



ArcelorMittal

ArcelorMittal Unlocks Value Through Separation of Integrated
US Assets and Repositions its Footprint in North America

Investor Presentation
28 September, 2020

Disclaimers

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 filings with the Luxembourg Stock Market Authority for the Financial Markets (Commission de Surveillance du Secteur Financier) and the United States Securities and Exchange Commission (the "SEC") made or to be made by ArcelorMittal, including ArcelorMittal's latest Annual Report on Form 20-F on file with the SEC. ArcelorMittal undertakes no obligation to publicly update its forward-looking statements, whether as a result of new information, future events, or otherwise.

Non-GAAP/Alternative Performance Measures

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Unlocking value for shareholders; Repositioning ArcelorMittal's footprint in North America

- The Group has entered into a definitive agreement with Cleveland-Cliffs pursuant to which Cleveland-Cliffs will acquire 100% of the shares of ArcelorMittal USA for a combination of cash and stock

- The transaction allows ArcelorMittal to reposition in North America, unlock value for shareholders and complete its deleveraging process

1 Crystallizing compelling value to ArcelorMittal's shareholders

2 Significant value creation potential from a highly synergistic combination

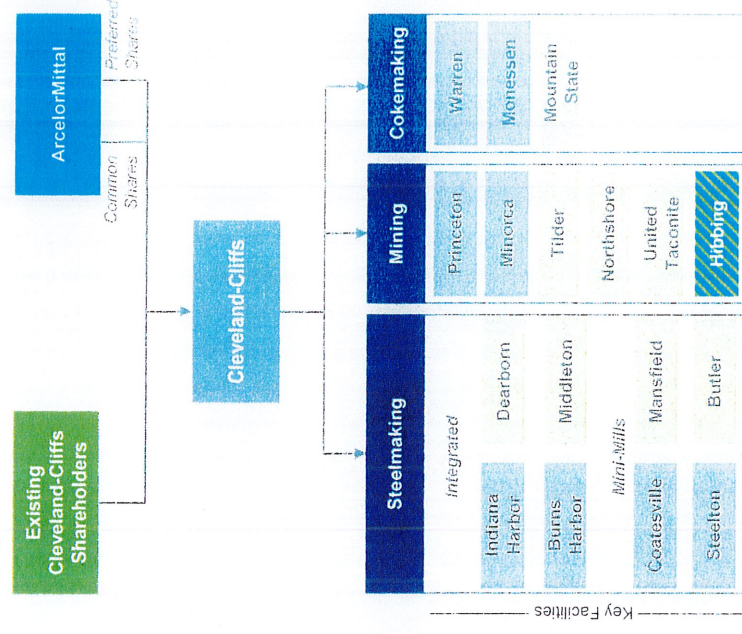
3 Strategic repositioning of ArcelorMittal's North American platform

4 Positive financial impact on ArcelorMittal

5 Opportunity for cash returns to ArcelorMittal shareholders

Compelling value to ArcelorMittal's shareholders

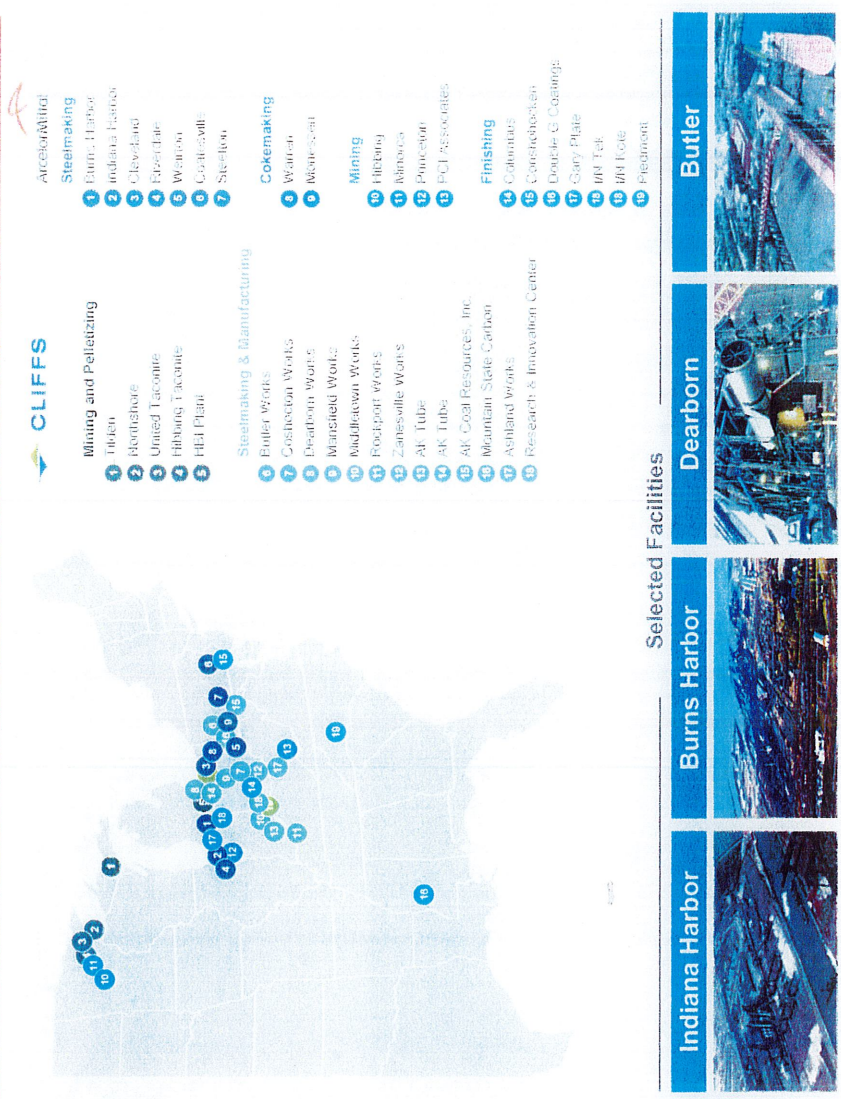
- Under the terms of the agreement, ArcelorMittal expects to receive an aggregate equity value consideration of \$1.4 billion upon closing of the transaction
- Approximately one third of the consideration is in upfront cash (\$505 million)
- The remaining two thirds of the consideration is in the form of equity:
 - stock component of approximately 78 million¹ shares of Cleveland-Cliffs
 - non-voting preferred stock redeemable for approximately 58 million² shares of Cleveland-Cliffs common stock with an aggregate value of \$373 million or an equivalent amount in cash
- In addition, Cleveland-Cliffs will assume liabilities of ArcelorMittal USA, including net liabilities of approximately \$0.5 billion and pensions and other post-employment benefit liabilities ("OPEB") which Cleveland-Cliffs values at \$1.5 billion³
- The transaction valuation for ArcelorMittal USA equates to an enterprise value multiple of approximately 6x through-the-cycle EBITDA⁴



