

---

## **Xilin Steel industrial output value up by 3.8%YoY in Q1**

*Saturday, 09 May, 2009*

It is reported that Xilin Iron and Steel Group has realized the industrial output value of CNY 1,718,870,000 in the Q1 this year up by 3.8% YoY. The steel mill is vigorous to cope with the global economic recession in face of the sluggish market.

1. It started production at full speed, in order to realize the consumption of the high-priced inventory. Aiming at the large output suspension and cutbacks in domestic steel mills, the prices of the concentrate powder, scrap and cleaned coal have witnessed a big dive. Xilin Steel was indulged in a full loaded production with raw materials to speed up the inventory consumptions. By April, the high priced materials have been basically digested which reversed the profit loss pattern.

2. To increase the purchases of lower priced materials for the cost reduction. Impacted by the financial crisis, the steel market dives pushed the price of raw materials to nose down. Xilin steel held the chance to increase the purchases of coke and sinter etc, which laid the condition for the company to turn profits.

3. To deeply carry out the cost reduction& profits increase activity for more profits. The company shoots for CNY 40 million by 2009.

4. To adjust the sales measures in slack seasons for the balance of production and marketing.

5. The company should pick up their technologic renovation paces.

As per report, the company has realized the highest daily output of 1080m<sup>3</sup> blast furnace gong at 2,220 tonnes with that of converter hitting at 5,433 tonne in 5 days. Besides, its second-stage Haolianghe cement project with the total investment of CNY 0.72 billion has started overall production on April 11th. it is predicted to build a 4,000 tonnes per day cement production line by next October and the 1 million tonnes high speed wire rod production line will be put into production in Nov next year.

(Source: <http://www.northeast.com.cn>)

**For more news visit at [www.steelguru.com](http://www.steelguru.com)**