



**MADEN METALÜRJİ**  
GRUBU



# 2017 12 Months Consolidated Results

*2 February 2018*



MADEN METALÜRJİ  
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## DISCLAMIER

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- > **2017 Market Overview**
- > **2017 12M Results**

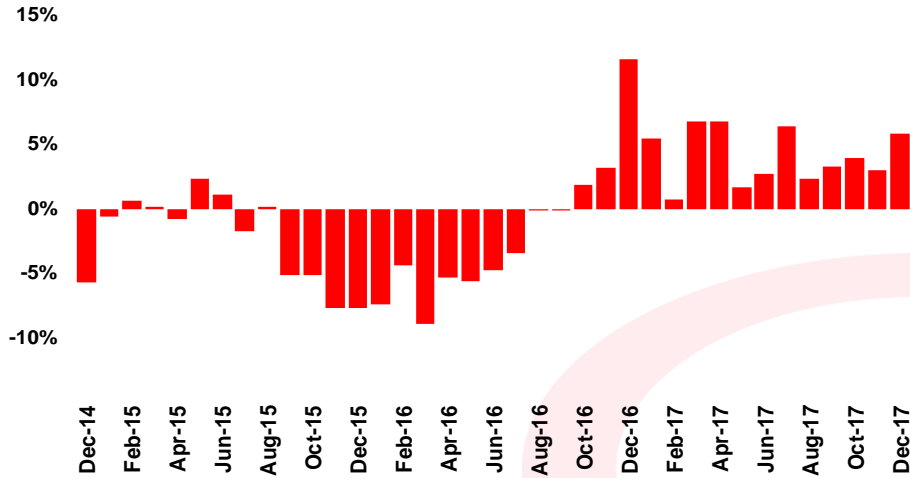


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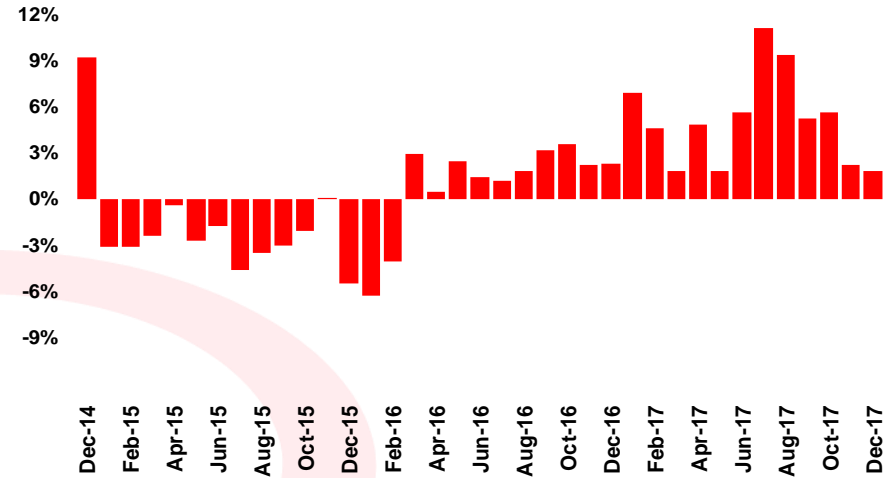
# EU28 crude steel production increased by 6% in December YoY



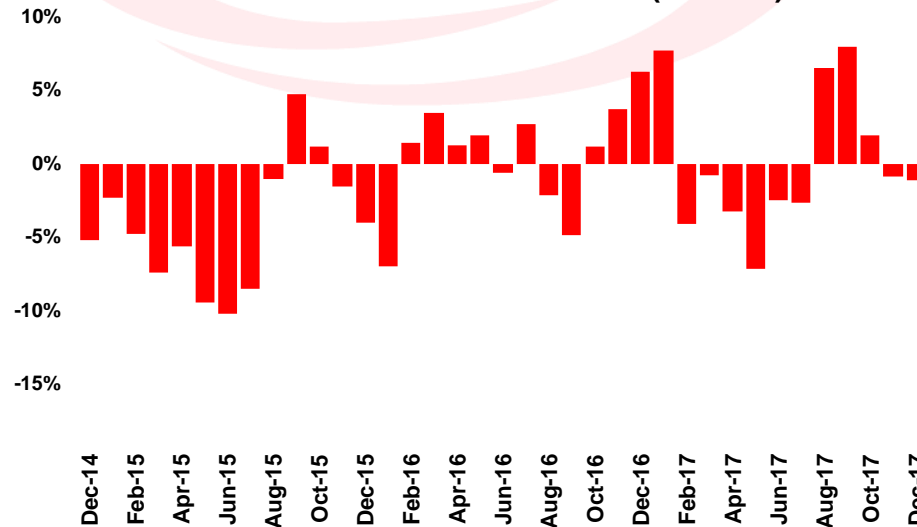
## EU28 CRUDE STEEL PRODUCTION ( YoY % )



## CHINA CRUDE STEEL PRODUCTION ( YoY % )



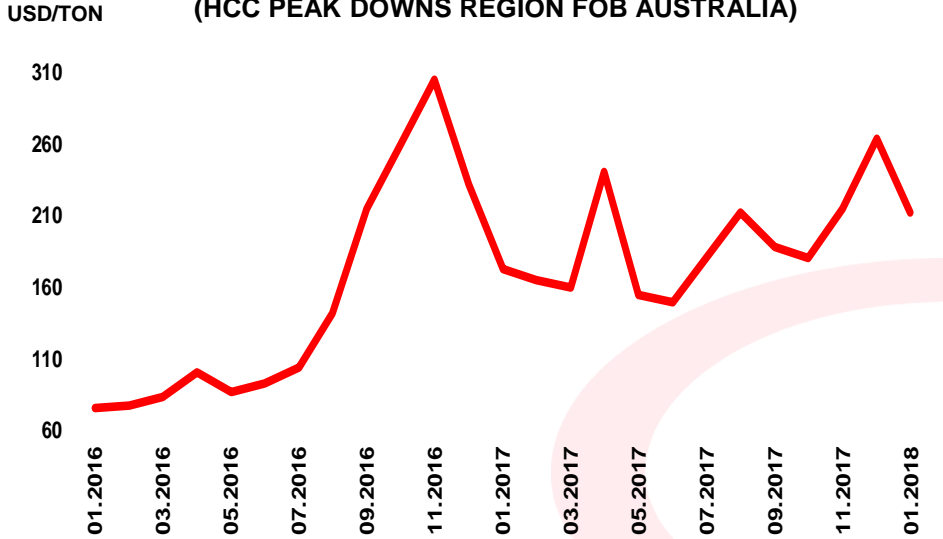
## CIS CRUDE STEEL PRODUCTION ( YoY % )



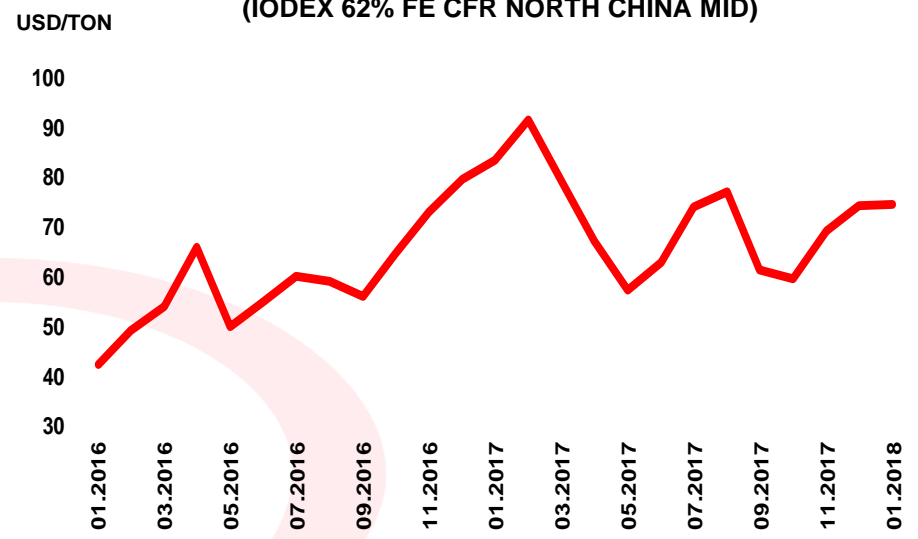
# Iron ore price was 75 USD/ton at January 2018



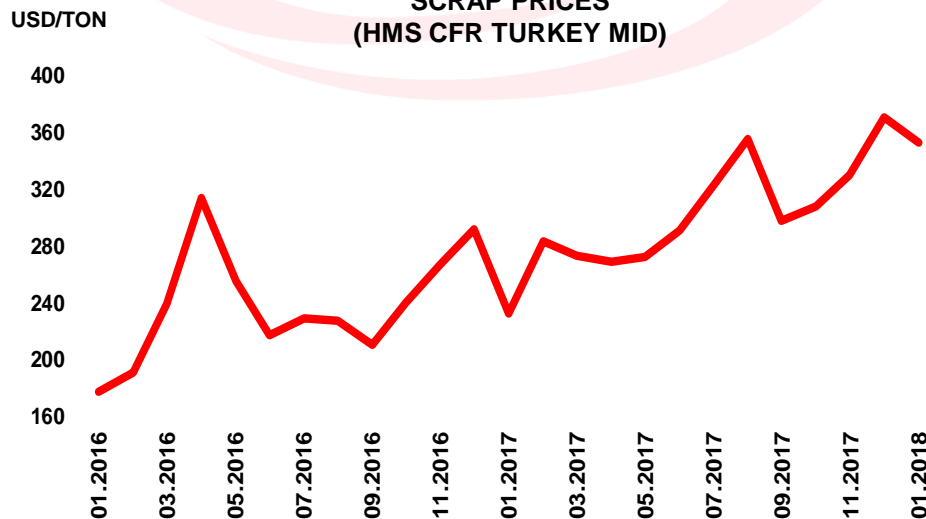
**COKING COAL PRICES**  
(HCC PEAK DOWNS REGION FOB AUSTRALIA)



