

Salzgitter AG

EANS-News: The Salzgitter Group records improvement in results in the third quarter of 2009

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----- 9-month report

Salzgitter (euro adhoc) - Since the general economic conditions started to brighten over the course of the first half year 2009, the Salzgitter Group achieved a notable improvement in results in the third quarter. The impact of the global financial crisis, however, was still evident so that the Group's broad and equally sound business base has proven extremely advantageous against this backdrop. Positive contributions of the Tubes Division, the Aurubis participation and financial investments were unable to compensate for the results of the Steel, Trading and Technology divisions that were particularly hard hit. The extensive program of short-term cost-cutting measures had a notably easing effect. Consolidated external sales dropped 38 % to EUR 5,960.3 million (first nine months of 2008: EUR 9,638.7 million) in the first three quarters and the pre-tax loss came to EUR 261.3 million (first nine months of 2008: EUR +1,013.9 million), with a modest uptrend in the summer quarter. In interpreting the third-quarter pre-tax result (EUR -66.1 million), the fact that a number of larger plant in the Steel and Tubes divisions as well were idled for a period of several weeks for planned maintenance and investment measures, along with lower capacity utilization due to market conditions, must be taken into account. From its first-time consolidation in January 2009, the 23 % stake in the copper producer Aurubis AG, a company consolidated at equity, contributed a gratifying EUR 38.7 million in profit to the consolidated after-tax result of EUR -232.1 million (first nine months of 2008: EUR +689.0 million). This brings the loss per share to EUR -4.33 (first nine months of 2008: EUR +12.30).

External sales by Division (EUR million):

9M 2009	(9M 2008)	
Steel	1,231.1	(2,441.6)
Trading	2,397.3	(4,271.6)
Tubes	1,541.6	(1,604.1)
Services	224.7	(428.5)
Technology	531.6	(787.0)
Others	33.9	(105.9)
Group	5,960.3	(9,638.7)

Earnings before tax by Division (EUR million EBT):

9M 2009	(9M 2008)	
Steel	-213.4	(520.3)
Trading	-90.5	(222.5)
Tubes	121.7	(234.1)
Services	-1.7	(25.6)
Technology	-75.5	(15.4)
Others	-1.9	(-4.0)
Group	-261.3	(1,013.9)

We assume that the consolidated pre-tax result of the last three months of the financial year will continue to move in the direction of breakeven. The moderate uptrend in one of the most difficult financial years in the 150 year history of the Group will therefore persist. As in recent years, we make reference to the fact that opportunities and risks from currently unforeseeable trends in selling prices, input materials and capacity level developments, as well as changes in the currency parity, may still affect the results of the financial year 2009. Additional positive or negative effects may emanate from changes of a structural and methodological nature; this applies especially to measurement under IFRS standards and their treatment. The resulting fluctuation in the consolidated pre-tax result may be within a considerable range, either to the positive or to the negative.

More information can be found in the full press release and interim report published today. (see www.salzgitter-ag.de).

end of announcement

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inquiry note:

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ISIN: DE0006202005
WKN: 620200
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Börsen: Frankfurt / regulated dealing/prime standard
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München / free trade
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