JAGUAR LAND ROVER AUTOMOTIVE plc

Results for the period ended 31st December 2020

Adrian Mardell, Chief Financial Officer
29th January 2021

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, the effects of the COVID-19 pandemic, changes in Government regulations, tax laws and other statutes and incidental factors. All forward-looking statements apply only as of the date hereof and we undertake no obligation to updated this information and do not assume any responsibility for the ultimate fairness, accuracy, correctness or completeness of any such information presented herein.

- Q1 represents the 3 month period from 1 April to 30 June
- Q2 represents the 3 month period from 1 July to 30 September
- Q3 represents the 3 month period from 1 October to 31 December
- Q4 represents the 3 month period from 1 January to 31 March
- 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 sales from the Company's unconsolidated Chinese joint venture ("CJLR"), these are excluded from Wholesale volume data.

EBITDA is defined as profit 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.

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

Free cash flow is defined as net cash generated from operating activities less net cash used in automotive investing activities, excluding investments in consolidated entities and movements in financial investments, and after finance expenses and fees paid.

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

The information contained in his presentation is provided as of the date of this presentation and is subject to change without notice. The information contained in this document may be updated, completed, revised and amended and such information may change materially in the future. The Group is under no obligation to update or keep current the information contained in this document.

Recent product and business highlights

Award-winning and exciting new products, and new funding

New Defender awarded Top Gear Car of the Year

21MY Range Rover Velar launched

21MY Jaguar F-PACE launched

21MY Land Rover Discovery launched

21MY Jaguar E-PACE launched

$1.35b new bonds issued in Q3

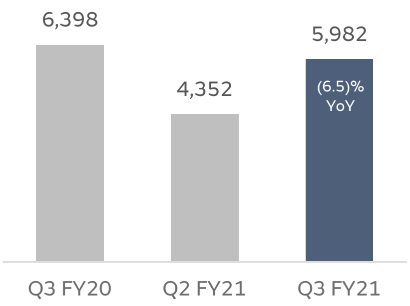
Strong Q3: PBT £439m, EBIT 6.7%, FCF £562m

Favourable mix, costs, reserves reversal; YTD PBT turns positive

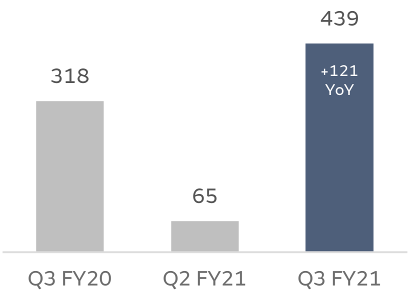
IFRS, £m

Q3

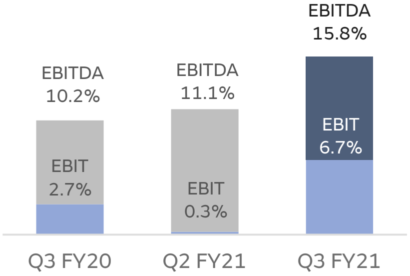
Revenue



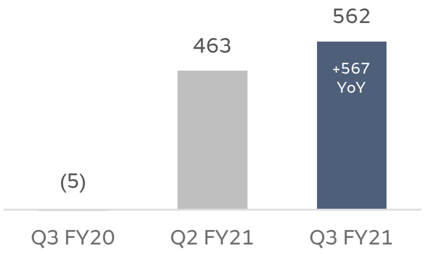
PBT



Margins

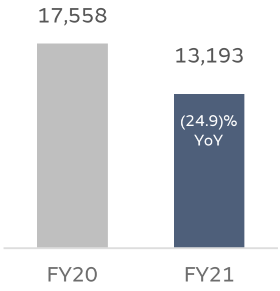


Free cash flow

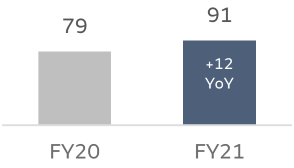


YTD

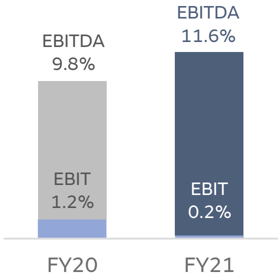
Revenue



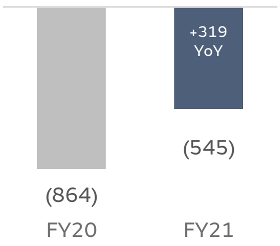
PBT



Margins



Free cash flow



PBT includes £(37)m exceptionals in Q3 FY21

Performance highlights

Volume & revenue

- Sales recovery QoQ in all markets except UK where Q3 is seasonally lower
- China sales up YoY, other markets still below pre-Covid levels
- Inventory remains around ideal levels

Profitability

- Positive PBT of £439m and EBIT of 6.7%; YTD PBT now positive £91m
- Lower volumes YoY, largely offset by strong sales mix
- Charge+ cost savings of £0.2b in the quarter; partial reversal of prior period reserves
- CJLR loss in Q3 primarily reflecting reserve changes; YTD margin improvement

