



SIEM INDUSTRIES

PRESS RELEASE

For Immediate Release

SIEM INDUSTRIES INC.

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SIEM INDUSTRIES INC. REPORTS 1ST QUARTER RESULTS FOR FISCAL 2007

GEORGE TOWN, GRAND CAYMAN, 1 May 2007 – SIEM INDUSTRIES INC. announces its unaudited results for the quarter ended 31 March 2007 prepared in accordance with International Financial Reporting Standards (“IFRS”).

Net income for the quarter ended 31 March 2007 was \$32.0 million, or \$2.13 per share (2006: \$23.0 million, or \$1.53 per share).

Operating revenues and operating expenses for the quarter ended 31 March 2007 were \$55.3 million and \$28.3 million, respectively (2006: \$50.5 million and \$26.3 million). Equity in the income of unconsolidated affiliates for the quarter was \$19.4 million (2006: \$18.3 million). Net gains on investments for the quarter were \$1.8 million (2006: \$0.1 million).

Depreciation expense for the quarter was \$4.8 million (2006: \$5.3 million). Interest expense for the quarter was \$3.5 million (2006: \$3.1 million). General and administrative expenses for the quarter were \$5.2 million (2006: \$10.5 million). Currency exchange gains for the quarter were \$0.9 million (2006: \$1.9 million).

The Company reports its investments in Subsea 7 Inc. (OSE Symbol: SUB), Siem Offshore Inc. (OSE Symbol: SIOFF), Siem Capital AB and Deusa International GmbH under the equity method of accounting. The detail financial statements of the Company’s investments in STAR Reefers Inc. (OSE Symbol: SRI), Siem Car Carriers Inc. and Deep Seas Insurance Limited are incorporated within the Company’s consolidated financial statements.

Subsea 7 is a contractor in the oil and gas industry that provides integrated subsea engineering and construction expertise to the global market. The Company owns a beneficial interest of 66,394,145 Subsea shares, or 45.1%. For more information, please visit Subsea 7’s website at www.subsea7.com.

Siem Offshore owns interests in 35 vessels working in the oil and gas industry, which includes 15 vessels under construction at Norwegian yards, and 1 scientific offshore drilling vessel currently undergoing conversion. The Company owns a beneficial interest of 64,128,403 Siem Offshore shares, or 38.2%. For more information on Siem Offshore and its affiliates, please visit www.siemoffshore.com.

STAR controls a modern fleet of approximately 40 owned and chartered vessels that is engaged in the refrigerated transportation of fruit and other perishable products. STAR recently agreed to time charter a second series of 4 newbuilds for periods of 10 years from yard delivery during 2008 to 2010. The third vessel from the first series of 4 newbuilds was

delivered during the quarter and the fourth vessel will be delivered in mid-2007, all vessels in the first series also under 10-year time charters. The 8 vessels are of the same design. The Company owns 6,272,534 shares, or 71.6%, of STAR. For more information, please visit www.star-reefers.com.

Siem Car Carriers owns three vessels. Two of the vessels are under firm contracts through 2010 and the third vessel is under firm contract through 2008. The Company owns 88.1% of Siem Car Carriers.

Siem Capital AB, the Company's 64%-owned Swedish affiliate, holds interests in 3 Swedish industrial and research companies. The interest in the European Furniture Group AB, a manufacturer of office furniture, was sold during the second quarter at a profit.

Deusa International GmbH ("Deusa"), the Company's 49%-owned German affiliate, is engaged in the mining of potash which is used for fertilizer production, bischofite for the construction industry, magnesium chloride for de-icing and other materials. Deusa has known potash reserves of greater than 60 years. In addition, Deusa is currently building a thermolysis process facility to incinerate municipal wastes and produce energy for use in its potash operations.

Deep Seas Insurance Limited ("DSI"), the Company's 51%-owned Cayman Islands captive insurance affiliate, commenced operations in early-2006. DSI provides a risk management function to companies within the Siem Group by participating as co-insurer on marine insurances and as lead insurer on other risks on a fully reinsured basis. Subsea 7 owns the remaining 49% interest in DSI.

During the quarter, the Company purchased and retired 25,050 of its Common Shares at an average price of \$52- per share.

SIEM INDUSTRIES INC. currently holds interests in the oil and gas services industry, the ocean transport of refrigerated cargoes, the ocean transport of automobiles, the Swedish industrial and research holdings in land-based industries, the mining and processing of potash and the captive insurance industry. Further, the Company will from time to time invest its discretionary funds in short-term marketable investments. For further information relating to the Company, please visit www.siemindustries.com.



SUMMARY FINANCIAL DATA (UNAUDITED)
 PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")
 QUARTER ENDED 31 MARCH 2007
 (in thousands, except per share amounts)

<u>CONSOLIDATED STATEMENTS OF OPERATIONS</u>	<u>Quarter Ended March 31,</u>		<u>Year Ended</u>
	<u>2007</u>	<u>2006</u>	<u>December 31,</u>
			<u>2006</u>
Operating revenues	\$ 55,282	\$ 50,517	\$ 192,776
Equity in income of unconsolidated affiliates	19,415	18,294	77,229
Interest income	752	632	3,647
Net gains on investments	1,843	119	9,377
Other	370	390	2,293
	<u>77,662</u>	<u>69,952</u>	<u>285,322</u>
Operating expenses	(28,323)	(26,306)	(109,006)
Depreciation and amortization	(4,809)	(5,329)	(18,787)
Interest expense	(3,530)	(3,077)	(14,028)
General and administrative	(5,169)	(10,445)	(49,647)
Currency exchange gains (losses)	871	1,933	6,612
Other	(1)	(5)	(801)
Income before income taxes	36,701	26,723	99,665
Income tax expense	(4)	(69)	116
Net income	36,697	26,654	99,781
Minority interest expense	(4,667)	(3,629)	(11,561)
Net income attributed to Common Shares	<u>\$ 32,030</u>	<u>\$ 23,025</u>	<u>\$ 88,220</u>
Net income per Common Share, basic and diluted	<u>\$ 2.13</u>	<u>\$ 1.53</u>	<u>\$ 5.86</u>
Wtd. average no. of shares outstanding	<u>15,047</u>	<u>15,053</u>	<u>15,053</u>
 <u>CONSOLIDATED BALANCE SHEETS</u>		<u>March 31,</u>	<u>December 31,</u>
		<u>2007</u>	<u>2006</u>
Cash and cash equivalents, excluding restricted cash		\$ 38,566	\$ 19,953
Net trading securities and short-term notes receivable		33,422	44,194
Other current assets		29,147	21,260
Senior secured notes, notes receivable and other investments		40,865	35,968
Marketable equity securities		116,318	115,165
Investments in unconsolidated affiliates		316,840	295,495
Property and equipment, net		391,718	396,942
Other assets, including restricted cash		10,336	8,955
Total Assets		<u>\$ 977,212</u>	<u>\$ 937,932</u>
Accounts and other payables		\$ 34,167	\$ 27,851
Current maturities and short-term notes		26,359	30,306
Other current liabilities		5,011	7,705
Long-term debt		197,952	200,189
Other		63,225	58,666
Shareholders' equity:			
Common stock		3,757	3,763
Paid-in capital		70,174	70,092
Retained earnings		410,633	379,090
Accumulated comprehensive income and other		108,892	107,894
Total shareholders' equity		<u>593,456</u>	<u>560,839</u>
Minority, or noncontrolling, interest		<u>57,042</u>	<u>52,376</u>
Total Equity		<u>650,498</u>	<u>613,215</u>
Total Liabilities and Equity		<u>\$ 977,212</u>	<u>\$ 937,932</u>