

## **ARCELORMITTAL SA**

# Third-quarter losses

**ARCELORMITTAL South Africa**, a unit of the world's top steelmaker, posted a third-quarter headline loss yesterday and expects an even worse fourth quarter due to lower domestic demand and production losses.

Africa's biggest steelmaker reported a headline loss per share of 42 cents, compared with a headline loss of 115 cents the previous year and 44 cents in the preceding three months.

Headline earnings are the main profit gauge in South Africa and exclude certain one-off and non-trading items.

"Domestic steel demand remained weak, especially from the building and construction industry, the main steel consuming sector in South Africa," the company said.

Revenue fell 12 percent to R7.6 billion. The company declared no dividend.

The company said the fourth quarter loss would be "substantially" higher than in the previous three months due to a seasonal drop in demand during December and production losses following extended blast furnace repairs at its Newcastle plant.

The impact would be partially offset by lower prices for raw materials such as coal and pellets as well as a weaker rand-dollar exchange rate.

Shares opened more than 2 percent lower on the Joburg bourse yesterday. Shares in the company are down nearly 50 percent in the year to date, compared with a 15.7 percent rise in the JSE All-Share Index. – Reuters