

Maruti Suzuki India Limited



Q3Fy09 Financial Results

29th January, 2009

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	Q3' Fy09	Q3' Fy08	Change
Net Sales (Rs Mn)	45,126	46,540	-3%
Other Income - Operating (Rs Mn)	887	853	4%
Other Income - Non Operating (Rs Mn)	1,777	854	108%
EBITDA (Rs Mn)	4,745	7,839	(39)%
Depreciation (Rs Mn)	1,775*	867	105%
Profit Before Tax (Rs Mn)	2,925	6,828	(57)%
Profit After Tax (Rs Mn)	2,136	4,670	(54)%
EPS (Rs)	7.39	16.17	(54)%

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

Financial Highlights

As % of Net Sales

Parameter	Q3'Fy09	Q3' Fy08	Change
Material Cost	81.14%	76.84%	4.30%
Employee Cost	2.45%	2.08%	0.37%
Selling & Distribution expenses	3.69%	2.75%	0.94%
Manufacturing Expenses	8.66%	5.59%	3.07%
<i>Royalty</i>	3.53%	2.60%	0.93%
<i>Power & Fuel</i>	1.18%	0.78%	0.30%
EBITDA	10.51%	16.84%	(6.33)%
Depreciation	3.93%*	1.86%	(2.07)%
PBT	6.48%	14.67%	(8.19)%
PAT	4.73%	10.04%	(5.31)%
Other Income (Operating + Non Operating)	5.90%	3.67%	2.23%



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

Financial Analysis (Q3FY09 vs Q3FY08)

- **Material cost to net sales increases by 4.30 % to 81.14%**
 - 1.7% - Higher commodity cost primarily steel
 - 1.4% - Yen appreciating against rupee by ~ 50% appx impacting import cost – 1.4%
 - 1.6% - Product Mix
 - 0.8% - Higher invoice discounts
 - (1.0)% - favorable selling price variance

- **Selling & distribution expenses increased by 0.94% to 3.69%**
 - Selling expenses increased by 0.26% to 2.18%
 - A Star launch / marketing expenditure
 - Distribution expenses increased by 0.68% to 1.51%
 - Higher ocean freight

Financial Analysis (Q3FY09 vs Q3FY08)

- **Manufacturing over heads increases by 3.07% to 8.66%**
 - Royalty increased by 0.93% to 3.53%
 - Increase in average selling price (base for calculating royalty) by 11%
 - Increase in number of models on which royalty is paid
 - Yen appreciating against rupee by ~ 50%
 - Power cost increased by 0.40% to 1.18%
 - Higher cost of power generation at Manesar – use of diesel in place of natural gas
 - Share of units from Manesar plant out of total sales increased
 - Exchange Variation Rs 412 Mn

- **Increase in employee cost by 0.37% to 2.45%**
 - Increase in number of employees to 7,755 from 6,903 (Q3Fy08)
 - Recruitments for K Series engine plant, expanded capacity at Manesar and R&D

Financial Analysis (Q3FY09 vs Q3FY08)

□ **Other Income**

- Rs 1,777 Mn non operational (Rs 854 Mn in Q3FY08)
- Higher yields ~ 12.5% (pre tax)
- One time interest on tax refunds Rs 569 Mn

□ **Depreciation increased by 2.07% to 3.93%**

- Revision of useful life of fixed assets was done in Q4FY08
- In Q3FY09 impact is Rs 585 Mn
- Normalized depreciation is 2.64%

□ **Average Realization (ASP) increased by 10.8% to Rs. 240,081**

- Exports – higher realization
- Domestic – product mix

Financial Analysis (Q3FY09 vs Q3FY08)

□ Foreign Exchange

- Average currency rates

Exchange Rates	As on 31.12.08	As on 31.12.07	Change
USD - INR rate	48.85	40.29	(21)%
USD - YEN rate	98.69	114.10	(14)%
YEN - INR rate	0.49	0.35	(40)%

- Forex impact on imports Rs 610 Mn included in material cost
- Forex impact on exports Rs 482 Mn included in Net Sales
- Exchange variation of Rs 412 Mn accounted in P/L under Manufacturing expenses
 - Mark to Market gain / loss (under AS 30)
 - Difference of rates between transaction date and payment date

Financial Analysis (Q3FY09 vs Q3FY08)

□ Extraordinary items

■ Stock compensation

- Paid to dealers on reduction in excise duty (in Dec 08) Rs 550 Mn
- Shown by way of deduction from Net Sales

■ Interest on Income tax Refund

- One of the income tax cases company was decided in company's favour
- Rs 569 Mn is the interest received on the refund
- Shown in Non operational 'Other Income'

Sales Volumes Q3 Fy'09

Total Sales

Market	Q3'09	% to Total sales	Q3'08	% to Total sales	Growth
	(A)		(B)		(A) vs (B)
Domestic	158,860	91.5%	187,875	93.1%	(15.4)%
Exports	14,634	8.4%	13,754	6.8%	6.4%
Total Sales	173,494	100%	201,629	100%	14.0%

Domestic Sales

Segment	Q3'09	% to Domestic sales	Q3'08	% to Domestic sales	Growth
	(A)		(B)		(A) vs (B)
A1	8,521	5.4%	17,320	9.2%	(50.8)%
A2	115,241	72.5%	134,293	71.5%	(14.2)%
A3	17,911	11.3%	11,728	6.2%	52.7%
C	15,557	9.8%	23,475	12.5%	(33.7)%
MUV	1,630	1.0%	1,059	0.56%	53.9%
Domestic	158,860	100%	187,875	100%	(15.4)%

Sales Volumes (Apr–Dec)'09

Total Sales

Market	(Apr-Dec)'09	% to Total sales	(Apr-Dec)'08	% to Total sales	Growth
	(A)		(B)		
Domestic	510,659	91.9%	524,633	93.2%	(2.7)%
Exports	44,870	8.1%	37,990	6.8%	18.1%
Total Sales	555,529	100%	562,623	100%	(1.3)%

Domestic Sales

Segment	(Apr-Dec)'09	% to Domestic sales	(Apr-Dec)'08	% to Domestic sales	Growth
	(A)		(B)		
A1	37,307	7.3%	51,985	9.9%	(28.2)%
A2	358,751	70.2%	367,395	70.0%	(2.4)%
A3	52,700	10.3%	36,902	7.0%	42.8%
C	56,527	11.1%	65,559	12.6%	(13.8)%
MUV	5,374	1.1%	2,792	0.5%	92.5%
Domestic	510,659	100%	524,633	100%	(2.7)%