



ArcelorMittal

ArcelorMittal South Africa
Vanderbijlpark Works

Heinrich Kriel

2011

Agenda



- ArcelorMittal South Africa's standing
- Process
- Main Industries
- Sales
- Corporate Responsibility

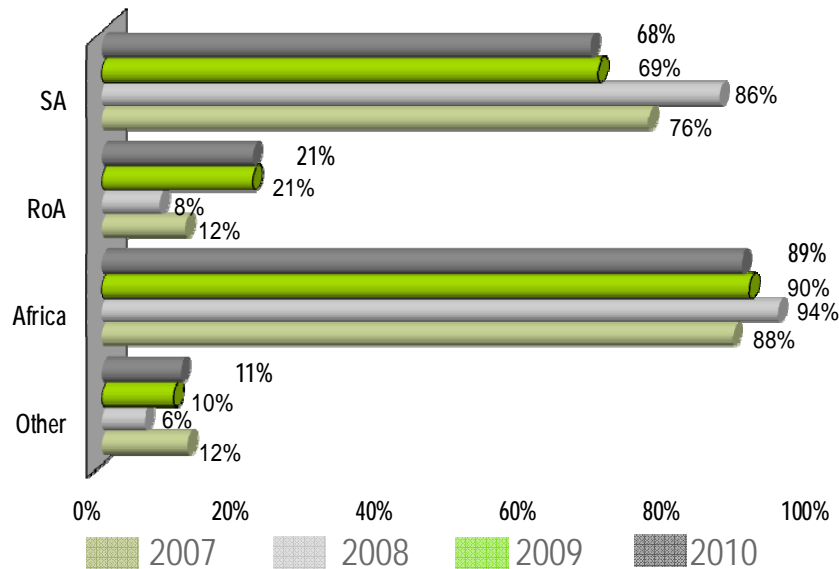


ArcelorMittal South Africa at a glance

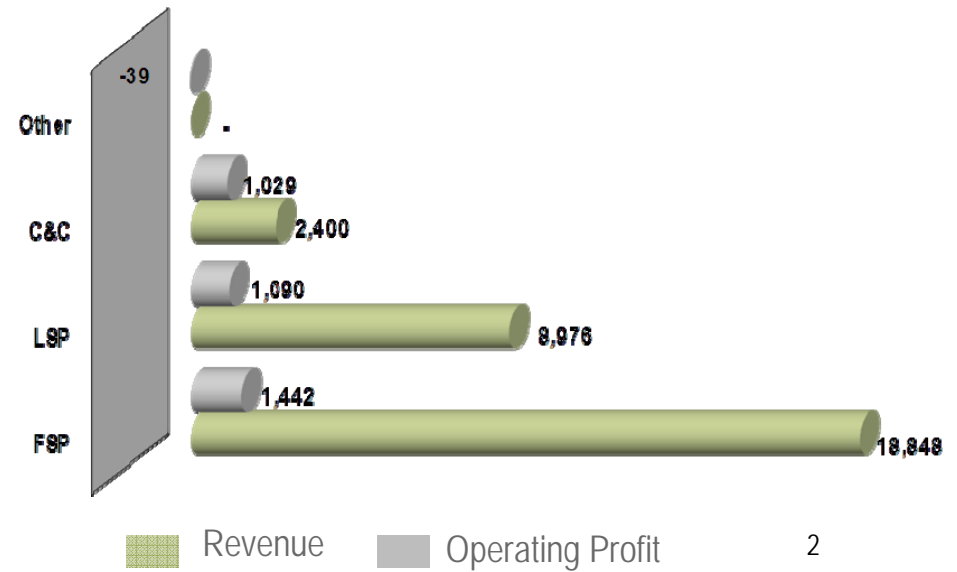
- Largest steel producer on the African continent with capacity of 8.0 mt of liquid steel per annum of which 65% is flat and 35% is long
- Modern, highly competitive supplier of steel products with turnover of R26bn
- Global standing underpinned by being part of the world's largest steel producer ArcelorMittal

- Relationship with ArcelorMittal facilitates world-class R & D, best practice processes, aggressive procurement contracts, and international market leverage
- ArcelorMittal South Africa is amongst the world's lowest cash cost producers

Geographic Shipments



Segmental Contributions (2010)



A Committed South African Citizen

- ArcelorMittal South Africa's long standing commitment to South Africa will continue
 - Approximately ZAR15bn invested since 2001/2 including the payment of R2,8 billion for the undivided share of the mining right over Sishen and R8bn in capex over last five years
- Major employer committed to sustainable job creation
 - 9,145 employees in South Africa, with an additional 2,500 on contract
 - Despite market meltdown and ArcelorMittal South Africa reporting losses in 2009, no job losses in workforce
- ArcelorMittal South Africa remains fully committed to complying with all BEE legislation
 - An equity transaction has been announced in August 2010 (see separate slides)
- ArcelorMittal South Africa has an outstanding social development programme
 - Contributes in the form of bursaries to engineering students, specifically at math & science facilities
 - Development programme for black engineering firms successfully launched
 - Building of schools across the country
- World class safety initiatives underway at all South African operations
- Local industry being comprehensively supported in supplying the requirements of the public sector infrastructure development programme
- The Department of Labour has recognized ArcelorMittals's position of pre-eminence in the technical skills development arena

