

Tata Motors Consolidated Q4 FY24 Results

Revenue ₹120.0K Cr (+13.3%), EBITDA at ₹17.9K Cr (+26.6%), PBT (bei) ₹9.5K Cr (+4.4K Cr), PAT ₹17.5K(+12K Cr) Cr, Automotive Free Cash Flows ₹14.1K Cr (+2.8K Cr) ^{vs PY}

- JLR Revenue £7.9b up 10.7%, EBITDA at 16.3% (+150 bps), EBIT at 9.2% (+270 bps)
- Tata CV Revenue ₹21.6K Cr, up 1.6%, EBITDA at 12.0% (+190 bps), EBIT at 9.6% (+100 bps)
- Tata PV Revenue ₹14.4K Cr, up 19.3%, EBITDA at 7.3% (flat yoy), EBIT at 2.9% (+150 bps)

Mumbai, May 10, 2024: Tata Motors Ltd. (TML) announced its results for quarter ended March 31, 2024.

		Consolidated (₹ Cr Ind AS)		Jaguar Land Rover (£m, IFRS)		Tata Commercial Vehicles (₹Cr, Ind AS)		Tata Passenger Vehicles (₹Cr, Ind AS)	
		FY24	Vs. PY	FY24	Vs. PY	FY24	Vs. PY	FY24	Vs. PY
Q4 FY24	Revenue	119,986	13.3 %	7,860	10.7 %	21,590	1.6 %	14,431	19.3 %
	EBITDA (%)	14.9	160 bps	16.3	150 bps	12.0	190 bps	7.3	- bps
	EBIT (%)	9.1	230 bps	9.2	270 bps	9.6	100 bps	2.9	150 bps
	PBT (bei)	9,457	₹4,367 Cr	661	£ 293 mn	1,984	₹280 Cr	533	₹299 Cr
	PAT	17,529	₹12,033 Cr	1,391	£ 1,132 mn	2,022	₹326 Cr	394	₹252 Cr
FY24	Revenue	437,928	26.6%	28,995	27.1 %	78,790	11.3 %	52,353	9.4 %
	EBITDA (%)	14.3	360 bps	15.9	430 bps	10.8	340 bps	6.5	10 bps
	EBIT (%)	8.3	470 bps	8.5	610 bps	8.2	300 bps	2.0	100 bps
	PBT (bei)	28,932	₹27,129 Cr	2,165	£2,229 mn	6,102	₹2,867 Cr	1,423	₹687 Cr
	PAT	31,807	₹29,117 Cr	2,578	£2,638 mn	5,279	₹2,409 Cr	1,089	₹330 Cr

Tata Motors Consolidated:

For FY24, TML reported record revenues of ₹ 437.9K Cr, an all-time high EBITDA at ₹ 62.8K Cr, highest ever PBT (bei) of ₹28.9K Cr (+₹27.1K Cr over the previous year) and net profit of ₹31.8K Cr (+₹29.1K Cr over the previous year). The strong performance has also helped to recognize a Deferred Tax Asset of ₹8.3K Cr at JLR and TML.

In Q4 FY24, TML delivered a strong performance with revenue of ₹120.0K Cr (up 13.3%), EBITDA at ₹17.9K Cr (up 26.6%) and EBIT of ₹11.0K Cr (+₹3.8K Cr) with all three auto businesses delivering a strong performance. PBT (bei) stood at ₹9.5K Cr (+₹4.4K Cr) and net profit was ₹17.5K Cr (+₹12.0K Cr). Net automotive debt reduced further to ₹16.0K Cr.

Dividends:

The Board of Directors have recommended a final dividend of ₹ 3/- per Ordinary Share and ₹3.10 per A Ordinary Share and a special dividend of ₹ 3/- per Ordinary Share and ₹3.10 per A Ordinary Share subject to approval by the shareholders.

Looking Ahead:

We remain cautiously optimistic on domestic demand over the full year and expect H1 to be relatively weaker. The premium luxury segment demand is likely to remain resilient despite emerging concerns on overall demand. Despite this, we are confident of delivering a strong performance in FY25.

