

ArcelorMittal sells bigger stake to Algeria

STEELMAKER ArcelorMittal said it will sell a majority stake in its Algerian operations to the Algerian state as part of a \$763-million investment agreement.

Algerian state-controlled entity Sider will own 51% of ArcelorMittal's Annaba and Tebessa units as part of the deal, with Arcelor owning the rest, the company said yesterday.

The current ownership split has Arcelor owning 70% and Sider 30%.

The sale price of the stake was not disclosed.

ArcelorMittal, the world's biggest steelmaker, recently cut its 2013 profit guidance because of weaker-than-forecast demand in some regions.

The company is also South Africa's biggest steelmaker.

The Algeria deal covers two iron-ore mines and the el-Hadjer steel plant in the eastern town of Annaba, at which production would more than double to 2.2 million tons in 2017 from 1 million now under the new agreement.

The el-Hadjer plant has been hit by strikes over pay in the past few months. -- *Reuters*