



Erdemir Group
2012 First Quarter
Consolidated Financial Results

8 May 2012

DISCLAIMER

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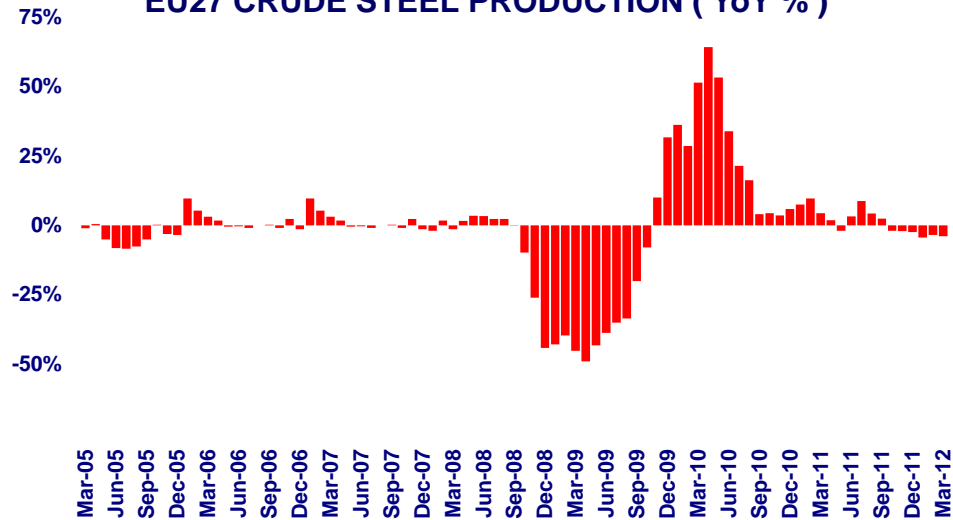
Agenda

 **2012 Market Overview**

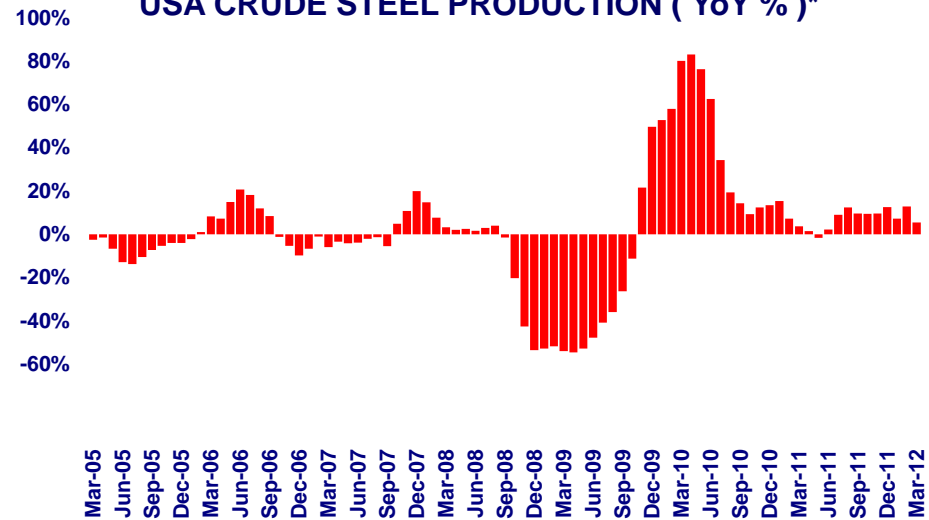
 **2012 1Q Results**

In EU, sales price was 733 USD/ton as of April 2012

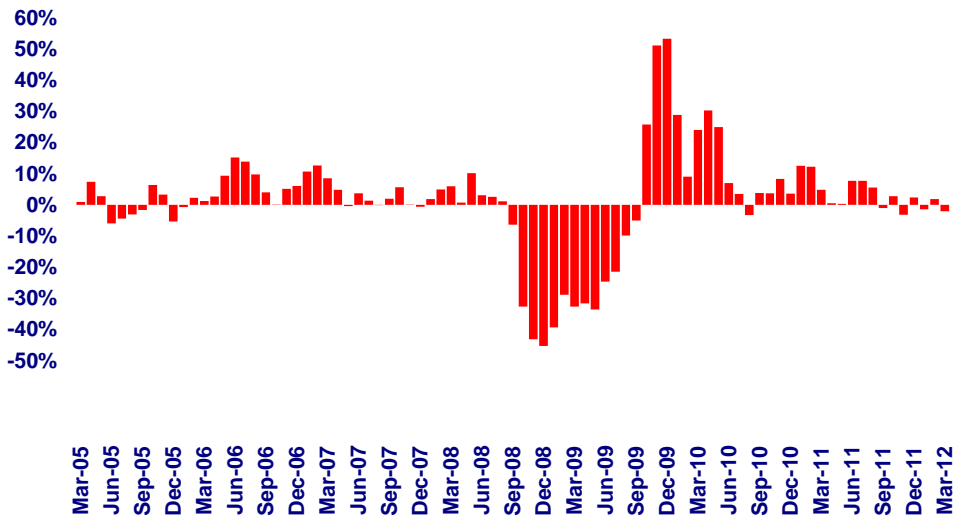
EU27 CRUDE STEEL PRODUCTION (YoY %)*



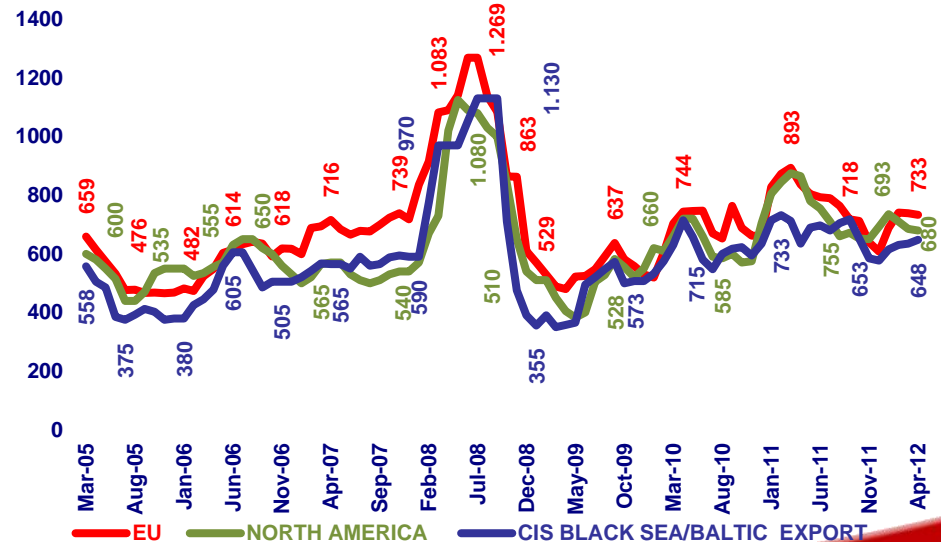
USA CRUDE STEEL PRODUCTION (YoY %)*



CIS CRUDE STEEL PRODUCTION (YoY %) *

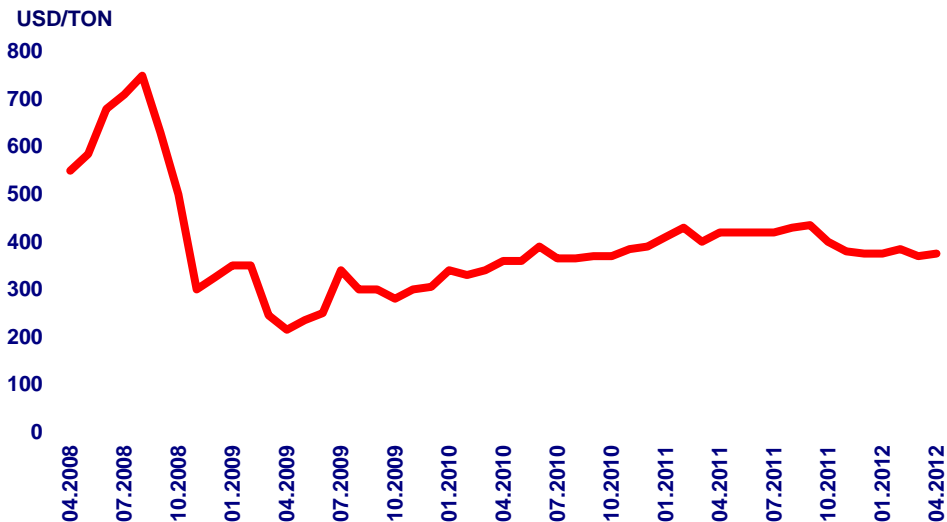


HRC PRICES (USD/TON)**

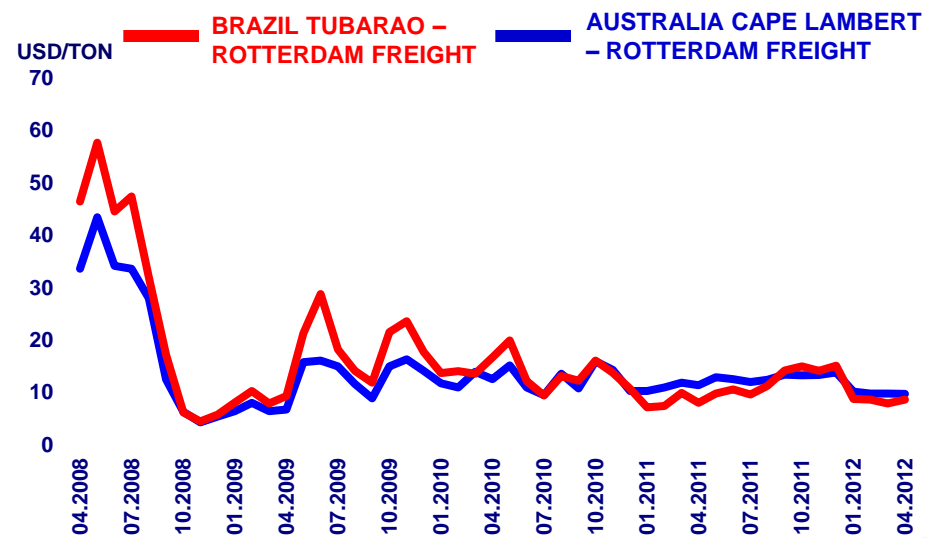
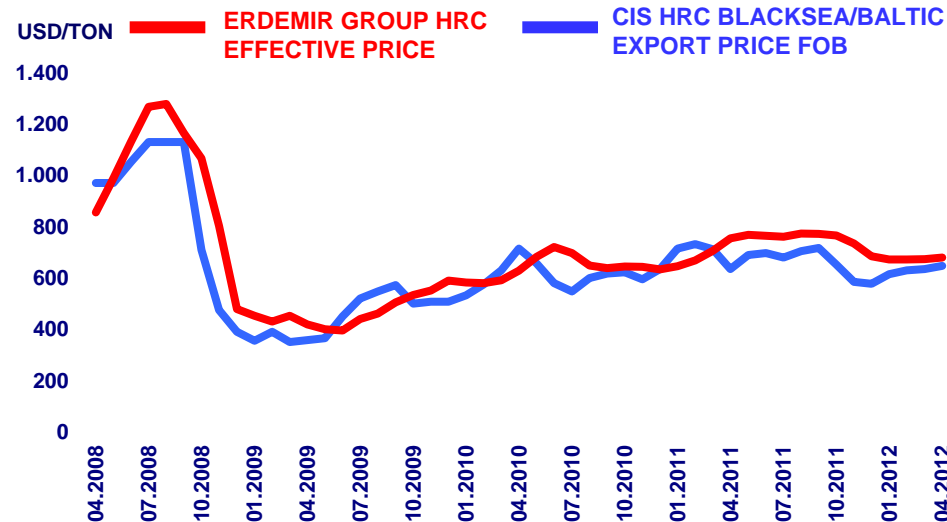
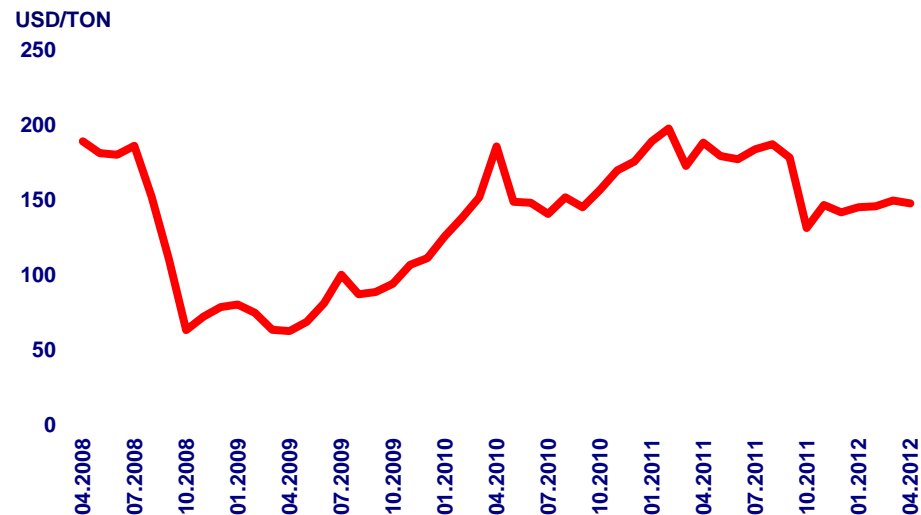


