



Tata Motors

2Q FY04 Result Review

October 29, 2003



Presentation Outline

- **2Q FY04 results**
- Operational Highlights



2Q FY04 Performance

(Rs cr)	2Q FY04	2Q FY03	1H FY04	1H FY03
Revenue (Net of excise)	3,176.6	2,159.2	5,677.5	3,906.9
EBITDA	438.9	261.1	770.5	462.5
EBITDA Margin	13.8%	12.1%	13.6%	11.8%
Other Income	22.8	4.0	33.3	10.9
Net Interest	26.0	67.2	79.8	147.2
Depreciation	93.2	90.0	186.2	179.5
Amortisation	11.1	-	22.5	-
Extra-ordinary Items	(2.9)	-	(23.0)	-
PBT	328.5	107.9	492.2	146.8
Current & Deferred Tax	121.8	49.1	185.2	59.9
Net Profit / (Loss)	206.7	58.8	307.0	86.8

Established Profitable Growth Path

2Q FY04 Highlights

- Profit before Tax (PBT) of Rs 328.5 cr during 2Q FY04 compared to Rs 107.9 cr last year – growth of 204%.
- Profit after Tax (PAT) of Rs 206.7 cr in 2Q FY04 against last year's Rs 58.8 cr – an increase of 251%.
- Cash Profit more than doubled to Rs 435.7 cr compared to Rs 197.9 cr.

1H FY04 Highlights

- PBT of Rs 492.2 cr during 1H FY04 as against Rs 146.8 cr in the previous year – up 235%.
- 1H FY04 PAT of Rs 307 cr compared to last year's Rs 86.8 cr – growth of 254%.
- Cash Profit of Rs 723.9 cr (up 122%) during 1H FY04 against Rs 326.2 cr last year

Key highlights of 2Q FY04

- Net Revenues up 47% during the quarter
- Volume growth of 42% to 78,125 units
- Exports volumes are up 59% during the quarter; Exports revenues up 80%
- EBITDA of Rs 439 cr, growth of 68% compared to Rs 261 cr last year
- Interest cost down 61% YoY to Rs 26 cr. However, this is after adjusting Rs 12.65 cr of accrued interest income on Income-Tax refunds during the quarter.
- Input cost pressure remains an area of concern

- FCCB issue of USD 100 mn during the quarter
- Balance sheet size of Rs 4,880 cr with surplus cash / investments of around Rs 915 cr.
- Gross Debt of Rs 1,758 cr as on Sep. 30, 2003. Net Debt of around Rs 843 cr.
- Working Capital continues to remain negative.
 - Inventory & Receivables brought down further
- Around 8.1 lac Warrants converted during the quarter to take the total outstanding equity to Rs 320.64 cr.

Performance of Key Subsidiaries

- Key subsidiaries posted a combined PBT of Rs 7.9 cr in 2Q FY04 against a loss of Rs 7.5 cr in the last year.
- Combined turnover up 52% YoY
- Combined capital employed of these subsidiaries down by 9% compared to March 31, 2003.
- Combined debt of these key subsidiaries has also declined from Rs 397 cr as on March 31, 2003 to Rs 314 cr as on Sep. 30, 2003.



