



ArcelorMittal

Lakhta Tower (Saint-Petersburg, Russia)

ArcelorMittal Europe – Long Products' mill in Differdange (Luxembourg) delivered 21 254 to of HISTAR® 460, that includes processing. The tower (87 floors) is the headquarter of Gazprom, the world's largest gas company.



ArcelorMittal Europe Long Products

Danish Steel Day

14th November 2019

ArcelorMittal Europe at a glance

	2016	2017	2018
Sales (US\$billion)	29.3	36.2	40.5
Ebitda (US\$billion)	2.5	3.6	3.8
Operating income (US\$million)	1,270	2,359	1,632
Crude steel production (kt)	42,635	43,768	44,693
Shipments (kt)*	40,247	40,941	41,020

Source: Press release fin results 2018 07/02/2019



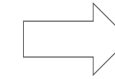
88,000 employees
working in **400** locations in 2018

Industrial presence in **18** countries
with **41,020 Kt** shipments* in 2018

* ArcelorMittal Downstream Solutions shipments are eliminated in consolidation as they primarily represent shipments originating from other ArcelorMittal operating subsidiaries.

ArcelorMittal Europe Long Products - key figures

Allowing us to be closer to markets, customers and needs



11,500 employees

10MT shipments

25 production sites

in **9** countries

The Freedom Tower





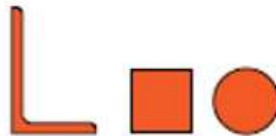
We supplied 10,000 tonnes of "Freedom beams" for the construction of the Freedom Tower, One World Trade Center, in New York City. Each weighs up to 730 pounds per foot, and is made of Histar grade 65 steel.



ArcelorMittal

ArcelorMittal Europe Longs

Sections and Merchant Bars product range 1/2

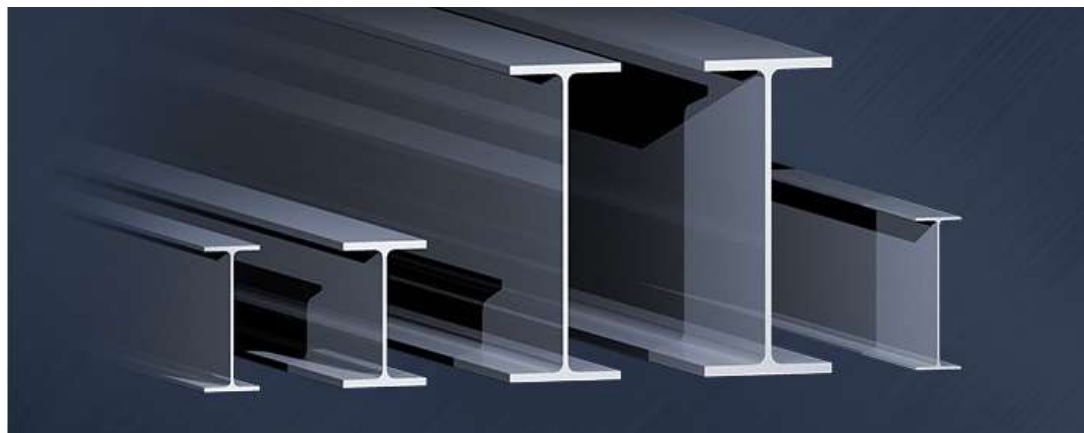
Sections and Merchant Bars				
Sections				Merchant Bars
Beams	Columns	Bearing Piles	Channels	
				
<ul style="list-style-type: none"> HE 100 - 1000 HL 920 - 1100 / HLZ IPE 80 - 750 UB 127 x 76 - 1100 x 400 W 6 x 4 - 44 x 16 GOST 10B1 - 50B3 IPN 80 - 600 J 76 - 152 S 3 - 24 	<ul style="list-style-type: none"> HD 260 - 400 UC 152 x 152 - 356 x 406 W 4 x 4 - 14 x 16 GOST 20K1 - 40K5 	<ul style="list-style-type: none"> HP 200 - 400 UBP 203 x 203 - 356 x 368 HP 8 - 14 	<ul style="list-style-type: none"> UPE 80 - 400 PFC 100 - 430 UPN 50 - 400 C 8 - 12 MC 6 - 18 GOST 8Y - 30Y 	<ul style="list-style-type: none"> L 45 x 45 - 300 x 300 L 100 x 65 - 250 x 90 L 2 - 12 SQ 90 x 90 - 160 x 160 R 90 - 150

