



Tata Motors

Q3 FY07 Results Review

23rd January, 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

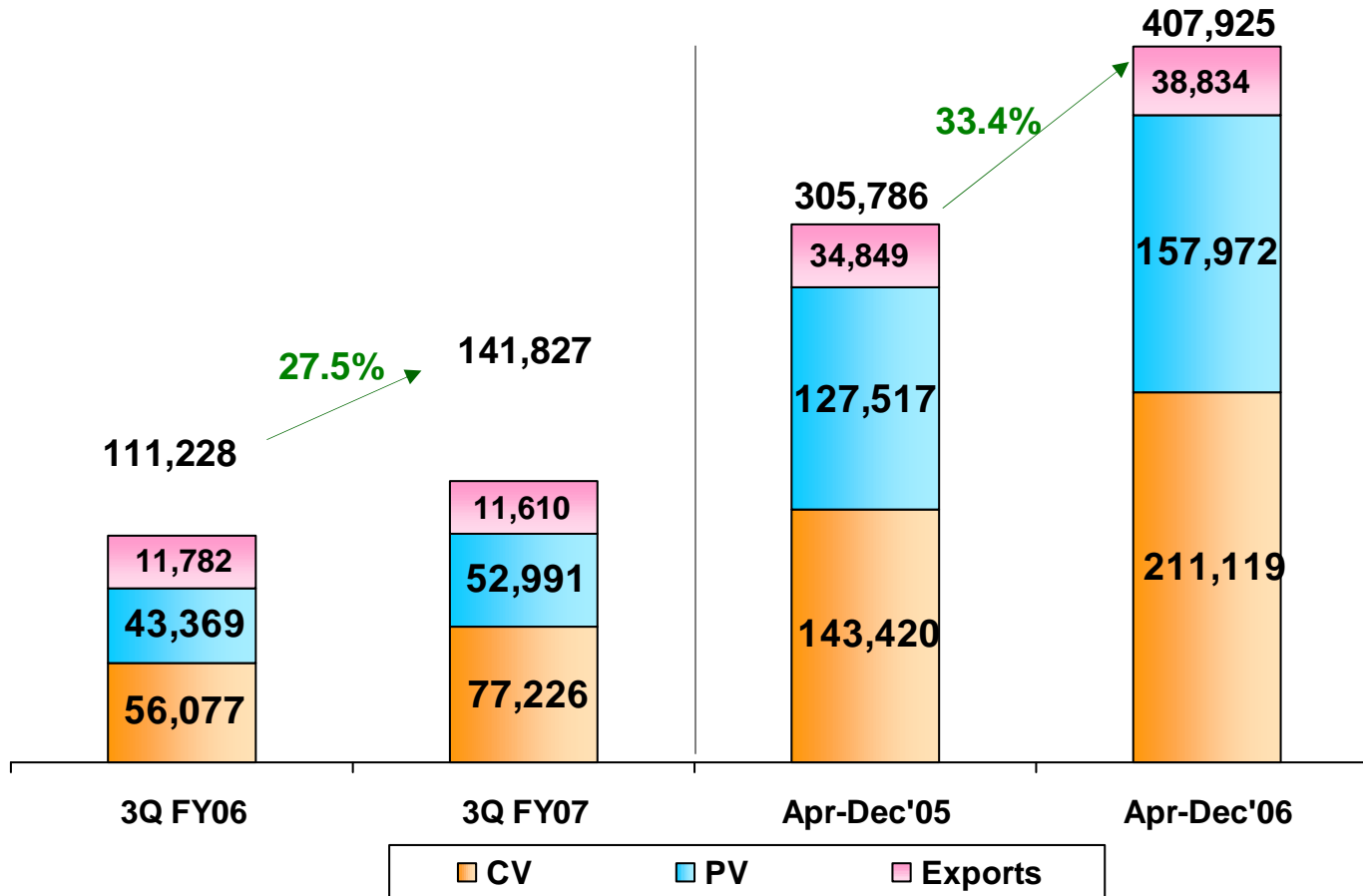


Agenda

- **Business Performance**

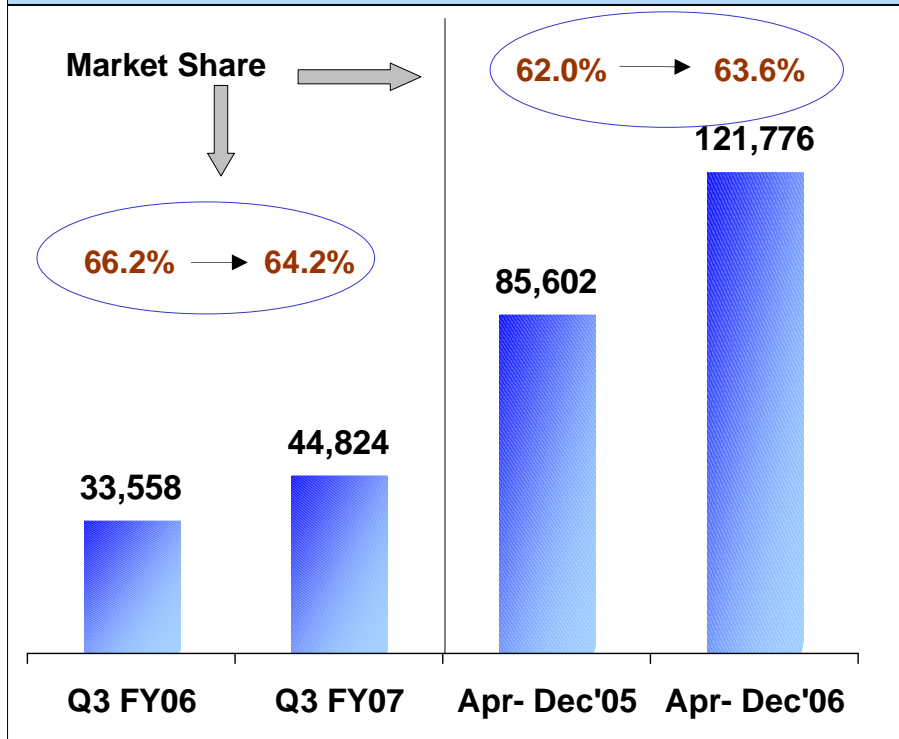
- Financial Performance
- Significant Events

