

MIRA INFORM REPORT

Report No. :	543160
Report Date :	14.12.2018

IDENTIFICATION DETAILS

Name :	APERAM INOX SERVICOS BRASIL LTDA.
Registered Office :	Avenida Carandai, 1115, 23º. Andar - Bairro Funcionarios, 30.130-915 - Belo Horizonte/Mg
Country :	Brazil
Date of Incorporation :	12.12.1951
Legal Form :	Limited Liability Company
Line of Business :	Distributor of Stainless Steel.
No. of Employees :	300

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Satisfactory
Payment Behaviour :	Slow but Correct
Litigation :	Clear

NOTES:

Any query related to this report can be made on e-mail: while quoting report number, name and date.

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ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Brazil	A2	A2

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

BRAZIL - ECONOMIC OVERVIEW

Brazil is the eighth-largest economy in the world, but is recovering from a recession in 2015 and 2016 that ranks as the worst in the country's history. In 2017, Brazil's GDP grew 1%, inflation fell to historic lows of 2.9%, and the Central Bank lowered benchmark interest rates from 13.75% in 2016 to 7%.

The economy has been negatively affected by multiple corruption scandals involving private companies and government officials, including the impeachment and conviction of Former President Dilma ROUSSEFF in August 2016. Sanctions against the firms involved — some of the largest in Brazil — have limited their business opportunities, producing a ripple effect on associated businesses and contractors but creating opportunities for foreign companies to step into what had been a closed market.

The succeeding TEMER administration has implemented a series of fiscal and structural reforms to restore credibility to government finances. Congress approved legislation in December 2016 to cap public spending. Government spending growth had pushed public debt to 73.7% of GDP at the end of 2017, up from over 50% in 2012. The government also boosted infrastructure projects, such as oil and natural gas auctions, in part to raise revenues. Other economic reforms, proposed in 2016, aim to reduce barriers to foreign investment, and to improve labor conditions. Policies to strengthen Brazil's workforce and industrial sector, such as local content requirements, have boosted employment, but at the expense of investment.

Brazil is a member of the Common Market of the South (Mercosur), a trade bloc that includes Argentina, Paraguay and Uruguay - Venezuela's membership in the organization was suspended In August 2017. After the Asian and Russian financial crises, Mercosur adopted a protectionist stance to guard against exposure to volatile foreign markets and it currently is negotiating Free Trade Agreements with the European Union and Canada.

Source : CIA

COMPANY NAME

APERAM INOX SERVICOS BRASIL LTDA.

ADDRESSES

MAIN ADDRESS: AVENIDA CARANDAI, 1115, 23º. ANDAR - BAIRRO FUNCIONARIOS
ZIP CODE/CITY: 30.130-915 - BELO HORIZONTE/MG
PHONE: 31 3235-4247
E-MAIL: marcelo.camargo@aperam.com
WEB SITE: www.aperam.com

ORRECT ADDRESS THE INFORMED ADDRESS REFERS TO ITS BRANCH.

BRANCHES:

ADDRESS: RUA PAPA JOÃO XXIII, 1422 PORETÃO 03 - JD MANGIACAPRA
ZIP CODE/CITY: 14807-192 ARARAQUARA/SP

ADDRESS: RODOVIA BR 381, KM 196 PORTARIA 3 - USINA ACESITA
ZIP CODE/CITY: 35180-000 TIMÓTEO/MG

ADDRESS: AVENIDA MERCEDES BENZ, 1420 - DISTRITO INDUSTRIAL
ZIP CODE/CITY: 13054-750 CAMPINAS/SP
PHONE: 19 3211-4000
CNPJ: 60.500.121/0013-68
STATE REGISTER: 244.687.476.111

ADDRESS: RODOVIA PRESIDENTE DUTRA, 10501 PORTÃO 02 ROCHA SOBRINHO
ZIP CODE/CITY: 26574-751 MESQUITA/RJ

FURTHER TO THE ABOVE THE COMPANY ALSO HAS OTHER BRANCHES LOCATED IN: BELO HORIZONTE, CAMPINAS, CAXIAS DO SUL, JACAREI, LENCOIS PAULISTA, MESQUITA, RIO DAS OSTRAS, RIO DE JANEIRO, SAO PAULO, SAO JOSE DO RIO PRETO, TIMOTEO

LEGAL DATA

MAIN ACTIVITIES:

DISTRIBUTOR OF STAINLESS STEEL.

