TATA MOTORS

FY10 Results Review – Analyst Meet

27th May, 2010

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

Internal Actions And External Market Improvement Drives Performance

Consolidated P&L

Rs Crores	FY09	FY10	%change
Net Revenue	70,881	92,519	30.5%
EBITDA	2,196	8,614	292%
EBITDA margin	3.1%	9.3%	620 bps
PBT	(2,129)	3,523	NM
PAT	(2,505)	2,571	NM
Cash Profit	1,065	8,168	667%

Automotive Net Debt (Rs Crs)	**23,750**	**18,800**
Automotive D / E	**4.0**	**2.05**

The Board of Directors has recommended a dividend of Rs.15/- per Ordinary share and Rs.15.5/- per 'A' Ordinary share each for the financial year 2009-10

Internal Actions

Accelerated cost reduction measures

- Improved our pricing discipline
- Aligned production with demand and strict control of Inventory
- Continued our strict cash flow management
- Reduced non-personnel related overhead costs
- VA / VE measures

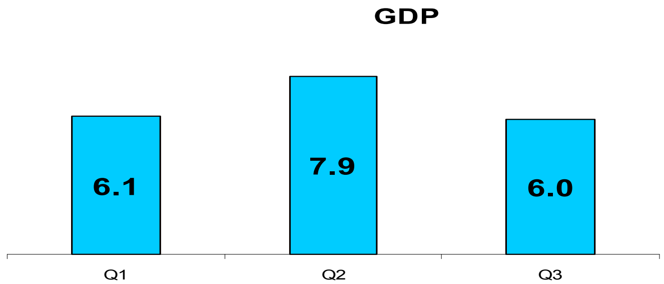
Pursued Long term plans

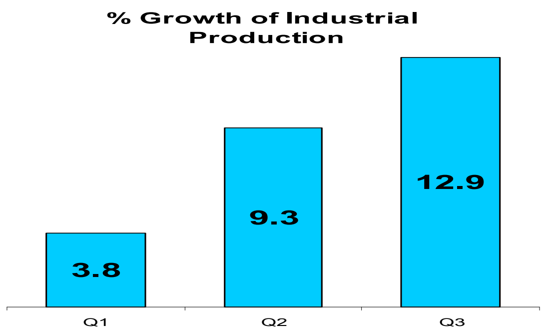
- Launched Several New Products
- Prioritized R&D; Controlled Capital Expenditure
- Set up financing arrangements at JLR
- Commercial Production of Nano at Sanand Plant to commence in June'10

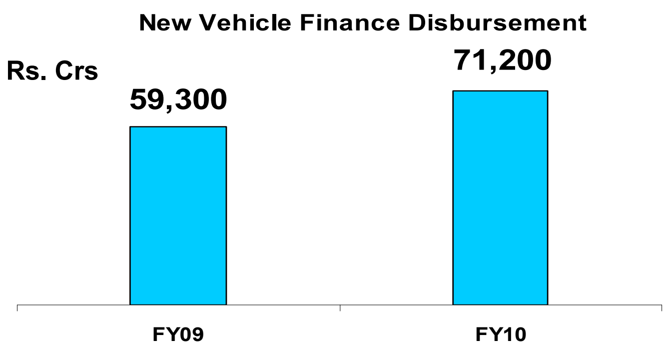
Took Actions to Deleverage Auto Business

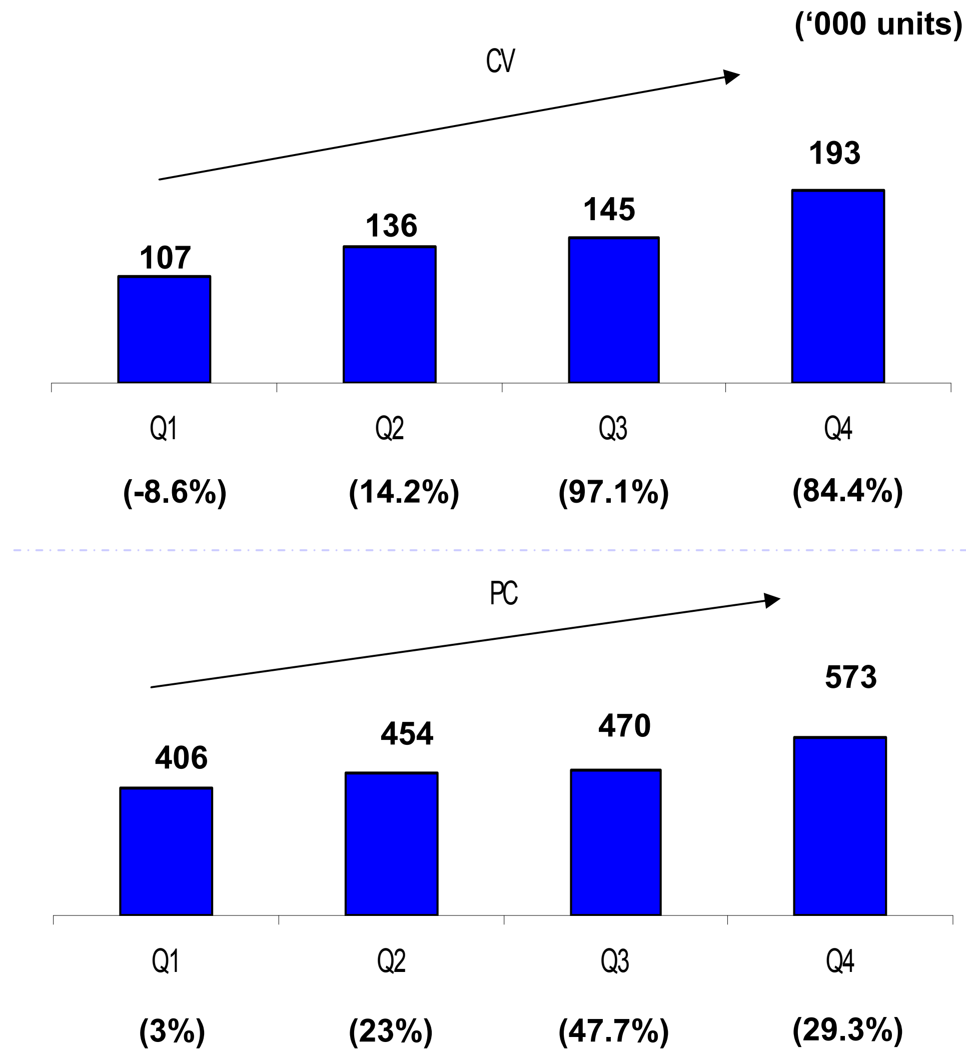
- Divestments
- Capital raising at appropriate time while also seeking to improve Debt- Maturity profile

