



Aperam Société Anonyme

Annual accounts as at January 25, 2011

and for the period from January 1, 2011 to January 25, 2011

Aperam
12c, rue Guillaume Kroll,
L-1882 Luxembourg

Subscribed capital: Eur 408,831,000

Table of Contents

BOARD OF DIRECTORS-----	3
REPORT OF THE REVISEUR D'ENTREPRISES AGREE -----	4-5
MANAGEMENT REPORT-----	6-10
ANNUAL ACCOUNTS -----	11-22
<ul style="list-style-type: none">▪ Balance sheet as at January 25, 2011▪ Profit and loss account for the period ended January 25, 2011▪ Notes to the annual accounts	
NOTE 1: GENERAL	
NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES	
NOTE 3: FORMATION EXPENSES	
NOTE 4: INTANGIBLE ASSETS	
NOTE 5: FINANCIAL ASSETS	
NOTE 6: CAPITAL AND RESERVES	
NOTE 7: AMOUNTS OWED TO AFFILIATED UNDERTAKINGS	
NOTE 8: OTHER LIABILITIES	
NOTE 9: OTHER INTEREST PAYABLE AND SIMILAR EXPENSES	
NOTE 10: STAFF	
NOTE 11: COMMITMENTS	
NOTE 12: EXPENSES RELATED TO THE REVISEUR D'ENTREPRISES AGRÉÉ	
NOTE 13: SUBSEQUENT EVENTS	

BOARD OF DIRECTORS

<u>Function</u>	<u>Professional address</u>	
Mr Lakshmi N. MITTAL	L-2930 Luxembourg	Director
Mr Aditya MITTAL	L-2930 Luxembourg	Director
Mr David B. BURRITT	L-1882 Luxembourg	Director
Mrs Kathryn A. MATTHEWS	L-1882 Luxembourg	Director
Mr Gonzalo URQUIJO	L-2930 Luxembourg	Director
Mrs Laurence MULLIEZ	L-1882 Luxembourg	Director
Mr Romain BAUSCH	L-1882 Luxembourg	Director

To the shareholders of
Aperam Société Anonyme
12C, rue Guillaume Kroll
L-1882 Luxembourg

Report on the annual accounts

Following our appointment by the general assembly meeting held on January 21, 2011, we have audited the accompanying annual accounts of Aperam Société Anonyme which comprise the balance sheet as at January 25, 2011 and the profit and loss account for the period from January 1, 2011 to January 25, 2011 and a summary of significant accounting policies and other explanatory notes.

Board of directors' responsibility for the annual accounts

The board of directors is responsible for the preparation and fair presentation of these annual accounts in accordance with the Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual accounts that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Responsibility of the réviseur d'entreprises agréé

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier*. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the

judgement of the *réviseur d'entreprises agréé*, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the *réviseur d'entreprises agréé* considers internal control relevant to the entity's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of directors or the management, as well as evaluating the overall presentation of the annual accounts. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the annual accounts give a true and fair view of the financial position of Aperam Société Anonyme as of January 25, 2011, and of its financial performance for the period for the period from January 1, 2011 to January 25, 2011 in accordance with the Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

Report on other legal and regulatory requirement

The management report, which is the responsibility of the board of directors, is consistent with the annual accounts.

For Deloitte S.A., *cabinet de révision agréé*

Eric van de Kerkhove, *réviseur d'entreprises agréé*

Partner

June 8, 2011

560 rue de Neudorf

L-2220 Luxembourg

MANAGEMENT REPORT

Spin off

On December 7, 2010, the Board of Directors of Aperam and the Board of Directors of ArcelorMittal approved a proposal to spin off ArcelorMittal's stainless and specialty steels businesses to its shareholders in order to enable it to benefit from better visibility in the markets, and to pursue its growth strategy as an independent company in the emerging markets and in specialty products, including electrical steel.

On January 25, 2011, at an extraordinary general meeting, the shareholders of ArcelorMittal voted to approve the spin-off proposal. ArcelorMittal, as Aperam's sole shareholder as of that date, also voted to approve the spin-off proposal.

