

ArcelorMittal Commercial Denmark ApS

Artillerivej 90, st.

2300 Copenhagen S

CVR No. 10090067

Annual report 2017

The annual report was presented and
adopted at the annual general meeting of
the Company on 16 May 2018

A handwritten signature in black ink, appearing to read 'Ane Margrethe Bukh Madsen', written over a horizontal line.

Ane Margrethe Bukh Madsen
Chairman

ArcelorMittal Commercial Denmark ApS

Contents

Company details	3
Management's statement	4
Independent Auditor's Report	5
Management's Review	7
Income Statement	8
Balance Sheet	9
Statement of changes in Equity	11
Notes	12

ArcelorMittal Commercial Denmark ApS

Company details

Company	ArcelorMittal Commercial Denmark ApS Artillerivej 90, st. 2300 Copenhagen S
Central Business Registration No.	10090067
Date of formation	18 June 2002
Registered office	Copenhagen
Financial year	1 January 2017 - 31 December 2017
Executive Board	Ane Margrethe Bukh Madsen, CEO Alex Mørch-Petersen, CEO
Auditors	BDO Statsautoriseret Revisionsaktieselskab Havneholmen 29 1561 København V Central Business Registration No.: 20222670

ArcelorMittal Commercial Denmark ApS

Management's statement

The Executive Board has today considered and approved the annual report of ArcelorMittal Commercial Denmark ApS for the financial year 1 January 2017 - 31 December 2017.

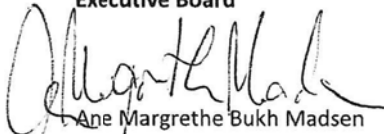
The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January 2017 - 31 December 2017.

We recommend that the annual report be adopted at the Annual General Meeting.

Copenhagen, 16 May 2018

Executive Board



Ane Margrethe Bukh Madsen
CEO



Alex Mørch-Petersen
CEO

ArcelorMittal Commercial Denmark ApS

Independent Auditor's Report

To the shareholders of ArcelorMittal Commercial Denmark ApS

REPORT ON EXTENDED REVIEW OF THE FINANCIAL STATEMENTS

We have performed an extended review of the Financial Statements of ArcelorMittal Commercial Denmark ApS for the financial year 1 January 31 December 2017, which comprise income statement, balance sheet, notes and a summary of significant accounting policies.

The Financial Statements are prepared under the Danish Financial Statements Act.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act. This responsibility includes maintaining the internal control as management determines is necessary to enable the preparation of Financial Statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Financial Statements. We have conducted our extended review in accordance with the Danish standard on reports relating to small entities issued by the Danish Business Authority and FSR Danish Auditors' standard on extended review of financial statements prepared according to the Danish Financial Statements Act.

This standard requires that we comply with the Danish State Authorised Public Accountants Act and FSR Danish Auditors' ethical requirements and plan and perform procedures to obtain limited assurance of our opinion on the Financial Statements and perform specifically required supplementary procedures to obtain further assurance of our opinion.

An extended review comprises procedures consisting primarily of questions to management and, where appropriate, other members of staff, analytical procedures and the specifically required supplementary procedures, and an assessment of the evidence obtained.

The scope of work performed in an extended review is less than that of an audit and, accordingly, we do not express an audit opinion on the Financial statements.

Opinion

Based on the work performed, it is our opinion that the Financial Statements give a true and fair view of the company's financial position at 31 December 20xx and of the results of the company's operations for the financial year 1 January 31 December 20xx in accordance with the Danish Financial Statements Act.

ArcelorMittal Commercial Denmark ApS

Independent Auditor's Report

REPORTS ACCORDING TO OTHER LEGISLATION AND REGULATIONS

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the Financial Statements it is our responsibility to read Management's Review and to consider whether the Management's Review is significantly inconsistent with the Financial Statements or our knowledge obtained in connection with the extended review or in any other way seems to contain material misstatement.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 16 May 2018

BDO

Statsautoriseret Revisionsaktieselskab

CVR-no. 20222670



Iben Larsen

State Authorised Public Accountant

mne34474

ArcelorMittal Commercial Denmark ApS

Management's Review

The Company's principal activities

The Company's primary activity consists of agency trade with the Parent's products. The products comprise products of steel sold to the industry.

Development in activities and financial matters

The Company's income statement of the financial year 1. januar 2017 - 31. december 2017 shows a result of DKK 1.092.917 and the Balance Sheet at 31. december 2017 a balance sheet total of DKK 3.381.001 and an equity of DKK 1.764.710.

Material changes in the Company's operations and financial matters

ArcelorMittal Commercial Denmark ApS has merged with ArcelorMittal Construction Denmark A/S, effective as of 1 January 2016.

