



Erdemir Group
2012 9 Months
Consolidated Financial Results

18 October 2012

DISCLAIMER

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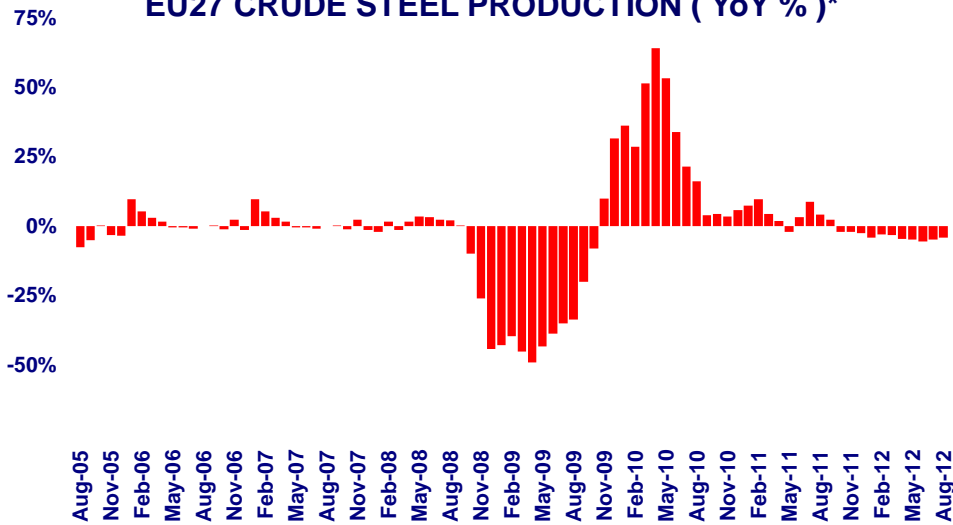
Agenda

 **2012 Market Overview**

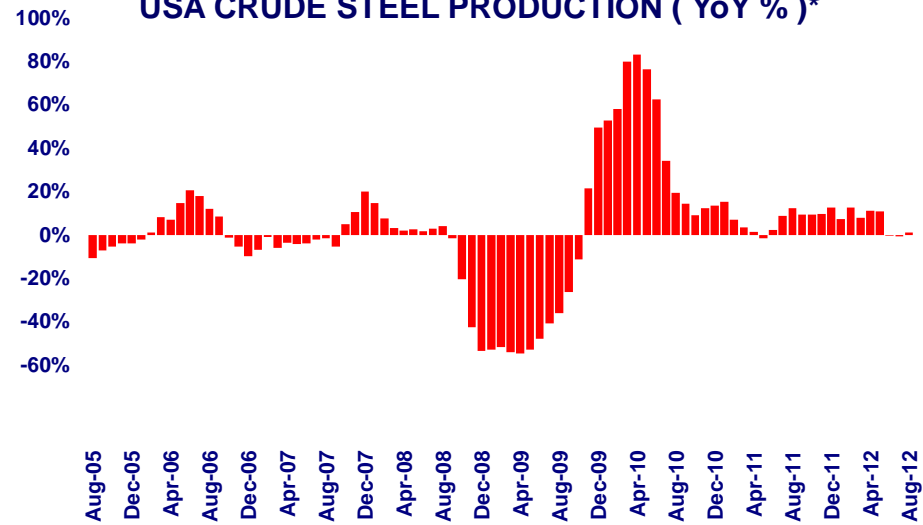
 **2012 9 Months Results**

In EU, sales price was 625 USD/ton as of October 2012

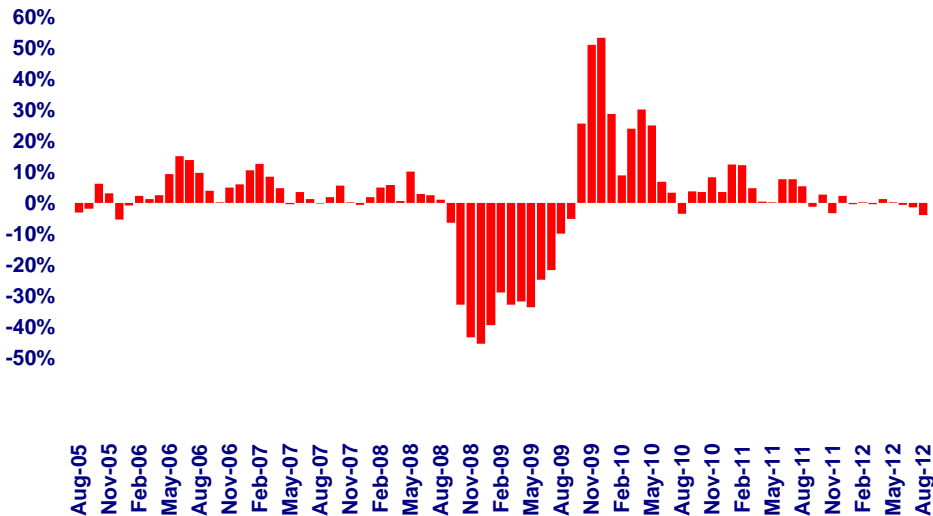
EU27 CRUDE STEEL PRODUCTION (YoY %)*



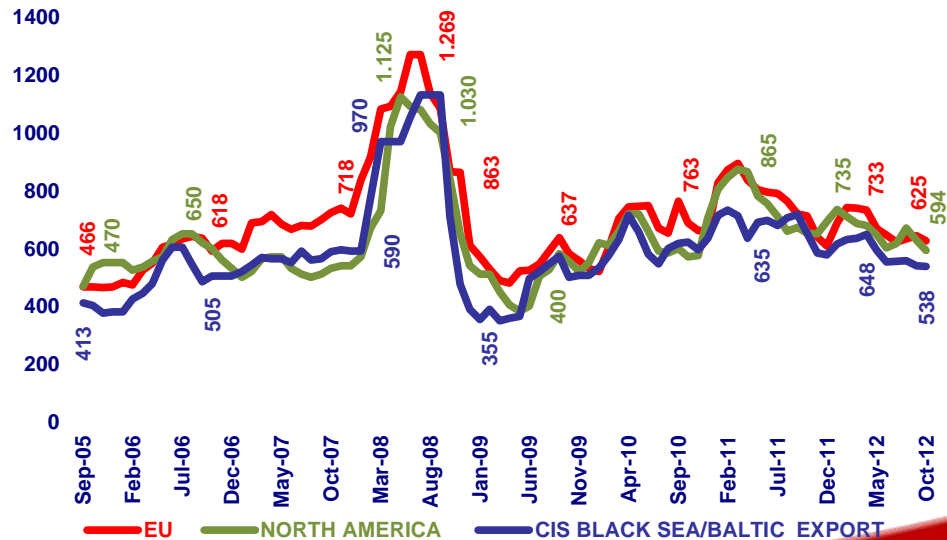
USA CRUDE STEEL PRODUCTION (YoY %)*



CIS CRUDE STEEL PRODUCTION (YoY %) *

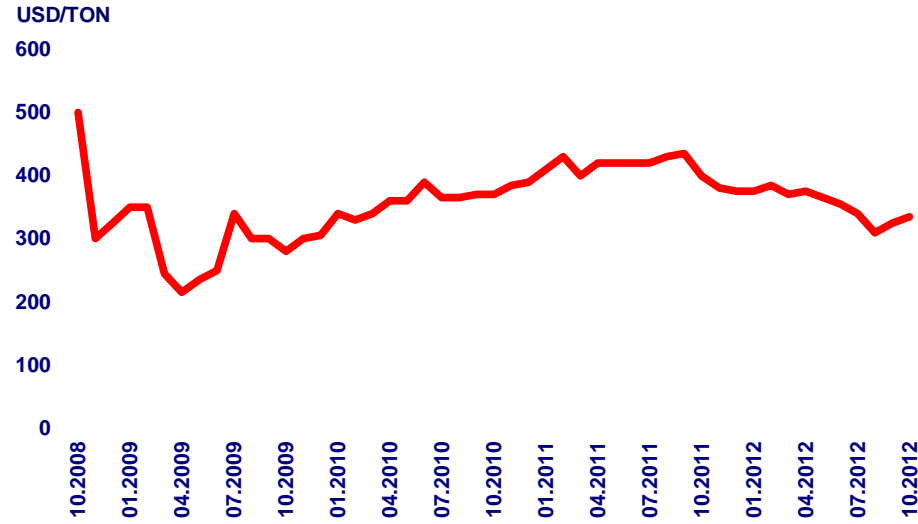


HRC PRICES (USD/TON)**

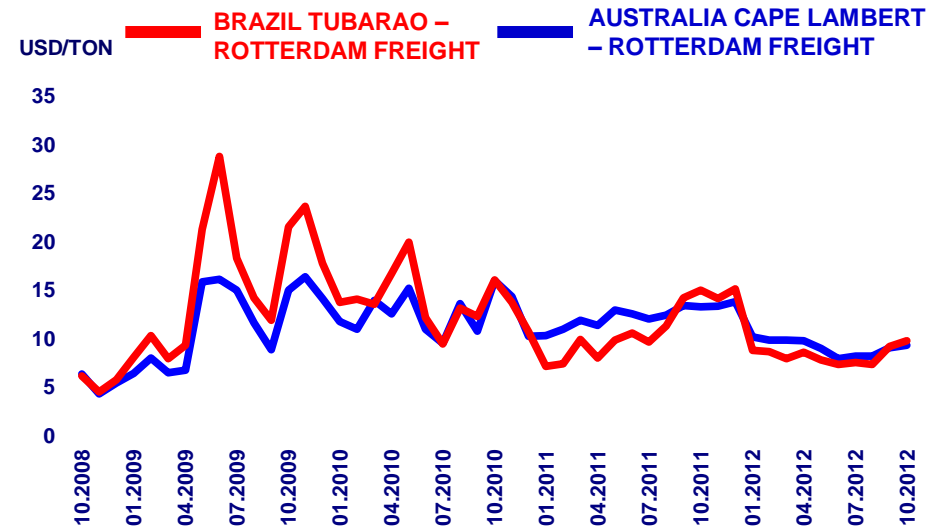
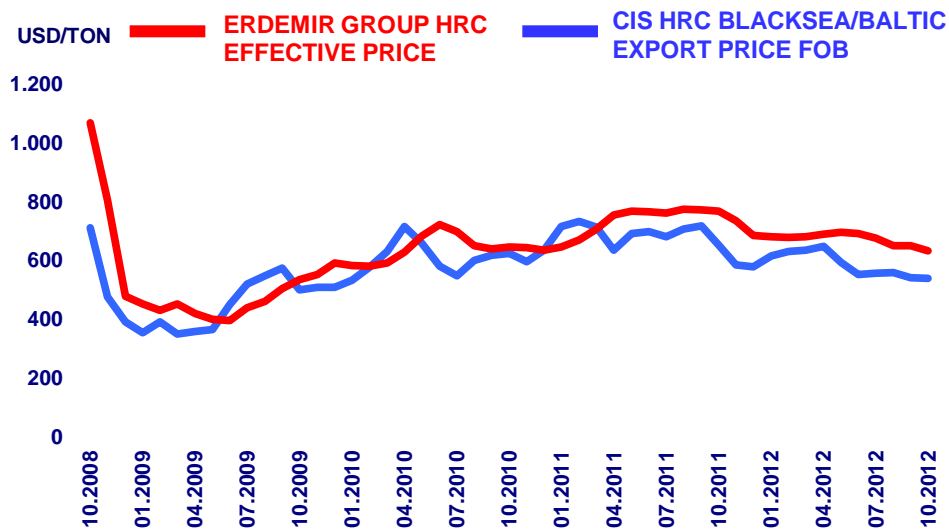
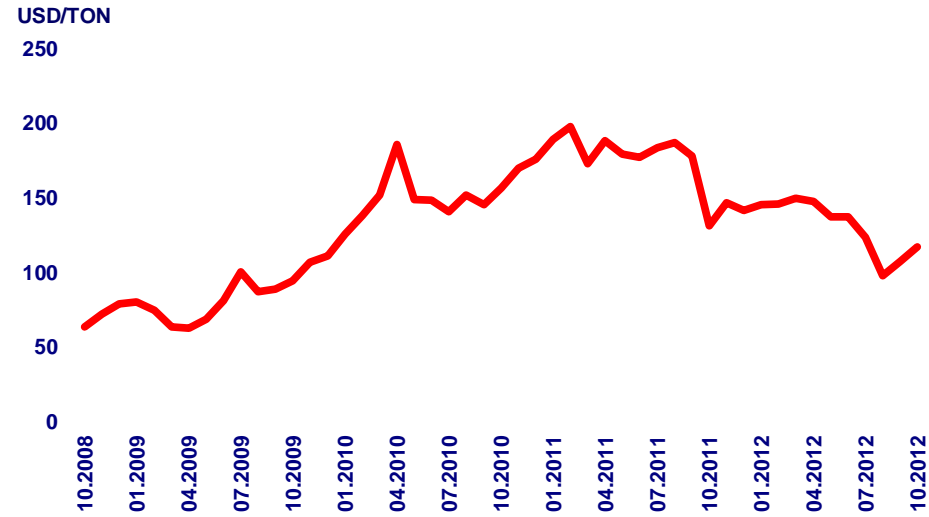


