Tata Steel Results Presentation 2022

Financial quarter ended September 30, 2022

October 31, 2022

Jamshedpur, India
Safe harbour statement

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.
Performance Update 2QFY23
Focused on creating sustainable value

- Sustainability at our core
- Leadership in India
- Global technology & digital benchmark
- Consolidate position as global cost leader
- Robust financial health
- Become culturally future ready
Net Zero by 2045

Pursuing sustainability through multiple pathways

Targets

2025
- Achieve <2 tCO₂ per ton of crude steel in India
- Gradually phase out BFs in Netherlands and replace with DRI, REF and IF
- Finalisation of roadmap in UK focused on utilising local scrap in consultation with government

2030
- Achieve <1.8 tCO₂ per ton of crude steel in India
- Achieve 30% lower specific emissions vs. 2020 in Europe

2045
- Net Zero

Initiatives

- Higher scrap charge
- Reducing ash in Coke
- Cleaner fuel like gas
- Progress on Hydrogen
- Adoption of HIsarna
- Multilocation EAF
- Alumina in Iron ore
- Renewable energy
- Upscaling CCU pilots
- Partnering with Academia
- New smelting technology

Underpinned by Commitment towards Safety & Health of our employees

Safety remains a top priority

Undertook behavioural based programs to improve perception about safety. TSJ recognised by CII for ‘SHE Excellence in Eastern Region’ for FY22

Theme based health awareness programs organised ‘World Heart day’ / ‘Monsoon diseases & prevention’ for >5,000 employees across India operations

1 Lost Time Injury Frequency Rate per million-man hours worked for Tata Steel Group
Improving quality of life of our communities

- Rural & Urban Education
- Household Health & Nutrition
- Tribal Cultural Heritage
- Grassroots Rural Governance
- Women & Youth Empowerment
- Dignity for the Disabled
- Household Livelihoods
- Water Resources
- Grassroots Sports
- Public Infrastructure

9.8 Lakh+ Lives Impacted¹
~Rs 1,300 crores spent² since FY19

Tata Steel provides specialized training & supervision to Accredited Social Health Activist (ASHA) workers in rural India, who provide support to women during pregnancies and childbirth.

¹ Cumulative as on 1HFY23
² CSR Spending by Tata Steel Standalone
Leadership in India

2x
India Crude Steel production by 2030

Growth in India to consolidate market leadership
with future investments set to drive sector leading returns

**Upstream**
- Pellet capacity (TSK Ph II)
  - From ~7 MTPA to ~13 MTPA
- Iron ore mining
  - From ~30 MTPA to 60-65 MTPA

**Flats**
- Crude steel production
  - From ~16 MTPA to ~25 MTPA
- Expansion at TSK
  - 2.2 MTPA CRM and 5 MTPA

**Longs**
- Multilocational EAF, NINL expansion
  - From ~5 MTPA to ~15 MTPA

**Downstream**
- Tubes
  - From 1 MTPA to 2 MTPA
- Wires
  - From 0.45 MTPA to 1 MTPA
- Tinplate
  - From 0.38 MTPA to 1 MTPA
- Ductile Iron Pipes
  - From 0.2 MTPA to 1 MTPA

TSK – Tata Steel Kalinganagar, CRM – Cold Rolling Mill, EAF – Electric Arc Furnace, NINL – Neelachal Ispat Nigam Ltd
Flats: TSK 5 MTPA expansion on track, CRM complex to drive product mix enrichment while pellet plant enables cost savings

<table>
<thead>
<tr>
<th>2QFY23</th>
<th>FY23</th>
<th>FY24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pellet plant</td>
<td>CRM : PLTCM</td>
<td>CRM : CAL / CGL</td>
</tr>
</tbody>
</table>

Outer shell of Blast Furnace has been erected

Note: TSK – Kalinganagar, CRM – Cold Rolling Mill, PLTCM – Pickling Line & Tandem Cold mill, CAL / CGL – Continuous Annealing / Galvanising lines
Longs: Poised to grow 2x
in high margin retail business

Tata Steel has a strong portfolio of 11 retail brands

Pan India
Distribution network

2x growth in retail
FY22 FY27

Leveraging retail housing growth in semi urban India
Driven by capacity growth at NINL and EAFs
Enhanced physical and digital reach
Consolidate market share with innovative solutions