Cash flow

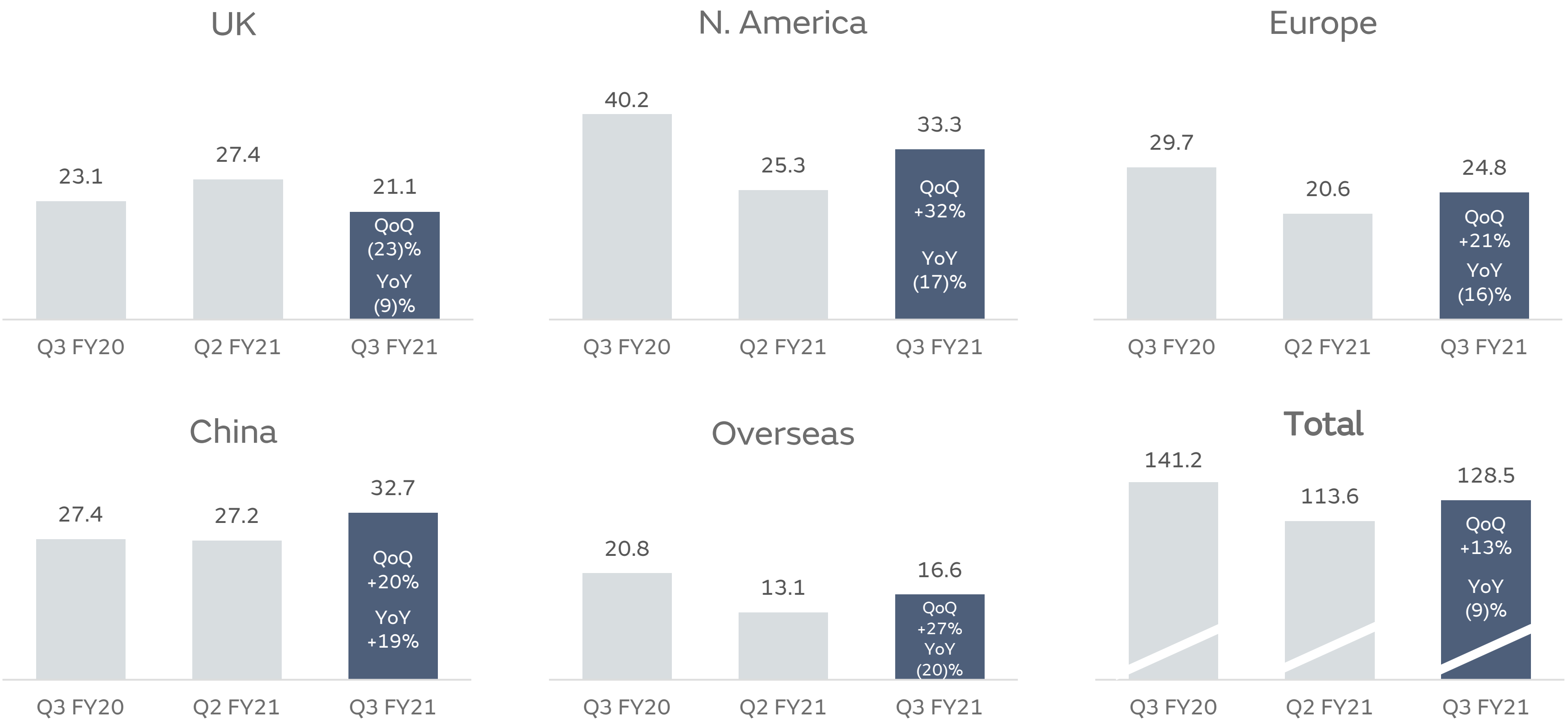
- Strong positive free cash flow of £562m driven by higher profit and working capital
- £675m investment spending, £217m lower year-on-year (Charge+ savings)

