



ArcelorMittal

Fact Book 2018

# Performance highlights

SALES REVENUE

**76,033**

(US\$ millions)

EBITDA

**10,265**

(US\$ millions)

NET DEBT

**10,196**

(US\$ millions)



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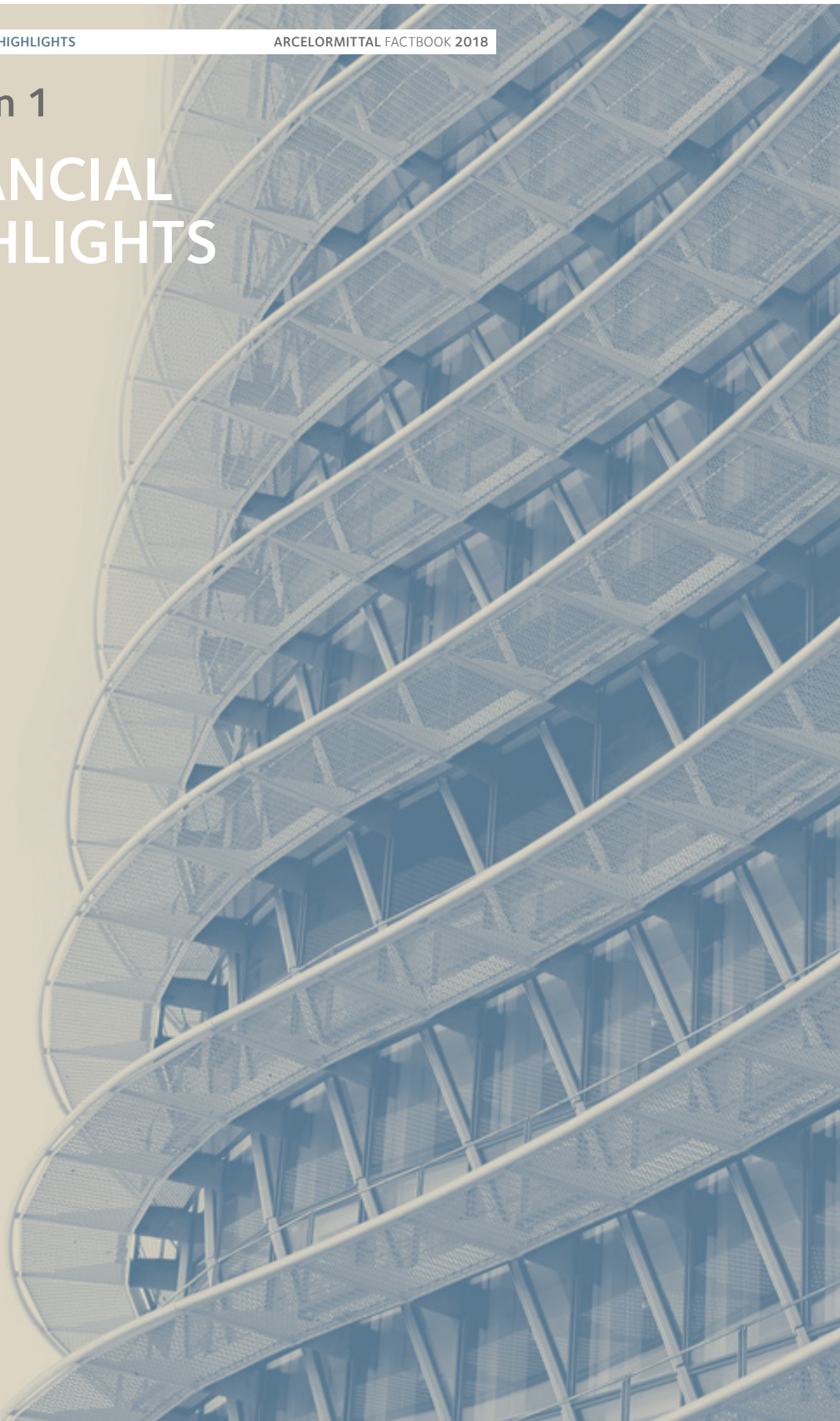
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## Section 1

# FINANCIAL HIGHLIGHTS





# Key financial and operational information

## EBITDA

EBITDA by segment (US\$ millions)\*



(US\$ millions)	2018	%*
1 NAFTA	2,471	24
2 Brazil	1,538	15
3 Europe	3,810	36
4 ACIS	1,405	13
5 Mining	1,278	12
Holding and service companies and eliminations	(237)	
<b>Total</b>	<b>10,265</b>	<b>100</b>

\*% figures presented exclude holding and service companies and eliminations.

## Capex

Capital expenditure by segment (US\$ millions)\*

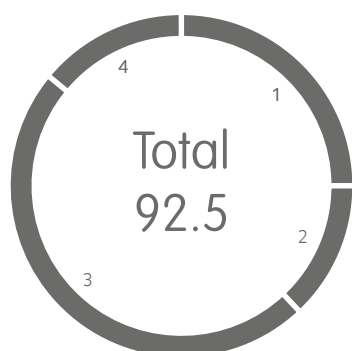


(US\$ millions)	2018	%*
1 NAFTA	669	20
2 Brazil	244	8
3 Europe	1,336	41
4 ACIS	534	16
5 Mining	485	15
Others	37	
<b>Total</b>	<b>3,305</b>	<b>100</b>

\*% figures presented exclude holding and service companies.

## Crude steel production

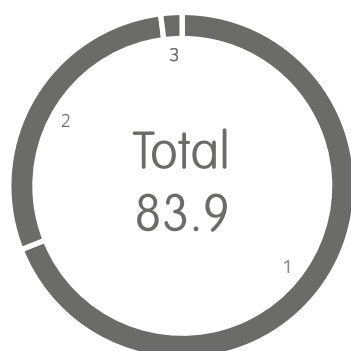
Crude steel production by segment (Mt)



(000's Mt)	2018	%
1 NAFTA	22,559	24
2 Brazil	12,264	14
3 Europe	44,693	48
4 ACIS	13,022	14
<b>Total</b>	<b>92,538</b>	<b>100</b>

## Steel shipments

Steel shipments by product (Mt)

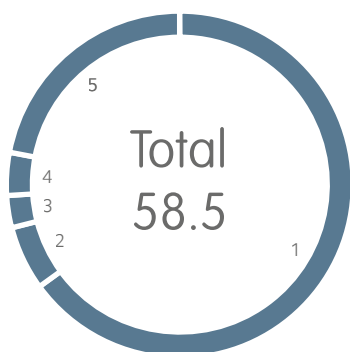


Products	2018	%
1 Flat	57,528	69
2 Long	24,834	29
3 Pipes and tubes	1,492	2
<b>Total</b>	<b>83,854</b>	<b>100</b>

## Key financial and operational information

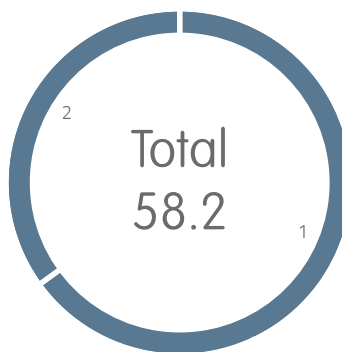
### Mining operations

Own iron ore production by region (Mt)



Region	2018	%
1 North America	36.9	63
2 South America	2.8	5
3 Europe	1.4	2
4 Africa	4.6	8
5 Asia, CIS & Other	12.8	22
<b>Total</b>	<b>58.5</b>	<b>100</b>

Iron ore shipments market priced, captive and strategic contracts (Mt)

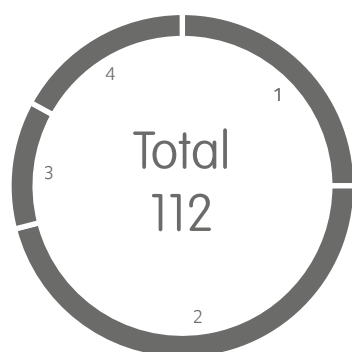


Iron ore shipments	2018	%
External Sales – Third party	12.7	
Internal sales – Market Priced	24.9	
<b>1 Total market priced shipments</b>	<b>37.6</b>	<b>65</b>
<b>2 Captive (Cost plus basis)</b>	<b>20.6</b>	<b>35</b>
<b>Total Shipments</b>	<b>58.2</b>	<b>100</b>

## Key financial and operational information

## Industrial assets

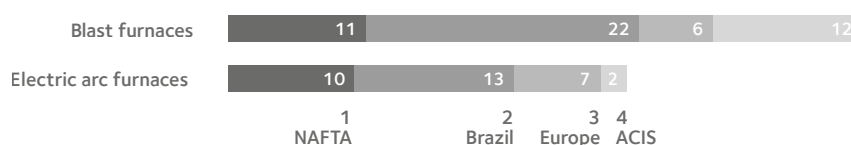
## Achievable Capacity



112Mt (without Ilva remedies)*	%
1 NAFTA	25
2 Europe	46
3 Brazil	12
4 ACIS	17
<b>Total</b>	<b>100</b>

\*Crude steel achievable capacity including Ilva remedies (Ostrava and Galati) is 118Mt. Without the aforementioned assets the achievable capacity is 112Mt.

## Blast furnace facilities and electric arc furnaces



Furnaces	Total	1 NAFTA	2 Europe	3 Brazil	4 ACIS
Blast furnaces**	51	11	22	6	12
Electric arc furnaces	32	10	13	7	2

\*\*The 2018 BF footprint presented above is not including the Ilva remedies (Ostrava and Galati). Including the remedies asstest the total numbers of BF's is 58, comprising the ones mentioned in the table above plus 4BF's in Ostrava and another 3BF's in Galati, i.e. including Ilva and Votorantim acquisitions, whilst excluding Ilva and Votorantim remedies and Florange capacity.

Comparing with 2017 the following changes occurred: there are 2BF's less in Florange (impairment) and additional 4BF's in Ilva (scope in).



# Five-year financial summary

Highlights for 2014-2018					
	2014	2015	2016	2017	2018
<b>Health and safety</b>					
Lost time injury frequency rate (LTIF) <sup>1</sup>	0.85	0.81	0.82	0.78	0.69
<b>ArcelorMittal steel operations (millions of metric tonnes)</b>					
Production of steel products	93.1	92.5	90.8	93.1	92.5
Change year/year	2.1%	(0.7)%	(1.9)%	2.6%	(0.6)%
Shipments of steel products	85.1	84.6	83.9	85.2	83.9
Change year/year	3.0%	(0.6)%	(0.8)%	1.6%	(1.6)%
<b>ArcelorMittal mining operations (millions of metric tonnes)</b>					
<b>Mining production</b>					
<i>Iron ore:</i>					
Own production	63.9	62.8	55.2	57.4	58.5
Long-term contract	13.1	10.9	6.9	0.9	–
<b>Total iron ore production</b>	<b>77.0</b>	<b>73.7</b>	<b>62.1</b>	<b>58.3</b>	<b>58.5</b>
<i>Coal:</i>					
Own production	7.0	6.1	6.3	6.3	5.9
Long-term contract	0.7	0.1	–	–	–
<b>Total coal production</b>	<b>7.7</b>	<b>6.2</b>	<b>6.3</b>	<b>6.3</b>	<b>5.9</b>
<b>Mining shipments</b>					
<i>Iron ore:</i>					
External sales – Third party	14.4	13.7	12.3	11.7	12.7
Internal sales – Market-priced	25.4	26.7	21.3	24.0	24.9
Internal sales – Cost-plus basis	23.9	22.1	22.3	22.2	20.6
Strategic contracts	13.1	11.4	6.9	0.9	–
<b>Total iron ore shipments</b>	<b>76.8</b>	<b>73.9</b>	<b>62.8</b>	<b>58.8</b>	<b>58.2</b>
<i>Coal:</i>					
External sales – Third party	1.8	1.5	1.4	1.1	1.1
Internal sales – Market-priced	2.1	1.3	2.0	1.7	1.4
Internal sales – Cost-plus basis	3.3	3.2	3.4	3.5	3.3
Strategic contracts	0.7	0.1	–	–	–
<b>Total coal shipments</b>	<b>7.9</b>	<b>6.1</b>	<b>6.8</b>	<b>6.3</b>	<b>5.8</b>
<b>ArcelorMittal financials (US\$ millions)</b>					
Sales	79,282	63,578	56,791	68,679	76,033
EBITDA <sup>2</sup>	7,237	5,231	6,255	8,408	10,265
Operating income / (loss)	3,034	(4,161)	4,161	5,434	6,539
Net income / (loss) attributable to equity holders of the parent	(1,086)	(7,946)	1,779	4,568	5,149
Net cash provided by operating activities	3,870	2,151	2,708	4,563	4,196
Net cash used in investing activities	(3,077)	(2,170)	(1,143)	(2,830)	(3,759)
Net cash provided (used in) by financing activities	(2,750)	395	(2,926)	(1,731)	(689)
Cash and cash equivalents and restricted cash	4,016	4,102	2,615	2,786	2,354
Property, plant and equipment	46,593	35,780	34,831	36,971	35,638
Total assets	99,179	76,846	75,142	85,297	91,249
Short-term debt and current portion of long-term debt	2,522	2,308	1,885	2,785	3,167
Long-term debt, net of current portion	17,275	17,478	11,789	10,143	9,316
Equity attributable to the equity holders of the parent	42,086	25,272	30,135	38,789	42,086
Net debt <sup>3</sup>	15,781	15,684	11,059	10,142	10,196

## Five-year financial summary

Highlights for 2014-2018					
	2014	2015	2016	2017	2018
<b>ArcelorMittal financials per share (US\$)</b>					
ArcelorMittal average share price <sup>4</sup>	43.94	25.42	16.54	25.80	30.61
Book value per share <sup>4</sup>	54.61	32.73	31.61	38.03	41.46
Basic earnings / (loss) per share <sup>4</sup>	(1.43)	(10.29)	1.87	4.48	5.07
<b>ArcelorMittal ratios</b>					
EBITDA margin	9.1%	8.2%	11.0%	12.2%	13.5%
Operating margin	3.8%	(6.5)%	7.3%	7.9%	8.6%
EBITDA per tonne	85	62	75	99	122

Sources: ArcelorMittal and NYSE

1 LTIF refers to lost time injury frequency rate defined as lost time injuries per 1.000.000 worked hours; based on own personnel and contractors. Following further review, subsequent minor changes have been noted to this indicator which are not considered material.

2 EBITDA defined as operating income plus depreciation, impairment expenses net of purchase gains, restructuring and exceptional charges/ (income).

3 Net debt: long-term debt, plus short term debt, less cash and cash equivalents, restricted cash and short-term investments (including those held as part of assets/liabilities held for sale).

4 Following the Company's equity offering in April 2016, the earnings (loss) per share for prior periods have been recast in accordance with IFRS for the years ended December 31, 2015 and 2014 respectively, to include the bonus element derived from the 35% discount to the theoretical ex-right price included in the subscription price. Following the completion of the Company's share consolidation of each three existing shares into one share without nominal value on May 22, 2017, the earnings (loss) per share, corresponding basic and diluted weighted average common shares outstanding, book value per share and average share price for the years ended December 31, 2016, 2015 and 2014, respectively, have been recast in accordance with IFRS.

## Section 2

# OPERATIONS





# Key operational overview

Segment annually (2014-2018) and quarterly (2017-2018)													
	2014	2015	2016	2017	2018	1Q 17	2Q 17	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18
Crude steel production (000's Mt)													
NAFTA	25,036	22,795	22,208	23,480	22,559	6,216	5,762	5,904	5,598	5,864	5,946	5,723	5,026
Brazil	10,524	11,612	11,133	11,210	12,264	2,710	2,714	2,797	2,989	2,801	3,114	3,158	3,191
Europe	43,419	43,853	42,635	43,768	44,693	11,212	10,997	11,248	10,311	11,246	11,026	10,841	11,580
ACIS	14,148	14,219	14,792	14,678	13,022	3,492	3,685	3,669	3,832	3,400	3,087	3,560	2,975
Total	93,127	92,479	90,767	93,136	92,538	23,630	23,158	23,618	22,730	23,311	23,173	23,282	22,772
Steel shipments* (000's Mt)													
NAFTA	23,074	21,306	21,281	21,834	22,047	5,610	5,419	5,655	5,150	5,559	5,803	5,512	5,173
Brazil	10,376	11,540	10,753	10,840	11,464	2,226	2,622	2,940	3,052	2,483	2,831	3,097	3,053
Europe	39,639	40,676	40,247	40,941	41,020	10,208	10,466	10,116	10,151	10,697	10,516	9,709	10,098
ACIS	12,833	12,485	13,271	13,094	11,741	3,221	3,257	3,362	3,254	3,029	3,057	2,986	2,669
Total	85,125	84,586	83,934	85,242	83,854	21,058	21,483	21,705	20,996	21,349	21,731	20,538	20,236
Average steel selling price (US\$/tonne)													
NAFTA	843	732	672	742	852	719	760	741	748	779	853	896	882
Brazil	867	647	536	667	719	678	655	651	685	752	728	714	687
Europe	773	609	568	702	787	649	698	723	736	801	800	776	771
ACIS	576	432	395	515	598	502	499	515	546	610	621	597	561
Total	775	623	567	682	775	649	680	690	709	768	784	779	768
Revenue (US\$ millions)													
NAFTA	21,162	17,293	15,806	17,997	20,332	4,458	4,607	4,636	4,296	4,752	5,356	5,367	4,857
Brazil	10,037	8,503	6,223	7,755	8,711	1,610	1,834	2,059	2,252	1,988	2,191	2,103	2,429
Europe	39,552	31,893	29,272	36,208	40,488	8,222	9,180	9,196	9,610	10,641	10,527	9,559	9,761
ACIS	8,268	6,128	5,885	7,621	7,961	1,807	1,834	1,941	2,039	2,080	2,129	1,989	1,763
Mining	4,970	3,387	3,114	4,033	4,211	1,030	1,015	1,029	959	1,024	1,065	1,008	1,114
Holding and service companies and eliminations	(4,707)	(3,626)	(3,509)	(4,935)	(5,670)	(1,041)	(1,226)	(1,222)	(1,446)	(1,299)	(1,270)	(1,504)	(1,597)
Total	79,282	63,578	56,791	68,679	76,033	16,086	17,244	17,639	17,710	19,186	19,998	18,522	18,327
EBITDA (US\$ millions)													
NAFTA	1,206	891	1,719	1,703	2,471	524	506	381	292	440	791	744	497
Brazil	1,845	1,231	872	990	1,538	246	201	202	341	370	443	445	280
Europe	2,304	2,393	2,503	3,560	3,810	909	942	848	861	1,044	1,145	871	749
ACIS	620	317	678	1,027	1,405	191	174	239	423	363	397	447	198
Mining	1,331	462	762	1,407	1,278	480	319	341	267	349	305	281	343
Holding and service companies and eliminations	(69)	(63)	(279)	(279)	(237)	(119)	(30)	(87)	(43)	(54)	(8)	(59)	(116)
Total	7,237	5,231	6,255	8,408	10,265	2,231	2,112	1,924	2,141	2,512	3,073	2,729	1,951
Operating income / (loss) (US\$ millions)													
NAFTA	386	(705)	2,002	1,185	1,889	396	378	256	155	308	660	612	310
Brazil	1,388	628	614	697	1,356	175	128	128	266	215	369	374	398
Europe	737	171	1,270	2,359	1,632	636	652	546	525	580	853	100	98
ACIS	95	(624)	211	508	1,094	116	51	159	182	290	312	371	121
Mining	565	(3,522)	366	991	860	378	216	238	159	242	198	179	241
Holding and service companies and eliminations	(137)	(109)	(302)	(306)	(292)	(125)	(35)	(93)	(53)	(66)	(31)	(69)	(126)
Total	3,034	(4,161)	4,161	5,434	6,539	1,576	1,390	1,234	1,234	1,569	2,361	1,567	1,042
Steel EBITDA/tonne (US\$/tonne)													
NAFTA	52	42	81	78	112	93	93	67	57	79	136	135	96
Brazil	178	107	81	91	134	110	77	69	112	149	157	144	92
Europe	58	59	62	87	93	89	90	84	85	98	109	90	74
ACIS	48	25	51	78	120	59	53	71	130	120	130	150	74
Total**	69	56	65	82	107	83	83	73	89	101	127	119	79
EBITDA/tonne (US\$/tonne)													
NAFTA	52	42	81	78	112	93	93	67	57	79	136	135	96
Brazil	178	107	81	91	134	110	77	69	112	149	157	144	92
Europe	58	59	62	87	93	89	90	84	85	98	109	90	74
ACIS	48	25	51	78	120	59	53	71	130	120	130	150	74
Total***	85	62	75	99	122	106	98	89	102	118	141	133	96

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

\*\*Average steel EBITDA/tonne is calculated as group EBITDA less mining divided by total steel shipments.

\*\*\*EBITDA/tonne is calculated as group EBITDA divided by total steel shipments.

## Key operational overview

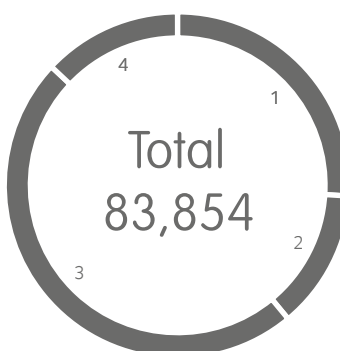
## Revenue by segment 2018 (US\$ millions)\*



(US\$ millions)	2018	%*
1 NAFTA	20,332	25
2 Brazil	8,711	11
3 Europe	40,488	49
4 ACIS	7,961	10
5 Mining	4,211	5
Holding and service companies and eliminations	(5,670)	
<b>Total</b>	<b>76,033</b>	<b>100</b>

\*% figures presented exclude holding and service companies and eliminations (5,670).

## Steel shipments by segment 2018 (000's Mt)\*



(000's Mt)	2018	%*
1 NAFTA	22,047	26
2 Brazil	11,464	13
3 Europe	41,020	48
4 ACIS	11,741	13
Others	(2,418)	
<b>Total</b>	<b>83,854</b>	<b>100</b>

\*% figures presented exclude eliminations (2,418).

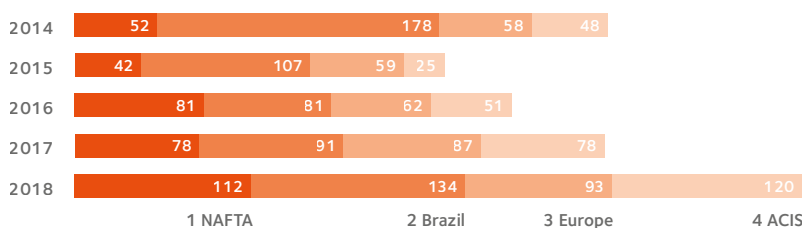
## EBITDA by segment 2018 (US\$ millions)\*



(US\$ millions)	2018	%*
1 NAFTA	2,471	24
2 Brazil	1,538	15
3 Europe	3,810	36
4 ACIS	1,405	13
5 Mining	1,278	12
Holding and service companies and eliminations	(237)	
<b>Total</b>	<b>10,265</b>	<b>100</b>

\*% figures presented exclude holding and service companies and eliminations.

## EBITDA/tonne by segment 2014-2018 (US\$/tonne)

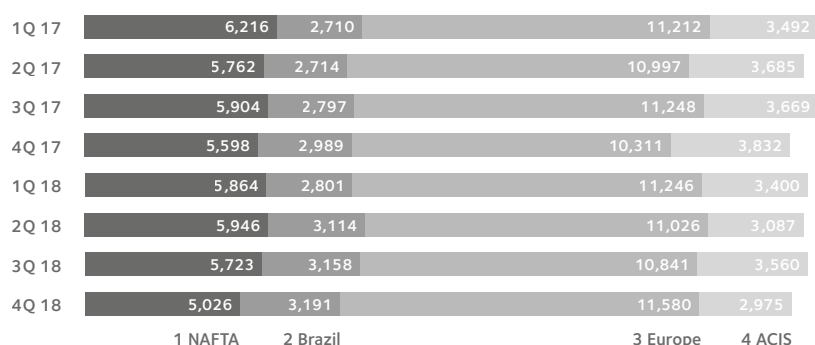


(US\$/tonne)	2014	2015	2016	2017	2018
1 NAFTA	52	42	81	78	112
2 Brazil	178	107	81	91	134
3 Europe	58	59	62	87	93
4 ACIS	48	25	51	78	120
<b>Total</b>	<b>85</b>	<b>62</b>	<b>75</b>	<b>99</b>	<b>122</b>

# Crude steel production quarterly by segment

Segment annually and quarterly (2017 and 2018) (000's Mt)										
(000's Mt)	2017	2018	1Q 17	2Q 17	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18
1 NAFTA	23,480	22,559	6,216	5,762	5,904	5,598	5,864	5,946	5,723	5,026
2 Brazil	11,210	12,264	2,710	2,714	2,797	2,989	2,801	3,114	3,158	3,191
3 Europe	43,768	44,693	11,212	10,997	11,248	10,311	11,246	11,026	10,841	11,580
4 ACIS	14,678	13,022	3,492	3,685	3,669	3,832	3,400	3,087	3,560	2,975
<b>Total</b>	<b>93,136</b>	<b>92,538</b>	<b>23,630</b>	<b>23,158</b>	<b>23,618</b>	<b>22,730</b>	<b>23,311</b>	<b>23,173</b>	<b>23,282</b>	<b>22,772</b>

Crude steel production by segment (2017 and 2018 quarterly) (000's Mt)



Crude steel production by segment (000's Mt)



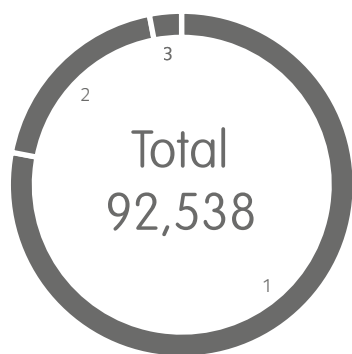


# Crude steel production by process and region

Crude steel production by process and segment 2018 (000's Mt)

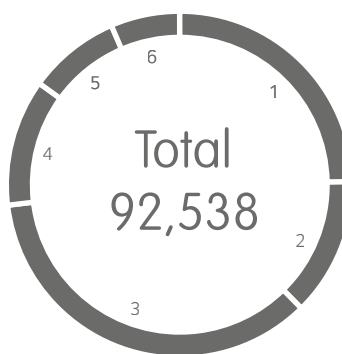
(000's Mt)	Blast oxygen furnace	Electric arc furnace	Open hearth furnace	Total crude steel	%
1 NAFTA	16,520	6,039	–	22,559	25
2 Brazil	8,188	4,076	–	12,264	13
3 Europe	36,095	6,466	2,132	44,693	48
4 ACIS	11,031	1,068	923	13,022	14
<b>Total</b>	<b>71,834</b>	<b>17,649</b>	<b>3,055</b>	<b>92,538</b>	<b>100</b>

Crude steel production by process 2018 (000's Mt)



(000's Mt)	2018	%
1 Blast oxygen furnace	71,834	78
2 Electric arc furnace	17,649	19
3 Open hearth furnace	3,055	3
<b>Total</b>	<b>92,538</b>	<b>100</b>

Crude steel production by region 2018 (000's Mt)



(000's Mt)	2018	%
1 North America	22,559	24
2 South America	12,264	13
3 West Europe	32,993	36
4 Central and East Europe	11,107	12
5 CIS and Central Asia	8,055	9
6 Africa*	5,560	6
<b>Total</b>	<b>92,538</b>	<b>100</b>

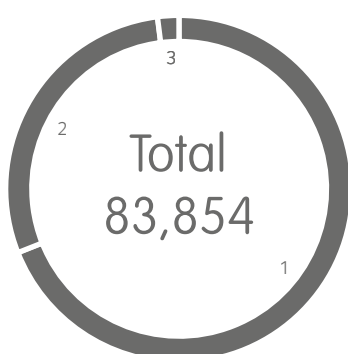
\*Africa includes South Africa and Morocco.

# Steel shipments

Segment and product types annually and quarterly (2017 and 2018) (000's Mt)										
(000's Mt)	2017	2018	1Q 17	2Q 17	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18
Flat	18,926	19,113	4,944	4,748	4,820	4,414	4,811	5,011	4,885	4,406
Long	3,530	3,554	829	845	984	872	921	969	774	890
<b>NAFTA</b>	<b>21,834</b>	<b>22,047</b>	<b>5,610</b>	<b>5,419</b>	<b>5,655</b>	<b>5,150</b>	<b>5,559</b>	<b>5,803</b>	<b>5,512</b>	<b>5,173</b>
Flat	6,762	6,421	1,364	1,682	1,766	1,950	1,400	1,494	1,695	1,832
Long	4,100	5,087	866	945	1,181	1,108	1,095	1,345	1,415	1,232
<b>Brazil</b>	<b>10,840</b>	<b>11,464</b>	<b>2,226</b>	<b>2,622</b>	<b>2,940</b>	<b>3,052</b>	<b>2,483</b>	<b>2,831</b>	<b>3,097</b>	<b>3,053</b>
Flat	29,255	29,510	7,377	7,482	7,098	7,298	7,704	7,553	6,855	7,398
Long	11,494	11,367	2,806	2,913	2,954	2,821	2,961	2,942	2,798	2,666
<b>Europe</b>	<b>40,941</b>	<b>41,020</b>	<b>10,208</b>	<b>10,466</b>	<b>10,116</b>	<b>10,151</b>	<b>10,697</b>	<b>10,516</b>	<b>9,709</b>	<b>10,098</b>
CIS	8,837	7,250	2,119	2,212	2,297	2,209	1,866	1,861	1,879	1,646
South Africa	4,257	4,491	1,102	1,045	1,065	1,045	1,167	1,199	1,102	1,023
<b>ACIS</b>	<b>13,094</b>	<b>11,741</b>	<b>3,221</b>	<b>3,257</b>	<b>3,362</b>	<b>3,254</b>	<b>3,029</b>	<b>3,057</b>	<b>2,986</b>	<b>2,669</b>
<b>Total</b>	<b>85,242</b>	<b>83,854</b>	<b>21,058</b>	<b>21,483</b>	<b>21,705</b>	<b>20,996</b>	<b>21,349</b>	<b>21,731</b>	<b>20,538</b>	<b>20,236</b>

Note: Others and eliminations line are not presented in the table.

