



## **Jaguar Land Rover Automotive plc Interim Report**

For the three and six month periods ended  
30 September 2024

Company registered number: 06477691



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Group, Company, Jaguar Land Rover, JLR plc and JLR refers to Jaguar Land Rover Automotive plc and its subsidiaries. Note 2 to the condensed consolidated interim financial statements defines a series of alternative performance measures some of which are stated below, along with certain abbreviations.

Adjusted EBITDA margin	measured as adjusted EBITDA as a percentage of revenue.
Adjusted EBIT margin	measured as adjusted EBIT as a percentage of revenue.
Net debt	defined by the Company as cash and cash equivalents plus short-term deposits and other investments less total balance sheet borrowings including lease liabilities.
Q2 FY25	three month period ended 30 September 2024
Q1 FY25	three month period ended 30 June 2024
Q2 FY24	three month period ended 30 September 2023
H1 FY25	six month period ended 30 September 2024
H1 FY24	six month period ended 30 September 2023
China Joint Venture	Chery Jaguar Land Rover Automotive Co., Ltd.

Management’s discussion and analysis of financial condition and results of operations

Revenue was £6.5 billion in Q2 FY25, down 6% year-on-year from Q2 FY24. The decrease in revenue in comparison to the prior year was driven by lower wholesale volumes, partially offset by model mix, pricing and FX. Wholesale volumes (excluding China Joint Venture) of 87,303 were down 10% year-on-year and down 11% on the prior quarter. The overall mix of the most profitable Range Rover, Range Rover Sport and Defender models was 67% of total wholesale volumes.

Market environment and business developments

- Supply chain disruptions from a key high-grade aluminium supplier restricted production in the quarter, as well as a temporary hold placed on 6,029 vehicles to allow for additional quality control checks, consequently impacting wholesales.
- Economic challenges in China are affecting the amount and cost of credit available to retailers and clients across the industry.
- Despite challenging market conditions, retail sales were down by only 3% year-on-year, reflecting stable global demand.
- GBP has seen some strengthening over the quarter, however this has been effectively managed through our layered hedging programme, minimising the impact of FX volatility.
- The Company has recently invested £250 million out of £500 million planned investment in creating an EV factory for the future at Halewood, in Merseyside as part of the ReImagine programme. These transformational works will enable the parallel production of internal combustion, hybrid and pure electric vehicles, complementing our flexible MLA architecture, being a key strength for JLR as BEV adoption rates vary globally.

Revenue and profits, quarter ending 30 September 2024

- Revenue was £6.5 billion in Q2 FY25, down 6% from Q2 FY24 reflecting lower volume and increased VME, partially offset by model mix, pricing and FX.
- Adjusted EBITDA<sup>1</sup> was £759 million (EBITDA margin: 11.7%) in Q2 FY25, down from £1,021 million (EBITDA margin: 14.9%) in Q2 FY24.
- Adjusted EBIT<sup>1</sup> was £328 million (EBIT margin: 5.1%) in Q2 FY25, down from £501 million (EBIT margin: 7.3%) in Q2 FY24.
- The profit before tax and exceptional items was £398 million in Q2 FY25 down from £442 million in Q2 FY24.
- Profit after tax was £283 million (after a tax charge of £(115) million) in Q2 FY25, an improvement from a profit of £272 million in Q2 FY24, including a tax charge of £(170) million.

YoY Profit Walk

Q2 FY25 | IFRS, £m



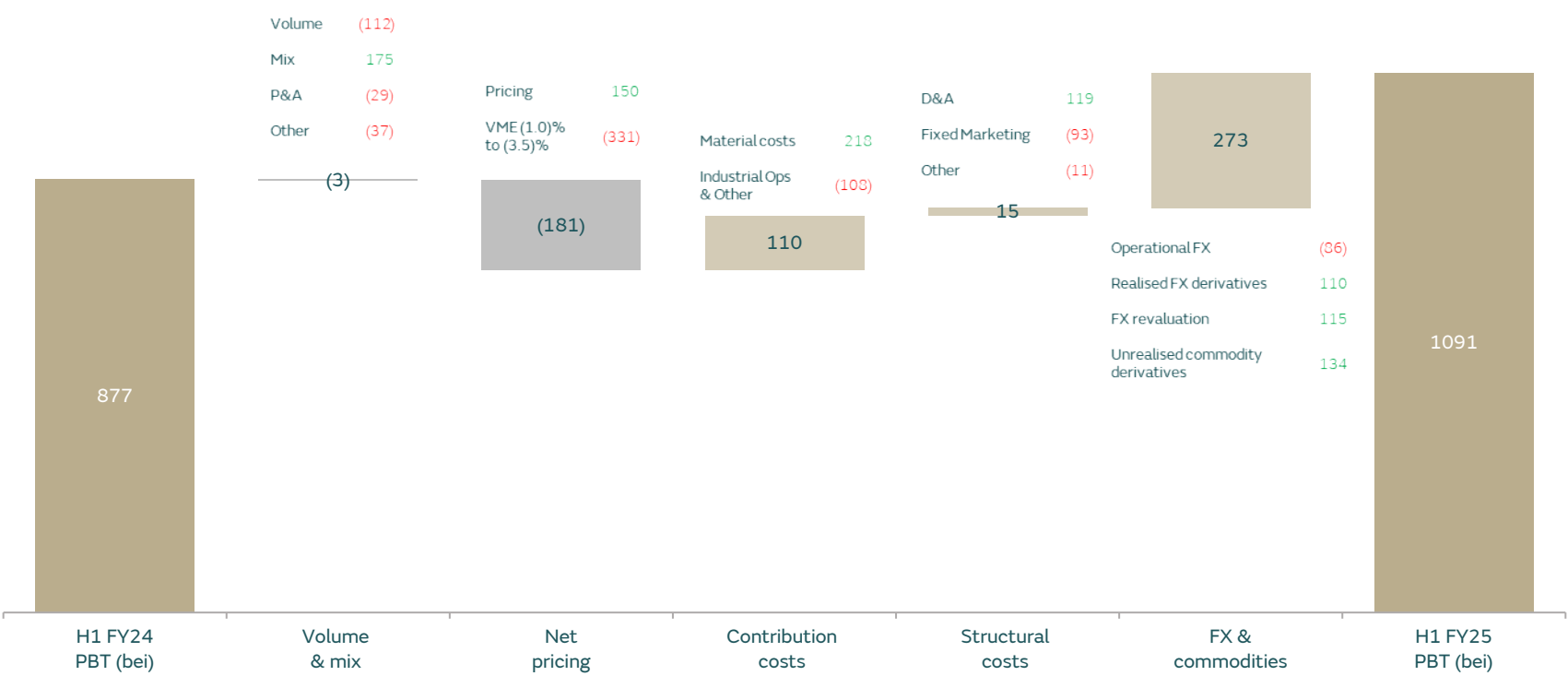
<sup>1</sup> Please see note 2 of the financial statements for alternative performance measures.

Revenue and profits, fiscal year to date

- Revenue was £13.7 billion in H1 FY25, compared to £13.8 billion in H1 FY24.
- Adjusted EBITDA<sup>1</sup> was £1,908 million (EBITDA margin: 13.9%) in H1 FY25, down from £2,144 million (EBITDA margin: 15.6%) in H1 FY24.
- Adjusted EBIT<sup>1</sup> was £973 million (EBIT margin: 7.1%) in H1 FY25, down from £1,096 million (EBIT margin: 8.0%) in H1 FY24.
- The profit before tax and exceptional items was £1,091 million in H1 FY25, up from £877 million in H1 FY24.
- Profit after tax was £785 million (after a tax charge of £(314) million) in H1 FY25, an improvement from £595 million in H1 FY24, including a tax charge of £(282) million.

H1 Profit Walk

H1 FY25 | IFRS, £m



<sup>1</sup> Please see note 2 of the financial statements for alternative performance measures.

Cash flow

- Free cash flow<sup>1</sup> was £(256) million in Q2 FY25 compared to free cash flow of £300 million in Q2 FY24.
- Working capital movements in the quarter were £(151) million (vs £(76) million in Q2 FY24) with decreases in inventories of £(45) million and decreases in payables £(278) million, partially offset by receivables of £58 million and other of £113 million since 30 June 2024.
- Investment spend of £947 million in the quarter was up from £775 million in Q2 FY24 and includes £671 million of engineering spend, of which 65% was capitalised, and £276 million of capital investments.

Q2 FY25 | IFRS, £m



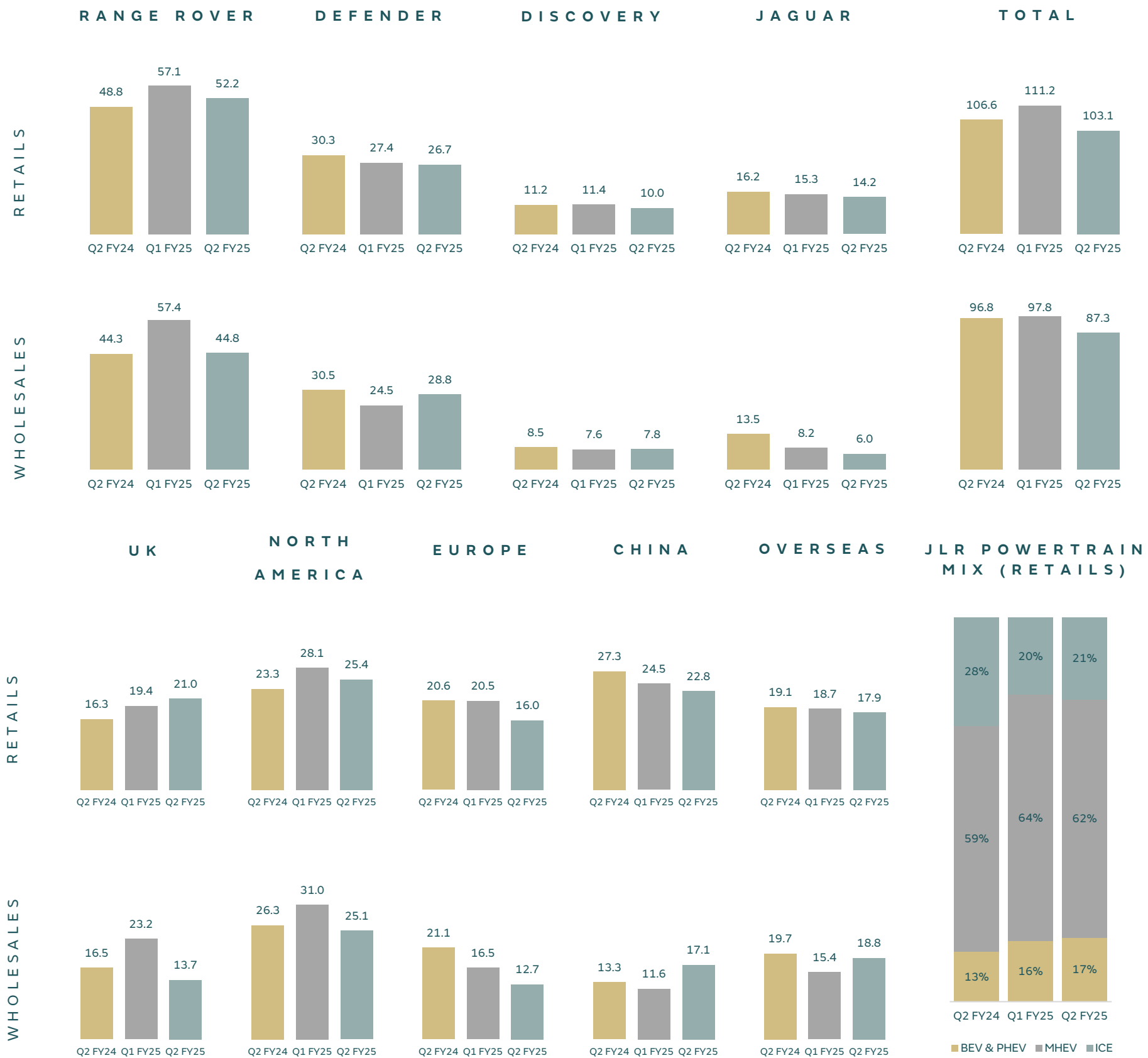
<sup>1</sup> Please see note 2 of the financial statements for alternative performance measures.

