2019 results

Christel BORIES
Chairman and CEO
19 February 2020
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Introduction

1 – Safety

2 – Financial results

3 – Operational performance

4 – Strategic transformation

Conclusion and outlook
Delivering on our strategic roadmap…

**Operational performance**
- **Mining targets exceeded in 2019**
  - 4.8 Mt in manganese ore (vs 4.1 Mt in 2017, +15% over 2 yrs)
  - 1.6 Mwmt in nickel ore exports (vs 0.9 Mt in 2017, c.+80%)
  - 735 kt in mineral sands concentrate
- **SLN cash positive in H2**
  - H2 cash-cost reduction vs H1, thanks to the new business model
  - More favourable price conditions

**CSR achievements**
- **High CSR performance index**
  - 2019 performance index at 112 pts, i.e. 12 pts > 2019 target
  - 50% decrease in accident frequency over 2018-2019

**Strategic roadmap**
- **New strategic milestones**
  - **Weda Bay Nickel**: start of mining operations in Q4; start of NPI production in H1 2020
  - Continuing manganese ore organic growth in Gabon
  - Debottlenecking mineral sands production under study
  - Lithium development: pilot plant on site confirming highest industry yield, leading to 1st quartile cash cost; **project on hold** until launch conditions are met
...but financial performance adversely impacted in 2019 by manganese prices and non-recurring items

Deteriorated manganese price environment

-21% on average for manganese ore\(^1\) prices

-7% on average for refined manganese alloys\(^1\) prices

-5% on average for standard manganese alloys\(^1\) prices

A&D one-offs

Delivery and sales hampered by logistics issue, following quality review including in-depth restructuring of former production and management routines

-€49m

Net debt cash-outflows

Exceptional payments to the Gabonese state

Advance payment of 2019 income tax and tax adjustment

-€114m

Net debt cash-outflows

\(^1\) CRU index: manganese ore CIF China 44% ; MC FeMn (Europe) ; SiMn (Europe)
2019 EBITDA showing solid operating performance, in a context of lacklustre manganese pricing momentum

Sales €3,671m
-4% vs 2018

EBITDA €630m
-25% vs 2018

COI €341m
(Current operating income)

Net debt €1,207m
(excluding IFRS 16 impact)

Net income – Group share €(184)m

Gearing\(^1\) 74%
ROCE\(^2\) 12%

\(^1\) Net debt-to-equity ratio, excluding IFRS 16 impact
\(^2\) COI divided by capital employed for year N-1
Safety
Further strong decline in accident frequency rate in 2019, but still too many severe accidents

Eramet accident frequency rate (FR2$^{1,2}$)

**Increased safety awareness** of all employees and managers, particularly through “on the ground” interactions

**Focus on risk analysis and prevention:**
- Occupational risk assessment: risk analysis for each job position
- “Take 5” safety initiative: “Take 5” minutes to think before acting

**4 fatal accidents** in 2019, of which 1 employee at subcontractors:
- Accelerated roll-out of Essential Safety Requirements to avoid severe accidents, particularly at subcontractors

1 FR2 = number of lost time and recordable injury accidents for 1 million hours worked
2 Including employees and subcontractors since 2016
Financial results
## Key financial figures

<table>
<thead>
<tr>
<th>€m</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>3,671</td>
<td>3,825</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>630</td>
<td>843</td>
</tr>
<tr>
<td><strong>% Sales</strong></td>
<td>17%</td>
<td>22%</td>
</tr>
<tr>
<td><strong>Current operating income</strong></td>
<td>341</td>
<td>581</td>
</tr>
<tr>
<td><strong>% Sales</strong></td>
<td>9%</td>
<td>15%</td>
</tr>
<tr>
<td><strong>Net income – Group share</strong></td>
<td>(184)</td>
<td>53</td>
</tr>
<tr>
<td><strong>Net debt (Net cash)</strong></td>
<td>1,304</td>
<td>717</td>
</tr>
<tr>
<td><strong>Net debt (Net cash), excl. IFRS 16 non cash impact</strong></td>
<td>1,207</td>
<td>717</td>
</tr>
<tr>
<td><strong>Gearing (Net debt-to-equity ratio), excl. IFRS 16 non cash impact</strong></td>
<td>74%</td>
<td>38%</td>
</tr>
<tr>
<td><strong>ROCE (COI / capital employed(^1) for previous financial year)</strong></td>
<td>12%</td>
<td>22%</td>
</tr>
</tbody>
</table>

The data presented and commented on is adjusted data from Group Reporting, in which joint ventures are accounted for using proportionate consolidation until end-2018. The reconciliation with the published financial statements is presented in the appendices.

\(^1\) Sum of shareholders’ equity, net debt, provisions for site rehabilitation, restructuring and other social risks, less financial fixed assets, excluding Weda Bay Nickel capital employed
Net income - Group share at €(184)m, penalised by €(114)m of non-recurring items at High Performance Alloys Division and exceptionally high level of taxes

<table>
<thead>
<tr>
<th>€m</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>3,671</td>
<td>3,825</td>
</tr>
<tr>
<td>Current operating income</td>
<td>341</td>
<td>581</td>
</tr>
<tr>
<td>Other operating income and expenses</td>
<td>(118)</td>
<td>(116)</td>
</tr>
<tr>
<td>o/w: Non-current provisions (A&amp;D quality review)</td>
<td>(15)</td>
<td>(65)</td>
</tr>
<tr>
<td>Reversal of asset impairment tests - GCO / EMI</td>
<td>0</td>
<td>97</td>
</tr>
<tr>
<td>Capital gain on disposal - Guilin / Weda Bay Nickel</td>
<td>0</td>
<td>158</td>
</tr>
<tr>
<td>Lithium project</td>
<td>(25)</td>
<td>(24)</td>
</tr>
<tr>
<td>Financial result</td>
<td>(134)</td>
<td>(95)</td>
</tr>
<tr>
<td>Pre-tax result</td>
<td>89</td>
<td>371</td>
</tr>
<tr>
<td>Share in income from associated companies</td>
<td>(7)</td>
<td>(3)</td>
</tr>
<tr>
<td>Income tax</td>
<td>(227)</td>
<td>(241)</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td><strong>(145)</strong></td>
<td><strong>126</strong></td>
</tr>
<tr>
<td>o/w Minority interests’ share</td>
<td>39</td>
<td>73</td>
</tr>
<tr>
<td><strong>Net income – Group share</strong></td>
<td><strong>(184)</strong></td>
<td><strong>53</strong></td>
</tr>
</tbody>
</table>

