



# ArcelorMittal

ArcelorMittal South Africa Limited

(Incorporated in the Republic of South Africa)

(Registration Number 1989/002164/06)

Share Code: ACL ISIN: ZAE000134961

("ArcelorMittal South Africa" or "the Company")

## **RESTRUCTURING AS A RESULT OF OPERATIONAL REQUIREMENTS: ARCELORMITTAL SOUTH AFRICA COMMENCES CONSULTATION PROCESS IN TERMS OF SECTION 189(3) OF THE LABOUR RELATIONS ACT**

Shareholders are reminded that the Company previously advised that in order to address the current challenges as outlined in its consolidated financial statements for the six months ended 30 June 2017 announcement released on 27 July 2017, the Company was in the process of exploring several additional initiatives, including additional cost saving interventions, assessing the profitability of various product lines and the implementation of structural changes (restructuring) in the next six months.

All options are being explored and the Company has no option but to also review its staffing levels. Consequently, the Company will be commencing with a consultation process in terms of section 189(3) of the Labour Relations Act 66 of 1995, based on its operational requirements which relate to its economic and structural needs.

It is difficult to estimate the number of employees who may eventually be affected as a result of the proposed restructuring and efficiency measures (but it is anticipated to be more than 50 employees) as this is subject to the outcome of the consultation process and other mechanisms that will be explored to minimise the impact.

ArcelorMittal South Africa continues to engage constructively with Government and organised labour representatives in an attempt to reduce the impact of the changes, particularly with regard to

potential job losses. To this end, the Company will first consider implementing alternatives before retrenchments are implemented.

As South Africa's leading steel producer, the sustainability of the local steel industry and the prevention of job losses remains an important concern and the Company will continue to engage its stakeholders to find collaborative and lasting solutions to the challenges faced by the industry. Shareholders will be informed once the process has been finalised.

**15 August 2017**

**Vanderbijlpark Works**

For further information please contact:

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Sponsor to ArcelorMittal South Africa Limited

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