PBT includes £(37)m exceptionals in Q3 FY21

Retail sales 128.5k: up 13% QoQ, down 9% YoY

China up 19% YoY; UK QoQ reflects normal seasonality

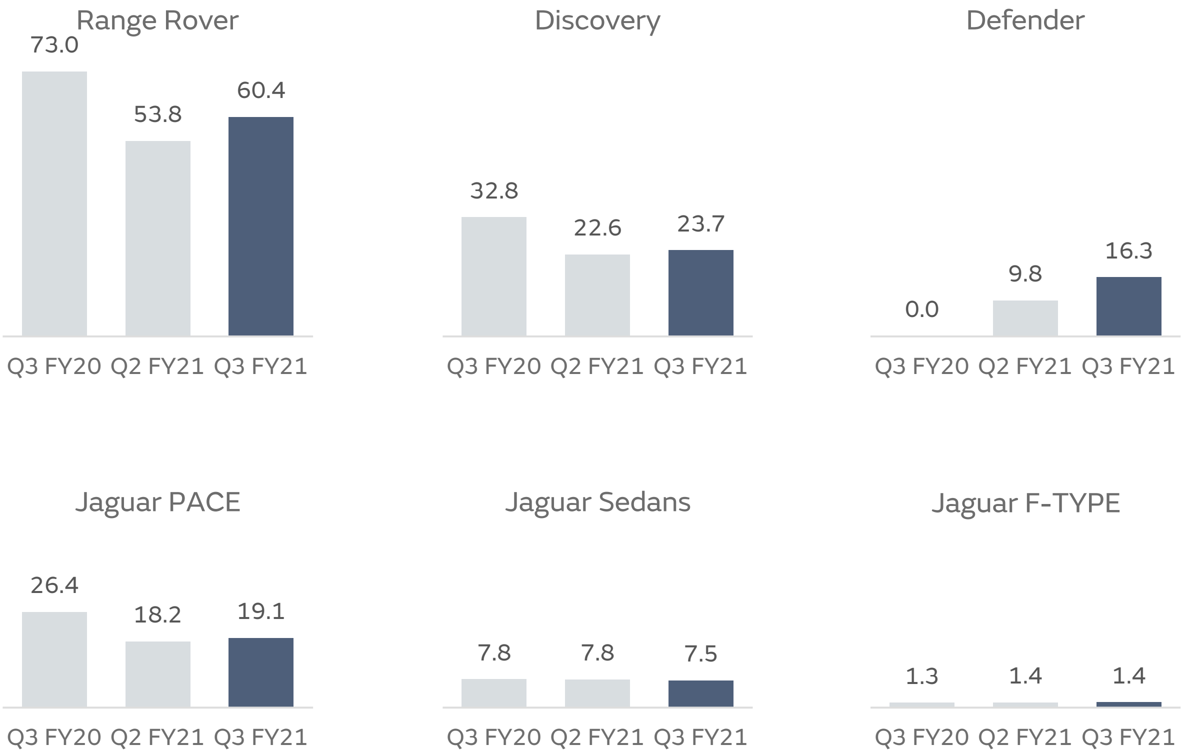
Retail units in '000

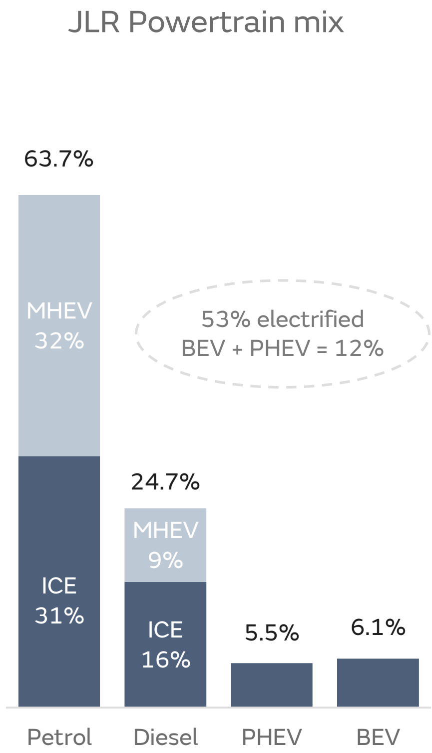


Strong growth in Defender volumes

Most model families grew QoQ; electrified sales hit 53% of total

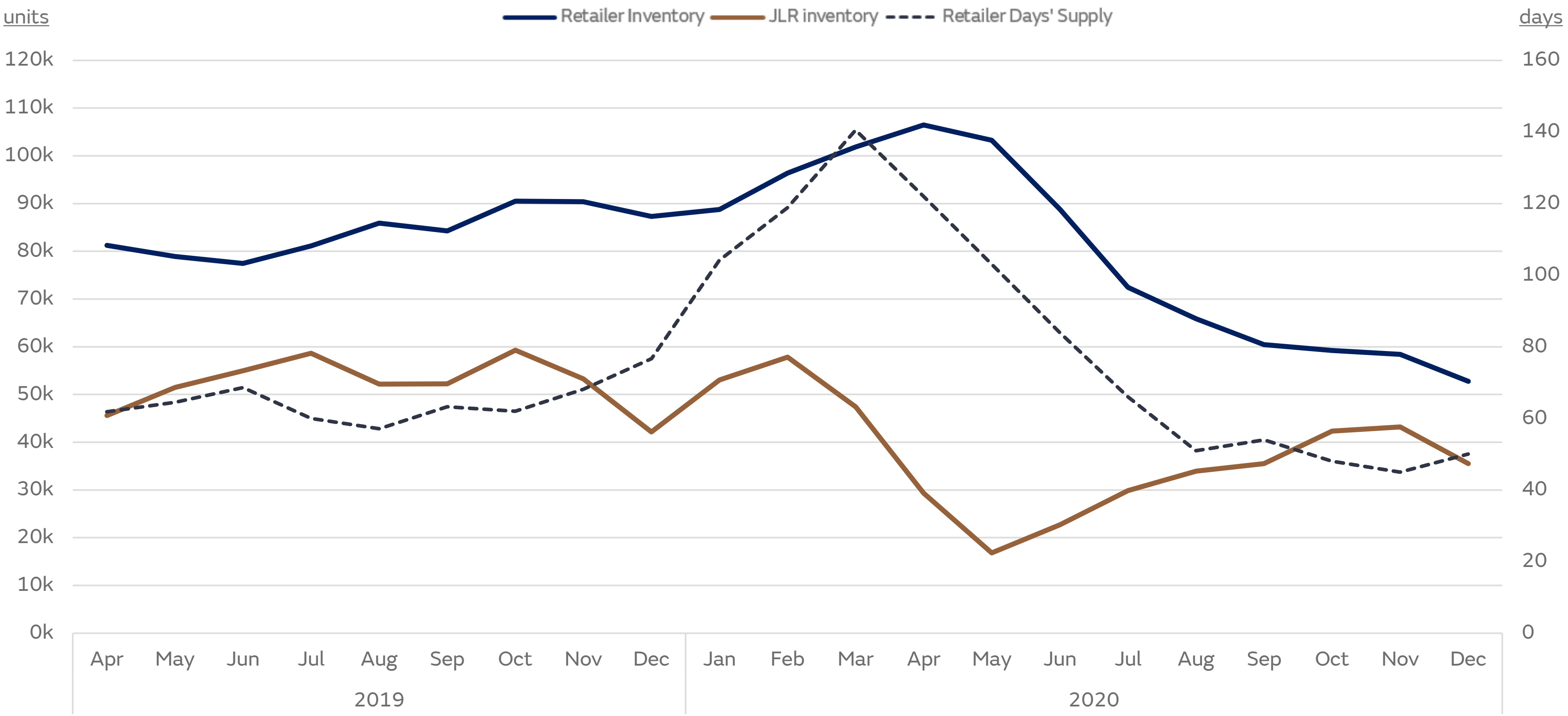
Retail units in '000





Inventories remain at near ideal levels

Supports future sales growth, lower incentive levels



Q3 FY21

Strong quarter – PBT £439m, EBIT 6.7%

Favourable mix, costs, reserves reversal offset by lower YoY sales

IFRS, £m

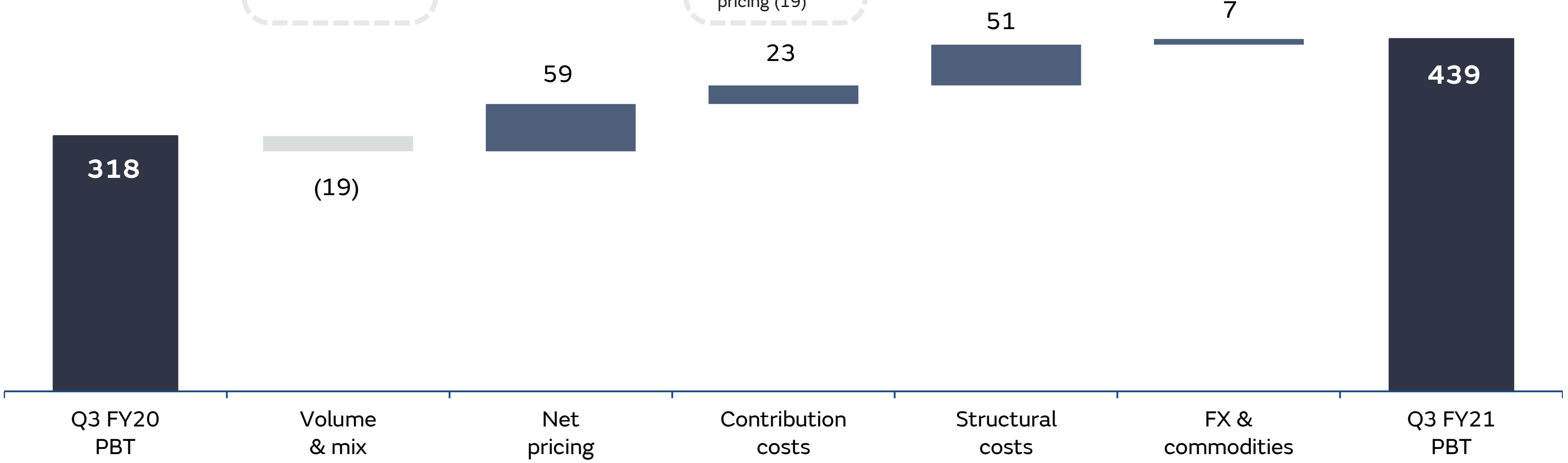
- ⬇ Volume (254)
- ⬆ Mix 186
- ⬇ China JV (6)
- ⬆ EU Emissions 55

- ⬆ VME (6.1% to 5.0%) inc. US residual 36; underlying VME 5.7%

- ⬆ Warranty (4.0% to 3.2%) 29
- ⬆ Manufacturing 13
- ⬇ Commodity pricing (19)

- ⬆ FME & selling 82
- ⬇ Exceptionals incl. redundancy (37)

- ⬆ Realised FX 41
- ⬇ Reval (34)



