



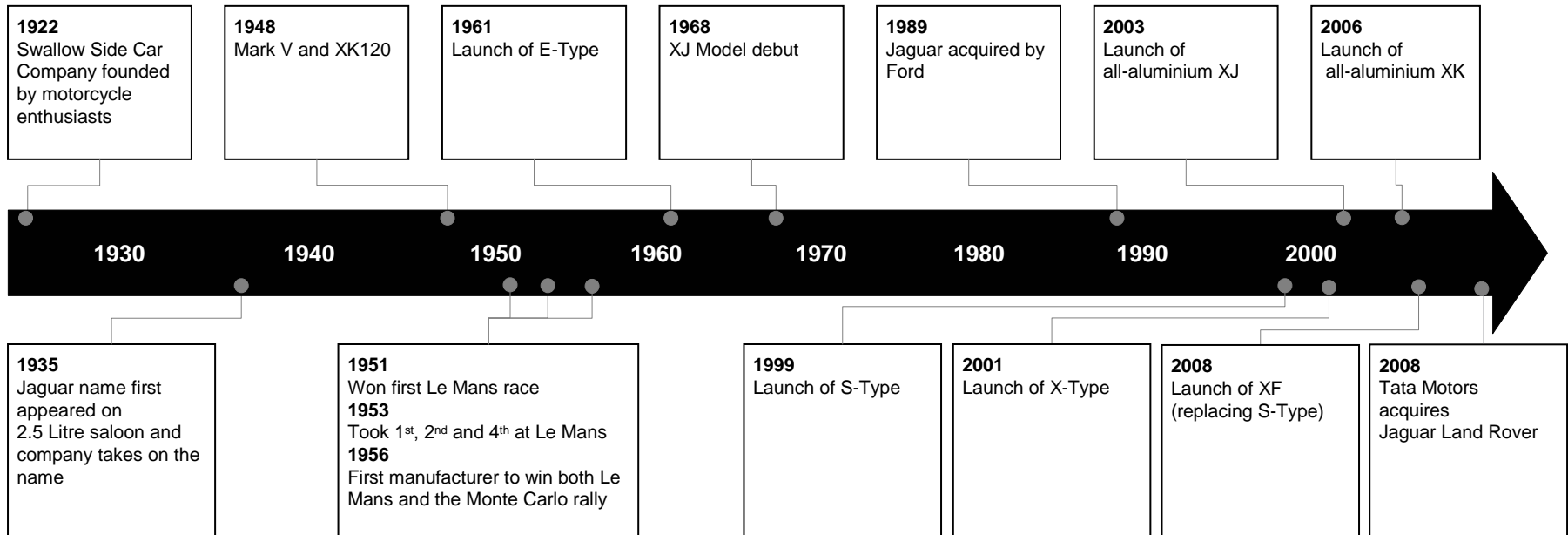
# Introducing Jaguar Land Rover



- One global premium automotive business, two great British car brands
- Global sales of around 300,000 units, across 169 countries
- Global revenue \$15 billion – up over 50% in five years
- Nine car lines, designed, engineered and manufactured in the UK
- 16,000 talented and passionate employees

**Tata has purchased a transformed business with a brilliant future**

# Jaguar: inspired by its sporting legends but looking to the future



# Land Rover: after 60 years, delivering the finest ever all-terrain vehicles



**1948**  
First Land Rover, the Series I, was produced in Solihull

**1970**  
Range Rover introduced as the first genuinely multi-purpose vehicle

**2000**  
Land Rover acquired by Ford

**2004**  
New Discovery model launched – most awarded SUV with over 100 industry & media awards around the world

**2007**  
Launch of Freelander/ LR2 and New Defender powertrain

1950

1960

1970

1980

1990

2000

**1989**  
Launch of Discovery

**1997**  
Freelander launched

**2001**  
New Range Rover launched

**2005**  
Range Rover Sport launched

**2008**  
Tata Motors acquires Jaguar Land Rover

# One global business, two great brands



- Over the last five years we have managed Jaguar Land Rover as a single integrated business with two great brands
- All customer facing activities have dedicated, brand-specific teams led by brand MD's with complementary global distribution networks
- Two award-winning design teams led by Ian Callum and Gerry McGovern supported by cross-functional vehicle development activities
- Single engineering team, sharing premium technologies, features and powertrains within co-managed engineering facilities
- All back-office functions increasingly integrated – Purchasing, HR, IT, Finance, Quality – driving for efficient, common business processes
- Vehicle assembly and stamping at three UK locations

