HOLDINGS

MYTILINEOS

Annual Financial Report for the period from the 1st January to the 31st of December 2009

According to article 4 of L. 3556/2007

CONTENTS

HOLDINGS MYTILINEOS

A. Representation of the Members of the Board of Directors

(according to article 4 par. 2 of L.3556/2007)

The

a. Evangelos Mytilineos, Chairman of the Board of Directors and Chief Executive Officer

b. Ioannis Mytilineos, Vice - Chairman of the Board of Directors

c. George Kontouzoglou, Member of the Board of Directors

CERTIFY

a. the enclosed financial statements of "MYTILINEOS HOLDINGS S.A." for the period of 1.1.2009 to 31.12.2009, drawn up in accordance with the applicable accounting standards, reflect in a true manner the assets and liabilities, equity and results of "MYTILINEOS HOLDINGS S.A.", as well as of the businesses included in Group consolidation, taken as a whole

and

b. as far as we know, the enclosed report of the Board of Directors reflects in a true manner the development, performance and financial position of "MYTILINEOS HOLDINGS S.A.", and of the businesses included in Group consolidation, taken as a whole, including the description of the principal risks and uncertainties.

Maroussi, 30 March 2010

The designees

Evangelos Mytilineos	Ioannis Mytilineos	George Kontouzoglou
Chairman of the Board of Directors & Chief Executive Officer	**Vice - Chairman of the Board of Directors**	**Member of the Board and of Directors**

B. Independent Auditor's Report

To the Shareholders of **MYTILINEOS HOLDINGS S.A.**

Report on the Financial Statements

We have audited the accompanying financial statements of the Company MYTILINEOS HOLDINGS S.A. as well as the consolidated Financial Statements of the Company and its subsidiaries, which comprise the individual and consolidated Statement of Financial Position as at December 31, 2009, and the Statement of Comprehensive Income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these individual and consolidated financial statements in accordance with International Financial Reporting Standards as adopted by European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these individual and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the individual and consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the individual and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the individual and consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the individual and consolidated financial statements present fairly, in all material respects, the financial position of the Company and its subsidiaries as at December 31, 2009, and the financial performance and cash flows of the Company and its subsidiaries for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Emphasis of matter

Without qualifying our opinion, we would like to draw your attention to the following: As disclosed in note 6.35 of the Financial Statements, Group's subsidiary company "ALUMINUM OF GREECE S.A.'', disputes in total the electricity pricing that PPC has enforced since July 2008 by virtue of the relevant Ministerial decree (Ministry of Development) regarding the determination of high voltage customers invoice. Following the relevant decision of the Arbitration Court, the two parties initiated negotiations, concerning the terms under which PPC will supply "ALUMINUM OF GREECE S.A.'' with electric power that will cover the needs of the company, as well as the settlement of their relations for the period as from 1/7/2008 to the final agreement date. Any contingent liabilities (beyond already formed provision) or assets that may result from the final settlement of this dispute, cannot be reliably assessed at the moment.

Report on Other Legal and Regulatory Requirements

We verified the agreement and correspondence of the content of the Board of Directors' Report with the above mentioned Financial Statements, in the context of the requirements of Articles 43a, 107 and 37 of Law 2190/1920.

Athens, 30 March 2010

The Chartered Accountant	The Chartered Accountant
George Deligiannis	**Manolis Michalios**
SOEL Reg. No 15791	**SOEL Reg. No 25131**

GrantThornton

Chartered Accountants Management Consultants
56, Zefirou str., 175 64, Palaio Faliro, Greece
Registry Number SOEL 127

C. Annual Board of Directors Management Report

Board of Directors Annual Management Report

This report summarizes financial information for the Group and the Company "MYTILINEOS HOLDINGS S.A." for the period ended 31 December 2009, significant events during that period and their effect on the interim financial statements. It also presents the main risks and uncertainties that the Group companies may face till the end of the year and significant related party transactions.

The report was prepared according to the provisions of L.2190/1920, L. 3556/2007 and the resolution 7/448/11.10.2007 of the Board of the Hellenic Capital Committee.

I. General Review 2009

The year 2009 began with the global economy in deep recession. Hectic consultations between the political leaders of the world's strongest economies resulted in coordinated interventions towards fiscal expansion, in order to halt the recession cycle and bring the global economy back on course for recovery. At the same time, the central banks on both sides of the Atlantic proceeded to emergency measures, intervening directly in the levels of the quantity of money and enhancing liquidity. These coordinated fiscal and monetary measures led to positive results and the end of the first quarter of the year saw a reversal of the economic climate, accompanied by a strong upward response from the markets.
The global economy may have entered a phase of economic recovery, but the excessive debts and deficits accumulated in state budgets have now become the new source for concern. Greece entered recession with considerable delay and is the focus of worldwide attention, as it is called upon to service a public debt that exceeds 100% of its GDP while at the same time taking the actions needed to curtail expenditure in order to reduce its public deficit.
Despite the adverse economic environment, the Group during 2009 proved to be resilient, taking full advantage of its successful risk-hedging policy, and succeeded in

posting positive results while remaining profitable. The end of the global economic crisis finds the Group financially robust and fully capable of playing a central part in Greece's efforts for economic recovery.

The developments concerning each one of the Group's activity Sectors are presented in detail in the following.

Metallurgy and Mining Sector

2009 has been a year of global economic recession; many compare the current economic environment to the 1930 Great Depression. Central Banks and governments take serious measures that added enormous liquidity to the market and at the same time reduced possible defaults to the financial sector.
Aluminium prices declined approximately 60% since their June 08 highs, and remained well below their long run historical average. Aluminium fundamentals were the weakest of all non-ferrous metals group. Demand for the metal was down 8.2% y-o-y and production decreased 5.9% y-o-y
LME stocks build continued at an unrelenting pace and at some point within the year, it reached on the average about 20Kt per day. As demand deteriorated across the globe producers did not respond with the same pace of reductions in production, even though the primary aluminium price traded, during 1Q09, below the marginal cost of production, for a high percentage of world's smelters.
The price gained some support after the announcement that the Chinese State Reserve Bureau started restocking. The local aluminium price has been pressured upwards in comparison to the LME price (causing arbitrage opportunities), which in turn encouraged imports, thus creating a technical support to the price, even though that the rate of the stock build has not declined (i.e providing evidence that more production cuts were needed in order to bring the market to an equilibrium). The Chinese government, in order to support its industrial output, as well as its employment, allowed local smelters to secure bargain power contracts.
Following a particular week 1Q09, Aluminium price posted strong returns. Although inventories continue to be at high levels, as a result of the collapse in demand, long term financing deals have become attractive both to traders and producers. It has

been calculated that about 70%-75% of total inventories have been tight up to such financing deals, thus causing an apparent tightening in the physical market due to lack of spot metal.

EPC Sector (Construction)

Despite the adverse conditions throughout last year, 2009 has been a year of success and challenges for the Company and the Group. The Group through its subsidiary METKA is the leading and most specialized EPC Constructor in Greece. The Management's strategic choices bear already fruits, securing the strong presence of METKA at the local market and at the same time developing its international operations, aiming at a balanced model of activity and development.

In 2009 METKA GROUP under the negative economic environment had to deal extensions in the procedure of agreements and to sign new contracts and also delays on completion for others which was not under its control. Despite the above mentioned, and expanded in competitive markets abroad with a historic record value of pending construction contracts amounting to 2bil. €. the Company manage to proceed on the construction and to bring positive results.

Energy Sector

During the financial year 2009, MYTILINEOS HOLDINGS S.A., in the framework of its broader investment planning in the energy sector, made a series of business moves aimed at further strengthening its position. More specifically:

The year 2009 saw the entry into trial operation of the 334 MW natural gas fired cogeneration station in the ALUMINIUM S.A. facilities in Viotia.

On 14.04.3009 a joint venture agreement was concluded with MOTOR OIL (HELLAS) CORINTH REFINERIES S.A. for the joint construction, operation and exploitation of a combined cycle, natural gas fired power station with a capacity of around 437 MW within the MOTOR OIL facilities in Ag. Theodori, Corinthia. The agreement was concluded with the acquisition through a share capital increase by

MYTILINEOS HOLDINGS S.A., through its wholly-owned subsidiary ARGYRITIS GEA S.A., of a 65% stake in KORINTHOS POWER S.A., which currently holds the licences for the above station, with MOTOR OIL S.A. retaining a 35% stake in the Company. The increase of the Company's share capital, amounting to 59.4 million Euro, was fully subscribed by MYTILINEOS HOLDINGS S.A. on 15.04.2009, through ARGYRITIS GEA S.A. Construction of the new combined cycle station was undertaken by METKA S.A., a subsidiary of MYTILINEOS HOLDINGS S.A. The project schedule foresees completion of the station's construction in 28 months, i.e. within 2011.

Seeking to ensure the steady growth of its RES portfolio, MYTILINEOS HOLDINGS S.A. submitted 17 applications for production licences, totalling an estimated installed capacity of 320 MW. For many of them, MYTILINEOS HOLDINGS S.A. has already secured a positive opinion from the Regulatory Authority for Energy (RAE). At the same time, MYTILINEOS HOLDINGS S.A. has incorporated into its RES portfolio the four (4) wind parks, with a total installed capacity of 18.6 MW in the Evia region, which it acquired from Dong Energie E2 in November 2008.

The end of the year saw the first joint effort by the MYTILINEOS and MOTOR OIL Groups for importing a Liquefied Natural Gas (LNG) shipment. This effort, however, did not lead to a successful outcome, as the Hellenic Gas Transmission System Operator (HGTSO), under the pretext of its inability to interpret an otherwise quite clear Ministerial Decision, obstructed the collection of the shipment from the Revithousa LNG Terminal. Nevertheless, the first significant step was made, as the decisions needed at the institutional level were made, and all that remains to be done now in order to achieve full market liberalisation and smooth LNG imports is the conclusion of formalities. This innovative initiative to import LNG served as a trigger for actions that were pending since 2005. The successful conclusion of this venture will only result in benefits for the Greek economy, for the interests of the consumers who stand to gain from more economic production processes, as well as for the HGTSO itself, whose interests are served by the broadening of its supplier base and the more efficient use of public facilities.

The effect on the Group's Sales, EBITDA and net profitability for 2009, comparing to last year is presented bellow:

A. SALES

Amounts in mil. €	Variance Analysis
Turnover 2008	**929,1**
Effect from:	
Organic $/€ eff.	36,7
Volumes	-24,4
Premia & Prices	-9,6
LME	-41,7
Other	-0,2
Energy	3,2
Zn-Pb discontinued operation	0,0
Zn-Pb commercial activity	-124,3
EPC	-106,9
Turnover 2009	**661,8**

B. EBITDA

Amounts in mil. €	Variance Analysis
EBITDA 2008	**109,5**
Effect from:	
Organic $/€ eff.	30,1
For.Curr.Transl.	6,4
Fuel Oil	49,0
Volumes	-29,1
Freight & Logistics	8,7
Premia & Prices	-9,6
Opex & R/M	17,4
LME	-41,7
EPC	-4,8
Electricity	-6,6
CC	-1,4
Steel	-0,4
Energy Sector	1,9
Zn-Pb discontinued operation	-6,1
Zn-Pb commercial activity	-4,4
EBITDA 2009	**118,9**

C. Net Profit after minorities

Amounts in mil. €	Variance Analysis
Net Profit after Minorities 2008	**18,49**
Effect from:	
Operating Results (EBIT)	-5,9
One - off Financial results	-10,3
Net Financials	12,9
Share in Associates Results	-4,8
Minorities	6,4
Discontinued Operations	-1,9
Taxes	-1,2
Net Profit after Minorities 2009	**13,7**

The Group's policy is to monitor its performance on a month to month basis thus tracking on time and effectively the deviations from its goals and undertaking necessary actions. The group evaluates its financial performance using the following generally accepted Key Performance Indicators (KPI's).

-**EBITDA (Earnings Before Interest, Taxes, Depreciation & Amortization):** The Group defines "EBITDA" as Operating results before depreciation, amortization, financial and investment results and before the effects of any special factors such as:
a) the share in the EBITDA of associates when these are active in one of the Group's reported Business Sector and
b) the effects of eliminations of any profit or loss from transactions of the Group with subsidiaries and associates when these are active in one of the Group's reported Business Segments.

-**ROCE (Return On Capital Employed):** this ratio divides EBIT with the total Capital Employed if the Group which is the sum of Equity, Total of Bank Loans and Long Term Provisions.

- ROE (Return On Equity): this ratio divides Earning After Tax(EAT) with the Group's Shareholders' Equity.

- EVA (Economic Value Added): this figure is calculated by multiplying the difference of ROCE and Cost of Capital with the Capital Employed as defined above and reflects the amount added to the economic value of the firm. In order to calculate the Cost of Capital the group uses the WACC formula.

The above indicators for 2009 as compare with 2008 are as follows:

	2009	2008
EBITDA (Group)	**118,9**	**109,5**
ROCE	**8%**	**9%**
ROE	**2%**	**4%**
EVA (in mil. Eur)	**7**	**6**

II. Significant information

During the reporting period, the Group proceed to the following:

The subsidiary company "ALUMINION S.A.” (hereinafter called the “Subsidiary”) has filed a lawsuit against the Public Power Company (PPC) (hereinafter called the “Supplier”) regarding the validity of the termination of the initial electricity supply contract by the latter. In addition, "ALUMINION S.A." disputes the validity of the increase of electricity supply prices enforced by the Supplier in July 2008 by virtue of the relevant Ministerial decree (Ministry of Development) regarding the abolishment of regulated invoices for the high voltage customers and the obligation of the Supplier to negotiate with said customers subject to a ceiling of a 10% increase on the effective up to 30/6/2008 invoice.

More specifically the Subsidiary disputes the electricity pricing from the Supplier in total as it has not resulted from any negotiations, as provided by the Ministerial decree, while ιin effect it is a variation of the already revoked former industrial tariff with a flat 10% increase. Moreover, the position of the Subsidiary is as such:

- it disputed from the very beginning the unilaterally imposed 10% increase, requesting the issuance of a credit note form the Supplier. Following the

Supplier's reluctance to issue such an invoice the Subsidiary proceeded with the issuance of such credit note itself.

- it accepted with reservations the rest of the invoiced amount acting in good faith and for a transitional period until the final conclusion of the negotiations that the two parties should have entered into. However, as the reasonable time for the two parties to enter in negotiations had elapsed, the Subsidiary disputes actively the total of the invoice.

Moreover, the Subsidiary and the Supplier, following respective BoD decisions, referred the resolution of the above-mentioned dispute to Arbitration before the President of the Supreme Court of Greece to resolve on the interpretation of the relevant Ministerial Decree. More specifically, whether the 10% increase over the former tariff, has been legally imposed, without prior negotiations of the parties involved, as well as whether the Supplier had the right and/or the obligation to enter into negotiations with the Subsidiary regarding the terms of their power supply contract, especially referring to the pricing mechanism, with the cap of a price equal to the former tariff increased by 10% and without any floor.

In compliance with the contents of the Arbitration Court Ruling issued on 25.02.2010 - between the Greek "Public Power Corporation (PPC) S.A." and "ALUMINIUM S.A."-, the 100% subsidiary "ALUMINIUM S.A." will enter into negotiations with the PPC S.A. under the principles of good faith and commercial values. The aim of the negotiations which commenced on the 23rd March 2010 will be to reach an agreement of the terms under which PPC will supply electricity power to ALUMINIUM S.A. to cover fully or partly the needs of our subsidiary and to settle the transactions between the two parties for the period from 01.07.2008 to the date of the final agreement.

Considering the aforementioned Ministerial decree along with the above Court Ruling, the Management of ALUMINIUM S.A. estimated the maximum contingent liability towards PPC for the period 01.07.2008 – 31.12.2009 and was posted as a provision in the results of the period.

The cumulative difference resulted between the issuance of the invoices by the supplier and the recorded provision for the period 01.07.2008 – 31.12.2009 amounts to 21,3 mil €, of which 8,1 mil € relate to 2008 and 13,2 mil € relate to the period 01.01.- 30.06.2009.

Any contingent liabilities (beyond the provision) or assets that may result from the final decision of the arbitration cannot be reliably assessed at the moment.

On 26 January 2009 the General Assembly of the Shareholders of the subsidiary Sometra S.A. resolved to the temporary suspension of the production activity of the Zinc-Lead production plant in Copsa Mica, Romania, and to drastically reduce the number of personnel. This decision was considered necessary due to the extremely adverse conditions that prevail in the international markets for metals in combination with the lack of raw materials for the production of zinc, after the world's only bulk concentrate mine stopped operating. It is noted that the price of zinc in London's Metal Exchange (LME) registers an all-time record low of only 1,100 USD/ton, down from 4,000 US/ton in early 2008.

MYTILINEOS S.A. contributed its 20% participation in each one of the companies ANEMORAHI S.A., ANEMODRASI S.A. and KATAVATIS S.A. to its 100% subsidiary MOVAL S.A. and the latter acquired respectively the remaining 80%. The recognized goodwill at Group level amounted to €5,76 mil as presented in the table below:

On 14.04.2009 MYTILINEOS HOLDINGS S.A. completed the joint venture agreement with MOTOR OIL (HELLAS) CORINTH REFINERIES S.A. for the joint construction, operation and exploitation of a 400 MW approximately combined cycle, gas turbine power plant within the MOTOR OIL facilities in Ag. Theodori (Corinthia). The agreement was completed with the acquisition by MYTILINEOS HOLDINGS S.A., through its 100% subsidiary "ARGYRITIS GEA S.A.", of a 65% stake in KORINTHOS POWER S.A., which currently holds the licences for the above power plant, through a share capital increase, with MOTOR OIL S.A. retaining a 35% stake in the Company. The increase of the Company's share capital amounted to 59.4 million Euro and was fully subscribed by MYTILINEOS HOLDINGS S.A., through "ARGYRITIS GEA S.A.", on 15.04.2009. The construction of the new combined-cycle gas turbine power plant is undertaken by METKA S.A., a subsidiary of MYTILINEOS HOLDINGS S.A. According to the construction schedule, construction of the plant will be completed in 28 months, i.e. within 2011. The total investment amounts to 285 million Euro. The recognized goodwill at Group level amounted to €20,8 mil.

