JAGUAR LAND ROVER AUTOMOTIVE plc

RESULTS FOR THE THREE AND SIX MONTHS ENDED 30 SEPTEMBER 2019

AS INCLUDED IN TATA MOTORS GROUP PRESENTATION

25th October 2019

Adrian Mardell, CFO

Disclaimer

Statements in this presentation describing the objectives, projections, estimates and expectations of Jaguar Land Rover Automotive plc and its direct and indirect subsidiaries (the "Company", "Group" or "JLR") 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 represents the 3 month period from 1 January to 31 March
- Q3 represents the 3 month period from 1 October to 31 December
- Q2 represents the 3 month period from 1 July to 30 September
- Q1 represents the 3 month period from 1 April to 30 June
- YTD represents the 6 month period from 1 April to 30 September
- FY represents the 12 month period from 1 April to 31 March of the following year

Unless stated otherwise sales volumes are expressed in thousand units, financial values are in GBP millions.

Consolidated results of Jaguar Land Rover Automotive plc and its subsidiaries contained in the presentation are unaudited and presented under IFRS as approved in the EU.

Retail volume data includes and wholesale volume includes sales from the Company's unconsolidated Chinese joint venture ("CJLR").

EBITDA is defined as profit before income tax expense, exceptional items, finance expense (net of capitalised interest), finance income, gains/losses on unrealised derivatives and debt, gains/losses on realised derivatives entered into for the purpose of hedging debt, gains/losses on equity investments held at fair value, share of profit/loss from equity accounted investments and depreciation and amortisation.

EBIT is defined as for EBITDA but including share of profit/loss from equity accounted investments and depreciation and amortisation.

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

Product and investment updates

New Defender revealed, infotainment upgrade and new financing

New Defender launched with positive and widespread media coverage

Pivi Pro infotainment with Software-Over-The-Air tech announced

Advanced Product Creation Centre unveiled, supporting Destination Zero

£625m loan (incl. £500m UKEF guarantee) completed and drawn in Oct

Q2 FY20

Improved quarter with PBT £156m*, 4.8% EBIT

Favourable volume and mix, operating costs, D&A and FX

IFRS, £m	Q2 FY20	Q2 FY19	Change	YTD FY20	YTD FY19	Change
Retail volumes ('000 units)	129.0	129.9	(0.9)	257.6	275.4	(17.8)
Revenue	6,086	5,635	451	11,160	10,857	303
Profit / (Loss) - before tax and £10m exceptional charge*	166	(90)	256	(217)	(354)	137
- before tax after £10m exceptional charge	156	(90)	246	(239)	(354)	115
- after tax	100	(101)	201	(302)	(311)	9
EBITDA margin	13.8 %	9.0 %	4.8 %	9.4 %	7.6 %	1.8 %
EBIT margin	4.8 %	(0.8) %	5.6 %	0.2 %	(2.2) %	2.4 %
Investment	841	995	(154)	1,636	2,061	(425)
Free cash flow (before financing)	(64)	(623)	559	(783)	(2,296)	1,513
Cash	2,845	2,610	235	2,845	2,610	235

Volume and revenue

- Revenue up 8%, wholesales up 2.9%
- Favourable model mix
- Lower retails (-0.7%) but China up 24.3%
- New Evoque up 54.6% (just launching in China) and Range Rover Sport up 17.5%

Profit

- Favourable volume and mix
- Lower operating costs (incl. Charge)
- Lower D&A
- Favourable FX

Cash flow

- Near breakeven, £559m better YoY
- Higher profits
- Lower investment spending

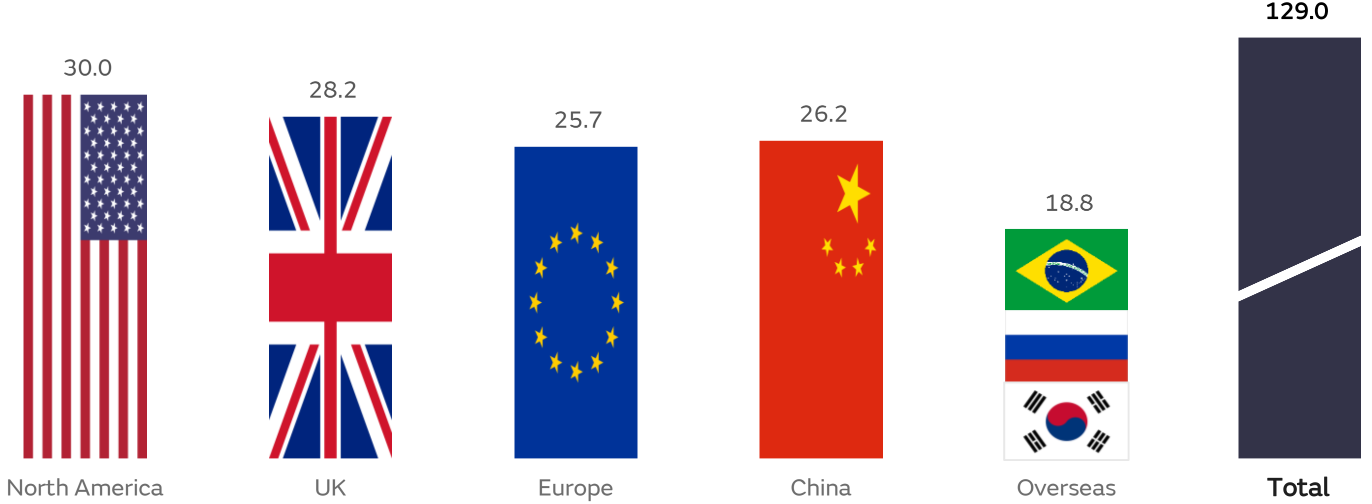
* PBT after £10m exceptional charge for voluntary redundancy programme
For statutory reporting under IFRS, the Group recognises revenue on wholesales (excluding sales from CJLR). The Group recognises its share of profits from CJLR within EBIT.

