

Estimates for the results of the first semester of 2005

The Management of SIDMA SA estimates that the 2005 first semester results, which have not been finalized yet, while being at the levels of the average of the corresponding semesters for the previous five years (2000-2004), will be markedly lower than the results of the first semester of 2004. More specifically, total sales, on a consolidated basis, are expected to be lower by 4% approximately, earnings before taxes, interest and depreciation (EBITDA) will be lower by approximately 65% to 70%, while earnings before taxes will also follow the fall in EBITDA compared to the respective figures for the first semester of 2004.

SIDMA is active in the steel products market and inevitably suffers the cyclicity that features in the market. As a result the profits of the Company are directly intertwined with the fluctuations in the world prices of steel, a fact that is recorded in its historical figures. The escalating decline in prices during the last semester that became particularly prominent in March 2005 and continued until recently, directly affected the gross profit margin and as a result the earnings before taxes of the Company.

It should also be noted that the first semester of 2004 was the starting point for the historical hike in steel prices globally and as a result it cannot be used as a benchmark for the results of future fiscal years. It is noted that all the companies in the industry, in Greece and abroad, face similar economic cycles that affect their financial results.

Throughout its long history, SIDMA SA has endured similar significant fluctuations in its results, due to the pressures on the prices of steel, and is aware of how to successfully deal with them. We also wish to emphasise that SIDMA, relying on its long experience and know-how, will continue to work with diligence and consistence in order to carry out its investment programs and to achieve the goals of strategic growth it has set.

The financial results for the first semester of 2005 will be announced at the end of September.