ArcelorMittal Europe Longs

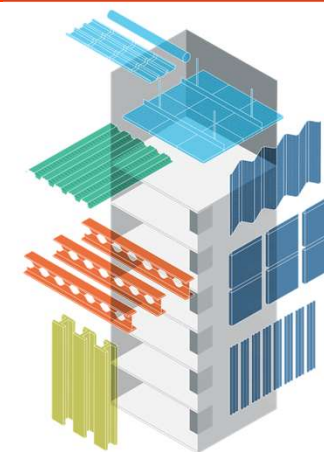
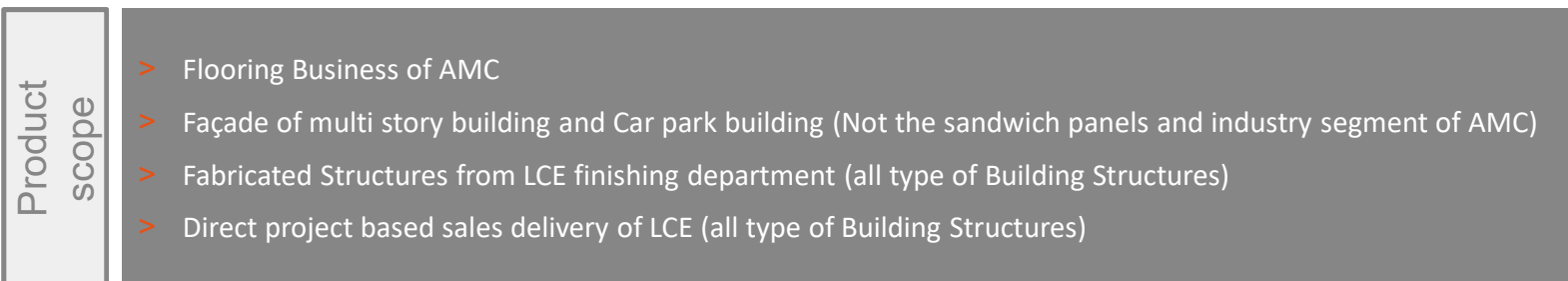
Sections product range 2/2

Unit	UPE	UPN	IPE	IPN	HE	HD	HL	HP
AM Belval (LU)	180-360	-----	180-550	-----	100-280	260	-----	200-260
AM Bergara (E)	80-220	80-220	20-240	80-240	100-120	-----	-----	-----
AM Dabrowa LMSM (PL)	100-22	50,65,80-220	80-270	80-260	100-180	-----	-----	-----
AM Dabrowa HMSM (PL)	-----	240-300	300-550	300-550	180-400	-----	-----	-----
AM Differdange (LU)	-----	-----	550-750	-----	240-1000	260-400	920-1100	260-400
AM Hunedoara HSM (RO)	-----	100-260	120-300	100-260	100-200	-----	-----	-----
AM Olaberria (E)	180-400	180-400	160-600	160-600	100-300	-----	-----	200

The indicated sizes represent current production range and not capabilities of rolling



Scope of this new organization leveraging on Steligence® Initiative



Steligence® Marketing Strategy

Tailor made approach and messages adapted to each decision makers group throughout the entire value chain



ArcelorMittal Europe Longs

ArcelorMittal Differdange - Modernised Finishing of Rolling Mill

To guarantee the performance of Differdange mill as worldwide leader in heavy sections, some 40M€ have been invested to significantly upgrade the finishing facilities of the Grey-rolling mill.

- **Main benefits for our customers:**

- Faster shipment
- Improved reliability of delivery
- Better consistency of straightness and geometrical tolerances
- Improved “look & feel” of the sections
- Ultimate reference for architects and structural engineers across the Globe for heavy shapes

- **Key features of the investment:**

- **World’s largest roller-straightener ever built for section mill** 2500 cm³ modulus, 9 rolls, double supported, by Danieli
- Gag press, by Röcher
- Cold saw, by Danieli
- Marking robot, by Ronmas

- **Timing:**

- In April 2018 the new facilities have been brought in service.



Roller straightener from Danieli



Gag press from Röcher



Cold saw from Danieli

ArcelorMittal Europe Longs

High Performance Sections Products

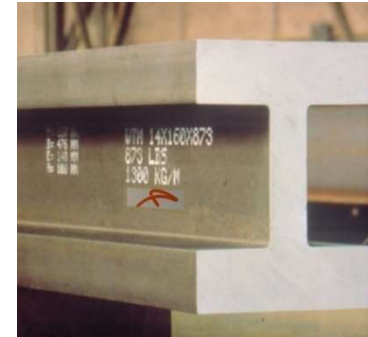
JUMBO shapes = Sections with weights over 600 kg/m

Why ?

