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## **Acesita Q3 consolidated profits reach BRR 175 million**

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BNamericas reported that Brazilian specialty steelmaker Acesita made consolidated net profits of BRR 175 million (USD 100 million) for the July to September quarter of 2007 as compared to BRR 152 million in July to September quarter of 2006. However, consolidated net operating revenues slipped to BRR 927million as compared to BRR 964 million in Q3 of 2006, with sales volume dropping by 10.6% to 175,300 tonnes in the 2007 quarter from 196,200 tonnes.

Acesita said that the reduction in shipments was primarily due to lower sales of 300 series stainless steel to the distribution sector, which prioritized inventory reduction during the quarter as a result of a fall in nickel prices. It added that "Despite the good level of economic activity in Brazil in 2007, especially for the stainless and silicon steel segments, the company's performance began to be affected by the unfavorable conditions experienced by the international market as of the end of the first quarter of the year."

In January to September 2007 period, the specialty steel producer saw its consolidated net income rise to BRR 642 million from BRR 390 million year over year, while consolidated net operating revenues expanded to BRR 3.23 billion as compared to BRR 2.50 billion in January to September 2006 period. However, physical sales through September dipped 4.6% to 545,900 tonnes.

Minas Gerais state based Acesita has liquid steel capacity of 900,000 tonnes per year.

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