

FY16 - Investor Presentation

May 30th 2016

TATA MOTORS



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

Q4 FY16 represents the period from 1st January 2016 to 31st March 2016

Q4 FY15 represents the period from 1st January 2015 to 31st March 2015

FY16 represents the period from 1st April 2015 to 31st March 2016

FY15 represents the period from 1st April 2014 to 31st March 2015

Financials (other than JLR) contained in the presentation are as per Indian GAAP.

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



Tata Motors Group-Consolidated Financials

Tata Motors Group-India Business

Tata Motors Group-Jaguar Land Rover

Tata Motors Group-Other Subsidiaries

Tata Motors Group-Way Forward

Tata Motors Group-Consolidated Financials – P&L

Tata Motors Group- Consolidated

Rs Crores	Q4 FY 16	Q4 FY 15	FY 16	FY 15
Net Revenue	80,684	67,778	275,561	263,159
EBITDA	12,461	9,250	40,237	42,114
EBITDA %	15.4	13.6	14.6	16.0
PBT (before exceptional item)	5,957	2,932	16,100	21,887
PBT	6,561	2,771	13,981	21,703
PAT	5,177	1,717	11,024	13,986

- Improved performance of India business on the back of continued strong M&HCV growth along with the solid second half of Jaguar Land Rover drove the Consolidated performance of the Tata Motors Group.
- PBT for Q4 FY 16 and FY16 includes one time reserves and charges of ₹1,580 crores (£166 million) for the recall in the United States of potentially faulty airbags supplied by Takata, doubtful debts and previously capitalized investment in the Jaguar Land Rover business
- Board of Directors recommended a dividend of ₹0.20 per Ordinary Share of ₹ 2/- each and ₹ 0.30 per 'A' Ordinary Shares of ₹2/- each for FY 2015-16 (previous year ₹NIL per Ordinary share of ₹2 each and ₹NIL per "A" Ordinary share of ₹2 each), subject to approval of the Shareholders.



Net Revenue and EBITDA excludes other income

Consolidated PAT is after minority interest and share of profit/(loss) in respect of associate companies.

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Tata Motors Group-Operating profit performance-Q4 FY16 Snapshot

India Business Performance :-

India Business reported a significant improvement in Operating Margin to **8.1 %**, which is an improvement of 530 bps Y-o-Y . This broadly reflects :-

- Strong M&HCV growth of 26.6% (Y-o-Y) and 28.7% (Q-o-Q)
- Solid LCV growth of 11.8% (Y-o-Y) and 22.6 % (Q-o-Q)
- Exports (of CVs) growth of 26.6% (Y-o-Y) and 32.5 % (Q-o-Q)
- Ongoing cost reduction and other margin improvement initiatives



Jaguar Land Rover Business Performance :-

Jaguar land Rover **EBITDA (before one time reserves and charges)*** for Q4 FY16 was £ 1,069 mn ,margin at **16.2%**;

- Solid EBITDA margin before one time reserves and charges in Q4 FY 16 but lower than the same period a year ago with **higher total sales**, offset by:
 - Less favourable market and model mix
 - FX – year over year favourable operating FX net of realized hedges more than offset by unfavourable FX revaluation of mainly Euro payables in EBITDA



*One time reserves and charges of £166m for the recall in the U.S. of potentially faulty airbags supplied by Takata, doubtful debts and previously capitalized investment

Tata Motors Group-Consolidated Financials - Balance Sheet

Tata Motors Consolidated

(Rs. In Crores)	Mar-16	Mar-15
Equity and Liabilities	269,298	238,658
Shareholders' Funds (incl MI)	81,671	56,695
Non Current Liabilities	76,806	81,691
Current Liabilities	110,821	100,272
Assets	262,298	238,658
Fixed Assets	128,851	112,423
Non Current Investments	1,253	1,240
Other Non-Current Assets	23,879	23,237
Current Assets	115,315	101,758

Net Automotive Debt Equity as on Mar 31, 2016 stood at **(0.01)**, representing net cash at automotive level

