

# ACERINOX

2017

NINE MONTHS RESULTS

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# MAIN FINANCIAL FIGURES OF ACERINOX

Million EUR

Profit after taxes and minorities is 3.5 times higher than in January-September 2016

	Q1 2017	Q2 2017	Q3 2017	9M 2017	9M 2016
NET SALES	1,252	1,191	1,067	3,511	2,915
EBITDA	191	126	53	370	223
EBIT	146	81	13	240	97
RESULT BEFORE TAXES	141	76	9	226	73
RESULT AFTER TAXES & MINORITIES	98	53	7	157	45
Net Financial Debt	601	663	697	697	678
No. of employees	6,616	6,794	6,818	6,818	6,541

# SECTOR INDICATORS



Auto  
Production



Construction



Home  
Appliances



**+3.2%**

Eurofer's estimate for  
2017 (revised in October)

**+4.2%**

Eurofer's estimate for  
2017 (revised in October)

**+1.2%**

Eurofer's estimate for  
2017 (revised in October)



**-8.4%**

Year to September  
Source: Wards Auto

**+4.7%**

Year to August  
Source: US Census Bureau

**+6.4%**

Year to September  
Source: AHAM



**+5.3%**

Year to September  
Source: CAAM

**+8.5%**

Year to September  
Source: NBS

