

Press Release

25/11/2015

Financial Results for the Nine Month Period of 2015 STRONG RESISTANCE IN THE FACE OF A NEGATIVE DOMESTIC AND INTERNATIONAL ENVIRONMENT

In the nine month period of 2015, MYTILINEOS Group **continues to post satisfactory results, despite** pressures from **the weak financial domestic environment, the negative developments in the global commodities market** and the **delays in investments for new energy projects as a result of geopolitical developments** in various markets. Acknowledging these challenges, the Group has taken **timely steps to adapt its strategy** accordingly focusing on strict cost controls, on ensuring increased liquidity, on strengthening the competitiveness of its Metallurgy and Energy Sectors, as well as on METKA's further penetration in new global markets with high growth rates.

In particular, the Group's **turnover** in the nine month period of 2015 stood at **€884.4 million**, from €927.6 million for the same period in 2014 (down 4.7%). **Earnings before interest, tax, depreciation and amortisation (EBITDA)** stood at **€150.3 million**, from €184.1 million for 9M-2014 (down 18.3%), with **net profit after tax and minority rights** standing at **€34.9 million**, down 22.4% from €44.9 million for the previous year.

The Group's results for the nine month period of 2015 are adversely affected by several external factors that have had a negative impact on its three activity sectors. More specifically, the timing in the execution of contracts had a temporary effect on the performance of METKA in Q3-2015. In parallel, the sharp drop in the prices for commodities and basic metals in particular, after Q1-2015, affects negatively the Metallurgy Sector. Finally, the delays in the completion of the domestic energy policy which had been expected in the previous months, have held back the growth potential of the Energy Sector. Especially the delay in the introduction of a new capacity assurance mechanism resulted in the non-payment to the Group of €44.6 million representing the fees for the Capacity Availability Certificates (CACs) for the entire year. It is pointed out that according to the recent decision of the competent Ministry, the CAC compensation mechanism will come back into force as of January 2016.

As regards the performance of the Group's individual activity sectors, the **Metallurgy & Mining Sector**, despite its reduced performance in Q3-2015, emerged as the strongest performer compared to the previous year. More specifically, the Sector's turnover stood at **€421.0 million** against €344.0 million in 2014, posting a 22% increase. **Earnings before interest, tax, depreciation and amortisation (EBITDA)** stood at **€85.9 million**, against €55.0 million for the same period in 2014.

MYTILINEOS Holdings S.A.

5-7 Patroklou Street, 151 25 Maroussi

Tel.: 210 77 300

Fax: 210 77 400

Email: info@mytilineos.gr

Website: www.mytilineos.gr

This performance is considered quite satisfactory, as it is achieved **during a period characterised by particularly low prices for Aluminium**, as developments in emerging economies, especially in China, affect adversely the markets for metals. In particular, **Q3-2015 saw the "all-in" prices for Aluminium dropping by 20% compared to 1H-2015, to reach new 6-year lows**. On the other hand, the decline in oil and Natural Gas prices and, most importantly, the strengthened performance of the US Dollar against the Euro, have a boosting effect on results, especially for fully vertically integrated producers such as Aluminium of Greece. In the light of the severe pressures brought on by these developments in the global markets, the Group is continuing its efforts for a new, drastic streamlining of its cost structure by launching the "Excellence" Programme, in the wake of the MELLON Programme that had preceded (2013-2014). The successful conclusion of the "Excellence" Programme, scheduled for completion by the end of 2016, will see Aluminium of Greece achieving cost levels that will make it directly competitive to the most cost-efficient plants globally, also creating the conditions that will help avoid further turbulence during the current deep crisis and put in place the foundations for its future long-term growth.

The **EPC Projects Sector** had a lower performance, with **METKA** posting a **turnover of €338.3 million** for the nine month period of 2015, against €468.3 million for the same period in 2014. **Earnings before interest, tax, depreciation and amortisation (EBITDA)** stood at **€52.2 million**, down from €78.3 million for the same period in 2014. **Net profit after tax and minority rights** stood at **€30.5 million**, against €67.4 million for 9M-2014. The decline in METKA's results is considered to be a temporary one. The company's continuous branching out into new products, with the establishment of METKA-EGN, active in the growing global solar power market, being a recent such example, coupled with its penetration to new geographical regions of increased interest, such as the Sub-Saharan Africa, are expected to yield immediate results, from Q4-2015 onwards.

The **Energy Sector** posted a **turnover of €130.5 million** for the nine months of 2015, against €121.9 million for the same period in 2014. **Earnings before interest, tax, depreciation and amortisation (EBITDA)** stood at **€13.3 million** against €57.8 million for the 9M-2014, a drop due almost exclusively to the delay in the introduction of the new capacity assurance mechanism expected for 2015 and, consequently, to the inability to collect the fee for the capacity made available to the national grid by the Group's power plants the year. In contrast, the decline in Natural Gas prices, combined with the high efficiency of the Group's units and its ability to purchase Natural Gas from the LNG market, drove up its production of electricity by 14% during the nine month period of 2015. The expected further decline in the prices for natural gas in the months to follow and the finalisation of the framework for the operation of the market will strengthen the prospects for a quicker increase of the Group's current share of the wholesale and retail electricity market, which is a key strategic goal for Protergia.

Despite the externalities and the absence of an integrated energy and industrial policy, the Group's financial performance in the nine-month period of 2015 **confirms that its differentiation strategy at the level of business activities and markets continues to offer protection** against the challenges posed by the adverse domestic and international environment. In parallel, the Group's capacity to successfully absorb the pressures brought on by the current juncture is indicative of its momentum and serves as the basis for the improvement of its financial performance in the months to follow.

For more details, please contact:

Mrs Elli Gardiki, Senior Communication Officer – Press Office, Tel.: 210 6877489 2437, Fax: 210 6877400, e-mail elli.gardiki@mytilineos.gr

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.

MYTILINEOS Holdings S.A.

5-7 Patroklou Street, 151 25 Maroussi

Tel.: 210 77 300

Fax: 210 77 400

Email: info@mytilineos.gr

Website: www.mytilineos.gr