

Q4 2019 results

5 February 2020



The sustainable top yielding company in Euro Materials

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.

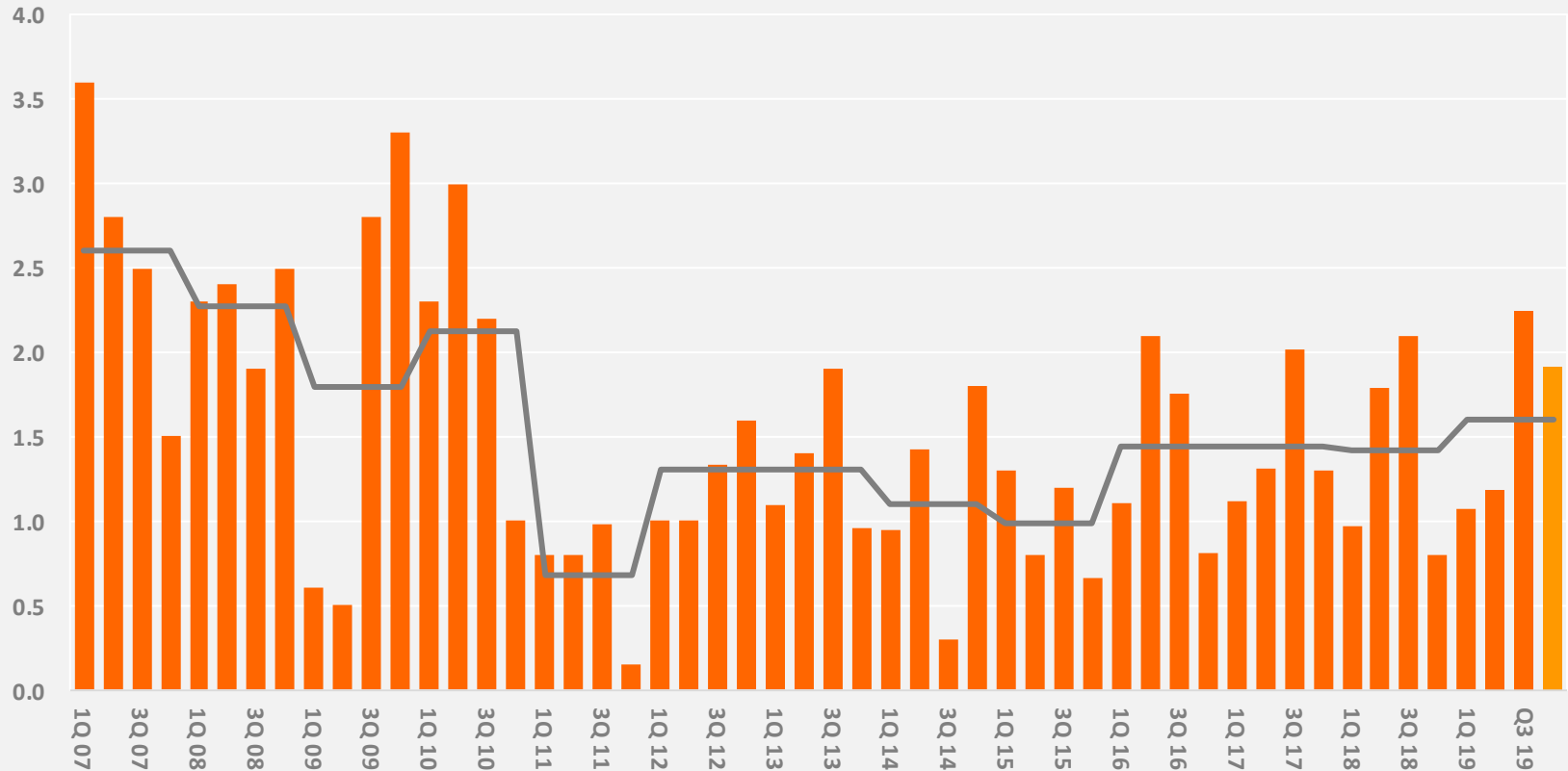
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Health & Safety Performance



Health & Safety frequency rate of 1.9 in Q4 2019



Health & Safety is our prime objective

Q4 2019 Operational highlights

Q4 achieves a strong cash flow despite a weak seasonal improvement



Q4 2019 key developments



Adj EBITDA in line with guidance and high cash conversion results in low net financial debt



Leadership Journey® gains are on track with EUR18m additional annualized gains in Q4 (cum. total EUR123m)



Trade defense measures progress
Import registration of HR applied from 25 January



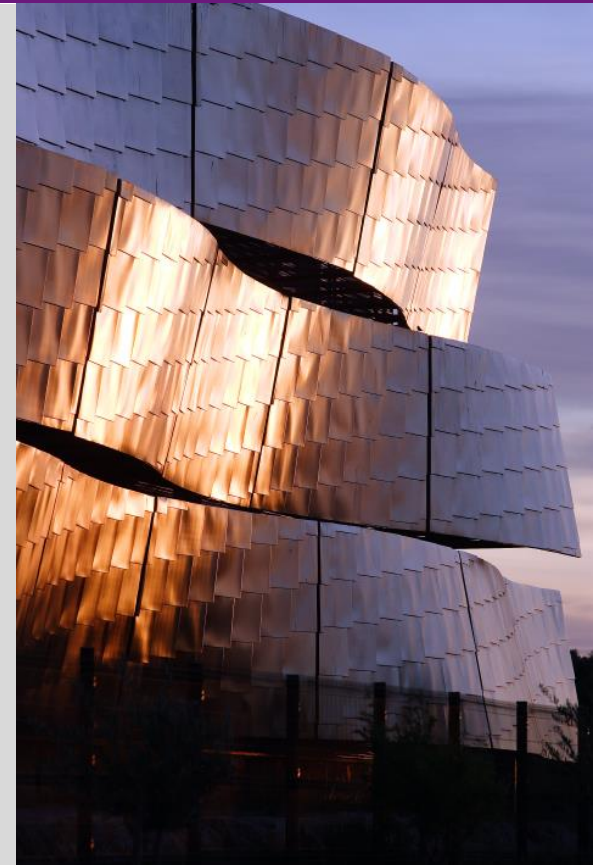
Aperam set new ambitious 2030 environmental targets



Favorable tax (PIS/COFINS) decision in Brazil



Most challenging market environment due to weak real demand, destocking and high import pressure



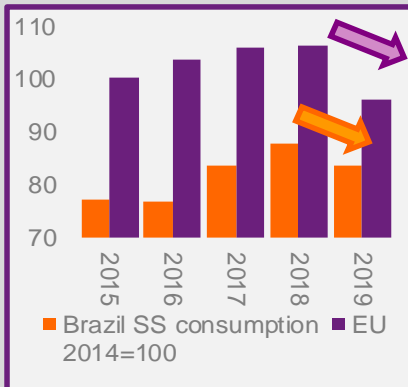
Demand contraction and pricing pressure gave 2019 a recessionary profile

2019 - a recession like stainless market

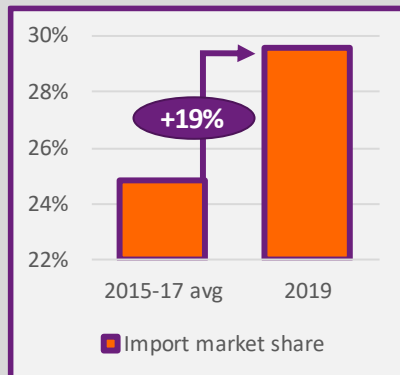
Real demand contraction and pricing pressure



2019 shows Aperam resilient results under tough conditions

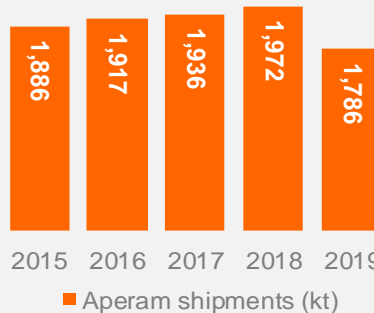


Real demand contraction, destocking + imports



Aggressive imports

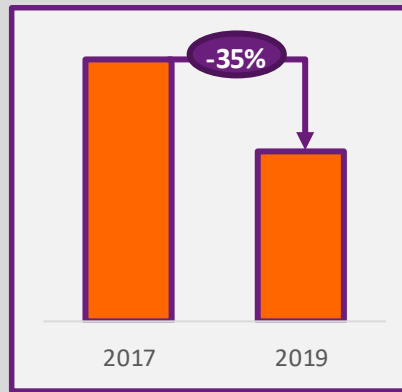
Volume



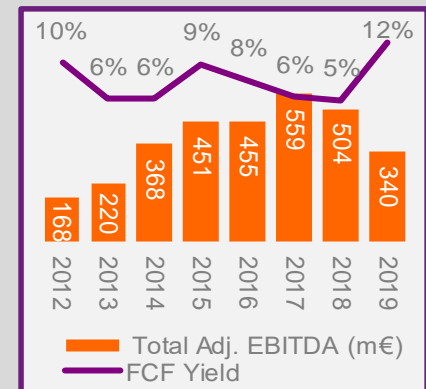
= volume contraction



Price



Severe pricing pressure*



Solid adj EBITDA and high FCF

*base price according to CRU data

Q4 2019 Financial highlights

Solid free cash flow and earnings as well as a strong balance sheet despite a very weak environment



Challenging market and Ni price drop triggered a soft seasonal rebound only

EURm	Q4 19	Q3 19	qoq	Q4 18	yoy
Sales	1,000	972	3%	1,120	-11%
adj. EBITDA	85	79	8%	90	-6%
EBITDA	102	79	29%	90	13%
Basic EPS (EUR)	0.36	0.47	-23%	0.99	-63%
Steel shipments (000t)	402	418	-4%	480	-16%
adj EBITDA/tonne (EUR)	211	189	12%	188	13%
adj EBITDA margin	8.5%	8.1%	5%	8.0%	6%
Operating cash flow	162	70	131%	88	84%
CAPEX	-52	-26	100%	-55	-5%
Other investing CF	30	1	NM	2	NM
Free cash flow*	140	45	211%	35	300%
Dividends paid	-35	-35	0%	-34	3%
Net financial debt	75	172	-56%	48	56%

Q4 key comments

- Weak seasonal shipments due to low real demand and destocking
- Adj EBITDA increases slightly qoq despite soft volumes due to margin expansion & valuation gains
- EBITDA includes EUR17m from Brazil Pis/COFINS credits
- EPS declines qoq due to a EUR26m deferred tax asset impairment
- Strong operating cash flow with 159% cash conversion including working capital release
- Seasonally higher capex qoq. Genk project is on time & budget
- Clearly lower net financial debt due to high FCF and sale of Gerdau stake EUR30m

Reliable strong cash generator in the sector

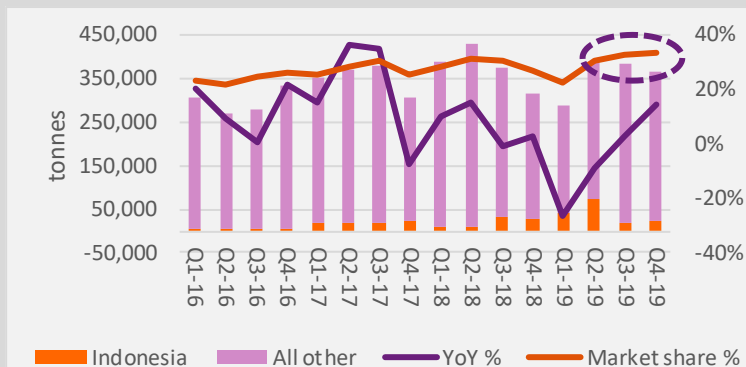
*before dividend and share buyback

Environment & markets

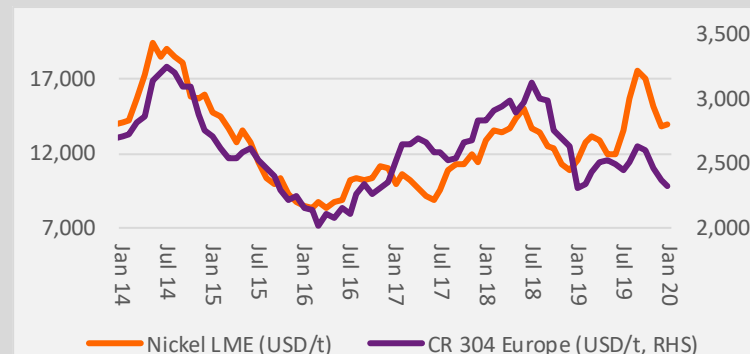
Inventory days remain elevated but Ni price drop promotes destocking. Extreme import pressure persists



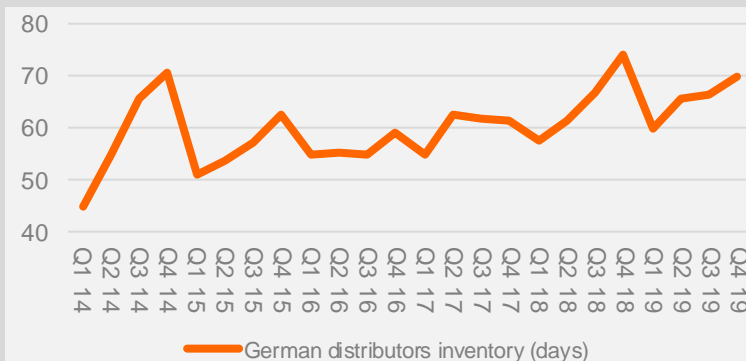
Market share of imports remains at peak*



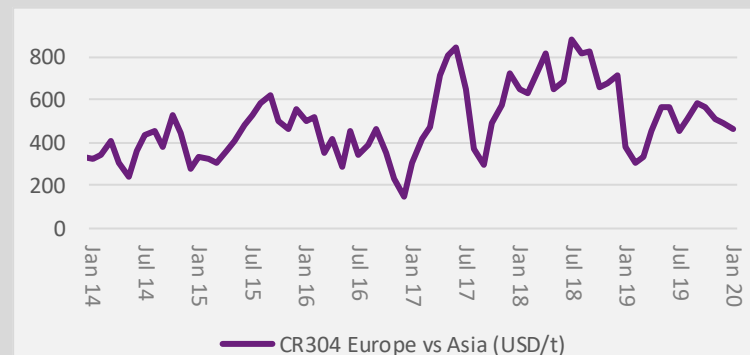
Nickel spike has almost completely reversed and stainless price is following



Weak demand keeps EU SS cold rolled inventory days elevated



Stainless price premium versus Asia is normal



Source: Bloomberg, Metal Bulletin, Edelstahlhandelsvereinigung, Eurofer

*Countries with a SS Hot Rolled quota: China, S. Korea, Taiwan, USA
all other countries if not exempt fall under the residual quota

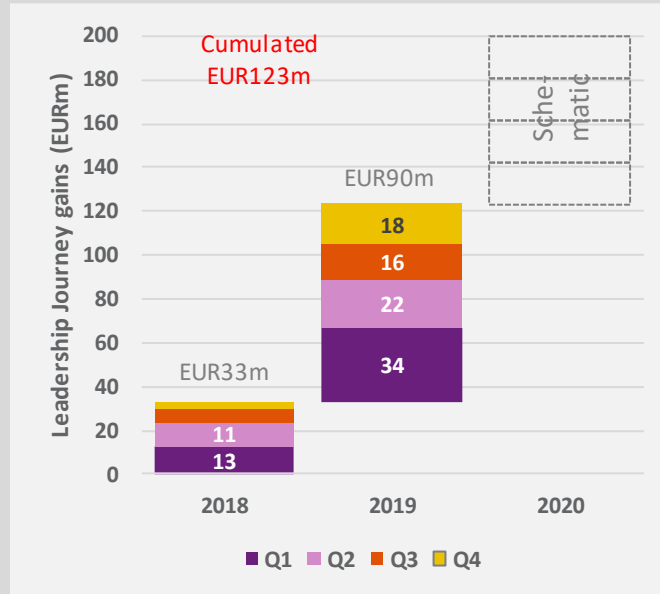
Countries with a SS CR quota: S. Korea, Taiwan, India, USA, Turkey, Malaysia, Vietnam

