



JAGUAR LAND ROVER

\$1B SYNDICATED LOAN ROADSHOW PRESENTATION

November 2018

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

- Q2 FY19 represents the 3 month period from 1 July 2018 to 30 September 2018
- Q1 FY19 represents the 3 month period from 1 April 2018 to 30 June 2018
- Q2 FY18 represents the 3 month period from 1 July 2017 to 30 September 2017
- Q1 FY18 represents the 3 month period from 1 April 2017 to 30 June 2017
- FY19 represents the 12 month period from 1 April 2018 to 31 March 2019
- H2 FY19 represents the 6 month period from 1 October 2018 to 31 March 2019
- H1 FY19 represents the 6 month period from 1 April 2018 to 30 September 2018
- H1 FY18 represents the 6 month period from 1 April 2017 to 30 September 2017
- LTM represents the 12 month period from 1 July 2017 to 30 June 2018
- FY18 represents the 12 month period from 1 April 2017 to 31 March 2018
- FY17 represents the 12 month period from 1 April 2016 to 31 March 2017

Unless stated otherwise sales volumes are expressed in thousand units, and 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 and wholesale volume includes sales from the Company’s unconsolidated Chinese joint venture (“CJLR”)

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, 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

Agenda



Business Overview

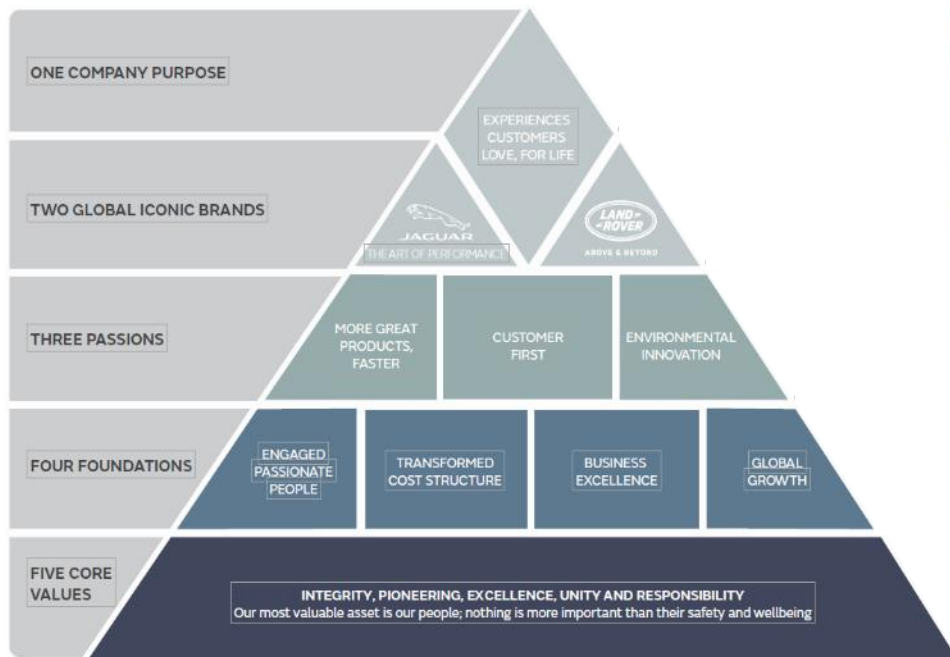
Recent Financial Results, Outlook and Transformation plans

Consistent strategy

Investing to drive sustainable profitable growth



Business Blueprint



Investment strategy

Products



Technology



Capacity and infrastructure



Growing Jaguar Land Rover model range



LUXURY



SPORTS



**JAGUAR F-PACE WINNER
WORLD CAR AWARDS
2017 WORLD CAR
OF THE YEAR**



**JAGUAR F-PACE WINNER
WORLD CAR AWARDS
2017 WORLD CAR
DESIGN OF THE YEAR**

LIFESTYLE



LUXURY – RANGE ROVER



LEISURE - DISCOVERY



DUAL PURPOSE - DEFENDER



LAND ROVER DEFENDER
Replacement in development

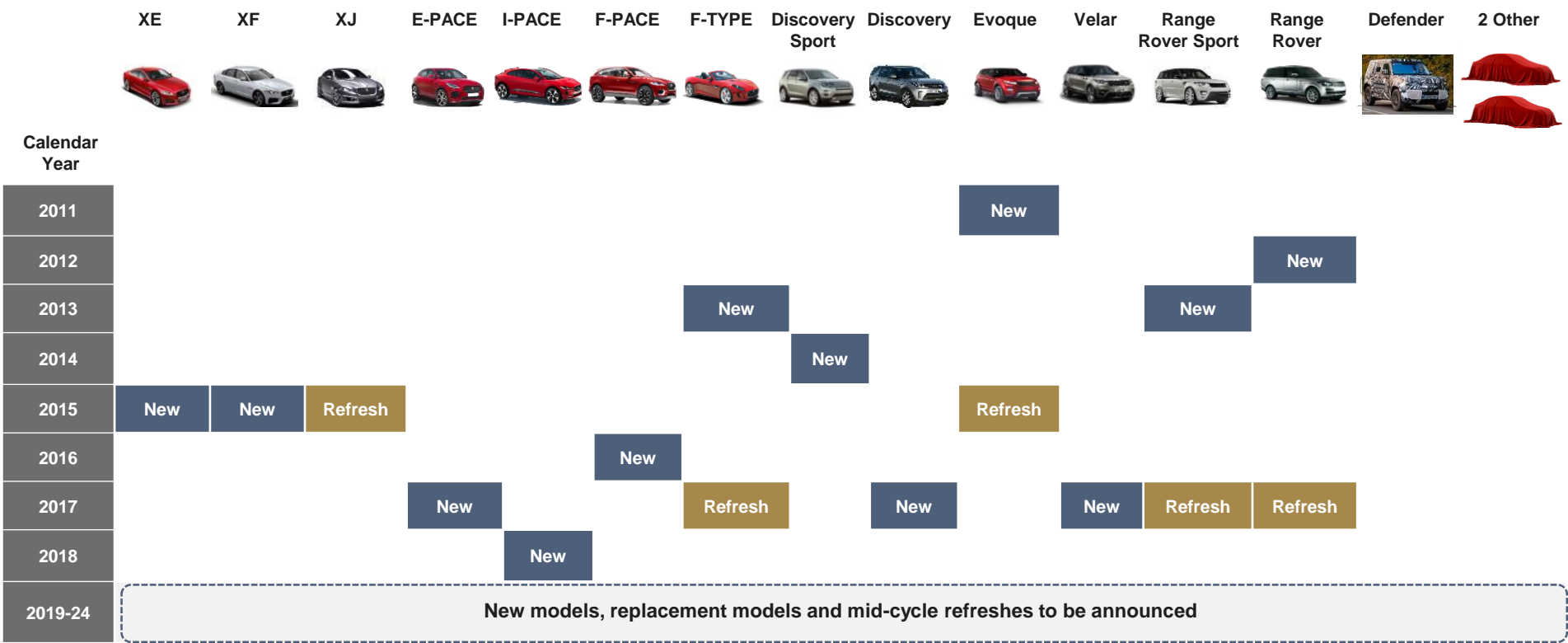


**RANGE ROVER VELAR WINNER
WORLD CAR AWARDS
2018 WORLD CAR
DESIGN OF THE YEAR**



Drive growth with strong product portfolio

16 nameplates by 2024, regular replacement and refresh cycle



Technology transformation underway (ACES)



AUTONOMOUS

- Waymo long term partnership
- Self drive valet park testing in the UK



CONNECTED

- Remote smartphone app
- Wi-Fi Hotspot
- SOS Emergency Call and roadside assistance
- Stolen Vehicle Tracker



ELECTRIC

- All JLR models will have an electric option from 2020
- Range Rover and Range Rover Sport Plug-in hybrids now on sale
- I-PACE battery electric vehicle now available to order



SHARED

- Ride hailing service
- Community car sharing
- Self driving taxi service
- Pay per mile insurance



Ambitious electrification plans

To meet customer interest, diesel and emissions challenges



Range Rover and
Range Rover Sport
Diesel Hybrids

Range Rover and
Range Rover Sport
PHEVs

MHEV, PHEV or BEV on all new
and replacement models, starting
with I-PACE BEV in 2018

MHEV, PHEV or
BEV available on
all JLR models



2014

2017

2018

2019

From 2020

EV
Nameplates

2

2

3

6

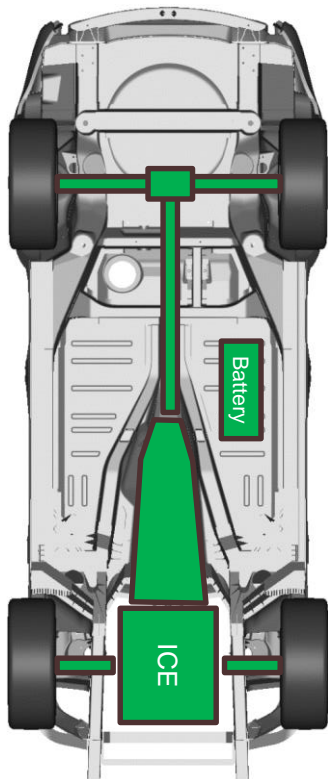
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Investing in Modular Longitudinal Architecture

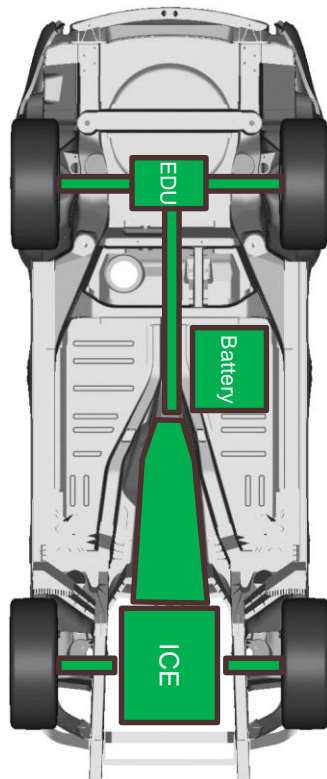
To enable cost efficiencies and flexibility across powertrains