Iron ore prices have been increasing after sharp decrease since July

CHINA 2ND QUALITY COKE SPOT EXPORT PRICE

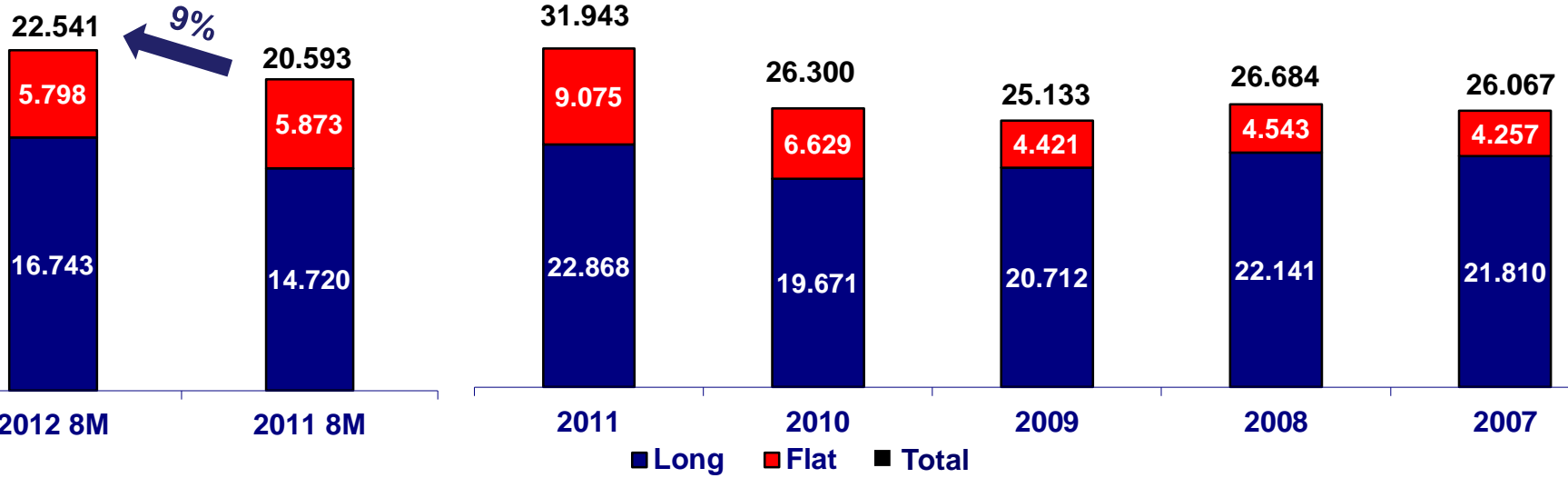


CHINA PORT FINE ORE PRICE CFR

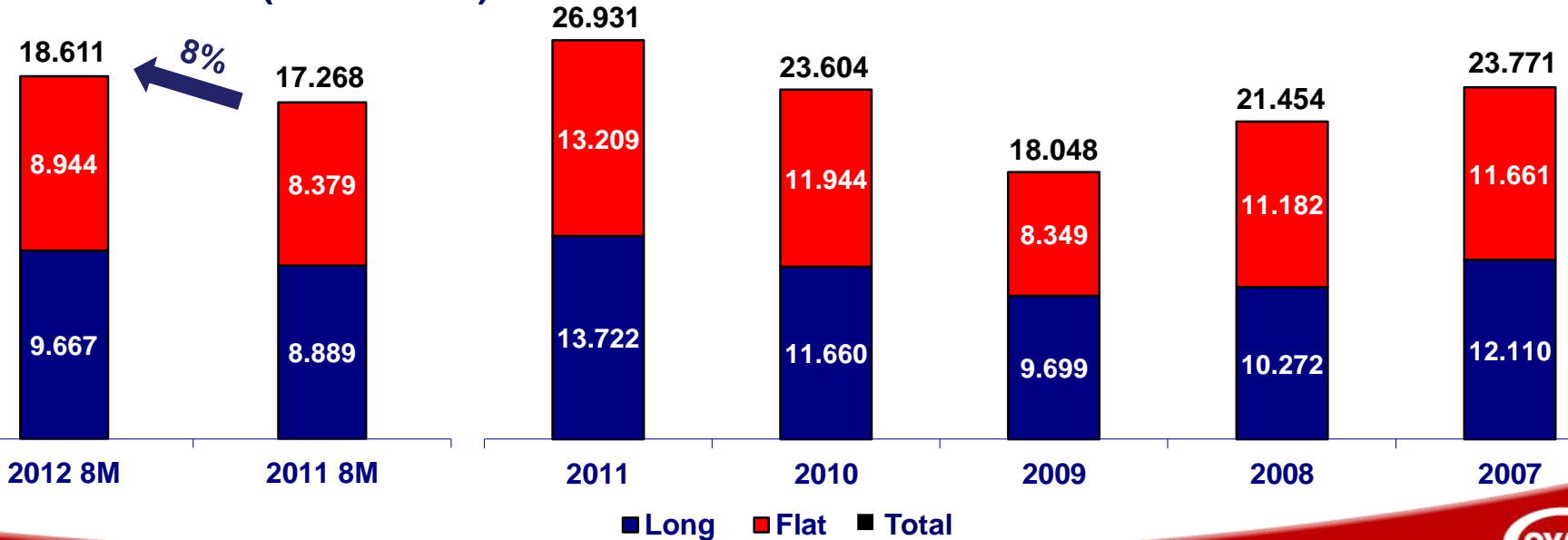


Turkish steel production increased by 9% in 2012 8M YoY

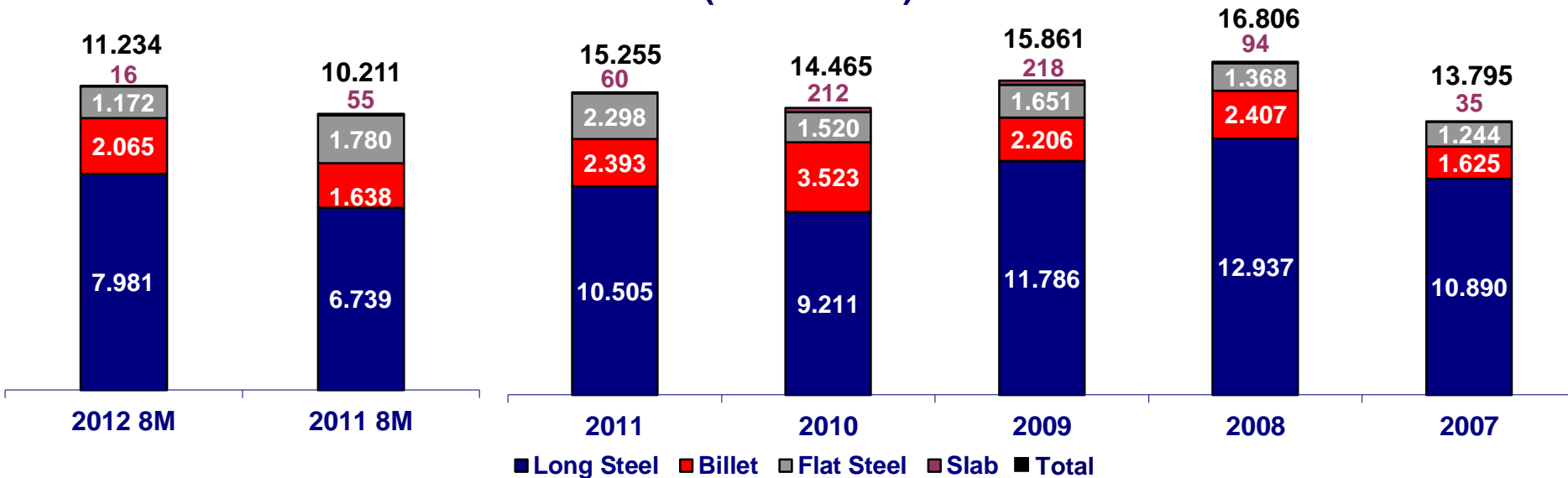
PRODUCTION (000 TONS)



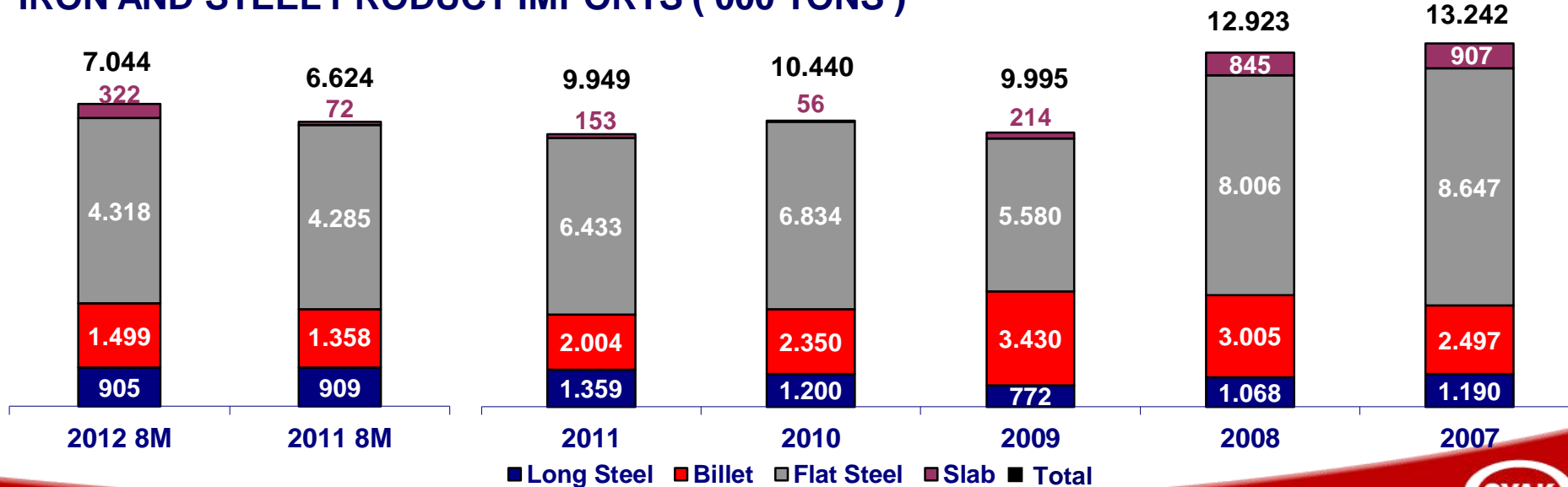
CONSUMPTION (000 TONS)



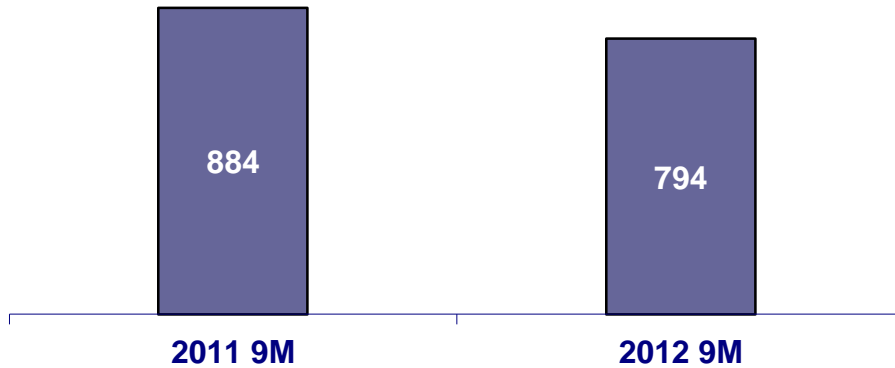
IRON AND STEEL PRODUCT EXPORTS (000 TONS)