Revival of Indian Markets Drives Industry Auto Demand



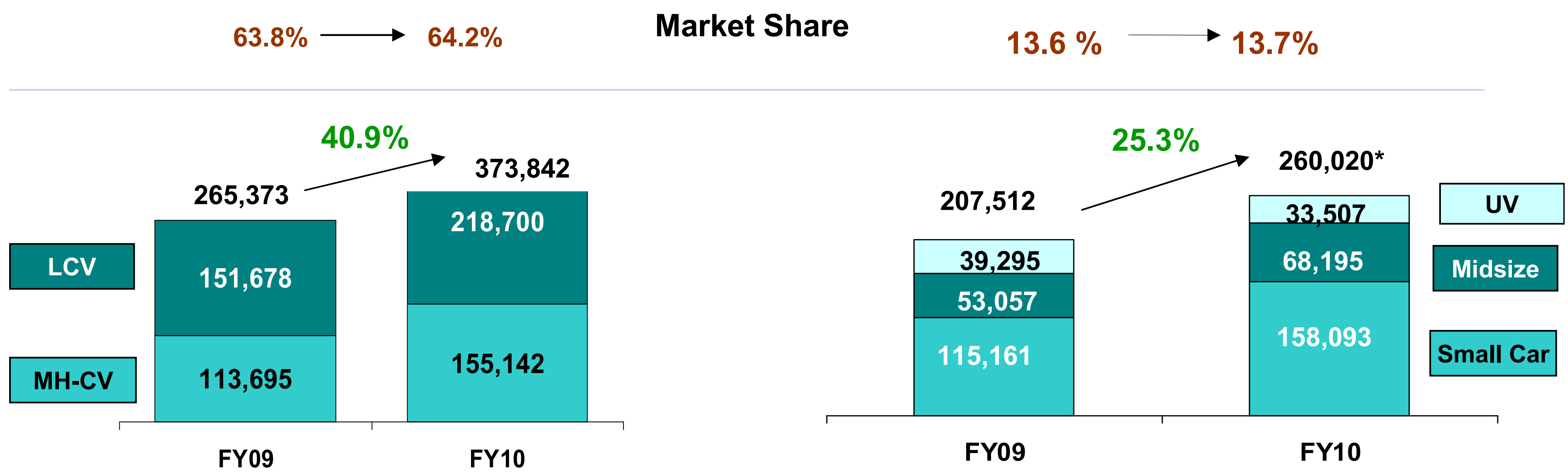






Figs in bracket refer to y-o-y growth rates

And Tata Motors Improved India Market Position



**Includes FIAT cars and sale of JLR vehicles in India*

- Increased freight availability saw a shift in customer preference from MCVs to HCVs
- LCV segment which turned around earlier than larger trucks continues its strong run-rate
- New product launches improved market position in the car segment. UV performance improved in Q4 following launch of the Sumo Grande MK-II
- 30,763 Nanos delivered during the year

The India Business Displayed Strong Operating Profitability

Rs Crores	FY09	FY10	% change
Net Revenue	25,630	35,593	38.9%
EBITDA	1,752	4,178	138%
EBITDA margin	6.84%	11.74%	490 bps
PBT	1,014	2,830	179%
PAT	1,001	2,240	124%
Cash Profit	2,005	4,928	146%

Note :

- On March 30, 2010, the company has divested its controlling stake (20%) in Telco Construction Equipment Company Ltd. The resultant profit of Rs 1057.92 crores is included in other income.
- During the year ended March 31, 2010, TML Holdings Pte Ltd, Singapore, a wholly owned subsidiary of the company, has redeemed preference shares of the face value of USD 195.1 million at a discount of USD 189.2 million. Consequent to the redemption, the company has recognized a loss of Rs. 850.86 crores, shown as exceptional item.

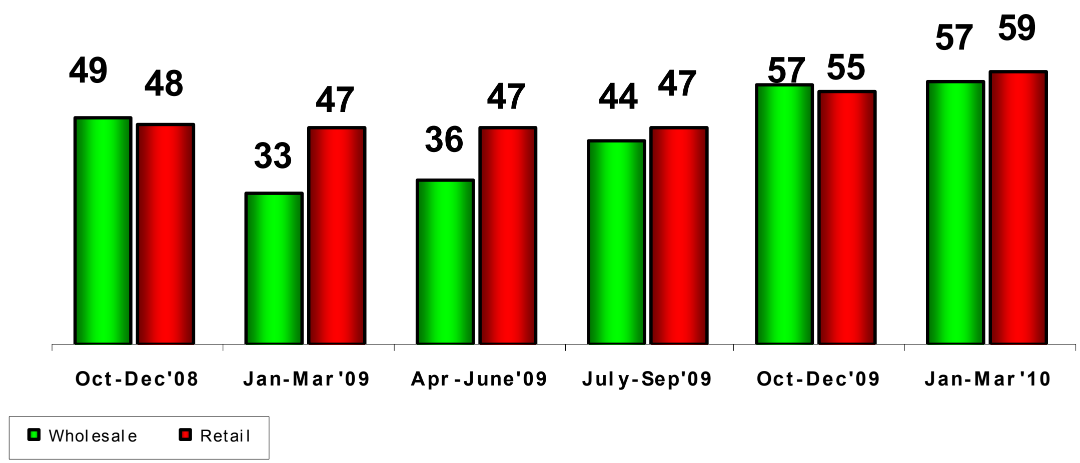
JLR Business Also Shows Significant Rebound through the Year.....

Million GBP	June'08 - Mar'09		Apr - June'09	July - Sep'09	Oct - Dec'09	Jan-Mar'10	FY10
Net Revenue	4,974		1,125	1,420	1,961	2,048	6,554
EBITDA	(41)		(34)	41	192	233	432
EBITDA margin	(0.8%)		(3.02%)	2.89%	9.79%	11.4%	6.6%
PBT	(281)		(62)	(52)	57	89	32
PAT	(306)		(64)	(60)	55	73	3

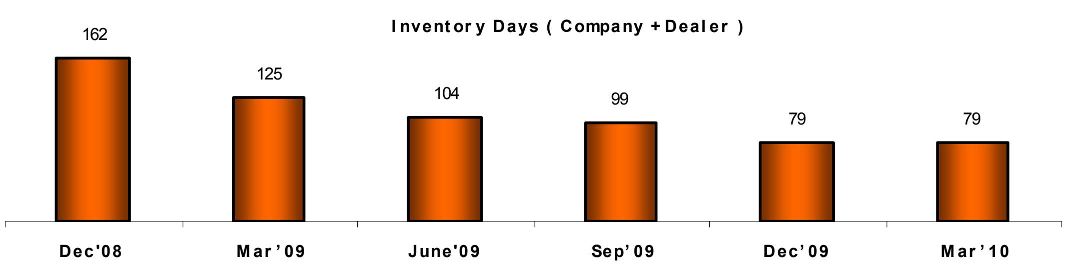
Supported by Operating Cost Improvement together with....

Retail growth aided by Stabilisation of Consumer sentiments

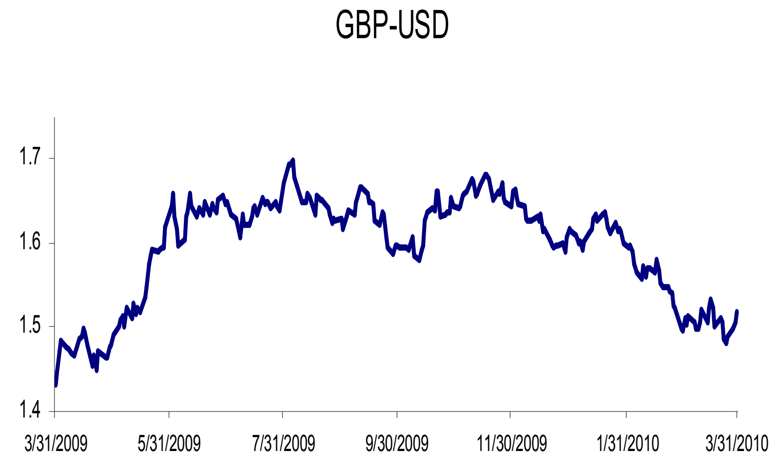
(‘000 units)



