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JSWSL: SECT: MUM: SE: 2019-20

July 26, 2019

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 Q1 FY 2019-20 ended on 30.06.2019.

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

Thanking you,

Yours faithfully,
For **JSW STEEL LIMITED**


Lancy Varghese
Company Secretary



A Vision to Execute Better.

Everyday.

JSW Steel Limited
Q1 FY 2019-20 Results Presentation
July 26, 2019

Key highlights – Q1 FY20



Consolidated performance

- ✓ Revenue from operations : ₹ 19,812 crore
- ✓ Operating EBITDA : ₹ 3,716 crore
- ✓ Net Profit : ₹ 1,008 crore
- ✓ Net Debt to Equity : 1.35x and Net Debt to EBITDA : 2.72x
- ✓ Diluted Earning Per Share : ₹ 4.25 per share

Operational performance

- ✓ Secured 3 more captive iron ore mines in Karnataka auctions
- ✓ Operationalised 4th captive (out of 6 existing) iron ore mine
- ✓ Pipe conveyor for iron ore transportation in Vijayanagar fully operationalised

Other highlights

- ✓ Ranked 7th amongst Top 34 World Class Steelmakers by World Steel Dynamics
- ✓ Dolvi Works wins “Digitalization Award” in the 7th CII National Excellence Practice Competition



Agenda



Business
Environment

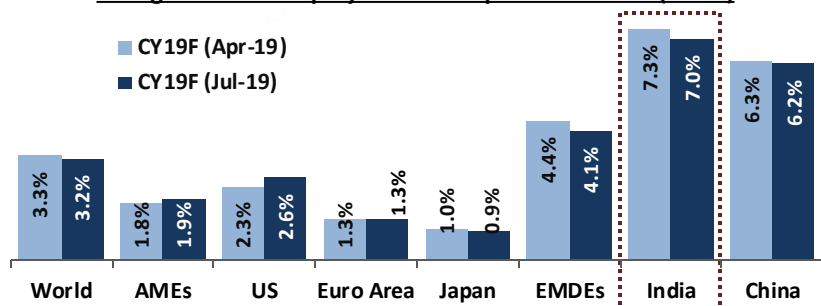
Operational
Performance

Financial
Performance

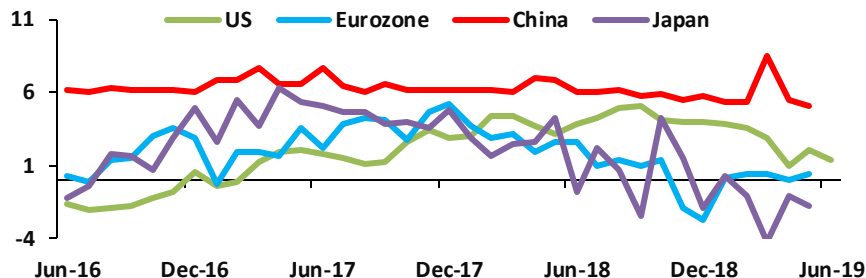
Projects Update

Global economy

GDP growth - 2019 projections in Apr and Jul 2019 (%YoY)



Index of Industrial Production (%YoY)



