

ArcelorMittal stock dives after news of appointment

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ARCELORMITTAL SA fell 5.69% to R25.35 yesterday after saying it was replacing its chief financial officer Rudolph Torlage with Matthias Wellhausen from the beginning of next year.

Mr Wellhausen is the global steel maker's regional chief financial officer for Asia, Africa and the Commonwealth of Independent States (former Soviet Union). He is also the group's vice-president of finance and controlling.

The Luxembourg-based group said Mr Wellhausen had led its integration office until 2006, after the creation of the global company. He had "considerable experience" in developing teams, integrating units, and driving and achieving targeted results.

Mr Wellhausen's input would be "highly beneficial" to the company over the next three years. "ArcelorMittal Group has a policy of deploying expatriate executives on a two- to three-year (basis)," ArcelorMittal SA manager of corporate communications Themba Hlengani said yesterday.

"We are also reviewing profitability at individual product level, a process Mr Wellhausen will drive when he takes over his position," he said.

In compliance with requirements of the JSE, Mr Wellhausen would be appointed to the board of the South African subsidiary as an executive director. Mr Torlage would retire as an executive director on the same date, but would continue to report to CEO Nonkululeko Nyembezi-Heita as GM of strategic projects.

Further, Mr Torlage would continue to drive the arbitration process with Kumba Iron Ore to resolve the impasse over their Sishen iron ore supply contract.

He would be involved in other projects for the group. " (Mr Torlage) will also be taking a lead on the Phoenix issue," Mr Hlengani said.

Kumba's Phoenix project was looking at various alternatives for extending the life of its Thabazimbi mine.

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