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(a société anonyme incorporated under the laws of the Grand Duchy of Luxembourg having its registered office at 19, avenue de la Liberté, L-2930 Luxembourg, Grand Duchy of Luxembourg, and registered with the Registre de Commerce et des Sociétés of Luxembourg under number B 82.454)

5% Convertible Senior Notes due 2014

USD 800,000,000 principal amount

Issue price 100%

ArcelorMittal (the "**Issuer**" or "**we**" or "**ArcelorMittal**" or the "**Company**") has placed $800,000,000 principal amount of 5.00% Convertible Senior Notes due 2014 (the "**Notes**"). Each Note has a nominal value and a principal amount of $1,000. The issue price of the Notes is 100% of the principal amount of the Notes, plus acrrued interest, if any, as from May 6, 2009 (the "**Issue Date**").

Noteholders have the right (the "**Conversion Right**") to receive upon conversion, at the option of the Issuer, shares of ArcelorMittal, the Cash Value (as defined below), or a combination thereof. The initial Conversion Ratio (as defined herein) is 33.1675 common shares of ArcelorMittal per $1,000 principal amount of Notes, subject to certain adjustment provisions as described herein. The Cash Value is the arithmetic mean of the product of: (a) the USD volume-weighted average price of a share; (b) the number of $1,000 principal amount of Notes presented by a Noteholder in exercise of his Conversion Right; and (c) the Conversion Ratio in effect, on each of the fifteen successive trading days commencing on the first trading day following the date on which the Issuer notifies the Noteholders, through the Trustee (as defined herein), of its election to deliver shares, Cash Value or a combination thereof.

The Notes bear interest from the Issue Date at a rate of 5.00% per annum of the stated principal amount payable semi-annually in arrears on May 15 and November 15 of each year, commencing on November 15, 2009. The Notes mature on May 15, 2014 (the "**Maturity Date**").

Under specified circumstances investors may require us to repurchase Notes for a price equal to the principal amount of Notes to be repurchased plus accrued and unpaid interest to the repurchase date (see "Terms and Conditions of the Notes—Put Options for the Noteholders"). We will not be permitted to redeem the Notes at our option prior to the Maturity Date.

Payments on the Notes will be made without deduction for, or on account of, taxes of the Grand Duchy of Luxembourg, and no additional payment to the Noteholders will be made by the Issuer in respect thereof (See "Terms and Conditions of the Notes—Taxation; Additional Amounts").

The Notes constitute the direct, general, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* with all present or future unsecured and unsubordinated obligations and guarantees of the Issuer, subject to any applicable statutory exceptions.

Concurrently with the offering of the Notes, ArcelorMittal offered 140,882,634 common shares of ArcelorMittal (the "**Shares Offering**"). The offering of the Notes was not contingent upon consummation of the Shares Offering.

See "Risk Factors" for a discussion of certain risks that you should consider in connection with an investment in the Notes.

The Notes were offered to the public in the United States of America pursuant to a registration statement filed with the Securities and Exchange Commission (the "**SEC**"). In the European Union the Notes have been offered only to qualified investors by means of private placements in accordance with applicable regulations within the meaning of the Prospectus Directive (as defined below).

The delivery of the Notes to investors was made in book-entry form only through the facilities of the Depositary Trust Company on May 6, 2009.

Application has been made to the Luxembourg Stock Exchange for the Notes to be listed on the Official List of the Luxembourg Stock Exchange and to be admitted to trading on the Luxembourg Stock Exchange's regulated market. References in this Prospectus to the Notes being "listed" (and all related references) shall mean that the Notes have been "listed" on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange's regulated market. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (MiFID) 2004/39/EC.

This document constitutes a prospectus for purposes of Article 5(3) of Directive 2003/71/EC (together with any applicable implementing measures in any EU Member State, the "**Prospectus Directive**") and has been prepared in accordance with the Luxembourg law of July 10, 2005 relating to prospectuses for securities and the rules promulgated thereunder. This Prospectus has been filed with the Luxembourg *Commission de Surveillance du Secteur Financier* (the "**CSSF**") and was approved by the CSSF on June 16, 2009 for the sole purpose of listing the Notes on the Official List of the Luxembourg Stock Exchange.

ArcelorMittal shares are listed on the Official List of the Luxembourg Stock Exchange ("MT") and are admitted to trading on the Luxembourg Stock Exchange's regulated market. ArcelorMittal shares are also listed and traded (on a single order book as from January 14, 2009) on the NYSE Euronext European markets (Paris, Amsterdam and Brussels) ("MT"), as well as on the New York Stock Exchange ("NYSE") ("MT") and the stock exchanges of Madrid, Barcelona, Bilbao and Valencia ("MTS").

Prospectus dated June 16, 2009

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This Prospectus constitutes a prospectus for the purposes of the Prospectus Directive and for the purpose of providing information with regard to the Issuer and its subsidiaries taken as a whole (the "**Group**") and the Notes, which according to the particular nature of the Issuer and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer. The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer which has taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Prospectus is to be read in conjunction with all the documents that are incorporated herein by reference (see "Documents Incorporated by Reference").

This Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Underwriters (as defined in "Subscription and Sale" below) to subscribe or purchase, any of the Notes in any jurisdiction in which such an offer or invitation would be unlawful. The distribution of this Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Underwriters to inform themselves about and to observe any such restrictions. ArcelorMittal and the Underwriters disclaim all responsibility for any violation of such restrictions by any person.

For a description of further restrictions on offers and sales of Notes and distribution of this Prospectus, see "Subscription and Sale" below.

In making your investment decision, you should rely only on the information contained or incorporated by reference in this Prospectus. No person is authorized to give any information or to make any representation not contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of the Issuer or the Underwriters. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the Notes is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

No representation or warranty, expressed or implied, is made by the Underwriters as to the accuracy, completeness or sufficiency of the information set out or incorporated by reference in this Prospectus, and nothing set out or incorporated by reference in this Prospectus is, or shall be relied upon as, a promise, representation or warranty by the Underwriters.

This Prospectus has been prepared by the Issuer on the basis that any investor in the Notes is a person or entity having such knowledge and experience of financial matters as to be capable of evaluating the merits and risks of such purchase. You should not construe anything in this Prospectus as legal, business, tax or other advice. You should consult your own advisors as to legal, tax, business, financial and related aspects of an investment in the Notes. In making an investment decision regarding the Notes you must rely on your own examination of the Issuer and the Terms and Conditions of the Notes, and conduct such independent investigation and analysis regarding the Issuer and the Notes, as you deem appropriate.

In this Prospectus unless otherwise specified or the context otherwise requires, references to "€", "Euro" or "euro" are to the single currency of the participating member states of the European Union which was introduced on January 1, 1999, references to the "U.S." and to the "United States" are to the United States of America, and references to "$" or "U.S. Dollars" are to the lawful currency of the United States of America.

Forward-Looking Statements

This Prospectus contains forward-looking statements based on estimates and assumptions. Forward-looking statements include, among other things, statements concerning the business, future financial condition, results of operations and prospects of ArcelorMittal, including its subsidiaries. These statements usually contain the words "believes", "plans", "expects", "anticipates", "intends", "estimates" or other similar expressions. For each of these statements, you should be aware that forward-looking statements involve known and unknown risks and uncertainties. Although it is believed that the expectations reflected in these forward-looking statements are

reasonable, there is no assurance that the actual results or developments anticipated will be realized or, even if realized, that they will have the expected effects on the business, financial condition, results of operations or prospects of ArcelorMittal.

These forward-looking statements speak only as of the date on which the statements were made, and no obligation has been undertaken to publicly update or revise any forward-looking statements made in this Prospectus or elsewhere as a result of new information, future events or otherwise, except as required by applicable laws and regulations. In addition to other factors and matters contained or incorporated by reference in this Prospectus, it is believed that the factors set forth under “Risk Factors” herein could cause actual results to differ materially from those discussed in the forward-looking statements.

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Summary

This summary highlights certain aspects of ArcelorMittal's business and the Notes, but potential investors should read this entire Prospectus, including the financial statements and accompanying notes and other documents that are incorporated by reference, before making an investment decision. This summary should be read as an introduction to this Prospectus. Any decision to invest in the Notes should be based on this Prospectus as a whole. ***Prospective investors should also carefully consider the information set forth in this Prospectus under the heading "Risk Factors."*** *Under the relevant provisions of the Prospectus Directive, no civil liability attaches to the responsible persons in any such Member State solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus. Where a claim relating to the information contained in this Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating this Prospectus before the legal proceedings are initiated.*

Words and expressions defined in "Terms and Conditions of the Notes" below or elsewhere in this Prospectus shall have the same meanings in this summary.

Issuer	ArcelorMittal
Summary Description of Issuer	ArcelorMittal is the world's largest and most global steel producer. It results from the combination in 2006 of Mittal Steel and Arcelor, at the time respectively the world's largest and second largest steel companies by production volume. ArcelorMittal operates its business in six reportable operating segments: Flat Carbon Americas; Flat Carbon Europe; Long Carbon Americas and Europe; Asia, Africa and the Commonwealth of Independent States ("**CIS**"); Stainless Steel; and Steel Solutions and Services. ArcelorMittal's steel-making operations have a high degree of geographic diversification. Approximately 36% of its steel is produced in the Americas, approximately 49% is produced in Europe and approximately 15% is produced in other countries, such as Kazakhstan, South Africa and Ukraine. In addition, ArcelorMittal's sales are spread over both developed and developing markets, which have different consumption characteristics. As of March 31, 2009, ArcelorMittal had approximately 305,000 employees.

Summary Statements of Income Data

The following tables present selected consolidated audited financial information of ArcelorMittal and, where relevant, of its predecessor company Mittal Steel Company N.V., as of and for the years ended December 31, 2006, 2007 and 2008, prepared in accordance with International Financial Reporting Standards as adopted in the European Union ("**IFRS**").

	For the year ended December 31,		
	2006	**2007**	**2008**
	(Amounts in $ millions except per share data and percentages)		
Sales[1]	$58,870	$105,216	$124,936
Cost of sales (including depreciation and impairment)[2][3]	48,378	84,953	106,110
Selling, general and administrative	2,960	5,433	6,590
Operating income	7,532	14,830	12,236
Operating income as percentage of sales	12.8%	14.1%	9.8%
Other income-net	49	—	—
Income from investments in associates and joint ventures	301	985	1,653
Financing costs-net	(654)	(927)	(2,352)
Income before taxes	7,228	14,888	11,537
Net income (including minority interest)	6,106	11,850	10,439
Net income attributable to equity holders of the parent	5,247	10,368	9,399
Basic earnings per common share[4]	$5.31	$7.41	$6.80
Diluted earnings per common share[4]	$5.30	$7.40	$6.78
Dividends declared per share	$0.50	$1.30	$1.50
Basic weighted average common shares outstanding (millions)	988	1,399	1,383
Diluted weighted average common shares outstanding (millions)	990	1,401	1,386

Summary Balance Sheets Data

	As of December 31,		
	2006	**2007**	**2008**
	(Amounts in $ millions except share data)		
Cash and cash equivalents, including short-term investments and restricted cash	$6,146	$8,105	$7,587
Property, plant and equipment	54,573	61,994	60,755
Total assets	112,681	133,625	133,088
Short-term debt and current portion of long-term debt	4,922	8,542	8,409
Long-term debt, net of current portion	21,645	22,085	25,667

	As of December 31,		
	2006	2007	2008
	(Amounts in $ millions except share data)		
Net assets	50,228	61,535	59,230

Summary Other Data

	For the year ended December 31,		
	2006	2007	2008
	(Amounts in $ millions except volume data)		
Net cash provided by operating activities	$7,122	$16,532	$14,652
Net cash (used in) investing activities	(8,576)	(11,909)	(12,428)
Net cash provided by (used in) financing activities	5,445	(3,417)	(2,132)
Total production of crude steel (thousands of tonnes)	85,620	116,415	103,326
Total shipments of steel products (thousands of tonnes)(5)	78,950	109,724	101,691

Notes:

(1) Including $3,847 million, $4,767 million and $6,411 million of sales to related parties for the years ended December 31, 2006, 2007 and 2008, respectively.

(2) $1,740 million, $2,408 million and $2,391 million of purchases from related parties for the years ended December 31, 2006, 2007 and 2008, respectively.

(3) Including depreciation and impairment of $2,324 million, $4,570 million and $6,100 million for the years ended December 31, 2006, 2007 and 2008, respectively.

(4) Earnings per common share are computed by dividing net income attributable to equity holders of ArcelorMittal by the weighted average number of common shares outstanding during the periods presented

(5) Shipment volumes of steel products for the operations of the Issuer include certain inter-company shipments

Summary Statements of Income Data for the Three Months Ended March 31, 2009

The following tables present selected consolidated financial information of ArcelorMittal as of the end of the first quarter 2008 and 2009, prepared in accordance with IFRS.

	For the three months ended March 31,	
	2008	2009
	(in millions of U.S. dollars, except shares, per share, employee, iron ore production and shipment data)	
Sales	$29,809	$15,122
Depreciation	(1,129)	(1,118)
Impairment	(301)	-
Operating income (loss)	3,614	(1,483)
Operating margin %	*12.1%*	*(9.8)%*

Income (Loss) from equity method investments and other income	329	(153)
Net interest expense	(303)	(304)
Foreign exchange and other net financing (losses) gains	(191)	(265)
Revaluation of derivative instruments	(242)	(16)
Income (Loss) before taxes and minority interest	3,207	(2,221)
Income tax (expense) benefit	(596)	1,088
Income (Loss) before minority interest	2,611	(1,133)
Minority interest	(240)	70
Net income (loss)	$2,371	$ (1,063)
Basic earnings (loss) per common share	$1.69	$(0.78)
Diluted earnings (loss) per common share	1.68	(0.78)
Weighted average common shares outstanding (in millions)	1,407	1,366
Diluted weighted average common shares outstanding (in millions)	1,410	1,367

Summary Balance Sheets Data as of March 31, 2009

	As of March 31,	
	2008	**2009**
	(in millions of US dollars)	
ASSETS		
Current Assets		
Cash and cash equivalents and restricted cash	$7,244	$3,979
Trade accounts receivable – net	11,694	6,335
Inventories	23,213	19,917
Prepaid expenses and other current assets	6,252	4,014
Total Current Assets	48,403	34,245
Goodwill and intangible assets	15,984	15,754
Property, plant and equipment	63,948	58,470
Investments in affiliates and joint ventures and other assets	13,066	12,029
Total Assets	$141,401	$120,498
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Payable to banks and current portion of long-term debt	$9,537	$7,614
Trade accounts payable and others	15,879	8,371
Accrued expenses and other current liabilities	10,352	9,908
Total Current Liabilities	35,768	25,893
Long-term debt, net of current portion	25,119	23,076
Deferred tax liabilities	8,387	5,527
Other long-term liabilities	9,684	10,542
Total Liabilities	78,958	65,038
Total Shareholders' Equity	57,889	51,762
Minority Interest	4,554	3,698
Total Equity	62,443	55,460
Total Liabilities and Shareholders' Equity	$141,401	$120,498

Summary Statement of Cash Flows Data for the Three Months Ended March 31, 2009

	For the three months ended March 31,	
	2008	**2009**
	(Amounts in $ millions)	
Operating activities:		
Net income (loss)	$2,371	$(1,063)
Adjustments to reconcile net income (loss) to net cash provided by operations:		
Minority interests	240	(70)
Depreciation and impairment	1,430	1,118
Deferred income tax	(12)	(938)
Change in operating working capital	(1,231)	2,427
Other operating activities (net)	(816)	(1,145)
Net cash provided by operating activities	1,982	329
Investing activities:		
Purchase of property, plant and equipment	(975)	(850)
Other investing activities (net)	(1,408)	57
Net cash used in investing activities	(2,383)	(793)
Financing activities:		
Proceeds (payments) relating to payable to banks and long-term debt	2,312	(2,535)
Dividends paid	(661)	(345)
Share buy-back	(2,107)	-
Other financing activities (net)	17	(7)
Net cash (used in) financing activities	(439)	(2,887)
Net decrease in cash and cash equivalents	(840)	(3,351)
Effect of exchange rate changes on cash	168	(263)
Net decrease in cash and cash equivalents	$(672)	$(3,614)

Recent Developments and Trends

The sharp decline in global economic growth, combined with a significant fall in capital investment plans, led to a collapse in worldwide steel demand in the fourth quarter of 2008 and continuing difficult steel market conditions in the first quarter of 2009. ArcelorMittal reported net losses of $2.6 billion for the fourth quarter of 2008 and $1.1 billion for the first quarter of 2009. ArcelorMittal has implemented several initiatives in response to the deteriorating economic and steel market environment:

- Adapting its existing growth plan to reflect market conditions, including capital expenditure reductions,
- Continuing production cuts of in line with reduced demand,
- Targeting $5 billion in cost savings under its management gains plan, of which $2 billion are expected to be achieved in 2009,
- Implementing industrial optimization measures to temporarily reduce fixed costs, as well as various other measures to preserve liquidity and strong cash flow, and
- Targeting a $10 billion reduction in net debt from third quarter of 2008 levels by the end of 2009 in order to increase financial flexibility.

Summary Risk Factors

There are certain factors that may affect the Issuer's ability to fulfill its obligations under the Notes. These include the following risk factors related to the global economy and the steel industry:

- The downturn in the global economy that accelerated during the second half of 2008 has caused a sharp reduction in worldwide demand for steel, and a protracted global recession or a depression would have a material adverse effect on the steel industry and ArcelorMittal;
- A protracted fall in steel prices would have a material adverse effect on the results of ArcelorMittal, as could price volatility;
- Excess capacity, resulting in part from expanded production in China and other developing economies in recent years, may hamper the steel industry's recovery and prolong the downward cycle;
- Volatility in the prices of raw materials, energy and transportation, including mismatches between trends in prices for raw materials and steel, as well as limitations on or disruptions in the supply of raw materials, could adversely affect ArcelorMittal's profitability;
- Unfair practices in steel trade could negatively affect steel prices and reduce ArcelorMittal's profitability;
- National trade restrictions could reduce or eliminate ArcelorMittal's access to steel markets;
- Developments in the competitive environment in the steel industry could have an adverse effect on ArcelorMittal's competitive position and hence its business, financial condition, results of operations or prospects;
- Competition from other materials could significantly reduce market prices and demand for steel products and thereby reduce ArcelorMittal's cash flow and profitability;

- ArcelorMittal is subject to stringent environmental laws and regulations that give rise to significant costs and liabilities, including those arising from environmental remediation programs; and

- ArcelorMittal is subject to stringent health and safety laws and regulations that give rise to significant costs and liabilities.

There are also certain other factors related to the Issuer which include the following:

- ArcelorMittal has a substantial amount of indebtedness, which, along with adverse conditions prevailing in global credit markets, could make it more difficult or expensive to refinance its maturing debt, incur new debt and/or flexibly manage its business;

- ArcelorMittal results from a merger of two companies in 2006/2007 and has continued to grow through acquisitions subsequently. The failure to manage the Company's growth and integration could significantly harm ArcelorMittal's future results and require significant expenditures to address the operational and control requirements of this growth;

- Mr. Lakshmi N. Mittal has the ability to exercise significant influence over the outcome of shareholder voting;

- The loss or diminution of the services of the Chairman of the Board of Directors and Chief Executive Officer of ArcelorMittal could have a material adverse effect on its business and prospects;

- ArcelorMittal is a holding company that depends on the earnings and cash flows of its operating subsidiaries, which may not be sufficient to meet future operational needs or for shareholder distributions;

- Changes in assumptions underlying the carrying value of certain assets, including as a result of deteriorating market conditions, could result in impairment of such assets, including intangible assets such as goodwill;

- The significant capital expenditure and other commitments ArcelorMittal has made in connection with past acquisitions may limit its operational flexibility and add to its financing requirements;

- ArcelorMittal mining operations are subject to mining risks;

- Some of ArcelorMittal's subsidiaries benefited from state aid granted prior to, or in connection with, their respective privatizations, the granting of which is subject to transitional arrangements under the respective treaties concerning the accession of these countries to the European Union. Non-fulfillment or breach of the transitional arrangements and related rules may result in the recovery of aid granted pursuant to the transitional arrangements;

- Underfunding of pension and other post-retirement benefit plans at some of ArcelorMittal's operating subsidiaries, and the possible need to make substantial cash contributions to pension plans or to pay for healthcare, which may increase in the future, may reduce the cash available for ArcelorMittal's business;

- ArcelorMittal could experience labor disputes that could disrupt its operations and its relationships with its customers;

- ArcelorMittal is subject to economic policy risks and uncertainties in the countries in which it operates or proposes to operate. Any deterioration or disruption of the economic environment and business climate in those countries may have a material adverse effect on ArcelorMittal's business, financial condition, results of operations or prospects;

- ArcelorMittal is subject to political, social and legal uncertainties in some of the developing countries in which it operates or proposes to operate. Any disruption or volatility in the political, social or legal environment in those countries may have a material adverse effect on ArcelorMittal's business, financial condition, results of operations or prospects;

- ArcelorMittal may experience currency fluctuations and become subject to exchange controls that could adversely affect its business, financial condition, results of operations or prospects;

- Disruptions to ArcelorMittal's manufacturing processes could adversely affect ArcelorMittal's operations, customer service levels and financial results;
- Natural disasters could significantly damage ArcelorMittal's production facilities;
- ArcelorMittal's insurance policies provide limited coverage, potentially leaving it uninsured against some business risks;
- Product liability claims could adversely affect ArcelorMittal's operations;
- ArcelorMittal is subject to regulatory risk, and may incur liabilities arising from investigations by governmental authorities and litigation regarding its pricing and marketing practices or other antitrust matters;
- The income tax liability of ArcelorMittal may substantially increase if the tax laws and regulations in countries in which it operates change or become subject to adverse interpretations or inconsistent enforcement; and
- If ArcelorMittal were unable to utilize fully its deferred tax assets, its profitability could be reduced.

There are also risk factors that are material for the purpose of assessing the risks associated with the Notes, including the following:

- Although the Notes are referred to as "senior notes," the Notes are effectively subordinated to the rights of our existing and future secured creditors, and any liabilities of our subsidiaries;
- The Issuer's ability to make debt service payments depends on its ability to transfer income and dividends from its subsidiaries;
- The Issuer may not have the ability to repay the Notes;
- The Notes do not impose significant financial restrictions on the Issuer;
- The negative pledge clause does not prevent, in certain circumstances, the Issuer and its material subsidiaries from freely disposing of their assets or from freely granting security interests;
- A downgrade in ArcelorMittal's credit rating could adversely affect the trading price of the Notes;
- Luxembourg insolvency laws may adversely affect a recovery by holders of the Notes;
- An active market for the Notes may not develop;
- Recent developments in the convertible debt markets may adversely affect the market value of the Notes;
- The market price of the Notes could be significantly affected by the market price of ArcelorMittal's shares, which may fluctuate significantly;
- The market value of the Notes will depend on numerous factors;
- You may have to pay taxes if we adjust the Conversion Ratio of the Notes in certain circumstances, even though you would not receive any cash;
- Future sales of ArcelorMittal's shares in the public market or the issuance by ArcelorMittal of securities senior to ArcelorMittal's shares could adversely affect the trading price of ArcelorMittal's shares and the value of the Notes and ArcelorMittal's ability to raise funds in new share offerings;
- The adjustment to the Conversion Ratio in connection with a Make-Whole Event may not adequately compensate you for the lost option time value of your Notes as a result of such Make-Whole Event;
- Some significant restructuring transactions may not constitute an event that gives you the right to require us to repurchase the Notes;

- As a holder of Notes, you will not be entitled to any rights with respect to ArcelorMittal's shares, but you will be subject to all changes made with respect to ArcelorMittal's shares;
- The Conversion Ratio of the Notes will not be adjusted for all dilutive events that may occur;
- The right to convert the Notes may be suspended by ArcelorMittal under certain circumstances;
- The adjustment provided for cash dividends is unusual for convertible debt instruments offered in the United States;
- Conversion of the Notes may dilute the ownership interest of existing ArcelorMittal shareholders, including holders who have previously converted their Notes; and
- Changes in the value of the embedded derivatives in the Notes may increase the volatility of our earnings.

Summary of the Terms and Conditions of the Notes

Issuer..	ArcelorMittal
Securities Issued...	$800,000,000 principal amount of 5.00% Convertible Senior Notes due 2014
Issue Price...	100% of the principal amount of the Notes, plus accrued interest from May 6, 2009, if any
Maturity Date	May 15, 2014
Denomination	The Notes have been issued in minimum denominations of $1,000 and in any integral multiple of $1,000.
Interest	5.00% per annum on the principal amount, payable semi-annually in arrears on May 15 and November 15 of each year, commencing November 15, 2009
Ranking	The Notes constitute direct, general, unsubordinated and unsecured obligations of the Issuer, and rank equally amongst themselves and *pari passu* with all other unsecured and unsubordinated indebtedness and guarantees, both present and future, of the Issuer, subject to any applicable statutory exceptions. At March 31, 2009, on a pro forma basis after giving effect to this offering and the use of proceeds from this offering: • we would have had $27.8 billion of senior indebtedness on a consolidated basis, $0.56 billion of which is secured and would rank effectively senior to the Notes, to the extent of the value of the assets collateralizing such indebtedness; and • our subsidiaries would have had $6.76 billion of indebtedness, which would rank effectively senior to the Notes.
Negative Pledge	So long as any of the Notes remain outstanding, ArcelorMittal will not, and will not permit any Material Subsidiary (as defined under "Terms and Conditions of the Notes—Definitions") to,

	create or permit to subsist any Security (as defined under "Terms and Conditions of the Notes—Definitions") upon any of its Assets (as defined under "Terms and Conditions of the Notes—Definitions") or their respective Assets, as the case may be, present or future, to secure any Relevant Indebtedness (as defined under "Terms and Conditions of the Notes—Definitions") incurred or guaranteed by ArcelorMittal or by any such Material Subsidiary (whether before or after the issue of the Notes) other than a Permitted Security (see defined under "Terms and Conditions of the Notes—Definitions"), unless ArcelorMittal's obligations under the Notes are (i) equally and ratably secured so as to rank pari passu with such Relevant Indebtedness or the guarantee thereof or (ii) benefit from any other Security or arrangement as is approved by the holders of a majority in aggregate principal amount of the Notes of the affected series then outstanding.
Early Redemption at the Option of the Issuer	The Notes may not be redeemed by the Issuer prior to maturity.
Put Options for the Noteholders	Holders may require the Issuer to repurchase any or all of their Notes for a price equal to their principal amount plus accrued and unpaid interest to the repurchase date, upon the occurrence of a certain mergers, spin-offs, delisting and other transactions, a Free Float Event (as defined under "Terms and Conditions of the Notes—Noteholder right to Require an Early Repurchase by the Issuer—Free Float Event") or a Change of Control (as defined under "Terms and Conditions of the Notes—Noteholder right to Require an Early Repurchase by the Issuer—Change of Control").
Conversion Right	Noteholders have the right at any time prior to the end of the seventh Business Day preceding the Maturity Date to convert their Notes at the Conversion Ratio, into common shares of ArcelorMittal, the Cash Value (as defined below) of the shares, or a combination thereof. The Conversion Ratio is initially 33.1675 shares per $1,000 principal amount of Notes. As described in this Prospectus, the Conversion Ratio may be adjusted upon the occurrence of certain events, but will not be adjusted for accrued and unpaid interest. By delivering shares and/or cash due upon conversion we will satisfy our obligations with respect to the Notes subject to the conversion. Accordingly, upon conversion of a Note, accrued and unpaid interest will be deemed to be paid in full, rather than canceled, extinguished or forfeited. The Cash Value to be paid in lieu of any shares to be delivered upon conversion will be

	calculated based on the volume-weighted average price per share for the 15 consecutive Stock Exchange Trading Days following the date the Issuer notifies a holder of its election to deliver shares of ArcelorMittal common stock, the Cash Value of the shares, or any combination thereof, all as described under "Terms and Conditions of the Notes—Conversion—Exercise of the Conversion Right."
Events of Default...	If an event of default on the Notes occurs and is continuing, all principal and accrued and unpaid interest on the Notes will generally be subject to acceleration as described in "Terms and Conditions of the Notes—Events of Default." If the event of default relates to our failure to comply with the reporting obligations in the Indenture (as defined below), however, at our option the sole remedy for the first 180 days following such event of default shall be the right to receive an extension fee equal to 0.25% of the principal amount of the Notes. On the 181st day after such event of default (if such violation is not cured or waived prior to such 181st day), the Notes will be subject to acceleration; provided, however, that, at our option, the sole remedy for the next 180 days shall be the right to receive an additional extension fee on the Notes equal to 0.50% of the principal amount of the Notes. On the 361st day after such event of default (if such violation is not cured or waived prior to such 361st day), the Notes will be subject to acceleration as described herein. In the event we do not elect to pay the extension fee or the additional extension fee upon any such event of default, the Notes will be subject to acceleration as described herein. The Notes will become automatically due and payable in the case of certain types of bankruptcy or insolvency events of default involving us.
Source of Underlying Shares..	ArcelorMittal did not have at the time of the offering nor does it currently have standing corporate authorization to issue shares or sufficient shares in treasury to satisfy all its share delivery obligations upon conversion of the Notes, under the Shares Offering or upon conversion of its previously issued convertible bonds. Accordingly, Ispat International Investments, SL ("Ispat International") and ArcelorMittal entered into a share lending agreement, pursuant to which Ispat International agreed to make available for borrowing by ArcelorMittal, at any time and from time to time, ArcelorMittal's common shares up to, in the aggregate, a maximum amount of 98 million shares. See "Recent Developments—Share Lending Agreement". A resolution that would enable the issuance of new shares for the purposes described above was proposed for vote

	at the Extraordinary General Meeting ("EGM") of shareholders scheduled for May 12, 2009. Because attendance at such EGM represented less than 50% of the issued share capital, however, the EGM was inquorate on first call and did not deliberate on the proposed resolution. The Company has announced that it will reconvene an EGM at which there will be no quorum requirement on June 17, 2009. See "Recent Developments—Postponement of Extraordinary General Meeting."
Make-Whole Events	If certain transactions that constitute a "Make-Whole Event," which would include a Change of Control, Free Float Event or Public Offer, occur on or prior to the maturity date, under certain circumstances, we will increase the Conversion Ratio in connection with such transactions, as described under "Terms and Conditions of the Notes—Conversion—Financial Transactions."
Sinking Fund	None
Governing Law	The Notes and the Indenture will be governed by, and construed in accordance with, the laws of the State of New York. The provisions of Article 86 to 94-8 of the Luxembourg law concerning commercial companies of August 10, 1915, as amended (regarding representation of bondholders and bondholder meetings), will not apply to the Notes.
Indenture	The Notes have been issued under a base indenture dated as of May 6, 2009 between us and HSBC Bank USA, National Association, as Trustee, as supplemented by a supplemental indenture with respect to the Notes dated May 6, 2009 (the "**Indenture**"). Certain statements in the Terms and Conditions of the Notes are summaries of, and are subject to, the detailed provisions of the Indenture, copies of which are available to prospective investors in the Notes upon request.
Tax Considerations	Prospective investors should consult their tax advisers as to the Luxembourg, U.S. or other tax consequences of the ownership and disposition of the Notes and shares issuable upon conversion. See "Taxation"
Use of Proceeds	The net proceeds of the offering, after deduction of underwriting discounts and commissions and expenses, amount to approximately $790 million. ArcelorMittal intends to use the proceeds to lengthen its debt maturity profile and refinance existing indebtedness under various revolving credit facilities, with maturities ranging from 2010 until 2012. The debt to be refinanced currently bears interest at the rate of Libor/Euribor plus approximately 0.32%.

Form and Clearance and Settlement of the Notes	The Notes have been issued in fully registered book-entry form and will be represented by one or more permanent global notes without coupons. Global notes have been deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company ("**DTC**") in New York, New York. Beneficial interests in global notes will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its direct and indirect participants, and your interest in the global notes may not be exchanged for certificated Notes except in limited circumstances described in this prospectus. See "Terms and Conditions of the Notes—Global Notes: Book-Entry System" and "Clearance and Settlement".
Listing and Admission to Trading of the Notes	Application has been made to the Luxembourg Stock Exchange for the listing of the Notes on the Official List of the Luxembourg Stock Exchange and for the admission to trading on the Luxembourg Stock Exchange's regulated market. We do not intend to apply for listing of the Notes on any other securities exchange or for inclusion of the Notes in any automated quotation system.
CUSIP of the Notes..	03938L AK0
ISIN Code of the Notes..	US03938LAK08
ISIN Code of the Issuer's Shares...................................	LU0323134006
Concurrent Transaction..	Concurrently with the offering of the Notes, we offered 140,882,634 common shares registered with the SEC under the Securities Act of 1933 (the "**Securities Act**") in the Shares Offering. The Underwriters of the Notes acted as the underwriters for that offering. The offering of the Notes was not contingent on the consummation of the Shares Offering.
No Participation of the Significant Shareholder............	Mr. Lakshmi N. Mittal and his wife Mrs. Usha Mittal (collectively referred to herein as "the Significant shareholder") did not purchase Notes in the offering.
Dividends..	Subject to certain limitations set out by Luxembourg law and ArcelorMittal's Articles of Association, each ArcelorMittal share is entitled to participate equally in dividends when and if declared by the annual ordinary general meeting of shareholders out of funds legally available for such purposes. The Company's Articles of Association provide that the annual ordinary general meeting of shareholders may declare a dividend and the Board of Directors may declare interim dividends within the limits permitted by Luxembourg law.

	Considering the exceptional global economic conditions since September 2008, on February 10, 2009, the Company's Board of Directors recommended reducing the annual dividend in 2009 to $0.75 per share (with quarterly dividend payments of $0.1875), which was approved at the annual general meeting of shareholders on May 12, 2009. The first new quarterly dividend payment took place on March 16, 2009 (an interim dividend) and, subject to shareholder approval, quarterly dividends are scheduled to take place on this basis on June 15, 2009, September 14, 2009 and December 14, 2009.
Listing and Admission to Trading of Shares	The existing and the new shares of the Issuer issued as a result of the exercise of the Conversion Rights are or will be listed on all stock exchanges on which all other existing shares of the Issuer are then listed. ArcelorMittal shares are listed on the Official List of the Luxembourg Stock Exchange ("MT") and are admitted to trading on the Luxembourg Stock Exchange's regulated market. ArcelorMittal shares are also listed and traded (on a single order book as from January 14, 2009) on the NYSE Euronext European markets (Paris, Amsterdam and Brussels) ("MT"), as well as on the New York Stock Exchange ("NYSE") ("MT") and the stock exchanges of Madrid, Barcelona, Bilbao and Valencia ("MTS").
Selling Restrictions	There are restrictions on the sale of Notes and the distribution of this Prospectus in various jurisdictions. See "Subscription and Sale—Selling Restrictions".
Expenses of the Issue	The total amount of fees and expenses (including underwriting commissions) incurred in connection with the Notes issue is estimated at approximately $9.4 million.
Share Capital and Major Shareholders	As of May 12, 2009, the date of ArcelorMittal's annual general meeting of shareholders, the authorized share capital of ArcelorMittal consisted of 1,617,000,000 common shares, without nominal value. As of May 12, 2009, (i) 1,448,826,347 common shares, compared to 1,448,826,347 common shares as of each of December 31, 2008 and December 31, 2007, were issued, and (ii) 1,394,956,869 common shares, compared to 1,366,002,278 common shares as of December 31, 2008 and 1,421,570,646 common shares as of December 31, 2007, were outstanding, in each case *without* giving effect to the expected approval of the resolution described under "Recent Developments—Postponement of Extraordinary General Meeting of Shareholders" and the resulting issuance of new shares shares to return the shares borrowed under the share lending agreement. The following table sets forth

information as of May 12, 2009 with respect to the beneficial ownership of ArcelorMittal common shares by each person who is known to be the beneficial owner of more than 5% of the shares and all directors and senior management as a group, *after* giving effect to the expected approval of the resolution described under "Recent Developments—Postponement of Extraordinary General Meeting of Shareholders" and the resulting issuance of new shares to return the shares borrowed under the share lending agreement:

	ArcelorMittal Common Shares[1]	
	Number	*%*
Significant shareholder[2][6]	637,840,130	40.86
Treasury Shares[3] [7]	52,814,980	3.38
Other Public Shareholders	870,259,500	55.75
Total	1,560,914,610	100.00
Directors and Senior Management[4][5]	1,593,598	0.10

Notes:

(1) For purposes of this table, a person or group of persons is deemed to have beneficial ownership of any ArcelorMittal common shares as of May 12, 2009 if such person or group of persons has the right to acquire such shares within 60 days after May 12, 2009.

