

Announcement for business developments of the company Beginning of a subsidiary's operation in Romania

In the context of strategic expansion and further development of company activities outside Greece, SIDMA S.A. established a new company in Romania, in co-operation with Packer-Yadpaz Ltd, a subsidiary of Packer Plada Ltd, that is a leading company in manufacturing and steel trade sector in Israel. In the new company, under the name SID-PAC Steel and Construction Products SRL, SIDMA holds a percentage of 50% while the remaining 50% belongs to Packer-Yadpaz Ltd. The participation of SIDMA took place through its 10% subsidiary in Cyprus, SIDMA Worldwide (Cyprus) Ltd, which aims to participate in the share capital of the companies that SIDMA establishes abroad.

Aim of SID-PAC Steel and Construction Products SRL in Romania is the establishment of a Steel Service Centre and a sales network in Romania, based in the headquarters of the company in Bucharest. Parallel to the trade of steel, the new company will be activated in the productions and promotion of polyurethane panels.

Commenting on the beginning of operation of SID-PAC Steel and Construction Products SRL, the General Manager of SIDMA S.A. Mr. Daniel Benardout point out that "SIDMA, holding the first position in domestic market, aims, further to maintain its significant market share, to further expand its activities in the countries of Balkans, taking advantage of the appeared opportunities".

Referring to the market of Romania and its prospects, Mr. Benardout stated that "the size and the fast growth of the Romanian economy as well as the presence of numerous Greek construction and financial companies with which SIDMA maintains a close co-operation in Greece, would contribute to our strategic expansion. The experience and know-how of the company in the sector and the wide range of its products form additional advantages".

Packer Plada Ltd was established in 1933 and is active in the steel manufacture and trade sector. It is a leading company in Israel and is listed in Tel-Aviv stock exchange since 1981. The company is also active in Russia and its sale amounted to \$182 million in 2004. Packer Plada Ltd. belongs to the multinational group Africa-Israel Investments Ltd, that is active in the sectors of construction, Real Estate Development, Hotels, Industry, Telecommunications and Energy. The consolidated sales of the group reached \$ 750 million in 2004.