Total Volume Growth in Q3FY07 and April- December FY07

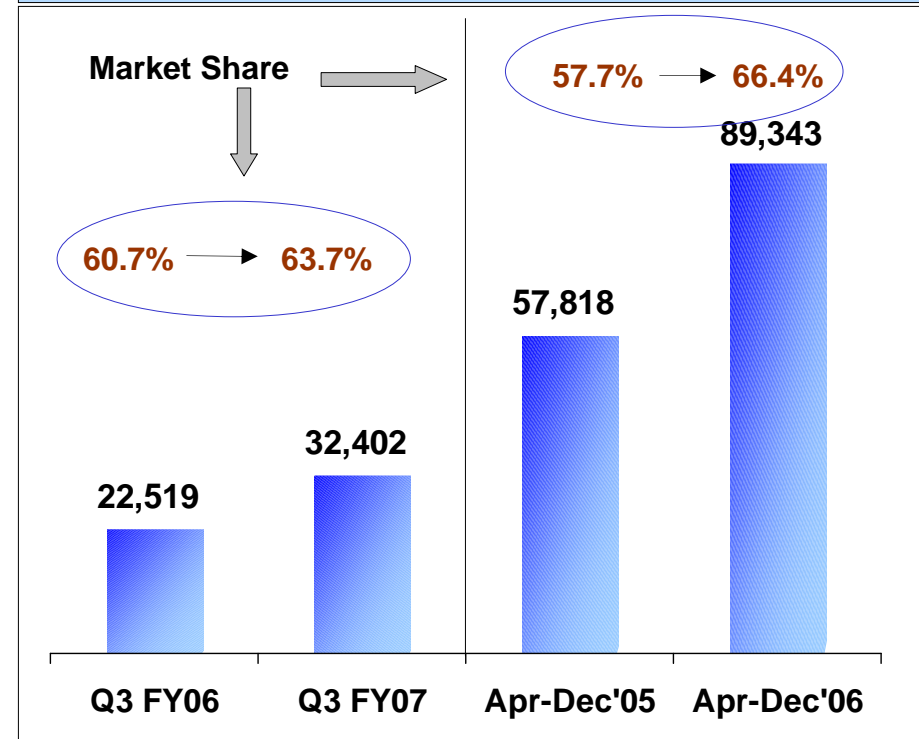


On 30th October, 2006, the company crossed the four-million sales mark in India, since the roll out of the first vehicle.