Wholesale Growth due to Significant De-stocking



Favorable Currency Movement



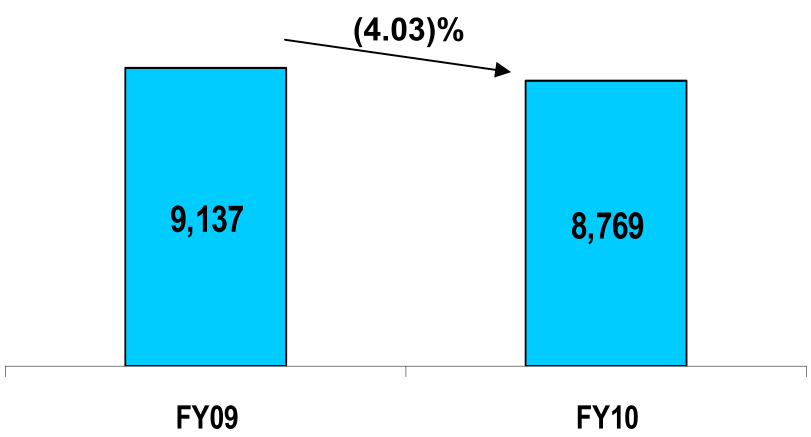
While Other Key Subsidiaries are Still in Recovery

Tata Daewoo

(Crs)	FY09	FY10	%change
Net Revenues	2,541	2,679	5.43%
EBITDA	222	195	-12.16%
% of Revenues	*8.7%*	*7.28%*	
Net Profit	111	82	-26.13%
% of Revenues	*4.4%*	*3.1%*	

Note: *excludes Other Income

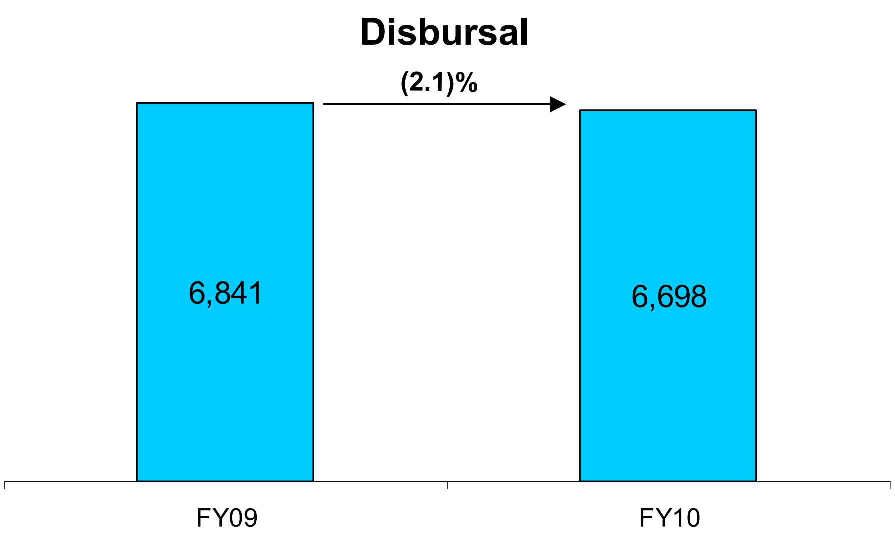
Sales



- Full year volumes declined by 4% mainly on account of weak exports on the back of global slowdown
- During the year TDCV launched ‘Prima 10*4’ cargo, Prima HCV 8*4 cargo/dump/mixer and HCV 6*4 cargo
- Margin decline on account of currency volitality and competitive pressures

Tata Motor Finance

(Crs)	FY09	FY10	%change
Net Revenues*	788	1,132	43.7%
Operating Income*	(259)	(5)	-98.1%
% of Revenues	*-32.9%*	*-0.4%*	
Net Profit	(202)	45	-122.3%
% of Revenues	*-25.6%*	*4.0%*	



*excluding other Income and after deducting Net interest

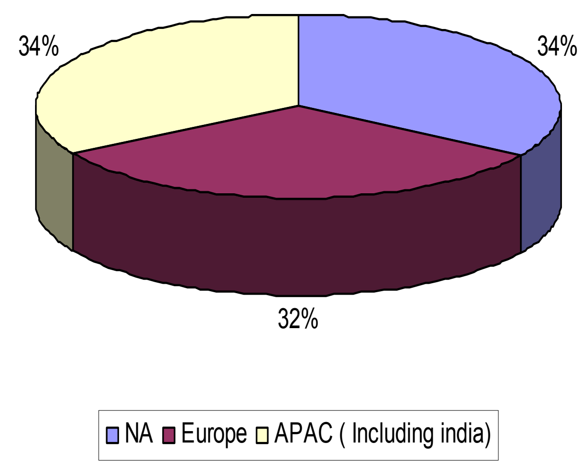
- Total vehicle financing disbursals (TMF) for FY10 were Rs. 6,698 Cr a decline of 2.1% from Rs 6,841 Cr in FY09, mainly on account of liquidity constraint mainly in H1FY10
- The book size at the end of March'10 for TMFL and TML (Vehicle Financing) stood at Rs 6704 Cr and Rs.924 Cr respectively.
- TMF market-share for FY10 was 23.8%
- NIM of vehicle financing business (TMF) for FY10 was 10.5%.
- NPA performance improved significantly aided by improved economic activity and collection efficiency

Tata Technologies

(Crs)	FY09	FY10	%change
Net Revenues*	1,202	1,070	(11.0)%
EBITDA*	81	126	55.6%
% of Revenues	*6.8%*	*11.8%*	
Net Profit	66	91	38.2%
% of Revenues	*5.5%*	*9%*	

Note: *excludes Other Income

Revenue Break-up



- Cost reduction plan contains impact of recession on earnings & margin
- Improving operational efficiency across Tata Technologies with project profitability & shared services
- Focus on addition of new marquee customers

HVTL & HVAL

(Crs)	FY09	FY10	%change
Net Revenues*	143	210	35.5%
EBITDA*	60	114	52.0%
% of Revenues	42.0%	54.49%	
Net Profit	19	53	89.3%
% of Revenues	13.3%	25.1%	

(Crs)	FY09	FY10	%change
Net Revenues*	155	240	54.8%
EBITDA*	75	139	85.3%
% of Revenues	48.4%	57.7%	
Net Profit	28	64	128.6%
% of Revenues	18.1%	26.6%	

- Sales Revenue increased on the back of growth in domestic CV market
- Increased profitability on account of cost reduction initiatives and high level of operating leverage

Challenges in the Near Future

Key Challenges

1. Surge in Commodity Prices
2. Currency Volatility
3. Financial Uncertainty led by the European Sovereign Debt Crisis
4. Shortened Product Lifecycle
5. Regulations
6. Increased Competition in Indian Market

