



# TATA MOTORS GROUP : RESULTS DATA BANK

Q1 FY'20 | 25 July 2019

Statements in this presentation describing the objectives, projections, estimates and expectations of Tata Motors Limited (the “Company”, “Group” or “TML”) Jaguar Land Rover Automotive plc (“JLR”) and its other direct and indirect subsidiaries 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

Certain analysis undertaken and represented in this document may constitute an estimate from the Company and may differ from the actual underlying results

## Narrations

- Q1FY20 represents the 3 months period from 1 Apr 2019 to 30 Jun 2019
- Q1 FY19 represents the 3 months period from 1 Apr 2018 to 30 Jun 2018

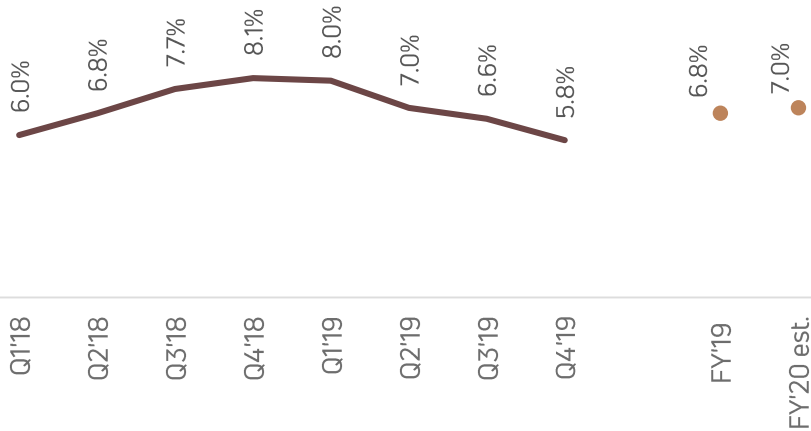
## Accounting Standards

- Financials (other than JLR) contained in the presentation are as per IndAS
- Results of Jaguar Land Rover Automotive plc are presented under IFRS as approved in the EU.
- Tata Motors Finance –Performance snapshot is as per IndAS and IGAAP

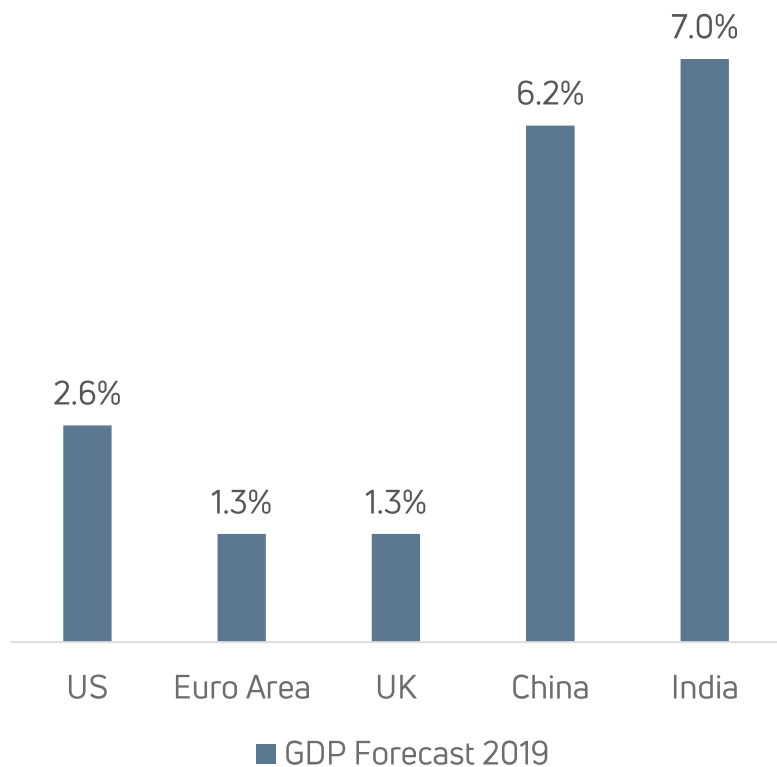
## Other Details

- **JLR volumes:** Retail volume and wholesales volume data includes sales from the Chinese joint venture (“CJLR”)
- **Reported EBITDA** is defined to include the product development expenses charged to P&L, revaluation of current assets and liabilities and realised FX and commodity hedges but excludes the revaluation of foreign currency debt, MTM on FX and commodity hedges, other income (except government grant) as well as exceptional items.
- **Reported EBIT** is defined as reported EBITDA plus profits from equity accounted investees less depreciation & amortisation.
- Retail sales of TML represents the estimated retails during the quarter.

