ArcelorMittal
Form 424B3
July 05, 2007

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Filed Pursuant to Rule 424(b)(3)

Registration No. 333-144169

To the Shareholders of Mittal Steel Company N.V.:

You are cordially invited to attend the extraordinary general meeting of shareholders of Mittal Steel Company N.V., which is referred to as Mittal Steel, scheduled for August 28, 2007, at Hotel Okura Amsterdam Ferdinand Bolstraat 333, 1072 LH Amsterdam, The Netherlands. At the extraordinary general meeting, you will be asked to adopt the decision to merge Mittal Steel into ArcelorMittal, a company incorporated and domiciled in Luxembourg that has no prior operations, as contemplated by the merger proposal (*voorstel tot fusie*) and the explanatory memorandum (*toelichting op het voorstel tot fusie*), dated as of June 25, 2007, which are referred to as the merger proposal and the explanatory memorandum. In the merger, Mittal Steel will merge into ArcelorMittal by way of absorption by ArcelorMittal of Mittal Steel and without liquidation of Mittal Steel. The combined company will be named ArcelorMittal .

Upon effectiveness of the merger, each Mittal Steel share that you own at the effective time of the merger will be converted into one newly issued ArcelorMittal share with a par value of 0.01 each, which are referred to as ArcelorMittal shares. All ArcelorMittal shares issued immediately prior to the effective time of the merger will be cancelled upon effectiveness of the merger. Based on the number of Mittal Steel shares issued on the date hereof, ArcelorMittal expects to issue between 1,277,408,250 and 1,419,342,499 ArcelorMittal shares to Mittal Steel shareholders in the merger. The exact number of ArcelorMittal shares to be issued will depend on any increase or decrease in the number of Mittal Steel treasury shares between the date hereof and the date of the extraordinary general meeting adopting the decision to merge Mittal Steel into ArcelorMittal. Application will be made to the relevant authorities for the admission of the ArcelorMittal shares to trading on the Luxembourg Stock Exchange s regulated market and for the listing of these shares on the Official List of the Luxembourg Stock Exchange, and for the admission to trading and listing of the ArcelorMittal shares on Eurolist by Euronext Amsterdam N.V., Eurolist by Euronext Brussels SA/NV, Eurolist by Euronext Paris S.A., the stock exchanges of Barcelona, Bilbao, Madrid and Valencia and the New York Stock Exchange. Immediately following the effectiveness of the merger, former Mittal Steel shareholders will hold ArcelorMittal shares representing 100% of the then-issued and outstanding ArcelorMittal shares.

The merger cannot be effected unless, among other things, Mittal Steel shareholders adopt the decision to merge as contemplated by the merger proposal and the explanatory memorandum (among other conditions set forth in this proxy statement/prospectus). The decision to merge requires:

- if less than 50% of the outstanding Mittal Steel shares are represented in person or by proxy at the Mittal Steel extraordinary general meeting, the affirmative vote of the holders of at least two-thirds of the Mittal Steel shares represented in person or by proxy at the extraordinary general meeting, or
- if at least 50% of the outstanding Mittal Steel shares are represented in person or by proxy at the Mittal Steel extraordinary general meeting, the affirmative vote of the holders of at least a majority of the Mittal Steel shares represented in person or by proxy at the extraordinary general meeting.

Assuming that all conditions precedent will be satisfied or waived (where legally permissible), Mittal Steel and ArcelorMittal currently expect that the merger will be effective on or about September 3, 2007.

The Mittal Steel Board of Directors has carefully reviewed and considered the terms and conditions of the merger proposal and the explanatory memorandum. Based on its review, the Mittal Steel Board of Directors has determined that the merger proposal and the explanatory memorandum and the transactions contemplated by the merger proposal and the explanatory memorandum are in the best interests of Mittal Steel and the Mittal Steel shareholders. **The Mittal Steel Board of Directors unanimously recommends that Mittal Steel shareholders vote FOR the decision to merge as contemplated by the merger proposal and the explanatory memorandum.**

The accompanying disclosure documents (including the merger proposal and the explanatory memorandum, included as Annex B to this proxy statement/prospectus) contain detailed information about the merger and the extraordinary general meeting. This document is also a prospectus for the ArcelorMittal shares that will be issued in the merger. **We encourage Mittal Steel shareholders to read carefully this proxy statement/prospectus before voting, including the section entitled Risk Factors beginning on page 40 of this proxy statement/prospectus.**

Your vote is very important. You are encouraged to vote.

Sincerely,

Lakshmi N. Mittal
Chairman of Board of Directors
Mittal Steel Company N.V.

Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this proxy statement/prospectus or determined if this proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus is dated July 5, 2007 and is first being mailed to Mittal Steel shareholders on or about July 9, 2007.

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ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates by reference important business and financial information about Mittal Steel from documents filed with the U.S. Securities and Exchange Commission, which is referred to as the SEC, that are not included in or delivered with this proxy statement/prospectus. For a more detailed description of the documents incorporated by reference into this proxy statement/prospectus and how you may obtain them, see Where You Can Find More Information .

Documents incorporated by reference are available to you without charge upon your written or oral request, excluding any exhibits to those documents, unless the exhibit is specifically incorporated by reference as an exhibit in this proxy statement/prospectus. You can obtain any of these documents from the SEC s website at http://www.sec.gov, by requesting them in writing or by telephone from Mittal Steel or ArcelorMittal or by accessing Mittal Steel s or ArcelorMittal s websites.

Mittal Steel Company N.V.	**ArcelorMittal**
Hofplein 20	19, Avenue de la Liberté
3032 AC Rotterdam	L-2930 Luxembourg
The Netherlands	Grand Duchy of Luxembourg
+31 10 217 8800	+352 4792-2414
Attention: Investor Relations	Attention: Investor Relations
www.arcelormittal.com	**www.arcelormittal.com**

In order for you to receive timely delivery of documents incorporated by reference in advance of the Mittal Steel extraordinary general meeting, Mittal Steel or ArcelorMittal should receive your request by no later than August 21, 2007.

Mittal Steel and ArcelorMittal are not incorporating the contents of the websites of the SEC, Mittal Steel, ArcelorMittal or any other person into this proxy statement/prospectus. Mittal Steel and ArcelorMittal are providing the information about how you can obtain documents that are incorporated by reference into this proxy statement/prospectus at these websites only for your convenience. See Incorporation of Certain Documents by Reference .

ABOUT THIS DOCUMENT

This proxy statement/prospectus, which forms part of a registration statement on Form F-4 filed with the SEC by ArcelorMittal (File No. 333-144169), constitutes a prospectus of ArcelorMittal under Section 5 of the U.S. Securities Act of 1933, as amended, which is referred to as the Securities Act, with respect to the ArcelorMittal shares to be issued to Mittal Steel shareholders as required by the merger proposal and the explanatory memorandum.

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QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE MITTAL STEEL EXTRAORDINARY GENERAL MEETING

The following are some questions that you may have regarding the proposed merger and the other matters being considered at the Mittal Steel extraordinary general meeting and brief answers to those questions. ArcelorMittal and Mittal Steel urge you to read carefully the remainder of this proxy statement/prospectus, including without limitation the merger agreement, the merger proposal and the explanatory memorandum, copies of which are attached to this proxy statement/prospectus as Annex A and Annex B, respectively, because the information in this section does not provide all the information that might be important to you with respect to the proposed merger. Additional important information is also contained in the annexes to, and the documents incorporated by reference in, this proxy statement/prospectus.

Q: What is the proposed transaction?

A: In 2006, Mittal Steel conducted a mixed cash and exchange offer, which is referred to as the Offer, for the outstanding shares, American depositary shares and convertible bonds (OCEANES) of Arcelor. As a result of the Offer, Mittal Steel obtained approximately 94% of the share capital and the voting rights of Arcelor and on August 1, 2006 Arcelor became a subsidiary of Mittal Steel and its results of operations have been included in Mittal Steel s consolidated results of operations from that date. In connection with the Offer, Mittal Steel, Arcelor, and Mr. Lakshmi N. Mittal and Mrs. Usha Mittal, the latter two referred to together as the Significant shareholder , entered into a Memorandum of Understanding on June 25, 2006 (the Memorandum of Understanding or MOU), pursuant to which it was agreed, among other things, that Mittal Steel would be merged into Arcelor as soon as practicable following the completion of Mittal Steel s offer for Arcelor and that the combined entity would be incorporated, domiciled and headquartered in Luxembourg.

As a first step in a two-step merger process to combine Mittal Steel and Arcelor in a single legal entity governed by Luxembourg law, on May 2, 2007, Mittal Steel and ArcelorMittal entered into a merger agreement, which provides that Mittal Steel will merge into ArcelorMittal, by way of absorption by ArcelorMittal of Mittal Steel and without liquidation of Mittal Steel. The combined company will be named ArcelorMittal . As soon as practicable after effectiveness of the merger of Mittal Steel into ArcelorMittal, ArcelorMittal intends to merge into Arcelor by way of absorption by Arcelor of ArcelorMittal and without liquidation of ArcelorMittal. For a more complete description of the merger process, see The Merger .

ArcelorMittal was incorporated on August 13, 2004 under the name Verger Investments S.A. It has been a wholly-owned subsidiary of Mittal Steel since April 24, 2007 and was renamed ArcelorMittal on April 26, 2007. ArcelorMittal has not conducted operations to date and will not have conducted any operations prior to the merger. ArcelorMittal currently does not have any assets, liabilities (contingent or otherwise) or commitments, other than assets consisting of an immaterial amount of cash. It is being used to facilitate the two-step merger process described above.

Q: Why is the merger of Mittal Steel into Arcelor being effected in two steps?

A: The first-step merger will enable Mittal Steel to comply more rapidly and efficiently with part of the MOU undertakings. In addition, the first-step merger will permit a simplification of the group s corporate structure as both ArcelorMittal and Arcelor will be located in the same jurisdiction (Luxembourg) with the same headquarters. The first-step merger, which will be completed before the second-step merger, will thereby contribute to a more efficient and rapid integration of the management and administrative teams of Mittal Steel and Arcelor, which are currently located in Rotterdam, Luxembourg and London.

The second-step merger will constitute the second and final step of the combination of Mittal Steel and Arcelor into a single legal entity governed by Luxembourg law. In the second-step merger, ArcelorMittal (the surviving entity in the Mittal Steel and ArcelorMittal merger) will merge into Arcelor and shareholders of ArcelorMittal will become shareholders of Arcelor, which will subsequently be renamed ArcelorMittal .
The second-step merger will be subject to shareholder approval at the level of Arcelor and ArcelorMittal, which corporate approvals will be sought following effectiveness of the first-step merger.

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Q: Why am I receiving this proxy statement/prospectus?

A: In order to complete the merger, Mittal Steel shareholders must adopt the decision to merge Mittal Steel into ArcelorMittal as contemplated by the merger proposal and the explanatory memorandum. The decision to merge requires:

- if less than 50% of the outstanding Mittal Steel shares are represented in person or by proxy at the Mittal Steel extraordinary general meeting, the affirmative vote of the holders of at least two-thirds of the Mittal Steel shares represented in person or by proxy at the extraordinary general meeting, or

- if at least 50% of the outstanding Mittal Steel shares are represented in person or by proxy at the Mittal Steel extraordinary general meeting, the affirmative vote of the holders of at least a majority of the Mittal Steel shares represented in person or by proxy at the extraordinary general meeting.

This proxy statement/prospectus, including the merger agreement, the merger proposal and the explanatory memorandum, copies of which are attached to this prospectus/proxy statement as Annexes A and B, respectively, contain important information about the proposed merger and the Mittal Steel extraordinary general meeting. You should read this proxy statement/prospectus carefully. The enclosed U.S. proxy card allows you to vote your shares without attending in person the Mittal Steel extraordinary general meeting.

Your vote is very important. You are encouraged to vote.

Q: What will Mittal Steel shareholders receive in the merger?

A: In the merger, a holder of Mittal Steel class A common shares will receive one newly issued ArcelorMittal share for every one Mittal Steel class A common share, which is referred to as the Class A Exchange Ratio. A holder of Mittal Steel class B common shares will receive one newly issued ArcelorMittal share for every one Mittal Steel class B common share, which is referred to as the Class B Exchange Ratio. For a more complete description of what Mittal Steel shareholders will receive in the merger, see The Merger Agreement, the Merger Proposal and the Explanatory Memorandum Merger Consideration .

Q: What will happen in the proposed merger to options to purchase Mittal Steel shares?

A: The merger proposal provides that each option to purchase Mittal Steel shares granted under employee and director stock plans of Mittal Steel will be converted into a right to acquire (or at ArcelorMittal s option, subscribe) the same number of ArcelorMittal shares, on the same terms and conditions as were applicable to such options prior to the effective time of the merger (subject to any changes necessary to reflect the effectiveness of the merger).

Q: What conditions are required to be fulfilled to effect the merger?

A: Mittal Steel and ArcelorMittal are not required to effect the merger unless certain specified conditions are satisfied or waived, where legally permissible. These conditions include, among other things, adoption of the decision to merge by the Mittal Steel shareholders, adoption of the decision to merge and approval of the issuance of ArcelorMittal shares to be issued in the merger and related matters by Mittal Steel as the sole ArcelorMittal shareholder, the admission to trading and listing of the ArcelorMittal shares on Eurolist by Euronext Amsterdam N.V., Eurolist by Euronext Brussels SA/NV, Eurolist by Euronext Paris S.A., the regulated market of the Luxembourg Stock Exchange, the New York Stock Exchange, or NYSE, and the stock exchanges of Barcelona, Bilbao, Madrid and Valencia, which are collectively referred to as the Spanish exchanges. For a complete description of the conditions that must be satisfied or waived (where legally permissible) prior to effectiveness of the merger, see The Merger Agreement, the Merger Proposal and the Explanatory

Memorandum Conditions to Effectiveness of the Merger .

Q: When do Mittal Steel and ArcelorMittal expect the merger to be effective?

A: Mittal Steel and ArcelorMittal are working to effect the merger as promptly as practicable and legally possible following the day on which the extraordinary general meeting of shareholders of Mittal Steel will be held to adopt the decision to merge as contemplated by the merger proposal and the explanatory memorandum. Mittal Steel and ArcelorMittal currently expect that the merger will be effective on or about September 3, 2007.

