

Media Contacts:

Kimberlee Luce, Vice President
+91-98-70199926
Debopam Chaudhuri, Economist
+91-22-67140161
indiawatch@bostonanalytics.com

Young unmarried males are most likely to spend on two-wheelers over the next six months. Demand for these vehicles depend significantly on consumers' comfort in borrowing money however suggesting the importance of debt financing in such purchases

November 17, 2009: With almost all two wheeler companies reporting a growth in sales in October 2009, Boston Analytics' Vehicle Purchase Intentions Report reveals that such a trend is expected to continue for some more time. The major thrust in demand is coming from young males in the age group of 18–35 years who are mostly unmarried. Boston Analytics' "Purchase Intentions Reports" are based on a consumer survey that are carried out every month on close to 10,000 Indian consumers through face to face interviews asking about spending plans on various commodities and services over the next 6–12 months.

Exhibit 1.1: Two-wheeler Purchase Intentions by gender: Oct'09

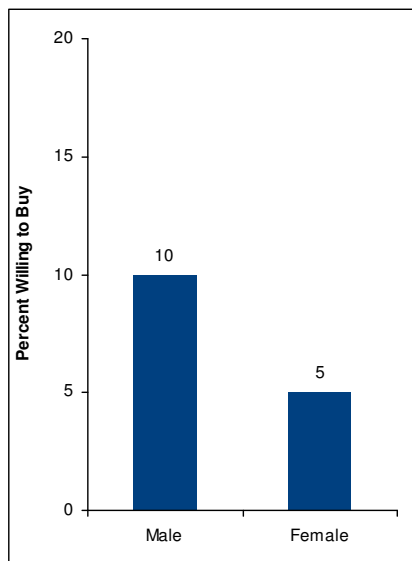


Exhibit 1.2: Two-wheeler Purchase Intentions by age: Oct'09

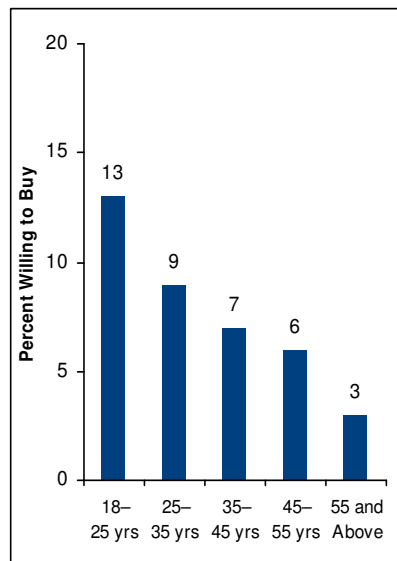
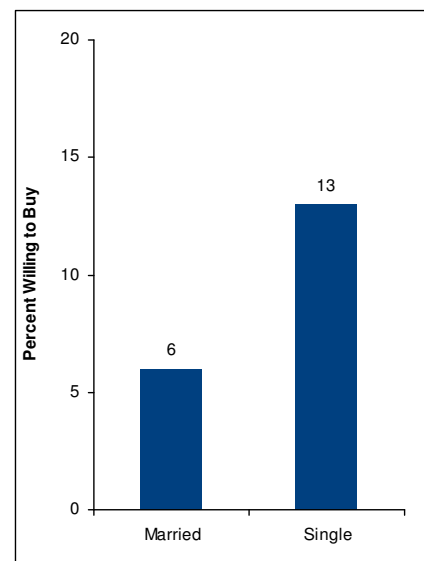


Exhibit 1.3: Two-wheeler Purchase Intentions by marital status: Oct'09



As can be seen from the exhibits above, although the percentages are low, they are relatively higher for men, younger individuals and those who are married.

The "Vehicles Purchase Intentions Report" from Boston Analytics also suggests that those who believe interest rates are likely to decrease in the future express greater optimism regarding purchasing a vehicle than others and similarly those who report feeling more comfortable borrowing money in the future express greater optimism regarding purchasing a vehicle than others. This reflects the importance of debt financing for purchasing two wheelers and may suggest an indication and increase in vehicle loans over the next few months.

