

Aperam Full year and fourth quarter 2015 results[1]

Luxembourg, February 10, 2016

Aperam (referred to as "Aperam" or the "Company") (Amsterdam, Luxembourg, Paris: APAM and NYRS: APEMY), announced today results for the three month and full year periods ending December 31, 2015

Timoteo Di Maulo, CEO of Aperam, commented:

"In 2015, Aperam has continued to improve its operating performance with the best yearly EBITDA over the last 5 years - excluding gains from electricity surplus. Aperam has also continued to strengthen its balance sheet and reinstated a dividend⁶. This reinforces further our confidence on the contribution of the Leadership Journey[®] and the Top Line strategy.

Looking ahead, we continue to be cautious given the global economic uncertainty. However, we are confident in the resilience of Aperam and we remain focused on implementing our self-help strategy."

Highlights

- Health and Safety LTI frequency rate^[2] of 1.0x in 2015 compared to 1.1x in 2014.
- Shipments of 1,886 thousand tonnes in full year 2015, a 4% increase compared to shipments of 1,813 thousand tonnes in full year 2014.
- EBITDA^[3] of USD 501 million in full year 2015, compared to EBITDA of USD 547 million in full year 2014, including gains from electricity surplus of USD 3 million and USD 57 million in 2015 and 2014 respectively.
- EBITDA of USD 105 million in Q4 2015, compared to EBITDA of USD 108 million in Q3 2015.
- Net income of USD 172 million in full year 2015, compared to net income of USD 95 million in full year 2014.
- Basic earnings per share of USD 2.21 in 2015 compared to USD 1.21 in 2014.
- Cash flow from operations amounted to USD 392 million in 2015 compared to USD 240 million in 2014.
- Net debt⁴ of USD 316 million on December 31, 2015, representing a gearing⁵ of 14% compared to a net debt of USD 536 million on December 31, 2014.

Prospects

- EBITDA in Q1 2016 is expected to slightly increase compared to EBITDA in Q4 2015.
- Net debt to slightly increase in Q1 2016.

Financial Highlights (on the basis of IFRS)

(USDm) unless otherwise stated	Q4 '15	Q3 '15	Q4 '14	12M '15	12M '14
Sales	1,081	1,113	1,291	4,716	5,482
EBITDA	105	108	117	501	547
Operating income	65	67	53	327	296
Net income	33	31	19	172	95
Steel shipments (000t)	476	455	439	1,886	1,813
EBITDA/tonne (USD)	221	237	267	266	302
Basic earnings per share (USD)	0.42	0.40	0.24	2.21	1.21
Diluted earnings per share (USD)	0.40	0.39	0.21	2.09	1.17

Health & Safety results analysis

Health and Safety performance based on Aperam personnel figures and contractors' LTI (lost time injury) frequency rate², was 0.7x in the fourth quarter of 2015 compared to 1.2x in the third quarter of 2015.

Financial results analysis for full year ending December 31, 2015

Sales in the year ended December 31, 2015 decreased by 14% at USD 4,716 million compared to USD 5,482 million in the year ended December 31, 2014 mainly due to low nickel price and forex translation effects. Shipments in 2015 increased by 4% at 1,886 thousand tonnes compared to 1,813 thousand tonnes in 2014.

EBITDA was USD 501 million in the year ended December 31, 2015, including USD 3 million positive result from the sale of electricity surplus, compared to EBITDA of USD 547 million in the year ended December 31, 2014, including USD 57 million positive result from the sale of electricity surplus. Despite headwinds coming from a challenging economic environment, the company improved its EBITDA (excluding the impact of the sale of electricity surplus) in the year primarily due to the continuous contribution of the Leadership Journey[®] and the Top Line strategy. The Leadership Journey[®] has continued to progress over the year and has contributed a total amount of USD 478 million to EBITDA since the beginning of 2011.

Depreciation and amortization expense in the year ended December 31, 2015 was USD 174 million.

Aperam had an operating income in the year ended December 31, 2015 of USD 327 million compared to an operating income of USD 296 million in the year ended December 31, 2014.

The Company recorded a loss from other investments of USD 15 million in the year ended December 31, 2015, related to an impairment loss of USD 12 million booked on the minority stake it holds in Gerdau, a Brazilian steelmaker, and USD 3 million booked on the minority stake it holds in General Moly, a US molybdenum mining company.