ICE & MHEV



PHEV



BEV



Broader manufacturing footprint



UK



SOLIHULL
335K



**WOLVERHAMPTON
ENGINE
MANUFACTURING
CENTRE**
500K



HALEWOOD
130K



**CASTLE
BROMWICH**
53K



SLOVAKIA
150K



AUSTRIA
73K

INDIA
5K



CHINA
147k



BRAZIL
8K

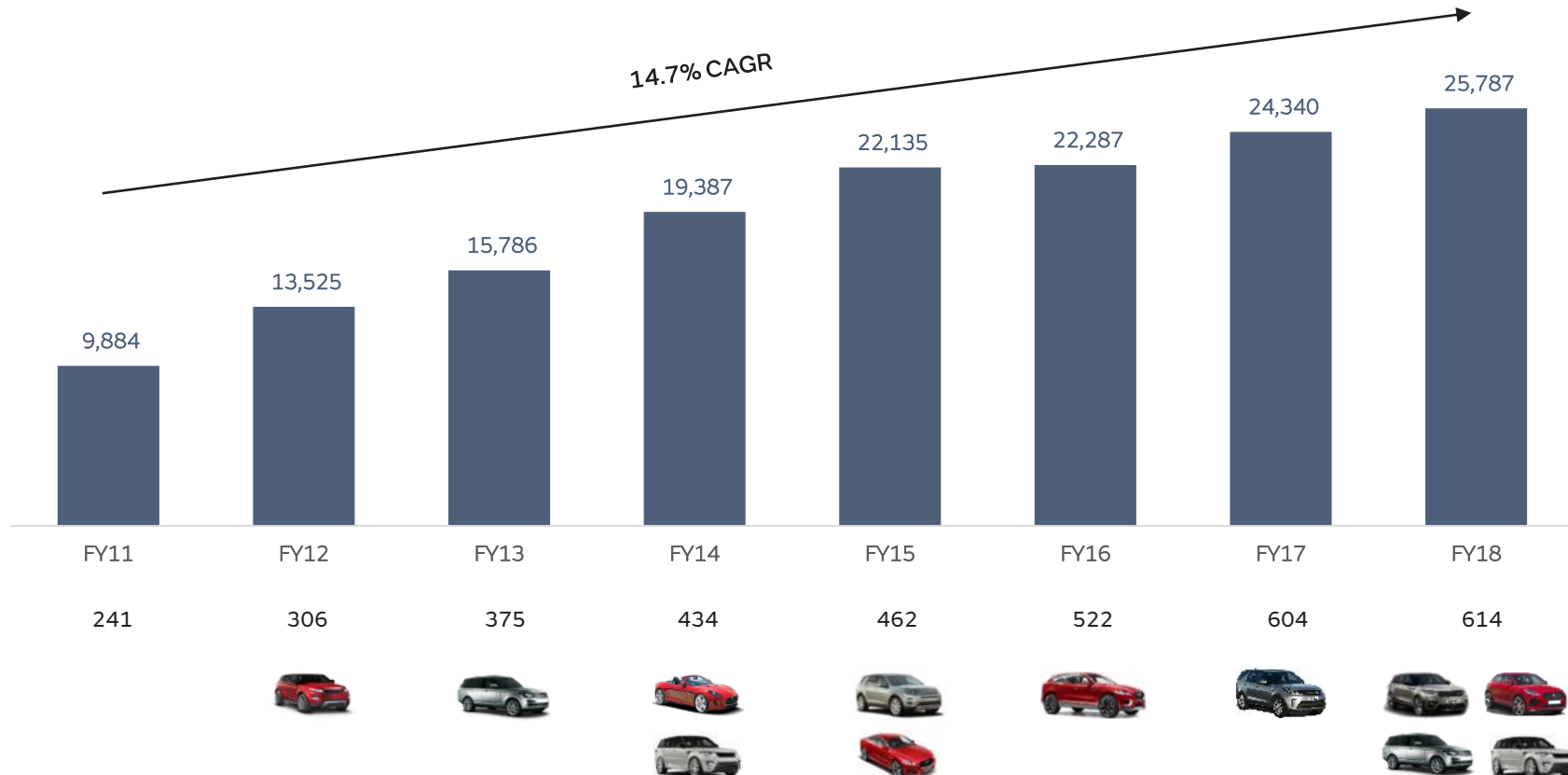


Strong revenue growth driven by new models

Recent growth slower: diesel, incentives and Brexit



IFRS, £m



Generated £14b PBT FY11–18

Lower profitability more recently



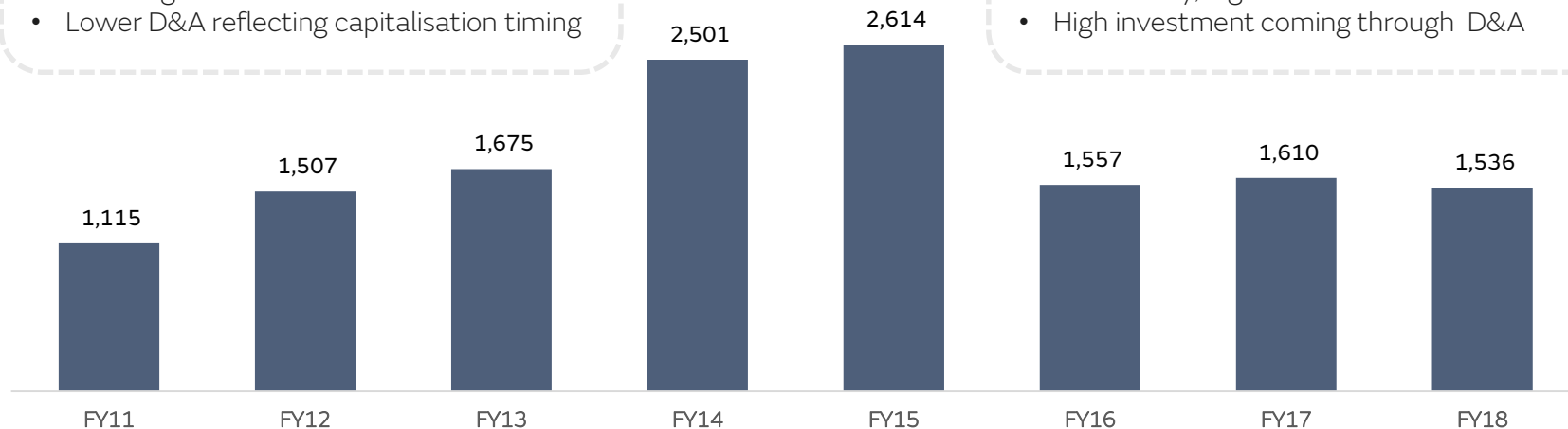
£ millions

Increasing profitability FY11-15 reflecting:

- Strong volume growth, 18% CAGR, driven by new models, new segments and China market growth
- Lower D&A reflecting capitalisation timing

Lower profitability FY16-18, reflecting:

- Lower volume growth, 8.5% CAGR with market challenges including Diesel uncertainty, higher incentives and Brexit
- High investment coming through D&A



Exceptionals

- - - - - (157) 151 438

EBITDA margin	15.5%	15.6%	14.9%	17.5%	18.7%	14.1%	12.1%	10.8%
EBIT margin	11.5%	12.2%	10.9%	12.9%	13.9%	8.0%	5.9%	3.8%



JAGUAR LAND ROVER

RESULTS FOR THE QUARTER ENDED 30 SEPTEMBER 2018
AS INCLUDED IN TATA MOTORS GROUP PRESENTATION

31ST OCTOBER 2018

Executive summary



Q2 results and developments

- Q2 was a disappointing quarter with revenue of £5.6b, down 11% YoY, and a loss before tax of £90m
- The results primarily reflect lower than expected sales (retails 129.9k down 13%) mainly due to more difficult market conditions experienced in China and continuing diesel weakness in Europe and UK
- JLR completed a €500m 7 year bond in September and in October a \$1b loan with final maturity in 2025

Turnaround and transformation

- Plans to improve business performance with Projects Charge and Accelerate underway
- Deliver £2.5b of cost, cash and profit improvements through FY20, broadly consisting of:
 - £1b investment (from £4.5b to £4b in FY19 and FY20)
 - £0.5b inventory and working capital reductions
 - £1b profit and cost actions

CHARGE

ACCELERATE
TRANSFORMING TODAY FOR TOMORROW

Outlook

- Expect to see improved H2 FY19 sales and profitability with positive FCF
- Unexpected sharp China slowdown results in disappointing FY19 -- planning for flat growth rates and EBIT breakeven in FY19
- Investment curtailed to c. £4b in FY19 and FY20; 11-13% thereafter
- Planning for EBIT of 4-7% between FY20-21 and 7-9% thereafter

Business highlights

New 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



New and replacement products to be announced

Other Developments



Charge and Accelerate to improve business performance



Completed €500m bond (Sept) and \$1bn loan (Oct)