On 25.6.2009 the contract for the construction of a thermal power plant in Damascus - Syria was signed between the Syrian Arab Republic and the ANSALDO Energia/METKA Consortium, with METKA as Leader. The project concerns engineering, procurement, construction and commissioning of a natural gas fired power plant of 700MW. The participation shares in the project are ANSALDO Energia with 25% and METKA with 75%. METKA, as the Consortium Leader, shall invoice to the client the entire project value on behalf of the Consortium. The contract value amounts to €640,032,609 plus SYP 724,034,823 (around €11,000,000 at the current exchange rate).

On 28.09.2009, the B.o.D of the 100% subsidiary "MOVAL S.A." resolved to the merger with its 100% subsidiaries "ENERGI E2 AIOLIKI S.A." and "ENERGI E2 KARYSTIA S.A.".

On the 30th of October, METKA S.A. and RWE & Turcas Güney Elektrik Uretim A. Ş. have signed an EPC contract for the construction of a natural gas fired combined cycle power plant with a net power output of 775 MW near Denizli, Turkey. METKA's scope represents an amount of approximately € 450 million and the commercial operation of the plant is planned for the end of 2012.

On 31 December 2009, the Extraordinary General Meeting of the shareholders of "ALUMINION S.A." resolved to the recalling of the plan for the de-merger of "ALUMINION S.A." by the merger of its assets and liabilities with the companies "ALUMINION OF GREECE S.A." and "ENDESA HELLAS S.A." Since the de-merger will not be concluded by the 31 December 2009, a time period of more than 24 months will lapse and the financial results of the years 2008 and 2009 will be included in financial year 2010. Consequently, the de-merger will be legally considered cancelled (POL 1080/05.04.94 Directive of the Ministry of Finance). For those reasons, the Board of Directors of "ALUMINION S.A." resolved: a) to recall the 27.6.2008 resolution of the B.o.D of the company concerning the de-merger of the company and b) to recall the 18.9.2008 resolution of the B.o.D of the company concerning the approval of the De-merger Plan of "ALUMINION S.A.".

III. Prospects for the forthcoming year (2010)

Metallurgy and Mining Sector

In 2010, long term financing deals will remain attractive for both traders and producers and in particular, some institutions will seek opportunities to increase their exposure to such deals (financing deals), depending on the shape of the forward curve, and providing that interest rates remain at current low levels. This is expected to continue support the price in 2010 (especially in the first two quarters), since it will keep metal away from the market.

A rise in aluminium consumption is expected in 2010 (8% - 9% y-o-y) as US residential and automotive markets start to improve and manufacturing restocking is already underway. The latter is also expected in China, where the increased demand may climb up to 13% y-o-y.

On the other hand supply will play a key role in 2010. The continued increased capacity in China adds up to the global supply. In conjunction to the western world inventories being tight up in financing deals, new capacity growth in Middle east and in India add up to global supply. The production balance is expected to be at the level of 1 Mt to 1.50 Mt.

Therefore, the event that the financing deals may not be renewed later on in 2010 and in combination with the increased capacity of Middle East and India, could once again, lead to a downward pressure to the price, milder though than that experienced during the beginning of last year.

Energy Sector

On 17.03.2010 MYTILINEOS HOLDINGS S.A. and ENDESA S.A. have reached an agreement for the acquisition of 50.01% of the share capital held by ENDESA S.A. in the joint company ENDESA HELLAS PRODUCTION AND TRADE OF ELECTRICAL POWER S.A.

The total price to be paid by MYTILINEOS HOLDINGS S.A. for the acquisition of 50.01% of ENDESA HELLAS amounts to €140 million, and will be paid in instalments scheduled until 1 July 2012. At the same time, ENDESA S.A. will acquire one wind park and three hydropower plants with a total installed power generation capacity of around 14 MW, which belong to the ENDESA HELLAS portfolio, for a price of €20 million. Upon completion of the above procedure, MYTILINEOS HOLDINGS S.A. will become the sole shareholder of ENDESA HELLAS, with 100% of the company's share capital in its possession.

The reversal of the situation, initially by the acquisition of Endesa by Enel and Acciona, but also by the change of strategy of Enel (which holds a 92% stake in Endesa) which, in order to reduce its levels of borrowing decided to sell regional European assets, led the Italians to disinvest from Endesa Hellas. The aforementioned agreement increases the visibility of the Group's plans and allows it to proceed quickly with its plans concerning the production of electrical power.

The above development confirms the commitment of MYTILINEOS HOLDINGS S.A. to its overall business planning in the energy sector, and is one more step towards the creation of the largest private energy producer in Greece, with a portfolio comprising 1.2 GW from thermal stations in trial operation and/or construction stages, coupled with RES projects representing a total installed capacity of 35 MW in operation and 1.4 GW in various stages of development.

The Group's ambitious investment plan is proceeding at a quick pace, as its second facility, a 444 MW combined cycle power station in Agios Nikolaos, is now in an advanced construction stage. Construction of the Group's third facility, a 437 MW power station in Ag. Theodori, is already under way in collaboration with MOTOR OIL.

All the above activities help bring closer the Group's goal of an installed operational capacity of more than 1,800 MW by 2013, which will allow the Group to make a significant contribution towards a solution to the problem of deficits in the power supply system and to help reduce electricity imports which are expensive for Greece.

Finally, MYTILINEOS HOLDINGS S.A., in collaboration with MOTORL OIL, remains committed to the efforts towards liberalisation of the market for natural gas. Developments in the global market for energy and natural gas are shaping a range of options regarding the methods and terms for the supply of natural gas by third parties, in addition to the Public Gas Corporation (DEPA).

It should be noted than in March 2010 the Ministry for the Environment, Energy & Climate Change approved the Administration Regulation of the National Natural Gas System (NNGS), which lays down the rules that will govern access to the national pipeline system of all suppliers and/or consumers of natural gas wishing to cover their needs by selecting a third-party domestic or foreign supplier. This development provides MYTILINEOS HOLDINGS S.A. with the desired flexibility regarding the design and implementation of its strategy regarding the supply of natural gas, so that it may further improve the efficiency of its natural gas fired thermal power stations.

EPC Sector

Although the global economy shows some signs of recovery, Greece faces a grave situation and shows signs of deterioration, 2010 will be a survival year. The investment climate in Greece is negative and expected retirement of many foreign companies from the country.

However, the Group is expected to show satisfactory results for the 2010 as:

- There is significant unfinished remainder from the already undertaken and the contracted projects up to a maximum of € 2.020 million.
- The design and construction of electric power plants will be realized in middle - long term perspective.
- It continues its stable growth path both in local and international markets.
- Takes good care that the finance of the projects will be at the maximum extend from equity capitals that results to reduce of its dependence on bank lending.

METKA is actively pursuing its operations in Greece and abroad, while also expanding dynamically to competitive markets abroad, carrying out EPC contracts for 7 major projects. In particular, implementation of the contracts is progressing for the projects of ENDESA HELLAS in Agios Nikolaos (contract value: €232 million), OMV PETROM in Romania (contract value: €210 million), KORINTHOS POWER in Ag. Theodori (contract value: €285 million), while in 2010 will commence the project of RWE & Turcas Güney Elektrik Uretim A.Ş in Turkey (contract value: €450 million), the project of Syria (contract value: €650 million), the project of the construction of a cogeneration plant in Samsun, Turkey (contract value: €199.9 mil plus $172.3 mil) and the project of the construction of the "Patriot" air-defense systems (contract value: €51,6 million).

The Strategy for the Group

In a constantly changing economic environment, sustained high liquidity ensures smooth continuation of investments in all areas of business activity. Relying on its highly skilled human resources, substantial assets and financial robustness, the Group aims to secure its stable organic growth in the broader region of SE Europe, N. Africa and the Middle East, focusing on bringing into play the considerable synergies between the key areas of business activity and seeking to ensure their balanced development.

A core choice for growth is the goal to take advantage of the opportunities opened up by the liberalisation of the energy market in Greece. The investment plan of the Group, with investments worth more than €1 billion planned for the next three years, is key to realising the Group's vision of creating the largest independent producer of electrical power in the country.

IV. Business Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and price risk), credit risk, liquidity risk, cash flow risk and fair value interest-rate risk. The Group's overall risk management programme focuses on the unpredictability of commodity and financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge the exposure to certain financial risks.

Risk management is carried out by a central treasury department (Group Treasury) under policies approved by the Board of Directors. Group Treasury operates as a cost and service centre and provides services to all business units within the Group, co-ordinates access to both domestic and international financial markets and manages the financial risks relating to the Group's operations.

Credit Risk

The Group has no significant concentrations of credit risk with any single counter party. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale customers, including outstanding receivables and committed transactions.

The tables below summarize the maturity profile of the Group's financial assets as at 31.12.2009 and 31.12.2008 respectively:

	MYTILINEOS GROUP					
	Past due but not impaired					
Liquidity Risk Analysis - Trade Receivables (Amounts in thousands €)	0-3 months	3-6 months	6-12 months	> 1 year	Non past due but not impaired	Total
2009	92,887	517	1,474	4,688	208,974	308,540
2008	12,163	1,572	1,945	2,373	232,263	250,315

Liquidity Risk

Liquidity risk is related with the Group's need for the sufficient financing of its operations and development. The policy of the Group is to minimise interest rate cash flow risk exposures on long-term financing. Liquidity risk is managed by retaining sufficient cash and immediately liquidated financial assets as well as sufficient credit lines with Banks and Suppliers in relation to the required financing of operations and investments.

The tables below summarize the maturity profile of the Group's liabilities as at 31.12.2009 and 31.12.2008 respectively:

	MYTILINEOS GROUP				
Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2009	**up to 6 months**	**6 to 12 months**	**1 to 5 years**	**after 5 years**	**Total**
Long Term Loans	-	-	522,046	-	522,046
Short Term Loans	90,547	37,459	-	-	128,006
Leasing liabilities	28	-	-	-	28
Trade and other payables	278,098	72,742	4,045	-	354,886
Other payables	17,403	5,608	-	-	23,011
Total	386,076	115,810	526,092	-	1,027,977

	MYTILINEOS GROUP				
Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2008	**up to 6 months**	**6 to 12 months**	**1 to 5 years**	**after 5 years**	**Total**
Long Term Loans	-	-	311,195	-	311,195
Short Term Loans	27,388	72,567	0	-	99,954
Leasing liabilities	47	28	28	-	103
Trade and other payables	116,328	25,250	0	-	141,579
Other payables	18,909	3,403	-	-	22,312
Total	162,671	101,248	311,223	-	575,143

Market Risk

Price Risk

The Group's earnings are exposed to movements in the prices of the commodities it produces, which are determined by the international markets and the global demand and supply.

The Group is price risk from fluctuations in the prices of variables that determine either the sales and/or the cost of sales of the group entities (i.e. products' prices (LME), raw materials, other cost elements etc.). The Group's activities expose it to the fluctuations of the prices of Aluminium (AL), Zinc (Zn), Lead (Pb) as well as to Fuel Oil as a production cost.

Foreign Exchange Risk

The Group is activated in a global level and consequently is exposed to foreign exchange risk emanating mainly from the US dollar. This kind of risk mainly results from commercial transactions in foreign currency as well as net investments in foreign entities. For managing this type of risk, the Group Treasury Department enters into derivative or non derivative financial instruments with financial institutions on behalf and in the name of group companies.

Interest rate risk

Group's interest bearing assets comprises only of cash and cash equivalents. Additionally, the Group maintains its total bank debt in products of floating interest rate. In respect of its exposure to floating interest payments, the Group evaluates the respective risks and where deemed necessary considers the use of appropriate interest rate derivatives. The policy of the Group is to minimise interest rate cash flow risk exposures on long-term financing.

Effect from risk factors and sensitivities analysis

The effect from the above mentioned factors to Group's operating results, equity and net results presented in the following table:

			2009			2008		
		Sensitivity	*Effect on EBITDA*	*Effect on Profit after Tax*	*Effect on Equity*	*Effect on EBITDA*	*Effect on Profit after Tax*	*Effect on Equity*
LME AL (Aluminium)	$/tn	+ - 50$/tn	+ - 2mio €	+ - 2mio €	+ - 0mio €	+ - 1,44mio €	+ - 1,44mio €	+ - 8,07mio €
LME Zn (Zinc)	$/tn	+ - 50$/tn				- + 0.10mio €	- + 0.075mio €	- + 0.075mio €
LME Pb (Lead)	$/tn	+ - 50$/tn				+ - 0.20mio €	+ - 0.15mio €	+ - 0.15mio €
Oil	$/tn	+ - 50$/tn	- + 6.6mio €	- + 6.6mio €	- + 6.6mio €	- + 6.32mio €	- + 6.32mio €	- + 6.32mio €
Parity €/$		+ - 0.05	- + 6,54mio €	- + 6,46mio €	- + 6,46mio €	- + 15.65mio €	- + 15.65mio €	- + 15.65mio €

It is noted that an increase of five (5) basis points presume a decrease of 2.44 mil. € on net results and Equity.

The Group's exposure in price risk and therefore sensitivity may vary according to the transaction volume and the price level. However the above sensitivity analysis is representative for the Group exposure in 2009.

V. Other Information for the Group and the Company

Group Structure

Companies included in the consolidated financial statements and the method of consolidation are presented in the following table:

Name of subsidiaries, associates and joint ventures	Country of Incorporation	Percentage	Consolidation method
MYTILINEOS S.A.	Greece	Parent	
METKA S.A.	Greece	56,13%	Full
SERVISTEEL	Greece	56,12%	Full
E.K.M.E. S.A.	Greece	22,45%	Full
RODAX A.T.E.E.	Greece	56,13%	Full
ELEMKA S.A.	Greece	46,87%	Full
BRIDGE ACCESSORIES & CONSTRUCTION SYSTEMS S.A.	Greece	35,15%	Full
ENERGY CONSTRUCTION DEVELOPMENT WESTERN GREECE S.A.	Greece	56,13%	Full
EUROMETAL AGENCY S.A.	Greece	56,13%	Full
JV METKA-ETADE	Greece	56,13%	Full
DELFI DISTOMON A.M.E.	Greece	100,00%	Full
ALOUMINION S.A.	Greece	100,00%	Full
ALOUMINION OF GREECE S.A.I.C.	Greece	100,00%	Full
ELVO	Greece	43,00%	Equity
DEFENSE MATERIAL INDUSTRY S.A.-MYTILINEOS AND Co,	Greece	100,00%	Full
INDUSTRIAL RESEARCH PROGRAMS ''BEAT''	Greece	35,00%	Equity
GENIKI VIOMICHANIKI	Greece	Joint Management	Full
THORIKI S.A.I.C.	Greece	100,00%	Full
THERMOREMA S.A.	Greece	20,00%	Equity
KASTANIOTIKO S.A.	Greece	47,29%	Equity
POUGAKIA S.A.	Greece	47,54%	Equity
KALOMOIRA S.A.	Greece	20,00%	Equity
DELTA ENERGY S.A.	Greece	44,99%	Equity
FOIVOS ENERGY S.A.	Greece	44,99%	Equity
YDROXOOS S.A.	Greece	44,99%	Equity
PEPONIAS S.A.	Greece	28,12%	Equity
FTHIOTIKI ENERGY S.A.	Greece	15,75%	Equity
YDRIA ENERGY S.A.	Greece	44,99%	Equity
AIOLIKI MARTINOU S.A.	Greece	44,99%	Equity
ARGIRI ENERGY S.A.	Greece	44,99%	Equity
EN.DY. S.A.	Greece	44,99%	Equity
FOTINOS TILEMAXOS S.A.	Greece	44,99%	Equity
THESSALIKI ENERGY S.A.	Greece	44,99%	Equity
IONIA ENERGY S.A.	Greece	24,50%	Equity
ELECTRONWATT S.A.	Greece	5,00%	Equity
BUSINESS ENERGY S.A.	Greece	12,46%	Equity
ENDESA Hellas S.A.	Greece	49,99%	Equity
NORTH AEGEAN RENEWABLES	Greece	49,99%	Equity
MYTILINEOS HELLENIC WIND POWER S.A.	Greece	39,99%	Equity
AIOLIKI ANDROU TSIROVLIDI S.A.	Greece	40,09%	Equity
AIOLIKI NEAPOLEOS S.A.	Greece	40,09%	Equity
AIOLIKI EVOIAS PIRGOS S.A.	Greece	40,09%	Equity
AIOLIKI EVOIAS POUNTA S.A.	Greece	40,09%	Equity
AIOLIKI EVOIAS HELONA S.A.	Greece	40,09%	Equity
AIOLIKI ANDROU RAHI XIROKABI S.A.	Greece	40,09%	Equity
AIOLIKI PLATANOU S.A.	Greece	40,09%	Equity
AIOLIKI SAMOTHRAKIS S.A.	Greece	40,09%	Equity
AIOLIKI EVOIAS DIAKOFTIS S.A.	Greece	40,09%	Equity
AIOLIKI SIDIROKASTROU S.A.	Greece	40,09%	Equity
HELLENIC SOLAR S.A.	Greece	49,99%	Equity
SPIDER S.A.	Greece	49,99%	Equity
GREENENERGY A.E.	Greece	39,99%	Equity
BUSINESS ENERGY TPOIZINIA	Greece	24,50%	Equity
MOVAL S.A.	Greece	100,00%	Full
ARGYRITIS GEA S.A.	Greece	100,00%	Full
ANEMOSTRATA RENEWABLE ENERGY SOURCES S.A.	Greece	20,00%	Full
ANEMODRASI RENEWABLE ENERGY SOURCES S.A.	Greece	100,00%	Full
ANEMORAHI RENEWABLE ENERGY SOURCES S.A.	Greece	100,00%	Full
ANEMOSKALA RENEWABLE ENERGY SOURCES S.A.	Greece	20,00%	Full
KATAVATIS RENEWABLE ENERGY SOURCES S.A.	Greece	100,00%	Full
ENERGY E2 AIOLIKI S.A.	Greece	100,00%	Full
ENERGY E2 AIOLIKA PARKA KARYSTIAS S.A.	Greece	100,00%	Full
HORTEROU S.A. [1]	Greece	100,00%	Full
KISSAVOS DROSERI RAHI S.A.[1]	Greece	100,00%	Full
KISSAVOS PLAKA TRANI S.A.[1]	Greece	100,00%	Full
KISSAVOS FOTINI S.A.[1]	Greece	100,00%	Full
AETOVOUNI S.A.[1]	Greece	100,00%	Full
LOGGARIA S.A.[1]	Greece	100,00%	Full
KILKIS PALEON TRIETHNES S.A.[1]	Greece	100,00%	Full
KILKIS VIKROUNOS S.A.[1]	Greece	100,00%	Full
FERRITIS S.A.[1]	Greece	100,00%	Full
VYRILLOS S.A.[1]	Greece	100,00%	Full
OSTENITIS S.A.[1]	Greece	100,00%	Full
KORINTHOS POWER S.A.	Greece	65,00%	Full
RDA TRADING	Guernsey Islands	99,97%	Full
MYVEKT INTERNATIONAL SKOPJE	FYROM	95,01%	Full
MYTILINEOS FINANCE S.A.	Luxemburg	99,97%	Full
RODAX ROMANIA SRL, Bucharest [1]	Romania	46,87%	Full
METKA BRAZI SRL [1]	Romania	99,97%	Full
SOMETRA S.A.	Romania	99,97%	Full
DELTA PROJECT CONSTRUCT SRL	Romania	99,97%	Full
STANMED TRADING LTD	Cyprus	56,13%	Full
DROSCO HOLDINGS LIMITED	Cyprus	56,13%	Full
MYTILINEOS ELGRADO D.O.O.	Serbia	92,79%	Full

(1) Formed Subsidiaries for the period 1.1-31.12.2009

HOLDINGS
MYTILINEOS

Related Party transactions

The related party transactions mentioned below are on a pure commercial basis. The Group or any of its related parties has not entered in any transactions that were not in an arm's length basis, and do not intent to participate in such transactions in the future. No transaction had any special terms and there were no guarantees given or received.

