Tata Motors

1Q FY06 Results Review

29th July, 2005

TATA

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

- **1Q FY06 Results**

- Operational Highlights

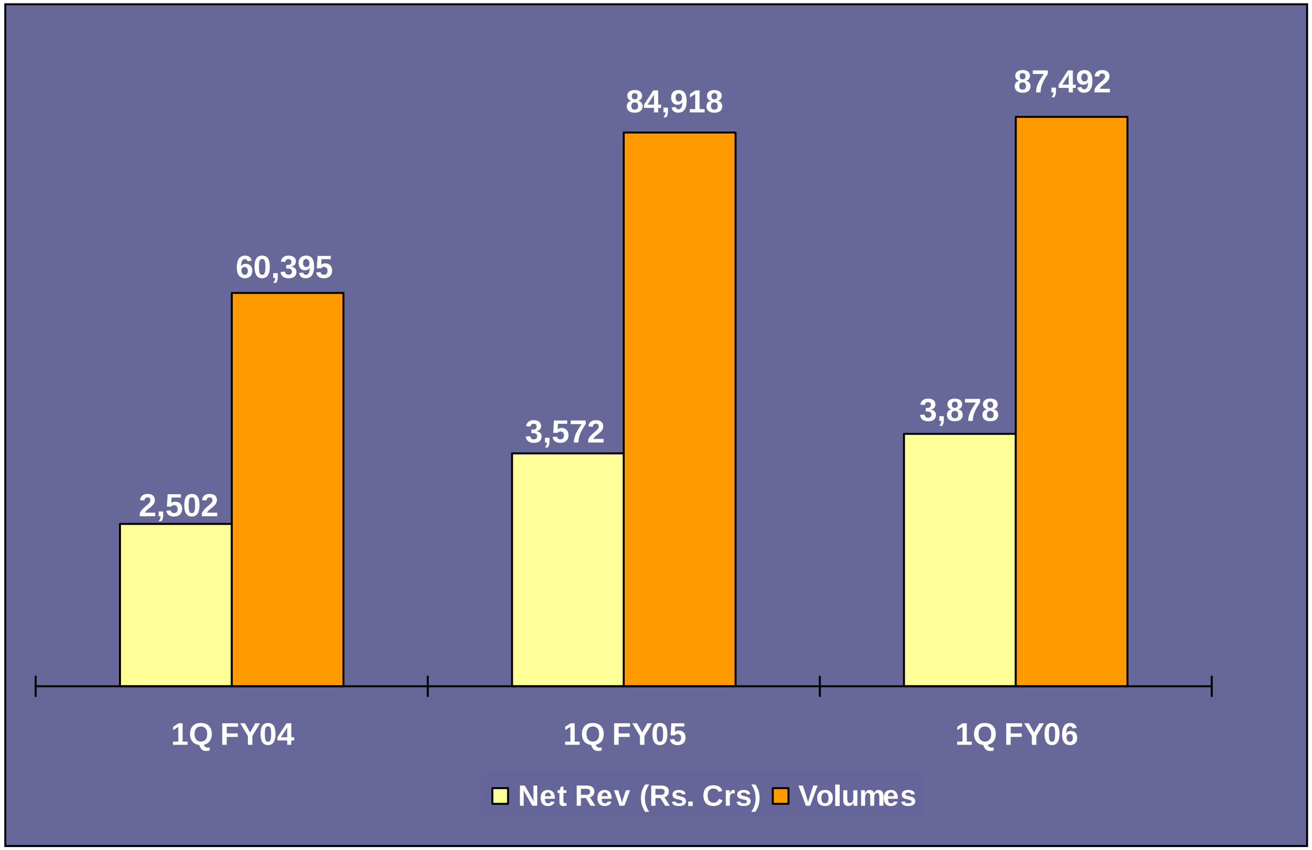
TATA

1Q FY06 Financial Performance (Unconsolidated)