Coke prices are decreasing

CHINA 2ND QUALITY COKE SPOT EXPORT PRICE

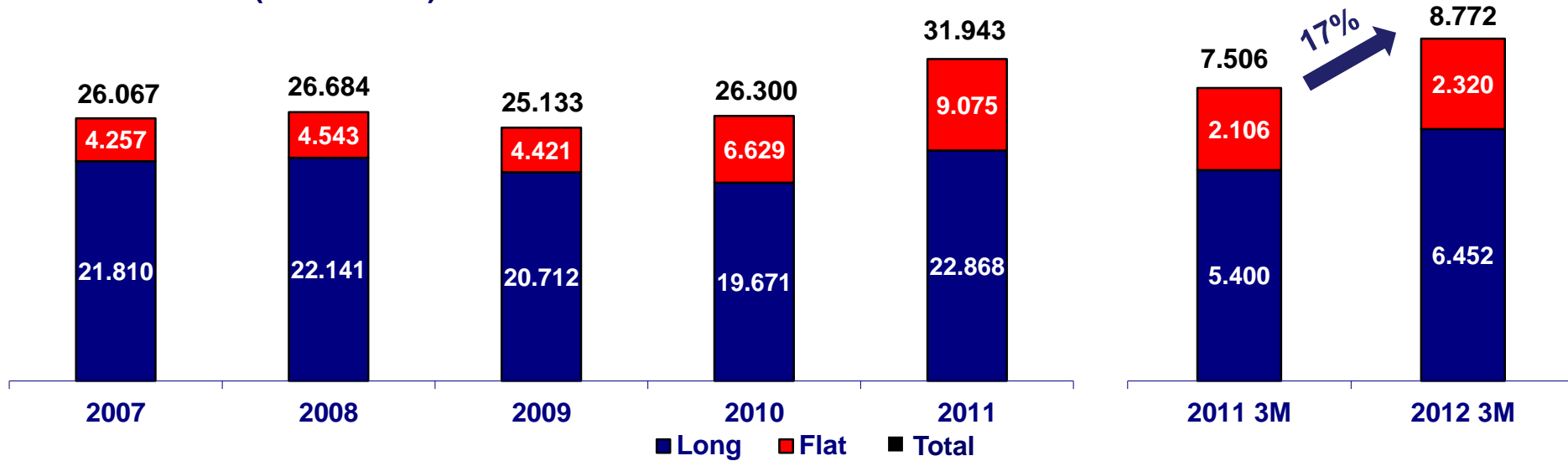


CHINA PORT FINE ORE PRICE CFR

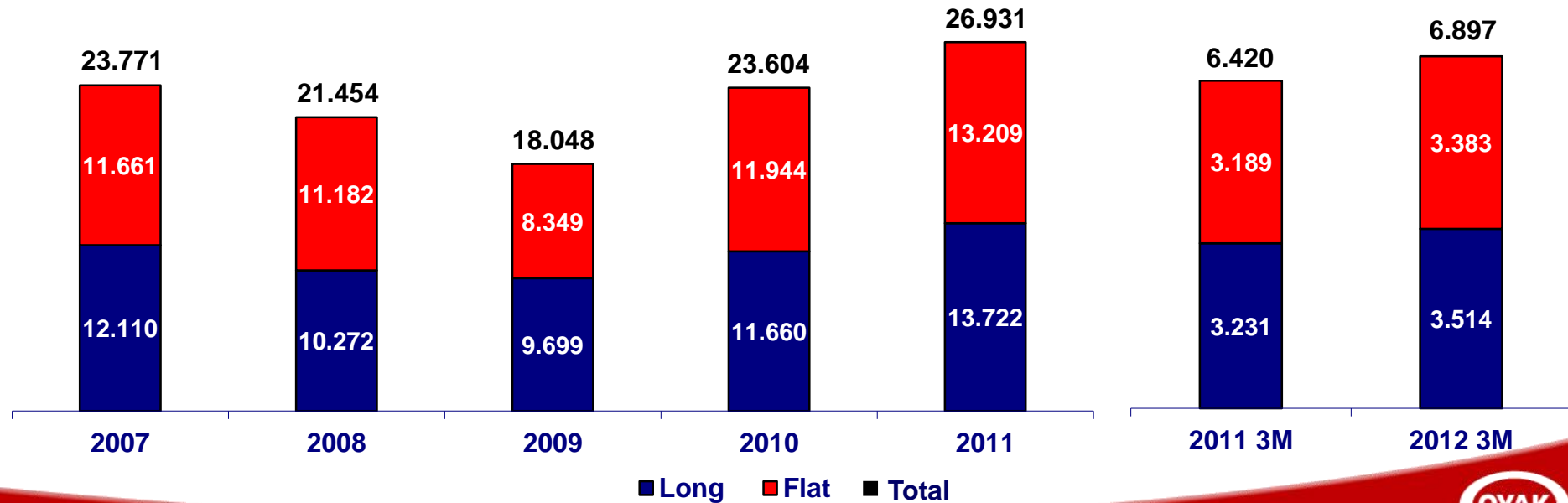


Turkish steel production increased by 17% in 2012 3M YoY

PRODUCTION (000 TONS)

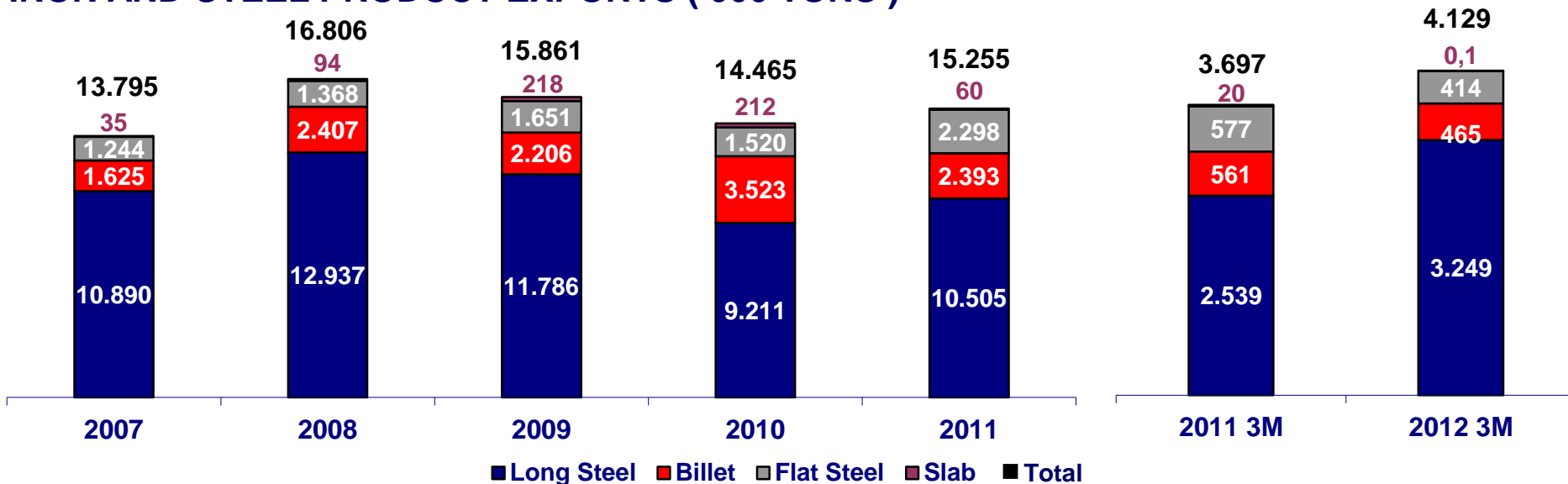


CONSUMPTION (000 TONS)

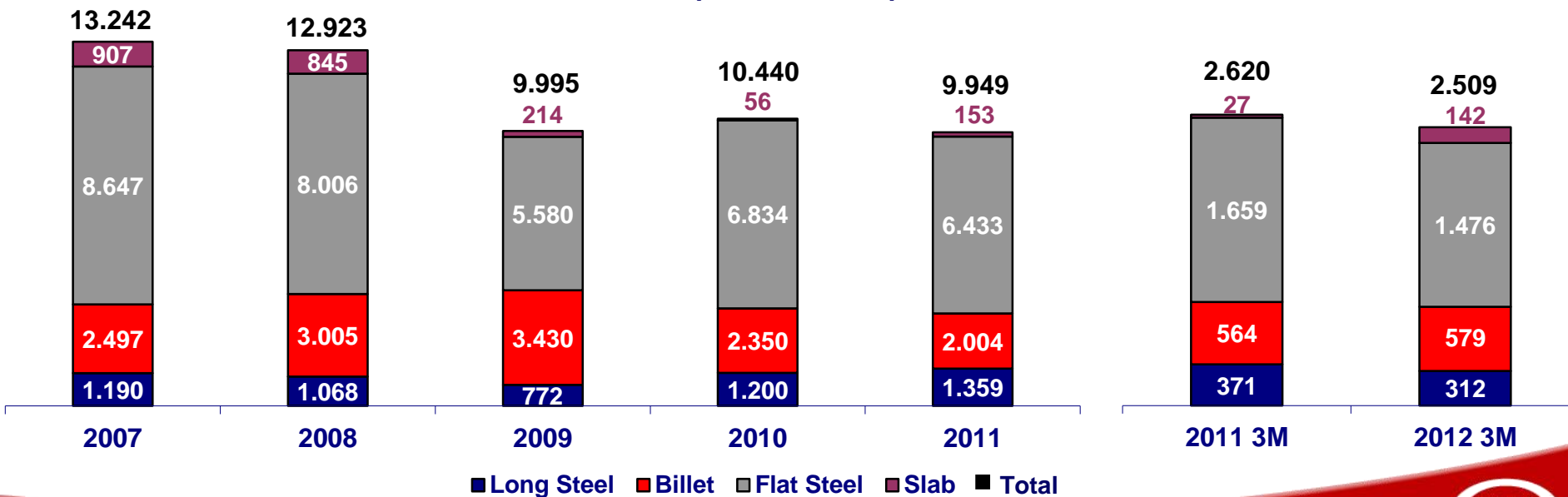


Turkish Steel Market (cont'd)

