

Press Release

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Financial Results for the First Nine Months of 2013 The Group improves its competitiveness and expands in international markets

9M2013 Highlights:

- **Operational profitability (EBITDA) grows to €183.7 million, up 61% from €114.3 million, with net profits after tax and minority rights rising to €22.5 million, up 131% from €9.7 million.**
- **The strategic alliance with FAIRFAX enhances the company's access to the international capital markets and creates favourable conditions for the implementation of the Group's business goals.**
- **Substantial improvement of the Group's credit profile through the reduction of net debt by €152 million (from €725 million down to €573 million) and the restructuring of nearly all short-term debt to medium-term debt (with a term of 3 years with an optional extension for an additional 2 years).**
- **METKA strengthens its position in the global competition for EPC projects and maintains high profit margins.**

For the first nine months of 2013 the Group posted a consolidated **turnover of €1,051 million** against €1,095 million for the same period in 2012. **Earnings before interest, tax, depreciation and amortisation (EBITDA)** for the period reported stood at **€183.7 million, up 61%** from 114.3 million for the same period in 2012. Net profits after tax and minority rights stood at **€22.5 million, up 131%** from €9.7 million from 2012.

It is pointed out that **earnings before interest, tax, depreciation and amortisation (EBITDA) for the first nine months of 2013** also include €29 million of non-recurring income from previous accounting periods, as a result of the Ruling of the Permanent Arbitration Tribunal on the

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supply of electricity to the Group's subsidiary ALUMINIUM S.A. by the PPC, with retroactive effect as of 01.07.2010. The **earnings before interest, tax, depreciation and amortisation (EBITDA) posted for the first nine months of 2012** included a corresponding non-recurring income in the amount of €10 million. Finally, the consolidated pre-tax results also include €13.3 million of non-recurring losses due to the writing-off of the Group's participation in ELVO S.A.

The Group's results for the first nine months of 2013 are characterised by increased operational profitability, the balanced contribution of its key activity sectors, strong cash flows and improved credit profile, and a stronger presence in international markets.

The **EPC Projects Sector** was the strongest performer, as the turnover of **Group subsidiary METKA** for the first nine months of 2013 stood at **€405.4 million** against €409.2 million in 2012. **Earnings before interest, tax, depreciation and amortisation (EBITDA)** stood at **€64.3 million** compared to €69.4 million last year, with **net profits after tax and minority rights** standing at **€57.1 million, up 11.9%** from €51.0 million for the same period in 2012. The successful completion of a number of major projects in Pakistan, Romania, Turkey, Algeria and Jordan, **totalling 3.5 GW of installed capacity**, marks METKA's establishment as a globally recognised and dependable energy contractor. Following the award of one new project in Algeria, its fourth in the local market, the company will give priority to strengthening its presence in the aforementioned markets and to enter new ones with increased energy demands in the broader geographical regions of Middle East and Africa.

The successful implementation of the "MELLON" cost improvement programme, progressing to completion as planned at the end of the year, and the recent Ruling of the Permanent Arbitration Tribunal on the supply price of electricity, help reduce uncertainty and boost the performance of the **Group's Metallurgy & Mining Sector**. Under the Group's strategy for enhanced competitiveness, strict cost controls will continue to be applied, with even more challenging targets set for the immediate future. Despite the weak international prices for aluminium at the LME, the revaluation of the Euro against the US Dollar, the high energy costs and the extremely strong tax pressures, the Sector's turnover remained at levels comparable with the first nine months of 2012 and stood at **€339.1 million** against €376.0 million last year. **Earnings before interest, tax, depreciation and amortisation (EBITDA)** stood at **€49.3 million** against €7.3 million for the first nine months of 2012.

The sustainability of ALUMINIUM S.A. and of all of the energy-intensive industry will depend on the implementation of the announced measures to reduce energy costs (interruptibility, special taxes on production, Natural Gas prices) and on the supply price of electricity to result from the negotiations with the PPC and to apply as of 1 January 2014.

The **Energy Sector** made a significant contribution to the Group's financial results for the first nine months of 2013. In particular, the Sector's turnover stood at **€311.3 million** against €339.8 million for the same period in 2012, and now represents **29.6% of the Group's total turnover**. Correspondingly, **earnings before interest, tax, depreciation and amortisation (EBITDA)** rose to **€72.5 million** against €44.5 million for the first nine months of 2012, and represent 39.5% of the Group's total **earnings before interest, tax, depreciation and amortisation (EBITDA)**.

With cutting-edge modern and energy-efficient power plants now in full operation, the Group is eagerly anticipating the developments which, based on the EU framework of operation, will accelerate the deregulation of the electricity market, such as the recent changes to the regulatory framework (increase of Capacity Certificates Payments, gradual abolishment of the variable cost recovery mechanism).

For the immediate future, the Group will continue to focus on the generation of positive cash flows and on strict cost controls, further strengthening its extrovert profile.

For more details, 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 €1.5 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**.*