In the tables below presented the intercompany transactions and balances between the Company, its subsidiaries and the BoD members for the fiscal year 2008 and the intercompany balances at 31.12.2009:

(Amounts in thousands €)		MYTILINEOS GROUP 31/12/2009	MYTILINEOS S.A. 31/12/2009
Stock Sales	ENDESA Hellas S.A.	26,095	-
Services Sales	METKA S.A.	-	7,498
Services Sales	ELEMKA S.A.	-	46
Services Sales	ELVO	112	112
Services Sales	DEFENSE MATERIAL INDUSTRY S.A.-MYTILINEOS AND Co.	-	1
Services Sales	ANEMODRASI RENEWABLE ENERGY SOURCES S.A.	-	1
Services Sales	ANEMORAHI RENEWABLE ENERGY SOURCES S.A.	-	1
Services Sales	ANEMOSKALA RENEWABLE ENERGY SOURCES S.A.	-	1
Services Sales	ANEMOSTRATA RENEWABLE ENERGY SOURCES S.A.	-	1
Services Sales	KATAVATIS RENEWABLE ENERGY SOURCES S.A.	-	1
Services Sales	ENERGY E2 AIOLIKI S.A.	-	801
Services Sales	ENERGY E2 AIOLIKA PARKA KARYSTIAS S.A.	-	801
Services Sales	DELFI DISTOMON A.M.E.	-	20
Services Sales	ALOUMINION S.A.	-	10,594
Services Sales	MOVAL S.A.	-	1
Services Sales	ARGYRITIS GEA S.A.	-	1,935
Services Sales	ΓΕΝΙΚΗ ΒΙΟΜΗΧΑΝΙΚΗ Α.Ε. ΑΜΥΝΤΙΚΟΥ ΥΛΙΚΟΥ	-	1
Services Sales	ΕΝΕΡΓΕΙΑΚΗ ΤΕΧΝΙΚΗ ΑΝΑΠΤΥΞΙΑΚΗ ΔΥΤΙΚΗΣ ΕΛΛΑΔΟΣ Α.Ε.(ΕΤΑΔΕ Α.Ε.)	-	19
Services Sales	ENDESA Hellas S.A.	704	628
Services Sales	POUGAKIA S.A.	1	-
Services Sales	THORIKI S.A.I.C.	-	214
Services Sales	CHORTEROU S.A.	-	1
Services Sales	KISSAVOS DROSERI RAHI S.A.	-	1
Services Sales	AETOVOUNI S.A.	-	1
Services Sales	KISSAVOS PLAKA TRANI S.A.	-	1
Services Sales	KISSAVOS FOTINI S.A.	-	1
Services Sales	LOGGARIA S.A.	-	1
Services Sales	CORINTHOS POWER S.A.	-	1
Services Purchases	ELVO	50	50
Services Purchases	STANMED TRADING LTD	-	347

(Amounts in thousands €)		MYTILINEOS GROUP 31/12/2009	MYTILINEOS S.A. 31/12/2009
Loans given to Related Parties	ENDESA Hellas S.A.	40,689	40,689
Balance from sales of stock/services receivable	METKA S.A.	-	8,914
Balance from sales of stock/services receivable	ELEMKA S.A.	-	7
Balance from sales of stock/services receivable	ELVO	538	11
Balance from sales of stock/services receivable	DEFENSE MATERIAL INDUSTRY S.A.-MYTILINEOS AND Co.	-	5
Balance from sales of stock/services receivable	ANEMOSKALA RENEWABLE ENERGY SOURCES S.A.	-	2
Balance from sales of stock/services receivable	ALOUMINION S.A.	-	3,196
Balance from sales of stock/services receivable	MOVAL S.A.	-	1,084
Balance from sales of stock/services receivable	ARGYRITIS GEA S.A.	-	60,864
Balance from sales of stock/services receivable	ΓΕΝΙΚΗ ΒΙΟΜΗΧΑΝΙΚΗ Α.Ε. ΑΜΥΝΤΙΚΟΥ ΥΛΙΚΟΥ	-	5
Balance from sales of stock/services receivable	BUSINESS ENERGY S.A.	14	14
Balance from sales of stock/services receivable	ΕΝΕΡΓΕΙΑΚΗ ΤΕΧΝΙΚΗ ΑΝΑΠΤΥΞΙΑΚΗ ΔΥΤΙΚΗΣ ΕΛΛΑΔΟΣ Α.Ε.(ΕΤΑΔΕ Α.Ε.)	-	115
Balance from sales of stock/services receivable	ENDESA Hellas S.A.	77,707	-
Balance from sales of stock/services receivable	FTHIOTIKI ENERGY S.A.	2,274	-
Balance from sales of stock/services receivable	THORIKI S.A.I.C.	-	792
Balance from sales of stock/services receivable	GREENENERGY A.E.	3	3
Balance from sales of stock/services receivable	CORINTHOS POWER S.A.	-	2
Balance from sales of stock/services receivable	OSTENITIS	-	2
Balance from sales of stock/services receivable	VYRILLOS	-	2
Balance from sales of stock/services receivable	FERRITIS	-	2
Balance from sales of stock/services receivable	KILKIS VIKROUNOS	-	2
Balance from sales of stock/services receivable	KILKIS PALAION TRIETHNES	-	2
Balance from sales/purchases of stock/services payable	METKA S.A.	-	1
Balance from sales/purchases of stock/services payable	ELEMKA S.A.	-	4
Balance from sales/purchases of stock/services payable	ELVO	16	16
Balance from sales/purchases of stock/services payable	STANMED TRADING LTD	-	19,324
Balance from sales/purchases of stock/services payable	ENDESA Hellas S.A.	10,440	-
Balance from sales/purchases of stock/services payable	OSTENITIS	-	60
Balance from sales/purchases of stock/services payable	VYRILLOS	-	60
Balance from sales/purchases of stock/services payable	FERRITIS	-	60

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2009	MYTILINEOS GROUP 31/12/2008	MYTILINEOS S.A. 31/12/2009	MYTILINEOS S.A. 31/12/2008
Short term employee benefits				
- Wages and Salaries and BOD Fees	14,167	13,387	5,770	5,880
- Insurance service cost	233	225	113	113
- Bonus	397	599	397	474
- Other remunerations	-	6	-	6
	14,797	**14,215**	**6,280**	**6,472**
Pension Benefits:				
- Defined benefits scheme	58	38	-	-
- Defined contribution scheme	110	111	47	61
- Other Benefits scheme	-	-	-	-
Payments through Equity	717	347	717	347
Total	**15,683**	**14,712**	**7,044**	**6,880**

Corporate Governance

The company has adopted Corporate Governance Principles in line with those established by Greek legislation and by international best practices. These principles, on which the organization and management of the company are ultimately based, strive for transparency in investor relations and the indemnity of stakeholders' interest.

The Board of Directors of MYTILINEOS S.A. is the trustee of the Group's Corporate Governance Principles. It is comprised by 2 executive and 7 non-executive members. From the non-executive members, 4 satisfy the conditions set by law 3016/2002, and can be called "independent".

The Audit Committee is comprised by 3 non-executive members of the Board, one of which is independent), and its mission is to conduct objective internal and external audits and facilitate an effective communication among the auditors and the Board. Its responsibilities are to ensure compliance with the rules of Corporate Governance, guarantee a proper operation of the Internal Audit System and supervise the works of the company's Internal Audit Department.

Internal Auditing is a basic and essential element of corporate governance. The Internal Audit department of MYTILINEOS S.A. is an independent organizational unit that reports to the company's Board of Directors. Its responsibilities include the evaluation and improvement of risk management and internal auditing methodology. The unit also verifies compliance with legislated policies and with procedures set by the company's Internal Regulation of Operations, and the current legislation.

MYTILINEOS HOLDINGS S.A. has an internal audit department. Head of the department is Mr. Papageorgiou Antonios. The Head of Internal Audit has a full time employment relationship to our company.

Dividend Policy

Regarding the distribution of dividends, the Board of Directors proposes that no dividend is to be distributed due to the losses recorded in 2009. This proposal is subject to the approval of the General Assembly.

Post Balance Sheet events

On 8 January 2010 the Management of METKA S.A. announced the sale to TERNA S.A. of 100% of the shares of ETADE S.A., a wholly-owned subsidiary of METKA S.A., for a price of € 42.515.000. The suspension for more than two years of the activities for the Aliveri V CCGT and the consequences from postponement of its implementation for a time coinciding with the implementation of the Megalopolis V CCGT project, led to the sale of ETADE being considered as the most appropriate course of action in order to protect the interests of METKA and establish the conditions for further expansion of its activities abroad.

On 4 February 2010, Following extensive negotiations in Istanbul, Turkey, the companies "BORASCO", "METKA S.A." and "POWER PROJECTS" reached an agreement for construction works as well as supply of most of the equipment for a thermal power plant in Samsun, Turkey. The contract comprises of the supply of the majority of equipment and construction works for a 870 MW natural gas fired power plant, consisting of two (2) single shaft units provided by GENERAL ELECTRIC. The share of METKA S.A. in the contract value of the project is €199.9 million plus US$172.3 million.

In compliance with the contents of the Arbitration Court Ruling issued on 25.02.2010 - between the Greek "Public Power Corporation (PPC) S.A." and "ALUMINIUM S.A."-, the 100% subsidiary "ALUMINIUM S.A." will enter as soon as possible into negotiations with the PPC S.A.. The aim of the negotiations will be to reach an agreement of the terms under which PPC will supply electricity power to ALUMINIUM S.A. to cover fully or partly the needs of our subsidiary.

On 17.03.2010 MYTILINEOS HOLDINGS S.A. and ENDESA S.A. have reached an agreement for the acquisition of 50.01% of the share capital held by ENDESA S.A. in the joint company ENDESA HELLAS PRODUCTION AND TRADE OF ELECTRICAL POWER S.A.

There are no other significant subsequent events, apart from the abovementioned, which should be announced for the purposes of I.F.R.S.

Evangelos Mytilineos
Chairman & Chief Executive Officer

MYTILINEOS S.A. – HOLDING

Information regarding the issues of article 4 paragraph 7-8 of L.3356/2007 of MYTILINEOS Holdings S.A.

This explanatory report of the Board of Directors is submitted to the Ordinary General Shareholders' Meeting and contains detailed information regarding the issues of paragraph 7 and 8 of article 4 L.3356/2007.

I. Company's Share Capital Structure

The share capital of MYTILINEOS HOLDINGS S.A. amounts to 125.173.241,66 euro, divided into 116.984.338 common registered shares with voting right and a par value of 1,07 euro each. Each share provides one voting right. The share capital of the company did not alter within 2009.

The shares of MYTILINEOS HOLDINGS S.A. are listed on the Securities Market of the Athens Exchange.

The rights of the Company's shareholders with respect to their shares are proportional to the share capital stake to which the paid-in share value corresponds. Each share incorporates all the rights and obligations that are stipulated by the Law and Company's Articles of Association, and more specifically:

• The right to dividends from the annual profits or liquidation profits of the Company. A percentage of 35% of the net profits following deduction only of the statutory reserves or 6% of the paid in capital (and in particular the larger of the two amounts) is distributed from the profits of each year to the shareholders as an initial dividend while the distribution of an additional dividend is resolved upon by the General Meeting. The General Meeting determines the added dividend. Dividends are entitled to each shareholder who is registered in the Shareholders' Register held by the Company on the date of approval of the financial statements by the Ordinary General Shareholders' Meeting. The payment date and the payment method of the dividend are available through the media appointed by L. 3556/07. The right to receive payment of the dividend is subject to a time limitation and the respective unclaimed amount goes to the State upon the lapse of five years from the end of the year during which the General Meeting approved the distribution of the said dividend.

• The right to reclaim the amount of one's contribution during the liquidation or, similarly, the writing off of the capital representing the share, provided that this is resolved upon by the General Meeting,

• The right of pre-emption at every share capital increase of the Company via cash payment or the issuance of new shares.

• Each shareholder is entitled to request the annual financial statements along with the relevant reports of the Board of Directors and the Auditors of the Company.

• Shareholders participate in the Company's General Meeting which constitute the following rights: legitimacy, presence, participation in discussions, submission of proposals on the items of the agenda, entry of one's opinion on the minutes of the Meeting and finally the right to vote.

• The General Meeting of Company's Shareholders retain all its rights and obligations during the winding up (according to paragraph 4 of article 33 of the Articles of Association).

The shareholders' responsibility is limited to the nominal value of the shares held.

II. Restrictions for transferring Company shares

The transfer of Company shares takes place based on procedures stipulated by the law while there are no restrictions set by the Articles of Association for transfer of shares.

III. Important Indirect/Direct participations according to articles 9-10 of L.3556/07

The Shareholders (natural or legal entity) that hold direct or indirect a more than 5% of Company's Shares and their respective voting rights are presented in the following table.

Shareholders	Number of Shares	% of Shares	% of Voting Rights
Evangelos Mytilineos	17.036.837	14,56%	15,98%
Ioannis Mytilineos	18.286.876	15,63%	17,15%
MYTILINEOS Holding S.A. - (own shares)	10.371.501	8,87%	0,00%
Total	**45.695.214**	**39,06%**	**33,13%**

IV. Shares with special control rights

There are no Company shares that provide special control rights to their holders.

V. Restrictions on voting rights

No restrictions on voting rights emanate from the Company shares according to the Articles of Association.

VI. Agreements between Company shareholders

The Company is not aware of any agreements among its shareholders, which would result in restrictions on the assignment of its shares or exercise of the voting rights stemming from such shares.

VII. Regulations regarding the assignment and replacement of BoD members and amendments of the Articles of Association

For the assignment and replacement of BoD members as well as for amendments of its Articles of Association, the Company follows the provisions of C.L. 2190/1920

VIII. Responsibility of the BoD for the issuance of new shares or acquisition of own shares according to C.L. 2190/1920

A) According to the provisions of article 13 par. 1 item b) of C.L. 2190/1920 and the article 5 of the Articles of Association, the Company's Board of Directors has the right, following a relevant decision by the General Shareholder's Meeting to increase the Company's share capital with the issuance of new shares, through a decision by the Board of Directors that is made with a majority of at lease two thirds (2/3) of its total members.

In this case, Company's share capital may be increased by no more than the share capital amount paid up on the date when the Board of Directors was granted such power by the General Meeting, This power of the Board of Directors may be renewed by the General Meeting for a period that may not exceed five year per instance of renewal.

B) In accordance with the decisions of the General Meeting of shareholders of the Company on 14.6.2006 and 3.9.2007 the Board of Directors of the Company: (a) On 5.12.2007 resolved on the specification of the terms and table of allocation of the stock option plan of the Company pursuant to the provisions of article 13 para. 13 of codified law 2190/1920 as in force, in favour of members of the Board and executive members of the Company and its affiliates. According to the above decision, there are 28 beneficiaries with up to 171.715 corresponding call options for the current year. It is noted that the beneficiaries of the program did not exercise their rights in 2008.

C) According to the provisions of the paragraphs 5-13 of article 16 par. 9 item b) of C.L. 2190/1920, the listed companies may acquire own shares through the Athens Stock Exchange, according to decision of the General Meeting until the 10% of total shares, in order to support the stock exchange price. In the Meeting held on 14.6.2006 the General Meeting of Shareholders, making use of the above possibility provided by the Law, decide that the Company should acquire, during the period 14.6.2006 - 13.6.2007 no more than 4.054.034 shares, equivalent to 10% of total existing shares, in order to support the stock exchange price of its share, in a price range between € 5 (minimum) and € 35 (maximum). In the Meeting held on 16.2.2006 the General Meeting of Shareholders amended the initial decision in a price range between € 5 (minimum) and € 50 (maximum). In the context of implementing the aforementioned General Meeting decision, the Company's BoD defines by resolution, prior to the start of the individual trading period, the principal trading terms, in particular the maximum number of own shares to be acquired, maximum and minimum price and time period that shares shall be acquired. The company on 6.6.007 completed the 3rd phase of its Share Buyback Program through the acquisition of 1.096.293 treasury shares at an average price of 35,27 euro on the context of the 16.2.2007 decision of the Board of Directors. During that period the company had acquired a total of 5.695.898 (adjusted after split) treasury shares which represented 4,82% of share capital.

D) On 7.12.2007, the Board of Directors of the Company resolved on the commencement of the plan regarding the acquisition of owned shares, on the purpose of realizing strategic goals and business targets, pursuant to article 16 para. 1 of codified law 2190/1920, in implementation of the decision of the Extraordinary General Meeting of the Company's shareholders of 7.12.2007, and all acquisitions will be made pursuant to the provisions of Regulation 2273/2003 of the EU Committee.