First self-driving journey completed – UK Autodrive project



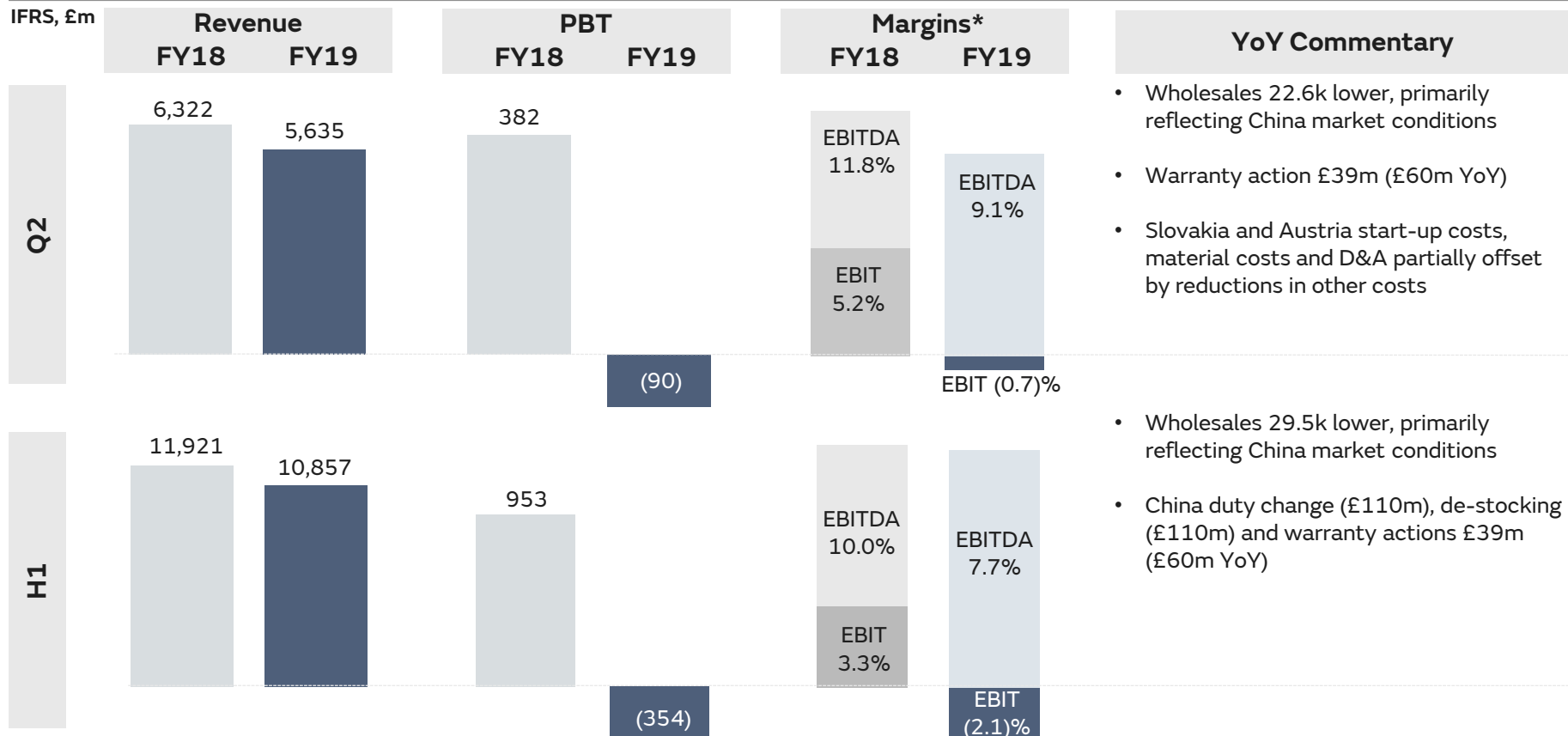
New Slovakia plant opening ceremony 25th October

Q2 FY19

Revenue £5.6b, loss before tax £90m



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

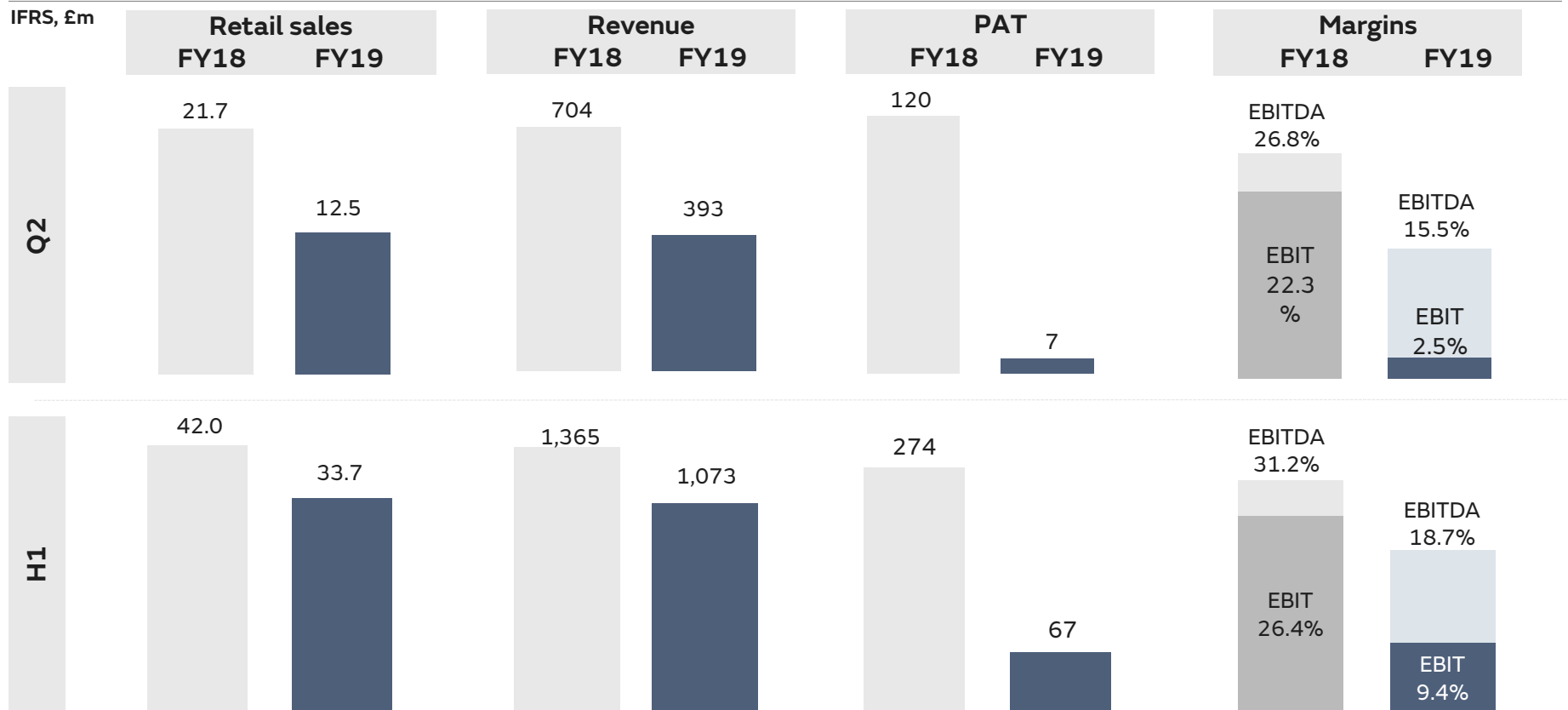


- FY18 margins restated to exclude gains on certain FX derivatives
- H1 FY18 PBT includes £437m exceptional pension credit (not included in margins)

Q2 FY19

China JV: Weak sales in quarter; EBIT 3%

Deteriorating market and competitive conditions



Retails down 13%; China disappointing

UK and Overseas sales better than industry



- Cyclical
- Continuing high incentives

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

- Weaker consumer confidence
- Tariff changes
- Trade tensions

Units in '000

129.9

30.3



North America

29.7



UK

25.5



Europe

21.1



China

23.3



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%

Wholesales

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 its 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

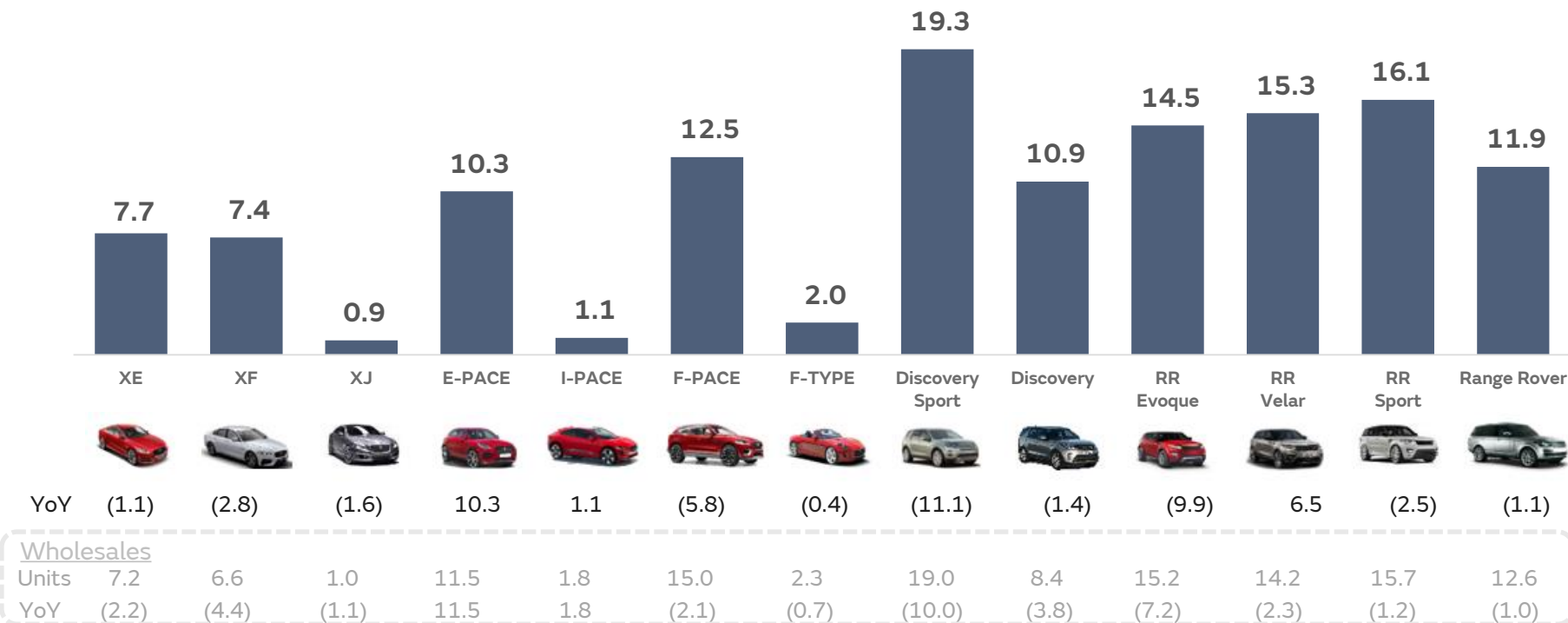
Q2 FY19

Retails 129.9k, 19.8k (13.2%) lower

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



Units in '000



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 FY18 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 its share of profits from CJLR within EBIT.

