

Tata Motors

FY07 Results Review

18th May, 2007

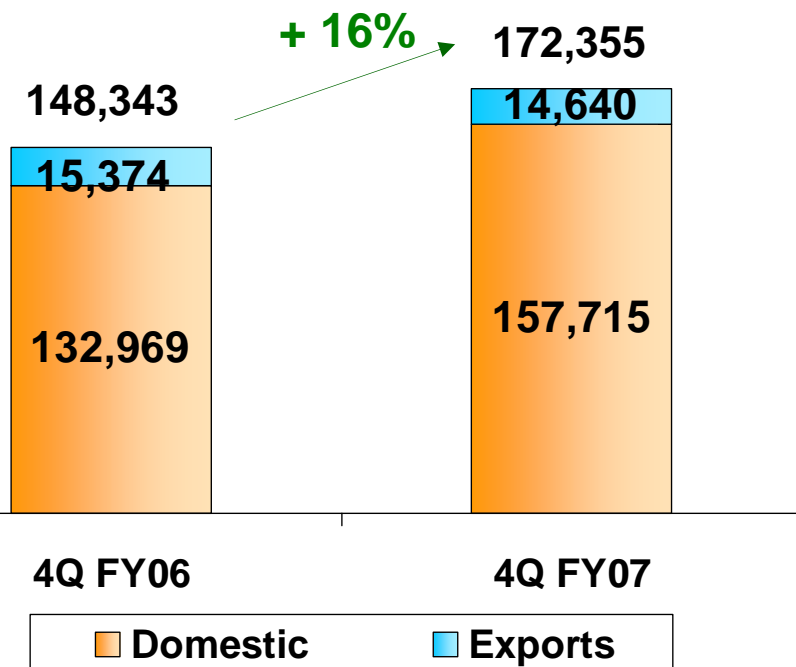
Statements in this presentation describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that 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

Agenda

- **Business Performance**

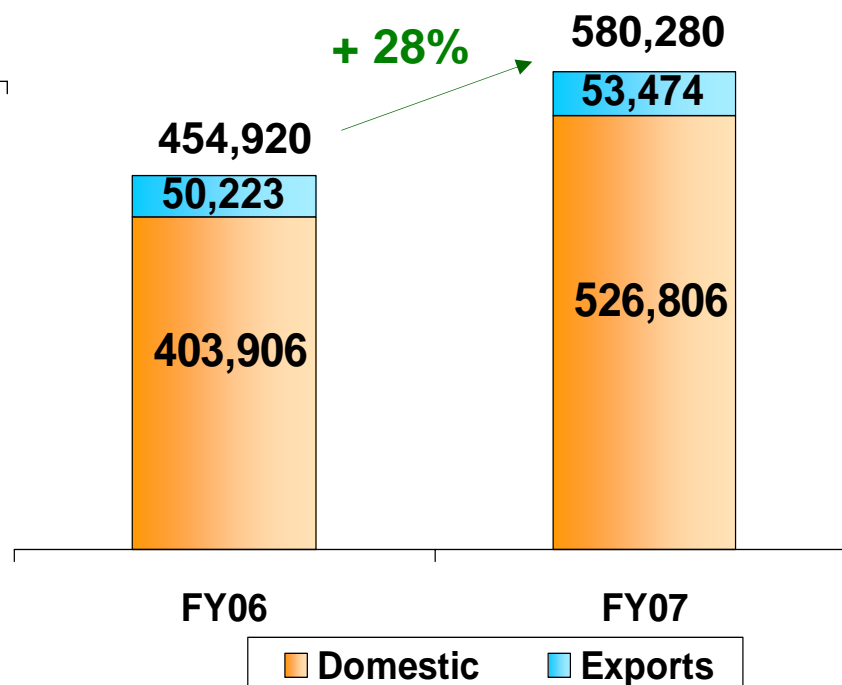
- Financial Performance
- Significant Events