Leadership Journey[®] update

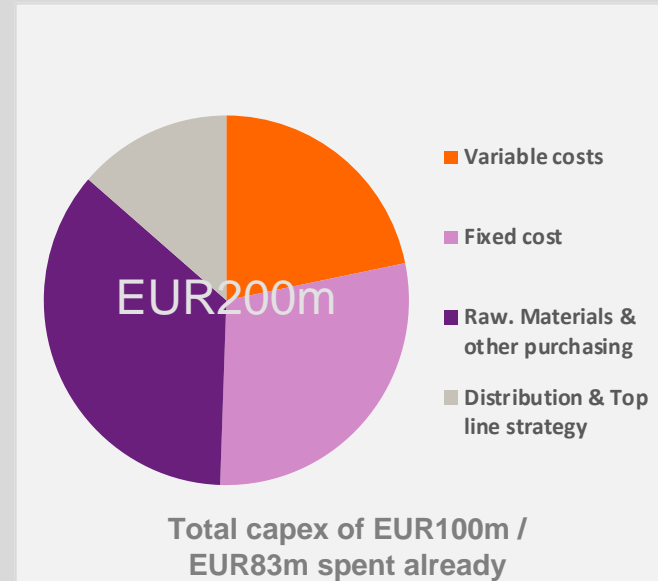
Leadership Journey[®] is on track to defend Aperam's position as lowest cost producer in Europe



Progress & target phase 3 (recurring annualized gains)



Target savings composition



New technology

Automation / robotics / sensors

Innovation

New applications & solutions

Leaner

Digitized, connected & collaborative

Value added services

One stop shop + supply chain efficiency

Procurement

General procurement / Raw material

Q4-19 cumulated annualized gains at EUR123m vs total target of EUR200 million by end of 2020

Outlook

Q1 2020 guidance & other forward looking items



Financial outlook Q1 2020:

- **Adj EBITDA is expected at a comparable level versus Q4 2019 adj EBITDA**
 - Soft seasonal recovery in Europe due to high imports and associated price pressure
 - Brazil's seasonal trough quarter
 - Negative inventory valuation effect
- **Net financial debt is expected to increase seasonally but to remain at a low level**

Other items:

- **2020 group capex EUR110-120m (incl Leadership Journey© and Genk downstream)**
- **2020 cash interest cost expected around EUR10m**
- **2020 P&L effective tax rate expected at 20-25% of which ~ half will be cash tax in CF**
- **Leadership Journey© Phase 3: EUR200 million savings target by end of 2020**
- **Aperam announces cash returns to shareholders of EUR240 million for 2020**
 - Dividend EUR1.75 (amounts to ~EUR140 million)
 - Share buyback up to EUR100 million (up to 3.8m shares)*

The market remains challenging with improvements expected from Q2 2020

* The Mittal family will participate on a pro rata basis

Post Q4 2019 schedule

- | | | | |
|-----------|-------------|------------|-------------------|
| • 6. Feb | London | Roadshow | Bank of America |
| • 7. Feb | Frankfurt | Roadshow | JP Morgan |
| • 11. Feb | Paris | Roadshow | Kepler Cheuvreux |
| • 12. Feb | Netherlands | Roadshow | ING |
| • 3. Mar | Switzerland | Roadshow | Credit Suisse |
| • 5. Mar | Brussels | Roadshow | ING |
| • 9. Mar | Chicago | Roadshow | Degroof Petercam |
| • 10. Mar | New York | Roadshow | Exane BNP Paribas |
| • 11. Mar | Toronto | Roadshow | Exane BNP Paribas |
| • 17. Mar | Helsinki | Roadshow | Kepler Cheuvreux |
| • 18. Mar | Stockholm | Roadshow | Kepler Cheuvreux |
| • 23. Mar | Warsaw | Roadshow | Jefferies |
| • 1. Apr | London | Conference | Exane BNP Paribas |

We are looking forward to meet you there

Financial Results



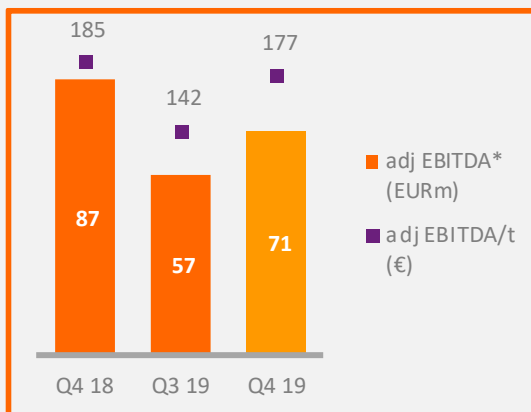
Middle East Training Center, Beirut Rafic Hariri International Airport, Lebanon - Khatib & Alami Executed using grade316L with Uginox Meca 8ND fini

Financial results

Q4 2019: Soft qoq seasonality with weak demand and price pressure in Europe and Brazil

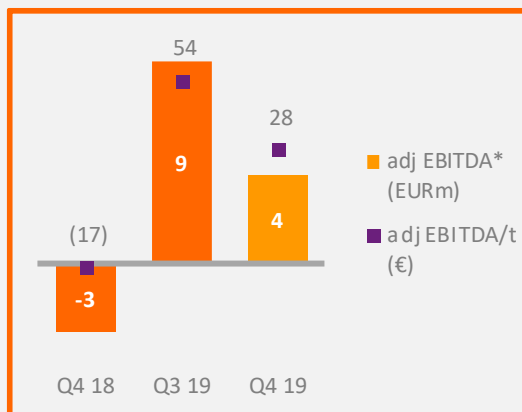


Stainless & Electrical Steel



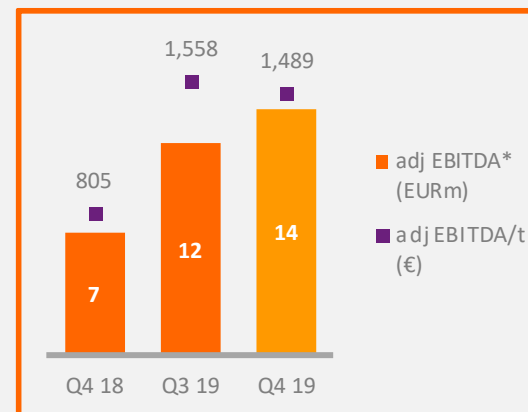
- Shipments increased seasonally qoq from a low base despite of soft demand and destocking in Europe & Brazil
- Europe adj EBITDA reflects higher volumes and valuation gains, partly offset by a price/cost squeeze. In Brazil higher margins and valuation gains compensated lower volume
- Adj EBITDA decreases yoy despite pos. valuation effects due to lower volumes & a price/ cost squeeze

Services & Solutions



- A pronounced decline in shipments qoq due to weak real demand and destocking
- Adj EBITDA qoq largely reflects the shipment decline
- Adj EBITDA increased yoy despite lower volumes due to higher prices, lower costs and inventory valuation gains

Alloys & Specialties



- Shipments increase strongly qoq
- Higher adj EBITDA qoq was driven by higher volumes and lower costs which more than compensated for negative inventory valuation effects
- The yoy adj EBITDA increase is due to higher volume, positive price/mix effects and lower cost

Adj. EBITDA of 211 EUR/t in Q4 2019 with a soft seasonal rebound

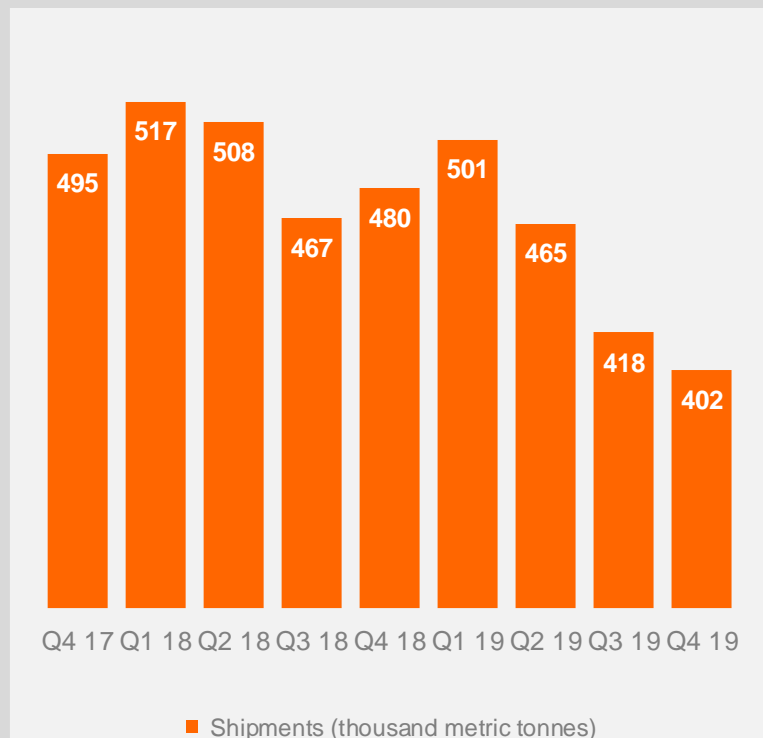
* Difference with total Aperam's quarterly adj EBITDA due to Others & Eliminations line

Financial results

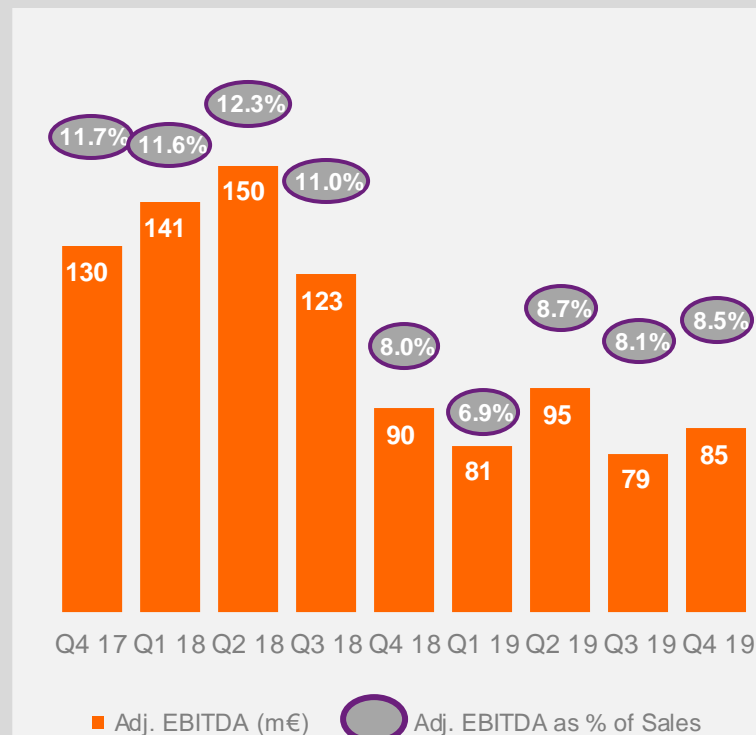
Q4 2019: Soft demand, destocking and high import pressure weighs on seasonal EBITDA recovery



Shipments suffer from weak demand, destocking and high imports



Q4 adj. EBITDA reflects ongoing challenging market environment



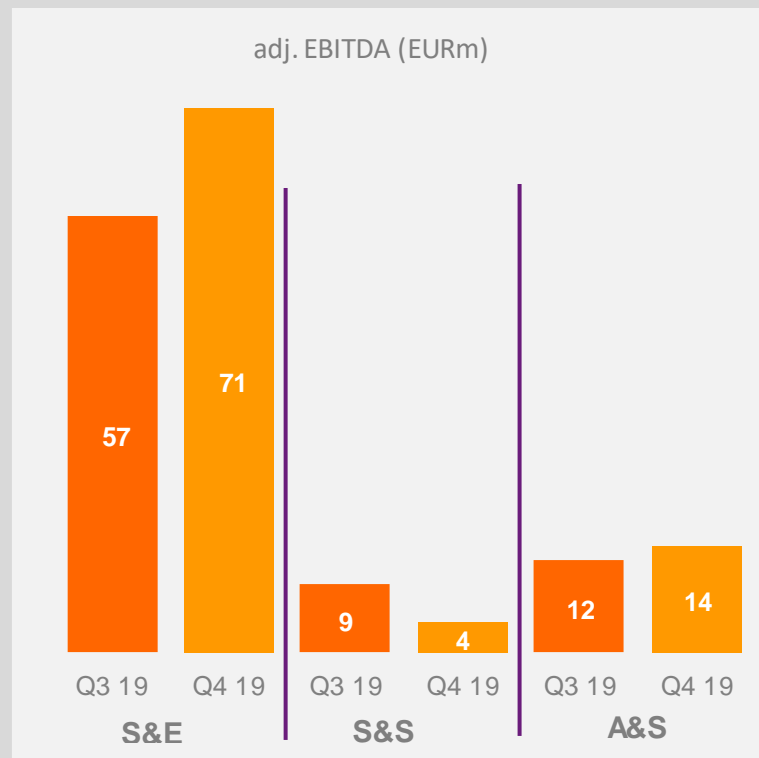
A challenging market environment allows for a soft seasonal Q4 improvement only

Financial results

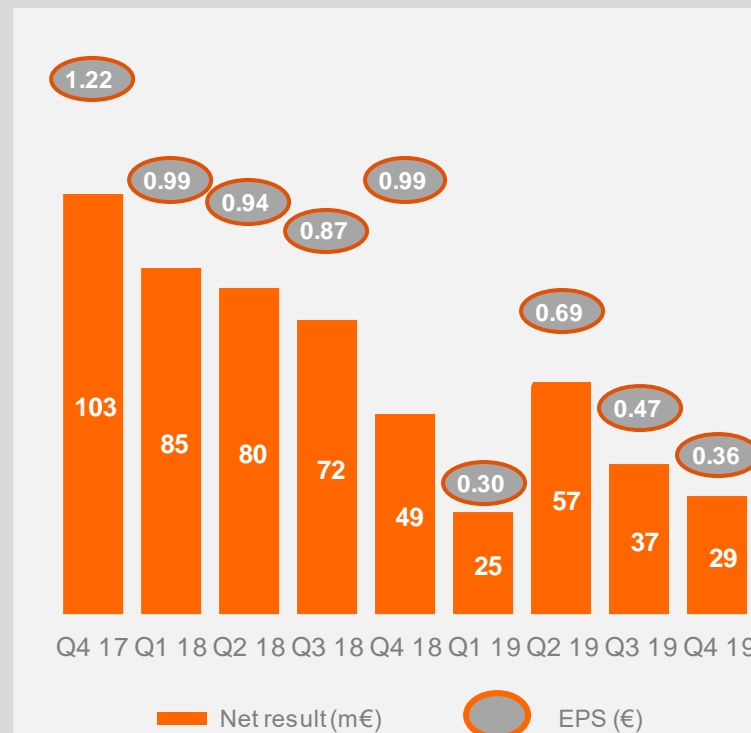
Q4 2019: Stable Alloys, upstream seasonality, S&S reflects tough market environment



Upstream seasonality, downstream weakness, alloys stability



EPS reflects deferred tax asset impairment*



Both pricing and volumes remain below the historic seasonal average

*Q4 2018: Financial results includes a EUR18m gain related to the convertible bond due to the expiry of put option by bondholders

*Q1 2019: Financial results includes a EUR11m charge related to the convertible bond due to accelerated amortization of the premium (reversal of the Q4-18 gain)

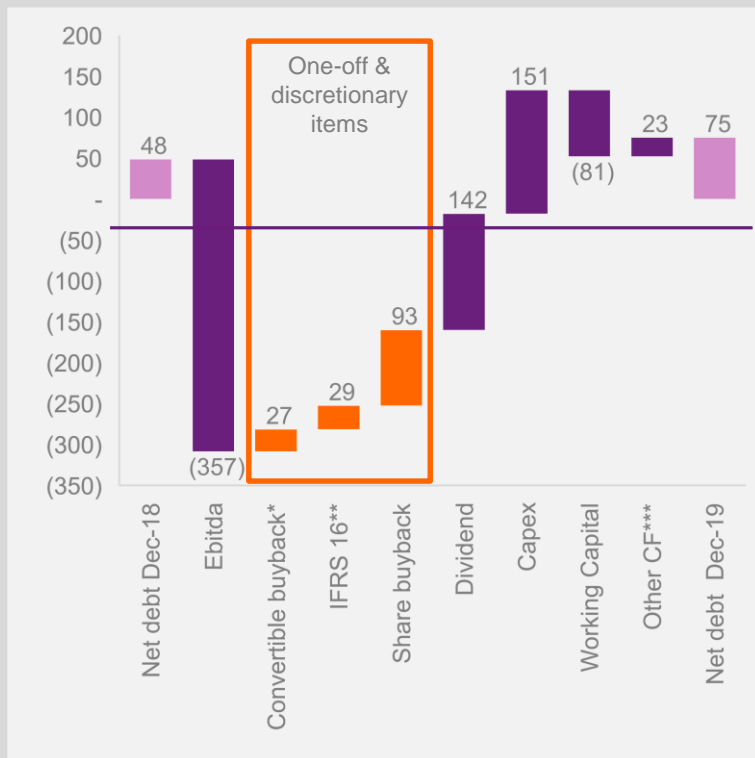
*Q4 2019: Income tax expense contains a EUR26m impairment of the deferred tax asset

