

MEDIA RELEASE
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**ARCELORMITTAL SOUTH AFRICA TO RESTART SECOND BLAST FURNACE
AT VANDERBIJLPARK WORKS**

Johannesburg, 29 September 2020: ArcelorMittal South Africa is restarting the second blast furnace at its Vanderbijlpark operations in January 2021 in response to an increase in demand for steel in South Africa.

Having reassessed its strategic asset footprint for 2020 in July this year, the company initially decided to temporarily idle its Blast Furnace C at Vanderbijlpark as well as the Vereeniging Electric Arc Furnace until demand for steel had recovered. However, certain short-term factors, such as lockdown-affected construction projects that are now being completed, increased sales at retail outlets and destocking (running at lower stock levels) in the steel value chain prior to the nationwide lockdown, have resulted in an increase in steel demand at a rate quicker than originally anticipated.

The decision by ArcelorMittal South Africa to restart the second blast furnace at its Vanderbijlpark site in January 2021 will add around 600 000 tonnes of additional annual flat steel production volume, the minimum that can be added through the restart of the additional furnace. Given the current demand expectations for 2021, this means that exports will be required for some of the additional volume, however, this restart will no doubt provide the necessary support to the local industry.

“The Covid-19 pandemic has had a significant impact on the South African economy on top of already flagging growth prior to the lockdown. Now more than ever we need to take decisive steps to protect the national economy and ensure that South Africa can be put on a sustainable path of growth and development,” says Kobus Verster, Chief Executive Officer of ArcelorMittal South Africa.

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