Medium & Heavy Commercial Vehicles



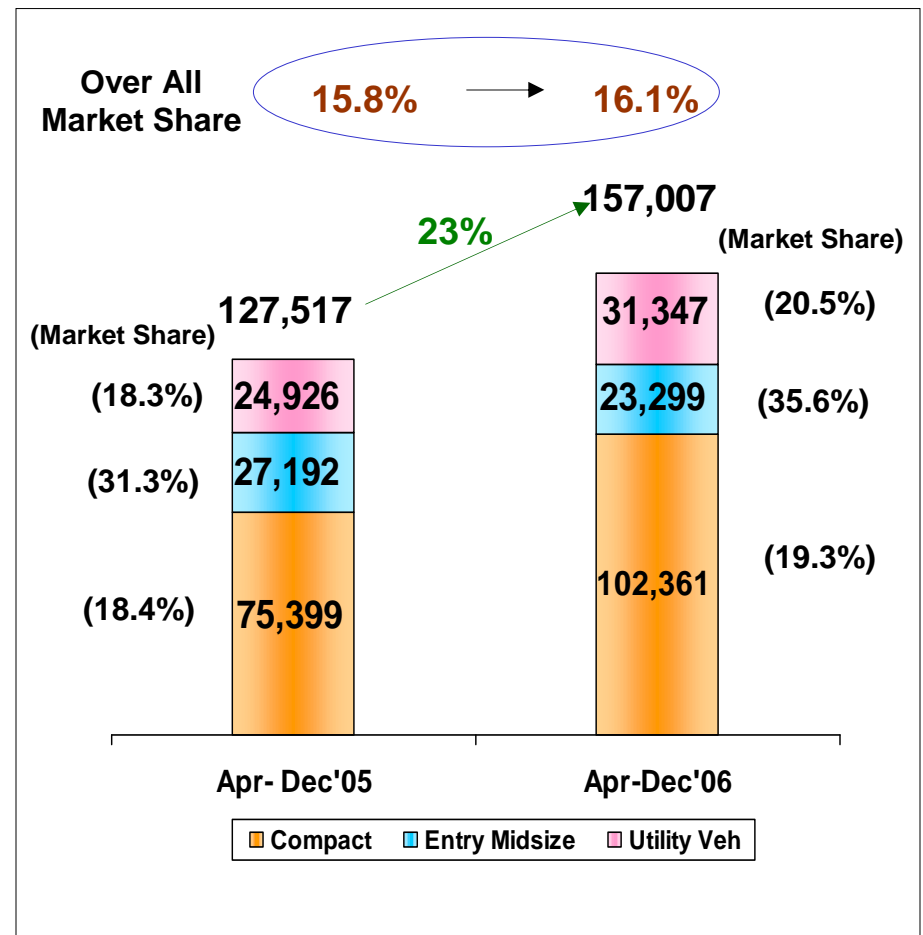
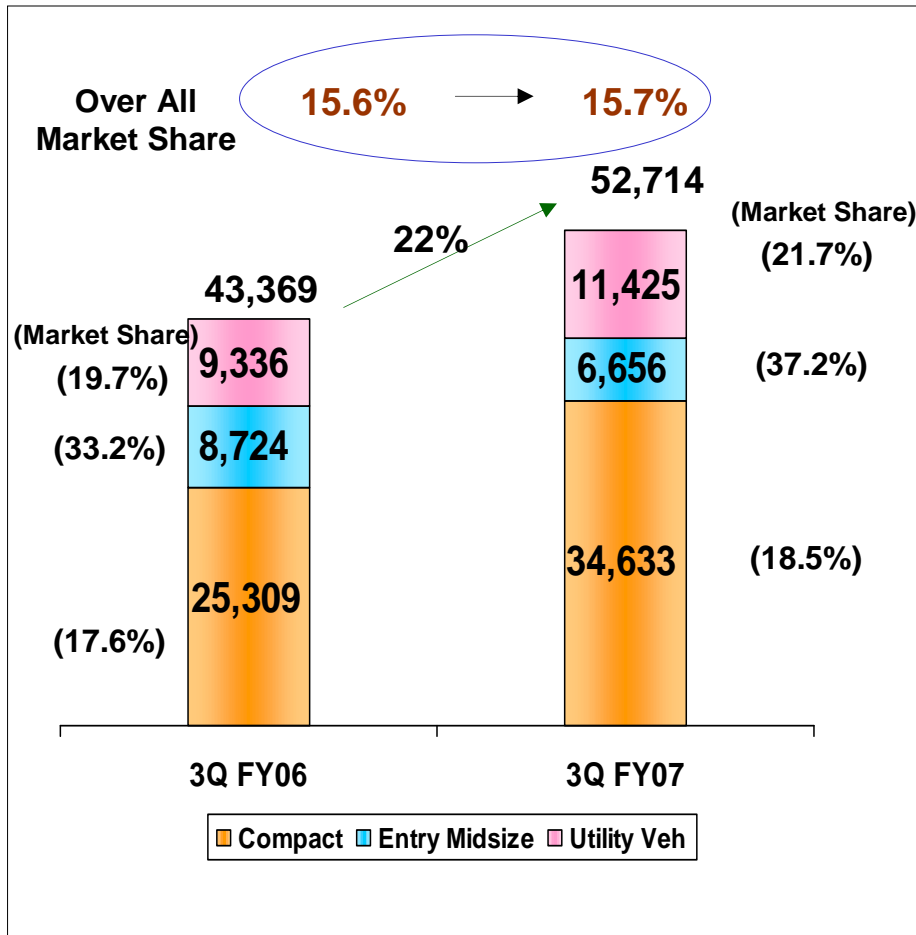
Light Commercial Vehicles



- TML's Domestic sales increased 34% in 3QFY07; industry growth at 38%
- TML's Domestic sales increased 43% in Apr-Dec'06; industry growth at 39%
- Economic buoyancy continued to boost domestic sales of M/HCVs

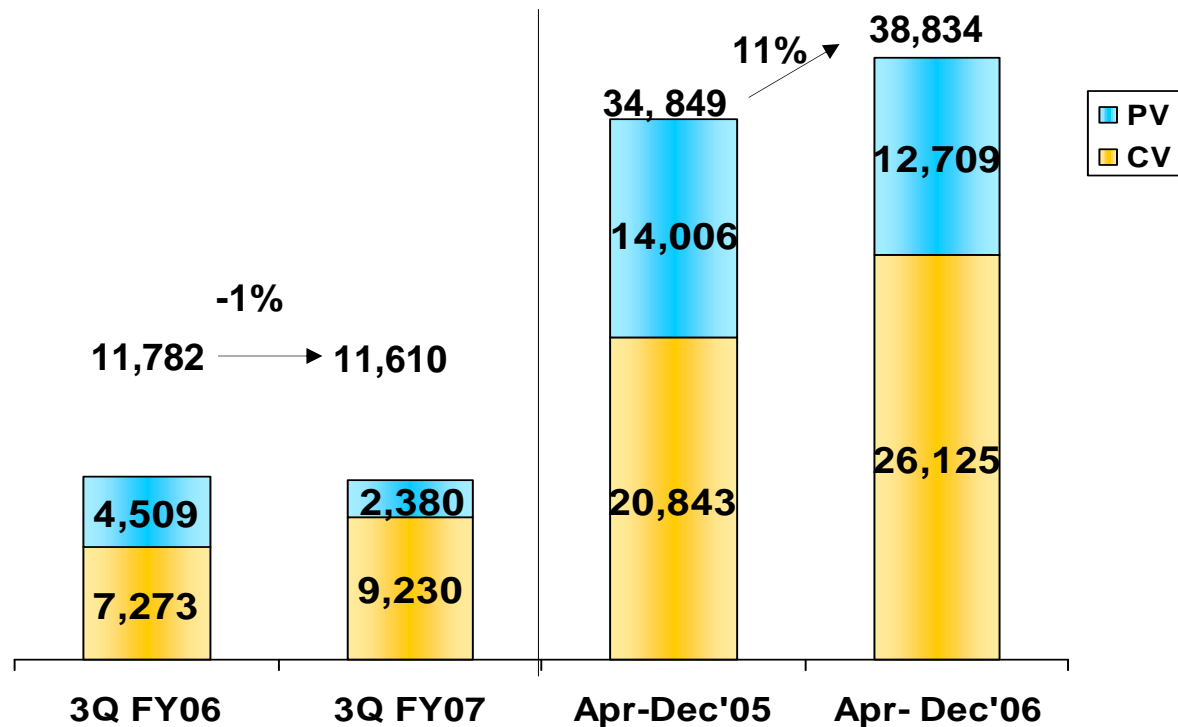
- TML's Domestic sales increased 44% in 3QFY07; industry growth at 37%
- TML's Domestic sales increased 55% in Apr-Dec'06; industry growth at 34%
- Average Ace sales of 6,200 pm for the period Oct-Dec '06

