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## SSAB CEO visits Ipsco Regina after acquisition

Wednesday, 25 Jul, 2007

CBC news reported that Swedish SSAB Severestals AB that now owns steelmaker Ipsco was in Regina to have a look at its flagship Canadian steel operation and offer some words of reassurance to employees.

Mr Olof Faxander president & CEO of SSAB said that he would honor the collective agreements of the more than 4,000 unionized employees. He also said he has no plans for any layoffs. He added that "This acquisition is about growth and developing the company not about hard synergies. We don't really have any big areas of production overlap those kinds of things that were expected 10 years ago from steel mergers are not really part of the plan."

Mr Faxander also dispelled any rumors that SSAB might not be interested in keeping Ipsco's tubular products division, which makes small and large-diameter pipe for the energy industry. He said "We did quite an extensive study of the tubular business and decided to acquire the whole company instead. We do not have any conditions or plans for selling any parts of the company." But he added that every part of the company needs to show that it can generate maximum value within our group."

Mr Faxander added that "Regina is, of course, an extremely important part of Ipsco. It is the biggest operation in the company, so it plays a central role."

Ipsco was founded in 1956 as Prairie Pipe Manufacturing Company at Regina. Regina has 1.1 million ton capacity steel mill, three pipe mills and coil and scrap processing facilities. About 1,000 of Ipsco's 4,400 employees are in Regina.

SSAB Svenskt Stal AB said last week it had finished acquiring all outstanding Ipsco shares at a price of USD 160 US each in a deal worth close to CAD 8 billion.

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