

Tata Steel (Thailand) **welcomes**

**Results Presentation : Financial quarter
Ending 31st March 2017**



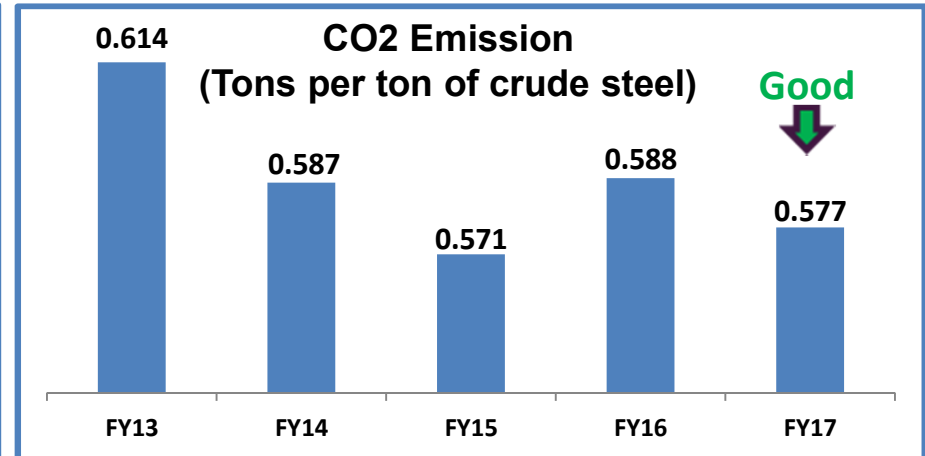
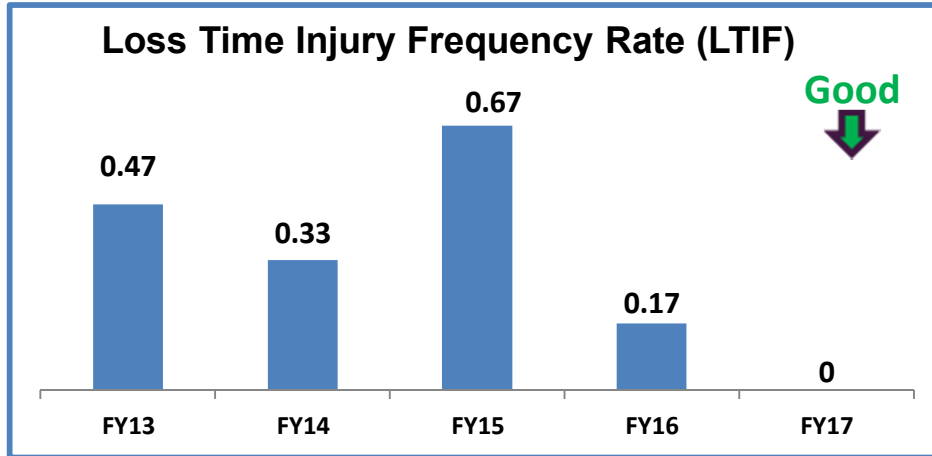
Disclaimer



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.

- **Corporate Citizenship**
- **Economic Scenario & Steel Business**
- **Q4 & Annual FY17 Performance**
- **Business Outlook going ahead**

Safety & Environment



Key Initiatives taken :

1. Quarter#4 safety campaign of "Moving Machinery & Guarding".
2. New ASSC – Road Safety, set road safety standard, and audit for Heavy vehicle and company cars.
3. All 3 Plants apply for Green Environment Industry Level 4 by Department of Industrial Works.
4. Incident Investigation training for Root Cause Analysis.

SCSC won the Prime Minister's Industry Awards 2016 on Safety Management



SCSC received "Green Star Awards 2016" From IEAT Maptaphut



Corporate Social Responsibility FY17



"Grow Smart with Tata Steel"
Libraries have reached 248 schools
in remote area of 52 Provinces



SISCO received Corporate Social Responsibility - Department of Industrial Works Award (CSR-DIW)

TATA STEEL (THAILAND)

100% of the employees participated in at least one CSR activity and collectively spent 10,123 Hours (8.3 working hours/employee)



Tata Group in Thailand held the 5th "Forest For Life For our beloved King"



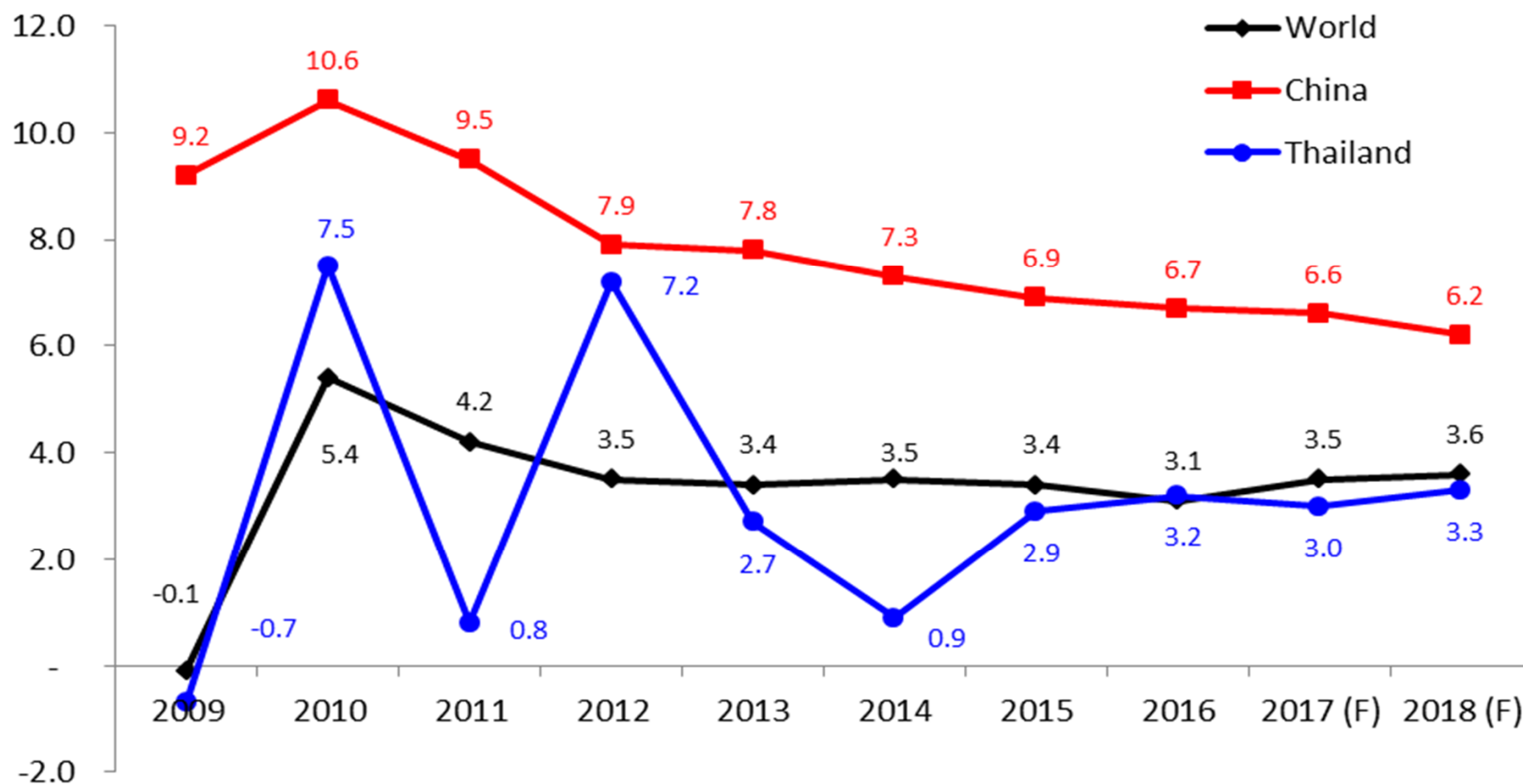
Employees & TSTH donated 395,000 Baht to PM for Southern Flood Relief



