

Paris, 28 April 2020, 7:30 a.m.

PRESS RELEASE

Eramet: Q1 2020 sales of €774m, down 11%, affected by the decline in material prices

- **Sales** of €774m in Q1 2020, down 11% compared to Q1 2019, mainly due to a sharp decline in manganese ore and ferronickel prices
- **Limited impact of Covid-19 pandemic** on the Group's activity in Q1 2020; to date, operational situation varies according to activity:
 - **Roll-out of strict health protocols** throughout all the Group's locations
 - **Operations at nominal rate** for all mines and plants in the **Mining and Metals division** with production volumes in line with expectations
 - **Slowdown in production** in the **High-Performance Alloys division sites**
- **New Q1 operational records** for the Mining and Metals division:
 - 1.3 Mt in produced manganese ore volumes (+28% vs. Q1 2019)
 - 918 kwmt in produced nickel ore volumes (+5%)
 - 331 kwmt in nickel ore exports (+41%)
 - **Q1 2020 production volumes** have been **sold in full**
- **Cash remaining at high level**, all credit lines have been drawn down as a precaution; cash preservation plan has been strengthened and accelerated, with a tight control of operational expenses and capital expenditure
- **Very low visibility for quarters ahead**, in the context of the pandemic: decrease in demand and restricted supply resulting in considerable uncertainty and unstable market equilibriums

Christel Bories, *Eramet Chairman and CEO*:

« The impact of the pandemic on our first quarter sales is limited. As soon as the Covid-19 spread around the globe, our priority was to protect the health and safety of our employees, their families and our communities. We created a solidarity plan with a specific budget allocation in addition to our internal initiatives.

The situation for our operations varies according to country. However, we have achieved new operational records in our mining activities as well as continued our work to prepare Weda Bay Nickel's start up. In March, activities in France for the High-Performance Alloys division were affected by the implementation of health protocols at the plants. They are now penalised by a strong slowdown due to the effects of the pandemic on their end-markets. We are closely monitoring in a responsive way the development of the situation on a daily basis in order to ensure continuity in our operations. We have adopted immediate measures to reduce our costs, limit investment and preserve our cash, and we are doing everything possible to safeguard jobs.

It is too soon to assess the impact of the health crisis on business in the quarters ahead. I commend the exemplarity and commitment of our teams who are adapting and riding out this unprecedented situation with a strong cooperative spirit. »

◆ Safety and preventive measures to face the pandemic

Safety is the Group's top priority. Faced with the pandemic, Eramet is fully committed to protecting the health of all its employees as well as their families. The Group is also committed to ensuring business continuity as far as possible by adapting organisations working closely with employees, suppliers and customers.

The Group's Executive Committee holds a daily crisis meeting to adopt all necessary health and operations measures, specifically complying with those provided by public authorities.

Working alongside our occupational health team and following discussions with staff representatives, we have rolled out sanitary protocol at all our sites to mitigate the risk of infection at the workplace. As a consequence, operations have since been able to continue or gradually resume after a temporary shutdown, as observed in some of the High-Performance Alloys division sites in France. We have applied stringent guidelines order to comply with health regulations (social distancing, use of masks, and washing and disinfecting following good hygiene practices).

On the Group's tertiary sites, we have implemented remote working for all office employees whose jobs allow.

Parallel to this, the Group remains highly focused on accidents in the workplace. The rate (TRIR¹) stood at 4.1 year-on-year at end-March 2020, steadily declining for several quarters (-24% versus 2019).

◆ Current Group situation facing the health crisis

Operating activities

As regards the Mining and Metals division, all Group sites are open and fully operational to date in a fast-changing environment. All the division's mining centres and plants are operating at nominal production levels. In Indonesia, the schedule for ramping up production at the Weda Bay plant in H1 2020 is maintained. Overall, in all divisions, first-quarter deliveries were made with satisfactory volume levels. However, it remains very difficult to plan ahead for developments of the health crisis in each country and in terms of customers' business levels over the coming months.

