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JSWSL: SECT: MUM: SE: 2017-18
February 01, 2018

1. National Stock Exchange of India Ltd. Exchange Plaza Plot No. C/1, G Block Bandra – Kurla Complex Bandra (E), Mumbai – 400 051 NSE Symbol: JSWSTEEL Kind Attn.: Mr. Hari K, President (Listing)	2. BSE Limited Corporate Relationship Dept. Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001. Scrip Code No.500228 Kind Attn: The General Manager (CRD).
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Sub: Investor/Analyst Presentation - Regulation 30 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations 2015")

Dear Sir,

Pursuant to Regulation 30 of the Listing Regulations, 2015, we enclose herewith for your information a copy of the presentation made to Analysts for the 3rd Quarter ended on 31.12.2017.

This is for the information of your members and all concerned.

Thanking you,

Yours faithfully,

For **JSW STEEL LIMITED**

Lancy Varghese
Company Secretary

T H E W I L L

T O W I N



JSW Steel Limited

Q3 FY 2017-18 Results Presentation

January 31, 2018

Key highlights – Q3 FY18

Standalone performance

- ✓ Highest ever Crude Steel production: 4.11 million tonnes, up by 7% YoY
- ✓ Highest ever Saleable Steel sales: 3.97 million tonnes, up by 9% YOY
- ✓ Highest ever Operating EBITDA : ₹3,573 crores, up by 29% YoY
- ✓ Highest ever PAT : ₹1,126 crores
- ✓ Net Debt to Equity: 1.53x and Net Debt to EBITDA: 3.40x

Consolidated performance

- ✓ Highest ever Saleable Steel sales: 4.03 million tonnes, up 12% YoY
- ✓ Highest ever Operating EBITDA ₹3,851 crore and PAT ₹1,774 crores
- ✓ Net Debt to Equity: 1.68x and Net Debt to EBITDA: 3.32x

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Agenda

Business
Environment

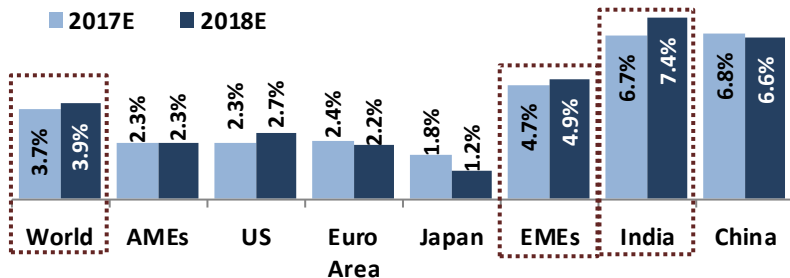
Operational
Performance

Financial
Performance

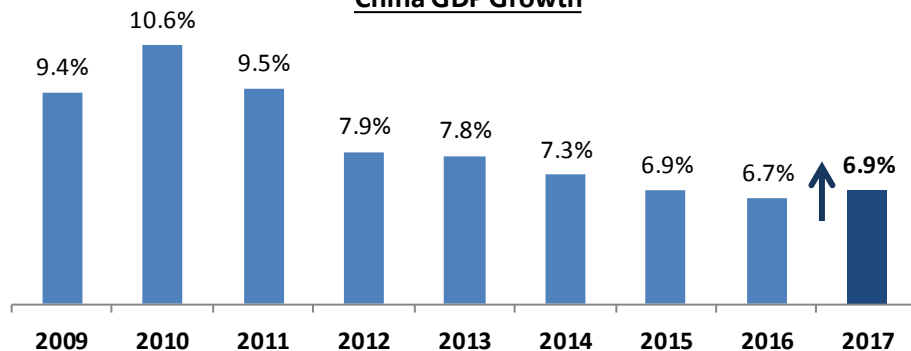
Appendix

Global economy

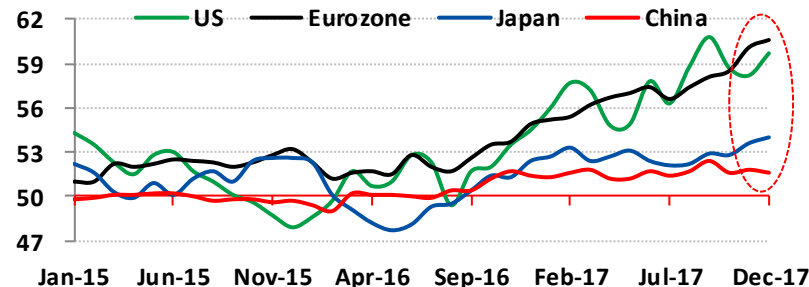
GDP growth - IMF projections for 2017 and 2018 (%YoY)



