

BEFESA

BEFESA

Fiscal Year 2015 Earnings Presentation

25th February 2016

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Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected or targeted.

Befesa and its affiliates does not intend, and does not assume any obligations, to update these forward-looking statements.

Rafael Pérez

Head of Strategy & Investor Relations

Javier Molina

Chief Executive Officer

2015 revenues of €744 million, up 14% YoY. Lower commodity prices, new Bernburg plant and Solarca acquisition.

Solid consolidated 2015 EBITDA of €144 million, up 3% YoY. Margin at 19%.

Solid and stable financing position. Continuing leverage improvement to current x3,8 down from x4,4 one year ago.

Turkey project on hold and Gulf growth project progressing.

Ongoing implementation of cost reduction and productivity improvement on plan.

Asier Zarraonandia

Managing Director of Zinc Business

Volume in crude steel in line with the expectations slightly below to the previous year

Operational Performance

▪ EAF Throughput

- 150.763 tons of crude steel dust treated in 4Q 2015 (-3,4% vs 4Q 2014); 580.253 tons treated in 2015 (-4,2% vs 2014)

▪ WOX Sales

- 53.088 tons of WOX sold in 4Q 2015 (-4,3% vs 4Q 2014); 199.534 tons sold in 2015 (-4,5% vs 2014)

▪ Stainless Steel Throughput:

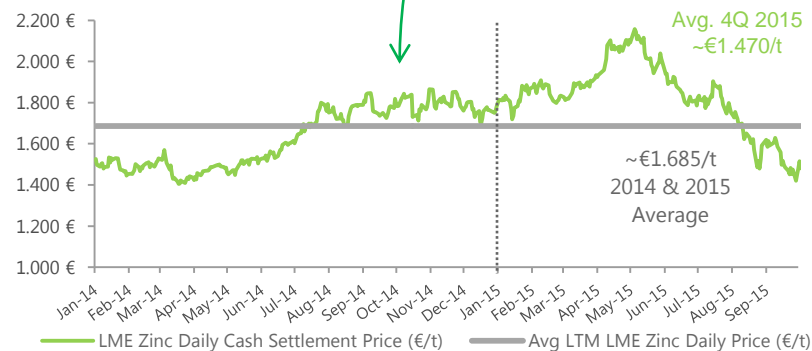
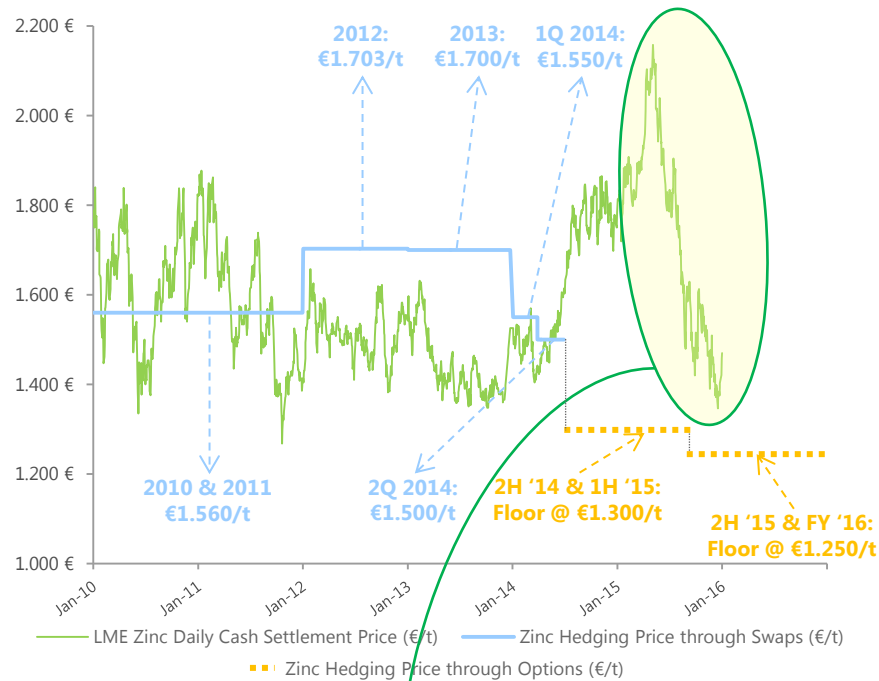
- 29.540 tons of stainless steel dust treated in 4Q 2015 (+1,7% vs 4Q 2014); 93.870 tons treated in 2015 (+5,2% vs 2014)

Highlights

- **Crude steel dust deliveries in line with expectations and slightly below last year**
- Good throughput levels mainly driven by **good performance of our Western European plants**
- **Good performance of stainless steel** with increase in throughput compared to 2014



After the upward trend seen during 1H 2015 Zinc prices strongly decreased during 2H ending the year around 1.400-1.450 €/t



Zinc Prices

- During the 4Q 2015 zinc prices traded on average below 4Q 2014 (\$1.613/t vs \$2.235/t), and approx. \$234/t below 3Q 2015 average level.
- The €/ \$ FX rate during 4Q 2015 remained at the same level of 1,10 as in 3Q 2015. During 2015, the €/ \$ FX rate stayed on average at 1,11.

	4Q 2014	4Q 2015	% Var.	2014	2015	% Var.
Befesa Blended Zinc Price (€/t)	1.789	1.470	-18%	1.644	1.741	+6%
Avg. LME Zinc Price (€/t)	1.789	1.470	-18%	1.632	1.741	+7%

Hedging Strategy

- Hedging strategy focused on ensuring min. business earnings to meet our financial obligations and benefit from recovering zinc prices.
- Hedging **closed for full year 2016 and Jan '17** through floors @ €1.250/t.
- Currently negotiating hedging for 2017.

Javier Molina

Chief Executive Officer

Good performance mainly driven by stronger secondary alu volumes as well as salt slag volumes mainly driven by new plant in Germany

Operational Performance

▪ Salt Slag/SPLs Recycled

- 115.784 tons of salt slag/SPL recycled in 4Q 2015 (-4% vs 4Q 2014); 459.019 tons recycled in 2015 (+6% vs 2014)

▪ Secondary Aluminum Alloys

- 44.268 tons of alloys produced in 4Q 2015 (+45% vs 4Q 2014); 169.836 tons produced in 2015 (+34% vs 2014)

Highlights

- **Strong secondary aluminum volumes** over the **4Q 2014** thanks to contribution from **new plant in Bernburg** (operations started in Dec '14)
- **Bernburg plant ramp-up completed**
- **Salt slag volumes slightly lower** compared to 4Q 2014 **but +6% compared to FY 2014**



Bernburg ramp up completed. Acquisition and integration of Solarca into our IES segment completed. Gulf Project Progressing

Aluminum Growth

New Secondary Aluminum Plant in Bernburg (Germany)

- Ramp up of the plant successfully **completed**

SPL in the Persian Gulf

- Continue **progressing on the JV project** to develop a **new salt slag/SPL recycling plant**
- Negotiations of **supply contracts ongoing**.