**IRON ORE PRICES**  
(IODEX 62% FE CFR NORTH CHINA MID)

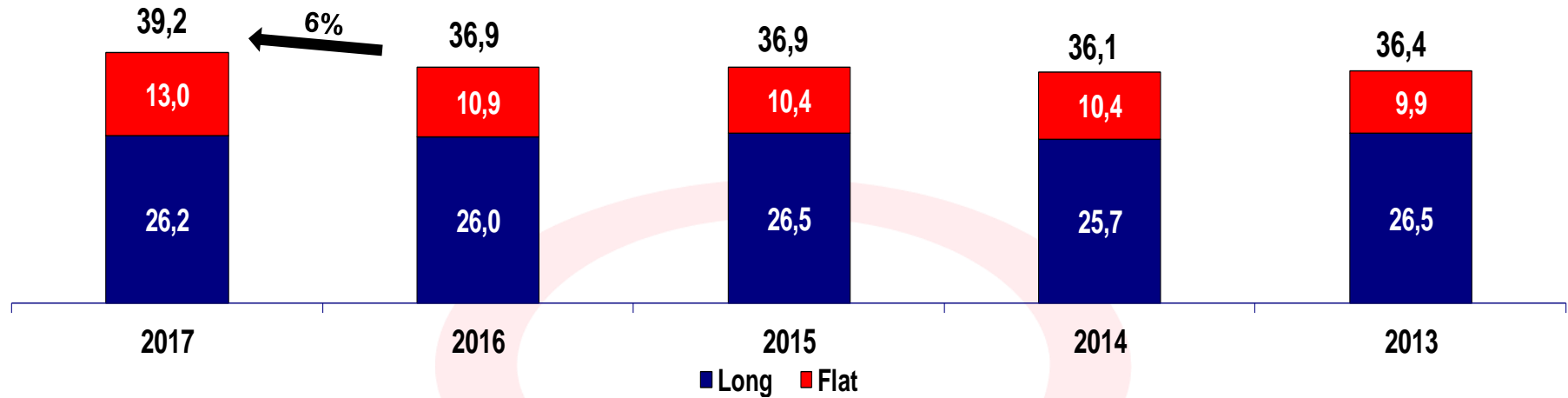


**SCRAP PRICES**  
(HMS CFR TURKEY MID)

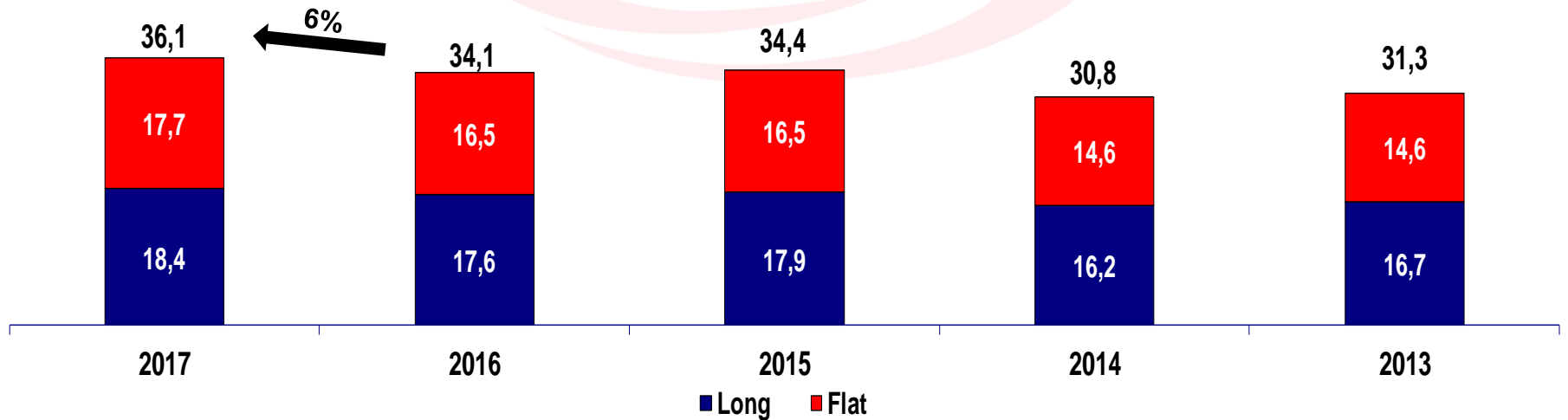


# Turkish steel production increased by 6% in 2017 YoY

## PRODUCTION ( MILLION TONS )



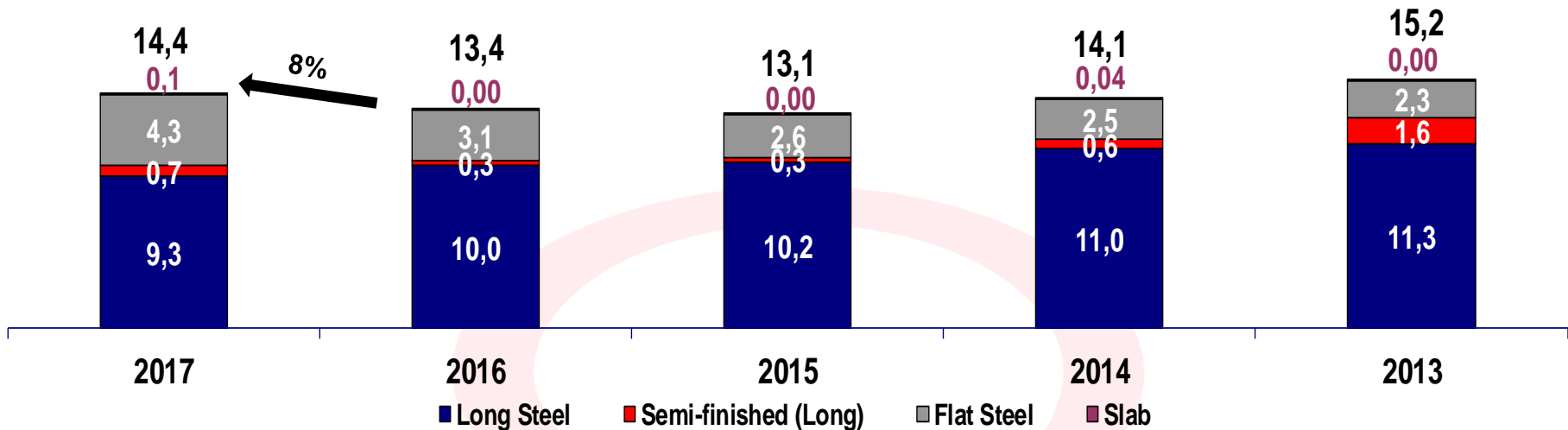
## CONSUMPTION ( MILLION TONS )



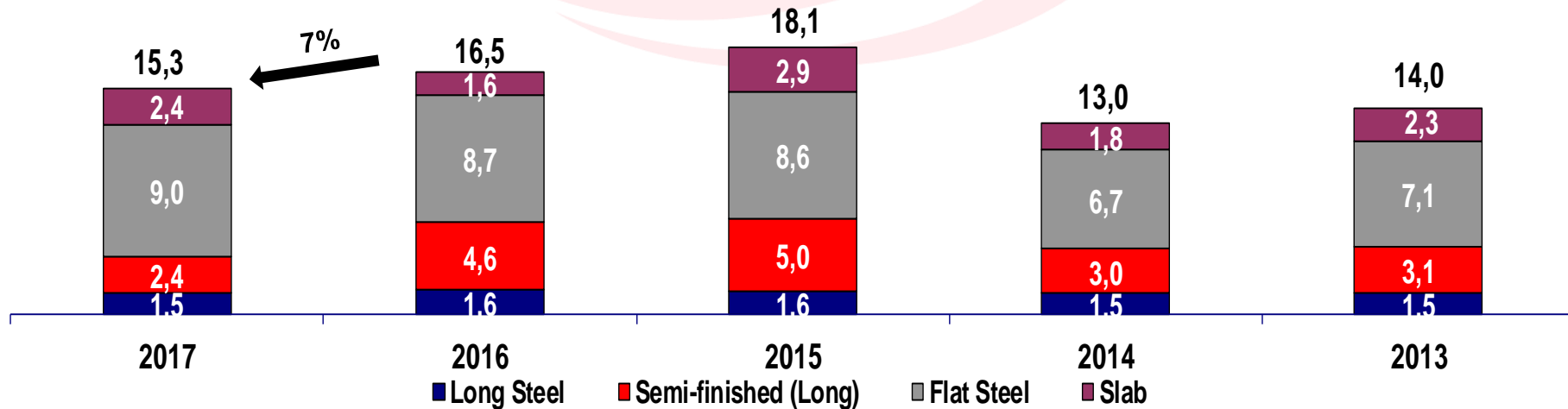
# Turkish iron and steel product exports increased by 8% in 2017 YoY



## IRON AND STEEL PRODUCT EXPORTS ( MILLION TONS )



## IRON AND STEEL PRODUCT IMPORTS ( MILLION TONS )







- > 2017 Market Overview
- > **2017 12M Results**



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## OYAK MINING AND METALLURGY GROUP KEY FIGURES

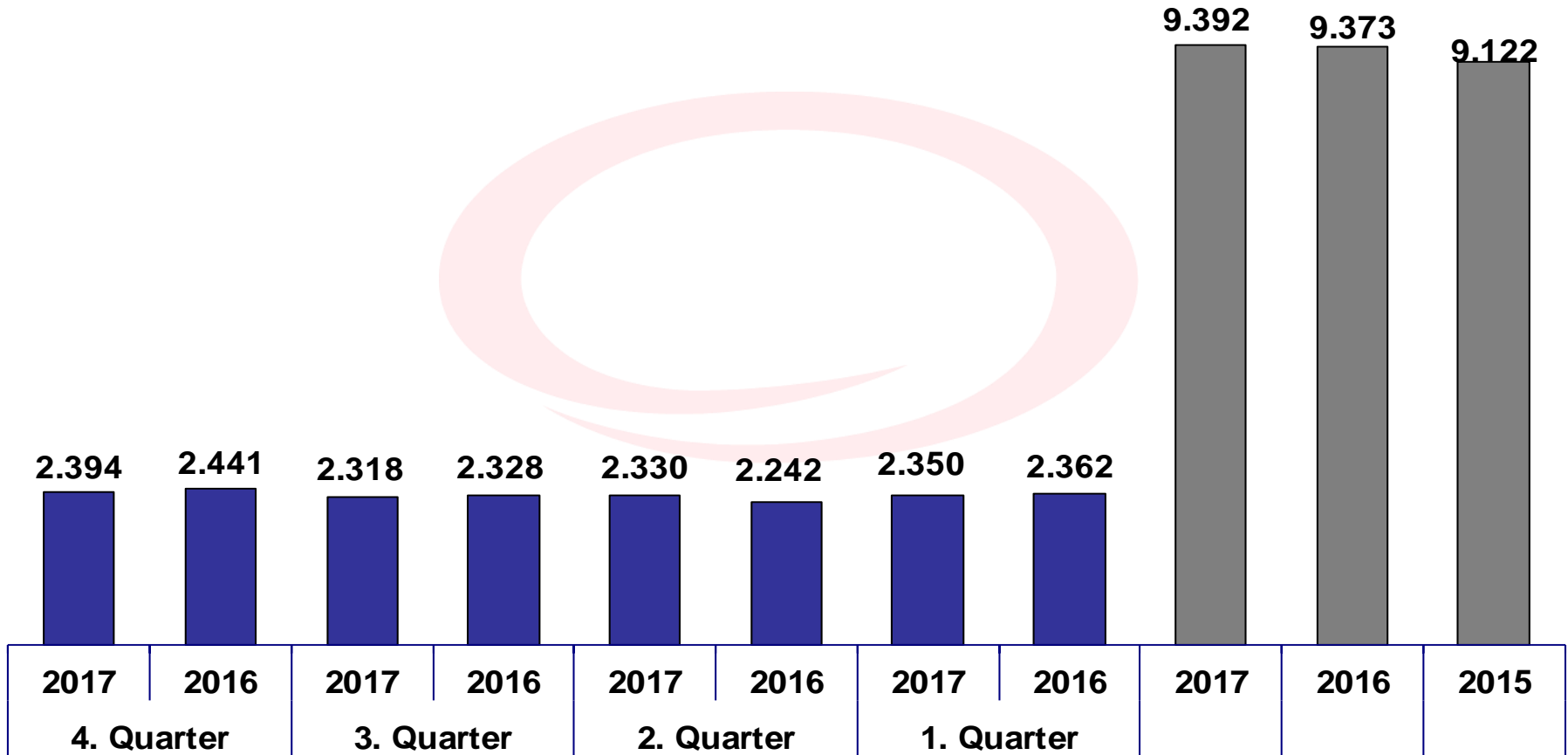
		2017	2016	2015
<b>Liquid Steel Production</b>	(000 Tons) ↑	<b>9.392</b>	9.373	9.122
<b>Flat Steel Production <sup>(*)</sup></b>	(000 Tons) ↑	<b>7.713</b>	7.072	7.400
<b>Long Steel Production</b>	(000 Tons) ↓	<b>1.328</b>	1.572	1.563
<b>Flat Steel Shipments</b>	(000 Tons) ↑	<b>7.594</b>	7.163	7.229
<b>Long Steel Shipments</b>	(000 Tons) ↓	<b>1.364</b>	1.587	1.552
<b>Net Sales Revenue</b>	(M. USD) ↑	<b>5.115</b>	3.855	4.382
<b>EBITDA</b>	(M. USD) ↑	<b>1.496</b>	895	770
<b>Net Profit For The Year</b>	(M. USD) ↑	<b>1.030</b>	502	414

