

## Vallourec reports second quarter and first half 2016 results

### H1 2016 results in line with expectations

- Revenues of €763 million in Q2 2016 and €1,434 million in H1 2016 compared to €2,070 million in H1 2015, down -30.7% (-27.3% at constant exchange rates)
- EBITDA of -€32 million in Q2 2016 and -€104 million in H1 2016 compared to €66 million in H1 2015
- Free cash flow of -€317 million
- Net debt of €944 million
- Net result, Group share of -€415 compared to -€275 million in H1 2015

### Transformation plan on track

- Success of the rights issue with shareholders' preferential subscription rights
- Conversion of Bpifrance Participations' and NSSMC's mandatory convertible bonds into Vallourec shares
- Additional credit lines of €520 million maturing in 2020 signed in Q2 2016
- Maturity extension of c. €1.5 billion medium and long-term credit facilities signed in July 2016
- Divestiture of Vallourec Heat Exchanger Tubes completed
- Clearance from the Chinese Competition Authority to acquire a controlling stake in Tianda Oil Pipe
- Exclusive negotiations initiated with Ascometal to sell majority stake in Saint-Sauve steel mill
- Completion of mandatory discussions with workers' councils in France
- Closure of the Déville-Lès-Rouen and Saint-Saulve (France) rolling mills respectively in H2 2016 and in Q1 2017
- Reduction of global headcount at end of June 2016 by c. 21%\* vs. end of 2014  
*\*including Vallourec Heat Exchanger Tubes headcount which was deconsolidated on 1 May 2016*

### Outlook

- 2016 guidance confirmed

**Boulogne-Billancourt (France), 28 July 2016** – Vallourec, world leader in premium tubular solutions, today announces its results for the second quarter and first half of 2016. The consolidated financial statements were presented by Vallourec's Management Board to its Supervisory Board on 27 July 2016.

**Commenting on these results, Philippe Crouzet, Chairman of the Management Board, said:**

*"Poor market conditions have continued to weigh on our first half 2016 revenues and results despite a second quarter which benefited from a better mix compared with the first quarter. The second half of 2016 will continue to be significantly impacted by low demand and intense pricing pressure.*

*Vallourec successfully finalized the last steps of its capital increase with the conversion of Bpifrance's and NSSMC's mandatory convertible bonds into Vallourec shares. Vallourec benefits from additional credit lines for an amount of €520 million and extended the maturity of its medium and long-term credit facilities.*

#### Information

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The implementation of our Transformation plan is moving forward in every region in line with our objectives. These vigorous actions, and particularly the ongoing restructuring and divestments in Europe, are paving the way for a transformed and more competitive Vallourec positioned for long-term profitable growth when market conditions improve.”

## Key figures

H1 2016	H1 2015	Change YoY	In millions of euros	Q2 2016	Q2 2015	Change YoY
572	774	-26.1%	<b>Sales Volume (k tonnes)</b>	321	362	-11.3%
1,434	2,070	-30.7%	<b>Revenues</b>	763	1,018	-25.0%
(104)	66	na	<b>EBITDA</b>	(32)	13	na
-7.3%	3.2%	-10.5pt	As % of revenues	-4.2%	1.3%	-5.5pt
(418)	(228)	na	<b>Operating income (loss)<sup>(1)</sup></b>	(128)	(193)	na
(415)	(275)	na	<b>Net income (loss), Group share</b>	(131)	(199)	na
(317)	+3	-€320 m	<b>Free cash flow<sup>(2)</sup></b>	(78)	+33	-€111 m

(1) Including €83 million of restructuring charges and €68 million of impairment related to the Transformation plan.

(2) Free cash flow (FCF) is a non-GAAP measure and is defined as cash flow from operating activities minus gross capital expenditure and plus/minus change in operating working capital requirement.

na: not applicable

## I - CONSOLIDATED REVENUES BY MARKET

H1 2016	H1 2015	Change YoY	In millions of euros	Q2 2016	Q2 2015	Change YoY	Q1 2016
931	1,439	-35.3%	Oil & Gas, Petrochemicals	463	720	-35.7%	469
227	253	-10.3%	Power Generation	142	110	+29.1%	85
276	378	-27.0%	Industry & Other	158	188	-16.0%	117
1,434	2,070	-30.7%	<b>Total</b>	763	1,018	-25.0%	671

For the second quarter of 2016, Vallourec recorded revenues of €763 million, down -25.0% compared with the second quarter of 2015 (down -21.4% at constant exchange rates) but up +13.7% sequentially, benefiting from higher volumes and a better mix compared with the first quarter 2016.

