



2019 results

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Chairman and CEO

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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 ore¹ prices
- -7% on average for refined manganese alloys¹ prices
- -5% on average for standard manganese alloys¹ prices

-€268m

EBITDA impact
vs 2018

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

EBITDA impact

-€160m

Net debt cash-outflows

Exceptional payments to the Gabonese state

- Advance payment of 2019 income tax and tax adjustment

-€114m

Net debt cash-outflows

2019 EBITDA showing solid operating performance, in a context of lacklustre manganese pricing momentum



Sales **€3,671m**

↘ -4% vs 2018

High Performance Alloys Division
23%



Aubert & Duval
17%

Mineral Sands
BU
8%

Nickel BU
21%

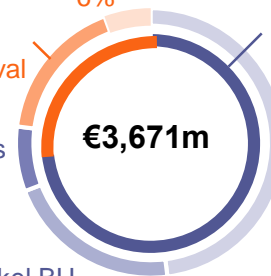
Erasteel
6%

Mining and Metals Division
77%



Manganese BU
48%

€3,671m



EBITDA **€630m**

↘ -25% vs 2018

COI **€341m**

(Current operating income)



Net income – Group share
€(184)m



Net debt **€1,207m**

(excluding IFRS 16 impact)



Gearing¹

74%

ROCE²

12%

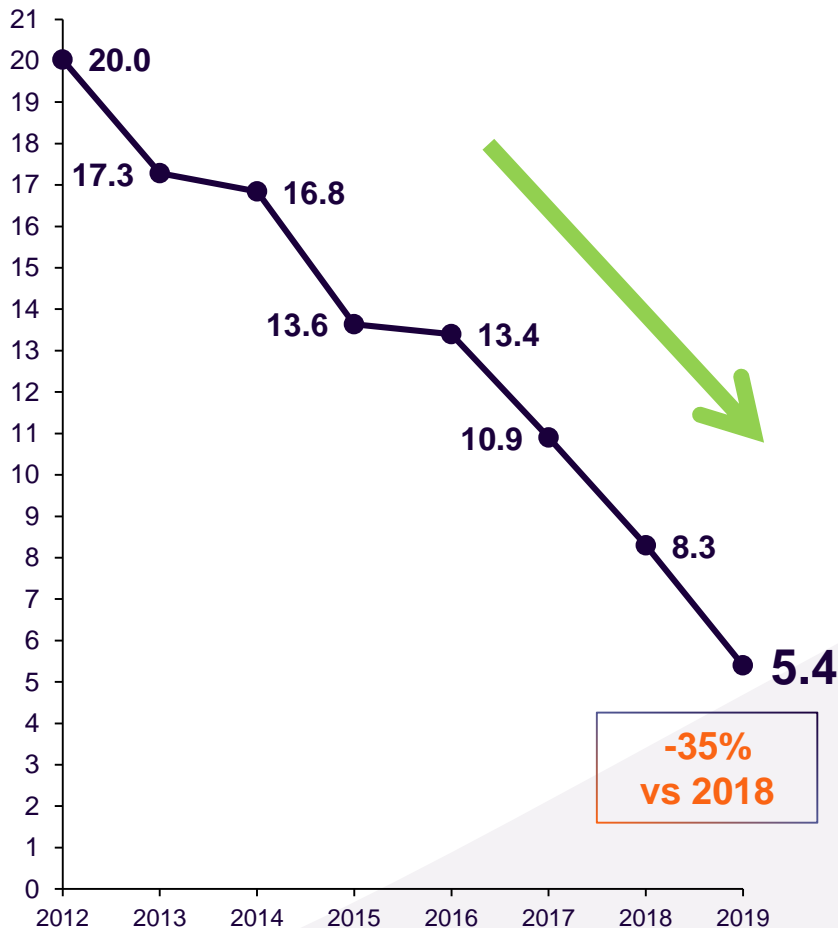
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Safety

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

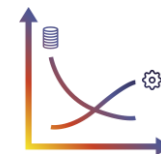
4 fatal accidents in 2019, of which 1 employee at subcontractors:

- Accelerated roll-out of Essential Safety Requirements to avoid severe accidents, particularly at subcontractors

Financial results



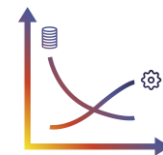
Key financial figures



€m	2019	2018
Sales	3,671	3,825
EBITDA	630	843
<i>% Sales</i>	<i>17%</i>	<i>22%</i>
Current operating income	341	581
<i>% Sales</i>	<i>9%</i>	<i>15%</i>
Net income – Group share	(184)	53
Net debt (Net cash)	1,304	717
Net debt (Net cash), excl. IFRS 16 non cash impact	1,207	717
Gearing (Net debt-to-equity ratio), excl. IFRS 16 non cash impact	74%	38%
ROCE (COI / capital employed¹ for previous financial year)	12%	22%

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.

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

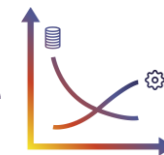


€m	2019	2018
Sales	3,671	3,825
Current operating income ¹	341	581
Other operating income and expenses	(118)	(116)
<i>o/w:</i>		
<i>Non-current provisions (A&D quality review)</i> ¹	(15)	(65)
<i>Provisions on asset impairment tests - (Erasteel in 2019, A&D in 2018)</i> ¹	(25)	(200)
<i>Reversal of asset impairment tests - GCO / EMI</i>	0	97
<i>Capital gain on disposal - Guilin / Weda Bay Nickel</i>	0	158
<i>Lithium project</i>	(25)	(24)
Financial result	(134)	(95)
Pre-tax result	89	371
Share in income from associated companies	(7)	(3)
Income tax ²	(227)	(241)
Net income	(145)	126
<i>o/w Minority interests' share</i>	39	73
Net income – Group share	(184)	53

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)

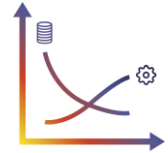
All Mining & Metals Division's activities EBITDA positive



- 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**

EBITDA In €m	2019	2018 ¹	Change ²
Mining and Metals Division			
Manganese BU	560	784	-29%
Nickel BU	38	(18)	n.a.
Mineral Sands BU ¹	106	62	+70%
High Performance Alloys Division	(26)	46	n.a.
Holding & eliminations	(48)	(31)	+55%
Group	630	843	-25%

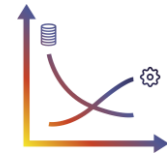
Income highly sensitive to metal prices



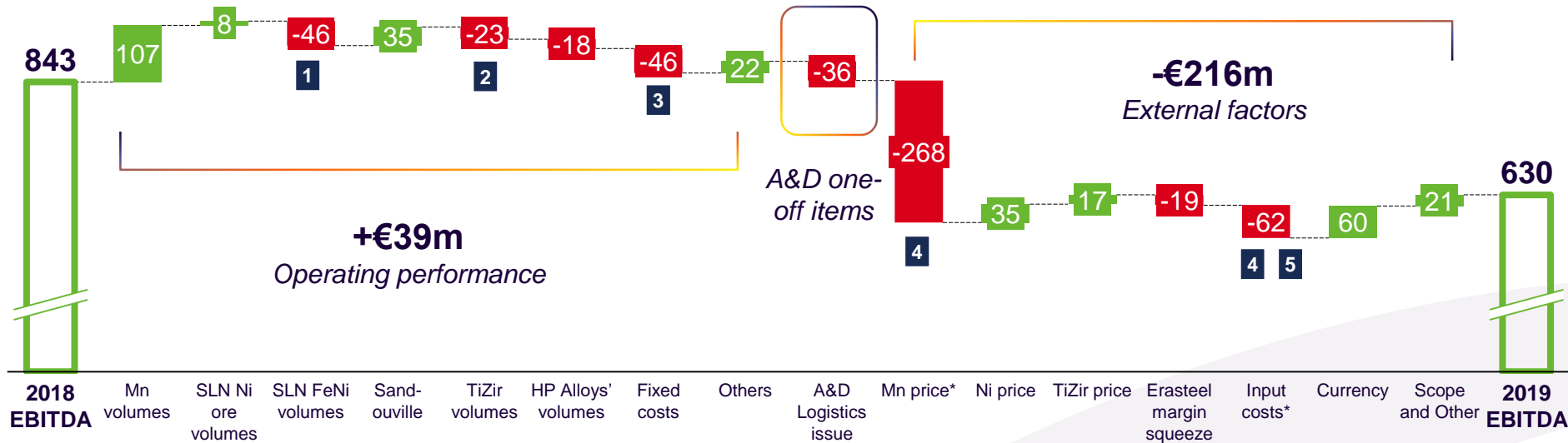
SENSITIVITIES	Change	Annual impact on EBITDA (+/-)
Manganese ore prices (CIF China 44%)	+\$1/dmtu	c.€150m ¹
Manganese alloys' prices	+\$100/t	c.€70m ¹
Nickel prices (LME)	+\$1/lb	c.€110m ¹
Nickel ore prices (CIF China 1.8%)	+\$10/wmt	c.€20m ¹
Exchange rates	+\$/€0.1	c.€135m
Oil price per barrel	+\$10/bbl	c.€(20)m ¹



Positive operating performance offset by external factors and one-off items



(€m)



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

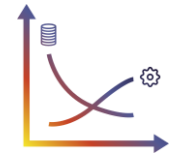
3 Fixed costs penalised by **higher freight costs in Gabon**

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

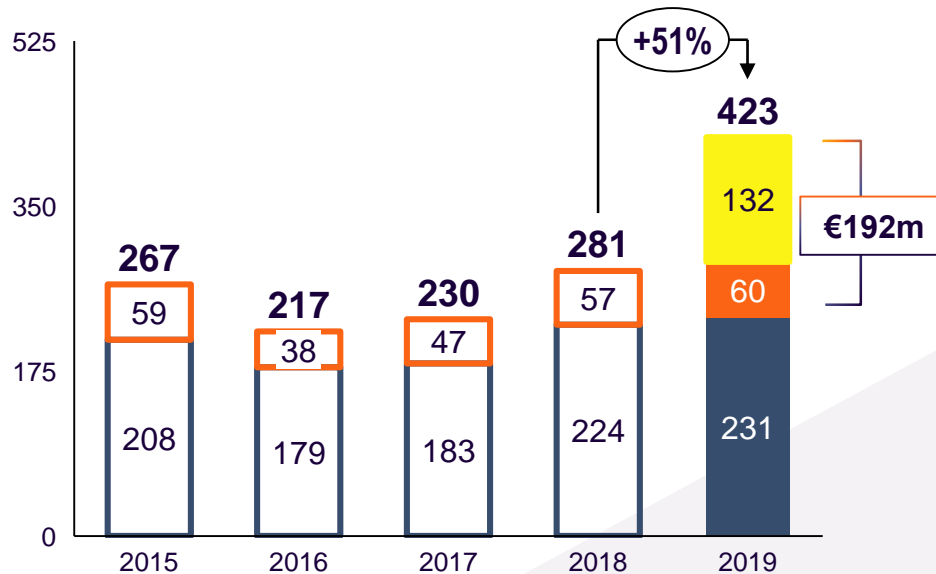
* Manganese alloys' margin squeeze: -€52m included in Mn price impact, -€13m in Input costs