Q2 FY20

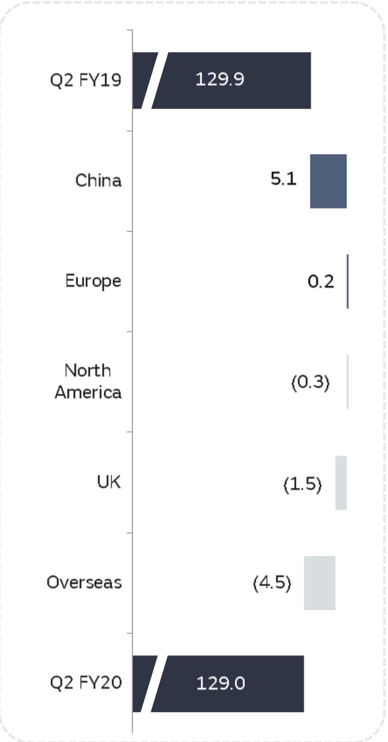
Total retails down 0.7%

China retails up 24.3%; Overseas down 19.2%

Retail units in '000



	North America	UK	Europe	China	Overseas	Total
JLR YoY	(1.0)%	(5.1)%	0.9%	24.3%	(19.2)%	(0.7)%
Industry	0.7%	(0.6)%	1.6%	(6.0)%	N/A	
Wholesales						
Units	33.2	28.9	26.9	23.8	21.7	134.5
YoY	17.4%	(8.7)%	6.0%	0.5%	0.1%	2.9%



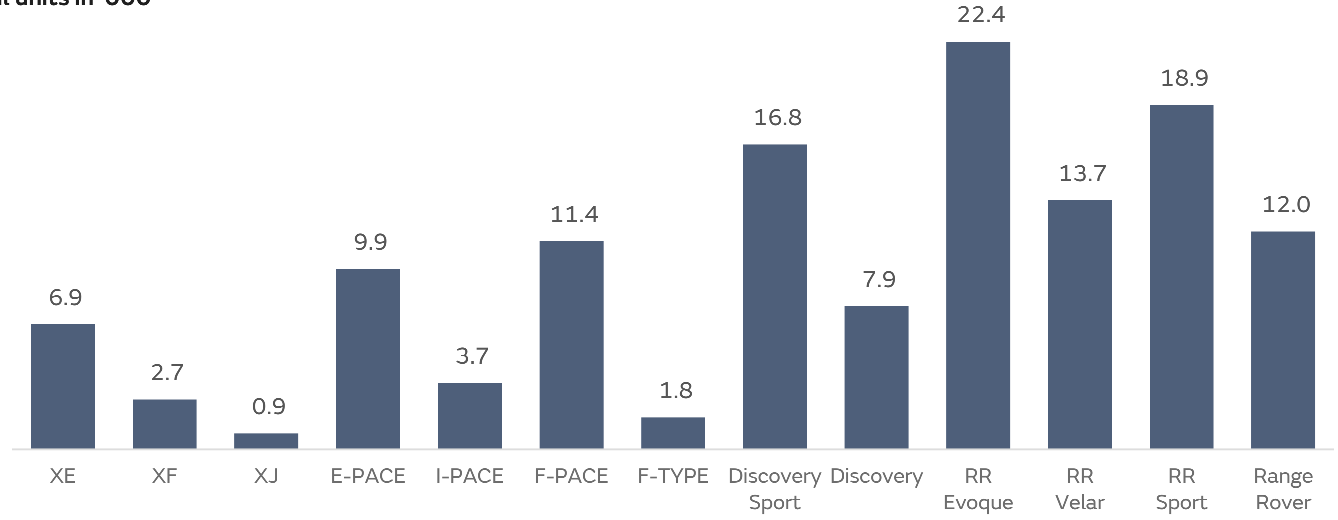
Volumes include sales from Chery Jaguar Land Rover. For statutory reporting under IFRS, the Group recognises revenue on wholesales (excluding sales from CJLR). The Group recognises it's share of profits from CJLR within EBIT.
* Overseas markets includes Australia, Brazil, Colombia, India, Japan, South Korea, Mexico, MENA, Russia, Singapore, South Africa, Taiwan and certain importers
The total industry car volume data above has been compiled using relevant data available at the time of publishing, compiled from national automotive associations such as the Society of Motor Manufacturers and Traders in the UK and the ACEA in Europe

Q2 FY20

New Evoque up 54.6%, just launching in China

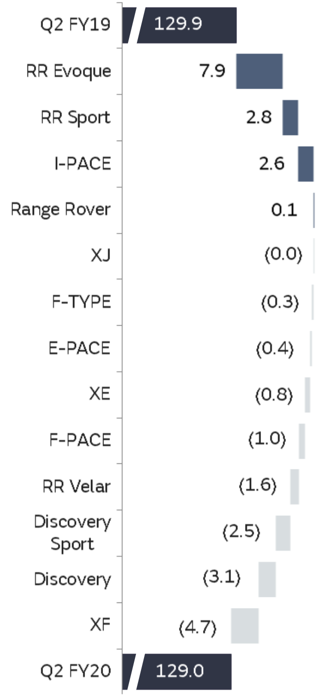
RR, RR Sport and I-PACE up, other models down

