



Aperam

société anonyme

Registered office:

12C, rue Guillaume Kroll, L-1882 Luxembourg

Grand-Duchy of Luxembourg

R.C.S. Luxembourg B 155908

**Minutes of the
Annual General Meeting
and Extraordinary General Meeting of Shareholders
(The "General Meetings")
held on
Wednesday May 9, 2018**

The General Meetings, convened at 24-26, boulevard d'Avranches, L-1160 Luxembourg, Grand-Duchy of Luxembourg, as announced in the convening notice, were opened at 02.00 p.m. CET.

The General Meetings were chaired by the Chairman of the Board of Directors, Mr. Lakshmi N. Mittal. Seated next to Mr. Lakshmi N. Mittal were:

- From the Board of Directors: Mr. Romain Bausch, Lead Independent Director;
- From the Leadership Team: Mr. Timoteo Di Maulo, Chief Executive Officer, Mr. Sandeep Jalan, Chief Financial Officer and Mr. Bert Lyssens, Head of Human Resources, Communications and Sustainability;
- Mr. Laurent Beauloye, Company Secretary, Head of Communications and Sustainability;
and
- Mr. Edouard Delosch, notary.

The Chairman pointed out the presence of the members of the Board of Directors in the first row of the audience: Mr. Philippe Darmayan, Mr. Joseph Greenwell, Mrs. Kathryn Matthews and Mrs. Laurence Mulliez. Aperam's external auditor, Deloitte, who had examined Aperam's consolidated financial statements and the statutory annual accounts of Aperam S.A. (the parent company of the Aperam Group) as of and for the year ended December 31, 2017 was also present at the General Meetings and was represented by Mr. Marco Crosetto and by Mr. Ludovic Mosca.

Mr. Lakshmi N. Mittal proceeded with the constitution of the bureau of the General Meetings. The following two persons were proposed as scrutineers (each, a "Scrutineer"):

- Mr. Timoteo Di Maulo; and
- Mr. Sandeep Jalan.

Mr. Laurent Beauloye, Company Secretary of Aperam, was proposed as secretary of the General Meetings (the "Secretary"). As there were no objections from the shareholders present, the constitution of the bureau was approved. Mr. Lakshmi N. Mittal drew the attention of the participants to the fact that shareholders must own at least one share of Aperam in order to attend the General Meetings and that they must have followed the procedures described in the convening notice published on April 6, 2018.

Mr. Laurent Beauloye then reminded the audience that the General Meetings were private meetings and thus asked the members of the press present to respect the instructions given to them about picture-taking and recordings.

He also informed the General Meetings that the processing and counting of the votes would be carried out by the professional service provider LUMI.

- Mr. Laurent Beauloye reminded the audience that the Annual General Meeting would validly deliberate on the 8 resolutions related to the Annual General Meeting items of the agenda regardless of the number of shareholders present and of the number of shares represented. The resolutions related to the items of the agenda of the Annual General Meeting would be adopted by a simple majority of the votes validly cast by the shareholders present or represented.
- He also reminded the shareholders of the fact that the Extraordinary General Meeting would validly deliberate on the sole resolution relating to the Extraordinary General Meeting item only if a quorum of at least 50% of the issued share capital was present or represented. The resolution would validly be adopted only if approved by at least 2/3 of the votes cast.

The publications required by law had been deposited with the bureau. The documents and information required by law had been sent or made available to the shareholders in a timely manner. The convening notice for the General Meetings had been published in the Tageblatt, a Luxemburg local newspaper, on April 6, 2018 and in the Luxembourg official gazette RESA as well as on the Company's website, www.aperam.com. Copies of these publications could be consulted at the registration table.

The management report of the Board of Directors and the reports of the independent company auditor on the statutory annual accounts as of and for the year ended December 31, 2017 and the consolidated financial statements as of and for the year ended December 31, 2017 (in English) had been made available to the shareholders free of charge on simple request. All these

documents had also been made available starting on April 6, 2018 on the Company's website www.aperam.com in the "Investors and shareholders", "Equity Investors", "Shareholders' Meetings", section under the header "9 May 2018 - General Meetings of Shareholders".

An electronic voting device and a paper voting form was given to each properly registered shareholder and proxy holder prior to entering the room where the General Meetings were taking place.

Mr. Lakshmi N. Mittal proceeded to declare that the General Meetings had been validly constituted. Detailed participation numbers would be provided when coming to the voting procedure relating to the Agenda items.

