



JAGUAR LAND ROVER

RESULTS FOR THE THREE MONTHS ENDED 30 JUNE 2016

26th AUGUST 2016

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 FY17 represents the 3 month period from 1 April 2016 to 30 June 2016
- Q1 FY16 represents the 3 month period from 1 April 2015 to 30 June 2015

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 excludes sales from the Company’s unconsolidated Chinese joint venture.

PARTICIPANTS



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AGENDA



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FINANCIAL PERFORMANCE

THREE MONTHS ENDED 30 JUNE 2016

Q1 FY17 FINANCIAL RESULTS

SOLID SALES VOLUMES AND REVENUE



- Retail sales of 132.7k, up 15.5%, compared to Q1 FY16
- Revenue of £5.5b, up from £5.0b
- PBT of £399m, down from £638m, primarily reflecting
 - higher volume and mix
 - higher depreciation and amortisation
 - non-recurrence of favourable FX revaluation in Q1 FY16 and unfavourable FX revaluation in Q1 FY17
 - £50m of further recoveries related to the Tianjin Port explosion
- Free cash outflow of £633m after £692m of total investment spending and £647m of seasonal and launch-related increases in inventory
- Cash and deposits of £3.7b and an undrawn revolving credit facility of £1.9b
- In August S&P raised JLR's credit rating from BB to BB+

KEY FINANCIAL METRICS

SOLID SALES VOLUMES AND REVENUE



(£ millions, unless stated)	Quarter ended 30 June		
	2016	2015	Change
Retail volumes ('000 units)	132.7	114.9	17.8
Wholesale volumes ('000 units) ¹	120.8	110.6	10.2
Revenues	5,461	5,002	459
EBITDA²	672	821	(149)
EBITDA %	12.3%	16.4%	(4.1 ppt)
Profit before tax and exceptional item	348	638	(290)
Exceptional item	51	-	51
Profit before tax	399	638	(239)
Profit after tax	304	492	(188)
Free cash flow (before financing)	(633)	(836)	203
Cash	3,749	3,258	491

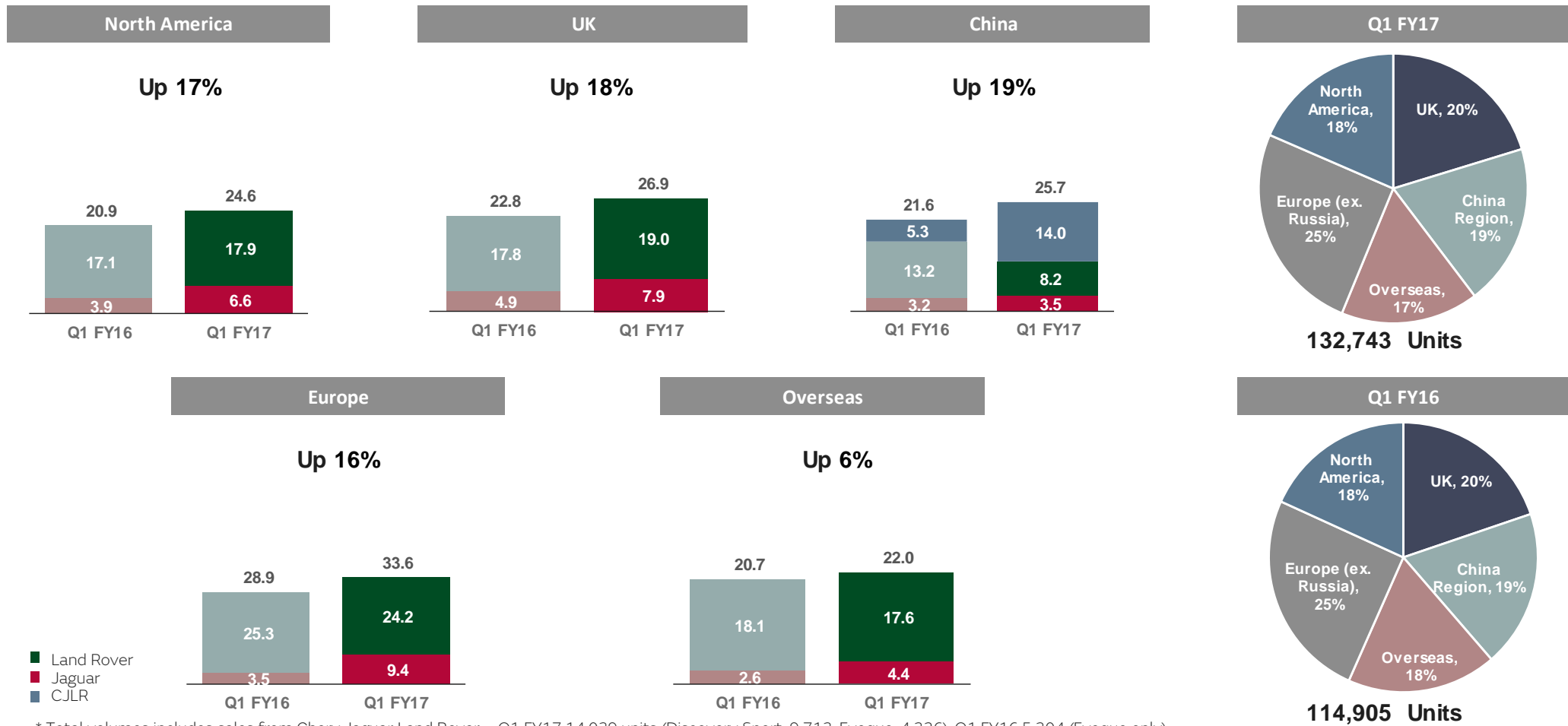
1) Excludes Chery Jaguar Land Rover – Q1 FY17 13,558 units, Q1 FY16 3,804