Total Volume Growth in Q4FY07 and FY07

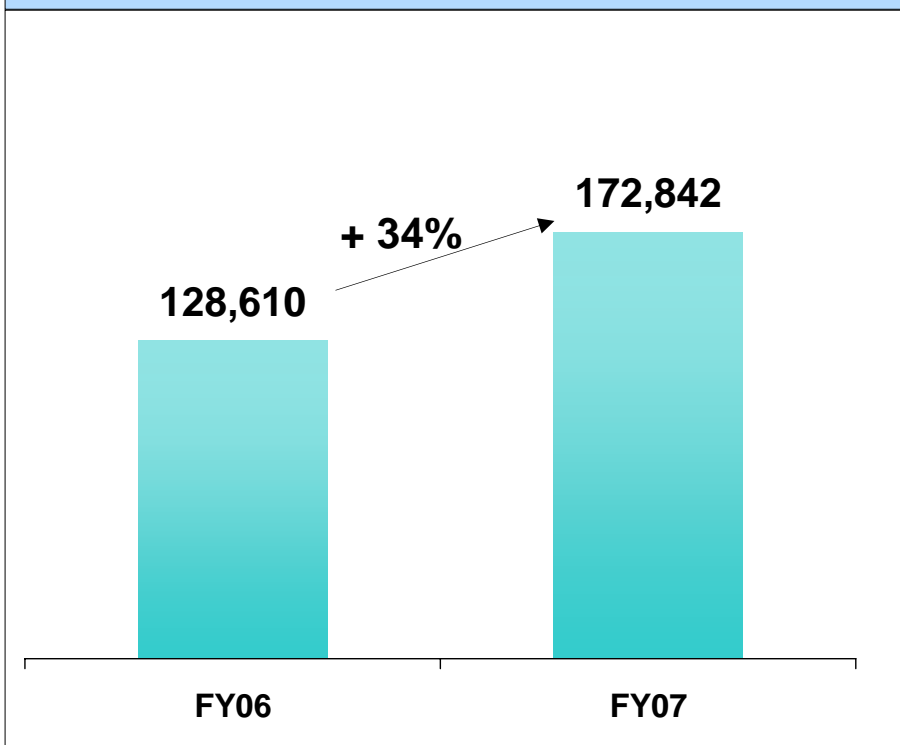


← 4QFY07 Volume Performance

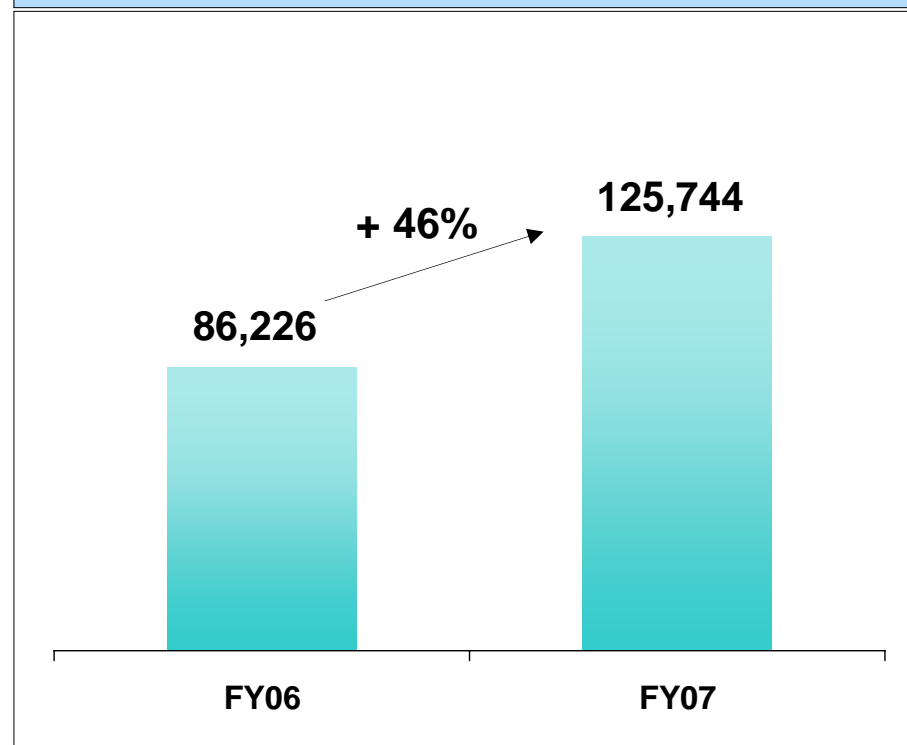
FY07 Volume Performance →



Medium & Heavy Commercial Vehicles



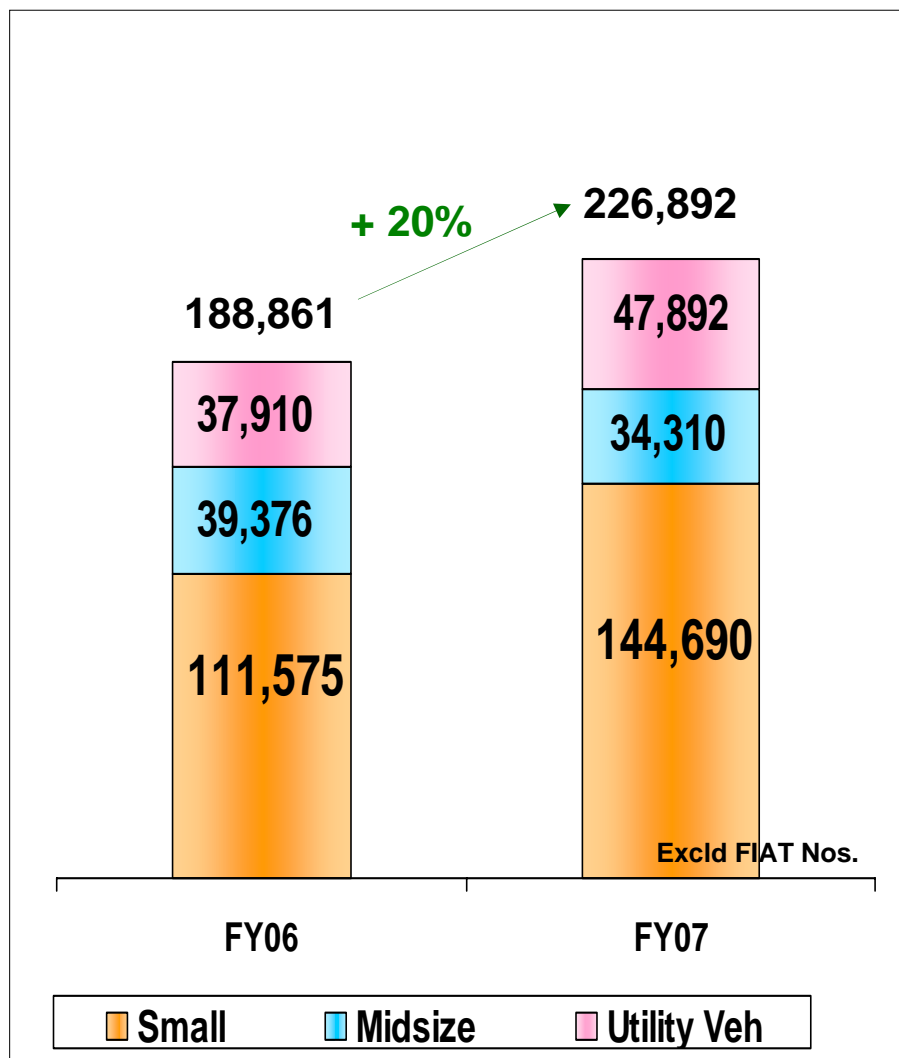
Light Commercial Vehicles



- Industry volume growth during FY07 : 32%
- TML Market share improved to 63.6% in FY07 from 62.0% in FY06
- GDP & IIP growth and overloading ban implementation were key growth drivers

- Industry volume growth during FY07 : 34%
- TML market share improved to 65.4% in FY07 from 60.1% in FY06
- Average Ace sales of around 6,000 units pm for during FY07

