



JAGUAR LAND ROVER AUTOMOTIVE PLC

H1 FY17 RESULTS AND Q3 FY17 RETAIL VOLUMES

10th & 11th January 2017

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.

- H1 FY17 represents the 6 month period from 1 April 2016 to 30 September 2016
- Q2 FY17 represents the 3 month period from 1 July 2016 to 30 September 2016
- Q2 FY16 represents the 3 month period from 1 July 2015 to 30 September 2015
- Q2 FY17 LTM represents the 12 month period from 1 October 2015 to 30 September 2016
- FY16 represents the 12 month period from 1 April 2015 to 31 March 2016
- FY15 represents the 12 month period from 1 April 2014 to 31 March 2015
- FY14 represents the 12 month period from 1 April 2013 to 31 March 2014
- FY13 represents the 12 month period from 1 April 2012 to 31 March 2013
- FY12 represents the 12 month period from 1 April 2011 to 31 March 2012

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. Certain of this information is unaudited.

Retail volume data includes and wholesale volume excludes sales from the Company’s unconsolidated Chinese joint venture.

PARTICIPANTS



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Chief Financial Officer, Jaguar Land Rover

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Treasurer, Jaguar Land Rover

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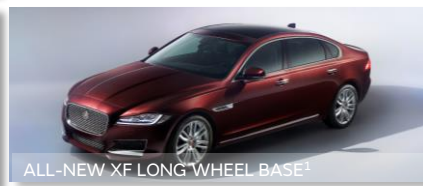
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BUSINESS OVERVIEW AND HISTORICAL PERFORMANCE

ONE BUSINESS TWO ICONIC BRANDS

RECORD SALES OF 583,313 UNITS IN CY2016



(1) Jaguar XF long-wheel base produced by the China Joint Venture and only available to customers in China.

CLEAR BUSINESS STRATEGY



What We Do To Excel

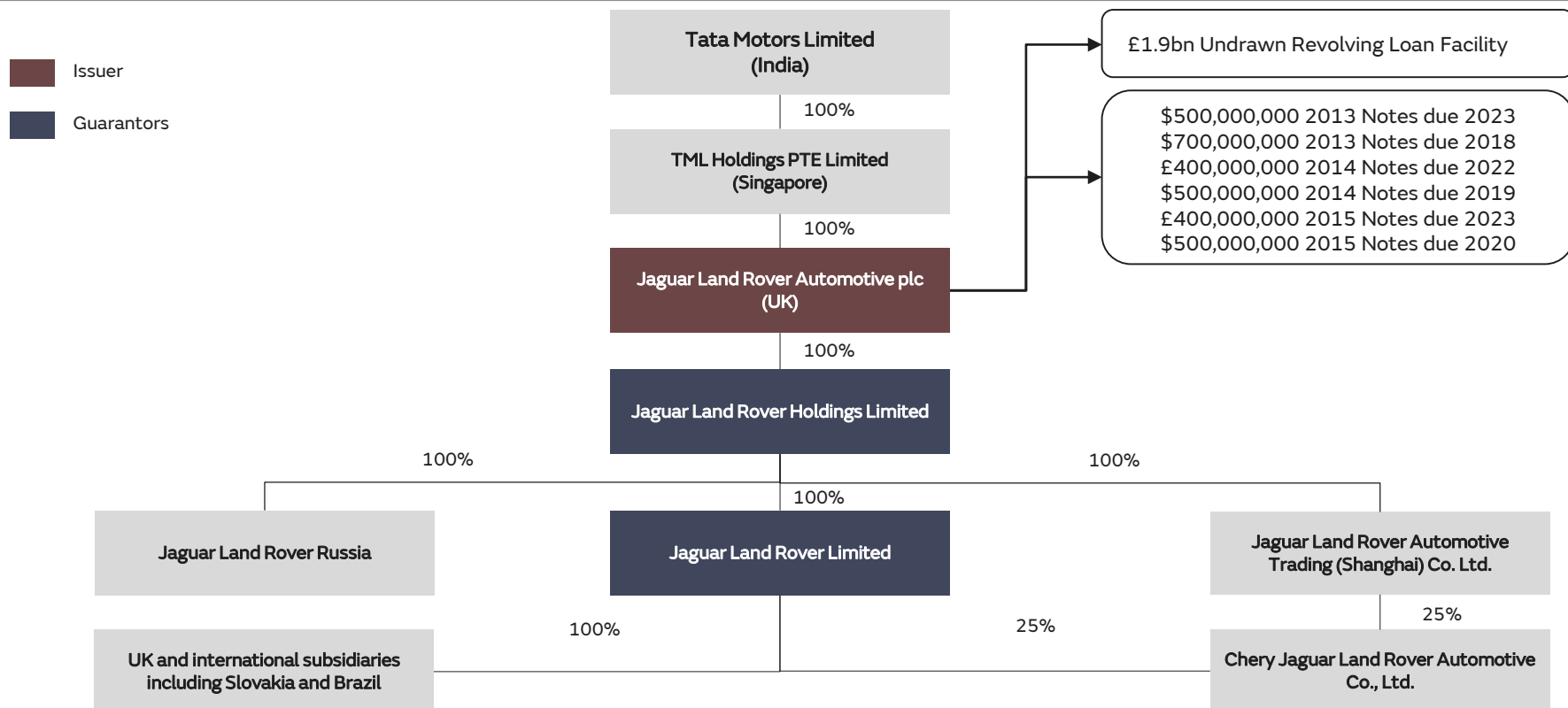


What We Need To Do To Be Profitable



CORPORATE & FINANCING STRUCTURE

AS AT 30 SEPTEMBER 2016



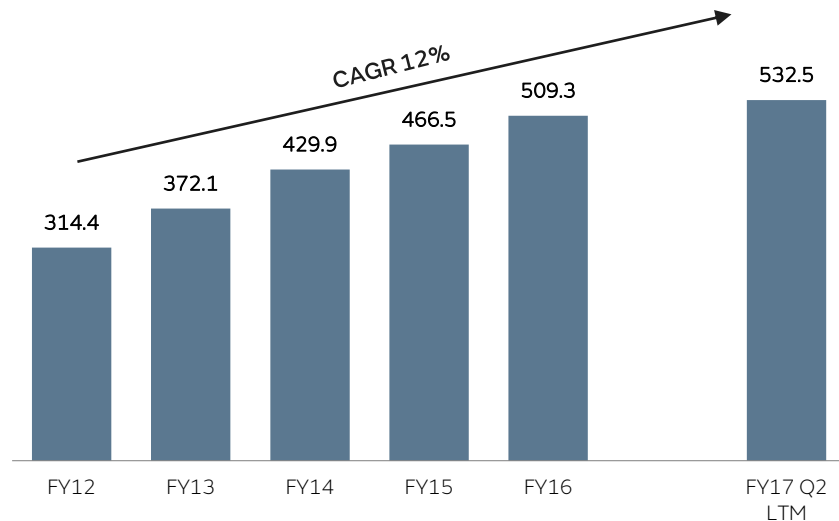
Note: This corporate and financing structure chart has been condensed and is not a full presentation of the legal structure of our Group.