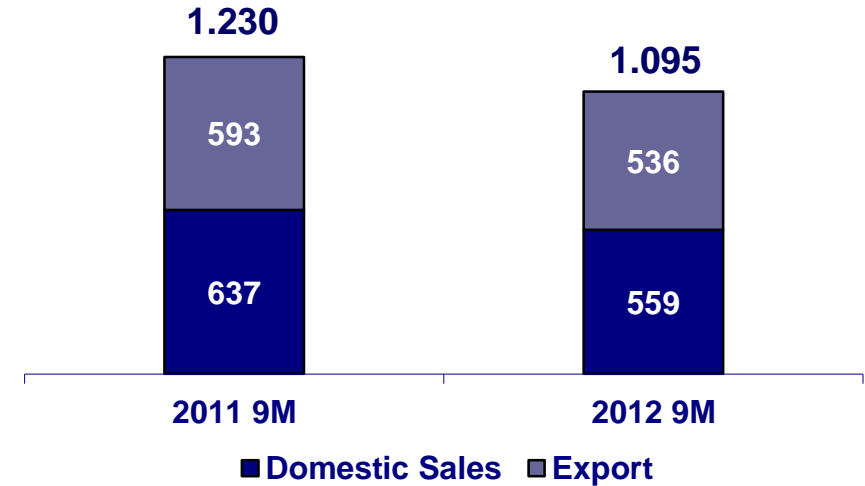
IRON AND STEEL PRODUCT IMPORTS (000 TONS)



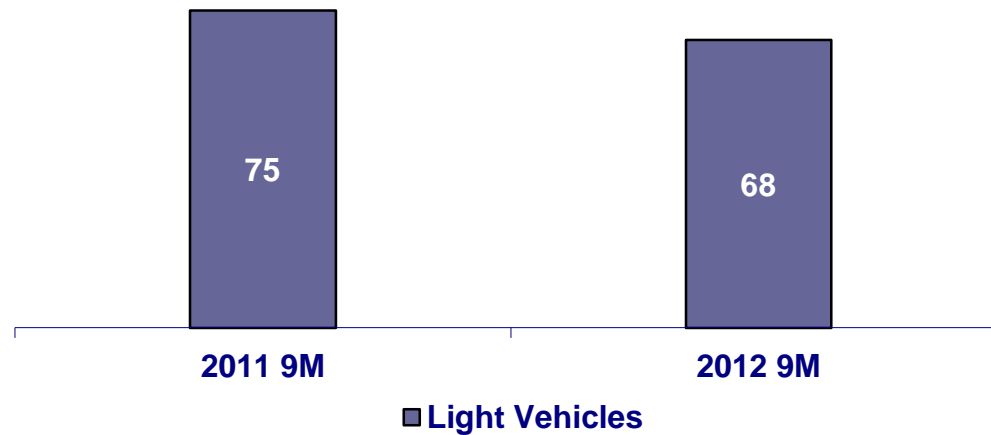
AUTOMOTIVE PRODUCTION (000 UNITS)



AUTOMOTIVE SALES (000 UNITS)

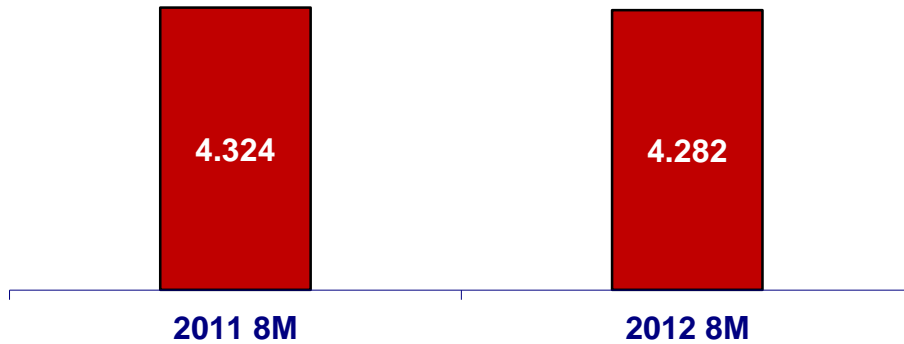


AUTOMOTIVE CAPACITY UTILIZATION RATIO (%)

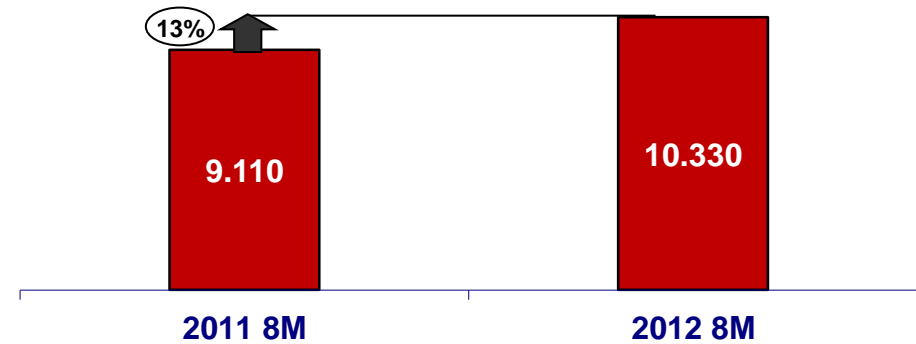


White goods exports and production increased by 13% and 7% respectively in 2012 9M YoY

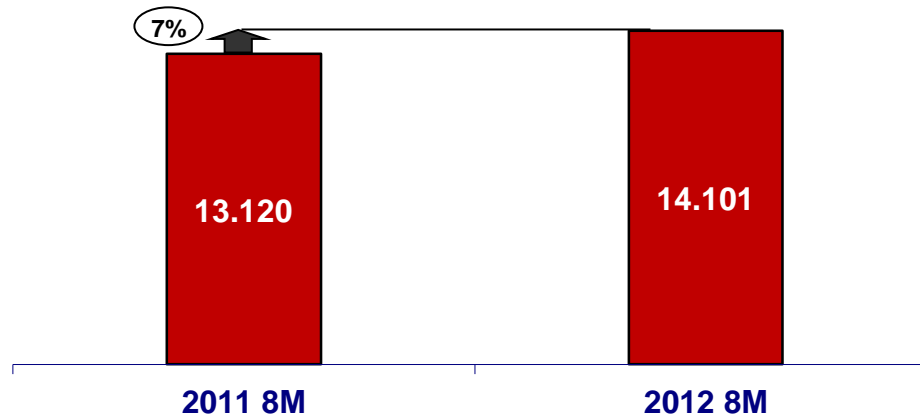
WHITE GOODS DOMESTIC SALES (000 UNITS)



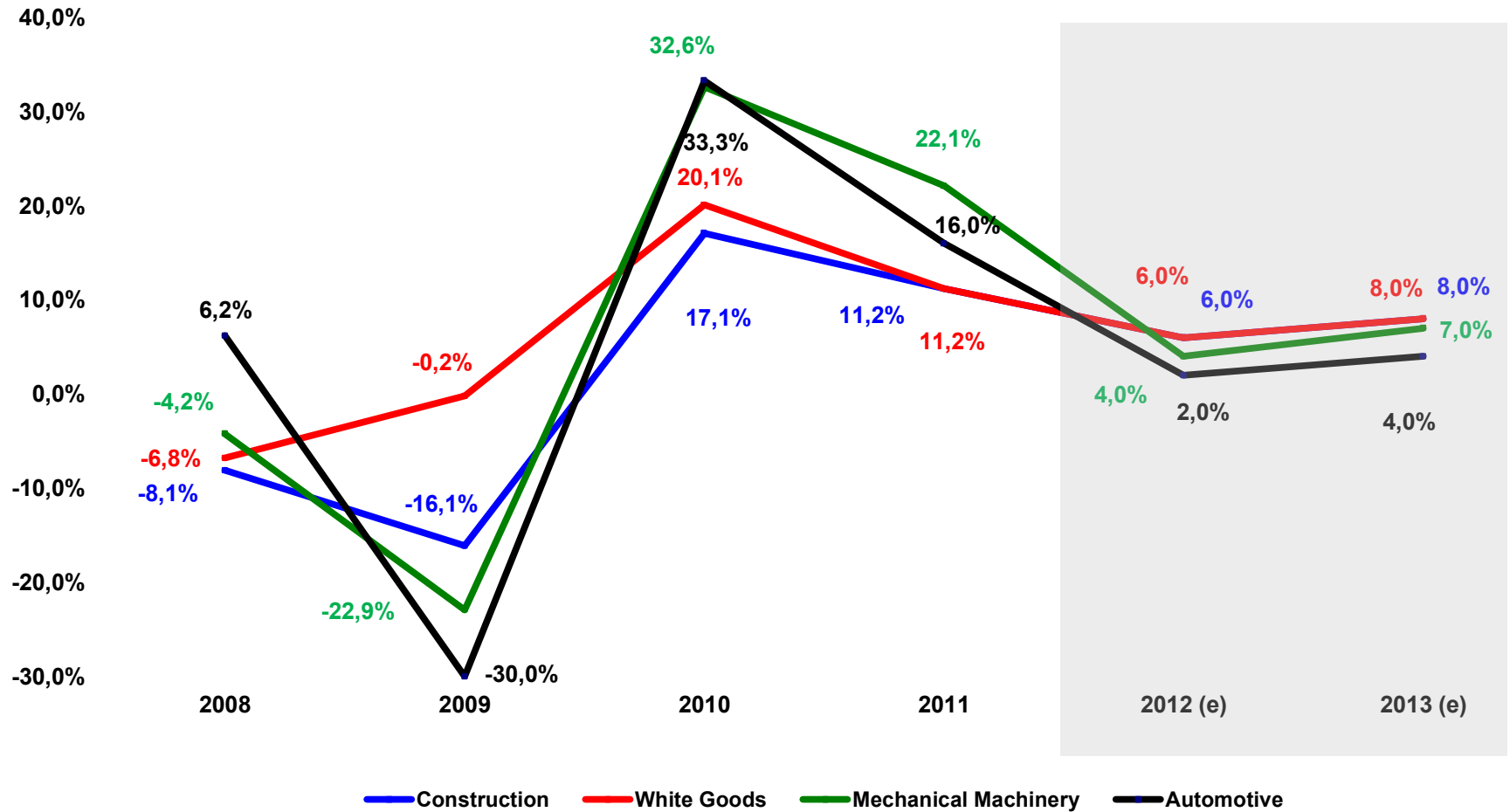
WHITE GOODS EXPORTS (000 UNITS)



WHITE GOODS PRODUCTION (000 UNITS)

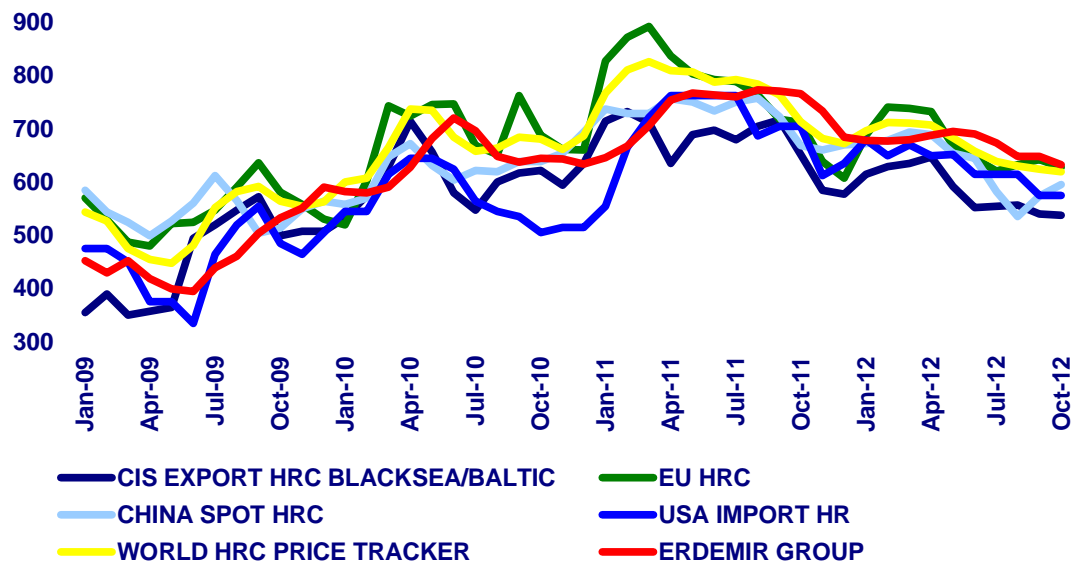


CHANGES IN SECTOR DEVELOPMENT INDEX (% YoY)



