programs

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