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

RECORD Q1 RETAIL SALES OF 132.7K UP 16% ALL REGIONS UP



Units in '000

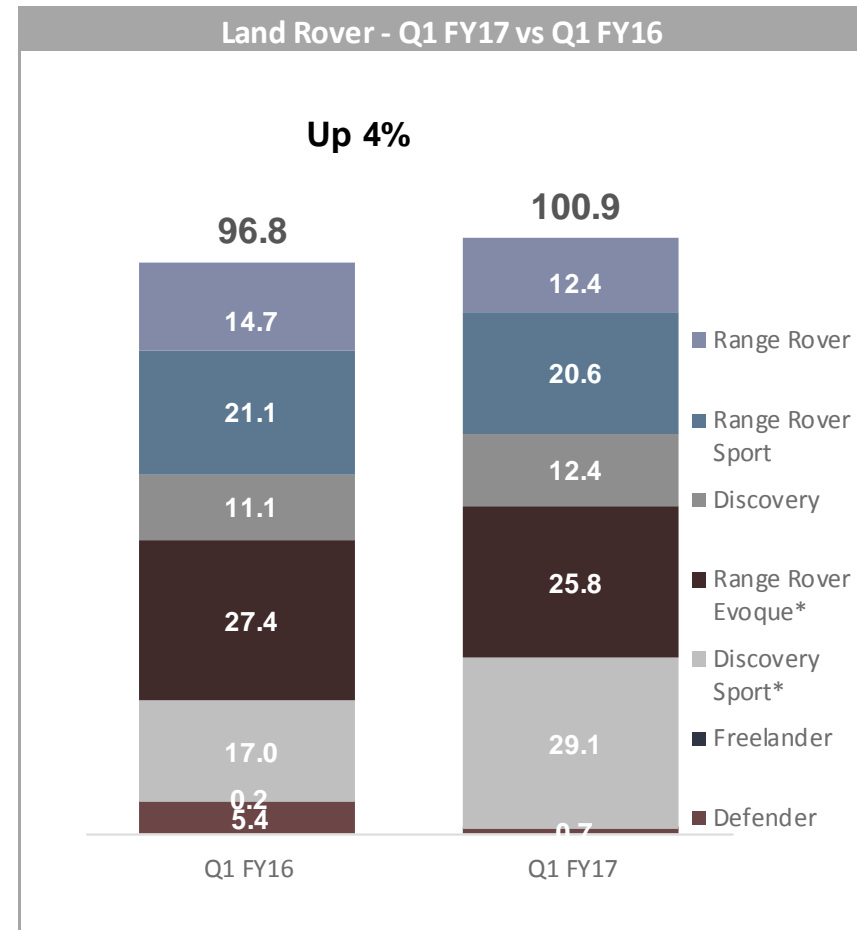
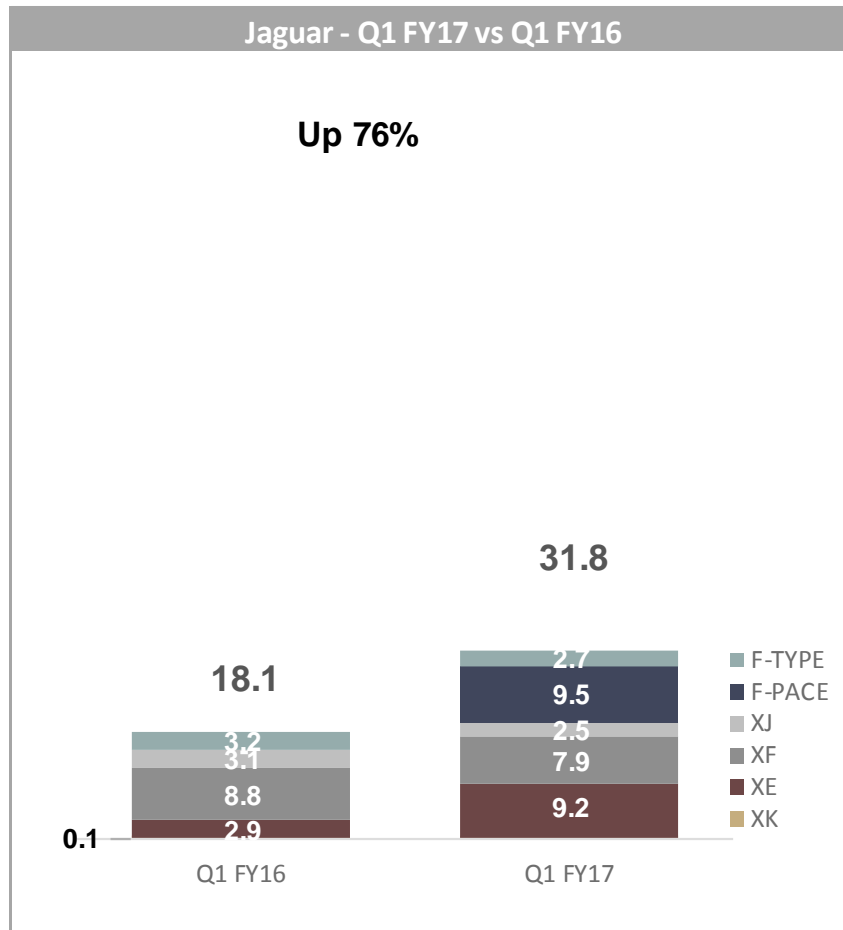