OUTLOOK

Tata Motors – India

Tata Motors – Jaguar Land Rover

Tata Motors – Other Subsidiaries

Indian CV Market to Witness an Accelerated Pace of Change

Market

•Poor Road Infrastructure

•Rampant Overloading

Customers

•Fragment & Uninformed

•Price key determinant of Purchase Decision

Products

•Dominance of MCVs

•Limited Tonnage Range

•Rugged, Low Technology , Standardized Vehicles

Market

• Developed Road Infrastructure

• Reduced Overloading

• Customized vehicle requirement

Customers

•Increased Awareness

•Purchase Decision largely by lifecycle cost

Products

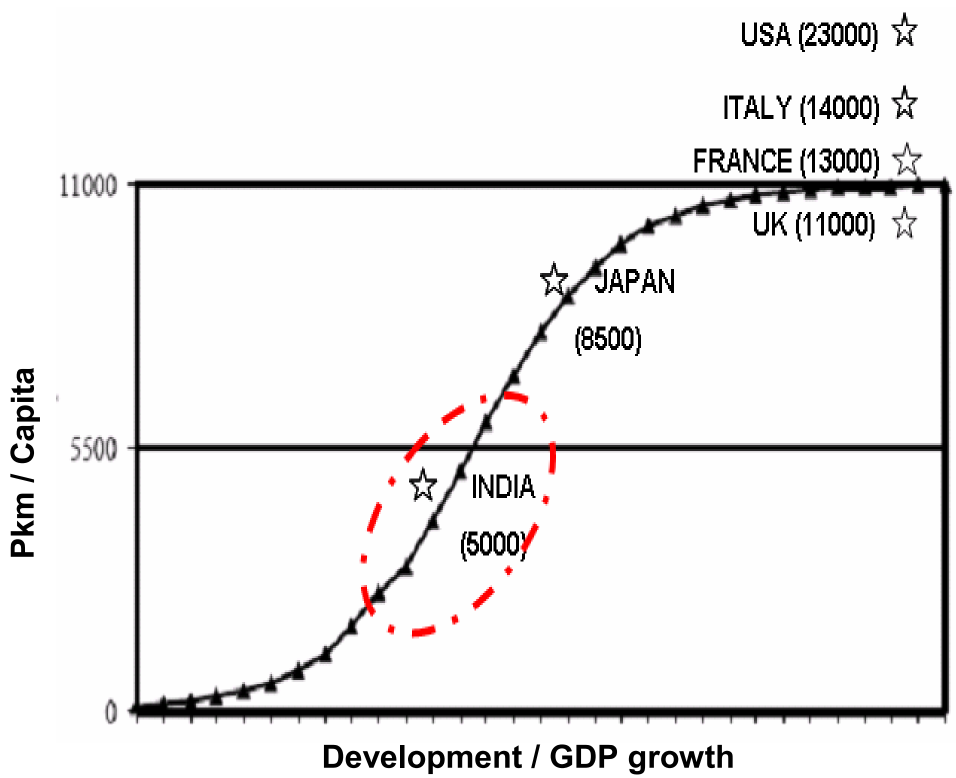
•Shift from MCVs to HCVs

•Explosive growth of LCVs

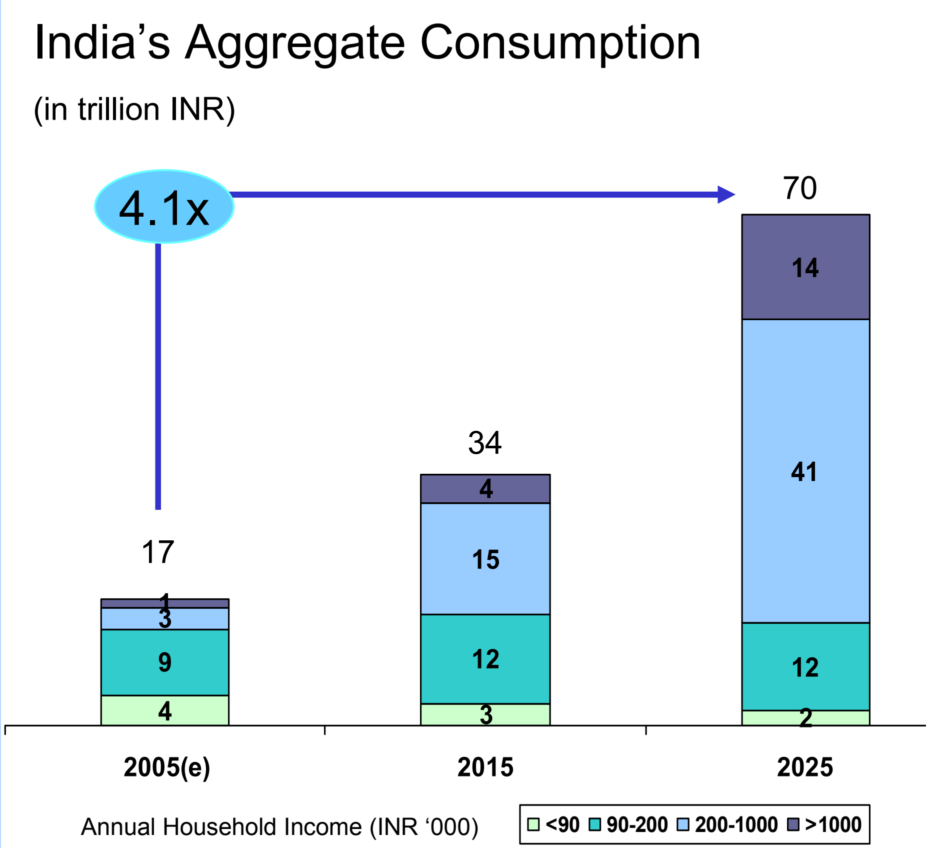
•Growth of Premium CVs

• Emergence of Special Applications Vehicles

Low Penetration and Consumption Growth to Support Indian Passenger Movement



Source: European Journal of Transport & Infrastructure Research

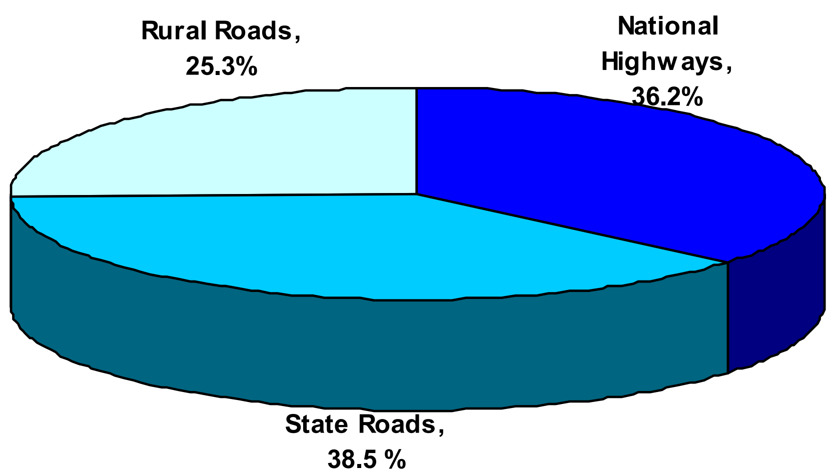


Mckinsey Global Institute

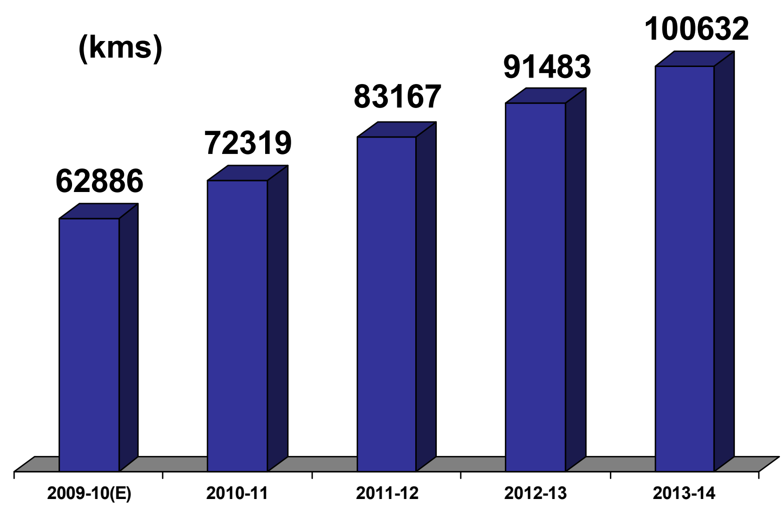
…… leading to increased demand for public and private modes of transport

Significant Investment Planned to Improve Indian Road Infrastructure

Breakup of road investments in next 5 years



Rural Roads : Expected length to be constructed



Source:Crisil Research

- Crisil estimates that between 2010 and 2014 total investment potential in the roads sector - ~ Rs 5,216 billion.
- Ministry of Road Transport & Highways has set a target of completion of 20 km of NHs per day, which translates to 35,000 km at the rate of 7,000 km per year during the next five years (2009-14)

Our Key Priorities for the Next 3 years

- Strengthen our Leadership Position in Indian Market
  - Continue Transformation and Strengthening of Product Portfolio
  - Accelerate and Scale High Growth Businesses
  - Seed Longer-Term Growth by Investing in Emerging Trends
  - Improve Quality, Customer Care for enhanced Customer Satisfaction
- Exploit Export Opportunities out of India to Key Markets

Continue Transformation and Strengthening of the Existing Product Portfolio

…over 100+ variants to be made available in India and Overseas!

