

Financial results of SIDMA SA for the fiscal year 2005

SIDMA SA Steel Products announces its financial results for fiscal year 2005, in accordance with the International Financial Reporting Standards.

Consolidated turnover including trade agency sales amounted to €179.5 million.

Earnings before taxes amounted to €5,6 million at the group level and €4.7 million at the parent company level (before deducting extraordinary expenses related to the listing on the Athens Stock Exchange, which amounted to €1.2 million approximately).

Operating expenses remained at the 2004 level (excluding the ASE listing expenses).

More specifically, the consolidated turnover of SIDMA SA Steel Products for 2005 stood at €124.2 million according to the IFRS compared with €133.5 million for the same period in 2004, registering a slight decrease of 7%. When trade agency sales on behalf of third parties are taken into consideration, turnover reaches €179.5 million.

The gross profit of the Group amounted to €15 million, reduced by 39% compared to the €24 million in 2004, following the fall in the gross profit margin, which is mainly due to the considerable decline of steel prices in the global markets during 2005.

The operating expenses of the Company (administration and distribution expenses), excluding depreciation, came to €9.9 million. If the expenses related to the listing of the Company on the Athens Stock Exchange are excluded, this figure drops to €9 million and remains at the 2004 level of €8.9 million. Hence, the fall in the gross profit margin, which affected all the firms in the industry during 2005, and the extraordinary expenses related to the listing of the Company on the Athens Stock Exchange (listing expenses of €900 thousand and Hellenic Capital Markets Committee fine of €290 thousand) resulted to earnings before taxes of €3.5 million.

On consolidated basis, the subsidiary company PANELCO SA has contributed to the before tax results, with earnings before taxes of €1.3 million for 2005. Subsidiary companies in Romania and Bulgaria, which were set-up in 2005, have reduced the results due to losses of €370 thousand. It is noted that the company in Romania started operating in June 2005, while the company in Bulgaria is expected to become fully operational in April 2006. Taking into consideration the operations of subsidiaries and excluding the extraordinary expenses related to the Athens Stock Exchange listing, Group earning before taxes declined by 64%, to €5.6 million.

In the context of pursuing strategic growth and further development of its activities, SIDMA invested, in accordance with its investment program, €4.4 million in equipment and participating interests in subsidiaries. Of the funds invested, an amount of €3.1 million relates to funds drawn from the listing of the company on the Athens Stock Exchange.

Finally, shareholders' funds of the Group, taking into consideration the share capital increase through the listing of the Company on the Athens Stock Exchange and the valuation of its fixed assets at fair value, rose from €3.7 per share in 2004 to €5.0 per share in 2005.