

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

UPDATE ON THE CAPITAL RAISING OF R4.5 BILLION BY WAY OF A FULLY-UNDERWRITTEN RENOUNCEABLE RIGHTS OFFER

Not for distribution in the United States of America, Canada, Australia or Japan or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.

1. Introduction

Shareholders are referred to the announcement released on SENS on Friday, 6 November 2015, wherein ArcelorMittal announced its intention to raise additional capital from the Company's shareholders via a fully-underwritten renounceable rights offer ("the Rights Offer"). The ArcelorMittal board ("the Board") has resolved to raise R4.5 billion by way of the Rights Offer, subject to the necessary shareholder approvals mentioned in the paragraph below.

A circular requesting shareholders to approve the resolutions required to implement the Rights Offer was posted on Monday, 9 November 2015 convening a general meeting to be held at 09h00 on Friday, 11 December 2015. The resolutions include a special resolution, as the Rights Offer will result in the Company issuing shares that will, upon issue, have voting power in excess of 30% of the existing voting power of the share capital of the Company.

A maximum of 692,307,693 Rights Offer shares will be issued in terms of the Rights Offer at the issue price of R6.50 per share to shareholders recorded in the register at the close of business on the record date for the Rights Offer, which is expected to be on Thursday, 24 December 2015. The issue price of R6.50 per share represents a 37% discount to the 30-day volume weighted average price ("VWAP") of the ArcelorMittal share on 5 November 2015 of R10.31, being the day before the announcement of the Rights Offer, and a discount of 17% to the 30-day VWAP on 20 November 2015 of R7.80, being the last practicable date to obtain the requisite Board approvals.

The ArcelorMittal Group ("the Underwriter") will fully underwrite the Rights Offer up to the maximum amount of R4.5 billion.

2. Purpose of the Rights Offer

As a first step to restructuring the financial position of ArcelorMittal, the Rights Offer is proposed by ArcelorMittal to reduce current debt levels, fund near-term investment in capital expenditure and positively impact ArcelorMittal's ability to raise future debt funding.

The proposed Rights Offer will be made to all shareholders proportionately to their shareholdings, with allowance for excess applications by shareholders. The rights of shareholders under the Rights Offer will be renounceable.

The Underwriter will fully underwrite the Rights Offer of R4.5 billion by:

- following its rights under the Rights Offer of approximately R2.2 billion; and
- subscribing for any remaining Rights Offer shares not taken up by the Company's shareholders, up to a maximum of R2.3 billion.

It is intended that the funds raised from the ArcelorMittal Group under the Rights Offer, will be first used to settle ArcelorMittal Group loans up to a maximum of R3.2 billion, with any balance being retained for operational and near-term capital expenditure purposes. This will allow the Company to optimise its financial position before embarking on its extended R4.5 billion capital programme over the next five years. Apart from the ArcelorMittal Group loans, there is no other material long-term debt outstanding.

By following its rights under the Rights Offer, the ArcelorMittal Group would be able to maintain its position as a major shareholder of the Company, which is an advantage as the Company values the involvement of the ArcelorMittal Group through its support as a key technology partner allowing the Company to receive leading technical support and benchmark its operations to international best practices.