Mr. Lakshmi N. Mittal proceeded with the General Meetings and asked the Secretary to read out the agenda of the General Meetings.

Presentation of 2017 Results, Operations and Strategy

Mr. Lakshmi N. Mittal and Mr. Timoteo di Mauro presented the 2017 results of Aperam and made specific highlights on the Company's operations and strategy. The presentation is attached hereto in Appendix A.

General Meetings

Thereafter, the Chairman turned his attention to review the non-standard item of the General Meetings. He requested the Secretary to provide an introduction on the Extraordinary General Meeting agenda item.

The Extraordinary General Meeting agenda item 1 related to the cancellation of shares, reduction of issued share capital and amendment of article 5.1. of the articles of association following the shares repurchased under the Company's share buyback program. The proposed resolution was to allow the Company to cancel all the shares repurchased by the Company under its share buyback program announced on January 30, 2018 during a period ending on December 31, 2018 up to a maximum of one point eight million shares (1,800,000) and to consequently reduce the issued share capital, while amending the articles of association, reducing or cancelling the relevant reserves in consequence and approving the required delegations.

Questions & Answers ("Q&A") session

The Secretary provided an explanation and information on the procedure regarding the questions and answers session. Mr. Laurent Beauloye then declared the questions and answers session on the different items of the agenda to be open.

Answer to a question raised by a shareholders present in the General Meeting room was given by Mr. Lakshmi N. Mittal (a summary is provided in Annex B of these minutes).

Vote

The Chairman then closed the Q&A session and stated that, according to the attendance list that had been communicated to him, it showed that 73.3% of the issued share capital were present or represented at the meetings. The Chairman announced that he would first submit the proposed resolutions related to items 1 to 8 of the agenda of the Annual General Meeting followed by the resolution related to item 1 of the agenda of the Extraordinary General Meeting to the vote. He asked the secretary to inform the shareholders about the procedure to be followed for the voting process. The secretary explained that the shareholders will vote on each of the resolutions by using an electronic voting device that had been handed to the shareholders upon registration. In addition, he detailed the functioning of the electronic voting device to the shareholders. The shareholders voted on the resolutions after the reading out loud of each resolution.

For each resolution the shareholders were granted the necessary time to express their vote on the electronic voting device previously made available to each of them. The voting results were projected on a large screen visible by the entire audience and divided into votes “in favor” and “against” and showing the number of shares abstaining.

Annual General Meeting Resolutions

1. Report of the Board of Directors and the Auditor’s Reports on the annual accounts and the consolidated financial statements for the 2017 financial year

No vote was required for this item.

2. Approval of the Consolidated Financial Statements as of and for the year ended December 31, 2017

Resolution I

The General Meeting, after having reviewed the management report of the Board of Directors and the report of the independent company auditor, approves the Consolidated Financial Statements as of and for the year ended 31 December 2017 in their entirety, with a resulting consolidated net income of USD 361,036,540 (established in accordance with IFRS as adopted by the European Union).

The first resolution of the Annual General Meeting was approved with 100.000% of the votes casts ‘for’ and 0.000% ‘against’.

3. Approval of the Parent Company Annual Accounts as of and for the year ended December 31, 2017

Resolution II

The General Meeting, after having reviewed the management report of the Board of Directors and the report of the independent company auditor, approves the Parent Company Annual Accounts as of and for the year ended 31 December 2017 in their entirety, with a resulting profit for Aperam as parent company of the Aperam Group of USD 1,016,040,426 (established in accordance with

the laws and regulations of the Grand-Duchy of Luxembourg).

The second resolution of the Annual General Meeting was approved with 100.000% of the votes casts 'for' and 0.000% 'against'.

4. Allocation of results, determination of dividend, and determination of compensation to be allocated to the members of the Board of Directors in relation to the financial year 2017

Resolution III

The Annual General Meeting, upon the proposal of the Board of Directors, acknowledges that the results of the Company to be allocated and distributed amount to USD 2,177,913,574.