(2) Mr. Lakshmi N. Mittal and his wife, Mrs. Usha Mittal, have direct ownership of ArcelorMittal shares and indirect ownership of holding companies (including Ispat International, the lender under the above-referenced share lending agreement) that own ArcelorMittal shares.

(3) Represents ArcelorMittal common shares repurchased by ArcelorMittal pursuant to share repurchase programs, less shares corresponding to options that can be exercised within 60 days after May 12, 2009.

(4) Excludes shares beneficially owned by the Significant shareholder.

(5) These 1,593,598 ArcelorMittal common shares are included in shares owned by the public shareholders indicated above.

(6) The Significant shareholder purchased 14,088,263 shares in the Shares Offering; delivery of such shares was deferred until the earlier of (A) approval by an extraordinary general meeting of shareholders of ArcelorMittal of a resolution approving a share capital increase sufficient to allow the issuance of these shares by June 30, 2009 (in which case the shares delivered will be newly issued ArcelorMittal shares) or (B) June 30, 2009 (in which case the shares delivered will be shares held in treasury by the Company). To satisfy in part its obligation to deliver the rest of the shares in the Shares Offering, the Company borrowed 98 million shares under the share lending agreement entered into with Ispat International referred to in "Recent Developments—Share Lending Agreement". Neither Ispat International nor the Significant shareholder has any voting or disposition rights with respect to shares on loan under the agreement. For the purposes of this table, such borrowing is not deemed to affect the number of shares held by the Significant shareholder since it is assumed that the Company will issue to Ispat International upon termination of any such loan a number of newly-issued shares equivalent to the number of borrowed shares following approval at a reconvened Extraordinary General Meeting of Shareholders of the resolution described under "Recent Developments—Postponement of Extraordinary General Meeting of Shareholders".

(7) The Company satisfied its obligation to deliver shares in the Shares Offering (other than the 14,088,263 shares purchased by the Significant shareholder that are subject to deferred delivery as noted above) using 28,794,371 treasury shares and 98,000,000 shares borrowed under the share lending agreement referred to in "Recent Developments—Share Lending Agreement."

Impact of Conversion of the Notes .... The impact of the conversion of the Notes into new shares of the Issuer on the shareholding of a shareholder holding 1% of the Issuer's share capital prior to the issue (after giving effect to the concurrent Shares Offering) would be as set forth in the table below:

	Shareholding Percentage	
	Non-diluted basis	Diluted basis [(1)]
Prior to the issue of the Notes [(2)]	1.000%	0.957%
After issue and conversion of all the Notes	0.981%	0.939%

(1) Dilutive instruments are share subscription options granted by the Issuer that have not yet been exercised.

(2) Percentages calculated assuming full conversion of the Issuer's €1.25 billion 7.25% bonds convertible into and/or exchangeable for new or existing ArcelorMittal shares due April 1, 2014.

Trustee	**HSBC Bank USA, National Association** 10 East 40th Street, 14th floor, New York, NY 10016, United States Attn: Corporate Loan and Agency Group.
Sole Global Coordinator and Bookrunner	**Goldman, Sachs & Co.** Peterborough Court 133 Fleet Street London EC4A 2BB United Kingdom
Bookrunners	**CALYON** 9 quai du Président Paul Doumer 92920 Paris La Défense Cedex France **Société Générale Corporate & Investment Banking** 29 boulevard Haussmann 75009 Paris France
Joint Bookrunner	**Morgan Stanley & Co. International PLC** 25 Cabot Square, Canary Wharf London E14 4QA United Kingdom
Co-Bookrunners	**BNP Paribas** 16, boulevard des Italiens 75009 Paris France **ABN AMRO Bank N.V., London Branch** 250 Bishopsgate London EC2M 4AA United Kingdom **HSBC Bank plc** 8 Canada Square London E14 5HQ United Kingdom **Citi Global Markets Limited** Citigroup Centre Canada Square, Canary Wharf London E14 5LB United Kingdom **J.P. Morgan Securities Ltd.** 10 Aldermanbury London EC2V 7RF United Kingdom

Auditors of ArcelorMittal	**Deloitte S.A.** 560, rue de Neudorf L-2220 Luxembourg Grand Duchy of Luxembourg
Listing Agent...	**BNP Paribas Securities Services, Luxembourg Branch** Global Corporate Trust Debt Products 33, rue de Gasperich, L-2085 Luxembourg Grand Duchy of Luxembourg
Documents Available for Inspection	Copies of this Prospectus will be made available to prospective investors in the Notes upon request and at www.arcelormittal.com under "Investors & Shareholders—Bonds and Credit Relations—Summary of Outstanding Bonds". The full text of ArcelorMittal's Articles of Association is available at ArcelorMittal's headquarters in Luxembourg and at www.arcelormittal.com under "Investors & Shareholders—Corporate Governance". Copies of the Indenture are available upon request from the Listing Agent and on the SEC's website at: http://www.sec.gov/Archives/edgar/data/1243429/000119312509102999/0001193125-09-102999-index.idea.htm.
Board of Directors...	Information regarding the Board of Directors following May 12, 2009, the date of ArcelorMittal's annual general meeting of shareholders is set forth under "Recent Developments—Annual General Meeting of Shareholders"

Risk Factors

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Notes are also described below. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision. Terms defined in the relevant "Terms and Conditions of the Notes" below shall have the same meaning where used below.

Risks Related to the Global Economy and the Steel Industry

The downturn in the global economy that accelerated during the second half of 2008 has caused a sharp reduction in worldwide demand for steel, and a protracted global recession or a depression would have a material adverse effect on the steel industry and ArcelorMittal

ArcelorMittal's activities and results are affected by international, national and regional economic conditions. Starting in September 2008, a steep downturn in the global economy, sparked by uncertainty in credit markets and deteriorating consumer confidence, has sharply reduced demand for steel products. This has had, and continues to have, a pronounced negative effect on ArcelorMittal's business and results of operations.

If global macroeconomic conditions continue to deteriorate, the outlook of steel producers will worsen further. In particular, a significant and prolonged recession or depression in the United States and Europe, or significantly slower growth or the spread of recessionary conditions to emerging economies that are substantial consumers of steel (such as China, Brazil, Russia and India, as well as emerging Asian markets, the Middle East and the CIS regions) would exact a heavy toll on the steel industry. Continued financial weakness among substantial consumers of steel products, such as the automotive industry (to which ArcelorMittal shipped approximately 15.2 million tonnes of steel in 2008) and the construction industry, or the bankruptcy of any large companies in such industries, would exacerbate the negative trend in market conditions. Despite ArcelorMittal's size and global breadth, protracted declines in steel consumption caused by poor economic conditions in one or more of its major markets or by the deterioration of the financial condition of its key customers would have a material adverse effect on demand for its products and hence on its results.

The Issuer has announced and is implementing a variety of measures in response to the market downturn and the worldwide collapse in demand for steel products. These include: postponing target completion dates for the realization of previously announced shipment growth objectives; implementing a series of cost-reduction and productivity improvement measures in view of achieving $5 billion in cost savings over the next five years; implementing temporary cuts in steel production of up to 40-45% globally in order to seek to accelerate inventory reduction; and targeting a $10 billion reduction in "net debt" (i.e., long-term debt net of current portion plus payables to banks and current portion of long-term debt, less cash and cash equivalents, restricted cash and short-term investments) by the end of 2009. These initiatives may not prove sufficient, in terms of cost-reduction or in realigning ArcelorMittal's production levels with reduced demand, to maintain ArcelorMittal's profitability going forward.

A protracted fall in steel prices would have a material adverse effect on the results of ArcelorMittal, as could price volatility

Steel prices are volatile and the global steel industry has historically been cyclical. After rising during 2007 and through the summer of 2008, steel prices in global markets fell sharply beginning in the late summer of 2008 as a result of collapsing demand and the resulting excess supply in the industry. The fall in prices during this period adversely affected the results of steel producers generally, including ArcelorMittal, as a result of lower revenues and write-downs of finished steel products and raw material inventories.

Steel prices are sensitive to trends in cyclical industries, such as the automotive, construction, appliance, machinery, equipment and transportation industries, which are the significant markets for ArcelorMittal's products. In the past, substantial price decreases during periods of economic weakness have not always been offset by commensurate price increases during periods of economic strength. Although prices are expected to stabilize at some point, the timing and extent of price recovery or return to prior levels cannot be predicted. An

eventual rebound in steel prices will likely depend on a broad recovery from the current global economic downturn, although the length and nature of business cycles affecting the steel industry have historically been unpredictable. If the downturn in steel prices were to be protracted, this would materially and adversely affect ArcelorMittal's revenues and profitability including through possible further write-downs of steel product and raw materials inventories.

Excess capacity, resulting in part from expanded production in China and other developing economies in recent years, may hamper the steel industry's recovery and prolong the downward cycle

In addition to economic conditions and prices, the steel industry is affected by other factors such as worldwide production capacity and fluctuations in steel imports/exports and tariffs. Historically, the steel industry has suffered from substantial over-capacity, and it is possible in the context of the current downturn that global production levels will fail to adjust fully to rapidly falling demand or that production increases will outstrip demand increases in the early stages of recovery, resulting in an extended period of depressed prices and industry weakness.

ArcelorMittal has already made significant production cuts in response to the current economic crisis, as have other steel producers. ArcelorMittal also expects that consolidation in the steel sector in recent years should, as a general matter, help producers to maintain more consistent performance through the down cycle by preventing fewer duplicate investments and increasing producers' efficiency, economies of scale and bargaining power with customers and suppliers. In the context of a severe and/or protracted economic downturn, however, the chronic overcapacity that plagued the industry during the period from 1973 to 2000 may re-emerge.

As demand for steel has surged in China, India and other emerging markets, steel production capacity in these markets has also surged, and China is now the largest worldwide steel producing country by a significant margin. In 2006, China became a net exporter of steel, exerting downward pressure on steel prices in the European and U.S. markets in that year, though its exports then slowed in 2007. In the second half of 2008, capacity expansion in the Chinese mills slowed and capacity utilization rates declined, resulting in decreased exports. In the future, however, any significant excess capacity in China and increased exports by Chinese steel companies would weigh on steel prices in many markets.

Volatility in the prices of raw materials, energy and transportation, including mismatches between trends in prices for raw materials and steel, as well as limitations on or disruptions in the supply of raw materials, could adversely affect ArcelorMittal's profitability

Steel production requires substantial amounts of raw materials and energy, including iron ore, coking coal and coke, scrap, electricity and natural gas. In recent years, and particularly in 2006, 2007, and through the first half of 2008, there was a sharp rise in the prices of a number of commodities essential for the process of steel-making. In particular, the annual benchmark price of iron ore rose 65% in 2008 due, among other things, to the dynamics of supply (concentration in the mining industry) and demand (including the surge in Chinese demand). Spot prices of iron ore have decreased sharply as a result of the global economic downturn and lower steel demand, and at year-end 2008 were 57% lower than they were in June 2008. The prices of coking coal, zinc and nickel, as well as scrap, have also decreased substantially during the last few months.

The availability and prices of raw materials may be negatively affected by, among other factors, new laws or regulations; suppliers' allocations to other purchasers; business continuity of suppliers; interruptions in production by suppliers; accidents or other similar events at suppliers' premises or along the supply chain; wars, natural disasters and other similar events; changes in exchange rates; consolidation in steel-related industries; the bargaining power of raw material suppliers; worldwide price fluctuations; and the availability and cost of transportation. The raw materials industry is highly concentrated and producers possessed substantial pricing power during the recent periods of high demand. Although ArcelorMittal has substantial captive sources of iron ore and coal from its own mines and has new mines under development, it also obtains a substantial portion of its raw materials requirements under long-term supply contracts (including with Brazilian mining company Companhia Vale do Rio Doce, now known as Vale). Any prolonged interruption in the supply of raw materials or energy, or substantial volatility in their costs that steel companies are not able to pass on to customers, could adversely affect the business, financial condition, results of operations or prospects of ArcelorMittal and other steel companies.

In addition, energy costs, including the cost of electricity and natural gas, make up a substantial portion of the cost of goods sold by steel companies. The price of energy has varied significantly in the past several years and may vary significantly in the future largely as a result of market conditions and other factors beyond the control

of steel companies, including significant volatility in oil prices. Because the production of direct reduced iron and the re-heating of steel involve the use of significant amounts of natural gas, steel companies are sensitive to the price of natural gas and dependent on having access to reliable supplies.

Although the prices of raw materials have recently dropped along with the price of steel, and these prices are as a general matter highly correlated, there can be no guarantee that they will continue to move in tandem. In addition, ArcelorMittal sources a substantial portion of its raw materials through contracts with prices fixed annually, creating the risk of adverse differentials between its own production cost and steel price trends, such as that which occurred in late 2008 leading to a margin squeeze as well as provisions for certain raw material supply contracts. Moreover, if raw materials and energy prices rise significantly (whether due to scarcity of supply or other reasons) but prices for steel do not increase commensurately, it would have a negative effect on ArcelorMittal's business, financial condition and results of operations or prospects.

Unfair practices in steel trade could negatively affect steel prices and reduce ArcelorMittal's profitability

ArcelorMittal is exposed to the effects of "dumping" and other unfair trade and pricing practices by competitors. Moreover, government subsidization of the steel industry remains widespread in certain countries, particularly those with centrally-controlled economies. As a consequence of the current global financial crisis, there is a risk of increased unfairly-traded steel imports into North America, Europe, and other markets in which ArcelorMittal produces and sells its products. Such imports could have the effect of reducing prices and demand for ArcelorMittal products.

National trade restrictions could reduce or eliminate ArcelorMittal's access to steel markets

ArcelorMittal has international operations and makes sales throughout the world and therefore its businesses have significant exposure to the effects of trade actions and barriers. Various countries have in the past instituted, or are currently contemplating the institution of, trade actions and barriers. ArcelorMittal cannot predict the timing and nature of similar or other trade actions. Because of the international nature of ArcelorMittal's operations, it may be affected by any trade actions or restrictions introduced by any country in which it sells, or has the potential to sell, its products. Any such trade actions could materially and adversely affect ArcelorMittal's business by reducing or eliminating ArcelorMittal's access to steel markets.

Developments in the competitive environment in the steel industry could have an adverse effect on ArcelorMittal's competitive position and hence its business, financial condition, results of operations or prospects

The markets in which steel companies operate are highly competitive. Competition, whether from established market participants or new entrants such as exporters of excess capacity from markets such as China, could cause ArcelorMittal to lose market share, increase expenditures or reduce pricing, any one of which could have a material adverse effect on its business, financial condition, results of operations or prospects.

Competition from other materials could significantly reduce market prices and demand for steel products and thereby reduce ArcelorMittal's cash flow and profitability

In many applications, steel competes with other materials that may be used as steel substitutes, such as aluminum (particularly in the automobile industry), cement, composites, glass, plastic and wood. Additional substitutes for steel products could significantly reduce market prices and demand for steel products and thereby reduce ArcelorMittal's cash flow and profitability.

ArcelorMittal is subject to stringent environmental laws and regulations that give rise to significant costs and liabilities, including those arising from environmental remediation programs

ArcelorMittal is subject to a broad range of environmental laws and regulations in each of the jurisdictions in which it operates. These laws and regulations, as interpreted by relevant agencies and the courts, impose increasingly stringent environmental protection standards regarding, among other things, air emissions, wastewater storage, treatment and discharges, the use and handling of hazardous or toxic materials, waste disposal practices, and the remediation of environmental contamination. The costs of complying with, and the imposition of liabilities pursuant to, environmental laws and regulations could be significant. Failure to comply could result in the assessment of civil and criminal penalties, the suspension of permits, requirements to curtail or suspend operations, and lawsuits by third parties. Despite ArcelorMittal's efforts to comply with environmental laws and regulations, there remains a risk that environmental incidents or accidents may occur that may negatively affect its reputation or the operations of the relevant facility.

Compliance with environmental obligations may require additional capital expenditures or modifications in operating practices. For example, U.S. laws and regulations and EU Directives, as well as any new or additional environmental compliance requirements that may arise out of the implementation by different countries of the Kyoto Protocol (United Nations Framework on Climate Change, 1992) and future, more stringent greenhouse gas restrictions and emissions trading schemes, may require changes to the operations of steel facilities, further reductions in emissions and the purchase of emission rights.

ArcelorMittal also incurs costs and liabilities associated with the assessment and remediation of contaminated sites. In addition to the impact on current facilities and operations, environmental remediation obligations can give rise to substantial liabilities with respect to divested assets and past activities. This may also be the case for acquisitions when liabilities for past acts or omissions are not adequately reflected in the terms and price of acquisition. ArcelorMittal could become subject to further remediation obligations in the future, as additional contamination is discovered or cleanup standards become more stringent.

Costs and liabilities associated with mining activities include those resulting from tailings and sludge disposal, effluent management, and rehabilitation of land disturbed during mining processes. ArcelorMittal could become subject to unidentified liabilities in the future, such as those relating to uncontrolled tailings breaches or other future events or to underestimated emissions of polluting substances.

ArcelorMittal operations may be located in areas where communities may regard its activities as having a detrimental effect on their natural environment and conditions of life. Any actions taken by such communities in response to such concerns could compromise ArcelorMittal's profitability or, in extreme cases, the viability of an operation or the development of new activities in the relevant region or country.

ArcelorMittal is subject to stringent health and safety laws and regulations that give rise to significant costs and liabilities

ArcelorMittal is subject to a broad range of health and safety laws and regulations in each of the jurisdictions in which it operates. These laws and regulations, as interpreted by relevant agencies and the courts, impose increasingly stringent health and safety protection standards regarding, among other things, employee health and safety. The costs of complying with, and the imposition of liabilities pursuant to, health and safety laws and regulations could be significant, and failure to comply could result in the assessment of civil and criminal penalties, the suspension of permits or operations, and lawsuits by third parties. Such failure to comply could also result in penalties resulting in the loss of key management, which may have a negative impact on ArcelorMittal's business.

Despite ArcelorMittal's efforts to comply with health and safety laws and regulations, there remains a risk that health and safety accidents may occur that may result in costs and liabilities and negatively impact ArcelorMittal's reputation or the operations of the affected facility. Such incidents could include explosions or gas leaks, fires or collapses in underground mining operations, vehicular accidents, or other incidents involving mobile equipment. Such incidents could lead to production stoppages, loss of key personnel, the loss of key assets, or put employees or persons living in the surroundings of sites or mines at risk.

ArcelorMittal may continue to be exposed to increased operational costs due to the costs and lost time associated with the HIV/AIDS and malaria infection rates within our workforce in Africa and other regions. Because ArcelorMittal operates globally, ArcelorMittal may be affected by potential avian flu outbreaks in any of the regions in which it operates.

Under certain circumstances, authorities could require ArcelorMittal facilities to curtail or suspend operations based on health and safety concerns. For example, following accidents in 2006 and 2007 that resulted in numerous fatalities, the Kazakh government threatened to revoke the operating license of ArcelorMittal Temirtau unless certain additional safety measures are implemented at its facilities. ArcelorMittal is working on improvements agreed upon with the Kazakh government that are not yet completed; therefore the threat to revoke the operating license of ArcelorMittal Temirtau still exists.

Risks Related to ArcelorMittal

ArcelorMittal has a substantial amount of indebtedness, which, along with adverse conditions prevailing in global credit markets, could make it more difficult or expensive to refinance its maturing debt, incur new debt and/or flexibly manage its business

As of March 31, 2009, ArcelorMittal had total debt outstanding of $30.7 billion, consisting of $7.6 billion of short-term indebtedness (including payables to banks and the current portion of long-term debt) and $23.1 billion of long-term indebtedness. As of March 31, 2009, ArcelorMittal had $4.0 billion of cash and cash equivalents, including short-term investments and restricted cash, and $7.6 billion available to be drawn under existing credit facilities. As of March 31, 2009, substantial amounts of indebtedness were scheduled to mature in the remainder of 2009 ($7.3 billion), 2010 ($5.4 billion), 2011 ($3.8 billion) and 2012 ($8.2 billion). Since March 31 2009, ArcelorMittal has refinanced approximately $7.8 billion of indebtedness through several capital markets transactions, including: an offering that closed on April 1st of €1.25 billion (approximately $1.6 billion) of 2014 7.25% bonds convertible into and/or exchangeable for new or existing ArcelorMittal shares (OCEANE); an offering that closed on May 6th of 140,882,634 common shares for $3.2 billion and of 2014 5% convertible notes for $800 million; and an offering that closed on May 20th of two series of U.S. dollar-denominated notes (9% Notes due 2015 and 9.85% Notes due 2019) for an approximate amount of $2.2 billion.

In response to the downturn in the global steel market and difficult credit market conditions, ArcelorMittal announced at the end of the third quarter of 2008 a target to reduce "net debt" (i.e., long-term debt net of current portion plus payables to banks and current portion of long-term debt, less cash and cash equivalents, restricted cash and short-term investments) by $10 billion by the end of 2009. While ArcelorMittal achieved $5.8 billion of this reduction in the fourth quarter of 2008 and first quarter of 2009 (of which a substantial portion resulted from the unwinding of a hedging transaction and gains on an asset disposal), there can be no assurance that it will attain the full amount of the targeted reduction. If the steel market deteriorates further, consequently reducing operating cash flows, ArcelorMittal may come under liquidity pressure, depending in particular on conditions in the credit markets. Credit default swaps on ArcelorMittal debt, although illiquid and driven by technical or speculative factors, have traded at elevated spreads since the fall of 2008, although easing somewhat since early 2009. ArcelorMittal could, in order to increase financial flexibility during a period of reduced availability of credit, implement capital raising measures such as an equity offering or asset disposals, which could in turn create a risk of diluting existing shareholders, receiving relatively low proceeds and/or causing substantial accounting losses (particularly if done in difficult market conditions).

ArcelorMittal's principal financing facilities-that is, the $3.2 billion term and revolving credit facility, which was amended on February 6, 2007 and on March 14, 2008 (the "2005 Credit Facility"), the $800 million committed multi-currency letter of credit facility (the "Letter of Credit Facility"), the €17 billion (approximately $25 billion) term and revolving credit facility entered into on November 30, 2006 (the "€17 Billion Facility") and the $4 billion revolving credit facility entered into on May 13, 2008, which was amended on October 23, 2008 (the "$4 Billion Facility")-contain restrictive covenants. Among other things, these covenants limit encumbrances on the assets of ArcelorMittal and its subsidiaries, the ability of ArcelorMittal's subsidiaries to incur debt and ArcelorMittal's ability to dispose of assets in certain circumstances. These facilities also include financial covenants: a leverage ratio (that must not exceed 3.5 to 1) in the 2005 Credit Facility, the €17 Billion Facility and the $4 Billion Facility; and an interest coverage ratio (that must be greater than 4 to 1) in the Letter of Credit Facility. Failure to comply with these covenants would enable the lenders to accelerate ArcelorMittal's repayment obligations. Moreover, ArcelorMittal's debt facilities and its guarantees have provisions whereby certain events relating to other borrowers within the ArcelorMittal group could, under certain circumstances, lead to acceleration of debt repayment under other ArcelorMittal credit facilities. Any possible invocation of these cross-acceleration clauses could cause some or all of the other guaranteed debt to accelerate, exacerbating liquidity pressures. At March 31, 2009, ArcelorMittal's leverage ratio was approximately 1.3 to 1. Limitations arising from these restrictive and financial covenants in its credit facilities could limit ArcelorMittal's operating and financial flexibility, including to distribute dividends, make capital expenditures or engage in strategic acquisitions or investments in accordance with current or future policies.

ArcelorMittal's high level of debt outstanding could have adverse consequences more generally, including by impairing its ability to obtain additional financing for working capital, capital expenditures, acquisitions, general corporate purposes or other purposes, and limiting its flexibility to adjust to changing market conditions or withstand competitive pressures, resulting in greater vulnerability to a downturn in general economic conditions.

Furthermore, most of ArcelorMittal's current borrowings are at variable rates of interest and thereby expose ArcelorMittal to interest rate risk (i.e., if interest rates rise, ArcelorMittal's debt service obligations on its variable rate indebtedness would increase). Depending on market conditions, ArcelorMittal may use interest-rate

swaps or other financial instruments to hedge a portion of its interest rate exposure either from fixed to floating or floating to fixed. As of December 31, 2008, approximately 21% (18% after taking swaps into account) of ArcelorMittal's outstanding indebtedness was at fixed rates of interest.

ArcelorMittal's long-term corporate credit rating is currently BBB according to Standard & Poor's Ratings Services, BBB according to Fitch Ratings and Baa3 according to Moody's Investor Services. On May 20, 2009, Fitch Ratings and Moody's each lowered its rating for ArcelorMittal by one notch (from BBB+ to BBB, and Baa2 to Baa3, respectively) and assigned a stable outlook, each after having announced several weeks earlier that ArcelorMittal's ratings were under review for a possible downgrade. On June 5, 2009, Standard & Poor's lowered its rating for ArcelorMittal from BBB+ to BBB and assigned a negative outlook, subject to continuing review in light of the very difficult economic climate. The ratings agencies could, at any time, downgrade ArcelorMittal's ratings further either due to factors specific to ArcelorMittal, a prolonged cyclical downturn in the steel industry, or ongoing difficult conditions in the credit markets. Any decline in ArcelorMittal's credit rating would increase its cost of borrowing and could significantly harm its financial condition, results of operations and profitability, including its ability to refinance its existing indebtedness.

ArcelorMittal results from a merger of two companies in 2006/2007 and has continued to grow through acquisitions subsequently. The failure to manage the Company's growth and integration could significantly harm ArcelorMittal's future results and require significant expenditures to address the operational and control requirements of this growth

ArcelorMittal results from Mittal Steel's acquisition of Arcelor, a company of approximately equivalent size, in August 2006 and the subsequent merger of the two companies in 2007. Since the completion of these transactions, the combined company has reached significant milestones in its operational integration process, having consolidated support functions, optimized its supply chain and procurement structure, and leveraged research and development services across a larger base, thereby achieving cost savings and revenue synergies, as well as other benefits.

The combined company has continued, as did its predecessor companies, to make numerous and substantial acquisitions and investments, with transactions of approximately $9.7 billion (including cash purchase price, assumed net debt and shares issued at fair market value) completed in 2008. Such growth has entailed significant investment and increased operating costs and has required greater allocation of management resources away from daily operations. In addition, managing this growth has required, among other things, the continued development of ArcelorMittal's financial and management information control systems, the integration of acquired assets with existing operations and the adoption of manufacturing best practices, attracting and retaining qualified management and personnel as well as the continued training and supervision of such personnel, and the ability to manage the risks and liabilities associated with the acquired businesses. Failure to manage such growth, while at the same time maintaining adequate focus on the existing assets of ArcelorMittal-especially in the context of the current difficult economic environment-could have a material adverse effect on ArcelorMittal's business, financial condition, results of operations or prospects. In particular, if the continued integration of recent acquisitions is not successful, ArcelorMittal's operating results may be harmed, it may lose key personnel and key customers, and it may not be able to retain or expand its market position.

Mr. Lakshmi N. Mittal has the ability to exercise significant influence over the outcome of shareholder voting

As of May 12, 2009 and after giving effect to the expected approval of the resolution described under "Recent Developments—Postponement of Extraordinary General Meeting of Shareholders" and the resulting issuance of new shares to return the shares borrowed from Ispat International under the share lending agreement, Mr. Lakshmi N. Mittal, along with his wife, Mrs. Usha Mittal, beneficially own 637,840,130 of ArcelorMittal's outstanding common shares, representing approximately 42.3% of ArcelorMittal's outstanding voting shares. Consequently, Mr. Lakshmi N. Mittal has the ability to influence significantly the decisions adopted at the ArcelorMittal general meetings of shareholders, including matters involving mergers or other business combinations, the acquisition or disposition of assets, issuances of equity and the incurrence of indebtedness. Mr. Lakshmi N. Mittal also has the ability to significantly influence a change of control of ArcelorMittal.

The loss or diminution of the services of the Chairman of the Board of Directors and Chief Executive Officer of ArcelorMittal could have a material adverse effect on its business and prospects

The Chairman of the Board of Directors and Chief Executive Officer of ArcelorMittal, Mr. Lakshmi N. Mittal, has for over a quarter of a century contributed significantly to shaping and implementing the business strategy of Mittal Steel and subsequently ArcelorMittal. His strategic vision was instrumental in the creation of the world's largest and most global steel group. The loss or any diminution of the services of the Chairman of the Board of Directors and Chief Executive Officer could have a material adverse effect on ArcelorMittal's business and prospects. ArcelorMittal does not maintain key man life insurance on its Chairman of the Board of Directors and Chief Executive Officer.

ArcelorMittal is a holding company that depends on the earnings and cash flows of its operating subsidiaries, which may not be sufficient to meet future operational needs or for shareholder distributions

Because ArcelorMittal is a holding company, it is dependent on the earnings and cash flows of, and dividends and distributions from, its operating subsidiaries to pay expenses, meet its debt service obligations, pay any cash dividends or distributions on its common shares or conduct share buy-backs. Some of these operating subsidiaries have debt outstanding or are subject to acquisition agreements that impose restrictions or prohibitions on such operating subsidiaries' ability to pay dividends. Under the laws of Luxembourg, ArcelorMittal will be able to pay dividends or distributions only to the extent that it is entitled to receive cash dividend distributions from its subsidiaries, recognize gains from the sale of its assets or record share premium from the issuance of shares.

If earnings and cashflows of its operating subsidiaries are substantially reduced, ArcelorMittal may not be in a position to meet its operational needs or to make shareholder distributions in line with announced proposals or at all.

Changes in assumptions underlying the carrying value of certain assets, including as a result of deteriorating market conditions, could result in impairment of such assets, including intangible assets such as goodwill

At each reporting date, ArcelorMittal reviews the carrying amounts of its tangible and intangible assets (excluding goodwill, which is reviewed at least annually) to determine whether there is any indication that the carrying amount of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the amount of the impairment, if any. The recoverable amount is the higher of its net selling price (fair value reduced by selling costs) and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, an impairment loss is recognized. An impairment loss is recognized as an expense immediately as part of operating income in the statement of income.

Goodwill represents the excess of the amounts ArcelorMittal paid to acquire subsidiaries and other businesses over the fair value of their net assets at the date of acquisition. Goodwill is reviewed for impairment annually at the cash generating unit level or whenever changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts of the cash generating units are determined from value in use calculations, which depend on certain key assumptions. These include assumptions regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates using pre-tax rates that reflect current market rates for investments of similar risk. The growth rates are based on the Issuer's growth forecasts which are in line with industry trends. Changes in selling prices and direct costs are based on historical experience and expectations of future changes in the market.

If management's estimates change, the estimate of the fair value of goodwill could fall significantly and result in impairment. While impairment of goodwill does not affect reported cash flows, it does result in a non-cash charge in the consolidated income statement, which could have a material adverse effect on our results of operations or financial position. Based on its impairment review during 2008, the Issuer recorded $131 million of impairment of goodwill and a $429 million reduction of goodwill. At December 31, 2008 and March 31, 2008, respectively, the Issuer had $16.1 billion and $15.9 billion of goodwill and other intangibles.

The Issuer also analyses at each reporting date the recoverable amount of its manufacturing property, plant and equipment based on its value in use, and records an expense to the extent that the recoverable amount is less

than the carrying amount. For the year ended December 31, 2008, the Issuer recorded impairment losses of $499 million in this respect, while for the quarter ended March 31, 2009 no such losses were recorded.

No assurance can be given as to the absence of significant further impairment charges in future periods, particularly if market conditions deteriorate further.

The significant capital expenditure and other commitments ArcelorMittal has made in connection with past acquisitions may limit its operational flexibility and add to its financing requirements

In connection with the acquisition of some of its operating subsidiaries, ArcelorMittal made significant capital expenditure commitments and other commitments under privatization and other major contracts. ArcelorMittal expects to fund these capital expenditure commitments and other commitments primarily through internal sources, but ArcelorMittal can make no assurances that it will be able to generate or obtain sufficient funds to meet these requirements or to complete these projects on a timely basis or at all. In addition, completion of these projects may be affected by factors that are beyond the control of ArcelorMittal.

ArcelorMittal has also made commitments relating to employees at some of its operating subsidiaries. It has agreed, in connection with the acquisition of interests in these subsidiaries, including the acquisition of Arcelor, that it will not make collective dismissals for certain periods. These periods generally extend for several years following the date of acquisition. The inability to make such dismissals may affect ArcelorMittal's ability to co-ordinate its workforce and efficiently manage its business in response to changing market conditions in the areas affected, though ArcelorMittal may implement productivity improvement measures by voluntary means when required.

ArcelorMittal may not be able to remain in compliance with some or all of these requirements in the future. Failure to remain in compliance may result in forfeiture of part of ArcelorMittal's investment and/or the loss of tax and regulatory benefits.

ArcelorMittal's mining operations are subject to mining risks

ArcelorMittal operates mines and has substantially increased the scope of its mining activities by making several large upstream acquisitions in 2007 and 2008. Mining operations are subject to hazards and risks normally associated with the exploration, development and production of natural resources, any of which could result in production shortfalls or damage to persons or property. In particular, hazards associated with open-pit mining operations include, among others:

- flooding of the open pit;
- collapse of the open-pit wall;
- accidents associated with the operation of large open-pit mining and rock transportation equipment;
- accidents associated with the preparation and ignition of large-scale open-pit blasting operations;
- production disruptions due to weather; and
- hazards associated with the disposal of mineralized waste water, such as groundwater and waterway contamination.

Hazards associated with underground mining operations, of which ArcelorMittal has several, include, among others:

- underground fires and explosions, including those caused by flammable gas;
- cave-ins or falls of ground;
- discharges of gases and toxic chemicals;
- flooding;
- sinkhole formation and ground subsidence;

- other accidents and conditions resulting from drilling; and
- blasting and removing, and processing material from, an underground mine.

