



# TATA MOTORS GROUP : RESULTS DATA BANK

Q3 FY'20 | 30 January 2020

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

- Q3FY20 represents the 3 months period from 1 Oct 2019 to 31 Dec 2019
- Q3FY19 represents the 3 months period from 1 Oct 2018 to 31 Dec 2018
- 9MFY20 represents the 9 months period from 1 Apr 2019 to 31 Dec 2019
- 9MFY19 represents the 9 months period from 1 Apr 2018 to 31 Dec 2018

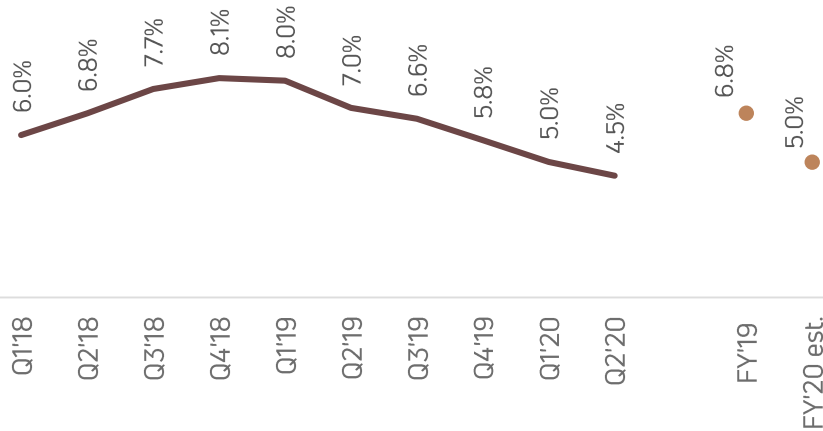
## Accounting Standards

- 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

## 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.

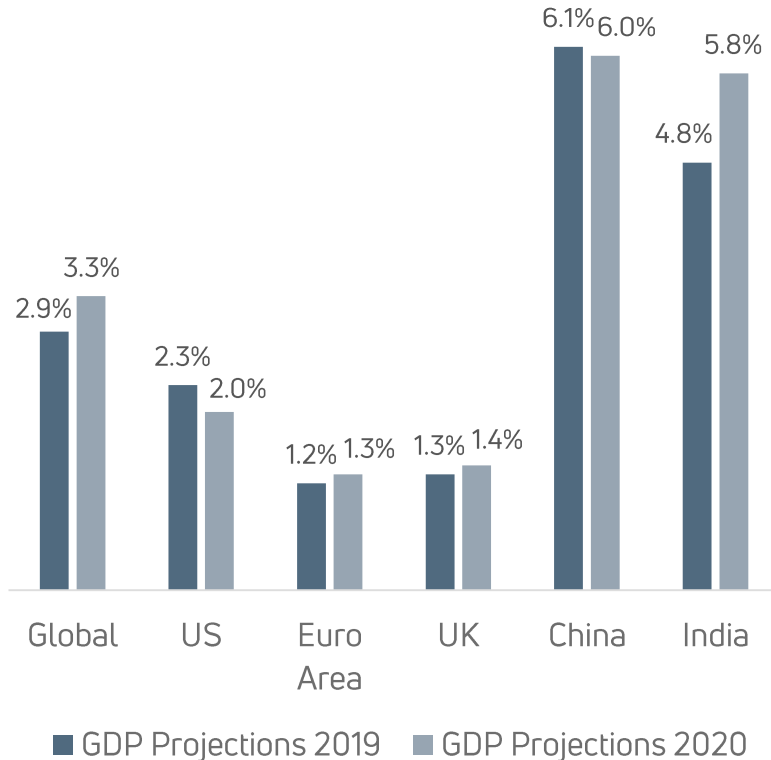
India : Quarterly GDP



- The slowdown of economic activity started in FY19 extended into first half of FY20. In Nov 19, Index of Industrial Production (IIP) grew at 1.8 per cent in November on the back of improving manufacturing sector.
- GDP growth for FY 20 is revised downwards from 6.1% in the RBI's October policy to 5.0 % in December policy.
- Weak private consumption and investment in Q2
- High frequency indicators for Q3 point to a slowdown.
- RBI has cut the repo rate from 6.00% to 5.15% from April-October 2019 (Cumulative 85 bps)
- Consumer confidence moved lower due to ebbing of sentiments on the general economic situation and the employment scenario.

