PRESS RELEASE

FINANCIAL RESULTS FOR FOURTH QUARTER & FULL YEAR FY 2018-19

JSPL Reports Highest Ever Topline

- FY19 Standalone Revenues up by 58%
- FY19 Standalone EBITDA up by 51%
- FY19 Consolidated Revenues up by 41%
- FY19 Consolidated EBITDA up by 30%
- Oman had reported ever highest production in a fiscal year
- Net debt reduced by Rs, 4,144 Cr in FY19 (on constant currency basis)

JSPL Standalone 4QFY19 Performance:

- Turnover: Rs. 7,402 Cr;
- EBITDA: Rs. 1,440 Cr;
- EBITDA Margin: 19 %
- Crude Steel Production: 1.51 million tonnes
- Steel Sales: 1.45 million tonnes

JSPL Consolidated 4QFY19 Performance:

- Turnover: Rs. 10,159 Cr
- EBITDA: Rs. 1,845Cr
- EBITDA Margin: 18 %
- EBITDA – Oman: US$ 35 mn
- Crude Steel Production: 1.95 million tonnes
- Steel Sales: 1.91 million tonnes

JPL 4QFY19 Performance:

- Turnover: Rs. 999 Cr
- EBITDA: Rs. 267 Cr
- EBITDA Margin: 27%

1. JSPL Standalone Performance

1.1. Fourth Quarter FY19 Performance

Fourth Quarter ending March'19 was a milestone for JSPL, where the Company recorded its highest ever steel production in aggregate and individually across all its plant locations.

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JSPL Standalone Steel production rose 19% in the reported quarter to 1.51 million tonnes (1.26 million tonnes in 4QFY18) while Standalone Steel sales during 4QFY19 increased to 1.45 million tonnes (up 23% YoY). The Company is now steadily running its Blast Furnace in Angul at c.10,000 tonnes/day which is ramping up gradually.

In terms of the topline, JSPL Standalone recorded its highest ever revenue at Rs. 7,402 Cr (up 29 % YoY) on the back of higher volumes. Despite of steel prices marking their lowest for FY19 at the beginning of the quarter and raw material prices strengthening, offset partially by better product mix and higher volumes, JSPL reported Standalone EBITDA of Rs. 1440 Cr (down 5% YoY). The value added products comprise c.62% of the company's product portfolio

The company achieved external sales of pellets of 0.79 million tonnes during 4QFY19 (up 6% YoY).

1.2. Full Year FY19 Performance

On a full year basis, the JSPL Standalone Steel production rose 31% in the reported year to 5.25 million tonnes (vs 4.02 million tonnes in FY18) while Standalone Steel sales during FY19 increased to 5.12 million tonnes (up 36% YoY).

The year gone by, saw a strong opening in Steel prices which continuously tapered off through the year. JSPL standalone Sales turnover in FY19 rose by 58 %. JSPL reported EBITDA at Rs. 6017 Cr (up 51% YoY).

Pellet continues to be a steady business vertical for JSPL with Pellet plant at Barbil achieving its highest ever production & dispatch during the reported fiscal.

2. Jindal Power Ltd (JPL)

2.1. Fourth Quarter FY19 Performance

4QFY19 gave a better visibility in terms of PPAs coming to the market, which included PPAs from NHPC for aggregation of power, short term PPA's from CESC, Torrent, Bihar, and U.P & Telangana etc. The Company participated in all the PPAs, in-line with its vision of contracting majority of its supply. There are also medium term PPA's from Bengal and Long term from Gujarat where the company shall be participating. Despite of low coal availability through e-auction, the Company generated 2609 Million units in 4QFY19, similar to 2,609 Million units in 3QFY19 and 2310 Million units in Q4FY2018.

JPL reported EBITDA of Rs. 267 Cr (as compared to Rs. 273 Cr in 3QFY19). JPL generated cash profits of Rs. 368 Cr in the reported quarter.

2.2. Full Year FY19 Performance

On an annual basis, JPL revenues decreased by 5 % and EBITDA fell by 19% for the year FY19. The EBITDA margin for FY19 stood at 30% compared to 35% for FY18 (mainly on higher coal costs & lower production).