Regarding the High-Performance Alloys division, following the implementation of health protocol, Aubert & Duval's plants are running at an operating rate of about 65% to date. The latter will be revised according to changes in customer demand and an analysis of their markets. Erasteel's plants' operations are more contrasted: high-speed steels produced by power metallurgy recorded good levels of activity; conversely, conventional high-speed steels were deeply affected by a decline in customer order intake.

Business measures and Group's cash preservation

The Group has strengthened and accelerated all measures taken to preserve cash in order to ride out this health crisis of unprecedented scale and whose length is uncertain.

A dedicated committee strictly and regularly monitors all operating expenses.

Some sites in France have used partial unemployment arrangements for some services in order to limit the economic impact of the activity slowdown.

Capital expenditure has been cut; beginning of April, the Group announced not to engage the construction of its lithium production plant in Argentina.

Moreover, as announced on 19 February, a proposal not to pay out any dividends will be made at the Shareholders' general meeting held on 26 May.

¹ TRIR (total recordable injury rate) = number of lost time and recordable injury accidents for 1 million hours worked (employees and subcontractors)

As of 31 December 2019, the Group had liquidity of €2.3bn, including credit lines that had not been drawn down at that date for €1.5bn. During the first quarter, all those credit lines were drawn down as a precaution and the Group maintained a high level of cash.

◆ Eramet group's sales by activity

(Millions of euros) ¹	Q1 2020	Q1 2019	Change (€m)	Change ² (%)
MINING AND METALS DIVISION				
Manganese BU	359	434	(75)	-17%
Nickel BU	151	164	(13)	-8%
Mineral Sands BU	70	59	11	+19%
HIGH-PERFORMANCE ALLOYS DIVISION				
A&D and Erasteel	196	217	(21)	-10%
HOLDING COMPANY & ELIMINATIONS	(2)	(1)	(1)	n.s.
ERAMET GROUP	774	873	(99)	-11%

¹ Data rounded up to the nearest million.

² Data rounded up to higher or lower %.

N.B.: all the commented changes in Q1 2020 are calculated with respect to Q1 2019, unless otherwise specified.

In Q1 2020, the Group's sales totalled €774m, down 11%. At constant scope² and exchange rates², the change in sales declined 14%, mainly owing to an unfavourable price environment for the manganese activity and the decline in sales at Erasteel.

² See Financial glossary in Appendix 4

◆ Mining and Metals division

Manganese BU

Manganese BU sales, which represent about 46% of the Group's consolidated sales, fell by 17% to €359m in Q1 2020. The growth in sales' volumes (+29% for manganese, +3% for alloys) partly offsets the decrease in selling prices, which was particularly strong for manganese ore (-41%).

Market trends & prices

Global production of carbon steel, the main outlet for manganese, slightly decreased at 447 Mt³ in Q1 2020, down -0.8%³ vs. Q1 2019 (-2.7%³ versus the last quarter in 2019). Production in China (52% of global production) was up (+1.4%³), despite the development of the pandemic. This resulted in a build-up of steel inventories in China which started to decline at end of Q1. As for the rest of the world, steel production, which had already been considerably impacted by the downturn in the automotive sector, slowed (-3.1%³), with contrasted changes for each region (-7.2%³ in Europe, -5.3%³ in India and -4.0%³ in North America).

Manganese ore consumption declined by -3.8%³ vs. Q1 2019. Ore production adjusted down -4.1%³. This means there is still a slight surplus in supply/demand balance. At 31 March inventories in Chinese ports are slightly up at 5,8 Mt equivalent to approximately 10 weeks' consumption. These stocks are including 1,1 Mt of ore in bonded warehouses which were not accounted before.

CIF China 44% manganese ore market prices decreased significantly in the first quarter (average price of USD 4.4/dmtu⁴) versus the same period last year (USD 6.6/dmtu⁴, representing -33.8%^{5,6}). However, prices recovered (+7.8%⁵) compared with the last quarter of 2019 (USD 4.0/dmtu⁴ on average).