Rs crores	1QFY06	1QFY05	FY05
Gross Revenue	4,567.7	4,244.9	2,048.3
Net Revenue	3,878.1	**3,574.1**	**1,741.9**
EBITDA	487.8	429.4	217.1
EBITDA Margin	*12.6%*	***12.0%***	***12.5%***
Other Income	58.3	41.2	16.6
Net Interest	51.0	41.6	15.4
Dep. & Amortisation	126.7	98.3	45.0
Prod. Dev. Exp.	7.4	26.6	6.7
PBT before Extra-ord. Items	361.0	304.1	166.6
Extra-ord. Items	(1.0)	(1.1)	(1.4)
PBT	360.0	**303.1**	**165.2**
Tax	87.3	79.7	41.5
Profit after Tax	272.7	**223.3**	**123.7**
Basic EPS (Rs) (Non-Annualised)	7.3	6.3	34.4

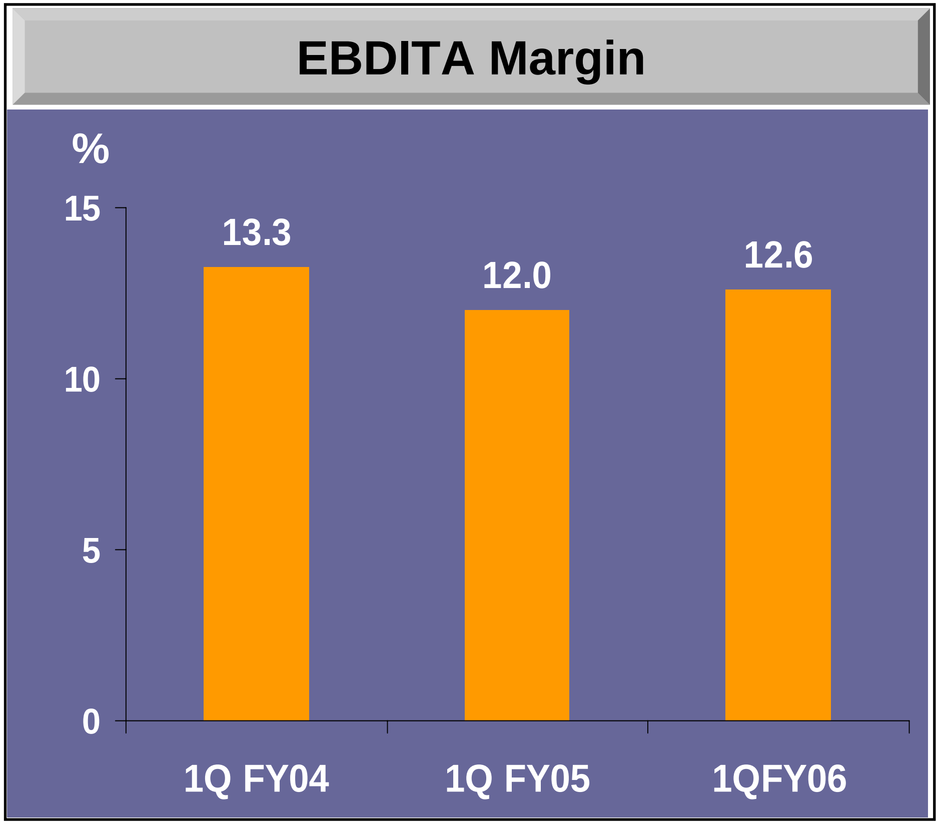
- Net Revenues up 8.6%
- EBITDA margin at 12.6%; up 60bps
- Pre tax Cash Profit up 15.4%
- PBT +18.8%; PAT +22.1%
- EPS of Rs. 7.3; up 15.8%