India : Quarterly GDP



- GDP growth of FY 19 at 6.8% (FY 18 : 7.2%)
- GDP growth for FY 20 is revised downwards from 7.2% in the RBI's April policy to 7.0 % in June policy
- Investment and consumption– both turned weak
- Moderation in activity in the service sector (PMI service moderated to 49.6 in June) .
- PMI Manufacturing at 52.1 in June.
- NBFC crisis led to liquidity crunch and lending crisis.
- Sales of commercial vehicles, tractors, passenger cars, and three and two wheelers contracted



Source : IMF July 2019

- Global trade is increasingly afflicted by uncertainty. IMF cuts its global GDP forecast for 2019 to 3.2%
- The major contributors to the global slowdown are:
  - US-China trade tension
  - Credit tightening in China
  - Stalled growth in Europe
  - Brexit uncertainty
- India's growth forecasts are revised based on :
  - Global Slowdown
  - Weakening domestic investments/Liquidity Crisis
- *IMF : "The projected growth pickup in 2020 is precarious, presuming stabilization in currently stressed emerging market and developing economies and progress toward resolving trade policy differences"*

# Tata Motors Group : Financials

Q1 FY'20 | 25 Jul 2019

# Tata Motors Group

## Consolidated

**TATA MOTORS**

	Q1 FY'20	Quarter ended 30 June Q1 FY'19	Y-o-Y change <i>Rs Cr. IndAS</i>
Global Wholesales*	256,805	310,109	(20.8%)
Revenue (Net off Excise duty)	61,467	66,619	(7.7%)
EBITDA	3,795	5,003	(24.1%)
EBITDA Margin	6.2%	7.5%	(130 bps)
EBIT	(1,562)	(548)	(185.0%)
EBIT Margin	(2.5%)	(0.8%)	(170 bps)
Profit before exceptional items and tax	(3,129)	(2,584)	(21.1%)
Exceptional items : gain/ (loss)	(109)	-	-
Profit before tax	(3,238)	(2,584)	(25.3%)
Profit for the period (Incl share of JV and Associates)	(3,680)	(1,863)	(97.5%)
Basic EPS - Ordinary Shares	(10.89)	(5.60)	-
Basic EPS - 'A' Ordinary shares	(10.89)	(5.60)	-
	30-Jun-2019 <sup>#</sup>	31-Mar-2019	30-Jun-2018
Gross Debt	1,14,318	1,06,175	91,157
Net Automotive Debt	46,515	28,394	32,977
Net Automotive Debt / Equity	0.84	0.47	0.36

\* Global wholesales are including CJLR.

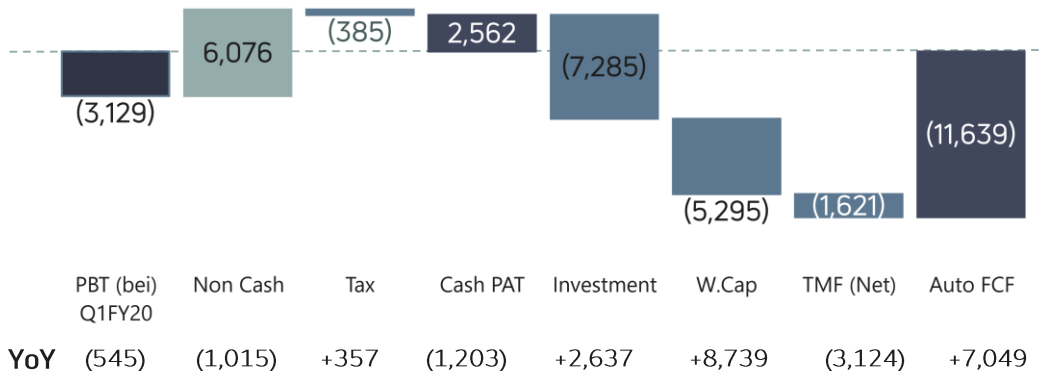
<sup>#</sup> Includes IFRS 16 impact of Rs 6,040 crores

