

Erdemir Group Recorded TRY653,7 Million Net Profit in the First Nine Months of 2010.

The net profit for the period is increased by 325% yoy.

In 2010 9M, Ereğli Plant produced 1.058 thousand tons CRC and 1.418 thousand tons HRC in total 2.476 thousand tons with a decrease of 21% yoy. İskenderun Plant produced 1.067 thousand tons long steel and 1.407 thousand tons HRC in total 2.475 thousand tons with an increase of 34% yoy.

| PRODUCTION - (000 TONS) | | | | |
|----------------------------------|----------------|----------------|--------------|--------------|
| EREĞLİ | | | | |
| | 2010 9M | 2009 9M | 2009 | 2008 |
| CRC | 1.058 | 1.160 | 1.590 | 1.486 |
| HRC | 1.418 | 1.965 | 2.404 | 2.555 |
| TOTAL | 2.476 | 3.125 | 3.994 | 4.041 |
| % Change | -21% | | -1% | |

| İSKENDERUN | | | | |
|-------------------|----------------|----------------|--------------|--------------|
| | 2010 9M | 2009 9M | 2009 | 2008 |
| LONG | 1.067 | 1.418 | 1.869 | 1.950 |
| HRC | 1.407 | 425 | 818 | 141 |
| TOTAL | 2.475 | 1.843 | 2.687 | 2.091 |
| % Change | 34% | | 29% | |

In 2010 9M, Ereğli Plant had 2.338 thousand tons steel shipments, which decreased by 29% whereas İskenderun Plant had 2.256 thousand tons which went up by 22% yoy.

| SHIPMENTS - (000 TONS) | | | | |
|---------------------------------|----------------|----------------|--------------|--------------|
| EREĞLİ | | | | |
| | 2010 9M | 2009 9M | 2009 | 2008 |
| CRC- Domestic | 931 | 900 | 1.268 | 1.322 |
| CRC- Export | 69 | 314 | 397 | 149 |
| HRC- Domestic | 1.114 | 1.552 | 1.920 | 1.805 |
| HRC- Export | 224 | 546 | 708 | 627 |
| TOTAL | 2.338 | 3.311 | 4.294 | 3.902 |
| % Change | -29% | | 10% | |

| SHIPMENTS - (000 TONS) | | | | |
|---------------------------------|----------------|----------------|--------------|--------------|
| İSKENDERUN | | | | |
| | 2010 9M | 2009 9M | 2009 | 2008 |
| LONG- Domestic | 870 | 921 | 1.236 | 1.404 |
| LONG- Export | 152 | 465 | 622 | 559 |
| HRC- Domestic | 1.114 | 343 | 621 | 6 |
| HRC- Export | 119 | 117 | 214 | 25 |
| TOTAL | 2.256 | 1.845 | 2.693 | 1.994 |
| % Change | 22% | | 35% | |

Erdemir Group recorded TRY4.711,8 million (USD3.113,6 million) consolidated sales with an increase of 31% yoy, due to progress in both long and flat steel market.

**REFERENCE SALES PRICES - (USD/TON)
ERDEMİR GROUP**

| | 2010 9M | 2009 9M | 2009 | 2008 |
|-----------------------|---------|---------|------|-------|
| CRC- Domestic | 858 | 603 | 640 | 1.100 |
| CRC- Export | 764 | 527 | 529 | 902 |
| HRC- Domestic | 639 | 447 | 482 | 974 |
| HRC- Export | 640 | 423 | 445 | 915 |
| LONG- Domestic | 551 | 424 | 438 | 761 |
| LONG- Export | 537 | 437 | 444 | 848 |

The ratio of operating expenses to the net sales, which is one of the critical targets for performance, is **2.7%** in the first nine months of 2010.

EBITDA was improved by **1.131%** and went up to TRY**1.051,5** million (USD**694,8** million) and the EBITDA margin was recorded as **22,3%**.

EBITDA - (USD / TON)

| | 2010 3Q | 2009 3Q | 2009 | 2008 |
|-------------|---------|---------|------|------|
| CRC | 149 | 19 | 25 | 189 |
| HRC | 100 | 16 | -1 | 203 |
| LONG | 66 | 10 | 10 | 177 |

With an increase of **325%** net income in 2010 9M was recorded as TRY**653,7** million (USD**432,0** million), despite the TRY**-290,7** million (USD**-185,3** million) loss in the first nine months of the previous year. Profit margin went up to **13,9%** with a **22** percentage points increase.