Many CSR Activities on Employees' Birthday: Cleaning Beach at Pradoo bay, Rayong 5

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World Economic Growth

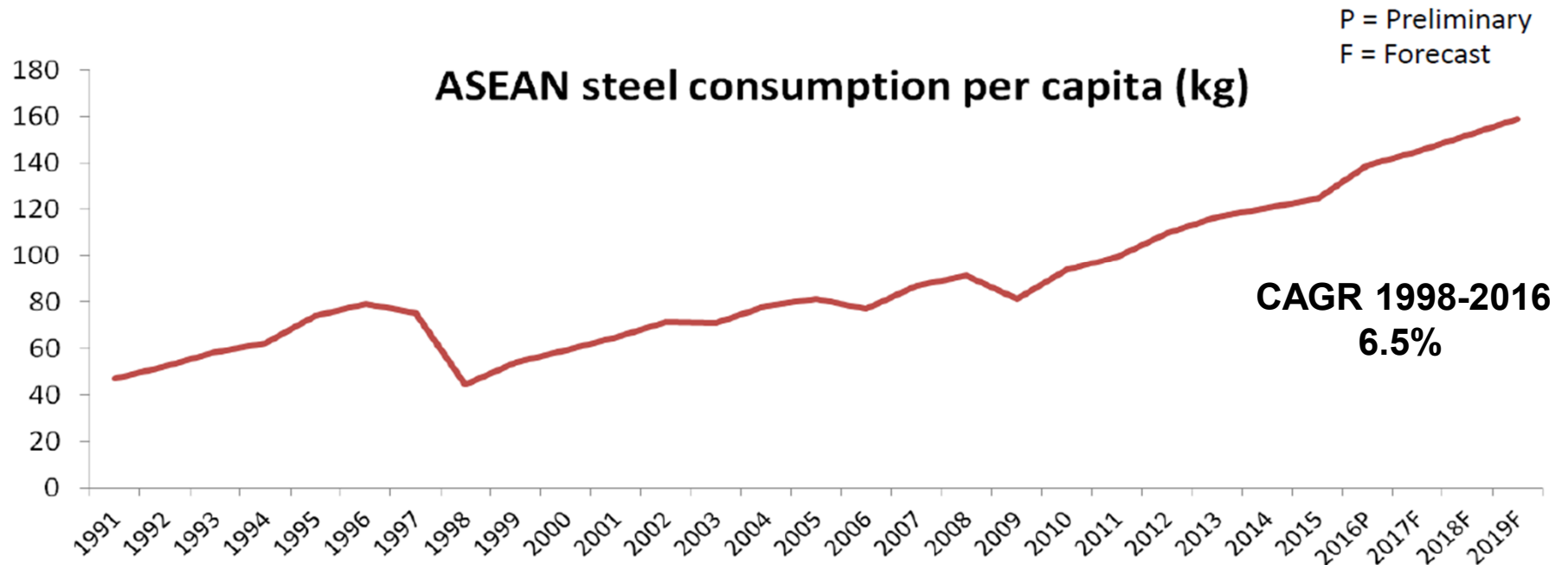


Steel consumption likely to grow at a healthy rate



Unit: kg

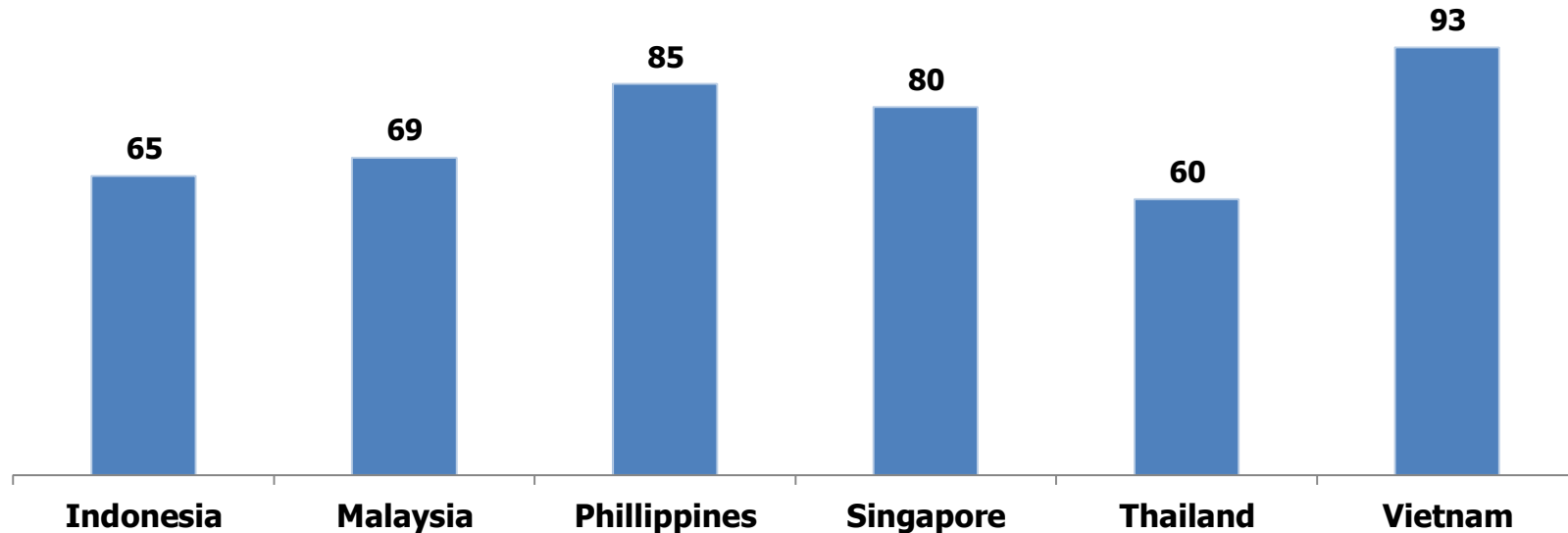
Steel consumption per capita	2014	2015	2016P	2017F	2018F	2019F
Indonesia	51	45	49	51	55	59
Malaysia	328	321	353	352	351	351
Philippines	73	86	93	97	101	105
Singapore	701	725	530	531	531	531
Thailand	255	242	279	281	288	295
Vietnam	159	199	241	267	291	314
ASEAN	121	125	139	145	152	159



Steel industry in ASEAN is dominated by Construction



% share of Construction sector in total steel demand



Construction sector in the region is mainly driven by Government mega projects to support domestic economy

