

M&M Ltd. results Q2 F24 and H1 F24

Brand

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Standalone PAT INR 3,452 cr., up 67%

Consolidated PAT up 6% (excl. PY SEL revaluation gain)

Strong first half ... standalone PAT up 79%, consolidated PAT up 33% (excl. SEL), RoE 20%

Key Highlights

- SUV revenue up 28%; revenue market share at 19.9%, up 90 bps
- #1 in LCVs <3.5T: market share at 49.6%, up 280 bps; highest in last 5 years
- #1 in Tractors: market share at 41.6%, up 150 bps
- #1 in electric 3 wheelers: volumes up 74%; market share at 61.1%
- Standalone PAT at INR 3,452 cr., up 67%
- Consolidated Revenue at INR 34,436 cr., up 15% for Q2; up 17% for H1 F24
- Consolidated PAT at INR 2,348 cr., up 6% (excl. PY Swaraj Engines Ltd., SEL, revaluation gain)
- H1 F24 RoE at 20%; EPS at INR 52.4, up 18%

Mumbai, November 10, 2023: The Board of Directors of Mahindra & Mahindra Limited today approved the financial results for the quarter and half year ended September 30, 2023 of the Company and the consolidated Mahindra Group.

Key financials:

INR cr.

	Q2 F24	Q2 F23	Growth% YOY	H1 F24	H1 F23	Growth% YOY
Consolidated Results						
Revenue	34,436	29,871	15%	68,327	58,285	17%
PAT	2,348	2,773	-15%	5,856	4,968	18%
PAT (excl. SEL)	2,348	2,209	6%	5,856	4,404	33%

PAT is PAT after Non-Controlling Interest

For summary of standalone financials, refer Annexure 1

Mahindra & Mahindra Group delivered a robust operating performance across all businesses, except TechM. Auto grows rapidly, Farm remains resilient despite tough market conditions and Growth gems are on track. TechM performance was impacted by weak demand and exits from non-core accounts. Standalone PAT up 67% Q2, up 79% YTD. Consolidated PAT at INR 2,348 cr., up 6% Q2, up 33% YTD (excl. SEL).

Auto

- Highest ever quarterly volumes at 212k, up 18%
- Open bookings of SUV at 286k (as on November 01, 23), reflecting continued strong demand
- Electric 3 wheelers: volumes up 74%
- Standalone PBIT (excl. LMM transfer gain) INR 1,452 cr., up 64% and PBIT margin 7.9%, up 200 bps
- Consolidated Q2 Revenue INR 18,869 cr., up 20%. H1 Revenue INR 35,868 cr., up 23%
- Consolidated Q2 PAT INR 1,015 cr., up 2x. H1 PAT INR 2,168 cr., up 2.2x

Farm

- Tractor market share at 41.6%, up 150 bps; highest Q2 market share in a decade
- Mega launch of Oja and Naya Swaraj
- Farm machinery revenue INR 223 cr., up 35%; No 2 in Rotavators market share estimated at 21.5%
- Standalone PBIT INR 946 cr., down 2%; H1 PBIT margin 16.8%, up 70 bps
- Consolidated Q2 Revenue INR 8,373 cr., down 4%; H1 Revenue INR 18,084 cr., up 3%
- Consolidated Q2 PAT INR 800 cr., down 7% (excl. SEL); H1 PAT INR 2087 cr., up 13% (excl. SEL)

Services

- MMFSL AUM up 27%, lowest ever GS3 at 4.3%, PAT down 48%, due to write back in PY
- TechM revenue down 2%, weak demand and exit from non-core businesses; one-off margin impact of ~260 bps, PAT down 62%
- Growth Gems on track

- Mahindra Lifespaces reported residential pre-sales of INR 455 cr., up 14%
- Club Mahindra highest ever Q2 total income 333 cr., up 10%; Q2 member addition up 11%
- Mahindra Logistics revenue INR 1,365 cr., up 3%
- Consolidated Q2 Revenue INR 8,056 cr., up 11%; H1 Revenue INR 16,100 cr., up 13%
- Consolidated Q2 PAT INR 533 cr., down 37%; H1 PAT INR 1,601 cr., up 1%

Commenting on Q2 and H1 F24 performance;

Dr. Anish Shah, Managing Director & CEO, M&M Ltd. said, “During Q2, operating performance across Auto, Farm and Services was robust. Auto rapidly grew to double its operating profit. Farm continues to be resilient despite tough market condition. In Services, MMFSL had its lowest ever GS3 and turnaround is on track to unlock its full potential. Growth Gems are progressing well on the 5x challenge. TechM had a tough quarter, we’re now initiating the transformation journey in the business. With H1 PAT growth of 18%, we are well on our way to Deliver Scale by transforming our core businesses and realising the 5x challenge for growth gems.”

Rajesh Jejurikar, Executive Director & CEO (Auto and Farm Sector), M&M Ltd. said, “We delivered yet another robust performance in this quarter. We have maintained our SUV Revenue Market Share at 19.9% while further improving our Auto Standalone PBIT margins. In the tractor business, we increased our market share by 150 bps on the back of exciting new launches of Oja, Swaraj Target and Naya Swaraj. Our E-3W business continued market leadership with 61.1% market share.”

Manoj Bhat, Group Chief Financial Officer, M&M Ltd. said, “We have delivered strong H1 F24 operating performance with EPS at INR 52.4, up

18%. With focus on operational metrics and value creation through our capital allocation actions, we continue to deliver RoE greater than 18%.”

Annexure 1

Summary of standalone financials:

INR cr.

	Q2 F24	Q2 F23	Growth% YOY	H1 F24	H1 F23	G
Standalone Results						
Revenue	25,773	22,105	17%	50,141	41,918	
EBITDA	4,397	3,539	24%	7,944	5,960	
PAT	3,452	2,068	67%	6,226	3,472	
Volumes						
Total Vehicles sold	2,12,078	1,79,673	18%	3,98,216	3,33,135	
Total Tractors sold	89,101	92,590	-4%	2,03,394	2,10,003	

Includes 10,019 vol sold by separate entity “MLMML”, which was demerged from Sep’23 onwards. Revenue in standalone results do not include realisation from these volumes.

Disclaimer:

All statements included or incorporated by reference in this media release, other than statements or characterisations 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 M&M 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 M&M 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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Factsheet

(Data in Public domain tabulated for ease of access)

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