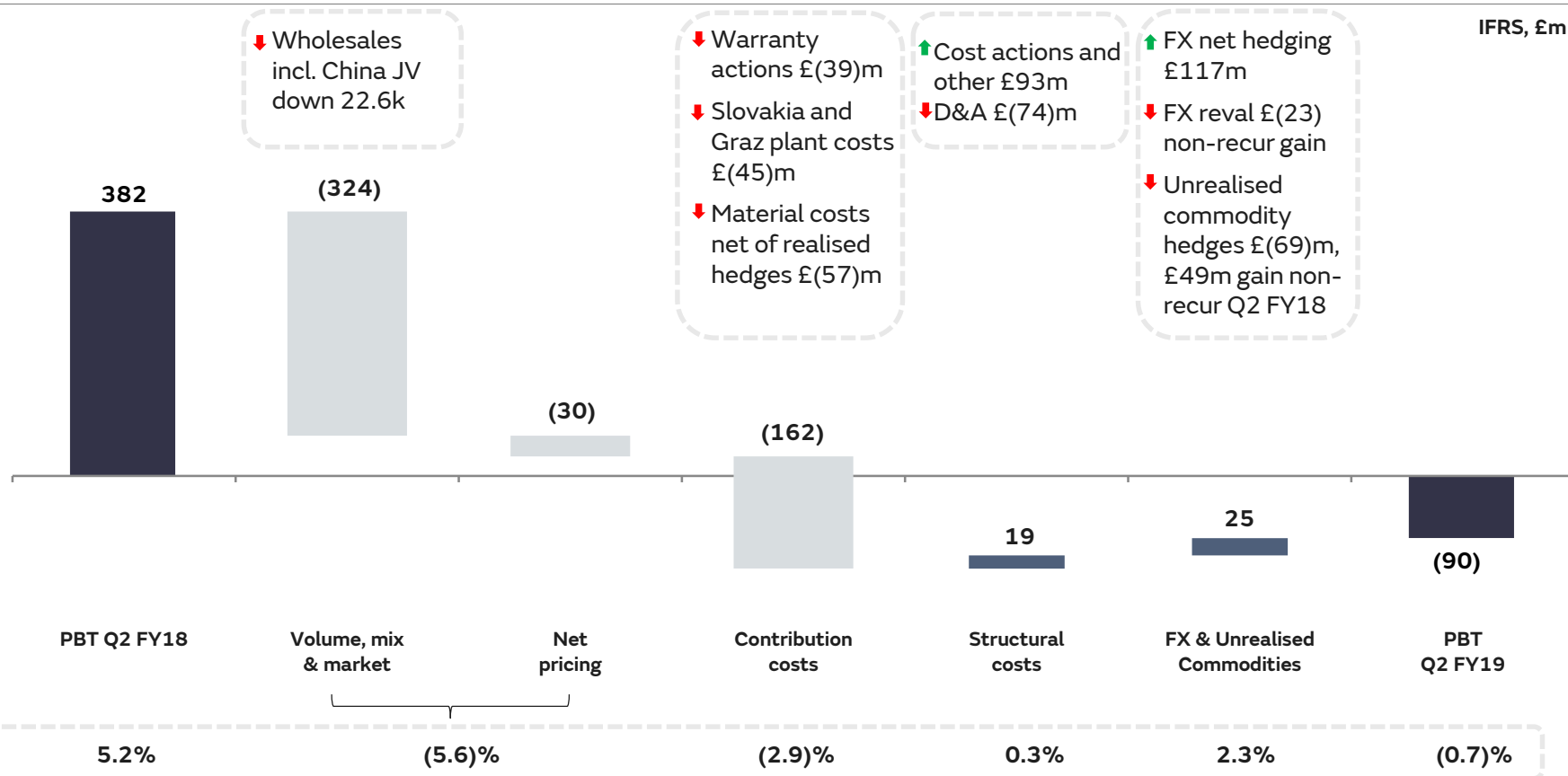
Q2 FY19

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

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



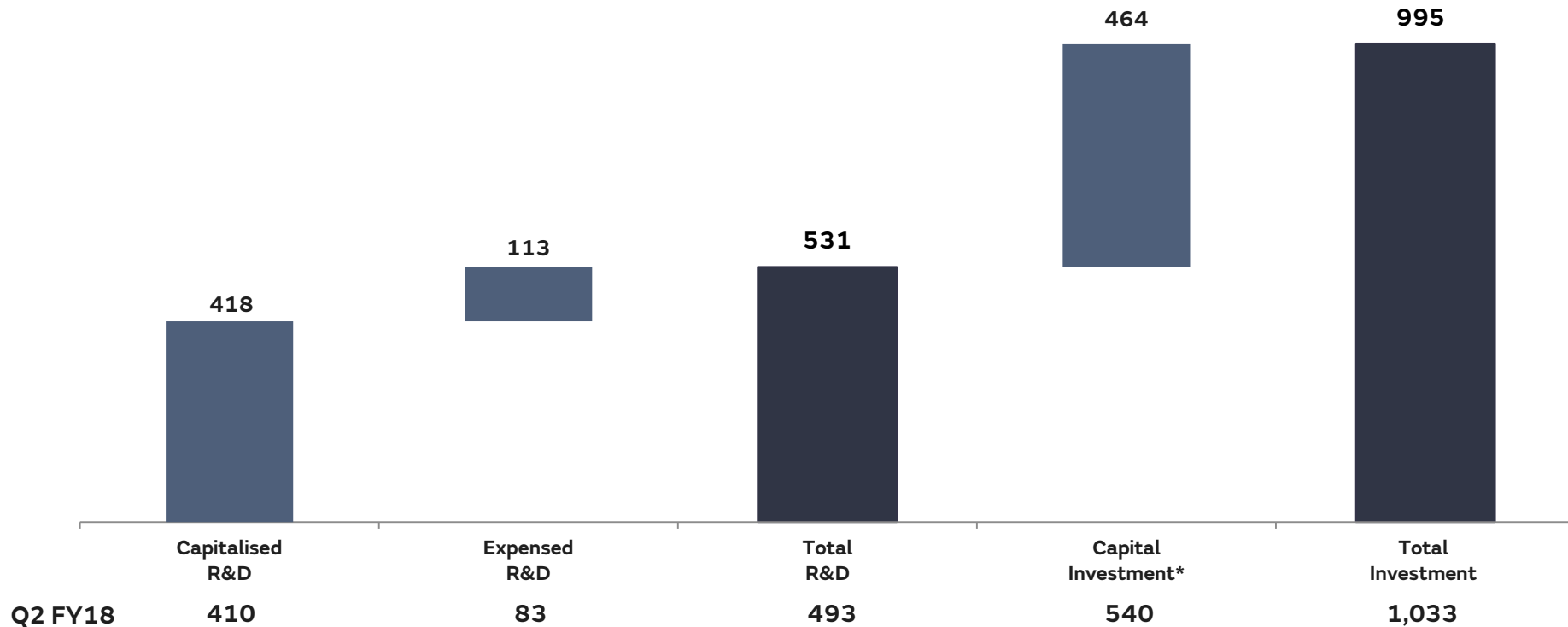
IFRS, £m



Investment spending £1b



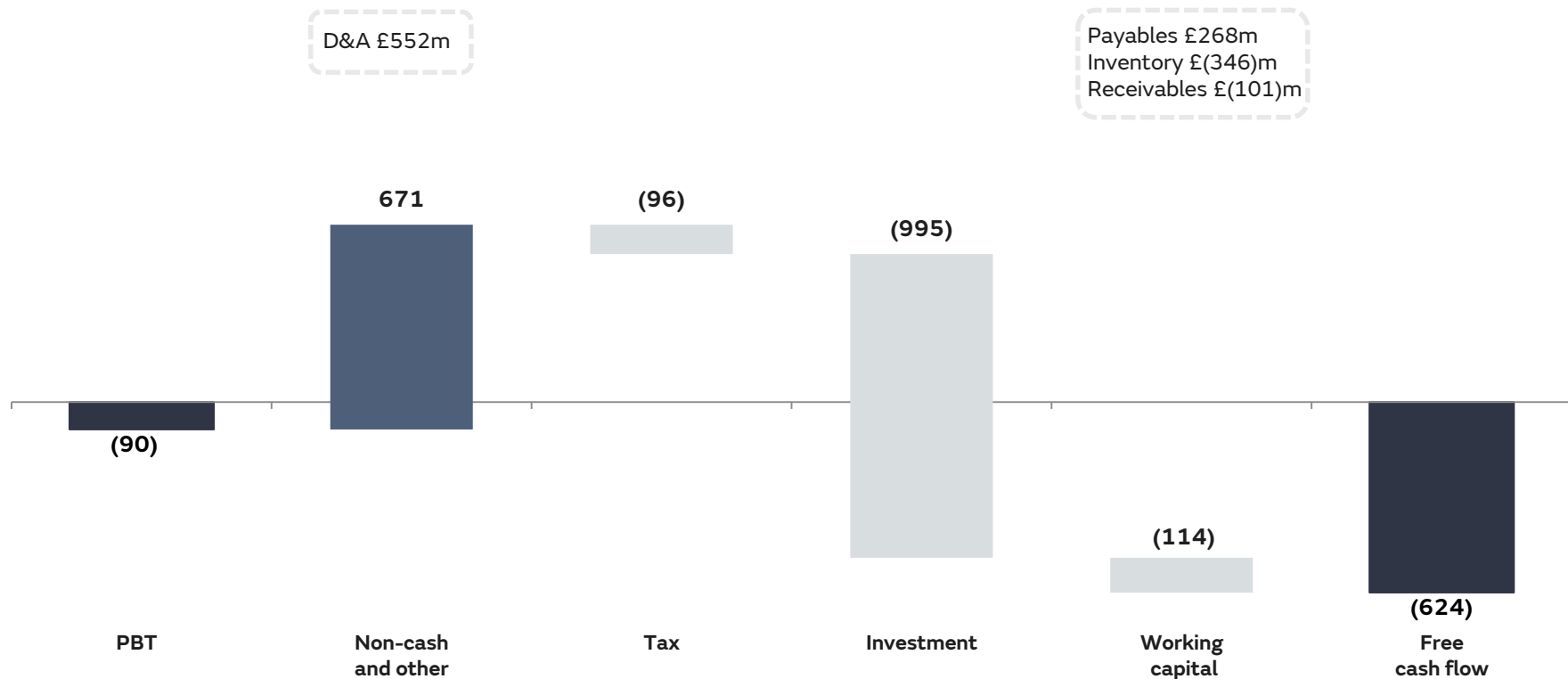
IFRS, £m



* Primarily plant, property and equipment of £456m

Q2 FY19

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

Q2 FY19

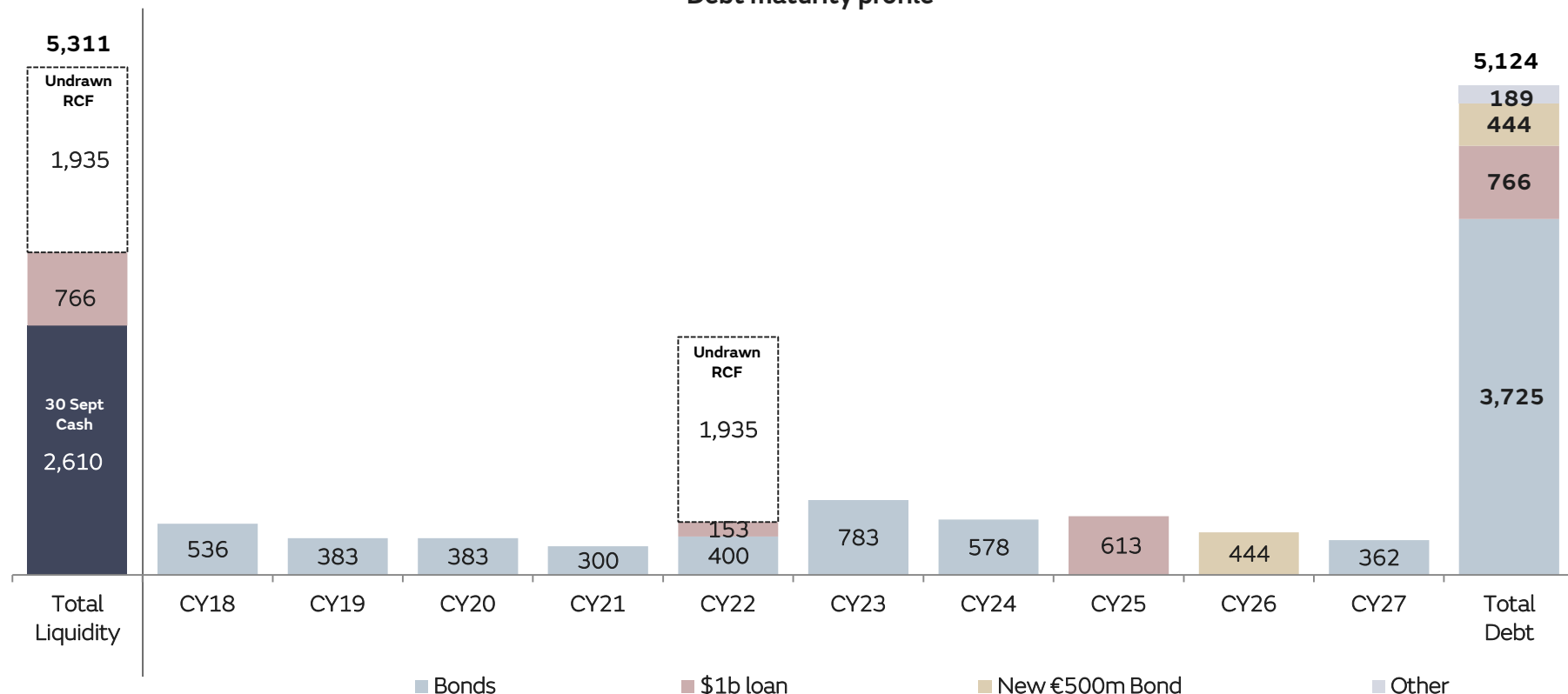
Proforma liquidity increased to £5.3b

Incl. €500m bond in Sept, \$1b loan drawn in Oct, undrawn RCF



Debt maturity profile

IFRS, £m





JLR TURNAROUND AND TRANSFORMATION PLANS

Turnaround and transformation plan launched

Response to more challenging market conditions



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



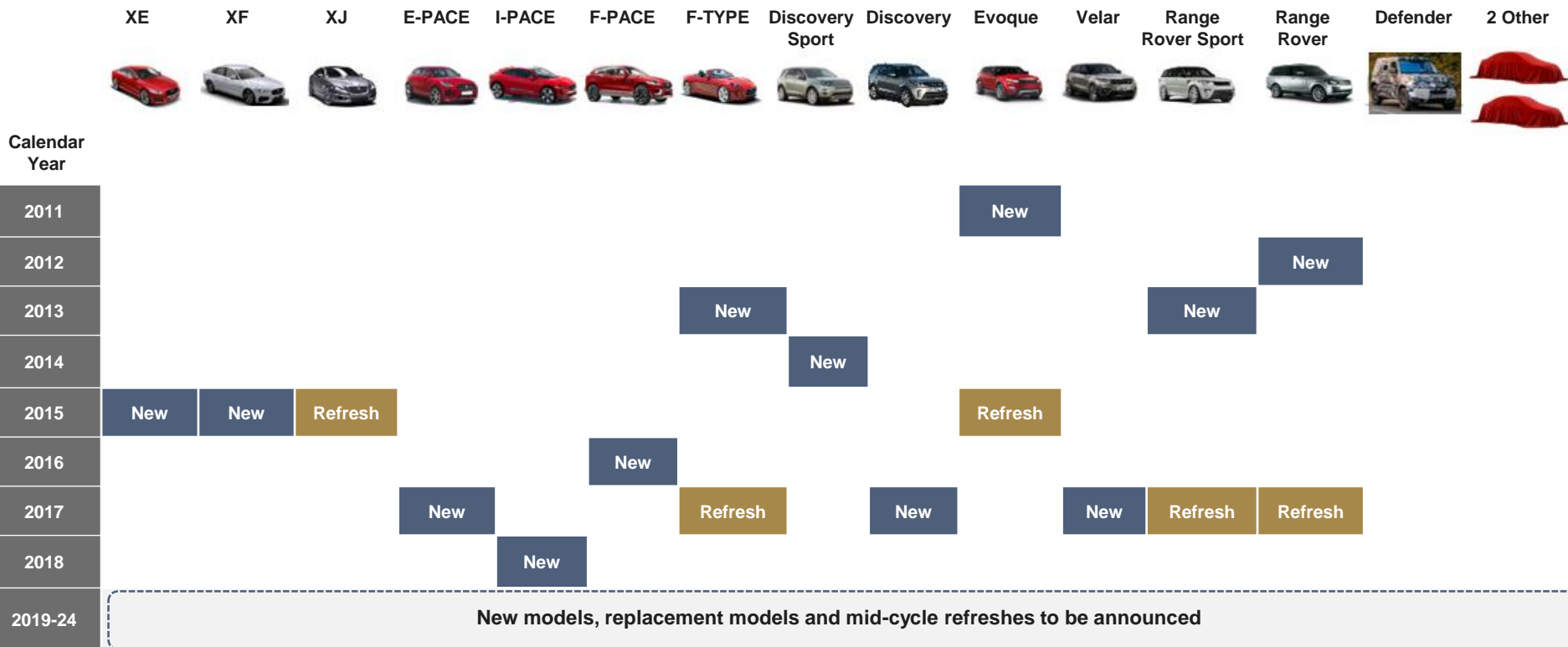
Turnaround plan required to succeed in this more challenging environment