Passenger Vehicle Volumes and Market Share

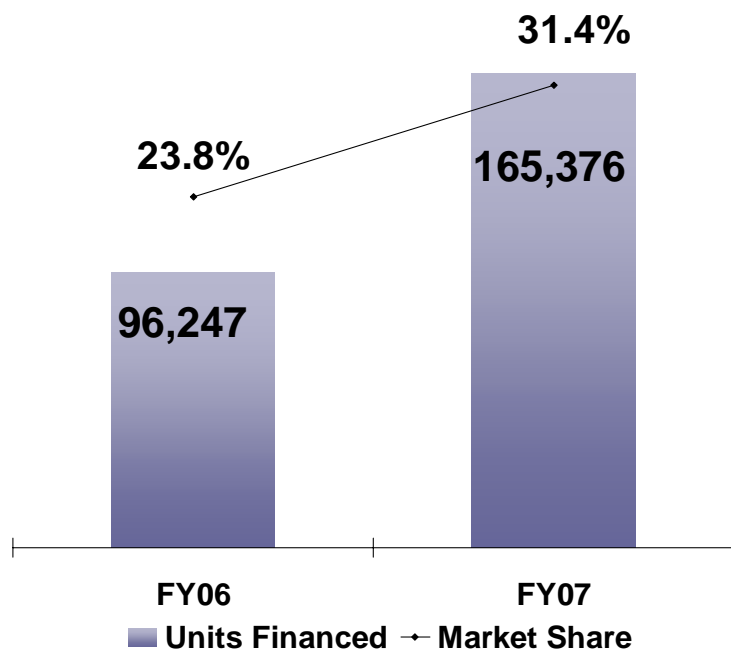


- Retained the #2 position in the domestic PV market.
- Total Market share in FY07 : 16.4% (FY06 : 16.5%)
- Segment wise Market share in FY07
 - Small Car : 17.4% (FY06 : 16.9%)
 - Entry Mid Size : 38.0% (FY06 : 33.0%)
 - Utility Vehicle : 21.7% (FY06 : 19.5%)
- New Launches during the year:
 - Indica & Indigo Facelifts,
 - Indigo XL,
 - 1.2 Ltr ps engine on Xeta,
 - 1.4 ltr 70 ps CRDI engine
- Over 1,300 units of Fiat cars sold during FY07

Vehicle Financing

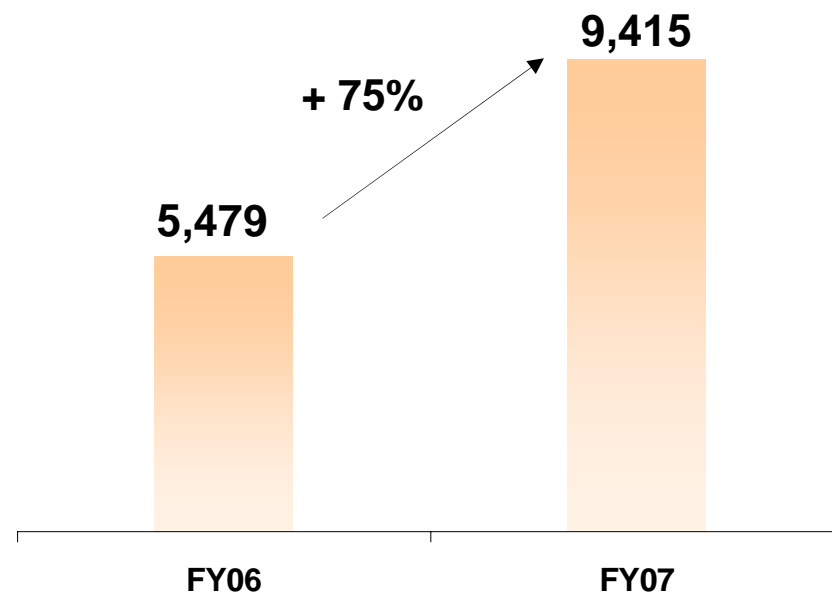
No. of Vehicles Financed

(TML & TMLFSL)



