



Associated Press

U.S. Justice Department approves sale of Baltimore-area steel mill

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BALTIMORE (AP) - The U.S. Justice Department has approved the sale of the Sparrows Point steel mill near Baltimore to a global investment group led by domestic steel distributor Esmark Inc., the company said Wednesday.

The \$1.35 billion (euro990 million) transaction, which is meant to resolve antitrust issues, still requires approval by a court-appointed trustee. Esmark said when the deal was announced Aug. 2 that it expected to complete it by Oct. 31.

The Justice Department insisted in February that Netherlands-based Mittal Steel Company NV sell Sparrows Point to preserve competition in the market for tin-plated steel in the eastern United States.

Completion of the deal would clear the way for Mittal's planned \$41 billion (euro30.17 billion) acquisition of Arcelor SA of Luxembourg, creating the world's largest steelmaker, ArcelorMittal.

Privately held Esmark, based in Chicago Heights, Illinois, and Wheeling-Pittsburgh Corp., a West Virginia steelmaker that Esmark is in the process of acquiring, are the lead partners in the new investment group, E2 Acquisition Corp. The foreign partners are Industrial Union of Donbass Corp., a Ukrainian holding company, and Companhia Vale do Rio Doce, a Brazilian mining company also known as CVRD.

E2 Chairman Craig T. Bouchard said in a prepared statement that the partners and other unidentified investors have contributed \$790.5 million (euro582 million) in equity to E2. Banks and institutional lenders provided the rest of the financing, he said.