



ArcelorMittal

news release

ArcelorMittal Poland plant in Sosnowiec starts strategic modernization

Sosnowiec, September 25, 2018

Former steel plant Cedler and now one of the units of ArcelorMittal Poland is known for wire rod production, a semi-product which is used to make bolts, fences, shopping trolley, metal shelves for fridges. In order to improve the quality of offered products and plant efficiency, the first stage of modernization will start at the beginning of October. The total cost of the project amounts to 120 m PLN.

Investment project will be carried out in the mill where the flagship product is produced. Planned works will improve the quality of offered wire rod, which will impact the class of products made of it like bed springs, steel lines, fences or frame of prams. The modernization will result as well in improvement of reliability and increase of capacity from 700 000 ton to 800 000 ton in a year.

- We are investing in our plant in Sosnowiec as we are aware how important it is to increase quality of products. There is going to be a direct correlation between modernization and the better class of products made of our wire rod mill. We use these products in our everyday life- says Geert Verbeeck, vice chairman and CEO of ArcelorMittal Poland.

After completion of all preparatory works such as geodetic analysis or laying of foundations, the line will be stopped at the beginning of October for 5 weeks. During this time current equipment will be exchanged or rebuilt and new control system will be installed. – These jobs will be very demanding due to wide scope of replacement and installation of new equipment, which with implementation of new control system of production line is a very time consuming task – Rafał Płazak, support manager, responsible for the wire rod modernization project, explains. In autumn 2019, second stage of modernization will start during which rolling stands and cabling system will be modernized.

History of legendary mill begins at the beginning of 20th century. The line was commissioned in 1905 and named after Duke Renard to honour the Prussian industrialist and diplomat, who owned land at the territory of Sosnowiec. The plant became very fast one of the most important industrial center in Zagłębie Dąbrowskie. In 1949 the name was officially changed to „Edmund Cedler plant”, in honour of local activist who was murdered in KL Auschwitz. In the 70's of last century the plant became the biggest producer of stainless steel in Europe. The last big investment worth 140 m PLN was in 2006, after the plant was taken over by ArcelorMittal Poland. Ten years later, dedusting and desox installation of power plant was modernized, the value of the investment was 11 m PLN. The power plant supplies energy also to 20 external recipients like schools, kindergartens or housing communities.

– The Duke Renard mill was commissioned in 1905. The plant is almost the same age as Sosnowiec. The Sosnowiec plant is known for its high quality wire rod production. However in this market, the competitors do not want to stay behind that is why I am very glad about all the investments increasing the quality of offered products. Modernization will allow employees to think about future with confidence- says Arkadiusz Chęciński, mayor of Sosnowiec.

Sosnowiec unit of ArcelorMittal Poland in numbers:

- After modernization, the plant capacity will increase from 700 000 tons to 800 000 tons in a year
- In a closed cooling system, there are 125 000 cubic meters of water
- The desox and dedusting installation at the power plant, which was completed in 2016 allowed to reduce emissions of dust by 50 ton in a year.
- The power plant stack is 100 m high, it means that is higher from „Żyła” (the popular building in Sosnowiec)
- After modernization, the rolling speed will reach 100 m/s, it is over 360 km/h. Formula 1 bolides do not reach such speed.
- Out one of 12 m long slab (received from Dąbrowa Górnicza plant), 14 km of wire rod can be produced. It is the distance between two plants of ArcelorMittal Poland situated in Dąbrowa Górnicza and Sosnowiec.

Contact / additional information:

Sylwia Winiarek, spokesperson, ArcelorMittal Poland

tel. +48 32 776 76 30

e-mail: sylwia.winiarek@arcelormittal.com

About ArcelorMittal Poland

ArcelorMittal Poland is the biggest steel producer on the Polish market with about 70% of production capacity of the Polish steel industry. The company consists of five steel plants located in Krakow, Dabrowa Gornicza, Sosnowiec, Swietochlowice and Chorzow. It also owns the largest coke plant in Europe – ZK Zdieszowice. ArcelorMittal Poland employs over 11,000 people and

over 14,000 if subsidiaries are taken into account. The company produces a wide range of long, flat, special and semi products for construction, transport and white goods industries.

The company has transformed Polish steelmaking. It has invested PLN 6 bn in modernizing every stage of the production process. Thanks to increasing H&S standards, the company has reduced its accident frequency rate by more than 90 percent. It has decreased the CO2 emissions by 25 percent, thanks to which it has become more environmentally friendly. The company is 1 of 3 companies worldwide able to produce 120 meter rails.

ArcelorMittal Poland is consistently engaged in supporting local communities by carrying out educational, health and safety programmes. The company has invested over PLN 16 m in these projects.

For more information visit poland.arcelormittal.com

ArcelorMittal is the world's leading steel and mining company, with a presence in 60 countries and an industrial footprint in 18 countries. Guided by a philosophy to produce safe, sustainable steel, we are the leading supplier of quality steel in the major global steel markets including automotive, construction, household appliances and packaging, with world-class research and development and outstanding distribution networks.

Through our core values of sustainability, quality and leadership, we operate responsibly with respect to the health, safety and wellbeing of our employees, contractors and the communities in which we operate.

For us, steel is the fabric of life, as it is at the heart of the modern world from railways to cars and washing machines. We are actively researching and producing steel-based technologies and solutions that make many of the products and components people use in their everyday lives more energy efficient.

We are one of the world's five largest producers of iron ore and metallurgical coal. With a geographically diversified portfolio of iron ore and coal assets, we are strategically positioned to serve our network of steel plants and the external global market. While our steel operations are important customers, our supply to the external market is increasing as we grow.

In 2017, ArcelorMittal had revenues of \$68.7 billion and crude steel production of 93.1 million metric tonnes, while own iron ore production reached 57.4 million metric tonnes.

ArcelorMittal is listed on the stock exchanges of New York (MT), Amsterdam (MT), Paris (MT), Luxembourg (MT) and on the Spanish stock exchanges of Barcelona, Bilbao, Madrid and Valencia (MTS).

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