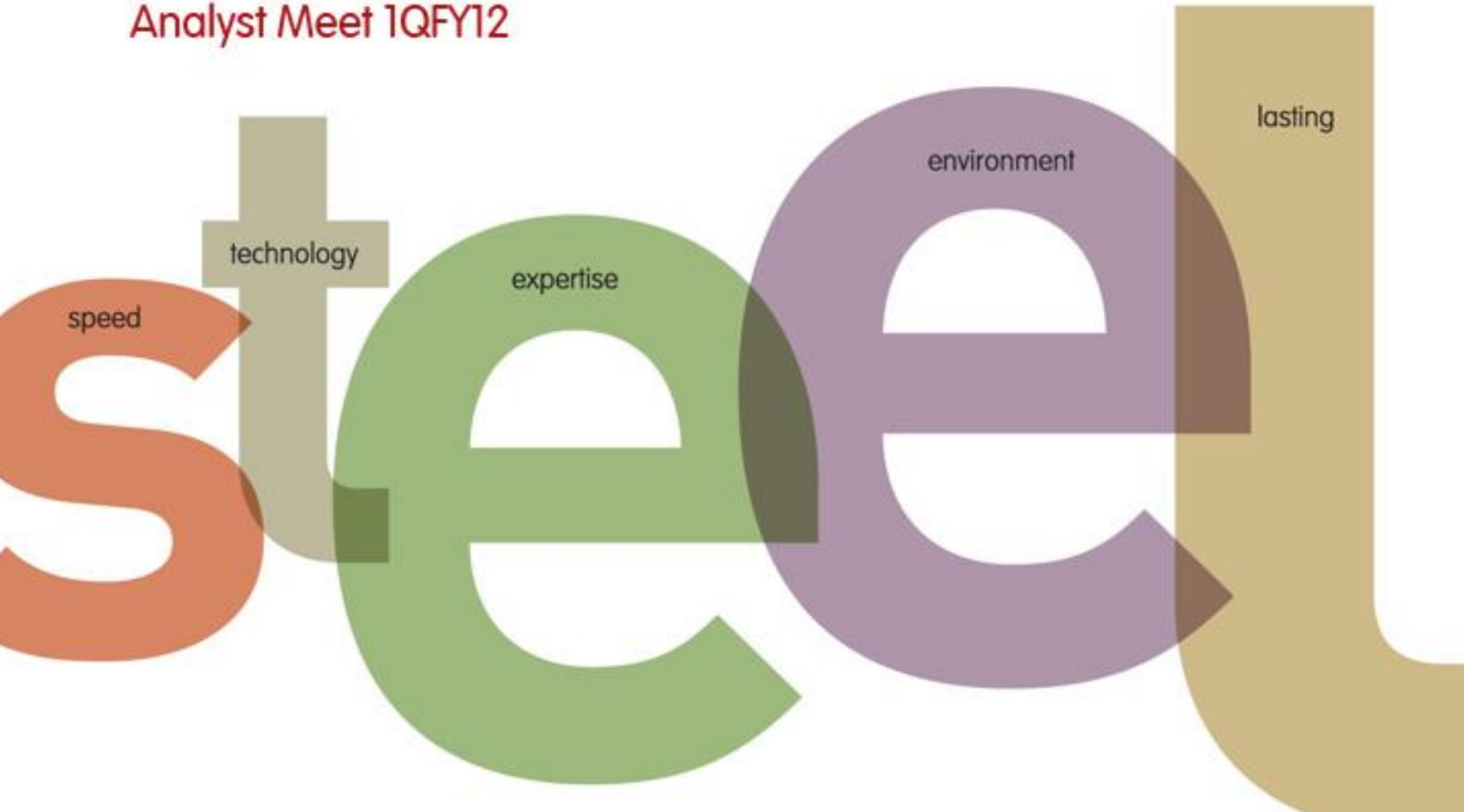


No Limits

Analyst Meet 1QFY12



Agenda



Business Environment

Key Developments

Performance Review

Projects Update

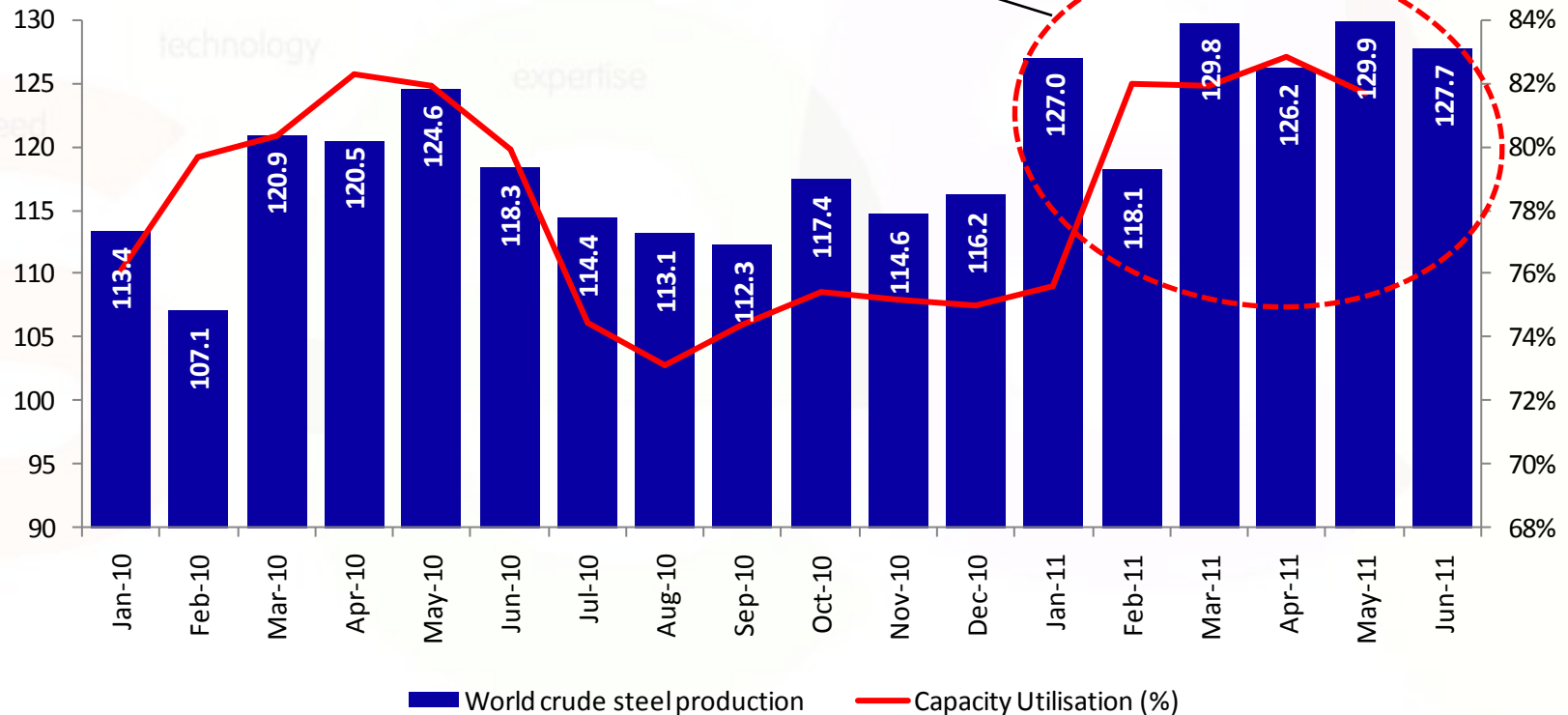
The background consists of several large, semi-transparent, overlapping circles in shades of orange, green, and purple. The word 'Business Environment' is centered over these circles. Faint, light-colored text including 'speed', 'technology', 'expertise', 'environment', and 'lasting' is scattered across the background.

