



Erdemir Group
2013 First Quarter
Consolidated Financial Results

15 May 2013

DISCLAIMER

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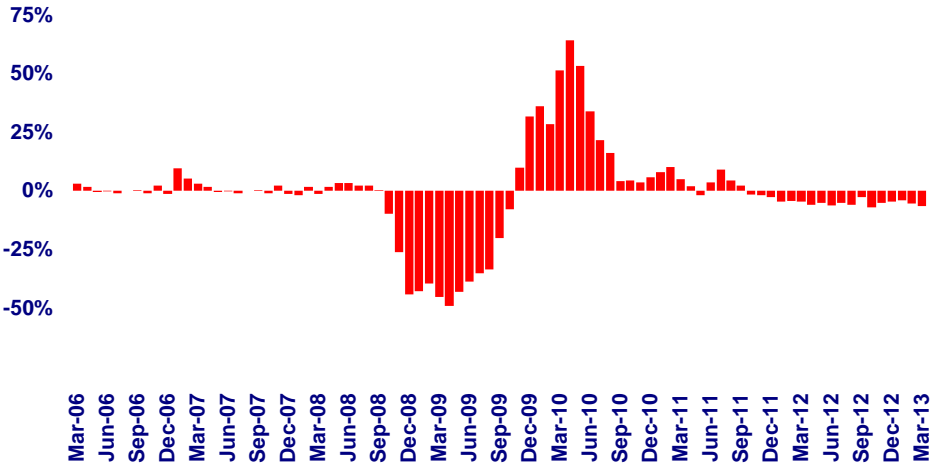
Agenda

 **2013 Market Overview**

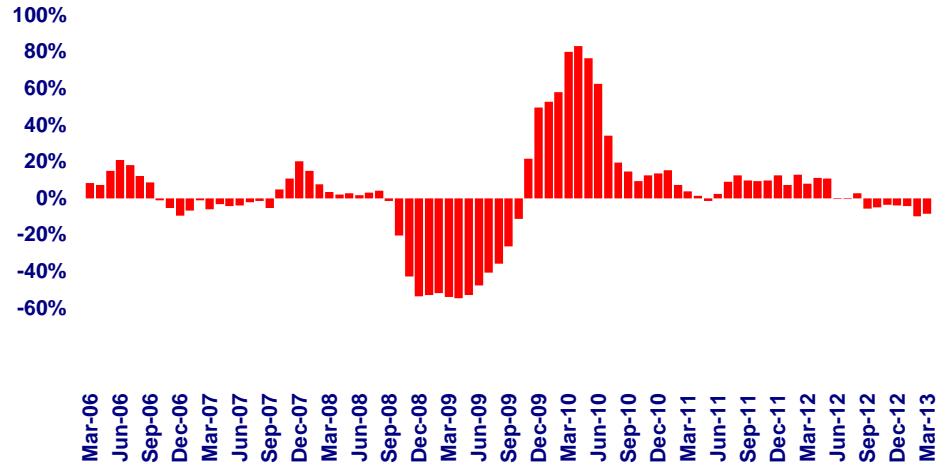
 **2013 1Q Results**

In EU, sales price was 621 USD/ton as of April 2013

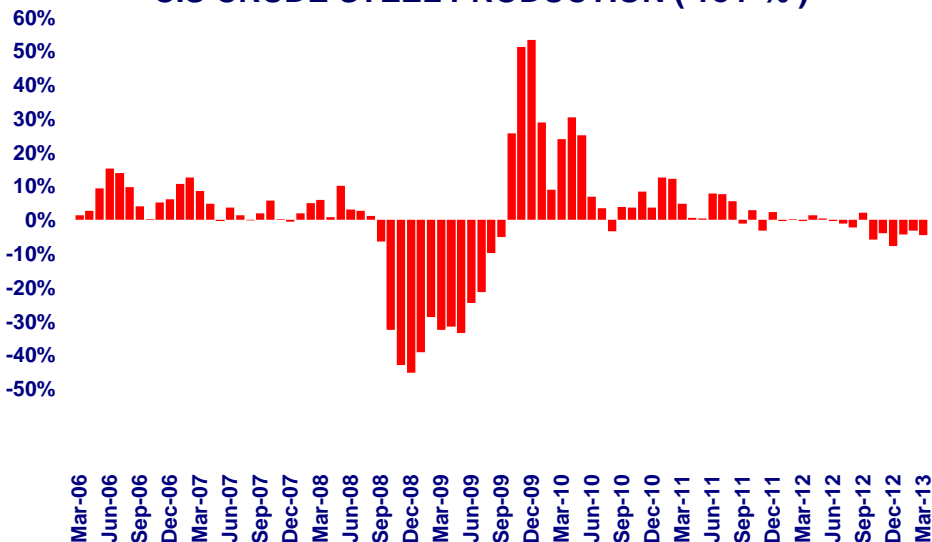
EU27 CRUDE STEEL PRODUCTION (YoY %)*



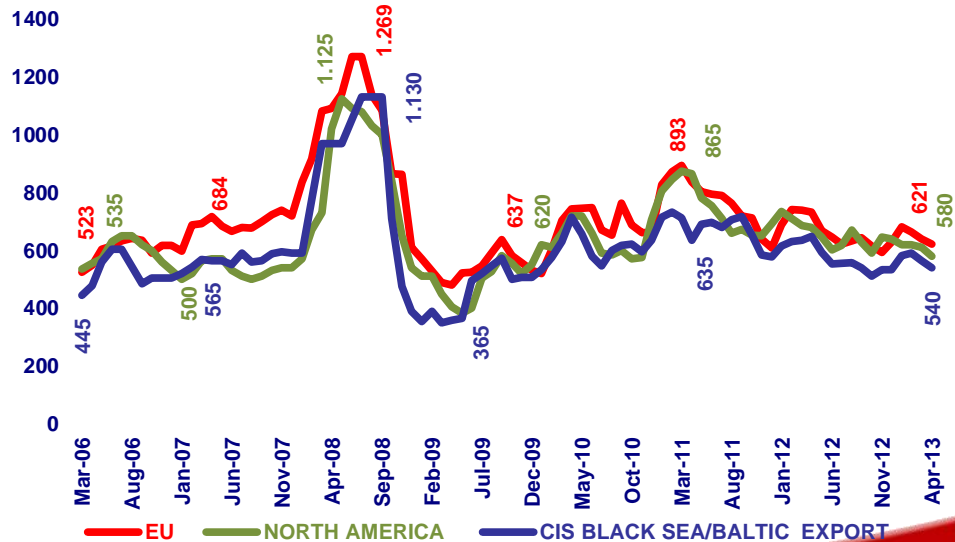
USA CRUDE STEEL PRODUCTION (YoY %)*



CIS CRUDE STEEL PRODUCTION (YoY %) *

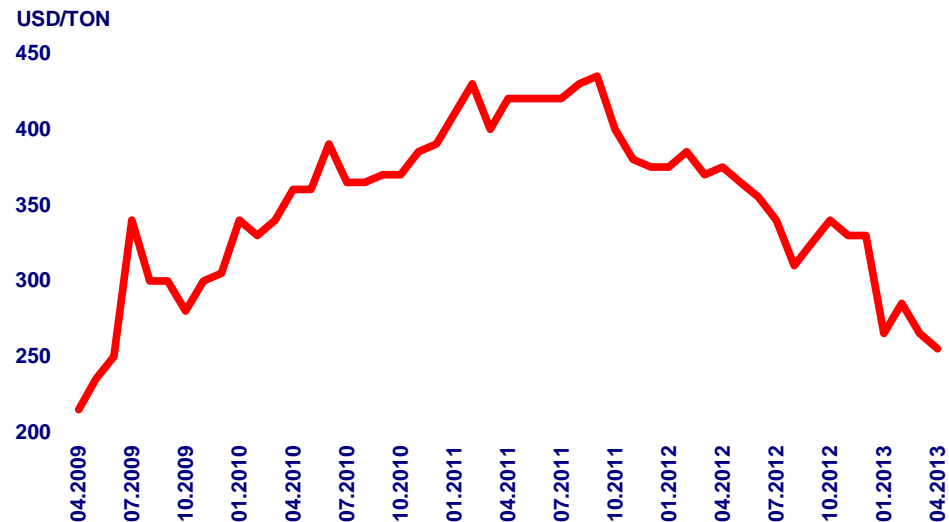


HRC PRICES (USD/TON)**

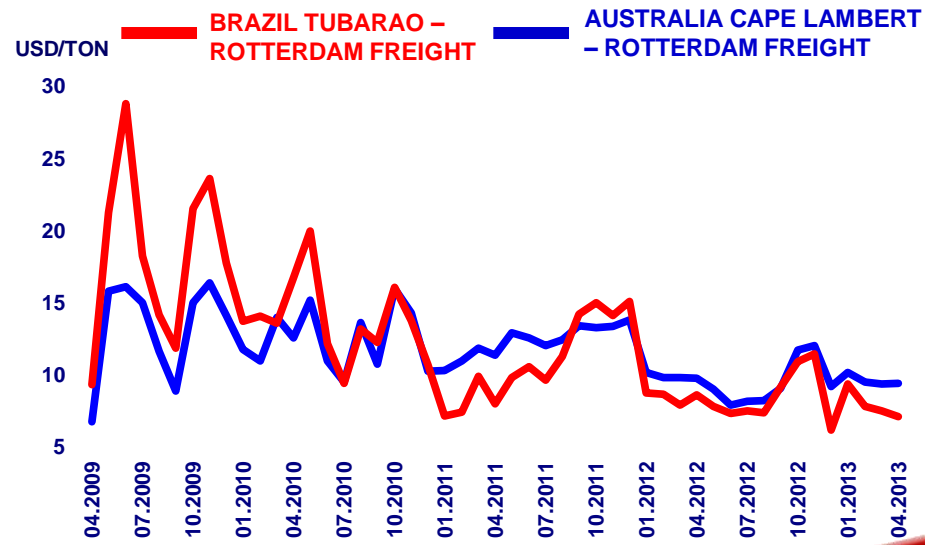
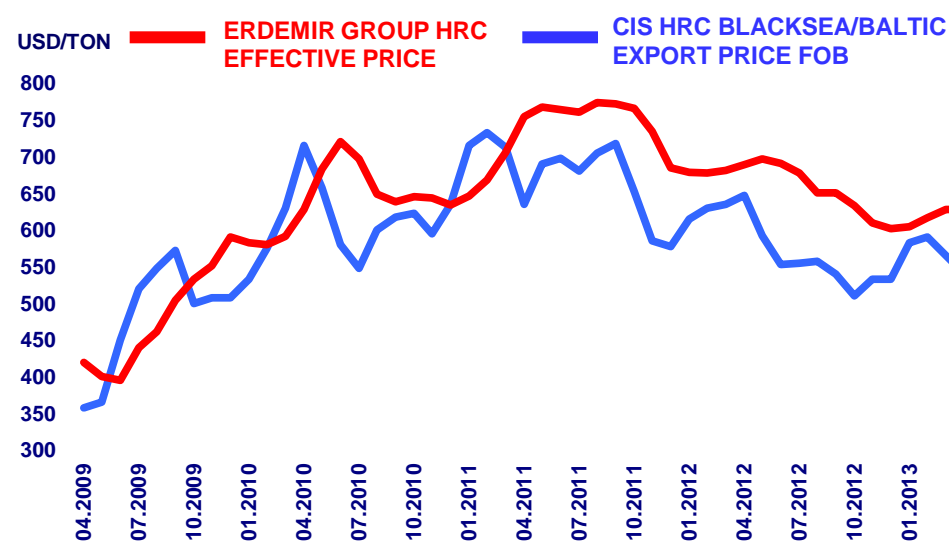
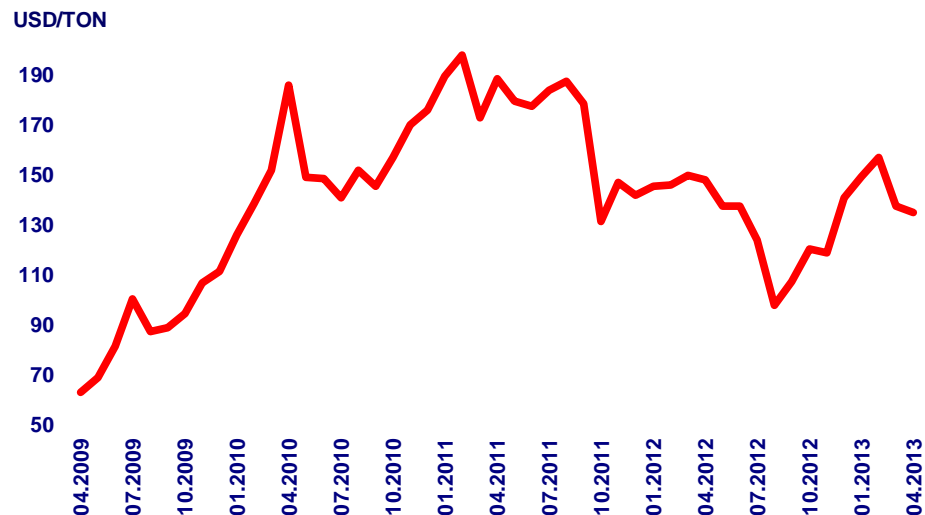


