

GROWING BIGGER AND BETTER,
EVERY QUARTER.

Analyst Meet Presentation
Q3 FY11

Key Developments

Economic and Steel Scenario

Performance Highlights

Update on Ispat

Projects Update

Highest ever production and Sales#

- ❖ Highest ever quarterly crude steel production : 1.64 mtpa
- ❖ Highest ever quarterly sales volume : 1.59 mtpa
- ❖ Highest ever gross turnover: ₹ 6,286 crores

Chile Update

- ❖ Commenced iron ore mining operations in Chile in Nov 2010 and 1st shipment is expected in Q1 FY12

Coke oven

- ❖ Coke oven “Battery B” commissioned in Dec 2010

Ispat Acquisition

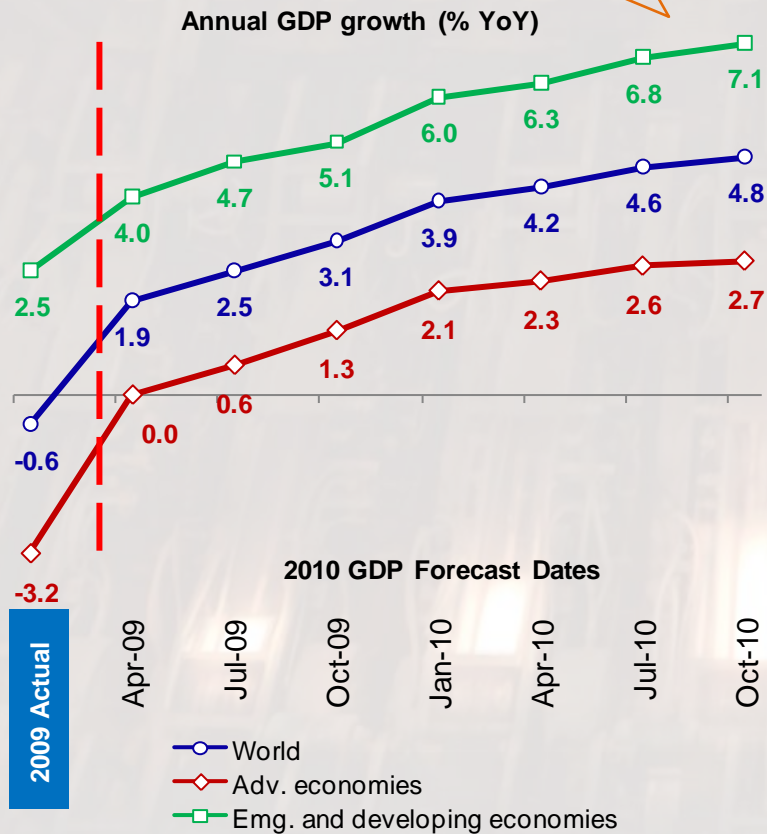
- ❖ An inorganic growth opportunity providing access to 3.3 mtpa state of the art facilities
- ❖ Quick turnaround due to significant operational synergies
- ❖ Poised to be the largest steel producer in India by Crude steel capacity

Bellary Steel's assets purchase

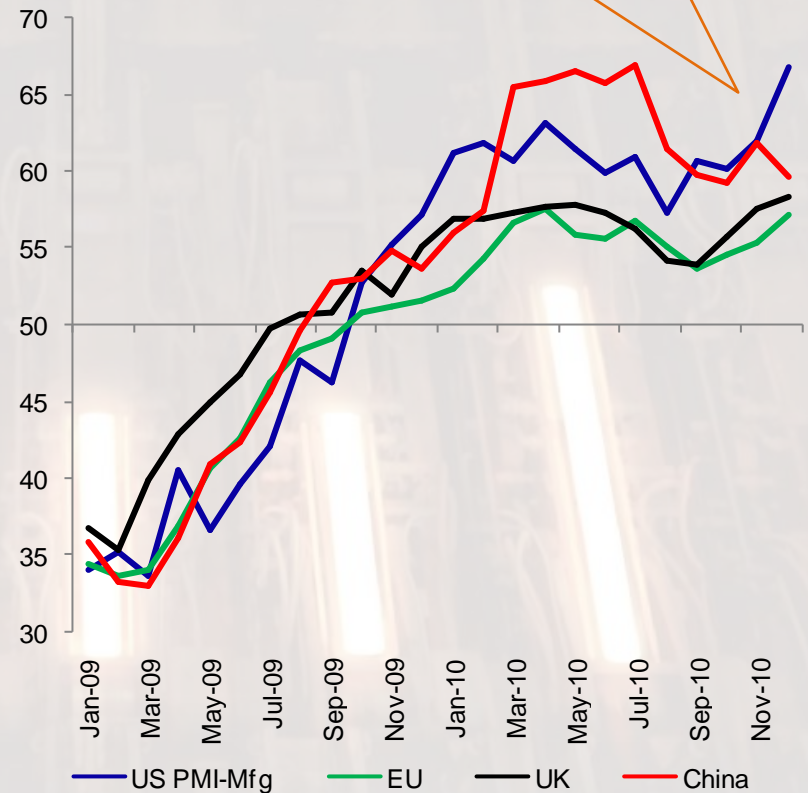
- ❖ Total investment: ₹ 210 crores
- ❖ Access to approximately 700 acres land, buildings and equipments pertaining to proposed 0.5 mtpa integrated steel plant located close to JSW's Vijayanagar Plant

Economic & Steel Scenario

Global economy remains on recovery path, IMF has continuously upgraded GDP forecast for 2010

