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**EANS-News: SALZGITTER AG - first nine months of 2012**

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quarterly report

Subtitle: Challenging market environment causes a decline in results

Salzgitter (euro adhoc) - Following a promising start to the year, the Salzgitter Group was exposed to an increasingly difficult environment in the first nine months of the financial year 2012. Along with the European steel market already ailing in a number of regions, the business activities of German steel processors and traders have also recently lost discernible momentum. Against this background, the Salzgitter Group reported a notable decline in its pre-tax result as against the previous year, first and foremost due to the unsatisfactory development in the results of the Steel Division.

Consolidated external sales climbed by 9 % to EUR 8,015.1 million (9 months 2011: EUR 7,331.4 million). The greatest contribution was made by the significant increase in the business volume of the Trading Division. The pre-tax result stood at EUR -42.6 million at the end of the first nine months of 2012 (9 months 2011: EUR 169.1 million). This figure comprises a total of EUR 44.6 million in after-tax contribution by Aurubis AG, a participation included at equity (9 months 2011: EUR 52.9 million). The consolidated result after tax amounted to EUR -48.2 million (9 months 2011: EUR 114.7 million). With an equity ratio unchanged at 43 % and a net financial position of EUR 573 million, the financial situation of our company remains sound; Salzgitter AG is therefore well equipped to meet the current challenges.

External sales by Division (EUR million):

	9M 2012 (9M 2011)
Steel	2,037.6 (2,071.4)
Trading	3,659.0 (2,810.6)
Tubes	1,164.7 (1,299.6)
Services	313.3 (355.7)
Technology	813.0 (728.4)
Other	27.5 (65.6)
Group	8,015.1 (7,331.4)

Earnings before tax (EBT) by Division (EUR million):

	9M 2012 (9M 2011)
Steel	-149.8 (35.9)
Trading	42.0 (53.3)
Tubes	17.2 (59.3)
Services	12.5 (14.6)
Technology	0.8 (-36.5)
Other/Consolidation	34.8 (42.5)
Group	-42.6 (169.1)

Over the course of the year to date, European steel activities were impacted by the tense economic situation in the countries of southern Europe that have been particularly hard hit by sovereign debt and structural problems. The activities of German steel processors and traders have also recently been increasingly affected by the more pessimistic business outlook. With regard to the Salzgitter