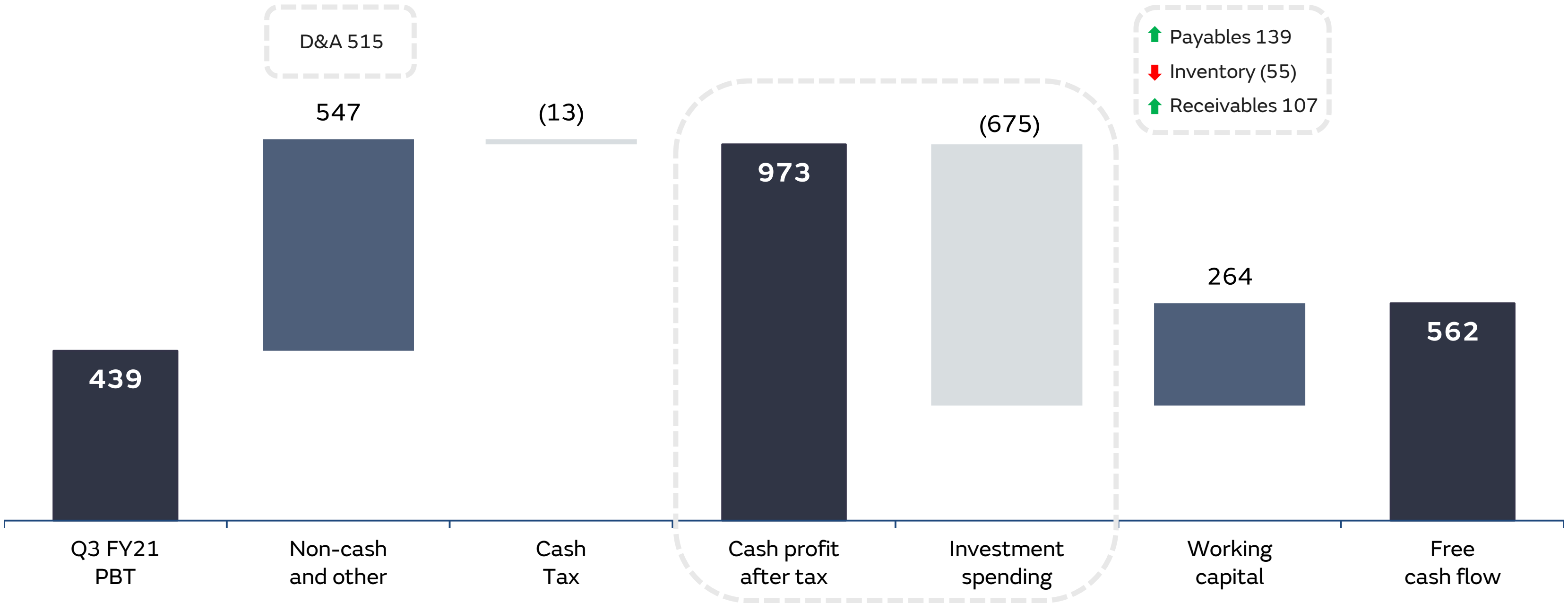
	Q3 FY20 PBT	Volume & mix / Net pricing	Contribution costs	Structural costs	FX & commodities	Q3 FY21 PBT
EBIT Margin	**2.7%**	0.9%	0.3%	2.1%	0.7%	**6.7%**

PBT includes £(37)m exceptionals in Q3 FY21

Record Q3 free cash flow of £562m

Building on positive cash flow of £463m in Q2

IFRS, £m



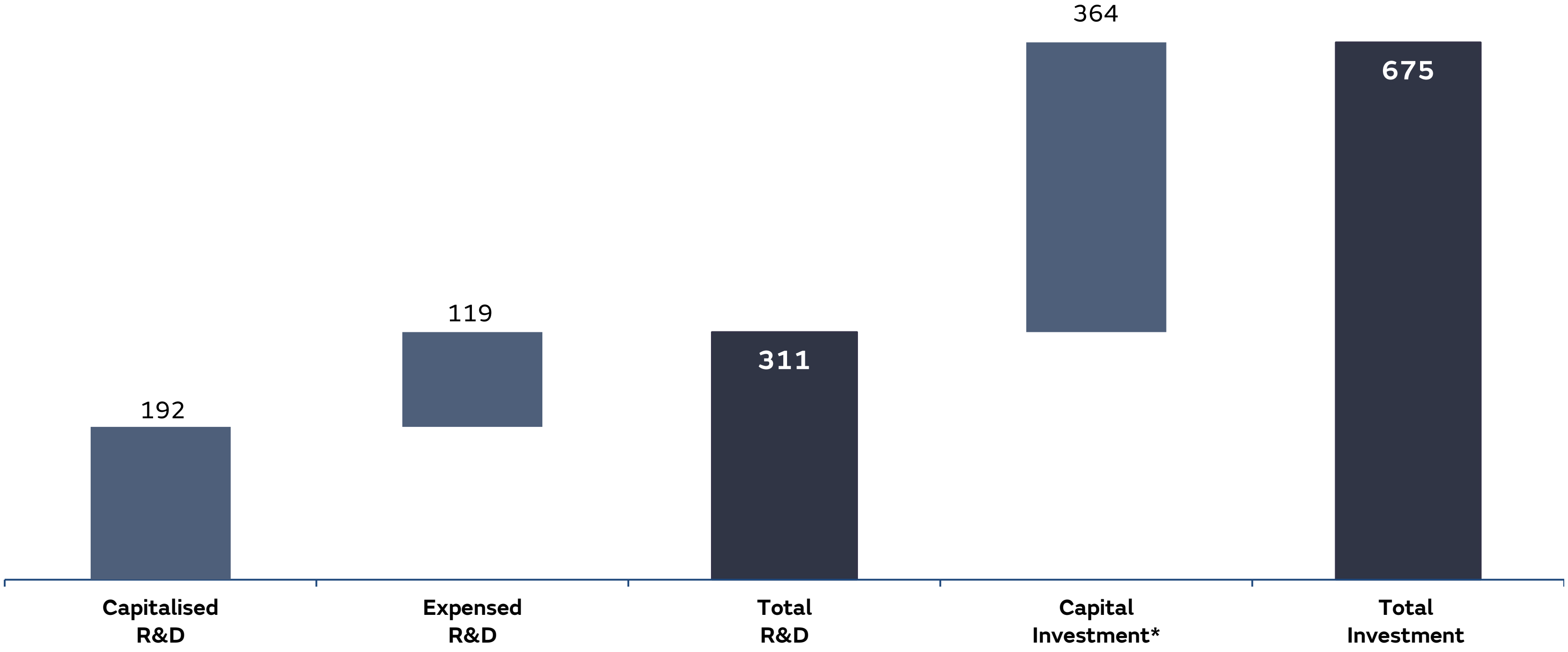
	Q3 FY21 PBT	Non-cash and other / Cash Tax	Cash profit after tax	Investment spending	Working capital	Free cash flow
B/(W) Q2 FY21	374	133	507	(144)	(264)	99
B/(W) Q3 FY20	121	83	204	217	146	567