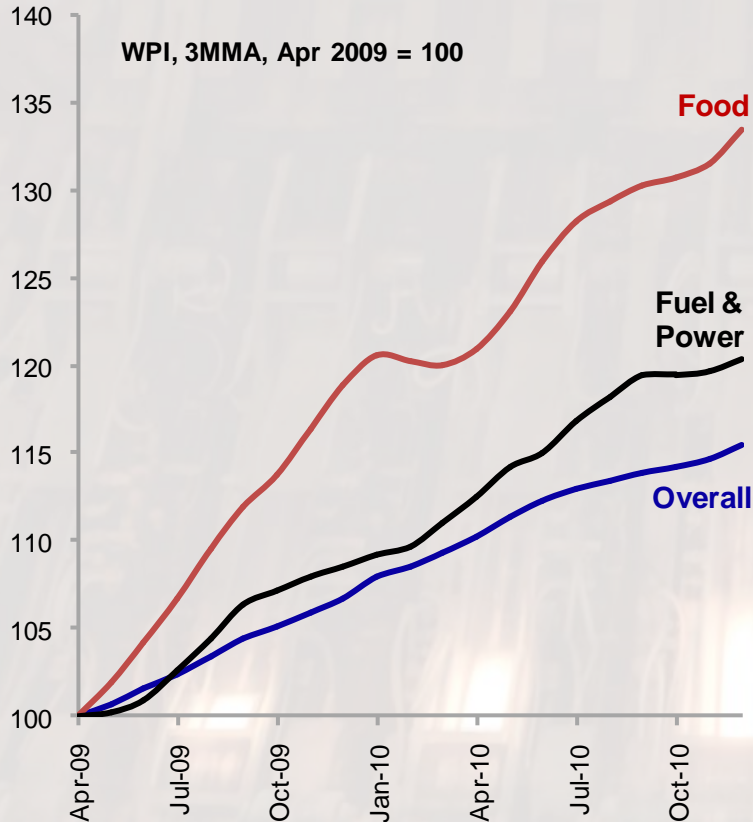


The Purchasing Managers' Indices in global economies continue to remain above 50

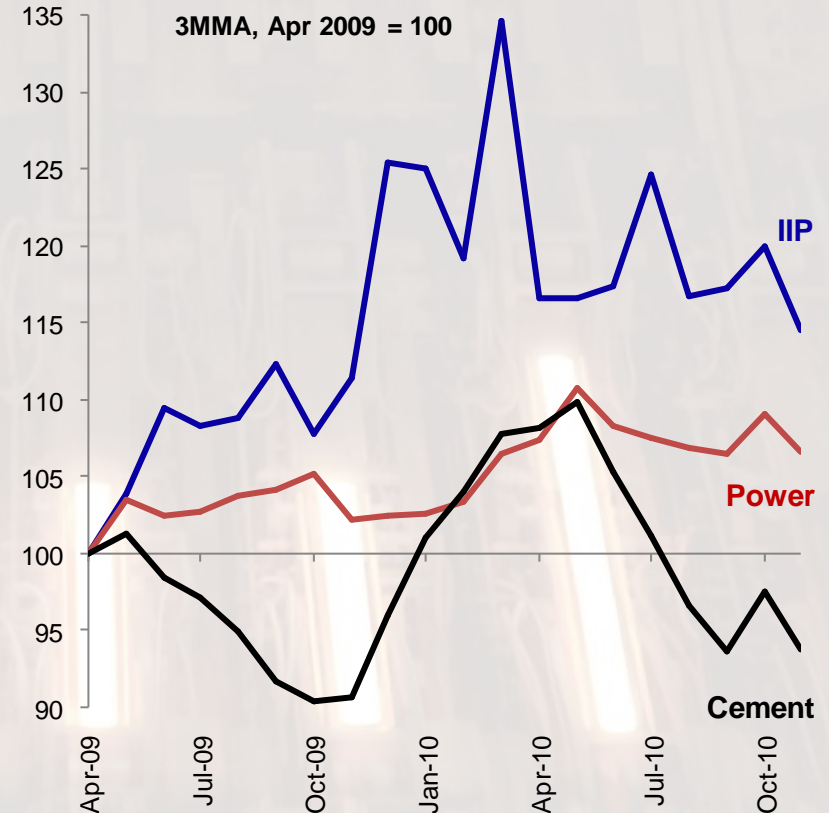


Source: IMF, Reuters

Wholesale price index



Industrial production

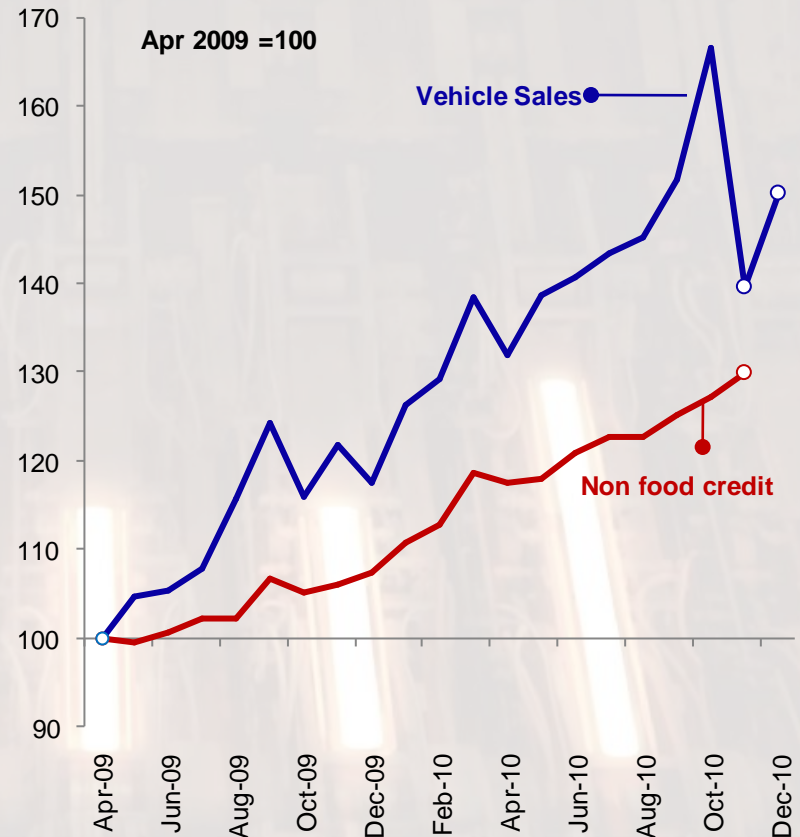
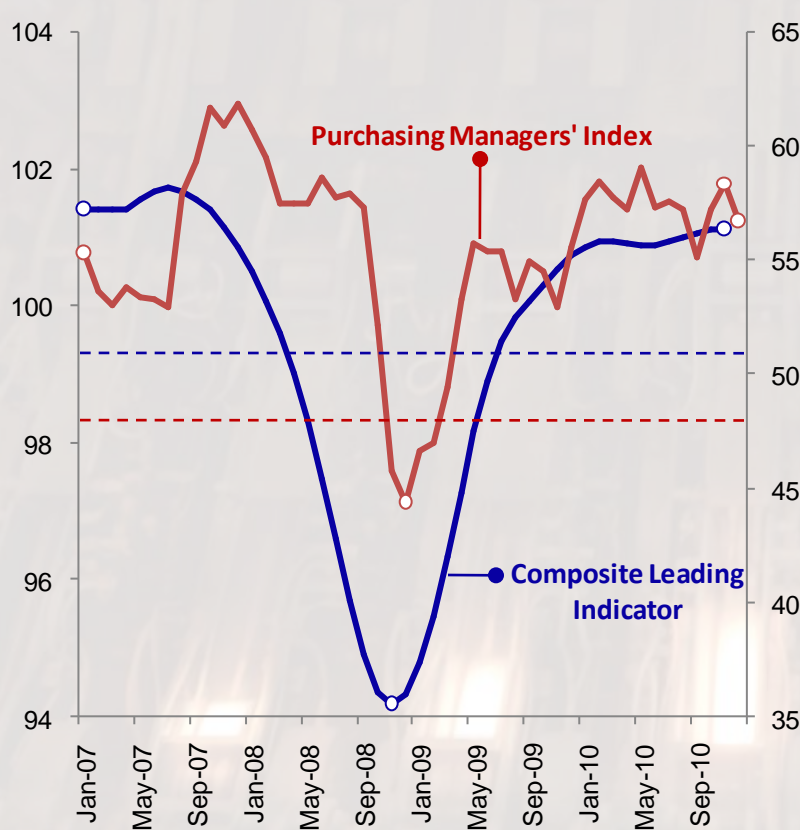


Source: Reuters, MOSPI, Office of the Economic Adviser

Even though rising inflation and fluctuating industrial production numbers are areas of concern.....

Indian Economy Contd...

.....However, the composite Leading Indicator (CLI) and Purchasing Managers' Index are above 100 and 50 respectively, indicating that economy is expanding



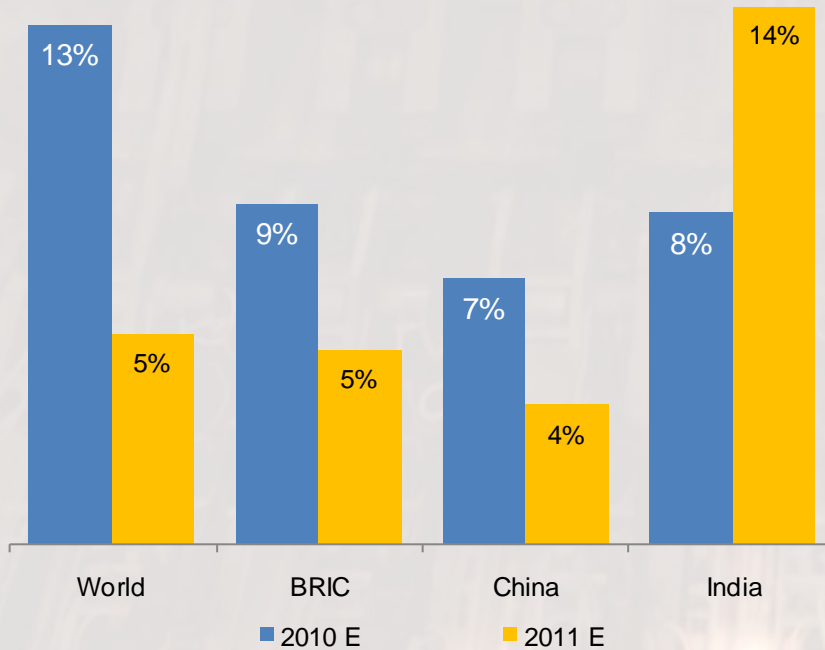
Source: OECD, Reuters, SIAM

..... Non Food Credit is growing and vehicle sales is also up trending post festival month.

Global Steel Trends



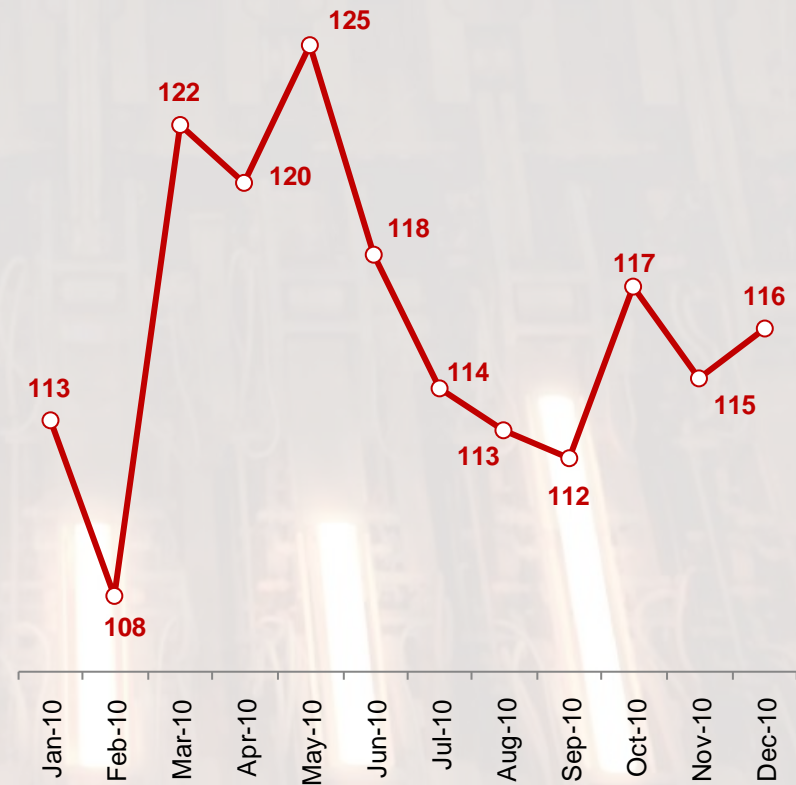
Finished Steel Demand (% YoY growth)



Global Finished Steel Demand				
Year	World	BRIC	China	India
2009	1125	641	542	55
2010 E	1272	696	579	60
2011 E	1340	730	599	68

Source: World Steel (All figures are in million tonnes)

