



For Immediate Release

Eicher Motors Limited announces financial results for the quarter ended December 31, 2021

- ***For the quarter ended December 31, 2021, Eicher Motors Limited recorded total revenue from operations at Rs. 2,881 crores, EBITDA at Rs. 582 crores and Profit after tax at Rs. 456 crores***
- ***Royal Enfield continued its strong growth momentum in international markets with total exports at 17,036 units, more than 57% increase over 10,833 in the same period last year; more than 2X increase over Q3 FY 19-20***

New Delhi, February 14, 2022: Eicher Motors Limited (EML) today announced its unaudited consolidated financial results for the quarter ended December 31, 2021. For the quarter ended December 31, 2021, Eicher Motors Ltd. recorded total revenues at Rs. 2,881 crores, up by 1.9% as compared to Rs. 2,828 crores in the corresponding quarter of FY 2020-21. EBITDA was at Rs. 582 crores as compared to Rs. 672 crores in the same quarter of the previous financial year. Profit After Tax was recorded at Rs. 456 crores as against a profit of Rs. 533 crores during the same period last year. Royal Enfield sold 1,67,664 motorcycles during the quarter, a decline of 15.6% from 198,557 motorcycles sold over the same period in FY 2020-21.

The ongoing global shortage of semiconductor chips and the onset of the third wave of Covid with Omicron, impacted the third quarter results. However, Eicher Motors Ltd. recorded considerable sequential improvement as compared to Q2 FY 2022 with a 28.0% growth of revenues (over Rs. 2,250 crs) and a 35.3% sequential growth of EBITDA (over Rs. 430 crs; adjusted for one-offs).

Commenting on Eicher Motors' performance, Siddhartha Lal, Managing Director of Eicher Motors Ltd, said, "Continuing global shortage of semiconductor chips and the onset of the third wave of the COVID-19 pandemic, posed a challenge to the industry at large during the third quarter. We are working towards creating an alternative vendor ecosystem to mitigate the impact of the shortage on the supply front. Our performance continues to remain resilient despite challenges. Our international performance has been strong, and the introduction of the all new Classic 350 drove significant consumer interest in India and in global markets. This is reflected in our financial performance with sequential growth in EBITDA margin of 1.1% quarter-on-quarter (adjusted for one-off). At VECV, we made good progress across all segments backed by our focused and granular approach. We achieved encouraging growth despite supply chain challenges. Our consistent efforts towards aligning the next stage of our growth with a renewed ESG vision saw Dow Jones position Eicher Motors Limited as one among only ten global automotive companies to feature on its elite list of Dow Jones Sustainability Indices 2021 (DJSI) in the Emerging Markets category."



B. Govindarajan, Executive Director, Royal Enfield said, “Our growth momentum at Royal Enfield continues to remain stable, highlighted by persistent good performance in the international markets. Performance across Europe and Americas has consistently registered growing trends, and we continue to deepen presence and engagement in these markets. During the quarter, we furthered our commitment to the Asia-Pacific region with the commencement of operations at our CKD facility in Thailand. This facility will enable us to efficiently cater to the growing demand in the region, and also become the hub for the rest of Southeast Asia. The all-new Classic 350, since its debut in India, has been launched in APAC markets as well as made its debut in Europe at EICMA 2021. We’ve already manufactured and rolled out more than 1,00,000 units of the new Classic 350. This reiterates consumers’ continuing love for the timeless style and design of the Classic. Our thrust on the non-motorcycling business also continues to show strong results, with the division registering a 29% year-on-year growth. We have robust plans for both apparel and accessories business, and will continue to enable options for self-expression and personalization for our consumers. Moving forward, we are optimistic that supply chain constraints will gradually ease out over the next two quarters and production to stabilise over time”

Continuing to work towards its vision of becoming a truly global motorcycle brand, Royal Enfield strengthened its presence in Asia-Pacific with the commencement of operations at its local assembly unit and CKD facility in Thailand. In addition to catering to consumers in Thailand, this assembly unit will act as a distribution hub for all other countries in South-East Asia, including Indonesia and Vietnam, thereby building significant advantage and growth opportunities in the region. With this, the company now has three local CKD units - in Argentina and Colombia in Latin America, and in Thailand.

As Royal Enfield completed its 120 years anniversary in 2021, the company showcased this legacy and heritage at EICMA 2021, the annual global motorcycle show at Milan, Italy. The company unveiled the Royal Enfield SG650 Concept motorcycle, marking another chapter in its journey of creative expression and product development. Royal Enfield also debuted the 120th Year Anniversary Edition of the brand's flagship 650 Twin motorcycles, the Interceptor 650 and the Continental GT 650 at EICMA 2021. The two premium, special edition motorcycles with a limited production run of only 480 units globally, were distributed as 120 units each for India, Europe, Americas and South-East Asia. The motorcycles received an incredible response in India and were sold out in under 120 seconds. Royal Enfield also unveiled ‘Project Origin’, at EICMA. This motorcycle is a working replica of the brand’s very first ‘motor-bicycle’ from 1901, the very machine that laid the foundations upon which Royal Enfield’s enduring legacy of ‘Pure Motorcycling’ is built.