Cash and bank balance (including mutual funds) as on Mar 31, 2016 stood at **Rs 52,091 crs**

Capex and product development spend during the year was **Rs 35,595 crs**



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Tata Motors Group
India Business

Tata Motors Group-India Business- Financials – P&L

Tata Motors India Business

Rs Crores	Q4 FY16	Q4 FY15	FY 16	FY 15
Net Revenue	12,570	10,786	42,370	36,302
EBITDA	1,022	299	2,740	(800)
EBITDA %	8.1	2.8	6.5	(2.2)
PBT (before exceptional item)	399	(1,052)	514	(3,571)
PBT	370	(1,156)	150	(3,975)
PAT	465	(1,164)	234	(4,739)

- M&HCV sales continued its strong growth trajectory. LCV segment started witnessing the growth cycle.
- Passenger vehicles segment witnessed subdued performance in the second half due to the delay in new launches.
- EBITDA remained positive for all the quarters and full year on the back of strong M&HCV growth
- Company is again back in the list of dividend paying Company



Net Revenue and EBITDA excludes other income.

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Tata Motors Group-India Business- Financials – Balance Sheet

Tata Motors Standalone

(Rs. In Crores)	Mar-16	Mar-15
Equity and Liabilities	52,426	49,943
Shareholders' Funds	22,368	14,862
Non Current Liabilities	12,307	14,710
Current Liabilities	17,751	20,371
Assets	52,426	49,943
Fixed Assets	22,245	21,824
Non-Current Investments	16,975	16,967
Other Non Current Assets	2,499	2,579
Current Assets	10,707	8,573

During the year, Company successfully completed Rights Issue raising **Rs 7,490** crores with strong support from the shareholders

Net Debt Equity as on March 31, 2016 stood at **0.61**

Capex and Product development spend during the year stood at **Rs 3,047 crores**

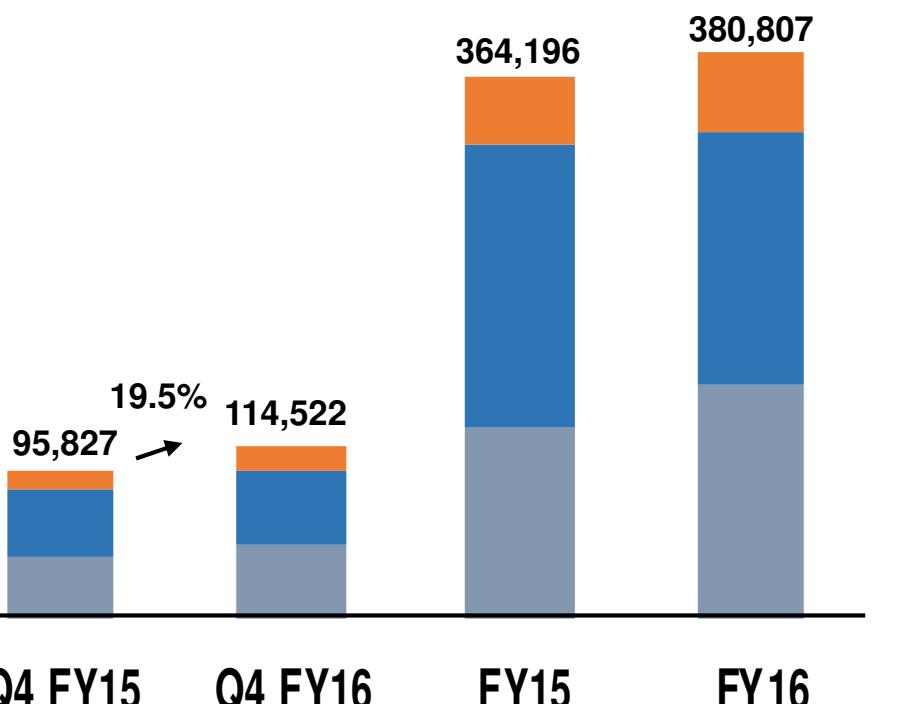


Tata Motors Group-India Business :-Commercial Vehicles

CV domestic sales in Q4 FY16 grew 18.4% (Y-o-Y) which is the highest growth in recent quarters.