ArcelorMittal Commercial Denmark ApS

Income Statement

	Note	2017 kr.	2016 kr.
Revenue		10.660.896	10.543.492
Other operating income		39.256	0
Other external expenses		-1.988.863	-2.285.568
Gross result		8.711.289	8.257.924
Staff costs	1	-7.589.572	-7.220.785
Profit from ordinary operating activities		1.121.717	1.037.139
Other financial income from group enterprises		5.424	7.297
Other financial income		954	763
Financial expenses arising from group enterprises		0	-149.742
Other financial expenses		-4.973	-1.939
Profit from ordinary activities before tax		1.123.122	893.518
Tax on profit/loss from ordinary activities	2	-30.205	42.000
Profit		1.092.917	935.518
Proposed distribution of results			
Proposed dividend recognised in equity		1.100.000	1.100.000
Retained earnings		-7.083	-164.484
Distribution of profit		1.092.917	935.516

ArcelorMittal Commercial Denmark ApS

Balance Sheet as of 31 December

	Note	2017 kr.	2016 kr.
Assets			
Other fixtures, fittings, tools and equipment	3	0	0
Leasehold improvements		0	0
Property, plant and equipment		0	0
Deposits	4	130.796	126.500
Investments		130.796	126.500
Fixed assets		130.796	126.500
Receivables from group enterprises		2.485.485	2.234.795
Other receivables		117.952	77.451
Prepayments		9.144	17.236
Deferred tax		265.000	298.000
Receivables		2.877.581	2.627.482
Cash and cash equivalents		372.624	387.416
Current assets		3.250.205	3.014.898
Assets		3.381.001	3.141.398

ArcelorMittal Commercial Denmark ApS

Balance Sheet as of 31 December

	Note	2017 kr.	2016 kr.
Liabilities and equity			
Contributed capital		610.000	610.000
Retained earnings		54.710	61.791
Proposed dividend recognised in equity		1.100.000	1.100.000
Equity		1.764.710	1.771.791
Trade payables		346.975	101.122
Payables to group enterprises		358.700	172.609
Tax payables		0	2.795
Other payables		910.616	1.093.079
Liabilities other than provisions		1.616.291	1.369.605
Liabilities other than provisions within the business		1.616.291	1.369.605
Liabilities and equity		3.381.001	3.141.396
Unrecognised rental and lease commitments	5		
Related parties	6		

ArcelorMittal Commercial Denmark ApS

Statement of changes in Equity

	Contributed capital	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 January 2017	610.000	61.793	1.100.000	1.771.793
Dividend paid	0	0	-1.100.000	-1.100.000
Profit (loss)	0	-7.083	1.100.000	1.092.917
Equity 31 December 2017	610.000	54.710	1.100.000	1.764.710

Notes

	2017	2016
1. Staff costs		
Wages and salaries	6.815.320	6.701.023
Pension costs	186.904	184.204
Other social security costs	72.124	69.104
Other staff costs	515.224	266.454
	<u>7.589.572</u>	<u>7.220.785</u>
Average number of employees	<u>11</u>	<u>13</u>
2. Tax on profit/loss on ordinary activities		
Current tax	0	-42.000
Change in deferred tax	33.000	0
Adjustment to tax previous years	-2.795	0
	<u>30.205</u>	<u>-42.000</u>
3. Other fixtures, fittings, tools and equipment		
Cost at the beginning of the year	588.438	653.152
Disposal during the year	0	-64.714
Cost at the end of the year	<u>588.438</u>	<u>588.438</u>
Depreciation and amortisation at the beginning of the year	-588.438	-653.152
Reversal of impairment losses and amortisation of disposed assets	0	64.714
Impairment losses and amortisation at the end of the year	<u>-588.438</u>	<u>-588.438</u>
Carrying amount at the end of the year	<u>0</u>	<u>0</u>
4. Deposits		
Cost at the beginning of the year	126.500	366.061
Additions	4.296	0
Disposals	0	-239.561
Cost at the end of the year	<u>130.796</u>	<u>126.500</u>
Carrying amount at the end of the year	<u>130.796</u>	<u>126.500</u>

5. Unrecognised rental and lease commitments

Operational lease contracts on car and rent have been concluded for the years 2017 to 2019 in the amount of DKK 778 thousand.

ArcelorMittal Commercial Denmark ApS

Notes

6. Related parties

The following shareholders are registered in the Company's register of shareholders, who owns 100% of the share capital:

ArcelorMittal Commercial Section SA
66 Rue de Luxembourg, L-4221 Esch-Sur-Alzette, Luxembourg

The financial statements of ArcelorMittal Commercial Section SA Group are available at:

ArcelorMittal Commercial Section SA
66 Rue de Luxembourg, L-4221 Esch-Sur-Alzette, Luxembourg

9. Accounting policies

Reporting class

The Annual Report of ArcelorMittal Commercial Denmark ApS for 2017 has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Merger

ArcelorMittal Commercial Denmark ApS was merged with ArcelorMittal Construction Denmark A/S on the 1st of January 2016. The method used is the book value method and therefore the comparison numbers have not been changed.

Reporting currency

The Annual Report is presented in Danish kroner.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Revenue

Revenue from commissions etc is calculated according to the cost-plus principle for which reason revenue for the year is attributable to realised expenses plus 0%, 5% or 20%, depending on which group division the expenses concern and, thus, what work the Entity performs for the divisions in question. Revenue is recognised net of VAT and duties related to the sale.

ArcelorMittal Commercial Denmark ApS

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationary and office supplies, marketing costs, etc.

Staff costs

Staff expenses comprise salaries and wages as well as social security contributions, pension contributions, etc for entity-staff.

Amortisation, depreciation and impairment losses

Depreciation and impairment losses relating to property, plant and equipment comprise depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of property, plant and equipment.

Other financial income

Other financial income comprise dividends etc received on other investments, interest income on receivables from group enterprises.

Other financial expenses

Other financial expenses comprise interest expenses on payables to group enterprises as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	4 years
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Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

ArcelorMittal Commercial Denmark ApS

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Income tax receivable or payable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.