Financial Results for the First Quarter 2012 (IFRS)

FIRST QUARTER 2012 HIGHLIGHTS

- **Sales increased 4% compared to the first quarter 2011**
- **EBITDA and operating profit up by 14% and 45% respectively compared to the first quarter of 2011**
- **Net profit increased 71% compared to the first quarter of 2011**
- **Proposal for a capital return of €0.25 per share**

Group results summary (continuing & discontinuing operations)

€ 000s	Q1 2012	Q1 2011	% change
Net Sales	116,573	111,832	4.2%
EBITDA	18,613	16,344	13.9%
Operating profit	13,404	9,235	45.1%
Profit before tax	10,830	7,164	51.2%
Net profit [1]	7,045	4,117	71.1%
EPS [2]	0.1378	0.0805	71.2%

[1] Net profit attributable to shareholders

[2] Based on net profit attributable to shareholders and the basic weighted average numbers of shares

Kriton Anavlavis, CEO of S&B, commented:

"In the first quarter of 2012, we once again delivered an improved financial performance. These results have been driven by sustained high operating leverage in our business, contributing to improved margins and to the translation of revenue growth into even higher profitability growth.

Demand from our market segments was broadly stable and in line with the last quarter of 2011, though business conditions varied by geography. This is the result of a macro-economic environment that remains challenging and volatile, with the Eurozone economies further slowing but with North America continuing to show signs of improvement. We are watchful over economic developments in Europe and in Asia, nonetheless, we remain confident that our strategy and resources provide a solid platform, from which to pursue sustainable value growth through a well-balanced and expanding international presence."

Operational highlights

S&B reported another quarter of improved performance versus the prior year comparable period. Demand in most market segments was broadly stable though varied across our geographic regions, leading to stable sales volumes during the first quarter of 2012 in comparison to the first quarter of 2011. The metallurgy segment was up slightly following the 1% increase in global steel production in the first quarter in 2012, with increases in the Americas and Asia/Pacific regions offsetting a decline in North Europe. The foundry segment was stable in Europe reflecting the slowdown of the automotive industry production but grew strongly in North America, while the construction segment achieved strong performances in the North America and Asia/Pacific regions compared to a further deterioration in South Europe.

Consolidated Group revenue in the first quarter of 2012 amounted to €116.6 million, representing a 4.2% increase compared to the first quarter of 2011. This growth was achieved through stable volumes, a favorable product mix and improved pricing, which helped offset slightly higher energy prices and related raw material costs. Crude oil prices were on average higher by approximately 12% during the first quarter of 2012 compared to the same quarter in 2011. Although ocean freight indices were lower by 40% during the period, they are not representative of the freight rates corresponding to the types of vessel and destination routes used for our business, which were stable compared to the prior year's first quarter. The continued production improvement of our bauxite operations contributed significantly to the containment of our cost of goods sold, supporting a gross profit increase of 12.5% during the first quarter of 2012 at €29.7 million compared to €26.4 million in the first quarter of 2011. In addition, gross margin of 25.5% improved by 190 basis points in comparison to the first quarter of 2011. It is important to note, that as a result of the guidelines of IFRS 5 for assets designated as held for sale, our results for the first quarter of 2012 do not include the recognition of €1.8 million depreciation related charges for our bauxite operations in Greece. Furthermore, accumulated depreciation not recognized in our results since November 8, 2011 when we announced our initial agreement to divest our bauxite operations in Greece, amounted to €3.7 million at the end of the first quarter of 2012 (inclusive of the aforementioned €1.8 million), though without any potential impact on EBITDA.

During the first quarter of 2012, EBITDA and operating profit increased by 14% and 45.1% to €18.6 million and €13.4 million, respectively, compared to the first quarter of 2011, incorporating a reduction of 5% in net operating expenses. As a result, profitability growth continues to be achieved at higher rates than revenue growth, reflecting substantial margin increases. EBITDA margin increased to 16% in the first quarter of 2012 from 14.6% in the comparable prior year period, while operating margin increased by 320 basis points to 11.5% from 8.3%. Net interest expenses were higher by 59% compared to the first quarter of 2011 at €1.9 million from €1.2 million, with two thirds of the increase being the result of higher interest rates. Net profit attributed to shareholders of the Group in the first quarter of 2012 amounted to €7.0 million (€0.14 per share) compared to €4.1 million (€0.08 per share) in the first quarter of 2011, representing an increase of over 70%.

