

Full year and fourth quarter 2016 - results¹

Luxembourg, February 9, 2017

Highlights

- Health and Safety: LTI frequency rate² of 1.4x in 2016 compared to 1.0x in 2015.
- Steel Shipments of 1,917 thousand tonnes in 2016, a 2% increase compared to steel shipments of 1,886 thousand tonnes in 2015.
- EBITDA³ of USD 492 million, including a non-recurring charge of USD 11 million, in 2016, compared to EBITDA of USD 501 million in 2015.
- EBITDA of USD 133 million, including a non-recurring charge of USD 11 million, in Q4 2016, compared to EBITDA of USD 124 million in Q3 2016.
- Net income of USD 214 million in 2016, compared to net income of USD 172 million in 2015.
- Basic earnings per share of USD 2.75 in 2016, compared to Basic earnings per share of USD 2.21 in 2015.
- Cash flow from operations amounted to USD 417 million in 2016, compared to USD 392 million in 2015.
- Free cash flow before dividend⁴ of USD 288 million in 2016, compared to free cash flow before dividend of USD 266 million in 2015.
- Net debt⁵ of USD 154 million as of December 31, 2016, representing a gearing⁶ of 6% compared to a net debt of USD 316 million as of December 31, 2015, representing a gearing of 14%.

Aperam (referred to as “Aperam” or the “Company”) (Amsterdam, Luxembourg, Paris: APAM and NYRS: APEMY), announced today results for the three months and full year periods ending December 31, 2016

Timoteo Di Mauro, CEO of Aperam, commented:

“In 2016, Aperam achieved record financial results since the spin-off, with net income of USD 214 million and free cash flow before dividend of USD 288 million. This highlights the strong execution of our Leadership Journey^{®7} and Top Line strategy, reaching a solid balance sheet.

Prospects

- EBITDA in Q1 2017 is expected to increase compared to EBITDA in Q4 2016.
- Net debt to increase in Q1 2017.

Looking ahead, we remain confident in the ability of Aperam to continue to improve its sustainable financial performance and its solid cash generation.

Financial Policy - Cash Deployment

In coherence to its Financial Policy, Aperam is announcing 2 major actions regarding cash deployment:

- Aperam increases its base dividend from USD 1.25 per share to USD 1.50 per share (subject to AGM approval).
- Aperam announces a share buyback program of up to USD 100 million.

Therefore, we are pleased to announce a base dividend increase to USD 1.50 per share (subject to shareholder approval) as well as a share buyback program of up to USD 100 million.”

Financial Highlights (on the basis of financial information prepared under IFRS)

(USDm) unless otherwise stated	Q4 16	Q3 16	Q4 15	12M 2016	12M 2015
Sales	1,053	1,015	1,081	4,265	4,716
EBITDA	133	124	105	492	501
Operating income	83	81	65	317	327
Net income	58	54	33	214	172
Free cash flow before dividend	125	70	124	288	266
Steel shipments (000t)	457	457	476	1,917	1,886
EBITDA/tonne (USD)	291	271	221	257	266
Basic earnings per share (USD)	0.75	0.69	0.42	2.75	2.21
Diluted earnings per share (USD)	0.70	0.65	0.40	2.59	2.09

Health & Safety results

Health and Safety performance based on Aperam personnel figures and contractors' lost time injury frequency rate² was 0.8x in the fourth quarter of 2016 compared to 1.8x in the third quarter of 2016.

Financial results analysis for full year period ending December 31, 2016

Sales for the year ended December 31, 2016 decreased by 10% at USD 4,265 million compared to USD 4,716 million for the year ended December 31, 2015, mainly due to lower raw material prices. Steel shipments in 2016 increased by 2% at 1,917 thousand tonnes compared to 1,886 thousand tonnes in 2015.

EBITDA was USD 492 million for the year ended December 31, 2016, including a USD 11 million non-recurring and non-cash charge related to the announced intention of divestment of the French Tubes units of Services & Solutions division, compared to EBITDA of USD 501 million for the year ended December 31, 2015. Despite headwinds coming from challenging market conditions in South America and Alloys Division, the company maintained its EBITDA level (excluding the impact of the non-recurring charge) in the year primarily due to the continuous contribution of the Leadership Journey®, the Top Line strategy and a strong performance of Services & Solutions as well as recovery of the stainless steel prices. The Leadership Journey® has continued to progress over the year and has contributed a total amount of USD 514 million to EBITDA by the end of 2016 since the beginning of 2011.

Depreciation and amortization was USD 167 million and impairment charges were USD 8 million for the year ended December 31, 2016.

