HALF-YEAR REPORT 2015

THE FACES **OF OUR FINANCIAL** PERFORMANCE

ERAMET

ALLOYS, ORES AND PEOPLE.

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1 DECLARATION BY THE PERSONS RESPONSIBLE FOR THE ERAMET INTERIM FINANCIAL REPORT AS AT JUNE 30, 2015

We declare that, to the best of our knowledge, the condensed interim consolidated financial statements for the past half-year have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and results of the Company and of all the companies within the scope of consolidation and that the accompanying interim business report presents a true and fair view of the highlights of the first six months of the year and their impact on the condensed interim consolidated financial statements, the main related party transactions and a description of the main risks and uncertainties for the remaining six months of the year.

Paris, July 29, 2015

Chairman and Chief Executive Officer	Chief Financial Officer
Patrick Buffet	**Jean-Didier Dujardin**

2 INTERIM BUSINESS REPORT AS AT JUNE 30, 2015

1. Foreword

It is advisable to read this report on the Company's financial position and operating performance in conjunction with the Company's consolidated financial statements, the notes to the condensed interim consolidated financial statements for the period ended June 30, 2015 and the other financial information in the 2014 Registration Document filed with the French Financial Markets Authority (AMF) on March 25, 2015. The Company's interim financial statements were drawn up in accordance with IAS 34 (Interim Financial Reporting).

The information in this report also contains forecasts based on estimates of ERAMET's future business activities that may differ materially from actual results.

The figures presented and commented on are adjusted data from the Group reporting, in which joint ventures are accounted for using the proportionate consolidation. The reconciliation with published financial statements is presented in Section 4.4.

2. Overview

ERAMET is a mining and metallurgical Group that bases its operations and business development on a sustainable, profitable and balanced growth strategy.

ERAMET has expanded significantly over the past 15 years, establishing a foothold on five continents so as to better serve its markets. Having developed unique expertise in geology, metallurgy, hydrometallurgy, pyrometallurgy and in the design of high-performance steel grades, ERAMET is now a global market leader in the production and conversion of non-ferrous metals and alloys.

3. Group results and highlights in the 1st half of 2015

❑ Group results

With a sharp and simultaneous downturn in nickel and manganese prices, ERAMET stands strong with financial liquidity of nearly €2 billion and a moderate net debt-to-equity ratio of 30%.

Despite a difficult market environment, the ERAMET Group reported sales of €1,626 million in the 1st half of 2015 compared with €1,534 million in the 1st half of 2014.

Current operating income came out at -€70 million, affected by exceptional or non-recurrent items and provisions for nickel inventories. Net income, Group share totalled -€83 million in the 1st half of 2015.

Net financial debt stood at €805 million.

ERAMET is commited to pursuing its large-scale 2014-2017 plan to improve productivity and reduce costs, with its objective of a €360 million annual impact on current operating income at the end of the period compared to 2013. All the ERAMET teams are rallying to meet that target.

Industrial investments are to be reduced through a strict and rigorous strenghtened policy of capital expenditure. Investments in 2015 will be significantly below €400 million.

ERAMET remains strongly positioned in fundamentally high-potential markets.

❑ Highlights

The Group passed a new milestone in the building of the first European aerospace titanium supply chain

Once again, ERAMET Alloys confirmed its strong base in the aerospace sector in the 1st half of 2015 with the strengthening of Europe's number-one aerospace titanium business through the creation of EcoTitanium (1), launched on 27 April, 2015, and MKAD (2), a joint venture with Mecachrome announced in late June 2015.

Ramp-up continues at the Moanda Metallurgical Complex in Gabon as well as TiZir in Senegal

The 1st half of 2015 was marked by the opening of the Moanda Metallurgical Complex in Gabon. These new entities reaffirm ERAMET's global leadership position across the entire spectrum of manganese alloys.

Lastly, in the mineral sands sector, the ramp-up at Grande Côte will continue during the second half of this year. TiZir, a 50/50 joint venture with the Australian company Mineral Deposits Limited, aims to become a new leader in the markets of ilmenite for titanium dioxide and zirconium for ceramics.

(1) Entity producing aerospace quality ingots starting from recycled titanium.
(2) Entity dedicated to aerospace titanium parts machining.

4. 2015 interim results

4.1 Income statement

(€ million)	H1 2015	H1 2014	Full year 2014
Sales	1,626	1,534	3,144
EBITDA	78	157	363
Current operating profit (loss)	(70)	14	75
Operating profit (loss)	(115)	(28)	(54)
Net profit (loss) for the period	(126)	(58)	(171)
Net profit (loss), Group share	(83)	(59)	(159)
Basic earnings per share *(€)*	(3.13)	(2.25)	(6.06)

4.1.1 Comments by division: sales and current operating income

ERAMET Nickel

ERAMET Nickel results have been impacted by sharp market downturn.

The average LME nickel price in the 1st half of 2015 was USD 6.2/lb, down from USD 7.8/lb in the 1st half of 2014 and USD 7.5/lb in the 1st half of 2014.

ERAMET Nickel posted current operating income of -€98 million in the 1st half of 2015, compared with -€27 million in the 1st half of 2014.

The continued accumulation of nickel inventories in LME warehouses in 2014 weighed on nickel prices. The consensus opinion was that the law introduced by the Indonesian government in early 2014 banning the export of unprocessed nickel ore would have a positive impact on nickel prices in the short term. But owing to the build-up of major ore inventories in China prior to the ban, and to major and unrecorded transfers of inventories of Chinese metal to LME warehouses, nickel prices trended sharply downwards in the 1st half of 2015. LME nickel metal inventories reached record highs in early June, representing, together with producers inventories, around 24 weeks of consumption. LME inventories have trended downwards in recent weeks.

Experts agree on a coming LME nickel prices increase.

ERAMET Alloys

ERAMET Alloys sales increased by 8% year-on-year in the 1st half of 2015. The aerospace sector accounted for almost 60% of the sales of ERAMET Alloys.

ERAMET Alloys current operating income came to €15 million in the 1st half of 2015 compared with a break-even result in the 1st half of 2014.

Considerable cost reductions and major gains in productivity served to confirm growth in current operating income against a backdrop of contrasted markets.

ERAMET Manganese

ERAMET Manganese results remained robust despite the fall in manganese ore prices thanks to the outstanding quality of its Moanda deposit.

CRU CIF China spot prices for high-grade manganese ore fell by more than 30% year-to-date to approximately USD 3/dmtu, largely due to the decrease of the global carbon steel production (-2% in the 1st half of 2015 compared to the 1st half of 2014).

Despite this backdrop, ERAMET Manganese sales has moderately increased in the 1st half of 2015 at €718 million compared to €683 million in the 1st half of 2014.

ERAMET Manganese ore production in Gabon totalled almost 1.9 million tons in the 1st half of 2015, increasing steadily since the 1st half of 2014, a level never attained before in a first semester. The Group is extremely well positioned on the cost curve of manganese ore producers thanks to the intrinsic qualities of the Moanda deposit in Gabon.

