

Resilience and Growth

3Q FY2014 Results



 <p>SELF-SUFFICIENCY STARTS WITH ENSURING RAW MATERIAL SUPPLIES</p>	 <p>COST EFFICIENCY DRIVES GROWTH IN A RESOURCE-SCARCE WORLD</p>	 <p>TECHNOLOGICAL PROFICIENCY ENHANCES GLOBAL COMPETITIVENESS</p>	 <p>DIVERSE AND ENRICHED PRODUCT MIX ENABLES WIDER MARKET REACH</p>	 <p>MANAGEMENT EXPERTISE CATALYSES PROGRESS</p>
				

Key highlights – 3QFY14

Standalone performance

- Highest ever –
 - Crude Steel production: 3.19 million tonnes
 - Gross Turnover: ₹12,651 crores
 - Net Sales: ₹11,731 crores
 - Operating EBITDA: ₹2,303 crores
- Saleable Steel sales: 3.08 million tonnes
- Achieved 100% of FY14 (pro-rated) volume guidance in 9MFY14
- Net debt to equity: 1.12x

Consolidated performance

- Highest ever –
 - Gross Turnover: ₹14,357 crores
 - Net Sales: ₹13,383 crores
 - Exports in a single quarter, accounting for ~60% of India's steel exports
 - Operating EBITDA: ₹2,409 crores
- Net debt to equity: 1.49x

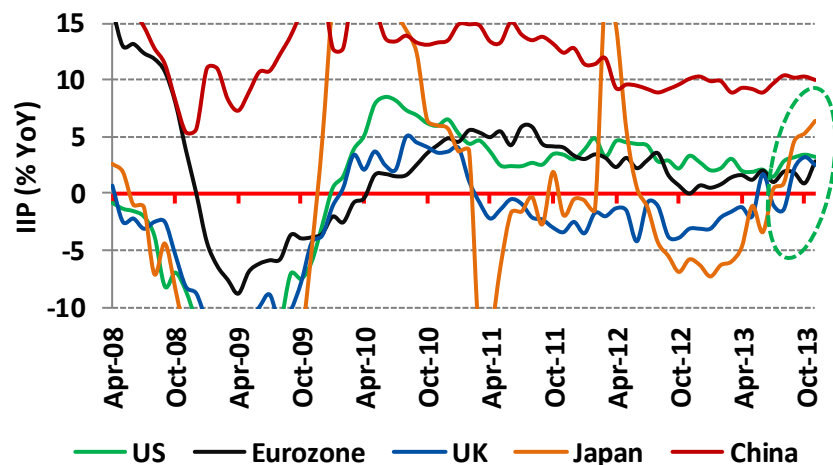
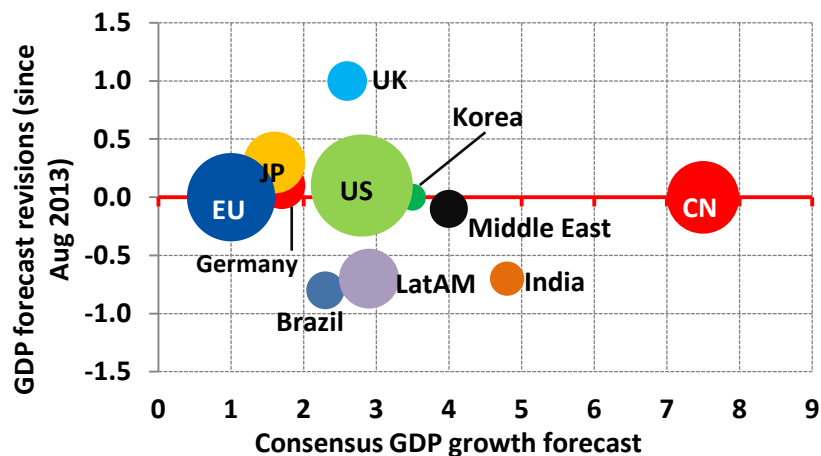
Key update

- Pellet Plant at Dolvi goes under trial-runs, to be commissioned in 4QFY14
- Heating of Coke Oven batteries at Dolvi starts, to be commissioned in 4QFY14
- Supply of Auto Outer Panel for commercial use commences

Agenda

Business Environment	Operational Performance	Financial Performance	Projects Update	Iron ore update
----------------------	-------------------------	-----------------------	-----------------	-----------------