Note: B2C – Business to Consumer, NINL – Neelachal Ispat Nigam Limited, EAF – Electric Arc Furnace
Product portfolio

that can cater to end to end requirements of key project segments

Note: LGSF: Light Gauge Steel Framed Structures, AAC: Autoclaved Aerated Concrete Blocks, LRPC: Low Relaxation Prestressed Concrete steel strand
Value accretive consolidation with multiple benefits

- Reduced corporate and compliance costs
- Optimal resource use, lower royalty
- Faster growth, stronger balance sheet
- Provide greater liquidity to shareholders

Note: TSLP – Tata Steel Long Products, TCIL – Tinplate Company of India Limited, Swap ratio is the number of Tata Steel's shares that will be offered in exchange for one share of merging entity.
Tata Steel Europe

embarking on green journey with Zeremis in TSN & Optemis in TSUK, customers across segments

Note: Green steel offerings - Zeremis = Zero Emissions (Tata Steel Netherlands), Optemis = 0% Port Talbot Emissions (Tata Steel UK), OEM – Original Equipment Manufacturer
Digital ecosystem to empower business and drive cultural readiness

Belief System
2015 - 17

• Reverse Mentoring
• Go-and-see visits
• Analytics

Digital Acceleration
2018 - 21

• Integrated One-IT
• Customer-centric
• Business-first, KPI-driven

Digital Best-in-class
2022 - 25

• Hyper-personalization
• Remote operations
• Data-driven, Phygital business

6.4x return in investment, ~$0.5bn accrued till date

200+ models and 1,300+ Dashboards

Data democratization through Single version of truth

99.99% System availability

Templatized M&A capability

Digital ready culture

Digital leader in Global steel

$2bn Digitally enabled savings

Connected Operations
• Integrated Sinter plant
• 1st in India to operate from 6 kms

Connected Assets
• Predictive model for asset health
• 750 hrs. potential delay prevented

Connected Workforce
• Apps to aid employees
• Crowd sensing, Social distancing

Connected Platforms
• Connected transactions, processes
• Personalise for customers etc.

Note: KPI – Key Performance Indicator and M&A – Mergers & Acquisitions
Financial management
to enable returns across cycle

Medium-term
(Across cycle targets)

- **Target Leverage**
  - 2x Net Debt/EBITDA

- **Interest Cover**
  - 4x

- **Target RoIC**
  - 15%

- **Dividend Policy**
  - Progressive dividend policy; robust pay-out

**Note**: 1. ROIC – Return on Invested Capital
2QFY23 Results

Butterfly park, Noamundi mines (India)
Steel industry adversely impacted by decline in spreads and high energy prices, especially in Europe

- Global steel prices continued to moderate in July – Sep period amidst concerns about global recovery & seasonal dynamics
- In China, economic slowdown has weighed on domestic demand despite announced stimulus measures

### EU Steel spread and incl. energy, carbon costs

<table>
<thead>
<tr>
<th>EU Steel spot spread</th>
<th>HRC spot gross spreads ($/t)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sep-20</td>
</tr>
<tr>
<td>EU Steel spread</td>
<td>1,000</td>
</tr>
<tr>
<td>EU spread (w Energy, Carbon)</td>
<td>750</td>
</tr>
</tbody>
</table>

### China Steel spot spreads (Domestic, Export)

<table>
<thead>
<tr>
<th>China Steel spot spreads</th>
<th>HRC spot gross spreads ($/t)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sep-20</td>
</tr>
<tr>
<td>China domestic Spreads</td>
<td>600</td>
</tr>
<tr>
<td>China export Spread</td>
<td>450</td>
</tr>
</tbody>
</table>

Sources: World Steel Association, IMF, Bloomberg, Steelmint; China HRC export spread = China HRC export FOB – 1.65x Iron Ore (62% Fe CFR) - 1x Coal (Premium HCC CFR); China HRC domestic spot spread is with China HRC domestic prices; EU HRC spot spreads = HRC (Germany) - 1.6x iron ore (fines 65%, R'dam) - 0.8x premium hard coking coal (Aus) - 0.1x scrap (HMS, R'dam); EU spot spread incl. energy = EU HRC spot spread – Carbon cost – 0.5 x NG ($/Mwh) – 0.15 x Electricity ($/Mwh).
India demand stable though export ban affected equilibrium; Inflationary pressures affected EU demand

**India**

- Economic activity in India remained stable despite the global cues. Apparent steel consumption was broadly stable on QoQ basis. Exports were down ~36% QoQ