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



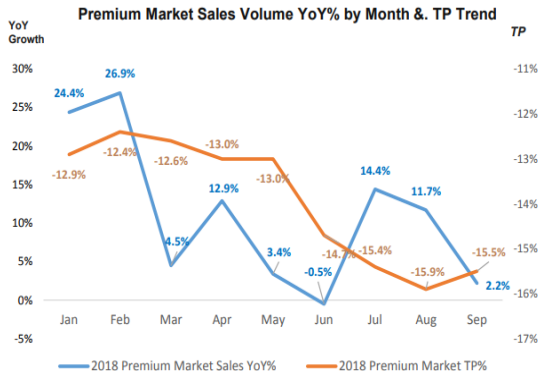
Resume profitable growth in China



Consumer Confidence



Source: National Bureau of Statistics



TP Data Source: CAM
Volume Data Source: Insurance Data

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

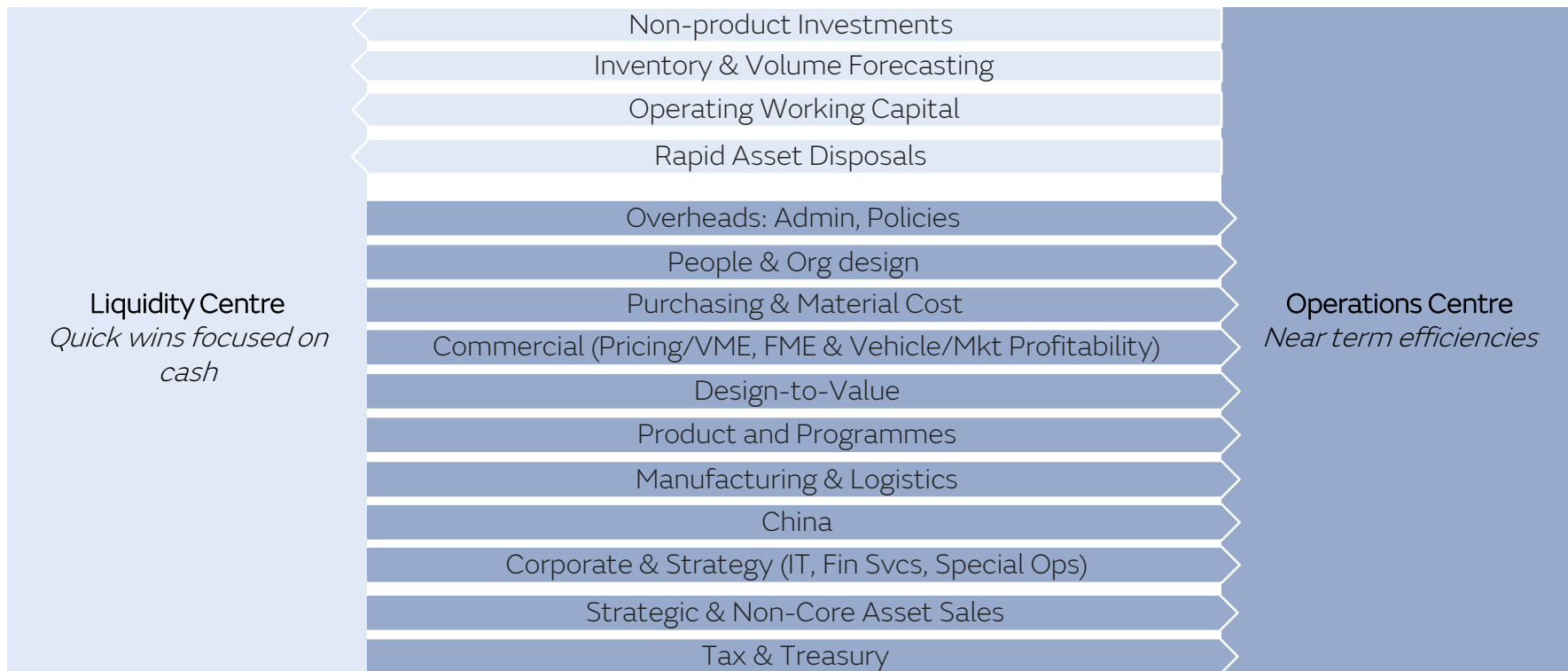


Implemented cash
benefits of £300m
in first 6 weeks

Targets for next 18 months

- Deliver £2.5b of cost, cash and profit improvements through FY20, broadly consisting of:
 - £1b investment (from £4.5b to £4b in FY19 and FY20)
 - £0.5b inventory and working capital reductions
 - £1b profit and cost actions

Project Charge workstreams and areas



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



‘Accelerate’ transformation initiatives

Focus on medium to long term



Enhance Sales performance

- Positioning, pricing and launch approach
- Customer value based product and feature offerings
- Customer marketing effectiveness
- Network coverage and enhancement
- Customer service and quality perception

Deliver competitive variable cost

- “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

Reduce delays and improve quality

- 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 programmes of work going forward



