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Tata Steel Denmark
Byggesystemer A/S
Kaarsbergsvej 2
8400 Ebeltoft
CVR-no. 46300017

Arsrapport 01.04.2016 – 31.03.2017

Approved at the Annual General Meeting, 12.06.2017

Director

Name: Anders Niklas Hagerklint

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Company details

Details

Tata Steel Denmark Byggesystemer
A/S Kaarsbergsvej 2
8400 Ebeltoft

CVR-no.: 46300017
Registered Office: Syddjurs
Financial Year: 01.04.2016 - 31.03.2017

Board of Directors

Hans Schepers, formand
Anders Niklas Hagerklint
Wim Faas
Ole Trlmning Villumsen

Direction
Anders Niklas Hagerklint

Accountant

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Vcerkmestergade 2
8000 Aarhus C

Management Statement

The Board of Directors and the Direction have today presented and approved the Annual Statement for the financial year 01.04.2016- 31.03.2017 for Tata Steel Denmark Byggesystemer A/5.

. The annual report is prepared in accordance with the legal requirements.

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position on 31.03.2017 and the results of the Company activities and cash flow for the financial year 01.04.2016- 31.03.2017.

In our opinion, the management's report contains a true and fair account of the circumstances in which the report deals.

The report is submitted to the general meeting's approval.
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Ebeltoft, 12.06.2017

Director

Sign

Ole Tonning Villumsen

Audit Statement by the Independent Auditor

To the owners of capital in Tata Steel Denmark Byggesys

A/S Report on Financial Statements

We have audited the financial statements of Tata Steel Building System Denmark A/S for the financial year 01.04.2016 - 31.03.2017, that comprise accounting policies, income statement, balance sheet, cash flow statement and notes. The financial statements had been prepared in accordance with the Annual Accounts Act.

We believe that the financial statements give a true and fair view of the company's assets, liabilities and financial position as on 31.03.2017 and the result of the company's activities for the financial year 01.04.2016 -31.03.2017 in accordance with the Annual Accounts Act.

Basis for conclusion

We have conducted our audit in accordance with international standards on auditing and the additional requirements that apply in Denmark. Our responsibilities in respect of these standards and requirements are described in more detail in the section entitled "Auditor's responsibility for auditing the financial statements". We are independent of the company in accordance with international ethical rules for auditors (IESBA's Code of Ethics) and the additional requirements in Denmark, even though we have met 11.1 other ethical obligations under these rules and requirements. It is our opinion that the audit evidence obtained is sufficient and suitable as a basis for our conclusion.

Management's responsibility for financial statements

The management is responsible for the preparation of financial statements that give a true and fair view in accordance to the legal requirements. The Management is also responsible for the internal control that management thinks is necessary for the preparation of financial statements free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue its operations, disclosing circumstances related to continued operations where appropriate and preparing the financial statements on the basis of the accounting principle of continuing operations unless management intends to liquidate The company, cease operations or have no other realistic option than to do this.

Auditor's responsibility for auditing the Financial Statements

Our goal is to provide a degree of certainty as to whether the financial statements as a whole are without material misstatement, whether due to fraud or error, and to issue an audit statement with an opinion. The highest level of security is a high level of security, but is not a guarantee that an audit that is performed in accordance with international standards on auditing and the additional requirements in Denmark always Disclose material misstatement as soon as possible. Misstatement may arise as a result of fraud or error and may be regarded as material if it can reasonably be expected that they individually or in aggregate influence the financial decisions taken by accounting users on the basis of the annual accounts.

As part of a review that is compiled in accordance with international standards on auditing and the additional requirements in Denmark, we carry out professional assessments and maintain professional creation during the audit. In addition:

Audit Statement by the Independent Auditor

- Identifies and assesses the risk of material misstatement in the financial statements, whether due to fraud or error, formulates and performs audit procedures in response to these risks and opens audit evidence that is sufficient and appropriate to form the basis for our conclusion. The risk of not detecting serious misstatement caused by convictions is higher than in the case of serious misstatement caused by errors, such as fraud, fraud, fraud, misrepresentation or misrepresentation of internal control.

- We open the understanding of the internal audit relevant to the audit in order to design audit actions appropriate to the circumstances, but not to express an opinion on the effectiveness of the company's internal control.

- We consider whether the accounting policies used by management are appropriate, and whether the accounting and related information that management has prepared are reasonable.

