



RECENT DEVELOPMENTS IN TURKISH STEEL INDUSTRY AND OUTLOOK

MEGABUILD ISTANBUL

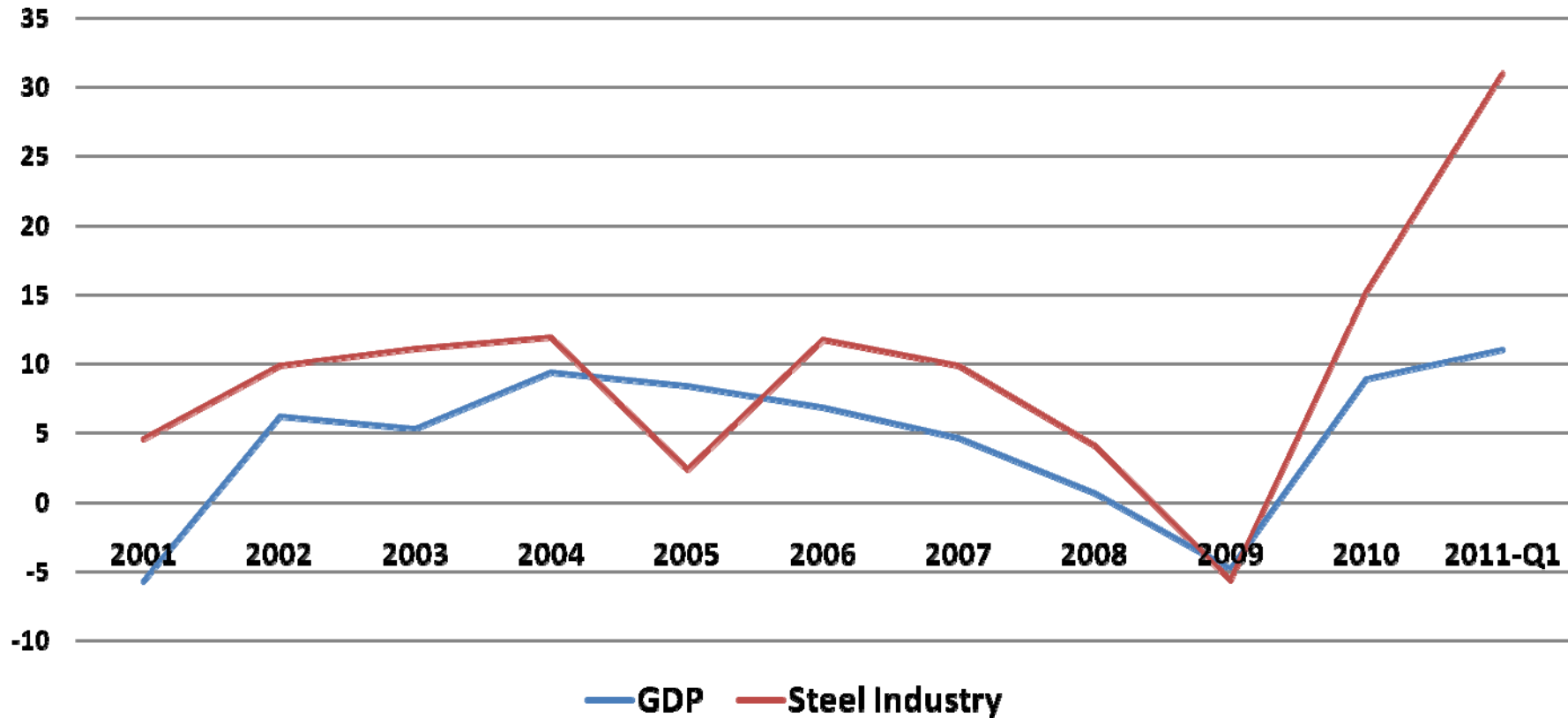
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Turkish Iron and Steel Producers Association**

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İstanbul**

GDP and Steel Industry Growth (2001-2011) %

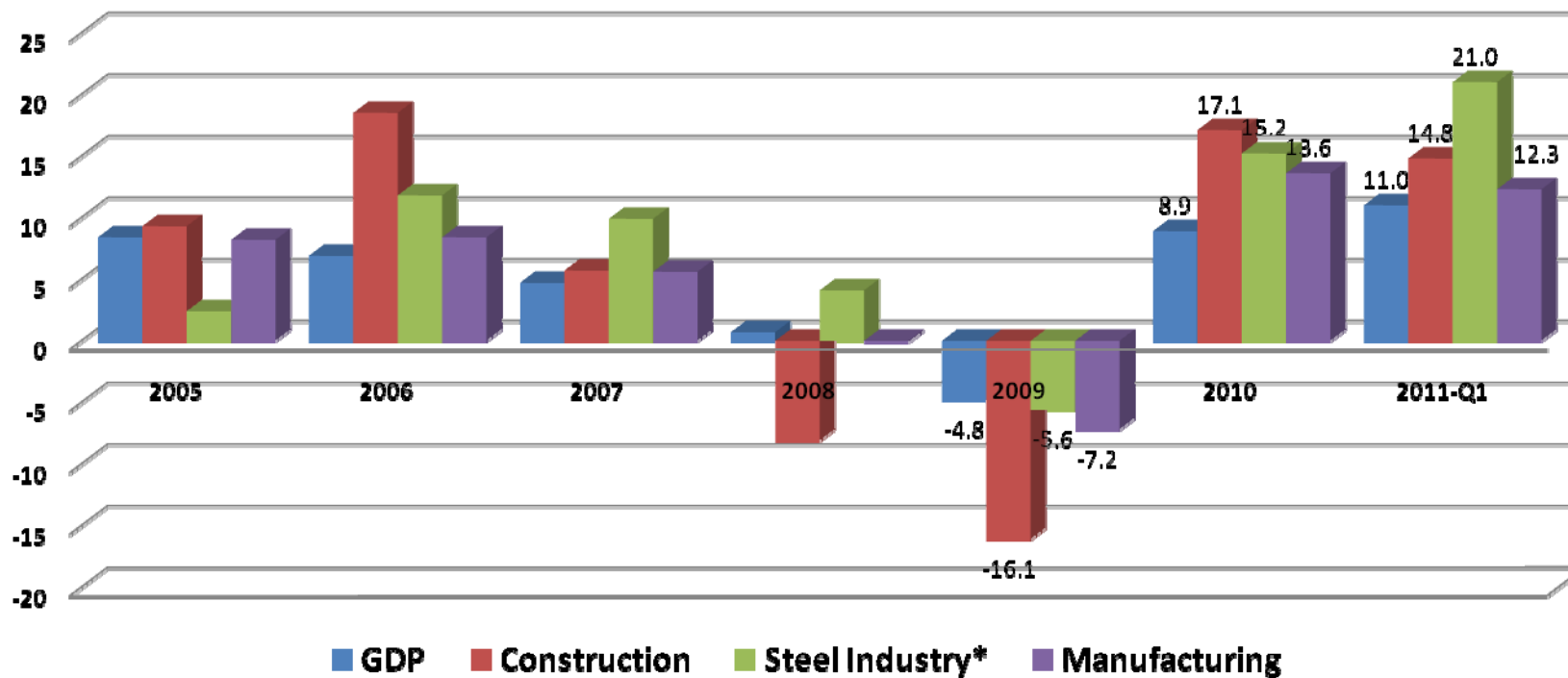


GDP & Steel Industry Growth



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011-Q1
GDP	6,8	-5,7	6,2	5,3	9,4	8,4	6,9	4,7	0,7	-4,8	8,9	11,0
Steel Industry	0,1	4,6	9,9	11,1	11,9	2,4	11,8	9,9	4,1	-5,6	15,2	31,0

Development of Economy, Construction, Manufacturing and Steel Industries (%)



	2005	2006	2007	2008	2009	2010	2011-Q1
GDP	8,4	6,9	4,7	0,7	-4,8	8,9	11,0
Construction	9,3	18,5	5,7	-8,1	-16,1	17,1	14,8
Steel Industry*	2,4	11,8	9,9	4,1	-5,6	15,2	21,0
Manufacturing	8,2	8,4	5,6	-0,1	-7,2	13,6	12,3

