



Jaguar Land Rover results for the quarter ended 30 June 2014

11 August 2014



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 FY15 represents the 3 month period from 1 April 2014 to 30 June 2014
- Q1 FY14 represents the 3 month period from 1 April 2013 to 30 June 2013

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.

Participants



Kenneth Gregor

- CFO Jaguar Land Rover

Bennett Birgbauer

- Treasurer Jaguar Land Rover

C. Ramakrishnan

- CFO Tata Motors

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Q1 FY15 financial highlights

Strong sales, revenue and profits



Retail volumes 115,596 for the quarter, up 22% from prior year, with Jaguar up 12% and Land Rover up 24%

Revenue **£5.4bn**, up £1.3bn on the prior year

EBITDA £1,087m, up £440m with **EBITDA margin of 20.3%**, up 4.5ppt from Q1 FY14

PBT of £924m, up £509m on the prior year

Free cash flow of £5m after total investment of **£682m**, before financing costs

Cash and financial deposits £3.3bn and undrawn long-term committed bank lines £1.3bn

£150m dividend paid to Tata Motors in June 2014

Key financial metrics



Key metrics - IFRS			
	Quarter ended 30 June		
(£ millions, unless stated)	2014	2013	Change
Retail volumes ('000 units)	115.6	94.8	20.8
Wholesale volumes ('000 units)	115.2	90.6	24.6
Revenues	5,353	4,097	1,256
EBITDA ⁽¹⁾	1,087	647	440
EBITDA %	20.3%	15.8%	4.5 ppt
Profit before tax	924	415	509
Profit after tax	693	304	389
Free cash flow	5	(341)	346
Cash	3,301	2,215	1,086

1) EBITDA defined to include revaluation of current assets and liabilities and realised FX and commodity hedges and excludes revaluation of foreign currency debt and unrealised FX and commodity hedges

Solid overall performance



Land Rover retail **volume up 18.8k units (24%)** – driven by Range Rover, Range Rover Sport, Evoque and Freelander

Jaguar retail **volume up 2.0k units (12%)** – reflects the introduction of the new F-TYPE

EBITDA of £1,087m (margin of 20.3%), up £440m (up 4.5ppt) from Q1 FY14, reflecting:

