

ACERINOX

2017

FIRST HALF RESULTS

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MAIN FINANCIAL FIGURES OF ACERINOX

Million EUR

	H1 2017	H1 2016	Variation
NET SALES	2,443.82	1,907.02	28.1%
EBITDA	316.85	119.73	164.6%
EBIT	227.01	36.43	523.1%
RESULT BEFORE TAXES	216.79	19.08	1036.3%
RESULT AFTER TAXES & MINORITIES	150.76	8.68	1637.1%
Net Financial Debt	663.49	608.88	9.0%
No. of employees	6,794	6,625	2.6%

Net Result up to June already exceed the annual results for any year since 2008

June shows some slowdown in the market activity

SECTOR INDICATORS



Auto
Production



Construction



Home
Appliances



+4.0%

Eurofer's estimate for
2017 (revised in July)

+3.1%

Eurofer's estimate for
2017 (revised in July)

+1.9%

Eurofer's estimate for
2017 (revised in July)



-2.7%

Year to May
Source: Wards Auto

+6.1%

Year to May
Source: US Census Bureau

+6.1%

Year to June
Source: AHAM



+5.3%

Year to June
Source: CAAM

+8.8%

Year to May
Source: NBS

+12.3%

Year to May
Source: NBS

RAW MATERIAL PRICES

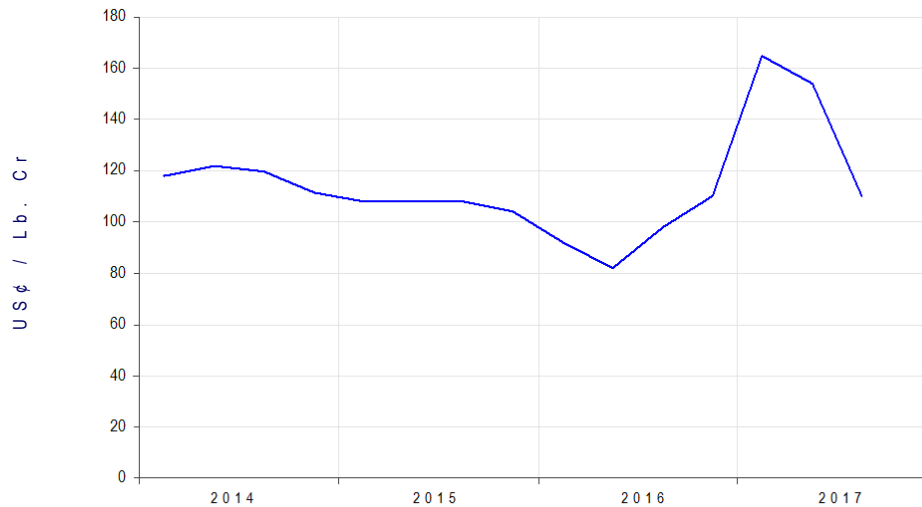
Years 2016 and 2017, up to June 30

Nickel



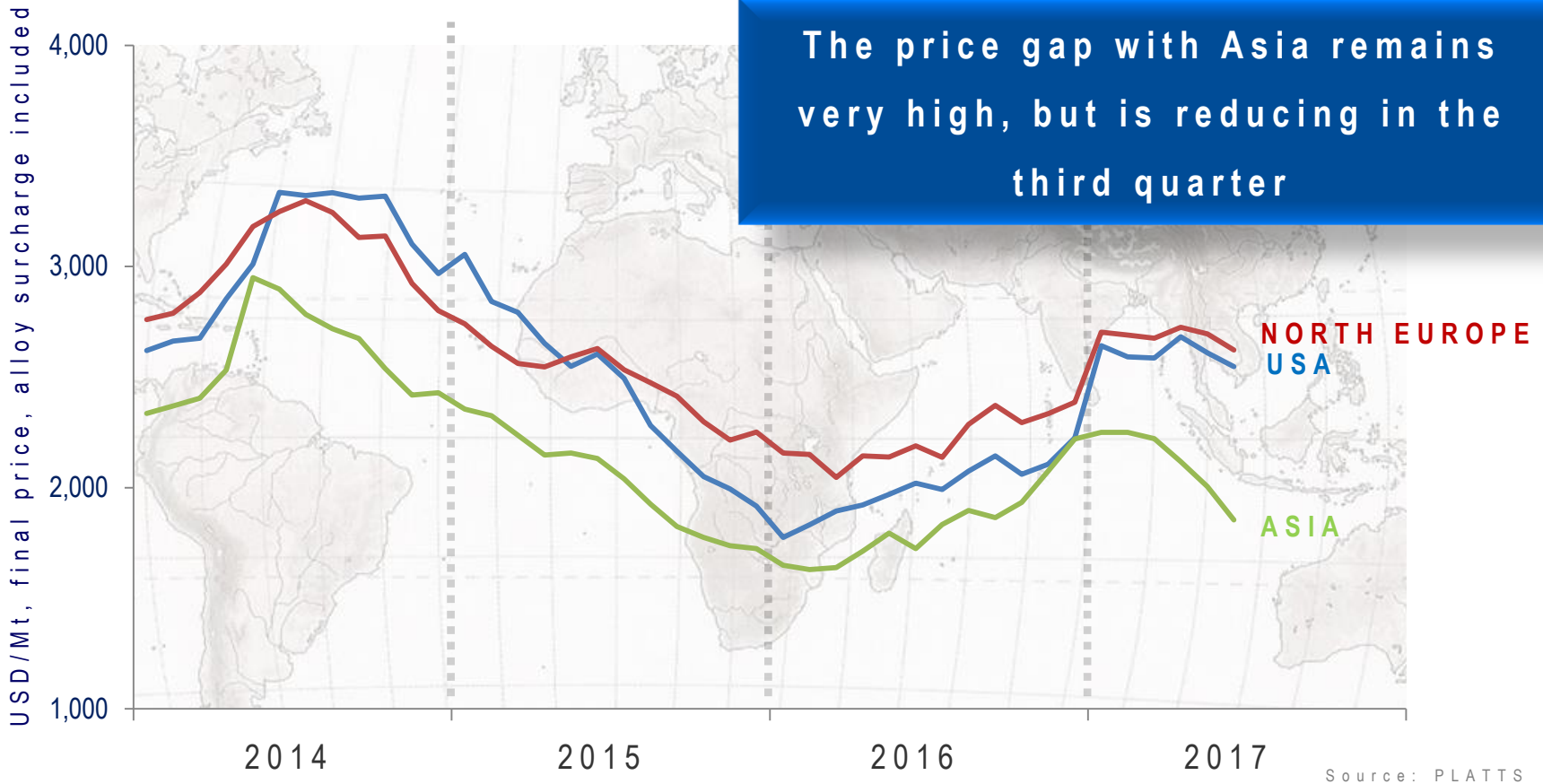
Nickel price declines 21% from the pick (11,070 USD/Mt) to the bottom (8,748 USD/Mt)

Ferrochrome



STAINLESS STEEL COLD ROLLED COIL PRICES

AISI 304 2.0 mm



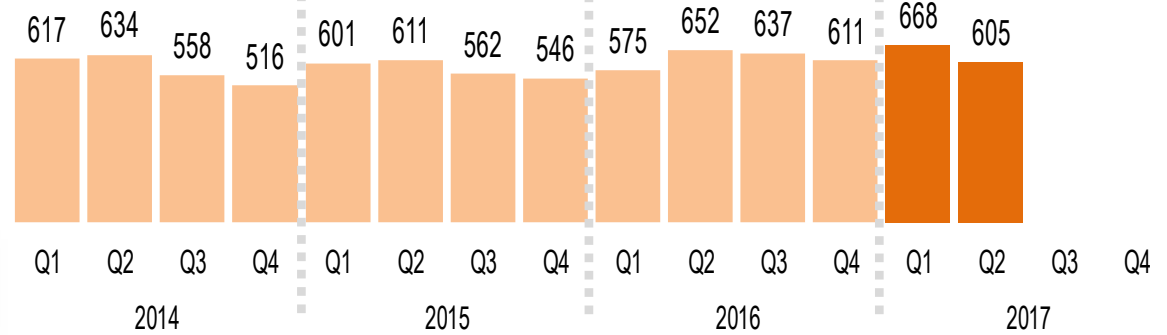
Base price has declined in Q2 in all the markets