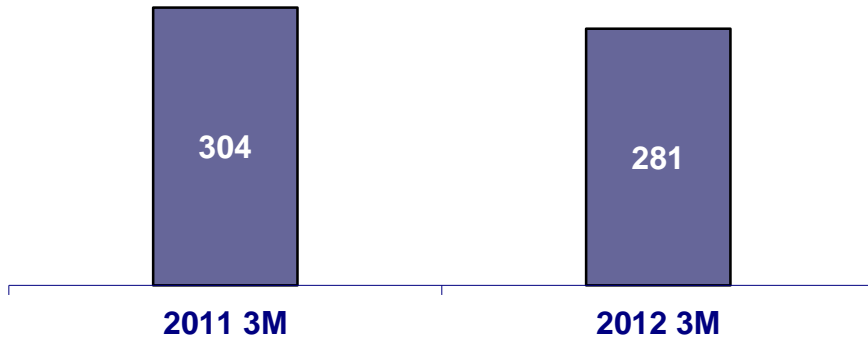
IRON AND STEEL PRODUCT EXPORTS (000 TONS)



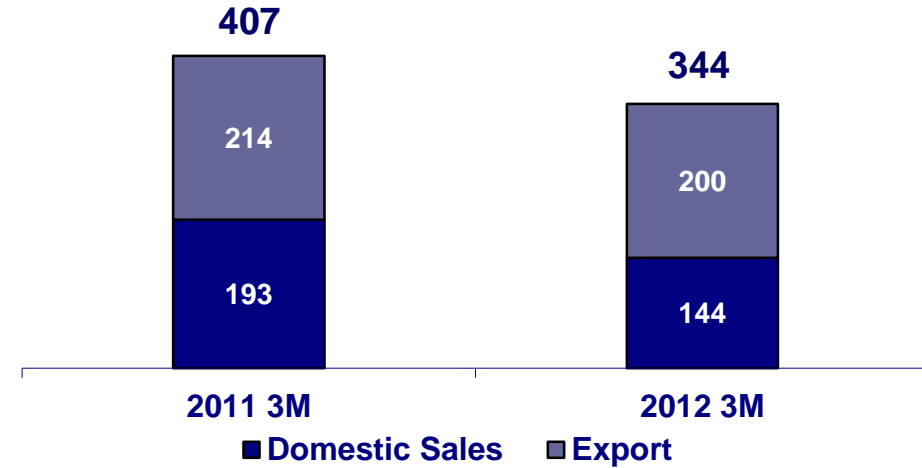
IRON AND STEEL PRODUCT IMPORTS (000 TONS)



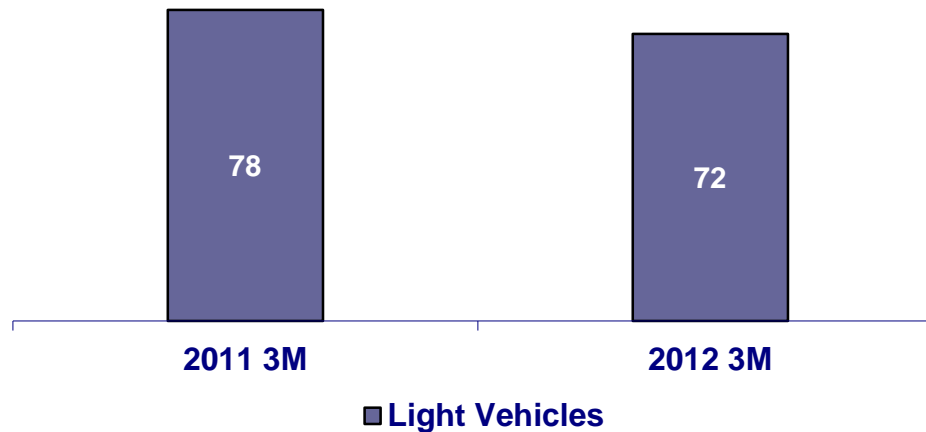
AUTOMOTIVE PRODUCTION (000 UNITS)



AUTOMOTIVE SALES (000 UNITS)

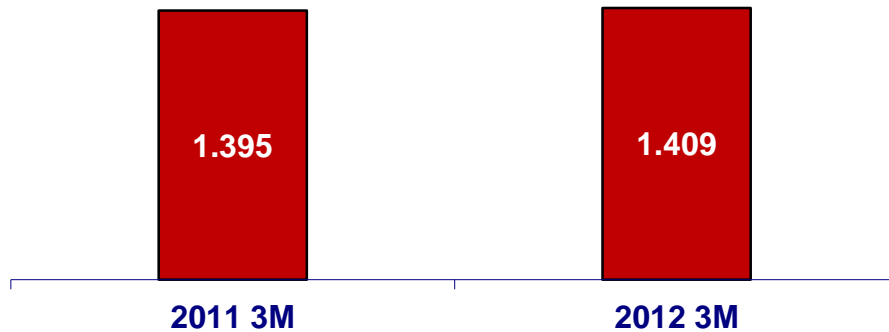


AUTOMOTIVE CAPACITY UTILIZATION RATIO (%)

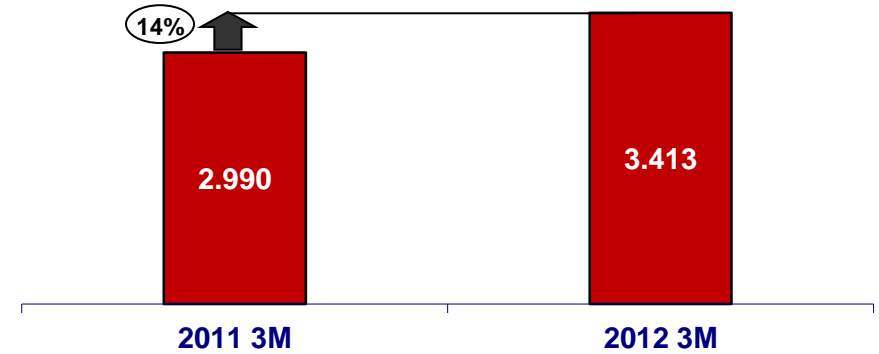


White goods exports and production increased by 14% and 8% respectively in 2012 3M YoY

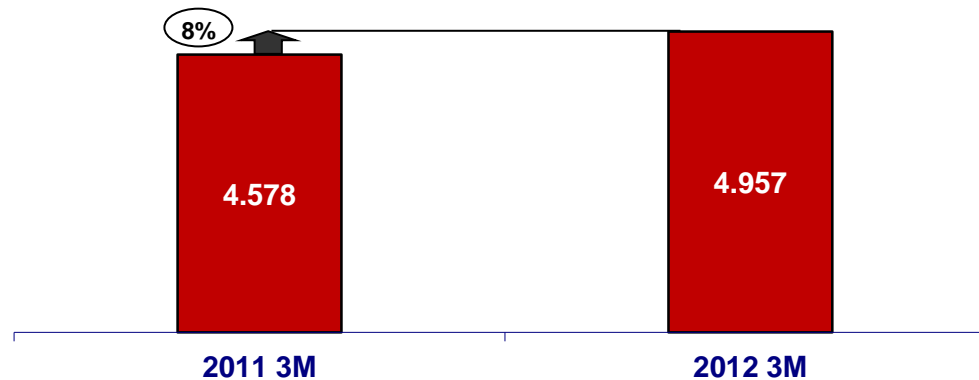
WHITE GOODS DOMESTIC SALES (000 UNITS)



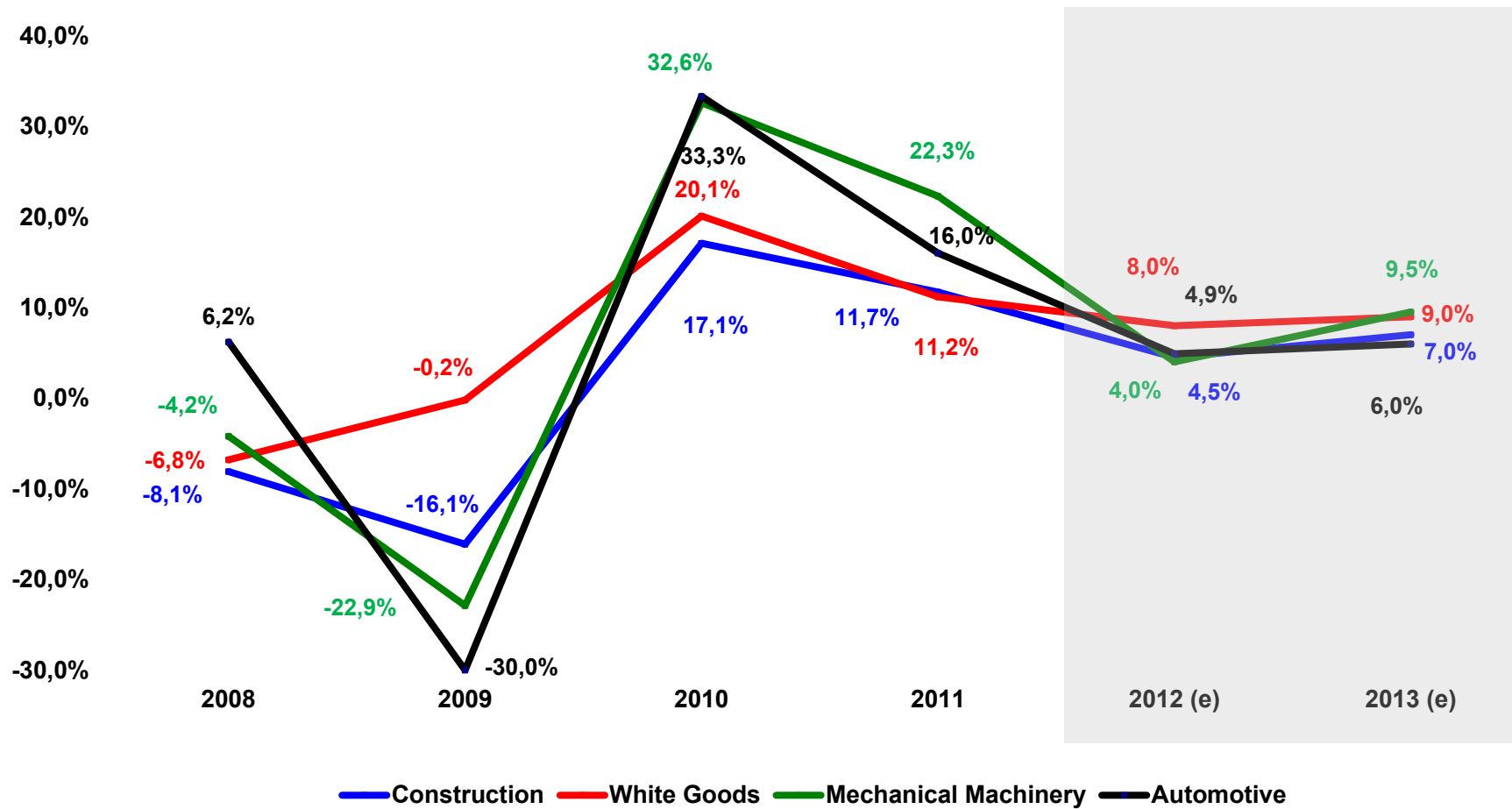
WHITE GOODS EXPORTS (000 UNITS)



WHITE GOODS PRODUCTION (000 UNITS)