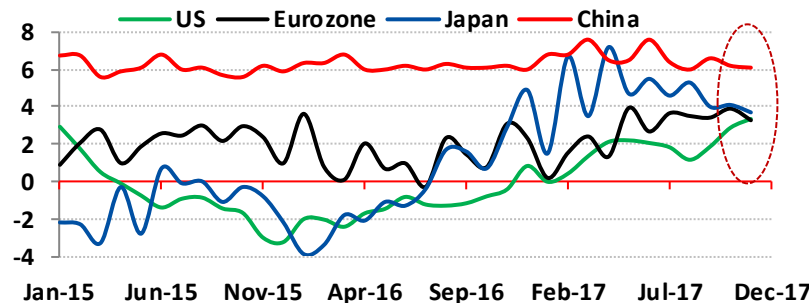
China GDP Growth



Manufacturing PMI



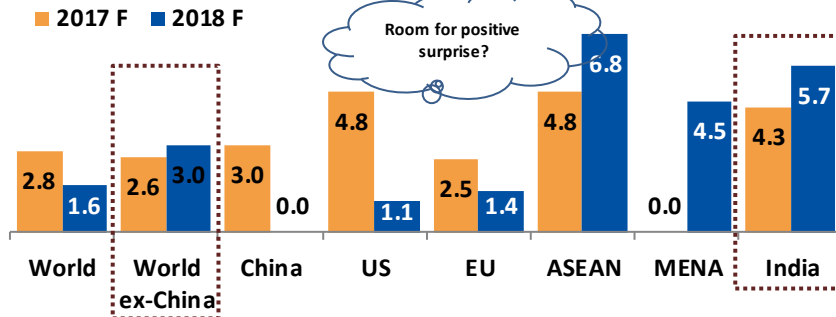
Index of Industrial Production (% YoY)



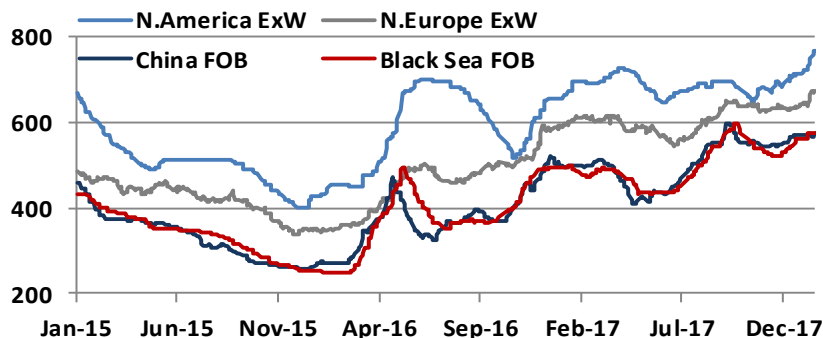
Global growth is firming up with broad based recovery across emerging and developed markets

Global steel scenario

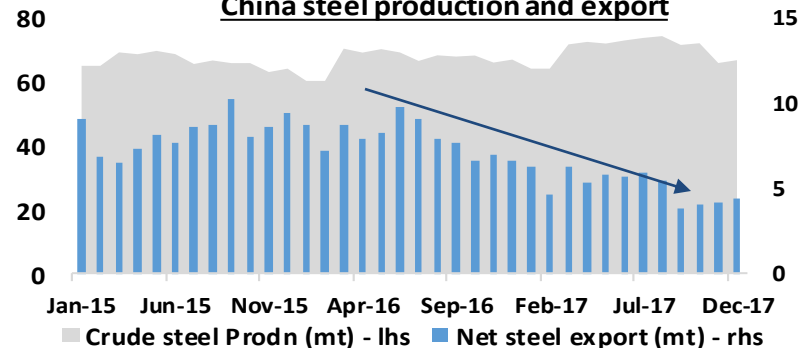
Global finished steel demand growth estimates (%YoY)



