



MINING METALLURGY
GROUP



2018 3 Months Consolidated Results

26 April 2018



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- > **2018 Market Overview**
- > **2018 3M Results**



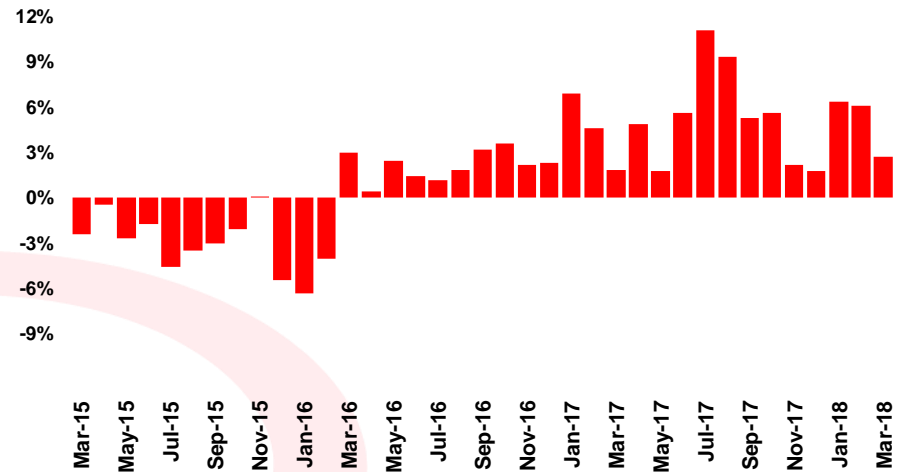
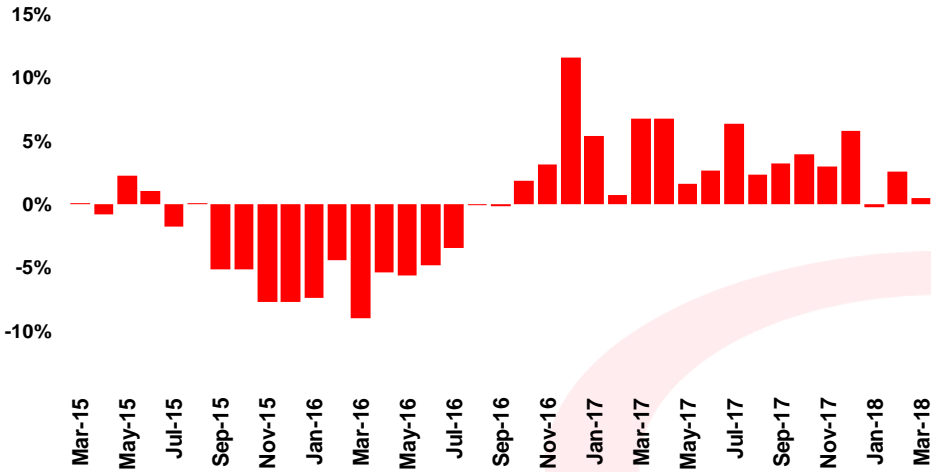
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Crude steel production of China increased by 3% in March YoY

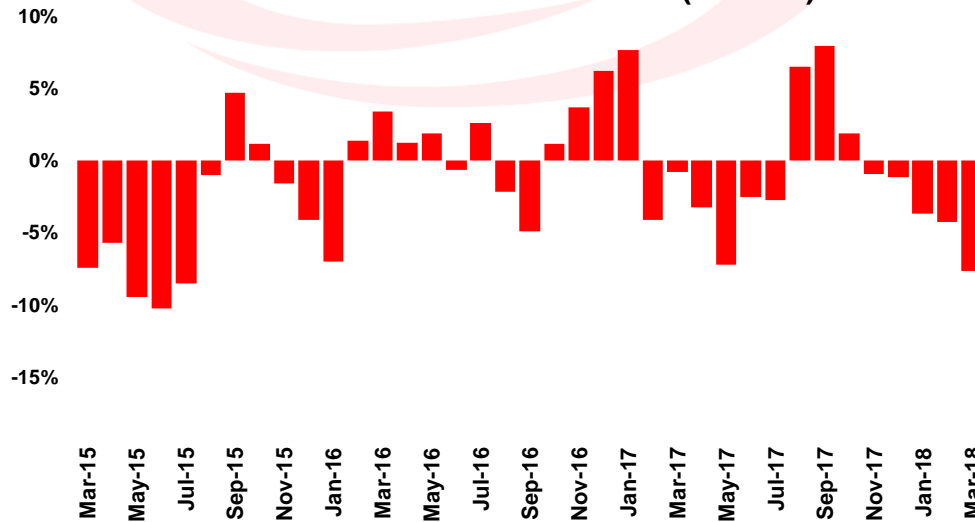


EU28 CRUDE STEEL PRODUCTION (YoY %)

CHINA CRUDE STEEL PRODUCTION (YoY %)

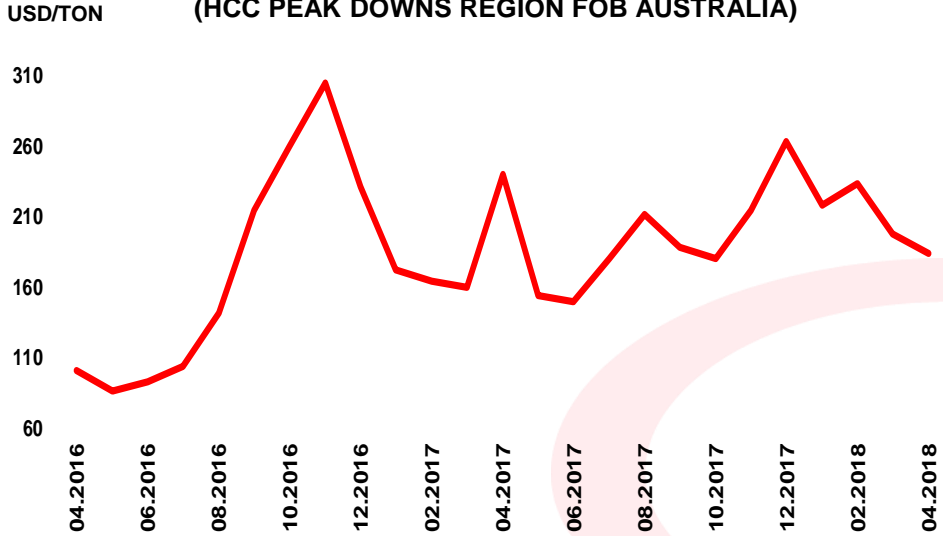


CIS CRUDE STEEL PRODUCTION (YoY %)

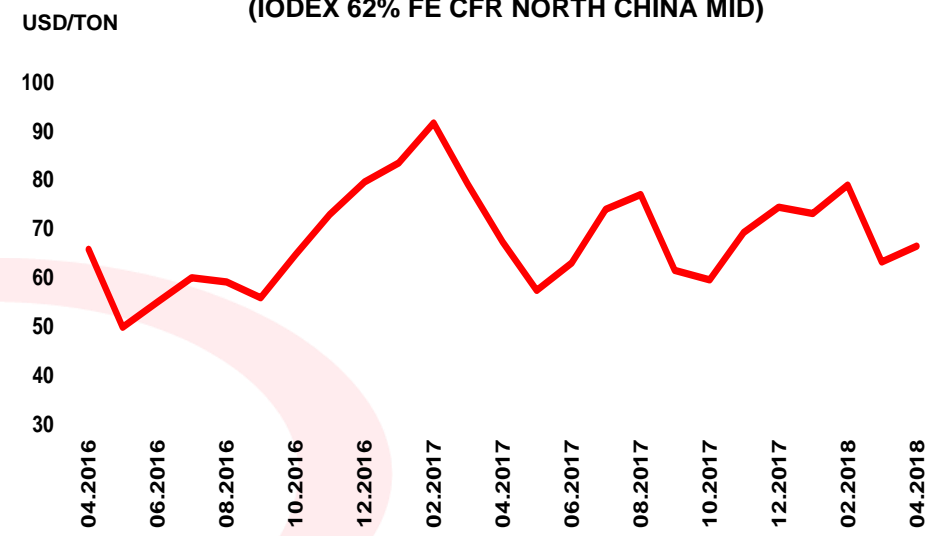


Iron ore price was 66 USD/ton in April 2018

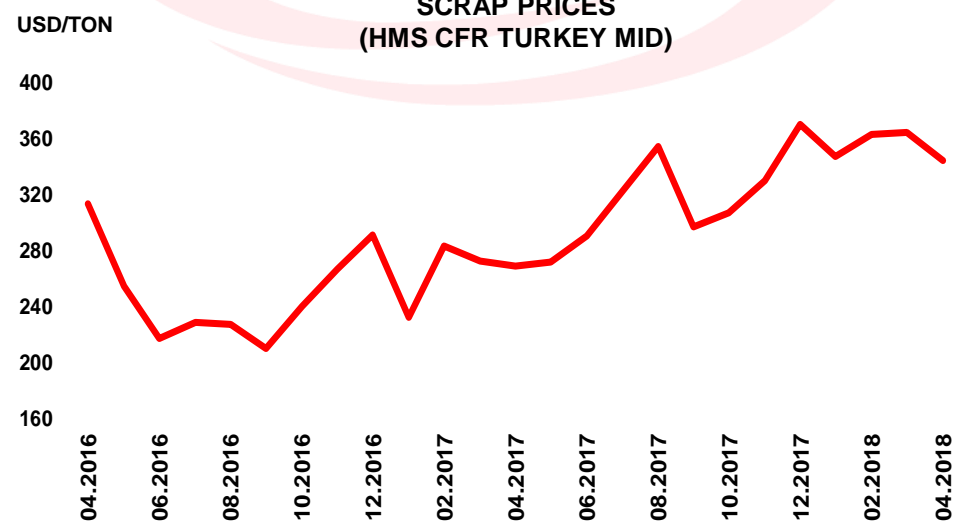
COKING COAL PRICES
(HCC PEAK DOWNS REGION FOB AUSTRALIA)