As the Company was essentially a holding company until the approval of the spin off on January 25, 2011 no operational information has been provided in this Management Report.

Recent Developments

The major subsequent events are described in Note 13 to the accounts.

Prospects

Aperam Société Anonyme will continue its activities as holding company of the Aperam Group.

Swiss branch

ArcelorMittal registered a Swiss Finance Branch ("SFB") in Zug, Switzerland, on January 21, 2011. On January 25, 2011, the SFB has been spun off to Aperam.

Risk factors

The Company's business, financial condition, results of operations or prospects could be materially adversely affected by any of the risk and uncertainties described hereafter

Risks Related to the Company and the Stainless and Specialty Steel Industry

- The recent downturn in the global economy caused a sharp reduction in worldwide demand for stainless and specialty steels. Should the global economy or the economies of the Company's key selling markets fail to recover or sustain continued growth, this would have a material adverse effect on the stainless and specialty steel industry and the Company.
- Excess capacity and oversupply in the stainless steel industry globally may hamper the industry's recovery and/or prolong the downward trend in stainless steel prices.
- A slowdown in China's stainless and specialty steel consumption could have a material adverse effect on global pricing.
- Protracted low stainless and specialty steel prices would have a material adverse effect on the Company's results, as would price volatility.
- The Company is dependent on raw materials, which are subject to fluctuations in price.
- The prices for, and the availability of, energy resources consumed in the manufacture of the Company's products are subject to volatile market conditions.
- Competition from other materials could reduce market prices and demand for stainless and specialty steel products.
- Products containing stainless and specialty steels may become obsolete as a result of the emergence of new technologies, resulting in reduced demand for the Company's products.
- The introduction of low quality substitution products may negatively affect the image of stainless steel as a high quality product.
- The stainless and specialty steel market is characterized by strong competition.
- The stocking and destocking of the Company's products by distributors may impact the price that the Company is able to charge for its products and may result in decisions to reduce production capacity.
- The Company's level of production and its sales and earnings are subject to significant fluctuations as a result of the cyclical nature of the stainless and specialty steel industry and some of its customer's industries.
- Changes in assumptions underlying the carrying value of certain assets, including as a result of adverse market conditions, could result in impairment of such assets, including intangible assets such as goodwill.

- Unfair trade practices in the Company's home markets could negatively affect prices and reduce its profitability, while trade restrictions could limit its access to key export markets.
- The Company's results of operations could be affected by fluctuations in foreign exchange rates.
- The Brazilian government has exercised, and continues to exercise, significant influence over the Brazilian economy. This involvement, as well as Brazilian political and economic conditions, could adversely affect the Company's business.
- Disruptions to the Company's manufacturing processes could adversely affect its operations, customer service levels and financial results.
- Natural disasters could significantly damage the Company's production facilities.
- The Company could experience labor disputes that may disrupt its operations and its relationships with its customers.
- The Company's insurance policies provide limited coverage, potentially leaving it uninsured against some business risks.
- The Company may incur environmental liability and investment expenses in connection with its past, present or future operations.
- Product liability claims could adversely affect the Company's operations.
- The Company is subject to regulatory risk, and may incur liabilities arising from investigations by governmental authorities and litigation regarding, among other things, its pricing and marketing practices or other antitrust matters.
- The Company may be subject to litigation which could be costly, result in the diversion of management's time and efforts and require it to pay damages and/or prevent it from marketing its existing or future products.
- The Company's governance and compliance processes may fail to prevent regulatory penalties and reputational harm.
- The Company's operations and products are subject to stringent health and safety laws and regulations that give rise to significant costs and liabilities.
- The Company's income tax liability may substantially increase if the tax laws and regulations in countries in which it operates change or become subject to adverse interpretations or inconsistent enforcement.
- If the Company were unable to utilize fully its deferred tax assets, its profitability could be reduced.