For the first half of 2016, Vallourec recorded revenues of €1,434 million, down -30.7% compared with the first half of 2015 (down -27.3% at constant exchange rates) mainly resulting from the volume decrease (-26.1%) and a slightly negative price/ mix (-1.2%) and currency effect (-3.4%).

### Oil & Gas, Petrochemicals (64.9% of revenues)

Oil & Gas revenues reached €863 million in H1 2016, down -35.2% year-on-year (down -32.1% at constant exchange rates).

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- **In the USA**, revenues were sharply down as a result of the decrease in volumes and prices compared with H1 2015. The active rig count which had been decreasing continuously since the end of 2014 stabilized at the end of May 2016 and started rising slightly at the end of Q2 2016. Destocking at distributors persisted over H1 2016.
- **In the EAMEA region**, revenues increased compared with the first half of 2015, mainly thanks to deliveries with a favorable customer mix. However, acute pressure on prices persisted as a result of intense competition.
- **In Brazil**, revenues were sharply down compared with the first half of 2015 as a result of a strong volume decrease delivered to Petrobras, partly offset by a better product mix thanks to the development of pre-salt fields, but at the expense of drilling activity onshore and in offshore shallow waters.

**Petrochemicals** revenues were €68 million in H1 2016, down -37.0% year-on-year (-34.3% at constant exchange rates).

### Power Generation (15.8% of revenues)

**Power Generation** revenues reached €227 million in H1 2016, a 10.3% decrease year-on-year (-8.7% at constant exchange rates).

- **Conventional power generation** revenues were stable and booking activity in H1 2016 was sustained.
- **In nuclear**, revenues were down over the first half of 2016, as a result of very low deliveries recorded in Q1 2016.

### Industry & Other (19.3% of revenues)

**Industry & Other** revenues amounted to €276 million in H1 2016, down -27.0% year-on-year (-21.2% at constant exchange rates).

- **In Europe**, revenues were significantly down as a result of lower volumes and prices. However, booking activity showed a slight improvement in H1 2016 but in a context of disputed prices.
- **In Brazil**, revenues were significantly down compared with the first half of 2015 as a result of a retracted market with lower volumes and prices. Bookings in the first half of 2016 were down compared with the first half of 2015. Despite a slight improvement in Q2 2016, average iron ore prices in the first half of 2016 were lower than in the first half of 2015 (-13.3%).

## II - CONSOLIDATED RESULTS ANALYSIS

**In Q2 2016, EBITDA stood at -€32 million, improving by €40 million compared with -€72 million in Q1 2016** as a result of a concentration of deliveries with a more favorable customer/product mix.

**EBITDA stood at -€104 million in H1 2016, down €170 million compared to H1 2015.** This is due to:

- Consolidated revenues down -30.7% compared to H1 2015 (-27.3% at constant exchange rates) of €1,434 million;
- Lower industrial margin at €122 million, down €214 million mainly affected by: (i) the drop in activity and, to a lower extent, (ii) inefficiencies of low load in the mills, despite high adaptation of costs;

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- Lower selling, general and administrative costs (SG&A) at €225 million, down 14.8% compared to H1 2015.

**Operating result was a loss of €418 million in H1 2016**, compared to a loss of €228 million in H1 2015, resulting primarily from (i) lower EBITDA and from (ii) restructuring charges of €83 million and impairment charges of €68 million mainly related to the strategic initiatives announced on 1 February 2016.

**For the first half of 2016, financial result was negative at -€68 million versus -€37 million in H1 2015**, resulting mainly from the evolution of the forex result.

**Income tax** was a gain of €46 million in H1 2016 compared to a charge of -€15 million in H1 2015, mainly related to recognition of deferred tax assets.

**The share attributable to non-controlling interests** amounted to -€27 million in H1 2016, compared to -€5 million in H1 2015.

