

press release

ArcelorMittal in Germany: “We need fair competitive conditions”

Berlin, 15 March 2016 - 2016 is a decisive year for the future of steel industry in Germany and Europe. ArcelorMittal, the world's largest steel producer, is well-positioned in Germany with four production sites. With eight million tonnes of crude steel, it belongs to the country's largest producers. ArcelorMittal aims to invest and to further develop its German plants. As largest individual investment, ArcelorMittal is set to implement the relining of blast furnace 5A with a volume of €40 million in Eisenhüttenstadt this year. “We thereby secure the future of our plant in the federal state of Brandenburg“, explains Frank Schulz, CEO of ArcelorMittal Germany. "Several additional investments are planned for the other sites. Due to the tense market situation and the persistently uncertain framework conditions, we will decide with a sense of proportion when and how to implement further projects."

Despite high capacity utilisation and a solid market demand, unfair imports from third countries such as China put downward pressure on prices and lead to margins that are in the long run unsustainable. With seven million tonnes in 2015, the amount of imports from China into the EU has doubled within two years. Current EU discussions on the Market Economy Status for China have the clear potential to suspend the effect of trade defence instruments on the European market in the future. "The exact opposite is what is needed. We need the prompt and consequent application of existing trade defence instruments in order to protect our market against unfair trading practices“, demands Schulz.

In addition, the European Commission's new proposal on emissions trading leads to deep concern. The current reform proposal will not lead to reduced CO₂ emissions in Europe, but it triggers the danger of a weakened basis of industry. “We urgently require a reform of emissions trading in order to maintain future steel production in Germany and Europe at fair competitive conditions and to avoid the migration of industry into regions with lower environmental standards“, says Schulz. Fulfilling steel demand through imports from countries such as China, where steel is produced at 40 per cent higher CO₂ emissions, cannot be the solution. Such erroneous developments must be avoided in order to maintain industry as the backbone of the economy and an important part of the value chain in Europe.

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About ArcelorMittal

Germany

With a production volume of around 8 million tonnes crude steel, ArcelorMittal is among the largest steel producer in Germany. Its customers come from the automotive, construction and packaging industry, household appliances also belong to ArcelorMittal's customers in Germany. The group runs four large production sites in the country. These are two fully integrated flat carbon sites in Bremen and Eisenhüttenstadt as well as two long carbon sites in Hamburg and Duisburg. Moreover the group has seven steel service centers and 16 distribution centers in the federal republic. ArcelorMittal employs more than 9,000 people in Germany.

<http://germany.arcelormittal.com>

Worldwide

ArcelorMittal is the world's leading steel and mining company, with a presence in 60 countries and an industrial footprint in 19 countries. Guided by a philosophy to produce safe, sustainable steel, we are the leading supplier of quality steel in the major global steel markets including automotive, construction, household appliances and packaging, with world-class research and development and outstanding distribution networks.

Through our core values of sustainability, quality and leadership, we operate responsibly with respect to the health, safety and wellbeing of our employees, contractors and the communities in which we operate.

For us, steel is the fabric of life, as it is at the heart of the modern world from railways to cars and washing machines. We are actively researching and producing steel-based technologies and solutions that make many of the products and components people use in their everyday lives more energy efficient.

We are one of the world's five largest producers of iron ore and metallurgical coal and our mining business is an essential part of our growth strategy. With a geographically diversified portfolio of iron ore and coal assets, we are strategically positioned to serve our network of steel plants and the external global market. While our steel operations are important customers, our supply to the external market is increasing as we grow.

In 2015, ArcelorMittal had revenues of US\$63.6 billion and crude steel production of 92.5 million tonnes, while own iron ore production reached 62.8 million tonnes.

ArcelorMittal is listed on the stock exchanges of New York (MT), Amsterdam (MT), Paris (MT), Luxembourg (MT) and on the Spanish stock exchanges of Barcelona, Bilbao, Madrid and Valencia (MTS).

<http://corporate.arcelormittal.com/>