Passenger Vehicle Volumes and Market Share



- Retained the #2 position in the domestic PV market.
- Sales of passenger cars impacted due to fire in Pune facility in September'06.

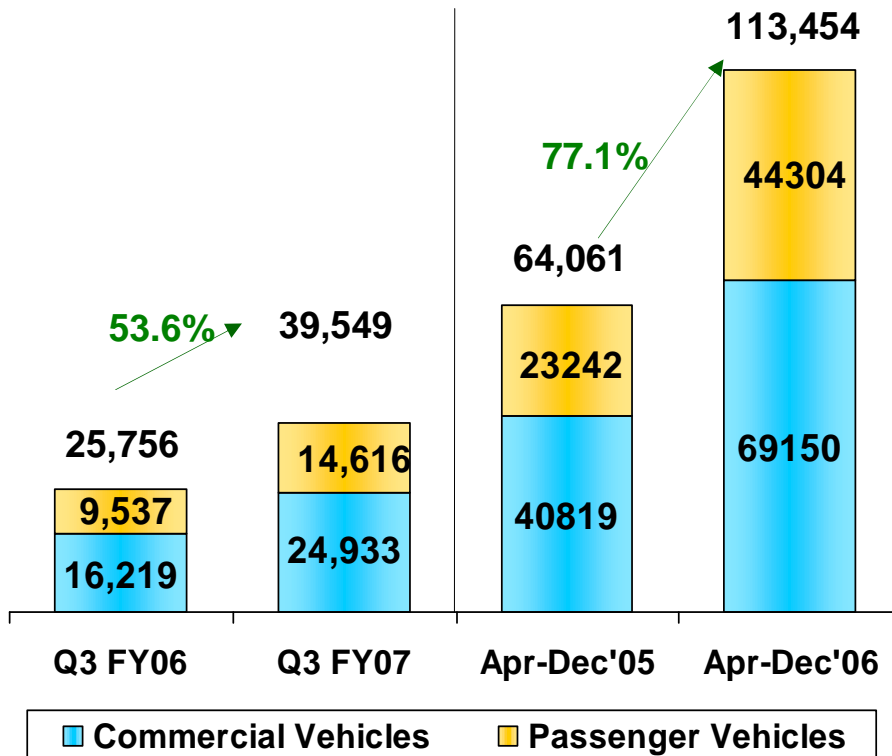
International Business Volumes



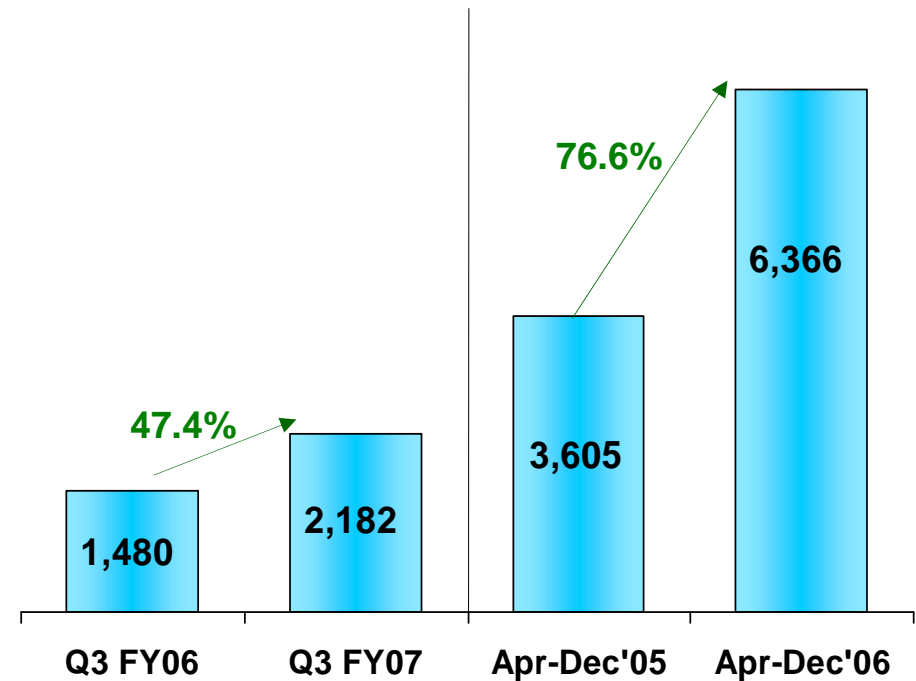
- Revenues from international business formed around 16% of the consolidated revenues.
- TML could maintain its export volumes in Q3FY07 despite its exports to S. Africa getting impacted due to depreciation of Rand.
- New products launched in South Africa; Company introduces Passenger Vehicles in Ghana during the quarter
- Key export destinations were South Africa, South Asia, Middle East and parts of Europe.