**Net result, Group share was a loss of €415 million in H1 2016**, compared to a loss of €275 million in H1 2015.

### III - CASH FLOW & FINANCIAL POSITION

**Vallourec generated a negative free cash flow of -€317 million in H1 2016** compared to €3 million in H1 2015. This is mainly explained by:

- Negative cash flow from operating activities at -€203 million, resulting from the drop in EBITDA;
- A seasonal increase in the operating working capital requirement of €41 million in H1 2016;
- Capital expenditure at -€73 million, compared to -€89 million in H1 2015.

**As at 30 June 2016, Group net debt decreased by €575 million compared to 31 December 2015 to reach €944 million**, resulting in a gearing ratio of 25.4% compared to 50.0% at the end of 2015.

The decrease in net debt during the first half of 2016 is due to the net proceeds of the Rights Issue, combined with the issuance of reserved mandatory convertible bonds, for €959 million in Q2 2016 which was slightly offset by the deposit in an escrow account in Q1 2016 of €57 million in relation to the on-going acquisition of Tianda Oil Pipe.

### IV - LIQUIDITY

The Company's cash position as at 30 June 2016 amounted to €1.427 billion.

At 30 June 2016, short-term debt amounted to €1.249 billion, including the €650 million bond maturing in February 2017.

As at 30 June 2016, Vallourec's medium and long-term undrawn committed credit facilities amounted to €2.310 billion, including the c. €520 million additional credit lines signed in Q2 2016.

On 4 July 2016, Vallourec successfully extended the maturity of c. €1.5 billion of its medium and long-term credit lines as follows:

- €90 million revolving bilateral credit line maturing in February 2021, instead of February 2019;
- €400 million revolving credit facility maturing in July 2020, instead of July 2019;
- €1.1 billion revolving credit facility maturing in February 2020 extended to February 2021 for €989 million.

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## V - ACCELERATING OUR TRANSFORMATION

In Q2 2016, Vallourec finalized the last steps of its capital increase with the successful conversion of Bpifrance Participations' (Bpifrance) and Nippon Steel & Sumitomo Metal Corporation's (NSSMC) Mandatory Convertible Bonds resulting in the creation of 91,848,129 new shares. On 30 June 2016, following the rights issue and the conversion of Bpifrance's and NSSMC's bonds, Vallourec's capital stands at €889,276,098, divided into 444,638,049 shares, with Bpifrance and NSSMC each holding 15% of Vallourec's share capital.

Implementation of Vallourec's Transformation plan is progressing in line with objectives:

- Vallourec obtained clearance from the Chinese Competition Authority, a major step towards the acquisition of a controlling stake in Tianda Oil Pipe;
- As announced previously, the merger of Vallourec Tubos do Brasil and Vallourec Sumitomo Tubos do Brasil should be completed before end 2016;
- Vallourec has entered into exclusive negotiations with Ascometal in view of the disposal of a majority stake in the Saint-Saulve steel mill;
- The divestiture of Vallourec Heat Exchanger Tubes (VHET) was completed on 29 April 2016;
- Following the completion of consultations held with relevant workers council in France, reorganization of the European industrial footprint is underway: rolling mills located in Déville-Les-Rouen and Saint-Saulve (France) are planned to be closed respectively in H2 2016 and in Q1 2017. Initiatives are ongoing to mitigate the social impact of the plan and foster re-employment;
- In addition to the €100 million cost reductions already recorded in 2015, more than €60 million savings were achieved in the first half of 2016, in line with the objectives announced in February 2016;
- Group headcount at the end of June 2016 is down by 5,300\* or c. -21%\* compared to the end of 2014, including 4,500 permanent staff.  
*\*(This figure includes the c.700 employees of Vallourec Heat Exchanger Tubes which was deconsolidated on 1 May 2016).*

## VI - MARKET TRENDS & OUTLOOK

The Group confirms that the second half of 2016 will continue to be impacted by the cyclical downturn in the Oil and Gas market:

- **In the USA**, operators continue to focus on enhancing efficiencies and improving cash-flows. Vallourec is well positioned to capitalize on the first signs of a market improvement in the US. Thanks to a unique combination of local manufacturing, regional R&D capabilities, technical support through VAM® Field Services and a very efficient distributor network, Vallourec provides the best solutions to meet customer expectations. In H2 2016, ongoing inventory reduction at distributors is expected to dissipate and prices should start increasing moderately, helping to offset scrap prices evolution.
- **In the EAMEA region**, deliveries in H2 2016 will be severely impacted by the low order intake in 2015 and since the beginning of 2016 and by the steep decline in prices. In the current environment, IOCs continue to reduce their CAPEX and to be very selective in sanctioning projects. NOCs are launching significant tenders at very disputed prices.