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



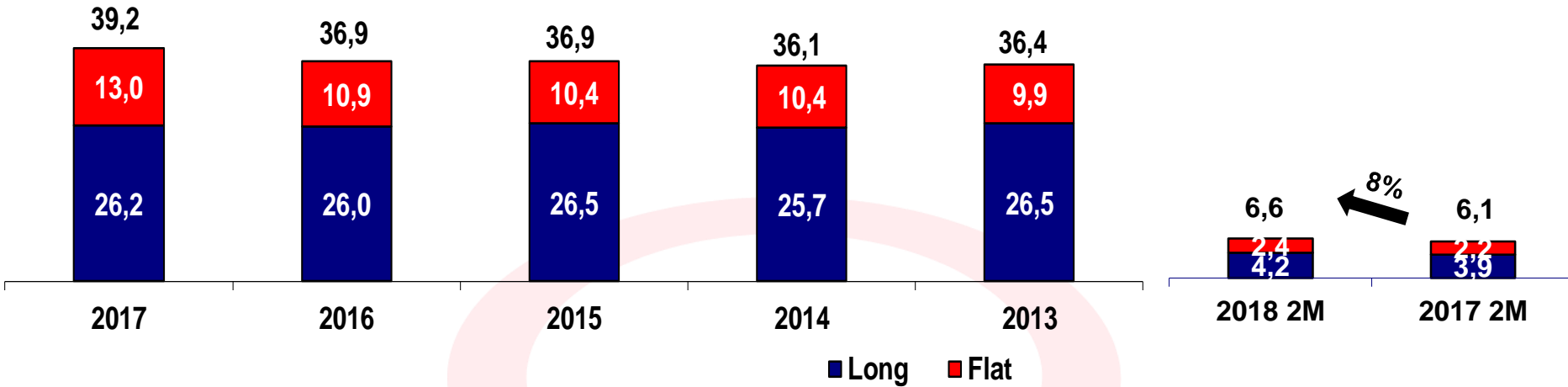
SCRAP PRICES
(HMS CFR TURKEY MID)



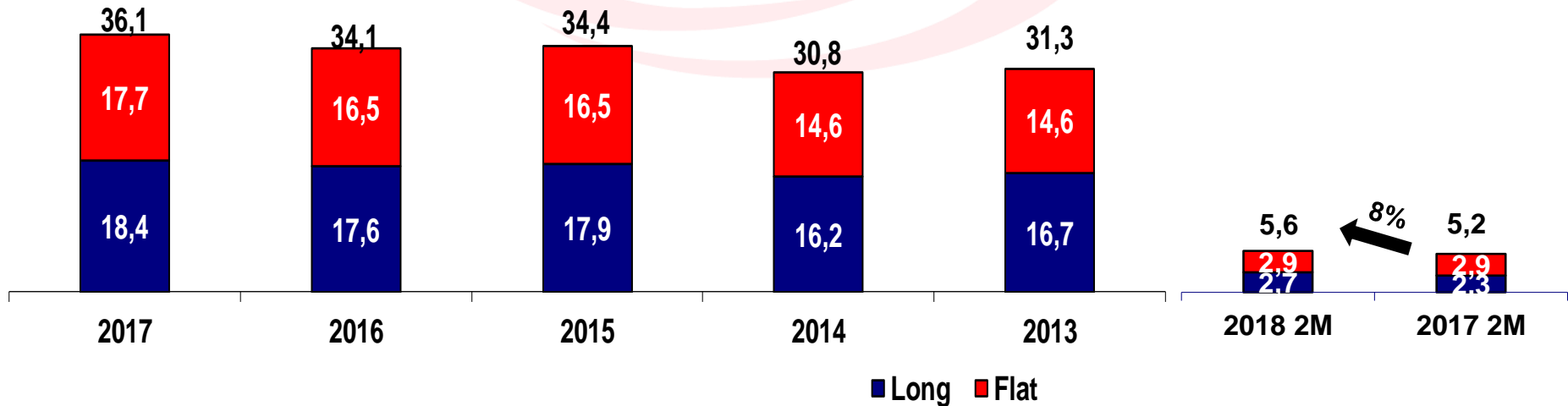
Turkish steel production and consumption increased by 8% in 2018 2M YoY



PRODUCTION (MILLION TONS)



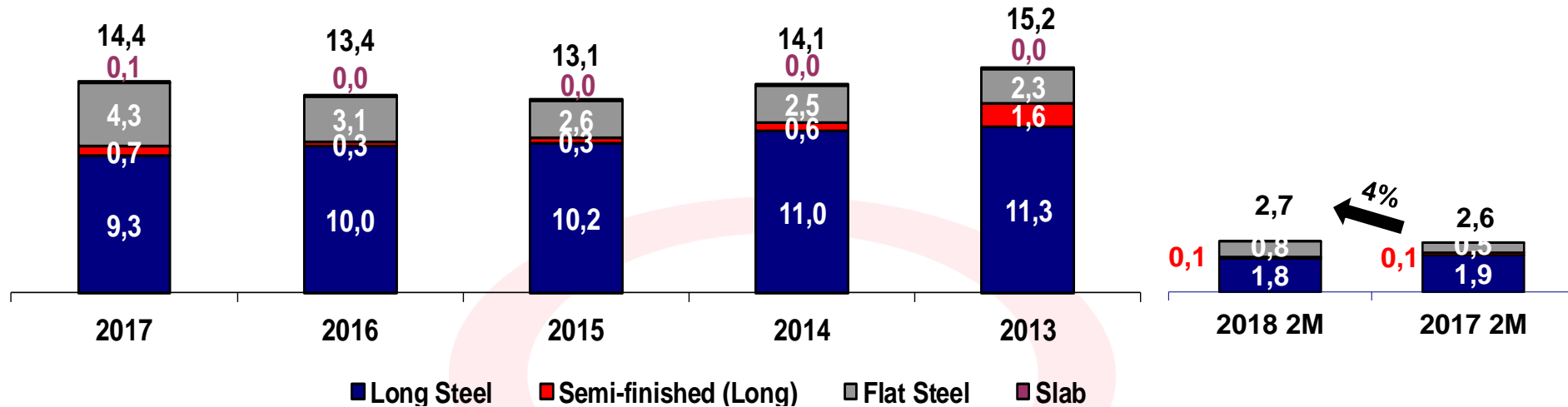
CONSUMPTION (MILLION TONS)



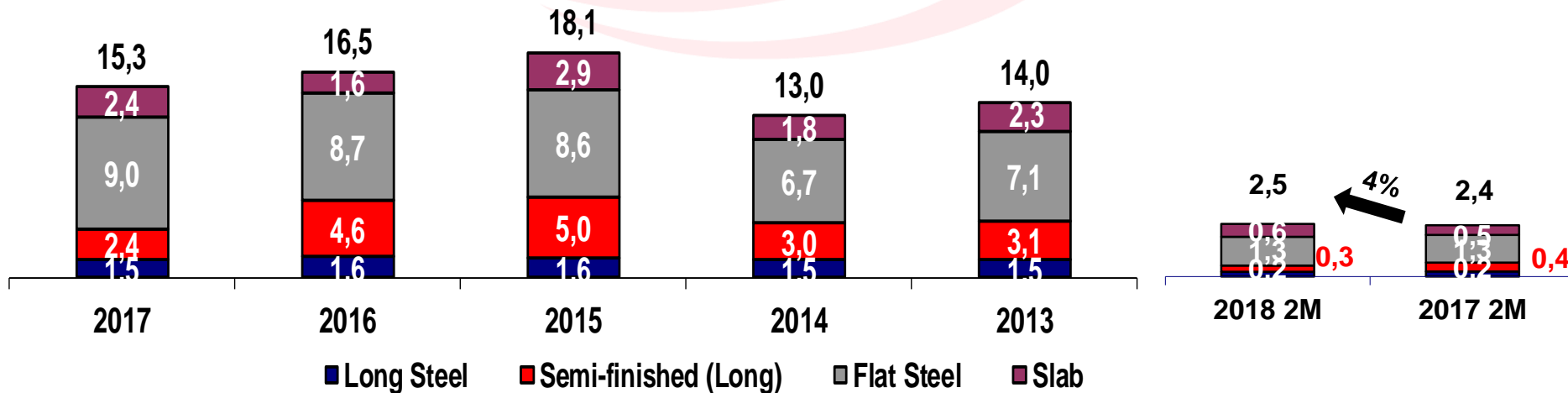
Turkish iron and steel product exports and imports increased by 4% in 2018 2M YoY



IRON AND STEEL PRODUCT EXPORTS (MILLION TONS)



IRON AND STEEL PRODUCT IMPORTS (MILLION TONS)





