

## HALF YEARLY FINANCIAL REPORT

Rodange (Grand-Duchy of Luxembourg), 31 August 2009.

### **ArcelorMittal Rodange et Schifflange reports results for the second quarter and the first half of 2009**

This half-yearly report is published by ArcelorMittal Rodange et Schifflange ("AMRS") in application of the Luxembourg law of 11 January 2008 on the transparency obligations applicable to issuers whose securities are admitted to listing on a regulated market.

### **Company presentation**

Registered office address: 2, rue de l'Industrie, L-4823 Rodange, Grand-Duchy of Luxembourg

Trade register number: Luxembourg B 10.643

Issued and outstanding share capital at 30 June 2009: EUR 87,293,721.60

Date of the last shareholders' meeting: 19 March 2009

As a 79% subsidiary of ArcelorMittal Belval et Differdange, AMRS is an integrated unit with an electric arc furnace located in Schifflange and two rolling mills located in Rodange.

The accounts of AMRS are consolidated with those of ArcelorMittal, the parent company of the ArcelorMittal group.

AMRS is listed on the regulated market of the Luxembourg Stock Exchange.

For more information about AMRS, please visit [www.ares.lu](http://www.ares.lu).

### **H109 financial highlights :**

- Sales of EUR 162 million compared to EUR 366 million in H108 ;
- EBITDA<sup>1</sup> of EUR -8.5 million compared to EUR 43,5 million in H108 ;
- Net income of EUR -18.6 million compared to EUR 38,7 million in H108 ;
- Capital expenditures of EUR 2.7 million in H109 compared to EUR 8.8 million in H108.

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<sup>1</sup> EBITDA is defined as operating income plus depreciation and impairment.



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#### **Q209 financial highlights:**

- Sales of EUR 77.4 million compared to EUR 209.9 million in Q208 ;
- EBITDA of EUR -7.2 million compared to EUR 31.6 million in Q208 ;
- Net income of EUR -12.2 million, compared to EUR 32.2 million in Q208 ;
- Capital expenditure of EUR 1.8 million in Q209 compared to EUR 4.9 million in Q208.

#### **Guidance for Q3 09**

- Q309 EBITDA guidance: Net income is estimated at EUR -6.3 million.

#### **Comment on the results of H1 09 and Q2 09**

H109's most important feature is the sharp decrease in steel demand influencing directly the state of AMRS' order book in terms of both quantity and sale prices.

This situation, induced by the worldwide financial crisis, has direct consequences on the financial results of AMRS despite the drastic measures of cost reductions put into place starting in Q408.

As a consequence, the net result realized during the first half of 2009 is 138 % lower than during the same period in 2008.

The operational result of the first half of 2009 is 146 % lower than during the same period in 2008 due to the reduction in the quantities of products ordered (-47 %) and in sale prices (-16 %). The operational result has also been negatively influenced by the posting of provisions for reductions in the value of inventory for an amount of EUR 6 million.

The financial result is reduced by EUR 3.9 million compared to the same period in 2008. AMRS' subsidiary Laminés Marchands Européens has paid AMRS a dividend for the year 2008 in the amount of EUR 1.3 million in the third quarter of 2008 while EUR 6.2 million in dividends had already been paid during the second quarter 2008 in relation to the year 2007.

Thanks to the adaptation of the production level to the slightly improved demand in Q209, the level of inventory has been reduced and as a consequence the working capital requirements and the net financial debt have also decreased by close to EUR 20 million.

### Transactions between related parties

No transactions between related parties have been realized during the period.

### Recent events

During H109, the building of a pairing center of piles was started. The first trials are planned for October. This aim of this installation is to give to the company the advantage of offering its piles product as finished goods in ready-for-use form.

### Perspectives

The demand of finished goods is expected to remain weak during the second half of 2009. The signs of a restart are not yet directly perceptible for the products of AMRS. The second half of 2009 will be very similar to the first half.

The action plans to reduce costs and working capital requirements will be continued in order to maintain the treasury needs at today's level.

### Research and development

AMRS' research and development activity is concentrated mostly on the rolling of new transportation rail profiles.