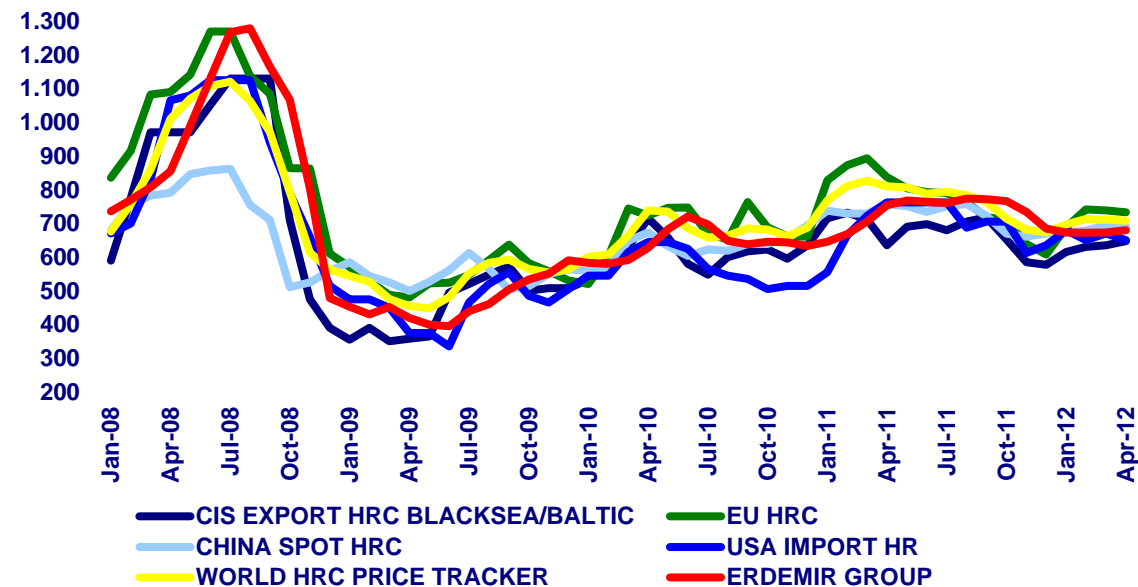


CHANGES IN SECTOR DEVELOPMENT INDEX (% YoY)



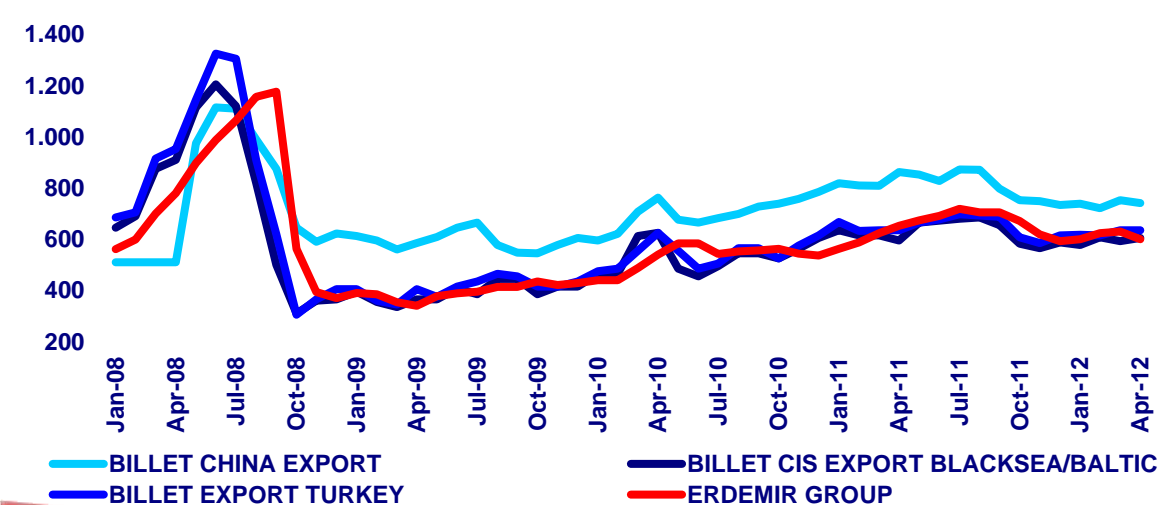
HRC sales prices are higher than December 2011

HRC PRICES (USD/Ton)



➡ As of April 2012, EU HRC price was 733 USD, China HRC spot price is 690 USD, USA export HRC price is 650 USD. The prices were 608 USD, 670 USD, 635 USD respectively by the end of 2011.

BILLET PRICES (USD/Ton)



➡ As of April 2012, Turkey export price was 635 USD while it was 615 USD in December 2011.



Agenda

 2012 Market Overview

 **2012 1Q Results**

ERDEMİR GROUP KEY FIGURES

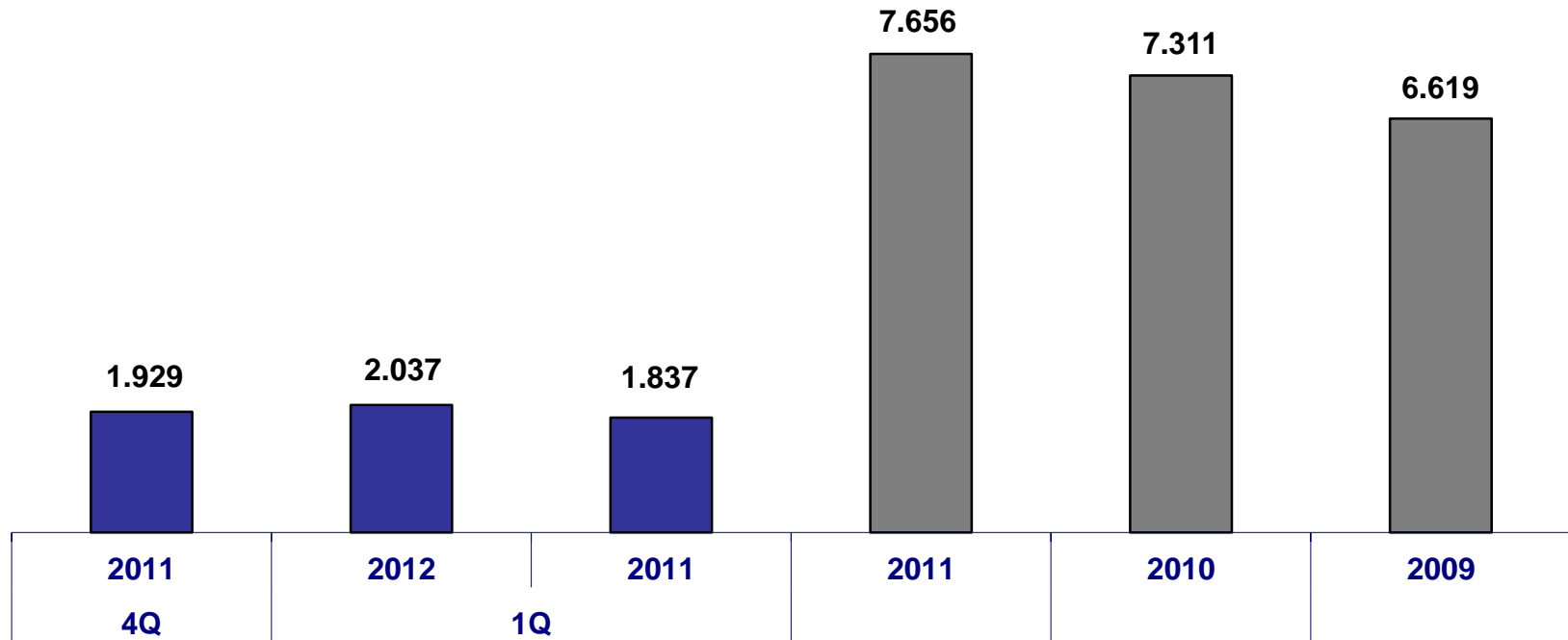
			2012 1Q	2011 1Q	2011	2010
Liquid Steel Production	<i>(000 Tons)</i>	↑	2.037	1.837	7.656	7.311
Slab Production ⁽¹⁾	<i>(000 Tons)</i>	↑	1.713	1.598	6.660	5.674
Flat Steel Production ⁽²⁾	<i>(000 Tons)</i>	↑	1.506	1.505	6.119	5.373
Long Steel Production	<i>(000 Tons)</i>	↑	278	187	794	1.420
Flat Steel Shipments	<i>(000 Tons)</i>	↑	1.567	1.471	5.856	5.123
Long Steel Shipments	<i>(000 Tons)</i>	↑	282	197	791	1.393
Net Sales Revenue	<i>(M. USD)</i>	↑	1.361	1.291	5.338	4.427
EBITDA	<i>(M. USD)</i>	↓	114	281	1.217	948
Net Profit For The Year	<i>(M. USD)</i>	↓	69	166	602	511

All figures are on IFRS consolidated basis unless stated otherwise.

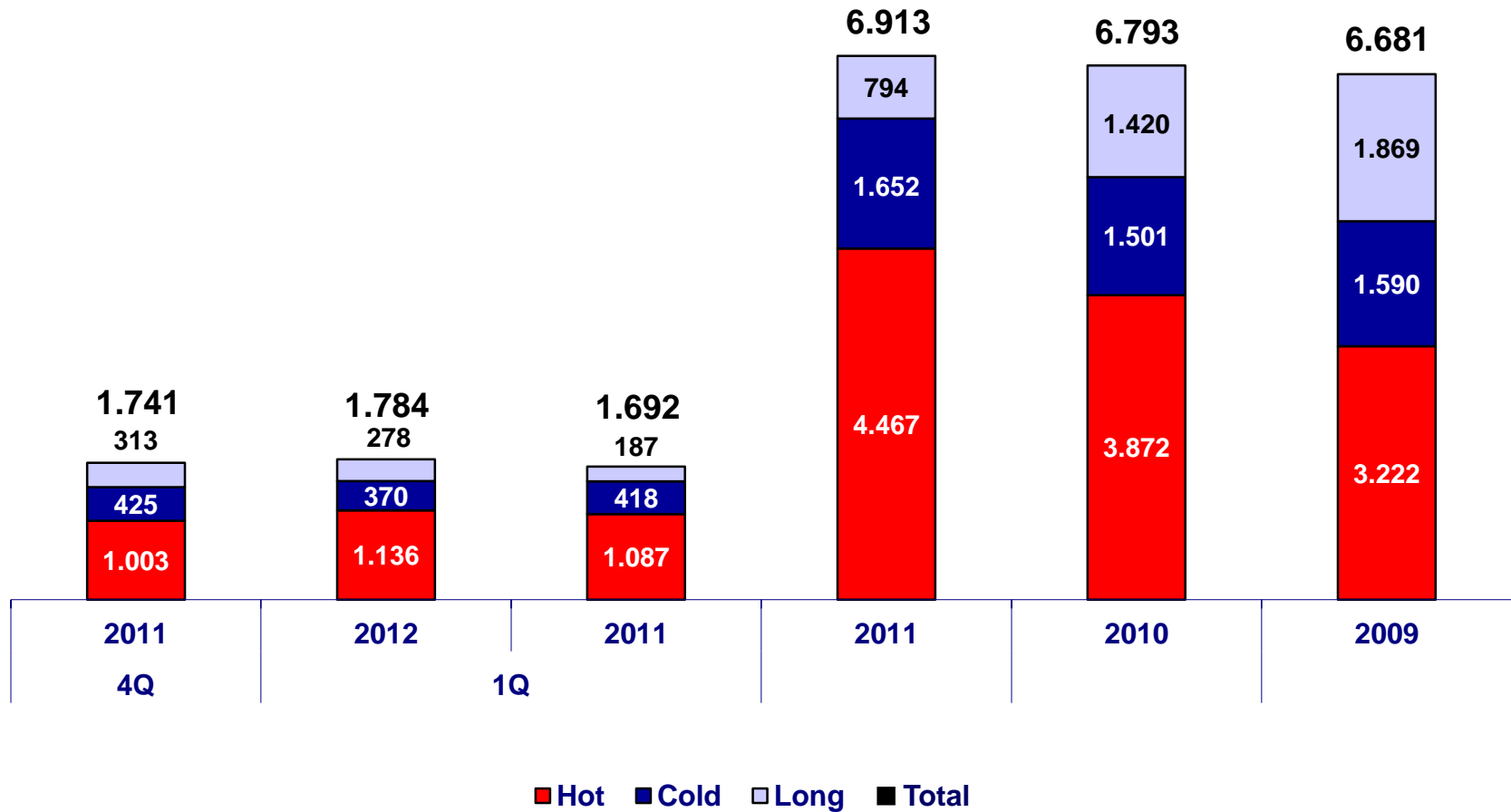
(1) Total slab production of Ereğli and İskenderun Plants.