Business Environment

Global steel production continues to grow...



- ❖ World Crude Steel production grew by 7.6% YoY in 1HCY11 compared with world steel demand growth outlook (2011) of 5.9%
- ❖ Capacity utilization increased significantly during 1HCY11

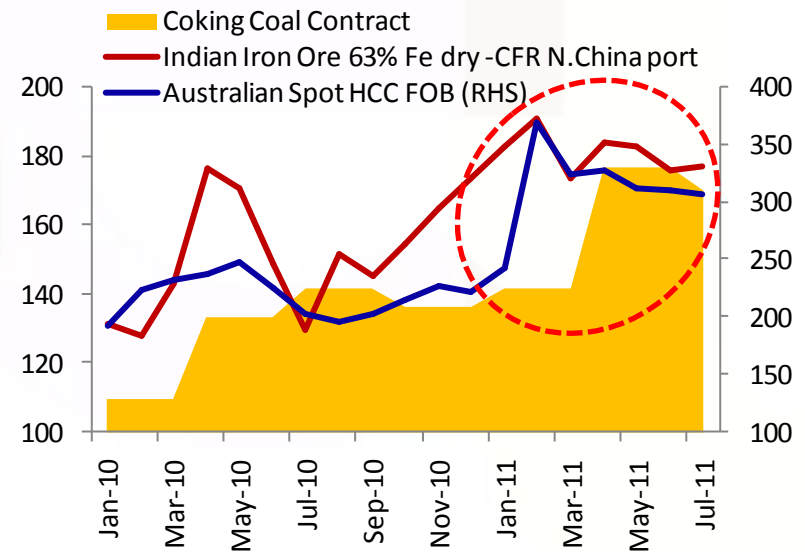
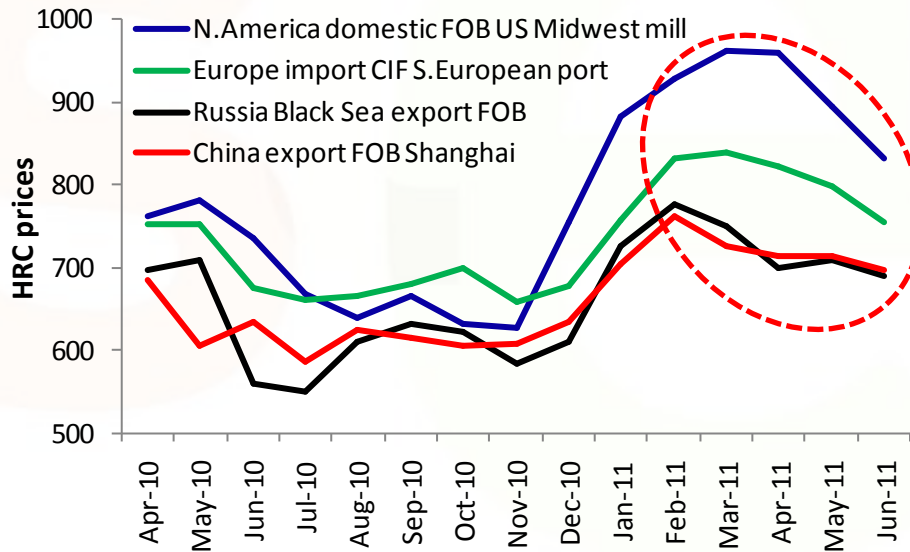


Source: World Steel (All figures are in million tonnes)

... Leading to steel and inputs price mismatch



- ❖ Steel prices went up in Feb and Mar 2011 reflecting coking coal supply disruption due to floods in Australia and higher iron ore prices
- ❖ Steel prices have come down by ~\$80/t since then
- ❖ \$20/t softening in HCC contract prices in 2QFY12 has come as marginal relief whereas \$40-50/t reduction (July 2011 contact) in SHCC and PCI prices will neutralize the impact on margins to a large extent

