

HALF YEARLY FINANCIAL REPORT

Rodange (Grand-Duchy of Luxembourg), 20 August 2010.

ArcelorMittal Rodange et Schifflange reports results for the second quarter and the first half of 2010

This half-yearly report is published by ArcelorMittal Rodange et Schifflange ("ARCELORMITTAL RODANGE ET SCHIFFLANGE") 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, ARCELORMITTAL RODANGE ET SCHIFFLANGE is an integrated unit with an electric arc furnace located in Schifflange and two rolling mills located in Rodange.

The accounts of ARCELORMITTAL RODANGE ET SCHIFFLANGE are consolidated with those of ArcelorMittal, the parent company of the ArcelorMittal group.

ARCELORMITTAL RODANGE ET SCHIFFLANGE is listed on the regulated market of the Luxembourg Stock Exchange.

For more information about ARCELORMITTAL RODANGE ET SCHIFFLANGE, please visit www.amrs.lu.

H109 financial highlights:

- Sales of EUR 191 million up 40 % compared to HY01 2009 ;
- EBITDA¹ of EUR -2.8 million up 120 % compared to HY01 2009 ;
- Net income of EUR -12.2 million up 32 % compared to HY01 2009 ;
- Capital expenditures of EUR 2.8 million.

Q2 09 financial highlights:

- Sales of EUR 108 million, up 40 % compared to Q2 2009 ;
- EBITDA of EUR +1.1 million, up 116 % compared to Q2 2009 ;
- Net income of EUR -3.7 million, up 69 % compared to Q2 2009 ;
- Capital expenditure of EUR 1.5 million.

Guidance for Q3 10

- Q3 2010 EBITDA guidance: Net income is estimated at EUR -5.9 million.

Comment on the results of H1 10 and Q2 10

During the first quarter of 2010, the demand remained weak not only because of the economic crisis but also because of bad winter weather conditions in northern Europe.

However, during the second quarter of 2010, demand improved thanks to the continued slow and progressive economical recovery. This improvement was however insufficient to allow a positive net revenue, and our result was EUR - 3.7 million.

The negative net revenue reached during the first half of the year is up 32 % compared to the same period in 2009.

The operational result of the first half of the year is up 28 % compared to the same period in 2009 thanks to higher product quantities sold (+20 %) and to a partial write-back of the reduction of value on inventory posted at the end of 2008.

However, the recovery of the activity has generated an increase of the working capital requirements and a deterioration of the treasury position.

Transactions between related parties

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

¹ EBITDA is defined as operating income plus depreciation and impairment.

Recent events

During the first half of the year 2010, the pairing center has been started. The company is now able to supply its pile products as finished goods in ready-for-use form.

Outlook

For products destined to the building market, after an increase in demand during the second quarter, a slowdown is noted during the third quarter because of the standstill of the yards during the summer seasonal slowdown and because of high inventory level.

For products destined to the mechanical construction sector, the recovery noted during the second quarter seems to be sustainable and should contribute to an improvement of the net revenue of the company by the end of the year.

Research and development

ARCELORMITTAL RODANGE ET SCHIFFFLANGE' research and development activity is concentrated mostly on the rolling of new special profiles.

Financial highlights (on the basis of the accounting rules applied in Grand-Duchy of Luxembourg, amounts in Euro, 2010 figures non-audited):

(In Euro thousands, except for the result per share and the shipping figures²)

Results	In thousand EURO				
	Q2 2010	Q1 2010	Q2 2009	HY1 2010	HY1 2009
Dispatches (in thousand tons) (2)	204,5	202,9	182,1	407,3	338,3
Turnover	108 330,0	82 241,0	77 358,2	190 571,0	162 471,4
EBITDA	1 120,1	-3 944,4	-7 169,5	-2 824,3	-8 532,9
Operating result	-3 422,8	-8 547,4	-11 237,5	-11 970,2	-16 715,8
Net income	-3 741,3	-8 917,7	-12 157,6	-12 658,9	-18 588,8
Result per share	-0,53 €	-1,27 €	-1,73 €	-1,80 €	-2,64 €

² Included dispatches to other companies of the group ArcelorMittal.

ArcelorMittal Rodange et Schifflange Balance Sheet (2010 figures are non-audited)

