

Tata Steel International (Benelux) B.V.
Established in Maastricht

Report concerning the
Financial statements 1 April 2015 till 31 March 2016

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Tata Steel International (Benelux) B.V.
For K-P Galla
Ankerkade 71
6222 NL Maastricht

Gemert, 2nd May 2016
Ref: FvdH
Dear Mr. Galla,

Herewith we offer you the report concerning the financial statements over 1 April 2015 till 31 March 2016 of Tata Steel International (Benelux) B.V. in Maastricht.

COMPOUND ORDER

Order

In accordance with your order we have prepared the financial statements for the year ending on 31 March 2016 of Tata Steel International (Benelux) B.V. in Maastricht, consisting of the balance sheet per 31 March 2016 and the profit and loss account over the period 1 April 2015 till 31 March 2016 with the explanation.

Responsibility of the management

Characteristic for a compound order is that we base ourselves on information provided by the management of the company. The responsibility for the correctness and completeness of that information and for the financial statement based on that, rests with the management of the company.

Responsibility of the auditors

It is our responsibility as auditors to execute the order provided by in accordance with Dutch law.

In accordance with the applicable norms for compound orders, our activities mainly consisted of collecting, processing, classifying and summarizing financial data. In addition we have evaluated the appropriateness of the accounting policies based on the information provided by the company, used in the preparation of the financial statements. The nature of our activities were such that we cannot guarantee the fairness of the financial statements.

Confirmation

On basis of the information provided to us we have prepared the financial statements, using the accounting policies as set out in Part 9, Book 2 of the Netherlands Civil Code (BW).

Bank nr. IBAN NL59 RABO 0166 1457 K.v.K. 17145697 BTW nr. 814049837B01	economic, fiscal and management consulting
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Tata Steel International (Benelux) B.V.

Maastricht

GENERAL

Comparative figures

The figures included in this report for comparison on 01.04.14 to 31.03.15 are derived from the report by 01.04.14 to 31.03.15, as prepared, dated 15th June.2015.

The Tata group

On 18 October 2010 the name Corus Benelux B.V. was changed to Tata Steel International (Benelux) B.V.

Tata Steel International (Benelux) B.V. is a direct 100% subsidiary of British Steel Nederland International B.V., established in Velsen-Noord. Ultimate parent company is Tata Steel Ltd. in Mumbai, India.

Consolidation

The financial statement of Tata Steel International (Benelux) B.V. is part of the consolidated financial statement of Tata Steel Europe Ltd.

Activities

The activities of Tata Steel International (Benelux) B.V. consist of executing the wholesale trade in iron, steel and other materials, raw materials, plastics and construction materials, as well the processing and production of and wholesale in products manufactured using those materials.

Adoption of financial statements

The General Meeting of Shareholders, the annual report from 1st April 2015 to 31st March 2016 is established on 19th June 2015. The net profit after tax for the period from 1st April 2015 until 31st March 2016 amounted to € 260,41.8

Automated data

Tata Steel International (Benelux) B.V. Maastricht

RESULTS

Discussion of the results

RESULTS

Discussion of the results

	2015	/2016	2014	2015
		%	€	%
Net turnover	790.46	100,0	1.000.525	100,0
Other operating income	50.364	6,4	26.504	2,6
Gross margin	840.824	106,4	1.027.029	102,6
Personnel costs	343.721	43,5	376.996	37,7
Depreciation material fixed assets	603	0,1	817	0,1
Other operating costs	148.821	18,8	156.551	15,7
Total operating expenses	493.145	62,4	534.364	53,5
Operating result	347.679	44,0	492.665	49,1
Financial income and expenses	-55	-	-97	-
Operational income before taxes	347.624	44,0	492.568	49,1

Taxes	-87.206	-11,0	-123.518	-12,3
Nett result post-tax	260.418	33,0	369.05	36,8

Tata Steel International (Benelux) B.V.

Maastricht

Result analysis

FINANCIAL POSITION

To gain insight into the financial position of the company we hereby provide you the following overviews. These are based on the information from the financial statements. Below we provide a composition of the balance sheet per 31 March 2016 in abbreviated form.

Tata Steel International (Benelux) B.V.

Maastricht

		2015/ 2016 %	2014/ 2015 %	2013/ 2014 %	2012/ 2013 %	2011/ 2012 %
<u>Debt</u>	x 100	26,2	57,9	52,3	62,3	23,9
Total capital						

The solvency ratios are indicators for the ability of an organisation to meet its obligations in the long-term.

The solvency EV / TV has increased compared to the period 1 April 2014 till 31 March 2015.

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The solvency VV/TV has increased compared to the period 1 April 2014 till 31 March 2015.

PRINCIPLES OF VALUATION AND RESULT DETERMINATION

General

The principles for valuation and result determination of Tata Steel International (Benelux) B.V. are identical to those of Tata Steel Nederland B.V. singular.

The financial statement has been drafted on basis of the historical cost price. Unless otherwise indicated the assets and liabilities are taken up against nominal value.

Foreign currencies

Receivables, payables and liabilities in foreign currencies are converted at the closing rate.

Transactions in foreign currencies during the reporting period are processed in the annual report against the rate that applied on the date of the transaction. The exchange differences arising from the conversion at the balance sheet date are recognized in the profit and loss account.

The foreign subsidiaries and associates qualify as foreign operations with a functional currency other than that of the company. For the conversion of the financial statements of the foreign operations of the exchange rate at the balance sheet date for balance sheet items and the exchange rates on the transaction dates for the posts of profit and loss account. The gains and losses from conversions are taken directly credited or charged to equity.