**Provides increasing flexibility and scale  
whilst maintaining a laser-like focus on the brands**

# Business transformed over last five years



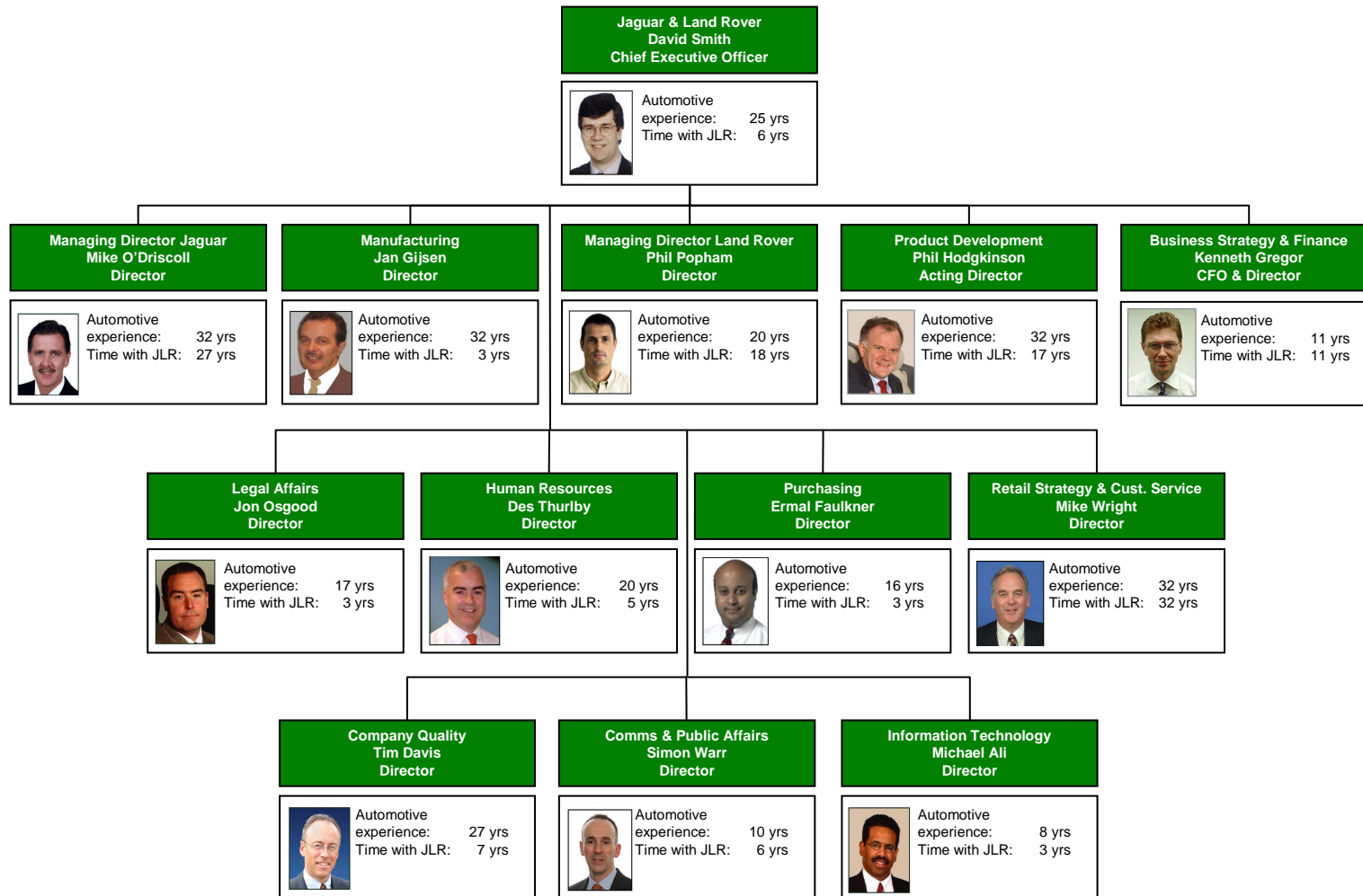
## Jaguar

- Cessation of vehicle assembly operations at Browns Lane
- Halewood shared with Land Rover
- Workforce rationalisation
  - > c.1,900 employees 2004-2007
- Working capital actions (stock reductions – dealer and company)
- Back-office integration with Land Rover – SG&A efficiencies
- Residual value management
- Engineering efficiencies
- Material cost reductions
- Launched new range of diesel engines
- Refocused marketing and communications around Beautiful Fast Cars
- Launch of XK & XF and more in pipeline
- Significant improvement in underlying results, net revenues and cost structure

## Land Rover

- Improved efficiency and quality at Solihull
- Workforce rationalisation
  - > c.2,200 employees 2004-2007
- Working capital actions (stock reductions – dealer and company)
- Engineering efficiencies
- Material cost reductions
- Adoption of Jaguar petrol engines and new range of diesel engines with Jaguar
- Launch of new Discovery, Range Rover Sport and new Freelander
- Growth in new markets – Russia, China
- Quality improvement actions
- Profitable for the last three years

# An experienced management team is leading delivery of the transformation



# JLR has excellent UK facilities



## Halewood

- X-Type & Freelander
- Stamping, Body & Assembly
- 2,000 Employees
- Very successful turnaround
- Highest Ford FPS and Quality Awards
- JD Power European Gold Plant Award (2005)

## Castle Bromwich

- XK, XJ, XF
- Stamping, Body & Assembly
- 2,600 Employees
- Many quality and FPS awards
- Also Browns Lane (Veneer Centre) in Coventry

## Solihull

- Range Rover, Range Rover Sport, Discovery, Defender
- Stamping, Body & Assembly including Europe's largest Press (5-stage transfer press)
- 5,600 Employees



## Whitley

- Design and Engineering Centre
- 1,900 Employees

## Gaydon

- Global JLR headquarters
- Design and Engineering Centre
- M&S and Staff functions
- 2,900 Employees