GROWING VOLUMES AND REVENUES

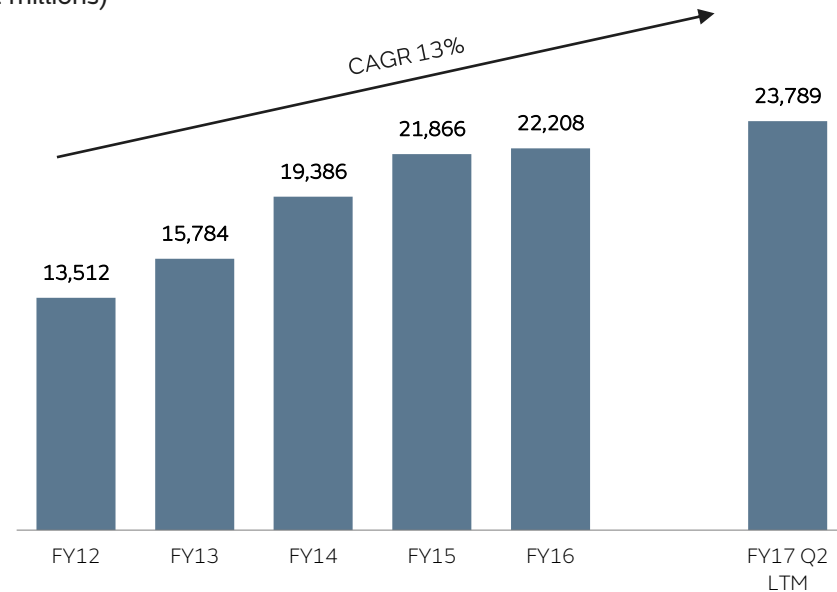
DRIVEN BY INVESTMENTS IN NEW PRODUCTS



Wholesale volume evolution
(Units in 000's)



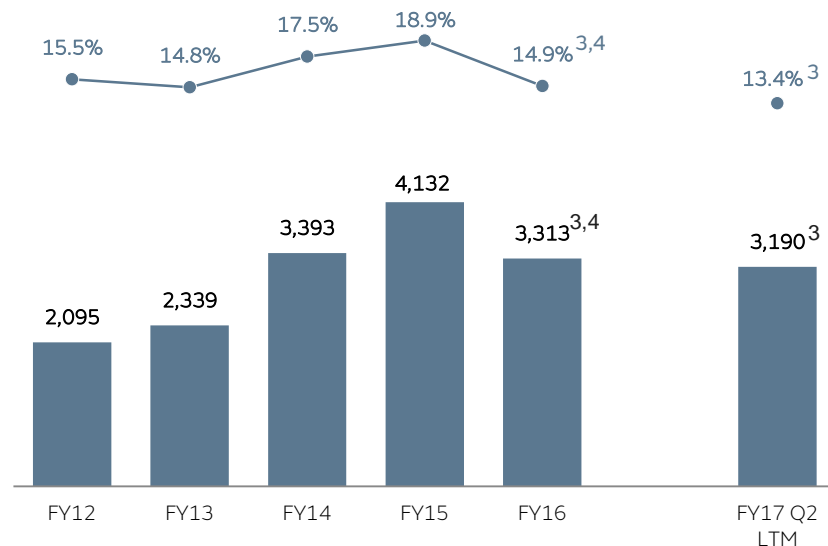
Revenue evolution
(£ millions)



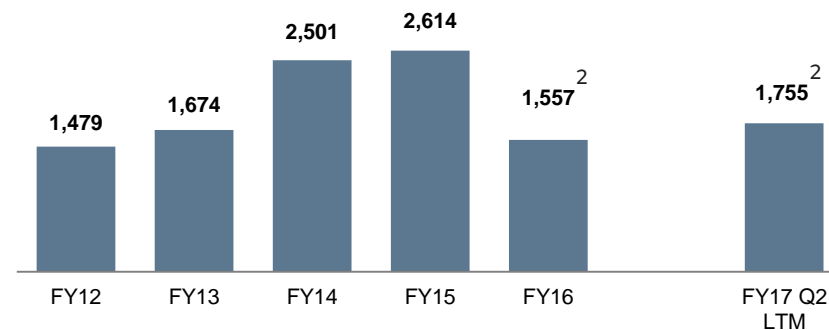
PROFITABLE REVENUE GROWTH



EBITDA and EBITDA margin¹
(£ millions)



Profit before tax
(£ millions)



(1) EBITDA is defined as profit for the period before income tax expense, finance expense (net of capitalised interest), finance income, depreciation and amortisation, foreign exchange gains/losses on financing and unrealised derivatives, gains/losses on unrealised commodity derivatives, share of profits/losses from joint ventures and exceptional items.

(2) FY16 and FY17 Q2 LTM PBT includes net Tianjin charges and recoveries to date.

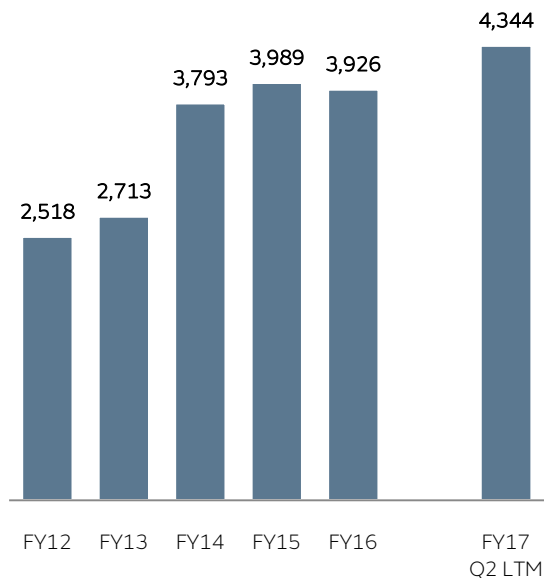
(3) Excludes net Tianjin charges and recoveries.

(4) Excludes £166m one-time adjustments for the recall in the U.S. of potentially faulty passenger airbags supplied by Takata, doubtful debts and previously capitalised investment – Including these items, FY16 reported EBITDA was £3,147m (14.2% margin).