Crude Steel Production

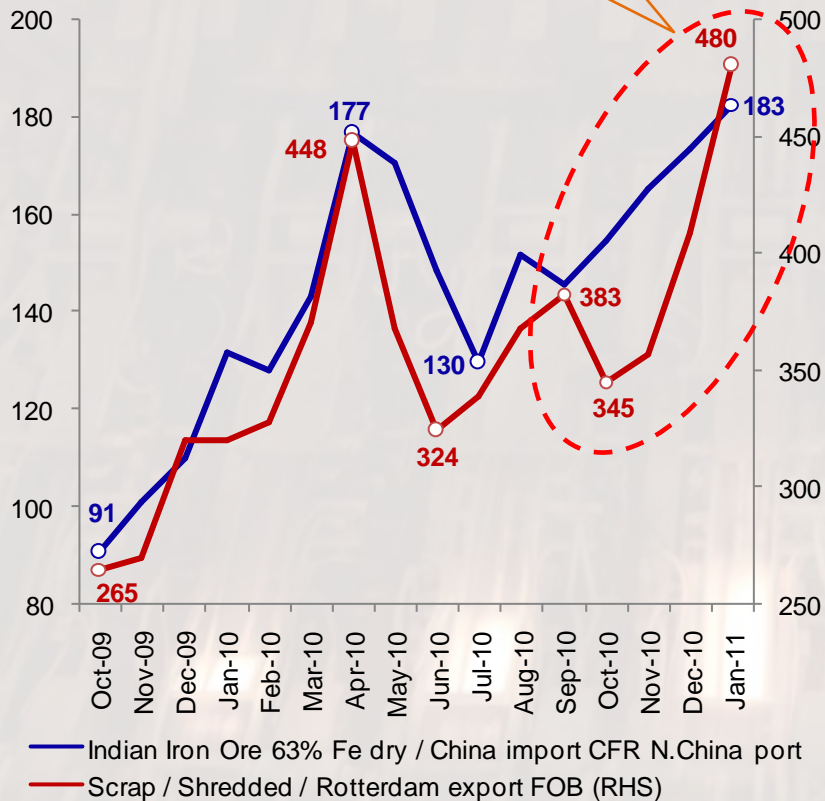


**Steel demand outlook remains robust with Industry exercising supply side discipline
..... India to lead in terms of demand growth**

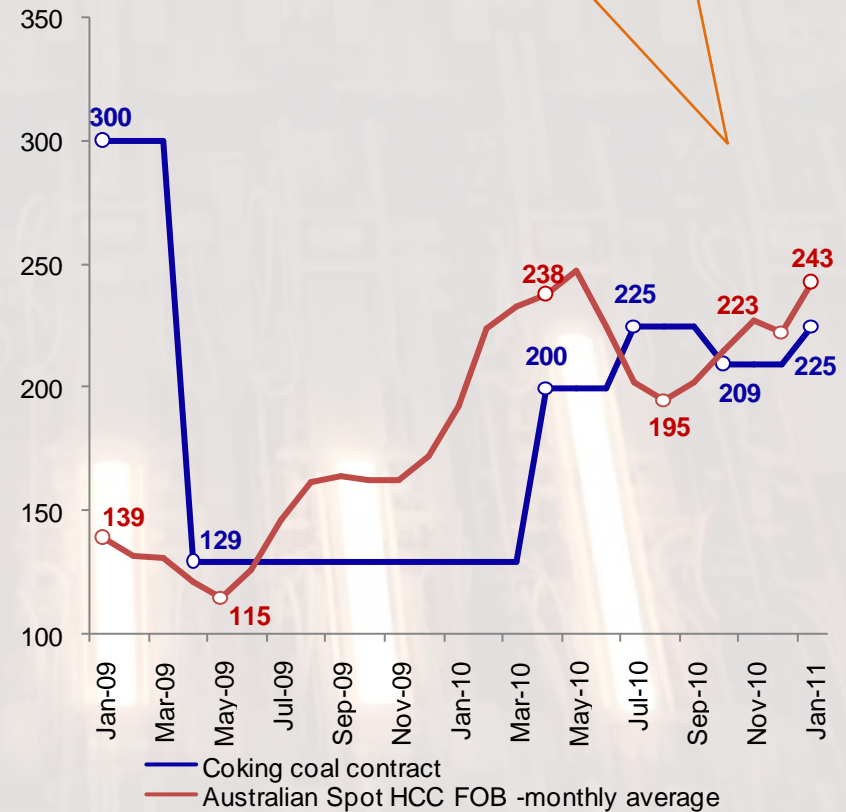
Raw Material prices firming up...



Iron ore and Scrap prices are up by more than 25% since Sep 2010.



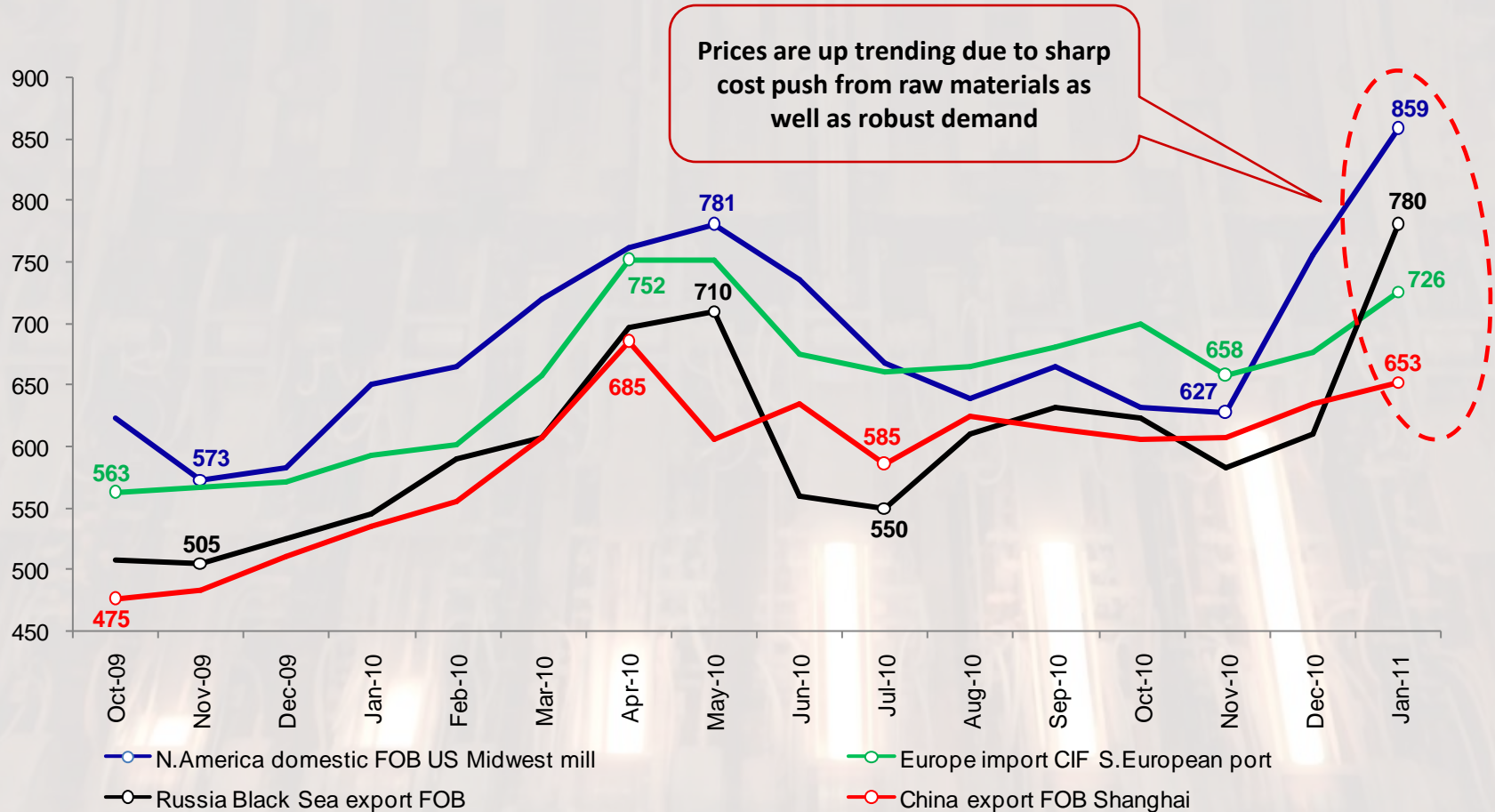
Spot Coking coal prices jumped by ~20 % since Sep 2010 due to floods in Australia.



Source: SBB

Despite this JSW has secured its entire coking coal requirement for Q4FY11 at quarterly contract prices.