€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)

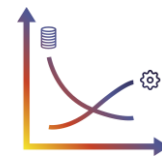
Industrial cash capex (€m)



Manganese ore dry processing in Gabon:
crushing and screening equipment

■ Early capex (CLG & Li)
 ■ Growth
 ■ EHS /Productivity /Renovation

Net debt impacted by €(274)m non-recurring cash outflows



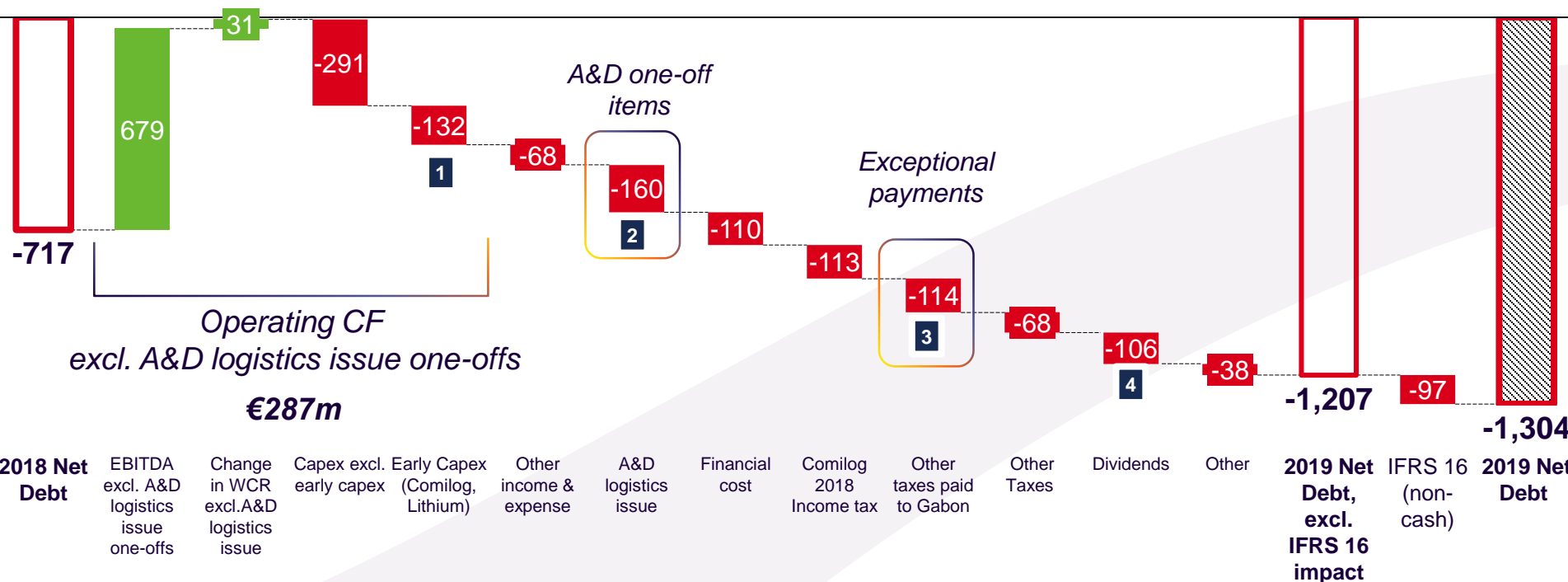
1 2019 early capex for Comilog expansion (€51m) and lithium project (€81m)

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

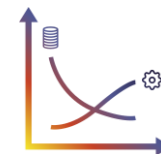
3 Exceptional payments to the Gabonese state: advance payment of 2019 income tax (€71m), tax adjustment (€43m)

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

(€m)



Continued high liquidity at €2.3bn



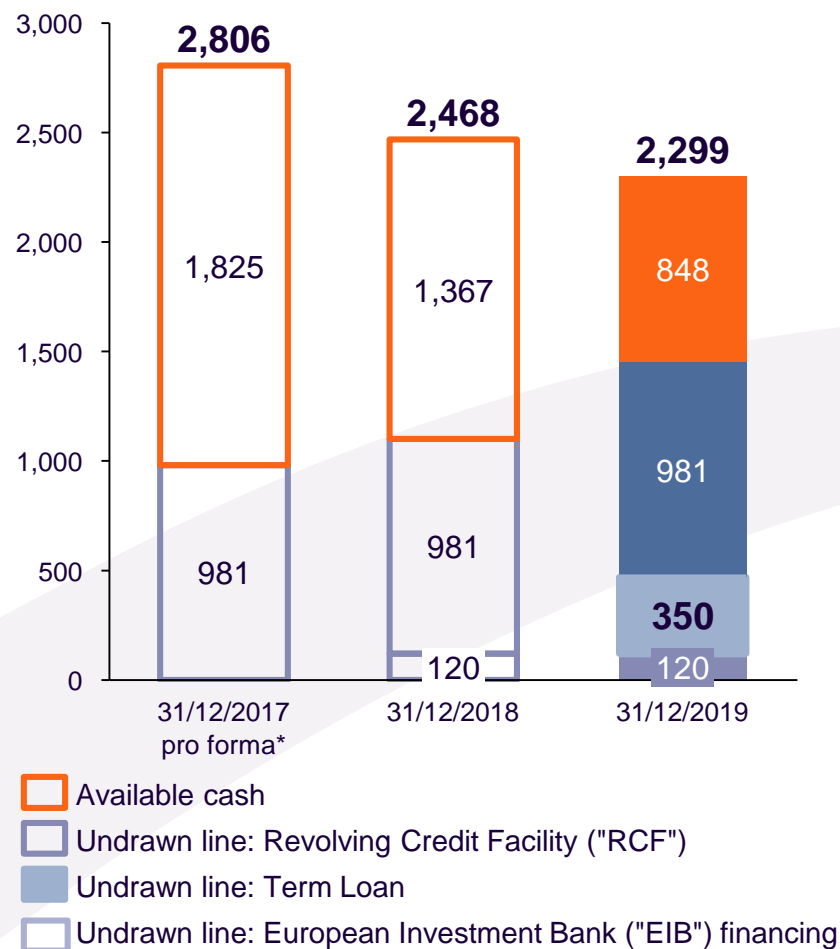
Undrawn lines to date as of 31st December 2019:

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

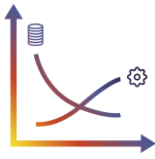
- ▶ **Term loan:**
 - > **€350m** loan granted in December with a 2-year maturity and an option to extend to January 2024 at Eramet hand
 - > Intended for general purposes and investment

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

Group financial liquidity (€m)

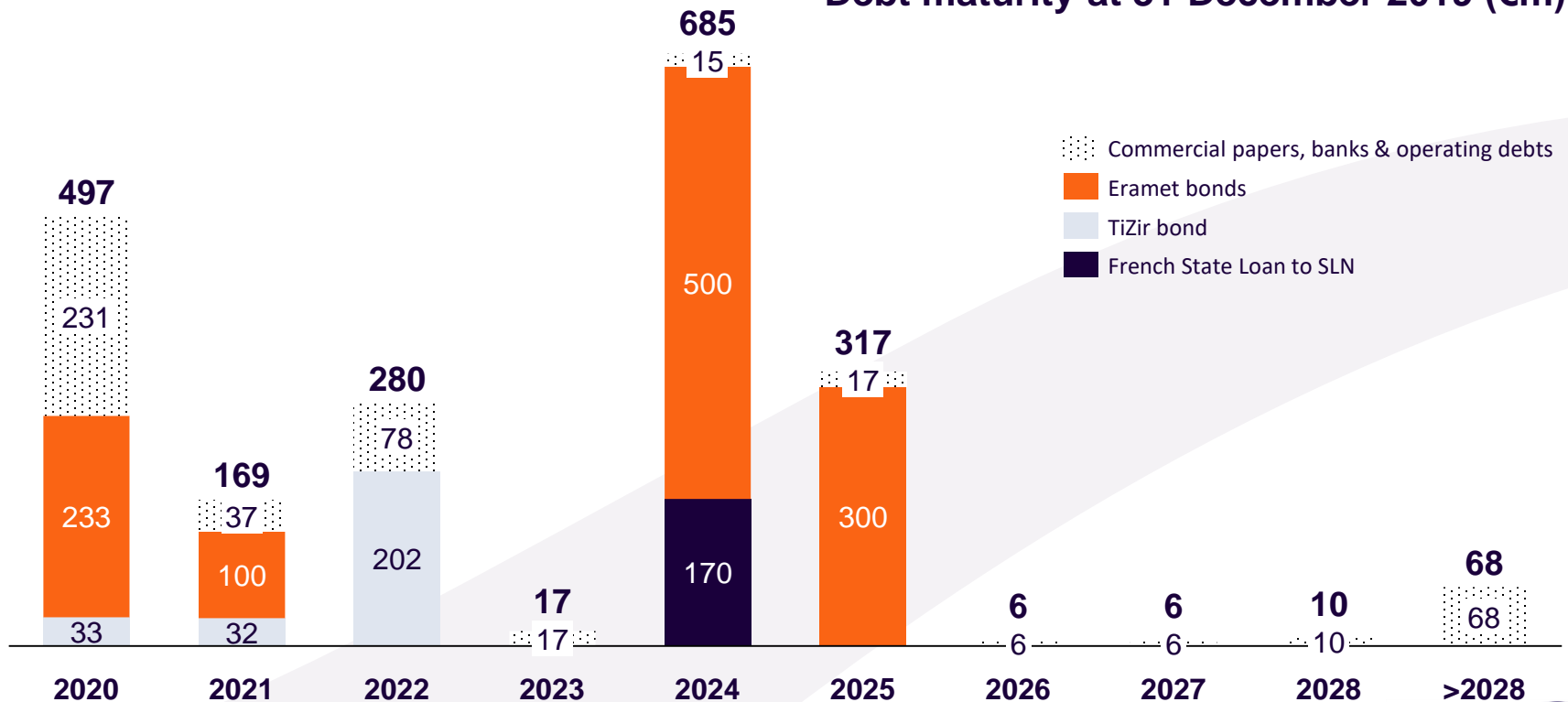


Issuance of 2025 bond allowing for repurchase of part of 2020 bond; no major debt maturity within the next 3 years

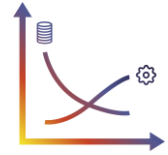


- Group **gross debt** at **€2,055m** at 31 December 2019 (excl. IFRS 16 non cash items)
- Extension of debt maturity** in November 2019: repurchase of 2020 bonds for €227m and issuance of new bonds for €300m due May 2025
- Average maturity** of Group's **3-year** debt; c. **90%** at a **fixed rate**

Debt maturity at 31 December 2019 (€m)



