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Gurgaon, Haryana, INDIA, October 20, 2009

Apollo’s consolidated sales up more than 60%

Sound performance despite the rising raw material prices

The Board of Directors of Apollo Tyres Ltd today approved the company’s unaudited results for the 2nd quarter of the financial year 2009-10.

Quarterly Performance Highlights

Q2 FY 2009-10 (July – September) vs Q2 FY 2008-09

- **Consolidated revenue at Rs 20.46 billion up 62% from Rs 12.62 billion**
- Consolidated operating profit at Rs 2.9 billion as compared to Rs 818.3 million
- Consolidated net profit after tax at Rs 1.29 billion as compared to Rs 151 million
- **Standalone India Operations revenue at Rs 12.2 billion up 24% from Rs 9.81 billion**
- Standalone India Operations operating profit at Rs 2.01 billion as compared to Rs 511 million
- Standalone India Operations net profit after tax at Rs 1.02 billion as compared to Rs 78 million

Appreciating the performance of the company in the quarter under review, **Onkar S Kanwar, Chairman, Apollo Tyres**, said, “The steady growth achieved by Apollo Tyres despite rising raw material prices reflects the true spirit of our most valuable asset, the employees. In the quarter under review, higher raw material costs were absorbed by the company in order to protect consumers’ interest. This was possible only because of our continued emphasis on managing costs and efficiencies internally, which began in the first quarter of the last financial year.”

Half-yearly Performance Highlights

H1 FY 2009-10 (April – September) vs H1 FY 2008-09

- **Consolidated revenue at Rs 36.82 billion up 43% from Rs 25.8 billion**
- Consolidated operating profit at Rs 4.98 billion as compared to Rs 2.24 billion
- Consolidated net profit after tax at Rs 2.03 billion as compared to Rs 737.9 million
- **Standalone India Operations revenue at Rs 24 billion up 16% from Rs 20.6 billion**
- Standalone India Operations operating profit at Rs 3.96 billion as compared to Rs 1.62 billion
- Standalone India Operations net profit after tax at Rs 1.97 billion as compared to Rs 564 million

Looking ahead, Mr Kanwar expressed concerns about the input cost trends. “The volatile raw material prices, especially natural rubber, have been forever a cause of concern for the tyre industry in India. For instance, in the last few months, prices of domestically available natural rubber have gone up substantially, forcing the industry to import it, as the ruling international prices have been significantly lower,” added **Onkar S Kanwar, Chairman, Apollo Tyres**.

(ends)

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About Apollo Tyres Ltd

Apollo Tyres Ltd is a high-performance company and the leading Indian tyre manufacturer. It is built around the core principles of creating stakeholder value through reliability in its products and dependability in its relationships. The company has four manufacturing units in India, four in Southern Africa and one in the Netherlands. Apollo's subsidiary companies are Apollo Tyres South Africa Pty Ltd (previously known as Dunlop Tyres) and Apollo Vredestein BV in the Netherlands. India, South Africa and Europe are the company’s three domestic markets from where products are exported to over 70 countries. In each of the domestic markets the company operates through a vast network of branded, exclusive and multi-product outlets.

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UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2009

