

Paris, April 29, 2015

PRESS RELEASE

Q1 2015 TURNOVER

- **Q1 2015 turnover up on the same period in 2014 at €777 million, driven by a stronger dollar, despite a sharp decline in manganese ore prices.**
- **Higher sales at ERAMET Alloys, primarily in the aerospace sector.**
- **Ongoing implementation of cost reduction, productivity improvement and capital expenditure control plans.**

| Turnover¹ (€ million) | Q1 2014 | Q1 2015 |
|---|----------------|----------------|
| ERAMET Manganese | 326 | 329 |
| ERAMET Nickel | 166 | 192 |
| ERAMET Alloys | 224 | 256 |
| Holding & eliminations | (2) | - |
| ERAMET Group | 714 | 777 |

¹Adjusted data from Group reporting, which consolidates joint ventures using the proportionate method.
The reconciliation with turnover reported in accordance with IFRS is presented in the appendix.

Metals, including nickel and manganese, continue to suffer from a challenging global economic climate, primarily as a result of the slowdown in Chinese economic growth. Nickel prices remained weak while manganese ore prices fell sharply. Conversely, the EUR/USD exchange rate and higher sales in the aerospace market had a positive

impact. The effect of the EUR/USD exchange rate accounts for most of the increase in turnover.

- **ERAMET Manganese: Q1 2015 turnover totalled €329 million, unchanged on Q1 2014.**

Global carbon steel output fell around 1.8% in Q1 2015 compared with Q1 2014. Chinese steel output shrank by 1.7% in Q1 2015 compared with the same period in 2014.

In this context, ERAMET's external shipments of manganese ore were down 19% in Q1 2015 compared with Q1 2014.

CIF China* manganese ore spot prices decreased by 24.6% to 3.83 USD/dmtu in Q1 2015 compared with Q1 2014.

However, the manganese alloys market remained stable with Q1 2015 prices and volumes in line with Q1 2014.

- **ERAMET Nickel: Q1 2015 turnover totalled €192 million, compared with €166 million in Q1 2014, primarily as a result of the stronger dollar.**

In Q1 2015, global stainless steel output was similar to Q1 2014 levels.

LME nickel prices in USD/lb remained low, falling 2% compared to Q1 2014.

The effect of the Indonesian "Ban**" on nickel prices has not materialized, so far, as LME nickel inventories remain high.

- **ERAMET Alloys: Q1 2015 turnover up 14% on Q1 2014, at €256 million, mainly driven by the aerospace market.**

In Q1 2015, the energy, defence and tooling markets remained flat at insufficient levels, whereas the aerospace market remained buoyant over the same period, reflecting both the strength of the sector and the positioning of ERAMET Alloys on all major aircraft programmes.

* Source: CRU

** Ban on the export of nickel ore not processed locally in Indonesia since January 2014



- **ERAMET group financial position**

At end-March 2015, ERAMET had a substantial liquidity and a sound financial position.

- **Outlook for the ERAMET group**

External shipments of manganese ore are expected to come back to a robust pace in full-year 2015, offsetting the low levels in Q1 2015.

ERAMET Alloys continues to benefit from strong demand from the aerospace market, although certain programmes are expected to see a slowdown before the end of 2015.

Q2 is seeing nickel and manganese ore prices significantly below Q1 2015 levels, which will inevitably weigh on the Group's performance in the first half of 2015.

As previously reported, the Group continues to pursue its goal of cost reductions and productivity improvements as well as a strict policy of selective capital expenditure.

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CALENDAR

The ERAMET Shareholders' General Meeting will be held at 10:30 AM on May 29, 2015 at Cercle National des Armées - 8, Place Saint-Augustin - 75008 PARIS.

ABOUT ERAMET

ERAMET is a leading global producer of:

- alloying metals, particularly manganese and nickel, used to improve the properties of steel,
- high-performance special steels and alloys used in industries such as aerospace, power generation and tooling.

ERAMET has major research and development projects in new business lines with high growth potential, such as mineral sands (titanium dioxide and zircon), lithium and in recycling.

The Group employs approximately 14,000 people in 21 countries. ERAMET is part of Euronext Paris Compartment A.

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APPENDIX

Appendix 1: Turnover

| Turnover (M€) | Q1 2014 | Q2 2014 | Q3 2014 | Q4 2014 | Q1 2015 |
|---|------------|------------|------------|------------|-------------|
| ERAMET Manganese | 326 | 357 | 358 | 388 | 329 |
| ERAMET Nickel | 166 | 215 | 217 | 183 | 192 |
| ERAMET Alloys | 224 | 250 | 211 | 253 | 256 |
| Holding & eliminations | (2) | (2) | 1 | (1) | - |
| ERAMET group including joint ventures | 714 | 820 | 787 | 823 | 777 |
| Share of joint ventures | (14) | (16) | (18) | (21) | (20) |
| ERAMET group IFRS published data¹ | 700 | 804 | 769 | 802 | 757 |

¹Application of IFRS standard 11 - Joint Arrangements.

Appendix 2: Production and shipments

| Metric tons | Q1 2014 | Q2 2014 | Q3 2014 | Q4 2014 | Q1 2015 |
|-------------------------------------|---------|---------|---------|---------|----------------|
| Manganese ore and sinter production | 795,500 | 848,600 | 961,100 | 875,700 | 880,500 |
| Manganese alloy production | 165,500 | 172,800 | 175,500 | 182,100 | 169,500 |
| Manganese alloy sales | 170,500 | 182,400 | 165,600 | 181,100 | 169,500 |
| Nickel production* | 13,812 | 13,267 | 14,155 | 13,778 | 13,086 |
| Nickel sales** | 13,235 | 14,392 | 13,378 | 12,611 | 13,452 |

* Ferronickel and matte

** Finished products