- > 2018 Market Overview
- > **2018 3M Results**



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OYAK MINING AND METALLURGY GROUP KEY FIGURES

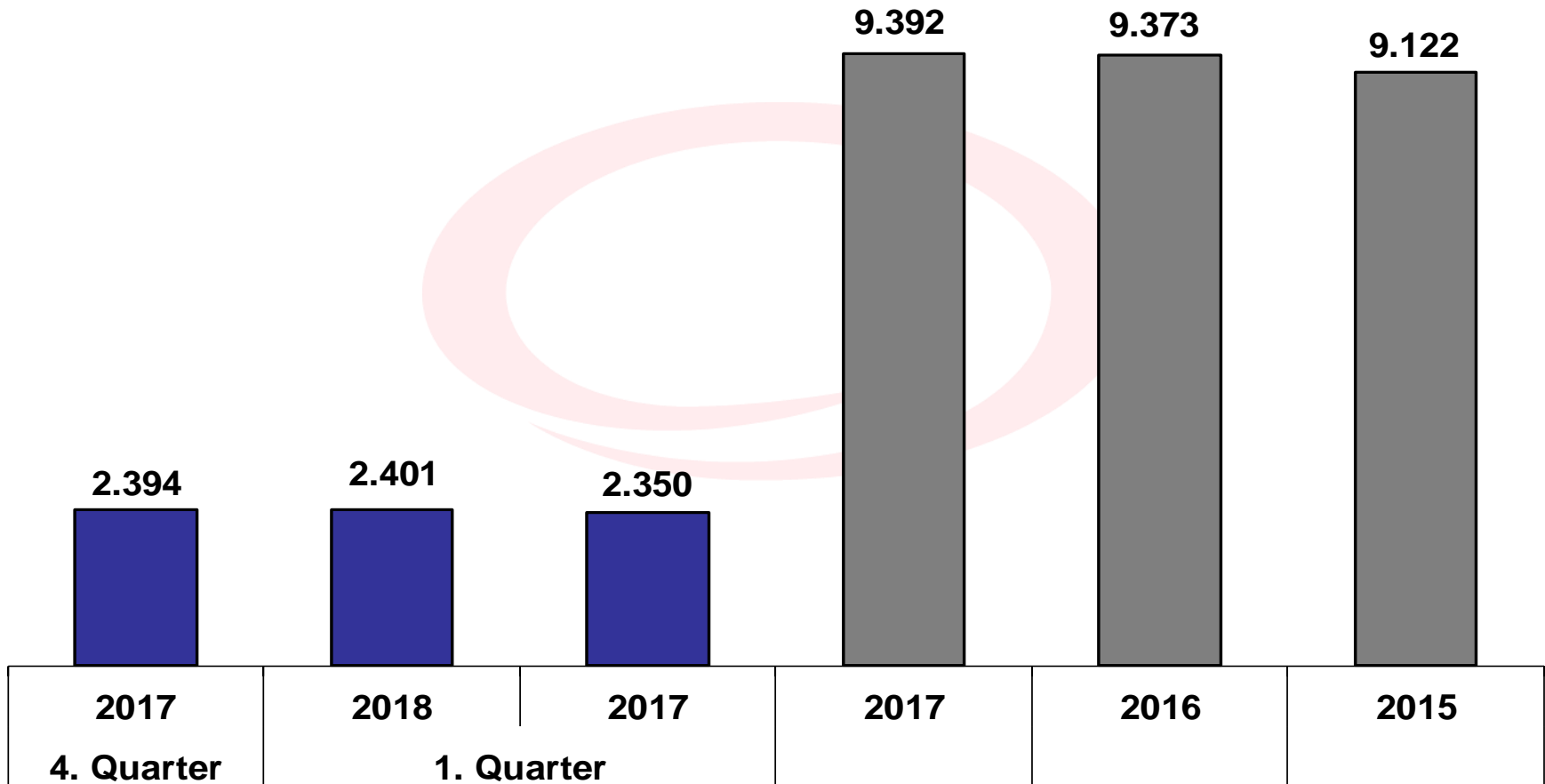
		2018 3M	2017 3M	2016	2015
Liquid Steel Production	<i>(000 Tons)</i>	↑ 2.401	2.350	9.392	9.373
Flat Steel Production ^(*)	<i>(000 Tons)</i>	↑ 1.959	1.917	7.713	7.072
Long Steel Production	<i>(000 Tons)</i>	↓ 251	298	1.328	1.572
Flat Steel Shipments	<i>(000 Tons)</i>	↑ 1.937	1.774	7.594	7.163
Long Steel Shipments	<i>(000 Tons)</i>	↓ 249	300	1.364	1.587
Net Sales Revenue	<i>(M. USD)</i>	↑ 1.422	1.142	5.115	3.855
EBITDA	<i>(M. USD)</i>	↑ 438	359	1.496	895
Net Profit For The Year	<i>(M. USD)</i>	↑ 279	244	1.030	502

All figures are on IFRS consolidated basis unless stated otherwise.

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

Liquid steel production was 2,4 million tons in 1Q 2018

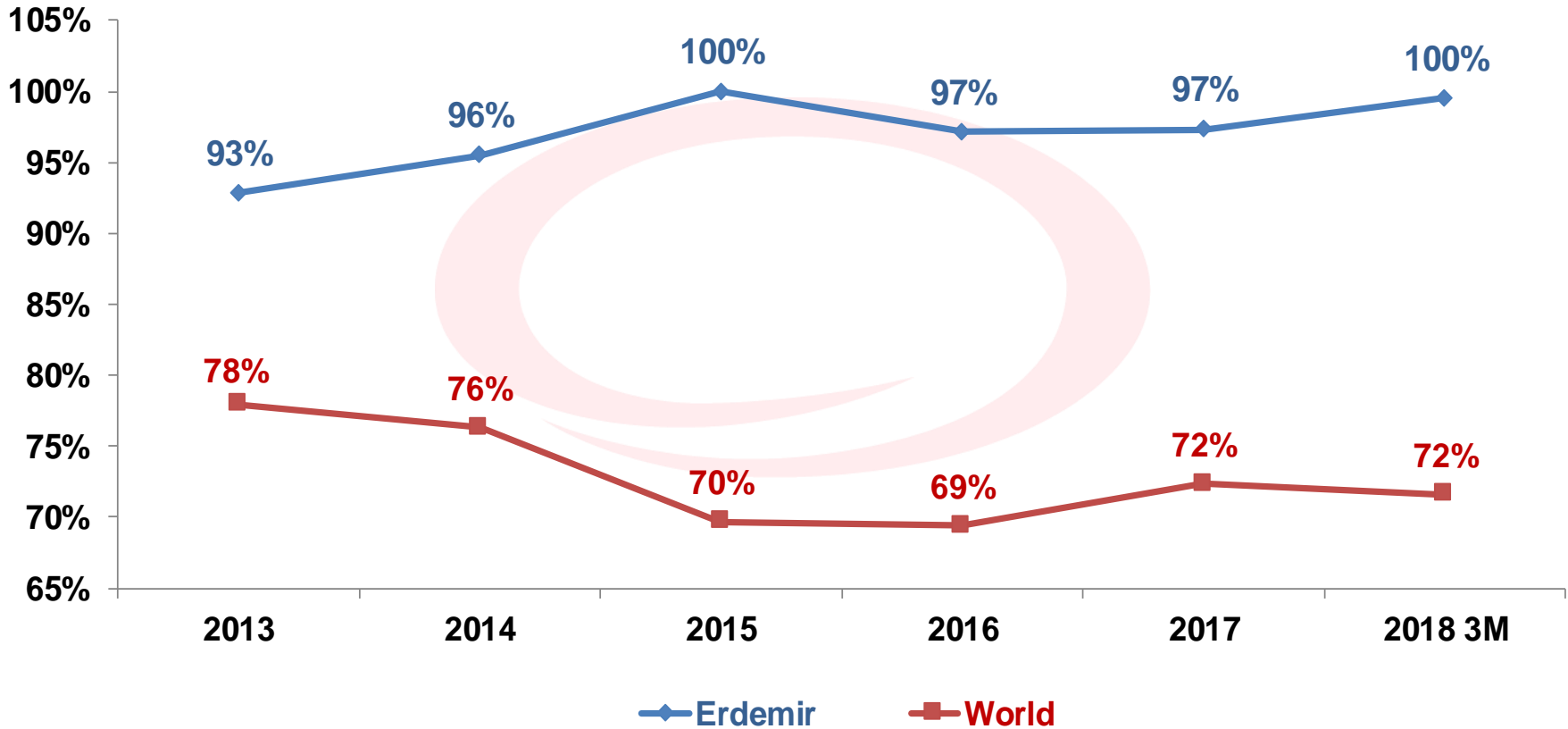
LIQUID STEEL PRODUCTION (000 TONS)