Net interest expense and other financing costs in the year ended December 31, 2015 were USD 77 million, primarily related to financing costs of USD 29 million and USD 14 million of non-recurring expenses. Realized and unrealized foreign exchange and derivative losses were USD 7 million in the year ended December 31, 2015.

The Company recorded a net income of USD 172 million, inclusive of an income tax expense of USD 55 million, in the year ended December 31, 2015.

Cash flows from operations in the year ended December 31, 2015 were positive at USD 392 million, with a working capital increase of USD 3 million. CAPEX in the year ended December 31, 2015 were USD 132 million.

As of December 31, 2015, shareholders' equity was USD 2,222 million and net financial debt⁴ was USD 316 million (gross financial debt as of December 31, 2015 was USD 464 million and cash & cash equivalents were USD 148 million).

The Company had liquidity of USD 548 million as of December 31, 2015, consisting of cash and cash equivalents of USD 148 million and undrawn credit lines⁸ of USD 400 million.

Financial results analysis for the three month period ending December 31, 2015

Sales in the fourth quarter of 2015 decreased by 3% at USD 1,081 million compared to USD 1,113 million in the third quarter of 2015. Shipments in the fourth quarter of 2015 increased by 5% at 476 thousand tonnes compared to 455 thousand tonnes in the third quarter of 2015.

EBITDA was USD 105 million in the fourth quarter of 2015 compared to EBITDA of USD 108 million in the third quarter of 2015. The traditional seasonal effect in Brazil and the challenging market conditions have been almost entirely offset by better activity in Europe and the contribution of the Leadership Journey[®] and the Top Line strategy.

Depreciation and amortization expense in the fourth quarter of 2015 was USD 40 million.

Aperam had an operating income in the fourth quarter of USD 65 million compared to an operating income of USD 67 million in the previous quarter.

The Company recorded a loss from other investments of USD 3 million in the fourth quarter of 2015, related to an impairment loss of USD 2 million booked on the minority stake it holds in Gerdau, a Brazilian steelmaker, and USD 1 million booked on the minority stake it holds in General Moly, a US molybdenum mining company.

Net interest expense and other financing costs in the fourth quarter of 2015 were USD 12 million, primarily related to financing costs of USD 4 million. Realized and unrealized foreign exchange and derivative losses were USD 5 million in the fourth quarter of 2015.

The Company recorded a net income of USD 33 million, inclusive of an income tax expense of USD 12 million, in the fourth quarter of 2015.

Cash flows from operations in the fourth quarter were positive at USD 169 million, with a working capital decrease of USD 107 million. CAPEX in the fourth quarter were USD 48 million.

Operating segment results analysis

Stainless & Electrical Steel

The Stainless & Electrical Steel segment had sales of USD 857 million in the fourth quarter of 2015. This is similar to sales of USD 855 million in the third quarter of 2015. Shipments during the fourth quarter were 464 thousand tonnes. This is an increase of 8% compared to shipments of 429 thousand tonnes in the previous quarter. The volume increase was mainly due to the healthy apparent demand in Europe following the summer seasonal effect and the good progress of the Top Line strategy, especially in South America. Overall, average selling prices for the Stainless & Electrical Steel segment were lower for the quarter.

The segment had EBITDA of USD 438 million (of which USD 243 million from Europe and USD 195 million from South America, including USD 3 million gains from electricity surplus) in the year 2015 compared to USD 427 million (of which USD 204 million from Europe and USD 223 million from South America, including USD 57 million gains from electricity surplus) in the year 2014. The strong performance of both regions over 2015 is due to the continuous contribution of the Leadership Journey[®] and the Top line strategy as well as the improving real demand in Europe, in spite of the negative effects of a challenging environment, especially in South America, and the decline of the nickel price.

The segment had EBITDA of USD 95 million in the fourth quarter of 2015 compared to USD 94 million in the third quarter of 2015. EBITDA in South America decreased mainly as a result of negative effect of the domestic seasonal effect on the product mix. The increase of activity in Europe following the summer seasonality enabled to compensate this impact.

Depreciation and amortization expense was USD 34 million in the fourth quarter of 2015.

The Stainless & Electrical Steel segment had an operating income of USD 61 million during the fourth quarter of 2015 compared to an operating income of USD 60 million in the third quarter of 2015.