Coke prices are decreasing

CHINA 2ND QUALITY COKE SPOT EXPORT PRICE

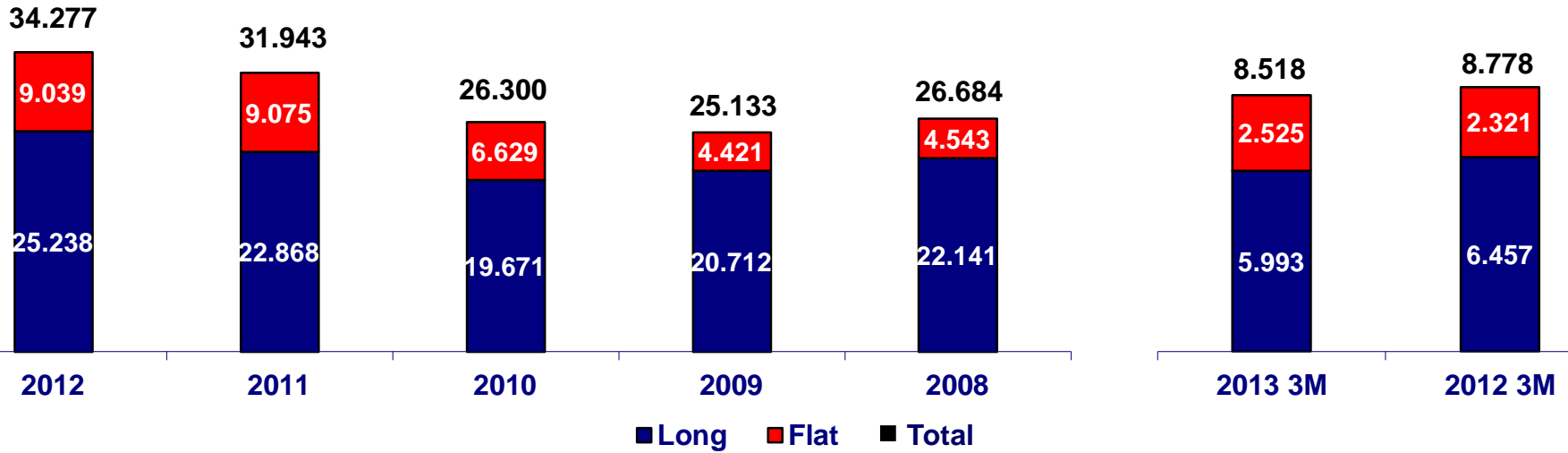


CHINA PORT FINE ORE PRICE CFR

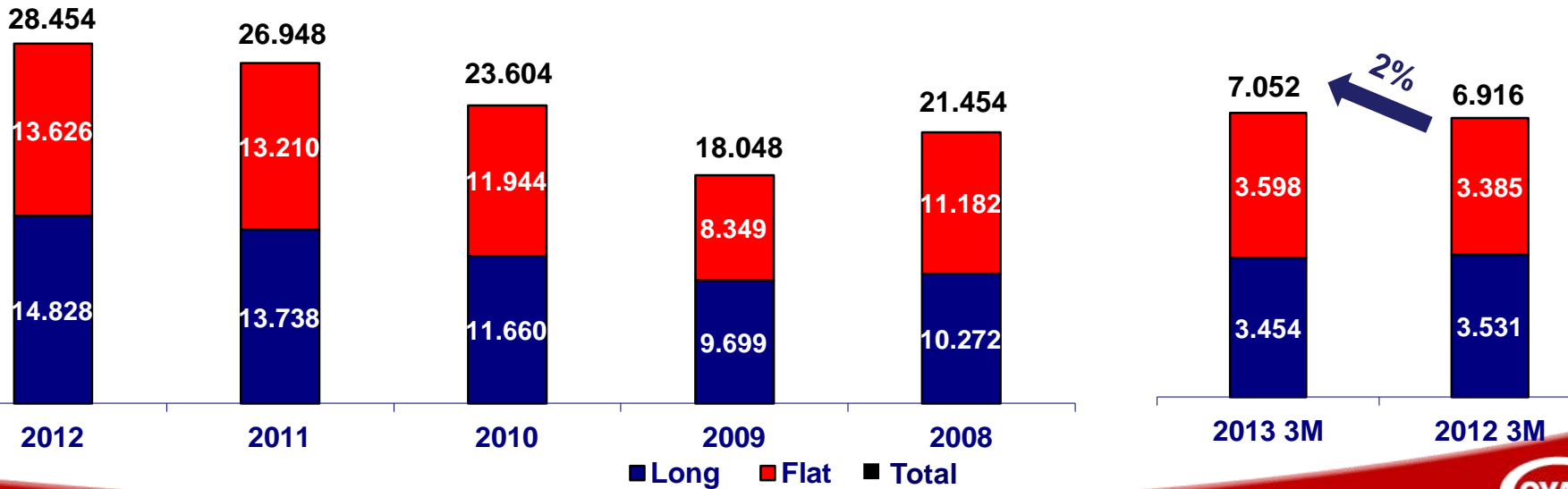


Turkish steel consumption increased by 2% in 2013 3M YoY

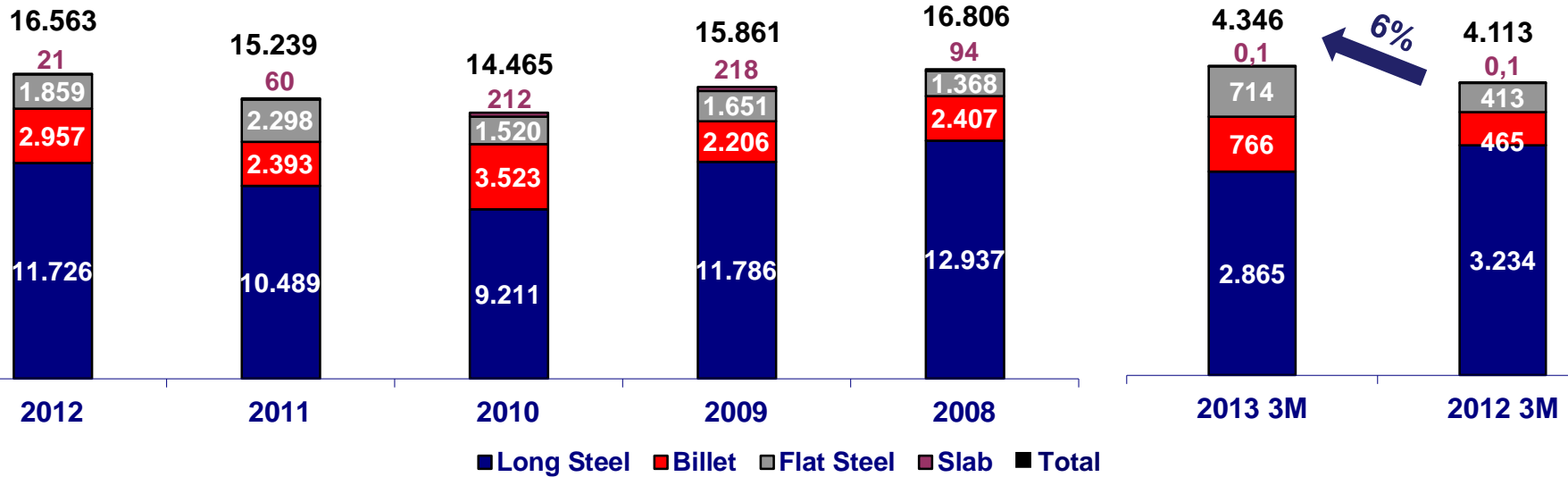
PRODUCTION (000 TONS)



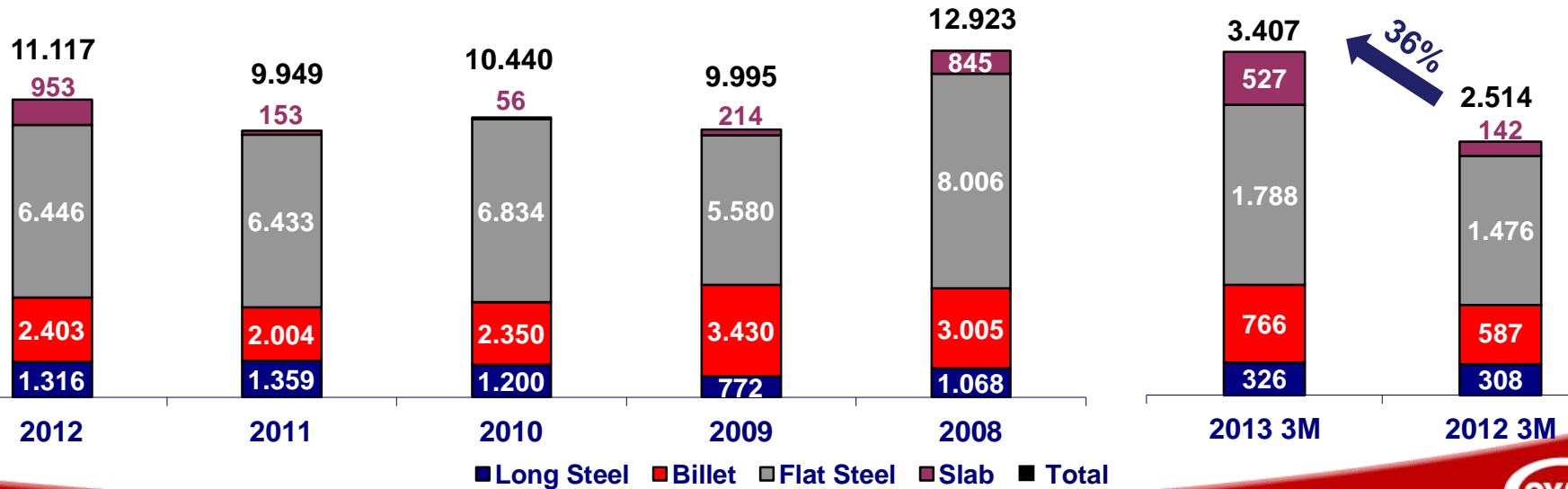
CONSUMPTION (000 TONS)



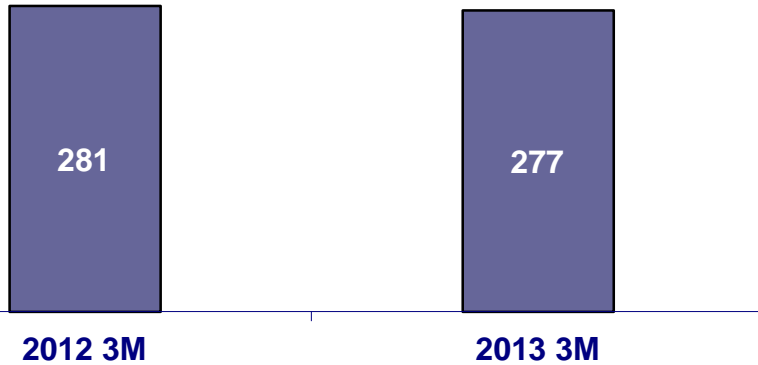
IRON AND STEEL PRODUCT EXPORTS (000 TONS)



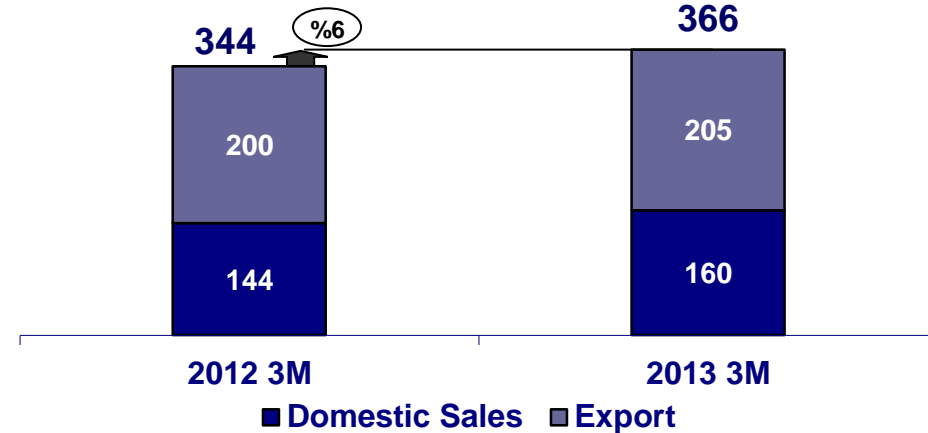
IRON AND STEEL PRODUCT IMPORTS (000 TONS)



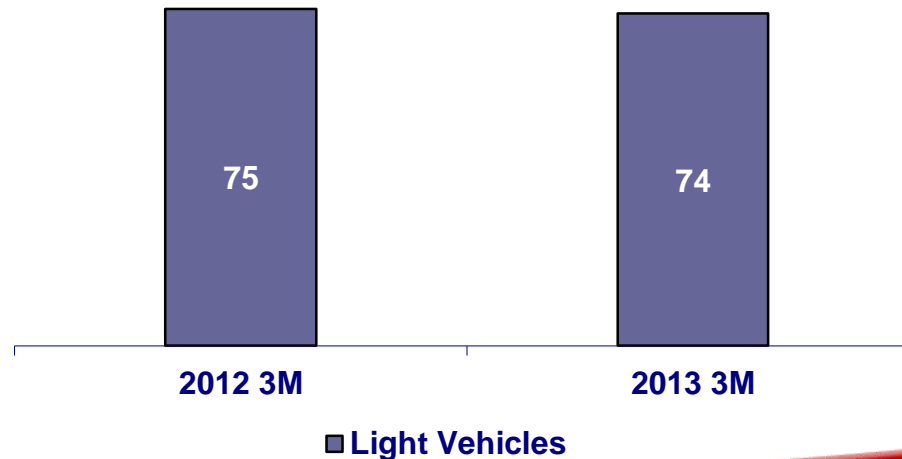
AUTOMOTIVE PRODUCTION (000 UNITS)



