

## **PRESS RELEASE OF VIOHALCO SA**

**Brussels, 29 April 2015**

*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.*

### ANNOUNCEMENT VIOHALCO SA

On April 29, 2015, the boards of directors of the Belgian company Viohalco S.A. (Viohalco) and the Greek company Sidenor Holdings S.A. (Sidenor Holdings), both holding companies with no production activity, elected the merger of the two companies as the most appropriate technical solution for strengthening the capital structure of the steel producing companies and plants of Sidenor Holdings located in Greece, and for supporting them on an ongoing basis through better access to the international capital and money markets, which such streamlined corporate structure will help ensure.

The merger addresses the need for an immediate aid to, and a long-term financial support through injections of capital raised outside Greece into Sidenor Holdings steel producing companies and plants in Thessaloniki and Almyros, Magnisia. During the Greek financial crisis, the two plants accumulated significant losses, mainly due to a dramatic collapse in the construction sector, which threaten their viability and put at risk jobs that they are striving hard to maintain. Despite recurring losses, through that period, both plants implemented investments and took targeted measures to rationalize production cost, increase productivity and enhance competitiveness. However, the dramatic lack of liquidity they are faced with, endangers the aforementioned measures and de facto impairs the foreseeable positive impact of government measures designed to address Greek steel industry's most pressing problems. The fresh capital which will flow in as a result of the merger, shall empower a critical but dormant production capacity, increase exports and help maintain and increase job positions at Thessaloniki and Almyros. Primarily drawn into Viohalco's capital reserves, a first tranche of new capital of Euro 25 million, shall be made available and be invested in the two plants through share capital increases in Sidenor Holdings Greek companies, Sidenor Steel Production S.A. and Sovel Hellenic Steel Processing Company S.A., immediately after the completion of the merger.

More specifically, the two boards of directors decided to 1) initiate the procedure for the cross-border merger by absorption of Sidenor Holdings by Viohalco, 2) use the financial statements as at December 31, 2014 as the basis for the merger, 3) proceed with the drafting of the joint draft terms of cross-border merger and the relevant reports of the boards of directors on the cross-border merger and set a proposed share exchange ratio, 4) jointly apply to the President of the Commercial Court of Brussels for the appointment of a common independent expert, who shall draw up the report required by art.6 of Greek law 3777/2009

and art. 772/9 of the Belgian Companies Code, and 5) order to proceed with all actions and notifications required by law.

The merger shall take into account the book value of the merging companies and the financial statements of December 31, 2014, according to the provisions of art. 772 of the Belgian Companies Code and Greek law 3777/2009 on cross-border mergers, which implement Directive 2005/56/EC of the European Parliament and of the Council of 26 October 2005 on cross-border mergers of limited liability companies.

As a consequence of the merger, Sidenor Holdings shareholders shall exchange their shares with Viohalco shares, which shall be listed and traded on Euronext Brussels and on the Athens Exchange. The proposed share exchange ratio is set at 2,28:1 , i.e. it is proposed that Sidenor Holdings shareholders exchange two point twenty-eight (2,28) Sidenor Holdings shares for one (1) Viohalco share.

The completion of the merger is subject to the approval of the General Meetings of Shareholders of the two companies and the fulfillment of all legal formalities. The whole process is expected to be concluded within July 2015.

#### **About Viohalco**

*Viohalco SA is the holding company of various metal processing companies in Europe, based in Belgium. With production facilities in Greece, Bulgaria, Romania, Russia, FYROM and the United Kingdom, Viohalco's subsidiaries specialise in the manufacture of aluminium, copper and cables, and steel and steel pipes products, generating an annual revenue of EUR 2.9 billion. In addition, Viohalco and its companies own substantial real estate properties in Greece and have 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)*