THE CHALLENGERS
Agenda

- Global Development
- Steel scenario
- Performance highlights
- Marketing highlights
- Project highlights
Mega boosters from Governments worldwide

**Massive Government Stimulus**
(Totaling ~ USD 1.96 trillion)

(US$ bn)

- USA 850
- China 586
- Russia 186
- Japan 105
- Germany 69
- Italy 8.0
- UK 29.7
- Korea 8.0
- Netherland 7.6
- Australia 7.4
- Hungary 6.9
- Mexico 5.8
- India 4.0
- Brazil 3.6
- Portugal 2.8
- Chile 2.0
- Sweden 1.8

**Global Response**
- Governments infusing capital into financial institutions
- Globally coordinated interest rate cuts
- IMF provides bridge loan to meet foreign exchange requirements
- Coordinated measures at G20 summit

Source: IDFC/SSKI
Easing liquidity, inflationary pressure off, commodity prices down...

Petroleum prices at Jan05 low

(U.S. dollars a barrel)

Sinking Commodity Price Indices

Headline inflation down

Lowering TED Spread

Source: IMF / Bloomberg
Indications of economic recovery

Improving business confidence

US Business confidence Index

Manufacturing Purchasing Managers Index

Smart money returning to market due to attractive valuation

World Stock Indices
% change from Dec 31st 2008 to Apr 29, 2009

Source: IMF / Bloomberg
Emerging economies to lead revival

GDP Growth y-o-y

Industrial Production Growth y-o-y

Retail Sales Growth y-o-y

Consumer prices Growth y-o-y

Source: IMF
Steel Scenario
Quick supply side corrections ensure no glut in market

World monthly crude steel production
(y-o-y % change)

Global Steel: Capacity utilization ( % )

Source: Worldsteel/ WSD
Widened spread between Production and Apparent consumption ...Indicating destocking of Inventory

Source: WSD
Global steel Industry tumbling down the cost curve... due to fall in raw material prices

World Cost Curve for Hot Rolled Band

Source: WSD
...Steel prices seem to have bottomed out.

Scrap price movement...

Steel price movement

Margins may not come under pressure

Source: Worldsteel
Indian - Scenario
India ... among the first to turn the corner

GDP growth est. (%)

GFCF % of GDP

Data for 2007

Industrial Production 2009F
(Y-o-Y % change)

Source: Citi investment research and analysis.

Source: OECD/IMF
India better placed than others

Y-o-Y % change in Crude Steel Production
(Jan 09-Mar 09)

Source: Bloomberg/ Worldsteel

Y-o-Y % change Infrastructure Index

India: Automobile sales (Mn)
Performance highlights
## Highlights

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Q4 FY09</th>
<th>FY 09</th>
<th>Q4 FY09 vs. Q4 FY08</th>
<th>FY 09 vs. FY 08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume: Crude Steel Production</td>
<td>0.966</td>
<td>3.724</td>
<td>- 3 %</td>
<td>3 %</td>
</tr>
<tr>
<td>: Saleable Steel</td>
<td>1.062</td>
<td>3.428</td>
<td>5 %</td>
<td>1 %</td>
</tr>
<tr>
<td>Net Sales</td>
<td>3,275.02</td>
<td>14,001.25</td>
<td>- 7 %</td>
<td>23 %</td>
</tr>
</tbody>
</table>

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<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>EBITDA Margin</td>
<td>15.1 %</td>
<td>21.8 %</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>Rs. 503 Cr.</td>
<td>Rs. 3,093 Cr.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Profit</td>
<td>Rs. 49 Cr.</td>
<td>Rs. 458 Cr.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Production – Q4 FY09

