



February 2016

Dividend payment by Aperam S.A.

- Luxembourg withholding tax at source
- Procedure to apply for an exemption from Luxembourg withholding tax

The information contained in this informative memorandum regarding certain Luxembourg tax considerations are based on the laws and interpretations in force in Luxembourg as of the date of this informative memorandum and are subject to any changes in laws or interpretations. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, hold or dispose of the shares in Aperam S.A.. It does not describe any tax consequences arising under the laws of any state or any taxing jurisdiction other than Luxembourg. Holders of shares in Aperam S.A. should consult their tax advisers as to the Luxembourg or any other tax consequences of the purchasing, holding or disposition of the shares in Aperam S.A.

LUXEMBOURG WITHHOLDING TAX AT SOURCE

Dividends distributed by Aperam S.A. are, in principle, subject to withholding tax in Luxembourg at the rate of currently 15%, unless a reduced rate applies under an applicable double tax treaty. An exemption from Luxembourg withholding tax may apply under Article 147 of the Luxembourg income tax law ("LIR") or under the specific provisions of a double tax treaty (if any applicable).

1. Withholding tax exemption under Article 147 LIR

Article 147 LIR provides for an exemption from withholding tax if the cumulative conditions below are met.

A. Condition linked to the shareholder

The shareholder must be:

- a collective entity covered by Article 2 of the European Council Directive 2011/96/EU on the common system of taxation applicable in the case of parent and subsidiary companies of different EU Member States as amended (the "EC Parent-Subsidiary Directive"); or
- a fully taxable corporation which is resident of Luxembourg and is not covered by Article 2 of the EC Parent-Subsidiary Directive; or
- the Luxembourg State, a Luxembourg municipality or union of municipalities or a Luxembourg public collective undertaking; or
- a permanent establishment of a collective entity of any of the three categories above; or
- a collective entity which is fully subject to a tax similar to the Luxembourg corporate income tax and which is resident in a country with which Luxembourg has concluded a double tax treaty, and the Luxembourg permanent establishment of such an entity; or
- a corporation which is resident of the Swiss Confederation and is subject to Swiss corporate income tax without being exempt; or
- a corporation or a cooperative company which is resident of a EEA (European Economic Area) country other than a EU Member State, and is fully subject to a tax similar to the Luxembourg corporate income tax; or
- a permanent establishment of a corporation or of a cooperative company which is resident in a EEA (European Economic Area) country other than a EU Member State.



Please note that an individual shareholder is not falling within the categories listed above.

B. Conditions linked to the shareholding

At the date when the dividends are put at its disposal, **the shareholder must have held directly for an uninterrupted period of at least twelve months, a shareholding representing at least 10% of the share capital or having an acquisition cost of at least EUR 1.200.000 (or its equivalent amount in a foreign currency)¹.**

In practice, the acquisition cost of the shareholding in Aperam S.A. must have remained equal or above EUR 1.200.000 (or its equivalent in a foreign currency) at all times during the twelve months period before the exdividend date. To ensure this criterion is met, some shareholders choose to place a number of shares in Aperam S.A. with an acquisition cost of at least EUR 1.200.000 (or its equivalent in a foreign currency) on a separate account while trading freely with the remaining shares.

2. Withholding tax exemption under a double tax treaty with Luxembourg

Certain double tax treaties with Luxembourg provide for an exemption from withholding tax if specific conditions, generally based on the status of the beneficiary of the dividends, are met (example, certain eligible pension funds may, under certain conditions, apply for a withholding tax exemption).

PROCEDURE TO APPLY FOR A WITHHOLDING TAX EXEMPTION

Aperam S.A. has put in place a procedure for eligible shareholders who would like to apply for a withholding tax exemption at source². Such procedure is briefly described below.

1. First stage : as from the ex-date dividend to the dividend payment date

WHAT

The eligible shareholders must provide to Aperam S.A. the documents listed below.