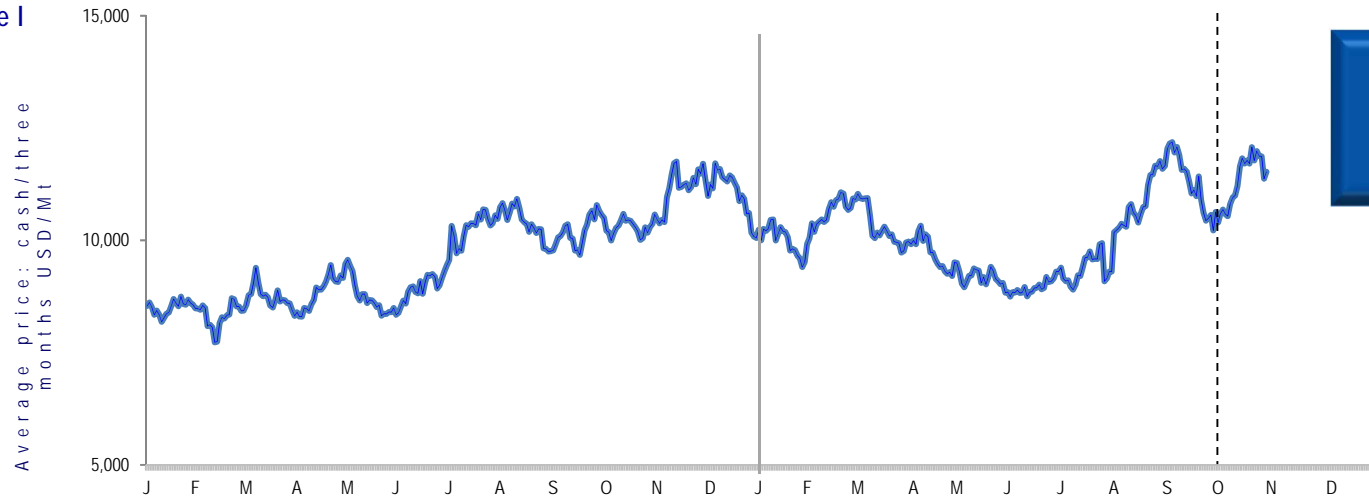
**+12.3%**

Year to September  
Source: NBS

# RAW MATERIAL PRICES

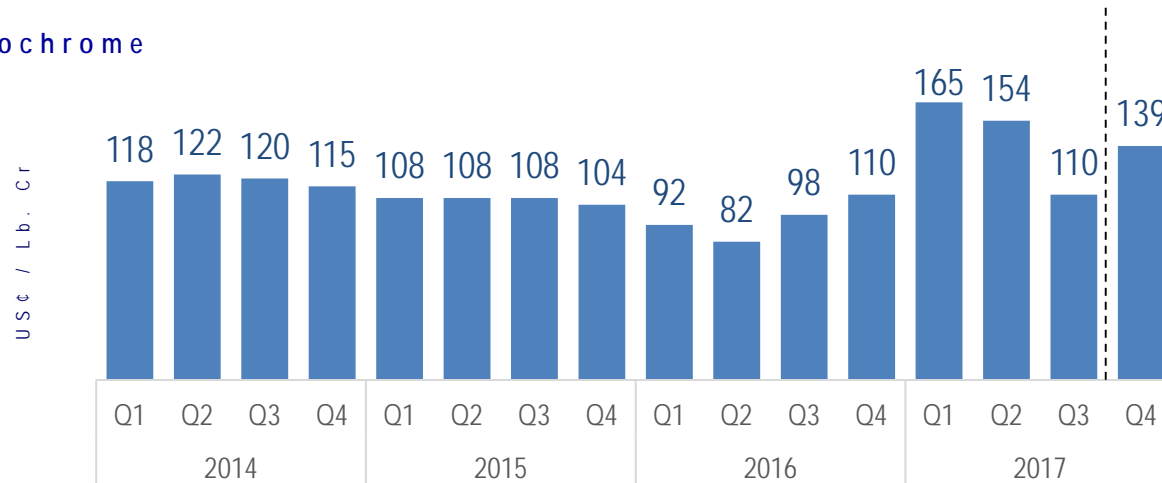
Years 2016 and 2017, up to October 30

## Nickel



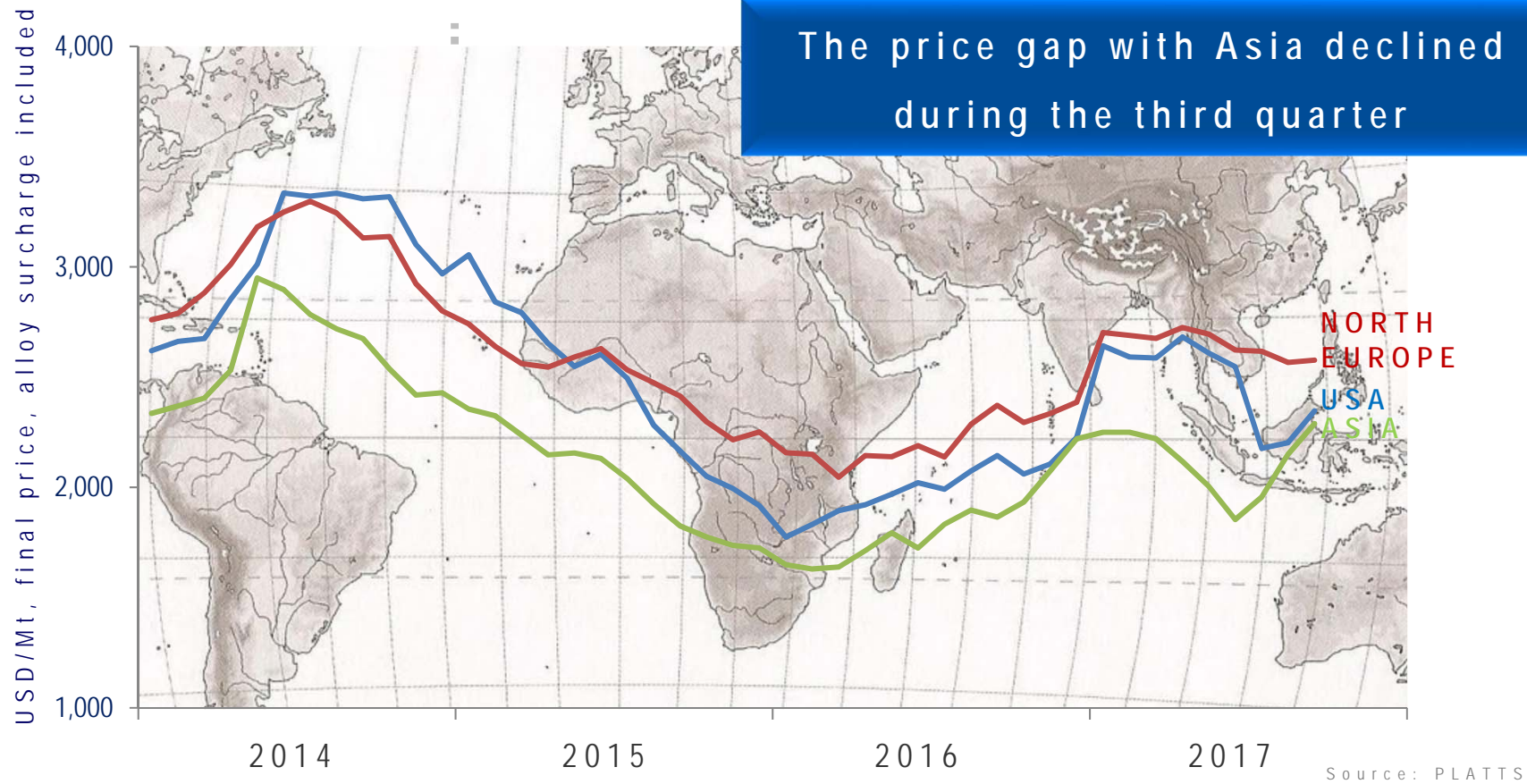
Volatility in nickel price

## Ferrochrome



Strong decline in Q2 ferrochrome prices, 29%, from 154 US¢/Lb to 110 US¢/Lb

# STAINLESS STEEL COLD ROLLED COIL PRICES AISI 304 2.0 mm



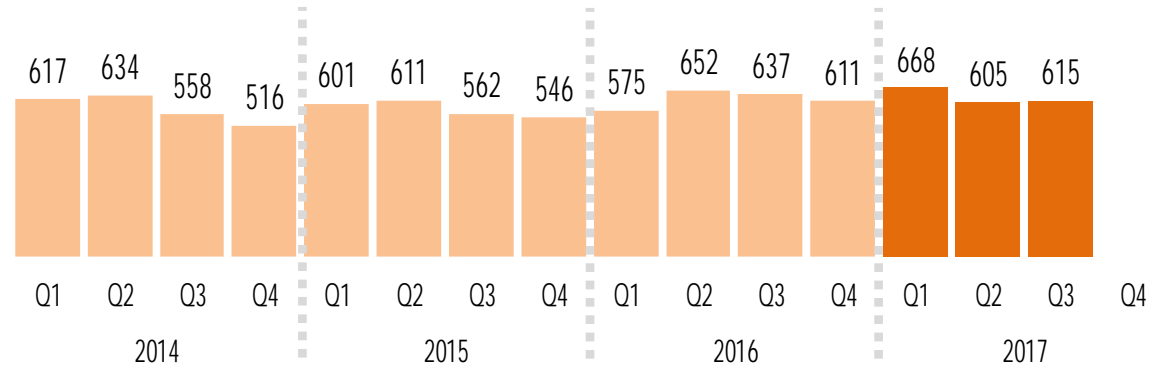
Base price declined in Q3 in all the markets