Strict cash control in 2020



Optimising cash flow and closely monitoring net debt level

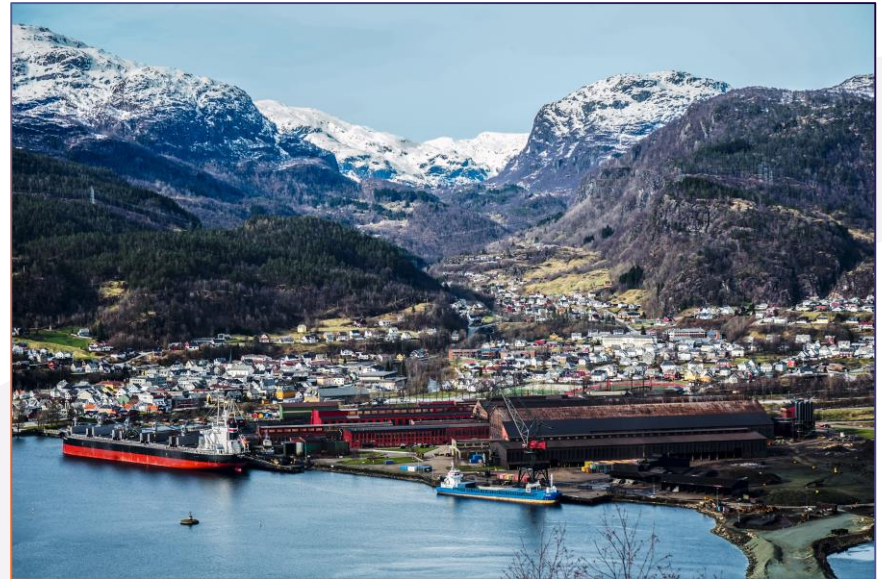
- Available cash of **€848m** and **63%**¹ gearing (as calculated for **covenant purposes**) at 2019 year-end (**74%**, excl. IFRS 16 only)

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



3

Operational performance





Mining and Metals Division



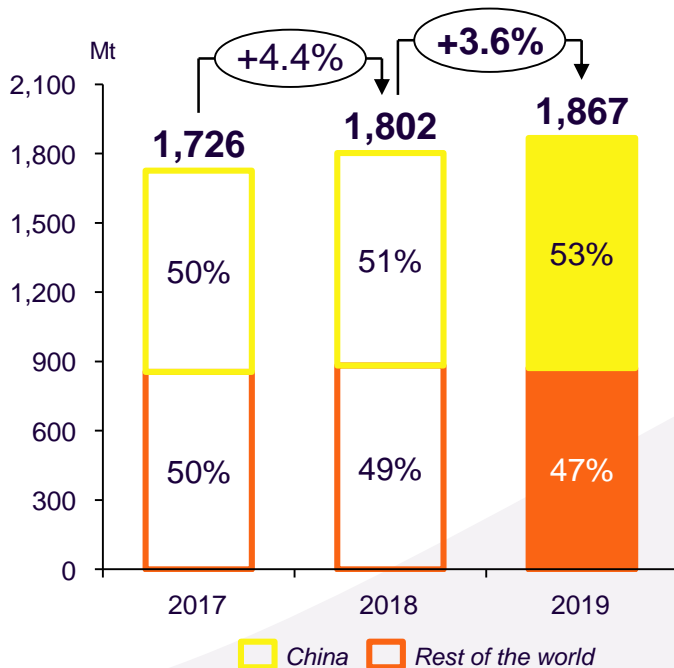
Manganese BU

New historical record for global carbon steel production

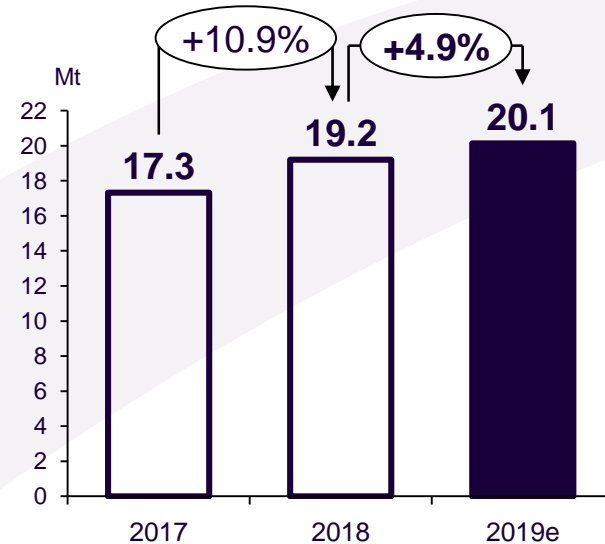


- Global carbon steel production up **3.6%**, almost exclusively driven by **China (+8.3%)**; rest of world receding overall (-1.3%) mainly driven by Europe (-5.1%), whereas India production up (+1.8%)
- 2019 production at full capacity** of all global manganese ore producers
- Slight surplus in manganese 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

Global carbon steel production



Global manganese ore production (manganese content)

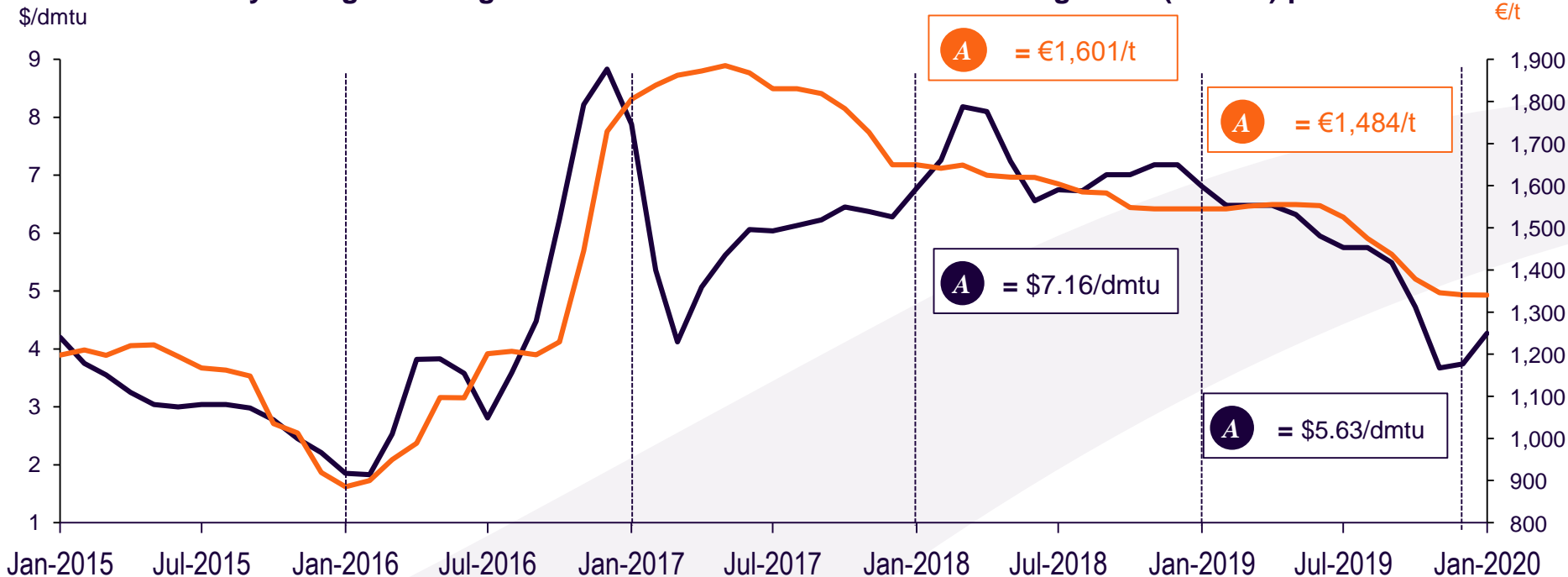


Manganese ore prices down 21% in 2019, current price up at USD 4.5/dmtu



- 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) prices¹



Ⓐ Ⓐ FY price average

— Manganese ore — Medium-carbon ferromanganese

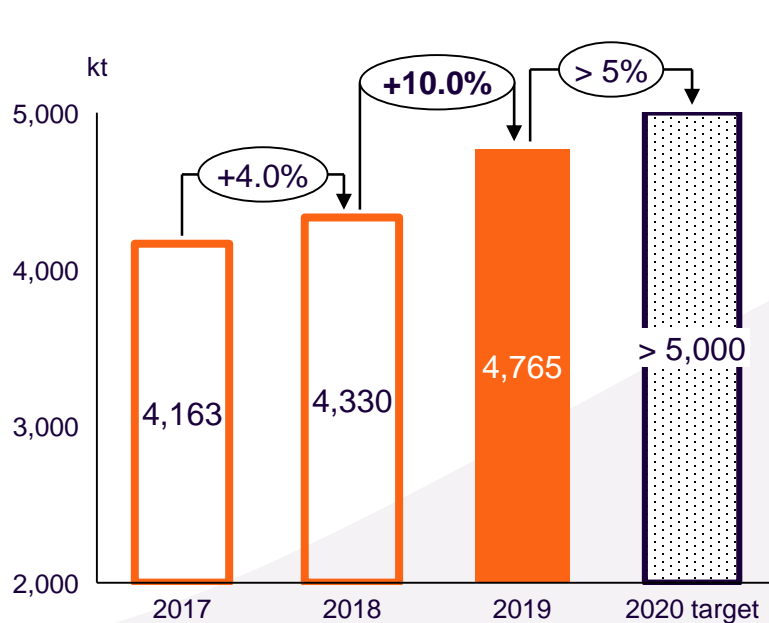
¹ Manganese ore: CIF China CRU 44%
Medium-carbon FerroMn: CRU Western Europe spot price

New record manganese ore production at Comilog: 4.8 Mt in 2019 (+10%), above target



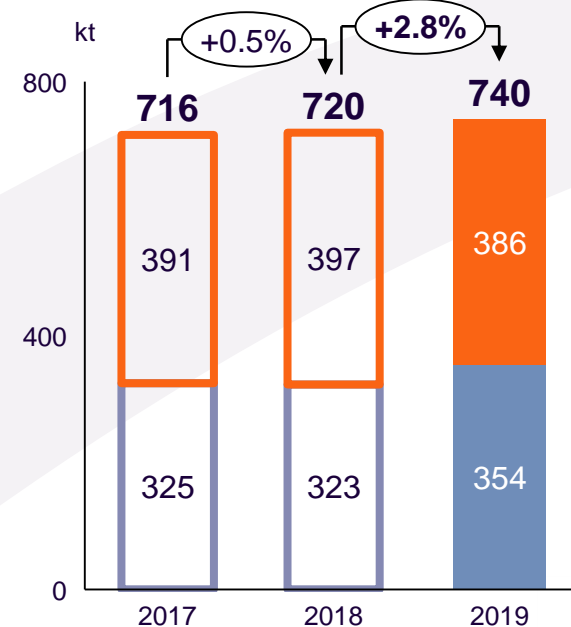
- Record manganese ore production driven by new dry mining process (+0.5 Mt); **new record targeted in 2020: > 5 Mt**
- Ore volumes transported at **4.6 Mt, up 17%**, thanks to railway logistics improvement; **+70%** transport capacity since 2016; **external sales up +15%** to **3.9 Mt**
- Growth in 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)