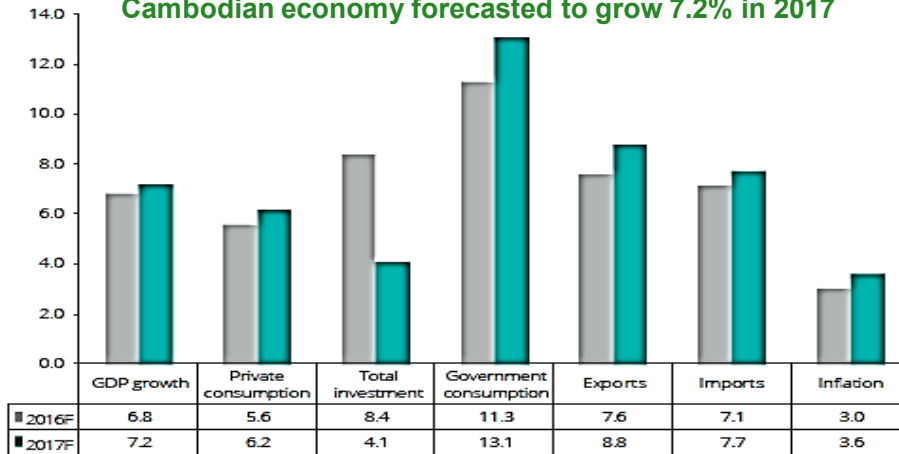
However Construction practices vary significantly from 'advanced level' in Singapore to 'basic' in many countries.

ASEAN & Thailand Economy



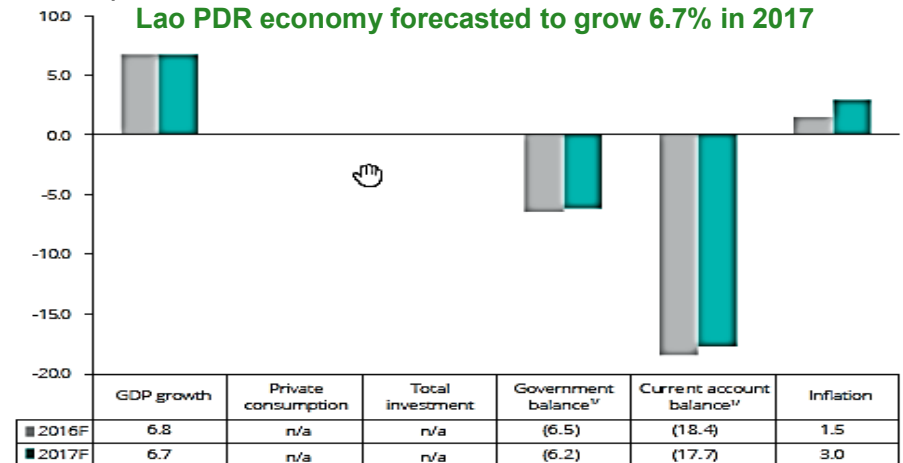
Cambodia: GDP expansion will continue led by a robust growth of private consumption. Chinese led Asian Infrastructure Investment bank will continue to sustain investment growth..

Cambodian economy forecasted to grow 7.2% in 2017



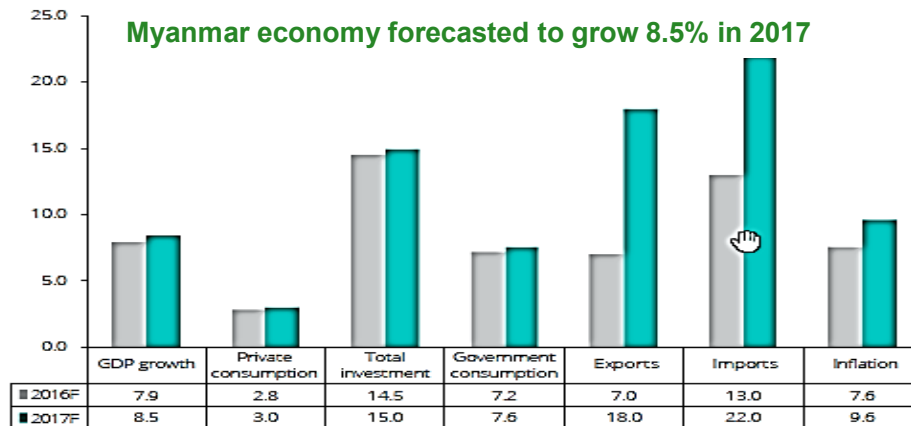
Laos PDR: Economy will largely rely on construction projects. Investment inflow will support developments in power and transport sectors.

Lao PDR economy forecasted to grow 6.7% in 2017



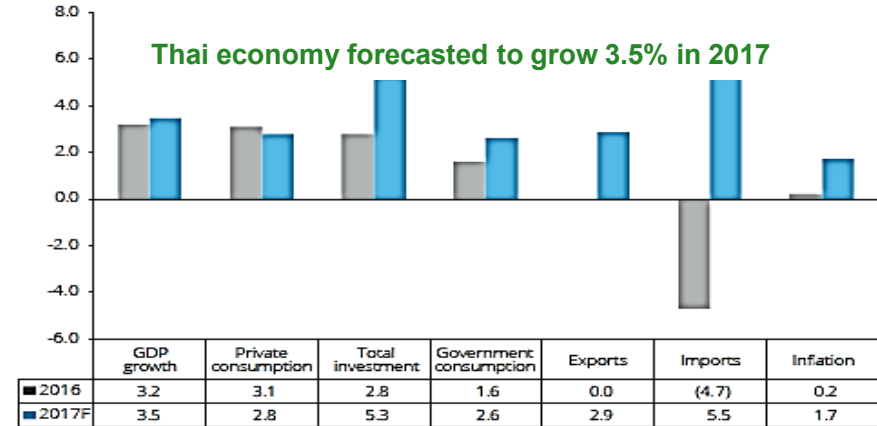
Myanmar: Large projects funded by foreign investors will continue to impact economic activities. Stronger private consumption will also help boost domestic demand.

Myanmar economy forecasted to grow 8.5% in 2017



Thailand: Tourism and Government spending remain the key growth engine. Implementation of the new and ongoing mega-projects will drive the growth over the next 4-5 years