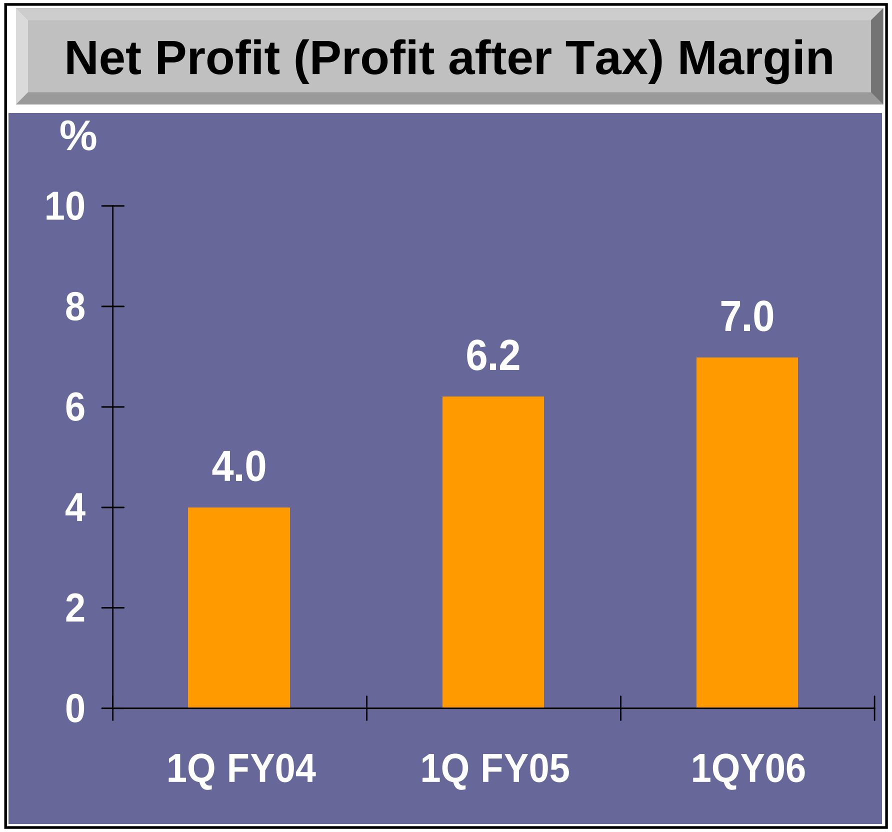
Net Revenues and Volume Growth



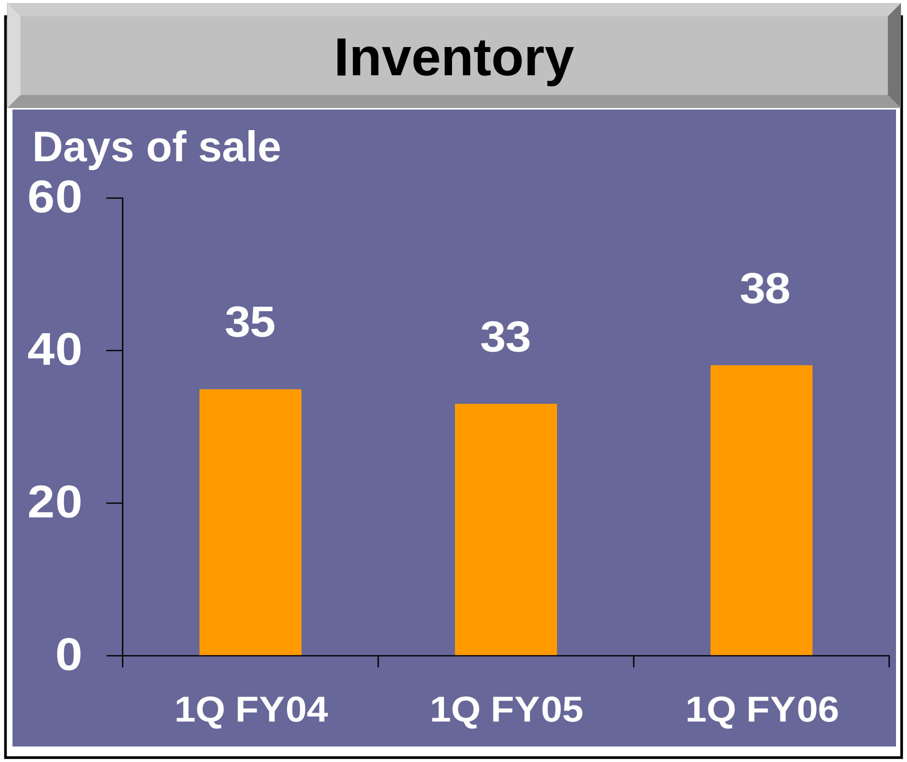
CAGR of 15.7% achieved in 1Q Net Revenues of last 3 Years
Against
CAGR of 13.2% achieved in 1Q Volumes of last 3 Years