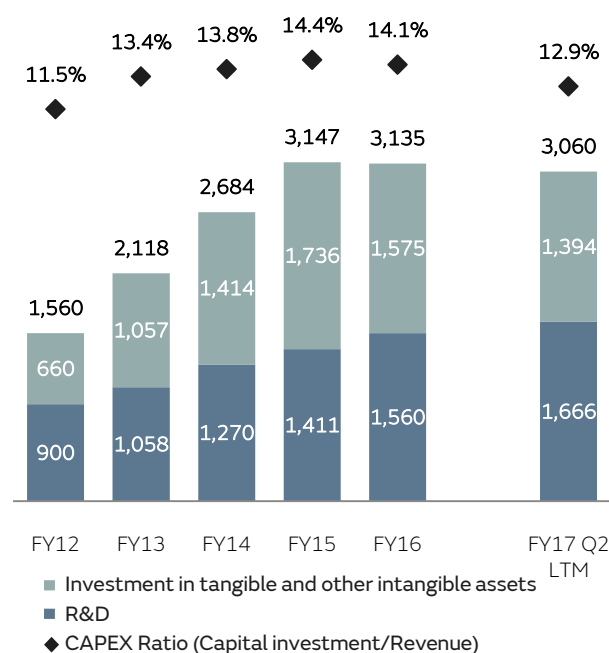
STRONG CASH FLOW FUNDS INCREASED INVESTMENT



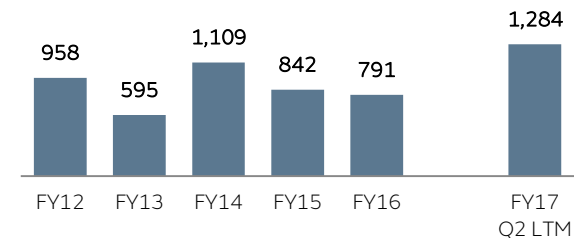
Cash flow before product investment
(£ millions)



Product investment¹
(£ millions)



Free cash flow before financing²
(£ millions)

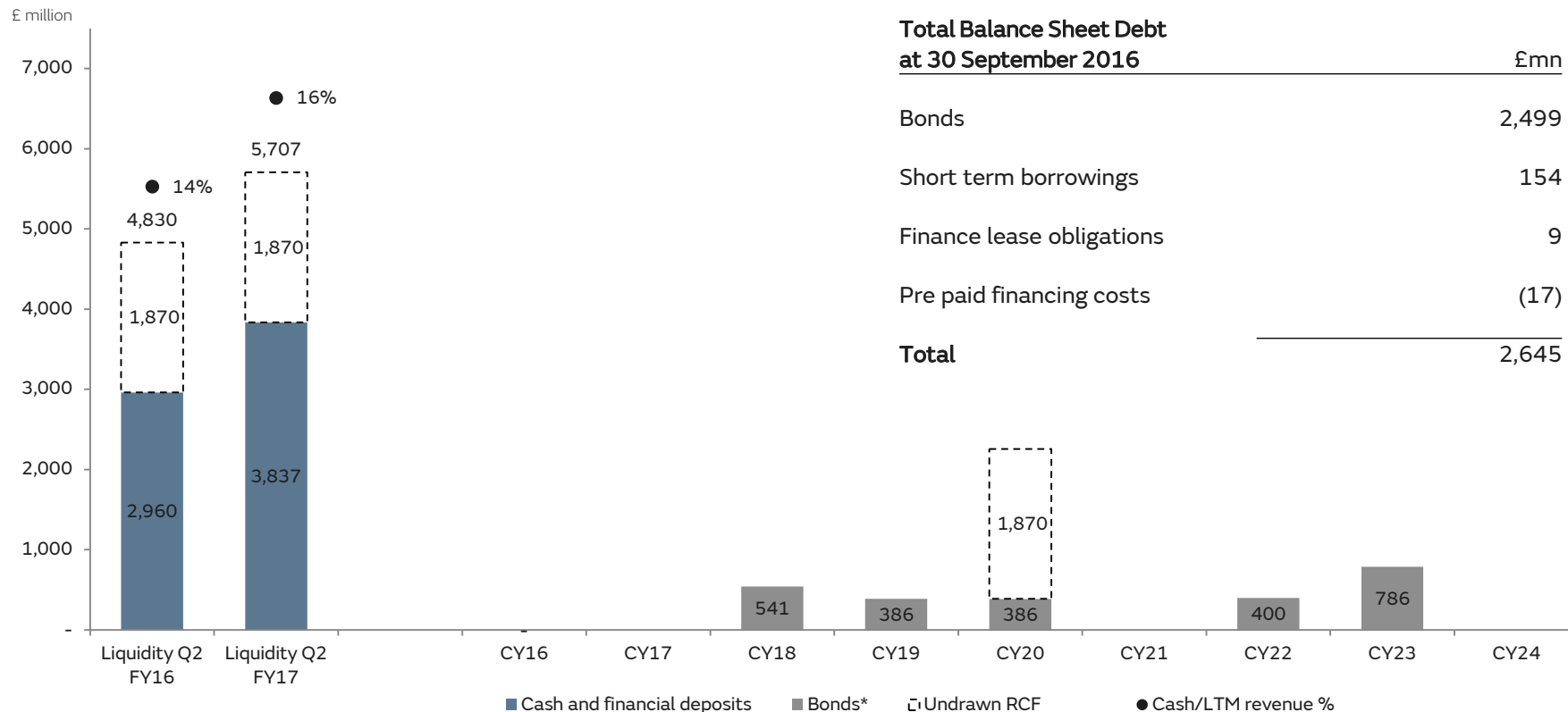


(1) Total product and other investment reflects net cash used in investing activities and expensed R&D (not included in net cash used in investing activities) but excluding movements in other restricted deposits, movements in short-term deposits, finance income received and proceeds from sale of property, plant and equipment.

(2) Free cash flow reflects net cash generated from operating activities less net cash used in investing activities (excluding investments in short-term deposits) and including foreign exchange gains/losses on short-term deposits.