World LCV Platform

Continue Transformation and Strengthening of the Existing Product Portfolio

Public Modes

ACGL

Marcopolo

HISPANO






Inter Mediate Public Transit

Magic

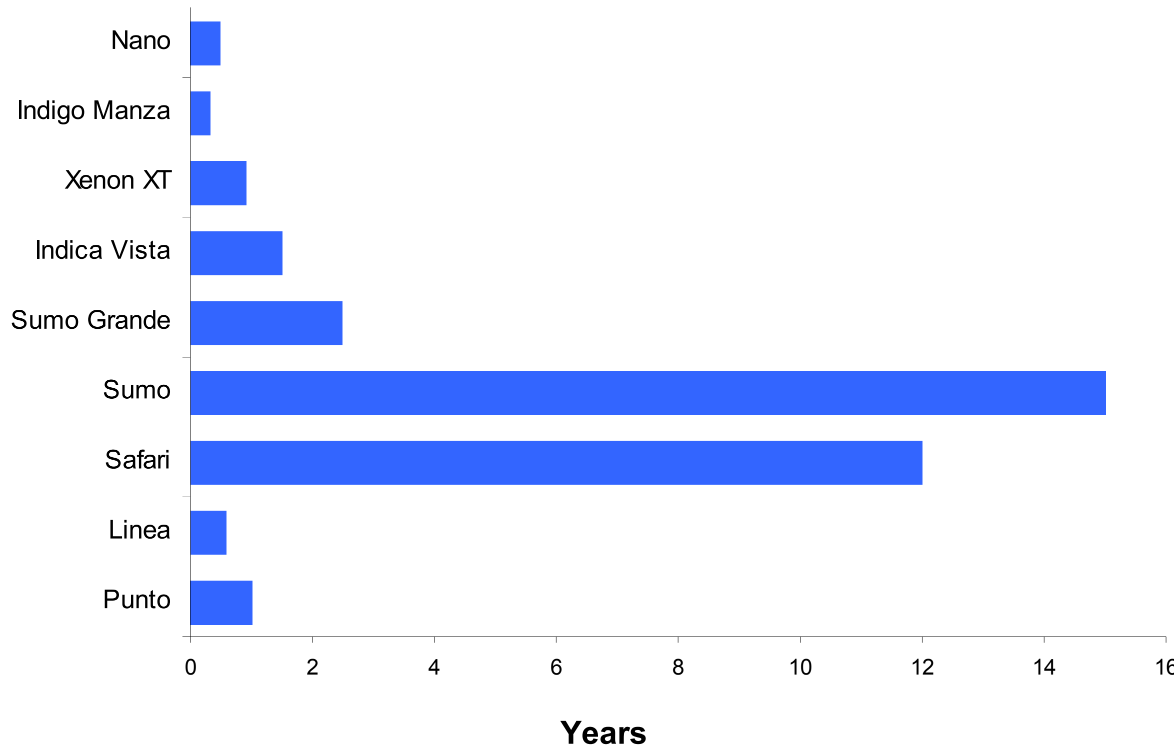
Venture

Winger

Magic-Iris

Continue Transformation and Strengthening of the Existing Product Portfolio

Young Product Passenger Vehicles Portfolio due to recent new launches



ARIA

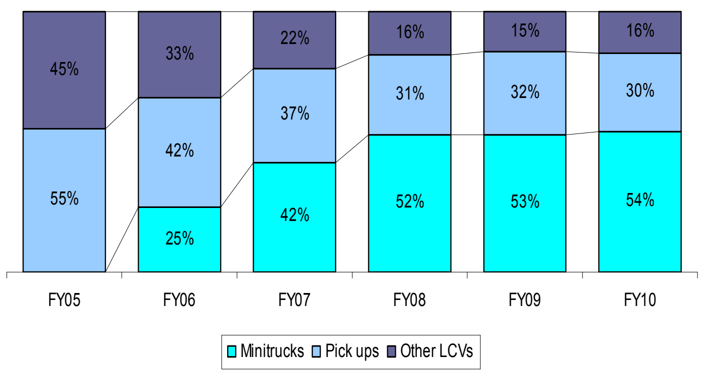
VENTURE

Next Gen UV Platform

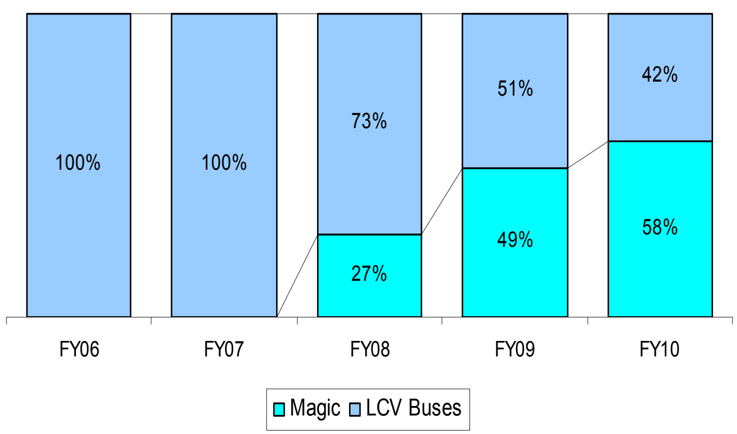
Accelerate and Scale High Growth Businesses

Additional Capacity Expansion Plans being explored for the Ace Family

Sub-One Ton Goods Carrier



Intermediate Public Transport



New Variants

State of the art Plant with Annual Capacity of 250,000 pa established in Sanand

Capacity higher than the sales of the largest selling car brand of FY10

Seed Longer-Term Growth by Exploiting Emerging Trends in Emerging Markets

<u>Technology Drivers</u>

Engines & Transmission	: Alternative Fuels
Body System	: Enhanced Comfort, Better Diagnostics
Safety Enhancement	: ABS, Adaptive Cruise Control, Blind Spot Detection

Improve Quality, Customer Care and Customer Satisfaction

- Aggressive Plans to further expand Sales & Service network in India for Enhanced Customer Care
- Customer Relationship enhanced through CRM 'real-time' service
- ISO certifications for service workshops
- Drivers ‘ Training Institute opened in Punjab in Feb 2010 : 14 acres land with Complete Infrastructure, 4 acres of Test Track and 6 Auto trade technicians course
- The brand ‘Service Edge’ was launched in March’10 to provide Responsive, Reliable and Value for money Service to our Car & UV customers

Exploit Export Opportunities out of India to Key Markets

- We have the product profile to strengthen export position
- Enlarge potential in traditional markets
  - SAARC region, South Africa , Sri Lanka, Nepal, Bangladesh
- Explore potential in newer and growing markets
  - North Africa, Middle East, South East Asia and Latin America

