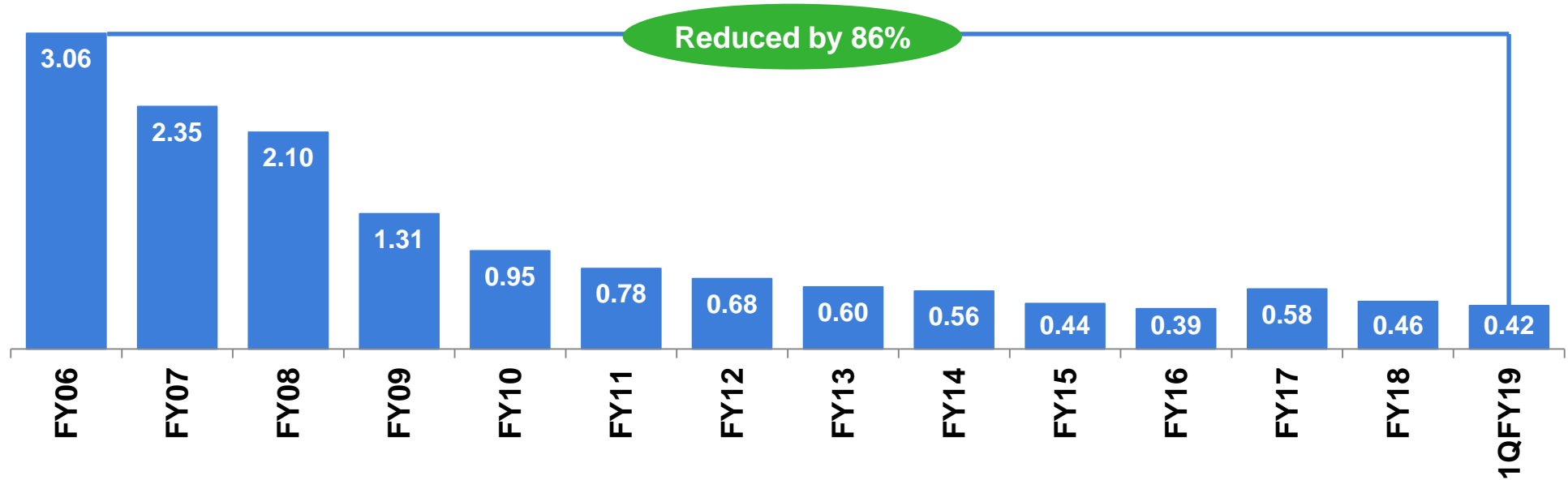




Results Presentation
Financial quarter ended June 30, 2018
August 13, 2018

Statements in this presentation describing the Company's performance may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ materially from those directly or indirectly expressed, inferred or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in or due to the environment, Government regulations, laws, statutes, judicial pronouncements and/or other incidental factors.



LTIFR* of Tata Steel group reduced to 0.42

**LTIFR is Lost time injury frequency Rate per million man hours worked*

Engaging with neighbouring communities and improving their quality of life

India

Education:

- ✓ Delivered 2 more Model Schools under **30 Model School Construction Project** in Odisha
- ✓ Reached out to 29,000 children through summer camps under **Thousand Schools Programme and School Improvement Project** in Odisha and Jharkhand

Livelihood:

- ✓ 2,800 farmers benefitted from agriculture and allied activities
- ✓ 2,336 youth skilled in various vocational trades; 669 youth completed training; 533 gainfully employed/ self-employed
- ✓ 4,273 empowered through self-help groups

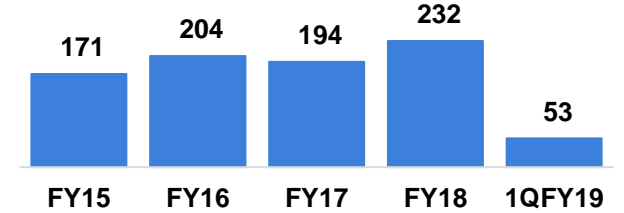
Health & Sanitation:

- ✓ Recorded 80,000 footfall in **Static and mobile clinics, and health camps**
- ✓ 1,077 pregnant women benefitted from **Ante-Natal & prenatal check-ups**
- ✓ Covered 4,607 adolescents under **Regional Initiative for Safe Sexual Health by Today's Adolescents (RISHTA)**
- ✓ Covered 2,662 mothers and children (newborns and infants) under **Maternal And Newborn Survival Initiative (MANSI)**
- ✓ 475 people benefitted in **Disability care units SPARSH**

Europe

- ✓ More than 1,500 children attended Tata Steel sponsored event to increase awareness of healthy relationships, cyber bullying, rail safety and fire awareness near Port Talbot site, Wales
- ✓ Girls visited IJmuiden steelworks in Netherlands to get hands-on experience of the challenges of working in a technical environment

CSR Spend India (Rs. crores)



Deliveries of
6.55 million
tonnes

Consolidated
revenues of
Rs.37,833
crores

Consolidated
EBITDA of
Rs.6,559 crores

Consolidated
EBITDA/t of
Rs.10,011/t

India growth
higher than
market

Kalinganagar
Phase II
underway

Acquisition of
Bhushan Steel
completed

Binding
agreement with
thyssenkrupp
for European
Steel JV

Business Environment

Operational Performance

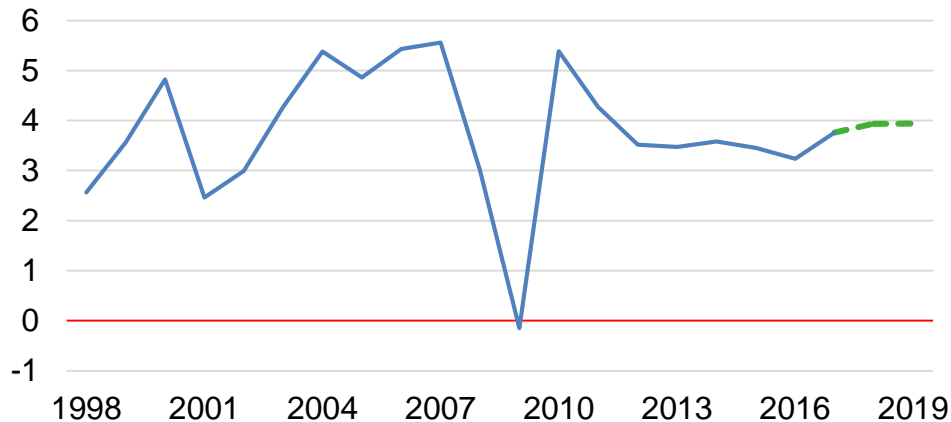
Financial Performance

Appendix

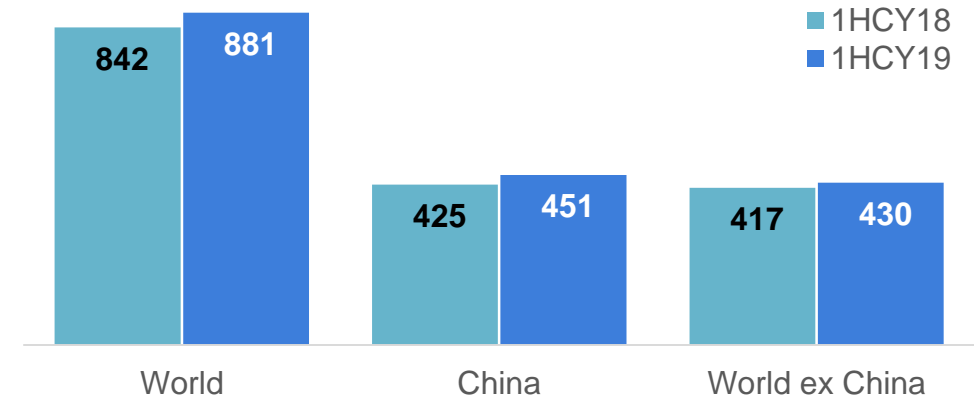
Global economy remained strong; Chinese steel industry shows strong demand growth