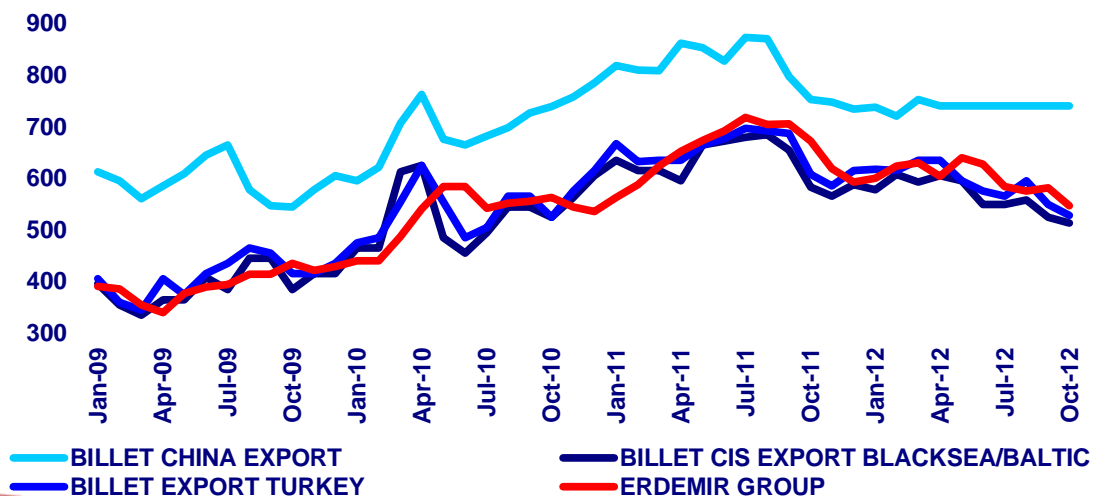
EU HRC sales prices are decreasing in last quarter

HRC PRICES (USD/Ton)



▶ As of October 2012, EU HRC price was 628 USD, China HRC spot price is 596 USD, USA export HRC price is 575 USD. The prices were 608 USD, 670 USD, 635 USD respectively by the end of 2011.

BILLET PRICES (USD/Ton)



▶ As of October 2012, Turkey export price was 528 USD while it was 615 USD in December 2011.



Agenda












2012 Market Overview



2012 9 Months Results

ERDEMİR GROUP KEY FIGURES

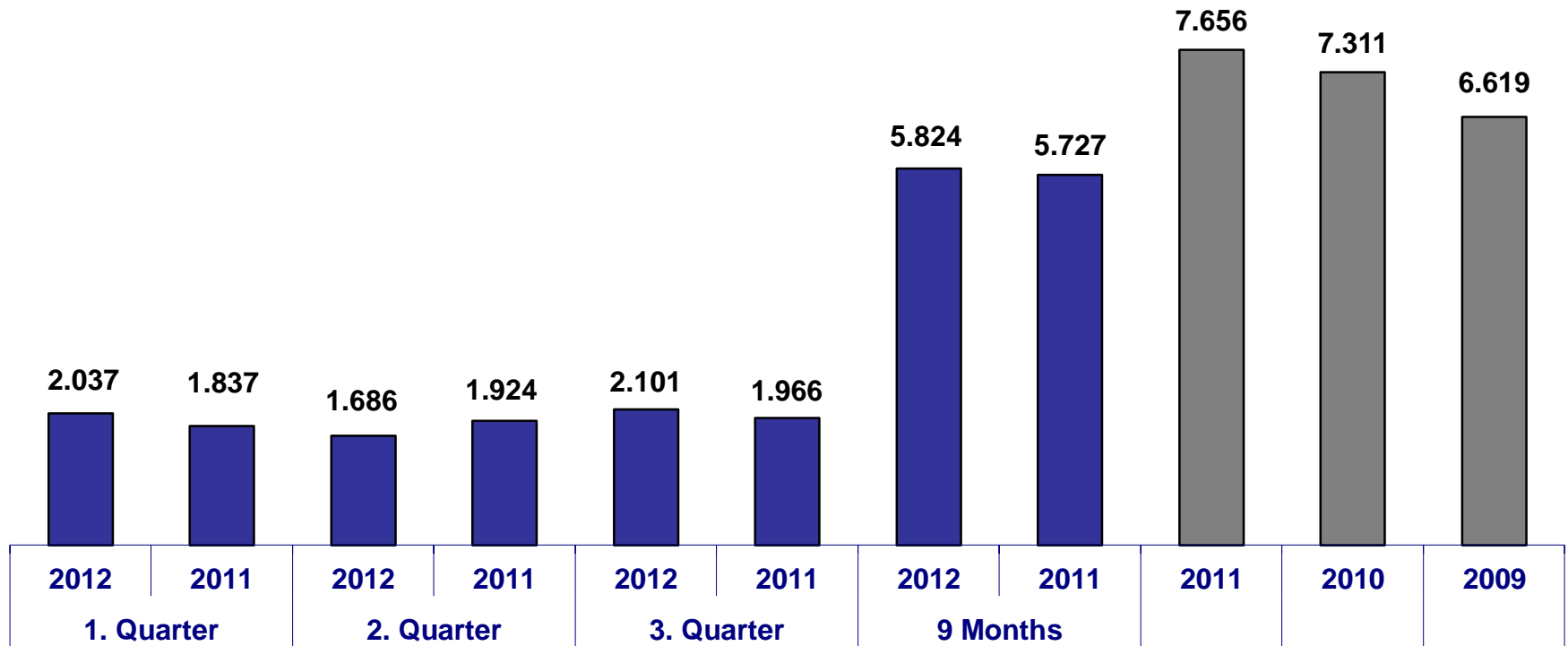
		2012 9M	2011 9M	2011	2010
Liquid Steel Production	<i>(000 Tons)</i>	 5.824	5.727	7.656	7.311
Slab Production ⁽¹⁾	<i>(000 Tons)</i>	 4.674	5.094	6.660	5.674
Flat Steel Production ⁽²⁾	<i>(000 Tons)</i>	 4.359	4.691	6.119	5.373
Long Steel Production	<i>(000 Tons)</i>	 1.010	481	794	1.420
Flat Steel Shipments	<i>(000 Tons)</i>	 4.433	4.572	5.856	5.123
Long Steel Shipments	<i>(000 Tons)</i>	 958	461	791	1.393
Net Sales Revenue	<i>(M. TL)</i>	 7.135	6.665	8.921	6.633
EBITDA	<i>(M. TL)</i>	 763	1.675	2.034	1.420
Net Profit For The Year	<i>(M. TL)</i>	 357	833	1.006	766

All figures are on IFRS consolidated basis unless stated otherwise.

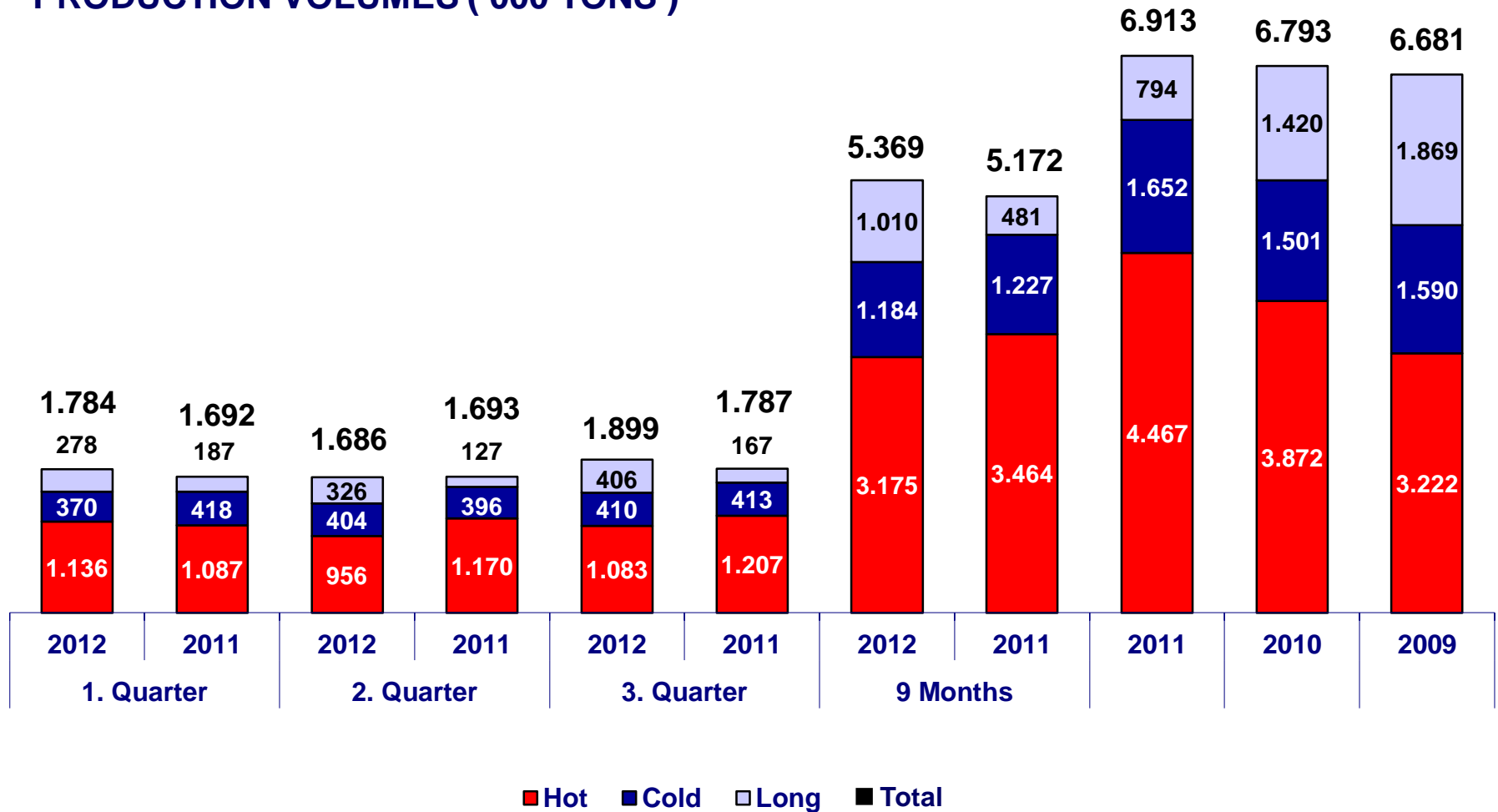
(1) Total slab production of Ereğli and İskenderun Plants.