In the period from 13.12.2007 until 6.12.2009, the Company will acquire up to six million fifty three thousand nine hundred and seven (6.053.907) owned shares, at a minimum acquisition price of € 2,08 euros per share and a maximum acquisition price of € 25 euros per share. Since initiation of the plan up to 31.12.2009 the company has acquired a total of 4.735.603 treasury shares. Up to 31.12.2009 the Company has totally acquired 10.371.501 treasury shares which represents 8,87% of its share capital.

IX. Important agreement which is amended / terminated in case a change arises in the company's control following a public offer

There are no agreements which enter into force, are amended or terminated in the event of change in the control of the Company following a public offer.

X. Agreement between the Company and BoD members or employees regarding the termination of their terms / employment

There is no agreement between the Company and the BoD members or staff providing for the payment of any compensation specifically in the event of resignation or dismissal without cause, or termination of their mandate or employment as a result of a Public Acquisition Offer.

The provisions formed for retirement compensations amounted to € 658 thousand as at 31.12.2009.

Evangelos Mytilineos

Chairman & Managing Director

MYTILINEOS Holdings S.A.

D. Annual Financial Statements

We confirm that the attached Financial Statements are those approved by the Board of Directors of "MYTILINEOS S.A." at 30.03.2010 and have been published to the electronic address www.mytilineos.gr, were they will remain posted for a minimum period of five (5) years. It is noted that the published, in the press, brief financial data aim to provide the user with general information but do not present a full picture of the Company's and Group's financial results and position, according to International Accounting Standards. It is also noted that, for simplification purposes, the published, in the press, brief financial data contain summarizations or reclassifications of certain figures.

I. Income Statement

(Amounts in thousands €)	Notes	MYTILINEOS GROUP 1/1-31/12/2009	MYTILINEOS GROUP 1/1-31/12/2008	MYTILINEOS S.A. 1/1-31/12/2009	MYTILINEOS S.A. 1/1-31/12/2008
Sales	5	661,810	929,062	-	231
Cost of sales	6.22	(542,814)	(798,580)	-	-
Gross profit		**118,996**	**130,482**	**-**	**231**
Other operating income	6.24	13,658	32,293	21,411	17,621
Distribution expenses	6.23	(2,933)	(4,729)	(2)	(286)
Administrative expenses	6.23	(40,240)	(39,696)	(19,347)	(17,684)
Research & Development expenses		(422)	-	-	-
Other operating expenses	6.24	(19,301)	(42,969)	(149)	(271)
Earnings before interest and income tax		**69,758**	**75,381**	**1,914**	**(189)**
Financial income	6.25	5,265	2,959	4,002	436
Financial expenses	6.25	(25,195)	(28,910)	(15,999)	(17,362)
Other financial results	6.26	(1,010)	2,417	11,871	36,771
Share of profit of associates		(12,351)	(7,526)	-	-
Profit before income tax		**36,468**	**44,321**	**1,788**	**19,655**
Income tax expense	6.28	(16,672)	(15,460)	(2,728)	1,936
Profit for the period		**19,796**	**28,862**	**(941)**	**21,591**
Result from discontinuing operations	6.31	366	2,485	-	-
Profit for the period		**20,162**	**31,347**	**(941)**	**21,591**
Attributable to:					
Equity holders of the parent		*13,726*	*18,492*	*(941)*	*21,591*
Minority interest		*6,436*	*12,855*	*-*	*-*
Basic earnings per share		*0.1284*	*0.1687*	*(0.0088)*	*0.1970*
Diluted earnings per share		*0.1284*	*0.1687*	*(0.0088)*	*0.1970*

Summury of Results from continuing operations

Earnings before income tax,financial results,depreciation and amortization (Cicular No.34 Hellenic Capital Market)	(A)	89,273	96,257	2,408	186
Oper.Earnings before income tax,financial results,depreciation and amortization	**(B)**	**118,908**	**109,501**	**2,408**	**186**
Earnings before interest and income tax		69,758	75,381	1,914	(189)
Profit before income tax		36,468	44,321	1,788	19,655
Profit for the period		19,796	28,862	(941)	21,591

(A)Definition of line item: Earnings before income tax,financ results,depr&amort (Cicular No.34 Hellenic Capital Market)

Profit before income tax		36,468	44,321
Plus: Financial results		20,939	23,533
Plus: Capital results		12,351	7,526
Plus: Depreciation		19,514	20,876
Earnings before income tax,financial results,depreciation and amortization		**89,273**	**96,257**

(B)Definition of line item: OperEarnings before income tax,financ.res,depr&amort

Profit before income tax		36,468	44,321
Plus: Financial results		20,939	23,533
Plus: Capital results		12,351	7,526
Plus: Depreciation		19,514	20,876
Subtotal		89,273	96,257
Plus: Other operating results (I)	3.25	(1,629)	(2,231)
Plus: Other operating results (II)	3.25	31,265	15,475
Oper.Earnings before income tax,financial results,depreciation and amortization		**118,908**	**109,501**

The Group re-presents the income statement for the prior period presented in the financial statements so that the disclosures relate to all operations that have been discontinued by the end of the reporting period for the latest period presented.

II. Statement of Comprehensive Income

	MYTILINEOS GROUP		MYTILINEOS S.A.	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
(Amounts in thousands €)				
Other comprehensive income:				
Net profit(loss) for the period	20,162	31,347	(941)	21,591
Exchange differences on translation of foreign operations	3,998	3,379	-	-
Available for sale financial assets	-	-	-	-
Cash Flow hedging reserve	(160,002)	167,764	-	-
Stock Option Plan	717	347	717	347
Income tax relating to components of other comprehensive income	-	-	-	-
Total comprehensive income for the period	**(135,124)**	**202,836**	**(223)**	**21,938**
Total comprehensive income for the period attributable to:				
Equity attributable to parent's shareholders	(141,913)	189,756	(223)	21,938
Minority interests	6,789	13,081	-	-

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MYTILINEOS

III. Statement of Financial Position

(Amounts in thousands €)	Notes	MYTILINEOS GROUP 31/12/2009	MYTILINEOS GROUP 31/12/2008	MYTILINEOS S.A. 31/12/2009	MYTILINEOS S.A. 31/12/2008
Assets					
Non current assets					
Tangible Assets	6.1	648,198	421,517	10,680	10,998
Goodwill	6.2	201,341	171,730	-	-
Intangible Assets	6.3	7,182	6,252	522	76
Investments in Subsidiary Companies		-	-	668,344	664,258
Investments in Associate Companies	6.4	187,759	206,040	215,225	215,144
Deferred Tax Receivables	6.5	42,848	19,689	646	622
Financial Assets Available for Sale		3,485	477	37	37
Derivatives	6.10	-	73,600	-	-
Other Long-term Receivables	6.6	44,632	2,711	101,737	113
		1,135,446	**902,016**	**997,192**	**891,248**
Current assets					
Total Stock	6.7	89,385	174,020	-	-
Trade and other receivables	6.8	308,540	250,316	12,999	19,222
Other receivables	6.9	77,625	57,106	9,169	7,979
Financial assets at fair value through profit or loss	6.11	2,147	2,757	1,381	1,031
Derivatives	6.10	56,978	129,205	-	-
Cash and cash equivalents	6.12	219,161	44,403	112,691	2,507
		753,835	**657,806**	**136,241**	**30,738**
Non Current Assets Available for Sale	6.31	99,535	210,329	-	-
Assets		**1,988,817**	**1,770,151**	**1,133,432**	**921,986**
Liabilities & Equity					
EQUITY					
Share capital	6.13	114,405	114,790	114,076	114,790
Share premium		197,745	198,650	48,043	49,969
Fair value reserves		43,485	203,486	-	-
Other reserves	6.14	148,493	148,181	95,198	94,481
Translation reserves		(28,511)	(32,164)	-	-
Retained earnings		218,759	215,757	250,285	262,360
Equity attributable to parent's shareholders		**694,377**	**848,700**	**507,602**	**521,600**
Minority interests		69,463	52,609	-	-
EQUITY		**763,840**	**901,309**	**507,602**	**521,600**
Non-Current Liabilities					
Long-term debt	6.15	522,046	311,195	478,237	310,851
Derivatives	6.10	2,279	-	-	-
Deferred tax liability	6.5	71,576	72,688	46,812	46,401
Liabilities for pension plans	6.16	42,475	44,868	658	611
Other long-term liabilities	6.17	30,430	56,693	-	-
Provisions	6.18	11,752	15,183	1,268	1,268
Non-Current Liabilities		**680,558**	**500,627**	**526,975**	**359,131**
Current Liabilities					
Trade and other payables	6.19	354,885	141,579	-	-
Tax payable	6.20	37,360	19,293	3,806	1,069
Short-term debt	6.15	128,035	100,057	72,389	14,968
Other payables	6.21	22,910	22,312	22,661	24,970
Current portion of non-current provisions	6.18	914	437	-	248
Current Liabilities		**544,104**	**283,677**	**98,856**	**41,255**
LIABILITIES		**1,224,662**	**784,304**	**625,830**	**400,386**
Liabilities related to non current assets available for sale	6.31	315	84,538	-	-
Liabilities & Equity		**1,988,817**	**1,770,151**	**1,133,432**	**921,986**

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IV. Statement of Changes in Equity (Group)

(Amounts in thousands €)	Share capital	Share premium	Fair value reserves	Other reserves	Translation reserves	Retained earnings	Total	Minority interests	Total
	MYTILINEOS GROUP								
Opening Balance 1st January 2008 according to IFRS -as published-	**119,143**	**223,993**	**35,723**	**110,579**	**(35,317)**	**288,873**	**742,992**	**56,860**	**799,852**
Change in equity									
Dividends paid	-	-	-	-	-	(56,789)	(56,789)	(11,578)	(68,367)
Transfer to reserves	-	-	-	37,256	-	(37,256)	-	-	-
Treasury stock sales/purchases	(4,353)	(25,343)	-	-	-	-	(29,696)	-	(29,696)
Impact from acquisition of share in subsidiaries	-	-	-	-	-	(2,165)	(2,165)	(3,454)	(5,618)
Impact from transfer of subsidiary	-	-	-	-	-	4,602	4,602	(2,300)	2,302
Transactions with owners	**(4,353)**	**(25,343)**	**-**	**37,256**	**-**	**(91,608)**	**(84,048)**	**(17,332)**	**(101,380)**
Net profit(loss) for the period	-	-	-	-	-	18,492	18,492	12,855	31,347
Other comprehensive income:									
Exchange differences on translation of foreign operations	-	-	-	-	3,153	-	3,153	226	3,379
Cash Flow hedging reserve	-	-	167,764	-	-	-	167,764	-	167,764
Stock Option Plan	-	-	-	347	-	-	347	-	347
Total comprehensive income for the period	**-**	**-**	**167,764**	**347**	**3,153**	**18,492**	**189,756**	**13,081**	**202,836**
Closing Balance 31/12/2008	**114,790**	**198,650**	**203,486**	**148,181**	**(32,164)**	**215,757**	**848,700**	**52,609**	**901,309**
Opening Balance 1st January 2009 according to IFRS -as published-	**114,790**	**198,650**	**203,486**	**148,181**	**(32,164)**	**215,757**	**848,700**	**52,609**	**901,309**
Change in equity									
Dividends paid	-	-	-	-	-	(11,135)	(11,135)	(10,249)	(21,384)
Transfer to reserves	-	-	-	(405)	-	405	-	-	-
Treasury stock sales/purchases	(714)	(1,926)	-	-	-	-	(2,640)	-	(2,640)
Impact from acquisition of share in subsidiaries	-	-	-	-	-	13	13	20,314	20,327
Increase / (Decrease) of Share Capital	271	**1,021**	**-**	**-**	**-**	**-**	**1,292**	**-**	**1,292**
Transactions with owners	**(443)**	**(905)**	**-**	**(405)**	**-**	**(10,716)**	**(12,470)**	**10,065**	**(2,405)**
Net profit(loss) for the period	-	-	-	-	-	13,726	13,726	6,436	20,162
Other comprehensive income:									
Exchange differences on translation of foreign operations	(2)	-	-	-	3,654	(7)	3,645	354	3,998
Cash Flow hedging reserve	-	-	(160,002)	-	-	-	(160,002)	-	(160,002)
Stock Option Plan	-	-	-	717	-	-	717	-	717
Total comprehensive income for the period	**(2)**	**-**	**(160,002)**	**717**	**3,654**	**13,719**	**(141,913)**	**6,789**	**(135,124)**
Closing Balance 31/12/2009	**114,405**	**197,745**	**43,485**	**148,493**	**(28,511)**	**218,759**	**694,377**	**69,463**	**763,840**

V. Statement of Changes in Equity (Company)

(Amounts in thousands €)	Share capital	Share premium	Fair value reserves	Other reserves	Translation reserves	Retained earnings	Total
	MYTILINEOS S.A.						
Opening Balance 1st January 2008 according to IFRS -as published-	**119,143**	**75,312**	**-**	**94,237**	**-**	**297,455**	**586,146**
Change in equity							
Dividends paid	-	-	-	-	-	(56,789)	(56,789)
Transfer to reserves	-	-	-	(103)	-	103	-
Treasury stock sales/purchases	(4,353)	(25,343)	-	-	-	-	(29,696)
Transactions with owners	**(4,353)**	**(25,343)**	**-**	**(103)**	**-**	**(56,686)**	**(86,485)**
Net profit(loss) for the period	-	-	-	-	-	21,591	21,591
Other comprehensive income:							
Stock Option Plan	-	-	-	347	-	-	347
Total comprehensive income for the period	**-**	**-**	**-**	**347**	**-**	**21,591**	**21,938**
Closing Balance 31/12/2008	**114,790**	**49,969**	**-**	**94,481**	**-**	**262,360**	**521,600**
Opening Balance 1st January 2009 according to IFRS -as published-	**114,790**	**49,969**	**-**	**94,481**	**-**	**262,360**	**521,600**
Change in equity							
Dividends paid	-	-	-	-	-	(11,135)	(11,135)
Treasury stock sales/purchases	(714)	(1,926)	-	-	-	-	(2,640)
Transactions with owners	**(714)**	**(1,926)**	**-**	**-**	**-**	**(11,135)**	**(13,775)**
Net profit(loss) for the period	-	-	-	-	-	(941)	(941)
Other comprehensive income:							
Stock Option Plan	-	-	-	717	-	-	717
Total comprehensive income for the period	**-**	**-**	**-**	**717**	**-**	**(941)**	**(223)**
Closing Balance 31/12/2009	**114,076**	**48,043**	**-**	**95,198**	**-**	**250,285**	**507,602**

VI. Cash flow statement

(Amounts in thousands €)	MYTILINEOS GROUP 1/1-31/12/2009	MYTILINEOS GROUP 1/1-31/12/2008	MYTILINEOS S.A. 1/1-31/12/2009	MYTILINEOS S.A. 1/1-31/12/2008
Cash flows from operating activities				
Cash flows from operating activities	87,309	107,246	5,398	20,393
Interest paid	(20,946)	(25,341)	(13,140)	(14,210)
Taxes paid	(10,461)	(57,008)	(1,113)	(10,665)
Net Cash flows continuing operating activities	**55,901**	**24,896**	**(8,855)**	**(4,482)**
Net Cash flows discontinuing operating activities	**4,947**	**41,020**	**-**	**-**
Net Cash flows from continuing and discontinuing operating activities	**60,849**	**65,915**	**(8,855)**	**(4,482)**
Net Cash flow from continuing and discontinuing investing activities				
Purchases of tangible assets	(55,278)	(13,478)	(155)	(219)
Purchases of intangible assets	(3,376)	(2,893)	(442)	(41)
Sale of tangible assets	109	136	7	43
Dividends received	-	(209)	10,369	34,024
Loans to related parties	(39,440)	-	(98,869)	-
Purchase of financial assets held-for-sale	(3,008)	-	-	-
Purchase of financial assets at fair value through profit and loss	(3,675)	(818)	-	-
Acquisition of associates	(5)	-	-	-
Acquisition /Sale of subsidiaries (less cash)	(8,123)	(33,792)	(3,394)	(24,049)
Sale of financial assets at fair value through profit and loss	4,982	2,045	-	-
Interest received	4,389	3,779	1,319	436
Grants received	2,586	178	-	-
Other cash flows from investing activities	(31)	(10)	(86)	-
Net Cash flow from continuing investing activities	**(100,871)**	**(45,061)**	**(91,252)**	**10,193**
Net Cash flow from discontinuing investing activities	**(625)**	**(2,275)**	**-**	**-**
Net Cash flow from continuing and discontinuing investing activities	**(101,495)**	**(47,336)**	**(91,252)**	**10,193**
Net Cash flow continuing and discontinuing financing activities				
Proceeds from issue of share capital	1,352	-	-	-
Sale of treasury shares	(2,640)	(29,696)	(2,640)	(29,696)
Dividends payed to parent's shareholders	(20,392)	(69,126)	(10,019)	(57,551)
Proceeds from borrowings	167,225	296,906	167,225	296,906
Repayments of borrowings	(2,000)	(5,000)	(2,000)	(5,000)
Payment of finance lease liabilities	(75)	-	-	-
Net Cash flow continuing financing activities	**143,471**	**193,084**	**152,566**	**204,659**
Net Cash flow from discontinuing financing activities	**(196)**	**(623)**	**-**	**-**
Net Cash flow continuing and discontinuing financing activities	**143,274**	**192,461**	**152,566**	**204,659**
Net (decrease) / increase in cash and cash equivalents	**102,628**	**211,041**	**52,458**	**210,369**
Cash and cash equivalents at beginning of period	(55,692)	(179,930)	(12,461)	(224,542)
Less:Cash and cash equivalents at beginning of period from discontinuing activit	44,696	(43,825)	-	-
Exchange differences in cash and cash equivalents	(246)	1,614	304	1,712
Net cash at the end of the period	**91,386**	**(11,102)**	**40,302**	**(12,461)**
Overdrafts	**(128,006)**	**(100,057)**	**(72,389)**	**(14,968)**
Cash and cash equivalent	**219,161**	**44,403**	**112,691**	**2,507**
Cash and cash equivalents at end of period from discontinuing activities	**232**	**44,552**	**-**	**-**
Net cash at the end of the period	**91,386**	**(11,102)**	**40,302**	**(12,461)**

The Group re-presents the cash flow for the prior period presented in the financial statements so that the disclosures relate to all operations that have been discontinued by the end of the reporting period for the latest period presented.

