



PRESS RELEASE

S&B Industrial Minerals S.A.

ANNUAL ORDINARY GENERAL MEETING OF SHAREHOLDERS

“2008 was a year of adaptation for the S&B Group. External factors, related to the unprecedented economic crisis that evolved during the year, created new economic and operational conditions which lowered our Group’s performance rates for sales, profits and production output. In order to confront these conditions, we adopted a series of initiatives. In 2008, we also implemented our decision to divest from Motodynamics and Ergotrak”. The above were highlighted by Board Chairman, Mr. Ulysses Kyriacopoulos, at S&B’s Annual Ordinary General Meeting of shareholders, held on June 16th, 2009, at S&B’s corporate headquarters in Kifissia, Athens.

Mr. Kyriacopoulos referred to the fourth quarter of 2008, which was characterized by a sharp drop in demand in key markets served by S&B, such as metallurgy and construction. This drop in market demand caused a rapid reduction in Group sales and had a negative impact on profits, as reductions in fixed costs could not be implemented at the same pace.

Moreover, Mr. Kyriacopoulos described S&B’s approach to managing the prolonged drop in demand in the end markets it serves. He reported that the Group has managed to increase cashflows, reduce net debt and lower both its administrative and its production costs. He stated, *“I am convinced that the leadership of our Company has taken the right decisions to enhance the long term health of our business, even though these decisions may entail sacrifices. I believe that the BoD as well as each one of us, the shareholders, have to contribute to bolster our business. The proposed share capital increase is an example of such contribution that will lead to a corresponding reduction in net debt. As already announced, the Kyriacopoulos family will participate commensurately with its current approximate 60% interest. A further reduction in the company’s net debt will reinforce S&B and will provide development opportunities at the appropriate time”.*

Finally, Mr. Kyriacopoulos reiterated to the shareholders S&B’s commitment to the principles of sustainable development, which are an integral part of its business conduct. In support of this, he noted, *“In May of 2008, we joined the United Nations’ Global Compact initiative, committing to its ten principles”.*

S&B’s Chief Executive Officer, Efthimios Vidalis, reported on 2008 results for Continuing Operations, while he also spoke on developments for each product Division. Finally, he referred to S&B’s environmental and social efforts and contributions, and elaborated on current prospects for the Group.

On 2008 financial results, Mr. Vidalis highlighted the following,



“In light of a declining fourth quarter, sales growth for the year was limited to 8%, whereas it was 14% up until the end of the 3^d quarter. EBITDA and operating profit recorded slight declines of 3% and 5% respectively. However, profitability margins were significantly reduced due to additional impact from increased energy prices and ocean freights. Net profits after minorities stood at €14 million reflecting mainly higher net financial expenses”.

Mr. Vidalis made extensive reference to the Group’s efforts for a phased approach in implementing necessary measures. He stated, *“For the first phase, the priority was to reduce costs and expenses and to generate a substantial amount of cash for the reduction of net debt”*, and pointed to a set of measures that have already been implemented, such as freezing of executives’ salaries, capital expenditure reduction of 20% compared to 2008, and production output adjustments at various operations sites to align to current demand. He also commented that, *“As the crisis continues, cost reductions measures that have been designed to lower the Group’s break even point are being implemented. Having completed the design phase, we are ready to adopt all measures necessary. Measures taken are planned with social sensitivity and are designed to provide flexibility against the changing economic environment. Additionally, they are aimed at sustaining a solid infrastructure for our Group, that will allow us to emerge stronger and more competitive from the current challenges, ready to continue developing as soon as market conditions recover”.*

The General Assembly approved the BoD’s proposed dividend of €0.16 per share and also the share capital increase of up to €40 million to be paid in cash, with a rights issue of 1 new share for every 3 shares owned, in favor of existing shareholders.

Investor Relations Department
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S&B Industrial Minerals S.A. is a multinational Group of companies, its purpose being to provide innovative industrial solutions by developing and transforming natural resources into value creating products. Utilizing the multiple properties of industrial minerals, S&B offers a portfolio of customized solutions for a broad range of applications (including foundry, steel-making, construction & building materials, metallurgy and horticulture), operating responsibly and adhering to the sustainable development principles of the triangle: economy - society - environment. It holds leading positions in its main sectors (bentonite, perlite, bauxite and casting fluxes). S&B was established in Greece in 1934, is listed on the Athens Stock Exchange (ticker:ARBA), is active in 21 countries across 5 continents, in 2008 it had a Group turnover of over Euro 450 million, and employs approximately 2,050 people worldwide. For more information, please visit S&B’s website at www.sandb.com