

TATA STEEL



Staalverwerking en Handel BV
Jaarverslag 2017

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A. Introduction

Financial statement 2017, closing on 31st March 2017

Introduction

Tata Steel Ltd.

Staalverwerking en Handel B.V., registered office in IJmuiden and having offices in Velsen-Noord, The Netherlands, is a 100% subsidiary of Tata Steel Nederland B.V. The European holding company is Tata Steel Europe Ltd. This company is a 100% subsidiary of Tata Steel Global Holdings Pte. Ltd, a non listed company in Singapore. Tata Steel Ltd. Is the ultimate parent company. Tata Steel Ltd. is established in Mumbai, India and is listed on the Mumbai Stock Exchange, India (BSE), the National Stock Exchange (NSE), the Calcutta Stock Exchange Assn. Limited and the Luxembourg Stock Exchange.

Consolidation

The consolidated financial statement of Staalverwerking en Handel B.V. and its subsidiaries are not part of this financial statement, since the company utilizes the exemption as permitted in article 408b, Civil Code 2.

The financial data of Staalverwerking en Handel B.V. en its subsidiaries are part of the published consolidated financial statement of Tata Steel Nederland B.V.

The company has also not drafted a cash flow overview since this cash flow overview is part of the consolidated financial statement of Tata Steel Nederland B.V.

The address of this firm has been taken up on page 7 of this report.

Within the Tata group Staalverwerking en Handel B.V. acts as a intermediate holding company.

B. Annual report

Balance sheets

(for appropriation of the profit)

Per 31 March	Enclosure	2017	2016
		€k	€k
Fixed assets			
Financial fixed assets	1	155.291	238.691
		155.291	238.691
Current assets			
Claims	2	219	1.282
Cash	3	1.694	94
		1.913	1.376
Total assets		157.204	240.067
Liabilities			
Short-term loans of group companies	4	(82.369)	(120.723)
Current liabilities of group companies	5	(301)	(756)
Total liabilities		(82.670)	(121.479)
Net Asset		74.534	118.588
Equity			
Share capital	6	45.000	45.000
Premium	6	54.452	54.452
Reserves	6	19.136	20.240
Unappropriated profit	6	(44.054)	(1.104)
Total of the equity		74.534	118.588

B. Annual report

Profit and Loss Account

(for appropriation of the profit)	Enclosure	2017	2016
		€x	€x
Total operating income	7	(103.600)	
Financial burden	8	(876)	(1.484)
Financial benefits	8	60.200	12
Pre-tax results		(44.276)	(1.472)
Taxes	9	222	368
Income after tax		(44.054)	(1.104)

B. Annual report

Summary of the most important principles for valuation and determination of results

General

The financial statement has been drafted conform the generally accepted accounting principles for determination of results in The Netherlands, as determined in Part 9, Book 2 of the Civil Code.

The financial statement has been drafted on basis of the historical cost price. Unless otherwise indicated, have the assets and liabilities been valued against nominal value.

Foreign currency

Balance values in foreign currency are converted against the exchange rates that prevailed at the balance sheet date.

In the profit and loss statement the assets and liabilities in foreign currencies are converted with the average rates.

Where currency hedging agreements were entered into, the conversion takes place using the rates set out in these agreements.

Rate differences that arise from transactions that are associated with business activities are credited or charged to the operating result. Other rate differences – to include long-term claims and liabilities – are justified under the financial assets and liabilities.

Rate differences that arise from the conversion of the capital values of the foreign associations are justified in favour of or charged to the equity.

This also applies to rate differences on loans that are intended to cover the currency risk on foreign associations and rate differences on loans to or from foreign associations that can be considered as increased, respectively reduced investment in the association.

Financial fixed assets

In the company's Balance sheet the group companies and non-consolidated are taken up on basis of the cost-price. The cost-price is determined as being the part of Beheermaatschappij Industriële Producten B.V in the net assets per 31 December 2000. Provisions are formed if due to events or circumstances it can be expected that the amount for which interest have been taken up in the balance, are possibly not recouped. The income from this interest consists of the dividends that have been determined till the balance sheet date.

Claims

Receivables are claims after deduction of provisions for doubtful debtors.

Debts

Debts that expire within one year are marked as short-term.

Taxes

With the calculation of the taxes over the profit or loss and over direct mutations in the reserves, the actual tax tariffs are assumed. The difference between the tax amounts calculated in this manner and the tax amounts on basis of the calculation of the result conform the tax-code is entered on the Balance sheet as a latent tax liability or asset (in accordance with the period-allocation method).

In general no provisions are entered into the Balance sheet for deferred tax liabilities related to land and interest in subsidiaries and related companies. Deferred tax liabilities are not activated if there is insufficient certainty that these will be compensated in the future.

B. Annual report

Explanation to the balance sheet

1. Financial fixed assets

	Participation in subsidiaries
(x € 1000,-)	
Balance sheet value per 31 st March 2016	238.691
Mutations in FY 2017:	
Impairment Tata Steel Germany GmbH	(103.600)
Investment in SAB Profil GmbH	20.200
Liquidation participation	
Balance sheet value per 31 st March 2017	155.291

In page 7 the legally required overview has been taken up from the names and any other data of the companies in which Corus Primary Aluminium B.V. had a stake at the end of March 2017.

2. Claims

The claims concern only claims on subsidiaries and do not contain amount with a remaining duration of more than one year.

3. Cash

The cash is formed by the bank balances.

4. Short-term loans

The short-term loans of subsidiaries concern a loan of Tata Steel Nederland B.V. with a duration of less than 1 year.

5. Short-term debt

The short-term debt only concern debts to subsidiaries.

