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MEDIA RELEASE

Interim report on the 3rd quarter of 2011

INTERSEROH SE: High demand for recycling metals spurs increase in sales and earnings

Earnings before taxes up / market share in Dual System down / sale of raw materials activities to the holding company

Cologne, November 10, 2011 The publicly quoted environmental services provider and raw materials trader, INTERSEROH SE, proved successful during the ongoing fiscal year, 2011, despite a difficult market environment. In the first nine months of 2011, the Interseroh Group achieved earnings before taxes (EBT) of EUR 33.0 million. When adjusted for deconsolidation profits, the EBT figure is EUR 31.9 million. This signifies that Interseroh achieved an increase of EUR 3.6 million compared to the previous year's figure of EUR 28.3 million, also adjusted for deconsolidation profits (including deconsolidation profits: EUR 41.9 million EBT).

Earnings before shares in earnings in associated companies, interest and taxes (EBIT) amounted to EUR 41.6 million in the first nine months. Adjusted for deconsolidation profits, this figure was EUR 40.5 million (previous year adjusted figure: EUR 39.7 million). Consolidated Group sales rose from EUR 1,449.5 million in the months from January to September of 2010 to EUR 1,844.7 million in the first three quarters of 2011.

EBT totalled EUR 14.3 million (3rd quarter of 2010: EUR 16.5 million) in the third quarter and EBIT amounted to EUR 12.3 million (comparative figure: EUR 12.6 million). Contribution to sales amounted to EUR 651.0 million on a consolidated basis (comparative figure: EUR 481.8 million).

Improved margins, slight increases in sales and prices above the same period in the previous year positively impacted the Steel and Metals Recycling segment; the business divisions of Services and Raw Materials Trading, however, were affected by a more troubled market environment. In Raw Materials Trading Interseroh evidenced lower arbitrage effects in recovered paper exports to Asia. In the Services segment, Interseroh parted with a major customer group in line with the relevant contract. The reason for this step was that the overall market situation in the dual system, in contrast to what had been assumed when the contract was entered into, had come to a head due to significant violations of the Packaging Ordinance.

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According to the Bundesverband der Deutschen Entsorgungs-, Wasser- und Rohstoffwirtschaft e.V. (BDE-National Association of the German Waste Disposal, Water Management and Raw Materials Sectors), as at August 2011 approximately 800,000 tons of light packaging, i.e. circa 40 percent of the total market volume, had not been licensed, in other words, not paid for, by the production industry in accordance with the Packaging Ordinance.

This does not mean, however, that Interseroh is withdrawing from the dual system, according to Dr. Axel Schweitzer, Chairman of the INTERSEROH SE Board of Directors. "We shall continue to service our customers who are interested in a legally compliant and qualitatively flawless system with the same dedication and to the same degree as we have to date." Dr. Schweitzer emphasised the importance of the certificate "to safeguard the Packaging Ordinance" of the BDE and declared that Interseroh would continue to work towards consistent testing in compliance with the Packaging Ordinance on the part of the authorities.

The companies in the Raw Materials Trading segment were sold to the holding company of INTERSEROH SE, the ALBA Group plc & Co. KG, as at October 1, 2011, and consolidated with the ALBA business division. This allows optimal bundling of the raw materials activities of the entire group in future, as well as the development of new markets for paper and plastics, such as in Western and Southern Europe.

All assets and liabilities of the Raw Materials Trading segment have been classified as 'for sale' in the quarterly financial statements as at September 30, 2011. There was no effect on earnings in the quarterly financial statements.

The sales price of the Raw Materials Handling business division is equivalent to net segment assets. The deconsolidation as at October 1, 2011, therefore, has no impact on earnings.

Working capital has risen in the months between January and September 2011 vis-à-vis the December 31, 2010, balance sheet date. The main reason for this increase is higher purchase and sale prices in the markets for steel and non-ferrous metal scrap. Consequently, total assets and net debt rose compared to December 31, 2010.

Developments in the segments

The Steel and Metals Recycling segment of the Interseroh Group once again contributed the lion's share to this growth: Segment sales were up from EUR 1,036.9 million in the same period of the previous year to EUR 1,369.4 million in the months of January to September 2011. Enhanced coordination of the operating sites resulted in an improvement in margins and an

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earnings rise in this segment. The focus of the Interseroh Group was on the development of high-margin business along with slightly increased quantities.

The sale of steel scrap was characterised by ongoing high demand from European industry at the beginning of 2011 and slowed significantly during the year. Prices for all types of scrap were above the previous year's levels.

Average prices for non-ferrous metals remained at a high level until the middle of the year, but were extremely volatile. They collapsed dramatically in August due to turbulence on the stock exchanges; in the first weeks of September, however, they stabilised. Interseroh achieved slight increases in sales quantities both in Europe and in Asia.

INTERSEROH Scrap and Metals Holding GmbH, Dortmund, took over Elvira Westarp GmbH, Aschaffenburg, effective September 1, 2011. With this step Interseroh is expanding its portfolio in the field of collection, transport and recycling of steel and metal scrap and strengthening its site structure in the areas of Rhine-Main and Lower Franconia.

In the Services segment all services contributed to positive sales growth. Sales rose from EUR 332.2 million in the first three quarters of 2010 to EUR 383.2 million in the months from January to September of 2011. Compared to the first nine months of the previous year, the segment showed declining earnings due primarily to developments in market quantities in the area of light packaging (LVP) in the Dual System business unit.

Sales in the Raw Materials Trading segment rose from EUR 107.7 million to EUR 127.8 million. Lower arbitrage effects in the recovered paper exports to Asia brought about a slight decrease in earnings compared to earnings in the same period of the previous year once adjusted for deconsolidation profits.

After European paper prices rose from January to May and the necessary correction occurred in June, they initially remained stable in the third quarter, but declined in September. Average prices, however, for the first nine months of 2011 remained significantly above the levels of the same period in the previous year. Quantities dropped compared to 2010 due to the sale of French operations.

Marketed plastics tonnage was up compared to the first three quarters of 2010. While average prices for foil at the middle of the year lagged behind prices in the first six months of 2010, price increases in the third quarter resulted in comparable average values on the whole. Prices for PET dropped in the months from July to September, but on average for the first nine months still exceeded the previous year's values.

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Developments in the first half of the year in the Recovered Wood division continued in the third quarter as anticipated. Demand for material qualities was lower due to a reduction in capacity in the chip board industry. Fully stocked warehouses and audits of thermal recyclers resulted in lower sales of wood for thermal recycling.

Outlook

The Board of Directors is anticipating earnings increases in the Services segment due to improved contract structures within the Dual System Interseroh business unit. Sales will fall due to the elimination of customers in this business division, as well as due to the sale of the Raw Materials Trading segment to the holding company, ALBA Group plc & Co. KG.

The Board of Directors is expecting a weaker, demanding fourth quarter in 2011 in the steel scrap trading. "Traditionally, customers refrain from purchasing steel at the end of the year. Current economic forecasts pose an additional uncertainty factor", explained Dr. Schweitzer.

After three positive quarters in 2011, the willingness to sell non-ferrous scrap is low due to currently below-average prices. This hampers materials procurement. On the other hand, demand is at present subdued, both in Europe and Asia. Government regulation of banks in Asia limits financing options. The Board of Directors is not anticipating a recovery in demand for the fourth quarter of 2011.

In the wake of the trend in the third quarter, Interseroh expects slightly lower quantity and earnings growth until the end of the year in comparison to the first half of 2011.

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