

IMPROVED FINANCIAL PERFORMANCE IN THE SECOND QUARTER DESPITE CONTINUED SEMICONDUCTOR SUPPLY CONSTRAINTS

Gaydon, UK, 09 November 2022

- Revenues in Q2 FY23 of £5.3 billion, up 36% vs. Q2 FY22 and up 20% vs. Q1 FY23
- Profitability and cashflow improved with positive EBIT margin of 1% and cashflow near breakeven, while the loss before tax narrowed to £(173) million
- The improved results reflect strong model mix and pricing with wholesales of 75,000 up 17.6% vs. Q2 FY22 and 4.9% vs. Q1 FY23, but lower than planned as chip supply constraints continue
- The production ramp up of New Range Rover and New Range Rover Sport improved with 13,537 units wholesaled in the quarter, up from 5,790 in Q1
- Strong demand continuing with client order book now at 205,000 units; our three most profitable models, the New Range Rover, New Range Rover Sport and Defender account for over 70% of the order book
- Increasing partnership agreements with semiconductor suppliers expected to enable improving volumes in the second half of financial year ending March 2023 and beyond
- Liquidity remains strong at £5.2 billion including £3.7 billion cash and £1.5 billion undrawn revolving credit facility

Reimagine transformation continues

- Strategic partnership with Wolfspeed launched, securing supply for silicon carbide semiconductor technology for inverters, integral to electrification of our next generation Range Rover, Discovery, Defender and Jaguar collections, with further agreements with strategic semiconductor suppliers to follow
- New electric model development on track, with work to transform our UK plants for next generation of BEVs underway
- Future Skills Programme rolled out to upskill and ready 29,000 of our workforce to build and service new BEV cars
- Final F-Type set to launch in March 2023, marking 75 years of iconic Jaguar V8 sports cars, before Jaguar becomes a pure electric modern luxury brand from 2025
- Jaguar Land Rover has received a “Low Risk” ESG Risk Rating from Sustainalytics with a score of 17.1, the 4th lowest rating out of 74 companies in the Automotive Sub-Industry
- *Refocus* transformation programme delivered a further £300 million of value in Q2 and remains on track to deliver £1 billion this year

Commenting on the business performance for the quarter, Thierry Bolloré, Jaguar Land Rover’s Chief Executive Officer, said:

“We delivered a stronger financial performance in the second quarter as production of our new Range Rover and Range Rover Sport ramped up, improving revenue, margins and cash flow, despite continuing semiconductor constraints.

“Demand for our most profitable and desired vehicles remains strong and we expect to continue to improve our performance in the second half of the year, as new agreements with semiconductor partners take effect, enabling us to build and deliver more vehicles to our clients.”

Jaguar Land Rover Automotive plc today reported its financial results for the three months to 30 September 2022 (Q2 FY23).

Revenue was £5.3 billion in Q2 FY23, up 36% year-on-year from Q2 FY22 reflecting strong model mix and pricing with wholesale volumes (excluding China JV) of 75,307 up 17.6% year-on-year and 4.9% on the prior quarter. The wholesale increase was lower than planned, primarily due to a lower-than-expected supply of specialised chips from one supplier which could not be readily re-sourced in the quarter. The production ramp up of New Range Rover and New Range Rover Sport improved with 13,537 units wholesaled in the quarter, up from 5,790 in Q1 and helped mitigate this.

Retail sales for the quarter were 88,121 vehicles, an increase of 11.8% compared with the previous quarter ending 30 June 2022. Retail sales were higher in China (+38%), North America (+27%) and Overseas (+14%) but were lower in UK (-7%) and Europe (-10%).

Profitability in the quarter improved with a positive EBIT margin of 1% compared to a negative EBIT margin a year ago. Total PBT was a loss of £(173) million, but improved from a loss of £(302) million a year ago. The improved margin reflects the production ramp up of new Range Rover and Range Rover Sport and improved pricing with higher wholesales. The *Refocus* transformation programme delivered £300 million of value in Q2 (£550 million year to date) and is on track to deliver a target of £1 billion plus improvements in the year to help mitigate the impact of inflation.

Free cash flow in the quarter was near break-even at £(15) million, even after over £(100)m of working capital outflows. Jaguar Land Rover ended the quarter with total liquidity of £5.2 billion including cash and short-term investments of £3.7 billion and the £1.5 billion undrawn revolving credit facility.

Despite the ongoing chip constraints, demand for Jaguar Land Rover products remains very strong. The total order book now stands at 205,000 units, up around 5,000 orders from 30 June 2022, with our three most profitable and desired models, the New Range Rover, New Range Rover Sport and Defender accounting for over 70% of the order book.

Jaguar Land Rover is continuing to focus on signing long-term partnership agreements with chip suppliers which is improving visibility of future chip supply. Production and sales volumes are expected to improve with positive profit margins and cashflow expected in the second half of FY23 and cashflow is expected to be near break even for the full financial year.

ENDS

Media Enquiries:

Jaguar Land Rover

Louise Evans, Director of External Communications
E: levans35@jaguarlandrover.com T: +44 7436 530 080

David Wrottesley, Corporate Affairs Manager
E: dwrottes@jaguarlandrover.com T: +44 (0) 7846 091167

FTI Consulting

Nick Hasell, Managing Director, FTI Consulting
E: nick.hasell@fticonsulting.com T: +44 7825 523 383

Dwight Burden, Managing Director, FTI Consulting
E: dwight.burden@fticonsulting.com T +44 (0)7850 710 242

Investor Enquiries:

Duncan Karran, Assistant Treasurer, Treasury and Investor Relations
Claire Bird, Manager, Treasury and Investor Relations
E: investor@jaguarlandrover.com

About Jaguar Land Rover:

Reimagining the future of modern luxury by design

Jaguar Land Rover's Reimagine strategy is delivering a sustainability-rich vision of modern luxury by design.

Our class-leading, modern luxury Range Rover, Discovery, Defender and Jaguar vehicles are in demand around the world, with over 370,000 sold in 123 countries during fiscal year 2021/22. Electrified models accounted for around two thirds of units sold, thanks to a model range that embraces fully electric and hybrid electric technologies, as well as the latest petrol and diesel engines.

We are transforming our business to become carbon net zero across our supply chain, products and operations by 2039 and have set a roadmap to reduce emissions across our own operations and value chains by 2030 through approved, science-based targets. Electrification is central to this strategy, and all Jaguar and Land Rover nameplates will be available in pure electric form by the end of the decade.

At heart we are a British company, with two major design and engineering sites, three vehicle manufacturing facilities, an Engine Manufacturing Centre and a Battery Assembly Centre in the UK. We also have vehicle plants in China, Brazil, India, Austria and Slovakia, as well as seven technology hubs across the globe.

MEDIA INFORMATION



As a wholly owned subsidiary of Tata Motors since 2008, Jaguar Land Rover has unrivalled access to leading global players in technology and sustainability within the wider Tata Group.

Jaguar Land Rover social:

Twitter: [@jaguarlandrover](https://twitter.com/jaguarlandrover)

LinkedIn: [@JaguarLandRover](https://www.linkedin.com/company/jaguarlandrover)