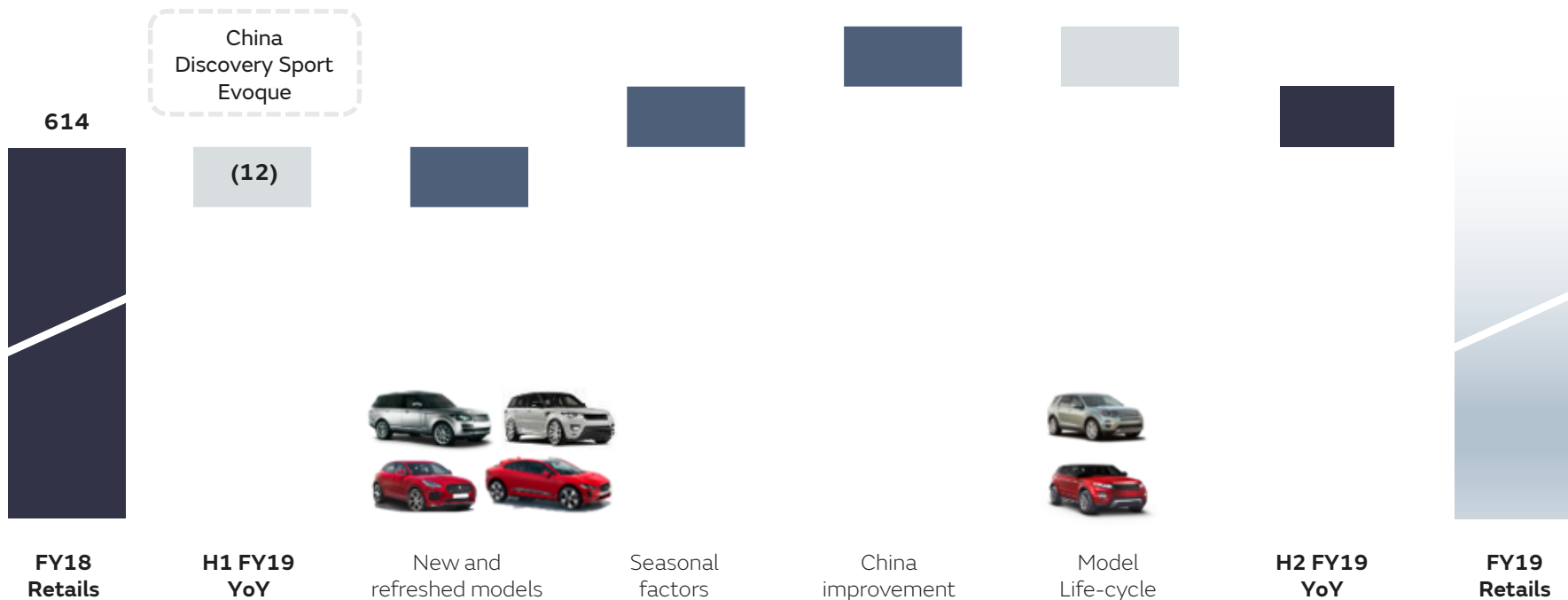
JLR OUTLOOK

Expect stronger sales in H2, flat full year

New and refreshed models, seasonality and China action plans

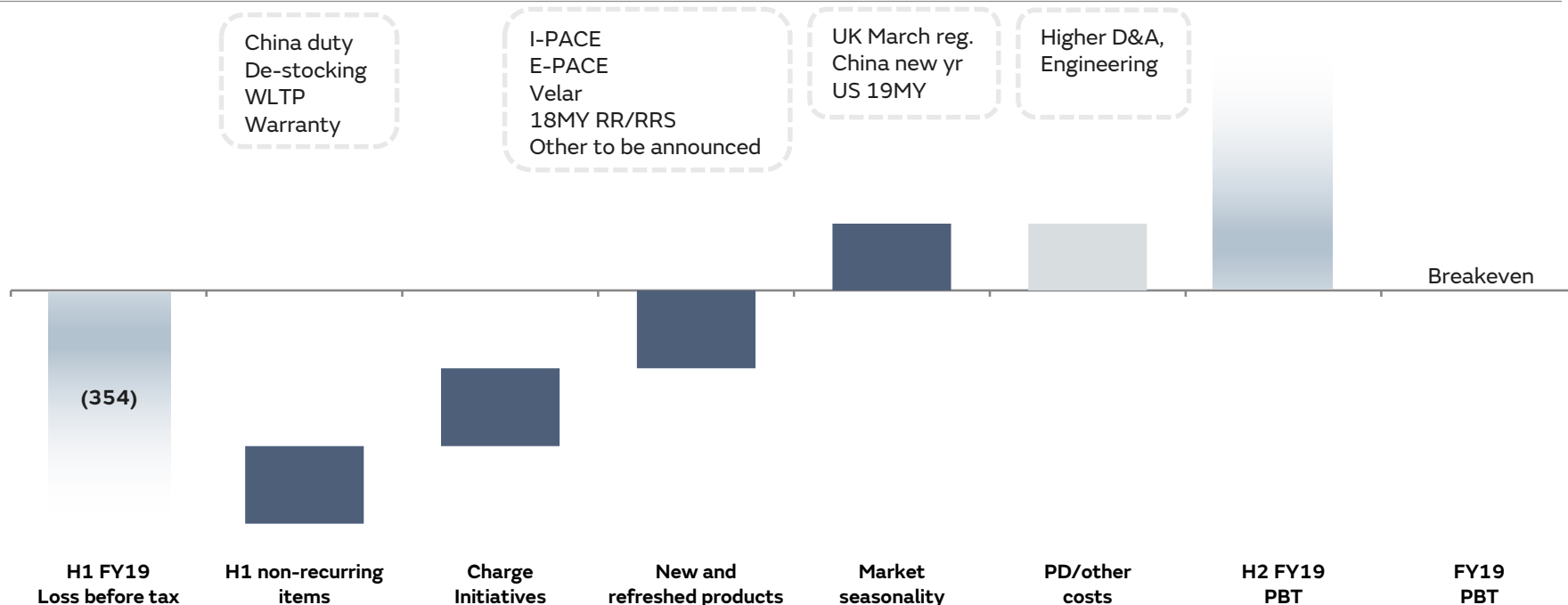


Units in '000



Expect improved EBIT in H2

Full year now about breakeven due to weaker China conditions

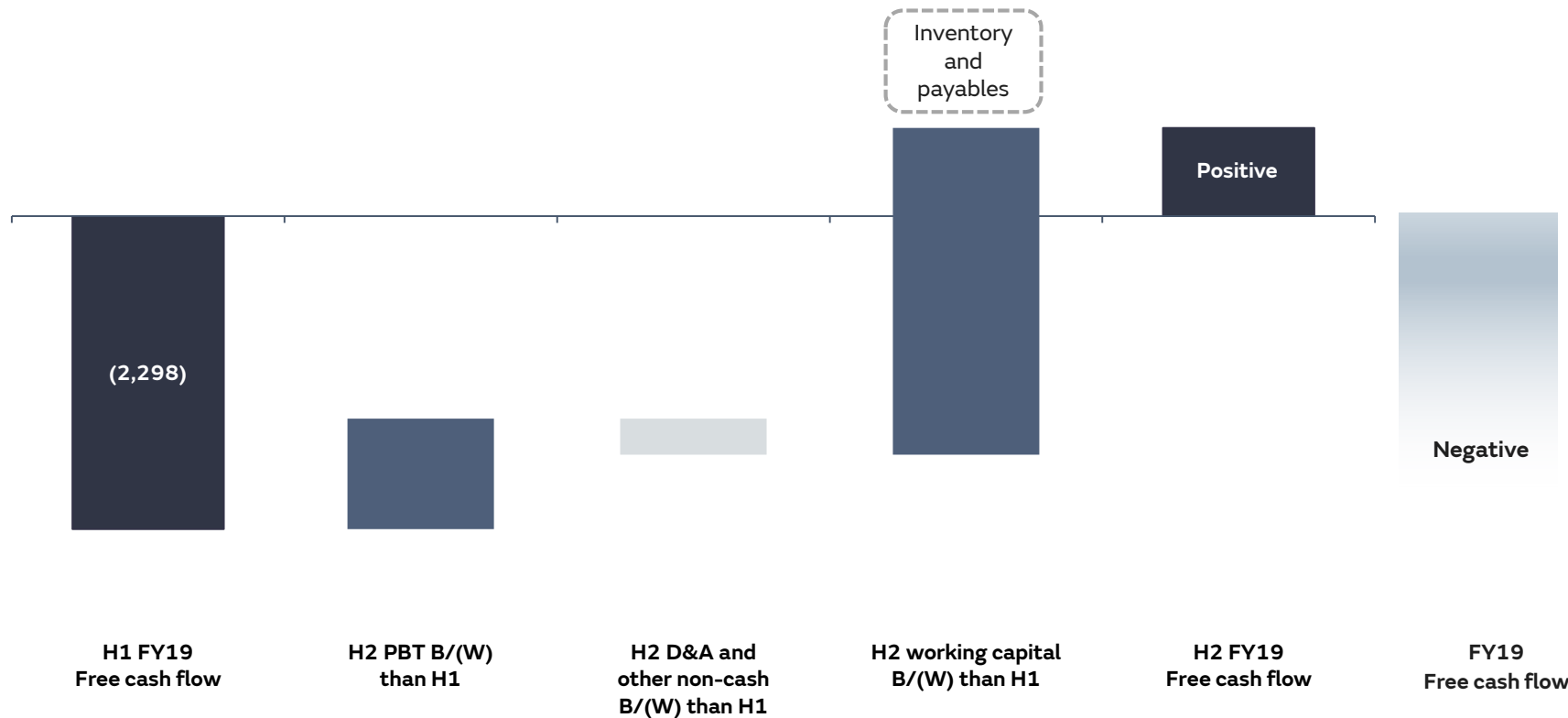


H2 improvement expected in Q4; Q3 expected to be relatively weaker due to production down time

Expect positive cash flow in H2, negative full year



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



Looking ahead



Global market conditions remain challenging with China being a significant concern	
Positives	Concerns
Lower import duties in China	Trade wars and macro headwinds in China Brexit, diesel (Europe and UK) and diesel taxes (UK) High incentives in the US, risk of tariffs

Response and outlook

- Unexpected sharp China slowdown results in disappointing FY19
- Expect to see improved H2 FY19 sales and profitability with positive FCF. Planning for flat growth rates and EBIT breakeven in FY19
- Project Charge launched to drive turnaround in JLR. Target £2.5b of profit opportunities and cash through FY20
- Investment curtailed to c. £4b in FY19 and FY20; 11-13% thereafter
- Planning for EBIT of 4-7% between FY20-21 and 7-9% thereafter

