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**PRESS RELEASE**

**Sustainable High Profitability Rates and Continued Growth of Activity for the 1<sup>st</sup> Quarter of KALPINIS - SIMOS**

A.KALPINIS – N.SIMOS SA announced its 1<sup>st</sup> quarter of 2008 financial results according to the International Financial Reporting Standards (IFRS).

KALPINIS – SIMOS 1<sup>st</sup> quarter results show sustainable returns and activity growth, with the consolidated turnover forming at € 44.5 mil. marking a 7.7% increase over € 41.3 mil. in the respective period last year. Group gross profit on a consolidated basis amounted to € 7.6 mil. and remained unchanged over the 1<sup>st</sup> quarter of 2007. The sustainable performance of gross profit is very important given the abrupt rise of international steel prices, which had an impact in all of the industry's companies worldwide, followed by a sharp increase in raw material prices. Due to the above, gross profit margin of the period marked marginal decrease and formed at 17.1% of the consolidated turnover versus 18.6% in the 1<sup>st</sup> quarter of 2007.

Group profit before interest taxes and depreciation (EBITDA) amounted to € 5.26 mil. over € 5.35 mil. the respective period last year marking a marginal decrease of 1.7%. Correspondingly, consolidated profit before interest and taxes (EBIT) amounted to € 4.9 mil. versus € 5.0 mil. in 2007 marking a 2.0% drop.

Similar was the course of the Group's consolidated pre tax profit (EBT), which amounted to € 4.1 mil. versus € 4.3 mil. in the respective period last year (4.7% decrease) and accordingly consolidated net after taxes and minorities profit (EATAM) formed at € 3.0 mil. over € 3.2 mil. in the 1<sup>st</sup> quarter of 2007.

The group's performance in the 1<sup>st</sup> quarter of 2008, is considered as especially positive given the adverse international market conditions, which were apparent as of last year, with the sharp increase in metal prices, the increase of energy cost and the continued devaluation of the Dollar against the Euro, factors which have in large shaped the volatile conditions in the market and combined with the intensely competitive environment, have consequently suppressed profit margins.

Despite the above, the Group has enhanced its activity, has maintained profitability unchanged, and had to incur only a marginal drop of its profit margins, which is a reassurance for the high quality products and services that the group offers to its clients as well as the value added it ensures. Given that both demand and prices will sustain high growth, we expect further improvement in the group's performance and returns over the respective period last year. Also, pursuant to the joint venture agreement between HELLENIC HALYVOYRGIA SA" and "TRIGONIS BROS SA – Iron Steel", to cooperate in Romania in the area of processing and distribution of steel products, the 100% owned subsidiary BALKAN IRON GROUP S.R.L." (distinctive title «B.I.G. S.R.L.») finalized the acquisition of two pieces of land near Bucharest of total area amounting to 80,000 m<sup>2</sup> and total value reaching € 2 mil. The location of the two plots was strategically selected in order to best serve our goal that is the establishment and installation of an ultra modern steel service centre aiming at covering the needs of the Romanian market.

Note: A.KALPINIS – N.SIMOS SA 1<sup>st</sup> Quarter of 2008 "Financial Data and Information" will be published on Thursday May 22, 2008 and they will be available together with the Financial Statements of the period on the company's website, [www.kalpinis-simos.gr](http://www.kalpinis-simos.gr) and the ATHEX website [www.athex.gr](http://www.athex.gr)