

ACERINOX

2016

FIRST HALF RESULTS

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MAIN FINANCIAL FIGURES OF ACERINOX

Million EUR

	H1 2016	H1 2015	Variation
NET SALES	1,907.02	2,315.22	-17.6%
EBITDA	119.73	203.63	-41.2%
EBIT	36.43	120.81	-69.8%
RESULT BEFORE TAXES	19.08	96.02	-80.1%
RESULT AFTER TAXES & MINORITIES	8.68	63.92	-86.4%
Net Financial Debt	608.88	804.17	-24.3%
No. of employees	6,625	6,562	1.0%

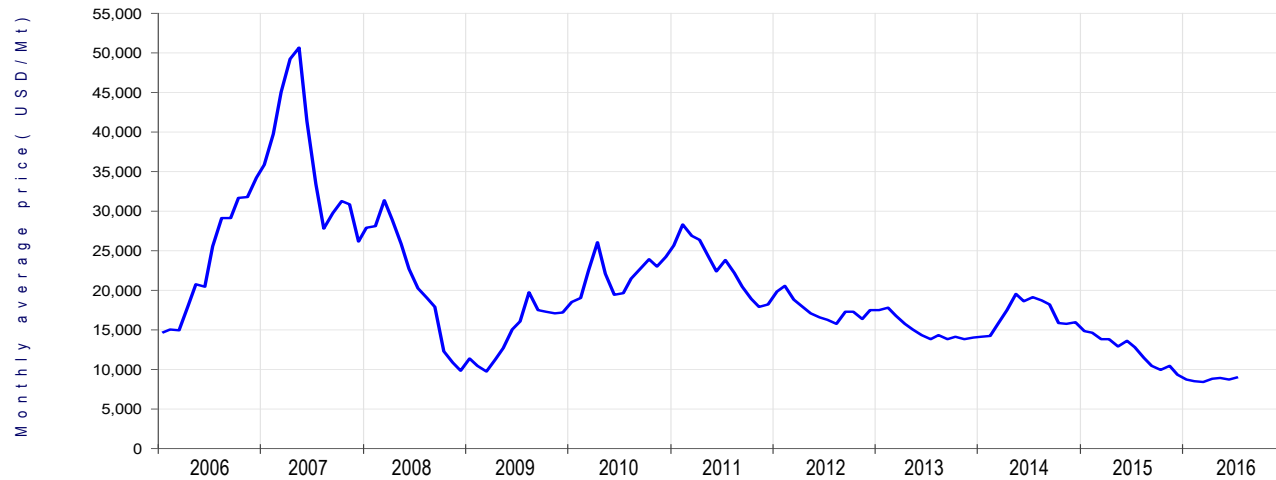
Difficult market environment in the first Quarter and a gradual improvement in the second Quarter

OFFICIAL NICKEL PRICE IN THE L.M.E.