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Q: Are Mittal Steel shareholders entitled to dissenters rights?

A: No. Mittal Steel shareholders will not have any appraisal or dissenters rights under Dutch law or under Mittal Steel s articles of association in connection with the merger, and neither Mittal Steel nor ArcelorMittal will independently provide Mittal Steel shareholders with any such rights.

Q: How does the Mittal Steel Board of Directors recommend that Mittal Steel shareholders vote?

A: The Mittal Steel Board of Directors has determined that the merger agreement, the merger proposal and explanatory memorandum and the transactions contemplated by the merger agreement, the merger proposal and explanatory memorandum are in the best interests of Mittal Steel and the Mittal Steel shareholders and unanimously recommends that Mittal Steel shareholders vote FOR the decision to merge Mittal Steel into ArcelorMittal as contemplated by the merger proposal and explanatory memorandum. For a more complete description of the recommendation of the Mittal Steel Board of Directors, see The Merger Recommendation of the Mittal Steel Board of Directors and Its Reasons for the Merger .

Q: When and where will the Mittal Steel extraordinary general meeting be held?

A: The Mittal Steel extraordinary general meeting will be held on August 28, 2007, at 2 p.m., Amsterdam time, at Hotel Okura Amsterdam located at Ferdinand Bolstraat 333, 1072 LH Amsterdam, The Netherlands.

Q: Who can attend and vote at the Mittal Steel extraordinary general meeting?

A: You can vote at the Mittal Steel extraordinary general meeting if you own Mittal Steel shares at the close of business on August 21, 2007, which is referred to as the registration date.

Q: What should Mittal Steel shareholders do now in order to vote on the proposal being considered at the extraordinary general meeting?

A: In order to vote their shares in person or by proxy, holders of Mittal Steel class A common shares and Mittal Steel class B common shares must register and/or complete, sign, date and return a proxy card before certain specific dates. For a detailed description of the required actions and the corresponding dates by which such actions must be completed in order to vote on the proposal being considered at the extraordinary general meeting, see The Mittal Steel Extraordinary General Meeting .

Q: May I change my vote after I have delivered my proxy?

A: If you are a holder of Mittal Steel class A common shares whose ownership is directly or indirectly recorded in Mittal Steel s New York shareholder registry, which are referred to as New York Registry Shares, you may revoke your proxy at any time before it is exercised by timely delivering a properly executed, later-dated proxy or by voting at the Mittal Steel extraordinary general meeting, provided that you have revoked your proxy before August 23, 2007. See The Mittal Steel Extraordinary General Meeting . Simply attending the Mittal Steel extraordinary general meeting without voting will not revoke your proxy.

Holders of Mittal Steel class A common shares whose ownership is directly or indirectly recorded in Mittal Steel s Dutch or Luxembourg shareholder registry, which are referred to as European Registry Shares, and Mittal Steel class B common shares cannot revoke their proxy.

Q: What should I do if I receive more than one set of voting materials for the Mittal Steel extraordinary general meeting?

A: You may receive more than one set of voting materials for the Mittal Steel extraordinary general meeting, including multiple copies of this proxy statement/prospectus and multiple U.S. proxy cards. For example, if you hold your Mittal Steel shares in more than one brokerage account, you will receive a separate U.S. proxy card for each securities account in which you hold shares. Please complete, sign, date and return each U.S. proxy card that you receive.

Q: Who can help to answer my questions?

A: If you have any questions about the merger or how to submit your proxy, or if you need additional copies of this proxy statement/prospectus, the enclosed U.S. proxy card or the voting instructions, you should contact ArcelorMittal Investor Relations at +352-4792-2414 or +312-899-3569.

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SUMMARY

The following is a summary that highlights information contained in this proxy statement/prospectus. This summary may not contain all the information that is important to you. For a more complete description of the merger agreement, the merger proposal and the explanatory memorandum and the transactions contemplated by the merger agreement, the merger proposal and the explanatory memorandum, Mittal Steel and ArcelorMittal encourage you to read carefully this entire proxy statement/prospectus, including the attached annexes. In addition, Mittal Steel and ArcelorMittal encourage you to read the information incorporated by reference into this proxy statement/prospectus, which includes important business and financial information about Mittal Steel that has been filed with the SEC. You may obtain the information incorporated by reference into this proxy statement/prospectus without charge by following the instructions in the section entitled Where You Can Find More Information .

The Companies

ArcelorMittal

ArcelorMittal was incorporated on August 13, 2004 under the name Verger Investments S.A. It has been a wholly-owned subsidiary of Mittal Steel since April 24, 2007 and was renamed ArcelorMittal on April 26, 2007. ArcelorMittal has not conducted operations to date and will not have conducted any operations prior to the merger. ArcelorMittal currently does not have any assets, liabilities (contingent or otherwise) or commitments, other than assets consisting of an immaterial amount of cash. The mailing address and telephone number of ArcelorMittal s principal executive offices are:

ArcelorMittal

19, Avenue de la Liberté

L-2930 Luxembourg

Grand Duchy of Luxembourg

+352 4792-2414

ArcelorMittal shares are not currently admitted to trading or listed on any stock exchange. Application will be made to the relevant authorities for the admission of the ArcelorMittal shares to trading on the Luxembourg Stock Exchange s regulated market and for the listing of these shares on the Official List of the Luxembourg Stock Exchange, and for the admission to trading and the listing of the ArcelorMittal shares on Eurolist by Euronext Amsterdam N.V., Eurolist by Euronext Brussels SA/NV, Eurolist by Euronext Paris S.A., the stock exchanges of Barcelona, Bilbao, Madrid and Valencia (which are collectively referred to as the Spanish exchanges), and the New York Stock Exchange.

Mittal Steel

Mittal Steel is the world s largest and most global steel producer. In 2006, Mittal Steel increased its size significantly by acquiring Arcelor, which, at the time of its acquisition, was the world s second-largest steel producer by production volume. On a pro forma basis after giving effect to its acquisition of Arcelor as if the acquisition had occurred on January 1, 2006, Mittal Steel had sales of approximately $87.5 billion, steel shipments of approximately 110.5 million tonnes and an annual production capacity of approximately 138 million tonnes of crude steel for the year ended December 31, 2006. (Tonnes or MT are metric tonnes and are used in measurements involving iron ore, iron ore pellets, direct reduced iron, hot metal, coke, coal, pig iron and scrap (a metric tonne is equal to 1,000 kilograms or 2,204.62 pounds)).

Mittal Steel is the largest steel producer in the Americas, Africa, and Europe, and it has a growing presence in Asia. Mittal Steel has steel-making operations in 26 countries on four continents, including 64 integrated, mini-mill and integrated mini-mill steel-making facilities. As of December 31, 2006, Mittal Steel had approximately 320,000 employees.

Mittal Steel produces a broad range of high-quality finished and semi-finished carbon steel products. Specifically, Mittal Steel produces flat products, including sheet and plate, long products, including bars, rods and structural shapes, and stainless steel products. Mittal Steel sells its products primarily in local markets and through its centralized marketing organization to a diverse range of customers in approximately 187 countries, including the automotive, appliance, engineering, construction and machinery industries.

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Mittal Steel operates its business in six reportable operating segments: Flat Carbon Americas; Flat Carbon Europe; Long Carbon Americas and Europe; Asia, Africa and CIS; Stainless Steel; and Arcelor Mittal Steel Solutions and Services (trading and distribution). Mittal Steel s steel-making operations have a high degree of geographic diversification. Approximately 35% of its steel is produced in the Americas, approximately 48% is produced in Europe and approximately 17% is produced in other countries, such as Kazakhstan, Algeria and South Africa. In addition, Mittal Steel s sales are balanced both geographically and between developed and developing markets, which have different characteristics.

Mittal Steel has access to high-quality and low-cost raw materials through its captive sources and long-term contracts. In 2006, on a pro forma basis after giving effect to the acquisition of Arcelor (assuming full production of iron ore at Dofasco for captive use), approximately 45% of Mittal Steel s requirements of iron ore and approximately 9% of its coal requirements were supplied from its own mines or from long-term contracts at many of its operating units. Mittal Steel is actively developing its raw material self-sufficiency, including through recent initiatives to gain or expand access to iron ore sources in Liberia, Ukraine and Senegal. In addition, Mittal Steel is the world s largest producer of direct reduced iron, or DRI, which is a scrap substitute used in the mini-mill steel-making process, with total production on a pro forma basis of approximately 9.3 million tonnes in 2006. Mittal Steel s DRI production satisfies all of its mini-mill input requirements. Mittal Steel is one of the world s largest producers of coke, a critical raw material derived from coal, and it satisfies approximately 76% of its coke needs. Mittal Steel s facilities have good access to shipping facilities, including its eleven deep-water port facilities and its railway sidings.

Mittal Steel is a successor to a business founded in 1989 by Mr. Lakshmi N. Mittal, the Chairman of the Board of Directors and Chief Executive Officer. Mittal Steel has experienced rapid and steady growth since then largely through the consistent and disciplined execution of a successful consolidation-based strategy. Mittal Steel made its first acquisition in 1989, leasing the Iron & Steel Company of Trinidad & Tobago. Some of the principal acquisitions since then include Thyssen Duisburg (Germany) in 1997, Inland Steel (USA) in 1998, Unimetal (France) in 1999, Sidex (Romania) and Annaba (Algeria) in 2001, Nova Hut (Czech Republic) in 2003, BH Steel (Bosnia), Balkan Steel (Macedonia), PHS (Poland) and Iscor (South Africa) in 2004, ISG (USA), Hunan Valin (China) and Kryvorizhstal (Ukraine) in 2005 and three Stelco Inc. subsidiaries (Canada) and Arcelor in 2006.

The mailing address and telephone number of Mittal Steel s principal executive offices are:

Mittal Steel Company N.V.

Hofplein 20

3032 AC Rotterdam

The Netherlands

+31 10 217 8800

Mittal Steel class A common shares are listed and traded on the NYSE (symbol MT), are admitted to trading on the Luxembourg Stock Exchange s regulated market and listed on the Official List of the Luxembourg Stock Exchange (symbol MTL), and are admitted to listing and trading on Eurolist by Euronext Amsterdam N.V. (symbol MT), Eurolist by Euronext Paris S.A. (symbol MTP), Eurolist by Euronext Brussels SA/NV (symbol MTBL) and the Spanish exchanges (symbol MTS).

The Merger (see page 58)

ArcelorMittal and Mittal Steel have agreed in the merger agreement to merge as contemplated by the merger proposal and the explanatory memorandum, as described in this proxy statement/prospectus. Under the terms of the merger proposal and the explanatory memorandum, Mittal Steel will merge into ArcelorMittal, by way of absorption by ArcelorMittal of Mittal Steel and without liquidation of Mittal Steel. The combined company will be named ArcelorMittal .

The merger agreement, the merger proposal and the explanatory memorandum are attached to this proxy statement/prospectus as Annexes A and B, respectively. ArcelorMittal and Mittal Steel encourage you to read these documents in their entirety.

The merger will be governed by the terms and conditions following from the applicable provisions of Dutch and Luxembourg law, the merger proposal and the explanatory memorandum. You will be asked to vote on the decision to merge as contemplated by the merger proposal and the explanatory memorandum at the extraordinary

general meeting of shareholders of Mittal Steel. Mittal Steel in its capacity as sole shareholder of ArcelorMittal will approve the decision to merge as such approval is required by Luxembourg law.

The merger constitutes the first step of the combination of Mittal Steel and Arcelor into a single legal entity governed by Luxembourg law. In the second and final step, ArcelorMittal (the surviving entity in the Mittal Steel and ArcelorMittal merger) will merge into Arcelor and shareholders of ArcelorMittal will become shareholders of Arcelor, which will subsequently be renamed ArcelorMittal . See The Merger Two-Step Merger Process and Second-Step Merger for further information with respect to the two-step merger process and the second-step merger.

Merger Consideration (see page 68)

In the merger, a holder of Mittal Steel class A common shares will receive one newly issued ArcelorMittal share for every Mittal Steel class A common share, which is referred to as the Class A Exchange Ratio.

A holder of Mittal Steel class B common shares will receive one newly issued ArcelorMittal share for every one Mittal Steel class B common share, which is referred to as the Class B Exchange Ratio.

Mittal Steel class A shares and Mittal Steel class B shares held in treasury by or for the account of Mittal Steel or ArcelorMittal will disappear (*vervallen*) in the merger pursuant to Dutch law. ArcelorMittal will not issue any shares in consideration of such Mittal Steel shares held in treasury by or for the account of Mittal Steel or ArcelorMittal.

The ArcelorMittal shares to be issued in the merger will be created under Luxembourg law and will have the rights as set forth in ArcelorMittal s articles of association and Luxembourg law. No additional consideration in cash or in kind will be paid by ArcelorMittal to the shareholders of Mittal Steel in connection with the merger.

Former Mittal Steel shareholders will hold 100% of the issued and outstanding shares of ArcelorMittal after the merger.

Treatment of Stock Options (see page 69)

The merger proposal provides that each option to purchase Mittal Steel shares granted under employee and director stock plans of Mittal Steel will be converted into a right to acquire (or at ArcelorMittal s option, subscribe) the same number of ArcelorMittal shares on the same terms and conditions as were applicable to such options prior to the effective time of the merger (subject to any changes necessary to reflect the effectiveness of the merger).

Recommendation of the Mittal Steel Board of Directors and Its Reasons for the Merger (see page 62)

Following discussions at a meeting held on April 27, 2007, the Mittal Steel Board of Directors unanimously decided, pursuant to written decisions dated May 2, 2007, to approve the merger agreement and the transactions contemplated by the merger agreement. On June 25, 2007, all members of the Mittal Steel Board of Directors signed the merger proposal and the explanatory memorandum. **The Mittal Steel Board of Directors unanimously recommends that the Mittal Steel shareholders vote FOR the decision to merge as contemplated by the merger proposal and the explanatory memorandum.**

The Mittal Steel Board of Directors weighed the potential benefits, advantages and opportunities of a merger and the risks of not pursuing a transaction with ArcelorMittal against the risks and challenges inherent in the proposed merger. The Mittal Steel Board of Directors realized that there could be no assurance about future results, including results expected or considered in the factors weighed and reviewed by it. However, the Mittal Steel Board of Directors concluded that the potential benefits of effecting the merger with ArcelorMittal were significant and in particular that the merger would be a useful step towards the combination of Arcelor and Mittal Steel in a single legal entity governed by Luxembourg law and would enable Mittal Steel to comply as promptly as possible with part of the MOU undertakings.

