

Press release

Athens, 31 May 2013

SIDMA S.A. closed the first quarter of 2013 registering a rise in its financials while Greece still goes through the difficult process of fiscal adjustment. After three and more years of recession, the Company goes through the third running quarter of upward financials, having reduced its operating expenses and having improved its efficiency. The benefits that arose from the increased income and lower operating cost partially offset the persistent recession, as such is reflected in the steel product trade sector.

Specifically, in the first quarter of 2013 the consolidated turnover of SIDMA stood at € 23.2 million compared to € 22.8 million in the respective period of 2012, thus registering a 2% increase, and, together with agency sales, stood at € 30.3 million compared to € 29.4 million last year, thus recording a 3% increase.

At Group level, earnings before interest, taxes, depreciation and amortization amounted to € 379,000 from losses of € 1.1 million while pre-tax results were improved by 50% compared to the respective last-year period though losses of € 1.9 million were registered. Such improvement in results arose from both an increase in the gross profit margin by 42% or € 515,000 and the decrease in administrative and selling expenses by € 613,000 or 16%.

At Company level, in the first quarter of the year, the turnover of SIDMA remained at € 13 million as in the respective period of 2012 and together with agency sales amounted to € 20.3 million compared to € 20 million last year, thus recording a 1% increase. Earnings before interest, taxes, depreciation and amortization amounted to € 345,000 compared to losses of € 883,000 in the respective last-year period while pre-tax results were improved by 54% or € 1.4 million though losses of € 1.2 million were registered. Once again, such improvement in results was boosted by an increase in the gross profit margin by 46% or € 440,000 and the decrease in administrative and selling expenses by 23% or € 680,000.

Under current market circumstances, the strategy of SIDMA Group is focused on maintaining the position kept in the domestic market, and on gradually having its subsidiaries grow, always with a view to generating positive operating cash flows. The stake of the Balkan subsidiaries in the Group's turnover stands at 29% of the total while their turnover is increased by approximately 10% compared to last year.



SIDMA makes unwavering efforts to diminish its needs for working capital. In this context, the Company has already attained to reduce the credit days granted to its clientele by 16 days in relation to the respective last-year period. In addition, the Company has scheduled to exploit a part of its own properties in order to obtain additional liquidity and reduce its borrowing.

As for the rest of 2013, we expect that the adverse economic circumstances will persist though the prospects of Greece's recovery have been improved. We hope that the positive climate recently established in Greece will be translated into increased market liquidity and private and public projects will start being implemented. However, it seems that it will take the Greek market many years to recover fully and restore the standards established ten years ago. On the contrary, there is room for faster improvement of the Company's business in other countries. In all events, increasing operating efficiency and curtailing operating cost still figure among the primary objectives of SIDMA Group.