OUTLOOK

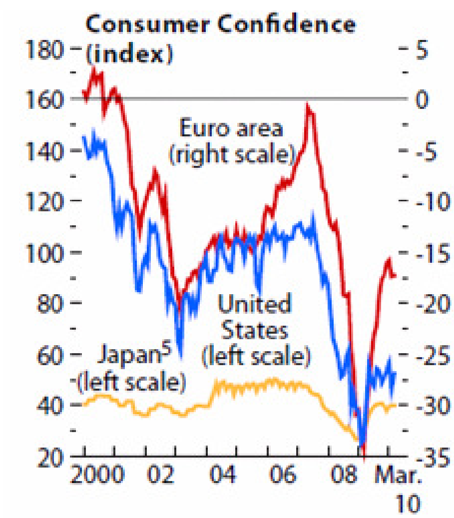
Tata Motors – India

Tata Motors – Jaguar Land Rover

Tata Motors – Other Subsidiaries

Emerging from the Crisis Global Macro Environment Likely to Support Growth

	Real GDP			
			Projections	
	2008	2009	2010	2011
Advanced Economies	0.5	-3.2	**2.3**	**2.4**
United States	0.4	-2.4	**3.1**	**2.6**
Euro Area	0.6	-4.1	**1**	**1.5**
United Kingdom	0.5	-4.9	**1.3**	**2.5**
Asia	5.2	3.5	**6.9**	**7**
India	7.3	5.7	**8.8**	**8.4**
China	9.6	8.7	**10**	**9.9**

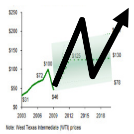


Although there remains global financial uncertainty and risk to consumer confidence due to the european debt crisis

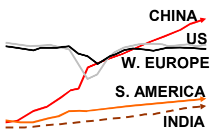
Source : IMF WEO – April 2010

Global Automotive Industry Trends

CO2 Oil $
Tax

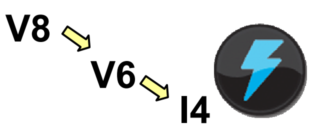


High and volatile fuel pricing, continuing CO2 legislation and taxation will drive fuel efficiency and energy security

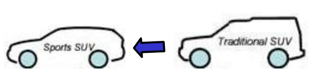


Premium sales growth will take place mainly in developing markets, especially China.

Environment is a growing basic requirement for premium vehicles. Premium competitors are responding through eco sub-branding.



Downsized and electrified powertrain are a developing feature in premium vehicles, including sports cars. Competitors are developing economic solutions.



Traditional SUVs are moving towards crossover, multipurpose and smaller SUVs, and there are similar movements towards small premium cars.

Our Key Priorities for the Next 3 years

- Build Competitiveness of Jaguar Land Rover Business

  Improve Flexibility In Cost Structure

  Reduce BEP to 65% of Manned Capacity

  Focus On New Products

  Focus On Emerging Markets And Environmental Technologies

Build Competitiveness of Jaguar Land Rover Business

2009 - Stabilise

- Stabilise, drive cost, launch new product and initiate transformation.

2010-12 - Transform

- Drive transformation to profitable business – simpler, more flexible with a lower cost base and lower breakeven
- Create the cash to invest

Stabilise & Transform

Achieve cash self sufficiency AND create the cash to invest

2009 to 2012

2013

Complete transformation

Achieve Potential

Achieve our competitive potential.

2013

Sustainable Growth

2014 Onwards

- Deliver key growth market and brand extension portfolio opportunities
- Optimise the manufacturing footprint and supply chain for the business
- Global business synergies with Tata Motors
- Strong technology strategy for low carbon world

Sustained, steady growth and return on investment

2014 onwards

Strategy to Reduce Break Even Point - JLR

Material Cost & Manufacturing	▪Gap closure to best in class ▪Increase sourcing of materials from low cost countries ▪Increase commonality & reduce number of suppliers to increase leverage ▪Introduction of PLA would enable consolidation to 2 sites. Close one plant in West Midland
Warranties	▪Reduce expenses equal to best in class ▪ Actions initiated include reducing fault clearance times, goodwill reduction, supplier recoveries, campaign prevention
S & A Expenses	▪Consolidation of back office's of national sales companies, SAP implementation, off-shoring in finance / IT
Product Development Expenditure	▪Maximise number of product offerings and deliver CO2 action plan. ▪Consolidate product development activity in Gaydon ▪Commenced reduction in number of platforms, reduction in engineering change costs, increased commonality, increased use of off-shoring
Manpower Management	▪ Defined benefit pension schemes closed to new starters; replaced by defined contribution scheme with lower cost ▪ Developed a High Performance Framework to enhance agility and encourage continuous improvement

New Products

- **2010 : Retail Sale of XJ**
- **2011 : Launch of compact Range Rover**

- **The next 3 year planning cycle to witness several new models and refreshments for Jaguar and Land Rover**

2010 Model year XK & New XJ

2010 Model Year LR Products

Focus on Emerging Markets and Environmental technologies at JLR

Emerging Markets Plans

- Jaguar Land Rover will continue to grow its presence in the Indian market by opening additional dealerships across India
- Established product development operations in India in early 2009, which the company plans to expand during 2010
- Plans to establish a national sales company in China during 2010, reflecting the growing importance of the Chinese market
- Jaguar Land Rover opened purchasing offices in China and India during 2009 and will continue to progress strategic low-cost sourcing of materials and components

Environmental Technologies Plans

- Develop technologies targeting a 25% reduction in joint fleet average tailpipe CO2 emissions
- Completion of the financing facility by the European Investment Bank which will support Jaguar Land Rover's research and development programmes focused on technologies that will reduce CO2 emissions from its vehicles
- Jaguar showcased Limo Green a collaborative research partnership. The aim of this project is to investigate the development of large premium vehicles with reduced CO2 emissions and much-improved fuel economy
- Range_e, another technology research project, uses a plug-in parallel diesel hybrid system to offer a premium SUV that can run as a pure EV (electric vehicle) in charge depleting mode or as a conventional hybrid in charge sustaining mode minimising CO2 across its full breadth of capability

OUTLOOK

Tata Motors – India

Tata Motors – Jaguar Land Rover

Tata Motors – Other Subsidiaries

Outlook for Other Key Subsidiaries

TDCV

- Temporary increase in sales of transport vehicles (cargos and tractors) if the 'Trucking Business Act is revised in 2010'. (Making transport companies responsible for transporting goods through certain percentage of their own vehicles)
- From October 2010, implementation of Euro V emission norms to result in pre-purchase
- Entry into new markets to improve asymmetric export structure and diversify risk
- Prima range to improve the product positioning in international market

TMFL

- To focus on increasing future disbursals on the back of growth in Indian Auto Industry and TML's performance
- To undertake aggressive measures to reduce NPAs

.

TTL

- Company will continue to focus on offshore business
- Full impact of Cost reduction initiatives undertaken in FY10 to be seen in FY11
- Repeat orders from existing customers and addition of new customers will drive growth.

HVAL & HVTL

- Both HVAL and HVTL will benefit considerably from future growth in the domestic CV market.
- HVTL will continue to launch new products in future.
- HVAL is striving to expand its customer base in India and abroad.

In Addition, Tata Motors Will Continue to Focus on Financial Risk Mitigation

- Derisk the Auto Business through further deleveraging
  - Divestments
  - Internal accruals
  - Equity Raising at appropriate time
- Controlled Capex plans
- Continued Cost Reduction
- Tight Working Capital Management

Thank You

ANNEXURES

JLR Business Also Shows Significant Rebound through the Year.....