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

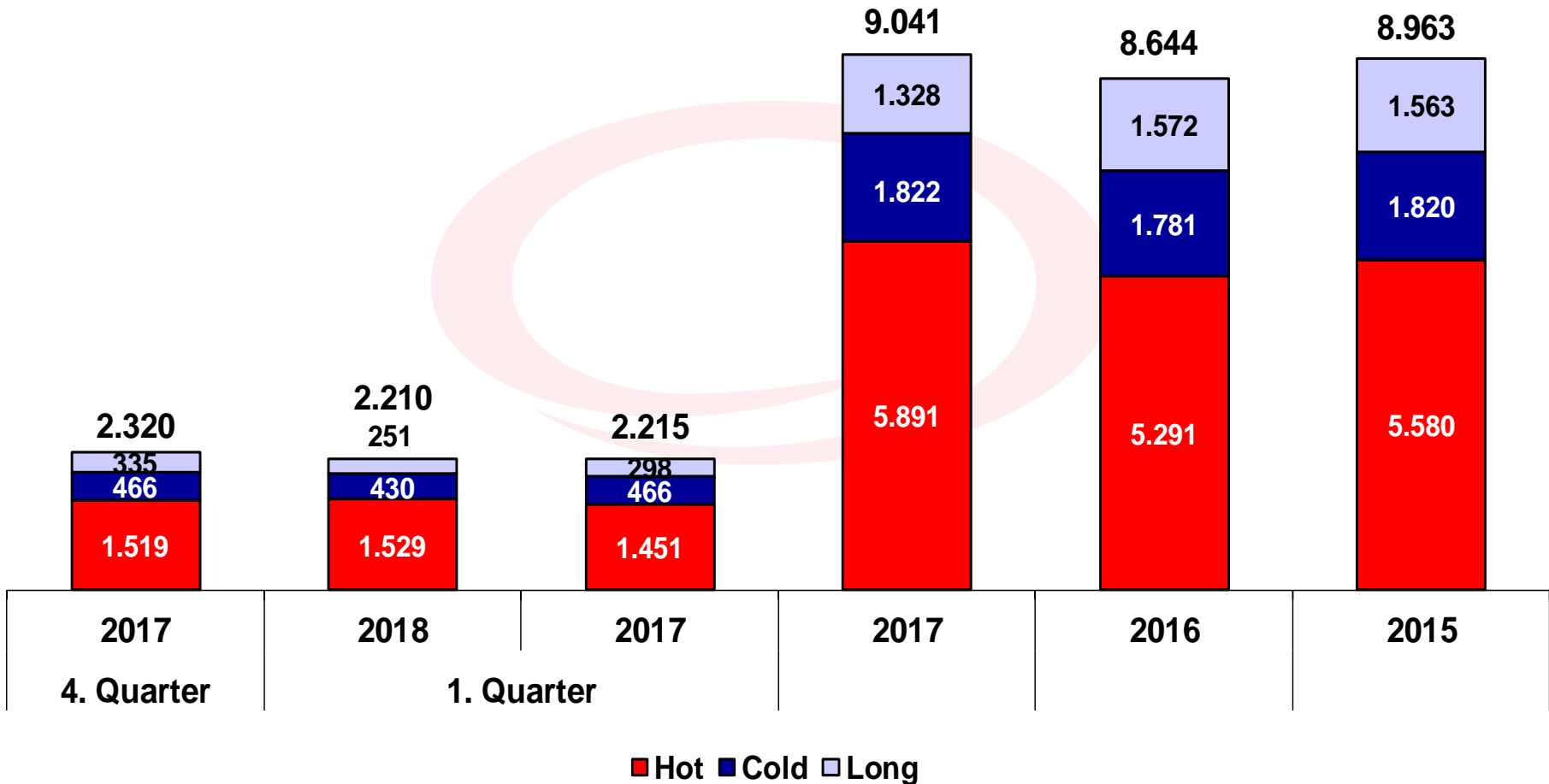


CRUDE STEEL CAPACITY UTILIZATION RATIO



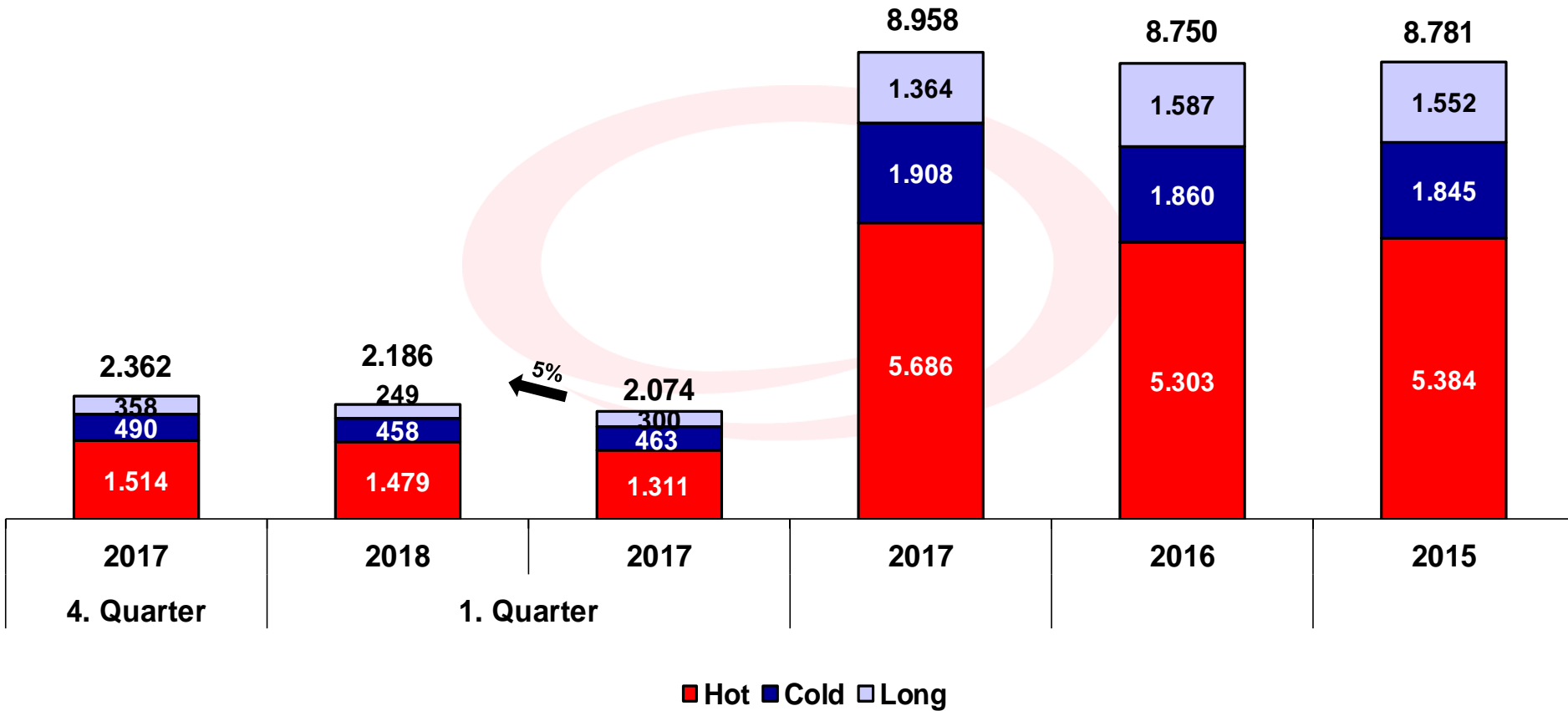
Production was 2,2 million tons in 1Q 2018

PRODUCTION VOLUMES (000 TONS)



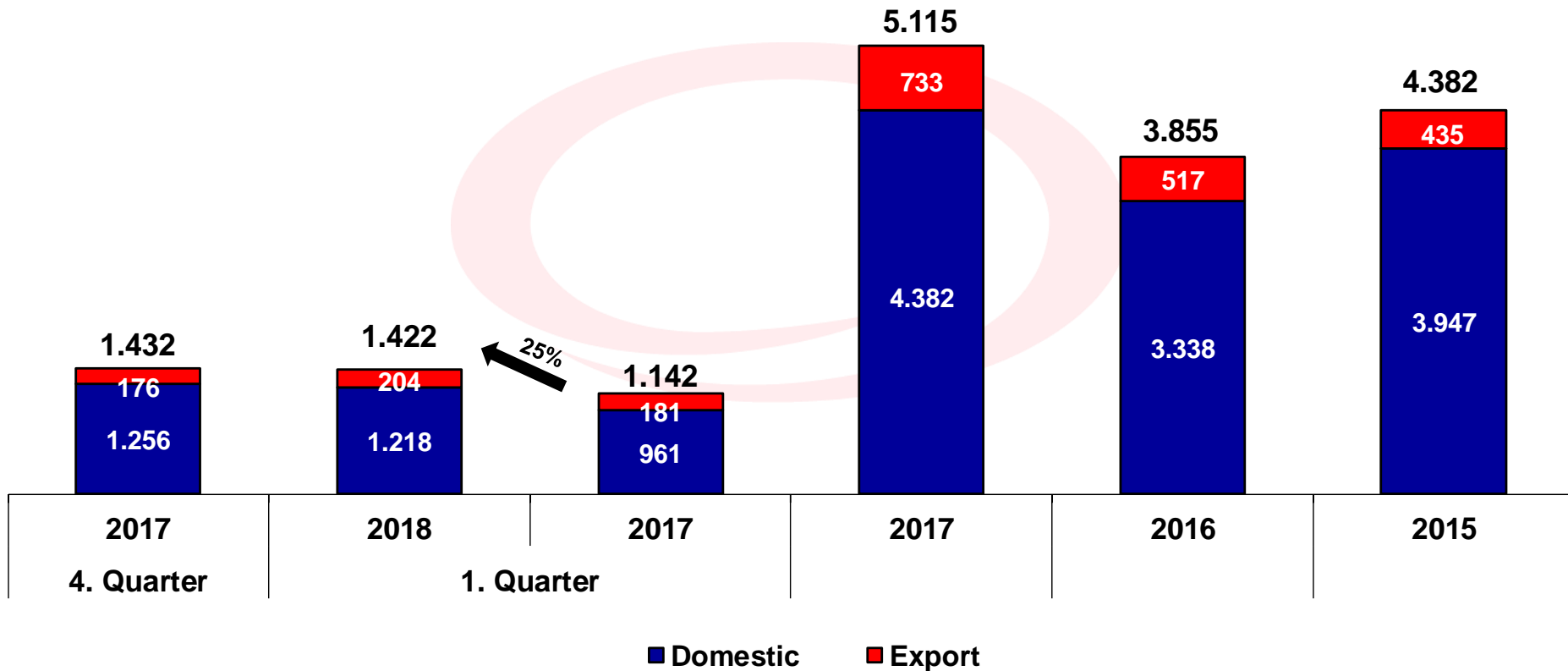
Sales volume was 2,2 million tons in 1Q 2018

SALES VOLUMES (000 TONS)



Net sales revenue increased by 25% in 1Q 2018 YoY

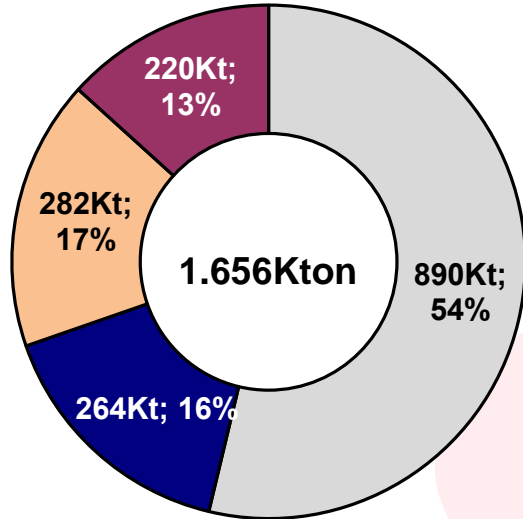
NET SALES REVENUE (MILLION USD)



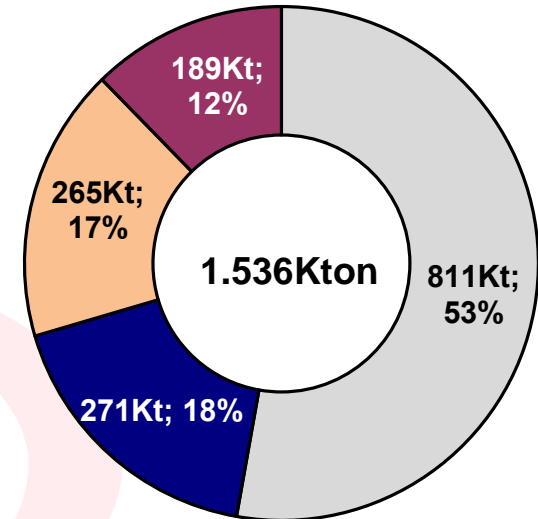
13% of flat steel sales are made to automotive sector in 1Q 2018



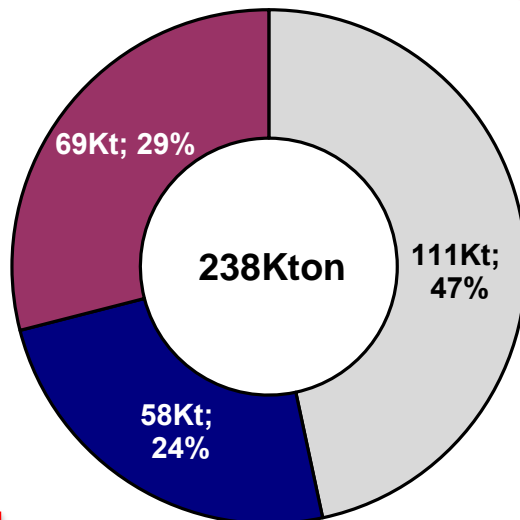
3M 2018 FLAT STEEL DOMESTIC SALES BREAKDOWN (%)