# Economy Update

## Global



Source : IMF January 2020

- The global economic activity shows tentative signs of stabilization at a sluggish pace .
- Temporary factors that had slowed global manufacturing appeared to fade. Business sentiment and the outlook in the manufacturing sector ceased deteriorating, but remained pessimistic overall.
- The global subdued growth is a result of:
  - Trade policy uncertainty ,
  - Geopolitical tensions including increased social unrest,
  - Idiosyncratic stress in key emerging market economies including India.
- India's growth forecasts are revised downwards due to sharp slowdown in domestic demand amid stress in the NBFC sector and decline in credit growth
- India's growth for 2020 and 2021 is projected to improve to 5.8% and 6.5% respectively based on :
  - Monetary fiscal stimulus
  - Subdued oil prices

# Tata Motors Group : Financials

Q3 FY'20 | 30 January 2020

# Tata Motors Group

## Consolidated

**TATA MOTORS**

	Quarter ended 31 Dec			Nine months ended 31 Dec			Rs Cr.IndAS
	Q3 FY'20	Q3 FY'19	Y-o-Y change	9M FY'20	9M FY'19	Y-o-Y change	
Global Wholesales*	275,907	314,760	(12.3)%	774,848	947,783	(18.2)%	
Revenue (Net off Excise duty)	71,676	76,916	(6.8)%	198,575	215,516	(7.9)%	
EBITDA	7,074	6,522	8.5%	18,971	18,638	1.8%	
EBITDA Margin	9.9%	8.5%	140 bps	9.6%	8.6%	100 bps	
EBIT	1,676	(55)		2,553	655		
EBIT Margin	2.3%	(0.1)%	240 bps	1.3%	0.3%	100 bps	
Profit before exceptional items and tax	1,351	(1,214)		(1,196)	(4,092)		
Exceptional items : gain/ (loss)	(1)	(28,014)		(71)	(28,544)		
Profit before tax	1,350	(29,228)		(1,267)	(32,636)		
Profit for the period (Incl share of JV and Associates)	1,756	(26,961)		(2,111)	(29,833)		
Basic EPS - Ordinary Shares	5.02	(79.49)		(6.37)	(88.18)		
Basic EPS - 'A' Ordinary shares	5.12	(79.49)		(6.37)	(88.18)		
	31-Dec-2019#	31-Mar-2019	31-Dec-2018				
Gross Debt	128,675	106,174	1,07,687				
Net Automotive Debt	45,376	28,391	46,912				
Net Automotive Debt / Equity	0.68	0.47	0.75				

\* Global wholesales are including CJLR.

# Includes IFRS 16 impact of Rs 5,741 crores

# Tata Motors Group

## Standalone (JO)

	Quarter ended 31 Dec			Nine months ended 31 Dec			<i>Rs Cr. Ind AS</i>
	Q3FY'20	Q3FY'19	Y-o-Y change	9MFY'20	9MFY'19	Y-o-Y change	
Total Volumes : CV+ PV + Exports (Units)	129,185	171,354	(24.6)%	372,239	538,505	(30.9)%	
CV (Units)	84,575	108,608	(22.1)%	248,269	340,863	(27.2)%	
PV (Units)	36,692	49,589	(26.0)%	99,805	156,688	(36.3)%	
Export	7,918	13,157	(39.8)%	24,165	40,954	(41.0)%	
Revenue (Net off Excise duty)	10,843	16,208	(33.1)%	34,195	50,641	(32.5)%	
EBITDA	124	1,468	(91.6)%	794	4,416	(82.0)%	
EBITDA Margin	1.1%	9.1%	(800 bps)	2.3%	8.7%	(640 bps)	
EBIT	(730)	701	(204.1)%	(1,597)	2,190	(172.9)%	
EBIT Margin	(6.7)%	4.3%	(1100 bps)	(4.7)%	4.3%	(900 bps)	
Profit before tax (bei)	(1,020)	547		(2,401)	2,255		
Profit before tax	(1,024)	519		(2,342)	2,133		
Profit after tax	(1,040)	618		(2,419)	1,914		
Basic EPS - Ordinary Shares	(3.01)	1.80		(7.08)	5.62		
Basic EPS - 'A' Ordinary shares	(3.01)	1.90		(7.08)	5.72		
	31-Dec-2019 <sup>#</sup>	31-Mar-2019	31-Dec-2018				
Gross Debt	26,606	18,640	22,764				
Net Debt	17,909	15,658	20,908				
Net Debt / Equity	0.76	0.71	0.95				