3. Global Ventures

3.1. Oman: During 4QFY19, Jindal Shadeed recorded production of 0.45 million tonnes of crude steel (as against 0.46 million tonnes in 4QFY18). Falling global steel prices directly impacted revenues & margins at the Jindal Shadeed plant with EBITDA for 4QFY19 at US$ 35 mn (vs. US$72 mn in 4QFY18). On an Annual basis, Jindal Shadeed recorded ever highest production of 1.71 million tonnes of crude steel (as against previous high of 1.67 million tonnes in FY18) and FY19 EBIDTA came at US$ 181 mn (Vs US$ 221 mn in FY18).

3.2. Mozambique: Mines at Mozambique produced 0.52 million tonnes ROM in 4QFY19 (up 57% YoY) while the yearly production rose by 19% to 1.71 million tonnes ROM backed by the steady ramp up. Mozambique operations generated EBITDA of US$ 3.2 mn for the reported quarter.

3.3. Australia: During 4QFY19, the Company produced approx. 49KT (vs. 79 KT in 4QFY18). Despite of incessant efforts to improve production at Wongawilli mines by the company, pursuant to a risk review analysis and in view of the increasing difficult operating conditions, Wongawilli mines have been placed under care & maintenance this quarter. The Company is steadfast in its endeavour to secure the approval for its Russell Vale mines. In FY19, Wongawilli mines produced c. 344KT (up 79% YoY).

4. JSPL Consolidated Performance

4.1. Fourth Quarter FY19 Performance

JSPL produced 1.95 million tonnes of Steel on the Consolidated level (up 14% from 1.72 million tonnes in 4QFY18) and sold 1.91 million tonnes of Steel (up 15% from 1.66 million tonnes in 4QFY18).

In 4QFY19, JSPL reported Consolidated Revenues of Rs. 10,159 Cr (up 18% YoY) while Consolidated EBITDA decreased to Rs.1845 Cr from Rs.2137 Cr (in 4QFY18). Depreciation & Amortization reported in 4QFY19 includes Rs.1286.57 Cr. on account of impairment of assets in Australian subsidiaries.

4.2. Full Year FY19 Performance

The Company achieved a Consolidated Steel Sales of 6.93 million tonnes in FY19, up 27% Y-o-Y and steel production of 6.96 million tonnes (vs. 5.70 million tonnes in FY18).

JSPL Consolidated recorded its highest ever-annual revenue of Rs. 39,388 Cr, 41% higher than previous year. JSPL Consolidated EBITDA rose by 30% compared to previous year FY18 and stood at 8406 Cr. (vs. Rs.6469 Cr for FY18).

Net Debt to EBITDA (Trailing) at the end of FY 19 stood at 4.6 x (Vs 6.6 x as of March'2018). As of March-end FY2019, JSPL reported consolidated Net Debt of Rs. 39,084 Cr (Rs.38,293 Cr on constant currency basis as on 31st March last year).

5. Overview and Outlook:

5.1. Steel:

World Steel Association continues to project world steel demand to grow by 1.3% in CY19. WSA CY19 estimates build China demand growth of 1%, which might have to be watched given impending US-China trade tensions and signs of sluggishness in the Chinese economy. On the back of upward movement in iron ore prices due to certain unplanned supply shocks in Brazil & Australia, global steel prices started going up in 4QFY19. Iron ore prices have continued their upward trend since and are expected to remain high. Coking coal prices have also been robust as a result of supply concerns and increasing coke demand from China & India. This cost push (based on coking coal & iron ore), further supported by possible stimulus from the Chinese government, could be expected to keep the steel prices stable, in the event of an escalation in the US-China trade war.

With over 7.5% steel demand growth in FY19 and an expected growth of 7-7.5% in FY20, India remains to be one of the highest growth markets amongst top steel consumers for steel worldwide. Recent concerns in the country have been around liquidity crunch, which is impacting consumption, and possible impact of rising imports, which could eat into the share of domestic manufacturers. Differentiation in terms of long and flat steel products hence has gained importance. On one hand, while

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flat steel consumers like auto & whitegoods are seeing slowdown, infrastructure (major consumers of long products) growth remains sanguine because of robust government expenditure. Similarly, imports are also hurting flat steel products more than longs. Liquidity is expected to improve post elections while the government can be expected to bring in duties to safegaurd against the predatory imports.