Industry Environmental Solutions (IES) Growth

- **Acquisition of Solarca**, a global leader in the chemical cleaning and air and steam blowing industrial services. **Successful acquisition and full integration into our IES business.**



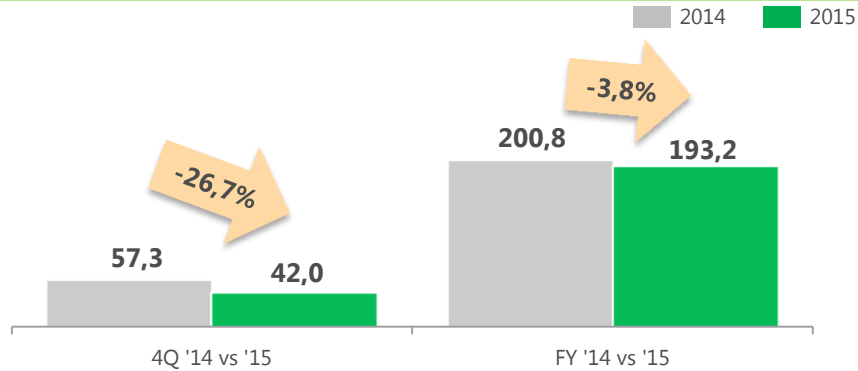
Wolf Lehmann

Chief Financial Officer

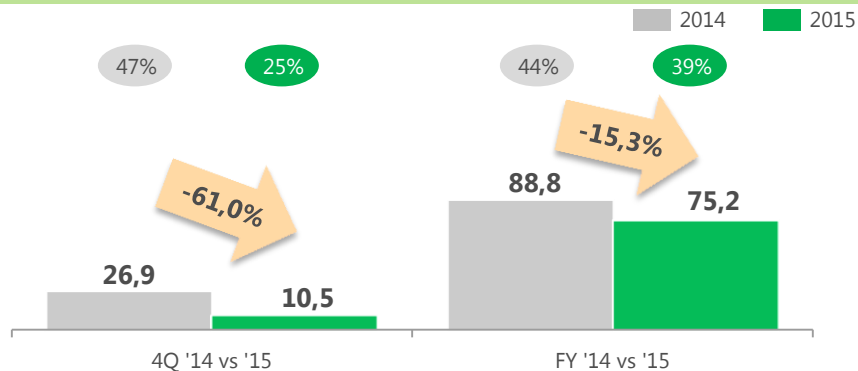
Zinc Financial Highlights

Crude steel segment EBITDA decreased YoY mainly due to lower WOX sales

Crude Steel Revenues (€m)



Crude Steel EBITDA (€m)



○ 2014 EBITDA margin ● 2015 EBITDA margin

Revenues Highlights

- During 4Q the revenues dropped **by 15 million** due to **lower tons (-4%)** and specially for the lower zinc prices **(-18%)**
- On a full year basis, crude steel dust segment revenues **decreased by 4% y/y** mainly driven by:
 - the **decrease in tons of WOX sold (-4%)**
 - The unfavorable TCs in 2015 partially offset by the increase in zinc blended price by 6%**
 - LME zinc prices in EUR** increased on average by 7% compared to 2014. In USD the zinc prices were lower than 2014 (\$2.162 versus \$1.933 or -10,6%)
 - No zinc price forward hedging for 2015** (options with floor @ €1.250/t). In 2014, 1H was hedged through swaps (€1.550/t and and €1.500/t in 1Q and 2Q) and 2H via options with floor @ €1.300/t

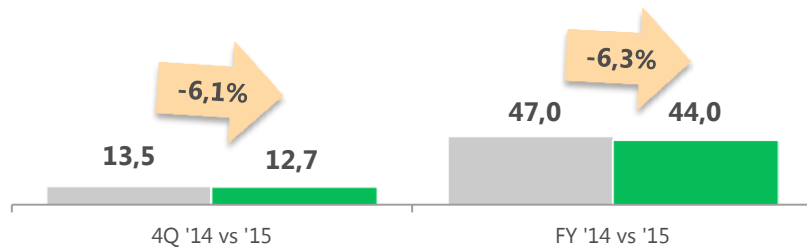
EBITDA Highlights

- The EBITDA reduction during both 4Q and FY15 is **mainly driven by the lower WOX sales.**

Good quarter for stainless steel mainly driven by recovered level of volumes partially offset by lower prices

Stainless Revenues (€m)

■ 2014 ■ 2015

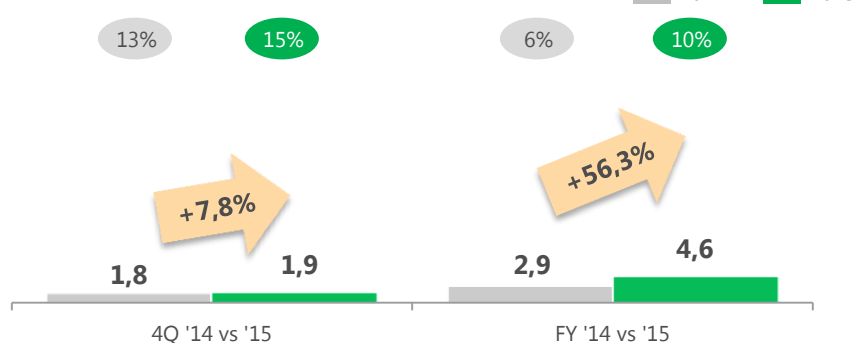


Revenues Highlights

- Compared to 2014, Stainless steel segment revenues **worsened by 6%** specially driven by the **decrease in tons of alloys sold (-56%)** in addition reduced by the decrease in average nickel prices (-16%), partially offset by higher volumes of stainless steel dust treated (+5%)

Stainless EBITDA (€m)