PBT includes £(37)m exceptionals in Q3 FY21

Investment £675m, down significantly YoY

On-track to achieve £2.5b full-year target

IFRS, £m



	Capitalised R&D	Expensed R&D	Total R&D	Capital Investment*	Total Investment
B/(W) Q2 FY21	18	(20)	**(2)**	(142)	**(144)**
B/(W) Q3 FY20	152	(15)	**137**	80	**217**

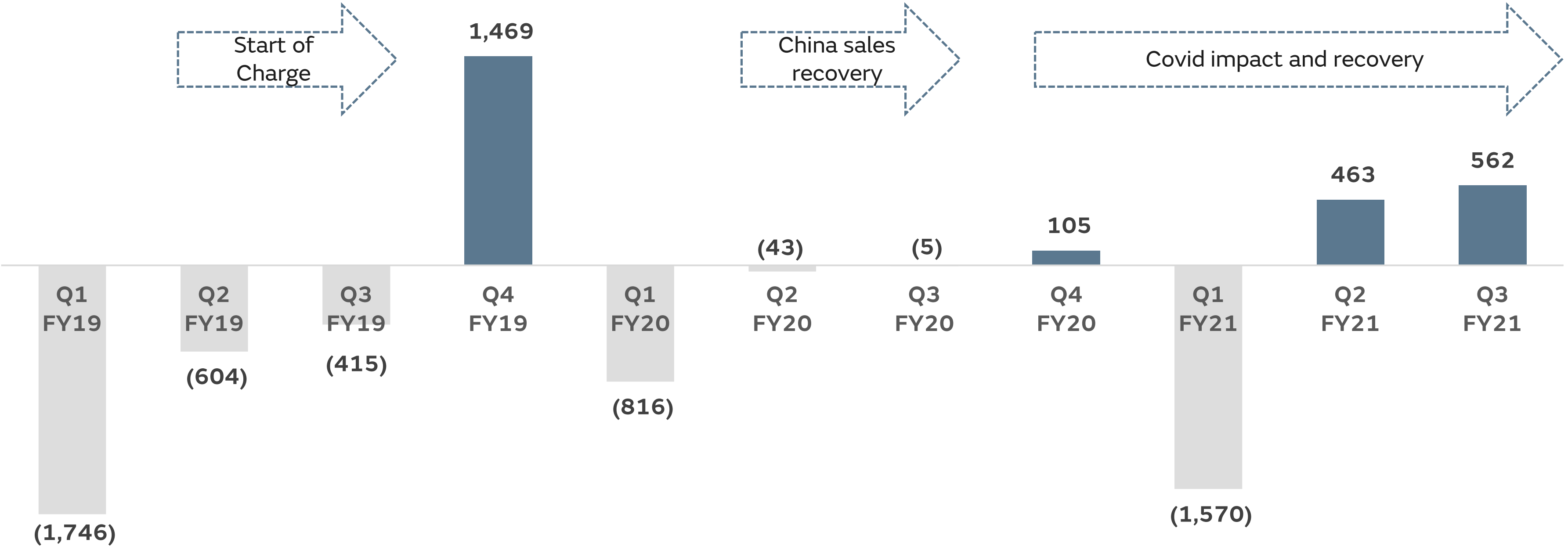
* Of which £385m relates to purchases of property, plant and equipment in Q3 FY21, £229m in Q2 FY21 and £368m in Q3 FY20.

JLR turnaround plan delivers

Charge+, China and Covid sales recovery driving improvement

IFRS, £m

Free cash flow



PBT*	(264)	(90)	(273)	269	(383)	166	318	(494)	(413)	65	476
EBIT	(2.7)%	(0.9)%	(2.3)%	3.2%	(4.8)%	4.5%	2.7%	(3.2)%	(13.6)%	0.3%	6.7%