Financial results

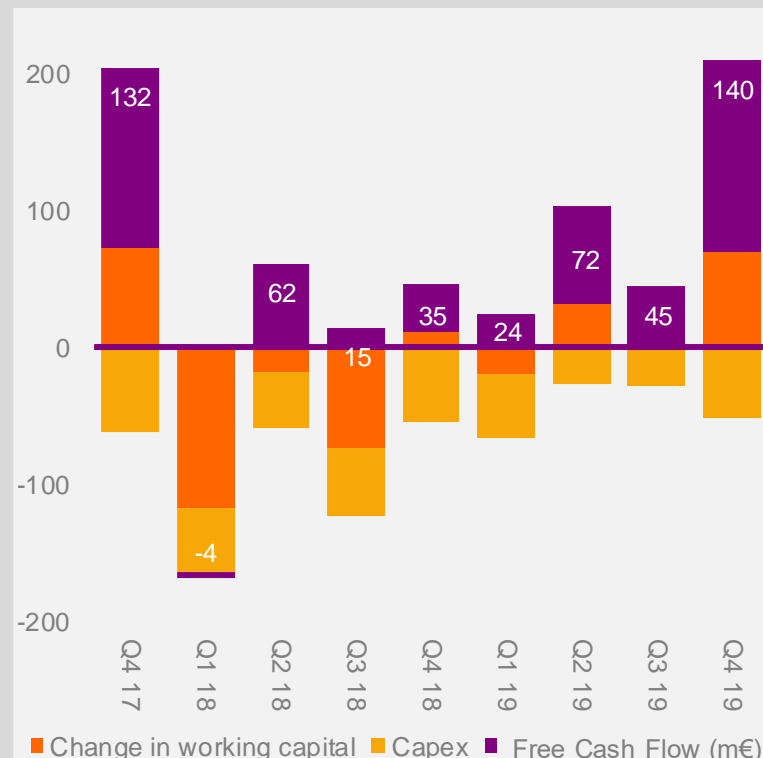
Q4 2019: Solid cash generation and first step to normalizing working capital yield a substantial net debt reduction



Hardly changed net debt despite a challenging year and a share buyback



High FCF due to >100% cash conversion and a first step to normalizing working capital



Aperam's dividend rests on a solid balance sheet and a structurally high FCF generation

* Of which EUR18m were non cash

**non cash item

*** Includes interest, taxes and other items like EUR30m from the Gerdau stake divestment

Value Strategy



Adobe stock

Investment case & value strategy

Guiding principle: Being a sustainable safe and profitable company



Aperam foundation

Industry leading
cash flow &
financial discipline

Lowest cost footprint
in Europe
& sole producer
in S. America

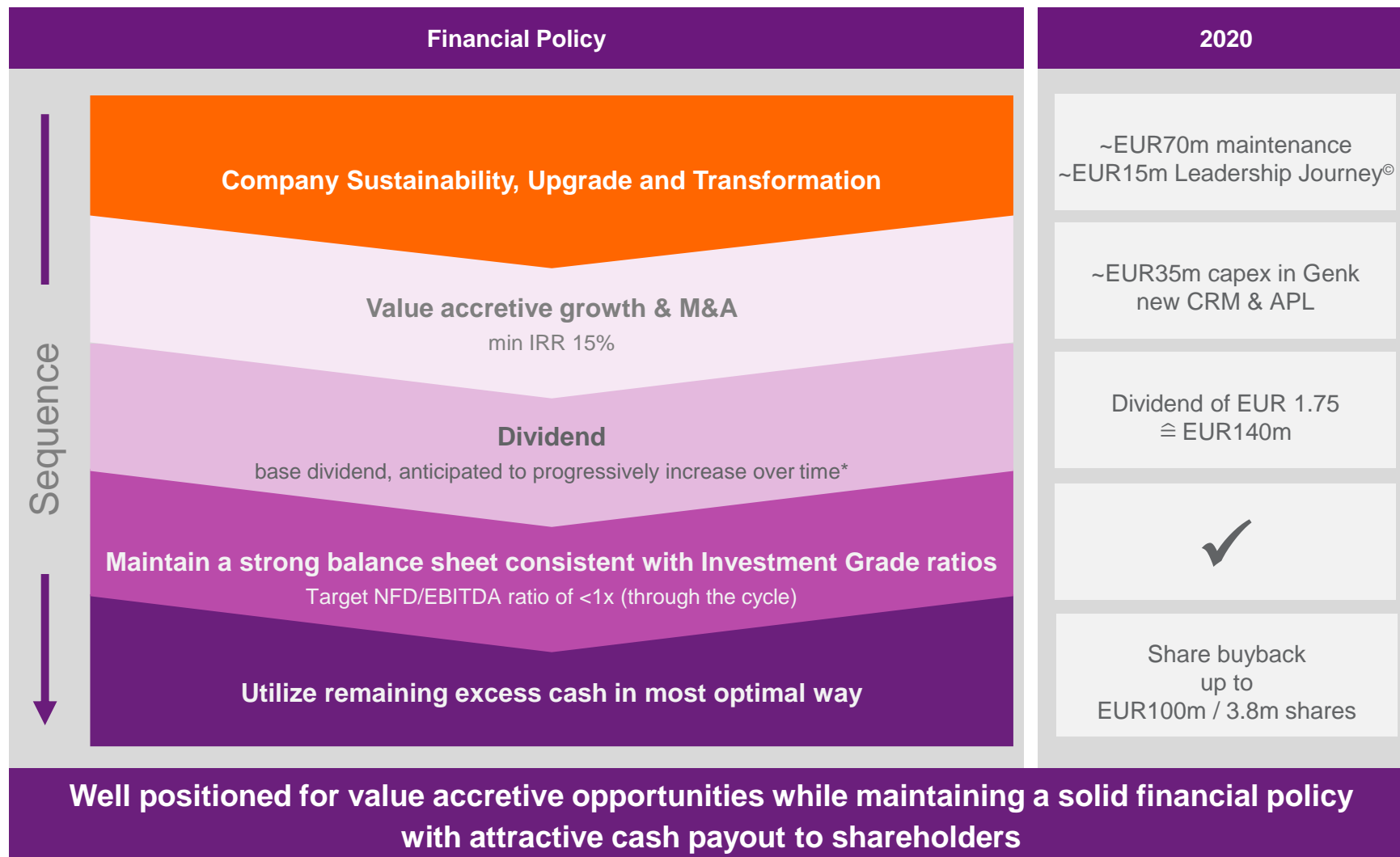
Strong balance sheet
& highest dividend
yield

Self help strategy
(Leadership Journey©)

Solid cash generation with strong shareholders' return.
New projects and Leadership Journey© will further improve Aperam's profitability

Investment case & value strategy

Financial policy: Strong balance sheet, investment in long term growth & sustainability and solid cash returns to shareholders



*Base dividend review in the (unlikely) event that NFD/EBITDA exceeds 1x.

Investment case & value strategy

Leadership Journey® Self help has turned Aperam into a resilient, profitable and cash generative company

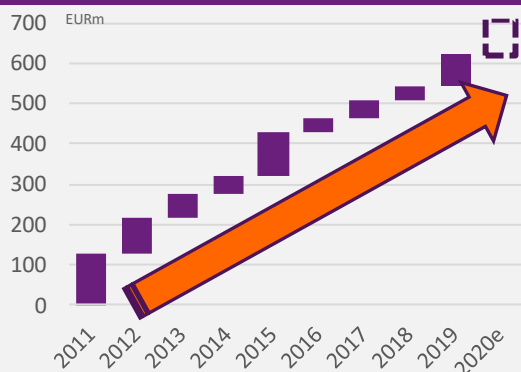


Phase 1 (USD350m):
2011-13 Restructuring

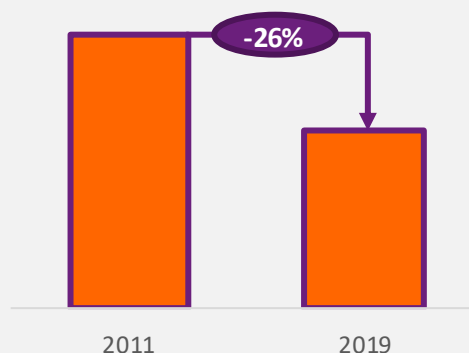
Phase 2 (USD225m):
2014-17 Asset upgrade

Phase 3 (EUR200m):
2018-20 Transformation

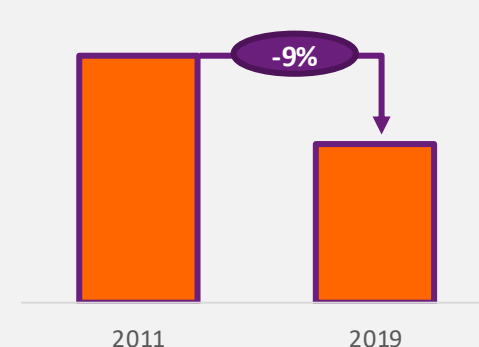
Realized cost savings



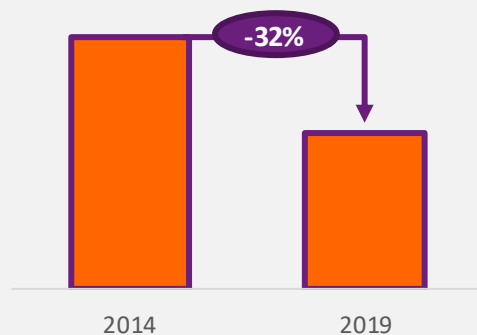
Number of production lines



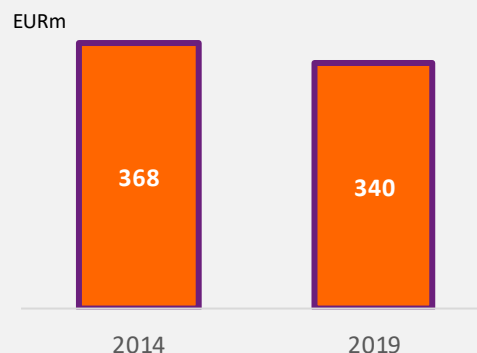
Headcount



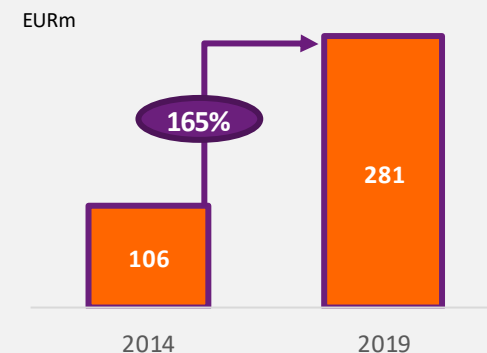
Base price



Adj EBITDA



Free cash flow



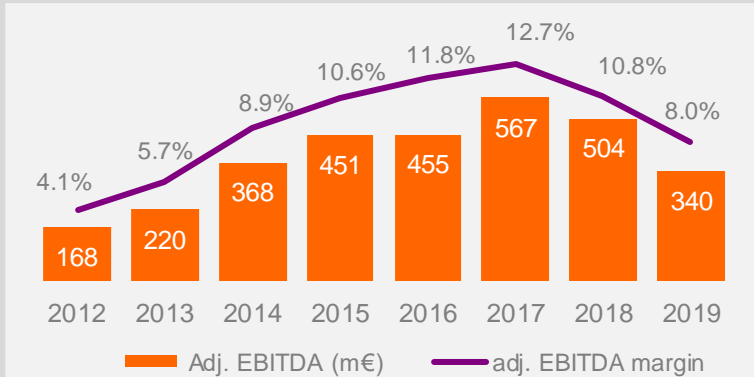
Source: CRU (base price), Aperam accounting data

Investment case & value strategy

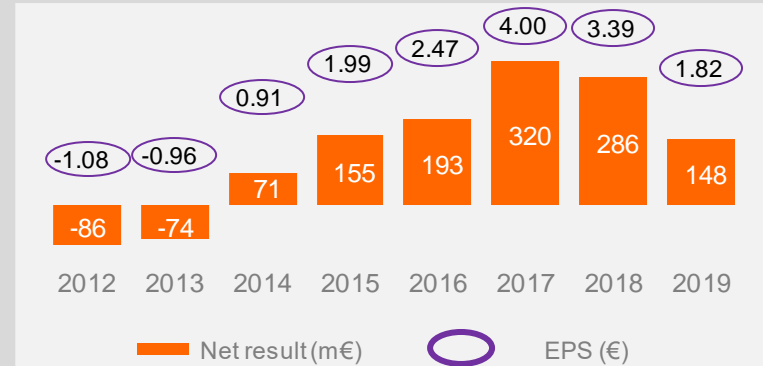
Track record: Aperam a solid performer even in challenging times



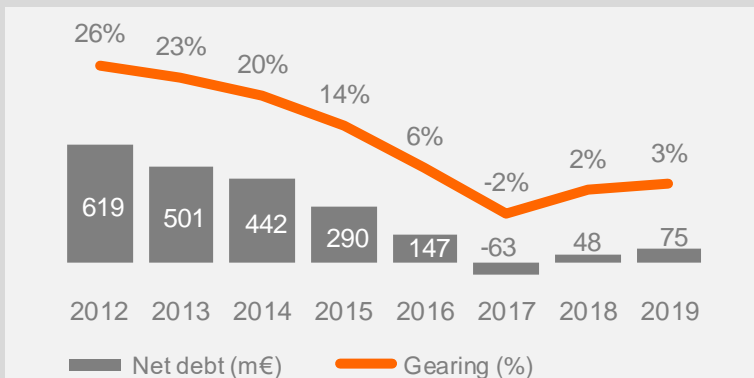
Solid operating performance despite market headwind



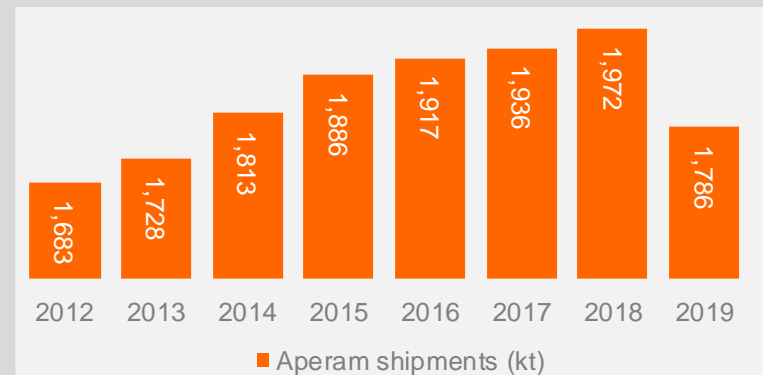
Transformation yields a positive net income even in a recessionary market environment



A strong balance sheet is corporate policy



2019 volumes reflect soft real demand in both EU and Brazil and trade war induced imports