Manganese alloys prices remained stable as a whole and production increased by over 4% on the 1st half of 2014.

Current operating income for ERAMET Manganese came out at €32 million in the 1st half of 2015 compared with €61 million in the 1st half of 2014.

4.1.2 Net profit (loss), Group share

Net loss, Group share amounted to -€83 million in the 1st half of 2015, down from -€59 million for the same period in 2014. This is mainly due to the decline in current operating income and the increase in net borrowing cost, partially offset by lower tax expense.

It includes the following items:

- the **net borrowing cost** of -€26 million in the 1st half of 2015 compared with -€16 million in the 1st half of 2014, due in particular to the increase of the net financial debt and the capitalization of borrowing costs relating to the Grande Côte and the Moanda Metallurgical Complex investments during the 1st half of 2014; borrowing costs associated with these investments and recognized in the income statement amounted to €10 million in the 1st half of 2015;
- **other financial income and expenses:** an expense of €8 million in the 1st half of 2015 compared with €9 million in the 1st half of 2014;
- **income tax** which resulted in an income of €23 million in the 1st half of 2015, compared with an expense of -€3 million in the 1st half of 2014. The effective tax rate were 15% and took into account the negative effects of unrecognized or depreciated deferred tax assets;
- **non-controlling interests** which were down in the 1st half of 2015, with a negative share of €43 million compared with a positive amount of €1 million in the 1st half of 2014, directly impacted by lower results in the Manganese division (COMILOG, 36.29% of non-controlling interests) and Nickel division (Le Nickel-SLN, 44% of non-controlling interests).

4.2 Statement of changes in net financial debt

(€ million)	H1 2015	H1 2014	Full year 2014
Net cash generated by operating activities	(118)	(68)	43
Industrial capital expenditure	(132)	(175)	(346)
Net financial investments	-	3	28
Dividends	-	(1)	(25)
Other	(8)	(14)	(29)
(Increase)/Decrease in net financial debt	**(258)**	**(255)**	**(329)**
Opening (net financial debt)	(547)	(218)	(218)
Closing (net financial debt)	**(805)**	**(473)**	**(547)**

Net financial debt at June 30, 2015 amounted to €805 million compared with €547 million at December 31, 2014.

Net cash generated by operating activities: this was down €50 million, mainly due to the decline in EBITDA of €79 million between the 1st half of 2014 and the 1st half of 2015, partially offset by the change in WCR of €38 million.

Industrial capital expenditure: industrial capital expenditure amounted to €132 million.

ERAMET Manganese's capital expenditure amounted to €77 million in the 1st half of 2015, resulting in a 30% decrease compared to the 1st half of 2014.

ERAMET Nickel's capital expenditure amounted to €37 million in the 1st half of 2015, resulting in a 12% decrease compared to the 1st half of 2014.

ERAMET Alloys' capital expenditure amounted to €16 million in the 1st half of 2015, resulting in a 30% decrease compared with the 1st half of 2014.

4.3 Group share of shareholders' equity

The Group share of shareholders' equity had decreased to €2,278 million at the end of June 2015, from €2,322 million at the end of 2014. This change mainly reflects the Group's negative share of net income for the period, partially offset by the favorable impact of foreign currencies translation in the 1st half of 2015.

4.4 Reconciliation of the Group reporting and published accounts

(€ million)	H1 2015 Published (1)	Joint ventures contribution	H1 2015 Adjusted (2)	H1 2014 Published (1)	Joint ventures contribution	H1 2014 Adjusted (2)	Full year 2014 Published (1)	Joint ventures contribution	Full year 2014 Adjusted (2)
Sales	1,580	46	**1,626**	1,504	30	**1,534**	3,075	69	**3,144**
EBITDA	79	(1)	**78**	154	3	**157**	363	-	**363**
Current operating profit (loss)	(61)	(9)	**(70)**	14	-	**14**	86	(11)	**75**
Operating profit (loss)	(106)	(9)	**(115)**	(29)	-	**(29)**	(15)	(39)	**(54)**
Net profit (loss), Group share	(83)	-	**(83)**	(59)	-	**(59)**	(159)	-	**(159)**
Net cash generated by operating activities	(112)	(6)	**(118)**	(89)	21	**(68)**	50	(7)	**43**
Industrial capital expenditure	(124)	(8)	**(132)**	(142)	(33)	**(175)**	(305)	(41)	**(346)**
(Net financial debt)	(647)	(158)	**(805)**	(380)	(93)	**(473)**	(411)	(136)	**(547)**
Shareholders' equity, Group share	2,278	-	**2,278**	2,473	-	**2,473**	2,322	-	**2,322**

(1) Financial statements prepared under applicable standards, with joint ventures consolidated using the equity method. See 2015 condensed interim consolidated financial statements.
(2) Group reporting, with joint ventures accounted for using the proportionate consolidation.

5. Risk management

The Group uses derivatives to control its risk exposure. Management of the principal risks, delegated by the Executive Committee, is centralized at ERAMET's finance department. This management is performed directly by ERAMET or via special-purpose companies, such as Metal Currencies, specifically created to manage the Group's exchange risks.

The presentation of these risks and the Group's assessment of them are detailed in the 2014 Registration Document in Note 24 "Risk management and derivatives" to the consolidated financial statements, and in Chapter 3 "Risk factors".

Cash surpluses of subsidiaries are pooled at Group level through a wholly-owned subsidiary (Metal Securities). Cash management in 2015, as in previous years, was prudent (including 3% in money market funds and sight deposits, 60% in time deposits, 13% in bonds and 24% in diversified funds and others); this enabled ERAMET to obtain a return of 2.16% in the 1st half of 2015, *i.e.* +2.17% Eonia.

The Group has not identified any other risk factors during the 1st half of 2015 or any affecting the upcoming 2nd half.

6. Events after the balance sheet date

To the best of the Company's knowledge, no event has occurred since the balance sheet date.

7. Financial statements of ERAMET S.A.

(€ million)	H1 2015	H1 2014	Full year 2014
Sales	360	384	780
Operating profit (loss)	(24)	(41)	(60)
Financial profit (loss)	(2)	(1)	12
Non-recurring profit (loss)	5	(2)	(24)
Net profit (loss)	(19)	(44)	(71)

Sales was down by 6% owing to the fall in nickel prices (average LME price of USD6.2/lb during the 1st half of 2015, against USD7.5/lb during the 1st half of 2014).

The operating loss amounted to €24 million in the 1st half of 2015 compared with €41 million in the 1st half of 2014.

Financial loss remained stable at €2 million in the 1st half of 2015, compared with €1 million in the 1st half of 2014. This net balance comprised net interest paid on loans/borrowings and the net foreign-exchange balance on financial transactions.

