TATA MOTORS

TATA MOTORS GROUP : RESULTS

Q2 FY'19 | 31 October 2018

Safe harbor statement

Statements in this presentation describing the objectives, projections, estimates and expectations of Tata Motors Limited (the "Company", "Group" or TML") Jaguar Land Rover Automotive plc ("JLR") and its other direct and indirect subsidiaries 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

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

Narrations

- Q2 FY19 represents the 3 months period from 1 July 2018 to 30 September 2018
- Q2 FY18 represents the 3 months period from 1 July 2017 to 30 September 2017
- H1 FY19 represents the 6 months period from 1 April 2018 to 30 September 2018
- H1 FY18 represents the 6 months period from 1 April 2017 to 30 September 2017

Accounting Standards

- Financials (other than JLR) contained in the presentation are as per IndAS
- Results of Jaguar Land Rover Automotive plc are presented under IFRS as approved in the EU.
- Tata Motors Finance –Performance snapshot is as per IndAS and IGAAP

Other Details

- JLR volumes: Retail volume and wholesales volume data includes sales from the Chinese joint venture ("CJLR")

- Reported EBITDA is defined to include the product development expenses charged to P&L, revaluation of current assets and liabilities and realised FX and commodity hedges but excludes the revaluation of foreign currency debt, MTM on FX and commodity hedges, other income, as well as exceptional items.

- Reported EBIT is defined to include the revaluation of current assets and liabilities and realised FX and commodity hedges as well as profits from equity accounted investees but excludes the revaluation of foreign currency debt, MTM on FX and commodity hedges, other income and exceptional items.

- In compliance with Ind AS 20 – Government Grants and consequent to clarifications published by the Institute of Chartered Accountants of India, various Government Grants and incentives have been recognized as "Other Income". Earlier these were reported as "Other Operating Revenue" in the Statement of Profit and Loss. Previous periods have been reclassified accordingly for comparative purposes. This has no impact on reported Profit Before Tax (PBT) of Consolidated and Standalone results. However, these are included in Reported EBITDA and EBIT numbers as per past practice.

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Products and Other developments

New and Upcoming Products

E-PACE – Launched in China JV in September

#BEST4X4XFAR

I-PACE launching in China, North America and Overseas markets

Special edition Nexon Kraz and Tiago NRG Urban Tough Roader

Other Developments

CHARGE

ACCELERATE

TRANSFORMING TODAY FOR TOMORROW

Charge and Accelerate to improve business performance

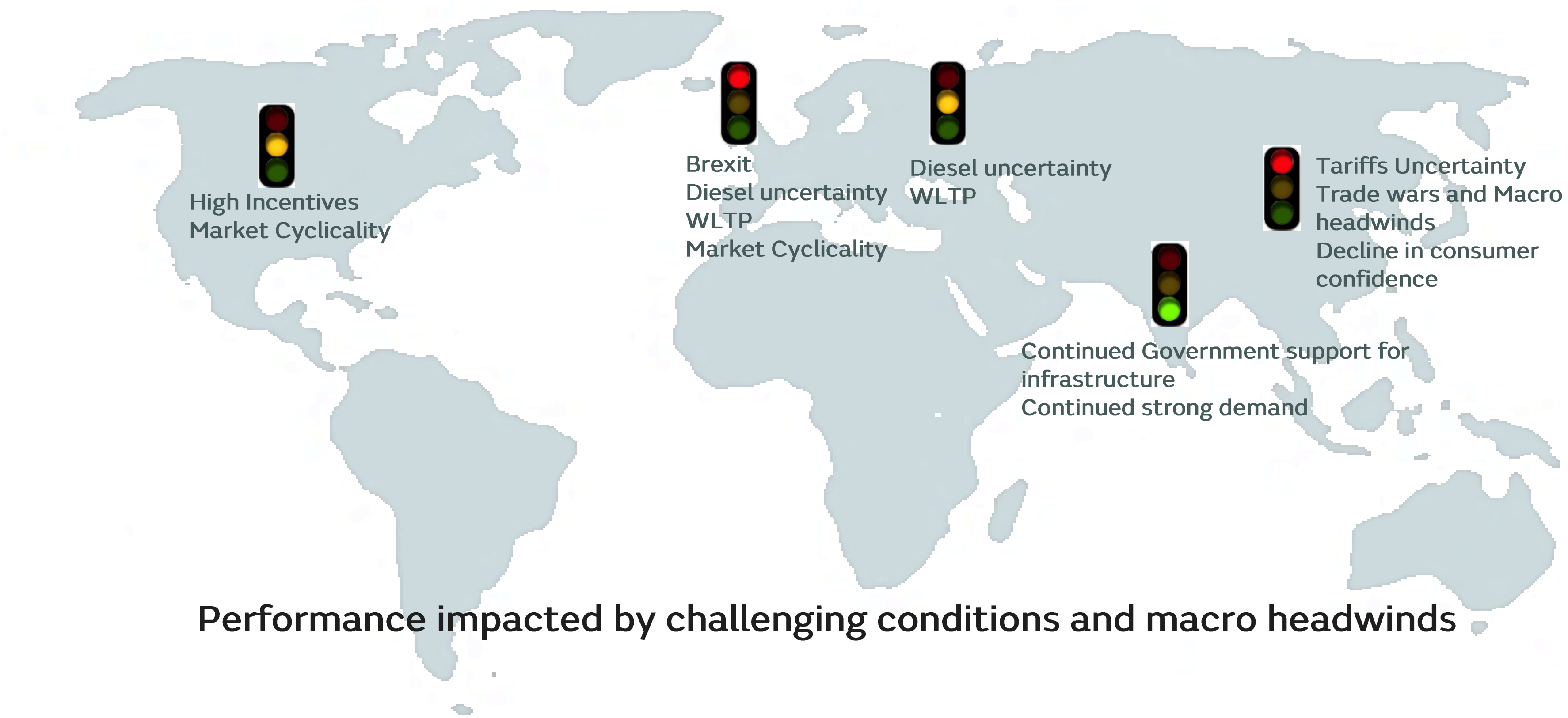
First self-driving journey completed – UK Autodrive project- Range Rover Sport and Tata Hexa

Showcased 5 new public transport vehicles- Bus World India 2018

New Slovakia plant opening ceremony 25th October

Tough market conditions;

Unanticipated decline in China; India CV market remains robust



Performance impacted by challenging conditions and macro headwinds

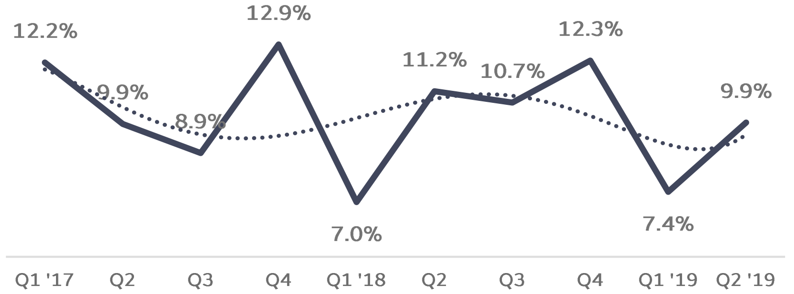
Revenue ₹72K Cr; EBIT ₹1257 Cr (1.7%); EBITDA 10%

TML (S) delivers robust profitable growth; JLR impacted by adverse markets;

₹Cr.	Q2 FY'18	Q2 FY'19	Growth
Volumes (K)^	309,163	322,914	4.4%
Revenue	69,839	72,112	3.3%
EBIT	3,363	1,257	(62.6)%
EBIT%	*4.8*	*1.7*	-
PAT	2,502	(1,009)	-

- Revenue growth at 3.3%.
  - TML (S): +33.4%, JLR: -11.5%
- EBITDA at 9.9% and EBIT at 1.7%
  - EBIT YoY : TML (S): +360 bps, JLR: -580 bps
  - EBIT QoQ : TML (S): +40bps, JLR: +300bps
- Profit After Tax at ₹(1,009) Cr
  - "Fit for Future" exceptional charges of ₹530Cr in PAT
- FCF (Auto) of ₹(4.4) K Cr

EBITDA Trends



₹Cr. IndAS
TML (S) – Tata Motors Standalone (Incl. Joint Operations);
JLR – Jaguar Land Rover
^ Global wholesales including CJLR
EBIT: Earnings before Interest & Tax; ; FCF: Free Cash Flow;
PAT includes share of profits of JVs & associates

Q2 FY'19 Consolidated

Revenue up 3%

Strong domestic growths and favourable FX impact offset JLR decline;

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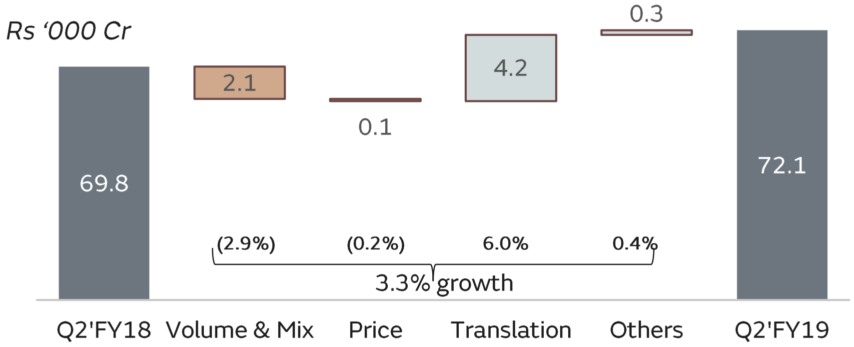
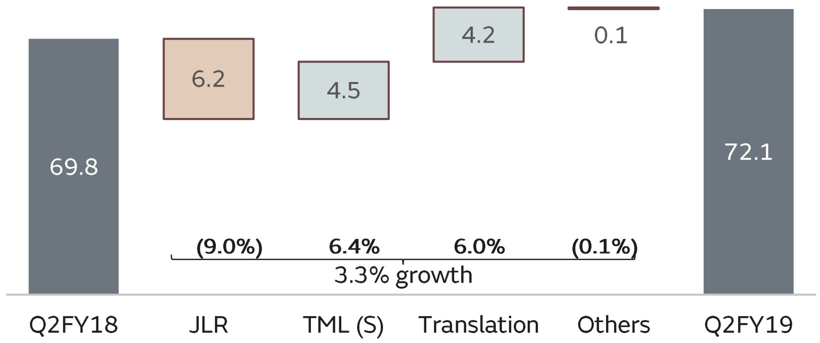
Net revenue at Rs. 72.1K Cr up 3.3%





Key highlights

TML (S) revenue up 33.4% *(+6.4% on total growth)*

- Broad based volume growth +25% (CV: +29%, PV: +18%)

JLR revenue down 11.4% *(-9.0% on total growth)*

- Retails @ 129.9K (-13.2%)
- Wholesale incl CJLR @ 130.6K (-14.7%)

