

22 August 2016



Media release – FY16 results

新闻稿 – 2016 财年年报

Net profit of US\$985 million and full year dividend of A\$ 12 cents per share

净利润 9.85 亿美元，全年股息每股 12 澳分

Fortescue Metals Group Limited (ASX: FMG, Fortescue) has released its 2016 full year results reporting a profit after tax of US\$985 million and underlying EBITDA of US\$3,195 million.

FMG 集团发布其 2016 财年年报，税后净利润 9.85 亿美元，基于息税折旧及摊销前利润 31.95 亿美元。

The FY16 financial results have been driven by Fortescue's excellent operational performance with a sustained focus on productivity and efficiency initiatives reducing C1 operating costs to US\$14.31 per wet metric tonne (wmt) in the June 2016 quarter, the tenth consecutive quarterly reduction.

FMG 2016 财年获得的成绩取决于其优异的运营表现，集团持续性地把重点放在提高生产力与效率的措施，现金运营成本连续 10 个季度得到降低，2016 年 6 月季度降至 14.31 美元/湿吨。

Fortescue CEO, Nev Power said, "The entire Fortescue team has delivered on safety, production and cost targets resulting in outstanding FY16 results. Successful cost improvement measures and lower capital expenditure have more than offset the impact of falling iron ore prices to generate strong free cash flow. We have repaid US\$2.9 billion of debt in FY16, reducing net debt to US\$5.2 billion and will continue to repay debt from operating cashflows."

FMG 总裁潘纳威先生说，“我们整个 FMG 团队完成了安全、生产和降本目标，实现了 2016 财年亮丽的业绩。成功的降本措施及资本支出的减少远远弥补了铁矿石下降所造成的影响，拥有强劲的自由现金流。2016 财年我们偿还了 29 亿美元债务，净债务降至 52 亿美元，并将继续拨出现金进行债务偿还。”

"Our continued focus on safety, innovation, efficiency and productivity has ensured a solid foundation for achievement of FY17 goals and ongoing balance sheet strength."

“我们继续以安全、创新、效率与生产力为重点为实现 2017 财年目标及持续强劲的资产负债表提供坚实基础。”

HIGHLIGHTS

亮点

- Safety TRIFR target of 4.3 achieved, 15 per cent improvement on prior period

Fortescue Metals Group Limited
ABN 57 002 594 872
Level 2, 87 Adelaide Terrace
East Perth, Western Australia 6004

PO Box 6915
East Perth, Western Australia
P +61 8 6218 8888
E fmgf@fmgf.com.au

www.fmgf.com.au

[@FortescueNews](https://twitter.com/FortescueNews)