Vehicle Financing

No. of Vehicles Financed
(TML & TMLFSL)



Disbursals (Rs. Cr)
(TML & TMLFSL)



For the period April – Dec'06, out of total disbursals of Rs. 6,366 crs, Rs 1,535 crs were disbursed by the new subsidiary, TML Financial Services Ltd after it commenced operations in September'06



Agenda

- **Business Performance**

- Financial Performance

- Significant Events

Financial Performance (Consolidated) - 3Q FY07

Rs crores	3QFY07	3QFY06
Net Revenue	8,176.0	5,969.8
EBITDA	1,168.0	773.3
EBITDA Margin	14.29%	12.95%
Other Income	10.3	172.9
Net Interest	105.4	68.7
Dep. & Amortisation	169.4	167.4
Prod. Dev. Exp.	28.7	7.7
PBT	874.4	702.4
Net Profit	602.1	550.7
Basic EPS (Rs) (Non- Annualised)	15.63	14.64

- **Net Revenues ↑ 37.0%**
- **EBITDA ↑ 51.0%**
- **PBT ↑ 24.5%;**
- **Net Profit ↑ 9.3%**
- **EPS of Rs.15.63 ; ↑ 6.8%**

After adjusting for exceptional income earned on sale of stake in Telcon in 3QFY06, PBT and PAT of 3QFY07 grew by 59.5% and 51.8% respectively.

Financial Performance (Consolidated) – April – December FY07

Rs crores	Apr-Dec FY07	Apr-Dec FY06
Net Revenue	22,649.6	15,876.2
EBITDA	2,864.2	2,012.0
EBITDA Margin	12.65%	12.67%
Other Income	122.6	242.5
Net Interest	284.7	172.0
Dep. & Amortisation	504.3	464.5
Prod. Dev. Exp.	56.5	20.9
PBT	2,140.3	1,597.1
Net Profit	1,520.2	1,205.5
Basic EPS (Rs) (Non- Annualised)	39.56	32.04

- **Net Revenues ↑ 42.7%**
- **EBITDA ↑ 42.4%**
- **PBT ↑ 34.0%;**
- **PAT ↑ 26.1%**
- **EPS of Rs.39.56 ; ↑ 23.5%**

After adjusting for exceptional income earned on sale of stake in Telcon in 3QFY06, PBT and PAT during April- Dec FY07 grew by 48.3% and 44.6%, respectively.

Financial Performance (Standalone) - 3Q FY07

Rs crores	3QFY07	3QFY06
Net Revenue	6,956.8	5,074.9
EBITDA	952.2	622.1
EBITDA Margin	13.69%	12.26%
Other Income	14.3	168.4
Net Interest	85.2	60.1
Dep. & Amortisation	143.5	130.8
Prod. Dev. Exp.	28.7	7.7
PBT	708.7	591.8
Profit after Tax	513.2	460.2
Basic EPS (Rs) (Non- Annualised)	13.32	12.23

- **Net Revenues ↑37.1%**
- **EBITDA ↑53.1%**
- **PBT ↑19.8%;**
- **PAT ↑11.5%**
- **EPS of Rs. 13.32 ; ↑8.9%**

After adjusting for exceptional income earned on sale of stake in Telcon in 3QFY06, PBT and PAT of 3QFY07 grew by 65.8% and 73.4% respectively.

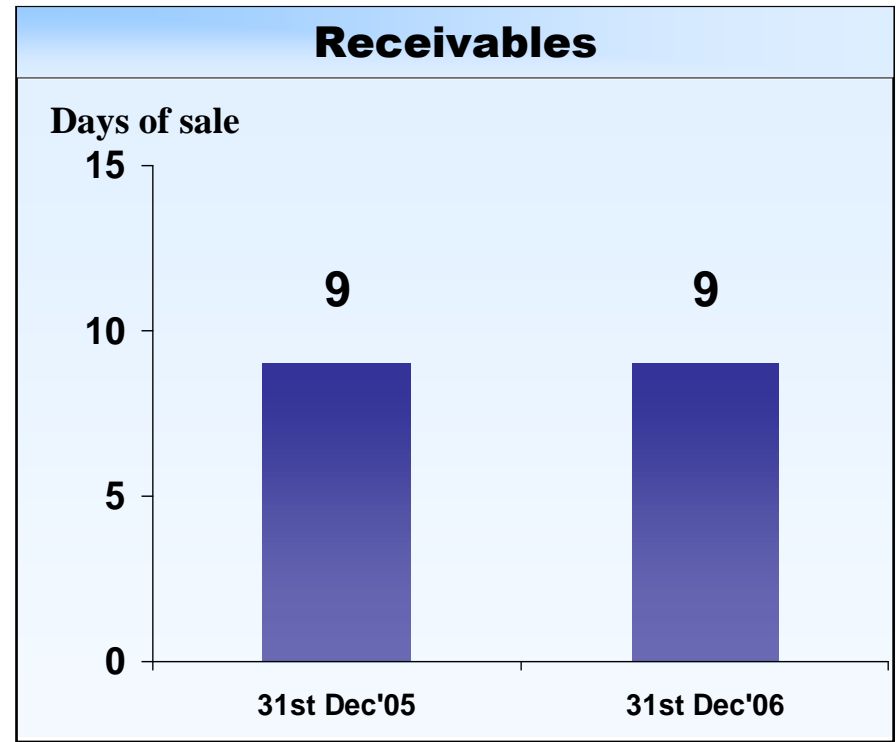
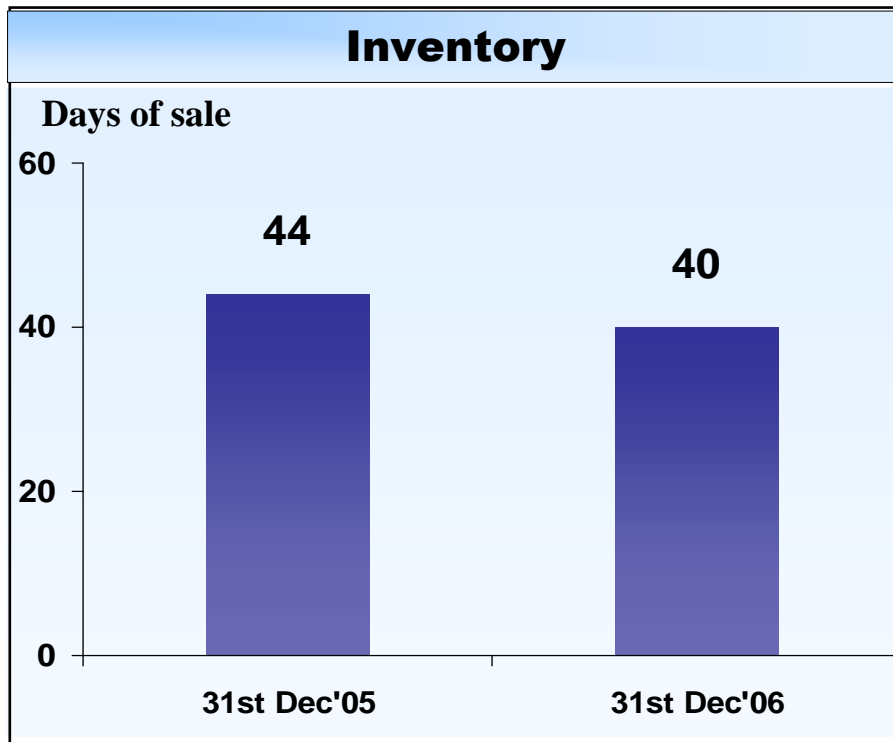
Financial Performance (Standalone) – April-December FY07

