

# ASX RELEASE

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## SALE OF WIRE ROPES BUSINESS

Arrium Limited (ASX:ARI) today announced that it has entered into an agreement for the sale of its Wire Ropes business to Bekaert, a Belgium based company for A\$90 million.

The Wire Ropes business, based in Newcastle, NSW, is a leading manufacturer of high performance ropes in Australia with a history spanning more than 90 years.

Arrium's Managing Director and CEO, Mr Andrew Roberts said: "Wire Ropes is a quality business, however it lies outside our strategic focus for future growth in Mining Consumables.

"Our growth in Mining Consumables is centred on the global mineral processing industry, including capturing at least our share of the expected strong growth in grinding media demand. Our Moly-Cop grinding media business is well positioned to achieve this with leading market positions in key growth regions of the world including North America, South America and Australasia".

The Wire Ropes business has strong leverage to the mineral extraction industry, particularly through its market leading drag line and shovel ropes. This acquisition builds on Bekaert's existing global position in wire ropes.

"Today's announced sale is consistent with our focus on reducing debt, and builds on our good progress with asset divestments. Arrium's asset divestment proceeds for FY15 will increase to at least ~A\$150 million following completion of this sale," Mr Roberts said.

Arrium's Wire Ropes business employs ~100 people and Bekaert will offer all employees ongoing employment. The sale is expected to complete by end of the March 2015 quarter.

*Ends*

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