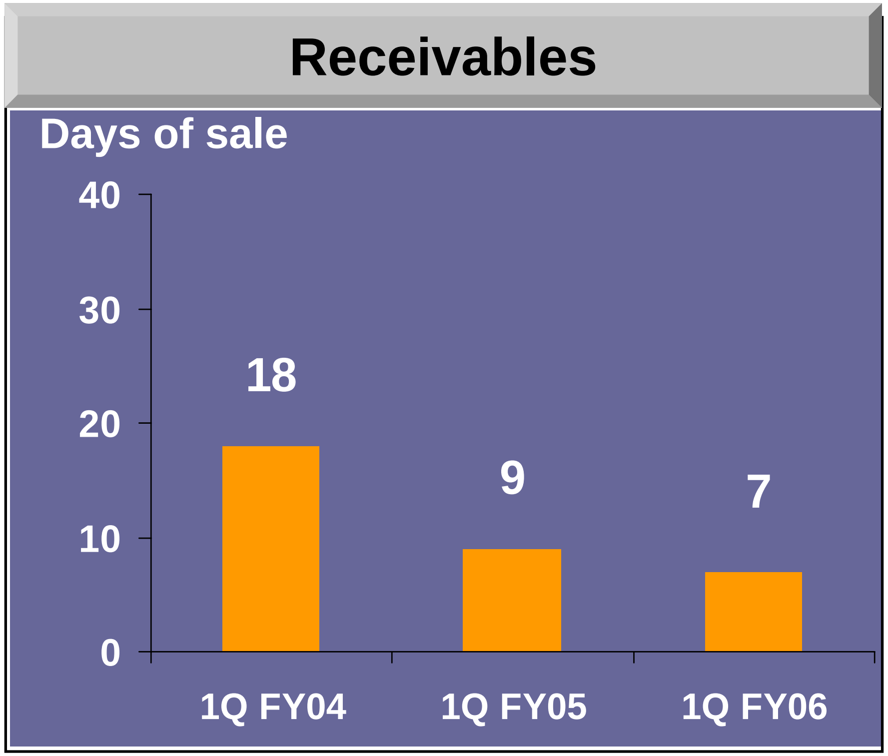
Profitability





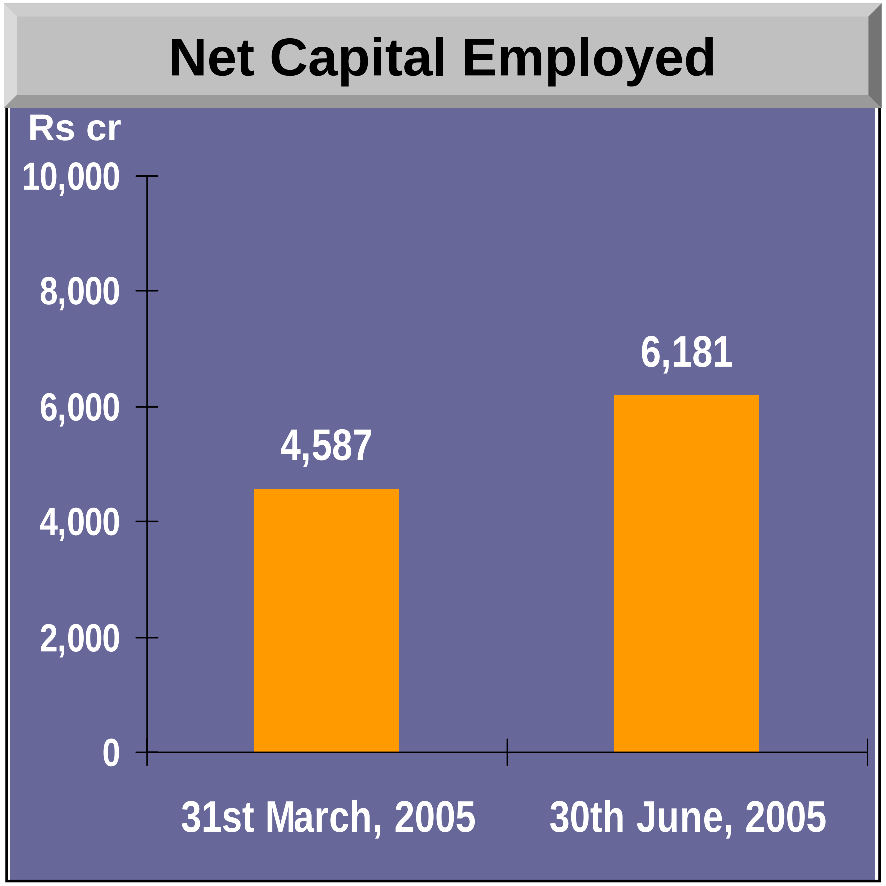
Working Capital Management

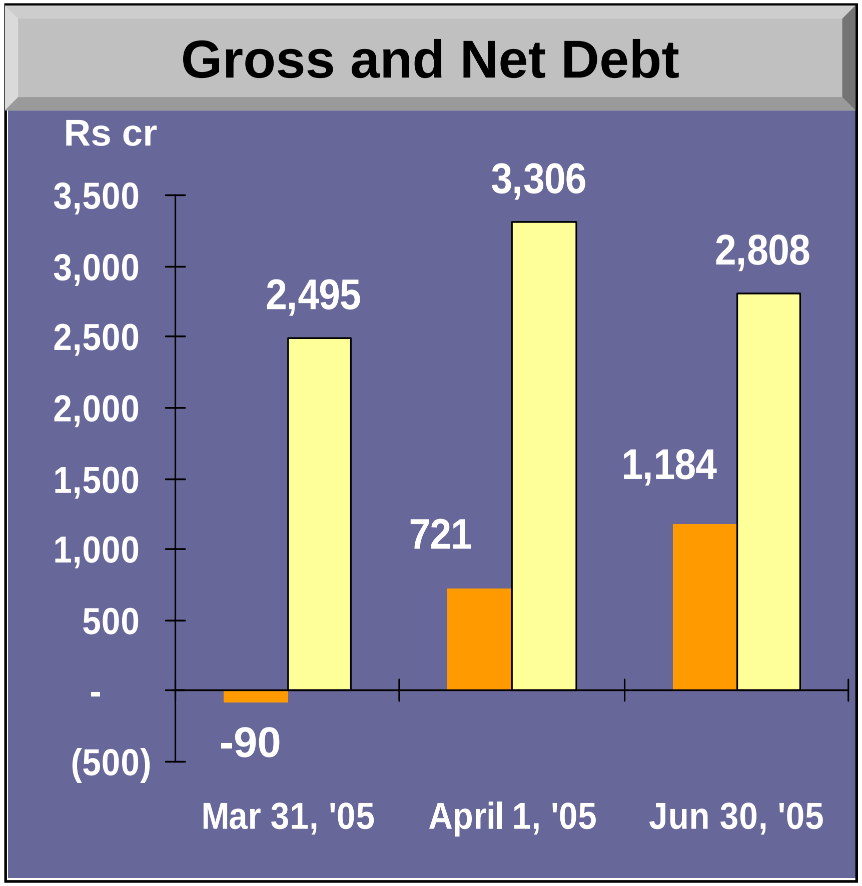




As on 30th June, 2005 Net Working Capital was negative Rs.282.7 crs after adjusting the Investible Surplus

Balance Sheet Size





(Capital Employed and Debt have been adjusted for Investible Surplus)