1. HP Alloys Division: €(114)m impact of non-recurring items, o/w €(49)m EBITDA, €(64)m of other operating expenses

2. Income tax includes €(147)m of taxes due to Gabon, o/w Comilog 2019 Income tax (€90m)
All Mining & Metals Division’s activities EBITDA positive

- Continued **solid EBITDA contribution** from Manganese BU (89% of Group EBITDA), despite lacklustre pricing momentum
- Nickel BU **back to positive EBITDA** contribution for the first time since 2014
- Mineral Sands BU driven by **strong operational performance** and higher prices
- High Performance Alloys Division contribution **hampered by logistics issue** and **strong market decline at Erasteel**

<table>
<thead>
<tr>
<th>EBITDA In €m</th>
<th>2019</th>
<th>2018¹</th>
<th>Change²</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mining and Metals Division</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manganese BU</td>
<td>560</td>
<td>784</td>
<td>-29%</td>
</tr>
<tr>
<td>Nickel BU</td>
<td>38</td>
<td>(18)</td>
<td>n.a.</td>
</tr>
<tr>
<td>Mineral Sands BU¹</td>
<td>106</td>
<td>62</td>
<td>+70%</td>
</tr>
<tr>
<td><strong>High Performance Alloys Division</strong></td>
<td>(26)</td>
<td>46</td>
<td>n.a.</td>
</tr>
<tr>
<td>Holding &amp; eliminations</td>
<td>(48)</td>
<td>(31)</td>
<td>+55%</td>
</tr>
<tr>
<td><strong>Group</strong></td>
<td>630</td>
<td>843</td>
<td>-25%</td>
</tr>
</tbody>
</table>

¹ TiZir 50% until 30 June 2018, 100% from 1st July 2018 onwards
² Data rounded up to higher or lower %
## Income highly sensitive to metal prices

<table>
<thead>
<tr>
<th>SENSITIVITIES</th>
<th>Change</th>
<th>Annual impact on EBITDA (+/-)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manganese ore prices (CIF China 44%)</td>
<td>+$1/dmtu</td>
<td>c.€150m¹</td>
</tr>
<tr>
<td>Manganese alloys’ prices</td>
<td>+$100/t</td>
<td>c.€70m¹</td>
</tr>
<tr>
<td>Nickel prices (LME)</td>
<td>+$1/lb</td>
<td>c.€110m¹</td>
</tr>
<tr>
<td>Nickel ore prices (CIF China 1.8%)</td>
<td>+$10/wmt</td>
<td>c.€20m¹</td>
</tr>
<tr>
<td>Exchange rates</td>
<td>+$/€0.1</td>
<td>c.€135m</td>
</tr>
<tr>
<td>Oil price per barrel</td>
<td>+$10/bbl</td>
<td>c.€(20)m¹</td>
</tr>
</tbody>
</table>

¹ For an exchange rate of $/€1.13
Positive operating performance offset by external factors and one-off items

(€m)

+€39m Operating performance

-€216m External factors

1. Ferronickel sales penalised by lower production on the back of disrupted mining operations
2. Volumes impacted by lower global feed grade, as planned, due to geological conditions
3. Fixed costs penalised by higher freight costs in Gabon
4. Negative squeeze impact on manganese alloys’ margin: -€65m*
5. Input costs mainly related to wage inflation, purchase of South African manganese ore, cost of fuel, metallurgical reducing agents (coke) and freight

* Manganese alloys’ margin squeeze: -€52m included in Mn price impact, -€13m in Input costs
€423m industrial cash capex in 2019, o/w €192m growth capex and projects early works

- €231m related to safety & environment (10%), productivity (21%) and maintenance (69%) of industrial equipment
- €60m growth capex including Transgabonese railway renovation programme
- €132m early works for the expansion of manganese ore production in Gabon (€51m) and for the lithium development project in Argentina (€81m)

**Industrial cash capex (€m)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Early capex (CLG &amp; Li)</th>
<th>Growth</th>
<th>EHS /Productivity /Renovation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>59</td>
<td>208</td>
<td>267</td>
<td>267</td>
</tr>
<tr>
<td>2016</td>
<td>38</td>
<td>179</td>
<td>217</td>
<td>217</td>
</tr>
<tr>
<td>2017</td>
<td>47</td>
<td>183</td>
<td>230</td>
<td>230</td>
</tr>
<tr>
<td>2018</td>
<td>57</td>
<td>224</td>
<td>281</td>
<td>281</td>
</tr>
<tr>
<td>2019</td>
<td>60</td>
<td>231</td>
<td>423</td>
<td>423</td>
</tr>
</tbody>
</table>

Manganese ore dry processing in Gabon: crushing and screening equipment
Net debt impacted by €(274)m non-recurring cash outflows

1. 2019 early capex for Comilog expansion (€51m) and lithium project (€81m)

2. A&D logistics issue one-off items: mainly negative impact on 2019 EBITDA (€49m) and higher level of inventory (€80m) due to delays in shipments

3. Exceptional payments to the Gabonese state: advance payment of 2019 income tax (€71m), tax adjustment (€43m)

4. Dividends paid to Eramet shareholders (€20m) and Comilog minority shareholders (€86m)

Operational CF excl. A&D logistics issue one-offs

€287m

2018 Net Debt

EBITDA excl. A&D logistics issue one-offs
Change in WCR excl. A&D logistics issue
Capex excl. Early capex (Comilog, Lithium)
Other income & expense
A&D logistics issue
Financial cost
Comilog 2018 Income tax
Other taxes paid to Gabon
Other Taxes
Dividends
Other

2019 Net Debt, excl. IFRS 16 impact
IFRS 16 (non-cash)
Continued high liquidity at €2.3bn

Undrawn lines to date as of 31st December 2019:

- **Revolving credit facility ("RCF")**
  - €981m RCF maturing 2024

- **Term loan:**
  - €350m loan granted in December with a 2-year maturity and an option to extend to January 2024 at Eramet hand
  - Intended for general purposes and investment