Shareholders Entitled to Vote; Vote Required (see page 54)

You can vote at the Mittal Steel extraordinary general meeting if you own Mittal Steel shares at the close of business on August 21, 2007, which is referred to as the registration date. You may cast one vote for each Mittal Steel share that you own on the registration date.

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The decision to merge requires:

- if less than 50% of the outstanding Mittal Steel shares are represented in person or by proxy at the Mittal Steel extraordinary general meeting, the affirmative vote of the holders of at least two-thirds of the Mittal Steel shares represented in person or by proxy at the extraordinary general meeting, or
- if at least 50% of the outstanding Mittal Steel shares are represented in person or by proxy at the Mittal Steel extraordinary general meeting, the affirmative vote of the holders of at least a majority of the Mittal Steel shares represented in person or by proxy at the extraordinary general meeting.

Timetable for the Merger (see page 63)

The merger proposal and the explanatory memorandum, each dated June 25, 2007, have been made publicly available on June 29, 2007. A copy of the merger proposal and a copy of the explanatory memorandum are attached to this prospectus as Annex B.

In order to complete the merger, Mittal Steel shareholders must adopt the decision to merge Mittal Steel into ArcelorMittal as contemplated by the merger proposal and the explanatory memorandum. The extraordinary general meeting of shareholders of Mittal Steel that will vote on the proposal to merge Mittal Steel into ArcelorMittal will be held on August 28, 2007, at 2 p.m. Amsterdam time, at Hotel Okura Amsterdam located at Ferdinand Bolstraat 333, 1072 LH Amsterdam, The Netherlands.

If the proposal to merge is adopted by the requisite majority at the extraordinary general meeting of shareholders of Mittal Steel and all other conditions precedent are satisfied or waived, the merger is expected to be effected on or about September 3, 2007.

Upon effectiveness of the merger, holders of Mittal Steel shares will automatically receive newly issued ArcelorMittal shares in accordance with the applicable share exchange ratios and on the basis of their respective holdings as entered in the relevant Mittal Steel shareholder registry (*register van aandeelhouders*) or their respective securities accounts. Holders of Mittal Steel shares whose shares are registered directly in Mittal Steel s Dutch or Luxembourg shareholder registry, will automatically receive newly issued ArcelorMittal shares through an entry in the relevant shareholder registry (*registre des actionnaires*) of ArcelorMittal. Holders of Mittal Steel shares whose shares are registered indirectly, that is through a book-entry system, in Mittal Steel s Dutch or Luxembourg shareholder registry, will automatically receive newly issued ArcelorMittal shares through a credit to their respective securities accounts. Holders of Mittal Steel shares, whose shares are registered either directly or indirectly in Mittal Steel s New York registry, will automatically be transferred to the ArcelorMittal New York shareholder registry.

Upon the day of effectiveness of the merger, which is expected to be on or about September, 3, 2007, the ArcelorMittal shares will be listed and traded on the Eurolist by Euronext Amsterdam N.V., Eurolist by Euronext Brussels SA/NV, Eurolist by Euronext Paris S.A., the regulated market of the Luxembourg Stock Exchange, the Spanish exchanges and the NYSE.

Finally, the Mittal Steel class A common shares, which (as the Mittal Steel class B common shares) will automatically disappear in the merger, will no longer be listed and traded on the Eurolist by Euronext Amsterdam N.V., Eurolist by Euronext Brussels SA/NV, Eurolist by Euronext Paris S.A., the regulated market of the Luxembourg Stock Exchange, the Spanish exchanges, and the NYSE as of the day of effectiveness of the merger. The last day of listing and trading of the Mittal Steel class A common shares at these exchanges is expected to be on or about August 31, 2007.

Subject to shareholder approval and the timing of completion of the necessary regulatory review processes, ArcelorMittal currently expects to complete the second-step merger of the combined entity into Arcelor in October or November of 2007.

Auditors Opinions (see page 63)

On June 25, 2007, Mazars S.A. (Mazars Luxembourg) issued its written report (*un rapport écrit destiné aux actionnaires*) to the Board of Directors of ArcelorMittal with respect to, among other things, the fairness of the Class A Exchange Ratio and the Class B Exchange Ratio, as required pursuant to Luxembourg law. Mazars Luxembourg opined, among other things, that, as of the date of its report and based upon and subject to the factors and assumptions set forth therein, no fact has come to its attention that causes it to believe that the Class A Exchange Ratio and the Class B Exchange Ratio are not relevant and reasonable (*pertinent et*

raisonnable). A copy of the report is attached to the merger proposal, a copy of which is attached to this proxy statement/prospectus as Annex B, and both the merger proposal and the report are separately available at the offices of ArcelorMittal and Mittal Steel and both the merger proposal and the report are also separately available at the Chamber of Commerce for Rotterdam, The Netherlands and at the Luxembourg Registry of Trade and Companies.

On June 25, 2007, Mazars Paardekooper Hoffman N.V. (Mazars Netherlands) issued its written auditors declaration (*accountantsverklaring*) and its written auditors report (*accountantsverslag*) to the Board of Directors of ArcelorMittal with respect to, among other things, the fairness of the Class A Exchange Ratio and the Class B Exchange Ratio, as required pursuant to Dutch law. Mazars Netherlands opined, among other things, that, as of the date of its auditors declaration and based upon and subject to the factors and assumptions set forth therein, the Class A Exchange Ratio and the Class B Exchange Ratio are reasonable (*redelijk*). A copy of the auditors declaration is attached to the merger proposal, a copy of which is attached to this proxy statement/prospectus as Annex B, and each of the merger proposal, the auditors declaration and the auditors report are separately available at the offices of ArcelorMittal and Mittal Steel and both the merger proposal and the auditors declaration are separately available at the Chamber of Commerce for Rotterdam, The Netherlands and at the Luxembourg Registry of Trade and Companies.

On June 25, 2007, AGN Daamen & van Sluis issued its written auditors declaration (*accountantsverklaring*) and its written auditors report (*accountantsverslag*) to the Board of Directors of Mittal Steel with respect to, among other things, the fairness of the Class A Exchange Ratio and the Class B Exchange Ratio, as required pursuant to Dutch law. AGN Daamen & van Sluis opined, among other things, that, as of the date of its auditors declaration and based upon and subject to the factors and assumptions set forth therein, the Class A Exchange Ratio and the Class B Exchange Ratio are reasonable (*redelijk*). A copy of the auditors declaration is attached to the merger proposal, a copy of which is attached to this proxy statement/prospectus as Annex B, and each of the merger proposal, the auditors declaration and the auditors report are separately available at the offices of ArcelorMittal and Mittal Steel and both the merger proposal and the auditors declaration are separately available at the Chamber of Commerce for Rotterdam, The Netherlands and at the Luxembourg Registry of Trade and Companies.

Directors and Management of the Combined Company After the Merger (see page 80)

As described in Management , the combined company will be governed by a Board of Directors and a Group Management Board. Pursuant to the Memorandum of Understanding, certain special governance mechanisms designed to promote the integration of Arcelor and Mittal Steel have been put into place for a period of three years ending on August 1, 2009 (the Initial Term). Arcelor and Mittal Steel agreed to change and unify their respective corporate governance structure and rules and to change the composition and operation of their respective Boards of Directors and Group Management Boards so that until the completion of the merger, the board composition and governance structure of both companies would be identical. In connection with the anticipated ultimate merger of ArcelorMittal into Arcelor, ArcelorMittal shall adopt a governance structure identical to Arcelor and Mittal Steel.

The Board of Directors of ArcelorMittal is in charge of the overall management of ArcelorMittal. The ArcelorMittal Board of Directors is responsible for the performance of all acts of administration necessary or useful in furtherance of the corporate purpose of ArcelorMittal, except those expressly reserved by Luxembourg law or by the articles of association of ArcelorMittal to the general meeting of shareholders. The members of the Board of Directors are appointed and dismissed by the general meeting of shareholders. The Group Management Board of ArcelorMittal is entrusted with the day-to-day management of ArcelorMittal. The members of the Group Management Board are appointed and dismissed by the Board of Directors. For a description of the composition of the Board of Directors and Group Management Board of ArcelorMittal post-merger, see Management .

Name and Executive Offices of the Combined Company After the Merger (see page 84)

The combined company shall be named ArcelorMittal upon effectiveness of the merger. As of and after the merger, the executive offices of the combined company will be located in Luxembourg.

Ownership of the Combined Company After the Merger (see page 98)

Based on the number of Mittal Steel shares issued on the date hereof, ArcelorMittal expects to issue between 1,277,408,250 and 1,419,342,499 ArcelorMittal shares to Mittal Steel shareholders in the merger.

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The exact number of ArcelorMittal shares to be issued will depend on any increase or decrease in the number of Mittal Steel treasury shares between the date hereof and the date of the extraordinary general meeting adopting the decision to merge Mittal Steel into ArcelorMittal. Immediately following the effectiveness of the merger, former Mittal Steel shareholders will hold 100% of the issued and outstanding ArcelorMittal shares. In addition, ArcelorMittal may issue additional ArcelorMittal shares as a result of the future exercise of (former) Mittal Steel stock options, in an aggregate amount representing approximately 7.8 million ArcelorMittal shares.

Share Ownership of Directors and Senior Management (see page 92)

As of May 31, 2007, the aggregate beneficial share ownership of directors and senior management of Mittal Steel was 2,244,699 Mittal Steel class A common shares (excluding shares owned by the Significant shareholder and including options to acquire 272,136 Mittal Steel class A common shares that are exercisable within 60 days of May 31, 2007), being 0.15% of the total issued share capital of Mittal Steel. Excluding options to acquire Mittal Steel class A common shares, these 40 individuals beneficially owned 1,972,563 Mittal Steel class A common shares. As of May 31, 2007, the Significant shareholder beneficially owned 623,598,333 of Mittal Steel s outstanding shares, representing 44.79% of Mittal Steel s outstanding shares. Mittal Steel directors and members of senior management have indicated that they expect to vote for the decision to merge Mittal Steel into ArcelorMittal as contemplated by the merger proposal and the explanatory memorandum. Mittal Steel directors and members of senior management will own the same number and percentages of shares in ArcelorMittal after the completion of the merger.

Admission to Trading and Listing of ArcelorMittal Shares; Delisting and Deregistration of Mittal Steel Class A Common Shares (see page 71)

Under the merger agreement, ArcelorMittal is required to have the admission to trading of ArcelorMittal shares issued in the merger approved by the Luxembourg authorities, and to have the application for trading and listing of these shares on the regulated market of the Luxembourg Stock Exchange, Eurolist by Euronext Amsterdam N.V., Eurolist by Euronext Brussels SA/NV, Eurolist by Euronext Paris S.A., the Spanish exchanges and the NYSE (subject to official notice of issuance) approved by these respective exchanges. Upon effectiveness of the merger, the Mittal Steel class A common shares will no longer be listed on the NYSE and will be deregistered under the Exchange Act, and Mittal Steel class A common shares will no longer be admitted to trading and will be delisted from Eurolist by Euronext Amsterdam N.V., Eurolist by Euronext Brussels SA/NV, Eurolist by Euronext Paris S.A., the Spanish exchanges and will no longer be admitted to trading on the Luxembourg Stock Exchange s regulated market and no longer be listed on the Official List of the Luxembourg Stock Exchange.

Dissenters Rights in the Merger (see page 66)

Mittal Steel shareholders will not have any appraisal or dissenters rights under Dutch law or under Mittal Steel s articles of association in connection with the merger, and neither Mittal Steel nor ArcelorMittal will independently provide Mittal Steel shareholders with any such rights.

Conditions to Effectiveness of the Merger (see page 71)

The obligations of Mittal Steel and ArcelorMittal to complete the merger are subject to the satisfaction or waiver, where legally permissible, of the following conditions:

- the decision to merge as contemplated by the merger proposal and the explanatory memorandum will have been adopted by the requisite affirmative vote of the shareholders of Mittal Steel;
- the following will have been approved by the vote of the sole shareholder of ArcelorMittal:
  - the decision to merge as contemplated by the merger proposal and the explanatory memorandum;
  - the decision to issue the ArcelorMittal shares in the merger;

the decision to cancel the ArcelorMittal shares that will be transferred by Mittal Steel to ArcelorMittal upon effectiveness of the merger;

the decision to issue ArcelorMittal stock options in the merger;

the decision to authorize the Board of Directors of ArcelorMittal to issue ArcelorMittal shares within the limits of the authorized share capital for delivery upon exercise or conversion, as applicable, of ArcelorMittal stock options or other equity-based awards granted under any ArcelorMittal employee incentive or benefit plan;

the European prospectus will have been approved by the Luxembourg *Commission de Surveillance du Secteur Financier*, or the CSSF, and a copy of that approval will have been notified by the CSSF to the competent securities regulator in Belgium, France, The Netherlands, Spain and any other relevant competent securities regulator in the European Union;

the F-4 Registration Statement, of which this proxy statement/prospectus forms a part, will have been declared effective by the SEC under the Securities Act and no stop order suspending the effectiveness of the F-4 Registration Statement will be in effect and no proceedings for such purpose will be pending before, or threatened by, the SEC;

the ArcelorMittal shares will have been (provisionally) admitted to trading and listing on the regulated market of the Luxembourg Stock Exchange, Eurolist by Euronext Amsterdam N.V., Eurolist by Euronext Brussels SA/NV, Eurolist by Euronext Paris S.A., the Spanish exchanges and the NYSE (subject to official notice of issuance);

the receipt of a satisfactory tax ruling from the Dutch tax authorities regarding the Dutch corporate income tax and Dutch dividend withholding tax consequences of the merger for Mittal Steel;

the creditors waiting period pursuant to Dutch law will have expired, and any opposition formed by any creditors of ArcelorMittal or Mittal Steel will have been resolved;

there will be no action, litigation or proceeding by any court or person, instituted or pending, or statute, rule, regulation, injunction, order or decree by any court or person issued or deemed to be applicable to the merger, that seeks to prohibit or restrain the merger or seeks a divestiture of any Mittal Steel shares or ArcelorMittal shares (including any shares issued in the merger) or limitation on the ownership rights of ArcelorMittal over the assets and liabilities of Mittal Steel that are transferred to ArcelorMittal upon effectiveness of the merger that would reasonably be expected to have a material adverse effect, as such concept is defined in the merger agreement; and

the articles of association of ArcelorMittal shall be amended to the effect that each of the issued shares in the capital of ArcelorMittal shall have a par value of 0.01 (one euro cent) each.