	June-Mar'09 (£ mils)	Apr-June'09 (£ mils)	July-Sep'09 (£ mils)	Oct-Dec'09 (£ mils)	Jan-Mar'10 (£ mils)	FY10 (£ mils)
INCOME						
Sale of products and other income from operations	**4974**	**1125**	**1420**	**1961**	**2048**	**6554**
EXPENDITURE						
Raw materials and components, purchase of products for sale net of change in stock	3164	814	987	1338	1300	4439
Payments and provision for employees	569	176	187	192	175	730
Manufacturing costs and other expenses (net of transfer to capital account)	1282	170	205	239	339	953
Total expenditure	5015	1159	1379	1769	1814	6121
PROFIT / (LOSS) BEFORE DEPRECIATION, INTEREST, AMORTISATION, AND TAX	**(41)**	**(34)**	**41**	**192**	**233**	**432**
Product development costs	39	11	9	8	20	48
Depreciation and Amortisation	170	69	58	118	66	310
Interest and discounting charges	31	13	10	11	19	53
PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEMS	**(281)**	**(127)**	**(36)**	**55**	**129**	**21**
Notional exchange (loss) gain (net) on revaluation of foreign currency borrowings etc		65	16	2	(41)	11
PROFIT / (LOSS) BEFORE TAX	**(281)**	**(62)**	**(52)**	**57**	**89**	**32**
Income tax charge	25	2	9	2	16	29
PROFIT / (LOSS) FOR THE FINANCIAL PERIOD	**(306)**	**(64)**	**(60)**	**55**	**73**	**3**

Note:
Proforma Management Accounts of Jaguar and Land Rover operating companies excluding UK holding company (JaguarLandRover Ltd.)

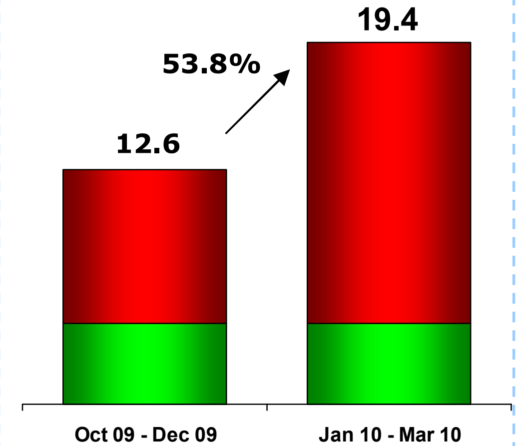
Retail volumes

Improvement in the UK and China

Quarter over quarter

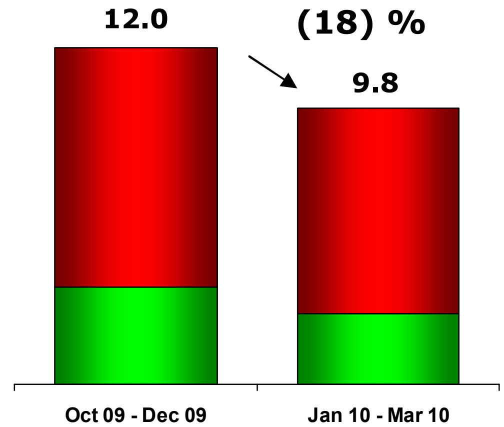
Units '000s

UK



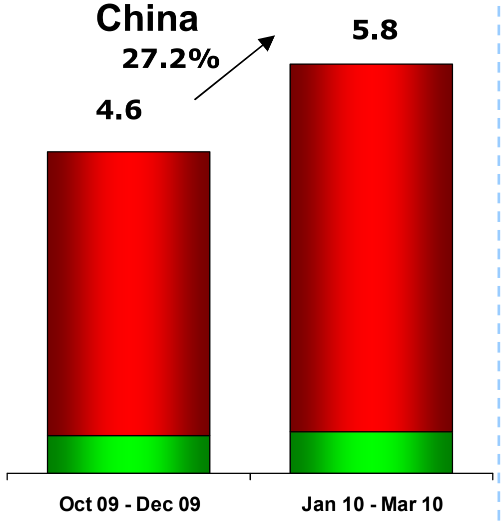
	Oct 09 - Dec 09	Jan 10 - Mar 10
LR	8.3	15.0
Jaguar	4.3	4.4

North America



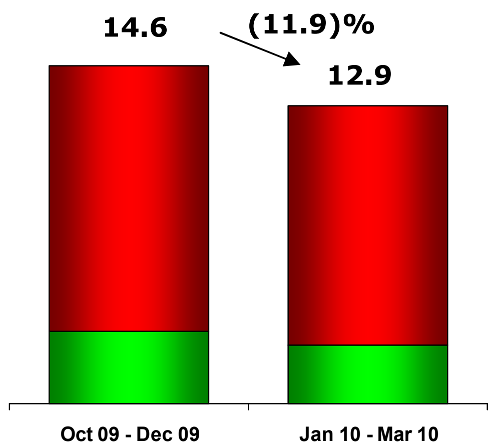
	Oct 09 - Dec 09	Jan 10 - Mar 10
LR	8.6	7.3
Jaguar	3.4	2.5

China



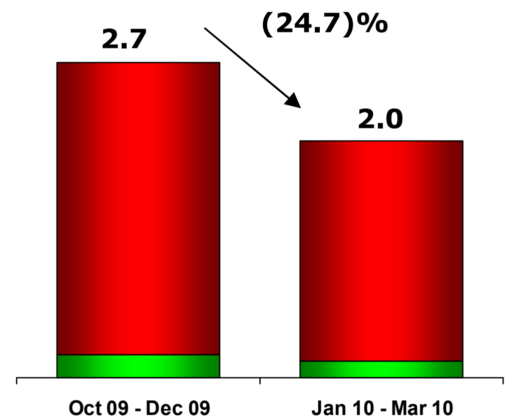
	Oct 09 - Dec 09	Jan 10 - Mar 10
LR	4.0	5.2
Jaguar	0.6	0.6

Europe (excl Russia)



	Oct 09 - Dec 09	Jan 10 - Mar 10
LR	11.5	10.4
Jaguar	3.1	2.5

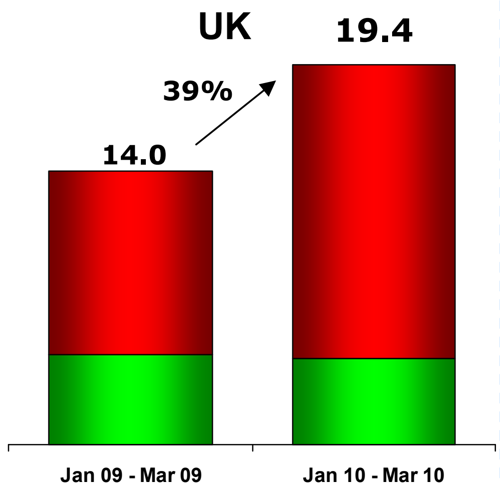
Russia



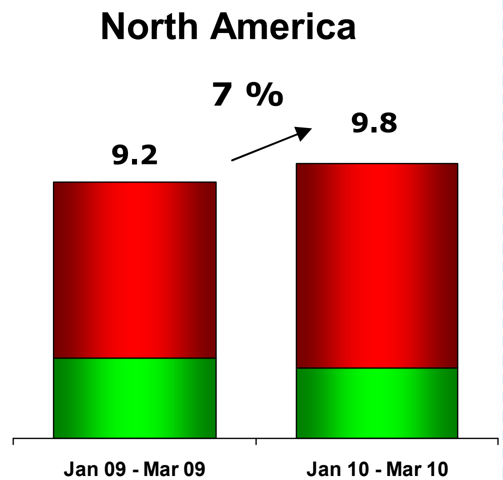
	Oct 09 - Dec 09	Jan 10 - Mar 10
LR	2.5	1.9
Jaguar	0.2	0.1

Retail volumes

Improvement in the UK, NA, China and Europe. Russia YoY deterioration as a result of difficult market conditions specific to Russia