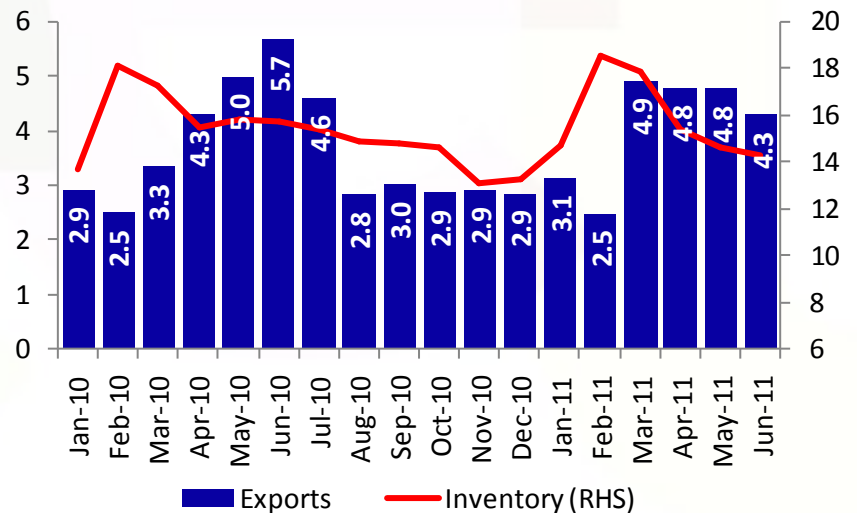
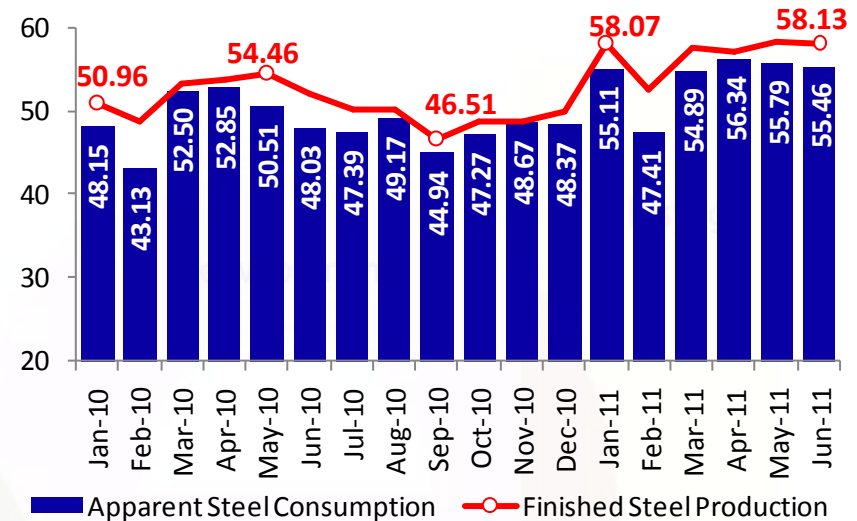


Source: SBB, World Steel Association, WSD, Mysteel (All figures are in USD/tonne)

China steel market

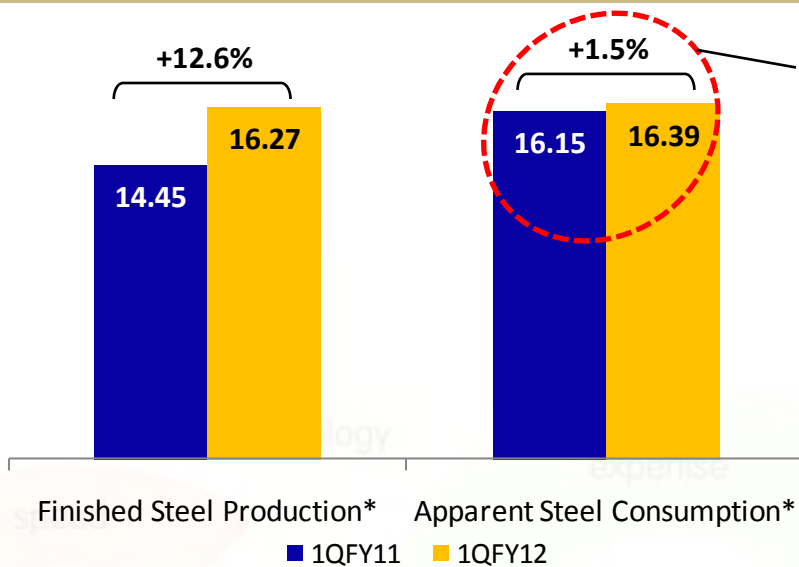


- ❖ China is looking better than expected
- ❖ During Apr-Jun 2011, finished Steel production increased by ~8% YoY compared to ~11% increase in apparent steel consumption
- ❖ Exports have increased in last 4 months but are below last years peak
- ❖ Dealers' inventory level is also low
- ❖ During the first five months of CY11, Fixed assets investment in the urban areas grew by 25.8% where Real Estate and Manufacturing contributed >60% of it
- ❖ Chinese Govt. is building 10mn social housing units in 2011 under its 12th five year plan, which is expected to accelerate during 2HCY11
- ❖ China's steel consumption will increase substantially by 2020, pushing its steel demand to 1 billion tonnes by then

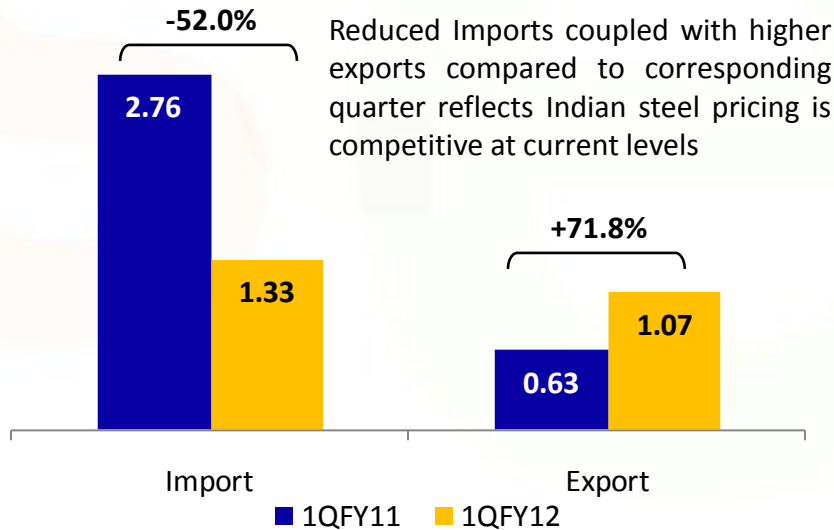


Source: Mysteel, World Steel Association, NBS, SEAISI, JSW Steel (All figures are in million tonnes)