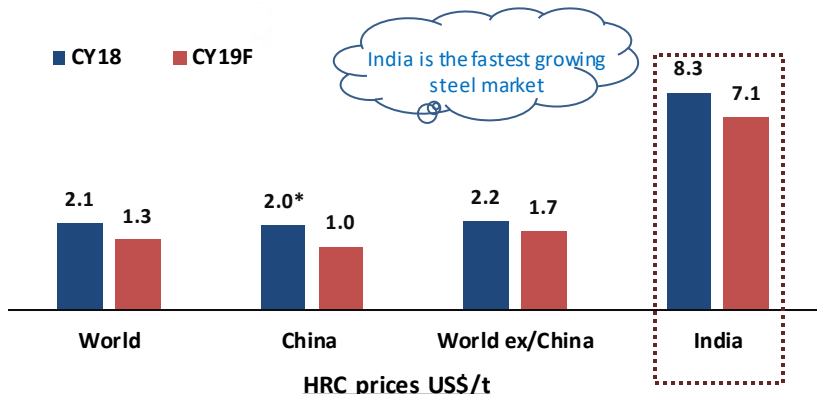
- IMF's Global GDP forecast for 2019 revised to 3.2% from 3.3% earlier
- Despite tight labor markets, US growth outlook has softened. Fed's recent commentary and dovish stance signals possible interest rate cuts in near future
- Euro area growth remains weak on the back of contraction in industrial growth, subdued private consumption and trade / political uncertainties
- Japan faces headwinds of external trade weakness and softening domestic consumption
- Chinese growth remained stable in Q2 CY2019. Calibrated fiscal and monetary policy measures likely to support growth
- Resolution of trade tensions to stabilise global growth – geopolitical tensions are added risks

Recovery to be underpinned by resolution of trade tensions and accommodative central bank policy measures

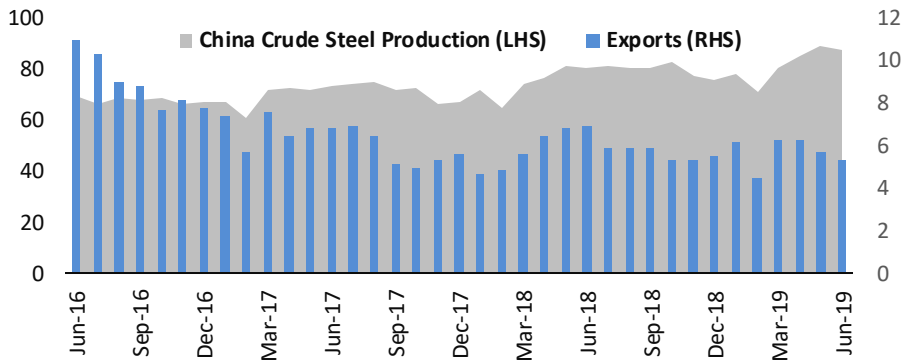
Source: IMF (July 2019), Eurostat, METI Japan, Federal Reserve, NBS China

Global steel

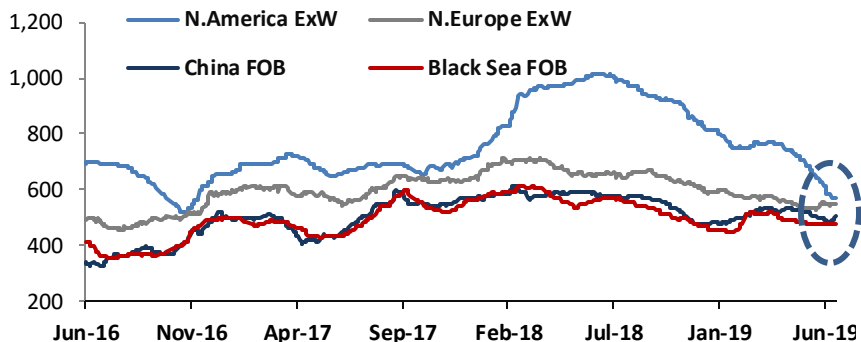
Global finished steel demand growth estimates (%YoY)