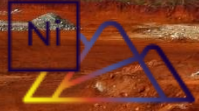
Manganese ore production and agglomerates



Manganese alloys' production

- Commodities (HC FeMn & SiMn)
- Refined alloys (incl. Mn Metal)





Nickel BU

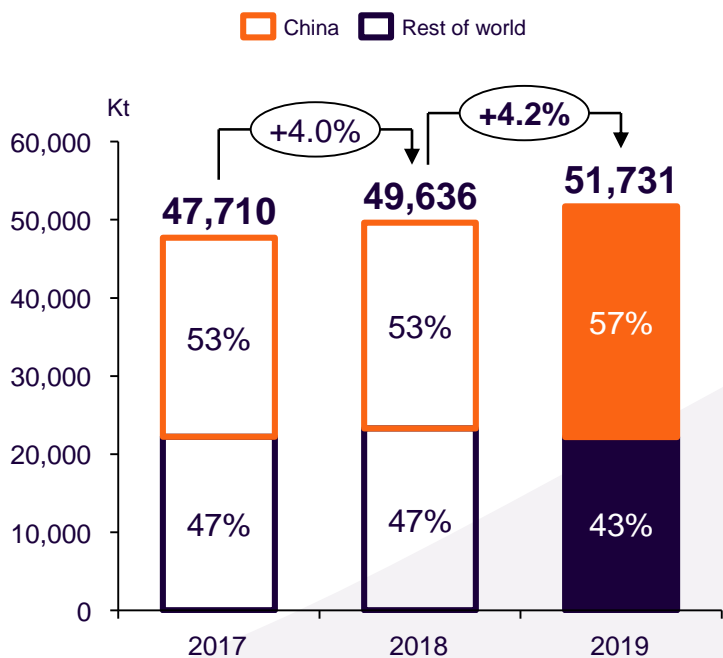


Global stainless steel production up significantly in 2019

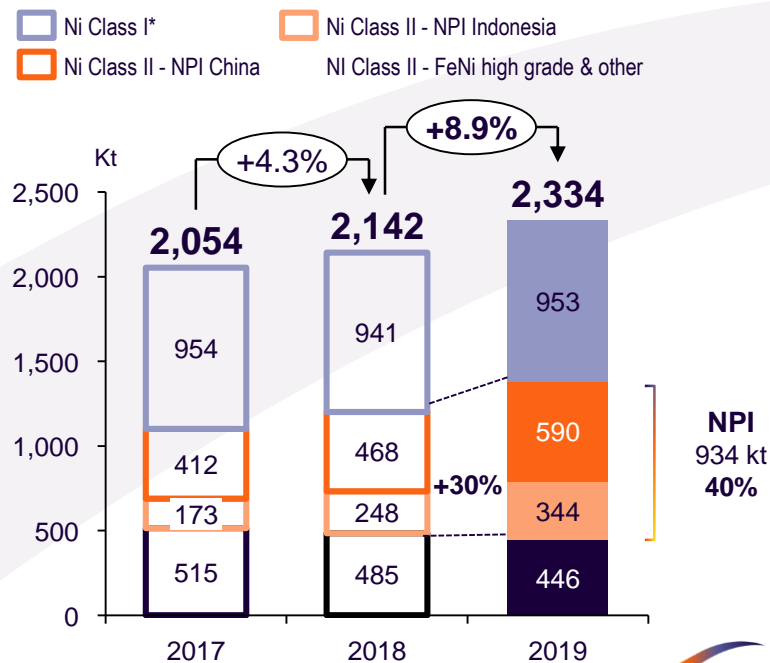


- **Global stainless steel production up +4.2%** in 2019, mainly in low nickel content grades, and driven by **growth in China (+12.2%)**; production cuts for stainless steel mills forecast in H1 2020, following H2 high level of production in excess of real demand
- **Global primary nickel demand up 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



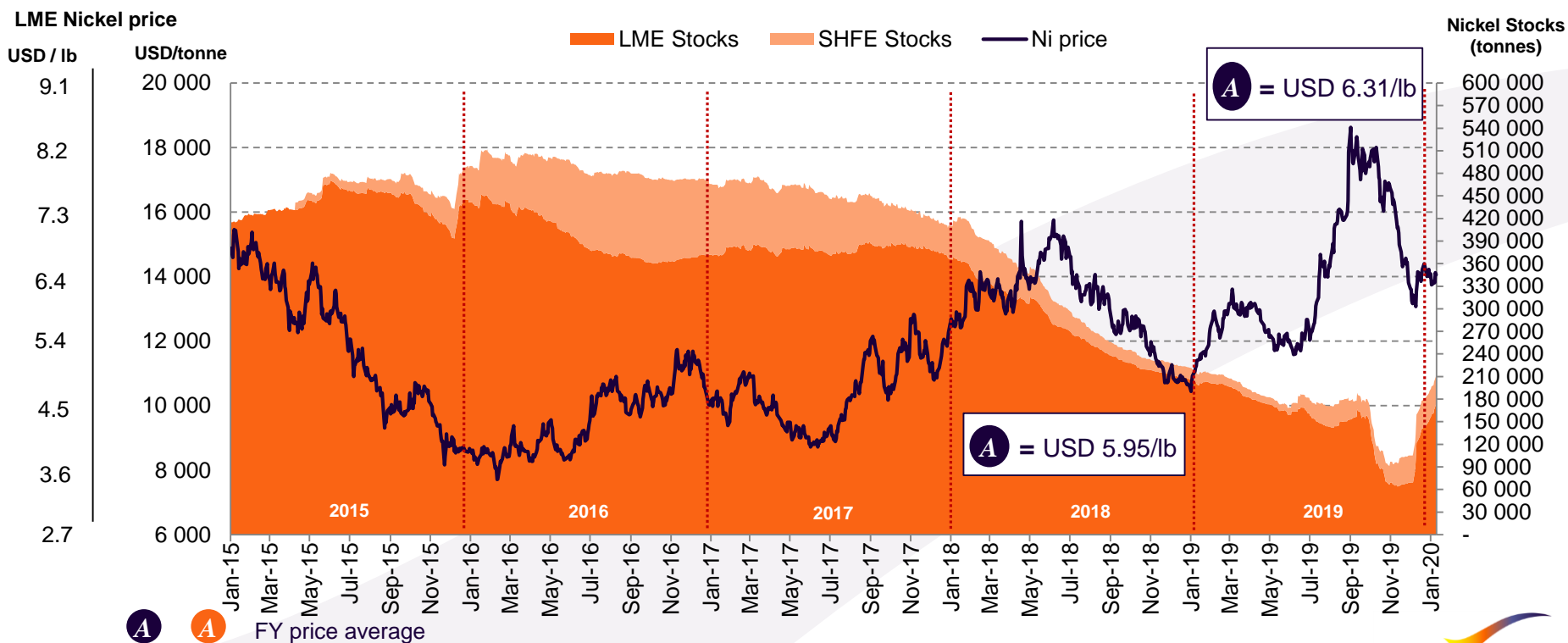
Global primary nickel production (excluding recycling)



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%)



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

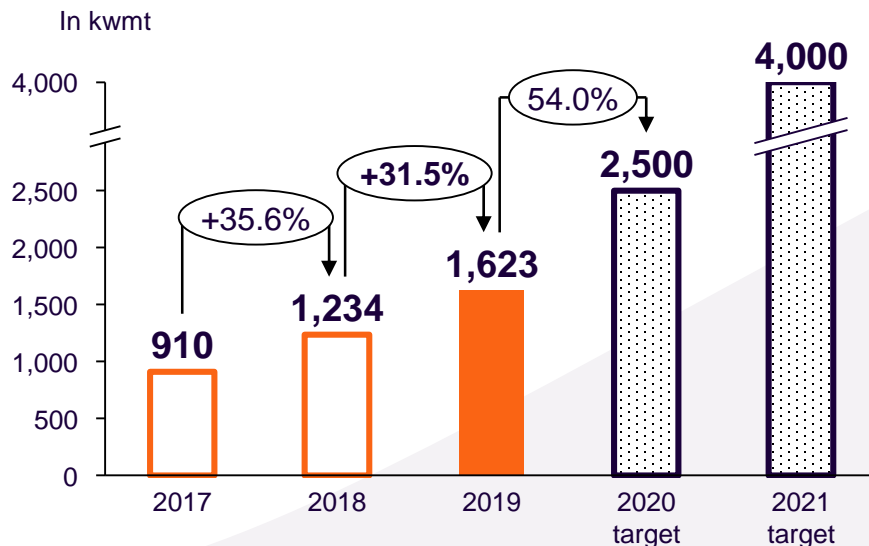
Record Ni ore export; FeNi production down following disrupted mining operations at East Coast centres



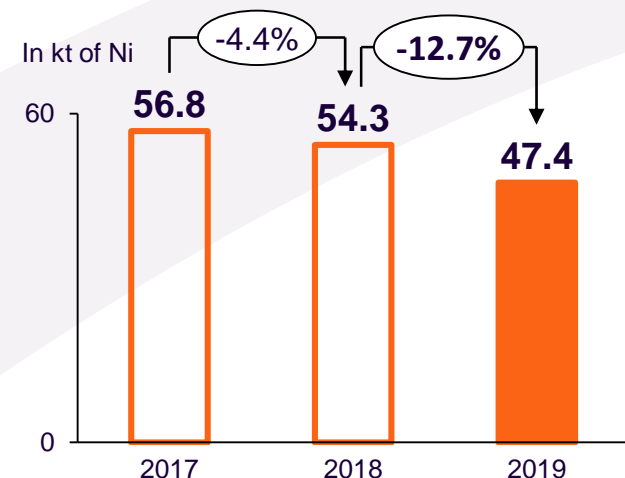
- New working hours agreement led to higher nickel ore production of **4.7 Mwmt (+15%)**
- Volumes of low grade (1.5%-1.8%) exported ore up **+32%** to 1.6 Mwmt, above target, with seaborne nickel ore prices up **+31%** in H2 vs H1, supported by Indonesian ban announcement
- New target set for 2020: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