3. Salient dates and times

	Date
Finalisation announcement released on SENS on	Friday, 11 December 2015
Finalisation announcement published in the press on	Monday, 14 December 2015
Last day to trade in ArcelorMittal shares on the JSE in order to be entitled to participate in the Rights Offer (cum Rights Offer entitlement)	Thursday, 17 December 2015
List and trade letters of allocation on the JSE with the JSE code ACLN and ISIN ZAE000212171 from the commencement of trade on	Friday, 18 December 2015
ArcelorMittal shares commence trading ex-Rights Offer entitlement on the JSE from	Friday, 18 December 2015
Circular, including form of instruction (where applicable), posted to certificated shareholders on	Monday, 21 December 2015
Record date in order to be entitled to participate in the Rights Offer	Thursday, 24 December 2015
Rights Offer opens on	Monday, 28 December 2015
Letters of allocation credited to an electronic account held at the transfer secretaries in respect of certificated shareholders on	Monday, 28 December 2015
CSDP or broker accounts credited with Rights Offer entitlements in respect of dematerialised shareholders on	Monday, 28 December 2015
Rights Offer circular mailed to dematerialised shareholders (where applicable) on	Tuesday, 29 December 2015
Last day to trade in the letters of allocation on the JSE	Friday, 8 January 2016
Listing and trading on the JSE of the Rights Offer shares commences at 09h00 on	Monday, 11 January 2016
Rights Offer closes at 12h00 on	Friday, 15 January 2016

Payment to be made, and form of instruction to be lodged, with the transfer secretaries by holders of certificated shares by 12h00 on	Friday, 15 January 2016
Record date for the letters of allocation	Friday, 15 January 2016
Rights Offer shares issued on	Monday, 18 January 2016
CSDP or broker accounts of holders of dematerialised shares debited and updated with entitlements to the Rights Offer shares on	Monday, 18 January 2016
Share certificates posted to certificated shareholders in respect of entitlements to the Rights Offer shares on	Monday, 18 January 2016
Results of the Rights Offer released on SENS on	Monday, 18 January 2016
Results of the Rights Offer announcement published in the press on	Monday, 18 January 2016
In respect of successful excess applications (if applicable), Rights Offer shares issued to dematerialised shareholders and/or share certificates posted to certificated shareholders on or about	Wednesday, 20 January 2016
In respect of unsuccessful excess applications (if applicable), refund payments made to certificated shareholders on or about	Wednesday, 20 January 2016

Notes:

1. All dates and times are South African dates and times.
2. The above dates and times are subject to amendment. Any such amendment will be announced on SENS and published in the South African press.

4. Jurisdiction

The Rights Offer shares have not been, and will not be, registered under the Securities Act of the United States. Accordingly, the Rights Offer entitlement may not be offered, sold, resold, delivered or transferred, directly or indirectly, in or into the United States or to, or for the account or benefit of, United States persons, except pursuant to exemptions from the Securities Act of the United States. This announcement must not be, mailed or otherwise distributed or sent in, into or from the United States. This announcement does not constitute an offer of any securities for sale in the United States or to United States persons.

The Rights Offer also does not constitute an offer in the District of Columbia, the United States, the Dominion of Canada, the Commonwealth of Australia, the United Kingdom, Japan or in any other jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer and this announcement should not be forwarded or transmitted to any person in any jurisdiction other than where it is lawful to make such an offer.

Shareholders resident outside the Common Monetary Area should consult their professional advisors to determine whether any governmental or other consents are required or other formalities need to be observed to allow them to take up the Rights Offer, or trade their entitlement.

Shareholders holding ArcelorMittal shares on behalf of persons who are resident outside the Common Monetary Area are responsible for ensuring that taking up the Rights Offer, or trading in their Rights Offer entitlements thereunder, do not breach regulations in the relevant overseas jurisdictions.

5. Circular

The Rights Offer circular setting out the detailed terms of the Rights Offer will be posted to shareholders on or about Monday, 21 December 2015 (certificated shareholders) and Tuesday, 29 December 2015 (dematerialised shareholders), subject to receiving the necessary shareholder approvals mentioned in paragraph 1 above.

A further detailed announcement, with final dates and times in relation to the Rights Offer, will be made on or about 11 December 2015.

Vanderbijlpark

24 November 2015

Investment bank, corporate advisor and transaction sponsor in relation to the Rights Offer

Nedbank Corporate and Investment Banking

Legal advisor to the Rights Offer

Edward Nathan Sonnenbergs Inc.

Sponsor to ArcelorMittal

JP Morgan Equities South Africa Proprietary Limited