

Current Report (CR) No 17 - Submission of a binding offer for the purchase of a manufacturer of transformer sheets (10.07.2017)

Management Board Stalprodukt S.A. (The "Issuer") hereby informs that today, i.e. on July 10, 2017, a binding offer for the purchase of 100% of shares in the GO Steel Frydek Mistek a.s. based in Frydek Mistek (Czech Republic) was submitted.

The main activity of GO Steel Frydek Mistek (until recently, ArcelorMittal Frydek Mistek) is the production of grain oriented electrical sheets (transformer sheets) and cold rolled sheets. Thus, any acquisition will allow the Company to achieve synergies and improve the scale of its operations. As a result of the transaction, the combined capacity of both the transformer sheet companies would increase by 50k. ton/year, i.e. to the total of 150 thousand ton/year, thus strengthening the Company's market position in one of its main operating segments, i.e. the Electrical Steel Segment. The potential acquisition is particularly important for consolidation processes in the sheet metal industry.

Legal basis: Article 17 1 Regulation (EU) No 596/20014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation) and repealing Directive 2003/6 / EC of the European Parliament and of the Council and Commission Directive 2003/124 / EC, 2003/125 / EC and 2004/72 / EC.