■ 2014 ■ 2015



EBITDA Highlights

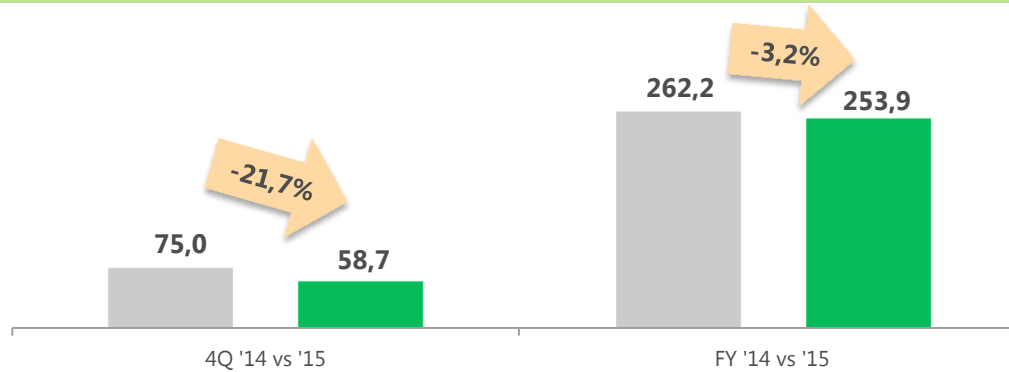
- EBITDA above 2014 by **+€1,7m** mainly driven by **cost management** compared to the previous year

○ 2014 EBITDA margin ○ 2015 EBITDA margin

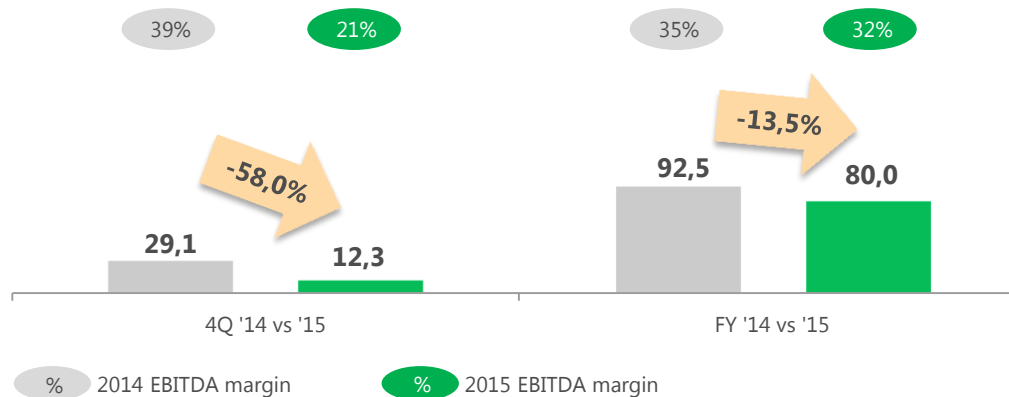
■ 2014 ■ 2015

Decrease in revenues and EBITDA in the Zinc business unit driven by lower commodity prices

Zinc Revenues (€m)



Zinc EBITDA (€m)



Good operating results drive cash flow generation

- **Operating activities:** During 2015 the net cash flows generated by operating activities amounted to **€35,0 million** (a €13m decrease vs 2014), **explained by the EBITDA decrease** during the year.
- **Investing activities:** During 2015 the net cash flows used in investing activities were **€23,3 million** primarily due to investments in the **second kiln in Korea**.
- **Financing activities:** During 2015 Befesa Zinc **repaid the Korea facility loan (€20 million)** and paid a approx. **€15m dividend to its Befesa parent**.
- **Liquidity:** As of December 31th 2015, our liquidity amounted to **€24,3 million** including cash on hand and short-term financial investments.

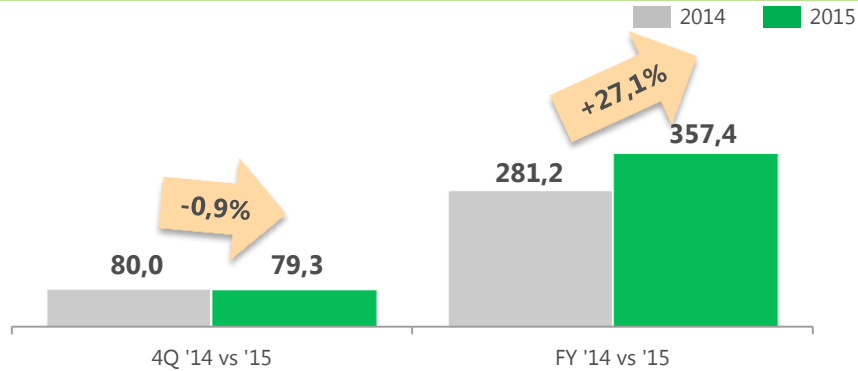
BEFESA ZINC

<i>Cash Flow Statement ('000 euros)</i>	4Q 2014	4Q 2015	Change	FY 2014	FY 2015	Change
Cash generated from operations	33.801	16.239	(17.562)	90.149	76.117	(14.032)
Taxes paid	(1.740)	(2.676)	(936)	(9.416)	(8.232)	1.184
Interest paid	(15.693)	(16.047)	(354)	(32.872)	(33.158)	(286)
Interest received	145	89	(56)	295	293	(2)
Net cash flows from operating activities (I)	16.513	(2.395)	(18.908)	48.156	35.020	(13.136)
Net cash flows from investing activities (II)	(3.185)	(3.980)	(795)	(5.325)	(23.332)	(18.007)
Net cash flows from financing activities (III)	(1.608)	(8.498)	(6.890)	(25.996)	(36.341)	(10.345)
Effect in change of the perimeter (IV)	0	0	0	25	0	(25)
Net increase in cash and cash equivalents (I+II+III+IV)	11.720	(14.873)	(26.593)	16.860	(24.653)	(41.513)
Cash and cash equivalents BoP	37.309	39.221		32.169	49.001	
Cash and cash equivalents EoP	49.029	24.348		49.029	24.348	

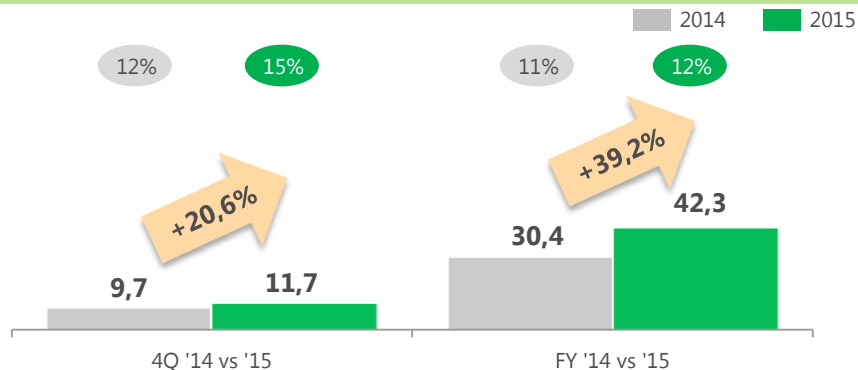
Aluminum Financial Highlights

Strong 4Q 2015 EBITDA of €12m (15% margin) driven mainly by Bernburg contribution