- **Increase in Balance Sheet Size on account of Merger of Tata Finance Ltd with Tata Motors Ltd. with effect from 1st April, 2005.**
- **Loans of Around Rs.500 Crore repaid in 1QFY06**

Performance of Key Subsidiaries

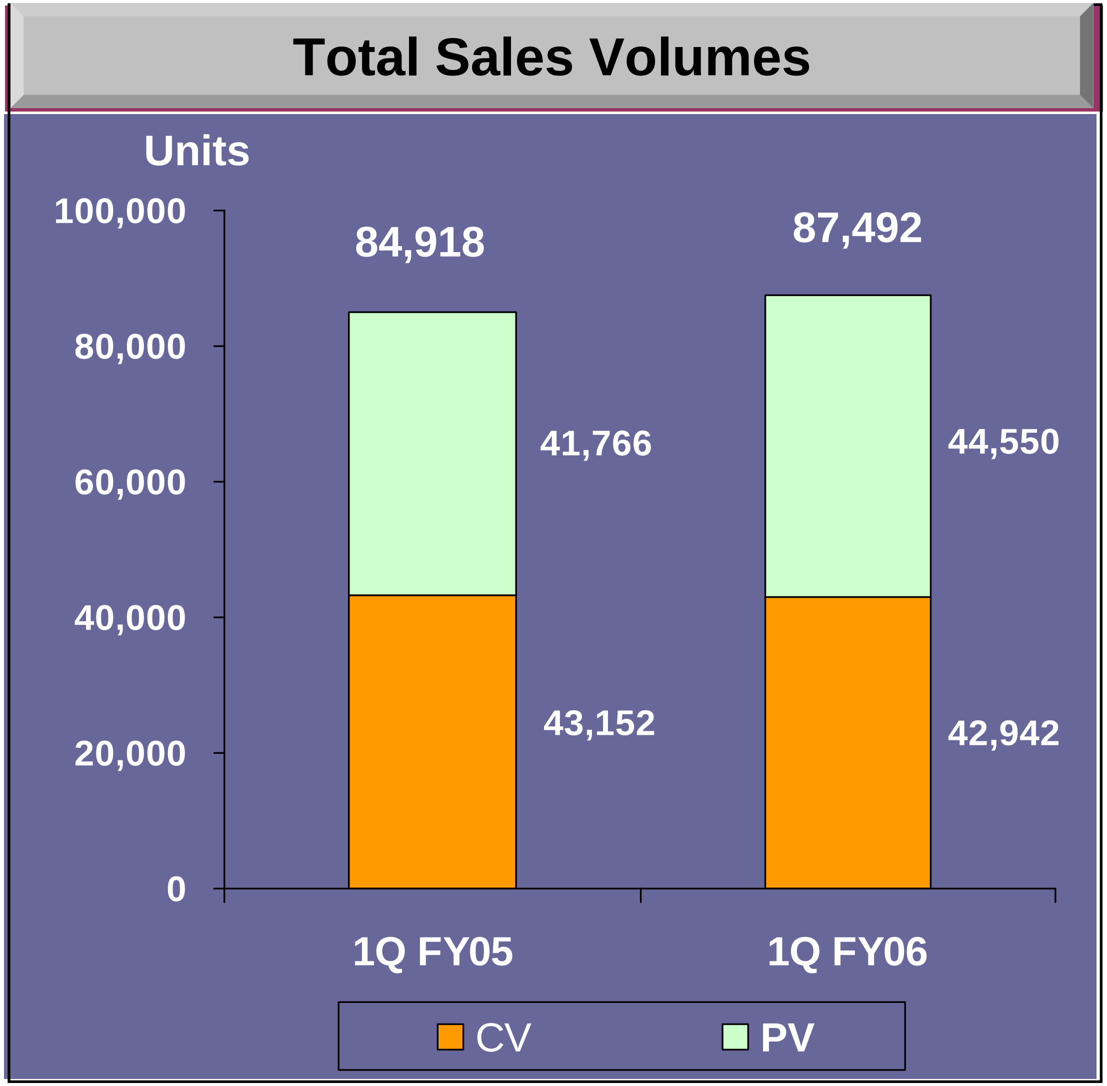
- The combined turnover of the key six subsidiaries stood at Rs 677 cr in 1QFY06 against Rs.656 cr during 1QFY05.
- Strong performance recorded by Tata Technologies (162% growth in Net Profit) and TELCON (66% growth in Net Profit).
- Decline in TDCV revenues and profitability Y-o-Y on account of 26% decline in Korean CV market. TDCV able to maintain its market share at around 29%.
- HVAL and HVTL able to maintain Net Profits on Y-o-Y basis ; impacted by flattish M/HCV sales of Tata Motors.
- TAL records a net loss on account of lesser scheduled deliveries and change in product mix.