The fall in prices has also been more marked for Eramet, whose sales in January and February were signed on the basis of spot prices at lower levels in December 2019.

In a market environment that remains penalised overall by the sharp slowdown in steel production in Europe, amplified by the health crisis, market prices for main alloys declined in Europe by -6%⁵ for silicomanganese and by -10%⁵ for ferromanganese in the first quarter. However, they rebounded slightly on the last quarter of 2019 (+3.7%⁵ for silicomanganese and +3.2%⁵ for refined ferromanganese), factoring in limited production for the sector in Europe.

Activities

In Gabon, manganese ore production at Comilog once again achieved quarterly record levels at about 1.3 Mt (+28% versus Q1 2019). Transported manganese ore volumes also increased by 25%, owing to an improved logistics performance. External sales volumes were up considerably, to about 1 Mt (+29%) over the period.

Manganese alloy production rose to 196 kt, up +3% vs. Q1 2019 (+20% compared with Q4 2019), reflecting nominal production levels at the Group's plants. Alloys' sales volumes also increased by +3%, driven by the sale of standard products.

Outlook

Steel production has been strongly impacted since the spread of COVID-19 across the globe, and western producers have announced large-scale production cuts which should weigh on the manganese ore and alloys demand. As regards supply of ore and alloys, some producing countries have also been forced to stop or substantially limit their mining or metallurgical industrial activities. This scenario applies to

³ Eramet estimations based on Worldsteel production data available until end-March 2020

⁴ Quarterly average for market prices, Eramet calculations and analysis

⁵ Manganese ore: CRU CIF China 44% spot price; Manganese alloys: CRU Western Europe spot price

⁶ In euros, the decline is limited to 32%, due to the appreciation of the US dollar

South Africa, which accounts for c.40% of global ore production (seaborne). However, the length of such limitations remains uncertain.

In the context of unstable supplies and reduced demand, the evolution of manganese ore prices remains uncertain: markets have observed a significant increase in average market prices in mid-April, at more than USD 5.5/dmtu.

Nickel BU

The Nickel BU's sales ended at €151m in Q1 2020, down 8%. At SLN⁷, sales fell 10 % to €132m. The strong increase in nickel ore exports combined with high ore prices only partially offset the decline in ferronickel sales. The latter simultaneously reflected the decrease in volumes sold and a decline in selling prices. Ferronickel has indeed been sold at a large discount applied to the LME in first-quarter 2020. Sandouville's sales remained stable, ending at €18m.

Market trends & prices

Due to the downturn in the automotive sector and the health crisis in Asia, global stainless steel production, which is the main end-market for nickel, contracted sharply vs. Q1 2019 ending at 10.9 Mt⁸ (-12.1%). This change was observed in both China (-6.0%⁸) and the rest of the world (-18.8%⁸), specifically in Indonesia (-9.8%⁸). The decline was even more marked versus Q4 2019 (-15.5%⁸), particularly in China (-19.3%⁸).

Demand for primary nickel was down 13.5% to 508 kt⁸.

Conversely, primary nickel production increased in Q1 2020 compared with last year to 569 kt⁸ (+2.9%), propelled by continued growth in NPI⁹ production (+15.2%⁸), driven by Indonesia in the context of the ban effective since 1st January¹⁰ (+53.4%⁸).

The nickel supply/demand balance is now in surplus by about 60 kt⁸, resulting in an increase in stocks at the LME¹¹ and SHFE¹¹ at end-March 2020. Stocks now total more than 250 kt (+35% versus end-2019), representing approximately 10 weeks' consumption.

The average LME price was USD 5.8/lb in Q1 2020, up 2.7%¹² on prices in Q1 2019 at USD 5.6/lb, and down 17.2% versus Q4 2019¹³. Furthermore, considering the fall in demand for stainless steel, ferronickel was sold at a very significant discount compared with the LME price during the period.