# PRODUCTION

Thousand Mt

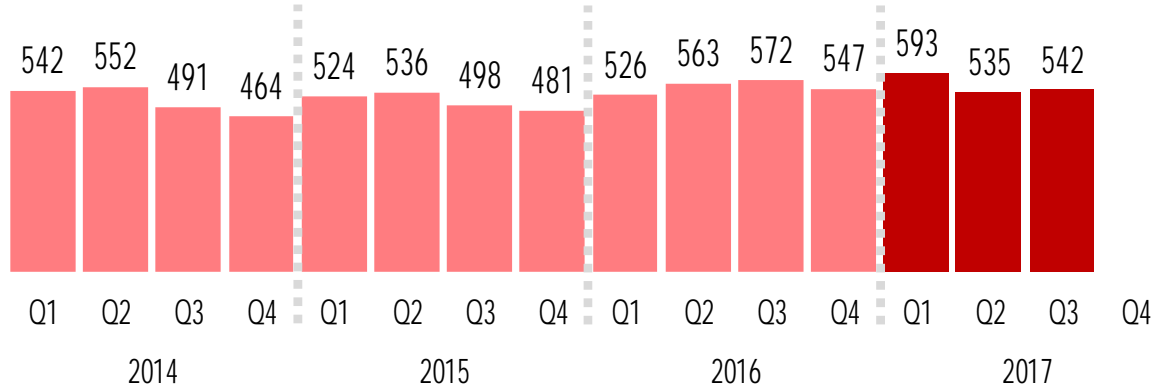
## MELTING SHOP

+1% over 9M 2016  
-4% over Q3 2016



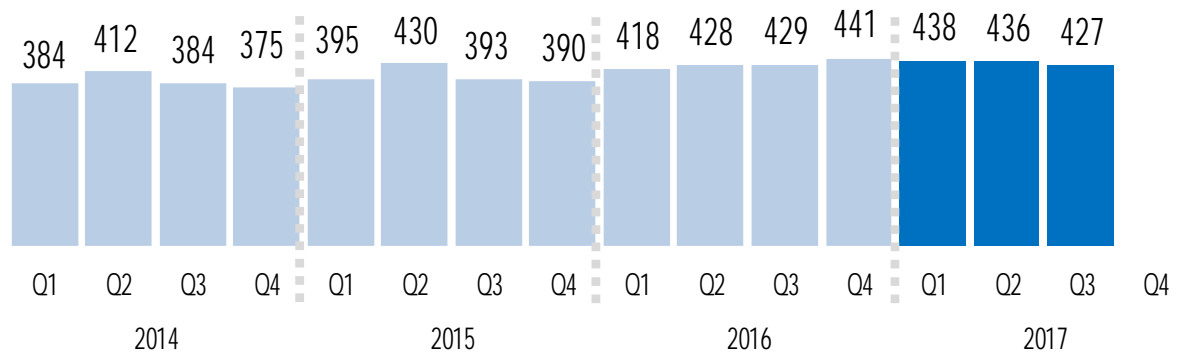
## HOT ROLLING

+1% over 9M 2016  
-5% over Q3 2016



## COLD ROLLING

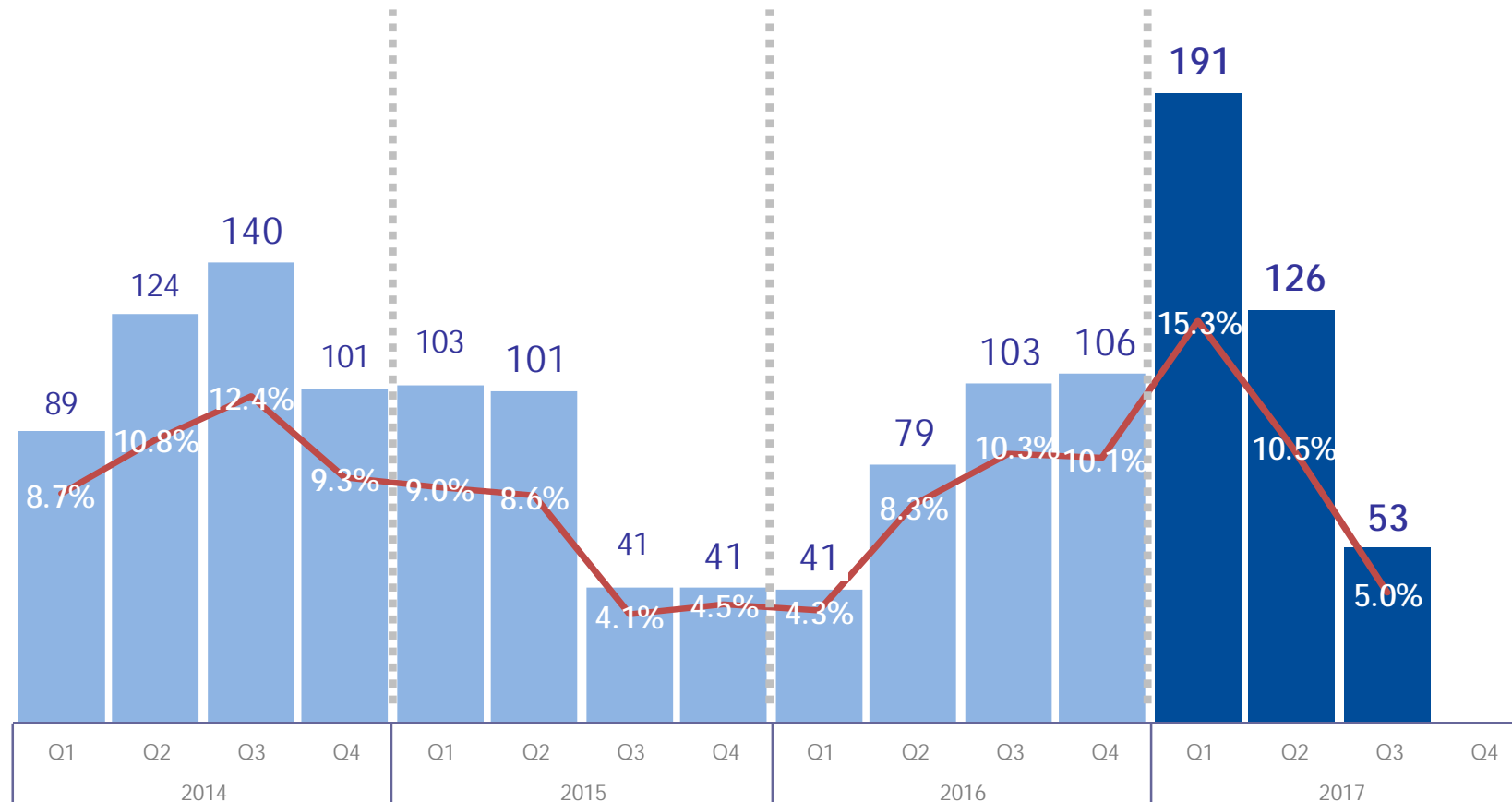
+2% over 9M 2016  
-0.5% over Q3 2016



# QUARTERLY EVOLUTION OF OUR EBITDA

Million EUR  
% over sales

Third quarter EBITDA is affected by the drop in prices and slowdown in activity





# BALANCE SHEET

Million EUR

## ASSETS

	Sep 17	2016	Variation
<b>Non-current assets</b>	<b>2,147.04</b>	<b>2,357.53</b>	<b>-8.9%</b>
<b>Current assets</b>	<b>2,082.63</b>	<b>2,097.51</b>	<b>-0.7%</b>
- Inventories	918.40	887.42	3.5%
- Debtors	599.05	575.51	4.1%
<i>Trade debtors</i>	<i>547.97</i>	<i>527.79</i>	<i>3.8%</i>
<i>Other debtors</i>	<i>51.08</i>	<i>47.73</i>	<i>7.0%</i>
- Cash and other current assets	565.17	634.58	-10.9%
<b>TOTAL ASSETS</b>	<b>4,229.67</b>	<b>4,455.05</b>	<b>-5.1%</b>