ArcelorMittal in South Africa



Flat Steel Products shipped*

- Vanderbijlpark Works – 2 575 kt
- Saldanha Works – 904 kt

Long Steel Products shipped*

- Newcastle Works – 1 399 kt
- Vereeniging Works – 352 kt

Iron ore consumed*

- 5 073 kt from Sishen
- 2 379 kt from Thabazimbi
- 179 kt others

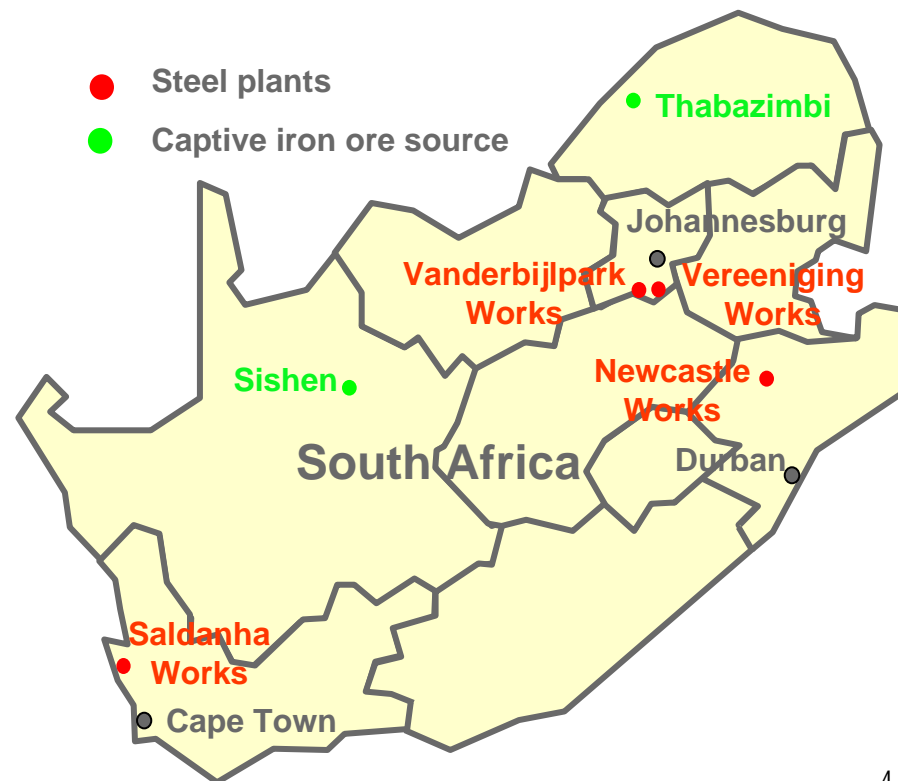
Coke & Chemicals shipped*

- Coke – 630 kt
- Tar – 125 kt

*12 months to December 2010

HR issues*

- Full time employees 9 145 for the year
- Employees per million tons prod = 1 612
- Revenue per head R3.3m (US\$0.5m)