Non-recurring profit (loss) mainly comprises the reversal of the maturing portion of provisions for tax (price increase provision).

Net loss for the period was €19 million for the 1st half of 2015 compared with €44 million for the 1st half of 2014.

8. Short-term outlook

In a very difficult market backdrop impacting all mining and metallurgy companies in the last semesters, nickel and manganese prices in simultaneous downward trends weighed significantly on the Group's results in the 1st half of 2015.

Against this backdrop, the ERAMET Group pursues with determination its programme to reduce costs and improve productivity in all Group entities and reinforces its selective approach to capital expenditure.

The ramp-up in recent investments (the Moanda Metallurgical Complex and TiZir, …) and future investments (EcoTitanium, MKAD, …) will strengthen the Group's leadership positions.

ERAMET remains strongly positioned in fundamentally high-potential markets in the long term.

3 CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT JUNE 30, 2015

Statement of comprehensive income

(€ million)	Notes	H1 2015	H1 2014	Full year 2014
Sales	**2**	**1,580**	**1,504**	**3,075**
Other income		-	21	102
Cost of sales		(1,401)	(1,264)	(2,623)
Administrative and selling expenses		(89)	(92)	(161)
Research and development expenditure		(11)	(15)	(30)
EBITDA	**2.1**	**79**	**154**	**363**
Depreciation and amortization of non-current assets and provisions		(140)	(140)	(277)
Current operating profit (loss)	**2.1**	**(61)**	**14**	**86**
Other operating income and expenses before impairment of assets	5.1	(45)	(43)	(102)
Operating profit (loss) before impairment		**(106)**	**(29)**	**(16)**
Impairment of assets	5.1	-	-	1
Operating profit (loss)	**2.1**	**(106)**	**(29)**	**(15)**
Net borrowing cost	5.2.1	(18)	(16)	(33)
Other financial income and expenses	5.2.2	(8)	(10)	(27)
Share of income from joint ventures	4	(16)	1	(44)
Share of income from associates		-	(1)	-
Income tax	5.3	23	(3)	(48)
Profit (loss) for the period		**(125)**	**(58)**	**(167)**
• attributable to non-controlling interests		(42)	1	(8)
ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		**(83)**	**(59)**	**(159)**
Basic earnings per share *(€)*		(3.13)	(2.25)	(6.06)
Diluted earnings per share *(€)*		(3.13)	(2.25)	(6.06)

Profit (loss) for the period		**(125)**	**(58)**	**(167)**
Translation differences for subsidiaries' financial statements in foreign currency		45	1	28
Change in revaluation reserve for hedging financial instruments		(15)	(13)	(92)
Change in fair value of available-for-sale financial assets		-	1	-
Income tax		6	4	15
Items recyclable to profit and loss		**36**	**(7)**	**(49)**
Revaluation of net defined benefit plan liabilities		-	-	(18)
Income tax		-	-	1
Items not recyclable to profit and loss		**-**	**-**	**(17)**
Other comprehensive income		**36**	**(7)**	**(66)**
• attributable to non-controlling interests		-	-	(9)
• attributable to equity holders of the parent		**36**	**(7)**	**(57)**
Total comprehensive income		**(89)**	**(65)**	**(233)**
• attributable to non-controlling interests		(42)	1	(17)
• attributable to equity holders of the parent		**(47)**	**(66)**	**(216)**

Statement of financial position

(€ million)	Notes	30/06/2015	31/12/2014
Goodwill		162	162
Intangible assets	6.1	467	431
Property, plant and equipment	6.2	2,296	2,296
Investments in joint ventures	4	221	222
Investments in associates		9	9
Non-current financial assets		152	141
Deferred tax		149	108
Other non-current assets		43	39
Non-current assets		**3,499**	**3,408**
Inventories		1,027	1,019
Trade receivables and other current assets		701	645
Current tax receivables		59	61
Derivatives		39	23
Current financial assets	6.8	355	420
Cash and cash equivalents	6.8	402	516
Current assets		**2,583**	**2,684**
TOTAL ASSETS		**6,082**	**6,092**

(€ million)	Notes	30/06/2015	31/12/2014
Share capital		81	81
Share premiums		373	373
Revaluation reserve for available-for-sale assets		-	-
Revaluation reserve for hedging instrument		(70)	(60)
Revaluation reserve for net defined benefit plan liabilities		(54)	(54)
Translation differences		47	1
Other reserves		1,901	1,981
Attributable to equity holders of the parent		**2,278**	**2,322**
Attributable to non-controlling interests		392	434
Shareholders' equity		**2,670**	**2,756**
Employee-related liabilities		212	202
Provisions	6.6	513	488
Deferred tax		247	242
Borrowings – due in more than one year	6.8	1,036	1,031
Other non-current liabilities	6.9	30	29
Non-current liabilities		**2,038**	**1,992**
Provisions – due in less than one year	6.6	27	42
Borrowings – due in less than one year	6.8	368	316
Trade payables and other current liabilities	6.9	765	781
Current tax liabilities		26	64
Derivatives		188	141
Current liabilities		**1,374**	**1,344**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**6,082**	**6,092**

Statement of cash flows

(€ million)	Notes	H1 2015	H1 2014	Full year 2014
Operating activities				
Profit (loss) for the period		(125)	(58)	(167)
Elimination of non-cash or non-operating income and expenses:				
• Depreciation, impairment and provisions		141	140	299
• Accretion expenses		6	3	12
• Financial instruments		(1)	1	16
• Deferred tax		(37)	(12)	(65)
• Proceeds from asset disposals		(1)	1	(3)
• Share of income from joint ventures		16	(1)	44
• Share of income from associates		-	1	-
Non-cash income and expenses		**124**	**133**	**303**
Cash generated from operations		**(1)**	**75**	**136**
(Increase) / Decrease in net inventories		10	(72)	(43)
(Increase) / Decrease in net trade receivables		(33)	(22)	9
Increase / (Decrease) in trade payables		(32)	(10)	(24)
Net change in other net assets and liabilities		(56)	(60)	(28)
Net change in current operating assets and liabilities		**(111)**	**(164)**	**(86)**
Net cash generated by operating activities (1)	**2.1**	**(112)**	**(89)**	**50**
Investing activities				
Payments for non-current assets		(114)	(160)	(316)
Proceeds from non-current assets disposals		6	6	10
(Proceeds from) / Repayment of borrowings		(10)	(1)	(5)
Net change in other current financial assets		65	(98)	(251)
Capital increase of joint ventures		-	(3)	(3)
Impact of removals from the scope of consolidation		-	-	30
Net cash used in investing activities		**(53)**	**(256)**	**(535)**
Financing activities				
Dividends paid to ERAMET S.A. shareholders		-	-	-
Dividends paid to non-controlling interests in consolidated companies (2)		-	(1)	(25)
Proceeds from the disposal / (acquisition) of treasury shares		-	3	-
Proceeds from borrowings		83	370	482
Repayment of borrowings		(63)	(110)	(194)
Change in bank overdrafts		22	2	(11)
Changes in accrued interest not yet due and amortization of debt issue expenses		9	19	10
Net cash used in financing activities		**51**	**279**	**262**
Exchange-rate impact		-	-	1
Increase (decrease) in cash and cash equivalents		**(114)**	**(66)**	**(222)**
OPENING CASH AND CASH EQUIVALENTS		**516**	**738**	**738**
CLOSING CASH AND CASH EQUIVALENTS		**402**	**672**	**516**
(1) of which, included in operating activities				
Interest income	*5.2.1*	*6*	*6*	*14*
Interest paid	*5.2.1*	*(32)*	*(21)*	*(50)*
Tax paid		*(48)*	*(32)*	*(59)*
(2) of which				
Dividends made payable to non-controlling interests in consolidated companies		*-*	*(25)*	*(25)*
Dividends to be paid to non-controlling interests in consolidated companies		*-*	*24*	*-*