## LIABILITIES

	Sep 17	2016	Variation
<b>Equity</b>	<b>1,917.50</b>	<b>2,168.68</b>	<b>-11.6%</b>
<b>Non-current liabilities</b>	<b>1,201.24</b>	<b>1,191.17</b>	<b>0.8%</b>
- Interest-bearing loans and borrowings	969.63	936.81	3.5%
- Other non-current liabilities	231.61	254.37	-8.9%
<b>Current liabilities</b>	<b>1,110.93</b>	<b>1,095.20</b>	<b>1.4%</b>
- Interest-bearing loans and borrowings	278.91	281.61	-1.0%
- Trade creditors	725.68	712.97	1.8%
- Other current liabilities	106.34	100.61	5.7%
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,229.67</b>	<b>4,455.05</b>	<b>-5.1%</b>

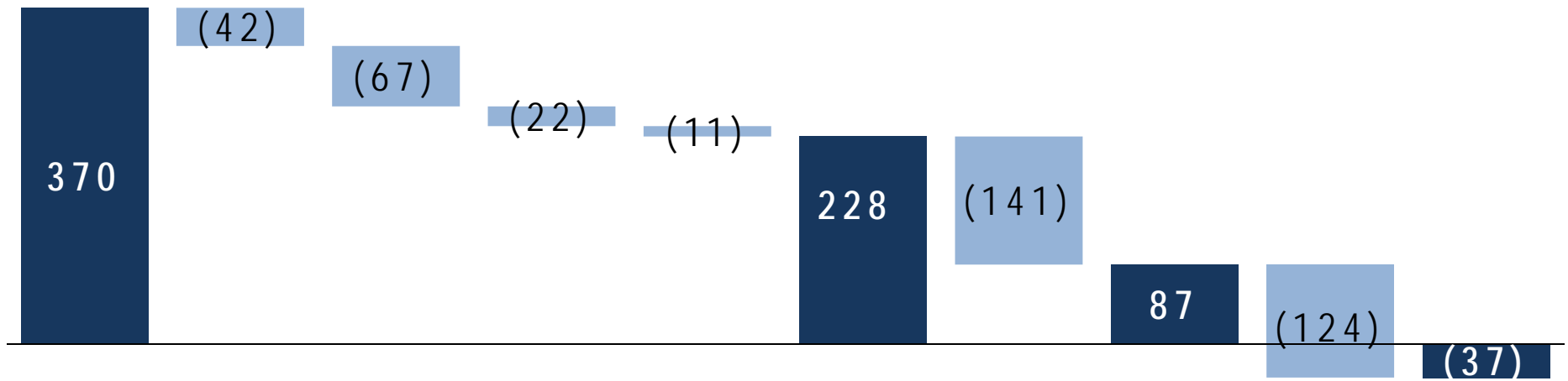
	Sep'17	Dec'16	Sep'16
<b>Operating Working Capital</b>	<b>741</b>	<b>702</b>	<b>693</b>
<b>Net Financial Debt</b>	<b>697</b>	<b>620</b>	<b>678</b>

# CASH FLOW STATEMENT

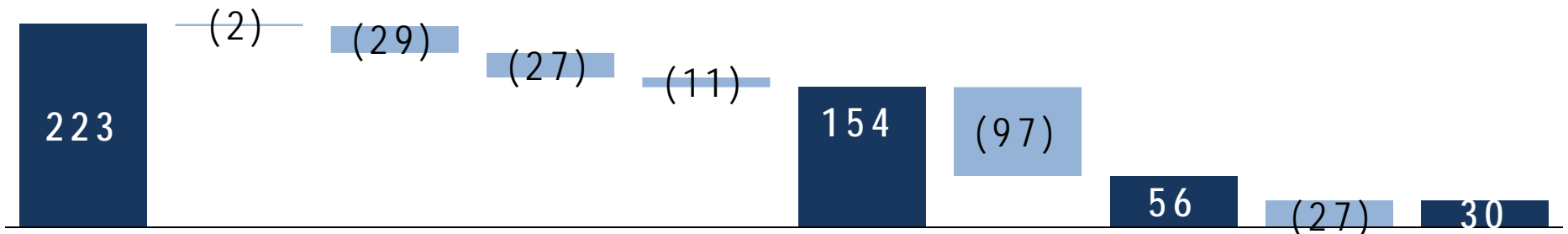
Million EUR

EBITDA	Working Capital	Taxes	Financial charges	Others	Operating Cash Flow	CAPEX	Free Cash Flow	Dividends	Cash Flow after Dividends
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9M 2017



