

THE CHALLENGERS

Agenda

Global Development

Steel scenario

Performance highlights

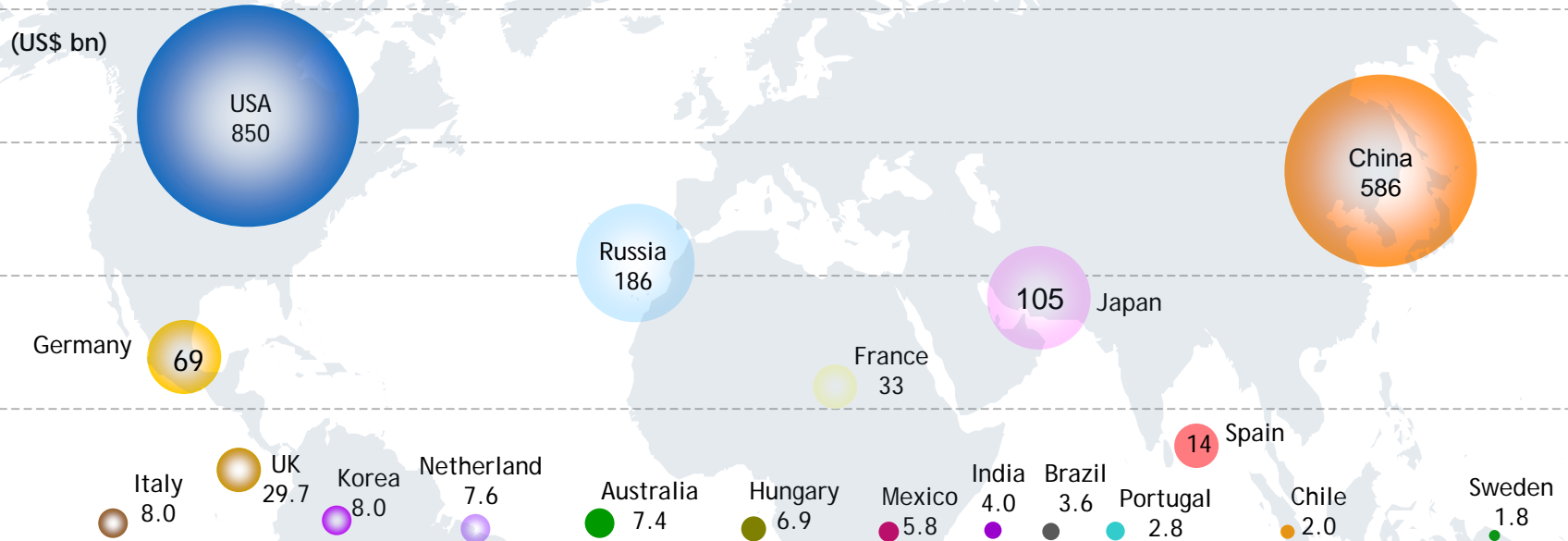
Marketing highlights

Project highlights

Mega boosters from Governments worldwide

Massive Government Stimulus

(Totaling ~ USD 1.96 trillion)

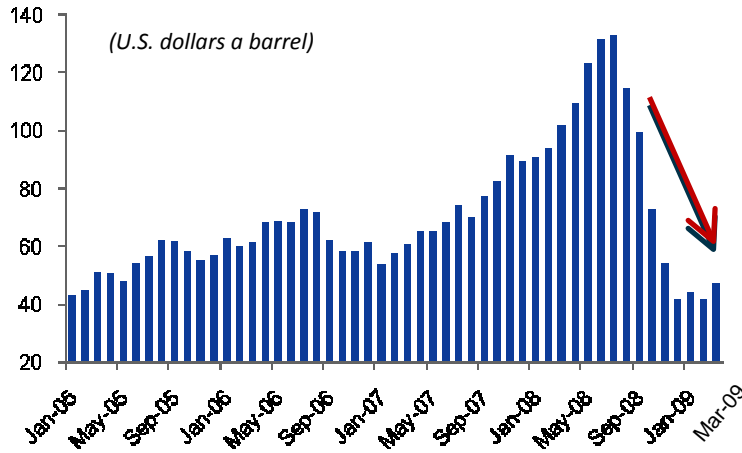


Global Response

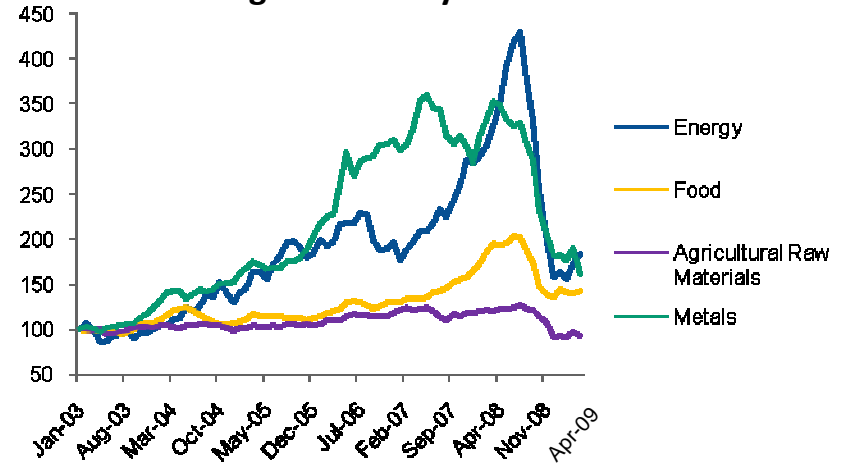
- Governments infusing capital into financial institutions
- Globally coordinated interest rate cuts
- IMF provides bridge loan to meet foreign exchange requirements
- Coordinated measures at G20 summit

Easing liquidity, inflationary pressure off, commodity prices down...

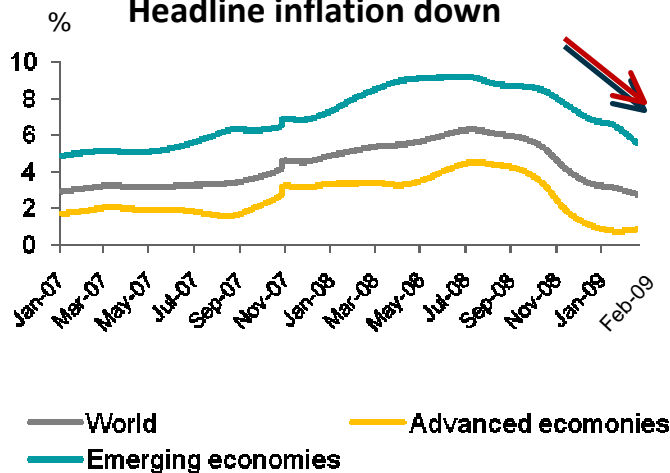
Petroleum prices at Jan05 low



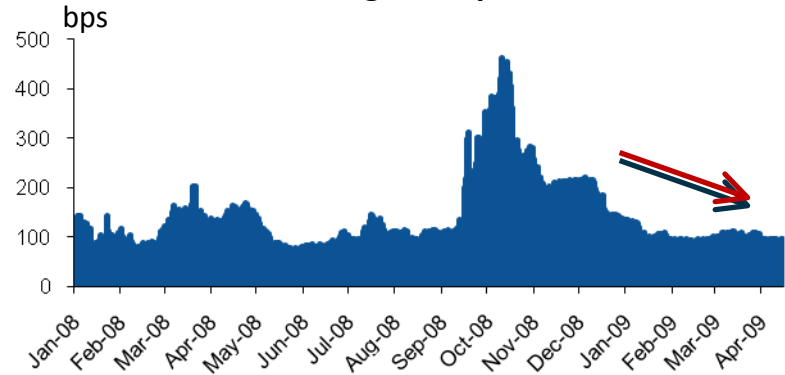
Sinking Commodity Price Indices



Headline inflation down

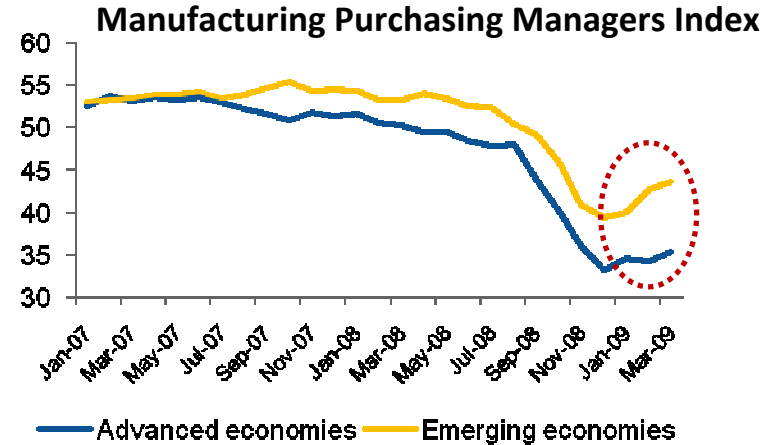
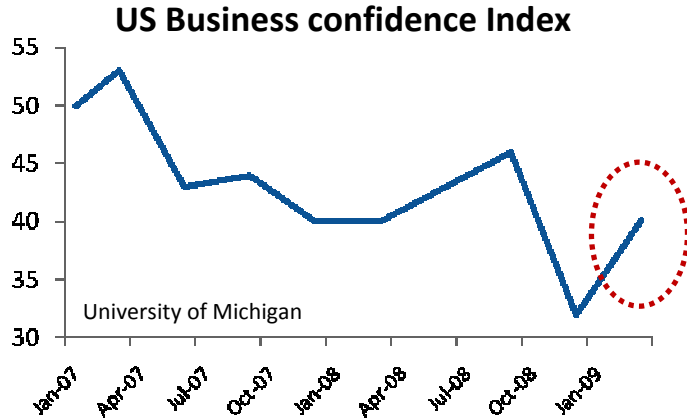


