



*KNOWHOW*  
1Q FY2015 Results



## Standalone performance

- ✓ Gross Turnover: ₹12,401 crore
- ✓ Net Sales: ₹11,370 crore
- ✓ Operating EBITDA: ₹2,461 crore
- ✓ Crude Steel production: 3.10 million tonnes
- ✓ Saleable Steel sales: 2.88 million tonnes
- ✓ Net debt to equity: 1.15x and Net debt to EBITDA: 3.02x

## Consolidated performance

- ✓ Gross Turnover: ₹14,153 crore
- ✓ Net Sales: ₹13,067 crore
- ✓ Highest ever Operating EBITDA: ₹2,612 crore
- ✓ Net debt to equity: 1.59x and Net debt to EBITDA: 3.62x

Business  
Environment

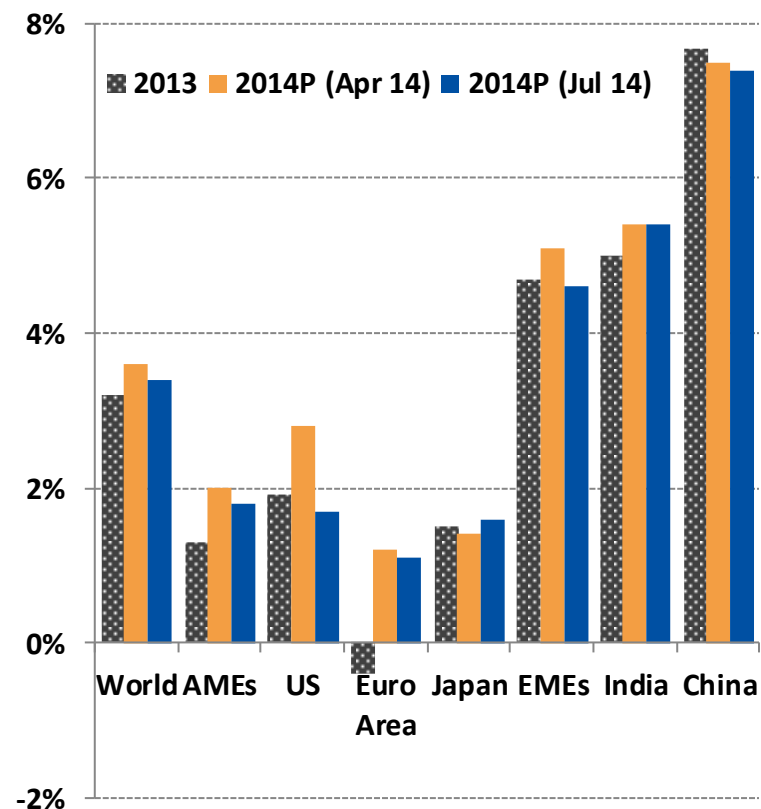
Operational  
Performance

Financial  
Performance

Projects Update

- Despite a weak 1Q and a less optimistic outlook for several emerging market economies, 2014 global growth is expected at 3.4% compared to 3.2% in 2013
- Recent print suggests sequential uptick in US activity levels post 1QCY14 weakness
- Euro Area recovers at a modest pace, battling headwinds of weak disposable income, anaemic consumption and rising debt trajectories
- Improving domestic demand and employment conditions, and weaker currency continues to drive Japan's economic buoyancy
- China exhibits resilience, registering 7.5%YoY GDP growth in 2QCY14. However, deceleration of the FAI growth is worrisome
- Protracted fiscal tightening and supply side constraints is a drag on some EMEs