All figures are on IFRS consolidated basis unless stated otherwise.

(\*) Total flat steel production of Ereğli and İskenderun Plants.

# Liquid steel production was 9,4 million tons in 2017

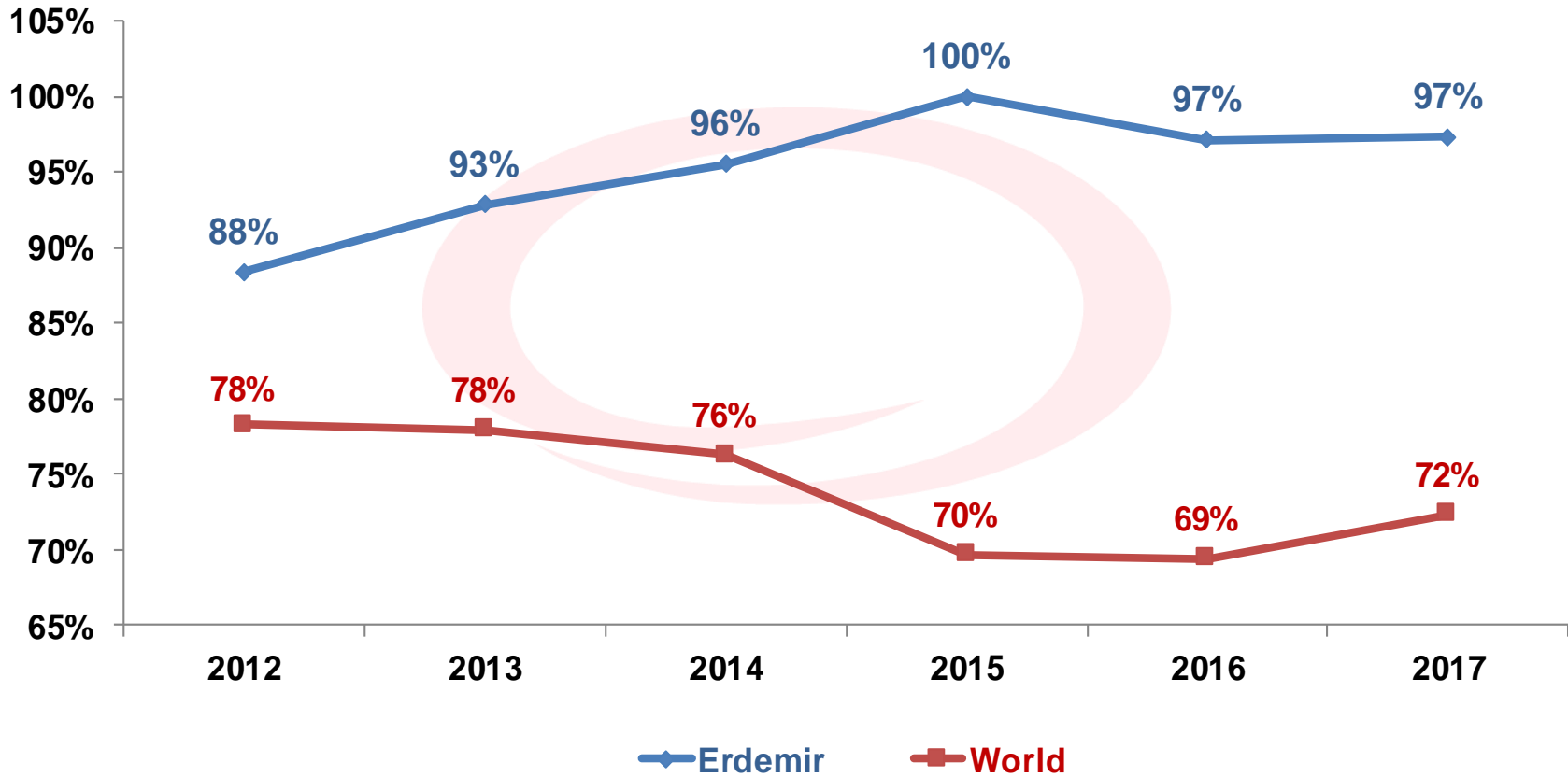
## LIQUID STEEL PRODUCTION ( 000 TONS )