Global economy

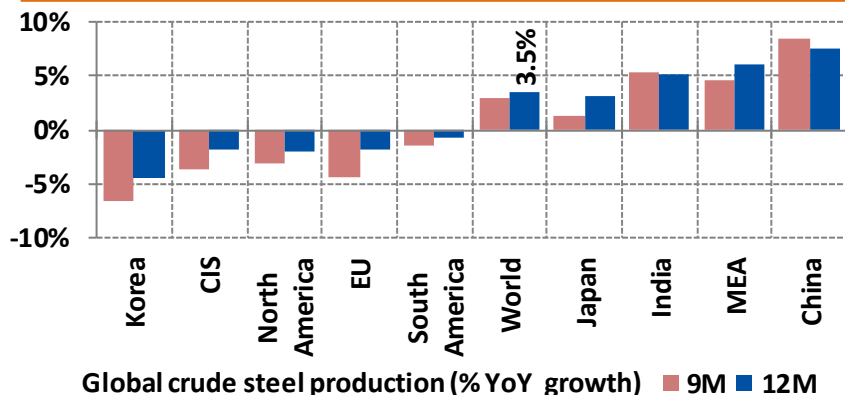


- Developed Markets Growth forecasts see consensus upgrades
- Financial conditions in US and Europe remain accommodative
- Recent IP data also point to an uptick in Developed Markets
- Increased PMIs to provide a positive platform in CY2014

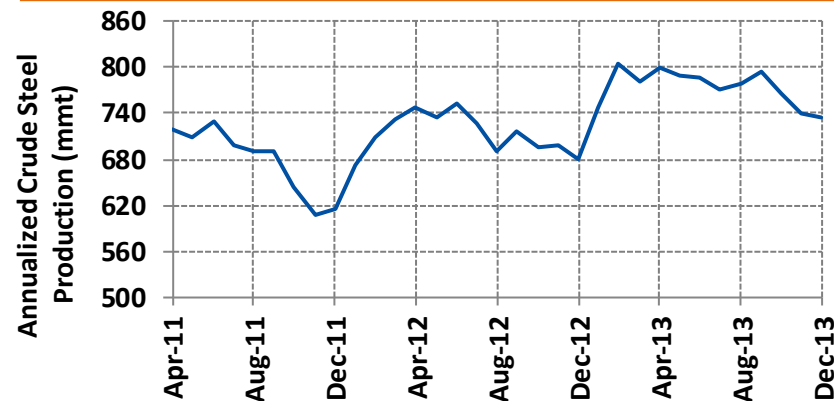
Developed markets would lead global GDP growth in CY2014

Global steel scenario

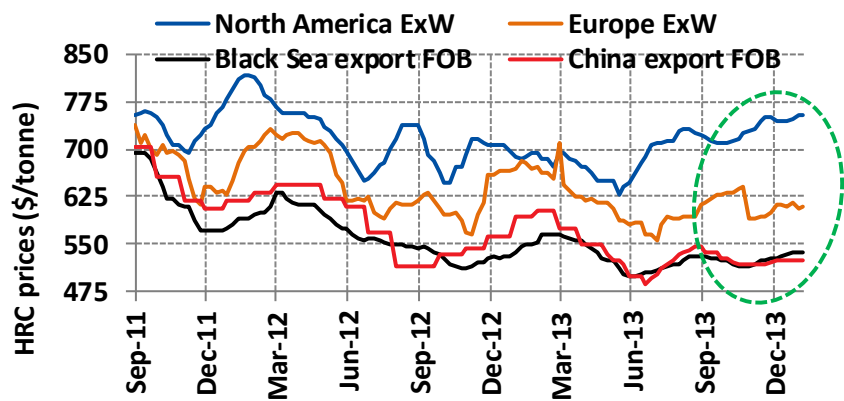
2013 Global Steel production growth driven by China, Japan and India ----



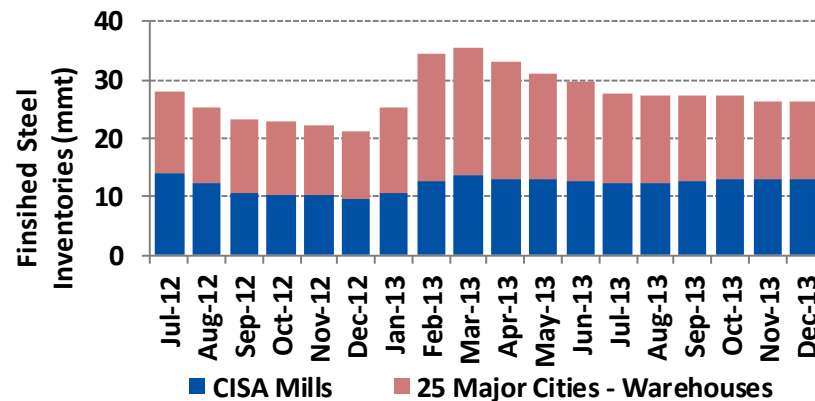
--- However, China steel output fell in recent months