Disbursals (Rs. Cr)

(TML & TMLFSL)



For the period FY07, out of total disbursals of Rs. 9,415 crs, Rs 3,986 crs were disbursed by TMLFSL

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Healthy Consolidated Financial Performance

Rs crores	Q4FY06	Q4FY07
Net Revenue	7,865	9,759
EBITDA	1,036	1,251
EBITDA Margin	13.2%	12.8%
PBT	752	948
Tax	232	282
Net Profit	523	650
Basic EPS (Rs) (non Annualised)	13.81	16.86

- Net Revenues  24%
- EBITDA  21%
- PBT  26%;
- Net Profit  24%
- EPS of Rs.16.86 ;  22%

Healthy Consolidated Financial Performance

Rs crores	FY06	FY07
Net Revenue	23,769	32,426
EBITDA	3,048	4,116
EBITDA Margin	12.8%	12.7%
PBT	2,349	3,088
Tax	640	883
Net Profit	1,728	2,170
Basic EPS (Rs)	45.86	56.43

- Net Revenues ↑ 36%
- EBITDA ↑ 35%
- PBT ↑ 32%;
- PAT ↑ 26%
- EPS of Rs.56.43 ; ↑ 23%

Continued Improvement in Stand alone Financial Performance

Rs crores	Q4FY06	Q4FY07
Net Revenue	6,870	8,267
EBITDA	892	966
EBITDA Margin	13.0%	11.7%
PBT	648	780
Tax	190	203
Profit after Tax	458	577
Basic EPS (Rs) (non Annualised)	12.10	14.97

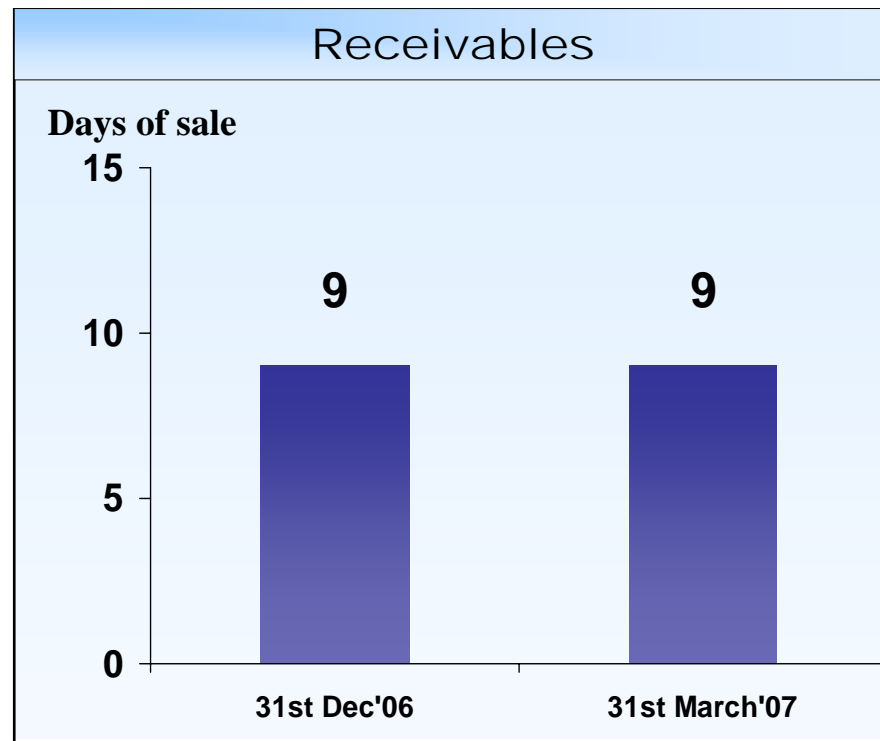
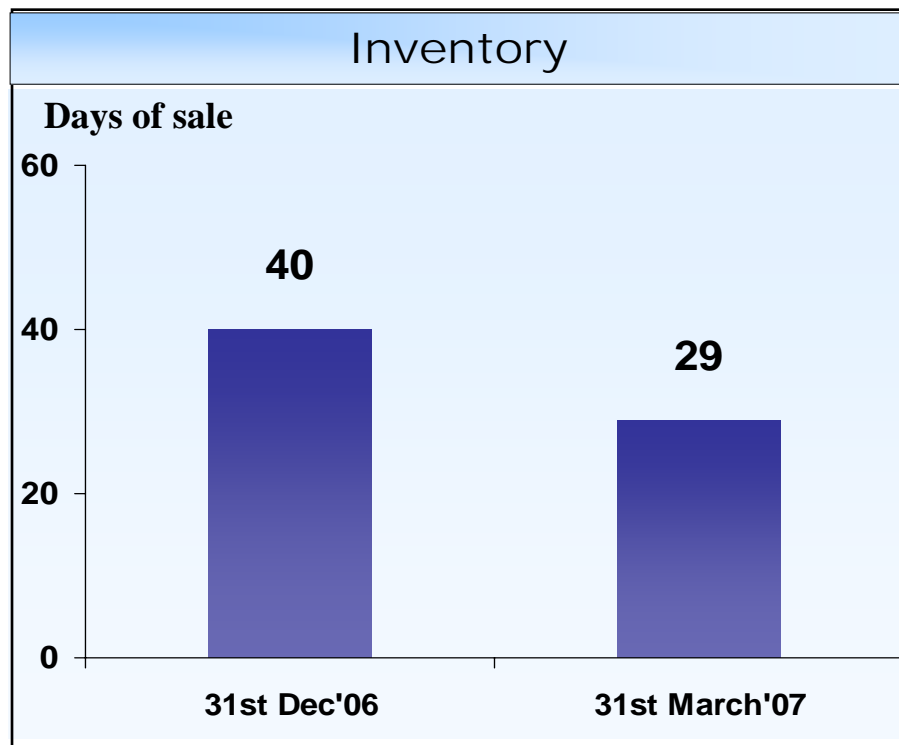
- Net Revenues ↑ 20%
- EBITDA ↑ 8%
- PBT ↑ 20%;
- PAT ↑ 26%
- EPS of Rs. 14.97 ; ↑24%