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



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

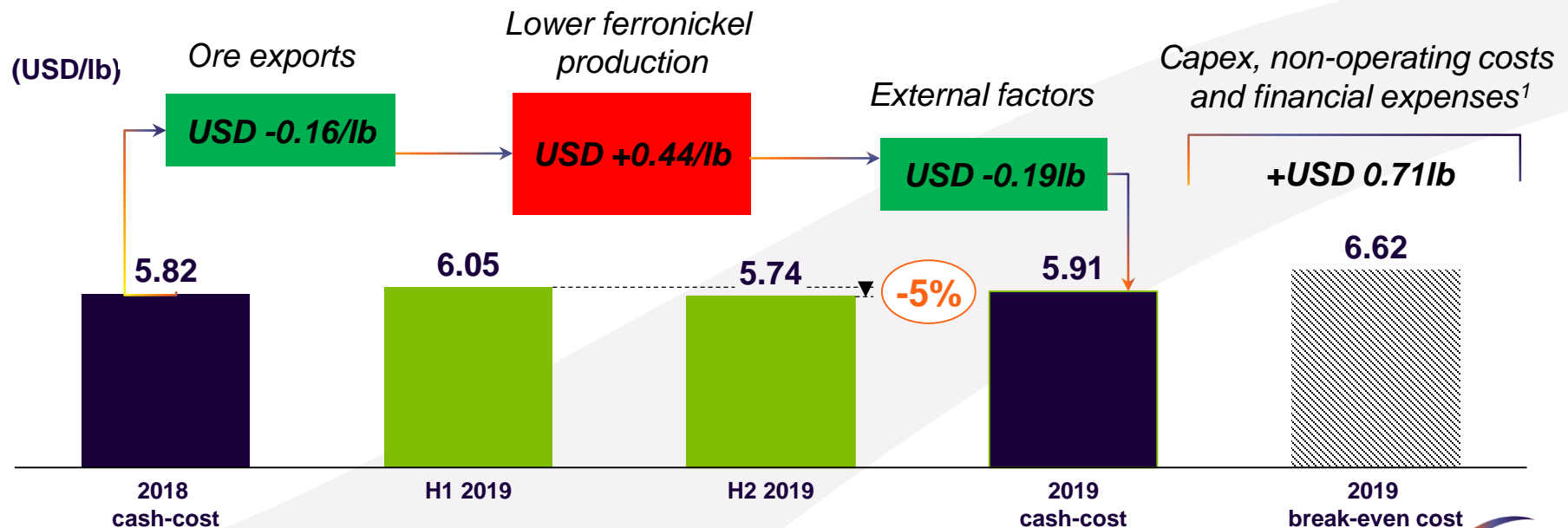


5% decrease of cash cost in H2 vs H1

- 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



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 Mt¹** on average (**1.85%** grade), equivalent to **c.19.4 Mt** nickel content, o/w:
 - > c.600 Mt¹ nickel exports (1.5%-1.8% grade on average), i.e. c.**11.3 Mt** nickel content
 - > c.200 Mt¹ suitable for local metallurgy at Doniambo plant (2.4% on average), i.e. **5.5 Mt** nickel content
- Resources are **JORC compliant²**



➔ **Global annual production of > 7 Mwmt³ by 2021 (> +50% vs 2019) to support ferronickel production as well as 4 Mwmt³ 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

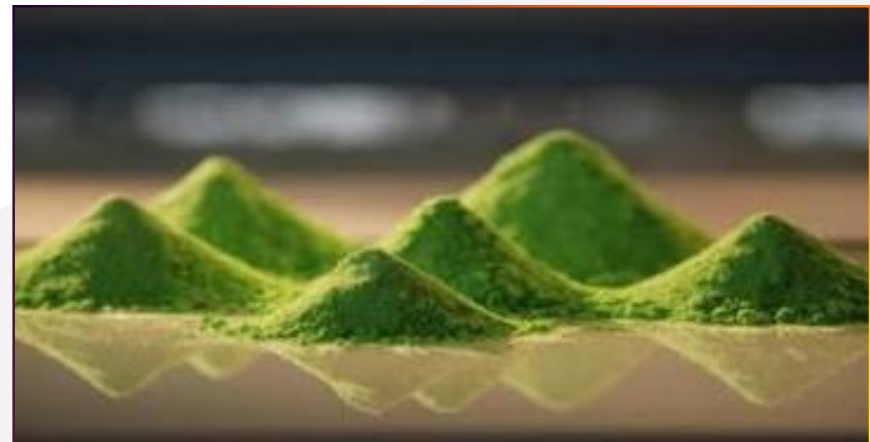
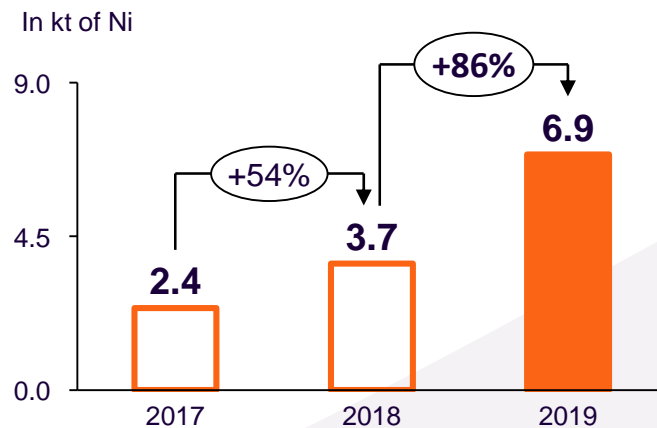
➤ **High purity nickel production (6.9 kt) and sales volume (6.7 kt) almost doubled in 2019**

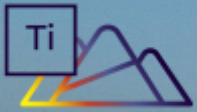
Improved key financial indicators

➤ **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)





Mineral sands BU



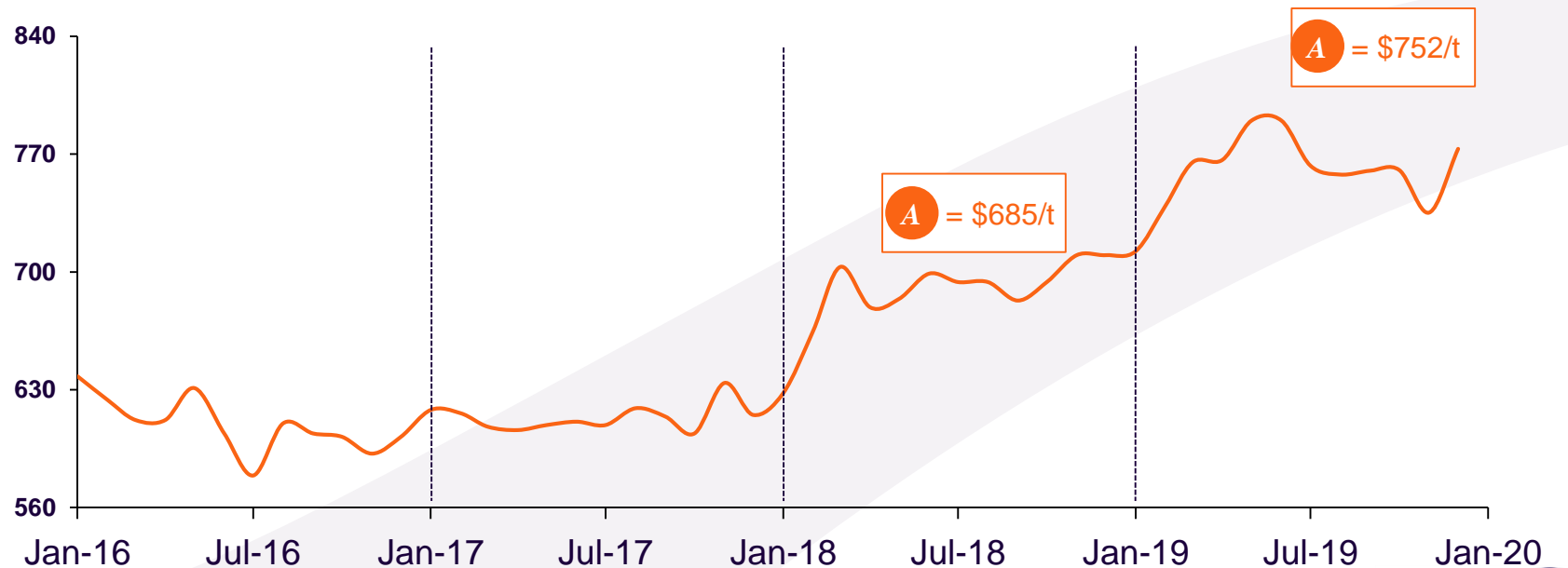
Stable end-markets for titanium products with overall price increase for premium CP slag



Stable pigment market (90% of titanium-based end-products¹)