Lowering TED Spread

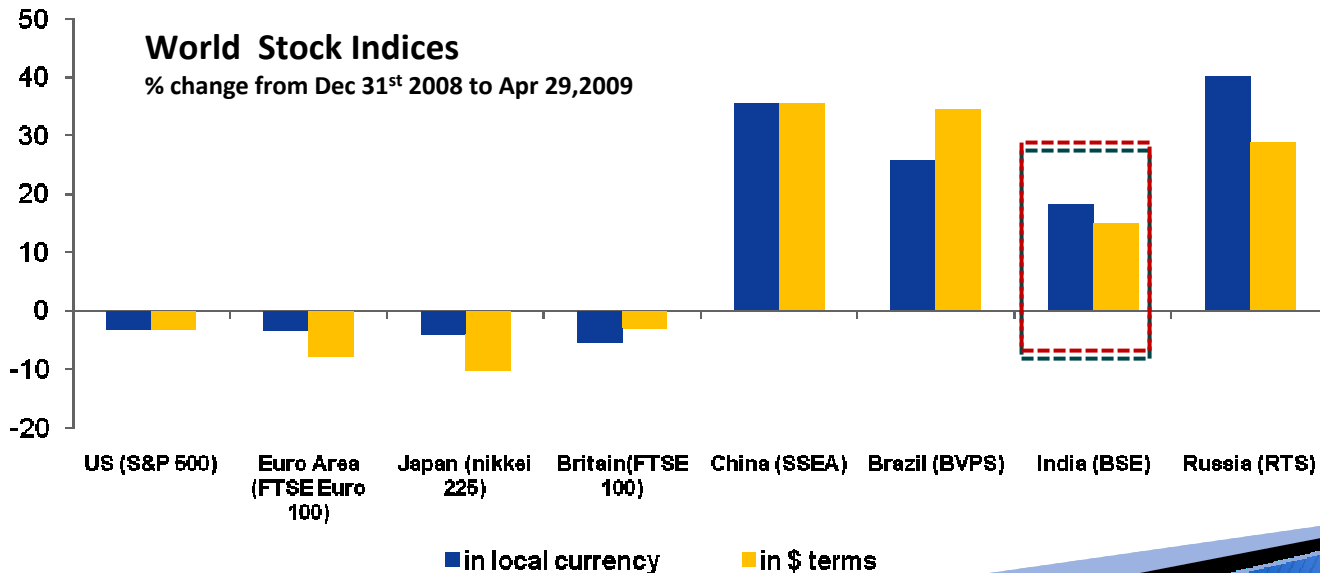


Indications of economic recovery

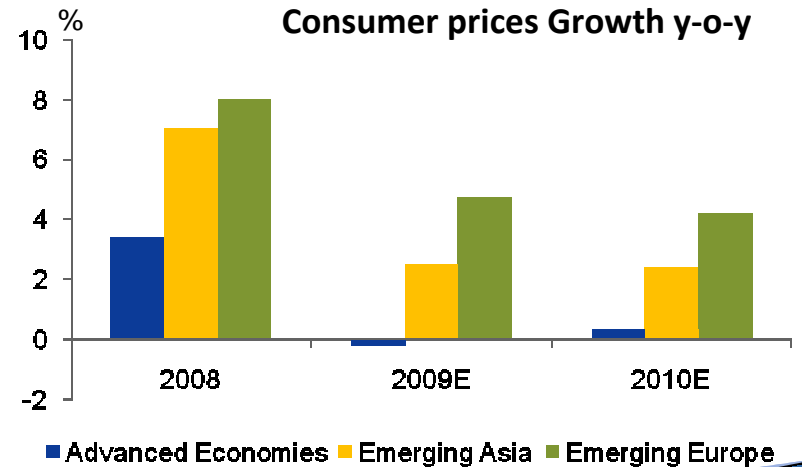
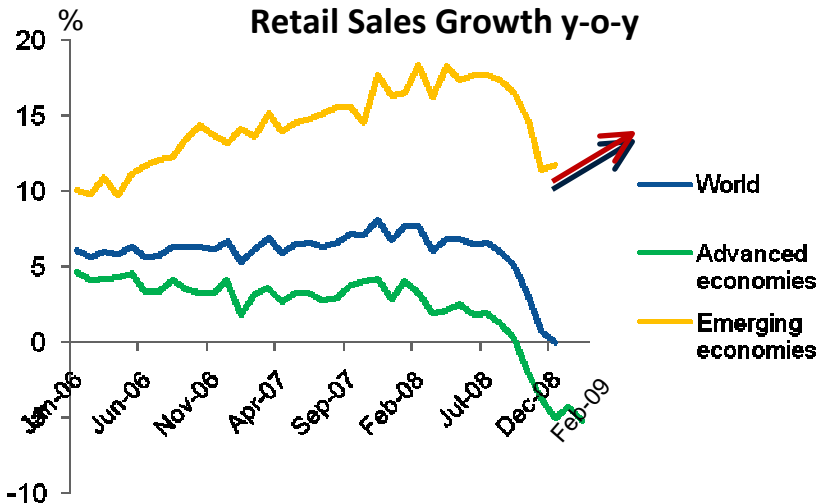
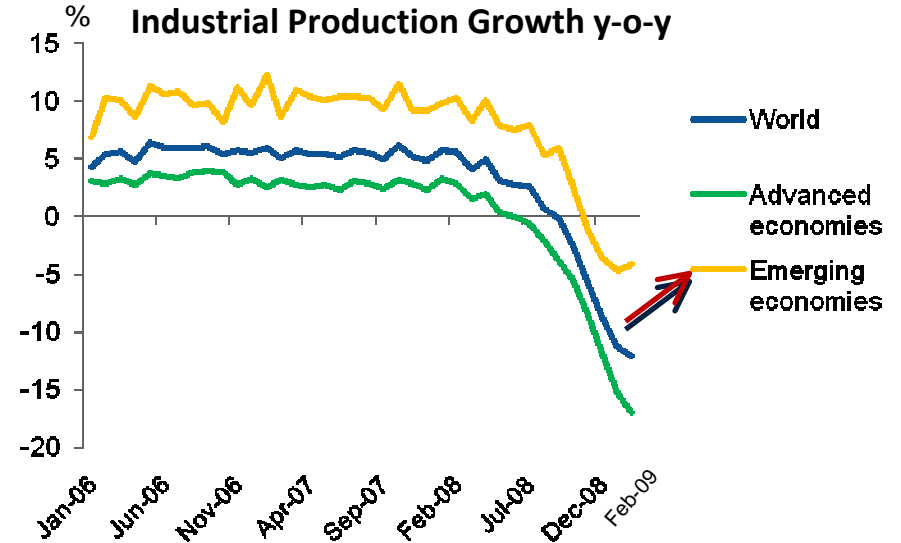
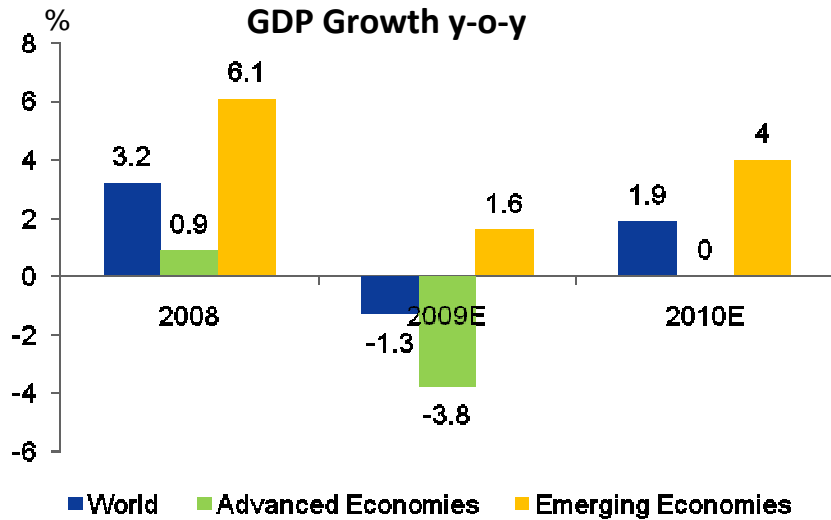
Improving business confidence



Smart money returning to market due to attractive valuation



Emerging economies to lead revival

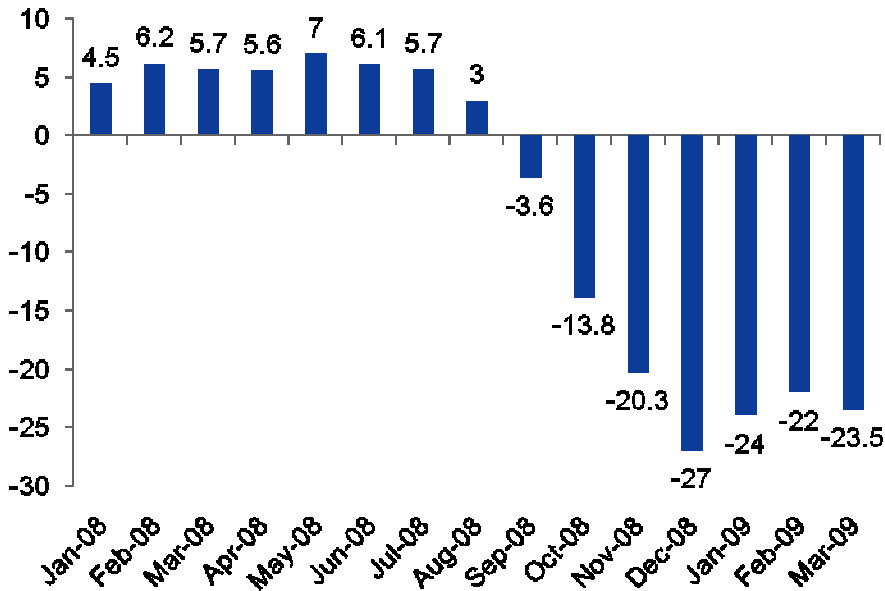


Source: IMF

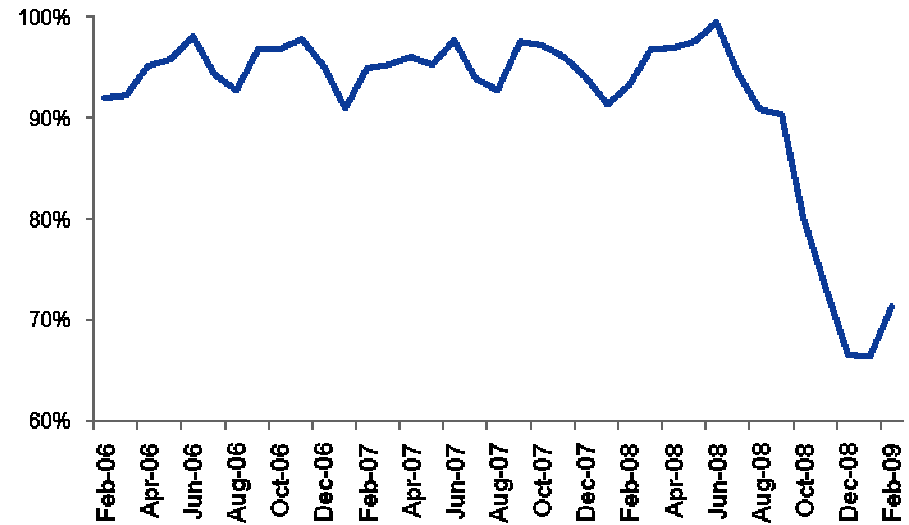
Steel Scenario

Quick supply side corrections ensure no glut in market

World monthly crude steel production
(y-o-y % change)

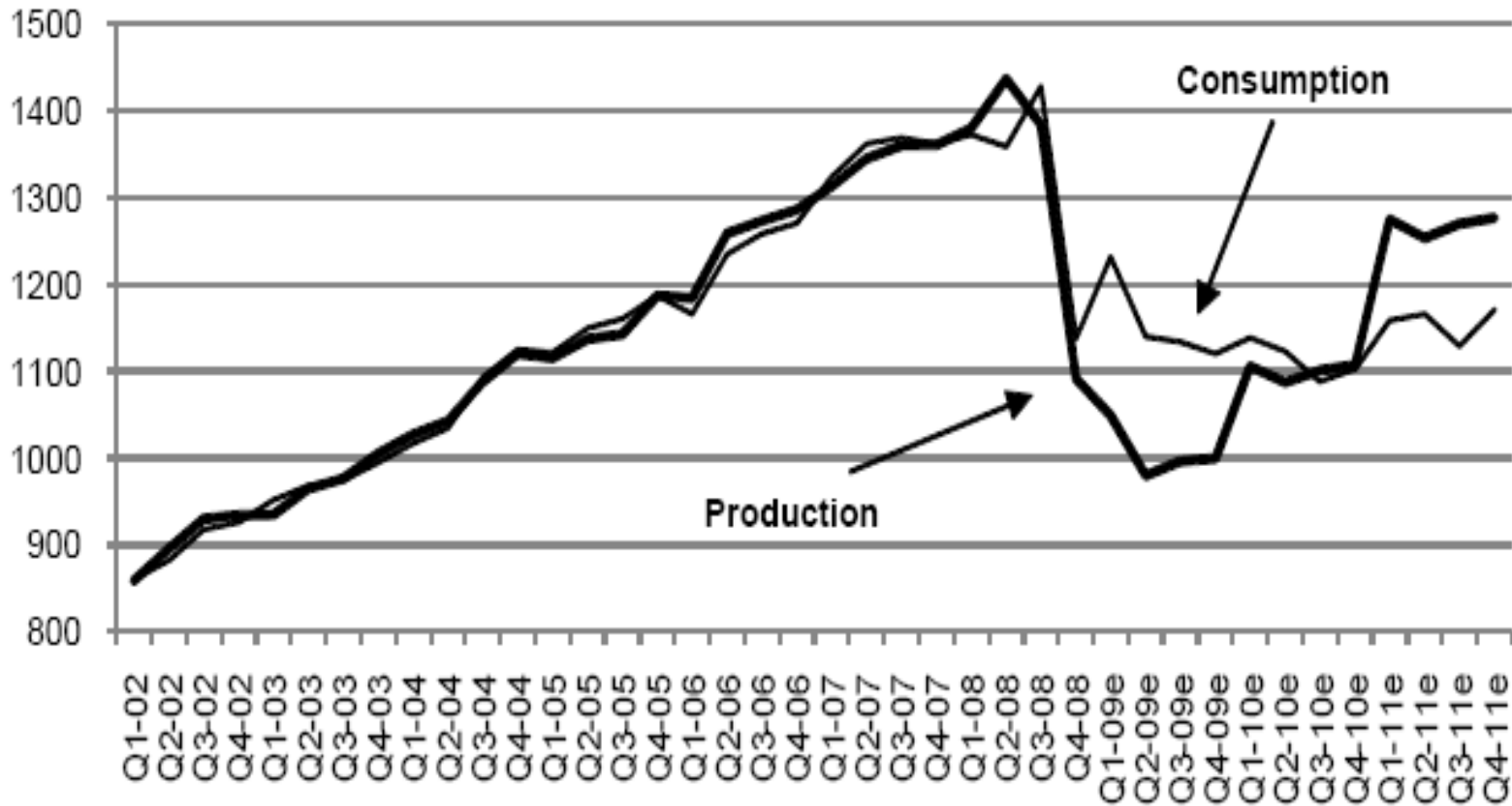


Global Steel: Capacity utilization (%)



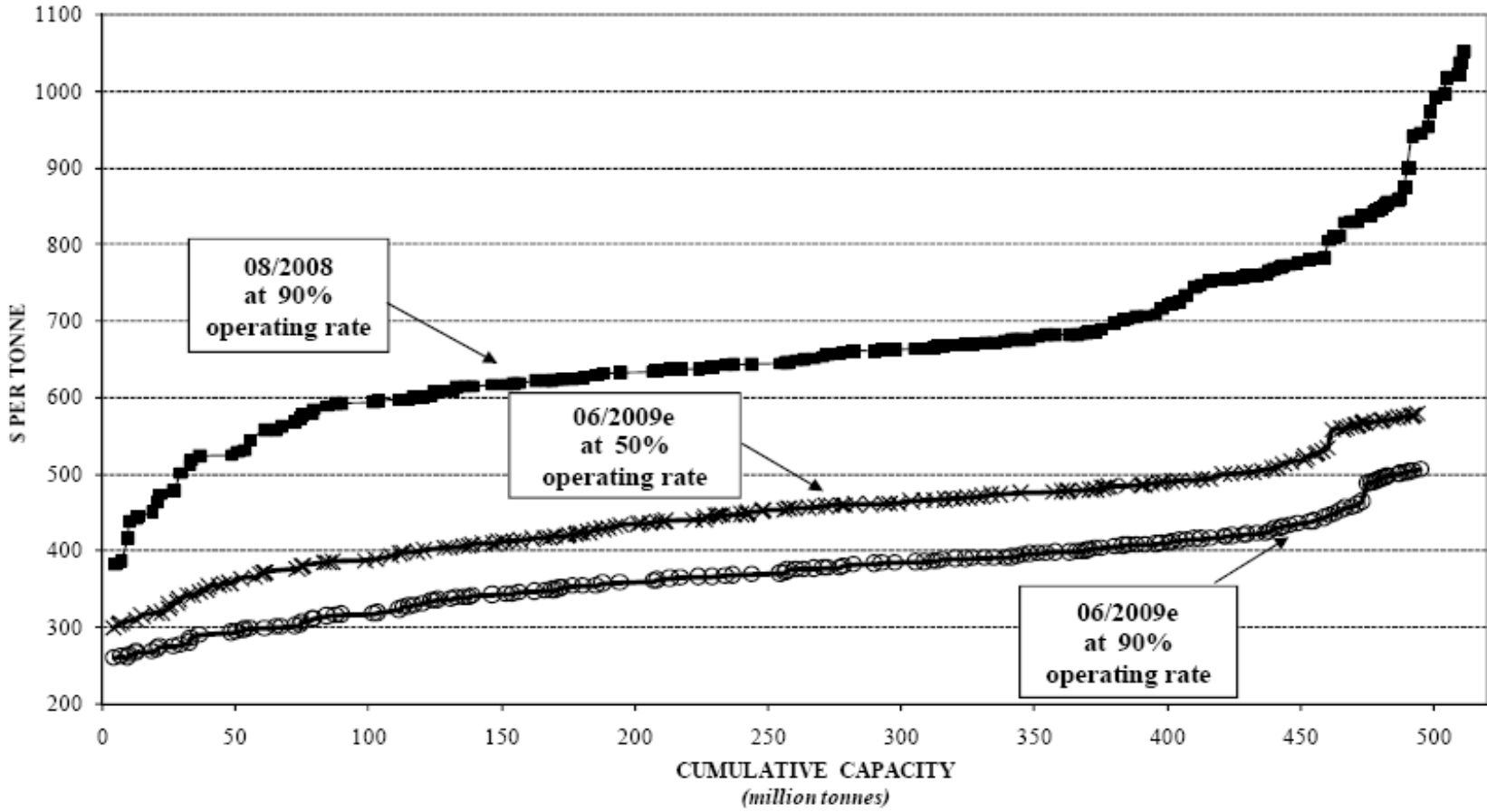
Widened spread between Production and Apparent consumption ...Indicating destocking of Inventory