LEGAL FORM:

LIMITED LIABILITY COMPANY

INCORPORATION DATE:	12/12/1951
REGISTER DATE:	12/12/1951
BALANCE SHEET FILING DATE:	31/12
TAX CONTRIBUTOR NUMBER(CNPJ):	60.500.121/0001-24
STATE REGISTER:	687741515.01-97
SHARE CAPITAL:	R\$ 481.169.583,00

BOARD OF DIRECTORS:

ANGELO JOSE ZANINI	MANAGER
FERNANDO CLAUDIO DE OLIVEIRA	MANAGER
FLAVIO RAFAEL ANDRADE	MANAGER

AUTHORIZED USE OF SIGNATURE

THE MANAGERS ARE AUTHORIZED TO SIGN ON BEHALF OF THE COMPANY.

SHAREHOLDERS / PARTNERS:

APERAM INOX AMERICA DO SUL S/A	99,9%
FREDERICO AYRES LIMA	0,1%

AFFILIATES / SUBSIDIARIES:

APERAM GROUP

COMPANY'S BACKGROUND

THE SUBJECT WAS ESTABLISHED ON DECEMBER 12, 1951 TO BE ENGAGED IN THE SAID LINE OF BUSINESS.

PREVIOUS CORPORATE NAME:

- CIA MERCANTIL METROPOLITANA;

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- BRASIFCO S/A.

ON AUGUST 2001, THE COMPANY ACESITA SERVIÇOS COMÉRCIO INDÚSTRIA PARTICIPAÇÕES LTDA TOOK OVER AMORIM S/A AÇO INOXIDAVEL AND ALTERED ITS NAME TO ARCELORMITTAL INOX BRASIL SERVICOS LTDA.

EARLY 2011 THE ARCELORMITTAL GROUP UNDERWENT A SPIN-OFF, IN WHICH ITS STAINLESS STEEL BUSINESS WAS SEGREGATED INTO A NEW COMPANY NAMED APPERAM.

IN BRAZIL, SUBJECT WAS THE STAINLESS STEEL BUSINESS BRANCH OF THE ARCELORMITTAL GROUP.

AS A RESULT OF THIS SPIN-OFF, ON SEPTEMBER 16, 2011 SUBJECT'S NAME WAS CHANGED FROM ARCELORMITTAL INOX BRASIL SERVICOS LTDA TO THE ABOVE-MENTIONED STYLE.

PARTNERS:

APERAM INOX AMERICA DO SUL S/A: HEADQUARTERED AT AV. GARANDAI 1115, 23º ANDAR, BELO HORIZONTE/MG, REGISTRATION # NIRE 31300042707 AND CNPJ 33.390.170/0001-89.

ACESITA INTERNATIONAL LIMITED: HEADQUARTERED AT CAYMAN ISLANDS, BRITISH WEST INDIS (BWI) THIRSTY IN FOURTH FLOOR, ONE CAPITAL PLACE, P.O. COX 847GT, GRANC CAYMAN BRIST WEST (BWI, REGISTRATION # CNPJ 06.021.231/0001-68

FURTHER DETAILS ARE SO FAR NOT KNOWN.

REMARKS:

WHEN CONTACTING THE SUBJECT WE INTERVIEWED MRS. MICHELLE, IMPORT DEPARTMENT, WHO INFORMED THAT WOULD NOT DISCLOSE ANY KIND OF INFORMATION UNLESS THE INQUIRING PARTY'S NAME WAS DISCLOSED.