PB Balaji, Group Chief Financial Officer, Tata Motors said:

"It is pleasing to report the FY24 results during which Tata Motors Group delivered its highest ever revenues, profits, and free cash flows. The India business is now debt free, and we are on track to become net automotive debt free on a consolidated basis in FY25. The businesses are executing well on their distinct strategies and therefore, we are confident of sustaining this strong performance in the coming years."

JAGUAR LAND ROVER (JLR)

Highlights

- Record Q4 and FY24 revenue of £7.9 billion and £29.0 billion respectively.
- PBT (bei) was £661 million in Q4; FY24 full year PBT (bei) was £2.2 billion, the highest since FY15.
- EBIT margin in Q4 of 9.2%, FY24 EBIT margin of 8.5%.
- Free cashflow was £892 million for Q4 and a record £2.3 billion for FY24. Net debt reduced to £0.7 billion.
- Order book around 133,000 vehicles at end of FY24, 76% of which were for RR, RR Sport and Defender.

Reimagine Transformation continues.

- Record Range Rover wholesale and retail sales for Q4 and FY24.
- Range Rover Electric generating strong interest with over 28,700 sign ups to the waiting list
- Range Rover SV demand more than doubles to 4,099 units in FY24, including sale of 20 Range Rover SV Bespoke Sadaf editions which sold out at around £330,000 each.
- New Defender OCTA to be revealed on July 3, 2024 with prospective clients invited to one of seven exclusive events to experience the product.
- Investment of £356m in Electric Propulsion Manufacturing Centre in Wolverhampton, UK, installing equipment to manufacture battery packs and electric drive units.
- Launched three new JLR Insurance products to support UK clients, as part of JLR financial services offering.
- New Range Rover Electric and EMA prototypes currently undergoing cold weather testing.
- Energy storage systems using second life Range Rover, Range Rover Sport PHEV and I-Pace batteries, developed.

Financials

JLR continued its strong financial performance trend in the financial year, with another record-breaking quarter in Q4 FY24. Revenue for the quarter was £7.9 billion, up 11% versus Q4 FY23 and up 6% versus Q3 FY24. Revenues for FY24 were £29.0 billion - JLR's highest ever full year revenue and up 27% compared to the prior year.

PBT (bei) in Q4 was £661 million (+£293 million yoy) and EBIT margin was 9.2% in Q4, (+270bps yoy). The higher profitability yoy reflects increased volumes and reduced material costs, offset partially by increased marketing spend compared to a year ago. Profit after tax ("PAT") in Q4 was £1.4 billion vs a profit of £259 million in the same quarter a year ago. PBT for FY24 was £2.2 billion – the highest since FY15; and PAT for FY24 was £2.6 billion. PAT also factors in the recognition of a deferred tax asset (DTA) of £1.0 billion due to a reassessment of future recoverability tax losses and allowances.

Free cash flow for the quarter was £892 million and £2.3 billion for the full year, the highest ever full year cash flow. The year ended with a cash balance was £4.2 billion and net debt £0.7 billion and a total liquidity was £5.7 billion, including the £1.5 billion undrawn revolving credit facility maturing April 1, 2026.

Looking ahead

We will continue to focus on brand activation to maintain order book. We expect EBIT margins in FY25 to be around the FY24 level. We anticipate a modest increase in investment spend to £3.5b but still expect to become net debt zero during FY25.

Adrian Mardell, JLR Chief Executive Officer, said:

"This has been a year of great strategic progress at JLR and I would like to thank our clients, our people, our suppliers and partners for their role in our success. We have delivered a record financial performance for the company, generating free cashflow of £2.3 billion, enabling us to reduce net debt to £0.7 billion. The foundation of this performance was the sustained global demand for our modern luxury vehicles, led by our Range Rover and Defender brands, underpinned by a consistent focus on operational improvement. We are entering the next exciting phase of our Reimagine strategy which will see us bring to life our modern luxury electric vehicles and deliver an accompanying modern luxury experience for our clients, ensuring we continue to vigorously address the challenges we have encountered in 2024."

