



JAGUAR LAND ROVER AUTOMOTIVE plc

RESULTS FOR THE PERIOD ENDED 30 JUNE 2020

31st July 2020
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.

- 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), 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.

Recent product and business highlights



- 3 -



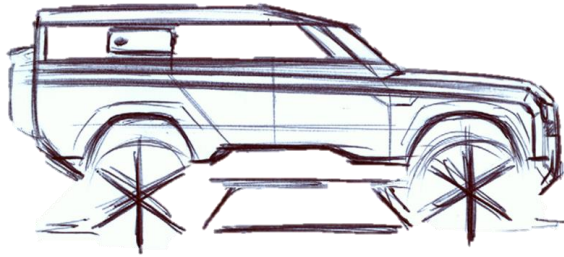
Hard Top name returns for Defender Commercial



Upgraded Range Rover with special editions



New 6-cylinder Ingenium diesels with 48v MHEV



Defender wins Production Car Design of the Year



Upgraded Range Rover Sport with special editions



I-PACE technology upgrades and 3-phase charging

Covid results in lower sales and loss in quarter

Lower sales substantially offset by £500m Charge+ cost savings



IFRS, £m	Q1 FY21	Q1 FY20	Change B/(W)
Retail volumes ('000 units)	74.1	128.6	(54.5)
Revenues	2,859	5,074	(2,215)
Profit / (Loss) - before tax and exceptional items	(413)	(383)	(30)
- before tax	(413)	(395)	(18)
- after tax	(648)	(402)	(246)
<i>EBITDA margin</i>	3.5 %	4.2 %	(0.7) %
<i>EBIT margin</i>	(13.6) %	(5.5) %	(8.1) %
Investment	548	795	247
Free cash flow (before financing)	(1,512)	(719)	(793)
Cash	2,748	2,930	(182)

Volume and revenue

- Lower wholesales (53%), revenue (44%)
- Improvement through the quarter, particularly China, N. America and UK

Profit

- Loss mitigated by Charge+ savings
- CJLR achieves breakeven profit
- JLR PAT reflects non-recognition of deferred tax assets under IAS12

Cash flow

- Includes £1.2b of Charge+ improvements incl. £0.5b cost, £0.4b inventory and £0.3b investment

£1.5b cash outflow incl. £1.1b one-time working capital unwind -- £500m better than prior guidance

Q1 FY21 YoY

Retails down 42.4%, improving through quarter

China down only 2.5%



Retail units in '000

June retails up YoY

20.8



8.3



11.5



23.7



9.7



74.1



Total

JLR YoY (32.1)%

(69.5)%

(59.1)%

(2.5)%

(46.9)%

(42.4)%

Industry (33.3)%

(70.1)%

(50.9)%

2.3%

N/A

Wholesales (excl. CJLR)

Units 10.7

9.1

11.0

8.6

9.5

48.9

YoY (58.8)%

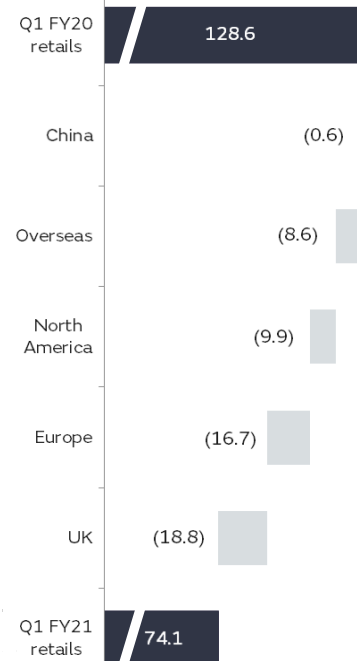
(64.1)%

(56.5)%

(12.3)%

(46.5)%

(53.1)%



Retail 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 its share of profits from CJLR within EBIT.

CJLR wholesales were 16.5k units in Q1 FY21, up 15.0% YoY (14.4k units in Q1 FY20).

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

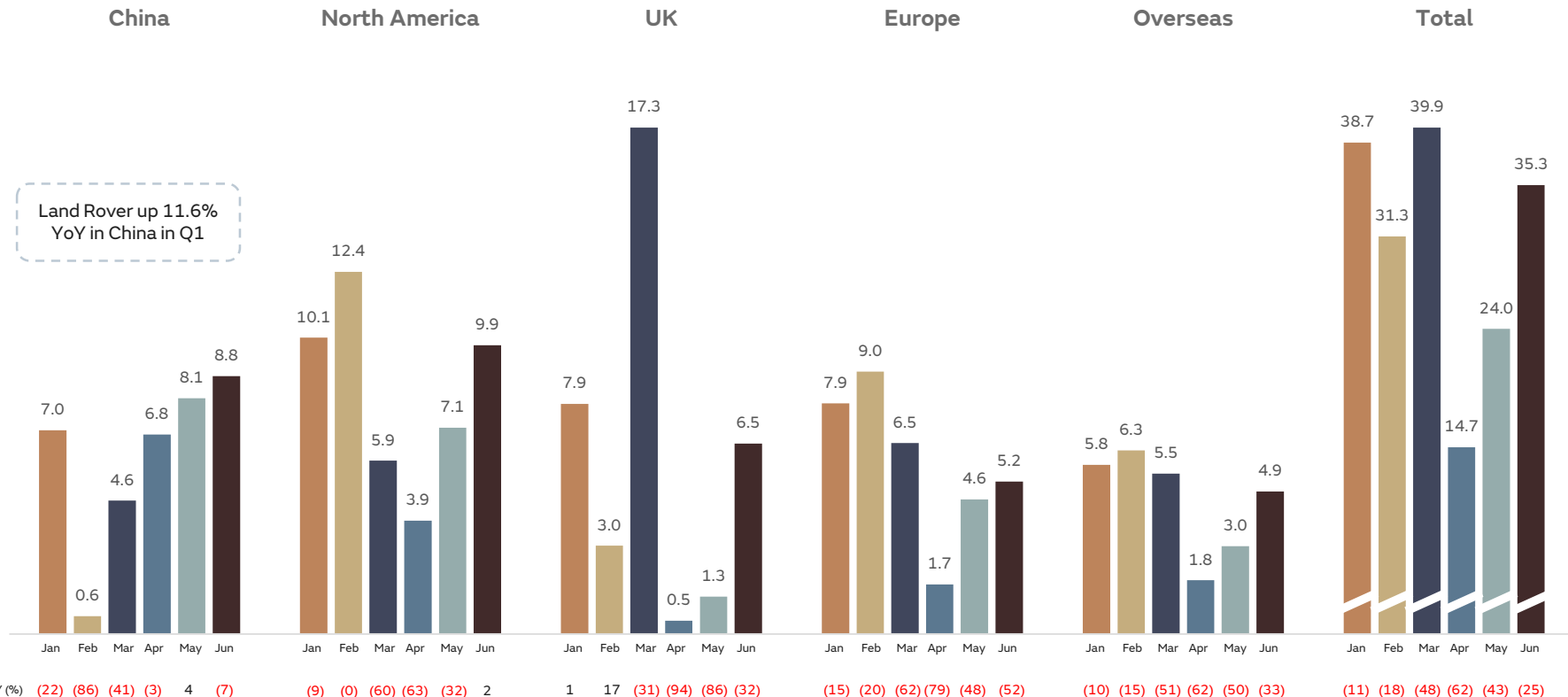
The total industry car volume data above has been compiled using relevant data available at the time of publishing, compiled from national automotive associations such as the Society of Motor Manufacturers and Traders in the UK and the ACEA in Europe