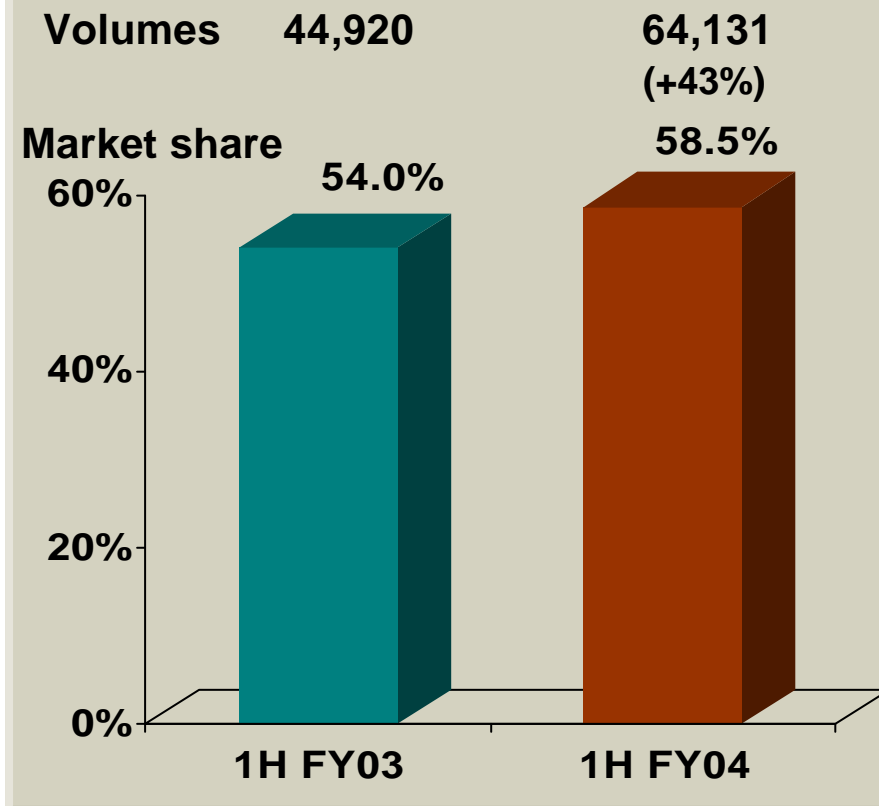
Presentation Outline

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- **Operational Highlights**

Commercial Vehicles

1H FY04 Performance



Highlights of 1H FY04 Performance

- Volume growth of 43%
