

Warburg Pincus to Invest \$360 million to Acquire a Significant Minority Stake in Tata Technologies from Tata Motors and Tata Capital

Mumbai, June 15, 2017: An affiliate of Warburg Pincus, a leading global private equity firm focused on growth investing, has committed to invest around US\$360 million for approximately 43% equity stake in Tata Technologies Limited (the “Company” or “Tata Technologies”), a global leader in engineering outsourcing and product development IT services. Warburg Pincus will purchase approximately 30% from Tata Motors Limited (“Tata Motors”) and its subsidiary Sheba Properties Limited, as well as the entire 13% stake held by Tata Capital (8.7% from Alpha TC Holdings Pte Ltd and 4.3% from Tata Capital Growth Fund I). Post the transaction, Tata Motors and affiliates of the Tata Group will continue to retain a significant minority interest of approximately 43% in Tata Technologies, with the remaining ownership held by the management team and other shareholders.

Tata Technologies is a global engineering services and product development IT company with more than 8,500 employees located in 23 countries. Tata Technologies helps the world to drive, fly, build and farm by enabling blue-chip automotive, aerospace and industrial machinery manufacturers realize better products. Leveraging its balanced onshore–offshore delivery model, Tata Technologies has recently delivered multiple fully outsourced vehicle programs for automotive clients, a capability that is unique amongst India-based engineering services companies. The Tata Technologies services portfolio combines engineering, research and development (ER&D); product lifecycle management (PLM) and connected enterprise IT (CEIT) solutions.

“Tata Technologies has developed significant engineering capabilities over the years. The partial divestment is part of Tata Motors’ plan to strategically monetize part of the value created while also inducting a valuable partner, together with whom the Company can excel in its next phase of growth”, said **Mr. C. Ramakrishnan, Group CFO, Tata Motors.** **Mr. Ramakrishnan** added, *“We look forward to partnering with Warburg Pincus and achieving greater heights for the Company and all its stakeholders.”*

“Tata Technologies is widely acknowledged for its superior service offerings and its industry leading engineering capabilities. The Company has demonstrated the ability to scale accounts in a competitive industry by becoming embedded in the manufacturing and product development process of its customers. We are delighted to be partnering with the Tata Group to support the continued growth and development of the Company. We look forward to backing the strong management team at Tata Technologies and leveraging Warburg Pincus’ global network and prior experience in the engineering services space to help grow the business, organically and inorganically, and create value for all stakeholders”, said **Vishal Mahadevia, Managing Director and Co-Head of Warburg Pincus India.**

“This investment is a testament to our achievements to date and, more importantly, of our great potential moving forward,” said Tata Technologies CEO and MD Warren Harris. “As the engineering services outsourcing (ESO) market has matured from cost arbitrage and staff augmentation to increasingly high-end, strategic work, Tata Technologies has been there leading the charge. With the perspective and insights that Warburg Pincus offers as a premier global private equity firm, we are confident we will not only continue moving up the value chain, but materially accelerate our growth journey.”

“Tata Technologies has demonstrated over the past six years of our investment, a high quality engineering services solution appreciated by its marquee client base. The Company has scaled as per our expectations and will deliver an industry leading return profile for the Fund,” said Akhil Awasthi, Managing Partner, Tata Capital Growth Fund I.

Citigroup Global Markets India Private Limited acted as the sole financial advisor to Tata Motors and Tata Capital Investment Banking acted as the sole financial advisor to Tata Capital. The transaction is subject to customary regulatory approvals.

About Tata Technologies:

Tata Technologies makes product development dreams a reality by designing, engineering and validating the products of tomorrow for the world’s leading manufacturers. With more than 8,500 employees serving clients worldwide, Tata Technologies is the manufacturing industry’s premier partner for advanced engineering, research and development, product lifecycle management consultancy and software, and connected enterprise IT solutions. For more information please visit www.tatatechnologies.com

About Warburg Pincus:

Warburg Pincus is a leading global private equity firm focused on growth investing. The firm has more than US\$40 billion in private equity assets under management. Its active portfolio of more than 140 companies is highly diversified by stage, sector and geography. Founded in 1966, Warburg Pincus has raised 16 private equity funds, which have invested over US\$60 billion in over 780 companies in more than 40 countries. Affiliates of private equity funds raised by Warburg Pincus have invested approximately US\$4 billion in over 50 Indian companies. The firm is headquartered in New York with offices in Amsterdam, Beijing, Hong Kong, London, Luxembourg, Mauritius, Mumbai, San Francisco, São Paulo, Shanghai and Singapore. For more information please visit www.warburgpincus.com

About Tata Motors:

Tata Motors Limited is India’s largest automobile company, with consolidated revenues of INR 269,850 crores in 2016-17. Through its subsidiaries and associate companies, Tata Motors has operations in the UK, South Korea, Thailand, South Africa and Indonesia. Among them is Jaguar Land Rover, the business comprising the two iconic British brands. It also has an industrial joint venture with Fiat in India. With over 9 million Tata vehicles plying in India, Tata Motors is the country’s market leader in commercial vehicles and among the top in passenger vehicles. Tata cars, buses and trucks are being marketed in several countries in Europe, Africa, the Middle East, South Asia, South East Asia, South America, Australia, CIS and Russia. (www.tatamotors.com; also follow us on Twitter: www.twitter.com/TataMotors)

About Tata Capital Growth Fund (TCGF):

Tata Capital Growth Fund, a sector agnostic US\$240 Million fund was raised in 2011 with participation from global and Indian institutional investors. TCGF is fully committed across nine portfolio companies. TCGF leverages the strength of the Tata Group across all four facets of private equity, i.e. deal sourcing, deal evaluation, value add and exit. For more information please visit www.tatacapital.com

About Sheba Properties Limited (Sheba):

Sheba is a subsidiary of Tata Motors Finance Limited (TMF). TMF and its subsidiaries are having Assets under Management of over USD 3.7 Billion and are engaged in the business of financing entire range of Tata Motors manufactured commercial vehicles, passenger cars and used vehicles. TMF has a presence over 250 branches spread across India to cater the needs of every customer who dreams of owning any of Tata Motors products. TMF group is the largest financier of Tata Motors vehicles and also offers customized product offerings to Tata Motors dealers, vendors and end customers. For more information, please visit www.tmf.co.in

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