Exports grew 26.6 % (Y-o-Y) in Q4 FY16

■ MHCV ■ LCV ■ Exports



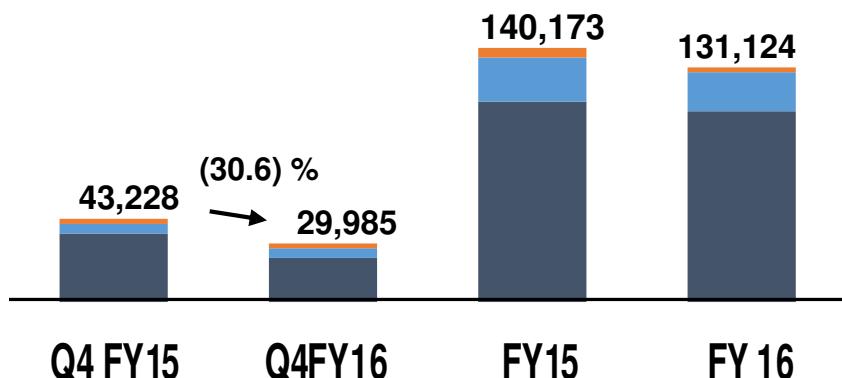
- M&HCV Industry continued to be supported by
- Infrastructure spending & Improved profitability of Operators
- Fleet Replacement demand, coupled with initial fleet expansion demand
- **M &HCV segment of the company , grew by 26.6 % Y-o-Y in Q4 FY 16 and 24.3 % Y-o-Y in FY 16 (with domestic market share of 52.0 % in FY 16)**
- **LCV segment started showing growth trend from Q4 FY 16 with a growth of 11.8 % Y-o-Y in the quarter.**
- Variable marketing expenses remain high during the quarter,
- Q4 FY 16 witnessed important and exciting events:-
 - Additional order for **619 units of High Mobility Vehicles** for Indian Army,
 - Successful completion of **Season 3 of T1 Prima Truck racing** Championship,
 - Got contract to supply 25 Tata Starbus **Diesel Series Hybrid Electric Bus** with Full Low floor configuration,
 - Announced **strategic partnership with Bharat Forge & General Dynamics Land Systems** for Indian FICV program
 - All-new Mega Pick-up- ACE MEGA launched in Nepal,
 - Launched a **new SIGNA range of Medium & Heavy Commercial Vehicles**, offering trucking solutions from haulage to construction segments

Tata Motors Group-India Business :-Passenger Vehicles

Our domestic market share in PV
for FY 16
stood at 4.6 %

■ Cars ■ Utility vehicles & Vans ■ Exports

PV	FY16
Cars(dom.)	106,827
UVs & Vans(dom.)	20,291
Exports	4,006
Total	131,124



- Passenger vehicle industry witnessed a growth of 2.2 % (y-o-y) in Q4 FY 16, mainly on the back of new launches from the OEMs.
- In domestic market, passenger vehicles segment of the Company de-grew by 32.3% (y-o-y) in Q4 FY 16 due to delay in launch of the most awaited hatchback Tata Tiago
- Exports of the Passenger vehicles increased by 64.4 % (Y-o-Y) in Q4 FY 16.
- Unveiled Future Range of Passenger Vehicles at Auto Expo 2016- new hatchback **Tata Tiago**, new sporty compact sedan (project code named KITE 5), the production ready, lifestyle SUV- HEXA in automatic and manual variants and compact SUV – NEXON



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Jaguar Land Rover

Tata Motors Group-Jaguar Land Rover Financials – P&L

Jaguar Land Rover (As per IFRS)

£ millions	Q4 FY16	Q4 FY15	FY16	FY15
Net Revenue	6,594	5,826	22,208	21,866
EBITDA (before one- time reserve & charges)*	1,069	1,016	3,313	4,132
EBITDA %	16.2	17.4	14.9	18.9
EBITDA (as reported)	903	1,016	3,147	4,132
PBT (before exceptional item)	519	396	1,714	2,614
PBT	577	396	1,557	2,614
PAT	472	302	1,312	2,038