Aperam had an operating income for the year ended December 31, 2016 of USD 317 million compared to an operating income of USD 327 million for the year ended December 31, 2015.

Net interest expense and other financing costs for the year ended December 31, 2016 were USD 43 million, including financing costs of USD 15 million. Realized and unrealized foreign exchange and derivative gains were USD 3 million for the year ended December 31, 2016.

The Company recorded a net income of USD 214 million, inclusive of an income tax expense of USD 63 million, for the year ended December 31, 2016.

Cash flows from operations for the year ended December 31, 2016 were positive at USD 417 million, including a working capital increase of USD 26 million. CAPEX⁸ for the year ended December 31, 2016 was USD 130 million.

Free cash flow before dividend for the year 2016 amounted to USD 288 million.

As of December 31, 2016, shareholders' equity was USD 2,485 million and net financial debt was USD 154 million (gross financial debt as of December 31, 2016 was USD 479 million and cash and cash equivalents were USD 325 million).

The Company had liquidity of USD 778 million as of December 31, 2016, consisting of cash and cash equivalents of USD 325 million and undrawn credit lines⁹ of USD 453 million.

Financial results analysis for the three-month period ending December 31, 2016

Sales for the fourth quarter of 2016 increased by 4% to USD 1,053 million compared to USD 1,015 million for the third quarter of 2016. Steel shipments for the fourth quarter of 2016 were stable at 457 thousand tonnes compared to the third quarter of 2016.

EBITDA has increased over the quarter from USD 124 million for the third quarter of 2016 to USD 133 million for the fourth quarter of 2016. The fourth quarter EBITDA includes a non-recurring charge of USD 11 million, leading to an Adjusted EBITDA¹⁰ of USD 144 million for the fourth quarter of 2016 compared to an Adjusted EBITDA of USD 124 million for the third quarter of 2016. The seasonality in Brazil was more than offset by the seasonal recovery in Europe, the continuous recovery of the prices and the contribution of the Leadership Journey.

Depreciation and amortization was USD 42 million and impairment charges were USD 8 million for the fourth quarter of 2016.

Aperam had an operating income for the fourth quarter of 2016 of USD 83 million compared to an operating income of USD 81 million for the previous quarter.

Net interest expense and other financing costs for the fourth quarter of 2016 were USD 9 million, including financing costs of USD 3 million. Realised and unrealised foreign exchange and derivative gains were USD 4 million for the fourth quarter of 2016.

The Company recorded a net income of USD 58 million, inclusive of an income tax expense of USD 20 million, for the fourth quarter of 2016.

Cash flows from operations for the fourth quarter of 2016 were positive at USD 163 million, with a working capital decrease of USD 9 million. CAPEX for the fourth quarter was USD 39 million.

Free cash flow before dividend for the fourth quarter of 2016 amounted to USD 125 million.

Operating segment results analysis

Stainless & Electrical Steel

The Stainless & Electrical Steel segment had sales of USD 883 million for the fourth quarter of 2016. This represents an 8% increase compared to sales of USD 819 million for the third quarter of 2016. Steel shipments during the fourth quarter were 452 thousand tonnes. This is a 3% increase compared to shipments of 438 thousand tonnes during the previous quarter. The volume increase was mainly due to the traditional seasonal recovery in Europe following the summer seasonal effect. Overall, average selling prices for the Stainless & Electrical Steel segment increased compared to the previous quarter.

The segment had EBITDA of USD 410 million (of which USD 286 million from Europe and USD 124 million from South America) for the year 2016 compared to USD 438 million (of which USD 243 million from Europe and USD 195 million from South America) for the year 2015. The Brazilian market has been challenging over 2016 due to macro-economic environment and foreign exchange effects which have been partly mitigated thanks to the Top Line strategy and Leadership Journey®. The strong performance of Europe over 2016 is mainly due to the continuous contribution of the Leadership Journey®, healthy demand in Europe and some stainless steel prices recovery during the second half of the year.

The segment had EBITDA of USD 117 million for the fourth quarter of 2016 compared to USD 102 million for the third quarter of 2016. The seasonality in Brazil was more than offset by the seasonal recovery in Europe and the continuous recovery of the stainless steel prices.

Depreciation and amortisation expense was USD 37 million for the fourth quarter of 2016.

The Stainless & Electrical Steel segment had an operating income of USD 80 million during the fourth quarter of 2016 compared to an operating income of USD 65 million during the third quarter of 2016.