* Total volumes includes sales from Chery Jaguar Land Rover – Q1 FY17 14,039 units (Discovery Sport: 9,713, Evoque: 4,326); Q1 FY16 5,304 (Evoque only)

RECORD Q1 RETAIL SALES OF 132.7K UP 16% STRONG SALES OF F-PACE, XE AND DISCOVERY SPORT



Units in '000



* Total volumes includes sales from Chery Jaguar Land Rover – Q1 FY17 14,039 units (Discovery Sport: 9,713, Evoque: 4,326); Q1 FY16 5,304 (Evoque only)

KEY PROFIT DRIVERS

HIGHER SALES OFFSET PRIMARILY BY FX REVALUATION



- PBT of £399m, down from £638m in Q1 FY16 explained by:
 - Favourable volume and mix
 - Unfavourable FX revaluation (£291m) reflecting:
 - Favourable FX revaluation in Q1 FY16 (£205m -- mainly debt and unrealized hedges)
 - Unfavourable FX revaluation in Q1 FY17 (£86m -- mainly Euro Payables)
 - Lower local market incentive than in Q1 FY16
 - Higher depreciation and amortisation (£70m)
 - Favourable commodity revaluation (£55m)
 - Higher China JV profits (£51m)
 - Further recoveries related to the Tianjin Port explosion (£50m)
- EBITDA £672m (12.3% margin), down from £821m (16.4% margin) last year, primarily reflecting:
 - Favourable volume and mix
 - Unfavourable FX revaluation (YoY £118m -- mainly Euro payables) resulting from depreciation in the Pound following the BREXIT vote. Operating exchange net of hedges was about neutral
 - Lower local market incentive compared to Q1 FY16
- Excluding FX revaluation, the EBITDA margin in Q1 FY16 would have been about 14%