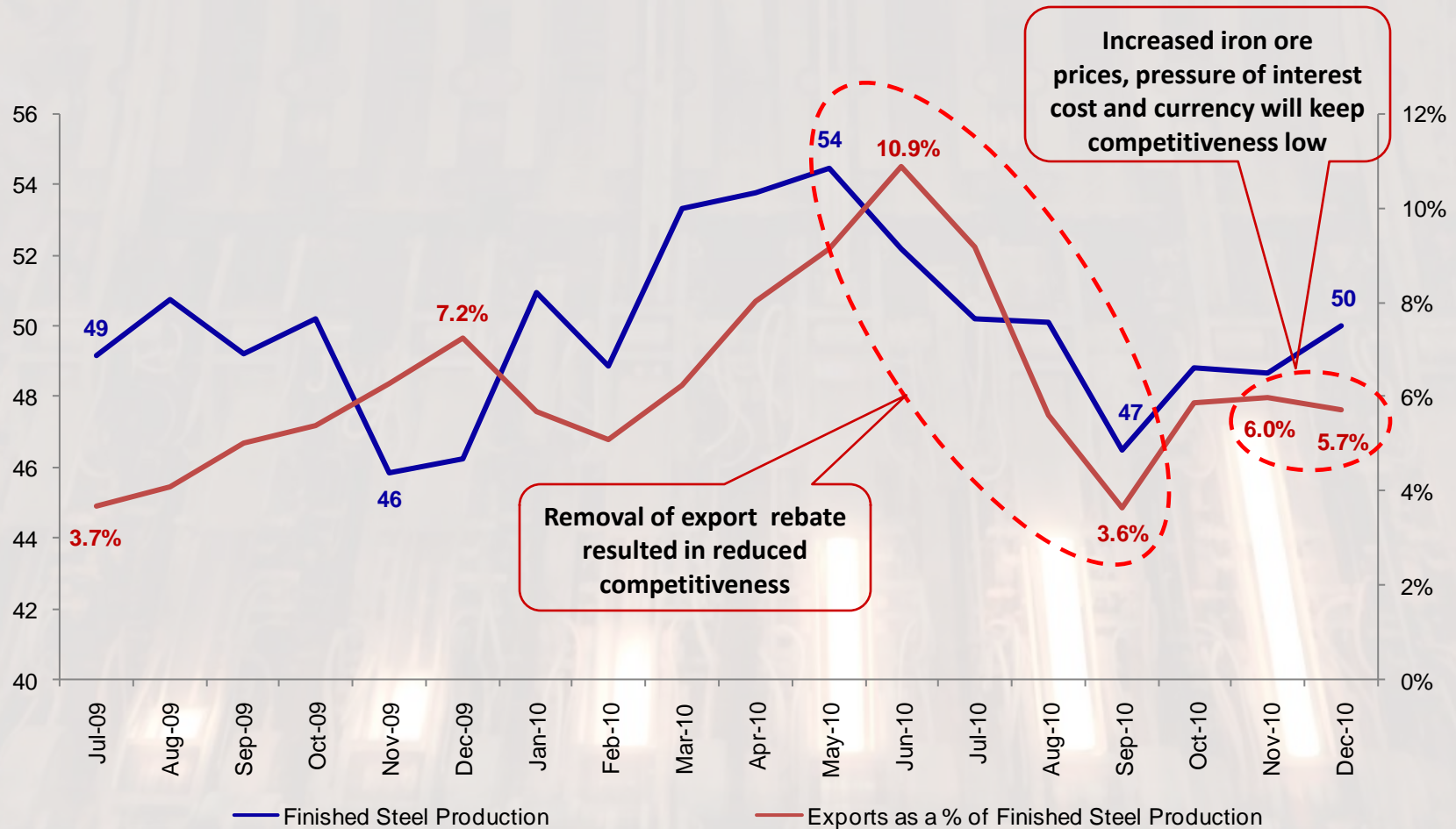
.... Leading to increase in HRC prices



Source: SBB (All figures are in USD/ton)

Indicating margin improvement in Q4 FY11

China Steel Market... reduced competitiveness

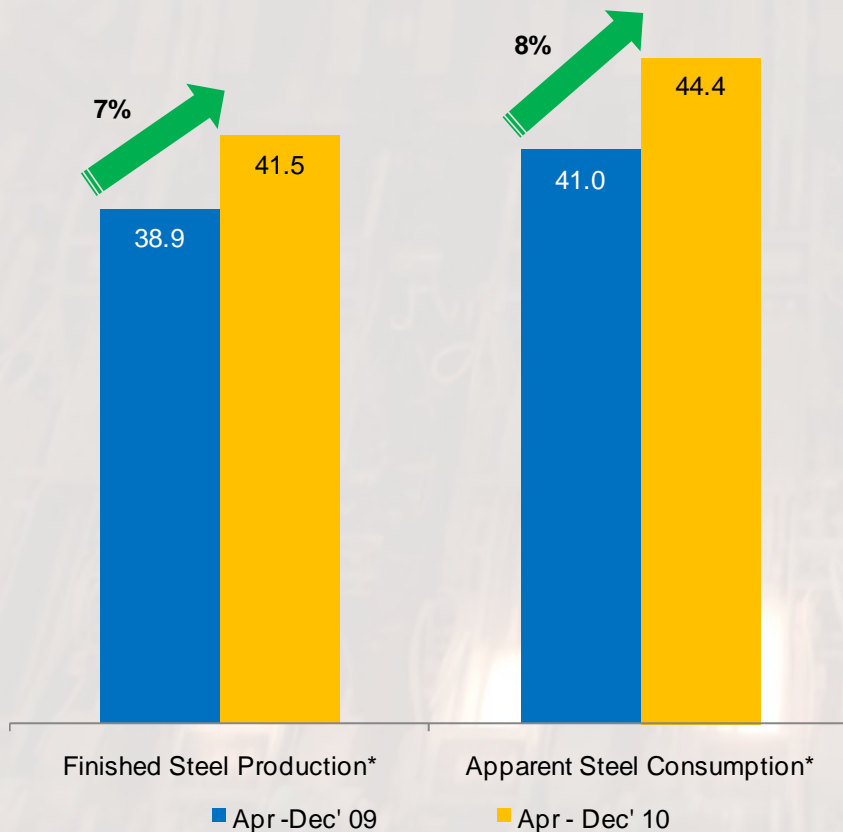


Source: Mysteel, World Steel (Production figures are in million tonnes)

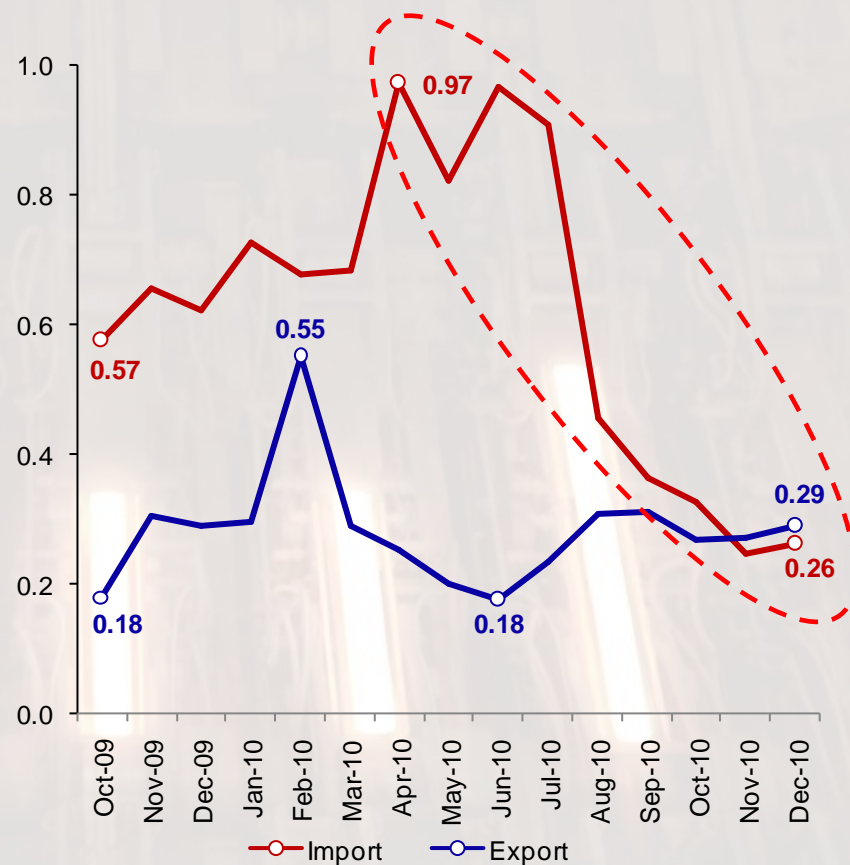
Indian Steel Market ... reduced import pressure