Indian scenario



Real consumption is higher as inventory is low



Reduced Imports coupled with higher exports compared to corresponding quarter reflects Indian steel pricing is competitive at current levels

- ❖ Steel consumptions growth is lower than expected
- ❖ However certain indicators are positive:
 - Rainfall is 1% above normal during the southwest monsoons
 - Non food credit is positive in Apr-May 2011 compared to negative growth in Apr-May 2010
 - Basic goods and consumer non-durables growth rate in Apr-May 2011 is better than Apr-May 2010

The background consists of three large, overlapping, semi-transparent circular shapes in shades of orange, green, and purple. The words 'speed', 'technology', 'expertise', 'environment', and 'lasting' are scattered across the background in a light grey font. The title 'Key Developments' is centered over the circles in a large, bold, dark red font with a thin black underline.

Key Developments

New 3.2 MTPA Blast Furnace



Commissioned
(on July 20, 2011)

**India's fastest
execution**
(28 months)

**Low specific
investment cost**
(\$545 per tonne)

**India's largest
steel plant**
(at single location)



Continuous cost efficiency programs



Iron Ore

Beneficiation plant 2:

- ❖ Commissioned Phase-I (10 MTPA) in 4QFY11
- ❖ Phase-II (10 MTPA) will be commissioned in FY12
- ❖ Total beneficiation capacity would be – 23 MTPA

Sinter Plant:

- ❖ Commissioned Sinter Plant-4 (2.8 MTPA) in July 2011
- ❖ Current total Sinter capacity – 14.45 MTPA

Pellet Plant:

- ❖ Pellet Plant-2 (4.2 MTPA) was commissioned in July 2011
- ❖ Current total Pellet capacity – 9.2 MTPA



- ❖ Increased use of low grade iron ore (up to 55%)
- ❖ Substituting high cost lump ore with Sinter and Pellet
- ❖ Lower iron ore cost, increased productivity and reduced fuel rate

Coal/coke

Captive coke:

- ❖ Commissioned new 1.92 MTPA Coke Oven (comprising 4 batteries of 0.48 MTPA each)
- ❖ Current total coke capacity – 5.12 MTPA

Fuel rate and coal mix for coke making:

- ❖ Increased coal injection in blast furnace to reduce high cost coke consumption
- ❖ Optimization in coal blend/mix in coke making
- ❖ Focus on reduction of overall fuel rate



- ❖ 100% captive coke production, Eliminates purchase of expensive coke from market
- ❖ Lower fuel cost with change in coal mix and fuel rate

The background features a large, faint 'S' shape on the left side, composed of several overlapping, semi-transparent curved segments in shades of orange, green, and purple. The word 'Performance Review' is centered horizontally across the middle of the page, underlined. Surrounding the text are several faint, light-colored words: 'speed' (orange), 'technology' (light blue), 'expertise' (light green), 'environment' (light purple), and 'lasting' (light yellow).

Performance Review

Key performance highlights

- ❖ Highest ever crude steel production: 1QFY12 – 1.68* million tonnes (+7% YoY)
- ❖ Highest ever gross turnover^: 1QFY12 – ₹ 7,627 Crores (+51% YoY)
- ❖ Increased sales volume: 1.71 million tonnes (+44% YoY)
- ❖ Higher EBITDA^: ₹ 1,411 Crores (+36% YoY)
- ❖ Increased PAT^: ₹ 578 Crores (+65% YoY)
- ❖ Increased exports volume: 18% of total sales volume in 1QFY12 (16% in 4QFY11)

Overseas operations

- ❖ Chile Iron ore mines:
 - Iron ore shipment in 1QFY12– 194,347 tonnes
 - EBITDA – USD 11.5mn
- ❖ US plate & pipe mill:
 - Improved capacity utilization – Plate (22% in 1QFY12 vs. 5% in 4QFY11), Pipes (7% in 1QFY12 vs. 3% in 4QFY11)
- ❖ US coal mines:
 - Production in 1QFY12 – 17,420 tonnes
 - Has received 3rd permit, contract for mining has been awarded