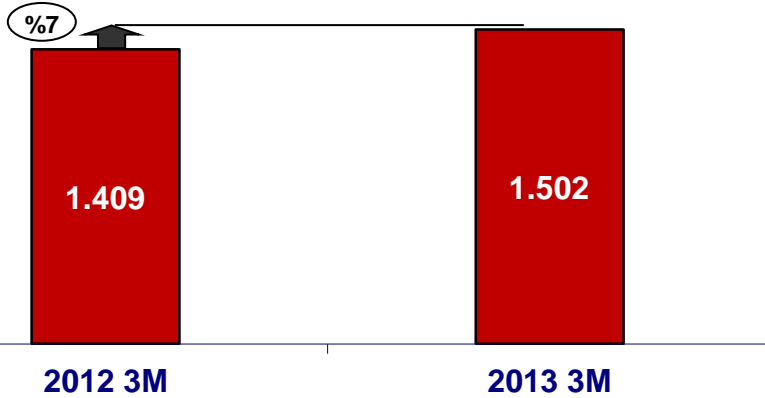
AUTOMOTIVE SALES (000 UNITS)



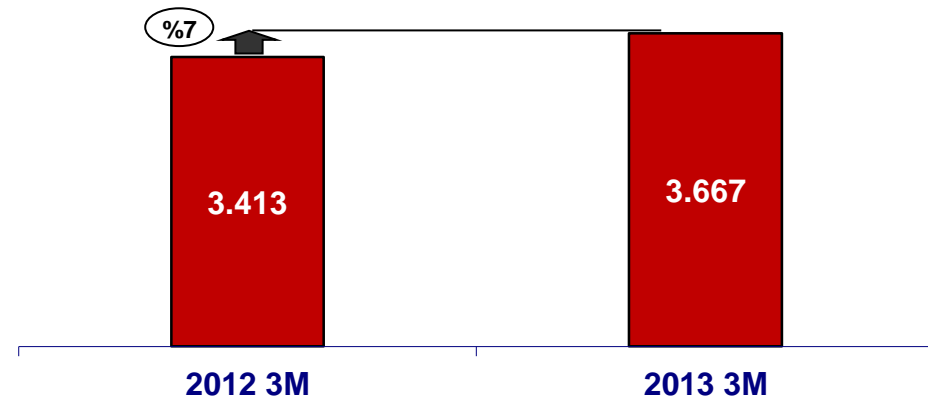
AUTOMOTIVE CAPACITY UTILIZATION RATIO (%)



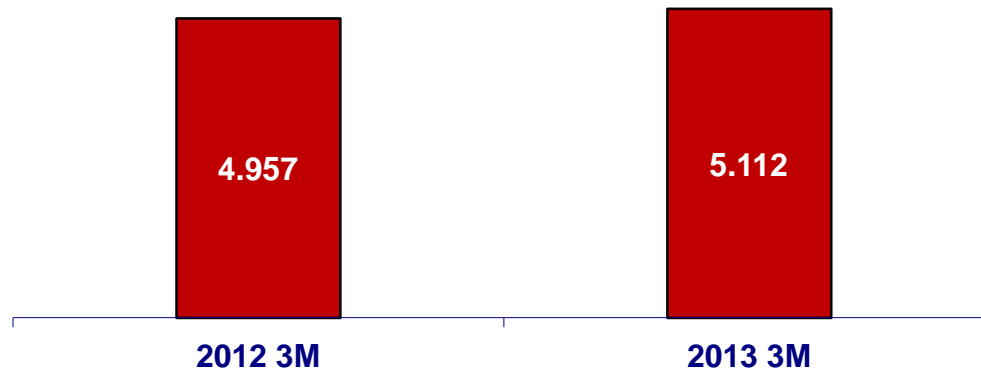
WHITE GOODS DOMESTIC SALES (000 UNITS)



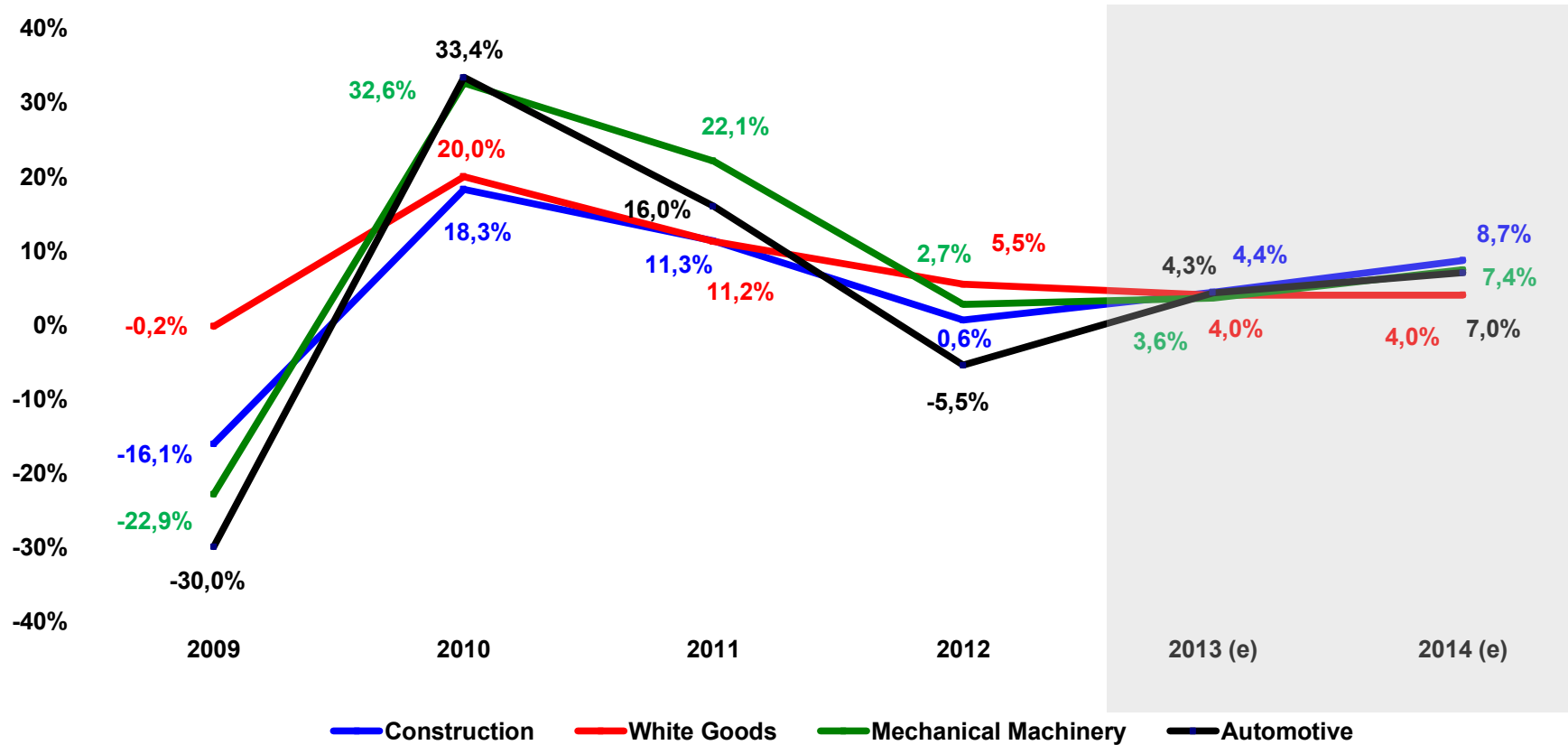
WHITE GOODS EXPORTS (000 UNITS)



WHITE GOODS PRODUCTION (000 UNITS)

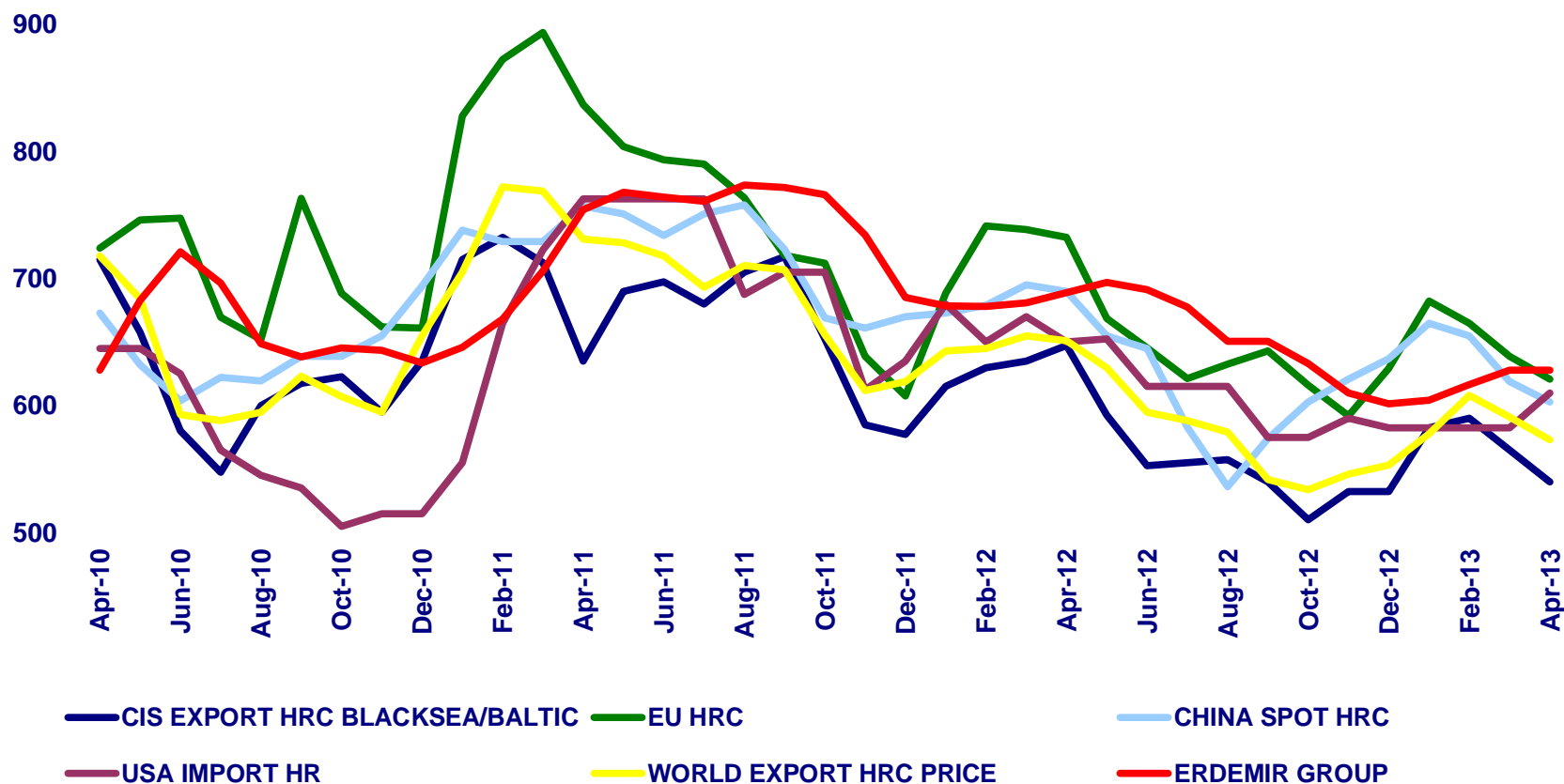


CHANGES IN SECTOR DEVELOPMENT INDEX (% YoY)



HRC sales prices are lower than last year

HRC PRICES (USD/Ton)