FX impacts revenue favourably *(6.0% on total growth)*

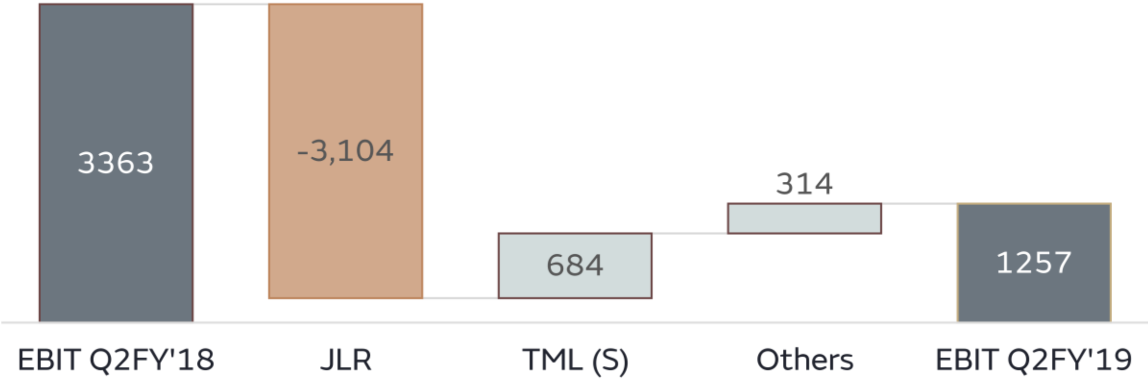
TML (S) – Tata Motors Standalone (Incl. Joint Operations); JLR – Jaguar Land Rover
Note :-JLR revenue above is the Ind AS revenue

Rs Cr. IndAS

Q2 FY'19 Consolidated

EBIT down 310 bps

JLR losses partially offset by strong improvement in TML(S)



EBIT	4.8%	(4.4%)	0.9%	0.4%	1.7%

- JLR EBIT down 580 bps
  - China impact,
  - Negative operating leverage from lower wholesales
- TML (S) EBIT up 360 bps
  - Savings from ImpACT projects and
  - Positive Operating leverage

TML (S) – Tata Motors Standalone (Incl. Joint Operations); JLR – Jaguar Land Rover

Revenue growth 8%, EBIT 0.5%

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Rs Cr.	H1 FY18	H1 FY19	Growth
Volumes (K) ^	560,205	**633,023**	13.0%
Revenue	128,130	**138,813**	8.3%
EBIT	3,632	**709**	(80.5)%
EBIT%	*2.8*	***0.5***	-
PAT	5,702	**(2,872)**	-

^ Global wholesales including CJLR

- Volume Growth at 13.0% and Revenue growth at 8.3%
- EBIT at 0.5%, down 230bps due to lower volumes at JLR resulting from volatile market conditions
- PAT at Rs (2,872) Cr due to lower EBIT, lower JV profits and exceptional “Fit for Future” charges
- FCF (Auto) outflow of Rs (23.0) KCr

D&A : Depreciation & Amortisation

PAT includes share of profits of JVs & associates

EBIT: Earnings before Interest & Tax; ; FCF: Free Cash Flows

TML (S) – Tata Motors Standalone (Incl. Joint Operations); JLR – Jaguar Land Rover

Rs Cr. IndAS

1. Jaguar Land Rover

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Ralf Speth and Kenneth Gregor

1 JLR

2 CJLR

3 CV

4 PV

5 TMFL

TATA Motorfinance
driven by trust

6 Net debt and Subs

Dr Ralph Speth and Ken Gregor

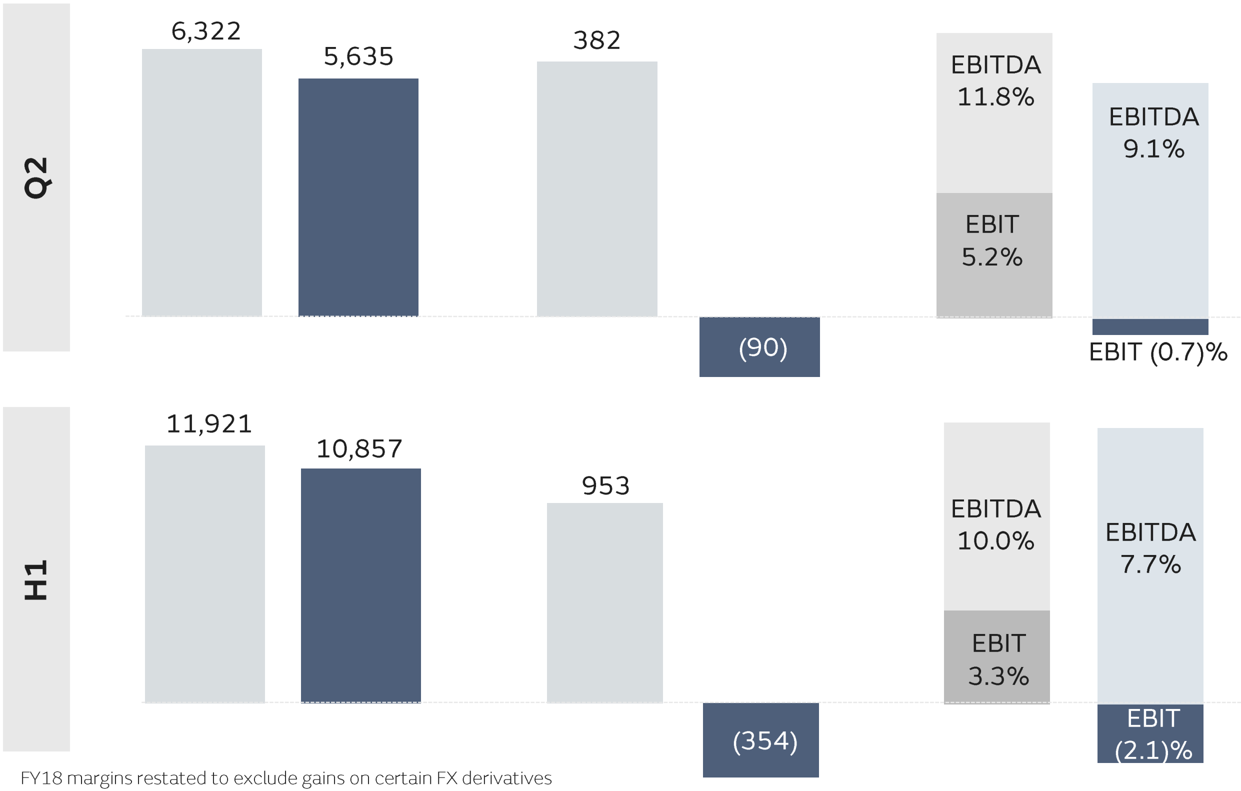
Q2 FY'19

Revenue £5.6b, loss before tax £90m

Lower sales, warranty actions, higher D&A offset by cost actions

IFRS, £m

Revenue		PBT		Margins*	
FY18	FY19	FY18	FY19	FY18	FY19



YoY Commentary

Q2:

- Wholesales 22.6k lower, primarily reflecting China market conditions
- Warranty actions £39m (£60m YoY)
- Slovakia and Austria start-up costs, material costs and D&A partially offset by reductions in other costs

H1:

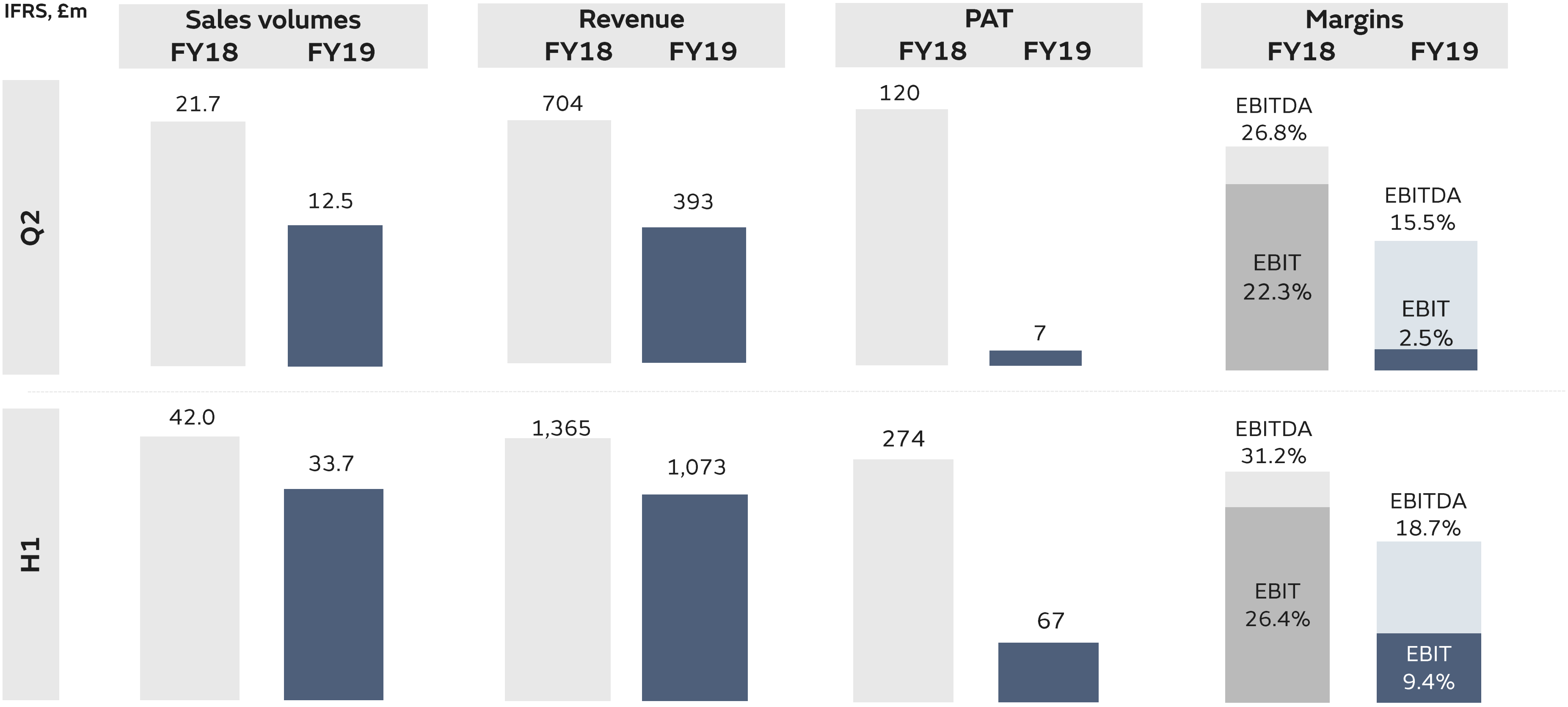
- Wholesales 29.5k lower, primarily reflecting China market conditions
- China duty change (£110m), de-stocking (£110m) and warranty actions £39m (£60m YoY)

- FY18 margins restated to exclude gains on certain FX derivatives
- H1 FY18 PBT includes £437m exceptional pension credit (not included in margins)