Regulatory Matters (see page 67)

The merger may be subject to various regulatory requirements of other municipal, state, federal and foreign governmental agencies and authorities, including filings with competition authorities in certain jurisdictions and those relating to the offer and sale of securities. Mittal Steel and ArcelorMittal are continuing to evaluate and comply in all material respects with these requirements, as appropriate, and do not anticipate that they will hinder, delay or restrict the effectiveness of the merger.

Termination of the Merger Agreement (see page 72)

The merger agreement may be terminated and the merger may be abandoned at any time prior to the effective time of the merger by the mutual written consent of ArcelorMittal and Mittal Steel. If any of the conditions precedent to the effectiveness of the merger have not been satisfied or waived, where legally permissible, by December 31, 2007, either party may terminate the merger agreement upon written notice to the other party; provided that the right to terminate the merger agreement will not be available to the party whose failure to fulfill any condition precedent under the merger agreement has been the cause of, or resulted in, the failure of the satisfaction of that condition precedent to occur on or before that date. If no such written notice is sent, the merger agreement will remain in full force and the parties may agree to either consider such condition precedent waived or amend the merger agreement.

Taxation (see page 113)

The following is a summary. Holders are urged to consult their tax advisors regarding tax consequences of the merger and of holding and disposing of ArcelorMittal shares.

U.S. Taxation

For U.S. federal income tax purposes, the merger between Mittal Steel and ArcelorMittal will qualify as a tax-free reorganization. Accordingly, a U.S. Holder (as defined under Taxation United States Taxation), will not recognize any gain or loss in connection with the exchange of Mittal Steel shares for ArcelorMittal shares in the merger. A U.S. Holder will have a tax basis in the ArcelorMittal shares received equal to the tax basis of the Mittal Steel shares surrendered. A U.S. Holder will have a holding period in the ArcelorMittal shares equal to the holding period of the Mittal Steel shares surrendered in the merger.

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Luxembourg Taxation

Capital gains on Mittal Steel shares realized by Luxembourg Holders (as defined under Taxation Luxembourg Taxation) will not be deemed realized under Luxembourg law provided such Luxembourg Holders opt for roll-over relief and do not receive a cash balance payment exceeding 10% of the par value of the ArcelorMittal shares they receive in exchange for their Mittal Steel shares as provided by Articles 22 bis and 102 (10) of the Luxembourg Income Tax Law. If a capital gain is realized, an individual Luxembourg Holder shall only be taxable if the merger takes place within six months following the acquisition by the Luxembourg Holder of its Mittal Steel shares, or if the relevant holder holds more than 10% of the shares. If the holder is a Luxembourg company, such capital gain on Mittal Steel shares shall only be taxable if such holder does not benefit from the full exemption set forth in Article 166 of the Luxembourg Income Tax Law and the Grand Ducal Decree of December 21, 2001, as amended.

Dutch Taxation

Capital gains or other benefits derived or deemed to be derived in connection with the merger are, in general, taxable. Roll-over relief should be available for certain shareholders. Capital gains or other benefits derived in connection with the merger are as such not subject to Dutch income tax if the holder is an individual and the Mittal Steel shares are recognized as investment assets for the calculation of his/her income from savings and investments (*belastbaar inkomen uit sparen en beleggen*).

Accounting Treatment (see page 66)

For accounting purposes, the merger of Mittal Steel into ArcelorMittal shall be considered a combination of entities under common control as of January 1, 2007. All recorded assets and liabilities of Mittal Steel and ArcelorMittal shall be carried forward at their historical book values, and the income of ArcelorMittal shall include the income of Mittal Steel as of January 1, 2007.

For statutory reporting purposes in The Netherlands, the final accounting year of Mittal Steel shall end on December 31, 2006.

Comparison of Rights of Mittal Steel Shareholders and ArcelorMittal Shareholders (see page 106)

As a result of the merger, Mittal Steel shares will be automatically exchanged for ArcelorMittal shares. Because Mittal Steel is a *naamloze vennootschap* organized under the laws of The Netherlands and ArcelorMittal is a *société anonyme* organized under the laws of Luxembourg, there are material differences between the rights of Mittal Steel shareholders and ArcelorMittal shareholders.

The following summarizes certain material differences between the rights of shareholders under Luxembourg and Dutch law and ArcelorMittal and Mittal Steel s articles of association. For a more detailed description of these and other differences, see Comparison of Rights of Mittal Steel Shareholders and ArcelorMittal Shareholders .

Shareholder Proposals. Under Mittal Steel s articles of association and Dutch law, shareholders representing at least 1% of the issued share capital or a market value of at least 50,000,000 may request to include items on the agenda of a shareholders meeting. The items are included in the agenda unless this would be detrimental to vital interests of Mittal Steel. Under ArcelorMittal s articles of association and Luxembourg law, shareholders representing at least 10% of the issued share capital may request that additional items be added to the agenda of a general meeting of shareholders.

Major Transactions. Under Mittal Steel s articles of association and Dutch law, shareholder approval is required for decisions involving a significant change in the identity or character of the company . Under ArcelorMittal s articles of association and Luxembourg law, no shareholder approval is required for major acquisitions or disposals.

Dividends. Under Mittal Steel s articles of association, the Board of Directors resolves upon reservation of profits and the remaining balance shall be distributed to shareholders subject to certain limitations. In addition, the Board of Directors may resolve to pay an interim dividend. Under ArcelorMittal s articles of association, the general meeting of shareholders resolves upon reservation of profits and the remaining balance may be distributed to shareholders subject to certain limitations. The Board of Directors may, however, resolve to pay an interim dividend.

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PRESENTATION OF CERTAIN FINANCIAL AND OTHER INFORMATION

Financial Information

This proxy statement/prospectus incorporates by reference the audited consolidated financial statements of Mittal Steel Company N.V. and its consolidated subsidiaries, including the consolidated balance sheets as of December 31, 2005 and 2006, and the consolidated statements of income, changes in equity and cash flows for each of the years ended December 31, 2004, 2005 and 2006, which we refer to as the Mittal Steel Consolidated Financial Statements, and includes selected consolidated financial information of Mittal Steel for the dates and periods presented in the Mittal Steel Consolidated Financial Statements and as of December 31, 2002, 2003 and 2004 and for the years ended December 31, 2002 and 2003.

All of the financial statements included in this proxy statement/prospectus have been prepared based on International Financial Reporting Standards as endorsed by the European Union (IFRS) except where indicated. IFRS as endorsed by the European Union differs in certain respects from IFRS as issued by the International Accounting Standards Board (IASB). Mittal Steel has, however, determined that the financial information as of December 31, 2005 and 2006 and for each of the three years in the period ended December 31, 2006 would not be different had it applied IFRS as issued by the IASB. The financial information in this proxy statement/prospectus, or incorporated by reference herein, also includes a reconciliation of certain items from IFRS to the accounting principles generally accepted in the United States of America (U.S. GAAP). IFRS differs in certain significant respects from U.S. GAAP.

Mittal Steel s significant acquisitions in 2004, 2005 and 2006, including in particular those of Arcelor, ISG and Kryvorizhstal, have been accounted for using the purchase method of accounting, with Mittal Steel as the acquiring entity in accordance with IFRS 3 (Business Combinations). Inter-company transactions have been eliminated in financial consolidation.

Because ArcelorMittal had no previous operating history, material assets or liabilities, the financial information for ArcelorMittal is not presented in this proxy statement/prospectus and after effectiveness of the merger, the financial information for ArcelorMittal will be the same as that of Mittal Steel prior to the merger.

The financial information and certain other information presented in a number of tables in this proxy statement/prospectus have been rounded to the nearest whole number or the nearest decimal. Therefore, the sum of the numbers in a column may not conform exactly to the total figure given for that column. In addition, certain percentages presented in the tables in this proxy statement/prospectus reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

In this document, references to $, dollars , USD or U.S. dollars are to United States dollars; euro , euros , EUR or are to the currenc European Union member states participating in the European Monetary Union; and real , reais or R$ are to Brazilian reais, the official currency of Brazil.

Market Information

This proxy statement/prospectus includes or incorporates by reference industry data and projections about Mittal Steel s and ArcelorMittal s markets obtained from industry surveys, market research, publicly available information and industry publications. Statements on Mittal Steel s competitive position contained in this proxy statement/prospectus are based primarily on public sources including, but not limited to, publications of the International Iron and Steel Institute (IISI). Industry publications generally state that the information they contain has been obtained from sources believed to be reliable and that the projections they contain are based on a number of significant assumptions. In addition, in many cases Mittal Steel and ArcelorMittal have made statements in this proxy statement/prospectus regarding their industry and their position in the industry based on internal surveys, industry forecasts, market research and their own experience.

Internet Sites

Mittal Steel and ArcelorMittal maintain an Internet site: www.arcelormittal.com. Information contained in or otherwise accessible through this Internet site is not a part of this proxy statement/prospectus unless otherwise incorporated by reference in this prospectus, as described in Incorporation of Certain Documents by Reference . All references in this prospectus to Mittal Steel s and ArcelorMittal s Internet site are inactive textual references to the URL and are for your information only.

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Recent Developments

Various Matters

In January 2007, Mittal Steel sold Travi e Profilati di Pallanzeno (TPP) and its 49.9% stake in San Zeno Acciai to Duferco for an enterprise value of 117 million. Such divestment was pursuant to a commitment made to the European Commission in connection with Mittal Steel s acquisition of Arcelor. In 2006, TPP generated sales of approximately 190 million with an annual production of approximately 500,000 tonnes of long carbon steel products.

On January 19, 2007, Mittal Steel announced that it had agreed to sell Huta Bankowa Spólka z.o.o. (Huta Bankowa) to Alchemia SA Capital Group for an enterprise value of approximately 37 million (approximately $48 million). Such divestment was pursuant to a commitment made to the European Commission in connection with Mittal Steel s acquisition of Arcelor. Huta Bankowa, a wholly-owned subsidiary of Mittal Steel, is located in Dabrowa Gornicza in southern Poland. The transaction is expected to close in 2007, subject to European Commission approval and applicable antitrust clearances.

On February 14, 2007, Mittal Steel signed a joint venture agreement with the Bin Jarallah Group of companies for the design and construction of a seamless tube mill in Saudi Arabia. This facility will be located in Jubail Industrial City, north of Al Jubail on the Persian Gulf. The mill will have a capacity of 500,000 tonnes per year. Construction is planned to commence at the end of the first quarter of 2008 and to be completed by the fourth quarter of 2009. Mittal Steel will hold a 51% interest in the company established for this project, with the Bin Jarallah Group holding the remaining 49%.

On February 23, 2007, Mittal Steel announced that it had signed agreements with the State of Senegal in West Africa to develop iron ore mines in the Faleme region of South East Senegal. The project is expected to require an investment of approximately $2.2 billion. The project is an integrated mining project that will encompass the development of the mine, the building of a new port near Dakar and the development of approximately 750 kilometers of rail infrastructure to link the mine with the port. Mittal Steel expects the mine to produce approximately 750 million tonnes of iron ore. Mittal Steel expects to commence production of the mines in 2011. The agreements will become effective upon the fulfillment of certain conditions by the State of Senegal.

On March 2, 2007, Mittal Steel was included in the AEX index and the FTSE4Good Index Europe indexes. On September 18, 2006, Mittal Steel was included in the CAC 40 index.

On March 2, 2007, Mittal Steel announced that 385,340,210 Mittal Steel class B common shares owned by Mittal Investments S.à.r.l. had been converted into 385,340,210 Mittal Steel class A common shares. This conversion had no impact on the total number of shares (1,392,308,490 shares, consisting of 1,320,158,490 class A common shares and 72,150,000 class B common shares).

On March 5, 2007, Mittal Steel sold Stahlwerk Thüringen GmbH (SWT) to Grupo Alfonso Gallardo for an enterprise value of 591 million (approximately $768 million). Such divestment was pursuant to a commitment made to the European Commission in connection with Mittal Steel s acquisition of Arcelor. SWT, which was a wholly-owned subsidiary of Mittal Steel, is located at Unterwellenborn, Thüringen, Germany. In 2005, SWT s sales were approximately 400 million. SWT employs approximately 700 people and produces steel sections of up to 550 millimeters in width used in building and construction.

On March 16, 2007, Mittal Steel announced that it was investing in a new steel service center in Krakow, Poland. Incorporating two de-coiling lines and a slitting line, this facility will have a processing capacity of 450,000 tons per year and will strengthen Mittal Steel s network of steel service centers in Poland. Operation is expected to commence in the fall of 2007.

On March 16, 2007, Mittal Steel announced that it had signed a definitive agreement with Noble International, Ltd. (Noble) for the combination of their laser-welded tailored blanks businesses. In exchange for its laser-welded blanks business in western and eastern Europe, China, India and the United States, Mittal Steel will receive $300 million from Noble, including $131,250,000 in a combination of cash, a Noble note and the assumption of certain financial obligations, and 9,375,000 shares of Noble common stock. Mittal Steel and Noble are also seeking to include in the transaction the tailored blanks business of Powerlasers, a unit of Dofasco, for additional consideration of approximately $50 million, subject to the approval of the trustees of Dofasco. Upon completion of the transaction, which is expected to occur in July 2007, Mittal Steel will become the largest shareholder of Noble, with approximately 40% of its issued and outstanding common shares and four of the nine seats on its Board of Directors.

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On April 23, 2007, Mittal Steel announced that it had finalized the acquisition of Sicartsa, a Mexican integrated steel producer, from Grupo Villacero for an enterprise value of approximately $1.4 billion. Sicartsa, with production facilities in Mexico and Texas, is a fully-integrated producer of long steel, with an annual production capacity of approximately 2.7 million tonnes. Sicartsa s wholly-owned mine is linked directly to the plant via a slurry pipeline. In addition to a fully-integrated steel-making facility at Lázaro Cárdenas, next to Mittal Steel s Lázaro Cárdenas site, the acquisition included Metaver, a mini-mill, Sibasa and Camsa, two rolling mills in Celaya, Guanajuato (Sibasa) and Tultitlán in the state of Mexico, as well as Border Steel, a mini-mill in the state of Texas in the United States.