* Excludes exceptional items

Business Update

New 21MY E-PACE, Velar, F-PACE and Discovery

Electrified options and significant infotainment upgrades

New Jaguar E-PACE

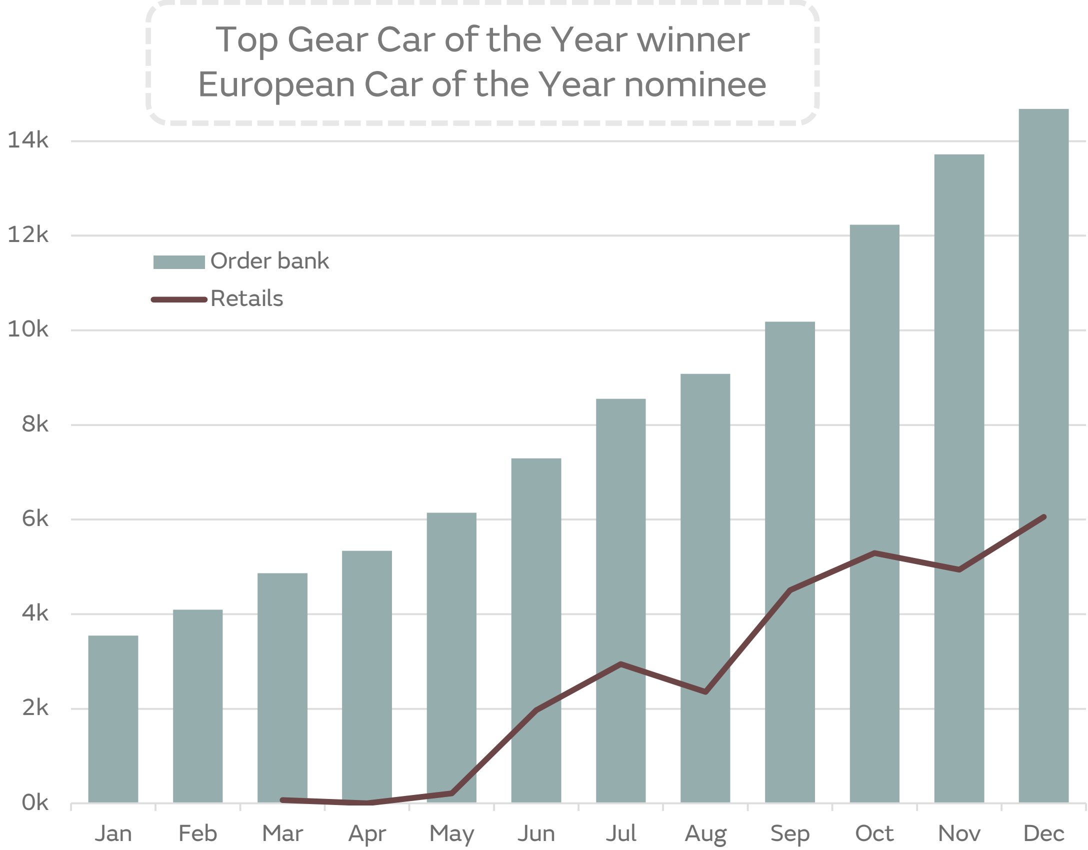
Upgraded Range Rover Velar

New Jaguar F-PACE

New Land Rover Discovery

Defender sales and orders ahead of expectations

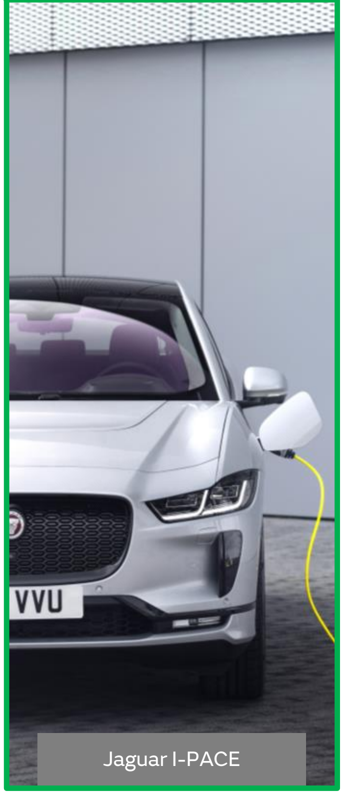
Defender 90 sales starting



Significant electrification expansion in FY21

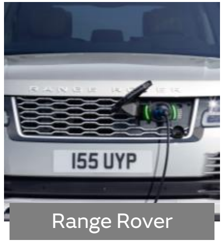
12 of 13 nameplates electrified

Battery electric (BEV)

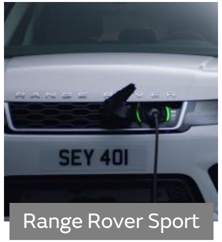


Jaguar I-PACE

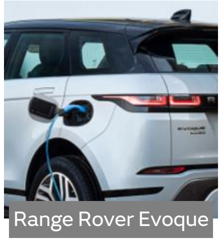
Plug-in Hybrid (PHEV)



Range Rover



Range Rover Sport


Range Rover Evoque


Discovery Sport


Defender


F-PACE


Range Rover Velar

Jaguar E-PACE

Mild Hybrid (MHEV)

Range Rover

Range Rover Sport

Range Rover Evoque

Discovery Sport

Defender


F-PACE


Range Rover Velar

Jaguar XF

Jaguar XE

Jaguar E-PACE

Discovery

JLR electrification plans to support CO_2 compliance

EV sales in 2nd half reduce full year fines

	2019	2020	2021
EU / UK	(CO2g/km) EU28 NEDC 158 status vs. 178 target	EU28 NEDC (transition to new target) 134 status vs 132 target As a result of Covid sales impacts and PHEV, MHEV timing changes, JLR has reduced the provision for EU CO2 fines for CY20 from £90m to £35m, reflecting increased BEV, PHEV and MHEV deliveries, in the last quarter.	EU27 WLTP 160 target UK1 WLTP 159 target
US	(CO2g/mile) EPA GhG 282 status vs. 274 target	EPA GhG 282 status vs. 263 target	EPA GhG 253 target
China	(L/100km) CAFC NEDC 7.3 status vs. 6.7 target	CAFC NEDC 8.7 status vs. 6.9 target	CAFC WLTC 7.7 target

Notes:

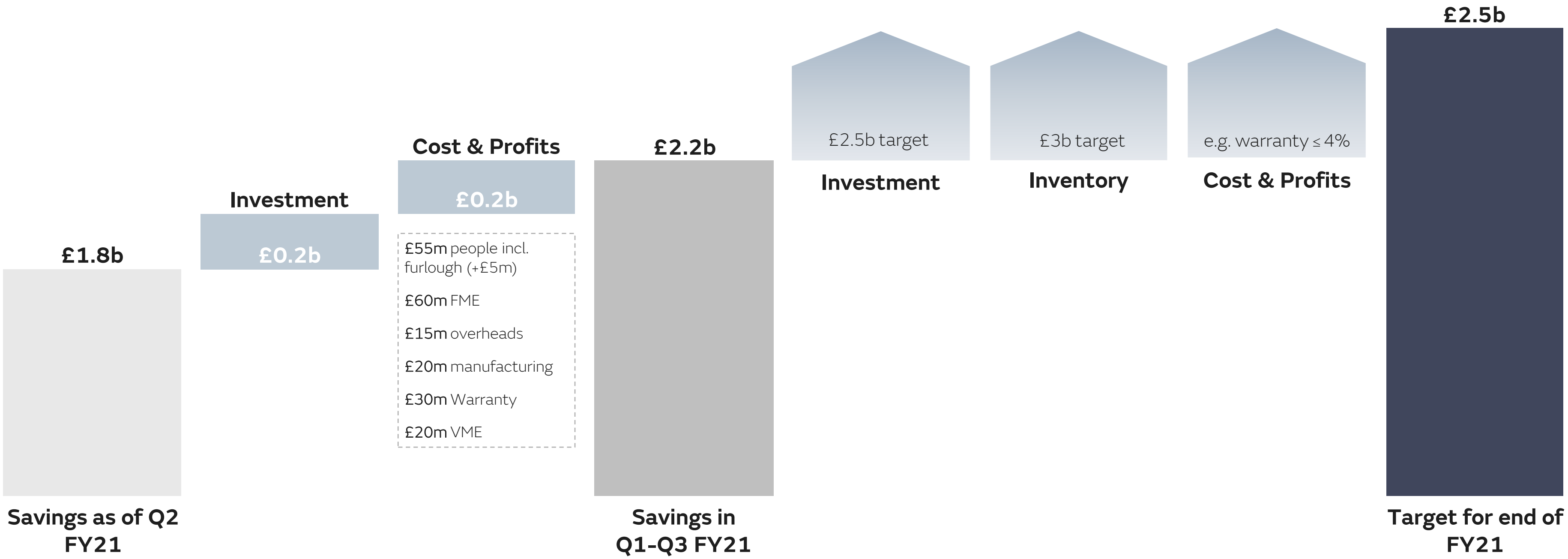
- Status presented for 2019 and 2020 is provisional. Most recent published data is for 2018 which confirmed compliance.
- Forecast compliance will depend on JLR portfolio model mix and launch timings, market performance, Covid impact and applicable regulations.
- US/China compliance after carry forward/back and credit purchases (£6m in US and £0.4m in China for 2019, £11m and £17m for 2020)