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- **In Brazil**, no major changes in market trends are expected in H2 2016. Petrobras maintains its focus on development of pre-salt basins at the expense of all other fields, which will result in a decline of OCTG tube deliveries in 2016 compared to 2015.

**Power Generation** revenues are expected to be broadly stable in 2016 compared to 2015, with the nuclear power generation activity experiencing a slowdown in 2016.

**Industry & Other** operations in Europe should continue to be affected by the weakness of global investments and pricing pressure. In Brazil, business will continue to suffer from the depressed local environment and from iron ore prices that are expected to be slightly lower than in 2015.

In this context, the Group confirms its targets for 2016 as published in its Full Year 2015 financial results, namely:

- EBITDA lower than in 2015;
- Negative free cash flow of approximately €-600 million (assuming same working capital level and exchange rates as end of 2015);
- Net debt not exceeding €1.5 billion at the end of the year, after the acquisition of Tianda and full consolidation of VSB.

## Presentation of Q2 and H1 2016 financial results

Analyst conference call / audio webcast at 6:30 pm (Paris time) to be held in English.

- To listen to the audio webcast: <http://edge.media-server.com/m/go/VallourecHY2016>
- To participate in the conference call, please dial :
  - + 44 20 7136 2055 (UK),
  - + 33 1 76 77 22 24 (France),
  - +1 646 254 3362 (US),
  - +44 20 7136 2055 (other countries)Conference code : 1664274
- Audio webcast and slides will be available on the website at:  
<http://www.vallourec.com/EN/GROUP/FINANCE>

## Calendar

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**8 November 2016**      Release of third quarter and first nine months 2016

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### About Vallourec

Vallourec is a world leader in premium tubular solutions for the energy markets and for demanding industrial applications such as oil & gas wells in harsh environments, new generation power plants, challenging architectural projects, and high-performance mechanical equipment. Vallourec's pioneering spirit and cutting-edge R&D open new technological frontiers. Operating in more than 20 countries, its 20,000 dedicated and passionate people work hand-in-hand with their customers to offer more than just tubes: they deliver innovative, safe, competitive and smart tubular solutions, to make every project possible.

Listed on Euronext in Paris (ISIN code: FR0000120354, Ticker VK) and eligible for the Deferred Settlement System (SRD), Vallourec is included in the following indices: SBF 120 and Next 150.

In the United States, Vallourec has established a sponsored Level 1 American Depositary Receipt (ADR) program (ISIN code: US92023R2094, Ticker: VLOWY). Parity between ADR and a Vallourec ordinary share has been set at 5:1.

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## Information and Forward-Looking Statements

Information and Forward-Looking Statements This press release contains forward-looking statements. These statements include financial forecasts and estimates as well as assumptions on which they are based, statements related to projects, objectives and expectations concerning future operations, products and services or future performance. Although Vallourec's management believes that these forward-looking statements are reasonable, Vallourec cannot guarantee their accuracy or completeness and these forward-looking statements are subject to numerous risks and uncertainties that are difficult to foresee and generally beyond Vallourec's control, which may mean that the actual results and developments may differ significantly from those expressed, induced or forecasted in the statements. These risks include those developed or identified in the public documents filed by Vallourec with the AMF, including those listed in the "Risk Factors" section of the Registration Document filed with the AMF on 16 March 2016 (N° D.16-0141).

## Appendices

### Documents accompanying this release:

- Sales volume
- Forex
- Revenues by geographic region
- Revenues by market
- Cash flow statement
- Free cash flow
- Summary consolidated income statement
- Summary consolidated balance sheet

## Sales volume

<i>In thousands of tonnes</i>	2016	2015	Change YoY
Q1	251	412	-39.1%
Q2	321	362	-11.3%
Q3		317	
Q4		320	
<b>Total</b>	<b>572</b>	<b>1,411</b>	

## Forex

<i>Average exchange rate</i>	H1 2016	H1 2015
EUR / USD	1.12	1.12
EUR / BRL	4.13	3.31
USD / BRL	3.70	2.97

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## Revenues by geographic region

