Outotec Completes the Acquisition of Sinter Plant Services in South Africa

Outotec has successfully completed the acquisition of the business of Sinter Plant Services CC in South Africa. Sinter Plant Services provides spare parts and services to South African ferrochrome plants from its service center and manufacturing facility close to Johannesburg. The transaction was announced on November 2, 2015. The acquisition price was not disclosed.

The acquisition complements Outotec's service offering to South African ferrochrome plants. Sinter Plant Services' some 40 employees were transfered to Outotec. The annual sales of the company have been some millions of euros. The acquisition will not impact Outotec's financial guidance for 2015.

"This acquisition complements our service offering and strengthens our position as a provider of life-cycle solutions to the South African ferroalloy producers", says Robin Lindahl, head of Metals, Energy & Water business area at Outotec.

Steel Sector gives Lifeline for Hundreds of Teesside Workers

Teesside's struggling steel industry has been handed a lifeline in the form of much-needed help with energy costs that could save it millions a year.

But campaigners say there's "no room for complacency and have vowed to keep up the pressure on government to achieve a level playing field" for firms competing in global markets.

EU approval has been won by the Government to compensate firms for paying additional green taxes.

Although the announcement has come too late to save the Redcar steelworks, it will be welcomed by hundreds of workers still employed in the steel industry on Teesside and thousands more across the country.

It's thought Tata Steel's Teesside Beam Mill and Skinningrove sites will save around £10m during 2016-17, with the group's UK business shaving £47m off its bills helping it compete against rivals elsewhere in Europe.

Karl Koehler, Chief Executive of Tata Steel's European operations, said "This is welcome news.

"The hit that the UK steel sector has taken from taxes on electricity prices is something we have been campaigning on for many years.

"Although today's announcement is a positive development, the European steel market remains under intense pressure. We must all continue to do our utmost to combat these conditions."

As well as green tax relief, campaigners have been calling for cuts to business rates

and moves to block China from dumping its cheap steel on the UK market. They also want a pledge that all government-backed construction contracts should look to use British-made steel.

Roy Rickhuss, General Secretary of steelworkers' union Community, said "It's much-needed good news after 18 months of hard work and lobbying".

He said: "This was just one of the essential measures required to give our steel industry the chance of a sustainable future.

"This suggests that the Ministerial Work Streams established following the steel summit in October are beginning to deliver practical policy changes and I know all stakeholders will be looking for further positive developments." However, there is certainly no room for complacency in face of the continuing challenges faced by our steel producers.

"We will continue to work with the industry and to keep the pressure on the government to create the level-playing field and deliver the appropriate support that the UK steel sector requires to compete in the current global market."

The director of UK Steel Gareth Stace added "We are relieved that we now have long term certainty of relief following the commitment to permanently exempt the sector from renewables policy costs."

It's believed that Tata Steel is in talks with three potential buyers for its Long Products Europe division, after sales talks with Swiss-based Klesch Group fell through earlier this year. A potential sale would affect around 700 Teesside workers directly.

A Tata spokesperson said "We are continuing to look at all strategic options."

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