Pre-tax operating free cash flow (net of capital expenditure) in the first quarter of 2012 was marginally negative by €0.4 million compared to €13.4 million in the first quarter of 2011. Higher EBITDA has been offset by higher capital expenditure which came to €7.7 million compared to €6.7 million in the first quarter of 2011. In addition, working capital increased to 19% of sales at the end of the first quarter of 2012 compared to 18% at the end of 2011, reflecting higher receivables due to a higher sales level at the end of the first quarter of 2012 and a further increase in Greek state-related VAT receivable. The total impact on net debt was modest with an increase from €132 million at the end of 2011 to €137 million at the end of the first quarter of 2012.

Regional performance (amounts in € 000s)

South Europe	Q1 2012	Q1 2011	% change
Sales - 3rd party	27,520	27,156	1.3%
Sales - Total	39,160	39,474	-0.8%
EBITDA	8,647	8,479	2.0%
Profit before tax	5,723	3,703	54.6%

Note: discussion on region South Europe refers to the total of Continuing and Discontinuing operations

Performance reflects increased metallurgy sales driven by alumina and iron ore pelletizing demand as well as higher sales to Specialties. On the contrary, the construction segment continued to decline significantly. Profit before tax was significantly higher than the first quarter of 2011 primarily due to the non-recognition of bauxite related depreciation.

North Europe	Q1 2012	Q1 2011	% change
Sales - 3rd party	55,734	55,098	1.2%
Sales - Total	55,934	55,595	0.6%
EBITDA	9,659	8,869	8.9%
Profit before tax	8,056	7,180	12.2%

Sales to the metallurgy segment declined in line with steel production trends in the region, while the construction segment was improved due to strengthened civil engineering project activity. Sales to the foundry segment were marginally higher as a result of resilient business conditions in Germany, while the specialties segment performed well with favorable demand from various applications. Profitability improvement was driven by a highly disciplined approach to net operating expenses.

Americas	Q1 2012	Q1 2011	% change
Sales - 3rd party	26,585	23,475	13.2%
Sales - Total	26,620	23,475	13.4%
EBITDA	4,415	2,822	56.4%
Profit before tax	3,717	2,120	75.3%

The Americas region experienced healthy growth in all segments, particularly construction and foundry, the latter reflecting a continuing improvement in the automotive production industry.

Asia/Pacific	Q1 2012	Q1 2011	% change
Sales - 3rd party	6,734	6,103	10.3%
Sales - Total	7,426	7,925	-6.3%
EBITDA	1,246	1,201	3.7%
Profit before tax	983	947	3.8%

In the Asia/Pacific region performance is predominantly related to metallurgy and construction. Metallurgical sales recorded a slow start to the year and increased marginally compared to the first quarter of 2011, while in a slowing construction market, a strong performance was realized mainly due to improved pricing.

Outlook

We recorded an improved first quarter performance at the start of 2012. However, demand, trends for which vary by geography, is showing signs of a slowdown for some applications in our market segments. Developing economies in Asia, that until recently were supportive for our business, have lately exhibited signs of moderation in growth rates. The Eurozone economies, with the exception of Germany, continue to slowdown, reflecting on-going financial and political volatility in many member countries. On the contrary, improving business activity is observed in North America. Challenges within the Greek economy and the local banking system continue, therefore, with regards to the efficient refinancing of our maturing debt in June, we seek to diversify our options in line with our international profile.

Despite the overall economic uncertainties, our highly diversified geographic footprint provides access to those market segments and geographies that still retain favourable prospects. Our fundamentals remain strong and we will maintain our focus on pursuing our Vision to achieve sustainable value growth through further improvement of our margins and profitability.

Other items

Discontinuing Operations

In accordance with the provisions of IFRS 5, as of December 31, 2011 S&B's bauxite operations in Greece and "Greek Helicon Bauxite S.A.", a fully-owned subsidiary of the Parent Company, were classified as a Discontinuing Operation in the financial statements.

A detailed P&L on Continuing and Discontinuing operations is available in the attachments section of this press release. Full and detailed disclosure with regards to continuing and discontinuing operations is available in the Interim Financial Report and Notes to the Financial Statements for the First Quarter 2012 and can be found on the company website www.sandb.com

Capital return

Our Board has decided to propose to shareholders a capital return of €0.25 per share. More details on this proposed transaction will be made available at a later time and the proposal will be subject to shareholders' approval at the Annual General Meeting on June 27th 2012.