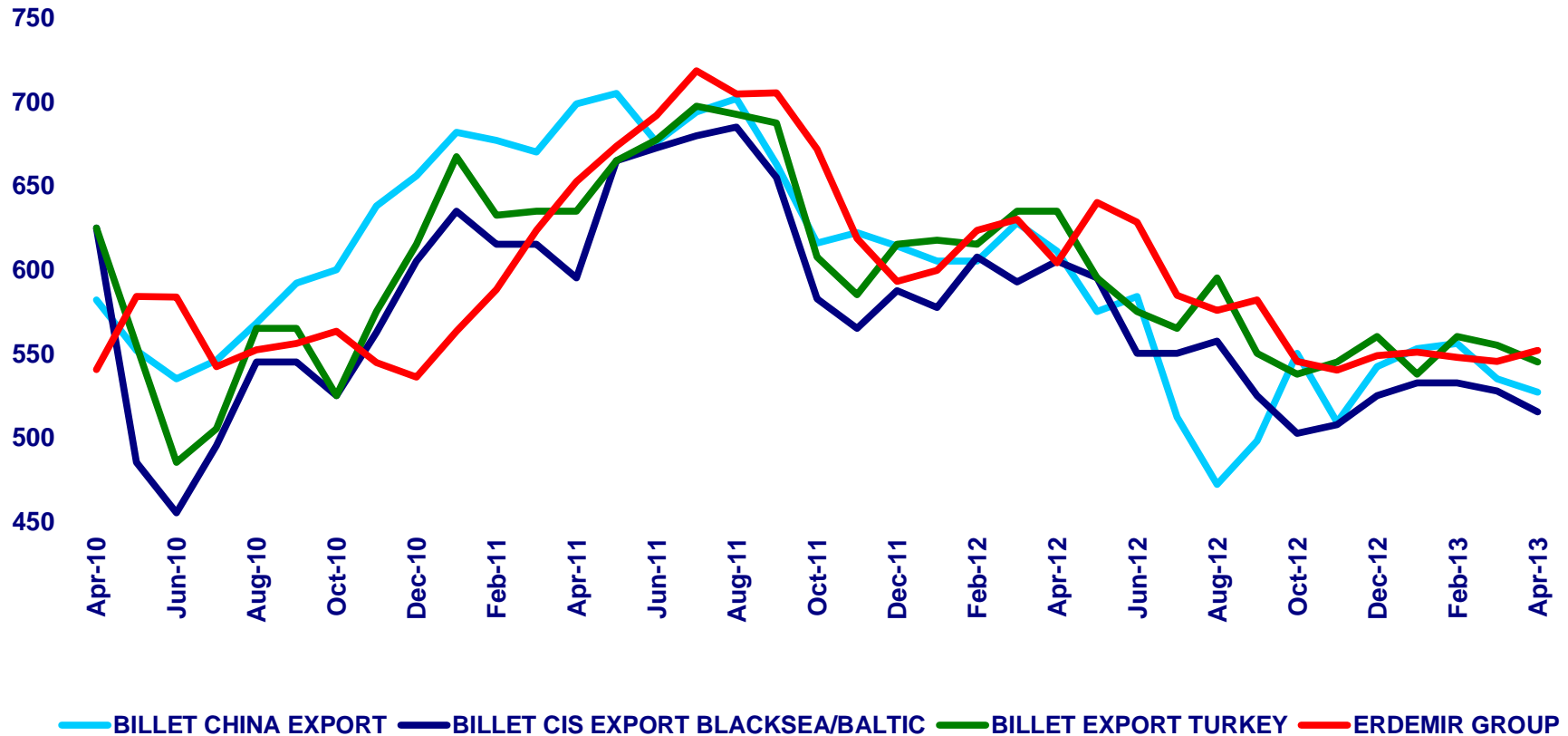


➡ As of April 2013, EU HRC price was 621 USD, China HRC spot price is 603 USD, USA export HRC price is 610 USD. The prices were 733 USD, 690 USD, 650 USD respectively by the end of April 2012.



Billet sales prices are lower than last year

BILLET PRICES (USD/Ton)



➡ As of April 2013, Turkey export price was 545 USD while it was 635 USD in April 2012.

Agenda

 2013 Market Overview

 **2013 1Q Results**

ERDEMİR GROUP KEY FIGURES

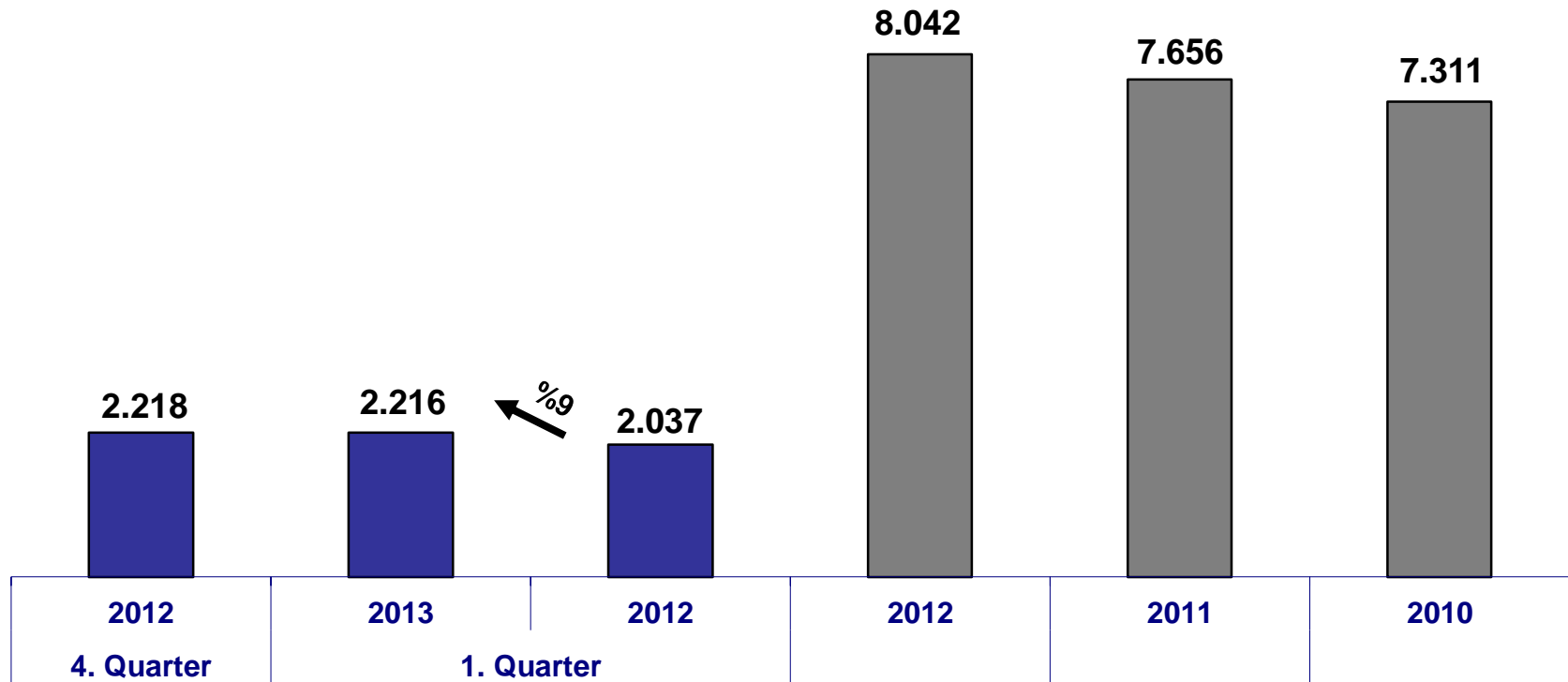
			2013 1Q	2012 1Q	2012	2011
Liquid Steel Production	<i>(000 Tons)</i>	↑	2.216	2.037	8.042	7.656
Slab Production ⁽¹⁾	<i>(000 Tons)</i>	↑	1.791	1.713	6.329	6.660
Flat Steel Production ⁽²⁾	<i>(000 Tons)</i>	↑	1.600	1.506	5.983	6.119
Long Steel Production	<i>(000 Tons)</i>	↑	445	278	1.519	794
Flat Steel Shipments	<i>(000 Tons)</i>	↑	1.571	1.555	5.980	5.856
Long Steel Shipments	<i>(000 Tons)</i>	↑	456	282	1.468	791
Net Sales Revenue	<i>(M. USD)</i>	↑	1.364	1.361	5.340	5.338
EBITDA	<i>(M. USD)</i>	↑	238	117	603	1.158
Net Profit For The Year	<i>(M. USD)</i>	↑	128	69	252	611

All figures are on IFRS consolidated basis unless stated otherwise.

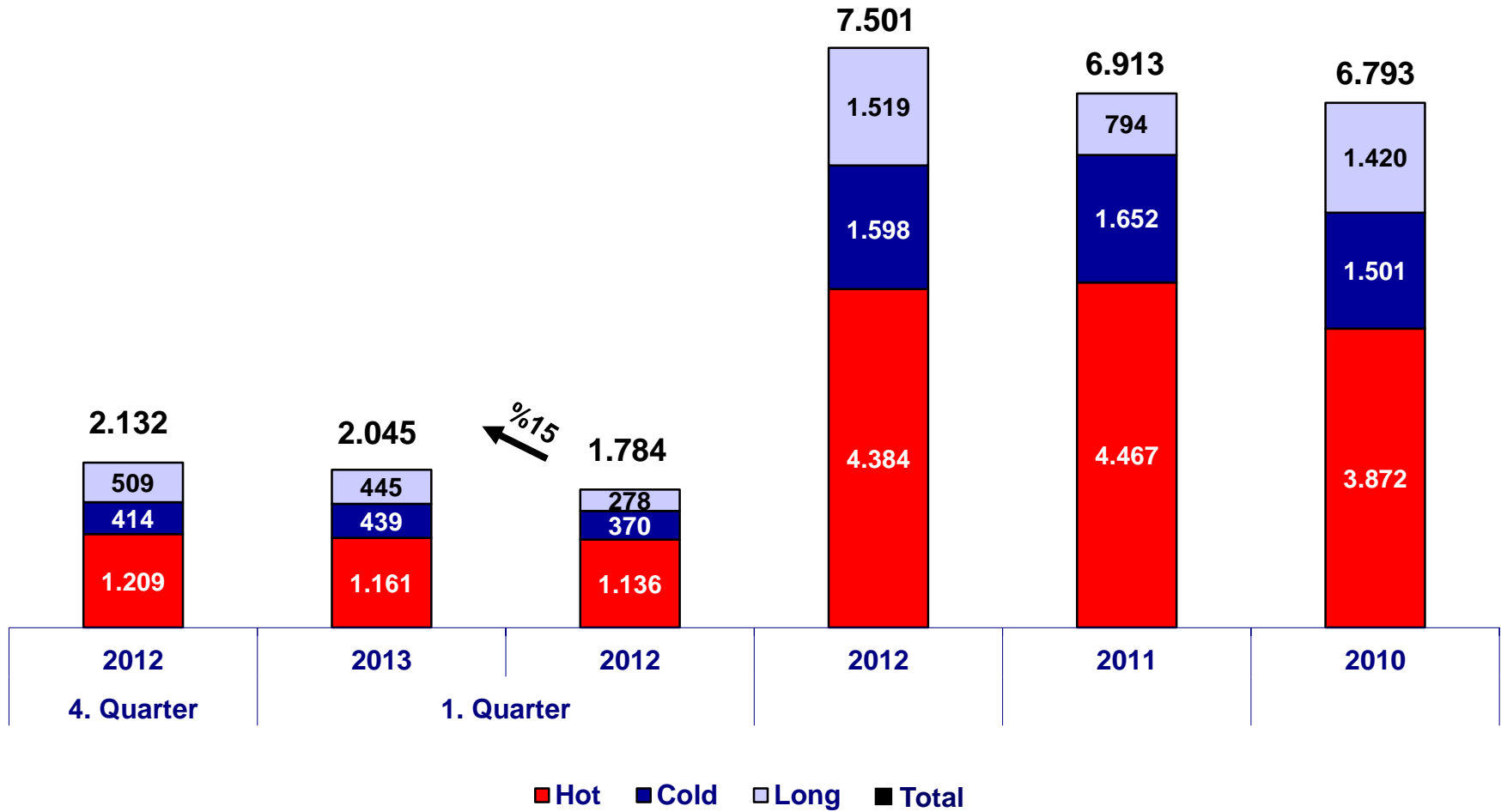
(1) Total slab production of Ereğli and İskenderun Plants.