GDP growth - 2013 actual vs. projections for 2014

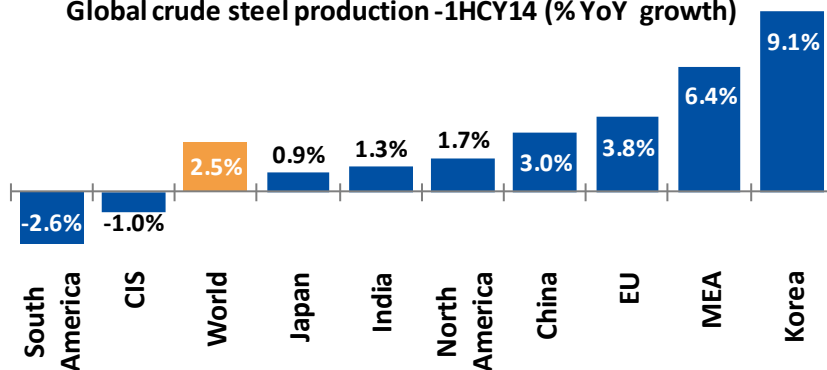


**Despite downward revisions, global economic recovery remains underpinned on AMEs**

Source: IMF, Bloomberg, Reuters, and JSW Steel

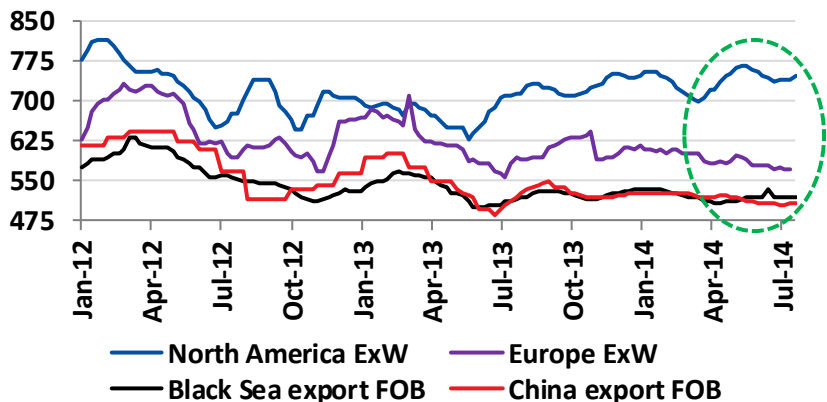
AMEs: Advanced Market Economies, EMEs: Emerging Market Economies

Global crude steel production -1HCY14 (% YoY growth)

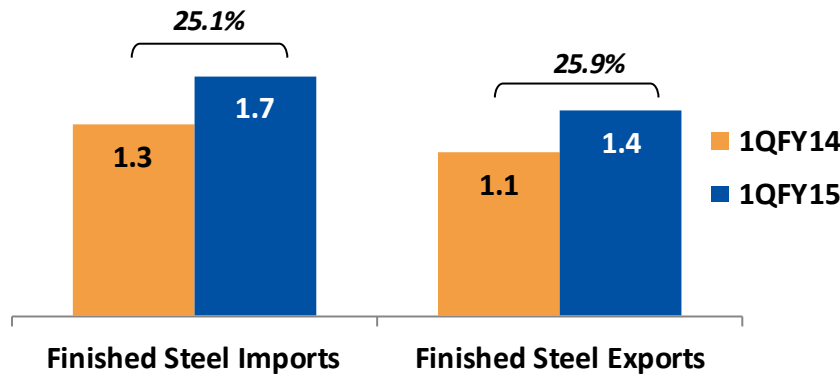
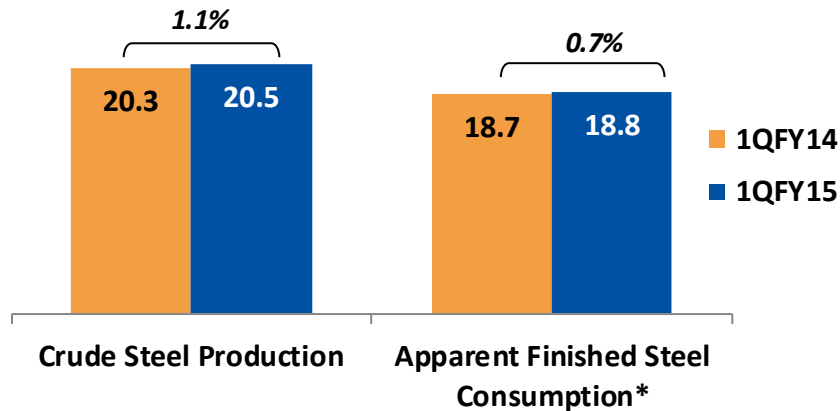


