ASX & MEDIA RELEASE **(ASX: SGM, USOTC: SMSMY)** **21 August 2015**

SIMS METAL MANAGEMENT ANNOUNCES FISCAL 2015 FULL YEAR RESULTS

Results at a glance

STATUTORY (A$m)	**FY15**	**FY14**	**Change %**
Sales revenue	6,310.9	7,021.2	(10.1)
EBITDA[1]	265.6	222.4	19.4
EBIT	144.8	76.9	88.3
NPAT	109.9	(88.9)	NMF
EPS (cents) – diluted	53.3	(43.5)	NMF
UNDERLYING (A$m)	**FY15**	**FY14**	**Change %**
Continuing Operations[2]			
Sales revenue	6,310.9	7,021.2	(10.1)
EBITDA	262.5	253.1	3.7
EBIT	141.7	135.6	4.5
NPAT	101.5	86.6	17.2
EPS (cents) – diluted	49.2	42.3	16.3
DPS (cents)	29.0	10.0	190.0

[1] *EBITDA is an unaudited measurement of non-conforming financial information*
[2] *See Appendix for reconciliation of consolidated operations to continuing operations*

Key Points

- Lower sales volume offset by internal initiatives to improve gross margin, lower operating and SG&A costs
- Underlying EBIT from continuing operations of $142 million
- Higher EBIT from E-Recycling, Europe Metals, North America Metals East and West Regions, partially offset by ANZ Metals and North America Metals Central Region
- Statutory NPAT of $109.9 million and diluted EPS of 53.3 cents
- Final fully franked dividend of 13.0 cents in second half and 29.0 cents for full year
- Net cash position of $314 million as at 30 June 2015, compared to $42 million as at 30 June 2014
- Five year targets reaffirmed and on track

Group Results

Sims Metal Management Limited (the "Company") today announced statutory NPAT of $110 million, representing diluted EPS of 53.3 cents for the full year ended 30 June 2015. Underlying NPAT was $102 million, representing diluted EPS of 49.2 cents.

Sales revenue of $6,311 million in FY15 was down 10% compared to FY14, primarily due to lower sales volumes and prices for ferrous metals. Sales volumes decreased by 11% to 10.5 million tonnes in FY15 versus 11.8 million tonnes in FY14, due to lower secondary metal collection levels in North America, Europe and Australia.

Underlying EBIT from continuing operations was $142 million in FY15, an increase of 20% over FY14's consolidated result. Higher earnings were driven primarily by Global E-Recycling, Europe Metals and North America East and West Regions, partially offset by lower profit in ANZ Metals and North America Central Region.

In announcing the result, Group CEO Galdino Claro said, "Improved earnings despite the external challenges presented by falling commodity prices, poor weather, and lower volumes, validates our ability to execute our internal initiatives".

Regional Performance

Commenting on performance, Group CFO Fred Knechtel said, "Despite the negative volume impact on the metals business, we were able to grow EBIT as a result of our focus on executing internal initiatives. Our initiatives generated a total of $103 million of EBIT improvement across the metals recycling business – improving both gross margins by $75 million and decreasing operating costs by $28 million".

North America Metals underlying EBIT of $12 million was up slightly from the prior year. While earnings improved strongly across the East and West regions, business conditions in the Central region remain challenging. Headwinds from severe winter weather, falling commodity prices, and a resulting 14% decline in sales volumes weighed on the overall result.

Underlying EBIT for Europe Metals of $25 million was a significant increase from $17 million in FY14. Underlying EBIT margins of $15 per tonne increased 50% from $10 per tonne in FY14. Europe Metals benefited from past restructuring actions and the adoption of the best practices being shared across the Group's global operating footprint.

ANZ Metals delivered underlying EBIT of $59 million in FY15, down from $79 million in FY14. Underlying EBIT margins of $32 per tonne remain healthy, but declined from $39 per tonne in FY14. Reduced earnings were primarily due to 9% lower sales volumes and challenging market dynamics.

Global E-Recycling underlying EBIT, excluding discontinued operations, lifted from $17 million in FY14, to $44 million in FY15. Stronger earnings were driven by better performance from Continental Europe and the United States. Performance of this segment is expected to continue to improve as optimisation initiatives take hold and the business transitions in the US and for global clients, to a higher value added and higher margin, service based model.

Final Dividend

The Company has determined to pay a final dividend for 2H FY15 of 13.0 cents per share, which will be fully franked, on 21 October 2015 to shareholders on the Company's register at the record date of 7 October 2015.

Strategic Plan Update

With regards to the Company's strategic plan, Mr Claro stated, "We remain steadfast and dedicated to our goal to achieve greater than cost of capital returns, regardless of economic conditions. The actions we have taken to streamline underperforming businesses, lower procurement costs of raw materials, and reduce inefficiencies across our operating platform are translating into tangible results. Even as we near the half-way point of our five year improvement strategy, we continue to see new ways to further enhance the business, and are rapidly deploying these plans across the Group."

Market Conditions and Outlook

Commenting on market conditions and the outlook, Mr Claro said, "We are pleased with the progress we achieved in FY15. However, external market conditions for metals recycling remain as difficult as we have experienced in many years. Slowing internal demand in China has pushed exported steel into the markets of many of our traditional customers. China's recent currency devaluation seems likely to only add more pressure on export markets."

"Low ferrous scrap metal prices have diminished the economic appeal for collection of more marginal material by our suppliers. As a consequence, we have witnessed deterioration in intake volumes, particularly in North America. Moreover, the level of competition amongst metals recyclers in North America remains high. At current ferrous scrap prices, we presently anticipate intake volumes in FY16 will be similar or slightly lower than in FY15."

"In order to ensure our fixed cost base is correctly matched to external operating conditions, we have initiated new Streamline actions, with related cost reduction benefits to be realised over the current fiscal year. Additionally, we expect to see significant further gains as our Optimisation strategies are implemented further across our global operating footprint in the year ahead. These actions give us confidence that, despite near-term headwinds, we will continue to see further underlying EBIT growth in FY16 over the prior year".

Appendix

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EPS (cents) – diluted	53.3	(43.5)	NMF
UNDERLYING (A$m)	**FY15**	**FY14**	**Change %**
Consolidated Results			
Sales revenue	6,338.3	7,129.0	(11.1)
EBITDA	256.8	242.4	5.9
EBIT	135.7	118.5	14.5
NPAT	94.9	68.8	37.9
EPS (cents) – diluted	46.0	33.6	36.9
Discontinued Operations[2]			
Sales revenue	27.4	107.8	(74.6)
EBITDA	(5.7)	(10.7)	(46.7)
EBIT	(6.0)	(17.1)	(64.9)
Continuing Operations			
Sales revenue	6,310.9	7,021.2	(10.1)
EBITDA	262.5	253.1	3.7
EBIT	141.7	135.6	4.5
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[2] *Discontinued Operations are comprised of e-recycling facilities in the UK and Canada which were closed during FY15*

About Sims Metal Management
Sims Metal Management is one of the world's largest metal recyclers with over 200 facilities, operations in 20 countries, and 5,400 employees globally. Sims' core businesses are metal recycling and electronics recycling, with approximately 58% of its revenue from operations in North America. The Company's ordinary shares are listed on the Australian Securities Exchange (ASX: SGM) as well on the Over the Counter market in the United States (USOTC: SMSMY).

Please visit our website (www.simsmm.com) for more information on the Company and recent developments.

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