# Crude steel capacity utilization ratio of Erdemir is higher than the world average

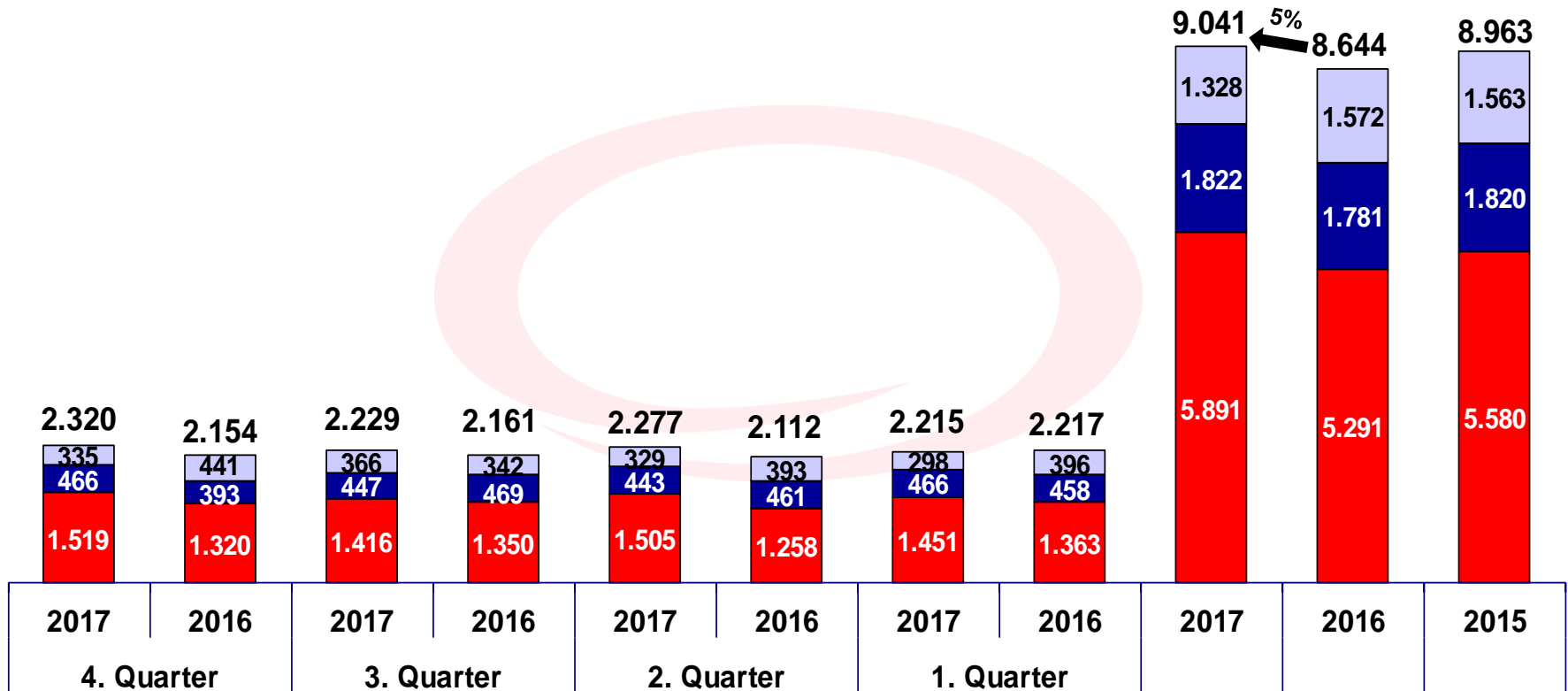


## CRUDE STEEL CAPACITY UTILIZATION RATIO



# Production was 9 million tons in 2017

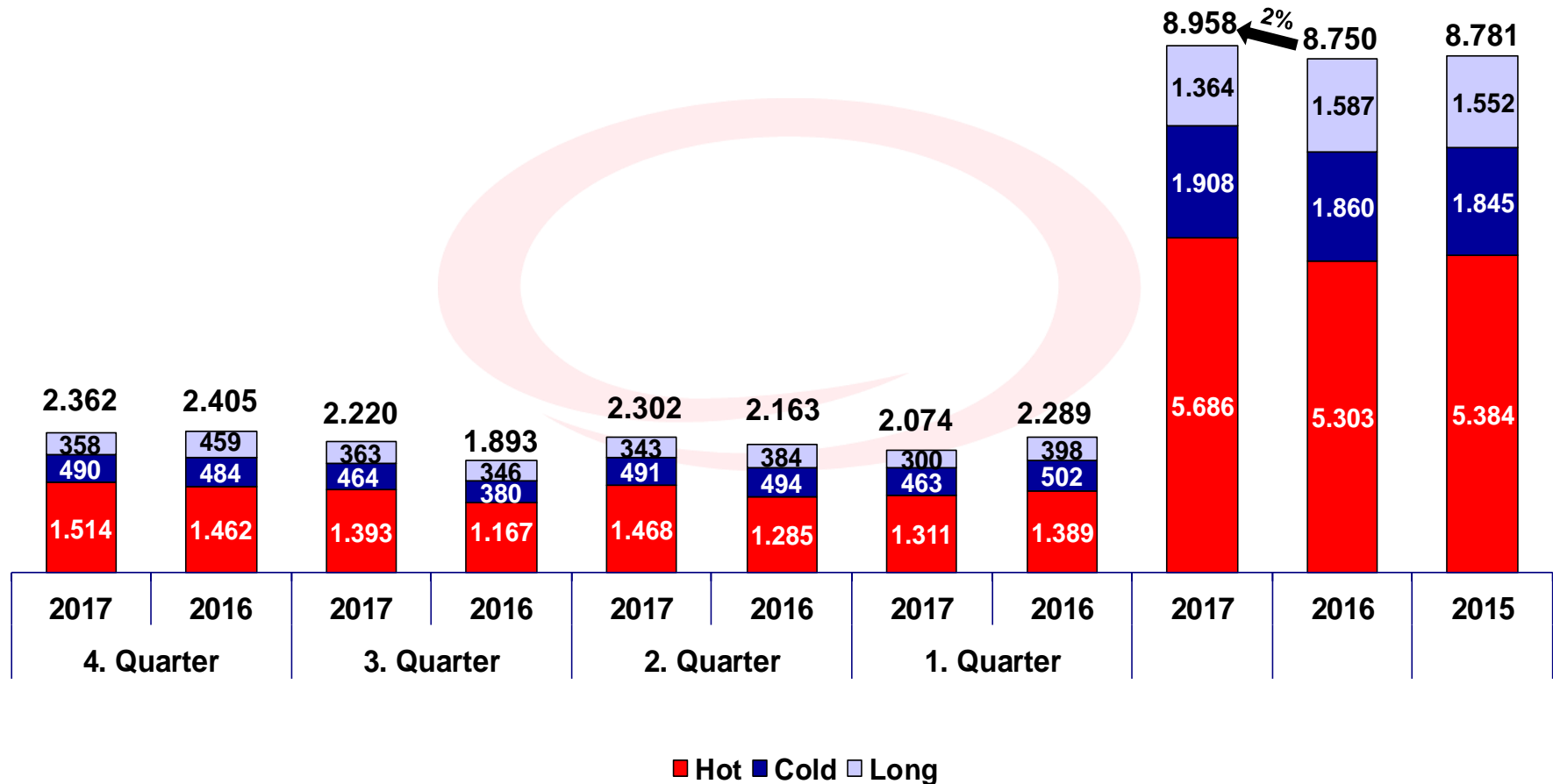
## PRODUCTION VOLUMES ( 000 TONS )



■ Hot ■ Cold ■ Long

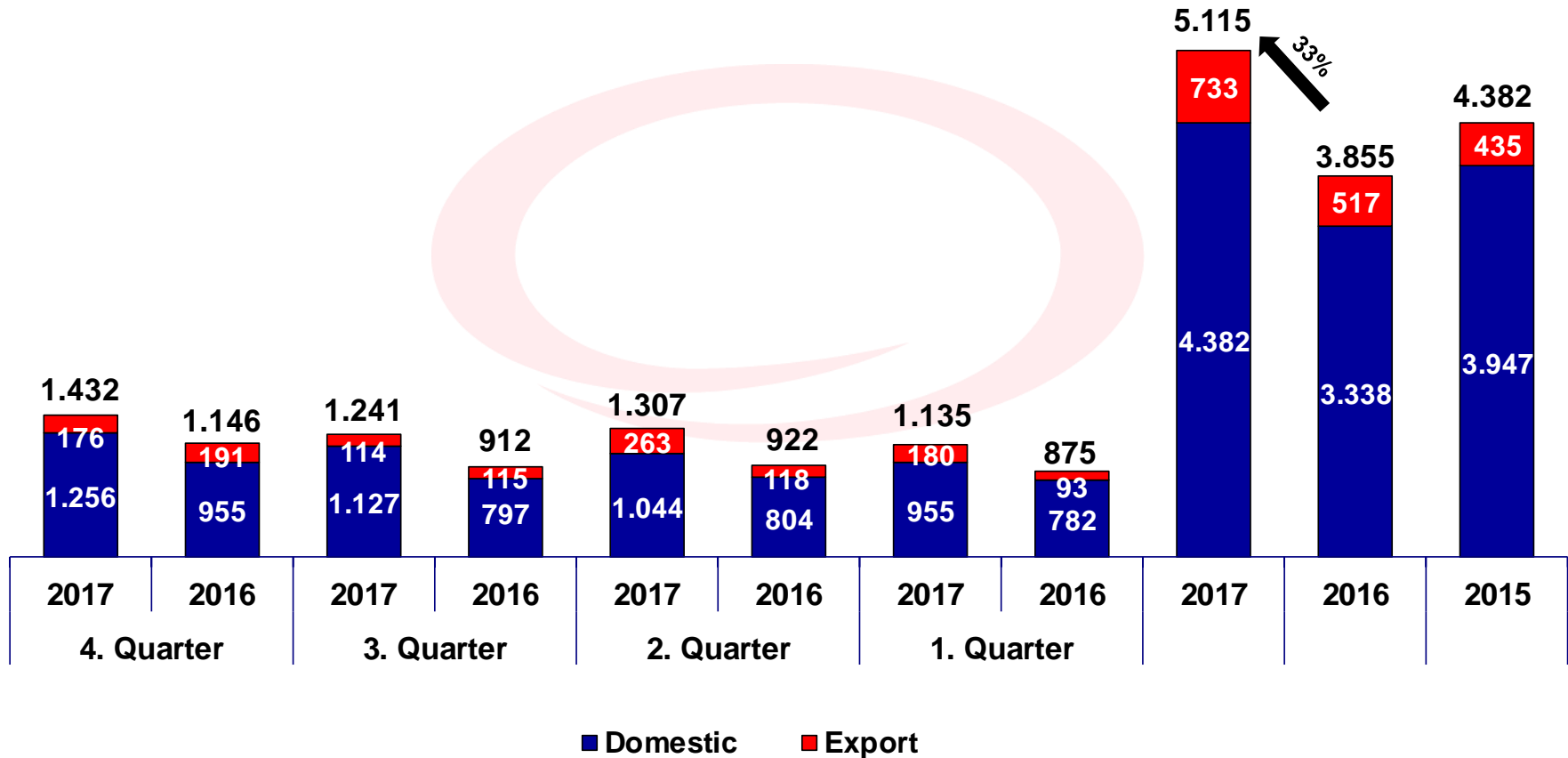
# Sales volume was 9 million tons in 2017

## SALES VOLUMES ( 000 TONS )



# Net sales revenue increased by 33% in 2017 YoY

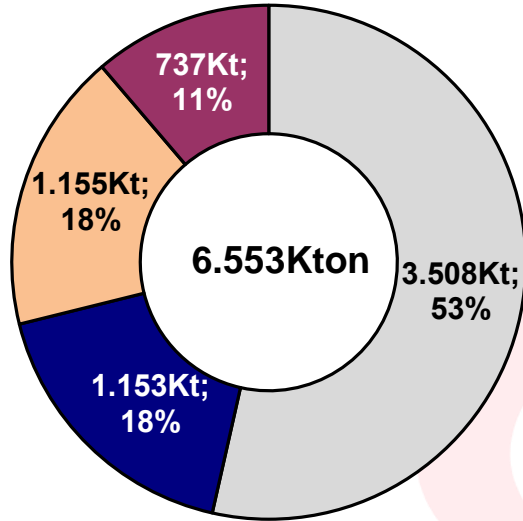
## NET SALES REVENUE ( MILLION USD )



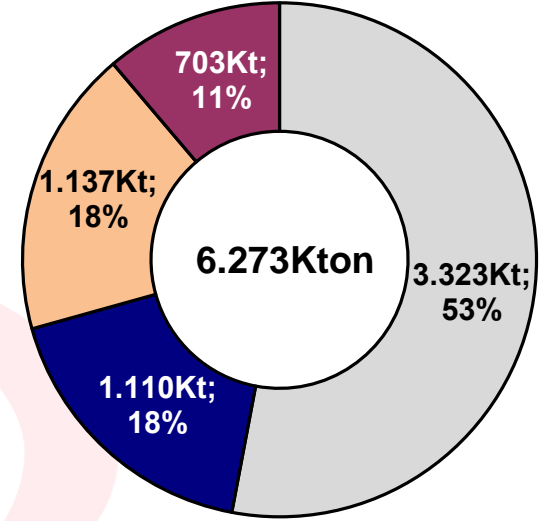
# 11% of flat steel sales are made to automotive sector in 2017



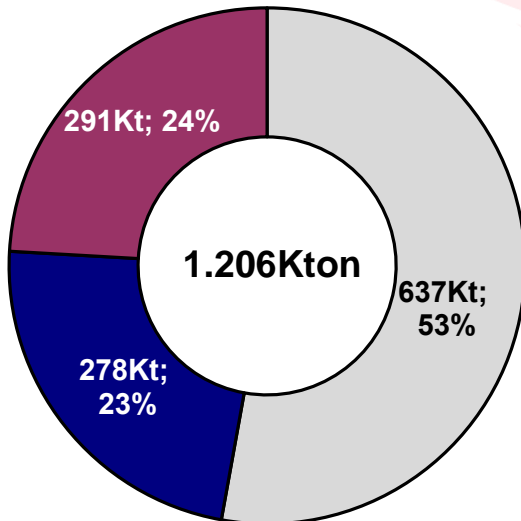
2017 FLAT STEEL DOMESTIC SALES BREAKDOWN (%)



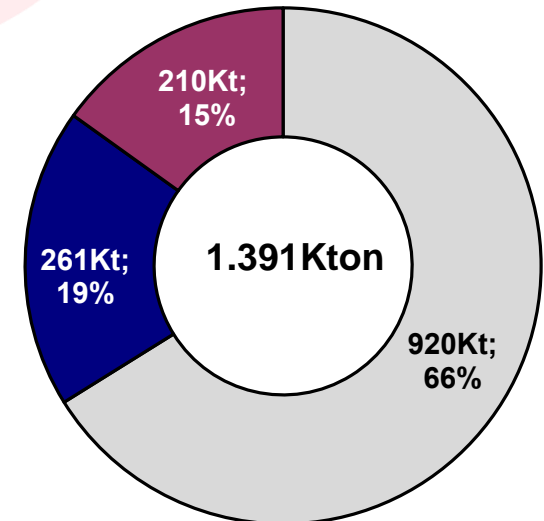
2016 FLAT STEEL DOMESTIC SALES BREAKDOWN (%)