ArcelorMittal is at risk of experiencing any or all of these hazards. For example, in September 2006, a methane gas explosion at ArcelorMittal's Lenina underground mine in Kazakhstan caused 41 fatalities and required a two-day production shutdown to fully investigate the incident. A full investigation was carried out along with the Kazakh Government Commission and production was restarted upon clearance by this Commission. In January 2008, a methane gas explosion at ArcelorMittal's Abaiskaya underground mine in Kazakhstan resulted in 30 fatalities and a cessation or disruption of operations for six months. On June 2, 2008 a coal and gas explosion caused by an unpredictable geological failure took place at the Tentekskaya mine in Kazakhstan and took the lives of five miners. Since then, the development roadway has been recovered and operations have resumed. The reoccurrence of any of these hazards, or the occurrence of any of those listed above, could delay production, increase production costs and result in death or injury to persons, damage to property and liability for ArcelorMittal, some or all of which may not be covered by insurance, as well as substantially harm ArcelorMittal's reputation as a company focused on ensuring the health and safety of its employees.

Some of ArcelorMittal's subsidiaries benefited from state aid granted prior to, or in connection with, their respective privatizations, the granting of which is subject to transitional arrangements under the respective treaties concerning the accession of these countries to the European Union. Non-fulfillment or breach of the transitional arrangements and related rules may result in the recovery of aid granted pursuant to the transitional arrangements

ArcelorMittal has acquired formerly state-owned companies in the Czech Republic, Poland and Romania, some of which benefited from state aid granted prior to, or in connection with, their respective privatization and restructuring. Moreover, the restructuring of the steel industries in each of the Czech Republic, Poland and Romania is subject to transitional arrangements and related rules that determine the legality of restructuring aid. The transitional arrangements form part of the respective treaties concerning the accession of the Czech Republic, Poland and Romania to the European Union. Non-fulfillment or breach of the transitional arrangements and related rules may nullify the effect of the transitional arrangements and may result in the recovery of aid granted pursuant to the transitional arrangements that have been breached. The restructurings of the concerned ArcelorMittal companies in Poland and the Czech Republic have been successfully completed. The restructuring process in Romania was completed at the end of 2008 and its results will be assessed thereafter.

Underfunding of pension and other post-retirement benefit plans at some of ArcelorMittal's operating subsidiaries, and the possible need to make substantial cash contributions to pension plans or to pay for healthcare, which may increase in the future, may reduce the cash available for ArcelorMittal's business

ArcelorMittal's principal operating subsidiaries in Brazil, Canada, Europe, South Africa and the United States provide defined benefit pension plans to their employees. Some of these plans are currently underfunded. At December 31, 2008, the value of ArcelorMittal USA's pension plan assets was $1,916 million, while the projected benefit obligation was $3,281 million, resulting in a deficit of $1,365 million. At December 31, 2008, the value of the pension plan assets of ArcelorMittal's Canadian subsidiaries was $1,786 million, while the projected benefit obligation was $2,275 million, resulting in a deficit of $489 million. At December 31, 2008, the value of the pension plan assets of ArcelorMittal's European subsidiaries was $566 million, while the projected benefit obligation was $2,316 million, resulting in a deficit of $1,750 million. ArcelorMittal USA also had an underfunded post-employment benefit obligation of $3,238 million relating to life insurance and medical benefits as of December 31, 2008. ArcelorMittal's Canadian subsidiaries also had an underfunded post-employment benefit obligation of $667 million relating to life insurance and medical benefits as of December 31, 2008. ArcelorMittal's European subsidiaries also had an underfunded post-employment benefit obligation of $591 million relating to life insurance and medical benefits as of December 31, 2008.

ArcelorMittal's funding obligations depend upon future asset performance, the level of interest rates used to discount future liabilities, actuarial assumptions and experience, benefit plan changes and government regulation. Because of the large number of variables that determine pension funding requirements, which are difficult to predict, as well as any legislative action, future cash funding requirements for ArcelorMittal's pension plans and other post-employment benefit plans could be significantly higher than currently estimated amounts. If so, these funding requirements could have a material adverse effect on ArcelorMittal's business, financial condition, results of operations or prospects.

ArcelorMittal could experience labor disputes that could disrupt its operations and its relationships with its customers

A majority of the employees of ArcelorMittal and of its contractors are represented by labor unions and are covered by collective bargaining or similar agreements, which are subject to periodic renegotiation. Strikes or work stoppages could occur prior to, or during, the negotiations leading to new collective bargaining agreements, during wage and benefits negotiations or during other periods for other reasons. ArcelorMittal has experienced strikes and work stoppages at various facilities in recent years, and may experience them again in the future, particularly in light of its plan to reduce costs and production in response to the ongoing economic crisis. Any such breakdown leading to work stoppage and disruption of operations could have an adverse effect on the operations and financial results of ArcelorMittal.

ArcelorMittal is subject to economic policy risks and uncertainties in the countries in which it operates or proposes to operate. Any deterioration or disruption of the economic environment and business climate in those countries may have a material adverse effect on ArcelorMittal's business, financial condition, results of operations or prospects

In recent years, many of the countries in which ArcelorMittal operates, or proposes to operate, have implemented measures aimed at improving the business environment and providing a stable platform for economic development. For example, several Eastern European countries, such as Poland, the Czech Republic and Romania, have initiated free-market economic reforms in connection with or in anticipation of their accession to the European Union. Others, such as Algeria, Liberia and South Africa, have attempted to reinforce political stability and improve economic performance after recent periods of political instability. Ukraine and Kazakhstan have implemented free-market economic reforms. ArcelorMittal's business strategy was developed partly on the assumption that this modernization, restructuring and upgrading of the business climate and physical infrastructure in the developing countries in which it invested will continue, thus creating increased demand for ArcelorMittal's steel products. This trend will not necessarily continue, particularly in light of the recent economic downturn, which is also affecting more developed economies in the United States and Europe.

Risks of widespread insolvency, mass unemployment and the deterioration of various sectors of the economies where ArcelorMittal operates have increased following the global economic downturn. Any slowdown in the development of these economies or any reduction in the investment budgets of governmental agencies and companies responsible for the modernization of physical infrastructure could have a material adverse effect on ArcelorMittal's business, financial condition, results of operations or prospects.

ArcelorMittal is subject to political, social and legal uncertainties in some of the developing countries in which it operates or proposes to operate. Any disruption or volatility in the political, social or legal environment in those countries may have a material adverse effect on ArcelorMittal's business, financial condition, results of operations or prospects

ArcelorMittal operates, or proposes to operate, in a number of developing countries. Some of the countries in which it currently operates, have been undergoing substantial political transformations from centrally controlled command economies to pluralist market-oriented democracies. Political, economic and legal reforms necessary to complete such transformation may not continue. On occasion, ethnic, religious, historical and other divisions have given rise to tensions and, in certain cases, wide-scale civil disturbances and military conflict. Tensions may increase as a result of the global economic downturn. The political systems in these and other developing countries are vulnerable to the populations' dissatisfaction with reforms, social and ethnic unrest and changes in governmental policies, any of which could have a material adverse effect on ArcelorMittal's business, financial condition, results of operations or prospects and its ability to continue to do business in these countries.

In addition, the legal systems in some of the countries in which ArcelorMittal operates remain less than fully developed, particularly with respect to property rights, the protection of foreign investment and bankruptcy proceedings, generally resulting in a lower level of legal certainty or security than in more developed countries. Moreover, ArcelorMittal may encounter difficulties in enforcing court judgments or arbitral awards in some countries in which it operates, among other reasons, because those countries may not be parties to treaties that recognize the mutual enforcement of court judgments.

ArcelorMittal may experience currency fluctuations and become subject to exchange controls that could adversely affect its business, financial condition, results of operations or prospects

ArcelorMittal operates and sells products globally, and, as a result, its business, financial condition, results of operations or prospects could be adversely affected by fluctuations in exchange rates. Major changes in exchange rates, particularly changes in the value of the U.S. dollar against the currencies of the countries in which ArcelorMittal operates, could have an adverse effect on its business, financial condition, results of operations or prospects.

Some transactions involving, for example, the South African rand, Kazakh tenge, Brazilian real, Argentine peso, Algerian dinar and Ukrainian hryvnia are, or in the past have been, subject to limitations imposed by those countries' central banks. The imposition of exchange controls or other similar restrictions on currency convertibility in the countries in which ArcelorMittal operates could adversely affect its business, financial condition, results of operations or prospects.

Disruptions to ArcelorMittal's manufacturing processes could adversely affect ArcelorMittal's operations, customer service levels and financial results

Steel manufacturing processes are dependent on critical steel-making equipment, such as furnaces, continuous casters, rolling mills and electrical equipment (such as transformers), and such equipment may incur downtime as a result of unanticipated failures or other events, such as fires or furnace breakdowns. ArcelorMittal's manufacturing plants have experienced, and may in the future experience, plant shutdowns or periods of reduced production as a result of such equipment failures or other events. To the extent that lost production as a result of such a disruption could not be compensated for by unaffected facilities, such disruptions could have an adverse effect on ArcelorMittal's operations, customer service levels and financial results.

Natural disasters could significantly damage ArcelorMittal's production facilities

Natural disasters could significantly damage ArcelorMittal's production facilities and general infrastructure. For example, ArcelorMittal Lázaro Cárdenas's production facilities are located in Lázaro Cárdenas, Michoacán, Mexico and ArcelorMittal Temirtau is located in the Karaganda region of the Republic of Kazakhstan, both of which are areas that have historically experienced earthquakes of varying magnitude. ArcelorMittal Point Lisas is located in Trinidad, which is vulnerable to hurricanes. Extensive damage to these facilities or any other major production complexes and staff casualties whether as a result of floods, earthquakes, hurricanes, tsunamis or other natural disasters, could, to the extent that lost production as a result of such a disaster could not be compensated for by unaffected facilities, severely affect ArcelorMittal's ability to conduct its business operations and, as a result, reduce its future operating results.

ArcelorMittal's insurance policies provide limited coverage, potentially leaving it uninsured against some business risks

The occurrence of an event that is uninsurable or not fully insured could have a material adverse effect on ArcelorMittal's business, financial condition, results of operations or prospects. ArcelorMittal maintains insurance on property and equipment in amounts believed to be consistent with industry practices but it may not be fully insured against some business risks. ArcelorMittal's insurance policies cover physical loss or damage to its property and equipment on a reinstatement basis arising from a number of specified risks and certain consequential losses, including business interruption arising from the occurrence of an insured event under the policies. Under these policies, damages and losses caused by certain natural disasters, such as earthquakes, floods and windstorms, are also covered. Each of the operating subsidiaries of ArcelorMittal also maintains various other types of insurance, such as workmen's compensation insurance and marine insurance.

In addition, ArcelorMittal maintains trade credit insurance on receivables from selected customers subject to limits that it believes are consistent with those in the steel industry generally in order to protect it against the risk of non-payment due to customers' insolvency or other causes. Not all of ArcelorMittal's customers are or can be insured, and even when insurance is available, it may not fully cover the exposure.

As a result of the economic downturn, which has had a particularly severe impact on certain countries and industries, including the U.S. automobile industry, insurers no longer provide coverage for certain customers or impose trade credit insurance limits that are not sufficient to cover the Issuer's full exposure with respect to receivables from certain customers.

Notwithstanding the insurance coverage that ArcelorMittal and its subsidiaries carry, the occurrence of an accident that causes losses in excess of limits specified under the relevant policy, or losses arising from events not covered by insurance policies, could materially harm ArcelorMittal's financial condition and future operating results.

Product liability claims could adversely affect ArcelorMittal's operations

ArcelorMittal sells products to major manufacturers engaged in manufacturing and selling a wide range of end products. ArcelorMittal also from time to time offers advice to these manufacturers. Furthermore, ArcelorMittal's products are also sold to, and used in, certain safety-critical applications. There could be significant consequential damages resulting from the use of such products. ArcelorMittal has a limited amount of product liability insurance coverage, and a major claim for damages related to ArcelorMittal products sold and, as the case may be, advice given in connection with such products, could leave ArcelorMittal uninsured against a portion or all of the award and, as a result, materially harm its financial condition and future operating results.

ArcelorMittal is subject to regulatory risk, and may incur liabilities arising from investigations by governmental authorities and litigation regarding its pricing and marketing practices or other antitrust matters

ArcelorMittal is the largest steel producer in the world. As a result of this position, ArcelorMittal may be subject to exacting scrutiny from regulatory authorities and private parties, particularly regarding its trade practices and dealings with customers and counterparties. As a result of its position in the steel markets, and its historically acquisitive growth strategy, ArcelorMittal could be the target of governmental investigations and lawsuits based on antitrust laws in particular. These could require significant expenditures and result in liabilities or governmental orders that could have a material adverse effect on ArcelorMittal's business, operating results, financial condition and prospects.

ArcelorMittal and certain of its subsidiaries are currently under investigation by governmental entities in several countries, and are named as defendants in a number of lawsuits relating to various antitrust matters. For example, in December 2008 the French Competition Council imposed a fine of €301.78 million on subsidiaries of ArcelorMittal, concluding that they had agreed with their competitors to fix prices and allocate markets and customers during the 1999 to 2004 period. In January 2009, ArcelorMittal filed an appeal to contest the amount of the fine, but is unable to determine whether the appeal will be successful. Also, in September 2008, Standard Iron Works filed a complaint in U.S. federal court against ArcelorMittal, ArcelorMittal USA Inc. and other steel manufacturers, alleging that the defendants conspired since 2005 to restrict the output of steel products in order to affect steel prices. Since the filing of the Standard Iron Works lawsuit, other similar lawsuits have been filed and have been consolidated with this lawsuit. The defendants have filed a motion to dismiss the complaint. Antitrust proceedings and investigations involving ArcelorMittal and its subsidiaries are also currently pending in Brazil, Europe and South Africa.

Because of the fact-intensive nature of the issues involved and the inherent uncertainty of such litigation and investigations, negative outcomes are possible. An adverse ruling in the proceedings described above or in other similar proceedings in the future could subject ArcelorMittal to substantial administrative penalties and/or civil damages. In cases relating to other companies, civil damages have ranged as high as hundreds of millions of U.S. dollars in major civil antitrust proceedings during the last decade. With respect to the pending U.S. federal court litigation, ArcelorMittal could be subject to treble damages. Although ArcelorMittal has established reserves for certain antitrust claims, unfavorable outcomes in current and potential future litigation and investigations could reduce ArcelorMittal's liquidity and negatively affect its financial performance and financial condition.

The income tax liability of ArcelorMittal may substantially increase if the tax laws and regulations in countries in which it operates change or become subject to adverse interpretations or inconsistent enforcement

Taxes payable by companies in many of the countries in which ArcelorMittal operates are substantial and include value-added tax, excise duties, profit taxes, payroll-related taxes, property taxes and other taxes. Tax laws and regulations in some of these countries may be subject to frequent change, varying interpretation and inconsistent enforcement. Ineffective tax collection systems and continuing budget requirements may increase the likelihood of the imposition of arbitrary or onerous taxes and penalties, which could have a material adverse effect on ArcelorMittal's financial condition and results of operations. In addition to the usual tax burden

imposed on taxpayers, these conditions create uncertainty as to the tax implications of various business decisions. This uncertainty could expose ArcelorMittal to significant fines and penalties and to enforcement measures despite its best efforts at compliance, and could result in a greater than expected tax burden.

In addition, many of the jurisdictions in which ArcelorMittal operates have adopted transfer pricing legislation. If tax authorities impose significant additional tax liabilities as a result of transfer pricing adjustments, it could have a material adverse effect on ArcelorMittal's financial condition and results of operations.

It is possible that tax authorities in the countries in which ArcelorMittal operates will introduce additional revenue raising measures. The introduction of any such provisions may affect the overall tax efficiency of ArcelorMittal and may result in significant additional taxes becoming payable. Any such additional tax exposure could have a material adverse effect on its financial condition and results of operations.

ArcelorMittal may face a significant increase in its income taxes if tax rates increase or the tax laws or regulations in the jurisdictions in which it operates, or treaties between those jurisdictions, are modified in an adverse manner. This may adversely affect ArcelorMittal's cash flows, liquidity and ability to pay dividends.

If ArcelorMittal were unable to utilize fully its deferred tax assets, its profitability could be reduced

At December 31, 2008, ArcelorMittal had $751 million recorded as deferred tax assets on its balance sheet. These assets can be utilized only if, and only to the extent that, ArcelorMittal's operating subsidiaries generate adequate levels of taxable income in future periods to offset the tax loss carry forwards and reverse the temporary differences prior to expiration.

At December 31, 2008, the amount of future income required to recover ArcelorMittal's deferred tax assets was approximately $2,540 million at certain operating subsidiaries. For each of the years ended December 31, 2007 and 2008, these operating subsidiaries generated approximately 29% and 62%, respectively, of ArcelorMittal's consolidated income before tax of $14,888 million and $11,537 million, respectively.

ArcelorMittal's ability to generate taxable income is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond its control. If ArcelorMittal generates lower taxable income than the amount it has assumed in determining its deferred tax assets, then the value of deferred tax assets will be reduced.

Risks Relating to the Notes

Although the Notes are referred to as "senior notes," the Notes are effectively subordinated to the rights of our existing and future secured creditors, and any liabilities of our subsidiaries.

Holders of the Issuer's present and future secured indebtedness and the indebtedness of the Issuer's subsidiaries will have claims that are senior to your claims as holders of the Notes, to the extent of the value of the assets securing such other indebtedness. The Notes will be effectively subordinated to existing secured financings and any other secured indebtedness incurred by the Issuer, to the extent of the value of the underlying collateral. In the event of any distribution or payment of our assets in any foreclosure, dissolution, winding-up, liquidation, reorganization or other bankruptcy proceeding, holders of secured indebtedness will have prior claim to those assets that constitute their collateral. Holders of the Notes will participate ratably with all holders of our unsecured indebtedness that is deemed to be of the same class as the Notes, and potentially with all of the Issuer's other general creditors, based upon the respective amounts owed to each holder or creditor, in the Issuer's remaining assets. The Notes will also be structurally subordinated in right of payment to all indebtedness and other liabilities and commitments of the Issuer's subsidiaries.

At March 31, 2009, on a pro forma basis after giving effect to this offering and the use of proceeds from this offering:

- the Issuer would have had $27.8 billion of senior indebtedness on a consolidated basis, $0.56 billion of which is secured and would rank effectively senior to the Notes, to the extent of the value of the assets collateralizing such indebtedness; and
- the Issuer's subsidiaries would have had $6.76 billion of indebtedness which would rank effectively senior to the Notes.

The Issuer's ability to make debt service payments depends on its ability to transfer income and dividends from its subsidiaries.

The Issuer is a holding company with no significant assets other than direct and indirect interests in the many subsidiaries through which it conducts operations. These subsidiaries are not required and may not be able to pay dividends to the Issuer. A number of the Issuer's subsidiaries are located in countries that may impose regulations restricting the payment of dividends outside of the country through exchange control regulations. Furthermore, the continued transfer to the Issuer of dividends and other income from its subsidiaries is in some cases limited by various credit or other contractual arrangements and/or tax constraints, which could make such payments difficult or costly. If in the future these restrictions are increased or if the Issuer is otherwise unable to ensure the continued transfer of dividends and other income to it from these subsidiaries, its ability to pay dividends and/or make debt payments will be impaired.

Claims of the creditors of the Issuer's subsidiaries have priority as to the assets of such subsidiaries over the claims of the Issuer's creditors.

The Issuer may not have the ability to repay the Notes.

The Issuer will be required to repurchase the Notes at the option of Noteholders upon certain events, such as a delisting, a Free Float Event or a Change of Control. The Issuer may also be required to repay all or part of the Notes prior to maturity in the event of a default. If the Noteholders were to require Issuer to repay their Notes following an event of default, or to repurchase the Notes prior to maturity, the Issuer cannot be certain that it will be able to pay the required amount in full. The Issuer's ability to repay the Notes, whether at or prior to maturity, will depend on its financial condition (including its cash position resulting from its ability to receive income and dividends from its subsidiaries as described above) at the time of the requested repayment, and may be limited by law, by the terms of its indebtedness and by the agreements that it may have entered into on or before such date, which may replace, supplement or amend its existing or future indebtedness. The Issuer's failure to repay the Notes may result in an event of default under the terms of other outstanding indebtedness.

The Notes do not impose significant financial restrictions on the Issuer.

The Issuer may issue other securities, including other bonds, which may represent significant amounts, increase the Issuer's indebtedness and decrease the Issuer's credit rating. The indenture for the Notes does not require the Issuer to maintain any financial ratios or specific levels of shareholders' equity, revenues, cash flows or liquidities and, accordingly, do not protect the Noteholders in the event of a deterioration of the Issuer's financial condition.

The negative pledge clause does not prevent, in certain circumstances, the Issuer and its material subsidiaries from freely disposing of their assets or from freely granting security interests.

The indenture for the Notes contains a negative pledge that prohibits the Issuer and its Material Subsidiaries (as defined therein) from creating security over assets to secure other bonds or similar debt instruments, unless the Issuer creates similar security over the Notes. However, the Issuer is generally permitted to sell or otherwise dispose of substantially all of its assets to another corporation or other entity under the indenture for the Notes. The Issuer is also permitted to create security over its assets to secure other bonds or similar debt instruments in certain circumstances (for example, in the case of "Permitted Security" as defined in the indenture). If the Issuer decides to dispose of a large amount of its assets, holders of the Notes will not be entitled to declare an acceleration of the maturity of the Notes, and those assets will no longer be available to support payments on the Notes.

A downgrade in the Issuer's credit rating could adversely affect the trading price of the Notes.

The market value for the Notes is directly affected by the Issuer's credit rating. Credit rating agencies continually revise their ratings for companies that they follow, including the Issuer. Any ratings downgrade could adversely affect the trading price of the Notes or the trading market for the Notes to the extent a trading market for the Notes develops.

An active trading market for the Notes may not develop.

The Notes are a new issue of securities for which there is currently no public market, and no active trading market might ever develop. If the Notes are traded after their initial issuance, they may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar securities, the price, and volatility in the price, of the Issuer's common shares, the Issuer's performance and other factors. In addition, the Issuer does not know whether an active trading market will develop for the Notes. To the extent that an active trading market does not develop, the liquidity and trading prices for the Notes may be harmed.

The liquidity of any market for the Notes will depend upon the number of holders of the Notes, the Issuer's results of operations and financial condition, the market for similar securities, the interest of securities dealers in making a market in the Notes and other factors. An active or liquid trading market for the Notes may not develop.

Recent developments in the convertible debt markets may adversely affect the market value of the Notes.

The convertible debt markets are currently experiencing unprecedented disruptions resulting from, among other things, the recent instability in the credit and capital markets and the emergency orders issued by the SEC on September 17 and 18, 2008 (and extended on October 1, 2008). These orders were issued as a stop-gap measure while the U.S. Congress worked to provide a comprehensive legislative plan to stabilize the credit and capital markets. Among other things, these orders temporarily imposed a prohibition on effecting short sales of the shares of certain financial companies. As a result, the SEC orders made the convertible arbitrage strategy that many convertible note investors employ difficult to execute for outstanding convertible notes of those companies whose shares were subject to the short sale prohibition. The SEC orders expired at 11:59 p.m., New York City Time, on Wednesday, October 8, 2008. However, the SEC is currently considering instituting other limitations on effecting short sales (such as the uptick rule) and other regulatory organizations may do the same. Any future governmental actions that interfere with the ability of convertible note investors to effect short sales on the underlying common shares would significantly affect the market value of the Notes.

The market price of the Notes could be significantly affected by the market price of the shares, which may fluctuate significantly.

The Issuer expects that the market price of the Notes will be significantly affected by the market price of its shares. This may result in greater volatility in the trading value for the Notes than would be expected for nonconvertible debt securities that the Issuer may issue. Factors that could affect the Issuer's share price include the following:

- fluctuations in the Issuer's quarterly results of operations and cash flows or those of other companies in its industry;
- the public's reaction to the Issuer's press releases, announcements and filings with the SEC;
- additions or departures of key personnel;
- changes in financial estimates or recommendations by research analysts;
- changes in the amount of indebtedness the Issuer has outstanding;
- changes in the ratings of the Notes or other securities;
- changes in general conditions in the U.S. and international economy, financial markets or the industry in which the Issuer operates, including changes in regulatory requirements;
- significant contracts, acquisitions, dispositions, financings, joint marketing relationships, joint ventures or capital commitments by the Issuer or its competitors;
- developments related to significant claims or proceedings against the Issuer;
- the Issuer's dividend policy; and
- future sales of equity or equity-linked securities by the Issuer.

In recent years, stock markets, including the New York Stock Exchange, have experienced extreme price and volume fluctuations. This volatility has had a significant effect on the market price of securities issued by many companies for reasons unrelated to the operating performance of these companies. These broad market fluctuations may adversely affect the market prices of the Issuer's shares and the Notes.

The market value of the Notes will depend on numerous factors.

The market value of the Notes will depend on the price and volatility of the Issuer's shares, market interest rates, the Issuer's credit risk and changes in the market opinion regarding the Issuer, and the level of dividend payments made by the Issuer. Therefore, a reduction of the market price and/or the volatility of the Issuer's shares, an increase of the applicable interest rate, any real or perceived changes in the credit risk or an increase in dividend payments may adversely affect the market value of the Notes.

You may have to pay taxes if we adjust the Conversion Ratio of the Notes in certain circumstances, even though you would not receive any cash.

We will adjust the Conversion Ratio of the Notes for stock splits and combinations, stock dividends, certain cash dividends and certain other events that affect our capital structure. Please read "Description of the Notes—Conversion." Upon certain adjustments to (or certain failures to make adjustments to) the Conversion Ratio if you are a U.S. Holder (as defined in "Tax Considerations"), you may be treated as having received a constructive distribution from the Issuer, resulting in taxable income to you for U.S. federal income tax purposes, even though you would not receive any cash in connection with the adjustment to (or failure to adjust) the Conversion Ratio and even though you might not exercise your conversion right. Please consult your tax advisor and read "Tax Considerations."

Future sales of the Issuer's shares in the public market or the issuance by the Issuer of securities senior to its shares could adversely affect the trading price of the Issuer's shares and the value of the Notes and the Issuer's ability to raise funds in new stock offerings.

Future sales of substantial amounts of the Issuer's shares or equity-related securities in the public market, or the perception that such sales could occur, could adversely affect prevailing trading prices of the Issuer's shares and the value of the Notes and could impair the Issuer's ability to raise capital through future offerings of equity or equity-related securities. No prediction can be made as to the effect, if any, that future sales of shares of the Issuer's shares or the availability of shares of the Issuer's shares for future sale will have on the trading price of the Issuer's shares or the value of the Notes. The price of the Issuer's shares could be affected by possible sales of the Issuer's shares by investors who view the Notes as a more attractive means of equity participation in the Issuer and by hedging or arbitrage trading activity that the Issuer expects to develop involving the Issuer's shares. The hedging or arbitrage could, in turn, affect the trading price of the Notes.

The adjustment to the Conversion Ratio in connection with a Make-Whole Event may not adequately compensate you for the lost option time value of your Notes as a result of such Make-Whole Event.

If the certain transactions that constitute a Make-Whole Event occur prior to maturity, we will adjust, for conversions that occur during a time period described herein, the Conversion Ratio as described under "Description of the Notes—Conversion—Financial Transactions." That adjustment is not the table-based adjustment ordinarily used for similar convertible debt issuances, and may not adequately compensate you for such loss. Conversely, the Issuer's obligation to make that adjustment to the Conversion Ratio could be considered a penalty, in which case the enforceability thereof would be subject to general principles of reasonableness of economic remedies.

Some significant restructuring transactions may not constitute an event that gives you the right to require us to repurchase the Notes.

Holders will only have the right to require us to repurchase Notes upon the occurrence of a delisting, a Change of Control or a Free Float Event. However, the definition of those terms are limited to only certain transactions or events. Therefore these provisions will not afford protection to holders of the Notes in the event of other transactions or events that do not constitute a delisting, a Change of Control or a Free Float Event, but that could nevertheless adversely affect the Notes. For example, transactions such as leveraged recapitalizations, refinancings, restructurings, or acquisitions initiated by us may not constitute not require us to repurchase the

Notes, even though each of these transactions could increase the amount of our indebtedness, or otherwise adversely affect our capital structure or any credit ratings or otherwise adversely affect the value of the Notes.

As a holder of Notes, you will not be entitled to any rights with respect to the Issuer's shares, but you will be subject to all changes made with respect to the Issuer's shares.

If you hold Notes, you will not be entitled to any rights with respect to the Issuer's shares (including, without limitation, voting rights and rights to receive any dividends or other distributions on the Issuer's shares), but you will be subject to all changes affecting the Issuer's shares. You will have the rights with respect to the Issuer's shares only when the Issuer delivers common shares to you upon conversion of your Notes and, in limited cases, under the Conversion Ratio adjustments applicable to the Notes. For example, in the event that an amendment is proposed to the Issuer's articles of incorporation requiring shareholder approval and the record date for determining the shareholders of record entitled to vote on the amendment occurs prior to the delivery of the Issuer's shares to you, you will not be entitled to vote on the amendment (except if the proposed amendment relates to an amendment of the corporate purpose or the corporate form of the Issuer, in which case a bondholder meeting will have to be convened and bondholders may vote thereon), although you will nevertheless be subject to any changes in the powers, preferences or special rights of the Issuer's shares.

The Conversion Ratio of the Notes will not be adjusted for all dilutive events that may occur.

The Conversion Ratio of the Notes is subject to adjustment for certain events including, but not limited to, the issuance of stock dividends on the Issuer's shares, the issuance of certain rights or warrants, subdivisions or combinations of the Issuer's shares, certain distributions of assets, debt securities, capital stock or cash to holders of the Issuer's shares and certain tender or exchange offers as described under "Description of the Notes—Conversion—Financial Transactions." The Conversion Ratio will not be adjusted for other events, such as stock issuances for cash, that may adversely affect the trading price of the Notes or the shares. There can be no assurance that an event that adversely affects the value of the Notes, but does not result in an adjustment to the Conversion Ratio, will not occur.

The right to convert the Notes may be suspended by the Issuer under certain circumstances.

Under certain circumstances as described under "Description of the Notes—Conversion—Suspension of the Conversion Right" the Issuer may decide to suspend the exercise of the Conversion Right and you will not be entitled to compensation for any losses that you may incur as a result of such suspension and your inability to convert your Notes during such time.

The adjustment provided for cash dividends is unusual for convertible debt instruments offered in the United States.

The conversion rate of the Notes will be adjusted if the Issuer pays a cash dividend, but only if that cash dividend results in a Dividend Payment Differential, as described in this prospectus, which generally means that total amount of dividends distributed per share for each financial year exceeds the threshold amount of $0.75. Accordingly, if the Issuer pays an extraordinary cash dividend prior to a regular dividend, no adjustment will be made for that extraordinary dividend unless and until all dividend payments for the year exceeds the dividend threshold, and the adjustment will only account for the dividends in excess of the dividend threshold.

Conversion of the Notes may dilute the ownership interest of existing shareholders, including holders who have previously converted their Notes.

The conversion of some or all of the Notes may dilute the ownership interests of existing shareholders. Any sales in the public market of the Issuer's shares issuable upon such conversion could adversely affect prevailing market prices of the Issuer's shares. In addition, the anticipated conversion of the Notes into shares of the Issuer's shares could depress the price of the Issuer's shares.

Changes in the value of the embedded derivatives in the Notes may increase the volatility of our earnings.

We expect to account for the Notes as compound instruments that include embedded derivatives. Changes in the fair value of the embedded derivatives will be recorded in our income statement and the associated gains or losses, which could be substantial, may increase the volatility of our earnings from period to period.

Documents Incorporated by Reference

OCEANE Prospectus and Eurobond Prospectus Sections

The following sections of the prospectus dated March 30, 2009 regarding ArcelorMittal's 7.25% bonds convertible into and/or exchangeable for new or existing ArcelorMittal shares due April 1, 2014, which has been previously published and filed with the CSSF (the "**OCEANE Prospectus**") are hereby incorporated by reference in, and shall be deemed to form part of, this Prospectus:

(i) "Operating and Financial Review" (pages 57 to 91 of the OCEANE Prospectus) which is sub-divided as follows:

(a) Overview (page 57 to 65 of the OCEANE Prospectus);
(b) Changes to Segment Composition in 2008 (pages 65 to 66 of the OCEANE Prospectus);
(c) Key Indicators (page 66 to 89 of the OCEANE Prospectus), including:
  i. Year Ended December 31, 2008 Compared to Year Ended December 31, 2007 (pages 67 to 73 of the OCEANE Prospectus);
  ii. Year Ended December 31, 2007 Compared to Year Ended December 31, 2006 (pages 73 to 77 of the OCEANE Prospectus);
  iii. Year Ended December 31, 2007 Compared to Year Ended December 31, 2006 on a Pro Forma Basis (Unaudited) (pages 77 to 81 of the OCEANE Prospectus);
  iv. Liquidity and Capital Resources (pages 81 to 86 of the OCEANE Prospectus);
  v. Year Ended December 31, 2008 Compared to Year Ended December 31, 2007 (pages 86 to 88 of the OCEANE Prospectus);
  vi. Year Ended December 31, 2007 Compared to Year Ended December 31, 2006 (pages 88 to 89 of the OCEANE Prospectus);
(d) Research and Development (page 89 of the OCEANE Prospectus);
(e) Trend Information and Outlook (pages 89 to 90 of the OCEANE Prospectus);
(f) Off-Balance Sheet Arrangements (page 90 of the OCEANE Prospectus);
(g) Tabular Disclosure of Contractual Obligations (pages 90 to 91 of the OCEANE Prospectus);
(h) Forward Looking Statements (page 91 of the OCEANE Prospectus); and

(ii) "Information on the Issuer" (pages 92 to 202 of the OCEANE Prospectus) which is sub-divided as follows (by referring only to the principal subtitles of such section):

(a) History and Development of the Issuer, including 2008, 2007 and 2006 investments, acquisitions and dispositions (pages 92 to 103 of the OCEANE Prospectus);
(b) Business Overview (pages 103 to 126 of the OCEANE Prospectus);
(c) Organizational Structure (pages 127 to 130 of the OCEANE Prospectus);
(d) Property, Plant and Equipment (pages 130 to 156 of the OCEANE Prospectus);
(e) Directors, Senior Management and Employees (pages 157 to 180 of the OCEANE Prospectus);
(f) Major Shareholdings and Related Party Transactions (pages 180 to 182 of the OCEANE Prospectus);
(g) Memorandum and Articles of Association (pages 182 to 192 of the OCEANE Prospectus);
(h) Material Contracts (pages 192 to 194 of the OCEANE Prospectus); and
(i) Legal Proceedings, Claims and Contingencies (pages 194 to 202 of the OCEANE Prospectus).

In addition, the following subsections of the prospectus dated June 2, 2009 regarding ArcelorMittal's €1,500,000,000 8.25% Bonds due 2013 issue and €1,000,000,000 9.375% Bonds due 2016 issue, which has been previously published and filed with the CSSF (the "**Eurobond Prospectus**") are hereby incorporated by reference in, and shall be deemed to form part of, this Prospectus:

(i) "—Directors, Senior Management and Employees" (pages 139-152 of the Eurobond Prospectus) (containing updates to the composition of the Company's board of directors following its AGM held on May 12, 2009 and related disclosure) which is sub-divided as follows:

(a) Board of Directors (pages 139 to 141 of the Eurobond Prospectus);
(b) Group Management Board (pages 142 to 144 of the Eurobond Prospectus);
(c) Corporate Governance (pages 144 to 150 of the Eurobond Prospectus); and
(d) Employees (page 150 to 152 of the Eurobond Prospectus).

