

Press Release

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Financial Results for the 1st Semester of 2015 FURTHER INCREASE IN PROFITABILITY - INTENSIFYING ACTIVITY ABROAD

1H2015 Highlights:

- Slight decline in turnover and EBITDA, **significant increase in net profit by 36%**.
- **Significant increase in the profitability of the Metallurgy Sector**, which for yet another quarter was the key force driving the improvement in the Group's financial performance.
- **Reduction in turnover and profitability for METKA**, due to the slowdown in the progress of its projects in the Middle East.
- **The Energy Sector is negatively affected** by the domestic environment.
- The Group remains firmly on an internationalisation course, as c. **80% of its consolidated turnover, excluding electricity sales, is generated abroad**.

In particular, the Group's **turnover** in the 1st semester of 2015 stood at **€636.5 million**, down 2.5% from €653.0 million for the same period in 2014. **Earnings before interest, tax, depreciation and amortisation (EBITDA)** stood at **€118.7 million**, down 1.3% from €120.3 million for the 1st semester of 2014, with **net profit after tax and minority rights** standing at **€32.8 million, up 35.9%** from €24.1 million for the previous year.

The results posted by the Group do not account for an income of €22.3 million corresponding to the value of the Capacity Availability Certificates (CACs), despite the final proposal issued by the Regulatory Authority for Energy (www.rae.gr), due to delays by the relevant Ministry. Had this income been included, it would have driven EBITDA up by €22.3 million and the Group's net profit up by €18.0 million.

As regards the performance of the Group's individual activity sectors, compared to the previous year, the **Metallurgy & Mining Sector** emerged as the strongest performer. More specifically, the Sector's turnover stood at **€297.7 million** against €204.8 million in 2014, posting an increase by

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45%. **Earnings before interest, tax, depreciation and amortisation (EBITDA)** stood at **€65.4 million**, against €23.7 million for the same period in 2014, posting an increase of 176%. This performance reflects the successful results of the Group's drastic cost reduction strategy and the strengthening of Aluminium of Greece international competitiveness. During the 1st Semester of 2015, "all-in" aluminium prices stood at levels comparable to 2014, amidst an environment characterised by a considerably stronger USD/Euro parity and the decline in oil and Natural Gas prices.

The **EPC Projects Sector** saw a downturn in performance, with **METKA** posting a **turnover of €257.6 million** in the 1st semester of 2015, against €361.9 million for the same period in 2014, due, mainly, to the slowdown in progress regarding the implementation of the company's projects in Syria. **Earnings before interest, tax, depreciation and amortisation (EBITDA)** stood at **€46.2 million**, down 19.8% from €57.7 million for the 1st semester of 2014. **Net profit after tax and minority rights** stood at **€29.2 million**, against €54.5 million for the previous year. With the vast majority of its consolidated turnover already generated in markets abroad, METKA has turned its interest to Sub-Saharan Africa, where it is negotiating important contracts to cover urgent needs for the provision of electricity in developing countries of the region.

The **Energy Sector**, which is strongly affected by the domestic environment, posted a **turnover of €86.0 million** for the 1st semester of 2015, against €90.0 million for the same period in 2014. The high efficiency of the Group's units, combined with the possibility to procure natural gas from the LNG market, drove up electricity production by 5.9% during the 1st semester, in a period during which total domestic electricity production declined by around 8.2% decline and electricity imports from third countries grew by 85%. **Earnings before interest, tax, depreciation and amortisation (EBITDA)** stood at **€6.6 million**, down from €42.4 million for the 1st semester of 2014, a drop directly related to the prolonged delay in the finalisation of the framework for the energy market's operation by the competent bodies, including the capacity availability mechanism or the new flexibility remuneration mechanism.

For accounting conservatism purposes, the forecasted €22.3 million of income from CACs, as already mentioned (see also the relevant note in the accounting statements posted at the Group's website, at www.mytilineos.gr), has **not been included** in the results. If the relevant procedures are concluded in time, this amount will be accounted for in the results for the 2nd semester of 2015.

According to all revised forecasts, following the imposition of capital controls and the prolonged bank holiday, 2015 is expected to be the seventh year of recession for the Greek economy during the last eight years. Against this backdrop, which makes up what could be characterised as the most adverse environment for the Greek economy in decades, MYTILINEOS Group, relying on its extroversion, business diversification, strict cost controls and prudent risk management, manages to increase its profitability, further strengthen its financial position and maintain the thousands of direct and indirect jobs it provides, continuing to support in many ways the hard-hit Greek economy and society.

In the months to follow, acting in the interests of its Greek and foreign shareholders and its employees, the Group will continue to strengthen its strategic presence in the international markets.

For more information, please contact:

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MYTILINEOS Group is a leading Greek industry active in Metallurgy & Mines, Energy and EPC Projects. Established in Greece in 1990, the Group's holding company, MYTILINEOS HOLDINGS S.A., is listed on the Athens Exchange, has a consolidated turnover in excess of €1.2 billion and employs some 2,500 people directly and many more indirectly in Greece and abroad. For more details, please visit the Group's website at: **www.mytilineos.gr**.

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