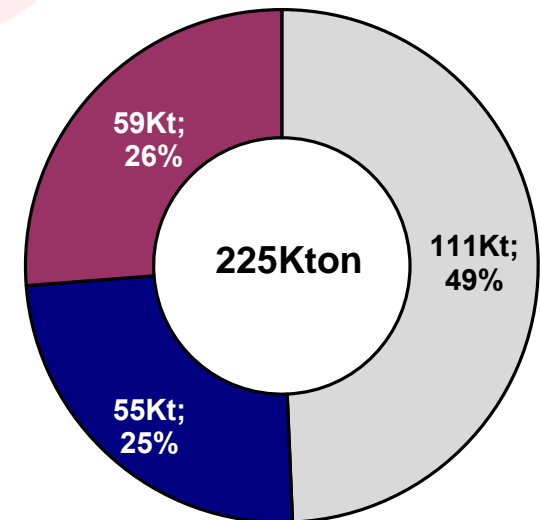
3M 2017 FLAT STEEL DOMESTIC SALES BREAKDOWN (%)



3M 2018 LONG STEEL DOMESTIC SALES BREAKDOWN (%)



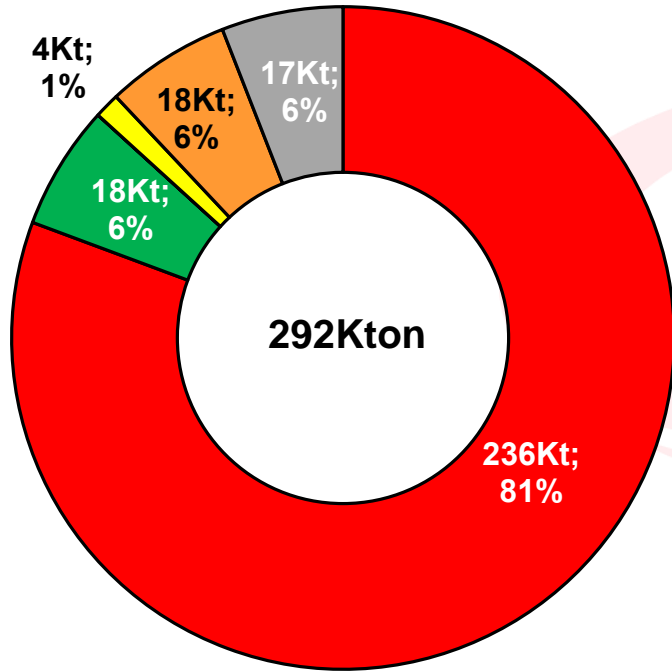
3M 2017 LONG STEEL DOMESTIC SALES BREAKDOWN (%)



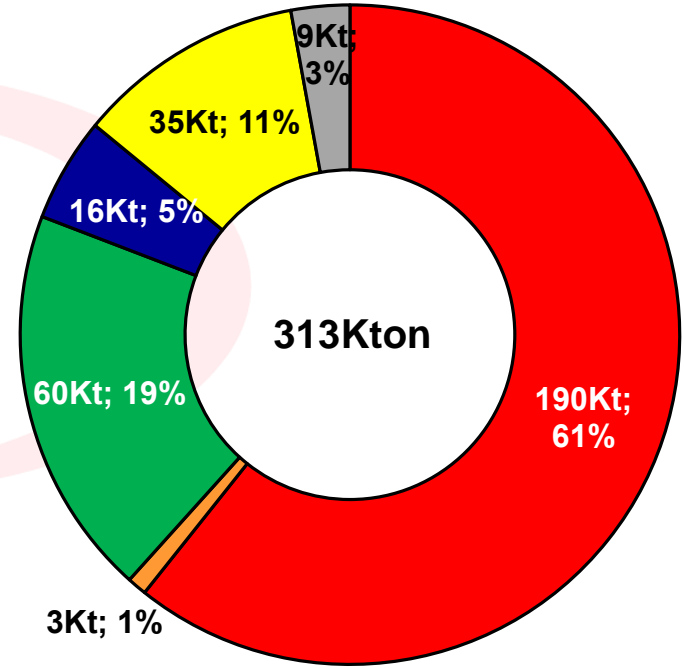
Main product sales to EU countries was 81% of our export in 1Q 2018



3M 2018 STEEL EXPORTS BREAKDOWN (%)



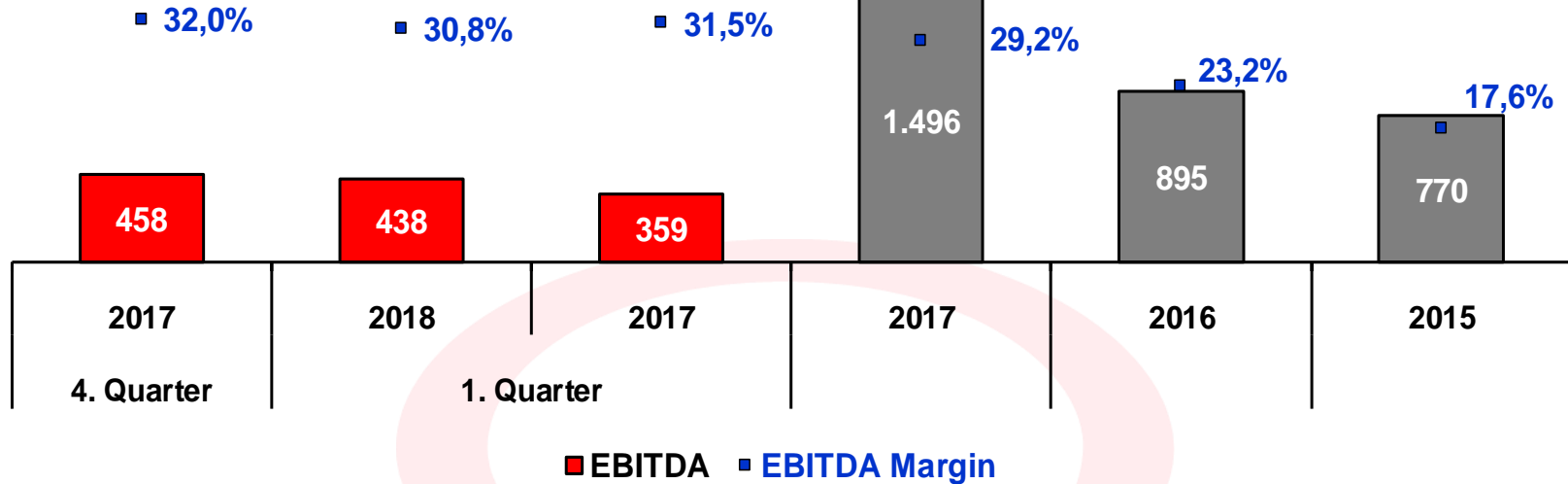
3M 2017 STEEL EXPORTS BREAKDOWN (%)



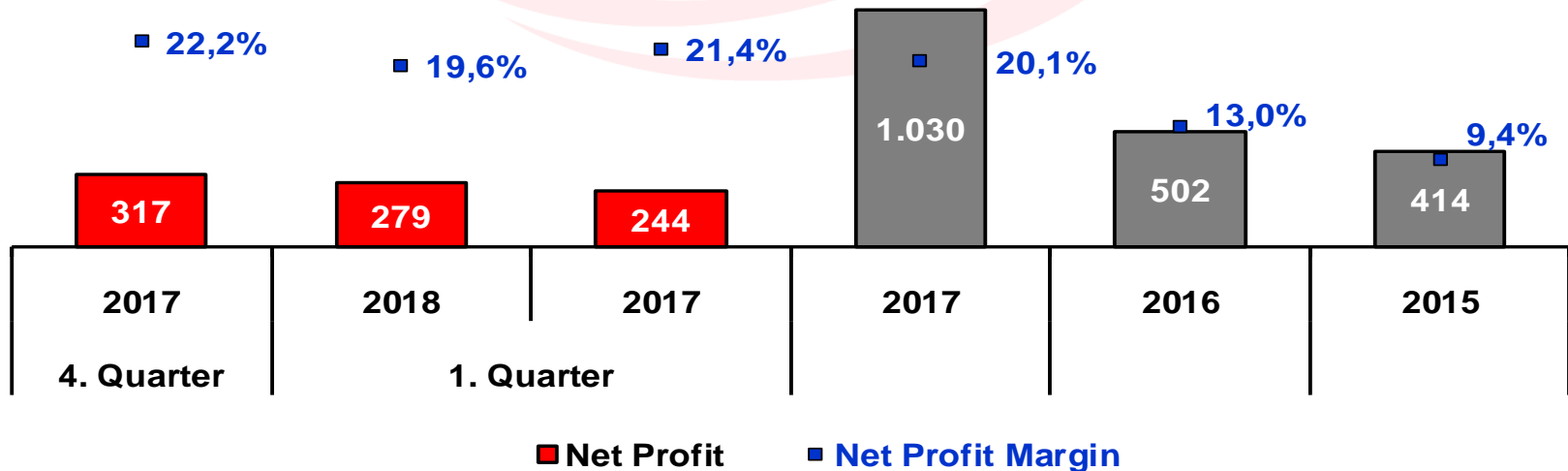
- EU
- MENA
- S. America
- N. Amerika
- Asia
- Other

EBITDA increased by 22% in 1Q 2018 YoY

EBITDA (MILLION USD)

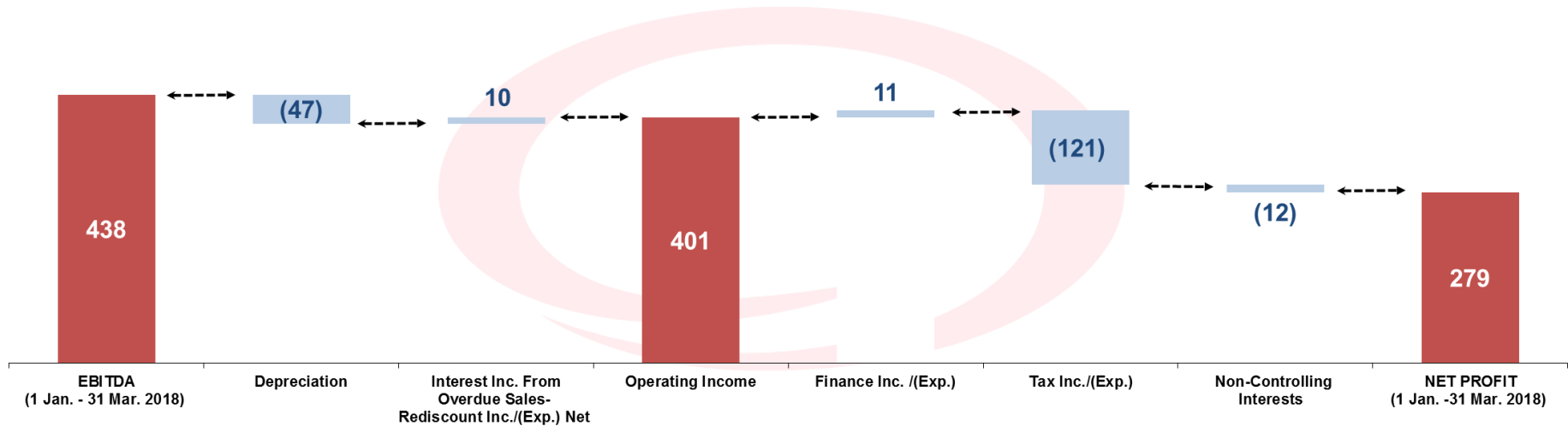


NET PROFIT (MILLION USD)