Q2 FY’19

China JV : Weak sales in quarter; EBIT 3%

Deteriorating market and competitive conditions



Q2 FY'19

Retails down 13%; China disappointing

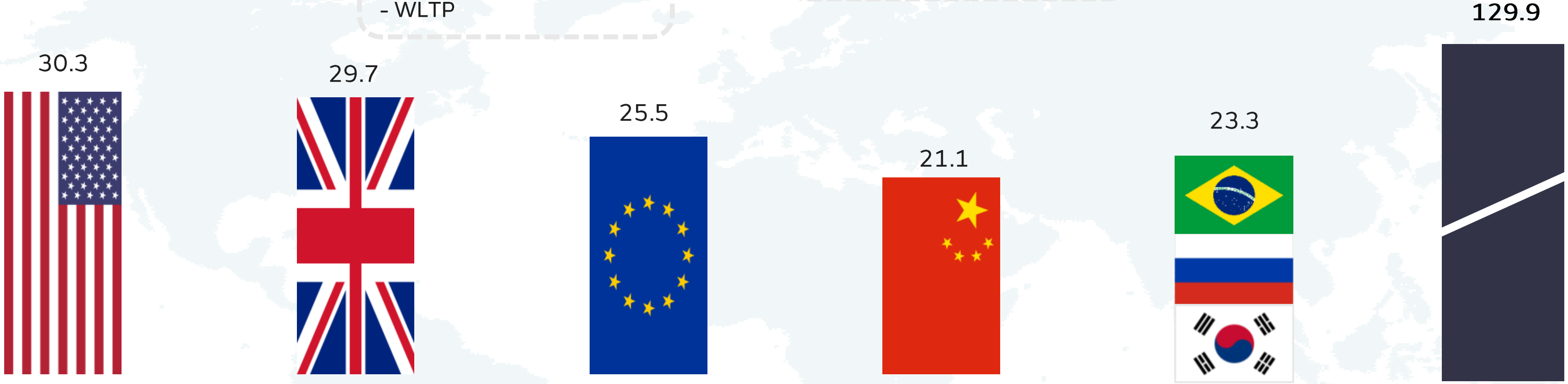
UK and Overseas sales better than industry

- Cyclicality
- Continuing high incentives

- Lower diesel demand
- Brexit uncertainty
- Market cyclicality
- WLTP

- Weaker Consumer Confidence
- Tariff Changes
- Trade Tensions

Units in '000



	North America	UK	Europe	China	Overseas*	Total
JLR YoY	(4.6%)	(0.6%)	(11.9%)	(43.8%)	8.2%	(13.2%)
Industry	(3.0%)	(10.2%)	(4.3%)	(7.7%)	1.6%	

<u>Wholesales</u>

Units	28.3	31.6	25.4	23.7	21.7	130.7
YoY	(1.1%)	(8.7%)	(12.6%)	(39.4%)	(0.8%)	(14.7%)

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.

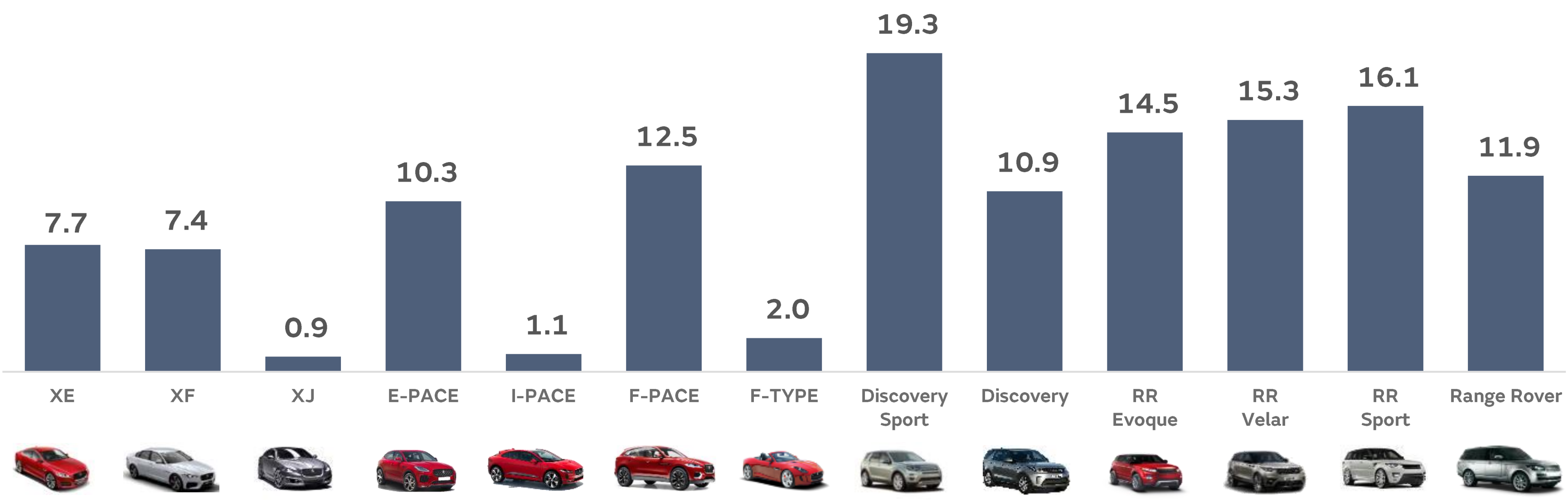
Overseas markets includes Australia, Brazil, Colombia, India, Japan, South Korea, Mexico, MENA, Russia, Singapore, South Africa, Taiwan and certain importers

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

Retails 129.9k, 19.8k (13.2%) lower

Velar, E-PACE, I-PACE up; other models down -- mainly China

Units in '000



	XE	XF	XJ	E-PACE	I-PACE	F-PACE	F-TYPE	Discovery Sport	Discovery	RR Evoque	RR Velar	RR Sport	Range Rover
YoY	(1.1)	(2.8)	(1.6)	10.3	1.1	(5.8)	(0.4)	(11.1)	(1.4)	(9.9)	6.5	(2.5)	(1.1)
Wholesales													
Units	7.2	6.6	1.0	11.5	1.8	15.0	2.3	19.0	8.4	15.2	14.2	15.7	12.6
YoY	(2.2)	(4.4)	(1.1)	11.5	1.8	(2.1)	(0.7)	(10.0)	(3.8)	(7.2)	(2.3)	(1.2)	(1.0)

Retail volumes include sales from Chery Jaguar Land Rover – Q2 FY19 12,531 units, Q2 FY18 21,728 units

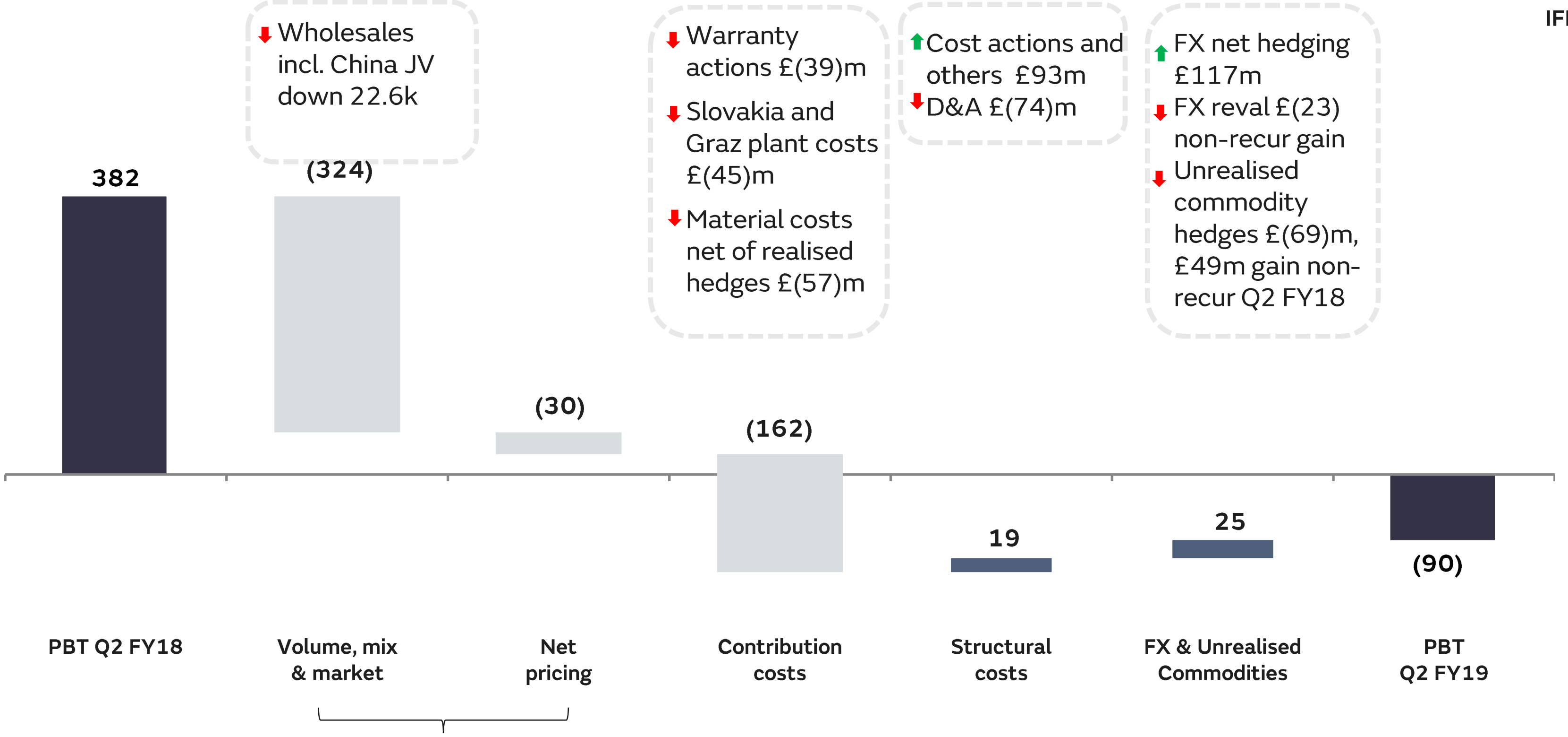
Wholesale volumes include sales from Chery Jaguar Land Rover – Q2 FY19 13,035 units, Q2 FY19 21,876 units. For statutory reporting under IFRS, the Group recognises revenue on wholesales (excluding sales from CJLR) which totals 117,617 Q2 FY19 and 131,334 Q2 FY18. The Group recognises it's share of profits from CJLR within EBIT.