HRC prices (ex – US) remain range bound since Sep 2013 ----

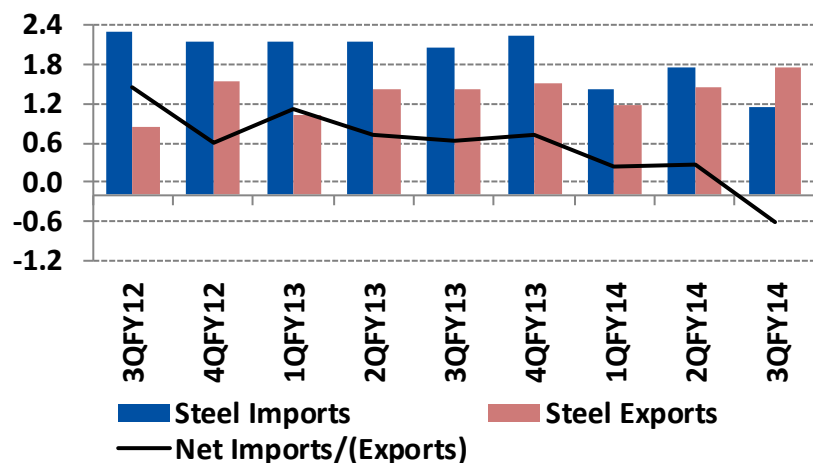
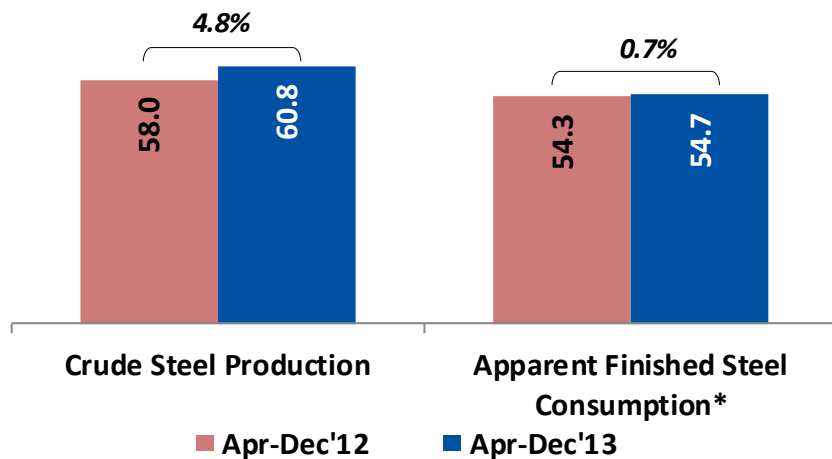


--- Finished steel inventories in China remain low



Global economic recovery and low inventories bode well for CY2014

Indian economy and steel industry



- 9MFY14 Crude Steel production increased by 4.8%YoY
- 9MFY14 Steel demand was flat amid policy related uncertainty, tight financial conditions and weak economic activities
- Expected capital inflows and capping of CAD below \$50bn in FY14 augurs well for INR stability
- India turns into a net exporter; exports surge on the back of improving demand in developed markets and INR depreciation enhancing export competitiveness