Crude Steel Production Vs. Apparent consumption (MnT)



Global steel Industry tumbling down the cost curve... due to fall in raw material prices

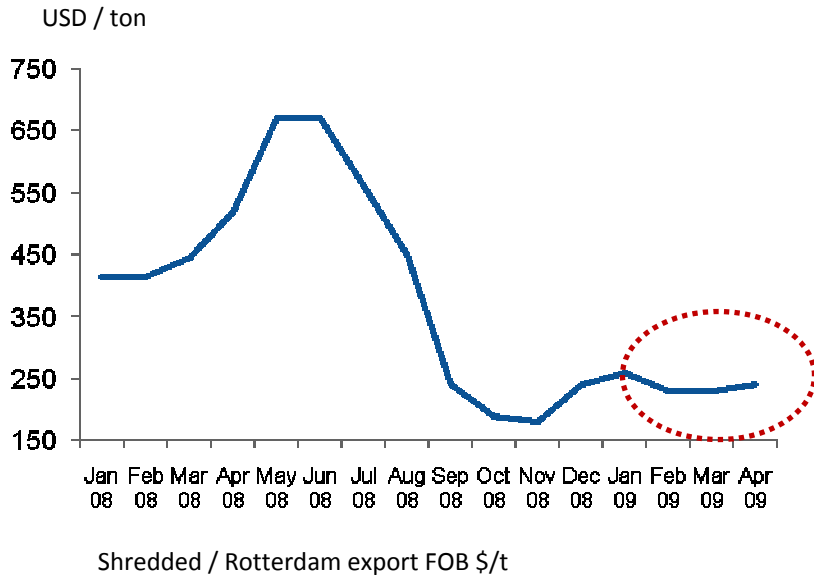
World Cost Curve for Hot Rolled Band



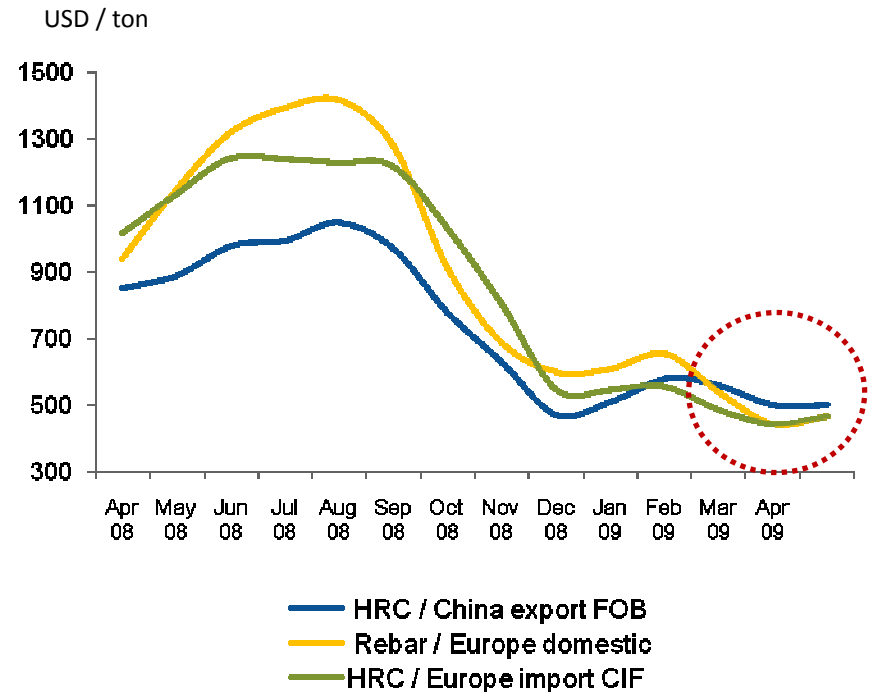
Source: WSD

...Steel prices seem to have bottomed out.

Scrap price movement...



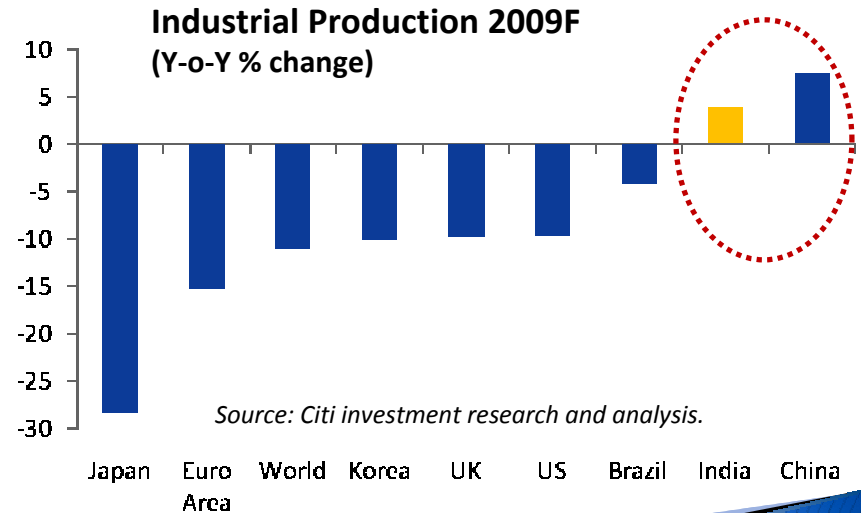
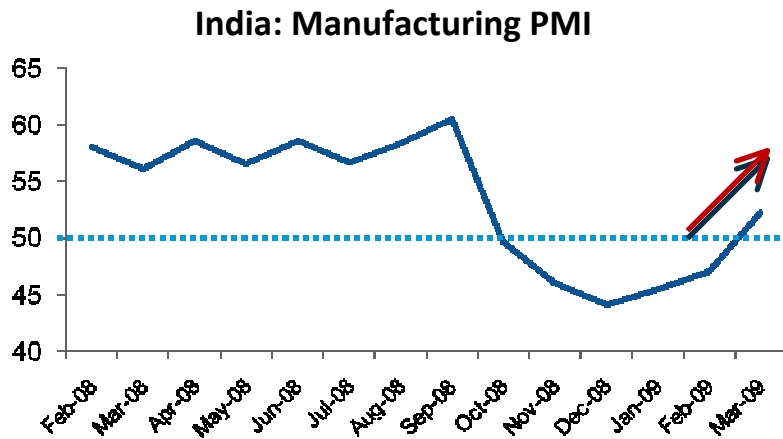
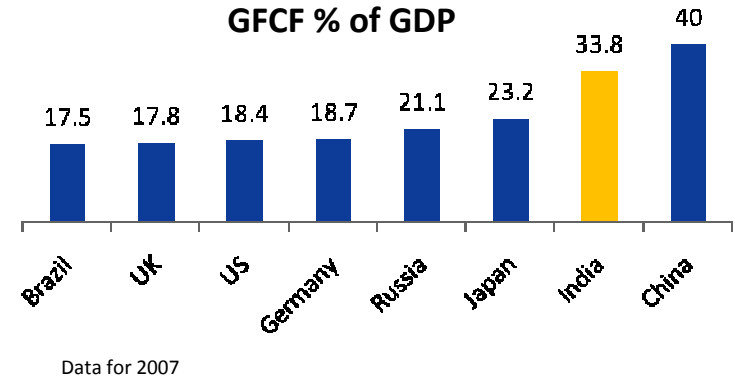
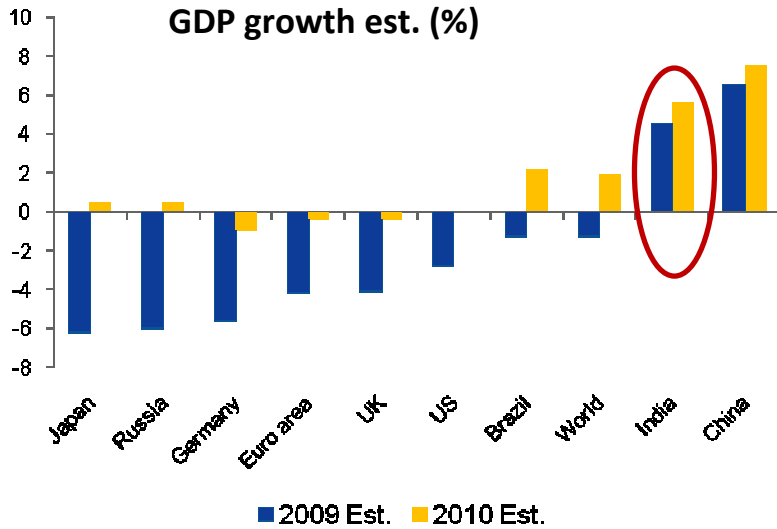
Steel price movement



Margins may not come under pressure

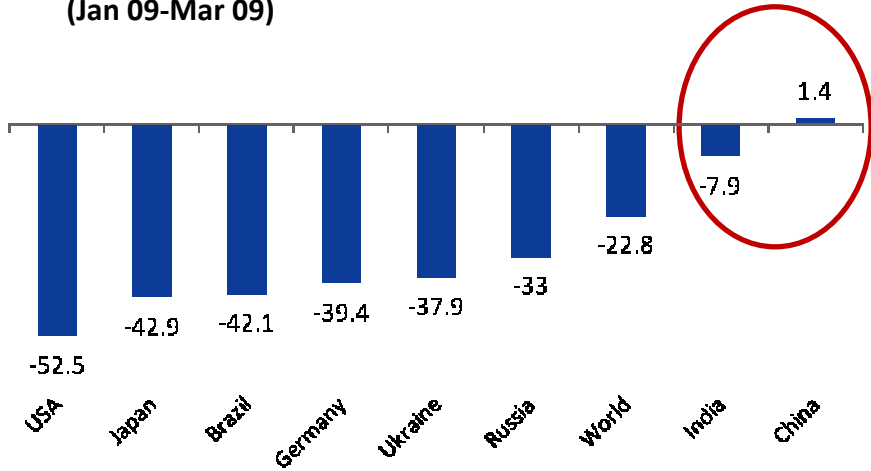
Indian - Scenario

India ... among the first to turn the corner

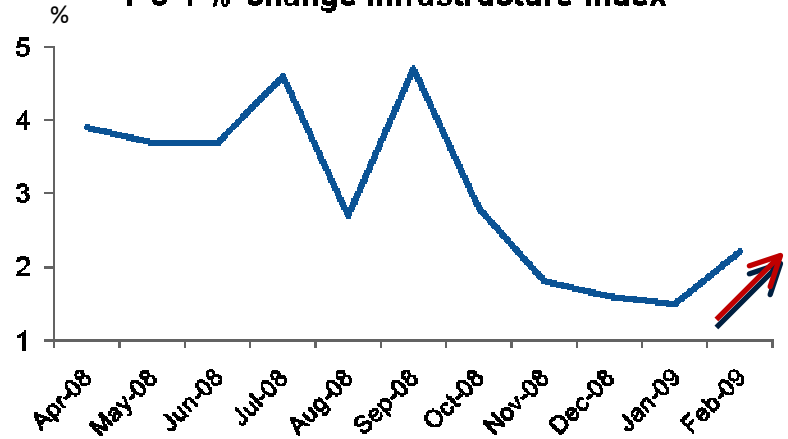


India better placed than others

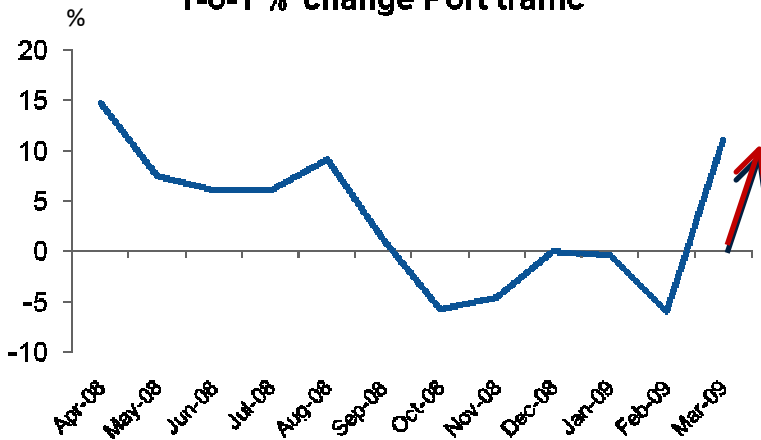
Y-o-Y % change in Crude Steel Production
(Jan 09-Mar 09)