(ii) "—Legal Proceedings" (pages 155 to 164 of the Eurobond Prospectus).

For the avoidance of doubt, the information contained in the OCEANE Prospectus and the Eurobond Prospectus that is not in the sections referred to immediately above does not form a part of this Prospectus.

Financial Information

This Prospectus should also be read and construed in conjunction with the following documents, which have been previously published and filed with the CSSF and which shall be deemed to be incorporated in, and to form part of, this Prospectus:

(i) the 2008 Annual Report of the Issuer (the "**ArcelorMittal AR 2008**") (only those pages cited in the cross-reference table below);

(ii) the 2007 Annual Report of the Issuer (the "**ArcelorMittal AR 2007**") (only those pages cited in the cross- reference table below); and

(iii) the 2006 Statutory Financial Statements of Mittal Steel (as predecessor of ArcelorMittal) (the "**Mittal Steel SFS 2006**") (only those pages cited in the cross-reference table below);

The financial information incorporated by reference herein was prepared in accordance with International Financial Reporting Standards as adopted in the European Union ("**IFRS**") except where indicated as such in the relevant document.

The Issuer will provide, free of charge, during normal working hours at the specified office of the Paying Agent (whose address appears on the back page of this Prospectus), upon oral or written request, a copy of this Prospectus (and any document incorporated by reference herein). Written or oral requests for such documents should be directed to the specified office of the Listing Agent.

The Prospectus and the documents incorporated by reference in this Prospectus will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) and of the Issuer (www.arcelormittal.com).

Annex I Section Number	**Page Numbers of Relevant Document**
3.1 Selected Historical Financial Information	p. 4 of the ArcelorMittal AR 2008
20.1. Historical Financial Information	
Audited consolidated financial statements of Mittal Steel (as predecessor of ArcelorMittal) for the financial year ended December 2006:	
(i) consolidated balance sheets:	pp. 29-30 of the Mittal Steel SFS 2006
(ii) consolidated statements of income:	pp. 31-32 of the Mittal Steel SFS 2006
(iii) consolidated statements of changes in equity	p. 33 of the Mittal Steel SFS 2006
(iv) consolidated statements of cash flow:	pp. 34-35 of the Mittal Steel SFS 2006
(v) notes to the consolidated financial statements:	pp. 36-108 of the Mittal Steel SFS 2006
(vi) auditors' report on the consolidated financial statements:	p. 117 of the Mittal Steel SFS 2006
Audited consolidated financial statements of ArcelorMittal for the financial year ended December 2007:	
(i) consolidated balance sheets:	pp. 43-44 of the ArcelorMittal AR 2007
(ii) consolidated statements of income:	pp. 45-46 of the ArcelorMittal AR 2007
(iii) consolidated statements of changes in equity	p. 47 of the ArcelorMittal AR 2007
(iv) consolidated statements of cash flow:	p. 48 of the ArcelorMittal AR 2007
(v) notes to the consolidated financial statements:	pp. 49-119 of the ArcelorMittal AR 2007

Annex I Section Number	Page Numbers of Relevant Document
(vi) auditors' report on the consolidated financial statements:	p. 120 of the ArcelorMittal AR 2007
Audited consolidated financial statements of ArcelorMittal for the financial year ended December 2008:	
(i) consolidated balance sheets:	pp. 69-70 of the ArcelorMittal AR 2008
(ii) consolidated statements of income:	pp. 71-72 of the ArcelorMittal AR 2008
(iii) consolidated statements of changes in equity	p. 73 of the ArcelorMittal AR 2008
(iv) consolidated statements of cash flow:	p. 74 of the ArcelorMittal AR 2008
(v) notes to the consolidated financial statements:	pp. 75-151 of the ArcelorMittal AR 2008
(vi) auditors' report on the consolidated financial statements:	p. 152 of the ArcelorMittal AR 2008

For the avoidance of doubt, the information contained in the ArcelorMittal AR 2008, ArcelorMittal AR 2007 and Mittal Steel SFS 2006 that is not cross-referenced in the table above does not form part of this Prospectus.

You should assume that the information appearing in this Prospectus, or any documents incorporated by reference in this Prospectus, is accurate only as of the date on the front cover of the applicable document. Our business, financial condition, results of operations and prospects may have changed since that date.

The Issuer will provide, free of charge, during normal working hours at the specified office of the Listing Agent (whose address appears on the back page of this Prospectus), upon oral or written request, a copy of this Prospectus (and any document incorporated by reference herein). Written or oral requests for such documents should be directed to the specified office of the Listing Agent in Luxembourg.

The Prospectus and the documents incorporated by reference in this Prospectus will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) and of the Issuer (www.arcelormittal.com).

Presentation of Certain Financial and Other Information

Definitions and Terminology

Unless indicated otherwise, or the context otherwise requires, references herein to "ArcelorMittal", "we", "us", "our", the "Issuer", the "Company" or similar terms are to ArcelorMittal, formerly known as Mittal Steel Company N.V. ("Mittal Steel"), having its registered office at 19, avenue de la Liberté, L-2930 Luxembourg, Grand Duchy of Luxembourg, and, where the context requires, its consolidated subsidiaries. ArcelorMittal's principal subsidiaries, categorized by operating segment and location, are listed below.

All references herein to "Arcelor" refer to Arcelor, a *société anonyme* incorporated under Luxembourg law, which was acquired by Mittal Steel on August 1, 2006.

For the purposes of this Prospectus, the names of the following ArcelorMittal subsidiaries as abbreviated below will be used where applicable.

Name of Subsidiary	Abbreviation	Country
Flat Carbon Americas		
ArcelorMittal Dofasco Inc.	Dofasco	Canada
ArcelorMittal Lázaro Cárdenas S.A. de C.V.	ArcelorMittal Lázaro Cárdenas	Mexico
ArcelorMittal USA Inc.	ArcelorMittal USA	USA
ArcelorMittal Mines Canada Inc	ArcelorMittal Mines Canada	Canada
Flat Carbon Europe		
ArcelorMittal Atlantique et Lorraine SAS	ArcelorMittal Atlantique et Lorraine	France
ArcelorMittal Belgium N.V.	Arcelor Steel Belgium	Belgium
ArcelorMittal España S.A.	ArcelorMittal España	Spain
ArcelorMittal Flat Carbon Europe SA	AMFCE	Luxembourg
ArcelorMittal Galati S.A.	ArcelorMittal Galati	Romania
Industeel Belgium S.A.	Industeel Belgium	Belgium
Industeel France S.A.	Industeel France	France
Long Carbon Americas and Europe		
Acindar Industria Argentina de Aceros S.A.	Acindar	Argentina
ArcelorMittal Belval & Differdange SA	ArcelorMittal Belval & Differdange	Luxembourg
ArcelorMittal Brasil S.A.	ArcelorMittal Brasil	Brazil
ArcelorMittal Hamburg GmbH	ArcelorMittal Hamburg	Germany
ArcelorMittal Hochfeld GmbH	ArcelorMittal Hochfeld	Germany
ArcelorMittal Las Truchas, S.A. de C.V.	Sicartsa	Mexico
ArcelorMittal Madrid S.L.	ArcelorMittal Madrid	Spain
ArcelorMittal Montreal Inc	ArcelorMittal Montreal	Canada
ArcelorMittal Olaberría S.L.	ArcelorMittal Olaberría	Spain
ArcelorMittal Ostrava a.s.	ArcelorMittal Ostrava	Czech Republic
ArcelorMittal Point Lisas Ltd.	ArcelorMittal Point Lisas	Trinidad and Tobago
ArcelorMittal Poland S.A.	ArcelorMittal Poland	Poland
ArcelorMittal Ruhrort GmbH	ArcelorMittal Ruhrort	Germany
Société Nationale de Sidérurgie S.A.	Sonasid	Morocco
AACIS		
ArcelorMittal South Africa Ltd.	ArcelorMittal South Africa	South Africa
JSC ArcelorMittal Temirtau	ArcelorMittal Temirtau	Kazakhstan
OJSC ArcelorMittal Kryviy Rih	ArcelorMittal Kryviy Rih	Ukraine

Name of Subsidiary	Abbreviation	Country
Stainless Steel		
ArcelorMittal Inox Brasil S.A.	Acesita or ArcelorMittal Inox Brasil	Brazil
ArcelorMittal Stainless Belgium	AMSB	Belgium
Steel Solutions and Services		
ArcelorMittal International Luxembourg SA	ArcelorMittal Luxembourg	Luxembourg

Market and Other Information

This Prospectus includes industry data and projections about our markets obtained from industry surveys, market research, publicly available information and industry publications. Statements on ArcelorMittal's competitive position contained in this Prospectus are based primarily on public sources including, but not limited to, publications of the International Iron and Steel Institute. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of such information is not guaranteed and that the projections they contain are based on a number of significant assumptions. We have not independently verified these data or determined the reasonableness of such assumptions. In addition, in many cases we have made statements in this Prospectus regarding our industry and our position in the industry based on internal surveys, industry forecasts and market research, as well as our own experience. While these statements are believed to be reliable, they have not been independently verified, and we do not make any representation or warranty as to the accuracy or completeness of such information set forth in this Prospectus.

Certain information provided in this Prospectus has been sourced from third parties. ArcelorMittal confirms that such third-party information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information established by such third parties, no facts have been omitted which would render the third-party information reproduced herein inaccurate or misleading.

Website

ArcelorMittal maintains an Internet site: www.arcelormittal.com. Information contained in or otherwise accessible through this Internet site is not a part of this Prospectus unless otherwise incorporated by reference in this Prospectus, as described in "Documents Incorporated by Reference." All references in this Prospectus to ArcelorMittal's Internet site are inactive textual references to the URL and are for your information only.

Selected Financial Information

Selected Statements of Income Data

The following tables present selected consolidated financial information of ArcelorMittal and, where relevant, of its predecessor company Mittal Steel Company N.V., as of and for the years ended December 31, 2006, 2007 and 2008, prepared in accordance with IFRS.

	For the year ended December 31,		
	2006	2007	2008
	(Amounts in $ millions except per share data and percentages)		
Sales[1]	$ 58,870	$ 105,216	$ 124,936
Cost of sales (including depreciation and impairment)[2][3]	48,378	84,953	106,110
Selling, general and administrative	2,960	5,433	6,590
Operating income	7,532	14,830	12,236
Operating income as percentage of sales	12.8%	14.1%	9.8%
Other income-net	49	—	—
Income from investments in associates and joint ventures	301	985	1,653
Financing costs-net	(654)	(927)	(2,352)
Income before taxes	7,228	14,888	11,537
Net income (including minority interest)	6,106	11,850	10,439
Net income attributable to equity holders of the parent	5,247	10,368	9,399
Basic earnings per common share[4]	$ 5.31	$ 7.41	$ 6.80
Diluted earnings per common share[4]	$ 5.30	$ 7.40	$ 6.78
Dividends declared per share	$ 0.50	$ 1.30	$ 1.50
Basic weighted average common shares outstanding (millions)	988	1,399	1,383
Diluted weighted average common shares outstanding (millions)	990	1,401	1,386

Selected Balance Sheets Data

	As of December 31,		
	2006	2007	2008
	(Amounts in $ millions except share data)		
Cash and cash equivalents, including short-term investments and restricted cash	$ 6,146	$ 8,105	$ 7,587
Property, plant and equipment	54,573	61,994	60,755
Total assets	112,681	133,625	133,088
Short-term debt and current portion of long-term debt	4,922	8,542	8,409
Long-term debt, net of current portion	21,645	22,085	25,667
Net assets	50,228	61,535	59,230

Selected Other Data

	For the year ended December 31,		
	2006	2007	2008
	(Amounts in $ millions except production and shipment data)		
Net cash provided by operating activities	$ 7,122	16,532	$ 14,652
Net cash (used in) investing activities	(8,576)	(11,909)	(12,428)
Net cash provided by (used in) financing activities	5,445	(3,417)	(2,132)
Total production of crude steel (thousands of tonnes)	85,620	116,415	103,326
Total shipments of steel products (thousands of tonnes)[5]	78,950	109,724	101,691

Notes:

(1) Including $3,847 million, $4,767 million and $6,411 million of sales to related parties for the years ended December 31, 2006, 2007 and 2008, respectively.

(2) $1,740 million, $2,408 million and $2,391million of purchases from related parties for the years ended December 31, 2006, 2007 and 2008, respectively.

(3) Including depreciation and impairment of $2,324 million, $4,570 million and $6,100 million for the years ended December 31, 2006, 2007 and 2008, respectively.

(4) Earnings per common share are computed by dividing net income attributable to equity holders of ArcelorMittal by the weighted average number of common shares outstanding during the periods presented

(5) Shipment volumes of steel products for the operations of the Issuer include certain inter-company shipments

Selected Statements of Income Data for the Three Months Ended March 31, 2008 and 2009

The following tables present selected financial information of ArcelorMittal as of the end of the first quarter 2008 and 2009, prepared in accordance with IFRS

	For the three months ended March 31,	
	2008	**2009**
	(in millions of U.S. dollars, except shares, per share, employee, iron ore production and shipment data)	
Sales	$29,809	$15,122
Depreciation	(1,129)	(1,118)
Impairment	(301)	-
Operating income (loss)	3,614	(1,483)
Operating margin %	*12.1%*	*(9.8)%*
Income (Loss) from equity method investments and other income	329	(153)
Net interest expense	(303)	(304)
Foreign exchange and other net financing (losses) gains	(191)	(265)
Revaluation of derivative instruments	(242)	(16)
Income (Loss) before taxes and minority interest	3,207	(2,221)
Income tax benefit (expense)	(596)	1,088
Income (Loss) before minority interest	2,611	(1,133)
Minority interest	(240)	70
Net income (loss)	$2,371	$ (1,063)
Basic earnings (loss) per common share	$1.69	$(0.78)
Diluted earnings (loss) per common share	1.68	(0.78)
Weighted average common shares outstanding (in millions)	1,407	1,366
Diluted weighted average common shares outstanding (in millions)	1,410	1,367

Selected Balance Sheets Data as of March 31, 2008 and 2009

	As of March 31,	
	2008	**2009**
	(in millions of US dollars)	
ASSETS		
Current Assets		
Cash and cash equivalents and restricted cash	$7,244	$3,979
Trade accounts receivable – net	11,694	6,335
Inventories	23,213	19,917
Prepaid expenses and other current assets	6,252	4,014
Total Current Assets	48,403	34,245
Goodwill and intangible assets	15,984	15,754
Property, plant and equipment	63,948	58,470
Investments in affiliates and joint ventures and other assets	13,066	12,029
Total Assets	$141,401	$120,498

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities		
Payable to banks and current portion of long-term debt	$9,537	$7,614
Trade accounts payable and others	15,879	8,371
Accrued expenses and other current liabilities	10,352	9,908
Total Current Liabilities	35,768	25,893
Long-term debt, net of current portion	25,119	23,076
Deferred tax liabilities	8,387	5,527
Other long-term liabilities	9,684	10,542
Total Liabilities	78,958	65,038
Total Shareholders' Equity	57,889	51,762
Minority Interest	4,554	3,698
Total Equity	62,443	55,460
Total Liabilities and Shareholders' Equity	$141,401	$120,498

Selected Statement of Cash Flows Data for the Three Months Ended March 31, 2008 and 2009

	For the three months ended March 31,	
	2008	**2009**
	(Amounts in $ millions)	
Operating activities:		
Net income (loss)	$2,371	$(1,063)
Adjustments to reconcile net income (loss) to net cash provided by operations:		
Minority interests	240	(70)
Depreciation and impairment	1,430	1,118
Deferred income tax	(12)	(938)
Change in operating working capital	(1,231)	2,427
Other operating activities (net)	(816)	(1,145)
Net cash provided by operating activities	1,982	329
Investing activities:		
Purchase of property, plant and equipment	(975)	(850)
Other investing activities (net)	(1,408)	57
Net cash used in investing activities	(2,383)	(793)
Financing activities:		
Proceeds (payments) relating to payable to banks and long-term debt	2,312	(2,535)
Dividends paid	(661)	(345)
Share buy-back	(2,107)	-
Other financing activities (net)	17	(7)
Net cash (used in) financing activities	(439)	(2,887)
Net decrease in cash and cash equivalents	(840)	(3,351)
Effect of exchange rate changes on cash	168	(263)
Net decrease in cash and cash equivalents	$(672)	$(3,614)

Terms and Conditions of the Notes

The Notes are governed by the laws of the State of New York (United States of America). Acordingly, the Notes have been issued under a base indenture dated as of May 6, 2009 between us and HSBC Bank USA, National Association, as Trustee, as supplemented by a supplemental indenture with respect to the Notes dated May 6, 2009. In this section, we refer to the base indenture (the "Base Indenture"), as supplemented by the supplemental indenture (the "Supplemental Indenture"), collectively as the "Indenture." The terms of the Notes include those expressly set forth in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939 of the United States of America, as amended (the "Trust Indenture Act"). Holders of the Notes (the "Noteholders") are deemed to have notice of the provisions of the Indenture applicable to them. Certain statements in these Terms and Conditions are summaries of, and are subject to, the detailed provisions of the Indenture, copies of which are available to prospective investors in the Notes upon request and on the SEC's website at http://www.sec.gov/Archives/edgar/data/1243429/000119312509102999/0001193125-09-102999-index.idea.htm. This summary is not complete. We urge you to read the Indenture because those documents, and not this description, define your rights as a Noteholder.

In this section, "the Company," "the Issuer," "we," "our" and "us" each refers only to ArcelorMittal and not to any of its existing or future subsidiaries, unless expressly stated otherwise. References to "Shares" means the common shares of the Issuer.

Certain Definitions

Set forth below is a summary of certain of the defined terms used in the Indenture. You should refer to the Indenture for the full definition of all such terms, as well as any other terms used in this section for which no definition is provided.

"Applicable Accounting Standards" means the International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"), as amended from time to time.

"Asset(s)" of any Person means, all or any part of its business, undertaking, property, assets, revenues (including any right to receive revenues) and uncalled capital, wherever situated.

"Consolidated Financial Statements" means our most recently published:

(a) audited annual consolidated financial statements, as approved by the annual general meeting of our shareholders and certified by an independent auditor; or, as the case may be,

(b) unaudited (but subject to a "review" from an independent auditor) consolidated half-year financial statements, as approved by our Board of Directors,

in each case prepared in accordance with Applicable Accounting Standards.

"Corporate Trust Office" means, with respect to the Trustee, HSBC Bank USA, National Association, 10 East 40th Street, 14th floor, New York, NY 10016, Attn: Corporate Loan and Agency Group.

"Closing Date" means May 6, 2009.

"Existing Security" means any Security granted by any Person over its Assets in respect of any Relevant Indebtedness and which is existing at the Closing Date or at the time any such Person becomes a Material Subsidiary or whose business and/or activities, in whole or in part, are assumed by or vested in us or a Material Subsidiary after the Closing Date (other than any Security created in contemplation thereof) or any substitute Security created over those Assets (or any part thereof) in connection with the refinancing of the Relevant Indebtedness secured on those Assets provided that the principal, nominal or capital amount secured on any such Security may not be increased.

"Group" means ArcelorMittal and its Subsidiaries taken as a whole.

"Material Subsidiary" means, at any time, a Subsidiary of ArcelorMittal whose gross assets or pre-tax profits (excluding intra-Group items) then equal or exceed 5% of the gross assets or pre-tax profits of the Group.

For this purpose:

(a) the gross assets or pre-tax profits of a Subsidiary will be determined from its financial statements (unconsolidated if it has Subsidiaries) upon which the latest audited Consolidated Financial Statements of the Group have been based;

(b) if a company becomes a member of the Group after the date on which the latest audited Consolidated Financial Statements of the Group have been prepared, the gross assets or pre-tax profits of that Subsidiary will be determined from its latest financial statements;

(c) the gross assets or pre-tax profits of the Group will be determined from its latest audited Consolidated Financial Statements, adjusted (where appropriate) to reflect the gross assets or pre-tax profits of any company or business subsequently acquired or disposed of; and

(d) if a Material Subsidiary disposes of all or substantially all of its assets to another Subsidiary of ours, it will immediately cease to be a Material Subsidiary and the other Subsidiary (if it is not already) will immediately become a Material Subsidiary; the subsequent financial statements of those Subsidiaries and the Group will be used to determine whether those Subsidiaries are Material Subsidiaries or not.

If there is a dispute as to whether or not a company is a Material Subsidiary, a certificate of our auditors will be, in the absence of manifest error, conclusive and binding on us and the holders.

"Mittal Family" means Mr. and/or Mrs. L.N. Mittal and/or their family (acting directly or indirectly through trusts and/or other entities controlled by any of the foregoing).

"Permitted Security" means:

(a) any Existing Security;

(b) any Security granted in respect of or in connection with any Securitization Indebtedness; or

(c) any Security securing Project Finance Indebtedness, but only to the extent that the Security Interest is created on an asset of the project being financed by the relevant Project Finance Indebtedness (and/or the shares in, and/or shareholder loans to, the company conducting such project where such company has no assets other than those relating to such project).

"Person" includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organization, trust, state or agency of a state (in each case, whether or not having separate legal personality).

"Project Finance Indebtedness" means any indebtedness incurred by a debtor to finance the ownership, acquisition, construction, development and/or operation of an Asset or connected group of Assets in respect of which the Person or Persons to whom such indebtedness is, or may be, owed have no recourse for the repayment of or payment of any sum relating to such indebtedness other than:

(a) recourse to such debtor or its Subsidiaries for amounts limited to the cash flow from such Asset; and/or

(b) recourse to such debtor generally, or to a member of the Group, which recourse is limited to a claim for damages (other than liquidated damages and damages required to be calculated in a specific way) for breach of an obligation, representation or warranty (not being a payment obligation, representation or warranty or an obligation, representation or warranty to procure payment by another or an obligation, representation or warranty to comply or to procure compliance by another with any financial ratios or other test of financial condition) by the Person against whom such recourse is available; and/or

(c) if:

(i) such debtor has been established specifically for the purpose of constructing, developing, owning and/or operating the relevant Asset or connected group of Assets; and

(ii) such debtor owns no Assets and carries on no business which is not related to the relevant Asset or connected group of Assets,

recourse to all the material Assets and undertaking of such debtor and the shares in the capital of such debtor and shareholder loans made to such debtor.

"Relevant Indebtedness" means any indebtedness for borrowed money represented by bonds, debt securities or other debt instruments which are for the time being quoted or listed on any stock exchange or other similar regulated securities market.

"Securitization Indebtedness" means any Relevant Indebtedness that is incurred in connection with any securitization, asset repackaging, factoring or like arrangement or any combination thereof of any assets, revenues or other receivables where the recourse of the Person making the Relevant Indebtedness available or entering into the relevant arrangement or agreement(s) is limited fully or substantially to such assets or revenues or other receivables.

"Security" means any mortgage, charge, pledge or other real security interest (*sûreté réelle*).

"Subsidiary" means:

(a) an entity of which a Person has direct or indirect control or owns directly or indirectly more than 50% of the voting capital or similar right of ownership (and control for this purpose means the power to direct the management and the policies of the entity whether through the ownership of voting capital, by contract or otherwise); and

(b) in relation to our company, an entity that fulfils the definition in paragraph (a) above and which is included in the Consolidated Financial Statements on a fully integrated basis.

Principal Amount and Denomination

The aggregate principal amount of the Notes is $800,000,000 following the full exercise by the Underwriters of their over-allotment option. The Notes have been issued in denominations of $1,000 principal amount and integral multiples thereof.

Form of the Notes

The Notes have been initially issued in the form of one or more registered Notes in global form. Upon issuance, each of the global notes will be deposited with the Trustee as custodian for DTC and registered in the name of Cede & Co., as nominee of DTC. Under certain circumstances, the Notes may be issued in certificated form as described under "Certificated Notes" below.

Interest

The Notes will bear interest from and including May 6, 2009 (the "Issue Date") at a rate of 5.00% per annum on the stated principal amount, payable semi-annually in arrears on each May 15 and November 15 in each year (each, an "Interest Payment Date") commencing on November 15, 2009. The regular record dates for the payment of interest will be May 1, in the case of the May 15 Interest Payment Date, and November 1, in the case of the November 15 Interest Payment Date.

Interest will be calculated as described in the Indenture.

Unless otherwise stated, references to interest in this "Terms and Conditions of the Notes" include any extension fee that is payable (as described under "—Events of Default; Acceleration").

Redemption

Redemption at maturity

Unless previously converted or repurchased, the Notes will be redeemed in full on May 15, 2014 (the "Maturity Date") at their principal amount, together with all accrued and unpaid interest thereon.

Issuer purchases of Notes

The Issuer will have the right to purchase all or part of the Notes at any time before the Maturity Date, without any limitation on price or number, either by repurchasing them through on-market or off-market transactions, or through public tender or exchange offers. Any Notes so purchased by the Issuer may, at its discretion, either be

(i) cancelled, (ii) held by the Issuer, (iii) re-sold on the market (to the extent permitted under U.S. securities laws) or (iv) sold to a subsidiary or affiliate of the Issuer.

Early redemption at the option of the Issuer

The Issuer may not redeem the Notes prior to the Maturity Date.

Events of Default; Acceleration

Set forth below is a summary of the provisions of the Indenture relating to the Events of Default and their consequences.

Events of Default

Each of the following is an "Event of Default" under the Base Indenture:

(a) a default in any payment of principal on any Note when due (at maturity, upon redemption or otherwise), continues for 15 days;

(b) a default in the payment of interest (if any) and Additional Amounts (if any) on any Note when due, continues for 30 days;

(c) the Company's failure to comply with any other obligation contained in the Indenture (other than a covenant default in whose performance or whose breach is elsewhere in the Indenture specifically dealt with), and continuance of such default or breach for a period of 60 days after there has been given to the Company by the Trustee written notice, as provided in accordance with the Indenture, specifying such default or breach and requiring it to be remedied;

(d) the Company's failure, or the failure of any Material Subsidiary, (a) to pay the principal of any indebtedness for borrowed money, including obligations evidenced by any mortgage, indenture, bond, debenture, note, guarantee or other similar instruments on the scheduled or original date due (following the giving of such notice, if any, as required under the document governing such indebtedness and as extended by any applicable cure period) or (b) to observe or perform any agreement or condition relating to such indebtedness such that such indebtedness has come due prior to its stated maturity and such acceleration has not been cured, unless (in the case of clauses (a) and (b)) (i) the aggregate amount of such indebtedness is less than €100,000,000 or (ii) the question of whether such indebtedness is due has been disputed in good faith by appropriate proceedings and such dispute has not been finally adjudicated against the Company or the Material Subsidiary, as the case may be;

(e) if the Company is (or is deemed by law or a court to be) insolvent or bankrupt or presents a request for controlled management (*gestion contrôlée*) or is granted a moratorium on payments or is unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts within the meaning of any applicable law, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of (or all of a particular type of) its debts (or of any part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or any arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Company or any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the foregoing events; or

(f) if any Material Subsidiary is (or is deemed by law or a court to be) insolvent or bankrupt or presents a request for controlled management (*gestion contrôlée*) or is granted a moratorium on payments or is unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts within the meaning of any applicable law, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of (or all of a particular type of) its debts (or of any part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or any arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of any such Material Subsidiary or any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the foregoing events (in each case, a "Material Subsidiary Insolvency Event"), provided that no Event of Default under this paragraph (f) will occur in relation to any such Material Subsidiary Insolvency Event unless (x) the credit rating assigned by any Rating Agency to the long-term, unsecured and unsubordinated indebtedness of the Company within the period of 60 days immediately following such Material Subsidiary Insolvency Event is less than the

credit rating assigned by such agency to the long-term, unsecured and unsubordinated indebtedness of the Company immediately prior to or on the effective date of such Material Subsidiary Insolvency Event and (y) a Rating Agency making a Rating Downgrade publicly announces or confirms that such Rating Downgrade was the result of any event or circumstance comprised in or arising as a result of, or in respect of, such Material Subsidiary Insolvency Event.

In addition to the Events of Default specified in the Base Indenture, the Supplemental Indenture provides that each of the following events shall be an Event of Default:

(a) the failure by the Company to comply with its obligation to convert the Notes in accordance with the Indenture upon exercise of a Noteholder's Conversion Right; or

(b) the failure by the Company to provide a Company Repurchase Notice pursuant to the Indenture or a notice of a specified corporate transaction as required by the Indenture when due.

Acceleration

Upon the occurrence and continuation of any Event of Default, then in every such case the Trustee or the holders of at least 25% in aggregate principal amount of the outstanding Notes of the affected series may declare the principal amount of the outstanding Notes of that series to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by holders), in accordance with the Indenture. Upon any such declaration, the Notes shall become due and payable immediately.

At any time after such a declaration of acceleration with respect to outstanding Notes of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as provided in the Indenture, the holders of a majority in principal amount of the outstanding Notes of that series, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if:

(a) the Company has paid or deposited with the Trustee a sum sufficient to pay

(i) all overdue interest on all Notes of that series,

(ii) the principal of (and premium, if any, on) any Notes of that series which have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates prescribed therefor in such Notes,

(iii) to the extent that payment of such interest is lawful, interest upon overdue interest at the rate or rates prescribed therefor in such Notes, and

(iv) all sums paid or advanced by the Trustee hereunder and the reasonable and documented compensation, expenses, disbursements and advances of the Trustee, its agents and counsel;

and

(b) all Events of Default with respect to Notes of that series, other than the non-payment of the principal and other amounts of Notes of that series which have become due solely by such declaration of acceleration, have been cured or waived as provided in the Indenture.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

Extension Fee

Notwithstanding the provisions of the Indenture referred to above, if we so elect, the sole remedy of holders for an Event of Default relating to our failure to file any documents or reports pursuant to the covenant described below in "Reports" or any obligations we are deemed to have pursuant to Section 314(a)(1) of the Trust Indenture Act will for the first 180 days after the occurrence of such Event of Default consist exclusively of the right to receive an extension fee on the Notes equal to 0.25% of the principal amount of the Notes (the "Initial Extension Fee"). We refer to this election as the "Initial Extension Right." If we exercise the Initial Extension Right, the Initial Extension Fee will be payable to all holders of record of the Notes on the record date that we specify in our notice that we are electing to use our Initial Extension Right (which will fall between the date of that notice and the date of the related Event of Default). On the 181st day after such Event of Default (if such violation is not cured or waived prior to such 181st day), the Notes will be subject to acceleration as provided above; provided, however, that if we so elect, the sole remedy of holders will for the succeeding 180 days consist exclusively of the right to receive an additional extension fee on the Notes equal to 0.50% of the principal amount of the Notes (the "Additional Extension Fee" and each of the Additional Extension Fee and the Initial Extension Fee, an "Extension Fee"). We refer to this election as the "Additional Extension Right." On the 361st day after such Event of Default (if such violation is not cured or waived prior to such 361st day), the

Notes will be subject to acceleration as provided above. In the event we do not elect to pay the Initial Extension Fee or the Additional Extension Fee upon any such Event of Default in accordance with this paragraph, the Notes will be subject to acceleration as provided above.

In order to exercise the Initial Extension Right and elect to pay the Initial Extension Fee as the sole remedy during the first 180 days after the occurrence of any Event of Default relating to the failure to comply with the reporting obligations in accordance with the preceding paragraph, we must (i) notify all holders of Notes and the Trustee and paying agent of such election prior to the close of business on the date on which such Event of Default occurs and (ii) pay such Initial Extension Fee on or before the close of business on the date on which such Event of Default occurs. In order to exercise the Additional Extension Right (following our exercise of the Initial Extension Right) and to pay the Additional Extension Fee as the sole remedy starting the 181st day after the occurrence of any Event of Default relating to the failure to comply with the reporting obligations in accordance with the preceding paragraph, we must (i) notify all holders of Notes and the Trustee and paying agent of such election prior to the close of business on the 179th day after the occurrence of an Event of Default for which we have elected to exercise our extension right and (ii) pay such Additional Extension Fee on the record date that we specify in our notice that we are electing to use our Additional Extension Right (which record date will fall between the date of that notice and such 181st day). If we fail to timely give either such notice or pay any extension fee after giving the applicable notice, the Notes will be immediately subject to acceleration as provided above.

Noteholder's Right to Require an Early Repurchase by the Issuer

Consolidation, Merger, Scission

Each Noteholder may, at its option, require the Issuer to repurchase in cash in whole or in part any of the Notes held by it at their principal amount plus accrued and unpaid interest to the repurchase date if the Issuer enters into (A) a merger, restructuring, consolidation or amalgamation where the resulting surviving company does not assume the obligations of the Issuer under the Notes or (B) a scission, a *transfert d'universalité* or a *transfert du patrimoine professionnel* (each, an "Event"), unless at least 35 Business Days prior to the completion of such Event, Noteholders are provided with notice in accordance with the Indenture of the availability of an opinion from an independent investment bank of international repute selected by the Trustee that the interests of Noteholders will not be materially adversely affected as a result of the Event. The Issuer will provide to any Noteholder upon request a copy of such opinion, if possible, and in any event will provide a copy of the conclusions from such opinion.

The Issuer will provide notice to Noteholders in accordance with the Indenture at least 35 Business Days prior to the completion of the relevant Event of either (i) the availability of an opinion as described above or (ii) that such an opinion will not be forthcoming.

Noteholders who decide to exercise their right to require a repurchase as described above will be required to notify the Trustee of their decisions no later than 30 Business Days following the earlier of (i) the date on which notice is given by the Issuer that such an opinion will not be forthcoming and (ii) the date which is 35 Business Days prior to the completion date, as publicly announced, of the Event, unless notice of the availability of an appropriate opinion has been given to Noteholders in accordance with the Indenture (the "Merger and Scission Exercise Period").

The repurchase date will be the third Business Day following the end of the Merger and Scission Exercise Period.

"Business Day" means any day other than a Saturday, a Sunday or a day on which banking institutions in the City of New York, New York, Paris or Luxembourg or a place of payment (which shall have been notified in writing to the Trustee) are generally closed for business.

Delisting

Each Noteholder may, at its option, require the Issuer to repurchase in cash in whole or in part any of the Notes held by it at their principal amount plus accrued and unpaid interest to the repurchase date if the Shares (or any Substitute Shares, as defined below) are no longer listed on a U.S. national securities exchange.

Noteholders who decide to exercise their right to require a repurchase as described above will be required to notify the Trustee of their decisions no later than 30 Business Days following the earlier of (i) the date on which the Issuer provides notice to Noteholders of the delisting of the Shares in accordance with the Indenture and (ii)

the date on which such delisting becomes effective (the “Delisting Exercise Period”).

The repurchase date will be the third Business Day following the end of the Delisting Exercise Period.

Free Float Event

Following the occurrence of a Free Float Event as defined below, each Noteholder may, at its option, require the Issuer to repurchase in cash in whole or in part of the Notes held by it at their principal amount plus accrued and unpaid interest to the repurchase date.

As soon as practicable and in any event not later than 7 Business Days (i) following the Issuer being notified, in accordance with applicable laws and regulations and/or the Issuer’s articles of association, of, or (ii) following the Issuer having made public in any document published pursuant to its periodic or ongoing obligations under Luxembourg law implementing the Directive 2004/109/EC dated 15 December 2004, a change in any holding of Shares that would give rise to the occurrence of a Free Float Event, the Issuer will notify the Noteholders in accordance with the Indenture.