Continued Improvement in Stand alone Financial Performance

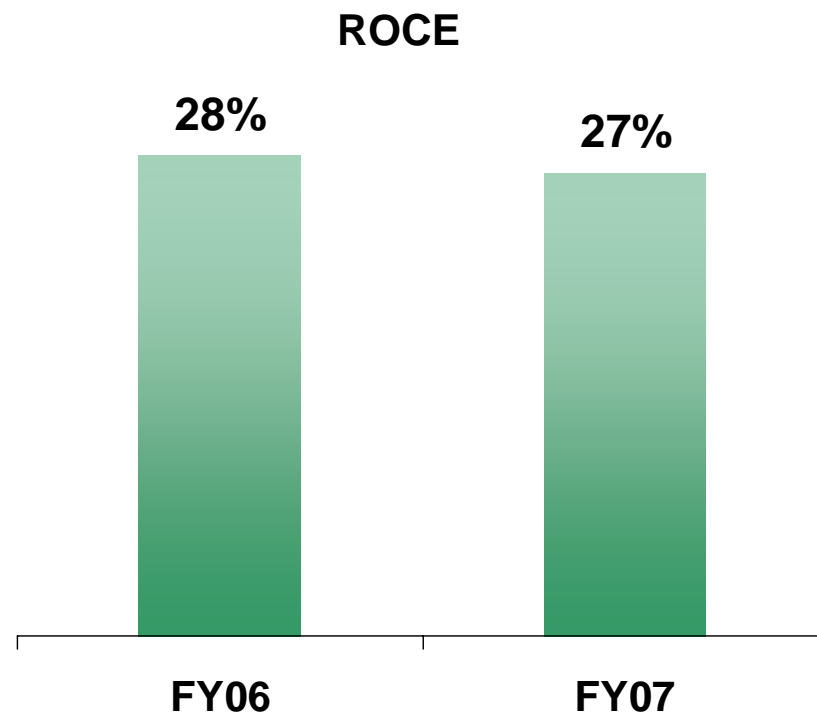
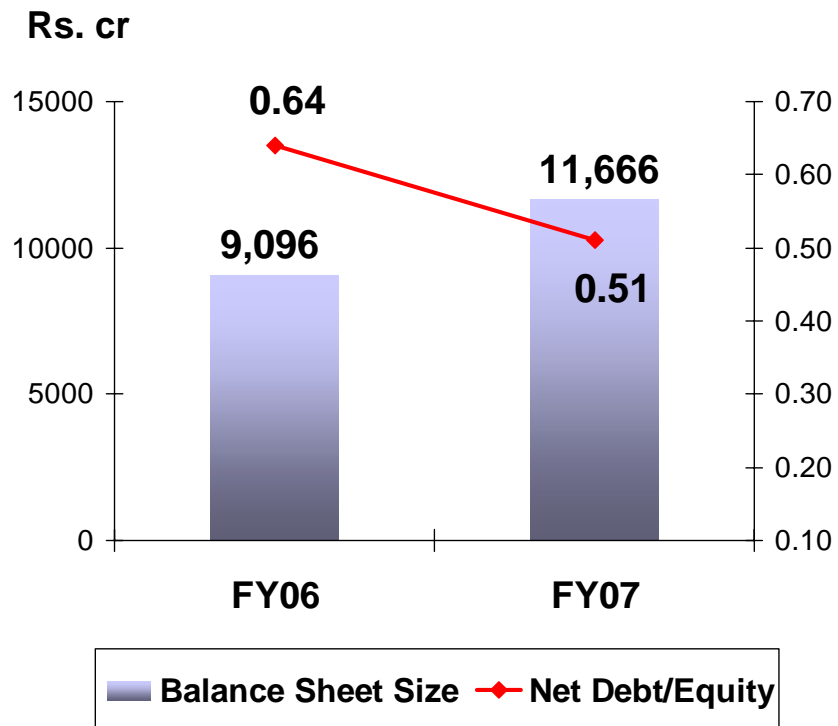
Rs crores	FY06	FY07
Net Revenue	20,653	27,535
EBITDA	2,576	3,314
EBITDA Margin	12.5%	12.0%
PBT	2,053	2,573
Tax	525	660
Profit after Tax	1,529	1,913
Basic EPS (Rs)	40.57	49.76