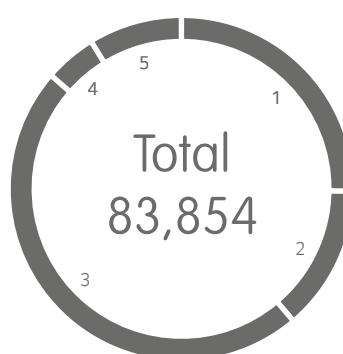
Steel shipments by product 2018 (000's Mt)



(000's Mt)	2018	%
<b>1 Flat</b>	57,528	69
<b>2 Long</b>	24,834	29
<b>3 Pipes and tubes</b>	1,492	2
<b>Total</b>	<b>83,854</b>	<b>100</b>

Source: ArcelorMittal estimates.

Steel shipments by region 2018 (000's Mt)



(000's Mt)	2018	%
<b>1 North America</b>	22,047	26
<b>2 South America</b>	11,464	14
<b>3 Europe</b>	41,020	49
<b>4 Africa</b>	4,491	5
<b>5 Asia CIS and Other</b>	7,250	9
<b>Total</b>	<b>83,854</b>	<b>100</b>

\*Total group shipment include intrasegment eliminations.

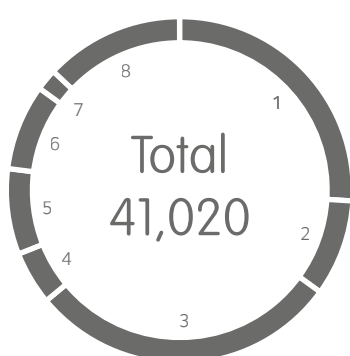
# Steel shipments by product type and segment

**NAFTA steel shipments by product type 2018 (000's Mt)**


Product type	%
1 Hot rolled products	27
2 Cold rolled products	14
3 Coated	19
4 Slabs	16
5 Bars & rebars	7
6 Wire rod / wire products	4
7 Semis	1
8 Other products	11
<b>Total NAFTA</b>	<b>100</b>

**BRAZIL steel shipments by product type 2018 (000's Mt)**


Product type	%
1 Hot rolled products	20
2 Cold rolled products	4
3 Coated	6
4 Slabs	22
5 Bars & rebars	21
6 Wire rod / wire products	15
7 Sections	2
8 Semis	1
9 Other products	9
<b>Total BRAZIL</b>	<b>100</b>

**EUROPE steel shipments by product type 2018 (000's Mt)**


Product type	%
1 Hot rolled products	26
2 Cold rolled products	9
3 Coated	29
4 Bars & rebars	5
5 Wire rod / wire products	8
6 Sections	8
7 Semis	2
8 Other products	13
<b>Total EUROPE</b>	<b>100</b>

**ACIS steel shipments by product type 2018 (000's Mt)**


Product type	%
1 Hot rolled products	29
2 Cold rolled products	6
3 Coated	9
4 Bars & rebars	23
5 Wire rod / wire products	11
6 Sections	4
7 Semis	13
8 Other products	5
<b>Total ACIS</b>	<b>100</b>



## Steel shipments by product type and segment

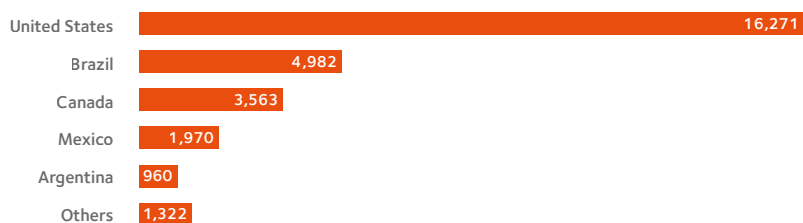
Group steel shipments by product type 2018 (000's Mt)



Product type	%
1 Hot rolled products	27
2 Cold rolled products	9
3 Coated	21
4 Slabs	5
5 Bars & rebars	10
6 Wire rod / wire products	9
7 Sections	5
8 Semis	3
9 Other products	11
<b>Group total</b>	<b>100</b>

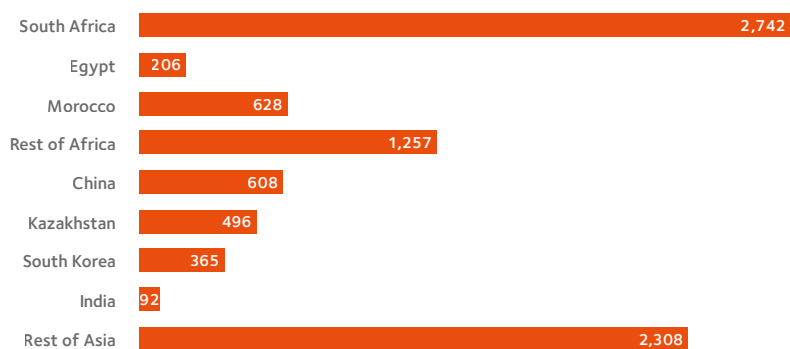
# Sales by destination

## Americas (US\$ millions)



(US\$ millions)	2016	2017	2018
United States	12,284	14,367	16,271
Brazil	3,506	4,149	4,982
Canada	2,818	3,034	3,563
Mexico	1,806	2,251	1,970
Argentina	858	1,230	960
Others	935	1,005	1,322
<b>Total Americas</b>	<b>22,207</b>	<b>26,036</b>	<b>29,068</b>

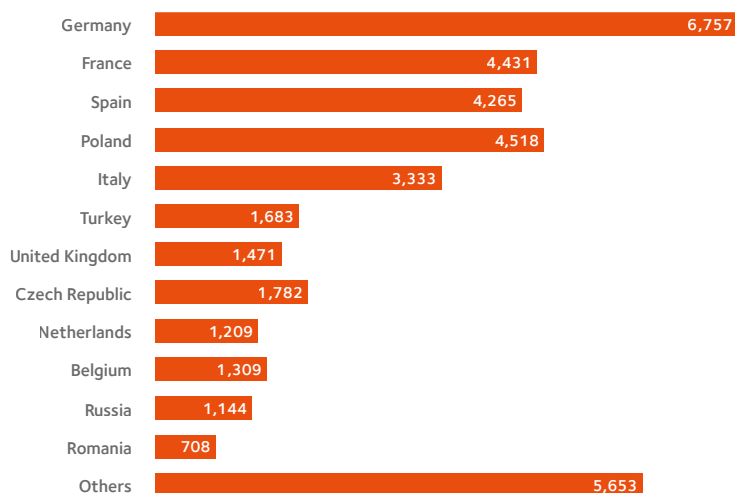
## Asia & Africa (US\$ millions)



(US\$ millions)	2016	2017	2018
South Africa	2,026	2,560	2,742
Egypt	499	310	206
Morocco	498	596	628
Rest of Africa	658	1,033	1,257
China	549	622	608
Kazakhstan	350	392	496
South Korea	184	259	365
India	85	163	92
Rest of Asia	2,119	2,790	2,308
<b>Total Asia &amp; Africa</b>	<b>6,968</b>	<b>8,725</b>	<b>8,702</b>

## Sales by destination

### Europe (US\$ millions)



(US\$ millions)	2016	2017	2018
Germany	4,768	5,933	6,757
France	3,655	4,051	4,431
Spain	3,015	3,751	4,265
Poland	2,997	3,746	4,518
Italy	2,067	2,711	3,333
Turkey	1,789	1,937	1,683
United Kingdom	1,159	1,370	1,471
Czech Republic	1,107	1,400	1,782
Netherlands	1,030	1,117	1,209
Belgium	929	1,129	1,309
Russia	688	1,204	1,144
Romania	526	621	708
Others	3,886	4,948	5,653
<b>Total Europe</b>	<b>27,616</b>	<b>33,918</b>	<b>38,263</b>

### Sales by destination Group (US\$ millions)



(US\$ millions)	2018	%
<b>1 Americas</b>	29,068	38
<b>2 Europe</b>	38,263	50
<b>3 Asia &amp; Africa</b>	8,702	12
<b>Total</b>	<b>76,033</b>	<b>100</b>

# Group sales by market

As shown by the following graph, ArcelorMittal has a diversified portfolio of steel and mining engineering, construction, energy and machinery products to meet a wide range of customer needs across many steel-consuming industries, including automotive, appliance, engineering, construction, energy and machinery.

Group sales by market (US\$ millions)



(US\$ millions)	%
1 Distribution*	30
2 Construction	20
3 Automotive	19
4 Primary transformation**	13
5 Packaging	3
6 Other steel sales***	11
7 Mining, chemicals and water	1
8 Other sales****	3
<b>Total</b>	<b>100</b>

\*Distribution represents the Company's sales to external distributors and processing facilities.

\*\*Primary Transformation includes steel production, re-rollers and pickling, coaters, pipes and tubes and wire and cable.

\*\*\*Other steel sales mainly represents metal processing, machinery, electrical equipment and domestic appliances.

\*\*\*\*Other sales mainly represent slag, waste, sale of energy and transport services.

# Capital expenditure

Capital expenditure segment annually and quarterly (2017 and 2018) (US\$ millions)										
(US\$ millions)	2017	2018	1Q 17	2Q 17	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18
1 NAFTA	466	669	97	90	95	184	160	110	155	244
2 Brazil	263	244	57	55	79	72	47	36	59	102
3 Europe	1,143	1,336	252	248	213	430	313	226	298	499
4 ACIS	427	534	73	75	114	165	117	117	141	159
5 Mining	495	485	90	94	132	179	107	119	116	143
<b>Total</b>	<b>2,819</b>	<b>3,305</b>	<b>580</b>	<b>566</b>	<b>637</b>	<b>1,036</b>	<b>752</b>	<b>616</b>	<b>781</b>	<b>1,156</b>

Note: Others and eliminations line are not presented in the table.

## Capital expenditure 2018 by segment (US\$ millions)



(US\$ millions)	2018	%
1 NAFTA	669	20
2 Brazil	244	8
3 Europe	1,336	41
4 ACIS	534	16
5 Mining	485	15
<b>Total</b>	<b>3,305</b>	<b>100</b>



## Capital expenditure

### Capital expenditure projects

The Company's capital expenditures were \$3.3 billion, \$2.8 billion and \$2.4 billion for the years ended December 31, 2018, 2017 and 2016, respectively. The following tables summarize the Company's principal investment projects involving significant capital expenditure completed in 2018 and those that are currently ongoing. In 2019, capital expenditures are expected to be approximately \$4.3 billion. ArcelorMittal expects to fund these capital expenditures primarily through internal sources.

#### Completed projects in most recent quarters

Region	Site	Project	Capacity / particulars	Actual completion	Note#
Europe	ArcelorMittal Differdange (Luxembourg)	Modernization of finishing of "Grey rolling mill"	Revamp finishing to achieve full capacity of grey mill at 850 thousand tonnes/year	Q2 2018	
Europe	Gent & Liège (Europe Flat automotive UHSS Program)	Gent: Upgrade HSM and new furnace Liège: Annealing line transformation	Increase approximately 400 thousand tonnes in Ultra High Strength Steel capabilities	Q2 2018	
NAFTA	Indiana Harbor (US)	Indiana Harbor "footprint optimization project"	Restoration of 80" HSM and upgrades at Indiana Harbor finishing	4Q 2018	

#### Ongoing Projects\*

ACIS	ArcelorMittal Kryvyi Rih (Ukraine)	New LF&CC 2&3	Facilities upgrade to switch from ingot to continuous caster route. Additional billets of 290 thousand tonnes over ingot route through yield increase	2019	
Europe	Sosnowiec (Poland)	Modernization of wire rod mill	Upgrade rolling technology improving the mix of HAV products and increase volume by 90 thousand tonnes	2019	
NAFTA	Mexico	New hot strip mill	Production capacity of 2.5 million tonnes per year	2020	1
NAFTA	ArcelorMittal Dofasco (Canada)	Hot strip mill modernization	Replace existing three end of life coilers with two states of the art coilers and new runout tables.	2020	2
NAFTA	Burns Harbor (US)	New walking beam Furnaces	Two new walking beam reheat furnaces bringing benefits on productivity, quality and operational cost	2021	
Brazil	ArcelorMittal Vega Do Sul	Expansion project	Increase hot dipped / cold rolled coil capacity and construction of a new 700 thousand tonnes continuous annealing line (CAL) and continuous galvanizing line (CGL) combiline	2021	3
Brazil	Juiz de Fora	Melt shop expansion	Increase in melt shop capacity by 0.2 million tonnes/year	On hold	4
Brazil	Monlevade	Sinter plant, blast furnace and melt shop	Increase in liquid steel capacity by 1.2 million tonnes/year; Sinter feed capacity of 2.3 million tonnes/year	On hold	4
Mining	Liberia	Phase 2 expansion project	Increase production capacity to 15 million tonnes/year	Under review	5

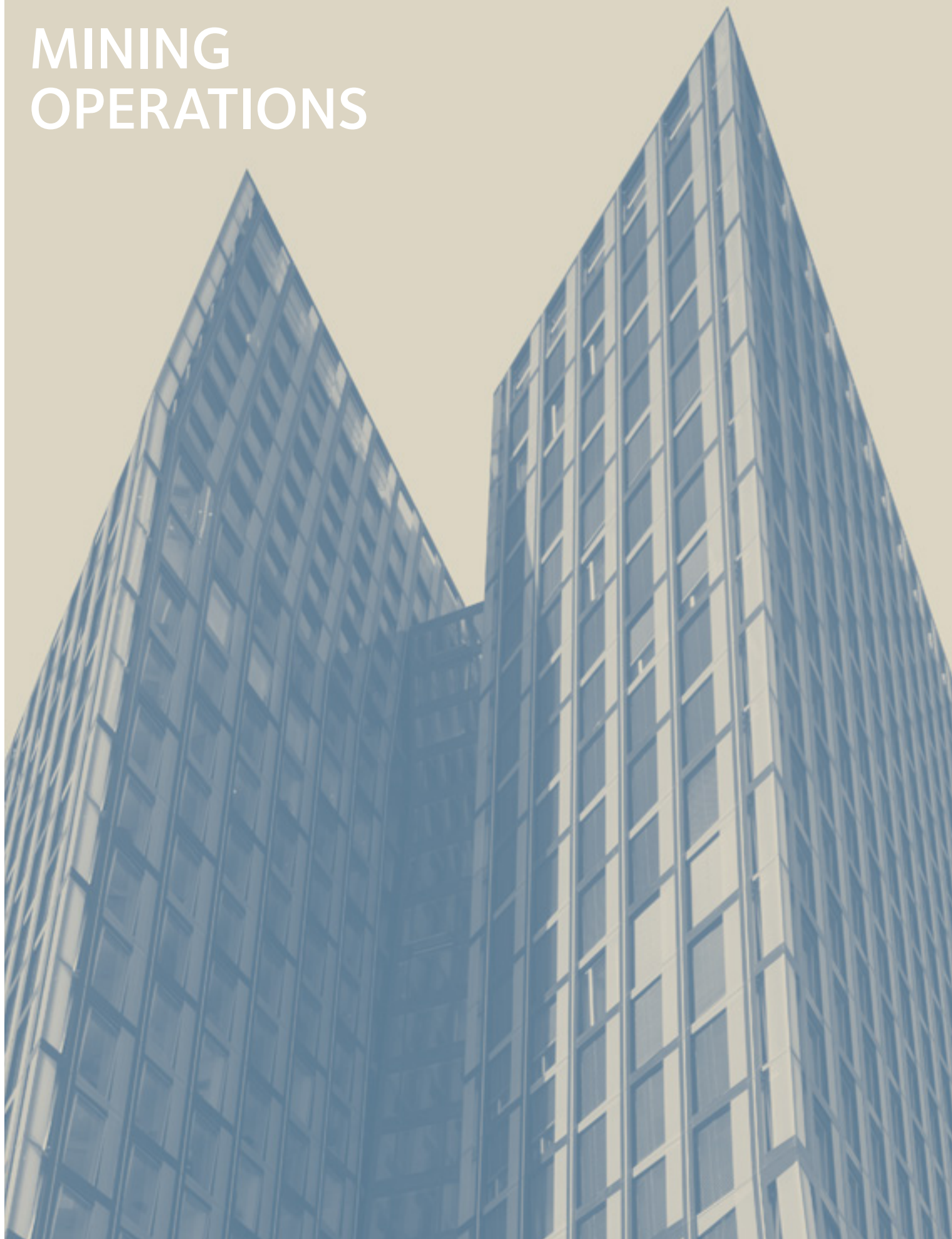
\*Ongoing projects refer to projects for which construction has begun (excluding various projects that are under development), even if such projects have been placed on hold pending improved operating conditions.

## Capital expenditure

- 1 On September 28, 2017, ArcelorMittal announced a major \$1 billion, three-year investment program at its Mexican operations, which is focused on building ArcelorMittal Mexico's downstream capabilities, sustaining the competitiveness of its mining operations and modernizing its existing asset base. The program is designed to enable ArcelorMittal Mexico to meet the anticipated increased demand requirements from domestic customers, realize in full ArcelorMittal Mexico's production capacity of 5.3 million tonnes and significantly enhance the proportion of higher added-value products in its product mix, in-line with the Company's Action 2020 plan. The main investment will be the construction of a new hot strip mill. Upon completion, the project will enable ArcelorMittal Mexico to produce approximately 2.5 million tonnes of flat rolled steel, approximately 1.8 million tonnes of long steel and the remainder made up of semi-finished slabs. Coils from the new hot strip mill will be supplied to domestic, non-auto, general industry customers. The project commenced late in the fourth quarter of 2017 and is expected to be completed in the second quarter of 2020.
  - 2 Investment in ArcelorMittal Dofasco (Canada) to modernize the hot strip mill. The project is to install two new state of the art coilers and runout tables to replace three end of life coilers. The strip cooling system will be upgraded and include innovative power cooling technology to improve product capability. The project is expected to be completed in 2020.
  - 3 In August 2018, ArcelorMittal announced the resumption of the Vega Do Sul expansion to provide an additional 700 thousand tonnes of cold-rolled annealed and galvanized capacity to serve the growing domestic market. The three-year, \$0.3 billion investment program to increase rolling capacity with construction of a new continuous annealing line and CGL combiline (and the option to add an approximately 100 thousand tonnes organic coating line to serve construction and appliance segments), and upon completion, will strengthen ArcelorMittal's position in the fast growing automotive and industry markets through Advanced High Strength Steel products. The investments will look to facilitate a wide range of products and applications whilst further optimizing current ArcelorMittal Vega facilities to maximize site capacity and its competitiveness, considering comprehensive digital and automation technology.
  - 4 During the second quarter of 2013, ArcelorMittal restarted its Monlevade expansion projects, which was initially expected to be completed in two phases, with the first phase focused mainly on downstream facilities consisting of a new wire rod mill with additional capacity of 1.05 million tonnes of coils per year and estimated investment of \$280 million. The investment also included a rebar revamping in Juiz de Fora to increase rebar production from 50,000 to 400,000 tonnes per year replacing equivalent wire rod production capacity that would be transferred to Monlevade. The Monlevade wire rod expansion project was completed in the fourth quarter of 2015 and the Juiz de Fora rebar revamping was concluded in the last quarter of 2014, each in line with its respective budget. The Company does not expect to increase shipments from Monlevade until domestic demand improves. The Juiz de Fora meltshop expansion project to increase meltshop capacity by 200,000 tonnes is currently on hold. A decision regarding the execution of the second phase of the projects (for upstream facilities) will be taken at a later date.
  - 5 ArcelorMittal had previously announced a Phase 2 project that envisaged the construction of 15 million tonnes of concentrate sinter fines capacity and associated infrastructure. The Phase 2 project was initially delayed due to the declaration of force majeure by contractors in August 2014 due to the Ebola virus outbreak in West Africa, and then reassessed following rapid iron ore price declines over the ensuing period. ArcelorMittal Liberia is now undertaking the engineering phase of a feasibility study to identify the optimal concentration solution for utilizing the resources at Tokadeh. The feasibility study is expected to be completed by mid 2019.
- In December 2006, the Government of Liberia and ArcelorMittal announced the finalization of a first amendment to agreements relating to an iron ore mining and infrastructure development project entered into in 2005. A further amendment to the 2006 Mineral Development Agreement was negotiated and ratified in September 2013. The project consists of reopening mines in Nimba County, rehabilitating 260 kilometers of abandoned railway, developing the Buchanan port for shipping traffic and includes a number of important social initiatives, including providing training and health facilities for employees. Production of direct shipping ore ("DSO") commenced in the second half of 2011 which increased to a capacity of five million tonnes in 2013 and produced 4.3 million tonnes in 2015. Following a period of exploration cessation caused by the onset of Ebola, ArcelorMittal Liberia recommence drilling for DSO resource extensions in late 2015. Drilling for orebody extensions commenced and in 2016 the operation at Tokadeh was right sized to 2 to 3 million tonnes to focus on its natural Atlantic markets. ArcelorMittal Liberia moved ore extraction from its depleting DSO (direct shipping ore) deposit at Tokadeh to the nearby, lower impurity (DSO Gangra) deposit. In the second half of 2017, ArcelorMittal started DSO operations from the Gangra deposit, which has a lower strip ratio and higher grade DSO. Production in 2018 was 4.6 million tonnes, below the full annual rate capacity of 5 million tonnes.

## Section 3

# MINING OPERATIONS



# Iron ore production and shipment by geography

Production by mine annually (2014–2018) and quarterly (2018) (Millions of Mt) <sup>1</sup>											
Mine	Type	Product	2014	2015	2016	2017	2018	1Q 18	2Q 18	3Q 18	4Q 18
<b>Kazakhstan</b>			<b>3.6</b>	<b>2.9</b>	<b>2.5</b>	<b>2.6</b>	<b>2.6</b>	<b>0.7</b>	<b>0.7</b>	<b>0.4</b>	<b>0.6</b>
Lisakovski	Open Pit	Concentrate	1.6	0.9	0.7	0.7	0.7	0.2	0.1	0.1	0.3
Kentube	Open Pit	Concentrate	0.7	0.7	0.5	0.4	0.6	0.1	0.1	0.1	0.2
Atasu	Underground	Lump & fines	0.9	0.9	0.8	1.0	0.8	0.2	0.3	0.2	–
Atansore	Open Pit	Lump & Fines	0.4	0.4	0.4	0.5	0.5	0.1	0.1	0.1	0.2
<b>Ukraine</b>			<b>10.9</b>	<b>11.0</b>	<b>9.8</b>	<b>9.9</b>	<b>10.3</b>	<b>2.7</b>	<b>2.4</b>	<b>2.6</b>	<b>2.6</b>
Kryviy Rih	Open Pit	Concentrate	9.9	10.1	9.0	9.1	9.3	2.5	2.1	2.4	2.4
Kryviy Rih	Underground	Lump & sinter feed	1.0	0.9	0.9	0.8	0.9	0.2	0.3	0.2	0.3
<b>Algeria</b>			<b>0.5</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Ouenza	Open Pit	Fines	0.5	–	–	–	–	–	–	–	–
<b>Bosnia</b>			<b>2.1</b>	<b>2.1</b>	<b>1.8</b>	<b>1.6</b>	<b>1.4</b>	<b>0.3</b>	<b>0.2</b>	<b>0.5</b>	<b>0.4</b>
Omarska	Open Pit	Concentrate & lump	2.1	2.1	1.8	1.6	1.4	0.3	0.2	0.5	0.4
<b>Mexico<sup>2</sup></b>			<b>6.5</b>	<b>5.3</b>	<b>2.9</b>	<b>5.1</b>	<b>4.7</b>	<b>1.2</b>	<b>1.3</b>	<b>1.2</b>	<b>1.1</b>
Peña Colorada	Open Pit	Concentrate & pellets	1.7	1.7	1.5	1.8	2.0	0.5	0.5	0.5	0.5
Las Truchas	Open Pit	Concentrate, lump & fines	2.5	1.8	1.4	1.7	1.1	0.4	0.4	0.2	0.1
Volcan	Open Pit	Concentrate	2.3	1.7	–	1.8	1.6	0.3	0.4	0.4	0.5
<b>Canada<sup>2</sup></b>			<b>23.3</b>	<b>25.9</b>	<b>25.0</b>	<b>25.3</b>	<b>24.5</b>	<b>5.8</b>	<b>6.1</b>	<b>6.1</b>	<b>6.4</b>
QCM (Mount Wright)	Open Pit	Concentrate & pellets	23.3	25.9	25.0	25.3	24.5	5.8	6.1	6.1	6.4
<b>USA<sup>2</sup></b>			<b>7.5</b>	<b>7.8</b>	<b>8.0</b>	<b>7.7</b>	<b>7.7</b>	<b>1.9</b>	<b>1.8</b>	<b>2.0</b>	<b>2.0</b>
Hibbing	Open Pit	Pellets	4.8	5.1	5.2	4.8	4.9	1.1	1.2	1.2	1.3
Minorca	Open Pit	Pellets	2.7	2.7	2.8	2.9	2.8	0.7	0.6	0.8	0.7
<b>Brazil</b>			<b>4.5</b>	<b>3.5</b>	<b>3.1</b>	<b>3.1</b>	<b>2.8</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>
Serra Azul	Open Pit	Lump & fines	1.8	2.0	1.6	1.6	1.3	0.3	0.3	0.3	0.3
Andrade	Open Pit	Fines	2.6	1.5	1.5	1.5	1.5	0.4	0.4	0.4	0.4
<b>Liberia</b>			<b>4.9</b>	<b>4.3</b>	<b>2.1</b>	<b>2.0</b>	<b>4.6</b>	<b>1.4</b>	<b>1.3</b>	<b>0.9</b>	<b>1.0</b>
<b>Own production</b>			<b>63.9</b>	<b>62.8</b>	<b>55.2</b>	<b>57.4</b>	<b>58.5</b>	<b>14.6</b>	<b>14.5</b>	<b>14.5</b>	<b>14.9</b>
<b>South Africa</b>			<b>4.9</b>	<b>4.3</b>	<b>0.8</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Sishen	Open Pit	Lump & fines	3.9	3.0	–	–	–	–	–	–	–
Thabazambi <sup>4</sup>	Open Pit	Lump & fines	1.0	1.3	0.8	–	–	–	–	–	–
<b>USA</b>			<b>8.2</b>	<b>6.6</b>	<b>6.1</b>	<b>0.9</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Cleveland Cliffs <sup>3</sup>	Open Pit	Pellets	8.2	6.6	6.1	0.9	–	–	–	–	–
<b>Strategic contracts</b>			<b>13.1</b>	<b>10.9</b>	<b>6.9</b>	<b>6.9</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>			<b>77.0</b>	<b>73.7</b>	<b>62.1</b>	<b>58.3</b>	<b>58.5</b>	<b>14.6</b>	<b>14.5</b>	<b>14.5</b>	<b>14.9</b>

1 Total of all finished production of fines, concentrate, pellets and lumps.

2 Includes own mines and share of production from Hibbing (United States, 62.3%) and Peña (Mexico, 50%).

3 Consists of a long-term supply contract with Cliffs Natural Resources.

4 The production for year ended 2015 includes purchases under strategic agreements with Sishen Iron Ore Company (Proprietary) Limited's ("SIOC") Kumba and Thabazimbi mines (South Africa). On November 6, 2015, ArcelorMittal announced that an agreement had been reached with SIOC to amend the pricing mechanism terms of the current iron ore supply agreement related to Kumba from a cost-based price to an Export Parity Price ("EPP") with effect from October 1, 2015. The EPP is calculated on the basis of the Platts 62% Fe CFR China Fines Index (the "Index price") and, at certain price levels, ArcelorMittal receives a discounted price. As a result of this amendment, the contract related to Kumba is no longer considered as a strategic contract since 2016.

## Iron ore production and shipment by geography

Iron ore production by region annually (2014–2018) and quarterly (2018) (Millions of Mt) <sup>1</sup>											
Mine	Type	Product	2014	2015	2016	2017	2018	1Q 18	2Q 18	3Q 18	4Q 18
North America <sup>2</sup>	Open Pit	Concentrate, lump, fines and Pellets	37.4	39.0	35.9	38.1	36.9	8.8	9.2	9.3	9.5
South America	Open pit	Lump and fines	4.5	3.5	3.1	3.1	2.8	0.7	0.7	0.7	0.7
Europe	Open pit	Concentrate and lump	2.1	2.1	1.8	1.6	1.4	0.3	0.2	0.5	0.4
Africa	Open Pit / Underground	Fines	5.5	4.3	2.1	2.0	4.6	1.4	1.3	0.9	1.0
Asia, CIS & Other	Open Pit / Underground	Concentrate, lump, fines and sinter feed	14.5	13.9	12.4	12.5	12.8	3.4	3.1	3.1	3.3
<b>Own production</b>			<b>63.9</b>	<b>62.8</b>	<b>55.2</b>	<b>57.4</b>	<b>58.5</b>	<b>14.6</b>	<b>14.5</b>	<b>14.5</b>	<b>14.9</b>
North America <sup>3</sup>	Open Pit	Pellets	8.2	6.6	6.1	0.9	–	–	–	–	–
Africa <sup>4</sup>	Open Pit	Lump and fines	4.9	4.3	0.8	–	–	–	–	–	–
<b>Strategic contracts</b>			<b>13.1</b>	<b>10.9</b>	<b>6.9</b>	<b>0.9</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>			<b>77.0</b>	<b>73.7</b>	<b>62.1</b>	<b>58.3</b>	<b>58.5</b>	<b>14.6</b>	<b>14.5</b>	<b>14.5</b>	<b>14.9</b>

<sup>1</sup> Total of all finished production of fines, concentrate, pellets and lumps.