 - M/HCVs 38%
 - LCV 52%
- Revival in Bus demand
- Market share gains
 - M/HCV - 64% from 63% last year
 - LCV – 50% from 41% last year
- 39% market share in Pick-ups



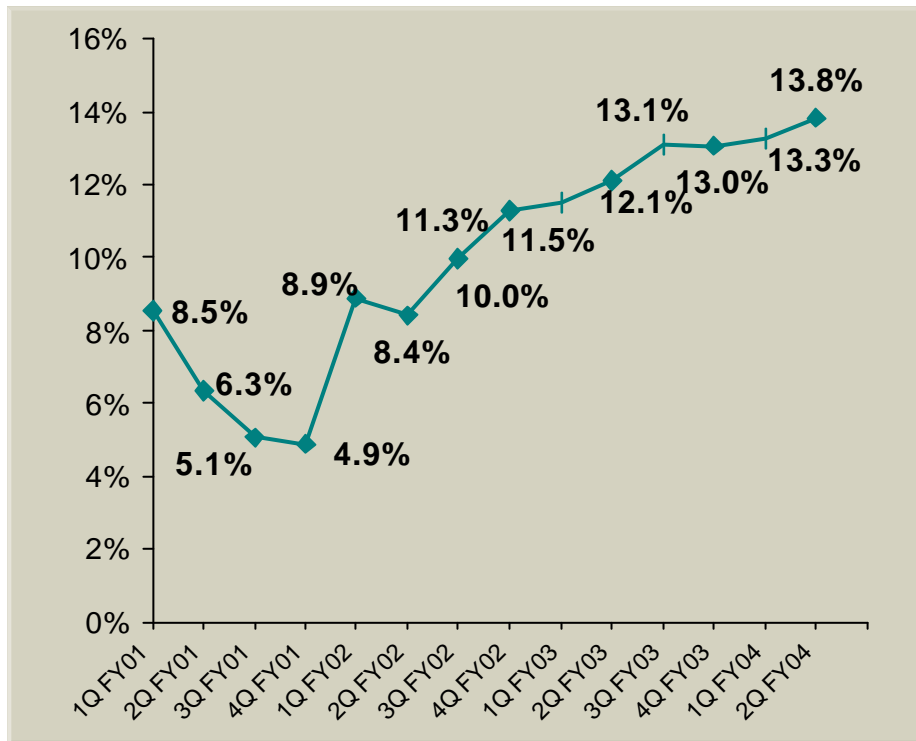
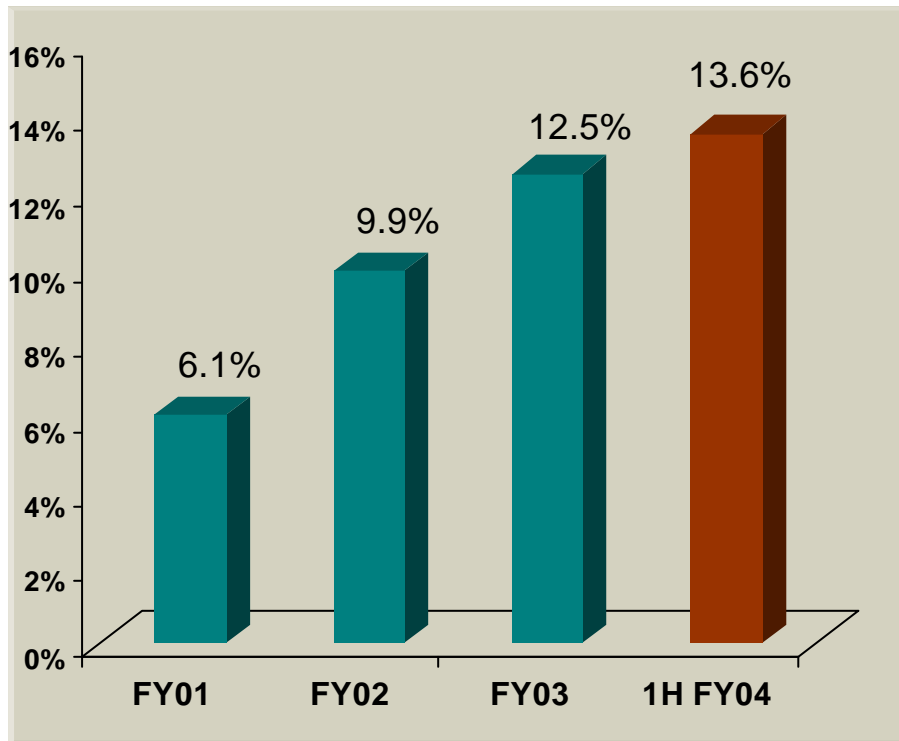
Exports