The company is constantly aligning itself to the changing markets by improving its product mix towards more niche and higher margin products.

5.2. Power:

Increasing visibility on the PPAs bear well for the future of the Power sector in the country. The 2500 MW mid-term aggregation bidding conducted recently by NHPC as nodal agency could bring some respite to thermal IPPs who have participated in the tender particularly to those who have untied FSA coal since it can be used to supply the power. The IPPs are also looking forward to participate in long term power purchase auction scheduled in June 2019 by Govt of Gujarat which includes coal tolling option. The CCEA approvals on various HLEC recommendations could go a long way to mitigate the stress in thermal power sector and hopefully the implementation of the recommendations will be fast tracked subsequent to Loksabha elections. Summer demand has already set in the country and fresh round of short term / midterm tenders are expected from the discoms. However, the coal shortage during ensuing monsoon season could likely affect the thermal power generation.

The Company is focused on mitigating the challenges in coal sourcing by procuring coal from traders at competitive prices and also by importing high GCV coal, in addition to allocation of coal through Special Forward and Spot e-auctions of CIL subsidiary companies. The coal allocation to IPPs through Special Forward auction is expected to rise substantially in the near future as mandated in CCEA approvals. In the long term, the company is planning to rope in coal tolling tie-up with State Governments and coal swapping arrangements with other generators. Introduction of commercial mining for the private sector, as outlined earlier by Govt. of India, is also expected to reduce coal woes for thermal power generators in the long run.

The financing for FGD (Flue Gas Desulfurization) installation continues to be a worry as banks are not interested in any further exposure to the power sector. With environment norms becoming more stringent, FGDs will need to be pushed quickly by all producers, both private & state owned. Lack of these measures could entail mothballing of a large number of power facilities in the coming years. With hardly any fresh additions to the supply, any such mothballing could amplify the utilization levels for the existing players in the sector.

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STANDALONE FINANCIAL RESULTS

Year on Year (Quarter)

Parameter	Quarter 4		Change (%)
	2018-19	2017-18	
Turnover	7,402	5,752	*29%*
EBITDA	1,440	1,519	*-5%*
EBITDA %	*19%*	*26%*	
Depreciation + Amortization	576	468	*23%*
Interest	980	686	*43%*
PBT (Before Exceptional)	(115)	364	
Exceptional	1,654	194	
PBT	(1,769)	170	
PAT	(1,154)	145	

Quarter on Quarter

Parameter	Q4 FY 18-19	Q3 FY 18-19	Change (%)
Turnover	7,402	6,745	*10%*
EBITDA	1,440	1,480	*-3%*
EBITDA %	*19%*	*22%*	
Depreciation + Amortization	576	572	*1%*
Interest	980	635	*54%*
PBT (Before Exceptional)	(115)	287	
Exceptional	1,654	-	
PBT	(1,769)	287	
PAT	(1,154)	177	

Full Year

Parameter	FY19	FY18	Change (%)
Turnover	27,730	17,523	*58%*
EBITDA	6,017	3,973	*51%*
EBITDA %	*22%*	*23%*	
Depreciation + Amortization	2,307	1,910	*21%*
Interest	2,896	2,391	*21%*
PBT (Before Exceptional)	829	(328)	
Exceptional	1,398	344	*306%*
PBT	(570)	(672)	*15%*
PAT	(263)	(362)	*27%*

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CONSOLIDATED FINANCIAL RESULTS

Year on Year (Quarter)

Parameter	Quarter 4		Change (%)
	2018-19	2017-18	
Turnover	10,159	8,599	*18%*
EBITDA	1,845	2,137	*-14%*
EBITDA %	18%	*25%*	
Depreciation + Amortization*	2,373	960	*147%*
Interest	1,163	1071	*9%*
PBT Before Exceptional	(1,692)	106	
Exceptional Item	1,734	438	
PBT	(3,426)	(332)	
PAT	(2,713)	(426)	