Aluminum Revenues (€m)



Aluminum EBITDA (€m)



○ 2014 EBITDA margin ● 2015 EBITDA margin

Revenues Highlights

- During **4Q 2015 revenues stayed flat** (compared to same period of 2014) mainly driven by **better secondary aluminum alloys production volumes (+45%**, explained by **Bernburg contribution**), partially offset by **lower salt slag / SPLs volumes (-4%)** as well as by the **aluminum alloy LME prices which decreased by -9%**
- Compared to FY 2014**, revenues of the business unit **increased by 27%** explained by higher secondary **aluminum alloys production volumes (+34%**, mostly explained by **Bernburg contribution**), **higher salt slag / SPLs volumes (+6%)** and **aluminum alloy average LME prices (+6%)**

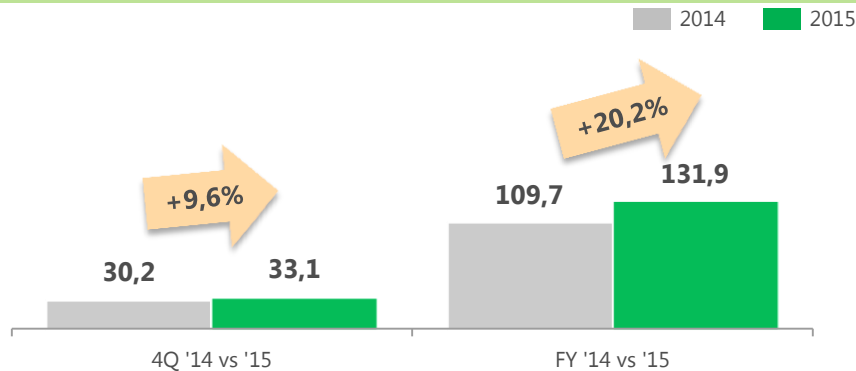
EBITDA Highlights

- EBITDA improved by 21%** (compared to 4Q 2014) and by **39%** (compared to FY 2014) primarily driven by **Bernburg contribution** (starting in December 2014) and **cost management**

IES Financial Highlights

Strong quarter driven by contribution from Solarca, successfully acquired in April and integrated during 2015

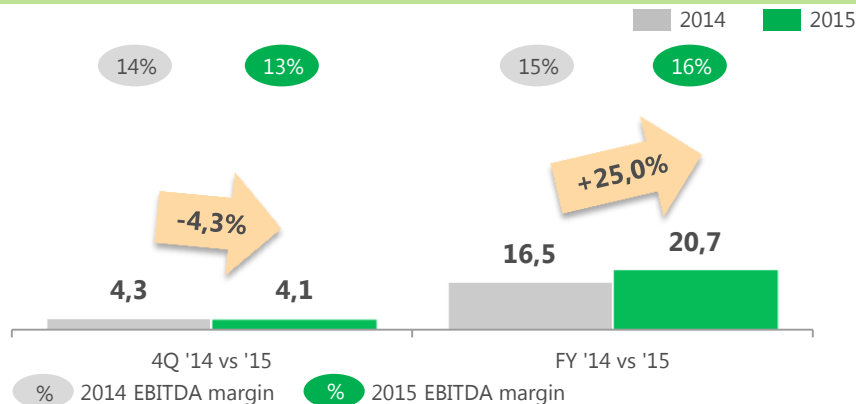
IES Revenues (€m)



Revenues Highlights

- During 4Q 2015 revenues increased by 10% (compared to 2014) and improved by 20% on full year basis vs 2014, mainly driven by the Solarca acquisition

IES EBITDA (€m)



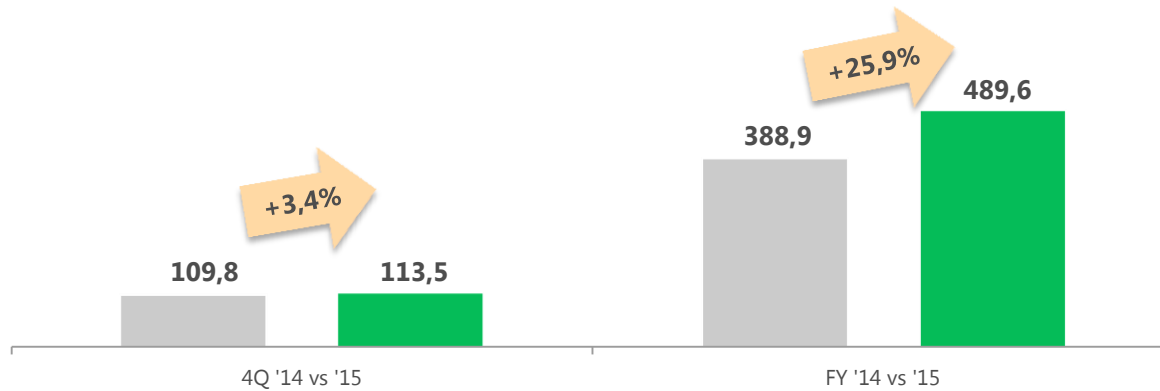
EBITDA Highlights

- 4Q 2015 EBITDA remained approx. flat compared to the same period of 2014, and improved by 25% on a full year basis vs 2014, primarily due to contribution from Solarca acquisition