Rs crores	Apr-Dec FY07	Apr-Dec FY06
Net Revenue	19,250.7	13,755.6
EBITDA	2,347.2	1,683.8
EBITDA Margin	12.19%	12.24%
Other Income	185.1	284.7
Net Interest	253.3	157.2
Dep. & Amortisation	428.0	384.7
Prod. Dev. Exp.	56.5	20.9
PBT	1,793.4	1,405.8
Profit after Tax	1,336.7	1,070.8
Basic EPS (Rs) (Non- Annualised)	34.78	28.46

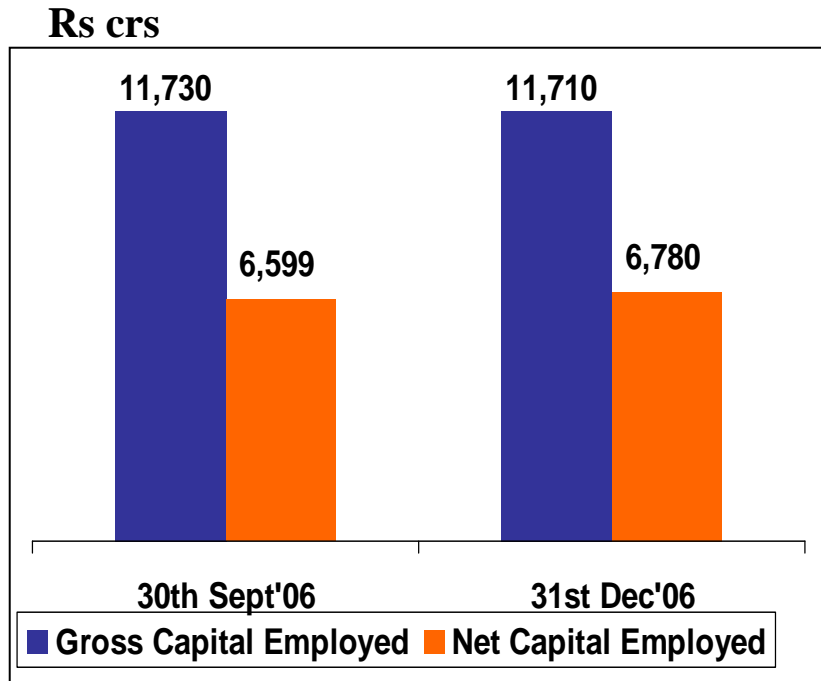
- **Net Revenues ↑ 40.0%**
- **EBITDA ↑ 39.4%**
- **PBT ↑ 27.6%;**
- **PAT ↑ 24.8%**
- **EPS of Rs.34.78 ; ↑ 22%**

After adjusting for exceptional income earned on sale of stake in Telcon in 3QFY06, PBT and PAT during April- Dec FY07 grew by 44.5% and 47.5%, respectively.