CASH FLOW

EBITDA FUNDS INVESTMENT BUT OFFSET BY INVENTORY



(£ millions, unless stated)	Quarter ended 30 June		Change
	2016	2015	
EBITDA	672	821	(149)
Working capital and non cash accruals*	(667)	(885)	218
Tax paid	(59)	(57)	(2)
Cash flow from operations	(54)	(121)	67
Investment in fixed and intangible assets	(607)	(712)	105
Finance income and other (includes FX revaluation)	28	(3)	31
Free cash flow (before financing)	(633)	(836)	203
Changes in debt	(92)	5	(97)
Finance expenses and fees	(27)	(25)	(2)
Dividends paid	(150)	(150)	-
Net change in cash & financial deposits	(902)	(1,006)	104

EXCITING NEW PRODUCTS

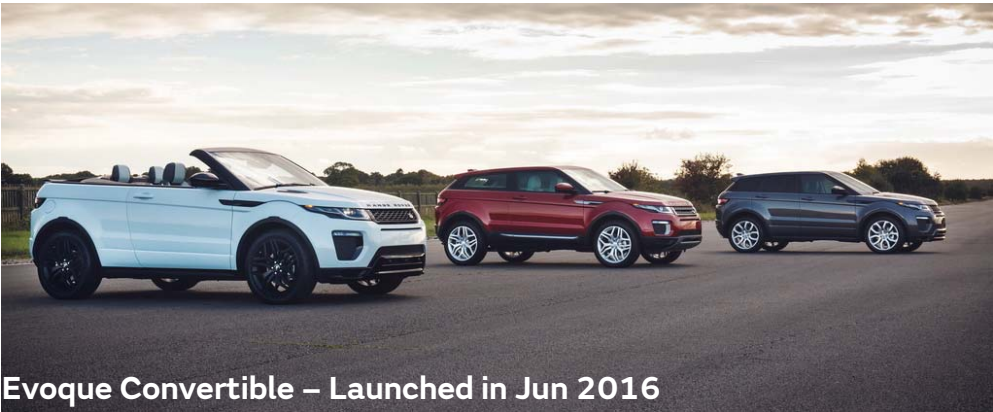
RECENT AND UPCOMING PRODUCTS TO DRIVE GROWTH



F-PACE – Launched in April 2016



XE – Launched in US May 2016

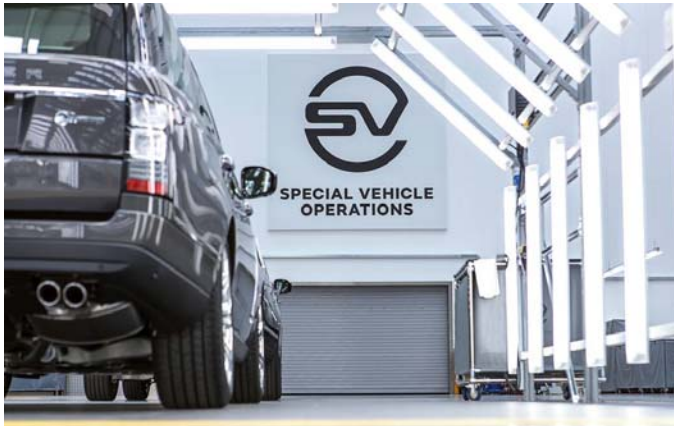


Evoque Convertible – Launched in Jun 2016



China JV XF L – Launching H2 2016

OTHER DEVELOPMENTS MANUFACTURING AND OPERATIONS



Special Vehicle Operations

- Brand new Technical Centre, near Coventry, representing a £20m investment
- Investment includes:
 - Manufacturing Facility
 - Paint Facility
 - Technical Suite
 - VIP Commissioning/Viewing Suites



Brazil plant

- Plant opened in June 2016
- Producing Range Rover Evoque and Discovery Sport
- Sales of locally produced vehicles beginning later this year



Halewood plant

- The Halewood plant, in Liverpool, earned two 'Manufacturer of the Year' awards during June
- 13 awards since 2011
- 5 years of production for the Range Rover Evoque with over 500k units produced to date

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 about 80% of vehicles outside the UK (24% Europe, 19% China, 19% US, 18% other)
- JLR sources over 40% of 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. 24%) 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%)

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 and JLR continues to expect investment spending to be in the region of £3.75b in FY17
- Jaguar Land Rover plans to continue to build on recent successful product launches with the sales ramp up of the Jaguar F-PACE , XF long wheel base in China, the Evoque Convertible and future new model launches yet to be announced
- We will continue to closely monitor and assess market conditions in the UK and EU post Brexit as well as in China as the target GDP growth rate comes down
- The new products are expected to drive solid profitable volume growth for JLR going forward and operating cash flow to help fund ongoing investment



