



Conference Call

Financial Update Second Quarter 2007

August 14, 2007





Q2 2007 at a Glance



- Turnover up 11% to €56.1 million
- Gross margin improved from 21.3% to 24.3%
- EBIT increased by 17% to €4.5 million
- Positive outlook for 2007 confirmed
 - ESM acquisition on track
 - Guidance update expected for November 12



Group P&L Statement



€million	Q2-2007	Q2-2006
Turnover	56.1	50.3
EBITDA	5.2	4.3
EBIT	4.5	3.8
Earnings before taxes (EBT)	4.4	3.7
Profit after taxes	3.2	2.6
Gross margin	24.3%	21.3%
EBIT margin	8.0%	7.6%
Earnings per share (€)	0.72	n/a



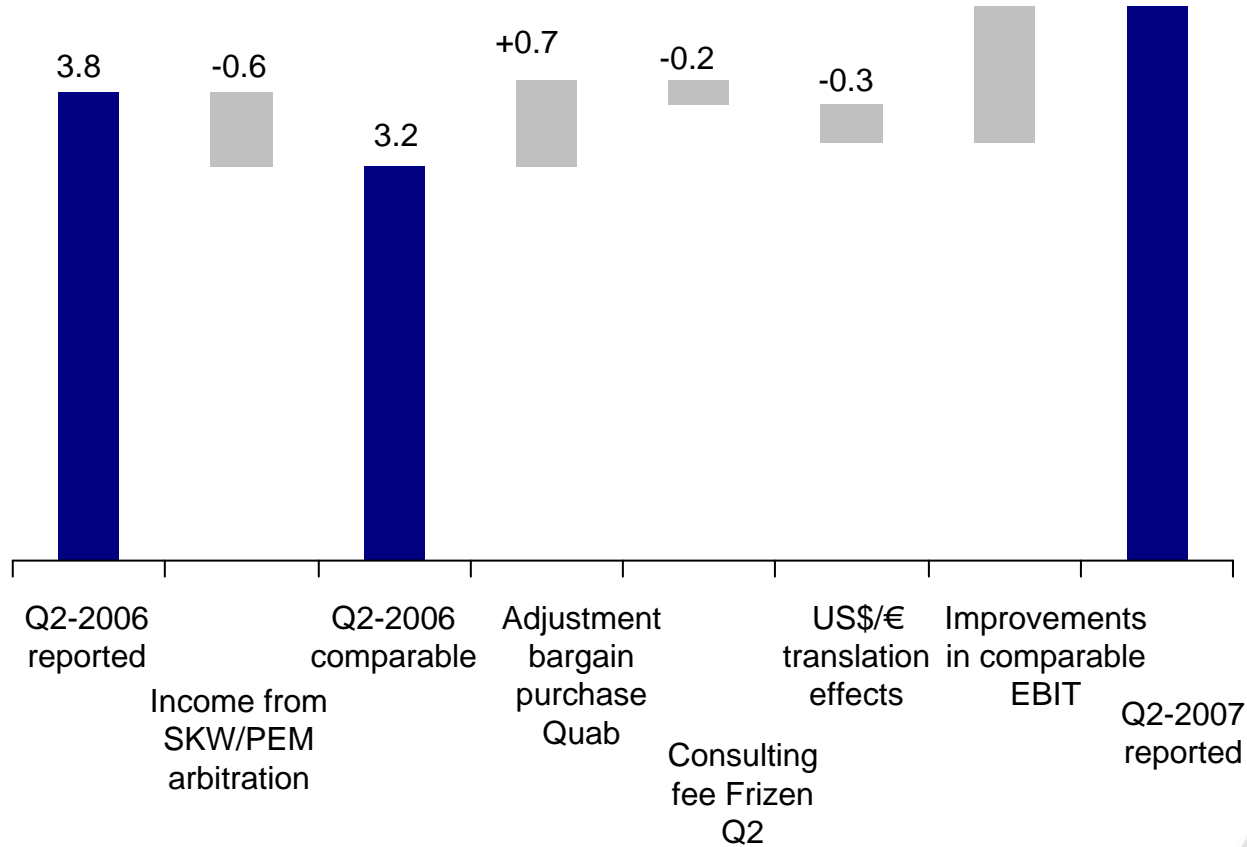
EBIT Increased by 17%



in € million

**Improvements
in comparable
EBIT:**

1.1 = 34%





Cored Wire – Comparable EBIT Increased by More than 30%

€million	Q2-2007	Q2-2006
Turnover	37.5	39.0
EBIT	3.3	3.1
EBIT comparable	3.3	2.5
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EBIT margin	8.8%	7.9%
EBIT margin comparable	8.8%	6.4%