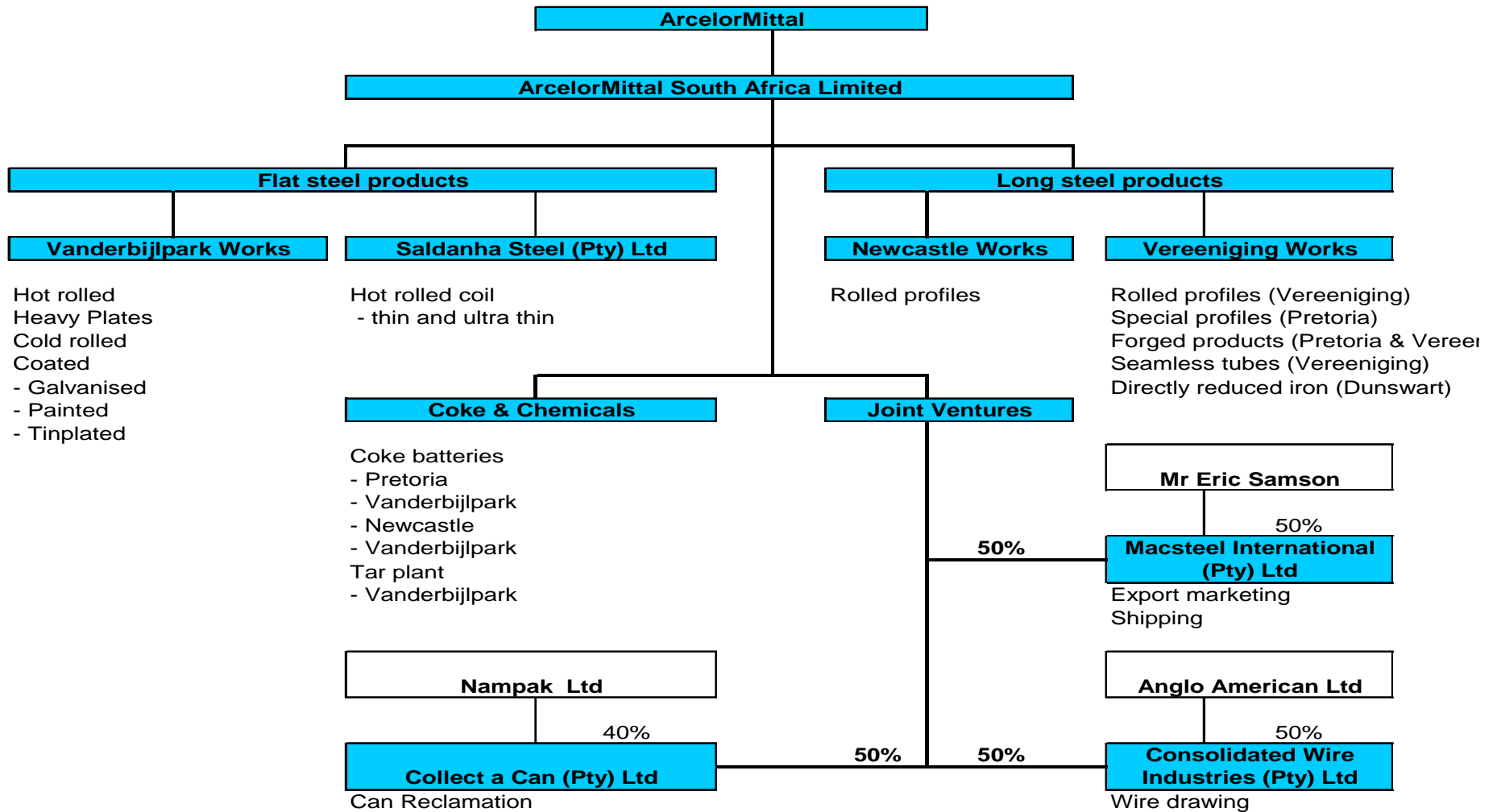


Flat carbon steel - Vanderbijlpark Works

2010

- Liquid steel production ('000 tons) 3 108
- Sales tons 2 611
- Domestic percentage of total sales 78 %
- Domestic percentage (excl SS) 73%
- Manpower 4 450
- Area of site 2 300 Ha
- Perimeter 20 km
- Rail networks 256 km and 34 locomotives
- Electricity consumption 6,25 GWh per day
- Primary raw materials received 17 686 tons per day
- Secondary raw materials received 7 515 tons per month
- Fresh water consumption 37.5 mega liters per day