- We conclude whether the management's preparation of the financial statements based on the accounting principle of continued operation is appropriate and whether based on the audit evidence obtained are serious uncertainties associated with events or circumstances that can seriously doubt the company's ability to Continue: operation. If we conclude that there is a serious uncertainty, we must, in our audit's statement, read more about: information on this in the financial statements or, if such information is not available: please modify our conclusion. Our conclusions are based on the audit evidence that has been obtained until the date of our audit. However, future events or circumstances may cause the company to not let it continue.

- We take a position on the overall presentation, structure and content of the financial statements, including the note disclosures, and whether the annual accounts reflect the underlying transactions and events in such a way as to give a fair picture of this.

We communicate with the top management about The planned scope and timely location of the audit as well as significant auditory observations, including any significant deficiencies in internal control that we identify during the audit.

Opinion on the management’s review

Management is responsible for its review.

Our conclusion on the annual accounts does not include the management's review, and we do not express any conclusion regarding the management's review.

In connection with our audit of the annual accounts, it is our responsibility to read the management's review and, in this connection, consider whether the management's review is substantially inconsistent with the annual accounts or our knowledge gained from the audit or otherwise appears to contain material misstatement.

In addition, our responsibility is to consider whether the management's report contains required information in accordance with the Annual Accounts Act.

The independent auditor's audit report

Based on the performance of our work, we believe that the management's report is in accordance with the annual accounts and has been prepared in accordance with the requirements of the Annual Accounts Act. We have not found Major misstatement in the management's report.

Aarhus, 12.06.2017

Deloitte
State Certified Accountant
CVR number ' 33963556

Sign
state certified accountant

Management Report

Main activity;

The main activity consists of sales of profiled steel plates etc. to the construction industry at home and abroad.

Tata Steel Europe Construction Systems A / S is part of Tata Steel Europe Limited - one of the world's leading steel groups - and is the driving force in building Tata Steel Nordic via affiliates in Norway (Tata Steel Norway ByggSystemer AS) and Sweden (Tata Steel Byggsystem AB Sweden).

Development in activities and financial affairs.

The company has realized a loss of p 3,219 t.kr. Against a loss of 3,506 t.kr. last year. After transfer of the deficit, the equity amounts to 19,915 t.kr.

The company has sold its debtors and related liabilities as on 31.03.2017 to Tata Steel Buiding System Sweden AB as a result of all sales in a straightforward manner through Tata Steel Buiding System Sweden AB. Therefore, in 2017/18, a positive result is expected as a result of a change in the company's operations.

Events after the balance sheet date

From the balance sheet date and until today, no events have occurred which change the evaluation of the annual report.

Income Statement for 2016/17

	Note	2016/17 kr.	2015/16 kr.
Gross Profit		**12.737.686**	**13.300.326**
Distribution costs		(12.927.110)	(13.545.440)
Administration costs		(3.001.315)	(3.789.464)
Opreating income		**(3.190.739)**	**(4.034.578)**
Other financial income	1	84.925	579.064
Other financial expenses		(113.329)	(128.146)
Profit before tax		**(3.219.143)**	**(3.583.660)**
Income tax expense	2	0	78.000
Profit for the year		**(3.219.143)**	**(3.505.660)**
Proposed distribution of profit			
Transferred result		(3.219.143)	(3.505.660)
		(3.219.143}	**(3.505.660}**

Balance as on 31.03.2017

	Note	2016/17 kr.	2015/16 kr.
Acquired licenses		0	0
Intangible assets	3	**0**	**0**
Land and buildings		6.000.000	7.253.353
Other plants, fixtures and inventory		0	61.111
Property, plant and equipment	**4**	**6.000.000**	**7.314.464**
Fixed assets		**6.000.000**	**7.314.464**
Receivables from sales and services		0	8.249.361
Receivables from affiliates		25.136.536	14.319.712
Other receivables		162.568	618.057
Corporate income tax receivable		0	360.968
Prepayments		142.335	207.090
Receivables		**25.441.439**	**23.755.188**
Liquid assets		**1.954.154**	**6.266.084**
Current assets		**27.395.593**	**30.021.272**
Assets		**33.395.593**	**37.335.736**