Services & Solutions

The Services & Solutions segment had stable sales during the quarter at USD 472 million compared to USD 473 million during the third quarter of 2016. During the fourth quarter of 2016, steel shipments were 187 thousand tonnes compared to 189 thousand tonnes during 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 82 million during the year 2016 compared to USD 42 million during the year 2015, due to better margins and shipments over the year as well as the absence of negative impact on inventories from the nickel price evolution compared to 2015.

The segment had EBITDA for the fourth quarter of 2016 of USD 12 million compared to EBITDA of USD 24 million for the third quarter of 2016. The decrease of EBITDA was primarily due to a non-recurring and non-cash charge of USD 11 million in relation with the fair valuation of a French stainless steel welded tubes unit which is held for sale.

Depreciation and amortisation was USD 3 million and impairment charges were USD 8 million for the fourth quarter of 2016.

The Services & Solutions segment had an operating income of USD 1 million for the fourth quarter of 2016 compared to an operating income of USD 20 million for the third quarter of 2016.

Alloys & Specialties

The Alloys & Specialties segment had sales of USD 108 million for the fourth quarter of 2016, representing an increase of 19% compared to USD 91 million for the third quarter of 2016. Steel shipments were higher during the fourth quarter of 2016 at 8 thousand tonnes compared to 7 thousand tonnes during the third quarter of 2016. Average selling prices decreased over the quarter.

The segment had EBITDA of USD 30 million for the year 2016 compared to USD 44 million for the year 2015. This is mainly due to the negative effects from raw material prices evolution, forex translation effects and some indirect headwinds from Oil & Gas related markets.

The Alloys & Specialties segment achieved EBITDA of USD 12 million for the fourth quarter of 2016 compared to USD 5 million for the third quarter of 2016. The increase in EBITDA was mainly due to market demand recovery and sales mix effects.

Depreciation and amortisation expense for the fourth quarter of 2016 was USD 1 million.

The Alloys & Specialties segment had an operating income of USD 11 million for the fourth quarter of 2016 compared to an operating income of USD 3 million for the third quarter of 2016.

Recent developments

- On December 15, 2016 Aperam announced its financial calendar for 2017. The financial calendar is available on the Company's website www.aperam.com, section Investors & shareholders, Financial calendars.
- On January 9, 2017, Aperam announced its intention to divest Aperam Stainless Services & Solutions Tubes Europe, its French stainless steel welded tubes unit, after consideration of a binding offer it received on December 30, 2016.
- On January 20, 2017, Standard & Poor's Global Ratings affirmed the Aperam Corporate credit rating at BB+. At the same time, the rating agency revised its outlook to "Positive" from "Stable".

New developments

- On February 9, 2017 Aperam announced its detailed dividend payment schedule for 2017. The Company also proposes to increase its base dividend from USD 1.25/share to USD 1.50/share, subject to shareholder approval at the 2017 Annual General Meeting, as the company continues to improve its sustainable profitability benefiting from its strategic actions. The schedule is available on Aperam's website www.aperam.com, section Investors & shareholders, Equity Investors, Dividends.
- On February 9, 2017 Aperam announced a share buyback program of up to one hundred (100) million USD and a maximum of two (2) million shares under the authorization given by the annual general meeting of shareholders held on May 5, 2015. The details of the program are available in a separate Press Release.

Investor conference call

Aperam management will host a conference call for members of the investment community to discuss the fourth quarter 2016 financial performance at the following time:

Date	New York	London	Luxembourg
Thursday, February 9, 2017	12:30 pm	5:30 pm	6:30 pm

The dial-in numbers for the call are: France (+33 (0)1 76 77 22 26); USA (+1 646 254 3388); and international (+44 (0)20 3427 1901). The participant access code is: 5674224#.

A replay of the conference call will be available until February 15th, 2017: 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 5674224#.

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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 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 2016, Aperam had sales of USD 4.3 billion and steel shipments of 1.92 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, 2016	September 30, 2016	December 31, 2015
Non current assets	2,773	2,802	2,642
Intangible assets	565	592	556
Property, plant and equipments (incl. Biological assets)	1,691	1,732	1,652
Investments & Other	517	478	434
Current assets & working capital	997	945	808
Inventories, trade receivables and trade payables	559	607	520
Other assets	89	104	140
Cash and cash equivalents	325	234	148
Assets held for sale	24	-	-
Shareholders' equity	2,485	2,527	2,222
Group share	2,481	2,522	2,217
Non-controlling interest	4	5	5
Non current liabilities	768	757	883
Interest bearing liabilities	275	273	450
Deferred employee benefits	173	183	184
Provisions and other	320	301	249
Current liabilities (excluding trade payables)	517	463	345
Interest bearing liabilities	204	202	14
Other	289	261	331
Liabilities held for sale	24	-	-