- Strategy to focus on margin instead of turnover proves successful
- Comparable figures Q2-2006 are adjusted for income from SKW/PEM arbitration (€0.6 million)



Powder and Granules –EBIT Improved by More than 25%

€million	Q2-2007	Q2-2006
External turnover	11.9	11.3
EBIT	0.84	0.66
EBIT margin	7.0%	5.8%

- Significant EBIT increase despite increased freight rates and procurement costs



Quab – Integration into SKW Metallurgie Almost Completed



€million	Q2-2007
Turnover	6.7
EBIT	0.9
Bargain purchase*	0.7
EBIT margin	13%

No 2006 data available because of
first consolidation in January 2007

* Adjustment for Q2

- Integration of new segment into SKW Metallurgie Group almost completed
- Operating EBIT Q2-2007 reflects significantly increased logistics costs
- Measures to improve operations&logistics have been initiated and will gain momentum after closing of the ESM deal



Acquisition of ESM on Track



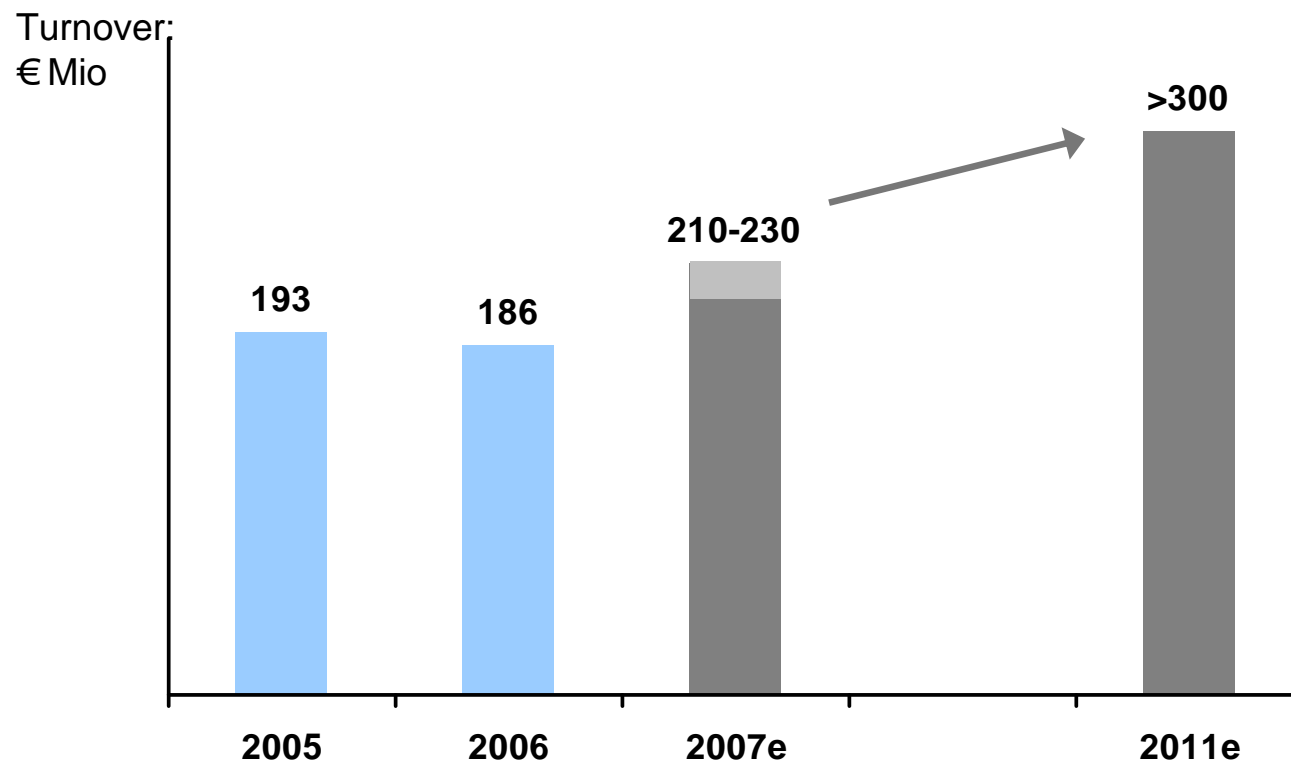
- Acquisition announced July 12
- SKW Metallurgie Group is about to assume global market leadership in hot metal desulphurization
- Annual turnover of ESM estimated at ~USD 150 million (of which ~USD 10 million with SKW Metallurgie)
- Closing of transaction expected in Q3-2007