### Memo:

- Overseas M&S: 1,000 employees in 25 national sales companies

## Manned Capacity (000s)

• Halewood	89
• Castle Bromwich	65
• Solihull	<u>153</u>
<b>Total</b>	<b><u>307</u></b>

- All products designed, engineered and assembled in the UK
- A significant part of UK's automotive R&D and a major employer and exporter

# A growing technical capability



- Comprehensive vehicle Product Development capability
  - > 5 new models in last 5 years
- Petrol engine engineering and powertrain application capability for petrol and diesel
- Product Development staff c.3,400
- Flexibility to balance resources across product portfolios at different stages of their life cycles
- An industry leader in aluminium body structure and all-terrain technology
- Leveraging architectures for multiple vehicles
- Growing advanced research capability
- Winners of 2008 Queen's Award for Innovation for Land Rover Terrain Response System

# A comprehensive sustainability / CO<sub>2</sub> plan

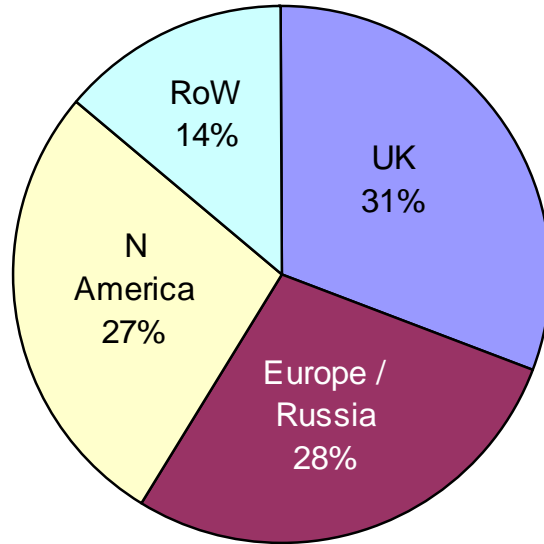


- **Future legislation is uncertain:**
  - > Mandatory EU standards proposed for 2012 based on weight, to achieve overall industry average of 130 g, specifics still being negotiated including timing and compensation arrangements
  - > Potential niche producer derogation / caps under discussion
  - > Pooling may be allowed but in practice will be at margin
- **Total industry challenge:**
  - > All premium brands have similar challenges
  - > History shows industry / regulators can reach workable solutions
  - > Market / competitive forces growing
- **We are taking it very seriously:**
  - > JLR are devoting significant resources to deliver competitiveness with other premium brands segment by segment
  - > £700m of product actions deliver improvements by 2012 beyond average industry requirement including improvements in both gasoline and diesel engines (including mix change), transmission, steering / braking system, weight, aerodynamics, micro and full hybrids
  - > Future technology plans thoroughly benchmarked in line with competition

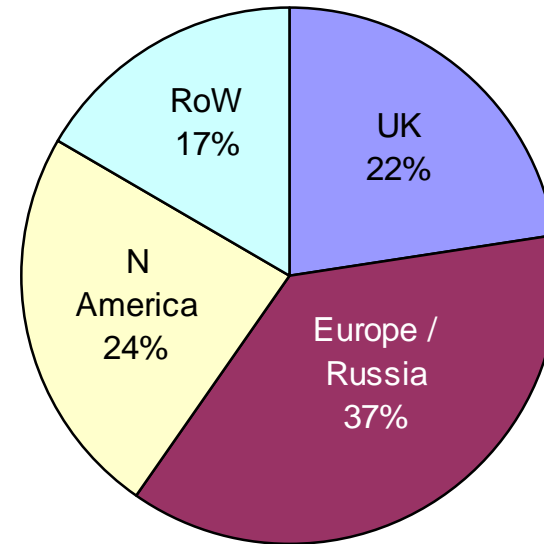
# Increasingly balanced global presence – less dependence on mature markets



**Sales by Region – Jaguar**



**Sales by Region – Land Rover**



2007

## Dealer Network

	Land Rover	Jaguar	Of which joint
North America	205	207	69
UK	129	97	20
Rest of Europe	726	348	170
Rest of World	328	202	100
<b>Total</b>	<b>1,388</b>	<b>854</b>	<b>359</b>

