

Mitsui to Build Steel-Processing Plant in Mexico

Mitsui & Co. (8031) will build a steel-processing plant in Mexico together with leading U.S. electric-furnace steelmaker Nucor Corp. as steel demand soars in that market.

Steel Technologies LLC, a 50-50 steel-processing joint venture in the U.S. between Mitsui and Nucor, will construct the plant in Monterrey in northeastern Mexico.

Built at a cost of almost 6 billion yen and scheduled to come online at the end of 2012, the factory will feature cutting machines for steel sheets and state-of-the-art equipment for surface treatments. It will be able to process 800,000 tons of steel a year.

The joint venture will seek to supply top Japanese electronics makers and automakers operating in Mexico, such as Toyota Motor Corp. (7203), Nissan Motor Co. (7201) and Honda Motor Co. (7267).

After turning Steel Technologies into a wholly owned subsidiary in 2007, Mitsui made it a joint venture with Nucor last year. It boasts 25 steel-processing plants in North America and rang up some 117 billion yen in sales in 2010.

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