Statement of changes in equity

(€ million)	Number of shares	Share capital	Share premiums	Reserves / assets available for sale	Reserves / hedging instruments	Reserves / defined benefit plans	Translation differences	Other reserves	Attributable to equity holders of the parent	Attributable to non-controlling interests	Total shareholders' equity
Shareholders' equity as at January 1, 2014	**26,543,218**	**81**	**373**	**-**	**10**	**(37)**	**(29)**	**2,134**	**2,532**	**476**	**3,008**
Profit (loss) for the period								**(59)**	**(59)**	**1**	**(58)**
Translation differences for financial statements of subsidiaries denominated in foreign currency							1		1		1
Change in revaluation reserve for hedging instruments					(9)				(9)		(9)
Change in fair value of financial assets available for sale				1					1		1
Other comprehensive income (loss)		**-**	**-**	**1**	**(9)**	**-**	**1**	**-**	**(7)**	**-**	**(7)**
Total comprehensive income (loss)		**-**	**-**	**1**	**(9)**	**-**	**1**	**(59)**	**(66)**	**1**	**(65)**
Dividends paid									-	(25)	(25)
Share-based payments - Note 6.5.2								6	6		6
Other movements								1	1	(1)	-
Total transactions with shareholders		**-**	**-**	**-**	**-**	**-**	**-**	**7**	**7**	**(26)**	**(19)**
SHAREHOLDERS' EQUITY AS AT JUNE 30, 2014	**26,543,218**	**81**	**373**	**1**	**1**	**(37)**	**(28)**	**2,082**	**2,473**	**451**	**2,924**
Shareholders' equity as at January 1, 2015	**26,543,218**	**81**	**373**	**-**	**(60)**	**(54)**	**1**	**1,981**	**2,322**	**434**	**2,756**
Profit (loss) for the period								**(83)**	**(83)**	**(42)**	**(125)**
Translation differences for financial statements of subsidiaries denominated in foreign currency							46		46	(1)	45
Change in revaluation reserve for hedging instruments					(10)				(10)	1	(9)
Other comprehensive income (loss)		**-**	**-**	**-**	**(10)**	**-**	**46**	**-**	**36**	**-**	**36**
Total comprehensive income (loss)		**-**	**-**	**-**	**(10)**	**-**	**46**	**(83)**	**(47)**	**(42)**	**(89)**
Share-based payments - Note 6.5.2								2	2		2
Other movements								1	1		1
Total transactions with shareholders		**-**	**-**	**-**	**-**	**-**	**-**	**3**	**3**	**-**	**3**
SHAREHOLDERS' EQUITY AS AT JUNE 30, 2015	**26,543,218**	**81**	**373**	**-**	**(70)**	**(54)**	**47**	**1,901**	**2,278**	**392**	**2,670**

Notes to the financial statements

ERAMET is a French public limited company, with a Board of Directors, governed by the provisions of Articles L. 225-17 and R. 225-1 *et seq.* of the French Commercial Code and by its Articles of Association. As required by law, the Company is audited by two incumbent Statutory Auditors and two alternate Statutory Auditors.

Via its subsidiaries and investments, the ERAMET group operates in the nickel and manganese mining and production sectors, as well as in the alloys production sector, where it is the market leader.

The condensed interim consolidated financial statements for the ERAMET group for the 1st half of 2015 were approved by the Board of Directors of ERAMET S.A. on July 29, 2015.

Note 1. Accounting principles and methods

1.1 General principles and declaration of compliance

Pursuant to European Regulation 1606/2002 of July 19, 2002, the condensed interim consolidated financial statements for the 1st half of 2015 are presented in millions of euros in accordance with IAS 34 "Interim Financial Reporting", and prepared under IFRS as published by the IASB (International Accounting Standards Board) and IFRS as adopted by the European Union at June 30, 2015. Since they are summary financial statements, the condensed interim consolidated financial statements do not contain all of the information and notes required for annual financial statements and in this regard should be read in conjunction with the ERAMET group's annual consolidated financial statements for the year ended December 31, 2014.

The reference document adopted by the European Union is available for consultation on the website below: http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm.

1.2 Changes to standards and interpretations

The accounting principles and methods applied for the condensed interim consolidated financial statements as at June 30, 2015 are identical to those used in the consolidated financial statements as at December 31, 2014, with the exception of IFRS standards, amendments and interpretations as adopted by the European Union and issued by the IASB, the application of which is mandatory for annual periods beginning on or after January 1, 2015 (and which had not been applied early by the Group).

Except for IFRIC Interpretation 21, these standards and amendments had no impact on the Group's consolidated financial statements.

The impact on the consolidated financial statements of the first-time adoption of this interpretation is +€1 million on Group equity at January 1, 2015.

The impact on net profit (loss) in the 1st half of 2015 is -€1 million. Given the non-significant nature of the impact, comparative periods have not been restated.

Standards, interpretations and amendments issued by the IASB and IFRS IC (IFRS Interpretations Committee), the application of which are not mandatory for annual periods beginning on or after January 1, 2015, have not been applied by the Group.

1.3 Seasonality effect

The Group's various activities are not subject to significant seasonal fluctuations.

1.4 Use of estimates and judgments

The judgments and estimates that are likely to result in a material change in the carrying amount of assets and liabilities are unchanged from the previous year (2014 Registration Document – Note 1.1.1. "Use of estimates and judgments").

1.5 Specific features in the preparation of interim financial statements

1.5.1 Employee benefits

The post-employment benefit expense for the half-year is half of the net expense estimated for financial year 2015, based on actuarial assumptions and data used at December 31, 2014, and adjusted where necessary for non-recurring events (plan amendments, curtailments, settlements). As of June 30, the Group's main plans are subject to a projection and actuarial gains and losses estimated on the basis of a sensitivity analysis on the discount rate are recognized directly in equity (defined benefit plans) or in the income statement (other long-term benefits).

