

HMCL: 30/10 SECT: 16

October 26, 2016

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

Sub: Outcome of 178th Board Meeting held Today, October 26, 2016.

Dear Sir/Madam,

Pursuant to Regulation 30 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors of the Company at its meeting held today, **October 26, 2016**, have, *inter alia*, considered and approved the Un-audited Financial Results for the quarter and half year ended September 30, 2016 as recommended by Audit Committee at its meeting held on October 25, 2016.

Further pursuant to Regulation 33, a copy of duly signed Un-audited Financial Results, along with Limited Review Report thereon is enclosed.

A copy of press release issued by the Company in this regard is also attached for your information and further dissemination.

Thanking you.

for Hero MotoCorp Ltd.



(Neerja Sharma)
Company Secretary



Encl: a/a.

Hero MotoCorp Ltd.

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Tel. +91-11-26142451, 46044100, Fax +91-11-26143321, 26143198
HeroMotoCorp.com CIN: L35911DL1984PLC017354 PAN: AAACH0812J

INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

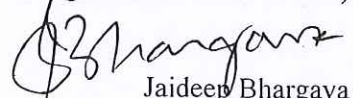
TO THE BOARD OF DIRECTORS OF HERO MOTOCORP LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **HERO MOTOCORP LIMITED** ("the Company") for the quarter and six months ended September 30, 2016 and Standalone Unaudited Balance Sheet as at September 30, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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 aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 015125N)


Jaideep Bhargava
Partner
(Membership No. 090295)

New Delhi, October 26, 2016

HERO 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, 2016

(Rupees in Crores)

S. No.	Particulars	Standalone					
		Quarter ended			Half year ended		Year ended
		September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015	March 31, 2016
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
	No. of Two wheelers sold	18,23,498	17,45,389	15,74,861	35,68,887	32,20,728	66,32,322
1	Income from Operations						
	(a) Gross sales/ Income from Operations	8,321.99	7,901.34	7,252.97	16,223.33	14,588.81	30,258.96
	(b) Sales of services and other Operating Income	126.75	109.32	93.50	236.07	193.13	441.92
	Total Income from operations	8,448.74	8,010.66	7,346.47	16,459.40	14,781.94	30,700.88
2	Expenses						
	(a) Cost of materials consumed	5,119.06	5,033.66	4,630.17	10,152.72	9,499.60	19,321.72
	(b) Change in inventories of finished goods and work-in-progress	64.19	(68.25)	36.02	(4.06)	(22.88)	(6.82)
	(c) Employees benefits expenses	357.48	336.19	308.41	693.67	621.38	1,315.93
	(d) Excise duty on sales	652.46	611.75	537.21	1,264.21	1,067.92	2,258.18
	(e) Depreciation and amortisation expenses	119.25	115.24	109.05	234.49	212.01	441.40
	(f) Other expenses	886.68	867.23	739.08	1,753.91	1,478.33	3,353.63
	Total Expenses	7,199.12	6,895.82	6,359.94	14,094.94	12,856.36	26,684.04
3	Profit from Operations before Other Income and Finance costs (1-2)	1,249.62	1,114.84	986.53	2,364.46	1,925.58	4,016.84
4	Other Income	152.36	120.38	111.52	272.74	215.91	422.92
5	Profit from ordinary activities before finance cost and Tax (3+4)	1,401.98	1,235.22	1,098.05	2,637.20	2,141.49	4,439.76
6	Finance costs	1.55	1.50	1.23	3.05	2.44	4.89
7	Profit from ordinary activities before tax (5-6)	1,400.43	1,233.72	1,096.82	2,634.15	2,139.05	4,434.87
8	Tax expense	396.21	350.62	310.70	746.83	605.38	1,274.68
9	Net Profit from ordinary activities after tax (7-8)	1,004.22	883.10	786.12	1,887.32	1,533.67	3,160.19
10	Other comprehensive income /(expense) (net of tax)	(9.50)	(1.02)	(0.93)	(10.52)	(1.85)	(2.37)
11	Total comprehensive income (9+10)	994.72	882.08	785.19	1,876.80	1,531.82	3,157.82
12	Paid-up equity share capital	39.94	39.94	39.94	39.94	39.94	39.94
	Face value of the share (Rs.)	2.00	2.00	2.00	2.00	2.00	2.00
13	Total Reserves						8,794.50
14	Basic & diluted earning per equity share on Net profit after tax (face value Rs. 2/- each) (In Rupees)	50.29	44.22	39.37	94.51	76.80	158.26



Notes:-

1. The Company adopted Indian Accounting Standard ("Ind AS") from April 1, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34.