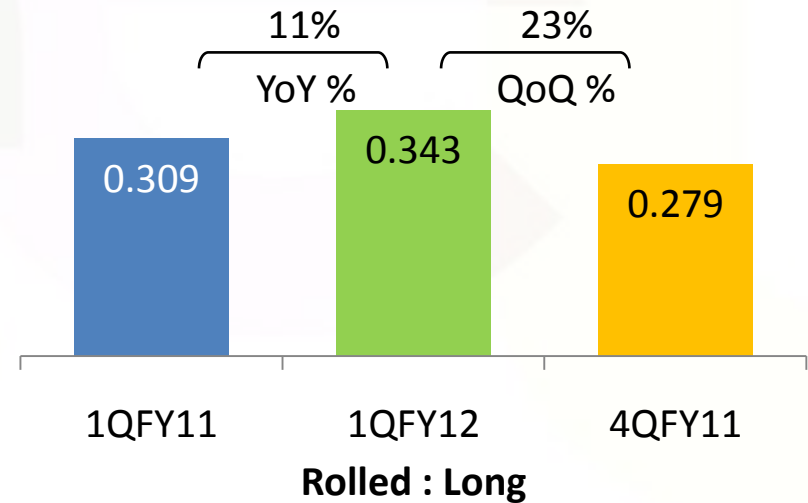
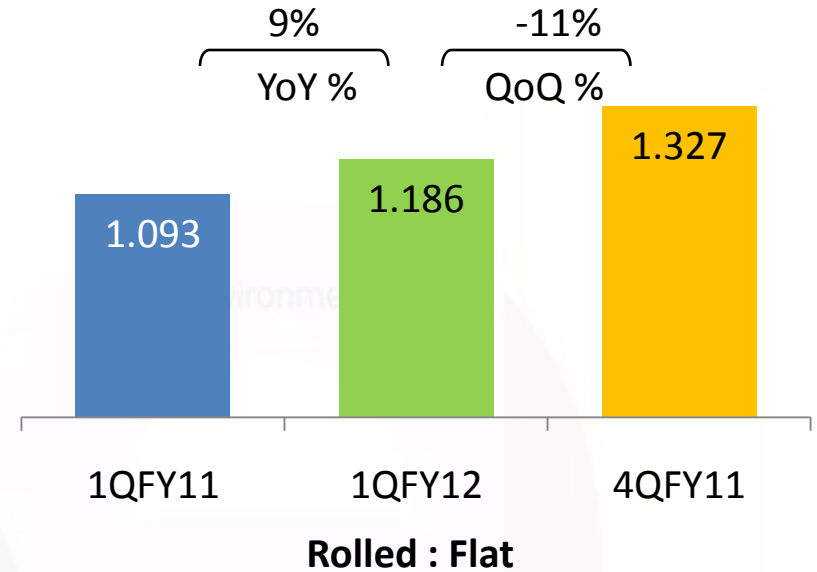
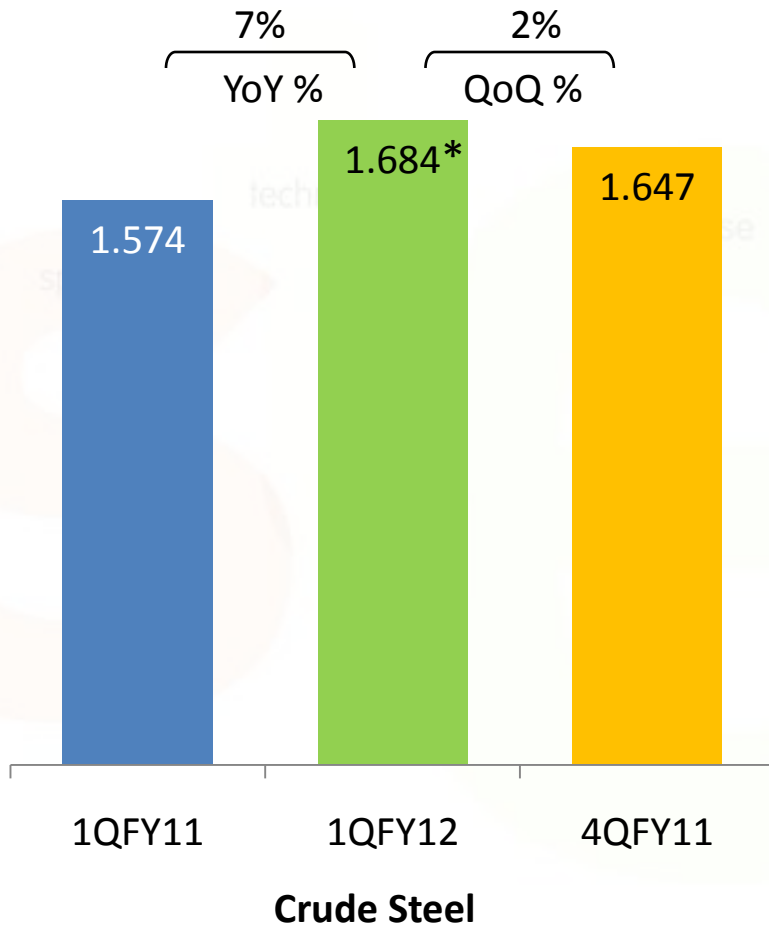
• Excludes 0.03 million tonnes produced from trial run of Casters of 3.2 million tonnes expansion project

^ Standalone basis

Production – 1QFY12

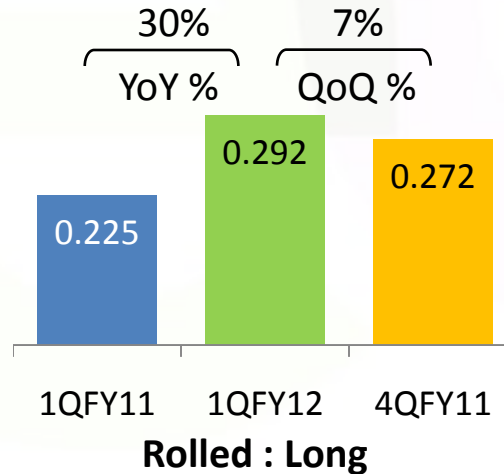
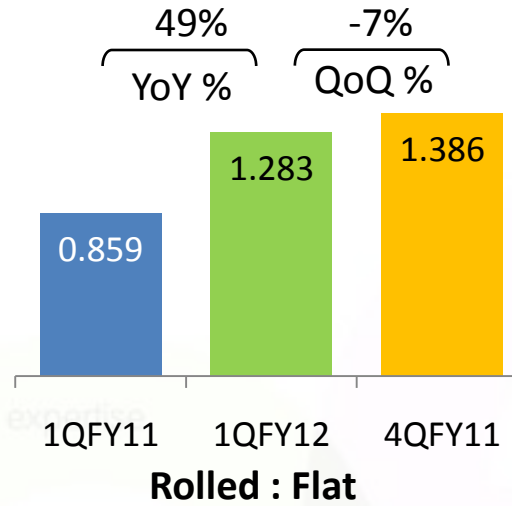
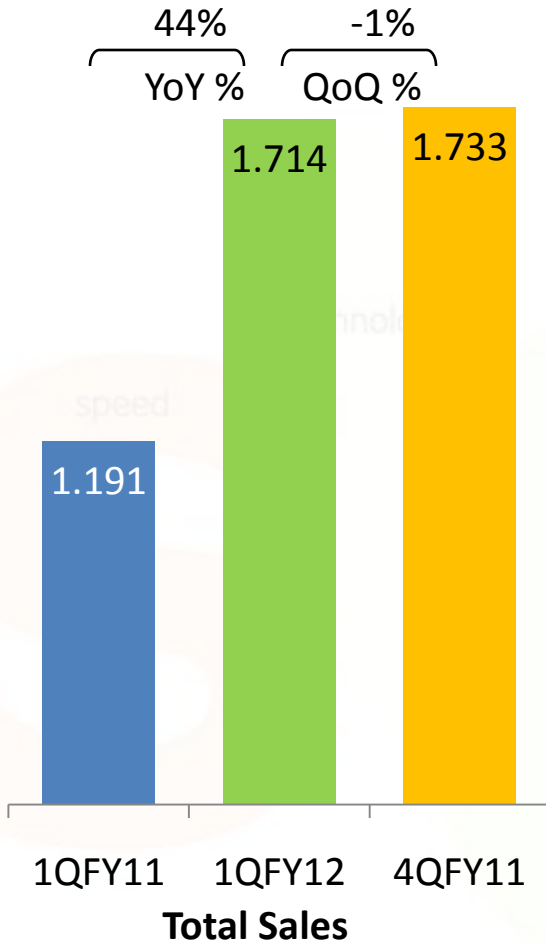