- Much higher load-bearing capacity
- Fast processing at fabrication, high speed on site
- Less welds and checks, quicker fabrication with highest safety
- Better cost competitiveness, advantage in seismic
- Readily available, standard size per EN 10365 (2017)

Where ?

- Columns in skyscrapers
- Heavy loaded trusses in tall buildings / stadiums / airports
- Heavy industrial construction: factories / powerplants



HISTAR® steel grades

Why ?

- Higher resistance than conventional steel grades
- Weight saving, cost-efficiency
- Better weldability, less cost of processing
- Standard CE-mark per ETA 10/0156

Where ?

- Columns & beams in buildings
- Trusses in buildings / stadiums / airports
- Industrial: factories / powerplants
- Small span bridges



ArcelorMittal Europe Longs

Ready to install sections right from the mill



Fabrication unit in Differdange (Luxembourg) delivering services and solutions tailored to customer needs

Market outlook summary in Euro zone

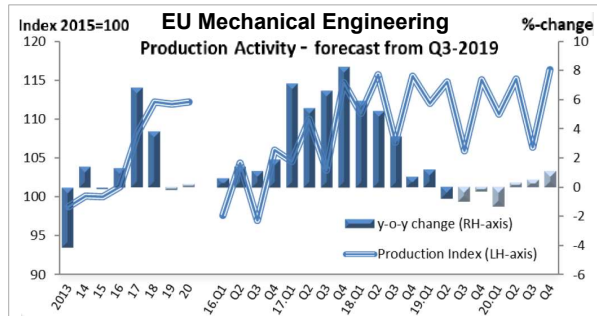
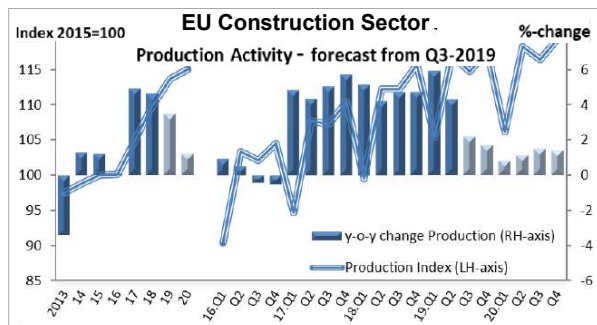
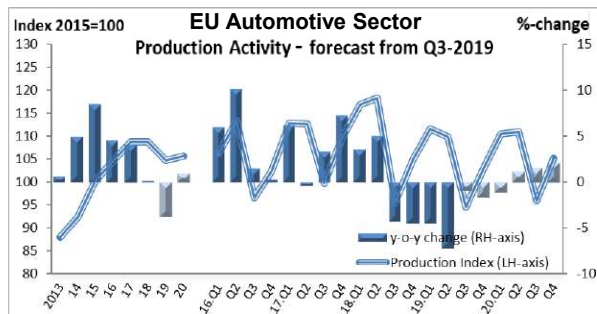
Sept'19 Markit Construction indicated slight rebound driven by growth in France and stable activity in Germany

