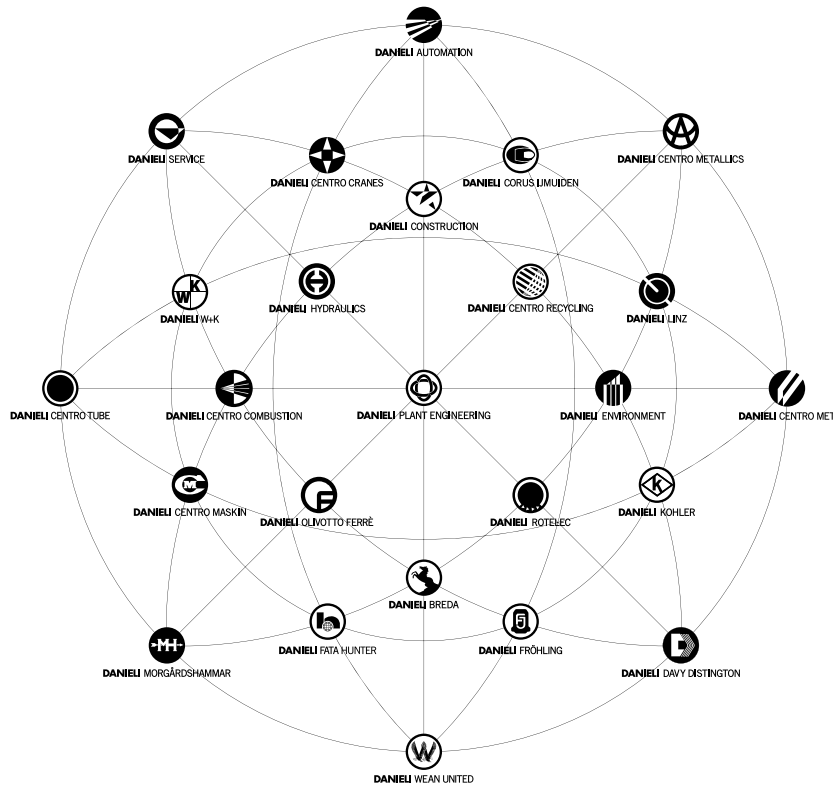


DANIELI
AUTOMATION

2017 Annual Report

Danieli Group



Danieli Plant Engineering

Danieli Fata EPC

Danieli Automation

Danieli Centro Metallics

Danieli Corus IJmuiden

Danieli Linz

Danieli Centro Recycling

Danieli Centro Met

Danieli Davy Distington

Danieli Wean United

Danieli Kohler

Danieli Fröhling

Danieli Fata Hunter

Danieli Morgårdshammar

Danieli Centro Tube

Danieli W+K

Danieli Centro Maskin

Danieli Rotelec

Danieli Hydraulics

Danieli Breda

Danieli Centro Combustion

Danieli Olivotto Ferrè

Danieli Centro Cranes

Danieli Environment & Systems

Danieli Construction

Danieli Service

Since 1964

Since 1965

Since 1969

Since 1987

Since 1977

Since 2011

Since 1998

Since 1914

Since 1951

Since 1901

Since 1959

Since 1947

Since 1936

Since 1856

Since 2004

Since 1968

Since 1953

Since 1977

Since 2008

Since 1950

Since 1981

Since 1927

Since 1958

Since 1973

Since 2003

Since 1961

Italy

Italy, USA, India, China, UAE

Italy, USA