- Global steel production for 1HCY14 grew at 2.5% commensurate with global steel demand growth forecast of > 3% for CY14.
- Steel inventories show a marginal uptick across major consuming markets
- With the exception of North America, regional HRC prices marginally softened in 2QCY14 mirroring continued softness in raw material prices
- Chinese and Korean steel exports remain at elevated levels

HRC prices (\$/tonne)



**Demand growth to be broad based, steel prices likely to remain range bound**



- 1QFY15 Crude Steel production increased by 1.1%YoY
- Steel demand for 1QFY15 came in at 0.7%, driven by an uptick in construction, passenger vehicles and tubular segments.
- Imports have surged due to dumping from China and Korea, and exports rose on the back of recovery in developed markets.
- Improving business sentiment, new government's thrust on affordable housing and push for infrastructure investment augurs well for steel consumption

**Steel demand is expected to improve in 2HFY15**

Source: JPC, and JSW Steel

All figures are in million tonnes, \* Net of double counting effect

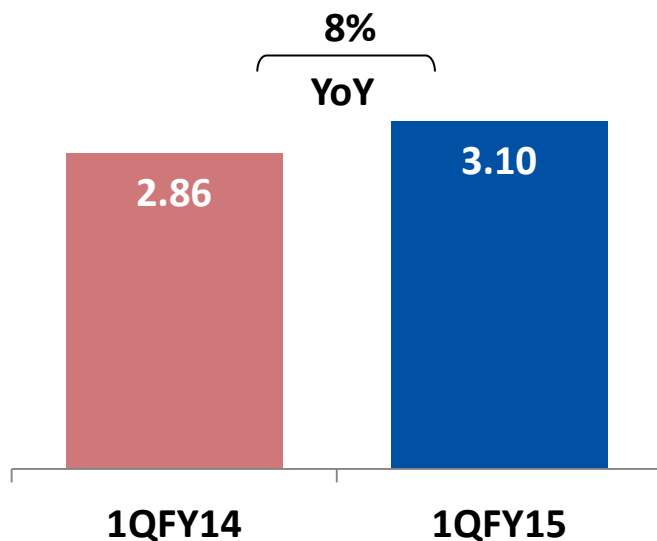
Business  
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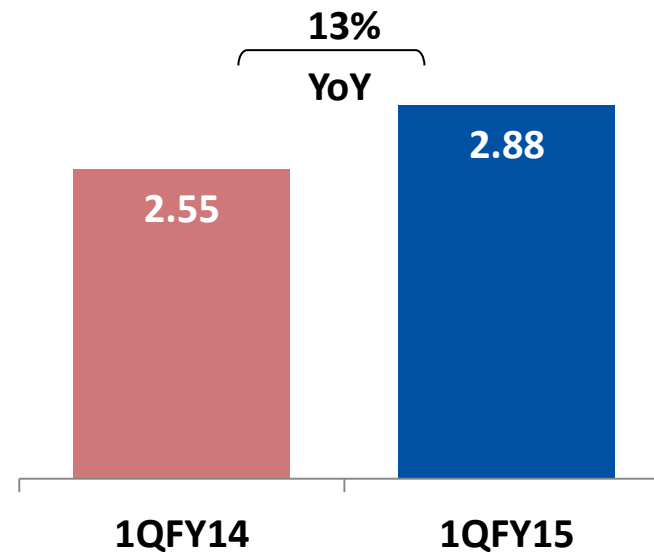
Projects Update

