

ArcelorMittal Stainless & Specialty Steels S.A.

Opening Balance Sheet as of September 9, 2010

ArcelorMittal Stainless & Specialty Steels S.A.

19, avenue de la Liberté
L-2930 Luxembourg

R.C. Luxembourg B155.908

Subscribed capital: USD 40,000

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BOARD OF DIRECTORS

	<u>Professional address</u>	<u>Function</u>
Mr Egbert JANSEN	L-1160 Luxembourg	Director
Mr Henk SCHEFFER	L-1160 Luxembourg	Director
Mr Julien ONILLON	L-1882 Luxembourg	Director

REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ

To the Management of ArcelorMittal S.A.
ArcelorMittal Stainless and Specialty Steels S.A.
19 avenue de la Liberté
L-2930 Luxembourg

Following our appointment by the board of directors on December 3, 2010, we have audited the accompanying Opening Balance Sheet of ArcelorMittal Stainless and Specialty Steels S.A., which comprise the balance sheet as of September 9, 2010 and a summary of significant accounting policies and other explanatory notes.

Board of directors' responsibility for the Opening Balance Sheet

The board of directors is responsible for the preparation and fair presentation of this Opening Balance Sheet in accordance with the Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the Opening Balance Sheet that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Responsibility of the réviseur d'entreprises agréé

Our responsibility is to express an opinion on this Opening Balance Sheet based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier*. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Opening Balance Sheet is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Opening Balance Sheet. The procedures selected depend on the judgement of the *réviseur d'entreprises agréé*, including the assessment of the risks of material misstatement of the Opening Balance Sheet, whether due to fraud or error.



In making those risk assessments, the *réviseur d'entreprises agréé* considers internal control relevant to the entity's preparation and fair presentation of the Opening Balance Sheet in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of directors or the management, as well as evaluating the overall presentation of the Opening Balance Sheet. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Opening Balance Sheet gives a true and fair view of the financial position of ArcelorMittal Stainless and Specialty Steels S.A. as of September 9, 2010 in accordance with the Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

Deloitte S.A.

Réviseur d'entreprises agréé



Eric van de Kerckhove

Partner

December 3, 2010

560 rue de Neudorf

L-2220 Luxembourg

G-D of Luxembourg

ArcelorMittal Stainless & Specialty Steels S.A.
 Opening Balance Sheet
(expressed in thousands of U.S dollars)

		<u>September 9, 2010</u>
ASSETS		
D.	CURRENT ASSETS	<u>40</u>
II.	Debtors becoming due in one year or less	(Note 3) 40
2.	Amounts owed by affiliated undertakings	40
TOTAL ASSETS		<u><u>40</u></u>
		<u>September 9, 2010</u>
LIABILITIES		
A.	CAPITAL AND RESERVES	<u>40</u>
I.	Subscribed capital	(Note 4) 40
TOTAL LIABILITIES		<u><u>40</u></u>

The accompanying notes are an integral part of these annual accounts.

ArcelorMittal Stainless & Specialty Steels S.A.
Notes to the Opening Balance Sheet
September 9, 2010
(expressed in thousands of U. S dollars, unless otherwise stated)

NOTE 1 – GENERAL

ArcelorMittal Stainless & Specialty Steels (“the Company”) was incorporated as a “Société Anonyme” under Luxembourg law on September 9, 2010 for an unlimited period of time.

The Company is registered at the Register of Trade and Commerce of Luxembourg under the number B155.908.

The object of the Company is the acquisition and holding of interests in any kind or form in Luxembourg and/or in foreign undertakings, the administration, development and management of such interests as well as the direct and/or indirect financial assistance to such undertakings in which it holds a participation or which are members of its group of companies.

The Company has its registered office in 19 avenue de la Liberté, L-2930 Luxembourg.

The financial year of the Company starts on January 1 and ends on December 31 each year. Exceptionally in 2010, the financial year started on September 9 to end on December 31.

The Company is included in the consolidated financial statements of ArcelorMittal S.A. to which the Company belongs to in quality of affiliated. The consolidated financial statements are available at ArcelorMittal S.A. headquarters, 19 avenue de la Liberté, L-2930 Luxembourg, Grand-Duchy of Luxembourg.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

These accounts have been prepared in accordance with generally accepted accounting principles and in accordance with laws and regulations in force in the Grand-Duchy of Luxembourg.

Unless otherwise stated, all amounts are stated in thousands of U.S dollars.

Main valuation rules

Financial assets

Shares in affiliated undertakings are recorded at acquisition cost including related acquisition costs. At the end of each accounting period, shares in affiliated undertakings are subject to an impairment review. Where a permanent diminution in value is identified, this diminution is recorded in the profit and loss account as a value adjustment. A reversal of the value adjustment is recorded to the extent the factors, which caused its initial recording, have ceased to exist.

Debtors

Debtors are recorded at their nominal value. At the end of each accounting period value adjustments are recorded on debtors, which appear to be partly or wholly irrecoverable.

Liabilities

Liabilities are recorded at their nominal value.

ArcelorMittal Stainless & Specialty Steels S.A.
Notes to the Opening Balance Sheet *continued*
September 9, 2010
(expressed in thousands of U. S dollars, unless otherwise stated)

NOTE 3 – AMOUNTS OWED BY AFFILIATED UNDERTAKINGS

Amounts owed by affiliated undertakings consists of a cash-pooling account held with ArcelorMittal Treasury SNC in the amounts of USD 40,000. The interest rate on the cash-pooling balance is LIBOR minus a margin of 0.15% .

NOTE 4 – CAPITAL AND RESERVES

On September 9, 2010, the Company's subscribed share capital was fixed in the sum of forty thousand U.S dollars (USD 40,000) represented by four thousand (4,000) shares without par value.

The shares are and shall remain registered shares.

ArcelorMittal S.A., having its registered office at 19, avenue de la Liberté, L-2930 Luxembourg, registered with the Luxembourg Trade Registry under number B82.454 has subscribed all the shares.

In accordance with Luxembourg Company law, the Company is required to transfer a minimum of 5% of its net profit for each financial year to a legal reserve. This requirement ceases to be necessary once the balance of the legal reserve reaches 10 % of the issued share capital. The legal reserve is not available for distribution to the shareholders

NOTE 5 – STAFF

The Company does not employ any staff at September 9, 2010.