- Net Revenues ↑ 33%
- EBITDA ↑ 29%
- PBT ↑ 25%;
- PAT ↑ 25%
- EPS of Rs.49.76 ; ↑ 23%
- 150% dividend declared for FY07

Working Capital

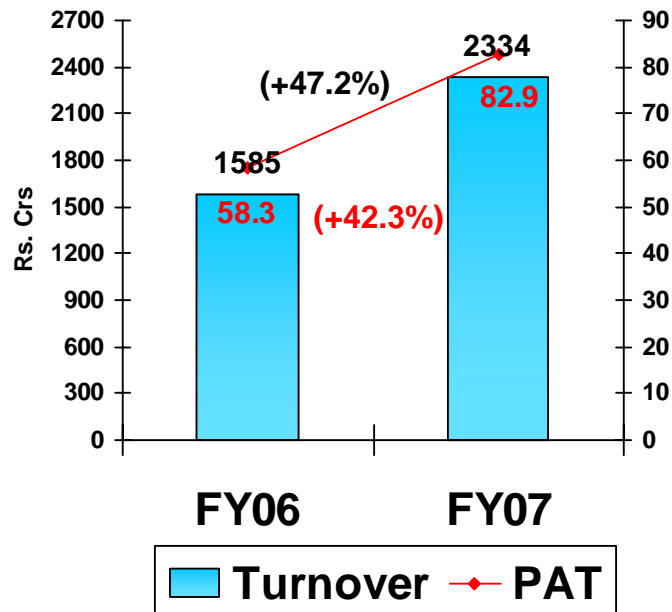


Favourable Debt Equity Ratio & High Return on Capital

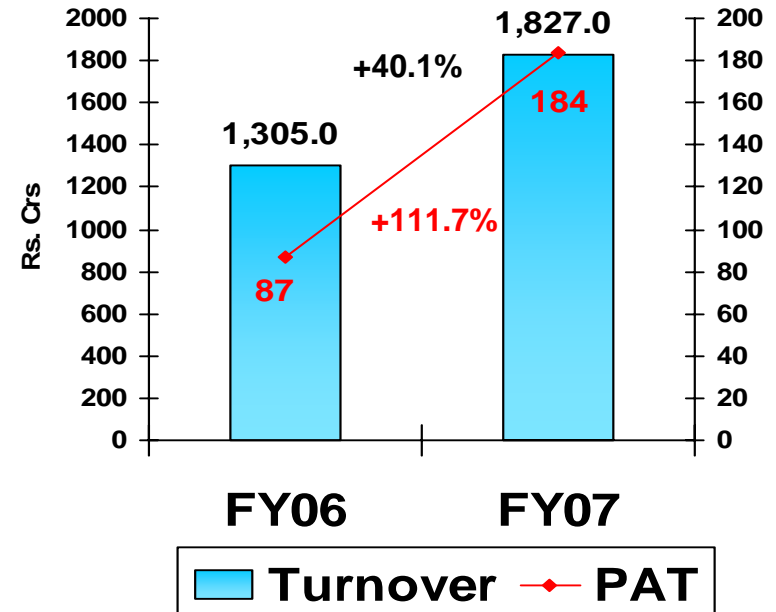


Subsidiary Financials (FY07) contd...

TDCV (Indian GAAP)