- **European Investment Bank ("EIB") financing:**
  - €120m loan maturing in 2030
  - Intended to support R&D expenditure, modernisation and digital transformation

* Pro forma of the repayment of the €250m RCF drawdown on 18 January 2018 and post-extension to 2023 of the RCF signed on 13 February 2018
Issuance of 2025 bond allowing for repurchase of part of 2020 bond; no major debt maturity within the next 3 years

- **Group gross debt** at €2,055m at 31 December 2019 (excl. IFRS 16 non cash items)
- **Extension of debt maturity** in November 2019: repurchase of 2020 bonds for €227m and issuance of new bonds for €300m due May 2025
- **Average maturity** of Group’s 3-year debt; c. 90% at a fixed rate

### Debt maturity at 31 December 2019 (€m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Commercial papers, banks &amp; operating debts</th>
<th>Eramet bonds</th>
<th>TiZir bond</th>
<th>French State Loan to SLN</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>231</td>
<td>233</td>
<td>33</td>
<td>32</td>
</tr>
<tr>
<td>2021</td>
<td>169</td>
<td>100</td>
<td>100</td>
<td>78</td>
</tr>
<tr>
<td>2022</td>
<td>280</td>
<td>202</td>
<td>202</td>
<td>17</td>
</tr>
<tr>
<td>2023</td>
<td>685</td>
<td>500</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>2024</td>
<td>685</td>
<td>317</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>2025</td>
<td>317</td>
<td>300</td>
<td>300</td>
<td>6</td>
</tr>
<tr>
<td>2026</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>2027</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>2028</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>&gt;2028</td>
<td>68</td>
<td>68</td>
<td>68</td>
<td>68</td>
</tr>
</tbody>
</table>
Strict cash control in 2020

Optimising cash flow and closely monitoring net debt level

- Available cash of €848m and 63%¹ gearing (as calculated for covenant purposes) at 2019 year-end (74%, excl. IFRS 16 only)

2020 cash control plan

- Postponing of some project capex: modularity and flexibility
- Opex and working capital under control

No dividend to be paid in 2020

- Subject to Shareholders’ approval on 26 May

¹ Excl. IFRS 16 impact, excl. French state loan to SLN
Operational performance
Mining and Metals Division
New historical record for global carbon steel production

- **Global carbon steel production** up **3.6%**, almost exclusively driven by **China** (+8.3%); rest of world receding overall (-1.3%) mainly driven by Europe (-5.1%), whereas India production up (+1.8%)

- **2019 production at full capacity** of all global manganese ore producers

- **Slight surplus in manganese ore supply**: stocks in Chinese ports at **4.7 Mt** at end-2019, up **1.6 Mt** since end-2018, equivalent to approximately **8 weeks** of yearly consumption in China
Manganese ore prices down 21% in 2019, current price up at USD 4.5/dmtu

Average manganese ore prices significantly down at **USD 5.63 /dmtu** in 2019 (-21%), particularly in Q4 (-34% vs average price of 9mFY19); slight rebound in Q1 2020

Likewise, decline in manganese alloys’ prices (-7% for refined ferromanganese in Europe), reflecting global market slowdown (particularly for automotive industry)

**Monthly change in manganese ore and medium-carbon ferromanganese (refined) prices**¹

<table>
<thead>
<tr>
<th></th>
<th>Monthly change</th>
<th>FY price average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manganese ore</td>
<td><em>USD 5.63/dmtu</em></td>
<td><em>€1,601/t</em></td>
</tr>
<tr>
<td>Medium-carbon ferromanganese</td>
<td><em>USD 7.16/dmtu</em></td>
<td><em>€1,484/t</em></td>
</tr>
</tbody>
</table>

¹ Manganese ore: CIF China CRU 44%
Medium-carbon FerroMn: CRU Western Europe spot price
New record manganese ore production at Comilog: 4.8 Mt in 2019 (+10%), above target

- Record manganese ore production driven by new dry mining process (+0.5 Mt); **new record targeted in 2020: > 5 Mt**
- Ore volumes transported at 4.6 Mt, up 17%, thanks to railway logistics improvement; +70% transport capacity since 2016; **external sales up +15% to 3.9 Mt**
- Growth in manganese alloys’ production to **740 kt** in 2019; sales volume up 4% to 733 kt, with an unfavourable mix (-8% for refined ferromanganese alloys, due to difficult market conditions)
Global stainless steel production up significantly in 2019

- **Global stainless steel production up** +4.2% in 2019, mainly in low nickel content grades, and driven by growth in China (+12.2%); production cuts for stainless steel mills forecast in H1 2020, following H2 high level of production in excess of real demand
- **Global primary nickel demand up** 3.6%, notably supported by battery development (+30%)
- Increase in **global primary nickel production** (+8.9%), driven by NPI (+30%), in **Indonesia and China**

**Global stainless steel production**

- **China**: 47,710 Kt (+4.0%)
- **Rest of world**: 49,636 Kt (+4.2%)
- **Total**: 51,731 Kt (+4.2%)

**Global primary nickel production** (excluding recycling)

- **Ni Class I**
  - 2017: 2,054 Kt
  - 2018: 2,142 Kt
  - 2019: 2,334 Kt (+4.3%)
- **Ni Class II - NPI Indonesia**
  - 2017: 954 Kt
  - 2018: 941 Kt
  - 2019: 953 Kt (+30%)
- **Ni Class II - NPI China**
  - 2017: 512 Kt
  - 2018: 468 Kt
  - 2019: 446 Kt
- **Ni Class II - FeNi high grade & other**
  - 2017: 173 Kt
  - 2018: 248 Kt
  - 2019: 344 Kt

**Source**: Eramet estimates
Nickel prices showed high volatility in 2019, mainly fuelled by the announcement of the Indonesian ban.

- **Indonesian ban announcement** in September has introduced strong **market volatility** with speculative effect both on prices and inventory, against a background of international tensions.
- **Supply/demand balance** still in slight deficit (c. -31 kt in 2019) with resurgence of nickel surplus in H2 mostly due to decreasing demand.
- **Overall decline** in nickel metal stocks at LME and SHFE (-14% to 191 kt at 2019 year-end), troughing in November.
- **Annual average of LME prices**: USD 6.31/lb in 2019 (+6%).