## Crude Steel Production



	1QFY14	1QFY15
Flat	2.23	2.43
Long	0.45	0.52

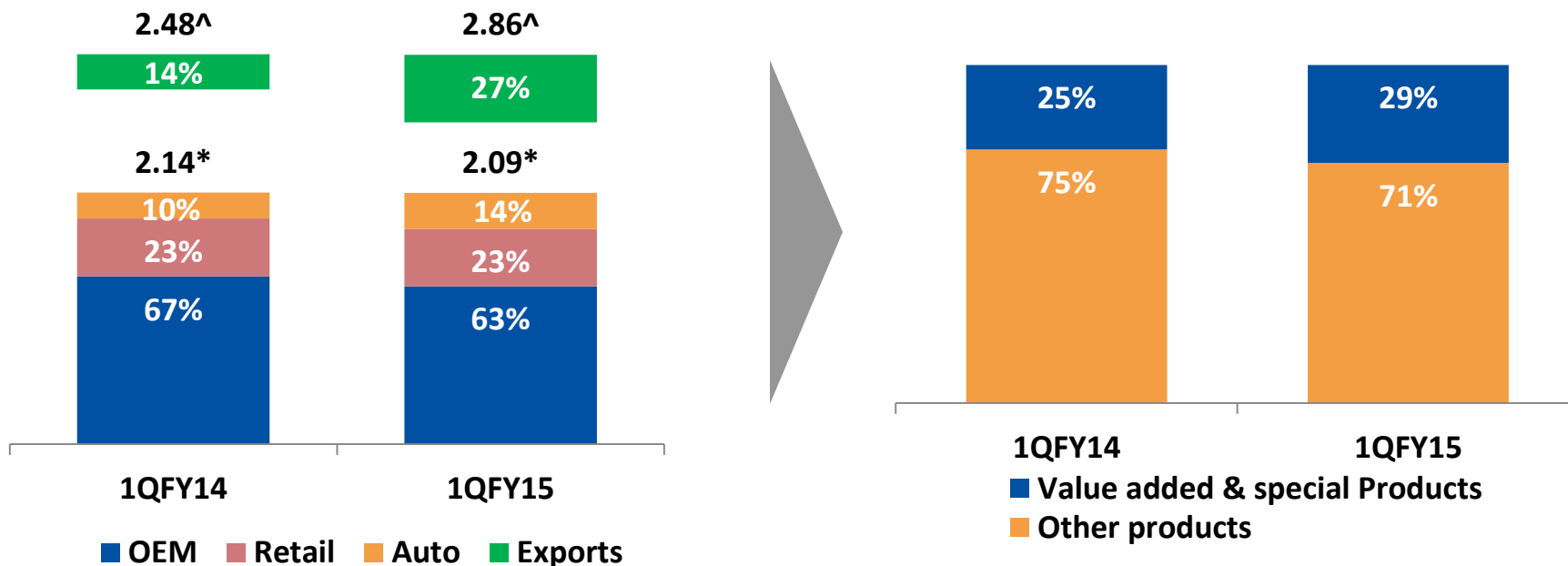
## Saleable Steel Sales



	1QFY14	1QFY15
Flat	2.11	2.32
Long	0.42	0.47
Semis	0.03	0.08



# Consolidated sales highlights

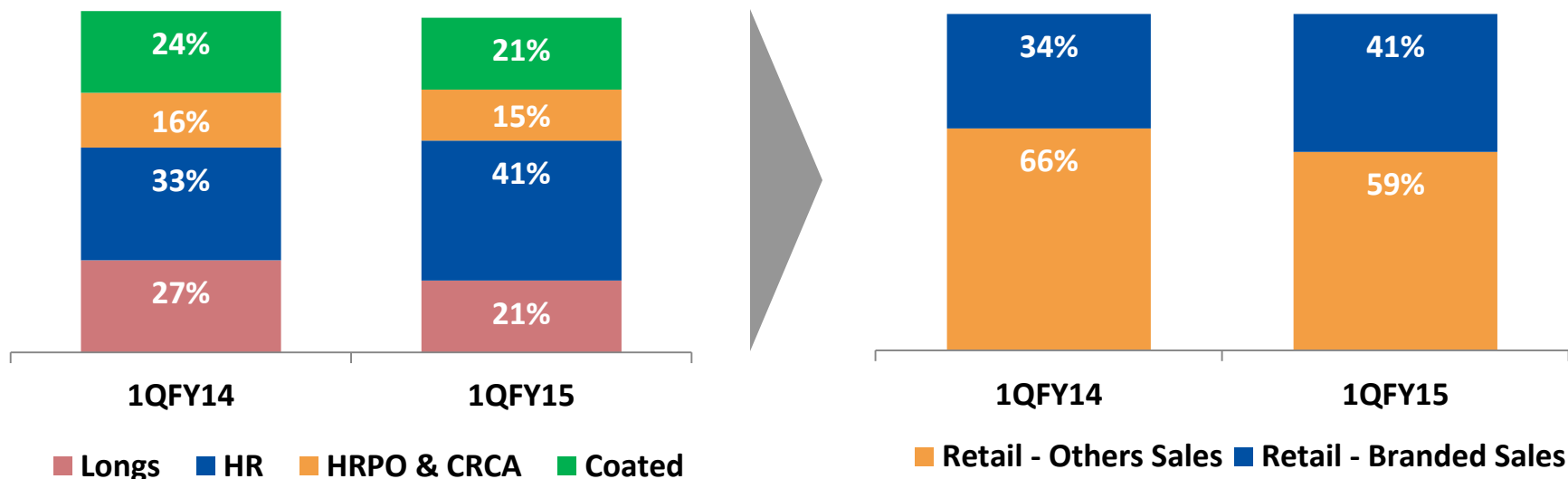


## During 1QFY15:

- ✓ Exports surged by 121%YoY
- ✓ Auto sales grew by 37%YoY
- ✓ CR products sales grew by 61%YoY; coated products sales also increased by 32%YoY
- ✓ Colour Coated products grew by 51% YoY
- ✓ Value-added & Special Products share in total Sales has increased to 29% vs. 25% in 1QFY14