<sup>2</sup> Includes own mines and share of production from Hibbing (United States, 62.3%) and Peña (Mexico, 50%).

<sup>3</sup> Consists of a long-term supply contract with Cliffs Natural Resources.

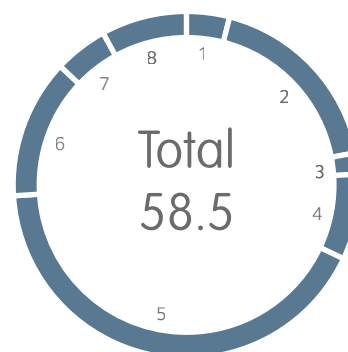
<sup>4</sup> The production for year ended 2015 includes purchases under strategic agreements with Sishen Iron Ore Company (Proprietary) Limited's ("SIOC") Kumba and Thabazimbi mines (South Africa). On November 6, 2015, ArcelorMittal announced that an agreement had been reached with SIOC to amend the pricing mechanism terms of the current iron ore supply agreement related to Kumba from a cost-based price to an Export Parity Price ("EPP") with effect from October 1, 2015. The EPP is calculated on the basis of the Platts 62% Fe CFR China Fines Index (the "Index price") and, at certain price levels, ArcelorMittal receives a discounted price. As a result of this amendment, the contract related to Kumba is no longer considered as a strategic contract since 2016.

**Own iron ore production (2014–2018)**  
(Millions of Mt)



2014	2015	2016	2017	2018
63.9	62.8	55.2	57.4	58.5

**Total iron ore production by country 2018**  
(Millions of Mt)



(Millions of Mt)	2018	%
Kazakhstan	2.6	4
Ukraine	10.3	18
Bosnia	1.4	2
Mexico	4.7	8
Canada	24.5	42
USA	7.7	13
Brazil	2.8	5
Liberia	4.6	8
<b>Total</b>	<b>58.5</b>	<b>100</b>

## Iron ore production and shipment by geography

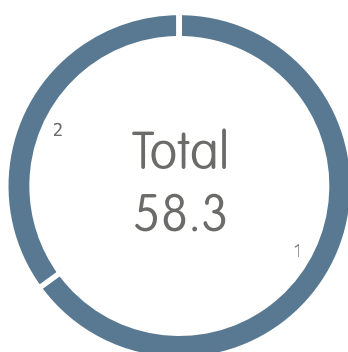
Iron ore shipments annually (2014-2018) and quarterly 2018 (Millions of Mt)									
(Millions of Mt)	2014	2015	2016	2017	2018	1Q 18	2Q 18	3Q 18	4Q 18
External Sales – Third party	14.4	13.7	12.3	11.7	12.7	2.3	3.9	2.8	3.6
Internal sales – Market Priced	25.4	26.7	21.3	24.0	24.9	6.8	6.0	5.7	6.4
<b>Total market priced shipments</b>	<b>39.8</b>	<b>40.3</b>	<b>33.6</b>	<b>35.7</b>	<b>37.6</b>	<b>9.1</b>	<b>10.0</b>	<b>8.5</b>	<b>10.0</b>
Captive (Cost plus basis)	23.9	22.1	22.3	22.2	20.6	4.7	4.6	5.7	5.7
<b>Total Shipments</b>	<b>63.7</b>	<b>62.4</b>	<b>55.9</b>	<b>57.9</b>	<b>58.3</b>	<b>13.8</b>	<b>14.6</b>	<b>14.2</b>	<b>15.7</b>
Strategic contracts	13.1	11.4	6.9	0.9	–	–	–	–	–
<b>Total shipments including strategic contracts</b>	<b>76.8</b>	<b>73.9</b>	<b>62.9</b>	<b>58.8</b>	<b>58.3</b>	<b>13.8</b>	<b>14.6</b>	<b>14.2</b>	<b>15.7</b>

There are three categories of sales:

- 1 “External sales”: mined product sold to third parties at market price;
- 2 “Market-priced tonnes”: internal sales of mined product to ArcelorMittal facilities and reported at prevailing market prices;
- 3 “Cost-plus tonnes” – internal sales of mined product to ArcelorMittal facilities on a cost-plus basis. The determinant of whether internal sales are reported at market price or cost-plus is whether the raw material could practically be sold to third parties (i.e. there is a potential market for the product and logistics exist to access that market).

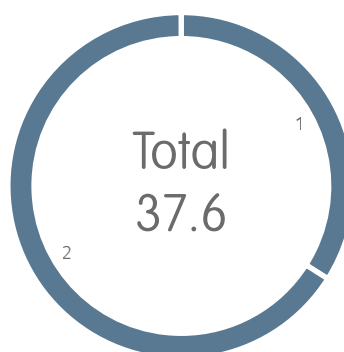
## Iron ore shipments 2018

Market priced, captive and strategic contracts  
(Millions of Mt)



(Millions of Mt)	2018	%
<b>1</b> Market priced shipments (external & internal)	37.6	65
<b>2</b> Captive (Cost plus basis)	20.6	35
<b>Total</b>	<b>58.3</b>	<b>100</b>

Market priced shipments – external & internal  
(Millions of Mt)



(Millions of Mt)	2018	%
<b>1</b> External Sales – Third party	12.7	34
<b>2</b> Internal sales – Market Priced	24.9	66
<b>Total</b>	<b>37.6</b>	<b>100</b>

# Coal production and shipment by geography

Coal production by mine (Millions of Mt)									
Mine	2014	2015	2016	2017	2018	1Q 18	2Q 18	3Q 18	4Q 18
USA – Midvol/Concept	2.0	1.6	1.8	2.0	2.1	0.6	0.5	0.4	0.5
Russia – Kuzbass	0.2	–	–	–	–	–	–	–	–
Kazakhstan – Karaganda	4.8	4.6	4.5	4.3	3.8	0.9	1.0	1.1	0.8
<b>Own production</b>	<b>7.0</b>	<b>6.1</b>	<b>6.3</b>	<b>6.3</b>	<b>5.9</b>	<b>1.5</b>	<b>1.6</b>	<b>1.5</b>	<b>1.3</b>
South Africa – Tshikondeni <sup>2</sup>	0.3	–	–	–	–	–	–	–	–
USA – Madison <sup>1</sup>	0.4	0.1	–	–	–	–	–	–	–
<b>Strategic contracts</b>	<b>0.7</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>7.7</b>	<b>6.3</b>	<b>6.3</b>	<b>6.3</b>	<b>5.9</b>	<b>1.5</b>	<b>1.6</b>	<b>1.5</b>	<b>1.3</b>

1 Includes strategic agreement – prices on a fixed price basis.

2 Includes long-term lease – prices on a cost-plus basis.

Coal production by region annually (2014–2018) and quarterly (2018) (Millions of Mt)									
Mine	2014	2015	2016	2017	2018	1Q 18	2Q 18	3Q 18	4Q 18
North America	2.0	1.6	1.8	2.0	2.1	0.6	0.5	0.4	0.5
Asia, CIS & Other	5.0	4.6	4.5	4.3	3.8	0.9	1.0	1.1	0.8
<b>Own production</b>	<b>7.0</b>	<b>6.1</b>	<b>6.3</b>	<b>6.3</b>	<b>5.9</b>	<b>1.5</b>	<b>1.6</b>	<b>1.5</b>	<b>1.3</b>
North America	0.4	0.1	–	–	–	–	–	–	–
Africa	0.3	–	–	–	–	–	–	–	–
<b>Strategic contracts</b>	<b>0.7</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Group</b>	<b>7.7</b>	<b>6.3</b>	<b>6.3</b>	<b>6.3</b>	<b>5.9</b>	<b>1.5</b>	<b>1.6</b>	<b>1.5</b>	<b>1.3</b>

## Own coal production by mine (Millions of Mt)



(Millions of Mt)	2018	%
<b>1 USA – Midvol/Concept</b>	2.1	36
<b>2 Kazakhstan – Karaganda</b>	3.8	64
<b>Total</b>	<b>5.9</b>	<b>100</b>



## Coal production and shipment by geography

Coal shipments annually (2014-2018) and quarterly (2018)									
(Millions of Mt)	2014	2015	2016	2017	2018	1Q 18	2Q 18	3Q 18	4Q 18
External Sales – Third party	1.8	1.5	1.4	1.1	1.1	0.2	0.3	0.3	0.3
Internal sales – Market Priced	2.1	1.3	2.1	1.7	1.4	0.2	0.3	0.4	0.4
<b>Total market priced shipments</b>	<b>3.9</b>	<b>2.8</b>	<b>3.5</b>	<b>2.8</b>	<b>2.5</b>	<b>0.4</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>
Captive (Cost plus basis)	3.3	3.2	3.4	3.5	3.3	0.9	0.9	0.9	0.7
<b>Total Shipments</b>	<b>7.2</b>	<b>6.0</b>	<b>6.9</b>	<b>6.3</b>	<b>5.8</b>	<b>1.3</b>	<b>1.6</b>	<b>1.5</b>	<b>1.4</b>
Strategic contracts	0.7	0.1	–	–	–	–	–	–	–
<b>Total shipments including strategic contracts</b>	<b>7.9</b>	<b>6.2</b>	<b>6.9</b>	<b>6.3</b>	<b>5.8</b>	<b>1.3</b>	<b>1.6</b>	<b>1.5</b>	<b>1.4</b>

There are three categories of sales:

- 1 “External sales”: mined product sold to third parties at market price;
- 2 “Market-priced tonnes”: internal sales of mined product to ArcelorMittal facilities and reported at prevailing market prices;
- 3 “Cost-plus tonnes”: internal sales of mined product to ArcelorMittal facilities on a cost-plus basis. The determinant of whether internal sales are reported at market price or cost-plus is whether the raw material could practically be sold to third parties (i.e. there is a potential market for the product and logistics exist to access that market).

## Reserves (iron ore and coal)

ArcelorMittal has both iron ore and metallurgical coal reserves. The Company's iron ore mining operations are located in the United States, Canada, Mexico, Brazil, Liberia, Bosnia, Ukraine and Kazakhstan. The Company's metallurgical coal mining operations are located in the United States and Kazakhstan.

The estimates of proven and probable ore reserves at the Company's mines and projects and the estimates of the mine life included in this annual report have been prepared by ArcelorMittal experienced engineers and geologists, with the exception of Las Truchas mine (consolidated as Mexico, excluding Peña Colorada in the tables below) where the 2017 and 2018 reserve estimates were prepared by Gustavson Associates. All reserve estimates as of December 31, 2017 and 2018 were prepared in compliance with the requirements of SEC Industry Guide 7.

In Eastern Europe (Bosnia) and the CIS, ArcelorMittal has conducted in-house and independent reconciliations of ore reserve estimate classifications based on SEC Industry Guide 7 and standards used by the State Committee on Reserves, known as the GKZ, or its national equivalent, in the former Soviet Union countries. The GKZ, or its national equivalent, constitutes the legal framework for ore reserve reporting in former Soviet Union countries where ArcelorMittal operates mines. On the basis of these reconciliations, ArcelorMittal's ore reserves have been estimated by applying mine planning, technical and economic assessments defined as categories A, B and C1 according to the GKZ standards. In general, provided Guide 7's economic criteria are met (which is the case here), A+B is equivalent to "proven" and C1 is equivalent to "probable".

- Reserves are the part of a mineral deposit that could be economically and legally extracted or produced at the time of the reserve determination.
- Proven reserves are reserves for which (a) quantity is computed from dimensions revealed in outcrops, trenches, working or drill holes; grade and/or quality are computed from the results of detailed sampling; and (b) the sites for inspection, sampling and measurement are spaced so closely and the geologic character is so well defined that size, shape, depth and mineral content of reserves are well-established.
- Probable reserves are reserves for which quantity and grade and/or quality are computed from information similar to that used for proven reserves, but the sites for inspection, sampling and measurement are farther apart or are otherwise less adequately spaced. The degree of assurance, although lower than that for proven reserves, is high enough to assume continuity between points of observation.

The demonstration of economic viability is established through the application of a life of mine plan for each operation or project providing a positive net present value on a cash-forward looking basis. Economic viability is demonstrated using forecasts of operating and capital costs based on historical performance, with forward adjustments based on planned process improvements, changes in production volumes and in fixed and variable proportions of costs, and forecasted fluctuations in costs of raw material, supplies, energy and wages. Ore reserve estimates are updated annually in order to reflect new geological information and current mine plan and business strategies. The Company's reserve estimates are of in-place material after adjustments for mining depletion and mining losses and recoveries, with no adjustments made for metal losses due to processing. For a description of risks relating to reserves and reserve estimates, see "Item 3.D-Key information-Risk factors-Risks related to ArcelorMittal-ArcelorMittal's reserve estimates may materially differ from mineral quantities that it may be able to actually recover; ArcelorMittal's estimates of mine life may prove inaccurate; and market price fluctuations and changes in operating and capital costs may render certain ore reserves uneconomical to mine".

## Reserves (iron ore and coal)

Detailed independent verifications of the methods and procedures used are conducted on a regular basis by external consultants and sites are reviewed on a rotating basis. The 2016 year-end reserve estimates for the Kazakhstan coal operations were independently audited by SRK Consulting (UK) Limited who recommended the changes that have been implemented. SRK Consulting (UK) Limited also completed the 2017 year-end independent audits of the reserve estimates for ArcelorMittal Princeton coal operations in the United States and for ArcelorMittal Kryvyi Rih iron ore operations in Ukraine and recommended certain changes that are reflected in the 2017 year-end reserve estimates. In 2018, iron ore reserve estimates for ArcelorMittal Mines and Infrastructure Canada were independently audited and validated by SRK Consulting (Canada) Inc., and no material changes to the 2018 iron ore reserve estimates were recommended. Improvement points were proposed and will be addressed during 2019 with the support of SRK Consulting (Canada) Inc. This will be reflected in the 2019 year-end reserve estimates. Furthermore, in 2018, after completing a new geological interpretation and model of the Andrade mine (Brazil), SRK Consultores do Brasil Ltda reviewed and validated all the mine planning components supporting the iron ore reserve estimates of Andrade mine.

ArcelorMittal owns less than 100% of certain mining operations; reserve estimates have not been adjusted to reflect ownership interests and therefore reflect 100% of reserves of each mine. Please see the table below for ArcelorMittal's ownership interest in each mine. All of the reserves presented are estimates at December 31, 2018 (unless otherwise stated).

Mine life is derived from the life of mine plans and corresponds to the duration of the mine production scheduled from ore reserve estimates only.

The Company's mineral leases are of sufficient duration (or convey a legal right to renew for sufficient duration) to enable all ore reserves on the leased properties to be mined in accordance with current production schedules. The Company's ore reserves may include areas where some additional approvals remain outstanding but where, based on the technical investigations the Company carries out as part of its mine planning process and its knowledge and experience of the approvals process, the Company expects that such approvals will be obtained as part of the normal course of business and within the timeframe required by the current life of mine schedule.

The reported iron ore and coal reserves contained in this annual report do not exceed the quantities that the Company estimates could be extracted economically if future prices were at similar levels to the average contracted price for the three years ended December 31, 2018. The average iron ore spot reference price for the last three years (2016–2018) was \$66.47 per tonne (delivered to China, Qingdao 62% Fe US \$ per tonne, Metal Bulletin) duly adjusted for quality, Fe content, logistics and other considerations. For the same period, the average coal spot reference price was \$178.67 per tonne (Premium HCC FOB Aus, Metal Bulletin). The Company establishes optimum design and future operating cut-off grade based on its forecast of commodity prices and operating and sustaining capital costs. The cut-off grade varies from operation to operation and during the life of each operation in order to optimize cash flow, return on investments and the sustainability of the mining operations. Such sustainability in turn depends on expected future operating and capital costs. The reserve base can vary from year to year due to the revision of mine plans in response to market and operational conditions, in particular market price. See "Item 3.D–Key information–Risk factors–Risks related to ArcelorMittal–ArcelorMittal's reserve estimates may materially differ from mineral quantities that it may be able to actually recover; ArcelorMittal's estimates of mine life may prove inaccurate; and market price fluctuations and changes in operating and capital costs may render certain ore reserves uneconomical to mine".

Tonnage and grade estimates are reported as 'Run of Mine'. Tonnage is reported on a wet metric basis.

## Reserves (iron ore and coal)

### Iron ore reserve estimates

The table below details ArcelorMittal's estimated iron ore reserves as of December 31, 2018. The classification of the iron ore reserve estimates as proven or probable reflects the variability in the mineralization at the selected cut-off grade, the mining selectivity and the production rate and ability of the operation to blend the different ore types that may occur within each deposit. At ArcelorMittal mining operations, proven iron ore reserve estimates are typically based on drill hole spacing ranging from 25m x 25m to 100m x 100m, and probable iron ore reserve estimates are based on drill hole spacing ranging from 50m x 50m to 300m x 300m.

	As of December 31, 2018						As of December 31, 2017	
	Proven Ore Reserves		Probable Ore Reserves		Total Ore Reserves		Total Ore Reserves	
	Millions of Tonnes	% Fe	Millions of Tonnes	% Fe	Millions of Tonnes	% Fe	Millions of Tonnes	% Fe
Canada <sup>1</sup>	1,917	30.2	197	29.2	2,114	30.1	1,990	28.0
Minorca – USA	97	23.5	4	22.7	101	23.5	110	23.7
Hibbing – USA	134	19.6	25	19.6	159	19.6	182	19.6
Mexico (Excluding Peña Colorada)	10	38.0	114	31.9	124	32.4	129	32.7
Peña Colorada – Mexico	107	21.8	104	21.2	211	21.5	233	21.2
Brazil	50	56.0	45	49.6	95	53.0	72	61.1
Liberia	5	52.0	479	47.9	484	48.0	489	48.0
Bosnia	3	45.4	11	46.3	14	46.1	17	46.2
Ukraine Open Pit	51	33.5	78	33.5	129	33.5	151	33.7
Ukraine Underground	9	54.4	19	54.4	28	54.4	29	54.4
Kazakhstan Open Pit	5	48.8	255	39.2	260	39.4	265	39.2
Kazakhstan Underground	–	–	23	45.2	23	45.4	24	45.2
<b>Total</b>					<b>3,742</b>	<b>33.1</b>	<b>3,691</b>	<b>32.0</b>

<sup>1</sup> Given the decrease in ArcelorMittal's ownership in Baffinland and the termination of its operator rights, Baffinland is no longer included in this table.

## Reserves (iron ore and coal)

### Supplemental information on iron ore operations

The table below provides supplemental information on the producing mines.

Operations/Projects	% Ownership	In Operation Since	2018 Run of Mine Production (Million Tonnes)*	2018 Saleable Production (Million Tonnes)**	Estimated Mine Life (Years) <sup>2</sup>
Canada	85	1976	70.7	24.5	30
Minorca – USA	100	1977	8.6	2.8	12
Hibbing – USA	62	1976	29.2	7.8	6
Mexico (Excluding Peña Colorada)	100	1976	7.0	2.7	18
Peña Colorada – Mexico	50	1974	13.3	4.0	14
Brazil	100	1944	4.0	2.8	44
Liberia	85	2011	4.6	4.6	24
Bosnia	51	2008	1.9	1.4	7
Ukraine Open Pit	95	1959	22.3	9.3	5
Ukraine Underground	95	1933	0.9	0.9	19
Kazakhstan Open Pit	100	1976	3.0	1.8	>50
Kazakhstan Underground	100	1956	1.7	0.8	11

1 Saleable production is constituted of a mix of direct shipping ore, concentrate, pellet feed and pellet products which have an iron content of approximately 65% to 66%. Exceptions in 2018 included the shipping of ore produced in Bosnia, Ukraine Underground and the Kazakh mines which have an iron content ranging between approximately 50% to 60% and are solely for internal use at ArcelorMittal's regional steel plants. The direct shipping ore produced from Liberia had an average iron content of approximately 62% in 2018 while the sinter fines produced for external customers in Brazil from the Serra Azul operations averaged approximately 64% and the lumps averaged 56%.

2 The estimated mine life reported in this table corresponds to the duration of the production schedule of each operation based on the 2018 year-end iron ore reserve estimates only. The production varies for each operation during the mine life and as a result the mine life is not the total reserve tonnage divided by the 2018 production. ArcelorMittal believes that the life of these operations will be maintained as exploration and engineering studies confirm the economic potential of the additional mineralization already known to exist in the vicinity of these iron ore reserve estimates.

\*Represents 100% of production.

### Changes in iron ore reserve estimates 2018 versus 2017

The Company's iron ore reserve estimates had a net increase of 51 million metric tonnes of Run of Mine and a 1% increase in iron ore content between December 31, 2017 and 2018. This increase in reserves includes an addition of 218 million metric tonnes, mainly attributed to new interpretations of the ore bodies at the Canada and Brazil operations. However, this was offset by 167 million tonnes of mining depletion during 2018.

## Reserves (iron ore and coal)

### Metallurgical coal reserve estimates

The table below details ArcelorMittal's estimated metallurgical coal reserves as of December 31, 2018. The classification of coal reserve estimates as proven or probable reflects the variability in the coal seams thickness and quality, the mining selectivity and the planned production rate for each deposit. Proven coal reserve estimates are based on drill hole spacing ranging from 50m x 50m to 500m x 500m, and probable coal reserve estimates are based on drill hole spacing ranging from 100m x 100m to 1,000m x 1,000m.

	As of December 31, 2018									As of December 31, 2017	
	Proven Coal Reserves			Total Coal Reserves						Total Coal Reserves	
	ROM Millions of Tonnes	Wet Recoverable Million Tonnes	ROM Millions of Tonnes	Wet Recoverable Million Tonnes	ROM Millions of Tonnes	Wet Recoverable Million Tonnes	Ash (%)	Sulfur (%)	Volatile (%)	Millions of Tonnes	Wet Recoverable Million Tonnes
Princeton – USA	71	45	23	11	94	56	5	0.7	17	88	56
Karaganda – Kazakhstan	11	5	99	49	110	54	35	0.6	29	136	57
<b>Total</b>					<b>204</b>	<b>110</b>	<b>20</b>	<b>0.7</b>	<b>23</b>	<b>224</b>	<b>114</b>

The Ash (%), Sulfur (%) and Volatile (%) for Princeton – USA shown in the table above are the in-situ coal qualities, whereas the Ash (%), Sulfur (%) and Volatile (%) for Karaganda – Kazakhstan are Run of Mine coal qualities.

A new reserve estimation for the Kazakhstan coal operations was completed in 2018, based on a preliminary 10 year mine plan, remodeled from first principle, as recommended in the 2016 SRK Consulting (UK) Limited independent audit report.

The table below provides supplemental information on the producing mines.

Operations/Projects	% Ownership	In Operation Since	2018 Run of Mine Production (Million Tonnes)	2018 Wet Recoverable production (Million Tonnes)	Estimated Mine Life (Years) <sup>1</sup> (Million Tonnes)
Princeton – USA	100	1995	3.4	2.1	35
Karaganda – Kazakhstan	100	1934	10.0	3.8	10

<sup>1</sup> The estimated mine life reported in this table corresponds to the duration of the production schedule of each operation based on the 2018 year-end metallurgical coal reserve estimates only. The production varies for each operation during the mine life and as a result the mine life is not the total reserve tonnage divided by the 2018 production. ArcelorMittal believes that the life of these operations will be significantly expanded as exploration and engineering studies confirm the economic potential of the additional mineralization already known to exist in the vicinity of these estimated coal reserves.

### Changes in metallurgical coal reserve estimates: 2018 versus 2017

The Company's metallurgical coal reserve estimates had a net decrease of 20 million tonnes of Run of Mine coal and a decrease of 4 million tonnes of recoverable coal between December 31, 2017 and 2018. This decrease includes the annual mining depletion of 13 million tonnes Run of Mine and 16 million tonnes Run of Mine, at the Kazakhstan coal operations, primarily due to the new reserve estimation. However, this was offset by an increase of 9 million tonnes of Run of Mine coal at Princeton, primarily due to a reinterpretation of modifying factors. The additional recoverable coal at Princeton was due to infill drilling and improved modeling. The reporting of recoverable coal reserves from Kazakhstan excludes the recoverable coal which in theory could be used for metallurgical applications but which in practice is sold and used as thermal coal by ArcelorMittal at its steel plant facilities.

# Raw material

## Raw material consumption

(Millions of metric tonnes)	2014	2015	2016	2017	2018
Iron Ore	117	116	115	119	118
PCI & Coal <sup>1</sup>	43	44	46	48	48
Coke	29	29	29	29	28
Scrap & DRI	39	37	34	35	36

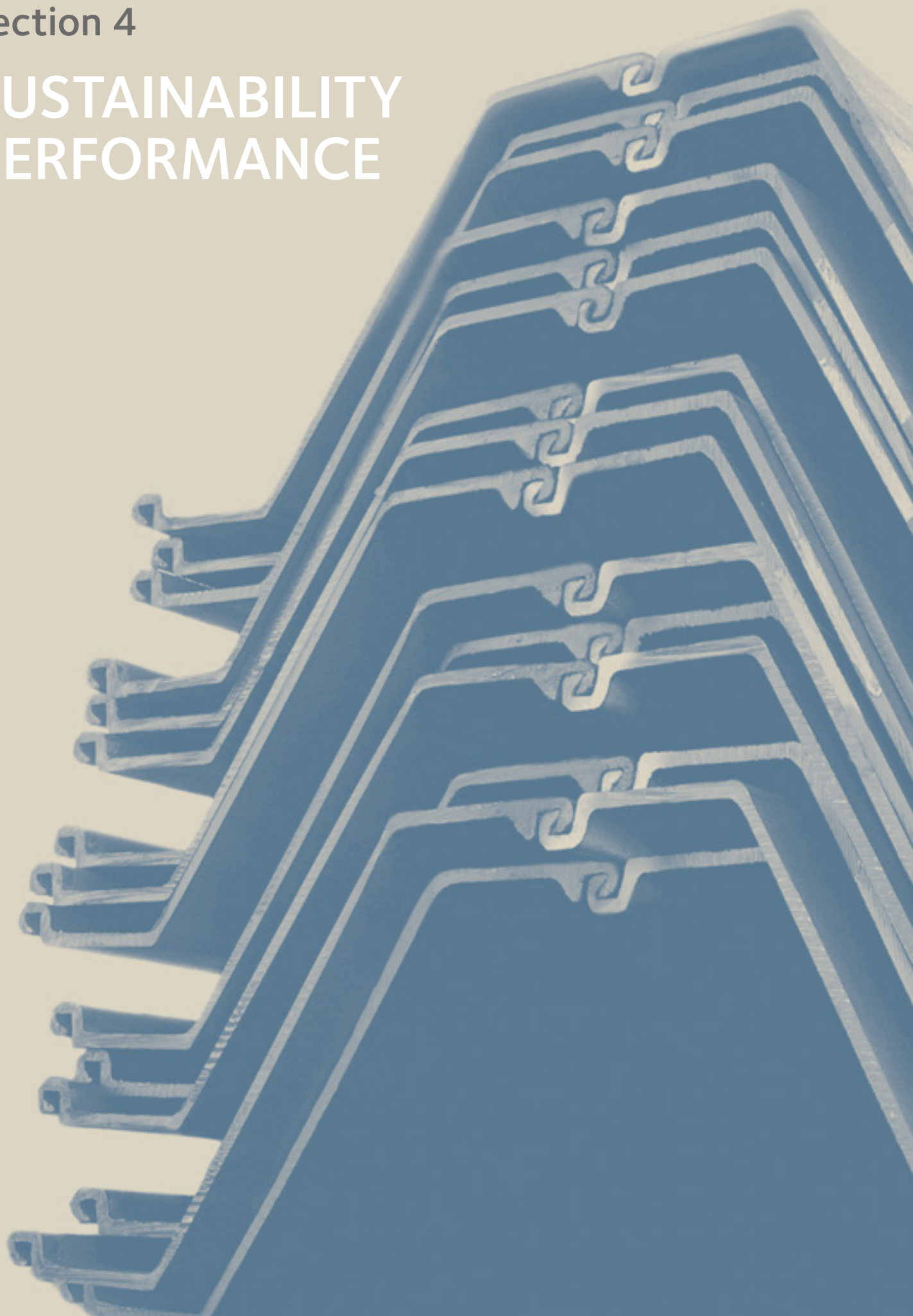
<sup>1</sup> Includes coal only for the steelmaking process and excludes steam coal for power generation.

ArcelorMittal's consumption of PCI and coal was 9.8 million metric tonnes and 38.1 million metric tonnes, respectively, for the year ended December 31, 2018.