Signs of recovery continue in all regions

In June, N. America up YoY and UK up significantly MoM

Retail units in '000

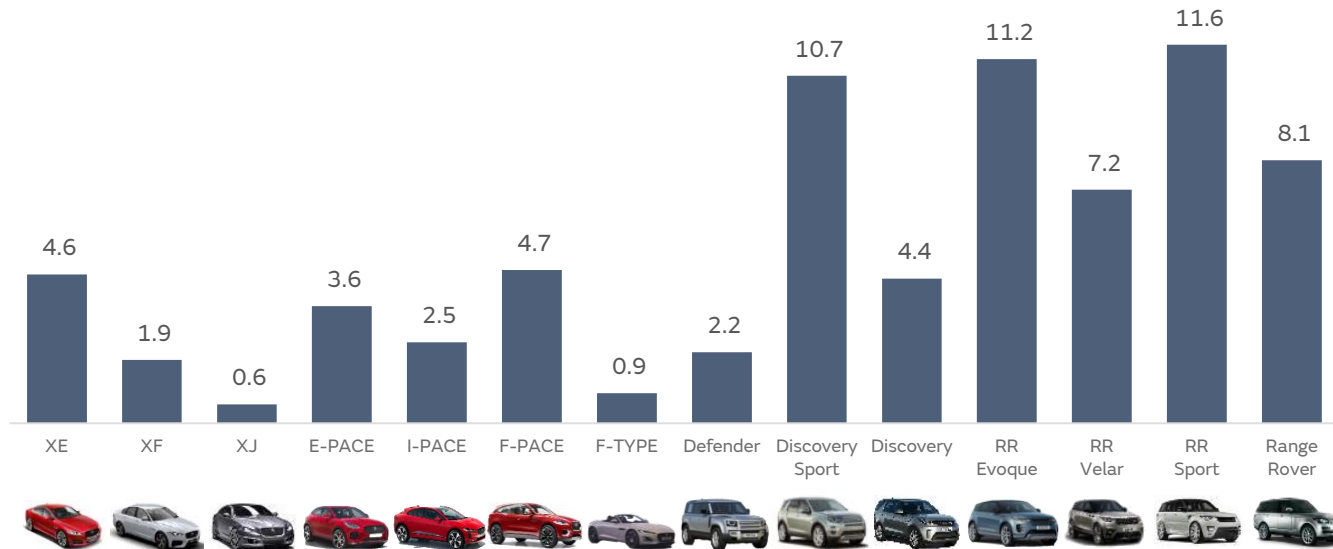


Covid impact across all models

Encouraging Defender launch, 7.9k wholesales

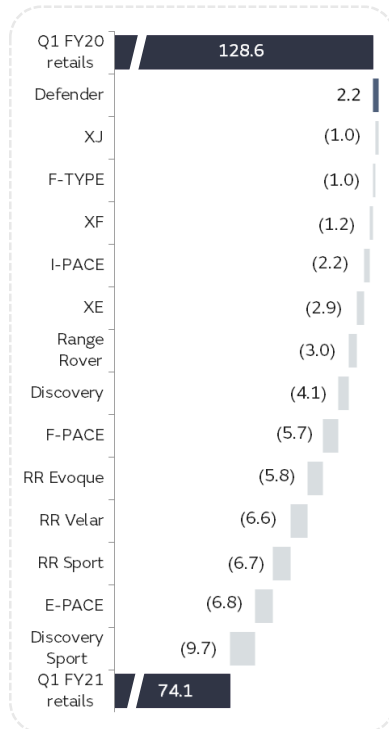


Retail units in '000



Wholesales (excl. CJLR)

Units	0.8	0.6	0.5	3.5	2.2	3.6	1.0	7.9	3.8	3.6	4.6	4.8	7.2	4.8
YoY	(2.4)	(2.0)	(1.1)	(5.1)	(3.0)	(5.7)	(0.9)	7.9	(6.6)	(4.3)	(11.7)	(6.2)	(8.9)	(5.2)