\* Domestic sales in million tonnes

<sup>^</sup> Total sales in million tonnes – JSW Steel Standalone + JSW Steel Coated Products (net-off inter-company sales)



- ✓ Share of Branded Products has increased to 41% in 1QFY15 from 34% in 1QFY14
- ✓ Pre-painted Products sales grew by 29%YoY with focused sales through Channel Partners and opening of dedicated service center “JSW explore”
- ✓ TMT sales grew by 19%YoY with focused sales through Cluster approach
- ✓ HR-CTL sales grew by 15%YoY

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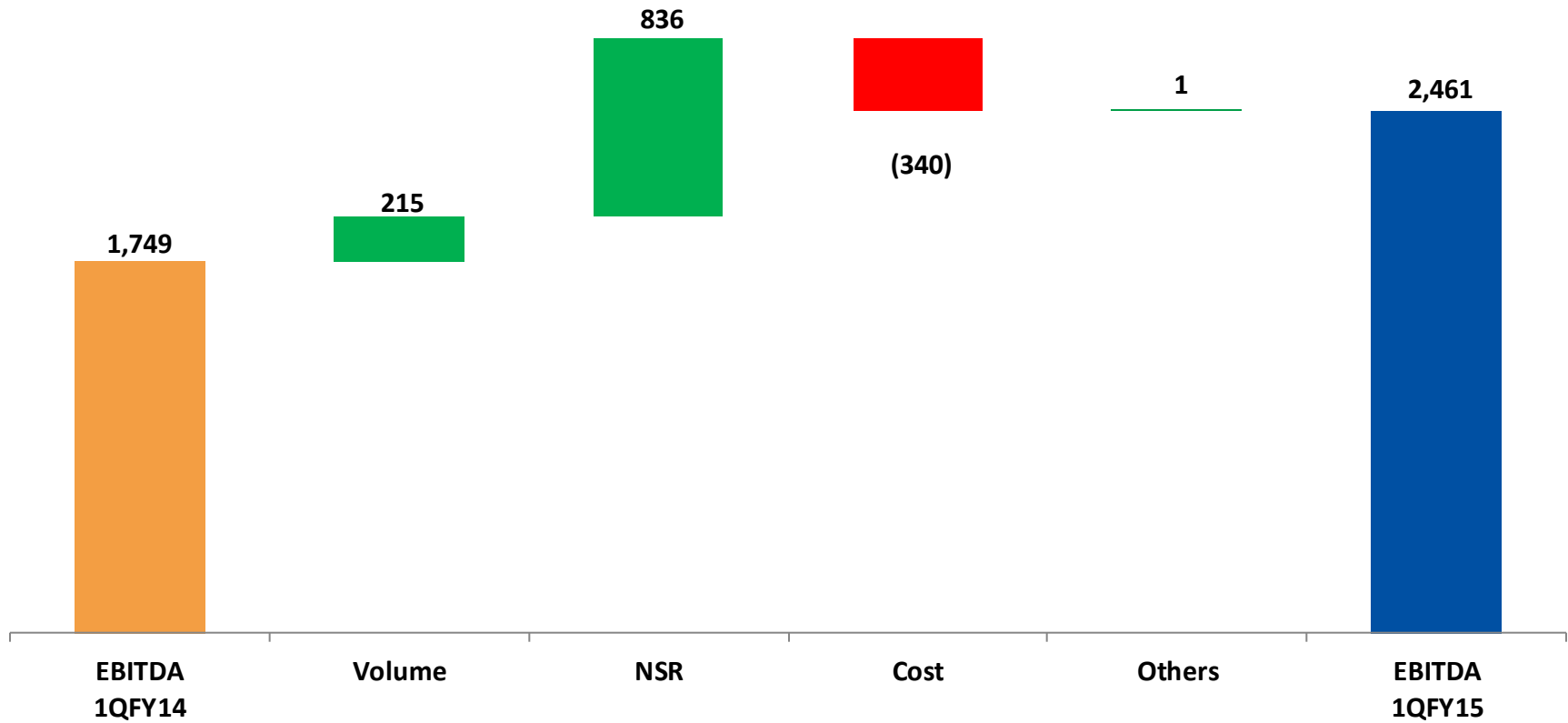
₹ crore