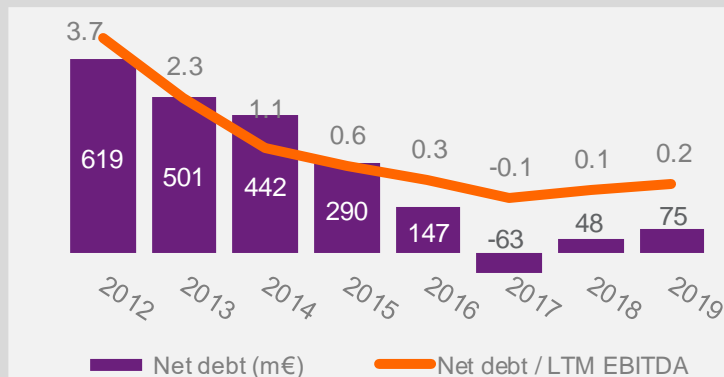


Investment case & value strategy

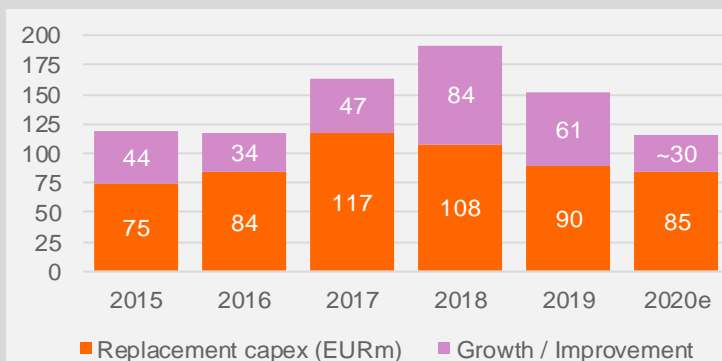
Resilience: Strong balance sheet, high liquidity and low maintenance capex



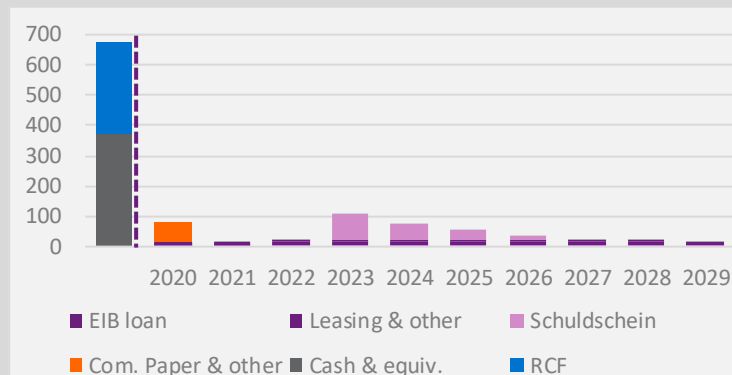
A strong balance sheet forms a solid base in a volatile industry*



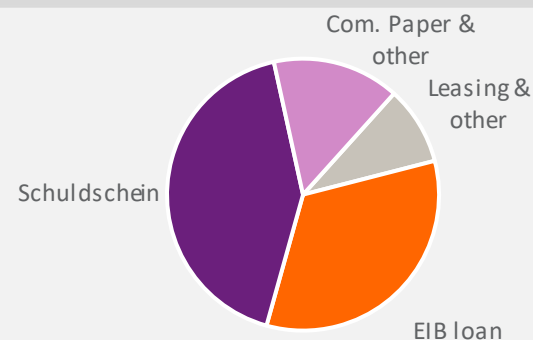
Low maintenance capex + solid investment in growth improvement



Balanced maturity profile



Flexible mix and broad range of financing instruments²



*Aperam intends to maintain a strong balance sheet that is consistent with investment grade ratios and contains no pledges of assets or earnings covenants

²Financing documentation is in line with investment grade standards and

Investment case & value strategy

Shareholder focus: We care about investors and can support it due to a high & stable FCF

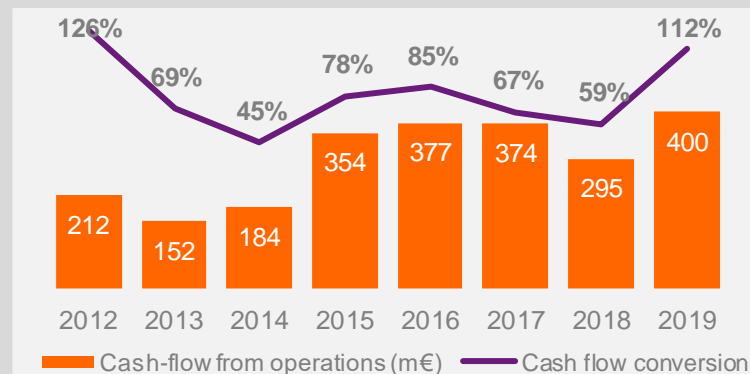


Solid cash generation through the cycle

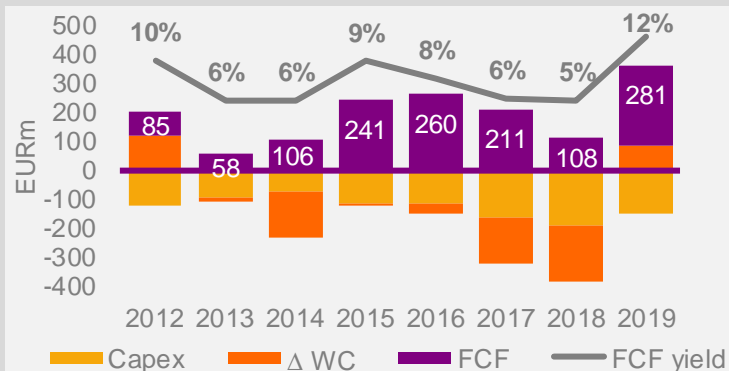
High profitability

Low cash taxes*

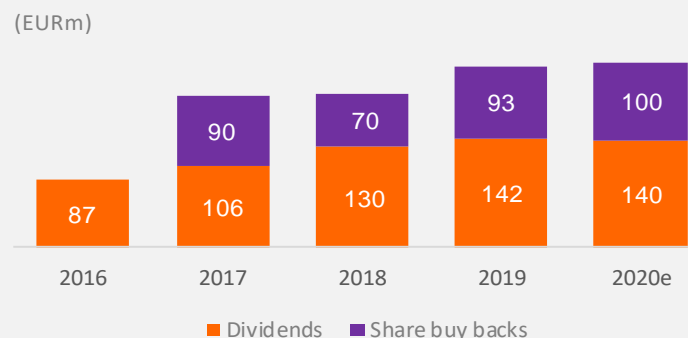
Low cash interest



Solid average 8% free cash flow yield*

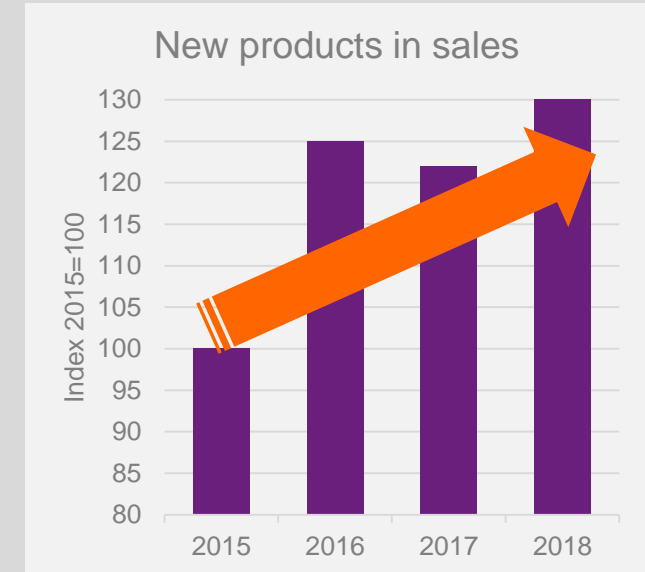
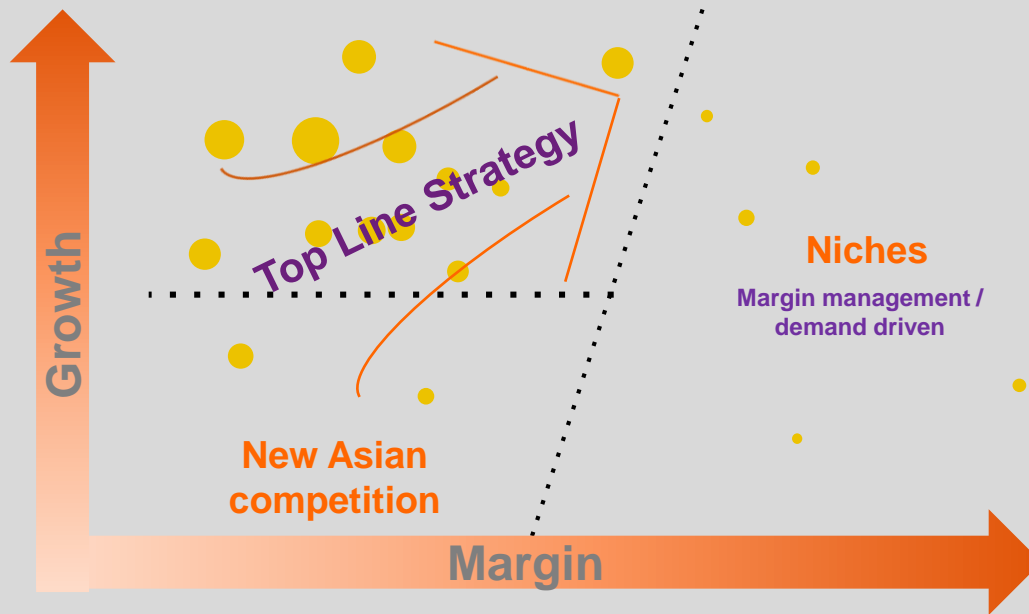


Best in class cash distribution to shareholders



*at year end 2019 the recognized deferred tax asset amounted to EUR143m and the unrecognized deferred tax asset amounted to EUR434m

Constant innovation to shift portfolio into attractive growth / margin segments



Guiding principle: strengthen product & service differentiation

- Increase competitiveness against other materials by improving existing solutions
- Innovate and apply existing solutions to new target markets
- Develop innovative new products
- Optimize product & customer mix
- Redefine distribution channels

Investment case & value strategy

ESG excellence: Take a look at Aperam from an ESG perspective



Our mission is to produce reliable, 100% recyclable, green stainless steel

Products

Non toxic, long lifespan and 100% indefinitely recyclable without loss of quality

Climate change

We have the lowest CO₂ footprint in the stainless industry globally

Environment

We are recycling champion and 33% of our energy intake is renewable

Process

We have ambitious ESG targets and a convincing track record

Social

We value our diverse workforce, invest in training & 86% rate us a good employer

Governance

The majority of our board is independent

Compliance

We have a robust compliance framework and a zero tolerance policy

Please find our complete ESG presentation & report at: www.aperam.com/sustainability



Silène luminaris sive Muflier de Borges, Miguel Chevalier Fondation Clément, Le François, Martinique – France Fabrication : Serrurerie La Parette, Roquefort-la-Bédoule
Aperam stainless steel used / Aperam 316 Hot Rolled

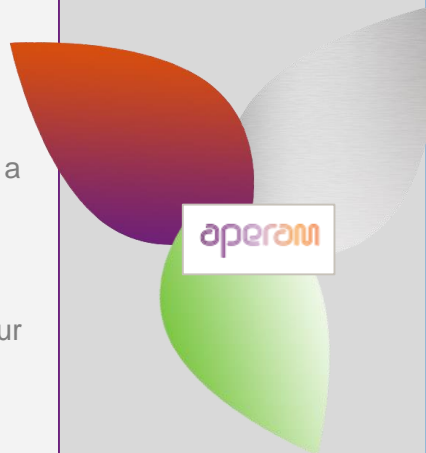


Aperam produces the greenest stainless steel globally

We take E, S and G seriously

Governance & Stakeholders

- Our **high ethical standards** are reflected in our robust corporate governance and structured compliance program with a zero tolerance policy for non compliant behavior
- our **Board of directors** is composed of a majority of independent directors
- Board Committees are independent members only
- We aim to be a **partner of choice** for our customers and suppliers
- Our **Corporate Responsibility** is reflected by local programs and stakeholder engagement



Social

- Our people are colleagues with whom we share values and a common future
 - Their **safety** is our non-negotiable priority
 - Their **motivation** and creativity is our greatest asset
 - Their **development** is a key to our success.
- We actively promote **diversity**
- We believe in a positive dialogue and have collective labour agreements in place throughout Aperam

Environment

- As an energy-intensive company, we consider environmental consciousness as a necessary prerequisite to our sustainable profitability
- Recycle: Our products are infinitely recyclable and our main input in Europe is recycled scrap
- We have an industry leading CO2 footprint with the greenest” stainless steel globally due to our FSC-certified forest in Brazil
- We have clear targets in place to improve our environmental performance and are a member of Responsible Steel®

Our mission is to produce reliable, 100% recyclable, green stainless steel

- Our stainless & alloy products are 100% recyclable - without any loss of quality
- Our products have a very long useful life – they support and enable a sustainable global development
- Our products are non toxic in production and usage
- We are the only stainless steel mill using 100% charcoal instead of coal based coke in our BF's
- Our European production is predominantly based on scrap recycling: >80% of raw material
- Our product is 'Green Steel' because it is produced from a clean and renewable energy source
By doing so, we maintain a relationship of respect with the surrounding environment



Recycling



Mechanical
properties



Resistance
to fire



Corrosion
resistance



Cleanability



Aesthetics

Steel is an alloy of iron and carbon. Stainless steel additionally contains at least **10.5% chromium**. Stainless steels' corrosion resistance and mechanical properties can be further enhanced by adding other elements, (eg **nickel, molybdenum, titanium, niobium, manganese**, etc) and through mechanical & thermal treatment



Our mission is to produce reliable, 100% recyclable, green stainless steel



Renewable energy



Recycling

In our **BioEnergia unit**, based in Brazil, we produce **charcoal** from our FSC-certified **sustainably cultivated eucalyptus forests in Minas Gerais**

Charcoal is used in our steel-making process as a natural and renewable substitute for fossil fuels (coke). We managed to eradicate entirely the use of coal based coke in our blast furnaces which gives us a sector leading CO2 footprint

In Europe, our main input is recycled scrap (>80%). We truly believe in and work to promote the circular economy

We are true promoters of the circular economy, with a 100%-owned Recyco unit dedicated to the recycling of melting shop dust and sludges in Europe

ESG summary

Aperam supports the United Nations' Sustainable Development Goals



We take broad responsibility: our Products and Environmental and Social action

3 GOOD HEALTH AND WELL-BEING



Health & Safety is Aperam's primary concern and the priority in all our proceedings

5 GENDER EQUALITY



Gender balance is ranked highly on our priority list as from 2017 and has received a special commitment from management, who decided to set up specific objectives for creating more gender balance in our workforce

6 CLEAN WATER AND SANITATION



In our forestry, located on hydric-stressed areas like our other plants, lowering water consumption and improving the quality of discharge are key elements of our environmental strategy

7 AFFORDABLE AND CLEAN ENERGY



More than 30% of Aperam's energy comes from renewables as biomass (charcoal) and, via pilot projects, wind and solar

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Research & Development and innovation are top priorities for Aperam. We also help our customers adapt their own processes (welding, stamping, etc.) to make the most of their tools

11 SUSTAINABLE CITIES AND COMMUNITIES



Aperam is committed to a sustainable cohabitation with our neighboring communities, allowing host cities to thrive and addressing inhabitants' legitimate requests

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Aperam is a recycling champion: We use the maximum amount of recycled material (not only scrap) in our production and also take good care to leverage wastes and by-products in line with our zero-waste target

13 CLIMATE ACTION



Our BioEnergia cultivated forest produces charcoal which prevents use of met coal & coke and acts as a FSC certified carbon sink. Our plants are constantly reducing their energy consumption and participate in our climate action plan

16 PEACE, JUSTICE AND STRONG INSTITUTIONS





Ethics are a key component to Aperam's values. We comply with all applicable regulations, interact transparently with authorities and support the fight against corruption, money laundering and anti-competitive practices - among others

ESG summary

Social: Our people are our asset



Criteria	2020 Target	Aperam 2018 status	Steel industry 2017*
Lost-time injury frequency rate	<1	1.43 	2.93
Employee satisfaction ¹	N/A	86% 	78%
Diversity	Increase	Women 12% of staff 20% of exempts	
Training hours/FTE	Increase	34	
Absenteeism	2.0	2.29	

Safety always comes first at Aperam. We rely on our people to transform our company from a traditional industry into a connected, agile and innovative organization

* Heavy manufacturing, Worldsteel 1 For the seventh consecutive year, Aperam S America was selected as one of the best companies to work for by Guia Você S/A, in recognition of our work on employee health and wellbeing