On this basis, the Annual General Meeting, upon the proposal of the Board of Directors, decides to allocate the results of the Company based on the Parent Company Annual Accounts for the financial year 2017 as follows:

	In U.S. dollars
Profit for the financial year	1,016,040,426
Profit brought forward (<i>Report à nouveau</i>) before transfer from the reserve for own shares	1,161,873,148
Results to be allocated and distributed	2,177,913,574
Transfer from the reserve for own shares	496,304
Dividend ⁽¹⁾	(153,564,800)
Directors' compensation (<i>as per Resolution IV, below</i>)	(659,615)
Profit carried forward	2,024,185,463

⁽¹⁾ On the basis of 85,313,778 shares outstanding as of December 31, 2017 (85,496,280 shares in issue, net of 182,502 treasury shares). Dividends are paid quarterly, resulting in a total annualised cash dividend per share of USD 1.80.

The Annual General Meeting acknowledges that dividends are paid in four equal quarterly instalments of USD 0.45 (gross) per share and that the first instalment of dividend of USD 0.45 (gross) per share has been paid on March 29, 2018.

The third resolution of the Annual General Meeting was approved with 99.970% of the votes casts 'for' and 0.030% 'against'.

Resolution IV

Given the Resolution III above, the Annual General Meeting, upon the proposal of the Board of Directors, leaves the basis for remuneration for the Board of Directors unchanged compared to the previous year and sets the amount of total remuneration for the Board of Directors in relation to the financial year 2017 at USD 659,615 based on the following annual fees:

- Basic Director's remuneration: EUR 70,000;
- Lead Independent Director's remuneration: EUR 80,000;
- Additional remuneration for the Chair of the Audit and Risk Management Committee: EUR 15,000;
- Additional remuneration for the other Audit and Risk Management Committee members: EUR 7,500;

- Additional remuneration for the Chair of the Remuneration, Nomination and Corporate Governance Committee: EUR 10,000; and
- Additional remuneration for the members of the Remuneration, Nomination and Corporate Governance Committee: EUR 5,000.

The fourth resolution of the Annual General Meeting was approved with 99.059% of the votes casts 'for' and 0.941% 'against'.

5. Discharge of the directors

Resolution V

The General Meeting decides to grant discharge to the members of the Board of Directors in relation to the financial year 2017.

The fifth resolution of the Annual General Meeting was approved with 99.059% of the votes casts 'for' and 0.941% 'against'.

6. Election of members of the Board of Directors

Resolution VI

The General Meeting re-elects Mr. Philippe Darmayan as member of the Board of Directors of Aperam for a three-year mandate that will automatically expire on the date of the General Meeting of shareholders to be held in 2021.

The sixth resolution of the Annual General Meeting was approved with 98.036% of the votes casts 'for' and 1.964% 'against'.

7. Appointment of a *réviseur d'entreprises agréé* (authorised statutory auditor) for the purposes of the audit of the Consolidated Financial Statements and the Parent Company Annual Accounts as of and for the year ended December 31, 2018

Resolution VII

The General Meeting decides to appoint Deloitte Audit *société à responsabilité limitée* with registered office at 560, rue de Neudorf, L-2220 Luxembourg, Grand-Duchy of Luxembourg, as independent company auditor (*Réviseur d'Entreprises Agréé*) for the purposes of an independent audit of the Consolidated Financial Statements and Parent Company Annual Accounts of the Company as of and for the year ended December 31, 2018.

The seventh resolution of the Annual General Meeting was approved with 99.237% of the votes casts 'for' and 0.763% 'against'.

8. Decision to Authorize grants of share based incentives

Resolution VIII

The Annual General Meeting acknowledges the above background information provided about the LT PSU Plan and other performance based grants and authorises the Board of Directors:

(a) to allocate up to 150,000 (one hundred and fifty thousand) of the Company's fully paid-up ordinary shares under the 2018 Cap, which may be either newly issued shares or shares held in treasury, such authorisation to be valid from the date of the Annual General Meeting until the

Annual General Meeting of shareholders to be held in 2019,

(b) to adopt any rules or measures to implement the LT PSU Plan and other performance based grants below the level of the LT Members that the Board of Directors may at its discretion consider appropriate,

(c) to decide and implement any increase of the 2018 Cap by the additional number of shares of the Company necessary to preserve the rights of the grantees of PSUs in the event of a transaction impacting the Company's share capital, and

(d) to do or cause to be done all such further acts and things as the Board of Directors may determine to be necessary or advisable in order to implement the content and purpose of this resolution.

The eight resolution of the Annual General Meeting was approved with 92.498% of the votes casts 'for' and 7.502% 'against'.