Years 2015 and 2016, up to July 19

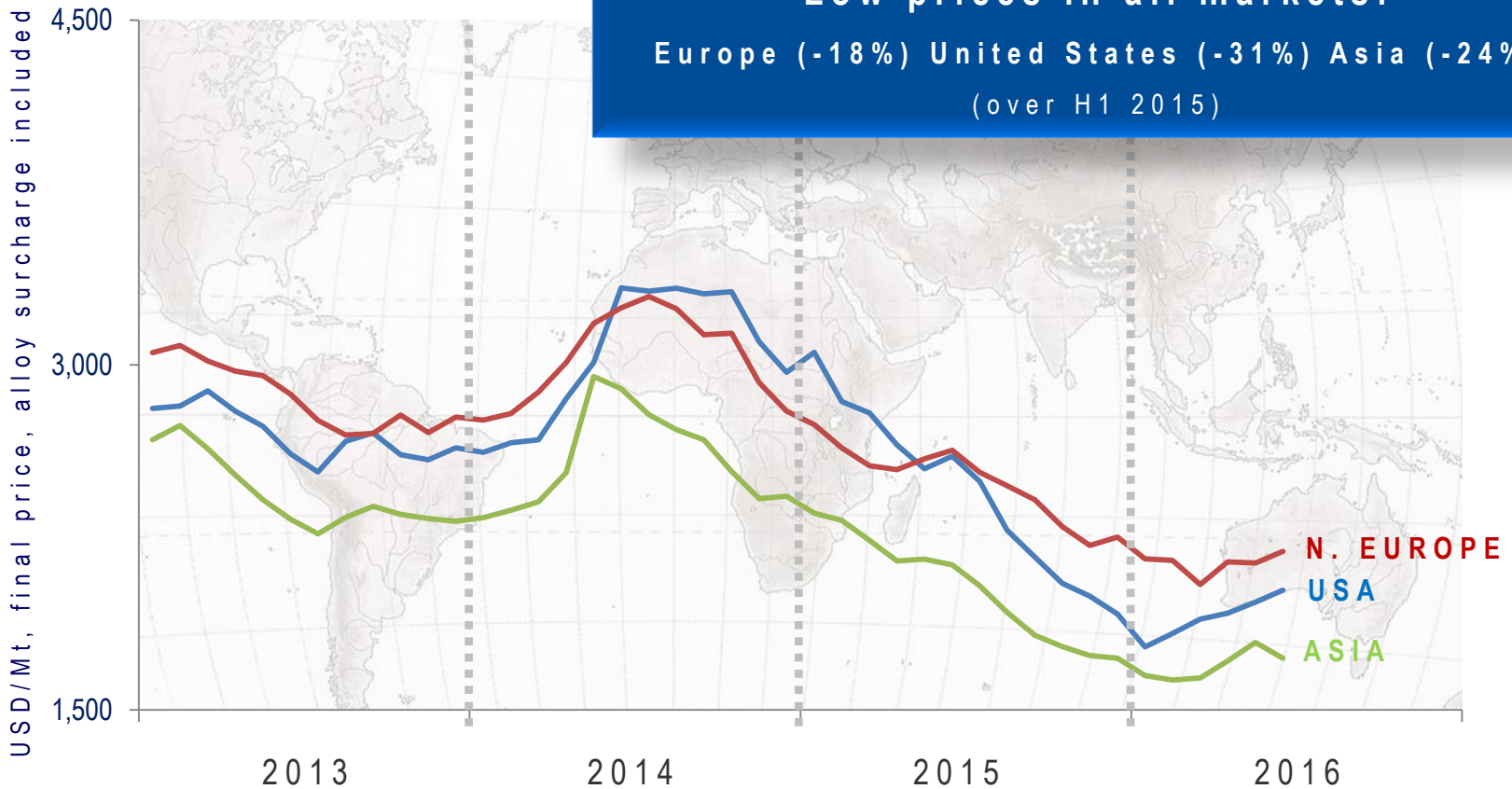


2006-2016 (up to June)



STAINLESS STEEL COLD ROLLED COIL PRICES

AISI 304 2.0 mm



Source: PLATTS

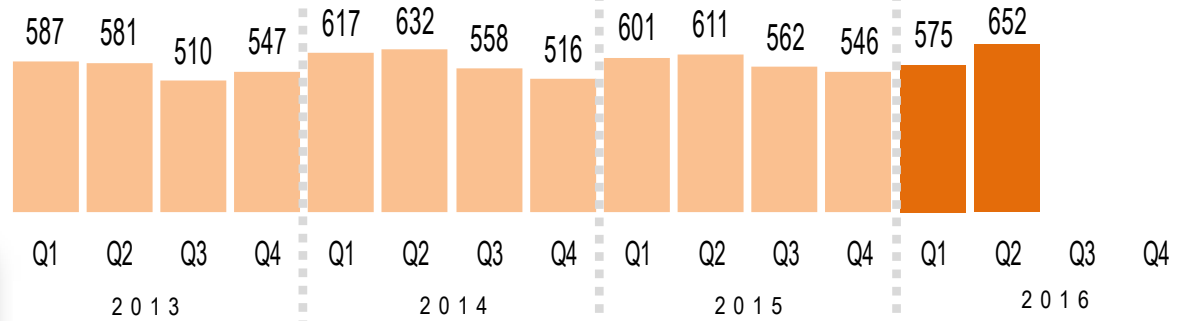
North American Stainless achieved three price increases in H1