- Economic growth remained strong, however, increasing tariff actions, elevated oil prices and weakening currencies are a matter of concern
- World ex China steel production grew by ~13 mn tons in 1HCY18 vs. demand growth estimate of ~29 mn tons for full year 2018
- Steel demand growth in China was strong ~8% whereas production grew by ~6% in 1HCY18; both are expected to moderate in 2HCY18

World GDP growth (% YoY)



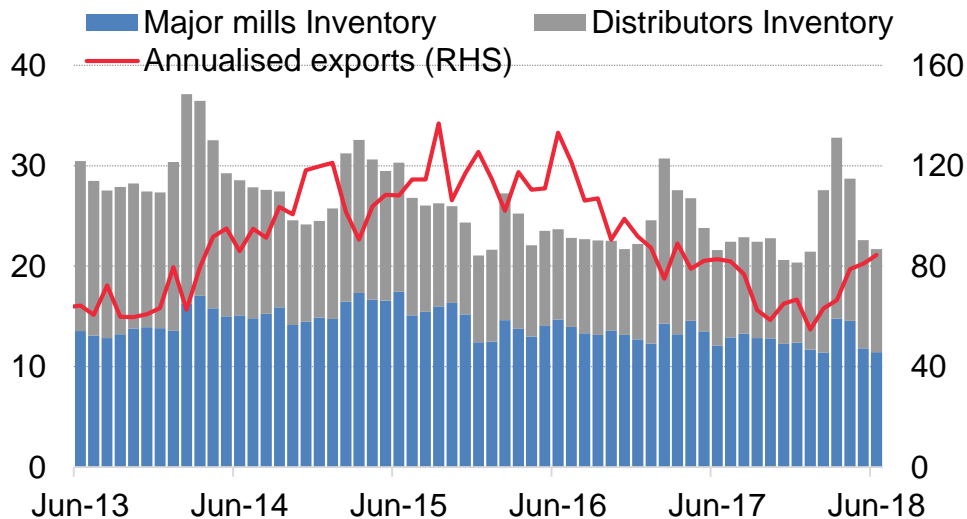
Crude steel production (in mn tons)



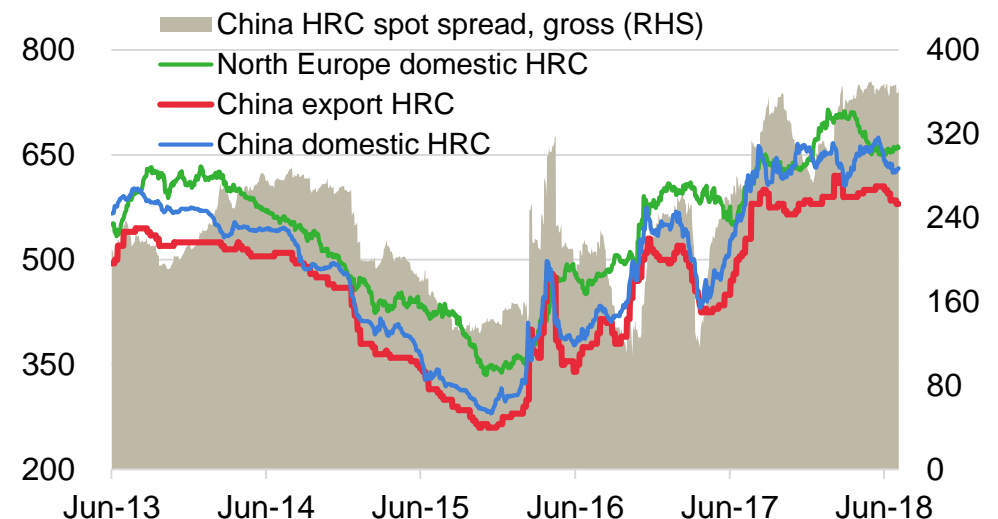
Global steel spreads remained resilient despite the uncertainty amidst tariff actions

- Chinese exports increased in Jun'18 quarter with higher steel production and depreciating yuan; inventories have seen declined to Jan'18 levels and exports have moderated in July' 18
- Steel prices softened due to ongoing trade friction and recent softness in raw material prices
- However, steel spreads remained resilient reflecting strong underlying demand

China steel exports and inventory (mn tons)



Global HRC Prices and gross spread¹ (US\$ per ton)

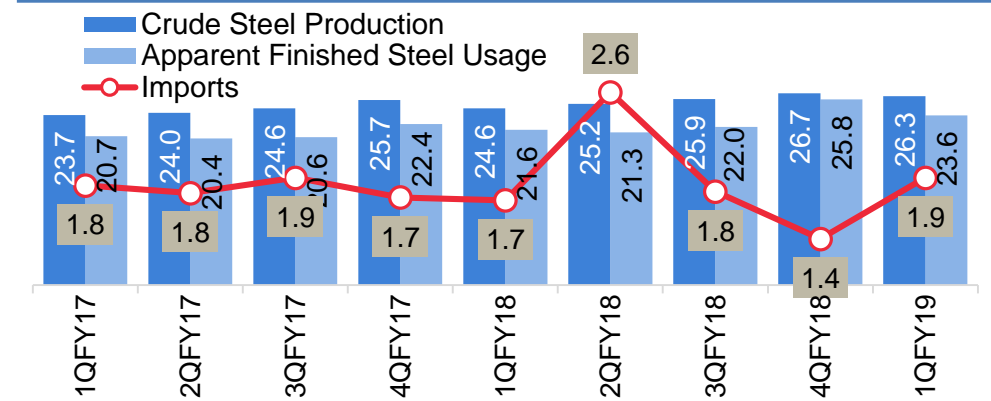


Source: Bloomberg, Morgan Stanley, 1. China HRC Export - China Weekly Hot Rolled Steel 3mm Export Price Shanghai, North Europe Domestic HRC - PLATTS TSI HRC N Europe Domestic Prod Ex-Mill, China Domestic HRC - China Domestic Hot Rolled Steel Sheet Spot Average Price, China HRC spot spreads =China HRC exports - (1.65 x Iron Ore Spot Price Index 62% + 0.7x SBB Premium Hard Coking Coal

