



Ref: G - 334

September 12, 2016

The Secretary, Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.
Maharashtra, India.
Scrip Code: 500470

The Manager, Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051.
Maharashtra, India.
Symbol: TATASTEEL

Dear Sirs/Madam,

Sub: Submission of Presentation made to analysts/investors

Please find enclosed herewith the presentation made to analysts/investors on the Results for quarter ended June 30, 2016.

The presentation is being submitted in compliance with Regulation 30(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your information and record.

Yours faithfully,
Tata Steel Limited


Parvatheesam K
Company Secretary

Encl: As above

TATA STEEL LIMITED

Registered Office: Bombay House, 24, Homi Mody Street, Mumbai 400 001, India
Tel: 91 22 6665 8282 Fax: 91 22 6665 7724 website: www.tatasteel.com
Corporate Identity Number: L27100MH1907PLC000260



TATA STEEL



Results Presentation

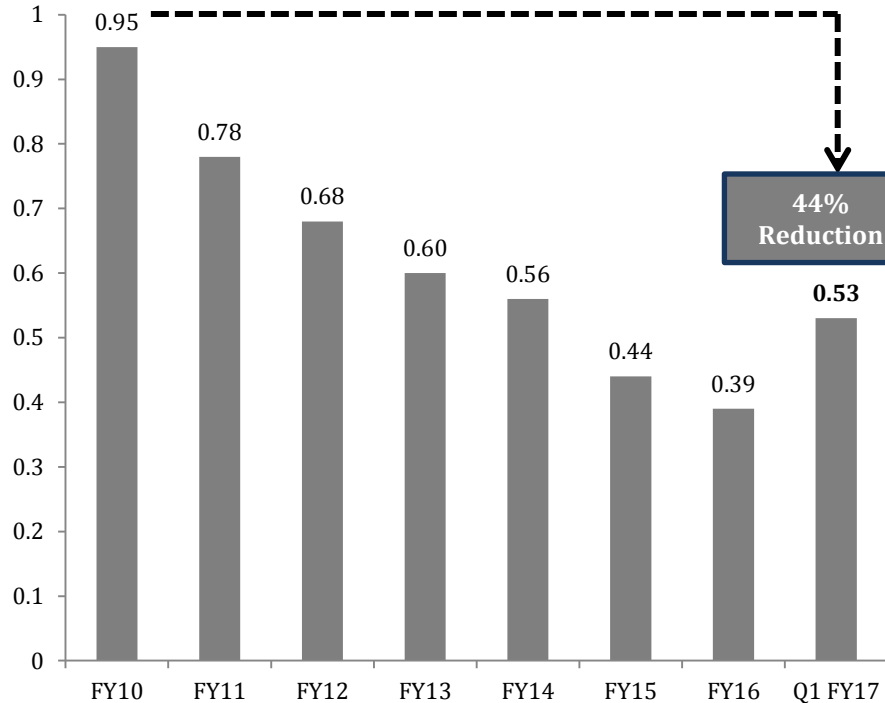
Financial Quarter ended 30th June 2016

September 12, 2016

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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* data for Tata steel group



Ambition:

- ❑ Committed to ensuring all Tata steel sites are sustainably fatality free
- ❑ Being the Benchmark in H&S in our industry

Achievements:

- ❑ Significant progress in fatality free ambition but ensuring alertness and drive remains
- ❑ Deploying management system to embed and sustain our improvement activities.
- ❑ Over-all group LTIFR stood at 0.53 for the quarter

Key Focus areas:

- ❑ Competence development programmes in H&S leadership completed for 300 senior leaders
- ❑ Prioritised strategic activity in contractor management, construction and onsite traffic
- ❑ Kalinganagar Plant start-up undertaken with systemic risk controls as used previously at Jamshedpur
- ❑ Health – unique capability and provision with new challenges and opportunities in all regions

Focused on engaging with communities and improving quality of life

TATA STEEL

India



Primary health care services delivery to nearly 1,09,000 people in areas of operation through static and mobile clinics



A massive fogging activity carried out in Joda as a preventive measure to check Dengue. More than 55,000 people benefit from the activity

Dedicated super specialty eye hospital

- ✓ 100-bedded super specialty Sankara Eye Hospital inaugurated on June 11, 2016
- ✓ To provide modern eye-care services to the people of Ganjam and nearby districts of Odisha
- ✓ Funded entire construction & equipment cost of ₹ 42 crore

Nearly 49,000 students of government schools in East Singhbhum and Seraikela-Kharsawan districts covered under the mid-day meal programme

Drinking water project which will benefit 8,000 people in eight villages of Ramgarh DT. Daily 1000KT is supplied and 14Km of pipe lines setup

Europe



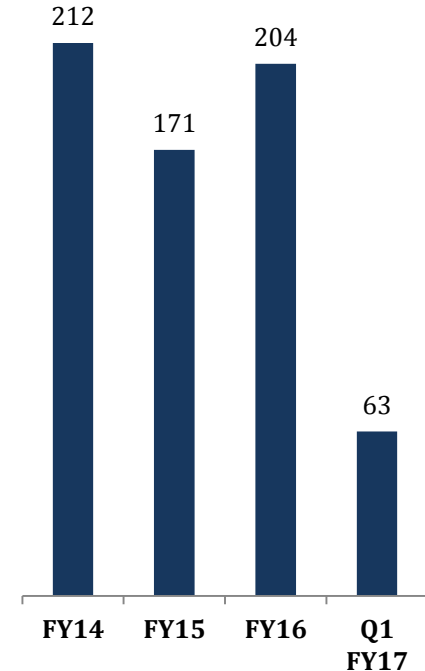
The 35th Tata Steel Marquetteloop annual running event near IJmuiden attracted 1,000 children this summer

Tata Steel enabled 1,600 children in Port Talbot to attend a special event to teach them about safety



A model car test track at Tata Steel's Academy in IJmuiden inspires young engineers and teaches the importance of light-weighting vehicles

CSR Spend -India (₹Cr)





