



SIEM INDUSTRIES

PRESS RELEASE

For Immediate Release

SIEM INDUSTRIES INC.

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SIEM INDUSTRIES INC. ANNOUNCES TENDER OFFER

GEORGE TOWN, GRAND CAYMAN, 13 January 2005 – SIEM INDUSTRIES INC. announced today that it is commencing a tender offer for 1,000,000 shares of its Common Shares, \$0.25 par value, at a price of \$15.00 per Common Share.

If more than 1,000,000 Common Shares are properly tendered, the Company will purchase shares tendered by the holders on a pro rata basis. The Company may, at its election, give preference to shares tendered by “odd lot” holders. Shareholders whose shares are purchased in the offer will be paid the purchase price net in cash, without interest, after the expiration of the offer period. The offer is not contingent upon any minimum number of shares being tendered. The offer is subject to a number of other terms and conditions as specified in the offer to purchase that will be distributed to shareholders on or about 20 January 2005.

The offer will expire at 12:00 Midnight, New York City time, on 22 February 2005, unless extended by the Company.

Neither the Company nor its Board of Directors make any recommendation to shareholders as to whether to tender or refrain from tendering their Common Shares in the tender offer. Shareholders must decide for themselves how many shares they will tender, if any.

This press release is for informational purposes only and is not an offer to buy or the solicitation of an offer to sell any shares of Company Common Shares. The offer is being made solely by the Offer to Purchase and the related Letter of Transmittal. **Investors are urged to read the Company’s Offer to Purchase in connection with the tender offer, which includes as exhibits the related Letter of Transmittal, as well as any amendments or supplements to the Offer to Purchase when they become available, because they contain important information. After January 20, 2005, investors may contact the American Stock Transfer & Trust Company, the Company’s depository and information agent for the tender offer, to obtain the materials for free at telephone no. +1.800.937.5449.**

As previously announced, the Company will pay a cash dividend of \$0.07 per Common Share to shareholders of record as of 31 December 2004. Payments will be distributed on Thursday, 27 January 2005. The payments of the dividend are separate and apart from the above-mentioned tender offer and do not adjust, affect or amend the \$15.00 per Common Share offer price.

SIEM INDUSTRIES INC. currently holds interests in five industrial areas, including the oil and gas services industry, the ocean transport of refrigerated cargoes, the ocean transport of automobiles, potash mining and the Swedish industrial holding company, Siem Capital AB. Further, the Company invests its surplus cash in marketable securities. For further information relating to the Company, please visit www.siemindustries.com.

Except for historical information contained herein, the statements made in this release constitute forward-looking statements that involve certain risks and uncertainties. Many factors could cause the Company to delay or modify its self-tender offer including the following: changes in its operating results, general market conditions, the availability of financing to complete the tender offer, potential acquisitions and divestitures and tax or regulatory requirements. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.