2017 LONG STEEL DOMESTIC SALES BREAKDOWN (%)



2016 LONG STEEL DOMESTIC SALES BREAKDOWN (%)



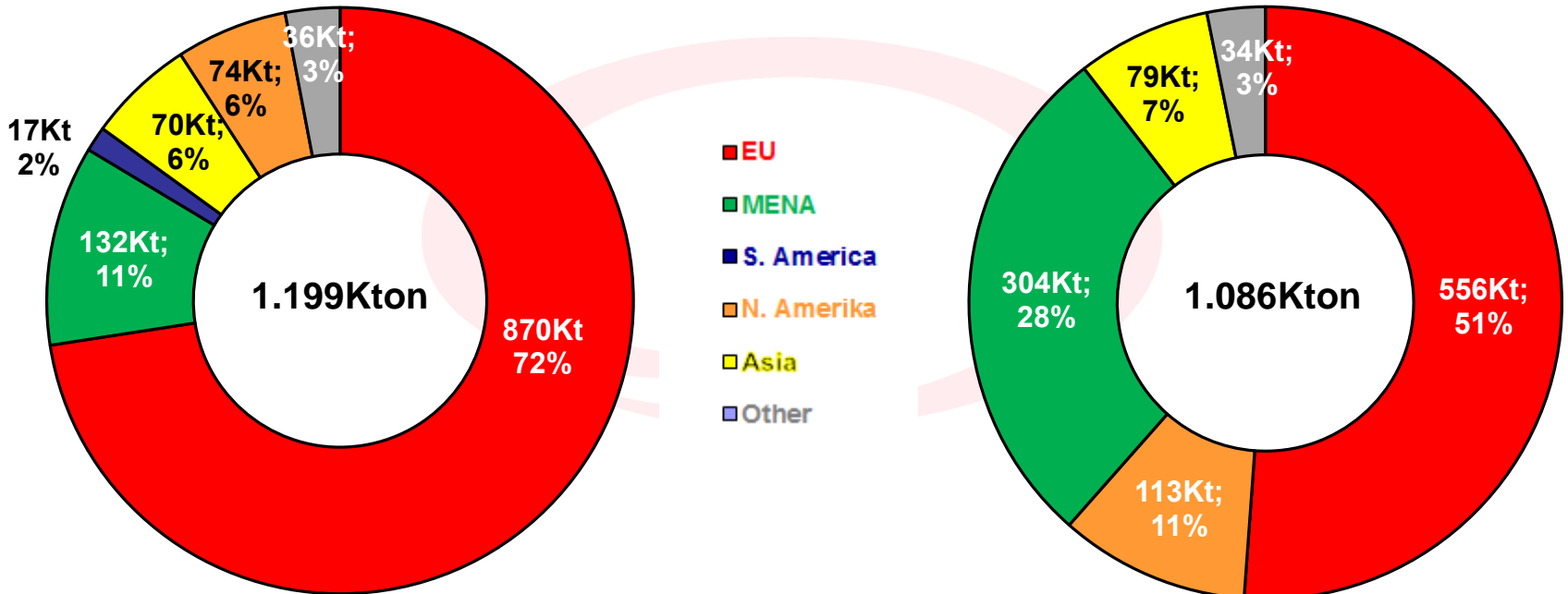


# Main product sales to EU countries was 72% of our export in 2017



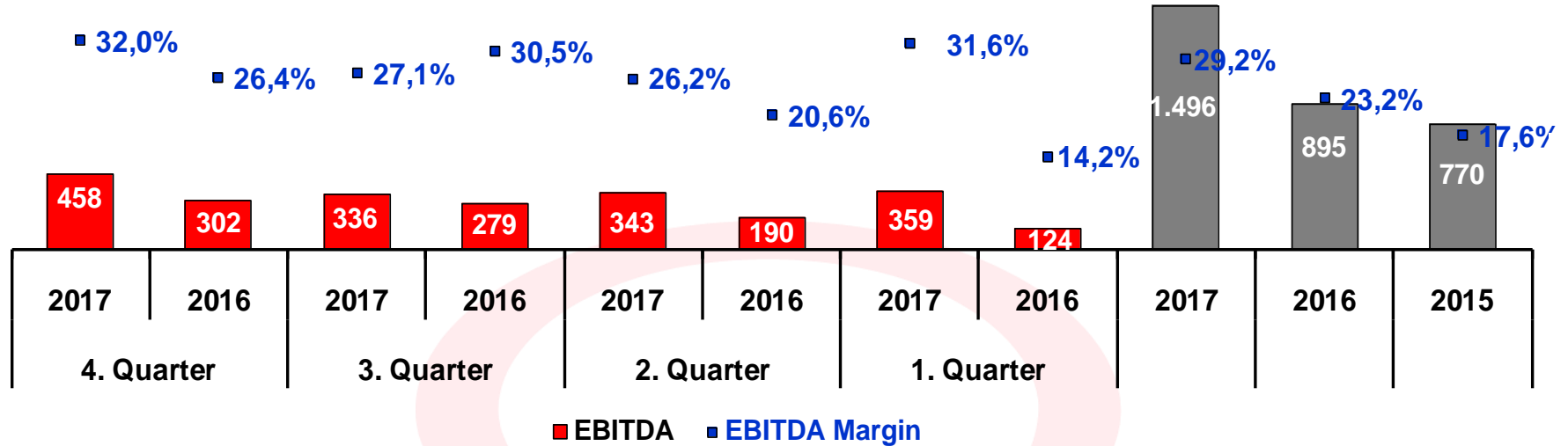
## 2017 STEEL EXPORTS BREAKDOWN (%)