9M Production vs. Consumption



Monthly Imports vs. Exports

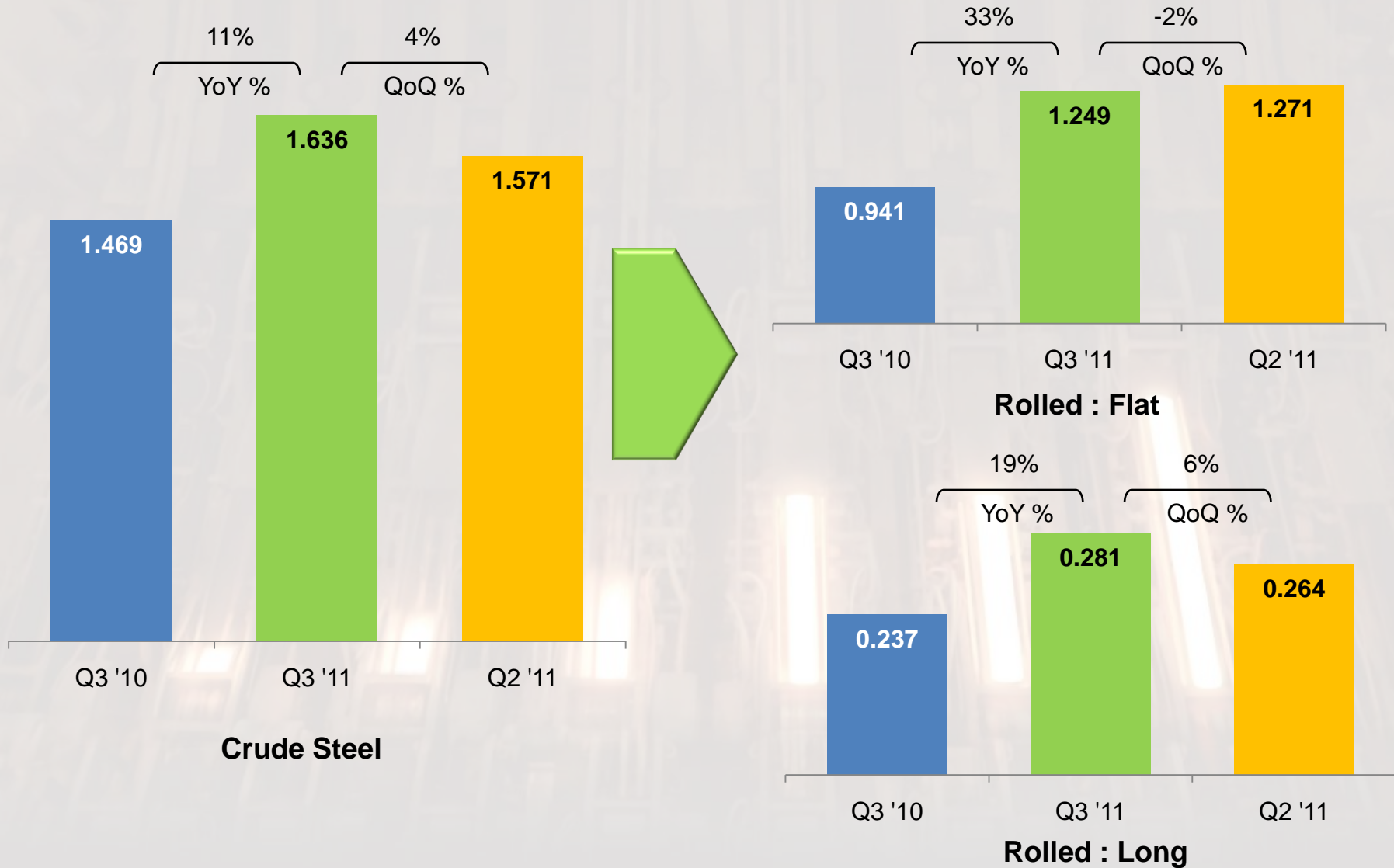


Source: JPC (All figures are in million tonnes)

* Production and consumption data has been netted off for double counting effect.