Charge+ savings £0.4b in Q3, £2.2b YTD

On-track to exceed £2.5b target savings in FY21

Q3 FY21 progress of £0.4b

£0.3b to deliver in Q4 FY21 to achieve £2.5b FY21 target



Brexit update, agreement reached

In line with planning assumptions, UK-EU tariffs avoided

DEAL AGREED

24th DEC '20

- UK-EU tariffs avoided
- For emissions, UK1 following EU27 approach, including derogation
- No freedom of movement
- In line with JLR planning assumptions

JLR IMPLICATIONS

TRADE

- 10% tariff on UK/EU trade avoided
- Expect to satisfy Rules of Origin criteria (55% for ICE and 40% for EVs, increasing from '24. With 1yr phase-in)
- Minimal impact of tariffs on sales from UK or EU to FTA markets (UK FTAs now in place with major markets inc. S. Korea, S. Africa, Turkey)

COMPLIANCE

- Emissions compliance currently expected for both UK1 and EU27 in '21 and plans to meet thereafter
- JLR protected for both EU and UK Type approvals (homologation)

OPERATIONS

- Some customs and administration frictions as border flows pick up
- Expect logistical impact to be limited and shorter term
- Limited impact of restriction on movement

Managing Covid impact on sales and production

Plants open; 75% of retailers open, remote sales continue

Sales:
- 75% of global retail network open, 65% fully

UK
- Nationwide lockdown
- Retailer showrooms closed at present
- Remote sales supported

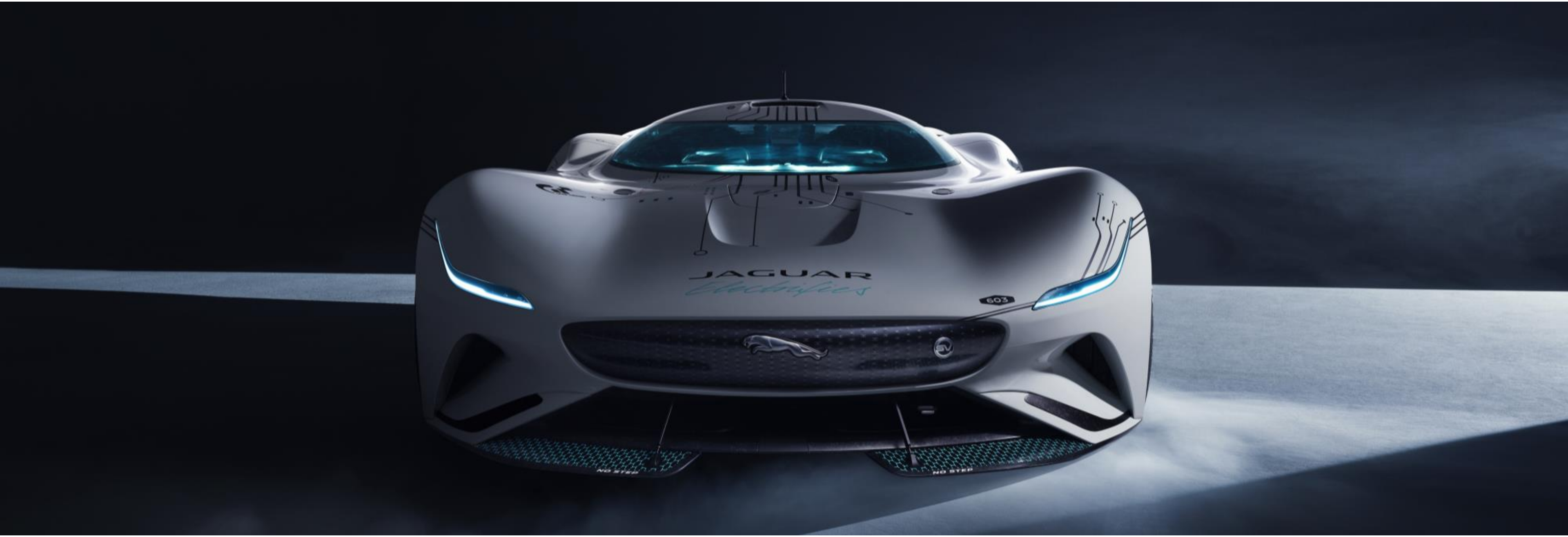
US
- US and Canada restrictions vary by state
- 95% retailer showrooms open, 65% fully
- Remote sales supported

EU
- Restrictions vary by country, some in full lockdown (e.g. France and Germany)
- 60% retailer showrooms open, 53% fully
- Remote sales supported

China
- Containment measures with some local lockdowns
- 95% of retailer showrooms fully open
- Remote sales supported

Operations:
- Manufacturing sites open
- Some supply and production challenges due to higher Covid caseload
- Offices generally open for people who cannot work from home
- Observing government guidance, with appropriate safety measures, testing and absence cover

