

TATA MOTORS

Investor Presentation

9th August 2017



Statements in this presentation describing the objectives, projections, estimates and expectations of the Company i.e. Tata Motors Ltd and its direct and indirect subsidiaries and its associates may be “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include, among others, economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates, changes in Government regulations, tax laws and other statutes and incidental factors

Q1 FY18 represents the period from 1st April 2017 to 30th June 2017

Q1 FY17 represents the period from 1st April 2016 to 30th June 2016

Financials (other than JLR) contained in the presentation are as per Ind AS

JLR Financials contained in the presentation are as per IFRS as approved in the EU

	Financial Highlights- Q1 FY 2017-18
	Tata Motors Group-India Business
	Tata Motors Group- Jaguar Land Rover
	Tata Motors Group-Way Forward

Financial Highlights-Q1 FY 2017-18

Tata Motors Group- Consolidated financials

Rs Crores	Q1 FY 18	Q1 FY 17
Net Revenue*	58,651	65,115
EBITDA	5777	9,899
EBITDA %	9.9	15.2
EBIT	1,265	5,079
EBIT %	2.2	7.8
PBT (before exceptional item)	117	2,061
PBT	3,737	2,551
PAT	3,200	2,260

- Consolidated performance in Q1 impacted by the significantly weaker volumes of M&HCV in the standalone business and muted wholesales volumes in JLR with overall higher marketing costs and higher material and operating costs.
- PBT in Q1 FY 18 **includes one time credit of Rs 3,609 crores** in relation to changes made to JLR's defined benefit pension plans.
- Net Automotive Debt Equity as on 30th June was 0.33

Net Revenue and EBITDA excludes other income. EBIT =EBITDA - depreciation & amortization - product development expense+Other Income+ Share of Profit/loss of the Joint venture
Consolidated PAT is after minority interest and share of profit/(loss) in respect of associate companies.

Financial Highlights-Q1 FY 2017-18

Tata Motors Group- Standalone financials (Including Joint Operations)

Rs Crores	Q1 FY 18	Q1 FY 17
Net Revenue*	9,207	10,393
EBITDA	3	670
EBITDA %	0.03	6.4
EBIT	(107)	466
EBIT %	(1.2)	4.5
PBT (before exceptional item)	(467)	38
PBT	(467)	38
PAT	(467)	26

- Performance in Q1 impacted by the significantly weaker volumes of M&HCV (down 34.8% Y-o-Y).
- Net Debt Equity as on 30th June 2017 was 1.0

Net Revenue and EBITDA excludes other income. EBIT =EBITDA - depreciation & amortization - product development expense+Other Income
Consolidated PAT is after minority interest and share of profit/(loss) in respect of associate companies.

Financial Highlights-Q1 FY 2017-18

Tata Motors Group- Jaguar Land Rover-As per IFRS

£ mn	Q1 FY 18	Q1 FY 17
Net Revenue	5,599	5,355
Underlying EBITDA	442	672
Underlying EBITDA %	7.9	12.6
Underlying EBIT	69	329
Underlying EBIT %	1.2	6.1
PBT (before one time item)	157	348
PBT*	595	399
PAT	472	304

- Lower wholesale volumes along with
 - ❖ continued higher Variable Marketing Expenses, particularly US (higher by **£93** vs Q1 FY 17) and
 - ❖ higher Material and Operating costs (higher by **£96** vs Q1 FY 17)
- Share of China JV profit for Q2 FY 18 was **£77 million** (includes £31 million local market incentive)

* Includes one time credit of £437m in relation to changes made to the pension plans in Q1 FY 18 and £50m in Q1 FY 17 on account of Tianjin recoveries

Net Revenue and EBITDA excludes other income

EBIT =EBITDA - depreciation & amortization + Share of Profit/loss of the Joint venture