Extraordinary General Meeting Resolution

1. Decision to cancel shares and to consequently reduce the issued share capital following the cancellation of shares repurchased under its share buyback program

The Extraordinary General Meeting acknowledges the background information provided about the share buyback program and resolved to authorise the Board of Directors to cancel the shares and to consequently reduce the issued share capital of the Company following the cancellation of shares repurchased under its share buyback program and to take all necessary steps, actions and formalities to implement this decision.

The first resolution of the Extraordinary General Meeting was approved with 99.801% of the votes casts 'for' and 0.199% 'against'.

Closing of the General Meetings

The Secretary asked the shareholders to agree to dispense the notary with the reading the text of the deed relating to the Extraordinary General Meeting. There was no objection from the audience.

The Chairman thanked the shareholders for their participation to the General Meetings and expressed his wish to see them again at the Company's next general meeting of shareholders.

Nothing else being on the agenda of the General Meetings and no member of the audience requesting to be heard, Mr. Lakshmi N. Mittal declared the meeting closed at 02:30 P.M. CET.

Immediately thereafter, the attendance list was signed by the members of the bureau.

Signed by:

Lakshmi N. Mittal (Chairman of the Board of Directors)

Laurent Beauloye (Secretary)

Timoteo Di Maulo (Scrutineer)

Sandeep Jalan (Scrutineer)

ANNEX A
Presentation at the May 9, 2018
General Meetings



Disclaimer



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.

General Meetings of Shareholders



Agenda Items

Agenda of the Annual General Meeting

1. Presentation of the management report of the board of directors of the Company (the "Board of Directors") and the reports of the independent auditor on the standalone annual accounts of the Company prepared in accordance with the laws and regulations of the Grand-Duchy of Luxembourg (the "Parent Company Annual Accounts") and the consolidated financial statements of the Aperam group prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union (the "Consolidated Financial Statements") for the financial year ended 31 December 2017
2. Approval of the Consolidated Financial Statements for the financial year 2017 ([AGM Resolution I](#))
3. Approval of the Parent Company Annual Accounts for the financial year 2017 ([AGM Resolution II](#))
4. Allocation of results and determination of the dividend and the compensation for the members of the Board of Directors in relation to the financial year 2017 ([AGM Resolution III and IV](#))
5. Discharge of the Directors ([AGM Resolution V](#))
6. Election of members of the Board of Directors: Philippe Darmayan ([AGM Resolution VI](#))
7. Appointment of an authorised statutory auditor for the purposes of the audit of the Consolidated Financial Statements and the Parent Company Annual Accounts for the financial year 2018 ([AGM Resolution VII](#))
8. Authorisation of grants of share based incentives ([AGM Resolution VIII](#))

Agenda of the Extraordinary General Meeting

1. Decision to cancel shares and to consequently reduce the issued share capital following the cancellation of shares repurchased under its share buyback program ([EGM Resolution I](#))

Message from the Chairman

Aperam's value strategy



Aperam's investment case

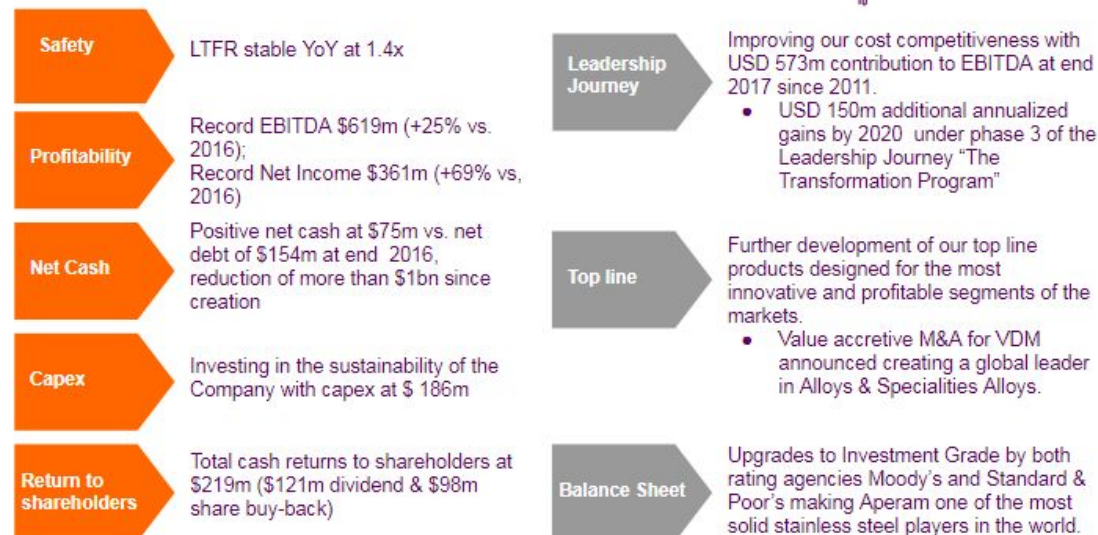
Solid execution of self help strategy	Cost Leading footprint	Cash generation and financial discipline
Leadership Journey® Phase 1: Restructuring Phase 2: Asset upgrade Phase 3: Transformation	Optimized and sustainable European asset base	Strong cash generation through the cycle
Top Line strategy	Sole flat stainless steel producer in South America	Strongest balance sheet in industry
End-user focus	Lean organization	Progressive dividend
	Leading industry margins and returns	Strong shareholder returns (payout 50-100%)
		Value accretive opportunities (VDM, Genk CRAP)