Italy

The Netherlands

Austria

Italy, UK, France, Germany, USA

Italy, Austria

UK, Italy

Italy, USA, Germany

USA, Italy

Germany

Italy, USA

Italy, Sweden

Italy

Germany, Italy

Italy, Sweden

France, Italy

Italy, Thailand

Italy

Italy

Italy

Italy

Italy

Italy, Thailand

Italy, Austria, China, India, Russia
USA, Brazil, Thailand

Turnkey Plants and Systems Engineering

Turnkey Plant Engineering, Procurement, Construction

Process Control Systems

Ore Processing and Direct Reduction Plants

Integrated Steelmaking Plants

Oxygen Converter Steelmaking Plants

Scrap Processing Plants

Electric Steelmaking and Long Product Casters

Thick and Thin Slab Casters

Flat Product Rolling Mills and Strip Processing Lines

Air Wiping Equipment for Zinc Coating

Speciality Mills and Strip Finishing Lines

Aluminium Casting, Rolling and Coil Coating Lines

Long Product Rolling Mills

Seamless Pipe Plants

Longitudinal and Spiral Welded Pipe Plants

Conditioning, Drawing and Finishing Plants

EMS and Induction Heating Systems

Industrial Hydraulic and Lubrication Equipment

Extrusion and Forging Plants

Heating Systems

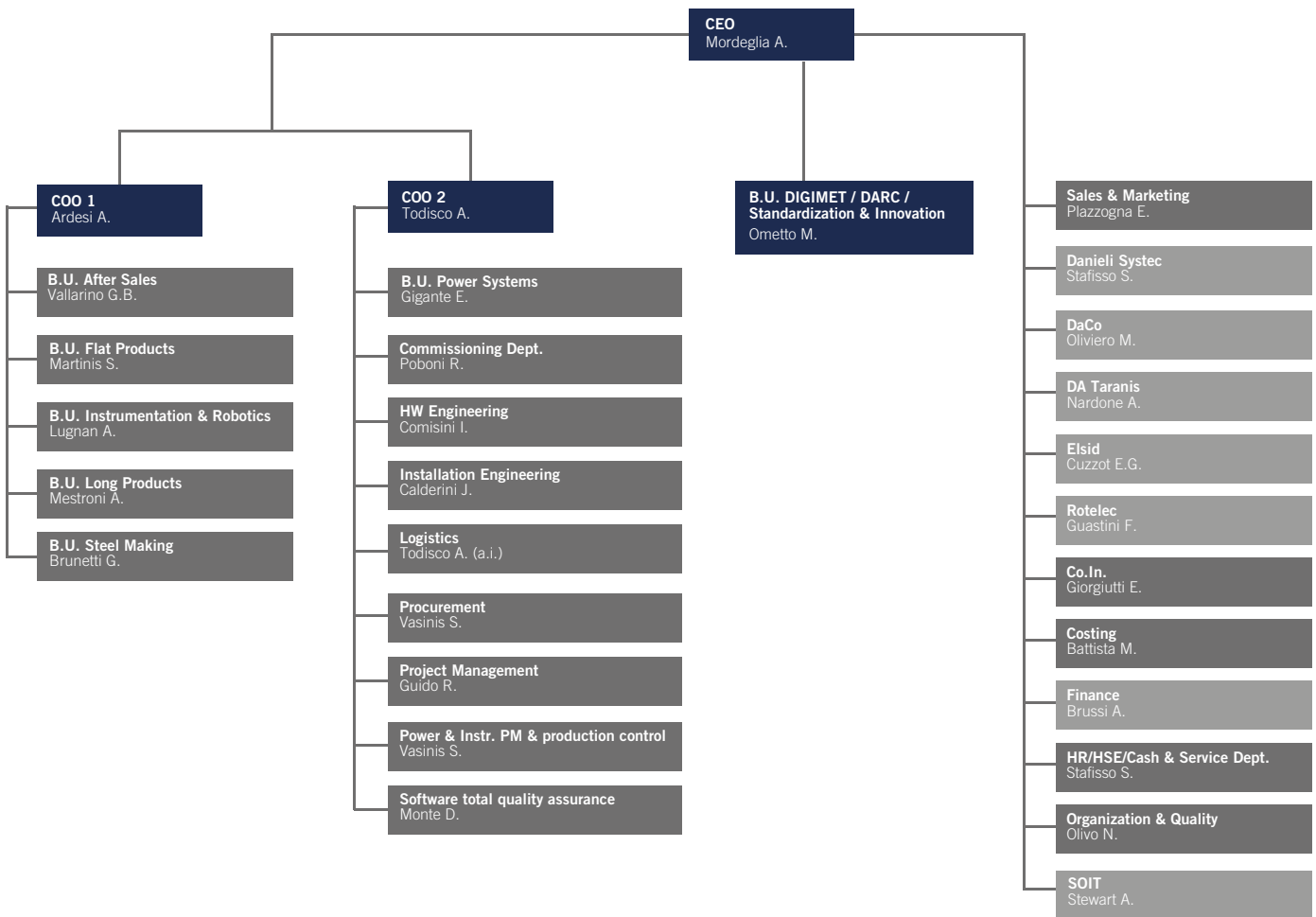
Heat Treatment Furnaces

Heavy-duty Cranes

Green Technology and Systems

Turnkey Construction, Erection & Systems Engineering

Technical Service and Original Spare Parts



Board of Directors

Board of Directors

- Ing. Antonello Mordegia
PRESIDENT
- Dr. Alessandro Brussi
VICE PRESIDENT
- Dr. Stefano Stafisso
ADMINISTRATOR
- Sig. Antonio Todisco
ADMINISTRATOR
- Sig. Marco Ometto
ADMINISTRATOR

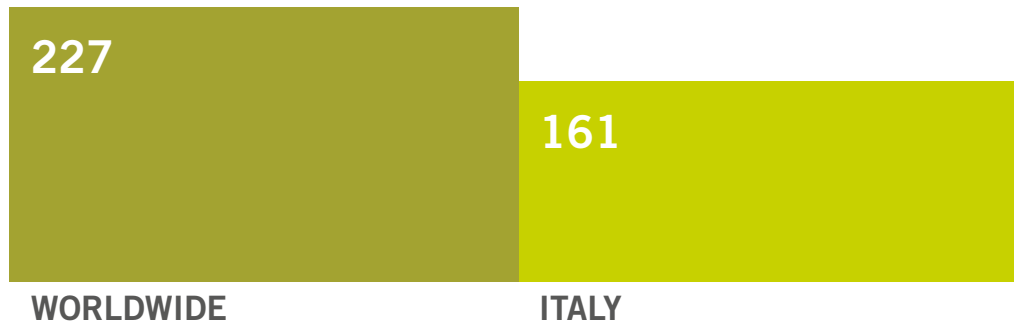
Board of Statutory Auditors

Board of Statutory Auditors

- Dr. Renato Venturini
PRESIDENT
- Dr. Laura Piusi
AUDITOR
- Dr. Giuliano Ravasio
AUDITOR
- Dr. Michele Del Fabbro
DEPUTY AUDITOR
- Dr. Edgardo Fattor
DEPUTY AUDITOR

2017 ANNUAL REPORT

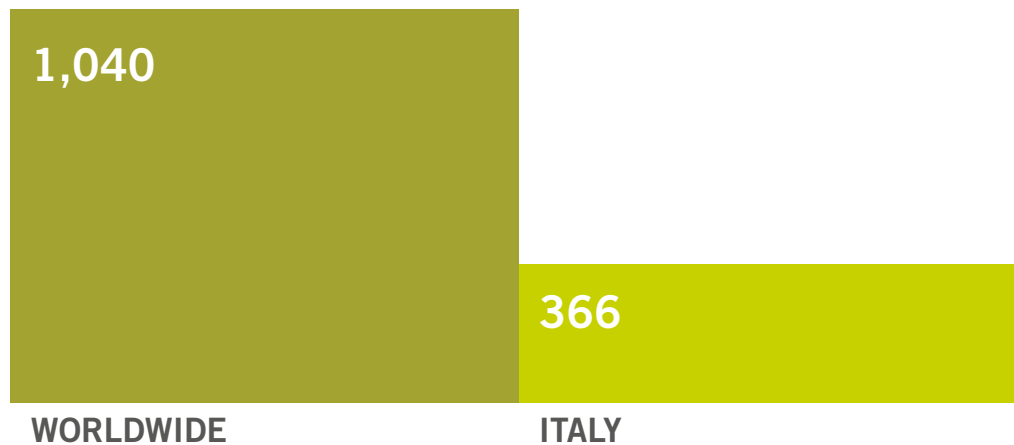
REVENUES in millions of Euro



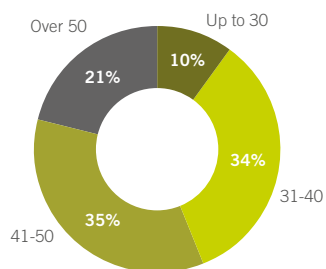
RESEARCH & DEVELOPMENTS in millions of Euro