Assets	30.06.2010 EUR	31.03.2010 EUR	31.12.2009 EUR
C. Fixed Assets	209 624 824,29	212 696 569,82	215 954 544,63
II. Tangible fixed assets	141 424 579,85	144 496 325,38	147 754 300,19
1. Land and buildings	9 320 630,13	9 472 011,16	9 623 781,36
2. Plant and equipment	126 686 176,10	122 587 888,93	126 999 632,17
3. Other equipments, tools and furnitures	977 135,15	1 008 272,16	1 047 691,15
4. Prepayments and Fixed Assets under construction	4 440 638,47	11 428 153,13	10 083 195,51
III. Investments and receivables	68 200 244,44	68 200 244,44	68 200 244,44
1. Shares and affiliated companies	3 888 357,05	3 888 357,05	3 888 357,05
2. Financial amounts receivables > 1 year	38 940 223,10	38 940 223,10	38 940 223,10
3. Participating interests	25 253 049,53	25 253 049,53	25 253 049,53
5. Other securities	0,08	0,08	0,08
6. Other receivables	118 614,68	118 614,68	118 614,68
D. Current Assets	185 550 987,63	155 017 834,41	124 076 259,79
I. Inventories	97 396 650,20	83 581 812,17	75 149 100,76
1. Raw material and stocks	57 564 077,55	40 839 698,82	43 177 065,60
2. Work in progress goods	655 050,08	8 039 618,75	3 650 876,31
3. Finished goods	39 177 522,57	34 702 494,60	28 321 158,85
II. Trade and other receivables	86 691 938,78	70 954 782,11	48 505 098,88
1. Trade receivables			
a. Receivable in 1 or less than 1 year	16 177 263,42	15 966 106,74	8 722 628,43
2. Receivables owed by affiliated companies			
a. Receivable in 1 or less than 1 year	61 067 394,61	49 196 907,81	35 477 754,87
3. Receivables owed by companies linked by participation			
a. Receivable in 1 or less than 1 year	4 165 105,20	4 008 079,83	3 319 479,86
4. Other receivables			
a. Receivable in 1 or less than 1 year	5 282 175,55	1 783 687,73	985 235,72
IV. Cash at bank and in hand	1 462 398,65	481 240,13	422 060,15
F. Losses for the period	12 658 936,89	8 917 656,50	39 315 037,61
Total of the assets	407 834 748,81	376 632 060,73	379 345 842,03

Liabilities	30.06.2010 EUR	31.03.2010 EUR	31.12.2009 EUR
A. Shareholders equity	92 701 125,96	92 701 125,96	132 016 163,57
I. Issued capital	87 293 721,60	87 293 721,60	87 293 721,60
IV. Réserve	4 127 987,25	4 127 987,25	4 127 987,25
2. Legal reserve	2 087 992,55	2 087 992,55	2 087 992,55
3. Réserve not available	2 039 994,70	2 039 994,70	2 039 994,70
V. Result brought forward	-1 405 198,77	-1 405 198,77	37 909 838,84
VI. Net result for the period	0,00	0,00	0,00
VIII. Increase in value non taxable	2 684 615,88	2 684 615,88	2 684 615,88
B. Provisions for liabilities and charges	13 545 170,42	13 545 170,42	12 973 170,42
1. Employee and termination benefits	12 201 980,42	12 201 980,42	12 201 980,42
3. Other provisions	1 343 190,00	1 343 190,00	771 190,00
C. Debts	301 588 452,45	270 385 764,35	234 356 508,04
2. Debts to credit establishments			
a. Payable in 1 or less than 1 year	559,06	6 320,29	6 388,12
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	116 542,42	10 868,74	0,00
4. Prepayments on orders	0,00	0,00	0,00
5. Debts on purchases and services			
a. Payable in 1 or less than 1 year	69 135 259,83	67 148 946,93	52 031 759,13
7. Debts to affiliated companies			
a. Payable in 1 or less than 1 year	203 075 877,33	153 999 401,28	137 686 745,91
b. payable in more than 1 year	7 250 000,00	23 500 000,00	23 500 000,00
8. Debts to companies linked by participation			
a. Payable in 1 or less than 1 year	1 613 533,52	3 443 462,85	3 256 236,25
9. Tax and social security owed < 1 year			
a. Taxes	298 582,68	1 357 060,33	812 699,75
b. Social contribution	2 293 954,06	2 862 974,74	906 736,34
10. Other debts owed less than 1 year			
a. Payable in 1 or less than 1 year	17 804 143,55	18 056 729,19	16 155 942,54
Total of the liabilities	407 834 748,83	376 632 060,73	379 345 842,03