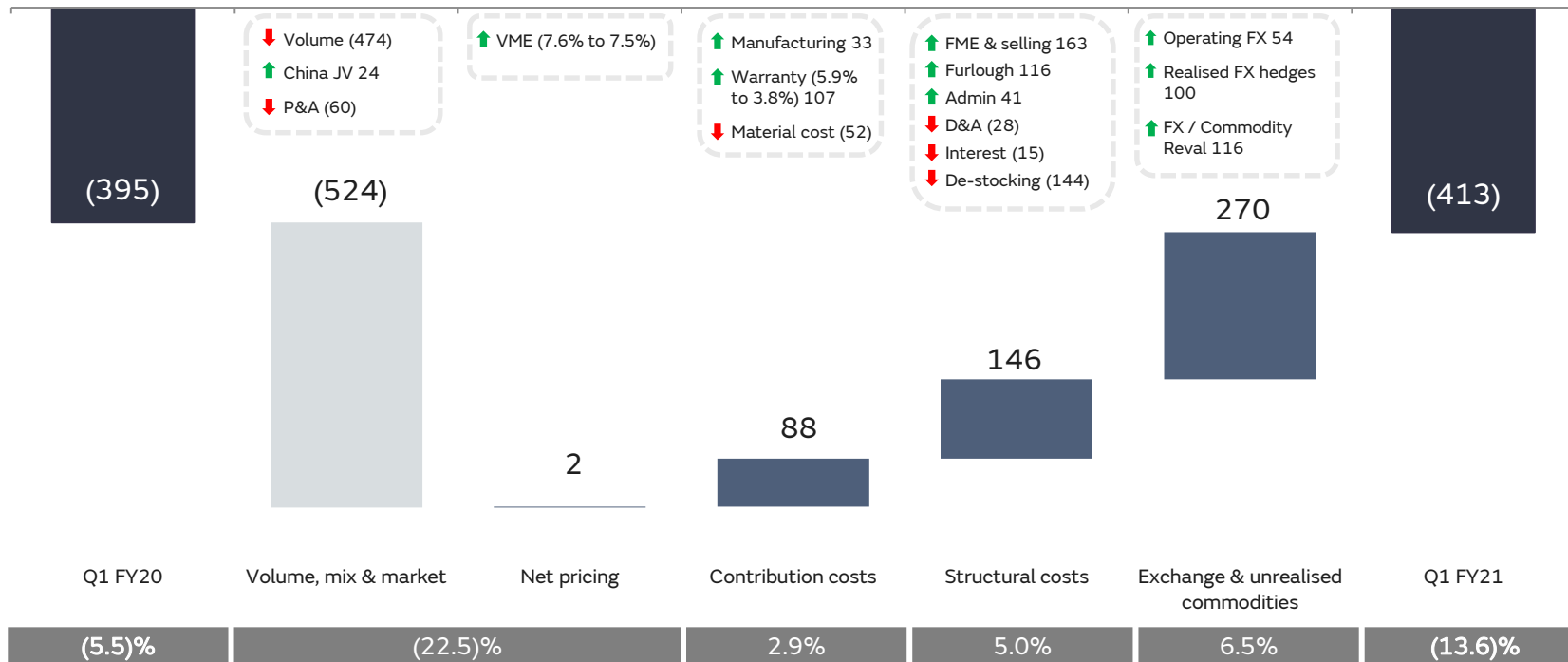


Covid sales impact drives £413m loss

Lower sales substantially offset by £500m Charge+ cost savings



IFRS, £m



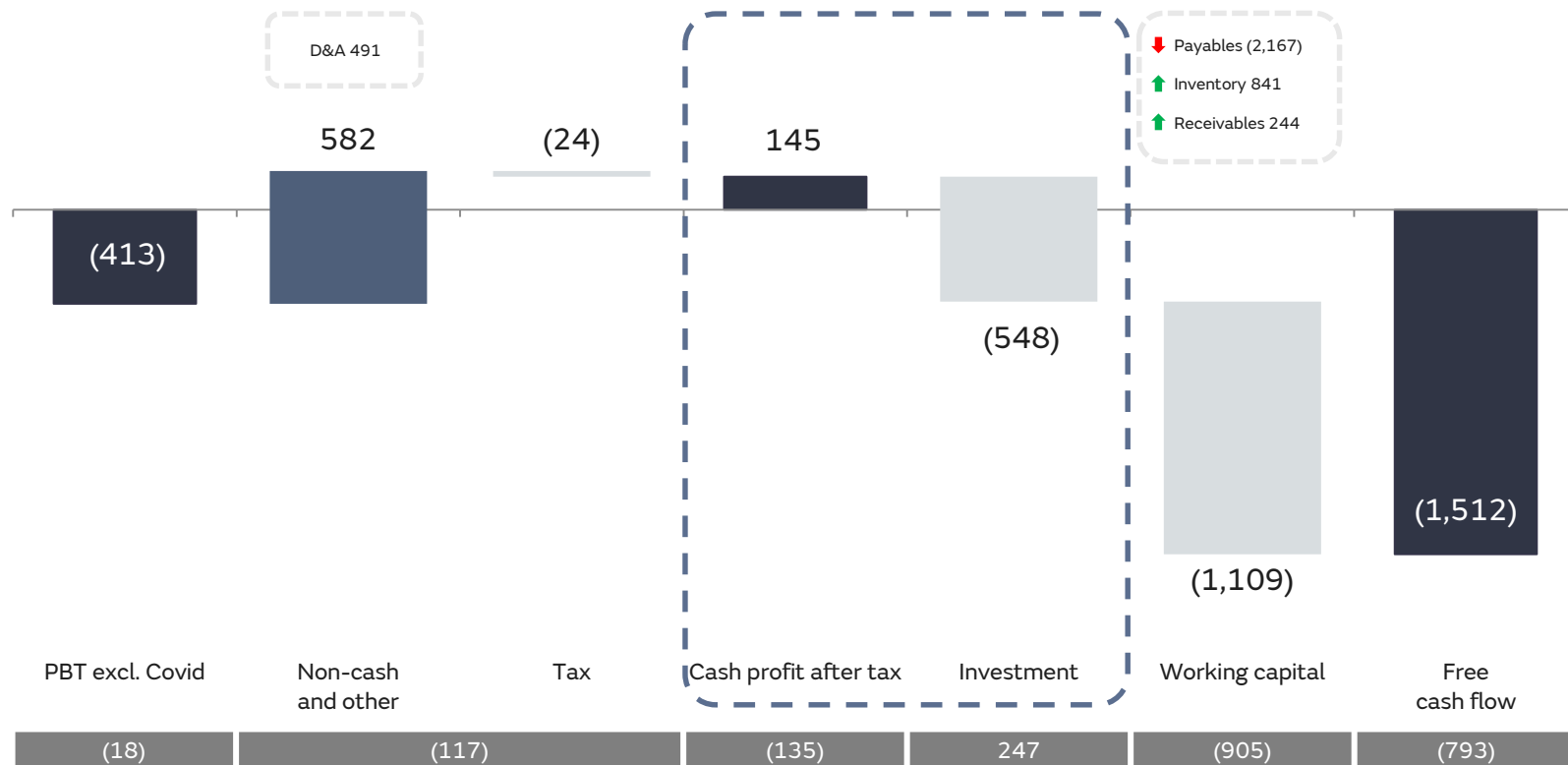
£500m Charge+ cost savings: £400m structural; £70m vol & mix; £30m contribution

