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The Associated Press

CHARLOTTE, N.C. (AP) — Steel recycler Nucor Corp. said Friday that it plans to buy a steel distribution unit of ArcelorMittal for \$605 million, expanding its reach in the North American construction industry.

ArcelorMittal, based in Luxembourg, is the world's largest steel company. The division it's selling, Skyline Steel LLC, will become a Nucor subsidiary and remain based in Parsippany, N.J., Nucor said.

Skyline has been a Nucor distributor for more than 20 years. It makes different kinds of steel used in the construction industry, including for bridges, underground parking garages and highways. Skyline primarily supplies customers with steel foundation products in North America and the Caribbean.

Nucor, a scrap processor, also makes steel products used in construction. The company said Skyline's steel foundation products are poised for growth in the North American market.

The company, which is based in Charlotte, N.C., said it expects the acquisition to help it lower its overall costs and boost its profit in the first full fiscal year of ownership. The company did not say when it expects the deal to close.

ArcelorMittal said the sale is part of its ongoing efforts to sell off certain assets and focus on its core businesses.

Nucor shares added 2 cents to \$34.81 in morning trading.

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