

Arcelor Mittal set to raise \$3bn

Contributed by Egypt News
Tuesday, 20 May 2008

Steelmaker Arcelor Mittal has announced plans to raise \$3bn (£1.5bn; 1.9bn Euros) through a bond issue

It will use the funds from selling the bonds to reduce its long-term debt, which has risen to more than \$25bn. The world's largest steelmaker by volume, the firm was created by Mittal Steel's 2006 takeover of Arcelor. The firm recently reported a 5% rise in first-quarter profits, noting there was still strong global demand for steel despite growing economic uncertainties.

Arcelor Mittal's shares fell nearly 2% in early trading in Paris after the bond issue was announced.

The firm's debt has risen by about \$3bn to \$25bn so far this year, pushed up by the cost of recent share buybacks, acquisitions and the impact of foreign exchange rates.

Arcelor Mittal is targeting emerging markets for future growth, recently signing deals in Argentina, Brazil, China, Egypt and Venezuela.

The group, led by chief executive Lakshmi Mittal, employs 310,000 staff.

EGYPT NEWS