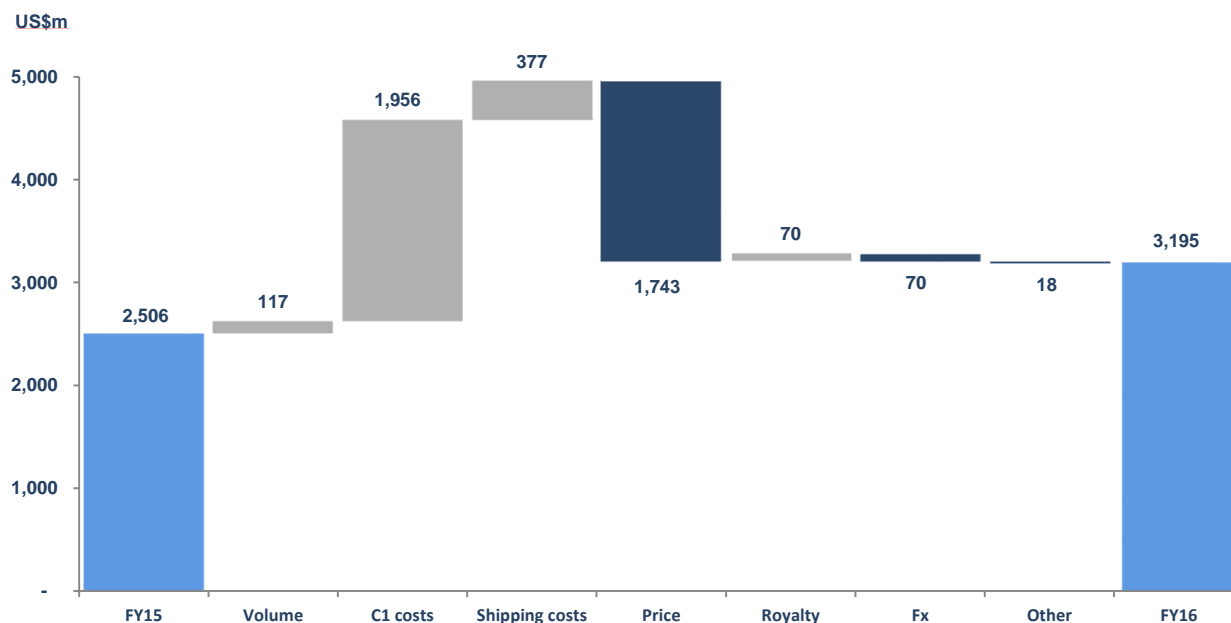
- 安全方面实现可记录总工伤事故频率的 4.3 的目标，比去年下降 15%
- Profit after tax of US\$985 million and underlying EBITDA of US\$3,195 million
- 税后净利润 9.85 亿美元，息税折旧及摊销前利润 31.95 亿美元
- 169.4 million tonnes (mt) shipped
- 船运发货量达 1.694 亿吨
- US\$15.43/wmt C1 cost in FY16, a 43 per cent reduction from FY15
- 2016 财年现金成本为 15.43 美元/湿吨，比 2015 财年降低 43%
- Net debt of US\$5.2 billion, including \$1.6 billion in cash
- 净负债为 52 亿美元，包括 16 亿美元现金
- A\$ 12 cents per share fully franked final dividend
- 免税股息为每股 12 澳分

US\$ millions 百万美元	FY16 2016 财年	FY15 2015 财年	Var % %变化
Revenue 销售额	7,083	8,574	-17%
Underlying EBITDA 息税折旧及摊销前利润	3,195	2,506	+27%
Net profit after income tax 税后净利润	985	316	+212%
Net cash flow from operating activities 运营净现金流	3,023	2,037	+48%
Basic earnings per share (US cents) 每股基本收益 (美元分)	31.6	10.2	+210%
Operating cash flow per share (US cents) 每股运营现金流 (美元分)	97.1	65.4	+48%

FINANCIAL PERFORMANCE

财务表现

- **Underlying EBITDA** of US\$3,195 million reflects Fortescue's continued focus on efficiency and productivity measures which have reduced costs offsetting the impact of lower iron ore prices as shown in the chart below:
- **息税折旧及摊销前利润** 31.95 亿美元反映了 FMG 持续将重点放在改善效率与生产力的措施，实现降本，弥补了铁矿石价格下降所造成的影响，详见下表：



- **Revenue** of US\$7,083 million (FY15: US\$8,574 million) reflects a 29 per cent reduction in the average Platts 62% CFR index price to US\$51.37/dmt, offset by an improvement in price realisation and increased shipments.
- 销售额达 70.83 亿美元（2015 财年：85.74 亿美元），FMG 实现的销售价格的改善及船运总量增至 1.694 亿吨，弥补了平均普氏 62%到岸价指数下降 29%至 51.37 美元/干吨所带的影响。

Fortescue's average realised price in FY16 was US\$45.36/dmt, an 88 per cent realisation of the average Platts 62% CFR index price.

2016 财年 FMG 实现平均销售价格为 45.36 美元/干吨，为普氏 62%平均到岸价指数的 88%。

- **C1 operating costs** continued to improve averaging US\$15.43/wmt for FY16, a 43 per cent reduction from the prior year. Fortescue achieved C1 costs of US\$14.31 in the June 2016 quarter and exited the month of June at US\$13.10/wmt.
- 运营现金成本继续下降，2016 财年平均为 15.43 美元/湿吨，比去年同期下降 43%。2016 年 6 月季度现金成本为 14.31 美元/湿吨，6 月为 13.10 美元/湿吨。
- **Total delivered cost** to customers, inclusive of C1, shipping, royalty and administration costs, decreased to US\$23/wmt, a 39 per cent reduction compared to FY15 (US\$38/wmt).
- 总交货客户成本，包括现金成本、船运、资源费及行政开支，降至 23 美元/湿吨，比 2015 财年（38 美元/湿吨）下降 39%。