Group Financial Performance



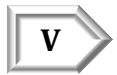
India & SE Asia performance



Europe performance

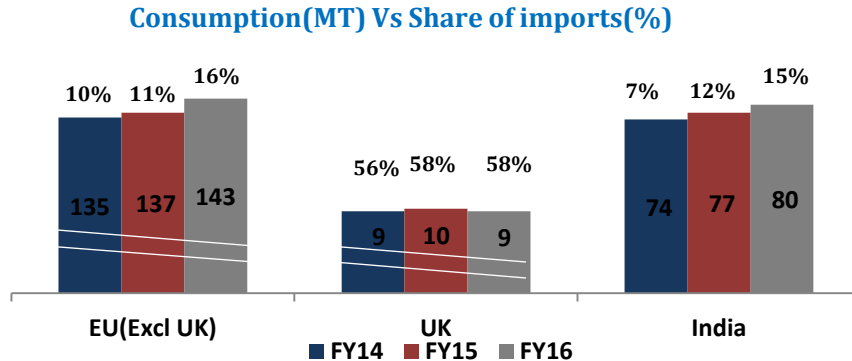
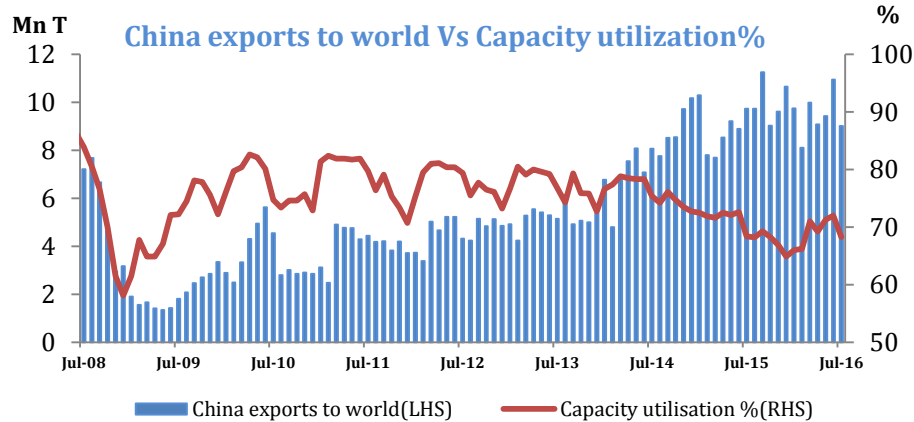


Transition to Ind AS

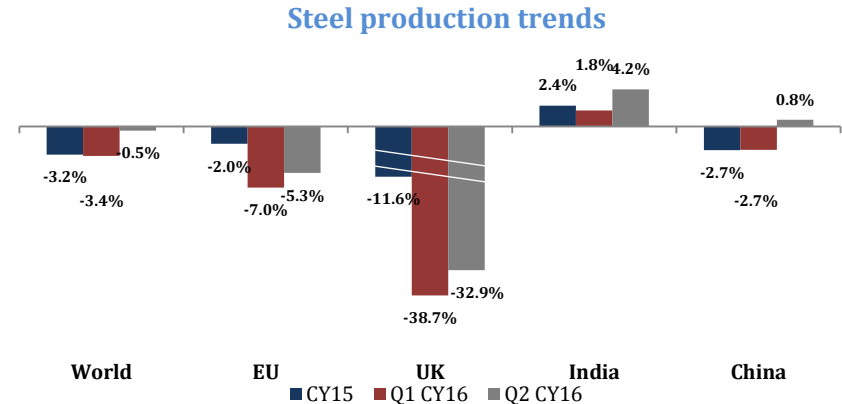


Appendix

Global steel industry – Structural issues are being resolved

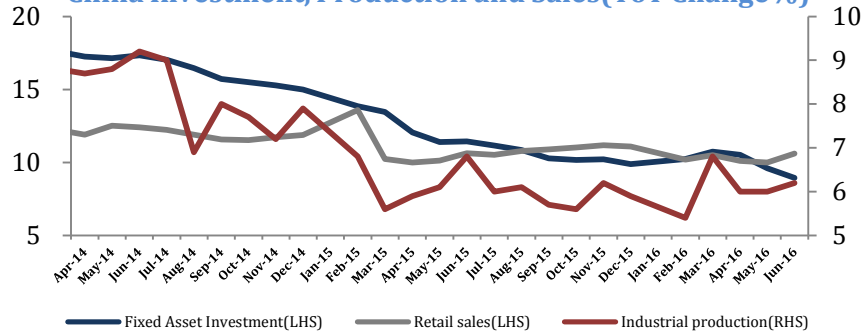


- ❑ Shrinking global steel demand, overcapacity & increasing low priced exports by China continue to pose a threat to sustained revival in realisations
- ❑ Despite a rise in regulatory measures globally, China exports for Jan-June rose by 9%, with June recording second highest exports
- ❑ Global steel production after declining for 16 consecutive months stabilised in June.

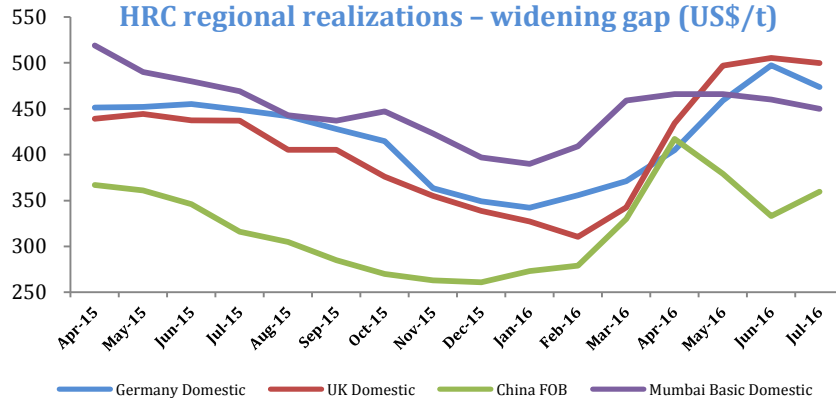


China underlying changes – Translating to better HRC realisations

China Investment, Production and Sales(YoY Change%)

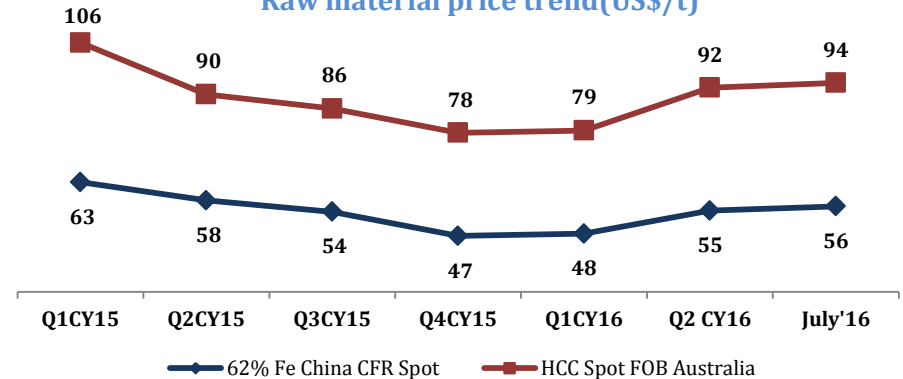


HRC regional realizations – widening gap (US\$/t)



- China liquidity push boosted construction, infrastructure and commodities which coupled with restocking and frequent shutdowns during periods of national exposure aided recovery in steel realisations
- Spot HRC China FOB prices averaged US\$ 420/t, the highest level since Nov '14. Prices have since corrected and currently at around US\$ 390/t.
- Increasing trade measures globally led to widening gap between regional realisations

Raw material price trend(US\$/t)



Highlights for the quarter

❑ Group revenues of ₹26,406 crores on the back of improvement in realisations across geographies

- ❑ Europe deliveries ex-Longs impacted by strategic volume reduction at UK
- ❑ India deliveries stable

❑ Group EBITDA of ₹3,270 crores, up 21% on yoy and 65% on qoq

- ❑ India EBITDA stable at ₹2,236 Crs
- ❑ Europe moves from a loss in Q4 FY16 to EBITDA of ₹856 Crs
- ❑ EBITDA/t increase across all geographies

❑ Commenced commercial operations at Tata Steel Kalinganagar 3MTPA plant

❑ Divestment of Longs Products business in Europe completed.