FINANCING STRUCTURE

STRONG LIQUIDITY



*Face value

Total Balance Sheet Debt at 30 September 2016

	£mn
Bonds	2,499
Short term borrowings	154
Finance lease obligations	9
Pre paid financing costs	(17)
Total	2,645



RECENT PERFORMANCE

RECORD H1 FY17 RETAIL SALES

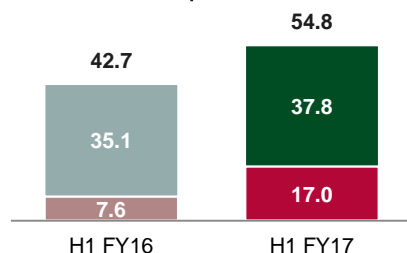
275.2K, UP 22% -- ALL REGIONS UP



North America

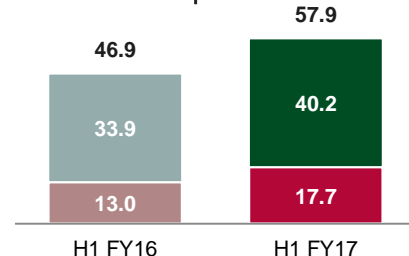
Units in '000

Up 28%



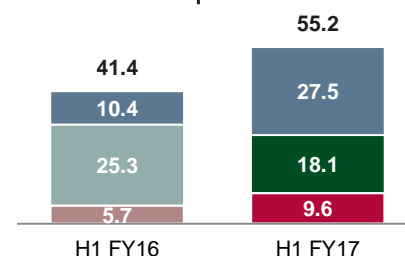
UK

Up 23%

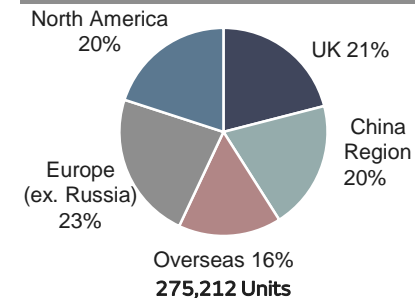


China¹

Up 33%

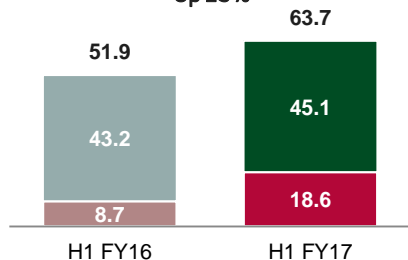


H1 FY17



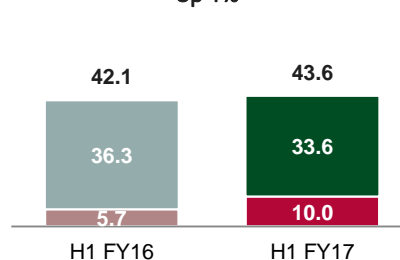
Europe

Up 23%

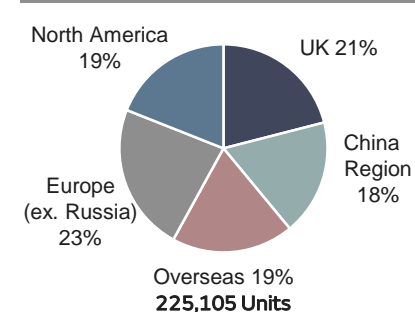


Overseas

Up 4%



H1 FY16



■ Land Rover
■ Jaguar
■ CJLR

(1) Total volumes includes sales from Chery Jaguar Land Rover – H1 FY17 27,531 units.

RECORD H1 FY17 RETAIL SALES

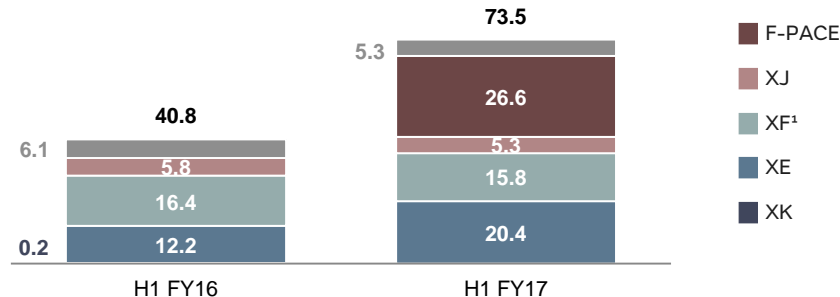
LED BY STRONG F-PACE, XE, AND DISCOVERY SPORT



Jaguar – H1 FY17 vs H1 FY16

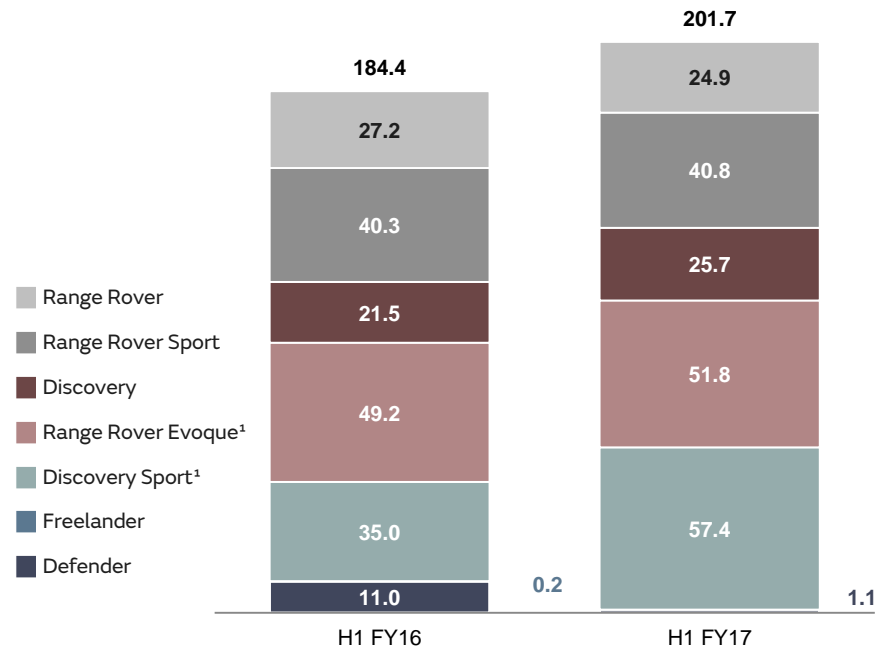
Units in '000

Up 80%



Land Rover – H1 FY17 vs H1 FY16

Up 9%



(1) Total volumes includes sales from Chery Jaguar Land Rover – H1 FY17 27,531 units.