Domestic demand remains subdued, exports to be supported by global recovery

Source: Central Statistical Organisation, Bloomberg, MOSPI, JPC, JSW Steel

* Net of double counting effect

Agenda

Business
Environment

**Operational
Performance**

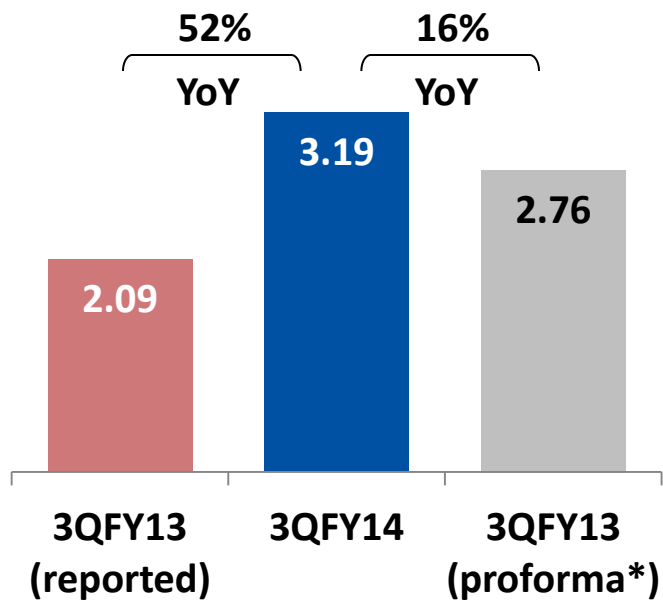
Financial
Performance

Projects
Update

Iron ore
update

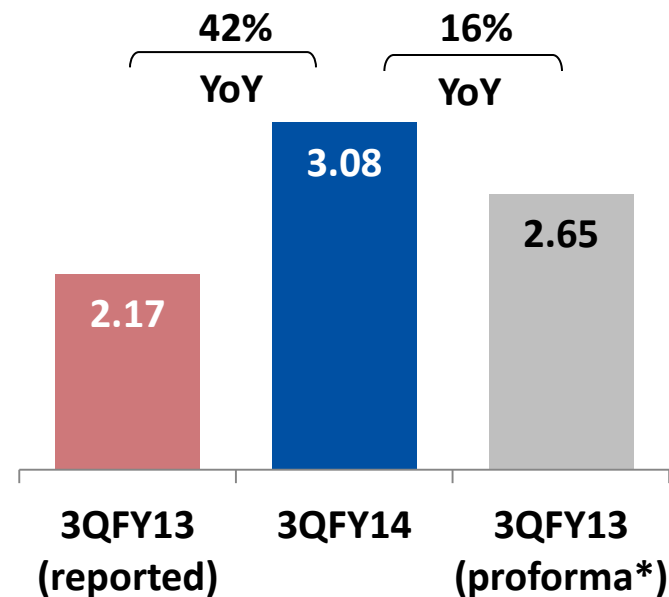
3Q Volumes – standalone

Crude Steel Production



	3QFY13 (reported)	3QFY14	3QFY13 (Proforma*)
Flat	1.57	2.57	2.19
Long	0.48	0.44	0.48

Saleable Steel Sales



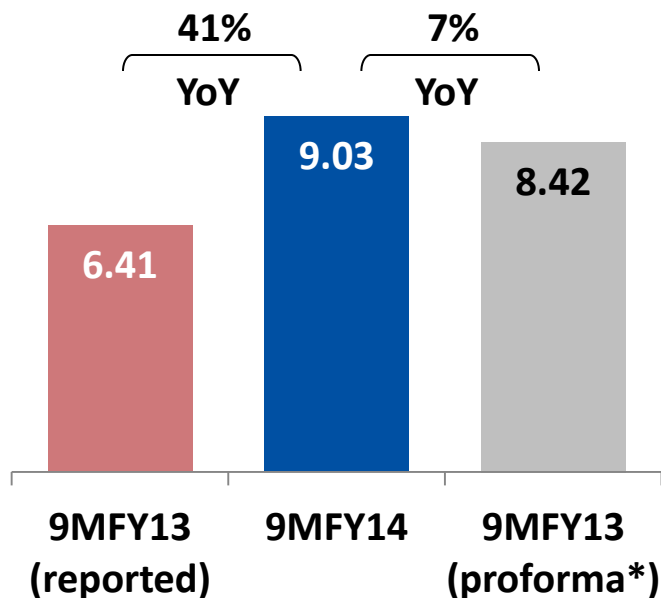
	3QFY13 (reported)	3QFY14	3QFY13 (Proforma*)
Flat	1.66	2.54	2.12
Long	0.43	0.44	0.43
Semis	0.08	0.10	0.10

All figures are in million tonnes

* Re-classified for the purpose of comparison only

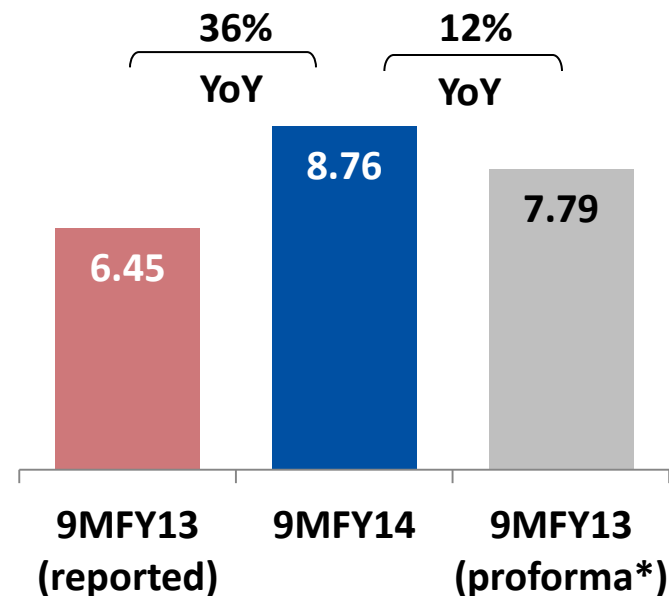
9M Volumes – standalone

Crude Steel Production



	9MFY13 (reported)	9MFY14	9MFY13 (proforma*)
Flat	4.63	7.26	6.54
Long	1.36	1.35	1.36

