

Brazil's Votorantim Investing Close to US\$ 200 Million in Polymetal Project

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Brazil conglomerate Votorantim's board of directors announced last Tuesday, April 17, that the company will begin its second phase of investments by its steel business unit, Votorantim Metals, in the city of Juiz de Fora, in the state of Minas Gerais.

The company is implementing the first Brazilian polymetallic plant in the city. The announcement was made at Palácio da Liberdade, headquarters of the government of the southeastern Brazilian state of Minas Gerais.

In this second phase, US\$ 188 million will be invested up until 2009, totaling US\$ 328 million in investments. The project received US\$ 110.4 million during its first phase.

The president of the board of managers at Votorantim Participação, Carlos Ermírio de Moraes, explained that the new investments will enable the production of metallic lead, silver concentrate, and polypropylene.

In the first phase, the capital invested in Juiz de Fora allowed for an increase in production of zinc and indium, the latter of which is used to manufacture TV sets, flat screens, and plasma screens.

The indium produced in Juiz de Fora will be exported. The lead, on the other hand, will supply the domestic market, especially the production of auto batteries.

Votorantim Metals is a company of the Votorantim Group, one of Brazil's largest business conglomerates.

Focusing on the steel, nickel and zinc markets, the group owns production plants and proprietary mines in the states of São Paulo, Rio de Janeiro, Minas Gerais, all in the Brazilian southeast and Goiás, in the Midwest.

They also have operations in two other Latin American countries: Colombia and Peru. In 2006, the company estimates that its revenues were of approximately US\$ 2.4 billion.

Anba