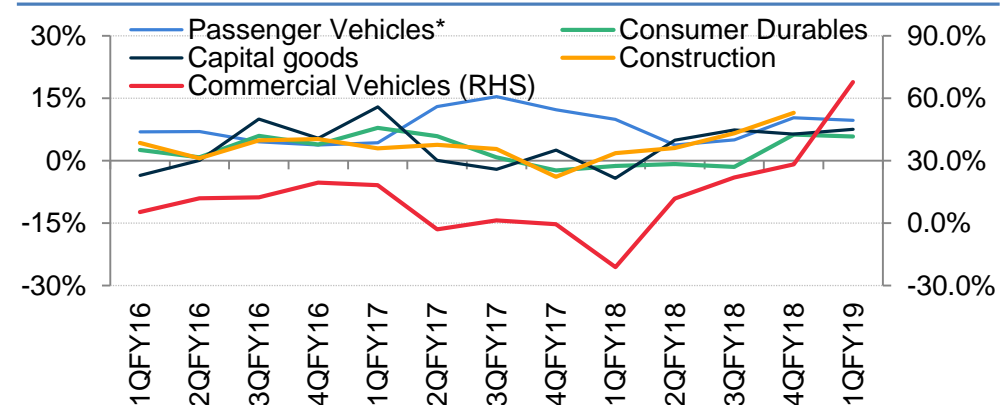
Indian steel prices remained strong during 1QFY19 with robust steel demand

- Economic activities accelerated in 1QFY19
- Steel demand grew by 9.2%YoY driven by strong growth in commercial vehicles, infrastructure, and capital goods segment
- Net imports increased with trade diversions by steel surplus countries and decrease in exports
- Domestic steel prices remained resilient amidst robust domestic demand

Steel production, demand and imports (mn tons)



Key steel consuming sectors (% Change, YoY)



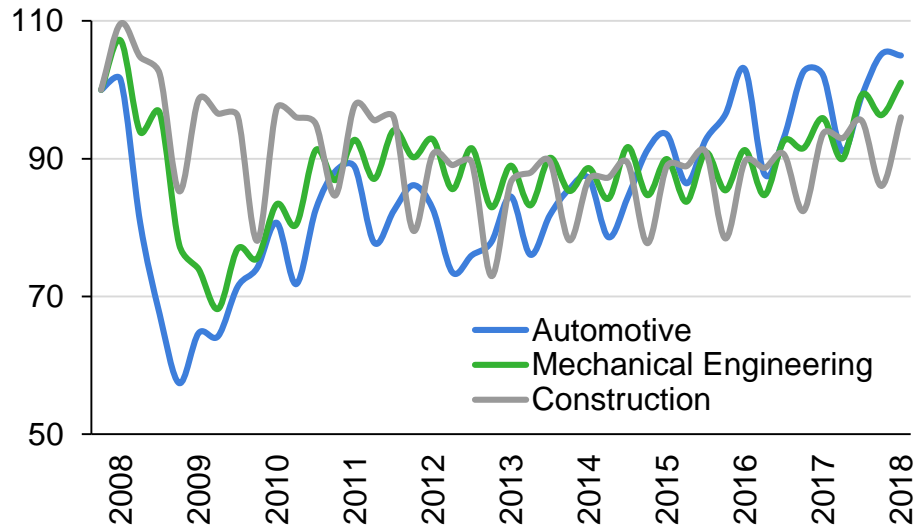
Source: Bloomberg, SIAM, MOSPI, Joint plant committee, World Steel Association

* Excludes two and three wheelers production

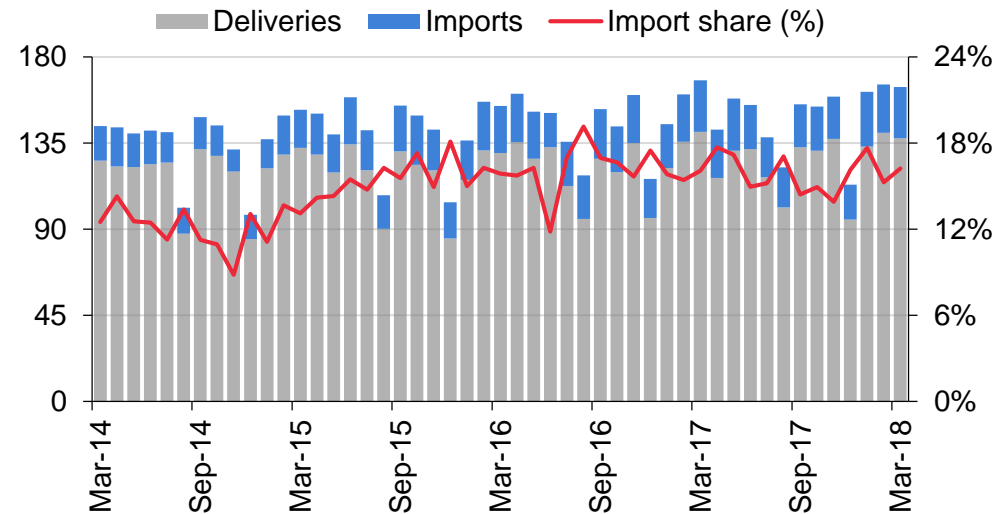
Europe apparent steel demand growth improved in Jun'18 quarter

- European Union economy grew 2.2%YoY in Jun'18 quarter
- EU apparent steel demand is estimated to have grown by 3.8%YoY in Jun'18 quarter, however, the market share of imports appears to have jumped to 24% from 16% in Mar'18 quarter
- UK steel market continues to suffer from Brexit uncertainty.

EU sector output¹ (rebased, 1Q 2008=100)



EU market supply (mn tons, annualized) and imports' share (%)



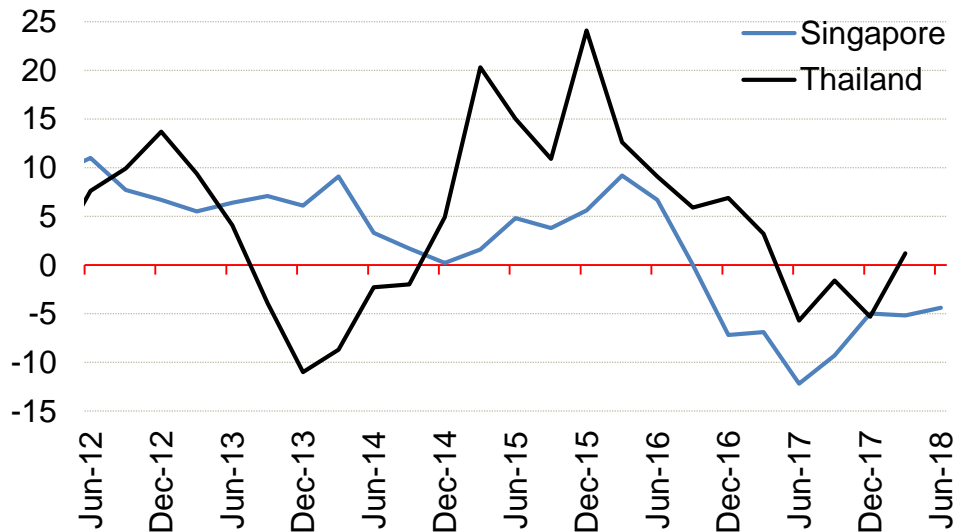
Source: Eurostat, Eurofer

Note 1: Automotive based on the number of vehicles; Mechanical engineering and Construction based on realized output i.e. gross value added by the sector to the economy