(2) Total flat steel production of Ereğli and İskenderun Plants.

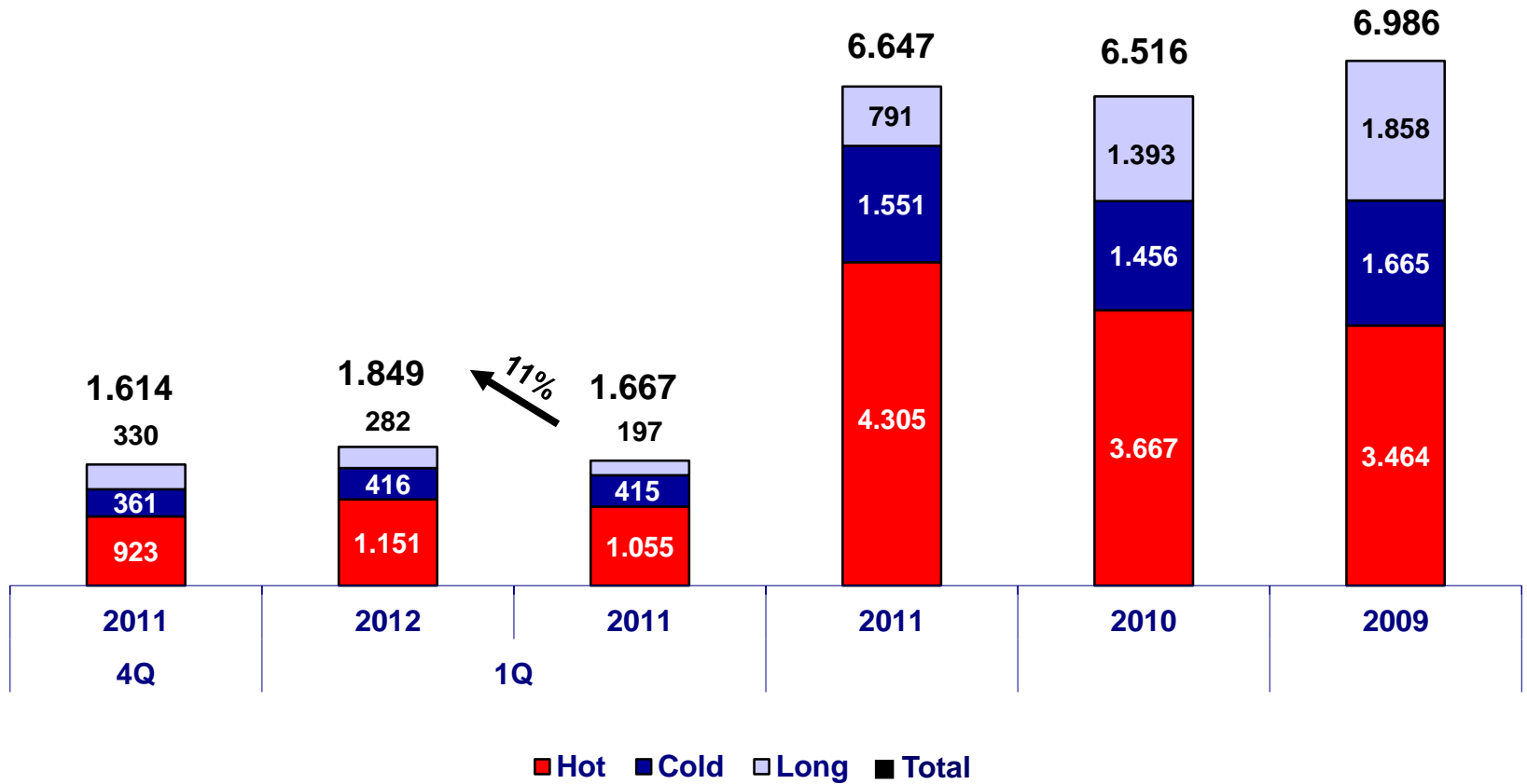
LIQUID STEEL PRODUCTION (000 TONS)



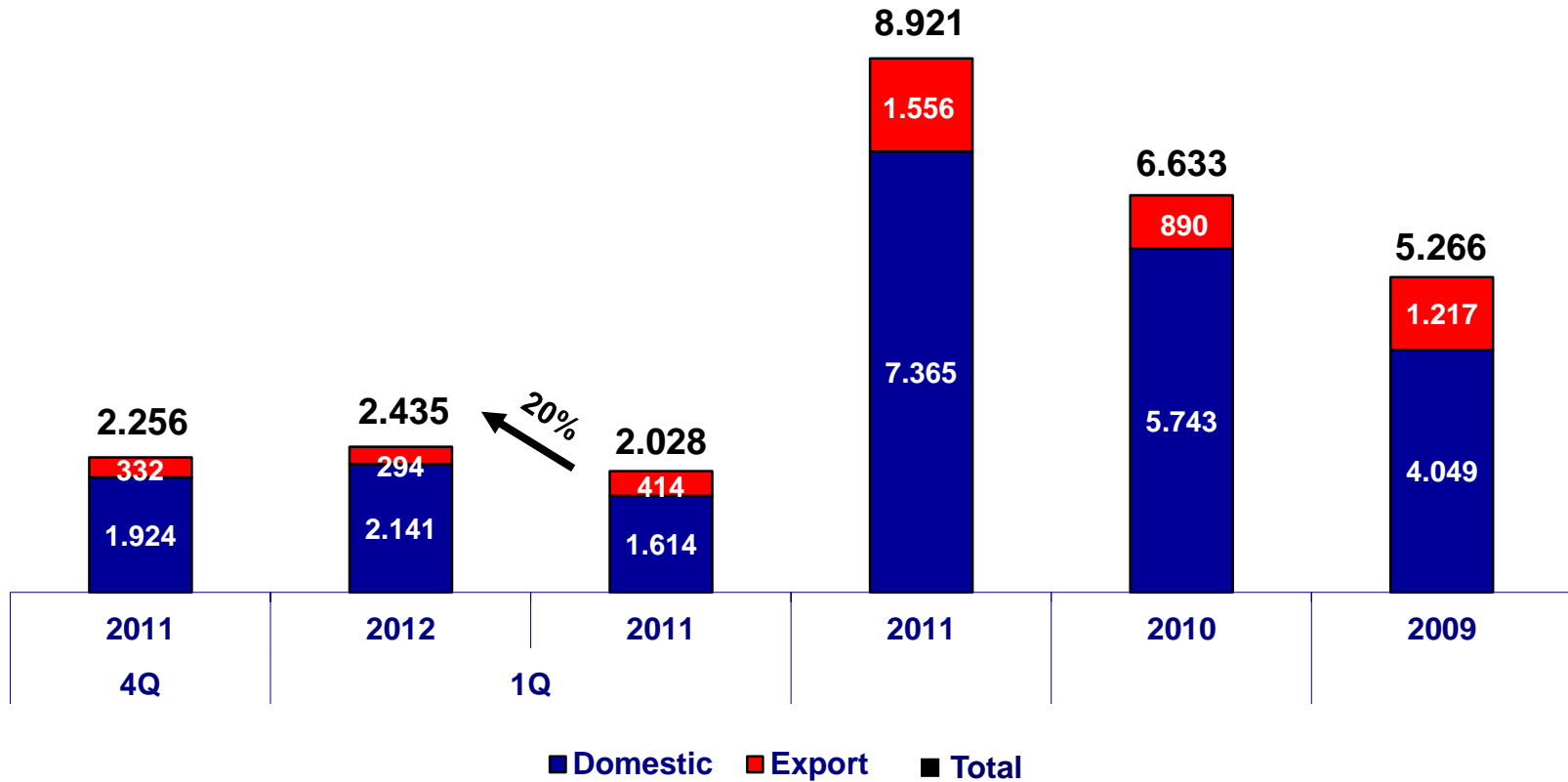
PRODUCTION VOLUMES (000 TONS)



SALES VOLUMES (000 TONS)



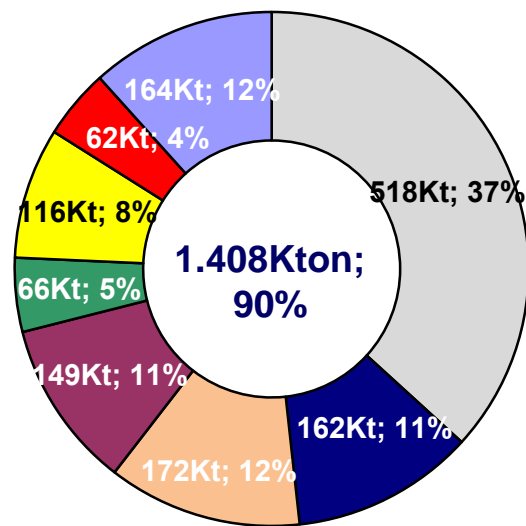
NET SALES REVENUE (MILLION TL)



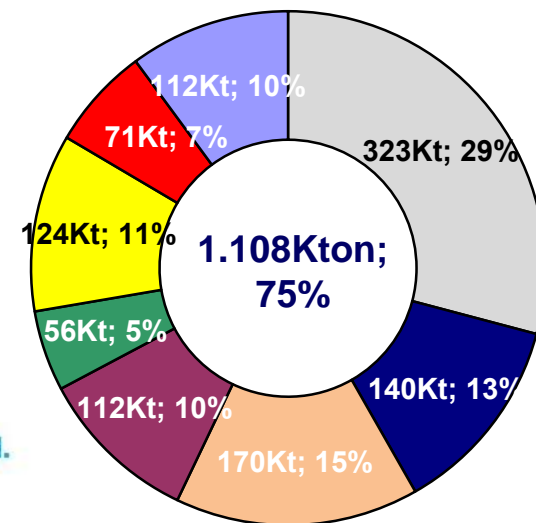
Sales to pipe and profile industry increased in 2012 3M YoY

2012 3M FLAT STEEL DOMESTIC SALES BREAKDOWN (%)

2011 3M FLAT STEEL DOMESTIC SALES BREAKDOWN (%)

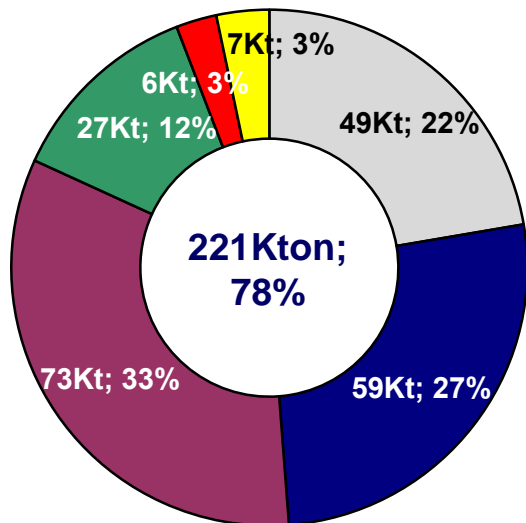


- Pipe and Profile Industry
- Steel Service Centers
- Secondary Production
- Wholesales
- Packaging Industry
- Automotive and Components
- Household Appliances
- General Manufacturing & Heavy Ind.