Q&A

KENNETH GREGOR
CFO, JAGUAR LAND ROVER



Thank You

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ADDITIONAL SLIDES

INCOME STATEMENT

SOLID SALES VOLUMES AND REVENUE



(£ millions, unless stated)	Quarter ended 30 June		
	2016	2015	Change
Revenues	5,461	5,002	459
Material and other cost of sales	(3,227)	(2,906)	(321)
Employee costs	(605)	(552)	(53)
Other (expense) /Income ⁽¹⁾	(1,279)	(1,038)	(241)
Product development costs capitalised	322	315	7
EBITDA	672	821	(149)
Depreciation and amortisation	(388)	(318)	(70)
Undesignated debt/unrealised hedges MTM ⁽²⁾	31	149	(118)
Net finance (expense) / income and other	(12)	(8)	(4)
Share of profit / (Loss) from Joint Venture	45	(6)	51
Profit before tax and exceptional item	348	638	(290)
Exceptional item	51	-	51
Profit before tax	399	638	(239)
Income tax expense	(95)	(146)	51
Profit after tax	304	492	(188)

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

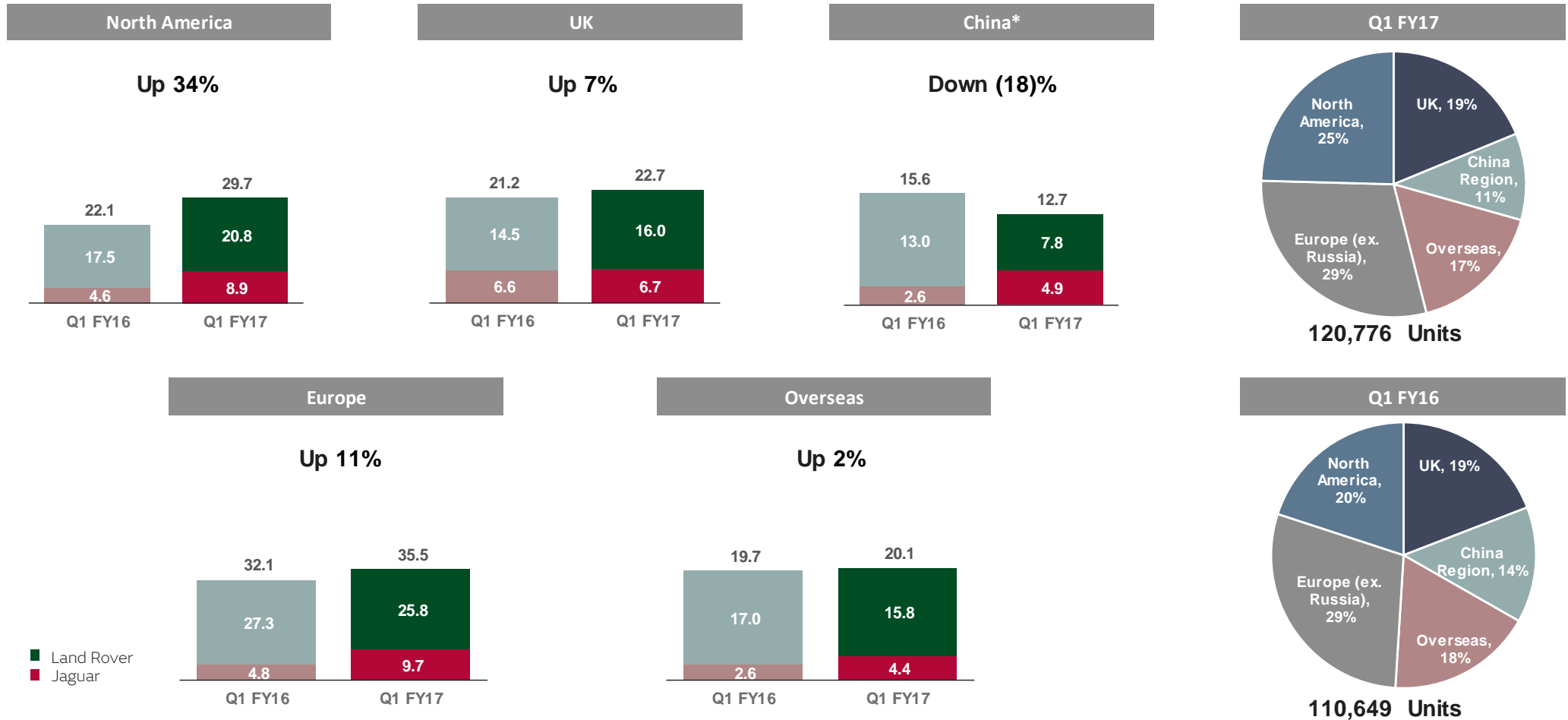
2) Includes mark to market of unrealised FX options (time value) and commodity hedges and revaluation of foreign currency debt