Quarter on Quarter

Parameter	Q4 FY 18-19	Q3 FY 18-19	Change (%)
Turnover	10,159	9,580	*6%*
EBITDA	1,845	2,077	*-11%*
EBITDA %	18%	22%	
Depreciation + Amortization*	2,373	1036	*129%*
Interest	1,163	1,042	*12%*
PBT Before Exceptional	(1,692)	14	
Exceptional Item	1,734	0	-
PBT	(3,426)	14	
PAT	(2,713)	(87)	

Full Year

Parameter	FY19	FY18	Change (%)
Turnover	39,388	27,844	*41%*
EBITDA	8,406	6,469	*30%*
EBITDA %	*21%*	*23%*	
Depreciation + Amortization *	5,480	3,883	*41%*
Interest	4,264	3,866	*10%*
PBT (Before Exceptional)	(1,323)	(1,277)	*-4%*
Exceptional	1,478	587	*152%*
PBT	(2,802)	(1,864)	*-50%*
PAT	(2,412)	(1,624)	*-48%*

** Depreciation & Amortization reported in 4QFY19 includes Rs.1286.57 Cr. on account of impairment of assets in Australian subsidiaries.*

PRODUCTION (Consolidated)

Year on Year

Product (MT)	Quarter 4		Change (%)
	2018-19	2017-18	
Steel*	1.95	1.72	+14%
Pellets	1.80	1.84	-2%

Full Year

Product (Million Tonnes)	FY 19	FY 18	Change (%)
Steel*	6.96	5.70	+22%
Pellets	7.08	6.86	+3%

***only Slab/Round/Bloom/Beam Blank (includes Oman)**

SALES (Consolidated)

Year on Year

Product (Million Tonnes)	Quarter 4		Change (%)
	2018-19	2017-18	
Steel Products*	1.91	1.66	+15%
Pellets (External sales)	0.79	0.74	+6%

Full Year

Product (Million Tonnes)	Q2 FY 18-19	Q1 FY 18-19	Change (%)
Steel Products*	6.93	5.44	+27%
Pellets (External sales)	2.94	3.09	-5%

***Slabs/Bloom/Billets/Structurals& Rails/Universal Plate/Coil/Converted Angle/Channel/ Wire Rod /TMT/Fabricated Beams/Plates (Includes Oman)**

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JINDAL POWER LIMITED (JPL)

(A SUBSIDIARY OF JSPL)

Year on Year (Quarter)

Particulars (in Crores of INR)	Quarter 4		Change (%)
	2018-19	2017-18	
Turnover	999	947	5%
EBITDA	267	265	1%
EBITDA%	27%	28%	
Depreciation + Amortization	324	377	-14%
Interest	236	237	0%
PBT (before exceptional)	44	(282)	116%
Exceptional expense/(Income)	81	-	-
PBT (After exceptional)	(37)	-	-
PAT	13	(292)	104%
Cash Profit	368	98	277%
Generation (million units)	2,609	2,310	13%

Quarter on Quarter

Particulars (in Crores of INR)	Q4 FY 18-19	Q3 FY 18-19	Change (%)
Turnover	999	990	1%
EBITDA	267	273	-2%
EBITDA%	27%	28%	
Depreciation + Amortization	324	334	-3%
Interest	236	219	8%
PBT (before exceptional)	44	(202)	122%
Exceptional expense/(Income)	81	-	-
PBT (After exceptional)	(37)	-	-
PAT	13	(160)	107%
Cash Profit	368	131	180%
Generation (million units)	2609	2609	-

Full Year

Particulars (in Crores of INR)	FY19	FY18	Change (%)
Turnover	3,858	4,059	-5%
EBITDA	1,155	1,434	-19%
EBITDA%	30%	35%	
Depreciation + Amortization	1,320	1,508	-12%
Interest	893	936	-5%
PBT (before exceptional)	(504)	(733)	31%
Exceptional expense/(Income)	81	-	-
PBT (After exceptional)	(585)	-	-
PAT	(436)	(673)	35%
Cash Profit	816	778	5%
Generation (million units)	10,396	10,905	-5%

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Forward looking and Cautionary Statements: -

Certain statements in this release 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 risks 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 , time and cost overruns on fixed – price, our ability to manage our operations, reduced demand for steel , power etc., 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. The numbers & statements in this release are provisional in nature and could materially change in future, based on any restatements or regrouping of items etc.