A. Eligible shareholders under article 147 LIR

- **a confirmation letter in the form attached in annex 1** confirming that the conditions of Article 147 LIR are met and applying for a withholding tax exemption at source; **and**
- **a valid and up-to-date certificate of tax residence** issued by the competent tax authorities of the country of residence of the shareholder; **and**
- complete bank details including IBAN-code and BIC-code; **and**
- **for new applicants**, satisfactory evidence that (i) the shareholding in Aperam S.A. has an acquisition cost of at least EUR 1.200.000 (or its equivalent in a foreign currency) and that (ii) this shareholding has been held directly for an uninterrupted period of at least twelve months³; **and**
- **for new applicants** who are not shareholders covered by the EC Parent-Subsidiary Directive and are not resident of Luxembourg, satisfactory evidence that they comply with the “subject to tax test” of Article 147 LIR⁴.

1) Article 147 LIR also provides for an exemption in case the shareholder commits to hold the qualifying shareholding for a period of at least twelve month. This exemption is subject to certain conditions and must be reviewed on a case-by-case basis.

2) This procedure does not apply for shareholders registered in the shareholder register at Aperam S.A.

3) For instance, by providing evidence from a custodian bank or from an external auditor or by providing relevant account extracts.

4) For instance, by providing evidence from a reputable tax advisor or by providing satisfactory tax documentation.



B. Eligible shareholders under a double tax treaty with Luxembourg

- a **valid and up-to-date certificate** of tax residence issued by the competent tax authorities of the country of residence of the shareholder; and
- **satisfactory evidence of the number of shares** held in Aperam S.A. at the ex-dividend date; **and**
- **complete bank details including IBAN-code and BIC-code; and**
- any additional satisfactory evidence that may be required as per the relevant provisions of the double tax treaty.

We underline that it may take several weeks to obtain a certificate of tax residence and the eligible shareholders should thus contact their competent tax authorities well in advance of the dividend payment date.

WHEN AND HOW

Aperam S.A. must have received all documents listed above at least **four working days before the dividend payment date.**

All documents listed above must be emailed at: dividend@aperam.com and confirmation letters and tax certificates (and any other relevant documents) must be sent in original at the following address:

**Aperam S.A.
Attn : Kristof Jansegers
Tax department Luxembourg
12, rue Guillaume Kroll
L-1882 Luxembourg**

Aperam S.A. cannot be held responsible if an application is rejected because the documents are received after the deadline or are not received in a satisfactory format. However, an eligible shareholder may, at its own discretion, file a direct request in the forms and conditions prescribed by the applicable laws to the Luxembourg tax authorities to apply for a refund of the Luxembourg withholding tax at source.

2. Second stage : as from the dividend payment date

WHAT

On the dividend payment date, Aperam S.A. will pay 85% of the gross dividend amount to the shareholders through its paying agents.

Upon receipt of this amount, the eligible shareholders should provide to Aperam S.A. a copy of a bank statement mentioning the amount of dividend received at the dividend payment date (excluding bank costs) and the amount of Luxembourg withholding tax at source.

WHEN AND HOW

The bank statement should be emailed to: dividend@aperam.com within three working days after the dividend payment date.

Aperam S.A. will then pay the remaining 15% of the gross dividend by wire-transfer to the bank account number as provided by the eligible shareholders.

For any question related to this informative memorandum, please send an email at: dividend@aperam.com

