
Umicore raises outlook on improving demand

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Reuters reported that metals producer Umicore raised its forecast for 2009 due to improving demand in end markets and said that de stocking which hurt earnings in the H1 had run its course in many areas.

The Belgian company, which also makes specialty materials said that full year recurring earnings before interest and tax would be about EUR 140 million up from previous guidance of EUR 110 million. Demand was picking up in many of the firm's end markets which include the auto industry, electronics and construction.

The company said in a statement that "The de stocking that impacted the H1 so negatively has run its course in many businesses and there are signs of a slow recovery in several end user industries."

Overall revenues dropped 20% YoY in the Q3 and 4% from the previous quarter. It cited improving sales trends for its automotive catalyst and precious metals products business and signs of recovery in the market for rechargeable batteries.

In the past 12 months, the group has cut 700 jobs out of a total of 9,500 excluding associated companies.

Umicore said that net debt totaled about EUR 239 million roughly the same as at the end of June compared with net debt of EUR 328.6 million at the end of 2008.

(Sourced from Reuters)

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