- 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 prices³

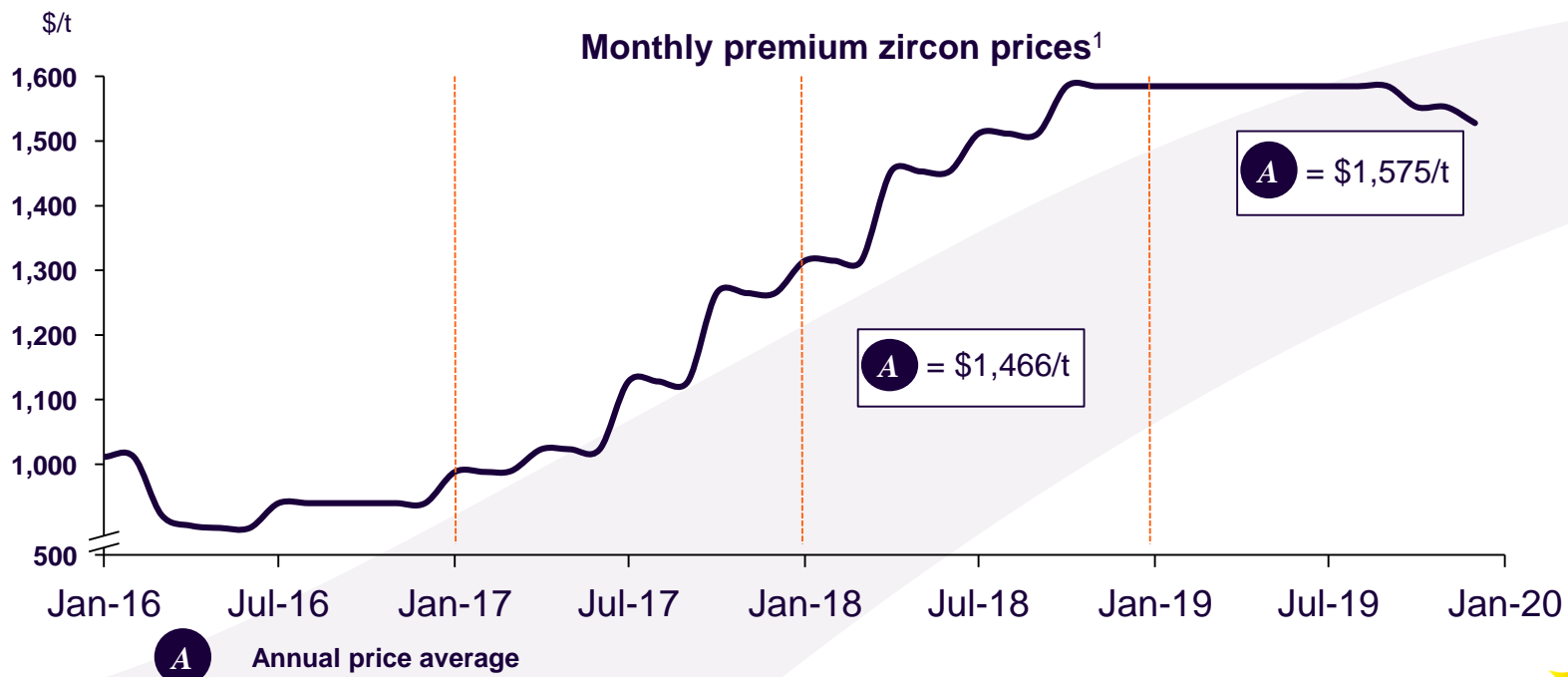


Zircon product markets: prices at high level, slight erosion in Q4



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



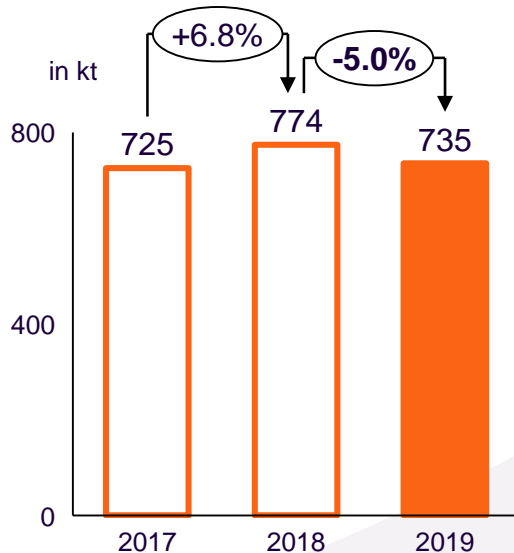
Sustained level of production in Senegal and Norway



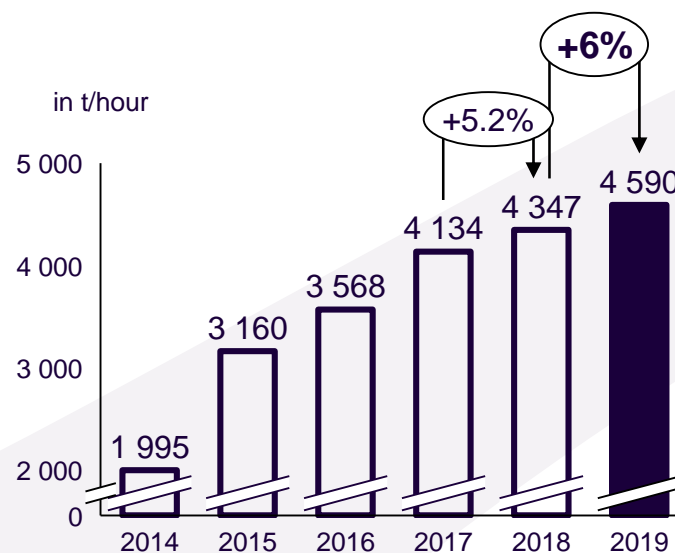
- HMC¹ production** (titanium ore and zircon):
 - 5% to **735 kt**, thanks to high operational performance (OEE rate: **+6%** vs 2018), despite expected lower grade mined from 2019 onwards, according to mining plan
- Zircon sales** down **-11%** to 58 kt

- 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

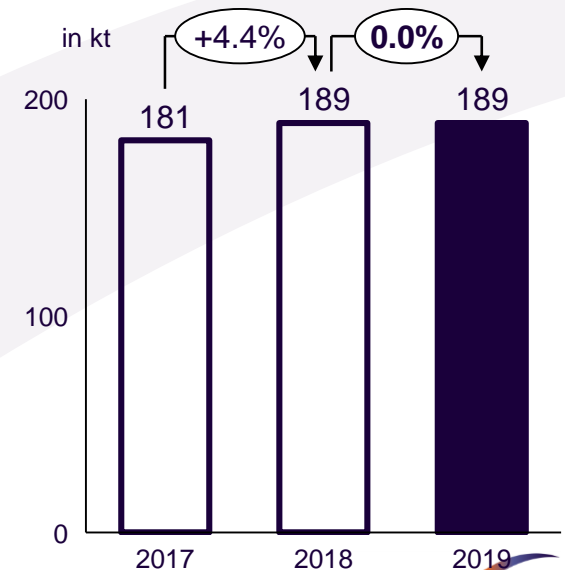
HMC production¹
(GCO, Senegal)



OEE rate²
(GCO, Senegal)



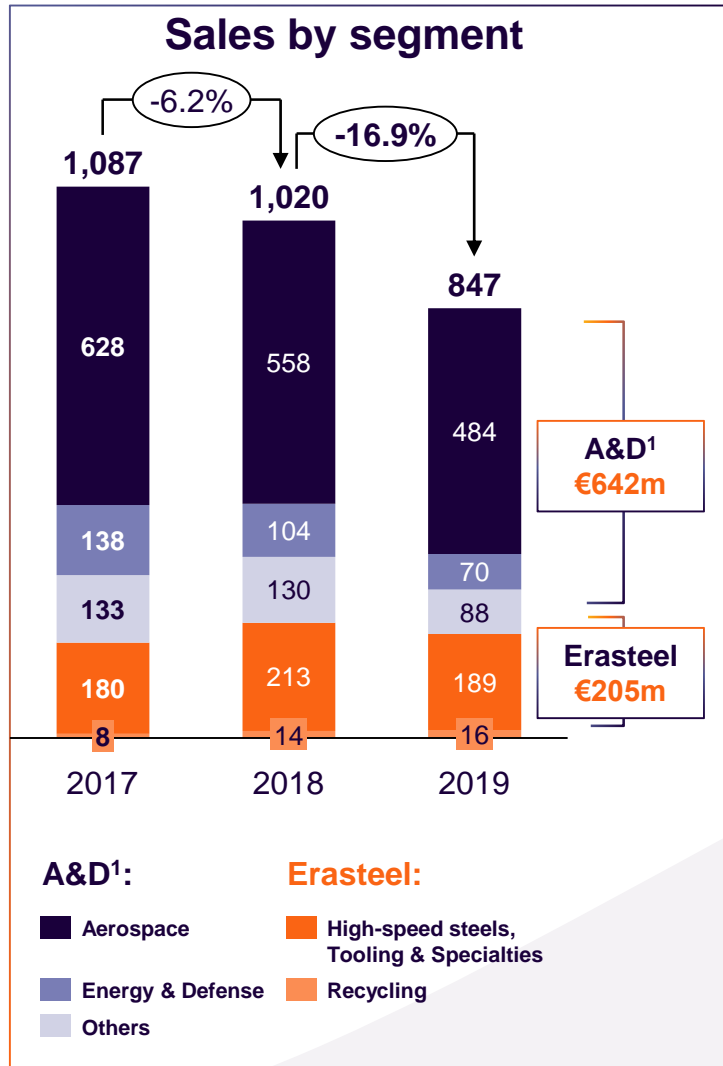
Titanium dioxide production
(TTI, Norway)





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

High Performance Alloys' results impacted by overall sales decline and margin squeeze at Erasteel



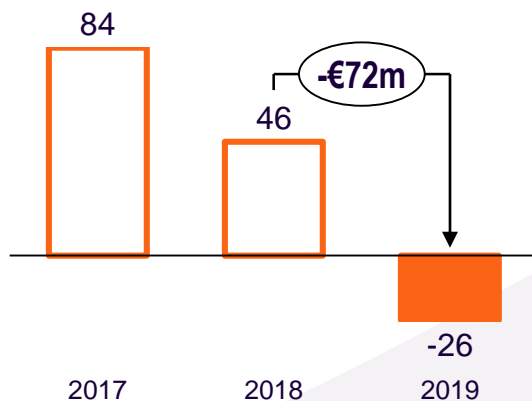
A&D¹ EBITDA at €1m, including logistics one-offs

- **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

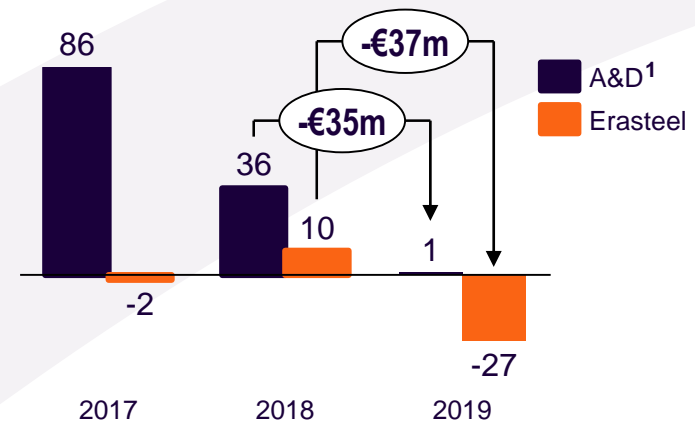
€27m loss incurred by Erasteel

- 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



EBITDA by entity



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



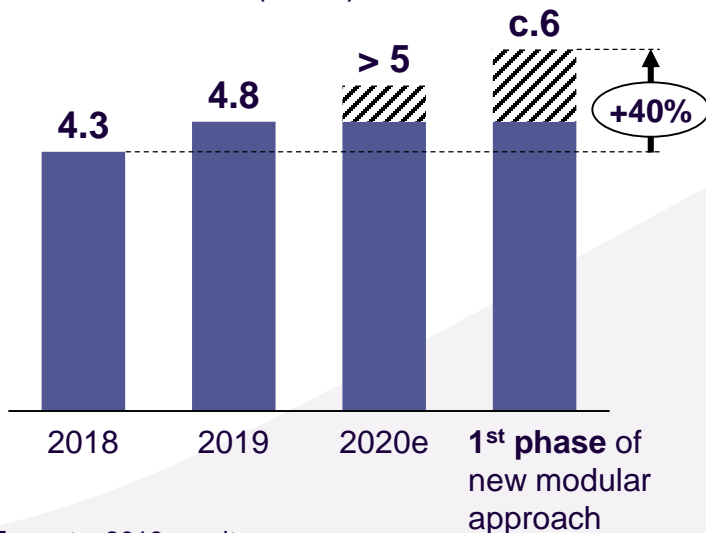
New modular approach for brownfield expansion of Moanda manganese ore operations



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

Manganese ore capacity
(in Mt)



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

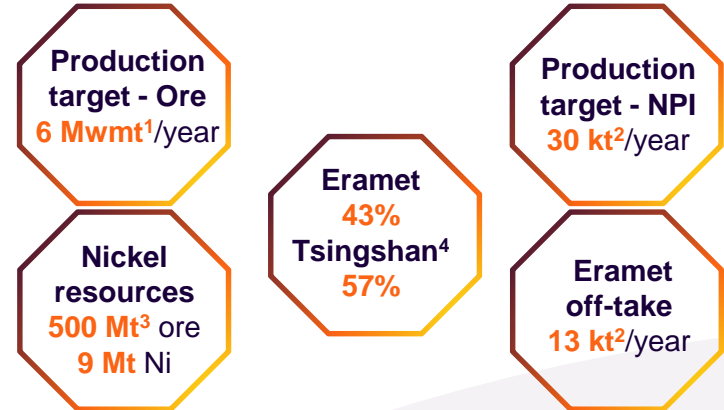
Weda Bay Nickel business model balanced in 2 activities: mining and metallurgy