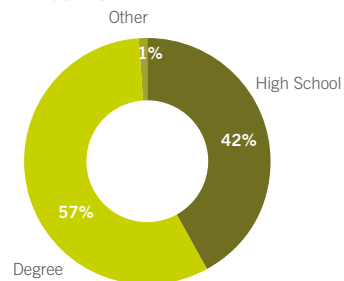
EMPLOYEES



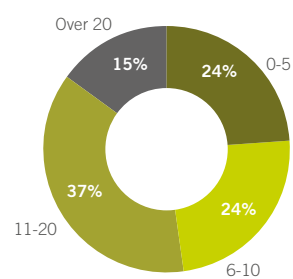
AGE OF EMPLOYEES



EDUCATIONAL LEVEL



SENIORITY OF SERVICE





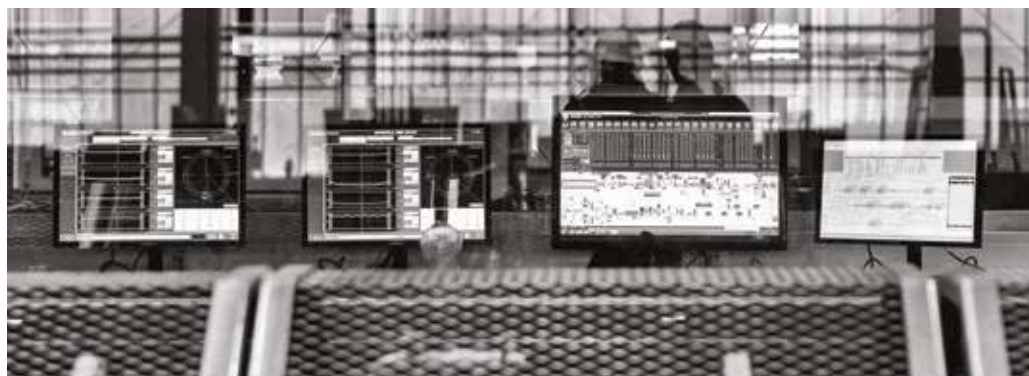
Fixed assets

in euro	June 30, 2016	June 30, 2017
B) FIXED ASSETS		
I. Intangible assets		
3) Patents and intellectual property rights	269.794	292.436
7) Other intangible assets	672.424	651.515
TOTAL	942.218	943.951
II. Property, plant and equipment		
1) Land and buildings	2.757.094	2.737.540
2) Plant and machinery	343.682	245.612
3) Industrial and commercial equipment	103.679	155.990
4) Other assets	566.863	375.813
5) Assets under construction and advances	275.092	2.759.322
TOTAL	4.046.410	6.274.276
III. Investments		
1) Equity investments:		
a) Subsidiary companies	639.523	1.039.523
b) Associated companies	156.599.500	156.599.500
d) Other companies	1.033	1.033
Total	157.240.056	157.640.056
2) Receivables:		
a) Subsidiary companies	0	200.000
d-bis) From others		
- beyond the next financial year	37.078	37.078
Total	37.078	37.078
TOTAL	157.277.135	157.872.682
TOTAL FIXED ASSETS (B)	162.265.764	165.090.909



in euro	June 30, 2016	June 30, 2017
C) CURRENT ASSETS		
I. Inventories		
1) Raw materials and consumables	4.349.432	4.708.976
3) Construction contracts	35.136.513	29.001.710
5) Advances	486.270	607.806
TOTAL	39.972.215	34.318.491
II. Receivables		
1) Trade receivables:		
- within the next financial year	11.299.241	8.174.651
2) From subsidiary companies	3.555	7.183
4) From parent company	61.526.656	40.593.031
5) From companies controlled by parent companies	23.176.397	36.108.805
5-bis) Tax receivables	20.838.342	2.873.048
5-ter) Deferred tax assets	4.779.210	3.677.569
5-quater) From others:		
- within the next financial year	406.532	335.330
TOTAL	122.029.932	91.769.617
III. Investments other than equity investments		
7) Financial assets for centralised treasury management	10.839.892	15.030.722
IV. Cash and cash equivalents		
1) Bank and postal deposits	4.785.705	19.456.422
3) Cash in hand	38.763	39.066
Total	4.824.467	19.495.488
TOTAL CURRENT ASSETS (C)	177.666.506	160.614.318
D) ACCRUED INCOME AND PREPAYMENTS		
TOTAL ACCRUED INCOME AND PREPAYMENTS (D)	549.894	461.591
TOTAL ASSETS	340.482.163	326.166.818

