

## **Aperam announces the termination of the Share Purchase Agreement with Lindsay Goldberg to acquire VDM Metals following objections by the European Commission**

**Luxembourg, 21 December 2018 (07:00 CET)** - Aperam today confirms the termination of the Share Purchase Agreement with Falcon Metals and Lindsay Goldberg Vogel to acquire VDM Metals Holding GmbH ("VDM Metals") as previously announced on April 11 2018.

Despite spending considerable time and effort on explaining the specific nature of the speciality alloys market as well as the benefits of creating a strong European player able to compete in a truly global market, the European Commission upheld its concerns about the impact of the proposed merger with the creation of a European Alloys Champion. As it was not possible to agree on a value accretive outcome of the transaction, in the interest of their stakeholders, Aperam and Falcon Metals and Lindsay Goldberg therefore decided to withdraw from the in depth Phase II investigation launched by the European Commission on November 29, 2018.

Mr. Timoteo Di Maulo, Chief Executive Officer of Aperam, commented:

"The European stainless and speciality alloy steel industry is an essential player in the EU in terms of employment and services to its customers, is competitive and setting benchmark technical and environmental standards thanks to its strong R&D efforts. Today, the European industry is put under tremendous pressure from global competition, in particular from Asia where giant plants are built with often unfair subsidies, and the USA, where these industries and markets are highly protected. The Speciality Alloy Division is addressing the same global markets, in an environment where enlarged product offering, scale and R&D capabilities are essential to compete.

Facing conceptual roadblocks with the creation of a European Alloys champion, not recognizing the existence of global markets for speciality alloys products, is highly regrettable, and has lead us to the conviction that addressing these concerns of the European Commission would make a value accretive deal impossible. In the interest of our shareholders we pursue our strategy and financial policy, hence are left with no choice but to withdraw from the deal.

Looking forward we will continue to rely on our solid balance sheet and self-help measures to withstand an extremely challenging market environment while continuing to look for any value accretive opportunities."

### **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 spread in six production facilities located in Brazil, Belgium and France.

In 2017, Aperam had sales of EUR 4.5 billion and shipments of 1.94 million tonnes.

For further information, please refer to our website at [www.aperam.com](http://www.aperam.com)

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