£1.5b cash outflow, £500m better than guided

Inc. £1.1b one-time w. capital unwind; June cashflow breakeven



IFRS, £m

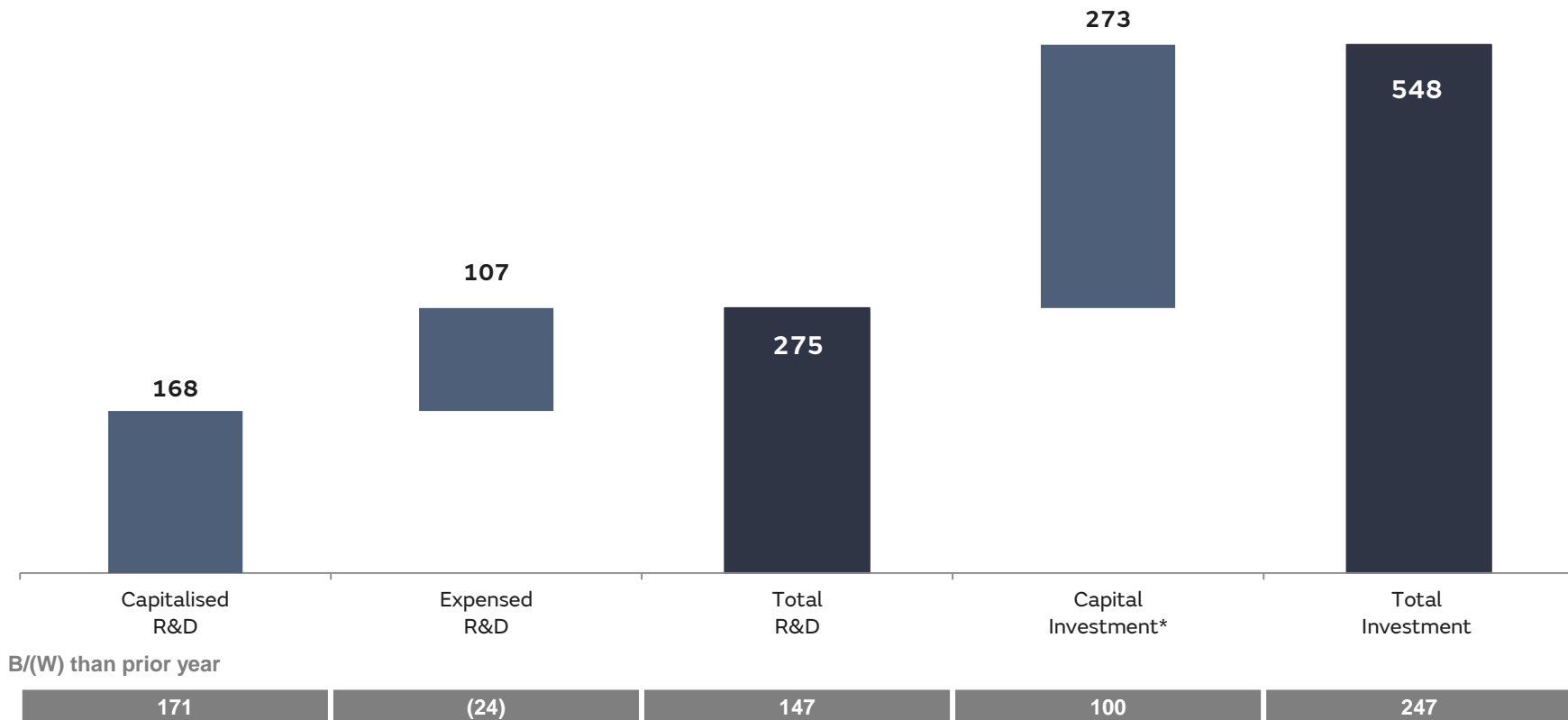


Investment £548m, down significantly YoY

FY target £2.5b – focus on higher-margin, critical investment



IFRS, £m



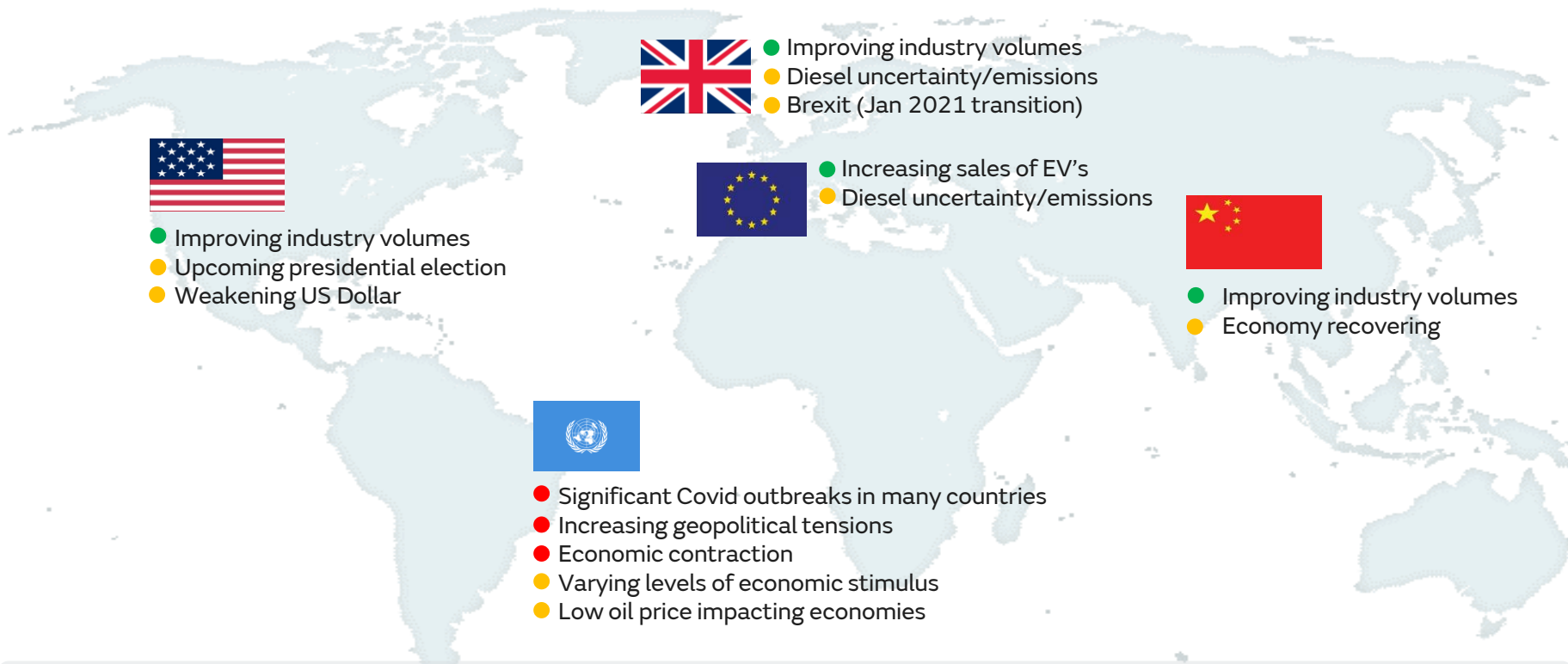
* Of which £222m relates to purchases of property, plant and equipment in Q1 FY21 vs. £301m in Q1 FY20.