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TATA Motors Group

India Business

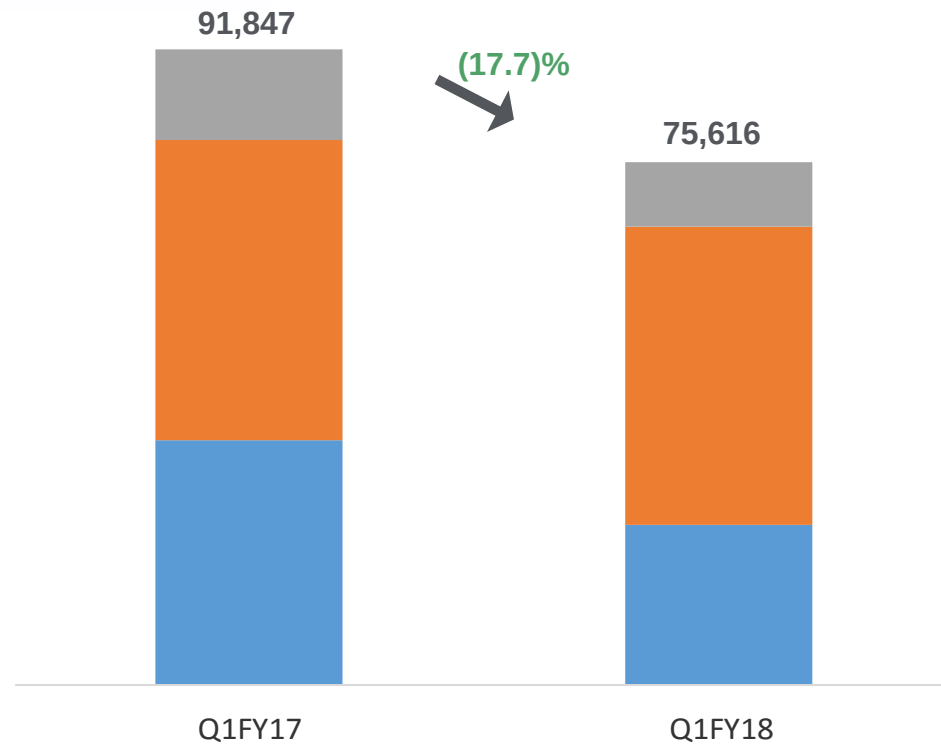


Tata Motors Group-Standalone Business :-Commercial Vehicles



Total **CV volumes** (including exports), **down 17.7 %** YOY in Q1 FY 18

■ M&HCV ■ LCV ■ Exports



CV	Q1FY18	Q1FY17
M&HCV	23,142	35,504
LCV	43,255	43,189
Exports	9,219	13,154
Total	75,616	91,847

Tata Motors Group-Standalone Business :-Commercial Vehicles (Contd.....)

Q1 FY 18- Domestic CV industry ↓ 8.4 % Y-o-Y,

mainly led by

M&HCV (Truck) ↓ 32.2% Y-o-Y

M&HCV (Buses) ↓ 27.1% Y-o-Y

LCV (Buses) ↓ 14.0% Y-o-Y

LCV (Truck) ↑ 13.4% Y-o-Y

M&HCV (Truck) witnessed de-growth in Q1 FY 17-18 due to

Pre-buying (in Q4 FY2017 ahead of the BS-IV roll-out),

Deferment by fleet operators before GST roll-out and

Supply disruptions because of limited availability of components for BS-IV vehicles,

Q1 FY 18- Company- Domestic CV ↓ 15.6% Y-o-Y,

mainly led by

M&HCV (Truck) ↓ 36.0% Y-o-Y

M&HCV (Buses) ↓ 25.1% Y-o-Y

LCV (Buses) ↓ 13.5% Y-o-Y

LCV (Truck) ↑ 4.4% Y-o-

Key Highlights of Q1 FY 17-18

Order for **500 Buses** from Ivory Coast



Launched- **AMT (Automated Manual Transmission) technology** in fully built buses, ranging from 9-12 meters and a seating capacity of 23 to 54 passengers.



BSIV ready CVs with **Exhaust Gas Recirculation (EGR)** and **new future leading Selective Catalytic Reduction (SCR)**



Commenced trials of **Tata Ultra ELECTRIC 9m bus** in Chandigarh- post successful trial from Parwanoo to Shimla where the bus covered a distance of 160 kms in one full charge



Tata Motors Group-Standalone Business :-Commercial Vehicles (Contd.....)

