

## Press release

Athens, 30 November 2009

At Group level, the third quarter of the year saw the following:

- Positive gross profit: € 3.1 million
- Positive EBITDA: € 1.0 million
- Marginal post-tax losses: € 0.6 million
- Decrease of net loans by € 4 million (progressive for the year € 16 million)
- Increase of operating cash flow by € 5 million (progressive for the year € 20 million)

2009 turns out to be the most difficult year for the steel over the last twenty years. The recession having struck the global economy has a strong impact on Europe. The Gross Domestic Product of the European Union is expected to be reduced by around 4% in 2009 and the drop in steel consumption is striking. The Greek market has been equally affected and the drop in the apparent consumption of various steel products ranges from 30% to 40% approximately in relation to 2008.

Amid this difficult environment, SIDMA took serious steps to deal with the consequences of such drastic fall in the market. The most important of these steps consist in the drastic reduction of inventories by around 42% since the beginning of the year, the curtailment of overheads by some € 2 million compared to last year and the reduced borrowing by some € 15 million at parent company level. At the same time, the company pursued its invariable policy to monitor closely the receivables in an environment where the cash difficulties of the market are evident. As a result of these steps, during the third quarter the company managed to register positive gross profit after 9 months of negative results. This result was also assisted by the slight rise of prices during the respective period plus the corresponding increase in demand.

In detail, the consolidated turnover of SIDMA S.A. amounted to € 91 million compared to € 175 million in 2008, thus being decreased by 48%; together with agency sales it stood at € 121 million compared to € 233 million in 2008, thus registering the same decrease.

At Group level, post-tax results stood at losses amounting to € 13 million in comparison with profits of € 8.0 million while earnings before interest, tax, depreciation and amortization (EBITDA) were equal to losses of € 9.1 million compared to profits of € 17 million over the respective last-year period. However, the results of the third quarter at EBITDA level were positive (€ 1 million) although they are reduced compared to those of

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the respective last-year quarter (€ 2.8 million) while post-tax results are equal to losses of € 0.6 million compared to losses of € 0.1 million during the third quarter of 2008. Foreign exchange losses of the subsidiary SIDMA ROMANIA equal to € 0.4 million were charged to the above results.

At Company level, the turnover of SIDMA S.A. together with agency sales came to € 88 million compared to € 184 million in 2008, thus registering a 52% decrease. Post-tax results, following the effect of deferred assets, stood at losses amounting to € 9.6 million in comparison with profits of € 6.0 million while earnings before interest, tax, depreciation and amortization (EBITDA) were equal to losses of € 8.4 million compared to profits of € 12.2 million over the respective last-year period. At Company level, the third quarter appears to be clearly improved with post-tax losses being reduced by 80% (from losses of € 0.8 million during Q3 2008 to losses of € 0.15 million during Q3 2009). AT EBITDA level, the third quarter registered profits of € 0.7 million, although these are reduced by 25% compared to the profits of € 1.0 million during the respective period of 2008.

Amid the positive aspects of the first nine months we can record the drastic fall of loans in relation to December 2008 by € 16 million and € 15 million at Group and Company level respectively. Net loans at Company level stood at € 66 million, being reduced by 18% while at Group level they stood at € 97 million, being reduced by 14% compared to December 2008. In addition, at Group and Company level, operating cash flow amounted to € 20 million and € 18 million respectively.

Finally, the bolstered presence of SIDMA abroad was another positive element, with the Group's sales share in markets outside Greece standing at 27% of the total during the first nine months of 2009, compared to 22% during the first nine months of 2008.

The nervousness in terms of steel prices is maintained. A relative rise of international prices has been registered recently. This rise is boosted by the extremely low level of stocks kept now by processing centres and steel consumers. It cannot be said whether this will last for long.

The results of the first nine months of the financial year 2009 are published in "IMERISSIA" newspaper on Monday, 30 November 2009.