Company Structure



Diversified primary steel producer

Vanderbijlpark Works Management Team



Heinrich Kriel

General Manager Vanderbijlpark Works



Gerhard Moolman
Works Manager
Iron Making



Erwee Lourens
Plant/Works
Manager
Coke Making



Albert Swanepoel
Works Manager
Cold Rolling



Werner Venter
Works Manager
Hot Rolling



Alvin Govender
Works Manager
Engineering



Chris van Dijk
Works Manager
Central
Maintenance
Services



Dirk Lourens
Manager
Quality Management



Catherine Maloa
Manager
SHQ



Koos Geldenhuys
Manager
Business
Improvement



Wynand Scholtz
Manager
Production Planning



Corne Muller
Manager
Finance



Dieter Sauer
Manager
Human Resources



Dirk Odendaal
Manager
Infrastructure
& VDB ICT



Karien Zantow
Manager
Environment

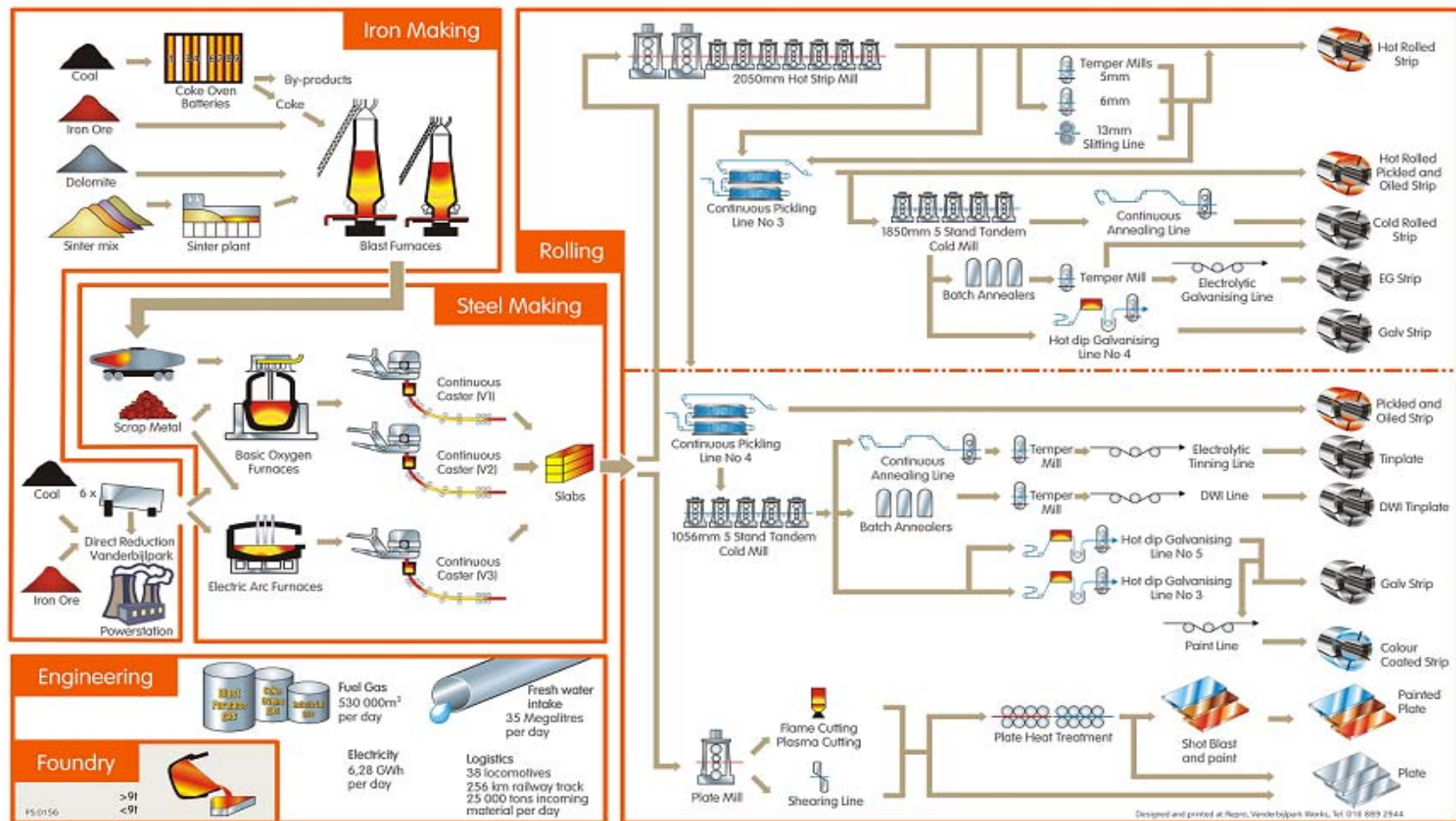
Vanderbijlpark Works Process Configuration