PRODUCTION

Thousand Mt

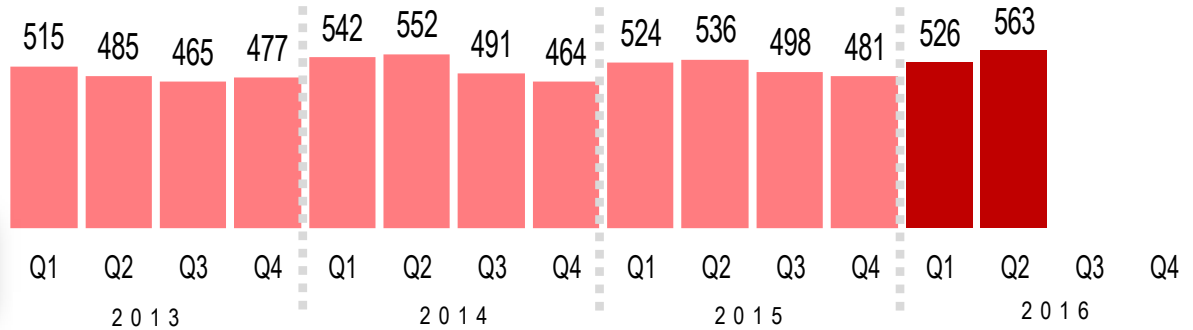
MELTING SHOP

+1% over H1 2015
+13% over Q1



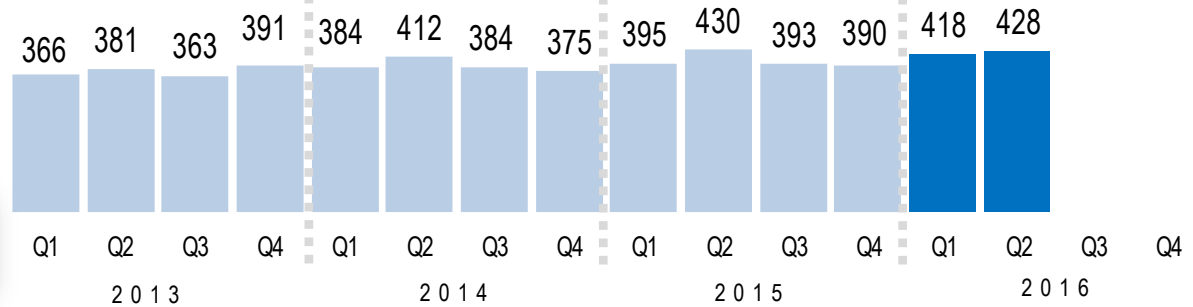
HOT ROLLING

+3% over H1 2015
+7% over Q1



COLD ROLLING

+3% over H1 2015
+2% over Q1



PROFIT AND LOSS ACCOUNT

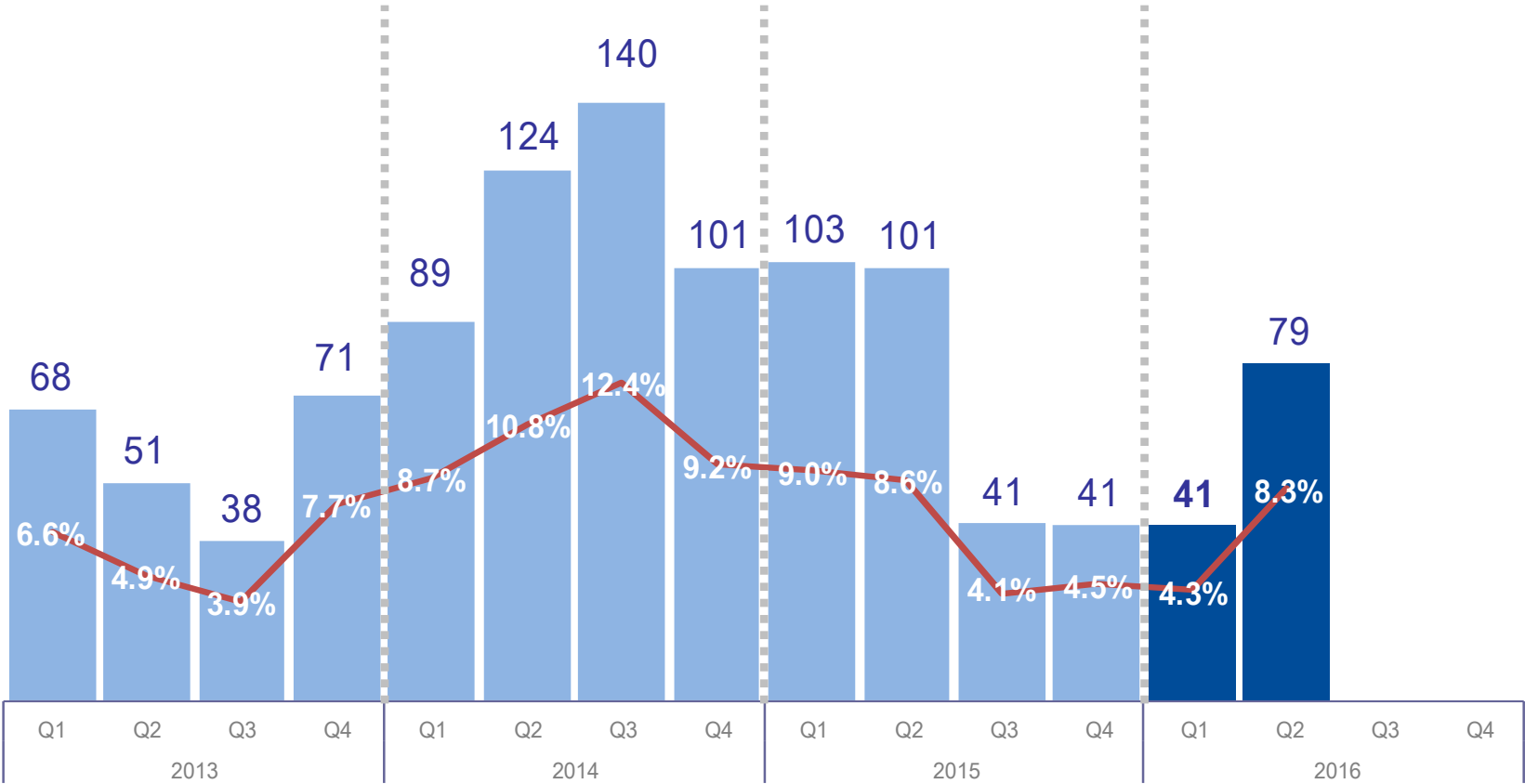
Million EUR

Million €	Q1 2016	Q2 2016	January- June		
			2016	2015	Variation
Net sales	953.35	953.67	1,907.02	2,315.22	-17.6%
Gross operating result / EBITDA	40.99	78.75	119.73	203.63	-41.2%
<i>% over sales</i>	4.3%	8.3%	6.3%	8.8%	
EBIT	0.55	35.89	36.43	120.81	-69.8%
<i>% over sales</i>	0.1%	3.8%	1.9%	5.2%	
Result before taxes	-7.35	26.43	19.08	96.02	-80.1%
Result after taxes and minorities	-8.31	16.99	8.68	63.92	-86.4%
Depreciation	40.20	42.73	82.93	82.17	0.9%
Net cash flow	31.89	59.72	91.61	146.09	-37.3%