Agenda

- **1Q FY05 results**

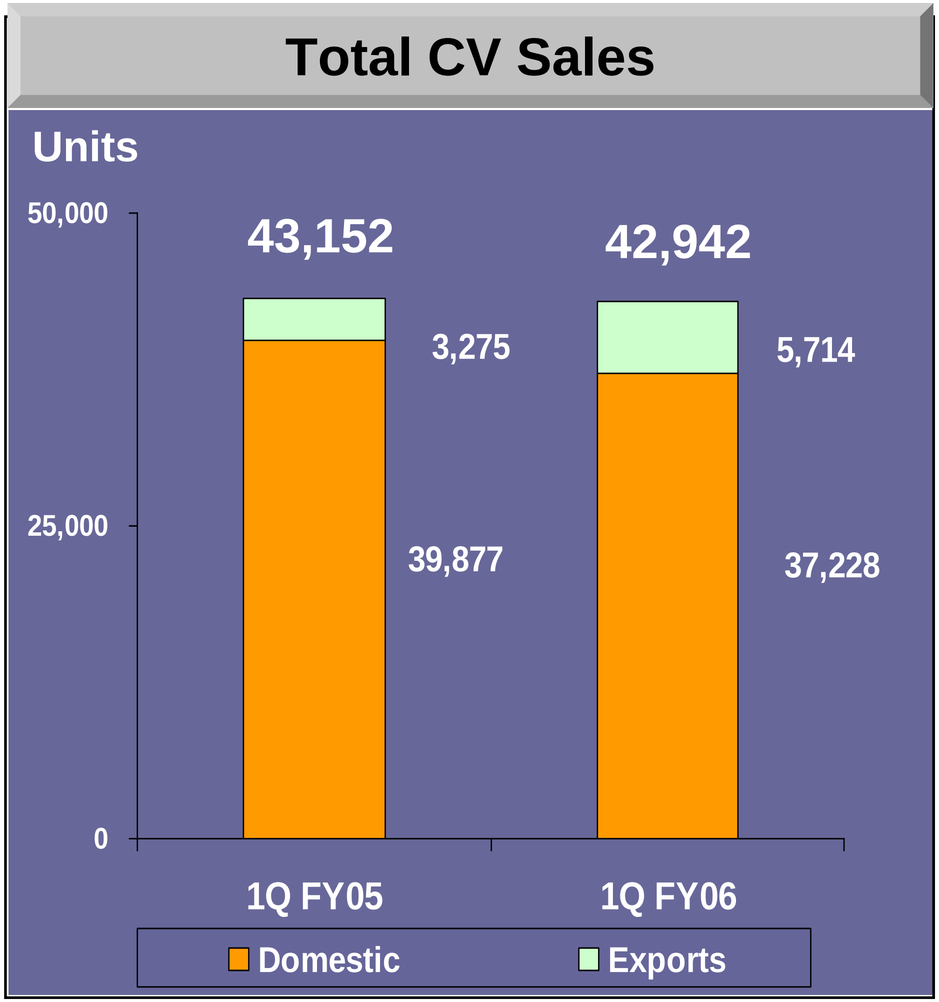
- Operational Highlights

Sales Performance



- **Total Volume growth of 3%**
  - Domestic volumes down 3%
  - Exports volumes +113%
  - International Business revenues (incld. TDCV) were 17% of the total consolidated revenues.