ArcelorMittal South Africa

Vanderbijlpark Works: Process Configuration

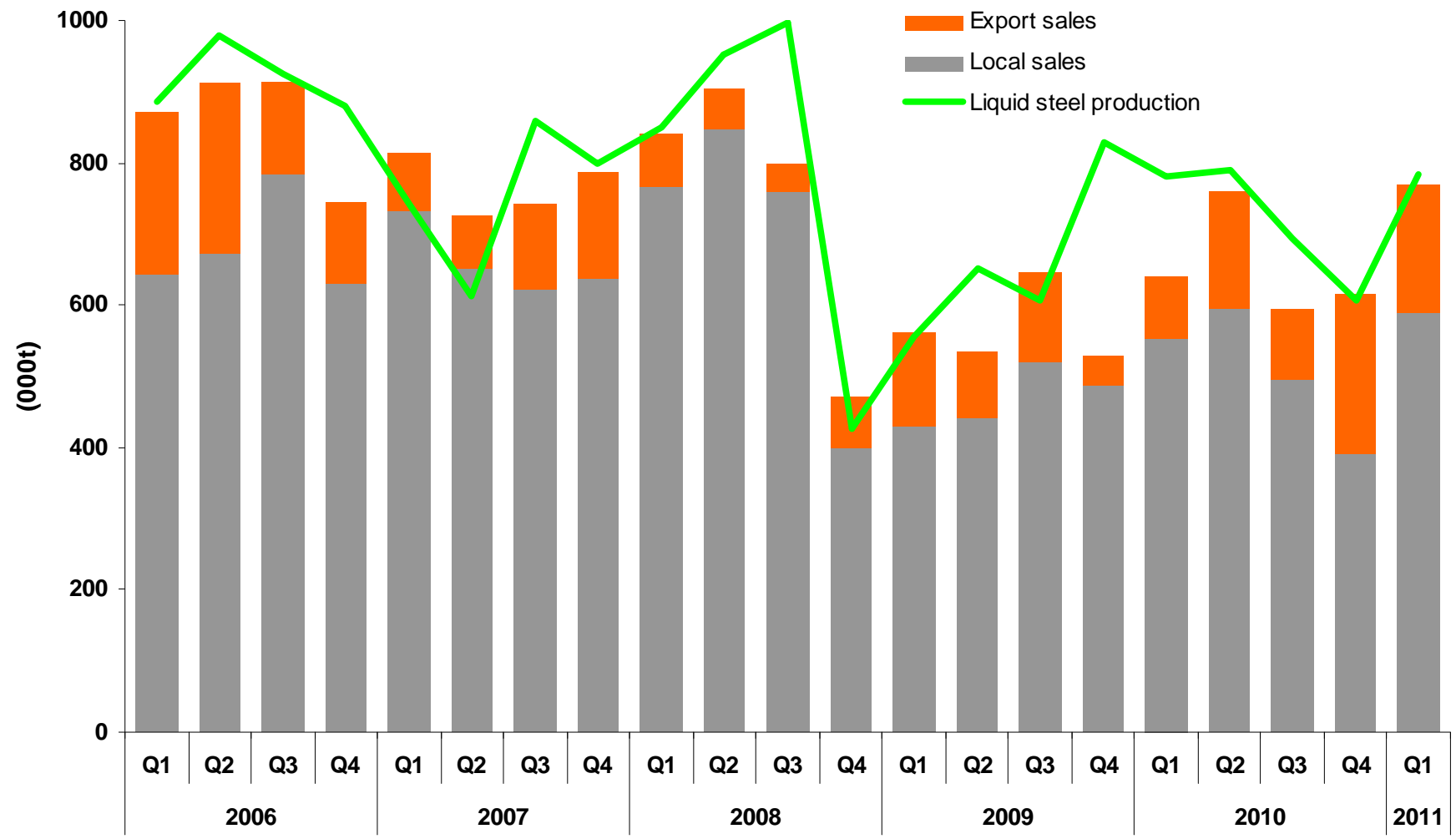


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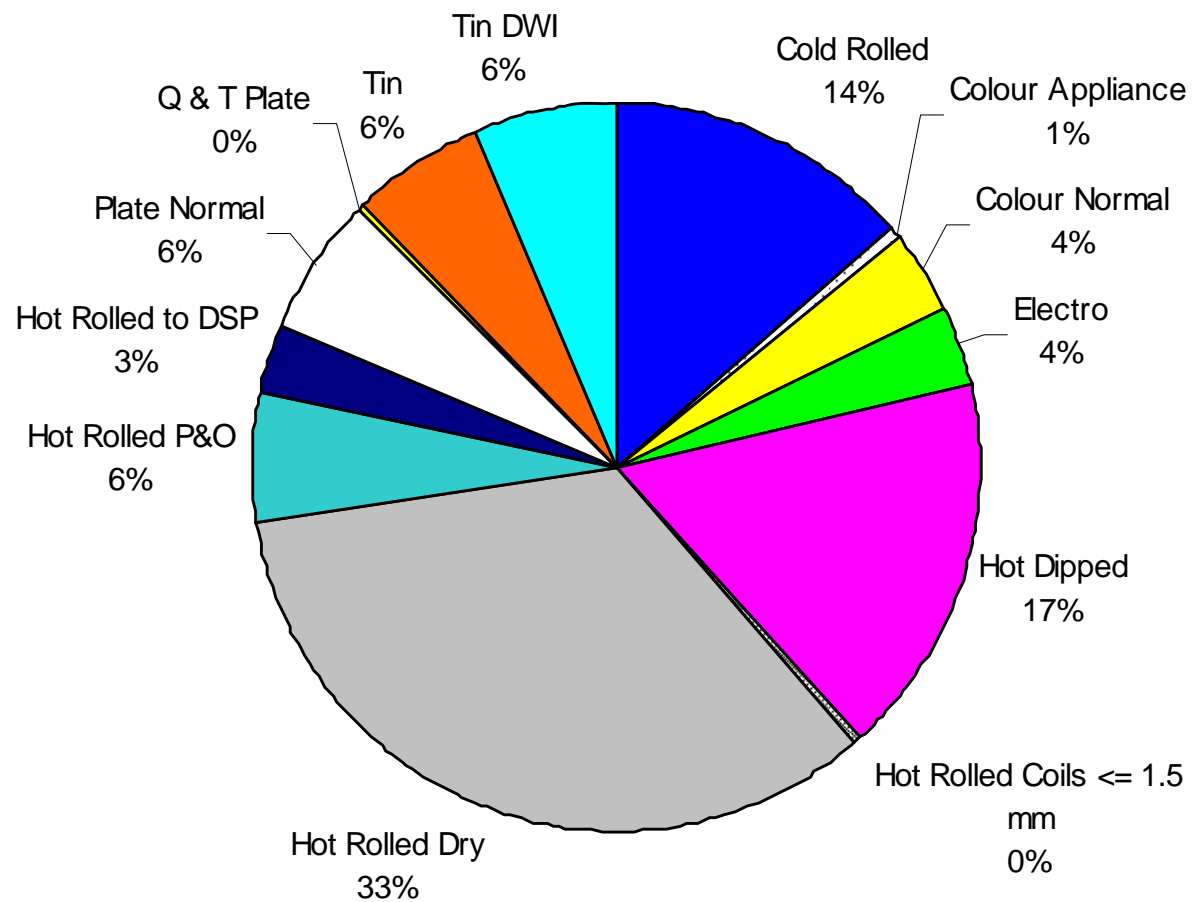