- Some of the Company's operations depend on joint ventures, consortia and other forms of cooperation, and its business could be adversely affected if its partners fail to observe their commitments.
- The Company may need additional capital in the future to sufficiently fund its operations.
- The Company may seek to expand its business partly through acquisitions which, by their nature, involve numerous risks and could have an adverse effect on its financial condition and results of operations.
- The Company's growth strategy is inherently subject to completion and financing risks, which, if realized, could adversely affect its results of operations and financial condition.
- Mr. Lakshmi N. Mittal has the ability to exercise significant influence over the outcome of shareholder votes.
- The Company is a holding company which depends on the earnings and cash flows of its operating subsidiaries, which may not be sufficient to meet future operational needs or for shareholder distributions.

Risks Relating to the Reorganization and the Company Operating as an Independent Entity

- The Company is no longer able to rely on certain benefits of being part of the ArcelorMittal Group.
- The Company, operating as an independent company, may not be able to leverage ArcelorMittal's relationships and global contacts
- The Company will not be able to rely on ArcelorMittal to fund its future capital requirements, and financing from other sources may not be available to it on favorable terms.
- If the Company is unable to retain its core senior management team and other key personnel, its business could suffer.
- The historical combined financial statements and the unaudited pro forma combined financial information may not accurately reflect the Company's future performance.
- U.S. investors may have difficulty enforcing civil liabilities against the Company and its directors and senior management.

Risks related to the Company Indebtedness

- The Company significant leverage may make it difficult to operate its businesses.
- The Company may incur substantially more debt in the future, which may make it difficult for the Company to service its debt, including the notes, and impair its ability to operate its businesses.
- The Company debt agreements contain restrictive covenants that may limit its ability to respond to changes in market conditions or pursue business opportunities.
- If the Company is unable to comply with the restrictions and covenants in the indentures governing the notes, the senior credit facilities and other current and future debt agreements, there could be a default under the terms of these agreements, which could result in an acceleration of repayment.
- To service the Company indebtedness, it requires a significant amount of cash, and its ability to generate cash will depend on many factors beyond its control.
- The Company variable rate indebtedness subjects it to interest rate risk, which could cause its debt service obligations to increase significantly.

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Balance Sheet as at January 25, 2011
(expressed in thousands of U.S. dollars)

		<u>January 25,</u> <u>2011</u>	<u>December 31,</u> <u>2010</u>
ASSETS			
B. FORMATION EXPENSES	Note 3	<u>2,553</u>	<u>-</u>
C. FIXED ASSETS		<u>5,240,191</u>	<u>6,189</u>
I. Intangible assets	Note 4	<u>9,834</u>	<u>-</u>
2. Concessions, patents, licences, trademarks and similar rights and assets		9,834	-
III. Financial assets	Note 5	<u>5,230,357</u>	<u>6,189</u>
1. Shares in affiliated undertakings		1,679,053	6,189
2. Loans to affiliated undertakings		3,551,304	-
D. CURRENT ASSETS		<u>79</u>	<u>38</u>
II. Debtors		<u>79</u>	<u>38</u>
2. Amounts owed by affiliated undertakings <i>Becoming due in one year or less</i>		79	38
TOTAL ASSETS		<u><u>5,242,823</u></u>	<u><u>6,227</u></u>

The accompanying notes are an integral part of these annual accounts

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Balance Sheet as at January 25, 2011

(expressed in thousands of U.S. dollars)

		<u>January 25,</u> <u>2011</u>	<u>December 31,</u> <u>2010</u>
LIABILITIES			
A. CAPITAL AND RESERVES	Note 6	4,336,096	(58)
I. Subscribed capital		546,652	40
II. Share premium account		1,600,321	-
IV. Reserves		134,401	-
1. Legal reserve		75,368	-
2. Reserve for treasury shares		59,033	-
		-	-
V. Profit brought forward		2,055,164	-
VI. Loss for the period		(442)	(98)
C. LIABILITIES		906,727	6,285
4. Trade payables becoming due in one year or less		359	43
6. Amounts owed to affiliated undertakings	Note 7	6,361	6,242
<i>Becoming due in one year or less</i>		<i>6,361</i>	<i>6,242</i>
9. Other payables	Note 8	900,007	-
<i>Becoming due in one year or less</i>		<i>900,007</i>	<i>-</i>
TOTAL LIABILITIES		5,242,823	6,227

