

Steel Partners Holdings L.P. Reports Second Quarter 2016 Financial Results

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NEW YORK--(BUSINESS WIRE)--Aug. 4, 2016-- Steel Partners Holdings L.P. (NYSE:SPLP) ("SPLP" or the "Company"), a global diversified holding company, today announced operating results for the quarter and six months ended June 30, 2016. They are summarized in the following paragraphs. For a full discussion of the operating results, please read the Company's Form 10-Q, which can be found at www.steelpartners.com.

SPLP reported revenues of \$281.6 million for the quarter, as compared to \$251.7 million for the same period of 2015. Income before taxes and equity method investments was \$14.4 million in the second quarter of 2016, as compared to \$14.2 million in the same period of 2015. Net income attributable to the Company's common unitholders for the second quarter of 2016 was \$9.2 million, or \$0.35 per diluted common unit, as compared to \$10.6 million, or \$0.38 per diluted common unit, for the same period in 2015.

For the six months ended June 30, 2016, revenues were \$528.8 million, as compared to \$466.2 million for the same period of 2015. Income before taxes and equity method investments was \$25.9 million in the first six months of 2016, as compared to \$31.5 million in the same period of 2015. Net income attributable to the Company's common unitholders for the first six months of 2016 was \$11.2 million, or \$0.42 per diluted common unit, as compared to \$89.0 million, or \$3.20 per diluted common unit, for the same period in 2015.

Financial Summary (\$000s)																							
			Three Months Ended June 30,									Six Months Ended June 30,											
			2016					2015						2016						2015			
Revenue			\$	281,568				\$	251,654				\$	528,822				\$	466,235				
Costs and Expenses			267,141						237,455						502,878						434,770		
Income before taxes and equity method investments			14,427						14,199						25,944						31,465		
Income tax provision			6,288						3,660						10,023						11,580		
Income (loss) of associated companies, net of taxes			1,710						(820)			)			(3,261)			)			3,829		
(Loss) income from other investments - related party			—						(38)			)			—						361		
Income (loss) from investments held at fair value			10						(527)			)			(457)			)			3,886		
Net income from continuing operations			9,859						9,154						12,203						27,961		
Net (loss) income from discontinued operations			—						(148)			)			—						86,823		
Net income			9,859						9,006						12,203						114,784		

Net (income) loss attributable to noncontrolling interests			(650		)			1,573					(1,032		)			(25,774)		
Net income attributable to common unitholders			\$	9,209				\$	10,579				\$	11,171				\$	89,010							
Net income per common unit - basic			\$	0.35				\$	0.39				\$	0.42				\$	3.22							
Net income per common unit - diluted			\$	0.35				\$	0.38				\$	0.42				\$	3.20							
Segment Results (\$000s)																										
			Three Months Ended June 30,										Six Months Ended June 30,													
			2016						2015						2016						2015					
Revenue:																										
Diversified industrial			\$	241,472				\$	193,271				\$	448,072				\$	331,253							
Energy			21,715						35,610						41,714						74,495					
Financial services			18,215						15,484						38,409						27,660					
Corporate and other			166						7,289						627						32,827					
Total			\$	281,568				\$	251,654				\$	528,822				\$	466,235							
Income (loss) from continuing operations before income taxes:																										
Diversified industrial			\$	12,444				\$	15,853				\$	24,853				\$	25,422							
Energy			2						(15,921)		(3,022)			(23,013)
Financial services			11,239						10,479						24,107						17,823					
Corporate and other			(7,538)		2,403						(23,712)			19,309				
Income from continuing operations before income taxes			16,147						12,814						22,226						39,541					
Income tax provision			6,288						3,660						10,023						11,580					
Net income from continuing operations			\$	9,859				\$	9,154				\$	12,203				\$	27,961							
Income (loss) from equity method investments:																										

Diversified industrial			\$	5,969			\$	(459	)		\$	8,078			\$	5,041	
Energy				(220	)			5,445				6,090				3,335	
Corporate and other				(4,039	)			(5,844	)			(17,429	)			(4,186)
Total			\$	1,710			\$	(858	)		\$	(3,261	)		\$	4,190	

About Steel Partners Holdings L.P.

Steel Partners Holdings L.P. is a global diversified holding company that engages in multiple businesses through consolidated subsidiaries, associated companies and other interests. It owns and operates businesses and has significant interests in leading companies in various industries, including diversified industrial products, energy, defense, supply chain management and logistics, banking and youth sports.

Forward-Looking Statements

This press release may contain certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that reflect SPLP's current expectations and projections about its future results, performance, prospects and opportunities. Forward-looking statements are based on information currently available to the Company and are subject to a number of risks, uncertainties and other factors that could cause its actual results, performance, prospects or opportunities in 2016 and beyond to differ materially from those expressed in, or implied by, these forward-looking statements. These factors include, without limitation, SPLP's subsidiaries need for additional financing and the terms and conditions of any financing that is consummated, their customers' acceptance of its new and existing products, the risk that the Company and its subsidiaries will not be able to compete successfully, the possible volatility of the Company's unit price and the potential fluctuation in its operating results. Although SPLP believes that the expectations reflected in its forward-looking statements are reasonable and achievable, any such statements involve significant risks and uncertainties, and no assurance can be given that the actual results will be consistent with the forward-looking statements. Investors should read carefully the factors described in the "Risk Factors" section of the Company's filings with the SEC, including the Company's Form 10-K for the year ended December 31, 2015 and Form 10-Q for the quarterly period ended June 30, 2016, for information regarding risk factors that could affect the Company's results. Except as otherwise required by federal securities laws, SPLP undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason.

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