<sup>#</sup> Includes IFRS 16 impact of Rs 463 crores

# Tata Motors Group

## Jaguar Land Rover



IFRS, £Mn	Q3FY'20	Q3FY'19	Y-o-Y change	YTD FY'20	YTD FY'19	Y-o-Y change
Revenue	6,398	6,223	2.8%	17,558	17,080	2.8%
Material and other costs of sales	(4,141)	(4,056)	(2.1%)	(11,142)	(10,981)	(1.5%)
Employee cost	(655)	(721)	9.2%	(1,942)	(2,158)	10.0%
Other (expense) / income	(1,258)	(1,381)	8.9%	(3,769)	(3,891)	3.1%
Product development costs capitalised	344	391	(12.0)%	1,036	1,235	(16.1)%
EBITDA	688	456	50.9%	1,741	1,285	35.5%
EBITDA Margin	10.8%	7.3%	350 bps	9.9%	7.5%	240 bps
Depreciation and amortization	(453)	(598)	24.2%	(1,420)	(1,699)	16.4%
Share of profit / (loss) from Joint Venture	(25)	(16)	-	(94)	17	-
EBIT	210	(158)	-	227	(397)	-
EBIT Margin	3.3%	(2.5)%	580 bps	1.3%	(2.3)%	360 bps
Debt/ Unrealised hedges MTM & unrealized investments	141	(94)	-	(19)	(183)	-
Net finance expense	(33)	(21)	-	(107)	(47)	-
Profit before tax (bei)	318	(273)	-	101	(627)	-
Profit before tax	318	(3,395)	-	79	(3,749)	-
Profit after tax	372	(3,129)	-	70	(3,440)	-

The exceptional items impacting YTD FY20 relate to one-time separation and voluntary redundancy costs. For FY 19 YTD, exceptional items relate to impairment. 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.



## China JV (100%) : Loss before tax £52m



Higher sales & lower fixed costs offset by higher incentives and material costs

IFRS, £m	Q3 FY20	Q3 FY19	Change	Q2 FY20	Change
Retail volumes ('000 units)	15.4	12.7	2.7	14.5	0.9
Revenues	427	354	73	332	95
Profit / (Loss) - before tax	(52)	(44)	(8)	(109)	57
Profit / (Loss) - after tax	(49)	(31)	(18)	(82)	33
EBITDA	(1)	6	(7)	(50)	49
<i>EBITDA Margin</i>	(0.2)%	1.7%	(1.9)%	(15.1)%	14.9%
EBIT	(50)	(41)	(9)	(107)	57
<i>EBIT Margin</i>	(11.7)%	(11.6)%	(0.1)%	(32.2)%	20.5%

# Tata Motors Group

## FX impact-Consolidated & Standalone (JO)

Consolidated (Rs Cr)	Quarter ended 31 Dec		Nine months ended 31 Dec		Rs Cr. IndAS
	Q3 FY'20	Q3 FY'19	9M FY'20	9M FY'19	
Realised Foreign Exchange	(333)	166	392	(283)	
Total FX impacting EBITDA & EBIT : gain/(loss)	(333)	166	392	(283)	
Unrealised Foreign Exchange	530	5	(448)	(1,053)	
Total FX impact on PBT : gain/(loss)	197	171	(56)	(1,336)	

Standalone (JO) (Rs Cr)	Quarter ended 31 Dec		Nine months ended 31 Dec	
	Q3 FY'20	Q3 FY'19	9M FY'20	9M FY'19
Realised Foreign Exchange	14	23	46	(97)
Total FX impacting EBITDA & EBIT : gain/ (loss)	14	23	46	(97)
Unrealised Foreign Exchange	(1)	180	(65)	(196)
Total FX impact on PBT : gain/ (loss)	13	203	(19)	(293)

# JLR :Favourable FX and commodities of £ 306 m YOY

## Hedge reserve reduced due to pound strengthening



IFRS, £m	Q3 FY20	YoY Change	QoQ Change
Operational exchange <sup>1</sup>	n/a	26	(58)
Realised FX hedges and other <sup>2</sup>	(127)	41	29
Revaluation of CA/CL and other <sup>3</sup>	37	6	(58)
<b>Total FX impacting EBITDA &amp; EBIT</b>	<b>n/a</b>	<b>73</b>	<b>(87)</b>
Revaluation of unrealised currency derivatives <sup>3</sup>	12	23	22
Revaluation of USD and Euro Debt <sup>3</sup>	97	141	143
<b>Total FX impact on PBT</b>	<b>n/a</b>	<b>237</b>	<b>78</b>
Realised commodities (incl. in EBITDA & EBIT)	(1)	(10)	(1)
Unrealised commodities (excl. from EBITDA & EBIT)	32	69	50
<b>Total Commodities impact on PBT (incl. in contribution costs)</b>	<b>31</b>	<b>59</b>	<b>49</b>
<b>Total pre-tax hedge reserve</b>	<b>(102)</b>	<b>534</b>	<b>607</b>
<b>Current portion of hedge reserve</b>	<b>(160)</b>	<b>302</b>	<b>336</b>
<b>End of Period Exchange Rates</b>			
GBP:USD	1.315	3.3%	6.9%
GBP:EUR	1.173	5.2%	4.3%
GBP:CNY	9.143	4.4%	4.2%