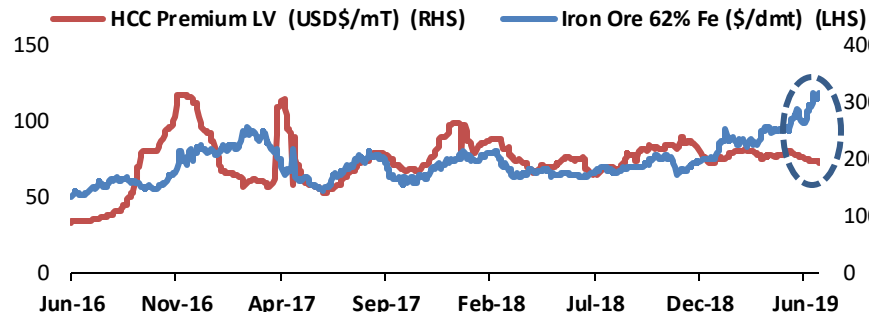
China Steel Production and Export



HRC prices US\$/t



Raw Material Price Trend



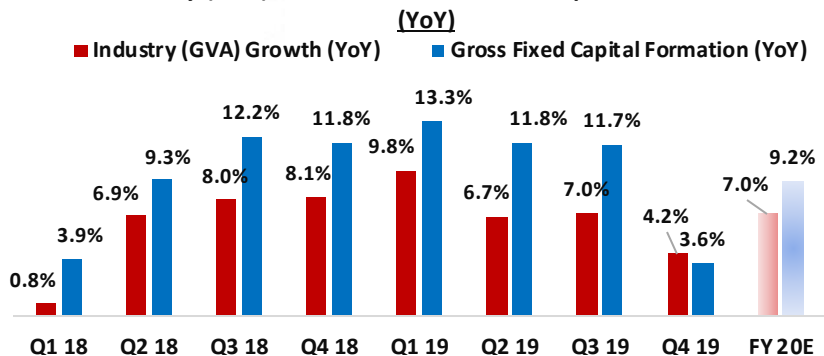
Steel supply-side calibration expected to be supportive for steel spreads

Source: WSA, Bloomberg, Platts

Note: * China continued to close most of its outdated induction furnaces in 2017, a category which was not captured in official statistics. While nominal steel demand growth in 2018 stood at 7.9%, the dynamics of steel using sectors suggest growth of 2.0% in real terms. Accordingly, real global growth in 2018 is 2.1%.

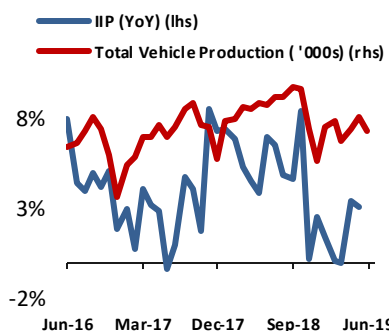
Indian economy

Industry (GVA) Growth and Gross Fixed Capital Formation (YoY)

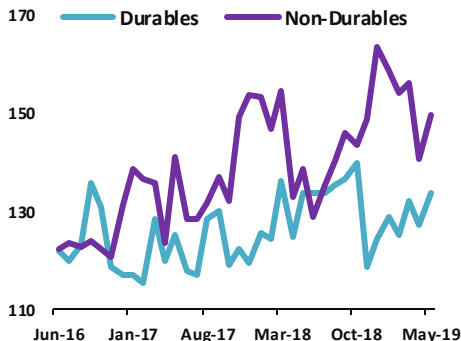


- Economic activities during the quarter were weak, mainly driven by a general lack of credit availability
- Gross fixed capital (GFC) formation has slowed down, but structurally it is likely to expand and gain momentum given the government's thrust on building infrastructure through higher public investing
- IIP growth and manufacturing PMI has weakened
- Weaker automotive volumes pose a further down side risk and near term outlook is mixed. Consumer durables outlook is mixed due to lower penetration.
- Government's announced outlays in budget is positive for the underlying consumer and rural demand
- Sub-par monsoon is a source of risk , while interest rates have downward bias

