Press Release

Second quarter 2014 results[1]

Luxembourg, July 31, 2014

Highlights

- Health and Safety frequency rate[2] of 1.4x in Q2 2014 compared to 1.0x in Q1 2014
- Shipments of 466 thousand tonnes in Q2 2014, a 2% decrease compared to shipments of 475 thousand tonnes in Q1 2014
- EBITDA[3] of USD 164 million in Q2 2014, compared to EBITDA of USD 129 million in Q1 2014
- Basic earnings per share of USD 0.46 in Q2 2014
- Cash flow from operations amounted to USD 47 million in Q2 2014
- Net debt[4] of USD 663 million on June 30, 2014, representing a gearing of 21% compared to a net debt of USD 689 million on March 31, 2014

Prospects

- EBITDA in Q3 2014 is expected to be lower compared to EBITDA in Q2 2014 due, in particular, to the traditional seasonal effect
- Net debt to decrease in Q3 2014

Plan 2014 update

- Further strengthening of balance sheet with enhancement of the net debt reduction program to reach USD 550 million by the end of 2014

Aperam (referred to as "Aperam" or the "Company") (Amsterdam, Luxembourg, Paris: APAM and NYRS: APEMY), announced today results for the three month period ending June 30, 2014

Philippe Darmayan, CEO of Aperam, commented:

"We are pleased to have once again improved our profitability and strengthened our balance sheet in the second quarter.

Looking ahead, the improvement of the stainless steel market is underway but we remain cautious in view of the current economic environment and in particular uncertainties regarding the nickel price evolution and the pressure from imports.
Overall, we are confident that the ongoing projects related to our Leadership Journey®[5] and Top Line strategy will continue to enhance our operational performance."

Financial Highlights (on the basis of IFRS)

(USDm) unless otherwise stated	Q2 14	Q1 14	Q2 13	H1 2014	H1 2013
Sales	1,444	1,394	1,366	2,838	2,635
EBITDA	164	129	81	293	146
Operating income / (loss)	107	54	5	161	(6)
Net income / (loss)	36	19	(11)	55	(39)
Steel shipments (000t)	466	475	450	941	851
EBITDA/tonne (USD)	352	272	180	311	172
Basic earnings per share (USD)	0.46	0.24	(0.15)	0.70	(0.51)

Health & Safety results analysis

Health and Safety performance, based on Aperam personnel figures and contractors' lost time injury frequency rate[2], was 1.4x in the second quarter of 2014 compared to 1.0x in the first quarter of 2014.

Financial results analysis

Sales in the second quarter of 2014 increased by 4% at USD 1,444 million compared to USD 1,394 million in the first quarter of 2014. Shipments in the second quarter of 2014 decreased by 2% at 466 thousand tonnes compared to 475 thousand tonnes in the first quarter of 2014.

EBITDA was USD 164 million in the second quarter of 2014 compared to EBITDA of USD 129 million in the first quarter of 2014. EBITDA increased as a result of continued improved market conditions in Europe, the Leadership Journey®[5] contribution, the Top Line strategy and the seasonal recovery in South America. The Leadership Journey®[5] has continued to progress over the quarter and has contributed a total amount of USD 401 million to EBITDA since the beginning of 2011.

Depreciation and amortization expense in the second quarter of 2014 was USD 57 million, net of an impact of USD 21 million resulting from changes to the estimated remaining useful lives of certain tangible assets determined by management on the basis of a technical review to better reflect the reality of our assets.

Aperam had an operating income in the second quarter of USD 107 million compared to an operating income of USD 54 million in the previous quarter.

The Company recorded a loss from other investments of USD 28 million in the second quarter of 2014, primarily related to an impairment loss of USD 29 million booked on its minority stake it holds in Gerdau, a Brazilian steelmaker, according to the prolonged decline of the share price of that investment compared to its book value.

Net interest expense and other financing costs in the second quarter of 2014 were USD 30 million, primarily related to financing costs of USD 21 million. Realized and unrealized foreign exchange and derivative gains were nil in the second quarter of 2014.

The Company recorded a net income of USD 36 million, inclusive of an income tax expense of USD 13 million, in the second quarter of 2014.