Saleable Steel Sales



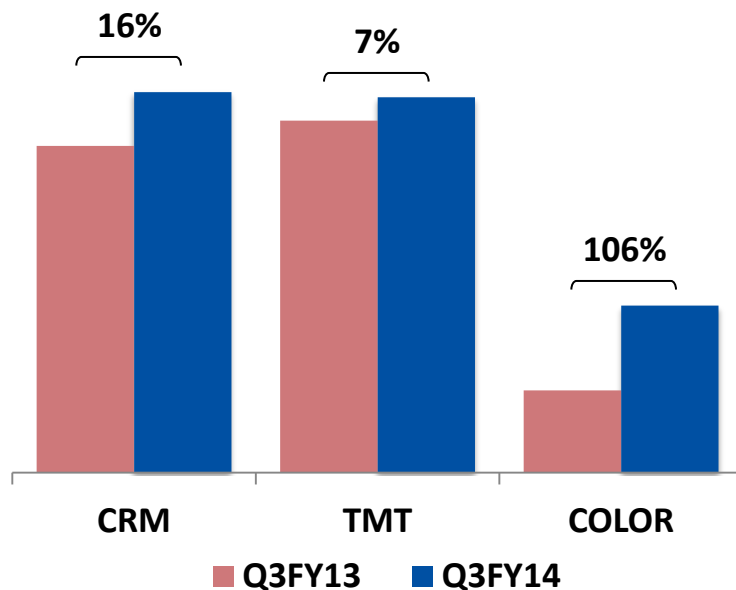
	9MFY13 (reported)	9MFY14	9MFY13 (proforma*)
Flat	4.99	7.24	6.26
Long	1.22	1.31	1.22
Semis	0.24	0.21	0.31

All figures are in million tonnes

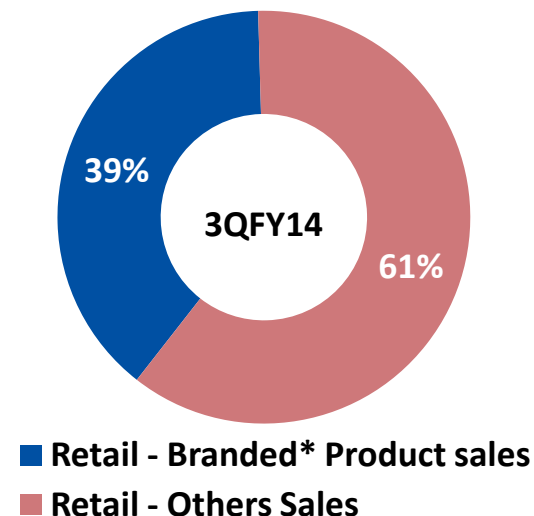
* Re-classified for the purpose of comparison only

Retail sales highlights – consolidated

Retail Sales - Growth



Retail Sales - Share



- Increased presence in Tier –2 & 3 cities through JSW Shoppe network
- Initiated JSW Explore – Branded Retail Service Centre

*Branded Products constitute TMT, Color coated steel, Galvalume, Galvanized sheet and coils