apollo

Rs. Millions

S.NO.	PARTICULARS	THREE MONTHS ENDED (UNAUDITED)		YEAR TO DATE (UNAUDITED)		YEAR ENDED (AUDITED)
		30.09.2009	30.09.2008	30.09.2009	30.09.2008	31.03.2009
1 (a)	Net Sales / Income From Operations	**12,203.10**	9,807.63	**24,004.52**	20,566.21	**40,704.41**
(b)	Other Operating Income	**0.19**	11.07	**1.40**	11.07	**11.10**
		12,203.29	9,818.70	**24,005.92**	20,577.28	**40,715.51**
2	**Expenditure**					
a.	Decrease / (Increase) in Stock in Trade and Work in Progress	**(113.42)**	(932.74)	**(69.69)**	(1,081.68)	**265.86**
b.	Consumption of Raw Materials	**7,061.81**	7,906.42	**13,652.76**	15,217.62	**27,946.64**
c.	Purchase of Traded Goods	**386.46**	349.99	**687.19**	698.85	**1,162.04**
d.	Employees Cost	**753.42**	548.44	**1,379.88**	1,164.06	**2,075.46**
e.	Depreciation	**328.82**	233.26	**640.34**	465.11	**980.07**
f.	Other Expenditure	**2,114.42**	1,438.46	**4,412.66**	2,972.78	**6,006.73**
g.	**Total**	**10,531.51**	9,543.83	**20,703.14**	19,436.74	**38,436.80**
3	**Profit from Operations before Interest & Exceptional Items (1 - 2)**	**1,671.78**	274.87	**3,302.78**	1,140.54	**2,278.71**
4	Other Income	**12.56**	3.02	**18.50**	12.79	**101.37**
5	Profit Before Interest & Exceptional Items (3 + 4)	**1,684.34**	277.89	**3,321.28**	1,153.33	**2,380.08**
6	Interest	**125.55**	158.58	**328.09**	296.66	**668.43**
7	Profit After Interest but Before Exceptional Items (5 - 6)	**1,558.79**	119.31	**2,993.19**	856.67	**1,711.65**
8	Exceptional Items	-	-	-	-	-
9	**Profit before Tax (7+8)**	**1,558.79**	119.31	**2,993.19**	856.67	**1,711.65**
10	**Tax Expense**	**537.70**	41.41	**1,025.39**	292.49	**630.47**
11	**Net Profit for the Period (9-10)**	**1,021.09**	77.90	**1,967.80**	564.18	**1,081.18**
12	Paid-up Equity Share Capital (Equity Shares of Re 1 each)	**504.09**	504.09	**504.09**	504.09	**504.09**
13	Reserves Excluding Revaluation Reserves					**13,021.82**
14	**EARNINGS PER SHARE (EPS)**					
(a)	Basic EPS before & after Extraordinary Items (Not Annualized) -Rs.	**2.03**	0.15	**3.90**	1.12	**2.15**
(b)	Diluted EPS before & after Extraordinary Items (Not Annualized)-Rs.	**2.03**	0.15	**3.90**	1.12	**2.15**
15	**Public Shareholding**					
	- Number of Shares	**305,713,965**	305,716,768	**305,713,965**	305,716,768	**305,715,965**
	- Percentage of Shareholding	**60.65%**	60.66%	**60.65%**	60.66%	**60.65%**
16	**Promoters and Promoter Group Shareholding**					
(a)	**Pledged / Encumbered**					
	- Number of Shares	**32,724,000**		**32,724,000**		**53,477,080**
	- Percentage of Shares (as a percentage of the total shareholding of promoter and promoter group)	**16.50%**		**16.50%**		**26.97%**
	- Percentage of Shares (as a percentage of the total share capital of the company)	**6.49%**		**6.49%**		**10.61%**
(b)	**Non - Encumbered**					
	- Number of Shares	**165,586,805**		**165,586,805**		**144,831,725**
	- Percentage of Shares (as a percentage of the total shareholding of promoter and promoter group)	**83.50%**		**83.50%**		**73.03%**
	- Percentage of Shares (as a percentage of the total share capital of the company)	**32.86%**		**32.86%**		**28.74%**

NOTES:

1 The Company's operation comprises of one business segment - Automobile Tyres, Automobile Tubes and Automobile Flaps in the context of reporting business segment as required under mandatory accounting standard AS-17 "Segment Reporting".

2 The number of investor complaints received during the quarter were 8 (Eight) all of which have been disposed off. There were no investor complaints pending at the beginning of the quarter.

3 The key consolidated financials* are as under:

Rs. Millions

Particulars	Three Months Ended		Year To Date Ended (Unaudited)		Year Ended (Audited)
	30.09.2009	30.09.2008	30.09.2009	30.09.2008	31.03.2009
Net Sales	**20,461.92**	12,621.68	**36,811.90**	25,843.00	**49,840.69**
Net Profit after Tax	**1,292.38**	151.05	**2,030.58**	737.66	**1,391.47**
Basic Earning Per Share (Rs.) (Not Annualised) Face Value Re. 1.	**2.56**	0.30	**4.03**	1.47	**2.76**
Diluted Earning Per Share (Rs.) (Not Annualised) Face Value Re.1	**2.56**	0.30	**4.03**	1.47	**2.76**

* Includes financials of overseas subsidiaries. Consolidated financials have not undergone limited review by the statutory auditors. Pursuant to the acquisition of Vredestein Banden B.V.(VBBV), a Dutch Tyre Manufacturing Company on 15th May 2009, the prior period figures are not comparable.

4 The construction of the new greenfield radial tyre plant at Oragadam near Chennai is going on as per project schedule.

5 The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 20th October 2009. The stand-alone results of the Company have undergone limited review by the Statutory Auditors.

6 Previous periods' figures have been regrouped / rearranged wherever considered necessary.

For and on behalf of the Board of Directors of Apollo Tyres Ltd.

Onkar Kanwar

ONKAR S. KANWAR
CHAIRMAN & MANAGING DIRECTOR

Place: **Gurgaon**
Date: **20th October 2009**