➤ PBT for FY 16 as compared to FY 15 primarily reflects :-

- Lower EBITDA as reported (£ 985mn) ,higher depreciation and amortisation (£ 367mn); net Tianjin exceptional charges of £157mn;
- Offset partially by
 - favourable year over year revaluation below EBITDA of unrealized FX and commodity hedges and Dollar debt (£ 346 mn)
 - China JV profits for the year £64 mn, (up £70 mn) and lower net finance expense(£36m)

*One time reserves and charges of £166m in Q4 FY16 for the recall in the U.S. of potentially faulty airbags supplied by Takata, doubtful debts and previously capitalized investment

Note : Net Revenue excludes other income



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Tata Motors Group-Jaguar Land Rover- Financials –Balance Sheet

Jaguar Land Rover



(GBP millions)	Mar-16	Mar-15
Equity and Liabilities	20,567	18,563
Shareholders' Funds	7,614	6,040
Non-Current Liabilities	5,078	5,066
Current Liabilities	7,875	7,457
Assets	20,567	18,563
Non-Current Assets	11,595	10,153
Current Assets	8,972	8,410

FY 16- Capex & product development spend of £ 3.2 bn

FY16- Positive free cash flow (before financing) post above spend of £ 3.2 bn stood at £ 791 mn

Cash and financial deposits stood at £ 4.7 bn. Undrawn committed lines at £ 1.9 bn

Gross Debt stood at £ 2.5 bn. **Net Debt/Equity** stood at (0.28) , reflecting a **Net Cash** of £ 2.2 bn

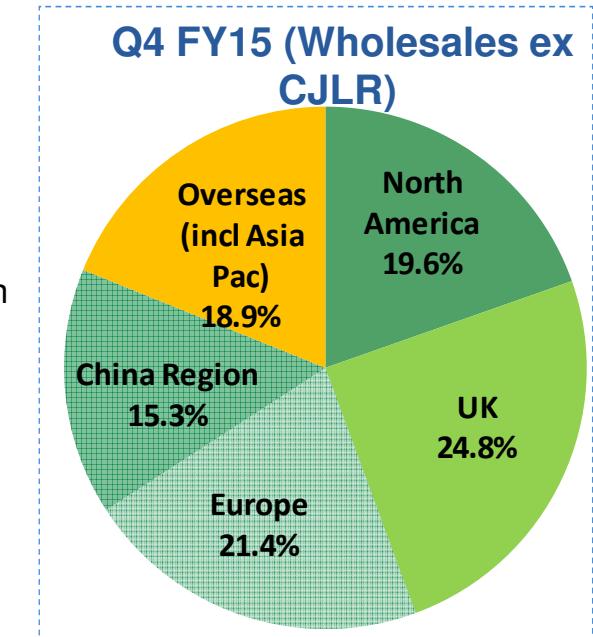
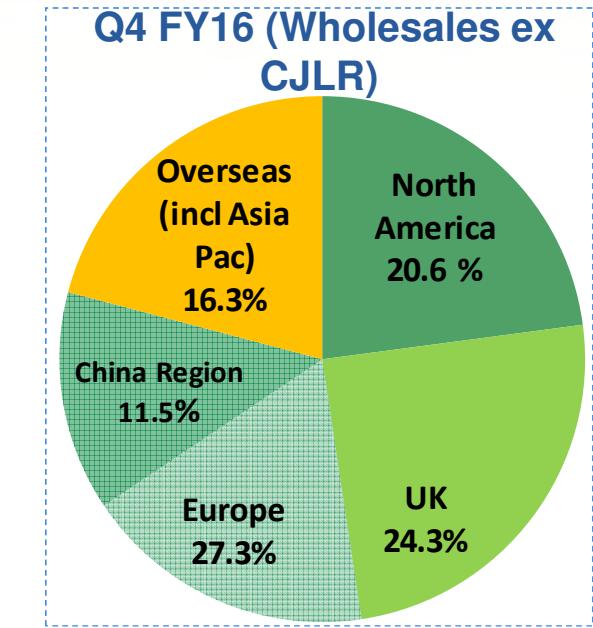
As per IFRS



