
Acindar net earnings fall in 2007

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It is reported that Argentina's steel maker Acindar SA's 2007 net profit declined by 27% YoY despite an 11.8% sales growth due to a one time gain it booked in 2006 and higher costs.

In a filing to the Buenos Aires stock exchange, the Argentine unit of Arcelor Mittal SA said that its 2007 net profit was ARS 476.6 million (USD 150.3 million) down from ARS 603.9 million in the same period a year ago, despite an 11.8% sales growth to ARS 3.1 billion.

Acindar said that its 2006 results included a net fiscal gain of ARS 94.2 million coming from the sale of its tube unit. Its sales' average costs grew by 20.7% due to higher energy needs and higher labor and raw material costs.

The company's minority shareholders were recently bought out by parent company Arcelor Mittal, which now controls 99.5% of Acindar.

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