
Hyundai Steel Q3 net income totals KRW 572 billion

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Bloomberg reported that Hyundai Steel Co's third quarter profit more than doubled after it sold its stake in Hyundai Motor Co and cut costs. Net income increased to KRW 572 billion in the 3 months ended September 30th 2009 from KRW 220.1 billion a year earlier. That compares with the KRW 309.4 billion median profit estimate of 15 analysts compiled by Bloomberg.

Mr Chang Young Sik spokesman of Hyundai Steel said that "The increase in net income was largely because we sold a stake in Hyundai Motor."

Hyundai Steel said that sales will rise 4% to KRW 2.23 trillion this quarter from a year earlier as the government spends USD 52 billion to counter a drop in demand for cars, appliances and houses that's hurt steel producers. Bigger rival POSCO on October 14th 2009 lifted its full year profit forecast by 23%, signaling the worst for the steel market is over.

Hyundai Steel said that "It is still uncertain whether the economy will recover in the fourth quarter. We are going to overcome the hardship by exploring new overseas markets and expanding value added premium products."

Operating profit, or sales minus the cost of goods sold and administrative expenses, dropped 64% to KRW 158 billion in the third quarter. Sales decreased 37% to KRW 2.05 trillion.

(Sourced from www.bloomberg.net)

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