In contrast, following the Indonesian ban, effective as of 1st January 2020, the price of nickel seaborne ore (1.8% CIF China) grew considerably, amounting to USD 67.7/wmt¹⁴ on average in Q1 2020 (about +32%). Nonetheless, the price decreased by about 7% vs. Q4 2019.

Activities

In New Caledonia, the implementation of SLN's new business model remained successful in the first quarter. Mining production delivered a record first-quarter performance, ending at 918 kwmt, up +5%. Despite the early year impact of social unrest at the loading port of one of the mining centres, low-grade exported ore volumes increased by 41% to 331 kwmt.

⁷ SLN, ENI and others

⁸ Eramet estimations

⁹ Nickel Pig Iron: Low-grade nickel ferroalloys

¹⁰ Ban by Indonesian government on nickel ore exports not transformed locally

¹¹ LME: London Metal Exchange; SHFE: Shanghai Futures Exchange

¹² A 5.8% increase in euros

¹³ Q4 2019 LME prices were driven downwards by the announced reintroduction of an Indonesian ban in early September

¹⁴ CNFEOL: China Ferroalloy Online

Ferronickel production at the Doniambo plant decreased by 1% to 12.1 kt, supply to the ore smelting furnaces being still impacted by the grade of ore delivered to the plant, which was too low. Ferronickel sales were also down (-3%) to 11.6 kt.

Cash-cost² came out at USD 5.2/lb in the first quarter, in marked progress versus Q1 2019 (-11%) and Q4 2019 (-8%). In particular, this reflects the development of ore exports, the favourable impact of exchange rates¹⁵ as well as lower energy costs.

Following a cash-generative second half of 2019, the deteriorated market environment for nickel in first-quarter 2020 resulted in SLN's further cash consumption, despite the decrease of its cash-cost.

Moreover, in April, SLN contacted local authorities to request additional authorisation for 2 Mt low-grade nickel ore exports, in addition to the 4 Mt already authorised in April 2019. The request was aimed at offsetting the insufficient economy on the energy lever and achieving the reduction cash-cost target as part of the SLN rescue plan.

At the Sandouville plant in Normandy, nickel salt and high-purity nickel metal production slowed by 17% to 1.5 kt in Q1 2019, notably adversely impacted by technical operations below expectations and by a two-week shutdown at end-March attributable to the health crisis. Sales volumes remained stable at 1.6 kt.

At Weda Bay in Indonesia, the NPI plant the Group is building in a joint venture with Tsingshan is expected to start operations in the first half of 2020, with the furnaces being currently heated. Mining production delivered the targets set in the first quarter with the build-up of inventories of about 1 Mt in ore to kick-start the plant's operations.

Outlook

The pandemic's spreading is currently reflected by reduced demand and supply of nickel with contrasts in the scale of the reductions. Some ore -and metal- producing countries' activities have been adversely affected, including among others Canada, the Philippines, South Africa, Madagascar or even Colombia. Hence, much uncertainty remains regarding the supply/demand balance.

Mineral Sands BU

Q1 2020 sales for the Mineral Sands BU increased by 19% to €70m, reflecting the strong operating performance of the facilities in Senegal, as well as a good resilience to downward market trends.

Market trends & prices

Global demand for zircon fell in first-quarter 2020, following the trend observed at end-2019 and reflecting the decline in the ceramics market (about 50% of end-products for zircon). The downturn is largely owing to the pandemic, with the slowdown in the real estate sector in China. The other application fields (mainly chemicals and refractory materials markets) also trended downwards. As a result, the supply/demand balance was still in surplus in the first quarter. Nevertheless, demand for TiZir products did not fall, which seems to reflect zircon consumers' build-up of safety stocks, especially in Europe.

Zircon market prices deteriorated in Q1 2020. On average, they ended at about USD 1,385/t¹⁶ versus USD 1,585/t¹⁶ in Q1 2019, down 13%^{16,17} (-10% on Q4 2019).