Services & Solutions

The Services & Solutions segment had a 9% decrease in sales during the quarter, from USD 510 million in the third quarter of 2015 to USD 464 million in the fourth quarter of 2015. In the fourth quarter of 2015, shipments were 180 thousand tonnes compared to 187 thousand tonnes in the previous quarter. The Services & Solutions segment had lower average selling prices during the period.

The segment had EBITDA of USD 42 million in the year 2015 compared to USD 87 million in the year 2014, due to the negative impact of the nickel price evolution.

The segment had EBITDA of USD 8 million in the fourth quarter of 2015 compared to EBITDA of USD 2 million in the third quarter of 2015. Overall, the increase in EBITDA was mainly driven by lower negative stock effect resulting from the steep decline in nickel prices.

Depreciation and amortization expense was USD 5 million in the fourth quarter of 2015.

The Services & Solutions segment had an operating income of USD 3 million in the fourth quarter of 2015 compared to an operating loss of USD 2 million in the third quarter of 2015.

Alloys & Specialties

The Alloys & Specialties segment had sales in the fourth quarter of 2015 of USD 130 million, representing an increase of 4% compared to USD 125 million in the third quarter of 2015. Shipments were stable in the fourth quarter of 2015 at 7 thousand tonnes compared to 7 thousand tonnes in the third quarter of 2015. Average selling prices decreased over the quarter.

The segment had EBITDA of USD 44 million in the year 2015 compared to USD 58 million in the year 2014, mainly due to forex translation effects.

The Alloys & Specialties segment achieved EBITDA of USD 8 million in the fourth quarter of 2015 compared to USD 9 million in the third quarter of 2015. The EBITDA decrease is mainly due to some raw material negative effect and forex translation effects.

Depreciation and amortization expense in the fourth quarter of 2015 was USD 1 million.

The Alloys & Specialties segment had an operating income of USD 7 million in the fourth quarter of 2015 compared to an operating income of USD 7 million in the third quarter of 2015.

Recent developments

- On December 22, 2015 Aperam announced its financial calendar for 2016. The financial calendar is available on the Company's website at the following link: <http://www.aperam.com/about-2/investors-shareholders/financial-calendars>.
- On December 1, 2015, Aperam cancelled USD 100 million of a USD 500 million secured borrowing base revolving credit facility ("The Facility")⁸, leading to a remaining USD 400 million facility⁸. Aperam had previously signed on March 6, 2015 this new facility with a group of nine banks. The Facility, which aimed to refinance the previous facility, was structured as a three-year revolving credit facility and included a one year extension option. It is being used for liquidity and working capital purposes.

New developments

- On February 10, 2016 Aperam announced its detailed dividend payment schedule for 2016. As announced on November 5, 2015 the Company proposed to reinstate a base dividend of USD 1.25/share, subject to shareholder approval at the 2016 Annual General Meeting, as the company continues to improve its sustainable profitability benefiting from its strategic actions. The dividend payments would occur in four equal quarterly installments of USD 0.3125 (gross) per share in 2016: on 30 March 2016, 14 June 2016, 12 September 2016 and 12 December 2016, taking into account that the first quarterly dividend payment to be paid on March 30, 2016 shall be an interim dividend. The schedule is available on Aperam's website at the following link: <http://www.aperam.com/about-2/investors-shareholders/financial-calendars/dividends>.

Investor conference call

Aperam management will host a conference call for members of the investment community to discuss the fourth quarter 2015 financial performance at the following time:

Date	New York	London	Luxembourg
Wednesday, February 10, 2016	12:30 pm	5:30 pm	6:30 pm

The dial-in numbers for the call are: France (+33(0)1 70 99 42 70); USA (+1718 354 1357); and international (+44(0)20 3427 1910). The participant access code is: 4584670#.

A replay of the conference call will be available until February 16th, 2016: France (+33 (0)1 74 20 28 00); USA (+1 347 366 9565) and international (+44 (0)20 3427 0598). The participant access code is 4584670#.

Contacts

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About Aperam

Aperam is a global player in stainless, electrical and specialty steel, with customers in over 40 countries. The business is organized in three primary operating segments: Stainless & Electrical Steel, Services & Solutions and Alloys & Specialties.

Aperam has 2.5 million tonnes of flat Stainless and Electrical steel capacity in Brazil and Europe and is a leader in high value specialty products. Aperam has a highly integrated distribution, processing and services network and a unique capability to produce stainless and specialty from low cost biomass (charcoal). Its industrial network is concentrated in six production facilities located in Brazil, Belgium and France.