The accompanying notes are an integral part of these annual accounts

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Profit and Loss Account for the period from January 1 to January 25, 2011*(expressed in thousands of U.S. dollars)*

		For the period from January 1 to January 25, 2011	For the period from September 9 to December 31, 2010
A. EXPENSES			
2. b) Other external expenses		14	-
5. Other operating expenses		1	45
7. Interest payable and similar expenses	Note 9	427	53
a) In respect of affiliated undertakings		10	5
b) Other interest payable and expenses		417	48
TOTAL EXPENSES		442	98
		For the period from January 1 to January 25, 2011	For the period from September 9 to December 31, 2010
B. INCOME			
10. Loss for the period		442	98
TOTAL INCOME		442	98

The accompanying notes are an integral part of these annual accounts

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Notes to the annual accounts

(expressed in thousands of U.S. dollars, unless otherwise stated)

NOTE 1 – GENERAL

Aperam (the “Company”) was incorporated as a “Société Anonyme” under Luxembourg law on September 9, 2010 for an unlimited period of time.

The Company is registered at the Register of Trade and Commerce of Luxembourg under the number B155.908.

The object of the Company was initially the acquisition and holding of interests in any kind or form in Luxembourg and/or in foreign undertakings, the administration, development and management of such interests as well as the direct and/or indirect financial assistance to such undertakings in which it holds a participation or which are members of its group of companies.

The Company's corporate object has been amended on December 6, 2010 by an Extraordinary General Meeting.

Additionally, the corporate purpose of the Company shall be the manufacture, processing and marketing of stainless steel, stainless steel products and all other metallurgical products, as well as all products and materials used in their manufacture, their processing and their marketing, and all industrial and commercial activities connected directly or indirectly with those objects, including mining and research activities and the creation, acquisition, holding, exploitation and sale of patents, licenses, know-how and, more generally, intellectual and industrial property rights.

On December 10, 2010, the sole shareholder of ArcelorMittal Stainless & Specialty Steels resolved to modify the denomination of the Company into Aperam.

The Company has its registered office in 12C, rue Guillaume Kroll, L-1882 Luxembourg.

The Company owns a branch office located in Zug (Switzerland)

The financial year of the Company starts on January 1 and ends on December 31 each year. By exception, as a result of the spin-off of the stainless steel business of ArcelorMittal on January 25, 2011 (see below), annual accounts have been prepared for the period between January 1 and January 25, 2011. The preceding accounting year covered the period from September 9, 2010 (incorporation date) to December 31, 2010.

On January 25, 2011, the Extraordinary General Meeting of Shareholders of the Company approved the spin-off of the stainless steel business of ArcelorMittal S.A. As a consequence, ArcelorMittal S.A. transferred on that date assets and liabilities pertaining to the spun-off business to the Company which recognized an increase in shareholders' equity.

The Company prepares consolidated financial statements. The first consolidated financial statements will be available for the year ended December 31, 2011 at Aperam Headquarters, 12C, rue Guillaume Kroll, L-1882 Luxembourg, Grand-Duchy of Luxembourg.

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Notes to the annual accounts

(expressed in thousands of U.S. dollars, unless otherwise stated)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES**General principles**

These annual accounts have been prepared in accordance with generally accepted accounting principles and in accordance with the laws and regulations in force in the Grand-Duchy of Luxembourg.

Main valuation rules**Formation expenses**

The formation expenses are composed of legal and audit fees and are amortized based on a straight line basis over a period of 5 years.

Intangible assets

Intangible assets are recorded at their acquisition price. The intangible assets are depreciated on a straight line basis over their estimated useful life.

Financial assets

Shares in affiliated undertakings are recorded at acquisition cost including related acquisition costs. At the end of each accounting period, shares in affiliated undertakings are subject to an impairment review. Where a permanent diminution in value is identified, this diminution is recorded in the profit and loss account as a value adjustment. A reversal of the value adjustment is recorded to the extent the factors, which caused its initial recording, have ceased to exist.