- increased volumes across both brands
 - **robust market mix**, with solid sales in emerging markets
 - **rich product mix** supported by the on-going success of Range Rover Sport, Range Rover and Jaguar F-TYPE
 - Offset partially by **less favourable foreign exchange**, net of realised hedges
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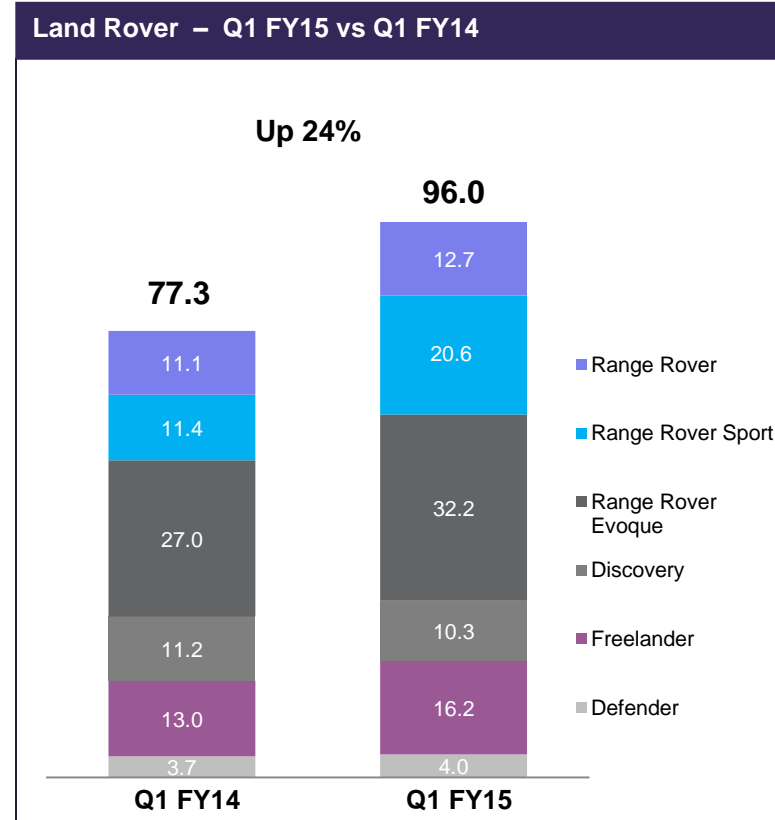
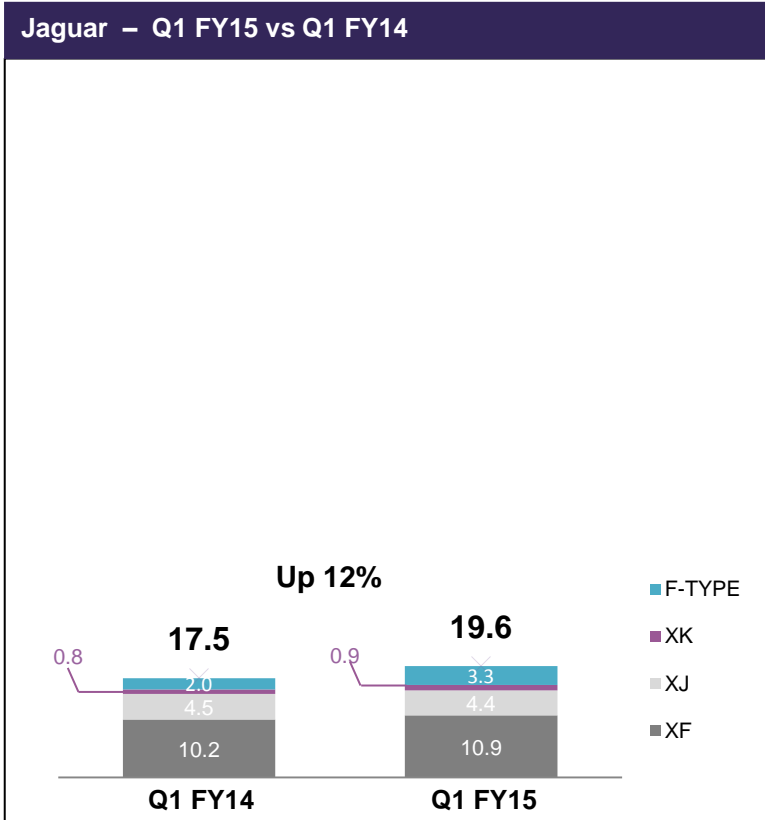
PBT of £924m, up £509m reflecting:

- **higher EBITDA**
 - **favourable** revaluation of foreign currency debt and unrealised hedges
 - **lower** interest expense
 - partially offset by higher depreciation and amortisation
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PAT of £693m reflects an effective tax rate of 25%