![Graph showing LME Nickel prices and stocks from 2015 to 2019.](image)

**LME Nickel price**

<table>
<thead>
<tr>
<th>Year</th>
<th>USD/lb</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>9.1</td>
</tr>
<tr>
<td>2016</td>
<td>8.2</td>
</tr>
<tr>
<td>2017</td>
<td>7.3</td>
</tr>
<tr>
<td>2018</td>
<td>6.4</td>
</tr>
<tr>
<td>2019</td>
<td>5.4</td>
</tr>
</tbody>
</table>

**SHFE Stocks**

<table>
<thead>
<tr>
<th>Year</th>
<th>Tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2.7</td>
</tr>
<tr>
<td>2016</td>
<td>3.6</td>
</tr>
<tr>
<td>2017</td>
<td>4.5</td>
</tr>
<tr>
<td>2018</td>
<td>5.4</td>
</tr>
<tr>
<td>2019</td>
<td>6.4</td>
</tr>
</tbody>
</table>

**Annual average of LME prices**: USD 6.31/lb in 2019 (+6%).

![Image of Eramet – 2019 results.](image)
SLN rescue plan: decisive breakthroughs achieved in 2019 for major enablers

New business model for SLN: metallurgy and exports

✔ 4 Mwmt/year licence for low grade ore exports, granted by New Caledonian government (4 Mwmt/year to be achieved in 2021)

Enablers for productivity gains and fixed cost reduction in mines and plants

✔ Doniambo plant reorganisation: majority agreement signed with unions on April 2019 regarding the transition from 5 to 4 shifts

✔ 147 hrs agreement implemented at mining sites¹, creating conditions for 7/7 days and 21/24 hours operations

Reduction in energy price

✔ 1/3rd of target achieved, subject to conditions starting 1st January 2020:
  > €8.5m / year, max. reduction if Ni LME price < USD 6.5/lb
  > €8.5m / year, max. profit return to Enercal, if Ni LME price > USD 10.0/lb

→ Other options under discussion with local stakeholders to identify additional enablers

Priority objective to reach a sustainable positive cash generation

Target to reduce cash-cost by USD1.30 /lb² in 2021

¹ Signed in November 2018
² Versus 2018
Record Ni ore export; FeNi production down following disrupted mining operations at East Coast centres

- New working hours agreement led to higher nickel ore production of 4.7 Mwmt (+15%)
- Volumes of low grade (1.5%-1.8%) exported ore up +32% to 1.6 Mwmt, above target, with seaborne nickel ore prices up +31% in H2 vs H1, supported by Indonesian ban announcement
- New target set for 2020: 2.5 Mwmt of Ni ore exports

Ferronickel production down 13% in 2019, due to lower-grade ore loaded into the furnaces (same volume loaded), as a result of social and societal disruptions in the East Coast mining centres over the last quarters
- Ferronickel sales volumes down 15% (at 47 kt)
- Nominal capacity of Doniambo plant at 56 kt based on normalised ore supply

**Nickel ore exports** (1.5%-1.8% ore)

- 2017: 910
- 2018: 1,234
- 2019: 1,623
- 2020 target: 2,500
- 2021 target: 4,000

**Ferronickel production** (> 2.2% ore)

- 2017: 56.8
- 2018: 54.3
- 2019: 47.4

Eramet – 2019 results
SLN back to cash generation in H2 (+€31m), evidencing the relevance of the new business model

5% decrease of cash cost in H2 vs H1
- Significant **positive impact from ore exports**, first lever of SLN rescue plan
- Favourable external factors, mainly €/$ FX rate

SLN cash-cost hampered by lower ferronickel production, as a result of lower-grade ore loaded into the furnaces due to mines disruption
- Underperforming production, due to **strikes and blockades** at mines resulting in lower ferronickel production

<table>
<thead>
<tr>
<th>(USD/lb)</th>
<th>Ore exports</th>
<th>Lower ferronickel production</th>
<th>External factors</th>
<th>Capex, non-operating costs and financial expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>USD -0.16/lb</td>
<td>USD +0.44/lb</td>
<td>USD -0.19/lb</td>
<td>+USD 0.71/lb</td>
</tr>
<tr>
<td>5.82</td>
<td>6.05</td>
<td>5.74</td>
<td>5.91</td>
<td>6.62</td>
</tr>
<tr>
<td>H1 2019</td>
<td>H2 2019</td>
<td>H2 2019</td>
<td>H2 2019</td>
<td></td>
</tr>
<tr>
<td>2019 cash-cost</td>
<td>2019 break-even cost</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Eramet – 2019 results

1 2019 capex related to 2019 tonnage; non-operating costs and financial costs booked in SLN’s company financial statements
SLN mineral resources x4 thanks to new business model

- SLN amongst Tier one nickel industry players, thanks to **significant mineral resources**, 

- SLN mineral resources of **1,050 Mt** on average (1.85% grade), equivalent to **c.19.4 Mt** nickel content, o/w:
  
  > c.600 Mt nickel exports (1.5%-1.8% grade on average), i.e. c.11.3 Mt nickel content

  > c.200 Mt suitable for local metallurgy at Doniambo plant (2.4% on average), i.e. 5.5 Mt nickel content

- Resources are **JORC compliant**

- Global annual production of > 7 Mwmt by 2021 (> +50% vs 2019) to support ferronickel production as well as 4 Mwmt ore exports target

1 Mt: million of dry metric tons (resources)

2 Resources JORC compliant (Australasian Joint Ore Reserves Committee)

3 Mwmt: million of wet metric tons (production)
Sandouville plant: significant progress towards break-even in EBITDA in 2020

Improved operating rate thanks to support of experts’ task force since the start of the year

- **High purity nickel production** (6.9 kt) and **sales volume** (6.7 kt) almost **doubled** in 2019

**Improved key financial indicators**
- EBITDA loss halved to **€21m** in 2019
- Significant reduction of cash consumption (free cash-flow of **-€32m** vs **-€54m**)

### High purity nickel production
(nickel metal and salts)

<table>
<thead>
<tr>
<th>Year</th>
<th>kt of Ni</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>2.4</td>
</tr>
<tr>
<td>2018</td>
<td>3.7</td>
</tr>
<tr>
<td>2019</td>
<td>6.9</td>
</tr>
</tbody>
</table>