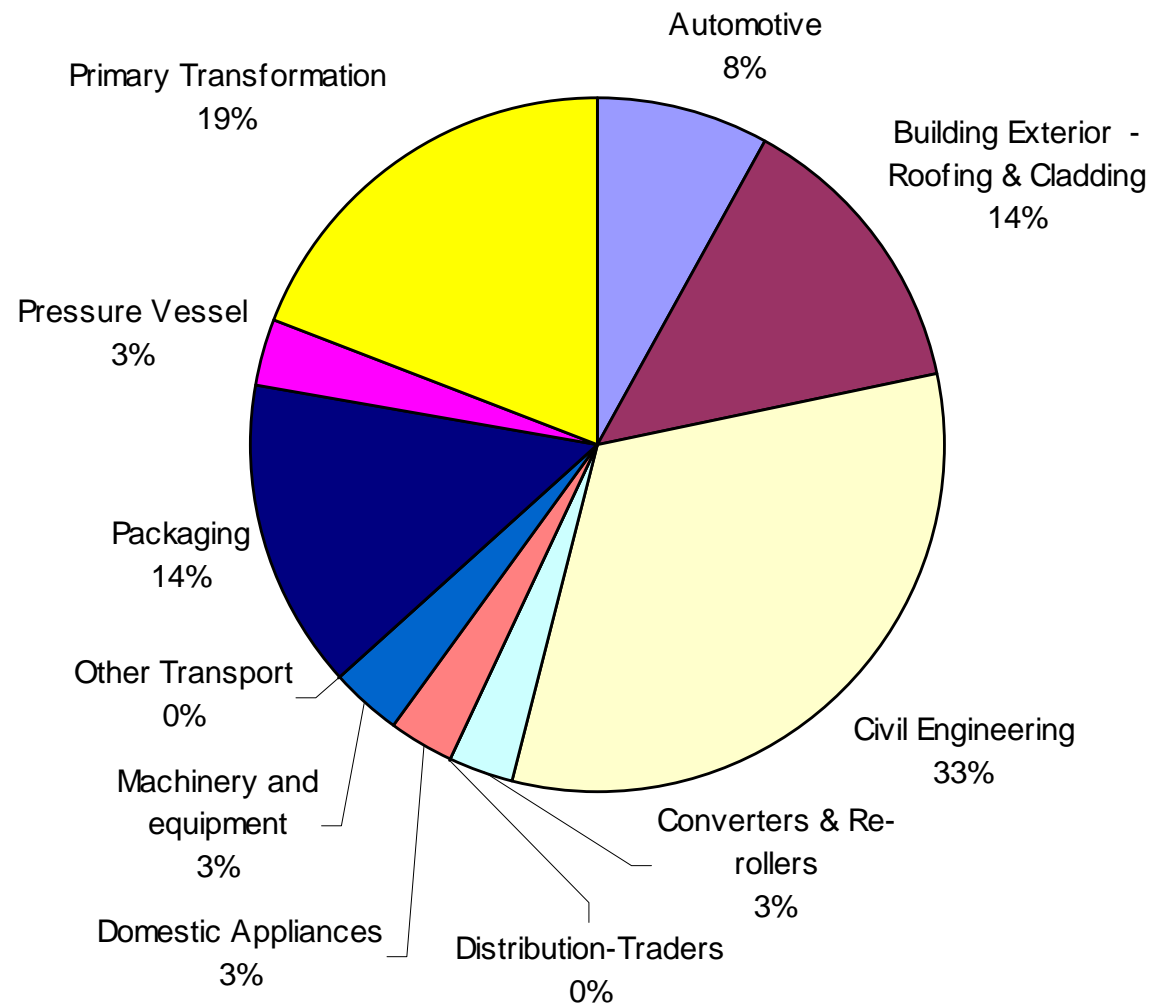
Production and sales history



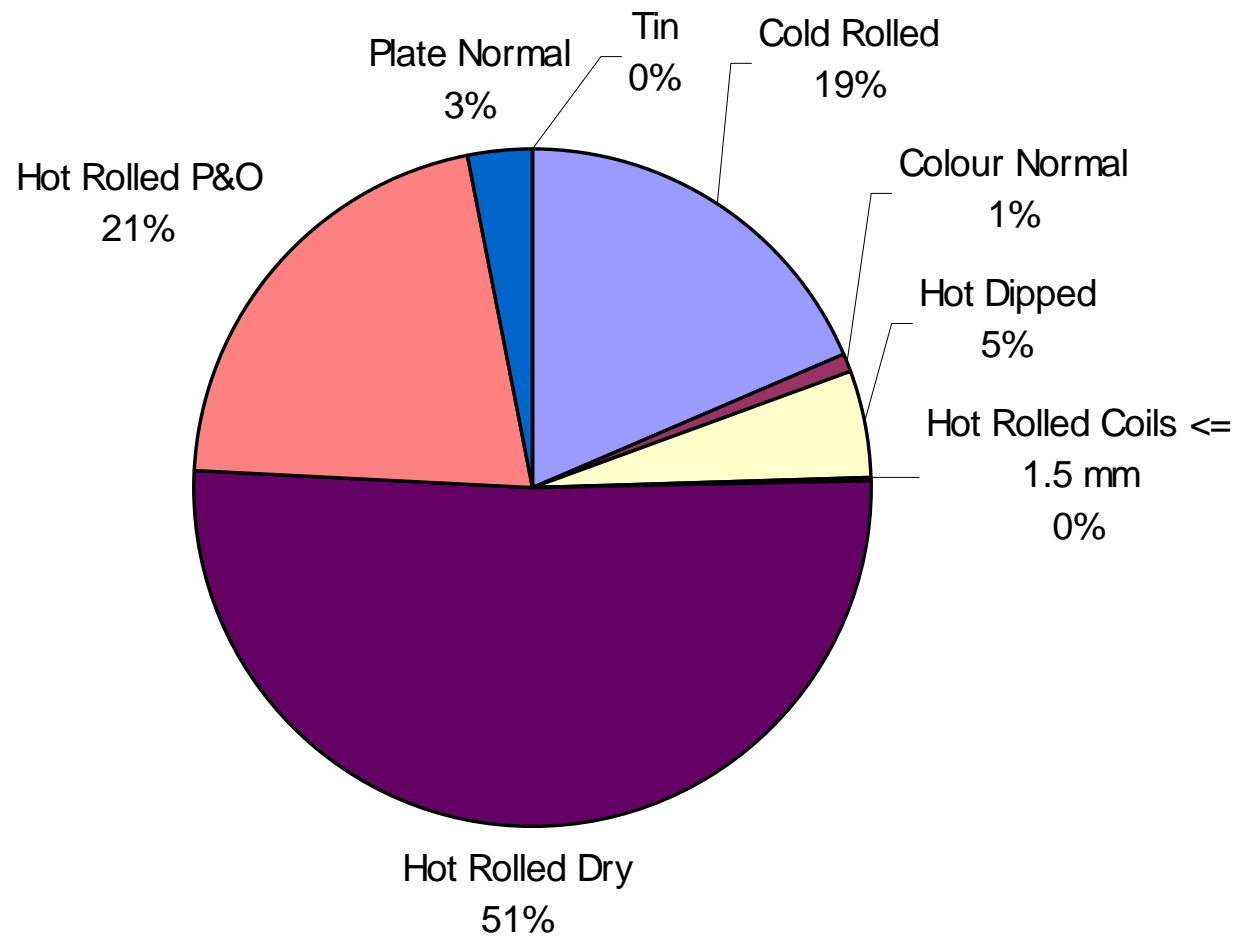
