



MYTILINEOS

Press Release

**MYTILINEOS PREVAILS IN INTERNATIONAL ARBITRATION AGAINST
SERBIA REGARDING RTB BOR
*USD 40 MILLION COMPENSATION AWARDED***

Following an international arbitration process lasting several years, the International Arbitral Tribunal to which MYTILINEOS had recourse against Serbia requesting compensation, issued an award vindicating the Greek company.

The collaboration of MYTILINEOS with the Serbian company RTB Bor, going back as early as 1996, was one of the company's leading business initiatives in the metals trading sector. RTB Bor is one of the largest metallurgical and mining complexes for copper extraction and production in the world, and is controlled by the Serbian State.

In 2004, RTB Bor began defaulting on its obligations towards MYTILINEOS, ceasing repayments in money and metal despite possessing significant advance payments and pre-financing for working capital from MYTILINEOS, as well as copper ore to be processed that was owned by MYTILINEOS.

In parallel, the Serbian Government took a series of legislative and administrative measures which essentially ratified the breach of the state-owned company's obligations, prohibiting the payment of pre-existing obligations without the Government's prior approval, as well as enforcement measures by creditors to seek satisfaction of their dues.

MYTILINEOS, in the face of its multimillion investment being destroyed and its inability to resort to Serbian domestic courts, first, wrote off in its accounting and balance sheet its dues from the Serbian state company RTB Bor, protecting its shareholders (at a cost of millions of Euro) and, second, invoked the protection of the international treaty that Greece had signed with Yugoslavia in 1998 for the reciprocal promotion and protection of investments (BIT). MYTILINEOS filed a claim against the Serbian State pursuant to the procedure provided for in that international treaty, before an arbitral tribunal comprised of Klaus Sachs, a German national, as president, and Doak Bishop, a US national, and Mirko Vasiljević, a Serbian national, as co-arbitrators.

The International Tribunal ruled that through a series of legislative measures from 2004 until 2012, which granted immunity from enforcement to RTB Bor under the pretext of restructuring/privatization, which never occurred, Serbia (a) indirectly expropriated without compensation MYTILINEOS's investment and (b) frustrated MYTILINEOS's legitimate and reasonable expectations as an investor to be afforded fair and equitable treatment by the Serbian State. In this way, the Serbian State breached its international obligations under the international treaty towards Greece and MYTILINEOS. The compensation awarded is in the range of 40 million US dollars.

The award is an important landmark in the international annals of arbitration due to the uniqueness and complexity of the factual matrix, as well as the particular difficulty that exists when a private company has recourse to Arbitral Tribunals against a sovereign State (and in particular a European State). The important contribution of the specialized law firms "Moussas & Partners" (Athens), Three Crowns (G. Petrochilos, Paris) and BDK (Serbia) to this vindication must be emphasized.

The arbitral award resolves one of the last important open issues of MYTILINEOS in the best way, further enhancing the significant liquidity attained through the successful issuance of a €300 million bond last June and the positive monthly cash-flows of the activities of the now-unified company (metallurgy, specialized energy construction, power, and natural gas). It thus permits further important development of the company's activities and fundamentals.

For more details, please contact:

Ms Antigoni Fakou: MYTILINEOS Press Office Tel. +30 210-6877346 | Fax +30 210-6877400 | E-mail Antigoni.Fakou@mytilineos.gr

About MYTILINEOS

MYTILINEOS S.A. is a leading Greek industry active in Metallurgy, Power & Gas and EPC & Infrastructure. Established in Greece in 1990, the Company is listed on the Athens Exchange, has a consolidated turnover in excess of €1.3 billion and employs directly or indirectly more than 2,700 people in Greece and abroad. For more details, please visit the Company's website: www.mytilineos.gr