Highlights of 1H FY04 Performance

- Volume growth of 67% to 7,417 units from 4,429 units.
 - Commercial Vehicles +31%
 - Passenger Vehicles +171%
- Value growth of 70% to US\$ 76.8 mn
- Better penetration in near-by markets of Sri Lanka & Bangladesh
- Exploring high potential markets like South Africa and SE Asia.

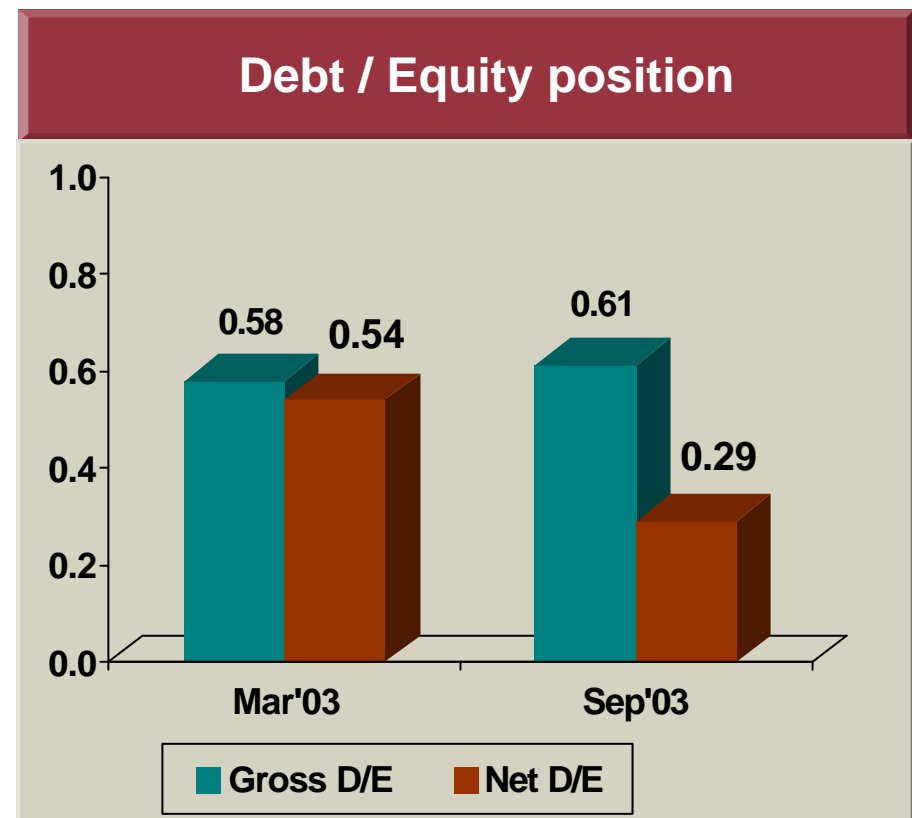
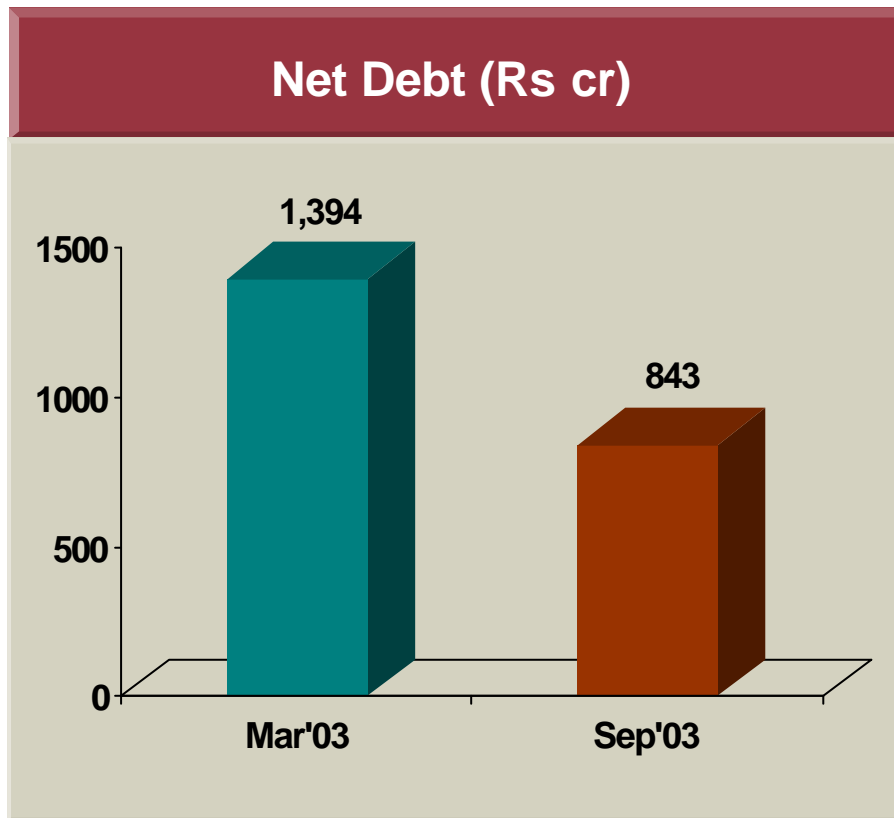
Consistent improvement in EBITDA margin

EBITDA growth of 67% in 1H FY04



(EBITDA / Net of Excise Revenue)