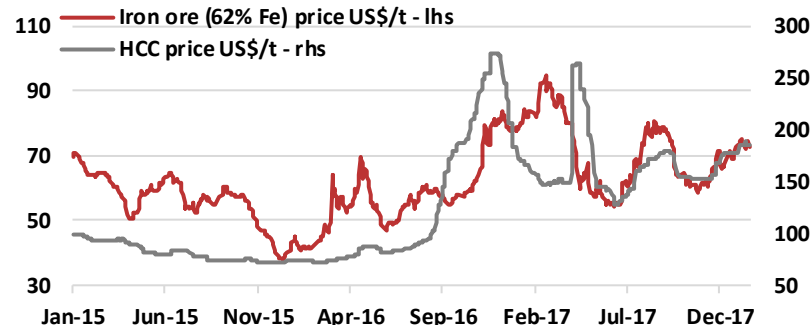
HRC prices US\$/t



China steel production and export



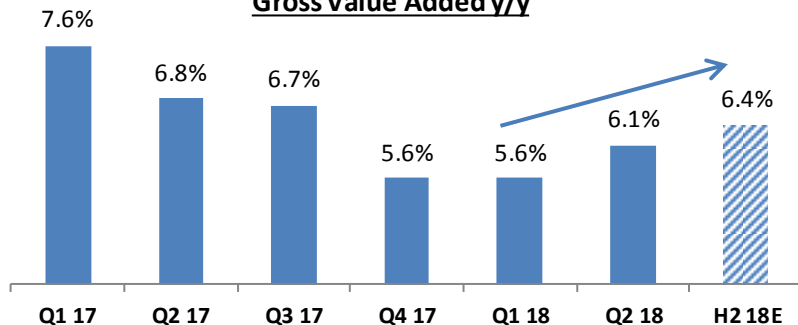
Raw material price trend



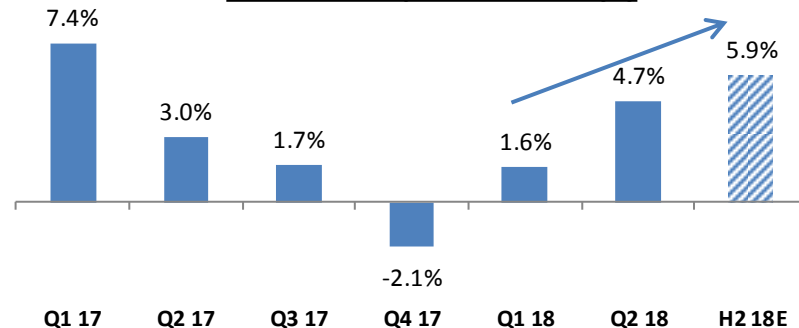
Global steel prices are buoyant with declining exports from China and firm raw material prices

Indian economy

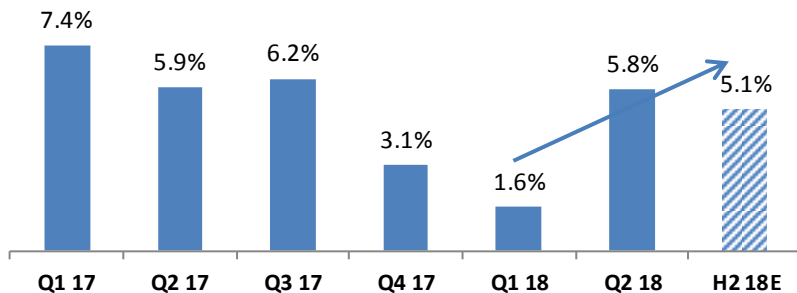
Gross Value Added y/y



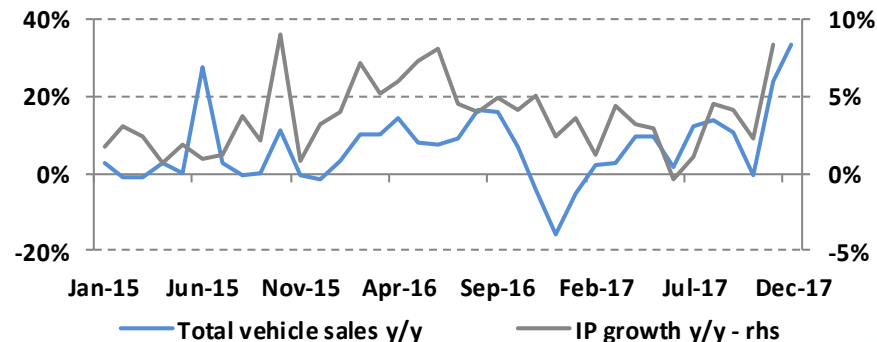
Gross Fixed Capital Formation y/y



Industry (GVA) Growth y/y

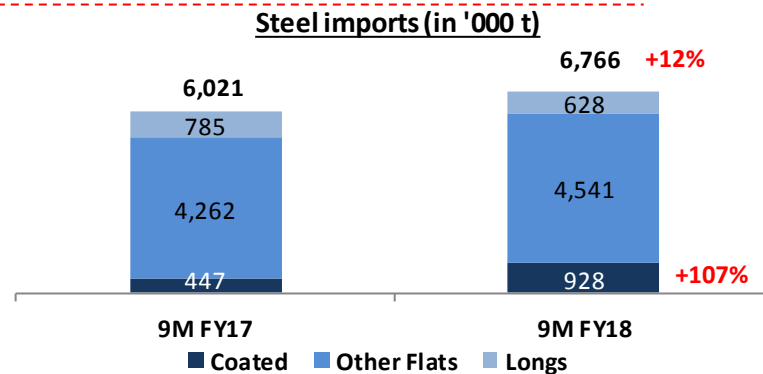
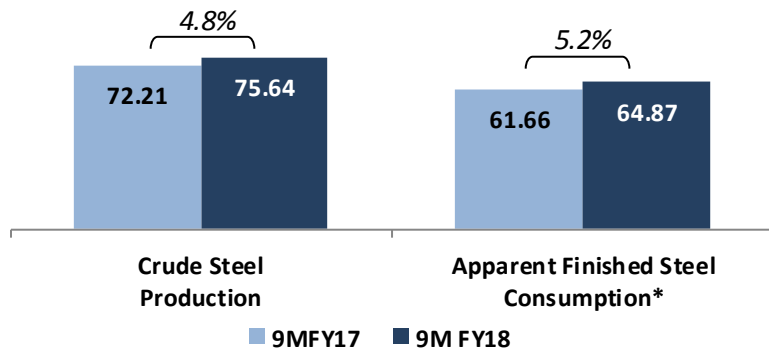