### Financial highlights (on the basis of the accounting rules applied in Grand-Duchy of Luxembourg, amounts in Euro, 2009 figures non-audited):

(In Euro thousands, except for the result per share and the shipping figures<sup>2</sup>)

Results	In EURO				
	Q2 2009	Q1 2009	Q2 2008	HY1 2009	HY1 2008
Dispatches (in thousand tons) (2)	182,1	156,2	324,5	338,3	639,2
Turnover	77 358,2	85 113,2	209 882,3	162 471,4	366 054,4
EBITDA	-7 169,5	-1 363,4	31 629,5	-8 532,9	43 468,3
Operating result	-11 237,5	-5 478,3	28 218,2	-16 715,8	36 625,9
Net income	-12 157,6	-6 431,3	32 181,9	-18 588,8	38 683,6
Result per share	-1,73 €	-0,91 €	4,57 €	-2,64 €	5,49 €

<sup>2</sup> Included dispatches to other companies of the group ArcelorMittal.





# ArcelorMittal

## Rodange et Schiffflange

ArcelorMittal Rodange et Schiffflange Balance Sheet (2009 figures are non-audited)

Assets	30.06.2009	31.03.2009 EUR	31.12.2008 EUR
<b>C. Fixed Assets</b>	<b>216 999 768,33</b>	<b>219 116 885,94</b>	<b>221 382 493,68</b>
<b>II. Tangible fixed assets</b>	<b>148 769 870,18</b>	<b>151 006 896,37</b>	<b>154 272 504,11</b>
1. Land and buildings	9 986 391,15	10 167 696,68	10 349 002,19
2. Plant and equipment	134 942 997,72	138 789 667,03	135 252 903,10
3. Other equipments, tools and furnitures	1 126 529,10	1 166 582,50	1 208 071,61
4. Prepayments and Fixed Assets under construction	2 713 952,21	882 950,16	7 462 527,21
<b>III. Investments and receivables</b>	<b>68 229 898,15</b>	<b>68 109 989,57</b>	<b>67 109 989,57</b>
1. Shares and affiliated companies	3 888 357,05	3 768 448,47	3 768 448,47
2. Financial amounts receivables > 1 year	38 940 223,10	38 940 223,10	37 940 223,10
3. Participating interests	25 253 049,53	25 253 049,53	25 253 049,53
5. Other securities	0,11	0,11	0,11
6. Other receivables	148 268,36	148 268,36	148 268,36
<b>D. Current Assets</b>	<b>147 006 444,75</b>	<b>162 431 329,55</b>	<b>188 399 918,95</b>
<b>I. Inventories</b>	<b>73 215 249,53</b>	<b>89 626 823,49</b>	<b>99 255 788,76</b>
1. Raw material and stocks	38 234 603,05	42 769 382,38	56 689 041,91
2. Work in progress goods	5 238 812,33	11 849 714,51	12 280 783,65
3. Finished goods	29 741 834,15	35 007 726,60	30 285 963,20
<b>II. Trade and other receivables</b>	<b>71 493 544,56</b>	<b>71 215 225,97</b>	<b>87 700 338,45</b>
1. Trade receivables			
a. Receivable in 1 or less than 1 year	16 904 702,42	17 438 525,69	23 048 619,80
2. Receivables owed by affiliated companies			
a. Receivable in 1 or less than 1 year	46 302 216,56	51 162 994,42	62 951 874,61
3. Receivables owed by companies linked by participation			
a. Receivable in 1 or less than 1 year	3 313 764,43	1 077 084,52	1 034 437,44
4. Other receivables			
a. Receivable in 1 or less than 1 year	4 972 861,15	1 536 621,34	665 406,60
<b>IV. Cash at bank and in hand</b>	<b>2 297 650,66</b>	<b>1 589 280,09</b>	<b>1 443 791,74</b>
<b>F. Losses for the period</b>	<b>18 588 846,81</b>	<b>6 431 287,19</b>	
<b>Total of the assets</b>	<b>382 595 059,89</b>	<b>387 979 502,68</b>	<b>409 782 412,63</b>



