



ArcelorMittal

ArcelorMittal South Africa Limited
(Incorporated in the Republic of South Africa)
(Registration Number 1989/002164/06)
Share Code: ACL ISIN: ZAE000134961
("ArcelorMittal South Africa" or "the Company")

VOLUNTARY ANNOUNCEMENT ON THE IMPACT OF COVID-19 AND 21-DAY LOCKDOWN AND AVAILABILITY AND DISTRIBUTION OF ANNUAL FINANCIAL STATEMENTS AND INTEGRATED REPORT FOR THE YEAR ENDED 31 DECEMBER 2019; ANNUAL GENERAL MEETING

Impact of COVID-19 and 21 Day Lockdown

Shareholders are hereby informed that the Company has taken several steps to support the 21-day lockdown that has been implemented and to ensure the safety and wellbeing of its employees, customers, suppliers and other stakeholders. All ArcelorMittal South Africa offices and operations across the country have been closed during this period and ArcelorMittal South Africa employees will stay at home, except for essential operational staff who will be required for care and maintenance to avoid damage to plant and equipment, as is permitted in terms of the regulations. For these employees, the Company has taken steps in line with government and the World Health Organisation recommendations to ensure their safety and well-being. Consequently, where appropriate, *force majeure* notices have been issued to customers and suppliers.

While the need for such action is clear and supported, it will result in further challenges over and above the effects of an already struggling economy and the economic impact of COVID-19 globally and locally. The early signs of further weakening in local demand were apparent even before the first positive case of COVID-19 was reported in South Africa.

Shareholders had been informed of the critical steps taken during 2019 to ensure the sustainability of the Company. This included the large-scale labour reorganisation concluded at the beginning of the year, the Strategic Asset Footprint Review, which resulted in the decision to place the Saldanha Works into care and maintenance and the review of the Newcastle Works, which is now primarily focused on servicing the domestic and Africa Overland markets.

The anticipated impact of COVID-19 on the economy has led the Company to consider further measures to ensure its sustainability. Several temporary interventions have been implemented, including curtailment of expenditure on non-critical goods and services, short time, and salary reductions for all employees with effect from April 2020 for a likely period of three months. The Company is also accessing measures introduced by government to assist companies and employees, including the revised UIF benefits. The reduction of sub-contractors, reconfiguration of the operating model, and the various corporate actions to strengthen the balance sheet (including non-core asset disposals) as announced in February 2020, will continue.

COVID-19 brings unprecedented challenges for everyone and we need to work together as a community to support each other through these challenges. We are proud of the ongoing support and commitment of our employees during this difficult time.

The unpredictable effects of the COVID-19 pandemic and national lockdown have created uncertainty regarding the extent and timing of the impact on production and sales volumes and have increased the risk of defaulting customers. Depending on the extent to which these risks materialise, there could be a disruption in the Company's working capital cycle which may require further interventions.

The impact of this on the Company remains a material uncertainty and shareholders will be advised as business conditions become clearer.

Annual Financial Statements and Integrated Report 2019

Shareholders are advised that the annual financial statements (“AFS”) for the year ended 31 December 2019 and the 2019 integrated report of ArcelorMittal South Africa is available from today, 3 April 2020, on the Company’s website at <https://www.arcelormittalsa.com/InvestorRelations/AnnualFinancialStatements.aspx> and

<https://www.arcelormittalsa.com/InvestorRelations/IntegratedAnnualReports.aspx>.

Due to the impact of the 21-day lockdown, the Company is not in a position to post the AFS and 2019 integrated report, including the notice of the annual general meeting, to shareholders who wish to receive notices from the Company by post as opposed to electronic mail. As soon as practically and reasonably possible following the end of the lockdown period, the relevant documents will be posted to such shareholders.

Annual General Meeting (“AGM”)

The notice of the AGM has not been published together with the AFS and the 2019 integrated report. It is proposed that the notice of the AGM be published once the Company is in a position to also post the notice to shareholders, together with the AFS and 2019 integrated report as contemplated above and as required in terms of the Companies Act of 2008. A further SENS announcement in this regard will be made in due course.

No Change Statement

The Company’s annual financial statements contain no modifications to the preliminary reviewed condensed consolidated financial statements (preliminary financial statements) published on 6 February 2020. Deloitte & Touché expressed an unqualified audit opinion with an emphasis of matter relating to a material uncertainty in respect of the going concern statement in relation to the preliminary financial statements.

The Company has reported under subsequent events the impact of COVID-19 pandemic (further information in this regard is set out above). Deloitte & Touché noted this through an emphasis of matter paragraph with their audit opinion remaining unqualified.

However, this does not result in any change to the audit opinion provided in respect of the preliminary financial statements. The annual financial statements, together with the auditor’s report, are also available for inspection at the Company’s registered offices.

Vanderbijlpark 3 April 2020

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Sponsor to ArcelorMittal South Africa Limited

Absa Bank Limited (acting through its Corporate and Investment Banking division)