JLR STRATEGY AND OUTLOOK

Significant macro risks and uncertainties remain

Despite signs of regional recovery



Covid remains a significant risk globally -- speed of recovery still uncertain

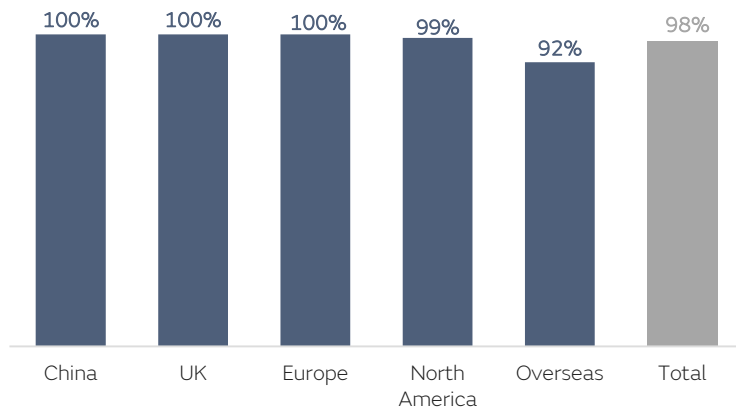
Demand led restart with c. 98% of retailers open

Solihull & Nitra plants now operating 2 shifts



JLR retailers status by region

% JLR retailer sales sites presently open



- c. 98% of retailers open (partially or fully)
- China and UK retailers all fully open
- JLR Q1 inventory of £2.6b, below £3b target

Note: status as at 23 July.

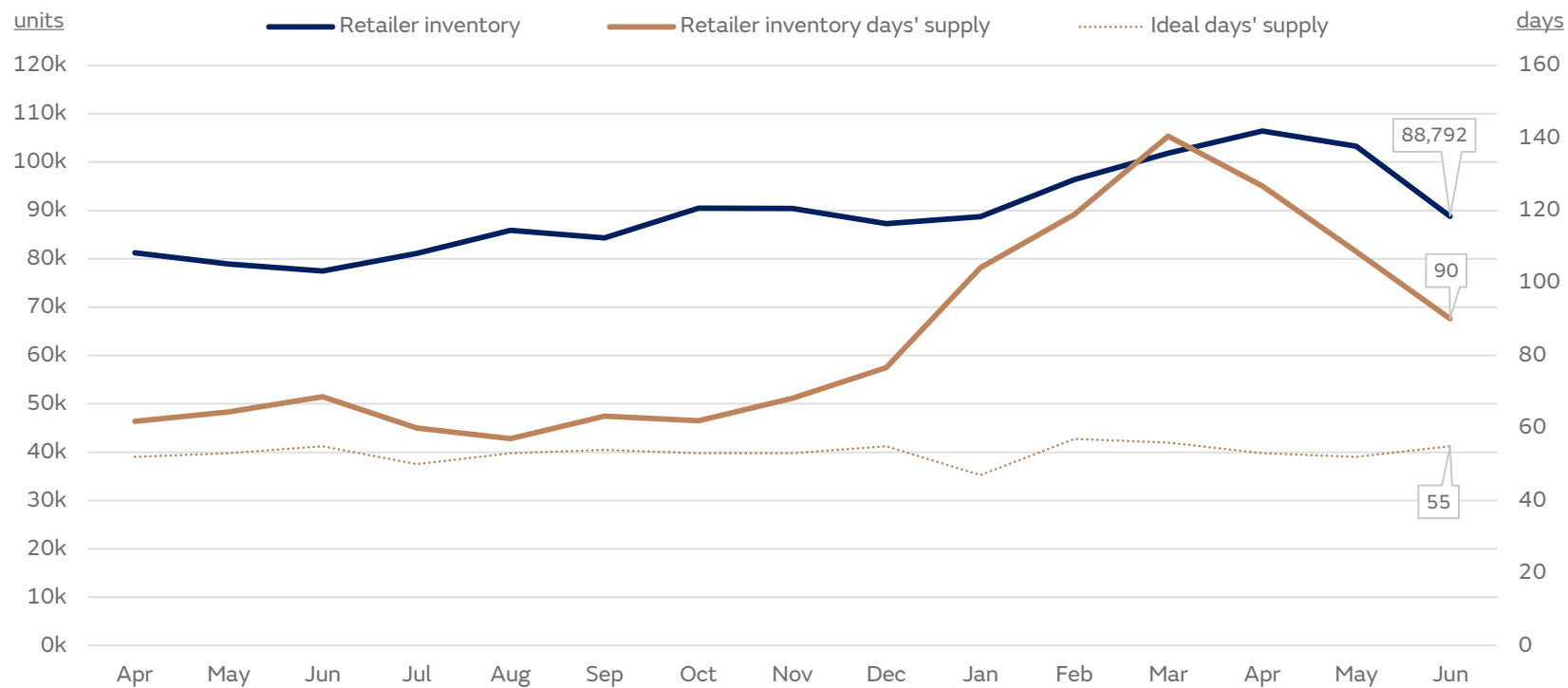
JLR production restart schedule

JLR production restart schedule		Restart	Shifts
China JV (Changshu)	Evoque, Disc. Sport, E-PACE, XEL, XFL	2 nd Mar	1
UK (Solihull)	Range Rover, RR Sport, Velar, F-PACE	18 th May	2
UK (Wolverhampton)	Engines	18 th May	1
Slovakia (Nitra)	Defender, Discovery	18 th May	2
Austria (Graz)	I-PACE, E-PACE	18 th May	1
UK (Halewood)	Evoque, Discovery Sport	8 th Jun	1
Brazil (assembly)	Discovery Sport	15 th Jun	1
India (assembly)	Velar, Evoque, Disc. Sport, XE, XF, F-PACE	15 th Jun	1
UK (Castle Bromwich)	Jaguar F-TYPE, XE, XF	10 th Aug	1