Current assets



Liabilities

in euro	June 30, 2016	June 30, 2017
A) SHAREHOLDERS' EQUITY		
I. Share capital		
TOTAL	10.000.000	10.000.000
IV. Legal reserve		
TOTAL	2.000.000	2.000.000
VII. Other reserves		
b) extraordinary	122.639.481	132.096.007
d) sundry	416.919	441.920
TOTAL	123.056.400	132.537.927
IX. Net profit for the year		
	24.481.527	20.007.022
TOTAL SHAREHOLDERS' EQUITY (A)	159.537.928	164.544.949
B) PROVISIONS FOR RISKS AND CHARGES		
3) Other	2.143.668	2.943.668
TOTAL PROVISIONS FOR RISKS AND CHARGES (B)	2.143.668	2.943.668
C) EMPLOYEE SEVERANCE INDEMNITY		
TOTAL PROVISION FOR EMPLOYEE SEVERANCE INDEMNITIES (C)	3.173.615	2.969.493



in euro	June 30, 2016	June 30, 2017
D) PAYABLES		
4) Bank debts		
- within the next financial year	4.500.000	0
6) Advances		
a) Customer advance payments:		
- within the next financial year	4.911.227	7.318.500
b) Group company advance payments		
- within the next financial year	12.283.657	10.224.003
Total advances	17.194.884	17.542.503
c) Third-party turnover in progress		
- within the next financial year	12.045.951	9.048.056
d) Group turnover in progress		
- within the next financial year	64.673.372	42.694.467
Total	76.719.323	51.742.523
TOTAL	93.914.207	69.285.026
7) Due to suppliers:		
- within the next financial year	52.920.123	57.912.629
9) Due to subsidiaries:		
- within the next financial year	4.894.293	7.780.808
- beyond the next financial year	620.000	600.000
TOTAL	5.514.293	8.380.808
11) Due to parent company:		
- within the next financial year	2.286.583	2.571.967
11-bis) Due to companies controlled by parent companies		
- within the next financial year	6.873.145	8.074.826
12) Taxes due:		
- within the next financial year	1.521.495	701.328
13) Due to social security institutions:		
- within the next financial year	2.315.299	2.380.493
14) Other payables:		
- within the next financial year	5.188.689	5.981.402
- beyond the next financial year	350.000	100.000
TOTAL	5.538.689	6.081.402
TOTAL PAYABLES (D)	175.383.834	155.388.479
E) ACCRUED LIABILITIES AND DEFERRED INCOME	243.119	320.229
TOTAL LIABILITIES	340.482.162	326.166.819

Liabilities

Income statement

in euro	June 30, 2016	June 30, 2017
A) VALUE OF PRODUCTION		
1) Revenues from sales and services	223.854.538	216.193.903
3) Change in construction contracts	(58.262.008)	(55.446.548)
4) Own work capitalised	0	14.977
5) Other operating income	1.779.115	445.641
a) Contributions for operating expenses	52.752	158.611
TOTAL VALUE OF PRODUCTION (A)	167.371.645	161.207.974
B) COST OF PRODUCTION		
6) Raw materials and consumables	(56.699.885)	(52.952.307)
7) Services	(47.567.510)	(53.191.017)
8) Use of third-party assets	(374.424)	(464.407)
9) For personnel		
a) Wages and salaries	(18.061.019)	(17.716.112)
b) Social security	(5.223.948)	(5.030.533)
c) Employee severance indemnity	(1.489.821)	(1.246.128)
e) Other costs	(330.778)	(250.137)
TOTAL	(129.747.386)	(130.850.641)
10) Amortization, depreciations and write-downs		
a) Amortization of intangible assets	(254.024)	(235.288)
b) Depreciation of property, plant and equipment	(418.916)	(428.346)
c) Write-down of receivables included in current assets and of cash and cash equivalents	(493.890)	(437.556)
TOTAL	(1.186.830)	(1.101.190)
11) Change in inventories of raw materials, consumables and goods	118.158	359.544
12) Provisions for risks	0	(800.000)
14) Sundry costs	(1.581.765)	(685.833)
TOTAL COST OF PRODUCTION (B)	(132.397.822)	(133.078.121)
DIFFERENCE BETWEEN VALUE AND COST OF PRODUCTION (A - B)	34.973.824	28.129.854