# Free Cash Flows (Auto) outflow of ₹(11.6KCr)

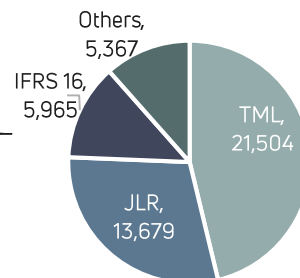
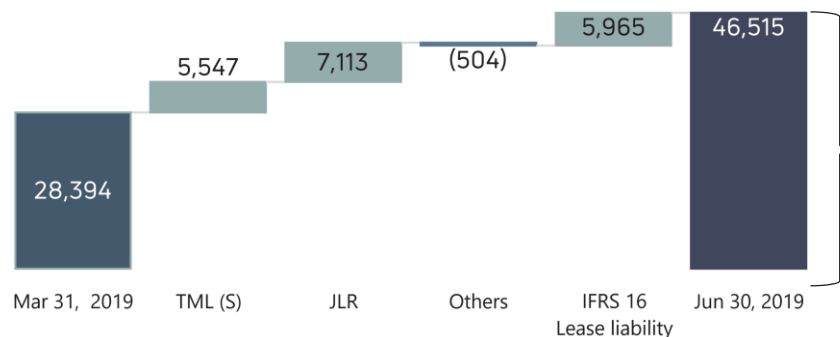
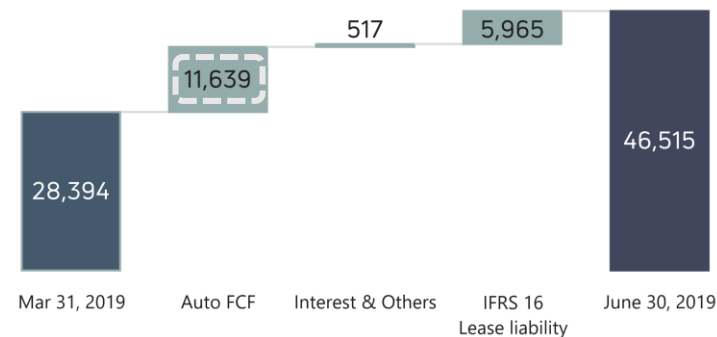
## Leases accounting treatment increases net auto debt by ~₹6K Cr

Rs Cr. IndAS

### Auto FCF



### Net Auto Debt Movement



	JLR	TML (S)
With IFRS 16 impact	2.7x	4.7x
W/O IFRS 16 impact	2.4x	4.6x

# Tata Motors Group

## Standalone (JO)

	Quarter ended 30 June		Rs Cr. IndAS
	Q1FY'20	Q1FY'19	Y-o-Y change
Total Volumes : CV+ PV + Exports (Units)	<b>136,705</b>	<b>176,868</b>	<b>(22.7%)</b>
CV (Units)	93,995	1,11,941	(16.0%)
PV (Units)	37,041	52,972	(30.1%)
Export	5,669	11,955	(52.6%)
Revenue (Net off Excise duty)	13,352	16,675	(19.9%)
EBITDA	888	1,395	(36.3%)
EBITDA Margin	6.7%	8.4%	(170 bps)
EBIT	111	690	(83.9%)
EBIT Margin	0.8%	4.1%	(330 bps)
Profit before tax (bei)	(40)	1,464	-
Profit before tax	(48)	1,464	-
Profit after tax	(97)	1,188	-
Basic EPS - Ordinary Shares	(0.29)	3.48	-
Basic EPS - 'A' Ordinary shares	(0.29)	3.58	-
	30-Jun-2019 <sup>#</sup>	31-Mar-2019	30-Jun-2018
Gross Debt	24,150	18,640	20,708
Net Debt	21,718	15,658	18,204
Net Debt / Equity	0.99	0.71	0.85

