

MMK Producing in Turkey

By [The Moscow Times](#)

May 10, 2011

The  Moscow Times

ISTANBUL — Magnitogorsk Iron & Steel, billionaire Viktor Rashnikov's steelmaker, plans to have \$2.5 billion in sales next year from a Turkish steel plant constructed with local partner Atakas Group.

The companies started producing hot rolled coils at the \$2.1 billion plant near Iskenderun in southern Turkey last week, Cem Ustun, sales manager for the company, said in embargoed comments in an interview at the facility Monday.

Magnitogorsk and Atakas will be competing with companies including Turkey's biggest steelmaker Eregli Demir Celik Fabrikalari, or Erdemir, which has two plants with a total annual capacity of 6.5 million tons, and Colakoglu, which produces 2.5 million tons yearly at a plant near Istanbul.

"If we assume the steel prices range between \$800 and \$1,200 a ton, then our annual sales should be on average \$2.5 billion," Ustun said. "The sale price will change from customer to customer," he said.

The two companies, operating under joint venture MMK-Atakas Metalurji Sanayi & Liman Isletmeciligi, will increase production at the plant to reach full rolled steel capacity of 2.5 million tons next year, Ustun said. Between 60 percent and 80 percent of the plant's output will be sold to Turkish car and home appliances makers, he said. The rest will be exported.

North Africa, the Middle East — especially Iraq, Israel and Lebanon — and Southern European countries will be the chief export markets for MMK-Atakas, Ustun said.

Original url: <https://www.themoscowtimes.com/2011/05/10/mmk-producing-in-turkey-a6852>