



Royal Enfield Announces INR 800 Crore Capex For FY 2018-19

- ~ Investment to include the start of construction of Phase-2 at Vallam Vadagal***
- ~ Royal Enfield to set-up subsidiaries in Indonesia and Thailand***
- ~ Royal Enfield's production capacity for FY 2018-19 at 950,000 motorcycles***

For Immediate Release:

New Delhi April 03, 2018: Royal Enfield, the global leader in mid-sized motorcycles, announced its planned capital expenditure of INR 800 crore for the year 2018-19. The capex announced will include the commencement of construction of Phase-2 of the Vallam Vadagal plant in Tamil Nadu this year.

Speaking on the company's investment plans, **Mr. Siddhartha Lal, MD & CEO, Eicher Motors Ltd. said,** "Our demand continues to exceed supply, and we continue to see strong growth from all our markets. Therefore, we have decided to expand our production capacity with the second phase of our Vallam Vadagal plant near Chennai, Tamil Nadu. We will also complete construction of our Technology Centre in Chennai this year, and invest further in the development of new products to meet upcoming regulations and to expand our portfolio for our global markets."

With Southeast Asia's long motorcycling culture, Royal Enfield's unique and evocative motorcycles have found strong traction in the region since entering the region two years ago. To further strengthen the brand and accelerate market development activities, Royal Enfield has decided to set up wholly owned subsidiaries in Indonesia and Thailand in 2018-19.

"We continue to strengthen our offerings with new models and variants such as the new Thunderbird X, the Classic Gunmetal Grey, Stealth Black and Redditch series, as well as our soon-to-be-introduced Twins. With a wide distribution network in India, a growing international presence and state-of-the-art capabilities in product development, Royal Enfield is well positioned to grow the middleweight motorcycle segment globally," **said Siddhartha.**

In 2018-19, with the first phase of the Vallam Vadagal factory enjoying its first full year of operations, and with productivity optimisation at its Oragadam plant, Royal Enfield will have an annual production capacity of about 950,000 units.



About Eicher Motors Ltd

Eicher Motors Limited (EML) (Bloomberg: **EIM IN** Reuters: **EICH.NS**) is the listed parent of Royal Enfield, the global leader in middleweight motorcycles. The world's oldest motorcycle brand in continuous production, Royal Enfield has made its distinctive motorcycles since 1901. Focussed on bringing back simple, yet engaging and accessible motorcycling, Royal Enfield operates in India, and over 40 countries around the world. With modern development facilities in Leicestershire, UK and Chennai, India, Royal Enfield makes its motorcycles in Tamil Nadu for the world.

In addition to motorcycles, Eicher has a joint venture with Sweden's AB Volvo - Volvo Eicher Commercial Vehicles Limited (VECV) - which is driving modernization in India's commercial vehicle space, and in other developing countries. VECV has a complete range of trucks and buses from 5-49 tonnes, and its integrated manufacturing plant in Pithampur, Madhya Pradesh is the global hub for medium duty five- and eight-litre engines for Volvo Group.

For the twelve months ended March 2017, Eicher Motors recorded its highest ever total income of INR 7,033 crores (net of excise duty) (approx USD 1.1 billion). Eicher Motors is listed on the BSE and National Stock Exchange, and has been part of the NSE's benchmark Nifty 50 Index since April 1, 2016.

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