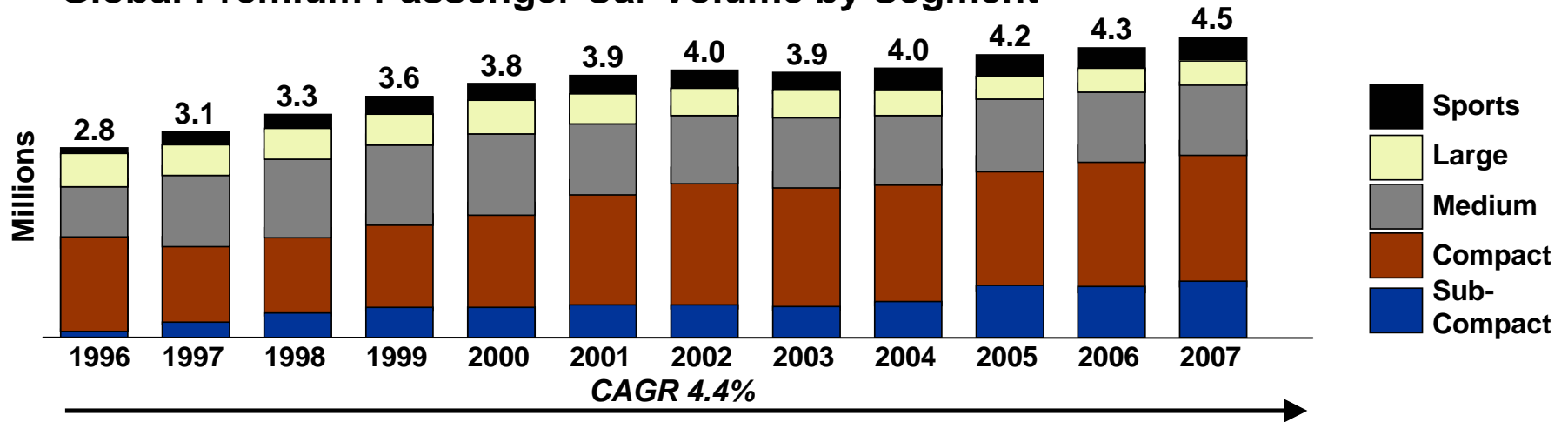
### Notes:

- 1) Jaguar and Land Rover do not own or operate their retail outlets but franchise them to selected retail partners
- 2) Regional sales splits based on 2007 retail volumes

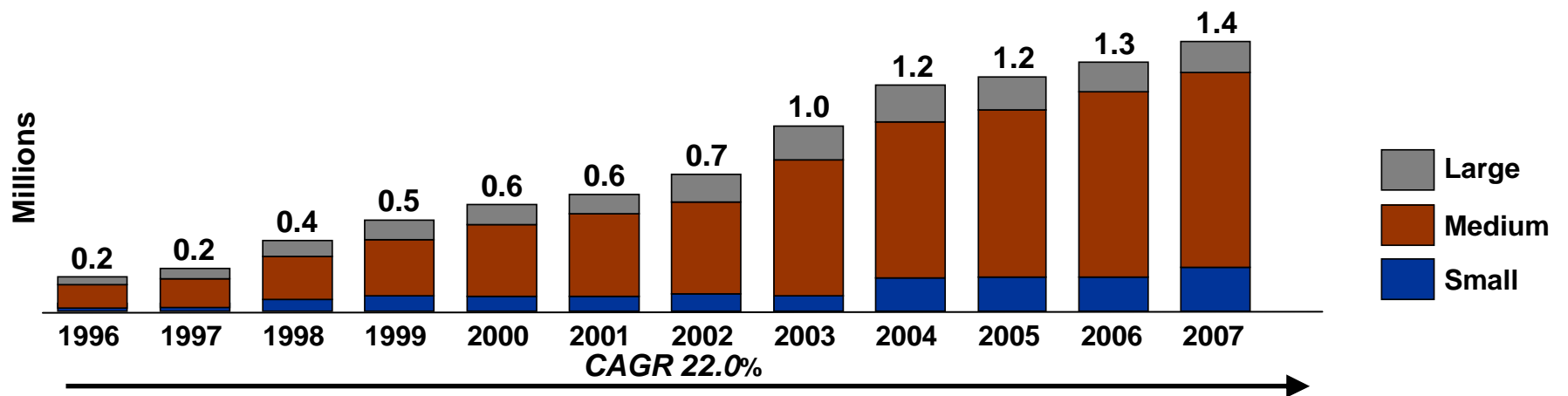
# Operates in growing premium vehicle segments



## Global Premium Passenger Car Volume by Segment



## Global Premium SUV Volume by Segment



Source: JLR segmentation analysis

# With significant company and dealer investment in growth markets



## Beijing



- China expected to be
- Land Rover's 5<sup>th</sup> largest
- Jaguar's 7<sup>th</sup> largest

## St Petersburg



- Russia expected to be
- Land Rover's 3<sup>rd</sup> largest
- Jaguar's 8<sup>th</sup> largest

# Jaguar's mission is



To create **Beautiful Fast Cars ...**

**POSITIONING  
STATEMENT**

**Exclusive, stylish and sporting cars that demand your immediate attention.**

**PROPOSITION**

**Seductive Form. Flawless Function.**

**EXPRESSION**

**This is the New Jaguar.**



# With a rapidly evolving Jaguar showroom



## Jaguar XF



- Launched 2008
- Volume c. 40,000 units
- Price – \$67,000-\$109,000
- Competitors – Mercedes Benz E-Class, BMW 5 Series, Audi A6

## Jaguar XK



- Launched 2006 (all-aluminium)
- Volume 12,000 units
- Price – \$121,000-\$152,000
- Competitors – Mercedes Benz SL, BMW 6 Series, Porsche 911

## Jaguar XJ



- Launched 2003 (all-aluminium)
- Volume 10,500 units
- Price – \$87,000-\$120,000
- Competitors – Mercedes Benz S-Class, BMW 7 Series, Audi A8

## Jaguar X-Type



- Launched 2001
- Volume 23,300 units
- Price – \$43,000-\$61,000
- Competitors – Mercedes Benz C-Class, BMW 3 Series, Audi A4

