

Announcement 2009 no. 15
Aalborg, 28 August 2009

Contact:
Christian B. Lund, CEO
Tel. +45 96 30 60 00

EXTRACT FROM

INTERIM REPORT

FOR

FIRST HALF OF 2009

Sanistål A/S
Håndværkervej 14
DK-9000 Aalborg
Denmark
Tel.: +45 96 30 60 00
Fax: +45 98 13 28 43
www.sanistaal.dk
CVR no. (Central Business Register no.) 42 99 78 11

Sanistål 

SUMMARY FOR FIRST HALF OF 2009

The Board of Directors has today approved the interim report for the period 1 January to 30 June 2009.

Sanistål A/S realised a pre-tax loss for the period of DKK 296.1 million, compared with a profit of DKK 2.8 million for the same period last year. The result is negatively affected by the extraordinary write-down of intangible non-current assets in relation to subsidiary Carl F International in the amount of DKK 66.6 million.

The negative result also reflects the major impact of the economic crisis on revenue and gross profit.

Revenue therefore decreased by DKK 1,307 million in the first half of the year, which is equivalent to a drop of 37% compared with the same period last year. The decrease in revenue for steel products alone accounted for DKK 782.2 million of this (54.5%), while revenue for all other product groups decreased by DKK 525.3 million (25.5%).

Gross profit decreased by DKK 375.7 million as a result of the decrease in revenue and the reduction in the gross profit margin for steel. This corresponds to a drop of 42% compared with the same period last year. The decrease in gross profit for steel products alone represents DKK 213.5 million of this.

In order to counteract the sharp decrease in revenue and gross profit, major cost savings were implemented at the end of 2008, which have been followed up on several occasions during the course of 2009 with new initiatives at all the Group's companies. The savings, which to a large extent consist of reductions in the number of staff, take a certain amount of time before they have an effect. As a result, costs were reduced in Q1 of 2009 by DKK 39 million compared with the same period last year, while they were reduced by more than DKK 100 million in Q2. For the year as a whole, costs are expected to be reduced by around DKK 400 million, which is 23.6% compared with 2008. The effect of these cost reductions for the whole of 2010 is expected to represent savings of more than DKK 500 million, which is approx. DKK 100 million more than previously reported.

As a result of, among other things, significant reductions in stocks (DKK 399.4 million), it has been possible to generate free cash flows of DKK 200 million in the first half of the year despite the negative operating results. Together with the payment of subordinated loan capital in January, this has reduced the utilisation of operating lines of credit by DKK 472.8 million. The Group therefore has at its disposal unused credit facilities of DKK 482.8 million as at 30 June 2009.

The negative results for 2008 and for the first half of 2009 have brought about a considerable reduction in equity. The credit insurance companies have also reduced their level of activity on the market generally. In order to retain the confidence of suppliers, customers and other stakeholders, the Group has therefore renegotiated its credit facilities with the banks ahead of time and has entered into an agreement to extend its credit lines to March 2011 with the intention to subsequently extend by one year every year. Furthermore, it has been agreed that DKK 250 million of the banks' outstanding loans to the company as at 30 September 2009 will be converted to subordinated loan capital, meaning that the total subordinated loan capital will subsequently be DKK 550 million, which corresponds to more than 20% of the balance.

The Group therefore has good liquidity and capital resources that together with the rationalisation measures implemented will create sound conditions for the Group's future operation and development.

As previously reported, targeted efforts are being made to dispose of property and at the end of the first half of the year two transactions were completed, which returned a total profit of DKK 22.3 million and more are expected to follow in the second half of 2009 and in 2010. There is therefore still property worth more than DKK 500 million for sale with an expected profit of more than DKK 200 million.

Outlook for the year 2009

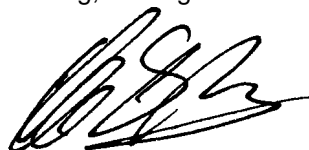
In Announcement 2009 no. 13/14 of 13 July 2009 the company published the following expectations of profit trends for 2009:

"As a result of the continued major slump within industry and construction, which has brought about a greater downturn than was previously expected, and despite further significant cost reductions we do not expect to be in a position to achieve a better operating result (EBITDA) in 2009 than the EBITDA achieved in 2008, which was DKK -69.7 million."

The management now expects that as a result of the major downturn on the Group's markets and sharp drop in its revenue resulting from the financial crisis and despite the significant cost reductions made, the Group will record an operating loss (EBITDA) in 2009 in the level of DKK 200 million before profit on the sale of property. This is based on the expectation that the gross profit margin for steel products will return to normal during the course of Q3 of 2009.

For 2010, the Group expects revenue to be unchanged compared with 2009 but still expects to be able to achieve an operating profit (EBITDA) in the level of DKK 50-100 million, also before profit on the sale of property.