PRODUCTION

Thousand Mt

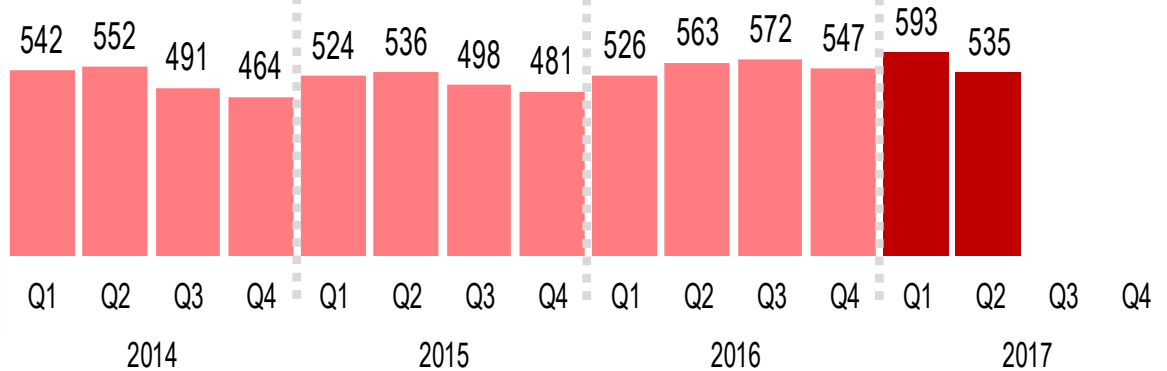
MELTING SHOP

+4% over H1 2016
-9% over Q1 2017



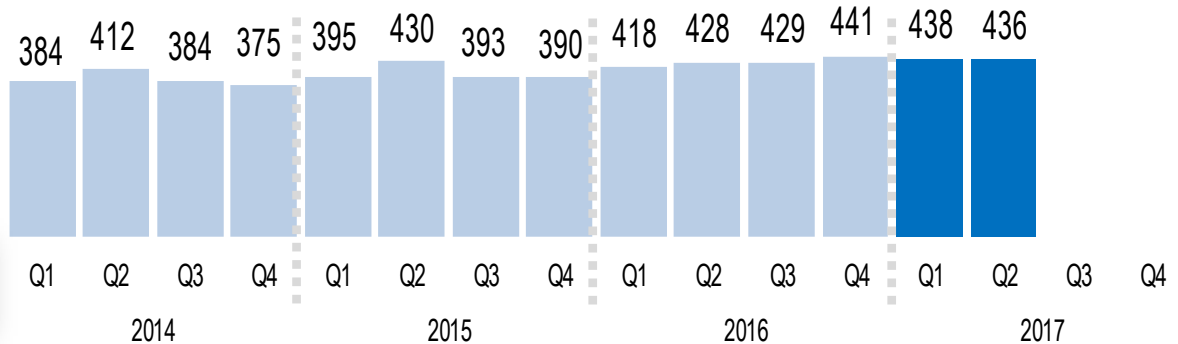
HOT ROLLING

+3% over H1 2016
-10% over Q1 2017



COLD ROLLING

+3% over H1 2016
-0.5% over Q1 2017

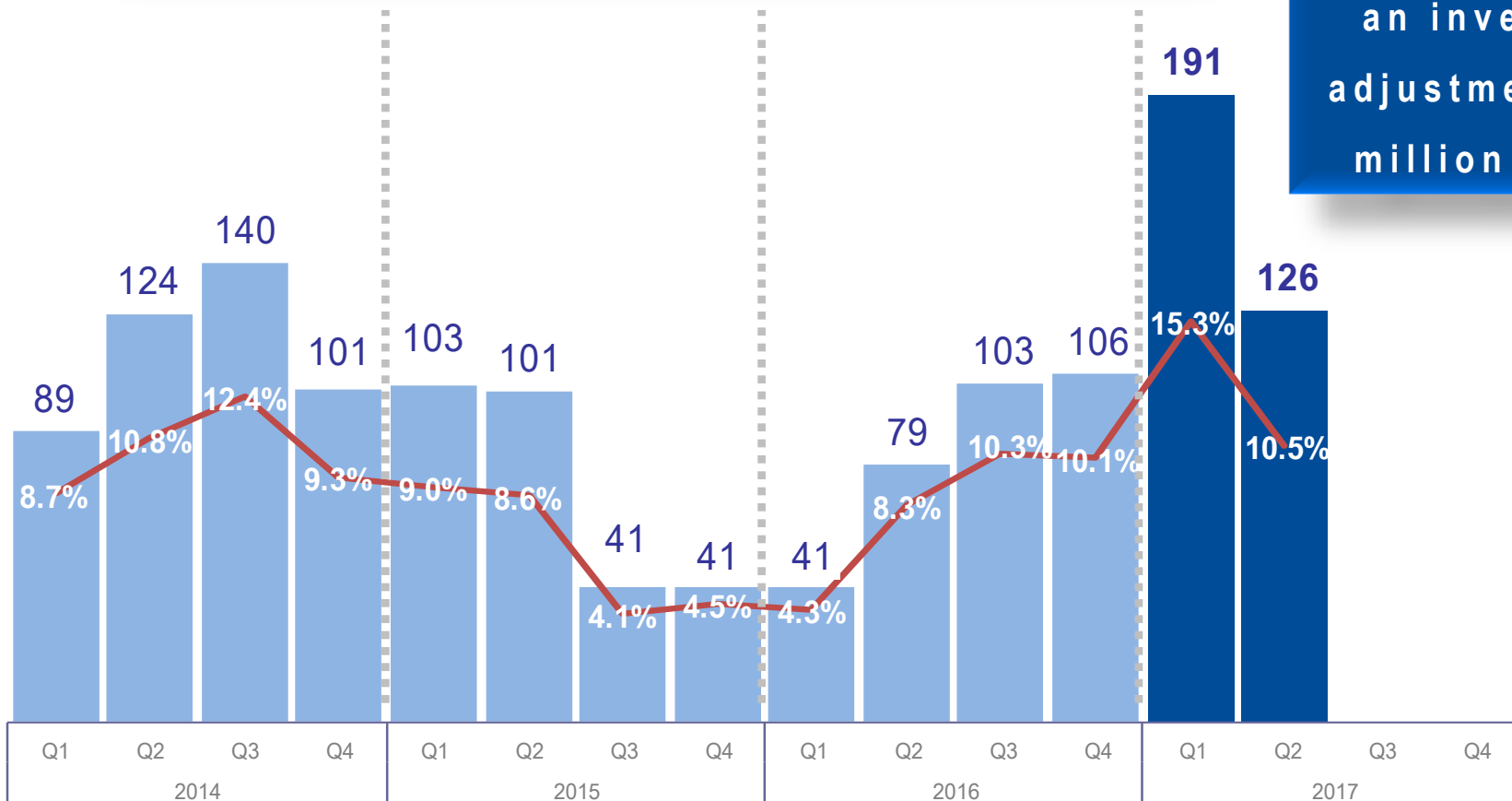


QUARTERLY EVOLUTION OF OUR EBITDA

Million EUR
% over sales

Return to EBITDA margin previous to crisis

Second quarter EBITDA includes an inventory adjustment of 8 million euros



BALANCE SHEET

Million EUR

ASSETS

	Jun 17	2016	Variation
Non-current assets	2,184.29	2,357.53	-7.3%
Current assets	2,264.14	2,097.51	7.9%
- Inventories	998.77	887.42	12.5%
- Debtors	666.26	575.51	15.8%
<i>Trade debtors</i>	606.28	527.79	14.9%
<i>Other debtors</i>	59.98	47.73	25.7%
- Cash and other current assets	599.11	634.58	-5.6%
TOTAL ASSETS	4,448.43	4,455.05	-0.1%

LIABILITIES

	Jun 17	2016	Variation
Equity	2,001.01	2,168.68	-7.7%
Non-current liabilities	1,201.00	1,191.17	0.8%
- Interest-bearing loans and borrowings	960.17	936.81	2.5%