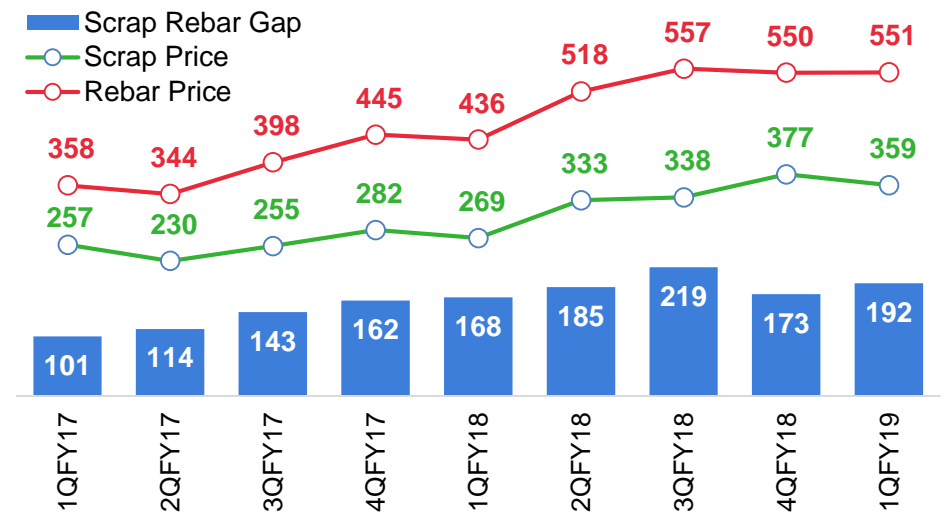
SE Asia Rebar spreads rose amidst decline in scrap prices

- Long steel demand remained weak in Singapore and Thailand; construction sector remained sluggish
- South East Asia rebar prices were stable; spreads improved with decline in scrap prices

Construction Growth (% Change, YoY)



South East Asia rebar-scrap spread (US\$/tonne)



Source: Bloomberg and ISSB, NESDB

Business Environment

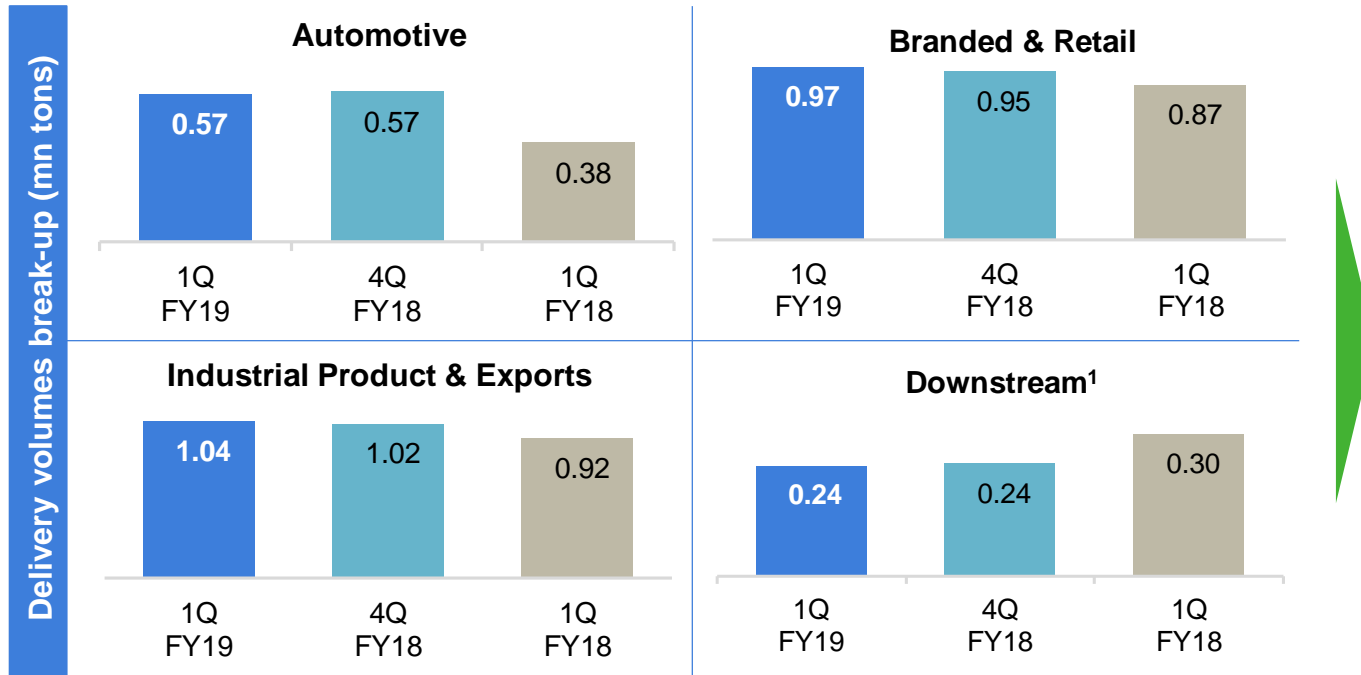
Operational Performance

Financial Performance

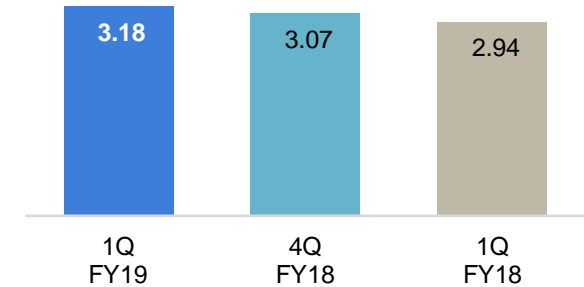
Appendix

Tata Steel India – continues to deliver “market beating” growth

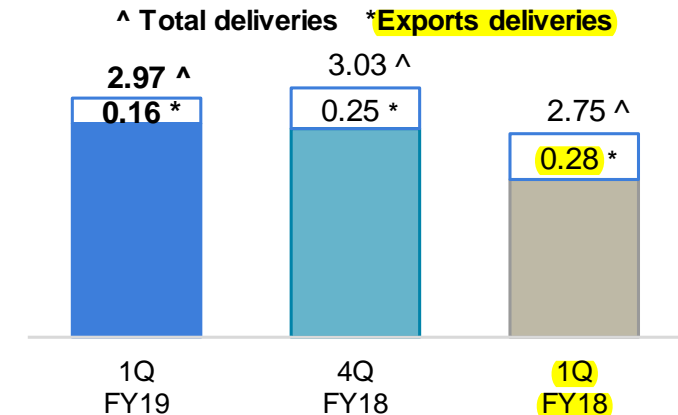
- Domestic sales grew by 14%YoY against steel market growth of 9%YoY



Crude Steel Production Volume (mn tons)



Total deliveries volume (mn tons)



Note 1: 1QFY18 deliveries to TCIL included in downstream; however, 4QFY18 and 1QFY19 deliveries to TCIL included in Industrial Products & Exports due to change in business model