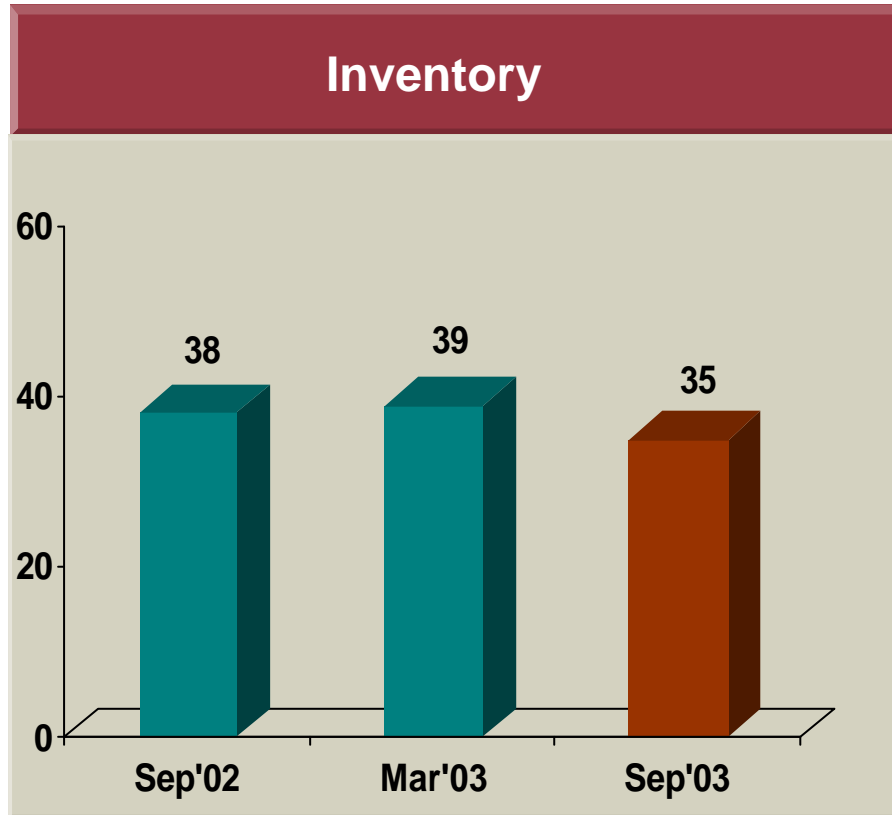
Balanced Debt position



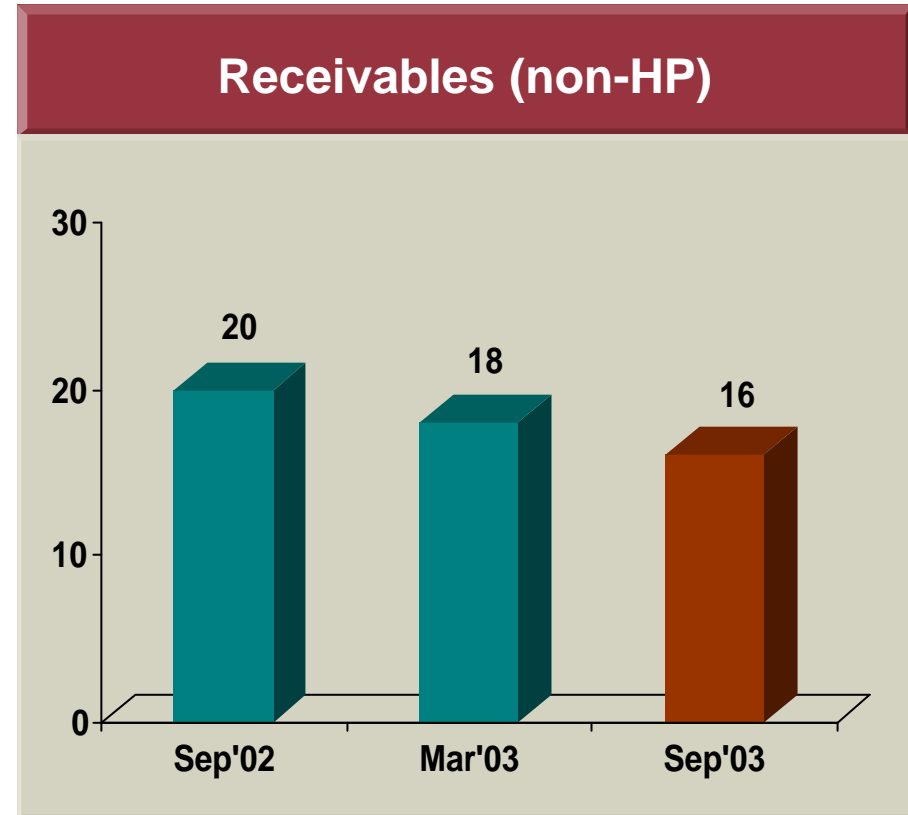
Net Debt = Gross Debt – Surplus Cash

Tight Working Capital Controls

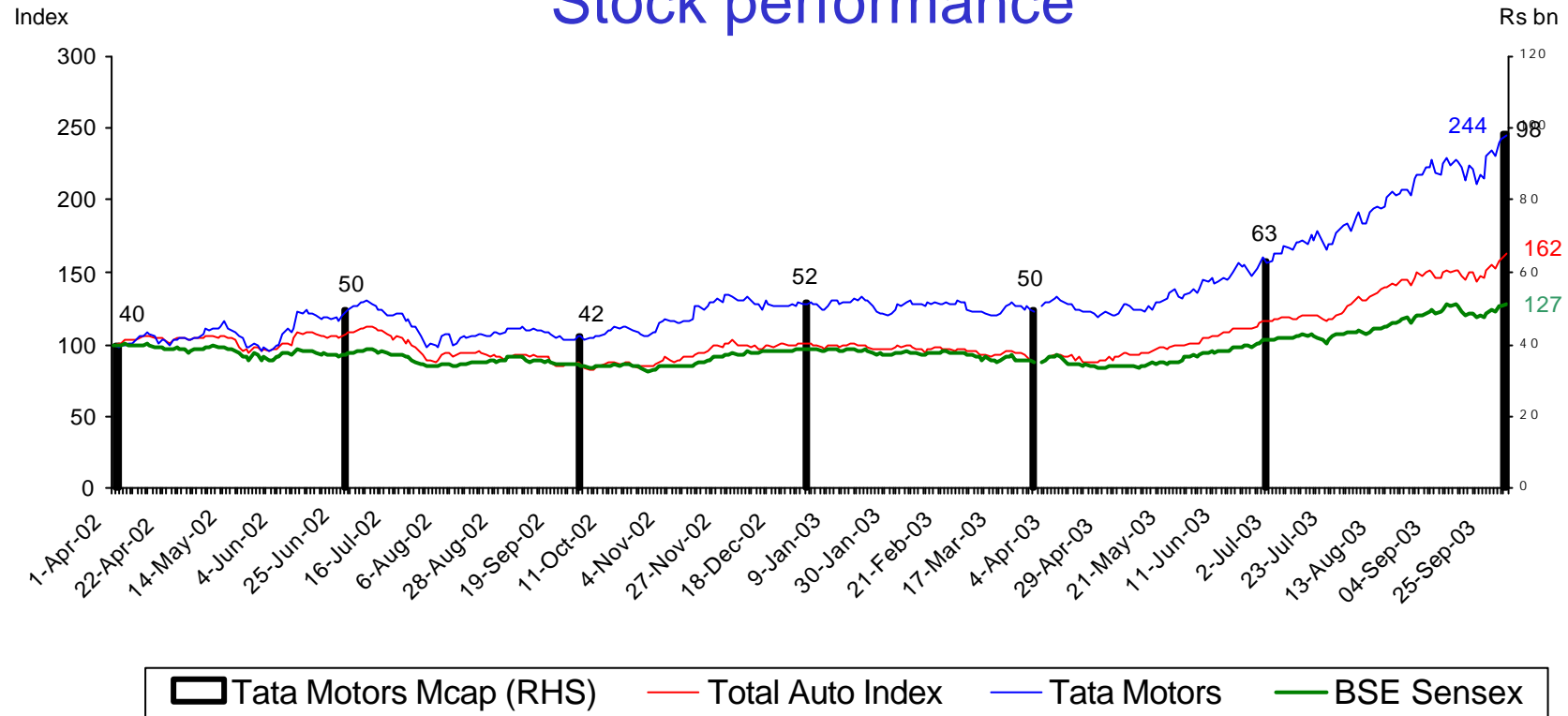
Days of sale



Days of sale



Stock performance



	April 1, 2002	Sep. 30, 2003	Change
BSE Sensex	3,500	4,453	+27%
Auto Index (Apr'02 = 100)	100	162	+62%
Tata Motors Stock Price (Rs)	126	307	+144%
Market Cap (Rs cr)	4,032	9,854	+144%



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Thank You