APERAM CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

(in million of U.S. dollars)	Three Months Ended			Year Ended	
	December 31, 2016	September 30, 2016	December 31, 2015	December 31, 2016	December 31, 2015
Sales	1,053	1,015	1,081	4,265	4,716
Adjusted EBITDA (E = C-D)	144	124	105	503	501
<i>Adjusted EBITDA margin¹¹ (%)</i>	<i>13.7%</i>	<i>12.2%</i>	<i>9.7%</i>	<i>11.8%</i>	<i>10.6%</i>
Other items ¹³ (D)	(11)	-	-	(11)	-
EBITDA (C = A-B)	133	124	105	492	501
<i>EBITDA margin¹² (%)</i>	<i>12.6%</i>	<i>12.2%</i>	<i>9.7%</i>	<i>11.5%</i>	<i>10.6%</i>
Depreciation, amortisation & impairment (B)	(50)	(43)	(40)	(175)	(174)
Operating income (A)	83	81	65	317	327
<i>Operating margin (%)</i>	<i>7.9%</i>	<i>8.0%</i>	<i>6.0%</i>	<i>7.4%</i>	<i>6.9%</i>
Loss from other investments and associates	-	-	(3)	-	(15)
Net interest expense and other net financing costs	(9)	(12)	(12)	(43)	(77)
Foreign exchange and derivative gains / (losses)	4	(1)	(5)	3	(7)
Income before taxes and non-controlling interests	78	68	45	277	228
Income tax expense	(20)	(14)	(12)	(63)	(55)
<i>Effective tax rate %</i>	<i>25.6%</i>	<i>20.9%</i>	<i>19.3%</i>	<i>22.8%</i>	<i>24.1%</i>
Income before non-controlling interests	58	54	33	214	173
Non-controlling interests	-	-	-	-	1
Net income	58	54	33	214	172

On December 31, 2016, assets and liabilities of the French tubes business have been classified as "Assets and Liabilities held for sale" as per IFRS 5 and are, therefore, presented separately in the consolidated statements of financial position. The application of IFRS 5 triggered a non-recurring and non-cash charge of USD 22 million that has been recognised in the consolidated statements of operations as follows: USD 11 million in EBITDA (Other items), USD 8 million in Depreciation, Amortisation & Impairment and USD 3 million in Income tax expense.

APERAM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(in million of U.S. dollars)	Three Months Ended			Year Ended	
	December 31, 2016	September 30, 2016	December 31, 2015	December 31, 2016	December 31, 2015
Net income	58	54	33	214	172
Non-controlling interests	-	-	-	-	1
Depreciation, amortisation and impairment	50	43	40	175	174
Change in working capital	9	(13)	107	(26)	(3)
Other	46	19	(11)	54	48
Net cash provided by operating activities (A)	163	103	169	417	392
Purchase of PPE, intangible and biological assets (CAPEX)	(39)	(33)	(48)	(130)	(132)
Other investing activities (net)	1	-	3	1	6
Net cash used in investing activities (B)	(38)	(33)	(45)	(129)	(126)
Proceeds (payments) from payable to banks and long term debt	(3)	(2)	(30)	(12)	(279)
Purchase of treasury stock	-	-	(14)	-	(14)
Dividend paid	(24)	(25)	-	(97)	-
Other financing activities (net)	-	-	-	(1)	(3)
Net cash used in financing activities	(27)	(27)	(44)	(110)	(296)
Effect of exchange rate changes on cash	(7)	(1)	-	(1)	(19)
Change in cash and cash equivalent	91	42	80	177	(49)
Free cash flow before dividend (C = A+B)	125	70	124	288	266

Appendix 1a – Health & Safety statistics

Health & Safety Statistics	Three Months Ended			Year Ended	
	December 31, 2016	September 30, 2016	December 31, 2015	December 31, 2016	December 31, 2015
Frequency Rate	0.8	1.8	0.7	1.4	1.0

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, 2016	Stainless & Electrical Steel ^{a,b}	Services & Solutions	Alloys & Specialties	Others & Eliminations	Total
Operational information					
Steel Shipment (000t)	1,880	799	30	(792)	1,917
Steel selling price (USD/t)	1,817	2,366	13,046		2,162
Financial information					
Sales (USDm)	3,510	1,964	415	(1,624)	4,265
Adjusted EBITDA (USDm)	410	93	30	(30)	503
EBITDA (USDm)	410	82	30	(30)	492
Depreciation, amortisation & impairment (USDm)	(145)	(22)	(6)	(2)	(175)
Operating income / (loss) (USDm)	265	60	24	(32)	317

