

HMCL:ICK:11/14A:SECT:14

October 16, 2014

Fax/Email/Courier

Asst. Vice President,
Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
MUMBAI - 400 051

The Secretary,
BSE Limited
25th Floor,
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI - 400 001

Dear Sir,

Re: Outcome of Board Meeting and Press Release

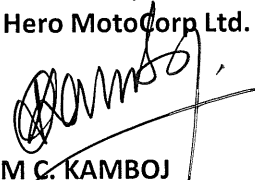
Further to our letter no. HMCL:ICK:11/14A:SECT:14 dated October 06, 2014 intimating you about the meeting of the Board of Directors ("Board") to be held on Thursday, October 16, 2014, we wish to inform you that the Board in its said meeting has considered and adopted the un-audited financial results for the second quarter and half year ended September 30, 2014 as reviewed by the Statutory Auditors and taken on record the Limited Review Report of the Statutory Auditors thereon, copies of the same are annexed herewith.

We are also enclosing herewith a copy of the press release.

Kindly take the same on record.

Thanking you,

Yours faithfully,
for Hero MotoCorp Ltd.



ILAM C. KAMBOJ
Asso. V. P. Legal & Company Secretary

Encl: as above

Hero MotoCorp Ltd.

Regd. Office: 34, Basant Lok, Vasant Vihar, New Delhi-110057, India
Tel. +91 11 26142451, 46044100, Fax +91 11 26143321, 26143198
HeroMotoCorp.com

Email ID: secretarialho@heromotocorp.com

THE FORT MOTOCORP LIMITED

Regd. office :- 34, Community Centre, Basant Lok, Vasant Vihar, New Delhi-110057
Statement of Standalone Financial Results for the quarter and half year ended September 30, 2014

(Rupees in lacs)

S. No.	Particulars	Standalone					
		Quarter ended September 30, 2014	Quarter ended June 30, 2014	Quarter ended September 30, 2013	Half year ended September 30, 2014	Half year ended September 30, 2013	Year ended March 31, 2014
		Unaudited (1)	Unaudited (2)	Unaudited (3)	Unaudited (4)	Unaudited (5)	Audited (6)
	No. of Two wheelers sold	16,92,523	17,15,254	14,16,276	34,07,777	29,75,558	62,45,960
1	Income from Operations						
	(a) Net sales/ Income from Operations (Net of excise duty)	6,86,350	6,99,940	5,69,646	13,86,290	11,82,330	25,12,491
	(b) Other Operating Income	5,184	3,744	2,975	8,928	6,243	15,056
	Total Income from operations (net)	6,91,534	7,03,684	5,72,621	13,95,218	11,88,573	25,27,547
2	Expenses						
	(a) Cost of materials consumed	5,00,544	5,05,631	4,11,448	10,06,175	8,58,477	18,22,153
	(b) Change in inventories of finished goods and work-in-progress	(3,468)	5,485	(1,895)	2,017	(3,363)	836
	(c) Employees benefits expenses	28,498	26,781	22,899	55,279	45,049	93,004
	(d) Depreciation and amortisation expenses	7,496	29,152	28,691	36,648	56,129	1,10,737
	(e) Other expenses	72,478	71,067	56,899	1,43,545	1,13,618	2,57,548
	Total Expenses	6,05,548	6,38,116	5,18,042	12,43,664	10,69,910	22,84,278
3	Profit from Operations before Other Income, Finance cost (1-2)	85,986	65,568	54,579	1,51,554	1,18,663	2,43,269
4	Other Income	19,351	11,275	11,546	30,626	22,772	44,638
5	Profit before finance costs (3+4)	1,05,337	76,843	66,125	1,82,180	1,41,435	2,87,907
6	Finance costs	494	298	296	792	591	1,182
7	Profit before tax (5-6)	1,04,843	76,545	65,829	1,81,388	1,40,844	2,86,725
8	Tax expense	28,506	20,269	17,688	48,775	37,845	75,817
9	Net Profit for the period (7-8)	76,337	56,276	48,141	1,32,613	1,02,999	2,10,908
10	Paid-up Equity Share Capital	3,994	3,994	3,994	3,994	3,994	3,994
	Face value of the share (Rs.)	2.00	2.00	2.00	2.00	2.00	2.00
11	Reserves excluding Revaluation Reserve						5,55,993
12	Basic and diluted earnings per share face value Rs. 2/- each (In Rupees)	38.23	28.18	24.11	66.41	51.58	105.61

