



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")

ANNOUNCEMENT OF A STRATEGIC ASSET FOOTPRINT REVIEW OF ARCELORMITTAL SOUTH AFRICA'S OPERATING SITES

Shareholders are advised that the Board of ArcelorMittal South Africa has extended its planned strategic evaluation process to incorporate a review of the operational and financial sustainability of certain of its major operating sites, individual plants and production areas, although excluding its commercial market coke operations, nor impacting the announced planned acquisition of the Highveld Structural Mill.

Shareholders are also advised that the Company is in the process of consulting with its employees and trade unions pursuant to section 189(3) of the Labour Relations Act. It is envisaged that this process may be finalised in the fourth quarter of 2019.

The objective of the review is to strengthen the long-term sustainability of the Company. Consequently, by actively addressing those operating sites, individual plants and production areas which historically have had a negative impact on the Company's financial results, the Board aims to strengthen the financial fundamentals of those business areas which are underpinned by the targeted asset footprint, thus improving the inherent investment case of the Company.

The Board is highly committed to the establishment of an affordable asset footprint with an enduring competitive advantage. However, certain of the Company's operating sites, individual plants and production areas have proven to be particularly vulnerable from a financial perspective given (i) the extended period of economic weakness, (ii) structural disadvantages, and (iii) an increasingly uncompetitive cost base - notably manifest in unaffordable regulated tariffs and raw material prices.

The outcome of the review may result in the closure of certain operating sites, individual plants and production areas, and the consequential concentration of operations at the remaining sites. Such decisions would be taken as a result of the affected business areas being no longer financially viable considering the factors noted above.

The entire review will be undertaken in a responsible, well-considered yet expeditious manner.

Shareholders will be kept apprised of the outcomes of the process as key decisions are taken.

25 September 2019
Vanderbijlpark Works

Sponsor to ArcelorMittal South Africa Limited
Absa Corporate and Investment Bank, a division of Absa Bank Limited