2. Statement of Assets and Liabilities

		Rs. in crores	
Particulars		As at September 30, 2016	As at March 31, 2016
		Unaudited	Unaudited
	ASSETS		
1	Non-current assets		
	(a) Property, plant and equipment	3,531.41	3,468.41
	(b) Capital work-in-progress	596.38	288.34
	(c) Intangible assets	98.75	118.89
	(d) Intangible assets under development	179.14	317.06
	(e) Financial assets		
	(i) Investments	1,050.55	1,027.87
	(ii) Loans	24.46	26.70
	(iii) Others	106.13	96.88
	(f) Income tax assets (net)	102.58	227.54
	(g) Other non-current assets	755.17	839.59
	Total Non - Current Assets	6,444.57	6,411.28
2	Current assets		
	(a) Inventories	729.71	672.98
	(b) Financial assets		
	(i) Investments	4,431.90	3,464.46
	(ii) Trade receivables	2,238.91	1,282.80
	(iii) Cash and cash equivalents	16.75	26.96
	(iv) Bank balances other than (iii) above	109.26	104.41
	(v) Loans	22.19	23.12
	(vi) Others	28.28	31.09
	(c) Other current assets	724.40	555.74
	Total Current Assets	8,301.40	6,161.56
	Total Assets (1+2)	14,745.97	12,572.84
	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity share capital	39.94	39.94
	(b) Other equity	9,903.40	8,794.50
	Total Equity	9,943.34	8,834.44
2	LIABILITIES		
	Non-current liabilities		
	(a) Provisions	77.55	67.60
	(b) Deferred tax liabilities (net)	311.67	222.53
	Total Non - Current Liabilities	389.22	290.13
3	Current liabilities		
	(a) Financial liabilities		
	(i) Trade payables	3,351.42	2,650.56
	(ii) Other financial liabilities	200.87	265.70
	(b) Other current liabilities	824.51	502.36
	(c) Provisions	36.61	29.65
	Total Current Liabilities	4,413.41	3,448.27
	Total Equity and Liabilities (1+2+3)	14,745.97	12,572.84

17/10

- 3 Reconciliation of the standalone total comprehensive income and equity to those reported under previous Generally Accepted Accounting Principles (GAAP) are summarised as below:

(Rupees in Crores)			
Total Comprehensive Income Reconciliation			
Particulars	Quarter ended September 30, 2015	Half year ended September 30, 2015	Year Ended March 31, 2016
	Unaudited	Unaudited	Unaudited
Profit after tax as reported under previous GAAP	772.06	1,522.40	3,132.37
Impact of measuring investments at Fair Value through Profit or Loss (FVTPL)	8.92	11.39	28.42
Impact of revenue deferment	9.00	0.56	1.10
Impact of measuring derivative contracts at Fair Value through Profit or Loss (FVTPL)	(0.59)	(1.36)	3.37
Reclassification of actuarial (gain)/loss in respect of defined benefit plan to "Other Comprehensive Income"	1.42	2.84	3.63
Other adjustments	1.65	2.92	3.77
Tax adjustments	(6.34)	(5.08)	(12.47)
Profit after tax as reported under Ind-AS	786.12	1,533.67	3,160.19
Other comprehensive income (net of tax)	(0.93)	(1.85)	(2.37)
Total comprehensive income as reported under Ind-AS	785.19	1,531.82	3,157.82

(Rupees in Crores)	
Equity Reconciliation	
Particulars	As at March 31, 2016
	Unaudited
Equity as reported under previous GAAP	7,944.75
Add: Proposed dividend (including tax thereon)	769.09
Add: Impact of measuring investments at Fair Value through Profit or Loss (FVTPL) (net of tax)	192.94
Add: Impact of discounting of provisions as per IND AS 37 (net of tax)	11.01
Add: Impact of measuring derivative financial instruments at fair value (net of tax)	4.05
Less: Impact of revenue deferment on future performance (net of tax)	(87.40)
Equity as reported under Ind AS	8,834.44
Comprising:	
Paid up equity share capital	39.94
Total Reserves	8,794.50

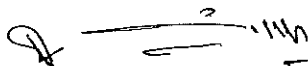
- 4 As the Company's business activity falls within a single primary business segment viz 'Two-wheelers, its parts and ancillary services' and is a single geographical segment, the disclosure requirements of Indian Accounting Standard (Ind-AS-108) "Operating Segments", are not applicable.
- 5 During the quarter, Nomination and Remuneration Committee of the Company at its meeting held on August 7, 2016, has approved the allotment of 1,376 Equity Shares of face value of Rs. 2.00 each to the Option Grantees, pursuant to the exercise of Stock Options granted under the Company's Employee Stock Option Plan 2014 formed in accordance with Employee Incentive Scheme 2014.
- 6 Previous periods /year figures have been regrouped/ reclassified wherever necessary, to make them comparable.
- 7 The above results for the quarter and half year ended September 30, 2016 have been reviewed and recommended by the Audit Committee meeting held on October 25, 2016 and approved by the Board of Directors in their meeting held on October 26, 2016. These results have been subjected to limited review by the statutory auditors.
- 8 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