Solid cash generation with strong shareholders' return, thanks to consistent execution of self help strategy and financial discipline.

VDM transaction and Transformation Program to further improve Aperam's productivity and profitability.

Message from the CEO

2017 Record Achievements based on strategic priorities



2017 a record year for Aperam, with the highest level of operational and financial performance achieved since inception, while maintaining a strong balance sheet and strong cash returns to our shareholders.

2017: Record Achievements

Safety

Our people are our greatest assets
LTFR stable YoY at 1.4x



✓ Continuous solid improvement of the operating performance with record EBITDA of \$619m in 2017 (+25% vs 2016)

✓ From negative net income to positive net income since 2013 with record net income of \$361m in 2017 (+69% vs. 2016)

✓ Improvement of the operational performance by USD 573 million since the creation of Aperam

✓ From a net debt of over 1 bn USD at creation to a positive net cash position of USD 75 million at the end of 2017 with an Investment Grade rating by both S&P and Moody's

2017: A year of record achievements while maintaining strong returns to shareholders in form of base dividends and share buy backs

* Pr = Lost Time Injuries per 1,000,000 worked hours, based on own personnel and contractors

Financial Policy - Cash Allocation

Aperam preserves its financial policy and strong credit profile while maximising the long-term growth and value accretion for shareholders



	Financial Policy	2018
Company sustainability	Invest in sustaining and upgrading the company's assets base to continuously reinforce Transformation Program and Top Line Strategy	CAPEX 2018 USD 220 - 240 million
Value accretive growth & M&A	Compelling growth and M&A opportunities with high hurdle rate	VDM Purchase Price Euro 438m
Dividend policy	A base dividend, anticipated to progressively increase over time (as the company continues to benefit from its strategic actions and capture growth opportunities). The company targets a NFD/EBITDA ratio of <1x (through the cycle). In the (unlikely) event that NFD/EBITDA exceeds 1x then the company will review the dividend policy	Dividend per share of USD 1.80 per share
Extra cash utilization	Remaining excess cash will be utilized in the most optimal way	Share buyback of USD 100 million / 1.8 million shares in 2018

Aperam captures value accretive opportunities while continuing a solid financial policy with a strong balance sheet and while maintaining a total payout to shareholders between 50% to 100% of EPS

Acquisition of VDM Metals

Key transaction highlights



Structure	<ul style="list-style-type: none"> 100% of VDM Metals Holding GmbH and related entities
Value consideration	<ul style="list-style-type: none"> Total Enterprise Value of €596m incl. €123m of pension liabilities, €35m net financial debt, purchase price €438m Equivalent to 7.8x EV/EBITDA before synergies, based on audited year-ended 30 September 2017 EBITDA €76m (LTM 28 February 2018 EBITDA is €81m) Book value of €225m for Operating Working Capital as of 30 September 2017 Locked Box as of 30 September 2017: VDM's subsequent economic results and cash flows to buyer's account
Financing	<ul style="list-style-type: none"> All cash and debt financed Aperam will continue to maintain a strong balance sheet consistent with investment grade ratios with a pro forma NFD/EBITDA of 0.7x as of 31 December 2017
Conditions precedent	<ul style="list-style-type: none"> Standard regulatory approvals including merger control approvals Transaction approved by the Board of Directors
Timetable	<ul style="list-style-type: none"> Expected closing during second half of 2018
Value accretive deal	<ul style="list-style-type: none"> The right price & right timing Targeting about €20m per annum of synergies by 2020 Acquisition to be EPS and FCF enhancing from year 1 (with synergies to come on top) Maintain existing shareholder payout policy (between 50% to 100% of EPS) with progressive dividends Aperam believes its enlarged Alloys & Specialties division should be valued at a premium multiple to stainless steel