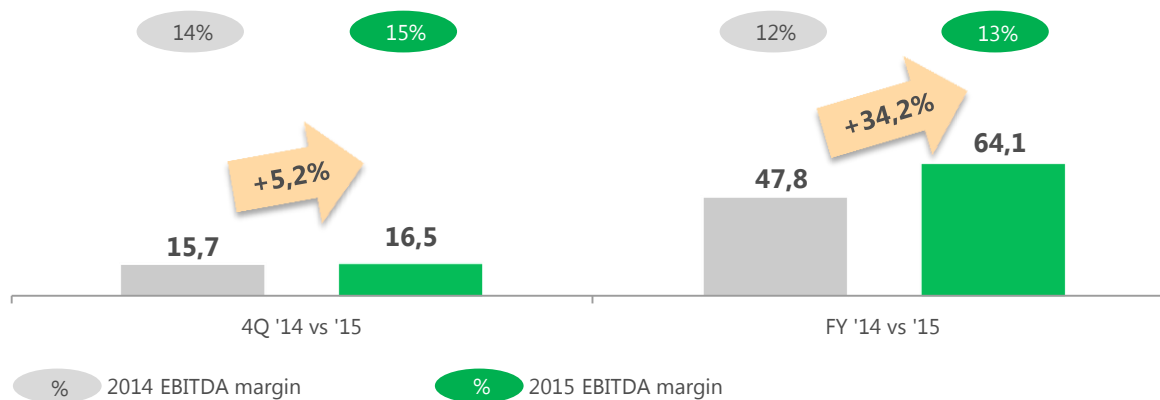
Consolidated Non-Zinc Financial Highlights

Strong growth in revenues and EBITDA in the non-Zinc business

Non-Zinc Revenues (€m)



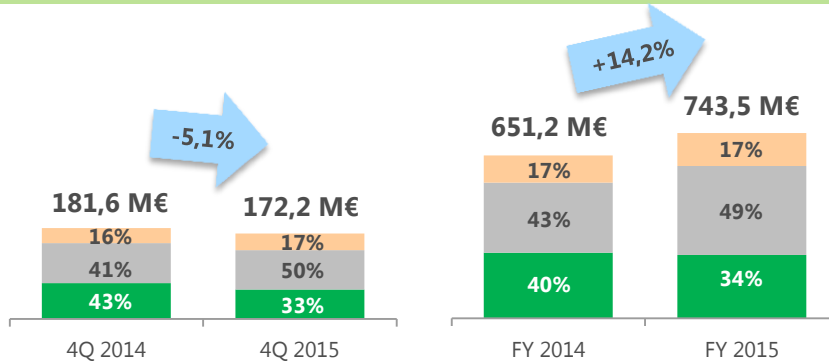
Non-Zinc EBITDA (€m)



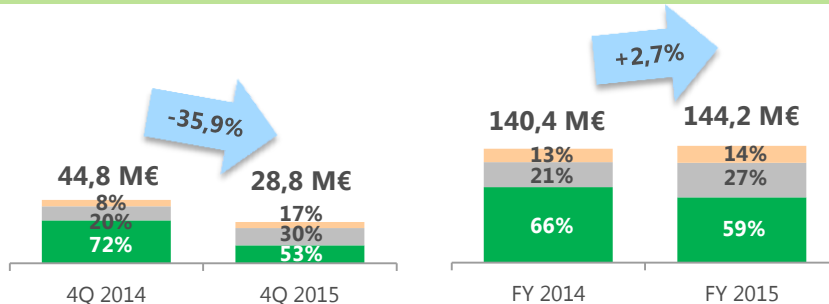
Consolidated Financial Highlights

2015 revenues up 14% and EBITDA up 3% vs. 2014

Revenues (€m)



EBITDA (€m)



EBITDA Margin (% Revenues)

BEFESA	2014	2015
Steel	38,9%	20,9%
Alum.	12,1%	14,7%
IES	14,3%	12,5%

FY 2014	FY 2015
21,6%	19,3%
35,3%	31,5%
10,8%	11,8%
15,1%	15,7%

Highlights

- 2015 **consolidated revenues** amounted to €744 million, **+14% growth** compared to 2014, mainly driven by **Bernburg** (since Dec '14) and **Solarca** (since April '15)
- 2015 **consolidated EBITDA** amounted to €144 million, **+3% increase** vs 2014 ... over proportional Alu growth impact business unit mix
- 2015 EBITDA margin at solid 19%.**
- Ongoing implementation of **cost reduction** and **productivity improvement initiatives**

2015 EBITDA Up 3% or €4 million vs. 2014

Consolidated P&L ('000 euros)

BEFESA

Profit & Loss Statement ('000 euros)	4Q 2014	4Q 2015	Change	FY 2014	FY 2015	Change
Revenue	181.562	172.227	(9.335)	651.193	743.504	92.311
EBITDA	44.832	28.753	(16.079)	140.405	144.183	3.778
Depreciation, amortisation and impairment provisions	(11.705)	(67.362)	(55.657)	(46.283)	(101.678)	(55.395)
Financial result	(18.818)	(16.953)	1.865	(61.901)	(63.274)	(1.373)
Earnings before taxes	14.432	(55.647)	(70.079)	32.520	(20.594)	(53.114)
Net income	8.325	(57.561)	(65.886)	20.940	(35.729)	(56.669)

Highlights

- During **2015** the **revenue of the Group** amounted to **744 million** euros (**172 million in 4Q'14**) and the **EBITDA** amounted to **144 million** euros (**29 million in 4Q'14**). A **3% EBITDA YoY increase** and a **14% revenue YoY increase**.
- **Depreciation, amortization and impairment provisions** in **2015** increased **120% YoY**, mainly driven due to the **extraordinary write-down of book value** made in 2015 to the tangible assets of **Befesa Valorización de Azufre (BVA)**, sold at the end of December.
- **Financial result** in 2015 **decreased 2% YoY** and **Earning before taxes decreases** driven by the one time write-down previously commented.

- **Operating activities:** During 2015 the net cash flows generated by operating activities amounted to **€53,6 million** (a €7,7 million decrease compared to 2014), mainly due to the higher payment of the PIK Interest in 2015 (€14,7m vs €9,5m in 2014).
- **Investing activities:** During 2015 the net cash flows used in investing activities were **€22,2 million**, mainly driven by the **construction of the 2nd kiln in our current plant in South Korea**, the Bernburg plant, the yearly **maintenance capex** invested, partially offset by the cash received in the **sale of the Sulfur plant**.
- **Financing activities:** During 2015 the net cash flows used in financing activities were **€52 million** due basically to the repayment of **the Korea facility loan (€20 million)**, **partial repayment of the Non Zinc Loan of more than €30 million** (with the proceeds of the sale of BVA) and leasings.
- **Liquidity:** As of December 31st 2015, our liquidity amounted to **€57,3 million** including only cash on hand. Befesa is **compliant with its debt covenants**