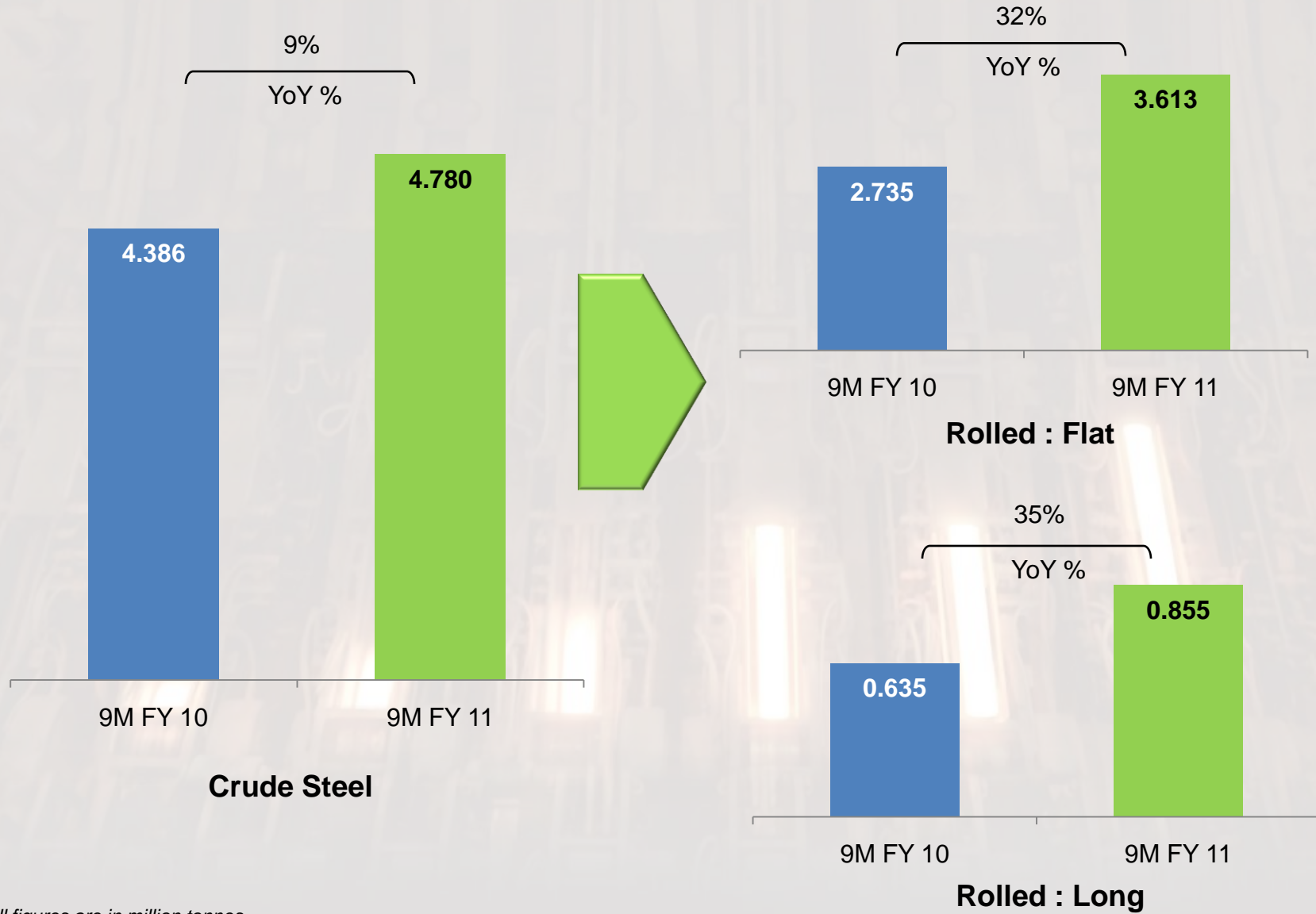
Performance Highlights

Production – Q3 FY 11



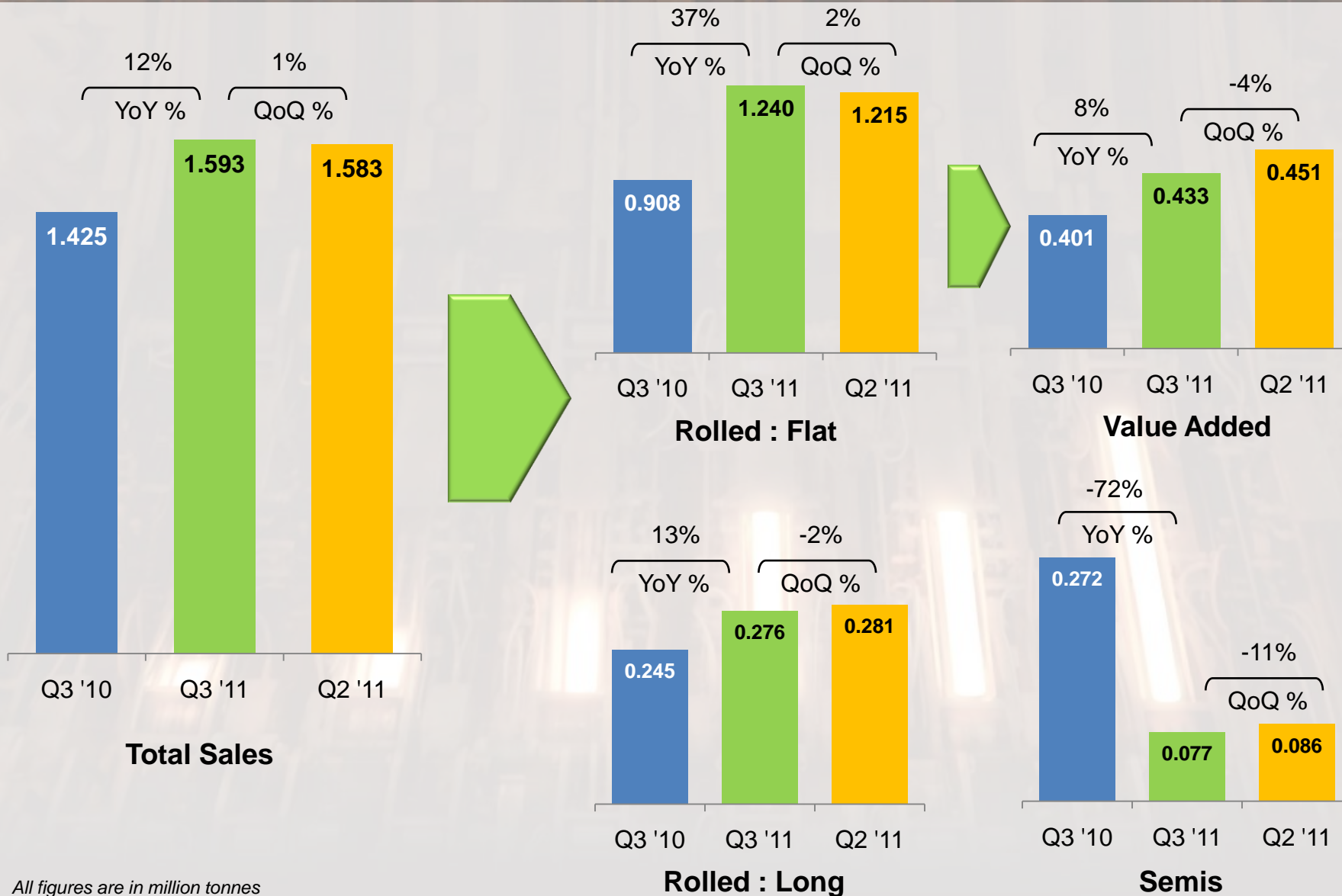
All figures are in million tonnes

Production – 9M FY 11



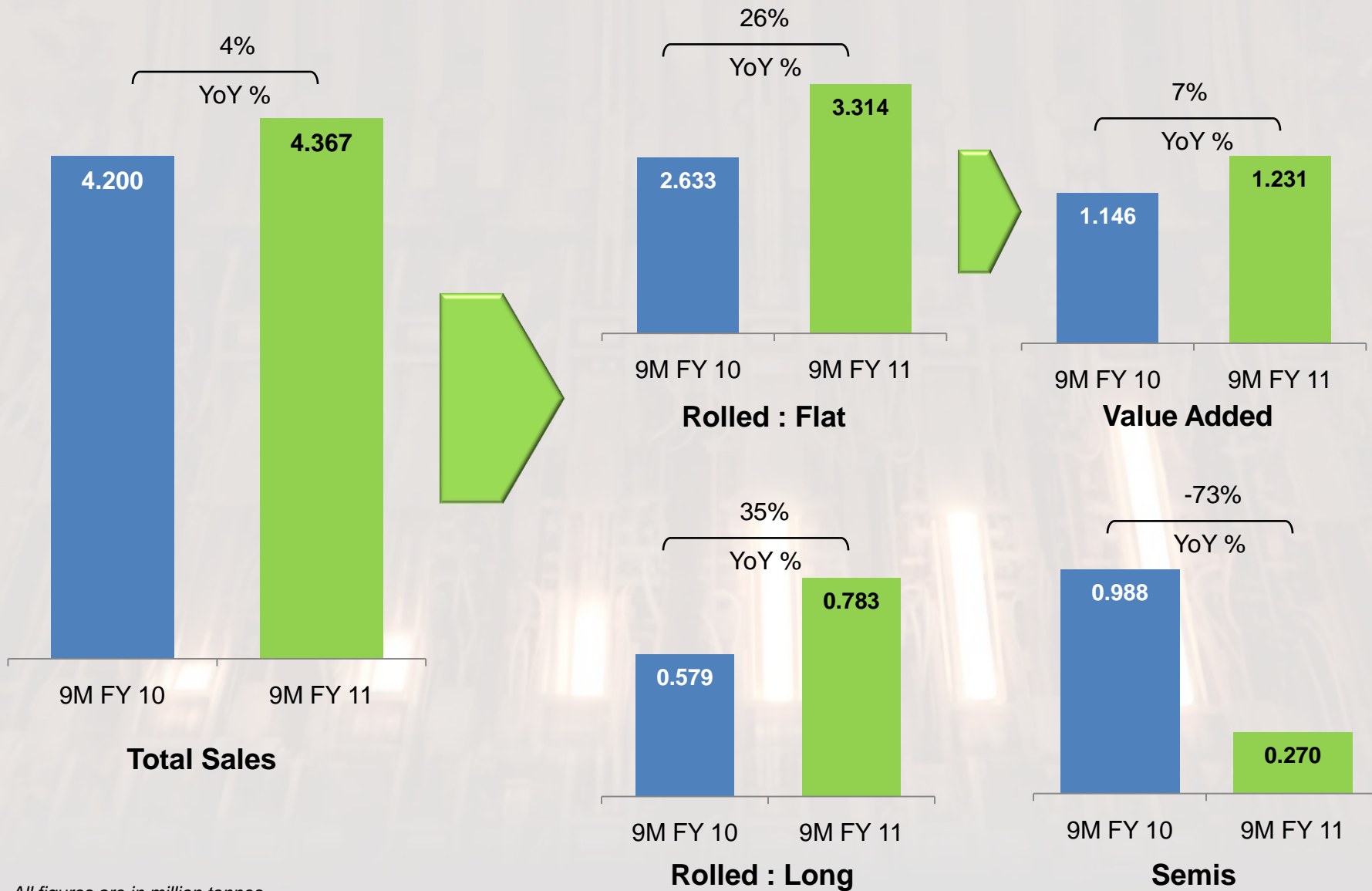
All figures are in million tonnes

Saleable Steel Sales – Q3 FY11



All figures are in million tonnes

Saleable Steel Sales – 9M FY11



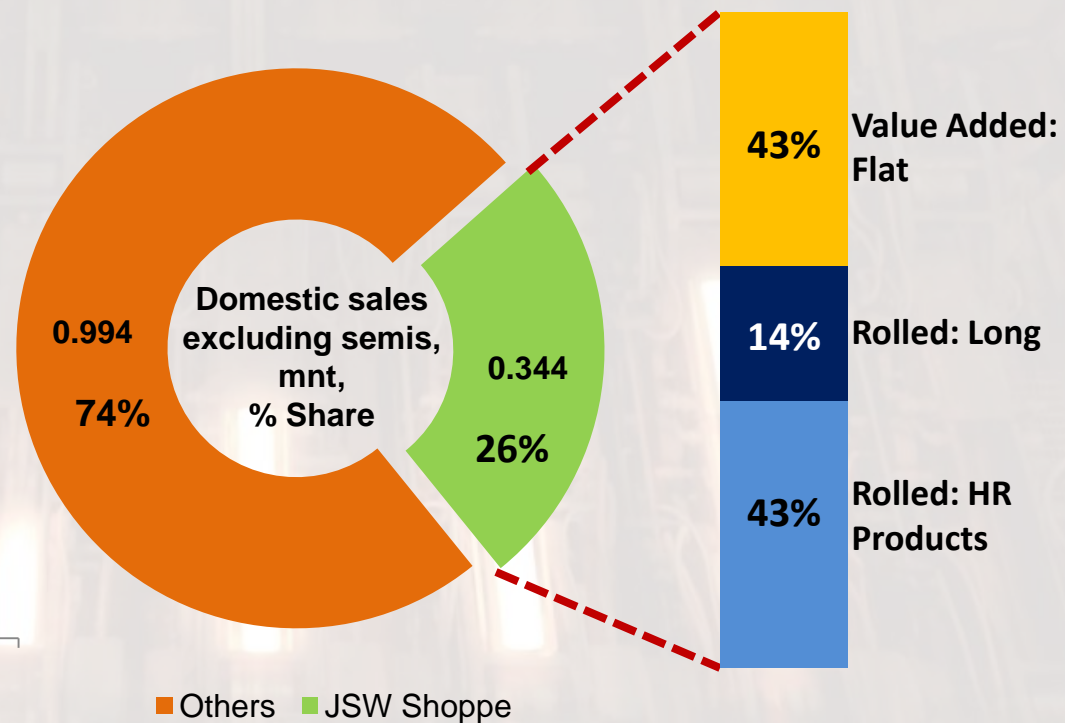
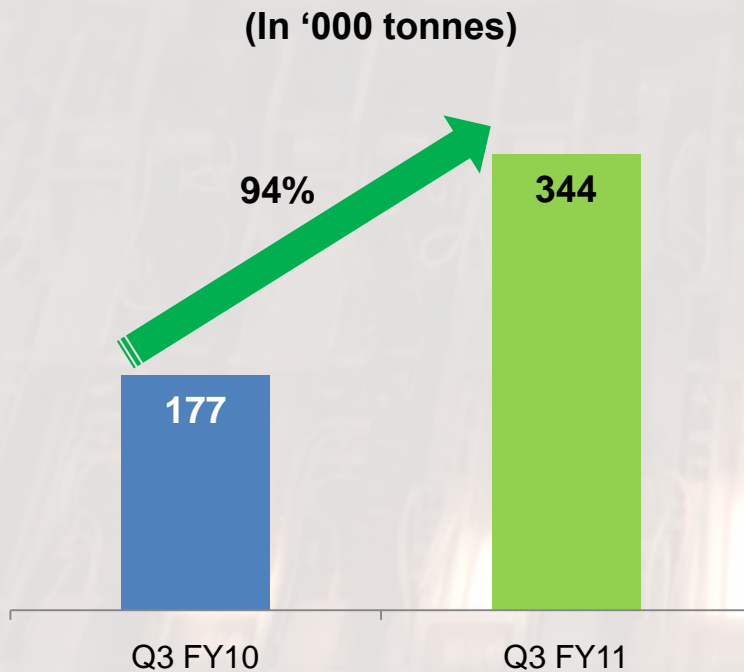
All figures are in million tonnes

Retail Shoppe Sales



Sales through JSW Shoppe - Q3 FY11

% Share through JSW Shoppe - Q3 FY11



Financials – Q3 FY11 (Standalone)