Q2 FY'19

£90m loss before tax, incl. £39m warranty actions

Lower China sales and higher D&A partly offset by cost actions

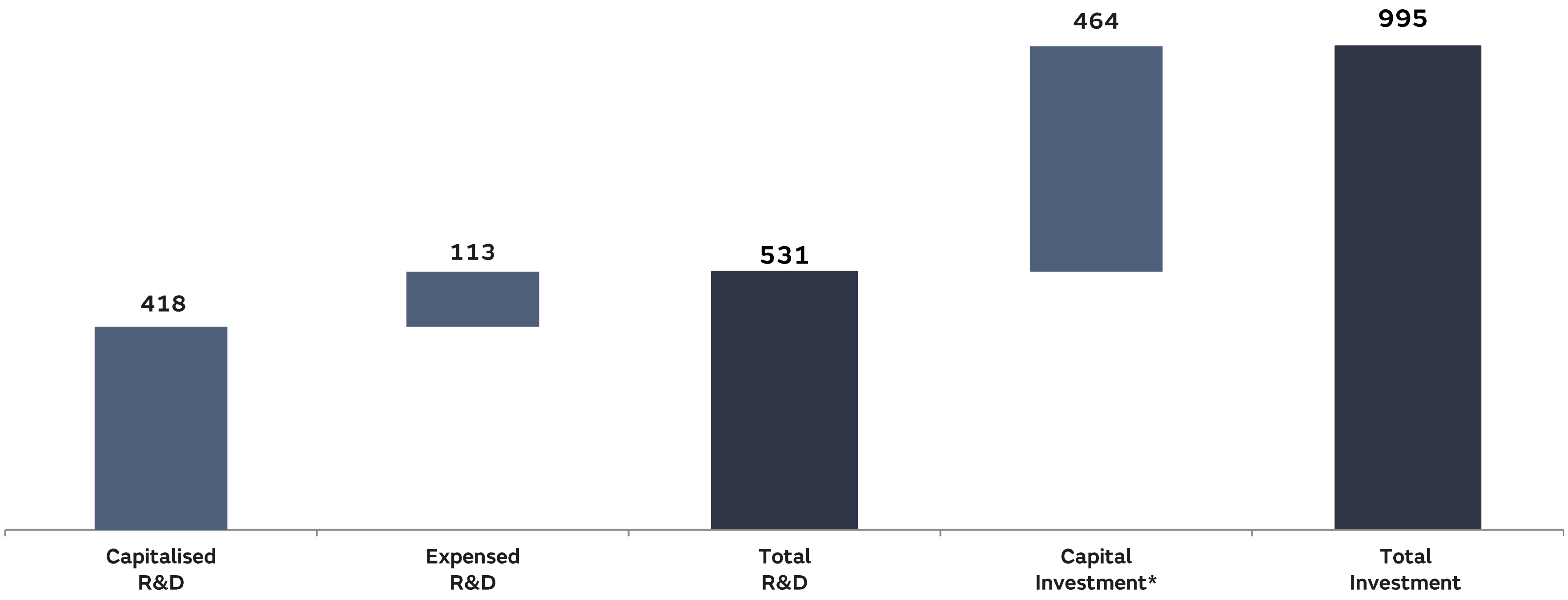
IFRS, £m



EBIT %	5.2%	(5.6)%	(2.9)%	0.3%	2.3%	(0.7)%	Δ(590)bps

Investment spending £1b

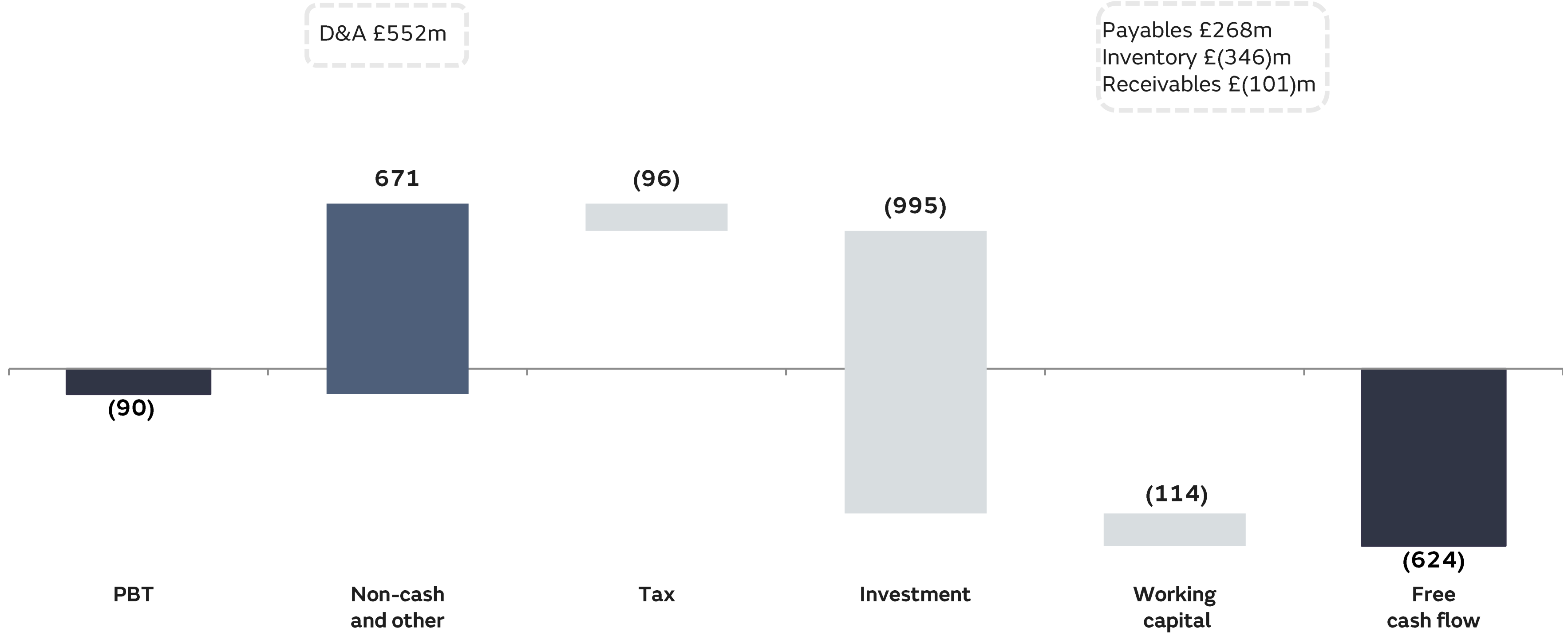
IFRS, £m



	Capitalised R&D	Expensed R&D	Total R&D	Capital Investment*	Total Investment
Q2 FY18	410	83	493	540	1,033

* Primarily plant, property and equipment of £456m

Cash outflow £624m after £1b investment



* Free cash flow defined as net cash generated from operating activities less net cash used in investing activities (excluding movements in short-term deposits) and after finance expenses and fees and payments of lease obligations. Free cash flow also includes foreign exchange gains/losses on short-term deposits and cash and cash equivalents

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Securing our future

Dr. Ralf Speth

Turnaround and Transformation plan launched

Response to more challenging market conditions

Demand likely to remain muted due to geopolitical, economic, financial and regulatory factors

Turnaround plan required to succeed in this more challenging environment

1. Rejuvenate sales
   - Leverage strong product portfolio
   - Resume profitable growth in China

2. Improve cash flows and profitability – Project Charge
   - Enhanced focus on improving cashflow – investment, working capital and profits
   - Comprehensive profit improvement and cost savings plan
   - Reassessment of investment spending to ensure adequate returns

3. Fix structural issues – Project Accelerate

Turnaround Action: 1

Drive growth with strong product portfolio;

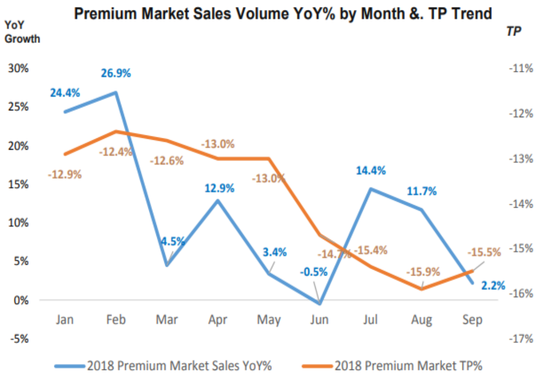
16 nameplates by 2024; regular replacement and refresh cycle

Calendar Year	XE	XF	XJ	E-PACE	I-PACE	F-PACE	F-TYPE	Discovery Sport	Discovery	Evoque	Velar	Range Rover Sport	Range Rover	Defender	2 Other
2011										New					
2012													New		
2013							New					New			
2014								New							
2015	New	New	Refresh							Refresh					
2016						New									
2017				New			Refresh		New		New	Refresh	Refresh		
2018					New										
2019-24	New models, replacement models and mid-cycle refreshes to be announced														

Turnaround action: 1

Resume profitable growth in China

Source: National Bureau of Statistics



TP Data source: CAM

Challenges to address

- Consumer confidence and market sentiment, industry down 7.7% in Q2 FY19
- Dealer ROI
  - Retailer stock levels
  - Profitability
  - Discounting

Opportunities to leverage

- Continuing premium segment growth (forecast to be CAGR 4.3% to FY23)
- Lower import duty for EU/UK cars into China

Comprehensive action plan

- Close collaboration with the retailer network to ensure a healthy development for the future
- Prompt actions to balance supply and demand in response to market conditions and otherwise escalating incentives
- Introduction of the fifth JLR vehicle to be built in China, Jaguar E-PACE
- Continued commitment to collaborate with local partners as part of its “Dual Power, Dual Innovation” ACES strategy in China.
- Continue to strengthen the Jaguar and Land Rover brands and support ‘pull’ strategy

Committed to long term growth. However, near term demand concerns remain

Turnaround Action: 2

Project Charge launched

2-3 year turnaround plan to improve cash flows and profitability

Steering Committee
JLR Board of Management and JLRA Plc board representation

Leadership
Chief Transformation Officer | External Consultants

Charge Management Office
Operational workstreams

Cash balance

Investment

Working capital

PBT

Retails

Organisation

CHARGE

Teams mobilised across the business

External consultants on board and delivering

Senior SteerCo every fortnight, making rapid decisions

Implemented cash benefits of £300m in first 6 weeks

Target for next 18 months

Deliver £2.5Bn of cost, cash and profit improvements through FY 20, broadly consisting of

- £1b investment (from £4.5b to £4b in FY19 and FY20)
- £0.5b inventory and other working capital reductions
- £1b of profit and cost actions

Project Charge workstreams and areas

Non-product Investments
Inventory and Volume Forecasting
Operating Working Capital
Rapid Asset Disposals

Overheads: Admin, Policies
People and Org design
Purchasing and Material Cost
Commercial (Pricing/VME, FME and Vehicle/Mkt Profitability)
Design-to-Value
Product and Programmes
Manufacturing and Logistics
China
Corporate and Strategy (IT, Fin Svcs, Special Ops)
Strategic and Non-Core Asset Sales
Tax and Treasury

Liquidity Centre
Quick wins focused on cash

Operations Centre
Near term efficiencies

CHARGE

Turnaround Action: 2

Project Charge update (Week 7)

Over 500 ideas being worked upon; Actions already taken

Investments
- Detailed review of investment spending plans
- Stop/deferral of non-product spend and look to alternatives
- c. £500m improvement targeted in each of FY19 and FY20 to reduce investment to c. £4bn

Working capital actions
- Destocking actions based on rebased volume planning and production scheduling
- 3 day week at Castle Bromwich and 2 week shutdown in Solihull
- Actively reducing company and commercial inventory

Commercial
- Review of pricing and VME
- Reductions in FME focused on ROI
- >£100m savings identified
- Improved accuracy of market and dealer demand through enhanced analytics

Organisational Efficiency
- Recruitment and non-essential travel freeze with immediate effect
- Review of organisational design e.g. agency and centralisation opportunities

Asset Efficiency
- Ongoing review of non-core assets and valuations

CHARGE

‘Accelerate’ transformation initiatives

Focus on medium to long term

Enhance Sales performance	Deliver competitive variable cost	Reduce delays and improve quality
• Positioning, pricing and launch approach • Customer value based product and feature offerings • Customer marketing effectiveness • Network coverage and enhancement • Customer service and quality perception	• “Should Design” & “Should Cost” with benchmarking • Purchase lifecycle planning • Customer value driven tech standards • Minimise manufacturing per unit costs • Global sourcing strategy • Make vs Buy	• Optimised resource planning • Drive consistency, commonality & modularity • Step-up risk & change management • Mindset& process discipline • Vendor collaboration

Role and process clarity, business behaviours, and supporting enterprise-wide systems

Implementation update:

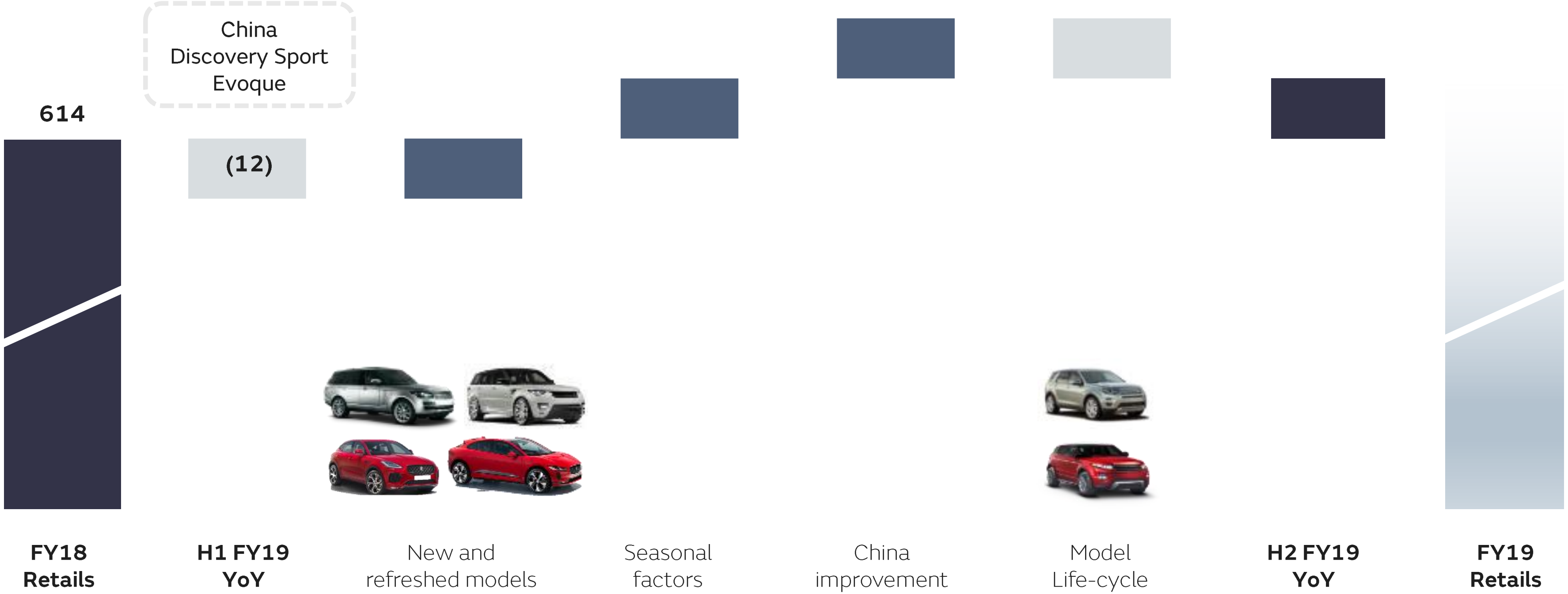
- **Scoped projects** to address the major root causes
- Installed **Programme Leads** to lead dedicated teams on each of the 3 programmes of work
- Established **weekly steering committees,** and overall portfolio steering committee to govern programme of work going forward

ACCELERATE
TRANSFORMING TODAY FOR TOMORROW

Expect stronger sales in H2, flat full year

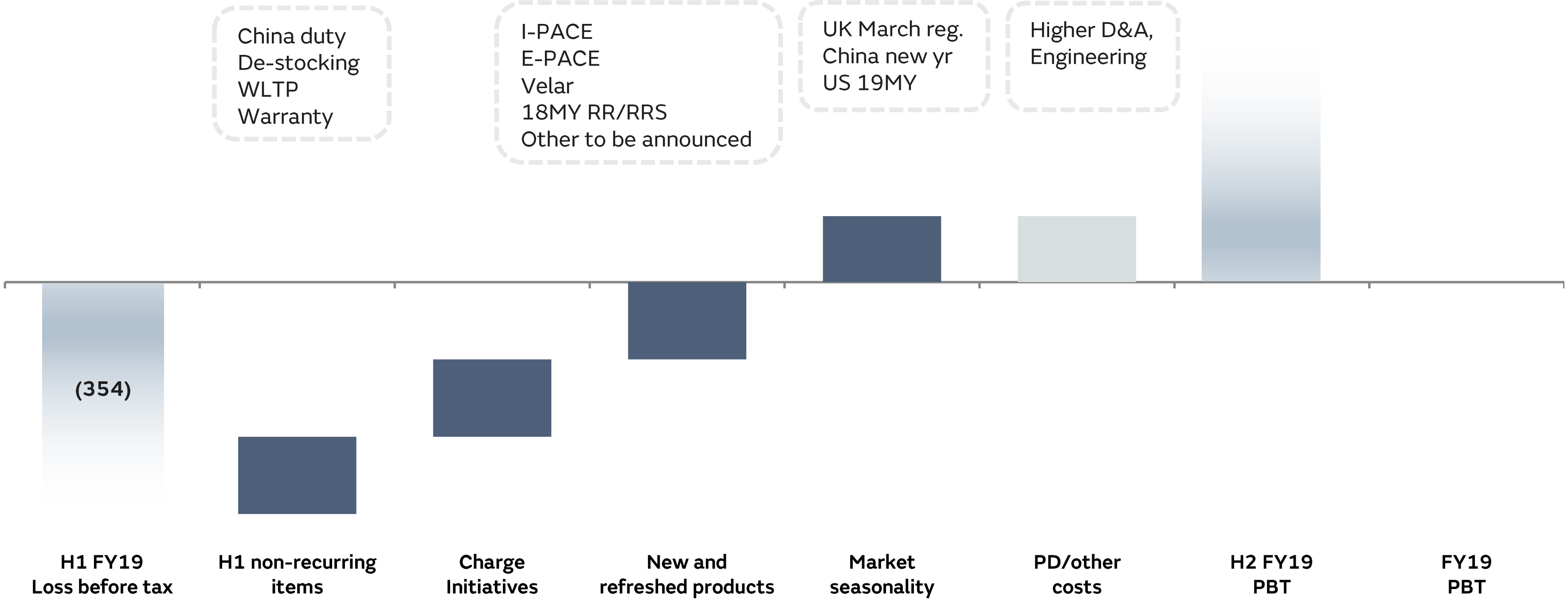
New and refreshed models, seasonality and China action plans

Units in ‘000



Expect improved EBIT in H2

Full year now about breakeven due to weaker China conditions

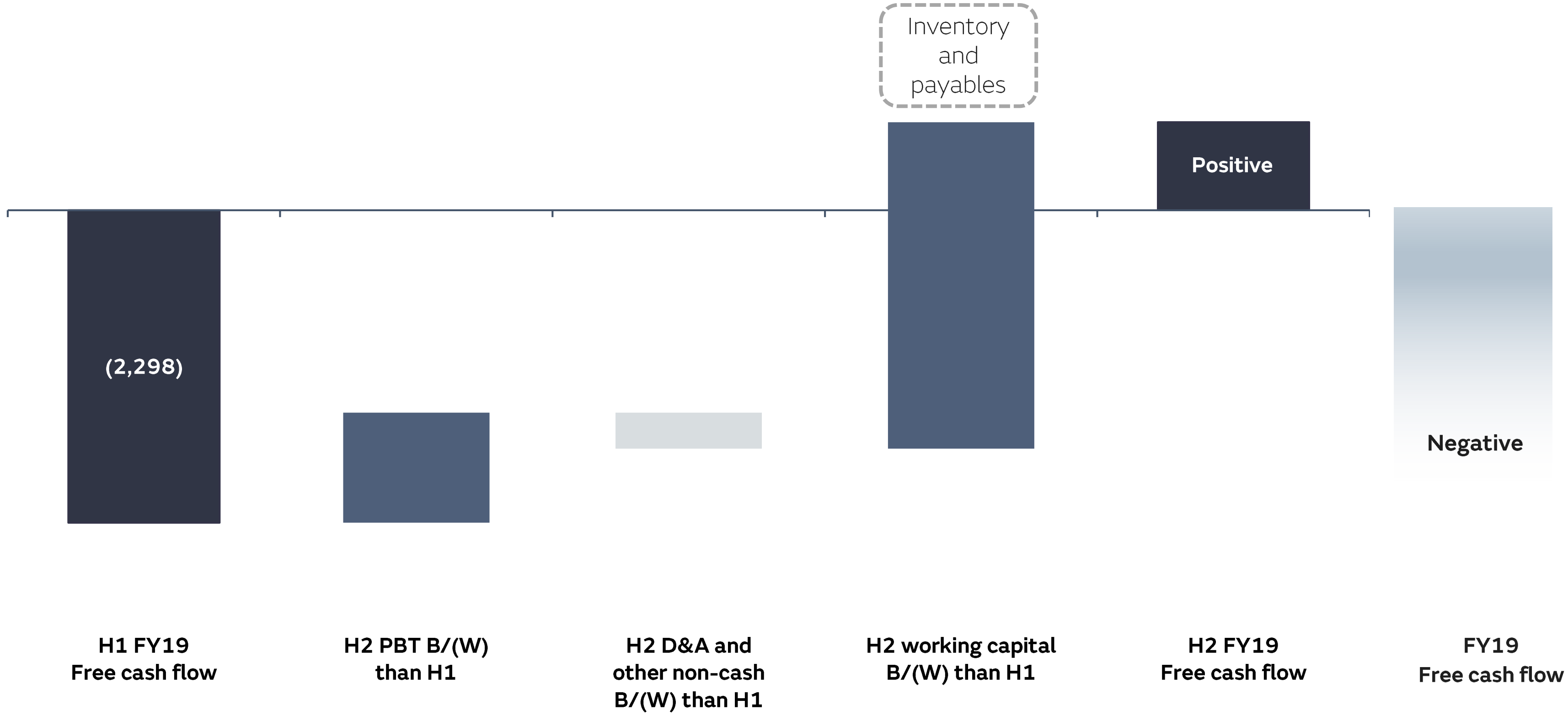


H2 improvement expected in Q4; Q3 expected to be relatively weaker due to production down time

FY ’19: Looking ahead

Expect positive cash flows in H2, negative full year

Improved profits, working capital, curtailed FY spending to £4b



3&4. Tata Motors (S)

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Connecting Aspirations

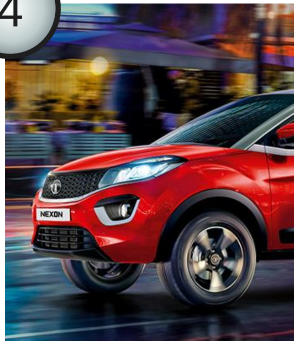
Guenter Butschek, PB Balaji

1 JLR

2 CJLR

3 CV

4 PV



5 TMFL

TATA Motorfinance
driven by trust

6 Net debt and Subs

TATA MOTORS
Connecting Aspirations

Turnaround 2.0

Q2 FY’19

Revenue ₹17.8K Cr (+33%), EBIT ₹798Cr (4.5% of Revenue)