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

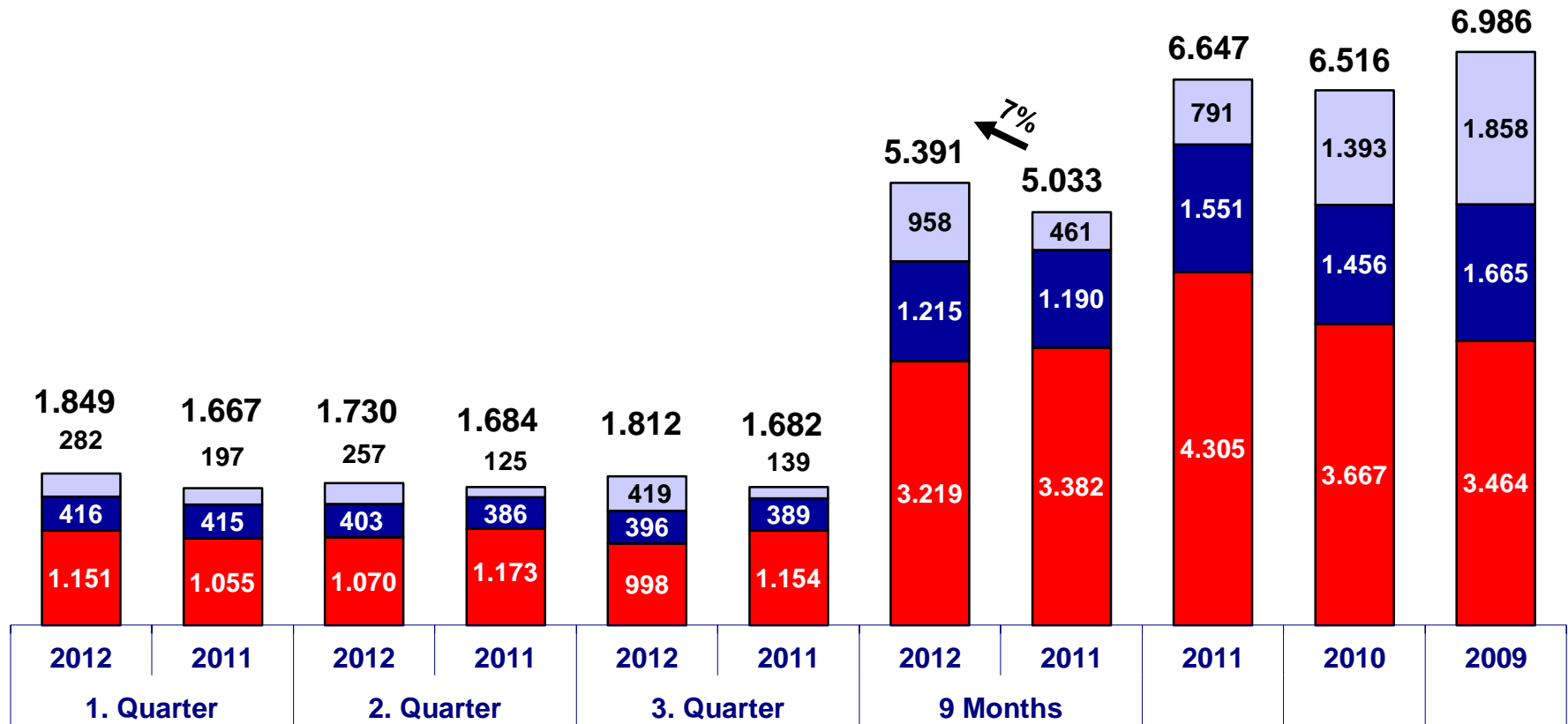
LIQUID STEEL PRODUCTION (000 TONS)



PRODUCTION VOLUMES (000 TONS)

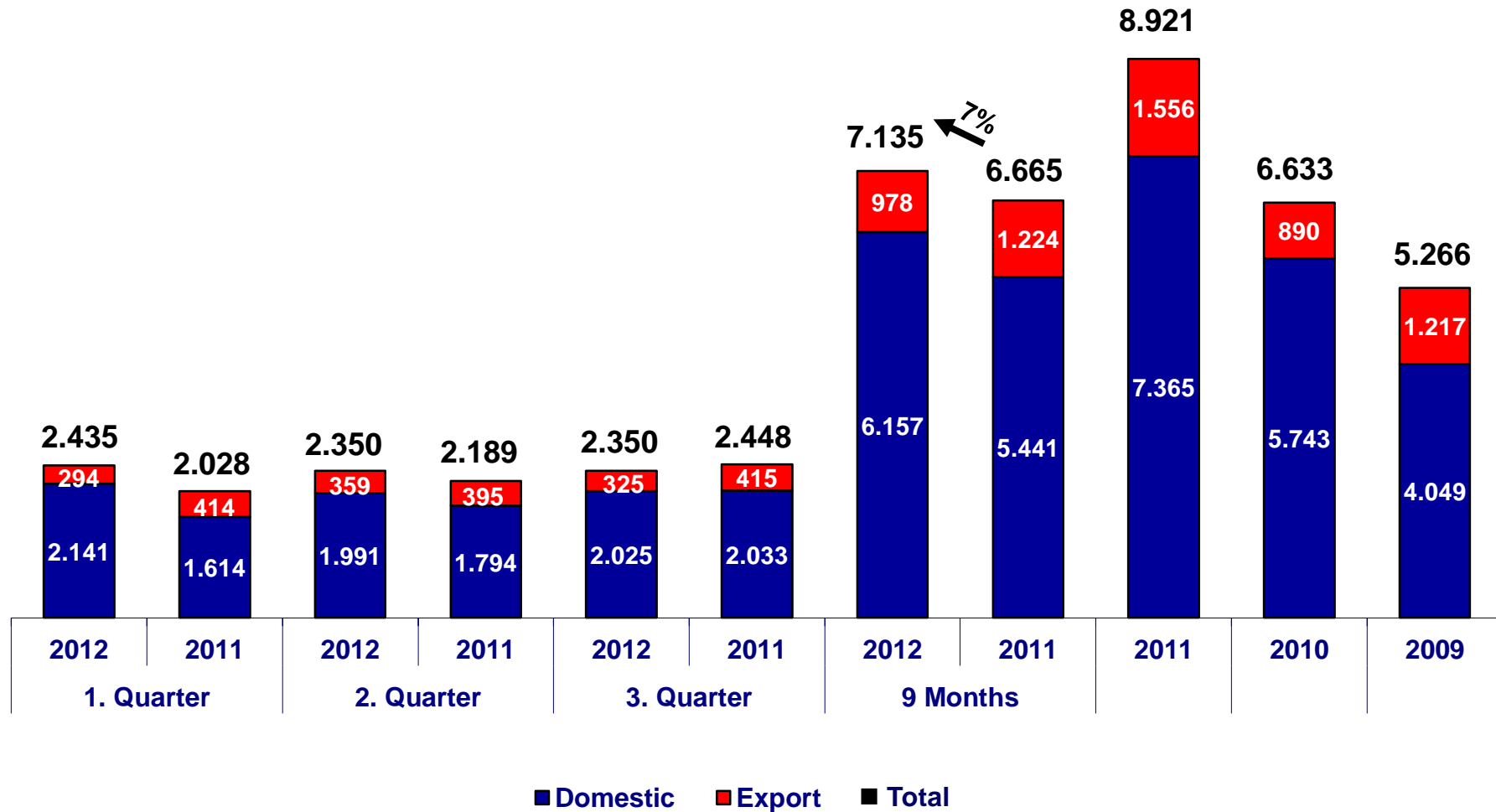


SALES VOLUMES (000 TONS)



■ Hot ■ Cold □ Long ■ Total

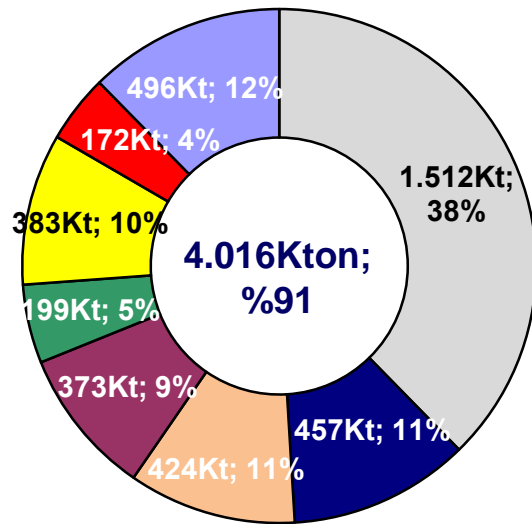
NET SALES REVENUE (MILLION TL)



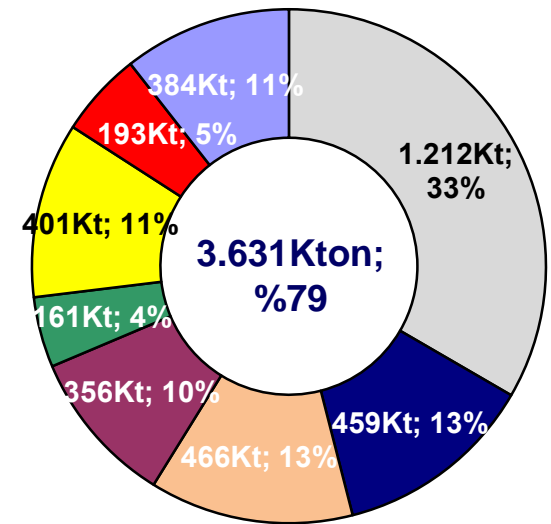
Sales to pipe and profile industry increased in 2012 9M YoY

2012 9M FLAT STEEL DOMESTIC SALES BREAKDOWN (%)

2011 9M FLAT STEEL DOMESTIC SALES BREAKDOWN (%)

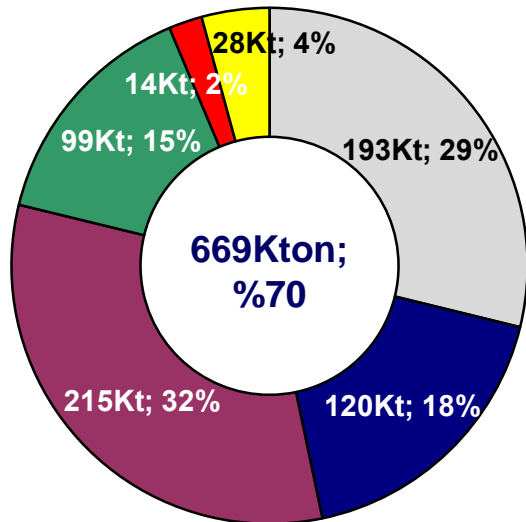


- Pipe and Profile Industry
- Steel Service Centers
- Secondary Production
- Wholesales
- Packaging Industry
- Automotive and Components
- Household Appliances
- General Manufacturing & Heavy Ind.

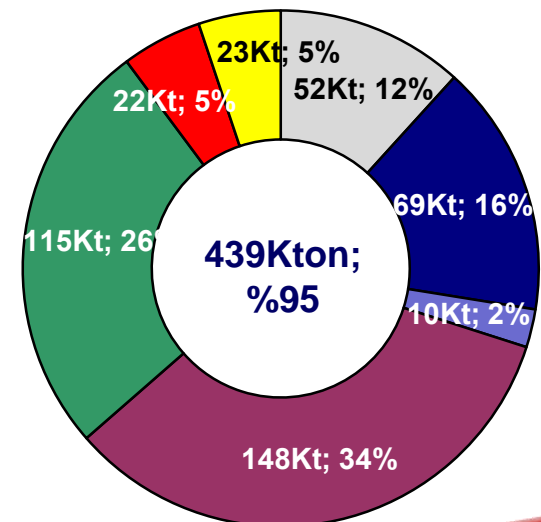


2012 9M LONG STEEL DOMESTIC SALES BREAKDOWN (%)

2011 9M LONG STEEL DOMESTIC SALES BREAKDOWN (%)

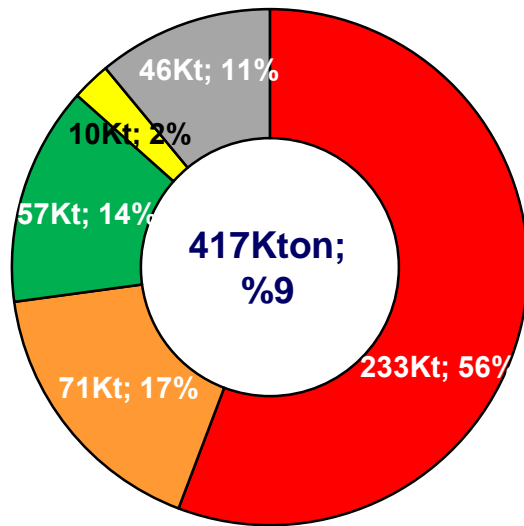


- Debar Producers
- Profile Producers
- Construction
- Commercial Qualities
- High Carbon Qualities
- Special Qualities
- Other