Total Vehicle Production vs. IIP



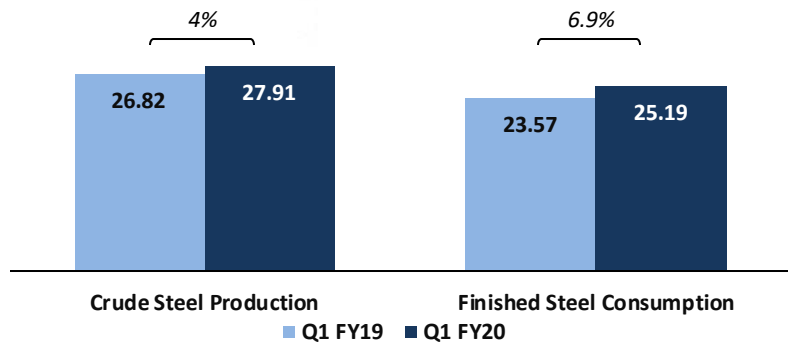
IIP - Use Based (Consumer)



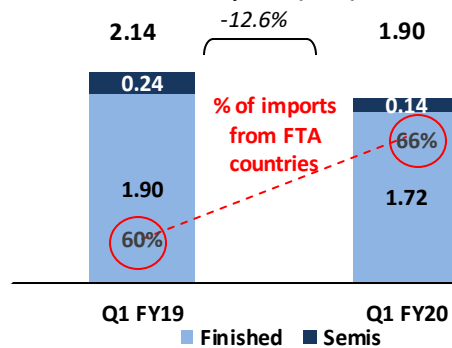
Higher government spend to spur investment demand, ensuring timely access to credit will be key

Indian steel – Q1 FY20

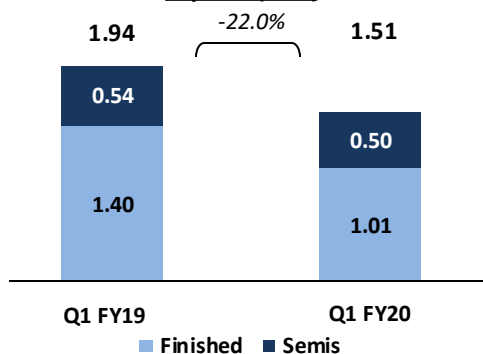
Production and Consumption (mt)



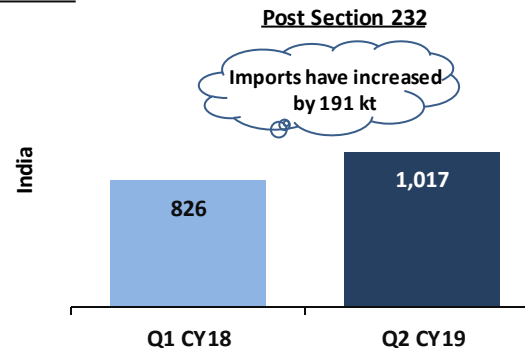
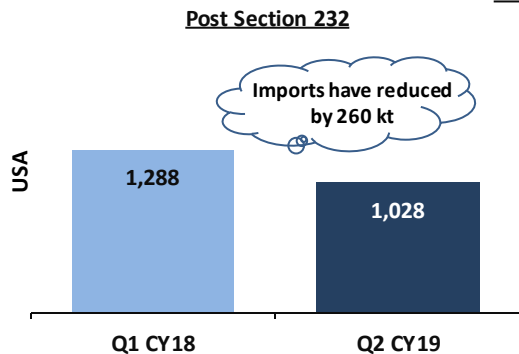
Imports (Mnt)



Exports (Mnt)



Exports (kt) from Japan and South Korea



Imports from FTA countries at zero duty causing injury to domestic industry and need effective remedial measures