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

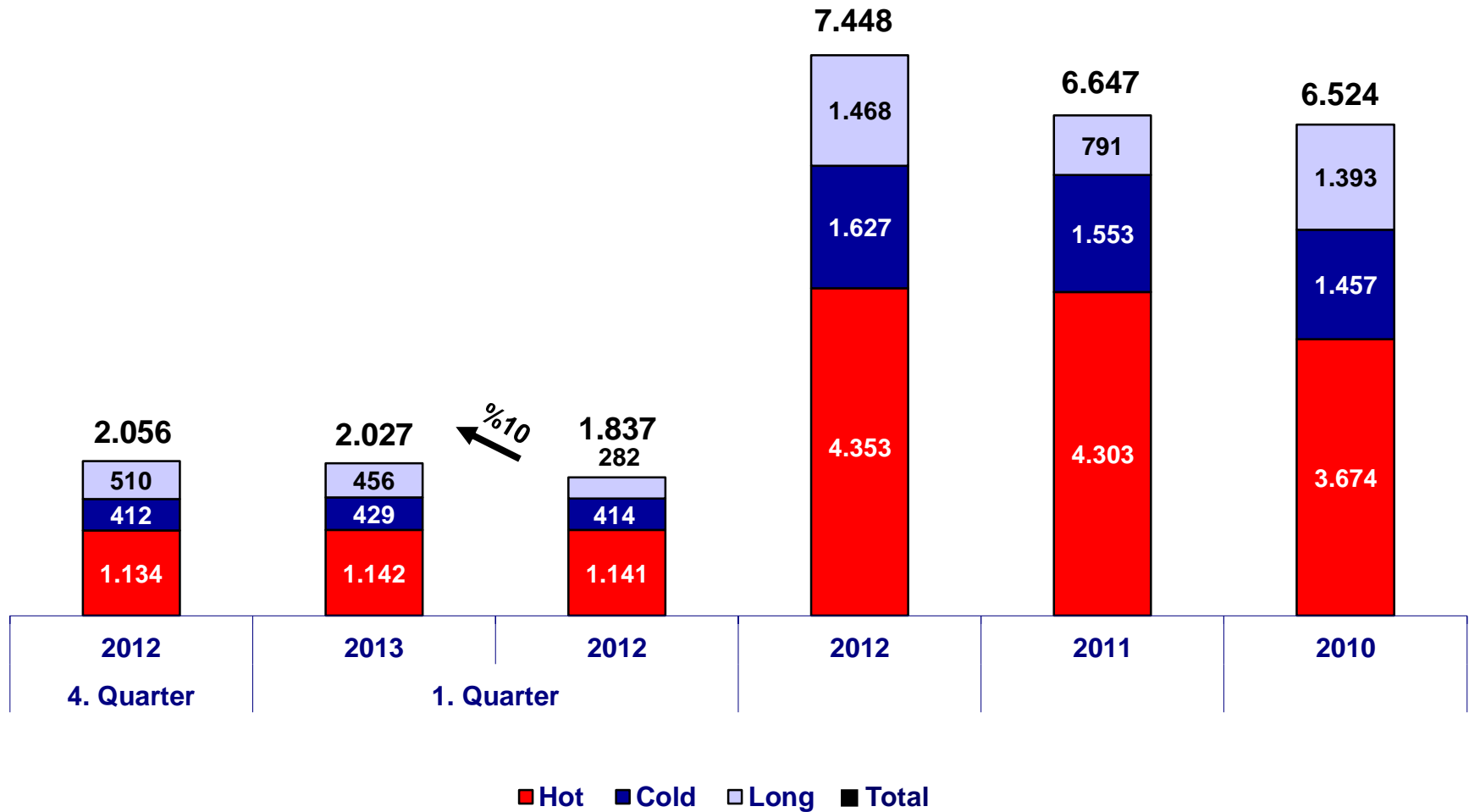
LIQUID STEEL PRODUCTION (000 TONS)



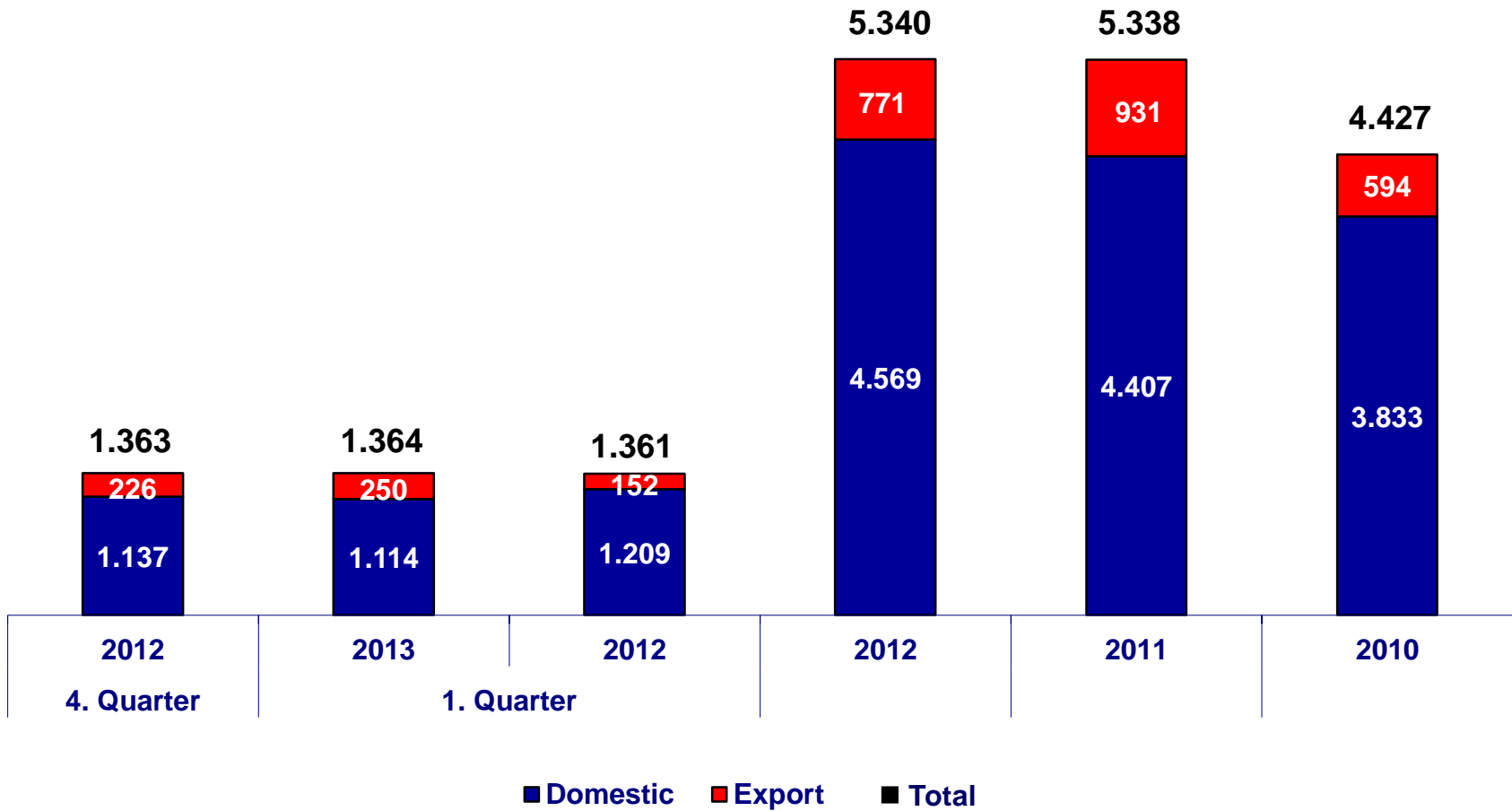
PRODUCTION VOLUMES (000 TONS)



SALES VOLUMES (000 TONS)



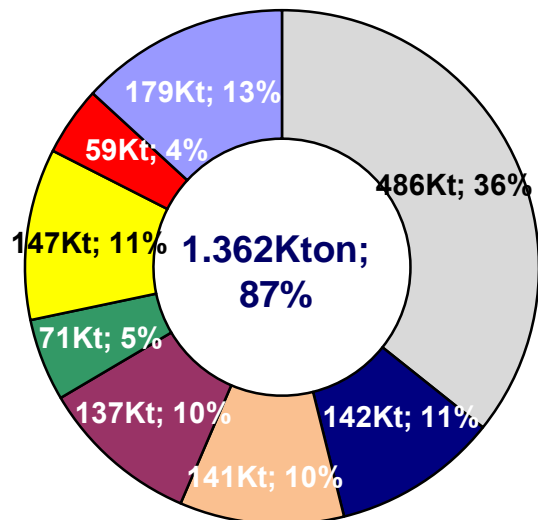
NET SALES REVENUE (MILLION USD)



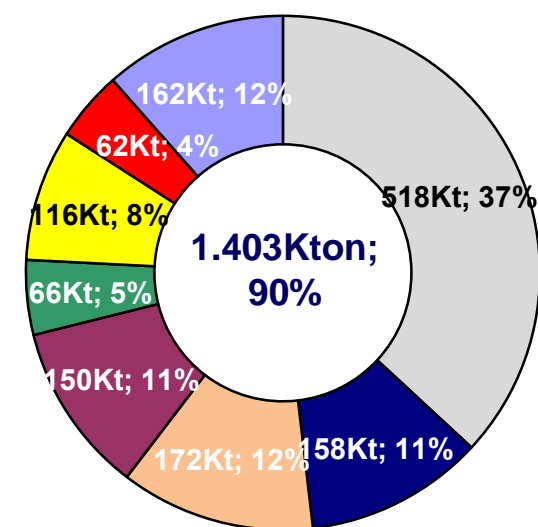
Sales to automotive industry increased in 2013 1Q YoY

2013 1Q FLAT STEEL DOMESTIC SALES BREAKDOWN (%)

2012 1Q FLAT STEEL DOMESTIC SALES BREAKDOWN (%)

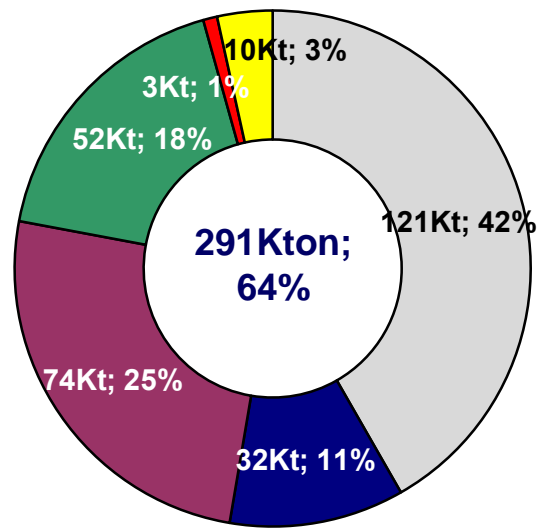


- Pipe and Profile Industry
- Steel Service Centers
- Secondary Production
- Wholesales
- Packaging Industry
- Automotive and Components
- Household Appliances
- General Manufacturing & Heavy Ind.

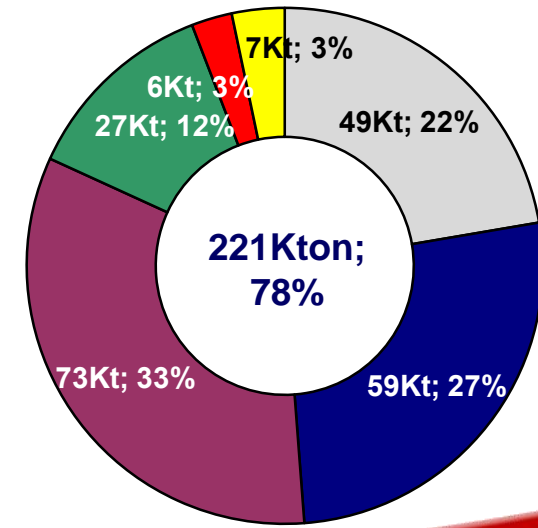


2013 1Q LONG STEEL DOMESTIC SALES BREAKDOWN (%)

2012 1Q LONG STEEL DOMESTIC SALES BREAKDOWN (%)

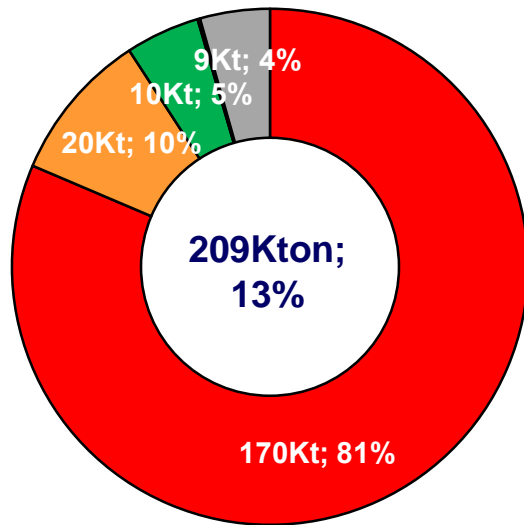


- Debar Producers
- Profile Producers
- Commercial Qualities
- High Carbon Qualities
- Special Qualities
- Other

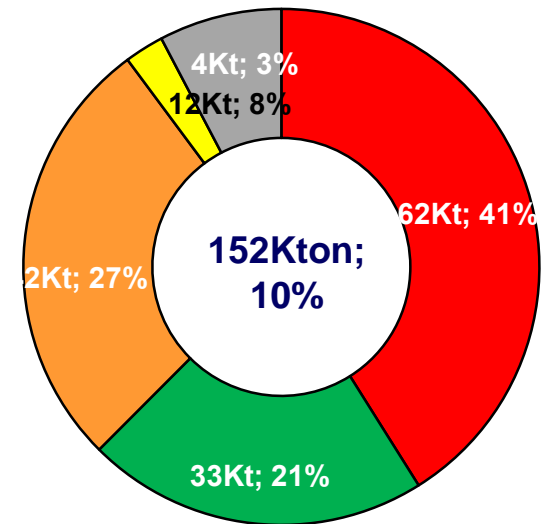


Flat steel sales to North America countries was 10% of our flat export in 2013 1Q

2013 1Q FLAT STEEL EXPORTS BREAKDOWN (%)

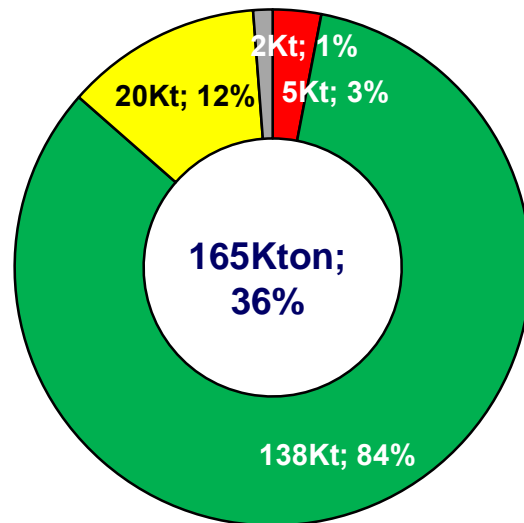


2012 1Q FLAT STEEL EXPORTS BREAKDOWN (%)