Particulars	1QFY14	1QFY15
Gross Turnover	10,220	12,401
Net Sales	9,235	11,370
Operating EBITDA	1,749	2,461
Other Income	72	98
Finance Cost	642	723
Depreciation	644	663
Exceptional Items	(853)	-
Profit Before Tax	(317)	1,173
Tax	(97)	371
Profit after Tax	(221)	801
Diluted EPS (₹)*	(9.47)	32.81

\* Not Annualized

# Operating EBITDA movement – standalone

₹ crore



•As reported

Million tonnes

Volumes	1QFY14	1QFY15
Production*	0.34	0.40
Sales	0.33	0.40

₹ crore

Key P&L data	1QFY14	1QFY15
Turnover	1,938	2,505
Operating EBITDA	79	95
Net profit After Tax	3	7

Production (net tonnes)	1QFY14	1QFY15
Plate Mill	91,256	102,694
Utilization (%)	35%	42%
Pipe Mill	8,433	8,129
Utilization (%)	6%	6%

Sales (net tonnes)	1QFY14	1QFY15
Plate Mill	81,850	95,506
Pipe Mill	9,593	9,230

USD mn

Particulars	1QFY14	1QFY15
Turnover	79.76	99.17
EBITDA + Other Income	0.60	4.02
Profit After Tax	(13.65)	(10.39)

USD mn

Particulars	1QFY14	1QFY15
Production (Tonnes)	209,623	220,736
Sales (Tonnes)	153,898	325,522
Turnover	17.36	32.08
Operating EBITDA	0.86	(0.35)
Profit after Tax	(0.72)	(1.59)

