

## Press Release

Athens, 30 March 2011

2010 was a difficult year for the steel sector especially in Greece since it was affected, as expected, by the shrinkage of Greek economy. Slackening of building activity, lack of investments and uncertainty about the future led to limited demand. At the same time, the market faces liquidity problems since the Banks provide financing more thriftily.

Amid this challenging business environment, SIDMA maintained its turnover and reduced significantly the negative results of the previous year. The Balkan subsidiaries helped the company maintain its turnover, since they registered an increased market share and justify the five-year strategy plan of the company to expand abroad.

At Group level, the turnover stood at € 120 million, thus remaining at around the same level with 2009. Taking also into account the company's sales on behalf of third parties (consignment), in 2010 they stood at € 157 million from € 157.8 million in 2009, thus registering a 0.6% marginal decrease. Earnings before interest, taxes depreciation and amortization (EBITDA) stood at € 0.7 million compared to losses of € 11.9 million in the previous year. Pre-tax results stood at losses of € 8.5 million, being considerably decreased in relation to the loss of € 21 million during the respective last-year period while post-tax results came to losses of € 7.4 million compared to losses of € 17.5 million in the previous year.

At company level, the turnover of SIDMA stood at € 71 million from € 76 million in 2009. Taking also into account the company's sales on behalf of third parties (consignment), total sales stood at € 108 million from € 114 million in 2009, thus registering a 5% decrease. Earnings before interest, taxes depreciation and amortization (EBITDA) stood at € 0,2 million compared to losses of € 10.5 million in the previous year while pre-tax results were equal to losses of € 5.3 million compared to losses of € 15.7 million in the previous year. Post-tax results stood at losses of € 4.6 million compared to losses of € 12.6 million in the previous year.

The Balkan subsidiaries registered an increase in their turnover: Bulgaria saw a 25% rise and Romania 21%. Specifically the turnover of SIDMA Bulgaria came to € 13.7 million compared to € 10.8 in 2009 while the turnover of SIDMA Romania came to € 23.4 million compared to € 19.3 million in 2009. Their contribution to the Group's total turnover rose from 27% in 2009 to 32% in 2010, i.e. a 21% increase.

SIDMA Group, having regard to the problems of the Greek market may encounter in the near future, implements the following strategy and practices:

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- Overheads decrease. In 2010, overheads were reduced by 10% or € 1.7 million in relation to 2009, thus improving the turnover to expenses ratio from 11.5% in 2009 to 10.5% in 2010.
- Utilization of its real estate property by gradually stopping the operation of Aspropyrgos warehouses in order to exploit the property commercially.
- Enhancement of liquidity by increasing cash by 116% or € 15 million, namely from € 12.8 million in 2009 it rose to € 27.5 million in 2010. Such enhancement was driven by the conservative management of inventories and the decrease in the clientele's credit days, thus saving working capital of € 5.1 million.

To the above is added the Group's new activity which concerns electricity generation. The Group has submitted in 2010 licensing applications for energy generation from photovoltaic panels with a total power of 3.8 MV at the roof of its facilities. The income of this investment is estimated at around € 2 million per annum, starting in 2012.