Aalborg, 28 August 2009



Ole Steen Andersen
Chairman of the Board



Christian B. Lund
CEO

FINANCIAL HIGHLIGHTS AND KEY RATIOS FOR THE GROUP

(DKK million)	First half 2009	First half 2008	Q2 2009	Q2 2008	2008
Financial highlights:					
Results:					
Net revenue	2,180.9	3,488.4	1,010.3	1,842.8	6,762.6
Gross profit	518.0	893.7	250.8	480.2	1,602.6
Operating profit/loss (EBITDA)	-125.6	88.3	-47.9	58.7	-69.7
Earnings before interest, tax and amortisation (EBITA)	-232.7	54.2	-134.9	41.3	-245.9
Operating profit/loss (EBIT)	-238.6	48.6	-137.8	38.5	-257.8
Net financial items	-57.5	-45.8	-22.6	-28.1	-338.6
Profit/loss before tax	-296.1	2.8	-160.4	10.4	-596.4
Profit/loss for the period	-221.9	2.4	-120.1	8.0	-551.5
Cash flows:					
Cash flow from operating activities	193.1	-41.7	103.2	-88.0	-71.2
Cash flow from investment activities	11.0	-182.5	24.5	-102.4	-282.7
Free cash flows	204.1	-224.2	127.7	-190.4	-353.9
Investment in tangible fixed assets	23.0	176.5	10.5	101.9	292.6
Balance sheet:					
Non-current assets	1,434.2	1,920.7			1,434.4
Current assets	1,900.2	2,694.2			2,468.2
Total assets	3,334.4	4,614.9			3,902.6
Shareholders' equity	148.4	973.2			378.6
Subordinated loan capital	300.0	-			-
Other interest-bearing debt	2,336.6	2,714.0			2,831.2
Non-interest-bearing debt	549.4	927.7			692.8
Total liabilities and shareholders' equity	3,334.4	4,614.9			3,902.6
Share capital	192.4	192.4			192.4
Key ratios:					
EBITDA margin, %	-5.8	2.5	-4.7	3.2	-1.0
EBITA margin, %	-10.7	1.6	-13.3	2.2	-3.6
EBIT margin (profit margin), %	-10.9	1.4	-13.6	2.1	-3.8
Earnings per share after tax (EPS), DKK, basic *	-238.9	2.5	-260.8	17.1	-293.6
Earnings per share after tax (EPS), DKK, diluted*	-238.3	2.5	-260.0	17.1	-289.0
Cash flow per share (CFPS), DKK	103.7	-22.1	55.9	-46.8	-37.3
Return on invested capital (ROIC) % *	-17.3	3.5	-20.9	5.3	-8.3
Return on equity, % *	-168.4	0.5	-234.0	3.3	-81.7
P/E ratio *	Neg.	156.0	Neg.	22.8	Neg.
Price/book value ratio	1.1	0.8			0.4
Market price per DKK 100 nominal share	89.3	390.6			89.7
Book value per DKK 100 nominal share	80.6	515.2			201.5
Equity ratio (incl. subordinated loan capital) %	13.4	21.1			9.7

*) The key ratio is calculated on an annual basis.

STATEMENT BY THE BOARD OF DIRECTORS AND THE BOARD OF MANAGEMENT

The Board of Directors and the Board of Management have on this date considered and approved the interim report for Sanistål A/S for the period 1 January to 30 June 2009.

This interim report, which has not been audited or reviewed by the company's auditor, is presented in accordance with IAS 34 "Interim Financial Reporting" as approved by the EU and additional Danish disclosure requirements for the interim reports of listed companies.

In our opinion the interim report gives a true and fair view of the assets, liabilities and financial position of the Group as at 30 June 2009 and of the results of the activities and cash flows of the Group for the period 1 January to 30 June 2009.

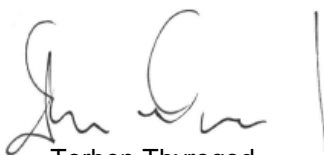
We are also of the opinion that the Management Report contains a true and fair report of the developments in the Group's activities and financial circumstances, the results for the period and the Group's financial position as a whole and a description of the major risks and uncertain factors facing the Group.

Aalborg, 28 August 2009

Board of Management:

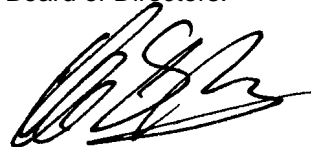


Christian B. Lund



Torben Thyregod

Board of Directors:



Ole Steen Andersen
Chairman



Jens Jørgen Madsen
Deputy Chairman



Steen Gede



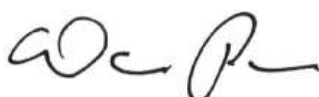
Ole Enø Jørgensen



Jens Ole Klitgaard



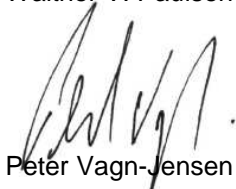
Else L. Kristensen



Walther V. Paulsen



Matthias Max Schön



Peter Vagn-Jensen