Noteholders who decide to exercise their right to require a repurchase as described above will be required to notify the Trustee of their decisions no later than 30 Business Days following the date on which the Issuer provides notice to Noteholders of the occurrence of a Free Float Event (the “Free Float Exercise Period”).

The repurchase date will be the third Business Day following the end of the Free Float Exercise Period.

A “Free Float Event” will occur if at any time the Free Float is less than 15% of the issued and outstanding Shares on each Stock Exchange Trading Day in a period of not less than twenty consecutive Stock Exchange Trading Days, and where “Free Float” means all issued and outstanding Shares less the aggregate of those Shares held by the Mittal Family acting alone or in concert with others.

“Stock Exchange” means the New York Stock Exchange, or if the Shares cease to be listed on such exchange, the principal United States national securities exchange on which the Shares are listed, quoted or traded which, or if not listed on a United States national securities exchange, the principal other market or exchange on which the Shares are then listed, quoted or admitted for trading.

“Stock Exchange Trading Day” means any day when the Stock Exchange quotes the Shares for the entire trading day.

“Mittal Family” means Mr. and/or Mrs. L.N. Mittal and/or their family (acting directly or indirectly through trusts and/or other entities controlled by any of the foregoing).

Change of Control

In the event of a Change of Control, as defined below, each Noteholder may, at its option, require the Issuer to repurchase in cash in whole or in part of the Notes held by it at their principal amount plus accrued and unpaid interest to the repurchase date, during the Change of Control Exercise Period (as defined below).

In the event of a Change of Control, the Issuer will provide notice to the Noteholders, no later than 35 days following the effective Change of Control in accordance with the Indenture. This notice will indicate (i) the date of the Change of Control, (ii) the Change of Control Exercise Period of the Notes and the repurchase date and (iii) the repurchase price.

Noteholders who decide to exercise their right to require a repurchase as described above will be required to notify the Trustee of their decisions no later than 30 Business Days following the date the notice of Change of Control is given (the “Change of Control Exercise Period”).

The repurchase date will be the third Business Day following the end of the Change of Control Exercise Period.

Payments on the Notes; Payment Agent and Registrar; Transfer and Exchange

We will pay the principal of and interest on Notes in global form registered in the name of or held by The Depository Trust Company (“DTC”) or its nominee in immediately available funds to DTC or its nominee, as the case may be, as the registered holder of such global note.

We will pay the principal of any certificated Notes at the office or agency designated by the Company for that purpose. We have initially designated the Trustee as our paying agent and registrar and its agency in New York City, New York as a place where Notes may be presented for payment or for registration of transfer. We may, however, change the paying agent or registrar without prior notice to the holders of the Notes, and the Company may act as paying agent or registrar. Interest on certificated Notes will be payable (i) to holders having an aggregate principal amount of $5,000,000 or less, by check mailed to the holders of these Notes and (ii) to holders having an aggregate principal amount of more than $5,000,000, either by check mailed to each holder or, upon application by a holder to the registrar not later than the relevant record date, by wire transfer in immediately available funds to that holder's account within the United States, which application will remain in effect until the holder notifies, in writing, the registrar to the contrary.

A holder of certificated Notes may transfer or exchange Notes at the office of the registrar in accordance with the Indenture. The registrar and the Trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents. No service charge will be imposed by the Company, the Trustee or the registrar for any registration of transfer or exchange of Notes, but the Company may require a holder to pay a sum sufficient to cover any transfer tax or other similar governmental charge required by law or permitted by the Indenture. The Company is not required to transfer or exchange any Note surrendered for conversion.

Further Issues

We may, without the consent of the holders, issue additional Notes under the Indenture with the same terms and with the same CUSIP numbers as the Notes offered hereby in an unlimited aggregate principal amount; *provided* that such additional Notes must be part of the same issue as the Notes offered hereby for United States federal income tax purposes.

The Issuer will provide notice of any such issue in accordance with the Indenture.

Ranking

The Notes constitute direct, general**,** unsubordinated and unsecured obligations of the Issuer, and rank equally amongst themselves and *pari passu* with all other unsecured and unsubordinated indebtedness and guarantees, both present and future, of the Issuer.

Negative Pledge

So long as any of the Notes remain outstanding, ArcelorMittal will not, and will not permit any Material Subsidiary to, create or permit to subsist any Security upon any of our Assets or their respective Assets, as the case may be, present or future, to secure any Relevant Indebtedness incurred or guaranteed by us or by any such Material Subsidiary (whether before or after the issue of the Notes) other than Permitted Security, unless our obligations under the Notes are (i) equally and ratably secured so as to rank pari passu with such Relevant Indebtedness or the guarantee thereof or (ii) benefit from any other Security or arrangement as is approved by the holders of a majority in aggregate principal amount of the Notes of the affected series then outstanding.

Taxation; Additional Amounts

If the Issuer is not exclusively a resident of Luxembourg for tax purposes, then all payments of principal of, premium (if any), interest and any other payment or delivery on the Notes will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by any jurisdiction (other than Luxembourg) in which the Issuer is resident for tax purposes (or in the case of a successor entity any jurisdiction in which such successor entity is organized or resident for tax purposes (or any political subdivision or taxing authority thereof or therein) (each, as applicable, a "Relevant Jurisdiction"), unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In the event that any such withholding or deduction is so required, the Issuer or any successor entity, as the case may be, will make such deduction or withholding, make payment of the amount so withheld to the appropriate governmental authority and will pay such additional amounts ("Additional Amounts") as will result in receipt by the holders of such amounts as would have been received by the holders had no such withholding or deduction been required by the Relevant Jurisdiction, except that no Additional Amounts will be payable:

(a) for or on account of:

(i) any tax, duty, assessment or other governmental charge that would not have been imposed but for:

(A) the existence of any present or former connection between the holder or beneficial owner of such Note, as the case may be, and the Relevant Jurisdiction including, without limitation, such holder or beneficial owner being or having been a citizen or resident of such Relevant Jurisdiction or treated as a resident thereof or being or having been physically present or engaged in a trade or business therein or having or having had a permanent establishment therein, other than merely holding such Note or the receipt of payments thereunder;

(B) the presentation of such Note (where presentation is required) more than 30 days after the later of the date on which the payment of the principal of, premium, if any, or interest on, such Note became due and payable pursuant to the terms thereof or was made or duly provided for, except to the extent that the holder thereof would have been entitled to such Additional Amounts if it had presented such Note for payment on any date within such 30-day period;

(C) the failure of the holder or beneficial owner to comply with a timely request of us or any successor entity addressed to the holder or beneficial owner, as the case may be, to provide information, documentation and certification concerning such holder's or beneficial owner's nationality, residence, identity or connection with any Relevant Jurisdiction, if and to the extent that due and timely compliance with such request would under applicable law, regulation or administrative practice have reduced or eliminated any withholding or deduction as to which Additional Amounts would have otherwise been payable to such holder; or

(D) the presentation of such Note (where presentation is required) for payment in the Relevant Jurisdiction, unless such Note could not have been presented for payment elsewhere;

(ii) any estate, inheritance, gift, sale, transfer, excise or personal property or similar tax, assessment or other governmental charge;

(iii) any withholding or deduction in respect of any tax, duty, assessment or other governmental charge where such withholding or deduction is imposed or levied on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of November 26-27, 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directives; or

(iv) any combination of taxes, duties, assessments or other governmental charges referred to in the preceding clauses (i), (ii) and (iii); or

(b) with respect to any payment of the principal of, or premium, if any, or interest on, such Note to a holder who is a fiduciary, partnership or Person other than the sole beneficial owner of any payment to the extent that such payment would be required to be included in the income under the laws of a Relevant Jurisdiction, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, or a member of that partnership or a beneficial owner who would not have been entitled to such Additional Amounts had that beneficiary, settlor, partner, or beneficial owner been the holder thereof.

Whenever there is mentioned in any context the payment of principal of, and any premium or interest on, any Note, such mention will be deemed to include payment of Additional Amounts provided for in the Indenture to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

Conversion

The Conversion Right

Noteholders have the right (the "Conversion Right") at any time to convert their Notes into Shares, the Cash Value (as defined below), or a combination thereof, subject to the provisions described under "—Fractional Shares" below at a rate (the "Conversion Ratio") of 33.1675 shares per $1,000 principal amount of Notes.

- Upon conversion, Noteholders will not receive any separate cash payment for accrued and unpaid interest, except as described below. The Issuer's delivery of cash or a combination of cash and Shares, together with any cash payment for any fractional shares, will be deemed to satisfy in full its obligation to pay:
- the principal amount of the Note; and

- accrued and unpaid interest to, but not including, the Exercise Date.

As a result, accrued and unpaid interest, if any, to, but not including, the Exercise Date will be deemed to be paid in full rather than cancelled, extinguished or forfeited. However, if a Noteholder exercises its Conversion Right with an Exercise Date occurring at any time during the fourteen Business Day period ending on the Maturity Date, such Noteholder will be deemed to be the record holder of such Notes on the regular record date immediately preceding the Maturity Date and will receive, notwithstanding such prior conversion, all accrued and unpaid interest since the previous Interest Payment Date to the Maturity Date.

Notwithstanding the preceding paragraph, if Notes are converted after 5:00 p.m., New York City time, on a regular record date for the payment of interest, holders of such Notes at 5:00 p.m., New York City time, on such record date will receive the interest, if any, payable on such Notes on the corresponding Interest Payment Date notwithstanding the conversion. Notes, upon surrender for conversion during the period from 5:00 p.m., New York City time, on any regular record date to 9:00 a.m., New York City time, on the immediately following Interest Payment Date, must be accompanied by funds equal to the amount of interest payable on the Notes so converted; *provided* that no such payment need be made:

- for conversions following the record date immediately preceding the Maturity Date;
- if the Issuer has specified a repurchase date that is after a record date and on or prior to the corresponding interest payment date; or
- to the extent of any overdue interest, if any overdue interest exists at the time of conversion with respect to such Note.

If a holder converts Notes, we will pay any documentary, stamp or similar issue or transfer tax due on the issue of any Shares, unless the tax is due because the holder requests any shares to be issued in a name other than the holder's name, in which case the holder will pay that tax.

Source of Underlying Shares

While ArcelorMittal holds 77.6 million shares in treasury, at the time the Notes were issued it had neither standing corporate authorization to issue shares nor sufficient shares in treasury to satisfy all its share delivery obligations upon conversion of the Notes, under the concurrent Shares Offering or upon conversion of its existing convertible bonds. Accordingly, Ispat International and ArcelorMittal entered into a share lending agreement pursuant to which Ispat International agreed to make available for borrowing by ArcelorMittal, at any time and from time to time, ArcelorMittal's common shares up to, in the aggregate, a maximum amount of 98 million shares, in consideration for the payment of a loan fee accruing at a daily rate equal to $0.0067 per loaned share for the period from and including May 15, 2009 to, but excluding, the date on which such loaned shares are returned to the lender.

The share lending agreement provided that ArcelorMittal may terminate all or any portion of any loan made thereunder at any time and that all outstanding loans shall terminate on the date which is three business days after the date on which a general meeting of shareholders of ArcelorMittal has approved a resolution approving sufficient authorized share capital and authorizing the Board of directors of the Company to cancel the preferential subscription right of existing shareholders to allow return to the lender of all borrowed shares. Subject to this condition being met, it is expected that shares to be delivered by ArcelorMittal to Ispat International upon termination of the loan(s) will be newly issued shares issued in favor of Ispat International (with a cancellation of the shareholders' preferential subscription right).

A resolution that enabled the issuance of new shares for these purposes was scheduled to be voted upon at the Extraordinary General Meeting of shareholders convened for May 12, 2009. Because the quorum required for that meeting was not reached, an Extraordinary General Meeting has been reconvened for June 17, 2009. See "Recent Developments—Postponement of Extraordinary General Meeting."

In addition, the terms and conditions of the Notes provide for the option for the Issuer to satisfy its obligations in cash.

Suspension of Settlement

Except as described under "—Noteholders' Rights—Financial Transactions—Delivery of Shares pursuant to exercise of the Conversion Right during the Adjustment Period in the event of a Make-Whole Event," if (i) a

transaction or event occurs requiring an adjustment to the Conversion Ratio as described below and (ii) the exercise of the Conversion Right by a Noteholder would lead to the delivery of Shares and/or cash after the date on which the transaction is completed or the relevant Record Date (as defined below), then: (a) if the adjustment (as provided "—Noteholders' Rights") is reasonably anticipated to result in the relevant Noteholder being entitled to a greater number of Shares, such Noteholder will receive (1) on the settlement dates described below under "—Exercise of the Conversion Right," delivery of such number of Shares (and/or payment of the Cash Value thereof, as applicable), together with any payment in lieu of fractions pursuant "—Fractional Shares" below, as such Noteholder was entitled to prior to any such adjustment to the Conversion Ratio and (2) following the later of the calculation of the relevant adjusted Conversion Ratio, such additional number of Shares (and/or the Cash Value thereof, as applicable), as is necessary following such adjustment (together with any payment in lieu of fractions pursuant to "—Fractional Shares"); or (b) if the adjustment is reasonably anticipated to result in the relevant Noteholder being entitled to a lesser number of Shares, then delivery of Shares (and/or the Cash Value thereof, as applicable) together with any payment in lieu of fractions pursuant to "—Fractional Shares" below, will be postponed as necessary to calculate the relevant adjusted Conversion Ratio and until the completion of such transaction.

Exercise Period and Conversion Ratio of Shares

Each Noteholder will be entitled to exercise its Conversion Right at any time as from the dates referred to above until the end of the seventh Business Day preceding the Maturity Date.

Subject to the adjustments described below, the initial Conversion Ratio will be 33,1675 Shares for each $1,000 principal amount of Notes.

Exercise of the Conversion Right

If a Noteholder holds a beneficial interest in a global note, to convert the Note it must comply with DTC's procedures for converting a beneficial interest in a global note and, if required, pay funds equal to interest payable on the next interest payment date to which it is not entitled and, if required, pay all taxes or duties, if any.

If a Noteholder converts a certificated Note, it must:

- complete and manually sign the conversion notice on the back of the Note, or a facsimile of the conversion notice;
- deliver the conversion notice, which is irrevocable, and the Note to the conversion agent;
- if required, furnish appropriate endorsements and transfer documents;
- if required, pay all transfer or similar taxes; and
- if required, pay funds equal to interest payable on the next interest payment date to which it is not entitled.

The date a Noteholder satisfies the foregoing requirements to exercise its Conversion Right is the "Exercise Date."

In respect of all Notes having the same Exercise Date, the Issuer will be entitled, at its option, to choose between:

- the conversion of the Notes into Shares;
- the delivery of the Cash Value of the Shares; or
- the delivery of a combination of Shares and or cash.

No later than 5:00 pm (New York City time) on the second Business Day following each Exercise Date (the "Decision Date"), the Issuer will notify the holder, through the Trustee, whether it intends to deliver Shares, the Cash Value of the Shares or a combination thereof.

“Cash Value” means, in respect of each Noteholder exercising its Conversion Rights, the arithmetic mean of the product of:

(a) the U.S. Dollars volume-weighted average price of a Share on the Stock Exchange as reported by Bloomberg (or any successor service) under the page “MT.UN <equity> AQR” or, if unavailable, the U.S. Dollars volume-weighted average price of a Share on the Stock Exchange in respect of the period from the scheduled open of trading until the scheduled close of trading of the primary trading session on such Stock Exchange, converted if necessary into U.S. Dollars using the rate provided by the European Central Bank on such day (or, if such rate is not available, such other rate as, in the reasonable opinion of the Issuer, may be substituted for it) and rounding the resultant amount to the nearest Euro 0.01 (0.005 being rounded upwards)), or, if the Shares are not listed on any Stock Exchange, as reasonably determined by an independent investment banking firm of international reputation selected by the Issuer using a volume-weighted method (the “Share Value”);

(b) the number of $1,000 principal amount Notes presented by such Noteholder in exercise of its Conversion Right; and

(c) the Conversion Ratio in effect,

on each of the fifteen successive Stock Exchange Trading Days commencing on the first Stock Exchange Trading Day after the Decision Date (the “Calculation Period”).

All holders of Notes with the same Exercise Date will be treated equally and have their Notes converted and/or paid in cash, as appropriate, in the same proportion, subject to any rounding adjustments.

In the event that the Issuer elects to deliver a combination of Shares (whether new and/or existing Shares) and cash, the cash amount to be paid, in respect of each Noteholder, will be equal to the difference between (i) the Cash Value in respect of the relevant Noteholder, and (ii) the arithmetic mean of the product of (a) the Share Value on each successive Stock Exchange Trading Days of the Calculation Period, and (b) the number of Shares the Issuer has elected to deliver to the relevant Noteholder (as may be adjusted following the occurrence of any event referred described below during the Calculation Period).

The Issuer will determine the number of Shares and/or amount of cash to be delivered in respect of an exercise of the Conversion Right by reference to the aggregate number of Notes in respect of which such right has been exercised by each Noteholder.

Delivery of Shares to a Noteholder will take place on or before the seventh Business Day following the Exercise Date (except as provided below). Payment of cash to a Noteholder will take place on or before the third Business Day following the Calculation Period.

The new Shares issued as a result of conversion of Notes will be listed on all stock exchanges on which all other Shares are then currently listed. Issued and outstanding Shares delivered as a result of a conversion of Notes are already listed on all stock exchanges on which all other Shares are currently listed.

Noteholders’ rights to interest payments on the Notes and to dividends, distributions or allocations in respect of Shares delivered

In the event of exercise of the Conversion Right, no interest will be payable to Noteholders in respect of the period from the last Interest Payment Date preceding the Exercise Date and the date on which the Shares are delivered, except as described under “—The Conversion Right” above.

New Shares issued following the conversion of the Notes and issued and outstanding Shares delivered upon exchange of the Notes will be subject to all provisions of the articles of association of the Issuer, will be fully fungible with the other existing Shares of the Issuer and will carry all rights attached to such Shares as from their delivery date, it being understood that, in the event a Record Date (as defined below) should occur before the date of delivery of the Shares, Noteholders will not have the right to receive or to be indemnified for the dividend or any other distribution or allocation with respect to the Shares related to such Record Date (without prejudice to the right to adjustment of the Conversion Ratio described below and as described above).

For the purpose of the foregoing, “Record Date” means the date by reference to which the holding of Shares in the Issuer is determined for purposes of assessing to which shareholders a dividend, a distribution or an

allocation, whether declared or resolved on such date or previously declared or resolved, should be paid or delivered.

Noteholders' Rights

Undertakings of the Issuer

The Issuer undertakes, whilst any Notes are outstanding, not to repay its share capital, nor to alter its articles of association with respect to the distribution of profits to shareholders. However, the Issuer may create voting or non-voting preference shares or other preferred equity instruments, pursuant to the provisions of the law of August 10, 1915 relating to commercial companies, provided that the rights of the Noteholders are protected as described under this "—Noteholders' rights" section.

Reduction of capital by reason of losses

In the event of a reduction of capital by reason of losses, the rights of the Noteholders to receive Shares will be reduced accordingly, as if such Noteholders had been shareholders of the Issuer as of the date of the issue of the Notes, whether the reduction of capital is achieved through a reduction in the accounting par value of the Shares or in the number of Shares. In the latter case, the new Conversion Ratio for the allocation of Shares will be determined by multiplying the Conversion Ratio in effect prior to the reduction in capital by the following formula:

$$\frac{\text{Number of Shares existing after the transaction}}{\text{Number of Shares existing before the transaction}}$$

Financial transactions

If any of the following transactions are effected after the Issue Date:

1. financial transactions conferring a preferential subscription right or by way of free allocation of warrants to its shareholders;

2. increase in Share capital by capitalization of reserves, profits or Share premia and by distribution of bonus Shares, or a share split or reverse share split;

3. in the event that a nominal value is assigned to the Shares, an increase in Share capital, without issuing Shares, by capitalization of reserves, profits, or Share premia by increasing the nominal value of the Shares;

4. distribution of reserves or of Share premia, in cash or in kind;

5. allotment to Shareholders of any bonus financial instruments of the Issuer other than Shares;

6. absorption, merger, spin-off, division (*scission*);

7. buy-back of own Shares;

8. modification of allocation of the profits of the Issuer through issuance of voting or non-voting preference Shares or other preferred equity instruments;

9. distribution of an exceptional distribution; or

10. make-whole events,

the rights of the Noteholders will be preserved until the delivery date of the Shares and/or cash upon exercise of the Conversion Right by adjusting the Conversion Ratio in accordance with the following provisions.

This adjustment will be calculated in such a manner so that the value of the Shares which would have been delivered in the event of an exercise of the Conversion before the occurrence of one of the transactions mentioned above, is equivalent to the value of the Shares which would be delivered in the event of an exercise of the Conversion Right after the occurrence of such transaction.

In the event of an adjustment carried out in accordance with paragraphs 1 to 10 above, the new Conversion Ratio will be calculated to three decimal places and rounded to the nearest thousandth (0.0005 being rounded upwards). Any subsequent adjustments will be carried out on the basis of such newly calculated and rounded Conversion Ratio. However, the Notes can only result in the delivery of a whole number of Shares, the treatment of fractions of Shares being governed by "—Fractional Shares" as described below.

1. (a) In the event of a financial transaction conferring a preferential subscription right, the new Conversion Ratio will be determined by multiplying the Conversion Ratio in effect prior to the relevant transaction by the following formula:

$$\frac{\text{Share price ex-subscription right plus the price of the subscription right}}{\text{Share price ex-subscription right}}$$

For the purposes of calculating this formula, the Share price ex-subscription right and of the subscription right will be determined on the basis of the volume-weighted average price on the Stock Exchange of the Shares falling in the subscription period during which the Share ex-subscription right and the subscription right are traded.

(b) In the event of a financial transaction by way of a free allocation of listed warrants to shareholders with the possibility of a related placement of securities upon exercise of warrants not exercised by their holders at the end of their subscription period, the new Conversion Ratio will be equal to the product of the Conversion Ratio in effect prior to the transaction in question multiplied by the following ratio:

$$\frac{\text{Share price ex-right + the value of the warrant}}{\text{Share price ex-right}}$$

For the purposes of calculating this formula,

- the Share price ex-right will be calculated on the basis of the volume weighted average of (i) the prices of the Shares on the Stock Exchange falling in the subscription period during which the Shares are traded and (ii) (a) the sale price of the securities sold in the placement, by applying to such sale price the volume of Shares sold in such placement, if such securities are fungible with existing Shares, or (b) the prices of the Shares on the Stock Exchange on the day the sale price for the securities sold in the placement is fixed, if such securities are not fungible with existing Shares.
- the value of the warrant will be calculated on the basis of the volume weighted average of (i) the prices of the warrant on the Stock Exchange (or, in the absence of a listing on the Stock Exchange, on any other regulated market) falling in the subscription period during which the warrants are traded, and, (ii) for the placement, of the implicit value ("*valeur implicite*") of the warrants corresponding to the difference, if it is positive, adjusted by the exercise ratio, between the sale price of the securities sold in the placement and the subscription price of the securities, by applying to the value so calculated, the volume corresponding to the warrants exercised to deliver the securities sold in the placement.

2. In the event of an increase in Share capital by capitalization of reserves, profits or Share premia and by distribution of bonus Shares, or in the event of a share split or reverse share split, the new Conversion Ratio will be determined by multiplying the Conversion Ratio in effect prior to the relevant transaction by the following formula:

$$\frac{\text{Number of Shares existing after the transaction}}{\text{Number of Shares existing before the transaction}}$$

3. Only if the Issuer assigns a nominal value to the Shares, in the event of an increase in Share capital without Shares being issued by means of a capitalization of reserves, profits or Share premia, effected by increasing the nominal value of the Shares, the Conversion Ratio will not be adjusted, but the nominal value of the Shares which may be delivered to the Noteholders exercising their Conversion Right will be increased accordingly.

4. In case of a distribution of reserves, in cash or in kind, or of premiums, the new Conversion Ratio will equal the product of the Conversion Ratio applicable immediately prior to the beginning of such transaction and the following ratio:

$$\frac{\text{Value of the Shares prior to the date on which the Share is traded ex-distribution}}{\text{(Value of the Shares prior to the date on which the Share is traded ex-distribution – the amount of distribution per Share or value of the securities or assets distributed per Share)}}$$

For the calculation of this ratio:

- the value of the Share prior to the date on which the Share is traded ex-distribution will be calculated on the basis of the volume-weighted average price of the Shares on the first three Stock Exchange Trading Days immediately preceding the date on which the Share is traded ex-distribution;
- In case of a distribution in kind:
- in the case of distribution of financial instruments, the value of such financial instruments will be calculated as described above if such financial instruments are already traded on a regulated market in the European Union (or its equivalent in a non- European Union jurisdiction);
- if such financial instruments are not traded on a regulated market in the European Union (or its equivalent in a non- European Union jurisdiction) prior to the date on which the Share is traded ex-distribution, the value of these financial instruments will be calculated, if such financial instruments are admitted to trading on a regulated market in the European Union (or its equivalent in a non- European Union jurisdiction) during the period of 20 trading days commencing on the date on which the Share is traded ex-distribution; on the basis of the volume- weighted average price on such stock exchange during the first three trading days that follow the date on which the Share is traded ex-distribution and during which such financial instruments are traded; and
- in all other cases (non-traded financial instruments or other assets), by an independent investment banking firm of international repute selected by the Issuer.

5. In the event of an allotment of bonus financial instruments of the Issuer other than the Shares of the Issuer and subject to paragraph 1(b) above, the new Conversion Ratio will be determined:

(a) if the right to receive financial instruments is admitted to trading on the Stock Exchange, by multiplying the Conversion Ratio in effect prior to the relevant transaction by the following formula:

$$\frac{\text{Share price ex-right + the price of the right to receive financial instruments}}{\text{Share price ex-right}}$$

For the purposes of calculating this formula, the Share price ex-right and of the price of right to receive financial instruments will be determined on the basis of the volume-weighted average price on the Stock Exchange of the Share ex-right and of the right to receive financial instruments on the first three Stock Exchange Trading Days on which the Share ex-right and the right to receive financial instruments are traded. If this calculation is made on the basis of the volume-weighted average prices for less than two Stock Exchange Trading Days, it will be confirmed or evaluated by an independent investment banking firm of international repute selected by the Issuer.

(b) if the right to receive financial instruments is not admitted to trading on the Stock Exchange, by multiplying the Conversion Ratio in effect prior to the relevant transaction by the following formula:

$$\frac{\text{Share price ex-right + value of the financial instruments allocated to each Share}}{\text{Share price ex-right}}$$

For the purposes of calculating this formula, the Share price ex-right will be determined as in (a) above and the value of the financial instruments allocated to each Share, if such instruments are traded on a regulated market in the European Union (or its equivalent in a non- European Union jurisdiction), will be determined on the basis of the volume-weighted average price during the first three Stock Exchange Trading Days following the date of allocation of such financial instruments during which the Share ex-right and the financial instrument(s) are traded. If the financial instruments allocated are not traded on a regulated market in the European Union (or its equivalent in a non-European Union jurisdiction), their value will be evaluated by an independent investment banking firm of international repute selected by the Issuer.

6. In the event of absorption of the Issuer by another company or merger of the Issuer with one or more other companies to create a new company, or a division (scission), or spin-off of the Issuer, the Notes may be converted upon exercise of the Conversion Right for shares ("Substitute Shares") of the absorbing or new company or the companies resulting from any division (scission), *transfert*

d'universalité, transfert du patrimoine professionnel or other spin-off, as the case may be, to the extent that it or they assume the obligations of the Issuer under the Notes, in the same manner as before such event according to the Conversion Ratio adjusted as set forth below.

The Conversion Ratio for Substitute Shares will be determined by multiplying the Conversion Ratio in effect before such event by the exchange ratio of Shares for Substitute Shares (expressed as a fraction, the numerator of which is the number of Substitute Shares and the denominator of which is the number of Shares). In case no exchange ratio of Shares for Substitute Shares can be determined, the adjustment, if any, will be calculated by an independent investment banking firm of international repute selected by the Issuer.

7. In the event that the Issuer makes an offer to all shareholders to buy back its own Shares at a price that is higher than the Share Price the new Conversion Ratio will be determined by multiplying the Conversion Ratio in effect by the following formula:

$$\frac{\text{Share Price x } (1 - \text{Pc per cent})}{\text{Share Price - Pc per cent x Buy-back price}}$$

For the purposes of calculating this formula:

- "Share Price" means the average of at least ten consecutive volume-weighted average prices of the Shares on the Stock Exchange chosen from the twenty consecutive volume-weighted average prices of the Shares preceding the buyback (or the buy-back offer).
- "Pc per cent" means the percentage of the Share capital that has been bought back.
- "Buy-back price" means the effective price of buying back Shares (which is by definition higher than the Share Price).

8. In case of modification of allocation of the profits of the Issuer through issuance of voting or non-voting preference shares or other preferred equity instruments, the new Conversion Ratio will be determined by an independent investment banking firm of international repute selected by the Issuer, taking into account, among other things, the value of the Share prior to the change in the Issuer's profit allocation, the modifications made to the allocation of the profits of the Issuer, the terms and conditions of the non-voting preference shares or other preferred equity instruments and the terms of the offering of such shares or instruments, it being specified that if such shares or instruments are offered through preferential subscription rights or by way of a free allocation of warrants, the Conversion Ratio will be adjusted only pursuant to paragraphs 1 or 5 above.

9. In the event of a Dividend Payment Differential (as defined below), the new Conversion Ratio will be determined as described below.

In this paragraph 9, "Dividend Payment Differential" means that the Total Amount of Dividend Distributed per Share during a particular financial year of the Issuer is greater than the Threshold Amount of Dividend Distributed per Share applicable to such financial year as set out below.

The Dividend Payment Differential will therefore equal the (positive) difference between the Total Amount of Dividend Distributed per Share during a particular financial year of the Issuer and the Threshold Amount of Dividend Distributed per Share applicable to such financial year.

The "Reference Dividend" means the dividends or distributions the Record Date of which falls during a particular financial year, which causes the Threshold Amount of Dividend Distributed per Share applicable to such financial year to be exceeded.

The "Prior Dividend" means the dividends or distributions, if any, the Record Date of which falls prior to the Record Date of the Reference Dividend but during the same financial year as the financial year in which the Reference Dividend's Record Date has fallen.

The "Additional Dividend" means all dividends or distributions the Record Date of which falls after the Record Date of the Reference Dividend but during the same financial year as the financial year in which the Reference Dividend's Record Date has fallen.

The "Total Amount of Dividend Distributed" means the total of the Reference Dividend and the Prior Dividend (if any) the Record Dates of which fall during a single financial year.

The Reference Dividend, the Prior Dividend and the Additional Dividend are equal to the total sum of the dividends or distributions paid out in cash or in kind to the shareholders the Record Dates of which fall during a single financial year (excluding any withholding tax applied). No dividends or distributions (or partial dividends or distributions) which result in an adjustment to the Conversion Ratio pursuant to paragraphs 1 to 8 above will be taken into account for the purposes of this paragraph 9.

The "Threshold Amount of Dividend Distributed per Share" for each financial year of the Issuer until the scheduled Maturity Date of the Notes is as follows:

Dividends the Record Dates of which fall during the financial year ending on:	Threshold of Amount of Dividend Distributed per Share*
December 31, 2009	$0.75
December 31, 2010	$0.75
December 31, 2011	$0.75
December 31, 2012	$0.75
December 31, 2013	$0.75
December 31, 2014	$0.75**

* The Threshold Amount of Dividend Distributed per Share above will be adjusted inversely to the Conversion Ratio in the event of an allotment of bonus shares to shareholders, a stock split or reverse split of the Shares, and will be multiplied by the following formula:

$$\frac{\text{Number of Shares constituting the share capital prior to the transaction}}{\text{Number of Shares constituting the share capital after the transaction}}$$

** For the avoidance of doubt, there will be no retroactive adjustment in respect of any dividends or distributions the Record Dates of which fall after the Maturity Date.

In the event of a Dividend Payment Differential during a financial year, the new Conversion Ratio will be determined according to the following formula:

$$NCR = CR \times \frac{SP\text{-}TADD}{SP\text{-}ADD}$$

where:

- NCR means the new Conversion Ratio;
- CR means the Conversion Ratio previously in effect;
- ADD means the Total Amount of Dividend Distributed per Share during the relevant financial year;
- TADD means the Threshold Amount of Dividend Distributed per Share of the relevant financial year; and
- SP means the volume-weighted average price of the Shares on the New York Stock Exchange (NYSE) during the three trading days preceding the day on which the Share is traded ex-Reference Dividend.

Any Additional Dividend (if necessary, reduced by any fractional dividend or distribution resulting in a calculation of a new Conversion Ratio pursuant to paragraphs 1 to 8 above) will result in an adjustment according to the following formula:

$$NCR = CR \times \frac{SP}{SP\text{-}AD}$$

where:

- NCR means the new Conversion Ratio;
- CR means the Conversion Ratio previously in effect;

- AD means any Additional Dividends per Share during the relevant financial year; and
- SP means the volume-weighted average price of the Shares on the New York Stock Exchange (NYSE) during the three trading days preceding the day on which the Share is traded ex-Reference Dividend.

10. Upon the occurrence of a "Make-Whole Event," the Conversion Ratio will be adjusted for exercises of the Conversion Right during the periods described below as follows:

$$NCR = CR \times [1 + (Pr\% \times (D/M))]$$

where:

- NCR means the new Conversion Ratio;
- CR means the Conversion Ratio in effect immediately prior to the Make-Whole Reference Date (as defined below);
- Pr% means the issuance premium of each Note over the reference price of the Share used to determine the terms of the Notes (expressed as a percentage);
- D means the number of calendar days between the Make-Whole Reference Date and the Maturity Date (excluded); and
- M means 1,835 days, corresponding to the number of days between the Issue Date of the Notes (included) and the Maturity Date (excluded).

The adjustment of the Conversion Ratio provided for above will only be applicable for the exercise of the Conversion Right by the Noteholders on Exercise Dates between (and including):

A) in the case of a Public Offer, the first day on which the Shares may be tendered in the Public Offer, or, in the case of any other Make-Whole Event, the first date of its public announcement (the "Make-Whole Reference Date"); and

B) (i) if the Public Offer results in the offeror acquiring control within the meaning of the Luxembourg Takeover Law, the last day of the re-opened acceptance period under article 7(3) of the Luxembourg Takeover Law;

(ii) if the Public Offer consists in a consolidation of existing control by the offeror or if the Public Offer does not result in the offeror acquiring control within the meaning of the Luxembourg Takeover Law, the date on which the final Public Offer results are published;

(iii) if the offeror withdraws its Public Offer, the date on which notice of such withdrawal is published; or

(iv) in the case of a Make-Whole Event other than a Public Offer, the date that is 20 Business Days after the occurrence of such Make-Whole Event.

This period will be referred to as the "Adjustment Period in case of Make-Whole Event".

For the purpose of the foregoing, a "Make-Whole Event" means (i) the occurrence of a Public Offer or (ii) the occurrence a Change of Control or a Free-Float Event, (iii) the public announcement by the Issuer of any agreement or understanding which would, if consummated, result in a Change of Control or Free-Float Event or (iv) the public announcement by any member or affiliate of the Mittal Family of any tender or exchange offer which would, if consummated, result in a Change of Control or Free-Float Event.