KEY FINANCIAL METRICS

STRONG SALES VOLUMES AND REVENUE, PBT UP



(£ millions, unless stated)	6 months ended 30 September		
	2016	2015	Change
Retail volumes ('000 units)	275.2	225.1	50.1
Wholesale volumes ('000 units) ¹	245.0	221.8	23.2
Revenues	11,414	9,833	1,581
EBITDA ²	1,287	1,410	(123)
EBITDA %	11.3%	14.3%	(3.0 ppt)
Profit before tax and exceptional item	629	726	(97)
Exceptional item	50	(245)	295
Profit before tax	679	481	198
Profit after tax	548	400	148
Free cash flow (before financing)	(563)	(1,056)	493
Cash	3,837	2,960	877

(1) Excludes Chery Jaguar Land Rover 6M FY17 28,601 units, 6M FY16 9,389.

(2) EBITDA defined to include the revaluation of current assets and liabilities and realised FX and commodity hedges but excludes the revaluation of foreign currency debt, unrealised FX and commodity hedges, as well as exceptional items.

H1 FY17 FINANCIAL RESULTS

FAVOURABLE SALES AND MIX OFFSET BY ONE TIME ITEMS



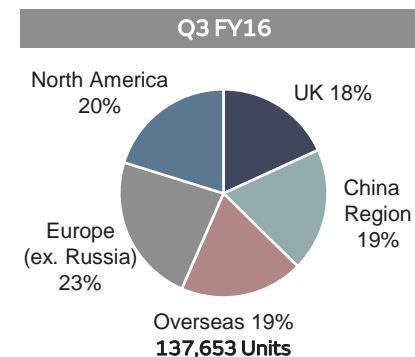
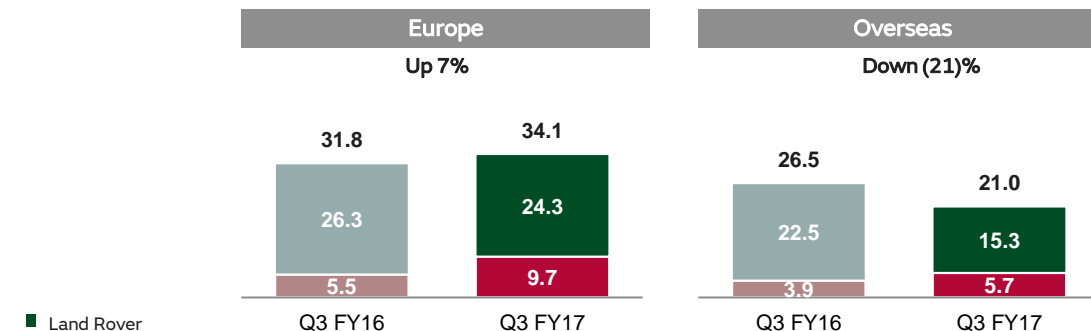
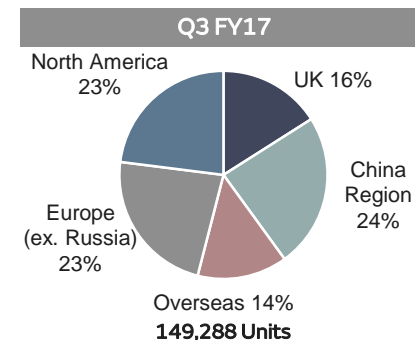
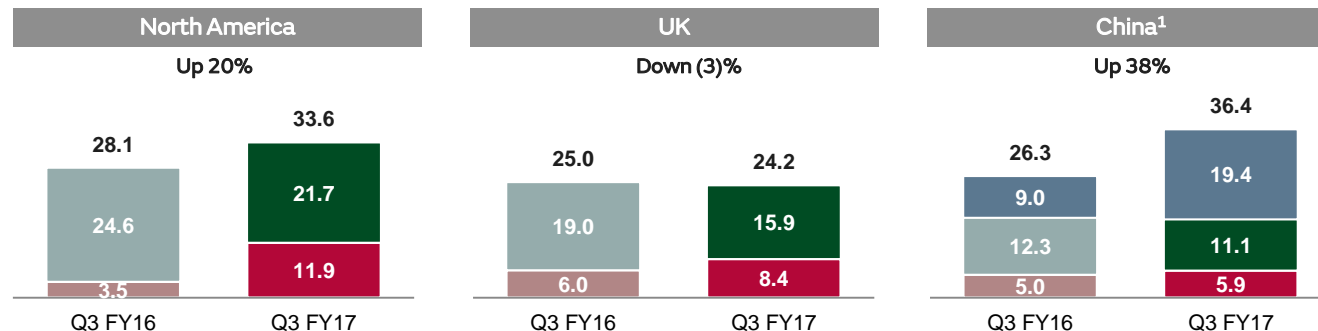
- Revenue of £11.4b up from £9.8b in H1 FY16, primarily reflecting higher wholesales (up 10.4%) and FX
- EBITDA of £1,287m compared to £1,410m in H1 FY16, primarily reflecting:
 - Favourable volume and mix
 - Unfavourable FX revaluation of current assets and liabilities (£125m, up £90m); operating exchange offset by realised hedges
 - One-time provision for new customer quality programmes in H1 FY17 and lower market incentive compared to H1 FY16
- Reported EBITDA margin 11.3% -- underlying EBITDA margin would be higher excluding FX revaluation of current assets and liabilities, one time provision for new customer quality programmes and adjusting revenue for realized hedges included in EBITDA
- PBT £679m, up from £481m reflecting:
 - Lower EBITDA (down £123m)
 - Non-recurrence of £245m exceptional charge in H1 FY16 and £50m recovery in H1 FY17 for Tianjin explosion
 - Favourable JV profits, MTM gain on undesignated debt and unrealised hedges and lower net finance expense, offset partially by higher depreciation and amortisation
- Cash outflow of £563m in H1 FY17 but £493m better than a year ago. The outflow reflects EBITDA of £1,287m, offset by investment of £1,476m and £485m of unfavourable working capital movements (primarily higher inventory for new product launches)
- China JV declared first dividend of RMB1.2b (JLR share RMB 0.6b) -- most will be reinvested in the JV

Q3 FY17 RETAIL VOLUMES BY MARKET

JLR RETAIL VOLUME OF 149,288 UP 8%



Units in '000



Land Rover
Jaguar
CJLR

(1) Total volumes includes sales from Chery Jaguar Land Rover – Current period 19,395 units, prior period 9,010.



LOOKING AHEAD

EXCITING NEW PRODUCTS

RECENT & UPCOMING NEW MODELS TO DRIVE GROWTH



F-PACE (April 2016)



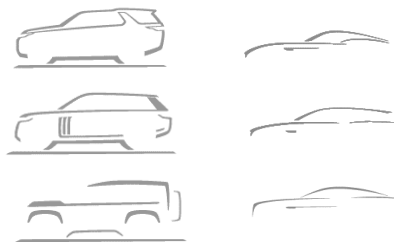
Evoque convertible (Jun 2016)



XF Long Wheel Base¹ (Sep 2016)



All new Discovery (Q4 FY17)



Watch this space!