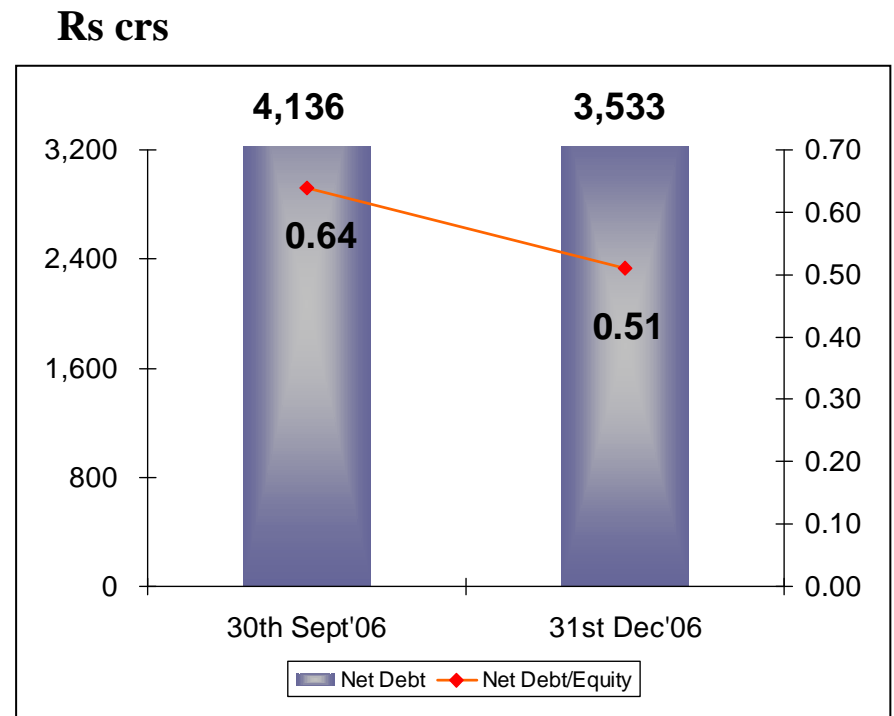
Working Capital



Balance Sheet Size

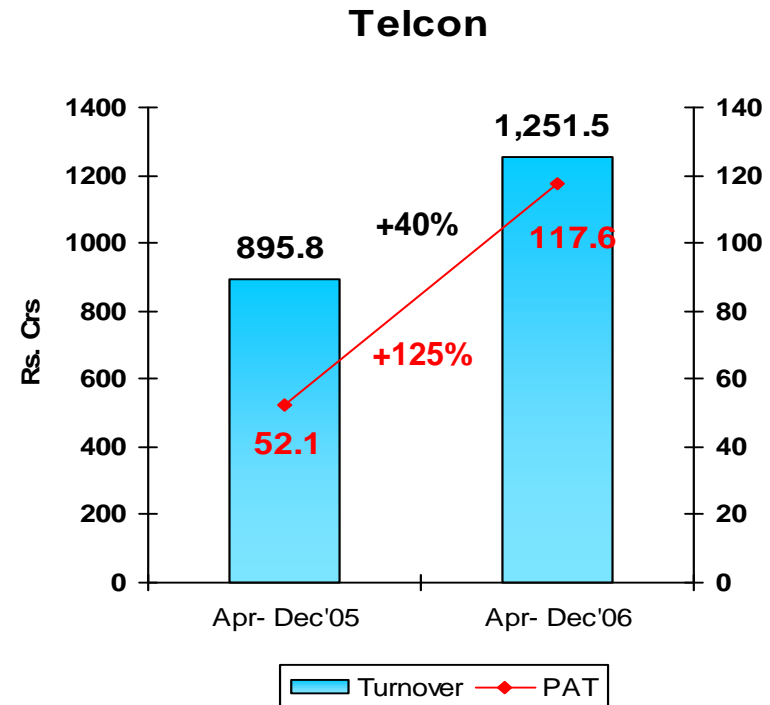
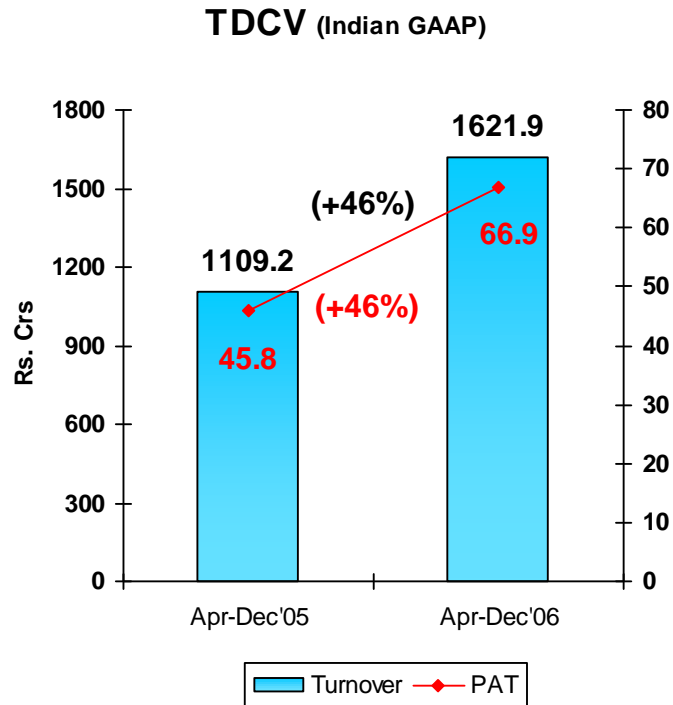


Net Capital employed is net of Vehicle Financing loans & receivables



Net Debt is net of Investible Surplus

Subsidiary Financials (Apr- Dec'06) contd...



Total sales volume of 5,993 units during Apr- Dec'06; up 53.4% y-o-y.