Sales volumes

Retail sales<sup>1</sup> in Q2 FY25 were 103,108 units, down 3% compared to the same quarter a year ago and down 7% from the prior quarter ended 30 June 2024. Retail sales for H1 FY25 were 214,288 units, up 3% year-on-year.

Wholesale volumes in Q2 FY25 were 87,303 units in the period (excluding our China Joint Venture), down 10% compared to Q2 FY24 and down 11% compared to the quarter ended 30 June 2024 due to supply disruptions from a key high-grade aluminium supplier.

Q2 FY25 | Brands | Units in 000's



<sup>1</sup> Retail sales represent vehicle sales made by dealers to end customers. Please see note 2 of the financial statements for definition of alternative performance measures.

Funding and liquidity

Total cash and cash equivalents, deposits and investments at 30 September 2024 were £3.4 billion (30 June 2024: £3.8 billion) comprising £3.3 billion of cash and cash equivalents and £97 million of short-term deposits and other investments. The cash and financial deposits include an amount of £378 million held in subsidiaries of Jaguar Land Rover outside of the UK. The cash in some of these jurisdictions may be subject to impediments to remitting cash to the UK other than through annual dividends.

The following table shows details of the Company’s financing arrangements at 30 September 2024:

£ millions	Facility amount	Amount outstanding	Undrawn amount
€500m 5.875% Senior Notes due Nov 2024	417	417	-
\$700m 7.750% Senior Notes due Oct 2025	523	523	-
€500m 4.500% Senior Notes due Jan 2026	417	417	-
€500m 6.875% Senior Notes due Nov 2026	249	249	-
\$500m 4.500% Senior Notes due Oct 2027	374	374	-
\$650m 5.875% Senior Notes due Jan 2028	414	414	-
€500m 4.500% Senior Notes due Jul 2028	417	417	-
\$500m 5.500% Senior Notes due Jul 2029	306	306	-
\$800m Syndicated Loan due Jan 2025	596	596	-
UKEF amortising loan due Oct 2024	42	42	-
UKEF amortising loan due Dec 2026	281	281	-
<b>Subtotal</b>	<b>4,036</b>	<b>4,036</b>	<b>-</b>
Lease obligations	693	693	-
Other	41	41	-
Prepaid costs	(11)	(11)	-
Fair value adjustments <sup>1</sup>	(131)	(131)	-
<b>Total</b>	<b>4,628</b>	<b>4,628</b>	<b>-</b>
Undrawn RCF <sup>2</sup>	1,520	-	1,520
<b>Total</b>	<b>6,148</b>	<b>4,628</b>	<b>1,520</b>

<sup>1</sup>Fair value adjustments relate to hedging arrangements for the €500m 2026 Notes and \$500m 2027 Notes

<sup>2</sup>Undrawn Revolving credit facility refinanced in October 2024 at £1,600m



**Risks and mitigating factors**

There are a number of potential risks which could have a material impact on the Group’s performance and could cause actual results to differ materially from expected and/or historical results, discussed on pages 52-54 of the FY24 Annual Report of the Group (available at <https://www.jaguarlandrover.com/annual-report-2024>) along with mitigating factors. The principal risks discussed in the Group’s FY24 Annual Report are competitive business efficiency, global economic and geopolitical environment, brand positioning, rapid technology change, supply chain disruptions, information security, client service delivery, people capability and capacity, data management, IT infrastructure, environmental regulations and compliance, and litigation / regulatory.

**Off-balance sheet financial arrangements**

At 30 September 2024, Jaguar Land Rover Limited (a subsidiary of the Company) sold £315 million equivalent of receivables under a \$900 million invoice discounting facility signed in September 2024.

**Personnel**

At 30 September 2024, Jaguar Land Rover employed 45,389 people worldwide, including agency personnel, compared to 42,560 at 30 September 2023.

**Board of directors**

The following table provides information with respect to the members of the Board of Directors of Jaguar Land Rover Automotive plc as at 30 September 2024:

Name	Position	Year appointed
Natarajan Chandrasekaran	Chairman and Director	2017
Adrian Mardell	Chief Executive Officer and Director	2022
Prof Sir Ralf D Speth	Vice Chairman and Director	2020
Mr P B Balaji	Director	2017
Hanne Sorensen	Director	2018
Charles Nichols	Director	2022
Al-Noor Ramji	Director	2022

# CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## Condensed Consolidated Income Statement

£ millions	Note	Three months ended		Six months ended	
		30 September 2024	30 September 2023	30 September 2024	30 September 2023
Revenue	3	6,475	6,857	13,748	13,760
Material and other cost of sales*	4	(3,784)	(4,166)	(8,012)	(8,192)
Employee costs		(811)	(713)	(1,659)	(1,429)
Other expenses*	4, 9	(1,607)	(1,425)	(3,177)	(2,801)
Exceptional items	4	-	-	8	-
Engineering costs capitalised	5	435	368	884	688
Other income	6	110	94	200	168
Depreciation and amortisation		(434)	(525)	(944)	(1,063)
Foreign exchange gain/(loss) and fair value adjustments	7	56	31	130	(87)
Finance income	8	33	41	77	74
Finance expense (net)	8	(78)	(125)	(165)	(256)
Share of profit of equity accounted investments		3	5	9	15
<b>Profit before tax</b>		<b>398</b>	<b>442</b>	<b>1,099</b>	<b>877</b>
Income tax expense	17	(115)	(170)	(314)	(282)
<b>Profit for the period</b>		<b>283</b>	<b>272</b>	<b>785</b>	<b>595</b>

\*Material and other cost of sales' and 'Other expenses' exclude the exceptional items explained in note 4.

The notes on pages 15 to 32 are an integral part of these condensed consolidated financial statements.

## Condensed Consolidated Statement of Comprehensive Income and Expense

£ millions	Three months ended		Six months ended	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
<b>Profit for the period</b>	<b>283</b>	<b>272</b>	<b>785</b>	<b>595</b>
<b>Items that will not be reclassified subsequently to profit or loss:</b>				
Remeasurement of net defined benefit obligation	30	3	(32)	(127)
Income tax related to items that will not be reclassified	(7)	(1)	9	32
	<b>23</b>	<b>2</b>	<b>(23)</b>	<b>(95)</b>
<b>Items that may be reclassified subsequently to profit or loss:</b>				
Gain/(loss) on cash flow hedges (net)	580	(369)	628	282
Currency translation differences	(16)	17	(28)	(25)
Income tax related to items that may be reclassified	(146)	67	(157)	44
	<b>418</b>	<b>(285)</b>	<b>443</b>	<b>301</b>
<b>Other comprehensive income/(expense) net of tax</b>	<b>441</b>	<b>(283)</b>	<b>420</b>	<b>206</b>
<b>Total comprehensive income/(expense) attributable to shareholders</b>	<b>724</b>	<b>(11)</b>	<b>1,205</b>	<b>801</b>

The notes on pages 15 to 32 are an integral part of these condensed consolidated financial statements.

## Condensed Consolidated Balance Sheet

As at (£ millions)	Note	30 September 2024	31 March 2024	30 September 2023
<b>Non-current assets</b>				
Investments in equity accounted investees		328	328	324
Other non-current investments		53	52	51
Other financial assets	14	612	355	144
Property, plant and equipment	11	5,746	5,724	5,851
Intangible assets	12	6,022	5,406	5,068
Right-of-use assets	13	614	608	620
Pension asset	25	275	300	552
Other non-current assets	16	271	143	170
Deferred tax assets		873	1,157	384
<b>Total non-current assets</b>		<b>14,794</b>	<b>14,073</b>	<b>13,164</b>
<b>Current assets</b>				
Cash and cash equivalents		3,317	4,051	4,057
Short-term deposits and other investments		97	103	236
Trade receivables		873	1,236	1,117
Other financial assets	14	688	543	498
Inventories	15	4,003	3,751	3,509
Other current assets	16	757	657	606
Current tax assets		9	2	2
Assets classified as held for sale		101	54	60
<b>Total current assets</b>		<b>9,845</b>	<b>10,397</b>	<b>10,085</b>
<b>Total assets</b>		<b>24,639</b>	<b>24,470</b>	<b>23,249</b>
<b>Current liabilities</b>				
Accounts payable		6,209	7,113	6,040
Short-term borrowings	21	1,181	1,256	1,341
Other financial liabilities	18	845	885	944
Provisions	19	980	1,026	1,097
Other current liabilities	20	1,189	711	925
Current tax liabilities		128	125	137
Liabilities directly associated with assets classified as held for sale		47	-	-
<b>Total current liabilities</b>		<b>10,579</b>	<b>11,116</b>	<b>10,484</b>
<b>Non-current liabilities</b>				
Long-term borrowings	21	2,754	2,936	4,508
Other financial liabilities	18	667	758	984
Provisions	19	1,395	1,311	1,188
Retirement benefit obligation	25	23	22	22
Other non-current liabilities	20	1,026	957	863
Deferred tax liabilities		90	91	159
<b>Total non-current liabilities</b>		<b>5,955</b>	<b>6,075</b>	<b>7,724</b>
<b>Total liabilities</b>		<b>16,534</b>	<b>17,191</b>	<b>18,208</b>
<b>Equity attributable to shareholders</b>				
Ordinary shares		1,501	1,501	1,501
Capital redemption reserve		167	167	167
Other reserves	23	6,437	5,611	3,373
<b>Equity attributable to shareholders</b>		<b>8,105</b>	<b>7,279</b>	<b>5,041</b>
<b>Total liabilities and equity</b>		<b>24,639</b>	<b>24,470</b>	<b>23,249</b>

The notes on pages 15 to 32 are an integral part of these condensed consolidated financial statements.