ESG summary

Environment: A best in class footprint²

*We aim to become
carbon neutral by 2050
in Europe*



Criteria	Target 2030	Aperam 2018 status	Steel industry 2017
Energy intensity*	12.1 GJ/t -5% vs 2015	12.5 GJ/t -2%	
CO2 intensity**	0.45 t/t -15% vs 2015	0.49 t/t -9%	0.95 t/t ²
Water consumption	5.9 m ³ /t -40% vs 2015	9.9 m ³ /t -1%	
Dust intensity	70 g/t -70% vs 2015	89 g/t -63%	
Zero Waste target	>97% reused / recycled	93.3%	

We aim to exceed environmental legislation and are committed to continuous improvement

*amounts to -11% on electricity & natural gas
the incentive for CO2 savings ²per ton of slab

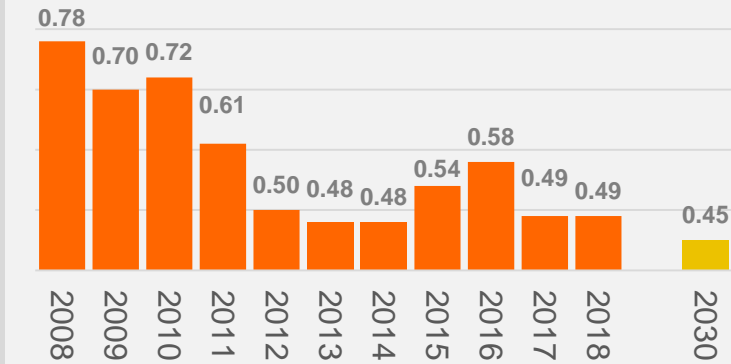
**Scope 1+2. An internal CO₂ price of €30/t is applied to all investments. We review and adjust this if necessary to maintain

ESG summary

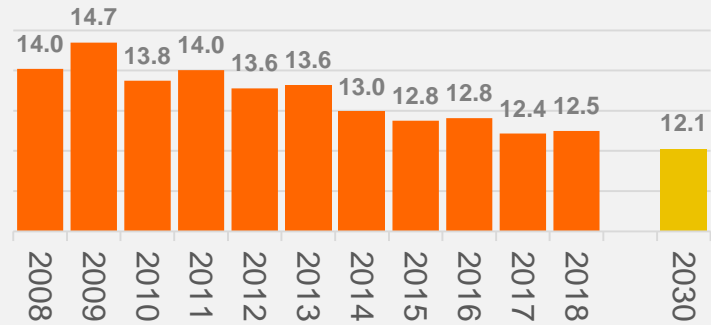
Environment: Aperam has a convincing environmental track record and clear improvement targets*



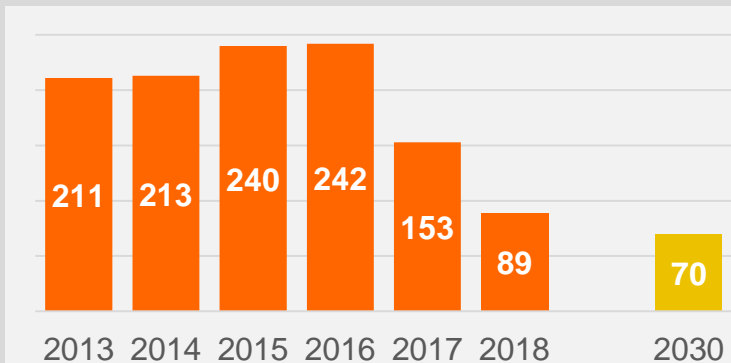
CO2 emissions (t/t crude steel)*



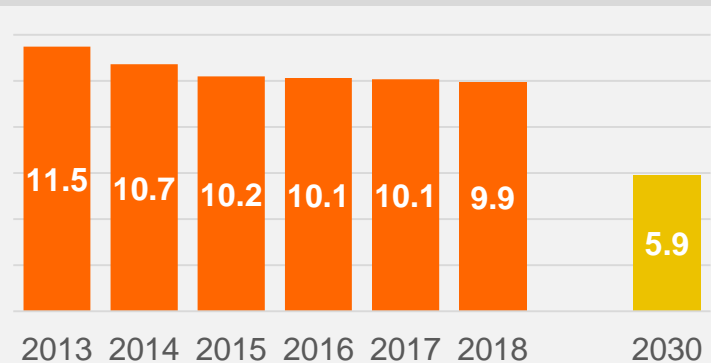
Energy consumption (GJ/t crude steel)



Dust emissions (g/t crude steel)



Water intake (m³/t)



target ●

Actual ●

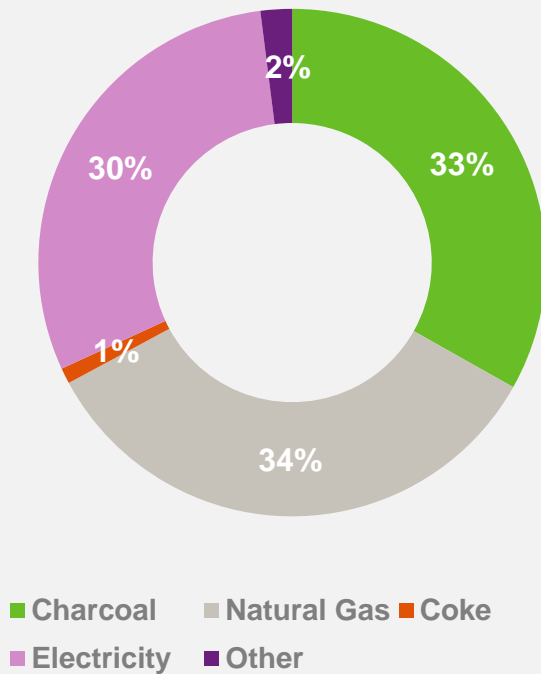
*scope 1 & 2

ESG summary

Environment: Bio Energia & recycling give Aperam a best in class climate change footprint

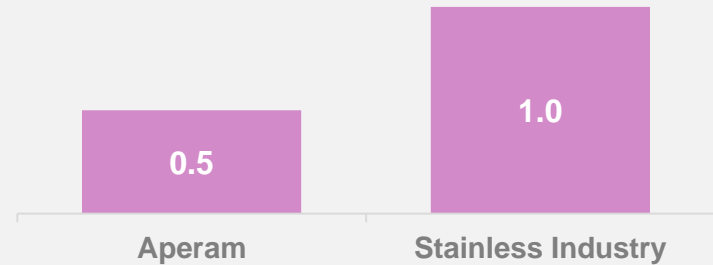


Aperam energy mix 2018

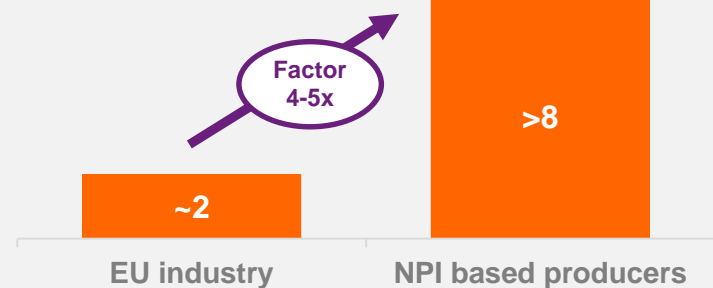


Aperam's has the smallest CO₂ footprint in the industry*

CO₂ t/t scope 1+2



CO₂ t/t scope 1+2+3



Our sustainably cultivated forest in Brazil is a unique asset

Source: Aperam estimates & calculation, ISSF data, CRU

*Data is for austenitic HR steel, scope 1+2

Key facts & compensation

- Entrusted with day-to-day management of the Company
- Appointed by the Board of Directors
- Experience and industry know how
- Average age: 48 / 6 Nationalities
- CEO: responsible for Aperam's sustainability performance and compliance
- CHRO, Head of Communication and Sustainability
- Compensation aligned with long term interest of the Company and its stakeholders
 - ✓ Multiplier for performance related bonus includes H&S factors (1 year plan)
 - ✓ Long term incentive plans based on EPS and TSR evolution (3 year plan) vs relevant peers and index

A diverse & experienced team

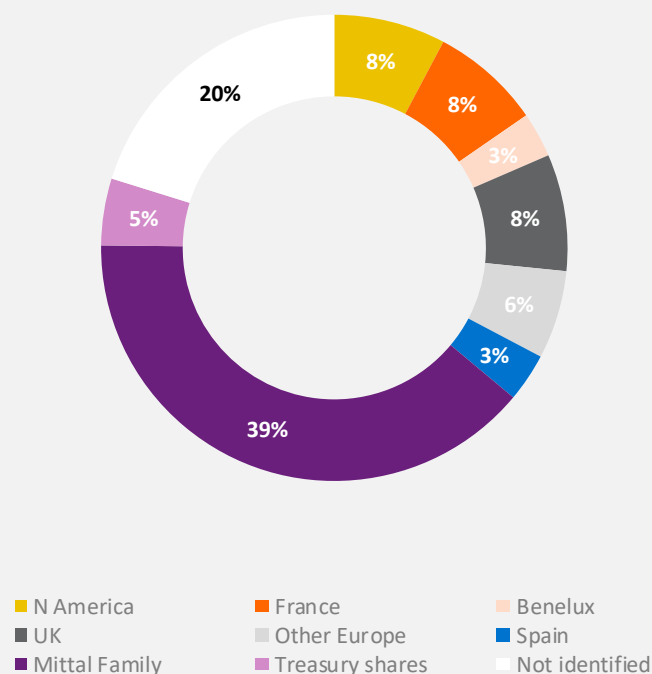


Aperam benefits from the experience and industry know-how of its Leadership Team

Principles of our board

- Responsible for strategic direction and oversight of the business, as well as for appointing senior management
- Election subject to shareholder approval. Directors are elected for 3 year terms
- Chairman: Mr. Lakshmi N. Mittal
- Lead Independent Director: Mr. Romain Bausch
- 7 members with a majority of independent directors (4 independent directors out of 7)
- 2 Board Committees composed of 100% of independent directors and reporting to the Board of Directors:
 - Audit and Risk Management Committee covering also ESG matters ; Chair: Ms. Bernadette Baudier
 - Remuneration, Nomination and Corporate Governance Committee ; Chair: Mr. Romain Bausch

Shareholder structure



Diverse skills, backgrounds, knowledge, experience, geographic locations, nationalities and gender are reflected on our board and ensure effective governance

Business overview





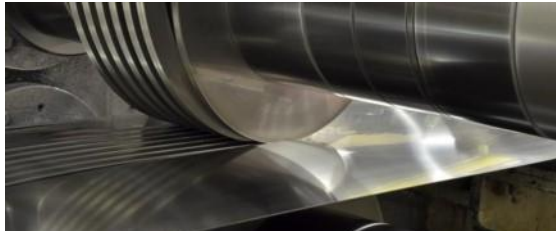
Musée des Confluences in Lyon, France. Architect: Coop Himmelb(l)au © Sergio Pirrone. Stainless steel used: Aperam 316L/1.4404 with Uginox Me

Group segments & corporate structure

Business overview

Group: Segments & corporate structure*









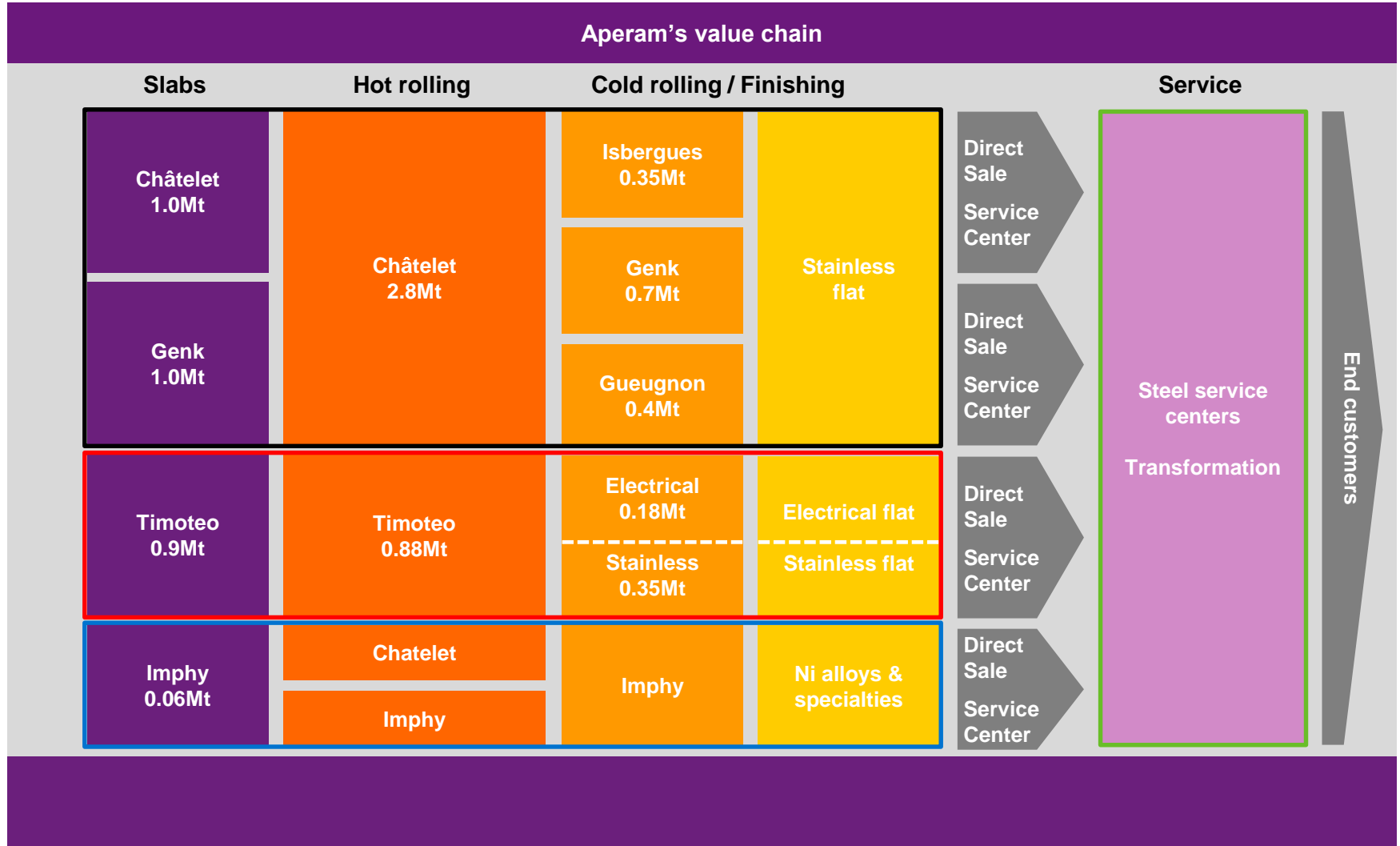
Stainless & Electrical Steel	Services & Solutions	Alloys & Specialties
2.5mt production capacity 1.7mt of gross shipments 73% of group adj EBITDA	706kt of gross shipments 13% of group adj EBITDA	40 kt production capacity 36kt of gross shipments 14% of group adj EBITDA
<p>One of the largest global producers of stainless steel**</p> <p>Europe: 2 Electric Arc Furnaces use scrap as major input material Stainless steel flat product output</p> <p>South America: 2 blast furnace use iron ore and charcoal produced from own forests 2 EAF use recycled scrap Stainless flat products & electrical steel</p>	<p>Aperam sells and distributes its products through the S&S segment, which provides value added and customized steel solutions through further processing to meet specific customer requirements. S&S core activities:</p> <ul style="list-style-type: none">• direct sale of Aperam products to end users• distribution of Aperam and third party material• transformation services, according to specific customer requirements	<p>Fourth largest producer of nickel alloys globally</p> <p>Aperam specializes in nickel alloys and specific stainless steels</p> <p>Our products take the form of bars, semis, cold-rolled strips, wire and wire rods, and plates, and are offered in a wide range of grades</p> <p>High value items that are often sold on a kg basis</p>
		
Aperam covers the complete stainless value chain with industry leading assets in Europe and Brazil		

*gross shipments and adj EBITDA are before eliminations

** By production capacity

Production assets in Europe and South America

Châtelet, Belgium	Genk, Belgium	Gueugnon, France	Isbergues, France	Timóteo, Brazil	Imphy, France
					