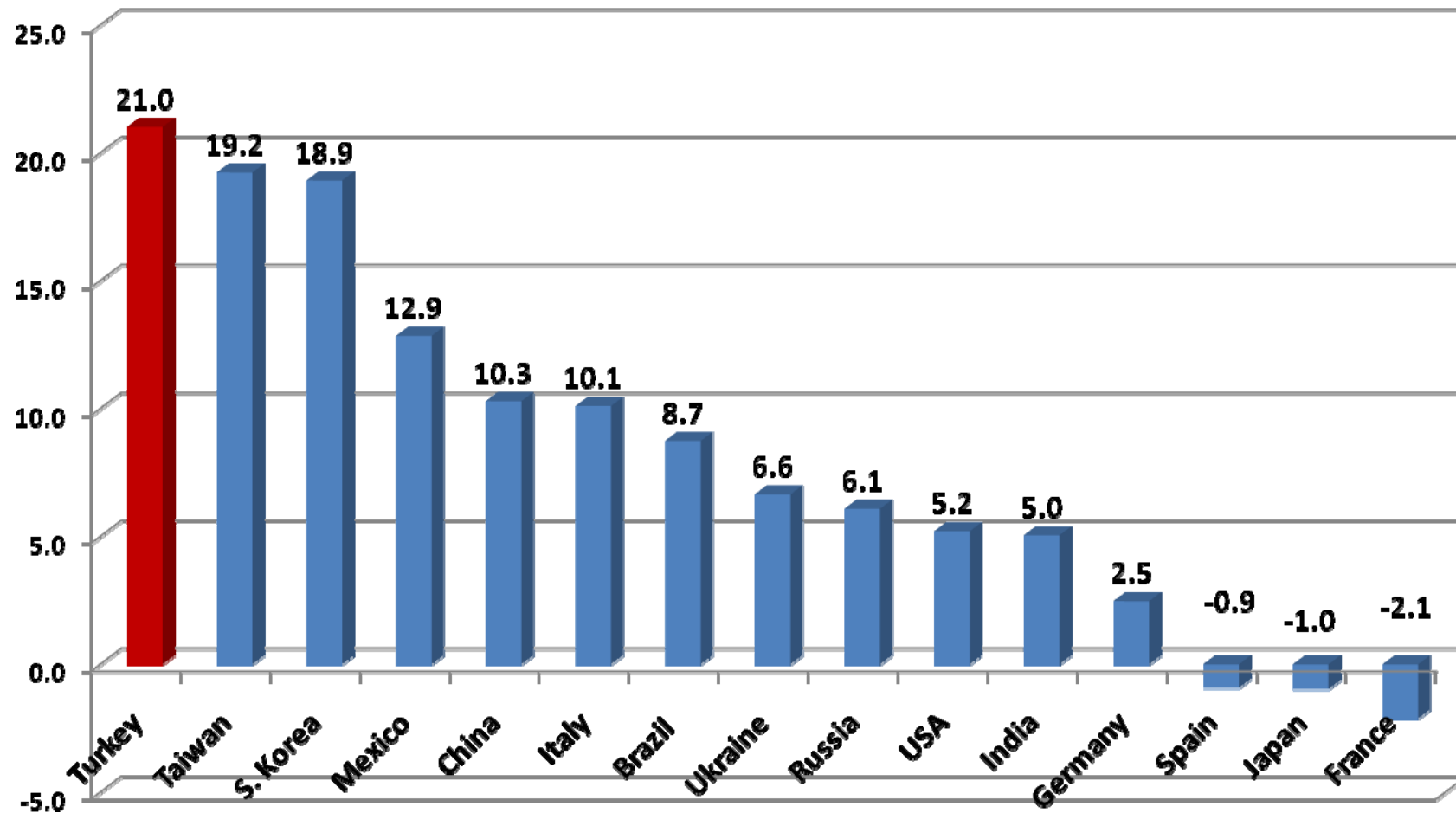
* January-July 2011

Largest Crude Steel Producing Countries (Jan-July 2011)

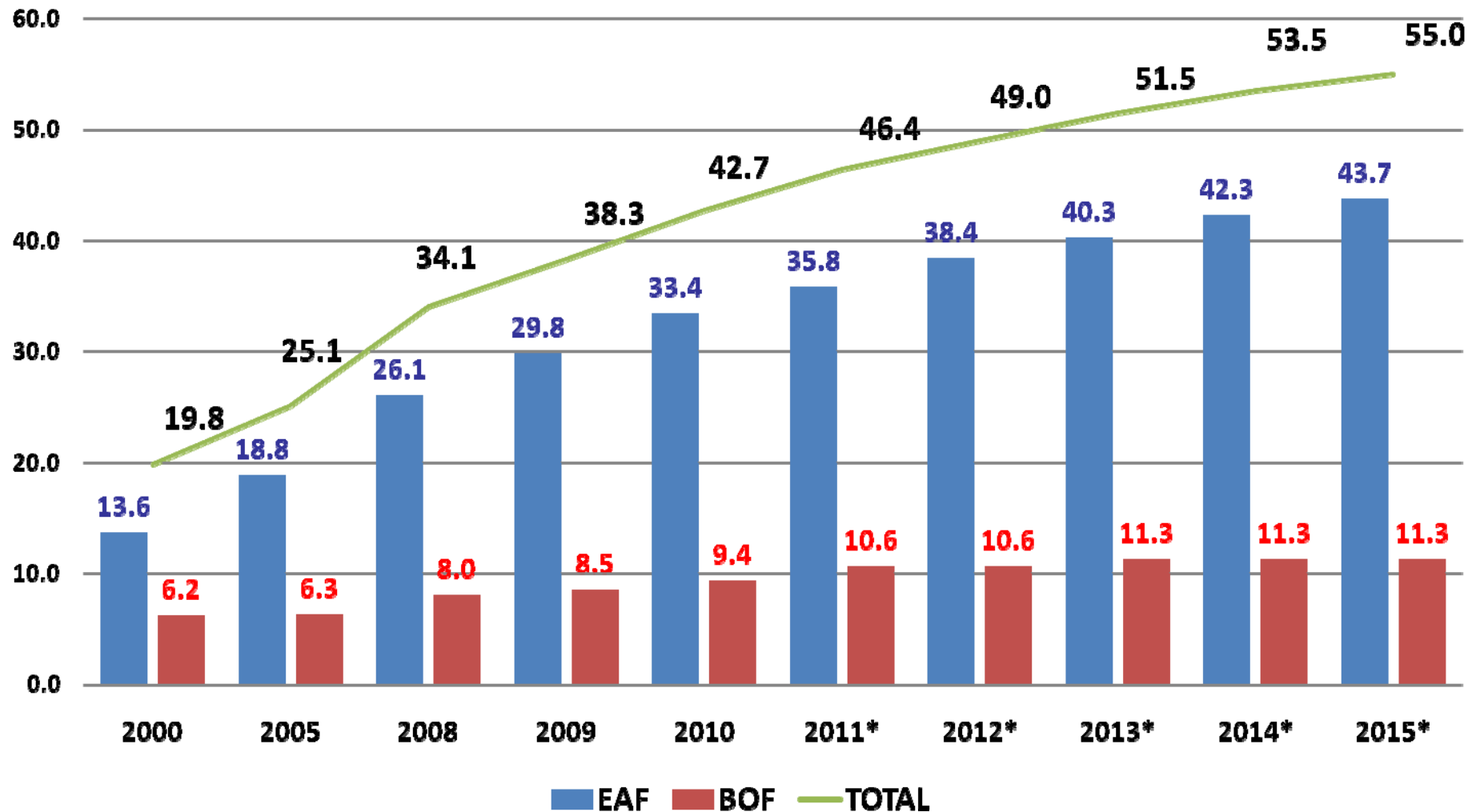


		2011	2010	% change
1.	China	410.364	372.060	10,3
2.	Japan	63.180	63.800	-1,0
3.	United States	50.143	47.662	5,2
4.	India	41.796	39.788	5,0
5.	Russia	40.692	38.357	6,1
6.	South Korea	39.525	33.236	18,9
7.	Germany	26.865	26.217	2,5
8.	Brazil	20.948	19.264	8,7
9.	Ukraine	20.432	19.158	6,6
10.	Turkey	19.262	15.917	21,0
11.	Italy	17.295	15.708	10,1
12.	Taiwan, China	13.464	11.292	19,2
13.	Mexico	10.935	9.689	12,9
14.	Spain	9.859	9.952	-0,9
15.	France	9.308	9.510	-2,1
	TOTAL	886 893	819 209	8,3

Crude Steel Production Growth (%) of The 15 Largest Producing Countries (Jan-July 2011)



Turkey's Crude Steel Production Capacity (million tons)



* forecasted

Turkey's Crude Steel Production (million tons)