❑ Initiated discussions with strategic players in steel industry including Thyssenkrupp AG to explore feasibility of a potential JV for European business

Quarterly Financial Performance as per Ind-AS

TATA STEEL

₹ Crores	Group			India		
	Q1 FY17	Q4 FY16	Q1FY16	Q1 FY17	Q4 FY16	Q1FY16
Deliveries(MT)	5.41	6.37	5.82	2.14	2.72	2.14
Turnover	26,406	27,558	28,025	10,323	11,736	10,175
Raw material Cost	6,923	6,363	7,764	2,308	2,159	2,330
EBITDA	3,270	1,982	2,693	2,236	2,240	1,897
EBITDA/t	6,047	3,111	4,626	10,455	8,242	8,850
PBET	1,080	-234	267	1,095	1,129	687
Exceptional items	(168)	(2,559)	(145)	(155)	(289)	1
Profit/(loss) from discontinued operations and its disposal	(3,355)	(97)	(339)	-	-	-
PAT	(3,183)	(3,320)	(317)	575	528	425
Other comprehensive income	350	533	(1,872)	638	(102)	(1,901)
Total comprehensive income	(2,833)	(2,787)	(2,189)	1,214	427	(1,476)
Basic EPS	(33.11)	(34.82)	(3.56)	5.63	4.85	4.08

* All figures on a continuing operations basis(excluding Longs Products Europe)

Quarterly Financial Performance- As per Ind-AS

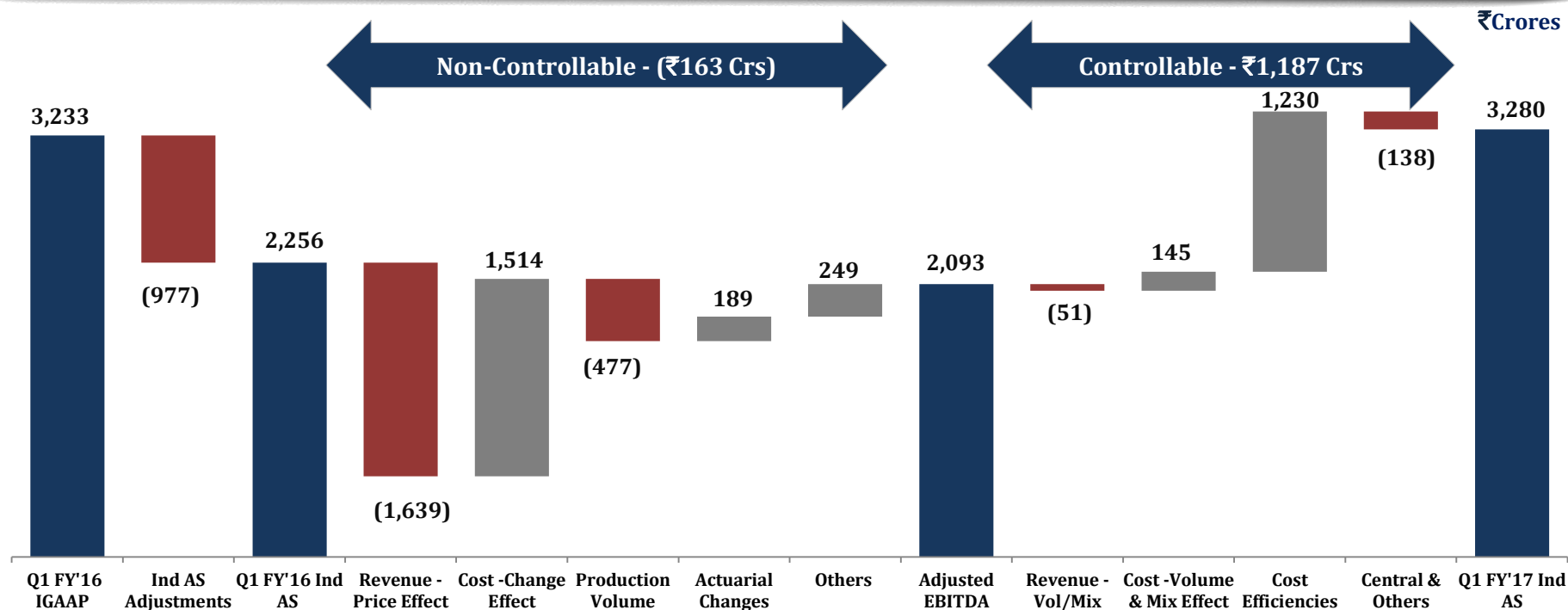
TATA STEEL

₹ Crores	Europe			SEA			Others & Eliminations		
	Q1 FY17	Q4 FY16	Q1FY16	Q1 FY17	Q4 FY16	Q1FY16	Q1 FY17	Q4 FY16	Q1FY16
Deliveries(MT)	2.53	2.89	2.87	0.65	0.67	0.69	-	-	-
Turnover	13,100	13,469	14,865	2,020	1,803	2,262	963	550	723
Raw material Cost	3,848	3,930	5,057	71	69	75	696	205	302
EBITDA	856	(578)	325	187	67	33	(9)	253	438
EBITDA/t	3,384	(1,996)	1,131	2,877	1,000	478	-	-	-

* All figures on a continuing operations basis(excluding Longs Products Europe)

Group EBITDA Bridge Q1 FY 2016 Vs Q1 FY 2017

TATA STEEL

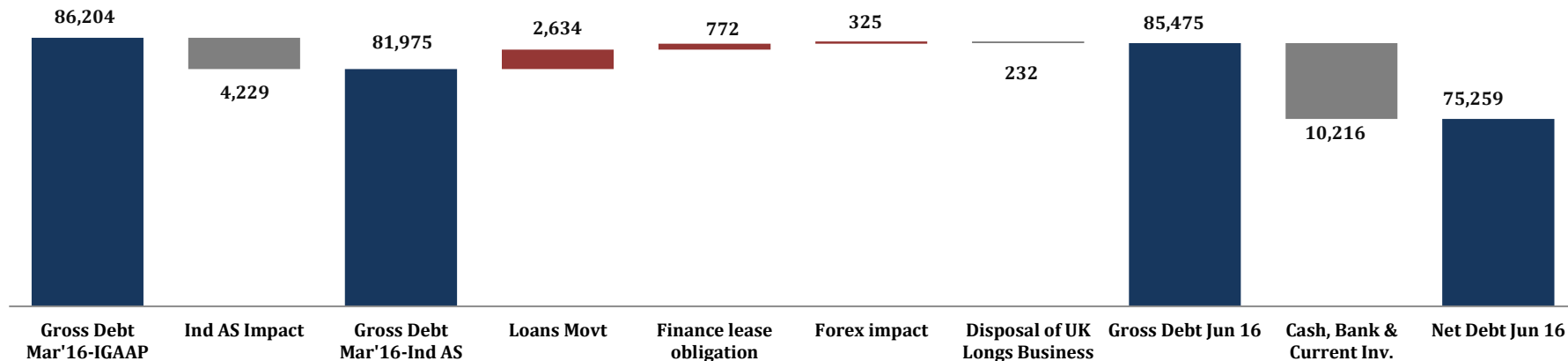


Note: Group EBITDA consists of EBITDA across four operating entities –TSI, TSE, NSH & TSTH