Indicator	Previous	Actual		Remarks
EU28 - GDP 2019 (EC) %	+1.4 Jul'19	+1.4 Jun'19	↔	Unchanged (vs. Jul'19 forecast).
Eurozone – GDP 2019 (OECD) %	+1.2 Jul'19	+1.1 Sep'19	↓	Revised down 0.1 point (vs. Jul'19 forecast) to 1.1% in 2019, as global uncertainty, the impact of trade tensions and near-stagnant foreign trade growth are the main determinants. manufacturing is set to remain the weak spot, while other sectors, including services and construction, should maintain some resilience. Countries such as Germany are set to continue suffering more from weakness in global growth.
Manufacturing PMI	45.7 Sep'19	45.9 Oct'19	↗	Although up from Sep'19, the index remained well below the 50 no-change mark to indicate a rate of contraction that was the 2 nd sharpest in the past 7 years. Investment goods and intermediate goods both registered marked contractions, compared to consumer goods where the rate of deterioration remained marginal.
Economic Sentiment Indicator	101.7 Sep'19	100.8 Oct'19	↓	Lower confidence in industry, services, retail trade and among consumers triggered ESI continuing deterioration. Amongst the largest euro-area economies, the ESI remained broadly unchanged in Germany (-0.2), France (-0.1), Italy (+0.1) and the Netherlands (+0.2), while it saw another significant decrease in Spain (-3.0).
Industrial output (vs previous month) %	-0.4 Jul'19	+0.4 Aug'19	↗	In Aug'19, seasonally adjusted industrial production rose by 0.4% m/m in the euro area (EA19) and by 0.1% in the EU28. The highest increases were in Malta (+5.6%), Estonia (+3.9%) and Latvia (+3.0%). The largest decreases were in Croatia (-3.0%), Slovakia (-2.6%) and Lithuania (-2.4%).
Inflation %	0.8 Sep'19	0.7 Oct'19	↓	Services are expected to have the highest annual rate in Oct'19 (1.6% vs 1.5% in Sep'19), followed by food, alcohol & tobacco (1.6%, stable vs. Sep'19), non-energy industrial goods (0.3% vs 0.2% in Sep'19) and energy (-3.2%, vs -1.8% in Sep'19).
Light vehicles production Europe	1.18 mln Aug'18	1.11 mln Aug'19	↓	Production in Aug'19 declined 6.5% y/y. YTD 2019: -4.5%; 14.10 million units vs. 14.76 million units. Negative developments expected for Q3'19 down 0.5% y/y and Q4'19 down 1.5% y/y. Demand for 2019 sales in the EU is forecast to decline 2% y/y.
Passenger car registrations EU28	1 091 390 Sep'18	1 249 403 Sep'19	↗	In Sep'19, the new car registrations in the EU increased by 14.5%. To a large extent, the strong y/y growth is the result of a low base of comparison, as registrations fell in Sep' 18 (-23.5%) due to the introduction of the WLTP. In Sep'19, all EU member states posted increases, except for Bulgaria.
2019 Apparent steel consumption EU28 (y/y %)	-0.6 Jul'19	-3.1 Oct'19	↓	Preliminary data for Q3'19 signal that apparent steel consumption may have declined by approximately 2.5% y/y. A further drop in steel demand is expected for the Q4'19 and Q1'20.
IHS Markit Construction	49.1 Aug'19	50.5 Sep'19	↗	Up from Aug' 19 reading, the indicator signaled slight rebound in building activity The result was driven by further growth in France and stable trends in Germany and Italy Commercial was the strongest performing activity, but home builders and civil engineers recorded further contractions
Beam stock (Germany)	191 kt Aug'19	185 kt Sep'19	↓	Decreasing stocks. Sales from stock increased 7,3%, from 88.5 kt in Aug'19 to 95.0 kt in Sep'19.

Source: EC Summer & Autumn 2019 Forecast, Markit PMI Oct'19, Eurostat, Eurofer Report, Autoneus, News, OECD.

EU 28 steel using sectors - outlook 2019

Construction activity continues to remain relatively positive, improved investment in civil engineering sector in 2020



2019

Automotive

2019F: -3.8% (Oct'19)

- Resilience in consumer confidence and extremely weak sales in the Q4'18 should provide support for a mildly positive base effect in 2019.
- Commercial vehicle market segment looks set to remain relatively stable in the remainder of 2019.

Construction

2019F: +3.5% (Oct'19)

- Prospects relatively positive, but EU construction confidence continues declining trend.
- The pace of EU-funded investment accelerated as in Q2'19, Eastern European countries have on average spent 40% of their total allocated resources under the EC's 'Network Infrastructure in Transport and Energy'.

Mechanical Engineering

2019F: -0.2% (Oct'19)

- Subdued prospects due to sector's strong reliance on export markets and the cautious investment climate.
- Cooling global GDP growth, trade frictions, weakened EU domestic demand, policy uncertainty and ongoing profit squeeze in manufacturing sector to remain weighing negatively on demand.

2020

Automotive

2020F: +0.9% (Oct'19)

- Subdued car demand from major markets such as US, China, Turkey does not bode well for EU car exports.
- Advanced economies are being close to saturation and domestic production should rise in emerging markets.

Construction

2020F: +1.2% (Oct'19)

- Activity slowdown will become more visible in 2020 resulting in lower growth rates in construction production in most EU countries.
- Residential market to remain relatively buoyant
- Private non residential to be affected by downturn in manufacturing industry
- Civil engineering driven by improved investment in infrastructure projects, higher public construction spending, particularly in Eastern European countries.

Mechanical engineering

2020F: +0.2% (Oct'19)

- Business conditions slight improvement in 2020.
- Mildly positive impact of Brexit conclusion on business confidence.
- Easy credit conditions to support capital goods investment, reducing uncertainty for exports and propping up a rebound in international trade.



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