Balance as on 31.03.2017

	Note	2016/17 kr.	2015/16 kr.
Business capital	5	500.000	500.000
Retained earnings or loss		19.414.913	22.634.056
Equity		**19.914.913**	**23.134.056**
Other provisions		0	494.000
Provisions		**0**	**494.000**
Mortgage debt		930.727	1.359.723
Long-term liabilities	6	**930.727**	**1.359.723**
Current portion of long-term debt	6	429.068	407.026
Suppliers of goods and services		232.905	696.010
Payables to affiliated companies		8.828.288	7.008.793
Other debts		3.059.692	4.236.128
Current liabilities		**12.549.953**	**12.347.957**
Liabilities		**13.480.680**	**13.707.680**
Total. liabilities		**33.395.593**	**37.335.736**
Unrecognized lease commitments	7		
Contingent liabilities	8		
Pledges and guarantees	9		
Ownership	10		

Consolidated statement of changes for 2016/17

	Business capital kr.	Transferred Profits or deficit kr.	Total kr.
Equity beginning	500.000	22.634.056	23.134.056
Annual statement	0	(3.219.143)	(3.219.143}
Equity end	**500.000**	**19.414.913**	**19.914.913**

Note

	2016/17 kr.	2015/16 kr.
1. Other financial income		
Financial income from subsidiaries	0	572.630
Other interest incomes	84.925	0
Other financial incomes	0	6.434
	84.925	**579.064**

	2016/17 kr.	2015/16 kr.
2. Income tax expense		
Current tax	0	(78.000}
	0	(78.000}

	Acquired licenses kr.
3. Intangible fixed assets	
Beginning Cost Price	1.422.107
End Cost Price	**1.422.107**
Depreciation and amortization at the beginning	{1.422.107}
Depreciation and amortization end	**(1.422.107)**
Accounting value at the end of the year	**0**

	Land and buildings kr.	Other fixtures and fittings- kr.
4. Tangible fixed assets		
Cost Price beginning	32.962.205	2.330.141
Cost Price end	32.962.205	2.330.141
Af-og Depreciation and amortization beginning	(2.269.030)	(25.708.852)
Depreciation	{1.253.353)	{61.111}
Af-og Depreciation and amortization end	**(26.962.205)**	**(2.330.141)**
Carrying amount end	**6.000.000**	**0**

Note

	Quantity	Face value kr.	Nominal value kr.
5. Business capital			
Ordinary shares	1.000	500	500.000
	1.000		**500.000**

	Due before 12 months 2016/17 kr.	Due before 12 months 2015/16 kr.	Due after 12 months 2016/17 kr.
6. Long-term liabilities			
Mortgage debt	429.068	407.026	930.727
	429.068	**407.026**	**930.727**

7. Unrecognized lease commitments

The Company has entered into operating leases for the years 2017-2020. The annual lease amounts to 216 t.kr. For the coming financial statements, in total, the company has entered into operational lease commitments for 225 t.kr., which are due no later than 2020.

8. Contingent Liabilities

The company is a management company of a Danish joint taxation. Accordingly, the company is helf liable under the Companies Tax Act for income taxes, etc. for the fiscal year 2013/14. For the jointly taxed companies, as of July 1, 2012, they will also be subject to any obligation to include withholding tax on interest, royalties and dividends for these companies.

9. Mortgages and security quotes

Mortgage debt is secured by property by owner's mortgage, 1,360 T.K.R.
The carrying value of the mortgaged property totals 6,000 T.K.R

10. Ownership

The company has registered the following shareholders with more than 5% of the voting rights or nominal value:
British Steel Nederland International B.V., Holland

Accounting Policies

Accounting Class

The annual report has been prepared in accordance with the provisions of the Annual Accounts Act for Class BWith the option of certain provisions for accounting class C.

The financial statements have been prepared in accordance with the same accounting policies as last year.

Recognition and measurement

Assets are recognized in the balance sheet when, as a result of a past event is probable that future economic benefits will flow to the company and the asset can be reliably measured.

Liabilities are recognized in the balance sheet when the company as a result of a past event, has a legal or constructive obligation and it is probable that future economic benefits will flow from the company and the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost price. Subsequent measurement will be done as written for each item below.

Recognition and measurement take into account predictable risks and losses that arise before the annual report and which prove or disprove matters existing at the balance sheet date.

In the income statement the revenue is considered as it is earned, whereas costs are recognized by the amounts attributable to this financial year.