- Automotive continues to recover while Infra / Construction and Capital goods were impacted by seasonal factors

**Europe**

- Inflation – rate hike dynamics and Russia – Ukraine crisis have raised concerns about EU economic activity and weighed on demand dynamics

- Higher energy costs have led to pressure on margins. UK & European Union, have proposed / implemented select interventions to address elevated energy costs

### Key steel consuming sectors*

<table>
<thead>
<tr>
<th>Sector</th>
<th>Jul-19</th>
<th>Jan-20</th>
<th>Jul-20</th>
<th>Jan-21</th>
<th>Jul-21</th>
<th>Jan-22</th>
<th>Jul-22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Goods</td>
<td>150</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>50</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Infrastructure/ construction goods</td>
<td>16%</td>
<td>50%</td>
<td>50%</td>
<td>50%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Automotive</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**Key steel consuming sectors (%) YoY growth**

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</tr>
</thead>
<tbody>
<tr>
<td>Machinery</td>
<td>61%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Construction</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Vehicles (units)</td>
<td>16%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Sources: Bloomberg, SIAM, Joint Plant Committee, MOSPI, CMIE, Eurostat and Tata Steel. *Figures of Industrial Production for Capital Goods, Infrastructure/Construction, consumer durables and railways are rebased to Nov’18=100 using FY12 index based sector weights; number of units produced as per SIAM; growth of key steel consuming sector is calculated by removing sub-segments which do not consume steel
Record domestic deliveries
aid in retaining market leadership across segments

Catering to ~87% of domestic market

Service centres
For last point processing
250+ Distributors
14,600+ Dealers

95%
Districts across India being covered

100%
Fleet covered by vehicle tracking system

40
Brands across segments

50+
Product Application Engineers

6 Hubs
14 spokes

TOC2
Enabled supply chain

Steel domestic deliveries
Mn tons

<table>
<thead>
<tr>
<th></th>
<th>2QFY22</th>
<th>1QFY23</th>
<th>2QFY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive</td>
<td>3.86</td>
<td>3.68</td>
<td>4.37</td>
</tr>
<tr>
<td>BPR</td>
<td>0.66</td>
<td>0.69</td>
<td>0.67</td>
</tr>
<tr>
<td>IPP</td>
<td>1.28</td>
<td>1.15</td>
<td>1.53</td>
</tr>
<tr>
<td>Downstream</td>
<td>1.57</td>
<td>1.52</td>
<td>1.81</td>
</tr>
<tr>
<td>Dealers</td>
<td>0.35</td>
<td>0.33</td>
<td>0.36</td>
</tr>
</tbody>
</table>

1 India includes Tata Steel Standalone and Tata Steel Long Products on proforma basis without inter-company eliminations, BPR – Branded Products & Retail, IPP – Industrial Products & Projects
2 TOC – Theory of Constraints,
Record quarterly sales in Industrial Products & Projects

*driven by rise in value added products to target segments*

**Oil & Gas**
- 1400+ km of Oil and Gas pipeline infrastructure developed using Tata Steel’s HR products

**Pre-Engineered Buildings**
- 9.3 million sq ft of Pre-Engineered buildings constructed with steel

**Solar**
- 130+ MW Power generation infrastructure developed using steel

**Railways**
- Tata Steel to supply HR for Mega Wagons of Indian Railways

**Lifting & Excavation**
- 1 in every 5 Construction equipment has steel supplied by Tata Steel

**Water pipeline**
- 440+ km Of water pipelines laid using Hot Rolled Steel

Note: 1 India includes Tata Steel Standalone and Tata Steel Long Products on proforma basis without inter-company eliminations, HR – Hot Rolled, MW – Mega Watt
## Production Numbers
- **Standalone & Tata Steel Long Products - Crude Steel Production, Europe**
- **Liquid Steel Production, SEA - Saleable Steel Production**

### Key drivers for QoQ change:

- **Revenues**: decreased primarily driven by drop in realisations across geographies and lower volumes in Europe
- **Raw Material cost**: broadly flat as decline in India was offset by rise at Europe
- **Other expenses**: Decreased on lower royalty in Tata Steel India including subsidiaries
- **EBITDA**: moderation in NR across geographies and utilisation of high-cost inventory led to drop in margins
- **Tax expenses**: current tax in line with profitability at India and Netherlands, Deferred tax driven by movement in BSPS
- **Other Comprehensive Income**: primarily relates to foreign currency translation differences