A significant celebration of the 120-years milestone was an extraordinary endeavour to reach the geographic South Pole. Conceptualised as an ode to the Royal Enfield rider community, 90° SOUTH saw two Royal Enfield Himalayans accomplish the unthinkable feat of traversing the treacherous journey to the South Pole. Two company employees successfully completed this expedition in 28 days, in December 2021.



On the Apparel business front, Royal Enfield collaborated with Belstaff - iconic, heritage British motorcycling apparel brand - to introduce an exclusive range to commemorate its 120th year anniversary.

During the quarter, Royal Enfield announced commencement of the second season of Art of Motorcycling, the brand's marquee creative campaign conceptualised to fuel creativity amongst artists and motorcycling enthusiasts by giving them an opportunity to express their love for 'the motorcycling way of life'.

With a focus on enhancing awareness on rider safety and increasing adoption of helmets for millions across India, Royal Enfield has partnered with Helmets For India, a not-for-profit, creative initiative aimed at bringing about a positive change in the mass perception of wearing helmets when riding. This collaboration is aimed at unlocking the potential of the Royal Enfield ecosystem, community, and expansive retail network for the initiative, and will allow the cause a larger canvas to mobilise influential voices and inspire action.

The past year saw Eicher Motors Limited make significant strides and deliver positive results towards its Environmental, Social and Governance (ESG) vision. In recognition of these efforts, Dow Jones ranked EML as one among only ten global automotive companies to feature on its elite list of Dow Jones Sustainability Indices 2021 (DJSI) in the Emerging Markets category. The company's manufacturing prowess was also recognised by Frost and Sullivan as it's Vallam Vadagal facility received the 'Frost and Sullivan Gold' Award for Manufacturing Excellence.

For the quarter ended 31 December 2021, VECV's revenue from operations was Rs. 3,625.7 crores, up by 35.3% from Rs. 2,680 crores in the same period last year. Despite huge challenges due to inflation, VECV generated an EBITDA of Rs. 241.6 crores, at 6.7% EBITDA margin even though it was lower as compared to 8.4% (Rs 225.5 crores) in the corresponding quarter of the previous year. Profit After Tax (PAT) for the quarter was Rs. 66.0 crores as compared to Rs. 57.7 crores during the same period last year. VECV sold 16,044 vehicles in Q3 with a growth of 25.3% as compared to 12,805 vehicles sold in the corresponding quarter last year. (YTD growth of 60.1% with sales of 36,984 vehicles as compared to LYTD sales of 23,097 vehicles.

Commenting on the quarter, Vinod Aggarwal, MD & CEO VECV said *"The commercial vehicle industry has continued to improve quarter on quarter and is expected to continue the growth path with a lot of pent up replacement demand and strong focus continuing on infrastructure investments. With our strong product range as well as further improvement in the distribution network, we will continue to strive to strengthen our position in the industry."*



Adding further, Mr Aggarwal said, "Our product range got further strengthened last quarter with the notable launch of the industry leading Eicher heavy-duty Coach and Sleeper bus range. This state-of-the-art Bus has been developed in the Volvo Bus Hoskote plant that was integrated with VECV last year"

About Eicher Motors Limited:

Eicher Motors Limited (EML) (Bloomberg: EIM IN Reuters: EICH.NS) is the listed parent of Royal Enfield, global leader in the middleweight motorcycles segment (250cc - 750cc). The world's oldest motorcycle brand in continuous production, Royal Enfield has made its distinctive motorcycles since 1901. Focused on bringing back simple, yet engaging and accessible motorcycling, Royal Enfield operates in India and over 60+ countries around the world. With modern development facilities in Leicestershire, UK, and Chennai, India, Royal Enfield makes its motorcycles in Tamil Nadu for the world. In addition to motorcycles, EML has a joint venture with Sweden's AB Volvo - VE Commercial Vehicles Limited (VECV) - which is driving modernization in India's commercial vehicle space, and in other developing countries. VECV includes the complete range of Eicher branded trucks and buses, Volvo trucks in India, engine manufacturing and exports for Volvo Group, non-automotive engines, and Eicher component business. Its integrated manufacturing plant in Pithampur, Madhya Pradesh is also the global hub for medium-duty 5 and 8-liter engines for Volvo Group. In 2020, VECV signed definitive agreements to integrate Volvo Buses India into VECV including manufacture, assembly, distribution, and sale of Volvo Buses in India.

For FY '21, Eicher Motors Ltd recorded a total income of INR 8,720 crores which is approximately USD 1.16 billion. In addition, VECV reported a total revenue of INR 8,676 crores in FY '21 which is approximately USD 1.15 billion; this revenue is not consolidated in EML's income. EML is listed on the Bombay and National Stock Exchanges. As of April 1st, 2016, Eicher Motors Limited became a part of the Nifty 50 Index. Please visit our website: www.eichermotors.com

Disclaimer: All statements included or incorporated by reference in this media release, other than statements or characterizations of historical fact, are forward-looking statements. These forward-looking statements are based on our current expectations, estimates, and projections about our industry, management's beliefs, and certain assumptions made by us. Although EML believes that the expectations reflected in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Any forward-looking statement speaks only as of the date on which such statement was made, and EML undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. No assurance can be given that actual results, performance, or achievement expressed in, or implied by, forward-looking statements within this disclosure will occur, or if they do, that any benefits may be derived from them.

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