## Section 4

# SUSTAINABILITY PERFORMANCE



# Sustainability performance data table 2018<sup>1</sup>

Metric	Unit	Performance		
		2016	2017	2018
1. Safe, healthy, quality working lives for our people				
Number of employees (total)	number	198,517	197,108	208,583
Number of contractors (total)	number	43,044	43,368	44,855
Fatalities (total)*	number	17	23	10
Fatalities (steel)	number	11	19	10
Fatalities (mining)	number	6	4	0
Fatalities (own personnel)	number	10	16	
Fatalities (contractors)	number	7	7	5
Lost-time injury rate (total) <sup>2*</sup>	per million hours worked	0.83	0.79	0.69
Lost-time injury rate (mining)	per million hours worked	1.02	0.35	0.34
Lost-time injury rate (steel)	per million hours worked	0.82	0.80	0.71
Lost-time injury rate (own personnel)	per million hours worked	0.81	0.83	0.68
Lost-time injury rate (contractors)	per million hours worked	0.85	0.67	0.65
Accident severity rate (total)	per thousand hours worked	0.08	0.08	0.07
Accident severity rate (steel)	per thousand hours worked	0.08	0.08	0.08
Accident severity rate (mining)	per thousand hours worked	0.13	0.01	0.02
Manager turnover rate	%	2.4	2.7	2.2
Industrial operations (including mining) certified to OHSAS 18001 <sup>3*</sup>	%	98	98	98
Employees covered by collective bargaining agreements	%	89	88	88
Number of strikes exceeding one week in duration	number	0	0	4
Number of training hours per employee <sup>4</sup>	hours	51	49	56
Women on the Board of Directors	%	33	33	33
Women in management positions (manager and above positions)*	%	12	12	12
– Vice presidents	%	6	6	6
– General managers	%	6	6	7
– Managers	%	14	14	14
Women in key position succession plans (general manager and positions above)*	%	–	–	12
Women recruited (exempt population)*	%	–	–	27
2. Products that accelerate more sustainable lifestyles				
Research and development spend	\$ (million)	239	278	290
Number of LCA studies undertaken	number	16	23	32
Products for outcome 2 launched	number	37	21	15
Programmes for outcome 2 in development	number	19	18	17
3. Products that create sustainable infrastructure				
Products for outcome 3 launched	number	67	21	11
Programmes for outcome 3 in development	number	15	19	21
4. Efficient use of resources and high recycling rates				
Raw materials used by weight:				
– Iron ore	million tonnes	114.9	118.6	118.3
– Pulverised coal injection (PCI) and coal	million tonnes	46.3	47.8	47.9
– Coke	million tonnes	29.0	28.9	28.2
– Scrap and direct reduced iron (DRI)	million tonnes	33.7	35.4	36.3
Steel scrap recycled	million tonnes	26.7	29.4	28.6
CO <sub>2</sub> avoided from steel scrap recycled	million tonnes	34.8	38.2	37.2
Blast furnace slag re-used (total)	million tonnes	19.0	20.5	20.1
BF slag to cement industry	million tonnes	9.1	10.2	12.4

Sustainability performance data table 2018<sup>1</sup>

Metric	Unit	Performance		
		2016	2017	2018
CO <sub>2</sub> avoided from slag re-use in cement industry	million tonnes	7.0	7.8	9.5
<b>Production residues to landfill/waste (steel)</b>	<b>%</b>	<b>7.8</b>	<b>7.6</b>	<b>7.6</b>
Production residues to landfill/waste (mining)	%	40.4	35.0	22.4
Production residues and by-products re-used (steel)	%	79.1	88.7	87.3
<b>Production residues and by-products re-used (mining)</b>	<b>%</b>	<b>10.1</b>	<b>10.2</b>	<b>9.3</b>
<b>5. Trusted user of air, land and water</b>				
Environmental capital expenditure	\$ (million)	177	158	405
Industrial operations certified to ISO 14001 (steel) <sup>3</sup>	%	98	98	98
Industrial operations certified to ISO 14001 (mining) <sup>3</sup>	%	52	48	48
<b>Air</b>				
Absolute dust emissions (steel)	thousand tonnes	60.7	62.1	55.1
<b>Dust intensity (steel)</b>	<b>kg/tonne of steel</b>	<b>0.67</b>	<b>0.67</b>	<b>0.61</b>
Absolute NO <sub>x</sub> emissions (steel)	thousand tonnes	113.5	107.7	101.3
<b>NO<sub>x</sub> intensity (steel)</b>	<b>kg/tonne of steel</b>	<b>1.26</b>	<b>1.17</b>	<b>1.12</b>
Absolute SO <sub>x</sub> emissions (steel)	thousand tonnes	169.5	150.5	166.1
<b>SO<sub>x</sub> intensity (steel)</b>	<b>kg/tonne of steel</b>	<b>1.92</b>	<b>1.66</b>	<b>1.86</b>
Absolute dust emissions (mining)	thousand tonnes	6.8	6.3	13.8
Absolute NO <sub>x</sub> (mining)	thousand tonnes	15.7	13.9	14.2
Absolute SO <sub>x</sub> (mining) <sup>5</sup>	thousand tonnes	9.0	8.8	P
<b>Water</b>				
Freshwater intake (steel)	m <sup>3</sup> /tonne of steel	23.5	23.2	23.8
Proportion of water extraction from ground water sources	%	0.6	0.6	0.6
Water discharge (steel)	m <sup>3</sup> /tonne of steel	19.0	18.8	18.5
<b>Net water use (steel)</b>	<b>m<sup>3</sup>/tonne of steel</b>	<b>4.9</b>	<b>4.3</b>	<b>5.4</b>
<b>6. Responsible energy user that helps create a lower carbon future</b>				
Energy capital expenditure	\$ (million)	108	373	247
Energy intensity (steel)	GJ/tonne of steel	24.0	24.0	24.0
<b>Primary energy consumption (steel)*</b>	<b>million GJ (PJ)</b>	<b>2,174</b>	<b>2,227</b>	<b>2,196</b>
– Energy recovered and reused on site, as % of total	%	24.8	23.8	24.0
– Energy from renewable sources, as % of total	%	0.23	0.17	0.23
– Energy sold by type (heat, steam or electricity) as % of total	%	1.1	1.1	1.0
<b>Absolute CO<sub>2</sub>e footprint (steel and mining)*</b>	<b>million tonnes</b>	<b>204</b>	<b>207</b>	<b>203</b>
– Scope 1 CO <sub>2</sub> e	million tonnes	176	179	174
– Scope 2 CO <sub>2</sub> e	million tonnes	14	15	14
– Scope 3 CO <sub>2</sub> e	million tonnes	14	14	15
Absolute CO <sub>2</sub> e footprint (steel)*	million tonnes	193	197	194
– Scope 1 CO <sub>2</sub> e (steel)	million tonnes	167	170	167
– Scope 2 CO <sub>2</sub> e (steel)	million tonnes	12	13	12
– Scope 3 CO <sub>2</sub> e (steel)	million tonnes	14	13	15
Absolute CO <sub>2</sub> e footprint (mining)* <sup>6</sup>	million tonnes	10	10	9
– Scope 1 CO <sub>2</sub> e (mining)	million tonnes	9	8	7
– Scope 2 CO <sub>2</sub> e (mining)	million tonnes	2	2	2
– Scope 3 CO <sub>2</sub> e (mining)	million tonnes	0	0	0
<b>CO<sub>2</sub> intensity (steel)*</b>	<b>t/tonne of steel</b>	<b>2.14</b>	<b>2.12</b>	<b>2.12</b>
– CO <sub>2</sub> intensity (BF only)	t/tonne of steel	2.33	2.31	2.33
– CO <sub>2</sub> intensity (EAF only)	t/tonne of steel	0.53	0.60	0.66
% sites below ArcelorMittal carbon efficiency benchmark	%	42	50	44
<b>Carbon footprint intensity improvement since 2007 (target = 8% by 2020)<sup>7</sup></b>	<b>%</b>	<b>5.2</b>	<b>6.2</b>	<b>5.6</b>

Sustainability performance data table 2018<sup>1</sup>

Metric	Unit	Performance		
		2016	2017	2018
7. Supply chains our customers trust				
Global procurement suppliers evaluated against code for responsible sourcing	number	387	357	405
8. Active and welcomed member of the community				
9. Pipeline of talented scientists and engineers for the future				
Community investment spend (including STEM spend) <sup>8</sup>	\$ (million)	20.2	29.1	30.5
– of which, voluntary spend	\$ (million)		18.8	20.7
– of which, spend on STEM projects <sup>9</sup>	\$ (million)	6.0	7.1	9.9
10. Our contribution to society measured, shared and valued				
Estimated direct economic contribution	\$ (million)	56,222	68,143	74,776
of which:				
– Total tax contribution	\$ (million)	3,976	4,381	4,849
– Corporate Income tax	\$ (million)	296	507	629
– Local taxes	\$ (million)	390	381	406
– Payroll taxes	\$ (million)	3,193	3,334	3,382
– Other taxes including royalties	\$ (million)	95	157	157
– Employee salaries, wages and pensions	\$ (million)	7,637	9,046	9,502
– Supplier and contractor payments	\$ (million)	40,489	50,498	55,966
– Capital expenditure	\$ (million)	2,444	2,819	3,305
– Dividends and payments to creditors	\$ (million)	1,417	1,092	864
Number of country-level corporate responsibility/sustainability reports	number	17	16	16
Country-level reports adhering to GRI	%	76	81	81
Transparent good governance				
Number of Board of Directors self-assessments	number	1	1	1
% of employees completed code of business conduct training	%	81	85	88
% of employees completed anti-corruption training	%	76	82	90
% of employees completed human rights training	%	84	66	94
Number of operations with a local confidential whistleblowing system	number	30	30	27
Whistleblowing complaints received via Internal Audit	number	153	160	158

\*Publicly assured by DNV GL.

- The indicators in this table have been developed over the period 2007-2018 in line with the requirements of the Global Reporting Initiative and of the Company. All methodologies can be found in the **Basis of Reporting**. In 2014, we adopted 10 new sustainable development outcomes, and although these indicators were not selected to measure progress against these outcomes, they are listed here under our 10 outcomes. KPIs the company has identified as metrics that are useful for driving and tracking progress, are marked in bold. Environmental data presented in this table are provisional except where assured by DNV GL.
- Following further review, subsequent minor changes have been noted to this indicator which are not considered material.
- This data is based on the last internal audit of sites undertaken several years ago. We are currently building a new system to capture this information which will enable us to update this data in 2020.
- Data does not include the training data for Ilva (subsequently renamed ArcelorMittal Italia) which was acquired on 1 November 2018. The total number of training hours per employee for ArcelorMittal inclusive of this was 53.
- Pending data under review.
- CO<sub>2</sub>e (mining) data has been within the scope of external assurance since 2017.
- Refers to carbon intensity of sites we operate today that we operated in 2007. Since the operation perimeter changes from year to year, the baseline is not constant. See page 31 of the **Integrated Annual Report** for an explanation of our underlying carbon performance.
- In 2017 for the first time we break down community investment spend into that portion which is voluntary and that which is mandatory as a result of contractual agreements with host governments.
- STEM = Science, technology, engineering and maths.



## Section 5

# FINANCIALS



# Key financial and operational information

In millions of US dollars, unless otherwise stated.

2018	NAFTA	Brazil	Europe	ACIS	Mining	Total
<b>FINANCIAL INFORMATION (AUDITED)</b>						
Sales	20,332	8,711	40,488	7,961	4,211	76,033
Depreciation	(522)	(298)	(1,195)	(311)	(418)	(2,799)
Impairments net of purchase gains <sup>1</sup>	–	(86)	(724)	–	–	(810)
Exceptional charges <sup>2</sup>	(60)	202	(259)	–	–	(117)
Operating income	1,889	1,356	1,632	1,094	860	6,539
Operating margin (as a percentage of sales)	9.3%	15.6%	4.0%	13.7%	20.4%	8.6%
EBITDA	2,471	1,538	3,810	1,405	1,278	10,265
EBITDA margin (as a percentage of sales)	12.2%	17.7%	9.4%	17.6%	30.3%	13.5%
Capital expenditure	669	244	1,336	534	485	3,305
<b>OPERATIONAL INFORMATION (UNAUDITED)</b>						
Crude steel production (thousand of metric tonnes)	22,559	12,264	44,693	13,022	–	92,538
Steel shipments (thousand of metric tonnes)	22,047	11,464	41,020	11,741	–	83,854
Average steel selling price (US\$/t)	852	719	787	598	–	775
Employees (FT equivalent)	26,550	19,555	88,768	41,544	30,579	208,583

1 Impairment charges of \$1.0 billion primarily related to the remedy asset sales in connection with the ArcelorMittal Italia acquisition and the agreed remedy package required for the approval of the Votorantim acquisition, partially offset by a \$0.2 billion bargain purchase gain relating to the acquisition of ArcelorMittal Italia.

2 Exceptional items for 12M 2018 were charges of \$117 million primarily consisting of \$113 million in charges related to a blast furnace dismantling in Florange (France), \$60 million in charges related to the new collective labour agreement in the US (including a signing bonus), a \$146 million provision taken in 1Q 2018 in respect of a litigation case that was paid in 3Q 2018 offset in part by PIS/Cofins tax credits related to prior periods recognized in Brazil of \$202 million.

- EBITDA defined as operating income plus depreciation, impairment expenses, restructuring and exceptional charges/ (income).
- Sales amounts are prior to inter-segment eliminations (except for total) and includes non-steel sales.
- Steel shipments are prior to inter-segment eliminations (except for total).
- Margin analysis calculated on the unrounded values.
- Total column includes holding and service companies and eliminations.

## Number of employees



Full-time equivalent	2018	%
1 NAFTA	26,550	13
2 Brazil	19,555	9
3 Europe	88,768	42
4 ACIS	41,544	20
5 Mining	30,579	15
6 Others	1,587	1
<b>Total</b>	<b>208,583</b>	<b>100</b>

## Key financial and operational information

In millions of US dollars, unless otherwise stated.

2017	NAFTA	Brazil	Europe	ACIS	Mining	Total
<b>FINANCIAL INFORMATION (AUDITED)</b>						
Sales	17,997	7,755	36,208	7,621	4,033	68,679
Depreciation	(518)	(293)	(1,201)	(313)	(416)	(2,768)
Impairments <sup>1</sup>	–	–	–	(206)	–	(206)
Operating income	1,185	697	2,359	508	991	5,434
Operating margin (as a percentage of sales)	6.6%	9.0%	6.5%	6.7%	24.6%	7.9%
EBITDA	1,703	990	3,560	1,027	1,407	8,408
EBITDA margin (as a percentage of sales)	9.5%	12.8%	9.8%	13.5%	34.9%	12.2%
Capital expenditure	466	263	1,143	427	495	2,819
<b>OPERATIONAL INFORMATION (UNAUDITED)</b>						
Crude steel production (thousand of metric tonnes)	23,480	11,210	43,768	14,678	–	93,136
Steel shipments (thousand of metric tonnes)	21,834	10,840	40,941	13,094	–	85,242
Average steel selling price (US\$/t)	742	667	702	515	–	682
Employees (FT equivalent)	26,324	18,058	78,643	42,451	30,088	197,108

<sup>1</sup> Impairment charges for 12M 2017 were \$206 million related to a downward revision of cash flow projections across all steel facilities in ArcelorMittal South Africa.

- EBITDA defined as operating income plus depreciation, impairment expenses, restructuring and exceptional charges/ (income).
- Sales amounts are prior to inter-segment eliminations (except for total) and includes non-steel sales.
- Steel shipments are prior to inter-segment eliminations (except for total).
- Margin analysis calculated on the unrounded values.
- Total column includes holding and service companies and eliminations.



## Key financial and operational information

In millions of US dollars, unless otherwise stated.

2016	NAFTA	Brazil	Europe	ACIS	Mining	Total
<b>FINANCIAL INFORMATION (AUDITED)</b>						
Sales	15,806	6,223	29,272	5,885	3,114	56,791
Depreciation	(549)	(258)	(1,184)	(311)	(396)	(2,721)
Impairments <sup>1</sup>	–	–	(49)	(156)	–	(205)
Exceptional income <sup>2</sup>	832	–	–	–	–	832
Operating income	2,002	614	1,270	211	366	4,161
Operating margin (as a percentage of sales)	12.7%	9.9%	4.3%	3.6%	11.8%	7.3%
EBITDA	1,719	872	2,503	678	762	6,255
EBITDA margin (as a percentage of sales)	10.9%	14.0%	8.6%	11.5%	24.5%	11.0%
Capital expenditure	445	237	951	397	392	2,444
<b>OPERATIONAL INFORMATION (UNAUDITED)</b>						
Crude steel production (thousand of metric tonnes)	22,208	11,133	42,635	14,792	–	90,767
Steel shipments (thousand of metric tonnes)	21,281	10,753	40,247	13,271	–	83,934
Average steel selling price (US\$/t)	672	536	568	395	–	567
Employees (FT equivalent)	27,233	18,380	80,975	41,989	28,455	198,517

1 Impairment charges for 12M 2016 were \$205 million of which \$49 million related to the sale of ArcelorMittal Zaragoza in Spain and \$156 million mainly related to the Vanderbijlpark plant in South Africa.

2 Exceptional income for 12M 2016 was \$832 million relating to a one-time gain on employee benefits following the signing of the new US labour contract.

- EBITDA defined as operating income plus depreciation, impairment expenses, restructuring and exceptional charges/ (income).
- Sales amounts are prior to inter-segment eliminations (except for total) and includes non-steel sales.
- Steel shipments are prior to inter-segment eliminations (except for total).
- Margin analysis calculated on the unrounded values.
- Total column includes holding and service companies and eliminations.

## Key financial and operational information

In millions of US dollars, unless otherwise stated.

2015						
	NAFTA	Brazil	Europe	ACIS	Mining	Total
<b>FINANCIAL INFORMATION (AUDITED)</b>						
Sales	17,293	8,503	31,893	6,128	3,387	63,578
Depreciation	(616)	(336)	(1,192)	(408)	(614)	(3,192)
Impairments <sup>1</sup>	(526)	(176)	(398)	(294)	(3,370)	(4,764)
Exceptional charges <sup>2</sup>	(454)	(91)	(632)	(239)	–	(1,436)
Operating income/(loss)	(705)	628	171	(624)	(3,522)	(4,161)
Operating margin (as a percentage of sales)	(4.1)%	7.4%	0.5%	(10.2)%	(104)%	(6.5)%
EBITDA	891	1,231	2,393	317	462	5,231
EBITDA margin (as a percentage of sales)	5.2%	14.5%	7.5%	5.2%	13.6%	8.2%
Capital expenditure	392	422	1,045	365	476	2,707
<b>OPERATIONAL INFORMATION (UNAUDITED)</b>						
Crude steel production (thousand of metric tonnes)	22,795	11,612	43,853	14,219	–	92,479
Steel shipments (thousand of metric tonnes)	21,306	11,540	40,676	12,485	–	84,586
Average steel selling price (US\$/t)	732	647	609	432	–	623
Employees (FT equivalent)	28,861	19,816	83,825	45,291	30,047	209,404

1 Impairment charges for 12M 2015 were \$4.8 billion relating to:

- Mining segment (\$3.4 billion): consisting of \$0.9 billion with respect to goodwill and \$2.5 billion primarily related to fixed assets mainly due to a downward revision of cash flow projections relating to the expected persistence of a lower raw material price outlook at:
  - ArcelorMittal Liberia (\$1.4 billion);
  - Las Truchas in Mexico (\$0.2 billion);
  - ArcelorMittal Serra Azul in Brazil (\$0.2 billion); and
  - ArcelorMittal Princeton coal mining operations in the United States (\$0.7 billion)
- Steel segments (\$1.4 billion): consisting of fixed asset impairment charges of \$0.2 billion related to the intended sale of the Long Carbon facilities in the US (ArcelorMittal La Place, Steelton and Vinton within the NAFTA segment), \$0.4 billion primarily in connection with the idling for an indefinite time of the ArcelorMittal Sestao plant in Spain (Europe segment), and \$0.8 billion related to:
  - NAFTA: Deployment of asset optimization programs at Indiana Harbor East and West in the United States (\$0.3 billion);
  - Brazil: ArcelorMittal Point Lisas in Trinidad and Tobago (\$0.2 billion) currently idled; and
  - ACIS: Saldanha plant in South Africa as a result of its revised competitive outlook (\$0.3 billion)

2 Exceptional charges for 12M 2015 were \$1.4 billion primarily including \$1.3 billion inventory related charges following the rapid decline of international steel prices and litigation and other costs in South Africa (\$0.1 billion).

- EBITDA defined as operating income plus depreciation, impairment expenses, restructuring and exceptional charges/ (income).
- Sales amounts are prior to inter-segment eliminations (except for total) and includes non-steel sales.
- Steel shipments are prior to inter-segment eliminations (except for total).
- Margin analysis calculated on the unrounded values.
- Total column includes holding and service companies and eliminations.

## Key financial and operational information

In millions of US dollars, unless otherwise stated.

2014						
	NAFTA	Brazil	Europe	ACIS	Mining	Total
<b>FINANCIAL INFORMATION (AUDITED)</b>						
Sales	21,162	10,037	39,552	8,268	4,970	79,282
Depreciation and impairment	(820)	(457)	(1,567)	(525)	(766)	(4,203)
Operating income	386	1,388	737	95	565	3,034
Operating margin (as a percentage of sales)	1.8%	13.8%	1.9%	1.1%	11.4%	3.8%
EBITDA	1,206	1,845	2,304	620	1,331	7,237
EBITDA margin (as a percentage of sales)	5.7%	18.4%	5.8%	7.5%	26.8%	9.1%
Capital expenditure	505	497	1,052	573	993	3,665
<b>OPERATIONAL INFORMATION (UNAUDITED)</b>						
Crude steel production (thousand of metric tonnes)	25,036	10,524	43,419	14,148	–	93,127
Steel shipments (thousand of metric tonnes)	23,074	10,376	39,639	12,833	–	85,125
Average steel selling price (US\$/t)	843	867	773	576	–	775
Employees (FT equivalent)	31,410	20,860	86,054	47,445	34,876	222,327

- EBITDA defined as operating income plus depreciation, impairment expenses, restructuring and exceptional charges/ (income).
- Sales amounts are prior to inter-segment eliminations (except for total) and includes non-steel sales.
- Steel shipments are prior to inter-segment eliminations (except for total).
- Margin analysis calculated on the unrounded values.
- Total column includes holding and service companies and eliminations.

# Quarterly condensed income statement

Annually and Quarterly (2017 and 2018)										
In millions of U.S. dollars	2017	2018	Q1 17	Q2 17	Q3 17	Q4 17	Q1 18	Q2 18	Q3 18	Q4 18
Sales	68,679	76,033	16,086	17,244	17,639	17,710	19,186	19,998	18,522	18,327
Depreciation	(2,768)	(2,799)	(655)	(676)	(690)	(747)	(711)	(712)	(653)	(723)
Impairment charges net of purchase gains <sup>1</sup>	(206)	(810)	–	(46)	–	(160)	(86)	–	(509)	(215)
Exceptional (charges) / income <sup>2</sup>	–	(117)	–	–	–	–	(146)	–	–	29
<b>Operating income</b>	<b>5,434</b>	<b>6,539</b>	<b>1,576</b>	<b>1,390</b>	<b>1,234</b>	<b>1,234</b>	<b>1,569</b>	<b>2,361</b>	<b>1,567</b>	<b>1,042</b>
Operating margin %	7.9%	8.6%	9.8%	8.1%	7.0%	7.0%	8.2%	11.8%	8.5%	5.7%
Income from associates, joint ventures and other investments	448	652	86	120	117	125	212	30	183	227
Net interest expense	(823)	(615)	(223)	(207)	(205)	(188)	(164)	(159)	(152)	(140)
Foreign exchange and other net financing gain / (loss)	(52)	(1,595)	(133)	210	132	(261)	(174)	(390)	(475)	(556)
<b>Income before taxes and non-controlling interest</b>	<b>5,007</b>	<b>4,981</b>	<b>1,306</b>	<b>1,513</b>	<b>1,278</b>	<b>910</b>	<b>1,443</b>	<b>1,842</b>	<b>1,123</b>	<b>573</b>
Current tax	(583)	(928)	(207)	(126)	(116)	(134)	(284)	(240)	(206)	(198)
Deferred tax	151	1,277	(76)	(71)	45	253	81	259	28	909
Income tax benefit / (expense)	(432)	349	(283)	(197)	(71)	119	(203)	19	(178)	711
<b>Income (loss) including non-controlling interests</b>	<b>4,575</b>	<b>5,330</b>	<b>1,023</b>	<b>1,316</b>	<b>1,207</b>	<b>1,029</b>	<b>1,240</b>	<b>1,861</b>	<b>945</b>	<b>1,284</b>
Non-controlling interests (income) / loss	(7)	(181)	(21)	6	(2)	10	(48)	4	(46)	(91)
<b>Net Income attributable to the equity holders of the parent</b>	<b>4,568</b>	<b>5,149</b>	<b>1,002</b>	<b>1,322</b>	<b>1,205</b>	<b>1,039</b>	<b>1,192</b>	<b>1,865</b>	<b>899</b>	<b>1,193</b>
Basic earnings per common share (\$) <sup>3</sup>	4.48	5.07	0.98	1.30	1.18	1.02	1.17	1.84	0.89	1.18
Diluted earnings per common share (\$) <sup>3</sup>	4.46	5.04	0.98	1.29	1.18	1.01	1.17	1.83	0.88	1.17
Weighted average common shares outstanding (in millions)	1,020	1,015	1,020	1,020	1,020	1,020	1,019	1,013	1,014	1,014
Adjusted diluted weighted average common shares outstanding (in millions)	1,024	1,021	1,022	1,023	1,023	1,024	1,023	1,018	1,019	1,020
<b>EBITDA<sup>4</sup></b>	<b>8,408</b>	<b>10,265</b>	<b>2,231</b>	<b>2,112</b>	<b>1,924</b>	<b>2,141</b>	<b>2,512</b>	<b>3,073</b>	<b>2,729</b>	<b>1,951</b>
EBITDA Margin %	12.2%	13.5%	13.9%	12.2%	10.9%	12.1%	13.1%	15.4%	14.7%	10.6%

1 Impairment charges for 12M 2018 of \$1.0 billion primarily related to the remedy asset sales in connection with the ArcelorMittal Italia acquisition and the agreed remedy package required for the approval of the Votorantim acquisition, partially offset by a \$0.2 billion bargain purchase gain relating to the acquisition of ArcelorMittal Italia.

Impairment charges for 12M 2017 were \$206 million related to a downward revision of cash flow projections across all steel facilities in ArcelorMittal South Africa.

2 Exceptional charges for 12M 2018 was \$117 million impacted by \$113 million in charges related to a blast furnace dismantling in Florange (France), \$60 million in charges related to the new collective labor agreement in the United States (including a signing bonus), a \$146 million provision taken in the first quarter of 2018 in respect of a litigation case that was paid in the third quarter of 2018, offset in part by the recognition in Brazil of \$202 million in PIS/Cofins tax credits related to prior periods.

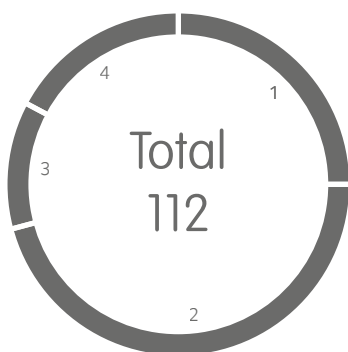
3 Diluted earnings per common share include assumed shares from employee share-based payments and convertible debt (if dilutive) in the weighted average number of common shares outstanding during the periods presented.

Following the completion of the Company's share consolidation of each three existing shares into one share without nominal value on May 22, 2017, the earnings (loss) per share and corresponding basic and diluted weighted average common shares outstanding for Q1 2017, has been recast in accordance with IFRS.

4 EBITDA defined as operating income plus depreciation, impairment expenses net of purchase gains and exceptional charges/ (income).

# Operating footprint

## Total achievable crude steel capacity



112Mt (without Ilva remedies)*	%
1 NAFTA	25
2 Europe	46
3 Brazil	12
4 ACIS	17
<b>Total</b>	<b>100</b>

## Blast furnace facilities and electric arc furnaces

BF Facilities**	Number of blast furnaces	EAF Facilities	Number of Electric Arc Furnaces
<b>ArcelorMittal Group</b>	<b>51</b>	<b>ArcelorMittal Group</b>	<b>32</b>
<b>NAFTA</b>	<b>11</b>	<b>NAFTA</b>	<b>10</b>
USA	7	USA	2
Canada	3	Canada	4
Mexico	1	Lazaro Cardenas	4
<b>EUROPE</b>	<b>22</b>	<b>EUROPE</b>	<b>13</b>
Europe flat	21	Europe flat	5
Europe long	1	Europe long	8
<b>BRAZIL</b>	<b>6</b>	<b>BRAZIL</b>	<b>7</b>
Flat Brazil	3	Long Brazil	7
Long Brazil	3	<b>ACIS</b>	<b>2</b>
<b>ACIS</b>	<b>12</b>	South Africa	2
South Africa	4		
Temirtau	3		
Kryvy Rih	5		

\*Crude steel achievable capacity including Ilva remedies (Ostrava and Galati) is 118Mt. Without the aforementioned assets the achievable capacity is 112Mt.

\*\*The 2018 BF footprint presented above is not including the Ilva remedies (Ostrava and Galati). Including the remedies assest the total numbers of BF's is 58, comprising the ones mentioned in the table above plus 4BF's in Ostrava and another 3BF's in Galati, i.e. including Ilva and Votorantim acquisitions, whilst excluding Ilva and Votorantim remedies and Florange capacity.

Comparing with 2017 the following changes occurred: there are 2BF's less in Florange (impairment) and additional 4BF's in Ilva (scope in).

## Section 6

# PROPERTY, PLANTS AND EQUIPMENT





# Property, plants and equipment

ArcelorMittal has steel production facilities, as well as iron ore and coal mining operations, in North and South America, Europe, Asia and Africa.

All of its operating subsidiaries are substantially owned by ArcelorMittal through intermediate holding companies, and are grouped into the five reportable segments. Unless otherwise stated, ArcelorMittal owns all of the assets described in this section.

## Steel Production Facilities of ArcelorMittal

The following table provides an overview by type of steel facility of the principal production units of ArcelorMittal's operations. While all of the Group's facilities are shown in the tables, only the facilities of significant subsidiaries are described textually for each segment. The facilities included in the tables are listed from upstream to downstream in the steel-making process.