Vehicle sales and Industrial production picking up



Economic activity momentum picking up post structural reforms

Indian steel industry



- Domestic steel prices are still lagging international prices
- Imports from Korea, China and Japan constituted ~70% of total imports
- Imports of flat products increased by 16% YoY. Coated products imports surged 107% YoY pressurising domestic manufacturers. Imports of colour coated products increased by a staggering 250% YoY.
- Steel demand growth improved, largely due to the base effect. However, steel consumption is expected to grow strong on the back of government push for infrastructure projects and strengthening consumer demand.

Domestic demand outlook is strengthening

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Agenda

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Environment

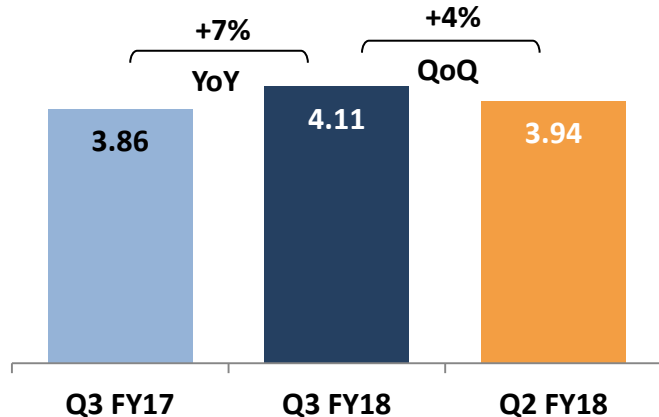
Operational
Performance

Financial
Performance

Appendix

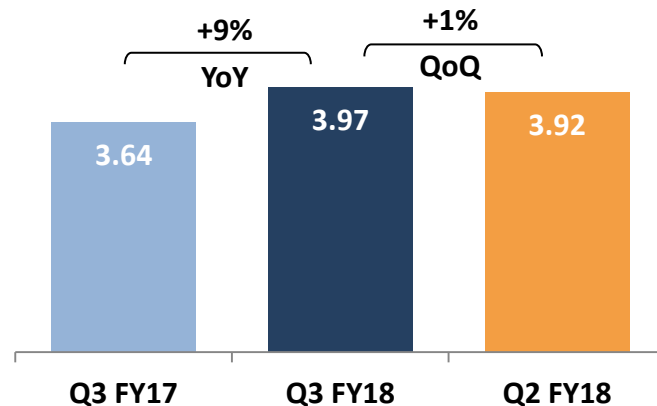
Quarterly volumes – standalone

Crude Steel Production



	Q3 FY17	Q3 FY18	Q2 FY18
Flat	2.83	2.81	2.89
Long	0.74	0.88	0.77

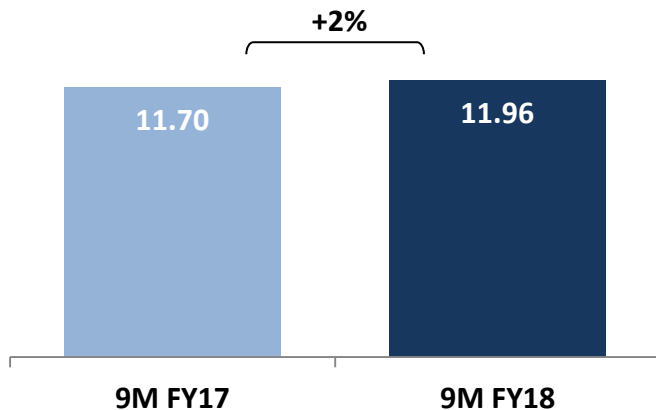
Steel Sales



	Q3 FY17	Q3 FY18	Q2 FY18
Flat	2.79	2.80	2.83
Long	0.73	0.90	0.86
Semis	0.12	0.27	0.24