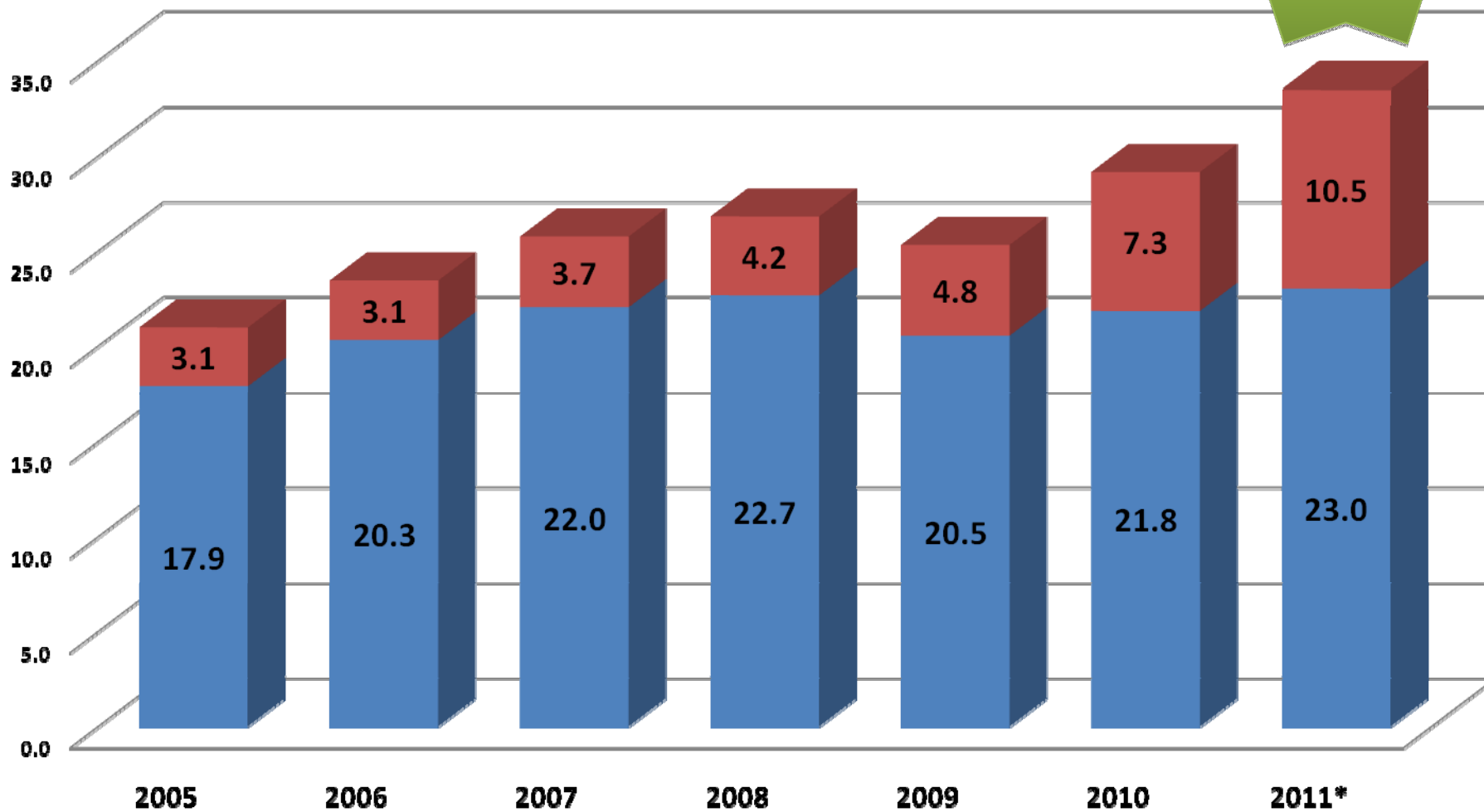


	2006	2007	2008	2009	2010	2010 7m	2011 7m	% change (11/10)
Billet	20,3	22,0	22,7	20,5	21,8	12,1	13,7	13,4
Slab	3,1	3,7	4,2	4,8	7,3	3,8	5,5	45,2
TOTAL	23,4	25,8	26,8	25,3	29,1	15,9	19,3	21,0
EAF	17,3	19,4	19,8	17,7	20,9	11,1	14,2	27,6
BOF	6,2	6,4	7,0	7,6	8,2	4,8	5,0	5,6

Turkey's Crude Steel Production (million tons)



33,5



* estimated

■ LONG ■ FLAT

Turkey's Finished Steel Production and Consumption (million tons)



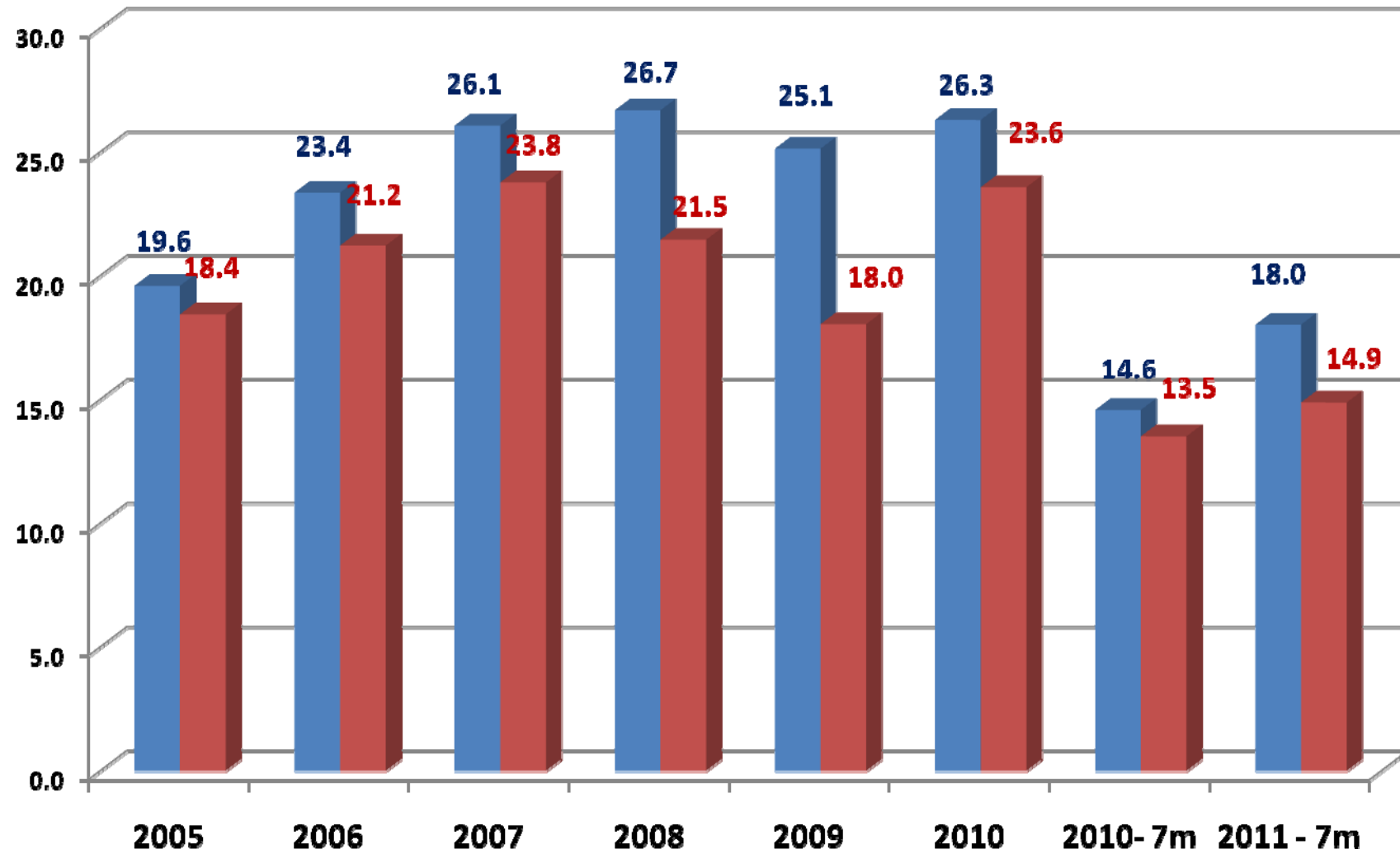
Finished Steel Production

	2005	2006	2007	2008	2009	2010	2010- 7m	2011 – 7m	% change (11/10)
Long	15,8	19,2	21,8	22,1	20,7	19,7	11.105	12.843	15,7
Flat	3,8	4,1	4,3	4,5	4,4	6,6	3.475	5.181	49,1
TOTAL	19,6	23,4	26,1	26,7	25,1	26,3	14.580	18.024	23,6