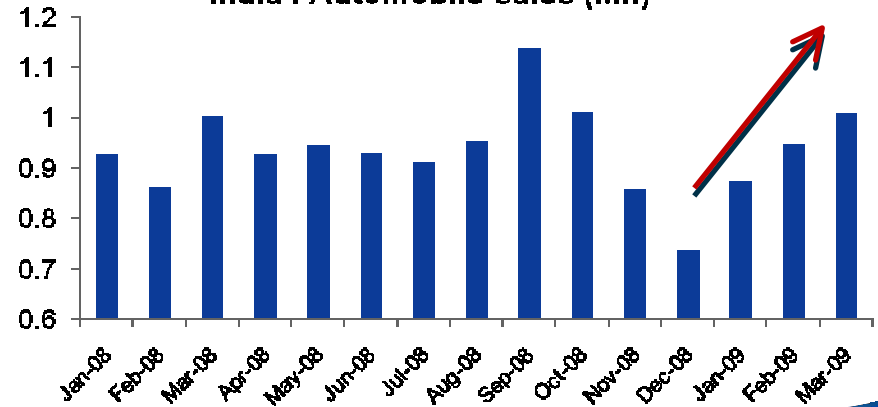
Y-o-Y % change Infrastructure Index



Y-o-Y % change Port traffic



India : Automobile sales (Mn)



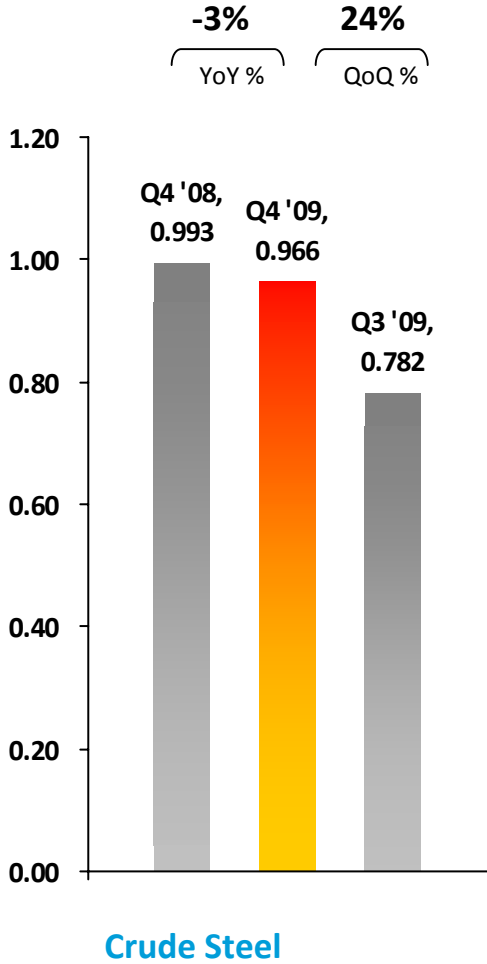
Performance highlights

Highlights

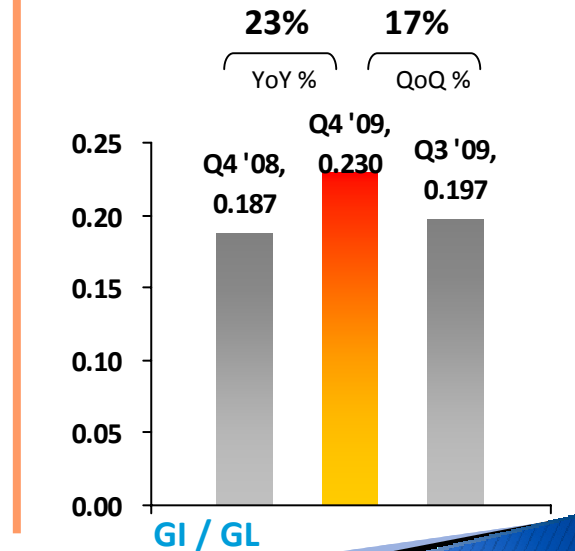
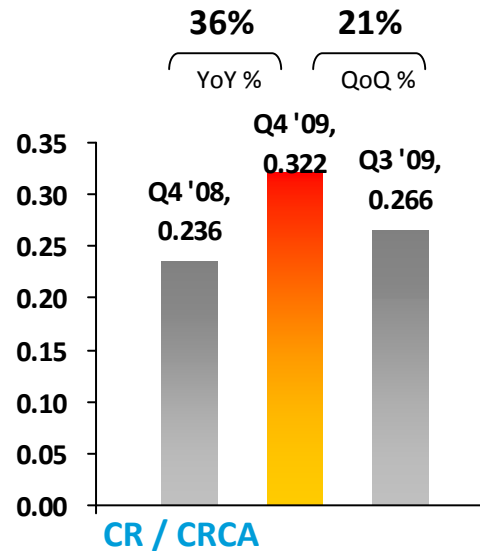
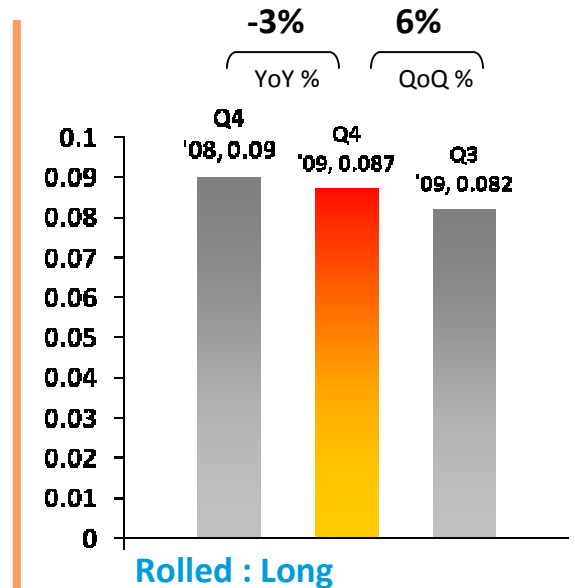
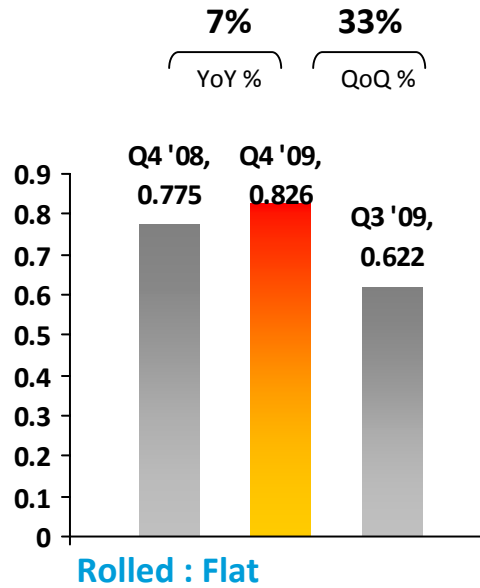
Particulars	Q4 FY09	FY 09	Q4 FY09 vs. Q4 FY08	FY 09 vs. FY 08
Volume : Crude Steel Production	0.966	3.724	- 3 %	3 %
: Saleable Steel	1.062	3.428	5 %	1 %
Net Sales	3,275.02	14,001.25	- 7 %	23 %

EBITDA Margin	15.1 %	21.8 %
EBITDA	Rs. 503 Cr.	Rs. 3,093 Cr.
Net Profit	Rs. 49 Cr.	Rs. 458 Cr.