+86%  
+54%
Mineral sands BU
Stable end-markets for titanium products with overall price increase for premium CP slag

**Stable pigment market** (90% of titanium-based end-products\(^1\))

- Sustained global demand in TiO\(_2\) feedstocks from Pigments producers in 2019 for high-end TiO\(_2\) intermediates such as **CP grade titanium dioxide slag** ("CP slag")\(^2\) produced by Eramet in Norway
- Average price of CP slag increased by **10%** to **USD 752/t** in 2019 vs 2018

---

**Monthly change in CP grade titanium dioxide slag prices**\(^3\)

1. Titanium dioxide slag, ilmenite, leucoxene and rutile
2. For the production of pigments through chloride process
3. Source CP slag: Market consulting, Eramet analysis
Zircon product markets: prices at high level, slight erosion in Q4

Ceramics and Chemicals markets (~50% and 20% respectively of zircon's end-uses)

- **Global demand for zircon down 10% in 2019 vs 2018**: particularly Ceramics sector; other main segment (chemicals) stable
- Supply/demand **balance** for zircon **slightly in excess** in 2019; some Tier one producers currently building inventories
- Global zircon **supply expected to adjust in 2020** due to depletion of several mines
- Average price of premium zircon ended at **USD 1,575/t** in 2019, up 7% vs 2018
Sustained level of production in Senegal and Norway

- **HMC\(^1\) production** (titanium ore and zircon): -5% to 735 kt, thanks to high operational performance (OEE rate: +6% vs 2018), despite expected lower grade mined from 2019 onwards, according to mining plan.

- **Zircon sales** down -11% to 58 kt.

- **Norwegian plant** functioning close to nominal capacity in 2019, except for taping incident last summer.

- **Titanium dioxide slag stable production** to 189 kt.

- **CP slag sales’ volumes** down -10% to 180 kt, after destocking at 2018 year-end.

### HMC production\(^1\)

**GCO, Senegal**

<table>
<thead>
<tr>
<th>Year</th>
<th>HMC Production (kt)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>725</td>
</tr>
<tr>
<td>2018</td>
<td>774</td>
</tr>
<tr>
<td>2019</td>
<td>735</td>
</tr>
</tbody>
</table>

**OEE rate\(^2\)**

**GCO, Senegal**

<table>
<thead>
<tr>
<th>Year</th>
<th>OEE Rate (t/h)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>1,995</td>
</tr>
<tr>
<td>2015</td>
<td>3,160</td>
</tr>
<tr>
<td>2016</td>
<td>3,568</td>
</tr>
<tr>
<td>2017</td>
<td>4,134</td>
</tr>
<tr>
<td>2018</td>
<td>4,347</td>
</tr>
<tr>
<td>2019</td>
<td>4,590</td>
</tr>
</tbody>
</table>

### Titanium dioxide production

**TTI, Norway**

<table>
<thead>
<tr>
<th>Year</th>
<th>Production (kt)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>181</td>
</tr>
<tr>
<td>2018</td>
<td>189</td>
</tr>
<tr>
<td>2019</td>
<td>189</td>
</tr>
</tbody>
</table>

---

1. HMC: Heavy Mineral Concentrates
2. OEE: Overall Equipment Efficiency
High Performance Alloys Division
2019 sales adversely impacted by logistics issue at A&D and depressed automotive market at Erasteel

A&D¹ sales (-19% vs 2018)
-13% decrease in aerospace segment (c.70% of A&D sales) due to delays impacting sales in a stable market environment
No significant impact of Boeing production rates’ slowdown in 2019, thanks to diversified products portfolio
Several agreements signed with aerospace and energy top-tier customers

Quality processes review
- Implementation of corrective action plan (in line with highest international standards) still ongoing
- All sites back to normal invoicing level in Q4 2019, except Les Ancizes
- Additional accrual of €15m booked at 2019 year-end

Erasteel sales (-10% vs 2018)
-11% decrease in high-speed steel sales in 2019, reflecting significant market downturn mainly due to slowdown of global automotive market in H2 2019

¹ Aubert & Duval, EHA and other
High Performance Alloys’ results impacted by overall sales decline and margin squeeze at Erasteel

A&D\(^1\) EBITDA at €1m, including logistics one-offs

- **Significant slowdown in shipments**, linked to delivery delays resulting from quality processes’ conformity review: **-€49m** EBITDA impact in 2019, vs **-€13m** in 2018
- **-€160m** cash impact

**€27m** loss incurred by Erasteel

- Shrinking sales in automotive market
- Negative **squeeze impact on high-speed steels margin** (**-€19m**)
- **FCF close to break-even** at year-end thanks to tight WCR management

---

**High Performance Alloys Division EBITDA**

![Bar chart showing EBITDA for 2017, 2018, and 2019 for High Performance Alloys Division.](chart)

**EBITDA by entity**

![Bar chart showing EBITDA for 2017, 2018, and 2019 for A&D and Erasteel.](chart)

\(^1\) Aubert & Duval, EHA and other
In-depth restructuring of the Division for a sustainable performance recovery

**ORGANISATION & MANAGEMENT**

*Corporate culture*

- Implementation of 3 Business Units, supported by **empowered management** driven by sense of urgency
- Organisations’ complete redesign and roll-out of a rigorous **quality culture**
- **Close** collaboration and relationship with **customers** to review quality processes
- As a result, implementation of a **corrective action plan** in line with the highest international standards

**OPERATIONAL PERFORMANCE**

*Results’ improvement*

- High focus on the sales development and delivery recovery plan aimed at **customer satisfaction**
- **Maintenance and equipment reliability** programme to maximise plants efficiency
- **Product quality** close monitoring
- **Strict cash control**

---

Long-lasting, in-depth restructuring including reshaping of former production and management routines, resulting in a longer and deeper transformation than expected
Strategic transformation
Continuing Group strategic transformation in 2020: increasing cash generation and portfolio diversification

1. **FIX / REPOSITION** our least performing assets
   - **Nickel**
     - SLN rescue plan: decisive breakthroughs achieved
     - Sandouville: 2020 EBITDA close to break-even
   - **High Performance Alloys**
     - In-depth restructuring
     - A&D: deliveries expected to progressively return back to normal