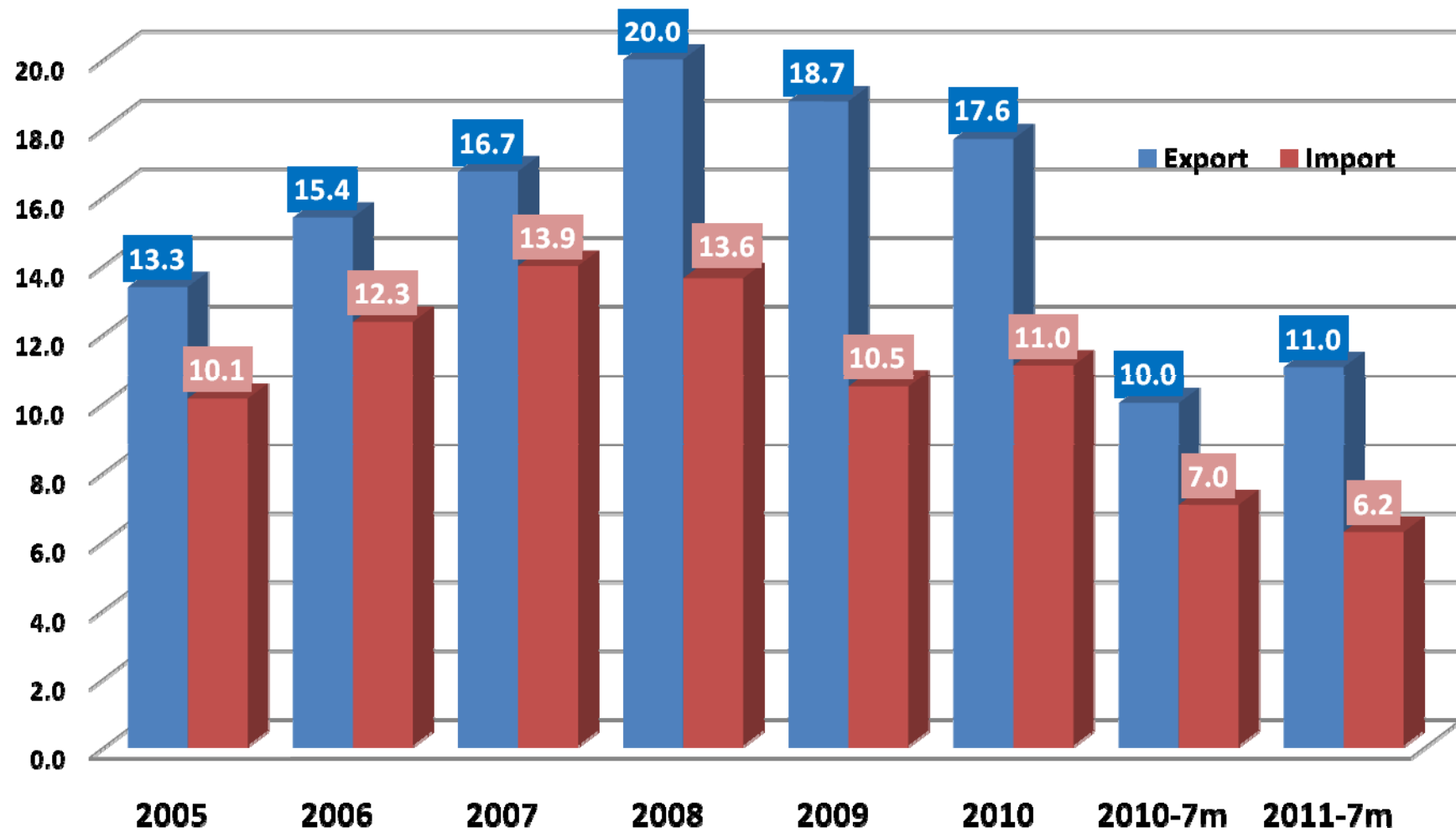
Finished Steel Consumption

	2005	2006	2007	2008	2009	2010	2010- 7m	2011 – 7m	% change (11/10)
Long	9,1	10,5	12,1	10,3	9,7	11,6	6.357	7.600	19,6
Flat	9,4	10,7	11,7	11,2	8,3	11,9	7.159	7.282	1,7
TOTAL	18,4	21,2	23,8	21,5	18,0	23,6	13.516	14.882	10,1

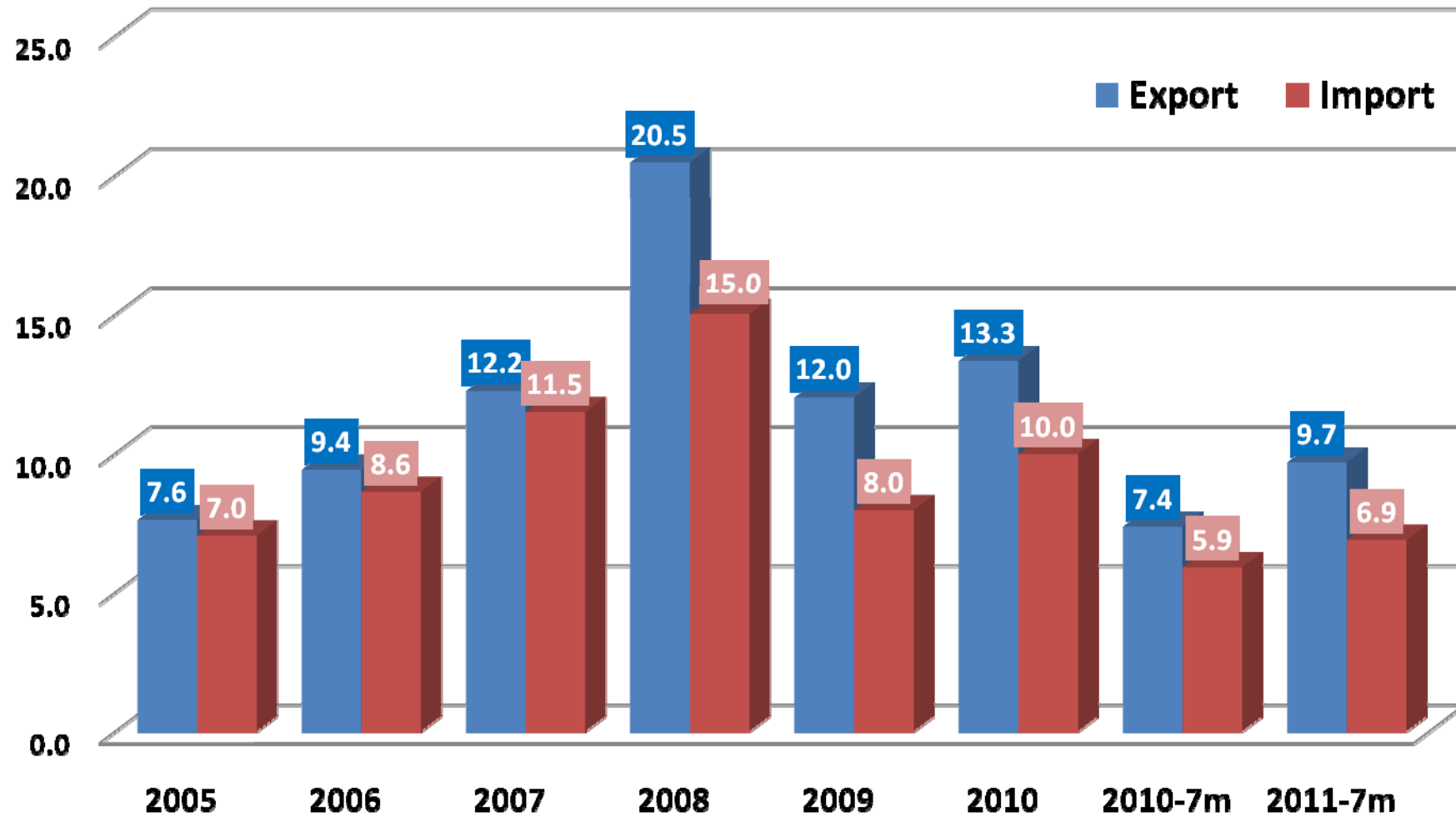
Turkey's Total Finished Steel Production and Consumption (million tons)



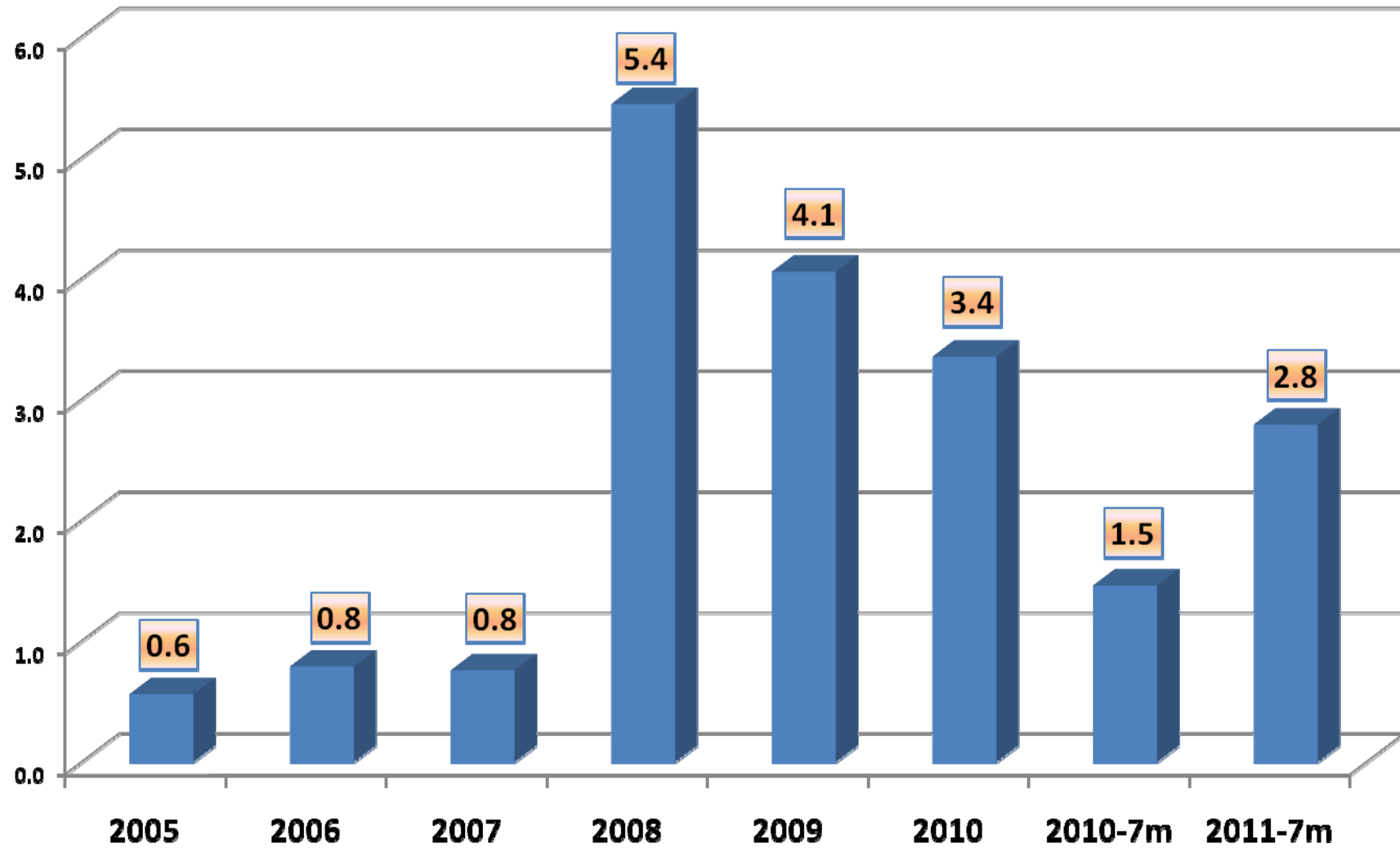
Turkey's Total Steel Export & Import (million tons)