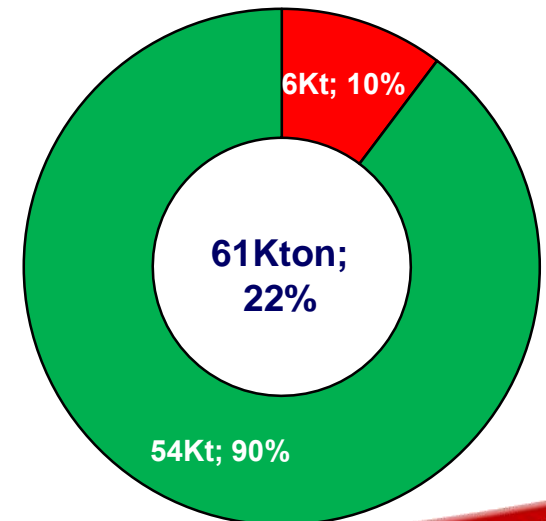


- EU
- MENA
- S. America
- N. Amerika
- Asia
- Other

2013 1Q LONG STEEL EXPORTS BREAKDOWN (%)



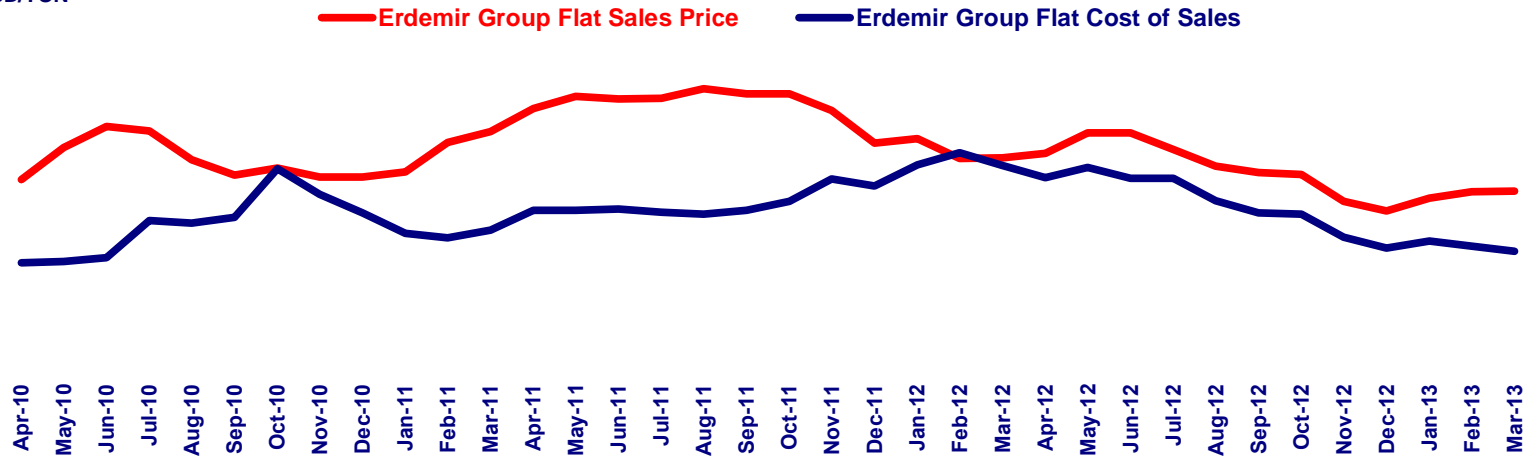
2012 1Q LONG STEEL EXPORTS BREAKDOWN (%)



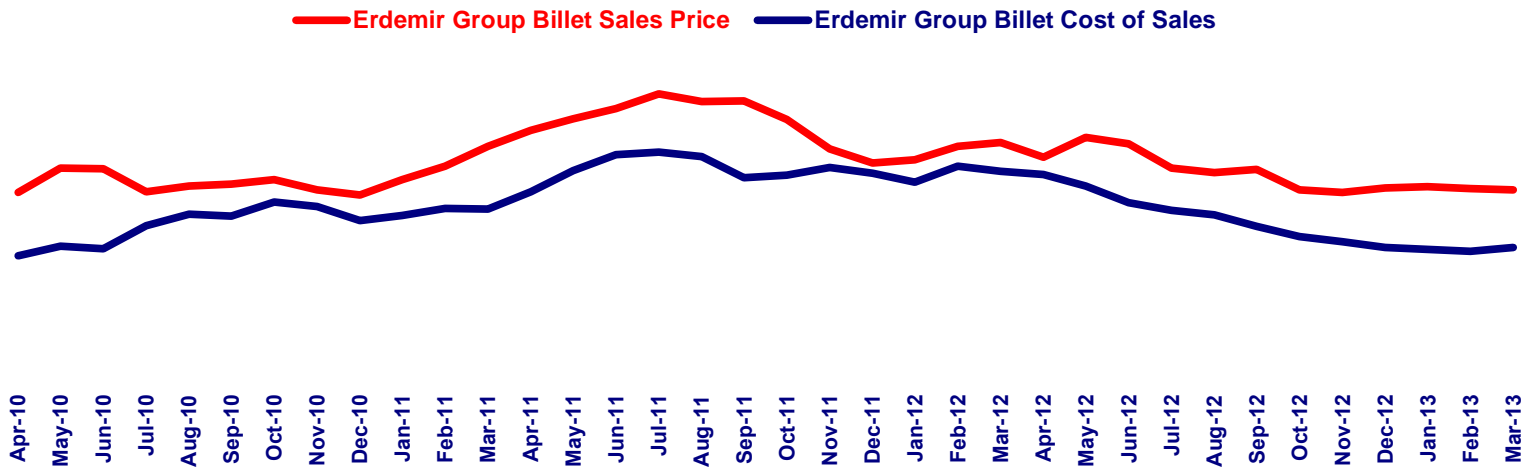
- EU
- MENA
- S. America
- N. Amerika
- Asia
- Other

In 2013 1Q, Erdemir Group average flat and long steel prices were 671 USD/ton and 582 USD/ton respectively

USD/TON

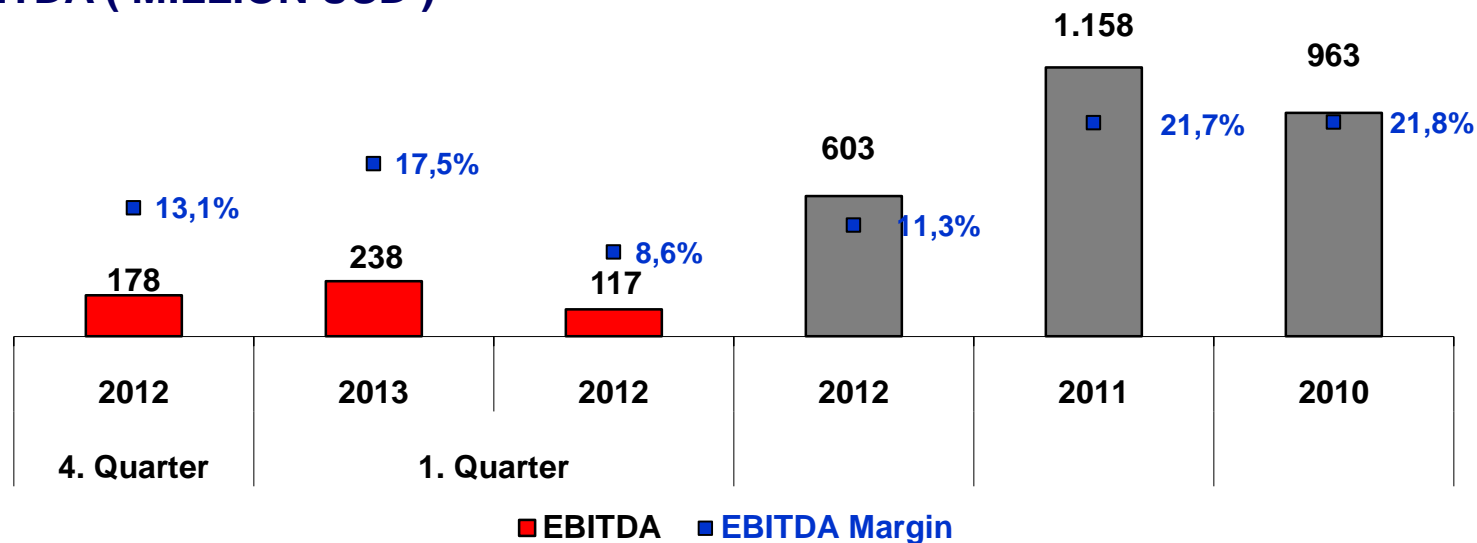


USD/TON

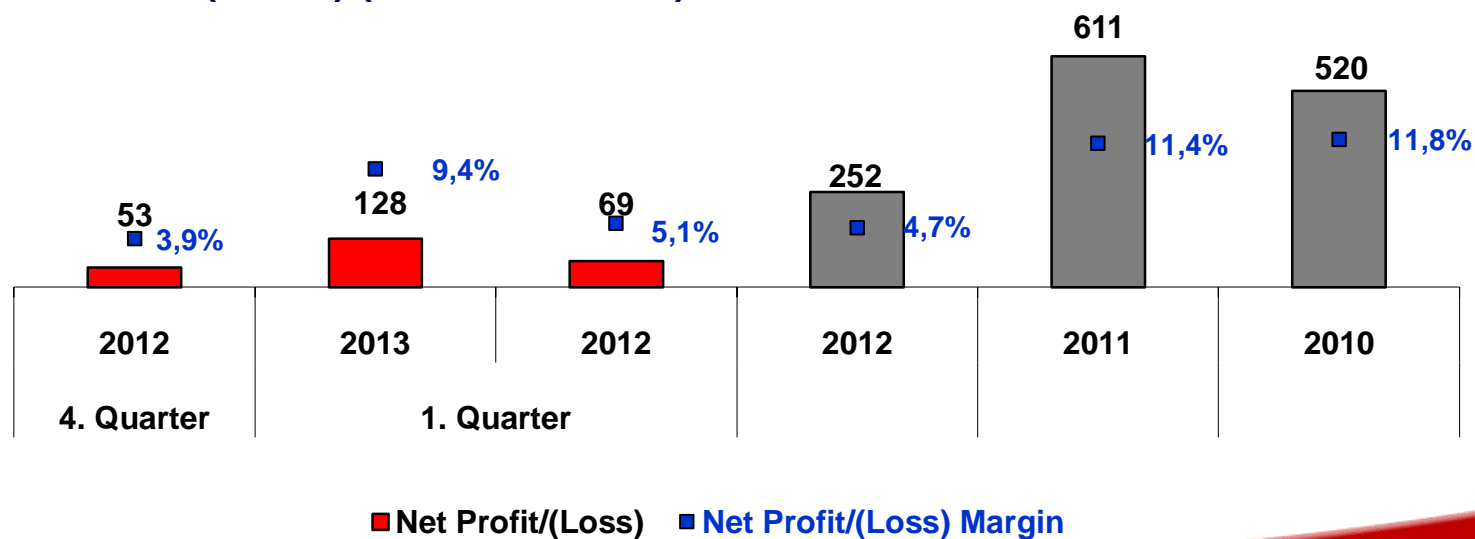


- ➡ Flat steel prices decreased by 9% on average in 2013 1Q YoY.
- ➡ Long steel prices decreased by 12% on average in 2013 1Q YoY.