6. Equity

(x € 1000,-)	Placed Share- capital	Premium reserve	Non distributable reserve	General reserve	Undivided result	Total
Balance sheet value per 31 st March 2016	45.000	54.452	378	19.862	(1.104)	118.588
Over distributed result 2016	-	-	-	(1.104)	1.104	-
Over distributed result current year	-	-	-	-	(44.054)	(44.054)
Balance sheet value per 31 st March 2017	45.000	54.452	378	18.758	(44.054)	74.534

The placed share capital consists of 100,000 shares with a nominal value of 450 € each, together nominally 45,000,000 €. All shares are fully paid.

In connection with a amendment of the status of 6 December 2007, the nominal value of the shares changed from *f* 1,000 to 450 €. For the difference a non-distributable reserve has been taken up of 378,022 €.

B. Annual report

Explanation to the profit and loss account

7. Operational Result

The operating result consists of an impairment on Tata Steel Germany GmbH.

8. Financial income and expenses

X € 1.000	2017	2016
Interest liabilities	(876)	(1.484)
Financial charges	(876)	(1.484)
Interest assets	-	12
Received dividend	60.200	-
Financial assets	60.200	12
	59.324	(1.472)

The dividend of € 60,200k has been received from SAB Profiel B.V.

9. Taxes

The company is for the corporate tax fiscally joined with its fiscal parent company Tata Steel Netherlands Holdings B.V., like many Dutch subsidiaries of this B.V. Within the fiscal unit Tata Steel Holdings Netherlands B.V. it will apply, until further notice, that the company will each year take, as a debt towards Tata Steel Netherlands Holdings B.V., the corporate tax that it owes as per the applicable tariff over the fiscal profit. With a fiscal loss of the company in a year, will Tata Steel Netherlands Holdings B.V. take up a tax compensation towards the company, also calculated on basis of the tariff applicable for the year.

Guarantees

Beheermaatschappij Industriële Producten B.V. is part of the fiscal unit Tata Steel Netherlands Holdings B.V. and can as a result be held liable for all tax liabilities of the fiscal unit.

Number of employees

The average number of active own employees in book year 2017, as well as book year 2016, was 0.

B. Annual report

Other explanations and signing of the financial statement

Remuneration of and loans to directors

In the book year no amounts payable by the company as remuneration or other benefits to its directors.

For the directors of the company, there were no loans granted by the company by 31 March 2017.

Overview of capital interest

List of companies in which Staalverwerking en Handel B.V. has a capital interest, or in which Staalverwerking en Handel B.V. is a fully liable partner. The overview shows the situation per the end of the book year.

Name	Place	Participation %
Tata Steel GmbH	Dusseldorf (Germany)	100,00
Tata Steel Nederland Star-Fram B.V.	IJmuiden	100,00
Tata Steel Nederland Tubes B.V.	Oosterhout	100,00
Oremco Inc.	New York (VS)	70,00
SAB Profiel B.V.	IJsselstein	100,00
Corus Tubes Poland Spolka	Wroclaw (Poland)	2,00
Segal Scrl.	Ivoz-Ramet (Belgium)	0,001
SAB Profil GmbH	Niederaula (Germany)	100,00

Name and addresses of consolidating companies

The financial data of Staalverwerking en Handel B.V and its subsidiaries are part of the published consolidated financial statement of Tata Steel Nederland B.V. which is registered with the concerned chamber of commerce.

The office address of this company is mentioned below.

Tata Steel Nederland B.V.	Wenckebachstraat 1 Post box 10,000	1951 JZ Velsen-Noord 1970 CA IJMUIDEN
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Signing of the financial statement

The financial statement 2017 ends on 31 March 2017 of Staalverwerking en Handel B.V. is signed by its complete statutory board of directors.

IJmuiden, 13 July 2017

E.A.M. Selie

C. Other data

Other data

No audit

An audit with the financial statement is missing. Since Staalverwerking en Handel B.V. is a “small B.V.”, it does not have the duty to have the financial statement audited.

Statutory rules concerning the appropriation of profit

The result shown in the adopted financial statement is available to the general meeting of shareholders.

If, according to the adopted financial statement a loss is incurred in any year, which is not covered by a reserve or covered in any other manner, then no dividends are paid till such a loss has been recovered.

Proposal concerning the appropriation of the profit over 2017, ending 31 March 2017

At the general meeting of shareholders it has been proposed to charge the loss of the book year 2017 ending March 31, 2017, amounting to (44.054) € thousand, against the general reserves.

Decisions of the general meeting of shareholders of Esmil B.V., to adopt the financial statement and the appropriation of the profit.

Tata Steel IJmuiden B.V. established in Velsen - Noord.

Considers:

That it is the owner of the complete share capital of Esmil B.V. established in Ijmuiden and offices in Velsen - Noord, hereafter called the company.

That the shares of the company have not been charged with any pledged or usufruct and that the Company did not cooperate with the issuance of certificates of shares and

That on basis of article 14 of the statutes of the Company, its shareholders can take decisions outside the meeting, if in writing and unanimously.

Having taken note of:

The annual reports of Esmil B.V., prepared by the directors of this company, for the book year 2017, consisting of the financial statements - dated 13 July 2017 - and the added other information attached to it.

Decision:

- to determine the named financial statement for the book year 2017, ending on 31st March 2017.
- to grant discharge to the directors for the implemented policies for the financial period of 1 April 2016, ending on 31 March 2017 and
- to charge the loss of the book year 2017 ending on 31 March 2017 with the amount of € (44.054) thousand,- against the general reserve, conform the proposal of the directors.

Signed in Ijmuiden, on 13 July 2017

Tata Steel IJmuiden B.V.

J.E. Van Dort

Director

T.J. Henrar

Director

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.