HERO MOTOCORP LIMITED

Part-II

Select information for the quarter and half year ended September 30, 2014 of the Company						
	Particulars	Quarter ended September 30, 2014	Quarter ended June 30, 2014	Quarter ended September 30, 2013	Half year ended September 30, 2014	Half year ended September 30, 2013
Year ended March 31, 2014						
A PARTICULARS OF SHAREHOLDING						
1	Public shareholding	(Rs. 2.00 per share)	(Rs. 2.00 per share)	(Rs. 2.00 per share)	(Rs. 2.00 per share)	(Rs. 2.00 per share)
	-Number of shares	11,99,75,018	11,99,75,018	11,99,75,018	11,99,75,018	11,99,75,018
	-Percentage of holding (to total holding)	60.08%	60.08%	60.08%	60.08%	60.08%
2	Promoters and promoter group shareholding					
	a) Pledged/encumbered					
	Number of shares	NIL	NIL	NIL	NIL	NIL
	Percentage of shares (as a % of total shareholding of promoter and promoter group)	-	-	-	-	-
	Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
	b) Non-encumbered					
	Number of shares	7,97,12,482	7,97,12,482	7,97,12,482	7,97,12,482	7,97,12,482
	Percentage of shares (as a % of total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
	Percentage of shares (as a % of the total share capital of the company)	39.92%	39.92%	39.92%	39.92%	39.92%
B INVESTOR COMPLAINTS						
	Pending at the beginning of quarter					
	Received during the quarter					
	Disposed off during the quarter					
	Remaining unresolved at the end of the quarter					
					3 months ended September 30, 2014	
					7	
					90	
					97	
					0	

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HERO MOTOCORP LIMITED

Statement of Assets and Liabilities as per Clause 41 of the Listing Agreement

(Rupees in lacs)

Sr.no.	Particulars	Standalone	
		As at	As at
		September 30, 2014	March 31, 2014
		Unaudited (1)	Audited (2)
A	EQUITY AND LIABILITIES		
1	Shareholders' Funds:		
	a) Share Capital	3,994	3,994
	b) Reserves and Surplus	6,16,222	5,55,993
	Sub-total - Shareholders' funds	6,20,216	5,59,987
2	Non-current liabilities		
	a) Long-term liabilities	2,656	2,445
	b) Long-term provisions	5,706	4,998
	Sub-total - Non-current liabilities	8,362	7,443
3	Current liabilities		
	a) Trade payables	2,97,949	2,29,059
	b) Other current liabilities	48,167	58,808
	c) Short-term provisions	6,709	1,54,433
	Sub-total - Current liabilities	3,52,825	4,42,300
	TOTAL EQUITY AND LIABILITIES	9,81,403	10,09,730
B	ASSETS		
1	Non-current assets		
	a) Fixed assets	3,27,605	3,09,736
	b) Non-current investments	89,399	81,288
	c) Deferred tax assets (Net)	10,072	10,598
	d) Long-term loans and advances	51,649	47,739
	e) Other non-current assets	5,400	4,781
	Sub-total - Non-current assets	4,84,125	4,54,142
2	Current assets		
	a) Current investments	1,56,189	3,27,589
	b) Inventories	95,738	66,955
	c) Trade receivables	1,55,163	92,058
	d) Cash and cash equivalents	15,444	11,750
	e) Short-term loans and advances	71,754	55,031
	f) Other current assets	2,990	2,205
	Sub-total - Current assets	4,97,278	5,55,588
	TOTAL -ASSETS	9,81,403	10,09,730

HERO MOTOCORP LIMITED

Notes:-

- 1 The above financial results for the second quarter and half year ended September 30, 2014 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors ("Board") in their respective meetings held on Thursday, October 16, 2014.
- 2 As the Company's business activity falls within a single primary business segment viz 'Two-wheelers, its parts and ancillary services' and is a single geographical segment, the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting", specified in the Companies (Accounting Standard) Rules, 2006 are not applicable.
- 3 During the half year, the Company has implemented Schedule II of the Companies Act, 2013, and accordingly has computed the depreciation as prescribed by Schedule II to the Act or actual useful life of assets, whichever is lower. The carrying value of assets which has completed its depreciation period as on April 1, 2014 has been adjusted to the General Reserve. The remaining assets have been depreciated over the revised useful life and as a result higher depreciation has been recognised as charge in the Statement of Profit and Loss for the half year ended September 30, 2014.
- 4 During the quarter, the Company has invested Rs. 1375 lacs as part of capital contribution in the wholly owned subsidiary HMCL Netherlands B.V. The subsidiary would act towards furtherance of business interest of the Company.
- 5 During the quarter under review an Interim Dividend of Rs. 30/- (1500%) per equity share of Rs. 2 each for the financial year 2014-15 amounting to Rs. 70087 lacs (including dividend distribution tax) was declared and paid to the shareholders holding shares as on the Record date i.e. August 11, 2014 fixed for this purpose.
- 6 Previous period/year figures have been regrouped/ reclassified wherever necessary, to make them comparable.
- 7 The above results of the Company are available on the Company's website www.heromotocorp.com and also on www.bseindia.com and www.nseindia.com

For and on behalf of the board

New Delhi
October 16, 2014

BRIJMOHAN LALL MUNJAL
Chairman



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New Delhi, October 16th, 2014:

HERO MOTOCORP DEMONSTRATES LEADERSHIP PERFORMANCE WITH ROBUST NUMBERS FOR Q2 FY'15

**REPORTS PAT OF RS. 763 CRORE & TURNOVER
OF RS 6,915 CRORE FOR JUL-SEPT QUARTER**

Financial Results for Q2, FY'15

- Total sales for the quarter stands at **16,92,523** units
- Total turnover (Net sales and other operating income) **Rs.6,915 Crore**
- Profit Before Tax (PBT) stands at **Rs.1,048 crore**
- Net Profit After Tax (PAT) stands at **Rs 763 crore**
- EBIDTA margin for the quarter at **13.52 per cent**

“We are laying the roadmap for the future at Hero with a strong focus on technology and innovation. While our multi-location technology eco-system is working on the new product line, our customers have given a resounding affirmation to the innovation and technology-improvements on the existing platforms. The Splendor iSmart with the path-breaking i3S technology, Pleasure scooter with the Integrated Braking System (IBS) and the new ZMR and Karizma R have all been driving large volumes, adding to our leadership. We are only beginning to see how strong an impact we can make on the market with our innovations and technological improvements. The entire team is confident that we can further build on our leadership once we roll out our global range of new motorcycles and scooters. At the same time, a concerted focus on costs has enabled us to have good margins even as we continue to keep strengthening our market leadership. These numbers bode well for the festive season and we are looking at leveraging this momentum to ensure record retail sales in the month of October.

“With the new stable government at the Centre, the sentiment in the entire country has turned positive. The Rupee depreciation, which had adversely impacted several sectors, and pulled up the costs of essential commodities, has also more or less stabilized. We will continue to be innovative in tackling any extraneous pressures to protect our margins.”

PAWAN MUNJAL**Vice Chairman, Chief Executive Officer & Managing Director**

With sales of 16,92,523 two-wheelers in Q2 (July-September 2014) of Financial Year (FY) 2014-15, the company registered a total turnover (Net Sales & other Operating Income) of Rs 6,915 crore and net profit after tax (PAT) of Rs 763 crore. HMCL had reported a total turnover of Rs. 5,726 and PAT of Rs 481 crore in the corresponding quarter in the previous fiscal (2013-14).

EBIDTA margin (Earnings Before Interest, Depreciation & Amortization) for the second quarter of this financial year stood at 13.52 per cent.

The cumulative sales for first half of the year (April-Sept'14) stands at 34,07,777 two-wheelers. The company registered a total turnover (Net Sales & other Operating Income) of Rs 13,952 crore and net profit after tax (PAT) of Rs 1,326 crore in this period. HMCL had reported a total turnover of Rs. Rs. 11,886 crore and PAT of Rs 1,030 crore in the corresponding period in the previous fiscal (2013-14). EBIDTA margin (Earnings Before Interest, Depreciation & Amortization) for the first half (FY 2014-15) stood at 13.49 per cent.

The Q2 of FY'15 marked several milestones in Hero MotoCorp's journey towards next-generation technological excellence.

Recent Highlights

Global Foray	In July 2014, HMCL launched its operations in Colombia:- ○ Forms wholly-owned subsidiary – “HMCL Colombia SAS” ○ Commences construction of state-of-the-art manufacturing plant at Villa Rica, Cauca; to be operational by mid-2015 with capacity of 78,000 units, that will go up to 150,000 units in phase II leading to sustainable direct & indirect employment ○ Project cost - US\$70 million as: US\$ 38 million in capex & rest to be utilised as working capital over the next 3 years ○ Makes equity investment through wholly-owned subsidiary in Netherlands – “HMCL BV”
Consolidation of Leadership Team	- Mr. Markus Braunsperger has joined Hero MotoCorp as the Chief Technology Officer (CTO). - Mr. Sanjay Jorapur has joined Hero MotoCorp as Chief Human Resources Officer.
Sales Performance in FY'15	- Registered sales of 5,29,862 units of two-wheelers in July 2014 and 5,58,609 units of two-wheelers in August 2014 - In September 2014, HMCL clocked a record 6,04,052 units of two-wheelers for any month of September. Hero MotoCorp had crossed the figure of 6-lakh plus in monthly sales in only two previous occasions –

	in October 2013 when it sold 6.25
Product launches	– Launched new exciting products - Karizma, ZMR and Xtreme
Announcements related to Sports	– In July 2014, HMCL became the Title Sponsor of the Indian Super League; the first-of-its-kind franchise-based football league in the country – In September 2014, in the first-of-its-kind top-level global association with golf, HMCL became the Title Sponsor of the World Challenge tournament. To be hosted by the Tiger Woods Foundation at the Isleworth Golf & Country Club at Orlando in the US in the first week of December this year, the marquee event will be called “Hero World Challenge.”

For further information please contact:

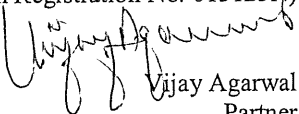
Mansi Molasi
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**INDEPENDENT AUDITORS' REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
HERO MOTOCORP LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of Hero MotoCorp Limited ("the Company") for the quarter and half year ended 30/09/2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the quarter and half year ended 30/09/2014 of the Statement, from the details furnished by the Management.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
(Firm Registration No. 015125N)


Vijay Agarwal
Partner
(Membership No. 094468)

New Delhi, 16 October, 2014