PAWAN MUNJAL
Chairman, Managing Director & CEO
DIN : 00004223

New Delhi
October 26, 2016





HERO MOTOCORP REPORTS BEST-EVER PERFORMANCE

RIDES AHEAD WITH HIGHEST-EVER QUARTERLY VOLUME (18.23 LAKH), EBITDA MARGIN OF 16.20% & PAT OF RS 1004.22CR

Financial Results: Q2 (Jul-Sep), FY'17	Financial Results: H1 (Apr-Sep), FY'17
• Highest-ever quarterly sales: 18,23,498 units [robust double digit growth of 15.8% over corresponding period last year (Jul'15-Sep'15: 15,74,861 units)] • Gross turnover (Gross sales and other operating income) Rs.8,448.74.Crore (15.0% growth over the corresponding period last year) • Earnings Before Interest, Depreciation, Tax & Amortization (EBIDTA) for the Quarter stood at Rs. 1368.87 Crore reflecting 16.20%. EBITDA margin (vs. 14.91% for the corresponding period last year); EBIDTA margins based on Net Revenue (Gross turnover less excise duty thereon) stood at 17.56% (vs. 16.09% for the corresponding period last year) • Profit Before Tax (PBT) at Rs. 1400.43 Crore and Net Profit After Tax (PAT) stands at Rs.1004.22 Crore • Total comprehensive income stood at Rs.994.72 Crore (vs. Rs. 785.19 Crore for the corresponding period last year)	• Highest-ever half-yearly sales: 35,68,887 units [strong double digit growth of 10.8% over corresponding period last year (Apr'15-Sep'15: 32,20,728 units)] • Gross turnover (Gross sales and other operating income) Rs.16,459.40 Crore (11.3% growth over the corresponding period last year) • Earnings Before Interest, Depreciation, Tax & Amortization (EBIDTA) for the Quarter stood at Rs.2598.95 Crore reflecting 15.79% EBITDA margin (vs. 14.46% for the corresponding period last year); EBIDTA margins based on Net Revenue (Gross turnover less excise duty thereon) stood at 17.10% (vs. 15.59% for the corresponding period last year) • Profit Before Tax (PBT) at Rs. 2634.15 Crore and Net Profit After Tax (PAT) stand at Rs.1887.32 Crore • Total comprehensive income stood at Rs.1876.80 Crore (vs. Rs.1531.82 Crore for the corresponding period last year)

New Delhi, October 26, 2016

Hero MotoCorp Ltd. (HMCL), the world's largest two-wheeler manufacturer, today reported its best-ever sales as well as financial performance for the second quarter (*July–September 2016*) and half year (*April–September 2016*) of FY'17.

Riding on its highest-ever sales of 18,23,498 units in a quarter, the Company registered a Gross turnover (Gross Sales & other Operating Income) of Rs 8448.74 crore and highest-ever net profit after tax (PAT) of Rs 1004.22 Crore during the period. The Gross total turnover in the corresponding quarter previous fiscal (*July–September 2015 of FY'16*) stood at Rs. 7346.47 Crore and PAT of Rs.786.12 Crore. Hero MotoCorp had sold 15,74,861 units in the corresponding quarter of FY'16.

The EBIDTA margin improved to its highest-ever 16.20 %, as against 14.91% over the corresponding Quarter aided by softer commodities and cost control measures (LEAP)

Pawan Munjal, Chairman, Managing Director & Chief Executive Officer, Hero MotoCorp, said "The second quarter of this fiscal has been a defining phase in the journey of our young brand. The highest-ever volume sales during the quarter is a reiteration of the overwhelming customer preference of our products, and a testimony to our market leadership. At the same time, we have also delivered on our commitment of further strengthening our profitability by crossing the threshold Rs 1000 crore in PAT for the first time in a quarter. We continue to have an unwavering focus on exceeding customer expectations, as demonstrated by the launch of Splendor iSmart 110 - the first motorcycle designed and developed by our R&D team based at the Centre of Innovation & Technology (CIT) in Jaipur. The launch of this bike during the quarter is a strong statement on the immense progress we have made in rapidly scaling up our in-house R&D capabilities.

"The domestic market has seen a revival in the past two quarters due to an above-average monsoon and positive consumer sentiment. The trend is expected to continue through the year and likely to result in double-digit growth for the industry. In the global markets, however, the industry continues to face headwinds due to volatile business environment driven by continued weakness in crude prices and sharp depreciation of local currencies."

Other Highlights

Product Launches	• Splendor iSmart 110 – has received positive initial response from customers • Achiever 150 – focusing on the premium segment
Sales Milestones	• Achieved 70 million cumulative sales mark in September • Highest-ever monthly sales (6,74,961) achieved in September • Six-lakh plus sales achieved in two of the three months in Q2 – September (6,74,961) and August (6,16,424) • Glamour consolidates its position as the largest-selling 125cc motorcycle in the country during the first half of the fiscal
Sports	• British Masters – extended association with Golf on the global stage by associating with the British Masters

For more information:

Please visit: www.heromotocorp.com | FB: /HeroMotoCorpIndia | Twitter: @HeroMotoCorp

Press Contact:

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