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Ad-hoc-release according to § 15 WpHG

SALZGITTER AG

Outstanding start into the new financial year 2007

Thanks to the robust constitution of the global economy and the sustained upswing in Germany and Europe, demand for steel and tubes products continued to run at a high level, also in the first quarter of 2007. Buoyed by these excellent general conditions, the Salzgitter Group set new record figures in Group sales and operating profit for a 3-month period in the first quarter of 2007.

Consolidated external sales increased by 20 % to €2.38 billion (first quarter of 2006: €1.98 billion). Profit before tax stood at €325.4 million (EBT in the first quarter of 2006: €50.2 million; comparable operating EBT: €198.9 million). Profit after tax came to €196.6 million in the first quarter of 2007 (first quarter of 2006: €35.7 million); earnings per share are calculated at €3.41 (first quarter of 2006: €0.62). Return on capital employed (ROCE) stood at 30.8 % (first quarter of 2006: 8.8 %).

External sales and earnings before tax by Division:

(EUR million)	Consolidated sales		EBT	
	<u>Q1 2007</u>	<u>(Q1 2006)</u>	<u>Q1 2007</u>	<u>(Q1 2006)</u>
Steel	723	(607)	181.5	(104.3)
Tubes	428	(398)	65.5	(62.2)
Trading	1,075	(866)	64.8	(30.1)
Services	131	(93)	8.1	(5.7)
Others/Consolidation	25	(20)	5.6	(-152.3)
Group	2,381	(1,983)	325.4	(50.2)

All in all, on the basis of currently available information and in view of expectations of the development of the procurement and sales markets, as well as of the general conditions, and taking account of the effects of the Profit Improvement Program, we expect the Salzgitter Group to generate a pre-tax profit of around one billion euro in the ongoing financial year. Express reference is made to the fact that opportunities and risks arising from currently unforeseeable trends in sales prices, input materials and capacity level developments, as well as changes in the currency parity, may considerably affect performance in the course of the remaining financial year 2007. The resulting fluctuation in the consolidated pre-tax result may, as experience has shown, be within a considerable range.

For further details, please see the press release and the Interim Report (www.salzgitter-ag.de) published today.