Market leading branded portfolio

Branded products sales contributes 47% of total sales; continues to grow



Unparalleled Pan India reach

Touches 2.5 million customers every year across India



Market leader in Auto Steel

First choice for new car launches; replacing costly imports



Most enriched product mix

Enriched/Value added products contribute to 73% of total deliveries



Lowest cost producer

Both cash cost and conversion cost are one of the lowest among the global peers



Focus on innovation and R&D

Launched 2 new products in 1QFY19



Socially responsible corporate

CSR activities touch one million lives every year



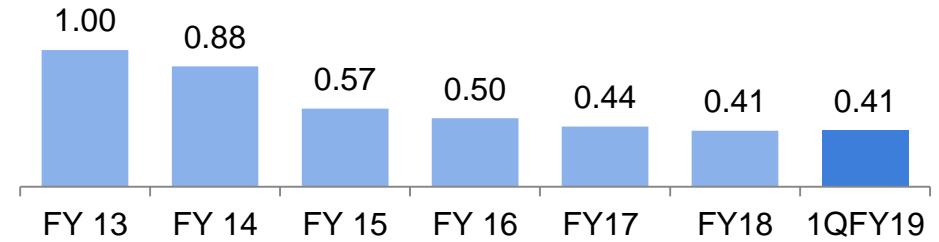
Sustainable business model

Domestic benchmark on various parameters

Tata Steel India – continued focus on operational efficiencies and minimizing environmental impact

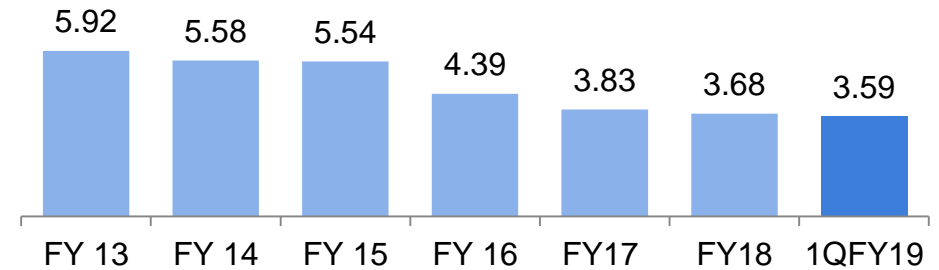
Specific dust emission (kg/tcs)

59% reduction since FY13



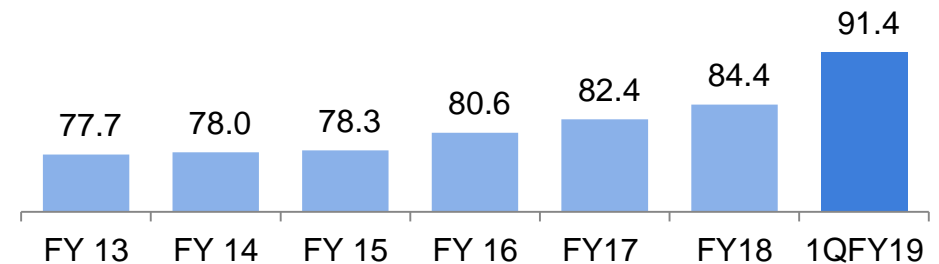
Specific water consumption (m³/tcs)

39% reduction since FY13



Solid Waste Utilization (%)

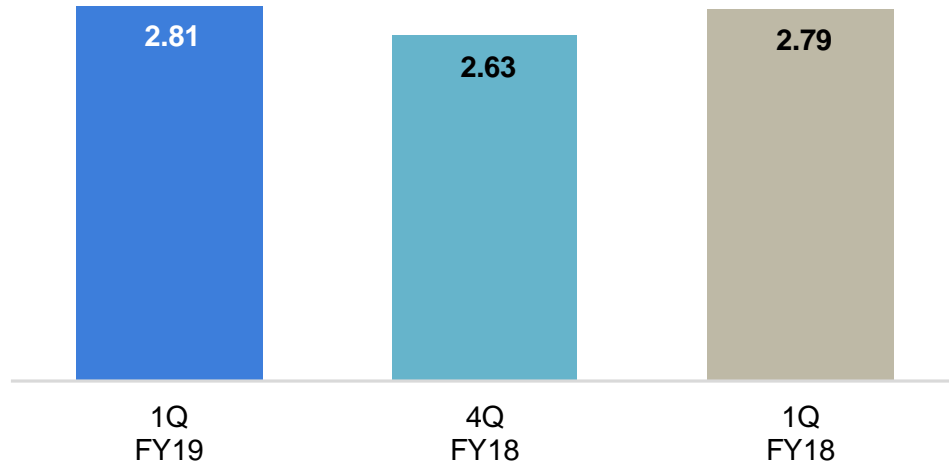
18% better utilization since FY13



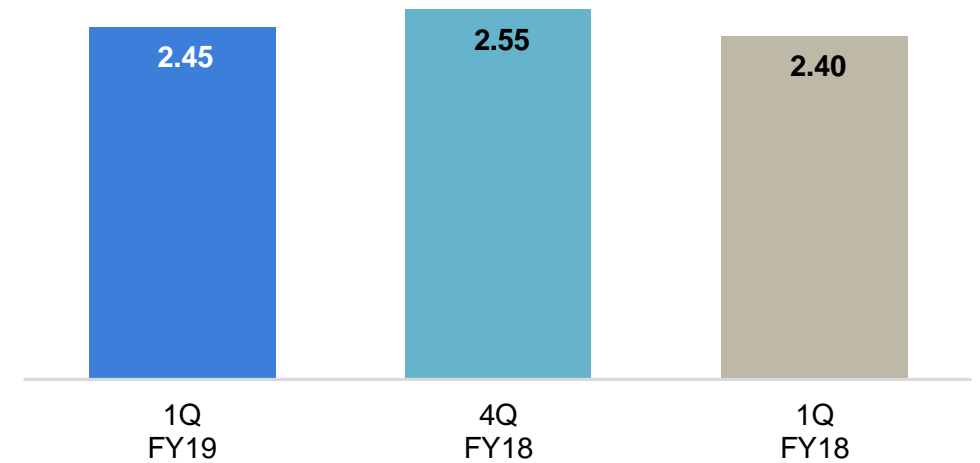
Note a: All the above mentioned data is for Tata Steel Jamshedpur Operations

- Deliveries in were 2% higher YoY, but 4% lower than the seasonally strong March quarter
- Launched three new products during the quarter, included a new automotive offering and a defect-free cold forming steel for applications like cranes and other heavy vehicles

Liquid Steel Production Volume (mn tons)



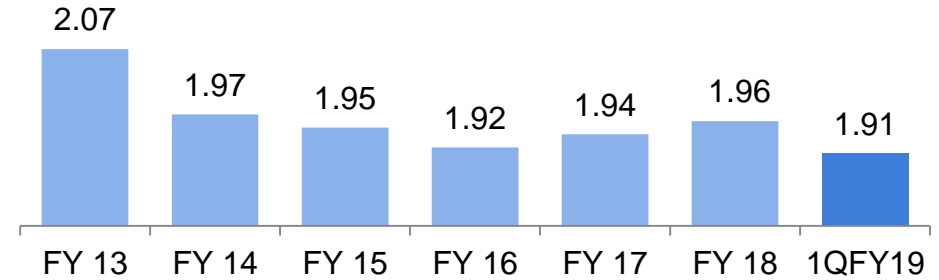
Saleable Steel Sales Volume (mn tons)



Tata Steel Europe – continued focus on operational efficiencies and minimizing environmental impact