IF IT IS POSSIBLE TO DISCLOSE THE NAME OF THE INTERESTED SUPPLIER OF THE SUBJECT, WE MAY RESUME OUR CONTACTS AND TRY TO OBTAIN FURTHER INFORMATION.

THE DATA CONTAINED HEREIN WERE OBTAINED FROM OUTSIDE SOURCES, OUR DATABASE AND OFFICIAL. NO FURTHER DATA WAS AVAILABLE WITH SEVERAL SOURCES USUALLY INVESTIGATED.

PUBLIC RECORDS INFORMATION:

NO DETRIMENTAL FILES WERE FOUND.

FINANCIAL INFORMATION

DUE TO THE SUBJECT'S LEGAL FORM, IT IS NOT OBLIGED TO PUBLISH THE BALANCE SHEET INFORMATION. WHEN INTERVIEWING SOURCES AT THE SUBJECT COMPANY DECLINED TO PROVIDE ANY KIND OF FINANCIAL INFORMATION.

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OUR INVESTIGATION THROUGH THE OUTSIDE SOURCES SHOWED NO FINANCIAL DATA ABOUT THE SUBJECT.

COMMENTS ON THE FINANCIAL INFORMATION:

IN THE ABSENCE OF FINANCIAL INFORMATION NO COMMENTS CAN BE MADE ABOUT THE SUBJECT'S CURRENT FINANCIAL STANDING.

REAL ESTATE:

NOT AVAILABLE

VEHICLES:

NOT AVAILABLE

MACHINES:

NOT AVAILABLE

INSURANCE

NOT AVAILABLE.

BANKING REFERENCES

	BRANCH/PHONE:	CITY:
ITAU UNIBANCO S/A	0107 / 31 2125-4919	TIMÓTEO/MG
BANCO DO BRASIL S/A	3308-1 / 31 3299-7940	TIMÓTEO/MG
BANCO BRADESCO S/A	2011 / 31 3217-5960	
BANCO SAFRA S/A	02700 / 11 6097-6685	SÃO PAULO/SP
ITAU UNIBANCO S/A	1403 / 31 3194-1365	
BANCO SANTANDER (BRASIL) S/A	2279 / 31 3269-6823	

REMARKS: IN BRAZIL THE BANKS ARE PROHIBITED BY LAW TO PROVIDE INFORMATION OR ANY KIND OF COMMENTS ABOUT THEIR CLIENTS. DUE TO THIS LAW PROHIBITION WE ARE UNABLE TO PROVIDE ANY BANKING DETAILS.

ACCORDING TO THE CENTRAL BANK OF BRAZIL OFFICIAL REPORT, THE COMPANY HAS NO RETURNED CHECKS UP TO DATE. (IN THE TERMS OF "CIRCULAR 1682 BRAZILIAN CENTRAL BANK").

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ACTIVITIES COMMENTS

SUBJECT IS ENGAGED AS DISTRIBUTOR OF STAINLESS STEEL.

IMPORT AND EXPORT:

IMPORTS FROM:

SPAIN, GERMANY AND FRANCE.

EXPORTS TO:

NOT AVAILABLE.

MAIN CLIENTS:

DOMESTIC CLIENTS:

ALIANÇA METALÚRGICA S/A
DELAVAL LTDA
ELEVADORES ATLAS SCHINDLER S/A
IFER DA AMAZÔNIA LTDA.
MULTIBRAS S/A. ELETRODOMÉSTICOS
PANASONIC DO BRASIL LTDA
SADIA S/A
UNILEVER BESTFOODS BRASIL LTDA
YALE LA FONTE SISTEMAS DE SEGURANÇA LTDA.

PHONE:

11 2951-1607
19 3208-1222
21 2413-6050
92 3615-4545
11 5586-6100
12 3935-9031
11 3649-3634
62 4008-3607
11 5693-4700

STAFF:

THE COMPANY HAS: 300 EMPLOYEE(S)

CONCEPT AND FULFILMENT

THE SUBJECT IS A WELL-ESTABLISHED COMPANY, OPERATING SINCE 2001. IT IS ULTIMATELY CONTROLLED BY THE APERAM GROUP, WHICH HAS HUGE FINANCIAL POWER, THUS MAY GIVE THE SUBJECT THE NECESSARY FINANCIAL SUPPORT WHENEVER REQUIRED.