WHOLESALE VOLUMES BY GEOGRAPHY Q1 FY17

120,776 UNITS, UP 9% YEAR-ON-YEAR



Units in '000

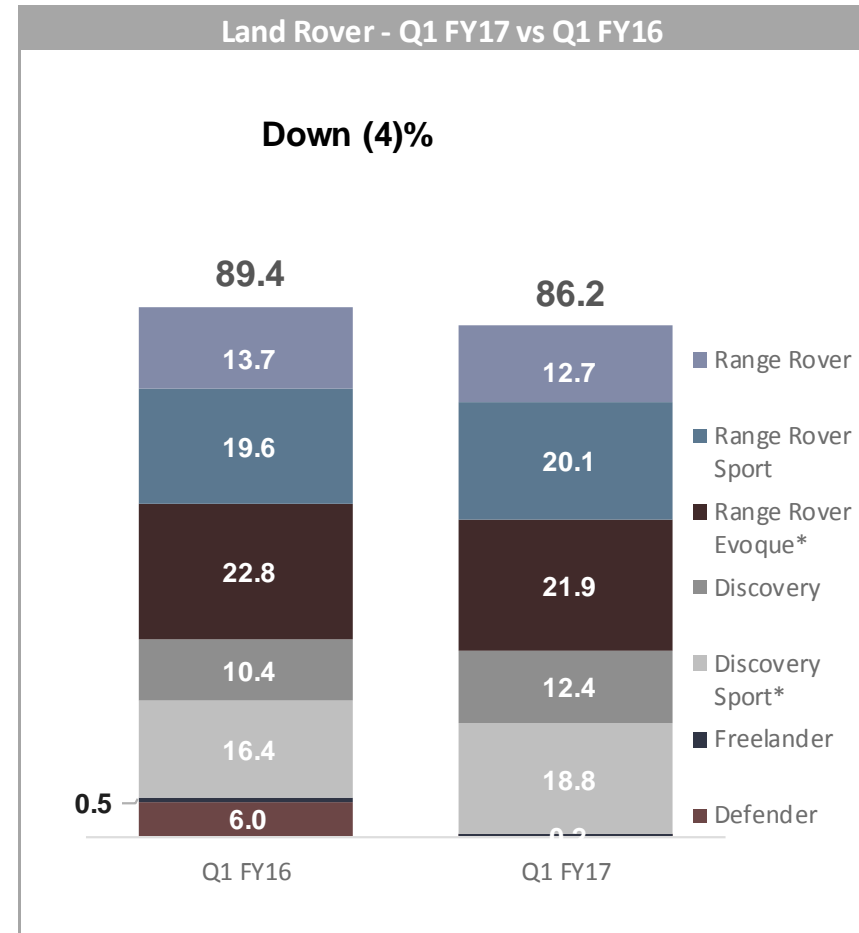
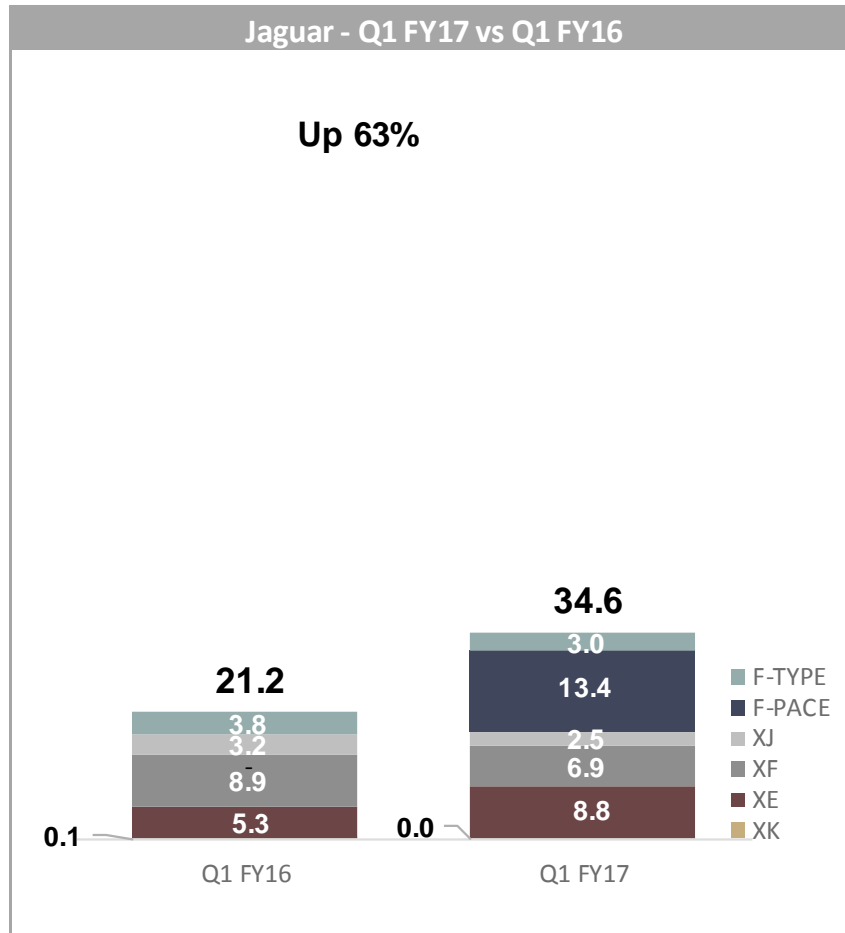