### Notes:

- 1) 2007 retail volume except XF 2008 indicative retail volume
- 2) UK OTR prices as at June 2008. Converted from £ to \$ assuming a 1.98 \$:£ exchange rate

# Winning increasing recognition and awards



**XF**

- What Car? Best Executive Car and Car of the Year Award 2008
- What Diesel Car of the Year Award 2008
- Fleetworld 'Design of the Year' AWARD

**XK**

- 'Car Of The Year' And 'Best Coupe' Awards At The UK Auto Express New Car Honours (June 2006)
- Over 15 other awards won in 2006
- Short List for North American COTY (Jan 2007)
- Jaguar XK has been voted 'Car of the Year' four times in 2007: Top Gear's, Scottish', Auto Express and UK TV People's 'Car of the Year'

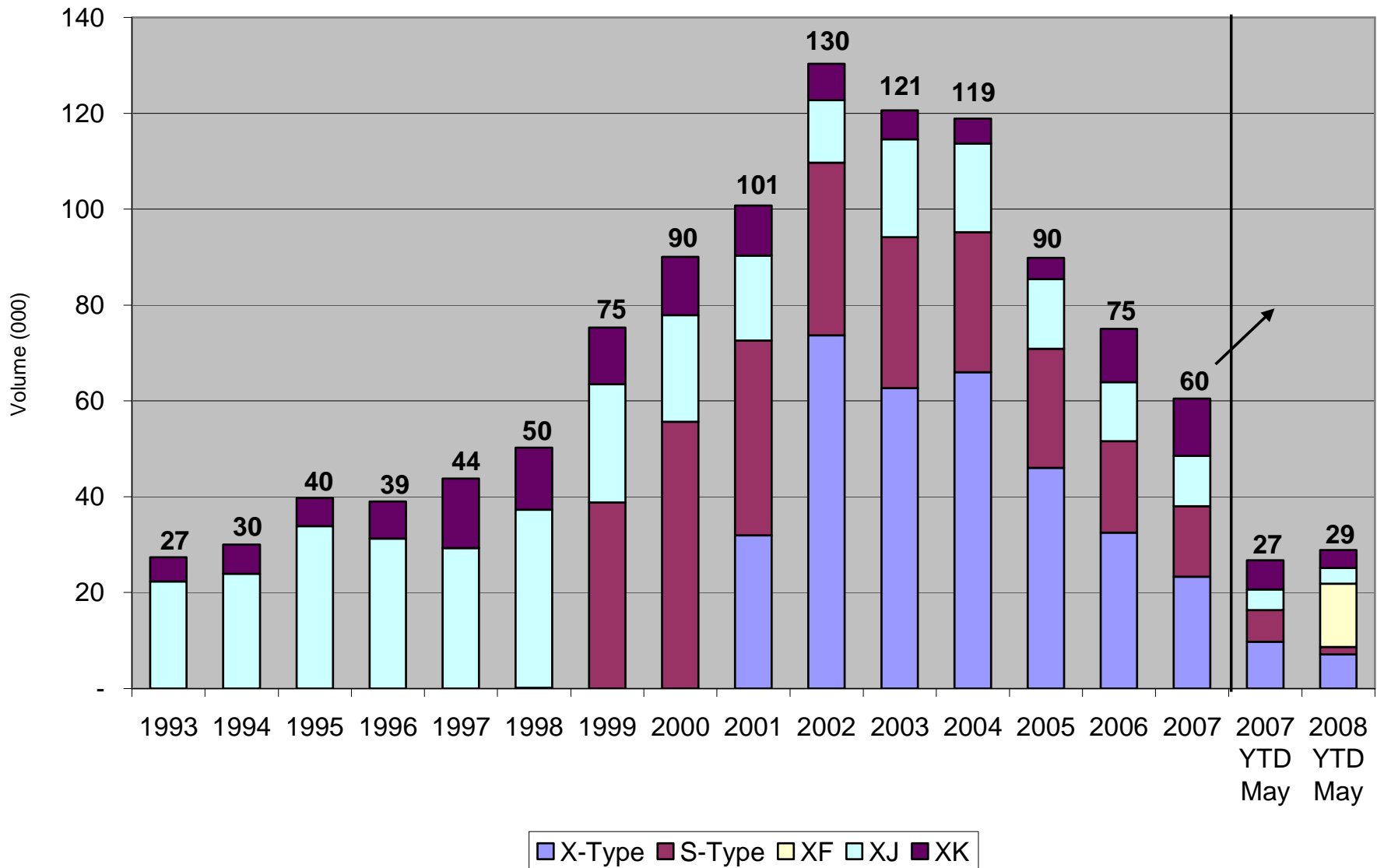
**XJ**

- Best Luxury Car, 2004 and 05 – What Car? (UK)
- UK: XJ Diesel Wins Best Luxury Car at 2006 Fleet World Honours
- UK: XJ Diesel voted Best Large Exec Car at the Auto Express Used Car Honours
- UK: XJ 2.7 Diesel: Environmental Transport Association's 2007 Car Buyers Guide's 'Britain's greenest luxury car'
- *The Chauffeur* magazine XJ Long Wheelbase Wins Chauffeur Car Of The Year 2008