I-PACE concept (2018)

(1) Jaguar XF long-wheel base produced by the China Joint Venture and only available to customers in China.

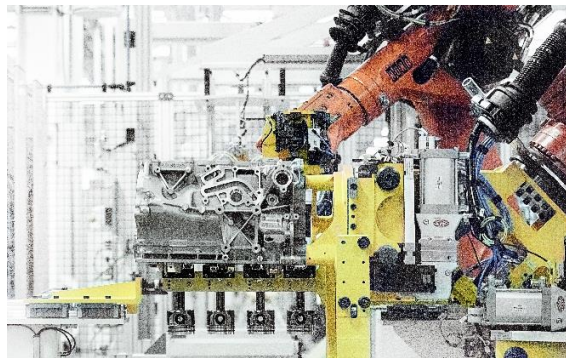
ENVIRONMENTAL STRATEGY

IMPROVING OUR ENVIRONMENTAL PROFILE



Light-weighting

- Increased application of aluminium to our vehicle platforms
- High aluminium content used across our range of vehicles, excluding Evoque and Discovery Sport
- Our in house engines are manufactured to include a relatively high proportion of aluminium



Powertrain rightsizing

- In-house 4 cylinder 2.0-litre efficient diesel engines are now available across our model range
- 4 cylinder 2.0-litre petrol variant is now in production, available across our range of vehicles imminently
- Configurable and flexible common architecture enables maximum manufacturing efficiency, more engine variants and higher quality



Electrification

- JLR currently offer diesel hybrid variants of the Range Rover and Range Rover Sport
- JLR has plans to introduce Plug in Hybrids (PHEVs) and Battery Electric Vehicles (BEVs) into its product range, starting with the I-PACE
- Jaguar is currently competing in the FIA Formula E championship. This enables JLR to create a test bed for future Jaguar Land Rover electrification technology

I-PACE CONCEPT



I-PACE concept

- All-wheel-drive from twin electric motors
- 500km range (NEDC cycle)
- 0-60mph in 4 seconds
- 90kWh lithium-ion battery
- Rapid charging takes 2 hours
- On the road in 2018

MANUFACTURING OPERATIONS

GLOBAL MANUFACTURING FOOTPRINT



UK Engine Plant

- Additional £450m investment
- £1b total investment
- 2.0-litre diesel engine now available in the new Jaguar XF, Range Rover Evoque and the Land Rover Discovery Sport
- Manufacture of the 4 cylinder 2.0-litre petrol recently began and will be available across our range of vehicles imminently



Slovakia Plant

- Plant construction is well under way in Nitra
- Initial investment of over £1b
- 150,000 units of capacity per annum
- Production will commence in 2018 with the all new Land Rover Discover
- Potential further investment of £500m to expand capacity to 300,000 units per annum



Contract Manufacturing

- Contract manufacturing partnership agreed with Magna Steyr in July 2015
- Certain JLR vehicles to be manufactured in Graz, Austria starting with JLR's first electric vehicle, the Jaguar I-PACE, (revealed at the LA auto show in November)

OTHER STRATEGIC DEVELOPMENTS

FUTURE TECHNOLOGICAL AND BUSINESS INITIATIVES



Autonomous Vehicles

- JLR demonstrated highly autonomous vehicle technologies to EU Transport Ministers, including 'hands free' driving in April 2016
- JLR is investing in the UK's first "connected corridor", a 41 mile 'living laboratory' project on UK roads to develop new Connected and Autonomous Vehicle technologies



Connected Cars

- JLR have already deployed intelligent navigation and information systems, smartphone integration (including remote control of climate settings and security) and in-car Wi-Fi connectivity into various vehicles
- JLR has recently announced a USD 15m investment in connected car technology firm, CloudCar



InMotion

- Jaguar Land Rover has launched InMotion, a business unit to develop innovative solutions aimed at overcoming future travel and transport challenges
- Focused on building apps and on-demand services
- Current initiatives include car sharing and ownership solutions

LOOKING AHEAD

CONTINUING TO INVEST TO DRIVE PROFITABLE GROWTH



- JLR's strategy continues to be to invest in new products, technology and manufacturing capacity to grow profitably – in FY17 investment spending is likely to be somewhat lower than the prior indication of about £3.75b
- Jaguar Land Rover plans to continue to build on recent successful product launches with the continued sales ramp up of the Jaguar F-PACE , XF long wheel base in China, the Evoque Convertible and future new models including the all new Land Rover Discovery and others to be announced
- Increasing sales of these new products and the planned start of new Discovery wholesales in Q4 FY17 are expected to drive profitable growth and support a solid second half of the year
- JLR continues to have a balanced sales profile and will continue to closely monitor and assess market conditions in key regions