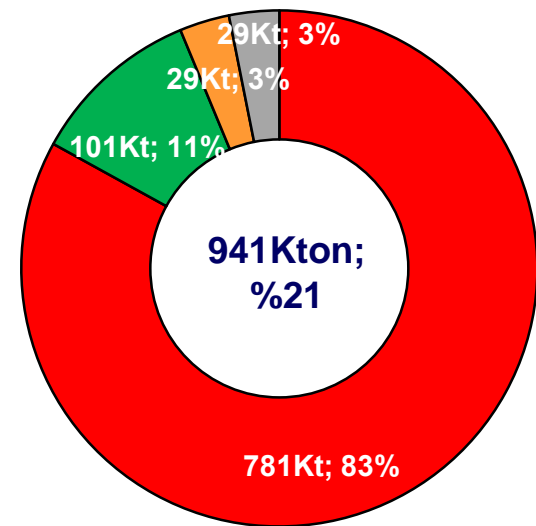


Flat steel sales to North America countries was 17% of our flat export in 2012 9M

2012 9M FLAT STEEL EXPORTS BREAKDOWN (%)

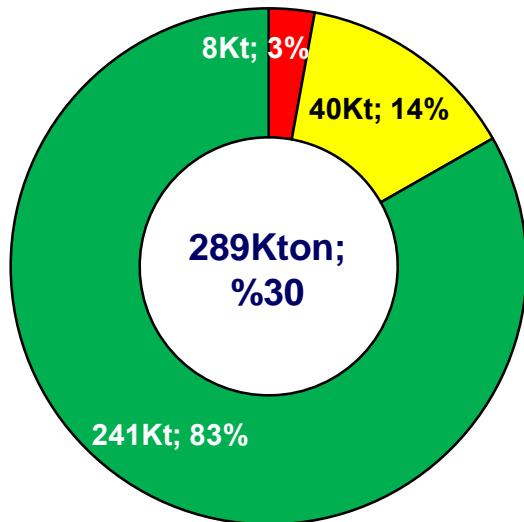


2011 9M FLAT STEEL EXPORTS BREAKDOWN (%)

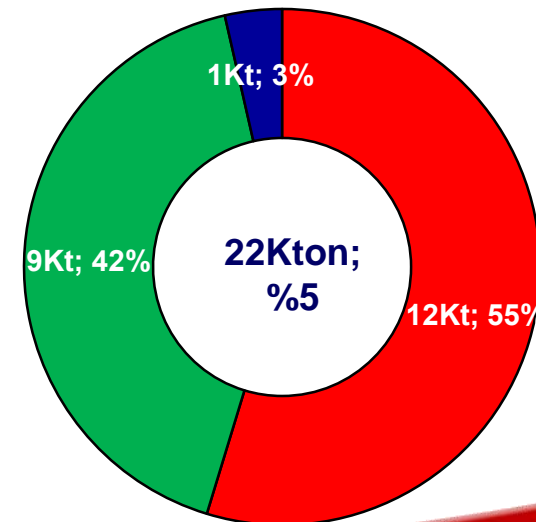


- EU
- MENA
- S. America
- N. Amerika
- Asia
- Other

2012 9M LONG STEEL EXPORTS BREAKDOWN (%)



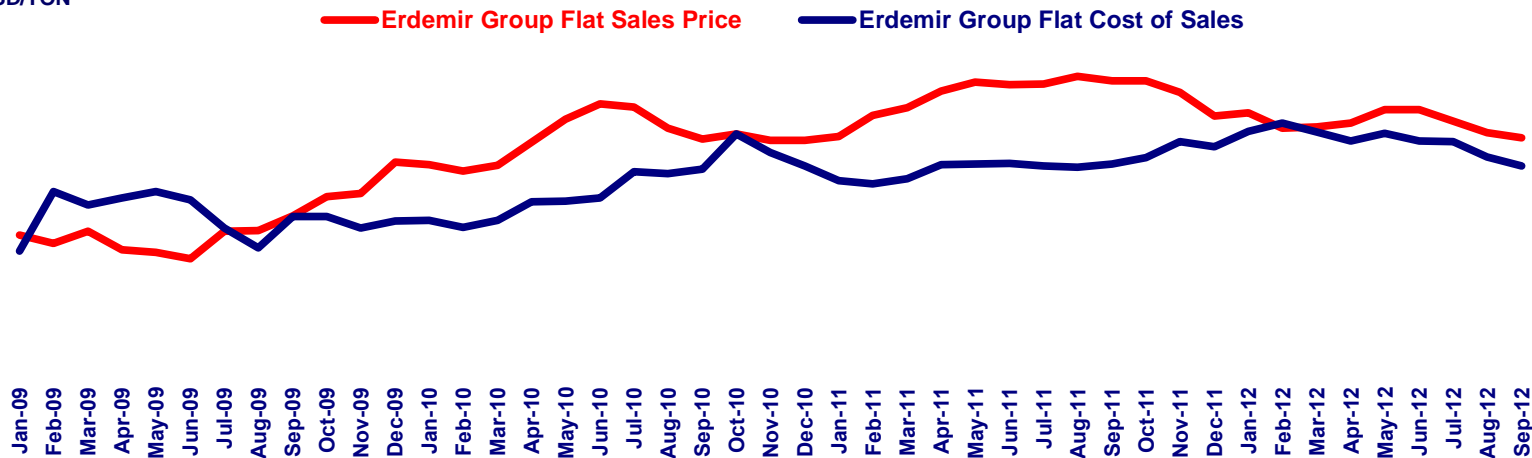
2011 9M LONG STEEL EXPORTS BREAKDOWN (%)



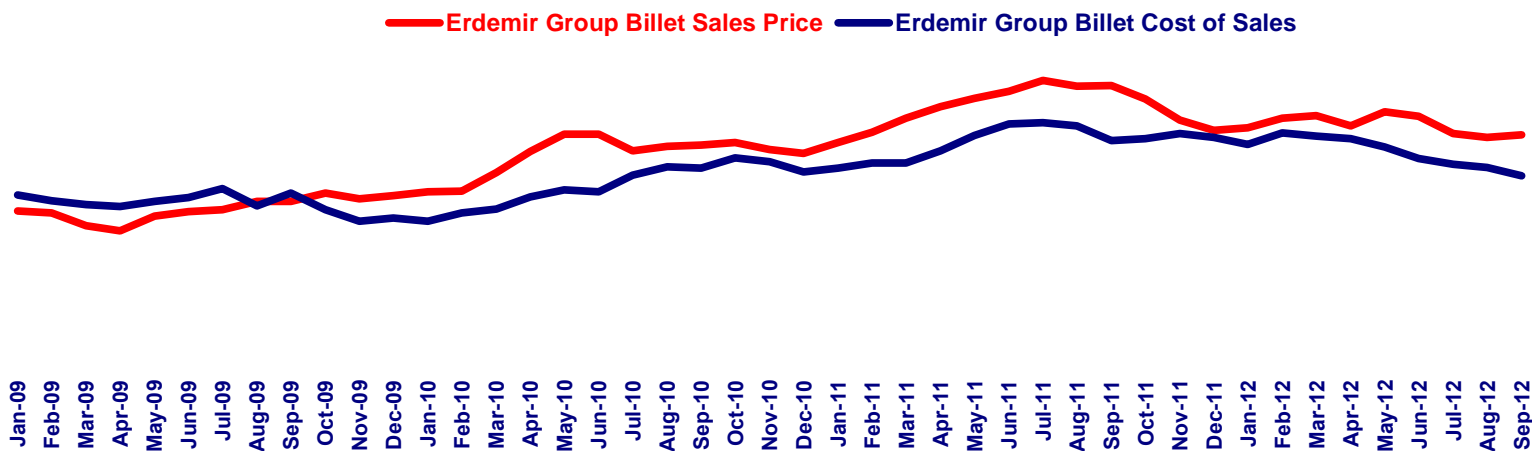
- EU
- MENA
- S. America
- N. Amerika
- Asia
- Other

In 2012 9M, Erdemir Group average flat and long steel prices were 734 USD/ton and 644 USD/ton respectively

USD/TON



USD/TON

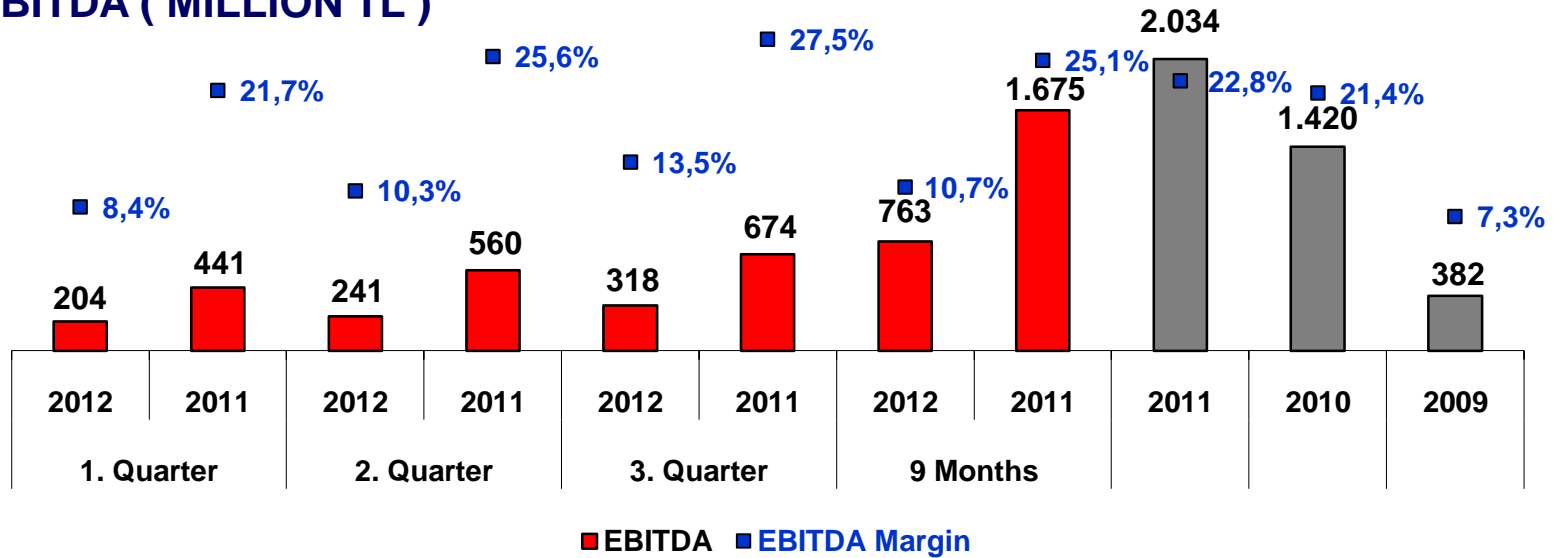


- ➡ Flat steel prices decreased by 8% on average in 2012 9M YoY.
- ➡ Long steel prices decreased by 13% on average in 2012 9M YoY.