Launches in FY 18 to drive growth



LPS 4923



LPK 2518 HD



Signa on MAV 37



LPTK 2518



SIGNA Tippers



LPTK 3118



1518 Ultra+



LPT 709 CNG



Ultra narrow



407 BS4 range, Ultra 13.5 ton



Ace XL, Mega XL, Zip XL



**Xenon Yodha range –
SC,DC,4*4**



Winger Cargo BS4



ULTRA BS4 range on 3.0 L



Magna



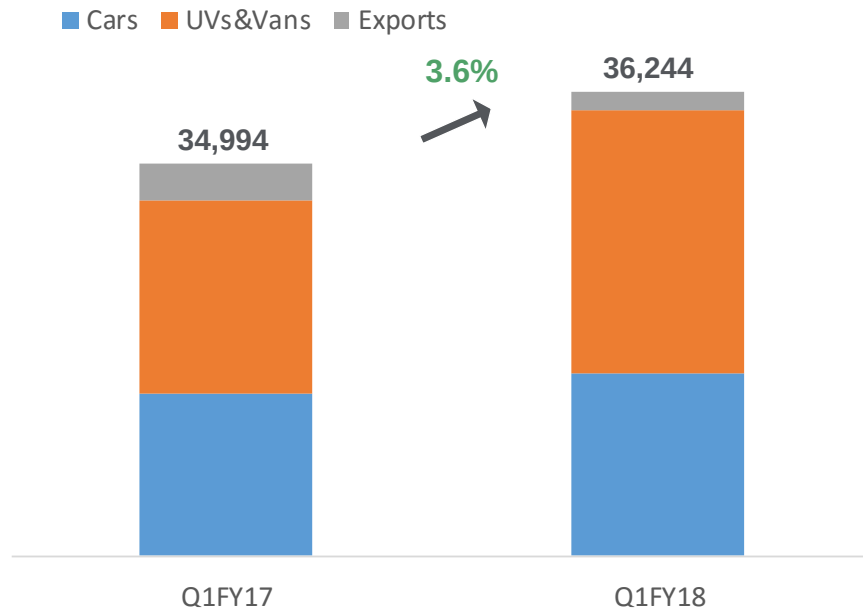
Magic Express

Tata Motors Group-Standalone Business :-Passenger Vehicles



**Total PV volumes (including exports),
Up 3.6% YOY in Q1 FY18**

PV	Q1FY18	Q1FY17
Cars	31,257	30,874
UVs & Vans	4,674	3,456
Exports	313	664
Total	36,244	34,994



Tata Motors Group-Standalone Business :-Passenger Vehicles (contd.....)

Q1 FY 18- Domestic PV industry ↑ 4.1% Y-o-Y,

mainly led by

Car segment ↑ 3.5% Y-o-Y

UVs and Vans ↑ 5.7% Y-o-Y

Q1 FY 18- Company- Domestic PV ↑ 4.7% Y-o-Y,
mainly led by

Car segment ↑ 1.2% Y-o-Y

UVs and Vans ↑ 35.2% Y-o-Y

Tiago, Tigor and Hexa continues to drive the sales growth in the quarter.

Key Highlights of Q1 FY 17-18

Signed a contract for supply of **3192 units of the Tata Safari Storme 4x4** to the Indian Armed Forces, under a new category of vehicles – **GS800** (General Service 800)



Other Highlight of Q1 FY 17-18

Company has divested approximately **30% of its equity stake in Tata Technologies** (including the stake of its subsidiary Sheba Properties) to Warburg Pincus for an approximate amount of **\$250 million**. The transaction is subject to necessary regulatory approvals.

