

FY16- Press 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



Financial Highlights

Tata Motors Group-India Business

Tata Motors Group-Jaguar Land Rover



Tata Motors Group-Way Forward

Financial Highlights

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 |

- Net Automotive Debt to Equity as of 31st March 2016 was (0.01), representing net automotive cash at consolidated level.
- PBT for Q4 FY 16 and FY16 includes one time reserves and charges of ₹1,580 crores (£166 million) for the industry-wide 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.

TATA MOTORS

Financial Highlights

Tata Motors Group- 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) |

- Net Debt to Equity as of 31st March 2016 was 0.61
- Company is again back in the list of dividend paying Company



Net Revenue and EBITDA excludes other income.

TATA MOTORS

Financial Highlights

Tata Motors Group-Jaguar Land Rover

| £ 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 |

- Net Debt to Equity as on 31st March 2016 was (0.28), representing a strong net Cash.
- FY 16- Strong Free Cash flow of £ 791 mn after investment spending of £3.2bn
- As of 31st Mar 2016-Cash and deposits £4.7bn and 5 year committed undrawn revolving credit facility £1.9bn, representing a total liquidity of over £6.5bn

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

As per IFRS

Note : Net Revenue excludes other income



TATA MOTORS

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



TATA MOTORS



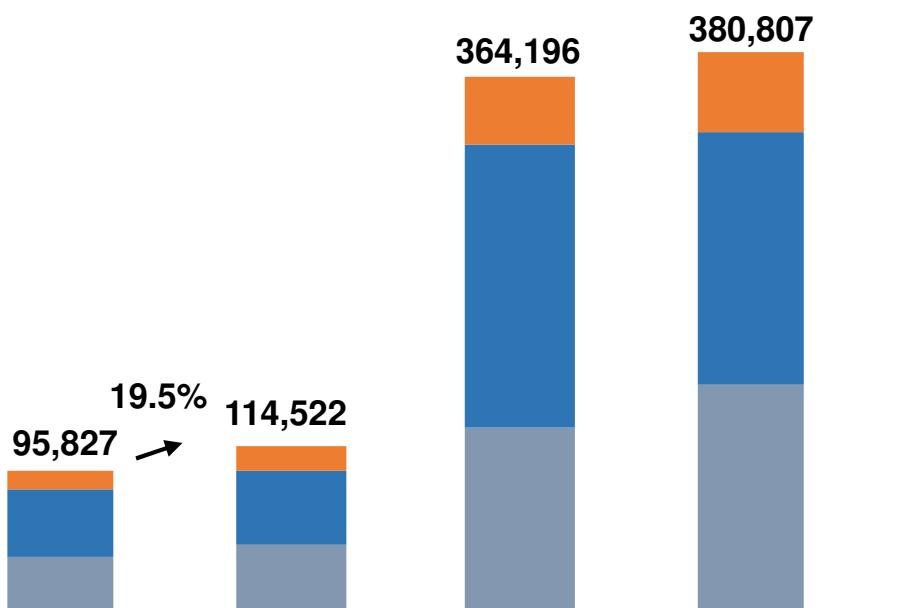
Tata Motors Group
India Business

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



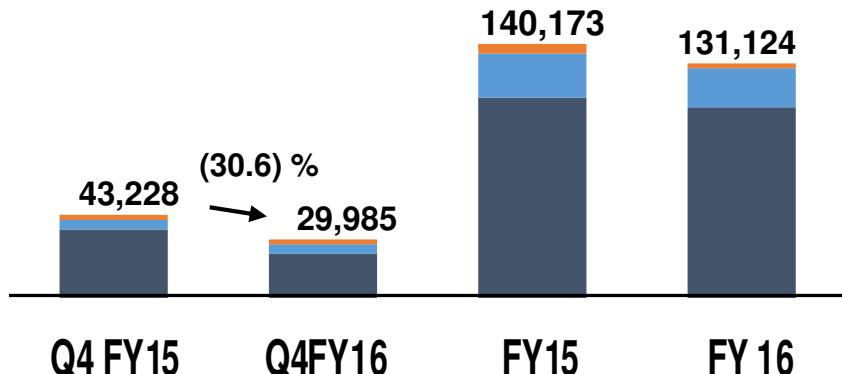
- M&HCV Industry continued to be supported by
 - Infrastructure spending & Improved profitability of Operators
 - Fleet Replacement demand, coupled with initial fleet expansion demand
- **M &HCV segment of the company , grew by 26.6 % Y-o-Y in Q4 FY 16 and 24.3 % Y-o-Y in FY 16 (with domestic market 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**