In 2015, Aperam had sales of USD 4.7 billion and shipments of 1.89 million tonnes.

For further information, please refer to our website at www.aperam.com

Forward-looking statements

This document may contain forward-looking information and statements about Aperam and its subsidiaries. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans,

objectives and expectations with respect to future operations, products and services, and statements regarding future performance. Forward-looking statements may be identified by the words "believe," "expect," "anticipate," "target" or similar expressions. Although Aperam's management believes that the expectations reflected in such forward-looking statements are reasonable, investors and holders of Aperam's securities are cautioned that forward-looking information and statements are subject to numerous risks and uncertainties, many of which are difficult to predict and generally beyond the control of Aperam, that could cause actual results and developments to differ materially and adversely from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include those discussed or identified in Aperam's filings with the Luxembourg Stock Market Authority for the Financial Markets (Commission de Surveillance du Secteur Financier). Aperam undertakes no obligation to publicly update its forward-looking statements or information, whether as a result of new information, future events, or otherwise.

APERAM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in million of U.S. dollars)	December 31, 2015	September 30, 2015	December 31, 2014
Non current assets	2,642	2,620	3,221
Intangible assets	556	565	696
Property, plant and equipments	1,652	1,653	2,026
Investments & Other	434	402	499
Current assets & working capital	808	818	999
Inventories, trade receivables and trade payables	520	640	638
Other assets	140	110	164
Cash & cash equivalents	148	68	197
Shareholders' equity	2,222	2,225	2,676
Group share	2,217	2,220	2,672
Non-controlling interest	5	5	4
Non current liabilities	883	853	1,162
Interest bearing liabilities	450	445	693
Deferred employee benefits	184	191	213
Provisions and other	249	217	256
Current liabilities (excluding trade payables)	345	360	382
Interest bearing liabilities	14	42	40
Other	331	318	342

APERAM CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

(in million of U.S. dollars)	Three Months Ended			Year Ended	
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Sales	1,081	1,113	1,291	4,716	5,482
EBITDA	105	108	117	501	547
Depreciation & Impairment	40	41	64	174	251
Operating income	65	67	53	327	296
Loss from other investments and associates	(3)	(6)	(9)	(15)	(54)
Net interest expense and other net financing costs	(12)	(15)	(21)	(77)	(116)
Foreign exchange and derivative gains / (losses)	(5)	(7)	2	(7)	(3)
Income before taxes and non-controlling interests	45	39	25	228	123
Income tax (expense)	(12)	(8)	(6)	(55)	(28)
Income before non-controlling interests	33	31	19	173	95
Non-controlling interests	-	-	-	1	-
Net income	33	31	19	172	95

APERAM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(in million of U.S. dollars)	Three Months Ended			Year Ended	
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Net income	33	31	19	172	95
Non-controlling interests	-	-	-	1	-
Depreciation and impairment	40	41	64	174	251
Change in working capital	107	(43)	(3)	(3)	(211)
Other	(11)	36	28	48	105
Net cash provided by operating activities	169	65	108	392	240
Purchase of property, plant and equipment (CAPEX)	(48)	(26)	(38)	(132)	(103)
Other investing activities (net)	3	1	(1)	6	8
Net cash used in investing activities	(45)	(25)	(39)	(126)	(95)
Payments to banks and long term debt	(30)	(36)	(258)	(279)	(198)
Purchase of treasury stock	(14)	-	-	(14)	(3)
Dividends paid	-	-	-	-	(1)
Other financing activities (net)	-	(2)	(8)	(3)	(11)
Net cash used in financing activities	(44)	(38)	(266)	(296)	(213)
Effect of exchange rate changes on cash	-	(6)	(5)	(19)	(26)
Change in cash and cash equivalents	80	(4)	(202)	(49)	(94)

Appendix 1a - Health & Safety statistics

Health & Safety Statistics	Three Months Ended			Year Ended	
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Frequency Rate	0.7	1.2	1.8	1.0	1.1

Lost time injury frequency rate equals lost time injuries per 1,000,000 worked hours, based on own personnel and contractors.

