

August 10, 2007

INDIAN CAR MARKET UP 18.6 PER CENT

- **Market up 18.6% in the first six months of the year**
- **Market dominated by domestic brands**
- **Maruti is top selling brand**
- **Small cars and SUVs are favoured segments**
- **Diesel proving popular**

JATO Dynamics, the world's leading provider of automotive intelligence has today announced that the Indian market for new cars grew by 18.6% to 758,430 units in the first six months of 2007. The market in June was 114,457 units, a 9.8% increase on the volumes reported in June 2006. The best selling model in the first half of 2007 was the Maruti Alto (known to Europe as the Suzuki Alto), while Maruti was the top selling brand over the same period.

Although the market is experiencing significant growth, it is still a market dominated by a small number of domestically produced vehicles. Indian consumers are currently only offered a total of 80 models manufactured by 25 separate brands making the market much less diverse than Europe, North America and the other great emerging market of China.

"There are relatively few domestic producers and only a limited number of foreign-owned or joint-venture production facilities in India, particularly when compared to China," says Nasir Shah, International Sales and Marketing Director for JATO. "It's a fascinating market that will no doubt experience significant development in the coming years."

JATO is also quick to point out that unlike many non-European markets, diesel cars play a significant role in the Indian market, accounting for at least 18% of sales in the first half of 2007.

Brand Performance

Maruti was India's top-selling car brand in the first 6 months of 2007 (up 26.0% H1), ahead of Tata (up 9.4% H1), Hyundai (up 10.6% H1), Mahindra (up 3.8% H1) and Honda, which posted significant growth in the market of 30.6% over the same period.

Mahindra Renault, a new player in India, has enjoyed a successful introduction to the market, selling over 5,000 units in less than three months. Other manufacturers showing significant growth in the Indian car market include Toyota, Chevrolet, Mitsubishi and Fiat.

Top 10 brands

Make	H1_07	H1_06	% Change		% Change	
			H1	June_07	June_06	June
MARUTI	346,504	274,989	+26.0%	56,001	44,626	+25.5%
TATA	121,723	111,252	+9.4%	17,418	18,463	-5.7%
HYUNDAI	100,945	91,273	+10.6%	16,355	17,032	-4.0%
MAHINDRA	61,096	58,864	+3.8%	3,038	7,882	-61.5%
HONDA	32,228	24,670	+30.6%	4,503	3,074	+46.5%
TOYOTA	26,980	23,857	+13.1%	4,431	4,271	+3.7%
CHEVROLET	26,091	18,857	+38.4%	4,780	3,346	+42.9%
FORD	22,481	23,756	-5.4%	2,750	3,428	-19.8%
SKODA	6,062	6,072	-0.2%	964	989	-2.5%
MAHINDRA RENAULT	5,166	0	-	2,380	0	-

Top Models

The best-selling car in India in the first six months of 2007 was the Maruti Alto, ahead of the Tata Indica, Hyundai Santro (known in Europe as the Hyundai Atos/Amica) and Maruti Wagon R.

New models introduced in the last 12 months, and currently selling well in the Indian car market include the Hyundai Verna, Honda Civic, Maruti SX4, Mahindra Renault Logan and Chevrolet Spark.

Segment Trends

JATO regional segment	H1_07	H1_06	% Change		% Change	
			H1	June_07	June_06	June
Mini	311,933	267,815	+16.5%	44,798	43,054	+4.1%
Small	208,312	178,087	+17.0%	37,415	28,708	+30.3%
Lower Medium	48,068	37,481	+28.2%	10,079	5,880	+71.4%
Upper Medium	5,478	7,020	-22.0%	124	1,143	-89.2%
Executive	3,664	3,548	+3.3%	415	407	+2.0%
Luxury	81	8	+912.5%	0	8	-100.0%

Mini Van	67,914	45,656	+48.8%	11,906	10,229	+16.4%
SUV	103,331	96,160	+7.5%	8,726	14,072	-38.0%
Other	9,649	3,944	+144.7%	994	731	+36.0%
Grand Total	758,430	639,719	+18.6%	114,457	104,232	+9.8%

The mini car segment is the largest in the Indian market, and is up 16.5% YtD on 2006 and is led by the Maruti Alto, ahead of the Hyundai Santro, Maruti Wagon R and Maruti 800. The second largest segment during the half year period was the small segment, up 17.0% YtD and led by the Tata Indica, Maruti Swift and Honda City.

The SUV segment is the third largest in the Indian market. The big-selling products in this segment are large, relatively low-cost vehicles with significant off-road ability such as the Mahindra Scorpio and Tata Safari, rather than the more expensive, more road-biased products that appeal to western consumers. However, Honda, one of the rising stars in the Indian market, has seen its CR-V model taking an increasing share of the segment with sales up 52% YtD.

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Editorial note: JATO Dynamics background

JATO was founded in 1984 and provides the world's most timely, accurate and up-to-date information on vehicle specifications and pricing, sales and registrations, news and incentives. The company has representation in over 40 countries, providing unique local market expertise. The JATO client base includes all of the world's volume vehicle manufacturers, giving them the ability to react to short-term market movements, plan for long-term developments and ultimately to meet consumers' needs. JATO's data has also been adapted for consumer use in motoring web portals where customers can see the advantages and disadvantages of a specified model against any other while major leasing companies use JATO data to drive the vehicle quotation process. Visit JATO at www.jato.com

For further press information, please contact:

Peter Haynes at Automotive PR. Tel: +44 (0) 207 494 8056

Mob: +44 (0) 7738 883259

Email: phaynes@automotivepr.com