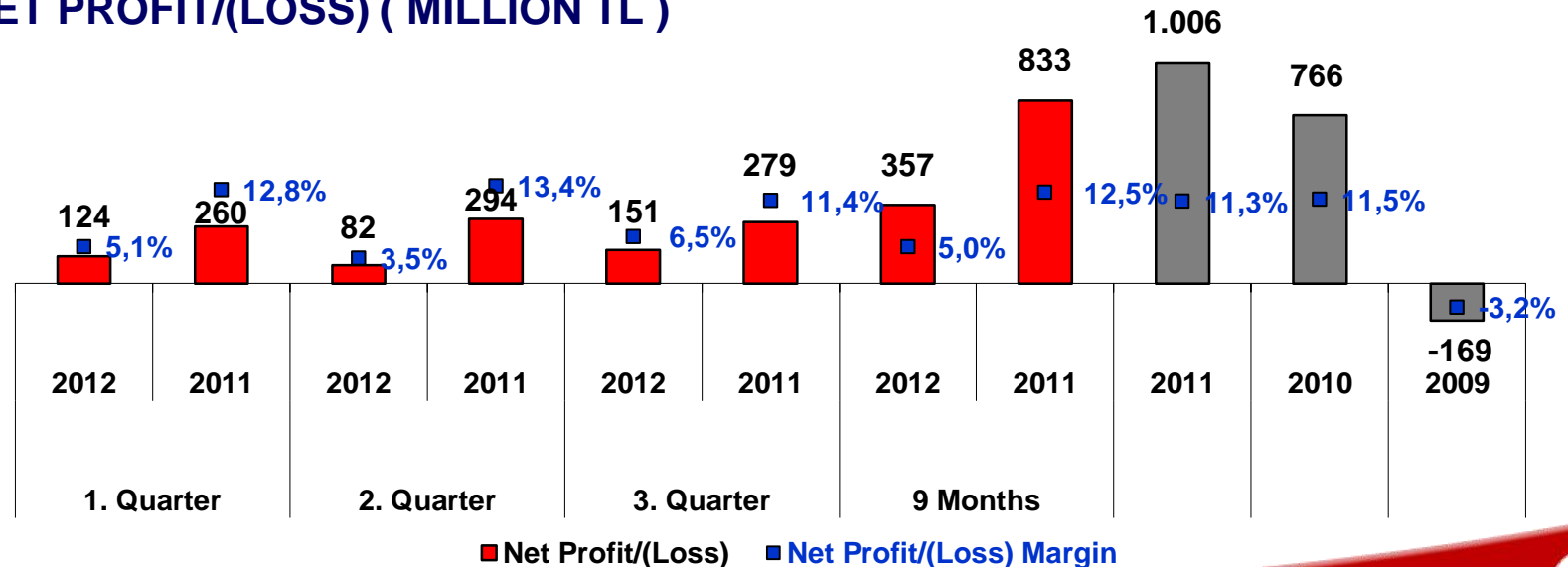


Net profit was 357 million TL in 2012 9M

EBITDA (MILLION TL)

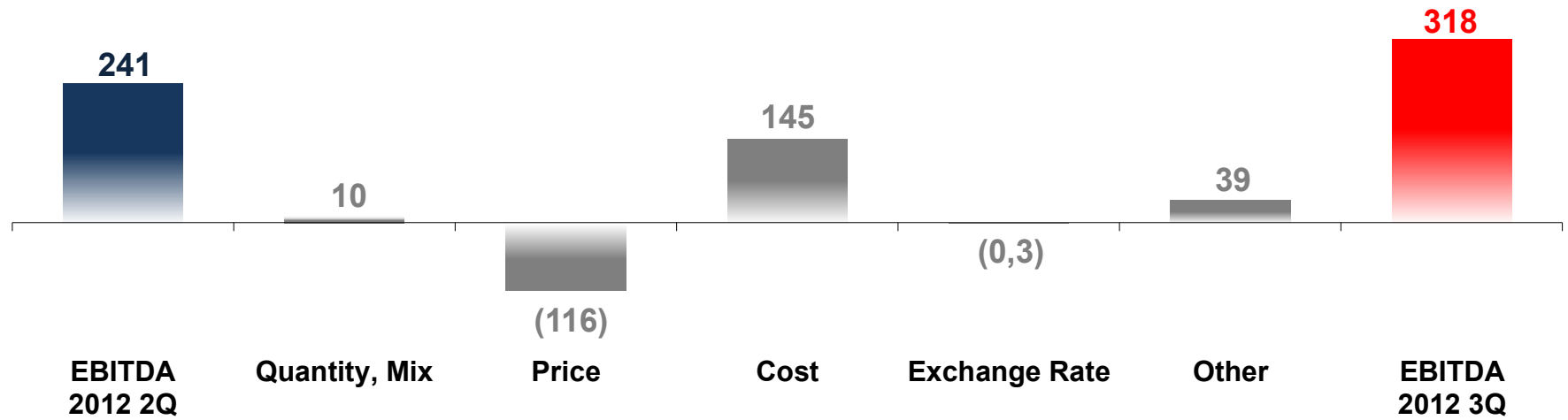


NET PROFIT/(LOSS) (MILLION TL)

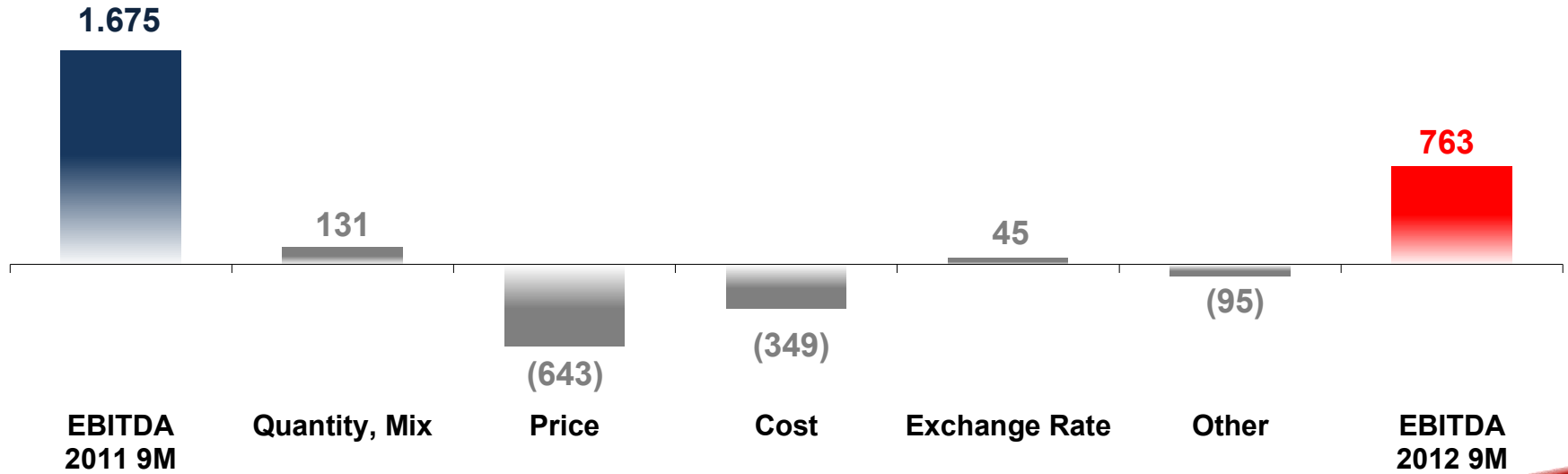


EBITDA was 763 million TL in 2012 9M

Million TL

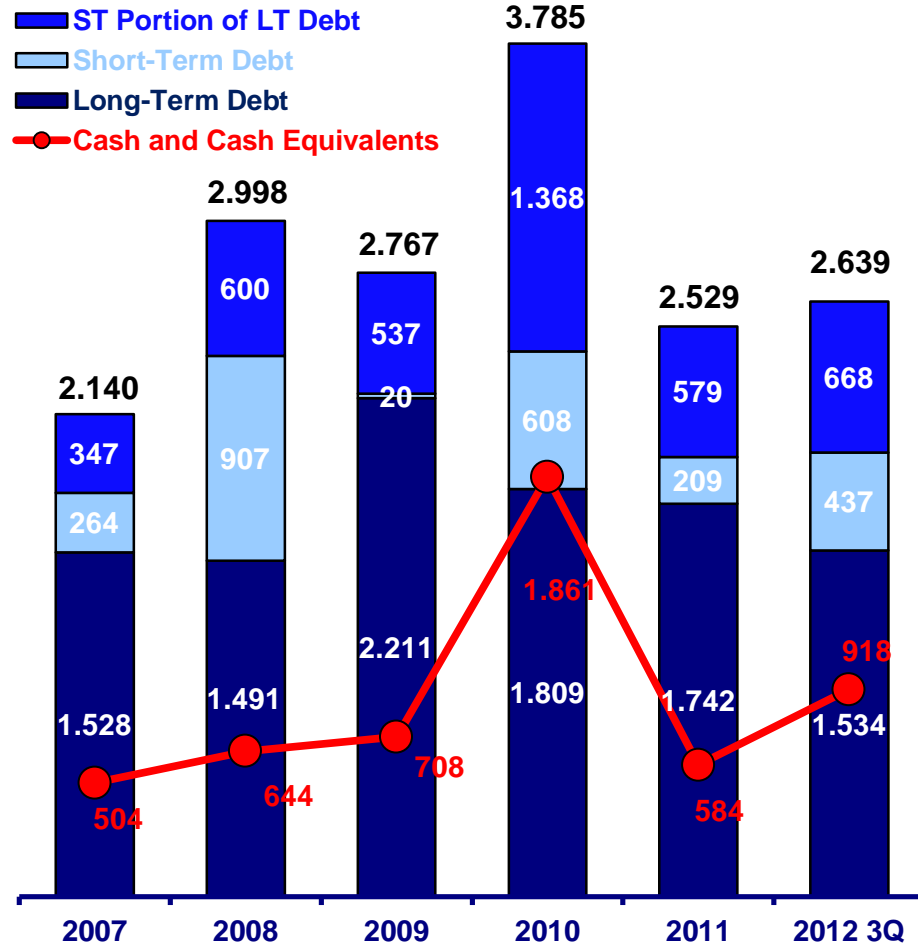


Million TL

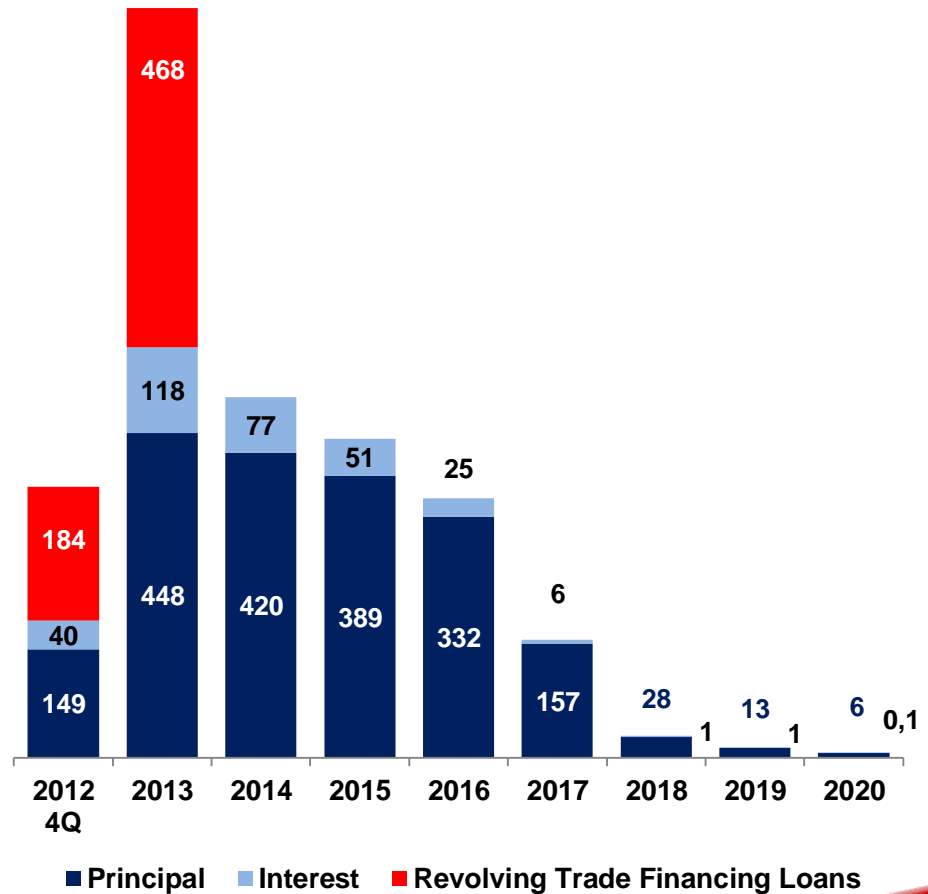


Erdemir Group has 918 million USD cash and cash equivalents at the end of 2012 September