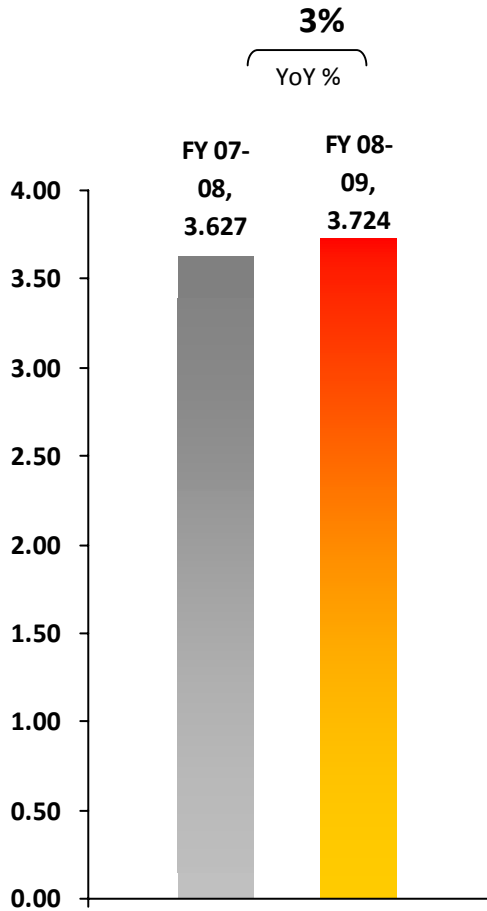
Production – Q4 FY09



All No are in Mn Tonnes

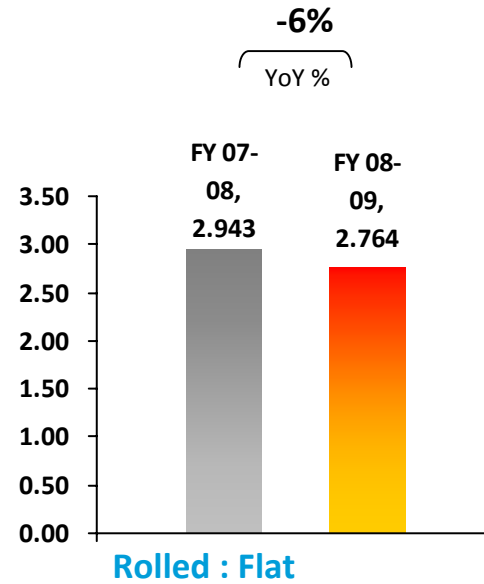


Production – FY 08-09

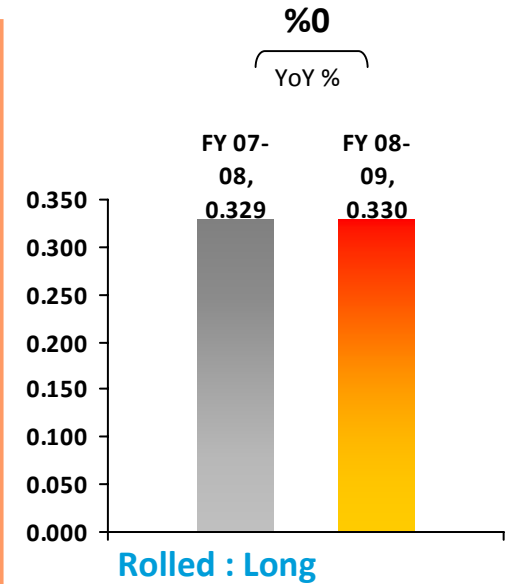


Crude Steel

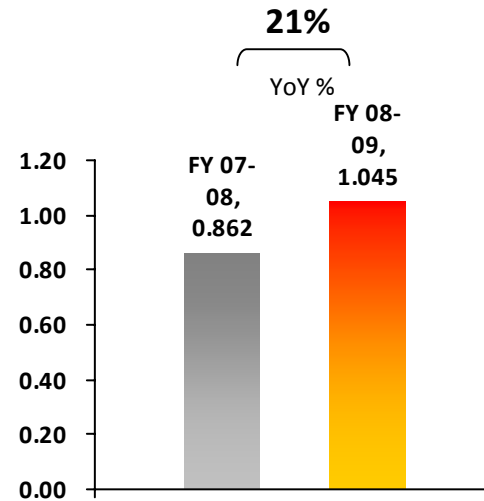
All No are in Mn Tonnes



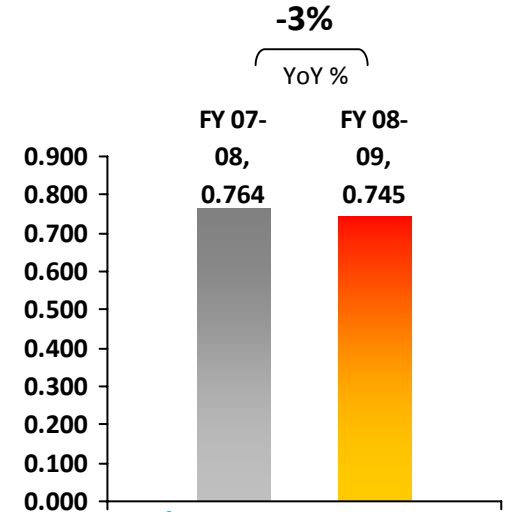
Rolled : Flat



Rolled : Long

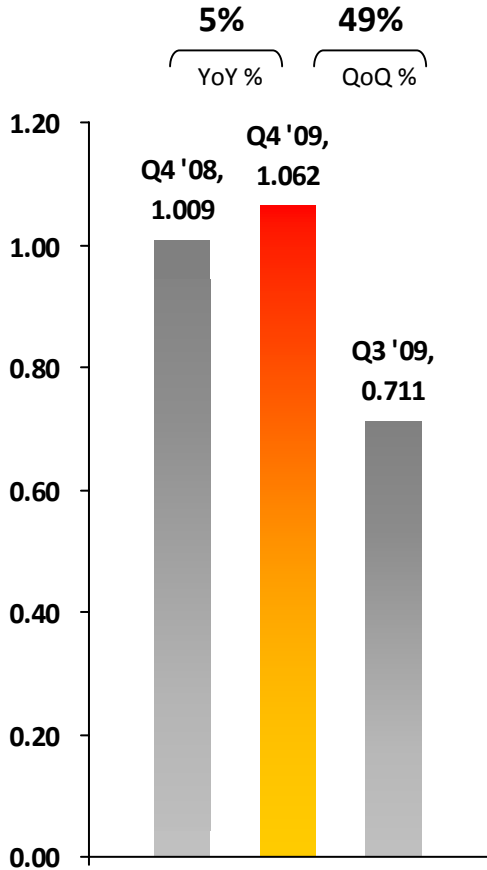


CR / CRCA



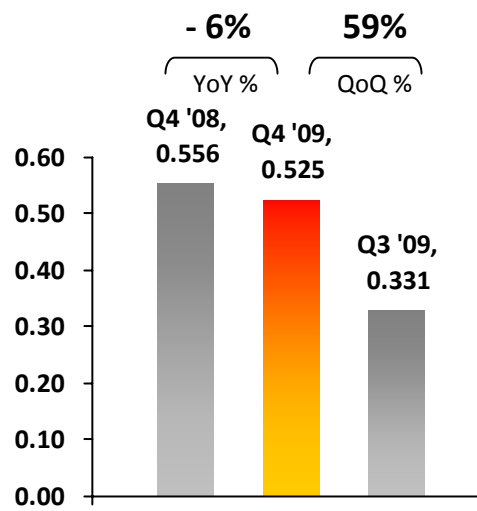
GI / GL

Saleable Steel Sales – Q4 FY09

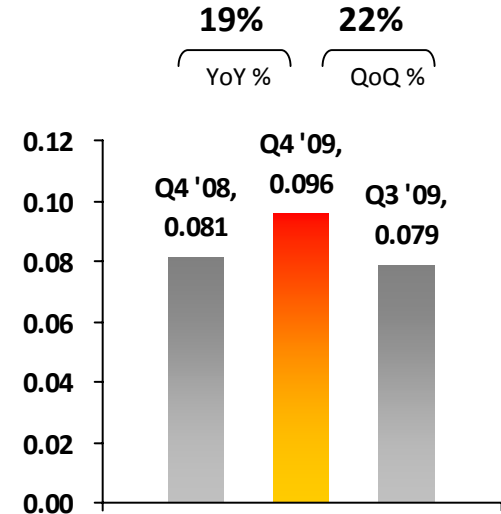


Total Sales

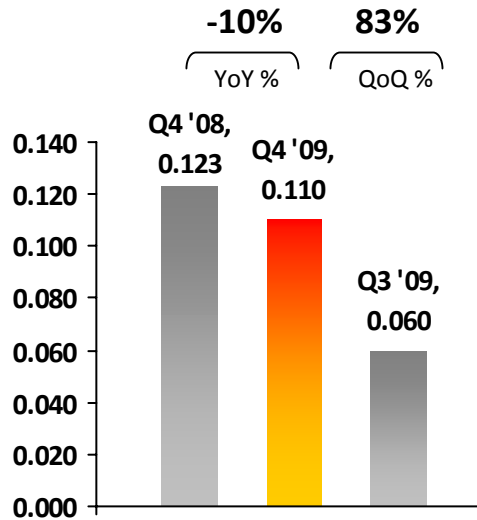
All No are in Mn Tonnes



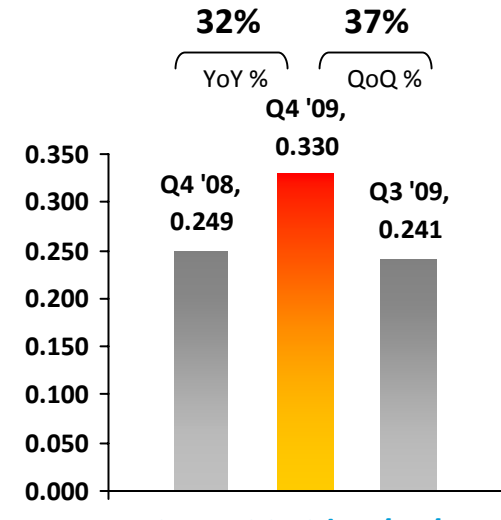
HR Coils & Plates



Rolled : Long

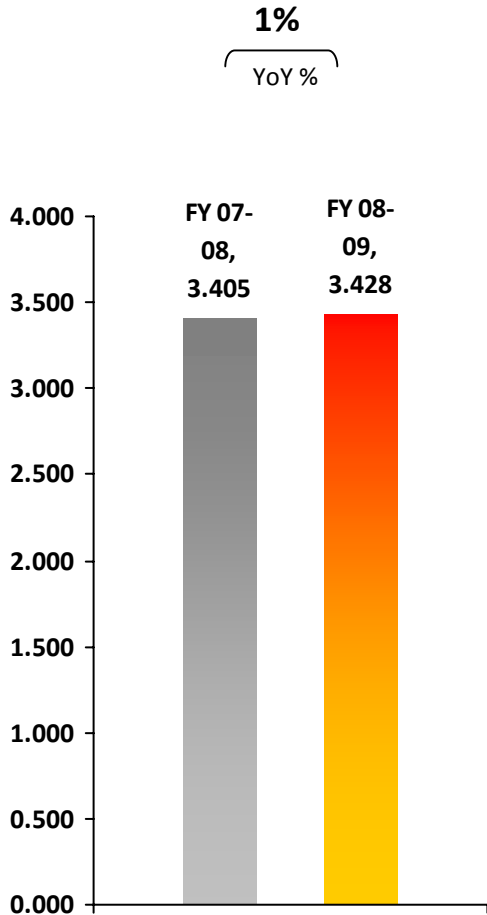


Semis



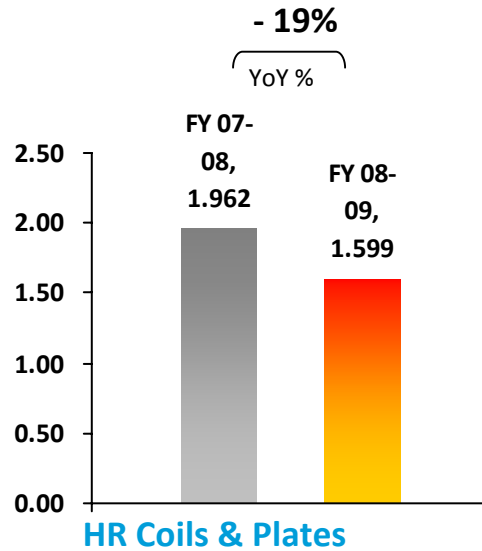
Value Added (CR/GI/PPGI)

Saleable Steel Sales – FY 08 - 09

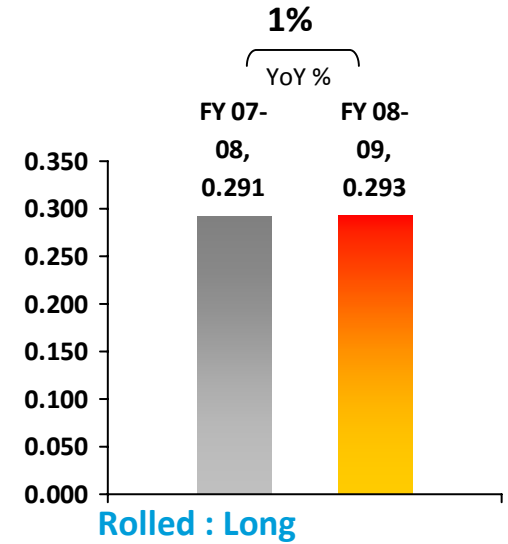


Total Sales

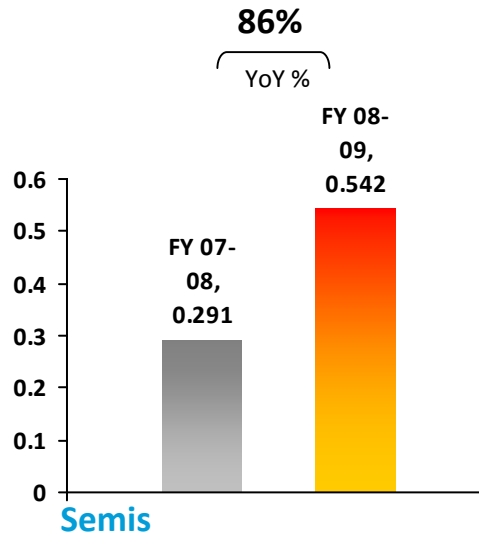
All No are in Mn Tonnes



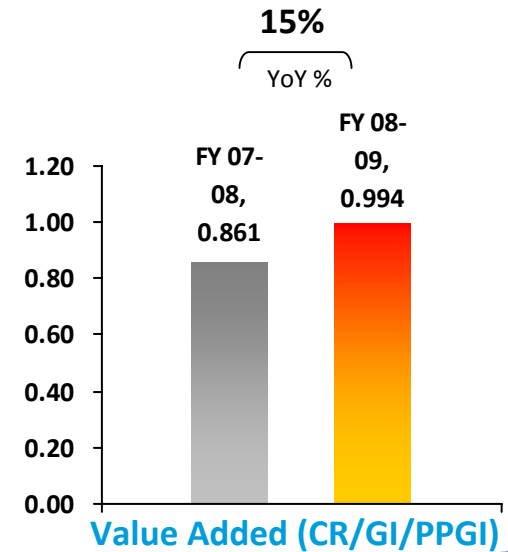
HR Coils & Plates



Rolled : Long

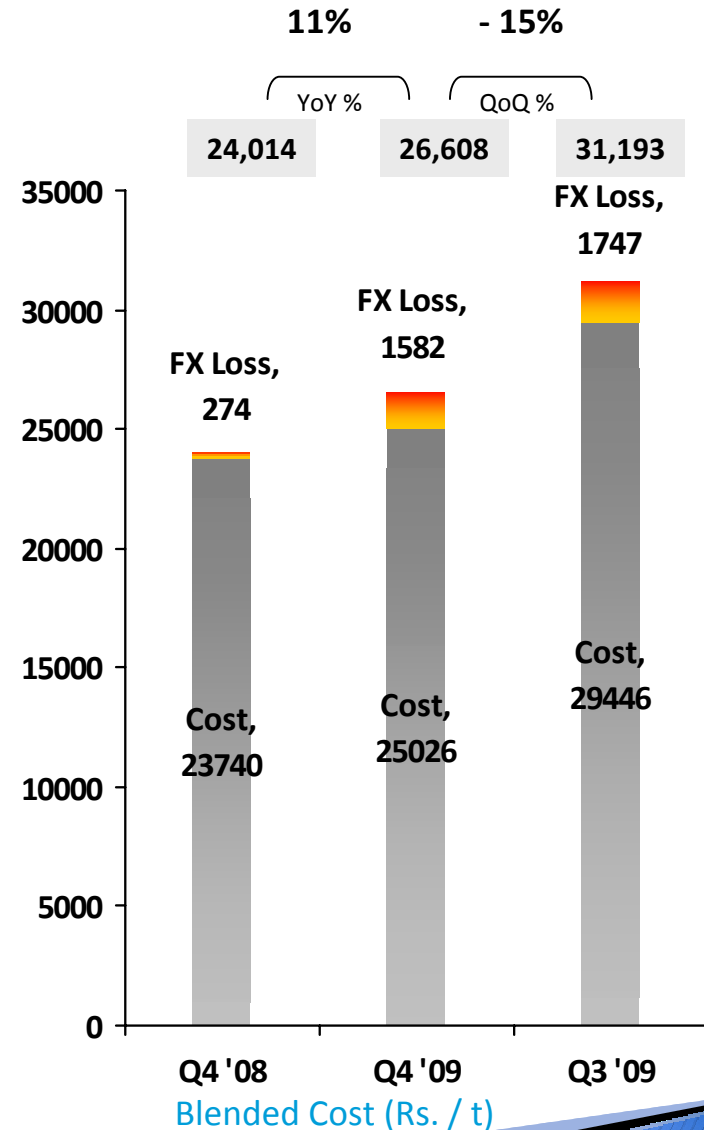
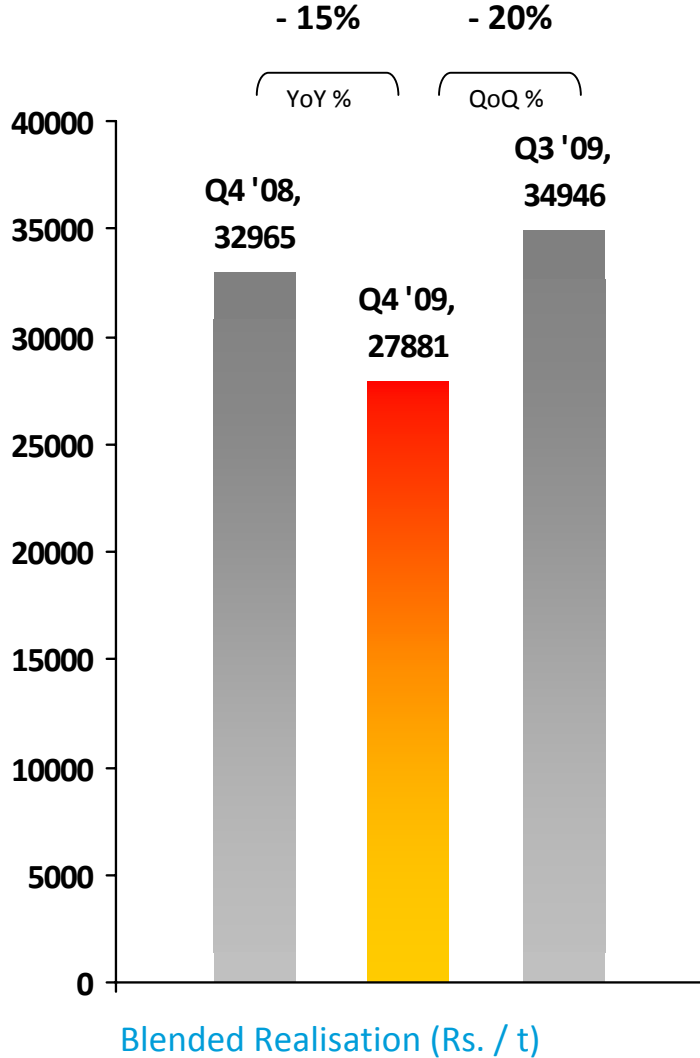