Quarterly retail volumes by carline

Total retail sales of 115.6k up 22% overall



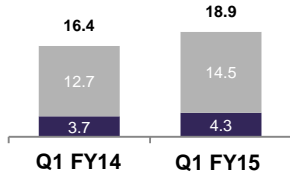
Units in '000

Quarterly retail volumes by geography



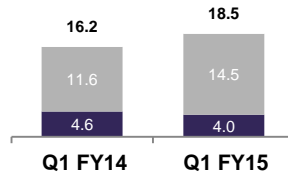
UK

Up 15%



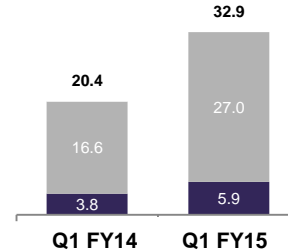
North America

Up 14%

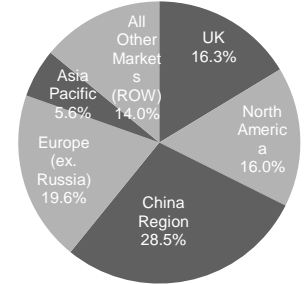


China

Up 61%



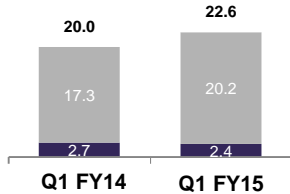
Q1 FY15



115.6 units

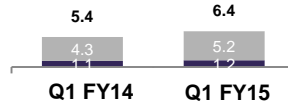
Europe

Up 13%



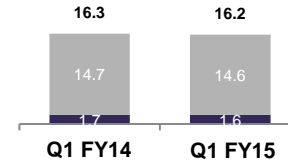
Asia Pacific

Up 19%

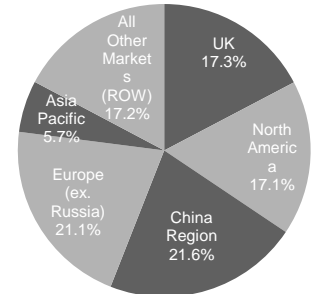


All other markets

Down (1)%



Q1 FY14



94.7 units

Income statement



Consolidated income statement - IFRS			
	Quarter ended 30 June		
(£ millions, unless stated)	2014	2013	Change
Revenues	5,353	4,097	1,256
Material cost of sales	(3,299)	(2,490)	(809)
Employee costs	(429)	(361)	(68)
Other (expense) / income ⁽¹⁾	(811)	(841)	30
Product development costs capitalised	273	242	31
EBITDA ⁽¹⁾	1,087	647	440
Depreciation and amortisation	(234)	(202)	(32)
Debt / unrealised hedges MTM ⁽²⁾	70	(2)	72
Net finance (expense) / income ⁽³⁾	1	(28)	29
Profit before tax	924	415	509
Income tax expense	(231)	(111)	(120)
Profit after tax	693	304	389

1) Includes mark to market of current assets and liabilities and realised gains on matured FX and commodity hedges

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

3) Includes start-up costs for the China JV

Strong cash flow to support investment



Consolidated cash flow - IFRS			
(£ millions, unless stated)	Quarter ended 30 June		
	2014	2013	Change
EBITDA	1,087	647	440
Working capital changes	(377)	(315)	(62)
Tax paid	(101)	(197)	96
Other	11	(19)	30
Cash flow from operations	620	116	504
Investment in fixed and intangible assets ⁽¹⁾	(629)	(508)	(121)
Other (including finance income)	14	51	(37)
Free cash flow (before financing)	5	(341)	346
Investment in financial deposits	(225)	(35)	(190)
Changes in debt	4	(95)	99
Dividend paid	(150)	(150)	-
Finance expenses and fees	(26)	(46)	20
Net change in cash & cash equivalents	(392)	(667)	275

1) Includes equity investment in China JV of £72m in Q1 FY15

Key financial indicators - IFRS			
	Quarter ended 30 June		
(£ millions, unless stated)	2014	2013	Change
Cash and cash equivalents	1,868	1,405	463
Financial deposits	1,433	810	623
Cash and financial deposits	3,301	2,215	1,086
Long term undrawn credit facilities	1,325	795	530
Other undrawn committed facilities	38	140	(102)
Total liquidity	4,664	3,150	1,514
Total equity	6,284	3,690	2,594
Total debt	(1,989)	(2,068)	79
Net cash	1,312	147	1,165
Total debt/EBITDA ⁽¹⁾	0.5 x	0.8 x	0.3 x
Total debt/equity	0.3 x	0.6 x	0.3 x