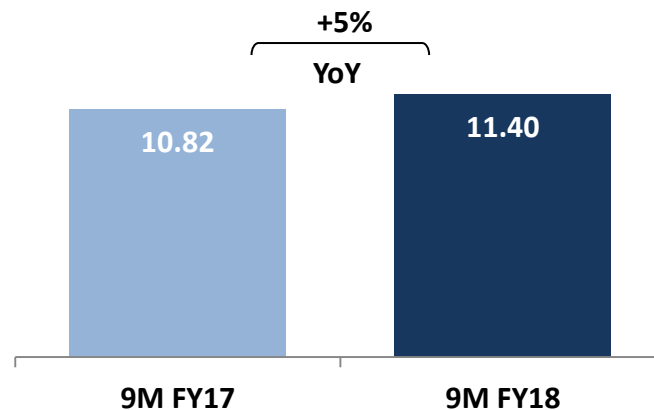
9 months volumes – standalone

Crude Steel Production



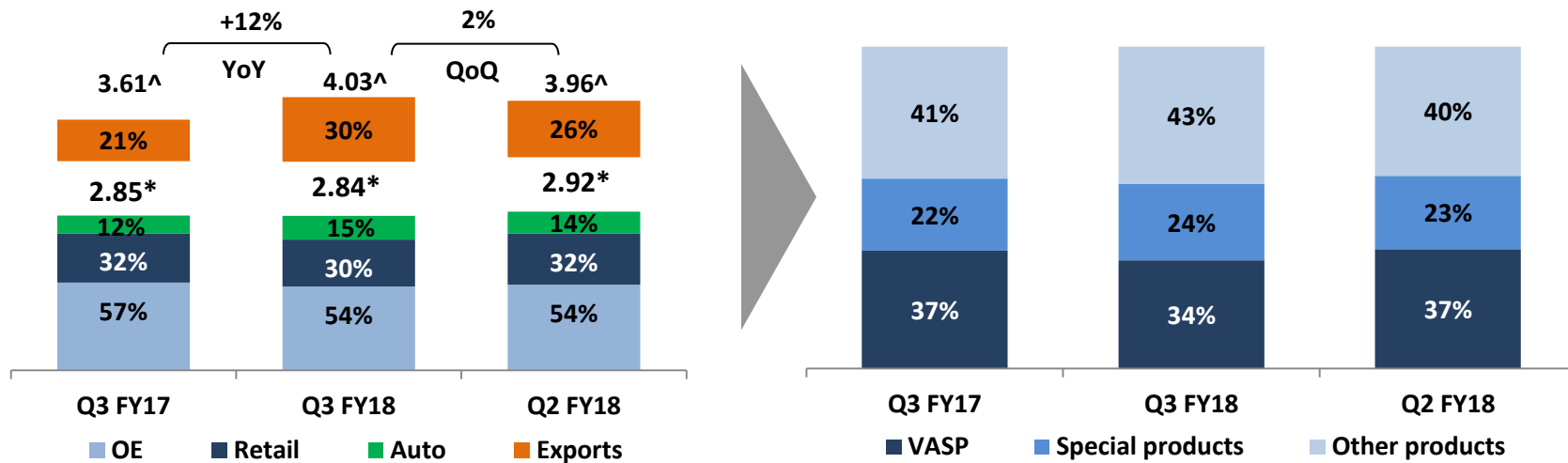
	9M FY17	9M FY18
Flat	8.43	8.46
Long	2.39	2.48

Saleable Steel Sales



	9M FY17	9M FY18
Flat	8.07	8.20
Long	2.28	2.51
Semis	0.47	0.69

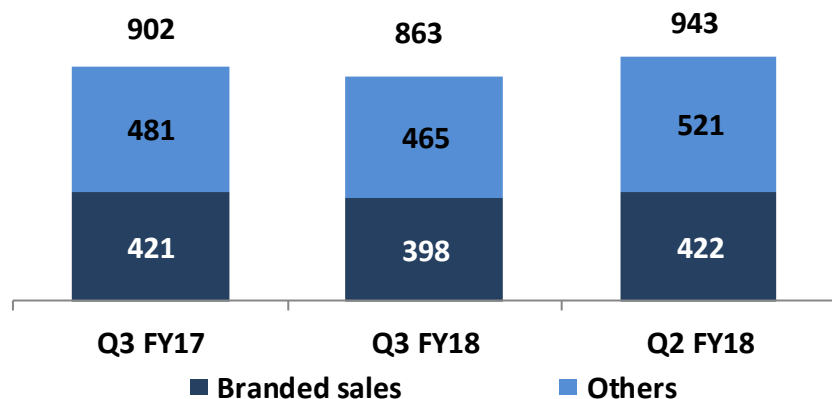
Quarterly sales highlights – consolidated



- ✓ Overall sales volumes grew 12%YoY
- ✓ Overall Value added & special products (VASP) and Special products sales grew by 8%YoY (57% of overall sales)
- ✓ Sales to Automotive customers grew by 30% YoY while automotive production grew by 16%

Achieved highest ever sales volume

Retail segment highlights for Q3 FY18



- ✓ Added 100 new Retailers to the network taking total Retailer count to 8,600 (exclusive and non-exclusive). JSW now has footprint across 575 districts.
- ✓ Direct sales to end customers have grown by 27% YoY (Neo Steel and Coloron+)
- ✓ Organised 'Mega Engineering Conference', where 700 engineers attended
- ✓ Engaged with 7500+ influencers