-3% 24%
YoY % QoQ %

Q4 '08, 0.993 Q4 '09, 0.966 Q3 '09, 0.782

Rolled : Flat
7% 33%
YoY % QoQ %

Q4 '08, 0.775 Q4 '09, 0.826 Q3 '09, 0.622

Rolled : Long
-3% 6%
YoY % QoQ %

Q4 '08, 0.09 Q4 '09, 0.087 Q3 '09, 0.082

Crude Steel

All No are in Mn Tonnes

36% 21%
YoY % QoQ %

Q4 '08, 0.236 Q4 '09, 0.322 Q3 '09, 0.266

CR / CRCA

23% 17%
YoY % QoQ %

Q4 '08, 0.187 Q4 '09, 0.230 Q3 '09, 0.197

GI / GL
Production – FY 08-09

Crude Steel

- YoY %
  - FY 07-08, 3.627
  - FY 08-09, 3.724
  - 3%

Rolled: Flat

- YoY %
  - FY 07-08, 2.943
  - FY 08-09, 2.764
  - -6%

Rolled: Long

- YoY %
  - FY 07-08, 0.329
  - FY 08-09, 0.330
  - 0%

CR / CRCA

- YoY %
  - FY 07-08, 0.862
  - FY 08-09, 1.045
  - 21%

GI / GL

- YoY %
  - FY 07-08, 0.764
  - FY 08-09, 0.745
  - -3%

All No are in Mn Tonnes
Saleable Steel Sales – Q4 FY09

HR Coils & Plates
-6% YoY %, 59% QoQ %
Q4 '08, 0.556
Q4 '09, 0.525
Q3 '09, 0.331

Rolled : Long
19% YoY %, 22% QoQ %
Q4 '08, 0.081
Q4 '09, 0.096
Q3 '09, 0.079

Semis
-10% YoY %, 83% QoQ %
Q4 '08, 0.123
Q4 '09, 0.110
Q3 '09, 0.060

Value Added (CR/GI/PPGI)
32% YoY %, 37% QoQ %
Q4 '08, 0.330
Q4 '09, 0.330
Q3 '09, 0.241

Total Sales
All No are in Mn Tonnes
Saleable Steel Sales – FY 08 - 09

**Total Sales**
- **FY 07-08**, 3.405
- **FY 08-09**, 3.428

**HR Coils & Plates**
- FY 07-08, 1.962
- FY 08-09, 1.599

**Rolled : Long**
- FY 07-08, 0.291
- FY 08-09, 0.293

**Semis**
- FY 07-08, 0.291
- FY 08-09, 0.542

**Value Added (CR/GI/PPGI)**
- FY 07-08, 0.861
- FY 08-09, 0.994

All Nos are in Mn Tonnes
Sales Realisation v/s Cost of Production – Q4 FY09

- 15% YoY
- 20% QoQ

Q4 ’08, 32965
Q4 ’09, 27881
Q3 ’09, 34946

Cost, 23740
Cost, 25026
Cost, 29446

FX Loss, 1747
FX Loss, 1582
FX Loss, 274

24,014
26,608
31,193

Blended Realisation (Rs. / t)

Blended Cost (Rs. / t)

YOY %
QoQ %

11%
- 15%

21
Sales Realisation v/s Cost of Production – FY 08-09

20% YoY %

Blended Realisation (Rs. / t)

FY 08, 30892
FY 09, 37117

49% YoY %

Blended Cost (Rs. / t)

FY 07-08
FY 08-09

Cost, 29062
Cost, 21226

FX Gain, 199
5000
0
5000
10000
15000
20000
25000
30000
35000

FX Loss, 2177
21,027
31,239

FY 08-09
FY 07-08
Iron Ore Price Movements – Q4 FY09

<table>
<thead>
<tr>
<th></th>
<th>QoQ</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs / t cs</td>
<td>-777</td>
<td>2257</td>
</tr>
<tr>
<td>Total (Rs Cr)</td>
<td>-75</td>
<td>218</td>
</tr>
</tbody>
</table>
Operating Parameters (Vijaynagar) – Q4 FY09

### Fuel – Blast Furnace

<table>
<thead>
<tr>
<th>Cost Impact</th>
<th>QoQ</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs per t cs</td>
<td>-392</td>
<td>-432</td>
</tr>
<tr>
<td>Total (Rs Cr)</td>
<td>-30.34</td>
<td>-33.43</td>
</tr>
</tbody>
</table>

