Lower UK and Europe sales for Jaguar Land Rover fail to offset China and North America gains

Lower sales in the UK and Europe failed to offset gains in China and North America for Jaguar Land Rover during its latest quarter, new figures have revealed.

The automotive giant, which has UK operations across the Midlands and North West, has reported retail sales for the three months to the end of September 2022 of 88,121 vehicles, an increase of 9,296 compared with the previous quarter ending June 30.

JLR added that compared to the first quarter, retail sales were higher in China (+38%), North America (+27%) and Overseas (+14%) but were lower in UK (-7%) and Europe (-10%).

The manufacturer also said that wholesale volumes were 75,307 cars in the period (excluding its China joint venture), up 4% compared to the previous quarter.

JLR said: “This improvement was lower than planned, primarily due to a lower than expected supply of specialised chips from one supplier which could not be readily re-sourced in the quarter.

“This was mitigated partially by further prioritisation of production to the highest margin products, while new agreements with semiconductor suppliers are expected to enable sales improvements in the second half of the fiscal year.”

JLR added that the production ramp up of New Range Rover and New Range Rover Sport improved with 13,537 cars wholesaled in the quarter, up from 5,790 in the first quarter. It also said that is expected to continue improve in the second half of its financial year.

The business said: "The company continues to see strong demand for its products, with global retail orders again setting new records in the quarter.

"As at 30 September 2022, the total order book has grown to 205,000 units, up around 5,000 orders from 30 June 2022.

"Demand for the New Range Rover, New Range Rover Sport and Defender remain strong, accounting for over 145,000 of the 205,000 orders.

"Jaguar Land Rover expects to report unaudited results for the three months ending 30 September 2022 in the first half of November.

"The company expects free cashflow to be near break-even despite the lower than expected wholesale volumes, based on preliminary cash balances of £3.7bn.

"Free cashflow in the second half of the fiscal year is expected to be positive driven by sequential improvement in wholesale volumes."

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