Exhibit 2.1: Two-wheeler intentions by expected future movement in interest rates: Oct'09

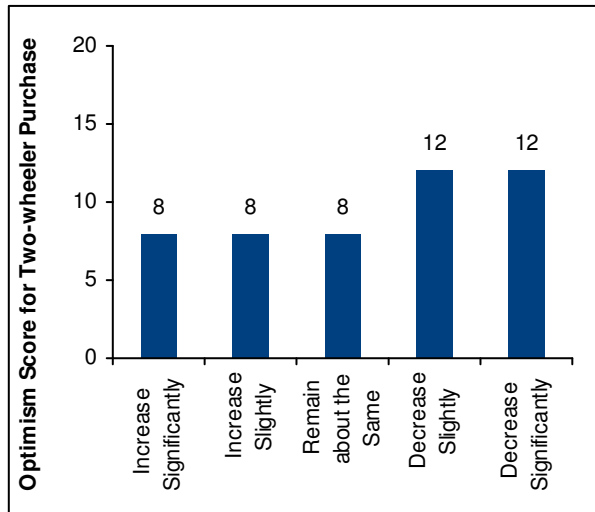
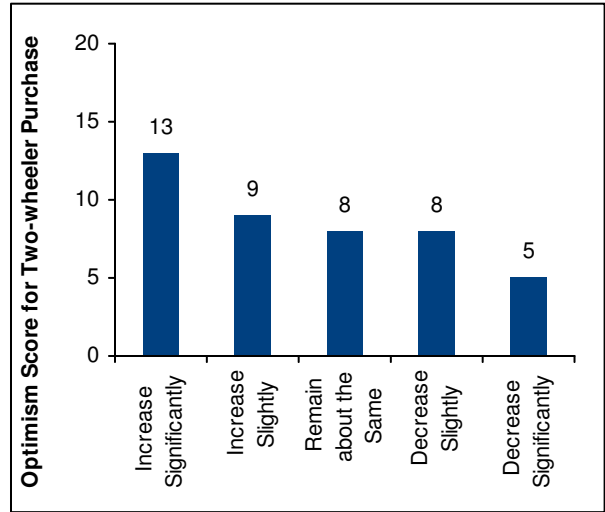


Exhibit 2.2: Two-wheeler intentions by expected comfort in borrowing: Oct'09



*The optimism score measures the degree of optimism expressed by respondents about a particular issue, in this case in terms of purchase intentions. Optimism scores between 0 and 25 indicate that respondents are very pessimistic, 25 to 50 suggest pessimism, 50 to 75 signify optimism, and a score of 75 or more signifies extreme optimism.

Boston Analytics' Vehicles Purchase Intentions Report contains data and commentary on plans to purchase two and three wheelers along-with the specific type and mode of purchase of Indian consumers across 15 Indian cities and 13 different demographic groups across time. Some of these demographics include:

- Age
- Gender
- Marital status
- Annual household income

Data is analyzed along the above variables in terms of their intention to purchase vehicles as well as a number of factors that may influence such intentions during a particular phase of the business cycle such as, perceived inflation, perceived stock market performance, economic conditions, job security, etc.

Customized cuts and analysis of the data are available upon request.

About Boston Analytics:

Boston Analytics provides its corporate, consulting and financial clients the most current, accurate and actionable research and analysis—so they can be the first to uncover and exploit opportunities. The firm's work powers knowledge processes and enables effective decisions at all levels of its clients' businesses. Boston Analytics brings together leading analytical minds worldwide, delivers robust offerings of knowledge services, and works as a genuine partner. Boston Analytics is headquartered in Boston with offices in New York, London, and Mumbai. For more information visit www.bostonanalytics.com



Follow us on <http://twitter.com/indiawatch>