

## **Financial results of SIDMA SA for the nine month period ended on September 30th 2005**

The consolidated turnover of SIDMA SA Steel Products in the first nine months of 2005 amounted to €91.6 million compared with €97.9 million during the corresponding period of 2004, recording a slight fall of the order of 6%. Taking into consideration the trade agency sales on behalf of third parties, turnover of the group stood at €137.5 million. Gross profit for the group amounted to €11 million, recording a 45% fall compared to the €20 million figure in 2004, which tracks the decline in the prices of raw materials.

The fall in the gross profit, together with the Athens Stock Exchange listing expenses, the restatement of the provision for employee indemnity in accordance with the International Accounting Standards (IAS), resulted in earnings before taxes that amounted to €3,739 thousand. The expenses relating to the listing of the company on the Athens Stock Exchange reached €870 thousand approximately. An amount of € 844 thousand of the provision for employee indemnity that was made in June 2004 in accordance with the IAS, related to previous fiscal years, which resulted to a restatement and increase of the earnings before taxes for 2004 by the same amount. Taken the above into account, the Group's earnings before taxes declined by 62% and stood at €4,609 thousand. Moreover, the consolidation of the newly established subsidiaries in the Balkans reduced the results by approximately €160 thousand.

SIDMA SA is active in the steel products sector, which, globally, is marked by the element of cyclicity. The results 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 significant decline in the prices of raw materials, which emerged at the end of the first quarter and continued on until the beginning of the third quarter, directly affected the gross profit margin and as a result the earnings before taxes of SIDMA. It is also noted that all the firms in the sector, in Greece and abroad, exhibit similar economic cycles that affect their results.

The Company followed a conservative sale policy so as to avoid further reduction of its profit and at the same time proceeded in purchasing, in accordance with its investment program, a 39,000 sq. meter plot of land in Bulgaria and a 35,000 sq. meter plot of land in Romania.

The net assets of the shareholders of the Company, taking into consideration the share capital increase through the listing of the Company on the Athens Stock Exchange rose from €3.6 per share in September 2004 to €5.1 per share in September 2005. It is noted that the financial statements of SIMDA SA Steel Products will be published on Wednesday, November 30th, 2005 in the "EXPRESS" financial newspaper.