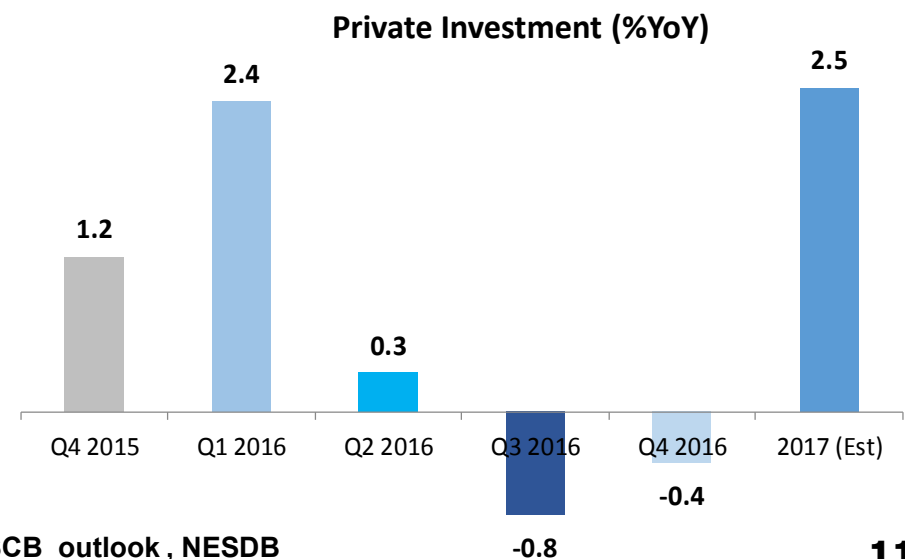
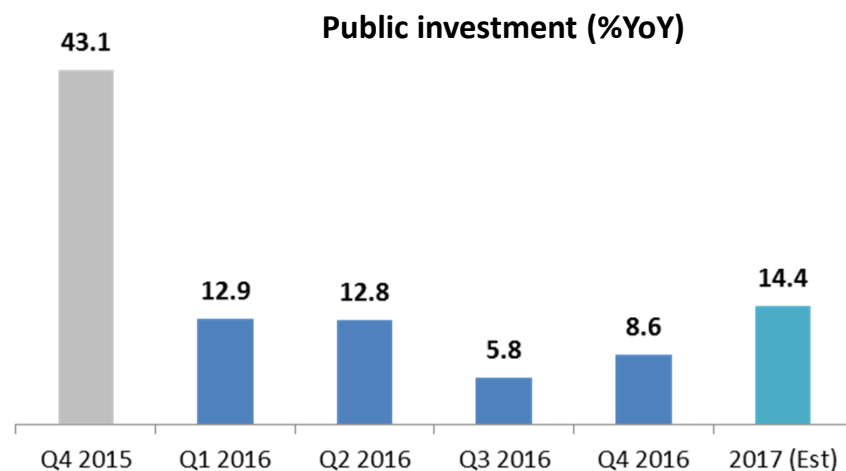
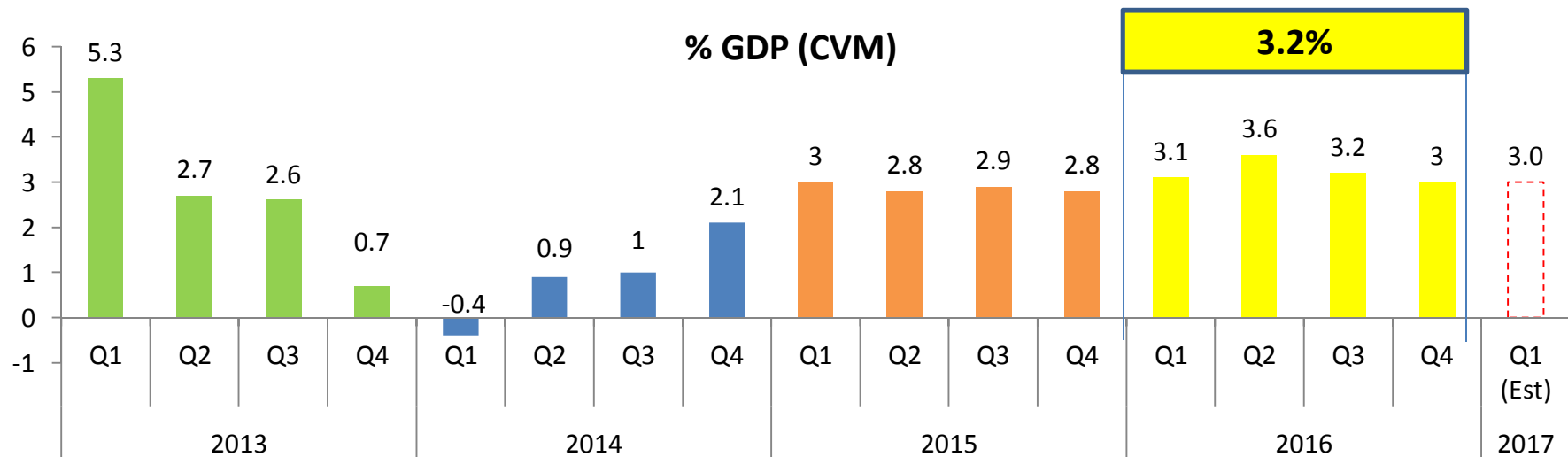
Thai economy forecasted to grow 3.5% in 2017



Thailand Economy - Key indicators



Thailand GDP continued to grow relies by government support



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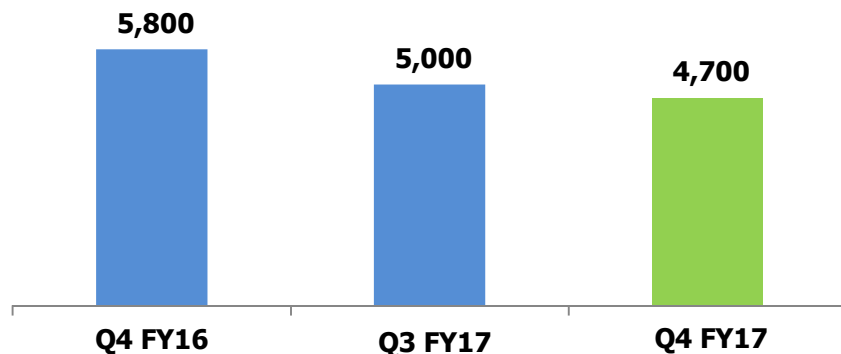
Value Added Products Sales - Q4 FY17