<sup>#</sup> Includes IFRS 16 impact of Rs 566crores



# Tata Motors Group

## Jaguar Land Rover



IFRS, £m	Q1 FY20	Q1 FY19	Change
<b>Revenues</b>	<b>5,074</b>	<b>5,222</b>	<b>(148)</b>
Material and other cost of sales	(3,281)	(3,366)	85
Employee costs	(656)	(733)	77
Other (expense)/income	(1,263)	(1,225)	(38)
Product development costs capitalised	339	426	(87)
<b>EBITDA</b>	<b>213</b>	<b>324</b>	<b>(111)</b>
Depreciation and amortisation	(463)	(549)	86
Share of profit/(loss) from Joint Ventures	(28)	30	(58)
<b>EBIT</b>	<b>(278)</b>	<b>(195)</b>	<b>(83)</b>
Debt/unrealised hedges MTM & unrealised investments	(70)	(58)	(12)
Net finance (expense) / income	(35)	(11)	(24)
<b>Profit before tax and exceptional items</b>	<b>(383)</b>	<b>(264)</b>	<b>(119)</b>
Exceptional items	(12)	-	(12)
<b>Profit before tax</b>	<b>(395)</b>	<b>(264)</b>	<b>(131)</b>
Income tax	(7)	54	(61)
<b>Profit after tax</b>	<b>(402)</b>	<b>(210)</b>	<b>(192)</b>

The exceptional items impacting Q1 FY20 relate to one-time separation costs. For statutory reporting under IFRS, the Group recognises revenue on wholesales (excluding sales from CJLR). The Group recognises its share of profits from CJLR within EBIT.

# Tata Motors Group

## China JV (100%) : Loss before tax £68m



IFRS, £m

IFRS, £m	Q1 FY20	Q1 FY19	Change
Retail volumes ('000 units)	14.2	21.2	(7.0)
Revenues	366	680	(314)
Profit / (Loss) - before tax	(68)	93	(161)
- after tax	(53)	60	(113)
EBITDA	(5)	141	(146)
<i>EBITDA Margin</i>	(1.4)%	20.7%	(22.1)%
EBIT	(64)	90	(154)
<i>EBIT Margin</i>	(17.5)%	13.2%	(30.7)%
Cash and cash equivalents	439	316	123

# Tata Motors Group

## FX impact-Consolidated & Standalone (JO)

Consolidated (Rs Cr)	Quarter ended 30 June	
	Q1 FY'20	Q1 FY'19
Realised Foreign Exchange	214	(427)
Total FX impacting EBITDA & EBIT : gain/(loss)	214	(427)
Unrealised Foreign Exchange	(352)	(580)
Total FX impact on PBT : gain/(loss)	(138)	(1,007)

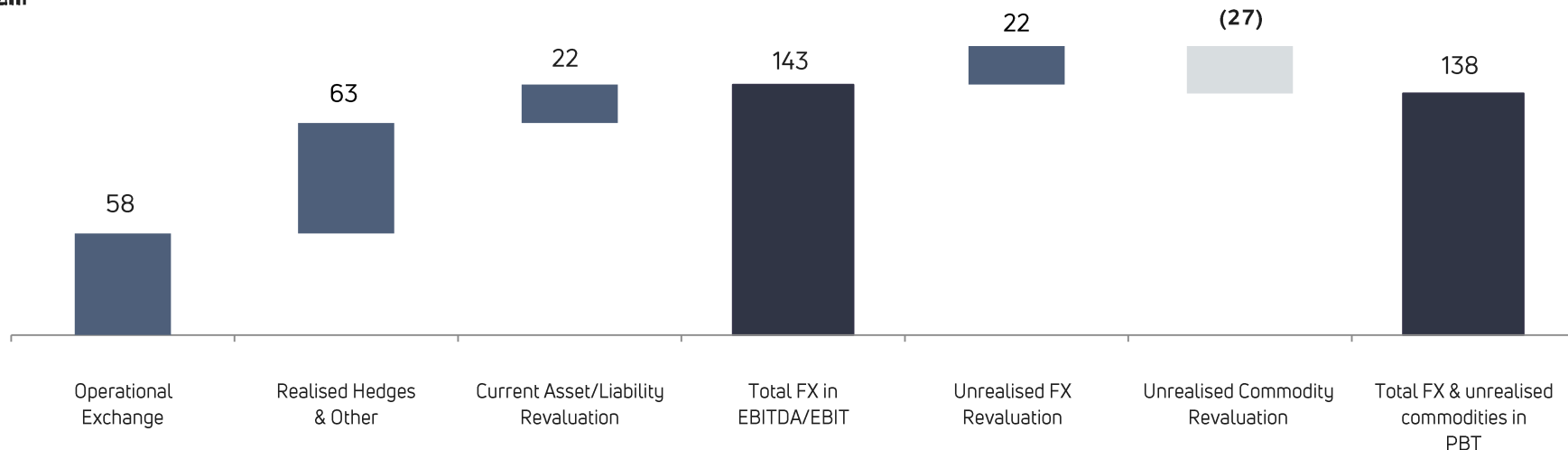
Standalone (JO) (Rs Cr)	Quarter ended 30 June	
	Q1 FY'20	Q1 FY'19
Realised Foreign Exchange	11	(69)
Total FX impacting EBITDA & EBIT : gain/ (loss)	11	(69)
Unrealised Foreign Exchange	26	(126)
Total FX impact on PBT : gain/ (loss)	37	(195)

