

October 26, 2018

Nippon Steel & Sumitomo Metal Corporation

**Essar Steel's Committee of Creditors declares ArcelorMittal,
NSSMC's joint acquisition partner, as the Successful Applicant**

Nippon Steel & Sumitomo Metal Corporation ("NSSMC") has been engaged in, together with ArcelorMittal ("AM"), acquisition procedures aiming at jointly acquiring and managing Essar Steel India Limited ("ESIL"), which is undergoing the corporate insolvency resolution process under the Indian Insolvency and Bankruptcy Code. On October 25 (local time), ArcelorMittal India Private Limited, a subsidiary of AM and the resolution applicant, has been declared the successful applicant by ESIL's Committee of Creditors. The acquisition will be implemented subject to the approvals of Indian National Company Law Tribunal and other relevant authorities.

India is one of the most promising markets in the world with significant growth potential in the medium- and long-term and where domestically produced steel products have a superior position. In order to further expand and strengthen our global business, NSSMC has been seeking opportunities to engage in integrated steel production in India to steadily capture the growing demand for steel products, which is expected to increase along with the development of infrastructure.

ESIL is one of the major steel companies in India, which has a fully integrated steelworks located in its west coast region. ESIL manufactures and sells steel sheets, plates, and pipes through its extensive domestic sales channels. It also owns pellet plants in east part of India.

NSSMC and AM have established a close cooperative relationship for many years through their global strategic alliance and have been jointly managing three companies in the United States (AM/NS Calvert, I/N Tek, and I/N Kote). NSSMC believes that, by bringing together the strengths of both companies, NSSMC and AM will be able to turn around ESIL to be a competitive steel manufacturer and contribute to further development of Indian steel industry and Indian economy.



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ESIL's outline (Source: ESIL Annual Report 2016-2017)

- 1) Corporate name: Essar Steel India Limited
 - 2) Establishment: 1976
 - 3) Capital: 31.5 billion INR (51.7 billion yen at 1.64 yen/INR)
 - 4) CEO: Jatinder Mehra
 - 5) Main production base: Hazira Steelworks (Gujarat State in the west coast region of India)
 - 6) Production capacity: 10 million tons (nominal capacity) (Integrated steel mill)
 - 7) Product types: hot-rolled, cold-rolled and galvanized steel products, steel plates, steel pipes
 - 8) Number of employees: 3,988 (as of the end of March 2017)
 - 9) Revenue (Standalone) *1: 219.6 billion INR (FY 2016; 360.1 billion yen)
- *1 : On October 30, 2018, "9) Revenue (Consolidated)" was corrected to "9) Revenue (Standalone)"

For inquiries

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