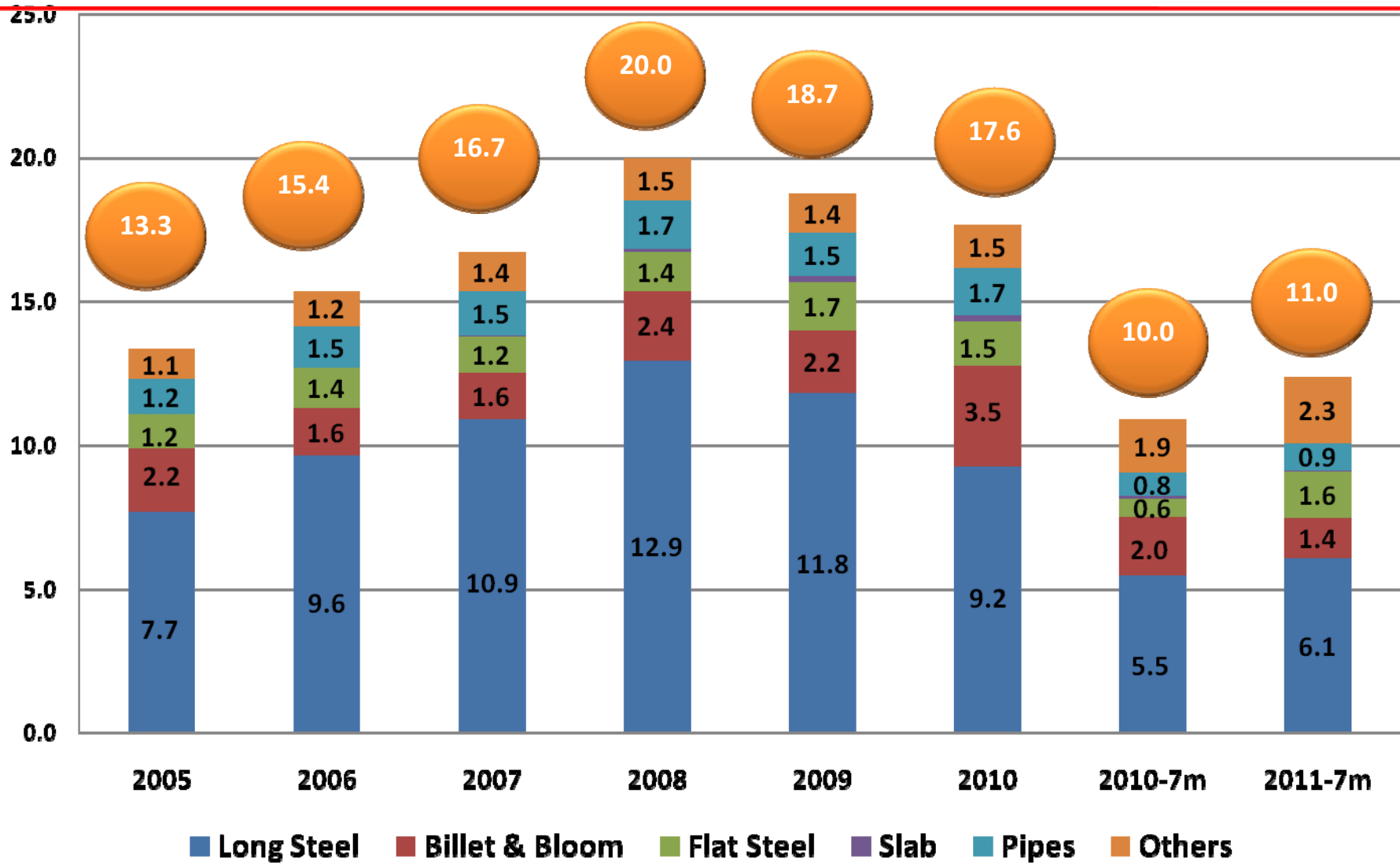
Turkey's Total Steel Export & Import (Billion USD)



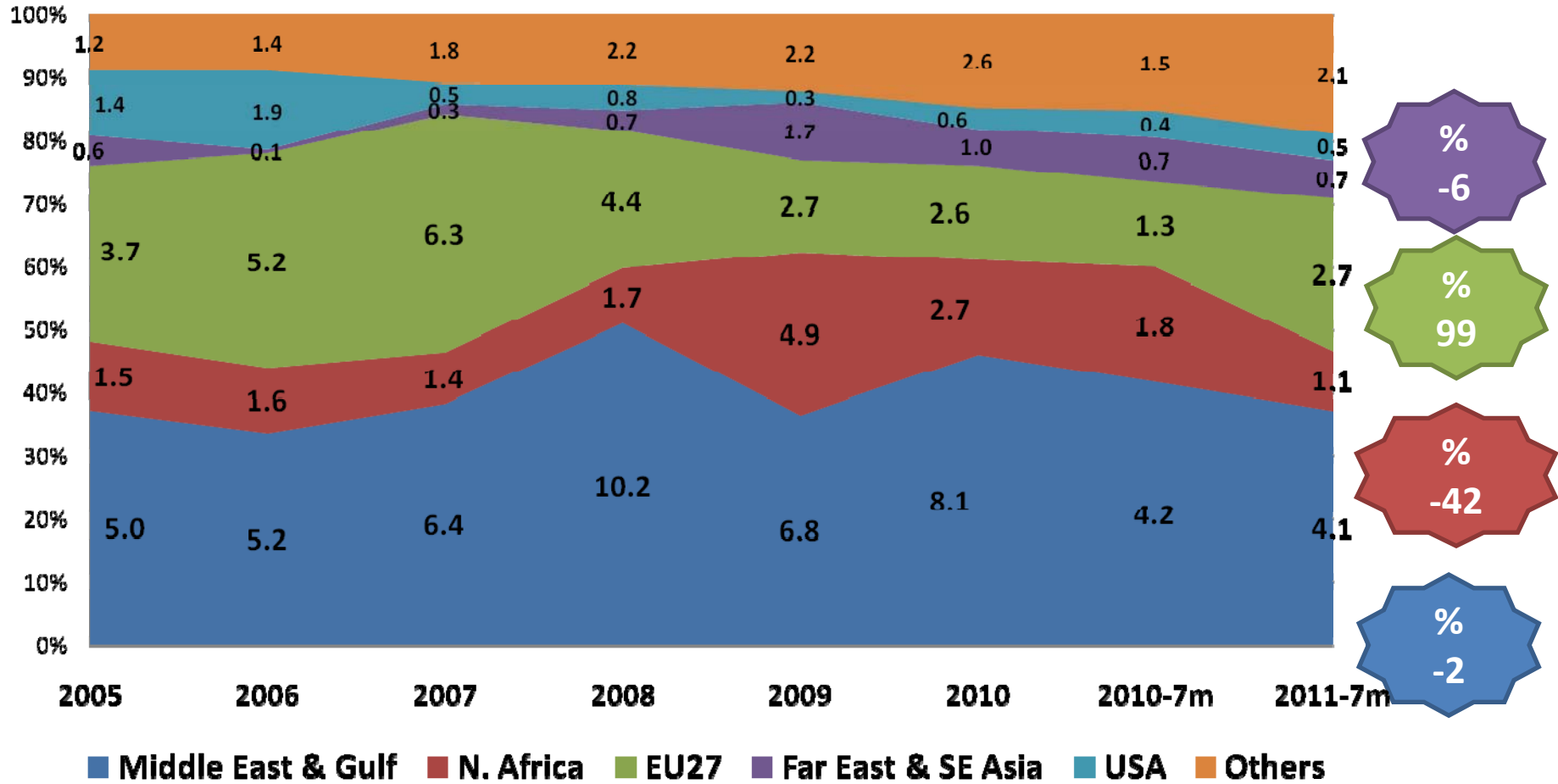
Turkey's Net Steel Export (Billion USD)