Cash flows from operations in the second quarter were positive at USD 47 million, with a working capital increase of USD 61 million. CAPEX in the second quarter was USD 19 million.

As of June 30, 2014, shareholders' equity was USD 3,149 million and net financial debt[4] was USD 663 million (gross financial debt as of June 30, 2014 was USD 834 million and cash and cash equivalents were USD 171 million).

The Company had liquidity of USD 701 million as of June 30, 2014, consisting of cash and cash equivalents of USD 171 million and undrawn credit lines[6] of USD 530 million.

Operating segment results analysis

Stainless & Electrical Steel

The Stainless & Electrical Steel segment had sales of USD 1,162 million in the second quarter of 2014. This represents an increase of 5% compared to sales of USD 1,104 million in the first quarter of 2014. Shipments during the second quarter were 449 thousand tonnes, including 287 thousand tonnes in Europe and 162 thousand tonnes in South America. This is a decrease of 1% compared to shipments of 453 thousand tonnes in the previous quarter (301 thousand tonnes in Europe and 152 thousand tonnes in South America). The volume decrease was mainly due to a more limited impact of the customers' restocking on the apparent demand in Europe compared to the first quarter. Overall, average selling prices for the Stainless & Electrical Steel segment were higher for the quarter.

The segment had EBITDA of USD 124 million in the second quarter of 2014 compared to USD 100 million in the first quarter of 2014. EBITDA from South America improved in the second quarter of 2014 at USD 58 million, including USD 19 million positive results from sale of electricity surplus (compared to an EBITDA of USD 53 million in Q1 2014 including USD 15 million positive results from sale of electricity surplus). In South America, the continuous progress of the Leadership Journey®, the Top Line strategy and the seasonal recovery compensated a more challenging environment over the second quarter. EBITDA from Europe increased from USD 47 million in the first quarter of 2014 to USD 66 million in the second quarter of 2014. The increase of EBITDA in Europe was primarily driven by better product mix, the continuing progress of the Leadership Journey®[5] and the impact from slight improvement in base prices.

Depreciation and amortization expense was USD 48 million in the second quarter of 2014.

The Stainless & Electrical Steel segment had an operating income of USD 76 million during the second quarter of 2014 compared to an operating income of USD 34 million in the first quarter of 2014.

Services & Solutions

The Services & Solutions segment had a 1% increase in sales during the quarter, from USD 623 million in the first quarter of 2014 to USD 630 million in the second quarter of 2014. In the second quarter of 2014, shipments were 188 thousand tonnes compared to 197 thousand tonnes in the previous quarter. The Services & Solutions segment had higher average selling prices during the period compared to the previous period.

The segment had EBITDA of USD 30 million in the second quarter of 2014 compared to EBITDA of USD 23 million in the first quarter of 2014. Overall, the increase of EBITDA was due to positive contributions of the Leadership Journey®[5] and the positive stock effect related to the nickel price.

Depreciation and amortization expense was USD 6 million in the second quarter of 2014.

The Services & Solutions segment had an operating income of USD 24 million in the second quarter of 2014 compared to an operating income of USD 17 million in the first quarter of 2014.

Alloys & Specialties

The Alloys & Specialties segment had sales in the second quarter of 2014 of USD 163 million, representing an increase of 9% compared to USD 149 million in the first quarter of 2014. Shipments in the second quarter of 2014 were comparable to shipments in the first quarter of 2014 at 9 thousand tonnes. Average selling prices increased quarter over quarter.

The Alloys & Specialties segment achieved EBITDA of USD 20 million in the second quarter of 2014 compared to USD 15 million in the first quarter of 2014. The EBITDA improvement is mainly due to product mix improvement and continuous progress in the Leadership Journey®[5].

Depreciation and amortization expense in the second quarter of 2014 was USD 3 million.

The Alloys & Specialties segment had an operating income of USD 17 million in the second quarter of 2014 compared to an operating income of USD 13 million in the first quarter of 2014.