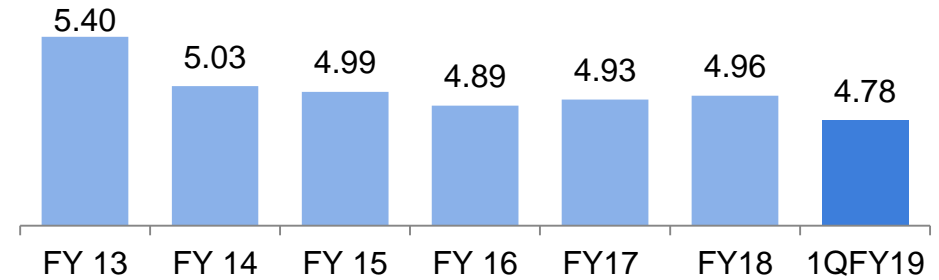
CO2 emission intensity (tCO2/tcs)

7.7% reduction since FY13



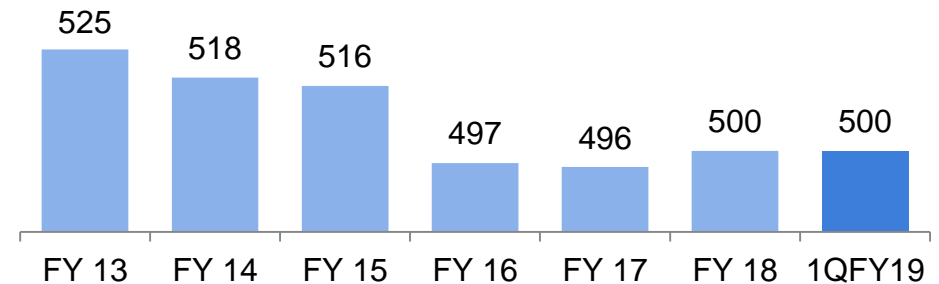
Specific energy intensity* (Gcal/tcs)

11.5% reduction since FY13



Specific Fuel Rate (kg/thm)

4.8% reduction since FY13



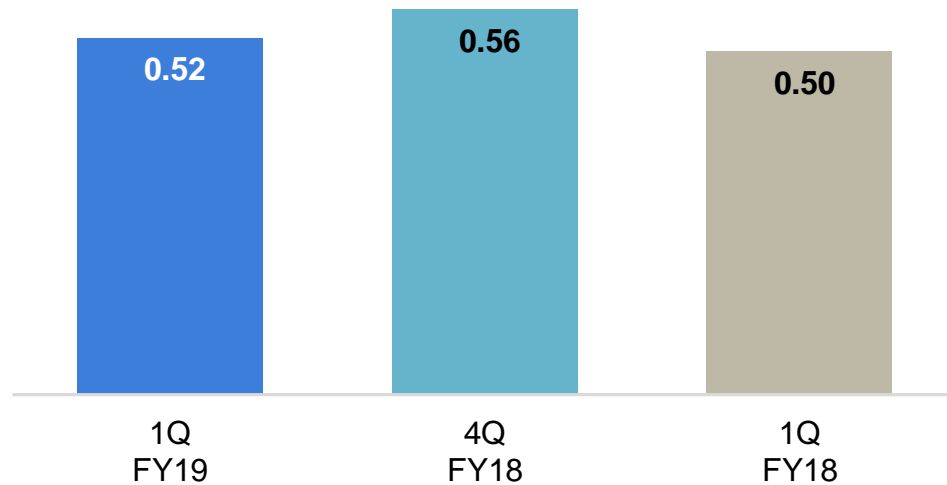
All the above mentioned data is for Tata Steel Europe

Note: 1QFY19 data is extrapolated from full quarter IJmuiden data and 2 month Port Talbot data

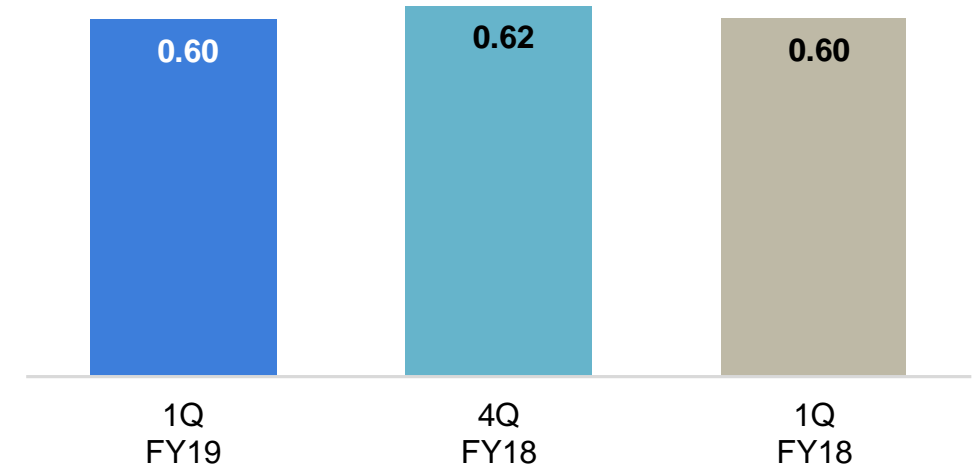
Tata Steel SEA – volumes maintained despite weaker markets

- Production was lower on QoQ basis due to planned shutdowns at Tata Steel Thailand
- Deliveries were marginally lower on QoQ basis with continued weakness in long steel demand; partially offset by improved deliveries at Nat Steel Singapore on the back of higher exports

Saleable Steel Production Volume (mn tons)



Saleable Steel Sales Volume (mn tons)



Kalinganagar plant – 5MTPA expansion

- ✓ Work on the project has already started including enabling and area grading
- ✓ Cold roll mill complex prioritized to improve product mix
- ✓ Expected timelines: 48 months from zero date

Bhushan Steel

- ✓ Successfully completed acquisition of Bhushan Steel Limited
- ✓ Financial numbers consolidated from May 18, 2018

thyssenkrupp Tata Steel JV

- ✓ On June 30, Tata Steel and thyssenkrupp AG signed definitive agreements to form a 50:50 joint venture in Europe
- ✓ The Company is working towards the JV formation, including securing approvals from the relevant regulatory authorities.

<p>Steel demand</p>	<p>India:</p> <ul style="list-style-type: none"> ✓ Steel consuming sectors growth expected to remain strong; demand from automotive sector expected to remain healthy. ✓ India may remain a net importer with strong domestic demand. ✓ Rising imports a cause of concern, may need policy intervention. 	<p>Europe: demand is expected to grow by 2.1% in 2018 driven by growth of the construction and mechanical sector.</p>	<p>SEA: demand is expected to remain sluggish in 2018.</p>
<p>Steel prices</p>	<p>India: near term prices are expected to be range-bound given the seasonality; Strong underlying demand to aid recovery post monsoon.</p>	<p>Europe: prices are expected to remain stable through the summer with stronger than expected underlying demand in seasonally weaker period</p>	
<p>Raw material prices</p>	<p>Iron Ore: prices are expected to be range bound. Premium for high grade iron ore and pellets to continue as Chinese producers show a strong preference for better grades.</p>	<p>Coking Coal: prices continue to be firm. Coke premium has increased; restriction on coal imports at Chinese ports may affect trade balance.</p>	