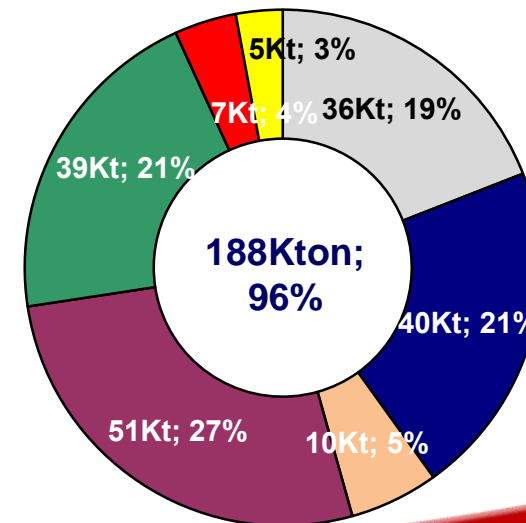


2012 3M LONG STEEL DOMESTIC SALES BREAKDOWN (%)

2011 3M LONG STEEL DOMESTIC SALES BREAKDOWN (%)

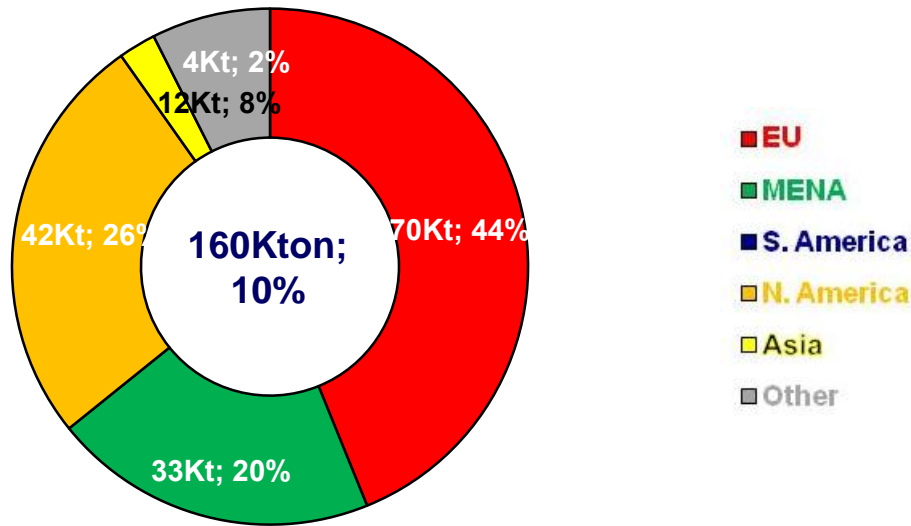


- Debar Producers
- Profile Producers
- Construction
- Commercial Qualities
- High Carbon Qualities
- Special Qualities
- Other

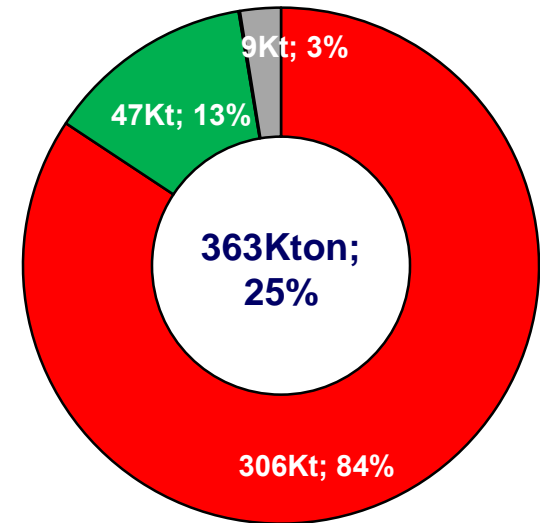


Flat steel sales to North America countries was 26% of our flat export in 2012 3M

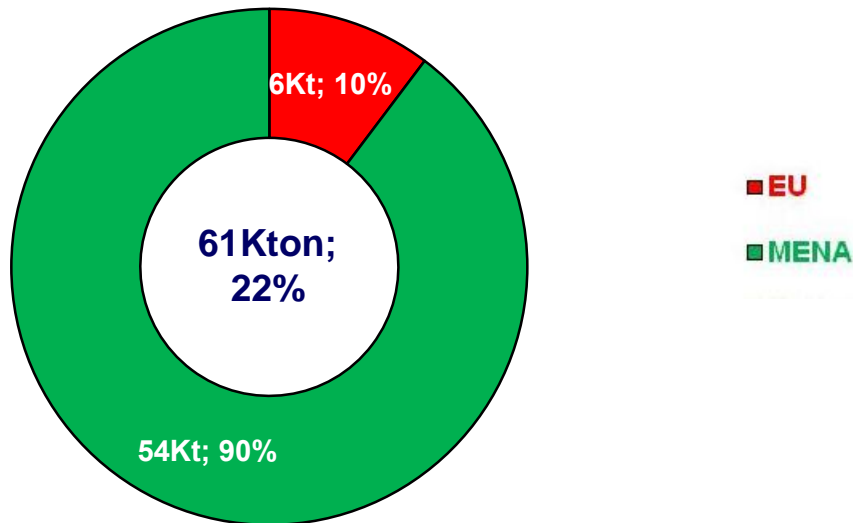
2012 3M FLAT STEEL EXPORTS BREAKDOWN (%)



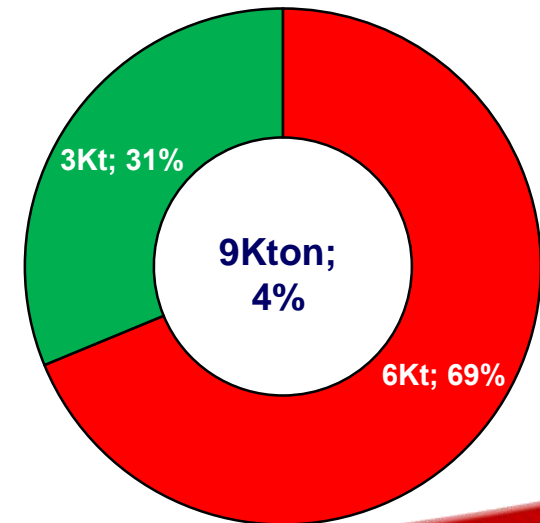
2011 3M FLAT STEEL EXPORTS BREAKDOWN (%)



2012 3M LONG STEEL EXPORTS BREAKDOWN (%)

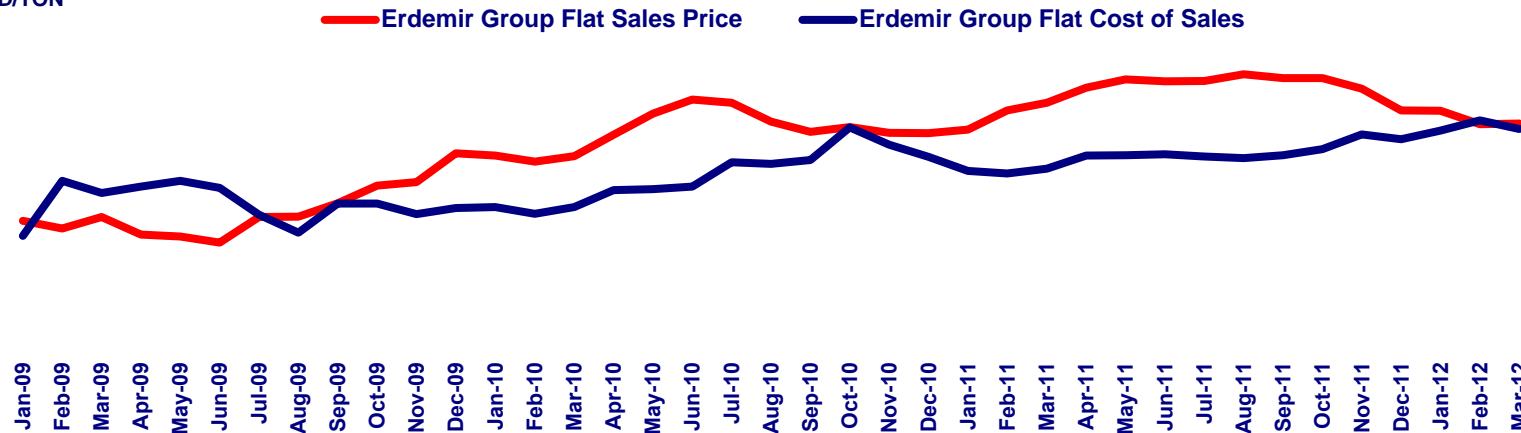


2011 3M LONG STEEL EXPORTS BREAKDOWN (%)

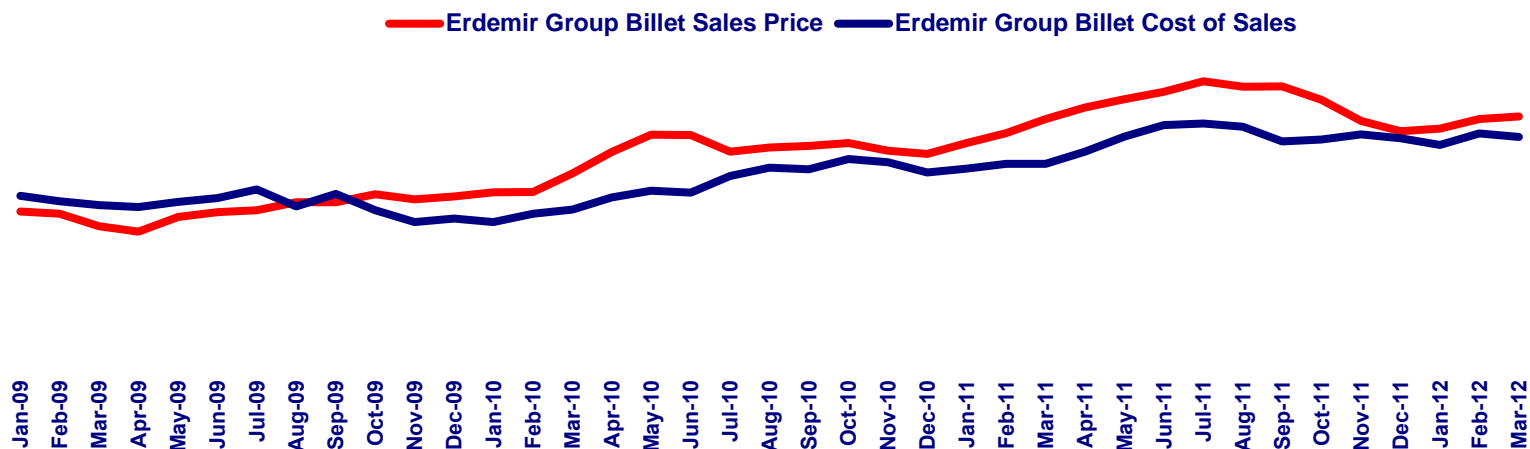


In 2012 3M, Erdemir Group average flat and long steel prices were 727 USD/ton and 660 USD/ton respectively