**X-Type**

- Gold prize at the UK Fleet Excellence Awards 2004
- GERMANY: Auto Motor und Sport, reader's award, Best Imported car, middle class, 2003

# Jaguar sales – business repositions to compete as a premium niche player



Note: data is actual retail volume

# Land Rover's mission is



“To create the world’s finest all-terrain vehicles”

**“world’s finest”**  
premium  
of the highest quality  
most fit for purpose  
globally recognised

**“all-terrain vehicles”**  
not just off-road  
embraces on-road  
includes all-weather

# Land Rover has benchmark products in every segment



## Range Rover



- Launched 2001
- Volume 30,300 units
- Price – \$111,000-\$144,000
- Competitors – Mercedes S Class, BMW 7 series, Porsche Cayenne

## Range Rover Sport



- Launched 2005
- Volume 58,800 units
- Price – \$72,000-\$126,000
- Competitors – BMW X5, Porsche Cayenne

## Land Rover Discovery 3 / LR3



- Launched 2004
- Volume 47,500 units
- Price – \$54,000-\$89,000
- Competitors – Mercedes Benz ML, Lexus GX470, VW Touareg

## Land Rover Freelander 2 / LR2



- Launched 2007
- Volume 66,600 units
- Price – \$42,000-\$70,000
- Competitors – BMW X3, Audi Q5, Infiniti FX35

## Land Rover Defender



- Launched 1948
- Volume 23,200 units
- Price – \$39,000-\$57,000
- Competition – Toyota Landcruiser, Nissan Patrol, Isuzu Trooper

### Notes:

- 1) 2007 retail volume
- 2) UK OTR prices as at June 2008. Converted from £ to \$ assuming a 1.98 \$:£ exchange rate

# And continues to win in every category and market



## Range Rover

- 2007 Most Luxurious SUV
- 2007 Best New Car for Off-roaders, Car.com, USA
- 2005, 'APPEAL', JD Power, USA

## Range Rover Sport

- 2006 & 07 Leisure car of the year, AXA
- 2006 Best Diesel 4x4, Diesel Car Magazine, UK
- 2005 Best SUV, Automobile, Hong Kong

## Discovery/LR3

- Most awarded SUV ever with >100 industry & media awards around the world.
- What Car? and Business Awards 'best large 4x4' 2007 & 2008
- Best 4x4 of 2007 by Planet 4x4 magazine