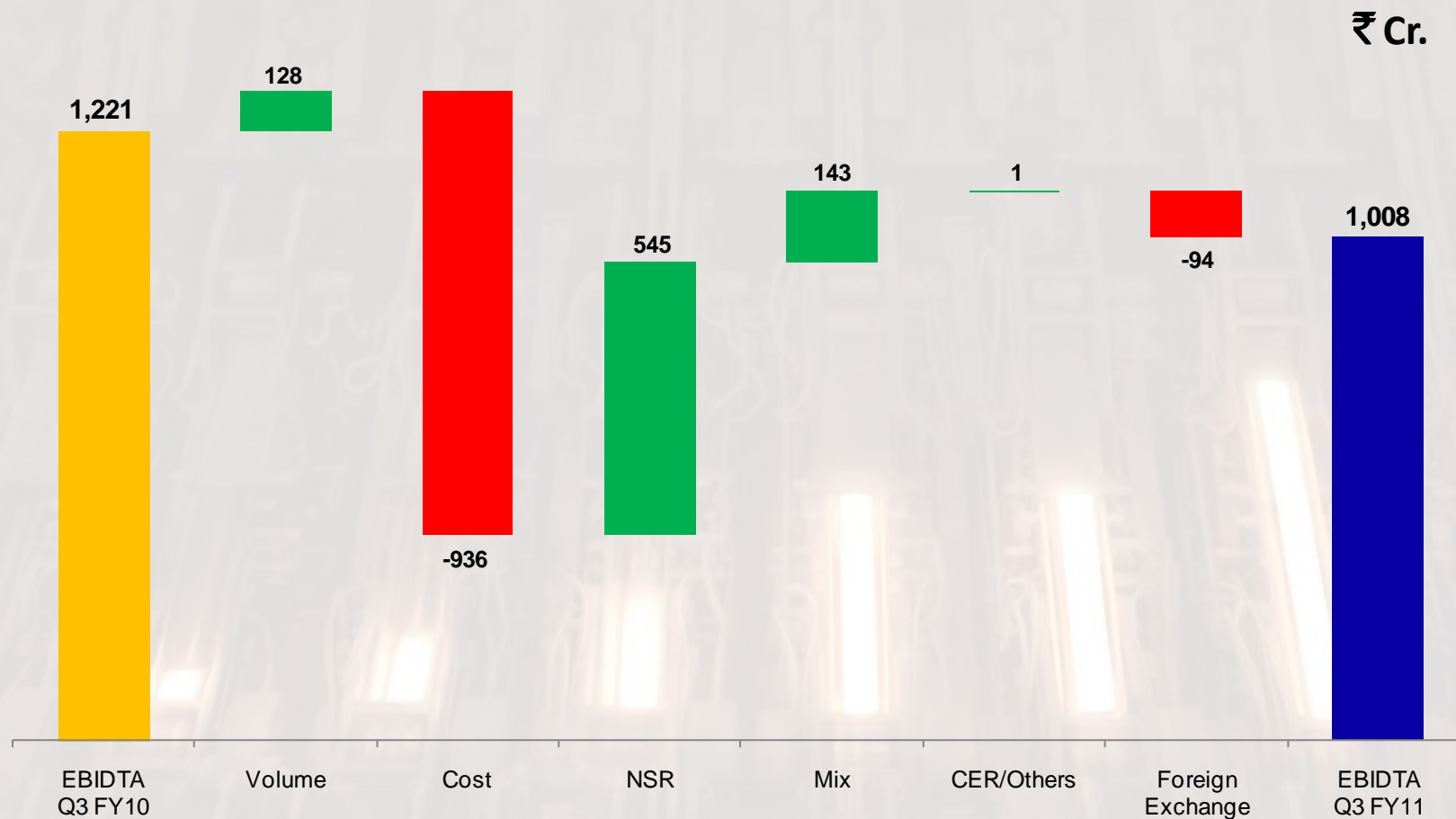
Particulars	Q3 FY 11	Q3 FY 10	Growth
	₹ Cr.	₹ Cr.	%
Net Sales	5,771	4,588	26%
Op. EBITDA (excl. Fx Variance)	1,000	1,119	-11%
Op. EBITDA Margin (excl. Fx Variance)	17.2%	24.2%	
EBITDA	1,008	1,221	-17%
EBITDA Margin	17.4%	26.5%	
Less: Net Finance Charges	132	217	-39%
Less: Depreciation	346	286	21%
Profit Before Tax	530	718	-26%
Profit after Tax	382	514	-26%

Financials – 9M FY11 (Standalone)



Particulars	9M FY 11	9M FY 10	Growth
	₹ Cr.	₹ Cr.	%
Net Sales	16,131	13,035	24%
Op. EBITDA (Excl. Fx Variance)	3,130	3,059	2%
Op. EBITDA Margin (Excl. Fx Variance)	19.2%	23.3%	
EBITDA	3,198	3,375	-5%
EBITDA Margin	19.7%	25.7%	
Less: Net Finance Charges	542	665	-18%
Less :Depreciation	996	838	19%
Profit Before Tax	1,660	1,872	-11%
Profit After Tax	1,178	1,306	-10%

EBITDA MOVEMENT – Q3 FY 11 (Standalone)



Production (NT)	Q3 FY11	Q3 FY10
Plate Mill	30,323	49,210
Pipe Mill	15,442	27,800

Sales (NT)	Q3 FY11	Q3 FY10
Plate Mill	21,283	24,252
Pipe Mill	15,446	24,460

USD mn

Particulars	Q3 FY11	Q3 FY10
Turnover	34.58	43.68
EBITDA + Other Income	1.67	(8.40)
Profit After Tax	(12.93)	(10.99)

Financials Q3 FY 11 (Consolidated)



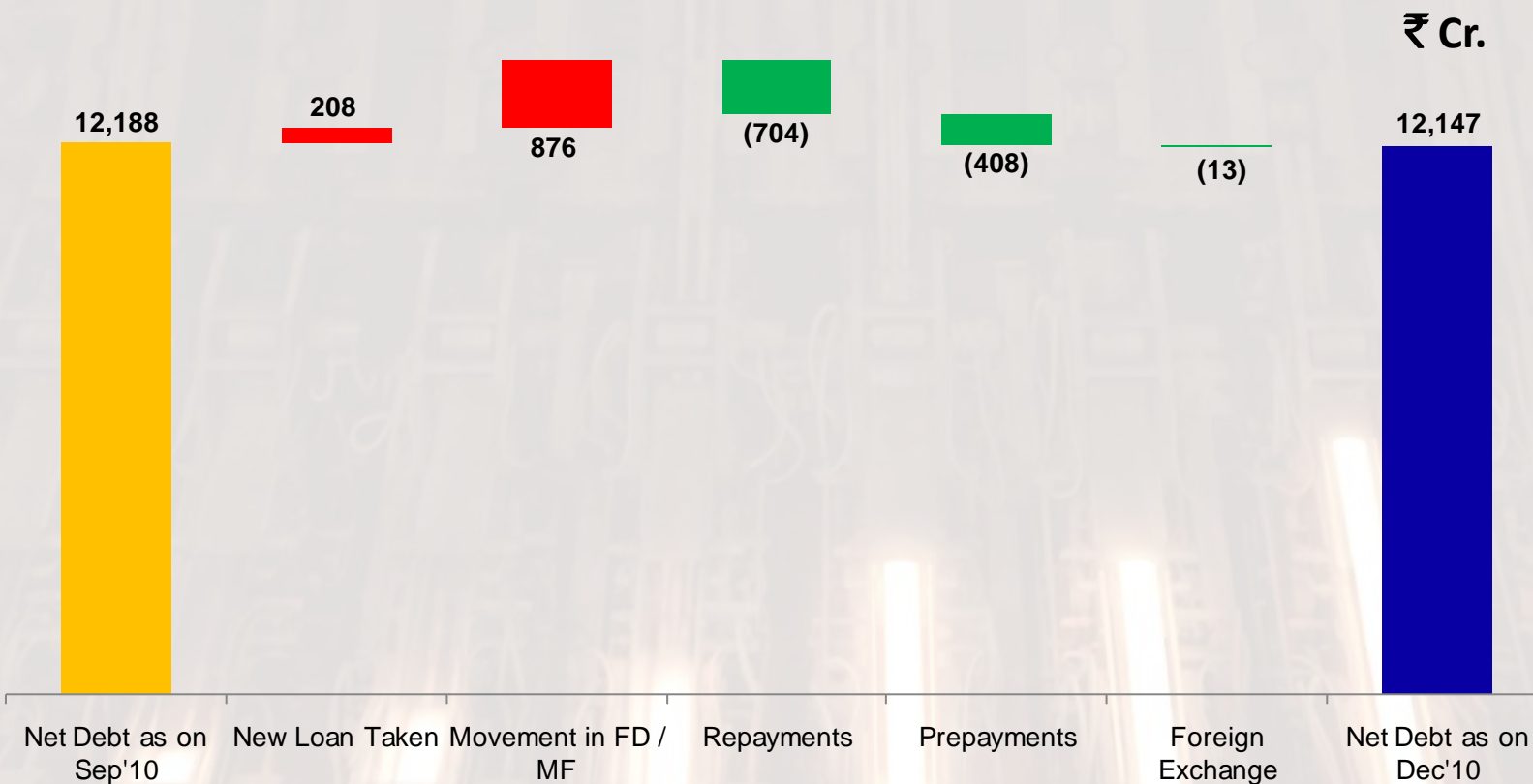
Particulars	Q3 FY11	Q3 FY10	Growth
	₹ Cr.	₹ Cr.	%
Total Income	6,003	4,823	24%
EBITDA	1,020	1,181	-14%
Less: Net Finance Charges	197	257	-23%
Less :Depreciation	391	330	18%
Profit Before Tax	433	594	-27%
Profit After Tax	292	430	-33%

Financials – 9M FY11 (Consolidated)



Particulars	9M FY 11	9M FY 10	Growth
	₹ Cr.	₹ Cr.	%
Total Income	16,833	13,593	24%
EBITDA	3,285	3,184	3%
Less: Net Finance Charges	728	855	-15%
Less :Depreciation	1,131	972	16%
Profit Before Tax	1,426	1,356	5%
Profit After Tax	960	987	-2%

Net Debt Movement (Consolidated)



Cash and Cash equivalent - ₹ 470 Crs.
FD/Mutual Fund - ₹ 1,675 Crs.