Improvement in Q2

QUARTERLY EVOLUTION OF OUR EBITDA

Million EUR



BALANCE SHEET

Million EUR

ASSETS

	Jun 16	2015	Variation
Non-current assets	2,252.44	2,317.53	-2.8%
Current assets	1,983.58	1,808.14	9.7%
- Inventories	774.97	824.93	-6.1%
- Debtors	540.94	478.85	13.0%
<i>Trade debtors</i>	513.51	439.54	16.8%
<i>Other debtors</i>	27.43	39.31	-30.2%
- Cash and other current assets	667.67	504.36	32.4%
TOTAL ASSETS	4,236.02	4,125.67	2.7%

LIABILITIES

	Jun 16	2015	Variation
Equity	1,959.07	2,023.30	-3.2%
Non-current liabilities	1,250.67	995.59	25.6%
- Interest-bearing loans and borrowings	1,005.05	741.16	35.6%
- Other non-current liabilities	245.61	254.43	-3.5%
Current liabilities	1,026.28	1,106.77	-7.3%
- Interest-bearing loans and borrowings	243.46	449.54	-45.8%
- Trade creditors	656.46	566.28	15.9%
- Other current liabilities	126.36	90.96	38.9%
TOTAL EQUITY AND LIABILITIES	4,236.02	4,125.67	2.7%

Debt refinancing:

12 bilateral contracts

No covenants

Goals: reduce cost, extend maturities

Net Financial Debt: EUR 609 million

Gearing: 31%

CASH FLOW STATEMENT

Million EUR

	Jan - Jun 2016	Jan - Dec 2015	Jan - Jun 2015
Result before taxes	19.1	76.9	96.0
Adjustments for:	91.3	210.2	106.3
Depreciation and amortisation	82.9	163.7	82.2
Changes in provisions and impairments	-7.3	2.3	-4.1
Other adjustments in the result	15.7	44.1	28.1
Changes in working capital	69.3	-129.5	-243.5
Changes in operating working capital	66.2	-244.0	-348.1
· Inventories	50.0	26.8	-66.9
· Trade debtors	-74.0	4.0	-216.6
· Trade creditors	90.2	-274.8	-64.6
Others	3.1	114.5	104.6
Other cash-flow from operating activities	-25.1	-140.1	-101.5
Income tax	-7.8	-94.5	-80.0
Financial expenses	-17.4	-45.6	-21.5
NET CASH-FLOW FROM OPERATING ACTIVITIES	154.6	17.4	-142.7
Payments for investments on fixed assets	-53.8	-67.5	-32.3
Others	-0.7	-0.1	-2.6
NET CASH-FLOW FROM INVESTING ACTIVITIES	-54.6	-67.6	-34.9
NET CASH-FLOW GENERATED	100.0	-50.2	-177.6
Acquisition of treasury shares	0.0	-0.1	0.0
Dividends paid to shareholders and minorities	0.0	-47.8	0.0
Changes in net debt	64.2	-177.7	-57.4
Changes in bank debt/private placement	57.8	-163.4	-27.1
Conversion differences	6.4	-14.3	-30.2
Attributable to minority interests	0.0	0.0	0.0
Others	0.7	0.3	0.1
NET CASH-FLOW FROM FINANCING ACTIVITIES	64.9	-225.3	-57.2
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	164.9	-275.4	-234.8
Opening cash and cash equivalents	480.0	738.4	738.4
Effect of the exchange rate fluctuations on cash held	-5.2	17.0	19.2
CLOSING CASH AND CASH EQUIVALENTS	639.6	480.0	522.8

Positive
Cash Flow

Reduction of
working capital

Investments in
NAS and
Acerinox Europa

EXCELENCE PLAN IV 2015 – 2016 (to June 2016)

**TARGET 2015-2016
67 million EUR**

ACHIEVED: 71%

48 million EUR

Chemical
composition

Inventories

Delivery
times

Bahru
Stainless

ACERINOX

Q&A

2016

FIRST QUARTER RESULTS