1.5.2 Income tax

The current and deferred income tax expense for the period is calculated using the effective tax rate estimated for the current year at the Group level. It is adjusted for transactions specific to the 1st half.

Note 2. Segment reporting

In application of IFRS 8 "Operating segments", segment information is presented in accordance with the Group reporting used by the General Management to measure the financial performance of segments and to allocate resources. The operating segments used by the Group and the procedure for the presentation of segment information are presented in Note 1.4 to the consolidated financial statements, "Operating segments", contained in the 2014 Registration Document.

To provide an accurate reflection of the Group's companies, the operational performance of joint-ventures companies, Ukad and the sub-group TiZir, continue to be accounted for using the proportionate consolidation method within the Group reporting, which is used by the General Management and Board of Directors to monitor the business.

Consequently, in accordance with IFRS 8 "Operating Segments", the segment information disclosed in the consolidated financial statements is in line with Group reporting. The Group's financial communication is based on this operational financial information, which is also reconciled with the published accounts.

2.1 By division

(€ million)	Nickel	Alloys	Manganese	Holding & eliminations	Total	Joint ventures contribution	Published
H1 2015							
Sales	396	510	718	2	**1,626**	(46)	**1,580**
EBITDA	(47)	40	101	(16)	**78**	1	**79**
Current operating profit (loss)	(98)	15	32	(19)	**(70)**	9	**(61)**
Operating profit (loss)					**(115)**	9	**(106)**
Net cash generated by operating activities	(24)	3	(62)	(35)	**(118)**	6	**(112)**
Industrial capital expenditure (intangible assets and property, plant & equipment)	37	16	77	2	**132**	(8)	**124**
(Net financial debt)					**(805)**	158	**(647)**
H1 2014							
Sales	381	474	683	(4)	**1,534**	(30)	**1,504**
EBITDA	20	31	124	(18)	**157**	(3)	**154**
Current operating profit (loss)	(27)	-	61	(20)	**14**	-	**14**
Operating profit (loss)					**(29)**	-	**(29)**
Net cash generated by operating activities	(52)	(17)	63	(62)	**(68)**	(21)	**(89)**
Industrial capital expenditure (intangible assets and property, plant & equipment)	42	23	110	-	**175**	(33)	**142**
(Net financial debt)					**(473)**	93	**(380)**
Full year 2014							
Sales	781	938	1,429	(4)	**3,144**	(69)	**3,075**
EBITDA	42	81	266	(26)	**363**	-	**363**
Current operating profit (loss)	(52)	23	137	(33)	**75**	11	**86**
Operating profit (loss)					**(54)**	39	**(15)**
Net cash generated by operating activities	(18)	18	140	(97)	**43**	7	**50**
Industrial capital expenditure (intangible assets and property, plant & equipment)	97	48	199	2	**346**	(41)	**305**
(Net financial debt)					**(547)**	136	**(411)**

2.2 By geographic region

(€ million)	France	Europe	North America	Asia	Oceania	Africa	South America	Total	Joint ventures contribution	Publi-shed
Sales (destination of sales)										
H1 2015	**194**	**493**	**380**	**478**	**21**	**43**	**17**	**1,626**	**(46)**	**1,580**
H1 2014	204	521	312	428	10	40	19	**1,534**	(30)	**1,504**
Full year 2014	407	986	664	947	16	81	43	**3,144**	(69)	**3,075**
Industrial capital expenditure (intangible assets and property, plant & equipment)										
H1 2015	**18**	**19**	**6**	**12**	**25**	**51**	**1**	**132**	**(8)**	**124**
H1 2014	26	14	5	10	30	89	1	**175**	(33)	**142**
Full year 2014	56	28	19	20	73	149	1	**346**	(41)	**305**

2.3 Performance indicators by period

Segment information is accompanied by a comparison at the consolidated level and by period of the main performance indicators monitored by General Management. These indicators are from the Group reporting.

The reconciliation of key performance indicators of the published financial statements with Group reporting is presented in Note 2.1.

2.3.1 Income statement

(€ million)	H1 2015	H1 2014	Full year 2014
Sales	**1,626**	**1,534**	**3,144**
EBITDA	**78**	**157**	**363**
Current operating profit (loss)	**(70)**	**14**	**75**
Operating profit (loss) before impairment	**(115)**	**(29)**	**(27)**
Operating profit (loss)	**(115)**	**(29)**	**(54)**
Net borrowing cost	(26)	(16)	(40)
Other financial income and expenses	(8)	(9)	(28)
Share in profit of associates	-	(1)	-
Income tax	23	(3)	(49)
Profit (loss) for the period	**(126)**	**(58)**	**(171)**
• attributable to non-controlling interests	(43)	1	(12)
ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	**(83)**	**(59)**	**(159)**
Basic earnings per share *(€)*	(3.13)	(2.25)	(6.06)
Diluted earnings per share *(€)*	(3.13)	(2.25)	(6.06)

2.3.2 Statement of changes in net financial debt

(€ million)	H1 2015	H1 2014	Full year 2014
Operating activities			
EBITDA	78	157	363
Cash impact of items below EBITDA	(89)	(80)	(238)
Cash generated from operations	**(11)**	**77**	**125**
Net change in current operating assets and liabilities	(107)	(145)	(82)
Net cash generated by operating activities	**(118)**	**(68)**	**43**
Investing activities			
Industrial capital expenditure	(132)	(175)	(346)
Other investment flows	10	(12)	26
Net cash from investing activities	**(122)**	**(187)**	**(320)**
Net cash flows from financing activities	**-**	**(1)**	**(25)**
Exchange-rate impact	(18)	1	(27)
(Increase) / Decrease in net financial debt	**(258)**	**(255)**	**(329)**
OPENING (NET FINANCIAL DEBT)	**(547)**	**(218)**	**(218)**
CLOSING (NET FINANCIAL DEBT)	**(805)**	**(473)**	**(547)**

2.3.3 Economic balance sheet

(€ million)	30/06/2015	31/12/2014
Non-current assets	**3,482**	**3,407**
Inventories	1,071	1,058
Trade receivables	427	387
Trade payables	408	435
Simplified WCR	**1,090**	**1,010**
Other items of operating WCR	(147)	(162)
Total WCR	**943**	**848**
Derivatives	**-**	**-**
TOTAL	**4,425**	**4,255**

(€ million)	30/06/2015	31/12/2014
Shareholders' equity, Group share	**2,278**	**2,322**
Shareholders' equity, attributable to non-controlling interests	**388**	**432**
Cash and cash equivalents and current financial assets	760	938
Borrowings	1,565	1,485
Net financial debt	**805**	**547**
Provisions and employee-related commitments	**752**	**732**
Net deferred tax	**95**	**130**
Derivatives	**107**	**92**
TOTAL	**4,425**	**4,255**

Note 3. Consolidation scope

At June 30, 2015, the scope of consolidation was materially unchanged compared with December 31, 2014.