- Social distancing protocols and procedures in place to protect employees
- 32% (10.2k) of total workforce furloughed (40% (6.6k) manufacturing staff furloughed)
- Supply base supporting restart with only limited issues to date

Increased retailer inventories coming down

Company inventories (not shown) remain lean



Range Rover and Range Rover Sport enhanced

New powertrains and special editions available to order now



Upgraded: Range Rover



Fifty special edition

Upgraded: Range Rover Sport



SVR Carbon edition

Both models

- New Ingenium six-cylinder diesels give V8-like performance, and with 48V MHEV as standard, joining existing MHEV 6 cylinder petrol, PHEV and ICE options
- Apple CarPlay and Android Auto as standard
- Available to order now

Range Rover

- Special editions: Fifty, Westminster & SVAutobiography Dynamic Black

Range Rover Sport

- HSE Dynamic Black & Stealth editions join HSE Silver and SVR Carbon

Defender launch update

Deliveries underway in many markets



- Response to New Defender continues to be promising with 7.9k wholesales in Q1
- Just launched in China at Chengdu autoshow, with positive response
- Order bank now over 30k
- Slovakia production now up to 2 shift to meet demand as product gets to dealerships and lockdown eases

Start of deliveries by region



Electrification continues across the range

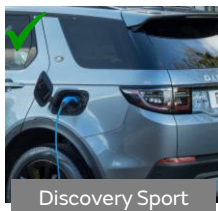
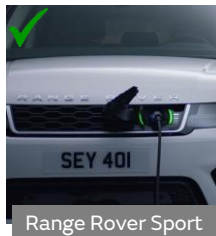
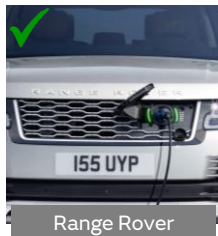
1 BEV, 4 PHEV and 5 MHEV available now



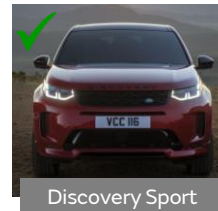
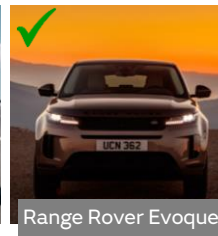
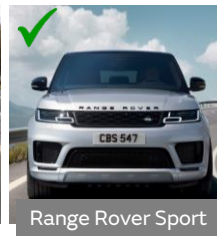
Battery electric (BEV)



Plug-in Hybrid (PHEV)



Mild Hybrid (MHEV)