Conference Call and Live Audio Webcast

S&B's Management will host a conference call for the investment community today, Friday May 11, 2012, at 4:00 pm Athens Time, 2:00 pm London Time, 9:00 am New York Time.

In addition, there will be a live audio webcast of the conference call accessible through the S&B website at www.sandb.com. Participants should register on the website approximately 10 minutes prior to the start of the call. Following the conference call, the audio webcast will be archived on S&B's website.

Slide Presentation

A slide presentation on the First Quarter 2012 Results will also be available on S&B's corporate website in the Investor Relations section.

Contacts:

S&B Industrial Minerals S.A.
Haris Kotsokolos
Investor Relations Manager
Tel: +30 210 6296157
Email: h.kotsokolos@sandb.com

Note Regarding Forward-Looking Statements

This document may contain forward-looking statements about S&B, including statements reflecting management's current view relating to future market conditions, future events and expected operational and financial performance. Forward-looking statements may be found throughout this document. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we cannot assure you that these expectations will materialize. Because forward-looking statements are based on assumptions and estimates, and are subject to risks and uncertainties, actual results could differ materially from those described or implied herein. S&B does not undertake any obligation to publicly update or revise any forward-looking statements included in this document, whether as a result of new information, future events or otherwise, except as required by applicable law or stock exchange regulation.

ATTACHMENTS

1. Consolidated income statement (Continuing and Discontinuing operations) for the three month period ended March 31, 2012
2. Condensed consolidated income statement for the three month period ended March 31, 2012 (Group summary)
3. Condensed consolidated balance sheet as at March 31, 2012
4. Condensed consolidated cash flow statement for the period ended March 31, 2012

The attached basic and condensed financial statements should be read in conjunction with the relevant notes to the full financial statements for the period, which can be found on our company's website at www.sandb.com

CONSOLIDATED INCOME STATEMENT (in € '000s except for earnings per share)

	The Group					
	1/1 - 31/03/2012			1/1 -31/03/2011		
	Continuing operations	Discontinuing operations	Total	Continuing operations	Discontinuing operations	Total
Sale of goods	107,572	9,001	116,573	105,151	6,681	111,832
Cost of sales	(79,199)	(7,625)	(86,824)	(77,743)	(7,651)	(85,394)
Gross Profit / (Loss)	**28,373**	**1,376**	**29,749**	**27,408**	**(970)**	**26,438**
Administrative expenses	(10,169)	(52)	(10,221)	(11,238)	(775)	(12,013)
Selling expenses	(7,153)	(36)	(7,189)	(5,806)	(65)	(5,871)
Other income	841	288	1,129	833	160	993
Other expenses	(61)	(3)	(64)	(312)	-	(312)
Operating profit / (loss)	**11,831**	**1,573**	**13,404**	**10,885**	**(1,650)**	**9,235**
Finance income	155	-	155	99	-	99
Finance costs	(2,704)	(171)	(2,875)	(2,092)	(149)	(2,241)
Share of profit of associates	146	-	146	71	-	71
Profit / (loss) before tax	**9,428**	**1,402**	**10,830**	**8,963**	**(1,799)**	**7,164**
Income tax expense	(3,845)	-	(3,845)	(3,061)	-	(3,061)
Net profit / (loss)	**5,583**	**1,402**	**6,985**	**5,902**	**(1,799)**	**4,103**
Attributable to:						
Equity holders of the company	5,643	1,402	7,045	5,916	(1,799)	4,117
Non-controlling interests	(60)	-	(60)	(14)	-	(14)
	5,583	**1,402**	**6,985**	**5,902**	**(1,799)**	**4,103**
Earnings per share attributable to equity holders of the Company						
Basic	0.1104	0.0274	0.1378	0.1157	(0.0352)	0.0805
Diluted	0.1092	0.0271	0.1363	0.1141	(0.0347)	0.0794
Weighted average number of shares						
Basic	51,110,687	51,110,687	51,110,687	51,110,944	51,110,944	51,110,944
Diluted	51,680,003	51,680,003	51,680,003	51,870,688	51,870,688	51,870,688