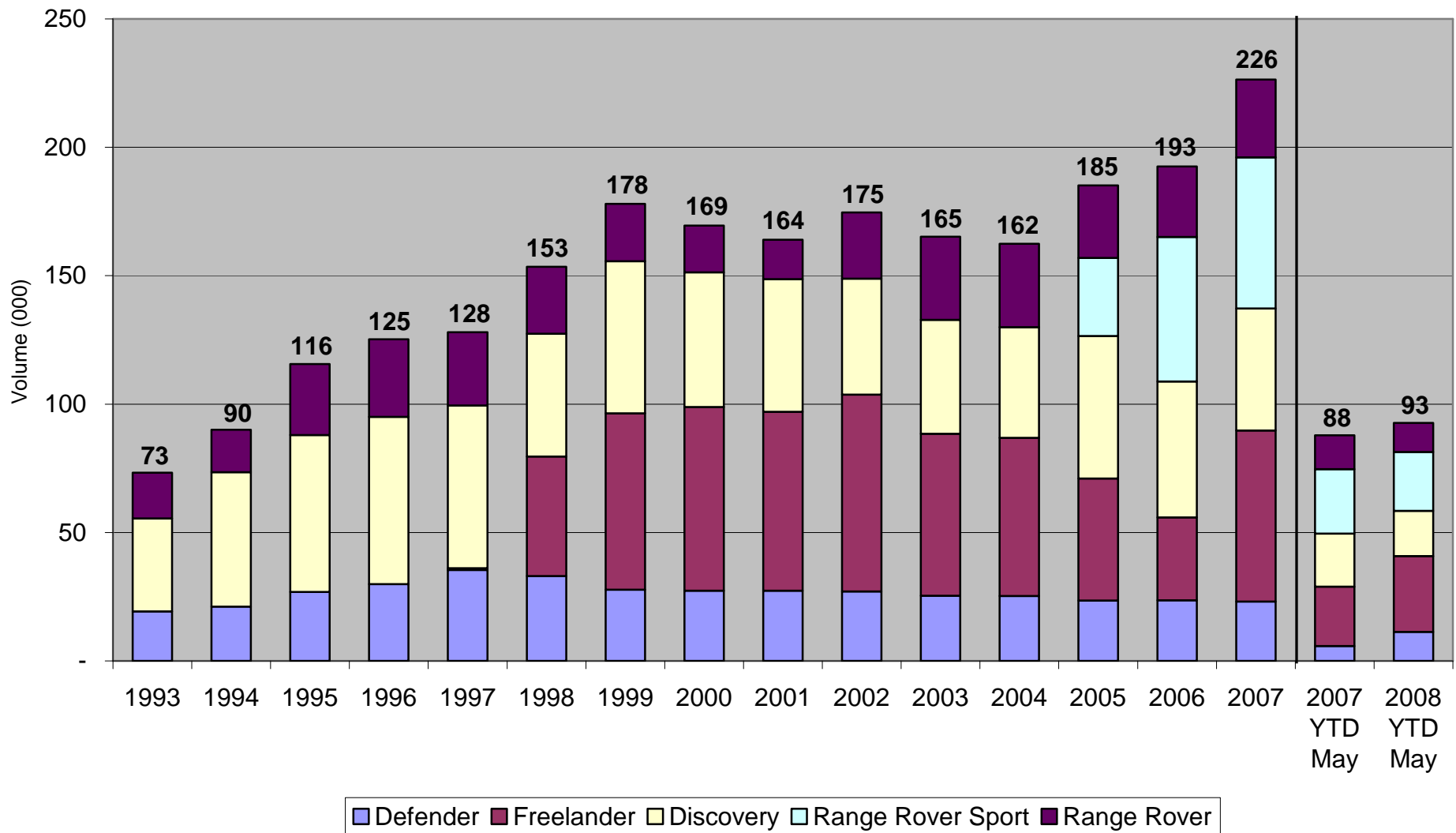
## Freelander 1/2

- Top selling SUV in UK for 8 years and Mainland Europe for 5 years.
- Freelander 2, 2006 SUV of the year – Top Gear
- Freelander 2, 2007 'Best Compact SUV' – What Car?
- What Car? 2008 AWARDS 'Best Compact 4x4'

## Defender

- Classic SUV 2006, Russia
- 4 X 4 Magazine Extreme Class Award 2008

# Land Rover – achieving sales records each year since 2005



Note: data is actual retail volume

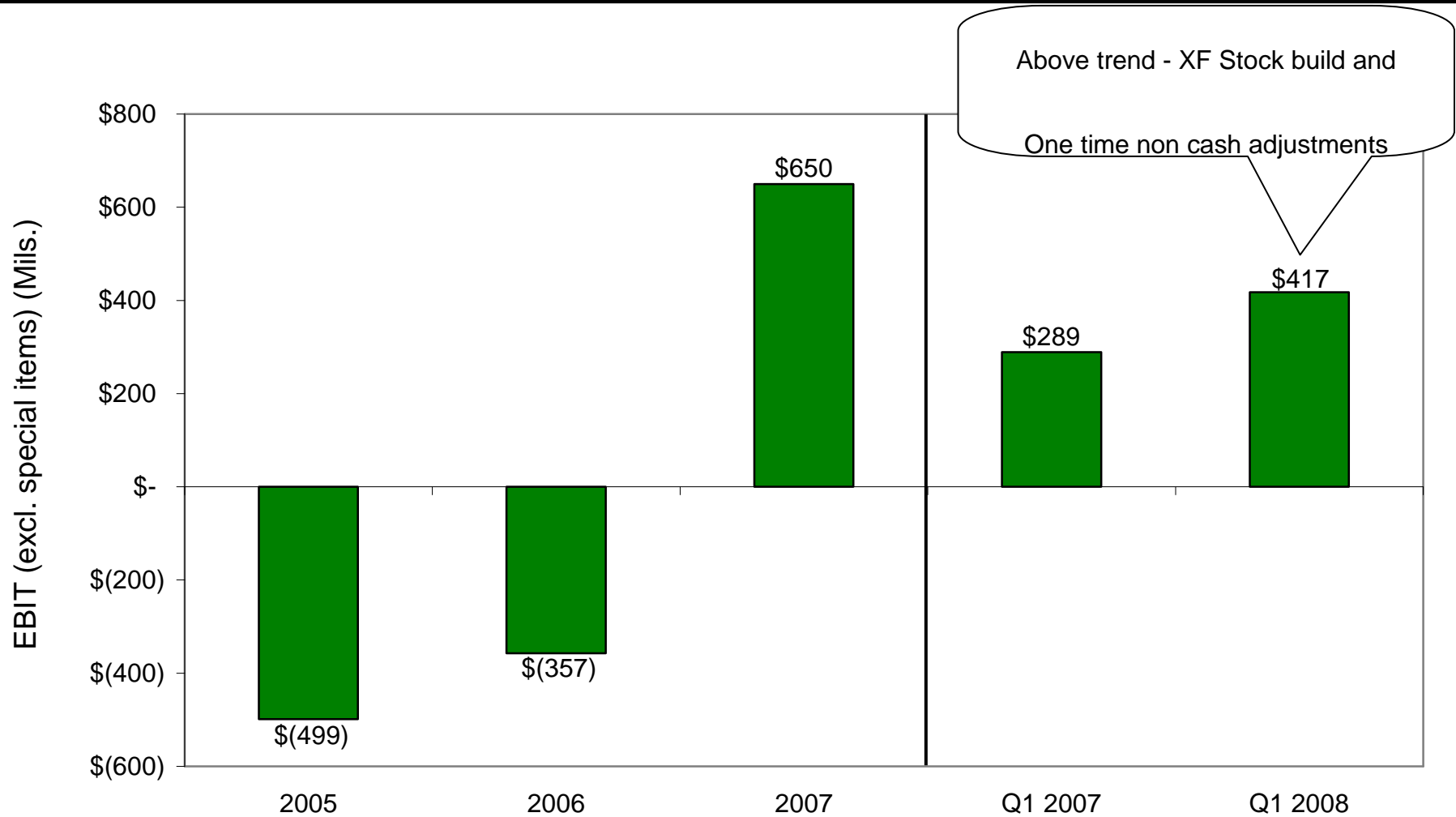
# JLR financial data – basis of preparation