Debt movement in quarter ended 30th June'16

TATA STEEL

₹Crores



- ❑ Gross debt increased by ₹3,499 crores largely due to ₹2,442 crores of capex and increased finance lease obligation due to commencement of Kalinganagar steel plant
- ❑ Net debt increased by ₹4,171 crores
- ❑ Strong liquidity of ~ ₹12,746 crores including available credit lines



I Group Financial Performance



II India & SE Asia performance



III Europe performance



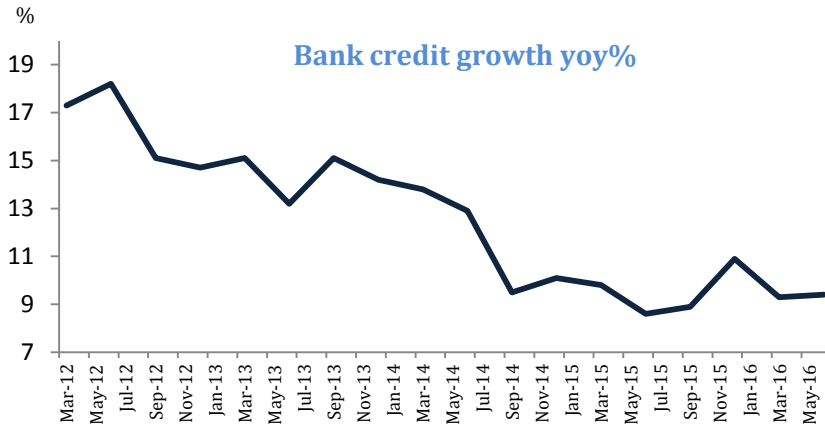
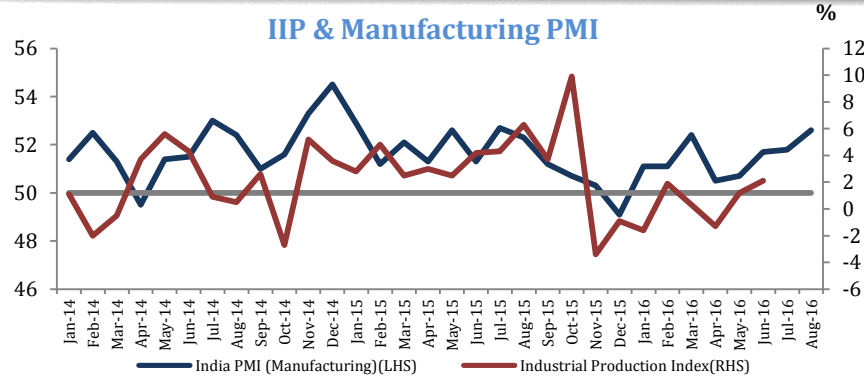
IV Transition to Ind AS



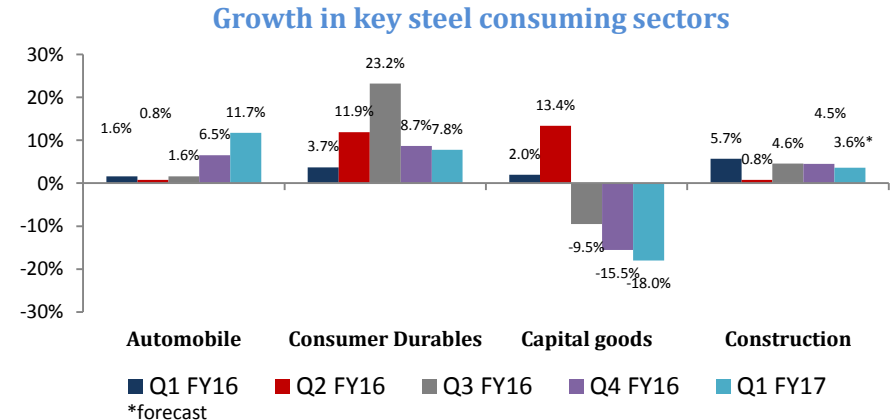
V Appendix

India business Environment continues to be subdued

TATA STEEL

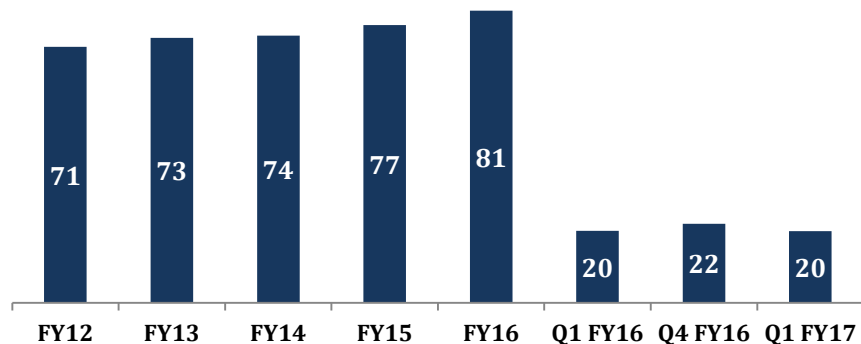


- Subdued business conditions and slow pace of rate transmission reflected in lower IIP and credit growth to commercial sector.
- Severe drought conditions in large parts of the country led to weak rural demand during the quarter.
- Growth in automotive sector was encouraging, while construction & capital goods sector continue to lag.



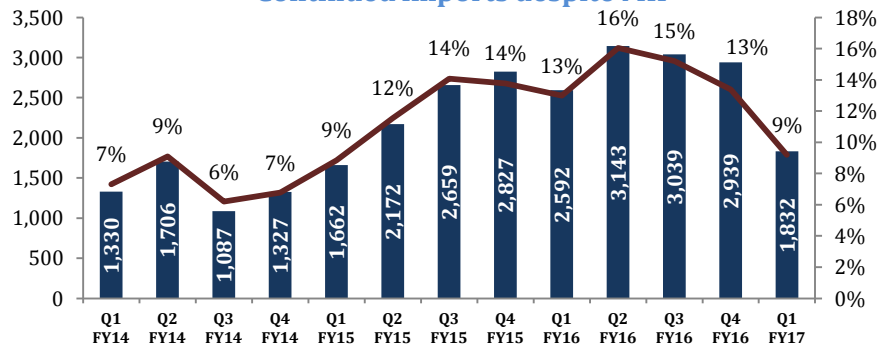
India market realisations recover but bogged down by lacklustre demand **TATA STEEL**

Finished steel demand (in MT)



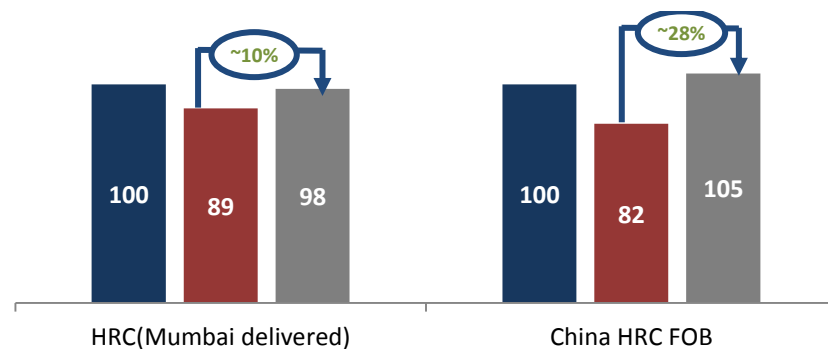
- Apparent finished steel consumption for Q1FY17 dropped by 0.3% yoy
- Domestic realisations recovered at relatively lower rates on subdued demand, increasing supply side pressures and continued imports from pre MIP contracts