Dofasco

On January 26, 2006, Mittal Steel and ThyssenKrupp AG entered into a letter agreement which provided that if Mittal Steel was successful in its tender offer for Arcelor and was able to exert management control with the ability to sell Dofasco , Mittal Steel would cause Arcelor to sell Dofasco to ThyssenKrupp. During March and April 2006, Arcelor acquired 100% of the shares of Dofasco. On April 3, 2006, Arcelor transferred 89% of the shares of Dofasco to the Strategic Steel Stichting (S3), an independent foundation under Dutch law, thereby removing Arcelor s ability to sell or otherwise dispose of such shares without S3 s consent. On June 25, 2006, Mittal Steel and Arcelor agreed to the terms of a recommended offer, pursuant to which Mittal Steel has acquired approximately 94% of the share capital of Arcelor.

On August 1, 2006, the Department of Justice (DOJ) announced that it had concluded that the acquisition by Mittal Steel of Arcelor was likely to lessen substantially competition in the market for tin mill products in the eastern United States and filed in the U.S. District Court in Washington, D.C. a consent decree that Mittal Steel had previously signed with the DOJ on May 11, 2006. The consent decree required the divestiture of Dofasco or, if Mittal Steel were unable to sell Dofasco, the divestiture of either Mittal Steel s Sparrows Point facility in Maryland or Mittal Steel s Weirton facility in West Virginia. The consent decree provided that the DOJ in its sole discretion would choose which plant would be sold. The consent decree also included a Hold Separate Stipulation and Order, which provided that Dofasco would be maintained as a separate business, independent of the other businesses of Mittal Steel and Arcelor, until Dofasco was divested or the DOJ made its selection of the alternative plant to be divested.

After the consent decree was filed in court, the boards of both Mittal Steel and Arcelor requested the directors of S3 to dissolve the foundation in order to allow the sale of Dofasco. On November 10, 2006, however, S3 s directors unanimously decided not to dissolve the foundation and to retain the Dofasco shares, thereby continuing to prevent their sale.

On December 22, 2006, ThyssenKrupp initiated summary legal proceedings against Mittal Steel in the District Court in Rotterdam alleging that Mittal Steel had breached the letter agreement by failing to cause Arcelor to initiate litigation against S3 to force S3 to transfer the Dofasco shares to Arcelor so as to permit their sale to ThyssenKrupp. The suit sought, among other things, a court order directing Mittal Steel to cause Arcelor to commence summary proceedings in the Dutch courts to force S3 to return the Dofasco shares to Arcelor. On January 23, 2007, the District Court in Rotterdam denied ThyssenKrupp s petition for an order. The time for ThyssenKrupp to appeal the Rotterdam District Court s order has expired.

On February 20, 2007, the DOJ informed Mittal Steel that the DOJ had selected the Sparrows Point steel mill located near Baltimore, Maryland for divestiture under the consent decree filed by the DOJ in August 2006. According to the decree, any such divestiture must take place within 90 days from February 20, 2007, subject to possible extensions by the DOJ. The DOJ has extended the divestiture deadline by a total of 45 days. As a result, the current deadline for the divestiture is July 5, 2007. The selection of Sparrows Point by the DOJ ended the period during which Mittal Steel must hold Dofasco separate from its operations.

Brazilian Subsidiaries

On September 25, 2006, the Comissão de Valores Mobiliáros (the CVM), the Brazilian securities regulator, ruled that, as a result of Mittal Steel s acquisition of Arcelor, Mittal Steel was required to carry out a public offer to acquire all the outstanding shares in Arcelor Brasil not owned by Arcelor or any other affiliate of Mittal Steel. Pursuant to the ruling, the value to be offered to Arcelor Brasil s shareholders is to be determined on the basis of the value of the part of the overall consideration paid for Arcelor by Mittal Steel that was attributable to Arcelor Brasil. On April 17, 2007, the CVM granted registration of the offer, which opened on April 27, 2007 and closed on June 4, 2007. The consideration to be offered per Arcelor Brasil share was R$11.70 in cash and

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0.3568 Mittal Steel class A common shares, subject to certain adjustments. Tendering Arcelor Brasil shareholders could also accept an all-cash option, pursuant to which they would receive cash in an amount equal to the value of the cash and share consideration described above, calculated in the manner set forth in the offering documents.

On June 5, 2007, Mittal Steel publicly announced the results of the tender offer. In the aggregate, Mittal Steel acquired 29.5% of the total share capital and 89.7% of the free float of Arcelor Brasil as of June 5, 2007, thereby increasing its current 67.1% shareholding in Arcelor Brasil to 96.6%. Mittal Steel paid for the shares with $3.7 billion in cash and approximately 27.0 million Mittal Steel class A common shares, representing a total consideration of $5.4 billion. As required by Brazilian regulations, beginning on June 5, 2007 and ending at the latest on September 4, 2007, the remaining shareholders in Arcelor Brasil may sell their shares to Mittal Steel for R$53.89 per share (the same price offered to the Arcelor Brasil shareholders accepting the cash option of the offer) as adjusted pursuant to applicable law. As soon as Mittal Steel receives from the CVM confirmation that Arcelor Brasil s registration as a listed company has been cancelled, Mittal Steel will cause a general Arcelor Brasil shareholders meeting to be held in order to approve the redemption of the remaining shares. The redemption price will be equal to R$53.89 per share. Mittal Steel therefore expects that it will subsequently acquire the 21.9 million Arcelor Brasil shares that remained outstanding after the closing of the tender offer, which are valued at approximately $0.6 billion.

The acquisitions and divestitures referenced above, other than Arcelor Brasil, were not individually or in the aggregate significant to Mittal Steel as defined in Rule 1-02(w) of Regulation S-X.

SELECTED HISTORICAL FINANCIAL INFORMATION FOR MITTAL STEEL

The following tables present selected consolidated financial information of Mittal Steel as of and for the years ended December 31, 2004, 2005 and 2006, which has been prepared in accordance with IFRS. This selected consolidated financial information should be read in conjunction with the Mittal Steel Consolidated Financial Statements, including the notes thereto.

IFRS Basis

Statement of Income Data (Amounts in $ millions except per share data and percentages)	Year Ended December 31, 2004[(6)]	2005[(6)]	2006
Sales[(1)]	$ 20,612	$ 28,132	$58,870
Cost of sales (including depreciation and amortization)[(2)]	14,422	22,341	48,411
Selling, general and administrative	676	1,062	2,960
Operating income	5,514	4,729	7,499
Operating income as percentage of Sales	26.8%	16.8%	12.7%
Other income net	1,143	214	49
Income from equity method investments	149	86	301
Financing costs net	(214)	(353)	(654)
Income before taxes	6,592	4,676	7,195
Net income (including minority interest)	5,625	3,795	6,086
Basic earnings per common share[(3)]	$8.10	$4.80	$5.29
Diluted earnings per common share[(3)]	$8.10	$4.79	$5.28
Dividends declared per share[(4)]		$0.30	$0.50

Balance Sheet Data (Amounts in $ millions except share data)	As of December 31, 2004[(6)]	2005[(6)]	2006
Cash and cash equivalents, including short-term investments and restricted cash	$ 2,634	$ 2,149	$ 6,146
Property, plant and equipment	11,058	19,045	54,696
Total assets	21,692	33,867	112,166
Payable to banks and current portion of long-term debt	341	334	4,922
Long-term debt, net of current portion	1,639	7,974	21,645
Net assets	11,079	15,457	50,191
Basic weighted average common shares outstanding (millions)	643	687	988
Diluted weighted average common shares outstanding (millions)	643	689	990

Other Data (Amounts in $ millions except volume data)	Year Ended December 31, 2004	2005	2006
Net cash provided by operating activities	$4,300	$3,874	$7,122
Net cash (used in) investing activities	(656)	(7,512)	(8,576)
Net cash (used in) provided by financing activities	(2,118)	3,349	5,445
Total production of crude steel (thousands of tonnes)	39,362	48,916	85,620
Total shipments of steel products (thousands of tonnes)[(5)]	35,067	44,614	78,950

(1) Including $2,235 million in 2004, $2,339 million in 2005 and $3,847 million in 2006 of sales to related parties (see Note 12 to the Mittal Steel Consolidated Financial Statements).
(2) Including depreciation and amortization of $734 million in 2004, $1,113 million in 2005 and $2,296 million in 2006.
(3) Earnings per common share are computed by dividing net income attributable to equity holders of Mittal Steel Company N.V. by the weighted average number of common shares outstanding during the periods presented considering retroactively the shares issued by Mittal Steel in connection with the acquisition of LNM Holdings.
(4) This does not include the dividends declared by LNM Holdings to its shareholder prior to its acquisition by Ispat International.
(5) Shipment volumes of steel products for the operations of Arcelor and its subsidiaries includes inter-company sales, while shipment volumes of steel products for the operations of Mittal Steel and its subsidiaries do not include inter-company sales.

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(6) The 2005 comparative information has been adjusted retrospectively for the adoption of International Financial Reporting Interpretations Committee (IFRIC) 4, which occurred as of January 1, 2006 (see Note 1 to the Mittal Steel Consolidated Financial Statements), as well as the finalization of purchase price allocations relating to ISG and Mittal Steel Kryviy Rih (see Note 3 to the Mittal Steel Consolidated Financial Statements).

US GAAP Basis

The following tables present selected consolidated financial information of Mittal Steel as of and for the years ended December 31, 2002, 2003, 2004, 2005 and 2006. Such selected financial information has been prepared in accordance with US GAAP.

Statement of Income Data	**Year Ended December 31,**				
(Amounts in $ millions except per share data and percentages)	**2002**	**2003**	**2004**	**2005**	**2006**
Sales[4]	$ 7,080	$9,567	$ 22,197	$ 28,132	$58,870
Cost of sales (exclusive of depreciation and amortization)	5,752	7,568	14,694	21,495	46,072
Depreciation and amortization	266	331	553	829	1,993
Selling, general and administrative	360	369	804	1,062	2,984
Operating income	702	1,299	6,146	4,746	7,821
Operating income as percentage of Sales	9.9%	13.6%	27.7%	16.9%	13.3%
Other income net	32	70	128	77	52
Income from equity method investments	111	162	66	69	301
Financing costs net	(207)	(131)	(207)	(189)	(564)
Income before taxes and minority interest	638	1,400	6,133	4,703	7,610
Net income	595	1,182	4,701	3,365	5,405
Basic earnings per common share[1]	$0.92	$1.83	$7.31	$4.90	$5.47
Diluted earnings per common share[1]	$0.92	$1.83	$7.31	$4.89	$5.46
Dividends declared per share[2]				$0.30	$0.50

Balance Sheet Data	**As of December 31,**				
(Amounts in $ millions except share data)	**2002**	**2003**	**2004**	**2005**	**2006**
Cash and cash equivalents, including short-term investments and restricted cash	$417	$900	$2,634	$2,149	$6,146
Property, plant and equipment	4,094	4,654	7,562	15,539	49,809
Total assets	7,909	10,137	19,153	31,042	105,686
Payable to banks and current portion of long-term debt	546	780	341	334	4,919
Long-term debt (including affiliates)[3]	2,187	2,287	1,639	7,974	21,576
Net assets	1,442	2,561	5,846	10,150	36,879
Basic weighted average common shares outstanding (millions)	648	647	643	687	988

(1) Earnings per common share are computed by dividing net income by the weighted average number of common shares outstanding during the periods presented considering retroactively the shares issued by Mittal Steel in connection with the acquisition of LNM Holdings.

(2) This does not include the dividends declared by LNM Holdings to its shareholder prior to its acquisition by Ispat International.

(3) Includes loans outstanding from the Significant shareholder of $40 million and $94 million as of December 31, 2002 and 2003, respectively.

(4) Including $507 million in 2002, $561 million in 2003, $2,235 million in 2004, $2,339 million in 2005 and $3,847 million in 2006 of sales to related parties.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION OF ArcelorMittal AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2006

The following unaudited pro forma condensed combined balance sheet and unaudited pro forma condensed combined income statement (Unaudited Pro Forma Condensed Combined Financial Information) of ArcelorMittal give effect to the following transactions as if they occurred on January 1, 2006 for the pro forma condensed combined statement of income and as if they occurred on December 31, 2006 for the pro forma condensed combined balance sheet:

the acquisition by Mittal Steel of 94.2% of the share capital (on a diluted basis) of Arcelor S.A. (Arcelor) and all of the outstanding OCEANEs (convertible bonds) of Arcelor (collectively, the Arcelor Acquisition) (the acquisition is reflected in the historical balance sheet as of December 31, 2006 of Mittal Steel);

the tender offer by Mittal Steel for the acquisition of all outstanding minority interests in Arcelor Brasil S.A. (Arcelor Brasil), a subsidiary of Arcelor;

the $590 million share buy back program announced on April 2, 2007 and the 27 million share buy back program announced on June 12, 2007;

the merger of Mittal Steel Company N.V. (Mittal Steel) into ArcelorMittal; and

the proposed merger of ArcelorMittal (the surviving entity in the Mittal Steel and ArcelorMittal merger) into Arcelor, which will subsequently be renamed ArcelorMittal .

On August 1, 2006, Mittal Steel acquired 91.9% of the share capital of Arcelor (on a diluted basis). Through subsequent transactions Mittal Steel has increased its ownership to 94.2% which includes the issued and outstanding shares of Arcelor and all of Arcelor s convertible bonds, which were acquired in exchange for approximately 680 million Mittal Steel class A common shares and approximately 8.0 billion ($10.2 billion) in cash. The acquisition was accounted for using the purchase method of accounting, which requires that the assets acquired and liabilities assumed be recorded at their estimated fair values at the date of acquisition. The assets acquired and liabilities assumed of Arcelor are reflected in the historical consolidated balance sheet as of December 31, 2006. Accordingly, no pro forma adjustments are recorded in the Unaudited Pro Forma Condensed Combined Balance Sheet related to this acquisition. The results of operations for Arcelor have been included in the consolidated income statement of Mittal Steel since the date of acquisition, August 1, 2006. For purposes of preparing the Unaudited Pro Forma Condensed Combined Income Statement, the Arcelor historical consolidated income statement for the period from January 1, 2006 through July 31, 2006 has been translated from euros into U.S. dollars using an average exchange rate of 1 to $1.2343.