These condensed consolidated interim financial statements were approved by the JLR plc Board and authorised for issue on 8 November 2024.

Company registered number: 06477691

## Condensed Consolidated Statement of Changes in Equity

£ millions	Ordinary shares	Capital redemption reserve	Other reserves	Total equity
<b>Balance at 1 April 2024</b>	<b>1,501</b>	<b>167</b>	<b>5,611</b>	<b>7,279</b>
Profit for the period	-	-	785	785
Other comprehensive income for the period	-	-	420	420
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>1,205</b>	<b>1,205</b>
Amounts removed from hedge reserve and recognised in inventory	-	-	10	10
Income tax related to amounts removed from hedge reserve and recognised in inventory	-	-	(2)	(2)
Dividends paid	-	-	(387)	(387)
<b>Balance at 30 September 2024</b>	<b>1,501</b>	<b>167</b>	<b>6,437</b>	<b>8,105</b>

£ millions	Ordinary shares	Capital redemption reserve	Other reserves	Total equity
<b>Balance at 1 April 2023</b>	<b>1,501</b>	<b>167</b>	<b>2,571</b>	<b>4,239</b>
Profit for the period	-	-	595	595
Other comprehensive income for the period	-	-	206	206
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>801</b>	<b>801</b>
Amounts removed from hedge reserve and recognised in inventory	-	-	2	2
Income tax related to amounts removed from hedge reserve and recognised in inventory	-	-	(1)	(1)
<b>Balance at 30 September 2023</b>	<b>1,501</b>	<b>167</b>	<b>3,373</b>	<b>5,041</b>

The notes on pages 15 to 32 are an integral part of these condensed consolidated financial statement.



## Condensed Consolidated Cash Flow Statement

£ millions	Note	Three months ended		Six months ended	
		30 September 2024	30 September 2023	30 September 2024	30 September 2023*
<b>Cash flows from operating activities</b>					
Cash generated from operations	28	614	965	1,651	2,109
Income tax paid		(93)	(40)	(158)	(140)
<b>Net cash generated from operating activities</b>		<b>521</b>	<b>925</b>	<b>1,493</b>	<b>1,969</b>
<b>Cash flows from investing activities</b>					
Purchases of other investments		(3)	(1)	(5)	(3)
Investment in other restricted deposits		(11)	(13)	(15)	(15)
Redemption of other restricted deposits		4	3	16	14
Movements in other restricted deposits		(7)	(10)	1	(1)
Investment in short-term deposits and other investments		-	(143)	-	(285)
Redemption of short-term deposits and other investments		-	92	-	156
Movements in short-term deposits and other investments		-	(51)	-	(129)
Purchases of property, plant and equipment		(257)	(182)	(514)	(342)
Proceeds from sale of fixed assets and assets held for sale		-	6	37	6
Cash outflow relating to intangible asset expenditure		(451)	(383)	(914)	(715)
Issuance of loans to related parties		-	-	-	(20)
Repayment of loans to related parties		-	20	-	20
Acquisition of subsidiary (net of cash acquired)		-	-	(60)	-
Finance income received		37	38	82	68
Dividends received		-	-	2	2
Disposal of subsidiaries (net of cash disposed)		-	9	-	9
<b>Net cash used in investing activities</b>		<b>(681)</b>	<b>(554)</b>	<b>(1,371)</b>	<b>(1,105)</b>
<b>Cash flows from financing activities</b>					
Finance expenses and fees paid		(106)	(124)	(212)	(237)
Repayment of borrowings		(31)	(62)	(94)	(195)
Payments of lease obligations		(22)	(18)	(41)	(35)
Dividends paid		-	-	(387)	-
<b>Net cash used in financing activities</b>		<b>(159)</b>	<b>(204)</b>	<b>(734)</b>	<b>(467)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(319)</b>	<b>167</b>	<b>(612)</b>	<b>397</b>
Cash and cash equivalents at beginning of period		3,714	3,829	4,051	3,687
Cash and cash equivalents reclassified as held for sale		-	-	(22)	-
Effect of foreign exchange on cash and cash equivalents		(78)	61	(100)	(27)
<b>Cash and cash equivalents at end of period</b>		<b>3,317</b>	<b>4,057</b>	<b>3,317</b>	<b>4,057</b>

\*The comparatives for the six month period ended 30 September 2023 have been re-presented to align with presentation changes made during the year ended 31 March 2024. Dividends received have been reclassified to investing activities from operating activities.

The notes on pages 15 to 32 are an integral part of these condensed consolidated financial statements.

## **1 Accounting policies**

### **Basis of preparation**

The financial information in these interim financial statements is unaudited and does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006. The condensed consolidated interim financial statements of Jaguar Land Rover Automotive plc have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting' in accordance with the requirements of UK-adopted international accounting standards. The balance sheet and accompanying notes as at 30 September 2023 have been disclosed solely for the information of the users.

The comparative figures for the financial year ended 31 March 2024 are not the Company's statutory accounts for that financial year but are derived from those accounts. Those accounts have been reported on by the Company's auditor and delivered to the registrar of companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report; and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments held at fair value as highlighted in note 22.

The condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 March 2024, which were prepared in accordance with UK-adopted international accounting standards.

The condensed consolidated interim financial statements have been prepared on the going concern basis as set out within the directors' report of the Group's Annual Report for the year ended 31 March 2024.

The accounting policies applied are consistent with those of the annual consolidated financial statements for the year ended 31 March 2024, as described in those financial statements.

### **Estimates and judgements**

The preparation of condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 31 March 2024.

### **Going concern**

The condensed consolidated interim financial statements have been prepared on a going concern basis, which the Directors consider appropriate for the reasons set out below.

The Directors have assessed the financial position of the Group as at 30 September 2024, and the projected cash flows of the Group for the twelve month period from the date of authorisation of the condensed consolidated interim financial statements (the 'going concern assessment period').

The Group has available liquidity of £4.9 billion at 30 September 2024, £3.4 billion of which is cash, short term deposits and other investments, with the remainder £1.5 billion being the undrawn RCF facility. In October 2024, the Company completed the renegotiation of this facility for a total amount of £1.6 billion, consisting of two facilities, an amount of £1.0 billion with a maturity date of October 2029 and an amount of £0.6 billion with a maturity date of October 2027. Within the going concern assessment period there is a £1 billion minimum quarter-end liquidity covenant attached to the Group's UKEF loans and forward start RCF facility. There is £1.7 billion of maturing debt in the going concern assessment period, and no new funding is assumed. Net debt increased by £0.2 billion in the quarter ended 30 September 2024, primarily due to operating cash movements in the period. The Group will continue to monitor and take action to reduce net debt in the future. Further details of the Group's available financing facilities and the maturity of facilities are described in note 21.

The Group has assessed its projected cash flows over the going concern assessment period. This base case uses the most recent Board-approved forecasts that include the going concern assessment period. The base case assumes steady wholesale volumes, with associated increases in EBIT in the going concern assessment period compared to the previous 12 months reflecting the continued implementation of the Reimagine strategy, strong demand and a reduction in supply constraints.

The Group has carried out a reverse stress test against the base case to determine the decline in wholesale volumes over a twelve month period that would result in a liquidity level that breaches the £1 billion liquidity financing covenant. The reverse stress test models an appropriate assumption in reduction in demand across the Group's product portfolio as the primary risk on wholesale volumes is now deemed to be more likely to arise from demand rather than supply given resolution of previously noted supply constraints.

In order to reach a liquidity level that breaches covenants, it would require a sustained decline in wholesale volumes of 50% compared to the base case over a twelve month period. The reverse stress test reflects the variable profit impact of the wholesale volume decline, and assumes all other assumptions are held in line with the base case. It does not reflect other potential upside measures that could be taken in such a reduced volume scenario; nor any new funding.

The Group does not consider this scenario to be plausible given that the stress test volumes are significantly lower than demand forecasts and the volumes achieved during previous component supply constraint periods. The Group has a strong order bank and is confident that it can significantly exceed reverse stress test volumes.

The Group has considered the impact of severe but plausible downside scenarios, including scenarios that reflect a decrease in variable profit per unit compared with the base case to include additional increases in material and other related production costs. Under all these scenarios the Group has sufficient headroom.

The Directors, after making appropriate enquiries and taking into consideration the risks and uncertainties facing the Group, consider that the Group has adequate financial resources to continue operating throughout the going concern assessment period, meeting its liabilities as they fall due. Accordingly, the Directors continue to adopt the going concern basis in preparing these condensed consolidated interim financial statements.

## 2 Alternative performance measures

In reporting financial information, the Group presents alternative performance measures ('APMs') that are not defined or specified under the requirements of IFRS. The Group believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information on the performance of the business.

The APMs used by the Group are defined below:

Alternative performance measure	Definition
Adjusted EBITDA	Adjusted EBITDA is defined as profit/(loss) before: income tax expense; exceptional items; finance expense (net of capitalised interest) and finance income; gains/losses on debt and unrealised derivatives, realised derivatives entered into for the purpose of hedging debt, and equity or debt investments held at fair value; foreign exchange gains/losses on other assets and liabilities, including short-term deposits and cash and cash equivalents; share of profit/(loss) from equity accounted investments; depreciation and amortisation.
Adjusted EBIT	Adjusted EBIT is defined as for adjusted EBITDA but including share of profit/(loss) from equity accounted investments, depreciation and amortisation.
Return on capital employed ('ROCE')	ROCE is defined as EBIT for the last twelve months divided by the average capital employed over the same period. Capital employed is defined as net assets excluding interest-bearing borrowings and lease liabilities.
Profit before tax and exceptional items	Profit before tax excluding exceptional items.
Free cash flow	Net cash generated from operating activities less net cash used in automotive investing activities, excluding investments in joint ventures, associates and subsidiaries and movements in financial investments, and after finance expenses and fees paid. Financial investments are those reported as cash and cash equivalents, short-term deposits and other investments, and equity or debt investments held at fair value.
Total product and other investment	Cash used in the purchase of property, plant and equipment, intangible assets, investments in equity accounted investments and other trading investments, acquisition of subsidiaries and expensed research and development costs.
Working capital and accruals	Changes in assets and liabilities as presented in note 28. This comprises movements in assets and liabilities excluding movements relating to financing or investing cash flows or non-cash items that are not included in adjusted EBIT or adjusted EBITDA.
Total cash and cash equivalents, deposits and investments	Defined as cash and cash equivalents, short-term deposits and other investments, marketable securities and any other items defined as cash and cash equivalents in accordance with IFRS.
Available liquidity	Defined as total cash and cash equivalents, deposits and investments plus committed undrawn credit facilities.
Net debt	Total cash and cash equivalents, deposits and investments less total interest-bearing loans and borrowings including lease liabilities.
Retail sales	Jaguar Land Rover retail sales represent vehicle sales made by dealers to end customers and include the sale of vehicles produced by our Chinese joint venture, Chery Jaguar Land Rover Automotive Company Ltd.
Wholesales	Wholesales represent vehicle sales made to dealers. The Group recognises revenue on wholesales.

