ThyssenKrupp Posts $383M Profit

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BERLIN (AP) -- German steelmaker ThyssenKrupp AG reported Friday a profit of â‚¬298 million ($383 million) for the April-June quarter as a recovering economy saw a strong rise in orders and revenue.

The profit compared with a net loss of â‚¬630 million a year earlier in the company's fiscal third quarter.

Orders rose 38 percent to â‚¬10.93 billion from â‚¬7.93 billion, ThyssenKrupp said. Revenues were up 26 percent to â‚¬11.68 billion from â‚¬9.3 billion.

"Demand has improved significantly in our key customer sectors and core markets," CEO Ekkehard Schulz said, although he cautioned that the economic environment remains volatile.

The company said it was raising its outlook for the full fiscal year, which ends in September, and now expects adjusted pretax earnings "in the mid to higher three-digit million euro range."

The company forecast a "slight increase" in full-year revenues, and said that cost-reduction programs would be partly to thank for improved earnings.

ThyssenKrupp shares were up 3.1 percent at â‚¬23.52 in morning Frankfurt trading, easily outpacing the rise of the DAX index.

For the fiscal year's first nine months, net earnings were â‚¬727 million -- compared with a loss of â‚¬829 million a year earlier.

Nine-month order intake was up 8 percent to â‚¬30.63 billion and revenues rose a modest 1 percent to â‚¬31.14 billion.

Adjusted earnings before tax stood at â‚¬923 million, compared with last year's loss of â‚¬506 million. For the third quarter, pretax earnings came in at â‚¬480 million, compared with a 2009 loss of â‚¬464 million.

Schulz noted that ThyssenKrupp in July started up the first key units at new plants in Brazil and in Alabama, and pointed to "strong demand" from customers in North America.

Still, the company cautioned that full-year adjusted pretax earnings "will be significantly impacted by startup losses in the Steel Americas business area in the mid three-digit million euro range."

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