Front Side



Back Side

New Product Launched : JSW Everglow

- First time warranty to end consumer
- Different colour options at the back side
- Superior substrate and paint coating, at premium price point

New Product/Grade approvals in Q3 FY18

S700MC(HR)



Bus/Truck Long Member

HSLA (CRCA)



Car Seating Tracks

SAE 4122(Alloy Steel)



Integral Gear/ Helical Gear

94B17(Alloy Steel)



Crown Wheel

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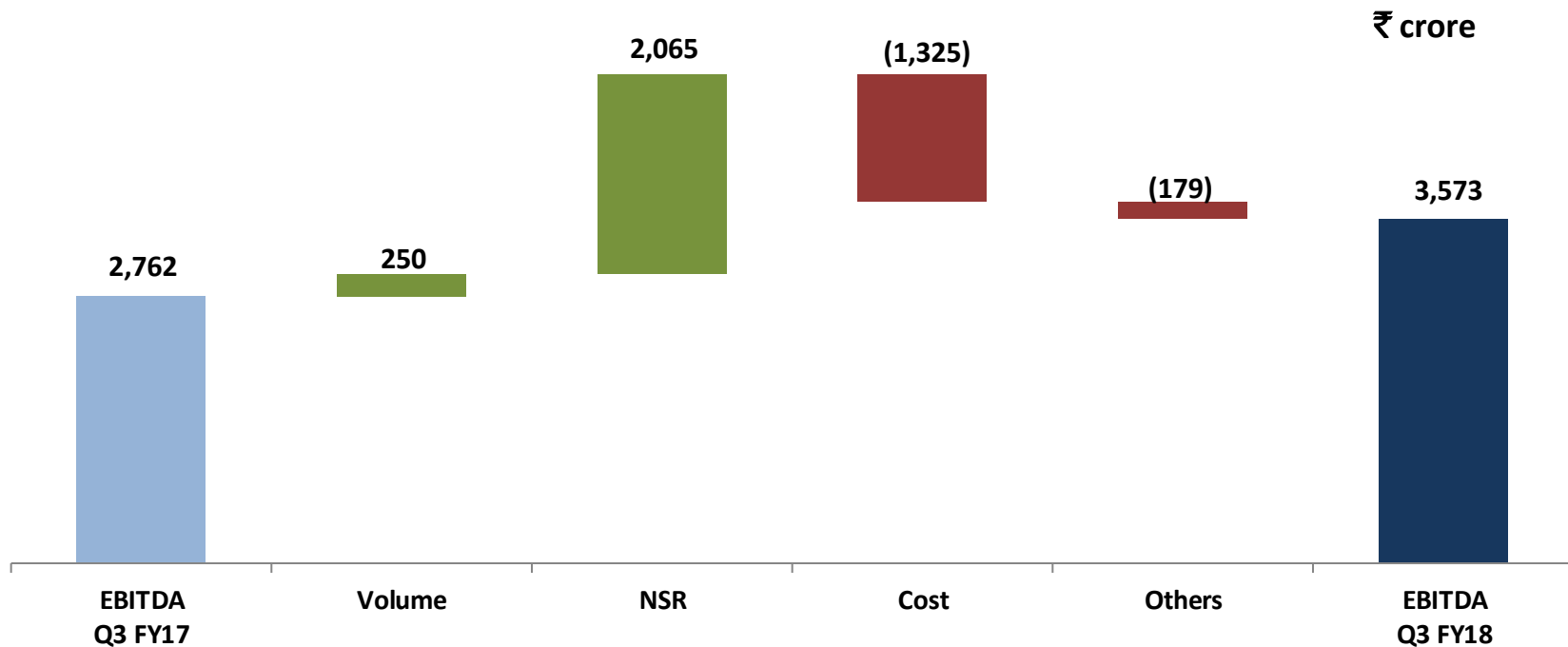
Appendix

Financials – standalone

₹ crore

Particulars	Q3 FY18	Q2 FY18	Q3 FY17	9M FY18	9M FY17
Revenue from operations	16,453	14,986	14,583	46,535	39,962
Operating EBITDA	3,573	2,927	2,762	8,698	8,539
Other Income	43	49	78	140	174
Finance Cost	892	919	901	2,718	2,680
Depreciation	769	772	747	2,273	2,240
Profit Before Exceptional Items and Tax	1,955	1,285	1,192	3,847	3,793
Exceptional Items	234	-	-	234	-
Tax	595	440	373	1,223	1,220
Profit after Tax	1,126	845	819	2,390	2,573
Diluted EPS (₹)*	4.66	3.50	3.39	9.89	10.65

Operating EBITDA movement – standalone



Operational performance – JSW Steel Coated Products

Million tonnes

Volumes	Q3 FY18	Q2 FY18	Q3 FY17	9M FY18	9M FY17
Production	0.35	0.43	0.43	1.22	1.29
Sales	0.51	0.59	0.43	1.59	1.27