Facility	Number of Facilities	Capacity (in million tonnes per year) <sup>1</sup>	Production in 2018 (in million tonnes) <sup>2</sup>
Coke Oven Battery	75	35.1	25.5
Sinter Plant	32	102.8	66.8
Blast Furnace	58	102.3	70.6
Basic Oxygen Furnace (including Tandem Furnace)	75	106.3	75.5
DRI Plant	13	9.4	7.4
Electric Arc Furnace	32	27.4	18.8
Continuous Caster-Slabs	50	96.0	65.5
Hot Rolling Mill	23	82.7	54.6
Pickling Line	35	37.3	17.9
Tandem Mill	39	45.7	27.7
Annealing Line (continuous / batch)	50	22.6	10.8
Skin Pass Mill	35	20.9	8.8
Plate Mill	12	8.1	3.0
Continuous Caster-Bloom / Billet	34	32.1	23.2
Breakdown Mill (Blooming / Slabbing Mill)	3	10.7	3.8
Billet Rolling Mill	3	2.6	1.8
Section Mill	25	13.6	8.3
Bar Mill	21	8.7	6.2
Wire Rod Mill	18	11.8	8.1
Hot Dip Galvanizing Line	63	23.8	17.4
Electro Galvanizing Line	13	2.4	1.0
Tinplate Mill	17	3.6	2.0
Tin Free Steel (TFS)	2	0.4	0.1
Color Coating Line	19	2.8	2.0
Seamless Pipes	7	0.9	0.4
Welded Pipes	79	4.9	1.1

1 Reflects design capacity and does not take into account other constraints in the production process (such as, upstream and downstream bottlenecks and product mix changes). As a result, in some cases, design capacity may be different from the current achievable capacity.

2 Production facility details include the production numbers for each step in the steel-making process. Output from one step in the process is used as input in the next step in the process. Therefore, the sum of the production numbers does not equal the quantity of sellable finished steel products.

# NAFTA



<sup>1</sup> Conshohocken facility idled in September 2018.

<sup>2</sup> Calvert, Flat processing plant purchased in 2014, is a 50/50 joint venture between ArcelorMittal and Nippon Steel & Sumitomo Metal Corp (NSSMC).

<sup>3</sup> Steeltown facility remained classified as held for sale as of 31st December 2017.





## Property, plants and equipment

ArcelorMittal's NAFTA segment has production facilities in North America, including the United States, Canada and Mexico. The following table sets forth key items of information regarding ArcelorMittal's principal production locations and production units in the NAFTA segment:

Unit	Country	Locations	Crude Steel Production in 2018 (in million tonnes per year) <sup>1</sup>	Type of plant	Products
ArcelorMittal USA	USA	Warren, OH	n/a	Coke-making	Coke
ArcelorMittal USA	USA	Monessen, PA	n/a	Coke-making	Coke
ArcelorMittal USA <sup>2 3</sup>	USA	East Chicago, IN	4.7	Integrated	Flat
ArcelorMittal USA	USA	Burns Harbor, IN	4.4	Integrated	Flat
ArcelorMittal USA	USA	Cleveland, OH	3.1	Integrated	Flat
ArcelorMittal USA	USA	Riverdale, IL	0.7	Integrated	Flat
ArcelorMittal USA	USA	Coatesville, PA	0.4	Mini-mill	Flat
ArcelorMittal USA	USA	Columbus, OH	n/a	Downstream	Flat
I/N Tek	USA	New Carlisle, IN	n/a	Downstream	Flat
ArcelorMittal USA <sup>4</sup>	USA	Conshohocken, PA	n/a	Downstream	Flat
ArcelorMittal USA	USA	Weirton, WV	n/a	Downstream	Flat
ArcelorMittal USA	USA	Gary, IN	n/a	Downstream	Flat
Double G	USA	Jackson, MS	n/a	Downstream	Flat
ArcelorMittal Dofasco <sup>5</sup>	Canada	Hamilton	3.5	Integrated, Mini-mill	Flat
ArcelorMittal Mexico	Mexico	Lázaro Cárdenas, Celaya	3.4	Mini-mill, Integrated, and Downstream	Flat, long/ bar, wire rod
ArcelorMittal Long Products Canada	Canada	Contrecoeur East, West	2.1	Mini-mill	Long/ wire rod, bars, slabs
ArcelorMittal USA	USA	Steelton, PA	0.2	Mini-mill	Long/ rail
ArcelorMittal Tubular Products	Canada	Brampton	n/a	Downstream	Pipes and tubes
ArcelorMittal Tubular Products	Canada	London	n/a	Downstream	Pipes and tubes
ArcelorMittal Tubular Products	Canada	Woodstock	n/a	Downstream	Pipes and tubes
ArcelorMittal Tubular Products	Canada	Hamilton	n/a	Downstream	Pipes and tubes
ArcelorMittal Tubular Products	USA	Shelby	n/a	Downstream	Pipes and tubes
ArcelorMittal Tubular Products	USA	Marion	n/a	Downstream	Pipes and tubes
ArcelorMittal Tubular Products	Mexico	Monterrey	n/a	Downstream	Pipes and tubes

1 Note: n/a = not applicable (no crude steel production).

2 Indiana Harbor.

3 ArcelorMittal USA idled its #2 basic oxygen furnace and its #2 slab caster at Indiana Harbor (East Chicago) in June 2017.

4 ArcelorMittal USA idled its plate rolling unit at the Conshohocken, PA facility in August 2018.

5 ArcelorMittal Dofasco idled the HDG lines #1&#2 in 2017.

# Brazil



ArcelorMittal Cariacica was sold on May 1st 2018 as remedy for Votorantim acquisition.



## Property, plants and equipment

ArcelorMittal's Brazil segment has production facilities in South America, including Brazil, Argentina, Costa Rica and Venezuela. The following table sets forth key items of information regarding ArcelorMittal's principal production locations and production units in the Brazil segment:

Unit	Country	Locations	Crude Steel Production in 2018 (in million tonnes per year) <sup>1</sup>	Type of plant	Products
Sol	Brazil	Vitoria	n/a	Coke-Making	Coke
ArcelorMittal Tubarão	Brazil	Vitoria	7.0	Integrated	Flat
ArcelorMittal Vega	Brazil	São Francisco do Sul	n/a	Downstream	Flat
ArcelorMittal Brasil	Brazil	João Monlevade	1.1	Integrated	Long/ wire rod
Acindar	Argentina	Villa Constitucion	1.4	Mini-mill	Long/ wire rod, bar
ArcelorMittal Brasil <sup>2</sup>	Brazil	Juiz de Fora, Piracicaba	2.0	Mini-mill	Long/ bar, wire rod
ArcelorMittal Costa Rica	Costa Rica	Costa Rica	n/a	Downstream	Long/ wire rod
Industrias Unicon	Venezuela	Barquisimeto, Matanzas, La Victoria	n/a	Downstream	Pipes and tubes
ArcelorMittal Sul Fluminense <sup>3</sup>	Brazil	Barra Mansa, Resende	0.7	Mini-mill	Long/rebar, wire rod, bars, sections, wires

1 Note: n/a = not applicable (no crude steel production).

2 The Cariacica site was divested in May 2018.

3 ArcelorMittal acquired Votorantim Siderurgia (subsequently renamed ArcelorMittal Sul Fluminense) in April 2018.

# Europe



Non-steelmaking facilities not included.  
Remedies sites for acquisition of Ilva, still included in the above map (Ostrava, Galati, Dudelange, Skopje, Piombino and HDG lines 4&5 in Flemmalle, hot rolled pickled, cold rolled and tin packaging lines in Tilleur all off which are in Liege, Belgium).





## Property, plants and equipment

ArcelorMittal's Europe segment has production facilities in Western Europe, Eastern Europe and North Africa including Germany, Belgium, France, Spain, Italy, Luxembourg, Romania, Poland, Macedonia, Estonia, Czech Republic, Morocco and Bosnia and Herzegovina. Additionally, ArcelorMittal Europe holds the in-house trading and distribution facilities, described below as Distribution Solutions.

The following table provide an overview by type of facility of ArcelorMittal's principal production locations and production units in the Europe segment:

Unit	Country	Locations	Crude Steel Production in 2018 (in million tonnes per year) <sup>1</sup>	Type of plant	Products
ArcelorMittal Bremen	Germany	Bremen, Bottrop	3.4	Integrated	Flat
ArcelorMittal Eisenhüttenstadt	Germany	Eisenhüttenstadt	2.1	Integrated	Flat
ArcelorMittal Belgium <sup>2 4</sup>	Belgium	Gent, Geel, Genk, Huy, Liège	5.4	Integrated and Downstream	Flat
ArcelorMittal Atlantique et Lorraine	France	Dunkirk, Mardyck, Montataire, Desvres, Florange, Mouzon, Basse-Indre	6.8	Integrated and Downstream	Flat
ArcelorMittal Méditerranée	France	Fos-sur-Mer, Saint-Chély	3.7	Integrated and Downstream	Flat
ArcelorMittal Galati <sup>4</sup>	Romania	Galati	2.1	Integrated	Flat
ArcelorMittal España	Spain	Avilés, Gijón, Extebarri, Lesaka, Sagunto	4.8	Integrated and Downstream	Flat, long, rails, wire rod
ArcelorMittal Italy	Italy	Taranto, Genova, Novi Ligure	0.7	Integrated and Downstream	Flat, pipes and tubes
ArcelorMittal Poland	Poland	Krakow, Swietochlowice, Dabrowa Gornicza, Chorzow, Sosnowiec, Zdzieszowice	5.3	Integrated and Downstream	Flat, long, coke/ sections, wire rod, sheet piles, rails
ArcelorMittal Sestao	Spain	Bilbao	0.3	Mini-mill	Flat
ArcelorMittal Piombino <sup>4</sup>	Italy	Avellino, Piombino	n/a	Downstream	Flat
ArcelorMittal Dudelange <sup>4</sup>	Luxembourg	Dudelange	n/a	Downstream	Flat
ArcelorMittal Skopje <sup>4</sup>	North Macedonia	Skopje	n/a	Downstream	Flat
ArcelorMittal Tallinn	Estonia	Tallinn	n/a	Downstream	Flat
Industeel	France, Belgium	Charleroi, Le Creusot, Chateaufort, Saint-Chamond, Seraing, Dunkirk	0.5	Mini-mill and Downstream	Flat
ArcelorMittal Ostrava <sup>4</sup>	Czech Republic	Ostrava	2.1	Integrated	Flat, long
ArcelorMittal Belval & Differdange	Luxembourg	Esch-Belval, Differdange, Rodange	2.2	Mini-mill	Long/ sheet piles, rails, sections & special sections
ArcelorMittal Olaberria-Bergara	Spain	Olaberría, Bergara	1.0	Mini-mill	Long/ sections
ArcelorMittal Gandrange	France	Gandrange	n/a	Downstream	Long/ wire rod, bars
ArcelorMittal Warszawa	Poland	Warszawa	0.6	Mini-mill	Long/ bars
ArcelorMittal Hamburg	Germany	Hamburg	0.9	Mini-mill	Long/ wire rods
ArcelorMittal Duisburg	Germany	Ruhrort, Hochfeld	1.1	Integrated	Long/ billets, wire rod
ArcelorMittal Hunedoara	Romania	Hunedoara	0.3	Mini-mill	Long/ sections
Sonasid	Morocco	Nador, Jorf Lasfar	0.6	Mini-mill	Long/ wire rod, bars, rebars in coil
ArcelorMittal Zenica	Bosnia and Herzegovina	Zenica	0.7	Mini-mill / Integrated	Long/ wire rod, bars
ArcelorMittal Tubular Products Galati SRL <sup>4</sup>	Romania	Galati	n/a	Downstream	Pipes and tubes
ArcelorMittal Tubular Products Roman SA	Romania	Roman	n/a	Downstream	Pipes and tubes
ArcelorMittal Tubular Products Iasi SA	Romania	Iasi	n/a	Downstream	Pipes and tubes
ArcelorMittal Tubular Products Ostrava a.s. <sup>4</sup>	Czech Republic	Ostrava	n/a	Downstream	Pipes and tubes
ArcelorMittal Tubular Products Karvina a.s.	Czech Republic	Karvina	n/a	Downstream	Pipes and tubes
ArcelorMittal Tubular Products Kraków	Poland	Krakow	n/a	Downstream	Pipes and tubes
ArcelorMittal Tubular Products Hautmont	France	Hautmont	n/a	Downstream	Pipes and tubes
ArcelorMittal Tubular Products Vitry	France	Vitry	n/a	Downstream	Pipes and tubes
ArcelorMittal Tubular Products Cheviollon	France	Cheviollon	n/a	Downstream	Pipes and tubes
ArcelorMittal Tubular Products Lexy	France	Lexy, Rettel, Vincey, Fresnoy-le-Grand	n/a	Downstream	Pipes and tubes

1 n/a = Not applicable (no crude steel production).

2 Entities (certain downstream facilities in Liège in the case of ArcelorMittal Belgium) classified as held for sale as of December 31, 2018. See also note 2.3.2 to the consolidated financial statements.

3 ArcelorMittal acquired Ilva (subsequently renamed ArcelorMittal Italia) on November 1, 2018. As a result, production figures relate only to November and December 2018.

4 Assets held for sale as of December 31, 2018.

# ACIS



## Property, plants and equipment

ArcelorMittal's ACIS segment has production facilities in Asia and Africa, including Kazakhstan, Ukraine and South Africa. Additionally, it has a sales network named ArcelorMittal International.

The following tables provide an overview by type of facility of ArcelorMittal's principal production locations and production units in the ACIS segment:

Unit	Country	Locations	Crude Production in 2018 (in million tonnes per year) <sup>1</sup>	Type of plant	Products
ArcelorMittal Temirtau JSC	Kazakhstan	Termitau	3.3	Integrated	Flat, long, pipes and tubes
ArcelorMittal Kryvyi Rih	Ukraine	Kryvyi Rih	4.8	Integrated	Long
ArcelorMittal South Africa	South Africa	Vanderbijlpark, Saldanha, Newcastle, Pretoria	5.0	Integrated Mini-mill Downstream	Flat, long, pipes and tubes
JSC ArcelorMittal Tubular Products Aktau	Kazakhstan	Aktau	n/a	Downstream	Pipes and tubes

Note: n/a = not applicable (no crude steel production).

# Mining



The above map provides an overview of ArcelorMittal principal mining operations. ArcelorMittal ownership of its associate Baffinland reduced to 28.76% vs 31.1% in 2017. Baffinland owns Mary River Project, which has direct shipping, high grade iron ore on Baffin Island in Nunavut.





## Property, plants and equipment

ArcelorMittal's mining segment has production facilities in North and South America, Europe, Africa and CIS. The following table provides an overview by type of facility of ArcelorMittal's principal mining operations.

Unit	Country	Locations	ArcelorMittal Interest (%)	Type of Mine	Product
<b>Iron Ore</b>					
ArcelorMittal Mines and Infrastructure Canada	Canada	Mt Wright and Port Cartier, Qc	85.0	Iron Ore Mine (open pit), railway and port	Concentrate and pellets
Minorca Mines	USA	Virginia, MN	100.0	Iron Ore Mine (open pit)	Pellets
Hibbing Taconite Mines	USA	Hibbing, MN	62.3	Iron Ore Mine (open pit)	Pellets
ArcelorMittal Mexico	Mexico	Sonora, Lazaro Cardenas	100.0	Iron Ore Mine (open pit)	Concentrate, lump and fines
ArcelorMittal Mexico Peña Colorada	Mexico	Minatitlán	50.0	Iron Ore Mine (open pit)	Concentrate and pellets
ArcelorMittal Brasil Andrade Mine	Brazil	State of Minas Gerais	100.0	Iron Ore Mine (open pit)	Fines
ArcelorMittal Mineração Serra Azul	Brazil	State of Minas Gerais	100.0	Iron Ore Mine (open pit)	Lump and fines
ArcelorMittal Prijedor	Bosnia and Herzegovina	Prijedor	51.0	Iron Ore Mine (open pit)	Concentrate and lump
ArcelorMittal Kryvyi Rih	Ukraine	Kryvyi Rih	95.1	Iron Ore Mine (open pit and underground)	Concentrate, lump and sinter feed
ArcelorMittal Temirtau	Kazakhstan	Lisakovsk, Kentobe, Atasu, Atansore	100.0	Iron Ore Mine (open pit and underground)	Concentrate, lump and fines
ArcelorMittal Liberia	Liberia	Yekepa	85.0	Iron Ore Mine (open pit)	Fines
<b>Coal</b>					
ArcelorMittal Princeton	USA	McDowell, WV, Tazewell, VA	100.0	Coal Mine (surface and underground)	Coking and PCI coal
ArcelorMittal Temirtau	Kazakhstan	Karaganda	100.0	Coal Mine (underground)	Coking coal and thermal coal

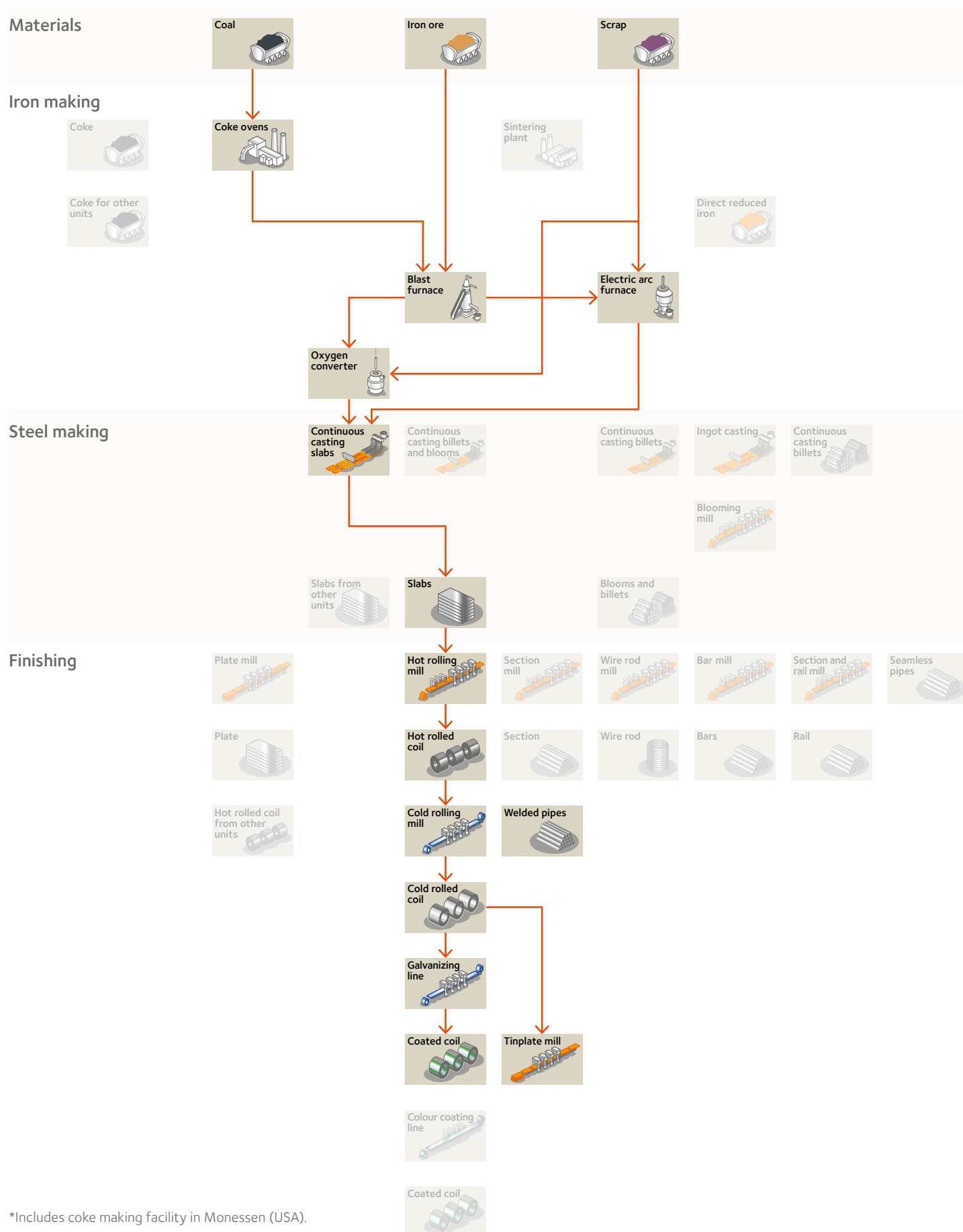
## Section 7

# PRODUCTION FACILITIES



# Canada – Hamilton\*

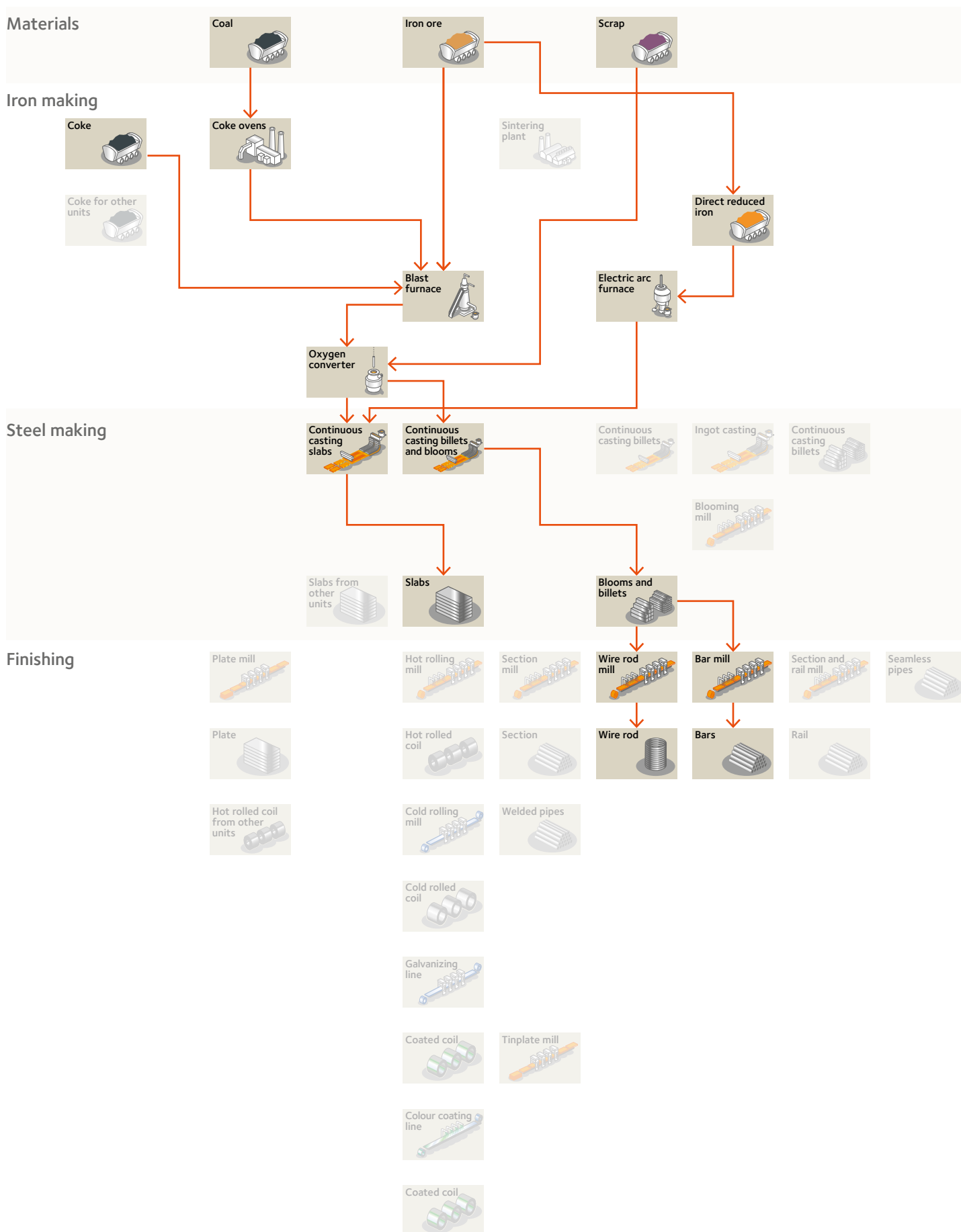
Crude steel production 2018: 3.5 million metric tonnes



\*Includes coke making facility in Monessen (USA).

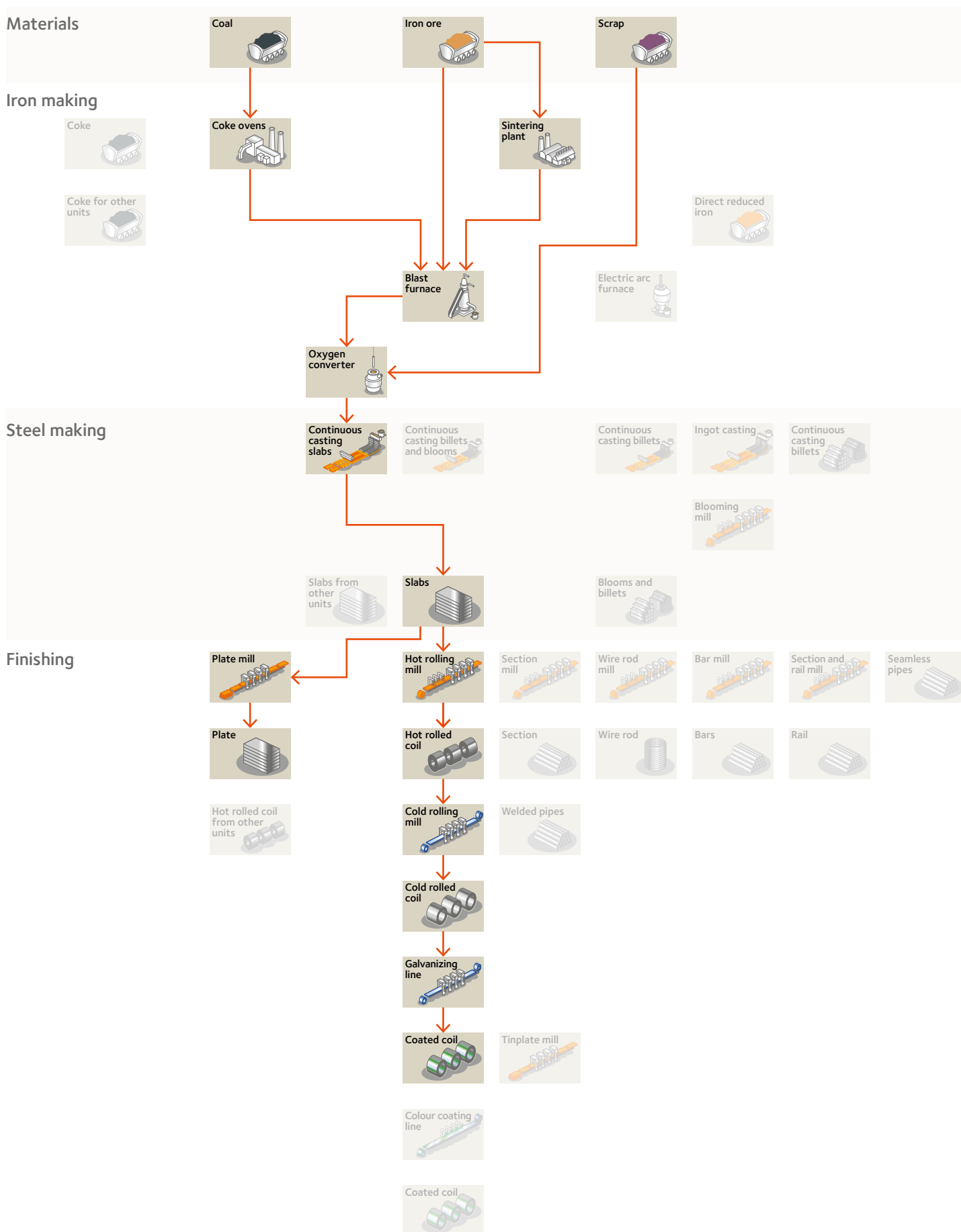
# Mexico – Lázaro Cárdenas

Crude steel production 2018: 3.4 million metric tonnes (Flat: 2.1Mt; Long 1.3Mt)