TATA COMMERCIAL VEHICLES (TATA CV)

Highlights

- Q4 FY24 revenue at ₹ 21.6K Cr (+1.6%), EBITDA 12.0% (+190 bps), EBIT 9.6% (+100 bps), PBT (bei) ₹ 2.0K Cr.
- FY24 revenue at ₹ 78.8K Cr (+11.3%), EBITDA 10.8% (+340 bps), EBIT 8.2% (+300 bps), PBT (bei) ₹ 6.1K Cr.
- Domestic Vahan market share at 39.1% in FY24. HGV+HMV 48.8%, MGV 37.5%, LGV 34.3%, Passenger 35.0%. Truck market share continues to remain strong; SCV market share starting to improve.
- Over 140 products and 700 variants introduced in FY24. BS VI Phase 2 vehicle portfolio equipped with smarter technologies to deliver even better performance and value.
- Introduced technologically advanced, highly fuel efficient and reliable TurboTronn 2.0 engine, for 19-42 tonne range.
- Launched all-new Intra V70 pickup, Intra V20 Gold pickup and Ace HT. Introduced Tata Magic bi-fuel.
- Fleet edge, the connected vehicle platform has now more than 600K vehicles.

Green transformation continues

- Showcased India's 10 most advanced, efficient and eco-friendly CV's at Bharat Mobility Global Expo 2024, including Prima 5530.S LNG, industry first H2ICE truck, E-mobility concept tipper, Magna EV, Ace and Intra bi-fuel.
- Delivered green-fuel powered CV's to Tata Steel. The fleet includes Prima tractors, tippers and the Ultra EV bus, powered by LNG and battery electric technologies.
- TCPL Green Energy Solutions inaugurated facility to produce Hydrogen based internal combustion engines.
- Unveiled 2 state-of-the-art facilities for development of Hydrogen propulsion technologies.
- Over 4300 ACE EV's plying delivering 99% uptime resulting in repeat purchases. Higher payload variant launched.
- 2600+ EV buses are operational. TML e-bus fleet cumulatively crossed 140 million Kms with >95% uptime.

Financials

In Q4 FY24, domestic wholesale CV volumes were 104.6K units, lower 7% yoy on account of increased pre-buy in Q4 FY23 due to BS6 Phase II transition. Exports were at 4.5K units increasing 13% yoy. However, revenues improved by 1.6% yoy to ₹21.6K Cr on account of improved pricing and lower VME's. EBITDA and EBIT margins of 12.0% (up 190 bps yoy) and 9.6% (up 100 bps yoy), respectively were delivered. For the full year, while overall volumes declined by 4%, HCV volumes increased by 5%.

Looking ahead

With promising GDP growth outlook, incentives from government to improve productivity in both manufacturing and agriculture sectors, and continuing focus on infra, demand for CV's is expected to improve from H2 FY25. We remain cautiously optimistic about domestic demand while keeping a close watch on geopolitical developments, interest rates, fuel prices and inflation. We will continue to deliver strong EBITDA performance and focus on net cash will continue.

Girish Wagh, Executive Director Tata Motors Ltd said:

"The Indian CV industry grew by a modest 2% in volumes during FY24, impacted by a high base effect of FY23, elections held across 5 states and the announcement of general elections. At Tata Motors, we strengthened our portfolio with the introduction of new passenger and cargo mobility solutions, stepped-up the thrust on digitalization, enriched customer engagement and experience with stronger partnering and made holistic progress on our sustainability agenda. Our sharp focus on profitable growth resulted in the CV business recording its highest-ever revenues of ₹78.8K Cr and profits of ₹6.1K Cr in FY24. Going forward, we will intensify our efforts to grow market share, profitably and consistently, in every business segment by delivering more value to customers with innovative products, smarter services and holistic mobility solutions."