ADDITIONAL SLIDES

Q3 FY17 RETAIL VOLUMES BY CARLINE

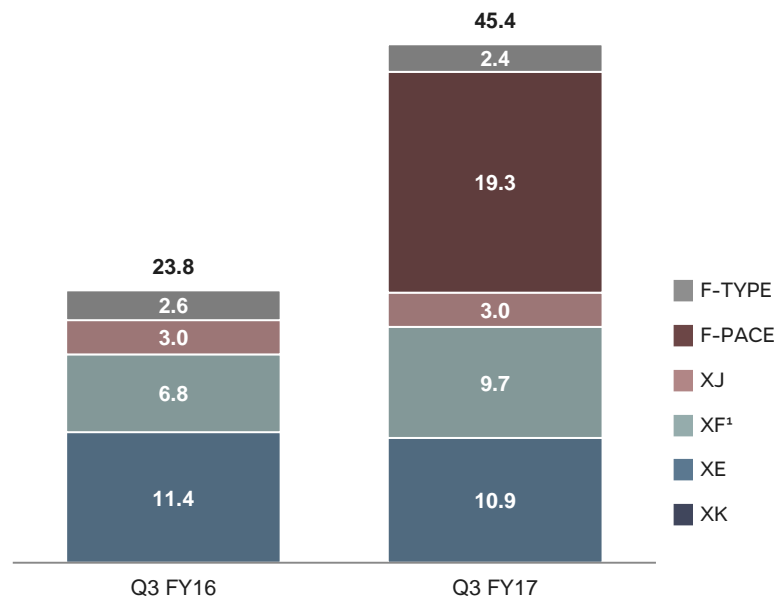
JLR RETAIL VOLUME OF 149,288 UP 8%



Jaguar - Q3 FY17 vs Q3 FY16

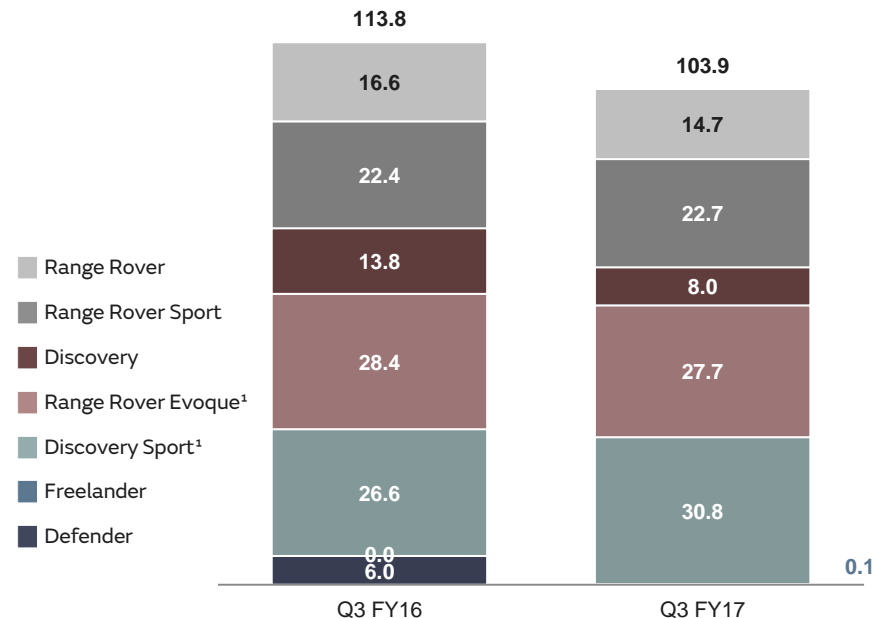
Units in '000

Up 90%



Land Rover - Q3 FY17 vs Q3 FY16

Down (9)%



(1) Total volumes includes sales from Chery Jaguar Land Rover – Current period 19,395 units, prior period 9,010.