in euro	June 30, 2016	June 30, 2017
C) FINANCIAL INCOME AND CHARGES		
16) Other financial income		
d) Sundry income		
- from parent companies	372	0
- from others	162.567	14.165
Total financial income	162.938	14.615
17) Interest and other financial charges		
a) To parent companies	(5.751)	(75)
c) To others	(118.295)	(157.423)
Total financial charges	(124.045)	(157.498)
17-bis) Foreign exchange (losses)/gains	44.378	(43.881)
TOTAL FINANCIAL INCOME AND CHARGES (C)	83.271	(187.214)
PROFIT BEFORE TAX	35.057.094	27.942.640
22) Income taxes		
- current taxes	(9.394.256)	(6.833.978)
- deferred tax assets/(liabilities)	(1.181.311)	(1.101.640)
TOTAL	(10.575.567)	(7.935.618)
23) NET PROFIT FOR THE PERIOD	24.481.527	20.007.022

Income statement

The above Balance Sheet and Income Statement correspond to the Company's accounting records and entries.



DANIELI HEADQUARTERS**DANIELI**

Via Nazionale, 41
33042 Buttrio (UD) Italy
Phone +39 0432 195 8111
www.danieli.com
info@danieli.com

DANIELI AUTOMATION

Via Bonaldo Stringher, 4
33042 Buttrio (UD) Italy
Phone +39 0432 518 111
www.dca.it
info@dca.it

WORLDWIDE DANIELI COMPANIES**AUSTRIA**

Max Planck Strasse, 5
A - 9100 Völkermarkt
Tel (43) 4232.51440.6101
info@austria.danieli.com

UNITED KINGDOM

4 Ignite, Magna Way
Rotherham S60 1FD
Tel (44) 1709.724300
info@uk.danieli.com

SPAIN

Poligono Sondikalde
Calle Portu Bidea, 2
48150 Sondika - Vizcaya
Tel (34) 94.4872800
info@spain.danieli.com

INDIA

Technopolis Building
Plot 4, Block - BP, 5th Floor
Wing - B, Sector - V, Salt Lake
700 091 Kolkata - West Bengal
Tel (91) 33.39847777
info@india.danieli.com

GERMANY

Brunshofstrasse, 12
D-45470 Mülheim - Ruhr
Tel (49) 208.3780000
info@germany.danieli.com

THE NETHERLANDS

Rooswijkweg 291, 1951
ME Velsen-Noord
T +31 (0)251 500 500
F +31 (0)251 500 501
info@danieli-corus.com

TURKEY

1. OSB Istiklal Mahallesi
1. Cadde No. 15
Beykoy - Duzce
Tel (90) 380.5537110
info@turkey.danieli.com

INDIA

7000 Central Expressway,
Sri City
517588 Andhra Pradesh
Tel (91) 8576.304000
info@india.danieli.com

GERMANY

Scherl 12
D-58540 Meinerzhagen
Tel (49) 2354.70820
info@germany.danieli.com

SWEDEN

Nya Ägatan, 23
SE-77782 Smedjebacken
Tel (46) 240.668500
info@sweden.danieli.com

RUSSIA

Avtozavodskoe shosse 48
Nizhny Novgorod Region
606000 Dzerdzhinsk
Tel (7) 8313.310310
info@russia.danieli.com

THAILAND

Land Plot N. K11
The Eastern Seaboard Ind. Estate
Tambol Pluakdaeng, Amphur
Pluakdaeng, 21140 Rayong
Tel (66) 38.929000
infodfe@thailand.danieli.com