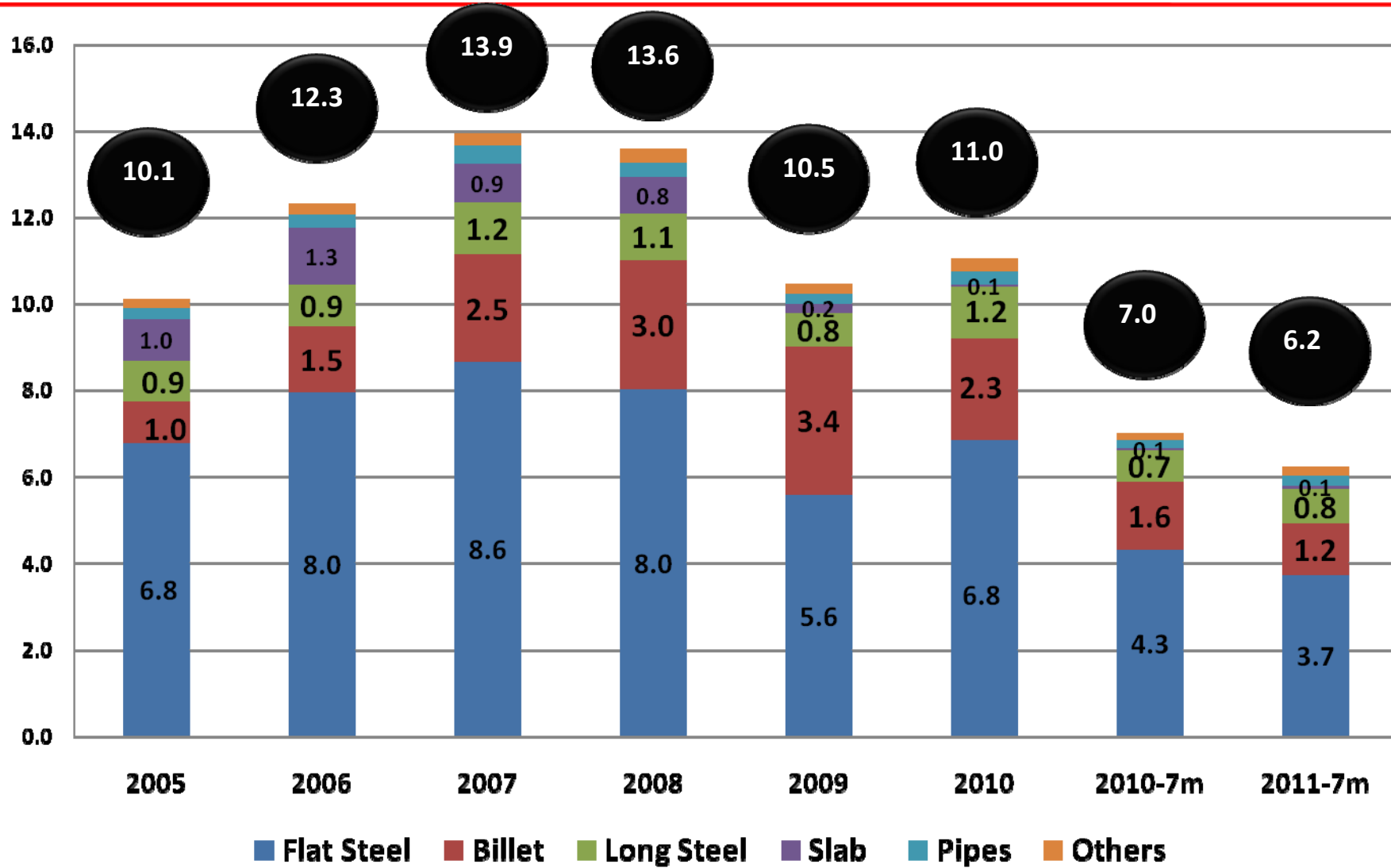
Turkey's Total Steel Export (million tons)



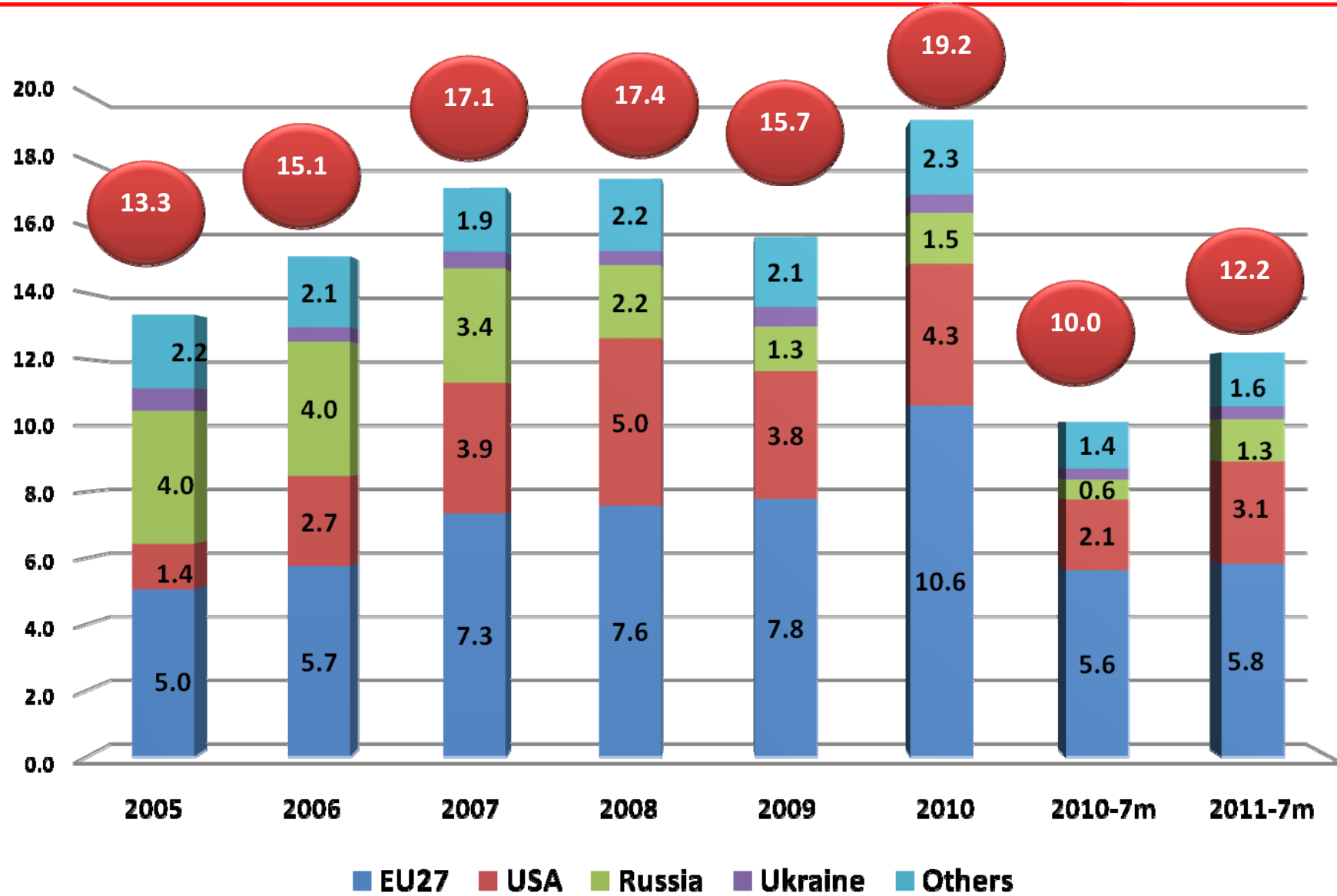
Turkey's Total Steel Export by Regions (million tons)



Turkey's Total Steel Import (million tons)



Turkey's Total Ferrous Scrap Import (million tons)