- ❖ Flat : Long product mix is 75:25
- ❖ Long production has grown by 23%

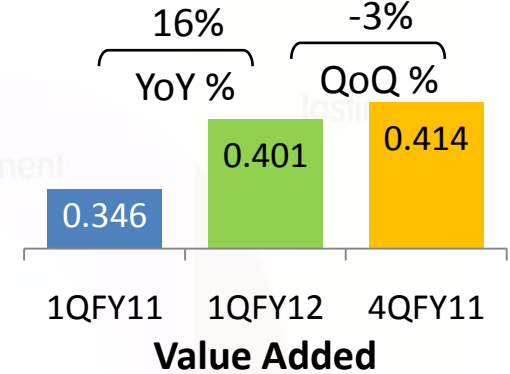


* Excludes 0.03 million tonnes (.079 in 4QFY11) produced from trial run of Casters of 3.2 million tonnes expansion project
All figures are in million tonnes

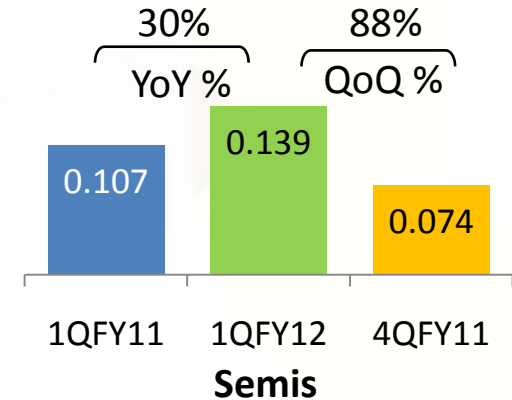
Saleable steel sales – 1QFY12



Value added product sales is 23% of total sales volume



Semis sales have increased to 8% as a strategic move of slab supply to US Plate and Pipe mill