1. Information about MYTILINEOS HOLDINGS S.A.

1.1 General Information

Mytilineos Holdings S.A. is today one of the biggest industrial Groups internationally, activated in the sectors of Metallurgy, EPC, Energy, and Defence. The Company, which was founded in 1990 as a metallurgical company of international trade and participations, is an evolution of an old metallurgical family business which began its activity in 1908.

Devoted to continuous growth and progress and aiming to be a leader in all its activities, the Group promotes through its long presence its vision to be a powerful and competitive European Group of "Heavy Industry".

The group's headquarters is located in Athens – Maroussi (5-7, Patroklou Str., P.C. 151 25) and its shares were listed in the Athens Stock Exchange in 1995.

The financial statements for the year ended 31.12.2009 (along with the respective comparative information for the previous year 2008), were approved by the Board of directors on 30.03.2010.

1.2 Nature of activities

During the last ten years the Group's activities have expanded from the traditional sector of international metal's trading to those of construction and energy. The group aims in the development of synergies between the three different areas of activities, by delegating the role of management and strategy formation in MYTILINEOS HOLDINGS S.A.

The group monitors its performance on Metallurgy & Mining Sector through the subsidiaries "Aluminium S.A." (Alumina–Aluminium) and "Sometra S.A." (Zinc–Lead). Zinc – Lead Sector was the first which effected from the negative economic environment mainly due to the decrease on demand, the increasing prices of coke and the difficulty to find appropriate Raw Materials. All the above mentioned reasons lead the General Assembly of the company on 26.01.2009 to suspend temporary the production activity.

The Group through its subsidiary METKA is the leading and most specialized EPC Constructor in Greece and expanded in competitive markets abroad with value of pending construction contracts amounting to €1,7 bil.
The Group through the strategic alliance with "ENDESA EUROPA", holds a significant and balanced portfolio of energy assets while its solvency ratio secures the financing of the development of the largest energy plan in Greece.

2. Basis for preparation of the financial statements

The consolidated financial statements of MYTILINEOS S.A. as of December 31st 2009 covering the entire 2009 fiscal year, have been compiled based on the historic cost principle as is amended by the readjustment of specific asset and liability items into market values, the going concern principle and are in accordance with the International Financial Reporting Standards (IFRS) that have been issued by the International Accounting Standards Board (IASB) and their interpretations that have been issued by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB. The accompanying standalone financial statements are compiled buy demand of the statutory law 2190/1920.

The Group applies IFRS 5 "Non-current assets held for sale & discontinues operations", and presents separately the assets and liabilities of the subsidiary company SOMETRA S.A., following the suspension of the production activity of the Zinc-Lead production plant in Romania, and presents also the amounts recognized in the income statement separately from continuing operations. The Group re-presents the income statement and cash flow for the prior period presented in the financial statements so that the disclosures relate to all operations that have been discontinued by the end of the reporting period for the latest period presented. According to IAS 1, par. 31 a disclosure is not necessary if the relevant information is not significant. Consequently, the above re-presentation does not require a third comparative Statement of Financial Position as, according to IFRS 5, the presentation of SOMETRA S.A. in discontinuing operations does not affect the Statement of Financial Position of the prior year.

According to the IFRS, the preparation of the Financial Statements requires estimations during the application of the company's accounting principles. Important admissions are presented wherever it has been judged appropriate.

The reporting currency is Euro (currency of the country of the domicile of the parent Company) and all amounts are reported in thousands unless stated otherwise.

3. Basic accounting principles

The accounting principles under which the attached financial statements have been prepared and the Group applies consistently are the following:

3.1 New and amended accounting standards and interpretations of IFRIC

a) New and amended standards and interpretations applicable to the December 2009 year-end

IAS 1, "Presentation of Financial Statements" (Revised): IAS 1 has been revised to enhance the usefulness of information presented in the financial statements. Of the main revisions are: the requirement that the statement of changes in equity includes only transactions with shareholders; the introduction of a new statement of comprehensive income that combines all items of income and expense recognised in profit or loss together with "other comprehensive income"; and the requirement to present restatements of financial statements or retrospective application of a new accounting policy as at the beginning of the earliest comparative period, i.e. a third column on the statement of financial position. The Group has made the necessary changes to the presentation of its current and to the comparative financial statements and elected to present comprehensive income in a separate statement. The retrospective application of the amended standard did not alter the financial figures of the prior year and therefore a third column on the statement of financial position was not necessary.

IAS 23, "Borrowing Costs" (Revised): The benchmark treatment in the previous standard of expensing all borrowing costs to the income statement has been eliminated in the case of qualifying assets. All borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset must be capitalised. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The Group had no existing qualifying assets during the current period and therefore no such capitalisation took place.

IAS 32 and IAS 1, "Puttable Financial Instruments" (Amended): These amendments are not applicable on the financial statements.

IAS 39 "Financial Instruments: Recognition and Measurement" – Eligible Hedged Items: the amendment has no impact on the financial statements as the Group has not entered into any related hedges.

IFRS 2 (Amendment) "Share Based Payment". The amendment clarifies the definition of "vesting condition" by introducing the term 'non-vesting condition' for conditions other than service conditions and performance conditions. The amendment also clarifies that the same accounting treatment applies to awards that are effectively cancelled by either the entity or the counterparty. This amendment does not impact the Group's financial statements.

IFRS 7 (Amendment) "Financial instruments – Disclosures". The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The Group has applied the amended standard.

IFRS 8, "Operating Segments": IFRS 8 replaces IAS 14 'Segment reporting'. IFRS 8 adopts a management approach to segment reporting. The information reported is that which management uses internally for evaluating the performance of operating segments and allocating resources to those segments. The adoption of IFRS 8 has not affected the identified operating segments for the Group compared to the recent annual financial statement.

IFRIC 13 – Customer Loyalty Programmes. This interpretation clarifies the treatment of entities that grant loyalty award credits such as "points" and "travel miles" to customers who buy other goods or services. This interpretation is not relevant to the Group's operations.

IFRIC 15 – Agreements for the construction of real estate. This interpretation addresses the diversity in accounting for real estate sales. Some entities recognise revenue in accordance with IAS 18 (i.e. when the risks and rewards in the real estate are transferred) and others recognise revenue as the real estate is developed in accordance with IAS 11. The interpretation clarifies which standard should be applied to each particular case. This interpretation is not relevant to the Group's operations.

IFRIC 16 – Hedges of a net investment in a foreign operation. This interpretation applies to an entity that hedges the foreign currency risk arising from its net investments in foreign operations and qualifies for hedge accounting in accordance with IAS 39. The interpretation provides guidance on how an entity should determine the amounts to be reclassified from equity to profit or loss for both the hedging instrument and the hedged item. This interpretation is not relevant to the Group, as the Group does not apply hedge accounting for any investment in a foreign operation.

IFRIC 18 – Transfers of assets from customers (effective for transfers of assets received on or after 1 July 2009). This interpretation clarifies the requirements of IFRS for agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use to provide the customer with an ongoing supply of goods or services. In some cases, the entity receives cash from a customer which must be used only to acquire or construct the item of property, plant and equipment. This interpretation is not relevant to the Group.

b) New and amended standards and interpretations applicable to December 2010 year-ends

IAS 24 (Amendment) "Related Party Disclosures" (effective for annual periods beginning on or after 1 January 2011). This amendment attempts to relax disclosures of transactions between government-related entities and clarify related-party definition. More specifically, it removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities, clarifies and simplifies the definition of a related party and requires the disclosure not only of the relationships, transactions and outstanding balances between related parties, but of commitments as well in both the consolidated and the individual financial statements. The Group will apply these changes from their effective date. The amendment has not yet been endorsed by the EU.

IAS 32 (Amendment) "Financial Instruments: Presentation" (effective for annual periods beginning on or after 1 February 2010). This amendment clarifies how certain rights issues should be classified. In particular, based on this amendment, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. This amendment is not expected to impact the Group's financial statements.

IAS 39 (Amendment) "Financial Instruments": Recognition and Measurement" (effective for annual periods beginning on or after 1 July 2009). This amendment clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation should be applied in particular situations. The Group will apply the amendment from the effective date.

IFRS 1 (Amendment) "First-time adoption of International Financial Reporting Standards" (effective for annual periods beginning on or after 1 January 2010). This amendment provides additional clarifications for first-time adopters of IFRS in respect of the use of deemed cost for oil and gas assets, the determination of whether an arrangement contains a lease and the decommissioning liabilities included in the cost of property, plant and equipment. This amendment will not impact the Group's financial statements since it has already adopted IFRS. This amendment has not yet been endorsed by the EU.

IFRS 2 (Amendment) "Share Based Payment" (effective for annual periods beginning on or after 1 January 2010). The purpose of the amendment is to clarify the scope of IFRS 2 and the accounting for group cash-settled share-based payment transactions in the separate or individual financial statements of the entity receiving the goods or services, when that entity has no obligation to settle the share-based payment transaction. This amendment is not expected to impact the Group's financial statements. This amendment has not yet been endorsed by the EU.

IFRS 3 (Revised) "Business Combinations" and IAS 27 (Amended) "Consolidated and Separate Financial Statements" (effective for annual periods beginning on or after 1 July 2009). The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition-related costs and recognizing subsequent changes in fair value of contingent consideration in the profit or loss. The amended IAS 27 requires a change in ownership interest of a subsidiary is accounted for as an equity transaction. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes introduced by these standards must be applied prospectively and will affect future acquisitions and transactions with non-controlling interests. The Group will apply these changes from their effective date.

IFRS 9 "Financial Instruments" (effective for annual periods beginning on or after 1 January 2013). IFRS 9 is the first part of Phase 1 of the Board's project to replace IAS 39. The IASB intends to expand IFRS 9 during 2010 to add new requirements for classifying and measuring financial liabilities, derecognition of financial instruments, impairment, and hedge accounting. IFRS 9 states that financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, particular transaction costs. Subsequently financial assets are measured at amortised cost or fair value and depend on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. IFRS 9 prohibits reclassifications except in rare circumstances when the entity's business model changes; in this case, the entity is required to reclassify affected financial assets prospectively. IFRS 9 classification principles indicate that all equity investments should be measured at fair value. However, management has an option to present in other comprehensive income unrealised and realised fair value gains and losses on equity investments that are not held for trading. Such designation is available on initial recognition on an instrument-by-instrument basis and is irrevocable. There is no subsequent recycling of fair value gains and losses to profit or loss; however, dividends from such investments will continue to be recognised in profit or loss. IFRS 9 removes the cost exemption for unquoted equities and derivatives on unquoted equities but provides guidance on when cost may be an appropriate estimate of fair value. The Group is currently investigating the impact of IFRS 9 on its financial statements. IFRS 9 has not been endorsed by the EU.

IFRIC 12 – Service Concession Arrangements (EU endorsed for periods beginning 30 March 2009). This interpretation applies to companies that participate in service concession arrangements. The Group will adopt this interpretation on 1 January 2010.

IFRIC 14 (Amendment) "The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction" (effective for annual periods beginning on or after 1 January 2011). The amendments apply in limited circumstances: when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover those requirements. The amendments permit such an entity to treat the benefit of such an early payment as an asset. This interpretation is not relevant to the Group. This amendment has not yet been endorsed by the EU.

IFRIC 17, "Distributions of non-cash assets to owners" (effective for annual periods beginning on or after 1 July 2009). This interpretation provides guidance on accounting for the following types of non-reciprocal distributions of assets by an entity to its owners acting in their capacity as owners: (a) distributions of non-cash assets and (b) distributions that give owners a choice of receiving either noncash assets or a cash alternative. The Group will apply this interpretation from its effective date.

IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments" (effective for annual periods beginning on or after 1 July 2010). This interpretation addresses the accounting by the entity that issues equity instruments to a creditor in order to settle, in full or in part, a financial liability. This interpretation is not relevant to the Group. This amendment has not yet been endorsed by the EU.

c) Amendments to standards that form part of the IASB's annual improvements project:

The amendments set out below describe the key changes to IFRS following the publication in July 2009 of the results of the IASB's annual improvements project. These amendments have not yet been endorsed by the EU. Unless otherwise stated the following amendments are effective for annual periods beginning on or after 1 January 2010. In addition, unless otherwise stated, the following amendments will not have a material impact on the Group's financial statements.

IFRS 2 "Share-Based payment" (effective for annual periods beginning on or after 1 July 2009). The amendment confirms that contributions of a business on formation of a joint venture and common control transactions are excluded from the scope of IFRS 2.

IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". The amendment clarifies disclosures required in respect of non-current assets classified as held for sale or discontinued operations.

IFRS 8 "Operating Segments". The amendment provides clarifications on the disclosure of information about segment assets.

IAS 1 "Presentation of Financial Statements". The amendment provides clarification that the potential settlement of a liability by the issue of equity is not relevant to its classification as current or non-current.

IAS 7 "Statement of Cash Flows". The amendment requires that only expenditures that result in a recognized asset in the statement of financial position can be classified as investing activities.

IAS 17 "Leases". The amendment provides clarification as to the classification of leases of land and buildings as either finance or operating.

IAS 18 "Revenue". The amendment provides additional guidance regarding the determination as to whether an entity is acting as a principal or an agent.

IAS 36 "Impairment of Assets". The amendment clarifies that the largest cash-generating unit to which goodwill should be allocated for the purposes of impairment testing is an operating segment as defined by paragraph 5 of IFRS 8 (that is before the aggregation of segments).

IAS 38 "Intangible Assets". The amendments clarify (a) the requirements under IFRS 3 (revised) regarding accounting for intangible assets acquired in a business combination and (b) the description of valuation techniques commonly used by entities when measuring the fair value of intangible assets acquired in a business combination that are not traded in active markets.

IAS 39 "Financial Instruments: Recognition and Measurement". The amendments relate to (a) clarification on treating loan pre-payment penalties as closely related derivatives, (b) the scope exemption for business combination contracts and (c) clarification that gains or losses on cash flow hedge of a forecast transaction should be reclassified from equity to profit or loss in the period in which the hedged forecast cash flow affects profit or loss.

IFRIC 9 "Reassessment of Embedded Derivatives" (effective for annual periods beginning on or after 1 July 2009). The amendment clarifies that IFRIC 9 does not apply to possible reassessment, at the date of acquisition, to embedded derivatives in contracts acquired in a business combination between entities under common control.

IFRIC 16 "Hedges of a Net Investment in a Foreign Operation" (effective for annual periods beginning on or after 1 July 2009). The amendment states that, in a hedge of a net investment in a foreign operation, qualifying hedging instruments may be held by any entity within the group, including the foreign operation itself, as long as certain requirements are satisfied.

3.2 Consolidation

Subsidiaries: All the companies that are managed or controlled, directly or indirectly, by another company (parent) either through the majority of voting rights or through its dependence on the know-how provided from the Group. Therefore, subsidiaries are companies in which control is exercised by the parent. MYTILINEOS S.A. acquires and exercises control through voting rights.
The existence of potential voting rights that are exercisable at the time the financial statements are prepared, is taken into account in order to determine whether the parent

exercises control over the subsidiaries. Subsidiaries are consolidated completely (full consolidation) using the purchase method from the date that control over them is acquired and cease to be consolidated from the date that control no longer exists.

MYTILINEOS S.A. exercises control over, the listed on the ATHENS STOCK EXCHANGE, METKA. Due to the large dissemination of these stocks, "control" over this Firm can be determined even in cases that the Group holds stakes lower than 50% of the total voting rights. In such cases, "control" is determined through the representation of the majority of the chairs of the BoD.

The acquisition of a subsidiary by the Group is accounted for using the purchase method. The acquisition cost of a subsidiary is the fair value of the assets given as consideration, the shares issued and the liabilities undertaken on the date of the acquisition plus any costs directly associated with the transaction. The individual assets, liabilities and contingent liabilities that are acquired during a business combination are valued during the acquisition at their fair values regardless of the participation percentage. The acquisition cost over and above the fair value of the individual assets acquired is booked as goodwill. If the total cost of the acquisition is lower than the fair value of the individual assets acquired, the difference is immediately transferred to the income statement.

Inter-company transactions, balances and unrealized profits from transactions between Group companies are eliminated in consolidation. Unrealized losses are also eliminated except if the transaction provides indication of impairment of the transferred asset. The accounting principles of the subsidiaries have been amended so as to be in conformity to the ones adopted by the Group.

For the accounting of transactions with minority, the Group applies the accounting principle based on which such transactions are handled as transactions with third parties beyond the Group. The sales towards the minority create profit and losses for the Group, which are booked in the results. The purchases by the minority create goodwill, which is the difference between the price paid and the percentage of the book value of the equity of the subsidiary acquired.

Associates: Associates are companies on which the Group can exercise significant influence but not "control" and which do not fulfill the conditions to be classified as subsidiaries or joint ventures. The assumptions used by the group imply that holding a percentage between 20% and 50% of a company's voting rights suggests significant influence on the company. Investments in associates are initially recognized at cost and are subsequently valued using the Equity method. At the end of each period, the cost of acquisition is increased by the Group's share in the associates' net assets change and is decreased by the dividends received from the associates.

Any goodwill arising from acquiring associates is contained in the cost of acquisition. Whether any impairment of this goodwill occurs, this impairment decreases the cost of acquisition by equal charge in the income statement of the period.

After the acquisition, the Group's share in the profits or losses of associates is recognized in the income statement, while the share of changes in reserves is recognized in Equity. The cumulated changes affect the book value of the investments in associated companies. When the Group’s share in the losses of an associate is equal or larger than the carrying amount of the investment, including any other doubtful debts, the Group does not recognize any further losses, unless it has guaranteed for liabilities or made payments on behalf of the associate or those that emerge from ownership.

Unrealized profits from transactions between the Group and its associates are eliminated according to the Group’s percentage ownership in the associates. Unrealized losses are eliminated, except if the transaction provides indications of impairment of the transferred asset. The accounting principles of the associates have been adjusted to be in conformity to the ones adopted by the Group.