Continued imports despite MIP



■ Total Finished steel Imports(LHS) — % of imports in consumption(RHS)

Domestic realisations viz-a-viz China FOB

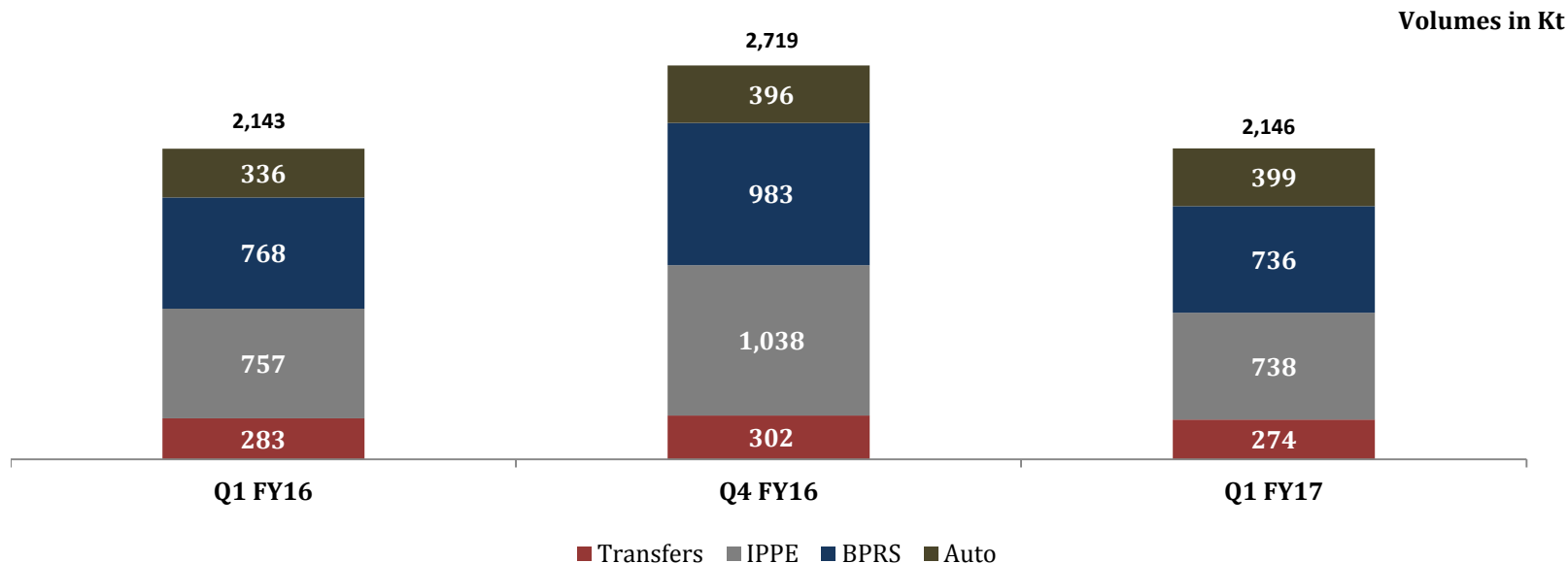


Rebased to 100

■ Q1 FY16 ■ Q4 FY16 ■ Q1 FY17

Tata steel continues to focus on increasing enriched product mix

TATA STEEL



- ❑ Automotive witnessed 19% yoy growth and now accounts for 18.5% of overall sales
- ❑ Super brand TISCON retail achieved a growth of 6% yoy and accounts for 16% of overall sales
- ❑ Branded sales accounts for 34% of total deliveries in Q1 FY17

Portfolio of strong brands across verticals

TATA STEEL



First branded Thermo Mechanically Treated (TMT) Rebar in the country



Best-in-class Hot Rolled Sheets & Coils



Ready to use footings



Downstream service presently offers the Cut & Bend service that aims at providing customized rebar shapes



Flagship brand in the field of Galvanized Corrugated Sheets



India's first branded Cold Rolled Steel



Steel doors for Individual House Builders that combine the strength of steel with the elegance of wood



Unique one stop steel based modular construction solution engineered for speed and perfection



Galvanised Plain Steel Sheet and Coils with superior corrosion resistance properties



Premium Zinc Aluminum alloy coated steel product



Wide range of wires to cater the needs of various industry segments



Branded Ferro Manganese with perfect composition weight and size



Branded Silico Manganese with guarantee of restricted carbon, sulphur and Phosphorus



Lightweight Hollow Steel Sections that ensure high durability



Commercial tubes mainly used for carrying liquids and low pressure gases



Products ranging from strips to bars, tubes, and welded blanks to advanced automotive steels



Ready made quality stirrups



First branded readymade Stirrup manufactured through automatic sophisticated machines