Financial Ratios



Particulars (Standalone)	Q3 FY 11	Q3 FY 10
EBITDA Margin	17.4%	26.5%
PAT Margin	6.6%	11.2%
Diluted EPS (₹) *	16.97	27.04
ROCE	9.15%	16.52%

Particulars	31.12.2010	30.9.2010
Net Total Debt/Equity (x)	0.47	0.48
Net Total Debt/EBITDA (x)	1.77	1.64
Net Total Debt/Equity-Consolidated (x)	0.74	0.80
Net Total Debt/EBITDA-Consolidated (x)	2.68	2.65

* Not Annualized

Preferential Allotment of Equity shares

- ❖ Ispat's Shareholders' approval received
- ❖ CDR Lender' approval received
- ❖ Stock exchanges' in principle approval received
- ❖ Preferential allotment of 108.66 mn Equity Shares to JSW completed on January 24, 2011 following total investment of ₹ 2,157 crores

Open Offer

- ❖ On receipt of approval from SEBI, Open Offer formalities will be completed

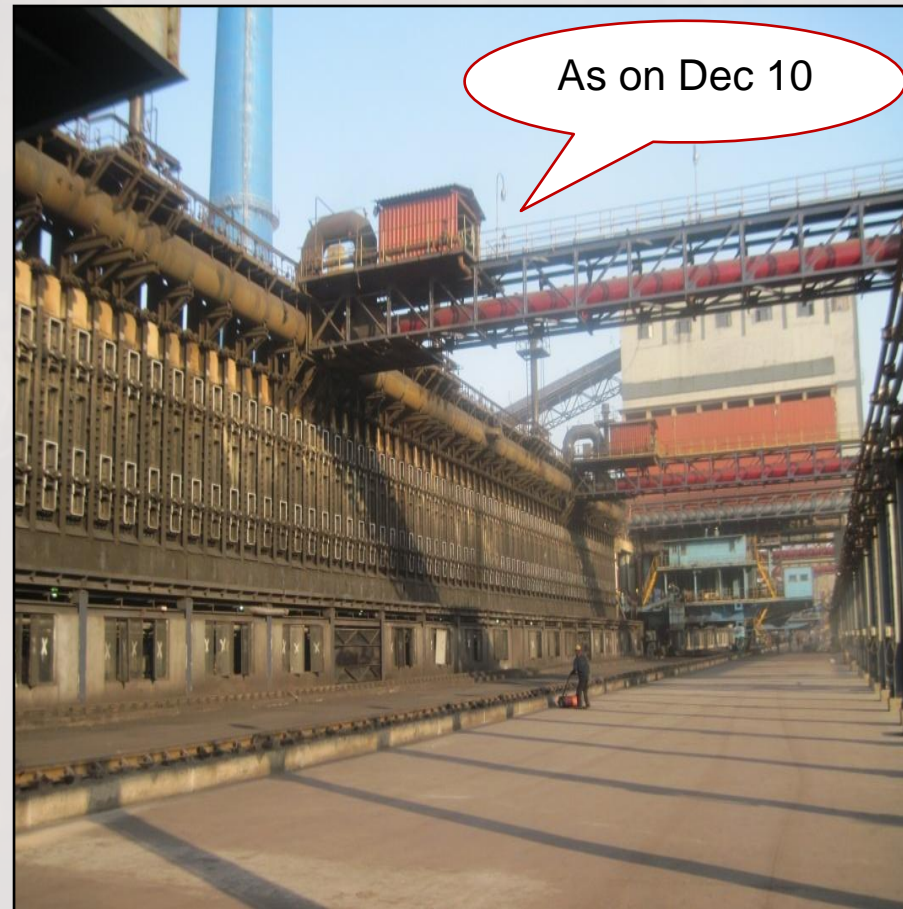
Plant Operations

- ❖ Operations at Ispat's Dolvi plant has been recommenced and the plant is operating close to rated capacity
- ❖ Work is in progress to capture synergies

Projects Update



Coke Oven



Battery "B" commissioned in December 2010

Blast Furnance



Sinter Plant

As on Sep 10



As on Dec 10



Beneficiation Plant

As on Sep 10



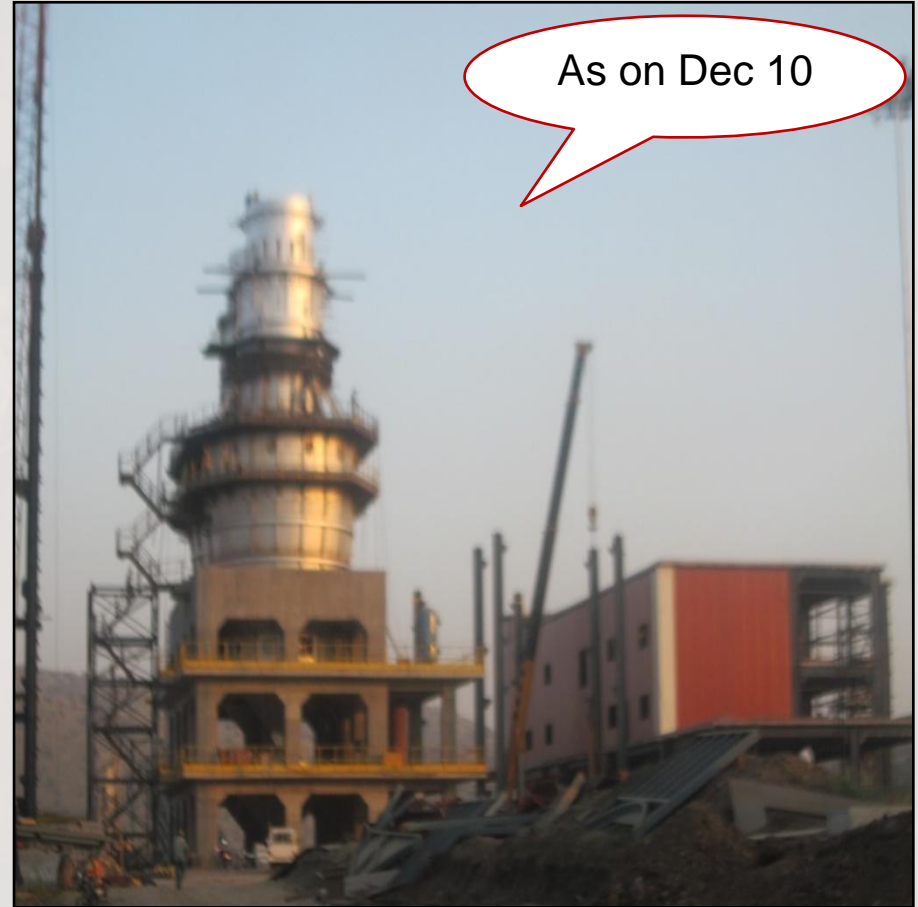
As on Dec 10



As on Sep 10



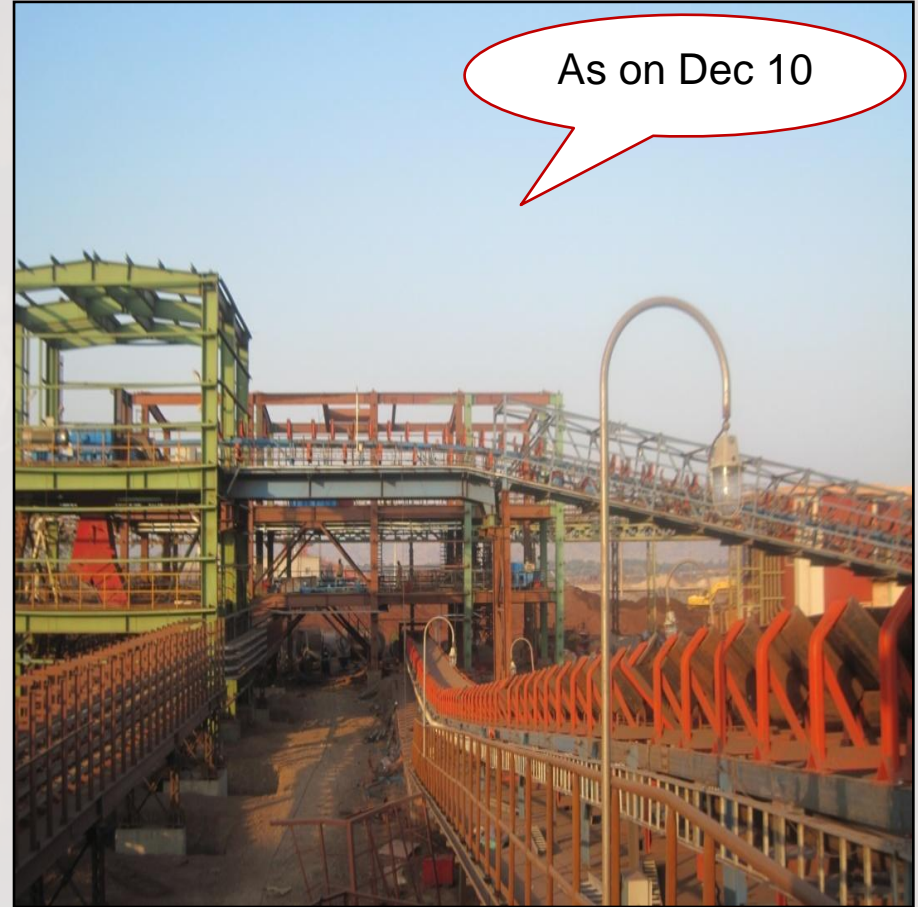
As on Dec 10



As on Sep 10



As on Dec 10





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.

Thank you