The Group uses adjusted EBITDA as an APM to review and measure the underlying profitability of the Group on an ongoing basis for comparability as it recognises that increased capital expenditure year-on-year will lead to a corresponding increase in depreciation and amortisation expense recognised within the consolidated income statement.

The Group uses adjusted EBIT as an APM to review and measure the underlying profitability of the Group on an ongoing basis as this excludes volatility on unrealised foreign exchange transactions. Due to the significant level of debt and currency derivatives, unrealised foreign exchange distorts the financial performance of the Group from one period to another.

The Group uses ROCE to assess the efficiency in allocating capital to profitable investments.

Free cash flow is considered by the Group to be a key measure in assessing and understanding the total operating performance of the Group and to identify underlying trends.

Total product and other investment is considered by the Group to be a key measure in assessing cash invested in the development of future new models and infrastructure supporting the growth of the Group.

Working capital is considered by the Group to be a key measure in assessing short-term assets and liabilities that are expected to be converted into cash within the next twelve-month period; as well as over the longer term.

Total cash and cash equivalents, deposits and investments and available liquidity are measures used by the Group to assess liquidity and the availability of funds for future spend and investment.

Exceptional items are defined in note 4.

Reconciliations between these alternative performance measures and statutory reported measures are shown on the next pages.

## 2 Alternative performance measures (continued)

### Adjusted EBIT and Adjusted EBITDA

£ millions	Note	Three months ended		Six months ended	
		30 September 2024	30 September 2023	30 September 2024	30 September 2023
<b>Adjusted EBITDA</b>		<b>759</b>	<b>1,021</b>	<b>1,908</b>	<b>2,144</b>
Depreciation and amortisation		(434)	(525)	(944)	(1,063)
Share of profit of equity accounted investments		3	5	9	15
<b>Adjusted EBIT</b>		<b>328</b>	<b>501</b>	<b>973</b>	<b>1,096</b>
Foreign exchange on debt, derivatives and balance sheet revaluation	28	86	(11)	118	2
Unrealised gain/(loss) on commodity derivatives	28	32	35	91	(43)
Finance income	8	33	41	77	74
Finance expense (net)	8	(78)	(125)	(165)	(256)
Fair value (loss)/gain on equity investments	28	(3)	1	(3)	4
<b>Profit before tax and exceptional items</b>		<b>398</b>	<b>442</b>	<b>1,091</b>	<b>877</b>
Exceptional items	4	-	-	8	-
<b>Profit before tax</b>		<b>398</b>	<b>442</b>	<b>1,099</b>	<b>877</b>

### Return on capital employed

As at (£ millions)	Note	30 September 2024	31 March 2024	30 September 2023
Adjusted EBIT - last twelve months		2,345	2,468	1,782
<b>Capital employed</b>				
Net assets		8,105	7,279	5,041
Less: total debt	21	4,628	4,886	6,542
<b>Capital employed</b>		<b>12,733</b>	<b>12,165</b>	<b>11,583</b>
<b>Average capital employed</b>		<b>12,158</b>	<b>11,596</b>	<b>11,333</b>
<b>Return on capital employed (%)</b>		<b>19.3%</b>	<b>21.3%</b>	<b>15.7%</b>

### Free cash flow

£ millions	Three months ended		Six months ended	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023*
Net cash generated from operating activities	521	925	1,493	1,969
Purchases of property, plant and equipment	(257)	(182)	(514)	(342)
Cash outflow relating to intangible asset expenditure	(451)	(383)	(914)	(715)
Proceeds from sale of fixed assets and assets held for sale	-	6	37	6
Issuance of loans to related parties	-	-	-	(20)
Repayment of loans to related parties	-	20	-	20
Dividends received	-	-	2	2
Finance expenses and fees paid	(106)	(124)	(212)	(237)
Finance income received	37	38	82	68
<b>Free cash flow</b>	<b>(256)</b>	<b>300</b>	<b>(26)</b>	<b>751</b>

\*The comparatives for the six month period ended 30 September 2023 have been re-presented to align with presentation changes made during the year ended 31 March 2024. Dividends received have been presented on a separate line following the reclassification of this cash flow from operating activities to investing activities. There has been no change to total 'Free cash flow'.

### Total product and other investments

£ millions	Note	Three months ended		Six months ended	
		30 September 2024	30 September 2023	30 September 2024	30 September 2023
Purchases of property, plant and equipment		257	182	514	342
Cash outflow relating to intangible asset expenditure		451	383	914	715
Engineering costs expensed	5	236	209	465	412
Purchases of other investments		3	1	5	3
<b>Total product and other investments</b>		<b>947</b>	<b>775</b>	<b>1,898</b>	<b>1,472</b>

### Total cash and cash equivalents, deposits and investments

As at (£ millions)	30 September 2024	31 March 2024	30 September 2023
Cash and cash equivalents	3,317	4,051	4,057
Short-term deposits and other investments	97	103	236
<b>Total cash and cash equivalents, deposits and investments</b>	<b>3,414</b>	<b>4,154</b>	<b>4,293</b>

## 2 Alternative performance measures (continued)

### Available liquidity

As at (£ millions)	Note	30 September 2024	31 March 2024	30 September 2023
Cash and cash equivalents		3,317	4,051	4,057
Short-term deposits and other investments		97	103	236
Committed undrawn credit facilities	21	1,520	1,520	1,520
<b>Available liquidity</b>		<b>4,934</b>	<b>5,674</b>	<b>5,813</b>

### Net debt

As at (£ millions)	Note	30 September 2024	31 March 2024	30 September 2023
Cash and cash equivalents		3,317	4,051	4,057
Short-term deposits and other investments		97	103	236
Interest-bearing loans and borrowings	21	(4,628)	(4,886)	(6,542)
<b>Net debt</b>		<b>(1,214)</b>	<b>(732)</b>	<b>(2,249)</b>

### Retails and wholesales

Units	Three months ended		Six months ended	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
Retail sales	103,108	106,561	214,288	208,555
Wholesales	87,303	96,817	185,058	190,070

## 3 Revenue

£ millions	Three months ended		Six months ended	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
Revenue recognised for sales of vehicles, parts and accessories	6,024	6,493	12,944	13,114
Revenue recognised for services transferred	141	85	225	167
Revenue - other	241	256	493	515
<b>Total revenue from contracts with clients</b>	<b>6,406</b>	<b>6,834</b>	<b>13,662</b>	<b>13,796</b>
Realised revenue hedges	69	23	86	(36)
<b>Total revenue</b>	<b>6,475</b>	<b>6,857</b>	<b>13,748</b>	<b>13,760</b>

## 4 Exceptional items

No exceptional items were recognised during the three month periods ended 30 September 2024 or 2023, or during the six month period ended 30 September 2023.

The exceptional items recognised during the six month period ended 30 September 2024 comprise:

- £10 million update to the exceptional item recognised during the years ended 31 March 2022 and 2021 in relation to the impact of the Group's Reimagine strategy;
- £(6) million in relation to transaction costs associated with the acquisition of a subsidiary; and
- £4 million update to the exceptional item recognised during the year ended 31 March 2022 in relation to customer liabilities arising from sanctions imposed against Russia.

The table below sets out the exceptional items recorded during the six month period ended 30 September 2024 and the impact on the condensed consolidated income statement if these items were not disclosed separately as exceptional items.

£ millions	Six months ended 30 September 2024	
	Other expenses	Material and other cost of sales
<b>Excluding exceptional items</b>	<b>(3,177)</b>	<b>(8,012)</b>
Restructuring costs - third party obligations	4	6
Other	(2)	-
<b>Including exceptional items</b>	<b>(3,175)</b>	<b>(8,006)</b>



## 5 Engineering costs capitalised

£ millions	Three months ended		Six months ended	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
Total engineering costs incurred	671	577	1,349	1,100
Engineering costs expensed	(236)	(209)	(465)	(412)
<b>Engineering costs capitalised</b>	<b>435</b>	<b>368</b>	<b>884</b>	<b>688</b>
Interest capitalised in relation to engineering costs	51	18	94	31
<b>Total capitalised in property, plant and equipment and intangible assets</b>	<b>486</b>	<b>386</b>	<b>978</b>	<b>719</b>

## 6 Other income

£ millions	Three months ended		Six months ended	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
Grant income	64	64	125	112
Commissions	8	7	13	10
Other	38	23	62	46
<b>Total other income</b>	<b>110</b>	<b>94</b>	<b>200</b>	<b>168</b>

## 7 Foreign exchange and fair value adjustments

£ millions	Three months ended		Six months ended	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
Foreign exchange and fair value adjustments on loans	99	(65)	128	41
Foreign exchange (loss)/gain on economic hedges of loans	(29)	51	(43)	(61)
Foreign exchange (loss)/gain on derivatives	(1)	4	-	4
Other foreign exchange (loss)/gain	(32)	21	(20)	(5)
Realised loss on commodity derivatives	(10)	(16)	(23)	(27)
Unrealised gain/(loss) on commodity derivatives	32	35	91	(43)
Fair value (loss)/gain on equity investments	(3)	1	(3)	4
<b>Foreign exchange and fair value adjustments</b>	<b>56</b>	<b>31</b>	<b>130</b>	<b>(87)</b>

## 8 Finance income and expense

£ millions	Three months ended		Six months ended	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
Finance income	33	41	77	74
<b>Total finance income</b>	<b>33</b>	<b>41</b>	<b>77</b>	<b>74</b>
Interest expense on lease liabilities	(13)	(14)	(27)	(28)
Total interest expense on financial liabilities measured at amortised cost other than lease liabilities measured at amortised cost	(88)	(104)	(178)	(210)
Interest expense on derivatives designated as a fair value hedge of financial liabilities	(8)	(7)	(15)	(13)
Unwind of discount on provisions	(21)	(19)	(41)	(38)
Interest capitalised	52	19	96	33
<b>Total finance expense (net)</b>	<b>(78)</b>	<b>(125)</b>	<b>(165)</b>	<b>(256)</b>

The capitalisation rate used to calculate borrowing costs eligible for capitalisation during the six month period ended 30 September 2024 was 7.1% (six month period ended 30 September 2023: 6.2%).