Retail units in '000



Wholesales

	XE	XF	XJ	E-PACE	I-PACE	F-PACE	F-TYPE	Discovery Sport	Discovery	RR Evoque	RR Velar	RR Sport	Range Rover
Units	5.0	3.2	0.4	10.2	3.4	12.9	1.2	21.8	7.2	22.0	14.2	19.3	13.8
YoY	(2.3)	(3.5)	(0.6)	(1.3)	1.5	(2.1)	(1.1)	2.7	(1.2)	6.8	0.0	3.6	1.1

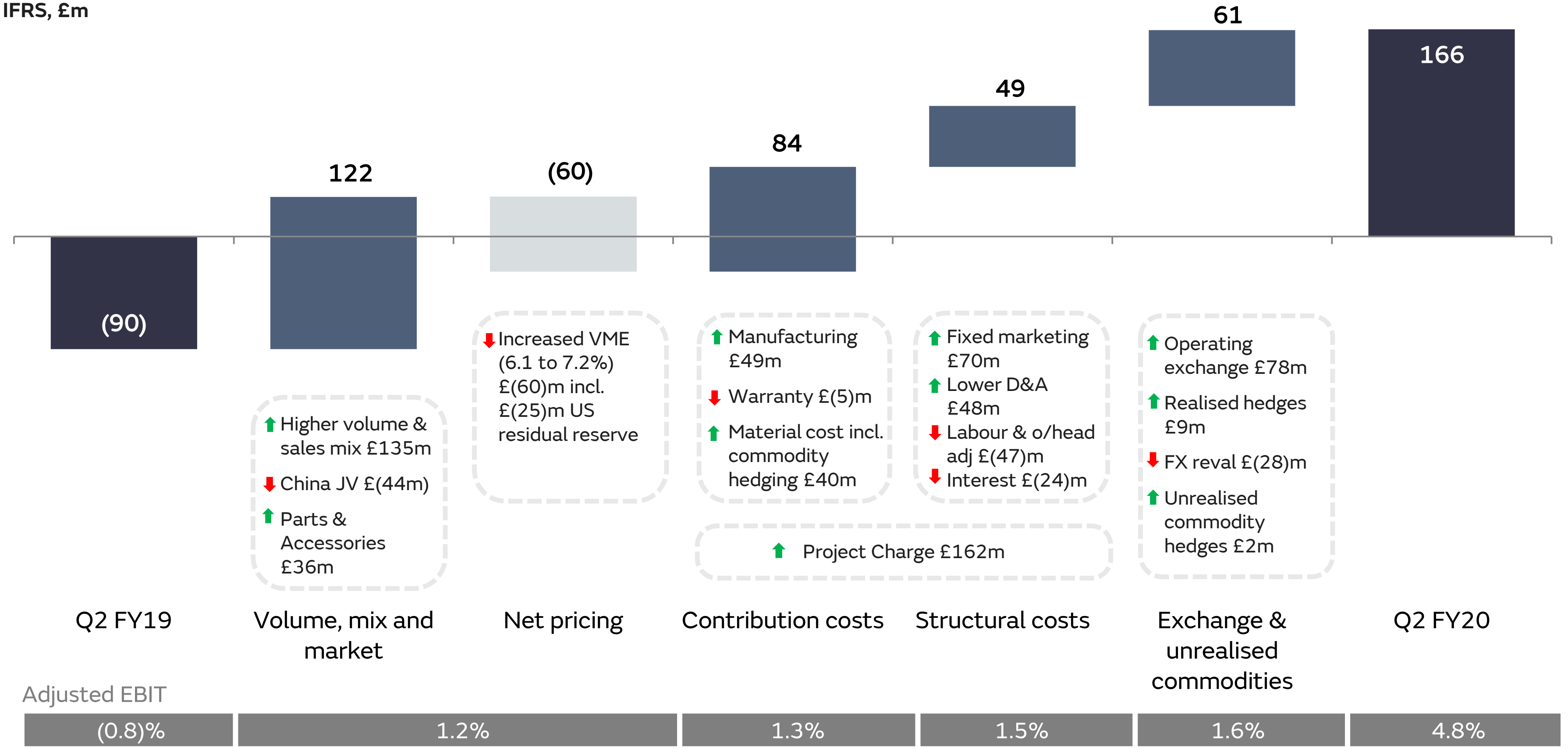


Volumes include sales from Chery Jaguar Land Rover. For statutory reporting under IFRS, the Group recognises revenue on wholesales (excluding sales from CJLR). The Group recognises it's share of profits from CJLR within EBIT.
* Combined sales of new Evoque and outgoing Evoque. New Evoque sales are up while sales of outgoing model are down.