Note 4. Investments in joint ventures

4.1 Detail by entity

(€ million)			Share of income	Share of equity	Share of income	Share of equity	Share of income
Companies	**Country**	**% held**	**H1 2015**	**30/06/2015**	**Full year 2014**	**31/12/2014**	**H1 2014**
Sub-group TiZir	United Kingdom	50%	(16)	216	(43)	217	2
Ukad	France	50%	-	5	(1)	5	(1)
TOTAL JOINT VENTURES			**(16)**	**221**	**(44)**	**222**	**1**

4.2 Balance sheet

The balance sheet of the TiZir sub-group, in aggregate, is presented as follows:

(€ million)	**30/06/2015**	**31/12/2014**
Non-current assets	791	726
Current assets excluding cash and cash equivalents	85	78
Liabilities excluding gross financial debt	47	35
Net financial debt [(1)]	404	339
Non-controlling interests	(7)	(4)
Shareholders' equity, Group share	432	434
SHARE OF SHAREHOLDERS' EQUITY (50% OF SHAREHOLDER'S EQUITY, GROUP SHARE)	**216**	**217**
(1) Including financial current accounts and shareholders' loans	*121*	*108*

4.3 Income statement

The income statement of the TiZir sub-group, in aggregate, is presented as follows:

(€ million)	H1 2015	H1 2014	Full year 2014
Sales	76	56	122
EBITDA	(6)	8	(2)
Current operating profit (loss)	(20)	2	(18)
Asset impairment	-	-	(56)
Net borrowing cost	(12)	2	(10)
Other financial income and expense	(2)	-	(8)
Income tax	-	-	(2)
Net profit (loss)	**(34)**	**4**	**(94)**
Non-controlling interests	2	-	8
Net profit (loss), Group share	(32)	4	(86)
SHARE OF PROFIT (LOSS) (50% OF NET PROFIT (LOSS), GROUP SHARE)	**(16)**	**2**	**(43)**

Note 5. Notes to the statement of comprehensive income

5.1 Other operating income and expenses

(€ million)	H1 2015	H1 2014	Full year 2014
Niobium project	(22)	(23)	(45)
Lithium project	(5)	(3)	(4)
Other projects	(10)	(8)	(16)
Projects under development	**(37)**	**(34)**	**(65)**
Restructuring and redundancy plans	(1)	(1)	(32)
Employee benefits	-	-	5
Other items	(7)	(8)	(10)
Other income and expenses	**(8)**	**(9)**	**(37)**
Other operating income and expenses before impairment of assets	**(45)**	**(43)**	**(102)**
Impairment of assets	-	-	1
TOTAL OTHER OPERATING INCOME AND EXPENSES	**(45)**	**(43)**	**(101)**

Other operating income and expenses mainly includes expenses recognized in projects under development.

5.2 Net borrowing cost and other financial income and expenses

5.2.1 Cost of net financial debt

(€ million)	H1 2015	H1 2014	Full year 2014
Interest income	6	6	14
Interest expense	(32)	(21)	(50)
Net income on marketable securities	1	1	1
Changes in fair value of marketable securities	4	1	(1)
Net translation differences	3	(3)	3
TOTAL	**(18)**	**(16)**	**(33)**

The increase in interest expense between the 1st half of 2014 and the 1st half of 2015 in mainly due to the increase of the net financial debt and the capitalization of borrowing costs relating to the Moanda Metallurgical Complex investments during the 1st half of 2014; borrowing costs associated with these investments and recognized in the income statement amounted to €4 million in the 1st half of 2015.

5.2.2 Other financial income and expenses

(€ million)	H1 2015	H1 2014	Full year 2014
Investment and dividend income	-	1	2
Gains (losses) on the disposal of investments in associates	(1)	(2)	6
Employee benefits – net interest	(3)	(4)	(7)
Accretion expenses	(6)	(6)	(12)
Financial instruments ineligible as hedges – currency	1	2	(15)
Financial instruments ineligible as hedges – commodities	-	-	(1)
Securitization financial expense	(1)	(1)	(1)
Other	2	-	1
TOTAL	**(8)**	**(10)**	**(27)**

Accretion expenses relate to provisions for site restoration (see Note 6.6). Financial instruments ineligible as hedges correspond to the portion of hedging instruments (on currencies, commodities and interest rates) recognized in income statement.

5.3 Income tax

Income tax is calculated on the basis of the earnings of each tax entity by applying the estimated tax rates for the full financial year, with the tax impact of special transactions being recognized in the period in which these transactions are carried out.

(€ million)	H1 2015	H1 2014	Full year 2014
Current tax	(13)	(15)	(113)
Deferred tax	36	12	65
TAX INCOME/(EXPENSE)	**23**	**(3)**	**(48)**

The reconciliation of the theoretical tax expense calculated at the French statutory rate to the actual tax expense as recognized in the statement of profit and loss breaks down as follows:

(€ million)	H1 2015	H1 2014	Full year 2014
Operating profit (loss)	(106)	(29)	(15)
Cost of net financial debt	(18)	(16)	(33)
Other financial income and expenses	(8)	(10)	(27)
Pre-tax profit (loss) of consolidated companies	**(132)**	**(55)**	**(75)**
Standard tax rate in France (%)	34.43%	34.43%	34.43%
Theoretical tax income / (expense)	**45**	**19**	**26**
Impact on theoretical tax of:			
• permanent differences between accounting and taxable profit	(9)	19	(10)
• standard current income tax differences in foreign countries	-	(2)	(6)
• tax credits	2	-	5
• unrecognized or limited deferred tax assets	(13)	(28)	(67)
• withholding taxes on dividends	-	(4)	-
• miscellaneous items	(2)	(7)	4
Actual tax income / (expense)	**23**	**(3)**	**(48)**
Tax rates	**17%**	**(5)%**	**(64)%**

The Group's actual rate of taxation was 17% for the 1st half of 2015, compared with -5% for the 1st half of 2014.

Permanent differences mainly correspond to corporate income tax relief on the share of profits from the Moanda metallurgical complex reported by COMILOG SA.

Unrecognized or depreciated tax losses in the 1st half of 2015 mainly concern the companies Guangxi COMILOG Ferro Alloys Ltd, Setrag SA and GCMC (Manganese division), the companies of the Erasteel sub-group (Alloys division) and France tax consolidation.

