

**Salzgitter, June 28, 2016**

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## **Ad-hoc release pursuant to Section 15 German Securities Trading Act (WpHG)**

### **SALZGITTER AG**

#### **Salzgitter AG revises its earnings guidance for the financial year 2016 upward**

Since the early months of 2016, Europe's steel market has stabilized notably, which is due above all to the surprisingly steep decline in Chinese dumping imports and the associated increase in the price level of many steel products.

Therefore, the expectations of business and the results for the Salzgitter Group are more positive at present than predicted at the beginning of the year. In this context, the Trading Business Unit in particular is benefiting from the favorable development on the spot markets.

The Salzgitter Group is therefore raising its guidance for the current financial year - subject to the stable development of the market. We now assume the following:

- owing particularly to lower shipment volumes of the international trading business a slight decrease of sales to around EUR 8.0 to 8.5 billion compared with 2015 (former guidance: sales virtually stable at around EUR 8.6 billion; previous year: EUR 8.6 billion),
- pre-tax profit of between EUR 30 and 60 million, which already includes a net burden of around EUR 10 million on earnings from expenses anticipated for individual measures for structural improvement within the Group and proceeds from the disposal of equipment and machinery (former guidance: pre-tax result around breakeven at the operating level; previous year: EUR 13 million) and
- a return on capital employed marginally above the previous year's level (former guidance: marginally positive ROCE; previous year: 2.1%).

We make reference to the fact that opportunities and risks from currently unforeseeable trends in selling prices, input material prices and capacity level developments, as well as changes in the currency parity, may still considerably affect performance in the course of the financial year 2016. The resulting fluctuation in the consolidated pre-tax result may be within a considerable range, either to the positive or to the negative.

This information is released on the basis of the current Guidelines for Issuers of the German Financial Supervisory Authority (BaFin).