Agenda

Business
Environment

Operational
Performance

Financial
Performance

Projects
Update

Iron ore
update

Financials – standalone

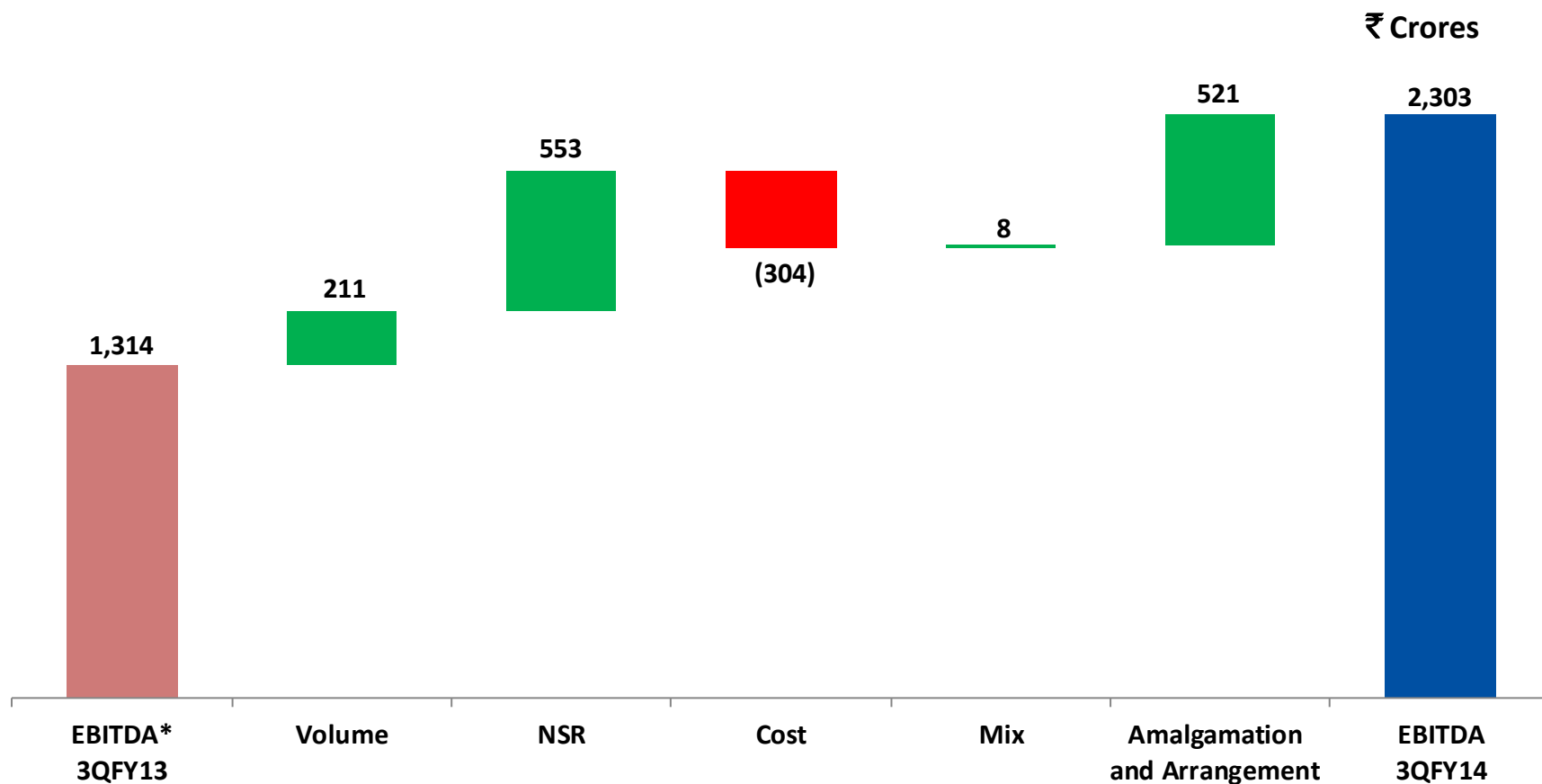
₹ Crores

Particulars	3QFY14	3QFY13*	9MFY14	9MFY13*
Gross Turnover	12,651	9,121	35,197	28,688
Net Sales	11,731	8,275	32,275	26,139
Operating EBITDA	2,303	1,314	6,286	4,612
Other Income	61	57	254	207
Finance Cost	719	455	2,050	1,282
Depreciation	690	498	2,020	1,446
Exceptional Items	-	(327)	(1,692)	(497)
Profit Before Tax	954	91	778	1,593
Tax	302	(46)	246	365
Profit after Tax	652	137	533	1,228
Diluted EPS (₹)**	26.64	5.76	21.02	53.95

*As reported

**Not Annualized

Operating EBITDA movement – standalone



•As reported

Operational performance – JSW Steel Coated Products

Million tonnes

Volumes	3QFY14	2QFY14
Production*	0.41	0.37
Sales	0.42	0.39

₹ Crores

Key P&L data	3QFY14	2QFY14
Turnover	2,445.03	2,234.18
Operating EBITDA	79.26	78.19
Net profit After Tax	12.46	0.36

Operational performance – US Plate & Pipe Mill

Production (net tonnes)	3QFY14	3QFY13	9MFY14	9MFY13
Plate Mill	97,290	79,803	2,80,874	256,988
Utilization (%)	39%	33%	37%	35%
Pipe Mill	12,031	21,477	28,984	72,967
Utilization (%)	9%	16%	7%	18%

Sales (net tonnes)	3QFY14	3QFY13	9MFY14	9MFY13
Plate Mill	85,774	65,396	2,47,656	187,912
Pipe Mill	19,409	19,969	37,469	66,639

