

ArcelorMittal SA brings in foreign financial talent

Spotlight on SA operations increased

Dineo Faku

ARCELORMITTAL South Africa had appointed Matthias Wellhausen as its new chief financial officer to strengthen its capacity, the steel maker said yesterday.

ArcelorMittal SA said Wellhausen, the vice-president of finance and controlling and the chief financial officer of the ArcelorMittal group for Asia, Africa and the Commonwealth of Independent States, has been appointed with effect from January 2.

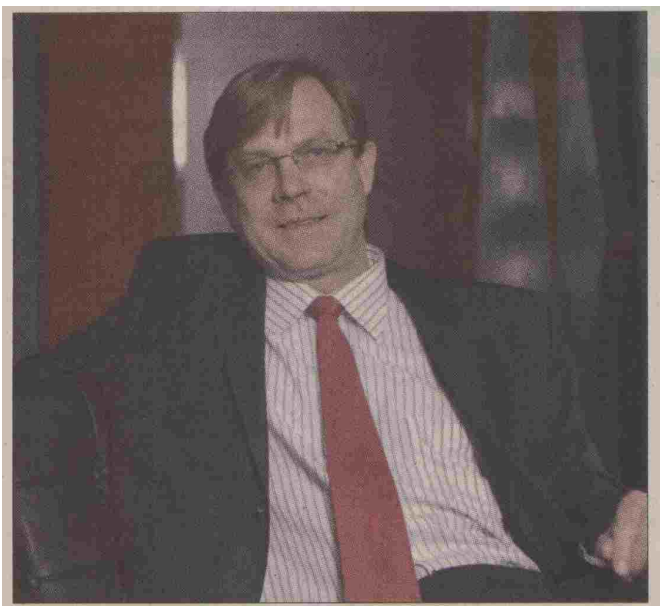
The company said Wellhausen would take over from Rudolph Torlage, who would focus on strategic projects.

"His considerable experience in developing teams, integrating units and successfully driving and achieving targeted results will be highly beneficial to the company during the next three years," the JSE-listed firm said.

It added that Torlage, who served as chief financial officer for two years, would continue to drive the arbitration process to resolve the impasse over the Sishen iron ore supply contract, together with a number of other key projects.

Kumba Iron Ore and the steel maker are involved in a dispute over pricing.

Kagiso Asset Management equity analyst Ross Heyns said yesterday that Wellhausen had been brought into the role as chief financial officer to help effect a turnaround in the South African business as the firm contended with the difficult operating environment.



Rudolph Torlage is ArcelorMittal SA's outgoing financial chief.

"Given the current difficulties at ArcelorMittal SA, it is clear that the ArcelorMittal group has decided to increase their focus on the South African operations."

Wellhausen's appointment followed the naming of Hans-Ludwig Rosenstock as the chief operating officer effective in January next year, he said.

ArcelorMittal SA has been knocked by stagnant global economic growth, which has undermined its ability to perform. It posted a headline loss of R168 million in the third quarter, mainly due to weak domestic demand for steel, high input costs and destocking.

The loss was marginally

lower than the R177m loss in the preceding quarter and better than the R460m loss in the corresponding period last year.

State-subsidised steel exports from China had hurt the firm. It was also under pressure after Kumba Iron Ore issued a force majeure informing ArcelorMittal SA that it had suspended supply obligations due to the unprotected strike at its Sishen mine in October.

Imara SP Reid analyst Stephen Meintjes said Wellhausen was expected to play a wider role than simply being chief financial officer because of his experience in mining.

The shares fell 5.69 percent to R25.35 on the JSE yesterday.