A transforming and value-unlocking transaction for Aperam while maintaining a strong balance sheet consistent with investment grade ratios

Aperam's value strategy

2017 Sustainability performance as a key to Aperam's strategy



Social

Our People are our greatest asset.

Their Safety is our priority, their development is a key to our success.

- **LITFR : 1.42** (vs. 1.46 in 2016) - target at 1 (all employees).
- **84%** of our employees **recommend Aperam as a good place to work**, which confirms our rating among **Brazilian top employers**.^[1]
- **Absenteeism: 2.19** (as in 2016) - target at 2.
- 2017 **Performance review: 99%** of Exempts, **84%** of White collars, 68% of Blue collars - target at 100%.
- 2017 Training hours **+4%** (vs. 2016)

Environment

We provide the "greenest steels" and constantly reduce our production costs and impacts.

- **CO₂ intensity^[2] reduction >34%** - almost at target to -35% by 2020 vs. 2007, thanks to maximal usage of own charcoal.
- **Energy intensity^[3] reduction: >8%** (from 6% in 2016) - on track towards our target at -10% by 2020 vs. 2012
- **93% re-use/recycle** performance - target at 100%.
- **95.3% of water in closed circuits** (stable vs. 2015)
- **Steep decrease in Dust emissions >22%** vs. 2015 due to a strong action plan.

Governance

We lead by example and maintain constant engagement with all our Stakeholders in quest of mutually beneficial solutions.

- **Best practice in Corporate Governance** reflected in our:
 - > Board composition
 - > Risk management approach
 - > Extensive Compliance plan
- Strong Customer & Innovation focus with **+20 pt of sales in new products** vs. 2015
- **CSR indicators** cascaded within the entire organisation.
- Leadership/Excellence level 2017

ESG ratings

^[1] For the seventh consecutive year, Aperam South America was selected as one of the best companies to work for by Gula VooB S/A, in recognition of our work on employee health and wellbeing.

^[2] Per ton of crude steel

^[3] by the Institute of Internal Auditors certification in 2016.

Results 2017 – Aperam Group

Consolidated Statements of Operations



<i>in millions of U.S. dollars</i>	2016	2017
Sales	4 265	5 051
Adj. EBITDA	503	629
- Adj. EBITDA margin %	11,8%	12,5%
Exceptional items	(11)	(10)
EBITDA	492	619
Depreciation and impairment	(175)	(172)
Operating Income	317	447
- Operating margin %	7,4%	8,8%
Loss from other investments	-	(4)
Net interest expense and other financing income (costs) - net	(43)	(45)
Foreign exchange and derivatives gains (losses)	3	-
Income before taxes	277	398
Income tax expense	(63)	(37)
- Effective tax rate %	23%	9%
Net income	214	361

Earnings per common shares (in U.S. dollars):

Basic	2,75	4,51
Diluted	2,59	4,29

2017 versus 2016 :

- Sales increased by 18% from USD 4,265 million in 2016 to USD 5,051 million in 2017.
- EBITDA increased by 26% from USD 492 million in 2016 to USD 619 million in 2017.
- Net result for the year 2017 is a profit of USD 361 million compared to a profit of USD 214 million in 2016 (increase by 69%).

Results 2017 – Aperam Group

Consolidated Statements of Cash Flows



<i>in millions of U.S. dollars</i>	2016	2017
Net Income	214	361
Depreciation and impairment	175	172
Changes in working capital	(39)	(161)
Other operating activities (net)	67	68
Net cash provided by operating activities (A)	417	440
Purchase of property, plant & equipment, intangible assets and biological assets (CAPEX)	(130)	(186)
Other investing activities (net)	1	1
Net cash used in investing activities (B)	(129)	(185)
Net payments to banks and long term debt	(12)	(12)
Purchase of treasury stock	-	(98)
Dividends paid	(97)	(121)
Other financing activities (net)	(1)	(1)
Net cash used in financing activities	(110)	(232)
Effect of exchange rate changes	(1)	19
Change in cash and cash equivalents	177	42

Free cash flow before dividend and share buy-back (C = A+B) **288** **255**

2017 versus 2016 :

- Cash generated by operations increased from USD 417 million in 2016 to USD 440 million in 2017.
- Cash outflow on investing activities increased from USD 129 million in 2016 to USD 185 million in 2017.
- Cash outflow on financing activities increased from USD 110 million in 2016 to USD 232 million in 2017.

