



PRESS RELEASE

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A NEW ERA FOR MYTILINEOS GROUP
FINANCIAL RESULTS FOR THE 1st QUARTER

Mytilineos Group marked an impressive increase in profit and turnover during the first trimester of 2005, in its first financial statements that conform fully to the International Financial Recording Standards (IFRS). These statements include comparative information for the respective period of the previous year and consolidate, for the first time, Aluminum of Greece S.A., with the method of full consolidation, and Greek Vehicle Industry (ELVO S.A.), with the method of net position.

The consolidated turnover reached € 188.1 million compared to € 77 million of the previous period, showing an increase of 144,3%, while the consolidated profits before taxes and minority rights reached € 34.9 million compared to the € 5.2 million of the 1st trimester of 2004.

To this considerable increase of the Group's profits, which is mainly due to the increase of the gross profit margin from 17.5% to 21.5%, one should add the amount of € 127.2 million which resulted as a surplus value from the acquisition of Aluminum of Greece S.A bringing the total financial result of the 1st trimester to € 162.2 million.

More specifically, the operational profits before taxes and interest (EBIT) quadrupled reaching € 34.7 million compared to € 6.5 million during the first trimester of 2004, while the profits before taxes, interest and depreciation (EBITDA) came up to € 36.5 million compared to € 8.3 million of the previous period. Furthermore, the considerable increase of the gross profit margin combined with a holding back of expenses contributed to the impressive increase of the profit margin before taxes (18,5% from 6,78%), while especially important was the increase of profit before taxes and minority rights which reached € 28.2 million from € 4.2 million.

It should be pointed out that the increase of short-term bank debt which come up to € 115.1 million is attributed to the acquisition of Aluminum of Greece, while the Group's cash position for the 1st trimester of 2005 is € 142.1 million.

The total Assets for the current period surpassed € 1.132 billion compared to € 564 million of the respective previous period. The Group's Share Capital after the full integration of Aluminum of Greece S.A. comes up to € 656.3 million compared to the € 262.2 million of last year.

METKA Group showed also a considerable increase in turnover and profit. The turnover increased by 52.7% and reached € 61.1 million compared to the € 40 million of the previous period, while the profits before taxes and minority rights increased by 158.3% reaching € 11.8 million (from € 4.9 million in the 1st trimester of 2004). The company has zero bank debt, while the cash position for the 1st trimester of 2005 amount to € 11.4 million.

It should be pointed out that METKA has a backlog of signed contracts worth of € 650 million, including the construction of a power and steam co-production unit of 320MW with a budget of € 200 million for Aluminum of Greece S.A, while much higher is the value of the projects under negotiation which METKA has serious possibilities of signing in the near future.

Finally, there was also a considerable increase of the operating profit of **Aluminum of Greece S.A.** which reached € 17.3 million from € 13.8 million showing a percentage increase of 25,3%. The turnover remained stable compared to previous year due to the negative effect of the U.S. dollar's fall vis-à-vis the Euro on the Company's sales. The Company has no bank debt, while the cash position at the end of the 1st trimester come up to € 127.5 million.

The Regular General Assemblies of the Shareholders of the three listed companies of the Group will take place on Monday, May 23rd of 2005. Regarding the dividend, the BOD of Mytilineos S.A. will propose an amount of € 0,20 per share (a 100% increase compared to previous year), the BOD of METKA S.A. an amount of € 0,20 per share (a 25% increase) and the BOD of Aluminum of Greece S.A. an amount of € 1 per share (a 230% compared to last year).

The prospects of Mytilineos Group for the current year are especially favourable.

The acquisition of Aluminum of Greece S.A. and its smooth integration to the Group's Metallurgical sector, will turn the group into the leading verticalised producer of base metals in Southeastern Europe, and will bring it closer to its goal of extending its activities to the wider area.

In the Energy sector, Mytilineos Group realizing the advantages offered by the premises of the Aluminum of Greece, both in location as well as in terms of the electric load, proceeded in

the submission of a new proposal to RAE and the Ministry of Development in order to get a licence for a new independent power production gas fired unit of 412MW, for which it has received a positive first response from RAE, in order to benefit of the comparative advantages both for the production of aluminum as well as for the energy market. Regarding the renewable energy projects, the Group has already begun the processes for the construction of the first Wind Park of the Company at Korifi Sidirokastrou. Its power will be 17MW and the budget € 17 million.

In the Defence sector, Mytilineos Group has already worked-out and promotes the approval of a new business plan, which aims at ensuring a long-term and profitable operation for the ELVO subsidiary, as well as creating important synergies with the other companies of the Group.

The results of the 1st trimester are a clear indication, given the market's current situation, for the results of the whole of 2005, which will be discussed in detail (together with the Group's new organizational structure) at the Regular General Assembly of the Shareholders on the 23rd of May 2005.

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