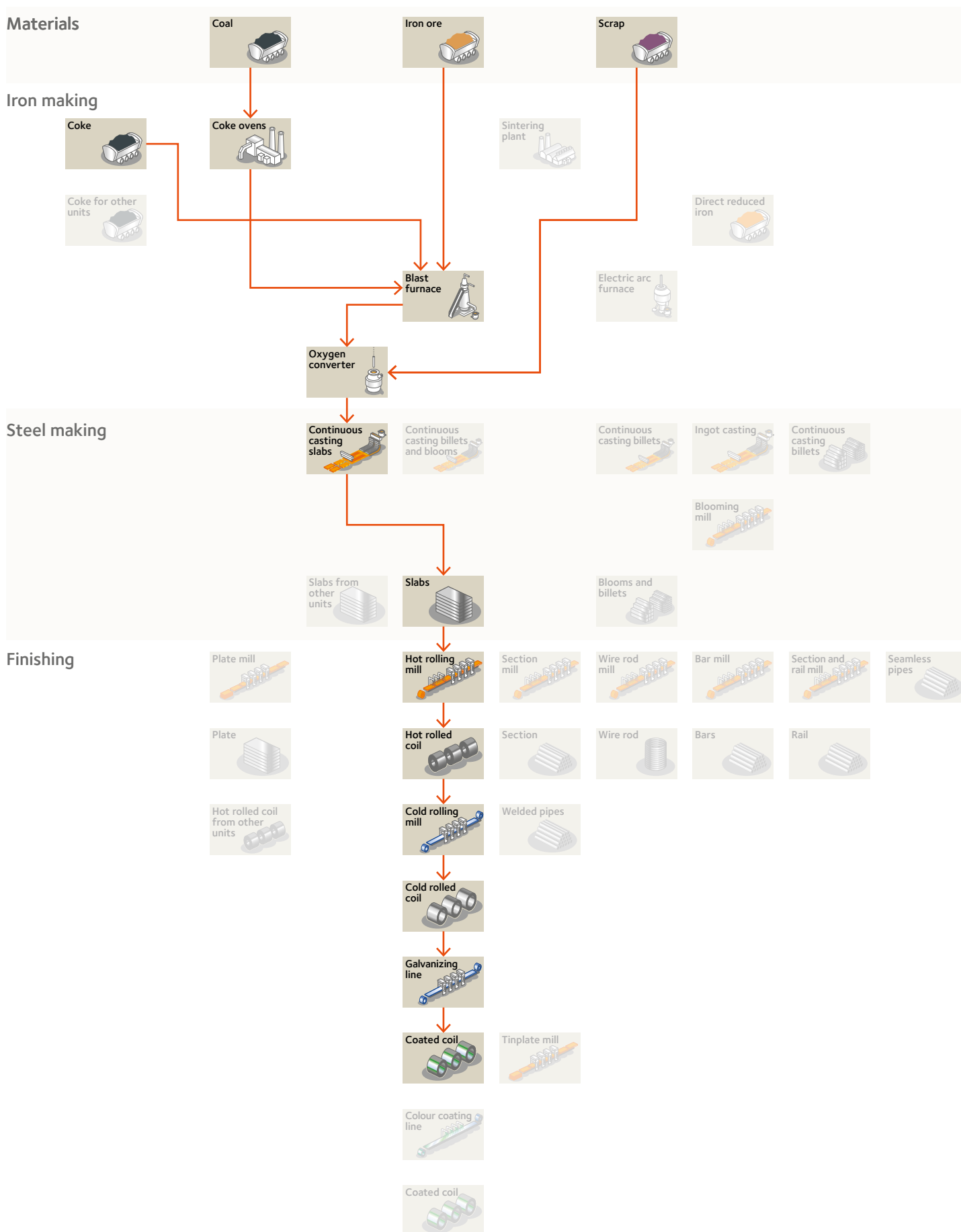
# USA – Burns Harbor

Crude steel production 2018: 4.4 million metric tonnes



# USA – Cleveland and Warren

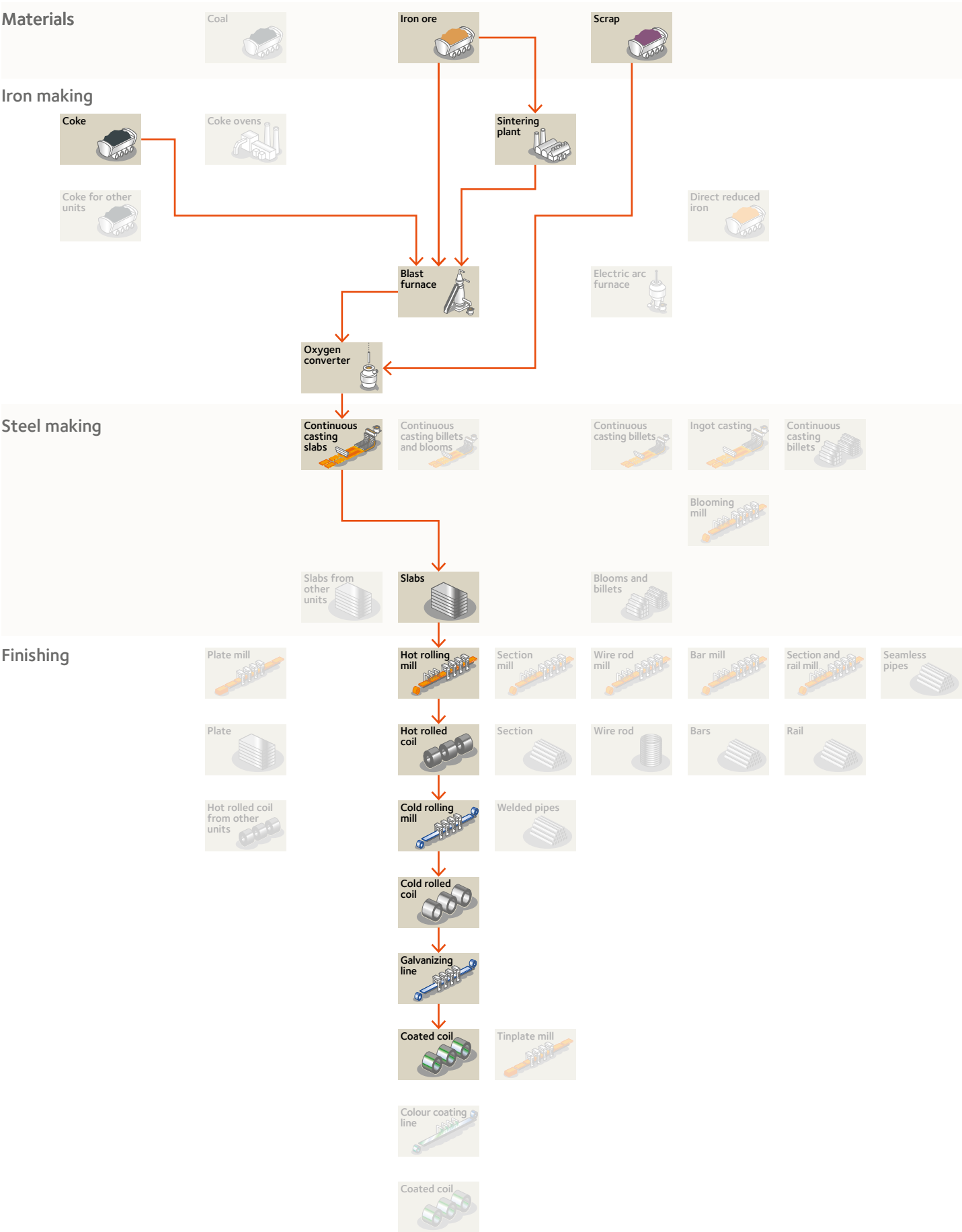
Crude steel production 2018: 3.1 million metric tonnes





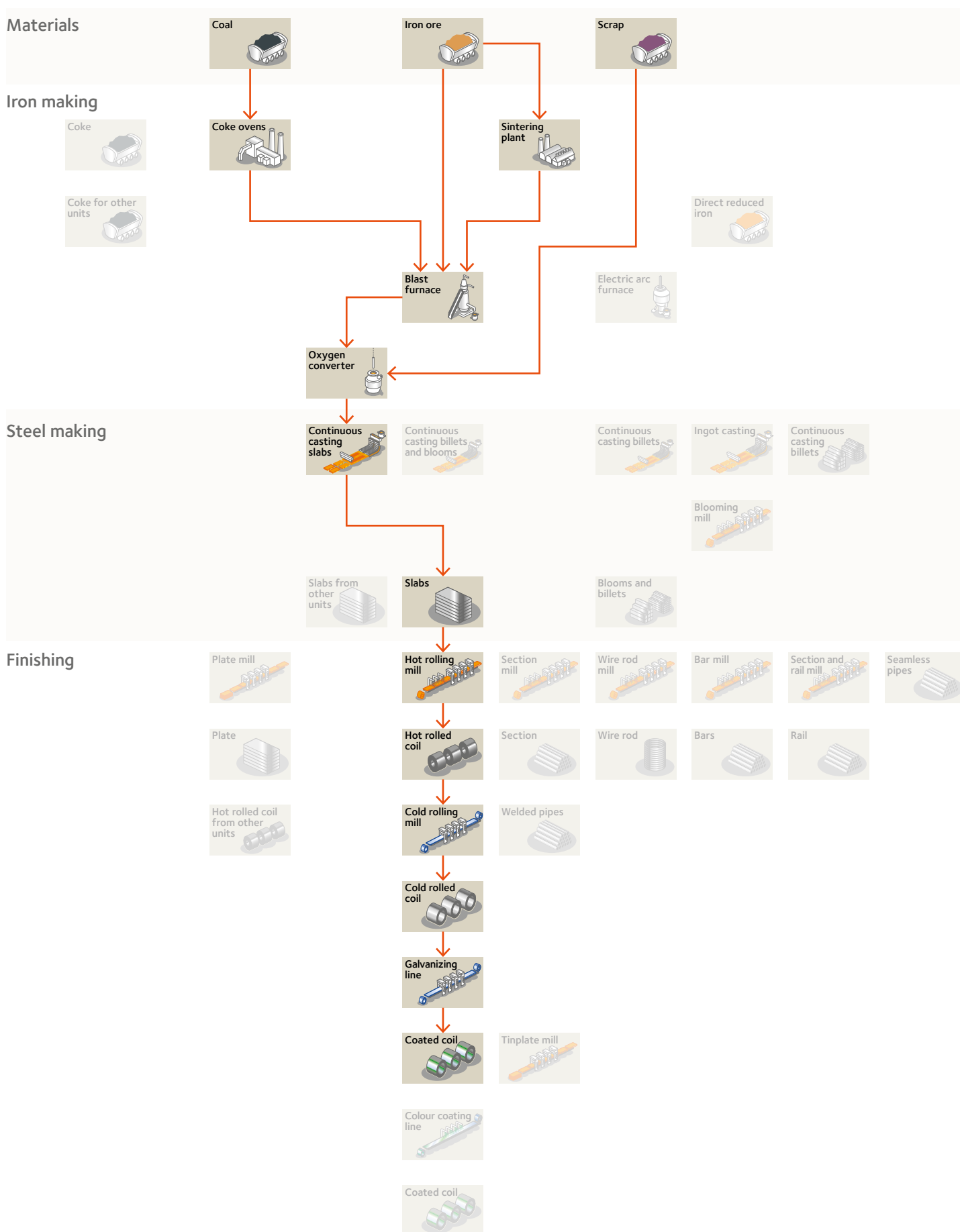
# USA – Indiana Harbor East and West

Crude steel production 2018: 4.7 million metric tonnes



# Brazil – Tubarão, Sol and Vega

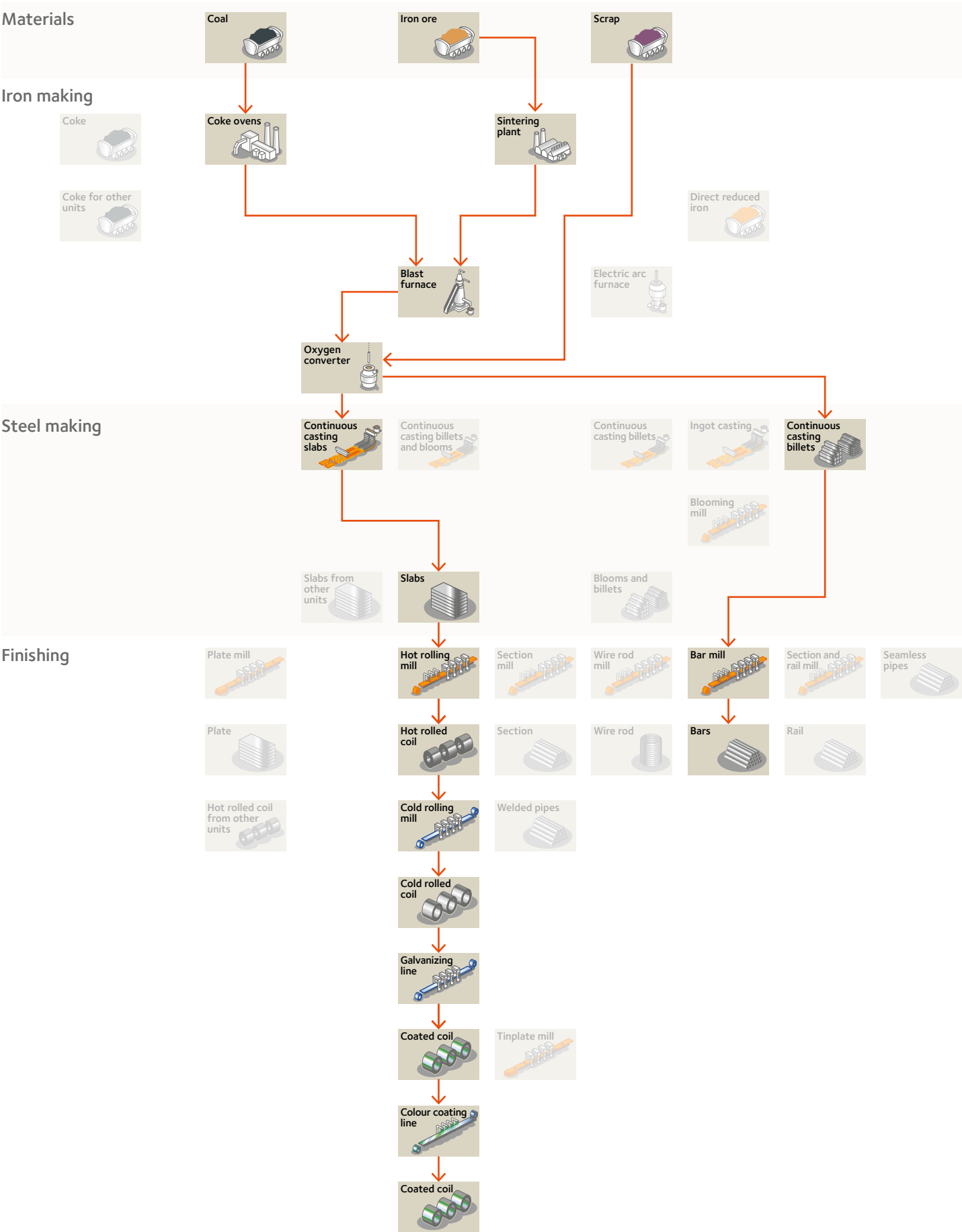
Crude steel production 2018: 7.0 million metric tonnes