Business Environment

Operational Performance

Financial Performance

Appendix

Rs Crores	Consolidated			India		
	1QFY19	4QFY18	1QFY18	1QFY19	4QFY18	1QFY18
Total revenue from operations	37,833	36,132	30,973	16,405	16,281	14,422
Raw material cost ¹	15,520	13,210	13,037	4,947	4,211	4,482
Change in inventories	(1,520)	467	(1,967)	(655)	102	(905)
EBITDA	6,559	6,579	4,939	5,118	4,823	2,922
EBITDA/t	10,011	10,231	8,479	17,252	15,933	10,623
Pre exceptional PBT from continuing operations	3,384	3,839	2,291	3,908	3,363	1,412
Exceptional Charges	(344)	11,376	(617)	(335)	(1,607)	(617)
Profit/(Loss) from Discontinued operations	(3)	49	(12)	-	-	-
Reported PAT	1,934	14,688	921	2,318	1,031	506
Basic EPS (For continuing and discontinued operations)	16.66	96.86	8.38	19.85	9.38	4.49

1. Raw material cost includes raw material consumed, and purchases of finished and semi-finished products, India turnover is Net of GST with effect from 1st July 2017

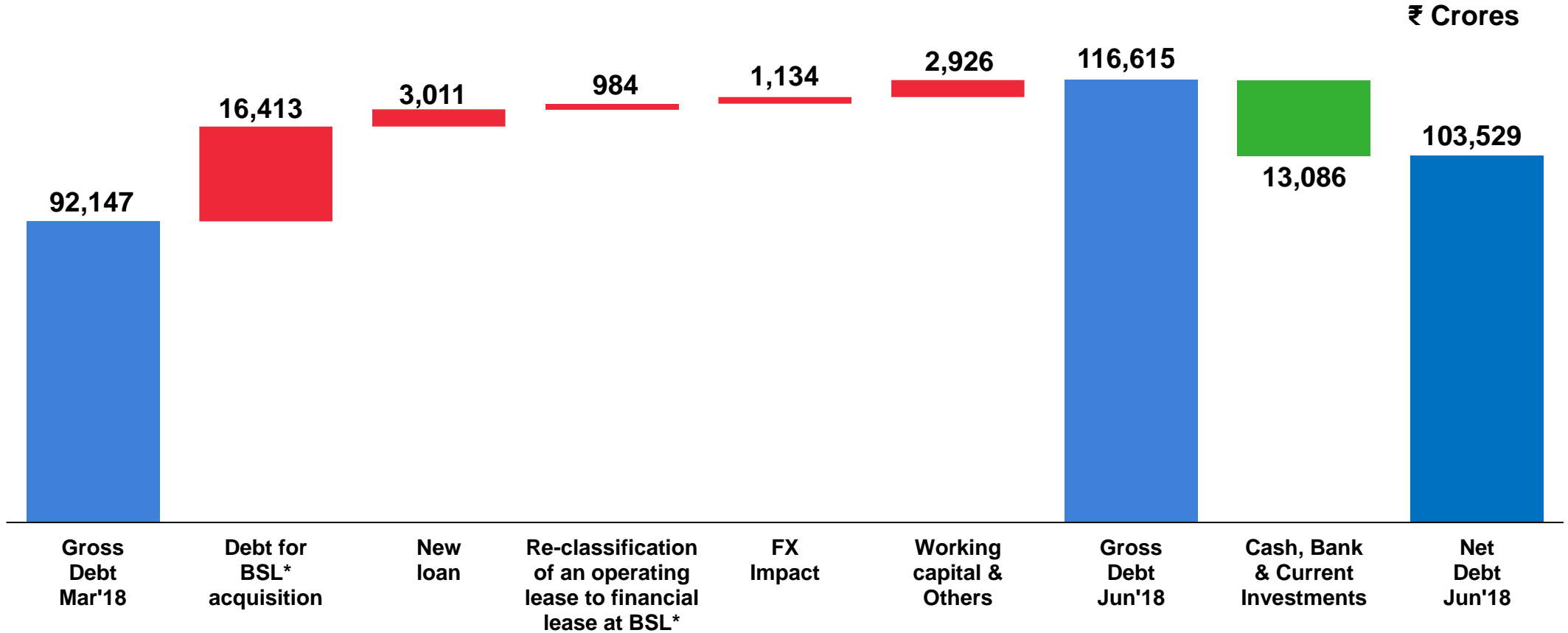
Financial Performance contd..

Rs Crores	Europe			Bhushan Steel ²	SEA			Others & Eliminations ³		
	1QFY19	4QFY18	1QFY18	1QFY19	1QFY19	4QFY18	1QFY18	1QFY19	4QFY18	1QFY18
Turnover	16,429	16,208	14,079	2,108	2,604	2,631	1,995	286	1,013	477
Raw material cost ¹	7,585	7,089	7,044	1,116	1,940	1,818	1,380	(69)	93	130
Change in inventories	(898)	214	(1,018)	301	(98)	(0.5)	39	(170)	152	(84)
EBITDA	1,666	1,154	1,253	66	110	95	22	(400)	506	743
EBITDA/t	6,801	4,533	5,210	NM	1,836	1,535	373	-	-	-

Others EBITDA has been adversely affected due to unrealised non-cash adverse FX movement at the key SEA financing entities

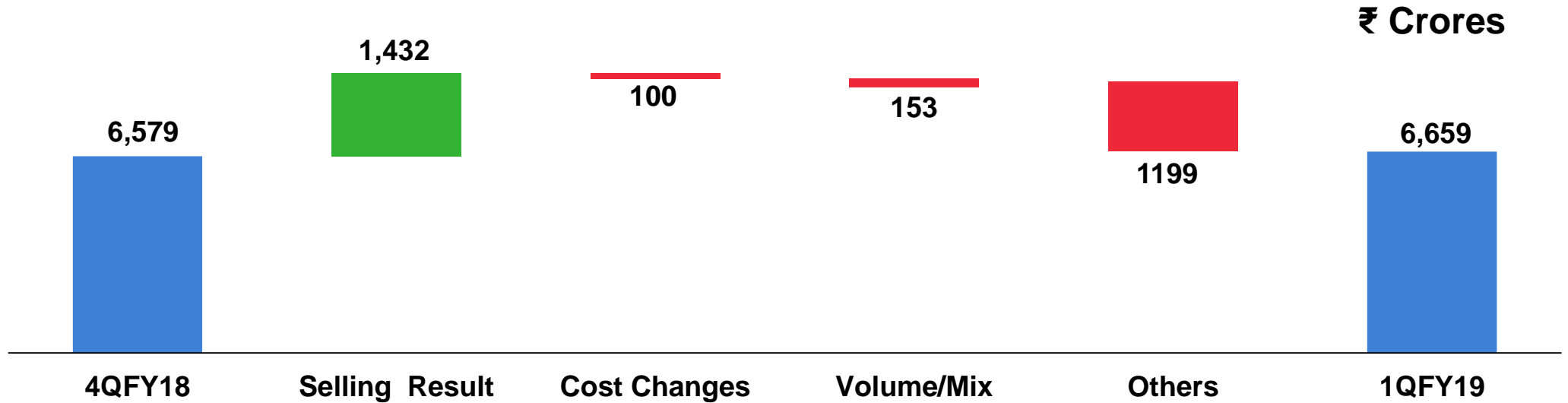
1. Raw material cost includes raw material consumed, and purchases of finished and semi-finished products 2. Bhushan Steel results have been consolidated w.e.f. May 18, 2018, 3. Others include key operating subsidiaries like Tata Metaliks, Tin Plate, TSPDL , Tata Sponge and SEA financing entities