₹ crore

Key P&L data	Q3 FY18	Q2 FY18	Q3 FY17	9M FY18	9M FY17
Revenue from Operations	3,034	3,416	2,437	9,510	7,020
Operating EBITDA	90	141	142	436	468
Profit after Tax	18	53	55	188	208

Operational performance – US Plate & Pipe Mill

Production (net tonnes)	Q3 FY18	Q2 FY18	Q3 FY17	9M FY18	9M FY17
Plate Mill	59,623	52,315	42,291	1,77,428	1,28,937
Utilization (%)	24%	22%	18%	24%	18%
Pipe Mill	15,109	11,488	11,585	38,159	28,432
Utilization (%)	11%	8%	8%	9%	7%

Sales (net tonnes)	Q3 FY18	Q2 FY18	Q3 FY17	9M FY18	9M FY17
Plate Mill	41,486	49,226	31,009	1,43,121	89,477
Pipe Mill	16,044	11,822	11,544	39,860	29,726

USD mn

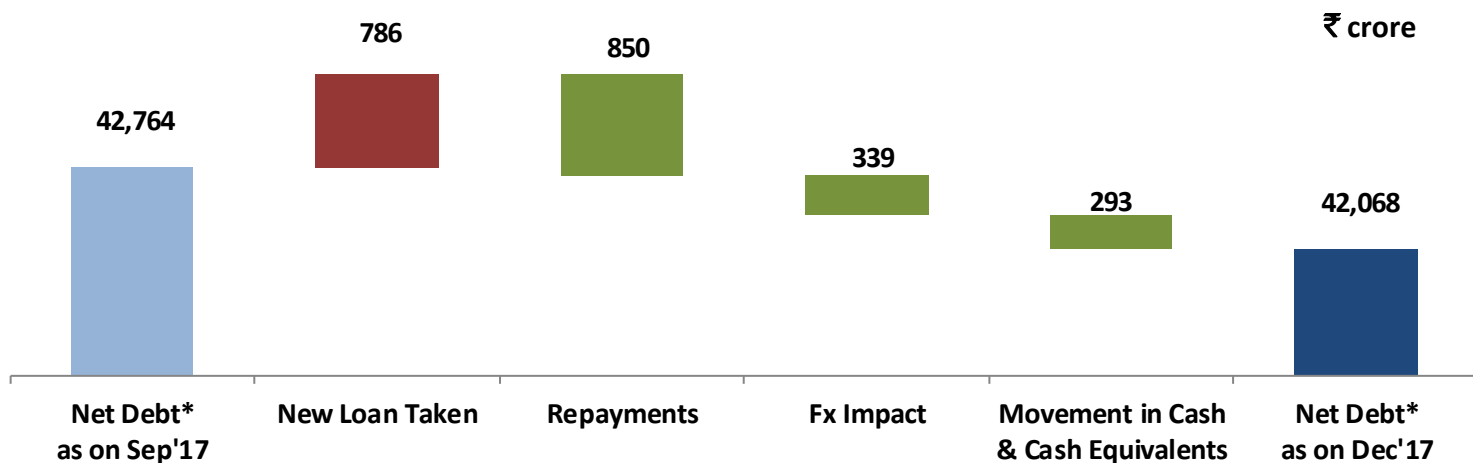
Key P&L data	Q3 FY18	Q2 FY18	Q3 FY17	9M FY18	9M FY17
Revenue from Operations	55.20	54.24	32.37	168.11	94.94
EBITDA	3.86	1.00	(4.36)	9.97	(9.58)

Financials – consolidated

₹ crore

Particulars	Q3 FY18	Q2 FY18	Q3 FY17	9M FY18	9M FY17
Revenue from operations	17,861	16,848	15,312	50,686	42,619
Operating EBITDA	3,851	3,036	2,821	9,504	9,010
Other Income	42	39	33	122	96
Finance Cost	923	950	921	2,818	2,821
Depreciation	852	851	868	2,522	2,552
Profit Before Exceptional Items and Tax	2,118	1,274	1,065	4,286	3,733
Exceptional Items	264	-	-	264	-
Tax	94	445	351	823	1,275
Share of Associates and Joint Ventures	14	7	2	35	1
Profit after Tax	1,774	836	716	3,234	2,459
Diluted EPS (₹)*	7.25	3.47	3.02	13.31	10.61

Net debt movement – consolidated



Particulars	31.12.2017	30.09.2017
Cash & cash equivalent (₹ crore)	1,456	1,163
Net Debt/Equity (x)	1.68	1.87
Net Debt/EBITDA (x)	3.32	3.67