A "Public Offer" means a public tender or exchange offer for the Shares following: (i) approval of such offer by the Commission de Surveillance du Secteur Financier (the "CSSF") in case the Public Offer is within the scope of the *loi du 19 mai 2006 concernant les offres publiques d'acquisition* (the "Luxembourg Takeover Law"), (ii) nonobjection by the CSSF in case the Public Offer is outside the scope of such law, and such Public Offer could if successful result in, or is itself the result of, a Change of Control, or (iii) the filing of a Schedule TO or any other form under U.S. securities laws publicly announcing an offer or intention to offer to purchase Shares which, if consummated, would result in a Change of Control.

A “Change of Control” means:

(i) one or more individuals or corporate entities (other than the Mittal Family) acting alone or in concert, acquiring the control of the Issuer, with “control” meaning the holding (directly or indirectly via companies controlled by the relevant person(s)), of:

(x) the majority of the voting rights of the Shares or

(y) more than 33.1/3 % of such voting rights if no other shareholder of the Issuer (including for the avoidance of doubt the Mittal Family), acting alone or in concert, holds (directly or indirectly via companies controlled by such shareholder) more than 40% of the voting rights attached to the Shares; or

(ii) consummation of any recapitalization, reclassification, share exchange, consolidation, merger or any other transaction or event, or series of transactions or events, pursuant to which all or substantially all of the Shares are exchanged for or converted into cash, securities or other property, 10% or more of which is not listed on a United States national securities exchange.

Notwithstanding anything to the contrary in the preceding paragraph, a “Change of Control” will be deemed to have occurred if (i) the Public Offer is a mandatory takeover bid under Luxembourg Law (an “MTO”); (ii) the Public Offer was a voluntary offer but the CSSF determines prior to the end of the tender period of the Public Offer that the offeror must, following the completion of the voluntary Public Offer, launch an MTO (the “MTO Determination”), unless in each case the Mittal Family holds more than 50% of the voting rights attached to the Shares at the time the MTO was launched (in the case of (i)) or determined to be required (in the case of (ii)). In case of a voluntary Public Offer covered by (ii) above but in the event the Mittal Family does not hold more than 50% of the voting rights attached to the Shares at the time the MTO was launched, the Conversion Ratio will be adjusted as set out in this paragraph 10 as from the publication date of the MTO Determination until the end of the tender period of such voluntary Public Offer as determined in paragraph B) above. In addition, for the avoidance of doubt, following the end of the tender period of such voluntary Public Offer, the Conversion Ratio will be adjusted as set out in this paragraph 10 in respect of the MTO subsequently launched as a result of the MTO Determination.

Delivery of Shares pursuant to exercise of the Conversion Right during the Adjustment Period in the event of a Make-Whole Event

As an exception from the provisions of “—Exercise of the Conversion Right” above, in the event that the Conversion Right is exercised during the Adjustment Period in case of a Make-Whole Event, the relevant Shares will be delivered within three Business Days from receipt by the Trustee of the request for the exercise of the Conversion Right.

In the event that the Issuer carries out any transaction in respect of which an adjustment would not be made as specified in paragraphs 1 to 10 and if any future law or regulation should provide for an adjustment, the Issuer will make such adjustment in accordance with the applicable laws and regulations and with the practices used in the markets on which the Notes are traded. The Board of Directors will report on the methods of the calculation and the results of any adjustment in the next annual report.

Treatment of fractional Shares

Any Noteholder exercising its Conversion Right may receive a number of Shares, which is calculated by multiplying the number of $1,000 principal amount of Notes presented by the Conversion Ratio in effect at such time.

If the number of Shares calculated in this manner is not a whole number, the Noteholder will receive the nearest whole number of Shares immediately less than its entitlement and will receive a payment equal to the value of such additional fraction of a Share, calculated on the basis of the closing Share price quoted on the Stock Exchange on the Exercise Date.

Notification of Noteholders

In the event of an adjustment, the Noteholders will be notified of the new Conversion Ratio by a notice to the Noteholders given in accordance with the Indenture (see "—Notices") within 5 Business Days following the adjustment.

In the event of a transaction involving preferential subscription rights for shareholders of the Issuer, the Noteholders will be notified prior to the commencement of such transaction by a notice given to Noteholders in accordance with the Indenture.

Modification and Amendment

The Indenture may be amended or modified without the consent of any holder of the Notes in order to: (i) cure any ambiguity, defect or inconsistency; (ii) provide for the issuance of additional debt securities (including Notes) in accordance with the limitations set forth in the Indenture as of the date thereof; (iii) provide for the assumption by a successor company of our obligations under the Notes and the Indenture in the case of a merger or consolidation or sale of all or substantially all of our assets; (iv) comply with any requirements of the SEC in connection with qualifying the Indenture under the Trust Indenture Act; or (v) correct or add any other provisions with respect to matters or questions arising under this Indenture, so long as that correction or added provision will not adversely affect the interests of the holders of the debt securities (including Noteholders) in any material respect.

Modifications and amendments of the Indenture may be made by us and the Trustee with the consent of the holders of a majority in principal amount of the debt securities of the affected series (including, as the case may be, the Notes) then outstanding under the Indenture. In addition, the holders of a majority in aggregate principal amount of the outstanding debt securities of any series (including, as the case may be, the Notes) may waive any past default under the Indenture, except an uncured default in the payment of principal of or interest on such series of debt securities or an uncured default relating to a covenant or provision of the Indenture that cannot be modified or amended without the consent of each affected holder. Notwithstanding the above, without the consent of each holder of an outstanding debt security affected (including, as the case may be, the Notes), no amendment may, among other things: (i) modify the stated maturity of the debt securities or the dates on which interest is payable in respect of the debt securities; (ii) reduce the principal amount of, or interest on, the debt securities; (iii) change the currency of payment of the debt securities; (iv) impair the right of the holders of debt securities to institute suit for the enforcement of any payment on or after the date due; (v) reduce the percentage in principal amount of the outstanding debt securities, the consent of whose holders is required for any modification of or waiver of compliance with any provision of this Indenture or defaults under the Indenture and their consequences; and (vi) modify the provisions of the Indenture regarding the quorum required at any meeting of holders.

Notwithstanding the foregoing provision, in addition to the other limitations described above, no supplemental indenture may, without the consent of each holder of an outstanding Note affected by such supplemental indenture: (i) make any change that adversely affects the Conversion Rights of any of the Notes; (ii) reduce the repurchase price of any Note or amend or modify in any manner adverse to the holders of Notes the Company's obligation to make such repurchase, whether through an amendment or waiver of provisions in the covenants, definitions or otherwise; (ii) reduce the rate or the amount, or extend the stated time for payment, of any extension fee; or (ii) change the place or currency of payment of any extension fee in respect of any Note.

In addition to the other permitted amendments described above, the Company and the Trustee may amend or supplement the Indenture or the Notes without notice to or the consent of any holder to: (i) add guarantees with respect to the Notes; or (ii) conform the provisions of the Indenture to the "Terms and Conditions of the Notes" section in this Prospectus.

The consent of the holders is not necessary under the Indenture to approve the particular form of any proposed amendment, supplement or waiver, but it will be sufficient if such consent approves the substance of such proposed amendment, supplement or waiver. After an amendment, supplement or waiver becomes effective, the Company will give to the holders affected by such amendment, supplement or waiver a notice briefly describing such amendment, supplement or waiver. The Company will mail supplemental indentures to holders upon request. Any failure of the Company to mail such notice, or any defect in such notice, will not, however, in any way impair or affect the validity of any such supplemental indenture or waiver.

Satisfaction and Discharge

The provisions of the base indenture with respect to satisfaction and discharge will not apply to the Notes. Instead, we may satisfy and discharge our obligations under the Indenture by delivering to the securities registrar for cancellation all outstanding Notes or by depositing with the Trustee or delivering to the holders, as applicable, after the Notes have become due and payable, whether at stated maturity, or any purchase date, or upon conversion or otherwise, cash and (in the case of conversion) Shares, if applicable, sufficient to pay all of the outstanding Notes and paying all other sums payable under the Indenture by us. Such discharge is subject to terms contained in the Indenture.

Calculations in Respect of Notes

Except as otherwise provided above, we will be responsible for making all calculations called for under the Notes or in connection with a conversion. These calculations include, but are not limited to, determinations of the last reported sale prices of our shares, accrued interest payable on the Notes and the conversion rate of the Notes. We will provide a schedule of our calculations to each of the Trustee and the conversion agent, and each of the Trustee and conversion agent is entitled to rely conclusively upon the accuracy of our calculations without independent verification. The Trustee will forward our calculations to any holder of Notes upon the request of that holder.

Global Notes: Book-Entry Form

The Notes will be evidenced by one or more global notes (the “global notes”) deposited with the Trustee as custodian for DTC, and registered in the name of Cede & Co., as DTC’s nominee. Record ownership of the global notes may be transferred, in whole or in part, only to another nominee of DTC or to a successor of DTC or its nominee, except as set forth below.

Ownership of beneficial interests in a global note will be limited to persons that have accounts with DTC or its nominee (“participants”) or persons that may hold interests through participants. Transfers between direct DTC participants will be effected in the ordinary way in accordance with DTC’s rules and will be settled in same-day funds. Holders may also beneficially own interests in the global notes held by DTC through certain banks, brokers, dealers, trust companies and other parties that clear through or maintain a custodial relationship with a direct DTC participant, either directly or indirectly.

So long as Cede & Co., as nominee of DTC, is the registered owner of the global notes, Cede & Co. for all purposes will be considered the sole holder of the global notes. Except as provided below, owners of beneficial interests in the global notes will not be entitled to have certificates registered in their names, will not receive or be entitled to receive physical delivery of certificates in definitive form, and will not be considered holders thereof. The laws of some states require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer or pledge a beneficial interest in the global notes to such persons may be limited.

We will wire, through the facilities of the Trustee, the principal, and interest payments on the global notes to Cede & Co., the nominee for DTC, as the registered owner of the global notes. We, the Trustee and any paying agent will have no responsibility or liability for paying amounts due on the global notes to owners of beneficial interests in the global notes.

It is DTC’s current practice, upon receipt of any payment of principal of, and interest on the global notes, to credit participants’ accounts on the payment date in amounts proportionate to their respective beneficial interests in the Notes represented by the global notes, as shown on the records of DTC, unless DTC believes that it will not receive payment on the payment date. Payments by DTC participants to owners of beneficial interests in Notes represented by the global notes held through DTC participants will be the responsibility of DTC participants, as is now the case with securities held for the accounts of customers registered in “street name.”

If a holder would like to convert Notes into shares pursuant to the terms of the Notes, the holder should contact the holder’s broker or other direct or indirect DTC participant to obtain information on procedures, including proper forms and cut-off times, for submitting those requests.

Because DTC can only act on behalf of DTC participants, who in turn act on behalf of indirect DTC participants and other banks, a holder’s ability to pledge the holder’s interest in the Notes represented by global notes to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate.

Neither we nor the Trustee (nor any registrar, paying agent or conversion agent under the Indenture) will have any responsibility for the performance by DTC or direct or indirect DTC participants of their obligations under the rules and procedures governing their operations. DTC has advised us that it will take any action permitted to be taken by a holder of Notes, including, without limitation, the presentation of Notes for conversion as described below, only at the direction of one or more direct DTC participants to whose account with DTC interests in the global notes are credited and only for the principal amount of the Notes for which directions have been given.

Although DTC has agreed to the foregoing procedures in order to facilitate transfers of interests in the global notes among DTC participants, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. If DTC is at any time unwilling or unable to continue as depositary and a successor depositary is not appointed by us within 90 days, we will cause Notes to be issued in definitive registered form in exchange for the global notes. None of us, the Trustee or any of our or the Trustee's respective agents will have any responsibility for the performance by DTC or direct or indirect DTC participants of their obligations under the rules and procedures governing their operations, including maintaining, supervising or reviewing the records relating to, or payments made on account of, beneficial ownership interests in global notes.

According to DTC, the foregoing information with respect to DTC has been provided to its participants and other members of the financial community for informational purposes only and is not intended to serve as a representation, warranty or contract modification of any kind.

Certificated Notes

We will issue the Notes in definitive certificated form if DTC notifies us that it is unwilling or unable to continue as depositary or DTC ceases to be a clearing agency registered under the U.S. Securities Exchange Act of 1934, as amended and a successor depositary is not appointed by us within 90 days. In addition, beneficial interests in a global note may be exchanged for definitive certificated Notes upon request by or on behalf of DTC in accordance with customary procedures. The Indenture permits us to determine at any time and in our sole discretion that Notes shall no longer be represented by global notes. DTC has advised us that, under its current practices, it would notify its participants of our request, but will only withdraw beneficial interests from the global notes at the request of each DTC participant. We would issue definitive certificates in exchange for any such beneficial interests withdrawn.

Any Note that is exchangeable pursuant to the preceding sentence is exchangeable for Notes registered in the names which DTC will instruct the Trustee. It is expected that DTC's instructions may be based upon directions received by DTC from its participants with respect to ownership of beneficial interests in that global note. Subject to the foregoing, a global note is not exchangeable except for a global note or global notes of the same aggregate denominations to be registered in the name of DTC or its nominee.

Notices

Except as otherwise provided in the Indenture, notices to holders of Notes will be given by mail to the addresses of holders of the Notes as they appear in the Note register. So long as the Notes are listed on the Luxembourg Stock Exchange and its rules so require, notices will also be published in a leading newspaper having general circulation in Luxembourg (which is expected to be the Luxemburger *Wort*) or on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Reports

The Indenture provides that any documents or reports that we are required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act must be filed by us with the Trustee within 15 days after the same are required to be filed with the SEC (giving effect to any grace period provided by Rule 12b-25 under the Exchange Act).

Trustee

HSBC Bank USA, National Association is the Trustee, security registrar, paying agent and exchange agent.

The Issuer maintains banking relationships in the ordinary course of business with the Trustee and its affiliates.

Governing Law

The Indenture provides that it and the Notes will be governed by, and construed in accordance with, the laws of the State of New York.

The provisions of Articles 86 to 94-8 of the Luxembourg law concerning commercial companies of 10th August 1915, as amended (regarding the representation of noteholders and noteholder meetings), will not apply to the Notes.

Use of Proceeds

The net proceeds of the offering amounted to approximately $790 million. ArcelorMittal intends to use the proceeds to lengthen its debt maturity profile and refinance existing indebtedness under various revolving credit facilities, with maturities ranging from 2010 until 2012. The debt to be refinanced currently bears interest at the rate of Libor/Euribor plus approximately 0.32%.

The total amount of fees and expenses (including underwriting commissions) incurred in connection with the Notes issue is estimated at approximately $9.4 million.

Recent Developments

First Quarter 2009 Results

On April 28, 2009, ArcelorMittal announced results for the three months ended March 31, 2009.

Highlights for the three months ended March 31, 2009:

- Shipments of 16.0 million tonnes, down 6% as compared to Q408
- Sales of $15.1 billion, down 32% as compared to Q408
- Operating loss of $1.5 billion
- Net loss of $1.1 billion due in part to $1.2 billion pre-tax charges related primarily to write-downs of inventories
- Long-term debt, net of current portion plus payable to banks and current portion of long-term debt, less cash and cash equivalents and restricted cash of $26.7 billion at the end of March 31, 2009. Cash and cash equivalents (including restricted cash) plus amounts available to be drawn under existing bank lines at March 31, 2009 of $11.6 billion (amount does not include proceeds of $1.6 billion (€1.25 billion) from convertible bond issued on April 1, 2009)
- Extension of maturity to 2012 of $6.3[1] billion in debt through Forward Start[2] facilities and completion of $1.6 billion (€1.25 billion) convertible bond issuance on April 1, 2009

Marketing update:

- Potential for price increase during Q209 and Q309 across major markets and products

Enhanced industrial and financial plan:

- Continuing temporary production cuts in-line with reduced demand
- Industrial optimization measures implemented resulting in more than $6 billion of annualized temporary fixed cost reductions in Q1 2009, and expected to increase to more than $7.5 billion on an annualized basis in Q2 2009
- Confirming target to achieve "management gains" of $2 billion of sustainable SG&A and fixed cost reduction in 2009
- Reiterating working capital rotation days[3] target of 75-85 days during 2009
- Re-affirming target to reduce long-term debt, net of current portion plus payable to banks and current portion of long-term debt, less cash and cash equivalents and restricted cash by $10 billion by the end of 2009[4]

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1 Includes additional $0.3 billion of Forward Start facilities announced on April 28, 2009

2 A Forward Start facility is a committed facility to refinance an existing facility upon its maturity.

3 Rotation days are defined as days of accounts receivable plus days of inventory minus days of accounts payable. Days of accounts payable and inventory are a function of cost of goods sold. Days of accounts receivable are a function of sales.

4 Reduction target from September 30, 2008 level.

Financial highlights (on the basis of IFRS[5], amounts in US$ and Euros[6]):

(In millions of US dollars except earnings per share and shipments data)

	US Dollars		
Results	**Q1 2009**	**Q4 2008**	**Q1 2008**
Shipments (million MT)[7]	16.0	17.1	29.2
Sales	15,122	22,089	29,809
Operating (loss) income[8]	(1,483)	(3,466)	3,614
Net (loss) income	(1,063)	(2,632)	2,371
Basic (loss) earnings per share	$(0.78)	$(1.93)	$1.69

(In millions of Euros except earnings per share and shipments data):

	Euros		
Results	**Q1 2009**	**Q4 2008**	**Q1 2008**
Shipments (million MT)	16.0	17.1	29.2
Sales	11,606	16,744	19,895
Operating (loss) income	(1,138)	(2,627)	2,412
Net (loss) income	(816)	(1,995)	1,582
Basic (loss) earnings per share	€(0.60)	€(1.46)	€1.13

Analysis of results for three months ended March 31, 2009 versus three months ended December 31, 2008 and three months ended March 31, 2008

ArcelorMittal recorded a net loss for the three months ended March 31, 2009 of $1.1 billion, or $(0.78) per share, as compared with net loss of $2.6 billion, or $(1.93) per share, for the three months ended December 31, 2008, and net income of $2.4 billion or $1.69 per share, for the three months ended March 31, 2008.

Sales for the three months ended March 31, 2009 were $15.1 billion, a sharp decrease from sales of $22.1 billion for the three months ended December 31, 2008 and $29.8 billion for the three months ended March 31, 2008. The main reason for the decline continues to be the extreme weakness in demand for steel products in the first quarter of 2009 as a result of the global economic crisis, along with a steep fall in prices, leading to drastic curtailment of production.

ArcelorMittal recorded an operating loss for the three months ended March 31, 2009 of $1.5 billion, as compared with operating loss of $3.5 billion for the three months ended December 31, 2008 and operating income of $3.6 billion for the three months ended March 31, 2008. The loss in the first quarter of 2009 resulted from charges amounting to $1.2 billion primarily related to write-downs of inventory. During the fourth quarter of 2008, the Company had recorded charges amounting to $4.4 billion related to write-downs of inventory and raw material supply contracts, and provisions for workforce reduction and litigation. Fourth quarter of 2008

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[5] The financial information in this press release and Appendix 1 has been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted in the European Union. While the interim financial information included in this announcement has been prepared in accordance with IFRS applicable to interim periods, this announcement does not contain sufficient information to constitute an interim financial report as defined in International Accounting Standards 34, "Interim Financial Reporting". Unless otherwise noted the numbers in the press release have not been audited.

[6] US Dollars have been translated into Euros using an average exchange rate (US$/Euros) of 1.3029, 1.3192 and 1.4983 for Q1 2009, Q4 2008 and Q1 2008, respectively.

[7] Steel Solutions and Services shipments are eliminated in consolidation as they represent shipments originating from other ArcelorMittal operating subsidiaries.

[8] During the first quarter of 2009, the Company recorded charges amounting to $1.2 billion primarily related to write-downs of inventory. During the fourth quarter of 2008, the Company recorded charges amounting to $4.4 billion related to write-downs of inventory and raw material supply contracts, and provisions for workforce reduction and litigation.

operating results had also been negatively affected by impairment losses of $588 million, including impairments of $325 million consisting primarily of asset impairments of $74 million (at various ArcelorMittal USA sites), $60 million (Gandrange, France) and $54 million (Zumarraga, Spain) and reduction of goodwill of $264 million.[9]

Total steel shipments for the three months ended March 31, 2009 were 16.0 million metric tonnes as compared with steel shipments of 17.1 million metric tonnes for the three months ended December 31, 2008 and 29.2 million metric tonnes for the three months ended March 31, 2008. As noted above, the sharp decrease year-on-year resulted from reduced steel production in response to falling demand amid the global economic crisis.

Depreciation expenses for the three months ended March 31, 2009 were $1.1 billion as compared with depreciation expenses of $1.2 billion and $1.1 billion for the three months ended December 31, 2008 and March 31, 2008, respectively.

Losses from equity method investments and other income for the three months ended March 31, 2009 were $153 million, as compared to income of $386 million and $329 million for the three months ended December 31, 2008 and March 31, 2008, respectively.

Net interest expense (including interest expense and interest income), decreased to $304 million for the three months ended March 31, 2009 as compared to $468 million for the three months ended December 31, 2008, primarily due to a reduction in average long-term debt, net of current portion plus payable to banks and current portion of long-term debt, less cash and cash equivalents and restricted cash and lower interest rates. (See "Liquidity and Capital Resources" below). Net interest expense for the three months ended March 31, 2008 amounted to $303 million. Foreign exchange and other net financing costs[10] for the three months ended March 31, 2009 amounted to $265 million, as compared to a foreign exchange and other net financing gain of $64 million for the three months ended December 31, 2008. Foreign exchange and other net financing costs for the three months ended March 31, 2008 amounted to $191 million. Losses related to the fair value of derivative instruments for the three months ended March 31, 2009 amounted to $16 million, as compared with losses of $240 million and $242 million for the three months ended December 31, 2008 and March 31, 2008, respectively.

As a result of the operating losses, ArcelorMittal recorded an income tax benefit of $1,088 million for the three months ended March 31, 2009, as compared to an income tax benefit of $1,126 million for the three months ended December 31, 2008. The effective tax rate (ETR) for the three months ended March 31, 2009 was 49.0% as compared with 30.2% for the three months ended December 31, 2008. The income tax expense for the three months ended March 31, 2008 was $596 million, with an ETR of 18.6%.

Minority interest for the three months ended March 31, 2009 was $70 million as compared with minority interest of ($34) million and ($240) million for the three months ended December 31, 2008 and March 31, 2008, respectively. The decrease is due to net losses incurred at ArcelorMittal subsidiaries with minority interests.

Analysis of segment operations for the three months ended March 31, 2009 as compared to the three months ended December 31, 2008

Flat Carbon Americas

Total steel shipments in the Flat Carbon Americas segment were 3.6 million metric tonnes for the three months ended March 31, 2009, as compared with steel shipments of 3.9 million metric tonnes for the three months ended December 31, 2008. The decrease is due to the deterioration of global steel markets and the continuation of production cuts into the first quarter of 2009.

Sales also declined to $3.2 billion for the three months ended March 31, 2009 as compared with sales of $4.5 billion for the three months ended December 31, 2008, due to both lower volumes and prices (a 25.4% decrease in average steel selling price).

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[9] As required by IFRS, a reduction of goodwill results from the recognition of deferred tax assets on acquired net operating losses not previously recognized in purchase accounting, primarily due to reorganizations in the Flat Carbon Europe segment ($65 million) and in the Long Carbon Americas and Europe segment ($70 million). In addition, certain goodwill amounts in Flat Carbon Europe were reduced in light of current and expected market conditions.

[10] Foreign exchange and other net financing costs include bank fees, interest on pensions and impairments of financial instruments.

The segment recorded an operating loss of $0.7 billion for the three months ended March 31, 2009 as compared with an operating loss of $0.4 billion for the three months ended December 31, 2008 due to lower average selling prices and steel shipment volumes. The operating loss in the first quarter of 2009 and the fourth quarter of 2008 included charges of $0.5 billion in each quarter, primarily relating to write-downs of inventory and related contracts. The fourth quarter of 2008 operating results had also been negatively affected by a $74 million asset impairment charge at various locations of ArcelorMittal USA.

Flat Carbon Europe

Total steel shipments in the Flat Carbon Europe segment were lower at 4.8 million metric tonnes for the three months ended March 31, 2009, as compared with 6.0 million metric tonnes for the three months ended December 31, 2008. The decrease is due to the deterioration of global steel markets and the continuation of production cuts into the first quarter of 2009.

Sales were also lower at $4.6 billion for the three months ended March 31, 2009 as compared with sales of $7.0 billion for the three months ended December 31, 2008, due to both lower volumes and prices (a 12.3% decrease in average steel selling price).

The segment recorded an operating loss of $0.2 billion for the three months ended March 31, 2009 as compared with an operating loss of $1.4 billion for the three months ended December 31, 2008. While shipment volumes and average selling prices were lower in the three months ended March 31, 2009 as compared with the three months ended December 31, 2008, the operating loss in the first quarter of 2009 included charges of $0.3 billion primarily related to write-downs of inventory (whereas the operating loss in the fourth quarter of 2008 had included charges of $1.8 billion related to write-downs of inventory and raw material supply contracts, and provisions for workforce reductions). The operating loss for the fourth quarter of 2008 had also been affected by a $194 million reduction of goodwill.[11]

Long Carbon Americas and Europe

Total steel shipments in the Long Carbon Americas and Europe segment were lower at 4.4 million metric tonnes for the three months ended March 31, 2009 as compared with 4.6 million metric tonnes for the three months ended December 31, 2008. The decrease is due to the deterioration of global steel markets and the continuation of production cuts into the first quarter of 2009.

Sales were also lower at $3.8 billion for the three months ended March 31, 2009 as compared with $5.2 billion for the three months ended December 31, 2008, due to lower volumes and prices (a 21.8% decrease in average steel selling price).

The segment recorded an operating loss of $0.2 billion for the three months ended March 31, 2009 as compared with an operating loss of $0.4 billion for the three months ended December 31, 2008. While shipment volumes and average selling prices were lower in the three months ended March 31, 2009 as compared with the three months ended December 31, 2008, the operating loss in the first quarter of 2009 included charges of $0.2 billion primarily related to write-downs of inventory (whereas the operating loss in the fourth quarter of 2008 had included charges of $0.6 billion related to write downs of inventory and raw material supply contracts, and provisions for workforce reductions). The operating loss for the three months ended December 31, 2008 was also affected by $187 million of impairment expenses (consisting primarily of asset impairments of $60 million for Gandrange (France), and $54 million for Zumarraga (Spain), respectively) and $70 million reduction of goodwill.[12]

Asia Africa and CIS (“AACIS”)

Total steel shipments in the AACIS segment were higher at 2.8 million metric tonnes for the three months ended March 31, 2009 as compared with 2.2 million metric tonnes for the three months ended December 31, 2008.

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[11] As required by IFRS, a reduction of goodwill results from the recognition of deferred tax assets on acquired net operating losses not previously recognized in purchase accounting, which was in connection with a reorganization of legal entities.

[12] Idem 11.

Sales were lower at $1.7 billion for the three months ended March 31, 2009 as compared with $2.1 billion for the three months ended December 31, 2008 due to lower prices (a 24.5% decrease in average steel selling price) despite the increase in shipments.

The segment recorded an operating loss of $18 million for the three months ended March 31, 2009 as compared with an operating loss of $159 million for the three months ended December 31, 2008. While the decrease in average selling prices more than offset the increase in shipping volumes, the operating loss for the first quarter of 2009 included charges of $0.1 billion primarily related to write-downs of inventory (whereas the operating loss in the fourth quarter of 2008 had included charges of $0.3 billion related to write downs of inventory and provisions for workforce reductions).

Stainless Steel

Total steel shipments in the Stainless Steel segment were lower at 315,000 metric tonnes for the three months ended March 31, 2009 as compared with steel shipments of 365,000 metric tonnes for the three months ended December 31, 2008. The decrease is due to the deterioration of global steel markets and the continuation of production cuts into the first quarter of 2009.

Sales also decreased to $1.0 billion for the three months ended March 31, 2009 as compared with $1.3 billion for the three months ended December 31, 2008, due to both lower volumes and prices (a 13.5% decrease in average steel selling price).

The segment recorded an operating loss of $169 million for the three months ended March 31, 2009 as compared with an operating loss of $247 million for the three months ended December 31, 2008. While shipment volumes and average selling prices were lower in the three months ended March 31, 2009 as compared with the three months ended December 31, 2008, the operating loss in the first quarter of 2009 included charges of $98 million primarily related to write-downs of inventory (whereas the operating loss in the fourth quarter of 2008 had included charges of $208 million related to write downs of inventory and provisions for workforce reductions).

Steel Solutions and Services

Total steel shipments in the Steel Solutions and Services segment[13] were marginally higher at 3.9 million metric tonnes in the three months ended March 31, 2009 as compared with steel shipments of 3.7 million metric tonnes for the three months ended December 31, 2008.

Sales in the Steel Solutions and Services segment were lower at $3.4 billion for the three months ended March 31, 2009 as compared with sales of $4.3 billion for the three months ended December 31, 2008, primarily due to lower prices (a 24.9% decrease in average steel selling price).

The segment recorded an operating loss of $170 million for the three months ended March 31, 2009 as compared with an operating loss of $580 million for three months ended December 31, 2008. While average selling prices were lower in the three months ended March 31, 2009 as compared with the three months ended December 31, 2008, the operating loss in the first quarter of 2009 included charges of $105 million primarily related to write-downs of inventory (whereas the operating loss in the fourth quarter of 2008 had included charges of $717 million related to write-downs of inventory and provisions for workforce reductions and litigation).

Liquidity and Capital Resources

For the three months ended March 31, 2009, net cash provided by operating activities was $0.3 billion as compared with $5.9 billion for the three months ended December 31, 2008. The operating loss (which included a non-cash gain of $503 million relating to the unwinding of a dynamic delta hedge on raw material purchases) was offset by $1.5 billion generated by working capital changes primarily due to lower inventories and trade accounts payable.

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[13] Steel Solutions and Services shipments are eliminated in consolidation as they represent shipments originating from other ArcelorMittal operating subsidiaries.

Capital expenditures during the three months ended March 31, 2009 decreased to $0.9 billion, as compared with $1.4 billion for the three months ended December 31, 2008.

Net cash used in investing activities for the three months ended March 31, 2009 was $0.8 billion (which reflects $58 million in proceeds from the sale of a partial stake in Soteg) as compared to $0.2 billion for the three months ended December 31, 2008 (which reflected proceeds from a reduction of the stake held by the Company in a German equity investment and other available for sale securities). During the first quarter of 2009, the Company spent $64 million to acquire a 60% stake in Dubai Steel Trading Corporation (DSTC), as compared to $360 million spent on acquisitions during the fourth quarter of 2008 (which included $170 million to acquire Koppers Monessen in the US and $80 million for a joint venture in Gonvarri, Brazil).

As of March 31, 2009, the Company's cash and cash equivalents (including restricted cash) amounted to $4.0 billion as compared to $7.6 billion at December 31, 2008. Long-term debt, net of current portion plus payable to banks and current portion of long-term debt, less cash and cash equivalents and restricted cash at March 31, 2009, was $26.7 billion (as compared to $26.5 billion as at December 31, 2008). Gearing[14] at March 31, 2009 was 48% as compared to 45% at December 31, 2008. As calculated in accordance with the terms of the €17 billion credit facility, $4 billion credit facility, and 2005 credit facility, the ratio of "Consolidated Total Net Borrowings" to "Consolidated EBITDA," as defined, (based on the last twelve months' "Consolidated EBITDA") was higher at 1.3 X as compared to 1.1 X at December 31, 2008. Rotation days[15] increased from 96 to 115 days primarily due to lower activity.

The Company had liquidity of $11.6 billion at March 31, 2009 (as compared with $13.4 billion at December 31, 2008) consisting of cash and cash equivalents (including restricted cash) of $4.0 billion and $7.6 billion available to be drawn under existing bank lines at March 31, 2009. This amount does not include the proceeds of $1.6 billion (€1.25 billion) from the convertible bond issued on April 1, 2009.

Update on Management Gains Plan

In connection with its first quarter earnings announcement, the Company confirmed its target to achieve "management gains" of $2 billion of sustainable SG&A and fixed cost reductions during 2009. As of the end of the first quarter of 2009, the Company is on track to meet this commitment and has achieved annualized savings of $1.2 billion.

Tables of First Quarter Indicators

The following table sets forth certain key first quarter financial and operational information:

In million of US dollars, except crude steel production, steel shipment and average steel selling price data.	Flat Carbon Americas	Flat Carbon Europe	Long Carbon Americas and Europe	AACIS	Stainless Steel	Steel Solutions and Services
Financial Information						
Sales	**$3,218**	**$4,642**	**$3,816**	**$1,651**	**$946**	**$3,354**
Depreciation and impairment	259	323	249	130	66	46
Operating loss	**(664)**	**(184)**	**(191)**	**(18)**	**(169)**	**(170)**
Operating margin (as % of sales)	*(20.6)%*	*(4.0)%*	*(5.0)%*	*(1.1)%*	*(17.9)%*	*(5.1)%*
Capital expenditure[1]	172	279	165	130	28	28
Operational Information						
Crude steel production (thousand MT)	3,499	4,565	3,947	2,903	317	0
Steel shipments (thousand MT)	3,644	4,814	4,423	2,754	315	3,874
Average steel selling price ($/MT)[2]	751	838	780	482	2,820	831

1. Segmental capex includes the acquisition of intangible assets.

[14] Gearing is defined as (A) long-term debt, net of current portion, plus payable to banks and current portion of long-term debt, less cash and cash equivalents and restricted cash, divided by (B) total equity.

[15] Rotation days are defined as days of accounts receivable plus days of inventory minus days of accounts payable. Days of accounts payable and inventory are a function of cost of goods sold. Days of accounts receivable are a function of sales.

2. Average steel selling prices are calculated as steel sales divided by steel shipments.

The following table sets forth shipments by geographical location for the first quarter of 2009:

	Shipments *In thousands of metric tonnes*
FCA:	**3,644**
North America[1]	2,557
South America	1,087
FCE:	**4,814**
Europe	4,814
LC:	**4,423**
North America[2]	946
South America	994
Europe	2,225
Other[3]	258
AACIS:	**2,754**
Africa	1,010
Asia, CIS & Other	1,744
Stainless Steel:	**315**

1. Includes shipments from Lazaro Cardenas (Mexico) and Dofasco (Canada).
2. Includes shipments from Sicartsa (Mexico).
3. Includes pipes and tubes business.