1 BEV, 8 PHEV and 11 MHEV available by end of FY21



Strong Charge+ progress: £1.2b savings in Q1

Target raised by £1b to £2.5b savings and £6b over lifetime

Q1 FY21 progress of £1.2b

Programme
prioritisation & non-
product investment
reductions

Implementation of
inventory control
tower, with demand-
led focus and
shutdowns

£90m Manufacturing
incl. shutdowns

£130m Commercial
£220m people incl
furlough & agency

£70m other incl.
spend controls

Cost & Profits

£1.2b

£0.5b

Inventory

£0.4b

Investment

£0.3b

Savings in Q1
FY21

Lifetime Charge savings

£4.7b

Increasing target further to £2.5b

£2.5b

£1.0b

Further increase to
Charge+ target

£1.5b

Prior FY21
target, set at
Q4 FY20

New target for
end of FY21

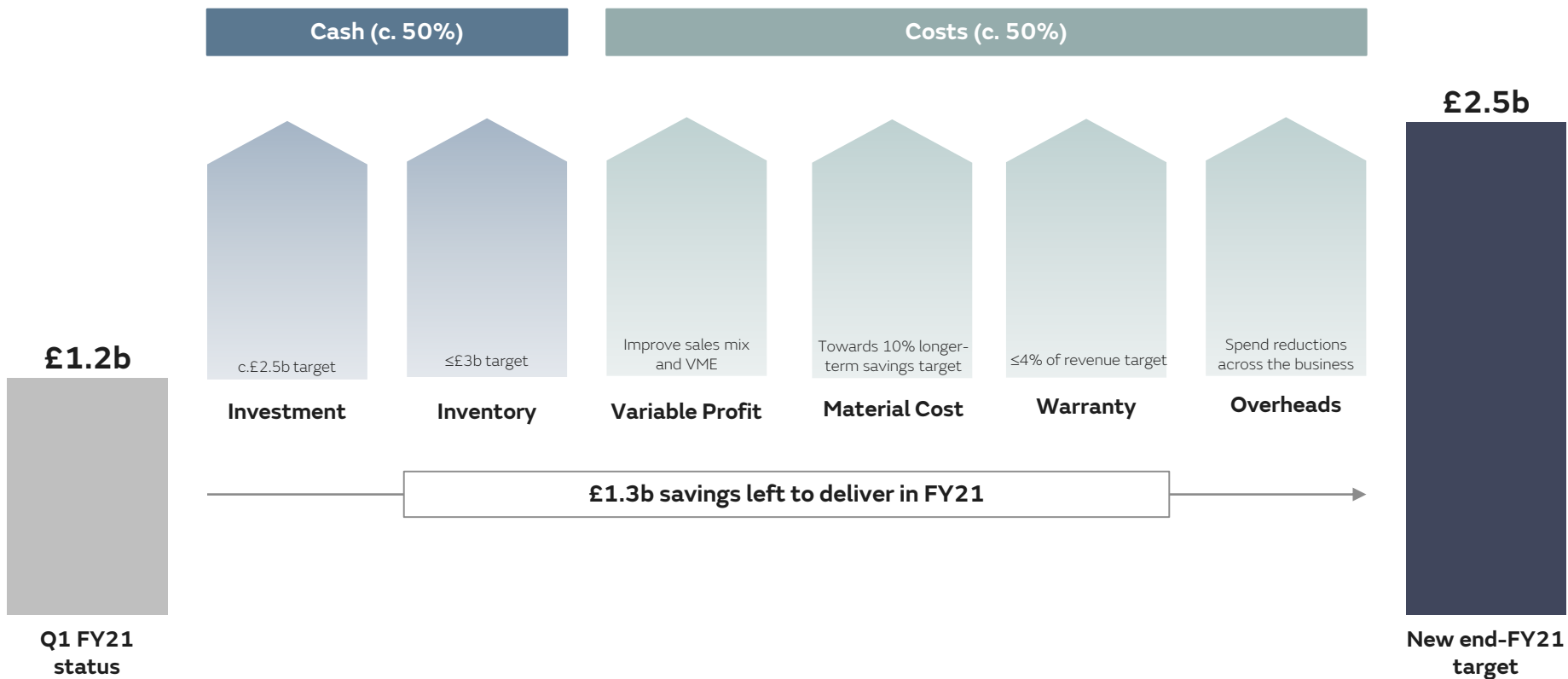
£5.0b

£6.0b



Charge+ FY21 focus

Continuing activity to achieve £2.5b cash benefits target



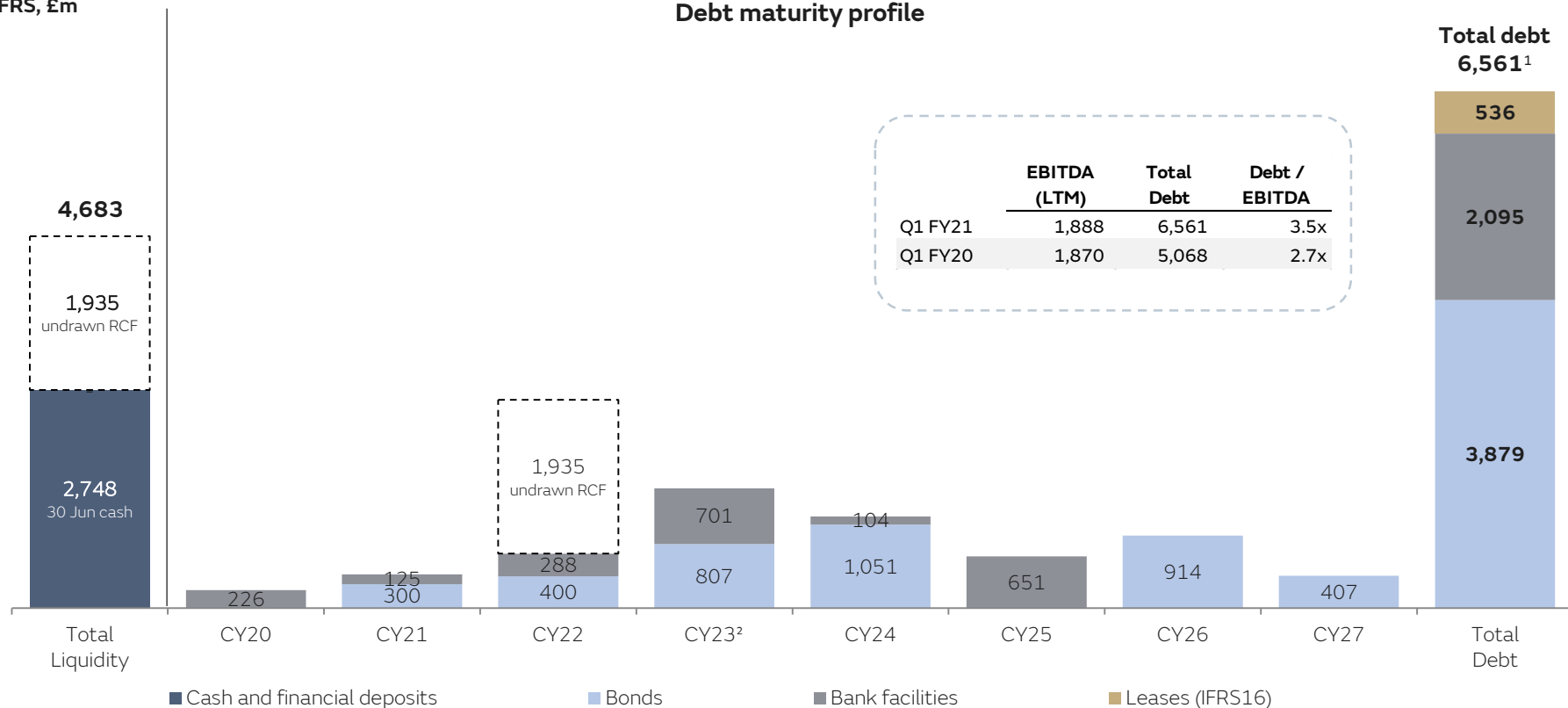
£4.7b liquidity at end June

After £647m new funding



IFRS, £m

Debt maturity profile



	EBITDA (LTM)	Total Debt	Debt / EBITDA
Q1 FY21	1,888	6,561	3.5x
Q1 FY20	1,870	5,068	2.7x

¹ Includes £51m comprising £49m Fair Value adjustment, and £33m of other debt, partially offset by £31m of capitalised fees

