



Aperam announces the signing of a Share Purchase Agreement with Lindsay Goldberg to acquire VDM Metals

Luxembourg, Wednesday, April 11, 2018 (7:00 am CET) – Aperam has signed a Share Purchase Agreement with Falcon Metals and Lindsay Goldberg Vogel to acquire VDM Metals Holding GmbH (“VDM Metals”).

The combination of VDM Metals with Aperam’s Alloys & Specialties Division will create a leader in global premium speciality alloys. VDM Metals’ product offering is highly complementary to Aperam’s Alloys & Specialties Division. The enlarged geographical presence, will create a stronger global quality and technological producer in the high end alloys & specialities sector, better positioned to fully support the evolution of its customers’ needs and address the challenges of the industry.

The combined Alloys & Specialities division generates pro-forma production revenues of about EUR 1.15 billion with a pro-forma EBITDA of EUR 122 million based on last yearly Audited Financials of the two entities and a combined workforce of over 3000 employees based in 20 countries.

This acquisition is fully in line with Aperam’s value strategy and represents a total purchase consideration of EUR 438 million for 100% of the shares in VDM Metals, corresponding to an Enterprise Value of EUR 596 million, which will be financed through a mix of available surplus cash and debt.

The acquisition is expected to unlock about EUR 20 million of synergies by 2020, enhance cost competitiveness and provide a strong platform to further develop new products and applications for alloys & specialities materials. The Transaction is expected to be EPS and FCF enhancing from year 1 and executed in line with Aperam’s financial policy.

The acquisition will be presented to the employee representatives of both parties and is subject to merger control approvals. It is expected to be completed during second half of 2018. Until closing VDM Metals and Aperam will remain fully separate and independent companies.

Mr. Timoteo Di Maulo, Chief Executive Officer of Aperam, said: “Thanks to the solid execution of our strategy and our financial strength, we are very pleased today to announce a major step in our development, by further growing in the Alloys & Specialities, a high added value segment in the stainless steel and alloys sector. This acquisition will also allow us to profitably grow in this segment, by offering to customers the largest range of speciality alloys products and services with enhanced footprint. Whilst maintaining our priority of a strong balance sheet, consistent with investment grade ratios, we are confident that this acquisition will create further value for all Aperam’s stakeholders. We warmly welcome the highly skilled and competent workforce of VDM Metals and we count on them to further strengthen Aperam’s value strategy.”

Aperam will hold an investor conference call with its senior management today, Wednesday, April 11, 2018 at 11:00 am CET, with the following dial-in details:

- France: +33 (0)1 76 77 22 57
- USA: +1 646-828-8143
- International: +44 (0)330 336 9411

Confirmation Code: 9225321

A replay of the conference call will be available until April 17, 2018 at:

- France: +33 (0) 1 70 48 00 94
- USA: +1 719-457-0820
- International: +44 (0) 207 660 0134

Access Code: 9225321



About Falcon Metals

Falcon Metals BV (Falcon Metals) is the initial sole shareholder company of VDM Metals Holding GmbH ; on July, 31, 2015 , VDM Metals and its subsidiaries were acquired from ThyssenKrupp Materials International GmbH by funds advised by Lindsay Goldberg. Falcon Metals served as acquisition vehicle in 2015 and for the further structuring of all VDM Metal Group owned by LG.

About Lindsay Goldberg

Lindsay Goldberg LLC (LG) manages equity capital of more than US \$ 13 billion and is represented in Europe by Lindsay Goldberg Vogel GmbH, Düsseldorf. LG is committed to forming long-term partnerships with outstanding management teams.

LG has extensive experience in a variety of industries and pursues strategic goals with a long-term orientation, with the goal of creating lasting value, rather than quick returns. LG is most interested in companies with first class management, a competitive advantage, and substantial potential for growth.

About Aperam

Aperam is a global player in stainless, electrical and specialty steel, with customers in over 40 countries. The business is organised 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 2017, Aperam had sales of USD 5.1 billion and steel shipments of 1.94 million tonnes.

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

Contacts

Aperam / Corporate Communications: +352 27 36 27 103

Aperam / Investor Relations: +352 27 36 27 36