



For Immediate Release:

Audited consolidated financial results for the year and quarter ended December 31, 2009

<p><u>Year ended December 31, 2009:</u> Consolidated total income (net of excise) at 3044 crore rupees Profit before tax at 187.3 crore rupees</p> <p><u>Quarter ended December 31, 2009:</u> Consolidated total income (net of excise) at 901.3 crore rupees Profit before tax at 48.6 crore rupees</p>
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<p>Dividend recommended at 70%</p>

New Delhi, February 13, 2010:

Today, Eicher Motors Limited (EML) convened a board meeting to approve the audited accounts for the twelve-month (year) period ended December 31, 2009 and results for the quarter ended December 31, 2009.

Consolidated audited financial results - Performance Highlights:

EICHER MOTORS (Year ended December 31, 2009)

- ✓ Profit before tax and before minority interest (PBT) is 187.3 crore rupees.
- ✓ Profit after tax and before minority interest (PAT) is 129.5 crore rupees.
- ✓ Total Income (net of excise) is 3044.0 crore rupees.
- ✓ EBIT is 196 crore rupees; 6.4% of total income.

EICHER MOTORS (Quarter ended December 31, 2009)

- ✓ Profit before tax and before minority interest (PBT) is 48.6 crore rupees.
- ✓ Profit after tax and before minority interest (PAT) is 30.2 crore rupees.
- ✓ Total Income (net of excise) for the quarter is 901.3 crore rupees.
- ✓ EBIT is 50.7 crore rupees; 5.6% of total income.

Comments:

Reviewing the year 2009, Siddhartha Lal, Managing Director and CEO, Eicher Motors Limited, said, *"The year 2009 proved to be an extremely good year for Eicher Motors with an impressive top line, a total income tally of 3112 crore rupees and the successful completion of equity share buy-back as announced during the time of JV partnership with Volvo group in May 2008."*

"Performance has been the keyword in all segments during the year. While sales volumes in the 5T & above CV industry dropped by 11.1% over 2008, the Eicher range of commercial vehicles posted an increase of 2.1% over the previous year, and at the close of 2009, the Volvo brand of trucks within VE Commercial Vehicles (VECV) retained a 70% market share of the premium truck segment."

“The two-wheeler industry registered a 16% growth in sales volumes when compared with 2008. However, Royal Enfield’s annual sales logged a 20% increase over its sales volumes in 2008. The Classic series of motorcycles launched in India in early November created a tremendous market buzz and received undulating admiration for Royal Enfield’s ability to meld post-World War-II designs with futuristic technology.”

Outlook:

Opining on the outlook for the year 2010, Siddhartha said, “On the whole, a robust domestic economy and recovery of the global financial markets is expected to launch a strong business cycle for the industry. However, continued availability of credit will be critical to sustain the revival in the industry amidst rising inflation and concerns of higher interest rates.”

“The products we launched at the Delhi Auto Expo early this year will be introduced into the market in phases during 2010 and these products from VECV, namely, the VE Series of Eicher heavy-duty trucks, the rear-engine semi low floor Eicher city bus and the FH520 Volvo truck, are aligned to VECV’s vision of driving modernization in commercial transportation in India and the developing world. Complementarily, the expanded strength of our distribution network and the continued focus on product operating economics and performance is bound to endear our customers to us. We’ve set ourselves the target of being No.1 in customer satisfaction by 2012.”

“Royal Enfield launched two international Classic motorcycle models at the Auto Expo. The Classic Chrome 500 and Battlegreen Classic 500 will be available in international markets by April this year. There is also a new version of Classic 350 for Japan. The Classic series of motorcycles built on the unit construction engine (UCE) platform have been a smash hit in India leading to un-precedented demand. Within this year we intend to achieve a 100% conversion to the UCE platform for all our existing motorcycle models. Moreover, production capacities are being ramped up at the Chennai factory and paint-shop processes upgraded to ensure that Royal Enfield can meet the surging market demand for its products.”

About Eicher Motors Limited:

Eicher Motors Limited, incorporated in 1982, is the flagship company of the Eicher Group in India and a significant player in the Indian automobile industry. Its 50-50 joint venture with the Volvo group, namely, VE Commercial Vehicles, is involved in business activities ranging from design, manufacturing and marketing of reliable, fuel-efficient commercial vehicles of high quality and modern technology to manufacturing engineering components and providing engineering design solutions. Eicher Motors’ two-wheeler division manufactures and markets Royal Enfield motorcycles. <http://www.eicherworld.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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