“Turnaround 2.0”continues to gain momentum

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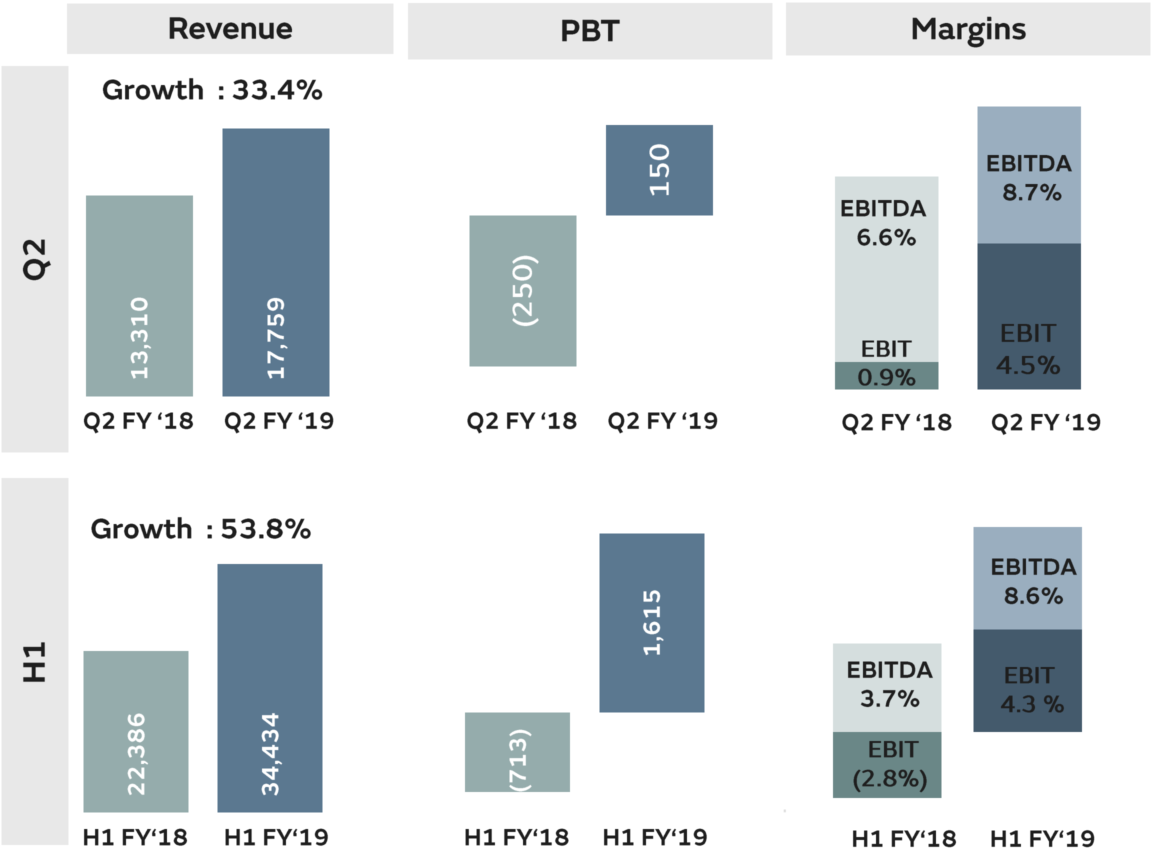
Connecting Aspirations



- Continued strong growth.
- EBITDA at 8.7% up 210 bps; EBIT at 4.5%, up 360 bps
- PBT of ₹150 Cr includes one-off charges of ₹209 Cr and foreign currency reval loss of ₹249 Cr.
- Positive FCF of ₹692 Cr

- Strong revenue growth of 54.0%
- EBITDA at 8.6% up 490 bps,
- EBIT at 4.3% , up 710bps

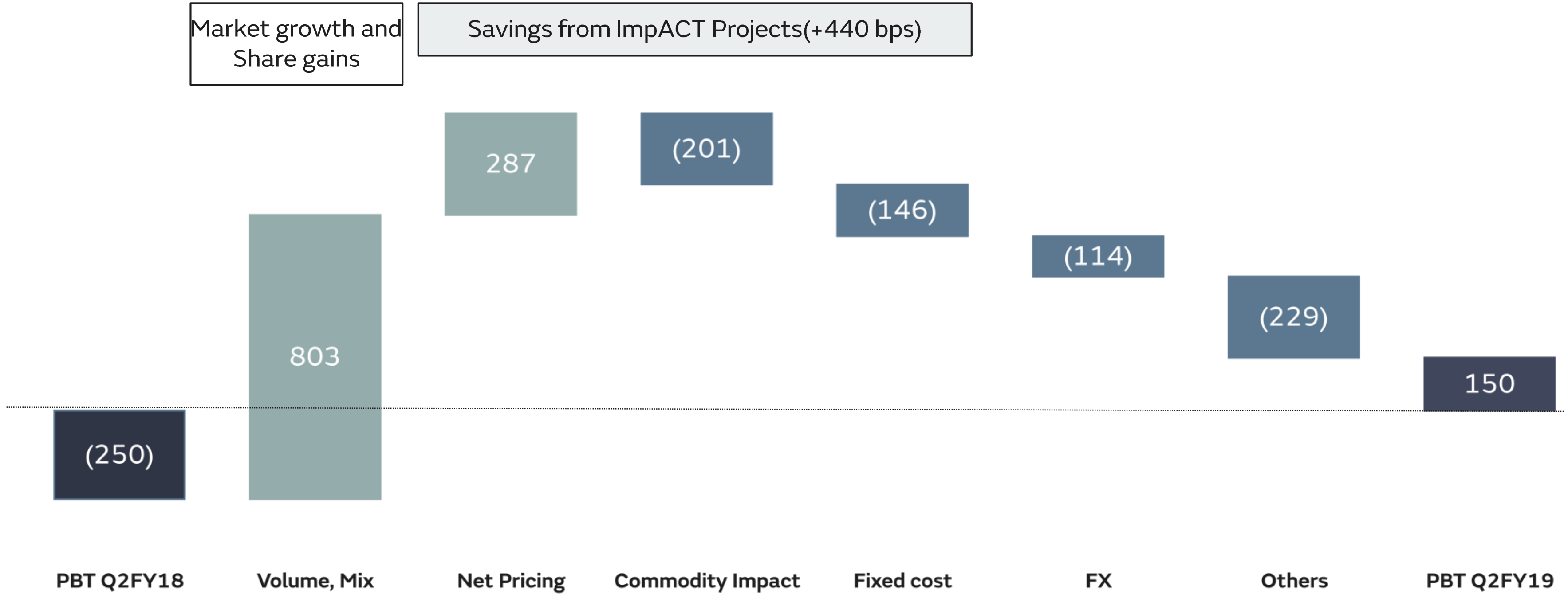
Rs Cr. IndAS

Q2 FY'19

PBT higher by Rs.400 Cr, EBIT Margin up 360bps

Volume Growth, Better realisations and Operating leverage

Rs Cr. IndAS



EBIT %	0.9%	0.0%	1.7%	(1.2)%	3.9%	0.4%	(1.2)%	**4.5%**	**Δ 360bps**

+50bps

Q2 FY'19

Positive Free Cash Flows of ₹692 Cr

Working capital to be focused in H2 '19

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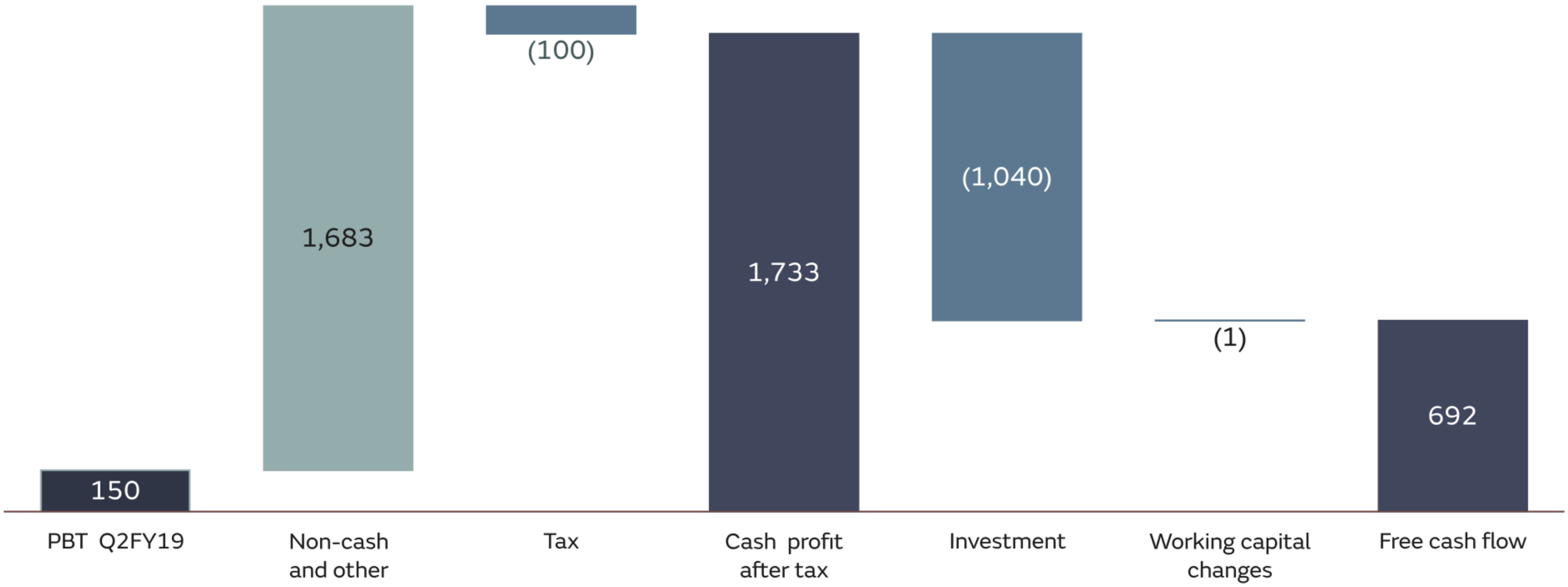
Connecting Aspirations

Rs Cr. IndAS



* Free cash flow is measured as cash flow from operating activities, less payments for property, plant and equipment and intangible assets.