Semis

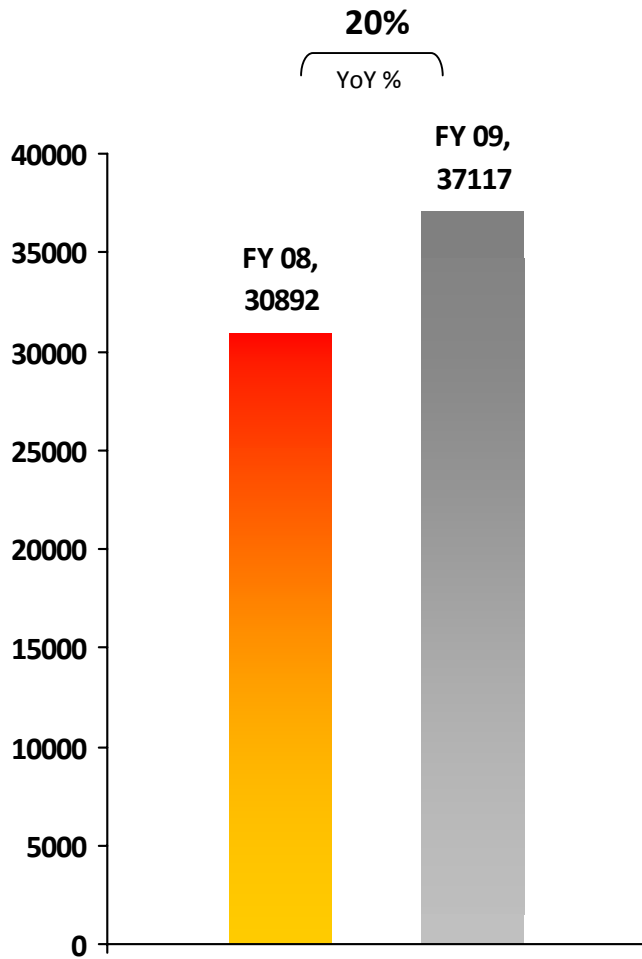


Value Added (CR/GI/PPGI)

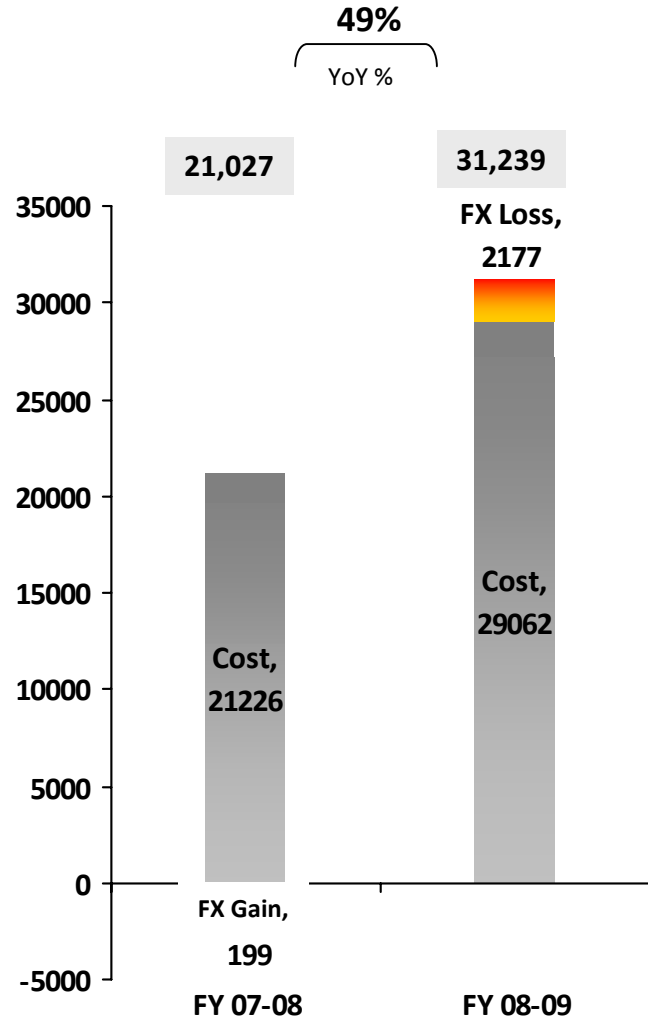
Sales Realisation v/s Cost of Production – Q4 FY09



Sales Realisation v/s Cost of Production – FY 08-09

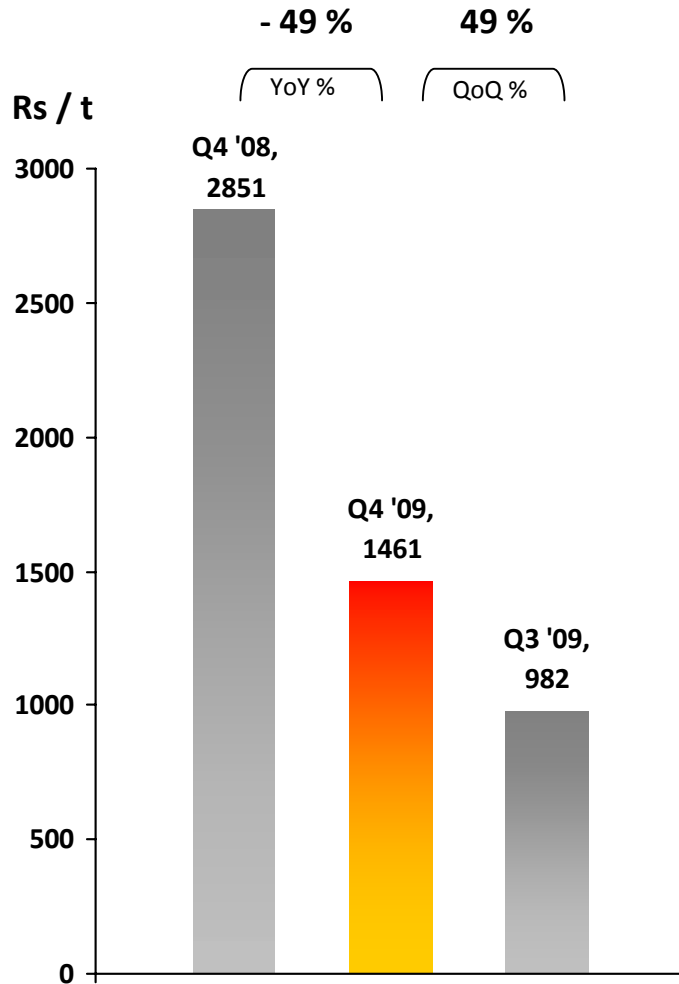


Blended Realisation (Rs. / t)



Blended Cost (Rs. / t)

Iron Ore Price Movements – Q4 FY09

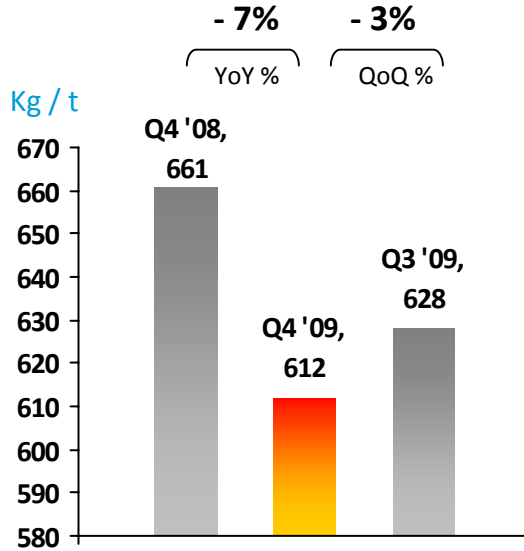


	QoQ	YoY
Rs / t cs	-777	2257
Total (Rs Cr)	-75	218

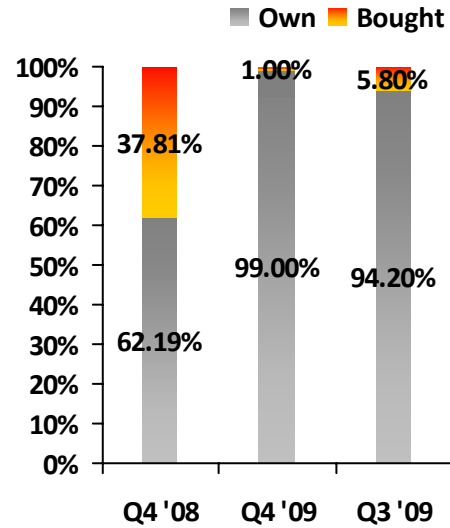
Operating Parameters (Vijayanagar) – Q4 FY09

Cost Impact

	QoQ	YoY
Rs per t cs	-392	-432
Total (Rs Cr)	-30.34	-33.43



Fuel – Blast Furnace



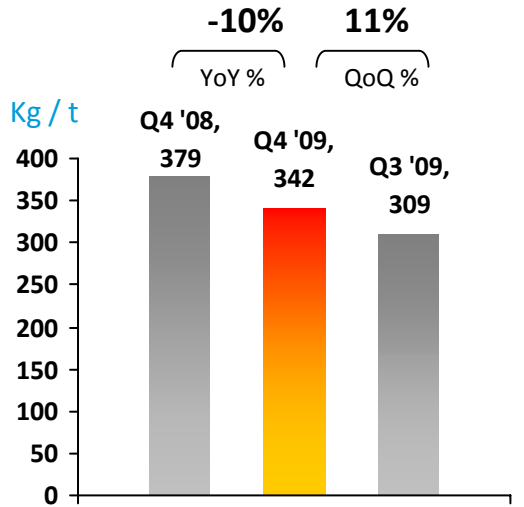
Coke Consumption

Cost Impact

	QoQ	YoY
Rs per t cs	-300	-2,186
Total (Rs Cr)	-23.22	-169.20

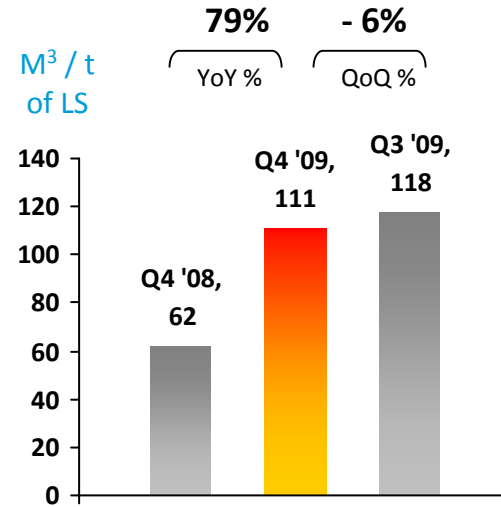
Cost Impact

	QoQ	YoY
Rs per t cs	11	-12
Total (Rs Cr)	0.85	-0.93



Fluxes Consumption Sinter + Bfc

M³ / t of LS



LD Gas Recovery

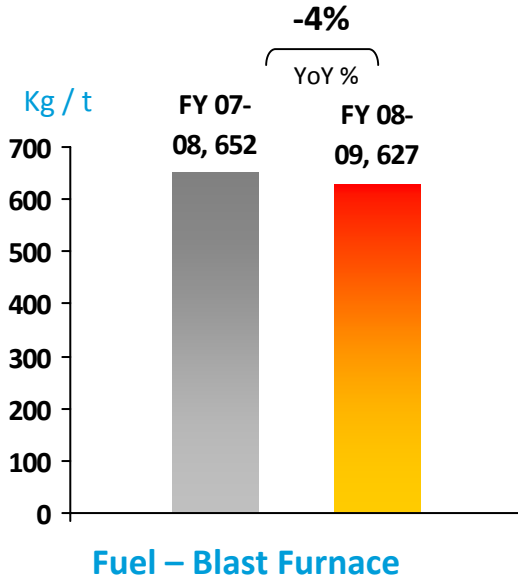
Cost Impact

	QoQ	YoY
Rs per t cs	-19	51
Total (Rs Cr)	-1.47	3.95

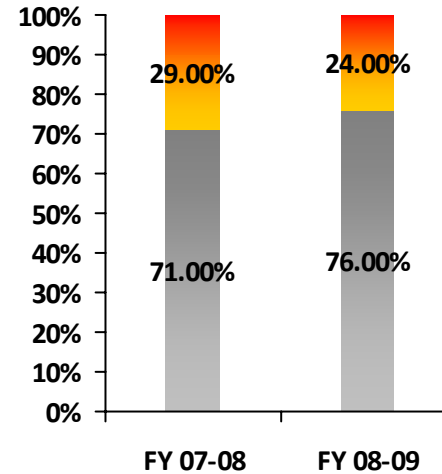
Operating Parameters (Vijayanagar) – FY 08-09

Cost Impact

	YoY
Rs per t cs	-191
Total (Rs Cr)	-58.8



Own Bought

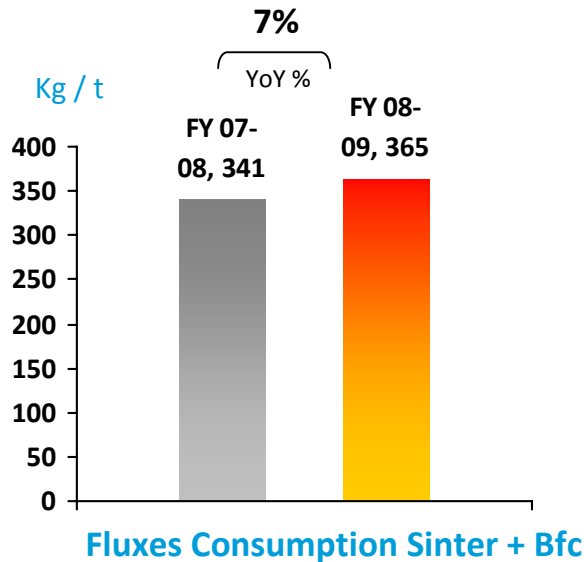


Cost Impact

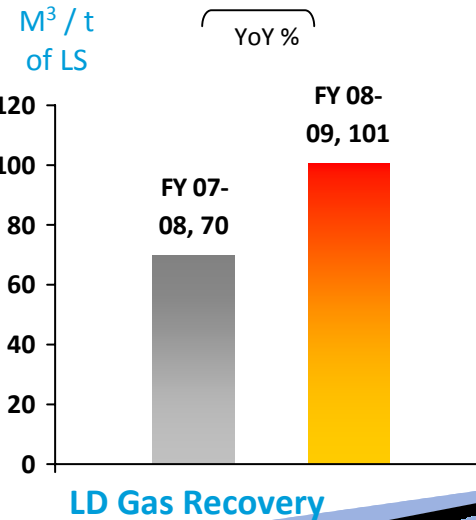
	YoY
Rs per t cs	-185
Total (Rs Cr)	-56.95

Cost Impact

	YoY
Rs per t cs	16
Total (Rs Cr)	4.93



-44%



Cost Impact

	YoY
Rs per t cs	-32
Total (Rs Cr)	-9.85

Financial Performance

EBITDA Analysis – Q4 and FY09

Rs. Cr.