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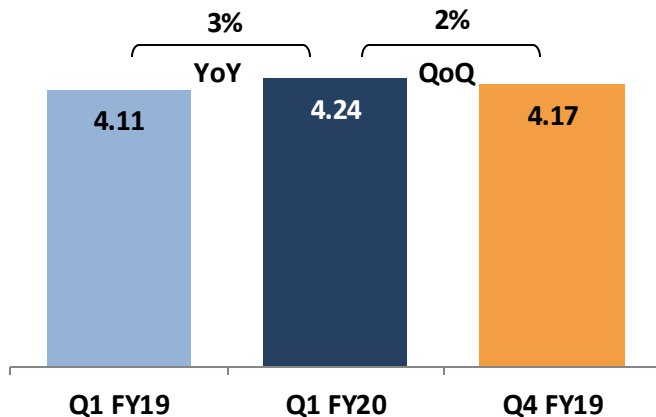
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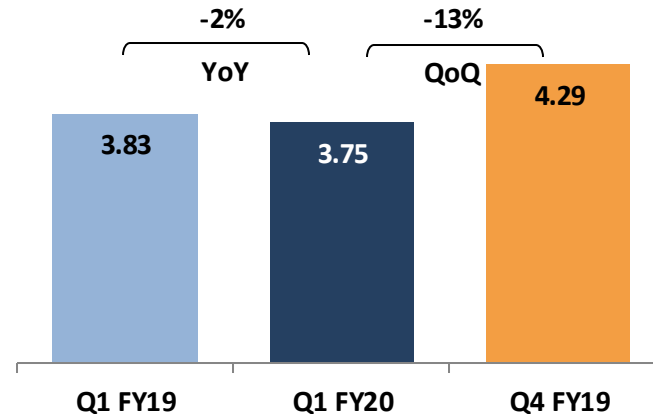
Quarterly volumes- standalone

Crude Steel Production



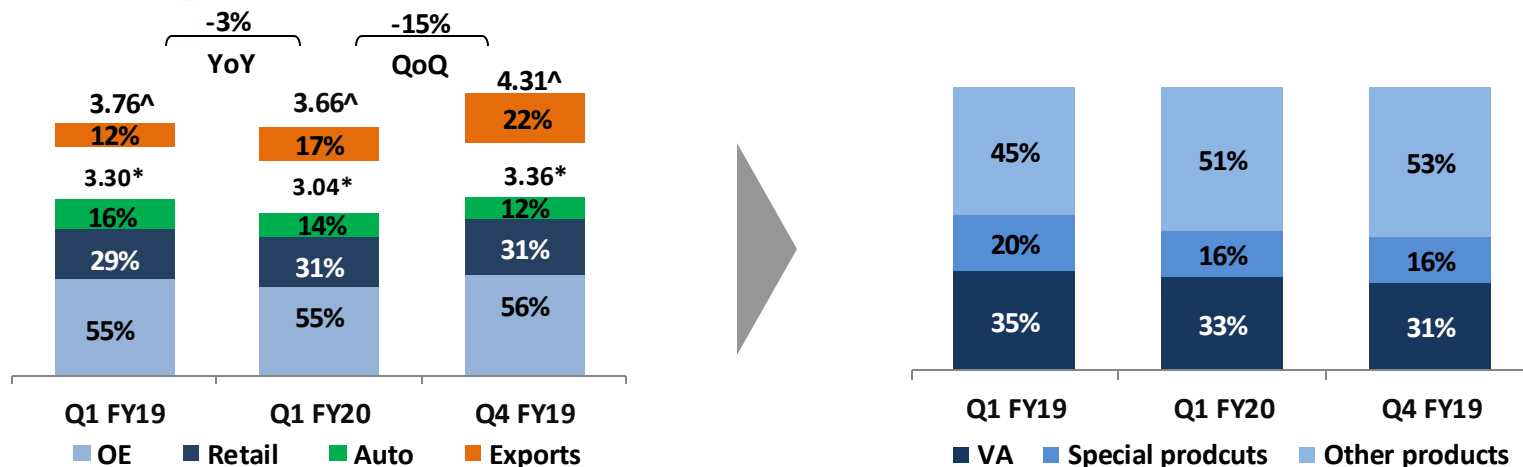
	Q1 FY19	Q1 FY20	Q4 FY19
Flat	2.87	2.91	3.01
Long	0.93	1.05	0.99