TATA MOTORS

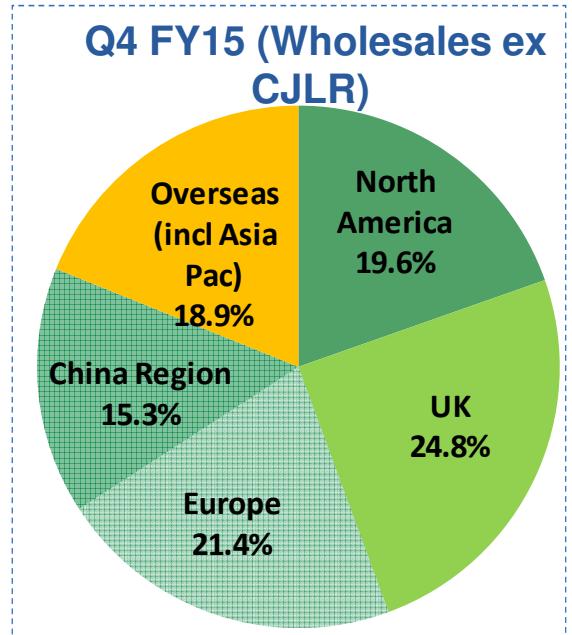
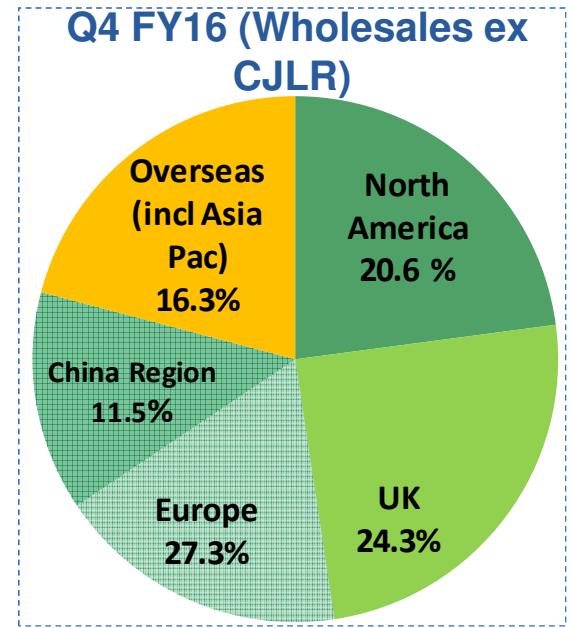
TATA MOTORS



Tata Motors Group
Jaguar Land Rover

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**
- Q4 FY 16- Strong Free Cash flow of **£ 1,393 mn** after investment spending of **£ 742 mn**
- Strong Retail sales **across all regions**-North America up 24%; UK up 23%; China up 19%; Europe up 55% ; Overseas markets up 15%
- 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**



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

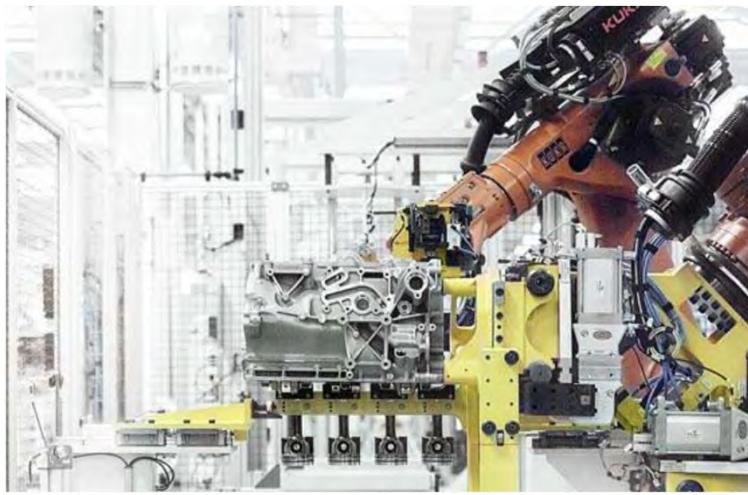
Tata Motors Group-Jaguar Land Rover- ENVIRONMENTAL STRATEGY

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



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

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

- 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}

TATA MOTORS

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.



TATA MOTORS

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

Contact Information

For Media :

Minari Shah

Head of Corporate Communications

Tel: + 91 22 6665 7613

Contact Information

Minari.shah@tatamotors.com

