

Losses accelerate in sluggish economy

After a period characterised by depressed economic conditions and weak steel demand, ArcelorMittal South Africa suffered a headline loss of R518 million for the year to December 2012, the steel maker reported yesterday. Its loss the previous year was R52m. Earnings before interest, tax, depreciation and amortisation declined by 35 percent to R1.12 billion because of a modest drop in domestic steel dispatches and a substantial decline in commercial coke sales. Revenue of R32.3bn was 3 percent higher than a year earlier, while 2012 was the best year for safety to date, with no fatalities. Chief executive Nonkululeko Nyembezi-Heita said ArcelorMittal SA expected to break even in the first quarter of this year. "This view is supported by a modest rise in international steel prices and domestic demand." The shares fell 0.63 percent to R36.45. – Sapa