## 9 Other expenses

£ millions	Three months ended		Six months ended	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
Stores, spare parts and tools	32	28	66	58
Freight cost	170	170	338	342
Works, operations and other costs	863	745	1,720	1,480
Power and fuel	28	28	57	60
Product warranty	277	267	544	490
Publicity	237	187	452	371
<b>Total other expenses</b>	<b>1,607</b>	<b>1,425</b>	<b>3,177</b>	<b>2,801</b>

**10 Allowances for trade and other receivables**

£ millions	Six months ended	
	30 September 2024	30 September 2023
At beginning of period	6	4
Charged during the period	-	4
<b>At end of period</b>	<b>6</b>	<b>8</b>

**11 Property, plant and equipment**

£ millions	Land and buildings	Plant and equipment	Vehicles	IT equipment	Fixtures and fittings	Heritage vehicles	Under construction	Total
<b>Cost</b>								
<b>Balance at 1 April 2024</b>	<b>2,668</b>	<b>10,551</b>	<b>11</b>	<b>202</b>	<b>131</b>	<b>14</b>	<b>866</b>	<b>14,443</b>
Additions	-	-	-	2	2	-	486	490
Transfers	52	62	-	-	-	-	(114)	-
Transfers from right-of-use assets*	-	2	-	-	-	-	-	2
Disposals	(9)	(216)	-	(3)	(2)	-	-	(230)
Assets classified as held for sale	(6)	-	-	-	(1)	-	-	(7)
Acquisition of subsidiary	1	17	-	-	-	-	-	18
Foreign currency translation	(14)	(17)	-	(2)	-	-	-	(33)
<b>Balance at 30 September 2024</b>	<b>2,692</b>	<b>10,399</b>	<b>11</b>	<b>199</b>	<b>130</b>	<b>14</b>	<b>1,238</b>	<b>14,683</b>
<b>Depreciation and impairment</b>								
<b>Balance at 1 April 2024</b>	<b>834</b>	<b>7,646</b>	<b>11</b>	<b>132</b>	<b>89</b>	<b>7</b>	<b>-</b>	<b>8,719</b>
Depreciation charge for the period	61	380	-	8	4	-	-	453
Disposals	(7)	(209)	-	(3)	(2)	-	-	(221)
Foreign currency translation	(4)	(8)	-	(2)	-	-	-	(14)
<b>Balance at 30 September 2024</b>	<b>884</b>	<b>7,809</b>	<b>11</b>	<b>135</b>	<b>91</b>	<b>7</b>	<b>-</b>	<b>8,937</b>
<b>Net book value</b>								
At 1 April 2024	1,834	2,905	-	70	42	7	866	5,724
<b>At 30 September 2024</b>	<b>1,808</b>	<b>2,590</b>	<b>-</b>	<b>64</b>	<b>39</b>	<b>7</b>	<b>1,238</b>	<b>5,746</b>

\*Amounts with a net book value of £2m (30 September 2023: £nil) were reclassified from right-of-use assets to property, plant and equipment at the cessation of the respective leases. The assets reclassified related to leases with purchase options for which the Group had been depreciating the assets over their expected economic lives.

£ millions	Land and buildings	Plant and equipment	Vehicles	IT equipment	Fixtures and fittings	Heritage vehicles	Under construction	Total
<b>Cost</b>								
<b>Balance at 1 April 2023</b>	<b>2,646</b>	<b>11,360</b>	<b>14</b>	<b>213</b>	<b>140</b>	<b>40</b>	<b>388</b>	<b>14,801</b>
Additions	-	-	-	-	-	-	527	527
Transfers	60	146	-	2	-	-	(208)	-
Disposals	(6)	(265)	-	(4)	(3)	(25)	-	(303)
Foreign currency translation	(6)	(9)	-	-	-	-	-	(15)
<b>Balance at 30 September 2023</b>	<b>2,694</b>	<b>11,232</b>	<b>14</b>	<b>211</b>	<b>137</b>	<b>15</b>	<b>707</b>	<b>15,010</b>
<b>Depreciation and impairment</b>								
<b>Balance at 1 April 2023</b>	<b>736</b>	<b>7,953</b>	<b>11</b>	<b>132</b>	<b>93</b>	<b>34</b>	<b>-</b>	<b>8,959</b>
Depreciation charge for the period	62	415	-	8	4	-	-	489
Disposals	(6)	(245)	-	(4)	(3)	(25)	-	(283)
Foreign currency translation	(3)	(2)	-	-	(1)	-	-	(6)
<b>Balance at 30 September 2023</b>	<b>789</b>	<b>8,121</b>	<b>11</b>	<b>136</b>	<b>93</b>	<b>9</b>	<b>-</b>	<b>9,159</b>
<b>Net book value</b>								
At 1 April 2023	1,910	3,407	3	81	47	6	388	5,842
<b>At 30 September 2023</b>	<b>1,905</b>	<b>3,111</b>	<b>3</b>	<b>75</b>	<b>44</b>	<b>6</b>	<b>707</b>	<b>5,851</b>

£ millions	Goodwill	Software	Patents and technological know-how	Customer related	Intellectual property rights and other intangibles	Product development - completed	Product development - in progress	Total
<b>Cost</b>								
<b>Balance at 1 April 2024</b>	-	<b>772</b>	<b>147</b>	<b>61</b>	<b>650</b>	<b>9,078</b>	<b>2,184</b>	<b>12,892</b>
Additions - externally purchased	-	30	-	-	-	-	-	30
Additions - internally developed	-	-	-	-	-	-	978	978
Disposals	-	(38)	(147)	-	-	(1,786)	-	(1,971)
Acquisition of subsidiary	40	-	-	-	11	-	-	51
Foreign currency translation	-	(1)	-	-	-	-	-	(1)
<b>Balance at 30 September 2024</b>	<b>40</b>	<b>763</b>	<b>-</b>	<b>61</b>	<b>661</b>	<b>7,292</b>	<b>3,162</b>	<b>11,979</b>
<b>Amortisation and impairment</b>								
<b>Balance at 1 April 2024</b>	-	<b>579</b>	<b>147</b>	<b>53</b>	<b>175</b>	<b>6,532</b>	-	<b>7,486</b>
Amortisation charge for the period	-	28	-	1	1	411	-	441
Disposals	-	(36)	(147)	-	-	(1,786)	-	(1,969)
Foreign currency translation	-	(1)	-	-	-	-	-	(1)
<b>Balance at 30 September 2024</b>	-	<b>570</b>	<b>-</b>	<b>54</b>	<b>176</b>	<b>5,157</b>	-	<b>5,957</b>
<b>Net book value</b>								
At 1 April 2024	-	193	-	8	475	2,546	2,184	5,406
<b>At 30 September 2024</b>	<b>40</b>	<b>193</b>	<b>-</b>	<b>7</b>	<b>485</b>	<b>2,135</b>	<b>3,162</b>	<b>6,022</b>

On 20 June 2024, JLR completed the acquisition of a non-core subsidiary for cash consideration of £72 million, resulting in goodwill of £40 million. Under IFRS 3 Business Combinations, the fair value of assets and liabilities acquired must be finalised within a twelve month “measurement period” from the date of acquisition. At the reporting date, the purchase price allocation and fair value adjustments are provisional. Acquisition-related costs of £6 million are included within exceptional items (see note 4).

£ millions	Software	Patents and technological know-how	Customer related	Intellectual property rights and other intangibles	Product development - completed	Product development - in progress	Total
<b>Cost</b>							
<b>Balance at 1 April 2023</b>	<b>948</b>	<b>147</b>	<b>61</b>	<b>650</b>	<b>9,150</b>	<b>793</b>	<b>11,749</b>
Additions - externally purchased	28	-	-	-	-	-	28
Additions - internally developed	-	-	-	-	-	719	719
Transfers	-	-	-	-	74	(74)	-
Disposals	(95)	-	-	-	(222)	-	(317)
<b>Balance at 30 September 2023</b>	<b>881</b>	<b>147</b>	<b>61</b>	<b>650</b>	<b>9,002</b>	<b>1,438</b>	<b>12,179</b>
<b>Amortisation and impairment</b>							
<b>Balance at 1 April 2023</b>	<b>743</b>	<b>147</b>	<b>48</b>	<b>173</b>	<b>5,774</b>	-	<b>6,885</b>
Amortisation charge for the period	37	-	5	1	488	-	531
Disposals	(83)	-	-	-	(222)	-	(305)
<b>Balance at 30 September 2023</b>	<b>697</b>	<b>147</b>	<b>53</b>	<b>174</b>	<b>6,040</b>	-	<b>7,111</b>
<b>Net book value</b>							
At 1 April 2023	205	-	13	477	3,376	793	4,864
<b>At 30 September 2023</b>	<b>184</b>	<b>-</b>	<b>8</b>	<b>476</b>	<b>2,962</b>	<b>1,438</b>	<b>5,068</b>

**13 Right-of-use assets**

£ millions	Land and buildings	IT equipment	Plant and equipment	Vehicles	Fixtures and fittings	Other	Total
<b>Cost</b>							
<b>Balance at 1 April 2024</b>	<b>795</b>	<b>22</b>	<b>92</b>	<b>9</b>	<b>16</b>	<b>3</b>	<b>937</b>
Additions	17	2	10	2	-	-	31
Disposals	(11)	(2)	(6)	(2)	(10)	-	(31)
Transfers to property, plant and equipment*	-	-	(6)	-	-	-	(6)
Acquisition of subsidiary	24	-	1	-	-	-	25
Foreign currency translation	(1)	-	(1)	-	-	-	(2)
Other	10	(1)	-	-	1	-	10
<b>Balance at 30 September 2024</b>	<b>834</b>	<b>21</b>	<b>90</b>	<b>9</b>	<b>7</b>	<b>3</b>	<b>964</b>
<b>Depreciation</b>							
<b>Balance at 1 April 2024</b>	<b>263</b>	<b>9</b>	<b>43</b>	<b>5</b>	<b>7</b>	<b>2</b>	<b>329</b>
Depreciation charge for the period	36	3	8	2	1	-	50
Transfers to property, plant and equipment*	-	-	(4)	-	-	-	(4)
Disposals	(6)	(2)	(6)	(2)	(7)	-	(23)
Other	(2)	-	-	-	-	-	(2)
<b>Balance at 30 September 2024</b>	<b>291</b>	<b>10</b>	<b>41</b>	<b>5</b>	<b>1</b>	<b>2</b>	<b>350</b>
<b>Net book value</b>							
At 1 April 2024	532	13	49	4	9	1	608
<b>At 30 September 2024</b>	<b>543</b>	<b>11</b>	<b>49</b>	<b>4</b>	<b>6</b>	<b>1</b>	<b>614</b>

\*Amounts with a net book value of £2m (30 September 2023: £nil) were reclassified from right-of-use assets to property, plant and equipment at the cessation of the respective leases. The assets reclassified related to leases with purchase options for which the Group had been depreciating the assets over their expected economic lives.