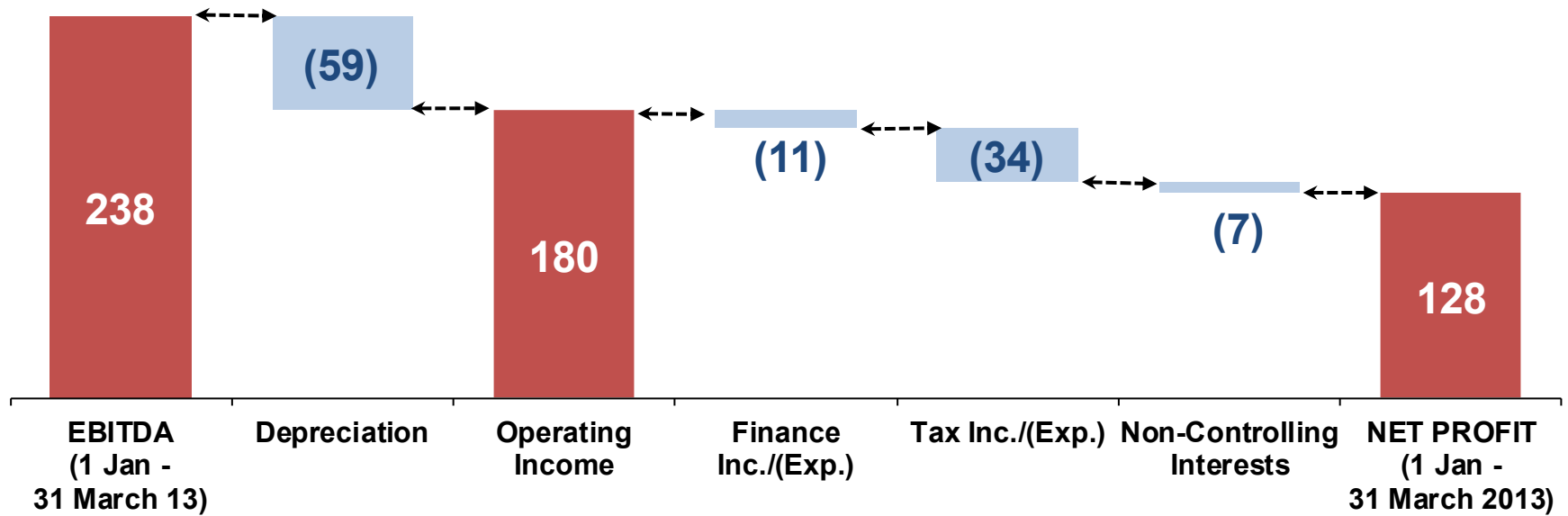
EBITDA (MILLION USD)



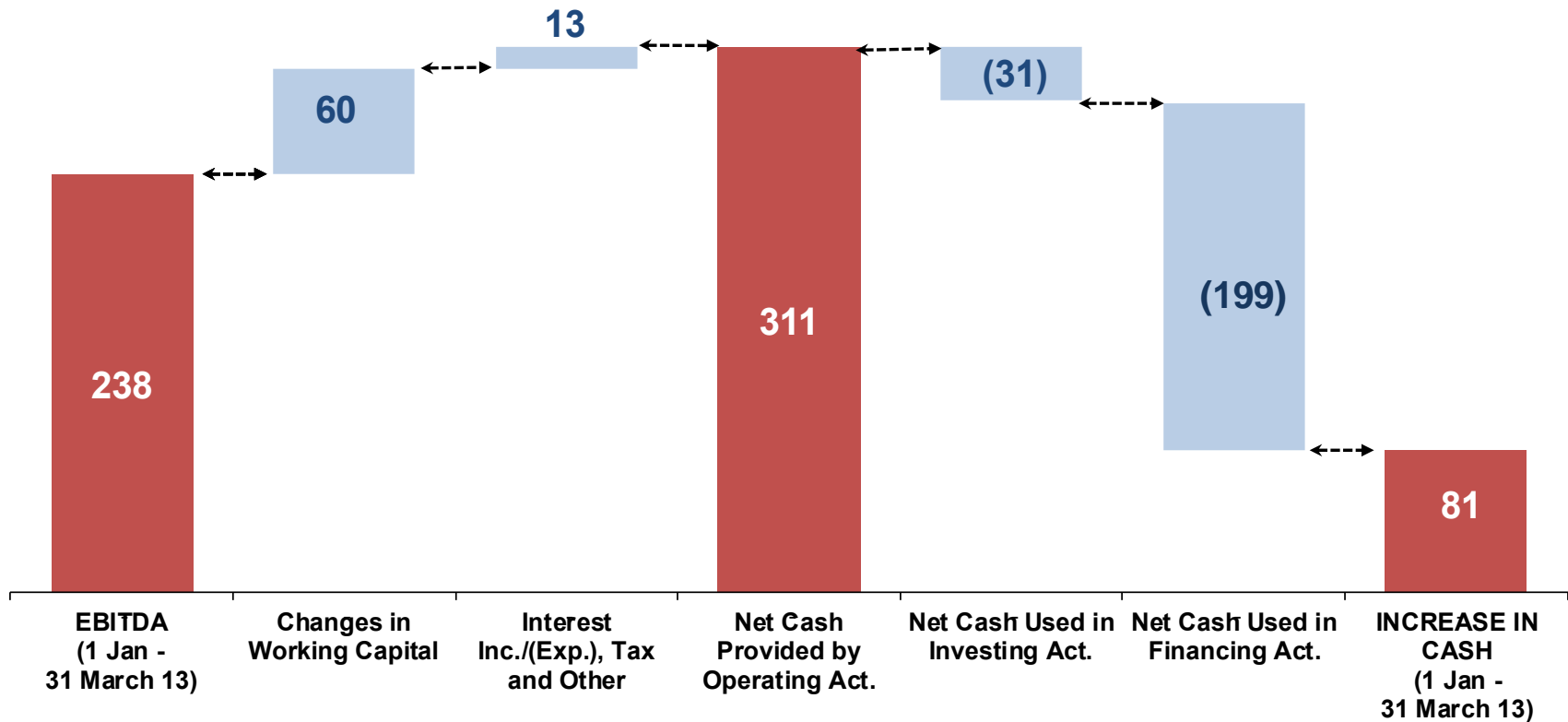
NET PROFIT/(LOSS) (MILLION USD)



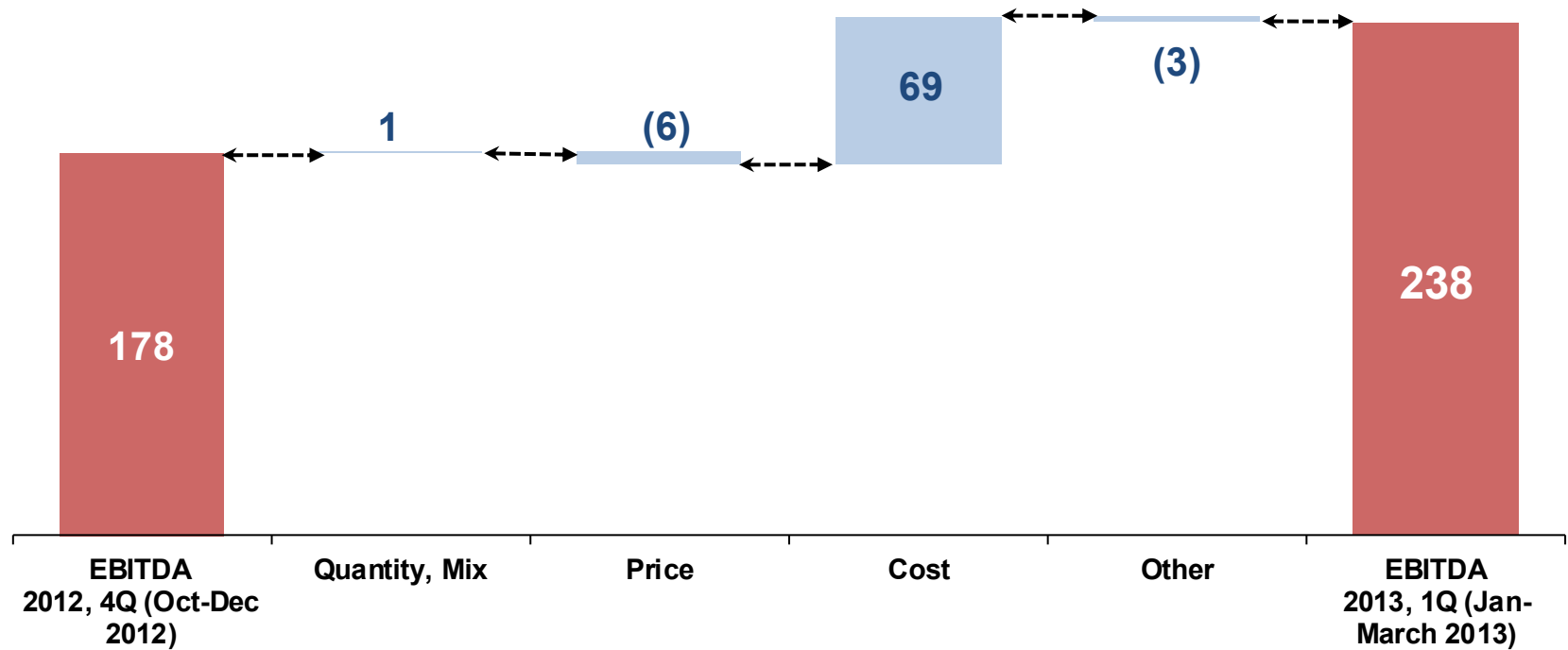
Consolidated EBITDA => Consolidated Net Profit (Million USD)



Consolidated EBITDA => Consolidated Net Cash (Million USD)



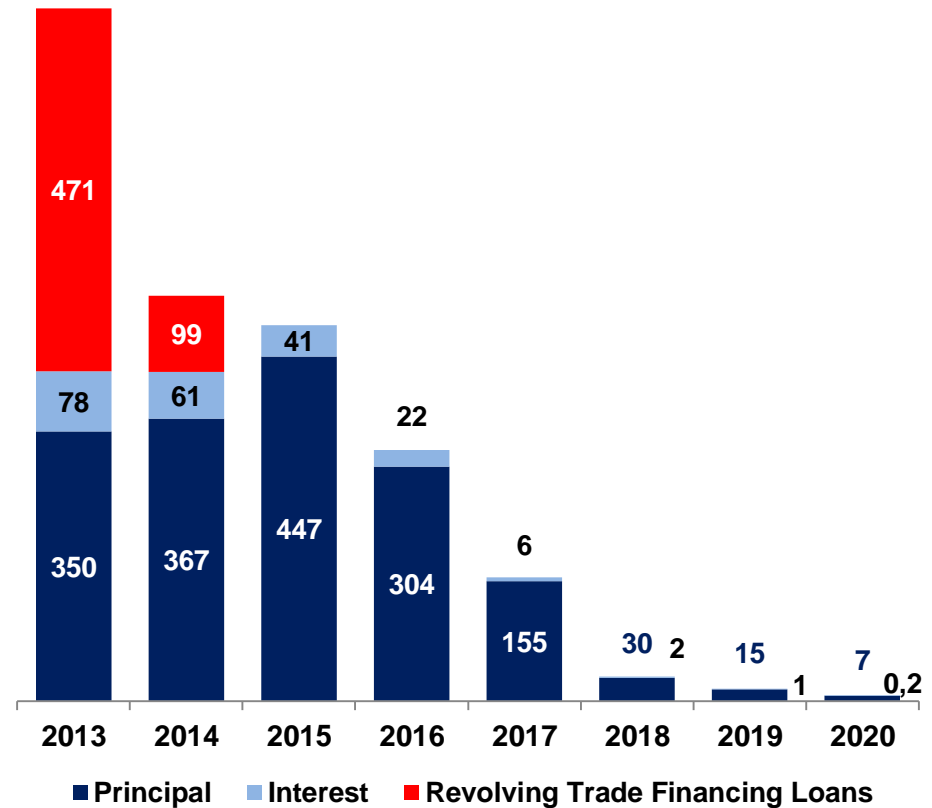
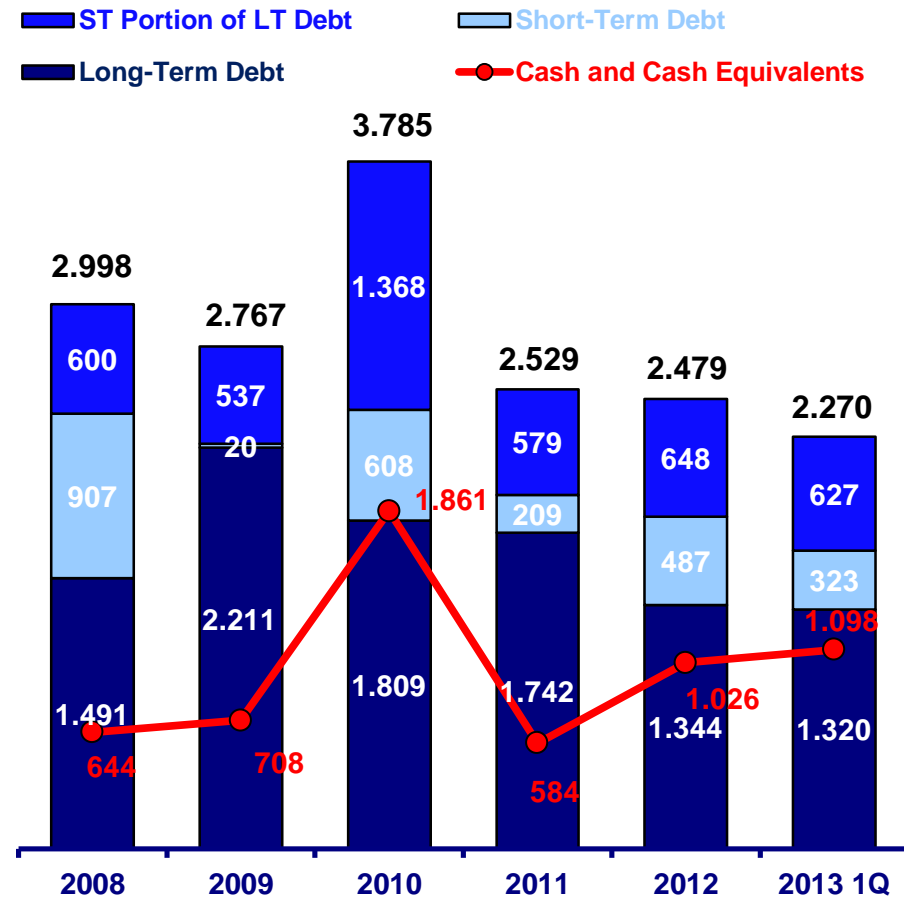
Consolidated EBITDA 2012 4Q => Consolidated EBITDA 2013 1Q (Million USD)