Recent developments

- On May 8, 2014, the Annual and Extraordinary General Meetings of shareholders of Aperam held in Luxembourg approved all resolutions on the agenda by a large majority. 50,764,058 shares, or 65.04% of the Company's share capital, were present or represented at the meetings. In particular, the shareholders approved the consolidated financial statements as of and for the fiscal year ended December 31, 2013. The shareholders also re-elected Ms. Laurence Mulliez and elected Mr. Joseph Greenwell as directors of Aperam for a term of three years each. In addition, the shareholders approved grants under the Performance Share Unit Plan in relation to 2014. Finally, the shareholders approved an increase in the Company's authorised share capital by an amount equal to 23.3% of its current issued share capital, both to be able to fulfill existing commitments under the Convertible and/or Exchangeable Bonds due 2020 and for the Company to have adequate flexibility going forward.

- On May 8, 2014, Aperam announced the publication of its *"made for life"* report, which constitutes Aperam's sustainability performance report for 2013. Built on stakeholder inclusiveness and materiality, Aperam's *"made for life"* report follows the Global Reporting Initiative's recently launched G4 framework. It has been assured by an external audit firm as compliant with this protocol, including the reporting of material environmental performance data such as energy intensity, water withdrawal by source, CO2 intensity and air emissions.

- On May 15, 2014, Moody's improved its outlook from negative to positive.

- On June 27, 2014 Aperam announced the successful placing and pricing of its offering of net share settled convertible and/or exchangeable bonds due 2021 for USD 300 million with the objective to use the net proceeds for general corporate purposes and the refinancing of existing indebtedness (including senior notes maturing in 2016).

New developments

- On July 31, 2014, Aperam announced the enhancement of the net debt reduction program to reach USD 550 million by the end of 2014, aiming to further strengthen its balance sheet.

- On July 31, 2014, Aperam announced the reduction of its commitment under the Borrowing Base Facility by USD 200 million from USD 600 million to USD 400 million.

- On July 31, 2014, as part of the Top Line strategy and the Leadership Journey, the Board of Directors of Aperam approved an investment of USD 17 million aiming at offering High Grain Oriented electrical steel products while at the same time improving the costs competitiveness of Aperam's Brazilian Grain Oriented Electrical Steel operations.

Investor conference call

Aperam management will host a conference call for members of the investment community to discuss the second quarter 2014 financial performance at the following time:

Date	New York	London	Luxembourg
Thursday, July 31, 2014	12:30 pm	5:30 pm	6:30 pm

The dial-in numbers for the call are: France (+33(0)1 76 77 22 29); USA (+1 212 444 0481); and international (+44(0)20 3427 1905). The participant access code is: 2570079#.

A replay of the conference call will be available until August 7th, 2014: 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 2570079#.

Contacts

Corporate Communications / Jean Lasar: +352 27 36 27 27
Investor Relations / Romain Grandsart: +352 27 36 27 36

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 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. Aperam has about 9,600 employees.

Aperam commits to operate in a responsible way with respect to health, safety and the well-being of its employees, contractors and the communities in which it operates. It is also committed to the sustainable management of the environment and of finite resources. In 2013, Aperam had revenues of USD 5.1 billion and shipments of 1.73 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)	June 30, 2014	March 31, 2014	June 30, 2013
Non current assets	**3,716**	**3,687**	**3,774**
Intangible assets	812	813	813
Property, plant and equipments (incl. biological assets)	2,351	2,364	2,435
Investments and Other	553	510	526
Current assets & working capital	**1,066**	**1,078**	**973**
Inventories, trade receivables and trade payables	678	621	554
Other assets	217	158	176
Cash, cash equivalents and restricted cash	171	299	243
Shareholders' equity	**3,149**	**3,026**	**2,935**
Group share	3,144	3,021	2,931
Non-controlling interests	5	5	4
Non current liabilities	**1,158**	**1,202**	**1,029**
Interest bearing liabilities	714	770	616
Deferred employee benefits	218	221	211
Provisions and other	226	211	202
Current liabilities (excluding trade payables)	**475**	**537**	**783**
Interest bearing liabilities	120	218	468
Other	355	319	315

