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## **Baosteel stainless will turn deficits into profits in 2008**

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It is reported that Baosteel will turn deficits into profits in 2008 with turning around of its stainless steel business.

While this was not the case of 2007, when the total revenue of stainless steel was CNY 20.6 billion with the operational costs of CNY 21.8 billion and the three fees, the total deficits of 2007 was over CNY 2 billion. The rising costs of raw materials, especially coke and the loss in the stainless steel and special steel businesses are the main reasons for the deficits.

While presently the No.3 hot rolling mill and heavy plate mill are functioning well with the output of No.3 hot rolling mill having reached 1.7 million tonnes, an increase of 500,000 tonnes than that of early this year. Meanwhile, the purchasing of Baotong is expected to increase the output for 1 million tonnes. Baosteel imports of iron ore and transportation are important factors guaranteeing the growth of its achievements.

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