All new SUV – Tata NEXON



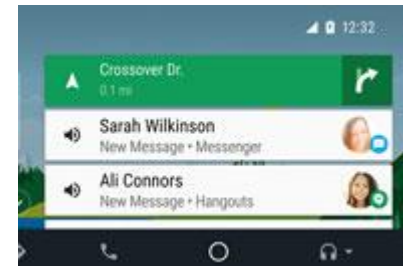
Multi Drive Modes



**Floating Dashtop
HD Touchscreen**



**Powerful & Torquey
Engines**



**HARMAN Infotainment System
with Android Auto and Car play**



**Grand Central Console
with Sliding Tambour
Door Mechanism**

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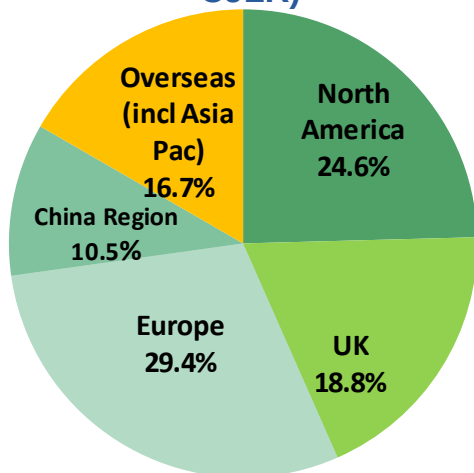
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Jaguar Land Rover

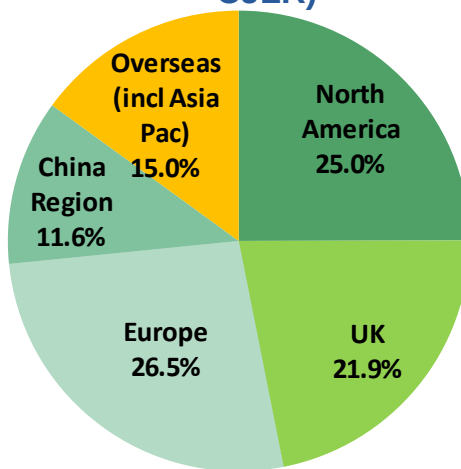


Tata Motors Group-Jaguar Land Rover- Key highlights

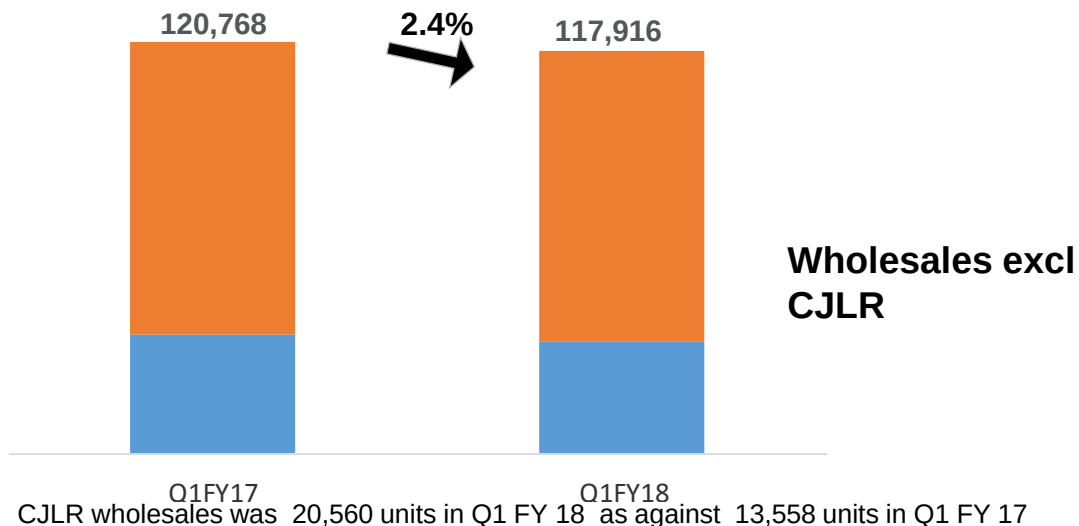
Q1 FY17 (Wholesales ex CJLR)