### Coke Consumption

<table>
<thead>
<tr>
<th>Cost Impact</th>
<th>QoQ</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs per t cs</td>
<td>-300</td>
<td>-2,186</td>
</tr>
<tr>
<td>Total (Rs Cr)</td>
<td>-23.22</td>
<td>-169.20</td>
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</table>

### Fluxes Consumption Sinter + Bfc

<table>
<thead>
<tr>
<th>Cost Impact</th>
<th>QoQ</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs per t cs</td>
<td>11</td>
<td>-12</td>
</tr>
<tr>
<td>Total (Rs Cr)</td>
<td>0.85</td>
<td>-0.93</td>
</tr>
</tbody>
</table>

### LD Gas Recovery

<table>
<thead>
<tr>
<th>Cost Impact</th>
<th>QoQ</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs per t cs</td>
<td>-19</td>
<td>51</td>
</tr>
<tr>
<td>Total (Rs Cr)</td>
<td>-1.47</td>
<td>3.95</td>
</tr>
</tbody>
</table>
Operating Parameters (Vijayanagar) – FY 08-09

### Cost Impact

<table>
<thead>
<tr>
<th>Item</th>
<th>FY 07-08, 652</th>
<th>FY 08-09, 627</th>
<th>YoY %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fuel – Blast Furnace</td>
<td></td>
<td></td>
<td>-4%</td>
</tr>
<tr>
<td>Coke Consumption</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fluxes Consumption Sinter + Bfc</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>LD Gas Recovery</td>
<td></td>
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</table>

**Cost Impact**

<table>
<thead>
<tr>
<th>Item</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs per t cs</td>
<td>-191</td>
</tr>
<tr>
<td>Total (Rs Cr)</td>
<td>-58.8</td>
</tr>
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</table>

**Cost Impact**

<table>
<thead>
<tr>
<th>Item</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs per t cs</td>
<td>-185</td>
</tr>
<tr>
<td>Total (Rs Cr)</td>
<td>-56.95</td>
</tr>
</tbody>
</table>

**Cost Impact**

<table>
<thead>
<tr>
<th>Item</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs per t cs</td>
<td>-32</td>
</tr>
<tr>
<td>Total (Rs Cr)</td>
<td>-9.85</td>
</tr>
</tbody>
</table>
Financial Performance
## EBITDA Analysis – Q4 and FY09

<table>
<thead>
<tr>
<th></th>
<th>Q4 FY 09</th>
<th>Q4 FY 08</th>
<th>FY 09</th>
<th>FY 08</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EBITDA</strong></td>
<td>503.40</td>
<td>951.23</td>
<td>3,092.67</td>
<td>3,506.85</td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td>15.1 %</td>
<td>26.7 %</td>
<td>21.8 %</td>
<td>30.3 %</td>
</tr>
<tr>
<td>Less : CER income</td>
<td>(48.58)</td>
<td>(48.58)</td>
<td>(111.11)</td>
<td></td>
</tr>
<tr>
<td>Less : FCCB gain &amp; Others</td>
<td>(97.30)</td>
<td>(102.39)</td>
<td>(5.64)</td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>357.52</td>
<td>951.23</td>
<td>2,941.70</td>
<td>3,390.10</td>
</tr>
<tr>
<td>Adjusted EBITDA Margin</td>
<td>10.9 %</td>
<td>26.7 %</td>
<td>20.8 %</td>
<td>29.6 %</td>
</tr>
</tbody>
</table>
Subsidiary Performance
Operational Performance - USA

<table>
<thead>
<tr>
<th></th>
<th>PRODUCTION (NT)</th>
<th>SALES (NT)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q4 FY 09</td>
<td>FY 2008-09</td>
</tr>
<tr>
<td>Plate Mill</td>
<td>44,061</td>
<td>343,691</td>
</tr>
<tr>
<td>Pipe Mill</td>
<td>9,065</td>
<td>137,626</td>
</tr>
</tbody>
</table>