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- Jaguar Land Rover in financial accounting terms comprises a number of legal entities and national sales companies, many of which are embedded divisions of Ford legal entities.
- Whilst the JLR legal entities have been audited to local statutory reporting standards, there have been no JLR consolidated audited financial statements as a standalone organisation.
- To facilitate an understanding of the financial performance of JLR, data has been extracted from management accounting information which includes the results of all the Jaguar and Land Rover operations.
- The underlying management accounting data has been prepared on a US GAAP basis.
- We are carving out accounting information for all embedded markets to enable reporting as a standalone JLR organisation going forward.

# JLR – significant improvement in profitability



# JLR – improving financial performance



	2005 (Mils.)	2006 (Mils.)	2007 (Mils.)	Q1 2007 (Mils.)	Q1 2008 (Mils.)	Q1 2008 B / (W) Q1 2007 (Mils.)
Revenue	\$ 12,462	\$ 12,969	\$ 14,942	\$ 3,548	\$ 4,145	\$ 597
Cost of Sales	(10,955)	(11,292)	(12,258)	(2,747)	(3,161)	(413)
Gross Profit	\$ 1,507	\$ 1,677	\$ 2,685	\$ 801	\$ 985	\$ 184
Gross Profit Margin	12%	13%	18%	23%	24%	1%
Marketing and Selling	\$ (1,112)	\$ (1,057)	\$ (1,069)	\$ (265)	\$ (275)	\$ (10)
R&D	(821)	(683)	(829)	(183)	(226)	(43)
Admin	(408)	(360)	(352)	(88)	(82)	5
Other	336	66	215	24	16	(8)
EBIT (excl. special items)	\$ (499)	\$ (357)	\$ 650	\$ 289	\$ 417	\$ 128
Special Items	(1,434)	(1,751)	(30)	(15)	(417)	(402)
EBIT (incl. special items)	<u>\$ (1,933)</u>	<u>\$ (2,108)</u>	<u>\$ 620</u>	<u>\$ 274</u>	<u>\$ 0</u>	<u>(274)</u>
Memo:						
Operating Cash Flow (net of Capital Spending)	\$ (953)	\$ (2)	\$ 119	\$ (155)	\$ 12	\$ 167
Capital Spending	(918)	(565)	(496)	(137)	(87)	50

## Notes

The special items include:

- Impairments of the asset base (2005: \$(1,300)m, 2006: \$(1,600)m, 2008 Q1: \$(421)m)
- Restructuring costs, primarily personnel separation costs (2005: \$(134)m, 2006: \$(151)m, 2007: \$(52)m, 2007 Q1 \$(15)m)
- Variable marketing accrual methodology (2007: \$(53)m)
- Mark to market of forward year hedging contracts (2007: \$143m, 2008 Q1: \$(18)m)
- Other incl. transaction fees relating to the sale of JLR and D&A "held for sale" treatment (2007: \$(68), 2008 Q1: \$22m)

## In summary, a transformed business with gathering momentum, the right owner and a strong plan

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- We have transformed the business
- We are delivering improved business results
- We are excited about our new owner

And we have a strong plan:

- Develop the full potential of our brands
- Deliver exciting and desirable products true to those brands
- Continue to grow our business and give our customers an outstanding ownership experience
- Fund our investment plans
- Create a sustainable company with a passion to succeed

# Yes there will be challenges

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- Transition from Ford
- Difficult world economic situation
- Sustainability and CO<sub>2</sub> challenges
- Currency, commodity and energy prices
- Relentless premium competition

**But our plans are robust and we have long-term arrangements in place to support these plans**

## **Tata will provide JLR with the long-term security it needs to fully develop the business**

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- Jaguar Land Rover will operate as a stand-alone business within Tata with an agreed strategy and financial framework
- Tata have committed to support the Jaguar Land Rover business plan including JLR's market, product and manufacturing plans and business targets
- JLR unions have been fully consulted on, and have welcomed, the ownership transition which maintains current employment conditions

# JLR and Ford will continue their strong association for many years



- 
- Separating JLR from Ford has many complexities, but we have a carefully constructed separation plan
  - Agreements have been reached between JLR and Ford to enable JLR to operate as normal during the transition
  - There are comprehensive Transitional Support Agreements in respect of:
    - > Information technology, overseas sales locations, accounting and treasury, HR, facilities, etc.
    - > Ford Credit transition
  - And there are Long Term Agreements that provide continuity over our planning horizons:
    - > Engine and component supply
    - > Technology sharing and joint-development
    - > IPR required to deliver JLR's plans

# Conclusion



- One global business, two great British brands
- Significant action taken by the JLR team to revitalise both brands and the business over the last few years
- External environment is more volatile, with economic weakness in mature markets and high commodity costs but great growth market opportunities and an evolving sustainability landscape
- We have a track record of success and a robust business plan fully supported by Tata

**We are confident we have a brilliant future**