Global demand for TiO₂ pigments (about 90% of end-markets for titanium-based products) also decreased in the first quarter, impacted by developments in the pandemic in China, whereas supply stabilised. Thus, the supply shortfall for TiO₂ pigments was reduced. Demand from high value-added raw materials producers continued to bolster demand in CP grade titanium slag, as produced by Eramet in Norway.

¹⁵ Higher dollar compared to euro in Q1 2020 compared to Q1 2019

¹⁶ Premium Zircon source: TZMI, Eramet analysis

¹⁷ Factoring in the currency effect, the price decrease in euros was -10%.

The average market price of CP grade titanium slag increased by 11%^{18,19} to about USD 800/t¹⁹ (+6% versus Q4 2019).

Activities

In Senegal, mineral sand production²⁰ was up 10% to 188 kt, owing to a record operating performance²¹ (+12%) while the dredge continued its operations in a low-grade deposit area according to the mine plan. Ilmenite production increased to 128 kt in the first quarter (+19%), while zircon production slightly decreased to 14 kt (-3%). Zircon sales' volumes increased by 32% to 17 kt.

In Norway, the plant operated at reduced capacity at the start of the year, following a one-off technical incident. Therefore, titanium slag production was down 9% to 48 kt. However, sales' volumes increased by 33% to 52 kt, as the first quarter 2019 had been penalised by unfavourable market conditions.

Outlook

In the mineral sands sector, global production has been heavily affected by the spread of COVID-19, particularly in South Africa, which accounts for about 30% of the world's zircon supply and about 50% of global titanium slag production. The decrease in demand, fuelled by the consequences of the sanitary crisis, could also be significant in the coming quarters, as the downturn observed in China in first-quarter 2020 is likely to occur worldwide.

Against a backdrop of simultaneously reduced supply and demand, uncertainty still surrounds changes in the balance and market prices.

◆ High-Performance Alloys division

The High-Performance Alloys division's sales ended at €196m, down 10%. At Aubert & Duval ("A&D")²² sales stabilised to €156m. They still do not factor in the slowdown of production rates from leading players in the aerospace sector, which has been announced beginning of April. Q1 sales are only factoring in the first impacts on the activity of slowdown resulting from sanitary protocols implemented both at A&D and its customers. Erasteel's sales are down 34% to €40m, taking into account the marked slowdown in the automotive sector, worsened by the health crisis and declining raw material prices.

Market trends & prices

The aerospace sector, which represents more than 70% of A&D's sales, recorded nominal activity levels until mid-March, prior to the impact of the health crisis which is now significantly impacting the entire supply chain.

The land-based turbines and energy sectors seem to be performing better, with new orders taken from leading prime customers.

The automotive sector, which had already declined considerably at end-2019, continues to weigh adversely on cutting tools demand, thereby penalising Erasteel's high-speed steels activity. Nonetheless, the Group notes the good performance - specifically in Asia - of the market of high-quality high-speed steels made out of powder metallurgy.

¹⁸ Factoring in the currency effect, the price increase in euros was +14%.

¹⁹ Source: Market consulting, Eramet analysis

²⁰ Zircon and titanium ore (ilmenite, leucoxene and rutile)

²¹ OEE: Overall Equipment Efficiency reflects the intensity of mining production (real production/maximum theoretical production)

²² Aubert & Duval, EHA and others

Activities

At A&D, sales in the aerospace sector grew 3% to €115m, owing the low comparison basis of Q1 2019, and despite lower volumes of some aerospace programs in Q1 2020. Likewise, sales in the land-based turbine, energy and defence sectors increased 19% to €21m.

As of mid-March, the implementation of health protocols in plants across plants in France has resulted in the slowdown or temporary suspension of some operations. To date, operations have resumed at a production level of about 65 % of nominal capacity. Activity level should now be limited by the expected reduced rates from leading players in the aerospace sector. The sanitary crisis is affecting the entire aerospace supplier chain as well as subcontractors. Furthermore, the national sovereign-related (mainly Defence) order intake has remained high.