Q3 FY18 Results – Drivers of Performance

Volumes	<ul style="list-style-type: none"> Production volume increased 4% QoQ, aided by a 13% QoQ increase in long products driven by higher utilisation at Dolvi and improved water availability at Salem Consolidated Sales volume increased by 2% QoQ, driven by 14% QoQ increase in Export volumes
Realisation	<ul style="list-style-type: none"> Average sales realisation increased ~5% QoQ driven by higher steel prices (both flats and longs) in both domestic and export markets Sales of value added and special products improved with higher share in automotive sector
Operating Costs	<ul style="list-style-type: none"> Blended coking coal prices increased by ~US\$6 per ton Hike in domestic Iron ore prices led to an increase in blended iron ore costs Surge in prices of other key inputs like electrodes and refractories led to higher conversion costs
Finance costs	<ul style="list-style-type: none"> Borrowings reduced by Rs 696 crore during the quarter, mainly due to favourable Fx movement and repayments Weighted Average Cost of Funds lower by ~23 bps
Exceptional Items	<ul style="list-style-type: none"> Impairment of Assets and Goodwill at Chile iron ore mine
Tax Expenses	<ul style="list-style-type: none"> Change in US Federal Tax laws led to a Deferred Tax Liability reversal in the US Business
Subsidiaries	<ul style="list-style-type: none"> JSW Coated Steel performance impacted by lower volumes due to planned shutdowns and lagged transmission of substrate pricing to end customers US Plate & Pipe Mill utilisations higher QoQ post a subdued Q2 FY18 which was impacted by hurricanes

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Outlook

- ❖ Domestic economic activity likely to see an uptick post the slowdown induced by key structural reforms
-
- ❖ Government impetus on infrastructure investment and better credit delivery (bank recapitalisation) likely to boost steel demand. Roads and highways, railways, metro projects, water and energy pipelines, irrigation, affordable housing, etc. should be the key drivers of growth.
-
- ❖ A sharp increase in raw material prices has put tremendous pressure on costs – increase in steel prices should alleviate cost impact to some extent
-
- ❖ Moderation in Chinese exports should lend support to stabilisation of global steel prices amid improving demand across the world
-
- ❖ Resolution of stressed assets and likely industry consolidation to improve industry competitiveness

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Appendix

JSW Steel Branded Portfolio



JSW Everglow
Advanced Roofing Technology
Beautiful Inside, Beautiful Outside

JSW Colouron+
Premium Al-Zn Colour Coated Sheets
Roofs that add beauty to your home

JSW Galvos
Premium GALVALUME
Coil & Sheets

Cost-effective Galvalume sheets
that stand the test of time

JSW Galveco
Lead Free Galvanised Sheets

100% eco-friendly galvalume sheets

JSW Colouron
Premium Al-Zn Colour Coated Sheets
Excellent and innovative
mix of colour and durability

JSW Pragati
Colour Coated Sheets
Cost-effective coloured roofing solutions



JSW Trusteel
Premium Hot Rolled Sheets

JSW Neosteel
Pure TMT Bars
Foundation to every strong structure

JSW Vishwas
Premium GC Sheets
Finest quality steel roofs

JSW Vishwas+
Premium AL-Zn Sheets
Anti-corrosive sheets
that stand the test of time



JSW PEHAL
Steel Toilet
Quality sanitation is everyone's right

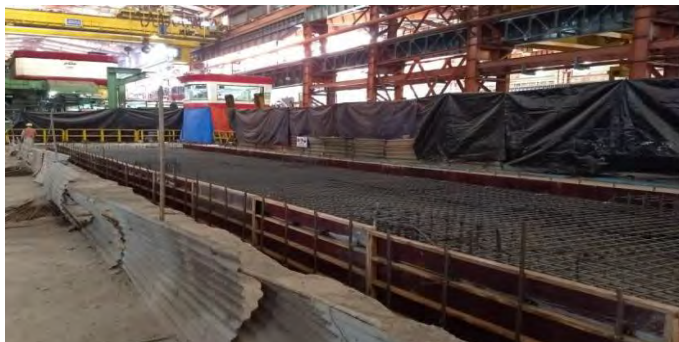
Project updates

Dolvi – 5 to 10mtpa expansion



- Doubling steel making capacity from 5mtpa to 10mtpa
- To enhance capacity of flat products portfolio
- Expected project cost Rs15,000 crores – implying capital outlay of ~\$470/t*
- Expected commissioning by March, 2020

Vijayanagar CRM expansion



- CRM1 complex capacity expansion from 0.85mtpa to 1.80 mtpa
- Two CGL lines of 0.45mtpa each
- New 1.2mtpa Continuous Pickling line
- Expected project cost Rs2,000 crores
- Expected commissioning by September, 2019

Key project updates

Pipe conveyor at Vijayanagar



- For environment friendly and low cost transportation of iron ore from mines to the plant
- Capacity of 20mtpa
- Expected project cost Rs650 crores
- Expected commissioning by June, 2018

Tinplate mill at Tarapur



- To cater to the growing market of tinplate for packaging industry
- Capacity of 0.2mtpa
- Expected project cost Rs650 crores
- Expected commissioning by June, 2018

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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.

Thank you