

ArcelorMittal

ArcelorMittal South Africa Limited
(Incorporated in the Republic of South Africa)
(Registration number 1989/002164/06)
Share code: ACL ISIN: ZAE 000134961
(ArcelorMittal South Africa, the company or the group)

Unaudited operational information for the quarter ended 30 September 2018

Salient features

- › **Lost time injury frequency rate (LTIFR)** improved from **0.27** to **0.18** at the end of Q3 2018
- › **Domestic demand** remains weak
- › **Volatility** in the **rand/US dollar exchange** rate continues to **impact** the business significantly
- › **Liquid steel** production up **5%**
- › **Local sales** up **3%**
- › **Export sales** up **6%**

Operational information

| | | Quarter ended | | |
|--------------------------------|------------|---------------|--------------|----------|
| | | 30 Sept 2018 | 30 Sept 2017 | % change |
| Liquid steel production | | 1 299 | 1 240 | 4.8 |
| Capacity utilisation | | 85 | 81 | 4.9 |
| Steel sales | | | | |
| – Local | 000 tonnes | 887 | 863 | 2.8 |
| – Export | 000 tonnes | 215 | 202 | 6.4 |
| – Total | 000 tonnes | 1 102 | 1 065 | 3.5 |
| Coke and chemicals | | | | |
| – Commercial coke produced | 000 tonnes | 43 | 47 | (8.5) |
| – Commercial coke sales | 000 tonnes | 42 | 49 | (14.3) |
| – Tar sales | 000 tonnes | 19 | 20 | (5.0) |

Commentary

The analysis relates to the three months ended 30 September 2018 (current period) compared to the three months ended 30 September 2017 (prior period) except where otherwise indicated.

Safety

Safety remains our number one priority. LTIFR improved from 0.27 to 0.18, while total injury frequency rate improved to 7.07 from 7.87.

Production

Liquid steel production was 59 000 tonnes (4.8%) higher, mainly due to higher production at Long Products after the production cutback in Q3 2017. The capacity utilisation for Q3 2018 increased to 85% compared to 81% in the comparable period.

Sales

Local sales were 24 000 tonnes (2.8%) better. Apparent steel consumption increased by 2% compared to the corresponding period. Total imports of primary

steel products decreased by 7% in the third quarter compared to that of 2017. Export sales increased by 13 000 tonnes (6.4%) due to the strong international demand and weakening of the average rand/USD exchange rate.

Commercial coke

Commercial coke sales were 7 000 tonnes (14.3%) lower and tar sales were also down by 1 000 tonnes or 5.0% due to planned repairs at the coke plant in Pretoria Works.

By order of the board
18 October 2018

Sponsor: Absa Bank Limited (acting through its Corporate and Investment Banking division)

Release date: 1 November 2018

For further information please contact:

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