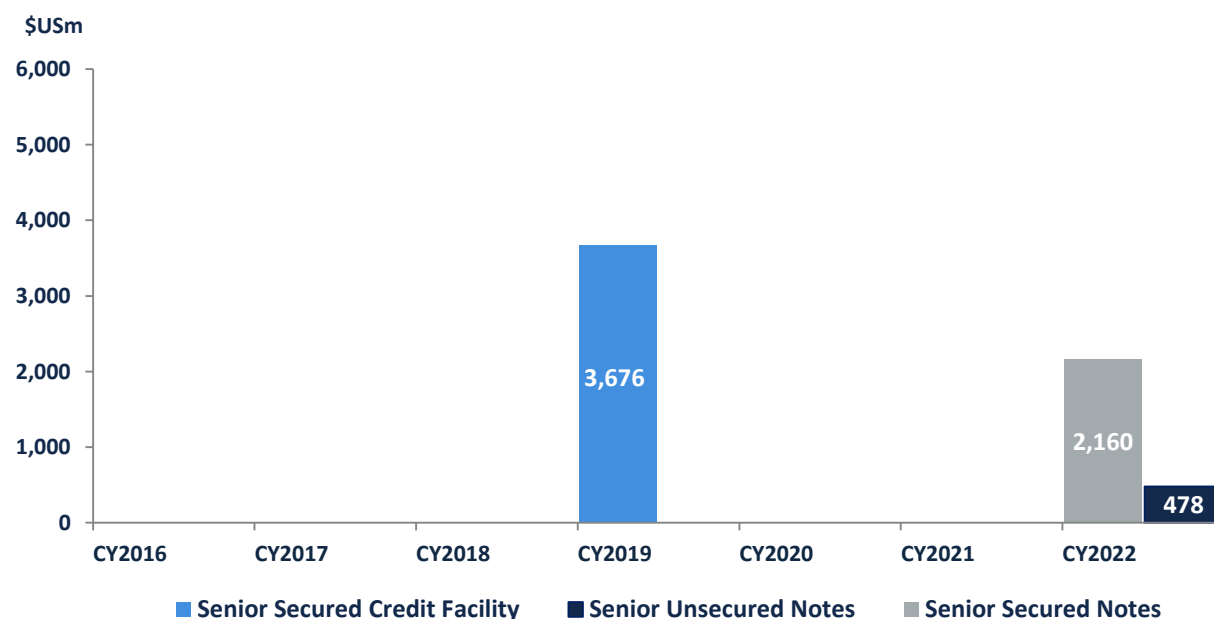
CASH FLOW AND BALANCE SHEET

现金流与资产负债表

- **Cash on hand** at 30 June 2016 of US\$1.6 billion.
- 2016 年 6 月 30 日留存现金为 16 亿美元。

- **Free cash flow from operations** of US\$2,719 million, a 93 per cent increase from the prior year, reflecting the positive cash margins generated through operational efficiencies and lower capital expenditure.
- 运营自由现金流达 27.19 亿美元，比上年度增加 93%，体现了运营效率的提高及资本支出的降低所带来的现金利润。
- **Capital expenditure** reduced to US\$304 million (FY15: US\$626 million) including US\$225 million of sustaining capital, US\$48 million in VLOC progress payments and US\$31 million of exploration expenditure.
- 资本支出降至 3.04 亿美元（2015 财年：6.26 亿美元），包括 2.25 亿美元的可持续资本，4800 万美元的超大型矿船的分期付款及 3100 万美元的勘探支出。
- **Net debt** at 30 June 2016 of US\$5.2 billion (US\$7.2 billion at 30 June 2015), including cash on hand of US\$1.6 billion and finance lease liabilities of US\$505 million. During FY16 debt was reduced by a total of US\$2.9 billion through a series of on-market buy backs, tender offers and calls.
- 2016 年 6 月 30 日净债务为 52 亿美元（2015 年 6 月 30 日为 72 亿美元），包括 16 亿留存现金及 5.05 亿美元融资租赁负债。2016 财年通过一系列的市场回购，要约收购与招标共赎回 29 亿美元债务。