Leading steel furniture brand of residential and office furniture

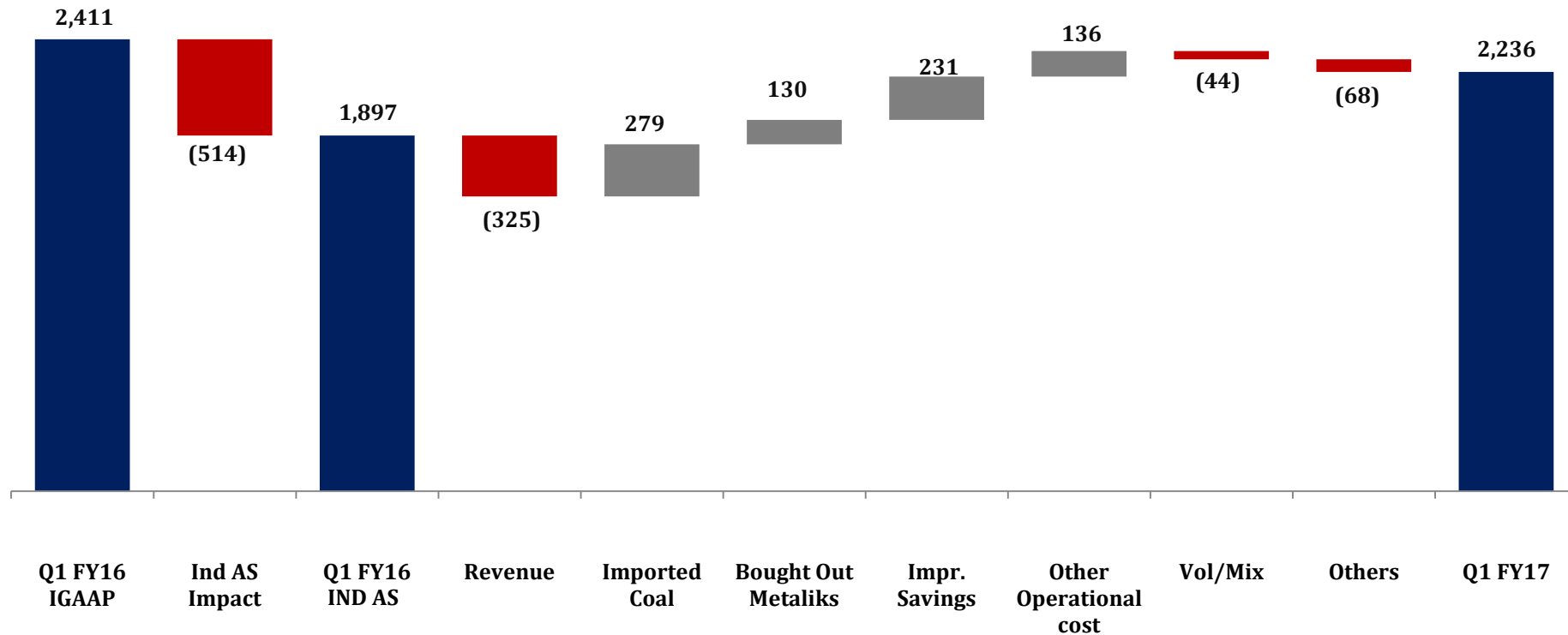


Superior quality Agricultural tools

EBITDA Bridge - Q1FY16 vs Q1FY17

TATA STEEL

₹Crores



Key Highlights

- ❑ Largest operating Blast Furnace & LD converter in India
 - ❑ Higher operational efficiency
 - ❑ Lower coke rate and slag rate
- ❑ Twin wagon tipplers
 - ❑ Faster turnaround time
- ❑ Energy efficient with 100% by-product gas-based power generation leading to reduction in carbon footprint
- ❑ Zero-effluent discharge

Targeted Segments

- ❑ Oil & gas, Ship building, Defense, Heavy engineering, Lifting & excavation, Boiler plates, Capital goods and high strength automotive grades.

Major Economies of scale

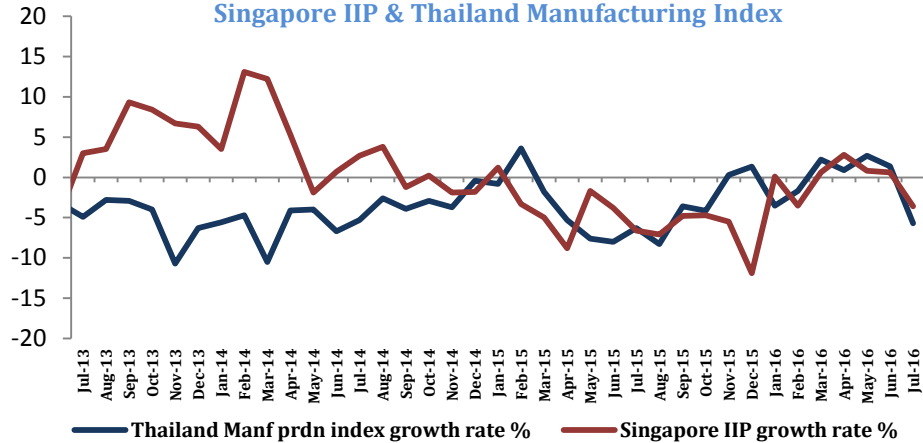
- ❑ Logistics advantage due to its proximity to the port
- ❑ Improved cost competitiveness with higher employee productivity and operating KPIs.

Driving high end products

- ❑ Capability to produce thicker, wider and high tensile strength steels with unique grades and tighter dimensional tolerances.

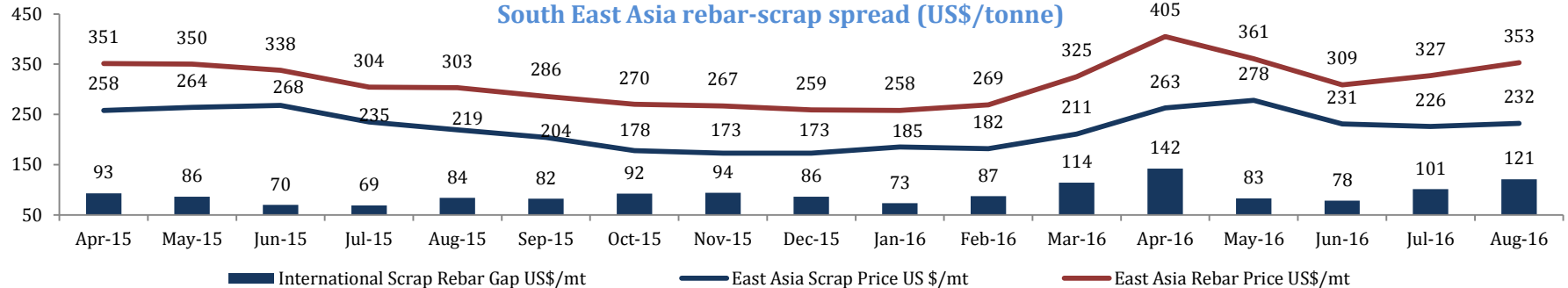
South East Asia business environment

Singapore IIP & Thailand Manufacturing Index



- ❑ Business continues to be impacted by influx of low priced imports from China and volatile spreads
- ❑ Average spreads improved in line with international steel prices during the quarter, however corrected towards end of the quarter
- ❑ Thailand witnessed relatively stable domestic demand for steel on back drop of increased spending by Government on infrastructure Projects

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



Nat Steel Holdings



- ❑ Deliveries ex-China stable
- ❑ Focus on downstream products & solutions, exports driven strategy and increase in spreads aided better margins
- ❑ Wires business witnessing good traction with supportive pricing environment

Tata Steel Thailand



- ❑ Deliveries increased by 11% yoy with strong growth in sales of cut & bend rebars
- ❑ Optimization of input cost and effective management of spreads aided better margins, despite volatility
- ❑ Certified for ACRS license 10-16mm rebar for export to Australia/New Zealand



I

Global steel realisations are expected to remain supportive with supply side restructuring gaining pace in China and inventory levels trending below the average levels before the start of peak construction period.

II

Indian steel demand to get support from government spending, pick up in investments in highways, railways, construction and strong growth by auto sector

III

Good monsoons, increase in disposable income due to pay commission hike and renewed capital infusion in Public sector banks to aid credit growth and ease liquidity pressures

IV

Supply side pressure likely to cap realisations in domestic market and keep mill utilization levels under check.