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## Rodange et Schifflange

Liabilities	30.06.2009	31.03.2009 EUR	31.12.2008 EUR
<b>A. Shareholders equity</b>	<b>132 016 163,57</b>	<b>132 016 163,57</b>	<b>132 016 163,57</b>
I. Issued capital	87 293 721,60	87 293 721,60	87 293 721,60
IV. Réserve	4 127 987,25	2 379 236,38	2 379 236,38
2. Legal reserve	2 087 992,55	339 241,68	339 241,68
3. Réserve not available	2 039 994,70	2 039 994,70	2 039 994,70
V. Result brought forward	37 909 838,84	4 683 572,35	4 683 572,35
VI. Net result for the period	0,00	34 975 017,36	34 975 017,36
VIII. Increase in value non taxable	2 684 615,88	2 684 615,88	2 684 615,88
<b>B. Provisions for liabilities and charges</b>	<b>12 562 590,45</b>	<b>12 968 290,45</b>	<b>12 968 290,45</b>
1. Employee and termination benefits	11 696 237,64	11 696 237,64	11 696 237,64
3. Other provisions	866 352,81	1 272 052,81	1 272 052,81
<b>C. Debts</b>	<b>238 016 305,87</b>	<b>242 995 048,66</b>	<b>264 797 958,61</b>
2. Debts to credit establishments			
a. Payable in 1 or less than 1 year	4 854,01	151 372,63	559,60
b. Payable in more than 1 year	0,00	0,00	0,00
3. Loans and other financial debts			
a. Payable in 1 or less than 1 year	261 158,61	220 259,84	0,00
4. Prepayments on orders	0,00	229 617,04	229 617,04
5. Debts on purchases and services			
a. Payable in 1 or less than 1 year	31 703 341,57	31 584 849,84	44 987 009,87
7. Debts to affiliated companies			
a. Payable in 1 or less than 1 year	150 467 018,33	137 360 894,18	146 532 470,43
b. payable in more than 1 year	30 750 000,00	47 000 000,00	47 000 000,00
8. Debts to companies linked by participation			
a. Payable in 1 or less than 1 year	1 903 991,16	3 040 531,44	4 069 828,44
9. Tax and social security owed < 1 year			
a. Taxes	2 441 227,45	1 980 833,55	1 435 257,67
b. Social contribution	637 987,12	1 732 224,34	821 772,34
10. Other debts owed less than 1 year			
a. Payable in 1 or less than 1 year	19 846 727,62	19 694 465,80	19 721 443,22
<b>Total of the liabilities</b>	<b>382 595 059,89</b>	<b>387 979 502,68</b>	<b>409 782 412,63</b>



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## Rodange et Schiffflange

### ArcelorMittal Rodange et Schiffflange – Unaudited statements of income

	Three months ended			Six months ended		twelve months
	30.06.2009 EUR	31.03.2009 EUR	30.06.2008 EUR	30.06.2009 EUR	30.06.2008 EUR	31.12.2008 EUR
<b>A. CHARGES</b>						
1. Decrease in stock of work in progress and finished goods	-	-	-	-	-	-
2. a) Costs of raw material and charges	44 916 631,72	65 872 972,01	143 784 961,68	110 789 603,73	258 396 986,77	479 716 278,11
b) Other external charges	18 499 873,92	20 187 281,39	29 451 362,10	38 687 155,31	58 784 344,64	121 209 364,03
3. Staff costs						
a) Salaries and wages	9 942 870,93	8 734 980,79	11 006 198,45	18 677 851,72	22 529 033,79	43 301 262,30
b) Social security costs	729 838,46	562 969,76	682 414,45	1 292 808,22	1 243 212,50	2 143 195,63
c) Employee benefits	1 714 044,67	1 006 592,10	1 738 954,17	2 720 636,77	3 081 567,10	9 314 443,09
d) Other social security costs	217 700,71	195 148,63	498 597,03	412 849,34	643 874,71	1 060 033,84
4. a) Depreciation tangible assets	4 068 028,24	4 114 890,13	3 411 344,62	8 182 918,37	6 842 403,94	18 738 519,39
b) Depreciation current assets	7 100 221,90	-8 964 150,65	1 530 886,22	-1 863 928,75	1 930 886,22	13 141 935,60
5. Other charges	-283 167,74	314 991,50	245 573,73	31 823,76	496 554,60	-9 540 893,43
6. Impairment financial assets	502 843,56	3 600,00	130 164,43	506 443,56	133 614,43	145 638,25
7. Interests and similar charges						
a) to affiliated companies	739 430,75	1 500 997,39	2 554 259,63	2 240 428,14	5 060 737,17	10 473 676,44
b) other interests and financial charges	39 805,32	100 118,64	250 691,89	139 923,96	448 368,79	929 702,09
13. Net result of the period	-12 157 559,62	-6 431 287,19	32 181 930,39	-18 588 846,81	38 683 608,83	34 975 017,36
<b>Total of the charges</b>	<b>76 030 562,82</b>	<b>87 199 104,50</b>	<b>227 467 338,79</b>	<b>163 229 667,32</b>	<b>398 275 193,49</b>	<b>725 608 172,70</b>
<b>B. INCOME</b>						
1. Turnover of steel products	77 358 194,11	85 113 159,03	209 882 324,11	162 471 353,14	366 054 370,88	695 081 701,19
2. Increase in stock of finished goods and work in progress	-6 968 745,90	-1 770 485,41	7 404 432,21	-8 739 231,31	17 475 235,82	5 021 434,90
3. Fixed assets- own production	-9 223,34	12 785,03	1 128 840,24	3 561,69	1 555 676,59	1 840 967,87
4. Other Income	5 288 327,56	3 191 899,49	2 152 870,90	8 480 227,05	5 489 503,86	14 253 981,46
5. Income from financial participation						
a) from affiliated companies		2,50		2,50	2,50	2,50
b) from other participations			6 207 161,53	0,00	6 207 161,53	6 207 239,53
6. Income from other securities						
a) from affiliated companies	315 770,00	537 849,99	543 826,10	853 619,99	1 087 652,20	2 393 807,10
7. Other interests or assimilated income						
a) from affiliated companies	42 072,90	68 735,66	133 780,88	110 808,56	359 375,47	678 426,11
b) Other interests or derivatives	4 167,49	45 158,21	14 102,82	49 325,70	46 214,64	130 612,04
<b>Total of the income</b>	<b>76 030 562,82</b>	<b>87 199 104,50</b>	<b>227 467 338,79</b>	<b>163 229 667,32</b>	<b>398 275 193,49</b>	<b>725 608 172,70</b>