At Erasteel, production was contrasted according to the sites in first quarter. High-speed steels made using powder metallurgy techniques contributed to the Swedish sites' effective operations. Conversely, production at the French sites, which is more focused on conventional high-speed steels, is reduced. In Q1 2020, the decline in raw material prices used to make high-speed steels weighed heavily on the company's sales.

Outlook

The aerospace sector is set to record a very large slowdown, owing to reduced delivery rates at Airbus and Boeing, the sector's largest players.

In particular, Airbus has announced reduced production rates for the months ahead, excluding military programmes, which will be reduced by about 60% versus their pre-crisis levels. A sharp reduction in the production of A320-type and wide bodies aircraft programs is expected in the years ahead, without returning to previous levels.

Boeing has stopped commercial airplanes production beginning of April, shutting down its last production assembly line in South Carolina. The constructor is currently restarting its production sites without providing visibility on the pace of production.

This situation is penalising the aerospace sector's entire supply chain.

As a result, production for Aubert & Duval's concerned sites will be adjusted over the coming quarters so it is aligned with the reduced rates from leading aerospace players.

Furthermore, the significant slowdown of automotive sector should also continue to adversely impact Erasteel.

◆ Outlook

In the context of the current sanitary crisis, whose scale and length still remain unknown, deep uncertainty continues to weigh on the global economy. These circumstances specifically apply to raw material markets that include Eramet's operations.

Moreover, the recently reduced production rates from the aerospace industry's leading players, combined with the slowdown in the automotive sector, will weigh on the High-Performance Alloys division's activity in the long-term.

Given the lack of visibility for the months ahead both in terms of procurements and markets for the Group, Eramet suspended its guidance for 2020 production and EBITDA. This was communicated to the financial markets in a press release on 30 March 2020. To date, the Group is still not in a position to accurately assess the impact of the health crisis on 2020 production and performance targets.



Calendar

26/05/2020: Shareholders' general meeting

29/07/2020: Publication of Group 2020 half-year results

28/10/2020: Publication of Group 2020 third-quarter sales

ABOUT ERAMET

Eramet, a global mining and metallurgical group, is a key player in the extraction and valorisation of metals (manganese, nickel, mineral sands) and the elaboration and processing of alloys with a high added value (high-speed steels, high-performance steels, superalloys, aluminium and titanium alloys).

The Group supports the energy transition by developing activities with high growth potential, including recycling and the extraction and refining of lithium.

Eramet positions itself as the privileged partner of its customers in sectors that include carbon and stainless steel, aerospace, pigments, energy, and new battery generations.

Building on its operating excellence, the quality of its investments and the expertise of its employees, the Group leverages an industrial, managerial and societal model that is virtuous and value-accretive. As a contributive corporate citizen, Eramet strives for a sustainable and responsible industry.

Eramet employs close to 13,000 people in more than 20 countries, with sales of c.€4 billion in 2019.

For further information, go to www.eramet.com

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Follow us with the Eramet Finance app:

IOS:

<https://itunes.apple.com/fr/app/eramet-finance/id1115212055?mt=8>

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<https://play.google.com/store/apps/details?id=com.eramet.finance>

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APPENDICES

▪ Appendix 1: Quarterly sales

<i>(€ million)</i> ¹	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
MINING AND METALS DIVISION					
Manganese BU	359	434	427	470	434
Nickel BU	151	216	216	182	164
Mineral Sands BU	70	85	62	80	59
HIGH-PERFORMANCE ALLOYS DIVISION					
A&D and Erasteel	196	232	192	206	217
GROUP					
Holding company & eliminations	(2)	1	(3)	(2)	(1)
Eramet group published IFRS financial statements²	774	968	894	936	873

¹ Data rounded up to the nearest million.

² Application of IFRS standard 11 "Joint Arrangements".