APERAM CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

(in million of U.S. dollars)	Three Months Ending			Six Months Ending	
	June 30, 2014	March 31, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Sales	**1,444**	**1,394**	**1,366**	**2,838**	**2,635**
EBITDA	**164**	**129**	**81**	**293**	**146**
Depreciation & impairment	57	75	76	132	152
Operating income / (loss)	**107**	**54**	**5**	**161**	**(6)**
Loss from other investments and associates	(28)	—	—	(28)	—
Net interest expense and other net financing costs	(30)	(29)	(30)	(59)	(57)
Foreign exchange and derivative (losses) / gains	—	(3)	1	(3)	(8)
Income / (loss) before taxes	**49**	**22**	**(24)**	**71**	**(71)**
Income tax (expense) / benefit	(13)	(3)	13	(16)	32
Net income / (loss)	**36**	**19**	**(11)**	**55**	**(39)**

APERAM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(in million of U.S. dollars)	Three Months Ending			Six Months Ending	
	June 30, 2014	March 31, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Net income / (loss)	36	19	(11)	55	(39)
Depreciation and impairment	57	75	76	132	152
Change in working capital	(61)	(56)	(16)	(117)	3
Other	15	(18)	(15)	(3)	(72)
Net cash provided by operating activities	**47**	**20**	**34**	**67**	**44**
Purchase of property, plant and equipment (CAPEX)	(19)	(22)	(33)	(41)	(67)
Other investing activities (net)	8	—	(9)	8	(7)
Net Cash used in investing activities	**(11)**	**(22)**	**(42)**	**(33)**	**(74)**
(Payments) / Proceeds from payable to banks and long term debt	(159)	2	(20)	(157)	52
Other financing activities (net)	(1)	(1)	(1)	(2)	(2)
Net cash (used in) / provided by financing activities	**(160)**	**1**	**(21)**	**(159)**	**50**
Effect of exchange rate changes on cash	1	4	(9)	5	(13)
Change in cash and cash equivalent	**(123)**	**3**	**(38)**	**(120)**	**7**

Appendix 1a – Health & Safety statistics

Health & Safety Statistics	Three Months Ended		
	June 30, 2014	March 31, 2014	June 30, 2013
Frequency Rate	1.4	1.0	1.4

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

Quarter Ended June 30, 2014	Stainless & Electrical Steel[a,b]	Services & Solutions	Alloys & Specialties	Others & Eliminations	Total
Operational information					
Steel Shipment (000t)	449	188	9	(180)	466
Steel selling price (USD/t)	2,444	3,184	16,954		2,923
Financial information					
Sales (USDm)	1,162	630	163	(511)	1,444
EBITDA (USDm)	124	30	20	(10)	164
Depreciation & Amortization (USDm)	48	6	3	—	57
Operating income / (loss) (USDm)	76	24	17	(10)	107

Note a: Stainless & Electrical Steel shipments of 449kt of which 162kt were from South America and 287kt were from Europe

Note b: Stainless & Electrical Steel EBITDA of USD 124m of which USD 58m were from South America and USD 66m were from Europe

Quarter Ended March 31, 2014	Stainless & Electrical Steel[a,b]	Services & Solutions	Alloys & Specialties	Others & Eliminations	Total
Operational information					
Steel Shipment (000t)	453	197	9	(184)	475
Steel selling price (USD/t)	2,297	3,011	16,195		2,770
Financial information					
Sales (USDm)	1,104	623	149	(482)	1,394
EBITDA (USDm)	100	23	15	(9)	129
Depreciation & Amortization (USDm)	66	6	2	1	75
Operating (loss) / income (USDm)	34	17	13	(10)	54

Note a: Stainless & Electrical Steel shipments of 453kt of which 152kt were from South America and 301kt were from Europe

Note b: Stainless & Electrical Steel EBITDA of USD 100m of which USD 53m were from South America and USD 47m were from Europe

---

[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] The Leadership Journey® is an initiative launched on December 16, 2010, and subsequently accelerated and increased, to target management gains and profit enhancement of USD 350 million by 2013. On February 4, 2013, Aperam announced an expansion of the Leadership Journey® to 2014 with USD 150 million targeted over the next 2 years. On February 6, 2014, Aperam announced an expansion of the Leadership Journey® to USD 475 million by 2015.

[6] Subject to eligible collateral available.