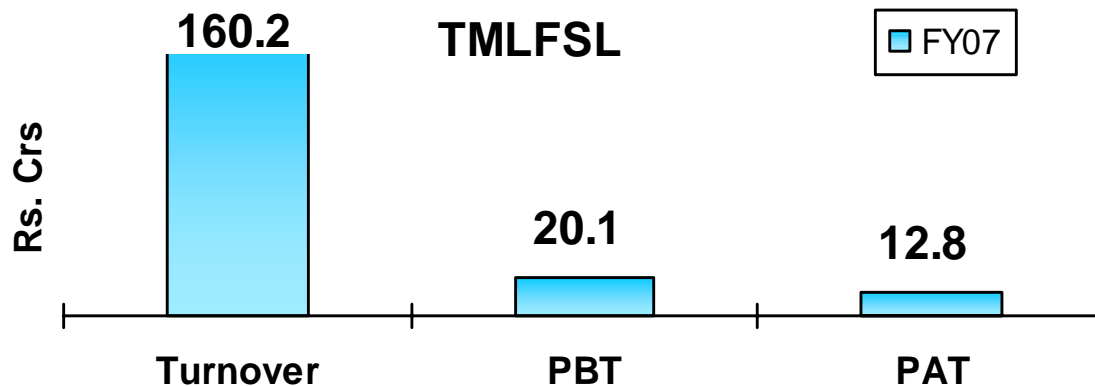
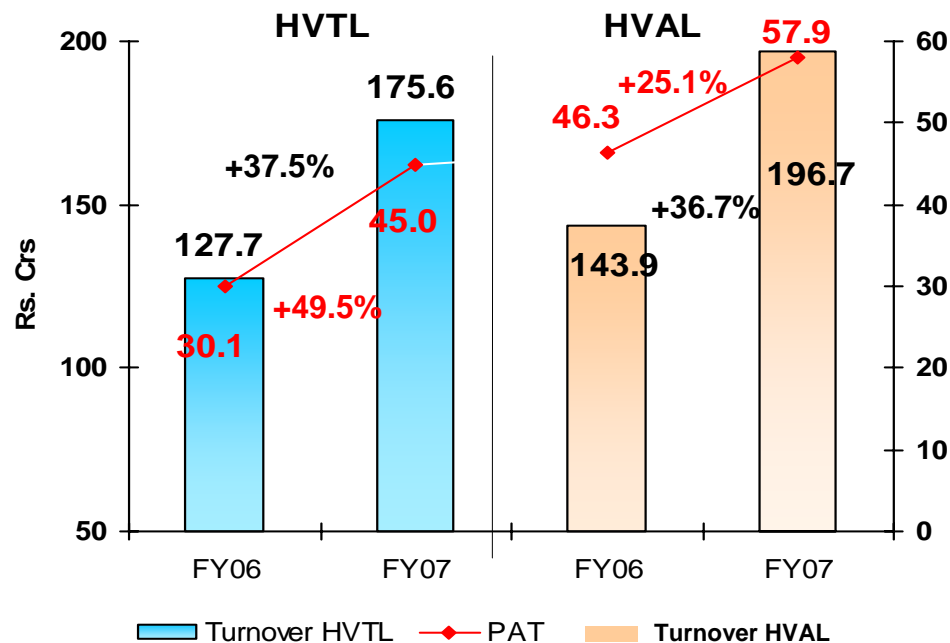
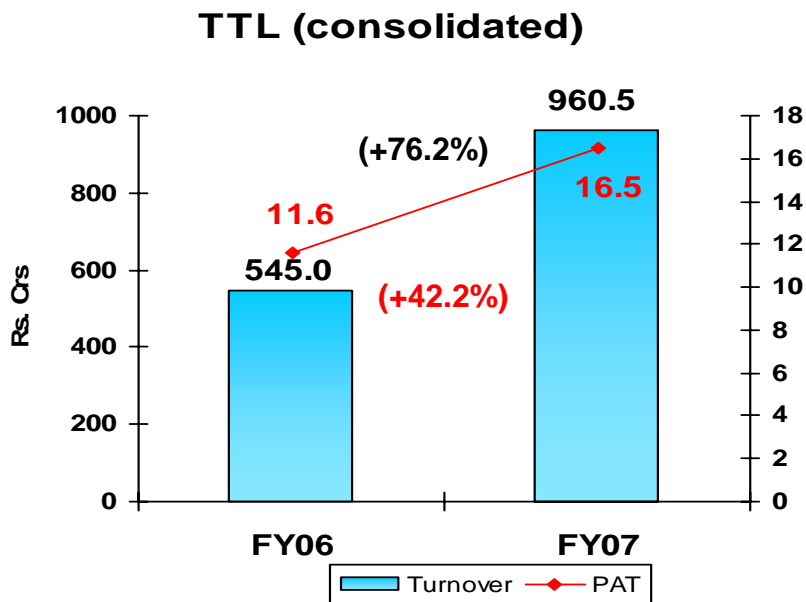
Telcon



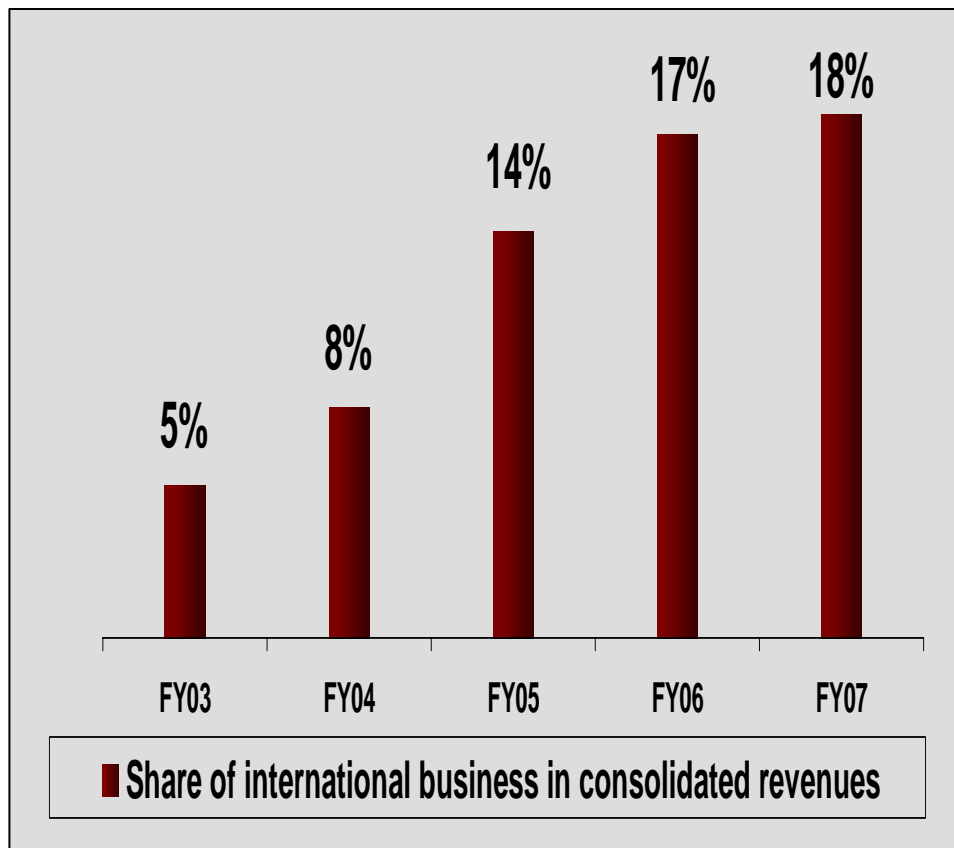
- HCV Industry in S Korea almost stagnant with 0.8% growth registered in FY07
- Capacity Utilisation improved from 28.2% in FY06 to 42.7% in FY07
- TDCV exports 2/3rd of S. Korea's total export volumes
- LNG tractor trailers developed during FY07
- Assembly operations set up in Pakistan during the year