➔ Guidance update and Q3 figures, both including ESM, are scheduled for November 12



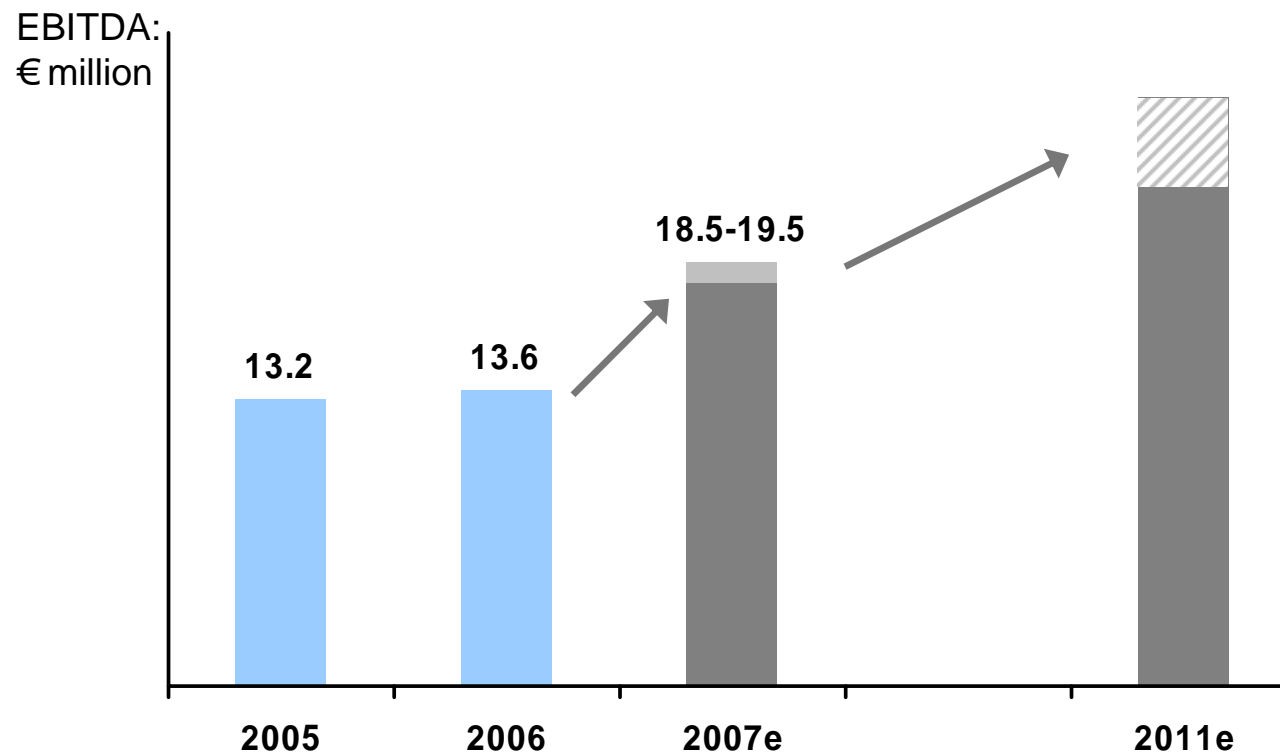
Outlook – Growth in Turnover (Figures Without ESM)

- Turnover target for 2007: €210 – 230 million



Outlook - Significantly Higher Profitability (Figures Without ESM)

- EBITDA target for 2007: €18.5 – 19.5 million



November 12, 2007

Publication of financial results for Q3,
and of new guidance for 2007

November 12, 2007

Participation in „Eigenkapitalforum“ (German Equity Forum) with
Analysts‘ and Investors‘ Conference in Frankfurt/M., Germany



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