- Other non-current liabilities	240.82	254.37	-5.3%
Current liabilities	1,246.42	1,095.20	13.8%
- Interest-bearing loans and borrowings	284.56	281.61	1.0%
- Trade creditors	732.12	712.97	2.7%
- Other current liabilities	229.73	100.61	128.3%
TOTAL EQUITY AND LIABILITIES	4,448.43	4,455.05	-0.1%

	Jun '17	Dec '16	Jun '16
Working Capital	873	702	632
Net Financial Debt	663	620	609

CASH FLOW STATEMENT

Million EUR

	Jan - Jun 2017	Jan - Dec 2016	Jan - Jun 2016
Result before taxes	216.8	127.9	19.1
Adjustments for:	95.7	215.1	91.3
<i>Depreciation and amortisation</i>	89.2	169.8	82.9
<i>Changes in provisions and impairments</i>	7.6	-8.4	-7.3
<i>Other adjustments in the result</i>	1.4	53.7	15.7
Changes in working capital	-180.5	16.3	69.3
<i>Changes in operating working capital</i>	-170.7	-4.1	66.2
· <i>Inventories</i>	-111.4	-62.5	50.0
· <i>Trade debtors</i>	-78.5	-88.3	-74.0
· <i>Trade creditors</i>	19.2	146.7	90.2
<i>Others</i>	-9.8	20.3	3.1
Other cash-flow from operating activities	65.3	-90.5	-25.1
<i>Income tax</i>	-51.8	-55.8	-7.8
<i>Financial income</i>	10.0	24.0	17.4