<i>In millions of euros</i>	H1 2016	As % of revenues	H1 2015	As % of revenues	Change YoY
Europe	307	21.4%	461	22.3%	-33.4%
North America	238	16.6%	656	31.7%	-63.7%
South America	217	15.1%	383	18.5%	-43.3%
Asia & Middle East	404	28.2%	404	19.5%	=
Rest of World	268	18.7%	166	8.0%	+61.4%
<b>Total</b>	<b>1,434</b>	<b>100.0%</b>	<b>2,070</b>	<b>100.0%</b>	<b>-30.7%</b>

## Revenues by market

<i>In millions of euros</i>	H1 2016	As % of revenues	H1 2015	As % of revenues	Change YoY	Q2 2016	Change YoY
Oil & Gas	863	60.2%	1,331	64.3%	-35.2%	425	-37.4%
Petrochemicals	68	4.7%	108	5.2%	-37.0%	38	-9.5%
<b>Oil &amp; Gas, Petrochemicals</b>	<b>931</b>	<b>64.9%</b>	<b>1,439</b>	<b>69.5%</b>	<b>-35.3%</b>	<b>463</b>	<b>-35.7%</b>
<b>Power Generation</b>	<b>227</b>	<b>15.8%</b>	<b>253</b>	<b>12.2%</b>	<b>-10.3%</b>	<b>142</b>	<b>+29.1%</b>
Mechanicals	133	9.3%	204	9.9%	-34.8%	75	-28.6%
Automotive	49	3.4%	65	3.1%	-24.6%	26	-13.3%
Construction & Other	94	6.6%	109	5.3%	-13.7%	57	+7.5%
<b>Industry &amp; Other</b>	<b>276</b>	<b>19.3%</b>	<b>378</b>	<b>18.3%</b>	<b>-27.0%</b>	<b>158</b>	<b>-16.0%</b>
<b>Total</b>	<b>1,434</b>	<b>100.0%</b>	<b>2,070</b>	<b>100.0%</b>	<b>-30.7%</b>	<b>763</b>	<b>-25.0%</b>

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## Cash flow statement

H1 2016	H1 2015	<i>In millions of euros</i>	Q2 2016	Q2 2015	Q1 2016
(203)	(19)	Cash flow from operating activities	(68)	(38)	(135)
(41)	+111	Change in operating WCR + decrease, (increase)	+20	+112	(61)
<b>(244)</b>	<b>+92</b>	<b>Net cash flow from operating activities</b>	<b>(48)</b>	<b>+74</b>	<b>(196)</b>
(73)	(89)	Gross capital expenditure	(30)	(41)	(43)
-	-	Financial investments	-	-	-
959	-	Capital increase	959	-	-
(1)	(66)	Dividends paid	(1)	(66)	-
(66)	(60)	Asset disposals & other items	(35)	(34)	(31)
<b>575</b>	<b>(123)</b>	<b>Change in net debt + decrease, (increase)</b>	<b>845</b>	<b>(67)</b>	<b>(270)</b>
944	1,670	Net debt (end of period)	944	1,670	1,789

## Free cash flow

H1 2016	H1 2015	Change	<i>In millions of euros</i>	Q2 2016	Q2 2015	Change
(203)	(19)	-184	Cash flow from operating activities (FFO) (A)	(68)	(38)	-30
(41)	+111	-152	Change in operating WCR (B) [+ decrease, (increase)]	+20	+112	-92
(73)	(89)	+16	Gross capital expenditure (C)	(30)	(41)	+11
<b>(317)</b>	<b>+3</b>	<b>-320</b>	<b>Free cash flow (A)+(B)+(C)</b>	<b>(78)</b>	<b>+33</b>	<b>-111</b>

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## Summary consolidated income statement