¹ Number of shares determined by enterprise value of \$600 million based on volume weighted average price of Cleveland-Cliffs common stock from August 10, 2020 to September 26, 2020, or 48.38 per share.
² Number of shares determined by enterprise value of \$373 million based on volume weighted average price of Cleveland-Cliffs common stock from August 10, 2020 to September 26, 2020, or 1.056 per share.
³ P in the balance sheet carrying values please refer to the financial statements included in ArcelorMittal's 2019 annual report on Form 20-F.
⁴ Average annual EBITDA from 2017 to 1H 2020 under US GAAP.

Significant value creation potential from highly synergistic combination

- The combined company is expected to generate an estimated \$150 million of annual cost synergies
- ArcelorMittal and its shareholders will participate in the future value creation opportunity through ArcelorMittal minority equity shareholding and the redeemable preferred stock consideration
- Key areas of anticipated synergies include optimising the combined footprint, raw material sourcing and supply chain efficiencies and integrating corporate functions



ArcelorMittal

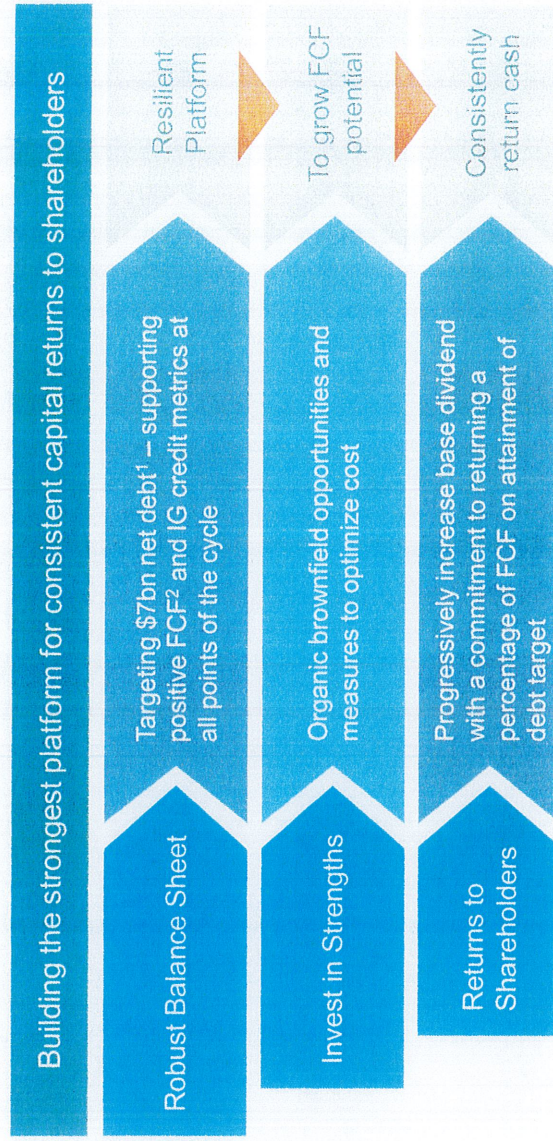
Strategic repositioning of ArcelorMittal's North American platform

- ArcelorMittal remains committed to the North America region with a highly competitive suite of assets including:
 - Dofasco, a class leading integrated facility
 - AM/NS Calvert, highly capable finishing facility to be strengthened by new EAF
 - ArcelorMittal Mexico, low cost with new rolling mill to capture additional margin opportunity
- ArcelorMittal retains its cutting-edge R&D capabilities which will underpin continued leadership of product and process development innovation
- Global reference franchise for high added-value steel applications in the automotive industry



Returning cash proceeds to shareholders

- This transaction is consistent with our capital allocation framework: building resilience and strong foundation for future returns
- Considering deconsolidation of associated liabilities at ArcelorMittal USA, comprising mostly pension and OPEB, the Company now sees its balance sheet as optimal from a leverage and credit metric standpoint
- As a result, the Company is in a position to return \$500 million of the cash proceeds to shareholders via a share buyback
- The buyback programme will commence with effect from today and comply with purchase price rules agreed as part of the Company's share buyback mandate. Share repurchases may be undertaken until the earlier of 31 March 2021 or when ArcelorMittal has fully utilised the allocated \$500 million



Footnote 1: Excludes impact of other expected to reflect impact on FCF² of
Footnote 2: Excludes flow related to cash flow from operations and capital

Conclusion: Value enhancing transaction for all stakeholders

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