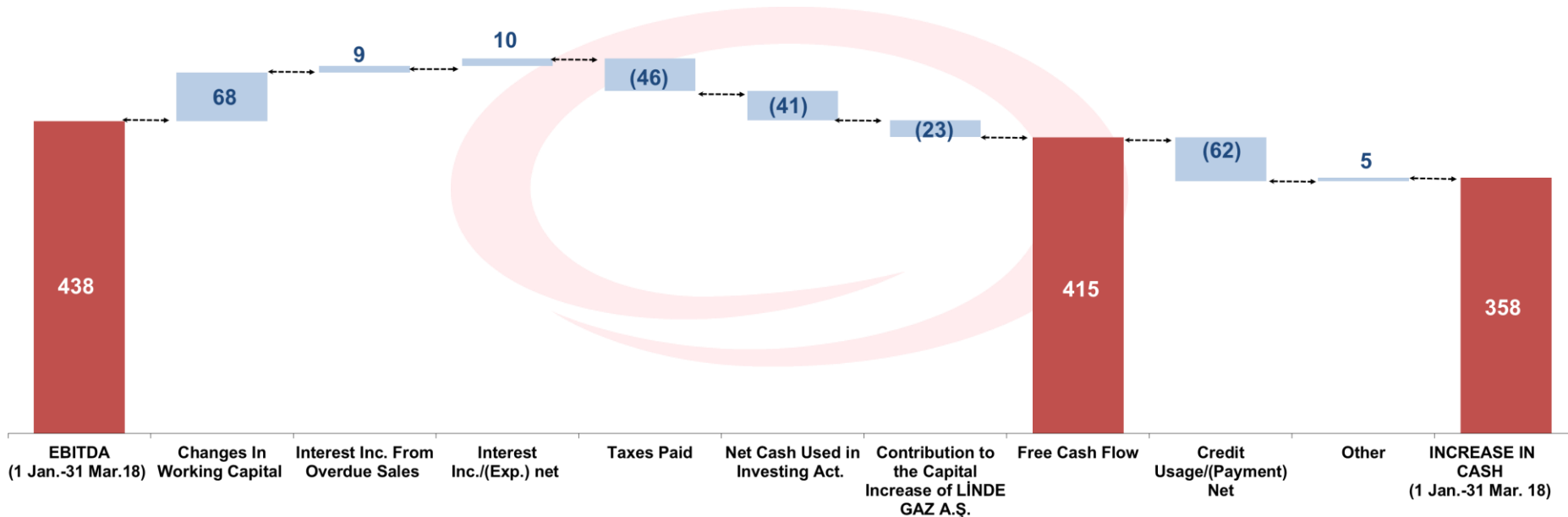
EBITDA was 438 million USD in 1Q 2018

Consolidated EBITDA => Consolidated Net Profit (Million USD)



EBITDA was 438 million USD in 1Q 2018

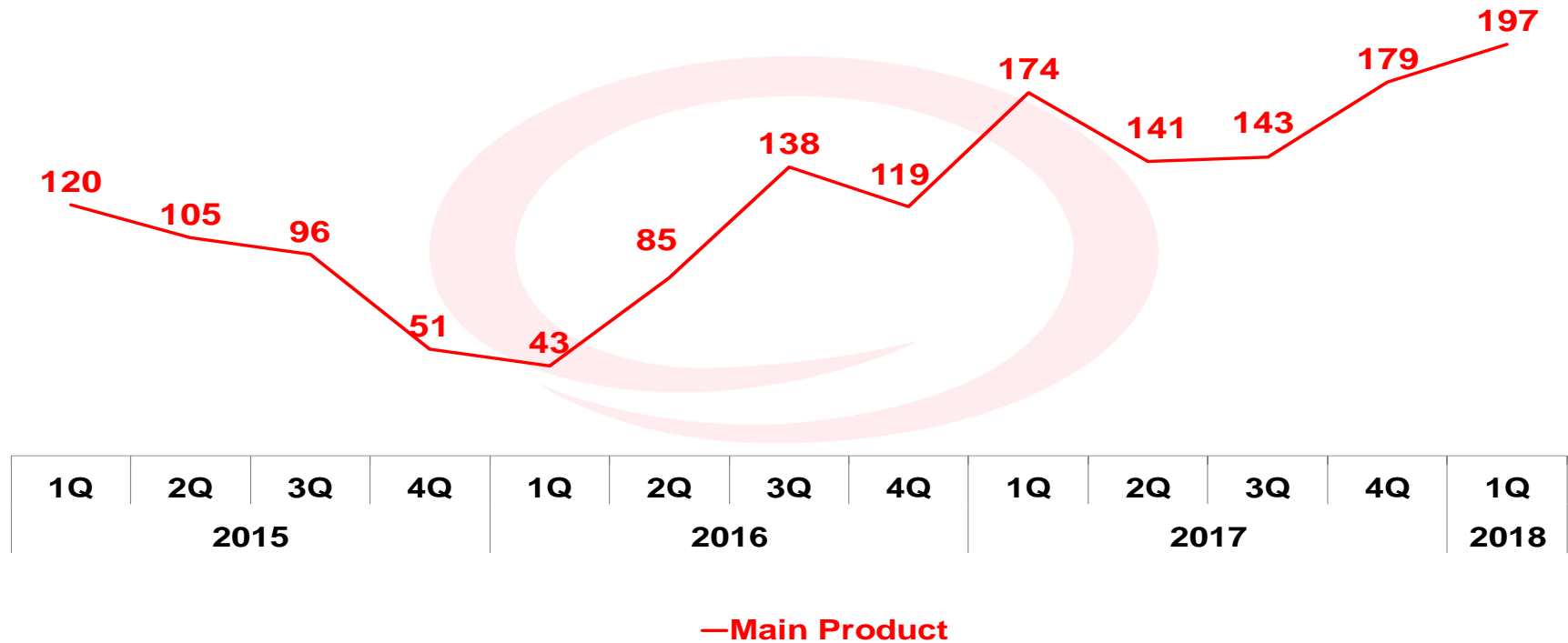
Consolidated EBITDA => Consolidated Net Cash (Million USD)