Steel Sales



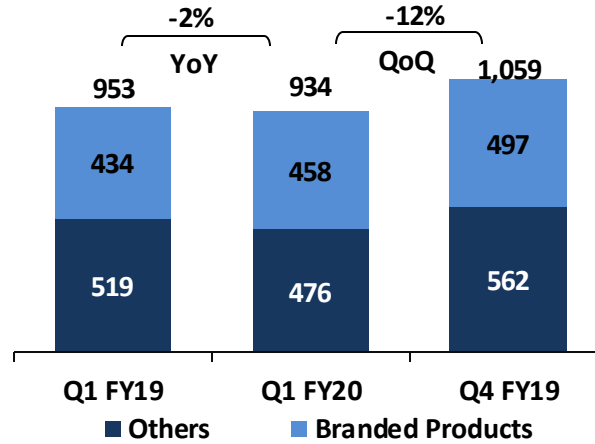
	Q1 FY19	Q1 FY20	Q4 FY19
Flat	2.73	2.67	3.08
Long	0.87	0.93	1.04
Semis	0.23	0.15	0.18

Quarterly sales highlights – consolidated



- ✓ Exports increased by 34% YoY
- ✓ Domestic sales declined due to weaker economic activity and general lack of credit availability
- ✓ Automotive Steel Sales increased by 4.6% QoQ, despite an overall decline in Passenger and Commercial Vehicle Production

Retail segment highlights



All figures in charts are in kt

- ✓ Branded Sales volume increased by 5.6% YoY
- ✓ Retail sales decreased by 2.3% YoY due to sluggish demand and tight liquidity conditions
- ✓ Engaged with over 5,200 influencers and contacted 3,000+ end consumers

Product/ Grade approved in Q1 FY20

65C350(Electrical Steel)



Electric Motor

65C1000(Electrical Steel)



General purpose geared motor

50SP890(Electrical Steel)



Alternator

SAE 1055M(Long Product)



Shaft Forging

SA 836(Long Product)



Rings for reactor system

ASME SA675(Long Product)



Forgings for pipe hangers



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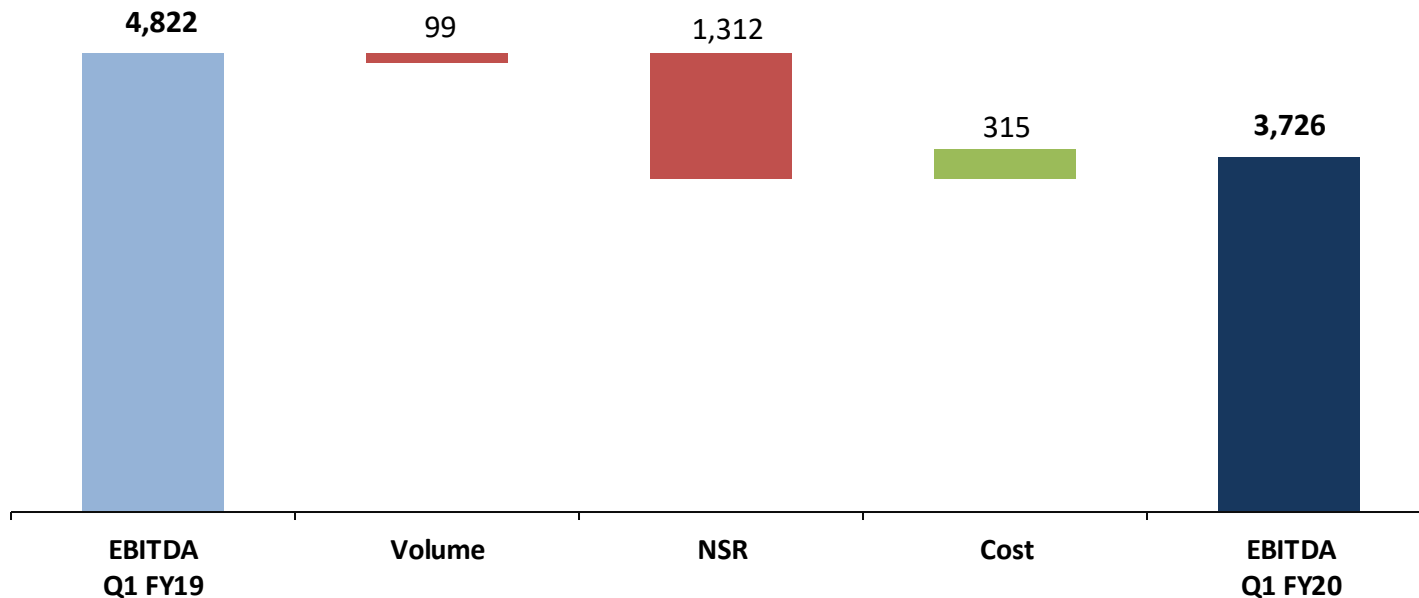
Financials – standalone