<table>
<thead>
<tr>
<th>(All figures are in Rs. Crores unless stated otherwise)</th>
<th>2QFY23</th>
<th>1QFY23</th>
<th>2QFY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production (mn tons) 1</td>
<td>7.56</td>
<td>7.74</td>
<td>7.77</td>
</tr>
<tr>
<td>Deliveries (mn tons)</td>
<td>7.23</td>
<td>6.62</td>
<td>7.39</td>
</tr>
<tr>
<td>Total revenue from operations</td>
<td>59,878</td>
<td>63,430</td>
<td>60,387</td>
</tr>
<tr>
<td>Raw material cost 2</td>
<td>31,246</td>
<td>31,319</td>
<td>22,162</td>
</tr>
<tr>
<td>Change in inventories</td>
<td>281</td>
<td>(8,099)</td>
<td>(3,103)</td>
</tr>
<tr>
<td>Employee benefits expenses</td>
<td>5,318</td>
<td>5,963</td>
<td>5,862</td>
</tr>
<tr>
<td>Other expenses</td>
<td>16,972</td>
<td>19,273</td>
<td>19,011</td>
</tr>
<tr>
<td>EBITDA</td>
<td>6,271</td>
<td>15,047</td>
<td>16,618</td>
</tr>
<tr>
<td>Adjusted EBITDA 3</td>
<td>5,817</td>
<td>14,348</td>
<td>17,810</td>
</tr>
<tr>
<td>Adjusted EBITDA per ton (Rs.)</td>
<td>8,045</td>
<td>21,661</td>
<td>24,112</td>
</tr>
<tr>
<td>Other income</td>
<td>329</td>
<td>268</td>
<td>271</td>
</tr>
<tr>
<td>Finance cost</td>
<td>1,519</td>
<td>1,218</td>
<td>1,020</td>
</tr>
<tr>
<td>Pre exceptional PBT</td>
<td>2,625</td>
<td>11,945</td>
<td>13,604</td>
</tr>
<tr>
<td>Exceptional items (gain)/loss</td>
<td>19</td>
<td>39</td>
<td>(516)</td>
</tr>
<tr>
<td>Tax expenses</td>
<td>1,308</td>
<td>4,192</td>
<td>1,572</td>
</tr>
<tr>
<td>Reported PAT</td>
<td>1,297</td>
<td>7,714</td>
<td>12,548</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>(3,414)</td>
<td>(6,611)</td>
<td>(715)</td>
</tr>
</tbody>
</table>

1. Production Numbers: Standalone & Tata Steel Long Products -Crude Steel Production, Europe - Liquid Steel Production; SEA - Saleable Steel Production. 2. Raw material cost includes raw material consumed, and purchases of finished and semi-finished products. 3. Adjusted for changes on account of FX movement on intercompany debt / receivables. BSPS : British Steel Pension Scheme
Consolidated EBITDA\(^1\) stood at Rs 5,817 crores

Drop in realisations in India, lower volumes in Europe coinciding with consumption of high-cost inventory led to margin compression

- **Selling Result**: Primarily due to drop in steel realisations in India
- **Cost Changes**: Primarily due to utilisation of high cost inventory across geographies
- **Volume/Mix**: Higher deliveries in India partially offset by lower deliveries in Europe
- **Others**: reflecting lower royalty and higher dividend income

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\(^1\) EBITDA adjusted for foreign currency revaluation gain/loss on offshore liabilities / assets
Net debt stood at Rs 71,753 crores

*Bunching up of large cash payouts ~ Rs 19,000 crores in Q2 - on account of NINL acquisition, FY22 dividend payout and growth capex drives increase in gross debt*
Key metrics are at investment grade levels

**EBITDA Margin (%)**

- FY18: 17.2%
- FY19: 17.3%
- FY20: 18.9%
- FY21: 19.8%
- FY22: 26.2%
- 1HFY23: 12%

**EBITDA / ton (Rs.)**

- FY18: 9,337
- FY19: 11,110
- FY20: 6,267
- FY21: 10,838
- FY22: 15,387
- 1HFY23: 9,337

**Interest Coverage Ratio (x)**

- FY18: 3.9
- FY19: 3.9
- FY20: 2.4
- FY21: 4.1
- FY22: 11.7
- 1HFY23: 9.8

**Gross & Net Debt (Rs. crore)**

- FY18: 92,147
- FY19: 94,879
- FY20: 1,04,779
- FY21: 75,389
- FY22: 51,049
- 1HFY23: 71,753

**Credit Rating**

- S&P: BBB-
- Moody's: Baa3

**Note:** All data is on consolidated basis; 1. FY20 and FY21 incl. Southeast Asia Operations which is reclassified as continuing operations; 2. Interest Coverage Ratio: EBITDA / Interest, LTM basis.
Outlook