Q2 FY'19

Investment Spending 6.4% of Revenue

New products, Platforms and Technology for growth

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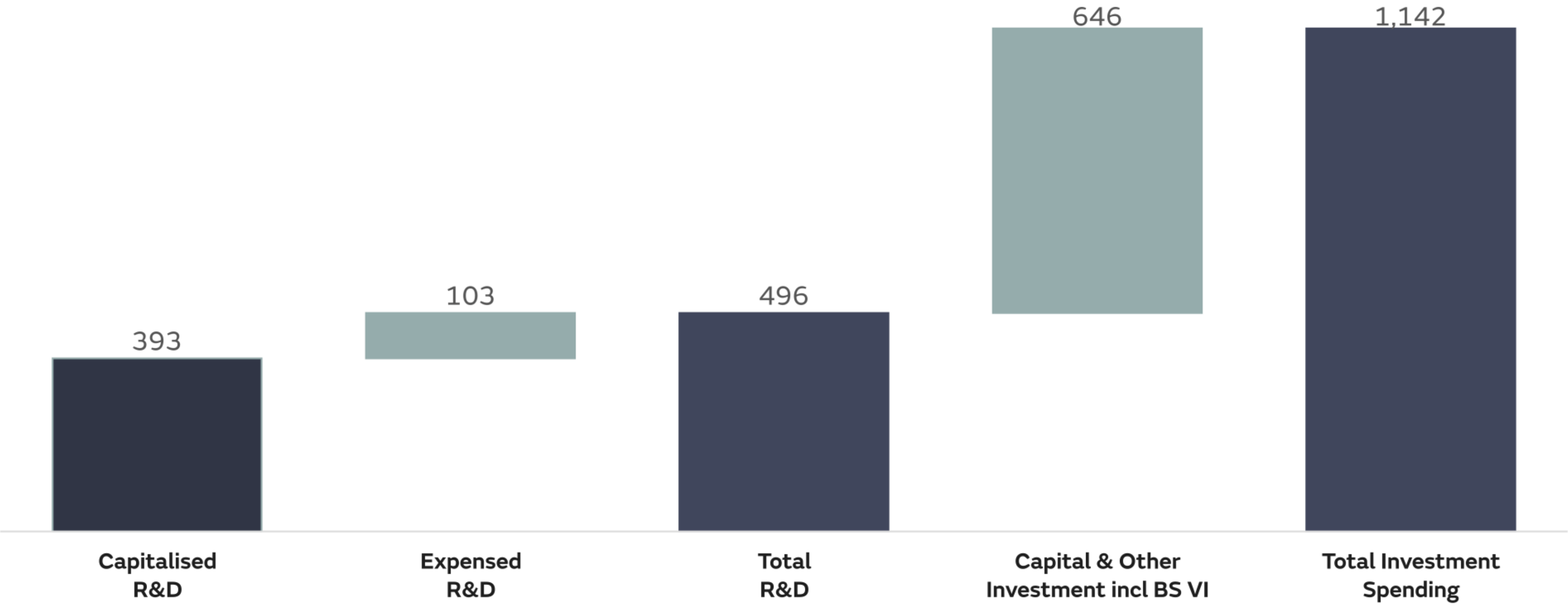
Connecting Aspirations

Rs Cr. IndAS

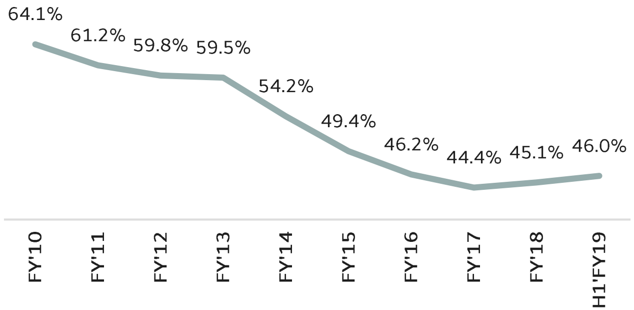


YoY	+90	-8	+82	+301	+383

CV - Volume growth 29%; Market share up 90bps

Aim to "Win Decisively" by driving all round execution

Continued improvement in market shares



- Enhanced engagement with customers and other stakeholders
- Improving customer experience through Sampoorna Seva service package
- Aggressive launch pipeline to meet evolving customer needs and strengthen competitiveness.
- Integrated and robust S&OP process to address inter segment shifts from regulatory (increased axle load) and macro changes.
- Drive aggressive cost reduction and cost efficiencies
- Continue to invest in future viz. technologies, products and facilities

Q2 FY'19

CV: Revenue up 36 % , EBIT at 8.7%

EBITDA stable

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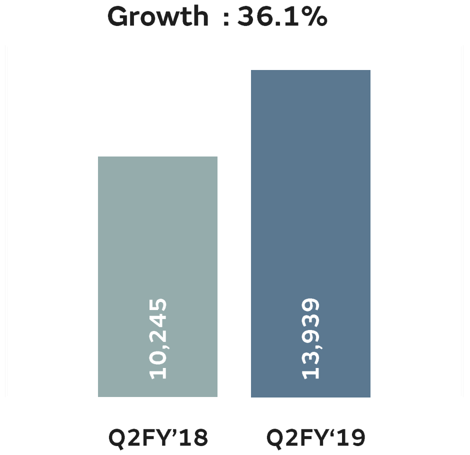
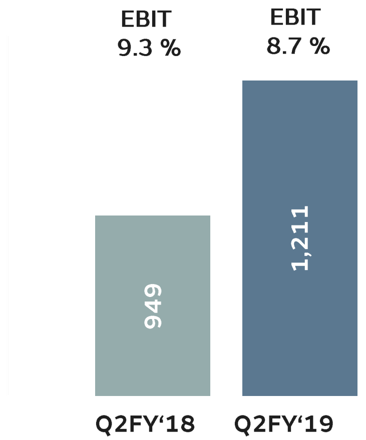
Connecting Aspirations

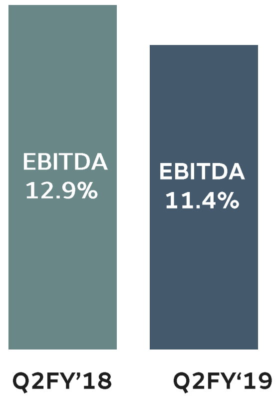
Revenue



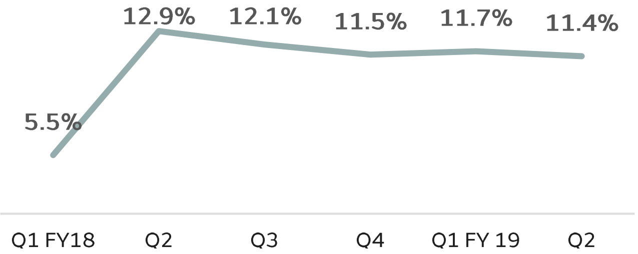
EBIT and EBIT margin



EBITDA Margins



- Higher commodity costs offset by better Mix, ImpACT project savings and operating leverage
- New axle load norms result in temporary demand uncertainty and delayed savings realisations



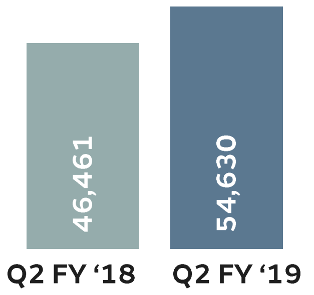
Q2 FY'19

PV - Volume growth 18%; Market Share up 50bps

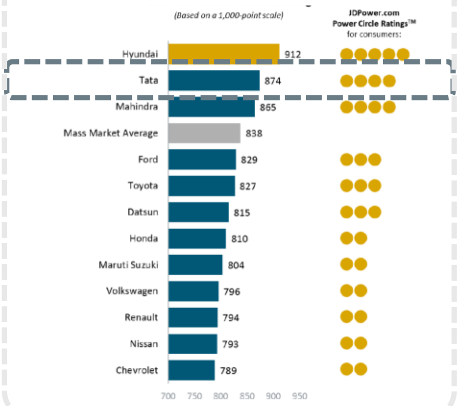
Aim to "Win Sustainably" by getting basics right

TATA MOTORS
Connecting Aspirations

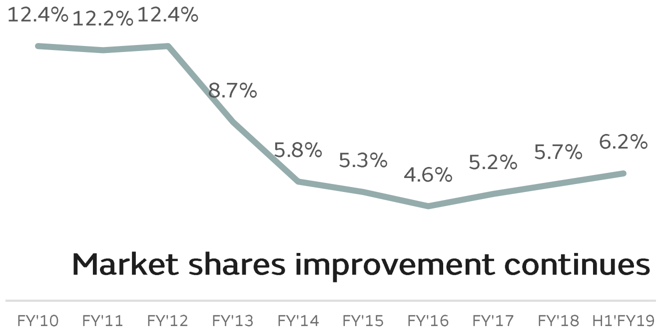
Vol Gr. : 17.6%



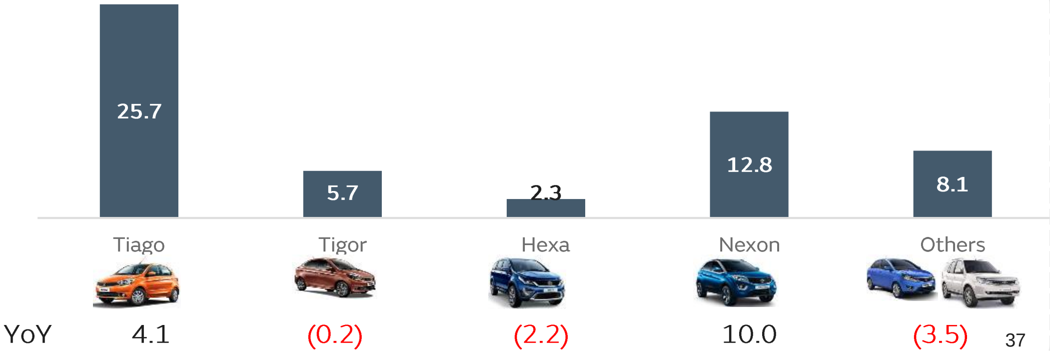
No 2 in JD Power CSI



- New products drive growth (Tiago and Nexon)
- No 2 in JD Power 2018 Customer Service Index.
- "Impact" design, best in class features and user experience improving brand perception
- Focus areas
  - Product development and User experience
  - Network expansion and customer service
  - Rigorous cost reductions for an early breakeven



Market shares improvement continues



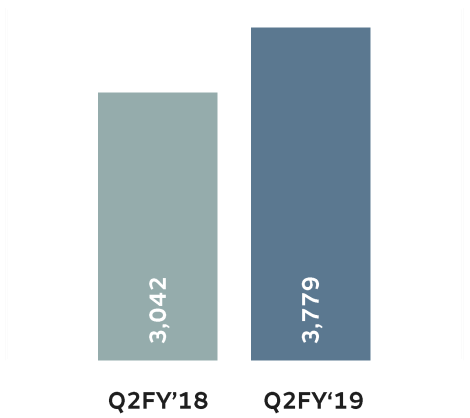
PV Revenue up 26% , EBITDA breakeven reached

Key Focus Area for Turnaround 2.0

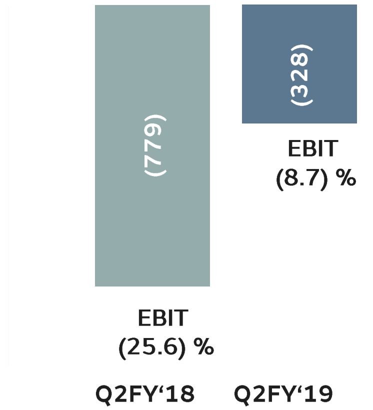
TATA MOTORS
Connecting Aspirations

Revenue

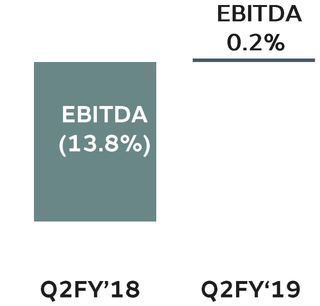
Growth : 24.2%



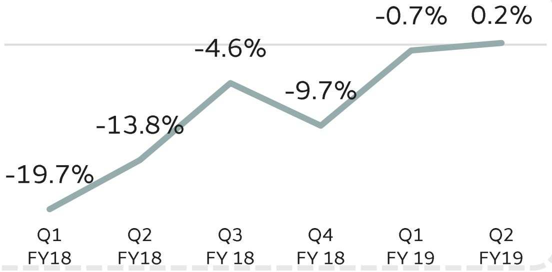
EBIT and EBIT margin



EBITDA Margins



- Better mix, higher realisations, savings from ImpACT projects and Operating leverage
- Continued Improvement in pricing and cost savings