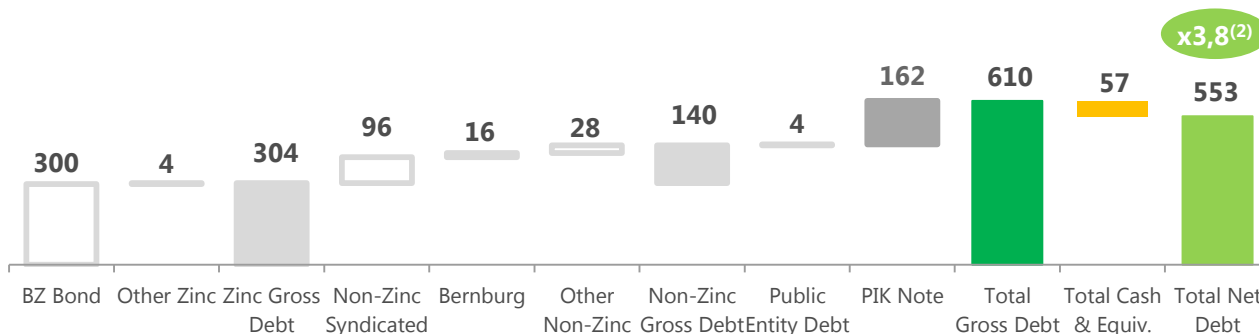
BEFESA

Cash Flow Statement ('000)	4Q 2014	4Q 2015	Change	2014	2015	Change
Cash flows from operations	51.681	29.387	(22.294)	124.578	124.283	(295)
Taxes paid	(4.609)	(4.681)	(72)	(13.734)	(12.109)	1.625
Interest paid	(13.713)	(26.464)	(12.751)	(49.543)	(58.579)	(9.036)
Net cash flows from operating activities (I)	33.359	(1.758)	(35.117)	61.301	53.595	(7.706)
Net cash flows from investing activities (II)	(6.939)	16.931	23.870	(39.938)	(22.237)	17.701
Net cash flows from financing activities (III)	(5.909)	(32.003)	(26.094)	(8.033)	(52.322)	(44.289)
Net increase in cash and cash equivalents (I+II+III+IV)	20.784	(17.229)	(38.013)	13.603	(21.362)	(34.965)
Cash and cash equivalents at beginning of year	57.831	74.482	16.651	65.012	78.615	13.603
Cash and cash equivalents at end of year	78.615	57.253	(21.362)	78.615	57.253	(21.362)

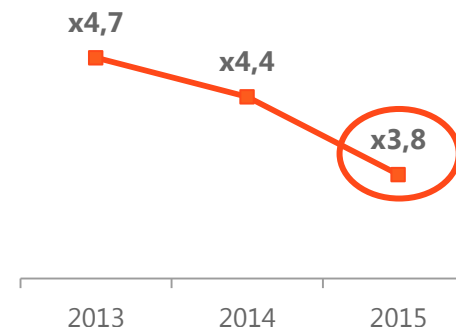
Solid and stable financing position at 3 levels (Zinc, Non-Zinc and Corporate) with total leverage at x3,8



Total Net Debt (Excl. Fact/Conf ⁽¹⁾): December YTD 2015 (€m)



Leverage Evolution



Continue improvement of financial leverage ... from x4,7 (2013) and x4,4 (2014) to current x3,8 (2015)

(1) Excludes Factoring and Confirming of 51,9 M€

(2) Consolidated EBITDA of 144,2 M€ as of December 31st 2015

(3) Zinc EBITDA of 80,1 M€ as of December 31st 2015

(4) Non Zinc EBITDA of 64,1 M€ as of December 31st 2015

Javier Molina

Chief Executive Officer

Main priorities for 2016 - focus on parallel path of profitable growth for the next years and operational excellence

Main priorities for 2016

- **Preserve the cash position** by managing properly the operating cash flows, working capital and capex
- Ensure we **maintain our leadership position in Steel dust and salt slag in Europe**
- Sustain **full capacity** in our new secondary aluminum plant **in Bernburg**
- **Increase and secure the volume** of our plant **in South Korea**, a key market for Befesa
- **Maintain the operational excellence culture**

Questions

Introduction

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Highlights

Zinc Business
Performance

Non-Zinc Business
Performance

Financials

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Q&A

Appendix

BEFESA						
Profit & Loss Statement ('000 euros)	4Q 2014	4Q 2015	Change	FY 2014	FY 2015	Change
From continuing operations:						
Revenue	181.562	172.227	(9.335)	651.193	743.504	92.311
+/- Changes in inventories of finished goods and work in progress	(4.149)	4.202	8.351	(6.625)	2.591	9.216
Cost of sales	(83.151)	(88.447)	(5.296)	(295.446)	(365.380)	(69.934)
Other income	11.845	4.429	(7.416)	19.476	12.273	(7.203)
Employee benefits expense	(24.968)	(26.742)	(1.774)	(92.060)	(104.038)	(11.978)
Other expenses	(36.307)	(36.916)	(609)	(136.133)	(144.767)	(8.634)
Depreciation, amortisation and impairment provisions	(11.705)	(67.362)	(55.657)	(46.283)	(101.678)	(55.395)
EBIT	33.127	(38.609)	-71.736	94.122	42.505	(51.617)
Finance income	1.877	728	(1.149)	3.970	2.660	(1.310)
Finance costs	(20.554)	(19.189)	1.365	(66.796)	(65.371)	1.425
Exchange differences	(141)	1.508	1.649	925	(563)	(1.488)
Financial result	(18.818)	(16.953)	1.865	(61.901)	(63.274)	(1.373)
Share of profit of companies carried using the equity method	123	(85)	(208)	299	175	(124)
EBT	14.432	(55.647)	(70.079)	32.520	(20.594)	(53.114)
Income tax expense	(6.107)	(1.914)	4.193	(11.580)	(15.135)	(3.555)
Result from continuing operations	8.325	(57.561)	(65.886)	20.940	(35.729)	(56.669)
From discontinuing operations:						
Profit for the year from discontinued operations	-	-	-	-	-	-
Net income	8.325	(57.561)	(65.886)	20.940	(35.729)	(56.669)
Attributable to:						
Owners of the parent	7.264	(53.189)	(60.453)	17.198	(33.303)	(50.501)
Non-controlling interests	1.061	(4.372)	(5.433)	3.742	(2.426)	(6.168)

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Balance Sheet ('000 euros)