Steel demand

China steel output to moderate on winter cuts even as demand finds support from stimulus measures by the government

Visible positive signs for India demand during festive season and expected to further improve on recovery in steel end use segments

Geopolitics and inflation – rate hike dynamics raising uncertainty in EU, select steel end use sectors like automotive to gradually recover

Steel prices

Prices to stabilise as steel supply - demand dynamics improve sans seasonal factors

India steel prices are expected to be range bound; strong demand recovery in auto and buoyancy in rural & construction markets tempered by international prices

European steel prices to be affected by seasonality and recessionary concerns; supply cuts should drive better market balance

Raw material prices

Coking coal to be range bound; demand from India and cyclone weather in Australia offset by reduction in thermal coal prices

Seaborne iron ore prices to remain subdued on China steel production dynamics

European power and energy costs to remain volatile on supply vs. demand in winter and Russia – Ukraine war. EU / UK government measures a key watchpoint
Continued focus on operational efficiencies and minimizing environmental impact

<table>
<thead>
<tr>
<th>Metric</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>1HFY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coke Rate (kg/thm)</td>
<td>363</td>
<td>355</td>
<td>356</td>
<td>353</td>
<td>347</td>
</tr>
<tr>
<td>Specific Energy Consumption (Gcal/tcs)</td>
<td>5.84</td>
<td>5.80</td>
<td>5.79</td>
<td>5.67</td>
<td>5.66</td>
</tr>
<tr>
<td>Specific Fresh Water Consumption (m$^3$/tcs)</td>
<td>3.50</td>
<td>3.10</td>
<td>2.70</td>
<td>2.71</td>
<td>2.76</td>
</tr>
<tr>
<td>CO$_2$ Emission Intensity (tCO$_2$/tcs)</td>
<td>2.35</td>
<td>2.31</td>
<td>2.32</td>
<td>2.43</td>
<td>2.39</td>
</tr>
<tr>
<td>Specific Dust Emission (kg/tcs)</td>
<td>0.42</td>
<td>0.38</td>
<td>0.34</td>
<td>0.39</td>
<td>0.35</td>
</tr>
<tr>
<td>Solid Waste Utilisation (%)</td>
<td>100</td>
<td>100</td>
<td>99</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Goodness Indicator
## Key operating parameters

### Coke rate (kg/thm)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate</td>
<td>542</td>
<td>486</td>
<td>474</td>
<td>500</td>
<td>498</td>
</tr>
</tbody>
</table>

### PCI rate (kg/thm)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate</td>
<td>96</td>
<td>111</td>
<td>128</td>
<td>116</td>
<td>116</td>
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</tbody>
</table>

### Crude Steel Yield (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yield</td>
<td>81.0</td>
<td>81.9</td>
<td>82.6</td>
<td>82.9</td>
<td>82.8</td>
</tr>
</tbody>
</table>

### Power consumption (KVAH/tcs)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power</td>
<td>655</td>
<td>655</td>
<td>601</td>
<td>671</td>
<td>641</td>
</tr>
</tbody>
</table>

### Electrode consumption (kg/tcs)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electrode</td>
<td>1.6</td>
<td>1.3</td>
<td>1.5</td>
<td>2.4</td>
<td>2.5</td>
</tr>
</tbody>
</table>

### Oil consumption at Mill (ltr/ton)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil</td>
<td>25.5</td>
<td>25.5</td>
<td>17.0</td>
<td>22.1</td>
<td>22.8</td>
</tr>
</tbody>
</table>

\[\text{Note: 1. ton of finished steel}\]

