

## PRESS RELEASE OF VIOHALCO SA

**Brussels, 26 November 2014**

*The enclosed information constitutes regulated information as defined in the Law of 2 August 2002 and the Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market.*

### **Viohalco's subsidiaries submit their results for the nine months ended 30 September 2014 to the Athens Exchange**

#### Highlights

##### **Steel and steel pipes**

- Sidenor's consolidated revenue for the first nine months of 2014 remained broadly unchanged compared to the corresponding period of 2013 at EUR 609.2 million (2013: EUR 610.9 million). Loss attributable to owners of the Company was EUR 35.7 million, compared to a loss of EUR 57.8 million for the first nine months of the previous year.
  - Lower production costs, increased sales in Greece driven by the commencement of new infrastructure projects, increased sales of plate products in the US and of special steels, along with the continuous product mix enhancement and the growing return on investments in recent years have had a positive effect on Sidenor's results. However, private construction activity in Greece still remains depressed.
- During the period, Corinth Pipeworks' revenue (\*) increased to EUR 126.9 million, compared to EUR 123.0 million for the first nine months of 2013, with a loss attributable to owners of the Company of EUR 4.7 million versus a loss of EUR 4.6 million in the reference period.
  - Low demand for products used in the energy industry, together with continued low prices of raw materials and intense competition continued to put pressure on the profitability of the Group's steel pipes business. However, the signing of three new contracts for the supply of a total of 163.000 tons of steel pipes for pipeline construction in the US, marked a positive development during the reporting period. The first two contracts represent the largest projects ever awarded to Corinth Pipeworks.

##### **Copper and cables**

- Halcor's consolidated revenue for the nine months ended September 2014 decreased by 4.2% to EUR 821.4 million compared to EUR 857.3 million during the same period in 2013. Loss attributable to owners of the Company amounted to losses of EUR 26.2 million, compared to losses of EUR 38.5 million in the first nine months of 2013.
  - Results were affected by comparatively lower average metal prices, as well as lower fabrication prices, mainly in rolled products used for installations. In terms of volume, there was an increase in sales in favour mainly of industrial rolled products, brass extruded products and copper tubes.
- Revenue at Hellenic Cables (\*) amounted to EUR 268 million in the first nine months of 2014, a 1% reduction compared to 2013 (EUR 271 million), despite an increase in sales volumes during the period. Loss attributable to owners of the Company was EUR 18.9 million versus a loss of EUR 11.1 million for the same period in 2013.

- Results were affected by lower sales prices due to strong competition, lower metal prices and inactivity costs incurred during the implementation of the investment plan in the Fulgor subsidiary (upgrade of existing equipment and installation of new equipment). It should also be noted that the production of high-voltage submarine cables for the project of the Cyclades Islands Interconnection began in September of 2014 in Fulgor, while the prospects for new projects with submarine cables are very favorable in the near future.

## Aluminium

- Despite a significant 8% increase in sales volume, low selling prices and losses in the extrusion sector realized during the first six months of the year had a negative impact on Elval Group's financial results. Consolidated sales amounted to EUR 788.2 million versus EUR 778.9 million during the corresponding period of the previous year, while profit attributable to owners of the Company was EUR 9.9 million versus EUR 2.0 million in 2013.

(\* ) Note: The financial results of Corinth Pipeworks and Hellenic Cables are included in the financial results of Sidenor and Halcor respectively.

The table below provides a summary of the performance of Viohalco's major listed subsidiaries for the nine months ended 30 September 2014:

Amounts in EUR thousand	Sidenor		Halcor		Elval	
	2014	2013	2014	2013	2014	2013
<b>Revenue</b>	609,162	610,872	821,436	857,331	788,188	778,901
<b>Gross profit</b>	57,336	45,375	24,282	16,029	58,328	66,582
<b>EBITDA</b>	17,546	8,358	14,799	8,136	55,359	67,836
<b>EBIT</b>	-16,648	-29,150	-2,304	-8,260	20,869	32,521
<b>Profit / (loss) before income tax</b>	-41,957	-56,130	-34,583	-35,652	10,999	22,247
<b>Profit / (loss) of the period</b>	-40,878	-67,031	-31,512	-41,526	7,714	1,503
<b>Profit / (loss) attributable to owners of the Company</b>	-35,720	-57,784	-26,240	-38,459	9,915	2,044

The next consolidated Group financial report will be for the fiscal year 2014 and will be published on 31 March 2015.

## Additional information

English translations of each company's financial statements for the period are available on Viohalco Group's website [www.viohalco.com](http://www.viohalco.com).

## **About Viohalco**

*Viohalco SA is the parent company of the Viohalco Group and holds participations in approximately 90 companies, seven of which are listed on the Athens Exchange. With production facilities in Greece, Bulgaria, Romania, Russia, FYROM and the United Kingdom, where about 8,000 personnel is employed, the Group's subsidiaries specialise in the manufacture of steel and steel pipes, copper and cables, and aluminium products, generating an annual revenue of EUR 2.9 billion in 2013. In addition, the Group owns substantial real estate properties in Greece and has redeveloped some of its properties as real estate development projects. For more information about our company, please visit our website at [www.viohalco.com](http://www.viohalco.com).*

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