Figures based on International Financial Reporting Standards (IFRS)

32

Results 2017 – Aperam Group

Consolidated Statement of Financial Position



<i>in millions of U.S. dollars</i>	2016	2017
Non current assets	2 773	2 972
Goodwill and intangible assets	565	610
Property, plant and equipment (incl. Biological assets) (PPE)	1 691	1 887
Investments & Other	517	475
Current assets & working capital	955	1 188
Inventories, trade receivables & trade payables (OWC)	517	723
Other assets	89	98
Cash & cash equivalents	325	367
Assets held for sale	24	-
Shareholders' equity	2 485	3 050
Group share	2 481	3 046
Non-controlling interests	4	4
Non current liabilities	768	809
Interest bearing liabilities	275	286
Deferred employee benefits	173	191
Provisions and other	320	332
Current liabilities (excluding trade payables)	475	301
Interest bearing liabilities	204	6
Other liabilities	247	295
Liabilities held for sale	24	-
Invested Capital (Goodwill+Intangible assets+PPE+OWC)	2 773	3 220
Net financial debt / (Net Cash)	154	(75)
Working capital	517	723

December 31, 2017 versus December 31, 2016:

- Net financial debt decreased by USD 229 million in 2017 from USD 154 million as of December 31, 2016 to a net cash position of USD 75 million as of December 31, 2017.
- Shareholder's equity was USD 3,050 million as of December 31, 2017, compared to USD 2,485 million as of December 31, 2016.
- Liquidity amounted to USD 787 million as of December 31, 2017, consisting of cash and cash equivalents of USD 367 million and undrawn credit lines of USD 420 million.

Figures based on International Financial Reporting Standards (IFRS)

33

Aperam Parent Company
Profit and loss account



<i>in thousands of U.S. dollars</i>	2016	2017
4. Other operating income	77 118	111 107
5. b) Other external expense	(54 519)	(77 098)
6. Staff costs	(18 353)	(18 708)
7. Value adjustments	(1 895)	(1 979)
8. Other operating expenses	(58)	(26)
9. Income / (loss) from participating interests	(167 422)	786 328
11. Other interest receivable and similar income	48 256	233 847
13. Value adjustments in respect of financial assets and of investments held as current assets	(25 020)	(6 055)
14. Interest payable and similar expenses	(13 951)	(9 810)
15. Tax on profit or loss	(1 785)	(1 565)
Profit or loss after taxation	(157 629)	1 016 041
Other taxes not shown under items 4 to 16	(1)	(1)
Profit or loss for the financial year	(157 630)	1 016 040

2017 versus 2016 :

- Net result for the Parent Company was a profit of USD 1,016,040 thousands in 2017, compared to a loss of USD 157,630 thousands in 2016.
- Net income in 2017 mainly included a capital gain on the sale of an affiliated undertaking of USD 806,876 thousands, effects of foreign exchange of USD 175,707 thousands and dividends received from affiliated undertakings of USD 40,190 thousands.

Figures established in accordance with the laws and regulations of the Grand-Duchy of Luxembourg

34

ANNEX B

Questions and Answers session at the May 9, 2018 General Meetings

Below is a summary of the question and answer session at the General Meetings.

Was there in 2017 a conflict of interest for a member of the Board of Directors to be communicated to the Annual General Meeting?

We confirm that according to Principle 5 and Recommendation 5.1. of the X Principles of Corporate Governance of the Luxembourg Stock Exchange there are no conflict of interests to be reported to the Annual General Meeting.

Aperam places a strong emphasis on Corporate Governance. We remind you that since our creation we adopted a code of business conduct which applies to its directors but also the officers and employees of Aperam and its subsidiaries worldwide. This code sets very clear rules according to which directors must always act in the best interests of the Company and must avoid any situation where their personal interests conflict or could conflict with obligations toward the Company.