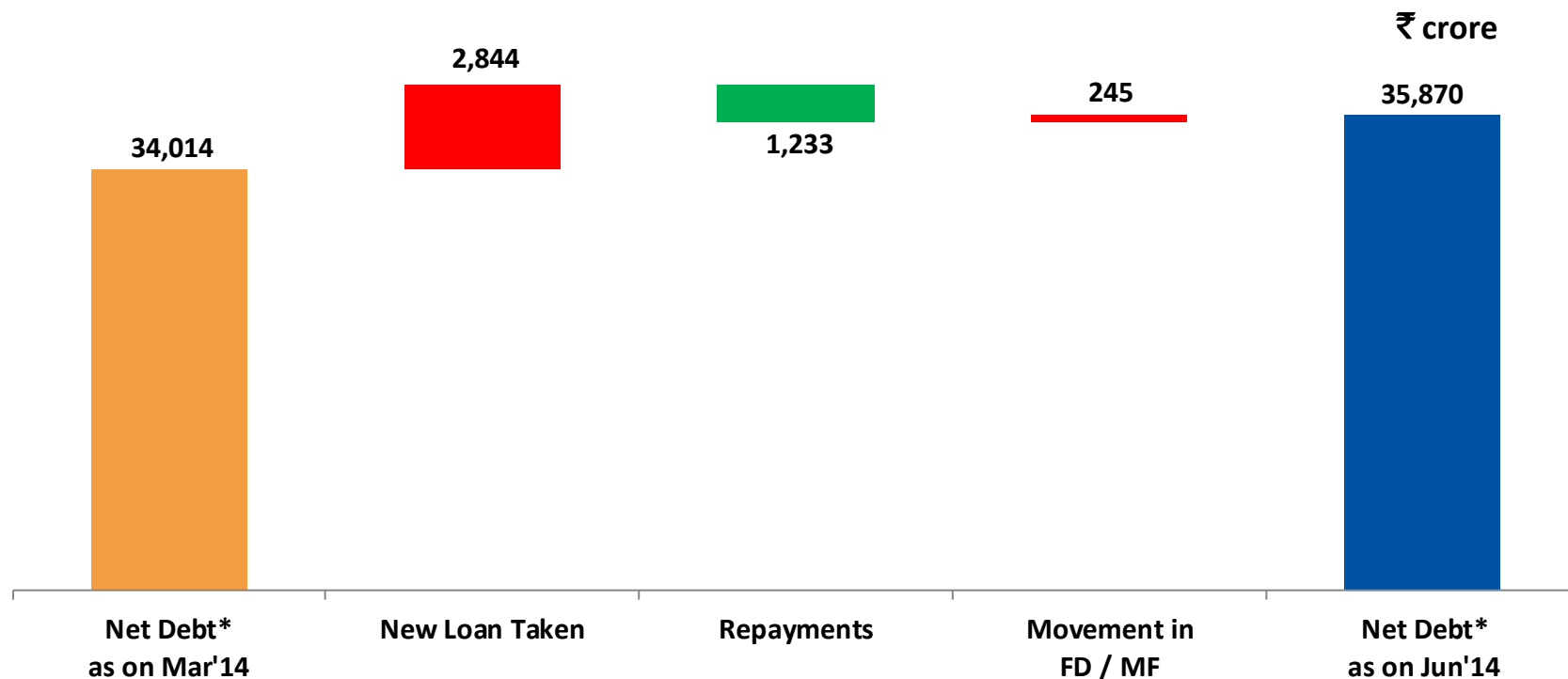


₹ crore

Particulars	1QFY14	1QFY15
Gross Turnover	11,155	14,153
Net Sales	10,141	13,067
Operating EBITDA	1,879	2,612
Other Income	19	54
Finance Cost	718	844
Depreciation	750	795
Exceptional Items	(862)	-
Profit Before Tax	(431)	1,026
Tax	(32)	383
Share of Associates and Minority Interest	17	13
Profit after Tax	(382)	656
Diluted EPS (₹)*	(16.13)	26.82

\* Not Annualized

# Net debt movement – consolidated



Particulars	31.03.2014	30.06.2014
Cash & cash equivalent (₹ crore)	748	503
Net Debt/Equity (x)	1.54	1.59
Net Debt/EBITDA (x)	3.71	3.62

\*Net Debt excludes Acceptances

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Projects Update

CTL-6 at Vijayanagar: Started in 1QFY15



Bar Rod Mill-2 at Vijayanagar: expected to be commissioned in 1HFY15





**SMS-2 Augmentation at Vijayanagar:** expected to be commissioned in FY15



**Electrical Steel Mill at Vijayanagar:** expected to be commissioned by end FY15



**Cold Rolling Mill -2 at Vijayanagar:** Started Phase I (PLTCM in Oct 2013, CGL in Mar 2014 and CAL-1 in Apr 2014), and Phase II (CAL-2) is expected to be commissioned by end FY15





DRI modification to use Coke Oven gas at Dolvi: expected to be commissioned in 3QFY15



*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**