Assets	31.12.15	31.12.14	Equity and liabilities	31.12.15	31.12.14
Non-current assets			Equity:		
Intangible assets			Attributable to owners of the parent -		
Goodwill	379.990	373.860	Share capital	13	13
Other intangible assets	18.009	22.176	Reserve for valuation adjustments deferred in equity	9.261	9.355
	397.999	396.036	Share premium	400.495	400.495
Property, plant and equipment -			Other reserves	(180.191)	(250.276)
Property, plant and equipment in use	346.536	364.447	Translation differences	(2.857)	(1.534)
Property, plant and equipment in progress	16.188	47.185	Net profit for the period	(33.303)	17.198
	362.724	411.632		193.418	175.251
Investments carried under the equity method	1.526	1.650	Non-controlling interests	32.762	35.581
Non-current assets -			Total equity	226.180	210.832
Securities portfolio	2.702	4.439	Non-current liabilities:		
Other financial assets	24.346	21.453	Provisions	12.928	14.833
	27.048	25.892	Recourse borrowings	523.185	585.751
Deferred income tax assets	81.400	78.128	Finance lease payables	7.535	2.151
Total non-current assets	870.697	913.338	Deferred income tax liabilities	40.765	41.652
			Other non-current liabilities	33.034	106.725
			Total non-current liabilities	617.447	751.112
Current assets:			Recourse borrowings	74.951	33.300
Inventories	48.488	41.900	Finance lease payables	2.621	1.329
Trade and other receivables	87.046	77.432	Trade payables, related parties	1.688	1.935
Trade receivables, related parties	2.856	1.835	Trade and other accounts payable	115.898	106.627
Tax receivables	13.935	17.510	Provisions	139	152
Other receivables	8.538	4.490	Other payables -		
Other current financial assets	4.005	3.546	Taxes payable	19.441	16.633
Cash and cash equivalents	57.253	78.615	Other current liabilities	34.453	16.746
Total current assets	222.121	225.328		53.894	33.379
			Total current liabilities	249.191	176.722
Total Assets	1.092.818	1.138.666	Total equity and liabilities	1.092.818	1.138.666

BEFESA						
Cash Flow Statement ('000)	4Q 2014	4Q 2015	Change	2014	2015	Change
Cash flows from operating activities:						
Profit (loss) for the period before tax	14.431	(55.647)	(70.078)	32.520	(20.594)	(53.114)
Adjustments due to:						
Depreciation and amortisation charge	1.308	7.865	6.557	35.886	42.181	6.295
Impairment losses	7.953	59.497	51.544	7.953	59.497	51.544
(Profit)/loss from assets disposals	2.622	-	(2.622)	2.622	-	(2.622)
Share of profit (loss) of associates	(124)	85	209	(299)	(175)	124
Changes in long-term provisions	37	(264)	(301)	(285)	(187)	98
Interest income	(1.736)	(728)	1.008	(4.895)	(2.660)	2.235
Finance costs	20.555	17.681	(2.874)	66.796	65.934	(862)
Other income/expenses	(801)	(1.087)	(286)	(1.503)	(1.563)	(60)
Changes in working capital:						
Trade receivables and other current assets	3.503	12.087	8.584	(766)	(9.505)	(8.739)
Inventories	(9.753)	(581)	9.172	2.752	(6.967)	(9.719)
Trade payables	14.124	(9.521)	(23.645)	(13.043)	(1.262)	11.781
Other cash flows from operating activities:						
Interest paid	(13.713)	(26.464)	(12.751)	(49.543)	(58.579)	(9.036)
Taxes paid	(4.609)	(4.681)	(72)	(13.734)	(12.109)	1.625
Other payments	(438)	-	438	(3.160)	(416)	2.744
Net cash flows from operating activities (I)	33.359	(1.758)	(35.117)	61.301	53.595	(7.706)
Cash flows from investing activities:						
Investments in intangible assets	(3.167)	(2.288)	879	(5.216)	(2.754)	2.462
Investments in property, plant and equipment	(18.425)	(13.573)	4.852	(44.927)	(47.435)	(2.508)
Proceeds from disposal of assets	1.324	29.792	28.468	1.324	30.843	29.519
Proceeds from disposal of non-current financial assets	7.279	-	(7.279)	7.576	-	(7.576)
Investments in subsidiaries and other non-current financial assets	1.758	1.656	(102)	-	(3.444)	(3.444)
Investments in other current financial assets	2.211	791	(1.420)	(1.270)	-	1.270
Disbursement due to other current financial assets	(98)	-	98	-	-	-
Interests collected	1.721	293	(1.428)	2.117	293	(1.824)
Dividends	458	260	(198)	458	260	(198)
Net cash flows from investing activities (II)	(6.939)	16.931	23.870	(39.938)	(22.237)	17.701
Cash flows from financing activities:						
Net financial account with Group companies	(1.543)	-	1.543	-	-	-
Bank borrowings and other non-current borrowings	16.967	5.800	(11.167)	21.470	13.479	(7.991)
Repayment of bank borrowings and other long term debt	(21.333)	(37.803)	(16.470)	(29.503)	(65.801)	(36.298)
Net cash flows from financing activities (III)	(5.909)	(32.003)	(26.094)	(8.033)	(52.322)	(44.289)
Effect of foreign exchange rate changes on cash and cash	273	(398)	(671)	273	(398)	(671)
Net increase in cash and cash equivalents (I+II+III+IV)	20.784	(17.229)	(38.013)	13.603	(21.362)	(34.965)
Cash and cash equivalents at beginning of year	57.831	74.482	16.651	65.012	78.615	13.603
Cash and cash equivalents at end of year	78.615	57.253	(21.362)	78.615	57.253	(21.362)

BEFESA ZINC

Balance Sheet ('000 Euros)