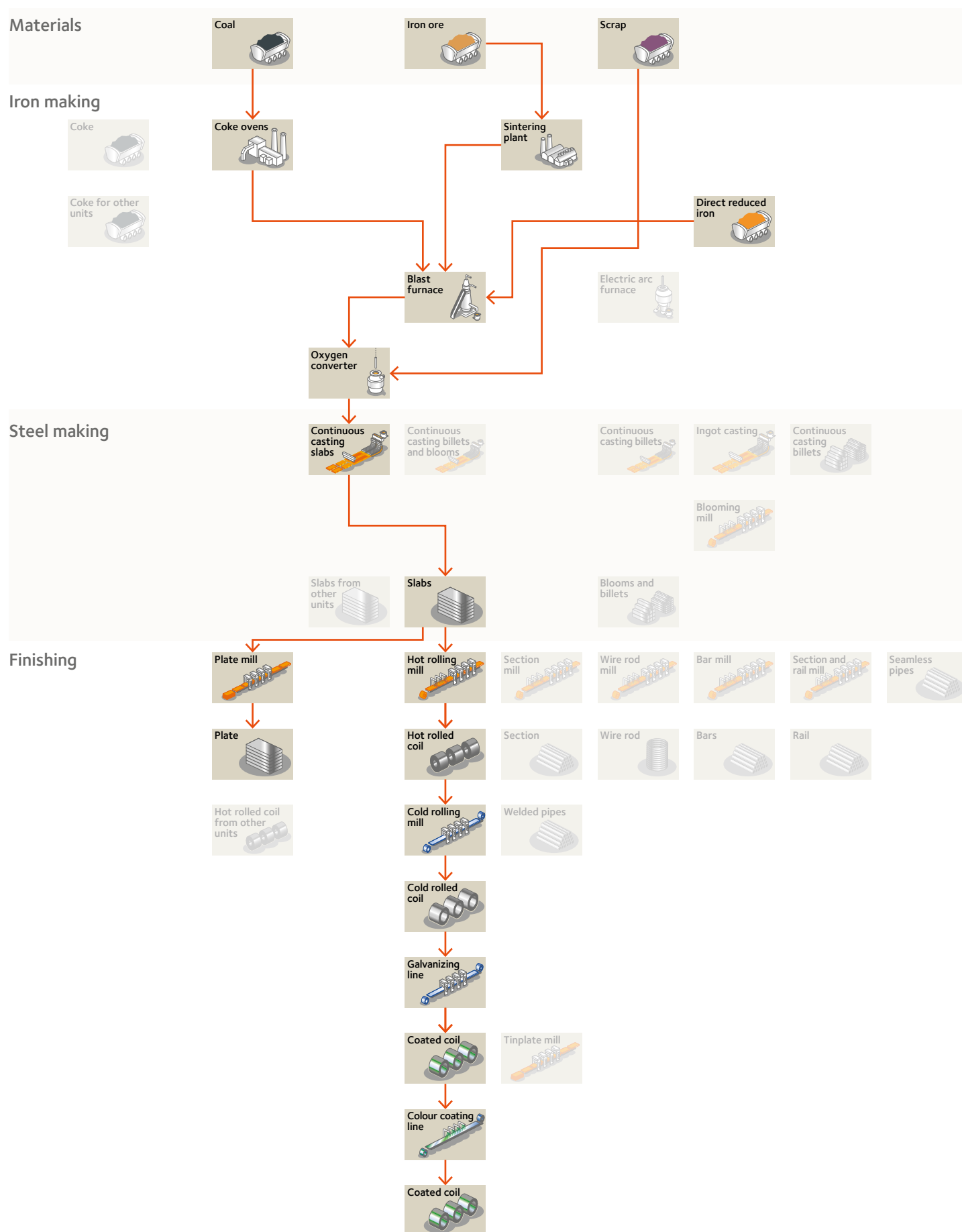
# Kazakhstan – Temirtau

Crude steel production 2018: 3.3 million metric tonnes



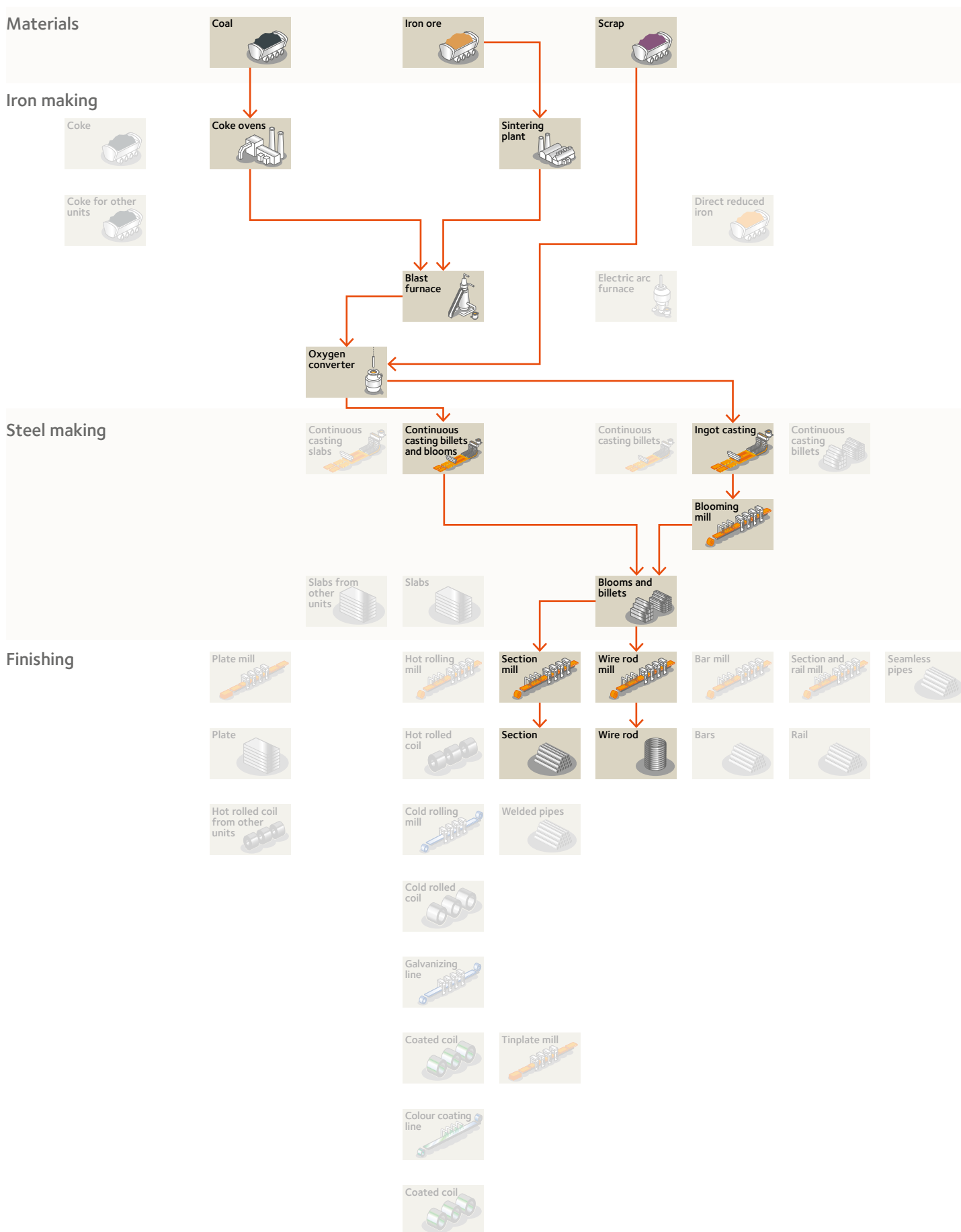
# South Africa – Vanderbijlpark

Crude steel production 2018: 2.4 million metric tonnes



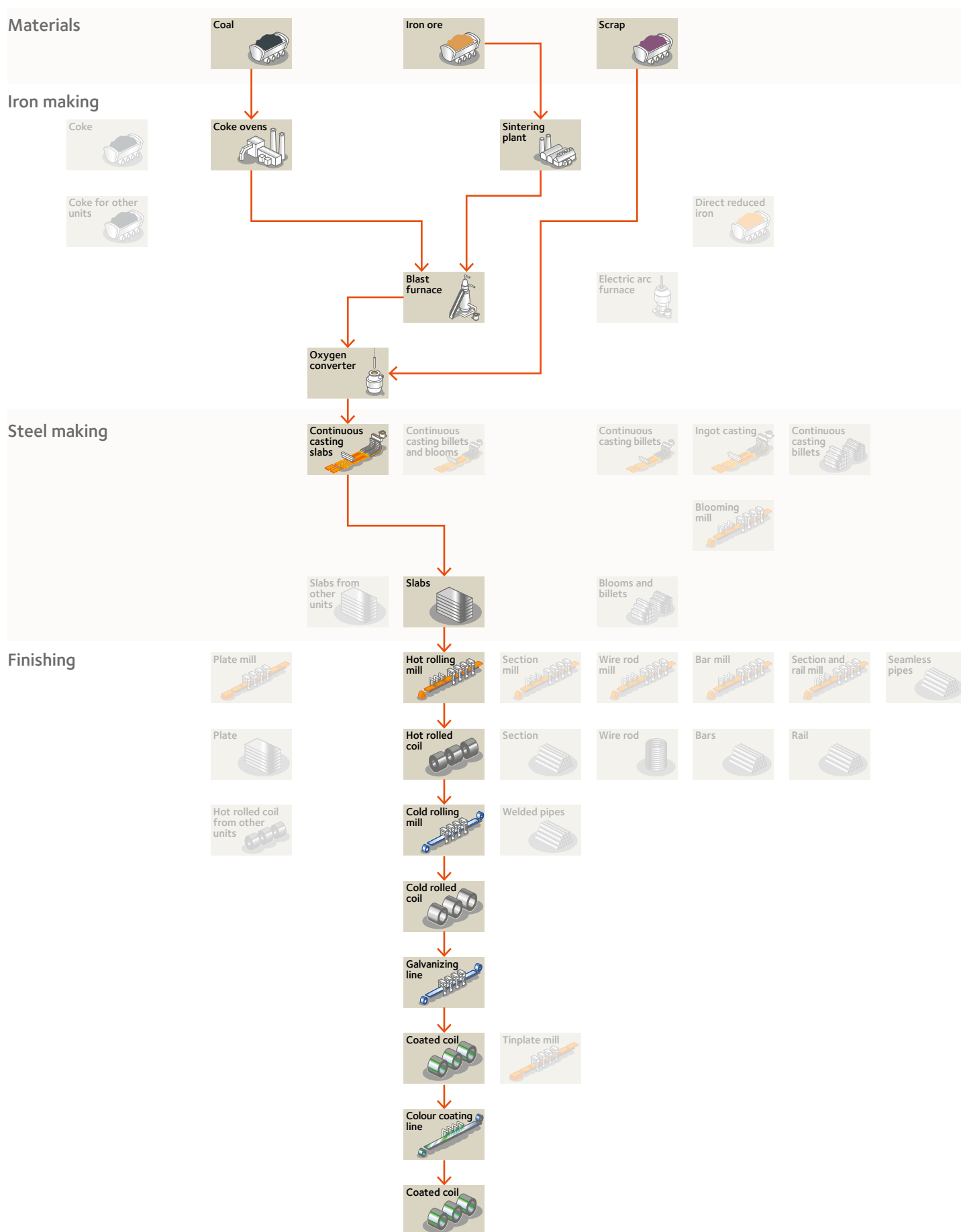
# Ukraine – Kryvyi Rih

Crude steel production 2018: 4.8 million metric tonnes



# Belgium – Gent

Crude steel production 2018: 5.4 million metric tonnes



# Belgium – Liège\*

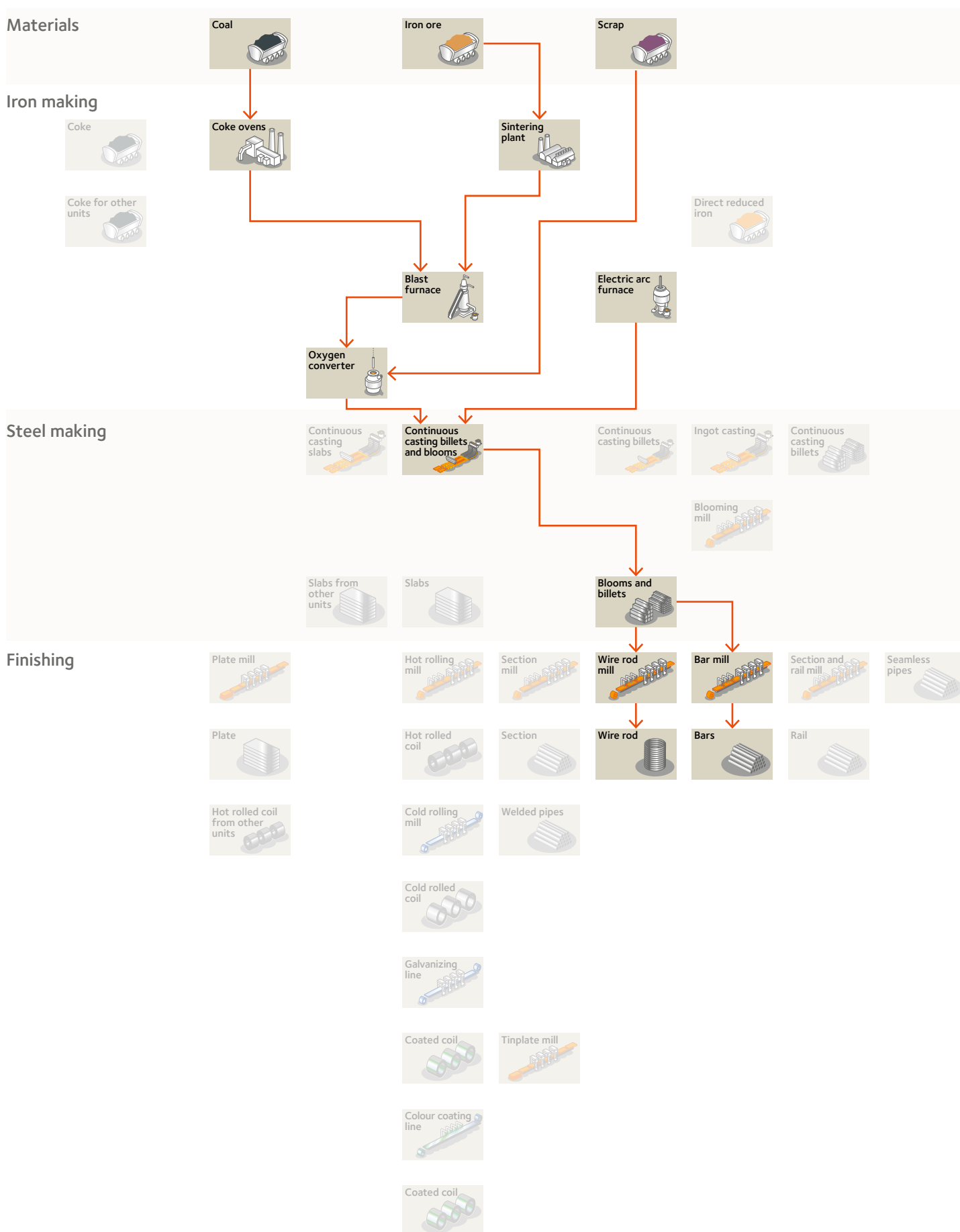
Crude steel production 2018: n/a



\*Excludes assets held for sale as of December 31, 2018

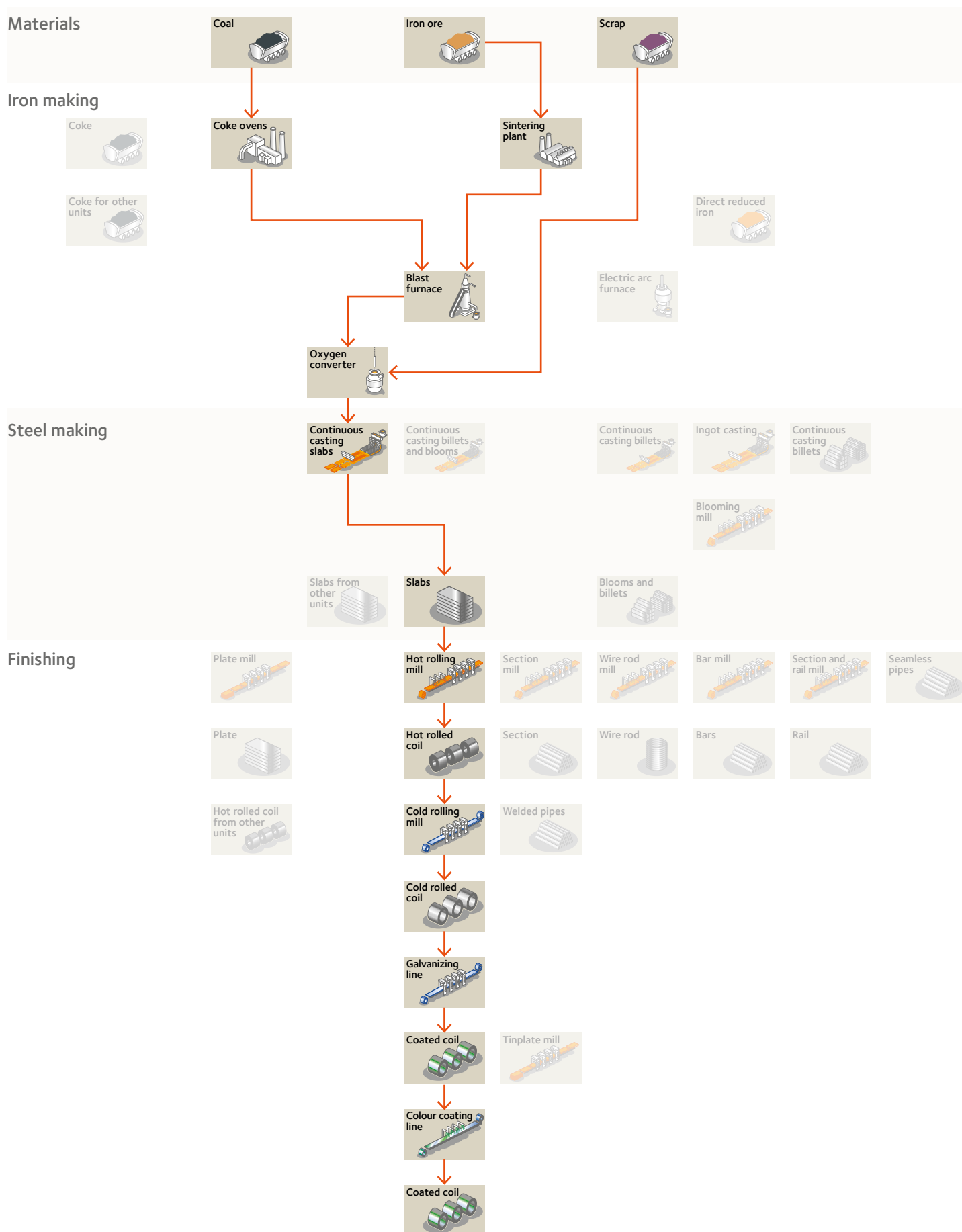
# Bosnia – Zenica

Crude steel production 2018: 0.7 million metric tonnes



# France – Dunkerque, Mardyck, Montataire & Desvres

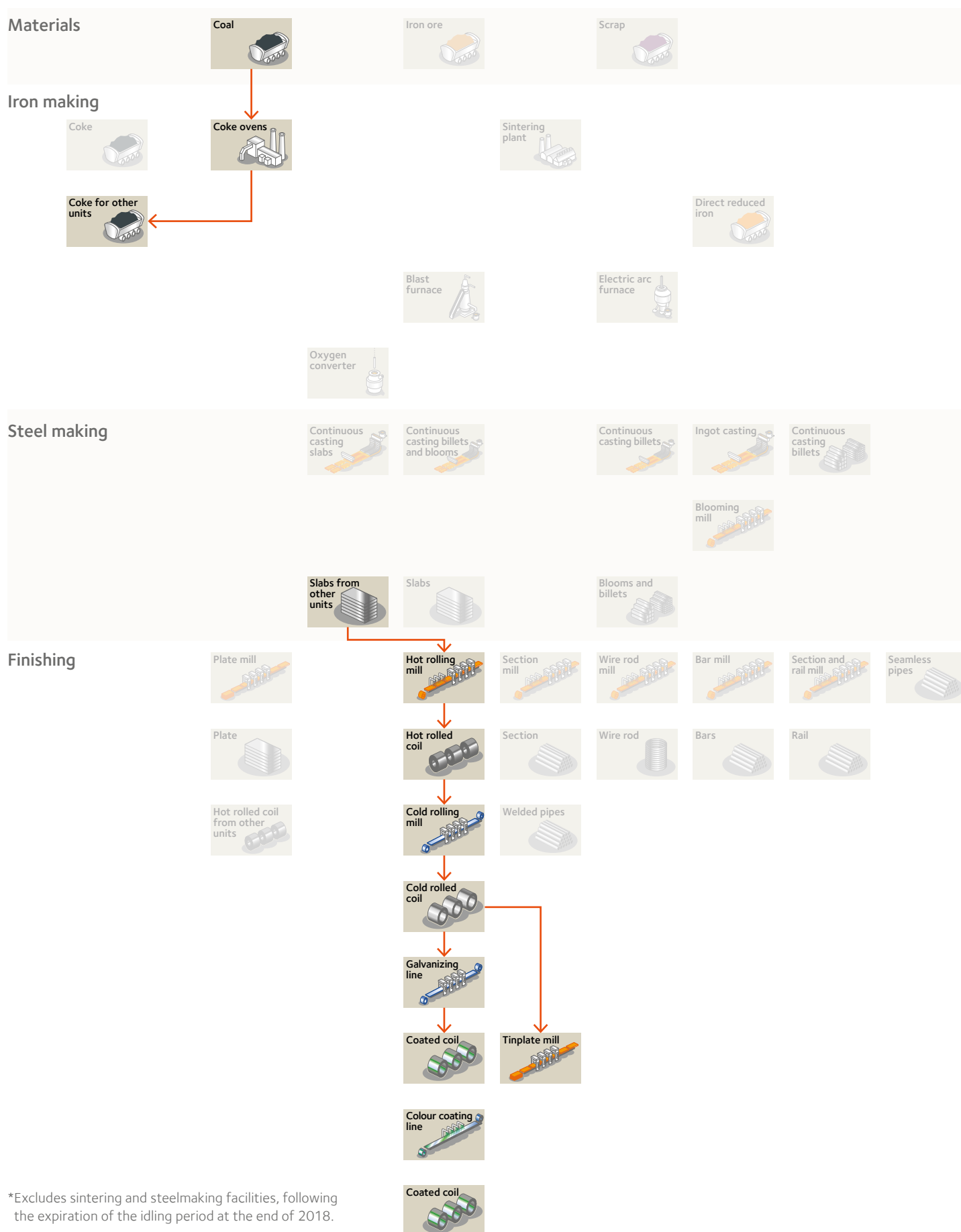
Crude steel production 2018: 6.8 million metric tonnes





# France – Florange\* and Mouzon

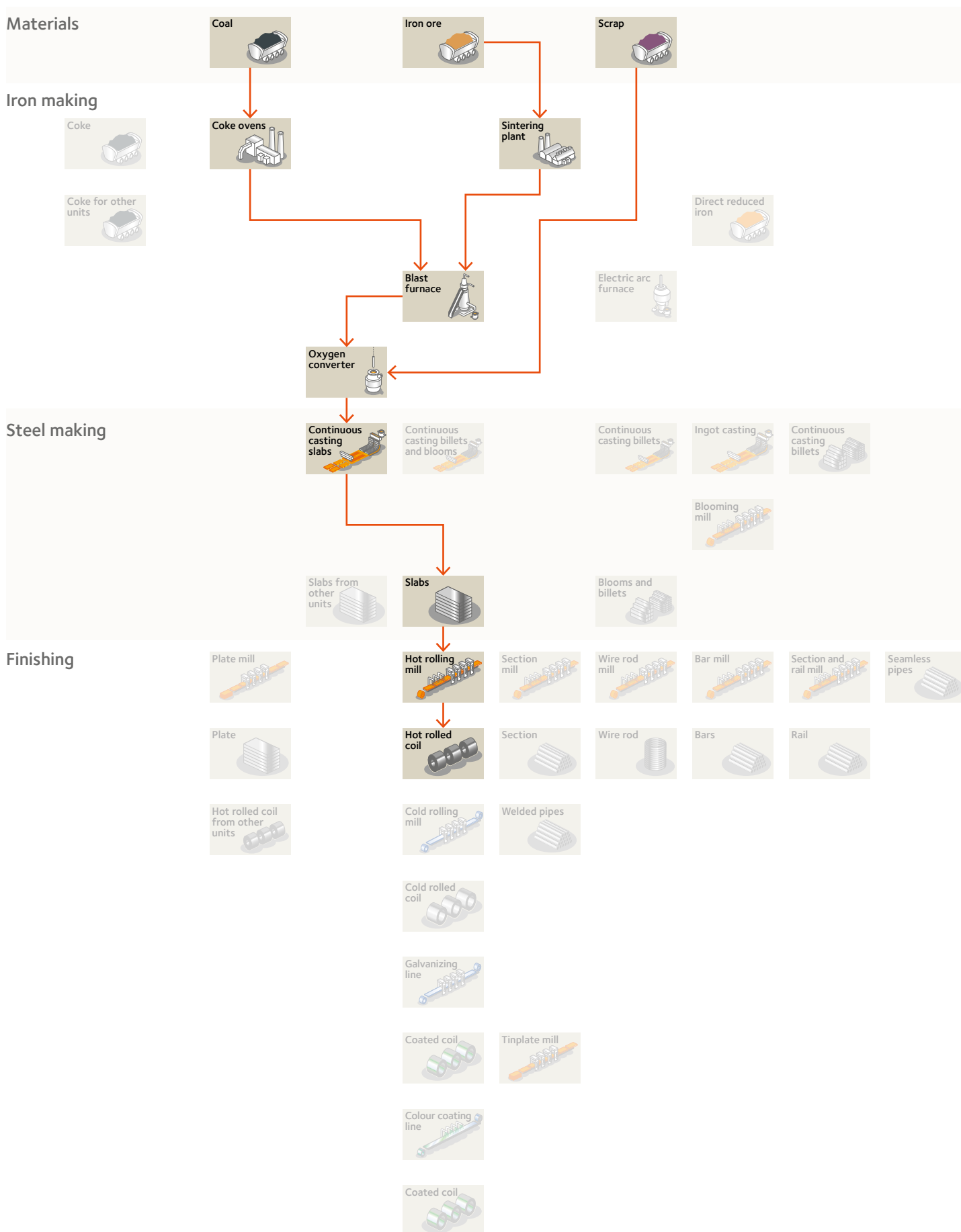
Crude steel production 2018: n/a



\*Excludes sintering and steelmaking facilities, following the expiration of the idling period at the end of 2018.

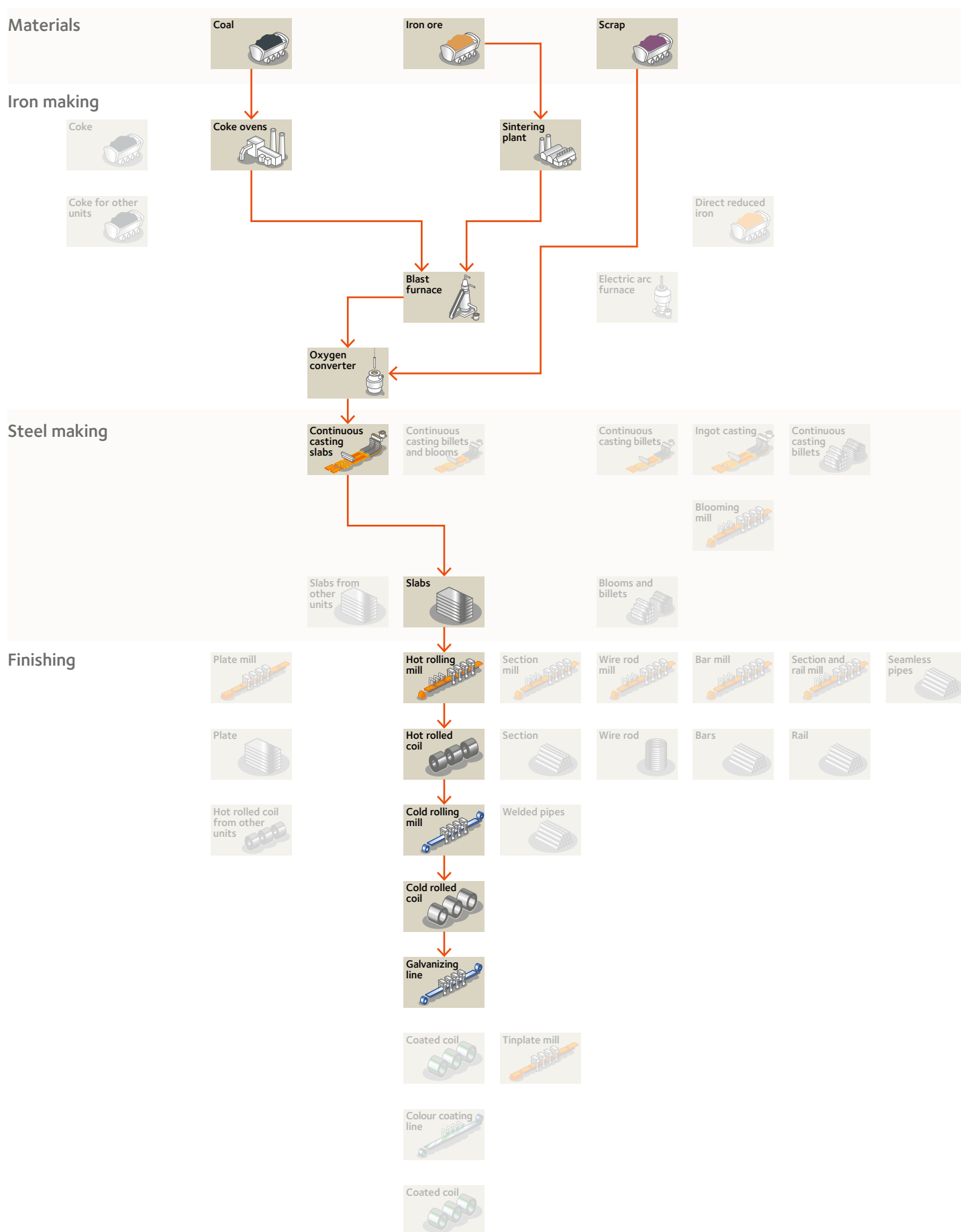
# France – Fos-sur-Mer

Crude steel production 2018: 3.7 million metric tonnes



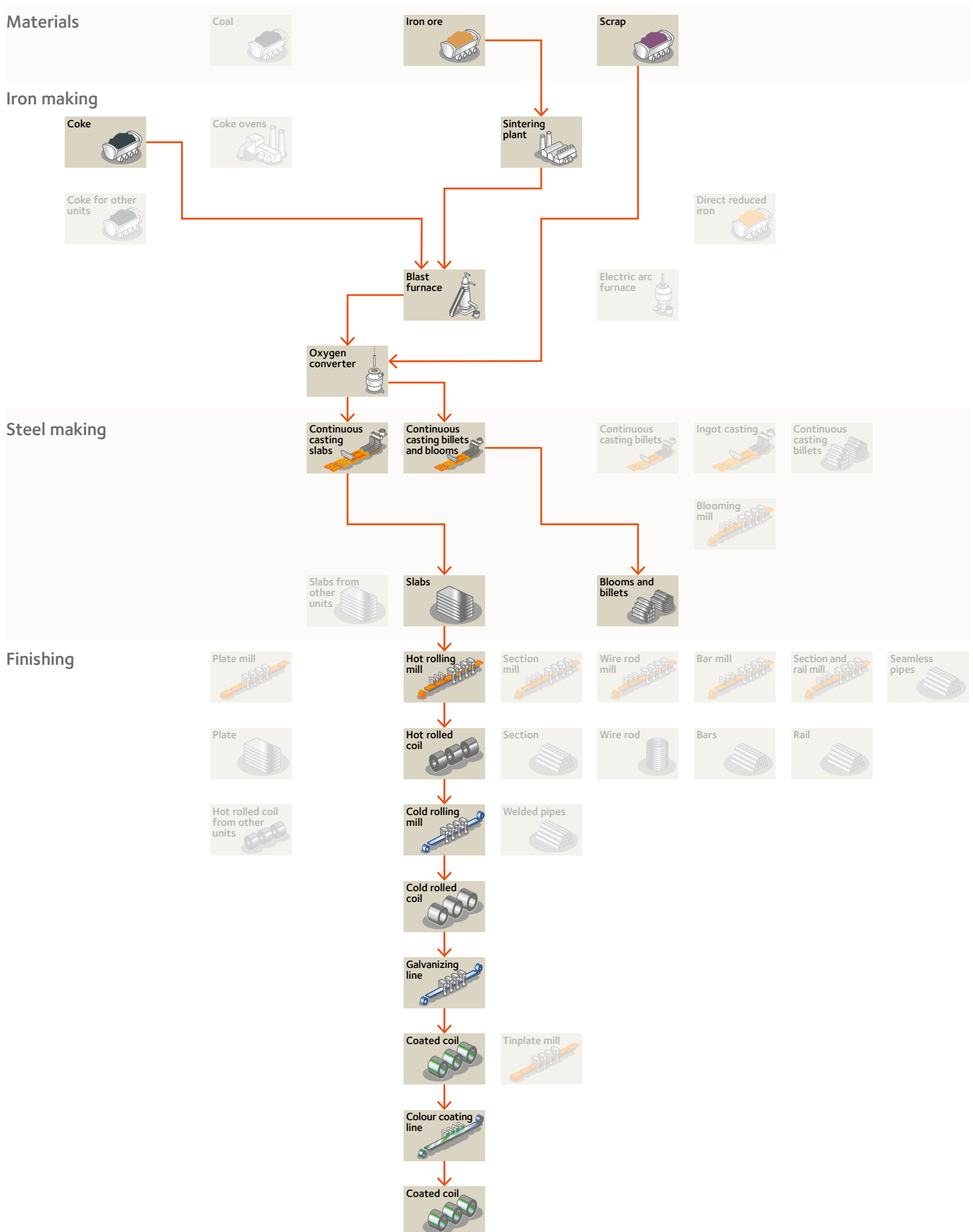
# Germany – Bremen and Bottrop

Crude steel production 2018: 3.4 million metric tonnes



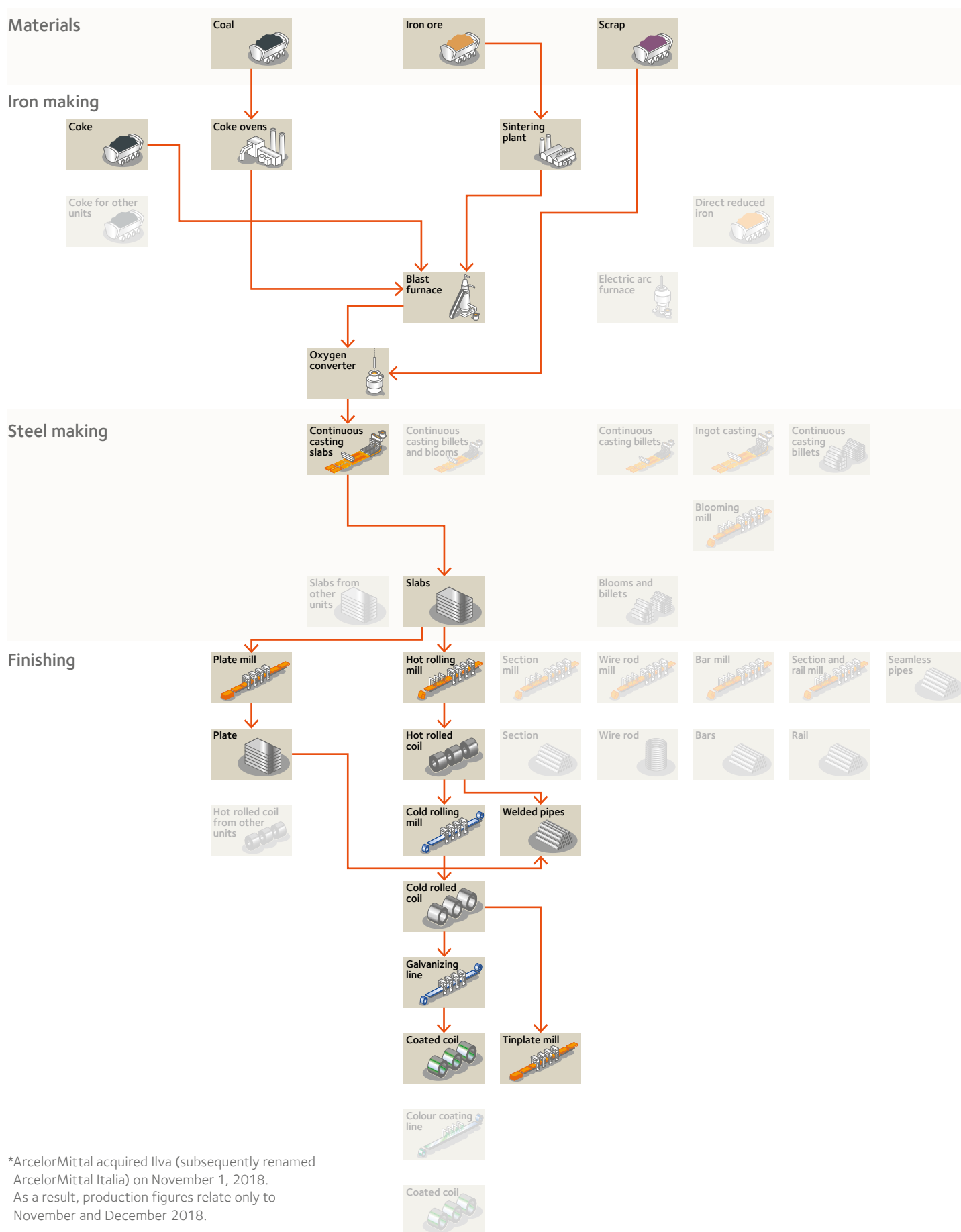
# Germany – Eisenhüttenstadt

Crude steel production 2018: 2.1 million metric tonnes



# Italy – Taranto, Genova and Novi Ligure\*

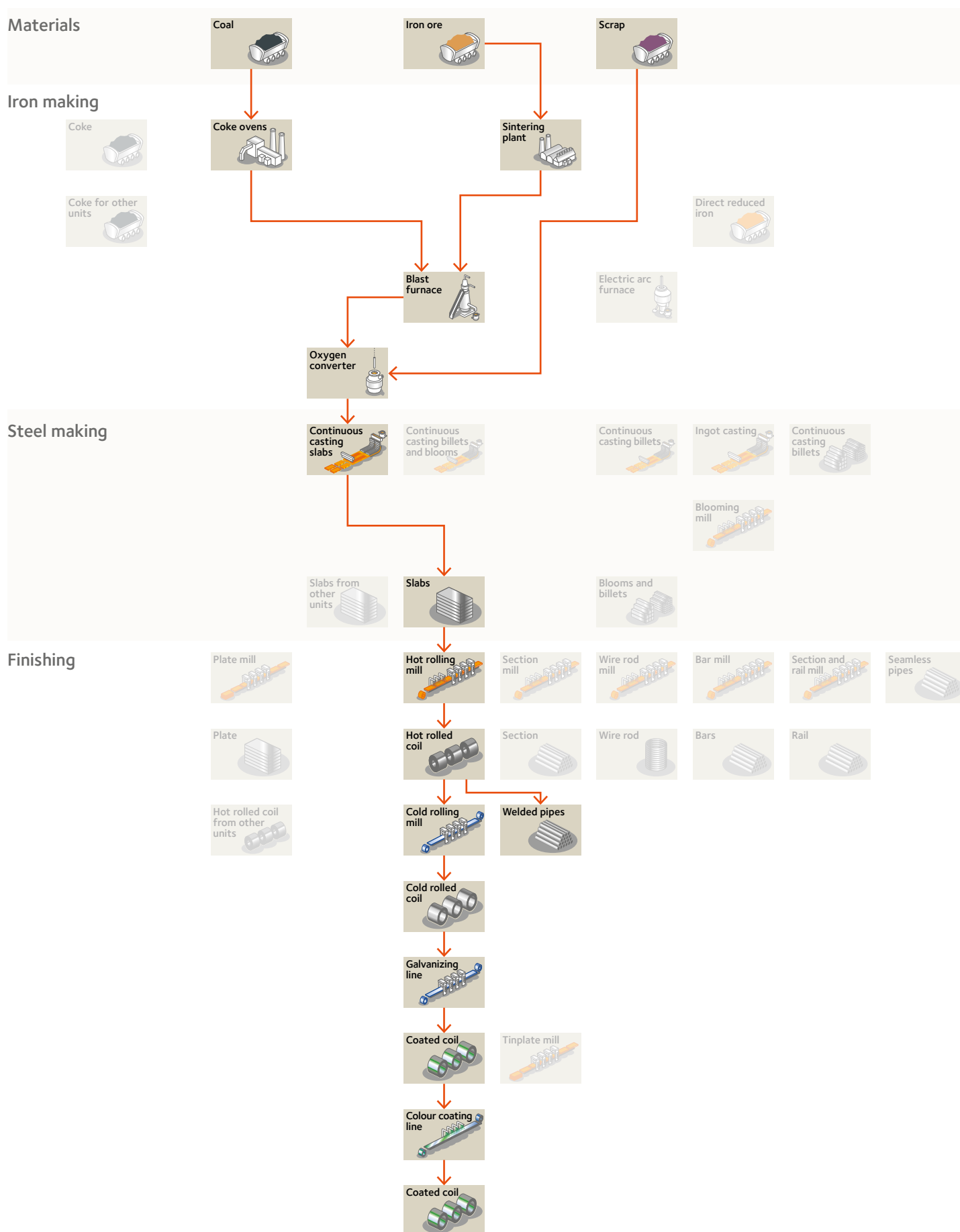
Crude steel production 2018: 0.7 million metric tonnes



\*ArcelorMittal acquired Ilva (subsequently renamed ArcelorMittal Italia) on November 1, 2018. As a result, production figures relate only to November and December 2018.