# JLR : FX and unrealised commodities up £138m YoY

## Favourable operational exchange, net hedging and revaluation



IFRS, £m



### End of Period Rates

	Q1 FY19	Q4 FY19	Q1 FY20	YoY Change	QoQ Change
<b>GBP:USD</b>	1.311	1.302	1.267	(3.4%)	(2.7%)
<b>GBP:EUR</b>	1.128	1.160	1.113	(1.3%)	(4.1%)
<b>GBP:CNY</b>	8.692	8.757	8.705	0.1%	(0.6%)

### Hedge Reserve (Pre-Tax)

	Q1 FY19	Q4 FY19	Q1 FY20
Current Portion	(564)*	(459)	(444)
Non-Current Portion	(169)	(204)	(167)
<b>Total</b>	<b>(733)</b>	<b>(663)</b>	<b>(611)</b>

Certain analysis undertaken and represented in this document may constitute an estimate from the Company and may differ from the actual underlying results

\* Restated

# JLR :FX and unrealised commodities up £138m YoY

## Favourable operational exchange, net hedging and revaluation



IFRS, £m	Q1 FY20	QoQ Change	YoY Change
Operational exchange	n/a	39	58
Realised FX hedges and other	(149)	9	63
Revaluation of current assets and liabilities	(34)	(74)	22
<b>Total FX impacting EBITDA &amp; EBIT</b>	<b>n/a</b>	<b>(26)</b>	<b>143</b>
Revaluation of unrealised currency derivatives	11	11	21
Revaluation of USD and Euro Debt	(49)	(87)	1
<b>Total FX impact on PBT</b>	<b>n/a</b>	<b>(102)</b>	<b>165</b>
Realised commodities (incl. in EBITDA & EBIT)	4	(1)	(12)
Unrealised commodities (excl. from EBITDA & EBIT)	(26)	(49)	(27)
<b>Total Commodities impact on PBT (incl. in contribution costs)</b>	<b>(22)</b>	<b>(50)</b>	<b>(39)</b>
<b>Total FX &amp; Commodities impact on PBT</b>	<b>n/a</b>	<b>(152)</b>	<b>126</b>
<b>Total pre-tax hedge reserve</b>	<b>(611)</b>	<b>52</b>	<b>122</b>
<b>Current portion of hedge reserve</b>	<b>(444)</b>	<b>15</b>	<b>120</b>
<b>End of Period Exchange Rates</b>			
GBP:USD	1.267	(2.7%)	(3.3%)
GBP:EUR	1.113	(4.0%)	(1.3%)
GBP:CNY	8.705	(0.6%)	0.2%

### Memo:

<sup>1</sup> The year-on-year operational exchange is an analytical estimate, which may differ from the actual impact

<sup>2</sup> Realised hedge gains/(losses) are driven by the difference between executed hedging exchange rates compared to accounting exchange rates

<sup>3</sup> Exchange revaluation gains/(losses) reflects the estimated impact of the change in end of period exchange rates as applied to relevant balances

# Jaguar Land Rover

## IFRS to IndAS walk



Particulars (£m)	<u>Quarter ended 30 June 2019</u>
Profit after Tax as reported under IFRS	(402)
Ind AS Adjustment	
a. Options	1
b. Forwards and others	1
Profit after Tax as reported under Ind AS	(400)