Q2 FY20 YoY

Improved quarter with PBT £166m*, 4.8% EBIT

Favourable volume and mix, operating costs, D&A and FX



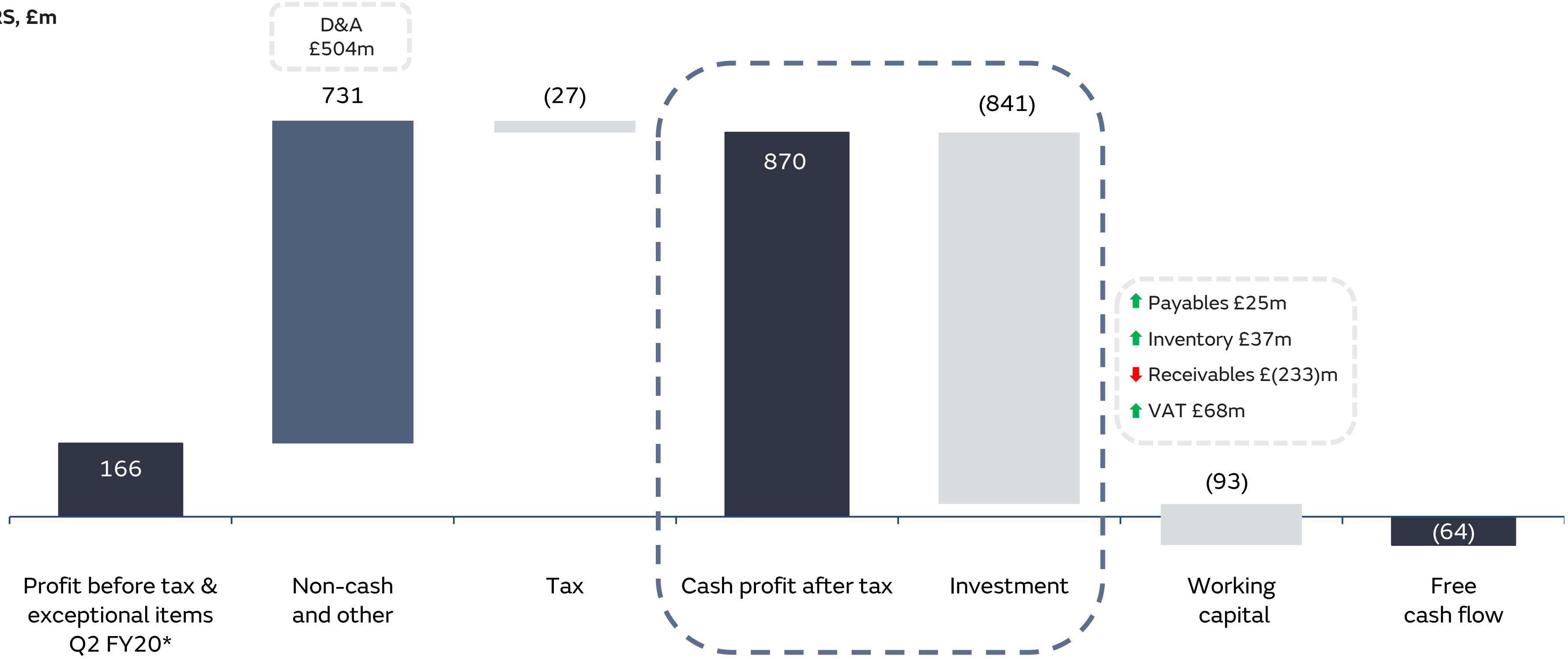
* PBT before £10m exceptional charge for voluntary redundancy programme

Q2 FY20 YoY

Cash flow £(64)m, £559m better YoY

Improved PBT and lower investment spending

IFRS, £m



Vs. Prior year

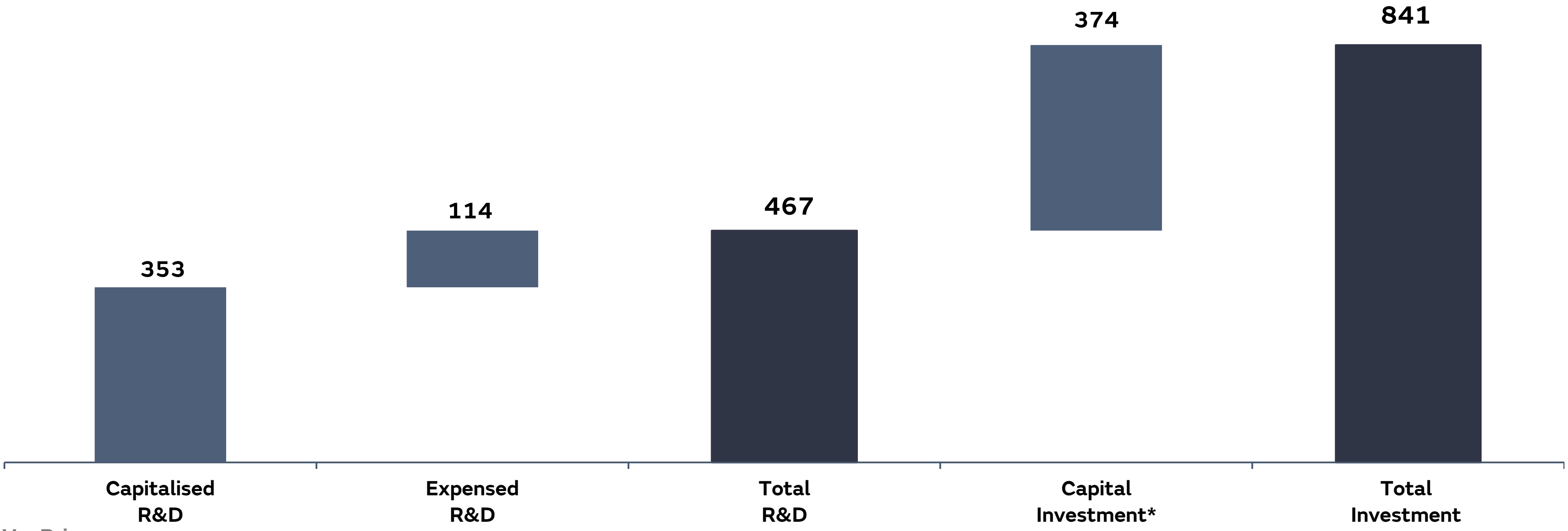
256	59	69	384	154	21	559

* PBT before £10m exceptional charge for voluntary redundancy programme

Investment spending £154m lower YoY

Includes timing, full year outlook in region of £3.8b

IFRS, £m



Vs. Prior year

Capitalised R&D	Expensed R&D	Total R&D	Capital Investment*	Total Investment
65	(1)	64	90	154