£ millions	Land and buildings	IT equipment	Plant and equipment	Vehicles	Fixtures and fittings	Other	Total
<b>Cost</b>							
<b>Balance at 1 April 2023</b>	<b>781</b>	<b>17</b>	<b>94</b>	<b>7</b>	<b>17</b>	<b>4</b>	<b>920</b>
Additions	14	1	13	1	-	-	29
Disposals	(15)	(4)	(13)	(1)	-	(2)	(35)
Other	4	-	-	-	-	(1)	3
<b>Balance at 30 September 2023</b>	<b>784</b>	<b>14</b>	<b>94</b>	<b>7</b>	<b>17</b>	<b>1</b>	<b>917</b>
<b>Depreciation</b>							
<b>Balance at 1 April 2023</b>	<b>208</b>	<b>9</b>	<b>57</b>	<b>3</b>	<b>5</b>	<b>3</b>	<b>285</b>
Depreciation charge for the period	33	2	6	1	1	-	43
Disposals	(11)	(4)	(13)	(1)	-	(2)	(31)
<b>Balance at 30 September 2023</b>	<b>230</b>	<b>7</b>	<b>50</b>	<b>3</b>	<b>6</b>	<b>1</b>	<b>297</b>
<b>Net book value</b>							
At 1 April 2023	573	8	37	4	12	1	635
<b>At 30 September 2023</b>	<b>554</b>	<b>7</b>	<b>44</b>	<b>4</b>	<b>11</b>	<b>-</b>	<b>620</b>

## 14 Other financial assets

As at (£ millions)	30 September 2024	31 March 2024	30 September 2023
<b>Non-current</b>			
Restricted cash	8	8	9
Derivative financial instruments	484	223	66
Warranty reimbursement and other receivables	60	58	53
Other	60	66	16
<b>Total non-current other financial assets</b>	<b>612</b>	<b>355</b>	<b>144</b>
<b>Current</b>			
Restricted cash	9	10	12
Derivative financial instruments	434	239	220
Warranty reimbursement and other receivables	87	121	102
Accrued income	46	53	35
Other	112	120	129
<b>Total current other financial assets</b>	<b>688</b>	<b>543</b>	<b>498</b>

## 15 Inventories

As at (£ millions)	30 September 2024	31 March 2024	30 September 2023
Raw materials and consumables	170	109	165
Work-in-progress	599	538	499
Finished goods	3,228	3,103	2,845
Inventory basis adjustment	6	1	-
<b>Total inventories</b>	<b>4,003</b>	<b>3,751</b>	<b>3,509</b>

Inventories of finished goods include £444 million (31 March 2024: £429 million, 30 September 2023: £461 million) relating to vehicles sold to rental car companies, fleet clients and others with guaranteed repurchase arrangements.

During the six month period ended 30 September 2024, the Group recorded an inventory write-down expense of £31 million (six month period ended 30 September 2023: £46 million). The write-down is included in "Material and other cost of sales".

## 16 Other assets

As at (£ millions)	30 September 2024	31 March 2024	30 September 2023
<b>Non-current</b>			
Prepaid expenses	149	131	76
Research and development expenditure credit	110	1	84
Other	12	11	10
<b>Total non-current other assets</b>	<b>271</b>	<b>143</b>	<b>170</b>
<b>Current</b>			
Recoverable VAT	232	158	204
Prepaid expenses	331	306	287
Research and development expenditure credit	178	178	100
Other	16	15	15
<b>Total current other assets</b>	<b>757</b>	<b>657</b>	<b>606</b>

## 17 Taxation

### Recognised in the income statement

Income tax for the six month periods ended 30 September 2024 and 30 September 2023 is charged at the estimated effective tax rate expected to apply for the applicable financial year ends and adjusted for relevant deferred tax amounts where applicable.

A tax charge of £314 million was incurred in the six month period ended 30 September 2024. The effective tax rate of 29% reflects the mixture of corporate tax rates applied in the countries in which the group operates.



**18 Other financial liabilities**

As at (£ millions)	30 September 2024	31 March 2024	30 September 2023
<b>Current</b>			
Lease obligations	77	73	71
Interest accrued	83	84	104
Derivative financial instruments	198	265	385
Liability for vehicles sold under a repurchase arrangement	480	455	384
Other	7	8	-
<b>Total current other financial liabilities</b>	<b>845</b>	<b>885</b>	<b>944</b>
<b>Non-current</b>			
Lease obligations	616	621	622
Derivative financial instruments	50	136	352
Other	1	1	10
<b>Total non-current other financial liabilities</b>	<b>667</b>	<b>758</b>	<b>984</b>

**19 Provisions**

As at (£ millions)	30 September 2024	31 March 2024*	30 September 2023*
<b>Current</b>			
Product warranty	692	720	699
Emissions compliance	67	41	10
Third party claims and obligations	191	197	317
Other provisions	30	68	71
<b>Total current provisions</b>	<b>980</b>	<b>1,026</b>	<b>1,097</b>
<b>Non-current</b>			
Product warranty	1,211	1,145	1,054
Emissions compliance	122	118	85
Other provisions	62	48	49
<b>Total non-current provisions</b>	<b>1,395</b>	<b>1,311</b>	<b>1,188</b>

\*The comparatives as at 31 March 2024 and 30 September 2023 have been re-presented to align with presentation changes made during the quarter ended 30 June 2024. Amounts previously disclosed as 'Restructuring' have been presented in 'Third party claims and obligations' and 'Other provisions' as applicable. This has not resulted in any change to the reported 'Total current provisions' or 'Total non-current provisions'.

£ millions	Product warranty	Emissions compliance	Third party claims and obligations	Other provisions	Total
<b>Balance at 1 April 2024</b>	<b>1,865</b>	<b>159</b>	<b>197</b>	<b>116</b>	<b>2,337</b>
Provisions made during the period	525	69	156	26	776
Provisions used during the period	(523)	(6)	(92)	(10)	(631)
Unused amounts reversed in the period	(5)	(33)	(69)	(8)	(115)
Liabilities directly associated with assets classified as held for sale	-	-	-	(36)	(36)
Acquisition of subsidiary	-	-	-	5	5
Impact of unwind of discounting	41	-	-	-	41
Foreign currency translation	-	-	(1)	(1)	(2)
<b>Balance at 30 September 2024</b>	<b>1,903</b>	<b>189</b>	<b>191</b>	<b>92</b>	<b>2,375</b>

**20 Other liabilities**

As at (£ millions)	30 September 2024	31 March 2024	30 September 2023
<b>Current</b>			
Liabilities for advances received	461	102	186
Ongoing service obligations	352	324	314
VAT	102	104	112
Deferred grant income	51	70	68
Other taxes payable	213	100	234
Other	10	11	11
<b>Total current other liabilities</b>	<b>1,189</b>	<b>711</b>	<b>925</b>
<b>Non-current</b>			
Ongoing service obligations	605	605	549
Deferred grant income	419	348	312
Other	2	4	2
<b>Total non-current other liabilities</b>	<b>1,026</b>	<b>957</b>	<b>863</b>

## 21 Interest bearing loans and borrowings

As at (£ millions)	30 September 2024	31 March 2024	30 September 2023
<b>Short-term borrowings</b>			
Bank loans	-	-	561
Current portion of long-term EURO MTF listed debt	417	427	562
Current portion of long-term bank loans	762	829	218
Other secured	2	-	-
<b>Total short-term borrowings</b>	<b>1,181</b>	<b>1,256</b>	<b>1,341</b>
<b>Long-term borrowings</b>			
Bank loans	156	217	969
EURO MTF listed debt	2,561	2,683	3,503
Other unsecured	37	36	36
<b>Total long-term borrowings</b>	<b>2,754</b>	<b>2,936</b>	<b>4,508</b>
Lease obligations	693	694	693
<b>Total debt</b>	<b>4,628</b>	<b>4,886</b>	<b>6,542</b>

### Undrawn facilities

As at 30 September 2024, the Group has a fully undrawn revolving credit facility of £1,520 million (31 March 2024: £1,520 million, 30 September 2023: £1,520 million). The facility has a maturity date of April 2026 and includes a covenant requiring the Group to maintain a minimum quarter-end liquidity of £1 billion. Subsequent to the period end, the facility has been renegotiated for a total amount of £1.6 billion, consisting of two facilities: an amount of £1.0 billion with a maturity date of October 2029 and an amount of £0.6 billion with a maturity date of October 2027.

## 22 Financial instruments

The condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments held at fair value. These financial instruments are classified as either level 2 fair value measurements, as defined by IFRS 13, being those derived from inputs other than quoted prices which are observable, or level 3 fair value measurements, being those derived from significant unobservable inputs. There have been no changes in the valuation techniques used or transfers between fair value levels from those set out in note 37 to the annual consolidated financial statements for the year ended 31 March 2024.

The tables below show the carrying amounts and fair value of each category of financial assets and liabilities.

As at 30 September 2024 (£ millions)	Fair value through profit and loss					Total fair value
	Amortised cost	Financial assets	Derivatives other than in hedging relationship	Derivatives in hedging relationship	Total carrying value	
Cash and cash equivalents	3,317	-	-	-	3,317	3,317
Short-term deposits and other investments	97	-	-	-	97	97
Trade receivables	873	-	-	-	873	873
Other non-current investments	-	53	-	-	53	53
Other financial assets - current	254	-	50	384	688	688
Other financial assets - non-current	128	-	21	463	612	612
<b>Total financial assets</b>	<b>4,669</b>	<b>53</b>	<b>71</b>	<b>847</b>	<b>5,640</b>	<b>5,640</b>
Accounts payable	6,209	-	-	-	6,209	6,209
Short-term borrowings	1,181	-	-	-	1,181	1,183
Long-term borrowings*	2,754	-	-	-	2,754	2,900
Other financial liabilities - current	647	-	87	111	845	845
Other financial liabilities - non-current	617	-	24	26	667	646
<b>Total financial liabilities</b>	<b>11,408</b>	<b>-</b>	<b>111</b>	<b>137</b>	<b>11,656</b>	<b>11,783</b>

\*Included in long-term borrowings is £417 million that is designated as the hedged item in a fair value hedge relationship. Included within long-term borrowings is £(131) million of fair value adjustments of which £(113) million relates to the ongoing hedge relationship and £(18) million relates to hedge relationships that were discontinued during the year ended 31 March 2023. Included in long-term borrowings is £1,616 million that is designated as a hedging instrument in a cash flow hedge relationship.