USD mn

Particulars	3QFY14	3QFY13	9MFY14	9MFY13
Turnover	92.75	78.29	248.27	269.72
EBITDA + Other Income	(1.73)	(0.76)	(3.18)	8.52
Profit After Tax	(15.22)	(17.44)	(45.84)	(38.99)

Operational performance – Chile

USD mn

Particulars	3QFY14	3QFY13	9MFY14	9MFY13
Production (Tonnes)	243,171	194,158	668,018	559,788
Sales (Tonnes)	231,000	220,833	604,398	711,816
Turnover	27.30	21.85	71.09	82.91
Operating EBITDA	5.23	(0.82)	11.43	7.59
Profit after Tax	2.79	(2.39)	4.95	1.25

Financials – consolidated

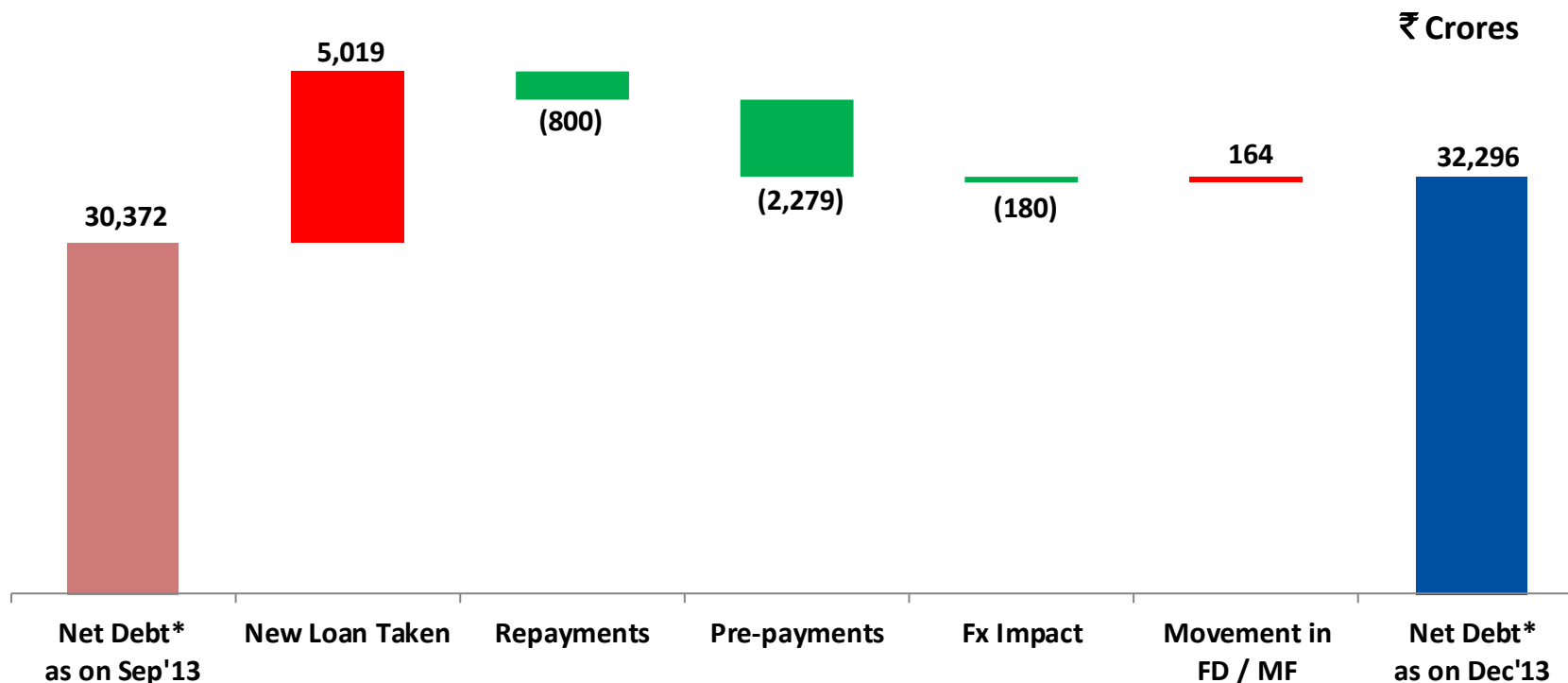
₹ Crores

Particulars	3QFY14	3QFY13*	9MFY14	9MFY13*
Gross Turnover	14,357	9,710	39,378	30,788
Net Sales	13,383	8,866	36,321	28,243
Operating EBITDA	2,409	1,331	6,637	4,771
Other Income	14	8	85	67
Finance Cost	789	517	2,264	1,460
Depreciation	806	563	2,359	1,643
Exceptional Items	-	(268)	(1,713)	(440)
Profit Before Tax	829	(9)	386	1,295
Tax	374	(17)	461	469
Share of Associates and Minority Interest	11	(82)	43	(159)
Profit after Tax	466	(74)	(31)	667
Diluted EPS (₹)**	18.96	(3.67)	(2.29)	28.81