Assets	31.12.2015	31.12.2014	Equity and Liabilities	31.12.2015	31.12.2014
Non-Current Assets:			Equity:		
Intangible assets:			Of the Parent:		
Goodwill	278.357	286.287	Share capital	25.010	25.010
Other intangible assets	3.978	6.973	Unrealized Asset and Liability Revaluation Reserve	6.767	6.767
	282.335	293.260	Other reserves	78.621	68.911
Property, plant and equipment:			Translation differences	2.240	1.174
Property, plant and equipment in use	133.961	119.505	Net profit for the year	4.120	24.961
Property, plant and equipment in the course of construction	6.813	10.864		116.758	126.823
	140.774	130.369	Of Minority Interests	15.662	17.488
Investments accounted for using the equity method			Total Equity	132.420	144.311
Non-current financial assets:			Non-Current Liabilities:		
Investments securities	1.670	1.670	Provisions for contingences and expenses	4.351	3.945
Other financial assets	667	336	Bank borrowings and finance leases	765	1.012
	2.337	2.006	Non Recourse Finance	297.704	315.857
Derivative financial instruments	0	464	Capital Grants	1.678	2.144
Deferred tax assets	32.592	31.450	Other non-current liabilities	152	12.593
Total Non-Current Assets	458.038	457.549	Derivative financial instruments	217	958
			Deferred tax liabilities	21.104	21.586
Current Assets:			Total Non-Current Liabilities	325.971	358.095
Inventories	13.881	12.638	Current Liabilities:		
Trade and other receivables	25.216	30.588	Non Recourse Finance	3.328	3.688
Trade receivables, related companies	2.970	413	Bank borrowings and finance leases	263	1.604
Tax receivables	3.447	5.240	Trade payables, related companies	6.677	1.874
Other receivables	2.622	1.289	Trade and other payables	28.813	28.542
Derivative financial instruments	423	139	Derivative financial instruments	1.392	2.434
Other current financial assets	6	28	Other payables:		
Cash and cash equivalents	24.348	49.001	Tax payables	8.006	9.100
	72.913	99.336	Other current liabilities	24.081	7.237
Total Current Assets	72.913	99.336		32.087	16.337
			Total Current Liabilities	72.560	54.479
Total Assets	530.951	556.885	Total Equity and Liabilities	530.951	556.885

BEFESA ZINC

Profit & Loss Statement ('000 euros)	4Q 2014	4Q 2015	Change	FY 2014	FY 2015	Change
Revenue	74.971	58.738	(16.233)	262.156	253.865	(8.291)
Cost of sales	(43.695)	(44.174)	(479)	(157.257)	(156.868)	389
Other operating income	4.732	1.616	(3.116)	10.804	5.534	(5.270)
Gross Profit	36.008	16.180	(19.828)	115.703	102.531	(13.172)
Depreciation and amortization charge	(4.096)	(5.707)	(1.611)	(16.888)	(18.733)	(1.845)
General and administrative expenses	(6.861)	(3.925)	2.936	(23.220)	(22.495)	725
Impairment losses	(2.665)	(9.496)	(6.831)	(2.665)	(9.496)	(6.831)
Income From Operations	22.386	(2.948)	(25.334)	72.930	51.807	(21.123)
Finance income	145	89	(56)	295	293	(2)
Finance costs	(9.685)	(11.312)	(1.627)	(34.866)	(35.031)	(165)
Exchange differences (gains and losses)	184	(530)	(714)	776	(960)	(1.736)
Financial Loss	(9.356)	(11.753)	(2.397)	(33.795)	(35.698)	(1.903)
Profit Before Tax	13.030	(14.701)	(27.731)	39.135	16.109	(23.026)
Income tax	(3.189)	(2.961)	228	(11.751)	(12.699)	(948)
Profit for the year from continuing operations	9.841	(17.662)	(27.503)	27.384	3.410	(23.974)
Profit for the year	9.841	(17.662)	(27.503)	27.384	3.410	(23.974)
Attributable to:						
Shareholders of the parent	9.252	(16.489)	(25.741)	24.961	4.120	(20.841)
Minority interests	589	(1.173)	(1.762)	2.423	(710)	(3.133)
EBITDA	29.147	12.255	(16.892)	92.483	80.036	(12.447)

BEFESA ZINC

Cash Flow Statement ('000 euros)

	4Q 2014	4Q 2015	Change	FY 2014	FY 2015	Change
Cash Flows From Operating Activities						
Profit for the period before tax	13.030	(14.701)	(27.731)	39.135	16.109	(23.026)
Adjustments due to:						
Amortization/ Depreciation	4.096	5.707	1.611	16.888	18.733	1.845
Impairment test	2.665	9.496	6.831	2.665	9.496	6.831
(Profit)/Loss on disposal of non-current assets	(13)	(8)	5	32	6	(26)
Change in provisions	(1)	141	142	265	311	46
Financial income	(145)	(89)	56	(295)	(293)	2
Financial expense	9.685	11.312	1.627	34.866	35.031	165
Income from government grants	(146)	(85)	61	(573)	(466)	107
Exchange differences	(184)	530	714	(776)	960	1.736
Change in working capital:						
Change in trade receivables and other receivables	3.450	5.875	2.425	(1.148)	3.823	4.971
Change in inventories	1.926	1.008	(918)	3.752	(1.972)	(5.724)
Change other current assets	1.271	1.869	598	1.894	(4.730)	(6.624)
Change in other current liabilities	(1.833)	(4.816)	(2.983)	(6.556)	(891)	5.665
Cash generated from operations	33.801	16.239	(17.562)	90.149	76.117	(14.032)
Taxes paid	(1.740)	(2.676)	(936)	(9.416)	(8.232)	1.184
Interest paid	(15.693)	(16.047)	(354)	(32.872)	(33.158)	(286)
Interest received	145	89	(56)	295	293	(2)
Net Cash Flows From Operating Activities (I)	16.513	(2.395)	(18.908)	48.156	35.020	(13.136)
Cash Flows From Investing Activities						
Purchase of intangible assets	(126)	(37)	89	(139)	(113)	26
Purchase of property, plant and equipment	(3.083)	(3.951)	(868)	(5.207)	(23.947)	(18.740)
Proceeds from disposal of assets	0	8	8	2	1.059	1.057
Other non-current financial assets	24	0	(24)	19	(331)	(350)
Capital grants received	0	0	0	0	0	0
Net Cash Flows From Investing Activities (II)	(3.185)	(3.980)	(795)	(5.325)	(23.332)	(18.007)
Cash flows from financing activities						
Repayment of borrowings and other long-term debt	(538)	(63)	475	(14.746)	(21.668)	(6.922)
Long Term borrowings	(250)	0	250	0	0	0
Distribution of dividends/capital reduction	(820)	(8.435)	(7.615)	(11.250)	(14.673)	(3.423)
Net Cash Flows From Financing Activities (III)	(1.608)	(8.498)	(6.890)	(25.996)	(36.341)	(10.345)
Effect of change in the perimeter on cash and cash equivalents (IV)	0	0	0	25	0	(25)
Net Increase In Cash and Cash Equivalents (I+II+III+IV)	11.720	(14.873)	(26.593)	16.860	(24.653)	(41.513)
Cash and cash equivalents at beginning of the period	37.309	39.221	1.912	32.169	49.001	16.832
Cash and cash equivalents at end of the period	49.029	24.348	(24.681)	49.029	24.348	(24.681)