3.3 Segment reporting

MYTILINEOS Group is active in three main operating business segments: Metallurgy, Constructions and Energy. In identifying its operating segments, management generally follows the Group's service lines, which represent the main products and services provided by the Group. Each of these operating segments is managed separately as each of these service lines requires different technologies and other resources as well as marketing approaches. The adoption of IFRS 8 has not affected the identified operating segments for the Group compared to the recent annual financial statement.

3.4 Foreign currency translation

The measurement of the items in the financial statements of the Group’s companies is based on the currency of the primary economic environment in which the Group operates (operating currency). The consolidated financial statements are reported in euros, which is the operating currency and the reporting currency of the parent Company and all its subsidiaries.

Transactions in foreign currencies are converted to the operating currency using the rates in effect at the date of the transactions.

Profits and losses from foreign exchange differences that result from the settlement of such transactions during the period and from the conversion of monetary items denominated in foreign currency using the rate in effect at the balance sheet date are posted to the results. Foreign exchange differences from non-monetary items that are valued at their fair value are considered as part of their fair value and are thus treated similarly to fair value differences.

The Group’s foreign activities in foreign currency (which constitute an inseparable part of the parent’s activities), are converted to the operating currency using the rates in effect at the date of the transaction, while the asset and liability items of foreign activities, including surplus value and fair value adjustments, that arise during the consolidation, are converted to euro using the exchange rates that are in effect as at the balance sheet date.

The individual financial statements of companies included in the consolidation, which initially are presented in a currency different than the Group’s reporting currency, have been converted to euros. The asset and liability items have been converted to euros using the exchange rate prevailing at the balance sheet date. The income and expenses have been converted to the Group's reporting currency using the average rates during the aforementioned period. Any differences that arise from this process, have been debited / (credited) to the Equity under the "Translation Reserves" account.

3.5 Tangible assets

Fixed assets are reported in the financial statements at acquisition cost or deemed cost, as determined based on fair values as at the transition dates, less accumulated depreciations and any impairment suffered by the assets. The acquisition cost includes all the directly attributable expenses for the acquisition of the assets.

Subsequent expenditure is added to the carrying value of the tangible fixed assets or is booked as a separate fixed asset only if it is probable that future economic benefits will flow to the Group and their cost can be accurately and reliably measured. The repair and maintenance cost is booked in the results when such is realized.

Depreciation of tangible fixed assets (other than Land which are not depreciated) is calculated using the straight line method over their useful life, as follows:

Land	25-35 years
Mechanical equipment	4-20 years
Vehicles	4-10 years
Other equipment	4-7 years

The residual values and useful economic life of tangible fixed assets are subject to reassessment at each balance sheet date. When the book value of tangible fixed assets exceeds their recoverable amount, the difference (impairment) is immediately booked as an expense in the income statement.

Upon sale of the tangible fixed assets, any difference between the proceeds and the book value are booked as profit or loss to the results. Expenditure on repairs and maintenance is booked as an expense in the period they occur.

Self-constructed tangible fixed assets constitute an addition to the acquisition cost of tangible assets at a value that includes the direct cost of employee's salaries (including the relevant employer's contributions), the cost of materials used and other general costs.

Regarding borrowing costs, the amendment of IAS 23 "Borrowing Costs" will not have any effect on the Group.

3.6 Intangible assets

The intangible assets include Goodwill, the rights of use of Property, plant and equipment, software licenses, licenses for the production, installation and operation of renewable energy assets and thermal energy assets and the environment rehabilitation expenditure.

Goodwill on Acquisition: is the difference between the asset's acquisition cost and fair value and the net assets of the subsidiary / associate company as at the acquisition date. During the acquisition date, the company recognizes this surplus value, emerged from acquisition, as an asset and presents it in cost. This cost is equal to the amount by which the acquisition cost exceeds the company's share in the net assets of the acquired company.

After the initial recognition, the surplus value is valued at cost less any accumulated impairment losses. The surplus value is not depreciated, but is reviewed on an annual basis for possible decrease in its value (impairment), if there are events that indicate such a loss according to IAS 36.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. A cash generated unit is the smallest identifiable group of assets generating cash inflows independently and represents the level used by the Group to organise and present each activities and results in its internal reporting. Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating units, to which the goodwill relates. Where the recoverable amount (typically the value in use) of the cash-generating units is less than their carrying amount an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods. The Group performs its annual impairment test of goodwill as at 31 December.

In the case where acquisition cost is less than the company's stake in the acquired company's net assets, the former recalculates the acquisition cost and valuates the assets, liabilities and contingent liabilities of the acquired company. Any difference prevailing after the recalculation is recognized directly in the income statement as a profit.

Software: Software licenses are valued in cost of acquisition less accumulated depreciation. Depreciation is calculated using the straight line method during the assets' useful life that range from 1 to 3 years.

Production, Installation and Operation Licenses of Renewable Energy Assets and Thermal Energy Assets: The different types of licenses entitles the group either with the right to construct an energy asset or the right to produce and sell energy. Current market conditions provide adequate evidence about the recoverable amount of such licenses. Therefore the Group has recognized licenses as intangible assets at fair value less depreciation and less any provision for impairment. The Group runs impairment tests on a yearly basis using the following methodology:

i) Attach possibility factors according to management estimation regarding the construction of assets under license
ii) Runs Discounted Cash Flows (DCF) methodology using assumptions prevailing at the energy market. The period regarded by the management for provisions exceeds the

five years encouraged by IAS 36 as, especially for the renewable energy assets, there is satisfactory visibility for a substantially longer period.

iii) The final recoverable amount is calculated for a total portfolio of either renewable or thermal energy assets by multiplying the overall possibility factor with the outcome of the DCF valuation.

iv) Finally, the Group compares the recoverable value calculated to be the value-in-use of the assets with their carrying amounts. When the recoverable value is less than the carrying amount an equal impairment provision is charged to the income statement.

For the reported period, the recoverable value of the licenses acquired by the group exceeds their carrying amount.

Legal rights to explore mines: The legal rights to explore mines concern rights that the group has acquired mining mineral reserves in several geographical areas. In cost of the mining rights, apart from nominal value of the rights, any cost that relates to the initial evaluation of the rehabilitation cost of the area where work has been done, the commitment of the Group either during the acquirement of the right or as a result of its use for a certain time period. The depreciation time period that is adopted by the Group does not exceed 10 years.

Right of Use of Tangible Assets: Rights of exploitation of tangible assets that are granted in the frames of conventions of manufacture of work (compensative profits) are valued in cost of acquisition, which equals their fair value at the date of their concession, less accumulated depreciation. Depreciation is calculated using the "production units method".

Research and Development Expenses: Research and Development expenditures are recognized as expenses when they are realized. The expenses which arise from the developing programs (related to the design and the test of new or improved products) are capitalized if it is possible to produced future economic benefit. The other development expenditures are booked as an expense in the results when they are realized. Previous years' development expenditures recognized as expenses, can not be capitalized in the future fiscal years. The capitalized development expenses are depreciated from the beginning of the product's economic life using the straight line method during the period of the product's future economic benefits. The Group's depreciation period doesn't exceed the 5 years.

Land Stripping & Restoration expenses: Land Stripping & Restoration expenses are capitalized and amortized using the unit of production method.

3.7 Impairment of Assets

Assets with an indefinite useful life are not depreciated and are subject to an impairment review annually and when some events suggest that the book value may not be recoverable any resulting difference is charged to the period's results. Assets that are depreciated are subject to an impairment review when there is evidence that their value will not be recoverable. The recoverable value is the greater between the net sales value and the value in use. An impairment loss is recognized by the company when the book value of these assets (or cash generating unit- CGU) is greater than its recoverable amount.

Net sales value is the amount received from the sale of an asset at an arm's length transaction in which participating parties have full knowledge and participate voluntarily, after deducting any additional direct cost for the sale of the asset, while value in use is the present value of estimated future cash flows that are expected to flow into the company from the use of the asset and from its disposal at the end of its estimated useful life.

3.8 Important accounting decisions, estimations and assumptions

The compilation of financial statements according to IFRS requires the management to make decisions, perform estimations and use assumptions that affect the amounts presented in the financial statements, the assets, liabilities, income and expenses. The actual results may differ due to such estimations. Estimations are continuously enhanced and are based on historical data and other factors, such as expectations for future events expected to realize under current conditions.

3.8.1 Accounting decisions

During the implementation procedure for accounting policies, decisions are made by the management, which relate to the following:

• Classification of investments

Management classifies Financial assets in the scope of IAS 39 based on their nature and their characteristics at the following four categories:

- financial assets at fair value through profit and loss,
- loans and receivables,
- held-to-maturity investments, and
- available-for-sale investments.

Financial assets are recognized initially at cost, which represents their fair value (plus, in certain cases, directly attributable transaction costs). The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

(i) Financial assets at fair value through profit and loss: Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Gains or losses on investments held for trading are recognized in income.

(ii) Loans and receivables: Loans and receivables which are generated form the Group's operations (and are beyond the Group's normal credit terms) are carried at amortized cost using the effective interest method. Gains and losses are recognized in the income statement when the loans and receivables are derecognized or impaired, as well as through the amortization process.

(iii) Held-to-maturity investments: Financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Held-to-maturity investments are carried at amortized cost using the effective interest method. For investments carried at amortized cost, gains and losses are recognized in income when the investments are derecognized or impaired, as well as through the amortization process.

• Recoverability of receivables accounts
Short term receivables are presented in their nominal value, net of provisions for potential non collectible accounts, while long-term receivables (balances that deviate from the normal credit terms) are measured at amortized cost based on the effective interest rate method. At each balance sheet date all potentially uncollectible accounts are assessed individually for purposes of determining the appropriate allowance for doubtful accounts. The balance of such allowance for doubtful accounts is appropriately adjusted at each balance sheet date in order to reflect the possible risks. Any amount written-off with respect to customer account balances is charged against the existing allowance for doubtful accounts. Any amount provided for in respect to customer account balances is charged in the profit and loss statement.

• Impairment of inventories
Provision for slow moving, damaged or obsolete inventories is made when necessary. The impairments at the net realizable value of inventories are charged in the profit and loss statement in the period the occur.

• Classification of a lease as operating or financial.
Leases where all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases.

3.8.2 Assumptions and estimations

The presentation of the value of specific assets and liabilities in the financial statements requires the use of estimations that are based on assumptions relating to the values and conditions not known with certainty during the compilation date of the financial statements. The Group continuously evaluates the estimations it makes based on historical data, the research of specialized consultants, the trends and methods considered appropriate for the estimation of specific conditions as well as estimations regarding how the assumptions made may change in the future.
Assumptions and estimations are required for the presentation of:
• Possible reductions in goodwill
• Provisions for future payable income tax and deferred taxes.
• The fair value of derivatives and other financial instruments
• Provisions amounts
• Contingent receivables and liabilities

- **Possible reductions in Goodwill**

The Group test goodwill for impairment annually and whenever events or circumstances make it more likely than not that an impairment may have occurred, such as a significant adverse change in the business climate or a decision to sell or dispose of a reporting unit. Determining whether an impairment has occurred requires valuation of the respective reporting unit, which we estimate using a discounted cash flow method. When available and as appropriate, we use comparative market multiples to corroborate discounted cash flow results. In applying this

methodology, we rely on a number of factors, including actual operating results, future business plans, economic projections and market data.
If this analysis indicates goodwill s impaired, measuring the impairment requires a fair value estimate of each identified tangible and intangible asset. In this case we supplement the cash flow approach discussed above with independent appraisals, as appropriate.
We test other identified intangible assets with defined useful lives and subject to amortization by comparing the carrying amount to the sum of undiscounted cash flows expected to be generated by the asset. We test intangible assets with indefinite lives annually for impairment using a fair value method such as discounted cash flows.
The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 6. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations.

- **Budget of construction contracts**

The treatment for income and expenses of a construction contract, depends on whether the final result of the contract can be reliably estimated. When the result of a construction contract can be estimated reliably then all income and expenses related to the contract are recognized as such during the time period of the contract. The Group uses the percentage of completion method to determine the appropriate amount of income and expense to be recognized in each period. The percentage of completion is calculated as the contracted cost realized over the total budgeted cost of construction for each project.

- **Income Tax**

Group and company is subject to income taxes in numerous jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Group and company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

- **Provisions**

Doubtful accounts are reported at the amounts likely to be recoverable based on historical experience of customer default. As soon as it is learned that a particular account is subject to a risk over and above the normal credit risk (e.g., low creditworthiness of customer, dispute as to the existence or the amount of the claim, etc.), the account is analyzed and written down if circumstances indicate the receivable is uncollectible.
Provisions for environmental rehabilitation are reported at the amounts that are likely to be claimed against the Group in order to settle the liability

- **Contingencies**

The Group is involved in litigation and claims in the normal course of operations. Management is of the opinion that any resulting settlements would not materially affect the financial position of the Group as at December 31, 2006. However, the determination of contingent liabilities relating to the litigation and claims is a complex process that involves judgments as to the outcomes and interpretation of laws and regulations. Changes in the judgments or interpretations may result in an increase or decrease in the Company's contingent liabilities in the future.

HOLDINGS
MYTILINEOS

3.9 Group Structure

Group companies, included in the consolidated financial statements are:

Name of subsidiaries, associates and joint ventures	Country of Incorporation	Percentage	Consolidation method
MYTILINEOS S.A.	Greece	**Parent**	
METKA S.A.	Greece	56,13%	Full
SERVISTEEL	Greece	56,12%	Full
E.K.M.E. S.A.	Greece	22,45%	Full
RODAX A.T.E.E.	Greece	56,13%	Full
ELEMKA S.A.	Greece	46,87%	Full
BRIDGE ACCESSORIES & CONSTRUCTION SYSTEMS S.A.	Greece	35,15%	Full
ENERGY CONSTRUCTION DEVELOPMENT WESTERN GREECE S.A.	Greece	56,13%	Full
EUROMETAL AGENCY S.A.	Greece	56,13%	Full
JV METKA-ETADE	Greece	56,13%	Full
DELFI DISTOMON A.M.E.	Greece	100,00%	Full
ALOUMINION S.A.	Greece	100,00%	Full
ALOUMINION OF GREECE S.A.I.C.	Greece	100,00%	Full
ELVO	Greece	43,00%	Equity
DEFENSE MATERIAL INDUSTRY S.A.-MYTILINEOS AND Co,	Greece	100,00%	Full
INDUSTRIAL RESEARCH PROGRAMS ''BEAT''	Greece	35,00%	Equity
GENIKI VIOMICHANIKI	Greece	Joint Management	Full
THORIKI S.A.I.C.	Greece	100,00%	Full
THERMOREMA S.A.	Greece	20,00%	Equity
KASTANIOTIKO S.A.	Greece	47,29%	Equity
POUGAKIA S.A.	Greece	47,54%	Equity
KALOMOIRA S.A.	Greece	20,00%	Equity
DELTA ENERGY S.A.	Greece	44,99%	Equity
FOIVOS ENERGY S.A.	Greece	44,99%	Equity
YDROXOOS S.A.	Greece	44,99%	Equity
PEPONIAS S.A.	Greece	28,12%	Equity
FTHIOTIKI ENERGY S.A.	Greece	15,75%	Equity
YDRIA ENERGY S.A.	Greece	44,99%	Equity
AIOLIKI MARTINOU S.A.	Greece	44,99%	Equity
ARGIRI ENERGY S.A.	Greece	44,99%	Equity
EN.DY. S.A.	Greece	44,99%	Equity
FOTINOS TILEMAXOS S.A.	Greece	44,99%	Equity
THESSALIKI ENERGY S.A.	Greece	44,99%	Equity
IONIA ENERGY S.A.	Greece	24,50%	Equity
ELECTRONWATT S.A.	Greece	5,00%	Equity
BUSINESS ENERGY S.A.	Greece	12,46%	Equity
ENDESA Hellas S.A.	Greece	49,99%	Equity
NORTH AEGEAN RENEWABLES	Greece	49,99%	Equity
MYTILINEOS HELLENIC WIND POWER S.A.	Greece	39,99%	Equity
AIOLIKI ANDROU TSIROVLIDI S.A.	Greece	40,09%	Equity
AIOLIKI NEAPOLEOS S.A.	Greece	40,09%	Equity
AIOLIKI EVOIAS PIRGOS S.A.	Greece	40,09%	Equity
AIOLIKI EVOIAS POUNTA S.A.	Greece	40,09%	Equity
AIOLIKI EVOIAS HELONA S.A.	Greece	40,09%	Equity
AIOLIKI ANDROU RAHI XIROKABI S.A.	Greece	40,09%	Equity
AIOLIKI PLATANOU S.A.	Greece	40,09%	Equity
AIOLIKI SAMOTHRAKIS S.A.	Greece	40,09%	Equity
AIOLIKI EVOIAS DIAKOFTIS S.A.	Greece	40,09%	Equity
AIOLIKI SIDIROKASTROU S.A.	Greece	40,09%	Equity
HELLENIC SOLAR S.A.	Greece	49,99%	Equity
SPIDER S.A.	Greece	49,99%	Equity
GREENENERGY A.E.	Greece	39,99%	Equity
BUSINESS ENERGY TPOIZINIA	Greece	24,50%	Equity
MOVAL S.A.	Greece	100,00%	Full
ARGYRITIS GEA S.A.	Greece	100,00%	Full
ANEMOSTRATA RENEWABLE ENERGY SOURCES S.A.	Greece	20,00%	Full
ANEMODRASI RENEWABLE ENERGY SOURCES S.A.	Greece	100,00%	Full
ANEMORAHI RENEWABLE ENERGY SOURCES S.A.	Greece	100,00%	Full
ANEMOSKALA RENEWABLE ENERGY SOURCES S.A.	Greece	20,00%	Full
KATAVATIS RENEWABLE ENERGY SOURCES S.A.	Greece	100,00%	Full
ENERGY E2 AIOLIKI S.A.	Greece	100,00%	Full
ENERGY E2 AIOLIKA PARKA KARYSTIAS S.A.	Greece	100,00%	Full
HORTEROU S.A. [1]	Greece	100,00%	Full
KISSAVOS DROSERI RAHI S.A.[1]	Greece	100,00%	Full
KISSAVOS PLAKA TRANI S.A.[1]	Greece	100,00%	Full
KISSAVOS FOTINI S.A.[1]	Greece	100,00%	Full
AETOVOUNI S.A.[1]	Greece	100,00%	Full
LOGGARIA S.A.[1]	Greece	100,00%	Full
KILKIS PALEON TRIETHNES S.A.[1]	Greece	100,00%	Full
KILKIS VIKROUNOS S.A.[1]	Greece	100,00%	Full
FERRITIS S.A.[1]	Greece	100,00%	Full
VYRILLOS S.A.[1]	Greece	100,00%	Full
OSTENITIS S.A.[1]	Greece	100,00%	Full
KORINTHOS POWER S.A.	Greece	65,00%	Full
RDA TRADING	Guernsey Islands	99,97%	Full
MYVEKT INTERNATIONAL SKOPJE	FYROM	95,01%	Full
MYTILINEOS FINANCE S.A.	Luxemburg	99,97%	Full
RODAX ROMANIA SRL, Bucharest [1]	Romania	46,87%	Full
METKA BRAZI SRL [1]	Romania	99,97%	Full
SOMETRA S.A.	Romania	99,97%	Full
DELTA PROJECT CONSTRUCT SRL	Romania	99,97%	Full
STANMED TRADING LTD	Cyprus	56,13%	Full
DROSCO HOLDINGS LIMITED	Cyprus	56,13%	Full
MYTILINEOS ELGRADO D.O.O.	Serbia	92,79%	Full