$ Mio

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Q4 FY 09</th>
<th>FY 2008-09</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Turnover</td>
<td>30.31</td>
<td>500.92</td>
</tr>
<tr>
<td>b) EBITDA + Other Income</td>
<td>(18.93)</td>
<td>70.58</td>
</tr>
<tr>
<td>Write down of Inventory</td>
<td>(58.35)</td>
<td>(58.35)</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td>(96.68)</td>
<td>(64.74)</td>
</tr>
<tr>
<td>e) Profit After Tax</td>
<td>(61.1)</td>
<td>(36.97)</td>
</tr>
</tbody>
</table>
## Standalone Financials Q4 and FY 09

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Q4 FY 09</th>
<th>Q4 FY 08</th>
<th>FY 09</th>
<th>FY 08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income</td>
<td>3,328.80</td>
<td>3,568.20</td>
<td>14,158.42</td>
<td>11,566.61</td>
</tr>
<tr>
<td>EBITDA</td>
<td>503.40</td>
<td>951.23</td>
<td>3,092.67</td>
<td>3,506.85</td>
</tr>
<tr>
<td>Cash Profit</td>
<td>288.55</td>
<td>816.58</td>
<td>2,295.42</td>
<td>3,066.41</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td>75.52</td>
<td>532.10</td>
<td>677.63</td>
<td>2,484.12</td>
</tr>
<tr>
<td>Profit After Tax</td>
<td>49.20</td>
<td>370.18</td>
<td>458.50</td>
<td>1,728.19</td>
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</tbody>
</table>
## Consolidated Financials Q4 and FY 09

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Q4 FY 09</th>
<th>Q4 FY 08</th>
<th>FY 09</th>
<th>FY 08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income</td>
<td>3,622.08</td>
<td>4,291.37</td>
<td>16,104.71</td>
<td>12,605.23</td>
</tr>
<tr>
<td>EBITDA</td>
<td>333.25</td>
<td>1,061.72</td>
<td>3,253.50</td>
<td>3,631.74</td>
</tr>
<tr>
<td>Cash Profit</td>
<td>21.38</td>
<td>842.30</td>
<td>2,097.88</td>
<td>3,058.74</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td>(230.39)</td>
<td>527.87</td>
<td>315.33</td>
<td>2,424.25</td>
</tr>
<tr>
<td>Profit After Tax</td>
<td>(39.93)</td>
<td>356.79</td>
<td>274.91</td>
<td>1,640.04</td>
</tr>
</tbody>
</table>
Adj. Long Term Debt Gearing - Standalone

Adj. Long Term Debt & Networth

Standalone Gearing of 1.24

<table>
<thead>
<tr>
<th></th>
<th>Q1 '09</th>
<th>Q2 '09</th>
<th>Q3 '09</th>
<th>Q4 '09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wt Avg Cost of Debt (%)</td>
<td>7.63</td>
<td>8.35</td>
<td>8.29</td>
<td>8.22</td>
</tr>
<tr>
<td>FD &amp; MF (Rs. Cr.)</td>
<td>635</td>
<td>206</td>
<td>90</td>
<td>190</td>
</tr>
</tbody>
</table>
Adj. Long Term Debt Gearing - Consolidated

Consolidated Gearing of 1.79

<table>
<thead>
<tr>
<th></th>
<th>Q1 '09</th>
<th>Q2 '09</th>
<th>Q3 '09</th>
<th>Q4 '09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wt Avg Cost of Debt (%)</td>
<td>7.03</td>
<td>7.42</td>
<td>7.42</td>
<td>7.16</td>
</tr>
<tr>
<td>FD &amp; MF (Rs. Cr.)</td>
<td>635</td>
<td>206</td>
<td>90</td>
<td>190</td>
</tr>
</tbody>
</table>
Volume Guidance

Steel Production

<table>
<thead>
<tr>
<th>FY 09</th>
<th>FY 10E</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.72</td>
<td>6.40</td>
</tr>
</tbody>
</table>

Saleable Steel Sales

<table>
<thead>
<tr>
<th>FY 09</th>
<th>FY 10E</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.43</td>
<td>6.10</td>
</tr>
</tbody>
</table>

Saleable Steel Product wise

<table>
<thead>
<tr>
<th></th>
<th>FY 09</th>
<th>FY 10E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Semis</td>
<td>0.542</td>
<td>0.92</td>
</tr>
<tr>
<td>Rolled Flat</td>
<td>2.593</td>
<td>3.84</td>
</tr>
<tr>
<td>Rolled Long</td>
<td>0.293</td>
<td>1.54</td>
</tr>
</tbody>
</table>

72% increase
70% - 42% increase
Marketing Highlights
Key Marketing Strengths

**Diversified Product Range**
- Strong presence in value added products
- Wide range of flat products to meet customized needs
- Increasing presence in Long Products segments
- Technological superiority of products.

