
Corinth Pipeworks H1 2008 net profit dips by 66% YoY

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Corinth Pipeworks SA has posted net profit of EUR 7.2 million in January to June 2008 period down by 66.2% YoY as against EUR 21.3 million for the same time last year on slowing demand, a falling US dollar and higher steel and freight costs.

Corinth Pipeworks's EBITDA stood at EUR 17.2 million as against EUR 34 million in H1 2007. First half group turnover amounted to EUR 137 million, marking a decline of 26.9% YoY.

Corinth Pipeworks explained that turnover declined due to lower utilization of medium diameter steel pipes as well as delays in US order deliveries because pipes need to be processed further before delivery to job sites. It said that YTD steel prices have surged by 60% and combined with rising freight costs this has delayed the award of projects in the Middle East and North Africa.

Net debt came in at EUR 84.2 million down from EUR 85.6 million last year. The company underlined that the increasing utilization of its plants, the improved product mix and freight agreement covering a substantial part of transportation need means the group's results will improve in the second half of the year.

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