Location & facts Melt shop Hot rolling mill	Location & facts Melt shop Finishing	Location & facts Cold-rolling mill Finishing	Location & facts Cold-rolling mill Finishing	Location & facts Melt shop Finishing	Location & facts Melt shop Finishing
Capacity Slabs 1,000 kt HSM 2,800 kt	Capacity Slabs 1,000 kt 2 m wide capacity 316 and duplex grades Cold-rolling 700 kt	Capacity Finished 400 kt Specialized in Bright Annealing (BA) products and stabilized ferritics.	Capacity Finished 350 kt LC2i: integrated line	Capacity* Slabs 900kt Stainless finished 350kt Electrical CR: Grain oriented 60kt Non GO 170kt SP Carbon 200kt <small>*some lines are flexibly used for different products</small>	Capacity EAF 60kt 1 VIM, 2 VAR, Rotary continuous Caster for long products Wire hot rolling mill: 40kt 6 Cold rolling mills



Stainless & Electrical Steel Europe
 Stainless & Electrical Steel South America

} Stainless & Electrical Steel

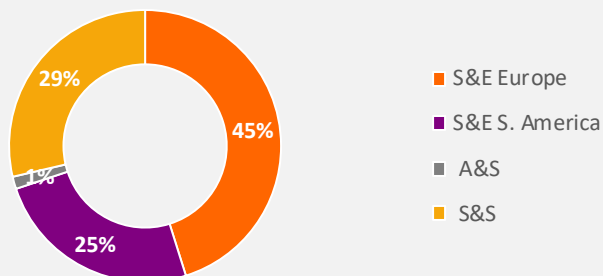
Alloys & Specialties
 Services & Solutions

Business overview

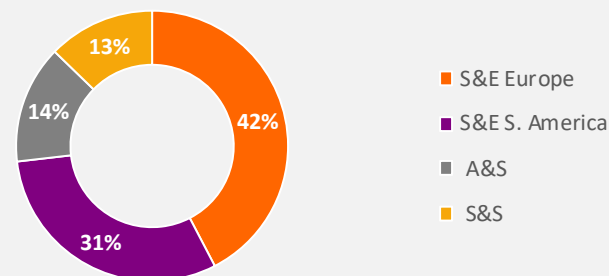
Group: A balanced risk profile and customer structure



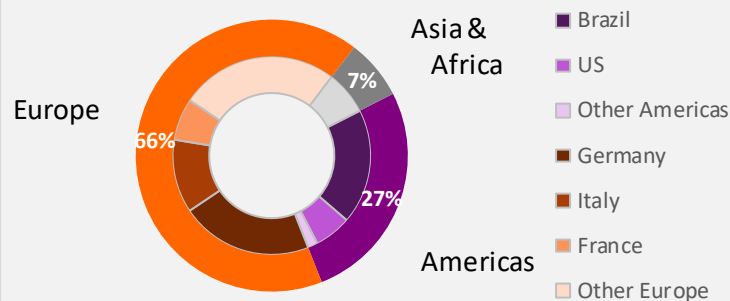
Shipment split by segment 2019*



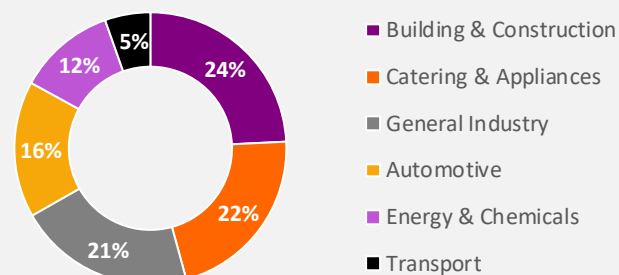
Adj EBITDA contribution by segment 2019*



Revenue by region 2019



Revenue by customer industry 2019



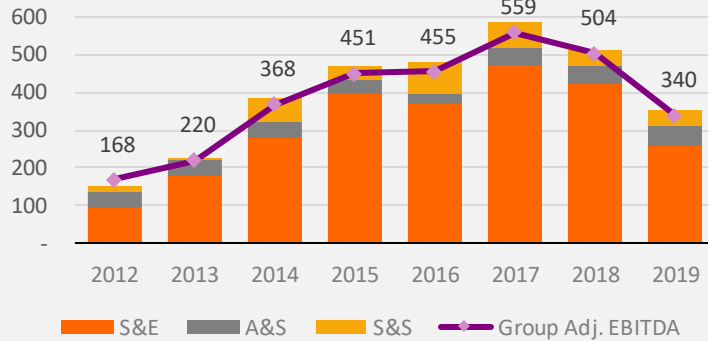
* Calculated on segmental data before eliminations

Business overview

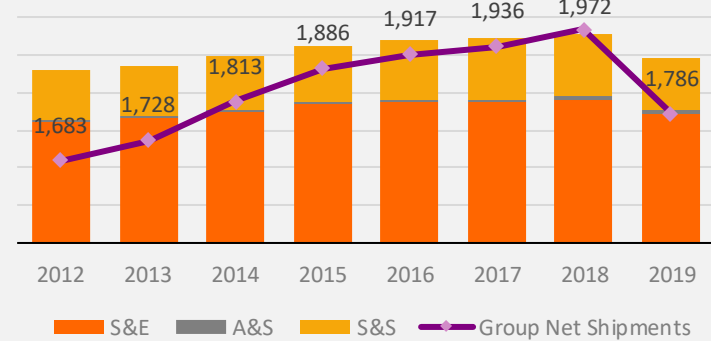
Group: Self help has transformed the group. Higher cash generation and profitability even in adverse market conditions



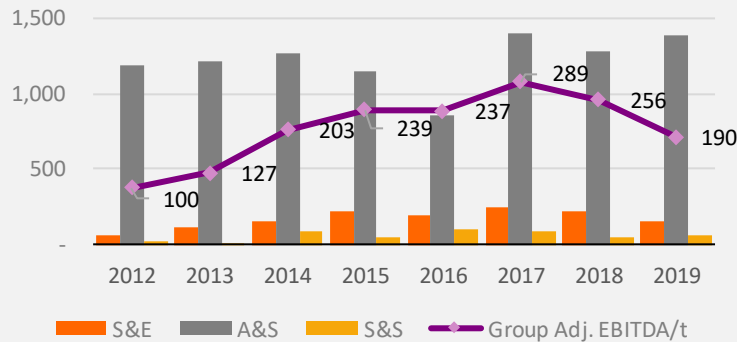
Adj EBITDA by segment (EURm)



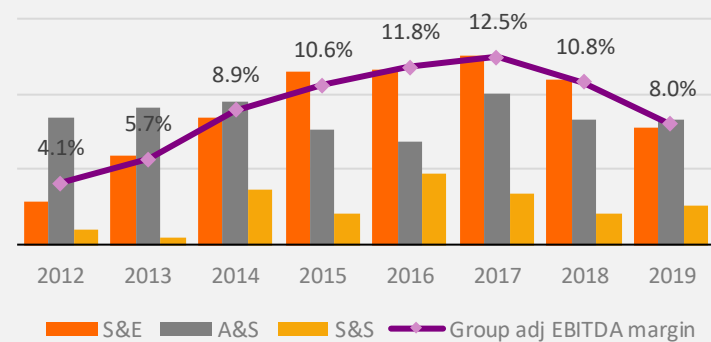
Shipment by segment (kt)



Adj EBITDA/t (EUR)



Adj EBITDA margin



Stainless & Electrical Steel

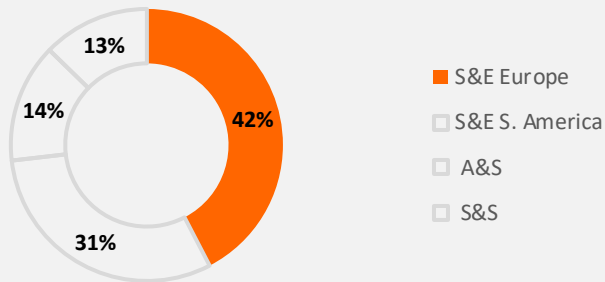
Europe

Business overview

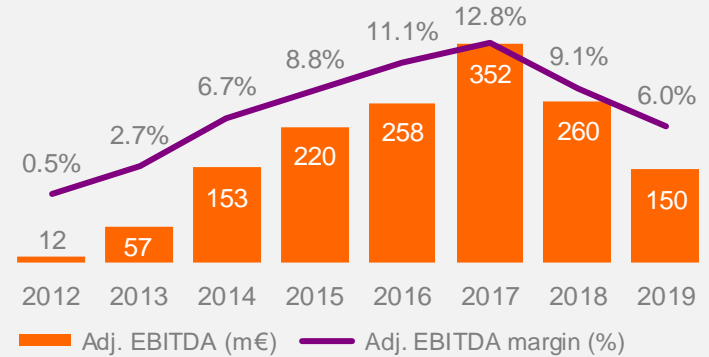
S&E Steel Europe: Self-help measures yield a robust operational performance despite a price and volume squeeze



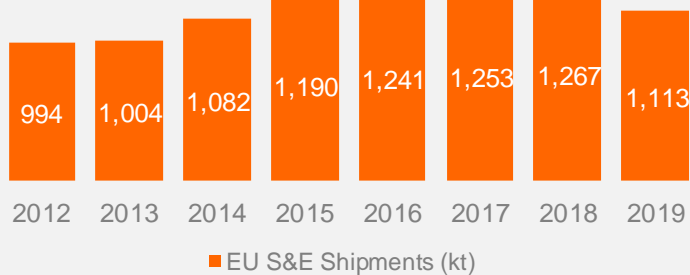
Major adj EBITDA contributor 2019



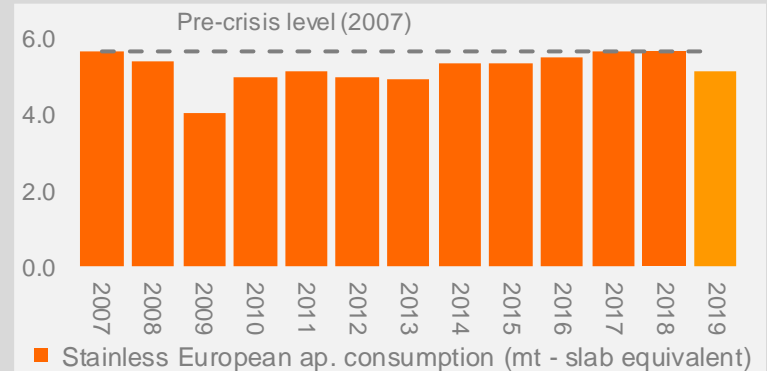
Robust profitability capitalizing on restructuring



European shipments reflect import pressure, destocking and weak real demand



European stainless steel demand came under cyclical pressure in 2019



Business overview

S&E Steel Europe: Leverage Aperam's unique position



European stainless steel industrial footprint



Aperam key competitive advantage

Sourcing

- The only integrated upstream operations in the heart of Europe
- Superior access to scrap supply

Logistics

- Best location to serve the biggest consumption areas of Europe
- Efficient logistics between sites results in industry leading working capital management

Production

- Full range of products with flexible capacity
- Increase scrap recycling to minimize environmental impact
- Aim to become cost leader in the key products

Located in the heart of European scrap generation and stainless consumption

EU trade action update

Further actions against unfair trade have been initiated in addition to the existing Safeguard



NEW

	Safeguard	Anti-dumping (AD)	Countervailing duties (CVD)
Aim	<ul style="list-style-type: none"> Maintain traditional trade flows Volume focused 	<ul style="list-style-type: none"> Duty on imports that are <u>priced below fair market value</u>** Price focused 	<ul style="list-style-type: none"> Neutralize effect of <u>subsidies</u> that benefit certain imports Price focused
Countries affected	<ul style="list-style-type: none"> All countries globally (if not explicitly exempt) Effective since February 2019 (Indonesia included from 1 Oct. 2019) 	<ul style="list-style-type: none"> Hot rolled: <u>Case opened by EU commission in August</u> against China, Indonesia, Taiwan Decision expected during Q2 2020² 	<ul style="list-style-type: none"> Hot rolled: <u>Case opened by EU commission in October</u> against China, Indonesia Decision expected by mid 2020²
Measure	<ul style="list-style-type: none"> HR quota 354kt pa* CR quota 836kt pa* Largest importers have a country quota. A residual quota for all others 25% duty for shipments > quota 	<ul style="list-style-type: none"> Hot rolled: duty to be determined according to materiality of injury Registration of HR imports from China, Indonesia, Taiwan since 25 Jan 	<ul style="list-style-type: none"> Hot rolled: duty to be determined according to unfair advantage granted Registration of HR imports from China & Indonesia since 25 Jan
Impact	<ul style="list-style-type: none"> HR imports: FY 2018: 470 kt FY 2019: 499 kt CR imports: FY 2018: 1,044 kt FY 2019: 931 kt 	<ul style="list-style-type: none"> HR: impact to be determined LTM HR share of imports: China 59%, Indonesia 16%, Taiwan 8% 	<ul style="list-style-type: none"> HR: impact to be determined LTM HR share of imports: China 59%, Indonesia 16%

Existing AD on cold rolled against China (25.3% duty) and Taiwan (6.8% duty) since 2015:
China CR import share dropped from 32% in 2014 to negligible post AD was imposed

We expect new measures against unfair trade to become effective during Q2

*Effective quota from 1 July 2019 to 30 June 2020. Quota relaxes by 3% on 1 July 2020 / annual for country quotas, quarterly for residual / SS Hot Rolled country quotas: China, S. Korea, Taiwan, USA SS CR: country quotas S. Korea, Taiwan, India, USA, Turkey, Malaysia, Vietnam **could be difference between domestic market price and export price or cost based ²preliminary duties

Stainless & Electrical Steel

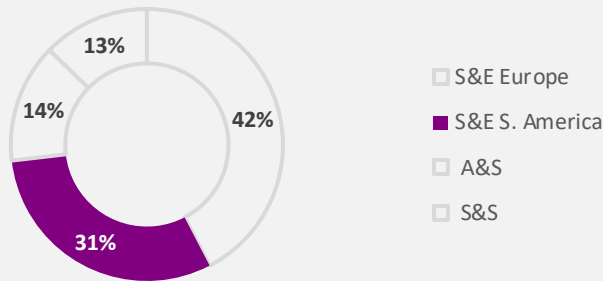
South America

Business overview

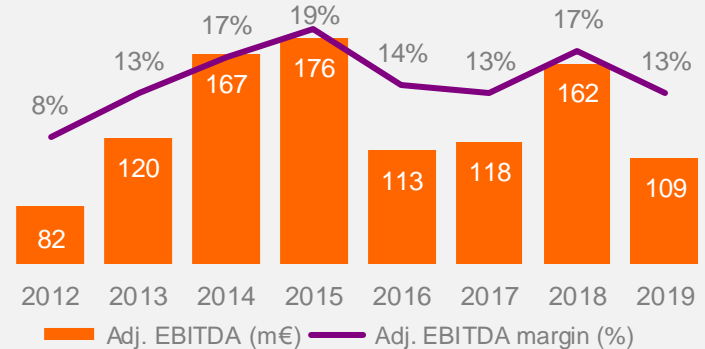
S&E Steel South America: A flexible, agile and highly profitable asset



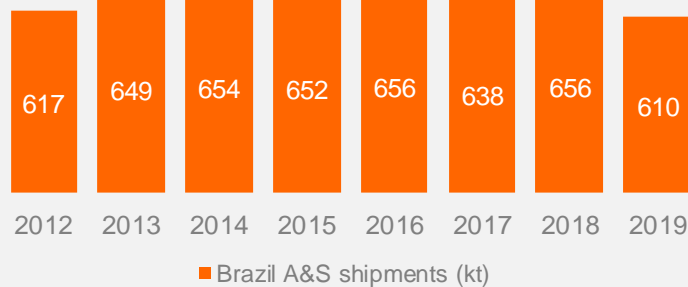
A significant adj EBITDA contributor 2019 despite demanding conditions



