



ArcelorMittal

# press release

## **ArcelorMittal Europe reports €145m operating profit for 2015**

**5 February 2016**

ArcelorMittal Europe today announced its results for the full year 2015 and the fourth quarter ended 31 December 2015.

For the full year 2015, the Europe segment reported an operating profit of €145m. This compares with an operating profit of €549m in 2014, reflecting the impact of lower steel prices on the business. Full-year Ebitda for 2015 was €2,158m, compared with €1,730m in 2014.

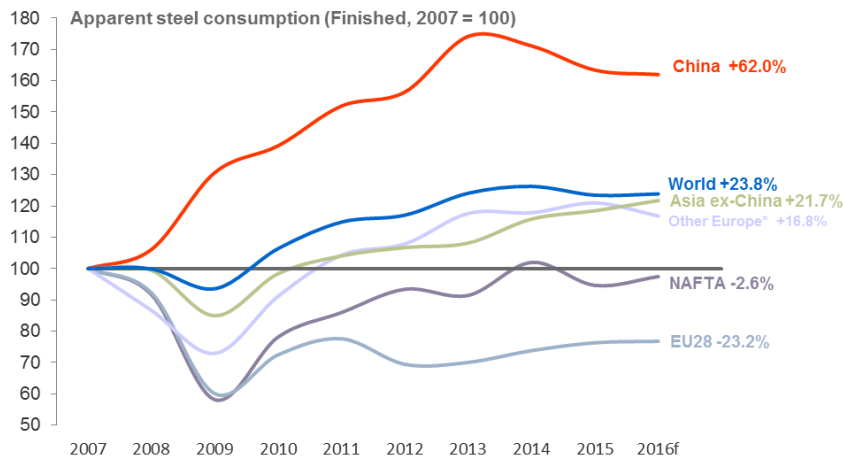
For the fourth quarter of 2015, ArcelorMittal Europe recorded an operating loss of €465m, compared with a profit of €122m for the same quarter in 2014. However the Q4 2015 performance was impacted by impairments of €366m, primarily in connection with the temporary idling of ArcelorMittal Sestao in Spain, as well as €316m of inventory write-downs following the rapid decline of steel prices.

Ebitda in Q4 2015 improved by 12.5% year-on-year, mainly due to lower costs and efficiency improvements partly offset by lower average steel selling prices (-10.2%) and lower steel shipments (-1.4%).

In terms of production, crude steel production fell by 8.2% to 10 million tonnes in the final quarter of 2015, compared with the previous quarter, primarily due to lower demand and maintenance works including the relining of a blast furnace in Dunkirk, France, and repairs to a blast furnace in Gent, Belgium.

The business' 2015 performance has been significantly impacted by the drop in steel prices in Europe, as a result of lower demand in China which has caused record levels of unfairly priced imports into the European Union.

ArcelorMittal, together with all steel producers in Europe, has been consistently calling for the European Union to use trade defence instruments to impose tariffs on unfairly priced steel imports, in order to ensure a long-term future for the steel industry in Europe.



Commenting, Aditya Mittal, CEO ArcelorMittal Europe, said:

“ArcelorMittal Europe has today reported an operating profit of €145m for 2015, but we recorded an operating loss of €465m for the fourth quarter of the year, which included €316m of exceptional charges relating to the write-down of inventories following the rapid decline of steel prices. We have now recorded two consecutive quarterly losses as a result of this price deterioration in the second half of the year, following six consecutive quarters of profit. It is now widely known that the steel industry in Europe is suffering as a result of record levels of low-priced unfair imports.”

In terms of the economic outlook, ArcelorMittal expects the modest European economic recovery to continue in 2016, with EU28 GDP growth up to 1.9% year-on-year from 1.8% in 2015. Real steel consumption is expected to continue to grow in 2016, but a build-up of stocks has led to a lower apparent steel consumption (ASC) forecast, of below 1%.

#### **Forward-Looking Statements**

*This press release may contain forward-looking information and statements about ArcelorMittal and its subsidiaries. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, products and services, and statements regarding future performance. Forward-looking statements may be identified by the words “believe,” “expect,” “anticipate,” “target” or similar expressions. Although ArcelorMittal’s management believes that the expectations reflected in such forward-looking statements are reasonable, investors and holders of ArcelorMittal’s securities are cautioned that forward-looking information and statements are subject to numerous risks and uncertainties, many of which are difficult to predict and generally beyond the control of ArcelorMittal, that could cause actual results and developments to differ materially and adversely from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include those discussed or identified in the filings with the Luxembourg supervisory authority for the financial sector (Commission de Surveillance du Secteur Financier – CSSF) and the United States Securities and Exchange Commission (the “SEC”) made or to be made by ArcelorMittal, including ArcelorMittal’s latest Annual Report on Form 20-F filed with the SEC, ArcelorMittal undertakes no obligation to publicly update its forward-looking statements, whether as a result of new information, future events, or otherwise.*

#### **About ArcelorMittal**

*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 \$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).

For more information about ArcelorMittal please visit: <http://corporate.arcelormittal.com/>

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