H1 2016	H1 2015	Change YoY	<i>In millions of euros</i>	Q2 2016	Q2 2015	Change YoY
<b>1,434</b>	<b>2,070</b>	-30.7%	<b>REVENUES</b>	<b>763</b>	<b>1,018</b>	-25.0%
(1,312)	(1,734)	-24.3%	Cost of sales <sup>(1)</sup>	(691)	(876)	-21.1%
<b>122</b>	<b>336</b>	-63.7%	<b>Industrial margin</b>	<b>72</b>	<b>142</b>	-49.3%
8.5%	16.2%	-7.7pt	(as % of revenues)	9.4%	13.9%	-4.5pt
(225)	(264)	-14.8%	SG&A costs <sup>(1)</sup>	(109)	(127)	-14.2%
(1)	(6)	na	Other income (expense), net	5	(2)	na
<b>(104)</b>	<b>66</b>	na	<b>EBITDA</b>	<b>(32)</b>	<b>13</b>	na
-7.3%	3.2%	-10.5pt	EBITDA as % of revenues	-4.2%	1.3%	-5.5pt
(141)	(149)	-5.4%	Depreciation of industrial assets	(71)	(73)	-2.7%
(22)	(23)	-4.3%	Amortization and other depreciation	(11)	(13)	-15.4%
(68)	(17)	na	Impairment of assets	(5)	(17)	na
(83)	(105)	na	Asset disposals, restructuring and other	(9)	(103)	na
<b>(418)</b>	<b>(228)</b>	+83.3%	<b>OPERATING INCOME (LOSS)</b>	<b>(128)</b>	<b>(193)</b>	-33.7%
(68)	(37)	na	Financial income (loss)	(34)	(16)	na
<b>(486)</b>	<b>(265)</b>	na	<b>PRE-TAX INCOME (LOSS)</b>	<b>(162)</b>	<b>(209)</b>	na
46	(15)	na	Income tax	18	2	na
(2)	0	na	Share in net income (loss) of associates	-	(1)	na
<b>(442)</b>	<b>(280)</b>	+57.9%	<b>NET INCOME (LOSS) FOR THE CONSOLIDATED ENTITY</b>	<b>(144)</b>	<b>(208)</b>	-30.8%
(27)	(5)	na	Non-controlling interests	(13)	(9)	na
<b>(415)</b>	<b>(275)</b>	+50.9%	<b>NET INCOME (LOSS), GROUP SHARE</b>	<b>(131)</b>	<b>(199)</b>	-34.2%
<b>(2.4)</b>	<b>(2.1)</b>	na	<b>EARNINGS PER SHARE (in €)</b>	<b>(0.3)</b>	<b>(1.5)</b>	na

(1) Before depreciation and amortization

na: not applicable

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## Summary consolidated balance sheet

<i>In millions of euros</i>					
<b>Assets</b>	<b>30-June 2016</b>	<b>31-Dec 2015</b>	<b>Liabilities</b>	<b>30-June 2016</b>	<b>31-Dec 2015</b>
Net intangible assets	138	149	Equity, Group share	3,360	2,646
Goodwill	323	329	Non-controlling interests	350	392
Net property, plant and equipment	3,124	3,161	<b>Total equity</b>	<b>3,710</b>	<b>3,038</b>
Biological assets	181	155	Bank loans and other borrowings	1,122	1,763
Associates	171	177	Employee benefits	281	224
Other non-current assets	269	233	Deferred tax liabilities	188	216
Deferred tax assets	187	149	Provisions and other long-term liabilities	118	43
<b>Total non-current assets</b>	<b>4,393</b>	<b>4,353</b>	<b>Total non-current liabilities</b>	<b>1,709</b>	<b>2,246</b>
Inventories and work-in-progress	1,008	1,066	Provisions	286	238
Trade and other receivables	588	545	Overdrafts and other short-term borrowings	1,249	387
Derivatives - assets	78	20	Trade payables	482	523
Other current assets	383	307	Derivatives - liabilities	131	152
Cash and cash equivalents	1,427	631	Tax and other current liabilities	310	347
<b>Total current assets</b>	<b>3,484</b>	<b>2,569</b>	<b>Total current liabilities</b>	<b>2,458</b>	<b>1,647</b>
Assets held for sale	-	69	Liabilities disposal for sale	-	60
<b>TOTAL ASSETS</b>	<b>7,877</b>	<b>6,991</b>	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7,877</b>	<b>6,991</b>
<b>Net debt</b>	<b>944</b>	<b>1,519</b>	<b>Net income (loss), Group share</b>	<b>(415)</b>	<b>(865)</b>
<b>Gearing ratio</b>	<b>25.4%</b>	<b>50.0%</b>			

### Information

Half-year financial statements at 30 June 2015 and 30 June 2016 are subject to limited review by statutory auditors.

Quarterly financial statements are unaudited and not subject to any review.

Unless otherwise specified, indicated variations are expressed in comparison with the same period of the previous year.