USD/TON



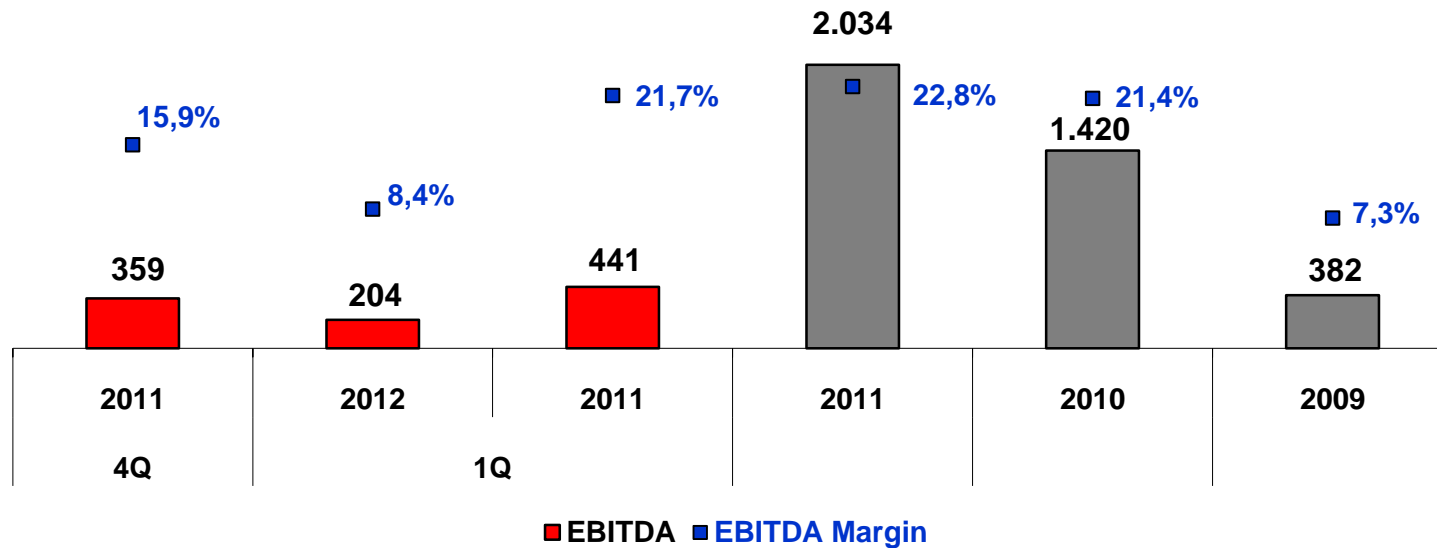
USD/TON



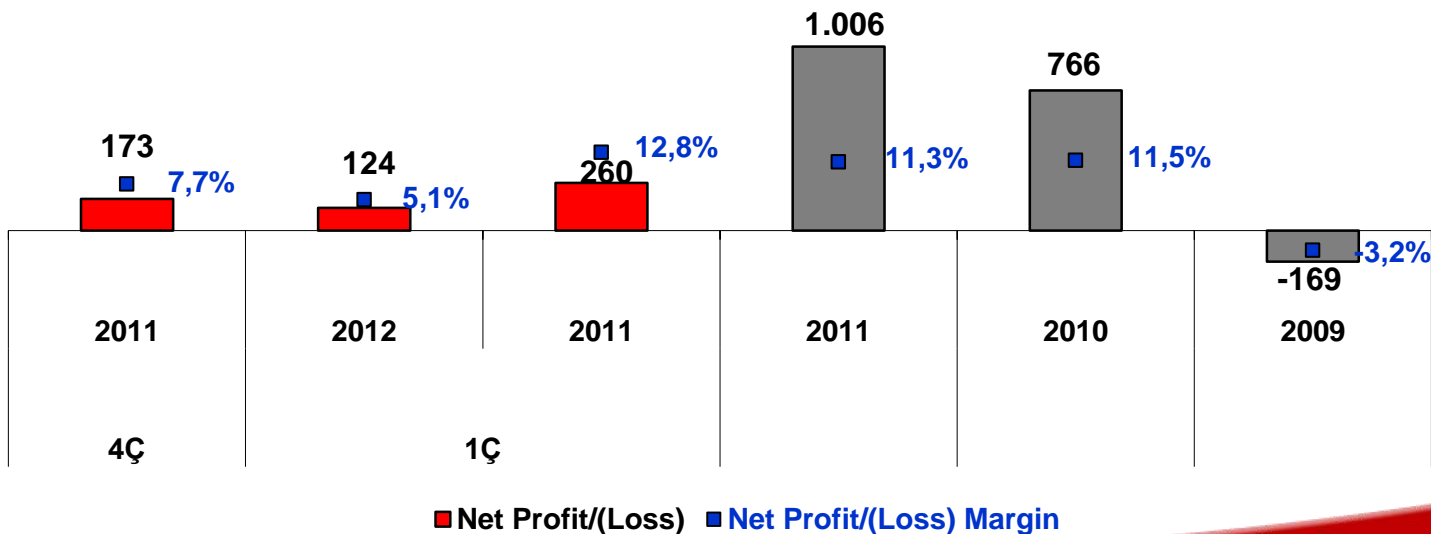
- ➡ Flat steel prices decreased by 2% on average in 2012 3M YoY.
- ➡ Long steel prices decreased by 1% on average in 2012 3M YoY.

Net profit was 124 million TL in 2012 1Q

EBITDA (MILLION TL)

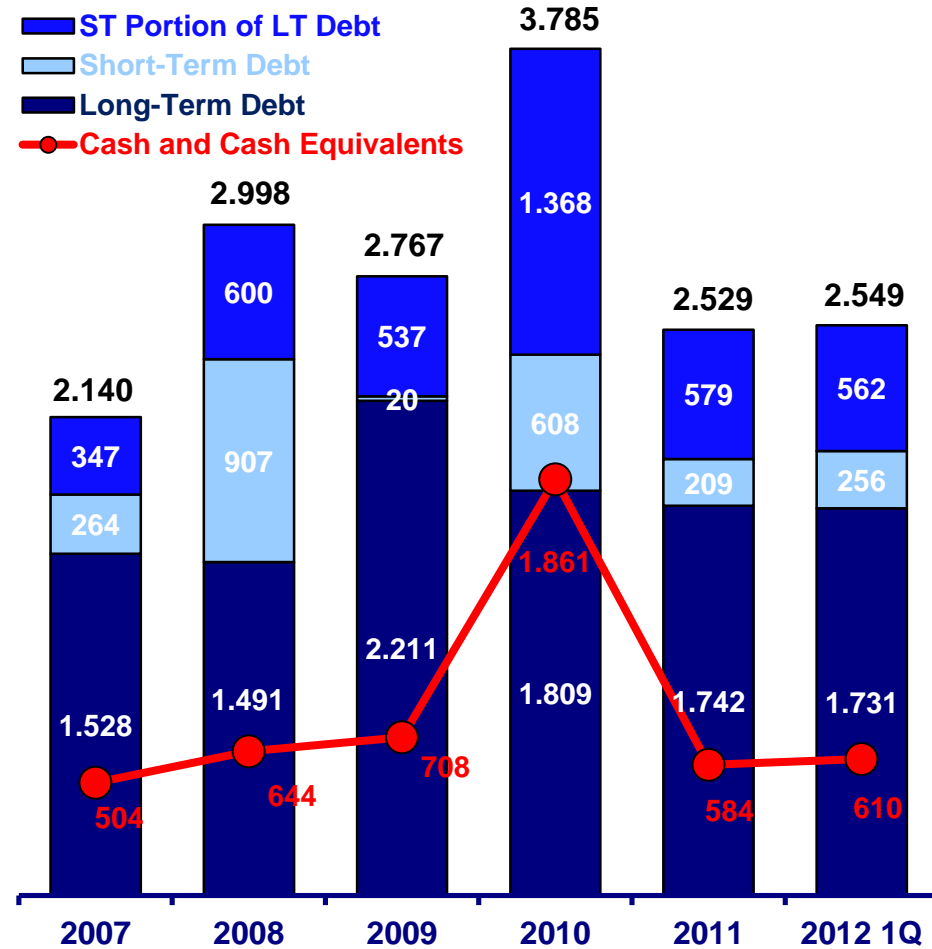


NET PROFIT/(LOSS) (MILLION TL)

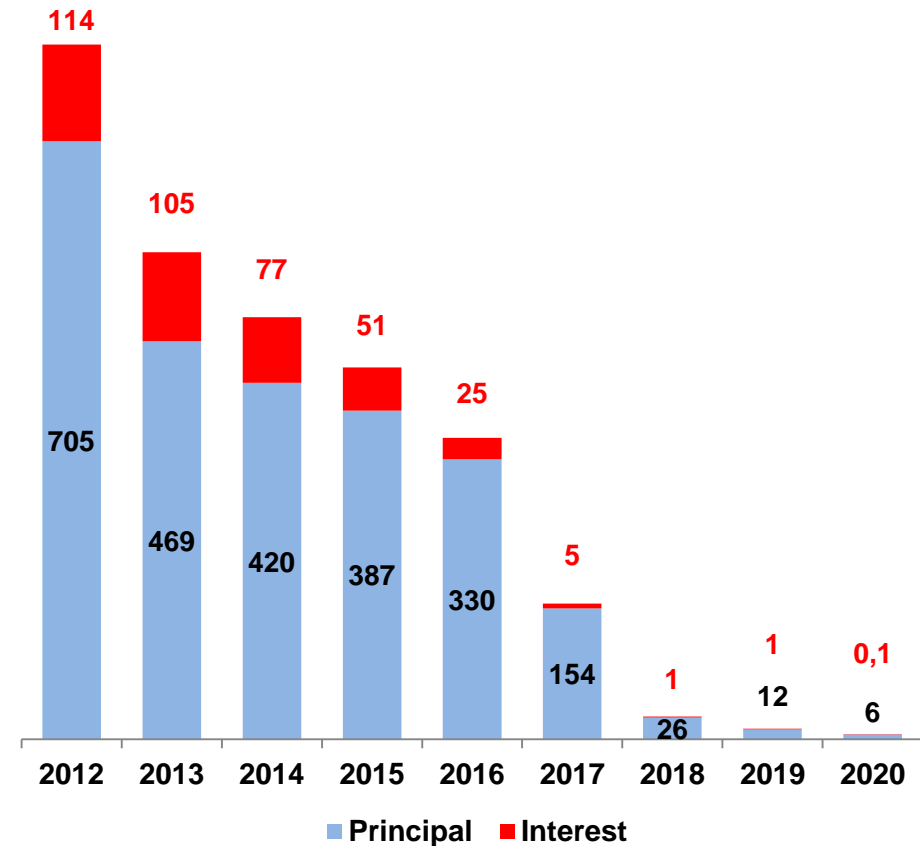


Erdemir Group has 610 million USD cash and cash equivalents at the end of 2012 March

