



Apr 23, 2008 - Press Release regarding SIMONA AG's Report 2007

**SIMONA with record sales in anniversary year
Group revenue of EUR 300 million in 150th year since inception – Marked
improvement in EBIT**

Kirn, April 23, 2008. SIMONA AG again recorded double-digit growth in 2007, with Group sales revenue increasing by 14.1 per cent to EUR 299.9 million – the highest level since the company's inception. Growth was driven in particular by substantial exports within the chemical industry and the mechanical engineering sector, as well as by the Group's more extensive product range. Earnings also showed tangible signs of growth. EBIT rose by 32.2 per cent, from EUR 14.9 million to EUR 19.7 million, while the EBIT margin edged up to 6.6 per cent (previous year: 5.7 per cent).

The SIMONA Group managed to propel its sales revenue in all product segments. Within the area of semi-finished products, business attributable to pressed sheets was particularly buoyant. In total, revenue within the semi-finished products segment rose by 14.0 per cent to EUR 213.1 million. The piping systems segment continued its forward momentum by expanding its revenues by 9.4 per cent year on year to EUR 87.6 million. The Group's focus on international project business has clearly borne fruit within this area.

In Germany, SIMONA benefited from favourable economic conditions and succeeded in propelling revenue by an impressive 17.8 per cent to EUR 114.9 million. Growth in Europe and Africa as a whole was significantly higher than in the previous financial year. At EUR 151.3 million, this region accounted for the largest proportion of sales revenue within the Group. In Asia and Australia, SIMONA continued to benefit from the region's dynamic economic performance. Expressed in local currency, the Group also managed to generate revenue growth in the Americas during the reporting period, despite having to contend with a delay in the start of production following the relocation of business operations. However, the level of growth within this region proved insufficient to lift earnings into positive territory.

The Management Board is satisfied with the Group's overall earnings performance. Despite a significant increase in the cost of raw materials, earnings before interest and taxes (EBIT) rose by EUR 4.8 million to EUR 19.7 million, which corresponds to year-on-year growth of 32.2 per cent. The EBIT margin increased to 6.6 per cent.

"We had originally set ourselves a target of doubling sales revenue by 2010 and managed to attain this goal as early as 2007. The 150th anniversary of SIMONA clearly provided an extra motivational boost for our team in 2007. Now we have set our sights on new ambitious goals. Our aim is to generate consolidated revenues of EUR 500 million by 2012," said Wolfgang Moyses, CEO of SIMONA, at the financial results press conference in Frankfurt.



The strategy of international expansion is to continue over the course of 2008. The key areas of growth identified by the company are likely to be water and energy utilities, environmental technology, mobility and medical engineering. The Group's new facilities in China and the Czech Republic are scheduled to commence operations by the end of 2008, thus improving delivery capabilities within the Asian and Eastern European markets. "Meeting our ambitious targets for the future will be dependent on growth beyond the borders of Europe," said Wolfgang Moyses. Effective from April 1, SIMONA appointed Detlef Becker as an additional member of the Management Board, responsible for Marketing and Sales. Detlef Becker can draw on many years of experience in international sales and recently held the position of Sales Director Western Europe at the profine Group.

For 2008, SIMONA is targeting consolidated revenue of €315 million and a slightly improved EBIT margin on 7 per cent.

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