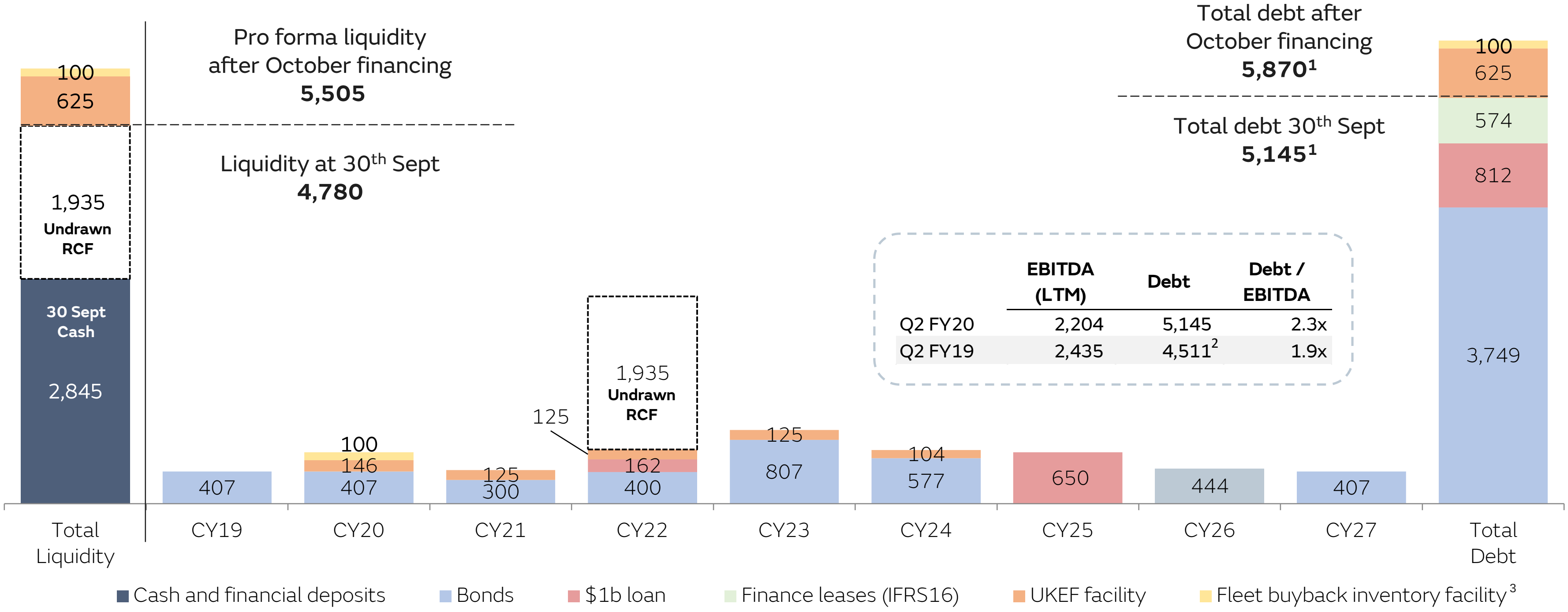
* Of which £347m relates to purchases of property, plant and equipment in Q2 FY20 vs. £456m in Q2 FY19.

