

AMBALAL'S RESULT REPORT



Mahindra & Mahindra Ltd
Q1FY2014 (April – June) Report
(13/08/2013)





Mahindra & Mahindra Ltd

Q1FY 2014 (April—June) Result

Result Highlights

- Utility vehicle maker Mahindra and Mahindra (M&M) reported a higher-than-expected 29 percent growth in its net profit of Rs 938 crore during April-June quarter Y-o-Y, largely driven by other income and tractor business.
- Total income from operations rose lower-than-expected 7 percent on yearly basis to Rs 10,022 crore in the first quarter
- Revenues from farm equipment segment jumped to Rs 3,899.52 crore from Rs 3,078.29 crore Y-o-Y, but auto segment's sales fell to Rs 6,120.54 crore from Rs 6,278.65 crore during the same quarter.
- It sold 56,969 passenger utility vehicles during the quarter and continued to maintain its leadership position with 46 percent market share.
- Meanwhile, it sold 71,696 tractors in the domestic market in Q1 as against 56,861 units in a year ago period, a growth of 26.1 percent while exports (tractors) increased 5.5 percent Y-o-Y to 3,187 units. The market share of the company in this segment was 41.4 percent during the quarter.
- Earnings before interest, tax, depreciation & amortisation (EBITDA) grew by 16 percent Y-o-Y to Rs 1,287 crore while operating profit margin increased 100 bps to 12.8 percent during the quarter, which too were lower-than-forecast of Rs 1,326 crore and 13 percent, respectively.
- Other income surged 2.7 times to Rs 164.2 crore in April-June quarter from Rs 60 crore reported in a year ago period, which included dividend received from subsidiaries.
- South Korean subsidiary Ssangyong Motor Company posted a 26.8 percent growth in consolidated revenues and 138 percent growth in results broke even for the first time since its acquisition in March 2011 and returned a profit after tax of Rs 41 crore.

Result Outlook

- Net profit high than expected 29% Y-o-Y
- Basic Earning Per Share (EPS) on Net Profit to 15.89 from 12.32 same period last year.
- So, those who have the M&M Ltd share to maintain BUY option for long term view.



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RESEARCH TEAM:

M.Vijayababu — Sr.Manager Research

B.Kesavamoorthy — Sr.Research Analyst

V.Arun— Research Analyst

B.Balaji— Research Analyst

Email ID: commresearch@ambalalshares.com

Contact No: 0416-2911225

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Ambalal Shares & Stocks Pvt. Ltd,

#163, Durga Bhavan II Floor,

New Katpadi Road,

Vellore - 632004.

www.ambalalshares.com

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