- 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

ATTRACTIVE METRICS



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 LCE¹ drainable resources, c.50 years of resources
- **Battery grade lithium carbonate production** (24 kt LCE¹)
- **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 1st quartile cash-cost (\$3.5k/t)** amongst the best in the industry

STATUS UPDATE: PROJECT ON HOLD

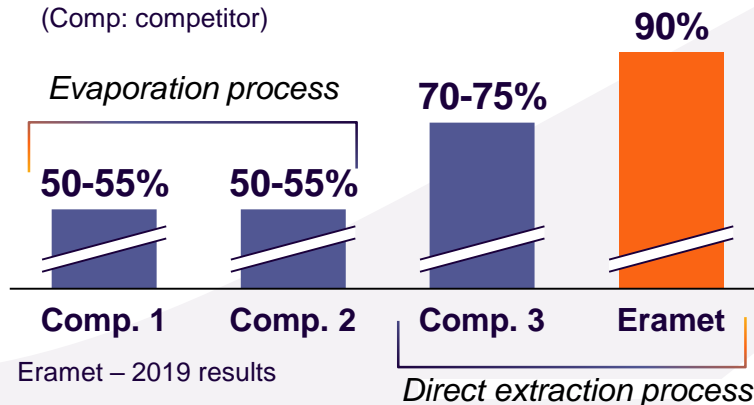
- Required conditions for launch not yet been met, o/w:
 - > regulatory framework (under discussion with Argentinian government)
 - > economic environment



Lithium pilot plant in Argentina

Eramet lithium yield vs competition

(Comp: competitor)



A leap in CSR management in 2019

Launch of 2018-2023 CSR Roadmap

- 3 components to meet Eramet's challenges



- 13 objectives set for 2023 with an annual measurement

Improvement of non-financial rating

- Vigeo Eiris rating's progression in assessed ESG domains



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



1.2

Ratio of rehabilitated /
cleared areas

-35%

accidents
(employees, temps and
subcontractors' FR2)

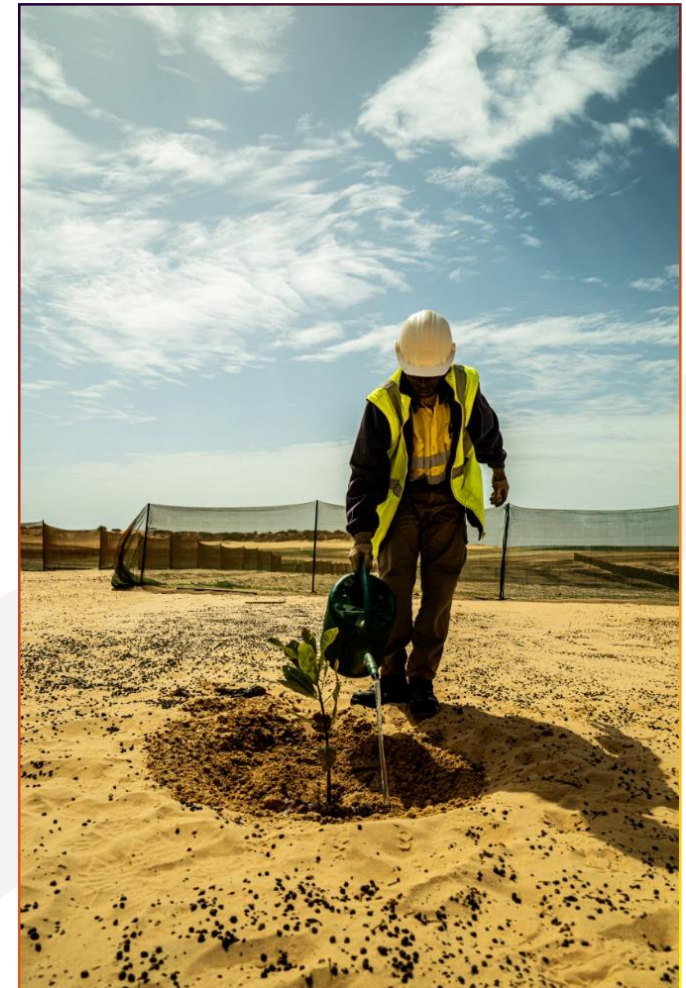


87%

of purchased electricity
produced with **carbon-**
free footprint

€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 2020¹** and without factoring in potential impact to date related to the Coronavirus epidemic

Q&A



Committed to women and men



Committed to our planet



Responsible economic player

A socially responsible, committed and contributory corporate citizen



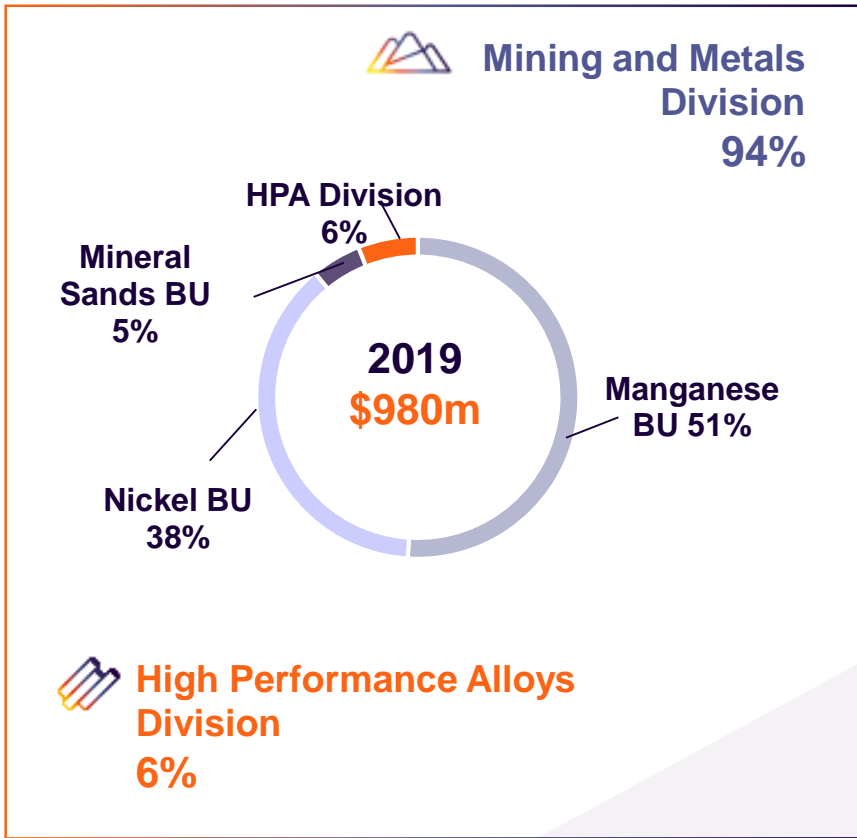
The background of the slide is a high-contrast, artistic photograph of an industrial welding process. A bright blue laser beam or cutting torch is directed at a dark metal component, creating a shower of bright orange and yellow sparks. The scene is set against a dark, almost black background, which makes the intense light of the welding process stand out. A semi-transparent blue diagonal band runs across the lower right portion of the image.

Appendices

GFD406-I-20442-T3

Coronavirus outbreak being monitored

ERAMET SALES IN CHINA



ERAMET IN CHINA

3 Locations **135 headcount**

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

Manganese BU – Key figures

In €m	2019	2018
Sales	1,765	1,857
EBITDA	560	784
COI	459	699
CAPEX cash	(214)	(171)
Operating cash flow ⁽¹⁾	317	529

Nickel BU – Key figures

In €m	2019	2018
Sales	778	738
EBITDA	38	(18)
COI	(58)	(111)
CAPEX cash	(39)	(57)
Operating cash flow ⁽¹⁾	0	(51)

Mineral sands BU – Key figures

In €m	2019	2018 ⁽²⁾
Sales	286	212
EBITDA	106	62
COI	64	35
CAPEX cash	(13)	(12)
Operating cash flow ⁽¹⁾	84	53

(1) EBITDA + Δ(simplified WCR) – cash CAPEX

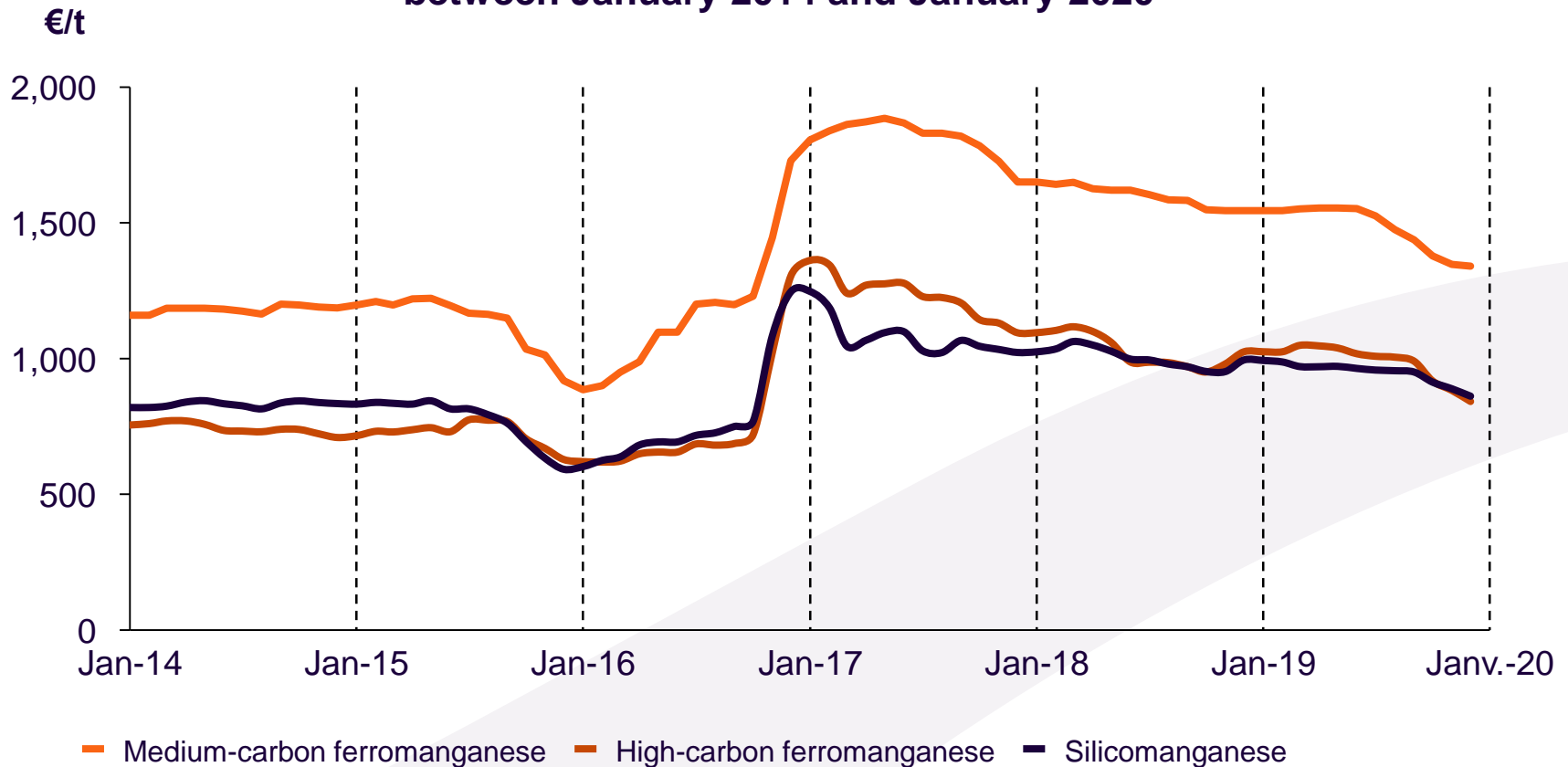
(2) TiZir 50% until 30 June 2018, 100% from 1st July 2018 onwards