▪ Appendix 2: Productions and shipments

In thousands of tonnes	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
MANGANESE BU					
Manganese ore and sinter production	1,288	1,309	1,340	1,112	1,005
Manganese ore and sinter transportation ¹	1,242	1,306	1,303	1,022	996
External manganese ore sales	1,000	1,322	911	861	776
Manganese alloy production	196	163	201	185	191
Manganese alloy sales	181	190	175	193	175
NICKEL BU					
Nickel ore production (<i>in thousands of humid tonnes</i>)	918	1,356	1,331	1,096	872
Ferronickel production	12.1	12.5	11.1	11.6	12.2
Nickel salts and high-purity nickel production	1.5	0.8	2.0	2.3	1.8
Ferronickel sales	11.6	11.4	11.6	12.0	12.0
Nickel salts and high-purity nickel sales	1.6	1.1	1.6	2.4	1.6
Nickel ore sales (<i>in thousands of humid tonnes</i>)	331	578	556	254	235
MINERAL SANDS BU					
Mineral Sands production	188	195	162	207	171
Zircon production	14	15	12	16	15
Titanium dioxide slag production	48	51	37	48	53
Zircon sales	17	15	14	16	13
Titanium dioxide sales	52	49	34	58	39

¹ Produced and transported

▪ Appendix 3: Price and index

	Q1 2020	Q1 2019	Q4 2019	Chg. Q1 2020 – Q1 2019 ⁶	Chg. Q1 2020 – Q4 2019 ⁶
Mn CIF China 44% (USD/dmtu)¹	4.4	6.6	4.0	-34%	+8%
Ferromanganese MC - Europe (EUR/t) ¹	1,399	1,547	1,355	-10%	+3%
Silico-manganese - Europe (EUR/t) ¹	921	984	888	-6%	+4%
Ni LME (USD/lb)²	5.8	5.6	7.0	+3%	-17%
Ni LME (USD/t) ²	12,723	12,388	15,371	+3%	-17%
Ni ore CIF China 1.8% (USD/wmt)³	67.7	51.5	73.0	+31%	-7%
Zircon (USD/t) ⁴	1,385	1,585	1,545	-13%	-10%
CP grade titanium dioxide (USD/t) ⁵	800	722	756	+11%	+6%

¹ Quarterly average for market prices, Eramet calculations and analysis

² LME (London Metal Exchange) prices

³ CNFEOL (China FerroAlloy Online) prices

⁴ TZMI, Eramet analysis (premium zircon)

⁵ Market analysis, Eramet analysis

⁶ Eramet calculation (based on CRU monthly price index for manganese ore and alloys only), rounded to the nearest decimal

▪ Appendix 4: Financial glossary

Consolidated performance indicators

The consolidated performance indicators used for the financial reporting of the Group's results and economic performance and presented in this document are restated data from the Group's reporting and are monitored by the Executive Committee. In accordance with the accounting policies adopted for the Group's reporting, the operating performance of the joint-ventures have been accounted for under proportional consolidation until 2018: the TiZir subgroup (Mineral Sands BU, Mining and Metals Division) until 30 June and the UKAD Company (High-Performance Alloys Division) until 31 December.

Sales at constant scope and exchange rates

Sales at constant scope and exchange rates corresponds to sales adjusted for the impact of the changes in scope and the fluctuations in the exchange rate from one year to the next.

The scope effect is calculated as follows: for the companies acquired during the financial year, by eliminating the sales for the current period and for the companies acquired during the previous period by integrating, in the previous period, the full-year sales; for the companies sold, by eliminating the sales during the period considered and during the previous comparable period.

The exchange rate effect is calculated by applying the exchange rates of the previous year to the sales for the year under review.

SLN's cash-cost

SLN's cash-cost is defined as all production and fixed costs (R&D including exploration geology, administrative expenses, logistical and commercial expenses), net of by-products credits and local services, which cover all the stages of industrial development of the finished product until delivery to the end customer and which impact the EBITDA in the company's financial statements, over tonnage sold.