TATA PASSENGER VEHICLES (TATA PV)

- Q4 FY24 revenue at ₹ 14.4K Cr (+19.3%), EBITDA 7.3% (flat yoy), EBIT 2.9% (+150 bps), PBT (bei) ₹ 0.5 K Cr.
- FY24 revenue at ₹ 52.4K Cr, (+9.4%), EBITDA 6.5% (+10 bps), EBIT 2.0% (+100 bps), PBT (bei) ₹ 1.4 K Cr.
- VAHAN registration market share increased to 13.9% in FY24. #2 player in H2 FY24 with 14.3% market share.
- Strong market leadership in EV at 73.1% despite increase in competition. EV penetration at 13%, CNG at 16% in FY24.
- Introduced twin cylinder iCNG technology in Tiago, Tigor, Punch, and Altroz enabling no compromise on boot space.
- Revolutionized the CNG segment in the country by introducing AMT in its CNG cars.
- Strong response to facelifted Nexon, Harrier and Safari - significant design changes and several futuristic technologies.
- New Nexon, Safari and Harrier receive GNCAP 5-star rating for both adult and child occupant protection. New Safari and Harrier secured highest score by an Indian Car in GNCAP and also became first recipients of BNCAP's 5-star rating.
- Commenced production at its state-of-the-art new facility in Sanand, Gujarat.

Green transformation continues

- Range of Nexon.ev extended to 465 kms. Strong response to Nexon.ev facelift.
- TPEM introduced new brand identity "Tata.ev" for the EV business, embodying the core philosophy of "Move with Meaning," unifying the values of sustainability, community, and technology.
- Announced platform-sharing partnership with JLR to accelerate development of 'premium electric' series 'Avinya'.
- Introduced advanced Pure EV architecture – acti.ev which will underpin future products from the TPEM portfolio.
- Introduced first car "Punch.ev" on the acti.ev architecture.
- Inaugurated exclusive TATA.ev stores in Gurugram, offering an immersive experience for the EV community.
- Signed MOUs with charging point operators and OMC's for setting up 22,000+ chargers in next 12-18 months.

Financials

In Q4, PV volumes were at 155.6K units (+14.8% yoy) supported by new SUV facelifts and multiple power trains. Nexon continued to be the highest selling SUV in FY24 and along with the Punch was amongst top 5 models sold in India. Revenues in Q4 were up 19% yoy at ₹ 14.4K Cr, while EBIT margins improved by 150 bps yoy to 2.9% owing to operating leverage on improved volumes and savings in commodity costs. In Q4, PV (ICE) business delivered double digit EBITDA margins and EV business was EBITDA positive (before R&D spends) at 1.1%. On full year basis, the PV business delivered ~9% revenue growth and highest ever PBT (bei) at ₹ 1.4K Cr (+₹ 0.7K Cr yoy).

Looking ahead

We expect the demand for passenger cars to remain strong, although the high base effect, coupled with extraneous factors elections, heat wave, etc. may keep the growth rate moderate. We will continue to focus on retails and deliver market beating growth to sustain double digit EBITDA margins and positive free cash flows for PV business. We will continue to proactively drive EV penetration through new product launches and ecosystem development and improve profitability.

Shailesh Chandra, Managing Director TMPV and TPEM said:

"Passenger vehicle sales in India set a record in FY24 with over 4.2 million units sold, driven by SUVs (50% of overall sales) and emission-friendly powertrains. Tata Motors recorded its third consecutive year of highest sales volumes with 6% growth in wholesales and 10% in retail sales over FY23. Our multi-powertrain approach and sharp focus on green technologies increased the penetration of CNG and electric vehicles to 29% in the overall portfolio. We sold 73.8K EVs during the year (up 48% vs FY23) and crossed milestone of 150,000 cumulative EV production. Overall, the business recorded its highest-ever turnover with annual volumes of 573.5K units, growing by 6.0% over FY23, and recorded highest ever profits of ₹1.4K Cr."

ADDITIONAL COMMENTARY ON FINANCIAL STATEMENTS

(CONSOLIDATED NUMBERS, IND AS)

FINANCE COSTS

Finance costs reduced by ₹239 Cr to ₹9,986 Cr in FY24, due to reduction in gross debt during the period.

JOINT VENTURES, ASSOCIATES AND OTHER INCOME

For the year, net profit from joint ventures and associates amounted to ₹700 Cr compared with a net profit of ₹336 Cr in FY23. Other income (excluding grants) was ₹ 2,979 Cr in FY24 versus ₹ 1,720 Cr in FY23.

FREE CASH FLOWS

Free cash flow (automotive) for the year, was highest ever at ₹26.9K Cr (as compared to ₹7.8K Cr in FY23) owing to significant improvement in cash profits and favourable working capital.

For further information contact

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