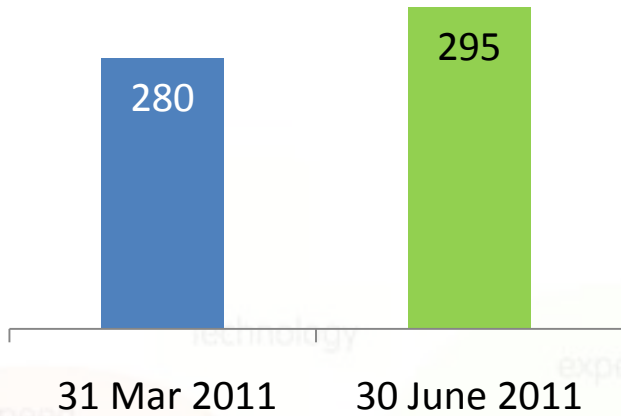


All figures are in million tonnes

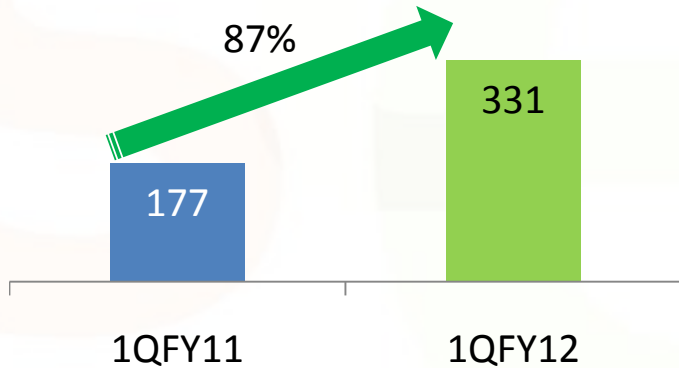
Increased retail presence



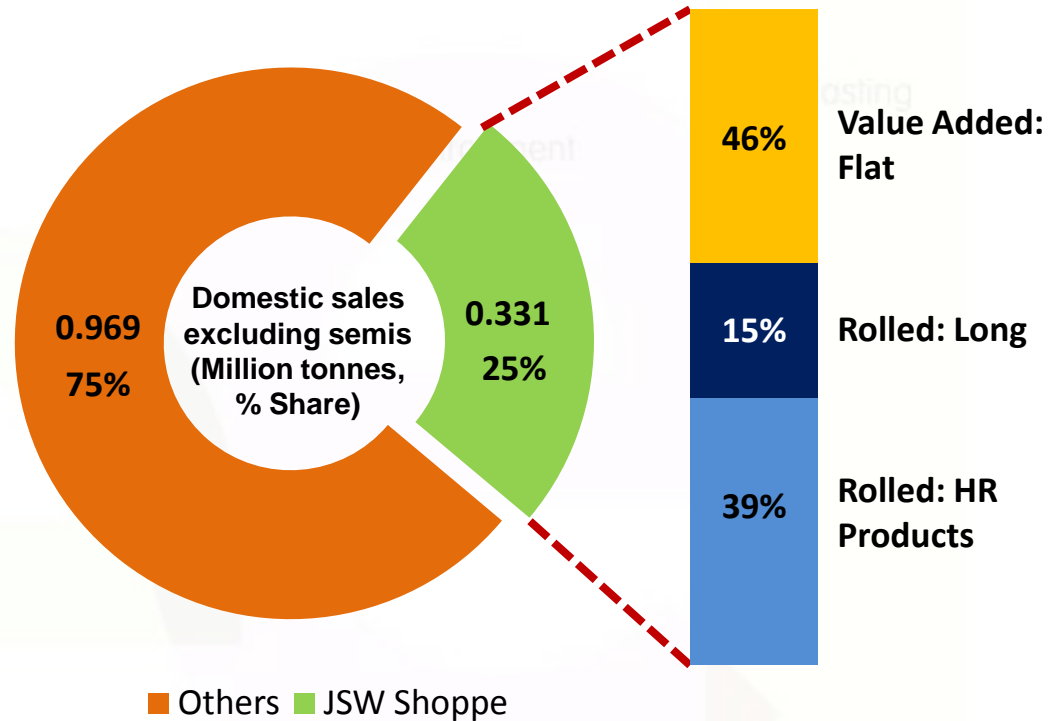
No. of JSW Shoppe



Sales through JSW Shoppe (In '000 tonnes)



% Share through JSW Shoppe – 1QFY12



An endeavor to expand retail base and to ensure easy availability of quality and branded steel

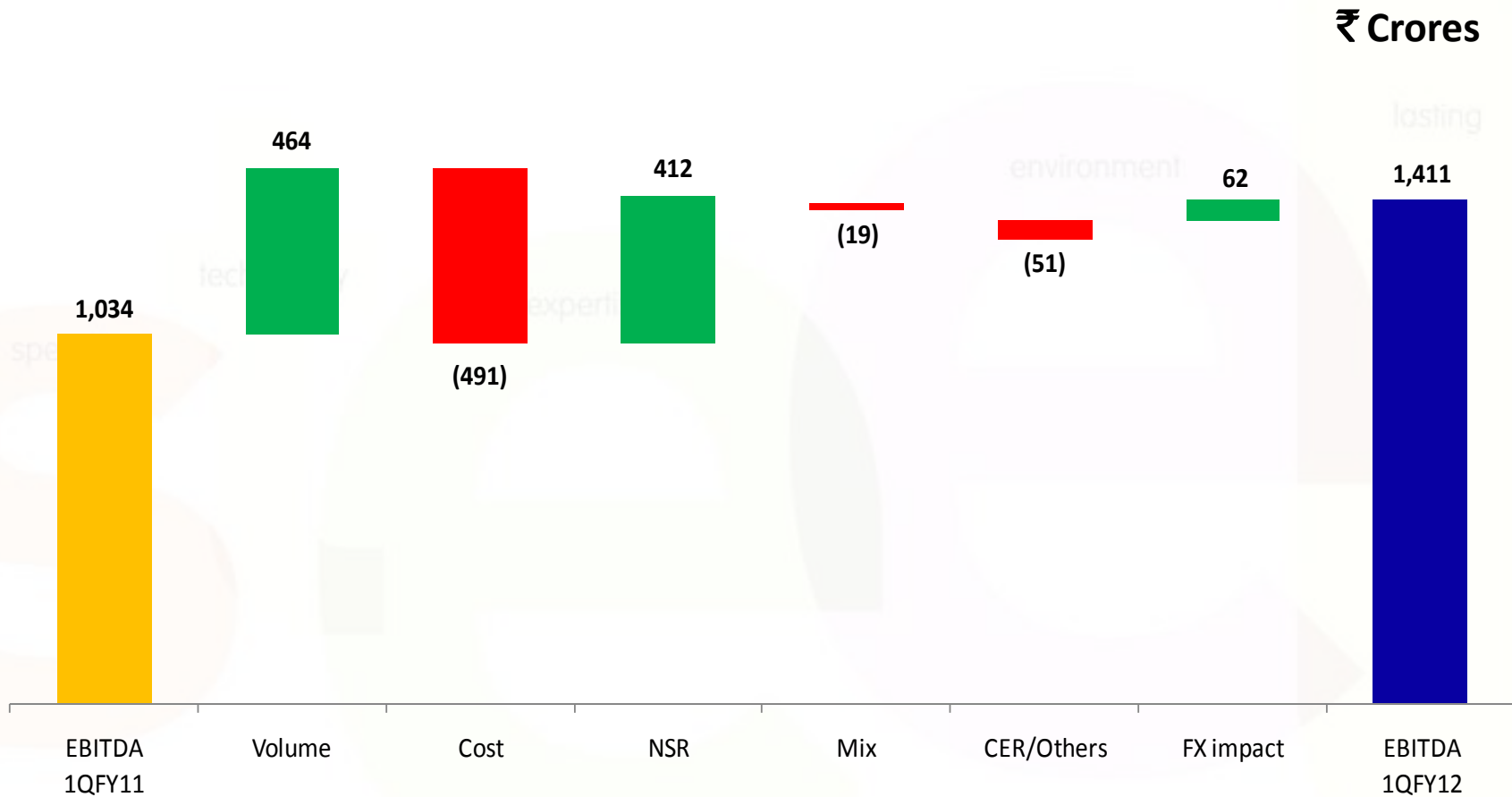
Financials – 1QFY12 (standalone)



₹ Crores

Particulars	1QFY12	1QFY11	Growth
Gross Sales	7,627	5,046	51%
Net Sales	7,065	4,647	52%
EBITDA	1,411	1,034	36%
EBITDA Margin	20.0%	22.1%	
Net Finance Charges	197	211	-7%
Depreciation	388	317	22%
Profit Before Tax	826	506	63%
Profit after Tax	578	350	65%