On September 25, 2006, the Comissão de Valores Mobiliários (the CVM), the Brazilian securities regulator, ruled that, as a result of Mittal Steel s acquisition of Arcelor, Mittal Steel was required to carry out a public offer to acquire all of the outstanding shares in Arcelor Brasil not owned by Arcelor or any other affiliate of Mittal Steel. Pursuant to the ruling, the value to be offered to Arcelor Brasil s shareholders is to be determined on the basis of the value of the part of the overall consideration paid for Arcelor by Mittal Steel that was attributable to Arcelor Brasil. On April 17, 2007, the CVM granted registration of the offer, which opened on April 27, 2007 and closed on June 4, 2007. The consideration to be offered per Arcelor Brasil share was R$11.70 in cash and 0.3568 Mittal Steel class A common shares, subject to certain adjustments. Tendering Arcelor Brasil shareholders could also accept an all-cash option, pursuant to which they would receive cash in an amount equal to the value of the cash and share consideration described above, calculated in the manner set forth in the offering documents.

As of June 4, 2007, 191.3 million Arcelor Brasil shares had been tendered, representing 29.5% of the total Arcelor Brasil share capital and 89.7% of the free float of Arcelor Brasil. Of the total number of shares tendered 39.6% were tendered pursuant to the Mixed Offer and 60.4% pursuant to the Cash Offer. The total value offered per Arcelor Brasil share is 21.05 ($28.31). The amount of cash to be paid by Mittal Steel will be approximately 3.2 billion ($4.3 billion). The number of Mittal Steel class A common shares issued was approximately 27 million shares, representing 2% of the share capital of Mittal Steel on a diluted basis. The sell-out right for shareholders who decided not to tender commenced on June 5, 2007 and will end no later than on September 4, 2007 (inclusive), as required by regulations of the CVM. ArcelorMittal intends to redeem all of the remaining shares through a tender squeeze-out process as permitted by Brazilian regulations, given that the free float following the Offer will represent less than 5% of the total share capital of Arcelor Brasil. The Unaudited Pro Forma Condensed Combined Financial Information assumes that Mittal Steel will acquire 100% of the outstanding minority interests pursuant to the offer described above.

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On April 2, 2007, Mittal Steel announced the commencement of a share buy-back program to repurchase up to a maximum aggregate amount of $590 million of its class A common shares. The share buy-back program will end at the earliest of (i) December 31, 2007, (ii) the moment on which the aggregate value of class A common shares repurchased by Mittal Steel since the start of this share buy-back program reaches $590 million, or (iii) the moment on which Mittal Steel and its subsidiaries hold 10% of the total number of the then-issued class A and class B common shares.

On June 12, 2007, Mittal Steel announced its intention to start a share buy-back program for up to a maximum of 27 million class A common shares, immediately following the completion of the $590 million share buy-back program summarized above. This new share buy-back program is designed to offset the issuance of shares as partial consideration for the acquisition of the outstanding minority interests in Arcelor Brasil. All necessary corporate actions will be taken at the level of ArcelorMittal in order to allow the continuation by ArcelorMittal of the Mittal Steel share buy-back programs (the ongoing $590 million program and the announced subsequent 27 million share program) following effectiveness of the merger.

In the Memorandum of Understanding of June 25, 2006 (the MOU), Mittal Steel agreed that it would merge into Arcelor as soon as practicable following completion of its revised offer for Arcelor, and that the combined entity would be incorporated, domiciled and headquartered in Luxembourg. Following discussions at a meeting held on April 27, 2007, the Mittal Steel Board of Directors decided, pursuant to written decisions dated May 2, 2007, to organize a two-step process pursuant to which Mittal Steel would first be merged into ArcelorMittal, which would subsequently be merged into Arcelor as the ultimate surviving entity. The objective of the two-step process is to ensure the earliest possible compliance with the undertakings made by Mittal Steel in the context of its revised offer for Arcelor (as reflected in the MOU).

As a first step in a two-step merger process to combine Mittal Steel and Arcelor in a single legal entity governed by Luxembourg law, on May 2, 2007, Mittal Steel and ArcelorMittal entered into a merger agreement which provides that, subject to the terms and conditions set forth in the merger proposal and the explanatory memorandum, Mittal Steel will merge into ArcelorMittal, by way of absorption by ArcelorMittal of Mittal Steel and without liquidation of Mittal Steel. The combined company will be named ArcelorMittal .

ArcelorMittal was incorporated on August 13, 2004 under the name Verger Investments S.A. It has been a wholly-owned subsidiary of Mittal Steel since April 24, 2007 and was renamed ArcelorMittal on April 26, 2007. ArcelorMittal has not conducted operations to date and will not have conducted any operations prior to the merger. Prior to the merger, ArcelorMittal did not have any assets, liabilities (contingent or otherwise) or commitments, other than assets consisting of an immaterial amount of cash. It is being used to facilitate the two-step merger process described above.

For accounting purposes, the merger of Mittal Steel into ArcelorMittal shall be considered a combination of entities under common control. All recorded assets and liabilities of Mittal Steel and ArcelorMittal shall be carried forward at their historical book values, and the income of ArcelorMittal shall include the income of Mittal Steel for all periods presented. The Unaudited Pro Forma Condensed Combined Financial Information presents ArcelorMittal, the combined company, as if the transaction occurred on January 1, 2006 and it is the legal entity for all periods presented. The assumptions and adjustments to Mittal Steel s historical shareholders equity are described in Note 5 of the Unaudited Pro Forma Condensed Combined Financial Information.

In the second-step merger, ArcelorMittal (the surviving entity in the Mittal Steel and ArcelorMittal merger) will merge into Arcelor and shareholders of ArcelorMittal will become shareholders of Arcelor, which will subsequently be renamed ArcelorMittal . The second-step merger is intended to further rationalize the corporate structure of the combined company initiated by the first-step merger of Mittal Steel and ArcelorMittal. It is intended to complete the second-step merger as soon as practicable after the completion of the first-step merger.

The Boards of Directors of Mittal Steel, ArcelorMittal and Arcelor have unanimously decided that the second-step merger of ArcelorMittal into Arcelor will be effected on the basis of an exchange ratio of 7 Arcelor shares for every 8 ArcelorMittal shares.

The acquisition of the minority interest in connection with the merger of ArcelorMittal (the surviving entity in the Mittal Steel and ArcelorMittal merger) into Arcelor will be accounted for using the purchase method of accounting. The excess of the purchase price over the historical book value of the minority interest will be recorded as goodwill.

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Other referenced acquisitions and divestitures as disclosed on pages 13 through 15 in Presentation of Certain Financial and Other Information Recent Developments , have not been reflected in the pro forma adjustments. The other referenced acquisitions and divestitures were not individually or in the aggregate significant to Mittal Steel as defined in Rule 1-02(w) of Regulation S-X.

The Unaudited Pro Forma Condensed Combined Financial Information has been prepared for illustrative purposes only. Because of its nature, it addresses a hypothetical situation and, therefore, does not represent ArcelorMittal s actual financial position or results. It does not purport to indicate the results of operations or the combined financial position that would have resulted had the transactions been completed at the beginning of the period presented, nor is it intended to be indicative of expected results of operations in future periods or the future financial position of ArcelorMittal. The pro forma adjustments are based upon available information and certain assumptions that ArcelorMittal believes to be reasonable. These adjustments could materially change as the allocation of the purchase price for Arcelor has not been finalized. Accordingly, there can be no assurance that the final allocation of purchase price will not differ materially from the preliminary allocation reflected in the Unaudited Pro Forma Condensed Combined Financial Information.

The Unaudited Pro Forma Condensed Combined Financial Information should be read in conjunction with the notes thereto as well as the historical consolidated financial statements of Mittal Steel and Arcelor, each incorporated by reference into this Registration Statement on Form F-4.

The audited consolidated financial statements of Mittal Steel as of and for the year ended December 31, 2006, included in Mittal Steel s Annual Report on Form 20-F (dated April 17, 2007, as amended July 3, 2007), were prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS). The audited consolidated financial statements of Arcelor were prepared in accordance with IFRS. To assist in understanding the Unaudited Pro Forma Condensed Combined Financial Information, a quantitative and qualitative reconciliation from IFRS to accounting principles generally accepted in the United States (U.S. GAAP) for the pro forma combined shareholders equity as of December 31, 2006 and the pro forma combined net income for the year ended December 31, 2006 is included in Note 12 herein.

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ArcelorMittal

UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET

As of December 31, 2006

(in millions of U.S. Dollars)			Pro Forma Adjustments					
	Mittal Steel Historical (Note 2a)	Acquisition of Minority Interest of Arcelor Brasil (Note 3)	Share Buy-Back Program (Note 4)	Pro Forma Combined Mittal Steel	Merger of Mittal Steel into ArcelorMittal (Note 5)	Pro Forma Combined ArcelorMittal	Merger of ArcelorMittal into Arcelor (Note 6)	Pro Forma Combined ArcelorMittal
Current assets								
Cash and cash equivalents, restricted cash and short-term investments	$ 6,146	$ (4,319) a	$ (590)	$ 1,237	$	$ 1,237	$	$ 1,237
Trade accounts receivable	8,769			8,769		8,769		8,769
Inventories	19,238			19,238		19,238		19,238
Prepaid expenses and other current assets	5,209			5,209		5,209		5,209
Total current assets	39,362	(4,319)	(590)	34,453		34,453		34,453
Goodwill and intangible assets	10,782	3,755		14,537		14,537	1,120	15,657
Property, plant and equipment	54,696			54,696		54,696		54,696
Investments accounted for using the equity method	3,492			3,492	a,b	3,492		3,492
Other assets	2,164			2,164		2,164		2,164
Deferred tax assets	1,670			1,670		1,670		1,670
Total assets	$ 112,166	$ (564)	$ (590)	$ 111,012	$	$ 111,012	$ 1,120	$ 112,132
Current liabilities								
Payable to banks and current portion of long-term debt	$ 4,922	$	$ 1,790	$ 6,712	$	$ 6,712	$	$ 6,712
Trade accounts payable	10,717			10,717		10,717		10,717
Accrued expenses and other liabilities	8,921			8,921		8,921		8,921
Total current liabilities	24,560		1,790	26,350		26,350		26,350
Long-term debt, net of current portion	21,645			21,645		21,645		21,645
Deferred employee benefits	5,285			5,285		5,285		5,285
Deferred tax liabilities	7,274			7,274		7,274		7,274
Other long-term obligations	3,211			3,211		3,211		3,211
Total liabilities	61,975		1,790	63,765		63,765		63,765
	42,127	1,793 a,b	(2,380)	41,540	a,b	41,540	2,924 a,b	44,464

Equity attributable to the equity holders of the parent								
Minority interest	8,064	(2,357) b		5,707		5,707	(1,804) b	3,903
Total equity	50,191	(564)	(2,380)	47,247		47,247	1,120	48,367
Total liabilities and equity	$ 112,166	$ (564)	$ (590)	$ 111,012	$	$ 111,012	$ 1,120	$ 112,132

See accompanying notes to Unaudited Pro Forma Condensed Combined Financial Information

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ArcelorMittal

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF INCOME

For the Year Ended December 31, 2006

(in millions of U.S. Dollars, except per share data)	Mittal Steel Historical (Note 2b)	Arcelor Historical (January 1 to July 31, 2006) (Note 2c)	Pro forma adjustments: Acquisition of Arcelor (Note 7)	Acquisition of Minority Interest of Arcelor Brasil (Note 8)	Share Buy-Back Program (Note 9)	Pro Forma Combined Mittal Steel	Merger of Mittal Steel into ArcelorMittal (Note 5)	Pro Forma Combined ArcelorMittal	Merger of ArcelorMittal into Arcelor (Note 10)	Pro Forma Combined ArcelorMittal
Sales	$ 58,870	$ 28,659	$	$	$	$ 87,529	$	$ 87,529	$	$ 87,529
Cost of sales	48,411	23,381	35a			71,827		71,827		71,827
Selling, general, and administrative	2,960	2,260				5,220		5,220		5,220
Operating income	7,499	3,018	(35)			10,482		10,482		10,482
Other income net	49	(341)	341 b			49		49		49
Income from equity method investments	301	269				570		570		570
Finance costs net	(654)	(451)	(222) c		(75) a	(1,402)		(1,402)		(1,402)
Income before income taxes	7,195	2,495	84		(75)	9,699		9,699		9,699
Income tax expense	(1,109)	34	(21) d		19	(1,077)		(1,077)		(1,077)
Net income (including minority interest)	$ 6,086	$ 2,529	$ 63	$	$ (56)	$ 8,622	$	$ 8,622	$	$ 8,622
Attributable to:									$	
Equity holders of parent	$ 5,226	$ 2,103	$ (74) e	$ 476 a	$ (56)	$ 7,675	$	$ 7,675	$ 217 a	7,892
Minority interest	860	426	137 e	(476) a		947	$	947	(217) a	730
Earnings-per-share:										
Basic	$ 5.29					$ 5.58		$ 5.58	$	$ 5.56
Diluted	5.28					5.58		5.58		5.56
Weighted average shares outstanding:										
Basic	988		396 f	27 b	(37) c	1,375		1,375	44 b	1,419
Diluted	989		396 f	27 b	(37) c	1,376		1,376	44 b	1,420

See accompanying notes to Unaudited Pro Forma Condensed Combined Financial Information

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NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

Note 1 Basis of Pro Forma Presentation

The Unaudited Pro Forma Condensed Combined Income Statement for the year ended December 31, 2006 reflects adjustments as if each of the acquisition of Arcelor, accounted for using the purchase method of accounting, the pending acquisition of the outstanding minority interest in Arcelor Brasil, the merger of Mittal Steel into ArcelorMittal, and the proposed merger of ArcelorMittal into Arcelor had occurred on January 1, 2006. The Unaudited Pro Forma Condensed Combined Balance Sheet reflects adjustments as if the pending acquisition of the outstanding minority interest in Arcelor Brasil, the merger of Mittal Steel into ArcelorMittal, and the proposed merger of ArcelorMittal into Arcelor had occurred as of December 31, 2006.