As at 31 March 2024 (£ millions)	Fair value through profit and loss					Total fair value
	Amortised cost	Financial assets	Derivatives other than in hedging relationship	Derivatives in hedging relationship	Total carrying value	
Cash and cash equivalents	4,051	-	-	-	4,051	4,051
Short-term deposits and other investments	103	-	-	-	103	103
Trade receivables	1,236	-	-	-	1,236	1,236
Other non-current investments	-	52	-	-	52	52
Other financial assets - current	304	-	52	187	543	543
Other financial assets - non-current	132	-	4	219	355	355
<b>Total financial assets</b>	<b>5,826</b>	<b>52</b>	<b>56</b>	<b>406</b>	<b>6,340</b>	<b>6,340</b>
Accounts payable	7,113	-	-	-	7,113	7,113
Short-term borrowings	1,256	-	-	-	1,256	1,261
Long-term borrowings*	2,936	-	-	-	2,936	3,068
Other financial liabilities - current	620	-	74	191	885	885
Other financial liabilities - non-current	622	-	49	87	758	830
<b>Total financial liabilities</b>	<b>12,547</b>	<b>-</b>	<b>123</b>	<b>278</b>	<b>12,948</b>	<b>13,157</b>

\*Included in long-term borrowings is £428 million that is designated as the hedged item in a fair value hedge relationship. Included within long-term borrowings is £(133) million of fair value adjustments of which £(112) million relates to the ongoing hedge relationship and £(21) million relates to hedge relationships that were discontinued during the year ended 31 March 2023. Included in long-term borrowings is £952 million that is designated as a hedging instrument in a cash flow hedge relationship.

As at 30 September 2023 (£ millions)	Fair value through profit and loss				Total carrying value	Total fair value
	Amortised cost	Financial assets	Derivatives other than in hedging relationship	Derivatives in hedging relationship		
Cash and cash equivalents	4,057	-	-	-	4,057	4,057
Short-term deposits and other investments	236	-	-	-	236	236
Trade receivables	1,117	-	-	-	1,117	1,117
Other non-current investments	-	51	-	-	51	51
Other financial assets - current	278	-	137	83	498	498
Other financial assets - non-current	78	-	1	65	144	144
<b>Total financial assets</b>	<b>5,766</b>	<b>51</b>	<b>138</b>	<b>148</b>	<b>6,103</b>	<b>6,103</b>
Accounts payable	6,040	-	-	-	6,040	6,040
Short-term borrowings	1,341	-	-	-	1,341	1,338
Long-term borrowings*	4,508	-	-	-	4,508	4,434
Other financial liabilities - current	559	-	65	320	944	944
Other financial liabilities - non-current	632	-	38	314	984	960
<b>Total financial liabilities</b>	<b>13,080</b>	<b>-</b>	<b>103</b>	<b>634</b>	<b>13,817</b>	<b>13,716</b>

\*Included in long-term borrowings is £432 million that is designated as the hedged item in a fair value hedge relationship. Included within long-term borrowings is £(136) million of fair value adjustments of which £(113) million relates to the ongoing hedge relationship and £(23) million relates to hedge relationships that were discontinued during the year ended 31 March 2023. Included in long-term borrowings is £980 million that is designated as a hedging instrument in a cash flow hedge relationship.

The following table shows the levels in the fair value hierarchy for financial assets and liabilities held at fair value and for financial liabilities that are not measured at fair value, where the carrying value is not a reasonable approximation of fair value:

£ millions	As at 30 September 2024			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Other non-current investments	-	-	53	53
Derivative assets	-	918	-	918
<b>Total</b>	<b>-</b>	<b>918</b>	<b>53</b>	<b>971</b>
<b>Financial liabilities measured at fair value</b>				
Derivative liabilities	-	248	-	248
<b>Total</b>	<b>-</b>	<b>248</b>	<b>-</b>	<b>248</b>
<b>Financial liabilities not measured at fair value</b>				
Borrowings	3,124	959	-	4,083
<b>Total</b>	<b>3,124</b>	<b>959</b>	<b>-</b>	<b>4,083</b>

£ millions	As at 31 March 2024			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Other non-current investments	-	-	52	52
Derivative assets	-	462	-	462
<b>Total</b>	<b>-</b>	<b>462</b>	<b>52</b>	<b>514</b>
<b>Financial liabilities measured at fair value</b>				
Derivative liabilities	-	401	-	401
<b>Total</b>	<b>-</b>	<b>401</b>	<b>-</b>	<b>401</b>
<b>Financial liabilities not measured at fair value</b>				
Borrowings	3,243	1,086	-	4,329
<b>Total</b>	<b>3,243</b>	<b>1,086</b>	<b>-</b>	<b>4,329</b>

£ millions	As at 30 September 2023			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Other non-current investments	-	-	51	51
Derivative assets	-	286	-	286
<b>Total</b>	<b>-</b>	<b>286</b>	<b>51</b>	<b>337</b>
<b>Financial liabilities measured at fair value</b>				
Derivative liabilities	-	737	-	737
<b>Total</b>	<b>-</b>	<b>737</b>	<b>-</b>	<b>737</b>
<b>Financial liabilities not measured at fair value</b>				
Borrowings	3,631	2,141	-	5,772
<b>Total</b>	<b>3,631</b>	<b>2,141</b>	<b>-</b>	<b>5,772</b>

## 22 Financial instruments (continued)

### Reconciliation of level 3 fair values

The following table gives a reconciliation of the movements in level 3 financial assets held at fair value:

£ millions	Six months ended	
	30 September 2024	30 September 2023
Balance at beginning of the period	52	43
Originated / purchased during the period	5	3
Fair value changes recognised in consolidated income statement	(3)	4
Foreign currency translation	(1)	1
<b>At end of period</b>	<b>53</b>	<b>51</b>

## 23 Other reserves

The movement in reserves is as follows:

£ millions	Translation reserve	Hedging reserve	Cost of hedging reserve	Retained earnings	Total other reserves
<b>Balance at 1 April 2024</b>	<b>(367)</b>	<b>177</b>	<b>(6)</b>	<b>5,807</b>	<b>5,611</b>
Profit for the period	-	-	-	785	785
Remeasurement of defined benefit obligation	-	-	-	(32)	(32)
Gain/(loss) on effective cash flow hedges	-	771	(55)	-	716
Income tax related to items recognised in other comprehensive income	-	(193)	14	9	(170)
Cash flow hedges reclassified to profit and loss	-	(83)	(5)	-	(88)
Income tax related to items reclassified to profit or loss	-	21	1	-	22
Amounts removed from hedge reserve and recognised in inventory	-	8	2	-	10
Income tax related to amounts removed from hedge reserve and recognised in inventory	-	(2)	-	-	(2)
Dividends paid	-	-	-	(387)	(387)
Foreign currency translation	(28)	-	-	-	(28)
<b>Balance at 30 September 2024</b>	<b>(395)</b>	<b>699</b>	<b>(49)</b>	<b>6,182</b>	<b>6,437</b>

£ millions	Translation reserve	Hedging reserve	Cost of hedging reserve	Retained earnings	Total other reserves
<b>Balance at 1 April 2023</b>	<b>(320)</b>	<b>(608)</b>	<b>(34)</b>	<b>3,533</b>	<b>2,571</b>
Profit for the period	-	-	-	595	595
Remeasurement of defined benefit obligation	-	-	-	(127)	(127)
Gain on effective cash flow hedges	-	215	33	-	248
Income tax related to items recognised in other comprehensive income	-	53	(1)	32	84
Cash flow hedges reclassified to profit and loss	-	41	(7)	-	34
Income tax related to items reclassified to profit or loss	-	(10)	2	-	(8)
Amounts removed from hedge reserve and recognised in inventory	-	2	-	-	2
Income tax related to amounts removed from hedge reserve and recognised in inventory	-	(1)	-	-	(1)
Foreign currency translation	(25)	-	-	-	(25)
<b>Balance at 30 September 2023</b>	<b>(345)</b>	<b>(308)</b>	<b>(7)</b>	<b>4,033</b>	<b>3,373</b>

## 24 Dividends

In May 2024, the Company paid an ordinary dividend of £387 million to its immediate parent company TML Holdings Pte. Ltd. (Singapore).

During the six month period ended 30 September 2023, no ordinary share dividends were proposed or paid.

## 25 Employee benefits

The Group has pension arrangements providing employees with defined benefits related to pay and service as set out in the rules of each scheme. The following tables set out disclosures pertaining to employee benefits of the Group which operates defined benefit pension schemes:

### Change in present value of defined benefit obligation

£ millions	Six months ended	
	30 September 2024	30 September 2023
Defined benefit obligation at beginning of period	5,104	5,089
Current service cost	33	32
Interest expense	127	119
Actuarial (gains)/losses arising from:		
Changes in demographic assumptions	(49)	(78)
Changes in financial assumptions	(29)	(509)
Experience adjustments	10	43
Exchange differences on foreign schemes	(1)	(1)
Benefits paid	(110)	(104)
<b>Defined benefit obligation at end of period</b>	<b>5,085</b>	<b>4,591</b>

### Change in fair value of schemes' assets

£ millions	Six months ended	
	30 September 2024	30 September 2023
Fair value of schemes' assets at beginning of period	5,382	5,726
Interest income	135	135
Remeasurement loss on the return of plan assets, excluding amounts included in interest income	(100)	(671)
Administrative expenses	(5)	(5)
Employer contributions	35	40
Benefits paid	(110)	(104)
<b>Fair value of schemes' assets at end of period</b>	<b>5,337</b>	<b>5,121</b>

The principal assumptions used in accounting for the pension schemes are set out below:

As at	30 September 2024	30 September 2023
Discount rate	5.1%	5.6%
Expected rate of increase in benefit revaluation of covered employees	1.9%	2.0%
RPI inflation rate	2.9%	3.1%
CPI inflation rate (capped at 5% p.a.)	2.5%	2.6%
CPI inflation rate (capped at 2.5% p.a.)	1.8%	1.8%

Amounts recognised in the condensed consolidated balance sheet consist of:

As at (£ millions)	30 September 2024	31 March 2024	30 September 2023
Present value of defined benefit obligation	(5,085)	(5,104)	(4,591)
Fair value of schemes' assets	5,337	5,382	5,121
<b>Net pension asset</b>	<b>252</b>	<b>278</b>	<b>530</b>
Presented as non-current asset	275	300	552
Presented as non-current liability	(23)	(22)	(22)

For the valuations at 30 September 2024 the mortality assumptions used are the Self-Administered Pension Schemes ('SAPS') mortality base table, S3 tables ('Light' tables for members of the Jaguar Executive Pension Plan).

- For the Jaguar Pension Plan, scaling factors of 97 per cent to 115 per cent have been used for male members and 102 per cent to 116 per cent have been used for female members.
- For the Land Rover Pension Scheme, scaling factors of 103 per cent to 112 per cent have been used for male members and 100 per cent to 115 per cent have been used for female members.
- For the Jaguar Executive Pension Plan, scaling factors of 92 per cent to 99 per cent have been used for male members and 92 per cent to 98 per cent have been used for female members.

For the valuations at 31 March 2024 the mortality assumptions used were the SAPS mortality base table, S3 tables ('Light' tables for members of the Jaguar Executive Pension Plan).