2. **GROW** in our attractive businesses
   - **Manganese ore**
     - Growth in volumes in Moanda (Gabon) based on a modular approach, supported by dry processing
   - **Weda Bay Nickel (Indonesia)**
     - Start of mining operations in Q4 2019
     - NPI plant start up expected in H1 2020 ahead of schedule
   - **Mineral sands**
     - Tizir (Senegal): debottlenecking under review
     - Cameroon: exploration permits granted in rutile

3. **EXPAND** our portfolio in metals for the energy transition
   - **Lithium**:
     - pilot plant at Centenario deposit in Argentina confirming highest industry yield
     - Project on hold until launch conditions are met
   - **Nickel and cobalt salts**:
     - Study of Weda Bay diversification towards products for EV batteries
   - **Li-ion batteries’ recycling**
     - R&D programme

Eramet – 2019 results
New modular approach for brownfield expansion of Moanda manganese ore operations

A HIGHLY COMPETITIVE MINE IN GABON

- **Operated** by Comilog for 50 years
- **Strong quality** high-grade oxide commercial ore 46%
- **Deep reserves** of 269 Mt representing several decades, allowing a long term target of 7Mt production
- **Strong cash flow** generation

<table>
<thead>
<tr>
<th>Year</th>
<th>Manganese ore capacity (in Mt)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>4.3</td>
</tr>
<tr>
<td>2019</td>
<td>4.8</td>
</tr>
<tr>
<td>2020e</td>
<td>&gt; 5</td>
</tr>
<tr>
<td></td>
<td><strong>c.6</strong> (+40%)</td>
</tr>
</tbody>
</table>

A NEW MODULAR EXPANSION

- **Target to produce** > 5 Mt manganese ore in 2020:
  - Enhance production of the Bangombé plateau through dry processing
  - €51m of early works cashed out in 2019
- **New modular approach** with progressive and flexible development
- **1st phase**: opening of the new Okouma plateau, supported by dry processing
  - Production capacity up c.25% to c.6 Mt
  - €150m capex over 2 years
  - Roll-out schedule to be finalized with Gabonese partner
- **Continuing railway line renovation**: already +70% transport capacity achieved since end-2016
- **Strong commitment to E&S**: employment, biodiversity, water
Weda Bay nickel: highly competitive NPI production in Indonesia to start in H1 2020, mine ramping-up

MINING & METALS BUSINESS MODEL

Weda Bay Nickel business model balanced in 2 activities: mining and metallurgy

- First mining production started in October 2019: > 3 Mwmt target in 2020 to supply several NPI plants on Halmahera island
- 0.5 Mwmt of nickel ore produced at end-2019, ready for smelting at JV plant

NPI JV plant start-up expected in H1 2020 ahead of schedule

- 80% nominal capacity expected to be reached by end-2020
- Highly competitive NPI production in Indonesia
- No capex for plant construction for Eramet

ATTRACTION METRICS

Production target - Ore 6 Mwmt\(^1\)/year

Eramet
43% Tsingshan\(^4\) 57%

Production target - NPI 30 kt\(^2\)/year

Nickel resources 500 Mt\(^3\) ore 9 Mt Ni

ONE OF THE LARGEST NICKEL OXIDISED DEPOSITS IN THE WORLD

---

1 Mwmt: million of wet metric tons (production)
2 In nickel content in NPI
3 Mt: million of dry metric tons (resources)
4 #1 global stainless steel producer
Lithium project in Argentina on hold until required conditions are met

**HIGHLY VALUE-ACCRETIVE PROJECT**

- **Long life low cost and scalable project**, c.10 Mt LCE\(^1\) drainable resources, c.50 years of resources
- **Battery grade lithium** carbonate production (24 kt LCE\(^1\))
- **Pilot plant on site** operating under real conditions:
  - Technical feasibility confirmed
  - Highest industry yield confirmed to date; major breakthrough
  - €81m of early works in 2019
- **Hence 1\(^{st}\) quartile** cash-cost ($3.5k/t) amongst the best in the industry

**STATUS UPDATE: PROJECT ON HOLD**

- Required conditions for launch not yet been met, o/w:
  - regulatory framework (under discussion with Argentinian government)
  - economic environment

---

**Eramet lithium yield vs competition**

(Comp: competitor)

- **Evaporation process**
  - 50-55% (Comp. 1), 50-55% (Comp. 2), 70-75% (Comp. 3), 90% (Eramet)
- **Direct extraction process**

---

1 LCE = Lithium Carbonate Equivalent
A leap in CSR management in 2019

Launch of 2018-2023 CSR Roadmap

3 components to meet Eramet’s challenges

1. Ensure the Health and Safety of our subcontractors
2. Enhance skills, promote talent and career development
3. Strengthen the commitment of our employees
4. Integrate and promote the richness of diversity
5. Be a respected and contributive partner for our host communities

Committed to our planet

6. Be a leader in metals for the energy transition
7. Actively contribute to the development of the circular economy
8. Set the standard in human rights in our field of activity
9. Be an ethical business partner of choice
10. Be the go-to responsible business in mining and metallurgy

11. Reduce our air emissions
12. Accelerate the rehabilitation of our mining sites promoting biodiversity
13. Reduce our energy and climate footprint

A responsible economic player

13 objectives set for 2023 with an annual measurement

Improvement of non-financial rating

Vigeo Eiris rating’s progression in assessed ESG domains

Vigeo Eiris
Rank: 3/43
Among the companies on the mines and metals panel 2019

Eramet – 2019 results
Strong CSR Performance in 2019

Increase in the CSR Performance index*

112 representing +12 points compared with 2019 target

- 80% of industrial sites ISO14001 certified
- 87% of purchased electricity produced with carbon-free footprint
- 1.2 Ratio of rehabilitated / cleared areas
- -35% accidents (employees, temps and subcontractors’ FR2)
- €20m Invested in the communities’ benefit **

* The CSR Performance index measures the annual progress of Eramet’s 2018-2023 CSR programme
** Expenditures for local populations and sponsorship, including this year’s exceptional contribution of Comilog to the financing of road rehabilitation in Moanda (€5m)
Conclusion and outlook
Committed to delivering in 2020, facing strong market headwinds

Unpredictable and bumpy market start in 2020

- Coronavirus outbreak being monitored; no significant impact to date
- Lower manganese prices at start of the year compared with previous year