£4.8b liquidity at end September

£5.5b pro forma liquidity after Oct UKEF with fleet buyback facilities

IFRS, £m

Debt maturity profile

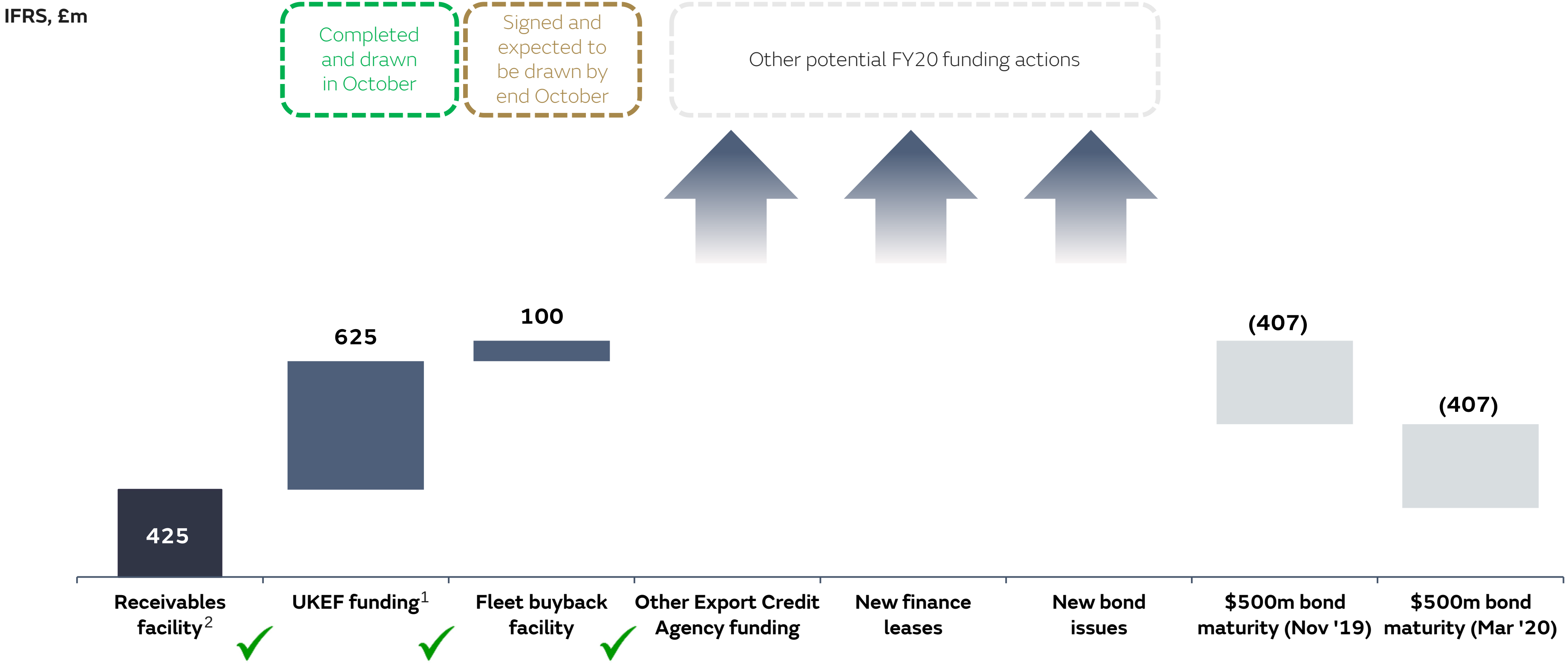


	EBITDA (LTM)	Debt	Debt / EBITDA
Q2 FY20	2,204	5,145	2.3x
Q2 FY19	2,435	4,511[2]	1.9x

[1] Includes £10m comprising £40m Fair Value adjustment and £(30)m capitalised fees.
[2] Not restated to include leases under IFRS 16
[3] Signed and expected to be drawn by end October

FY20 funding plans

£625m UKEF-backed facility[1] completed in October



[1] £625m 5yr amortising loan, syndicated among 6 banks, supported by £500m guarantee from UK Export Finance (UKEF)

[2] £425m net assumes full $700m drawdown (£297m drawn at 30th September) and repayment of £114m preceding facility (fully repaid in Q1). New facility accounted as sold instead of debt, i.e. off balance sheet.

JLR STRATEGY AND OUTLOOK

Automotive industry continues to be challenging

Global and market-specific challenges

Challenges
- High incentives
- Tariff risks

Positives
- Strong SUV demand

Challenges
- Brexit
- Diesel uncertainty and taxes

Challenges
- Slowing economy
- Diesel uncertainty
- CO_2 taxes

Challenges
- Continued Macro headwinds
- Lower consumer confidence

Positives
- Premium demand more resilient and premiumisation expected to continue

Global challenges
- Macro headwinds
- Geopolitical risks, including trade wars
- Emissions compliance and regulatory change with increasing environmental activism
- Technological advances, such as the adoption of electrification and autonomy

Turnaround and transformation plan

Proactive response to improve results in challenging environment

1. Strong pipeline of new and refreshed products to improve sales, particularly in China

2. Project Charge to reduce cost and improve profits and cash flow

IDEAS. ACTIONS. CASH.
CHARGE

3. Project Accelerate to create a more robust long term sustainable business

ACCELERATE
TRANSFORMING TODAY FOR TOMORROW

New Defender revealed, available to order

Customer deliveries to start in Spring 2020

Incomparable, unstoppable: An icon reimagined for the 21st century

Family: Defender 110 available in Spring; smaller Defender 90 to follow

Modern interior: functional, durable & flexible with optional front jump seat

Electrified: advanced mild hybrid & plug-in hybrid electric vehicle options

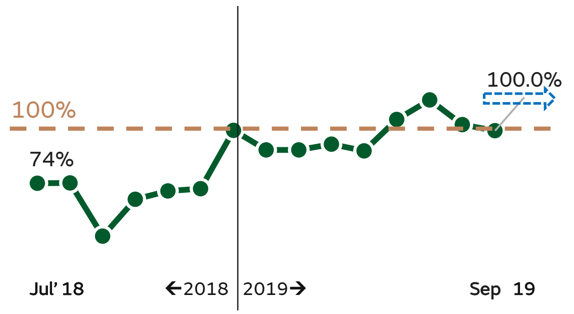
Strong response to New Defender

Widespread positive coverage in online and print media

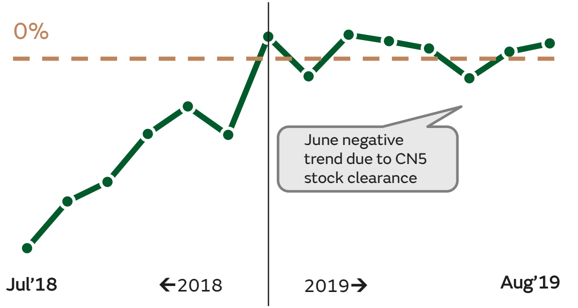
China KPIs continuing to improve

Improved KPIs now translating into improved sales

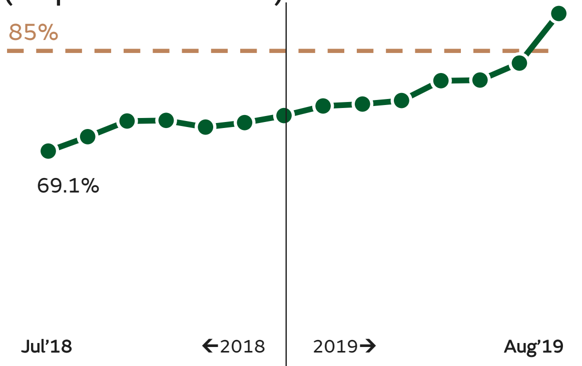
Retail Target Achievement%



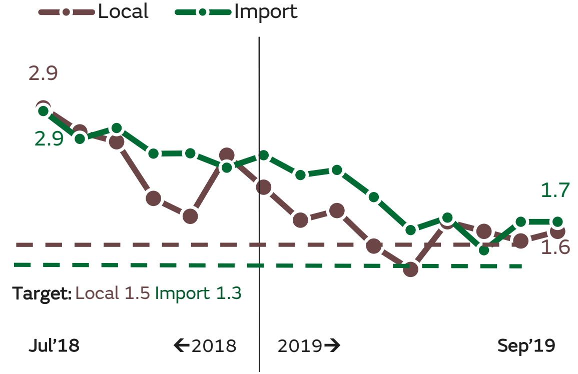
Retailer Return on Sales (RoS) in %



Local Registration Rate in % (Responsible Area level)

