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## **Eramet sees H2 loss despite improved demand from China**

*Saturday, 01 Aug, 2009*

French nickel and manganese group Eramet said that it expected an operating loss for the second half of 2009 despite improved demand in China, after reporting a heavy loss for the first half of the year.

Mr Patrick Buffet CEO of Eramet said that "Outside China, there is a lot of uncertainty about any recovery."

The group, hit by a slump in metal prices and destocking by industrial customers amid the global downturn, reiterated plans to cut costs by EUR 140 million this year and also said it would pursue savings in its nickel mining operations to bring costs into line with competitors by 2012.

Mr Buffet said that cost and output cuts had helped maintain a strong financial position, with net cash of EUR 926 million at the end of June 2009 versus EUR 1.11 billion at the end of 2008.

In view of better sales and signs of improving global steel output, Eramet said that it would raise manganese ore output at its mines in Gabon to 55% of capacity in the third quarter as compared with 35% in the first half.

(Sourced from [www.reuters.com](http://www.reuters.com))

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