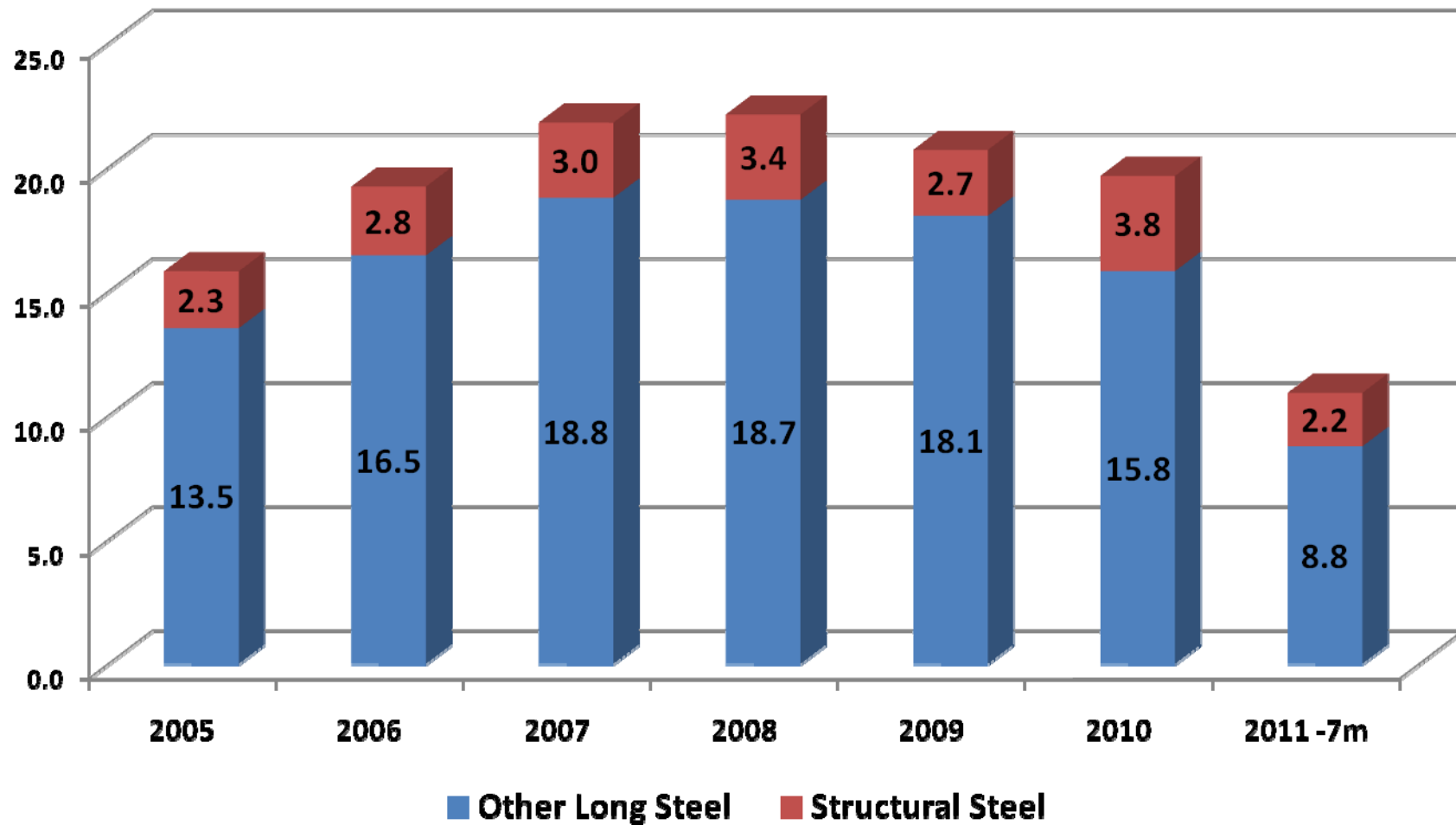




Production – Consumption - Export - Import

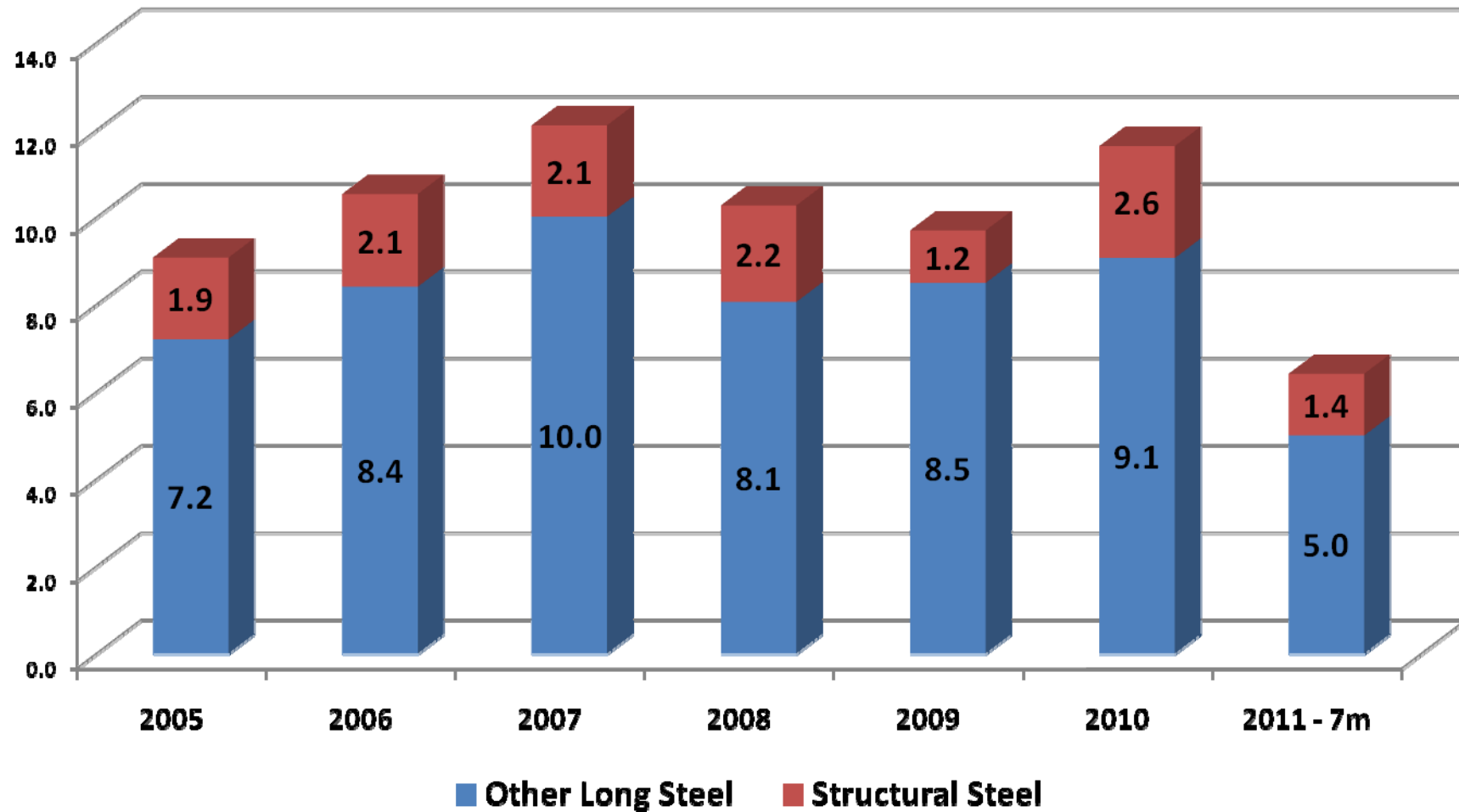


Turkey's Long Steel and Structural Steel Production (million tons)



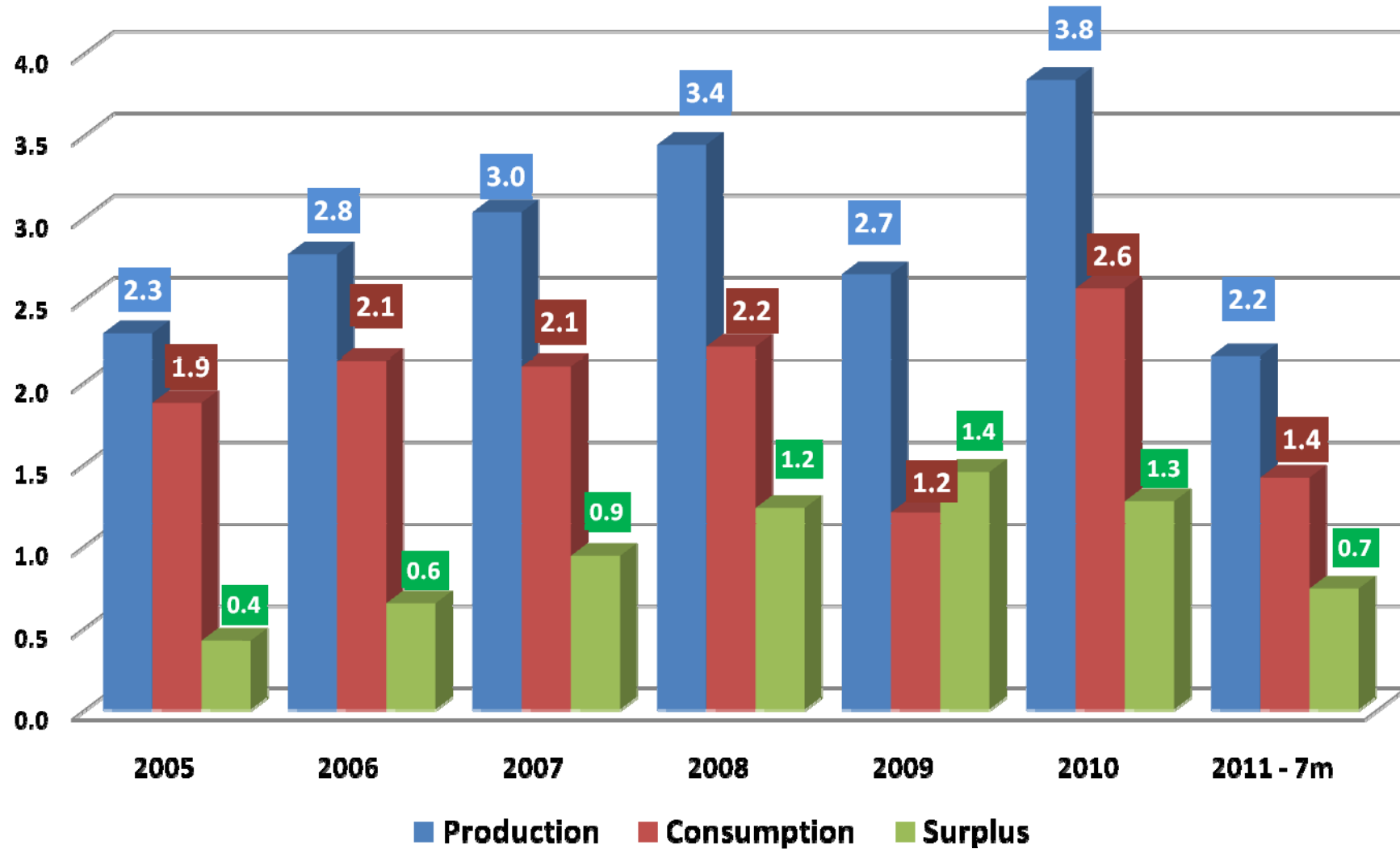
Around 17-20 % of the total long steel production is structural steel.