₹ crore

Particulars	Q1 FY20	Q1 FY19	Q4 FY19
Revenue from operations	17,499	18,964	19,701
Operating EBITDA	3,726	4,822	4,341
Other Income	162	167	83
Finance Cost	963	866	956
Depreciation	806	819	865
Profit Before Tax	2,119	3,304	2,603
Tax	696	966	858
Profit after Tax	1,423	2,338	1,745
Diluted EPS (₹)*	5.89	9.67	7.22

Operating EBITDA movement – standalone

₹ crore



Operational performance – JSW Steel Coated Products



Million tonnes

Volumes	Q1 FY20	Q1 FY19	Q4 FY19
Production (Galvanised / Galvalume)	0.43	0.43	0.43
Sales	0.45	0.43	0.49

₹ crore

Key P&L data	Q1 FY20	Q1 FY19	Q4 FY19
Revenue from Operations	2,990	3,031	3,184
Operating EBITDA	172	122	86
Profit after Tax	70	42	7

Operational performance – US Plate & Pipe Mill

Production (net tonnes)	Q1 FY20	Q1 FY19	Q4 FY19
Plate Mill	83,516	80,777	81,290
<i>Utilization (%)</i>	36%	35%	34%
Pipe Mill	23,093	14,021	22,996
<i>Utilization (%)</i>	17%	10%	17%

Sales (net tonnes)	Q1 FY20	Q1 FY19	Q4 FY19
Plate Mill	57,032	65,809	63,890
Pipe Mill	23,195	14,574	23,785

USD mn

Key P&L data	Q1 FY20	Q1 FY19	Q4 FY19
Revenue from Operations	98.61	91.82	114.78
EBITDA	2.00	10.69	5.83

Update on Key Subsidiaries / JV



JSW Steel USA Ohio	<ul style="list-style-type: none">▪ Production of 80,037 net tonnes and sales volume of 71,362 net tonnes▪ EBITDA (loss) of US\$36.12 million, including inventory write down of \$18.95million
JSW Steel Italy (Aferpi)	<ul style="list-style-type: none">▪ Production of 154,486 tonnes and sales volume of 154,764 tonnes▪ EBITDA (loss) of Euro 4.16 million
Monnet Ispat and Energy Limited (JV of AION Capital and JSW Steel Ltd)	<ul style="list-style-type: none">▪ Steel making operations were impacted by maintenance shut down and repairs▪ Production from Blast Furnance expected to restart and ramp up during Q3 FY20▪ Pellet production of 431kt and DRI production of 215kt in Q1 FY20