Note: Full disclosure on Continuing and Discontinuing operations is available in S&B's published Interim Financial Report and Notes to the Financial Statements and can be found on the company's website www.sandb.com

CONDENSED CONSOLIDATED INCOME STATEMENT (in € ‘000s except for earnings per share)

	The Group	
	1/1 - 31/03/2012	1/1 -31/03/2011
Sales	116,573	111,832
Cost of sales	(86,824)	(85,394)
Gross Profit	**29,749**	**26,438**
Net operating expenses	(16,345)	(17,203)
Operating profit	**13,404**	**9,235**
Net Finance costs	(2,720)	(2,142)
Gain from the disposal of associates	-	-
Share of profit of associates	146	71
Profit before tax	**10,830**	**7,164**
Income tax expense	(3,845)	(3,061)
Net profit	**6,985**	**4,103**
Net profit attributable to:		
Equity holders of the Company	7,045	4,117
Non-Controlling interests	(60)	(14)
	6,985	**4,103**
		-
Earnings per share		
Basic	0.1378	0.0805
Diluted	0.1363	0.0794
Weighted average number of shares		
Basic	51,110,687	51,110,944
Diluted	51,680,003	51,870,688

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (in € '000s)

	The Group	
	March 31 2012	December 31 2011
ASSETS		
Non-current assets		
Property, plant and equipment	154,136	154,439
Goodwill & other intangible assets	101,965	102,593
Other non-current assets	43,679	43,689
	299,780	**300,721**
Current assets		
Inventories	73,015	73,469
Trade and other receivables	80,706	69,849
Cash and cash equivalents	43,476	46,158
	197,197	**189,476**
Assets held for sale	76,522	72,585
Total Assets	**573,499**	**562,782**
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company	254,552	249,253
Non-controlling interests	593	658
Total equity	**255,145**	**249,911**
Non-current liabilities		
Interest-bearing loans and borrowings	66,983	66,978
Other non-current liabilities	41,812	41,738
	108,795	**108,716**
Current liabilities		
Short-term borrowings & current portion of long-term debt	113,535	111,279
Other current liabilities	75,412	68,844
	188,947	**180,123**
Liabilities associated with the assets classified as held for sale	20,612	24,032
Total equity and liabilities	**573,499**	**562,782**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (in € '000s)

	The Group	
	1/1 - 31/03 2012	1/1 - 31/03 2011
Cash flows from operating activities		
Profit before tax from continuing operations	9,428	8,963
Profit before tax from discontinued operations	1,402	(1,799)
Profit before tax	**10,830**	**7,164**
Adjustments for:		
- Depreciation and amortization	5,063	7,038
- Net finance costs	2,720	2,142
- Provisions, net	677	1,223
- Share of (profit)/loss of associates	(147)	(71)
- Impairment loss	-	226
- (Gain)/Loss from the disposal of property, plant and equipment	(40)	21
	19,103	**17,743**
(Increase) / Decrease in:		
- Inventories	(263)	2,658
- Trade and other receivables	(12,390)	(6,944)
Increase / (Decrease) in:		
- Trade and other payables	1,242	7,535
Income tax paid	(1,411)	(4,011)
Payments for staff leaving indemnities and environmental rehabilitation	(445)	(661)
Net cash flows from operating activities	**5,836**	**16,320**
Cash flows from investing activities		
- Capital expenditure	(7,753)	(6,895)
- Proceeds from disposal of property, plant and equipment	70	1
- Other investing activities	155	99
Net cash flows used in investing activities	**(7,528)**	**(6,795)**
Cash flows used in financing activities:		
- Capital return to shareholders	(1)	-
- Purchase of treasury shares	-	(7)
- Net (decrease)/increase in borrowing	2,243	479
- Dividends paid	-	(2)
- Interest and other finance costs paid	(2,031)	(1,133)
Net cash flows (used in) / from financing activities	**211**	**(663)**
- Net foreign exchange difference on cash flows	(610)	(2,825)
Net (decrease) / increase in cash and cash equivalents	**(2,091)**	**6,037**
Cash and cash equivalents at the beginning of the period	**46,158**	**42,724**
- Net foreign exchange difference on cash and cash equivalents at the beginning of the period	(601)	(980)
Less: Change in cash and cash equivalents of discontinuing operations	10	-
Cash and cash equivalents at period end	**43,476**	**47,781**