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WHOLESALE VOLUMES BY CARLINE Q1 FY17 STRONG SALES OF F-PACE, XE AND DISCOVERY SPORT



Units in '000



* Total volumes excludes sales from Chery Jaguar Land Rover – Q1 FY17 13,558 units. Q1 FY16 3,804

FINANCING STRUCTURE

STRONG LIQUIDITY



(£ millions, unless stated)	As at 30 June		Change
	2016	2015	
Cash and cash equivalents	2,447	2,021	426
Financial deposits	1,302	1,237	65
Cash and financial deposits	3,749	3,258	491
Undrawn 5 years revolving credit facilities	1,870	1,485	385
Total liquidity	5,619	4,743	876
Total equity	6,457	7,231	(774)
Total debt ²	(2,514)	(2,458)	(56)
Net cash	1,235	800	435
Total debt/EBITDA ¹	0.8x	0.6x	0.2 x
Total debt/equity	0.4x	0.3x	0.1 x

1) Total debt includes outstanding bonds net of amortised fees, short term financing and finance leases

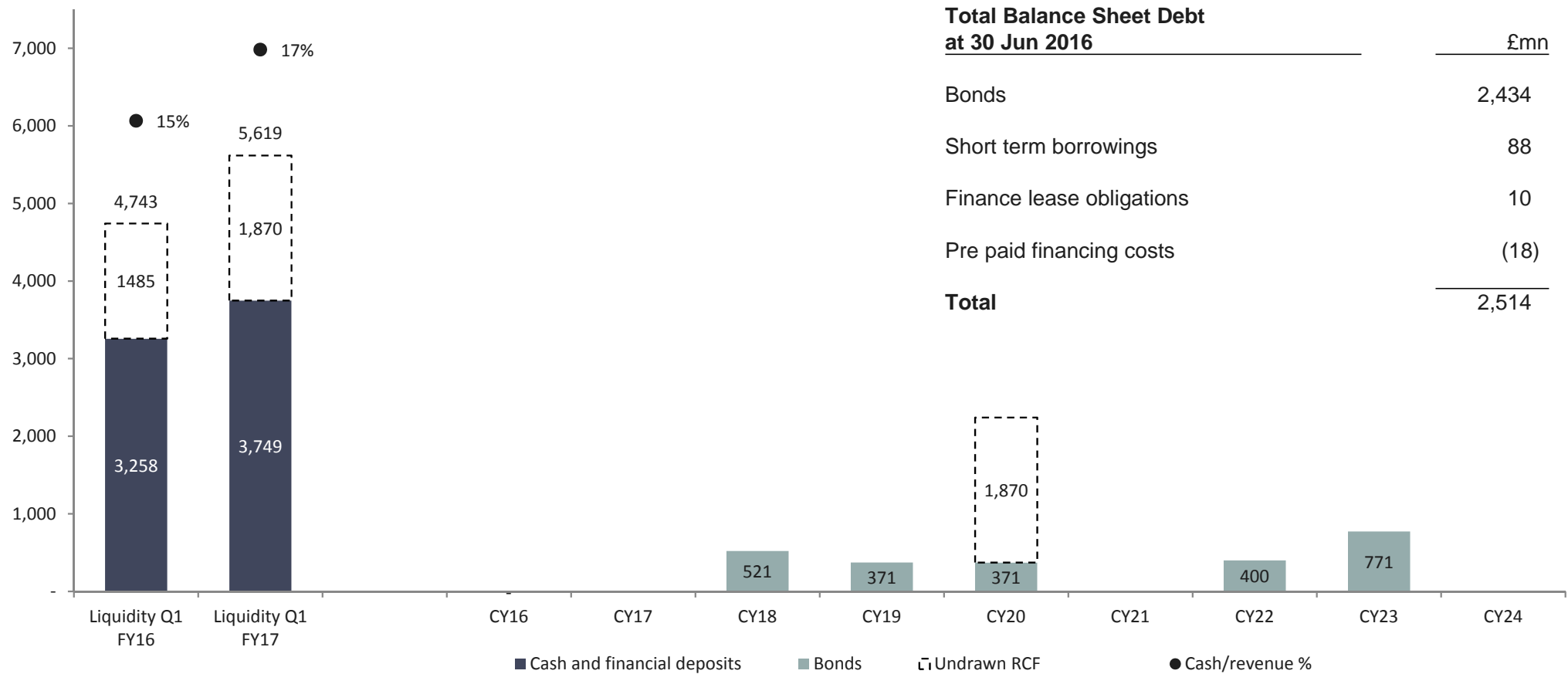
2) EBITDA stated on a rolling 12 month basis

FINANCING STRUCTURE

STRONG LIQUIDITY



£ million



The debt above reflects the face value of outstanding indebtedness but excludes prepaid (capitalised) issuance costs of £18m and finance leases of £10m.

PRODUCT AND OTHER INVESTMENT CAPITAL EXPENDITURE TO GROW THE BUSINESS



(£ millions, unless stated)	Quarter ended 30 June		Change
	2016	2015	
R&D expense			
Capitalised	322	315	7
Expensed	85	64	21
Total R&D expense	407	379	28