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 31 December 2019</u>
Profit after Tax as reported under IFRS	372
Ind AS Adjustment	
a. Options	(1)
b. Forwards and others	(5)
Profit after Tax as reported under Ind AS	366

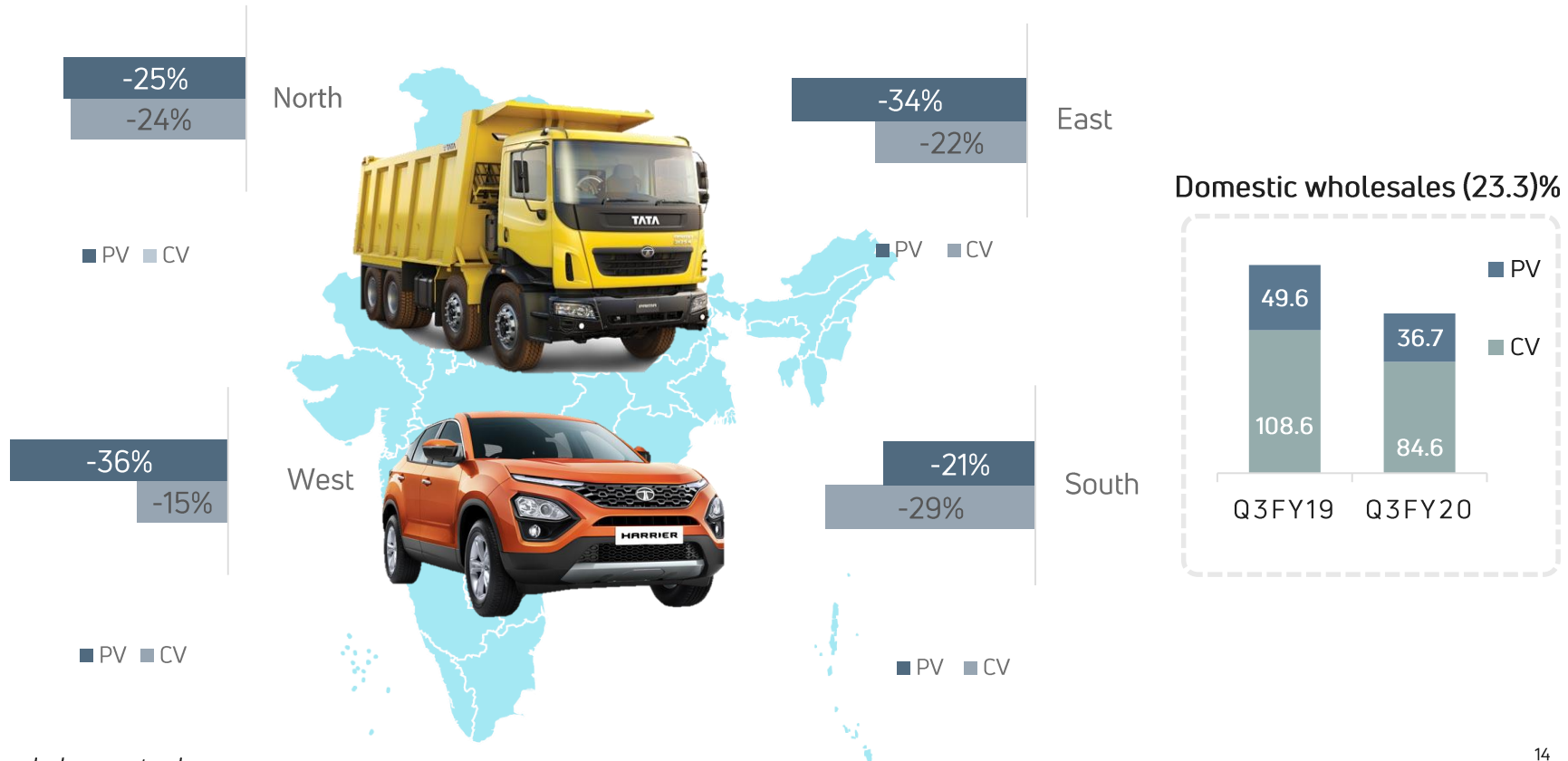
## **Tata Motors Group : Additional details**

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# 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 30 Jan 2020
Moody's	Ba3 / Negative
S&P	B+ / Negative
CRISIL	AA - / Negative
ICRA	AA - / Negative
CARE	AA - / Negative

### Jaguar Land Rover

Credit Rating Agency	Long Term Rating as on 30 Jan 2020
Moody's	B1 / Negative
S&P	B+ / Negative
Fitch	BB-/Negative

# Thank You

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