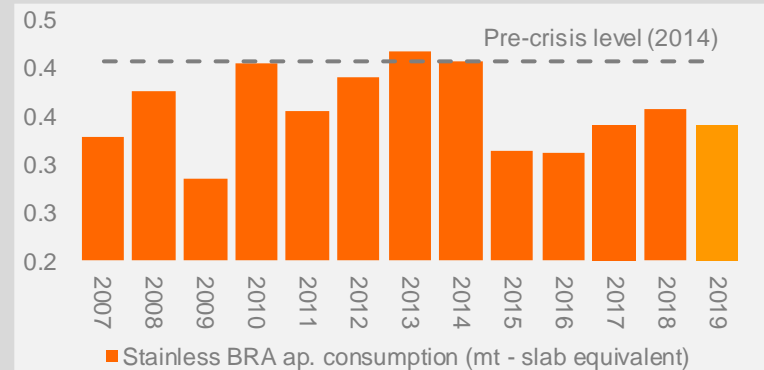
Earnings reflect weak domestic economic environment



Stable shipments due to mix of domestic and exports



Weak economic growth continues to weigh on stainless steel consumption in Brazil



Business overview

S&E Steel South America: Our Brazil asset is unique – the only stainless steel producer in South America



Aperam South America footprint



Upstream integration

Bio Energia

Cost competitive & environmentally friendly charcoal from own cultivated forests is used to heat the blast furnace



Range of products

Stainless Steel

A complete range of stainless steel grades (austenitics, ferritics, duplex, martensitics)



Grain oriented electrical steel

Grain oriented electric steel* for use eg in stationary machines eg transformers



Non grain oriented electrical steel

Non-grain oriented electric steel** for use in electric motors and generators



Special carbon steel

Alloyed, high, medium & other special carbon steel are completing product portfolio



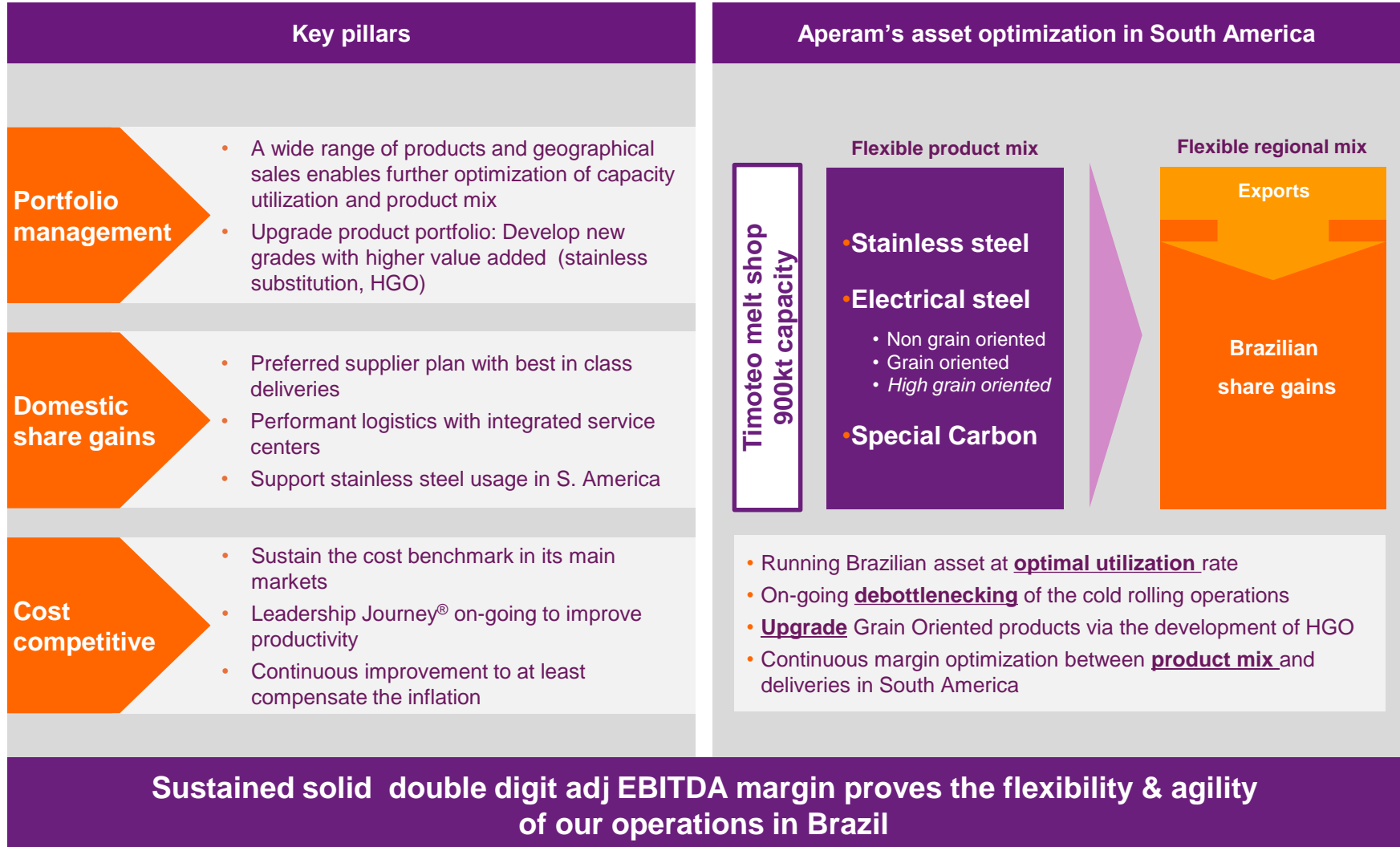
**The sole flat stainless steel producer in South America
with a complete range of products, and a flexible production set-up**

*Grain oriented steel (GO & HGO) has the magnetic properties optimized in one direction during hot rolling.

**Non-grain oriented steel (NGO) has identical magnetic properties in all directions

Business overview

S&E Steel South America: Brazil can switch flexibly between products and markets to maximize profitability

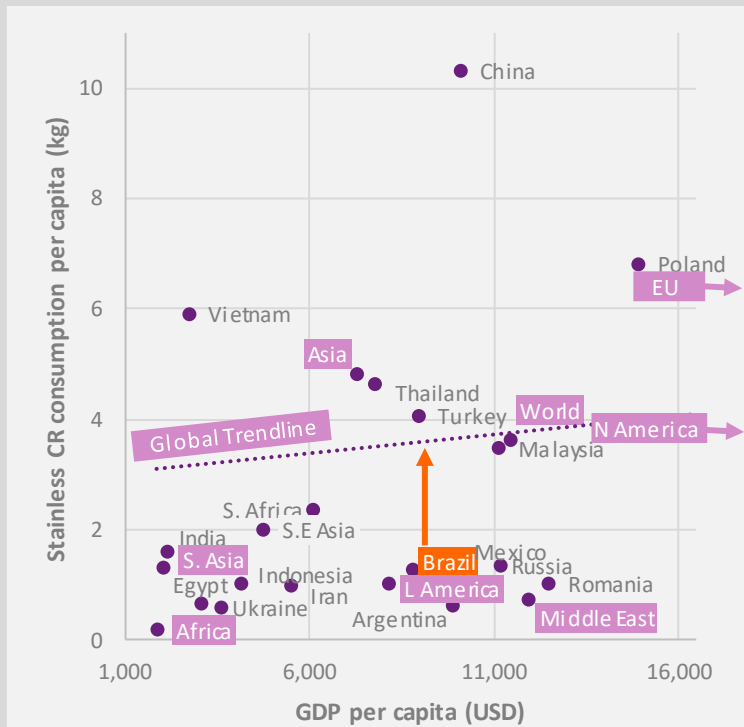


Business overview

S&E Steel South America: Brazil offers ample opportunity for both cyclical and structural growth



Brazil consumes substantially below the global trend line



Brazil opportunities

- ✓ **Short term:** reviving the normal investment cycle in the economy. Large scale infrastructure & energy projects have been missing
- ✓ **Medium term:** Tax reform, followed by a change of import duties. Reforms that put our customers in a position to compete on a global level will drive volume and yield a positive mix effect
- ✓ **Long term:** Higher standard of living will drive stainless steel consumption. Currently Brazil at 1.4kg / capita vs China >9kg/capita and a GDP implied consumption of >3.5kg/capita

Examples of stainless steel solutions in the Agrobusiness:



Equipment for the transport and sterilization of Palm fruits



Equipment for washing gases from biomass burning



Slats of metallic conveyor belt for the transport of sugarcane

Largest global producer of:

- Coffee
- Orange
- Sugarcane and sugar

Largest global exporter of:

- Meat
- Poultry
- Sugar
- Ethanol

Brazil has tremendous potential for volume & mix improvement

S&E Steel South America: Brazilian protections against unfair market behaviour



Type of products	Import duties status	Anti-dumping status
Stainless Steel Flat Products	✓ Normal import duties are 14%	<ul style="list-style-type: none"> ✓ China, Taiwan ✓ AD duties starting October 4th, 2019 for 5 years ✓ China USD175/t – USD629/t, Taiwan USD93/t – USD705/t
Stainless Steel Welded Tubes	✓ Normal import duties are 14%	<ul style="list-style-type: none"> ✓ China and Taiwan: AD duties since July 29th, 2013 for 5 years and up to USD911/t. Renewal investigation launched on July 16th, 2018 ✓ Malaysia, Thailand and Vietnam: AD duties starting June 13, 2018, for 5 years from USD367/t up to USD888/t
Electrical steel – Non Grain Oriented	✓ Normal import duties are 14%	<ul style="list-style-type: none"> ✓ China, South Korea, Taiwan, Germany: AD duties from 15 July 2019 for 5 years from USD90/t – USD166.3/t ✓ Re-evaluation after 12 months
Electrical steel – Grain Oriented	✓ Normal import duties are 14%	

Tariff measures to support fair market environment in Brazil

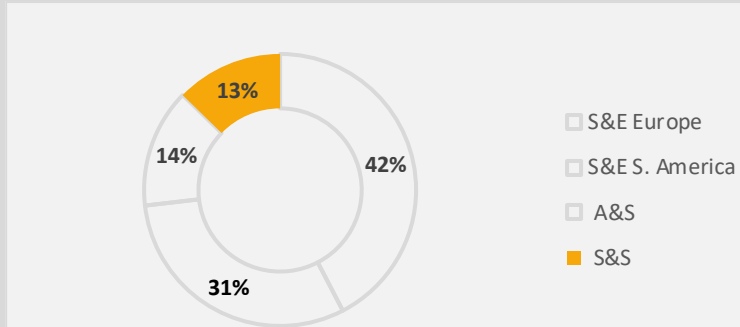
Services & Solutions

Business overview

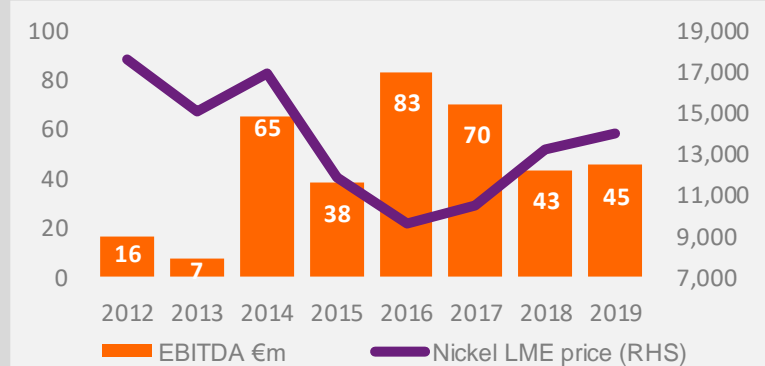
Services & Solutions: stronger partnership with customers enhances margins



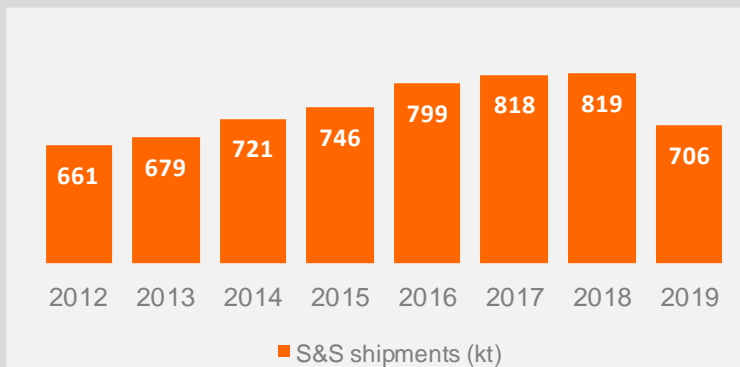
A significant adj EBITDA contributor 2019 despite tough conditions



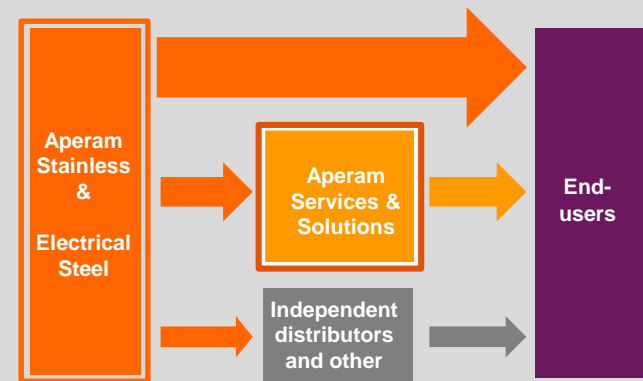
A profitable Services & Solutions thanks to its focus on service oriented customers



Increasing focus on downstream value added services and solutions

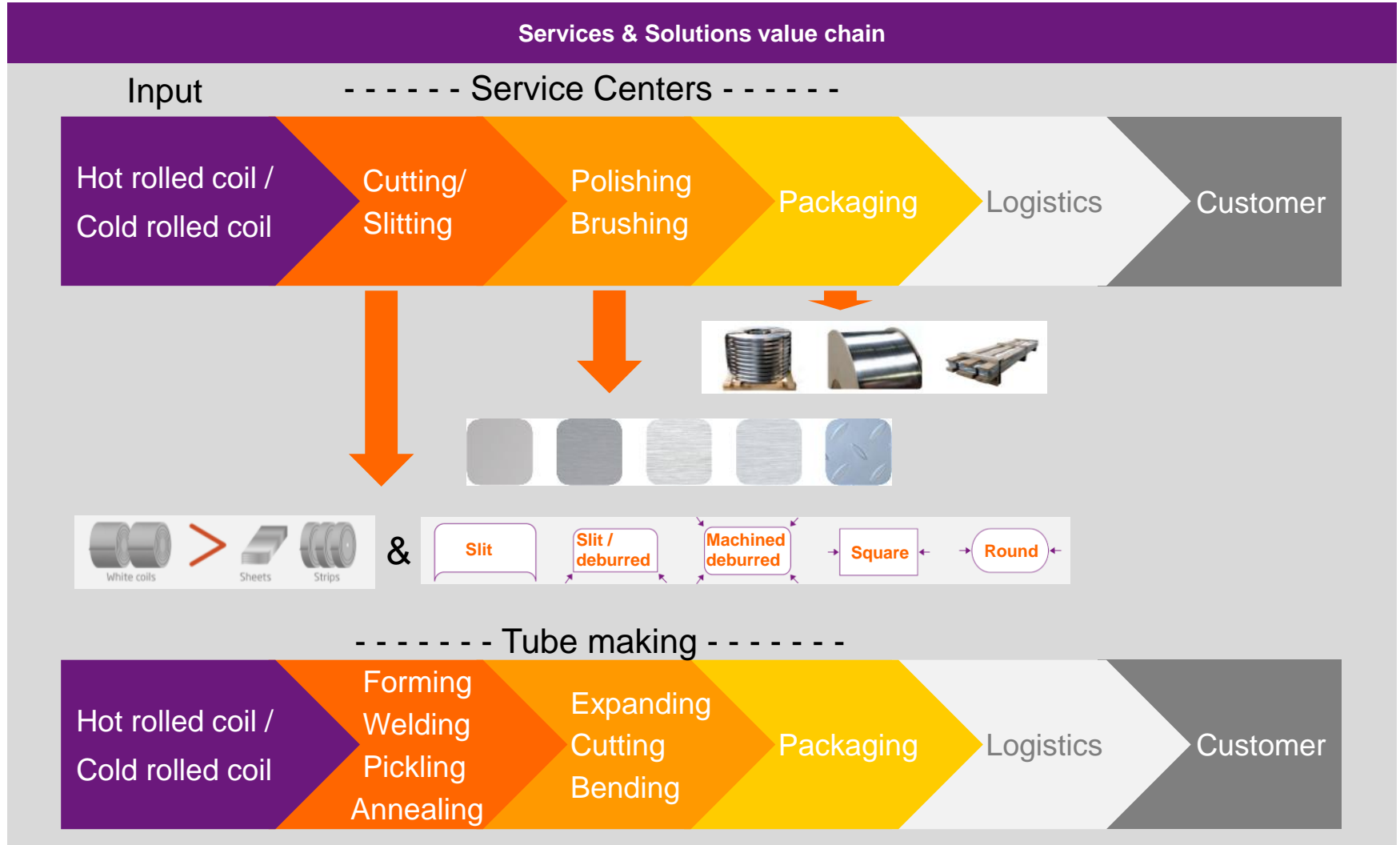


A majority of “in house” exposure to end users to best serve their needs and provide best services & solutions