Domestic Sales: Prime Volume 2010



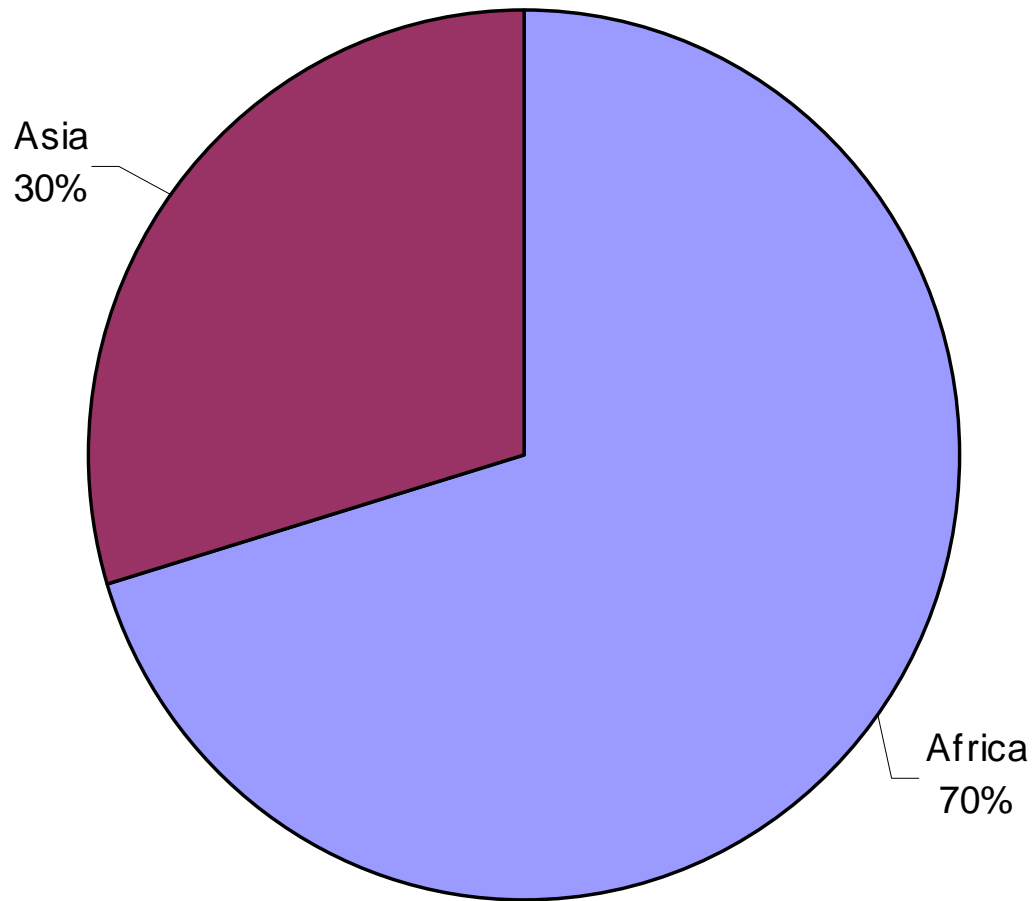
Domestic sales: Prime Volume per segment 2010