	<u>Q4 FY 09</u>	<u>Q4 FY 08</u>	<u>FY 09</u>	<u>FY 08</u>
EBITDA	503.40	951.23	3,092.67	3,506.85
EBITDA Margin	15.1 %	26.7 %	21.8 %	30.3 %
Less : CER income	(48.58)		(48.58)	(111.11)
Less : FCCB gain & Others	(97.30)		(102.39)	(5.64)
Adjusted EBITDA	357.52	951.23	2,941.70	3,390.10
Adjusted EBITDA Margin	10.9 %	26.7 %	20.8 %	29.6 %

Subsidiary Performance

Operational Performance - USA

	<u>PRODUCTION (NT)</u>		<u>SALES (NT)</u>	
	Q4 FY 09	FY 2008-09	Q4 FY 09	FY 2008-09
Plate Mill	44,061	343,691	26,986	199,861
Pipe Mill	9,065	137,626	9,942	143,508

\$ Mio

	Particulars	Q4 FY 09	FY 2008-09
a)	Turnover	30.31	500.92
b)	EBITDA + Other Income	(18.93)	70.58
	Write down of Inventory	(58.35)	(58.35)
	Profit Before Tax	(96.68)	(64.74)
e)	Profit After Tax	(61.1)	(36.97)

Standalone Financials Q4 and FY 09

Rs. Cr

Particulars	Q4 FY 09	Q4 FY 08	FY 09	FY 08
Total Income	3,328.80	3,568.20	14,158.42	11,566.61
EBITDA	503.40	951.23	3,092.67	3,506.85
Cash Profit	288.55	816.58	2,295.42	3,066.41
Profit Before Tax	75.52	532.10	677.63	2,484.12
Profit After Tax	49.20	370.18	458.50	1,728.19

Consolidated Financials Q4 and FY 09

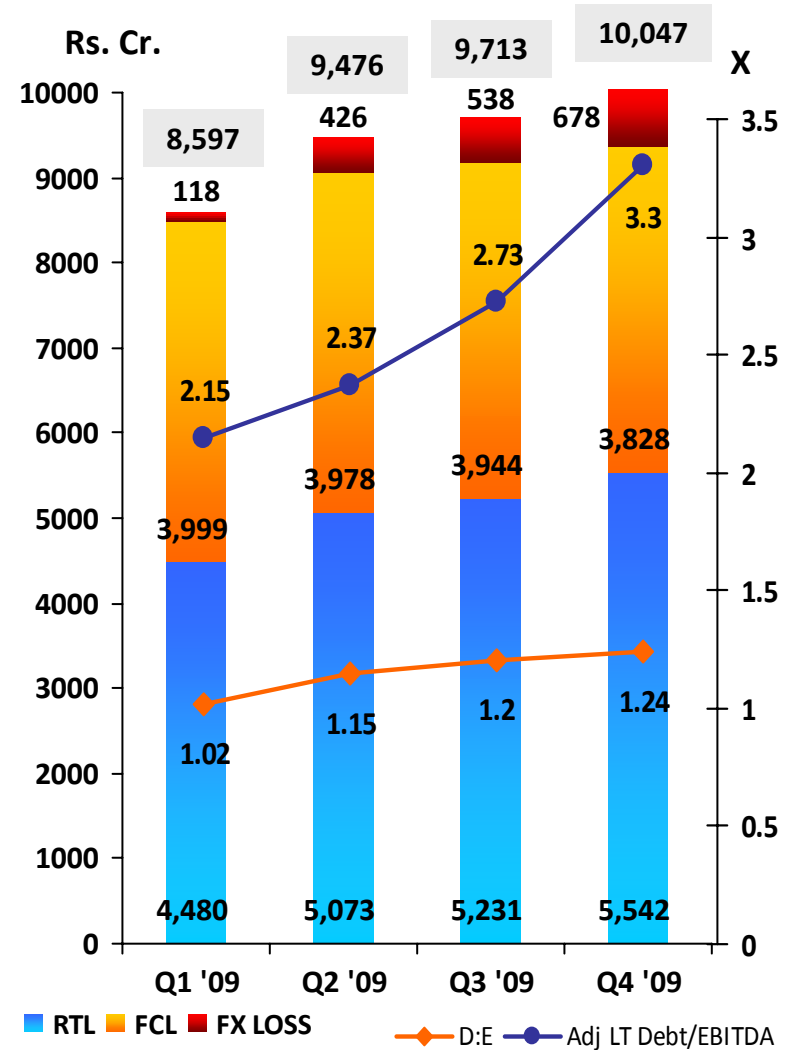
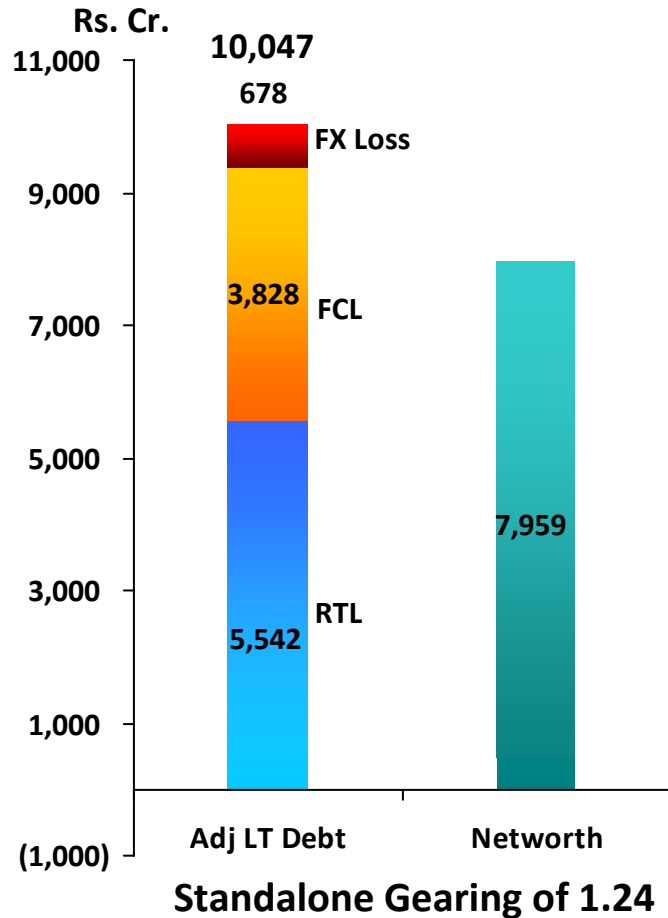
Rs. Cr

Particulars	Q4 FY 09	Q4 FY 08	FY 09	FY 08
Total Income	3,622.08	4,291.37	16,104.71	12,605.23
EBITDA	333.25	1,061.72	3,253.50	3,631.74
Cash Profit	21.38	842.30	2,097.88	3,058.74
Profit Before Tax	(230.39)	527.87	315.33	2,424.25
Profit After Tax	(39.93)	356.79	274.91	1,640.04

Adj. Long Term Debt Gearing - Standalone



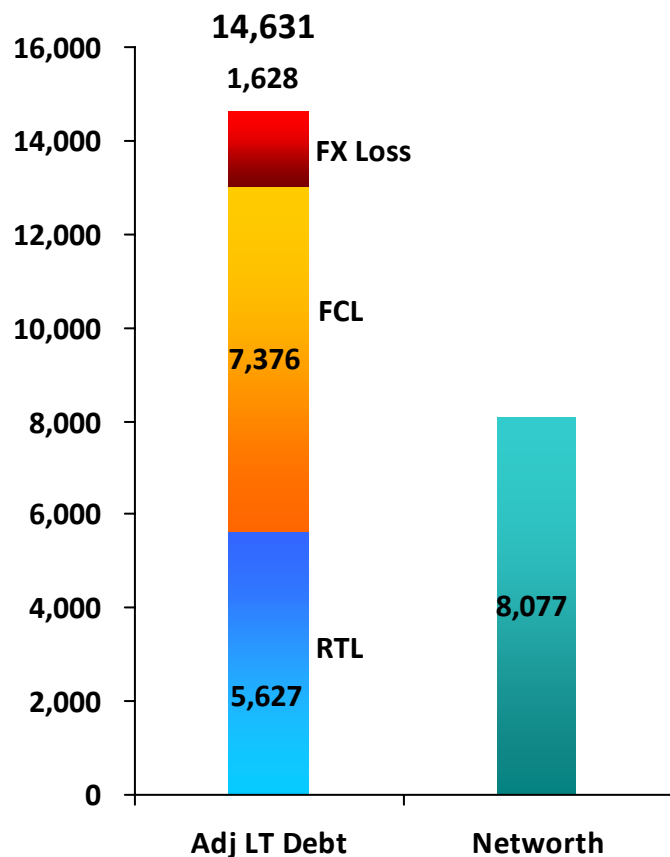
Adj. Long Term Debt & Network



	Q1 '09	Q2 '09	Q3 '09	Q4 '09
Wt Avg Cost of Debt (%)	7.63	8.35	8.29	8.22
FD & MF (Rs. Cr.)	635	206	90	190

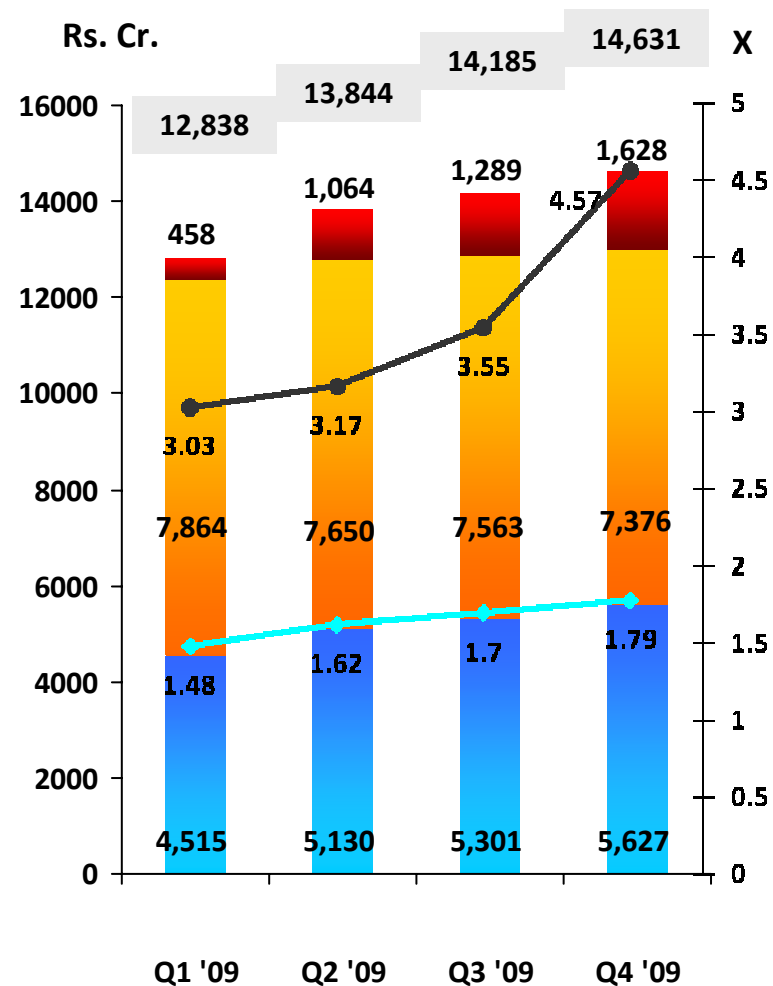
Adj. Long Term Debt Gearing - Consolidated

Adj. Long Term Debt & Network



Consolidated Gearing of 1.79

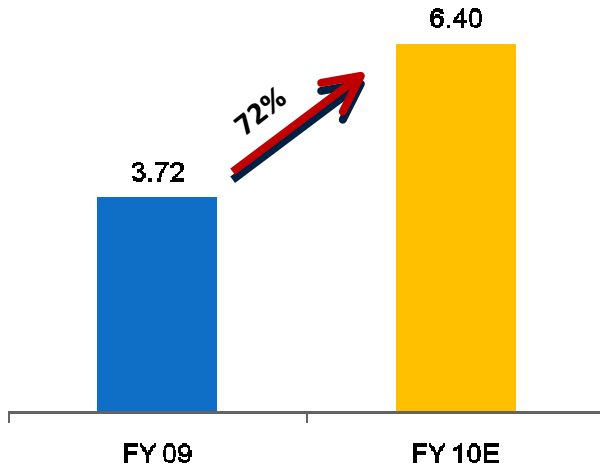
	Q1 '09	Q2 '09	Q3 '09	Q4 '09
Wt Avg Cost of Debt (%)	7.03	7.42	7.42	7.16
FD & MF (Rs. Cr.)	635	206	90	190



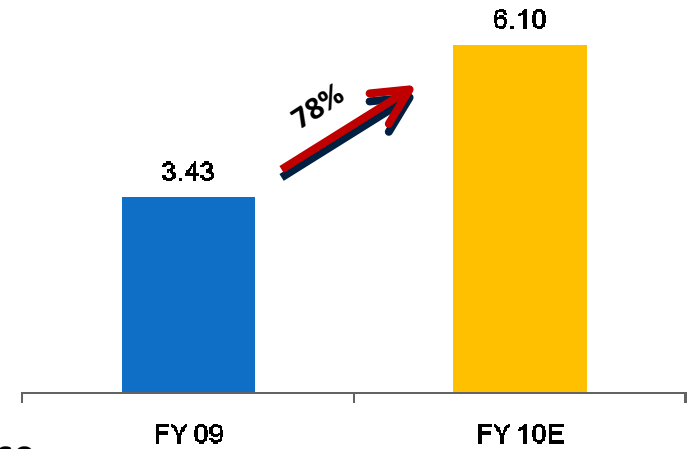
■ RTL ■ FCL ■ FX LOSS — D:E — Adj LT Debt/EBITDA

Volume Guidance

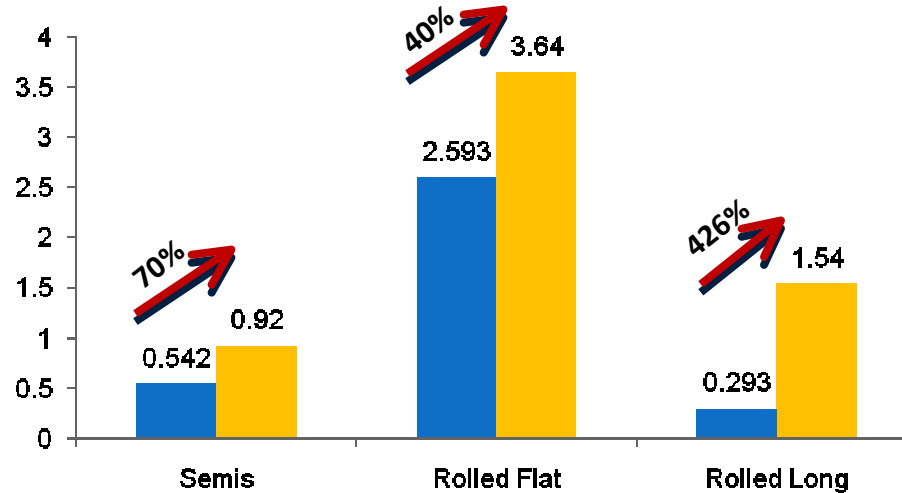
Steel Production



Saleable Steel Sales



Saleable Steel Product wise



■ FY 09 ■ FY 10E

Marketing Highlights

Key Marketing Strengths

Diversified Product Range

- Strong presence in value added products
- Wide range of flat products to meet customized needs
- Increasing presence in Long Products segments
- Technological superiority of products.