Strict cash control in 2020 and actions to tackle operational challenges

- Implementation of 2020 cash control plan and strict control over net debt
- Delivery levels progressively back to normal at A&D
- Lithium project on hold

2020 new milestones for our strategic roadmap

- Target of manganese ore production > 5 Mt in 2020
- Progress in the SLN rescue plan: target to export 2.5 Mwmt of Nickel ore (low grade)
- Weda Bay ramp-up in 2020 for mining and metallurgical operations

Thanks to significant intrinsic progress expected, and considering weaker manganese market conditions, **2020 EBITDA should be close to €400m, based on market conditions of January 2020**

1 Notably January monthly average manganese ore price at USD 4.3 USD/dmtu and nickel prices at USD 6.15/lb (USD 13,595/t)
Q&A

Committed to women and men

Committed to our planet

A socially responsible, committed and contributory corporate citizen

Responsible economic player
Coronavirus outbreak being monitored

ERAMET SALES IN CHINA

- Mining and Metals Division 94%
- HPA Division 6%
- Nickel BU 38%
- Mineral Sands BU 5%
- Manganese BU 51%
- High Performance Alloys Division 6%

2019 $980m

ERAMET IN CHINA

3 Locations

- 1 Sales office
  - Eramet Trading Ltd. (Shanghai) 31
- 1 Distribution center
  - Aubert & Duval Moulds and Die Technology co. Ltd. (Wuxi) 31
- 1 High-speed steel drawing shop
  - Erasteel Innovation Materials Ltd. (Tianjin) 73

135 headcount

1 Sales office
1 Distribution center
1 High-speed steel drawing shop
## Manganese BU – Key figures

<table>
<thead>
<tr>
<th>In €m</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>1,765</td>
<td>1,857</td>
</tr>
<tr>
<td>EBITDA</td>
<td>560</td>
<td>784</td>
</tr>
<tr>
<td>COI</td>
<td>459</td>
<td>699</td>
</tr>
<tr>
<td>CAPEX cash</td>
<td>(214)</td>
<td>(171)</td>
</tr>
<tr>
<td>Operating cash flow&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td>317</td>
<td>529</td>
</tr>
</tbody>
</table>

<sup>(1)</sup> EBITDA + Δ(simplified WCR) – cash CAPEX
## Nickel BU – Key figures

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>778</td>
<td>738</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>38</td>
<td>(18)</td>
</tr>
<tr>
<td><strong>COI</strong></td>
<td>(58)</td>
<td>(111)</td>
</tr>
<tr>
<td><strong>CAPEX cash</strong></td>
<td>(39)</td>
<td>(57)</td>
</tr>
<tr>
<td><strong>Operating cash flow</strong>(1)</td>
<td>0</td>
<td>(51)</td>
</tr>
</tbody>
</table>

(1) EBITDA + Δ(simplified WCR) – cash CAPEX
## Mineral sands BU – Key figures

<table>
<thead>
<tr>
<th>In €m</th>
<th>2019</th>
<th>2018&lt;sup&gt;(2)&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>286</td>
<td>212</td>
</tr>
<tr>
<td>EBITDA</td>
<td>106</td>
<td>62</td>
</tr>
<tr>
<td>COI</td>
<td>64</td>
<td>35</td>
</tr>
<tr>
<td>CAPEX cash</td>
<td>(13)</td>
<td>(12)</td>
</tr>
<tr>
<td>Operating cash flow&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td>84</td>
<td>53</td>
</tr>
</tbody>
</table>

<sup>(1)</sup> EBITDA + Δ(simplified WCR) – cash CAPEX

<sup>(2)</sup> TiZir 50% until 30 June 2018, 100% from 1st July 2018 onwards
<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>847</td>
<td>1,020</td>
</tr>
<tr>
<td>EBITDA</td>
<td>(26)</td>
<td>46</td>
</tr>
<tr>
<td>COI</td>
<td>(68)</td>
<td>(8)</td>
</tr>
<tr>
<td>CAPEX cash</td>
<td>(56)</td>
<td>(61)</td>
</tr>
<tr>
<td>Operating cash flow(^{(1)})</td>
<td>(87)</td>
<td>(41)</td>
</tr>
</tbody>
</table>

\(^{(1)}\) EBITDA + Δ(simplified WCR) – cash CAPEX
CRU price trends in manganese alloys (refined and standard) in Europe

Source: CRU spot Prices Western Europe

Eramet – 2019 results

Source: CRU spot Prices Western Europe
## Reconciliation Group reporting and published accounts

<table>
<thead>
<tr>
<th>€m</th>
<th>Full Year 2019 Published¹</th>
<th>Joint-venture contribution</th>
<th>Full year 2019 Reporting²</th>
<th>Full Year 2018 Published¹</th>
<th>Joint-venture contribution</th>
<th>Full year 2018 Reporting²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>3,671</td>
<td>0</td>
<td>3,671</td>
<td>3,725</td>
<td>100</td>
<td>3,825</td>
</tr>
<tr>
<td>EBITDA</td>
<td>630</td>
<td>0</td>
<td>630</td>
<td>828</td>
<td>16</td>
<td>843</td>
</tr>
<tr>
<td>Current operating income</td>
<td>341</td>
<td>0</td>
<td>341</td>
<td>574</td>
<td>7</td>
<td>581</td>
</tr>
<tr>
<td>Operating income</td>
<td>223</td>
<td>0</td>
<td>223</td>
<td>398</td>
<td>68</td>
<td>465</td>
</tr>
<tr>
<td>Net income for the period - Group share</td>
<td>(184)</td>
<td>0</td>
<td>(184)</td>
<td>53</td>
<td>(0)</td>
<td>53</td>
</tr>
<tr>
<td>Net cash generated by operating activities</td>
<td>86</td>
<td>0</td>
<td>86</td>
<td>437</td>
<td>12</td>
<td>449</td>
</tr>
<tr>
<td>Industrial investments</td>
<td>455</td>
<td>0</td>
<td>455</td>
<td>278</td>
<td>3</td>
<td>281</td>
</tr>
<tr>
<td>(Net financial debt)</td>
<td>(1,304)</td>
<td>0</td>
<td>(1,304)</td>
<td>(717)</td>
<td>0</td>
<td>(717)</td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td>1,639</td>
<td>0</td>
<td>1,639</td>
<td>1,909</td>
<td>(1)</td>
<td>1,908</td>
</tr>
<tr>
<td>Shareholders’ equity - Group share</td>
<td>1,398</td>
<td>0</td>
<td>1,398</td>
<td>1,606</td>
<td>(1)</td>
<td>1,605</td>
</tr>
</tbody>
</table>

