

Announcement 2009 no. 19
Aalborg, Denmark, 19 November 2009

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

EXTRACT FROM

INTERIM REPORT

FOR

THE THIRD QUARTER 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



SUMMARY OF INTERIM REPORT FOR THE THIRD QUARTER OF 2009

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

As shown in the diagram below, the third quarter has shown many positive signs of being a turning point for the Group.

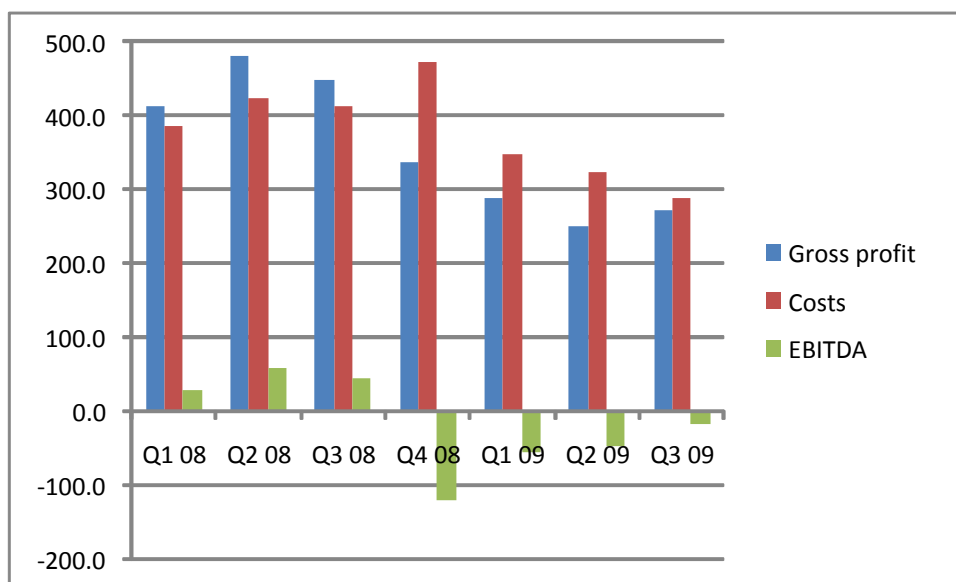
The major decrease in revenue and gross profit, which began in the fourth quarter of 2008, lessened in the third quarter and stabilised with a gross profit compared to the same period in 2008 – a little over an index of 60, while in the second quarter this only corresponded to an index of approx. 52. One contributory factor was price stabilisation and a normalisation of the profit margins on steel.

At the same time, the comprehensive economic measures that are gradually implemented throughout the year took effect with a cost reduction of DKK 124 million in the third quarter compared to the same quarter of 2008, which corresponds to a reduction of approx. 30%. The corresponding cost reduction for the second and first quarters was DKK 100.1 million (23.7%) and DKK 39.9 million (10.3%) respectively.

EBITDA for the third quarter was therefore DKK -16.7 million compared to DKK -47.9 and -56.7 million respectively for the second and first quarters of the year.

The positive trend in liquidity which, among other things, as a result of a reduction in stocks has been present throughout the year, continued in the third quarter, where free cash flow of DKK 70.2 million has been created. At the end of the quarter the Group had unused credit facilities of DKK 503 million at its disposal.

Quarterly trends over the general economic crisis (DKK million)



Gross profit and EBITDA for Q4 08 and Q1 09 adjusted for steel price adjustment are DKK 78.4 and 21 million respectively.

For the period 1 January to 30 September, the combined loss before tax was DKK 356 million, compared to a loss of DKK 319.5 million for the same period last year. The result was negatively influenced by extraordinary write-downs totalling DKK 66.6 million (DKK 315.3 million for 2008) of intangible non-current assets and by the steel price write-down of DKK 21 million. The negative result also reflects the strong influence that the general economic crisis has had on revenue and gross profit.

As mentioned, large cost savings were implemented at the end of 2008 and in several cases were followed by new measures for all companies in the Group during 2009. Total savings for the first three quarters amounted to DKK 264.1 million. Costs for the entire year are expected to be reduced by some DKK 400 million and the full-year effect for 2010 is expected to be DKK 500-600 million, corresponding to 30-35% of the costs for 2008.

The negative results for 2008 and the first three quarters of 2009 have reduced equity significantly. As notified in Announcement no. 15 of 28 August 2009, the Group has renegotiated its credit facilities with the banks ahead of schedule in order to ensure the confidence of suppliers, customers and other stakeholders, and has entered into an agreement to extend this credit until March 2011, with the intention of annual one-year renewals of this facility. In addition to this, a further DKK 250 million of the banks' receivables as at 30 September 2009 have been converted into subordinated loan capital, so that current subordinate loan capital amounts to DKK 550 million, which means that the total subordinated capital makes up 20% of the balance sheet.

The Group has therefore a good liquidity and capital contingencies which, together with the rationalisation measures implemented, create good conditions for its future operations and development.