(1) Formed Subsidiaries for the period 1.1-31.12.2009

During the reporting period, the Group proceed to the following stock purchases:

METKA		Acquisition Cost (A)	Sale Value (B)	Fair Value of Net Assets	Share of Group in Fair Value of Net Assets (C)	Total No of Shares 31/12/09	% purchases/ (sales)	Sale profit (parent level)	Goodwill on acquisition (A-C)
Purchase	Through ASE	3.394.061	-	141.690.966	467.174	29.158.992	0,70%	-	2.926.887
Sale	Through ASE	-	-	-	-	-	-	-	-
		3.394.061	**-**	**141.690.966**	**467.174**	**29.158.992**	**0**	**-**	**2.926.887**

Anemorahi	Acquisition Cost (A)	Fair Value of Net Assets (B)	% purchases/ (sales)	Goodwill on acquisition (A-B)
Purchase	2.927.900	44.243	80,00%	2.883.657

Anemodrasi	Acquisition Cost (A)	Fair Value of Net Assets (B)	% purchases/ (sales)	Goodwill on acquisition (A-B)
Purchase	2.689.150	43.098	80,00%	2.646.052

Katavatis	Acquisition Cost (A)	Fair Value of Net Assets (B)	% purchases/ (sales)	Goodwill on acquisition (A-B)
Purchase	269.150	43.534	80,00%	225.616

3.10 Significant information

During the reporting period, the Group proceed to the following:

On 26 January 2009 the General Assembly of the Shareholders of the subsidiary Sometra S.A. resolved to the temporary suspension of the production activity of the Zinc-Lead production plant in Copsa Mica, Romania, and to drastically reduce the number of personnel. This decision was considered necessary due to the extremely adverse conditions that prevail in the international markets for metals in combination with the lack of raw materials for the production of zinc, after the world's only bulk concentrate mine stopped operating. It is noted that the price of zinc in London's Metal Exchange (LME) registers an all-time record low of only 1,100 USD/ton, down from 4,000 US/ton in early 2008.

MYTILINEOS S.A. contributed its 20% participation in each one of the companies ANEMORAHI S.A., ANEMODRASI S.A. and KATAVATIS S.A. to its 100% subsidiary MOVAL S.A. and the latter acquired respectively the remaining 80%. The recognized goodwill at Group level amounted to €5,76 mil.

On 14.04.2009 MYTILINEOS HOLDINGS S.A. completed the joint venture agreement with MOTOR OIL (HELLAS) CORINTH REFINERIES S.A. for the joint construction, operation and exploitation of a 400 MW approximately combined cycle, gas turbine power plant within the MOTOR OIL facilities in Ag. Theodori (Corinthia). The agreement was completed with the acquisition by MYTILINEOS Holdings S.A., through its 100% subsidiary "ARGYRITIS GEA S.A.", of a 65% stake in KORINTHOS POWER S.A., which currently holds the licences for the above power plant, through a share capital increase, with MOTOR OIL S.A. retaining a 35% stake in the Company. The increase of the Company's share capital amounted to 59.4 million Euro and was fully subscribed by MYTILINEOS HOLDINGS S.A., through "ARGYRITIS GEA S.A.", on 15.04.2009. The construction of the new combined-cycle gas turbine power plant is undertaken by METKA S.A., a subsidiary of MYTILINEOS HOLDINGS S.A. According to the construction schedule, construction of the plant will be completed in 28 months, i.e. within 2011. The total investment amounts to 285 million Euro. The recognized goodwill at Group level amounted to €20,8 mil.

On 25.6.2009 the contract for the construction of a thermal power plant in Damascus - Syria was signed between the Syrian Arab Republic and the ANSALDO Energia/METKA Consortium, with METKA as Leader. The project concerns engineering, procurement, construction and commissioning of a natural gas fired power plant of 700MW. The participation shares in the project are ANSALDO Energia with 25% and METKA with 75%. METKA, as the Consortium Leader, shall invoice to the client the entire project value on behalf of the Consortium. The contract value amounts to €640,032,609 plus SYP 724,034,823 (around €11,000,000 at the current exchange rate).

On 28.09.2009, the B.o.D of the 100% subsidiary "MOVAL S.A." resolved to the merger with its 100% subsidiaries "ENERGI E2 AIOLIKI S.A." and "ENERGI E2 KARYSTIA S.A.".

On the 30th of October, METKA S.A. and RWE & Turcas Güney Elektrik Uretim A. Ş. have signed an EPC contract for the construction of a natural gas fired combined cycle power plant with a net power output of 775 MW near Denizli, Turkey. METKA's scope represents an amount of approximately € 450 million and the commercial operation of the plant is planned for the end of 2012.

On 31 December 2009, the Extraordinary General Meeting of the shareholders of "ALUMINION S.A." resolved to the recalling of the plan for the de-merger of "ALUMINION S.A." by the merger of its assets and liabilities with the companies "ALUMINION OF GREECE S.A." and "ENDESA HELLAS S.A." Since the de-merger will not be concluded by the 31 December 2009, a time period of more than 24 months will lapse and the financial results of the years 2008 and 2009 will be included in financial year 2010. Consequently, the de-merger will be legally considered cancelled (POL 1080/05.04.94 Directive of the Ministry of Finance). For those reasons, the Board of Directors of "ALUMINION S.A." resolved: a) to recall the 27.6.2008 resolution of the B.o.D of the company concerning the de-merger of the company and b) to recall the 18.9.2008 resolution of the B.o.D of the company concerning the approval of the De-merger Plan of "ALUMINION S.A.".

3.11 Financial instruments

Financial instrument is any contract that creates a financial asset in an enterprise and a financial liability or Equity instrument in another.

The financial instruments of the Group are classified in the following categories according to the substance of the contract and the purpose for which they were purchased.

i) Financial instruments valued at fair value through the income statement

These comprise assets that satisfy any of the following conditions:

- Financial assets that are held for trading purposes (including derivatives, except those that are designated and effective hedging instruments, those that are acquired or incurred for the purpose of sale or repurchase and, finally, those that are part of a portfolio of designated financial instruments).

- Upon initial recognition it is designated by the company as an instrument valued at fair value, with any changes recognized through the Income Statement.

In the Balance-sheet of the Group the exchanges and the assessment at fair value of derivatives they are portrayed in separate items of Asset and Liabilities with titled « Derivatives Financial Assets ». The changes at fair value of derivatives are registered in income statement.

ii) Loans and receivables

They include non-derivative financial assets with fixed or predefined payments which are not traded in active markets. The following are not included in this category (loans and receivables):

a) Receivables from down payments for the purchase of goods or services,

b) Receivables relating to tax transactions, which have been legislatively imposed by the state,

c) Any receivable not covered by a contract which gives the company the right to receive cash or other financial fixed assets.

Loans and receivables are included in current assets, except those with a maturity date exceeding 12 months from the balance sheet date. The latter are included in the non-current assets.

iii) Investments held to maturity

These include non derivative financial assets with fixed or defined payments and specific maturity and which the Group intends to hold until their maturity.

The Group did not hold investments of this category.

iv) Financial assets available for sale

These include non derivative financial assets that are either designated as such or cannot be included in any of the previous categories.

Financial assets available for sale are valued at fair value and the relevant profit or loss is booked in Equity reserves until such assets are sold or characterized as impaired.

During the sale, or when they are characterized as impaired, the profit or loss is transferred to the results. Impairment losses that have been booked to the results are not reversed through the results. The purchases and sales of investments are recognized during the transaction date, which is also the date the Group commits to purchase or sell the item. Investments are initially recognized at fair value plus costs directly related to the transaction. Costs directly related to the transaction are not added for items valued at fair value through the income statement. Investments are written-off when the right on cash flows from investments mature or is transferred and the Group has essentially transferred all the risks and rewards implied by the ownership.

The loans and receivables are recognized in amortized cost using the effective interest method.

The realized and unrealized profits or losses arising from changes in the fair value of financial assets valued at fair value through the income statement, are recognized in the profit and loss of the period they occur.

The fair values of financial assets that are traded in active markets, are defined by their prices. For non-traded assets, fair values are defined with the use of valuation techniques such as analysis of recent transactions, comparative items that are traded and discounted cash flows. The securities that are not traded in an active market that have been classified in the category Financial assets available for sale, and whose fair value cannot be determined in an accurate and reliable way, are valued at their acquisition cost.

At each balance sheet date the Group assess whether there are objective indications that lead to the conclusion that financial assets have been impaired. For company shares that have been classified as financial assets available for sale, such an indication consists of a significant or extended decline in the fair value compared to the acquisition cost. If impairment is established, any accumulated loss in Equity, which is the difference between acquisition cost and fair value, is transferred to the results.

3.12 Inventories

At the balance sheet date, inventories are valued at the lower of acquisition cost and net realizable value. Net realizable value is the estimated sales price during the normal course of the company's business less any relevant sales expenses. The cost of inventories does not include financial expenses.

3.13 Trade receivables

Receivables from customers are initially booked at their fair value and are subsequently valued at their amortized cost using the method of the effective interest rate, less the provision for impairment. In the event that the amortized cost or the cost of a financial asset exceeds the present value, then this asset is valued at its recoverable amount, i.e. at the present value of the future cash flows of the asset, which is calculated using the real initial interest rate.
The relevant loss is immediately transferred to the period's profit and loss. The impairment losses, i.e. when there is objective evidence that the Group is unable to collect all the amounts owed based on the contractual terms, are recognized in the income statement.

3.14 Cash and cash equivalents

Cash and cash equivalents include cash in the bank and in hand as well as short term highly liquid investments such as money market products and bank deposits. Money market products are financial assets which are valued at fair value through the profit and loss account.

3.15 Non-current assets classified as Held for sale

The assets available for sale also include other assets (including Goodwill) and tangible fixed assets that the Group intends to sell within one year from the date they are classified as "Held for sale".

The assets classified as "Held for sale" are valued at the lowest value between their book value immediately prior to their classification as available for sale, and their fair value less the sale cost. Assets classified as "Held for sale" are not subject to depreciation. The profit or loss that results from the sale and reassessment of assets "Held for sale" is included in "other income" and "other expenses" respectively, in the income statement.

3.16 Share capital

Expenses incurred for the issuance of shares reduce, after deducting the relevant income tax, the proceeds from the issue. Expenses related to the issuance of shares for the purchase of companies are included in the acquisition cost of the company acquired.

Where any Group company purchases the Company's equity share capital (Treasury shares), the consideration paid, including any directly attributable incremental costs is deducted from equity attributable to the Company's equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs, is included in equity attributable to the Company's equity holders. Treasury stock does not hold any voting rights.

3.17 Income tax & deferred tax

The tax for the period comprises current income tax and deferred tax, i.e. the tax charges or tax credits that are associated with economic benefits accruing in the period but have been assessed by the tax authorities in different periods. Income tax is recognized in the income statement of the period, except for the tax relating to transactions that have been booked directly to Equity. In such case the related tax is, accordingly, booked directly to Equity.

Current income taxes include the short-term liabilities or receivables from the fiscal authorities that relate to taxes payable on the taxable income of the period and any additional income taxes from previous periods (tax audit differences).

Current taxes are measured according to the tax rates and tax laws prevailing during the financial years to which they relate, based on the taxable profit for the year. All changes to the short-term tax assets or liabilities are recognized as part of the tax expense in the income statement.

Deferred income tax is determined according to the liability method which results from the temporary differences between the book value and the tax base of assets or liabilities. Deferred tax is not booked if it results from the initial recognition of an asset or liability in a

transaction, except for a business combination, which when it occurred did not affect neither the accounting nor the tax profit or loss.
Deferred tax assets and liabilities are valued based on the tax rates that are expected to be in effect during the period in which the asset or liability will be settled, taking into consideration the tax rates (and tax laws) that have been put into effect or are essentially in effect up until the balance sheet date. In the event where it is impossible to identify the timing of the reversal of the temporary differences, the tax rate in effect on the day after the balance sheet date is used.

Deferred tax assets are recognized to the extent that there will be a future tax profit to be set against the temporary difference that creates the deferred tax asset.

Deferred income tax is recognized for the temporary differences that result from investments in subsidiaries and associates, except for the case where the reversal of the temporary differences is controlled by the Group and it is possible that the temporary differences will not be reversed in the foreseeable future.

Most changes in the deferred tax assets or liabilities are recognized as part of the tax expense in the income statement. Only changes in assets or liabilities that affect the temporary differences are recognized directly in the Equity of the Group, such as the revaluation of property value, that results in the relevant change in deferred tax assets or liabilities being charged against the relevant Equity account.

3.18 Employee benefits

Short-term benefits: Short-term employee benefits (except post-employment benefits) monetary and in kind are recognized as an expense when they accrue. Any unpaid amount is booked as a liability, while in the case where the amount paid exceeds the amount of services rendered, the company recognizes the excess amount as an asset (prepaid expense) only to the extent that the prepayment will lead to a reduction of future payments or to reimbursement.

Post-employment benefits: Post-employment benefits comprise pensions or other benefits (life insurance and medical insurance) the company provides after retirement as an exchange for the employees' service with the company. Thus, such benefits include defined contribution schemes as well as defined benefits schemes. The accrued cost of defined contribution schemes is booked as an expense in the period it refers to.

- **Defined contribution scheme**

  According to the defined contributions scheme, the (legal or implied) obligation of the company is limited to the amount that it has been agreed that it will contribute to the entity (i.e. pension fund) that manages the contributions and provides the benefits. Thus the amount of benefits the employee will receive depends on the amount the company will pay (or even the employee) and from the paid investments of such contributions.
  The payable contribution from the company to a defined contribution scheme, is either recognized as a liability after the deduction of the paid contribution, or as an expense.

- **Defined benefits scheme**
The liability that is reported in the balance sheet with respect to this scheme is the present value of the liability for the defined benefit less the fair value of the scheme's assets (if there are such) and the changes that arise from any actuarial profit or loss and the service cost. The commitment of the defined benefit is calculated annually by an independent actuary with the use of the projected unit credit method. The yield of long-term Greek Government Bonds is used as a discount rate.
The actuarial profit and losses are liability items for the company's benefits and for the expense that will be recognized in the results. Such that emerge from adjustments based on historical data and are over or under the 10% margin of the accumulated liability, are booked in the results in the expected average service time of the scheme's participants. The cost for the service time is directly recognized in the results except for the case where the scheme's changes depend on the employees' remaining service with the company. In such a case the service cost is booked in the results using the straight line method within the maturity period.

Benefits for employment termination: Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group books these benefits when it is committed, either when it terminates the employment of existing employees according to a detailed formal plan for which there is no withdrawal possibility, or when it provides such benefits as an incentive for voluntary redundancy. When such benefits are deemed payable in periods that exceed twelve months from the Balance Sheet date, then they must be discounted based on the yields of investment grade corporate or government bonds.

In the case of an offer that is made to encourage voluntary redundancy, the valuation of benefits for employment termination must be based on the number of employees that are expected to accept the offer.

In case of an employment termination where there is inability to asses the number of employees to use such benefits, a disclosure for a contingent liability is made but no accounting treatment is followed.

3.19 Grants

The Group recognizes Government Grants that cumulatively satisfy the following criteria:
a) There is reasonable certainty that the company has complied or will comply to the conditions of the grant and
b) it is probable that the amount of the grant will be received.

Government Grants are booked at fair value and are systematically recognized as revenues according to the principle of matching the grants with the corresponding costs that they are subsidizing.

Government Grants that relate to assets are included in long-term liabilities as deferred income and are recognized systematically and rationally as revenues over the useful life of the fixed asset.

3.20 Provisions

Provisions are recognized when the Group has present obligations (legal or constructive) as a result of past events, their settlement through an outflow of resources is probable and the exact amount of the obligation can be reliably estimated. Provisions are reviewed during the date when each balance sheet is compiled so that they may reflect the present value of the outflow that is expected to be required for the settlement of the obligation. Contingent liabilities are not recognized in the financial statements but are disclosed, except if the probability that there will be an outflow of resources that embody economic benefits is very small. Contingent claims are not recognized in the financial statements but are disclosed provided that the inflow of economic benefits is probable.

3.21 Recognition of income and expenses

Income: Income includes the fair value of goods and services sold, net of Value Added Tax, discounts and returns. Intercompany revenue within the Group is eliminated completely. The recognition of revenue is done as follows:

- **Construction Projects Contracts:** The income from the execution of construction contracts is accounted for in the period the project is constructed, based on its completion stage.
- **Sale of goods**: Sales of goods are recognized when the Group transfers goods to customers, the goods are accepted by them and the collection of the resulting claim is reasonably assured.
- **Provision of services**: Income from the provision of services is accounted for in the period during which the services are rendered, based on the stage of completion of the service in relation to the total services to be rendered.
- **Income from assigned rights for use of tangible assets (Compensative benefits):** The fair value of the assigned rights is recognized as deferred income and are amortized through the income statement according to the completion of the contracts for which these rights have been assigned.
- **Income Interest**: Interest income is recognized on a time proportion basis using the effective interest rate. When there is impairment of assets, their book value is reduced to their recoverable amount which is the present value of the expected future cash flows discounted using the initial real interest rate. Interest is then booked using the same interest rate calculated on the impaired (new book) value.
- **Dividends**: Dividends are accounted for as revenue when the right to receive payment is established.