H1 FY17 WHOLESALES OF 245.0K UP 10%

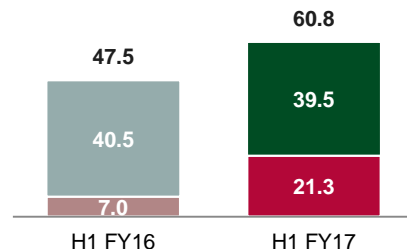
ALL REGIONS UP



North America

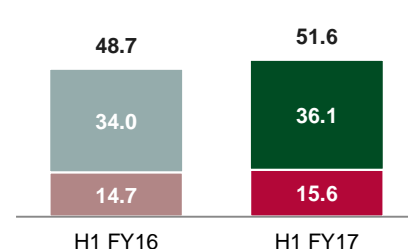
Units in '000

Up 28%



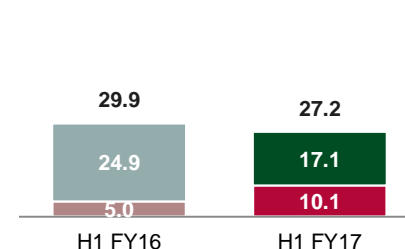
UK

Up 6%

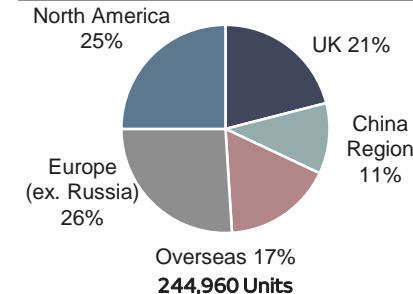


China¹

Down (9)%

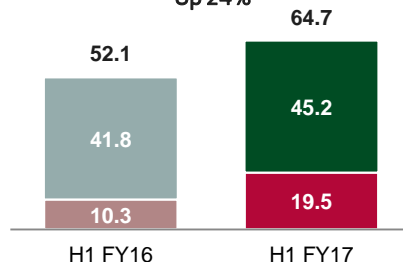


H1 FY17



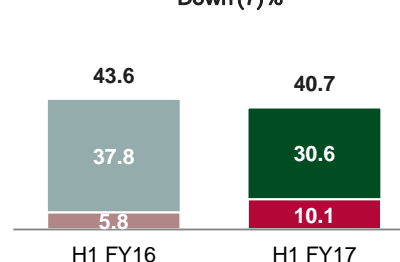
Europe

Up 24%

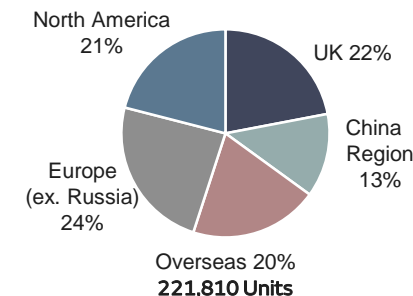


Overseas

Down (7)%



H1 FY16

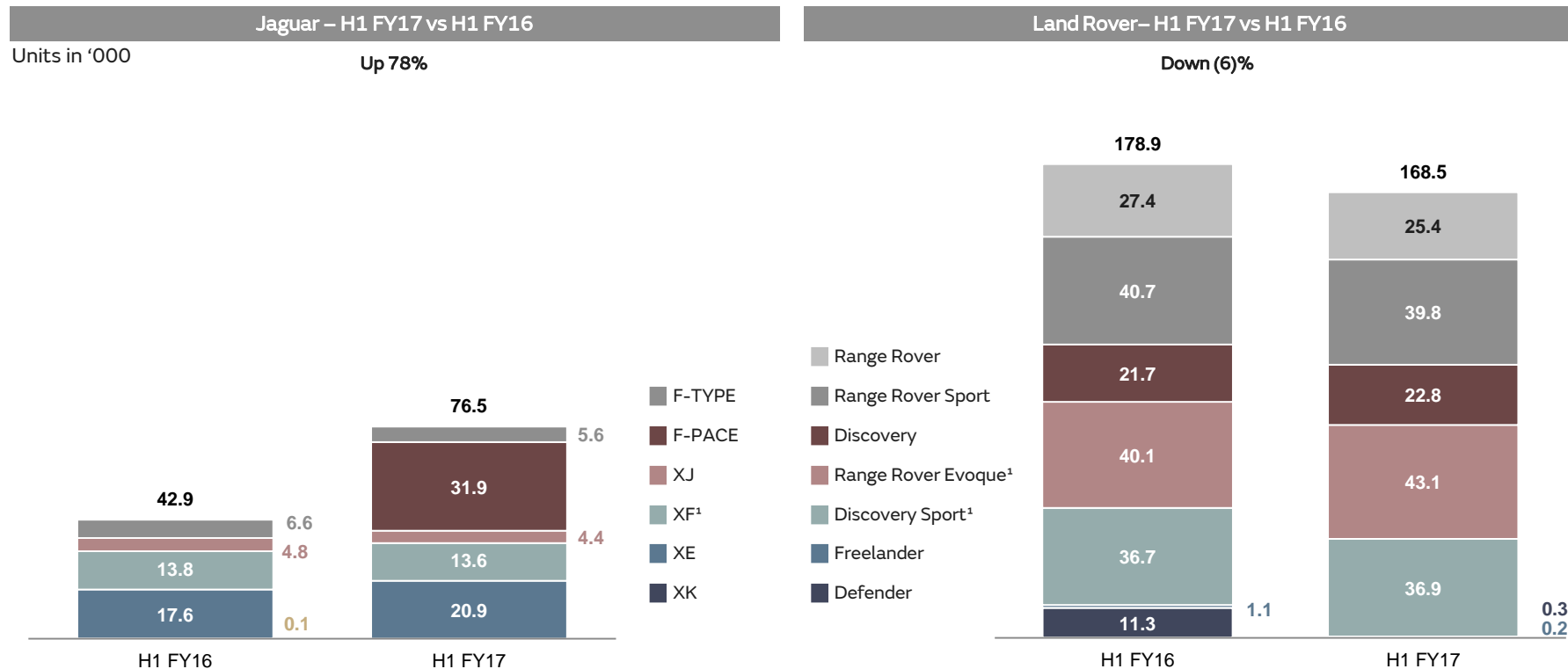


Land Rover
Jaguar

(1) Total volumes excludes sales from Chery Jaguar Land Rover – H1 FY17 28,601 units. H1 FY16 9,389.

H1 FY17 WHOLESALES OF 245.0K UP 10%

STRONG SALES OF F-PACE, XE, EVOQUE AND DISCOVERY



(1) Total volumes excludes sales from Chery Jaguar Land Rover – H1 FY17 28,601 units. H1 FY16 9,389.

INCOME STATEMENT

SOLID SALES VOLUMES AND REVENUE



Consolidated income statement - IFRS

		6 months ended 30 September	
(£ millions, unless stated)	2016	2015	Change
Revenues	11,414	9,833	1,581
Material and other cost of sales ¹	(6,754)	(5,822)	(932)
Employee costs	(1,190)	(1,091)	(99)
Other (expense) / income ²	(2,876)	(2,131)	(745)
Product development costs capitalised	693	621	72
EBITDA	1,287	1,410	(123)
Depreciation and amortisation	(798)	(683)	(115)
Undesignated debt/unrealised hedges MTM ³	81	35	46
Net finance (expense) / income and other	(19)	(29)	10
Share of profit / (Loss) from Joint Venture	78	(7)	85
Profit before tax and exceptional item	629	726	(97)
Exceptional item	50	(245)	295
Profit before tax	679	481	198
Income tax expense	(131)	(81)	(50)
Profit after tax	548	400	148

(1) Excluding the exceptional charge related to the explosion at the Port of Tianjin.

(2) Includes mark to market of current assets and liabilities and realised gains/losses on matured FX and commodity hedges.

(3) Includes mark to market of unrealised FX options (time value) and commodity hedges and revaluation of foreign currency debt.

PRODUCT AND OTHER INVESTMENT

CAPITAL EXPENDITURE TO GROW THE BUSINESS



(£ millions, unless stated)	6 months ended 30 September		
	2016	2015	Change
R&D Expense			
Capitalised	693	621	72
Expensed	173	139	34
Total R&D Expense	866	760	106
Investment in tangible and other Intangible assets	610	791	(181)
Total Product and other investment	1,476	1,551	(75)
Capital Investment as % of revenue	12.9%	15.8%	(2.9)%
o/w capitalised	1,303	1,412	(109)

CASH FLOW

INVESTMENT FUNDED BY EBITDA AND WORKING CAPITAL



6 months ended 30 September

(£ millions, unless stated)	2016	2015	Change
EBITDA	1,287	1,410	(123)
Working capital (incl. non-cash accruals)	(485)	(960)	475
Tax paid	(100)	(105)	5
Cash flow from operations	702	345	357
Investment in fixed and intangible assets	(1,303)	(1,412)	109
Finance income and other (includes FX revaluation)	38	11	27
Free cash flow (before financing)	(563)	(1,056)	493
Changes in debt	(32)	(22)	(10)
Finance expenses and fees	(69)	(75)	6
Dividends paid	(150)	(150)	-
Net change in cash and financial deposits	(814)	(1,303)	489

- Free cash flow was negative £563m in H1 FY17, primarily reflecting:
 - EBITDA of £1,287m offset by total investment spending of £1,476m; and
 - Unfavourable working capital movements (including non- cash accruals) of £485m, predominantly driven by higher inventories accumulated to support the global launch of the F-PACE and the XE into the US as well as the run-out programme of the current Discovery
- Free cash flow was positive £70m in Q2 FY17 after £784m of total investment spending and favourable working capital movements (including non- cash accruals) of £182m.
- At 30 September 2016 total cash was £3.8b and we had a £1.9b undrawn RCF (maturing in 2020) resulting in total liquidity of £5.7b

JUNE 23 BREXIT REFERENDUM

IMPLICATIONS FOR JLR



The implications for JLR of Brexit include:

- The extent to which the Pound remains weaker
- Any incremental tariffs that might result following exit from the EU
- Any impact on economic growth and consumer confidence in the UK and the EU, recognizing over 50% of sales are to other markets and JLR's strong and growing model line up

Currency implications

- JLR sells (Retail) about 80% of vehicles outside the UK (23% Europe, 20% China, 20% US, 16% other) as of H1 FY17
- JLR sources over 50% of its components from the EU with the UK accounting for the majority of other material and operating costs
- JLR would benefit from a continued weaker Pound exchange rates as a result of Brexit (offset partially in the case of the Euro), however, in the nearer term this will largely be offset by hedges executed when the Pound was stronger

Tariff implications

- UK vehicle exports into the EU (c. 23%) could become subject to tariffs depending on trade agreements to be negotiated with the EU. Similarly, vehicles manufactured in the EU and imported into the UK in the future could also be affected
- Components sourced from the EU could also become subject to tariffs, however, these would be recoverable on vehicles subsequently exported out of the UK (presently c. 80%)