Note 6. Notes to the statement of financial position

6.1 Intangible assets

(€ million)	Gross value	Amortization	Depreciation for impairment	Net 30/06/2015	Net 31/12/2014
Indonesian mining reserves – Nickel division – Note 6.3.1.	254	-	-	254	234
Gabon mining reserves – Manganese division	61	(33)	-	28	29
New Caledonia mining reserves – Nickel division	54	(41)	-	13	13
Geology, prospecting and study expenses – Weda Bay	484	-	(382)	102	83
Other geology, prospecting and study expenses	25	(23)	-	2	3
Software	86	(66)	(2)	18	22
Other intangible assets	75	(57)	(2)	16	17
Work-in-progress, down-payments	34	-	-	34	30
TOTAL	**1,073**	**(220)**	**(386)**	**467**	**431**

6.2 Property, plant and equipment

(€ million)	Gross value	Amortization	Depreciation for impairment	Net 30/06/2015	Net 31/12/2014
Land and buildings	1,098	(553)	(16)	529	518
Industrial and mining facilities	3,540	(2,208)	(103)	1,229	1,275
Other property, plant, and equipment	829	(515)	(4)	310	295
Work-in-progress, down-payments	229	-	(1)	228	208
TOTAL	**5,696**	**(3,276)**	**(124)**	**2,296**	**2,296**

6.3 Mining projects

6.3.1 Weda Bay project in Indonesia

The organizational structure of the project is presented in Note 8.1 "Weda Project in Indonesia", Note 19.3 "Other contingencies and losses", and Note 32 "Other commitments" in the notes to the consolidated financial statements contained in the 2014 Registration Document.

The project partners have granted an extension to the deadline for the Mitsubishi option until September 30, 2015.

The net value of the Weda Bay assets breaks down as follows:

(€ million)	30/06/2015	31/12/2014
Mining reserves	254	234
Geology, prospecting and study expenses	484	435
Property, plant and equipment	14	14
Total assets – before impairment	**752**	**683**
Impairment (1)	(382)	(352)
TOTAL ASSETS – AFTER IMPAIRMENT	**370**	**331**

(1) $427 million converted at the closing exchange rates on June 30, 2015 and December 31, 2014.

The increase in assets after impairment during the 1st half of 2015 is due to a currency impact of €28 million and investment for the period of €11 million (€10 million during the 1st half of 2014).

6.3.2 TiZir project in Senegal and in Norway

The organizational structure of the project is presented in Note 8.2 "TiZir Project in Senegal and Norway", and Note 31 "Off-balance sheet commitments" in the 2014 Registration Document.

The Group share in the net value of property, plant and equipment for the project amounted to €394 million as at June 30, 2015 (€364 million as at December 31, 2014).

6.4 Asset impairment

The Group has not identified any impairment loss in the 1st half of 2015 leading to the recognition of asset impairment.

6.5 Shareholders' equity

6.5.1 Share capital

The share capital is composed of 26,543,218 fully paid-up ordinary shares (unchanged from December 31, 2014) with a par value of €3.05.

At June 30, 2015, ERAMET held 184,261 treasury shares (230,051 shares at December 31, 2014)

The change in treasury shares in the 1st half of 2015 is due to movements under the liquidity contract, consisting of a net sale of 1,269 shares, and to the vesting of 44,521 bonus shares allocated to employees.

6.5.2 Bonus share plan and share-based payments

Shares were allocated under two bonus share plans on February 19, 2015:

- a plan for all employees calculated for an initial total amount of 27,178 shares;
- a plan for certain employees and executive officers:
  - with two performance conditions applying to some of the shares, one internal and one external, for an initial total of 95,204 shares, and
  - with no performance condition applying to the other shares, for an initial total of 37,624 shares.

The allocation conditions are the same as those for the 2014 plans, as specified in Note 16.3 "Share-based payments" to the consolidated financial statements in the 2014 Registration Document.

Share-based payments relate only to bonus share plans for the benefit of employees and settled in the form of shares. They represented an expense of €2.1 million in the 1st half of 2015 (€5.5 million in the 1st half of 2014) offset by an increase in shareholders' equity (see Statement of changes in equity).

6.6 Provisions

(€ million)	30/06/2015		31/12/2014	
Employees		39		41
• Restructuring and redundancy plans	34		36	
• Other payroll contingencies and losses	5		5	
Environmental contingencies and site restoration		377		369
• Environmental contingencies	25		25	
• Site restoration	352		344	
Other contingencies and losses		124		120
TOTAL		**540**		**530**
• Long-term portion		513		488
• Short-term portion		27		42

There was no material change in provisions during the 1st half of 2015 except for the impact of the accretion of provisions for site restoration for a total of €6 million (see Note 5.2.2).

Detailed information on provisions as at December 31, 2014 is presented in Note 19 "Provisions" to the consolidated financial statements presented in the 2014 Registration Document.

6.7 Contingent liabilities

Contingent liabilities are presented in the 2014 Registration Document in Note 20 "Contingent liabilities" to the consolidated financial statements, and saw no material changes during the 1st half of 2015.

6.8 Net financial debt

(€ million)	30/06/2015		31/12/2014	
Borrowings		(1,404)		(1,347)
• Borrowings from financial markets	(698)		(687)	
• Bank loans	(564)		(523)	
• Bank overdrafts and creditor banks	(46)		(24)	
• Finance leases	(55)		(60)	
• Other borrowings	(41)		(53)	
Other current financial assets		**355**		**420**
Cash and cash equivalents		**402**		**516**
• Cash equivalents	339		439	
• Cash	63		77	
TOTAL		**(648)**		**(411)**
> 1 year		**(1,036)**		**(1,031)**
• Borrowings	(1,036)		(1,031)	
< 1 year		**389**		**620**
• Borrowings	(368)		(316)	
• Other current financial assets	355		420	
• Cash and cash equivalents	402		516	

ERAMET has had a commercial paper program in place since 2005, of which €147 million was used on June 30, 2015 (€81 million as at December 31, 2014). ERAMET enjoys confirmed medium and long-term credit facilities.

(€ million)	**30/06/2015**	**31/12/2014**
Confirmed unused credit lines (1)	981	981
Undrawn borrowing base	13	27
Undrawn *BEI* financing (1)	80	80

(1) As at June 30, 2015, these credit and financing lines were fully undrawn.

The bank covenants relating to these lines of credit are wholly satisfied. The covenants relate to the ratio of the Group's net financial debt to shareholders' equity.

6.9 Trade and other payables

(€ million)	**30/06/2015**	**31/12/2014**
Trade payables	388	418
Tax and payroll liabilities	228	208
Other operating liabilities	73	93
Payables on non-current assets	68	54
Unearned income	8	8
Amount due from Setrag for the purchase of its assets and inventories – non-current	4	5
Amount due from Strand for Weda Bay project expenses – non-current	26	24
TOTAL	**795**	**810**
Non-current liabilities	30	29
Current liabilities	765	781

Most of the trade and other payables are due in less than one year.

6.10 Risk management

The management of risks and their assessment by the Group is set out in the 2014 Registration Document in Note 24.4 "Risk management" to the consolidated financial statements.