We are committed to competitive, consistent, cash accretive growth over the medium to long term



ADDITIONAL SLIDES

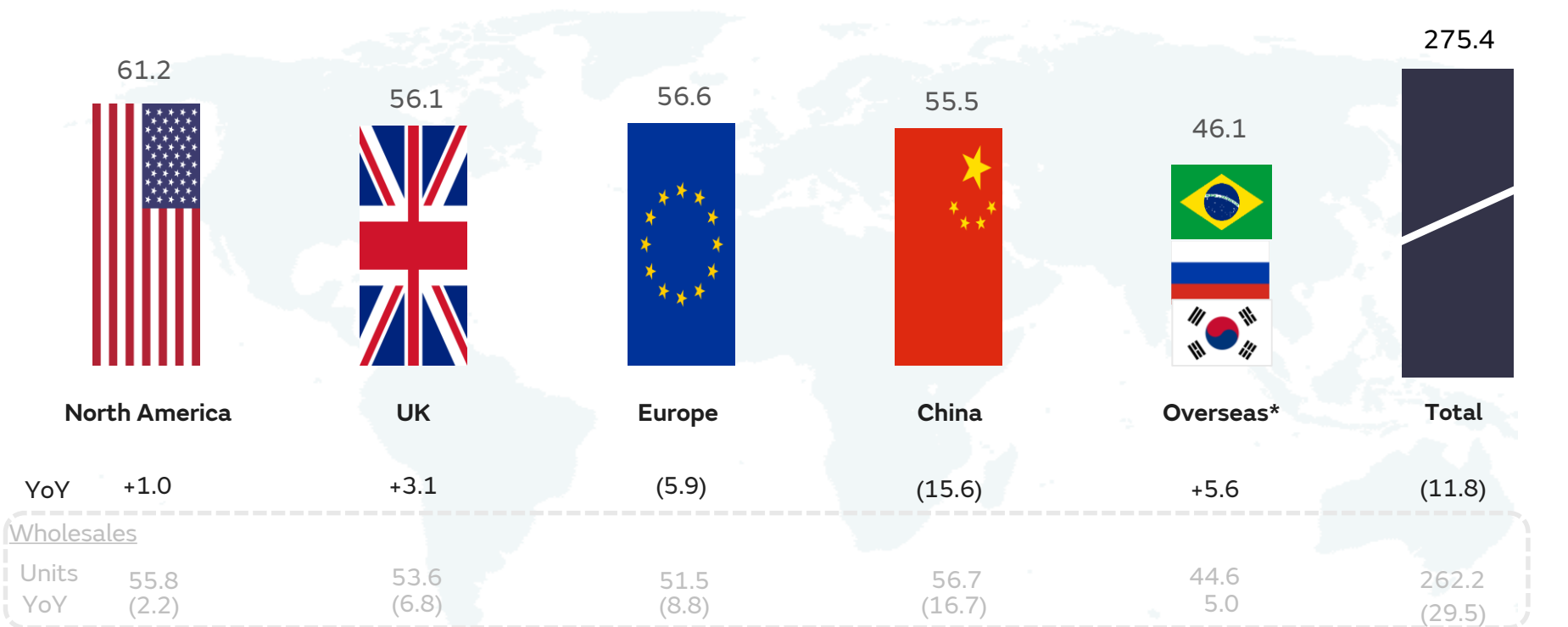
H1 FY19

Retails 275.4k, down 11.8 (4.1%)

Wholesales 262.2k, down 29.5 (10.1%)



Units in '000



Retail volumes include sales from Chery Jaguar Land Rover – 6M FY19 33,712 units, 6M FY18 42,037 units

Wholesale volumes include sales from Chery Jaguar Land Rover – 6M FY19 35,807 units, 6M FY18 42,436 units. For statutory reporting under IFRS, the Group recognises revenue on wholesales (excluding sales from CJLR) which totals 241,685 6M FY19 and 245,116 6M FY18. The Group recognises its 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

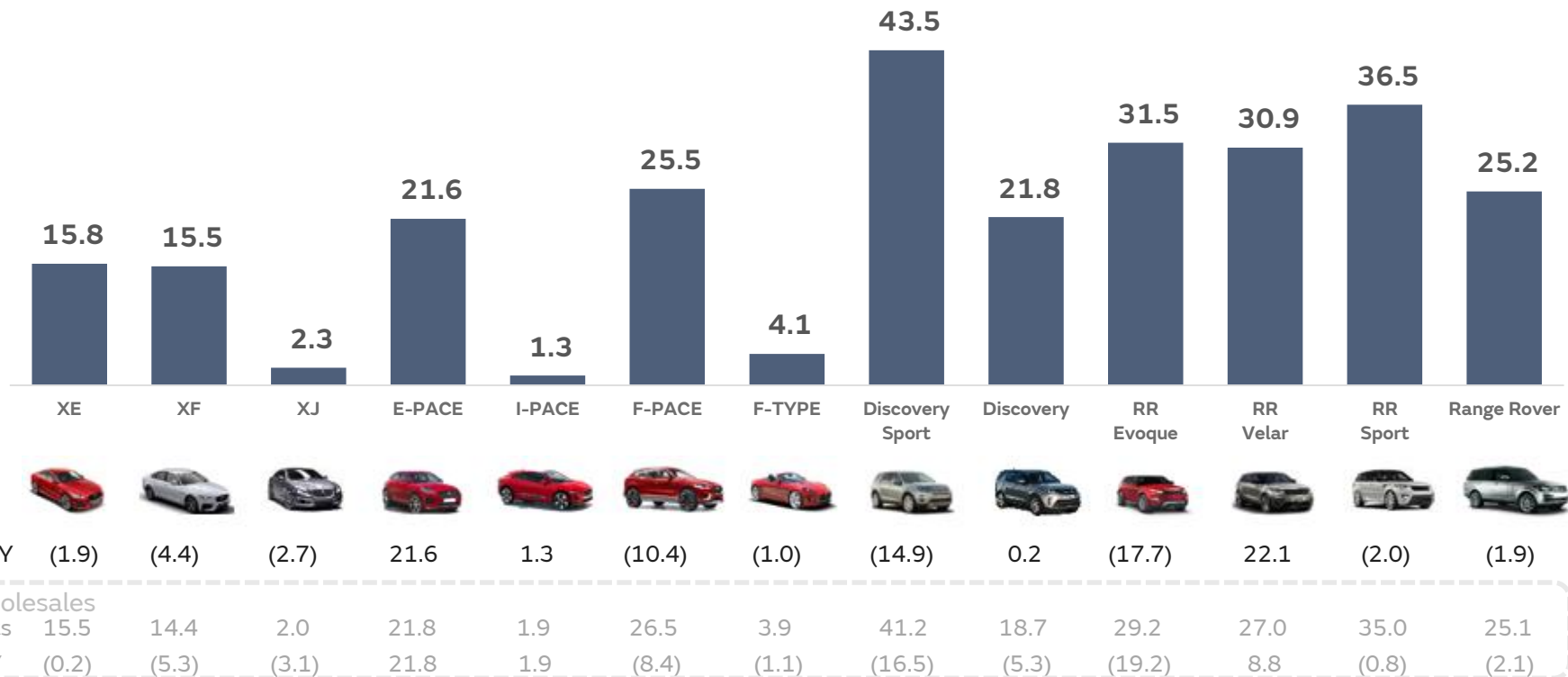
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Units in '000



Retail volumes include sales from Chery Jaguar Land Rover – H1 FY19 33,712 units, H1 FY18 42,037 units

Wholesale volumes include sales from Chery Jaguar Land Rover – H1 FY19 262,212 units, H1 FY18 291,686 units. For statutory reporting under IFRS, the Group recognises revenue on wholesales (excluding sales from CJLR) which totals 226,405 H1 FY19 and 249,250 H1 FY18. The Group recognises its share of profits from CJLR within EBIT.