EBITDA per ton for main product was 197 USD/ton in 1Q 2018



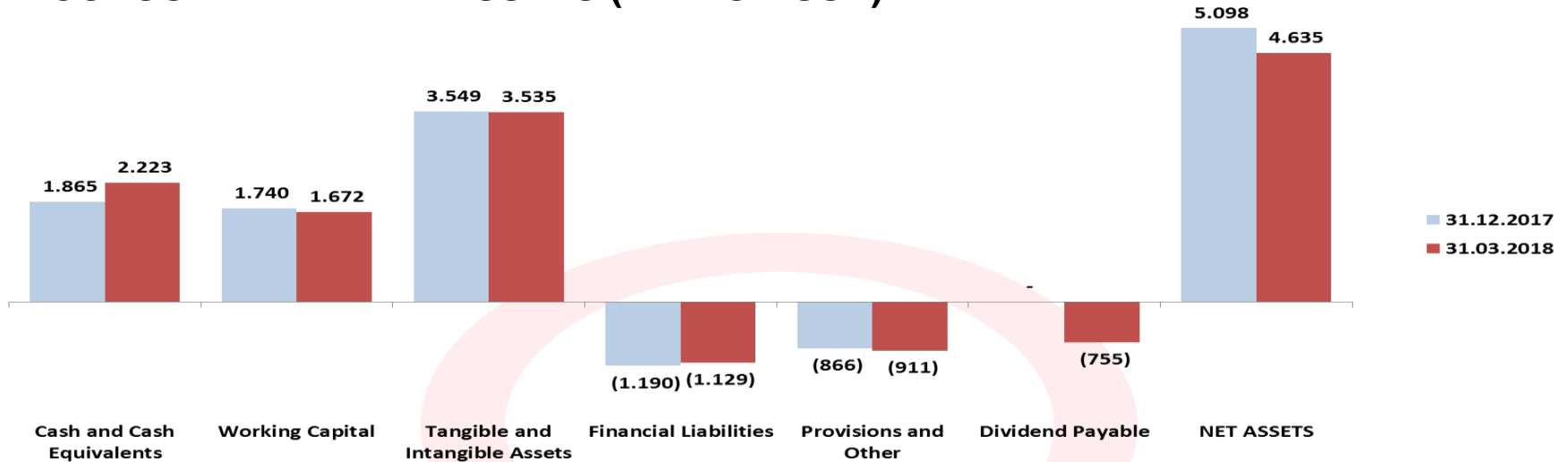
EBITDA PER TON (USD/TON) *



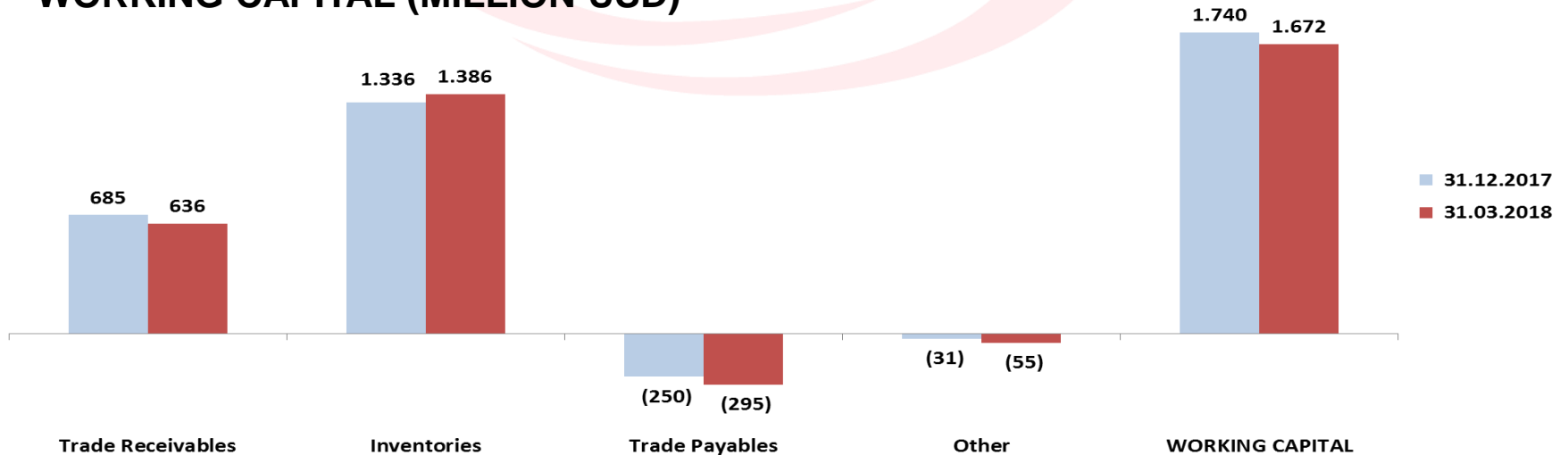
Consolidated net assets were 4,6 billion USD at the end of 1Q 2018



CONSOLIDATED NET ASSETS (MILLION USD)

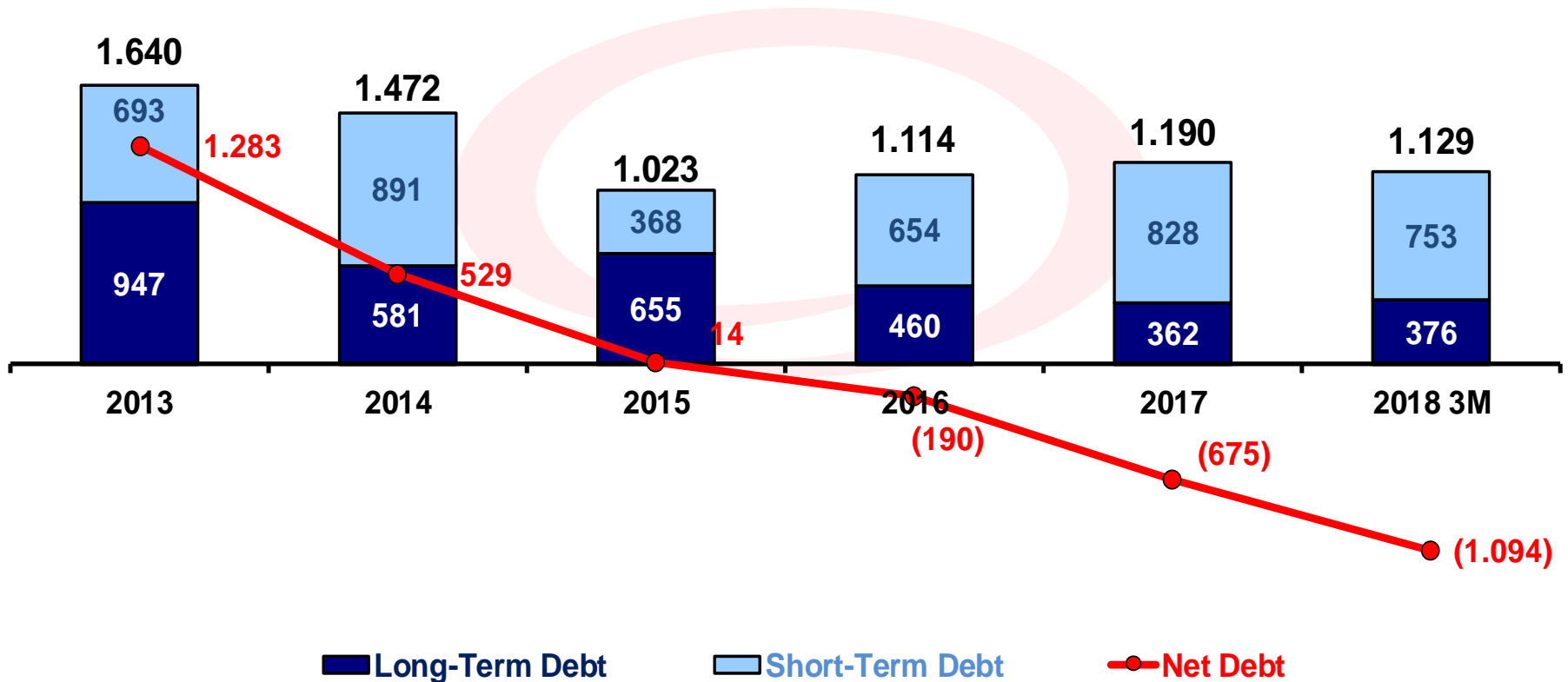


WORKING CAPITAL (MILLION USD)



Despite the high dividend payments, there is no net debt

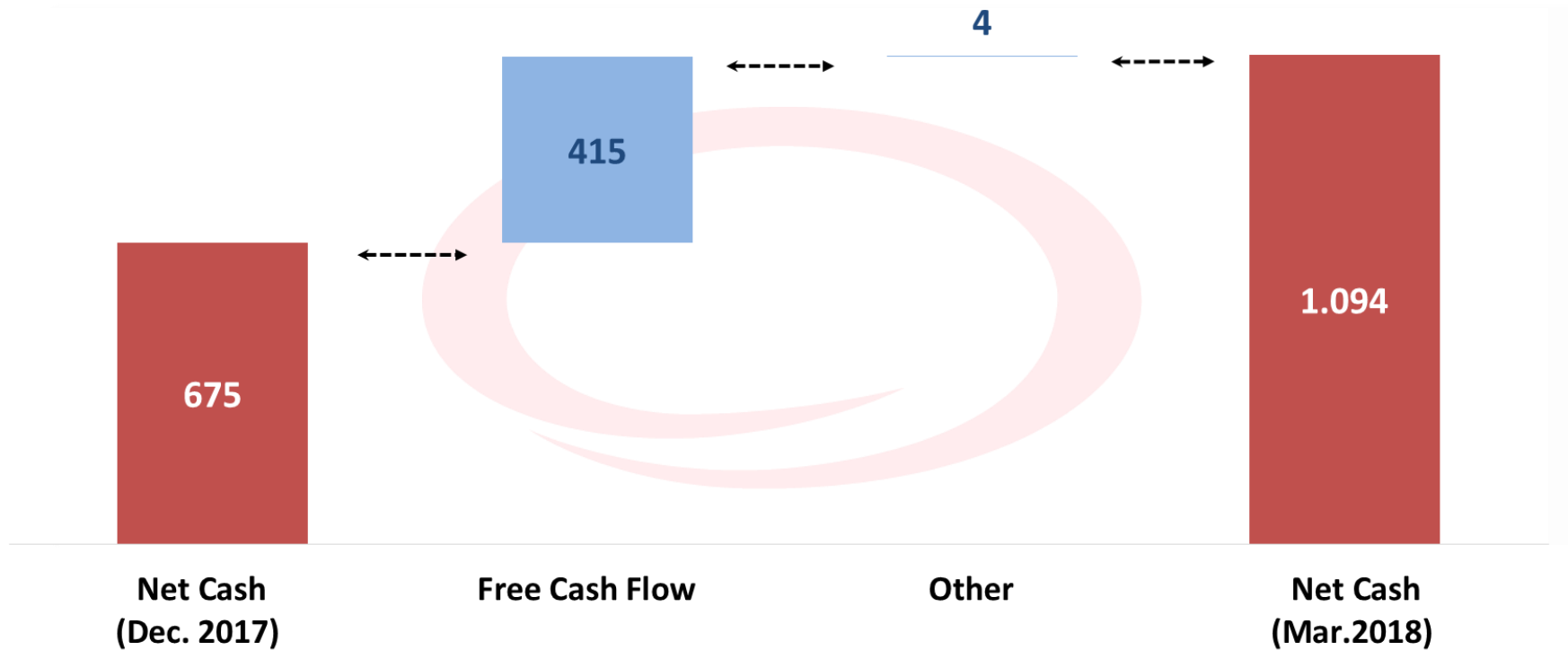
BORROWINGS (MILLION USD)