High resilience to Market Dynamics

- Product Mix Diversity
- Flexibility to shift across locations



Key Marketing Strengths

Leading Player in India

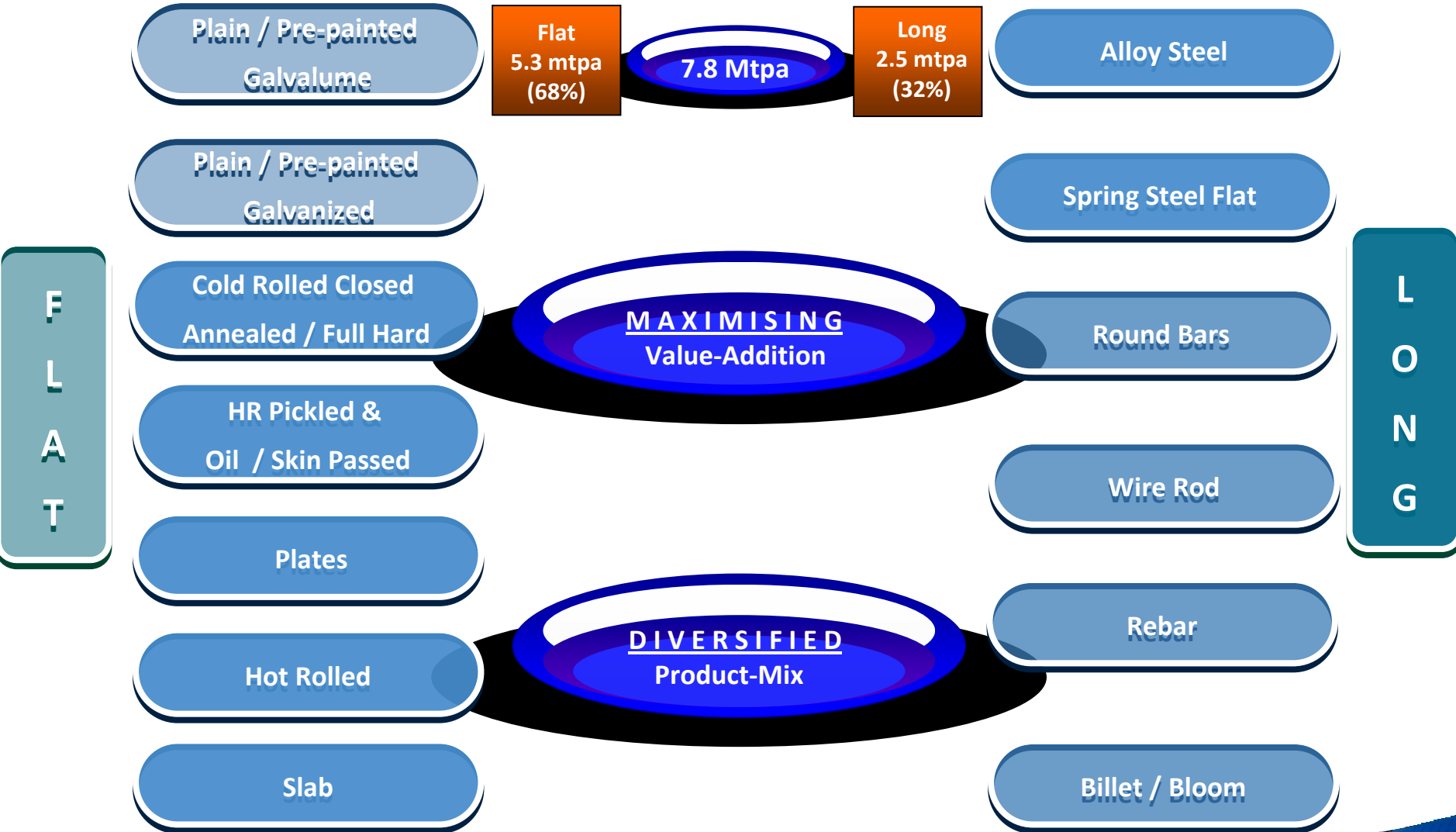
- Significant market share in South & West India

Strong Customer Organization Relationships

- Long standing relationships with leading companies in India & International customers

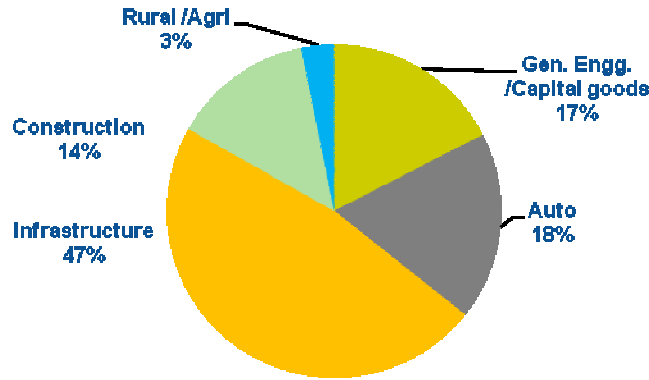
Diversified Product Range: Product-Mix Leverage

Installed Capacity - Mar-09



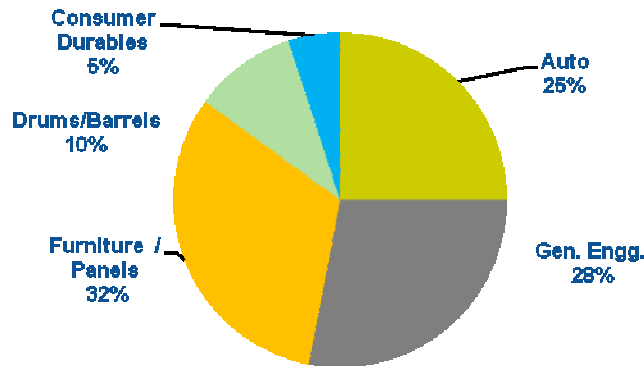
Sectoral Distribution of Domestic Sales

HR FLATS



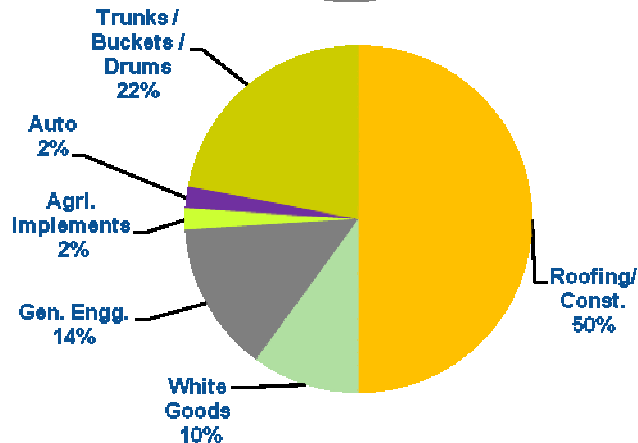
~ 75 - 80% Sales to infrastructure and Engineering Sector

CRCA



75 % Sales to Non Auto Segment

COATED

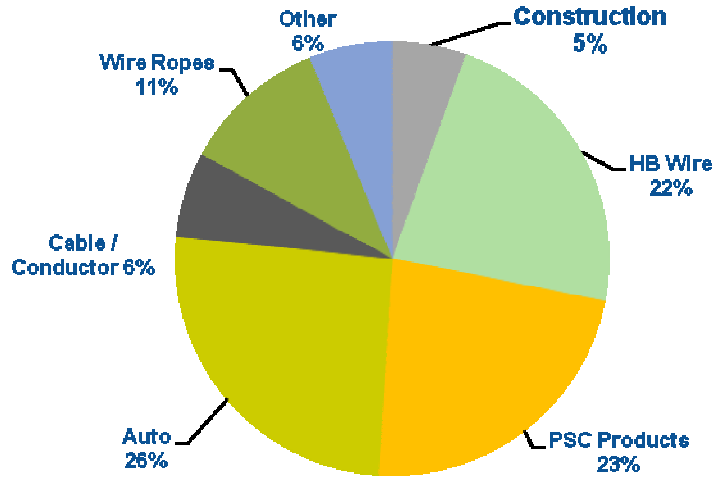


Sales driven by Semi-Urban /Rural Demand

- Despite global slowdown, Semi-Urban/Rural demand in India remains strong
- Affordability increased due to decline in commodity prices/Inflation

Sectoral Distribution of Domestic Sales

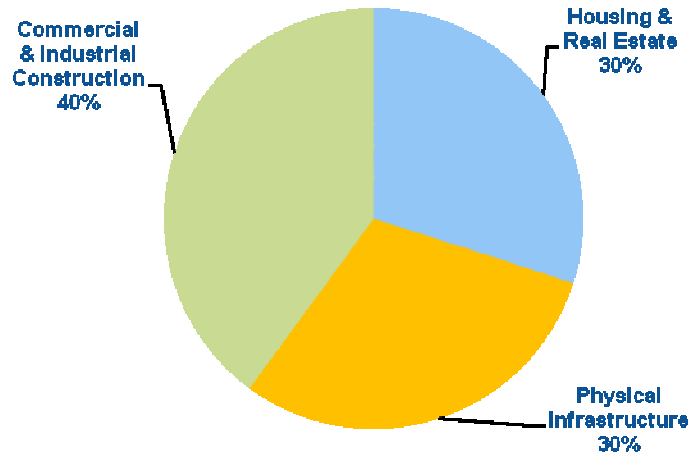
Wire Rod



JSW Steel is the only Indian producer having capability to make Wire Rod coils weighing 2.5 MT

Sector dominated by regionalised secondary steel producers.

Rebar



Wide range of rebar products

Strong Customer Base

DOMESTIC SALES NETWORK

- 2/3rd of Domestic sales to Direct Manufacturers and balance through Trade Segment
- Expanding reach Pan India through
 - Exclusive retail outlets, JSW Shoppe (currently 50, plans to increase further)
 - Own Stock Yards (24)
 - Dealer tie-ups (324)
 - Consignment Agents (9)
 - Service Centre
- Expanding customer base by new addition of plate & pipe manufacturers and converters
- Long Standing Relationships with key customers in India

EXPORT SALES NETWORK

- Through leading international customers and trade partners across the world
- Exporting to about 100 countries meeting customized requirements
- Growing Focus for exports to newer markets like Asia Africa and South America

Project Highlights

Major Projects under Progress

Vijayanagar Works



March 10 →

New Hot Strip Mill (Phase I)

Beneficiation (Phase I)

March 11 →

10 MTPA Expansion

Beneficiation (Phase II)

300 MW Power Plant

Vasind & Tarapur



Q1 FY 10 →

30 MW Power Plant

March 10 →

Railway Siding

Salem Works



Dec 09/ Mar10 →

Blooming Mill

Project Cheetah Commissioned

Blast Furnace



- Commissioned in Feb'09.
- Largest in India.
- Rated Capacity: 7,800 TPD

Steel Making Shop



- **Commissioned in Jan'09.**
- **Rated Capacity: 175 tonnes**

Billet Caster



- **Commissioned in Jan'09.**
- **8 Strand Billet Caster with open Casting**
- **Rated Capacity: 1.7 MTPA**

Slab Caster



- **Commissioned in Jan'09.**
- **Capable of casting 2,200 mm wide slabs**
- **Rated Capacity: 1.6 MTPA**

Wire Rod Mill



- **Wire Rod Mill commissioned in Nov'09.**
- **Wire Rod Mill supported with “Stelmor” for producing wire rod for special applications.**
- **Rated Capacity: 0.6 MTPA**

Bar Rod Mill



- **Bar Rod Mill commissioned in Mar'09**
- **Rated Capacity: 1 MTPA**
- **Under Stabilization**

Coke Oven



All four batteries of this Recovery type of oven are operational with most superior quality of Coke.

Q & A



Forward Looking and Cautionary Statement

Certain statements in this report concerning our future growth prospects are forward looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward looking statements. The risk and uncertainties relating to these statements include, but are not limited to risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition within Steel industry including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, our ability to commission mines within contemplated time and costs, our ability to raise the finance within time and cost client concentration, restrictions on immigration, our ability to manage our internal operations, reduced demand for steel, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which the Company has made strategic investments, withdrawal of fiscal/governmental incentives, impact of regulatory measures, political instability, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry. The company does not undertake to update any forward looking statements that may be made from time to time by or on behalf of the company.