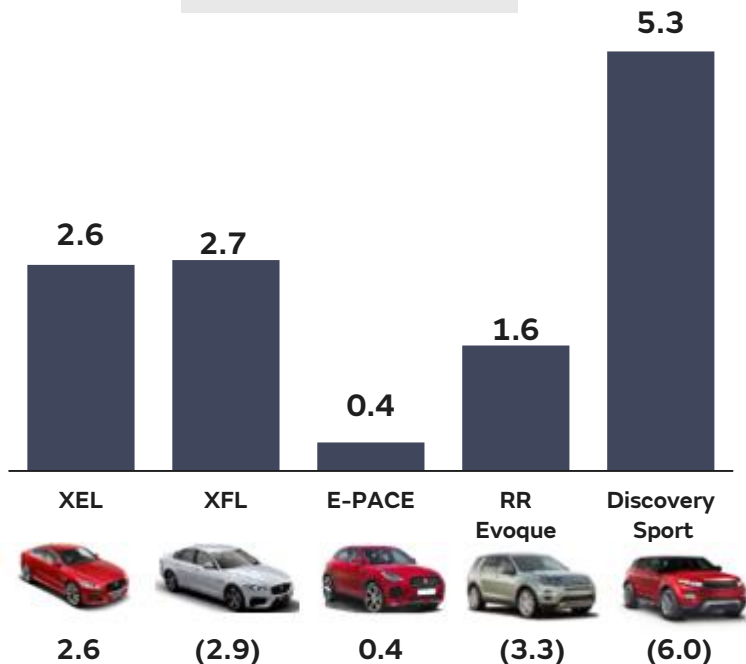
China JV retails 12.5k, 9.2k (42.3%) lower

XEL, E-PACE introduction offset by lower sales of other models



Units in '000

Retails

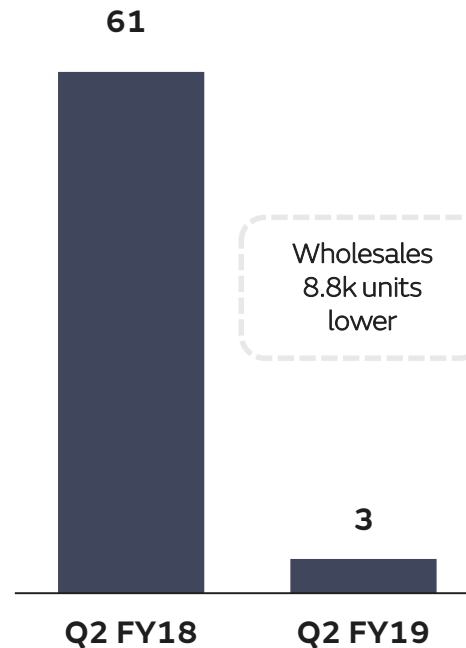


Wholesales 13.0 k (down 40.4%)

Units	2.3	2.7	1.5	1.3	5.2
YoY	2.3	(2.9)	1.5	(3.5)	(6.2)

JLR share of profit

IFRS, £m



Revenue £5.6b, loss before tax £90m



IFRS, £m

	Quarter ended 30 September			6 months ended 30 September		
	Q2 FY19	Q2 FY18	Change	6M FY19	6M FY18	Change
Retail volumes ('000 units)	129.9	149.7	(19.8)	275.4	287.2	(11.8)
Wholesale volumes ('000 units)	130.7	153.2	(22.5)	262.2	291.7	(29.5)
Revenues	5,635	6,322	(687)	10,857	11,921	(1,064)
EBITDA	511	746	(235)	836	1,188	(352)
EBITDA margin	9.1%	11.8%	(2.7 ppt)	7.7%	10.0%	(2.3 ppt)
EBIT	(38)	329	(367)	(232)	398	(630)
EBIT %	(0.7%)	5.2%	(5.9 ppt)	(2.1%)	3.3%	(5.5 ppt)
Profit before tax and exceptional items	(90)	382	(472)	(354)	515	(869)
Exceptional Items	-	-	-	-	438	(438)
Profit before tax	(90)	382	(472)	(354)	953	(1,307)
Profit after tax	(101)	306	(407)	(311)	758	(1,069)
Investment	995	1,033	(38)	2,061	2,028	33
Free cash flow (before financing)	(624)	(25)	(599)	(2,298)	(1,333)	(965)
Cash	2,610	3,923	(1,313)	2,610	3,923	(1,313)

The exceptional items impacting FY18 primarily relate to the £437m pension credit in Q1 FY18

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.

Revenue £5.6b, loss before tax £90m



IFRS, £m

	Quarter ended 30 September			6 months ended 30 September		
	Q2 FY19	Q2 FY18	Change	6M FY19	6M FY18	Change
Revenues	5,635	6,322	(687)	10,857	11,921	(1,064)
Material and other cost of sales	(3,559)	(4,001)	442	(6,925)	(7,566)	641
Employee costs	(704)	(662)	(42)	(1,437)	(1,318)	(119)
Other (expense) / income	(1,279)	(1,323)	44	(2,503)	(2,614)	111
Product development costs capitalised	418	410	8	844	765	79
EBITDA	511	746	(235)	836	1,188	(352)
Depreciation and amortisation	(552)	(478)	(74)	(1,101)	(928)	(173)
Share of profit / (Loss) from Joint Venture	3	61	(58)	33	138	(105)
EBIT	(38)	329	(367)	(232)	398	(630)
Undesignated debt/unrealised hedges MTM	(37)	71	(108)	(96)	147	(243)
Net finance (expense) / income and other	(15)	(18)	3	(26)	(30)	4
Profit before tax and exceptional items	(90)	382	(472)	(354)	515	(869)
Exceptional Items	-	-	-	-	438	(438)
Profit before tax	(90)	382	(472)	(354)	953	(1,307)
Income tax	(11)	(76)	65	43	(195)	238
Profit after tax	(101)	306	(407)	(311)	758	(1,069)

The exceptional items impacting FY18 primarily relate to the £437m pension credit in Q1 FY18

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.

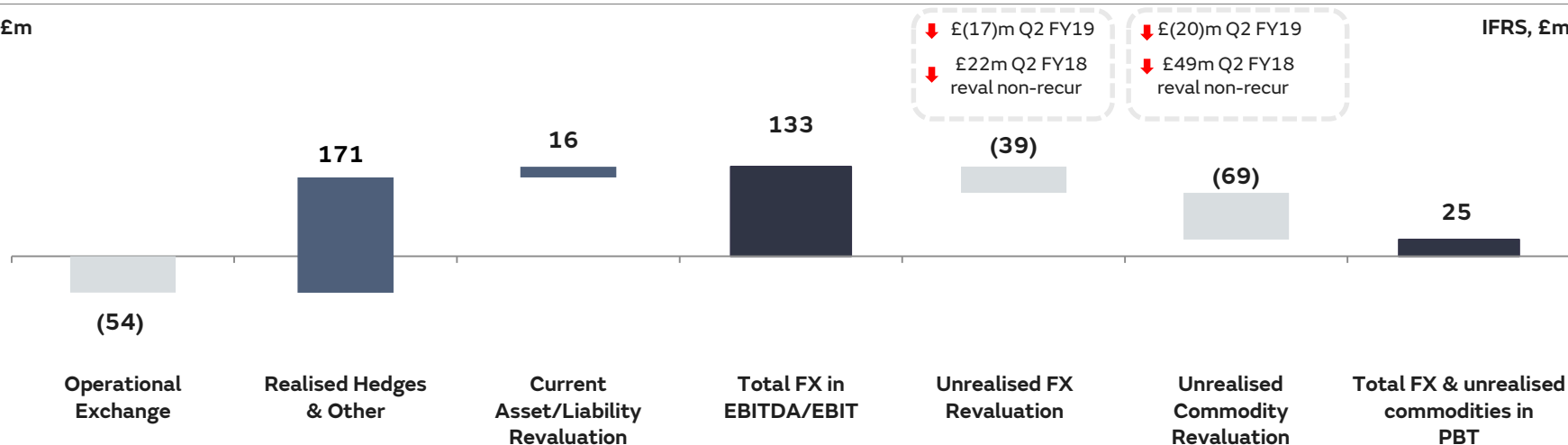
FX and unrealised commodities up £25m

Favourable net hedging offset by unfavourable revaluation



IFRS, £m

IFRS, £m



End of Period Rates

	Q2 FY18	Q1 FY19	Q2 FY19	YoY Change	QoQ Change
GBP:USD	1.340	1.311	1.306	(2.5%)	(0.4%)
GBP:EUR	1.137	1.128	1.124	(1.1%)	(0.4%)
GBP:CNY	8.908	8.692	8.985	0.9%	3.4%

Hedge Reserve (Pre-Tax)

	Q2 FY18	Q1 FY19	Q2 FY19
Current Portion	(793)	(562)	(397)
Non-Current Portion	(299)	(169)	(108)
Total	(1,092)	(731)	(505)

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IFRS, £m	Q2 FY19	YoY Change	QoQ Change
Operational exchange	n/a	(54)	9
Realised FX hedges and other	(165)	171	47
Revaluation of current assets and liabilities	9	16	65
Total FX impacting EBITDA & EBIT	n/a	133	121
Revaluation of unrealised currency derivatives	(11)	(17)	(1)
Revaluation of USD and Euro Debt	(6)	(22)	44
Total FX impact on PBT	n/a	94	164
Realised commodities (incl. in EBITDA & EBIT)	12	8	(4)
Unrealised commodities (excl. from EBITDA & EBIT)	(20)	(69)	(21)
Total Commodities impact on PBT (incl. in contribution costs)	(8)	(61)	(25)
Total pre-tax hedge reserve	505	587	227
Current portion of hedge reserve	(397)	396	165
End of Period Exchange Rates			
GBP:USD	1.306	(2.5%)	(0.4%)
GBP:EUR	1.124	(1.1%)	(0.4%)
GBP:CNY	8.985	0.9%	3.4%

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