## 2016 STEEL EXPORTS BREAKDOWN (%)

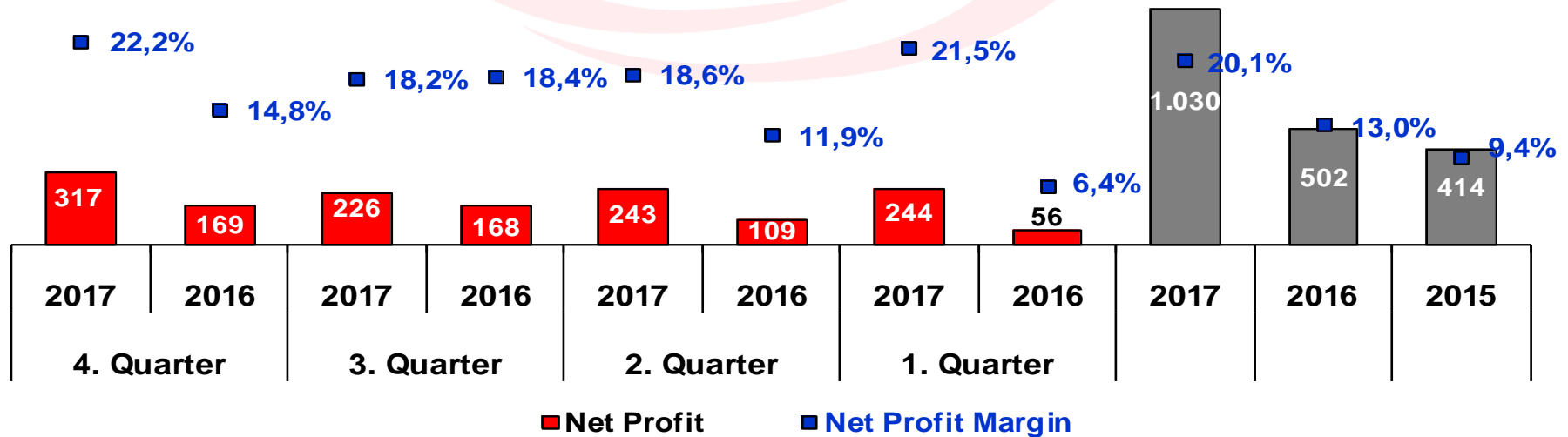


# Net profit increased by 105% in 2017 YoY

## EBITDA ( MILLION USD )

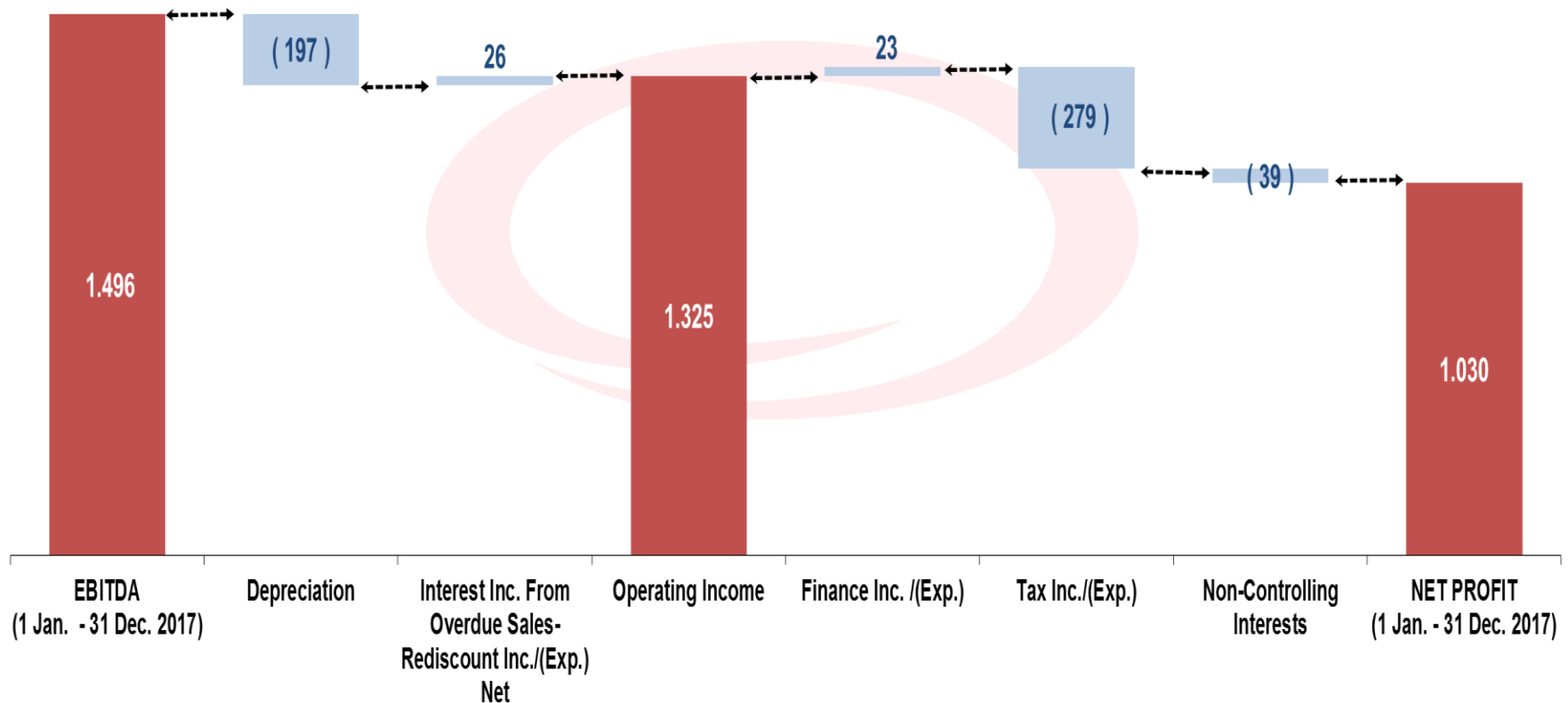


## NET PROFIT ( MILLION USD )



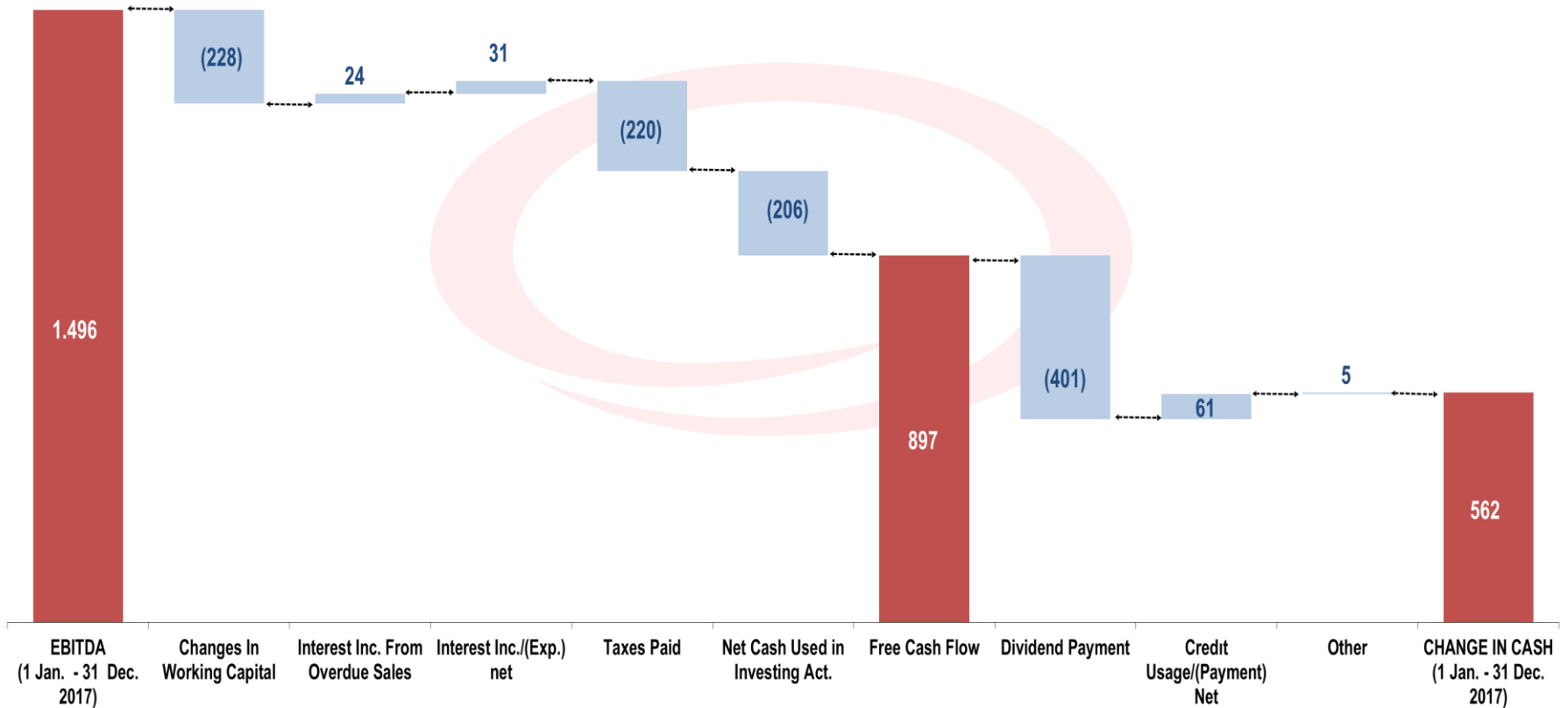
# EBITDA was 1.496 million USD in 2017

## Consolidated EBITDA => Consolidated Net Profit (Million USD)



401 million USD dividend was paid on April 7, 2017

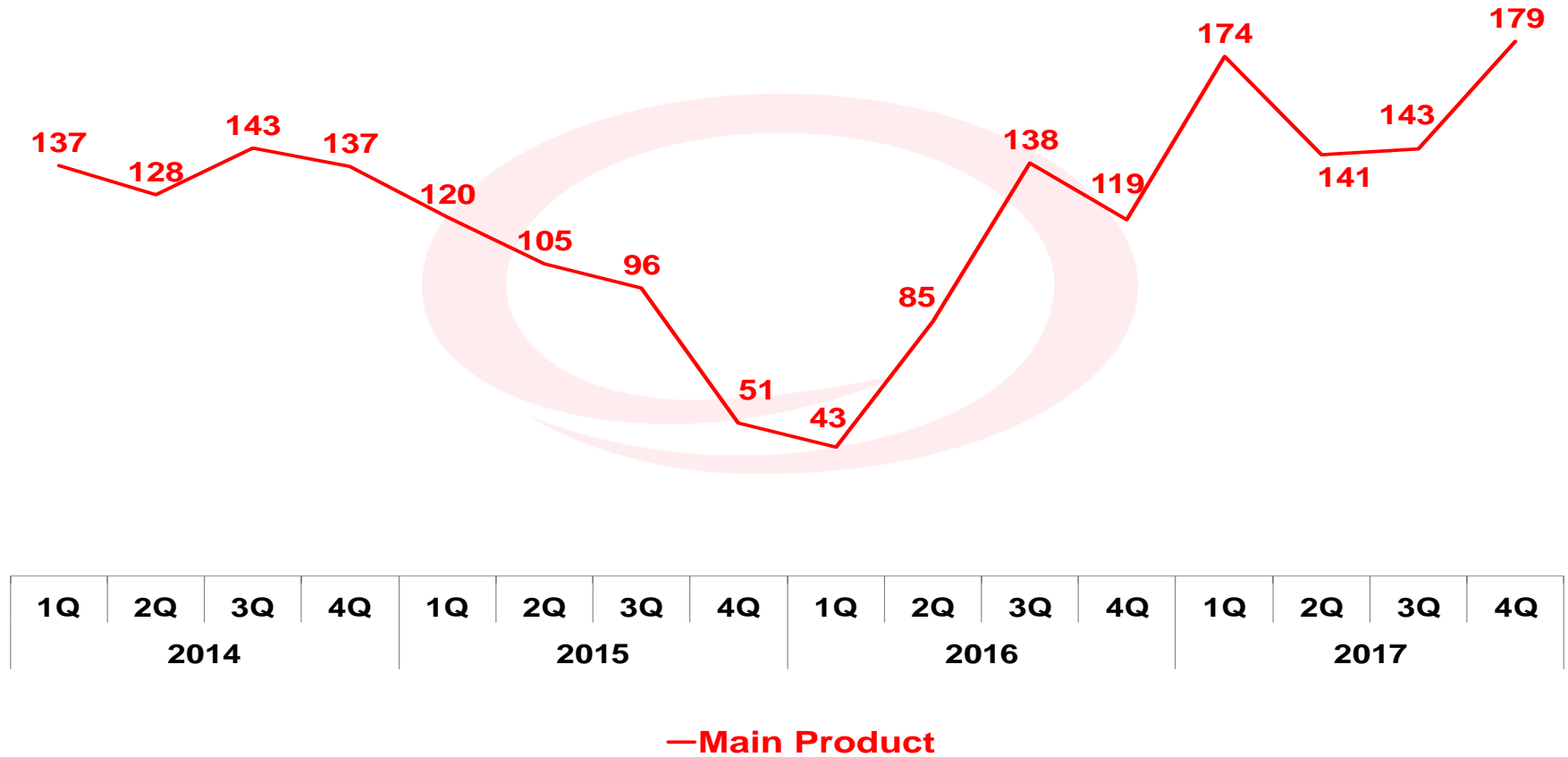
**Consolidated EBITDA => Consolidated Net Cash (Million USD)**



# EBITDA per ton for main product was 179 USD/ton in 2017 4Q



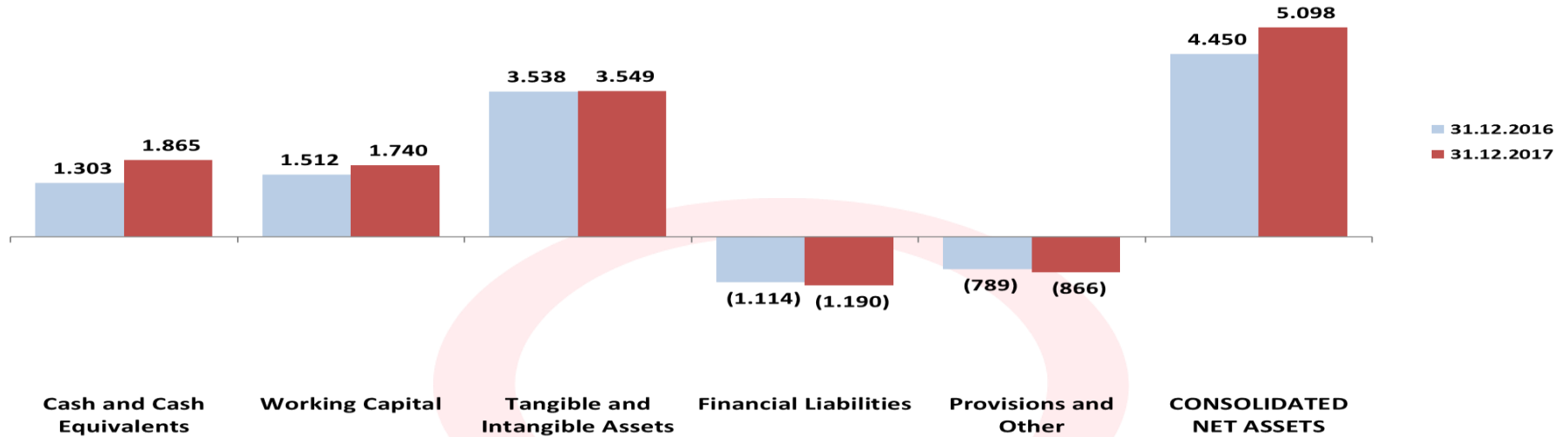
## EBITDA PER TON (USD/TON) \*



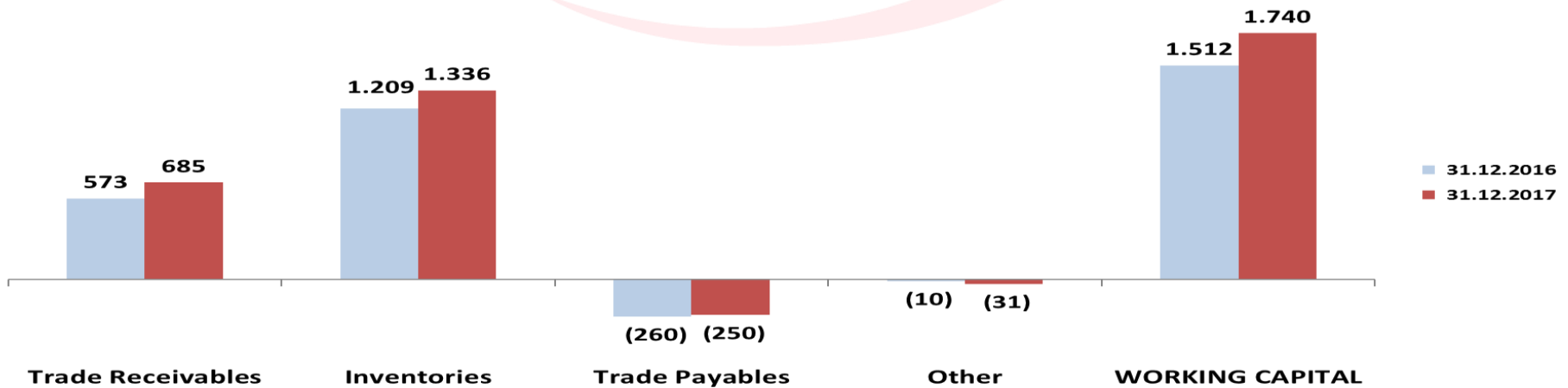
# Consolidated Net Assets were 5,1 billion USD at the end of 2017



