

Financial results of SIDMA S.A. for the first quarter of 2006
SIDMA S.A. announces the financial results of the first quarter of 2006
according to I.F.R.S.

The consolidated turnover of SIDMA S.A. including the consignment sales amounted to €49,5 million compared to €44,2 million during the corresponding period of the last year, resulting to a 12% increase, which is due to the steel sector's positive performance internationally, since the middle of the quarter, both in terms of demand as well as price.

According to the I.F.R.S, the consolidated turnover of SIDMA S.A., for the first quarter of 2006, was €33,2 million compared to €31,0 million in the corresponding period in 2005 resulting to an increase of 7,2%. The consignment sales increased by 23%, from €13,2 million in the first quarter of 2005 to €16,2 million in the first quarter of 2006.

The Group exports, during the first quarter of 2006, were reinforced significantly, following the company's strategy to seek growth abroad. More specifically, the percentage of exports compared to the total Group's turnover increased from 6,3% in the first quarter of 2005 to 7,5% in the first quarter of 2006, recording a 28% increase, as sales increased from €1,9 million to €2,5 million respectively. The complete operation of subsidiaries in Bulgaria and Romania is expected to further strengthen these results.

The increase in turnover was not accompanied by a corresponding increase in gross profit as the price improvement began in the middle of the quarter and thus partially affected the gross profit of the company. This is lower by 3 percentage units compared to that of the first quarter of 2005.

Specifically, Group's gross profit resulted in €3,8 million, recording a 15% decrease compared to that of the first quarter of 2005 following the fall of the gross profit margin. The consolidated results before taxes resulted in €1,6 million and the results after taxes resulted in €1,1 million compared to €2,3 million and €1,6 million respectively compared to those of the first quarter of 2005.

The subsidiary PANELCO S.A. has contributed to the Group's results with earnings before taxes of €216 thousand whereas the subsidiaries in Romania and Bulgaria, that were recently established, still record total losses amounting to €175 thousand.

SIDMA SA operates in the steel sector, which, globally, is characterised 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. According to the current market situation, the company considers the improvement of its results in the first six months period of 2006 possible, compared to those of 2005, given that the continuous price increase of steel in the international market affects positively its financial results.