Financials – consolidated

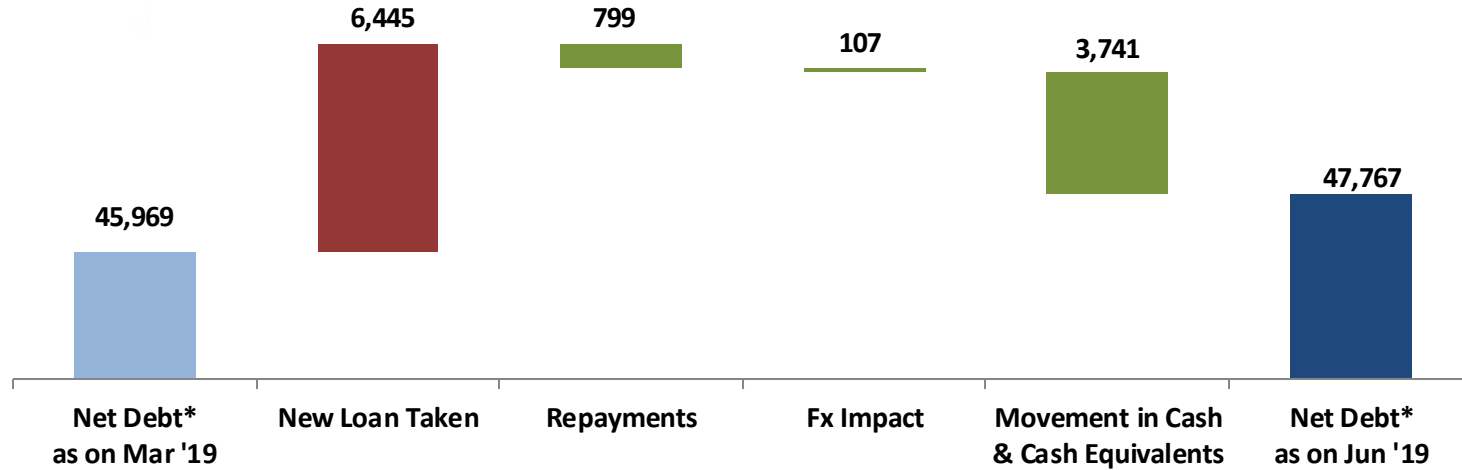


₹ crore

Particulars	Q1 FY20	Q1 FY19	Q4 FY19
Revenue from operations	19,812	20,519	22,368
Operating EBITDA	3,716	5,105	4,440
Other Income	141	58	53
Finance Cost	1,042	887	1,046
Depreciation	1,026	905	1,084
Profit Before Tax	1,789	3,371	2,363
Tax	762	1,053	835
Share of Joint Ventures	(19)	21	(33)
Profit after Tax	1,008	2,339	1,495
Diluted EPS (₹) *	4.25	9.79	6.31

Net debt movement – consolidated

₹ crore



Particulars	30.06.2019	31.03.2019	30.06.2018
Net Debt (crore)	47,767	45,969	39,090
Cash & cash equivalent (crore)	10,010	6,269	1,904
Net Debt/Equity (x)	1.35	1.34	1.32
Net Debt/EBITDA (x)	2.72	2.43	2.26

Drivers of Performance - Q1 FY20



Volumes	<ul style="list-style-type: none">Production volume at 4.24 Mnt, +3% YoY on higher utilization ratesConsolidated sales at 3.66 Mnt, lower by 3% YoY due to weaker economic activities during the quarterExports increased 34% YoY, accounting for 17% of total sales
Realisation	<ul style="list-style-type: none">Average Realisation declined YoY due to lower steel prices and unfavorable mix
Operating Costs	<ul style="list-style-type: none">Benefits from cost savings initiatives like increase in PCI (Pulverised Coal Injection) in blast furnaces, ramp up of supplies from captive mines and use of pipe conveyor to transport Iron ore at VijayanagarBenefits from substitution of external purchases of coke by captive coke oven batteries at DolviHigher fixed overheads
Other Income	<ul style="list-style-type: none">Higher treasury income driven by higher cash balance



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Dolvi – 5 to 10mtpa expansion

- Doubling steel making capacity from 5mtpa to 10mtpa
- To enhance capacity of flat products portfolio
- 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
- Commissioning in phases from September 2019



Pellet plant at Vijayanagar

- 8 MTPA Pellet plant
- Part of cost savings project
- Commissioning by March 2020



Coke Oven at Vijayanagar

- 1.5 MTPA Coke Oven battery
- Part of cost savings project
- Commissioning in FY2021



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

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