Conversion of foreign currency

Transactions in foreign currencies are transferred initially at the transaction date. Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are transferred at the closing exchange rate.. Exchange differences arising between the transaction date and the rate on the payment date or the balance sheet date are recognized in the income statement as financial items. Tangible and intangible fixed assets, inventories and other non-monetary assets acquired in foreign currencies are transferred at historical rates.

Income

Gross Profit or Loss

Gross profit or loss includes net sales and production costs.

Net Turnover

Net sales of merchandise and finished goods are recognized in the income statement when delivery and risk to the buyer has taken place. Revenue is recognized excluding VAT, taxes and discounts in connection-with the sale and measured at fair value of the consideration determined.

Production Costs

Production costs include direct and indirect costs incurred to earn revenue. Production costs include costs of raw materials and consumables and production staff as well as depreciation.

Accouting Policies

Distribution Costs

Distribution costs include costs incurred for distribution of goods sold and for sales campaigns, including costs for sales and distribution staff, advertising costs and depreciation of materials and tangible assets associated with the distribution process.

Administration costs

Administrative expenses include costs of the company's administrative functions, including salary and salaries for employees in administration and management, office expenses, write-downs of receivables and depreciation and write-downs of intangible assets and property, plant and equipment used in the administration of the company.

Other operating income

Other operating income comprises income of a secondary type relative to the company's main activity.

Other financial income

Other financial income consists of interest income and net capital gains from debt and foreign currency transactions.

Other financial expenses

Other financial expenses consist of interest expenses, net exchange losses on debt and transactions in foreign currencies and amortization of financial obligations.

Tax

Outstanding tax, which consists of current tax and changes in deferred tax is recognized in the income statement with the portion attributable to the profit for the year and directly in equity with the portion attributable to items recognized directly in equity. The share of the expensed tax charge depends on the extraordinary profit, attributable thereto while the remainder is attributable to ordinary profit.

The company is jointly taxed with all other Danish group companies. The current Danish corporation tax is allocated between the jointly taxed companies in proportion to their taxable income (full allocation with credit for tax losses).

Balance

Tangible Assets.

Intellectual property, etc. Includes acquired intellectual property rights in the form of licenses.

Acquired intellectual property rights are measured at cost less accumulated depreciation. The rights are amortized on a straight-line basis over the agreement period.

Intellectual property, etc. Are written down for recovery if this is lower than the carrying value

Accounting Policies

Tangible Fixed Assets

Land and buildings, plant and machinery and other fixtures and equipment are measured at cost less accumulated depreciation. There is not depreciation.

Cost includes purchase price, costs directly attributable to the acquisition and preparation costs of the asset until the time when the asset is ready to be put into use. The basis of depreciation is cost less estimated residual value after useful life. A straight-line depreciation is based on the following assessment of the assets' expected useful lives:

Buildings	25 years
Plant and machinery other fixtures and fittings	3-5 ar

Tangible assets are written down to the recoverable amount if this is lower than the carrying value.

Gains and losses on disposal of fixed assets are calculated as the difference between the selling price less selling costs and the carrying amount at the time of sale. Gains or losses are recognized in the income statement as adjustment to depreciation and amortization or under other operating income if the selling price exceeds the original cost.

Receivables

Receivables are measured at amortized cost, which usually corresponds to the nominal value, net of write-downs for bad debts.

Receivable and payable

Current tax liabilities and current tax receivables are recognized in the balance sheet as calculated tax on the taxable income, which is adjusted for prepaid tax.

Prepayments

Prepayments recognized under assets comprise costs incurred relating to the subsequent financial years. Prepayments are measured at cost price.

Liquid Assets

Cash and cash equivalents comprise cash and bank balances.

Other provisions

Other provisions include expected costs for guarantee commitments.

Other provisions are recognized and painted as the best estimate of the costs necessary to settle the liabilities at the balance sheet date. Provisions with expected maturity over a year from the balance sheet date are measured at discounted value.

Accounting Policies

Mortage debts
The mortgage debt in the form of priority debt is measured at the time of borrowing at cost, corresponding to the proceeds received, net of transaction costs. Subsequently the mortage debt is measured at amortized cost. This means that the difference between the proceeds of the loan and the nominal value to be repaid is recognized in the income statement over the term of the loan as a financial on-expense using the effective interest method.

Other financial liabilities
Other financial liabilities are measured at amortized cost, which usually corresponds to nominal value.

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.