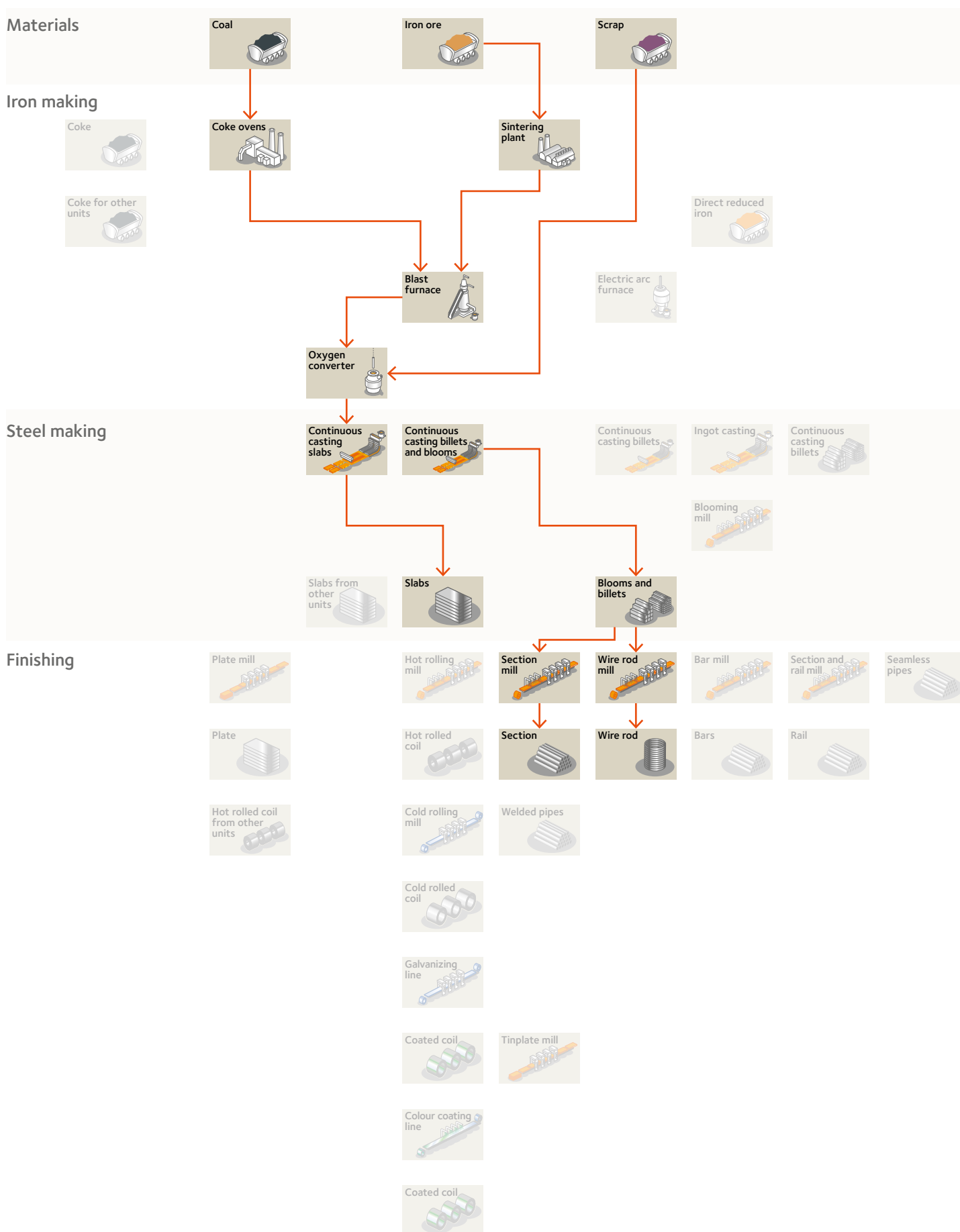
# Poland – Kraków and Świętochłowice

Crude steel production 2018: 1.6 million metric tonnes



# Poland – Dąbrowa Górnicza, Sosnowiec and ZKZ

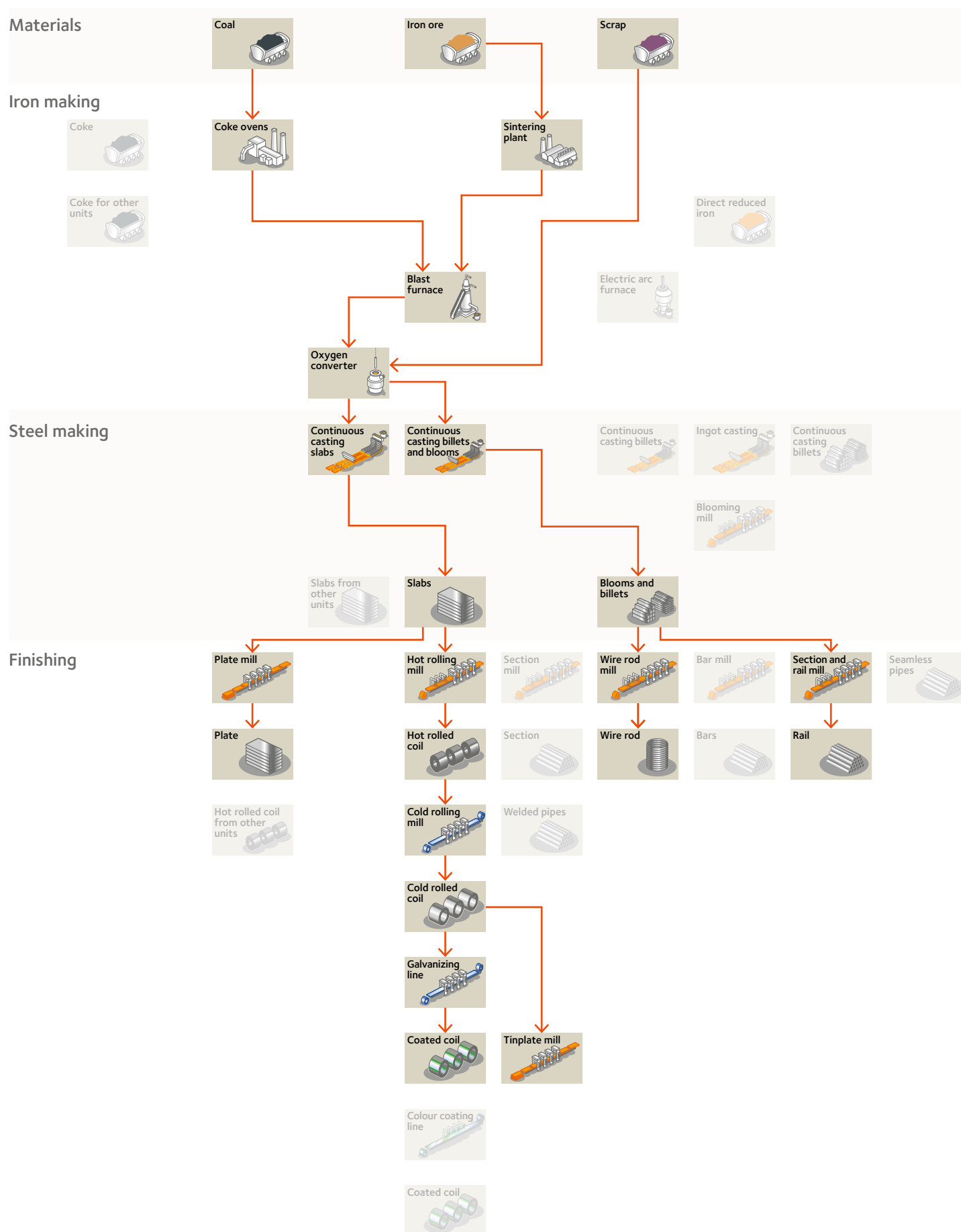
Crude steel production 2018: 3.7 million metric tonnes





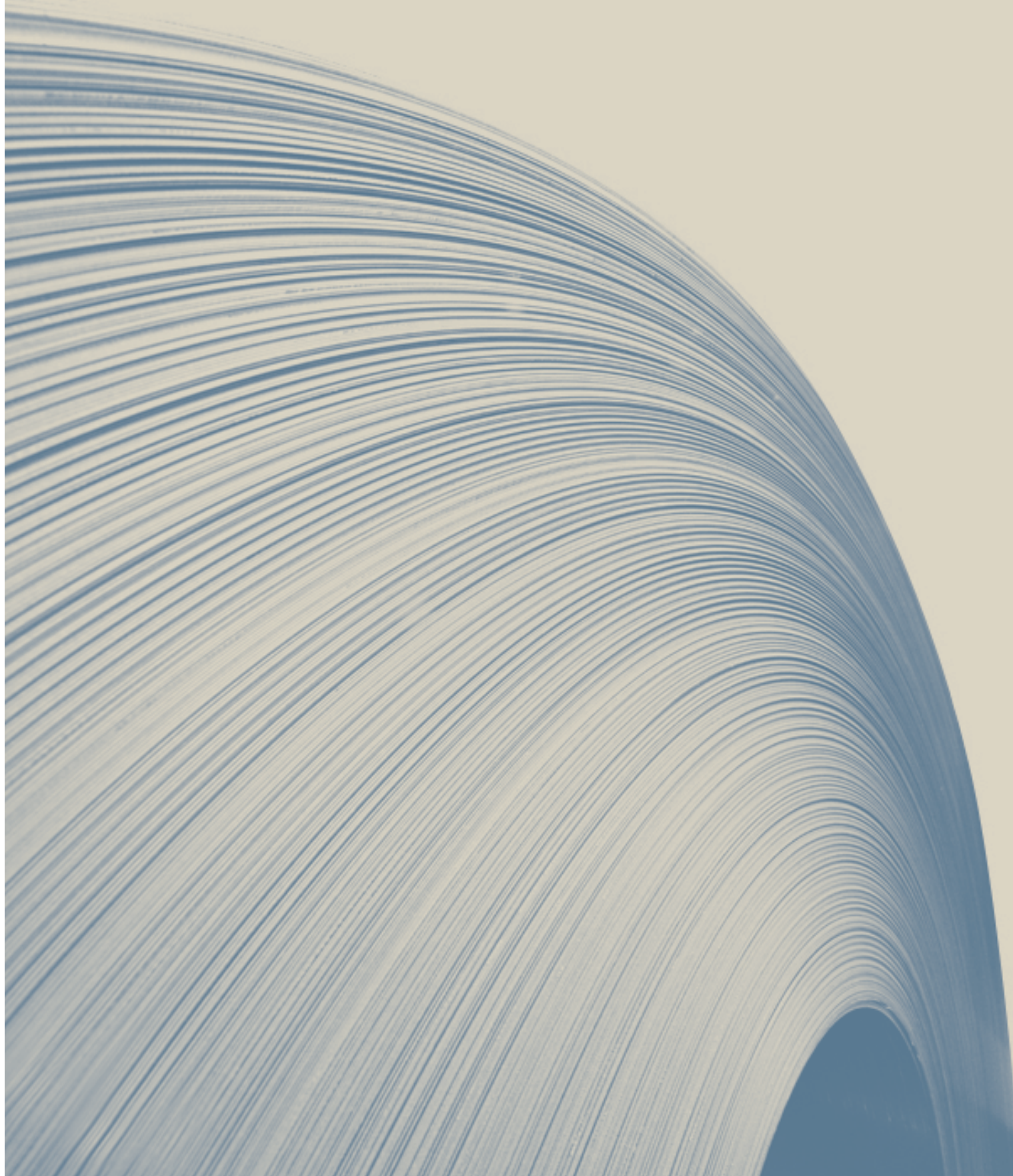
Crude steel production 2018: 4.8 million metric tonnes

Crude steel production 2018: 4.8 million metric tonnes



## Section 8

# ADDITIONAL INFORMATION



# Steel making process

Steel is produced from iron ore or scrap. Iron ore is a mineral aggregate that can be converted economically into iron. The quality of the iron ore is mainly determined by its composition; a high iron content and low sulphur and phosphorus contents are favorable. Iron ore can be found all over the world, but its iron content varies.

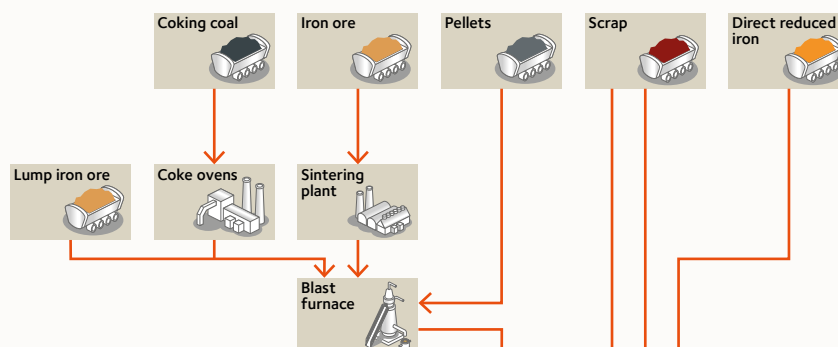
Steel scrap has been selectively collected for several decades and is recycled as a valuable raw material for steel production.

In the steel production, following stages are identified: production of pig iron; production of liquid steel; hot rolling and cold rolling; applying a metallic and/or organic coating.

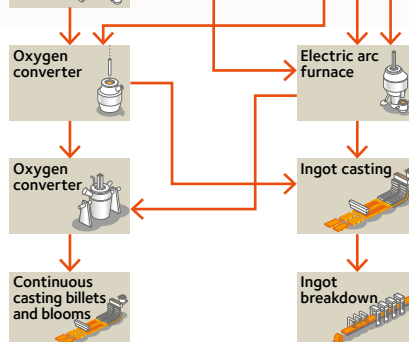
There are two main processes for producing steel: by means of a blast furnace (= indirect reduction) in combination with a converter, or by means of an electric furnace. In the former process, iron ore is the main raw material. In an electric furnace, scrap iron is used and occasionally also sponge iron. Sponge is an intermediate product, which is produced from iron ore by means of direct reduction (= DRI or directly reduced iron) and that is then further reduced and smelted in an electric furnace.

## Steel making process

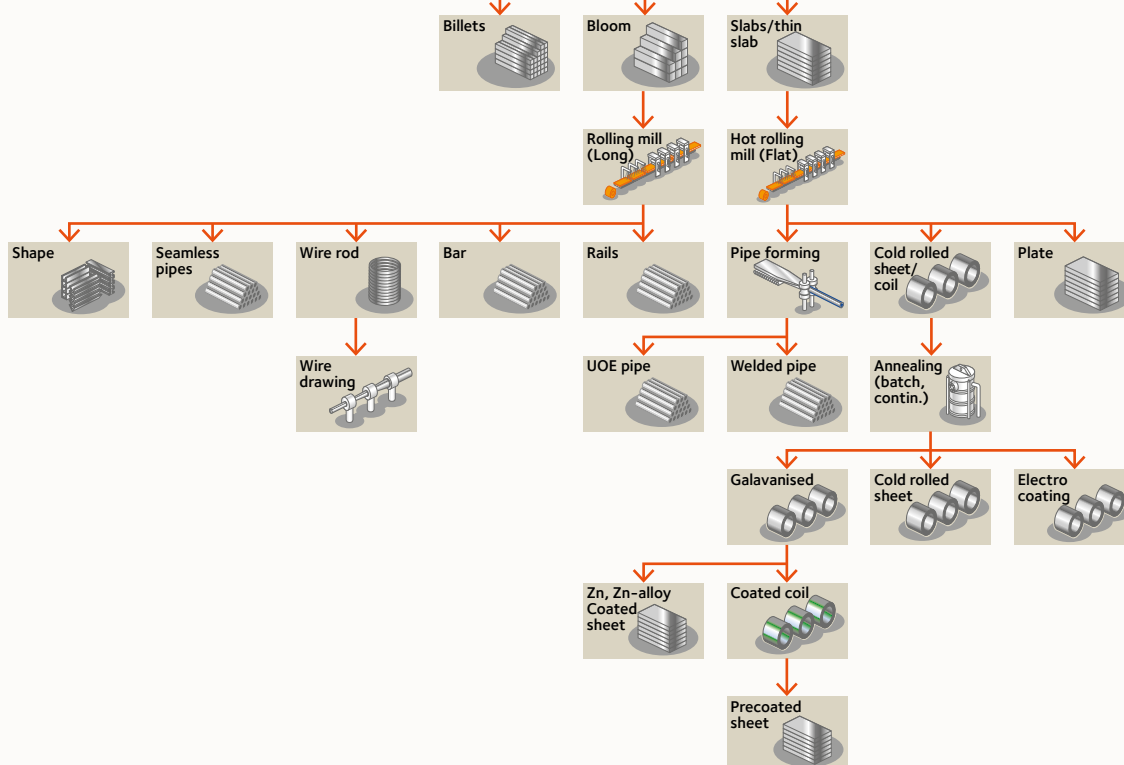
### Iron making process



### Steel making



### Finishing



# Products and services

ArcelorMittal is the only producer offering the full range of steel products and services. From commodity steel to value-added products, from long products to flat, from standard to specialty products, from carbon steel to stainless steel and alloys, ArcelorMittal offers a complete spectrum of steel products – and supports it with continuous investment in process and product research. This section provides you with an overview of ArcelorMittal's product portfolio.

Consult [www.arcelormittal.com](http://www.arcelormittal.com) for an overview of all products.

## Long and flat carbon steel products

[View table \(PDF, 31KB\)](#)

# Glossary

## 0-9

### 000's Mt

Thousands of metric tonnes.

## A

### Alloy Steels

Alloy steels have enhanced properties due to the presence of one or more special elements, or to the presence of larger proportions of elements such as manganese and silicon that are present in carbon steels.

### Apparent Consumption

Total shipments minus exports plus imports of steel.

## B

### Bar

A finished steel product, commonly in flat, square, round or hexagonal shapes. Rolled from billets, bars are produced in two major types, merchant and special.

### Basic Oxygen Steelmaking

The process whereby hot metal and steel scrap are charged into a Basic Oxygen Furnace (BOF). High purity oxygen is then blown into the metal bath, combining with carbon and other elements to reduce the impurities in the molten charge and convert it into steel.

### Billet

A piece of semi-finished iron or steel that is nearly square and is longer than a bloom. Bars and rods are made from billets.

### Blast Furnace

A large cylindrical structure into which iron ore is combined with coke and limestone to produce molten iron.

### Bloom

A semi-finished product, large and mostly square in cross-section. Blooms are shaped into girders, beams, and other structural shapes.

## C

### Carbon Steels

The largest percentage of steel production. Common grades have a carbon content ranging from 0.06% to 1.0%.

### Coal

The primary fuel used by integrated iron and steel producers.

### Coil

A finished steel product such as sheet or strip which has been wound or coiled after rolling.

### Coke

A form of carbonised coal burned in blast furnaces to reduce iron ore pellets or other iron-bearing materials to molten iron.

### Coke Ovens

Ovens where coke is produced. Coal is usually dropped into the ovens through openings in the roof, and heated by gas burning in flues in the walls between ovens within the coke oven battery. After heating for about 18 hours, the end doors are removed and a ram pushes the coke into a quenching car for cooling before delivery to the blast furnace.

### Cold Rolling

The passing of sheet or strip that has previously been hot rolled and pickled through cold rolls, i.e. below the softening temperature of the metal. Cold rolling makes a product that is thinner, smoother, and stronger than can be made by hot rolling alone.

### Continuous Casting

A process for solidifying steel in the form of a continuous strand rather than individual ingots. Molten steel is poured into open bottomed, water-cooled moulds. As the molten steel passes through the mould, the outer shell solidifies.

### CRC

Cold rolled coil (see Cold Rolling).

### Crude Steel

Steel in the first solid state after melting, suitable for further processing or for sale. Synonymous to raw steel.



## Glossary

### D

#### Direct Reduction

A family of processes for making iron from ore without exceeding the melting temperature. No blast furnace is needed.

### E

#### Electrical Steels

Specially manufactured cold rolled sheet and strip containing silicon, processed to develop definite magnetic characteristics for use by the electrical industry.

#### Electric Arc Furnace

An electric furnace used to melt steel scrap or direct reduced iron.

#### € or EUR

Euro.

### F

#### Flat Products

A term referring to a class of products including sheet, strip and plate that are made from slabs.

### G

#### Galvanised Steel

Produced when hot or cold rolled sheet or strip is coated with zinc either by the hot dipping or electrolytic deposition process. Zinc coating applied by the hot dip method is normally heavy enough to resist corrosion without additional protective coating. Materials electrolytically galvanised are not used for corrosion resistant applications without subsequent chemical treatment and painting, except in mild corrosive conditions, due to the thin coating of zinc. Galvanise is a pure zinc coating. A special heat-treating process converts the pure zinc coating to a zinc/iron alloy coating, and the product is known as Galvanneal.

### H

#### HDG

Hot Dip Galvanised (see Galvanised Steel).

#### Hot Metal

Molten iron produced in the blast furnace.

#### Hot Rolling

Rolling semi-finished steel after it has been reheated.

#### HRC

Hot Rolled Coil (see Hot Rolling).

### I

#### Inferred mineral resources

An inferred mineral resource is that part of a mineral resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

#### Integrated Steelmaker

A producer that converts iron ore into semi-finished or finished steel products. Traditionally, this process required coke ovens, blast furnaces, steelmaking furnaces, and rolling mills. A growing number of integrated mills use the direct reduction process to produce sponge iron without coke ovens and blast furnaces.

#### Iron Ore

The primary raw material in the manufacture of steel.

### L

#### Ladle Metallurgy

The process whereby conditions (temperature, pressure and chemistry) are controlled within the ladle of the steelmaking furnace to improve productivity in preceding and subsequent steps and the quality of the final product.

#### Limestone

Used by the steel industry to remove impurities from the iron made in blast furnaces. Magnesium-containing limestone, called dolomite, is also sometimes used in the purifying process.

#### Line Pipe

Used for transportation of gas, oil or water generally in a pipeline or utility distribution system.

## Glossary

### M

#### **Mechanical Tubing**

Welded or seamless tubing produced in a large number of shapes to closer tolerances than other pipe.

#### **Mini-mill**

A small non-integrated or semi-integrated steel plant, generally based on electric arc furnace steelmaking. Mini-mills produce rods, bars, small structural shapes and flat rolled products.

### N

#### **Net Debt**

Net debt refers to long-term debt, plus short-term debt, less cash and cash equivalents.

#### **Net Ton**

See Ton.

### O

#### **Oil Country Tubular Goods (OCTG)**

Pipe used in wells in oil and gas industries, consisting of casing, tubing, and drill pipe. Casing is the structural retainer for the walls; tubing is used within casing oil wells to convey oil to ground level; drill pipe is used to transmit power to a rotary drilling tool below ground level.

#### **Open Hearth Process**

A process for making steel from molten iron and scrap. The open-hearth process has been replaced by the basic oxygen process in most modern facilities.

### P

#### **Pellets**

An enriched form of iron ore shaped into small balls.

#### **Pig Iron**

High carbon iron made by the reduction of iron ore in the blast furnace.

#### **Plate**

A flat rolled product rolled from slabs or ingots, of greater thickness than sheet or strip.

### R

#### **Rolling Mill**

Equipment that reduces and transforms the shape of semi-finished or intermediate steel products by passing the material through a gap between rolls that is smaller than the entering materials.

### S

#### **Semi-Finished Products**

Products such as slabs, billets, and blooms which must be rolled or otherwise processed to create usable steel shapes.

#### **Sheet**

A flat rolled product over 12 inches in width and of less thickness than plate.

#### **Sheet Piling**

Rolled sections with interlocking joints (continuous throughout the entire length of the piece) on each edge to permit being driven edge-to-edge to form continuous walls for retaining earth or water.

#### **Sintering**

A process which combines ores too fine for efficient blast furnace use with flux stone. The mixture is heated to form lumps, which allow better draft in the blast furnace.

#### **Slab**

A wide semi-finished product made from an ingot or by continuous casting. Flat rolled steel products are made from slabs.

#### **Sponge Iron**

The product of the direct reduction process. Also known as direct reduced iron (DRI).

#### **Stainless Steels**

Stainless steels offer a superior corrosion resistance due to the addition of chromium and/or nickel to the molten steel.

#### **Standard Pipe**

Used for low-pressure conveyance of air, steam, gas, water, oil or other fluids and for mechanical applications. Used primarily in machinery, buildings, sprinkler systems, irrigation systems, and water wells rather than in pipelines or distribution systems.

#### **Strip**

A flat rolled product customarily narrower in width than sheet, and often produced to more closely controlled thicknesses.

## Glossary

### Structural Pipe And Tubing

Welded or seamless pipe and tubing generally used for structural or load-bearing purposes above ground by the construction industry, as well as for structural members in ships, trucks, and farm equipment.

### Structural Shapes

Rolled flange sections, sections welded from plates, and special sections with at least one dimension of their cross-section three inches or greater. Included are angles, beams, channels, tees and zeds.

## T

### Tin Coated Steel

Cold rolled sheet, strip, or plate coated with tin or chromium.

### Tonne (T)

A metric tonne, equivalent to 1,000 kilograms or 2,204.6 pounds or 1.1023 short ton.

### Ton (t)

a) A unit of weight in the US Customary System equal to 2,240 pounds. Also known as long ton.

b) A unit of weight in the US Customary System equal to 2,000 pounds. Also known as short ton. Also known as net ton.

## U

### US\$ or \$

US Dollar.

## W

### Wet Recoverable

The quantity of iron ore or coal recovered after the material from the mine has gone through a preparation and/or concentration process excluding drying.

### Wire: Drawn And/Or Rolled

The broad range of products produced by cold reducing hot rolled steel through a die, series of dies, or through rolls to improve surface finish, dimensional accuracy, and physical properties.

### Wire Rods

Coiled bars of up to 18.5 millimetres in diameter, used mainly in the production of wire.

# Disclaimer

## Forward-looking statements

This document 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 documents filed with or furnished to the Luxembourg Stock Market Authority for the Financial Markets (Commission de Surveillance du Secteur Financier) and the U.S. Securities and Exchange Commission (the “SEC”). ArcelorMittal undertakes no obligation to publicly update its forward-looking statements, whether as a result of new information, future events, or otherwise.

To download the fact book for 2018, visit our [download centre](#).

For more information on the company visit the [ArcelorMittal website](#).

Download the Investor Relations app for [iOS](#) or [Android](#).

Any comments please contact [Hetal.Patel@arcelormittal.com](mailto:Hetal.Patel@arcelormittal.com)

## Non-GAAP measures

This document may include supplemental financial measures that are or may be non-GAAP financial measures, as defined in the rules of the SEC. They may exclude or include amounts that are included or excluded, as applicable, in the calculation of the most directly comparable financial measures calculated in accordance with IFRS. Accordingly, they should be considered in conjunction with ArcelorMittal’s consolidated financial statements prepared in accordance with IFRS, which are available in the documents filed or furnished by ArcelorMittal with the SEC, including its annual report on Form 20-F and its interim financial report furnished on Form 6-K. A reconciliation of non-GAAP measures to IFRS is available on the ArcelorMittal website.

Published in April 2019.

SAFER, SMARTER, GREENER

DNV·GL

# Independent Limited Assurance Report

## to the Directors of ArcelorMittal Société Anonyme

DNV GL Business Assurance Services UK Limited ("DNV GL", "us" or "we") were engaged by ArcelorMittal Purchasing S.A.S. to provide limited assurance to ArcelorMittal Société Anonyme ("ArcelorMittal") over Selected Information presented in the ArcelorMittal Factbook 2018 (the "Report") for the reporting year ended 31 December 2018.



**Our Conclusion:** Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Selected Information is not fairly stated and has not been prepared, in all material respects, in accordance with the Criteria.

This conclusion relates only to the Selected Information, and is to be read in the context of this Assurance Report, in particular the inherent limitations explained below.

Our observations and areas for improvement will be raised in a separate report to ArcelorMittal's Management. Selected observations are provided below. These observations do not affect our conclusion set out above.

- For Lost Time Injury Frequency Rate, the evidence we reviewed supported a performance figure that was lower than the reported performance. The difference is immaterial, and results from updates to data reported from specific sites after the initial collection of year-end data. We recommend that additional data collection system functionalities are introduced, to retain an audit trail of changes to data and the basis for calculations in the future.
- The data for percentage of sites certified to OHSAS 18001 is currently based on a historic survey. We understand that a system is being implemented to improve the data collection process.
- A number of omissions and areas for improvement were identified in the Basis of Reporting document, which could potentially impact the consistency of how data is reported in the future. The majority of these changes have been addressed, and we understand that this document will continue to be updated during the coming year.
- ArcelorMittal may wish to consider implementing an online database, similar to that which is already in place for health and safety, for improving the accuracy and completeness of environmental, social and community data. Such a system could reduce the risk of errors arising from manual manipulation of data, and from data entry issues.
- Neither the Basis of Reporting nor the Factbook currently define the sites and legal entities covered by the data. We recommend that a list of sites and legal entities are included and also aligned with those used for 20-F reporting.
- We recommend that all emissions factors used for environmental data are reviewed and updated on an annual basis, to ensure that the latest emissions factors are in use.
- In line with increasing stakeholder expectations, ArcelorMittal may wish to consider additional environmental performance improvement targets for selected high materiality indicators.
- ArcelorMittal may wish to consider a broader range of high materiality KPIs for external assurance in the future.

### Selected information

The scope and boundary of our work is restricted to the Key Performance Indicators included within the Report (the "Selected Information"), listed below:

- CO<sub>2</sub> intensity (steel), *tonnes CO<sub>2</sub>/tonne of steel*
- Absolute CO<sub>2</sub>e footprint (total), *million tonnes*
- Absolute CO<sub>2</sub>e footprint (steel), *million tonnes*
- Absolute CO<sub>2</sub>e footprint (mining), *million tonnes*
- Primary energy consumption (steel), *Petajoules*
- Fatalities, *number*
- Lost-time injury rate (Fr), *per million hours worked*
- Industrial operations (including mining) certified to OHSAS 18001, *%*
- Women recruited (exempts), *number*
- Women in management (manager and above positions), *number*
- Women in key management succession plans (General Managers and above positions), *number*

To assess the Selected Information, which includes an assessment of the risk of material misstatement in the Report, we have used ArcelorMittal's Basis of Reporting (the "Criteria"), which can be found [here](#). We have not performed any work, and do not express any conclusion, on any other information that may be published in the Report or on ArcelorMittal's website for the current reporting period or for previous periods.

### Our competence, independence and quality control

DNV GL established policies and procedures are designed to ensure that DNV GL, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV GL) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV GL holds other contracts with ArcelorMittal, none of which conflict with the scope of this work. Our multi-disciplinary team consisted of professionals with a combination of environmental and sustainability assurance experience.

## SAFER, SMARTER, GREENER

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## Standard and level of assurance

We performed a **limited** assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 revised – ‘Assurance Engagements other than Audits and Reviews of Historical Financial Information’ (revised), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

DNV GL applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2011 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our opinion, so that the risk of this conclusion being in error is reduced but not reduced to very low.

## Basis of our conclusion

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information; our work included, but was not restricted to:

- Assessing the appropriateness of the Criteria for the Selected Information;
- Conducting interviews with ArcelorMittal management to obtain an understanding of the key processes, systems and controls in place to generate, aggregate and report the Selected Information;
- Site visits to the following sites to review process and systems for preparing site level data consolidated at Head Office for the Selected Information listed on the previous page: ArcelorMittal Asturias, Spain, ArcelorMittal Burns Harbor, USA, ArcelorMittal Calvert, USA, ArcelorMittal Dabrowa Gornicza, Poland, ArcelorMittal Dofasco, Canada, ArcelorMittal Duisburg, Germany, ArcelorMittal Krakow, Poland, ArcelorMittal Kryvyi Rih, Ukraine, ArcelorMittal Mineração Serra Azul, Brazil, ArcelorMittal Tubarão, Brazil.
- DNV GL were free to choose the sites on the basis of materiality and their contribution to the Group's overall data;
- For Asturias, Dofasco, Duisburg, Kryvyi Rih, Serra Azul and Tubarão, we undertook a review of data collection systems using 2017 data as 2018 data was unavailable at the time of the site visits.
- Performing limited substantive testing on a selective basis of the Selected Information to check that data had been appropriately measured, recorded, collated and reported;
- Recalculating the Selected Information using suitable conversion factors and/or as established by ArcelorMittal's Criteria;
- Reviewing data at source and following this through to consolidated Group data;
- Reviewing that the evidence, measurements and their scope provided to us by ArcelorMittal for the Selected Information is prepared in line with the Criteria; and
- Reviewing the Report with regard to the Criteria.

## Inherent limitations

All assurance engagements are subject to inherent limitations as selective testing (sampling) may not detect errors, fraud or other irregularities. Non-financial data may be subject to greater inherent uncertainty than financial data, given the nature and methods used for calculating, estimating and determining such data. The selection of different, but acceptable, measurement techniques may result in different quantifications between different entities. Our assurance relies on the premise that the data and information provided to us by ArcelorMittal have been provided in good faith. DNV GL expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Limited Assurance Report.

## Responsibilities of the Directors of ArcelorMittal and DNV GL

The Directors of ArcelorMittal have sole responsibility for:

- Preparing and presenting the Selected information in accordance with the Criteria;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the Selected Information that is free from material misstatements;
- Measuring and reporting the Selected Information based on their established Criteria; and
- Contents and statements contained within the Report and the Criteria.

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been prepared in accordance with the Criteria and to report to ArcelorMittal in the form of an independent limited assurance conclusion, based on the work performed and the evidence obtained. We have not been responsible for the preparation of the Report.

## DNV GL Business Assurance

DNV GL Business Assurance Services UK Limited is part of DNV GL – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. [www.dnvgl.co.uk/BetterAssurance](http://www.dnvgl.co.uk/BetterAssurance)

## DNV GL Business Assurance Services UK Limited

London, UK  
29 April 2019

DNV·GL







ArcelorMittal

Published in April 2019

**ArcelorMittal**

19, Avenue de la Liberté  
L-2930 Luxembourg  
Grand Duchy of Luxembourg  
[corporate.arcelormittal.com](http://corporate.arcelormittal.com)

We welcome your feedback on this report.  
Please send it to [investor.relations@arcelormittal.com](mailto:investor.relations@arcelormittal.com)