EBITDA movement – standalone



Operational performance – US Plate & Pipe Mill



Production (NT)	1QFY12	1QFY11
Plate Mill	56,815	38,408
Pipe Mill	8,986	12,003

Sales (NT)	1QFY12	1QFY11
Plate Mill	46,875	34,986
Pipe Mill	9,716	12,927

USD mn

Particulars	1QFY12	1QFY11
Turnover	61.95	42.59
EBITDA + Other Income	3.67	7.94
Profit After Tax	(9.36)	(7.36)

Operational performance – Chile



USD mn

Particulars	1QFY12
Production (Tonnes)	176,859
Sales (Tonnes)	194,347
Turnover	34.3
EBIDTA	11.5
Depreciation	1.4
Finance Charges	0.6
Profit Before Tax	9.6
Profit after Tax	7.9

Financials – 1QFY12 (consolidated*)



₹ Crores

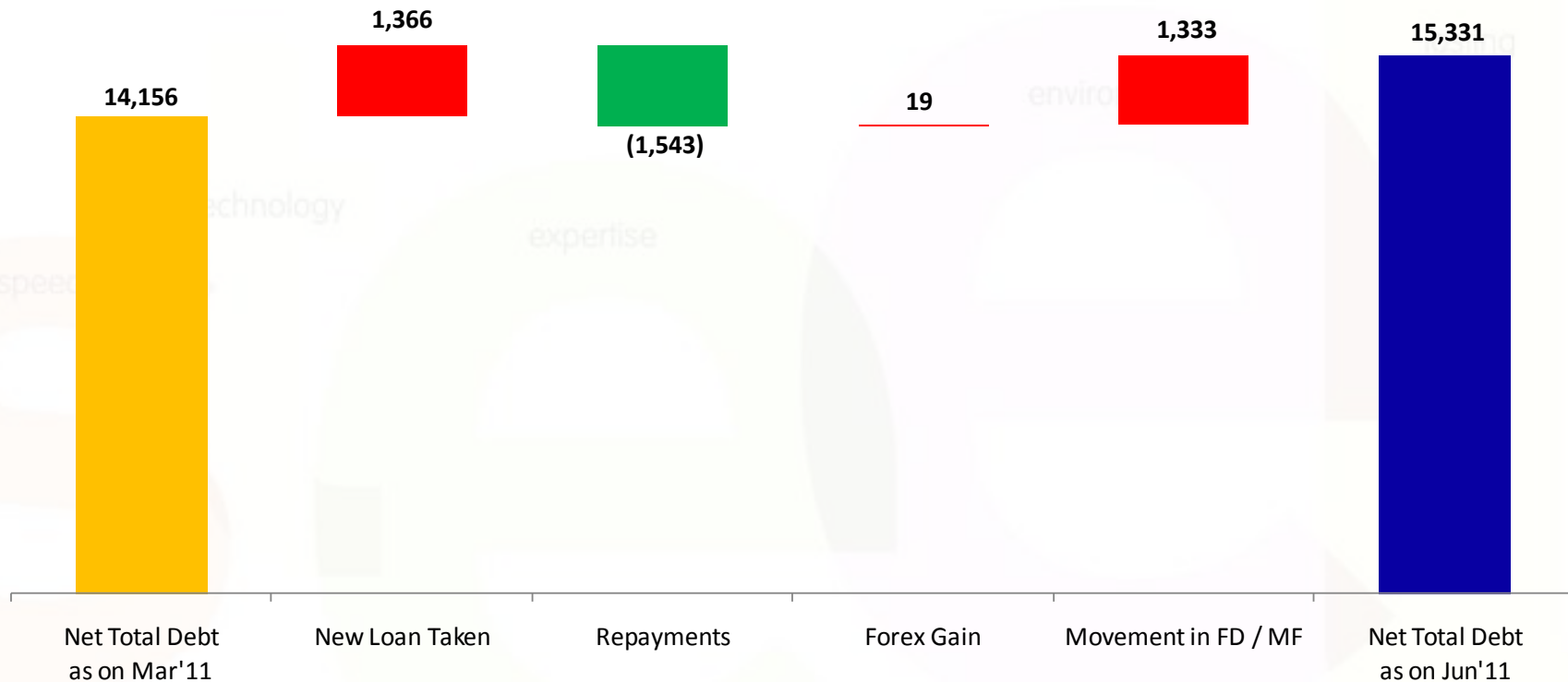
Particulars	1QFY12	1QFY11	Growth
Gross Sales	7,995	5,217	53%
Net Sales	7,432	4,818	54%
EBITDA	1,452	1,078	35%
Net Finance Charges	262	270	-3%
Depreciation	440	361	22%
Profit Before Tax	750	447	68%
Profit after Tax	485	295	64%

* Excludes JSW Ispat

Net debt movement – consolidated



₹ Crores



Cash and Cash equivalent - ₹ 985 Crores

Financial ratios



Particulars	1QFY12	1QFY11
EBITDA Margin	20.0%	22.1%
PAT Margin	8.2%	7.5%
Diluted EPS (₹)	25.54*	18.12*
ROCE	12.9%	11.8%

* Not Annualized

Particulars	30.06.2011	31.03.2011
Net Total Debt/Equity (x)	0.64	0.57
Net Total Debt/EBITDA (x)	2.20	2.05
Net Total Debt/Equity-Consolidated (x)	0.89	0.84
Net Total Debt/EBITDA-Consolidated (x)	2.92	2.90

speed

technology

expertise

environment

lasting

Projects Update

Commissioned new 3.2 MTPA projects



Sinter Plant -4



Steel Melting Shop



CCP



Coke Oven



Other projects' progress

Pellet Plant -2^



Cut to Length Line^



Coal Briquetting*



Cold Rolling Mill -2 (Phase I)*



^Commissioned in July 2011

*Work under progress

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.

speed
technology
expertise
environment
lasting

Thank you