1) EBITDA stated on a rolling 12 month basis

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Exciting new products



Jaguar XE

- The world premiere of the all-new Jaguar XE will be held in London on September 8th
- New Jaguar XE will go on sale in 2015 and feature a new technology package designed for optimum performance, comfort and control



F-TYPE Project 7

- Jaguar's fastest production car to date, powered by a 5.0-litre supercharged V8 petrol engine (0-60mph in 3.8-sec with a top speed of 186mph)
- 250 units planned for delivery mid 2015



Discovery Sport

- Discovery Sport will be revealed globally on September 3rd
- Discovery Sport is the first member of the new Land Rover Discovery family and will go on sale in 2015



Very strong performance in Q1 FY15

For the remainder of **2014/15 fiscal year**, continue to:

- build on the sales momentum of the two brands
 - prepare for launch of the new Discovery Sport, Jaguar XE, Ingenium family of 2.0 litre engines in new engine plant and new China JV manufacturing plant
 - invest in more new products and new technologies to meet consumer and regulatory requirements and build manufacturing capacity in the UK and internationally
 - monitor economic and sales trends closely to balance sales and production
 - generate robust operating cash flows to support investment in the region of £3.5-3.7bn in FY15
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Q&A

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Additional slides

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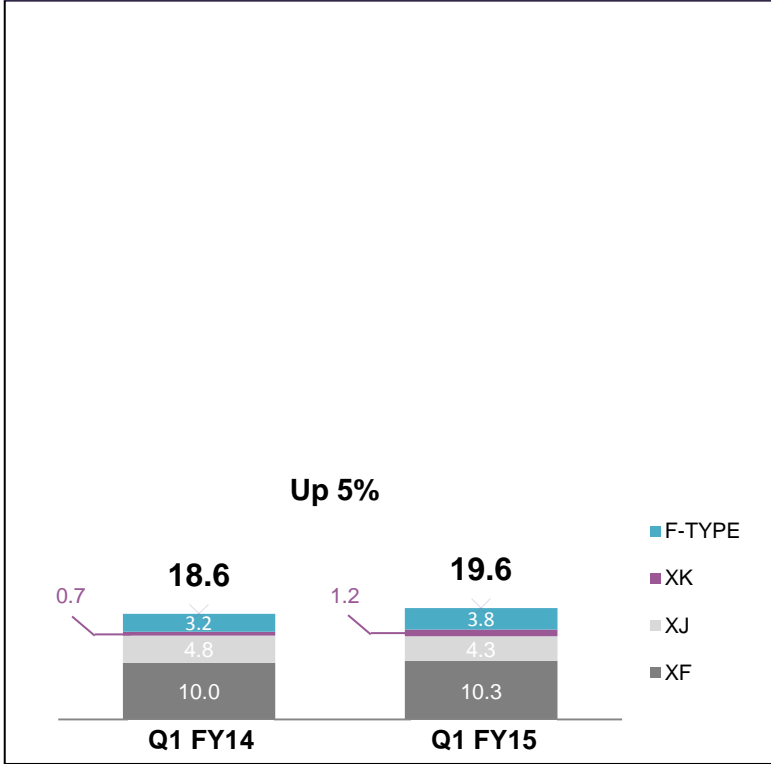