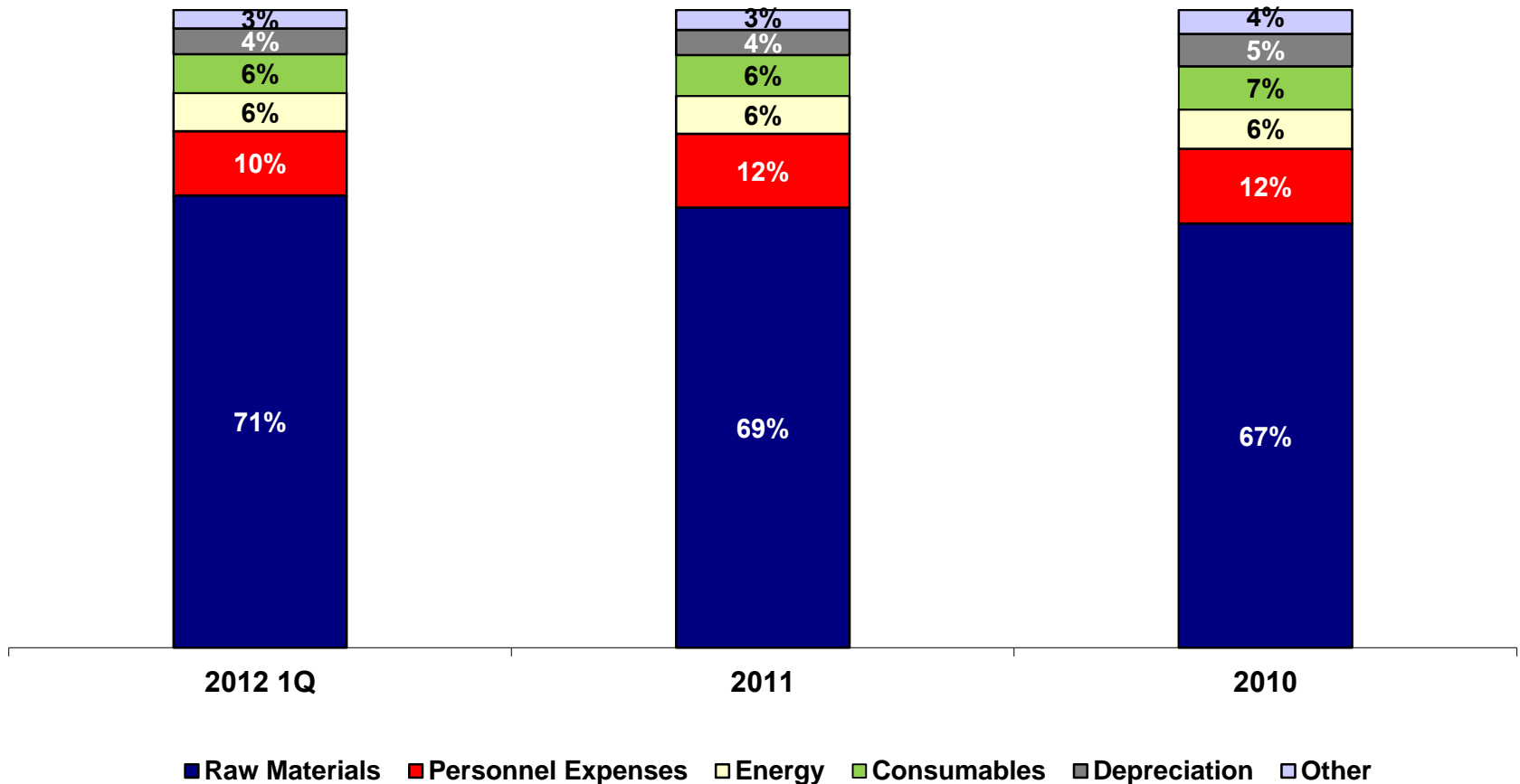
BORROWINGS (MILLION USD)



BORROWINGS MATURITY PROFILE (MILLION USD)

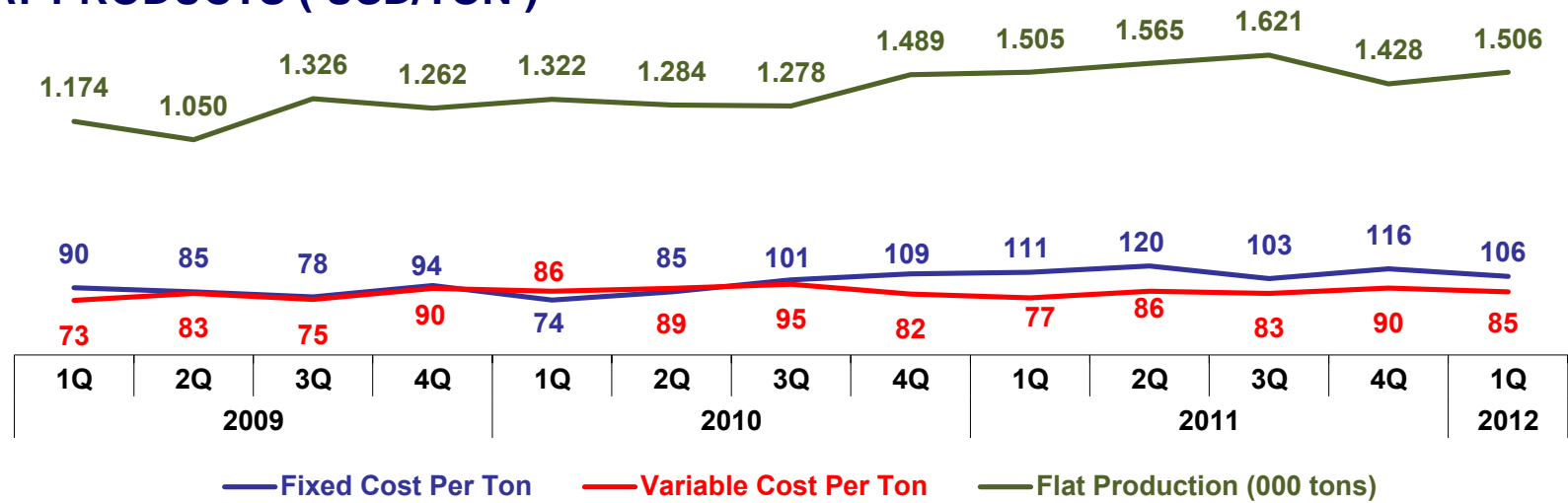


COST OF PRODUCTION BREAKDOWN* - %

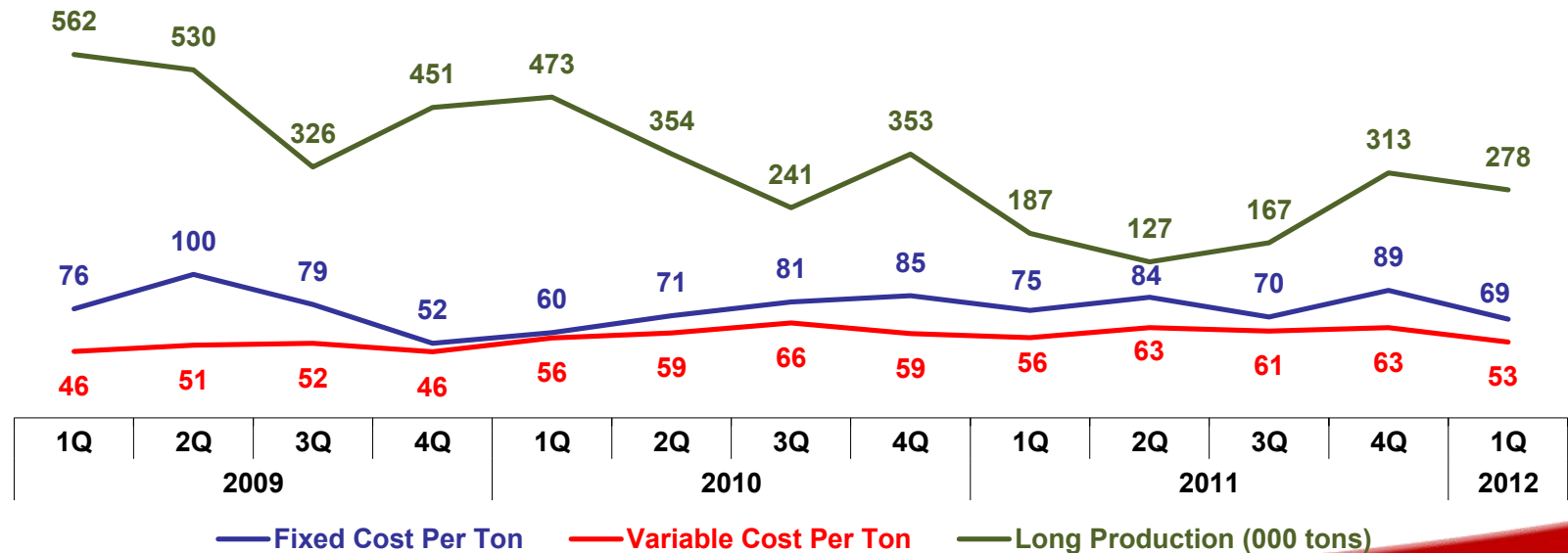


Flat cost per ton excluding raw materials was realised as 191 USD/ton in 2012 1Q

FLAT PRODUCTS (USD/TON)*



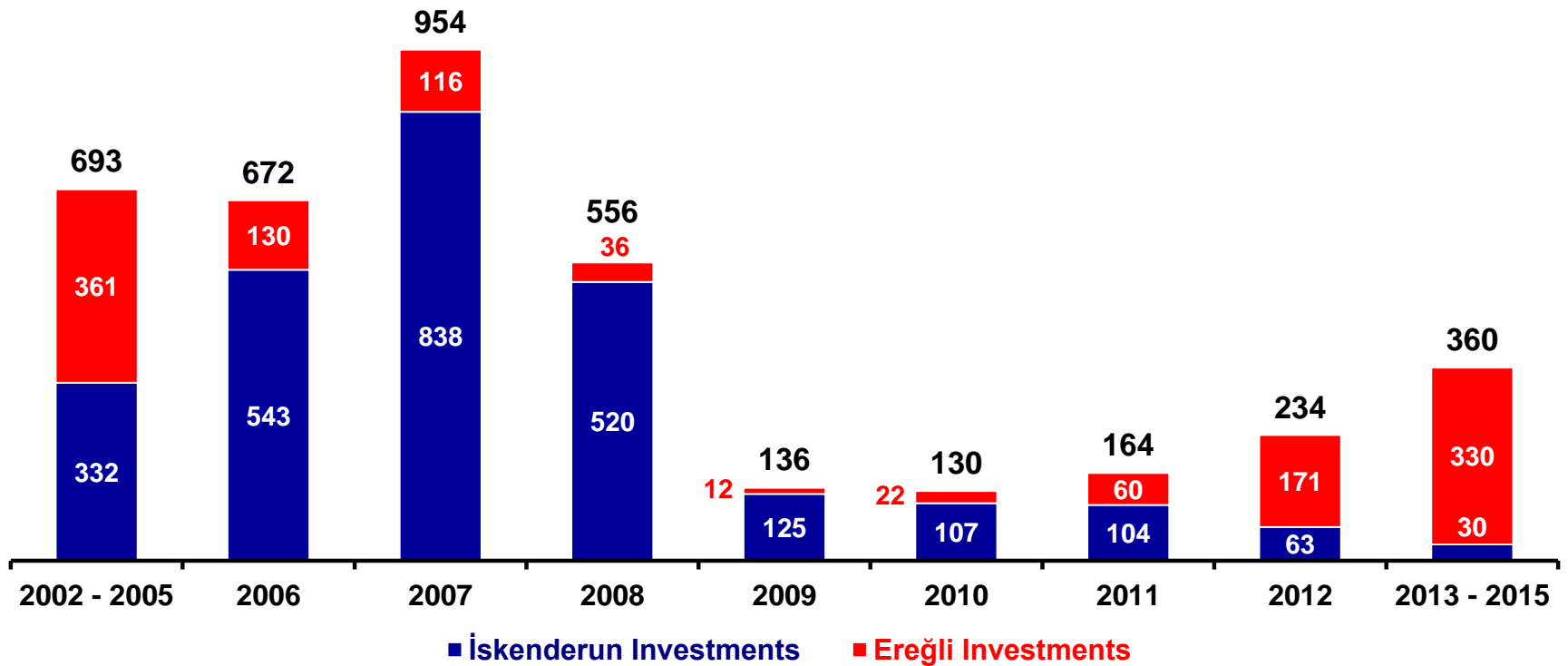
LONG PRODUCTS (USD/TON)*



* Conversion Cost

Capital expenditures of 234 million USD is planned for 2012

(M USD)



NUMBER OF EMPLOYEES