Loans to affiliated undertakings are recorded in the balance sheet at their nominal value. At the end of each accounting period value adjustments are recorded on loans which appear to be partly or wholly irrecoverable.

Debtors

Debtors are recorded at their nominal value. At the end of each accounting period value adjustments are recorded on debtors, which appear to be partly or wholly irrecoverable.

Liabilities

Liabilities are recorded at their nominal value.

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Notes to the annual accounts

(expressed in thousands of U.S. dollars, unless otherwise stated)

Translation of currencies

The Company maintains its accounting records in U.S. dollars ("USD") and the annual accounts are prepared in this currency. Unless otherwise stated, all amounts in the annual accounts are stated in thousands of U.S. dollars.

The following principles are applied to items denominated in a currency other than the USD:

- Fixed asset are translated at historical exchange rates.
- Liabilities due after more than one year are translated at historical exchange rates or the current rate if unrealized exchange losses exist. Differences in the exchange rates leading to an unrealized loss are recorded in the profit and loss account for the year. A reversal of the unrealized loss is recorded to the extent the factors, which caused its initial recording, have ceased to exist.
- Other balance sheet items are translated at the year-end exchange rate and related exchange differences are recorded in the profit and loss for the year.
- Profit and loss items are translated at the exchange rate prevailing at the transaction date.
- Off balance sheet commitments are disclosed based upon the historical exchange rate.

NOTE 3 – FORMATION EXPENSES

During the year 2010, ArcelorMittal S.A. incurred expenses in relation with the assessment and preparation of the spin-off of the stainless steel business. These expenses were included in the assets and liabilities transferred to the Company at the date of the spin-off on January 25, 2011 for an amount of 2,553. These expenses are amortized on a linear basis over five years.

NOTE 4 – INTANGIBLE ASSETS

As a result of the spin-off of the stainless steel business on January 25, 2011, ArcelorMittal S.A. transferred to the Company intellectual property rights for a total amount of EUR 7,206 (9,636) and trademarks for a total amount of 198.

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Notes to the annual accounts*(expressed in thousands of U.S. dollars, unless otherwise stated)***NOTE 5 – FINANCIAL ASSETS**

	Shares in affiliated undertakings	Loans to affiliated undertakings	Total
Acquisition cost			
Opening balance as at January 1,	6,189	-	6,189
Additions	1,672,864	3,551,304	5,224,168
Closing balance as at January 25, 2011	1,679,053	3,551,304	5,230,357
Value adjustment	-	-	-
Closing balance as at January 25, 2011	1,679,053	3,551,304	5,230,357

Shares in affiliated undertakings

Name and registered office	Carrying amount	Percentage of Capital held %	Result for 2010*	Capital and reserves (including result for 2010)*
APERAM Treasury S.C.A. Luxembourg (Luxembourg)	42	99.99	57	99
APERAM Sourcing S.C.A. Luxembourg (Luxembourg)	42	99.99	(1)	40
APERAM LuxCo S.à.r.l Luxembourg (Luxembourg)	1,672,780	100	(2,596)	1,696,505
APERAM Stainless Services & Solutions Germany GmbH Erkrath (Germany)	6,189	5.1	2,203	72,367
TOTAL	1,679,053			

* In accordance with unaudited IFRS reporting packages

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Notes to the annual accounts

(expressed in thousands of U.S. dollars, unless otherwise stated)

Description of changes

As a result of the spin-off of the stainless steel business on January 25, 2011, ArcelorMittal S.A. transferred to the Company:

- 100% of the shares in Aperam LuxCo S.à.r.l., for a total amount EUR 1,271,593 (1,672,780);
- one unlimited partner share (*action de commandité*) and 30,998 limited partner shares (*actions de commanditaire*) in Aperam Sourcing S.C.A., a *société en commandite par actions* for a total amount of 42;
- one unlimited partner share (*action de commandité*) and 30,998 limited partner shares (*actions de commanditaire*) in Aperam Treasury S.C.A., a *société en commandite par actions*, for a total amount of 42.