There was 1.094 million USD net cash at the end of 1Q 2018



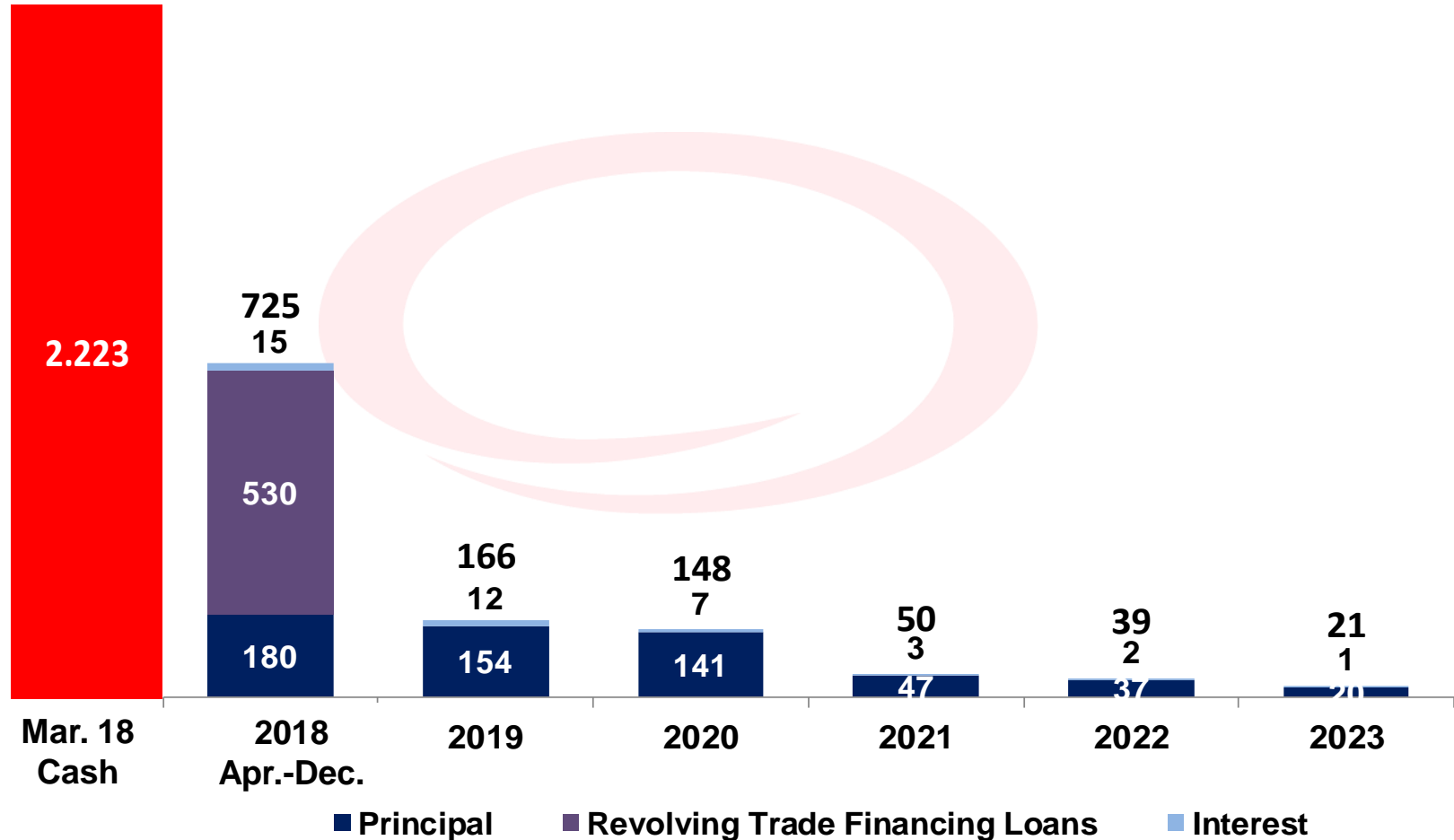
NET DEBT (MILLION USD)



Erdemir has 2.223 million USD cash and cash equivalents at the end of 1Q 2018

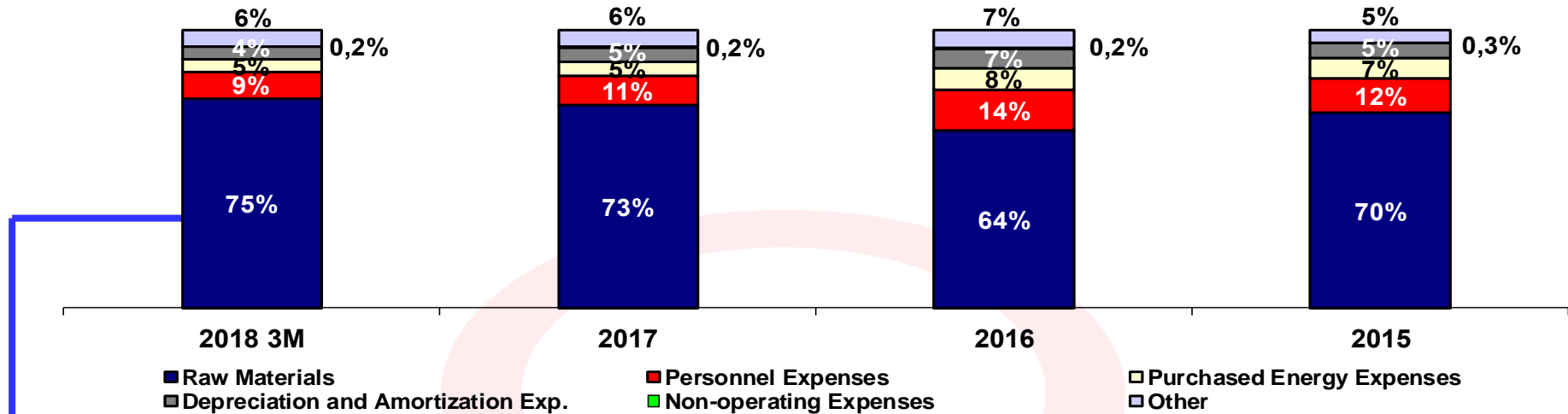


BORROWINGS MATURITY PROFILE (MILLION USD)

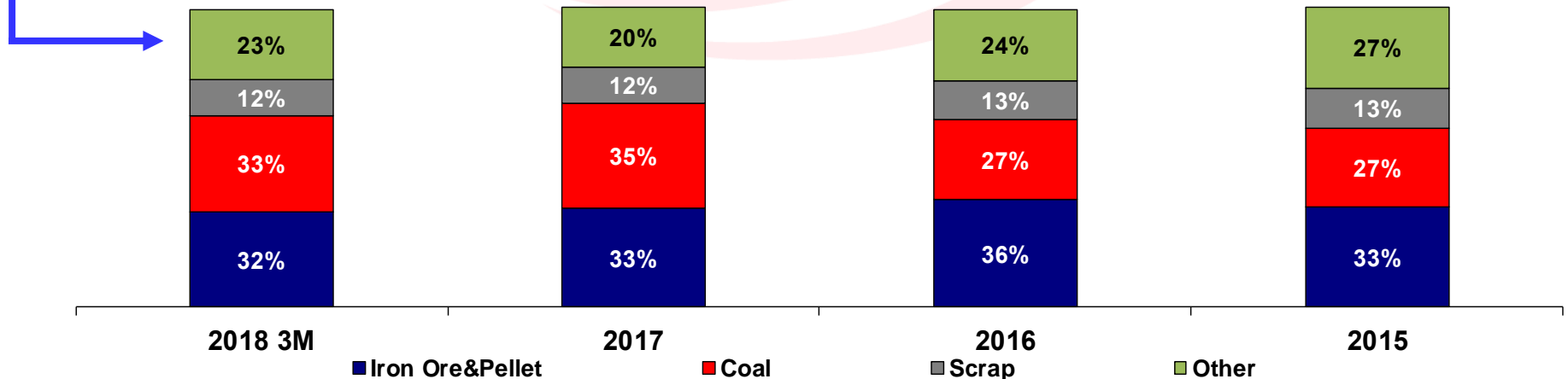


Raw materials made up 75% of the cost of sales

COST OF SALES BREAKDOWN* - %

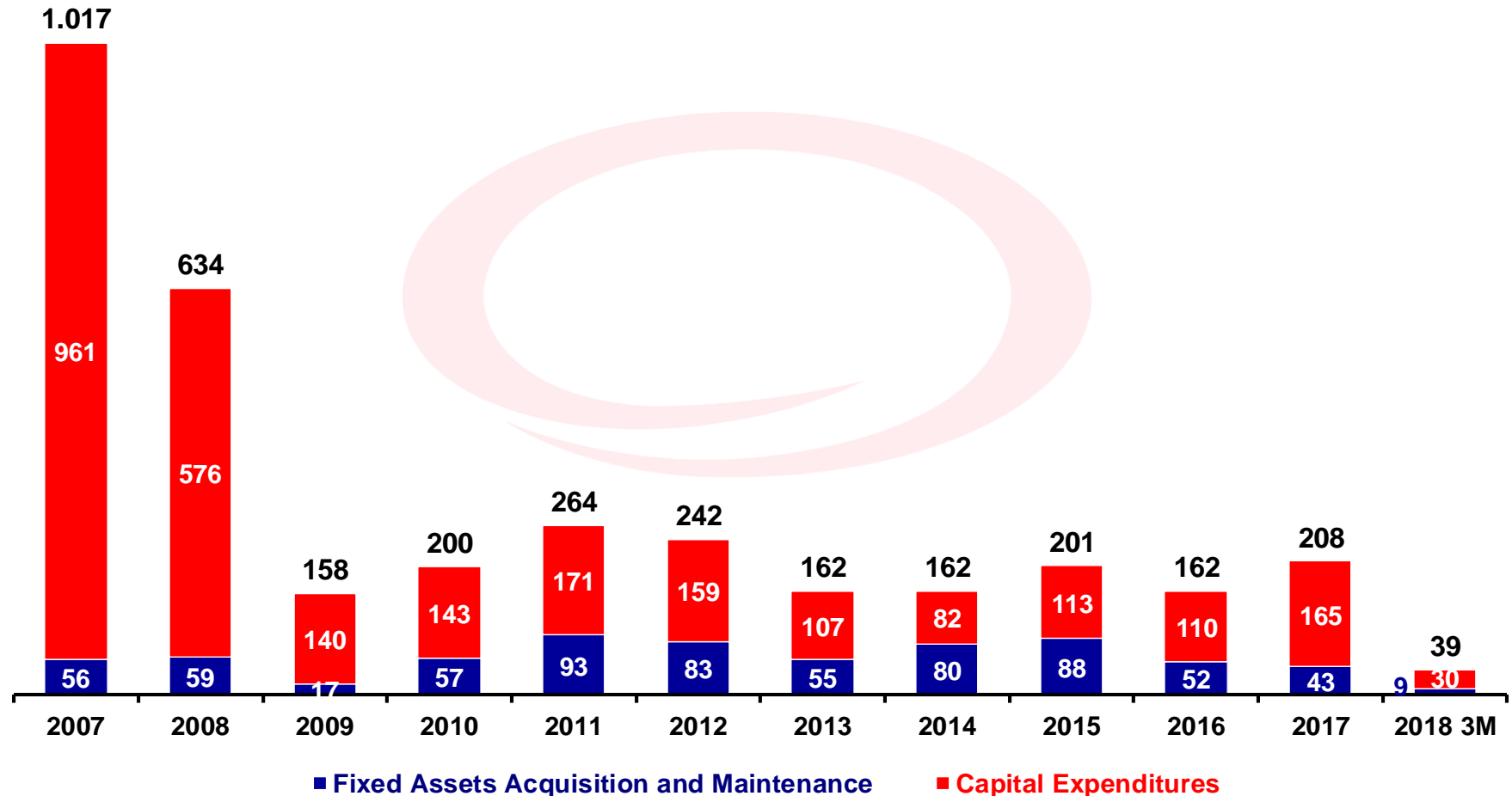


RAW MATERIALS BREAKDOWN - %



Capital expenditures was 39 million USD in 1Q 2018

(M USD)



Number of employees was 11.844 as of March 2018

NUMBER OF EMPLOYEES