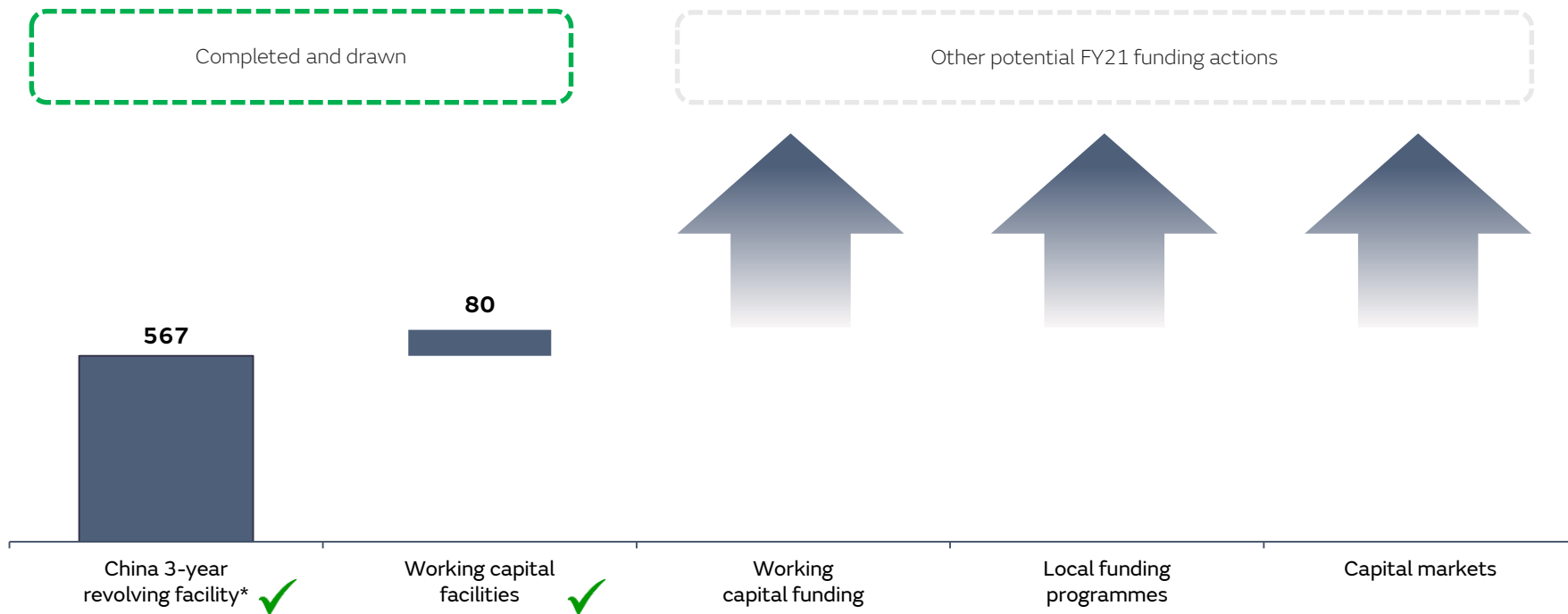
² Includes RMB 5b 3-year syndicated revolving loan facility, subject to annual confirmatory review

£647m new funding completed and drawn in Q1

Plan to explore capital markets opportunities in Q2



IFRS, £m



Plan to reduce net debt but maintain strong liquidity

* RMB 5b 3-year syndicated revolving loan facility, subject to annual confirmatory review. GBP 567m equivalent at May month-end rate, reconciling to cash flow statement.

Looking ahead

Continuing uncertainty but planning for improvement



- Outlook remains uncertain
- Q2 FY21 sales volumes, revenue and profits expected to be better than Q1 as recovery continues
- Liquidity to improve with positive free cash flows between Q2-Q4 FY21
- Committed to sustainable positive cash flow from FY22 and reduction in net debt while becoming future ready

Focus areas

- New and refreshed models and continued roll out of electrification to meet recovering demand
- Deliver Charge+ cost and cash savings of £2.5b in FY21
- Investment reduced to £2.5b for FY21

Thank you



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ADDITIONAL SLIDES

China JV: Improving operating performance

Profit breakeven on better sales and Charge+ savings



(presented on 100% basis)

IFRS, £m	YoY			QoQ		
	Q1 FY21	Q1 FY20	Change	Q1 FY21	Q4 FY20	Change
Retail volumes ('000 units)	14.1	14.2	(0.1)	14.1	5.9	8.2
Wholesale volumes ('000 units)	16.5	14.4	2.1	16.5	6.3	10.2
Revenues	479	366	113	479	172	307
Profit / (Loss) - before tax	(3)	(68)	65	(3)	(53)	50
- after tax	1	(53)	54	1	(40)	41
<i>EBITDA Margin</i>	9.8%	(1.4)%	11.2%	9.8%	(9.3)%	19.1%
<i>EBIT Margin</i>	0.4%	(17.5)%	17.9%	0.4%	(28.5)%	28.9%

Volume and revenue

- higher volumes YoY reflect 20MY and Evoque ramp up and QoQ Covid market recovery
- Improved VME (23% to 13%) follows improving dealer Transaction Price trends.

Profit

- Breakeven profit achieved for Q1 FY21
- Charge+ driving cost down including Selling, FME and manufacturing expenses.

Income statement



IFRS, £m	Q1 FY21	Q1 FY20	Change
Revenues	2,859	5,074	(2,215)
Material and other cost of sales	(1,833)	(3,281)	1,448
Employee costs	(435)	(656)	221
Other (expense)/income	(658)	(1,263)	605
Product development costs capitalised	168	339	(171)
Depreciation and amortisation	(491)	(463)	(28)
Share of profit/(loss) from Joint Ventures	0	(28)	28
EBIT	(390)	(278)	(112)
Debt/unrealised hedges MTM & unrealised investments	27	(70)	97
Net finance (expense) / income	(50)	(35)	(15)
Profit before tax and exceptional items	(413)	(383)	(30)
Exceptional items	0	(12)	12
Profit before tax	(413)	(395)	(18)
Income tax	(235)	(7)	(228)
Profit after tax	(648)	(402)	(246)

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.

FX & unrealised commodities +£270m YoY



Operating FX (inc. hedges) £154m; FX & commodity reval £116m

IFRS, £m

	Q1 FY21	YoY Change	QoQ Change
Operational exchange ¹	n/a	54	13
Realised FX hedges and other ²	(49)	100	63
Revaluation of CA / CL and other ³	(1)	33	74
Total FX impacting EBITDA & EBIT	n/a	187	150
Revaluation of unrealised currency derivatives ³	8	(4)	7
Revaluation of USD and Euro Debt ³	(4)	45	105
Total FX impact on PBT	n/a	228	262
Unrealised commodities (excl. from EBITDA & EBIT)	16	42	83
Total pre-tax hedge reserve	(431)	180	(39)
Current portion of hedge reserve	(262)	182	(57)

End of Period Exchange Rates

GBP:USD	1.228	(3.1%)	(0.3%)
GBP:EUR	1.094	(1.7%)	(2.3%)
GBP:CNY	8.680	(0.3%)	(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

⁴ Realised commodities was £(10)m in Q1 FY21