EV: Lead the disruption in India
Aim to “Win Proactively”

TATA MOTORS
Connecting Aspirations

We are committed to electrification

- Closely working with Tata Group companies on key focus areas to develop the ecosystem
- Deeper engagement with fleet customers for building strategic relationship and for deploying our EV product offerings

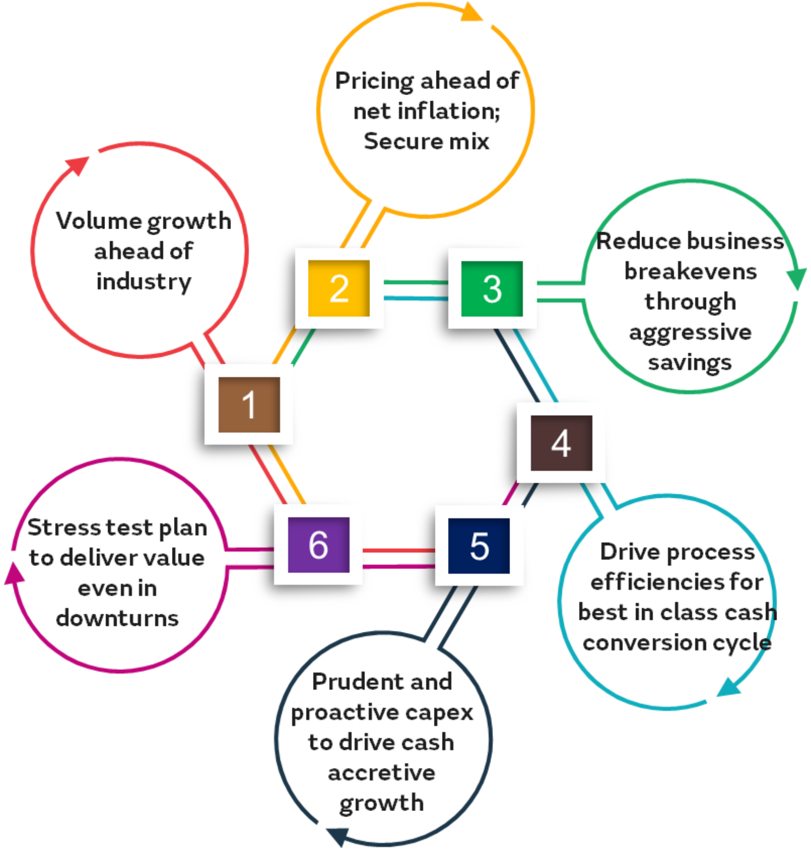
Achievements so far

- EESL tender Phase 1 production complete; Phase 2 production activated
- EV deployment expanded to 11 Indian cities (Delhi, Hyderabad, Bhopal, Mumbai, Lucknow, Vijaywada, Vizag, Ranchi, Indore, Baroda and Surat)

Turnaround 2.0 – Our approach

TATA MOTORS
Connecting Aspirations

1. Win **Decisively in CV**
2. Win **Sustainably in PV**
3. Win **Proactively in EV**
4. **Embed turnaround** into culture



Other developments

TATA MOTORS
Connecting Aspirations

- Cost reduction ideas being developed for securing next year's plans.
- Supply base rationalization being systematically driven - 20% reduction already achieved
- ESOPs implemented post shareholder approval

- EV vertical formed to drive e-mobility business
- Entry into Shared mobility services through acquisition of 26% stake in TruckEasy (freight aggregator)
- Connected Vehicle Platform strategy being implemented

5. Tata Motors Finance

TATA Motorfinance
driven by trust

PB Balaji

1 JLR

3 CV

5 TMFL

TATA Motorfinance
driven by trust

2 CJLR

4 PV

6 Net debt and Subs

Q2 FY'19

GNPA 3.5% (down 326bps); PBT ₹59Cr (+₹179Cr)

Strong performance continues despite tight liquidity

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₹Cr Ind AS

IndAS	Q2 FY19	Q2 FY18	vs '18
Market Share	24.7%	22.9%	*180 bps*
PBT	59	(120)	-

IndAS	H1 FY19	H1 FY18	vs '18
Market Share	24.5%	22.9%	*160 bps*
PBT	116	(225)	-
ROE	16.7%	-	
AUM	32,374	22,857	46%
GNPA %	3.5%	6.8%	326 bps
NNPA %	2.0%	5.1%	310 bps

- Disbursals for Q2 grew 59% to ₹5,370 Cr; H1 up 82% to ₹10,002 Cr
  - New Vehicle disbursal up 54%
  - Used vehicle financing up by 100%
- TML infuses ₹300Cr equity in Oct '18
- GNPA reduced by 330 bps to 3.5%

Further details of IGAAP, IndAS reconciliation in the Databank

6. Net Debt and Others

PB Balaji

1 JLR

2 CJLR

3 CV

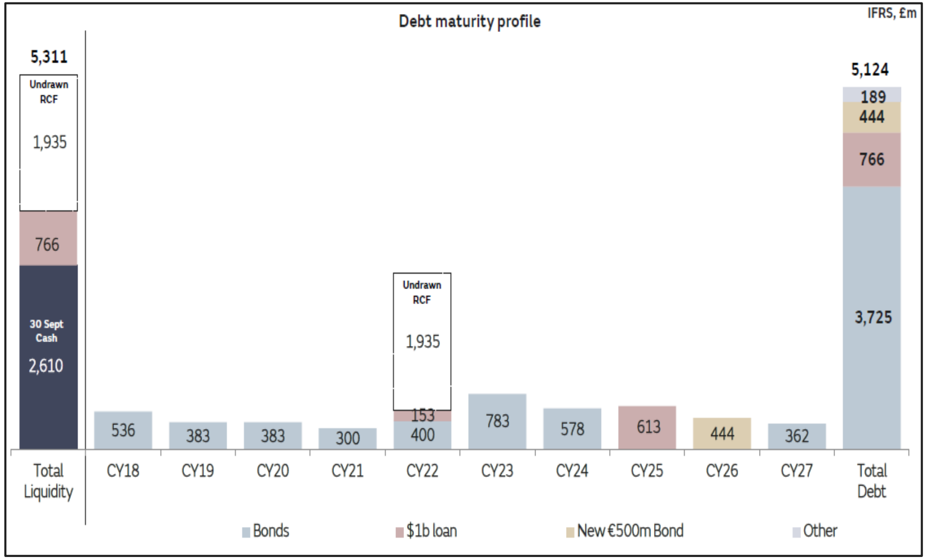
4 PV

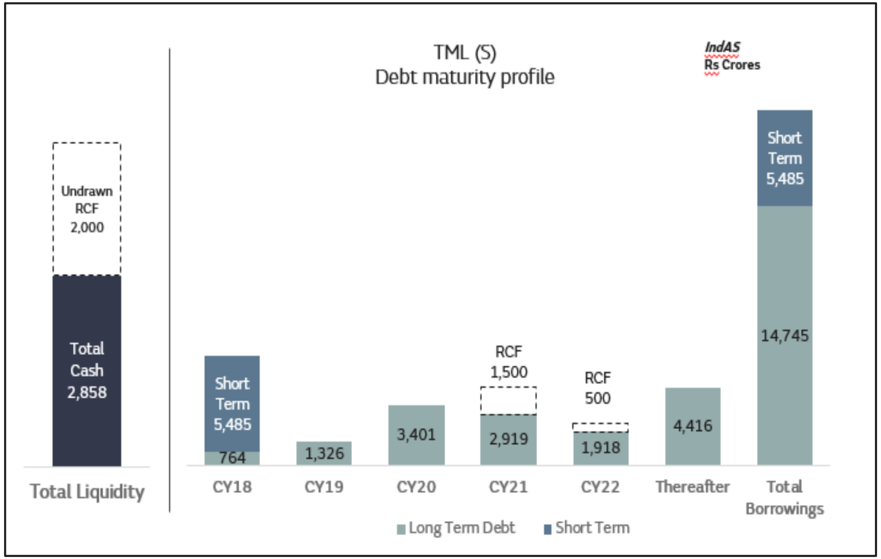
5 TMFL

6 Net debt and Subs

Debt Profile

Maturities well spread out

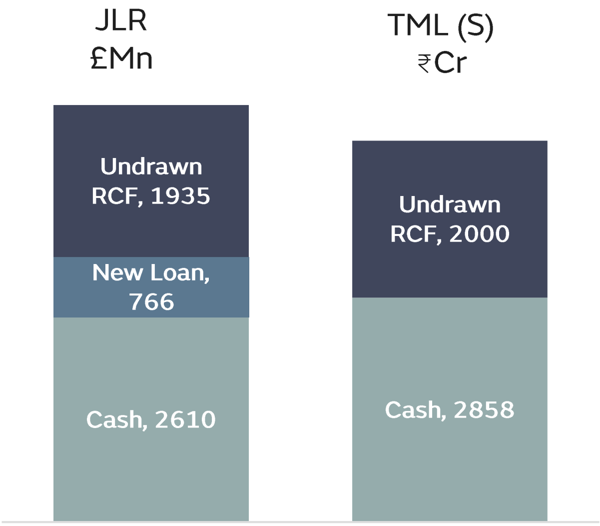




- Net Auto debt increased by ₹8.2 KCr vs June 30, 2018 due to cash outflows at JLR.
- However liquidity is adequate and debt maturities are well spread out.
- $1b syndicated loan drawn down in October 2018

Liquidity adequate

JLR : £5.3Bn; TML (S) : ₹4.8KCr



Liquidity enhanced further from 30'Jun '18

	JLR	TML (S)
Proforma Liquidity: 30 Sep 18	£5.3B	₹4.8K Cr
Liquidity: 30 Jun 18	£4.7B	₹4.0K Cr

Project 'Charge' and Turnaround 2.0 have a strong focus on cash
- TML (S) expected to be FCF positive for FY'19
- JLR expected to be FCF positive in H2FY'19

'Fit for Future' actions to release cash

TATA MOTORS

Tata Motors Group - Outlook

PB Balaji

Looking ahead

TATA MOTORS

Context

Global: Market conditions remain challenging with China being a significant concern	
Positives	Concerns
Lower import duties in China	Tariffs and Macro headwinds in China; Brexit, diesel (Europe+UK) & diesel taxes (UK) Higher incentives in US, risk of tariffs

India : CV : Cautiously optimistic; PV – Demand expected to remain soft in the near term	
Positives	Concerns
Higher infra spending & GDP growth.	Liquidity in the market Inflation and interest rate risks Rupee depreciation

- Expect input cost inflation to continue
- Investment requirements likely to remain high

Response and Outlook

Jaguar Land Rover

- Unexpected sharp China slowdown results in disappointing FY19.
- Expect to see improved H2 '19 sales and profitability with positive FCF. Planning for flat volume growth rates and EBIT breakeven in FY'19;
- Project Charge launched to drive turnaround in JLR. Target £2.5B of profit opportunities and cash over the next 18 months.
- Investment plan calibrated to c. £4B in FY19 and 20; 11-13% thereafter
- Planning for EBIT of 4-7% between FY20-21 and 7-9% thereafter.

Tata Motors (Standalone)

- Continue to drive all round performance improvement through Turnaround 2.0 while investing for future growth.
- EBIT to improve to 4-6% between FY19-21 and 5-7% thereafter.
- Complete actions from the "Fit for Future" portfolio decisions to release cash.

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

Investor Relations Note

Thank You

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