

# Hyundai profit skids for fourth straight quarter

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**HYUNDAI MOTOR INDIA'S** net profit fell 8.1% year-on-year to ₹1,369 crore in the first quarter of FY26 — its fourth straight quarter of decline — due to high discounts and lower domestic sales. The company has lost its second position in domestic sales to closest rival Mahindra and Mahindra.

Despite the drop, the automaker exceeded *Bloomberg's* consensus profit estimate of ₹1,264 crore.

The company attributed the decline in profit to shrinking margins, as its earnings before interest, tax, depreciation, and amortization (Ebitda) margin slipped 20 basis points to 13.3%. The contraction was driven by elevated discounts of around 3% in the first quarter, aimed at boosting sales.

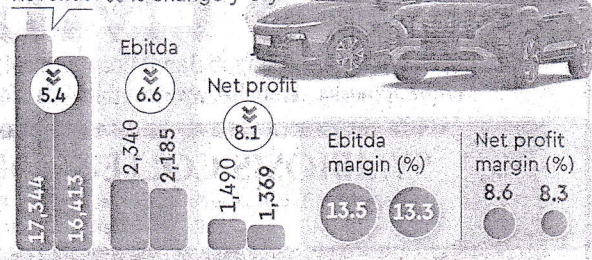
Since its listing in October 2024, the company has not recorded a single quarter of profit growth. Over the past four quarters, its profit has declined between 8% and 19%. The auto major posted a

## DOWNWARD PATH

Hyundai Motor India consolidated financials

(₹ cr) ■ Q1FY25 ■ Q1FY26

Revenue ▲ % change y-o-y



net profit of ₹1,490 crore in the April-June quarter of FY25. Revenue during the quarter fell 5% to ₹16,628 crore, with the company's domestic car sales sliding 11% to 132,259 units.

Looking ahead, the company expects a gradual recovery in domestic demand, supported by the early onset of the monsoon season, upcoming festive demand, and potential government policy measures. On the export front, it remains optimistic about sustaining positive momentum, aligning with

its stated growth targets. The management expressed confidence that these tailwinds will help stabilise performance in the coming quarters.

"We continued our stated strategy of 'quality of growth' in the first quarter of FY26 with balance between domestic & exports, market share and profitability. This strategy helped us sustain a strong Ebitda margin of 13.3% during the quarter, despite a tough macro-economic environment," said Unsoo Kim, managing director, Hyundai.