Loans to affiliated undertakings

As a result of the spin-off of the stainless steel business on January 25, 2011, ArcelorMittal S.A. transferred the following loans to Aperam:

Debtor	Currency	Amount in original currency	Amount in U.S. dollars
Aperam Stainless Services & Solutions Poland Sp Z.o.o.	PLN	99,600	34,406
Aperam South America S.A.	U.S. dollars	776,987	776,987
APERAM LuxCo S.à.r.l	EUR	1,271,580	1,700,230
APERAM Treasury S.C.A.	EUR	555,973	743,392
APERAM Stainless Belgium N.V.	EUR	221,591	296,289
Closing Balance as at January 25, 2011			3,551,304

NOTE 6 – CAPITAL AND RESERVES

	Number of shares	Subscribed capital	Share premium account	Legal reserve	Reserve for treasury shares	Profit brought forward	Loss for the year	Total
Balance as at January 1, 2011	4,000	40	-	-	-	-	(98)	(58)
Allocation of net result		-	-	-	-	(98)	98	-
Loss for the period		-	-	-	-	-	(442)	(442)
Capital increase	78,045,730	546,612	1,600,321	75,368	59,033	2,055,262	-	4,336,596
Balance as at January 25, 2011	78,049,730	546,652	1,600,321	75,368	59,033	2,055,164	(442)	4,336,096

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Notes to the annual accounts

(expressed in thousands of U.S. dollars, unless otherwise stated)

6.1 – Share capital and share premium account

On September 9, 2010, the Company's subscribed share capital was fixed in the sum of forty thousand U.S. dollars (USD 40,000) represented by four thousand (4,000) shares without par value.

On December 6, 2010, the Extraordinary General Meeting decided to change the currency of the subscribed capital of the Company from USD to EUR based on an exchange rate of USD 1= EUR 0.775 and to convert the existing issued capital of forty thousand (USD 40,000) into thirty-one thousand euro (EUR 31,000) represented by four thousand (4,000) fully paid up shares without nominal value.

On January 25, 2011, the Extraordinary General Meeting approved the increase of the issued share capital of the Company by an amount of EUR 408,800,000 from its current amount of EUR 31,000 to EUR 408,831,000 (546,652), of the share premium by EUR 1,196,848,482 (1,600,321), of the legal reserve by EUR 56,366,250 (75,368), of the reserve for treasury shares by EUR 44,149,688 (59,033) and of the retained earnings by EUR 1,537,089,885 (2,055,262).

As the USD/EUR exchange rate used in the official documents prepared in connection with the spin off was the one prevailing as of January 18, 2011 (i.e. 1,3371 USD/EUR), the capital increase was accounted for using this same exchange rates.

The Company allotted the 78,045,730 newly issued shares without par value as fully paid up to the shareholders of ArcelorMittal S.A. in proportion of their holding of ArcelorMittal S.A. shares based on the exchange ratio set out in the spin-off proposal.

As of January 25, 2011, the shareholding is as follows:

January 25, 2011

Lumen Investments S.à.r.l.	33.63%
Ispat International Investment SL	7.20%
Other shareholders	59.17%

Total	100.00%
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6.2 – Legal reserve

In accordance with the Luxembourg Company law, the Company is required to transfer a minimum of 5% of its net profit for each financial year to a legal reserve. This requirement ceases to be necessary once the balance of the legal reserve reaches 10 % of the issued share capital. The legal reserve is not available for distribution to the shareholders. As at January 25, 2011 the legal reserve is fully constituted.

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Notes to the annual accounts*(expressed in thousands of U.S. dollars, unless otherwise stated)***6.3 – Reserve for treasury shares**

As the Company does not own any treasury shares as at January 25, 2011, the Board of Directors shall request the upcoming General Meeting of Shareholders to approve the transfer of the reserve for treasury shares to other reserves.