9M 2016



# CASH FLOW STATEMENT

Million EUR

	Jan - Mar 2017	Apr-Jun 2017	Jul - Sep 2017	Jan - Sep 2017	Jan - Sep 2016
<b>Result before taxes</b>	<b>141</b>	<b>76</b>	<b>9</b>	<b>226</b>	<b>73</b>
<b>Adjustments for:</b>	<b>48</b>	<b>48</b>	<b>37</b>	<b>133</b>	<b>140</b>
<i>Depreciation and amortisation</i>	45	44	41	130	126
<i>Changes in provisions and impairments</i>	-1	8	-5	2	-8
<i>Other adjustments in the result</i>	3	-4	2	1	22
<b>Changes in working capital</b>	<b>-101</b>	<b>-80</b>	<b>139</b>	<b>-42</b>	<b>-2</b>
<i>Changes in operating working capital</i>	-109	-62	132	-38	5
· <i>Inventories</i>	-181	70	80	-31	-31
· <i>Trade debtors</i>	-109	31	58	-20	-80
· <i>Trade creditors</i>	181	-162	-6	13	116
<i>Others</i>	8	-18	6	-4	-8
<b>Other cash-flow from operating activities</b>	<b>-11</b>	<b>-54</b>	<b>-23</b>	<b>-88</b>	<b>-56</b>
<i>Income tax</i>	-5	-46	-15	-67	-29
<i>Financial expenses</i>	-6	-8	-8	-22	-27
<b>NET CASH-FLOW FROM OPERATING ACTIVITIES</b>	<b>77</b>	<b>-10</b>	<b>162</b>	<b>228</b>	<b>154</b>
<b>Payments for investments on fixed assets</b>	<b>-53</b>	<b>-27</b>	<b>-61</b>	<b>-141</b>	<b>-97</b>
<b>Others</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1</b>
<b>NET CASH-FLOW FROM INVESTING ACTIVITIES</b>	<b>-53</b>	<b>-27</b>	<b>-61</b>	<b>-141</b>	<b>-97</b>
<b>NET CASH-FLOW AFTER INVESTING ACTIVITIES</b>	<b>24</b>	<b>-38</b>	<b>101</b>	<b>87</b>	<b>56</b>
<b>Acquisition of treasury shares</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Dividends paid to shareholders and minorities</b>	<b>0</b>	<b>0</b>	<b>-124</b>	<b>-124</b>	<b>-27</b>
<b>Changes in net debt</b>	<b>-12</b>	<b>48</b>	<b>12</b>	<b>48</b>	<b>100</b>
<i>Changes in bank debt/private placement</i>	-14	40	4	30	94
<i>Conversion differences</i>	1	8	8	18	6
<b>Attributable to minority interests</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Others</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>NET CASH-FLOW FROM FINANCING ACTIVITIES</b>	<b>-12</b>	<b>48</b>	<b>-112</b>	<b>-76</b>	<b>74</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>12</b>	<b>11</b>	<b>-11</b>	<b>11</b>	<b>130</b>
<b>Opening cash and cash equivalents</b>	<b>598</b>	<b>604</b>	<b>581</b>	<b>598</b>	<b>480</b>
<b>Effect of the exchange rate fluctuations on cash held</b>	<b>-6</b>	<b>-34</b>	<b>-18</b>	<b>-58</b>	<b>-4</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>604</b>	<b>581</b>	<b>552</b>	<b>552</b>	<b>606</b>

Working Capital reduction

Investments in NAS and Acerinox Europa

Cash dividend

USD depreciation

ACERINOX

**Q&A**

2017

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