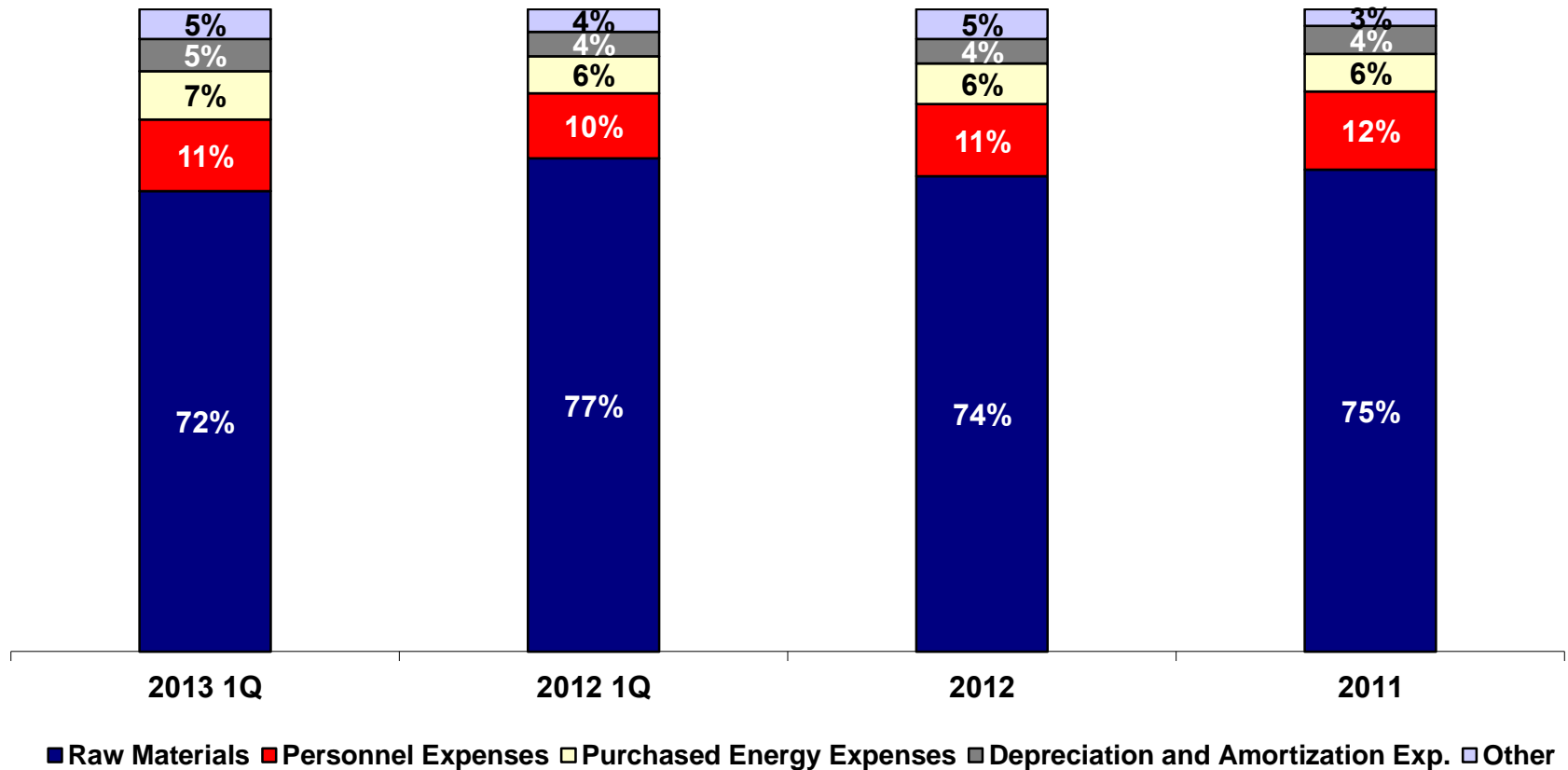
Erdemir Group has 1.098 million USD cash and cash equivalents at the end of 2013 1Q

BORROWINGS (MILLION USD)

BORROWINGS MATURITY PROFILE (MILLION USD)

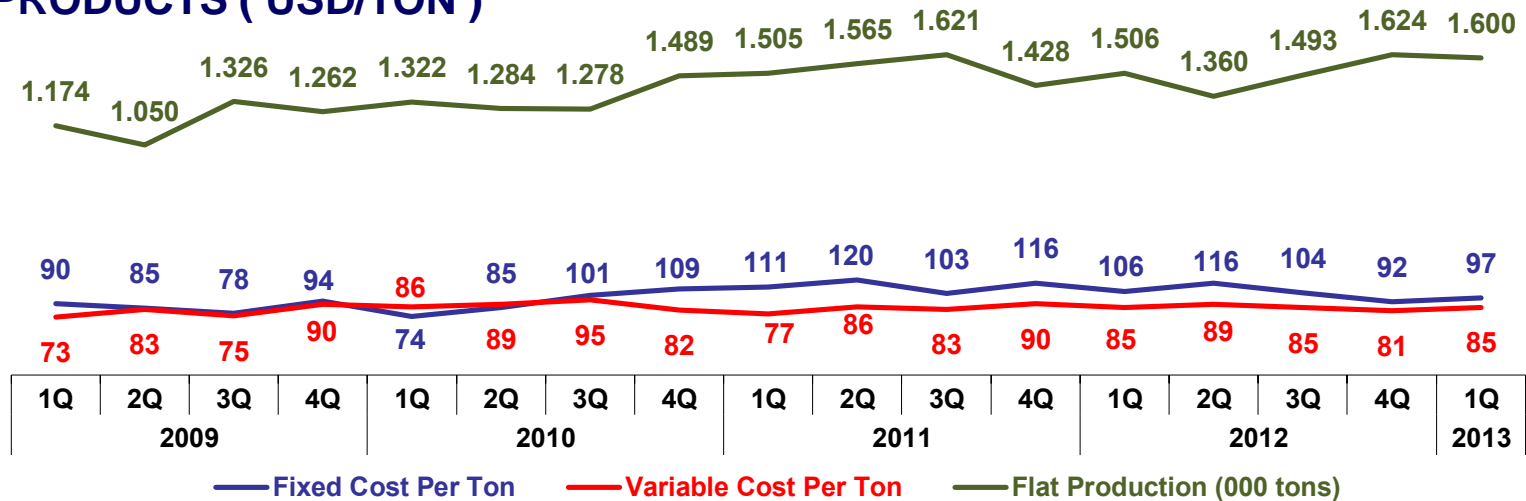


COST OF PRODUCTION BREAKDOWN* - %

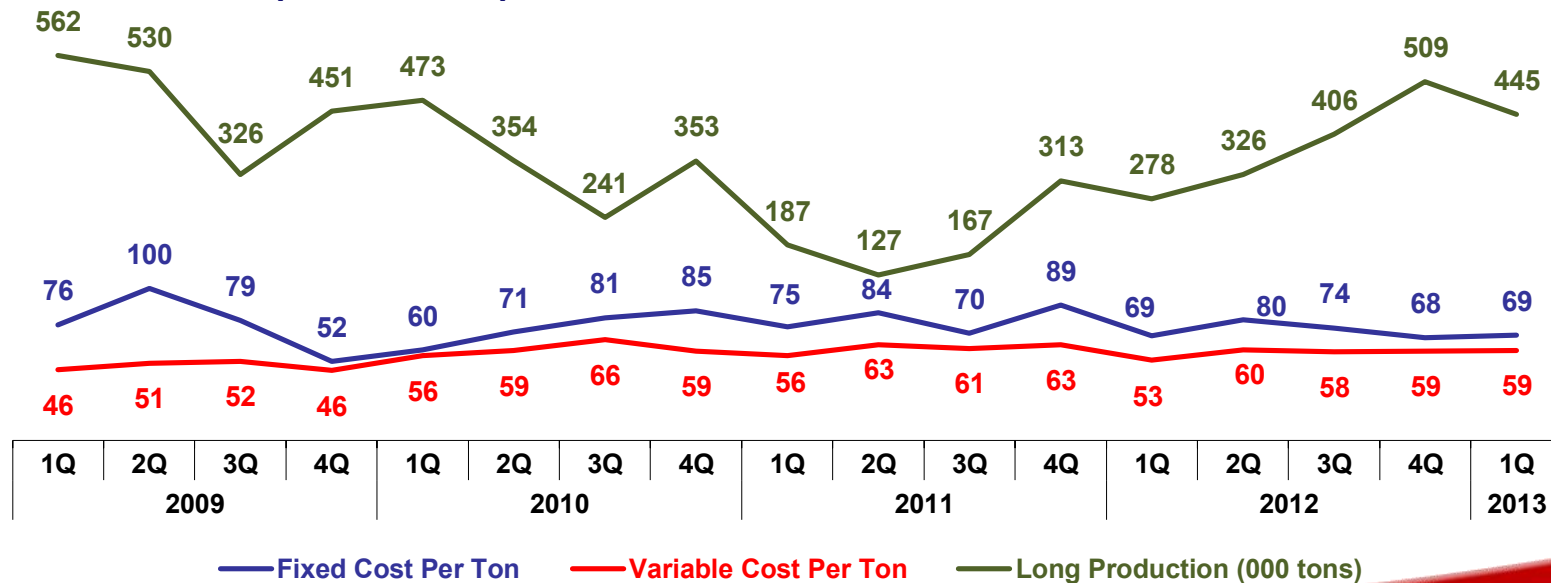


Flat cost per ton excluding raw materials was realised as 182 USD/ton in 2013 1Q

FLAT PRODUCTS (USD/TON)*

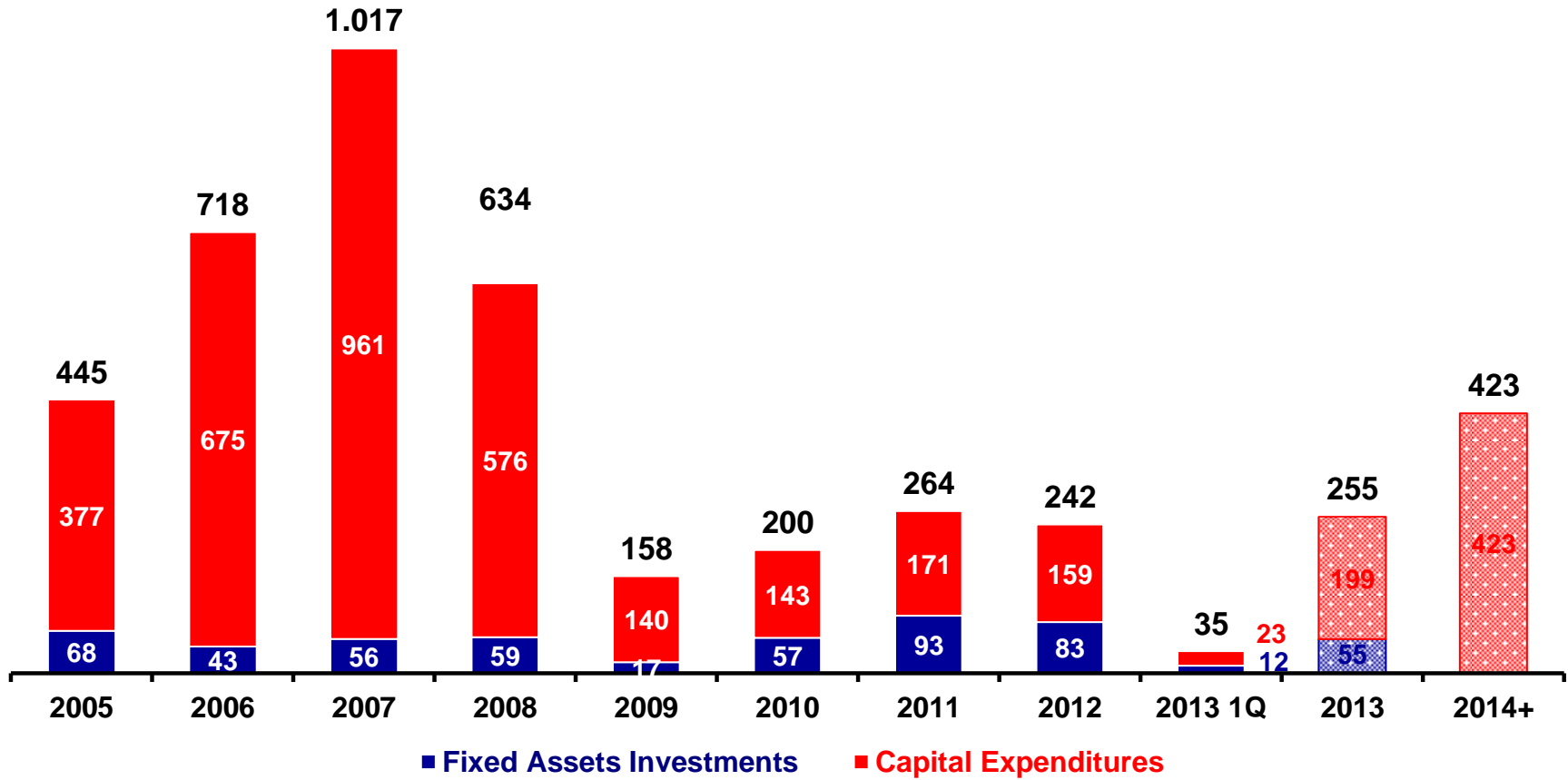


LONG PRODUCTS (USD/TON)*



Capital expenditures of 255 million USD is planned for 2013

(M USD)



NUMBER OF EMPLOYEES