V

Steel demand in Singapore and Thailand is expected to maintain growth rate on the back of their infrastructure building exercise



Group Financial Performance



India & SE Asia performance



Europe performance



Transition to Ind AS

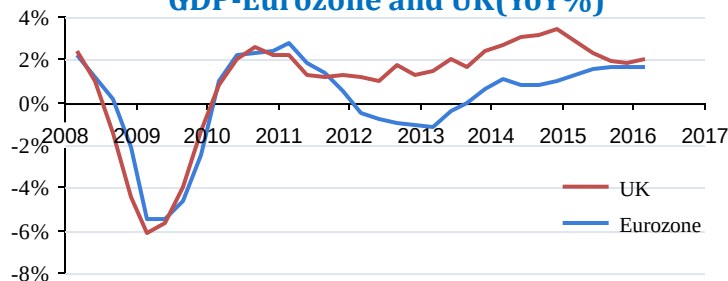


Appendix

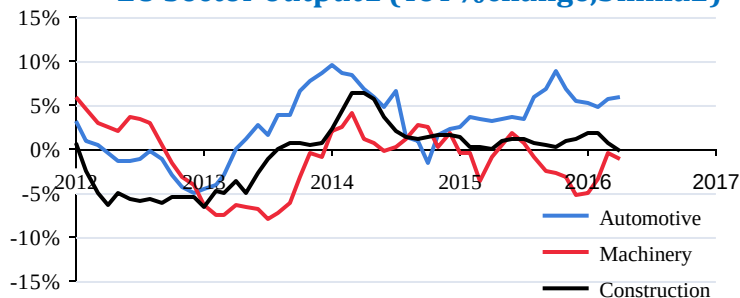
European market context in Q1 FY17

TATA STEEL

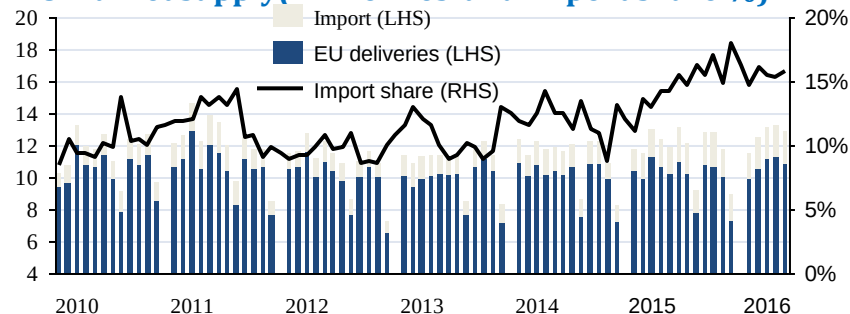
GDP-Eurozone and UK(YoY%)



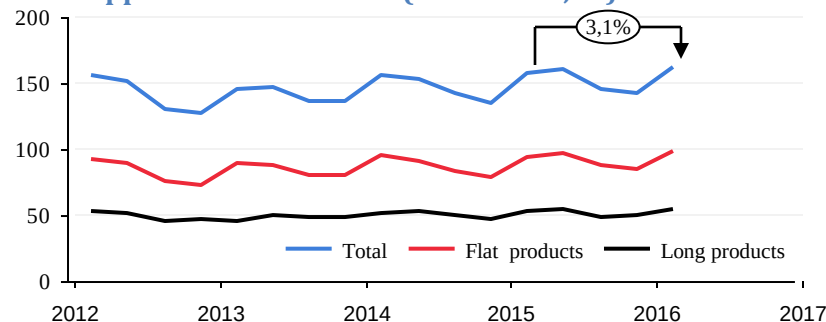
EU Sector output1 (YoY%change,3mma2)



EU Market supply(Mn Tonnes and Import share %)



EU apparent steel demand(annualised,Mt)



EU mills are not benefitting from demand growth in the EU market. Steel demand grew by 3.1% in Q1 2016, whilst deliveries by EU mills were down by -0.5mt compared to a rise of imports of +1.7mt



Customer-focused developments:

- ❑ Differentiation strategy creating more robustness and delivering more value to customers
- ❑ European operations sold 8% more differentiated products in European sale mix in Q1 and highest percentage of differentiated product sales in June
- ❑ Investment in customers through new product development and manufacturing capability continues. Construction started of new slab caster in IJmuiden to boost sales of higher-strength steels, particularly for automotive customers
- ❑ Tata Steel's continuous attention to quality, differentiation and delivery recognised by a number of global customers in Q1, including in lifting and excavating
- ❑ Outperforming consistently for more than four years with one global automotive company has led to Tata Steel being considered as a supplier for all its new vehicles



Strategic efforts underway

- ❑ Parallel to the ongoing sale process for UK business, initiated discussions with strategic players including Thyssenkrupp AG to explore feasibility of a potential JV for European business.
- ❑ Initiated a sale process for the specialty steel business and the Hartlepool pipe mills (Other than 20-inch Tube mill) in UK employing total of ~2000 employees
- ❑ In discussions with stakeholders to find a sustainable solution to the BSPS

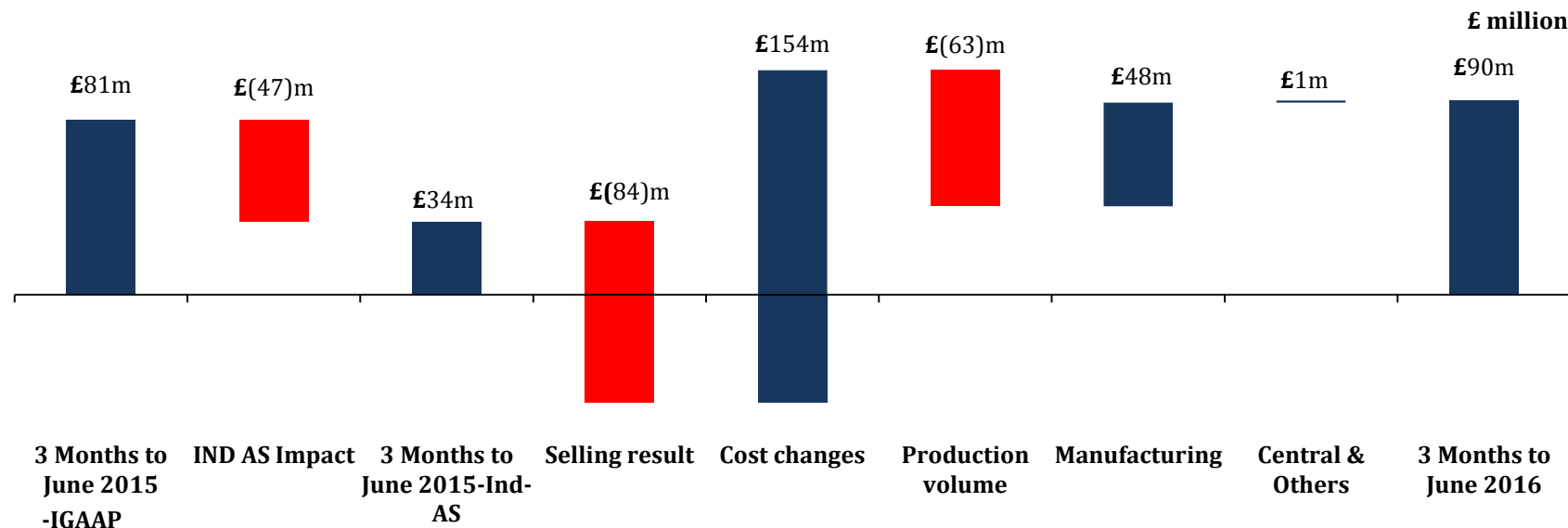
Strategic efforts progressed

- ❑ Completion of divestment of Long products Europe business
- ❑ Implementation of benefit changes to BSPS and reduced the triennial valuation liability to £90 Mn as on 31st March'14.
- ❑ Restructured tail-ended downstream facilities in UK

Continue to pursue operational improvement initiatives, enhance employee productivity, focus on high value added sales, and new product development.