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Tata Motors Group-Jaguar Land Rover-Other Key highlights-Q4 FY16

- Volumes excluding China JV-Wholesales and Retails for Q4 FY 16 were **149,895 units** and **146,446 units**. China JV (CJLR)-Wholesales and Retails for Q4 FY 16 were **12,532 units** and **12,367 units**
- Strong Retail sales **across all regions**-North America up 24%; UK up 23%; China up 19%; Europe up 55% ; Overseas markets up 15%
- Strong Free Cash flow of **£ 1,393 mn** after investment spending of **£ 742 mn**
- Tianjin insurance and other recoveries during the quarter were **£ 58 mn (shown as exceptional item)**. With this the total recoveries till date stood at **£ 88 mn** (including the recovery of **£ 30 mn** in Q3 FY 16).
- Share of Profit from the China JV for the quarter was **£ 49 mn**



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Tata Motors Group-Jaguar Land Rover-Product Pipeline

RECENT AND UPCOMING PRODUCTS TO DRIVE FUTURE GROWTH



XF-Launched in China Dec 2015



XJ 16 MY – Launched in China Feb 2016



F-PACE – Launched April 16



XE – Launching in US May 2016



Evoque Convertible – coming soon



China JV XFL – Launching H2 2016



FUTURE TECHNOLOGICAL AND BUSINESS INITIATIVES



Autonomous Vehicles

- JLR demonstrated highly autonomous vehicle technologies to EU Transport Ministers, including 'hands free' driving in April 2016,
- JLR is investing in the UK's first "connected corridor", a 41 mile 'living laboratory' project on UK roads to develop new Connected and Autonomous Vehicle technologies



Connected Cars

- JLR has already deployed intelligent navigation and information systems, smartphone integration (including remote control of climate settings and security) and in-car Wi-Fi connectivity into various vehicles
- JLR recently announced the expansion of the usability of its remote functions app to include smart-watch technology



InMotion

- Jaguar Land Rover has launched InMotion, a business unit to develop innovative solutions aimed at overcoming future travel and transport challenges
- Focused on building apps and on-demand services
- Current initiatives include car sharing and ownership solutions

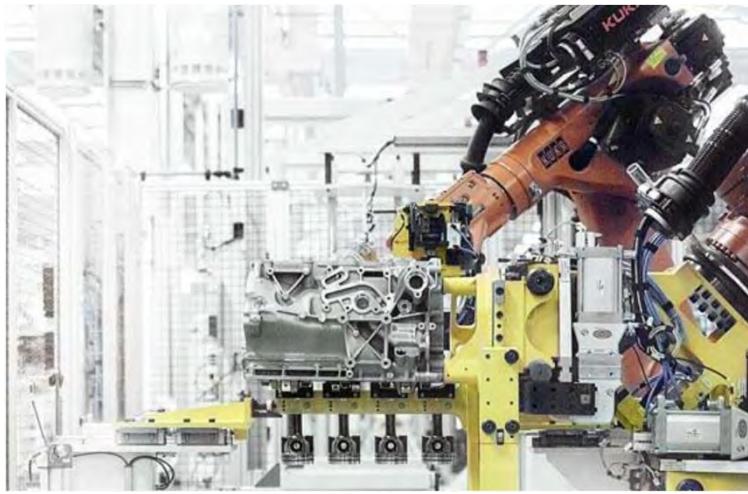
Tata Motors Group-Jaguar Land Rover- ENVIRONMENTAL STRATEGY

IMPROVING OUR ENVIRONMENTAL PROFILE



Light-weighting

- Increased application of aluminium to our vehicle platforms
- High aluminium content used across our range of vehicles, excluding Evoque and Discovery Sport
- Our in house engines are manufactured to include a relatively high proportion of aluminium