Turkey's Long Steel and Structural Steel Consumption (million tons)

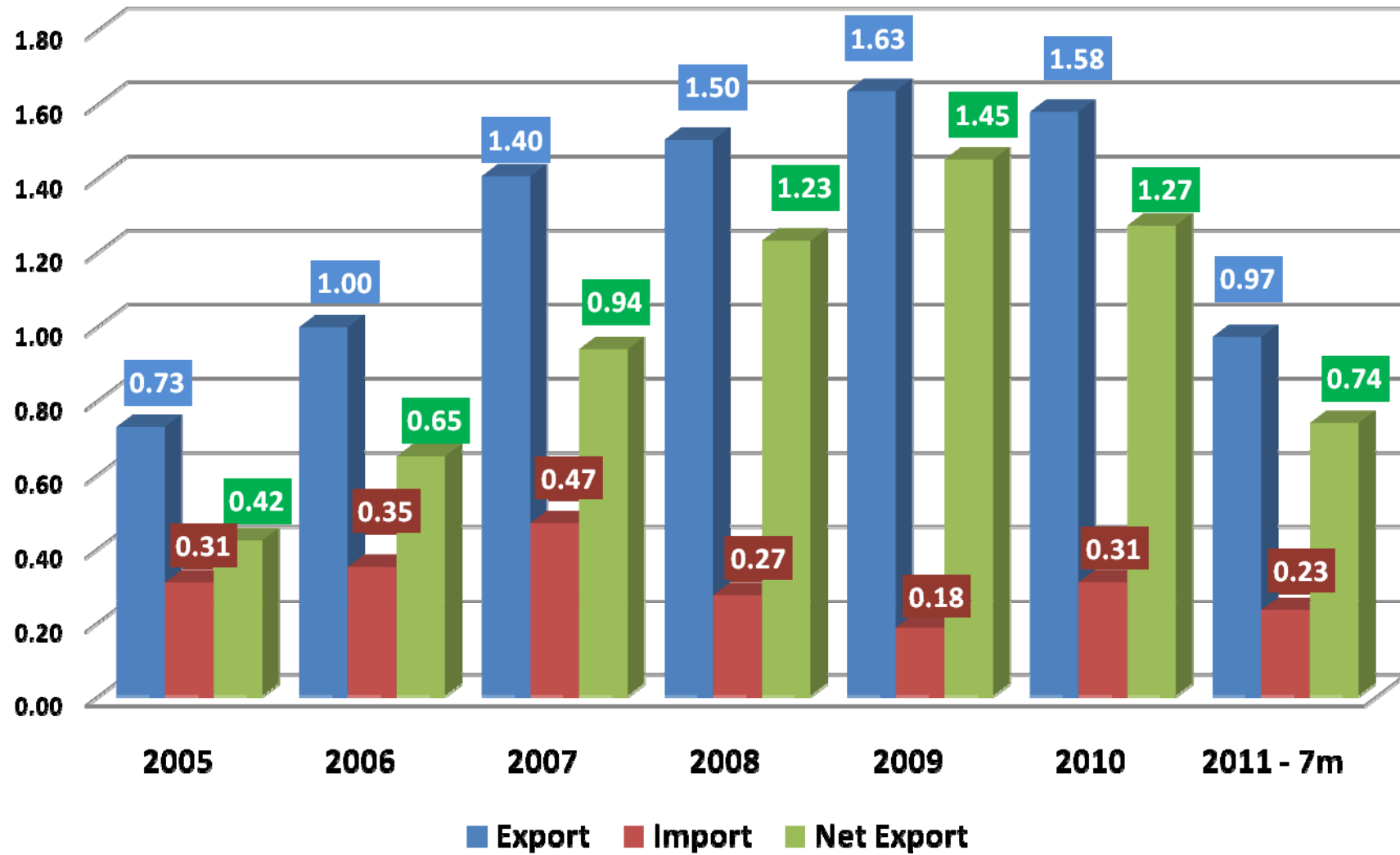


Around 25-27 % of Turkey's total long steel consumption is structural steel.

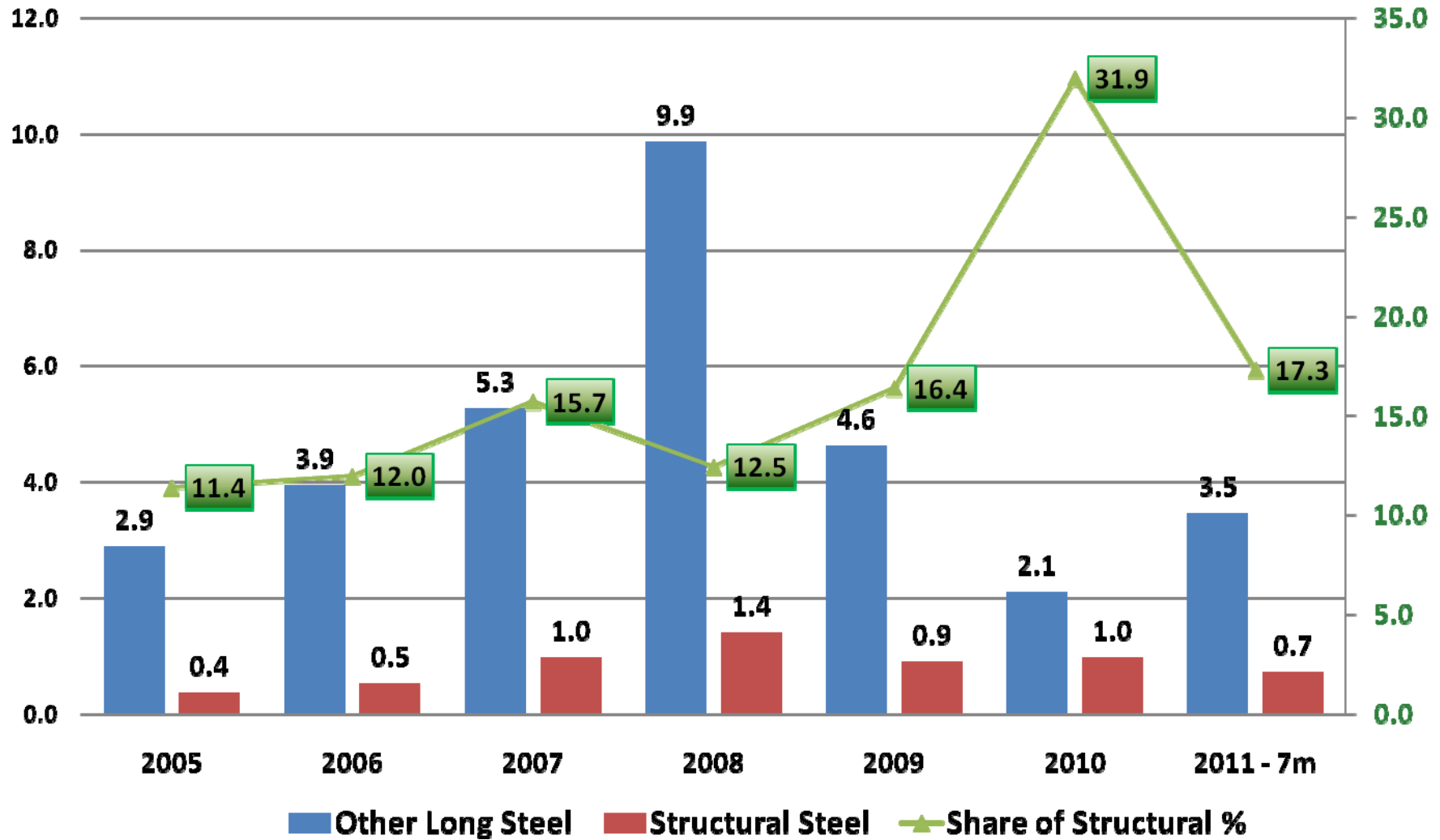
Turkey's Structural Steel Production and Consumption (million tons)



Turkey's Structural Steel Foreign Trade (million tons)



Turkey's Long Steel and Structural Steel Export (Billion USD)





- Turkey's steel production and capacity increase accelerated since 2000.
- Turkey's structural steel consumption had based on imported material until the 2000's.
- After the the earthquake of 1999, domestic structural steel production and consumption rose.
- With increasing awareness of the structural steel usage in construction, Turkey's consumption has also been rising.
- Despite increasing consumption, Turkish steel industry is expected to strengthen its net exporter position and will be net exporter in all types of steel products.