Fortescue has maintained the flexibility to continue early debt repayments or refinancing to further reduce debt levels. First debt maturity is in June 2019 as shown in the graph below: FMG 继续保持其提前还贷或再融资的灵活性。第一笔债务到期还款日为 2019 年 6 月，详见下表：



- **Prepayment** balances were US\$571 million at 30 June 2016 with scheduled amortisation of US\$374 million in FY17 and US\$197 million in FY18, subject to future additions and rollovers.
- 2016 年 6 月 30 日预付款余额为 5.71 亿美元，取决于未来增加或展期，2017 财年分期偿还 3.74 亿美元，2018 年为 1.97 亿美元。

DIVIDEND

股息

- After taking into account current results, cash flow forecasts and market conditions the Board has declared an A\$ 12 cents per share final fully franked dividend.
- 考虑目前业绩，现金流预测及运营要求，董事会宣布每股免税股息为 12 澳分。

This brings total FY16 fully franked dividends to A\$ 15 cents per share, a payout ratio of 36 per cent of profit after tax, in line with guidance of 30 to 40 per cent.

至此 2016 财年总的每股免税股息达到 15 澳分，派息比率为税后净利润 36%，符合之前 30-40%的目标。

FY17 GUIDANCE

2017 财年目标

- FY17 shipping guidance of 165-170mt.
- 2017财年船运发货目标为1.65-1.70亿吨
- US\$12-13/wmt average C1 cost based on an exchange rate of 0.75 and an oil price of US\$50 per barrel (WTI).
- 平均现金成本为12-13美元/湿吨，基于汇率0.75计算和油价50美元/桶计算
- Average strip ratio of 1.1. Strip ratios are expected to be slightly higher in the September 2016 quarter gradually reducing over the course of FY17.
- 平均剥采比1.1。预计2016年9月季度剥采比稍高，2017财年将逐步下降。
- Price realisations between 85 and 90 per cent of the 62% Platts CFR index and an average moisture content of 8.5 per cent.
- 相比普氏62%到岸价指数，销售价格实现率为85-90%，平均水分为8.5%
- Sustaining capital expenditure of US\$2/wmt.
- 可持续资本支出为2美元/湿吨
- Construction of eight VLOC ships continue on schedule. Options are currently being negotiated for the funding of future VLOC payments of \$270 million in FY17 and US\$180 million in FY18.
- 8条超大型矿船的建造按期进行。未来超大型矿船建造费用的融资选择目前正在洽谈之中，2017财年将支付2.7亿美元，2018财年将支付1.8亿美元。
- Tugs and infrastructure expenditure at Port Hedland is expected to be less than US\$200 million. US\$90 million will be incurred in FY17 and the balance in FY18. Options to fund this project are also being considered.
- 黑德兰港的拖船与基础设施建设资本支出预计低于2亿美元。该项目2017财年资本支出为9000万美元，剩余支出将于2018财年发生。该项目的融资选择亦在考虑之中。
- Depreciation and amortisation charges reduced to US\$7.10/wmt shipped.
- 折旧摊销费用下降至7.10美元/湿吨。

MEDIA CONTACT

Luke Forrestal
E: mediarelations@fmgl.com.au
M: 0411 479 144

INVESTOR CONTACT

Stuart Gale
E: investorrelations@fmgl.com.au

GLOSSARY

C1 - Operating costs of mining, processing, rail and port on a per tonne basis, including allocation of direct administration charges and production overheads.

CFR - Cost and freight rate

Dmt - Dry metric tonnes

Free cash flow – Net cash inflow from operations less capital expenditure

FY - Full year

HY - Half year

mtpa - Million tonnes per annum

NPAT - Net profit after tax

Underlying EBITDA - Earnings before interest, tax, depreciation and amortisation, exploration, development and other expenses.

The reconciliation of underlying EBITDA to the financial metrics disclosed in the financial statements prepared under Australian accounting standards is presented below:

Reconciliation of underlying EBITDA to IFRS measures

US\$ millions	30 June 2016	30 June 2015
Profit before income tax	1,354	420
Finance income	(214)	(15)
Finance expenses	675	644
Depreciation and amortisation	1,244	1,405
Exploration, development and other	136	52
Underlying EBITDA	3,195	2,506

VLOC - Very large ore carrier

wmt - Wet metric tonnes