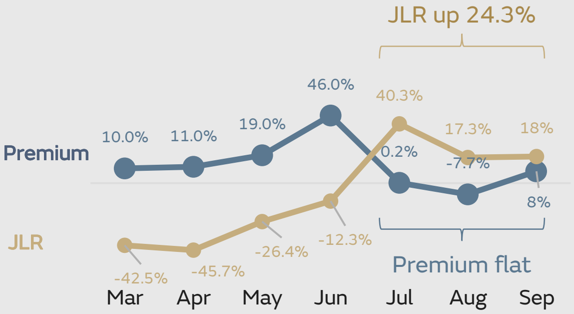


Retailer Stock Index in month



Commentary

- JLR returns to growth in a tough market
- Retailers Return on Sales improved
- Retailer stock level reduced to the lowest level since 2017
- Retail Target achievement improves to 100%



Project Charge

Ahead of £2.5B target by March 2020, with £2.2B delivered to date

Area	Target £b	Status £b	FY20 Q2 £b	Comment
Investment	1.0	1.3	*0.3*	FY20: strong progress made with £0.3B realised in Q2 and on track to outperform target.
Working Capital	0.5	0.4	-	FY20: will be updated later in the year due to seasonality of inventory numbers. Confidence in exceeding target. End of Q2 inventory level is £0.7B lower then prior year.
Cost & Profits	1.0	0.5	*0.2*	FY20: £0.2B savings realised in Q2, including People & Org savings. Confidence in achieving target with further savings identified in overheads incl. manufacturing, material costs, commercial activities.
Total Cash	2.5	2.2	*0.5*	

Project Charge

Plans to deliver £1B cost & profit target

Target to achieve

£1B

Cost and profit

£150M value realized in FY19,
- c.£120M YoY FY19 non-people overheads savings
- c.£30M people savings realised

£250M year-over-year people cost reduction in FY20, including £400M redundancy programme
- On track to deliver full year benefit with £150M savings to date

£300M FY20 material cost improvements targeted
- Underpinned by agreements in place and being realised in cash
- Confidence in achieving target as opportunities matured

£300M FY20 targeted across overhead costs
- Targeting non-people overheads
- c.£120M delivered in Q1-Q2 FY20

Charge to continue beyond FY20 to deliver further cost savings

Looking ahead

Our plans remain the same

Key metrics	FY20-21	FY22-23	Beyond
Retail sales growth	> Premium Segment	> Premium Segment	> Premium Segment
EBIT margin	3-4%	4-6%	7-9%
PBT	Positive	Positive	Positive
Investment spending	FY20 c. £3.8b / FY21 up to £4b	Up to £4b	11-13% of revenue
Free cash flow	Negative, improving	Positive	Positive
Gross debt/EBITDA[1]	≤ 2.8x	≤ 2.8x	≤ 2.0x

- Remain confident of achieving our plans
- We will:
  - Continue to focus on launching exciting products with breakthrough technology
  - Improve PBT and cash flow driven by strong product pipeline, Project Charge and Accelerate;
  - Deliver Project Charge targets of £2.5b by Mar 2020 with continued focus on costs and profitability

We are committed to Competitive, Consistent, Cash Accretive growth over the medium to long term

[1] Year-end, intra-year may be higher.

Thank you

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ADDITIONAL SLIDES

China JV (100%): Loss before tax £109m

Higher sales offset by higher incentives and material costs

IFRS, £m	Q2 FY20	Q2 FY19	Change
Retail volumes ('000 units)	14.5	12.5	2.0
Revenue	332	393	(61)
Profit / (Loss) - before tax	(109)	10	(119)
- after tax	(82)	7	(89)
EBITDA	(50)	59	(109)
EBITDA Margin	(15.1)%	15.0%	(30.1)%
EBIT	(107)	8	(115)
EBIT Margin	(32.2)%	2.0%	(34.2)%
Cash	514	383	131

Q2 FY20

Income statement

IFRS, £m	Q2 FY20	Q2 FY19	Change
Revenues	**6,086**	**5,635**	**451**
Material and other cost of sales	(3,720)	(3,559)	(161)
Employee costs	(631)	(704)	73
Other (expense)/income	(1,248)	(1,285)	37
Product development costs capitalised	353	418	(65)
EBITDA	**840**	**505**	**335**
Depreciation and amortisation	(504)	(552)	48
Share of profit/(loss) from Joint Ventures	(41)	3	(44)
EBIT	**295**	**(44)**	**339**
Debt/unrealised hedges MTM & unrealised investments	(90)	(31)	(59)
Net finance expense	(39)	(15)	(24)
Profit/(loss) before tax and exceptional items	**166**	**(90)**	**256**
Exceptional items	(10)	-	(10)
Profit/(loss) before tax	**156**	**(90)**	**246**
Income tax	(56)	(11)	(45)
Profit/(loss) after tax	**100**	**(101)**	**201**

The exceptional items impacting Q2 FY20 relate to voluntary redundancies. For statutory reporting under IFRS, the Group recognises revenue on wholesales (excluding sales from CJLR). The Group recognises its share of profits from CJLR within EBIT.