NET CASH-FLOW FROM OPERATING ACTIVITIES	66.6	268.8	154.6
Payments for investments on fixed assets	-79.7	-156.4	-53.8
Others	-0.3	-0.9	-0.7
NET CASH-FLOW FROM INVESTING ACTIVITIES	-79.9	-157.3	-54.6
NET CASH-FLOW AFTER INVESTING ACTIVITIES	-13.4	111.5	100.0
Acquisition of treasury shares	0.0	-0.1	0.0
Dividends paid to shareholders and minorities	0.0	-26.7	0.0
Changes in net debt	36.1	18.3	64.2
<i>Changes in bank debt/private placement</i>	26.3	27.7	57.8
<i>Conversion differences</i>	9.8	-9.4	6.4
Attributable to minority interests	0.0	0.0	0.0
Others	-0.2	0.9	0.7
NET CASH-FLOW FROM FINANCING ACTIVITIES	35.9	-7.6	64.9
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	22.6	103.9	164.9
Opening cash and cash equivalents	598.5	480.0	480.0
Effect of the exchange rate fluctuations on cash held	-39.8	14.6	-5.2
CLOSING CASH AND CASH EQUIVALENTS	581.2	598.5	639.6

Positive
Cash Flow

Increase in working
capital

Tax payments of 52
million euros

Investments in NAS
and
Acerinox Europa

ACERINOX

Q&A

2017

FIRST HALF RESULTS