The Unaudited Pro Forma Condensed Combined Financial Information is presented for illustrative purposes only and does not purport to indicate the results of operations or the combined financial position that would have resulted had the transactions been completed as of the dates indicated, nor is it intended to be indicative of expected results of operations in future periods or the future financial position of ArcelorMittal. Likewise, the pro forma combined provision for income taxes and the pro forma combined balances of deferred taxes may not represent the amounts that would have resulted had the entities filed consolidated income tax returns during the periods presented. In addition, they do not reflect cost savings or other synergies resulting from the acquisitions that may be realized in future periods.

Intercompany sales between the entities included in the Unaudited Pro Forma Condensed Combined Financial Information have not been excluded or eliminated from the Unaudited Pro Forma Condensed Combined Information as the amounts are not material.

The Unaudited Pro Forma Condensed Combined Financial Information has been prepared on the basis of assumptions described in these notes. Mittal Steel has not completed its purchase price allocation for its acquisition of Arcelor, and the actual allocation may materially differ from the preliminary allocation. For the purposes of the Unaudited Pro Forma Condensed Combined Financial Information, the excess of purchase price over the preliminary fair value of the net assets acquired has been allocated to goodwill. As Mittal Steel completes the purchase price allocation for Arcelor, the excess may be allocated to other identified intangible assets including patents, customer related intangibles, and favorable and unfavorable contracts and to contingent liabilities including environmental obligations and litigation claims. The receipt of the final valuation and the impact of ongoing integration activities could cause material differences between actual and pro forma results in the information presented.

Note 2 Historical Financial Statements

Represents the historical financial statements of Mittal Steel and Arcelor in accordance with IFRS.

a) Represents the historical condensed consolidated balance sheet of Mittal Steel as of December 31, 2006.

b) Represents the historical condensed consolidated statement of income of Mittal Steel for the year ended December 31, 2006.

c) Represents the historical condensed consolidated statement of income of Arcelor for the period from January 1, 2006 through July 31, 2006 translated from euros into U.S. dollars using an average exchange rate of 1 to $1.2343.

Note 3 Acquisition of the Minority Interest in Arcelor Brasil (Balance Sheet)

On September 25, 2006, the Comissão de Valores Mobiliários (the CVM), the Brazilian securities regulator, ruled that, as a result of Mittal Steel s acquisition of Arcelor, Mittal Steel was required to carry out a public offer to acquire all of the outstanding shares in Arcelor Brasil not owned by Arcelor or any other affiliate of Mittal Steel. Pursuant to the ruling, the value to be offered to Arcelor Brasil s shareholders is to be determined on the basis of the value of the part of the overall consideration paid for Arcelor by Mittal Steel that was attributable to Arcelor Brasil. On April 17, 2007, the CVM granted registration of the offer, which opened on April 27, 2007 and closed on June 4, 2007. The consideration offered per Arcelor Brasil share was R$11.70 in cash and 0.3568 Mittal Steel class A common shares, subject to certain adjustments. Tendering Arcelor Brasil shareholders could also accept an all-cash option, pursuant to which they would receive cash in an amount equal to the value of the cash and share consideration described above, calculated in the manner set forth in the offering documents.

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NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

As of June 4, 2007, 191.3 million Arcelor Brasil shares were tendered, representing 29.5% of the total Arcelor Brasil share capital and 89.7% of the free float of Arcelor Brasil. Of the total number of shares tendered 39.6% were tendered pursuant to the Mixed Offer and 60.4% pursuant to the Cash Offer. The total value offered per Arcelor Brasil share is 21.05 ($28.31). The amount of cash paid by Mittal Steel was approximately 3.2 billion ($4.3 billion). The number of Mittal Steel class A common shares issued was approximately 27 million shares, representing 2% of the share capital of Mittal Steel on a diluted basis. The sell-out right for shareholders who decided not to tender commenced on June 5, 2007 and will end no later than on September 4, 2007 (inclusive), as required by regulations of the CVM. ArcelorMittal intends to redeem all of the remaining shares through a tender squeeze-out process as permitted by Brazilian regulations, given that the free float following the Offer will represent less than 5% of the total share capital of Arcelor Brasil. The Unaudited Pro Forma Condensed Combined Financial Information assumes that the value offered per Arcelor Brasil share is as described above and that the reference price of class A common shares of Mittal Steel to be used for determining the number of shares to be delivered pursuant to the offering documents is assumed to be $66.31, the closing share price on the New York Stock Exchange on June 21, 2007.

In addition, the impact of ongoing integration activities, the timing of completion of the acquisition, transaction costs to be allocated or incurred, and other changes, which occur prior to completion of the acquisition, could cause material differences between actual and pro forma results in the information presented.

a) The estimated total purchase price for the acquisition is as follows:

	Amount (in millions)
Estimated value of Mittal Steel shares issued (approximately 27 million shares x $66.31)	$ 1,793
Estimated total cash paid to security holders	4,319
Total purchase price	$ 6,112

b) Represents the elimination of the historical book value of minority interest acquired of $2,357 and the estimated excess of the proposed purchase price over the book value of the Arcelor Brasil minority interest. The excess of $3,755 is recorded as an increase in goodwill.

	Amount (in millions)
Total purchase price	$ 6,112
Less: historical book value of minority interest acquired	2,357
Adjustment to goodwill resulting from the excess of purchase price over book value	$ 3,755

Although during 2006 there were no acquisitions of minority interest, in the preparation of its consolidated financial statements Mittal Steel determined the policy to be applied for future acquisition of minority interest to be that which is disclosed in Note 2 to the consolidated financial statements. Subsequent to the issuance of Mittal Steel s Annual Report on Form 20-F for the year ended December 31, 2006, and in connection with its considerations related to the accounting for acquisition of the minority interest in Arcelor Brasil, Mittal Steel determined to voluntarily change its accounting policy to account for the excess of purchase price and the historical book value as goodwill. Mittal Steel believes that accounting for such excess as goodwill provides more relevant information consistent with the economics of the transaction. As no transactions were accounted for applying the policy disclosed in Note 2 to the consolidated financial statements, retrospective application of this change has no effect on prior periods. The pro forma adjustments above reflect the acquisition of Arcelor Brasil in accordance with the revised policy.

Note 4 Share-buy Back Programs (Balance Sheet)

On April 2, 2007, Mittal Steel announced the commencement of a share buy-back program to repurchase up to a maximum aggregate amount of $590 million of its class A common shares. The share buy-back program will

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end at the earliest of (i) December 31, 2007, (ii) the moment on which the aggregate value of class A common shares repurchased by Mittal Steel since the start of this share buy-back program reaches $590 million, or (iii) the moment on which Mittal Steel and its subsidiaries hold 10% of the total number of the then-issued class A and class B common shares. As of June 15, 2007, 9.3 million shares have been repurchased under this program for consideration of approximately 431 million ($579 million). The Unaudited Pro Forma Condensed Combined Financial Information assumes that 0.2 million additional shares will be repurchased for consideration of 8 million ($11 million) for a total of 9.5 million shares repurchased.

On June 12, 2007, Mittal Steel announced its intention to start a share buy-back program for up to a maximum of 27 million class A common shares, immediately following the completion of its current $590 million share buy-back program. This new share buy-back program is aimed at offsetting the issuance of shares in the tender offer by Mittal Steel for the acquisition of all outstanding minority interests in Arcelor Brasil. The Unaudited Pro Forma Condensed Combined Financial Information includes estimated consideration paid for this new share buy-back program to be approximately $1,790 million assuming the maximum number of shares repurchased of 27 million and a price per share of $66.31, the closing price on the New York Stock Exchange on June 21, 2007. This share buy-back program is assumed to be financed through new credit facilities. All necessary corporate actions will be taken at the level of ArcelorMittal in order to allow the continuation by ArcelorMittal of the Mittal Steel share buy-back programs (the ongoing $590 million program and the announced subsequent 27 million share program) following effectiveness of the merger.

Note 5 Merger of Mittal Steel into ArcelorMittal

ArcelorMittal and Mittal Steel have agreed in a merger agreement dated May 2, 2007 to merge as contemplated by the merger proposal, as described in this proxy statement/prospectus. Under the terms of the merger proposal, Mittal Steel will merge into ArcelorMittal, by way of absorption by ArcelorMittal of Mittal Steel and without liquidation of Mittal Steel.

ArcelorMittal was incorporated on August 13, 2004 under the name Verger Investments S.A. It has been a wholly-owned subsidiary of Mittal Steel since April 24, 2007 and was renamed ArcelorMittal on April 26, 2007. ArcelorMittal has not conducted operations to date and will not have conducted any operations prior to the merger. Prior to the merger, ArcelorMittal did not have any assets, liabilities (contingent or otherwise) or commitments, other than assets consisting of an immaterial amount of cash. It is being used to facilitate the two-step merger process described above.

In the merger, a holder of Mittal Steel class A common shares will receive one newly issued ArcelorMittal share for every Mittal Steel Class A common share, which is referred to as the Class A Exchange Ratio. A holder of Mittal Steel class B common shares will receive one newly issued ArcelorMittal share for every one Mittal Steel class B common share, which is referred to as the Class B Exchange Ratio.

Mittal Steel class A common shares and Mittal Steel class B common shares held in treasury by Mittal Steel will cease to exist as a result of the merger and pursuant to Dutch law. ArcelorMittal will not issue any shares in consideration of such Mittal Steel class A common shares and Mittal Steel class B common shares held in treasury by Mittal Steel.

The ArcelorMittal shares to be issued in the merger will be created under Luxembourg law and will have the rights as set forth in ArcelorMittal s articles of association and Luxembourg law. No additional consideration in cash or in kind will be paid by ArcelorMittal to the shareholders of Mittal Steel in connection with the merger.

Former Mittal Steel shareholders will hold 100% of the outstanding shares of ArcelorMittal after the merger.

a) Reflects the issuance of ArcelorMittal shares in exchange for the net assets of Mittal Steel as of December 31, 2006.

b) Reflects the elimination of ArcelorMittal s investment in Mittal Steel against the combined equity of Mittal Steel.

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	Amount (in millions)
a) Issuance of ArcelorMittal shares	$ 42,127
b) Elimination of ArcelorMittal s investment	(42,127)
Total pro forma adjustment	$

Note 6 Merger of ArcelorMittal into Arcelor (Balance Sheet)

In the second-step merger, ArcelorMittal (the surviving entity in the Mittal Steel and ArcelorMittal merger) will merge into Arcelor and shareholders of ArcelorMittal will become shareholders of Arcelor, which will subsequently be renamed ArcelorMittal . The second-step merger is intended to further rationalize the corporate structure of the combined company initiated by the first-step merger of Mittal Steel and ArcelorMittal. It is intended to complete the second-step merger as soon as practicable after the completion of the first-step merger.

The Boards of Directors of Mittal Steel, ArcelorMittal and Arcelor have unanimously decided that the second-step merger of ArcelorMittal into Arcelor will be effected on the basis of an exchange ratio of 7 Arcelor shares for every 8 ArcelorMittal shares. The acquisition of the minority interest in connection with the merger of ArcelorMittal (the surviving entity in the Mittal Steel and ArcelorMittal merger) into Arcelor will be accounted for using the purchase method of accounting. The excess of the purchase price over the historical book value of the minority interest will be recorded as goodwill.

The Unaudited Pro Forma Condensed Combined Financial Information assumes the per share price of ArcelorMittal shares to be $66.31, the closing share price on the New York Stock Exchange on June 21, 2007.

a) The estimated total purchase price for the acquisition of the minority interest in Arcelor is as follows:

	Amount (in millions)
Estimated value of ArcelorMittal shares issued (approximately 44 million shares x $66.31)	$ 2,924
Estimated cash paid to security holders	
Total purchase price	$ 2,924

b) Represents the elimination of the historical book value of minority interest acquired of $1,804 and the estimated excess of the proposed purchase price over the book value of the Arcelor minority interest. The excess of $1,120 is recorded as an increase in goodwill.

	Amount (in millions)
Total purchase price	$ 2,924
Less: historical book value of minority interest acquired	1,804
Adjustment to goodwill resulting from the excess of purchase price over book value	$ 1,120

Note 7 Acquisition of Arcelor (Statement of Income)

Mittal Steel, through a series of transactions, acquired 94.2% of the issued and outstanding shares of Arcelor and all of Arcelor s Convertible bonds. Aggregate consideration consisted of cash paid by Mittal Steel of approximately 8.0 billion (approximately $10.2 billion) and approximately 680 million Mittal Steel class A shares, valued at $34.20 per share for IFRS accounting purposes, the weighted average closing price on August 1, 2006 and September 4, 2006 (the dates of the issuance of Mittal Steel shares as consideration).

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The purchase price for the Arcelor acquisition was determined as follows:

	Amount (in millions)
Value of Mittal Steel shares issued	$ 23,240
Cash paid to security holders	10,247
Bankers fees and other transaction costs	188
Total purchase price	$ 33,675
Less: Cash acquired	4,594
Total purchase price, net	$ 29,081

The following table presents the preliminary amounts assigned to the net assets acquired based on their estimated fair values at the date of acquisition:

(in millions)	Arcelor Historical	Purchase Accounting Adjustments	Preliminary Purchase Price Allocation
Assets:			
Current assets	$ 21,292	$ 1,060	$ 22,352
Property, plant and equipment	22,480	11,770	34,250
Other non-current assets	6,356	1,607	7,963
Liabilities:			
Current liabilities	(16,178)		(16,178)
Long-term loan	(8,830)	(80)	(8,910)
Other long-term liabilities	(5,532)	(699)	(6,231)
Deferred income taxes	(1,276)	(4,029)	(5,305)
Minority interest	(3,303)	(144)	(3,447)
Net assets	$ 15,009	$ 9,485	$ 24,494
Minority interest	(1,147)	(614)	(1,761)
Net assets acquired	$ 13,862	$ 8,871	$ 22,733
Fair value of shares issued			23,240
Cash paid, net of $4,594 cash acquired			5,841
Purchase price, net			$ 29,081
Goodwill			$ 6,348

The Arcelor acquisition was financed with credit extended by financial institutions under agreements entered into on January 30, 2006 (as subsequently amended) and May 23, 2006 totaling 7.8 billion (approximately $10.0 billion). Further, on September 7, 2006 and September 11, 2006, Mittal Steel signed a revolving credit facility of 1.0 billion (approximately $1.3 billion) to finance the further acquisition of shares. $9,067 million was utilized towards the cash settlement of the purchase consideration of the Arcelor acquisition. The cash acquired from the Arcelor acquisition has been reduced for transaction costs of $165 million and a $176 million fee paid by Arcelor to Severstal upon the termination of the agreement relating to a proposed transaction between Arcelor and Severstal. The financing of the cash paid is summarized below:

	Amount (in millions)
Short-term debt incurred	$ 2,750
Long-term debt incurred	6,317
Cash from balance sheet paid	1,709
Total financing	$ 10,776

a) Reflects the incremental amortization of unfavorable and favorable contracts recognized in connection with the acquisition of Arcelor, for the period from January 1, 2006 through July 31, 2006. Annual

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expected amortization is $60 million per annum, based on preliminary estimates. Therefore the $35 million adjustment reflects the incremental amortization for the seven months ended July 31, 2006.