Unit : Tons



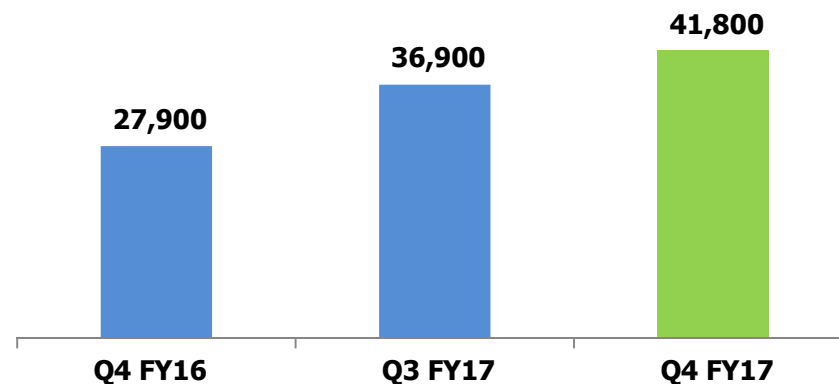
Seismic Rebar

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Good



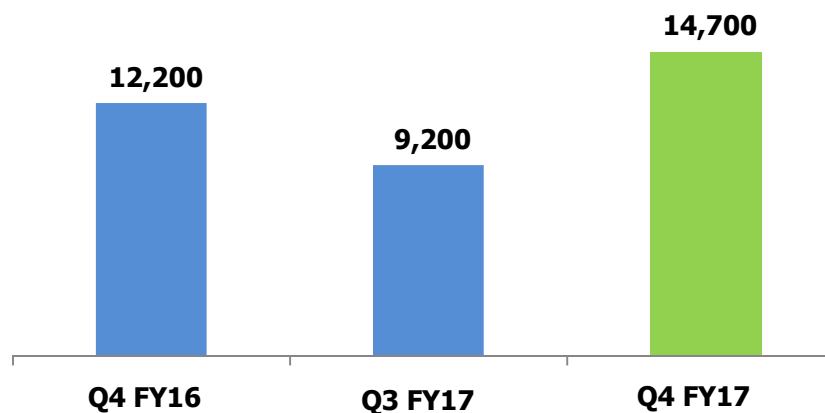
High Tensile Rebar

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Good



Cut & Bend

↑
Good



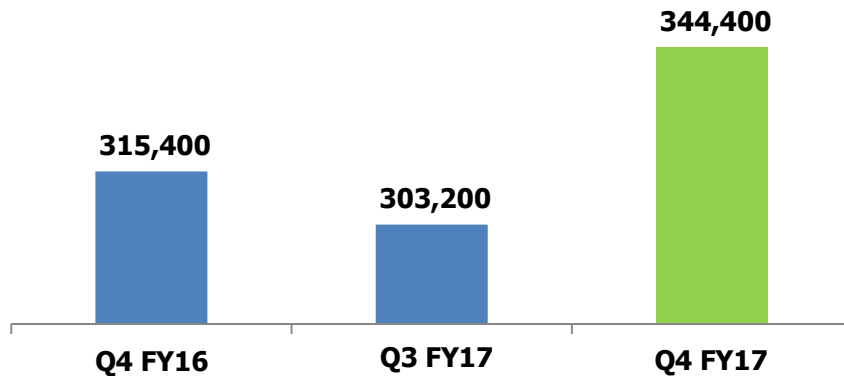
Sales Volume - Q4 FY17

Unit : Tons



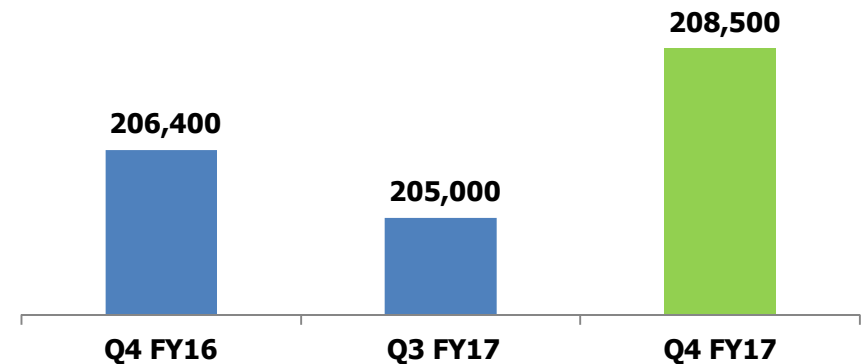
Total Sales

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Good



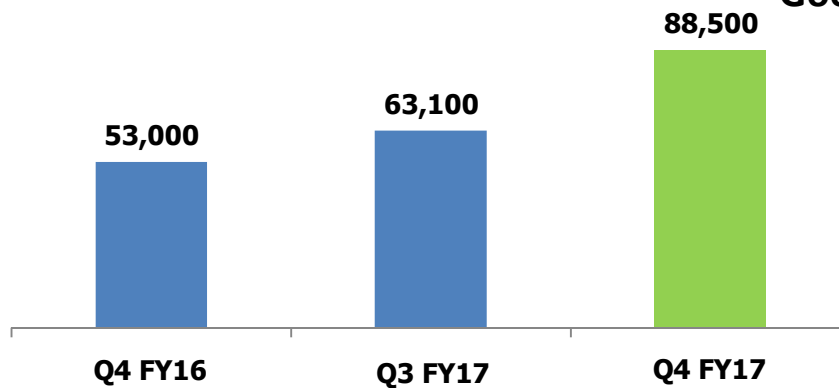
Domestic Rebar + Cut & Bend

↑
Good



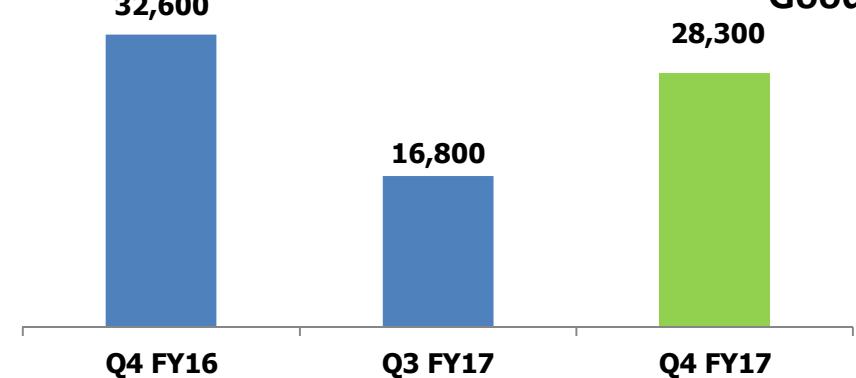
Domestic Wire Rods

↑
Good



Export

↑
Good