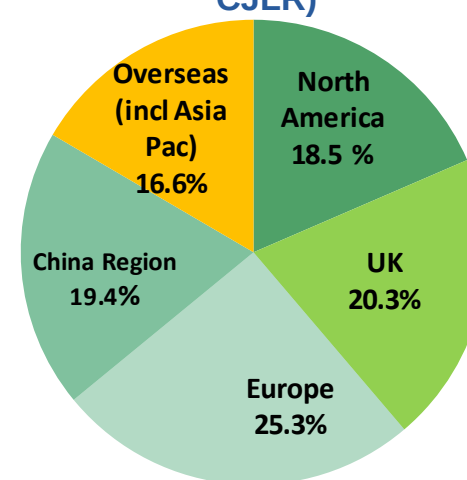
Q1 FY18 (Wholesales ex CJLR)



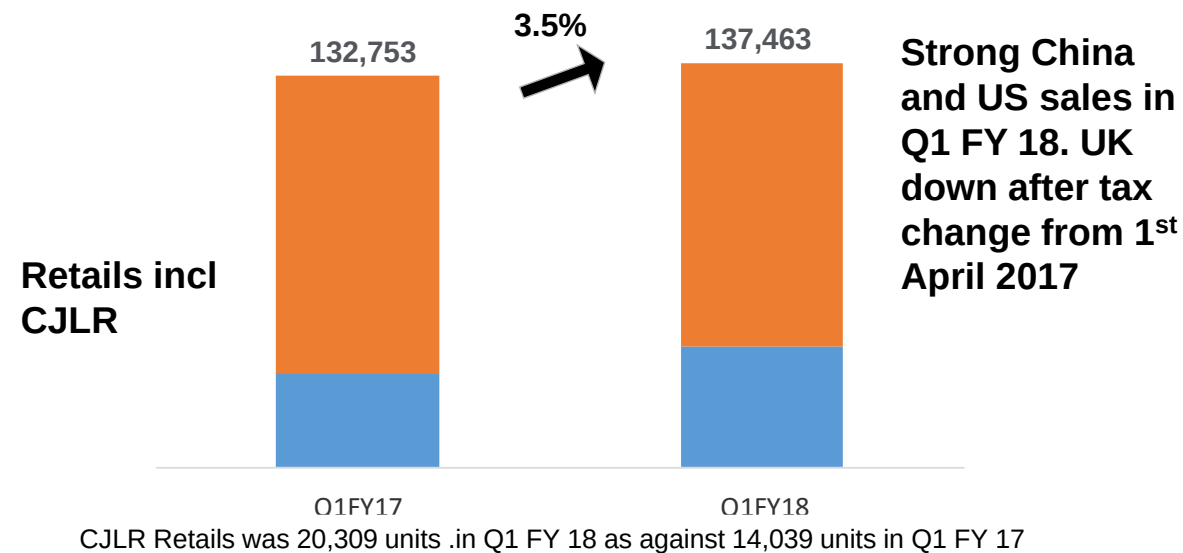
Jaguar LandRover



Q1 FY17 (Retails incl CJLR)



Jaguar LandRover



EXCITING NEW PRODUCTS TO DRIVE FUTURE GROWTH

Discovery (US & China May 2017)



Range Rover Velar (July 2017)



XF Sportbrake (This Summer)



E-PACE (This Winter)



I-PACE (2018)



First premium SUV BEV



Watch this space!

STRATEGIC PRIORITIES- ACES



AUTONOMOUS

- JLR vehicles currently include level 2 features
- Investing in driver assistance technology to support increasing degrees of automation



CONNECTED

- Investment in technology & infrastructure to support higher levels of connectivity
- Cloudcar-\$15m equity investment



ELECTRIC

- I-PACE , Battery Electric Vehicle on sale 2018
- Plug-in hybrids starting in 2018



SHARED

- InMotionVentures invests in the future of transport and mobility
- Lyft investment -\$25m with opportunities to collaborate

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Way Forward



Transformation Journey...*Strong Momentum in the Focussed actions to achieve topline growth and improve profitability*