¹ Financial statements prepared under applicable IFRS, which joint ventures are accounted for using equity method.
² Group reporting, in which joint ventures are accounted for using proportionate consolidation.
## Group income statement

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>3,671</td>
<td>3,825</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>630</td>
<td>843</td>
</tr>
<tr>
<td>% Sales</td>
<td>17%</td>
<td>22%</td>
</tr>
<tr>
<td><strong>Current operating income</strong></td>
<td>341</td>
<td>581</td>
</tr>
<tr>
<td>% Sales</td>
<td>9%</td>
<td>15%</td>
</tr>
<tr>
<td>Other operating income and expense</td>
<td>(118)</td>
<td>(116)</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>223</td>
<td>465</td>
</tr>
<tr>
<td>Financial result</td>
<td>(134)</td>
<td>(95)</td>
</tr>
<tr>
<td><strong>Pre-tax income</strong></td>
<td>89</td>
<td>371</td>
</tr>
<tr>
<td>Share of income of equity affiliates</td>
<td>(7)</td>
<td>(3)</td>
</tr>
<tr>
<td>Income tax</td>
<td>(227)</td>
<td>(241)</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>(145)</td>
<td>126</td>
</tr>
<tr>
<td>Minority interests</td>
<td>39</td>
<td>73</td>
</tr>
<tr>
<td><strong>Net income – Group share</strong></td>
<td>(184)</td>
<td>53</td>
</tr>
</tbody>
</table>

The data presented and commented on is adjusted data from Group Reporting, in which joint ventures are accounted for using proportionate consolidation until end-2018. The reconciliation with the published financial statements is presented in the previous page.
## Cash-flow table

<table>
<thead>
<tr>
<th></th>
<th>€m 2019</th>
<th>€m 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>630</td>
<td>843</td>
</tr>
<tr>
<td>Cash impact on items under EBITDA</td>
<td>(420)</td>
<td>(345)</td>
</tr>
<tr>
<td><strong>Cash from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in WCR</td>
<td>(124)</td>
<td>(49)</td>
</tr>
<tr>
<td><strong>Net cash generated by operating activities (1)</strong></td>
<td>86</td>
<td>449</td>
</tr>
<tr>
<td><strong>Investment activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industrial investments</td>
<td>(455)</td>
<td>(281)</td>
</tr>
<tr>
<td>Other investment flows</td>
<td>11</td>
<td>(379)</td>
</tr>
<tr>
<td><strong>Net cash from investment activities (2)</strong></td>
<td>(444)</td>
<td>(660)</td>
</tr>
<tr>
<td><strong>Free Cash Flow (1) + (2)</strong></td>
<td>(358)</td>
<td>(211)</td>
</tr>
<tr>
<td>Cash from equity operations</td>
<td>(117)</td>
<td>(123)</td>
</tr>
<tr>
<td>Impact of fluctuation in exchange rate and other</td>
<td>(6)</td>
<td>(7)</td>
</tr>
<tr>
<td>Right of use relating to lease contracts acquisition (IFRS16)</td>
<td>(12)</td>
<td>-</td>
</tr>
<tr>
<td><strong>(Increase) / Reduction in net debt</strong></td>
<td>(493)</td>
<td>(341)</td>
</tr>
<tr>
<td>(Net debt) at start of period (1)</td>
<td>(811)</td>
<td>(376)</td>
</tr>
<tr>
<td>(Net debt) at close of period</td>
<td>(1 304)</td>
<td>(717)</td>
</tr>
</tbody>
</table>

(1) Restated for the first-time application of IFRS 16 as of January 1, 2019.
Group Balance Sheet at 31 December, 2019

2018

- Fixed assets: 3,030
- WCR: 616

2019

- Fixed assets: 3,294
- WCR: 760

2018

- Equity-Group share: 1,605
- Provisions and net deferred tax: 303
- Net debt: 241

2019

- Equity-Group share: 1,398
- Provisions and net deferred tax: 1,091
- Net debt: 1,304

- Minority interests: 26
- Financial instruments: 717

Eramet – 2019 results
## Bond maturities

<table>
<thead>
<tr>
<th>€m</th>
<th>Currency</th>
<th>Initial amount</th>
<th>Amount at 31/12/19 (in m)</th>
<th>Maturity date</th>
<th>Interest rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013 bond issue</td>
<td>€</td>
<td>525</td>
<td>234</td>
<td>Nov-2020</td>
<td>4.5%</td>
</tr>
<tr>
<td>2016 ODIRNAN bond issue</td>
<td>€</td>
<td>100</td>
<td>97</td>
<td>perpetual</td>
<td>4%</td>
</tr>
<tr>
<td>TiZir bond renewal - July 2017</td>
<td>USD</td>
<td>300</td>
<td>285</td>
<td>July-2022</td>
<td>9.50%</td>
</tr>
<tr>
<td>September 2017 bond issue</td>
<td>€</td>
<td>500</td>
<td>500</td>
<td>February 2024</td>
<td>4.20%</td>
</tr>
<tr>
<td>November 2019 bond issue</td>
<td>€</td>
<td>300</td>
<td>300</td>
<td>May-2025</td>
<td>5.875%</td>
</tr>
</tbody>
</table>
Shareholding at 31 December, 2019

Number of shares issued: 26,636,000

- APE: 25.6%
- Duval Family: SORAME + CEIR: 36.9%
- STCPI*: 4.0%
- Other float: 32.1%
- BRGM**: 1.3%

* STCPI (Société Territoriale Calédonienne de Participation Industrielle): entity owned by the New Caledonian provinces
** BRGM (Bureau de Recherches Géologiques et Minières): the French Geological Survey Office
CONTACTS

Executive VP Strategy & Innovation – Investor Relations
Philippe GUNDERMANN
philippe.gundermann@eramet.com

Investor Relations Manager
Sandrine NOURRY-DABI
sandrine.nourrydabi@eramet.com