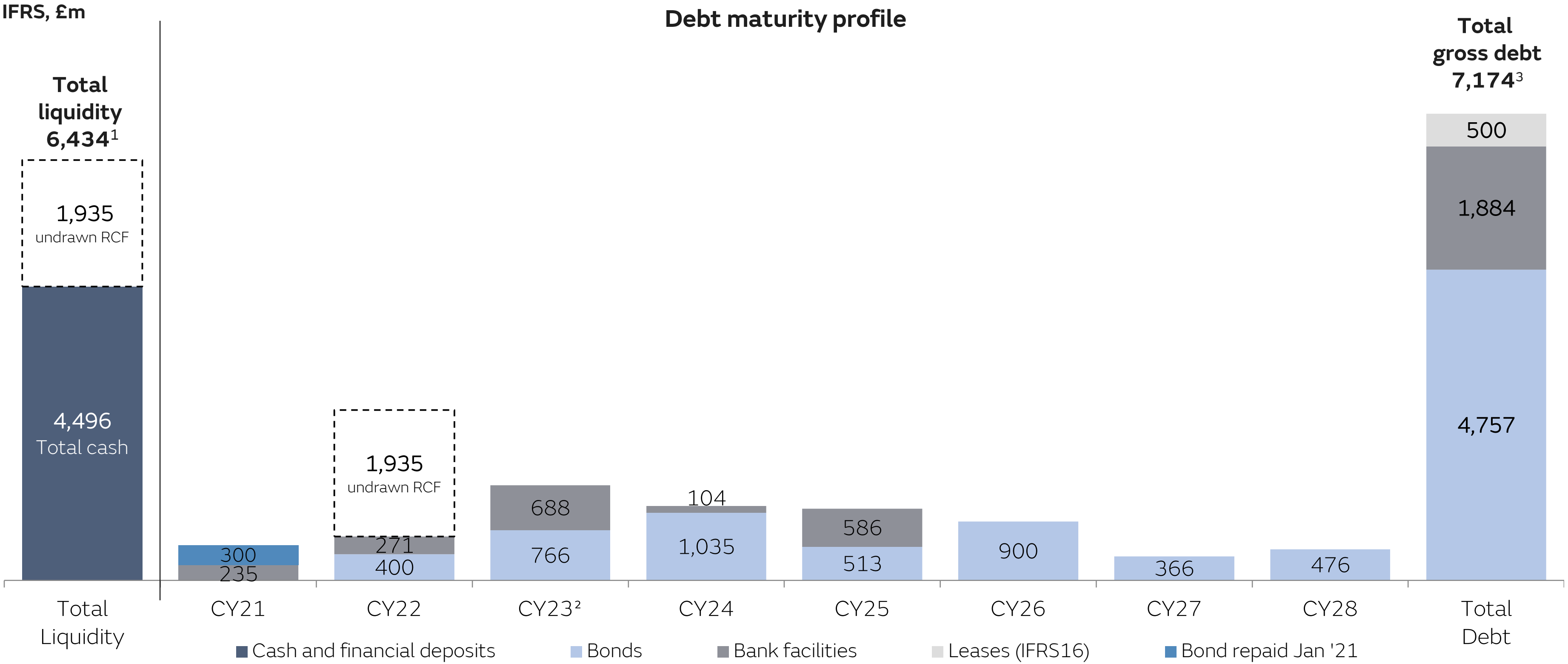
Note: Status as at 26/1/21



FUNDING AND OUTLOOK

£6.4b total liquidity at end December

Includes $1.35b new bonds issued in Q3



[1] Includes £3m undrawn portion of Fleet Buyback facility
[2] Includes RMB 5b 3-year syndicated revolving loan facility, subject to annual confirmatory review
[3] Includes £33m comprising £30m Fair Value adjustment, and £40m of other debt, partially offset by £37m of capitalised fees

Outlook

Expect full-year positive EBIT & near break-even free cash flow

Q4 FY21 targets

- Improving sales despite ongoing Covid impact
- Solid profit margin (EBIT)
- Positive cash flow

Full year FY21 targets

- Positive EBIT margin
- Investment under £2.5b
- Near breakeven cash flow

Risks remain

- Covid & economy
- Brexit transition linked supply frictions
- Electrification & emissions

Investor Day 26th Feb

- Business outlook
- Strategy & transformation update
- Financial targets

Thank you

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ADDITIONAL SLIDES

Q3 FY21

Income statement

IFRS, £m	Q3 FY21	Q3 FY20	Change	YTD FY21	YTD FY20	Change
Retails (units)	128.5	141.2	(12.7)	316.1	398.8	(82.7)
Wholesales (units)	102.6	129.9	(27.4)	224.9	355.3	(130.3)
Revenues	**5,982**	**6,398**	**(416)**	**13,193**	**17,558**	**(4,365)**
Material and other cost of sales	(3,742)	(4,141)	399	(8,270)	(11,142)	2,872
Employee costs	(595)	(655)	60	(1,522)	(1,942)	420
Other (expense)/income	(891)	(1,295)	404	(2,442)	(3,794)	1,352
Product development costs capitalised	192	344	(152)	570	1,036	(466)
Depreciation and amortisation	(515)	(453)	(62)	(1,475)	(1,420)	(55)
Share of profit/(loss) from Joint Ventures	(33)	(25)	(8)	(32)	(94)	62
EBIT	**398**	**173**	**225**	**22**	**202**	**(180)**
Debt/unrealised hedges MTM & unrealised investments	143	178	(35)	273	6	267
Net finance (expense) / income	(65)	(33)	(32)	(167)	(107)	(60)
Profit before tax and exceptional items	**476**	**318**	**158**	**128**	**101**	**27**
Exceptional items	(37)	0	(37)	(37)	(22)	(15)
Profit before tax	**439**	**318**	**121**	**91**	**79**	**12**
Income tax	(88)	54	(142)	(271)	(9)	(262)
Profit after tax	**351**	**372**	**(21)**	**(180)**	**70**	**(250)**

China JV

Loss in Q3 primarily due to reserve changes inc. VME & warranty

(presented on 100% basis)	QTD			YTD		
IFRS, £m	Q3 FY21	Q3 FY20	Change	FY21	FY20	Change
Retail volumes ('000 units)	18.3	15.4	2.9	48.4	44.1	4.3
Wholesale volumes ('000 units)	17.1	15.4	1.6	51.5	43.2	8.3
Revenues	457	427	30	1,438	1,132	306
Profit / (Loss) - before tax	(85)	(52)	(33)	(85)	(238)	153
- after tax	(64)	(49)	(15)	(61)	(185)	124
EBITDA Margin	(4.6)%	(0.2)%	(4.4)%	5.6%	(4.9)%	10.5%
EBIT Margin	(18.2)%	(11.7)%	(6.5)%	(5.2)%	(20.3)%	15.1%

All numbers presented on 100% basis, noting JLR 50% share.

FX and commodities +£7m YoY, +£46 QoQ

£144m revaluation in Q3 – stronger GBP & commodity prices

	Q3 FY21	YoY Change	QoQ Change
Operational exchange [1]	n/a	(47)	16
Realised FX [2]	(38)	88	(10)
Total FX impacting EBITDA & EBIT	**n/a**	**41**	**6**
Revaluation of CA / CL and other [3]	24	(13)	39
Revaluation of unrealised currency derivatives [3]	7	(5)	12
Revaluation of USD and Euro Debt [3]	76	(21)	1
Total FX impact on PBT	**n/a**	**2**	**58**
Unrealised commodities (excl. from EBITDA & EBIT)	37	5	(12)
Total impact of FX and unrealised commodities	**n/a**	**7**	**46**

Note: £5m gain on realised commodity hedges included in contribution costs. £6m favourable YoY and £10m favourable QoQ

Total pre-tax hedge reserve	**238**	**340**	**308**
End of Period Exchange Rates			
GBP:USD	1.365	*3.9%*	*6.5%*
GBP:EUR	1.111	*(5.2%)*	*1.7%*
GBP:CNY	8.886	*(2.8%)*	*1.7%*

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 impact of the change in end of period exchange rates as applied to relevant balances