NOTE 7 – AMOUNTS OWED TO AFFILIATED UNDERTAKINGS

Amounts owed to affiliated undertakings include mainly a loan granted by Aperam HoldCo S.à.r.l. for an amount of EUR 4,667 (6,189) related to the acquisition of Aperam Stainless Service & Solutions Germany. The carrying amount of this loan was 6,361 at January 25, 2011.

NOTE 8 – OTHER LIABILITIES

On January 19, 2011, ArcelorMittal Finance S.C.A. granted a credit facility amounting to 900,000 to ArcelorMittal S.A. This loan was transferred to the Company in the frame of the spin-off.

NOTE 9 – OTHER INTEREST PAYABLE AND SIMILAR EXPENSES

	Period ended January 25, 2011		Period ended December 31, 2010	
	expenses	income	expenses	income
Interests in respect of affiliated undertakings	(10)	-	(5)	-
Fees	(298)	-	-	-
Effects of foreign exchange	(119)	-	(48)	-
Total similar income (expenses)	(417)	-	(48)	-
Total interest and similar income (expenses)	(427)	-	(53)	-

Effects of foreign exchange are mainly due to losses related to debtors becoming due in one year or less, denominated in Euro.

NOTE 10 –STAFF

The Company has 3 employees as at January 25, 2011

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Notes to the annual accounts*(expressed in thousands of U.S. dollars, unless otherwise stated)***NOTE 11 – COMMITMENTS**

	Year ended
	January 25,
	2011
Guarantees on debts (1)	23,268
Other commitments (2)	11,222
Total	34,490

- (1) Guarantees on debts comprise amounts committed by ArcelorMittal S.A. and ArcelorMittal Finance S.C.A. before spin-off date for Aperam group companies related to credit facility granted to Aperam group Subsidiaries. On January 25, 2011 the Company became counter guarantor towards those Aperam group companies.
- (2) Other commitments correspond to corporate guaranties, bank guarantees and letter of credit committed by ArcelorMittal S.A. and ArcelorMittal Finance before spin-off date for third parties on behalf of Aperam companies.

The Company is jointly and severally liable for the following entities:

- Aperam Sourcing S.C.A.
- Aperam Treasury S.C.A.

NOTE 12 – EXPENSES RELATED TO THE REVISEUR D'ENTREPRISES AGRÉÉ

Fees charged by the réviseur d'entreprises agréé for the audit of the annual accounts as at January 25th, 2011 amount to 34.

NOTE 13 – SUBSEQUENT EVENTS

On February 15, 2011, Aperam announced its dividend payment schedule for 2011, following approval in principle by a general meeting of the Company held on January 21, 2011 of the payment of an interim dividend of USD 0.75 per share. The dividend will be paid in four equal installments of USD 0.1875 per share. A first quarterly payment of USD 0.1875 occurred on March 30. Quaterly payments of USD 0.1875 will also occur on June 14, September 12 and December 12, 2011.

On March 15, 2011, Aperam signed with a group of banks a Secured Borrowing Base Revolving Credit Facility amounting to 800,000.

The Facility is structured as a 3-year revolving credit facility. It will be used for liquidity and working capital purposes including the repayment by Aperam of part of the financing provided by ArcelorMittal S.A. (or its subsidiaries).

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Notes to the annual accounts

(expressed in thousands of U.S. dollars, unless otherwise stated)

On March 28, 2011, Aperam announced the pricing of two series of US dollar denominated notes, consisting of 250,000 aggregate principal amount of its 7.375 % Notes due 2016 and 250,000 aggregate principal amount of its 7.75% Notes due 2018, in a private placement in the international capital markets. The net proceeds were used to repay outstanding amounts under the Company's 900,000 bridge loan facility with ArcelorMittal S.A.

On March 30, 2011, Aperam repaid all outstanding amounts of the 900,000 bridge loan facility provided to Aperam by ArcelorMittal.

On May 9, 2011, the Board of Directors of Aperam has decided to co-opt Mrs. Laurence Mulliez as director until Aperam's next general meeting of shareholders, where Mrs Mulliez' election will be submitted for confirmation to the shareholders.

This decision follows the resignation of Mrs. Sylvie Ouziel from the Board for personal considerations effective May, 10, 2011.