## CONSOLIDATED NET ASSETS (MILLION USD)

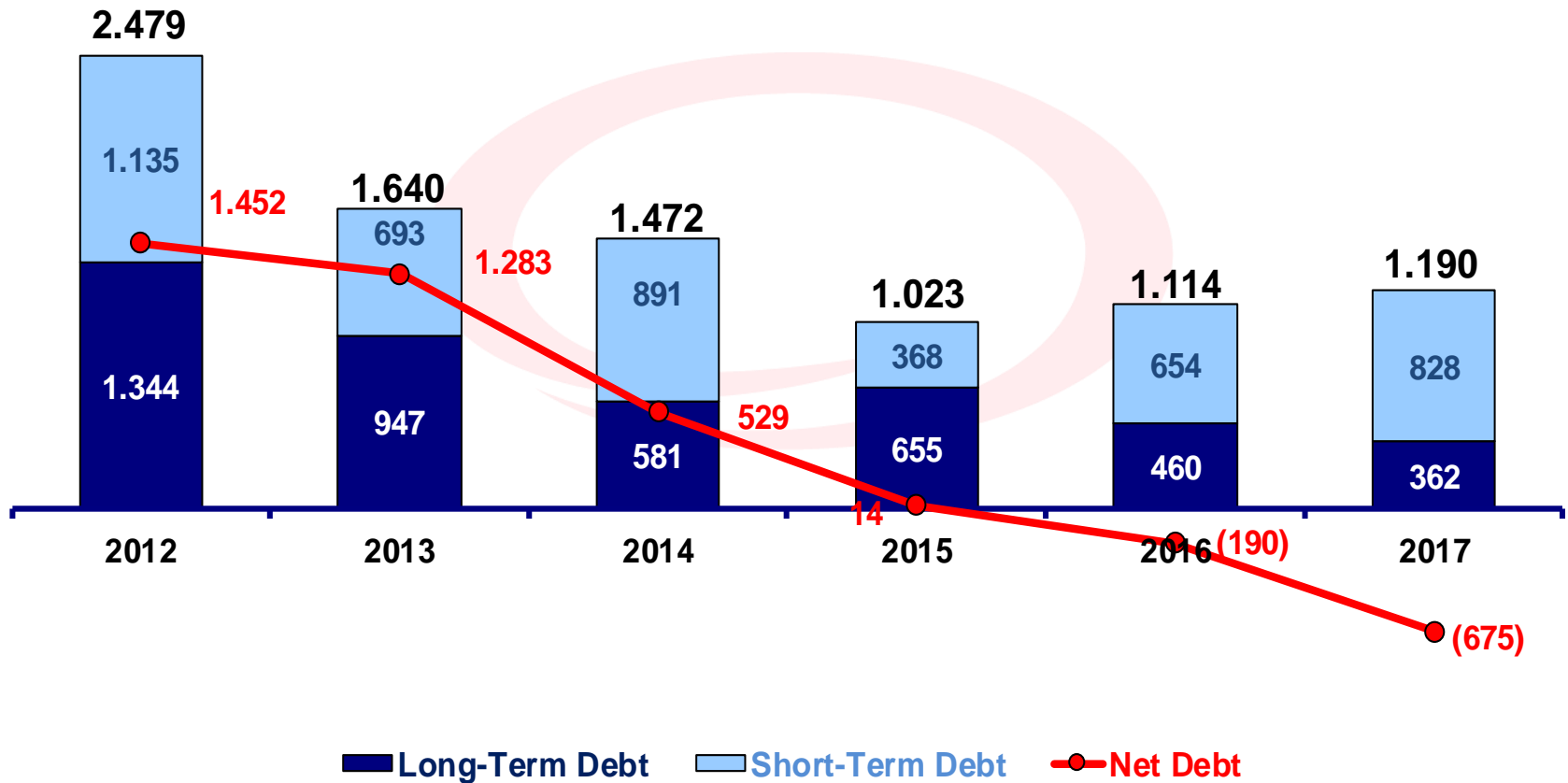


## WORKING CAPITAL (MILLION USD)



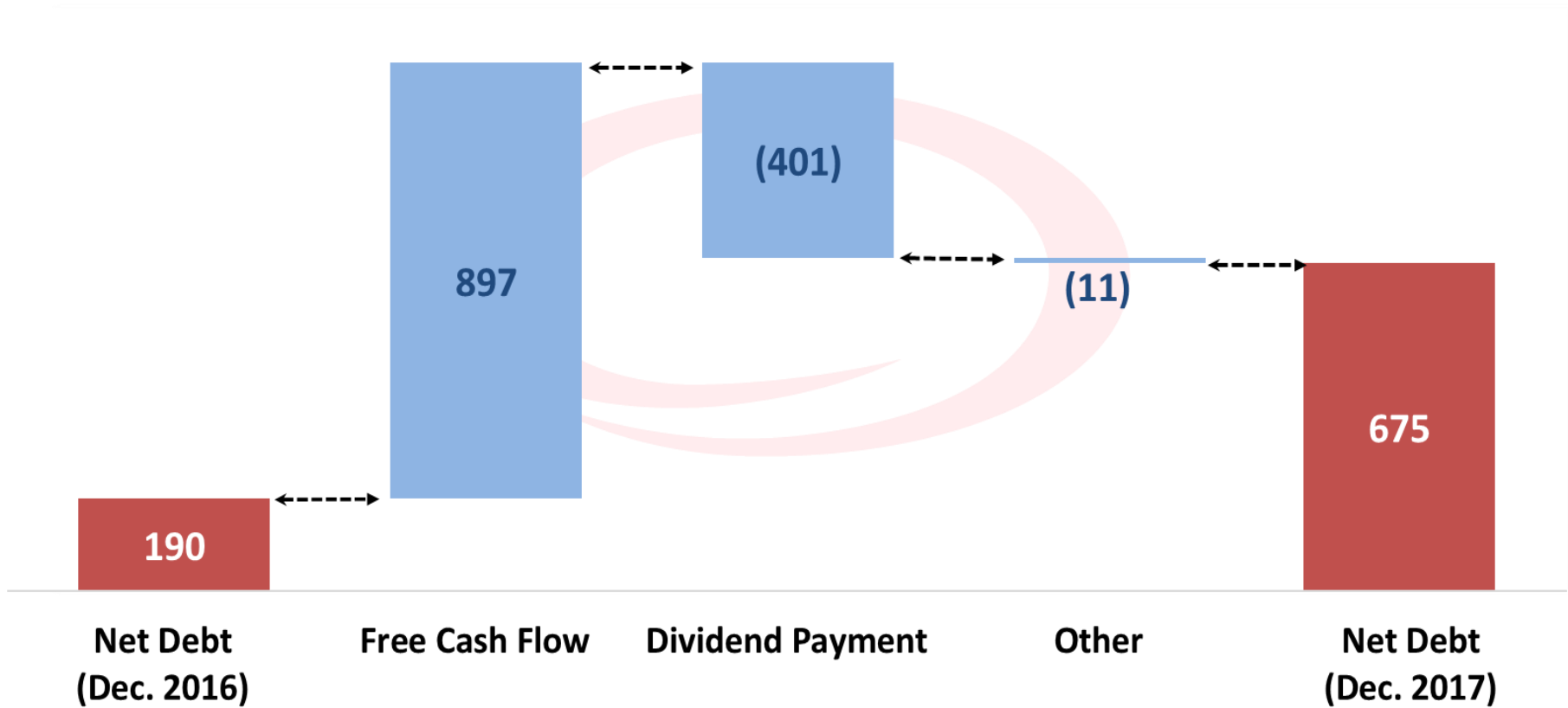
# Despite the high dividend payments, there is no net debt

## BORROWINGS (MILLION USD)



There was 675 million USD Net Cash at the end of 2017

NET DEBT (MILLION USD)