### Operating figures

#### Key figures (Figures of 2009 are not audited)

	2009 / Q2	2009 / Q1	2008 / Q2	2009 / HY1	2008 / HY1	2008
<b>Key figures about safety</b>						
Frequency rate	0,0	3,6	0,0	1,7	0,0	2,2
Severity rate	1,08	1,00	0,00	1,04	0,25	0,32
<b>Production and dispatches (in kt)</b>						
Crude steel production	149,4	118,9	246,3	268,3	507,9	859,0
Finished goods dispatches	121,8	124,0	208,9	245,7	406,4	406,4
Semis dispatches	60,3	32,3	115,6	92,6	232,8	339,9
Staff at the end of the period	834	854	851	834	851	860





# ArcelorMittal

## Rodange et Schifflange

ArcelorMittal Rodange et Schifflange: Cash flow statement  
2009 figures are non-audited

In thousand EURO	Three months ended			Six months ended	
	June 30, 2009	March 31, 2009	June 30, 2008	June 30, 2009	June 30, 2008
Operating activities					
Net income	-12 157,6	-6 431,3	32 181,9	-18 588,8	38 683,6
Adjustments to reconcile net income to net cash provided by operations					
Minority interest					
Depreciation and impairment	11 671,1	-4 845,7	5 072,4	6 825,4	8 906,9
Other operating activity	12 247,6	21 271,4	-46 303,2	33 519,0	-59 813,7
Net cash provided by operating activities	11 761,1	9 994,5	-9 048,9	21 755,6	-12 223,2
Investing activities					
Purchase of property, plant and equipment	-1 831,0	-849,3	-4 908,1	-2 680,3	-8 816,6
Other investing activities (net)					
Net cash used in investing activities	-1 831,0	-849,3	-4 908,1	-2 680,3	-8 816,6
Financing activities					
Proceeds (payments) from payable and long term debts	-16 250,0	-40 000,0	-36 320,5	-56 250,0	-36 460,7
Dividends paid					
Share buy-back					
Other financing activities (net)					
Net cash provided by (used in) financing activities	-16 250,0	-40 000,0	-36 320,5	-56 250,0	-36 460,7
Net (decrease) increase in cash and cash equivalents	-6 319,9	-30 854,8	-50 277,5	-37 174,7	-57 500,4




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### **Statement of Responsible Persons**

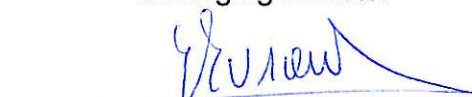
Rodange (G. D. Luxembourg), August 31 2009 – According to the law of 11 January 2008 concerning the transparency obligations for issuers of securities, the management of ArcelorMittal Rodange et Schifflange has published the following responsibility statement for the first half-year of 2009.

We confirm, to the best of our knowledge, that:

1. the financial statements of ArcelorMittal Rodange et Schifflange presented in the intermediary management report for the first half of 2009, accessible on the website of the company ([www.ares.lu](http://www.ares.lu)), and established in conformity with the Luxembourg accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of ArcelorMittal Rodange et Schifflange.
2. The intermediary management report for the first half of 2009 includes a fair description of the development and performance of the business and position of ArcelorMittal Rodange et Schifflange and of the principals risks and uncertainties the company faces.



J. Schummers  
Managing Director



G. Evrard  
Chief Financial Officer