Principles for valuation of assets and liabilities

The financial statements are prepared on basis of the Guidelines Financial report for small legal entities. The financial statements are prepared in Euro's/ Assets and liabilities are valued against nominal value, unless another valuation principle is reported.

Material fixed assets

The material fixed assets are evaluated on acquisition cost, minus the cumulative depreciation and if applicable with the special value depreciation. The depreciation is based on the estimated economic lifespan and is calculated on basis of a fixed percentage of the acquisition cost, taking into account a possible residual value. Depreciation takes place from the moment of deployment.

Claims:

The claims are, with the first processing, taken up against the real value and subsequently against the amortized cost price. The real value and the amortized cost price are equal to the nominal value. Necessary provisions for doubtful debt are deducted. These provisions are determined on basis of individual evaluation of the claims.

Cash

Liquid assets are valued at their nominal value. If resources are not freely available, it is taken into account in the valuation.

Equity

In equity presented financial instruments that are classified as equity instruments in accordance with economic reality; the legal form is unimportant.

Subscribed capital

The share capital is fully paid up.

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General reserve

Other reserves are all reserved other than the legal reserve and the statutory reserves. Other reserves are freely distributable to the shareholders.

Current liabilities

Current liabilities are stated at their nominal value.

Principles for the result determination

General

Assets and liabilities are allocated to the year to which they relate. Profits are only taken up insofar as they have been realized on the balance sheet date. Obligations and possible losses originating from before the end of the book year, are taken into account if they have become known before preparing the financial statements.

Net turnover

Net turnover is considered as the amounts charged, or amounts to be charged, to third parties and group-companies for goods and services supplied during the book year minus the discounts and excluding sales tax.

Gross margin

Gross margin consists of net sales, the change in inventories of finished goods and work in progress, capitalized production for the benefit of the company and other operating income minus the cost of sales.

Depreciation

The depreciations on fixed assets are calculated on basis of the acquisition price or manufacturing price.

Depreciation takes place using the linear method on basis of the estimated economic lifespan.

Book profit and losses with the sale of material fixed assets are included in depreciations. Other operating costs

The costs are determined on historical basis and allocated to the book year to which they relate.

Sum of the financial assets and liabilities

The interest benefit and liabilities concern the received or paid interest to and from third parties and group-companies.

Taxes

The corporate tax is calculated against the prevailing tariff over the result of the book year, taking into account the permanent differences between profit and loss accounts and the fiscal profit calculations where active deferred tax credits (if applicable) are only valued insofar the realization of those is probable.

EXPLANATION TO THE BALANCE SHEET

Fixed assets

Tangible fixed assets

OTHER DATA

Notice regarding the absence of the auditor's report

Since Tata Steel International (Benelux) B.V. operates within the boundaries set by the law (article 396, Title 9, Book 2, Civil Code), no declaration with regard to fairness needs to be added to the financial statements.

Statutory rules concerning the profit appropriation

As per article 20 of the statutes, the profit is freely available to the General Meeting of Shareholders.

Appropriation of the result

The management of the company proposes to appropriate the profit as follows:

The profit over 1 April 2015 till 31 March 2016, of 260,418 €, to be completely added to the other reserves.

This proposal must still be approved by the General Meeting of Shareholders but in anticipation of this it has already been included in the financial statement 1 April 2015 till 31 March 2016 of the company.

Name and addresses of consolidating companies

The address of Tata Steel International (Benelux) B.V. is Ankerkade 71, 6222 NL in Maastricht. Address of Tata Steel Europ Ltd. is 30 Millbank, London.

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EXPLANATION TO THE BALANCE SHEET

Equity

Subscribed capital

Both at the start as well as at the end of the year there were 40 placed and fully paid ordinary shares.

The nominal value of a share was, on 31 March 2016, 453.78 €.

The income for the financial year 2015/2016 is € 260,418, = will be added in its entirety to the Other Reserves

OTHER INFORMATION

Average number of employees

During 2015/2016 there were 5.2 employees in service on basis of a fulltime service contract and in 2014/2015 5.2 employees

Maastricht, 2 May 2016

Tata Steel International (Benelux) B.V.

K. P. Galla

Director

Adopted by the General Meeting of Shareholders dated May 19, 2016

Minutes of the general meeting of shareholders of the private company Tata Steel International (Benelux) BV located in Maastricht,

the meetings are held at the offices of the Company May 19, 2016.

Present:

- Mr K-P Galla, Director of the company;
- Mr F.B.P. van der Heijden, advisor of the company;

The general meeting of shareholders shall designate unanimously as its chairman and Mr. Galla as its secretary Mr. van der Heijden.

In his opening remarks, the chairman noted that the entire issued capital is represented at the meeting, which, although the statutory convocation formalities have been complied with, valid resolutions may be adopted by a unanimous vote.

The chairman stated that is not shown in the register of shareholders or otherwise known to have share certificates issued with the cooperation of the company. Moreover, the President noted that there are no shares pledged in the company or a usufruct in the Company to any share.

On the agenda:

1. Adoption of the financial statements 2015/2016 of Tata Steel International (Benelux) BV and granting release to the directors for the policy, as far as it appears from the financial statements.
2. Any other business and conclusion.

It has been decided:

1. 2015/2016 the annual accounts, as well as the proposal regarding the appropriation of profits unchanged and the Board of director to grant discharge for the policy, in so far as it appears from the annual accounts.
2. The possibility of survey is not used, so the chairman declared the meeting closed.

Gemert, 19 May 2015

Chairman

The Secretary

K-P Galla

F.B.P van der Heijden

These accounts are a translated version for information purpose only, the original language version prevails in the event of any discrepancies between the English translation and the original.