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Ad hoc release according to § 15 WpHG

SALZGITTER AG: Nine months result 2004 far better than previous year

Thanks to the continued buoyant demands for rolled steel products and a marked recovery of the tubes business, the Salzgitter Group recorded a results development in the first nine months of 2004 that by far exceeded the expectations held at the beginning of the year. Consequently, the previous year's figures were outperformed by a significant measure.

Posting consolidated external sales of € 4.30 billion, the Group achieved a 16% gain versus the same period last year (9 months 2003: € 3.70 billion). Group pre-tax profit (EBT) moved up significantly to € 157.2 million (9 months 2003: € 32.9 million), while after-tax profit rose to € 110.4 million (9 months 2003: € 22.3 million). The interest earned on capital invested by the Group (ROCE) attained a very satisfactory level at 15.7% (9 months 2003: 5.0%).

External sales and pre-tax earnings of the Divisions:

(€ million)	External sales		EBT	
	9 months 2004	(9 months 2003)	9 months 2004	(9 months 2003)
Steel	1,270	(1,071)	73.9	(19.3)
Tubes	720	(681)	53.8	(1.6)
Trading	1,921	(1,589)	72.6	(10.3)
Services	228	(184)	16.2	(10.1)
Processing	161	(173)	-22.6	(-12.4)
Consolidation/Others			-36.7	(4.1)
Group	4,300	(3,698)	157.2	(32.9)

In the Processing Division extraordinary write-downs amounting to € 37 million were taken, that were almost entirely balanced by waivers of claims by the Holding. As a result of these extraordinary factor, earnings from 'Consolidation and others' were negative.

Based on current information and expectations concerning the short term developments on the procurement and sales markets, as well as the general fundamentals, and including the effects of the profit improvement program, the Salzgitter Group expects to post pre-tax profits, excluding special items, of at least € 200 million for the financial year 2004.