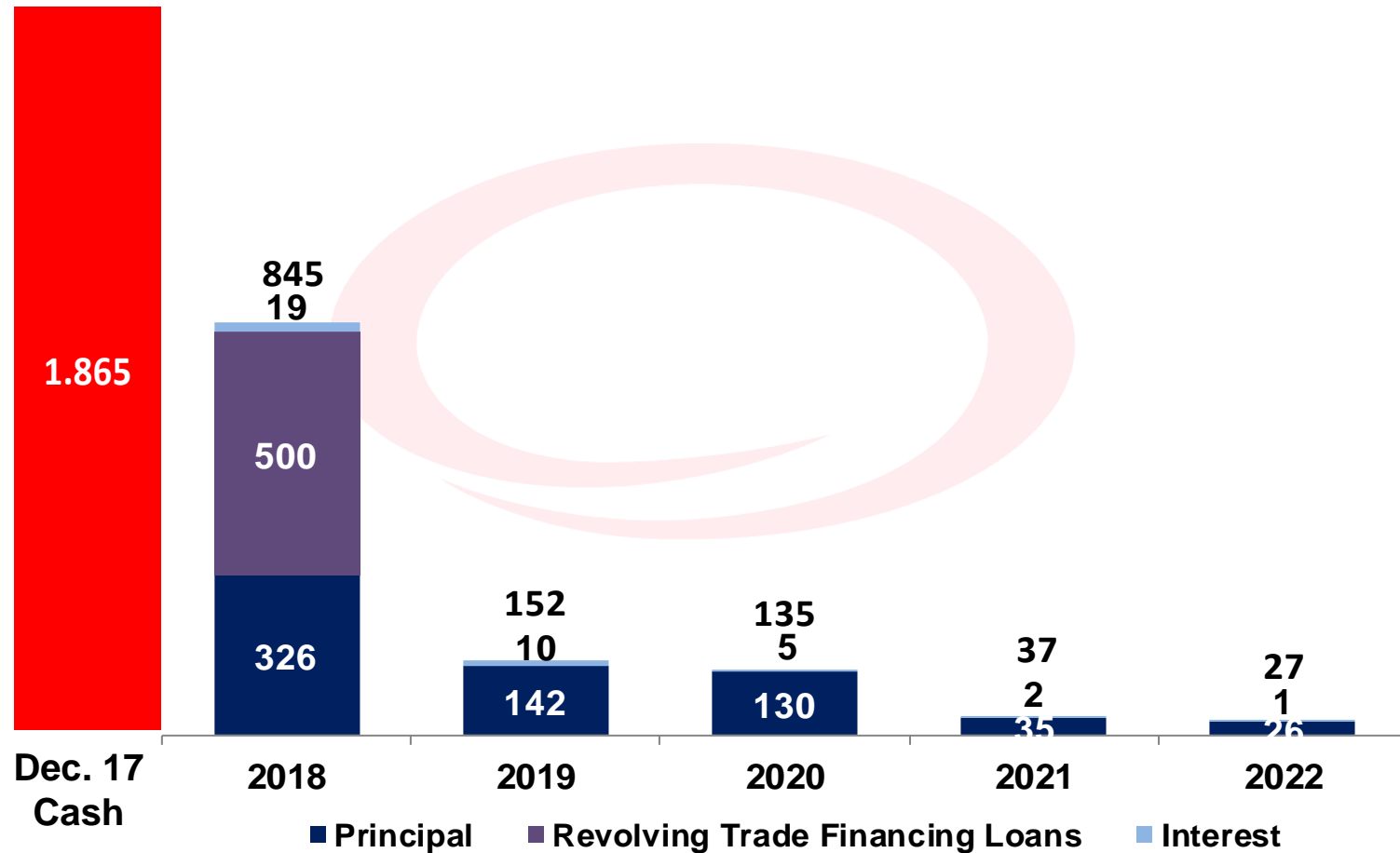




# Erdemir has 1.865 million USD cash and cash equivalents at the end of 2017

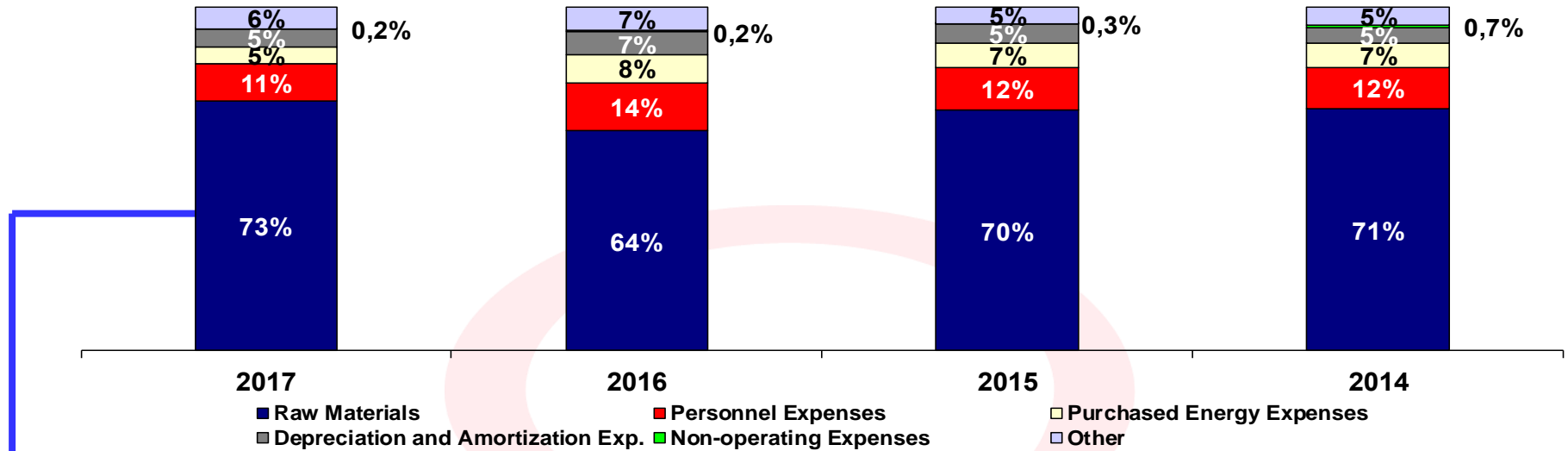


## BORROWINGS MATURITY PROFILE (MILLION USD)

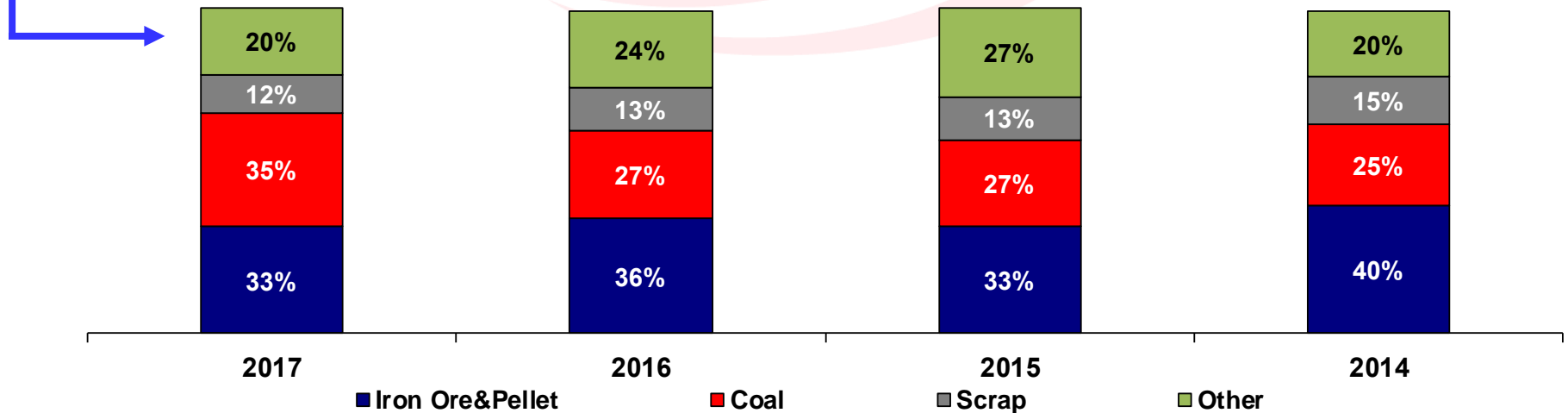


# Raw materials made up 73% of the cost of sales

## COST OF SALES BREAKDOWN\* - %

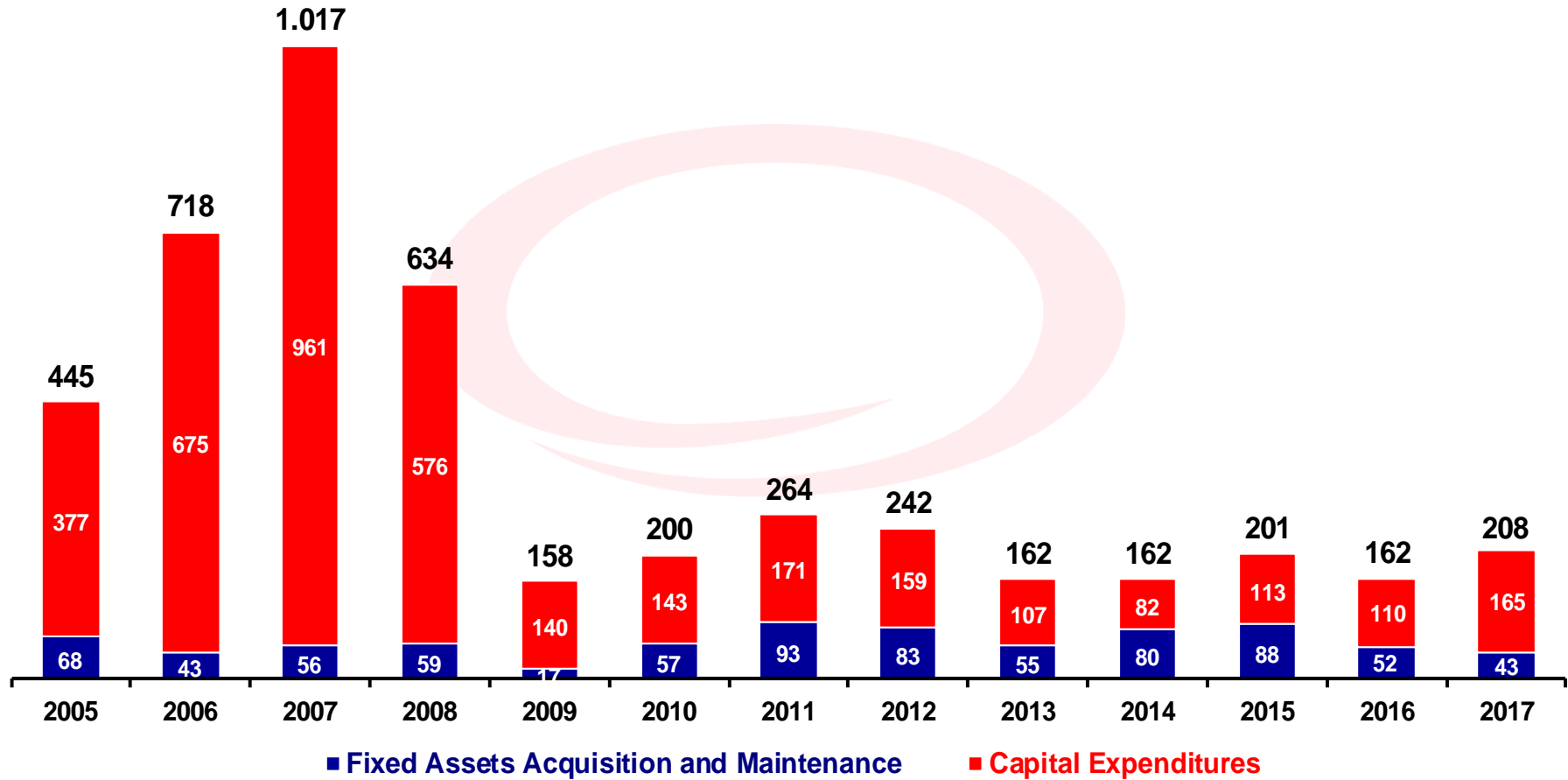


## RAW MATERIALS BREAKDOWN - %



# Capital expenditures was 208 million USD in 2017

( M USD )



Number of employees was 11.975 as of December 2017

### NUMBER OF EMPLOYEES