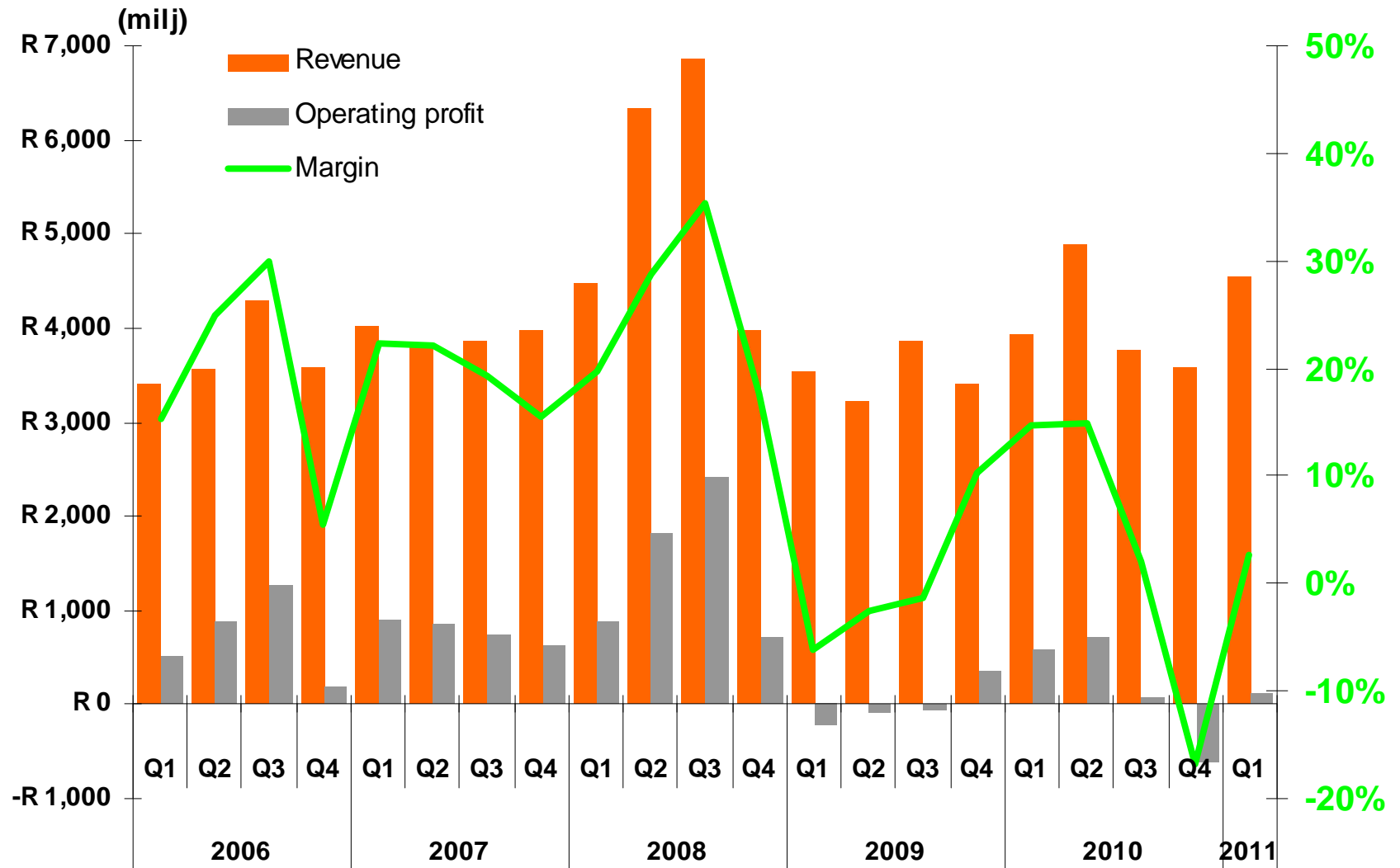
Export Sales: Prime Volume per Segment 2010



Export: Volumes per Region 2010



Financial history



Implementing a Corporate Responsibility strategy

Human Resources

Social Commitments

- Health & Safety
- Equitable employment practices
- World class training and skills development

Environment

Environmental Commitments

- Waste disposal
- Ground water and air quality
- Environmental compliance and legacy issues
- ISO 180001

Communities

Communities Commitments

- Local economic development
- Social investment
- Community engagement

Shareholders

Corporate Governance and sustainability reporting

- Board independence
- Equal rights among shareholders
- Best in class disclosure and shareholder dialogue



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Questions