ArcelorMittal Rodange et Schifflange – Unaudited statements of income

	Three months ended			Six months ended		twelve months
	30.06.2010 EUR	31.03.2010 EUR	30.06.2009 EUR	30.06.2010 EUR	30.06.2009 EUR	31.12.2009 EUR
A. CHARGES						
1. Decrease in stock of work in progress and finished goods				-	-	11 322 140,82
2. a) Costs of raw material and charges	77 028 825,26	69 763 752,98	44 916 631,72	146 792 578,24	110 789 603,73	216 296 648,69
b) Other external charges	19 410 302,79	17 534 743,14	18 499 873,92	36 945 045,93	38 687 155,31	74 303 540,69
3. Staff costs						
a) Salaries and wages	10 129 529,25	10 922 734,24	9 942 870,93	21 052 263,49	18 677 851,72	38 403 017,71
b) Social security costs	720 506,80	564 847,84	729 838,46	1 285 354,64	1 292 808,22	2 366 415,92
c) Employee benefits	1 751 775,97	1 416 001,96	1 714 044,67	3 167 777,93	2 720 636,77	6 966 114,04
d) Other social security costs	221 047,20	148 585,98	217 700,71	369 633,18	412 849,34	850 524,12
4. a) Depreciation tangible assets	4 542 933,84	4 602 932,43	4 068 028,24	9 145 866,27	8 182 918,37	16 567 731,66
b) Depreciation current assets	-1 123 975,07	-3 379 515,80	7 100 221,90	-4 503 490,87	-1 863 928,75	-2 040 159,06
5. Other charges	200 909,01	754 773,42	-283 167,74	955 682,43	31 823,76	167 259,89
6. Impairment financial assets	5 300,00	2 500,00	502 843,56	7 800,00	506 443,56	638 326,74
7. Interests and similar charges						
a) to affiliated companies	392 127,87	474 514,78	739 430,75	866 642,65	2 240 428,14	3 213 551,78
b) other interests and financial charges	30 991,12	6 962,34	39 805,32	37 953,46	139 923,96	289 510,19
13. Net result of the period	-3 741 280,39	-8 917 656,50	-12 157 559,62	-12 658 936,89	-18 588 846,81	-39 315 037,61
Total of the charges	109 568 993,65	93 895 176,81	76 030 562,82	203 464 170,46	163 229 667,32	330 029 585,58
B. INCOME						
1. Turnover of steel products	108 330 024,87	82 240 998,61	77 358 194,11	190 571 023,48	162 471 353,14	307 436 283,97
2. Increase in stock of finished goods and work in progress	-4 033 515,64	7 929 315,90	-6 968 745,90	3 895 800,26	-8 739 231,31	-
3. Fixed assets- own production	26 656,21	-15 049,48	-9 223,34	11 606,73	3 561,69	450 207,60
4. Other income	5 135 854,82	3 626 235,52	5 288 327,56	8 762 090,34	8 480 227,05	18 414 120,96
5. Income from financial participation						
a) from affiliated companies		2,50		2,50	2,50	500 002,50
b) from other participations				0,00	0,00	1 368 648,49
6. Income from other securities						
a) from affiliated companies	80 988,84	79 543,96	315 770,00	160 532,80	853 619,99	1 620 408,14
7. Other interests or assimilated income						
a) from affiliated companies	26 373,78	24 856,88	42 072,90	51 230,66	110 808,56	177 045,59
b) Other interests or derivatives	2 610,77	9 272,92	4 167,49	11 883,69	49 325,70	62 868,33
Total of the income	109 568 993,65	93 895 176,81	76 030 562,82	203 464 170,46	163 229 667,32	330 029 585,58

Operating figures

Key figures (Figures of 2010 are not audited)

	2010 / T2	2010 / T1	2009 / T2	2010 / S1	2009 / S1	2009
Key figures about safety						
Frequency rate	4,9	2,3	0,0	3,6	1,7	1,3
Severity rate	0,44	0,28	1,08	0,36	1,04	0,53
Production and dispatches (in kt)						
Crude steel production	134,9	189,5	149,4	324,4	268,3	596,8
Finished goods dispatches	135,7	128,9	121,8	264,6	245,7	121,8
Semis dispatches	68,8	74,0	60,3	142,7	92,6	249,2
Staff at the end of the period	764	792	834	764	834	860

ArcelorMittal Rodange et Schifflange: Cash flow statement
2010 figures are non-audited

In thousand EURO	Three months ended			Six months ended	
	June 30, 2010	March 31, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Operating activities					
Net income	-3 741,3	-8 917,7	-12 157,6	-12 658,9	-18 588,8
Adjustments to reconcile net income to net cash provided by operations					
Minority interest					
Depreciation and impairment	3 424,3	1 225,9	11 671,1	4 650,2	6 825,4
Other operating activity	-25 203,8	-8 437,0	2 482,0	-33 640,8	29 791,2
Net cash provided by operating activities	-25 520,8	-16 128,8	1 995,5	-41 649,6	18 027,8
Investing activities					
Purchase of property, plant and equipment	-1 471,2	-1 345,1	-1 831,0	-2 816,2	-2 680,3
Other investing activities (net)					
Net cash used in investing activities	-1 471,2	-1 345,1	-1 831,0	-2 816,2	-2 680,3
Financing activities					
Proceeds (payments) from payable and long term debts	-23 500,0	0,0	-16 250,0	-23 500,0	-56 250,0
Dividends paid					
Share buy-back					
Other financing activities (net)					
Net cash provided by (used in) financing activities	-23 500,0	0,0	-16 250,0	-23 500,0	-56 250,0
Net (decrease) increase in cash and cash equivalents	-50 492,0	-17 473,8	-16 085,5	-67 965,8	-40 902,5

Statement of Responsible Persons

Rodange (G. D. Luxembourg), 20 August 2010 – 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 2010.

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 2010, accessible on the website of the company (www.amrs.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 interim management report for the first half of 2010 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