Appendix 1b - Key operational and financial information

Year Ended December 31, 2015	Stainless & Electrical Steel ^{a,b}	Services & Solutions	Alloys & Specialties	Others & Eliminations	Total
Operational information					
Steel Shipment (000t)	1,838	769	34	(755)	1,886
Steel selling price (USD/t)	1,988	2,612	15,874		2,413
Financial information					
Sales (USDm)	3,764	2,123	566	(1,737)	4,716
EBITDA (USDm)	438	42	44	(23)	501
Depreciation & Impairment (USDm)	147	19	6	2	174
Operating income / (loss) (USDm)	291	23	38	(25)	327

Note a: Stainless & Electrical Steel Shipments of 1,838kt of which 654kt were from South America and 1,184kt were from Europe

Note b: Stainless & Electrical Steel EBITDA of USD 438m of which USD 195m (including gains from electricity surplus USD 3m) were from South America and USD 243m were from Europe

Year Ended December 31, 2014	Stainless & Electrical Steel ^{a,b}	Services & Solutions	Alloys & Specialties	Others & Eliminations	Total
Operational information					
Steel Shipment (000t)	1,736	721	35	(679)	1,813
Steel selling price (USD/t)	2,391	3,090	16,728		2,851
Financial information					
Sales (USDm)	4,390	2,363	618	(1,889)	5,482
EBITDA (USDm)	427	87	58	(25)	547
Depreciation & Impairment (USDm)	218	23	7	3	251
Operating (loss) / income (USDm)	209	64	51	(28)	296

Note a: Stainless & Electrical Steel Shipments of 1,736kt of which 654kt were from South America and 1,082kt were from Europe

Note b: Stainless & Electrical Steel EBITDA of USD 427m of which USD 223m (including gains from electricity surplus USD 57m) were from South America and USD 204m were from Europe

Quarter Ended December 31, 2015	Stainless & Electrical Steel	Services & Solutions	Alloys & Specialties	Others & Eliminations	Total
Operational information					
Steel Shipment (000t)	464	180	7	(175)	476
Steel selling price (USD/t)	1,790	2,419	16,228		2,185
Financial information					
Sales (USDm)	857	464	130	(370)	1,081
EBITDA (USDm)	95	8	8	(6)	105
Depreciation & Impairment (USDm)	34	5	1	-	40
Operating income / (loss) (USDm)	61	3	7	(6)	65

Quarter Ended September 30, 2015	Stainless & Electrical Steel	Services & Solutions	Alloys & Specialties	Others & Eliminations	Total
Operational information					
Steel Shipment (000t)	429	187	7	(168)	455
Steel selling price (USD/t)	1,978	2,592	17,612		2,394
Financial information					
Sales (USDm)	855	510	125	(377)	1,113
EBITDA (USDm)	94	2	9	3	108
Depreciation & Impairment (USDm)	34	4	2	1	41
Operating (loss) / income (USDm)	60	(2)	7	2	67

^[1] The financial information in this press release and Appendix 1 has been prepared in accordance with the measurement and recognition criteria of International Financial Reporting Standards ("IFRS") as adopted in the European Union. While the interim financial information included in this announcement has been prepared in accordance with IFRS applicable to interim periods, this announcement does not contain sufficient information to constitute an interim financial report as defined in International Accounting Standard 34, "Interim Financial Reporting". Unless otherwise noted the numbers and information in the press release have not been audited. The financial information and certain other information presented in a number of tables in this press release have been rounded to the nearest whole number or the nearest decimal. Therefore, the sum of the numbers in a column may not conform exactly to the total figure given for that column. In addition, certain percentages presented in the tables in this press release reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

^[2] Lost time injury frequency rate equals lost time injuries per 1,000,000 worked hours, based on own personnel and contractors.

^[3] EBITDA is defined as operating income plus depreciation and impairment expenses.

⁴ Net debt refers to long-term debt, plus short-term debt, less cash and cash equivalents (including short-term investments) and restricted cash.

⁵ Gearing defined as Net Debt out of Equity

⁶ Subject to shareholder approval.

⁷ The Leadership Journey® is an initiative launched on December 16, 2010, and subsequently accelerated and increased, to target management gains and profit enhancement. Aperam targets a contribution to EBITDA of a total amount of USD 475 million by end of 2015 and of USD 575 million by end of 2017, since the beginning of 2011.

⁸ Subject to eligible collateral available. The Borrowing base facility has been reduced from USD 500 million to USD 400 million as from December 1, 2015.