Goodness Indicator
<table>
<thead>
<tr>
<th>(All figures are in Rs. Crores unless stated otherwise)</th>
<th>2QFY23</th>
<th>1QFY23</th>
<th>2QFY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production (mn tons)</td>
<td>4.64</td>
<td>4.73</td>
<td>4.56</td>
</tr>
<tr>
<td>Deliveries (mn tons)</td>
<td>4.76</td>
<td>3.89</td>
<td>4.42</td>
</tr>
<tr>
<td>Total revenue from operations</td>
<td>32,245</td>
<td>32,021</td>
<td>32,687</td>
</tr>
<tr>
<td>Raw material cost</td>
<td>16,336</td>
<td>17,336</td>
<td>8,752</td>
</tr>
<tr>
<td>Change in inventories</td>
<td>1,499</td>
<td>(4,562)</td>
<td>(628)</td>
</tr>
<tr>
<td>Employee benefits expenses</td>
<td>1,647</td>
<td>1,540</td>
<td>1,543</td>
</tr>
<tr>
<td>Other expenses</td>
<td>7,920</td>
<td>8,139</td>
<td>9,589</td>
</tr>
<tr>
<td>EBITDA</td>
<td>5,135</td>
<td>9,616</td>
<td>13,557</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>4,158</td>
<td>8,304</td>
<td>13,574</td>
</tr>
<tr>
<td>Adjusted EBITDA per ton (Rs.)</td>
<td>8,741</td>
<td>21,326</td>
<td>30,739</td>
</tr>
<tr>
<td>Other income</td>
<td>1,018</td>
<td>736</td>
<td>382</td>
</tr>
<tr>
<td>Finance cost</td>
<td>958</td>
<td>722</td>
<td>730</td>
</tr>
<tr>
<td>Pre exceptional PBT</td>
<td>3,555</td>
<td>8,237</td>
<td>11,730</td>
</tr>
<tr>
<td>Exceptional items (gain)/loss</td>
<td>19</td>
<td>55</td>
<td>131</td>
</tr>
<tr>
<td>Tax expenses</td>
<td>880</td>
<td>2,068</td>
<td>2,891</td>
</tr>
<tr>
<td>Reported PAT</td>
<td>2,655</td>
<td>6,114</td>
<td>8,708</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>73</td>
<td>4</td>
<td>163</td>
</tr>
</tbody>
</table>

Key drivers for QoQ change:

- **Revenues**: Broadly similar as higher volumes more than offset the decline in steel realisations
- **Raw Material cost**: decreased due to decline in coking coal and scrap consumption cost
- **Other expenses**: decreased primarily on lower royalty payment related to Iron ore
- **EBITDA**: decreased primarily on moderation in steel realisations combined with utilisation of high-cost inventory
- **Other Income**: driven by Dividend Income
- **Finance cost**: increase on rise in benchmark interest rates and movement in gross debt

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1. Raw material cost includes raw material consumed, and purchases of finished and semi-finished products
2. Adjusted for changes on account of FX movement on intercompany debt / receivables
### Tata Steel Europe

(All figures are in Rs. Crores unless stated otherwise)

<table>
<thead>
<tr>
<th></th>
<th>2QFY23</th>
<th>1QFY23</th>
<th>2QFY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liquid Steel production (mn tons)</td>
<td>2.40</td>
<td>2.44</td>
<td>2.56</td>
</tr>
<tr>
<td>Deliveries (mn tons)</td>
<td>1.87</td>
<td>2.14</td>
<td>2.14</td>
</tr>
<tr>
<td>Total revenue from operations</td>
<td>21,559</td>
<td>25,961</td>
<td>21,424</td>
</tr>
<tr>
<td>Raw material cost¹</td>
<td>11,090</td>
<td>11,162</td>
<td>10,441</td>
</tr>
<tr>
<td>Change in inventories</td>
<td>(1,400)</td>
<td>(2,563)</td>
<td>(2,301)</td>
</tr>
<tr>
<td>Employee benefits expenses</td>
<td>3,114</td>
<td>3,929</td>
<td>3,762</td>
</tr>
<tr>
<td>Other expenses</td>
<td>6,972</td>
<td>7,415</td>
<td>6,222</td>
</tr>
<tr>
<td>EBITDA</td>
<td>1,788</td>
<td>6,037</td>
<td>3,340</td>
</tr>
<tr>
<td>EBITDA per ton (Rs.)</td>
<td>9,540</td>
<td>28,220</td>
<td>15,609</td>
</tr>
</tbody>
</table>

¹. Raw material cost includes raw material consumed, and purchases of finished and semi-finished products

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Key drivers for QoQ change:

- **Revenues:** decreased on absolute basis (in £) and per ton basis due to lower deliveries and steel realisations.