Of the above, 2,227 units were exported during the period

Domestic market share of TDCV as on 31st Dec'06

- MCV segment : 26.2%
- HCV segment : 22.0%

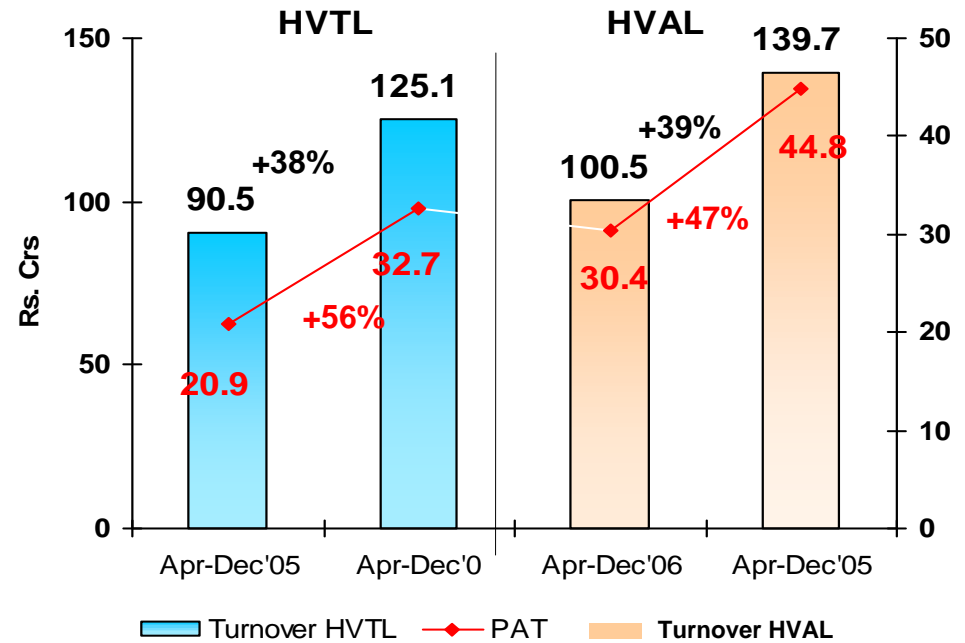
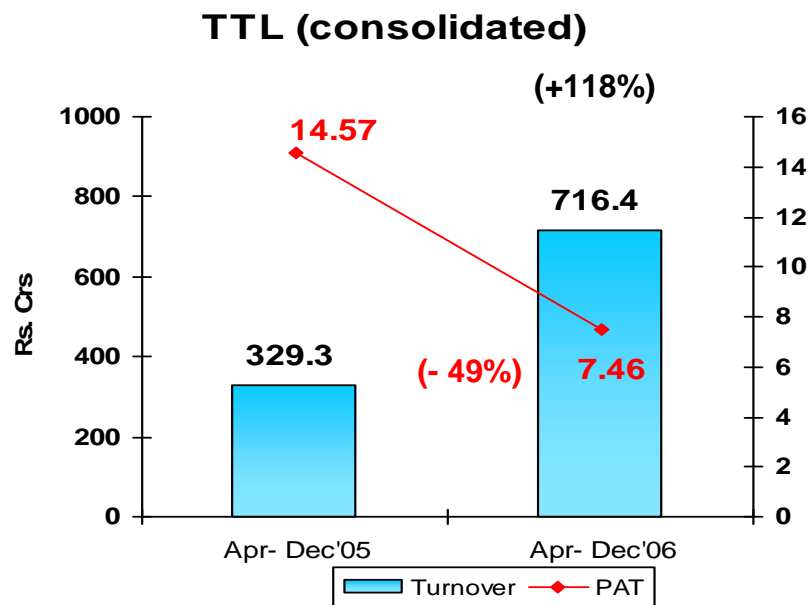
Volume sales at 3,709 units in Apr-Dec'06; up 48% y-o-y

Continues to be the market leader in excavator segment with a share of 53%

Market share in wheel loaders sustained at 21% and in backhoe loaders at 10%

Introduced new products in the market recently and expanded its dealership network

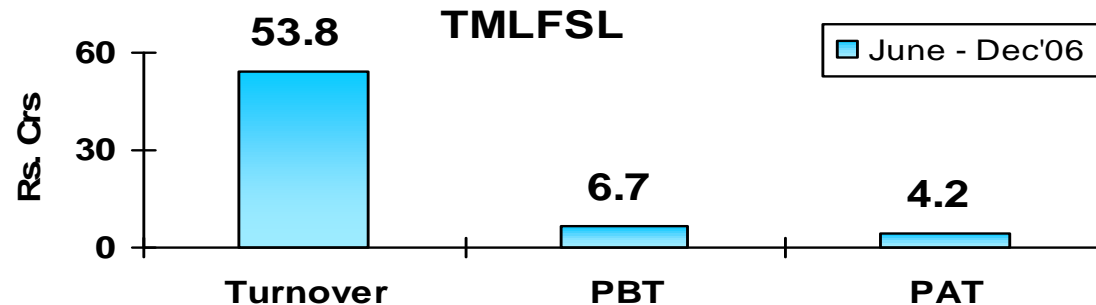
Subsidiary Financials (Apr – Dec'06)



With 50% share of revenues, America was the largest geographical segment, followed by Asia Pacific and Europe.

Efforts on towards expansion of business to non Tata Motors customers

TML Financial Services Ltd started operations in Sept'06





Agenda

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Significant Events

- **Tata Motors and Thonburi Automotive Assembly Plant Co, the Thailand-based independent assembler of automobiles, announced formation of a 70 : 30 joint venture company in Thailand to manufacture, assemble and market pickup trucks.**
- **Tata Motors and Fiat Auto jointly announced an agreement for the formation of an industrial joint venture to manufacture passenger vehicles, engines and transmissions for the Indian and overseas markets.**
- **On 30th October, 2006, the company crossed the four-million sales mark in India since the roll out of the first vehicle.**

Outlook for Q4FY07.....

- **Overall commodity prices expected to remain high due to continued demand – supply gap.**
- **The buoyant domestic growth and increased raw material costs will continue to maintain an upward pressure on inflation.**
- **Infrastructure development and growth in Industrial production likely to be the key drivers for Commercial Vehicle demand in the country.**
- **Increasing choice for the customer and easy availability of financing would serve as significant driver of passenger vehicle growth.**
- **Close watch on the direction of crude oil price.**



Thank You