- For the Jaguar Pension Plan, scaling factors of 95 per cent to 111 per cent have been used for male members and 99 per cent to 113 per cent have been used for female members.
- For the Land Rover Pension Scheme, scaling factors of 101 per cent to 109 per cent have been used for male members and 97 per cent to 111 per cent have been used for female members.
- For the Jaguar Executive Pension Plan, scaling factors of 87 per cent to 93 per cent have been used for male members and 86 per cent to 92 per cent have been used for female members.



## 25 Employee benefits (continued)

For the valuations at 30 September 2023 the mortality assumptions used were the SAPS mortality base table, S3 tables ("Light" tables for members of the Jaguar Executive Pension Plan).

- For the Jaguar Pension Plan, scaling factors of 101 per cent to 115 per cent have been used for male members and 103 per cent to 118 per cent have been used for female members.
- For the Land Rover Pension Scheme, scaling factors of 105 per cent to 117 per cent have been used for male members and 100 per cent to 116 per cent have been used for female members.
- For the Jaguar Executive Pension Plan, scaling factors of 93 per cent to 97 per cent have been used for male members and 91 per cent to 96 per cent have been used for female members.

For the 30 September 2024 period end calculations there is an allowance for future improvements in line with the CMI (2023) projections with a long-term rate of improvement of 1.25 per cent per annum and a smoothing parameter of 7.0 (31 March 2024: CMI (2022) projections with 1.25 per cent per annum improvements and a smoothing parameter of 7.0, 30 September 2023: CMI (2022) projections with 1.25 per cent per annum improvements and a smoothing parameter of 7.0).

## 26 Commitments and contingencies

The following includes a description of contingencies and commitments. The Group assesses such commitments and claims as well as monitors the legal environment on an ongoing basis, with the assistance of external legal counsel wherever necessary. The Group records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in the financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosure in the consolidated financial statements but does not record a liability unless the loss becomes probable. Such potential losses may be of uncertain timing and/or amounts.

As at (£ millions)	30 September 2024	31 March 2024	30 September 2023*
Contingencies:			
- Third party claims and obligations	354	332	316
- Taxes and duties	53	60	184
Commitments:			
- Plant and equipment	916	655	489
- Intangible assets	24	20	21
Pledged as collateral/security			
- Other financial assets	26	27	29

\*The comparatives at 30 September 2023 have been re-presented to align with presentation changes made during the year ended 31 March 2024. Other contingencies are now presented in Third party claims and obligations. This has not resulted in any change to total contingent liabilities and commitments disclosed.

### Contingencies

Contingencies relate to legal and constructive obligations to third parties. There are claims and obligations against the Group which management has not recognised, as settlement is not considered probable. These claims and obligations relate primarily to the following:

- Third party claims and obligations (primarily supplier claims)
- Taxes and duties

There have been no material changes to regulatory, litigation and competition matters disclosed in the Group's Annual Report for the year ended 31 March 2024.

### Commitments

The Group has entered into various contracts with vendors and contractors for the acquisition of plant and equipment and intangible assets.

### Joint venture

Stipulated within the joint venture agreement for Chery Jaguar Land Rover Automotive Company Ltd., and subsequently amended by a change to the Articles of Association of Chery Jaguar Land Rover Automotive Company Ltd. is a commitment for the Group to contribute a total of CNY 5,000 million of capital. Of this amount, CNY 3,475 million has been contributed as at 30 September 2024. The outstanding commitment of CNY 1,525 million translates to £163 million at the 30 September 2024 exchange rate.

The Group's share of capital commitments of its joint venture at 30 September 2024 is £3 million (31 March 2024: £2 million, 30 September 2023: £7 million) and contingent liabilities of its joint venture 30 September 2024 is £6 million (31 March 2024: £6 million, 30 September 2023: £1 million).

## 27 Capital management

The Group's objectives when managing capital are to ensure the going concern operation of all subsidiary companies within the Group, to maintain an efficient capital structure to support ongoing and future operations of the Group and to meet shareholder expectations.

The Group issues debt, primarily in the form of bonds, to meet anticipated funding requirements and maintain sufficient liquidity. The Group also maintains certain undrawn committed credit facilities to provide additional liquidity. These borrowings, together with cash generated from operations, are loaned internally or contributed as equity to certain subsidiaries as required. Surplus cash in subsidiaries is pooled (where practicable) and invested to satisfy security, liquidity and yield requirements.

The capital structure and funding requirements are regularly monitored by the JLR plc Board to ensure sufficient liquidity is maintained by the Group. All debt issuances and capital distributions are approved by the JLR plc Board.

The following table summarises the capital of the Group:

As at (£ millions)	30 September 2024	31 March 2024	30 September 2023
Short-term debt	1,258	1,329	1,412
Long-term debt	3,370	3,557	5,130
<b>Total debt*</b>	<b>4,628</b>	<b>4,886</b>	<b>6,542</b>
Equity attributable to shareholders	8,105	7,279	5,041
<b>Total capital</b>	<b>12,733</b>	<b>12,165</b>	<b>11,583</b>

\*Total debt includes lease obligations of £693 million (31 March 2024: £694 million, 30 September 2023: £693 million).

## 28 Notes to the consolidated cash flow statement

### Reconciliation of profit for the period to cash generated from operations

£ millions	Three months ended		Six months ended	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
<b>Cash flows from operating activities</b>				
<b>Profit for the period</b>	<b>283</b>	<b>272</b>	<b>785</b>	<b>595</b>
Adjustments for:				
Depreciation and amortisation	434	525	944	1,063
Loss on disposal of assets	5	13	10	25
Income tax expense	115	170	314	282
Finance expense (net)	78	125	165	256
Finance income	(33)	(41)	(77)	(74)
Foreign exchange on debt, derivatives and balance sheet revaluation	(86)	11	(118)	(2)
Unrealised (gain)/loss on commodity derivatives	(32)	(35)	(91)	43
Share of profit of equity accounted investments	(3)	(5)	(9)	(15)
Fair value loss/(gain) on equity investments	3	(1)	3	(4)
Exceptional items	-	-	(8)	-
Other non-cash adjustments	1	7	1	3
<b>Cash flows from operating activities before changes in assets and liabilities</b>	<b>765</b>	<b>1,041</b>	<b>1,919</b>	<b>2,172</b>
Trade receivables and other assets	55	(176)	110	(185)
Other financial assets	56	11	46	(9)
Inventories	(52)	184	(245)	(267)
Accounts payable, other liabilities and retirement benefit obligations	(277)	(80)	(294)	366
Other financial liabilities	16	(22)	42	(49)
Provisions	51	7	73	81
<b>Cash generated from operations</b>	<b>614</b>	<b>965</b>	<b>1,651</b>	<b>2,109</b>

## Reconciliation of movements of liabilities to cash flows arising from financing activities

£ millions	Borrowings	Lease obligations	Interest accrued	Total
<b>Balance at 1 April 2024</b>	<b>4,192</b>	<b>694</b>	<b>84</b>	<b>4,970</b>
<b>Cash flows</b>				
Repayment of financing	(94)	(41)	-	(135)
Interest paid	-	(27)	(144)	(171)
<b>Non-cash movements</b>				
Issue of new leases	-	30	-	30
Interest accrued	-	27	146	173
Lease modification	-	12	-	12
Foreign currency translation	(126)	(9)	(3)	(138)
Lease terminations	-	(17)	-	(17)
Acquisition of subsidiary	4	24	-	28
Fee amortisation	4	-	-	4
Long-term borrowings revaluation in hedge reserve	(45)	-	-	(45)
<b>Balance at 30 September 2024</b>	<b>3,935</b>	<b>693</b>	<b>83</b>	<b>4,711</b>
<b>Balance at 1 April 2023</b>	<b>6,078</b>	<b>710</b>	<b>95</b>	<b>6,883</b>
<b>Cash flows</b>				
Repayment of financing	(195)	(35)	-	(230)
Interest paid	-	(28)	(177)	(205)
<b>Non-cash movements</b>				
Issue of new leases	-	22	-	22
Interest accrued	-	28	186	214
Lease modification	-	5	-	5
Foreign currency translation	(35)	(7)	-	(42)
Lease terminations	-	(2)	-	(2)
Fee amortisation	5	-	-	5
Fair value adjustment on borrowings	(4)	-	-	(4)
<b>Balance at 30 September 2023</b>	<b>5,849</b>	<b>693</b>	<b>104</b>	<b>6,646</b>

Included within 'finance expenses and fees paid' in the condensed consolidated cash flow statement for the six month period ended 30 September 2024 is £41 million (six month period ended 30 September 2023: £32 million) of cash interest paid relating to other assets and liabilities not included in the reconciliation above.

## 29 Related party transactions

Tata Sons Private Limited is a company with significant influence over the Group's ultimate parent company Tata Motors Limited. The Group's related parties therefore include Tata Sons Private Limited, subsidiaries and joint ventures of Tata Sons Private Limited and subsidiaries, joint ventures and associates of Tata Motors Limited. The Group routinely enters into transactions with its related parties in the ordinary course of business, including transactions for the sale and purchase of products with its joint ventures, and IT and consultancy services received from subsidiaries of Tata Sons Private Limited.

All transactions with related parties are conducted under normal terms of business and all amounts outstanding are unsecured and will be settled in cash. Transactions and balances with the Group's own subsidiaries are eliminated on consolidation.

The following tables summarise related party transactions and balances not eliminated in the condensed consolidated interim financial statements:

Six months ended 30 September 2024 (£ millions)	With joint ventures of the Group	With associates of the Group and their subsidiaries	With Tata Sons Private Limited and its subsidiaries and joint ventures	With immediate or ultimate parent and its subsidiaries, joint ventures and associates
Sale of products	124	-	-	69
Purchase of goods	31	84	-	130
Services received	-	-	233	88
Services rendered	37	-	-	2
Dividends paid	-	-	-	387
Dividends received	2	-	-	-
Trade and other receivables	34	-	-	92
Accounts payable	13	3	63	83

Six months ended 30 September 2023 (£ millions)	With joint ventures of the Group	With associates of the Group and their subsidiaries	With Tata Sons Private Limited and its subsidiaries and joint ventures	With immediate or ultimate parent and its subsidiaries, joint ventures and associates
Sale of products	114	-	-	26
Purchase of goods	21	76	-	67
Services received	-	-	143	56
Services rendered	45	-	4	5
Dividends received	2	-	-	-
Trade and other receivables	27	-	5	66
Accounts payable	7	4	25	37

### Compensation of key management personnel

£ millions	Six months ended	
	30 September 2024	30 September 2023
Key management personnel remuneration	11	11

## 30 Subsequent events

In October 2024, the Company completed the renegotiation of its undrawn revolving credit facility for a total amount of £1.6 billion, consisting of two facilities: an amount of £1.0 billion with a maturity date of October 2029 and an amount of £0.6 billion with a maturity date of October 2027.