



interseroh

Media information, 9 November 2007

Interseroh AG: Further growth in the third quarter

Sales revenues and earnings

The service and raw materials group Interseroh, Cologne, delivered very strong earnings in the first nine months of the current business year. The consolidated sales revenues in the first three quarters rose by 46.7 per cent from EUR 910.8 million in the same period of the previous year to EUR 1,336.6 million.

The sales revenues in the steel and metals recycling segment increased from EUR 668.1 million to EUR 946.7 million. The sales revenues in the services and raw materials trading segment rose from EUR 244.8 million to EUR 391.8 million. Sales revenues for all segments totalled EUR 2 million (2006: EUR 2.1 million).

EBT increased by 94.7 percentage points from EUR 24.3 million to EUR 47.3 million, and EBIT from EUR 26.6 million to EUR 53.6 million.

Sales revenues in the third quarter amounted to EUR 435.7 million (3rd quarter of 2006: EUR 334.0 million). EBT totalled EUR 13.3 million (3rd quarter of 2006: EUR 8.5 million) and EBIT amounted to EUR 15.6 million (3rd quarter of 2006: EUR 9.4 million).

Company segment steel and metals recycling

The prices for steel scrap continually increased between January and June, except for a slight decline in May. In the third quarter the prices dropped, but still remained above the level of the same time period in the previous year despite the lower demand. The prices for nonferrous metals increased until the middle of the year. After a slight drop in prices, they then stabilised again though.

Interseroh increased its presence in Germany and its access to scrap in Eastern Europe by purchasing new business locations in early 2007. This made it possible to increase the processing and turnover of the tonnages. After adjusting the statistics based on the expansion, the recycled volumes remained at the level of the previous year.

Wagner Rohstoffe (raw materials) GmbH, Frankfurt am Main, which was purchased with a majority holding of 83.2 per cent, effective 1 March 2007, increased its activities in the Frankfurt metropolitan area by acquiring the steel and metal recycling company E. Brenner, Hanau in September. The Hanau location is now operated as the branch E. Brenner Schrotthandel (scrap trading) of Wagner Rohstoffe (raw materials) GmbH.



interseroh

With a majority holding of the internationally operating company Europe Metals b.v., Heeze near Eindhoven / The Netherlands, and Europe Metals Asia Ltd. based in Hong Kong / China, effective 1 November 2007, Interseroh advanced to become one of the European leaders in nonferrous metal scrap trading and recycling.

Company segment services and raw materials trading

The margins in the service segment still remained under pressure. The growth in sales revenues in the services segment can primarily be attributed to packaging recycling. The sales successes achieved in the acquisition of companies trading sales packaging have had a particularly positive impact. The service "recycling of transport packaging" also developed positively.

Rising prices for waste paper and the increase of the traded tonnage also contributed to the growth in sales revenues in this segment in the third quarter of 2007. It was also possible to increase the traded quantities of plastic as compared to the time period in the previous year. The reason for this was the PET resulting from the traded disposable packaging system. The prices for plastic remained at a constant level. Due to lacking technical availability in particular with regard to one biomass heating plant, the traded wood tonnages decreased. The still stable demand provided for an increase in trading prices. The prices that suppliers have to pay to deposit waste wood to the wood branch offices were accordingly under pressure.

Impact on net debt, working capital and the balance sheet total

Due to the implementation of the ABS programme in the steel and metals recycling segment, the increase in working capital was lower as compared to the time period in the previous year despite increased prices and the expansion of business. It was possible to keep net debt at the same level as compared to the first nine months of 2006 despite acquisitions. This provides leeway for additional planned growth. Prices, acquisitions and investments in tangible assets increased the balance sheet amount in comparison to the time period in the previous year.

Employees

The average number of employees of the Interseroh Group grew from 1,224 in the third quarter of 2006 to 1,586 on the effective date 30 September 2007. 969 of them worked in the company segment steel and metals recycling (previous year: 722) and 617 in the services and raw materials trade segment (previous year: 502).



interseroh

Outlook

Even after the acquisitions in the current year Interseroh is still striving to actively participate in the consolidation of the steel and metals recycling segment.

In view of the postponement of the decision on the amendment to the Packaging Ordinance in the German Parliament and the related continuing uncertainty over the future of the take-back and recovery of sales packaging from the dual system, the quantitative risks in this area continue to grow according to the Interseroh Management Board. Despite the aggressive and partially non-cost covering price competition of several competitors with ramifications for market distribution in the coming year, Interseroh will continue to pursue its highly effective and profitable strategy in this business segment. Accordingly, a reduced to stable market share of Interseroh services is expected.

Altogether, the Management Board of Interseroh AG expects a very good year 2007 despite a foreseeable weaker fourth quarter.

Further information:

INTERSEROH AG

Investor Relations

Stollwerckstraße 9a

51149 Köln

Germany

Telephone: +49 2203 9147 -1241 / -1264

Fax: +49 2203 9147 - 1406

Mail to: aktie@interseroh.com