- ❑ Company unveiled its Transformation Strategy towards the end of May 2017, pursuant to which Company has initiated several programmes and actions for driving the topline growth and improving the profitability through major cost reduction.
- ❑ The initiatives have gained significant momentum with a clear focus to improve the financial performance in the coming quarters.
- ❑ Some of the key trends confirming the progress of these initiatives are as below :-
 - Continued M-o-M improvement in the market share across all the segments in CV since April 2017,
 - Filling up of the gaps in the key growing segments like 37T and 49T
 - Series of product actions in FY 18-
 - ❖ 6 New product launches in FY 18 –LPS 4923, LPK 2518, Signa on MAV 37, LPTK 2518, LPTK 3118, Signa Tippers
 - ❖ 4 new products in ILCV in FY18, ramp-up of 5 launches from the last year . Key launches include 1518 Ultra+, LPT 709 CNG, Ultra Narrow, 407 BS4 range, Ultra 13.5 T
 - ❖ XL family in SCV (Ace Mega XL, Ace Zip XL and Ace XL) and Xenon Yodha range in Pick-ups

- ❖ Wide range of people transport solutions-Ultra BS4 range on 3.0L, Magna, Magic Express.
- ❖ Ramp of volumes of TIAGO, HEXA and TIGOR,
- ❖ Launch of recently introduced Tata NEXON in the compact SUV to a very favourable initial response
- ❖ Better than planned implementation of cost reduction ideas and time-bound actions for coming quarters.



Company will continue to explore capital optimization through better operating efficiencies in working capital etc. and monetization of non-core assets and some of its investments

Infrastructure & rural spending, favorable GST impact and normal monsoon is expected to support the CV growth in FY 17-18.

Volumes of LCV and Buses, are expected to grow by 10% in FY 17-18.

M&HCV growth in FY 17-18 will be impacted by weak start in H1, post BS4 introduction and post GST.

Tiago, Hexa ,Tigor and upcoming Nexon to support the continued growth of the passenger vehicles

Channel strategy to build customer centricity and brand perception improvement.

CONTINUING TO INVEST TO DRIVE PROFITABLE GROWTH

- JLR's strategy is to achieve sustainable profitable growth by investing proportionally more in new products, technology and manufacturing capacity. Consistent with this, FY18 investment spending is expected to be in the region of £4- £4.35b, including investment in the new Slovakia plant
- Despite increased geo-political uncertainty (e.g Brexit in the UK), economic growth in most major economies is continuing, although competitive conditions and incentive levels in the automotive sector have increased in key markets such as North America
- As previously indicated, JLR expects margin pressures seen in FY17 including higher incentive levels and launch and growth costs to continue in FY18. We also expect seasonality in volume and profit by Quarter to continue.
- The launch of the versatile new Discovery (US and China in May), the stunning Range Rover Velar, the Jaguar E-PACE, XF Sportbrake and other exciting new models in FY18 are expected to strengthen our portfolio and attract new customers, driving sustainable profitable growth over the course of the financial year and beyond.
- JLR's planning target remains to achieve an 8-10% EBIT margin in the medium term

Investor Presentation is available on our website
<http://www.tatamotors.com/investors>

Thank You



FOREIGN EXCHANGE –IMPACT ON PROFITABILITY

(£ millions)	Quarter ended 30 June			
	2017		2016	
Operational exchange	n/a		n/a	
Realised FX hedges and other	(454)		(115)	
Revaluation of current assets and liabilities including warranty	(365)	(3)	(94)	(86)
Total FX impacting EBITDA & EBIT	n/a		n/a	
Unrealised FX Hedges	89		21	
Revaluation of Undesignated Debt	19		(23)	
Total FX impact on PBT	n/a		n/a	
Realised commodities (incl. in EBITDA & EBIT)	1		(15)	
Unrealised commodities (excl. from EBITDA & EBIT)	(8)		33	
Total FX & Commodities impact on PBT	n/a		n/a	
End of Period Exchange Rates	Q-o-Q		Q-o-Q	
GBP:USD	1.301	4.4%	1.346	6.2%
GBP:EUR	1.140	2.2%	1.211	4.2%
GBP:CNY	8.817	2.8%	8.965	3.4%