Business overview

Services & Solutions: Adding value downstream



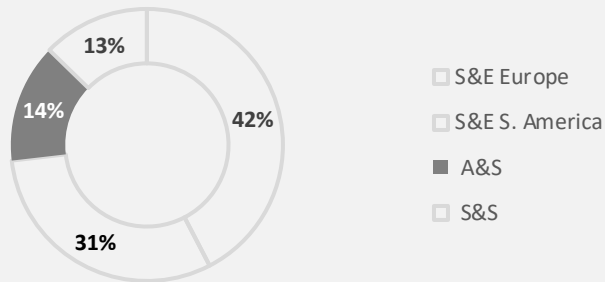
Alloys & Specialties

Business overview

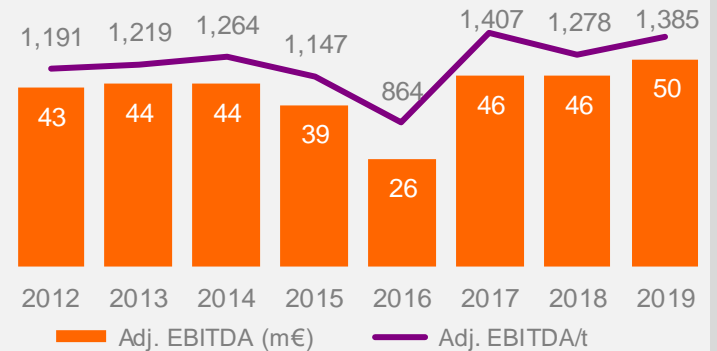
Alloys & Specialties: attractive niche market with high margins



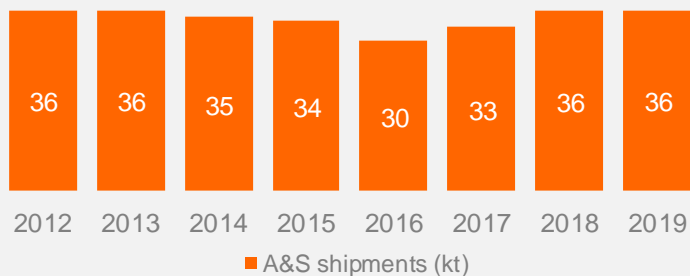
Aperam's high value-added segment 2019



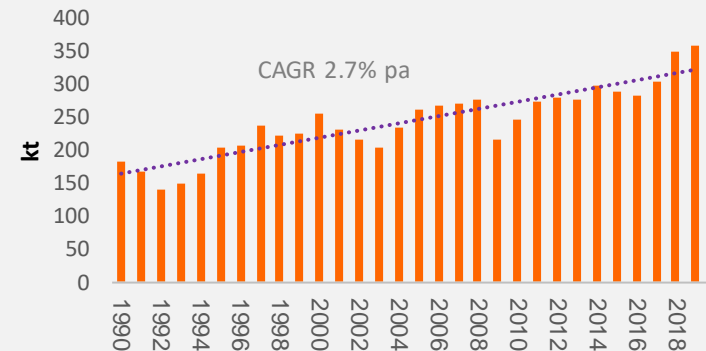
High profitability due to end products & end user orientation



Stable shipments but markedly improved mix



Nickel Alloys a growing and premium niche market

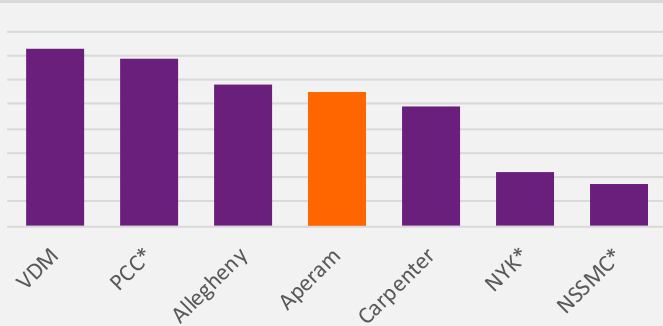


Business overview

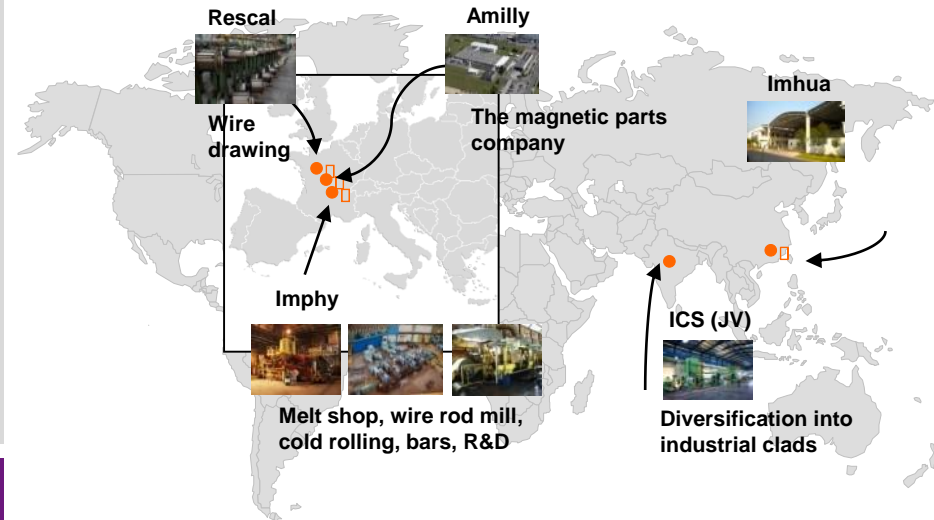
Alloys & Specialties: attractive niche market with high margins



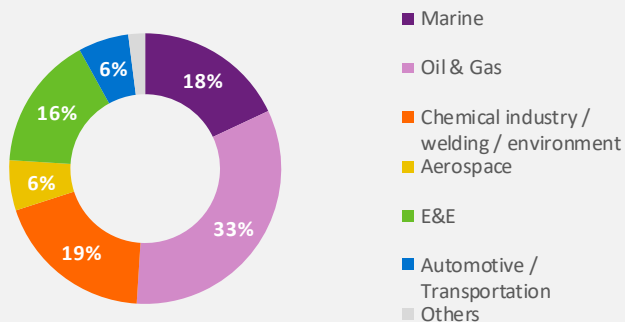
Aperam is global top player in nickel alloys and strong in long products (kt)



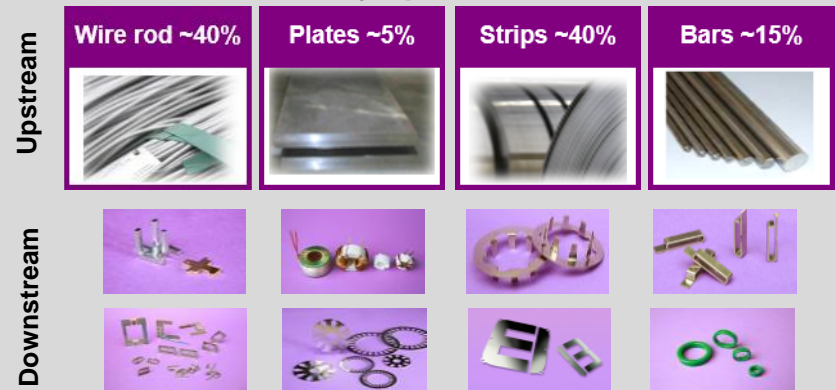
Aperam Alloys & Specialties geographical footprint



Alloys & Specialties sales by industry 2019



Major products



Source: SMR, Aperam

*PCC (Special Metals) NYK (Nippon Yakin Kogyo)

Business overview

Alloys & Specialties: Specialty alloys add stability and profitable growth element



Innovation is key for premium specialties...

R&D intensive industry

- Substantial market entry barriers
- Benchmark customers in advanced industries require tailored, certified and highly sophisticated solutions

Key R&D figures (based on 2019)



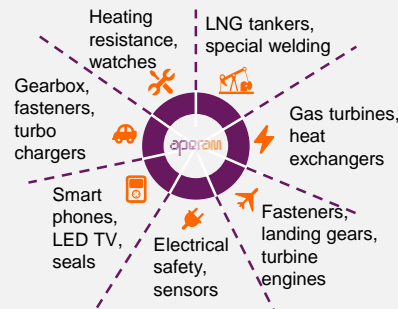
Cooperation contracts	26
Total registered patents	341
Sales of new products	14%

...to cater for highly sophisticated and evolving needs...

High growth end market applications

- "Kilogram" market: unique products designed to enable precision and high-tech solutions globally
- Highly diversified end-markets

Key end-markets / application types

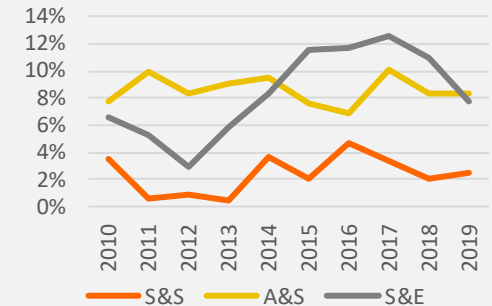


...yielding growth opportunities and margin stability

Less exposed to commodity cycles

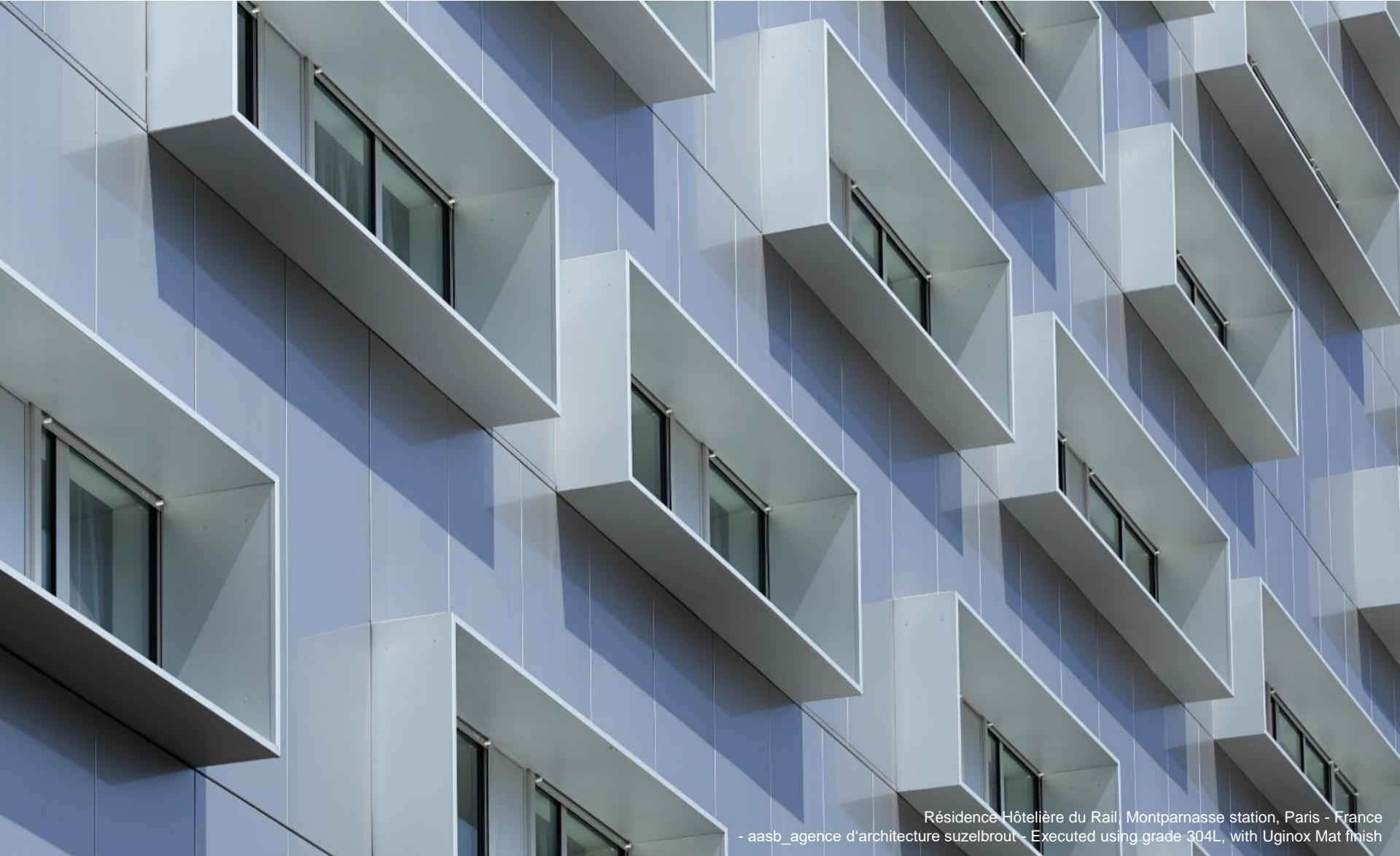
- Cost of raw materials passed through to customers
- Long-standing client relationships
- Good visibility on volumes with high proportion of recurring revenue

EBITDA margins by Aperam division



A very profitable, growing and stable niche market

Appendix



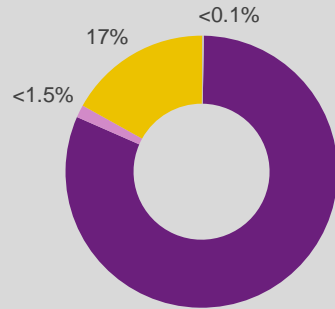
Résidence Hôtelière du Rail, Montparnasse station, Paris - France
- aasb_agence d'architecture suzelbrout - Executed using grade 304L, with Uginox Mat finish

Appendix

Key stainless product categories by alloy content

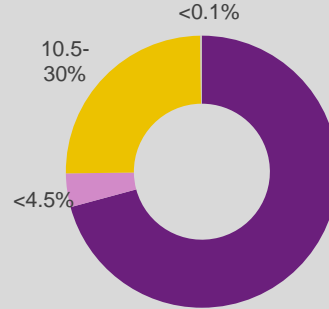


Martensitic



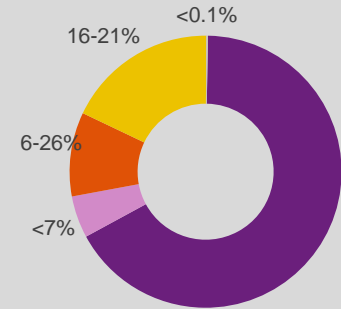
Cutlery, cutting tools, construction tools...

Ferritic (400 series)



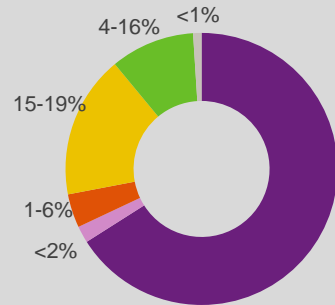
Car exhausts, conveyor chains, cooking utensils, boilers, electrical appliances, trim, dishware, heating, tanks, tubes...

Austenitic (300 series)



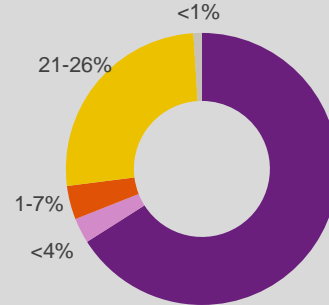
Boiler, aeronautics, electronic components, railway equipment, tubes, chemical tanks, food vats, marine applications, furnace, heating...

Austenitic with Manganese (200 series)



Asphalt tankers, tubes, food containers, silos, conveyor chains, safety soles...

Austeno-ferritics (Duplex)



Oil & gas equipment, papermaking, pulp, desalination sector, chemical plants...

By weight