EBITDA Bridge-Q1FY16 vs Q1FY17

TATA STEEL



- ❑ Increased imports into the EU depressed global steel selling prices and the Selling Result
- ❑ Lower input costs and performance improvement initiatives benefited Cost Changes
- ❑ A planned reduction in Production Volume in order to focus on higher-value sales
- ❑ Manufacturing improved due to cost savings following recent structuring announcements

* All figures on a continuing operations basis (excluding Long Products Europe)

I

EU economy expected to continue to grow gradually. UK's stronger growth may slow following EU referendum result

II

EU steel demand expected to increase by 1.1% in 2016 in line with modest economic growth

III

European steel mills expected to continue to be under pressure from imports

IV

Steel prices fallen back recently following prices uplift in April to June quarter. Unclear what future pricing direction will be

IV

Weaker pound vs euro expected to improve UK operations' short-term competitive position

A horizontal decorative bar with a textured, metallic steel appearance, spanning the width of the slide.

I Group Financial Performance

II India & SE Asia performance

III Europe performance

IV Transition to Ind AS

IV Appendix

Ind-AS Impact Summary: Standalone Profit & Loss Statement

Key Impact Areas	Key Reasons
Total income from operations	Grossed up for excise duty
Employee benefit expenses	• Actuarial gains/losses now recognised in OCI • Plan administration costs recognised in P&L rather than applied as increase to liability
Purchase of power	Recognition of long term power purchase agreements as finance lease
Depreciation and Amortization expense	• Increase in assets due to fair valuation of property plant and equipment • Recognition of long term power purchase agreements as finance lease • Capitalisation of Kalinganagar steel plant • Re-measurement of useful life of the asset wef 01.04.2016
Other expenses	Fair value changes of derivatives
Finance cost	• Recognition of long term power purchase agreements as finance lease • Reversal of expenses written off against securities premium and recognised as financing cost
Other income	Profit on sale of investments now routed through OCI instead of other income
Tax expense	Deferred tax based on balance sheet approach instead of P&L approach

Ind-AS Impact Summary: Consolidated Profit & Loss Statement

Key Impact Areas	Key Reasons
Total Income from Operations	• Grossed up for excise duty • Change in methodology of Joint Venture's accounting to 'equity method'
Purchase of finished, semi finished & other products	• Change in methodology of Joint Venture's accounting to 'equity method' • Certain companies based on control definition now accounted as JV's
Raw materials consumed	• Change in methodology of Joint Venture's accounting to 'equity method' • Certain companies based on control definition now accounted as JV's
Employee benefit expenses	• Plan administration costs recognised in P&L rather than applied as increase to liability • Actuarial gains/losses now recognised in OCI
Purchase of power	Recognition of certain long term power purchase agreements as finance lease
Freight and handling charges	• Joint ventures consolidation based on equity method of accounting • Certain companies based on control definition now accounted as JV's
Tax expense	Deferred tax based on balance sheet approach instead of P&L approach

Ind-AS Impact Summary: Consolidated Profit & Loss Statement--Contd

Key Impact Areas	Key Reasons
Depreciation	• Fair value up lift of certain Plant property and equipment at India • Joint ventures consolidation based on equity method of accounting • Certain companies based on control definition now accounted as JV's • Recognition of certain long term power purchase agreements as finance lease • Capitalisation of Kalinganagar steel plant and Re-measurement of useful life of the asset wef 01.04.2016
Finance cost	• Recognition of long term power purchase agreements as finance lease • Reversal of expenses written off against securities premium and recognised as finance cost • Joint ventures consolidation based on equity method of accounting
Other expenses	Change in methodology of Joint Venture's accounting to 'equity method'
Other income	Fair value changes of equity instruments recognised in OCI and change in JV accounting
Tax expense	Deferred tax based on balance sheet approach instead of P&L approach

Consolidation:

- ❑ JV's and associates are now accounted using 'equity method' instead of proportionate line by line method.
- ❑ JCAPCPL, TM Mining, TMILL are now accounted as JV's using equity method.

Other comprehensive Income:

- ❑ Other long term quoted equity investments accounted at fair value.
- ❑ Changes in market value will be recorded in Other Comprehensive Income going forward.
- ❑ Re-measurement gains/losses on actuarial valuation on post employment benefits and effect of foreign currency translation on consolidation routed through OCI

Segment Reporting:

- ❑ The Segment reporting is now realigned on a geographical basis.

A horizontal decorative bar with a textured, metallic steel surface.

I Group Financial Performance

II India & SE Asia performance

III Europe performance

IV Transition to Ind AS

IV Appendix

Standalone-QoQ Variations

₹ Crores	Q1 FY17	Q4 FY16	Key Reasons
Gross sales	10,261	11,583	Lower deliveries partly offset by higher realisations
Other operating income	62	153	Sequential quarter includes credit related to insurance
Changes in inventories	(1,097)	663	Replenished inventories to normalized levels. coupled with ramp up at TSK
Purchases of finished, semis & other products	265	224	Shut down resulted in increased external purchases
Raw materials consumed	2,308	2,159	Increased production of hot metal particularly at TSK
Employee benefits expenses	1,160	1,042	Salary revisions and its consequent impact on retiral provisions.
Purchase of power	687	624	Increased consumption at TSK
Freight and handling	764	814	Lower deliveries
Depreciation and amortisation	703	743	Reduction due to re-measurement of useful life w.e.f 1 st April'16 partly offset by impact of TSK plant capitalisation
Other expenses	2,812	2,875	Increased production of hot metal particularly at TSK
Other income	106	135	Sequential quarter includes year end dividend income
Finance cost	529	472	Interest on commencement of TSK
Exceptional Items	155	289	Lower as previous quarter includes charge on account of ESS
Tax	364	311	Higher deferred tax
Other comprehensive income	638	(102)	Changes in market value of quoted investments now recorded at fair value

Consolidated Results -QoQ Variations

₹ Crores	Q1 FY17	Q4 FY16	Key Reasons
Gross sales	26,332	27,386	Lower volumes partly offset by higher realisations
Other operating income	74	172	Sequential quarter includes credit related to insurance
Changes in inventories	(1,890)	1,726	Increase at India. Increased production at South East Asia
Purchases of finished, semis & other products	3,151	2,460	Shut down resulted in increase at India and Europe and increased production at SEA
Raw materials consumed	6,923	6,363	Largely at India
Employee benefits expenses	4,680	4,708	Increase mainly in India partly offset by decrease in Europe
Purchase of power	1,220	1,147	Increased mainly in India due to TSK
Freight and handling	1,693	1,781	Lower deliveries
Depreciation and amortisation	1,242	1,354	Decrease primarily in India and Europe
Other expenses	6,211	6,228	Lower maintenance expenses at Europe offset by higher costs at India
Other income	137	123	Higher Interest income
Finance cost	1,071	988	In India due to Kalinganagar steel plant capitalization and increase at Europe
Exceptional Items	168	2,559	Sequential quarter includes write down of assets in TSMC, pension curtailment provisions in Europe, ESS provisions and impairments in UK strips business
Tax	740	429	Higher profitability
Other comprehensive income	350	533	FX translation gain and fair value of quoted investments partly offset by re-measurement losses on defined benefit plans

* Above figures are of continuous operations

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