- New Products launched in Indian Market
 - Large Zaxis Hydraulic Excavators (e.g ZX 370, ZX 470)
 - Hitachi Sumitomo Cranes
- Joint Development teams formed for various business initiatives
 - R&D
 - International Support Network
 - Sourcing of Components & Machines

Subsidiary Financials (FY07)



International Business continues to make strides



Strengthening position in existing Markets

- *New Products*
- *Deeper penetration*

Exploring New Geographies

- *LATAM*
- *Russia*
- *Thailand*

International Alliances

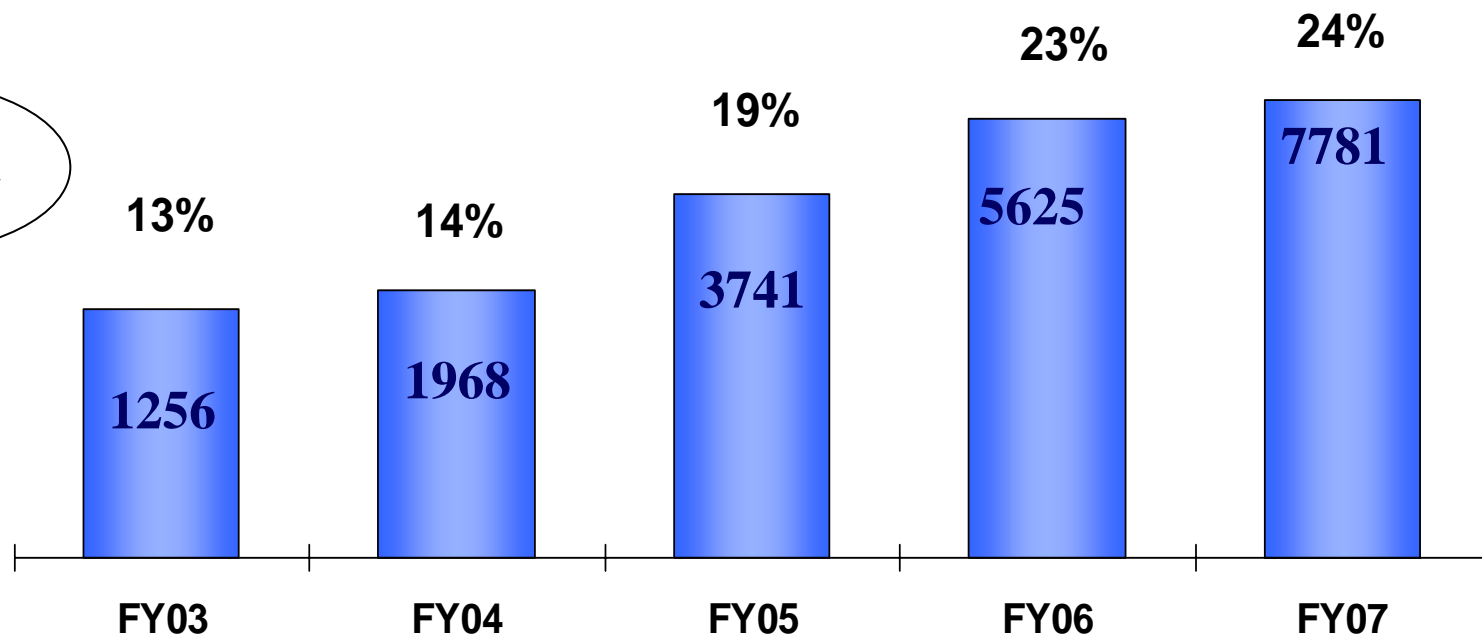
- *Thonburi JV in Thailand*
- *Licencing of Pick up technology to Fiat*
- *Marcopolo JV in India*
- *Stake in Hispano Carrocera, Spain*
- *Acquisition of INCAT, UK*
- *Acquisition of TDCV, Daewoo*

Growing Non-Cyclical Business

■ Non Cyclical Business Revenue

% of Consolidated Revenue

Rs Cr



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Significant Events

- **TML signs JV with Fiat for manufacture of passenger cars, engines & transmissions at Ranjangaon**

- **Feasibility MoU signed between Tata Motors and Iveco for joint co-operation in CV**
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- **ness**
- **L & Thonburi formed JV in Thailand for manufacture & marketing of pickup trucks.**
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- **V agreement signed with Marcopolo for manufacture of fully-built buses / coaches**
- **or manufacture of fully-built buses / coaches for India & international markets.**
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Key Challenges Going Forward

- Inflationary pressures and likely interest rate hikes
- Input Costs are expected to continue to be pose as a key challenge
- Crude Oil price trends need to be watched closely
- Increase in competitive intensity

Thank You