The following tables set forth ArcelorMittal's debt repayment* schedule and available credit lines as of March 31, 2009 (in billions of US dollars)

	Q209-Q409	2010	2011	2012	2013	>2013	Total
Term loan repayments							
- €12bn syndicated credit facility	3.2	3.2	3.2	-	-	-	**9.6**
- $1.7bn syndicated credit facility/Forward Start Facilities	-		-	1.7	-	-	**1.7**
Bonds	0.1	0.8	-	-	1.5	3.3	**5.7**
Subtotal	**3.3**	**4.0**	**3.2**	**1.7**	**1.5**	**3.3**	**17.0**
Long-term credit facilities							
- €5bn syndicated credit facility	-	-	-	4.2	-	-	**4.2**
- $1.5bn syndicated credit facility/Forward Start Facilities	-	0.4	-	1.1	-	-	**1.5**
- €0.8bn bilateral facilities	-	-	-	-	-	-	**-**
Commercial paper **	2.2	-	-	-	-	-	**2.2**
Other loans	1.8	1.0	0.6	1.2	0.4	0.8	**5.8**
Total Gross Debt	**7.3**	**5.4**	**3.8**	**8.2**	**1.9**	**4.1**	**30.7**

* The debt repayment schedule above assumes the utilization of the Forward Start Facility of $3.2 billion extending the maturities of outstanding debt as of March 31, 2009. The schedule excludes amounts due under the Notes and ArcelorMittal's recently-issued 7.25% convertible bond due on April 1, 2014, and does not reflect the $0.3 billion new Forward Start facility announced on April 28, 2009.

** Commercial paper is expected to continue to be rolled over in the normal course of business

Credit lines available	**Equivalent in US$***	**Drawn**	**Available**
€5bn syndicated credit facility	$6.7	$4.2	$2.5
$1.5bn syndicated credit facility	$1.5	$1.5	$0.0
$4bn syndicated credit facility	$4.0	$0.0	$4.0
€0.8bn bilateral facilities	$1.1	$0.0	$1.1
Total committed lines	$13.3	$5.7	$7.6

*Euro denominated loans converted at the Euro: $ exchange rate of 1.3308 as of March 31, 2009

Forward Start Facilities

On February 11, 2009, ArcelorMittal announced that it had secured commitments from banks for two Forward Start facilities totaling $4.8 billion, subject to certain conditions. A Forward Start facility provides a borrower with a committed facility to refinance an existing facility, and therefore certainty as to the availability of funds for that refinancing. A Forward Start facility is typically entered into at a time well before a refinancing facility would ordinarily be put in place. The existing facility is not amended and continues in force. ArcelorMittal decided to enter into these facilities in order to secure significant liquidity in advance in the event that difficult credit market conditions persist for longer than expected.

Of the $4.8 billion in Forward Start commitments secured, $3.2 billion in commitments secured may be used to refinance the $4 billion revolving credit facility entered into on May 13, 2008, which was amended on October 23, 2008 and which is scheduled to mature in 2009 or (if extended) 2010 (as to approximately one-third) and 2011 (as to approximately two-thirds). A $3.2 billion revolving credit facility in respect of these Forward Start commitments was entered into on February 13, 2009 (the "$3.2 Billion Refinancing Facility").

On March 30, 2009, ArcelorMittal announced that it had secured an additional $1.2 billion of commitments from banks, which, together with the remaining $1.6 billion in Forward Start commitments announced on February 11, 2009, may be used to refinance at maturity the $3.2 billion term and revolving credit facility, which was amended on February 6, 2007 and on March 14, 2008 and which is scheduled to mature in 2010. A $2.8 billion revolving credit facility in respect of these Forward Start commitments (the "2005 Refinancing Facility") was entered into on March 26, 2009.

On April 29, 2009, ArcelorMittal announced that it had obtained commitments in principle for a further $0.3 billion from additional banks during a further phase of its Forward Start facilities, subject to certain conditions.

Each of the $3.2 Billion Refinancing Facility and the 2005 Refinancing Facility contains a provision having the effect of automatically cancelling on a pro rata basis the aggregate commitments under those facilities by an aggregate amount equal to 75% of the net proceeds of certain offerings of debt securities (including the offering of 7.25% bonds convertible into and/or exchangeable for new or existing ArcelorMittal shares due April 1, 2014 that closed April 1, 2009, the offering of the Notes that closed on May 6, 2009, the offering of the $2.25 billion in U.S. dollar-denominated notes that closed on May 20, 2009 and the offering of the €2.5 billion eurobonds that closed on June 3, 2009) and equity securities (including the ArcelorMittal common shares sold in the Shares Offering that closed on May 6, 2009) until the commitments under the facilities are reduced to 50% of the original commitments, and by an aggregate amount equal to 33.33% of the net proceeds thereafter.

Share Lending Agreement

ArcelorMittal did not have at the time of the offering nor does it currently have standing corporate authorization to issue shares or sufficient shares in treasury to satisfy all its share delivery obligations upon conversion of the Notes, under the Shares Offering or upon conversion of its existing convertible bonds. Accordingly, ArcelorMittal entered into a share lending agreement with Ispat International Investments, dated April 29, 2009, pursuant to which Ispat International agreed to make available for borrowing by the Company up to a maximum amount of 98 million ArcelorMittal shares in exchange for a loan fee of $0.00067 per lent ArcelorMittal share, accruing daily from and after May 15, 2009 to the date of return of the borrowed shares. Under the share lending agreement, delivery of the loaned shares by Ispat International occurs on the date an equal number of ArcelorMittal shares are required to be delivered by the Company pursuant to the underwriting agreements for the Shares Offering or the Notes, or pursuant to the Company's outstanding 7.25% bonds convertible into and/or exchangeable for new or existing ArcelorMittal shares due April 1, 2014. To meet part of its delivery obligations under the Shares Offering,on May 6, 2009 ArcelorMittal borrowed 98 million shares under the share lending agreement. The Company may terminate all or any portion of any loan made under the share lending agreement at any time by delivering the number of loaned ArcelorMittal shares to Ispat International. In addition, all outstanding loans will terminate on the date which is three business days after the date on which a general meeting of the shareholders of the Company has approved a resolution approving sufficient authorized share capital and authorizing the board of directors of the Company to cancel the preferential subscription right of existing shareholders to allow the return to Ispat International of all borrowed shares (with a number of ArcelorMittal shares equal in number to the loaned shares to be returned within five business days of such

termination date). Under the share lending agreement, Ispat International will have no rights (including voting or disposition rights) with respect to any shares that have been loaned to the Company and not yet returned to Ispat International.

Annual General Meeting of Shareholders

On May 12, 2009 ArcelorMittal held its annual general meeting of shareholders ("AGM"). In addition to approving the Company's 2008 consolidated financial statements and other routine matters, shareholders approved resolutions acknowledging the end of the mandates of the following directors: Michel Marti, Sergio Silva de Freitas, Wilbur L. Ross, Narayanan Vaghul, François Pinault and Jean-Pierre Hansen. The AGM also approved resolutions re-electing Messrs. Ross, Vaghul and Pinault to a new term to expire on the date of the Company's annual general meeting of shareholders in 2012. Ignacio Fernández Toxo also resigned from the board of directors effective as of May 12, 2009 due to other commitments. As a result, the number of directors currently serving on the Company's board was reduced from 16 to 12.

The AGM also approved resolutions updating the Company's share buy-back authorization and authorizing the Company to pay up to 40% of the bonuses granted under the Company's Global Performance Bonus Plan in relation to the 2008 and 2009 financial years in the form of unrestricted newly issued or treasury shares, rather than cash. The total number of shares authorized to be delivered for purposes of the Global Performance Bonus Plan is 5 million, which represents less than 0.4% of the Company's currently issued share capital. The Global Performance Bonus Plan is applicable to over 2,000 Company managers worldwide.

The AGM also approved a resolution approving the Long Term Incentive Plan 2009-2018 and authorizing the board of directors to issue share options and other equity-based awards for a number of Company's shares not exceeding 8.5 million options on fully paid-up shares (based on the assumption that one option gives the right to one share) for the period up until the annual shareholders' meeting to be held in 2010. These options represent less than 0.6% of the Company's currently issued share capital. The Long Term Incentive Plan 2009-2018 will be open to between 500-700 qualifying senior executives of the Company, with an exercise price of not less than the fair market value as of the date of any grant. The options are 10-year options that vest in equal installments, one-third on each of the first, second and third anniversary of the grant date.

The AGM also approved resolutions renewing the Company's Employee Share Purchase Plan for 2009 for a maximum of 2.5 million shares, which represents less than 0.2% of the Company's currently issued share capital.

Postponement of Extraordinary General Meeting of Shareholders

On May 12, 2009, immediately following the Company's Annual General Meeting, the Company had convened an Extraordinary General Meeting of shareholders ("EGM") to consider a resolution to renew the authorized share capital of the Company of 1,617,000,000 shares without nominal value for a five-year period, and to broaden the scope of the form of any capital increase to include any contributions in cash or kind, incorporation of reserves, issue premiums or retained earnings, with or without the issue of new shares, or following the issue and exercise of convertible debt or the issue of bonds, warrants or any other instrument providing the right to subscribe for shares, with the possibility for the board of directors to limit or cancel the preferential subscription rights of existing shareholders. The resolution would permit, among other things, delivery of newly issued shares to holders of the Company's 7.25% bonds convertible into and/or exchangeable for new or existing ArcelorMittal shares due April 1, 2014, and to holders of the Notes upon exercise of their conversion rights, if the Company so elects, and delivery of approximately 112 million shares to Ispat International in connection with the settlement of the Shares Offering that closed on May 6, 2009 and the unwinding of the 98-million share lending agreement entered into in connection therewith (see "—Share Lending Agreement). Because attendance (49.86% of issued share capital) represented slightly less than 50% of the issued share capital, the EGM was inquorate on first call and did not deliberate on the proposed resolution. The Company announced that it would reconvene a second EGM, at which there is no quorum requirement, on June 17, 2009, at which time the Company expects the resolution to be duly approved.

Recent Developments in Legal Proceedings

On May 7, 2009, ArcelorMittal and the Czech Government agreed to resolve all pending arbitration and litigation regarding the privatization of Nova Hut and Vitkovice Steel. The parties agreed to the following: •

- ArcelorMittal agreed to an amicable settlement of all pending litigation and arbitration cases against the Czech Government and its related entities;
- ArcelorMittal will increase its stake in ArcelorMittal Ostrava to approximately 83% by acquiring a 10.9% stake held by the Czech Government for approximately $339 million at the current exchange rate. The consideration will be payable over a period of time as agreed between the parties; and
- As a part of the overall settlement agreement, ArcelorMittal Ostrava concluded a long-term supply agreement for hot metal to Evraz Vitkovice Steel.

Other Recent Developments

On June 5, 2009, as a result of changes in the composition of its board of directors following its AGM, ArcelorMittal announced updates to the membership of its board level committees and the creation of a new Risk Committee, in line with recent developments in best practices for corporate governance. The Risk Committee is responsible for advising the Board of Directors on risk management and ensuring that ArcelorMittal maintains an effective risk management process to support daily management and decision-making. The composition of the committees is as follows:

- *Audit Committee*: Mr. Narayanan Vaghul (Chairman), Mr. José Ramón Álvarez Rendueles, Mr. Wilbur L. Ross Jr. and Mr. Antoine Spillman.

- *Appointments, Remuneration & Corporate Governance Committee*: Mr. Lewis B. Kaden (Chairman), H.R.H. Prince Guillaume de Luxembourg and Mr. Narayanan Vaghul.

- *Risk Committee*: Mr. Georges Schmit and Mr. Antoine Spillmann. Mr. Sudhir Maheshwari, member of ArcelorMittal's Group Management Board and Chairman of the Group Risk Management Committee, will represent the management during Risk Committee meetings.

On June 5, 2009, Standard & Poor’s lowered its credit rating for ArcelorMittal from BBB+ to BBB and assigned a negative outlook.

On May 26, 2009, ArcelorMittal launched and priced two series of euro-denominated bonds for an aggregate principal amount of €2.5 billion, consisting of €1.5 billion principal amount of four-year bonds priced to yield 8.375% and €1,000,000,000 principal amount of seven-year bonds priced to yield 9.5%. The transaction closed on June 3, 2009.

On May 20, 2009, Fitch Ratings and Moody’s each lowered its credit rating for ArcelorMittal by one notch (from BBB+ to BBB, and Baa2 to Baa3, respectively) and assigned a stable outlook.

On May 13, 2009, ArcelorMittal launched and priced two series of U.S. dollar-denominated notes for an aggregate principal amount of $2.25 billion, consisting of US$750,000,000 principal amount of its 9% Notes due 2015 and US$1,500,000,000 principal amount of its 9.85% Notes due 2019. The proceeds to ArcelorMittal (before expenses), amounting to approximately $2.2 billion, are to refinance existing indebtedness. The transaction closed on May 20, 2009.

On May 6, 2009, ArcelorMittal closed its Shares Offering of 140,882,634 common shares and of the Notes, the total aggregate proceeds from which totaled $4 billion before deduction of underwriting discounts and commissions and expenses (following full exercise by the underwriters’ of their over-allotment options).

After having already suspended its previously announced policy to return 30% of net income to shareholders through an annual base dividend supplemented by share buy-backs, on April 28, 2009, the Company formally announced the termination effective immediately of the share buyback programs authorized by the shareholders on May 13, 2008 and under which shares were repurchased until September 5, 2008.

On April 8, 2009, ArcelorMittal announced that it would be necessary to continue to suspend and optimize production to ensure the Company is well adapted to the market reality. All production suspensions are expected to be temporary and will be reviewed on a regular basis, and the Company expects to maintain all equipment during the suspension period to ensure that production can be re-started as swiftly as possible when market conditions improve. The European Works Council and ArcelorMittal agreed that there would now be strong and

transparent social dialogue about the production suspensions at local site level with the relevant Works Councils and employees.

On April 7, 2009, Moody's Investors Service placed ArcelorMittal's Baa2 long term and P2 short -term ratings on review for possible downgrade in light of continued weakness in the steel markets.

On April 1, 2009, ArcelorMittal completed its offering of €1.25 billion of 7.25% bonds convertible into and/or exchangeable for new or existing ArcelorMittal shares (OCEANE) due April 1, 2014.

Outlook

All of the statements in this "Outlook " section are subject to and qualified by the information set forth under the "Cautionary Statement Regarding Forward-Looking Statements".

ArcelorMittal expects second quarter 2009 EBITDA (which is defined by the Company as operating income plus depreciation, impairment expenses and exceptional items such as write-downs of inventory and raw material supply contracts) to be between $1.2-1.5 billion. ArcelorMittal has based this expectation on the following principal assumptions:

1. The assumed average exchange rates for second quarter of 2009 of the principal currencies in which the Company records EBITDA are set out in the table below (all amounts have been converted into US Dollars for the purpose of this forecast):

		Forecast (1 USD =)
Brazilian real	BRL	2.4000
Canadian dollar	CAD	1.2700
Euro	EUR	0.7519
Mexican peso	MXN	14.6000
South African Rand	ZAR	9.0000
Kazakhstan tenge	KZT	150.0000
Ukrainian Hryvnia	UAH	8.9325

2. During the second quarter of 2009, the U.S. Dollar is weakening against the currencies listed above, which, generally speaking, is not beneficial for the Company's competitive position, as among other factors, at constant prices it makes steel imports less expensive in a number of countries where ArcelorMittal has operations, including the European Union, South America, Asia and Africa. Conversely, this trend is generally beneficial for the Company's U.S. operations. It negatively affects, to a certain extent, the competitive position of the Company's Canadian operations, as a portion of its shipments are into the U.S. market. Exchange rates are outside the exclusive control of the Company.

   When the U.S. Dollar weakens against other foreign currencies, EBITDA of Operating Subsidiaries with functional currencies other than the U.S. Dollar will increase compared to periods when the U.S. Dollar strengths.

3. The estimate for the second quarter shipments is based on the Company's own estimates in light of current bookings, expected trends, customer inventory levels and distribution channels (including trading houses and service centers). The above conditions are nonetheless market-driven to a large extent and therefore outside the exclusive control of the Company.

4. Sales prices for the second quarter of 2009 are primarily based on the actual sales prices for the first quarter of 2009 plus the Company's internal estimates and commitments made by customers for the second quarter of 2009. The Company cannot influence sales prices, which are determined by market conditions that are outside of the exclusive control of the Company.

5. Estimated costs affecting EBITDA for the second quarter of 2009 are based on actual costs for the first quarter of 2009 and take into account expected improvements from the Company's fixed-cost reduction plans and the positive impact of its raw materials hedging activities. Assumptions from the expected improvements from the fixed cost reduction plans are partly within the Company's control as it can elect not to implement such plans. The assumptions related to the positive impact from the raw material

hedging activities are partly within the Company's control as the Company can elect to, up to certain limits, utilize its internal raw material sources rather than purchasing raw materials from third parties. However, the prices of raw materials purchased from third parties are outside the Company's exclusive control.

A copy of a compilation report prepared by Deloitte in connection with the expected second quarter 2009 EBITDA is included as Annex 1 to this Prospectus.

Management Shareholdings and Stock Options

The following chart sets out the shareholdings and stock options of members of ArcelorMittal's Board of Directors and its senior management as of May 31, 2009:

Name	Share Ownership	Stock Options
Lakshmi N. Mittal*	30,000	560,000
Lewis B. Kaden	-	-
Vanisha Mittal Bhatia	15,000	-
Narayanan Vaghul	10,000	-
Wilbur L. Ross	481,987	-
François H. Pinault	-	-
José Rámon Álvarez Rendueles	5,416	-
Georges Schmit	-	-
John Castegnaro	-	-
Antoine Spillmann	-	-
HRH Prince Guillaume de Luxembourg	-	-
Malay Mukherjee	104,494	108,006
Bhikam Agarwal	-	83,002
Vijay Bhatnagar	997	81,003
Jose Armando Campos	8,703	48,000
Davinder Chugh	-	84,000
Christophe Cornier	40,797	118,286
Philippe Darmayan	-	74,287
Bernard Fontana	-	76,572
Jean-Yves Gilet	107,611	89,715
Pierre Gugliermina	54	76,572
Robrecht Himpe	3,219	70,572
Sudhir Maheshwari	-	117,003
Aditya Mittal	19,500	286,000
Carlo Panunzi	66,209	86,286
Michael Pfitzner	1,300	66,500
Arnaud Poupart-Lafarge	-	39,000
Gerhard Renz	-	87,253
Michael Rippey	-	75,875
Lou Schorsch	-	83,503
Bill Scotting	-	96,500
Gonzalo Urquijo	60,864	141,715
Michel Wurth	88,318	141,715
Peter Kukielski		48,000
John Macnamara (Invitee)	-	12,500

* Includes only shares and options held in a personal capacity and not the total shares held by the Significant shareholder.

Employees

As of March 31, 2009, ArcelorMittal had approximately 305,000 employees (approximately 61,750 in the Americas, 176,300 in Europe and 67,250 in Asia & Africa).

Major Shareholders

As of May 12, 2009, the date of ArcelorMittal's annual general meeting of shareholders, the authorized share capital of ArcelorMittal consisted of 1,617,000,000 common shares, without nominal value. As of

May 12, 2009, (i) 1,448,826,347 common shares, compared to 1,448,826,347 common shares as of each of December 31, 2008 and December 31, 2007, were issued, and (ii) 1,394,956,869 common shares, compared to 1,366,002,278 common shares as of December 31, 2008 and 1,421,570,646 common shares as of December 31, 2007, were outstanding, in each case *without* giving effect to the expected approval of the resolution described under "Recent Developments—Postponement of Extraordinary General Meeting of Shareholders" and the resulting issuance of new shares shares to return the shares borrowed under the share lending agreement. The following table sets forth information as of May 12, 2009 with respect to the beneficial ownership of ArcelorMittal common shares by each person who is known to be the beneficial owner of more than 5% of the shares and all directors and senior management as a group, *after* giving effect to the expected approval of the resolution described under "Recent Developments—Postponement of Extraordinary General Meeting of Shareholders" and the resulting issuance of new shares to return the shares borrowed under the share lending agreement:

	ArcelorMittal Common Shares[1]	
	Number	*%*
Significant shareholder[2][6]	637,840,130	40.86
Treasury Shares[3] [7]	52,814,980	3.38
Other Public Shareholders	870,259,500	55.75
Total	1,560,914,610	100.00
Directors and Senior Management[4][5]	1,593,598	0.10

Notes:

(1) For purposes of this table, a person or group of persons is deemed to have beneficial ownership of any ArcelorMittal common shares as of May 12, 2009 if such person or group of persons has the right to acquire such shares within 60 days after May 12, 2009, including upon exercise of vested portions of stock options. The first-third of the stock options granted on August 2, 2007 and the first- and second-thirds of the stock options granted on September 1, 2006 vested on August 2, 2008, and September 1, 2008, respectively, and all stock options of the previous grants have vested. None of the stock options granted on August 5, 2008 has vested; the first-third of such options, however, will vest on August 5, 2009.

(2) Mr. Lakshmi N. Mittal and his wife, Mrs. Usha Mittal, have direct ownership of ArcelorMittal shares and indirect ownership of holding companies (including Ispat International, the lender under the above-referenced share lending agreement) that own ArcelorMittal shares. Ispat International is the owner of 98,250,000 ArcelorMittal common shares. Mittal Investments S.à r.l., a limited liability company organized under the laws of Luxembourg, is the owner of 525,000,000 ArcelorMittal common shares. Mr. Mittal is the direct owner of 30,000 ArcelorMittal common shares (and holds 200 ArcelorMittal shares through the Employee Share Purchase Plan of the Company) and holds options to acquire an additional 560,000 ArcelorMittal common shares, of which 426,667 are, for the purposes of this table, deemed to be beneficially owned by Mr. Mittal due to the fact that those options are exercisable within 60 days. Mrs. Mittal is the direct owner of 5,000 ArcelorMittal common shares and holds options to acquire an additional 40,000 ArcelorMittal common shares, of which all 40,000 options are, for the purposes of this table, deemed to be beneficially owned by Mrs. Mittal due to the fact that those options are exercisable within 60 days. Mr. Mittal and Mrs. Mittal share equally beneficial ownership of 100% of Ispat International and share equally beneficial ownership of 100% of Mittal Investments S.à.r.l. Accordingly, Mr. Mittal is the beneficial owner of 623,706,667 ArcelorMittal common shares and Mrs. Mittal is the beneficial owner of 623,295,000 common shares. Excluding options, Mr. Lakshmi Mittal and Mrs. Usha Mittal together, directly and indirectly through intermediate holding companies, own 623,285,000 ArcelorMittal common shares.

(3) Represents ArcelorMittal common shares repurchased by ArcelorMittal pursuant to share repurchase programs. Consisting of 27,375,557 ArcelorMittal common shares purchased between November 13, 2007 and December 31, 2007; 56,523,212 ArcelorMittal common shares purchased between December 31, 2007 and December 31, 2008; and excluding (1) 119,856 options that were exercised during the November 13, 2007-December 31, 2007 period and 954,844 options that were exercised during the December 31, 2007-December 31, 2008 period; (2) 596,453 stock options that can be exercised by directors and senior management (other than the Significant shareholder); and (3) 466,667 stock options that can be exercised by the Significant shareholder, in each case within 60 days of May 12, 2008.

(4) Excludes shares beneficially owned by the Significant shareholder.

(5) These 1,610,922 ArcelorMittal common shares are included in shares owned by the public shareholders indicated above.

(6) The Significant shareholder purchased 14,088,263 shares in the Shares Offering; delivery of such shares was deferred until the earlier of (A) approval by an extraordinary general meeting of shareholders of ArcelorMittal of a resolution approving a share capital increase sufficient to allow the issuance of these shares by June 30, 2009 (in which case the shares delivered will be newly issued ArcelorMittal shares) or (B) June 30, 2009 (in which case the shares delivered will be shares held in treasury by the Company). To satisfy in part its obligation to deliver the rest of the shares in the Shares Offering, the Company borrowed 98 million shares under the share lending agreement entered into with Ispat International referred to in "Recent Developments—Share Lending Agreement". Neither Ispat International nor the Significant shareholder has any voting or disposition rights with respect to shares on loan under the agreement. For the purposes of this table, such borrowing is not deemed to affect the number of shares held by the Significant shareholder since it is assumed that the Company will issue to Ispat International upon termination of any such loan a number of newly-issued shares equivalent to the number of borrowed shares following approval at a reconvened Extraordinary General Meeting of Shareholders of the resolution described under "Recent Developments—Postponement of Extraordinary General Meeting of Shareholders".

(7) The Company satisfied its obligation to deliver shares in the Shares Offering (other than the 14,088,263 shares purchased by the Significant shareholder that are subject to deferred delivery as noted above) using 28,794,371 treasury shares and 98,000,000 shares borrowed under the share lending agreement referred to in "Recent Developments—Share Lending Agreement."

Taxation

This summary contains a description of certain material Luxembourg and U.S. federal income tax consequences of the purchase, ownership and disposition of the notes, but does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase the notes described in this prospectus. It does not describe any tax consequences arising under the laws of any state, locality or taxing jurisdiction other than the United States and Luxembourg.

This summary is based on the tax laws of Luxembourg and the United States as in effect on the date of this prospectus, as well as on rules and regulations of Luxembourg and regulations, rulings and decisions of the United States available on or before such date and now in effect. All of the foregoing are subject to change, which change could apply retroactively and could affect the continued validity of this summary. **Prospective purchasers of notes are urged to consult their own tax advisers as to the Luxembourg, U.S. or other tax consequences of the ownership and disposition of the notes, including, in particular, the application to their particular situations of the tax considerations discussed below, as well as the application of state, local, foreign or other tax laws.**

Luxembourg Taxation

The statements herein regarding taxation in Luxembourg are based on the laws and interpretations in force in the Grand Duchy of Luxembourg as of the date of this prospectus and are subject to any changes in law and interpretation. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own, dispose of or convert the notes or to purchase, acquire, hold or dispose of shares. Each prospective holder or beneficial owner of notes or Shares should consult its tax adviser as to the Luxembourg tax consequences of the purchase, acquisition, holding or conversion of notes or the purchase, acquisition, holding or disposition of Shares.

Taxation of noteholders

Luxembourg tax residency of noteholders

A noteholder will not become resident, or be deemed to be resident, in Luxembourg by reason only of the holding, exchange or conversion of the notes, or the execution, performance, delivery and/or enforcement of the notes.

European directive on the taxation of savings income

On June 3, 2003 the Economic and Financial Affairs Council of the European Union (the "EU") adopted Council Directive 2003/48/EC on taxation of savings income in the form of interest payments (the "Savings Directive"). Under the Savings Directive and from July 1, 2005, each member state of the EU (a "Member State") is required to provide the tax authorities of another Member State with details of payments of interest and other similar income paid by a person in one Member State to an individual resident in another Member State. Austria, Belgium and Luxembourg must instead impose a withholding tax for a transitional period unless during such period they elect to participate in the information exchange.

The Savings Directive and several agreements concluded between Luxembourg and certain dependent or associated territories of the EU in furtherance of the Savings Directive were implemented in Luxembourg by two laws dated June 21, 2005 (the "Laws").

Withholding tax

Under the Laws, a Luxembourg-based paying agent (within the meaning of the Savings Directive) is required since July 1, 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual resident in another Member State or in certain EU dependent or associated territories, unless the beneficiary of the interest payments opts for the procedure of exchange of information or for the tax certificate procedure. The same treatment is applicable to payments of interest and other similar income made to certain so-called "residual entities" within the meaning of Article 4.2 of the Savings Directive (i.e., an entity without legal personality (the Finnish and Swedish companies listed in Article 4.5 of the Savings Directive are not considered as legal persons for this purpose) and whose profits are not taxed under the general arrangements for business taxation in its jurisdiction and that is not, or has not opted to be

considered as a UCITS recognised in accordance with Council Directive 85/611/EEC) established in a Member State or in certain EU dependant or associated territories.

The withholding tax rate is currently set at 20%, and shall increase to 35% as from July 1, 2011. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain third countries.

Interest payments made by Luxembourg paying agents (defined in the same way as in the Savings Directive) to Luxembourg individual residents or to certain residual entities that secure interest payments on behalf of such individuals (unless such entity has opted either to be treated as a UCITS recognised in accordance with Council Directive 85/611/EEC or for the exchange of information regime) are subject to a 10% withholding tax (the "10% Luxembourg Withholding Tax").

Taxation of noteholders

Taxation of Luxembourg non-resident holders of notes

Subject to the rules mentioned under "Withholding tax" above, noteholders who are non-residents of Luxembourg and who have neither a permanent establishment nor a permanent representative or a fixed base of business in Luxembourg with which the holding of the notes is connected, are not liable for any Luxembourg income tax on the repayment of principal of, and payments or accrual of interest on, the notes or on payments received upon the redemption or repurchase of the notes, or on capital gains on the sale of notes.

Taxation of Luxembourg resident holders of notes

noteholders who are residents of Luxembourg will not be liable for any Luxembourg income tax on repayment of principal.

Luxembourg resident individuals holders of notes

Pursuant to the Luxembourg law of December 23, 2005 as amended by the law of July 17, 2008, Luxembourg resident individuals, acting in the course of the management of their private wealth, can opt to self-declare and pay a 10% tax (the "Self-declared 10% Tax") on interest payments made by paying agents (defined in the same way as in the Savings Directive) located in a Member State other than Luxembourg, a member state of the European Economic Area or in a State or territory which has concluded an international agreement directly related to the Savings Directive. When the paying agent is located in Luxembourg, the 10% Luxembourg Withholding tax described under "Withholding Tax" above will apply. The 10% Luxembourg Withholding Tax or the Self-declared 10% Tax represents the final tax liability on interest received for Luxembourg resident individuals receiving the interest payment in the course of their private wealth. Luxembourg resident individual noteholders receiving the interest as business income must include this interest in their taxable basis and, if it has been levied, the 10% Luxembourg Withholding Tax will be credited against their final income tax liability.

Luxembourg resident individual noteholders holding notes as part of their private wealth are not subject to taxation on capital gains upon the disposal of the notes, unless the disposal of the notes precedes their acquisition or the notes are disposed of within six months of their date of acquisition. Upon the sale, redemption or disposal of the notes, accrued but unpaid interest will be subject to the 10% Luxembourg Withholding Tax, or to the Self-declared 10% Tax if the Luxembourg resident individual exercises the option for the Self-declared 10% Tax. Luxembourg resident individual noteholders receiving the interest as business income must include the portion of the price corresponding to this interest in their taxable income and, if it has been levied, the 10% Luxembourg Withholding Tax will be credited against their final income tax liability.

Luxembourg resident corporate holders of notes

Unless they are tax exempt, Luxembourg resident corporate holders holding notes, or foreign entities of the same type which have a permanent establishment or a permanent representative in Luxembourg with which the holding of the notes is connected, must include in their taxable income any interest (including accrued but unpaid interest) and the difference between the sale or redemption price (received or accrued) and the lower of the cost or book value of the notes sold or redeemed.

Net wealth tax

Luxembourg net wealth tax will not be levied on a noteholder, unless (i) such holder is a Luxembourg fully taxable resident company or (ii) such notes are attributable to an enterprise or part thereof which is carried on through a Luxembourg permanent establishment by a non-resident company.

Other taxes

There is no Luxembourg registration tax, stamp duty or any other similar tax or duty payable in Luxembourg by noteholders as a consequence of the issuance of the notes, nor will any of these taxes be payable as a consequence of a subsequent sale, transfer, other disposal or redemption of the notes or upon conversion and/or exchange of notes for Shares.

Luxembourg inheritance tax may be levied on the transfer of notes upon the death of a Luxembourg resident noteholder.

Luxembourg gift tax will be levied in the event that a gift of notes is made pursuant to a notarial deed signed before a Luxembourg notary.

Tax neutrality regime related to the conversion/exchange of notes for new or existing Shares

As a general rule, a conversion and/or an exchange of securities is considered for Luxembourg tax purposes as a sale at fair market value of the securities followed by the acquisition of the securities received in exchange and/or converted into.

Capital gains realized upon a conversion and/or exchange of notes for new or existing Shares by Luxembourg resident individual noteholders acting in the course of the management of their private wealth, are not subject to income tax, unless notes are converted within six months of their acquisition.

The conversion and/or exchange of notes for Shares may be performed in tax neutrality by Luxembourg resident corporate noteholders and resident individuals acting in the course of the management of their business activity. The price and acquisition date of Shares received upon conversion and/or exchange of notes will for tax purposes correspond to the price and acquisition date of the converted and/or exchanged notes.

Renunciation of the tax neutrality regime

The tax neutrality regime is optional and if noteholders renounce tax neutrality, the following tax treatment applies.

Capital gains realized upon the conversion and/or exchange of notes for Shares by Luxembourg resident individual noteholders, who act in the course of their business activity are subject to income tax on the difference between the value of Shares and the lower of the cost or book value of the converted and/or exchanged notes.

Except where the noteholder is tax exempt, capital gains realized upon the conversion and/or exchange of notes for Shares by Luxembourg corporate noteholders or non-resident corporate noteholders which have a permanent establishment in Luxembourg with which the holding of the notes is connected, are subject to corporate tax on the difference between the value of Shares and the lower of the cost or book value of the converted and/or exchanged note.

Taxation of Shareholders

Luxembourg tax residency of Shareholders

A Shareholder will not become resident, or be deemed to be resident, in Luxembourg by reason only of the acquisition, holding, sale or disposal of Shares.

Luxembourg withholding tax on dividends paid on Shares

Dividends distributed by the Issuer will in principle be subject to Luxembourg withholding tax at the rate of 15%.

Luxembourg resident corporate holders of Shares

No dividend withholding tax applies on dividends paid by the Issuer to a Luxembourg resident corporate holder holding Shares (that is, a fully taxable entity within the meaning of Article 159 of the Luxembourg Income Tax Law), which meets the qualifying participation test (that is, a shareholding in the Issuer of at least 10% or having an acquisition cost of at least €1.2 million held or committed to be held for a minimum one year holding period). If such exemption from dividend withholding tax does not apply, a Luxembourg resident corporate holder will be entitled to a tax credit for the tax withheld.

Luxembourg resident individual holders of Shares

Luxembourg withholding tax on dividends paid by the Issuer to a Luxembourg resident individual holder of Shares will entitle such Luxembourg holder to a tax credit for the tax withheld.

Non-resident holders of Shares

A non-resident holder of Shares, provided it qualifies as an undertaking with a collective character subject to a tax comparable to corporate income tax as provided by the Luxembourg Income Tax Law, which is resident in a country that has concluded a double taxation treaty with Luxembourg will be able to claim an exemption from Luxembourg dividend withholding tax under Article 147 of the Luxembourg Income Tax Law Law, if the conditions therefor are met. Treaty relief may also be claimed under the conditions and subject to the limitations set forth in relevant double taxation treaties concluded with Luxembourg.

Non-resident undertakings with a collective character which fall within the scope of Article 2 of the amended European Council Directive 90/435/EC on the common system of taxation applicable in the case of parent companies and subsidiaries of different Member States (the ”Parent-Subsidiary Directive”), joint-stock companies or cooperative companies subject to a tax comparable to corporate income tax as provided by the Luxembourg Income Tax Law resident in a State being part of the European Economic Area (EEA) other than a Member State, and joint-stock companies resident in Switzerland subject to corporate income tax in Switzerland without benefiting from an exemption, will be able to claim an exemption from Luxembourg dividend withholding tax under conditions set forth in Luxembourg law in the same way as in in the Parent-Subsidiary Directive.

Luxembourg income tax on dividends paid on Shares and capital gains

Luxembourg resident individual holders of Shares

For Luxembourg resident individuals, income in the form of dividends or capital gains derived from the Shares will normally be subject to individual income tax at the applicable progressive rate (the top marginal tax rate is 38%), plus an unemployment fund contribution levied thereon at the rate of 2.5%. Such dividends may benefit from the 50% exemption set forth in Article 115(15a) of the Luxembourg Income Tax Law, subject to fulfillment of the conditions set out therein. Capital gains will only be taxable if they are realized on a sale of Shares, which takes place before their acquisition or within the first six months following their acquisition, or if the relevant holder has held (together with his or her spouse and underage children) directly or indirectly more than 10% of the capital of the Issuer at anytime during the past five years.