Consolidated Debt movement



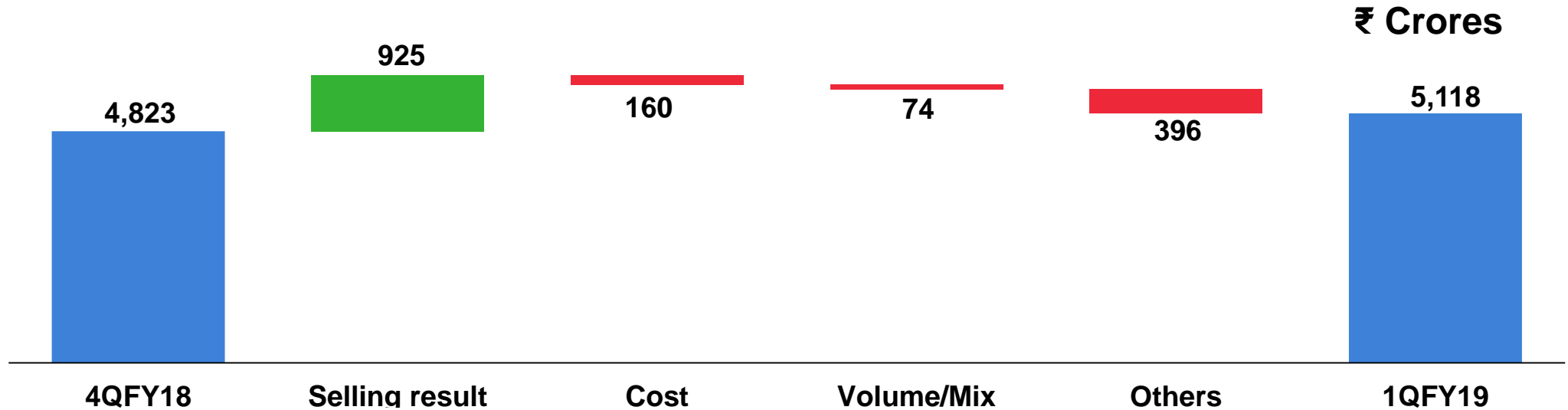
* BSL – Bhushan Steel Limited

Group EBITDA movement – 1QFY19 Vs. 4QFY18



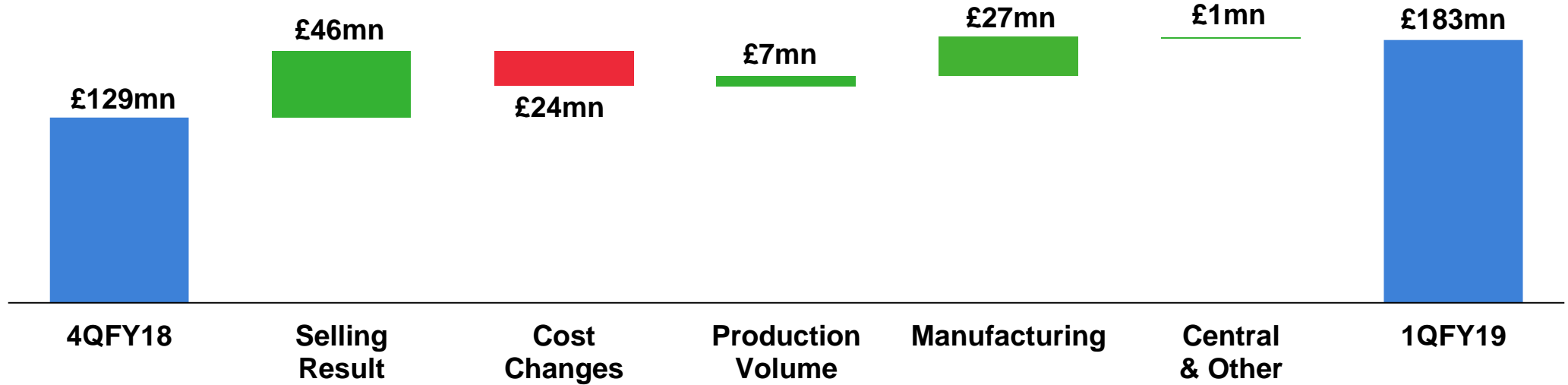
- Better realisations across the geographies improved selling result
- Increase in cost mainly in Raw material cost
- Volume/mix impact is lower deliveries in India and Europe
- Others includes impact of adverse Forex movement at the key SEA financing entities

Tata Steel India EBITDA movement – 1QFY19 Vs. 4QFY18



- Selling results increased mainly due to better steel realisations
- Increase in cost mainly due to higher raw material costs and external purchases
- Adverse volume/mix impact is due to marginally lower deliveries
- Others mainly due to one-off rates and taxes

Tata Steel Europe EBITDA movement – 1QFY19 Vs. 4QFY18



- Improved selling result improved with favourable market conditions and selling price increases
- Cost Changes have been impacted by the higher raw material costs
- Manufacturing has improved primarily due to increased efficiency in Strip Products, UK

Business Environment

Operational Performance

Financial Performance

Appendix

Standalone Results – QoQ Variations

Rs Crores	1QFY19	4QFY18	Key Reasons
Income from operations	16,154	15,903	Increase in realisation partly offset by lower volumes
Other operating income	251	378	Lower EPCG credit in 1Q
Raw materials consumed	4,576	3,998	Higher consumption due to higher production and higher raw material cost
Purchases of finished, semis & other products	371	213	Due to higher purchase of rebars and wires rods
Changes in inventories	(655)	102	Increase in stock due to replenishment post drawdown in 4Q and increase in value
Employee benefits expenses	1,282	1,409	Higher provision in 4Q on account of wage arrears
Depreciation & amortisation	987	935	Higher one time amortisation charge for mines.
Other expenses	5,759	5,750	Includes on-offs related to rates and taxes
Other income	506	220	Primarily due to interest income from inter-corporate loan for Bhushan Steel acquisition
Finance cost	683	731	Due to MTM gain on FX loan; 4Q had higher amortisation loan issue expense
Exceptional Items	335	1,607	Primarily on account of statutory demand related to mining issues
Tax	1,255	725	In-line with rise in profitability
Other comprehensive income	22	13	Primarily due to re-measurement gains on actuarial valuation of employee benefits

Consolidated Results– QoQ Variations

Rs Crores	1QFY19	4QFY18	Key Reasons
Income from operations	37,434	35,701	Better realisations across the geographies and consolidation of Bhushan Steel; partly offset by lower deliveries
Other operating income	399	432	Primarily in India
Raw materials consumed	12,530	10,370	Higher consumption due to higher production in India and Europe. higher raw material cost across the geographies, and Bhushan Steel consolidation
Purchases of finished, semis & other products	2,990	2,840	Primarily in India
Changes in inventories	(1,520)	467	Increase in inventory volumes and value
Employee benefits expenses	4,933	4,583	Increase mainly at Europe on account of increase in wages
Depreciation & amortisation	1,806	1,512	Due to Bhushan Steel consolidation coupled with increase in India and Europe
Other expenses	12,432	11,374	Adverse Forex movement at the key SEA financing entities
Other income	347	275	Primarily in India
Finance cost	1,670	1,481	Primarily due to borrowings for Bhushan Steel acquisition
Exceptional Items	(344)	11,376	Primarily in India
Tax	1,104	576	In-line with rise in profitability
Other comprehensive income	1,747	4,509	Primarily due to lower re-measurement gain on actuarial valuation of employee benefits at BSPS