THE COMPANY HAS TRADE RELATIONS WITH SEVERAL SUPPLIERS IN BRAZIL. THE SUPPLIERS EXTEND CREDIT FACILITIES TO THE SUBJECT IN TERMS AND AMOUNTS ACCORDING TO THE COMPANY'S NEEDS AND SO FAR NO PAYMENT PROBLEMS ARE NOTED.

MAIN SUPPLIERS:

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DOMESTIC SUPPLIERS:

ACESITA S/A
FIRAÇO REPRESENTAÇÕES COMERCIAIS LTDA.
GERDAU S/A
GUIDES & CIA.
HAGANE FACAS INDUSTRIAIS
HYDROMAQ MECÂNICA LTDA
INOXTUBOS S/A
MARCELO REPRESENTAÇÕES LTDA.
MG REPRESENTAÇÕES LTDA
NORTON S/A
PZ SERVIÇOS LTDA
RECONE REPRESENTAÇÕES LTDA.
TÚLIOS REPRESENTAÇÕES LTDA.
USIFINE MECÂNICA D EPRECISÃO
VILLARES METALS S/A

CITY:

SÃO PAULO/SP
MARILIA/SP
/RS
CURITIBA/PR
SÃO PAULO/SP
SANTO ANDRE/SP
RIBEIRÃO PIRES/SP
GOIÂNIA/GO
CONTAGEM/MG
GUARULHOS/SP
RIO DE JANEIRO/RJ
RECIFE/PE
PRAIA DA COSTRA/ES
MAUÁ/SP
/SP

PHONE:

31 3325-4287
14 3454-8600
51 373-2500
41 3323-6220
11 6524-3887
11 4991-8033
11 4822-7000
62 3942-2000
31 3555-4612
11 6464-5218
21 2220-1375
81 3462-6307
27 3340-0399
11 4555-1226
19 3864-8353

FOREIGN SUPPLIERS:

ACERINOX S/A
ARCELORMITTAL STAINLESS SERVICE LUXEMBURGO S.A.
FROCH ENTREPRISE
KNC STANLHANDEL GMBH
KRUPP NIROSTA EXPORT GMBH
MT GMBH TRADING & CONSULTING
NOVACEL
POLEG
ROLDAN
THE SURE LINK CO. LIMITED
USINOR BRASIL

COUNTRY:

SPAIN
FRANCE
TAIWAN
GERMANY
GERMANY
GERMANY
FRNCE
ISRAEL
SPANI
CHINA
FRANCE

PAYMENT HISTORY:

4 SUPPLIERS REPORTED PAYMENTS:
TOTAL AMOUNT: R\$ 3.316.755,00

AMOUNT OF INVOICES PAID: 39
TOTAL OF PROMPT PAYMENTS: 99,7%
TOTAL OF DELAYED PAYMENTS: 0,3%

HIGHEST INVOICE: R\$ 2.559.034,00
HIGHEST CREDIT: R\$ 174.478,00

FINAL OPINION

BASED ON THE GENERAL INFORMATION AVAILABLE IT IS BELIEVED THAT GOOD TRADE RELATIONS MAY BE ESTABLISHED. THE SUBJECT APPARENTLY HAS PAYMENT CAPACITY FOR CREDIT FACILITIES. HOWEVER, AS NO FINANCIAL DATA IS AVAILABLE IT WOULD BE RECOMMENDED TO HAVE SOME CAUTION. A COLLATERAL OF THE PARENT COMPANY WOULD BE ADVISABLE.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.54
UK Pound	1	INR 90.31
Euro	1	INR 81.34
BRL	1	INR 18.48

Note: Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	PRI
Report Prepared by :	NIT

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RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)