- **Raw Material cost:** higher (in £) on higher coking coal consumption partly offset by drop in Iron ore consumption cost.

- **Change in Inventories:** reflects the build up in Inventory during the quarter, given the reline at Netherlands and lower sales.

- **Other Expenses:** decreased primarily on lower power and fuel costs, 1QFY23 included UK government rebate for electricity costs in prior periods.

- **EBITDA:** Margin declined on drop in prices and elevated costs.
### Tata Steel Long Products (Consolidated with NINL)

(All figures are in Rs. Crores unless stated otherwise)

<table>
<thead>
<tr>
<th></th>
<th>2QFY23</th>
<th>1QFY23</th>
<th>2QFY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue from operations</td>
<td>1,869</td>
<td>1,994</td>
<td>1,637</td>
</tr>
<tr>
<td>Raw material cost(^2)</td>
<td>1,358</td>
<td>1,665</td>
<td>1,032</td>
</tr>
<tr>
<td>Change in inventories</td>
<td>98</td>
<td>(147)</td>
<td>(47)</td>
</tr>
<tr>
<td>Employee benefits expenses</td>
<td>106</td>
<td>61</td>
<td>52</td>
</tr>
<tr>
<td>Other expenses</td>
<td>562</td>
<td>484</td>
<td>360</td>
</tr>
<tr>
<td>EBITDA</td>
<td>(229)</td>
<td>(34)</td>
<td>302</td>
</tr>
<tr>
<td>EBITDA per ton (Rs.)(^3)</td>
<td>(14,594)</td>
<td>(1,956)</td>
<td>18,010</td>
</tr>
<tr>
<td>EBITDA Margin (%)</td>
<td>-</td>
<td>-</td>
<td>18.5%</td>
</tr>
<tr>
<td>Reported PAT</td>
<td>(662)</td>
<td>(331)</td>
<td>135</td>
</tr>
</tbody>
</table>

1. Figures for 2QFY23 are consolidated for NINL, post acquisition
2. Raw material cost includes raw material consumed, and purchases of finished and semi-finished products
3. EBITDA/Steel deliveries

### Key drivers for QoQ change:

- **Revenues**: decreased on lower volumes and decline in realisations in Steel and DRI business
- **Raw Material cost**: decreased on lower volumes and decline in coking coal consumption cost
- **Employee benefit expenses**: Increased primarily due to consolidation of Neelachal Ispat Nigam Ltd. (NINL), excluding this was broadly stable
- **Other Expenses**: Increased due to consolidation of NINL, else declined on lower royalty, fuel and freight related expenses
- **EBITDA**: was loss of Rs 52 crores excluding movement due to consolidation of NINL
### Tata Steel Thailand

<table>
<thead>
<tr>
<th></th>
<th>2QFY23</th>
<th>1QFY23</th>
<th>2QFY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Saleable Steel production (mn tons)</td>
<td>0.30</td>
<td>0.31</td>
<td>0.27</td>
</tr>
<tr>
<td>Deliveries (mn tons)</td>
<td>0.30</td>
<td>0.31</td>
<td>0.33</td>
</tr>
<tr>
<td>Total revenue from operations</td>
<td>1,656</td>
<td>1,966</td>
<td>1,780</td>
</tr>
<tr>
<td>Raw material cost†</td>
<td>1,004</td>
<td>1,591</td>
<td>1,081</td>
</tr>
<tr>
<td>Change in inventories</td>
<td>215</td>
<td>(189)</td>
<td>102</td>
</tr>
<tr>
<td>Employee benefits expenses</td>
<td>51</td>
<td>53</td>
<td>53</td>
</tr>
<tr>
<td>Other expenses</td>
<td>355</td>
<td>360</td>
<td>304</td>
</tr>
<tr>
<td>EBITDA</td>
<td>30</td>
<td>150</td>
<td>240</td>
</tr>
<tr>
<td>EBITDA per ton (Rs.)</td>
<td>1,005</td>
<td>4,891</td>
<td>7,361</td>
</tr>
</tbody>
</table>

1. Raw material cost includes raw material consumed, and purchases of finished and semi-finished products

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**Key drivers for QoQ change:**

- **Volumes:** broadly stable production and sales volumes
- **Revenues:** Decreased on drop in steel realisations
- **EBITDA:** decreased as movement in realisations more than offset the reduction in material related costs
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