Quarterly Wholesale volumes by carline

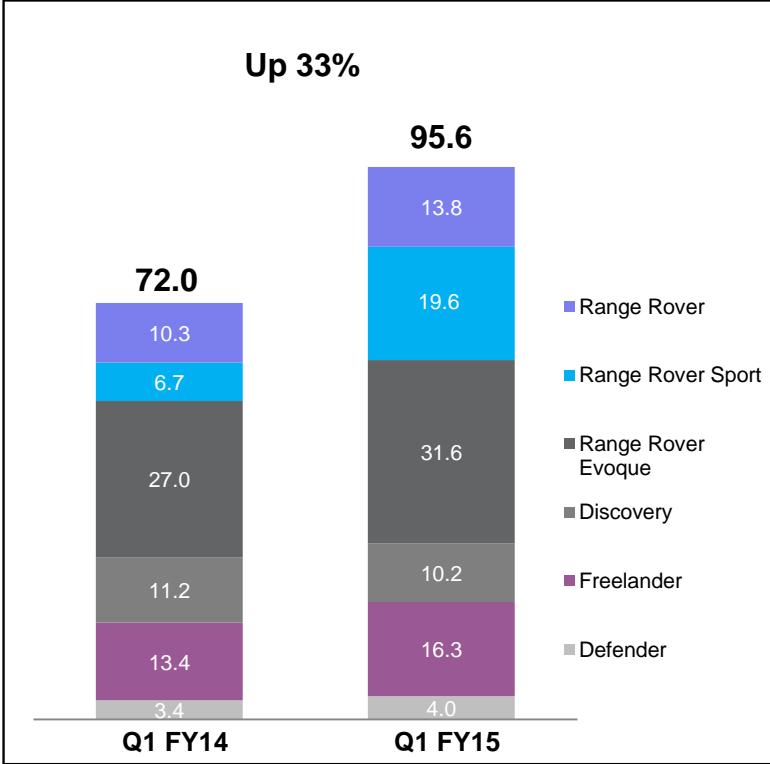
Wholesales of 115.2k up 27% overall



Jaguar – Q1 FY15 vs Q1 FY14



Land Rover – Q1 FY15 vs Q1 FY14



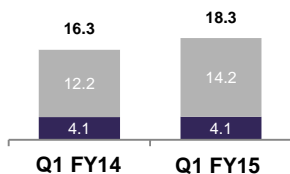
Units in '000

Quarterly wholesale volumes by geography



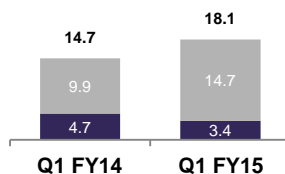
UK

Up 13%



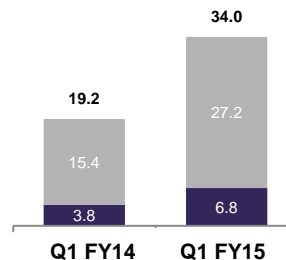
North America

Up 23%

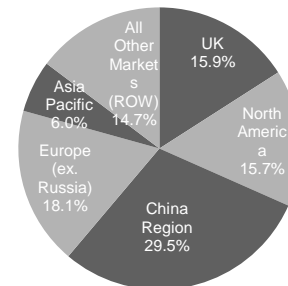


China

Up 77%



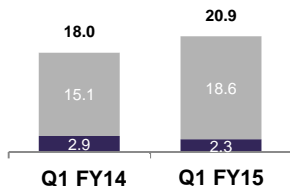
Q1 FY15



115.2 units

Europe

Up 16%



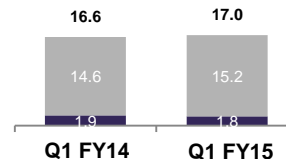
Asia Pacific

Up 17%

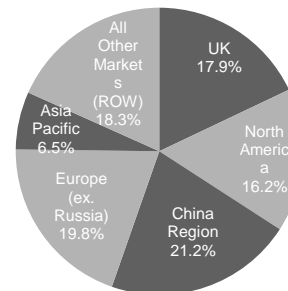


All other markets

Up 2%



Q1 FY14



90.6 units

Product and other investment



Key financial indicators - IFRS			
	Quarter ended 30 June		
(£ millions, unless stated)	2014	2013	Change
R&D expense			
Capitalised	273	242	31
Expensed	53	50	3
Total R&D expense	326	292	34
Investment in tangible and other intangible assets ⁽¹⁾	356	266	90
Total product and other investment	682	558	124
Of which capitalised	629	508	121

1) Includes equity investment in China JV of £72m in Q1 FY15