Approximately $6.3 billion has been allocated to goodwill. As Mittal Steel completes the purchase price allocation, this excess may be allocated to other identified tangible or intangible assets, including patents, customer related intangibles, and favorable and unfavorable contracts, which could be depreciable or amortizable. If this amount were allocated to assets with estimated useful lives of 10-25 years, amortization expense would increase by approximately $630 million to $254 million per annum, before income taxes.

Based on preliminary estimates, Mittal Steel has allocated $11.8 billion to property, plant and equipment. Historically, the useful lives of property, plant and equipment applied by Arcelor ranged from 5 to 25 years. In connection with Mittal Steel s acquisition of Arcelor and its fair valuation of the acquired assets and liabilities, Mittal Steel assessed the remaining useful lives of property, plant and equipment based on its current state and Mittal Steel s experience in operating such assets. This assessment resulted in the assignment of remaining useful lives ranging from 5 to 38 years.

As a result of these two offsetting effects, Mittal Steel does not expect the acquisition to have a significant impact on depreciation expense.

b) Represents the elimination of $341 million of costs directly incurred by Arcelor related to the acquisition that were expensed during the seven months ended July 31, 2006. The costs are primarily composed of financial advisory, legal and other non-recurring professional fees. Assuming the acquisition took place on January 1, 2006, these costs would not have been expensed during the period presented.

c) Represents the incremental interest expense related to the borrowings noted above, for the period from January 1, 2006 through July 31, 2006. Interest is calculated based on EURIBOR plus a margin. The interest rate has been estimated at 4.2% or approximately $381 million per annum. Therefore the $222 million adjustment represents the incremental interest expense for the seven months ended July 31, 2006. A 0.5% or 50 basis point change in the interest rate would increase or decrease net income by approximately $45 million per annum, before income taxes.

d) Represents the tax impact of the above adjustments assuming a 25% blended statutory rate.

e) The following represents the reallocation of the net income attributable to minority interests to net income attributable to equity holders of the parent resulting from the adjustments as if the acquisition of Arcelor had occurred on January 1, 2006.

	Amount (in millions)
Attributable to:	
Equity holders of the parent	
Net income (including minority interest)	$ 63
	(122)

Allocation of 5.8% minority interest share of Arcelor historical net income attributable to equity holders of the parent (2,103 x 5.8%)		
Allocation of 5.8% minority interest share of 6b) net of income taxes of $85 million		(15)
Total	$	(74)
Minority interest		
Allocation of 5.8% minority interest share of Arcelor historical net income attributable to equity holders of the parent (2,103 x 5.8%)	$	122
Allocation of 5.8% minority interest share of 6b) net of income taxes of $85 million		15
Total	$	137

f) Represents the incremental weighted average of the 680 million Mittal Steel class A common shares issued for the acquisition of Arcelor for seven months.

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Note 8 Acquisition of the Minority Interest of Arcelor Brasil (Statement of Income)

Mittal Steel has proposed to acquire the outstanding minority interest of Arcelor Brasil. See Note 3 for a description of the proposed transaction.

a) Represents the reallocation of the net income attributable to minority interests to net income attributable to equity holders of the parent, as a result of the acquisition of the minority interest.

b) Represents the number of Mittal Steel class A common shares issued for the proposed acquisition of Arcelor Brasil.

Note 9 Share-buy Back Programs (Balance Sheet)

Mittal Steel has proposed share-buy back programs as described in Note 4.

a) Represents the incremental interest expense related to the borrowings to fund the 27 million share buy back program for the period from January 1, 2006 to December 31, 2006. Interest is calculated based on EURIBOR plus a margin. The interest rate has been estimated at 4.2% or approximately $75 million per annum. A 0.5% or 50 basis point change in the interest rate would increase or decrease net income by approximately $9 million per annum, before income taxes.

b) Represents the tax impact of the above adjustments assuming a 25% blended statutory rate.

c) Represents the number of Mittal Steel class A common shares repurchased for the $590 million share buy-back program (9.5 million shares) and the 27 million share buy-back program.

Note 10 Merger of ArcelorMittal into Arcelor (Statement of Income)

ArcelorMittal (the surviving entity in the Mittal Steel and ArcelorMittal merger) will merge into Arcelor. See Note 6 for a description of the proposed transaction.

a) Represents the reallocation of the net income attributable to minority interests to net income attributable to equity holders of the parent, as a result of the acquisition of the minority interest of $80 million recorded for the five-month period ended December 31, 2006 and $137 million recorded for the pro forma adjustment as described in Note 7e).

b) Represents the number of additional ArcelorMittal shares to be issued in connection with the proposed merger of ArcelorMittal into Arcelor.

Note 11 Other Information

Described below are various events which occurred subsequent to the acquisition and which have not been reflected in the pro forma adjustments described above:

a) Following the Arcelor acquisition, Mittal Steel adopted a dividend policy to distribute 25% of its annual net income. Had this policy been in effect as of January 1, 2006, the pro forma dividend per share of Mittal Steel and Arcelor combined would have been $1.49 for the year ended December 31, 2006, on a basic and diluted basis.

b) On February 20, 2007 the United States Department of Justice (DOJ) informed Mittal Steel that it had selected the Sparrows Point plant for divesture under the consent decree filed by the DOJ in August 2006. See Recent Developments Dofasco for a discussion of the consent decree and the context in which it was entered. The Company is currently in the process of divesting the Sparrows Point plant. Given that this divestiture is not material, it has not been included in the pro forma adjustments.

c) Other referenced acquisitions and divestitures as disclosed on pages 13 through 15 in Presentation of Certain Financial and Other Information Recent Developments , have not been reflected in the pro forma adjustments. The other referenced acquisitions and divestitures were not individually or in the aggregate significant to Mittal Steel as defined in Rule 1-02(w) of Regulation S-X.

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Note 12 - Significant Differences between IFRS and U.S. GAAP

The Unaudited Pro Forma Condensed Combined Financial Information was prepared in accordance with IFRS, which, as applied by ArcelorMittal, differs in certain significant respects from U.S. GAAP. Under ArcelorMittal s accounting policies, there are no differences between IFRS and International Financial Reporting Standards as issued by the International Accounting Standards Board. The effects of the application of U.S. GAAP to pro forma consolidated net income for the year ended December 31, 2006, respectively, as reported under IFRS, are set out in the table below:

(in millions)	**For the Year Ended December 31, 2006**	
Pro forma combined net income (including minority interest) as reported under IFRS	$	8,622
Less: pro forma combined minority interest share of net income		730
Pro forma net income attributable to equity holders of parent, as reported under IFRS		**7,892**
U.S. GAAP adjustments:		
(a) Employee benefits		54
(b) Business combination related adjustments		
(1) Negative goodwill		280
(2) Measurement date		
(3) Revaluation of minority interests		379
(4) Restructuring provisions		80
(5) Finalization of purchase price allocation		
(c) Other		(153)
(d) Deferred income tax effect on adjustments		(279)
(e) Effect of minority interests on adjustments		(175)
Total U.S. GAAP adjustments		**186**
Pro forma net income, as determined under U.S. GAAP	**$**	**8,078**

The effects of the application of U.S. GAAP to pro forma consolidated shareholders' equity as of December 31, 2006, as reported under IFRS, is set out in the table below:

(in millions)	**December 31, 2006**	
Pro forma combined shareholders equity, as reported under IFRS	$	48,367
Less: pro forma combined minority interest, as reported under IFRS		(3,903)
Pro forma combined shareholders equity excluding minority interest, as reported under IFRS		**44,464**
U.S. GAAP adjustments:		
(a) Employee benefits		(1,225)
(b) Business combination related adjustments		

(1) Negative goodwill		(3,240)
(2) Measurement date		(2,133)
(3) Transactions with minority interests		(1,632)
(4) Restructuring provisions		80
(5) Finalization of purchase price allocation		121
(c) Other		(161)
(d) Deferred income tax effect on adjustments		1,125
(e) Effect of minority interests on adjustments		1,817
Total U.S. GAAP adjustments		**(5,248)**
Pro forma combined shareholders equity under U.S. GAAP	**$**	**39,216**

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(a) Employee benefits

The aggregate adjustments included in the table above as of December 31, 2006 for the balance sheet and for the year then ended for the statement of income consist of the following:

	As of December 31, 2006		For the Year Ended December 31, 2006	
Recognition of funded status (SFAS 158)	$	(1,012)	$	12
Prior service costs		(213)		42
Total U.S. GAAP adjustments (before income Taxes and minority interest)	**$**	**(1,225)**	**$**	**54**

Recognition of funded status (SFAS 158)

Under U.S. GAAP, the Company accounts for its pensions and post-retirement benefit plans in accordance with Statement of Financial Accounting Standards (SFAS) No. 87, Employers Accounting for Pensions and SFAS 106, Employers Accounting for Post-retirement Benefits and, from December 31, 2006, SFAS 158, Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans, an amendment of FASB Statements No. 87, 88, 106, and 132(R). Effective December 31, 2006, SFAS No. 158 requires the Company to recognize the funded status of employee benefit plans on the balance sheet. Prior to the adoption of SFAS No. 158, the Company recognized an additional minimum pension liability as described below. Due to the adoption of SFAS 158, actuarial gains and losses and past service costs, (which remain unrecognized amounts under IFRS) are recognized as of December 31, 2006 directly in equity, net of deferred income taxes.

Prior service costs

Under IFRS, in accordance with IAS 19, Employee Benefits , where pension benefits have already vested, past service costs are recognized immediately. Under U.S. GAAP, in accordance with FAS 87, Employers Accounting for Pensions , prior service costs are amortized over the remaining working lives for both vested and unvested rights.

(b) Business combinations

(1) Negative goodwill

Under IFRS 3, Business Combinations, any excess of the fair value of acquired net assets over the acquisition cost (negative goodwill) is recognized immediately as income. Under U.S. GAAP, in accordance with Statement of Financial Accounting Standards (FAS) 141, Business Combinations, any excess of the fair value of acquired net assets over the acquisition cost (negative goodwill) is allocated on a pro rata basis to reduce the amount allocated to non-current, non-monetary assets until such assets are reduced to zero. Any remaining excess is recognized immediately as an extraordinary gain.

During the year ended December 31, 2006, U.S. GAAP depreciation and amortization expense was reduced by $280 million and U.S. GAAP equity was decreased by $3,240 million as a result of the above difference.

(2) Measurement date

Under IFRS, the guidance of IFRS 3 requires that securities issued as consideration in a business combination be recorded at their fair value as of the date of exchange the date on which an entity obtains control over the acquiree s net assets and operations. Under U.S. GAAP, in accordance with Emerging Issues Task Force (EITF) 99-12: Determination of the Measurement Date for the Market Price of Acquirer Securities Issued in a Purchase Business Combination, the measurement date used to determine the fair value of securities issued as consideration in a business combination is date when the terms of transaction are agreed to and announced.

(3) Revaluation of minority interest

Under IFRS, when Mittal Steel acquires less than 100% of a subsidiary, the minority interest is stated on Mittal Steel s balance sheet at the minority s proportion of the net fair value of acquired assets, liabilities and

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contingent liabilities assumed. Under U.S. GAAP, the minority interest is valued at its historical book value. Fair values are only assigned to Mittal Steel s share of the net assets acquired. This decreased U.S. GAAP equity by approximately $1,632 million, before income tax, as of December 31, 2006 and increased U.S. GAAP net income by approximately $379 million, before income tax, for the year ended December 31, 2006, respectively.

(4) Restructuring provisions

Under IFRS, the Company may recognize restructuring provisions as part of the acquired liabilities only if the Company has an existing liability at the acquisition date for a restructuring plan recognized in accordance with International Accounting Standards (IAS) 37, Provisions, contingent liabilities, and contingent assets .

Under U.S. GAAP, EITF 95-3, Recognition of Liabilities in Connection with a Business Combination, requires the Company to recognize a restructuring liability at the acquisition date if specific criteria are met. Mittal Steel must have a plan to exit an activity as of the acquisition date, and communication of such a plan should have occurred.

Acquisition of ISG

In conjunction with the acquisition of ISG, a restructuring provision was recognized under U.S. GAAP, which could not be recognized for IFRS purposes. Therefore, under IFRS, the net assets acquired were higher than those recognized under U.S. GAAP in the opening balance sheet, resulting in a corresponding adjustment to the amount of negative goodwill recognized immediately in the P&L under IFRS, which is not recognized for U.S. GAAP purposes. The difference has no impact on consolidated shareholders equity in total between IFRS and U.S. GAAP, however, in reconciling from IFRS to U.S. GAAP, a reclassification adjustment is necessary within equity (from retained earnings under IFRS to additional paid in capital under U.S. GAAP) for the above difference.

During the year ended December 31, 2006, ISG recorded a restructuring provision of $80 million under IFRS, which was recognized under U.S. GAAP through the purchase accounting during the year ended December 31, 2005. Accordingly, the provision recorded under IFRS has been reversed during the year ended December 31, 2006 under U.S. GAAP.

(5) Finalization of purchase price allocation (PPA)

The aggregate adjustments included in the tables above as of and for the year ended December 31, 2006 consist of the following:

	As of December 31, 2006		For the Year Ended December 31, 2006	
U.S. GAAP adjustments:				
Finalization of ISG PPA	$	130	$	
Finalization of Kryviy Rih PPA		(9)		
Total U.S. GAAP adjustments (before income taxes and minority interest)		**121**		
Effect of income taxes on adjustments				
Effect of minority interests on adjustments		10		
Total U.S. GAAP adjustments (after income taxes and minority interest)	**$**	**131**		