Powertrain rightsizing

- In-house 4 cylinder 2.0l efficient diesel engines are now available in the XE, XF, FPACE, Discovery Sport and Evoque
- 4 cylinder 2.0l petrol variant is scheduled for production in the near future
- Configurable and flexible common architecture enables maximum manufacturing efficiency, more engine variants and higher quality



Electrification

- JLR currently offer diesel hybrid variants of the Range Rover and Range Rover Sport
- JLR has plans to introduce plug in hybrids (PHEV's) and Battery electric Vehicles (BEV's) into its product range
- Jaguar recently announced that it would be competing in the FIA Formula E championship from August 2016 to create a test bed for future Jaguar Land Rover electrification technology



Tata Motors Group
Other key Subsidiaries



Other Key Subsidiaries :

Tata Motors Finance

(Rs. Crores)	FY 16 (consolidated)	FY15 (consolidated)
Net Revenue	3,063	2,743
PBT	302	(845)
PAT	267	(611)

Tata Daewoo

(KRW bn)	FY16	FY15
Net Revenue	880	988
PBT	55	69
PAT	46	54

Tata Technologies

(Rs. Crores)	FY16	FY15
Net Revenue	2,686	2,594
PBT	461	430
PAT	382	334

TML Drivelines Ltd.

(Rs. Crores)	FY16	FY15
Net Revenue	545	526
PBT	80	62
PAT	55	47

Note: Net revenue excludes 'Other Income' except for Tata Motors Finance Ltd;
 # As per Korean Gaap



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Tata Motors Group
Way Forward

Tata Motors Group – India Business - Way Forward

COMMERCIAL VEHICLES

DesigNext PerformanceNext FuelNext

Economy, driven by government led expenditures and stimulus, is expected to support the Auto Sales growth in FY 17

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

- M&HCV growth is expected to remain buoyant in FY 17, supported by continued replacement demand and further aided by fleet expansion demand. We expect the Buses & the LCV segment (including SCV) to witness positive growth in FY 17
- Wide and compelling product range with several new launches in FY 17 provides strong foundation for growth :-

M&HCV- Unfolding of **Prima LX** and new **Signa Range**
LCV & ILCV- Unfolding of the new **Ultra Range**
SCV & Pick up :- **refreshes/variants to further complement and strengthen the ACE and Super ACE family**

- Export growth will continue to be high focus . POS Malaysia has recently placed order for over 500 TATA XENON PICK-UP.
- Company has a good pipeline of Defense orders- received and expected



PASSENGER VEHICLES

DesigNext DriveNext ConnectNext

- Product momentum to continue with existing and **Upcoming New products** :-

Tata ZEST, Tata BOLT ,Gen X Nano, **new sporty compact hatchback Tata Tiago, new sporty compact Sedan, HEXA, NEXON**

- Exciting and new generation model launches are expected to drive future growth in volumes and market share
- Product plan till 2020 defined - with 2 new vehicle launches planned every year ,
- Will continue to avail opportunities for extending the export markets

HORIZONE^{XT}

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Tata Motors Group – Jaguar Land Rover- Way Forward

INVESTMENT TO DRIVE PROFITABLE GROWTH



- JLR's strategy continues to be to invest in new products, technology and manufacturing capacity to grow profitably.
- We expect investment spending in the region **of £3.75 bn in 2016/17**.
- JLR intends to continue to drive strong operating cash flow to fund investment.
- Given continuing investment, free cash flow could be negative in the near and medium term, however, we expect that our strong balance sheet, including total cash and short-term investments of £4.7 bn and undrawn long-term credit lines of £1.9b at 31st March 2016, as well as proven access to capital markets and bank funding would support our investment plans as required
- Jaguar Land Rover plans to continue to build on recent successful product launches with the ramp up of general retail sales of the Jaguar F-PACE , XE in the US, XF long wheel base in China and the Evoque Convertible in the coming months and future new model launches yet to be announced.
- These new products are expected to drive solid profitable volume growth for JLR going forward.



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Tata Motors - Contact Information :

Analyst Presentation & Business Review is available on our website

<http://www.tatamotors.com/investors/investors.php>

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