High Performance Alloys Division - Key figures

In €m	2019	2018
Sales	847	1,020
EBITDA	(26)	46
COI	(68)	(8)
CAPEX cash	(56)	(61)
Operating cash flow ⁽¹⁾	(87)	(41)

CRU price trends in manganese alloys (refined and standard) in Europe

CRU price trends for manganese alloys in Europe between January 2014 and January 2020



Reconciliation Group reporting and published accounts

€m	Full Year 2019 Published ¹	Joint-venture contribution	Full year 2019 Reporting ²	Full Year 2018 Published ¹	Joint-venture contribution	Full year 2018 Reporting ²
Sales	3,671	0	3,671	3,725	100	3,825
EBITDA	630	0	630	828	16	843
Current operating income	341	0	341	574	7	581
Operating income	223	0	223	398	68	465
Net income for the period - Group share	(184)	0	(184)	53	(0)	53
Net cash generated by operating activities	86	0	86	437	12	449
Industrial investments	455	0	455	278	3	281
(Net financial debt)	(1,304)	0	(1,304)	(717)	0	(717)
Shareholders' equity	1,639	0	1,639	1,909	(1)	1,908
Shareholders' equity - Group share	1,398	0	1,398	1,606	(1)	1,605

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

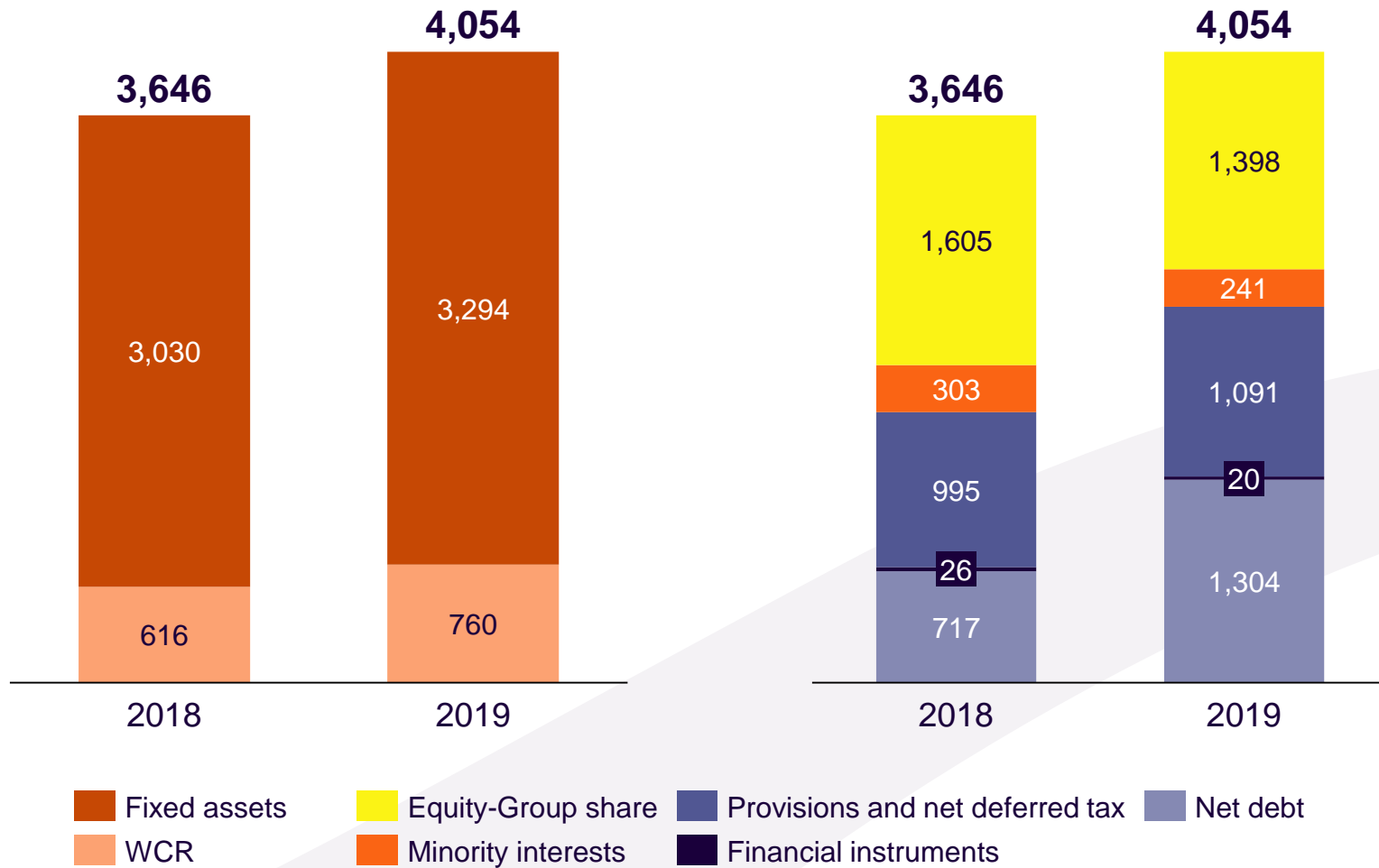
€m	2019	2018
Sales	3,671	3,825
EBITDA	630	843
	<i>% Sales</i>	<i>22%</i>
	<i>17%</i>	
Current operating income	341	581
	<i>% Sales</i>	<i>15%</i>
	<i>9%</i>	
Other operating income and expense	(118)	(116)
Operating income	223	465
Financial result	(134)	(95)
Pre-tax income	89	371
Share of income of equity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

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

€m	2019	2018
Operating activities		
EBITDA	630	843
Cash impact on items under EBITDA	(420)	(345)
Cash from operating activities	210	498
Change in WCR	(124)	(49)
Net cash generated by operating activities (1)	86	449
Investment activities		
Industrial investments	(455)	(281)
Other investment flows	11	(379)
Net cash from investment activities (2)	(444)	(660)
Free Cash Flow (1) + (2)	(358)	(211)
Cash from equity operations	(117)	(123)
Impact of fluctuation in exchange rate and other	(6)	(7)
Right of use relating to lease contracts acquisition (IFRS16)	(12)	-
(Increase) / Reduction in net debt	(493)	(341)
(Net debt) at start of period ⁽¹⁾	(811)	(376)
(Net debt) at close of period	(1 304)	(717)

Group Balance Sheet at 31 December, 2019

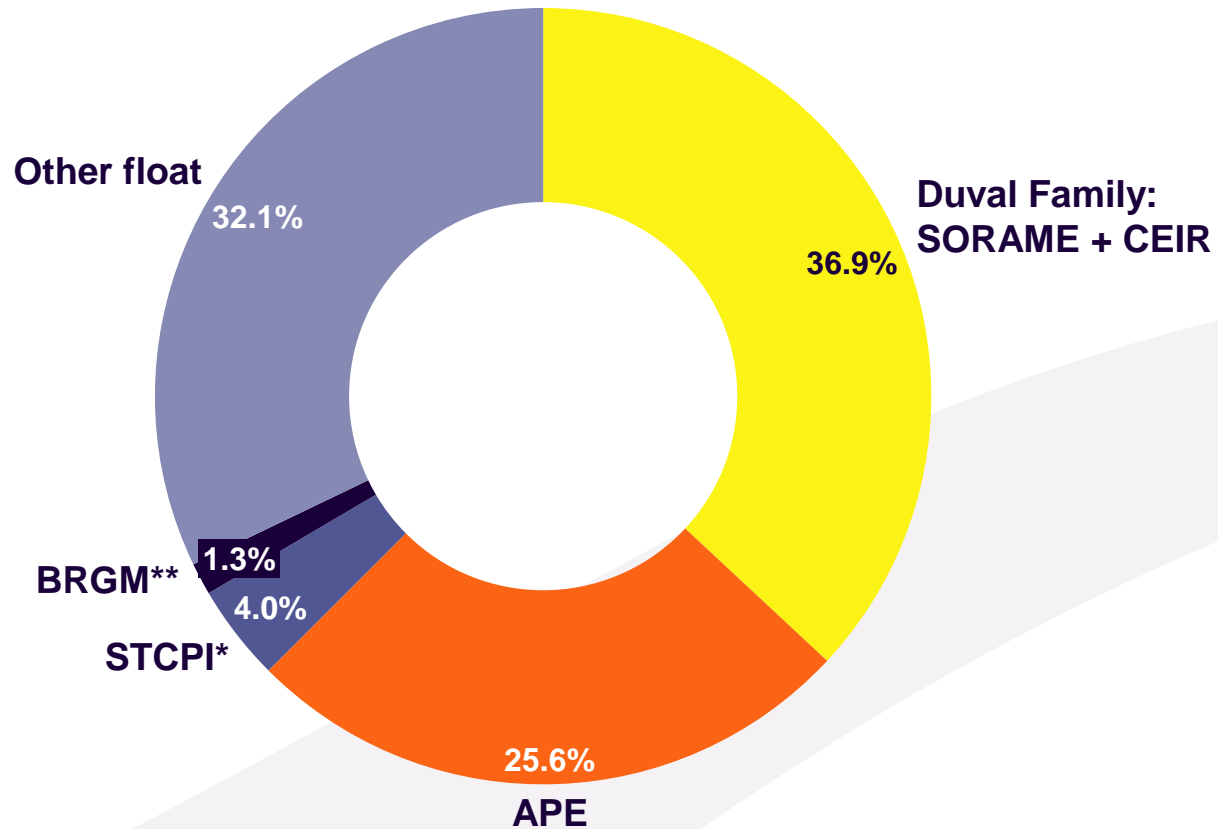


Bond maturities

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

Shareholding at 31 December, 2019

Number of shares issued: 26,636,000



* 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

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