Note a: Stainless & Electrical Steel shipments of 1,880kt of which 639kt were from South America and 1,241kt were from Europe

Note b: Stainless & Electrical Steel EBITDA of USD 410m of which USD 124m were from South America and USD 286m were from Europe

Year Ended December 31, 2015 ^c	Stainless & Electrical Steel ^{a,b}	Services & Solutions	Alloys & Specialties	Others & Eliminations	Total
Operational information					
Steel Shipment (000t)	1,836	746	34	(730)	1,886
Steel selling price (USD/t)	2,012	2,571	15,874		2,413
Financial information					
Sales (USDm)	3,806	2,024	566	(1,680)	4,716
Adjusted EBITDA (USDm)	438	42	44	(23)	501
EBITDA (USDm)	438	42	44	(23)	501
Depreciation & amortisation (USDm)	(148)	(18)	(6)	(2)	(174)
Operating income / (loss) (USDm)	290	24	38	(25)	327

Note a: Stainless & Electrical Steel shipments of 1,836kt of which 654kt were from South America and 1,182kt were from Europe

Note b: Stainless & Electrical Steel EBITDA of USD 438m of which USD 195m were from South America and USD 243m were from Europe

Note c: Due to the transfer of the Business Unit "Precision" from the segment "Services & Solutions" to the segment "Stainless & Electrical Steel" as from January 1, 2016, segmented figures for the year ended December 31, 2015 have been restated.

Quarter Ended December 31, 2016	Stainless & Electrical Steel	Services & Solutions	Alloys & Specialties	Others & Eliminations	Total
Operational information					
Steel Shipment (000t)	452	187	8	(190)	457
Steel selling price (USD/t)	1,904	2,524	12,688		2,277
Financial information					
Sales (USDm)	883	472	108	(410)	1,053
Adjusted EBITDA (USDm)	117	23	12	(8)	144
EBITDA (USDm)	117	12	12	(8)	133
Depreciation, amortisation & impairment (USDm)	(37)	(11)	(1)	(1)	(50)
Operating income / (loss) (USDm)	80	1	11	(9)	83

Quarter Ended September 30, 2016	Stainless & Electrical Steel	Services & Solutions	Alloys & Specialties	Others & Eliminations	Total
Operational information					
Steel Shipment (000t)	438	189	7	(177)	457
Steel selling price (USD/t)	1,819	2,377	13,064		2,146
Financial information					
Sales (USDm)	819	473	91	(368)	1,015
Adjusted EBITDA (USDm)	102	24	5	(7)	124
EBITDA (USDm)	102	24	5	(7)	124
Depreciation & amortisation (USDm)	(37)	(4)	(2)	-	(43)
Operating income / (loss) (USDm)	65	20	3	(7)	81

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. This press release also includes Alternative Performance Measures ("APM" hereafter). The Company believes that these APMs are relevant to enhance the understanding of its financial position and provides additional information to investors and management with respect to the Company's financial performance, capital structure and credit assessment. These non-GAAP financial measures should be read in conjunction with and not as an alternative for, Aperam's financial information prepared in accordance with IFRS. Such non-GAAP measures may not be comparable to similarly titled measures applied by other companies. The APM's used are defined in the following footnotes.

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 less depreciation and impairment expenses.

⁴ Free cash flow before dividend is defined as net cash provided by operating activities less net cash used in investing activities.

⁵ Net debt refers to long-term debt, plus short-term debt, less cash and cash equivalents (including short-term investments) and restricted cash.

⁶ Gearing is defined as Net Debt out of Equity

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 575 million by end of 2017, since the beginning of 2011.

⁸ CAPEX relates to capital expenditures and is defined as purchase of tangible assets, intangible assets and biological assets, net of change in amount payables on these acquisitions.

⁹ Includes borrowing base facility of USD 400 million (subject to eligible collateral available) and EIB financing of EUR 50 million.

¹⁰ Adjusted EBITDA is defined as operating income less depreciation and impairment expenses and other items¹³.

¹¹ Adjusted EBITDA margin is defined as operating income less depreciation and impairment expenses and other items divided by sales.

¹² EBITDA margin is defined as operating income less depreciation and impairment expenses divided by sales.

¹³ Other items consists of (i) inventory write-downs equal to or exceeding 10% of total related net inventories values before write-down at the considered quarter end (ii) restructuring charges/(gains) equal to or exceeding USD 10 million for the considered quarter, (iii) capital loss/(gain) equal to or exceeding USD 10 million for the considered quarter or (iv) other non-recurring items equal to or exceeding USD 10 million for the considered quarter.