*As reported

**Not Annualized

Net debt* movement – consolidated



Particulars	31.12.2013	30.09.2013
Cash & cash equivalent (₹ Crores)	957	1,121
Net Debt/Equity (x)	1.49	1.44
Net Debt/EBITDA (x)	3.74	3.92

*Net Debt excludes Acceptances

Agenda

Business Environment	Operational Performance	Financial Performance	Projects Update	Iron ore update
----------------------	-------------------------	-----------------------	------------------------	-----------------

Projects' update – JSW Steel

Waste Heat Recovery System at BF-4 in Vijayanagar: Commissioned in Nov 2013

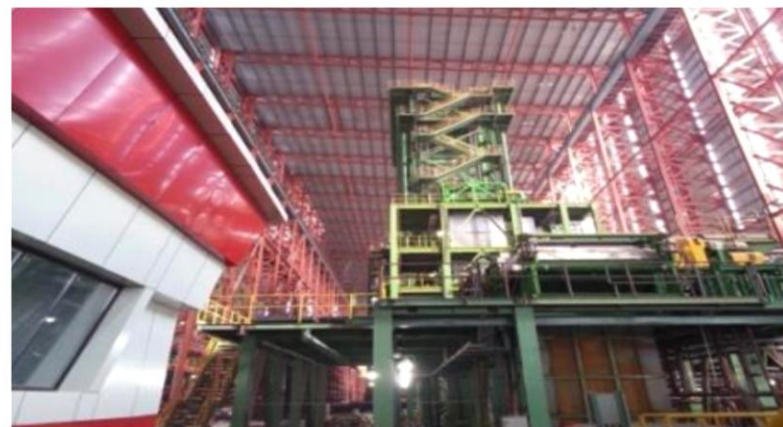


CTL-6 & 7 at Vijayanagar: targeted to be commissioned in 4QFY14



Projects' update contd.. – JSW Steel

Cold Rolling Mill -2 at Vijayanagar: Commissioned PLTCM in Oct 2013, CAL-1 and CGL is targeted to be commissioned in 4QFY14 and Phase II (CAL-2) by FY15



Projects' update contd.. – JSW Steel

Steel Melt Shop -3 at Vijayanagar: targeted to be commissioned in FY15



Bar Rod Mill -2 at Vijayanagar: targeted to be commissioned in FY15



Projects' update contd.. – JSW Steel

4 MTPA Pellet plant at Dolvi: targeted to be commissioned in 4QFY14



1 MTPA Coke Oven at Dolvi: targeted to be commissioned in 4QFY14



Projects' update – JSW Steel Coated Products

Up-gradation of Pickling Line-2 at Tarapur: Commissioned in Dec 2013



New 6-Hi Mill (Cold Roll) at Kalmeshwar: targeted to be commissioned in 4QFY14



Agenda

Business
Environment

Operational
Performance

Financial
Performance

Projects
Update

Iron ore
update

Karnataka Iron ore update

Key outcome from the Hon'ble Supreme Court's decision

- The Hon'ble Court has approved:
 - Resumption of mining operations in all the mines of category 'A' and 63 mines of category 'B' subject to certain terms and conditions as stipulated by the CEC
 - Sale of sub-grade Iron Ore
 - Cancellation of category 'C' mines and assigning/allotting through a transparent bidding process to end users
- The Hon'ble Court has also allowed grant of fresh mining leases and consideration of pending applications

Status of R&R plan approvals by the CEC

- 34 mines in category 'A' (permitted capacity of ~8.3 MTPA)
- 37 mines in category 'B' (permitted capacity of ~8.5 MTPA)

Status on resumption of mining operations

- 14 mines in category 'A' (capacity of ~5.54 MTPA)
- 7 mines in category 'B' (capacity of ~4.19 MTPA)

Forward looking and cautionary statement

These results are reported after giving effect to the Scheme of Amalgamation and Arrangement (“the Scheme”) between the Company and JSW ISPAT Steel Limited and others, which became effective 1st June, 2013 with appointed date of 1st July, 2012. The figures for the corresponding quarter are not strictly comparable with that of the current quarter as the effect of implementation of the Scheme is included in the current quarter figures

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