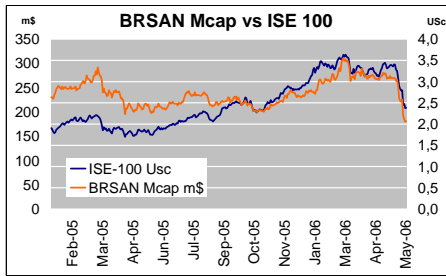




Back to high profit margins after a sluggish performance caused by unexpectedly sharp price declines in 2005...



Reuters Code: BRSAN.IS
 Mcap(mn\$): 181
 Free Float (%): 16
 Price : 9.80 YTL
 Avg. Vol. (3 months) : 377k\$

BMB achieved 101m\$ of revenues during Q12006 and 11,7m\$ at the EBITDA level. EBITDA margin almost doubled over 2005 reaching 11.5%. The company's net financial debt for Q12006 is 16,5m\$, almost all is used for working capital finance. **BMB** confidently maintains its year-end revenue target of 459m\$.

BMB achieved 18% gross margin level, which was last experienced in 2004. Strong demand from both domestic and export markets and the continuation of increase in steel prices supported **BMB's** profitability. On the back of strong demand, total sales volume increased by 24% over Q12005. **BMB** realised 97ktons of domestic and 49ktons of export sales. In domestic market, construction sector's accelerated growth and infrastructure investments in natural gas industry continues to create high demand for construction, water&gas and pressure pipes.



Spiral pipe sales continued their pace also in Q12006. Initially, Algeria's Sonatrach NK1 project, with a total size of 112ktons, has been won by the consortium led by **BMB**. In Israel **BMB** booked the second phase of INGL project following the successful completion of the first phase. In Iran, customer satisfaction is achieved with the successful deliveries to NIGC project, which results a competitive advantage in forthcoming projects. The company is about to finalise two new projects in Europe and in North Africa, additionally booked an ERW project again in North Africa.

BMB Sales Volume

(ktons)	Q12005	Q12006	Growth
Domestic	81	97	20%
Export	37	49	32%
Total	118	146	24%

BMB's investments continue in line with its strategic plan. On the large diameter spiral pipe side, T5 and T6 production line investment is planned to be commissioned within Q12007. The first phase of the additional capacity will be 50ktons and expected to deliver 40m\$ of revenues and 9m\$ of EBITDA on average. The start time of the second phase of spiral lines to add another 50ktons and the ERW investments will be announced during the year.

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