YTD FY20

Income statement

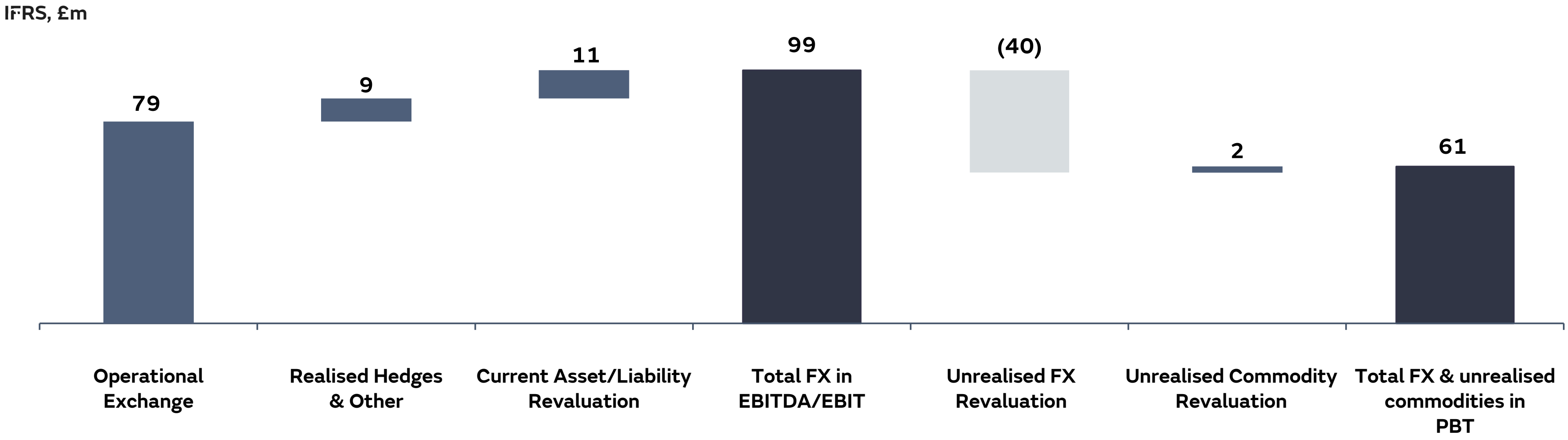
IFRS, £m	YTD FY20	YTD FY19	Change
Revenues	**11,160**	**10,857**	**303**
Material and other cost of sales	(7,001)	(6,925)	(76)
Employee costs	(1,287)	(1,437)	150
Other (expense)/income	(2,511)	(2,510)	(1)
Product development costs capitalised	692	844	(152)
EBITDA	**1,053**	**829**	**224**
Depreciation and amortisation	(967)	(1,101)	134
Share of profit/(loss) from Joint Ventures	(69)	33	(102)
EBIT	**17**	**(239)**	**256**
Debt/unrealised hedges MTM & unrealised investments	(160)	(89)	(71)
Net finance expense	(74)	(26)	(48)
Loss before tax and exceptional items	**(217)**	**(354)**	**137**
Exceptional items	(22)	-	(22)
Loss before tax	**(239)**	**(354)**	**115**
Income tax	(63)	43	(106)
Loss after tax	**(302)**	**(311)**	**9**

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

Q2 FY20

Operating FX net of hedging and reval up £61m

FX hedge range increased to 3Y 50%, 4Y 30%, 5Y 25%



End of Period Rates

	Q2 FY19	Q1 FY20	Q2 FY20	YoY Change	QoQ Change
GBP:USD	1.306	1.267	1.230	(5.8%)	(3.0%)
GBP:EUR	1.124	1.113	1.125	0.1%	1.0%
GBP:CNY	8.985	8.705	8.775	(2.3%)	0.8%

Hedge Reserve (Pre-Tax)

	Q2 FY19	Q1 FY20	Q2 FY20
Current Portion	(397)	(444)	(496)
Non-Current Portion	(108)	(167)	(213)
Total	**(505)**	**(611)**	**(709)**

Q2 FY20

Operating FX net of hedging and reval up £61m

Hedge reserve increased due to pound weakening

IFRS, £m

	Q2 FY20	YoY Change	QoQ Change
Operational exchange	n/a	79	29
Realised FX hedges and other	(156)	9	(7)
Revaluation of current assets and liabilities	20	11	54
Total FX impacting EBITDA & EBIT	**n/a**	**99**	**76**
Revaluation of unrealised currency derivatives	(10)	-	(21)
Revaluation of USD and Euro Debt	(46)	(40)	3
Total FX impact on PBT	**n/a**	**59**	**58**
Realised commodities (incl. in EBITDA & EBIT)	-	(12)	(4)
Unrealised commodities (excl. from EBITDA & EBIT)	(18)	2	8
Total Commodities impact on PBT (incl. in contribution costs)	**(18)**	**(10)**	**4**
Total pre-tax hedge reserve	**(709)**	**(204)**	**(98)**
Current portion of hedge reserve	(496)	(99)	(52)
End of Period Exchange Rates			
GBP:USD	1.230	*(5.8%)*	*(3.0%)*
GBP:EUR	1.125	*0.1%*	*1.0%*
GBP:CNY	8.775	*(2.3%)*	*0.8%*

Memo:

[1] The year-on-year operational exchange is an analytical estimate, which may differ from the actual impact

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

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