As previously announced, we are consciously working on selling property and by the end of the first half of the year two transactions were completed, with a total profit of DKK 22.3 million. The total property for sale is easily worth DKK 500 million, with an expected profit of more than DKK 200 million.

In Announcement no. 17 of 10 September 2009, it was reported that it had been decided to implement a process to identify potential buyers for activities in Carl F International A/S, in order to further sharpen the focus on the Danish wholesaler as a core business. It was subsequently reported, in Announcement no. 18 of 30 October 2009, that an agreement had been entered into with British company Tommico Ltd. to the effect that from 30 October 2009, they would take over 100% of the share capital in the UK subsidiary of Carl F International A/S, Carl F. Petersen Ltd., and that the sale would realise a profit of around DKK 4 million before transaction costs.

Outlook for the year 2009/2010

In Announcement no. 15 of 28 August 2009, the company published the following expectations regarding the profit/loss development for 2009.

“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.”

The positive trend in the third quarter strengthens these expectations.

Aalborg, Denmark, 19 November 2009



Ole Steen Andersen
Chairman of the Board



Christian B. Lund
CEO

FINANCIAL HIGHLIGHTS AND KEY RATIOS FOR THE GROUP

(DKK million)	9 months 2009	9 months 2008	Q3 2009	Q3 2008	2008
Financial highlights:					
Results:					
Net revenue	3,182.3	5,225.4	1,001.3	1,737.1	6,762.6
Gross profit	788.6	1,342.9	270.7	449.2	1,602.6
Operating profit/loss (EBITDA)	-142.3	131.9	-16.7	43.6	-69.7
Earnings before interest, tax and amortisation (EBITA)	-269.3	-19.8	-36.6	-74.0	-245.9
Operating profit/loss (EBIT)	-277.3	-28.2	-38.7	-76.8	-257.8
Net financial items	-78.7	-291.3	-21.3	-245.5	-338.6
Profit/loss before tax	-356.0	-319.5	-60.0	-322.3	-596.4
Profit/loss for the period	-266.8	-318.2	-45.0	-320.6	-551.5
Cash flows:					
Cash flow from operating activities	263.9	-106.7	70.8	-65.0	-71.2
Cash flow from investment activities	10.4	-234.1	-0.6	-51.6	-282.7
Free cash flows	274.3	-340.8	70.2	-116.6	-353.9
Investment in tangible fixed assets	26.2	229.9	3.2	53.4	292.6
Balance sheet:					
Non-current assets	1,431.5	1,642.8			1,434.4
Current assets	1,800.7	2,886.5			2,468.2
Total assets	3,232.2	4,529.3			3,902.6
Shareholders' equity	98.4	639.2			378.6
Subordinated loan capital	550.0	-			-
Other interest-bearing debt	2,014.2	2,836.5			2,831.2
Non-interest-bearing debt	569.6	1,053.6			692.8
Total liabilities and shareholders' equity	3,232.2	4,529.3			3,902.6
Share capital	192.4	192.4			192.4
Key ratios:					
EBITDA margin, %	-4.5	2.5	-1.7	2.5	-1.0
EBITA margin, %	-8.5	-0.4	-3.7	-4.3	-3.6
EBIT margin (profit margin), %	-8.7	-0.5	-3.9	-4.4	-3.8
Earnings per share after tax (EPS), DKK, basic *	-192.1	-225.8	-97.7	-682.5	-293.6
Earnings per share after tax (EPS), DKK, diluted*	-191.7	-225.3	-97.6	-681.8	-289.0
Cash flow per share (CFPS), DKK	142.2	-56.7	38.4	-34.6	-37.3
Return on invested capital (ROIC) % *	-13.7	-0.9	-6.2	-9.2	-8.3
Return on equity, % *	-149.2	-52.7	-145.7	-159.0	-81.7
P/E ratio *	Neg.	Neg.	Neg.	Neg.	Neg.
Price/book value ratio	1.6	0.8			0.4
Market price per DKK 100 nominal share	83.5	288.4			89.7
Book value per DKK 100 nominal share	53.5	340.2			201.5
Equity ratio (incl. subordinated loan capital) %	20.1	14.1			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 September 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 September 2009 and of the results of the activities and cash flows of the Group for the period 1 January to 30 September 2009.

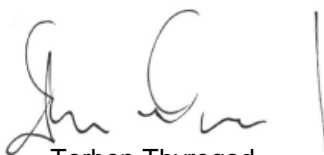
We are also of the opinion that the Management Report contains a true and fair report of the developments in the Group's activities and financial circumstances, the results for the period and the Group's financial position as a whole and a description of the major risks and uncertain factors facing the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

Aalborg, Denmark, 19 November 2009

Board of Management:

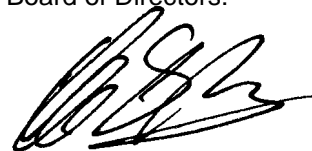


Christian B. Lund



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