Commercial Vehicles

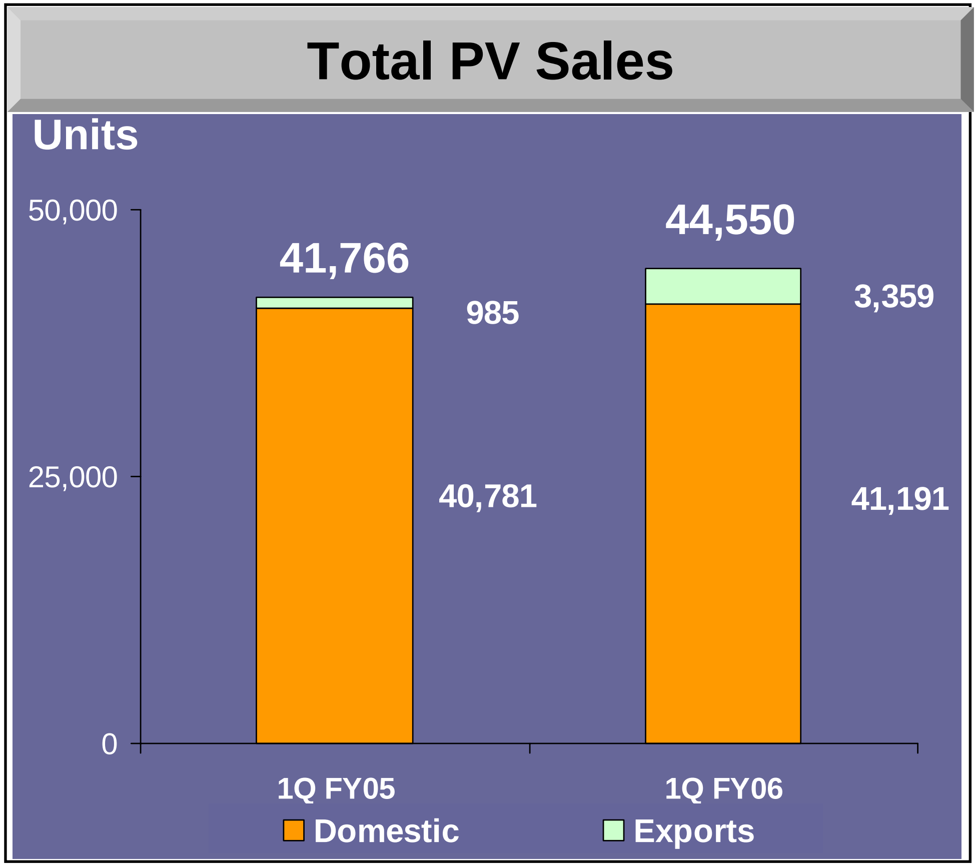


- **Total CV Volumes stagnant**
  - Domestic volumes down 7%

    M/HCVs : -20%, LCVs :+ 22%
  - Exports grew 74%

    M/HCVs : +29%, LCVs : +97%
- **Market share in the total CV segment :**
  - April'05 : 49.6%
  - May'05 : 56.6%
  - June'05 : 57.4%
- **Market share of ICVs was 38.9%; up 630bps Y-o-Y**
- **Tata Ace Launched in four states of South India – has received an extremely good response.**
- **Key countries of Export were South Africa, West Asia and South East Asia**

Passenger Vehicles



- **Total PV Volume growth of 7%**
  - Domestic volumes up marginally by 1%;
  - Export volumes grow 241%
- **PV domestic market share at 16.1%; down 130bps**
  - Continues to be second-largest player
- **Passenger car market share down by 160bps to 17.2%**
- **Sumo Victa continues to boost UV sales; Y-o-Y growth of 10% recorded in 1QFY06**.

Going forward….

- Continuing input cost pressure
- Increase in Global Crude Oil prices - a serious cause of concern
- Interest rates movement needs to be watched closely

Thank You