Luxembourg resident corporate holders of Shares

For Luxembourg resident corporate holders, income in the form of dividends or capital gains derived from Shares will be subject to corporate income tax and municipal business tax. The combined rate for these two taxes (including an unemployment fund contribution of 4%) is 28.59% in the City of Luxembourg. Such dividends may benefit either from the 50% exemption set forth in Article 115(15a) of the Luxembourg Income Tax Law or from the full exemption set forth in Article 166 of the Luxembourg Income Tax Law, subject in each case to fulfillment of the respective conditions set out therein. Capital gains realized on the sale of Shares may benefit from the full exemption provided for by Article 166 of the Luxembourg Income Tax Law and by the Grand Ducal Decree of December 21, 2001, as amended, subject to fulfillment of the conditions set out therein.

Non- resident holders of Shares

Capital gains arising upon disposal of Shares by a non-resident individual or corporate holder of Shares who is a non-Luxembourg holder of ArcelorMittal shares who realizes a gain on disposal thereof (and who does not have a permanent establishment in Luxembourg to which Shares are attributable) and who is not resident in a country which has concluded a double tax treaty with Luxembourg which allocates the right of taxation to the country of residence of the holder, will only be subject to Luxembourg taxation if such holder has (together with his or her spouse and underage children) directly or indirectly held more than 10% of the capital of Issuer at anytime during the past five years, and either (1) the disposal of Shares occurs before their acquisition or within six months from their acquisition, or (2) such holder has been a resident of Luxembourg for tax purposes for at least 15 years and has become a non-resident within the five years preceding the realization of the gain.

A corporate non-resident holder (that is an entity within the meaning of Article 159 of the Luxembourg Income Tax Law), which has a permanent establishment in Luxembourg to which Shares would be attributable, will bear corporate income tax and municipal business tax on (i) 50% of dividends received under Article 115(15a) of the Luxembourg Income Tax Law unless dividends are exempt under Article 166 of the Luxembourg Income Tax Law and (ii) on capital gains realized on a disposal of such Shares unless such capital gains are exempt under Article 166 of the Luxembourg Income Tax Law and the Grand Ducal Decree of December 21, 2001, as amended.

Net wealth tax

Luxembourg net wealth tax will not be levied on a holder of Shares, unless (i) such holder is a Luxembourg fully taxable resident company or (ii) such Shares are attributable to an enterprise or part thereof which is carried on through a Luxembourg permanent establishment by a non-resident company.

Holders of Shares may be exempt from net wealth tax subject to the conditions set forth in Article 60 of the Law of October 16, 1934 on the valuation of assets (Bewertungsgesetz), as amended.

Other taxes

No registration tax will be payable by a holder of Shares upon the disposal of Shares by sale or exchange.

Luxembourg inheritance tax may be levied on the transfer of Shares upon the death of a Luxembourg resident holder.

Luxembourg gift tax will be levied in the event that a gift of Shares is made pursuant to a notarial deed signed before a Luxembourg notary.

U.S. Federal Income Taxation

The following discussion is a summary of the principal U.S. federal income tax consequences that are likely to be relevant in respect of the ownership and disposition of notes. This summary applies to investors that hold the notes as capital assets and that purchase their notes in the initial offering at the initial offering price. This summary does not purport to address all tax consequences that may be relevant to a particular investor. For example, this summary also does not take into account the specific circumstances of particular investors, some of which (such as tax-exempt entities, banks, insurance companies, broker-dealers, traders in securities that elect to use a mark-to-market method of accounting for their securities holdings, regulated investment companies, real estate investment trusts, partnerships and other pass-through entities, investors liable for the U.S. alternative minimum tax, investors that own or are treated as owning 10% or more of ArcelorMittal's voting shares, investors that hold the notes as part of a straddle, hedge, conversion, constructive sale or other integrated transaction, and U.S. Holders (as defined below) whose functional currency is not the U.S. dollar) may be subject to special tax rules. This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the "Code"), the Treasury regulations issued thereunder, judicial decisions, and published rulings and administrative pronouncements of the U.S. Internal Revenue Service ("IRS"), all as in effect on the date hereof, and all of which are subject to change (possibly with retroactive effect) or to differing interpretations. The summary below does not take into account any state, local or non-U.S. tax issues that may be relevant to an investor. For a discussion of the principal U.S. federal income tax consequences that are likely to be relevant in respect of the ownership and disposition of the Shares, consult the section "Taxation -- United States Taxation" in the Company's 2008 Form 20-F.

Consequences to U.S. Holders

The discussion below applies to "U.S. Holders" of notes. For purposes of this discussion, a "U.S. Holder" is a beneficial owner of notes that is, for U.S. federal income tax purposes:

- an individual citizen or resident of the United States;
- a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) organized in or under the laws of the United States, any state thereof, or the District of Columbia; or
- any other person that is subject to U.S. federal income tax on a net income basis in respect of the notes.

The U.S. federal income tax consequences of a partner in a partnership holding the notes generally will depend on the status of the partner and the activities of the partnership. We recommend that partners in such a partnership consult their own tax advisors.

Payments of Interest on the Notes

It is expected, and therefore this discussion assumes, that the notes will be issued without original issue discount for U.S. federal income tax purposes. Accordingly, if you are a U.S. Holder, the interest you receive on the notes will generally be subject to United States taxation and will generally be considered ordinary foreign source interest income on which you will be taxed in accordance with the method of accounting that you use for tax purposes.

Sale, Exchange, Redemption or Other Taxable Disposition of the Notes

Upon the sale, exchange, redemption or other taxable disposition of a note (other than a conversion of a note as described below under "— Conversion into Shares and Cash"), you generally will recognize U.S. source capital gain or loss equal to the difference between (i) the sum of cash plus the fair market value of all other property received on such disposition (except to the extent such cash or property is attributable to accrued but unpaid interest not previously included in income, which generally will be treated as interest as described under "— Payments of Interest on the Notes") and (ii) your adjusted tax basis in the note.

Your adjusted tax basis in a note generally will equal the acquisition cost of the note. Such capital gain or loss will be long-term capital gain or loss if, at the time of such disposition, you have held the note for more than one year. Long-term capital gains recognized by individual U.S. Holders before January 1, 2011 will generally be subject to a maximum rate of 15 percent. The deductibility of capital losses is subject to limitations.

Conversion into Cash

If you convert a note and receive solely cash, you will recognize gain or loss in the same manner as if you had disposed of the note in a taxable disposition as described under "—Sale, Exchange, Redemption or Other Taxable Disposition of the Notes" above.

Conversion into Shares

Except as discussed below, you generally will not recognize gain or loss upon the conversion of a note solely into Shares. The fair market value of the Shares received with respect to accrued interest will be taxed as such, as discussed under "—Payments of Interest on the Notes" above. Your tax basis in the Shares received upon a conversion of a note (other than Shares received with respect to accrued interest, but including any basis allocable to a fractional share) will equal the tax basis of the note that was converted. Your tax basis in the Shares received with respect to accrued interest will equal the fair market value of the stock received. Receipt of cash in lieu of a fractional share will generally be treated as a sale of such fractional share, and you will recognize capital gain or loss upon such sale in an amount equal to the difference between the amount of cash received and the amount of adjusted tax basis allocable to the fractional share. Your tax basis in a fractional share will be determined by allocating your tax basis in the Shares between the Shares received upon conversion and the fractional share, in accordance with their respective fair market values.

Your holding period for the Shares received will include your holding period for the note converted, except that the holding period of any Shares received with respect to accrued interest will commence on the day after the date of receipt.

Conversion into Shares and Cash

If you convert a note and receive a combination of Shares and cash, we intend to take the position (and the following discussion assumes) that the conversion will be treated as a recapitalization for U.S. federal income tax purposes, although the tax treatment is uncertain.

Assuming such treatment, you will recognize capital gain, but not loss, equal to the excess of the sum of the fair market value of the Shares and cash received (other than amounts attributable to accrued interest, which will be treated as such as described under "—Payments of Interest on the Notes" above) over your adjusted tax basis in the note, but in no event will the capital gain recognized exceed the amount of cash received (excluding cash attributable to accrued interest or received in lieu of a fractional share).

In such circumstances, your tax basis in the Shares received upon a conversion of a note (other than Shares received with respect to accrued interest, but including any basis allocable to a fractional share) will equal the tax basis of the note that was converted, reduced by the amount of cash received (excluding cash received in lieu of a fractional share and cash attributable to accrued interest), and increased by the amount of gain, if any, recognized, as described in the preceding paragraph. Your tax basis in the Shares received with respect to accrued interest will equal the fair market value of the Shares received.

Receipt of cash in lieu of a fractional share will generally be treated as a sale of such fractional share, and you will recognize capital gain or loss upon such sale in an amount equal to the difference between the amount of cash received and the amount of adjusted tax basis allocable to the fractional share. Your tax basis in a fractional share will be determined by allocating your tax basis in the Shares between the Shares received upon conversion and the fractional share, in accordance with their respective fair market values.

Your holding period for Shares received upon conversion will include the period during which you held the notes, except that the holding period of any Shares received with respect to accrued interest will commence on the day after the date of receipt.

The conversion of a note and consequent receipt of both Shares and cash might alternatively be characterized as a sale of a portion of the note for the cash received which would be subjected to tax in the manner described under "—Sale, Exchange, Redemption or Other Taxable Disposition of the Notes" above and as a conversion of a portion of the note into Shares, which would be treated in the manner described under "—Conversion Into Shares" above. Under this alternative characterization, you would not recognize gain or loss with respect to our Shares received (other than Shares attributable to accrued interest), and your holding period for such Shares would include the period during which you held the notes. In such case, your basis in the note would be allocated pro rata between the Shares and cash received, in accordance with their fair market values. You should consult your tax advisors regarding the tax treatment of the receipt of cash and Shares for notes upon conversion.

Constructive Distributions

Holders of convertible debt instruments such as the notes may, in certain circumstances, be deemed to have received distributions of stock if the conversion rate of such instruments is adjusted. However, adjustments to the conversion rate made pursuant to a bona fide reasonable adjustment formula which has the effect of preventing the dilution of the interest of the holders of the debt instruments will generally not be deemed to result in a constructive distribution of stock. Certain of the possible adjustments provided in the notes may not qualify as being pursuant to a bona fide reasonable adjustment formula. For example, a constructive distribution would result if the conversion rate were adjusted to compensate holders of notes for distributions of cash to our stockholders. Other adjustments to the conversion rate of notes (including an adjustment in connection with certain changes in control, as described under "Description of the Notes —Conversion Rate Adjustment Upon a Fundamental Change") may also be treated as a constructive distribution. If such adjustments are made, you may be deemed to have received constructive distributions includible in your income in the manner described under "Taxation—United States Taxation— Taxation of Distributions" in the Company's 2008 Form 20-F even though you have not received any cash or property as a result of such adjustments. In addition, in certain circumstances, the failure to provide for such an adjustment may also result in a constructive distribution to you.

Any constructive distributions received in respect of the notes will not be eligible either for the dividends received deduction or for the preferential tax rate afforded to "qualified dividend income" under U.S. federal income tax law.

Investors should consult their own tax advisors with respect to the tax consequences of any conversion rate adjustment.

Consequences to Non-U.S. Holders

Under current U.S. federal income tax law, if you are not a "United States person" (as defined below), the interest payments that you receive on the notes generally will be exempt from U.S. federal income taxes, including withholding tax. However, to receive this exemption you may be required to satisfy certain certification requirements (described below) of the U.S. Internal Revenue Service to establish that you are not a United States person. For these purposes, a "United States person" is:

- a citizen or resident of the United States or its territories, possessions or other areas subject to its jurisdiction,

- a corporation or other entity taxable as a corporation organized under the laws of the United States or any political subdivision thereof,

- an estate, the income of which is subject to U.S. federal income taxation regardless of its source, or

- a trust if (i) a U.S. court is able to exercise primary supervision over the trust's administration and (ii) one or more United States persons have the authority to control all of the trust's substantial decisions.

Even if you are not a United States person, you may still be subject to U.S. federal income taxes on any interest payments you receive if:

- you are an insurance company carrying on a U.S. insurance business, within the meaning of the Code, or

- you have an office or other fixed place of business in the United States that receives the interest and you (i) earn the interest in the course of operating a banking, financing or similar business in the United States or (ii) are a corporation the principal business of which is trading in stock or securities for its own account, and certain other conditions exist.

If you are not a United States person, any gain you realize on a sale or exchange of the notes generally will be exempt from U.S. federal income tax, including withholding tax, unless:

- your gain is effectively connected with your conduct of a trade or business in the United States, or

- you are an individual holder and are present in the United States for 183 days or more in the taxable year of the sale, and either (i) your gain is attributable to an office or other fixed place of business that you maintain in the United States or (ii) you have a tax home in the United States.

Information Reporting and Estate Tax

Information returns will be filed with the IRS in connection with note payments made to certain U.S. Holders. If you are a U.S. Holder, you generally will not be subject to U.S. backup withholding tax on such payments if you provide your taxpayer identification number to the paying agent and certify that no loss of exemption from backup withholding has occurred. You may also be subject to information reporting and backup withholding tax requirements with respect to the proceeds from a sale of the notes, subject to the conditions described in the preceding sentence. If you are a Non-U.S. Holder, in order to avoid information reporting and backup withholding tax requirements you may have to comply with certification procedures to establish that you are not a United States person. The amount of any backup withholding will be allowed as a credit against the holder's U.S. federal income tax liability and may entitle the holder to a refund, provided that the required information is timely furnished to the IRS.

A note held by an individual holder who at the time of death is a non-resident alien will not be subject to U.S. federal estate tax.

Clearance and Settlement

Debt securities we issue, including the Notes, may be held through one or more international and domestic clearing systems. The clearing systems ArcelorMittal uses are the book-entry systems operated by the Depository Trust Company ("DTC") in the United States, Clearstream Banking, *société anonyme*, in Luxembourg ("Clearstream") and the Euroclear System, in Belgium ("Euroclear"). These systems have established electronic securities and payment, transfer, processing, depositary and custodial links among themselves and others, either directly or through custodians and depositaries. These links allow the debt securities to be issued, held and transferred among the clearing systems without the physical transfer of certificates.

Special procedures to facilitate clearance and settlement have been established among these clearing systems to trade the debt securities across borders in the secondary market. Where payments for the debt securities ArcelorMittal issues in global form is made in U.S. dollars, these procedures can be used for cross-market transfers and the debt securities are cleared and settled on a delivery against payment basis.

The policies of DTC, Clearstream and Euroclear will govern payments, transfers, exchanges and other matters relating to your interest in the debt securities held by them.

ArcelorMittal has no responsibility for any aspect of the actions of DTC, Clearstream or Euroclear or any of their direct or indirect participants. ArcelorMittal has no responsibility for any aspect of the records kept by DTC, Clearstream or Euroclear or any of their direct or indirect participants. ArcelorMittal also does not supervise these systems in any way.

DTC, Clearstream, Euroclear and their participants perform these clearance and settlement functions under agreements they have made with one another or with their customers. You should be aware that they are not obligated to perform these procedures and may modify them or discontinue them at any time.

The description of the clearing systems in this section reflects our understanding of the rules and procedures of DTC, Clearstream and Euroclear as they are currently in effect. Those systems could change their rules and procedures at any time.

DTC

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities deposited with it by its participants and facilitates the settlement of transactions among its participants in such securities through electronic computerized book-entry changes in accounts of the participants, thereby eliminating the need for physical movement of securities certificates. DTC's participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations, some of whom (and/or their representatives) own DTC. Access to DTC's book-entry system is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly. According to DTC, the foregoing information with respect to DTC has been provided to the financial community for informational purposes only and is not intended to serve as a representation, warranty or contract modification of any kind.

Clearstream

Clearstream was incorporated as a limited liability company under Luxembourg law. Clearstream is owned by Cedel International, *société anonyme*, and Deutsche Börse AG. The shareholders of these two entities are banks, securities dealers and financial institutions.

Clearstream holds securities for its customers and facilitates the clearance and settlement of securities transactions between Clearstream customers through electronic book-entry changes in accounts of Clearstream customers, thus eliminating the need for physical movement of certificates. Clearstream provides to its customers, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities, securities lending and borrowing and collateral management. Clearstream interfaces with domestic markets in a number of countries. Clearstream has established an electronic bridge

with Euroclear Bank S.A./N.V., the operator of the Euroclear System, to facilitate settlement of trades between Clearstream and Euroclear.

As a registered bank in Luxembourg, Clearstream is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector. Clearstream customers are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. In the United States, Clearstream customers are limited to securities brokers and dealers and banks, and may include the underwriters for the debt securities. Other institutions that maintain a custodial relationship with a Clearstream customer may obtain indirect access to Clearstream. Clearstream is an indirect participant in DTC.

Distributions with respect to the debt securities held beneficially through Clearstream will be credited to cash accounts of Clearstream customers in accordance with its rules and procedures, to the extent received by Clearstream.

The Euroclear System

The Euroclear System was created in 1968 to hold securities for participants of the Euroclear System and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment, thus eliminating the need for physical movement of certificates and risk from lack of simultaneous transfers of securities and cash. Transactions may now be settled in many currencies, including United States dollars and Japanese Yen. The Euroclear System provides various other services, including securities lending and borrowing and interfaces with domestic markets in several countries generally similar to the arrangements for cross-market transfers with DTC described below.

The Euroclear System is operated by Euroclear Bank S.A./N.V. (the "Euroclear Operator"), under contract with Euroclear Clearance System plc, a U.K. corporation (the "Euroclear Clearance System"). The Euroclear Operator conducts all operations, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not the Euroclear Clearance System. The Euroclear Clearance System establishes policy for the Euroclear System on behalf of Euroclear participants. Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the underwriters. Indirect access to the Euroclear System is also available to other firms that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly. Euroclear is an indirect participant in DTC.

The Euroclear Operator is a Belgian bank. The Belgian Banking Commission and the National Bank of Belgium regulate and examine the Euroclear Operator.

The Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System and applicable Belgian law govern securities clearance accounts and cash accounts with the Euroclear Operator. Specifically, these terms and conditions govern:

transfers of securities and cash within the Euroclear System;
withdrawal of securities and cash from the Euroclear System; and
receipts of payments with respect to securities in the Euroclear System.

All securities in the Euroclear System are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the terms and conditions only on behalf of Euroclear participants and has no record of or relationship with persons holding securities through Euroclear participants.

Distributions with respect to debt securities held beneficially through Euroclear will be credited to the cash accounts of Euroclear participants in accordance with the Euroclear Terms and Conditions, to the extent received by the Euroclear Operator and by Euroclear.

Settlement

Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled in immediately available funds using DTC's Same-Day Funds Settlement System. Secondary market trading between Clearstream customers and/or Euroclear participants will occur in the

ordinary way in accordance with the applicable rules and operating procedures of Clearstream and Euroclear and will be settled using the procedures applicable to conventional Eurobonds in immediately available funds.

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream customers or Euroclear participants, on the other, will be effected in DTC in accordance with DTC rules on behalf of the relevant European international clearing system by the U.S. depositary; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (based on European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to the U.S. depositary to take action to effect final settlement on its behalf by delivering or receiving debt securities in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream customers and Euroclear participants may not deliver instructions directly to their respective U.S. depositaries.

Because of time-zone differences, credits of debt securities received in Clearstream or Euroclear as a result of a transaction with a DTC participant will be made during subsequent securities settlement processing and dated the business day following the DTC settlement date. Such credits or any transactions in such debt securities settled during such processing will be reported to the relevant Clearstream customers or Euroclear participants on such business day. Cash received in Clearstream or Euroclear as a result of sales of debt securities by or through a Clearstream customer or a Euroclear participant to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the business day following settlement in DTC.

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of debt securities among participants of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures and such procedures may be discontinued at any time.

Subscription and Sale

In connection with the offering of the Notes, Goldman Sachs International acted as Sole Global Coordinator and Bookrunner, CALYON and Société Générale acted as Bookrunners, Morgan Stanley acted as Joint Bookrunner, and BNP Paribas, ABN AMRO, HSBC, Citi and J.P. Morgan acted as Co-Bookrunners (together with the Sole Global Coordinator and Bookrunner, the Bookrunners and the Joint Bookrunner, the "**Underwriters**").

Under the terms and subject to the conditions contained in an underwriting agreement dated April 29, 2009 between the Issuer and the Goldman Sachs International, CALYON and Société Générale, as representatives (the "Representatives") on behalf of the Underwriters, each Underwriter severally agreed to purchase the principal amount of Notes indicated in the following table:

Underwriter	Principal amount of notes
Goldman Sachs International	$188,172,000
CALYON	188,171,000
Société Générale	188,171,000
Morgan Stanley & Co. International plc	22,581,000
BNP PARIBAS	22,581,000
ABN AMRO Bank N.V., London Branch	22,581,000
HSBC Bank plc	22,581,000
Citigroup Global Markets Limited	22,581,000
J.P. Morgan Securities Ltd.	22,581,000
Total	$700,000,000

The Underwriters also exercised their option to purchase up to an additional $100,000,000 in principal amount of Notes from the Company. The Notes purchased pursuant to this option were purchased in approximately the same proportion as set forth in the table above.

The Significant shareholder did not purchase any Notes.

The Company agreed to indemnify the several Underwriters against certain liabilities, including liabilities under the Securities Act.

Notes sold by the Underwriters to the public were offered at the initial public offering price set forth on the cover of this prospectus. The offering of the Notes by the Underwriters was subject to receipt and acceptance and subject to the Underwriters' right to reject any order in whole or in part.

The Underwriters made offers and sales both inside and outside the United States through their respective selling agents. Any offers and sales in the United States was conducted by brokers and dealers registered with the SEC. Goldman Sachs International made offers and sales in the United States through its registered broker-dealer affiliate, Goldman, Sachs & Co. Société Générale made offers and sales in the United States through its registered broker-dealer affiliate, SG Americas Securities, LLC. CALYON made offers and sales in the United States through its registered broker-dealer affiliate, Calyon Securities (USA) Inc. The Notes were not offered to the public in the European Union.

Application has been made to the Luxembourg Stock Exchange for the Notes to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. There are no plans for the Notes to be listed on any other market. No assurance can be given as to the liquidity of the trading market for the notes.

The Company, Ispat International and Mittal Investments S.à r.l. agreed with the Underwriters, subject to certain exceptions, without the prior written consent of the Representatives, not to offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise dispose of any common shares of the Company, or any options or warrants to purchase any common shares of the Company, or any securities convertible into, exchangeable for or that represent the right to receive common shares of the Company, whether now owned or hereinafter acquired, owned directly by the undersigned (including holding as a custodian) or with respect to which the undersigned has beneficial ownership within the rules and regulations of the SEC during the period from April 29, 2009 continuing through the date 180 days after April 29, 2009.

The 180-day restricted period described in the preceding paragraph will be automatically extended if: (1) during the last 17 days of the 180-day restricted period the Company issues an earnings release or announces material

news or a material event; or (2) prior to the expiration of the 180-day restricted period, the Company announces that it will release earnings results during the 15-day period following the last day of the 180-day period, in which case the restrictions described in the preceding paragraph will continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release of the announcement of the material news or material event.

Goldman Sachs International, acting as stabilisation agent, informed the Company that it did not carry out stabilisation activities in connection with the offering of the Notes.

Delivery of the Notes was made against payment therefore on May 6, 2009.

The Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the Company, for which they received or will receive customary fees and expenses.

The offering of the Notes took place on April 29, 2009. Set forth below is a timetable of the offering.

April 29, 2009	Offering of the Notes Pricing and allotments Press release announcing final terms
April 30, 2009	Exercise of the over-allotment option by the Underwriters Press release by the Issuer indicating the total aggregate amount of the issue following exercise of the over-allotment option
May 6, 2009	Settlement-delivery of the Notes
June 16, 2009	CSSF approval of the Prospectus
June 16, 2009 (expected)	Listing on the Official List of the LSE and admission to trading on the LSE's regulated market

Selling Restrictions

The Notes were offered to the public and/or institutional investors both inside and outside the United States of America in accordance with applicable regulation. The Notes were not offered to the public in the European Union.

The distribution of this Prospectus and the offer or sale of the Notes may, in some countries, be regulated by specific laws. Persons in possession of this Prospectus should inform themselves of and comply with local restrictions.

The institutions responsible for the placement of the Notes have complied with the laws and regulations in force in the countries in which the Notes are to be offered and, in particular, will comply with the following restrictions.

European Economic Area

With respect to each Member State of the European Economic Area which has implemented the Prospectus Directive, as defined below (each, a "**Relevant Member State**"), no action has been undertaken or will be undertaken to make an offer to the public of Subject Securities requiring a publication of a prospectus in any Relevant Member State. As a result, the Notes may only be offered in Relevant Member States:

(a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to place securities;

(b) to any legal entity which has met two or more of the following criteria: (1) an average number of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43 million

and (3) an annual net turnover of more than €50 million, as shown in its last annual or consolidated accounts;

(c) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the representatives for any such offer; or

(d) in any other circumstances, not requiring the Company to publish a prospectus as provided under Article 3(2) of the Prospectus Directive.

For the purposes of this paragraph, the term an “offer to the public” in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offering and the Notes to be offered so as to enable an investor to decide to purchase such securities, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, and the expression “Prospectus Directive” means Directive 2003/71/EC as implemented in the Relevant Member State.

United Kingdom

Each Underwriter represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Hong Kong

The Notes were not offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the notes under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions,

specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the Financial Instruments and Exchange Law) and each Underwriter has agreed that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

General Information

1. Application has been made to the Luxembourg Stock Exchange for the Notes to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. Listing of the Notes is expected to take place on June 16, 2009. There are no plans for the Notes to be listed on any other market.

   The Notes have been accepted for clearance through DTC. The International Securities Identification Number (ISIN) for the Notes is US03938LAK08. The address of DTC is 55 Water Street, 22nd Fl., New York, NY 10041-0099, United States.

2. The Issuer has obtained all necessary consents, approvals and authorizations in the Grand Duchy of Luxembourg in connection with the issue of, and performance of its obligations under, the Notes, except that the Issuer currently has neither standing corporate authorization to issue shares nor sufficient shares in treasury to satisfy all its share delivery obligations upon conversion of the Notes, under the concurrent Shares Offering or upon conversion of its existing convertible bonds. Accordingly, Ispat International and ArcelorMittal have entered into a share lending agreement, pursuant to which Ispat International agreed to make available for borrowing by ArcelorMittal common shares up to, in the aggregate, a maximum amount of 98 million shares. See "Terms and Conditions of the Bonds—Source of Underlying Shares".

   The Issuer convened an EGM on May 12, 2009 (i) to approve a resolution authorizing sufficient share capital and (ii) to delegate authority to the Board of Directors to cancel preferential subscription rights of existing shareholders for the purpose (among other things) of issuing new shares to satisfy the Issuer's share delivery obligations upon the exercise of investors' Conversion Right under the Notes, under the concurrent Shares Offering or upon conversion of its existing convertible bonds. However, the quorum required for the meeting was not reached, and the Extraordinary General Meeting will therefore be reconvened on June 17, 2009. See "Recent Developments—Postponement of Extraordinary General Meeting."

   The issue of the Notes has been authorized by the Issuer's Board of Directors.

3. The new shares delivered following conversion of the Notes will be governed by Luxembourg law. Such shares will be fully fungible with the other existing shares of the Issuer and will carry all rights attached to other existing shares as from their delivery date subject to the provisions set forth in "Terms and Conditions of the Notes—Noteholders' rights to interest payments on the Notes and to dividends, distributions or allocation in respect of Shares delivered".

4. As of the date of this Prospectus, the Issuer is not aware of any conflicts of interest material to the Notes between the duties of the members of the Board of Directors and the Group Management Board to ArcelorMittal and their private interests and/or their other duties.

5. There are no other securities issued by the Company in the same category as the Notes. No liquidity agreement related to the Notes has been entered into by the Issuer or, to the Issuer's knowledge, by any intermediary. The Notes will not be rated.

6. The gross annual yield of the Notes was 5% on the Issue Date (in the absence of exercise of the Conversion Right or early redemption of the Notes).

7. The impact of the conversion of the Notes into new shares of the Issuer on the shareholding of a shareholder holding 1% of the Issuer's share capital prior to the issue (after giving effect to the concurrent Shares Offering of 140,882,634 common shares) would be as set forth in the table below:

	Shareholding Percentage	
	Non-diluted basis	Diluted basis (1)
Prior to the issue of the Notes (2)	1.000%	0.957%
After issue and conversion of all the Notes	0.981%	0.939%

(1) Dilutive instruments are share subscription options granted by the Issuer which have not yet been exercised.
(2)Percentage calculated assuming full conversion of the Issuer's €1.25 billion 7.25% bonds convertible into and/or exchangeable for new or existing ArcelorMittal shares due April 1, 2014

8. As long as any relevant Notes remain outstanding, copies of the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the specified office of the Listing Agent (whose address appears on the back page of this Prospectus):

   (a) the base indenture dated as of May 6, 2009 and the supplemental indenture dated as of May 6, 2009 entered into between the Issuer and the Trustee;

   (b) the Articles of Incorporation of the Issuer;

   (c) the documents incorporated by reference in this Prospectus; and

   (c) a copy of this Prospectus together with any Supplement to this Prospectus or further Prospectus.

   The Prospectus will be published on the website of the Luxembourg Stock Exchange (*www.bourse.lu*).

9. The consolidated financial statements of ArcelorMittal and its subsidiaries for the year ended December 31, 2008, incorporated by reference in this Prospectus, have been audited by Deloitte S.A., a *réviseur d'entreprises*, as stated in its report, which is incorporated by reference in this Prospectus (which report expresses an unqualified opinion on such consolidated financial statements). The consolidated financial statements of ArcelorMittal and its subsidiaries for the year ended December 31, 2007, incorporated by reference in this Prospectus, have been audited by Deloitte S.A. and KPMG Audit S.à.r.l., *réviseur d'entreprises*, as stated in their report, which is incorporated by reference in this Prospectus (which report expresses an unqualified opinion on the consolidated financial statements). The auditors employed by Deloitte S.A. and KPMG Audit S.à.r.l. are members of the *Institut des Réviseurs d'Entreprises* in Luxembourg or equivalent European bodies and/or the American Institute of Certified Public Accountants ("AICPA"). The address of the Company's auditors for the year ended December 31, 2008 referred to above can be found on the back page of this Prospectus. The address of KPMG Audit is 9, Allée Scheffer, L-2520 Luxembourg. The address of Deloitte Accountants B.V. is Admiraliteitskade 50, 3063 ED Rotterdam, PO Box 4506, 3006 AM Rotterdam, Netherlands.

10. The consolidated financial statements of Mittal Steel and its subsidiaries for the year ended December 31, 2006, incorporated by reference in this Prospectus, have been audited by Deloitte Accountants B.V., as stated in its report, which is incorporated by reference in this Prospectus (which reports express an unqualified opinion on such consolidated financial statements). The auditors employed by Deloitte Accountants B.V., are members of the Koninklijke Nederlands Instituut van Registeraccountants (Royal NIVRA) and/or the AICPA.

11. The financial information relating to the first quarter of 2009 included in this Prospectus has not been audited or reviewed by the Issuer's auditors.

12. There has been no significant change in the financial or trading position of the Issuer or the Group since March 31, 2009, and no material adverse change in the financial position or prospects of the Issuer since December 31, 2008.

13. Except as disclosed in the sections entitled "Information on the Issuer—Legal Proceedings, Claims and Contingencies" (in the Eurobond Prospectus incorporated by reference herein), "Risk Factors—Product liability claims could adversely affect ArcelorMittal's operations" and "Risk Factors—ArcelorMittal is subject to regulatory risk, and may incur liabilities arising from investigations by governmental authorities and litigation regarding its pricing and marketing practices or other antitrust matters" of this Prospectus, the Issuer is not nor has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Prospectus which may have or has had in the recent past significant effects on the financial position or profitability of the Issuer or the Group.

14. Under New York law, claims arising from non-payment of principal of and interest are barred after six years from the relevant due date for payment in respect thereof.

15. The registered office of the Issuer is at 19, avenue de la Liberté, L-2930 Luxembourg and its telephone number is +352 4792 2652. The Issuer was incorporated on June 8, 2001 and is a Luxembourg registered company, operating under the laws of Luxembourg with registration number B 82.454.

Annex 1 – Report on Profit Forecast

REPORT OF THE REVISEUR D'ENTREPRISES ON A PROFIT FORECAST

The Board of Directors
ArcelorMittal, Société Anonyme
19 avenue de le Liberté
L-2390 Luxembourg

Dear Sirs,

In our capacity as *réviseur d'entreprises* of ArcelorMittal (the "Company") and in application of Commission Regulation (EC) 809/2004, we have drawn up this report on the profit forecast of the Company included in the "Operating and Financial Review—Trend Information and Outlook" section of its prospectus dated June 16, 2009 for the issuance of $800,000,000 principal amount of 5.00% Convertible Senior Notes due 2014 (the "Forecast").

The Board of Directors of the Company is responsible for the preparation of the Forecast and its underlying hypothetical assumptions, in accordance with the requirements of Commission Regulation (EC) 809/2004 and the recommendations of the Committee of European Securities Regulators relating to forecasts.

It is our responsibility to form an opinion, as required by Item 13.2 of Annex I of Commission Regulation (EC) 809/2004, as to the appropriate compilation of the Forecast.

We conducted our engagement in accordance with the practice guideline (*recommandation professionnelle*) issued by the *Institut des réviseurs d'entreprises* in relation to the role of the *réviseur d'entreprises* in the context of the publication of a prospectus. The Forecast and the hypothetical assumptions presented in the "Operating and Financial Review—Trend Information and Outlook" section of the prospectus, on the basis of which the Forecast has been prepared, are the responsibility of the Board of Directors.

We draw attention to the fact that forecasts are uncertain by nature and that actual results could be significantly different from those presented in the Forecast. We do not express any opinion as to the Company's ability to realize the Forecast.

In our opinion,

- the Forecast has been compiled on the basis stated, and;
- the basis of accounting used for the preparation of the Forecast is consistent with the accounting policies of the Company.

This report is issued exclusively in the context of the publication of the Company's prospectus dated June 16, 2009 for the issuance of $800,000,000 principal amount of 5.00% Convertible Senior Notes due 2014 by the Company and may not be used for any other purpose.

DELOITTE S.A.
Réviseur d'Entreprises

/s/Eric van de Kerkhove

Eric van de Kerkhove
Partner

June 16, 2009

Registered Office of the Issuer

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19, avenue de la Liberté
L-2930 Luxembourg
Grand Duchy of Luxembourg

Sole Global Coordinator and Bookrunner

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United Kingdom

Bookrunners

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France

Société Générale
29, Boulevard Haussmann
75009 Paris
France

Joint Bookrunner

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United Kingdom

Co-Bookrunners

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France

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United Kingdom

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United Kingdom

Citi
Citigroup Centre
Canada Square, Canary Wharf
London E14 5LB
United Kingdom

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United Kingdom

Trustee

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To the Underwriters

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Auditors of ArcelorMittal

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Grand Duchy of Luxembourg