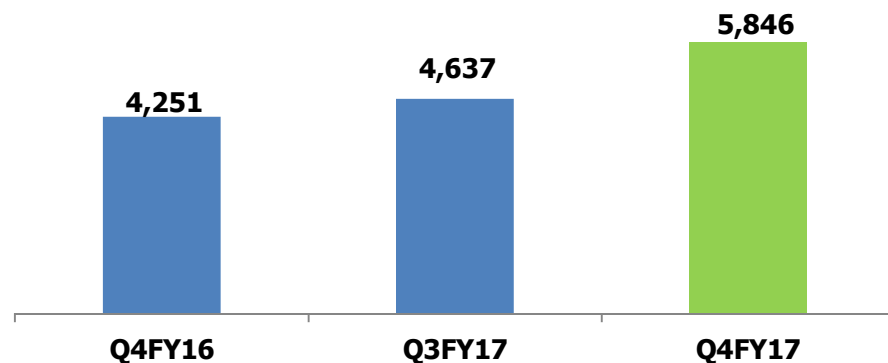
Financial Performance – Q4 FY17



Unit : Mn Baht

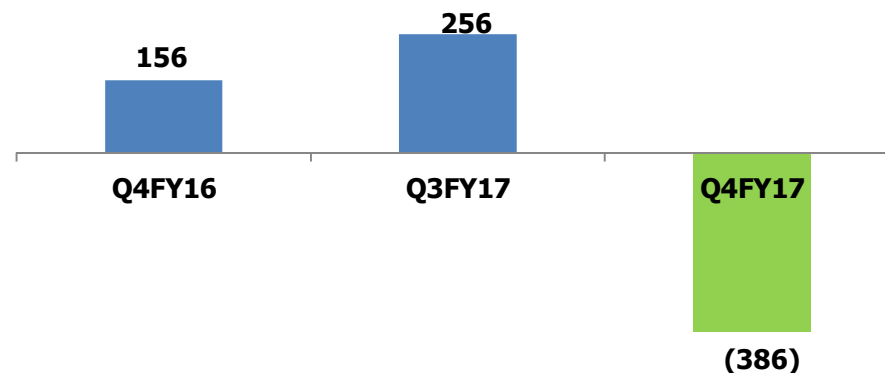
Net Sales

↑
Good



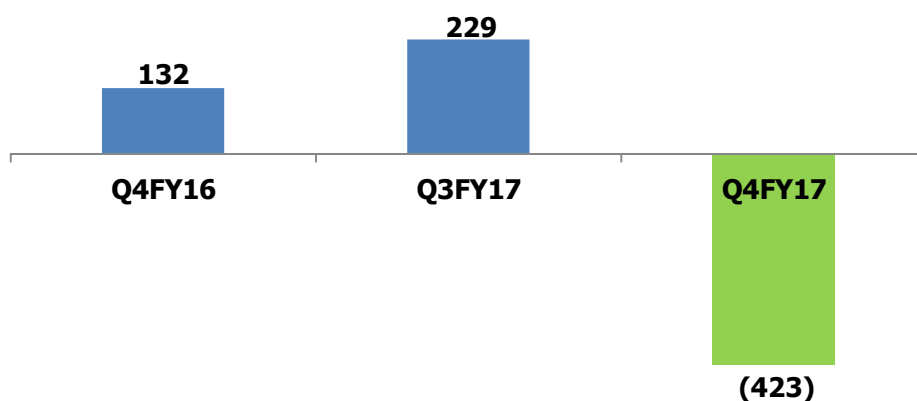
PBT

↑
Good



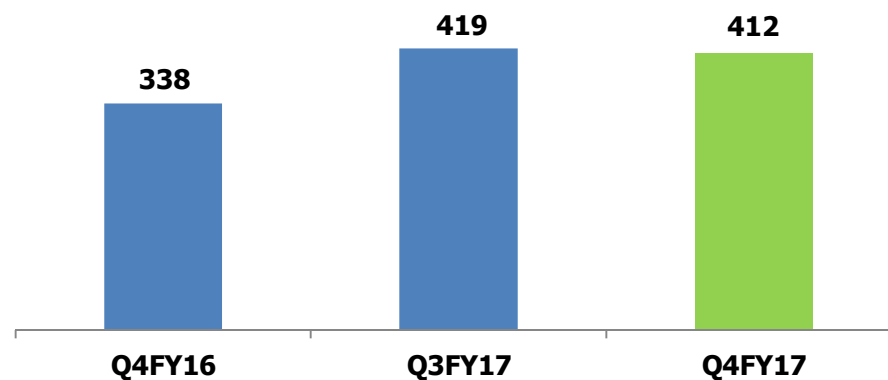
PAT

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EBITDA

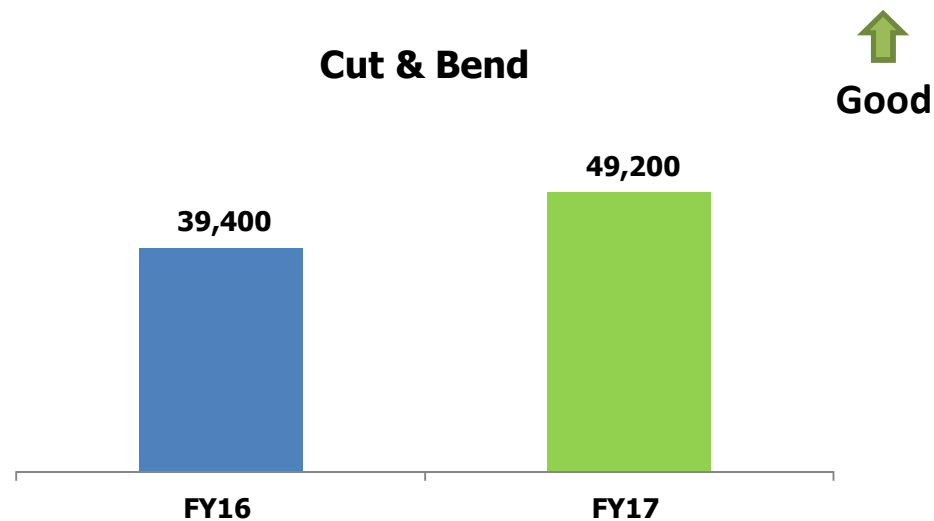
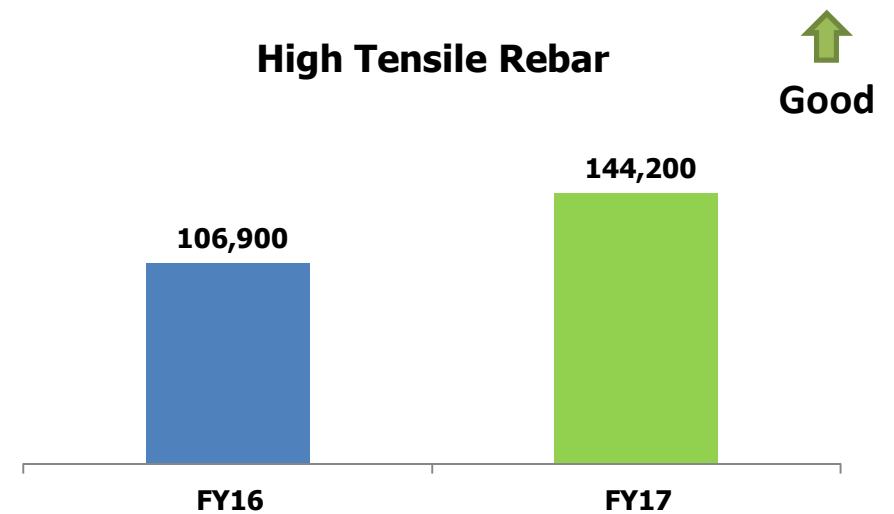
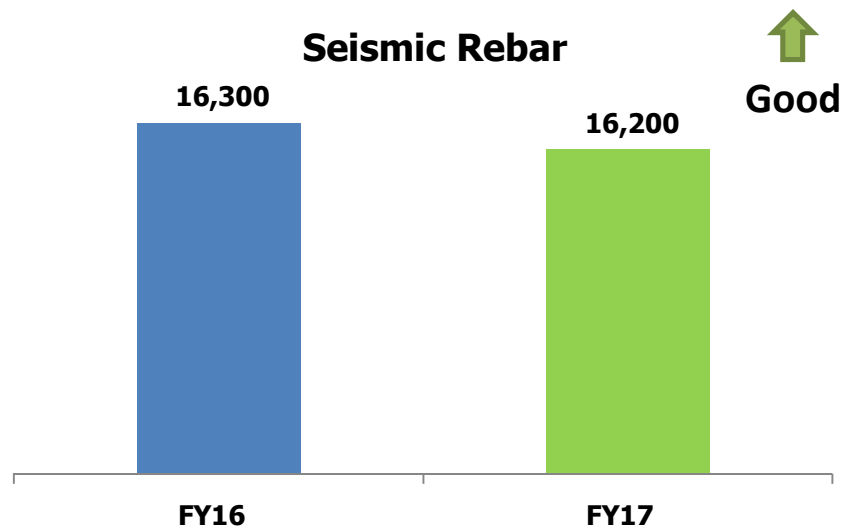
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Good



Remark: One-off adjustments 618 MB (Impairment of MBF Asset 528 MB & Provision for obsolescence & write off of fixed assets, old raw material inventory 90MB)