Note 7. Off-balance-sheet commitments

7.1 Ordinary transactions

(€ million)	30/06/2015		31/12/2014*	
Commitments given		**214**		**209**
• Operating activities	130		124	
• Financing activities	84		85	
Commitments received		**15**		**14**
• Operating activities	15		14	
• Financing activities	-		-	
Credit facilities		1,074		1,088

* *Restated figures for commitments given to third parties by fully consolidated subsidiaries, as they do not increase the amount of the Group's commitment beyond the liability recognized in the balance sheet.*

These commitments primarily consist of:

- operating activities: client bank guarantees and environmental guarantees, other sureties and bank guarantees (customs, rentals), letters of credit;
- financing activities: sureties, pledges, security interests and mortgages on external financing from associates and non-consolidated subsidiaries.

Operational guarantees relating to the performance of commercial contracts

Operational guarantees correspond to any commitment given by ERAMET and its subsidiaries to their clients in relation to commercial contracts.

Essentially, these commitments consist of advance payment guarantees and after-market "product" warranties.

The Group receives upfront payments from the client to finance the performance of the contract. To ensure that these are repaid if it fails to honor its contractual obligations, the client may ask the Group for an advance payment guarantee. These bank guarantees amounted to €22 million as at June 30, 2015 (€25 million as at December 31, 2014).

"Product" warranties represent the extent of the Group's liability, which is contractually defined for each commercial contract.

The Group does not recognize warranty provisions due to the absence of any recourse under warranty by its clients.

The Group considers the financial risk on all these guarantees to be low, in view of the historical data and the existence of civil liability policies that would limit the financial impact on the Group's consolidated financial statements.

7.2 Other transactions and commitments

Other transactions and commitments are set out in the 2014 Registration Document in Note 31 "Off-balance-sheet commitments" and Note 32 "Other commitments" to the consolidated financial statements. They relate to the following:

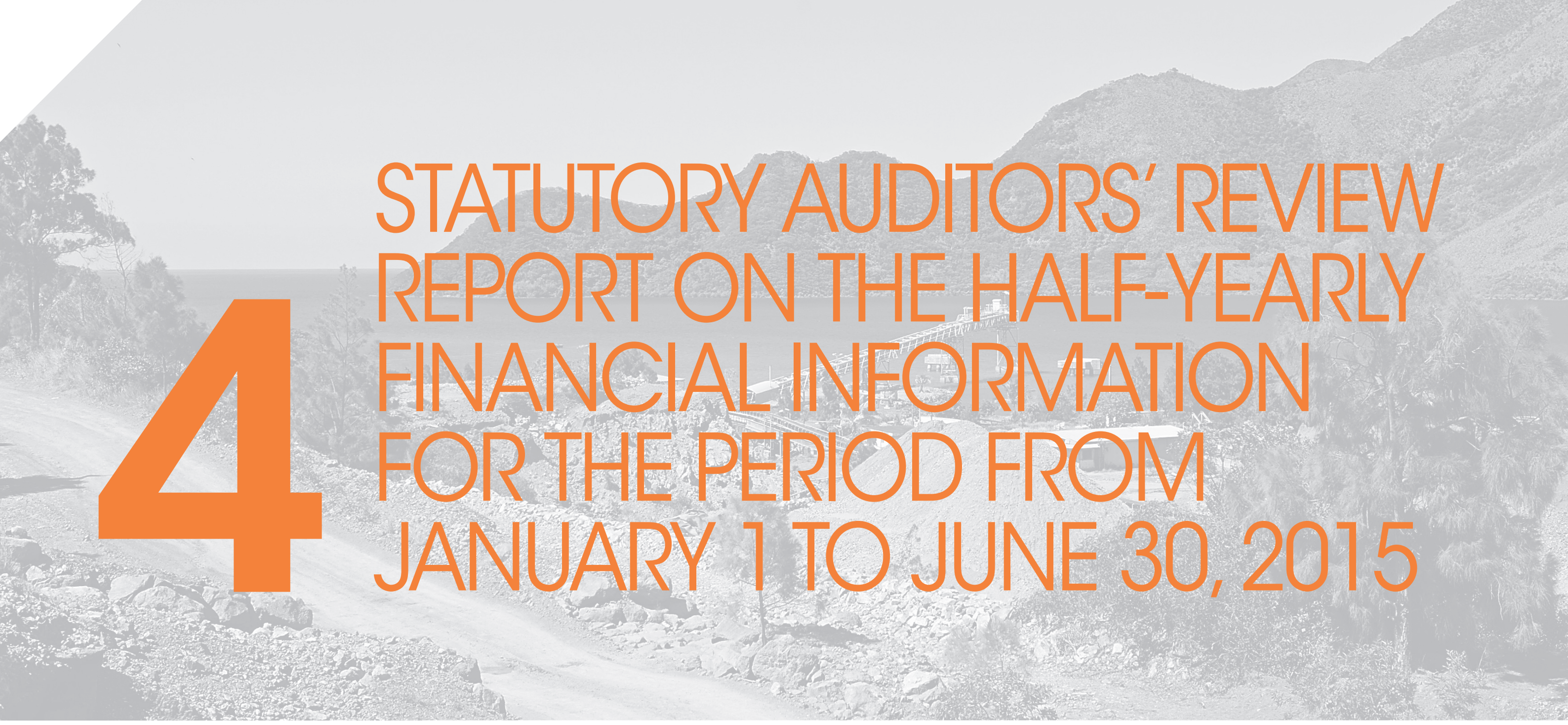
- Moanda Metallurgical Complex (CMM) investment project – COMILOG S.A.;
- an investment project in Senegal through the TiZir Ltd joint venture;
- "Transgabonais" railway concession – Setrag SA;
- call options on Pt Weda Bay Nickel in favor of Pt Antam;
- an agreement to increase the Gabonese Republic's interest in the capital of COMILOG S.A.

Note 8. Other information

The lawsuit between Carlo Tassara France (part of the Romain Zaleski Group) and Sima, Sorame and Ceir, plus members of the Duval family, is discussed in the 2014 Registration Document in Note 36 "Other information" to the consolidated financial statements. On March 19, 2013, the Paris Court of Appeal upheld the judgment of the Commercial Court of Paris in all its provisions. On July 8, 2014, the Court of Cassation rejected the appeal of Carlo Tassara France against the ruling by the Paris Court of Appeal of March 19, 2013. On April 10, 2014, Carlo Tassara France also appealed for review of the ruling by the Paris Court of Appeal of March 19, 2013. This appeal is under examination.

Note 9. Post-balance sheet date events

To the best of the Company's knowledge, no event has occurred since the balance sheet date.



4 STATUTORY AUDITORS' REVIEW REPORT ON THE HALF-YEARLY FINANCIAL INFORMATION FOR THE PERIOD FROM JANUARY 1 TO JUNE 30, 2015

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meeting and in accordance with the requirements of article L. 451-1-2 III of the French monetary and financial code (Code monétaire et financier), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Eramet, for the period from January 1 to June 30, 2015,
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the board of directors. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris-La Défense, July 29, 2015

The Statutory Auditors
French original signed by

KPMG AUDIT
A DEPARTMENT OF KPMG S.A.

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