

BRITISH STEEL SIGNS SHARE PURCHASE AGREEMENT FOR ACQUISITION OF FNSTEEL

British Steel has signed a share purchase agreement for the acquisition of FNsteel in the Netherlands.

Peter Bernscher, British Steel CEO, said: “I’m pleased to say we’ve signed a share purchase agreement for the acquisition of FNsteel, the manufacturer of premium wire rod products.

“The acquisition would complement our current capabilities as FNsteel makes different specifications of wire rod to those we manufacture in Scunthorpe. It would enable us to improve and enhance our value chain and customer offering.

“When we complete this deal - which is subject to regulatory approval - it’s our intention to maintain employee and production levels in the UK and the Netherlands, and it will be very much business as usual.

“We look forward to welcoming FNsteel’s employees into the British Steel family and I’ve every confidence we’ll build a bright future together.

“I’d like to thank FNsteel’s shareholder, Mahler Investments B.V., for their ongoing support during the sales process and we’re now focused on completing the deal and working in partnership with the management, employees, unions, works council, customers and suppliers.”

Key facts

- British Steel has an annual turnover of £1.2 billion and its Scunthorpe wire rod mill employs 300 people
- British Steel’s Scunthorpe mill produces wire rod ranging in diameter between 5.5-17.0mm in 0.5mm increments and has a global customer base. Its wire rod goes into a wide variety of products, ranging from tyre cord and bed springs to paper clips and pins
- FNsteel employs nearly 300 people at its wire rod mill in Alblasterdam and has an annual turnover of £133 million
- FNsteel manufactures wire rod ranging in diameter between 5.5-30mm and is a respected supplier of highly specialised products to the European automotive, construction and engineering industries
- FNsteel is a specialist in wire-rod drawing and its downstream capabilities complement British Steel’s operations

About British Steel

British Steel was formed in June 2016 when Greybull Capital acquired the Long Products business from Tata Steel. Our business has a proud heritage and a passion to build stronger futures - the pace at which we're evolving means we're strengthening our long-term capability and building a sustainable future, as an industry leader, for British Steel, our employees, customers, suppliers and local communities.

Our vision is that internationally, we want to be a competitive exporter and the right strategic business partner. Nationally we want to be the champion in our chosen markets – recognised as the centre of competence for steelmaking and the partner of choice. And locally, through positive engagement, we want to become a leader of business and community re-development in the areas in which we operate.

Our steel has been, and continues to be, fundamental in creating iconic, awe-inspiring structures around the world. It helps people travel, work, eat and socialise every day. More importantly, it helps keep us safe.

We are agile and easy to do business with - responsive, adaptable, competitive and proactive in our markets and for our customers. We know we have passionate, hard-working, ambitious and dedicated employees and together we are creating a future we are all proud to be part of.

We produce more than 2.8 million tonnes of steel every year. From this, we manufacture more than 1,450 different specifications of steel that is rolled into wire rod, sections, special profiles, rail, bloom and slab.

We employ 4,800 people (4,400 in the UK, 400 in France). Our business is made up of the following facilities:

- Scunthorpe integrated steelworks
- Teesside Beam Mill, Lackenby
- Special Profiles, Skinningrove
- Hayange Rail Mill, north east France
- Immingham Bulk Terminal (port terminal)
- Engineering business, Workington
- National design consultancy
- Associated distribution facilities in the UK and Ireland