Value Added Products Sales - FY17

Unit : Tons



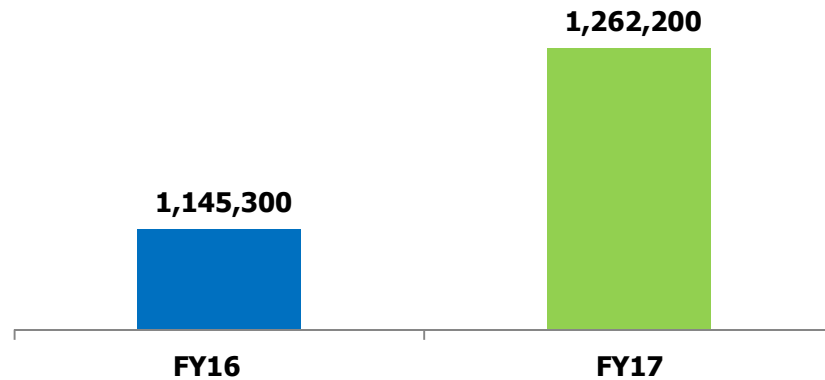
Sales Volume - FY17

Unit : Tons



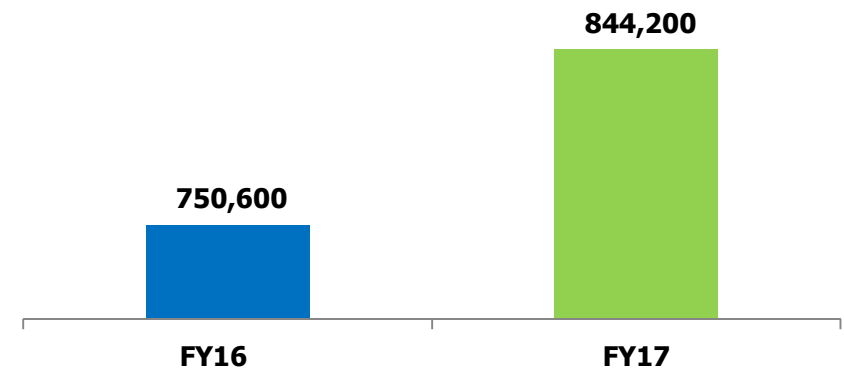
Total Sales

↑
Good



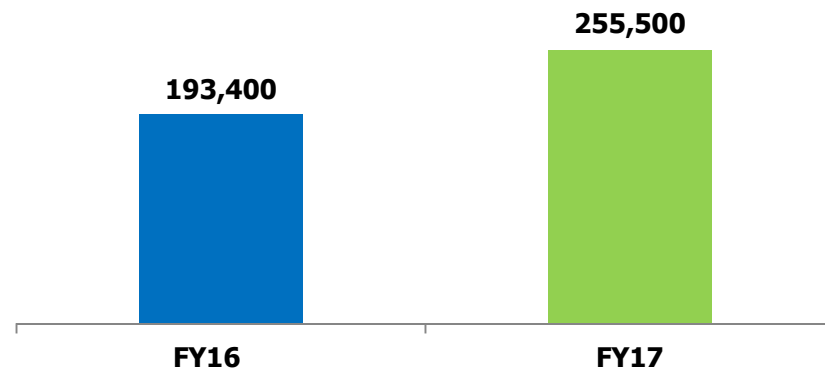
Domestic REBAR+Cut & Bend

↑
Good



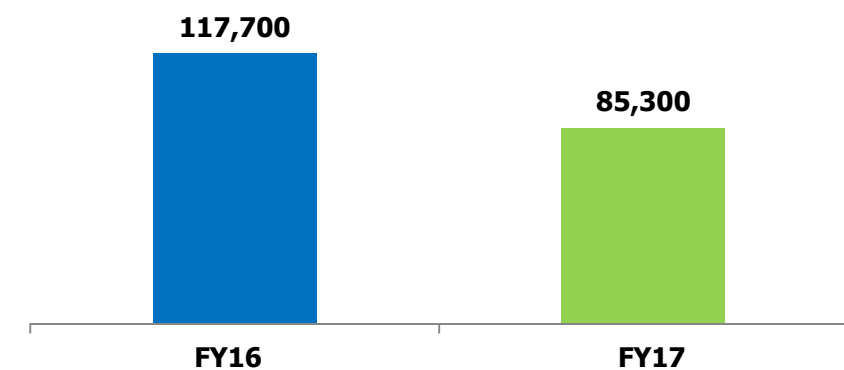
Domestic Wire Rods

↑
Good



Export

↑
Good



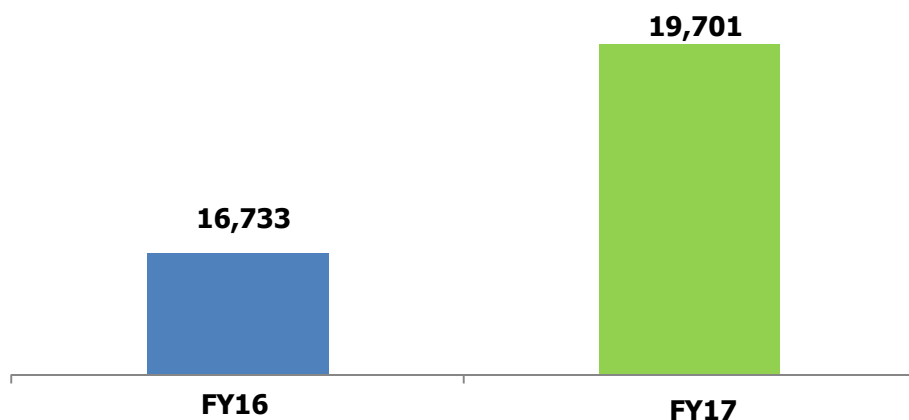
Financial Performance – FY17



Unit : Mn Baht

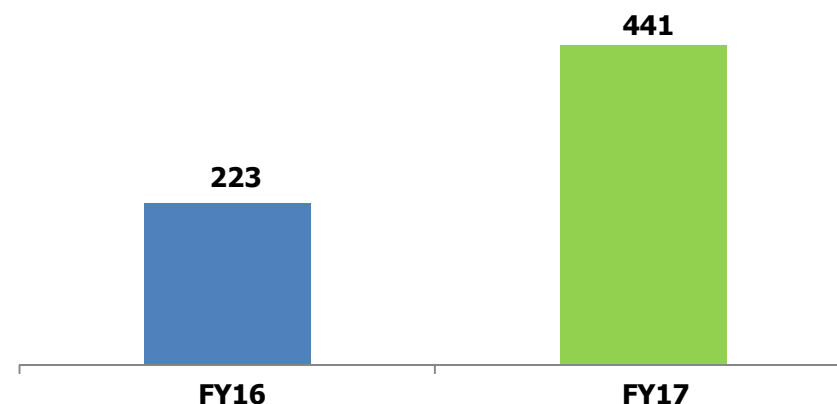
Net Sales

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Good



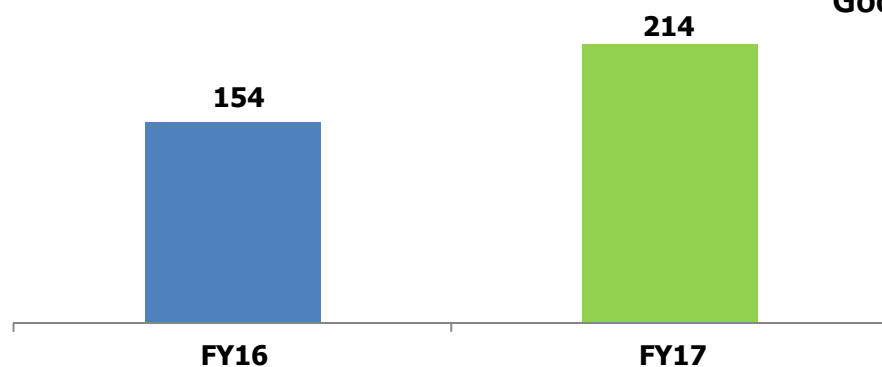
PBT

↑
Good



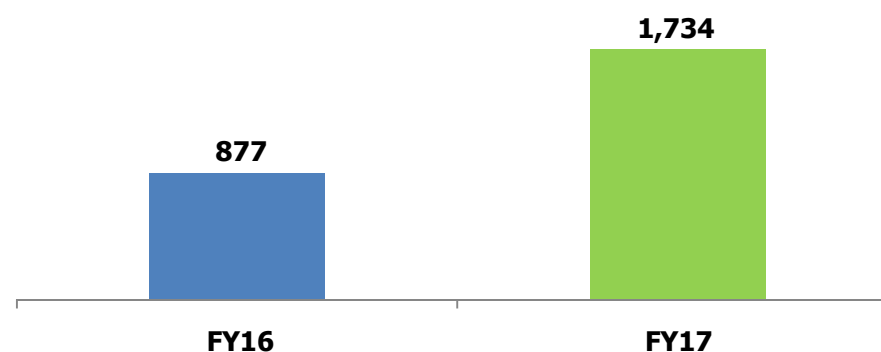
PAT

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Good



EBITDA

↑
Good

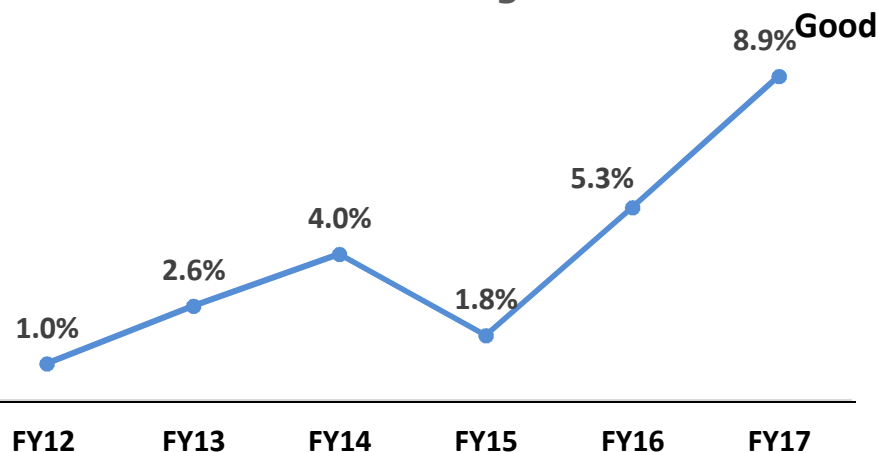


Remark: One-off adjustments 618 MB (Impairment of MBF Asset 528 MB & Provision for obsolescence & write off of fixed assets, old raw material inventory 90MB)

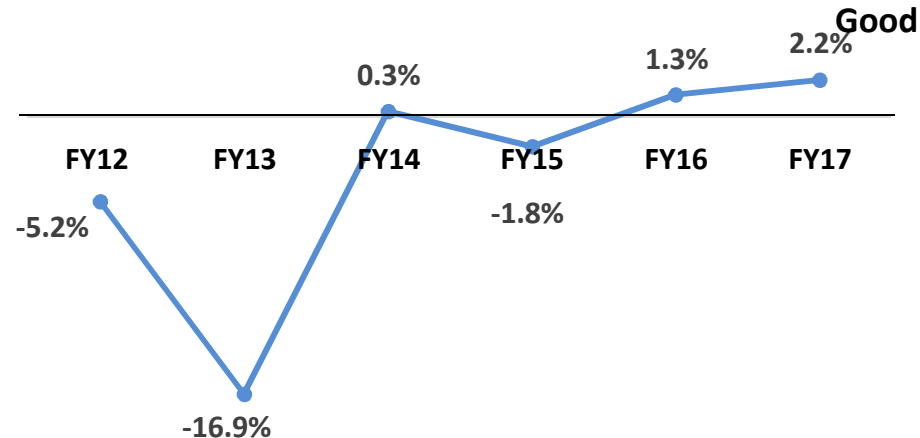
Key Ratios



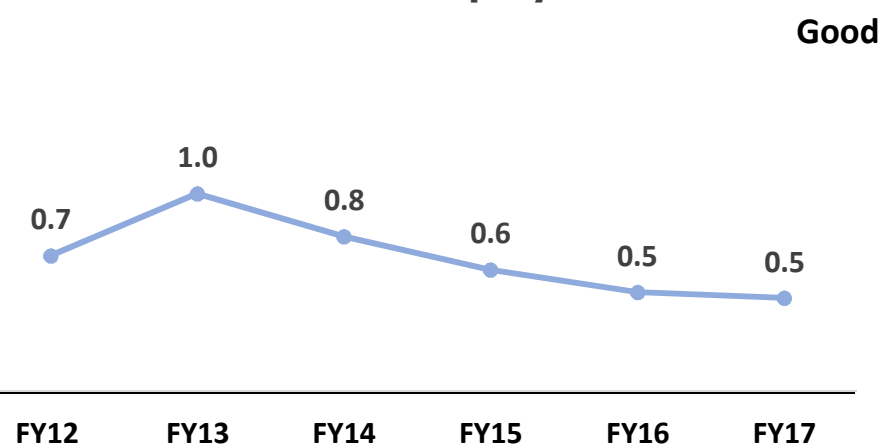
EBITDA Margin



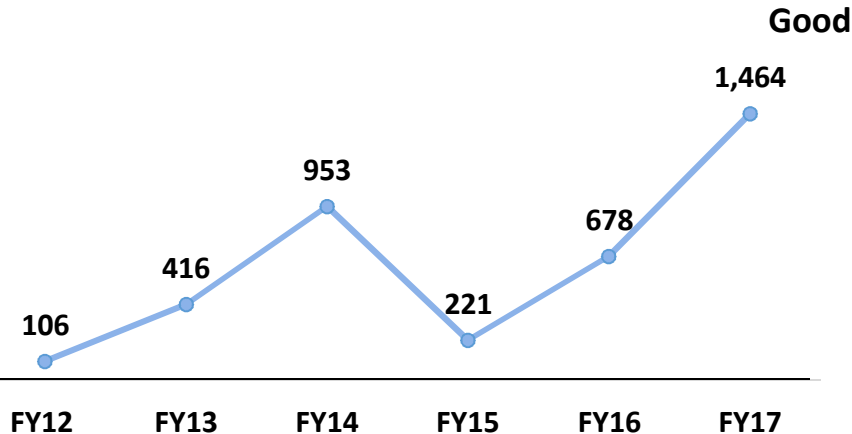
PBT/Sales



Debt to Equity



Free cash flow (Mn THB)



Other Highlights



On 30th March 2017, TSTH received a “Thailand ICT Excellence Award 2017” for Core Process Improvement Project. TSTH project theme was “Digital to Accelerate Performance Enhancement”. The Award was given by Dr. Pichet Durongkaveroj - Ministry of Digital Economy and Social's Minister at Plaza Athenee, Bangkok.



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Business Outlook going ahead



- **Steep decline of prices in China has created uncertainty in the market. Coupled with Songkran holidays, dealers stayed away from the market.**
- **International metallic (scrap and billets) remain strong. However Rebars prices in Thailand have declined by more than 40 USD pmt**
- **Historically construction demand is strong in May – July period**
- **Wire Rods movement is okay though prices under pressure due to decline in offers from China**
- **China expected to continue driving to cut extra capacity. All induction furnace (except for special purpose) to be shut in next few months.**

A thick blue curved line that starts on the left, rises to a peak in the middle, and then curves down towards the right.

Thank you for your attention