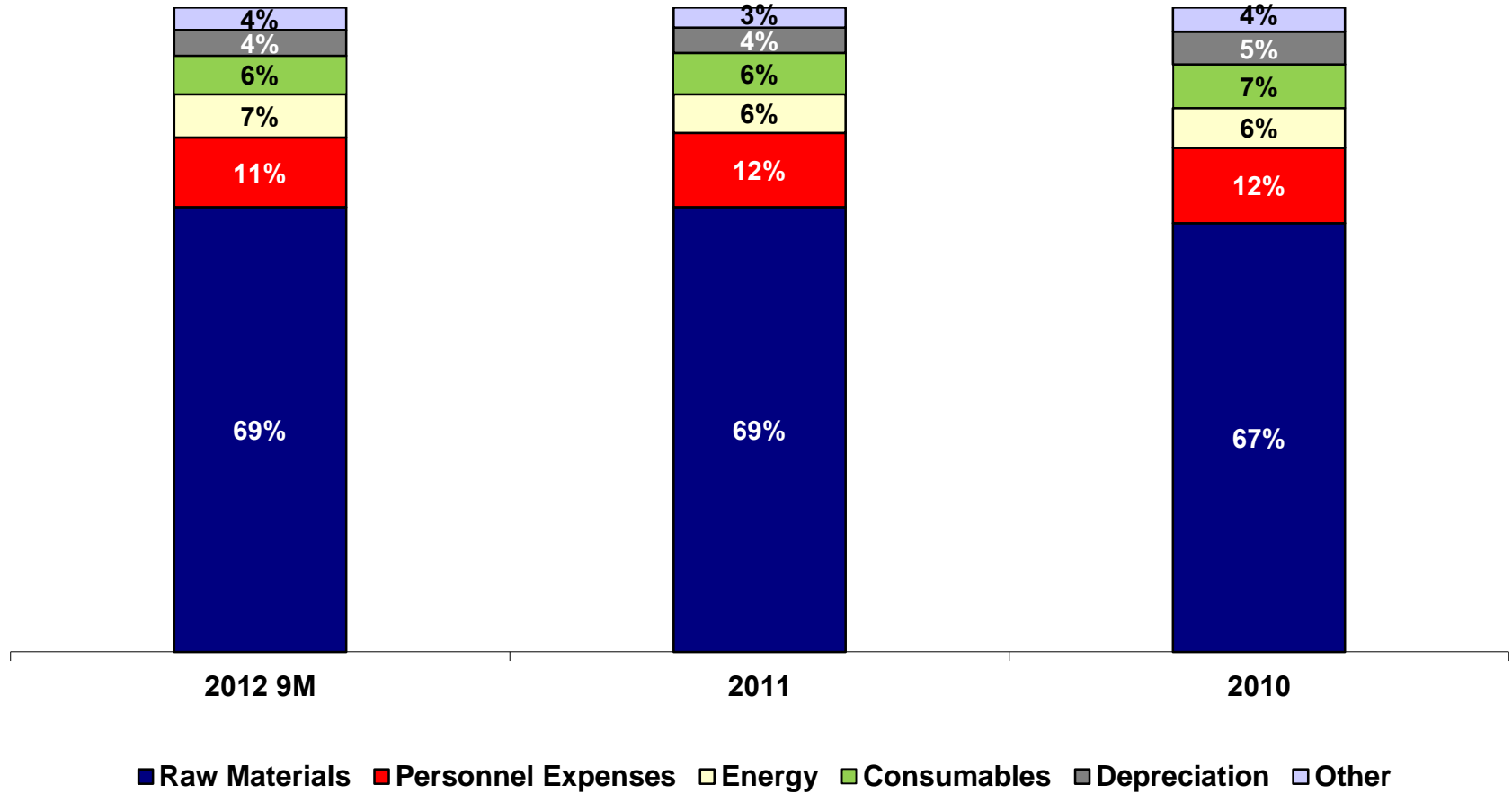
BORROWINGS (MILLION USD)



BORROWINGS MATURITY PROFILE (MILLION USD)

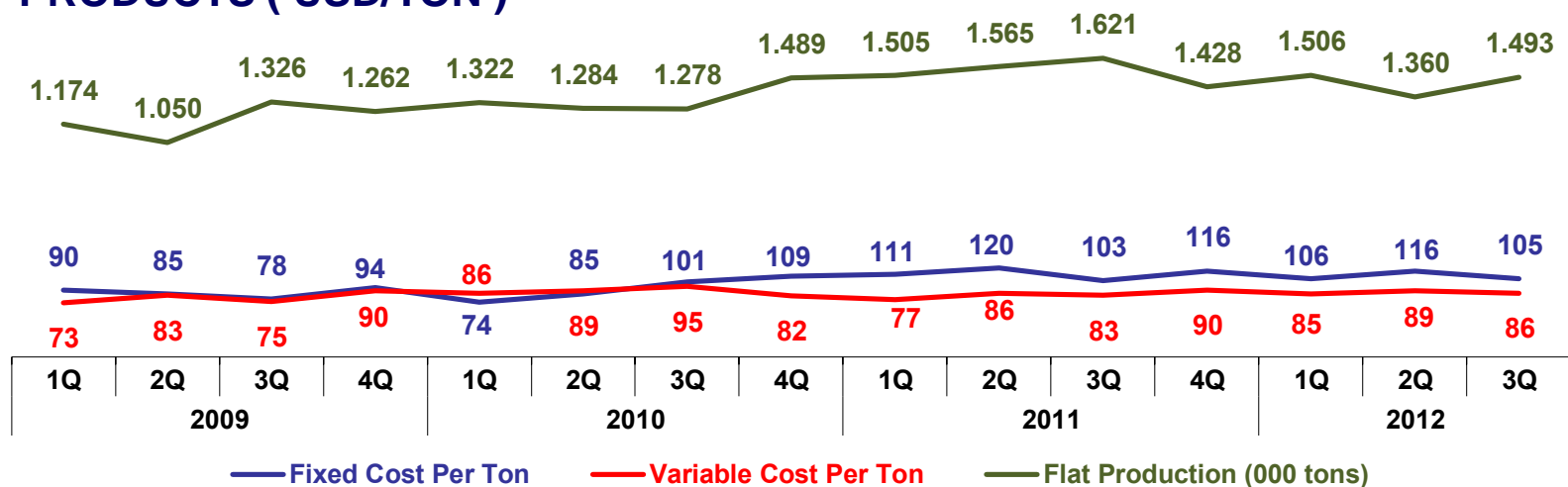


COST OF PRODUCTION BREAKDOWN* - %

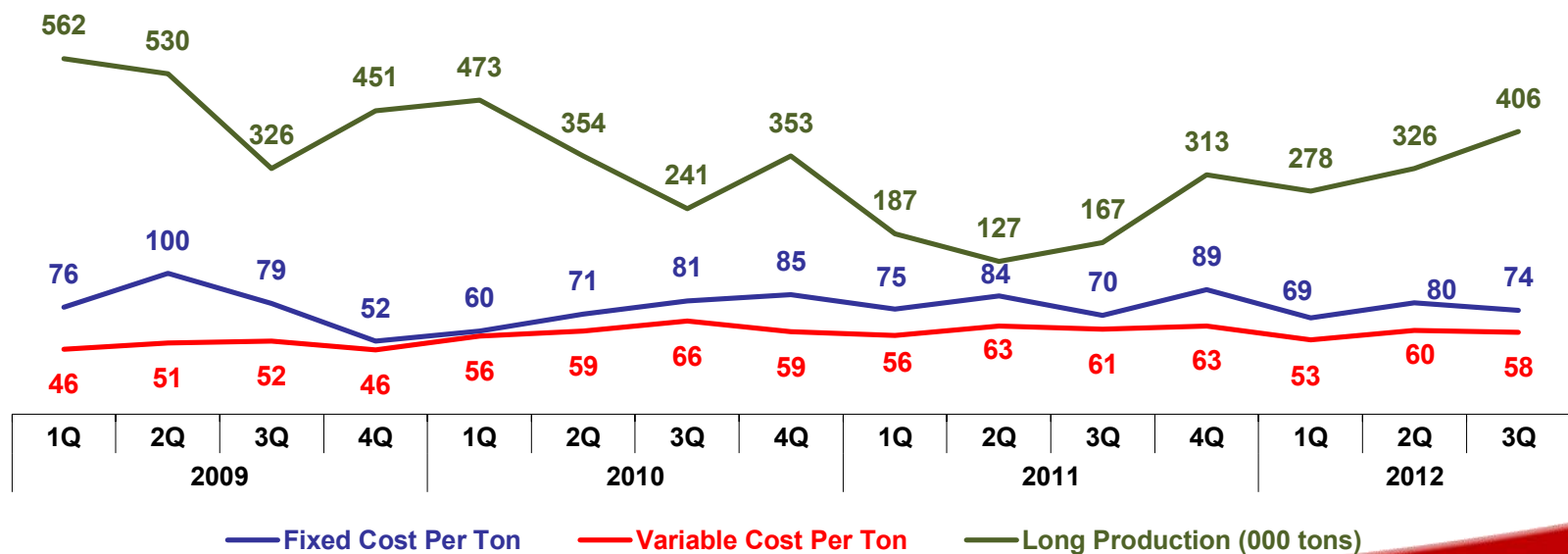


Flat cost per ton excluding raw materials was realised as 191 USD/ton in 2012 9M

FLAT PRODUCTS (USD/TON)*

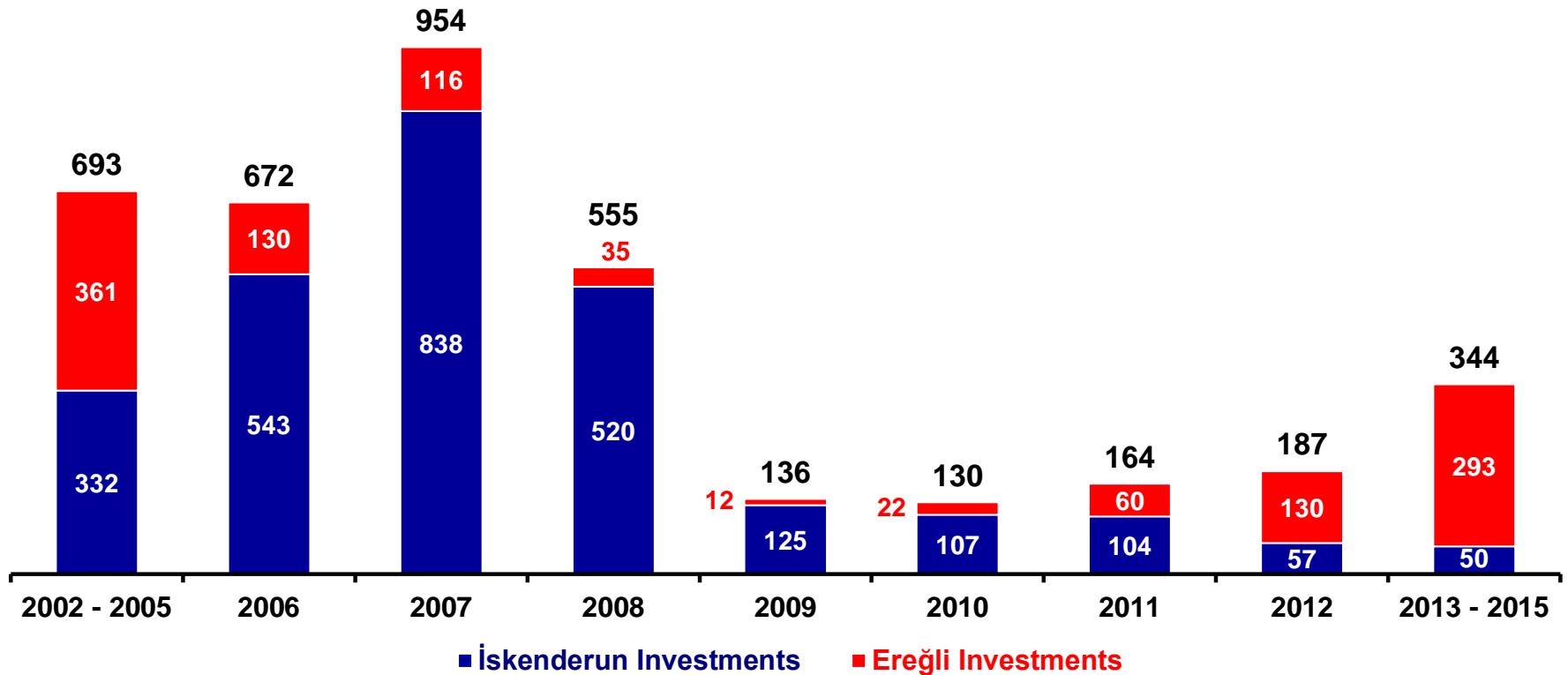


LONG PRODUCTS (USD/TON)*



Capital expenditures of 187 million USD is planned for 2012

(M USD)



NUMBER OF EMPLOYEES

