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PRESS RELEASE

ERASTEEL, AN ERAMET SUBSIDIARY, OPENS NEW POWDER METALLURGY FACILITY IN SWEDEN

ERASTEEL a 100% subsidiary of ERAMET has inaugurated today a new gas atomizing tower at its Söderfors plant in Sweden.

ERASTEEL is the world leader for the production of high speed steel through the process of gas atomized powder metallurgy. Thanks to this new facility, ERASTEEL will be able to extend its product range to new steel grades, such as stainless steel, nickel and cobalt alloys, and to reach new, fast growing markets.

This new equipment represents an investment of around 20 M€. Construction was on time and on budget.

The plant's capacity after this investment will reach 14,000 tons per year. This will strengthen ERASTEEL further as the world leader in powder metallurgy using the gas atomizing process.

In 2011, ERAMET Alloys is commissioning four strategic facilities (powder metallurgy in Sweden, titanium, aluminium and nickel alloys in France) for a total capital expenditure of around 120M€. ERAMET Alloys continues to focus its development on new materials which, thanks to their specific properties, enable its customers to increase their performance and meet the challenges of sustainable development.

Patrick BUFFET, Chairman and CEO of the ERAMET Group, who was presiding over the inauguration, said:

"This investment in a very innovative technology opens new opportunities for ERASTEEL. ERAMET benefits from its new technologies to bring to the market new, high performance solutions in the form of gas atomized powders of highly alloyed steels. Sweden holds key competencies in the field of powder metallurgy. This new investment shows our commitment to serve in the long term fast growing markets, like tooling, energy and in particular oil and gas."

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ABOUT ERAMET

ERAMET is a leading global producer of:

- alloying metals, particularly manganese and nickel, used to improve the properties of steel,
- high-performance special steels and alloys used in industries such as aerospace, power generation and tooling.

ERAMET is also studying or developing major projects in new metals with high growth potential such as lithium, niobium and rare earths, as well as in recycling.

The Group employs approximately 15,000 people in 20 countries. ERAMET is part of Euronext Paris Compartment A and is listed on the MSCI index

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For more information on ERASTEEL and powder metallurgy: www.erasteel.com