Investment in tangible and other intangible assets	285	397	(112)
Total product and other investment	692	776	(84)
Capital investment as % of revenue	12.7%	15.5%	(2.8 ppt)
Of which capitalised	607	712	(105)

FX HEDGING AND REVALUATION (EXCLUDING OPERATIONAL EXCHANGE)



(£ millions, unless stated)	Quarter ended 30 June			
	2016		2015	Change
Realized FX Hedges ¹	(123)		(109)	(14)
Revaluation of Current Assets/Liabilities and Other ²	(84)		34	(118)
Total FX impacting EBITDA (excluding operational exchange)	(207)		(75)	(132)
Revaluation of Undesignated Debt ²	(23)		99	(122)
Unrealized FX Hedges ²	21		72	(51)
Total FX below EBITDA	(2)		171	(173)
Total FX impact on PBT	(209)		96	(305)
<i>Total FX Revaluation (included above)</i>	<i>(86)</i>		<i>205</i>	<i>(291)</i>
End of Period Exchange Rates	30-Jun-16	Q-o-Q	30-Jun-15	Q-o-Q
<i>GBP:USD</i>	<i>1.346</i>	<i>(6.2%)</i>	<i>1.570</i>	<i>6.4%</i>
<i>GBP:EUR</i>	<i>1.211</i>	<i>(4.2%)</i>	<i>1.406</i>	<i>2.4%</i>
<i>GBP:CNY</i>	<i>8.965</i>	<i>(3.4%)</i>	<i>9.743</i>	<i>6.5%</i>

Memo:
¹ Realised hedge gains/(losses) are driven by the difference between executed hedging exchange rates compared to accounting exchange rates
² Exchange revaluation gains/(losses) reflect the movement in each end of period exchange rate reflect the estimated impact of the change in end of period exchange rates as applied to the respective balances