**High resilience to Market Dynamics**
- Product Mix Diversity
- Flexibility to shift across locations

**Leading Player in India**
- Significant market share in South & West India

**Strong Customer Organization Relationships**
- Long standing relationships with leading companies in India & International customers
Diversified Product Range: Product-Mix Leverage

**Installed Capacity - Mar-09**

- **Flat**
  - 5.3 mtpa
  - (68%)

- **Long**
  - 2.5 mtpa
  - (32%)

- **Alloy Steel**
- **Spring Steel Flat**
- **Round Bars**
- **Wire Rod**
- **Rebar**
- **Billet / Bloom**

**Value-Addition**

**Diversified Product-Mix**

- **Plain / Pre-painted Galvalume**
- **Plain / Pre-painted Galvanized**
- **Cold Rolled Closed Annealed / Full Hard**
- **HR Pickled & Oil / Skin Passed**
- **Plates**
- **Hot Rolled**
- **Slab**

**MAXIMISING**
Sectoral Distribution of Domestic Sales

~ 75 - 80% Sales to infrastructure and Engineering Sector

75 % Sales to Non Auto Segment

Sales driven by Semi-Urban /Rural Demand
- Despite global slowdown, Semi-Urban/Rural demand in India remains strong
- Affordability increased due to decline in commodity prices/inflation
JSW Steel is the only Indian producer having capability to make Wire Rod coils weighing 2.5 MT.

Sector dominated by regionalised secondary steel producers.

Wide range of rebar products.
Strong Customer Base

**DOMESTIC SALES NETWORK**

- 2/3rd of Domestic sales to Direct Manufacturers and balance through Trade Segment
- Expanding reach Pan India through
  - Exclusive retail outlets, JSW Shoppe (currently 50, plans to increase further)
  - Own Stock Yards (24)
  - Dealer tie-ups (324)
  - Consignment Agents (9)
  - Service Centre
- Expanding customer base by new addition of plate & pipe manufacturers and converters
- Long Standing Relationships with key customers in India

**EXPORT SALES NETWORK**

- Through leading international customers and trade partners across the world
- Exporting to about 100 countries meeting customized requirements
- Growing Focus for exports to newer markets like Asia, Africa and South America
Project Highlights
Major Projects under Progress

Vijayanagar Works
- 10 MTPA Expansion
- Beneficiation (Phase I)
- Blooming Mill

March 10

Vasind & Tarapur
- 30 MW Power Plant
- Railway Siding

Q1 FY 10

Salem Works
- 300 MW Power Plant
- Beneficiation (Phase I)

Dec 09/ Mar10

Requirement: Date and Details
Project Cheetah
Commissioned
Blast Furnace

- Commissioned in Feb’09.
- Largest in India.
- Rated Capacity: 7,800 TPD
Steel Making Shop

- Commissioned in Jan’09.
- Rated Capacity: 175 tonnes
Billet Caster

- Commissioned in Jan’09.
- 8 Strand Billet Caster with open Casting
- Rated Capacity: 1.7 MTPA
Slab Caster

- Commissioned in Jan’09.
- Capable of casting 2,200 mm wide slabs
- Rated Capacity: 1.6 MTPA
Wire Rod Mill

➢ Wire Rod Mill commissioned in Nov’09.

➢ Wire Rod Mill supported with “Stelmor” for producing wire rod for special applications.

➢ Rated Capacity: 0.6 MTPA
Bar Rod Mill

- Bar Rod Mill commissioned in Mar’09
- Rated Capacity: 1 MTPA
- Under Stabilization
Coke Oven

All four batteries of this Recovery type of oven are operational with most superior quality of Coke.
Q & A
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.