FRANCE

Les Mercuriales
F-93176 Bagnolet Cedex
Tel (33) 1.49722269
info@france.danieli.com

SWEDEN

Box 994
SE-85125 Sundsvall
Tel (46) 60.139400
info@sweden.danieli.com

CHINA

No. 19, Xing Gang Road, CEDZ
Changshu, Jiangsu 215513
Tel (86) 512 52267088
infodcs@china.danieli.com

USA

600 Cranberry Woods Drive
Suite 200
Cranberry Township, PA 16066
Tel (1) 724.7785400
info@usa.danieli.com

WORLDWIDE OFFICES AND SERVICE CENTERS**SWITZERLAND**

Olsbergerstrasse 2
4310 Rheinfelden
Tel (41) 61.8368310
info@switzerland.danieli.com

TURKEY

Adalet Mah. Manas Bulvari No. 47,
Folkart Towers, A Block, Ofis 3208,
35580 Bayrakli, Izmir
Tel (90) 232.4355577
info@turkey.danieli.com

INDIA

D-402 Lotus Corporate Park,
Ram Mandir Road,
Off Western Express Highway
Goregaon (E), Mumbai 400 063
Tel (91) 22.39917100
info@india.danieli.com

KOREA

Room 201, Daechon Building
157-4 Samsung-dong
Gangnam-gu 135-090, Seoul
Tel (82) 2.5626622
info@korea.danieli.com

CANADA

P.O. Box 24062
Sault St. Marie
Ontario P6C 6G7
Phone (1) 705.9468779
info@canada.danieli.com

RUSSIA

Leningradskiy Prospekt 31A
Building 1, 24th Floor
125284 Moscow
Tel (7) 495.9819073
info@russia.danieli.com

EGYPT

76 Al-Moltaka Al-Arabi Dist.
11799 Sheraton Zone
Heliopolis, Cairo
Tel (20) 2.22699491
info@egypt.danieli.com

INDIA

Furnace Building
1, Taratala Road
Kolkata - 700024
Tel (91) 33.33013510
info@india.danieli.com

JAPAN

42F, Yokohama Landmark Tower
2-2-1, Minatomirai, Nishi-ku,
Yokohama-City
220-8142 Japan
Tel (81) 45.651.7077
info@japan.danieli.com

MEXICO

Edificio Sierra Madre
Ave. Vasconcelos Oriente 310
Colonia del Valle
66250 Garza Garcia, N.L.
Tel (52) 81.83781055
info@mexico.danieli.com

RUSSIA

Lenin str. 130, Office 109
Chelyabinsk Region
445038 Magnitogorsk
Tel (7) 3519.244043
info@russia.danieli.com

UAE

Najda Street, Old Nissan
Masaood Building, Flat 1003
P.O. Box 322 Abu Dhabi
Phone (971) 2.6812268
info@uae.danieli.com

THAILAND

Muang Thai-Phatra Office
16th Floor, Tower II
252-91 Rachadaphisek Road
Huaykwang - Bangkok 10310
Tel (66) 2.6933520
info@thailand.danieli.com

TAIWAN

26F-1, No. 31
Hai-Bian Road
Kaohsiung City, Taiwan 802
Tel (886) 7.3358655
info@taiwan.danieli.com

BRAZIL

Rua George Rexroth, 609
Diadema
CEP 09951-270 São Paulo
Tel (55) 11.35085900
info@brazil.danieli.com

UKRAINE

Glinky Street 2, Office 301
49000 Dnipropetrovsk
Tel (380) 56.7904301
info@ukraine.danieli.com

KSA

Silver Tower 6th floor
P.O. Box 4867
Al-Khobar 31952
Tel (966) 3.8993145
info@ksa.danieli.com

VIETNAM

Lot A4b Industrial Park
Tan Thuan EPZ (E-Office Park)
Tan Thuan Dong Ward, District 7
Ho Chi Minh City
Tel (84) 8.35287400
info@vietnam.danieli.com

USA

54 Chesser Crane Road
Chelsea, AL 35043
Phone (1) 205.6787451
info@usa.danieli.com