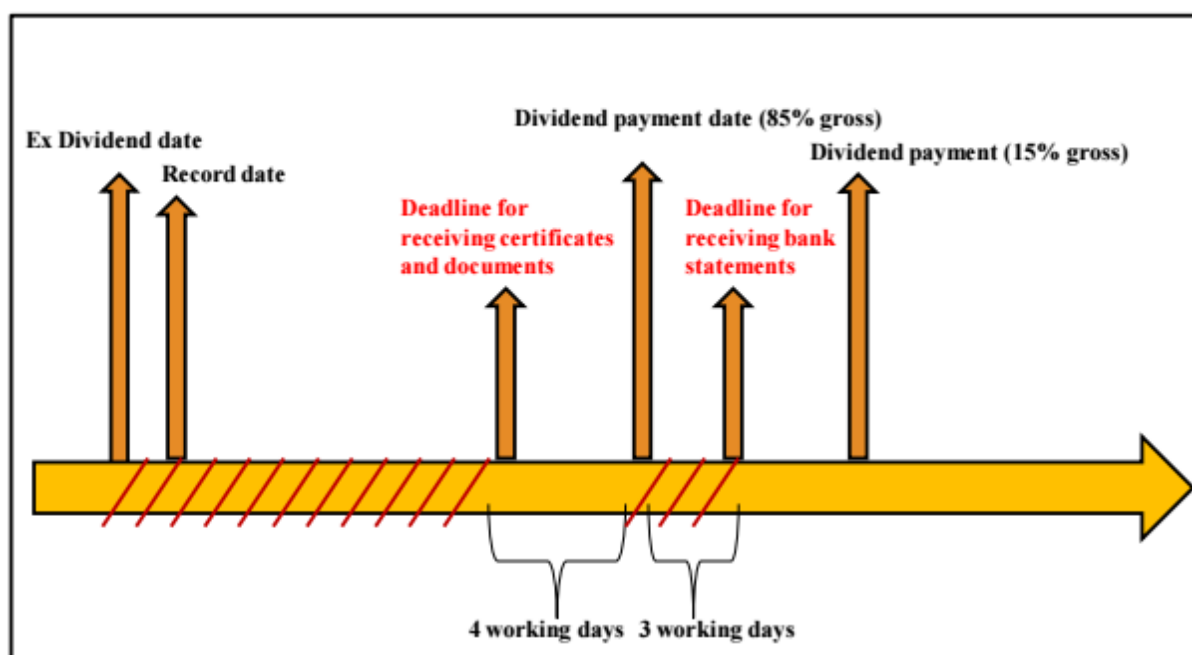
Your contacts at Aperam S.A. in relation with the dividend payment procedure are:

Luxembourg Tax Department

Mr. Kristof Jansegers +352 273627-139
kristof.jansegers@aperam.com

Company Secretary

Mr. Laurent Beuloye +352 273627-103
laurent.beuloye@aperam.com





ANNEX 1

<p style="text-align: center;">Confirmation Letter to apply for withholding tax exemption under Art. 147 LIR</p>
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I / We hereby certify that [please print shareholder's company name and legal form], with its registered address at [please print shareholder's company address]:

1. Is a shareholder falling within one of the categories below: (please tick the appropriate box)

- a collective entity covered by Article 2 of the European Council Directive 2011/96/UE on the common system of taxation applicable in the case of parent and subsidiary companies of different EU Member States as amended,
- a fully taxable corporation which is resident of Luxembourg and is not covered by Article 2 of the EC Parent-Subsidiary Directive, the Luxembourg State, a Luxembourg municipality or union of municipalities or a Luxembourg public collective undertaking,
- a permanent establishment of a collective entity of any of the three categories above,
- a collective entity which is fully subject to a tax similar to the Luxembourg corporate income tax and which is resident in a country with which Luxembourg has concluded a double tax treaty, and the Luxembourg permanent establishment of such an entity,
- a corporation which is resident of the Swiss Confederation and is subject to Swiss corporate income tax without being exempt,
- a corporation or a cooperative company which is resident of a EEA (European Economic Area) country, other than a EU Member State, and is fully subject to a tax similar to the Luxembourg corporate income tax,
- a permanent establishment of a corporation or of a cooperative company which is resident in a EEA (European Economic Area) country, other than a EU Member State.

2. Has held: (please tick the boxes)

- directly and
- for an uninterrupted period of at least twelve months at the ex-dividend date,
- a shareholding in Aperam S.A. representing at least 10% of the share capital or having an acquisition cost of at least EUR 1.200.000 (or its equivalent amount in a foreign currency) ("Qualifying Shareholding").

3. Has acquired the Qualifying Shareholding:

- on: [please insert the date of acquisition of the Qualifying Shareholding],
- for an acquisition price of EUR: [please insert the acquisition price of the Qualifying Shareholding]



representing a number of shares of: *[please insert the number of shares representing the Qualifying Shareholding]*

4. At the ex-dividend date, is holding the following number of shares in Aperam S.A.: *[please print the exact number of shares held at the ex-dividend date].*

5. Is applying by the present letter for an exemption from withholding tax at source under Article 147 LIR.

Certified on: *[please insert the date when the letter is signed]*

By authorized representative(s):

Signature(s) + please print the name and title of the authorized representative(s)]