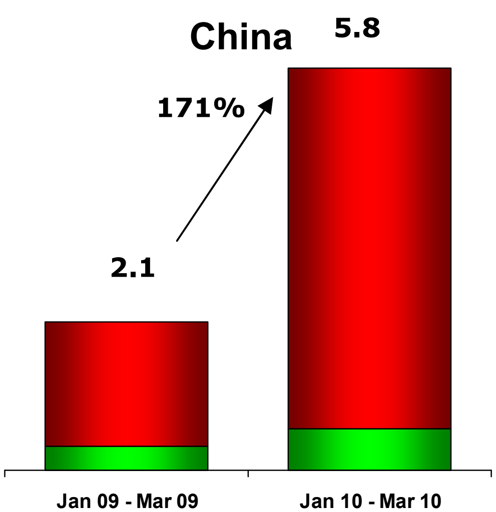
	Jan 09 - Mar 09	Jan 10 - Mar 10
LR	9.4	15.0
Jaguar	4.6	4.4



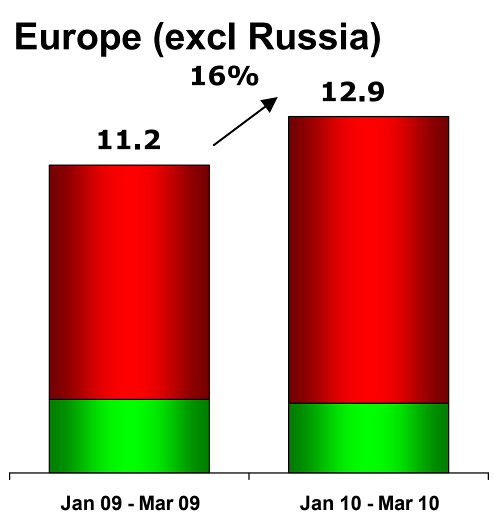
	Jan 09 - Mar 09	Jan 10 - Mar 10
LR	6.3	7.3
Jaguar	2.9	2.5

Year over year by quarter

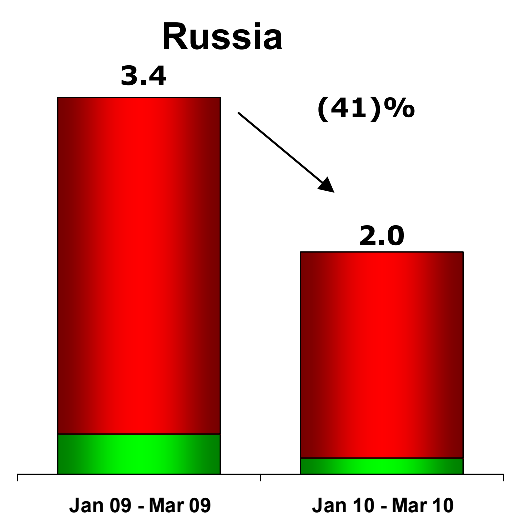
Units ‘000s



	Jan 09 - Mar 09	Jan 10 - Mar 10
LR	1.7	5.2
Jaguar	0.4	0.6



	Jan 09 - Mar 09	Jan 10 - Mar 10
LR	8.5	10.4
Jaguar	2.7	2.5



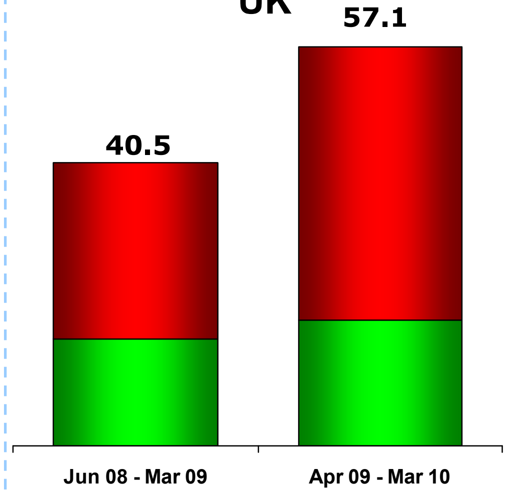
	Jan 09 - Mar 09	Jan 10 - Mar 10
LR	3.0	1.9
Jaguar	0.4	0.1

Retail volumes

10 months and full year

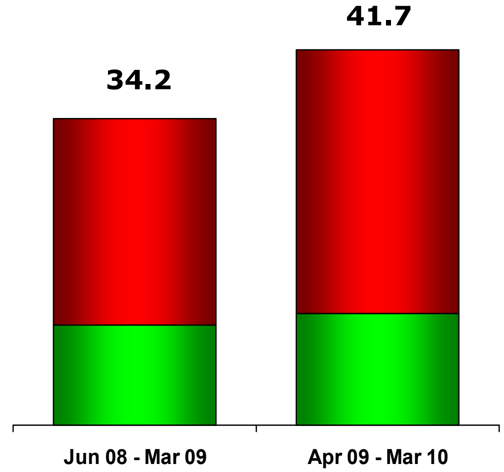
Units ‘000s

UK



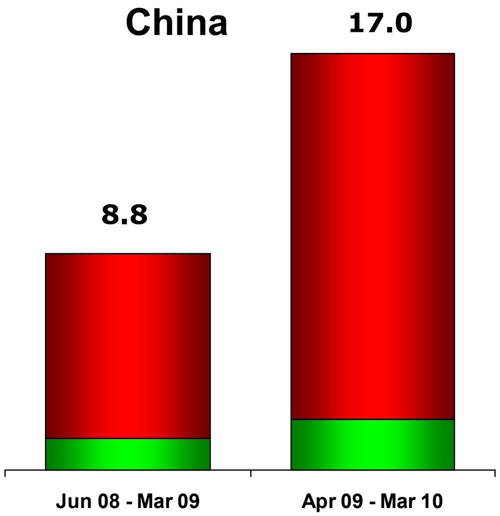
	Jun 08 - Mar 09	Apr 09 - Mar 10
LR	25.2	39.1
Jaguar	15.3	18.0

North America



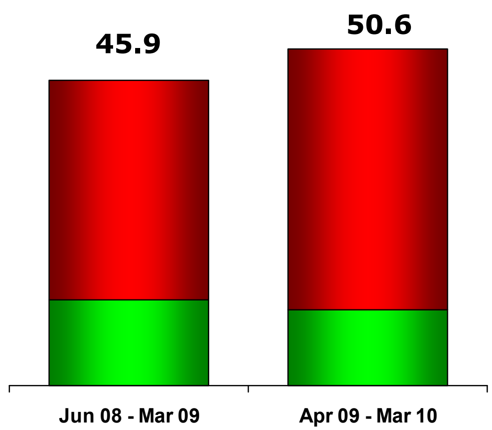
	Jun 08 - Mar 09	Apr 09 - Mar 10
LR	23.0	29.3
Jaguar	11.2	12.4

China



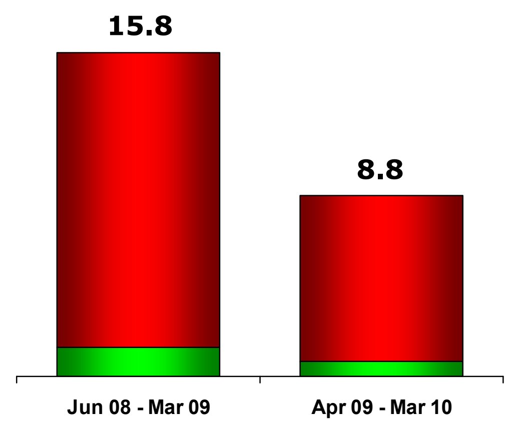
	Jun 08 - Mar 09	Apr 09 - Mar 10
LR	7.5	15.0
Jaguar	1.3	2.0

Europe (excl Russia)



	Jun 08 - Mar 09	Apr 09 - Mar 10
LR	33.0	39.1
Jaguar	12.9	11.5

Russia



	Jun 08 - Mar 09	Apr 09 - Mar 10
LR	14.4	8.1
Jaguar	1.4	0.7