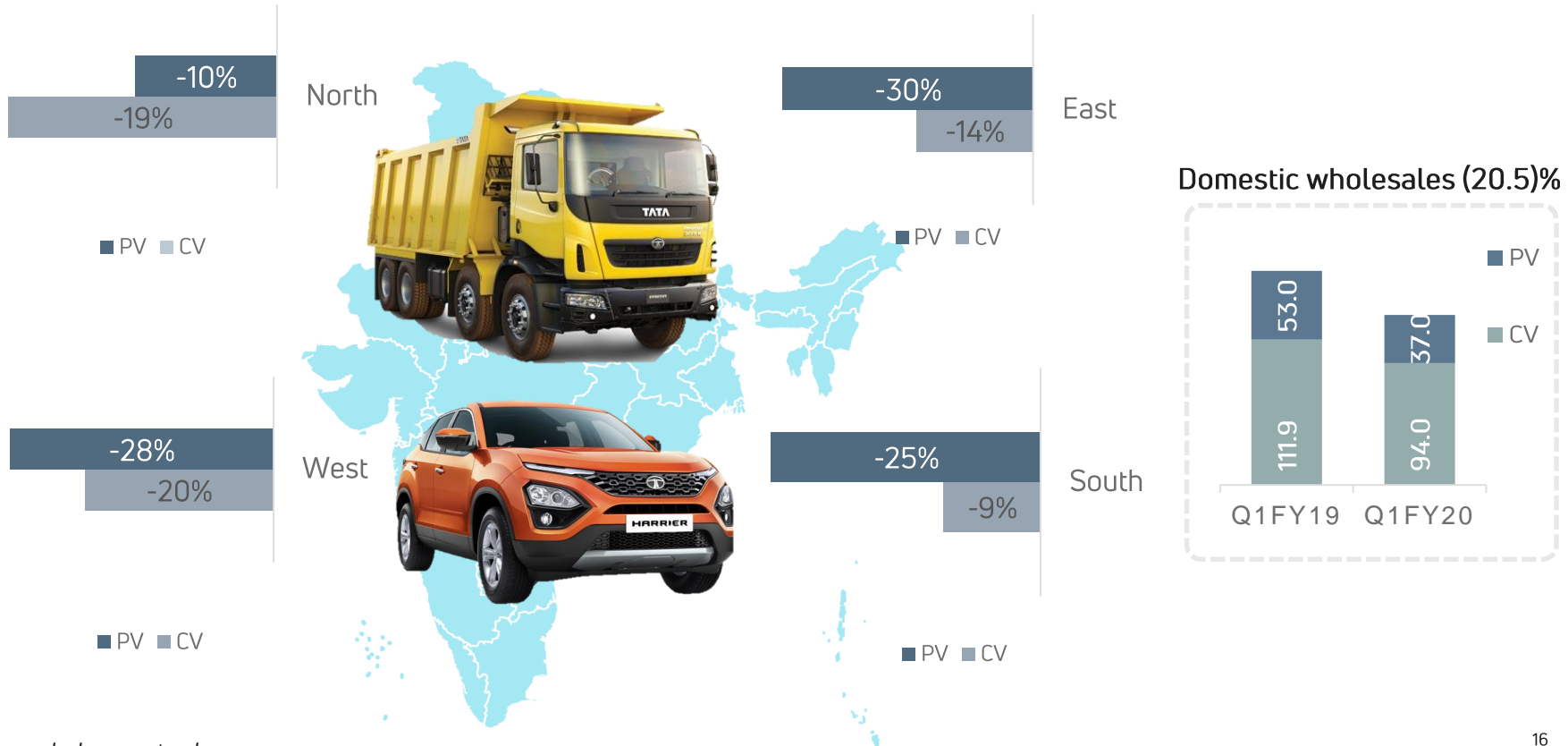
# **Tata Motors Group : Additional details**

Q1 FY'20 | 25 July 2019

# Tata Motors : CV & PV :Geographical Growth

## Focus on retails; challenging market conditions

(Units in 000's)



The figures exclude export volumes



# Tata Motors Group

## Credit Rating Profile of the Group

### Tata Motors Limited

Credit Rating Agency	Long Term Rating as on 25 July 2019
Moody's	Ba3 / Negative
S&P	B+/ Negative watch
CRISIL	AA / Stable
ICRA	AA / Stable
CARE	AA / Stable

### Jaguar Land Rover

Credit Rating Agency	Long Term Rating as on 25 July 2019
Moody's	B1 / Negative
S&P	B+/ Negative watch
Fitch	BB-/Negative *

\* Rating change at July 16, 2019

# Thank You

Tata Motors Investor Relations  
[ir\\_tml@tatamotors.com](mailto:ir_tml@tatamotors.com)