Expenses: Expenses are recognized in the results on an accrued basis. The payments made for operating leases are transferred to the results as an expense, during the time the lease is used. Interest expenses are recognized on an accrued basis.

3.22 Leases

Group company as Lessee: Leases of fixed assets with which all the risks and benefits related with ownership of an asset are transferred to the Group, regardless of whether the title of ownership of the asset is eventually transferred or not, are finance leases.
These leases are capitalized at the inception of the lease at the lower of the fair value of the asset and the present value of the minimum lease payments. Each lease payment is apportioned between the reduction of the liability and the finance charge so that a fixed interest rate on the remaining financial liability is achieved. The relevant liabilities from leases, net of financial expenses, are reported as liabilities. The part of the financial expense that relates to finance leases is recognized in the income statement during the term of the lease. Fixed assets acquired through finance leases are depreciated over the shorter of their useful life and the lease term.

Lease agreements where the lessor transfers the right of use of an asset for an agreed period of time, without transferring, however, the risks and rewards of ownership of the fixed asset are classified as operating leases. Payments made with respect to operating leases (net of any incentives offered by the lessor) are recognised in the income statement proportionately throughout the term of the lease.

Group Company as lessor: When fixed assets are leased through financial leasing, the present value of the lease is recognized as a receivable. The difference between the gross amount of the receivable and its present value is registered as a deferred financial income. The income from the lease is recognized in the period's results during the lease using the net investment method, which represents a constant periodic return.

Fixed assets that are leased through operating leases are included in the balance sheet's tangible assets. They are depreciated during their expected useful life on a basis consistent with similar self-owned tangible assets. The income from the lease (net of possible incentives given to the lessees) is recognized using the constant method during the period of the lease.

3.23 Construction contracts

Construction contracts refer to the construction of assets or a group of affiliated assets specifically for customers according to the terms provided for in the relevant contracts and whose execution usually lasts for a period of over one fiscal year.

The expenses that refer to the contract are recognized when occur.

In the case where the result of one construction contract may not by reliably valuated, and especially in the case where the project is at a premature state, then:

- The income must be recognized only to the extent that the contractual cost may be recovered, and
- The contractual cost must be recognized in the expenses of the period in which it was undertaken.

Thus, for such contracts income is recognized in order for the profit from the specific project to equal zero.

When the result of a construction contract can be valuated reliably, the contract's income and expenses are recognized during the contract's duration, respectively as income and expense.

The Group uses the "percentage of completion" method to define the appropriate income and expense amount that will be recognized in a specific period.

The completion stage is measured based on the contractual cost that has been realized up to the balance sheet date compared to the total estimated construction cost of each project.
When it is likely for the total contract cost to exceed the total income, then the expected loss is directly recognized in the period's results as an expense.

For the calculation of the cost realized until the end of the period, any expenses related to future activities regarding the contract are excluded and appear as a project under construction. The total cost that was realized and the profit/loss that was recognized for each contract is compared with the progressive invoices until the end of the period.

When the realized expenses plus the net profit (less the losses) that have been recognized, exceed the progressive invoices, the difference appears as a receivable from construction contract customers in the account "Customers and other receivables". When the progressive invoices exceed the realized expenses plus the net profit (less the losses) that have been recognized, the balance appears as a liability towards construction contract customers in the account "Suppliers and other liabilities".

3.24 Dividend distribution

The distribution of dividends to the shareholders of the parent company is recognized as a liability in the consolidated financial statements at the date on which the distribution is approved by the General Meeting of the shareholders.

3.25 Proforma figure "Operating Earnings before Financial & Investment results, Tax, Depreciation & Amortization" (Group EBITDA)

Pro forma figures (EBITDA, EBITDA margin, free cash flow, net debt) are not governed by the International Financial Reporting Standards (IFRS). Thus, these figures are calculated and presented by the Group in a way that provides a more fair view of the financial performance of its Business Sectors. The Group defines "Group EBITDA" as the Operating earning before any interest income and expenses, investment results, depreciation, amortization and before the effects of any special factors. "Group EBITDA" is an important indicator used by Mytilineos Group to manage the Group's operating activities and to measure the performance of the individual segments.

The special factors that affect the Group's net profit / (losses) and EBITDA are the following:

- The Group's share in the EBITDA of associates when these are active in one of its reported Business Segments.
- The Group's share on the profit from the construction of fixed assets on account of subsidiaries and associates when these are active in one of its reported Business Segments.

It is noted that the Group financial statements, prepared according to IAS 21 and IAS 28, include:

1. The Group's share in the net results of associates. The amount of € -1.629 thousands presented in the "Income Statement" represents the Group's share in the EBITDA of ENDESA HELLAS S.A. which is active Energy Segments.
2. The Group's profit realized in connection with the construction of fixed assets on account of subsidiaries and associates, when these are active in one of its reported Business Segments. Such profits are deducted from the Group's equity and fixed assets and released in the Group accounts over the same period as depreciation is charged. Consequently, for the calculation of EBITDA (operational results before depreciation), the Group does not eliminate the profit from the construction of fixed assets as its recovery through their use will effect only the profit after depreciation. The amount of € 31,39 mil. presented in the "Income Statement" represents the gain from the construction of power plants on the account of ENDESA HELLAS S.A. and KORINTHOS POWER S.A.

The Group states that the calculation of "Group EBITDA" may differ from the calculation method used by other companies/groups. However, "Group EBITDA" is calculated with consistency in each financial reporting period and any other financial analysis presented by the Group. Specifically financial results contain interest income/expense, while investment results contain gains/loss of financial assets at fair value through profit and loss, share of results in associates companies and gains/losses from the disposal of financial assets (such as subsidiaries and associates).

Finally, the proforma figure "Group EBITDA" should not be confused with the figure "Earnings before income tax, financial results, depreciation and amortization" calculated for the purposes of 6/448/11.10.2007 resolution of the Hellenic Capital Committee, according to Circular No. 34, as the purpose of the latter is not to define proforma figures like EBITDA despite the familiar terminology used.

4. Business Risk Management

4.1 Financial Risk Factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and price risk), credit risk, liquidity risk, cash flow risk and fair value interest-rate risk. The Group's overall risk management program focuses on the unpredictability of commodity and financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge the exposure to certain financial risks.

Risk management is carried out by a central treasury department (Group Treasury) under policies approved by the Board of Directors. Group Treasury operates as a cost and service centre and provides services to all business units within the Group, co-ordinates access to both domestic and international financial markets and manages the financial risks relating to the Group's operations. This includes identifying, evaluating and if necessary, hedging financial risks in close co-operation with the various business units within the Group.

4.2 Financial Instruments

The Group's financial instruments consist mainly of deposits with banks, bank overdrafts, FX spot and forwards, trade accounts receivable and payable, loans to and from subsidiaries, associates, joint ventures, investments in bonds, dividends payable and lease obligations.

The financial instruments presented in the financial statements are categorized in the tables below:

	MYTILINEOS GROUP		MYTILINEOS S.A.	
	2009	2008	2009	2008
(Amounts in thousands €)				
Non current assets				
Financial Assets Available for Sale	3,485	477	37	37
Derivatives	-	73,600	-	-
Other Long-term Receivables	44,632	2,711	101,737	113
Total	**48,117**	**76,788**	**101,774**	**150**
Current assets				
Derivatives	56,978	129,205	-	-
Financial assets at fair value through profit or loss	2,147	2,757	1,381	1,031
Trade and other receivables	382,271	300,836	22,168	27,094
Cash and cash equivalents	219,161	44,403	112,691	2,507
Total	**660,557**	**477,201**	**136,241**	**30,631**
Non-Current Liabilities				
Long-term debt	522,046	311,195	478,237	310,851
Other long-term liabilities	4,197	50,057	-	-
Total	**526,243**	**361,252**	**478,237**	**310,851**
Current Liabilities				
Short-term debt	128,035	100,057	72,389	14,968
Trade and other payables	377,796	163,891	22,661	24,970
Total	**505,830**	**263,948**	**95,050**	**39,938**

The Group adopted the amendments to IFRS 7 Improving Disclosures about Financial Instruments effective from 1 January 2009. These amendments require the Group to present certain information about financial instruments measured at fair value in the statement of financial position. In the first year of application comparative information need not be presented for the disclosures required by the amendment. Accordingly, the disclosure for the fair value hierarchy is only presented for the 31 December 2009 year end.

The following table presents financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.
The financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

	MYTILINEOS GROUP			
	Total	Level 1	Level 2	Level 3
(Amounts in thousands €)	31/12/ 2009			
Financial assets at fair value				
Financial Assets Available for Sale	3,485	-	373	3,112
Financial assets at fair value through profit or loss	2,147	2,134	13	-
Derivatives				
Commoditiy Futures/Forwards	55,821	-	55,821	-
Foreign exchange forward	1,157	-	1,157	-
Currency / interest rate swaps	-	-	-	-
Currency Options	-	-	-	-
Financial liabilities at fair value				
Derivatives	**2,279**	**-**	**2,279**	**-**
Commoditiy Futures/Forwards	2,279	-	2,279	-
Foreign exchange forward	-	-	-	-
Currency / interest rate swaps	-	-	-	-
Currency Options	-	-	-	-

	MYTILINEOS S.A.			
	Total	Level 1	Level 2	Level 3
(Amounts in thousands €)	31/12/ 2009			
Financial assets at fair value				
Financial Assets Available for Sale	37	-	-	37
Financial assets at fair value through profit or loss	1,381	1,381	-	-
Derivatives				
Commoditiy Futures/Forwards	-	-	-	-
Foreign exchange forward	-	-	-	-
Currency / interest rate swaps	-	-	-	-
Currency Options	-	-	-	-

Capital Management: The primary objective of the Group's capital management is to ensure the continuous smooth operation of its business activities and the achievement of its growth plans combined with an acceptable credit rating. For the purpose of capital management, the Group monitors the ratios "Net Debt to EBITDA" and "Net Debt to Equity". As net debt, the Group defines interest bearing borrowings minus cash and cash equivalents, plus the Group's share in the net debt of ENDESA Group. The ratios are managed in such a way in order to ensure the Group a credit rating compatible with its strategic growth.

The table bellow presents ratio results for the years December 31, 2009 and 2008 respectively:

	MYTILINEOS GROUP	
	2009	2008
(Amounts in thousands €)		
Long-term debt	522,046	311,195
Short-term debt	128,035	100,057
Cash and cash equivalents	(219,161)	(44,403)
Net debt of continuing operations	**430,920**	**366,849**
Share of Net debt of ENDESA Group	10,720	13,525
Group Net debt	**441,640**	**380,374**
Oper.Earnings before income tax,financial results,depreciation and amortization	**118,908**	**109,501**
EQUITY	**763,840**	**901,309**
Group Net debt / Oper.Earnings before income tax,financial results,depreciation and amortization	**3.71**	**3.47**
Group Net debt / EQUITY	**0.58**	**0.42**

The Company does not manage its capital on Company level but only on a Group level.

4.3 Market Risk

(i) Foreign Exchange Risk

The Group is activated in a global level and consequently is exposed to foreign exchange risk emanating mainly from the US dollar. This kind of risk mainly results from commercial transactions in foreign currency as well as net investments in foreign entities. For managing this type of risk, the Group Treasury Department enters into derivative or non derivative financial instruments with financial institutions on behalf and in the name of group companies. In Group level these financial instruments are characterized as exchange rate risk hedges for certain assets, liabilities or foreseen commercial transactions.

(ii) Price Risk

The Group's earnings are exposed to movements in the prices of the commodities it produces, which are determined by the international markets and the global demand and supply.

The Group is price risk from fluctuations in the prices of variables that determine either the sales and/or the cost of sales of the group entities (i.e. products' prices (LME), raw materials, other cost elements etc.). The Group's activities expose it to the fluctuations of the prices of Aluminium (AL), Zinc (Zn), Lead (Pb) as well as to Fuel Oil as a production cost.

Commodity price risk can be reduced through the negotiation of long term contracts or through the use of financial derivatives.

(iii) Interest rate risk.

Group's interest bearing assets comprises only of cash and cash equivalents. Additionally, the Group maintains its total bank debt in products of floating interest rate. In respect of its exposure to floating interest payments, the Group evaluates the respective risks and where deemed necessary considers the use of appropriate interest rate derivatives. The policy of the Group is to minimize interest rate cash flow risk exposures on long-term financing.

Effects and Sensitivity Analysis

The effects of the above risks at the Group's operating results, equity, and net profitability are presented in the table below:

			2009			2008		
		Sensitivity	Effect on EBITDA	Effect on Profit after Tax	Effect on Equity	Effect on EBITDA	Effect on Profit after Tax	Effect on Equity
LME AL (Aluminium)	$/tn	+ - 50$/tn	+ - 2mio €	+ - 2mio €	+ - 0mio €	+ - 1,44mio €	+ - 1,44mio €	+ - 8,07mio €
LME Zn (Zinc)	$/tn	+ - 50$/tn				- + 0.10mio €	- + 0.075mio €	- + 0.075mio €
LME Pb (Lead)	$/tn	+ - 50$/tn				+ - 0.20mio €	+ - 0.15mio €	+ - 0.15mio €
Oil	$/tn	+ - 50$/tn	- + 6.6mio €	- + 6.6mio €	- + 6.6mio €	- + 6.32mio €	- + 6.32mio €	- + 6.32mio €
Parity €/$		+ - 0.05	- + 6,54mio €	- + 6,46mio €	- + 6,46mio €	- + 15.65mio €	- + 15.65mio €	- + 15.65mio €

It is noted that an increase of five (5) basis points presume a decrease of 2.44 mil. € on net results and Equity.

The Group's exposure in price risk and therefore sensitivity may vary according to the transaction volume and the price level. However the above sensitivity analysis is representative for the Group exposure in 2009.

4.4 Credit Risk

The Group has no significant concentrations of credit risk with any single counter party. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale customers, including outstanding receivables and committed transactions. Concerning trade accounts receivables, the Group is not exposed to significant credit risks as they mainly consist of a large, widespread customer base. All Group companies monitor the financial position of their debtors on an ongoing basis.
The Group also has potential credit risk exposure arising from cash and cash equivalents, investments and derivative contracts. To minimize this credit risk, the Group operates within an established counterparty policy approved by the Board of Directors, which limits the amount of credit exposure to any one financial institution. Also, as regards money market instruments, the Group only deals with well-established financial institutions of high credit standing.

The tables below summarize the maturity profile of the Group's financial assets as at 31.12.2009 and 31.12.2008 respectively:

	MYTILINEOS GROUP						MYTILINEOS GROUP
	Past due but not impaired						Continuing Operations
Liquidity Risk Analysis - Trade Receivables (Amounts in thousands €)	0-3 months	3-6 months	6-12 months	> 1 year	Non past due but not impaired	Total	
2009	92,887	517	1,474	4,688	208,974	308,540	-
2008	12,163	1,572	1,945	2,373	232,263	250,315	-

	MYTILINEOS S.A.					
	Past due but not impaired					
Liquidity Risk Analysis - Trade Receivables (Amounts in thousands €)	0-3 months	3-6 months	6-12 months	> 1 year	Non past due but not impaired	Total
2009	-	-	-	-	12,999	12,999
2008	-	-	-	-	19,222	19,222

4.5 Liquidity Risk

Liquidity risk is related with the Group's need for the sufficient financing of its operations and development. The policy of the Group is to minimize interest rate cash flow risk exposures on long-term financing. Liquidity risk is managed by retaining sufficient cash and immediately liquidated financial assets as well as sufficient credit lines with Banks and Suppliers in relation to the required financing of operations and investments.

The tables below summarize the maturity profile of the Group's financial liabilities as at 31.12.2009 and 31.12.2008 respectively:

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2009	MYTILINEOS GROUP				
	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	-	-	522,046	-	522,046
Short Term Loans	90,547	37,459	-	-	128,006
Leasing liabilities	28	-	-	-	28
Trade and other payables	278,098	72,742	4,045	-	354,886
Other payables	17,403	5,608	-	-	23,011
Total	386,076	115,810	526,092	-	1,027,977

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2008	MYTILINEOS GROUP				
	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	-	-	311,195	-	311,195
Short Term Loans	27,388	72,567	0	-	99,954
Leasing liabilities	47	28	28	-	103
Trade and other payables	116,328	25,250	0	-	141,579
Other payables	18,909	3,403	-	-	22,312
Total	162,671	101,248	311,223	-	575,143

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2009	MYTILINEOS S.A. up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	-	-	478,237	-	478,237
Short Term Loans	72,389	-	-	-	72,389
Leasing liabilities	-	-	-	-	-
Trade and other payables	-	-	-	-	-
Other payables	22,661	-	-	-	22,661
Total	95,050	-	478,237	-	573,287

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2008	MYTILINEOS S.A. up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	-	-	310,851	-	310,851
Short Term Loans	14,968	-	-	-	14,968
Leasing liabilities	-	-	-	-	-
Trade and other payables	-	-	-	-	-
Other payables	24,970	-	-	-	24,970
Total	39,938	-	310,851	-	350,789

4.6 Hedging Accounting

The Group uses Derivative financial instruments such as Commodity Futures and Currency Forwards in order to mitigate the risk related to its business activities along with the risk related to the funding of such activities.
At inception of the hedging transaction, the Group validates the hedging relationship between the underlying and the hedging instrument as far as its risk management strategy is concerned. The Group also verifies the hedging efficiency from the beginning of the hedging relationship and on a continuing basis.
All derivative financial instruments are initially recognized at fair value as at the date of settlement and are valued on a mark - to - market basis on each balance sheet date. The result of this valuation is recognized as an asset when positive and as a liability when negative.
When a derivative financial instrument is no longer regarded as hedging instrument any difference in its fair value is recognized in profit and loss.

There are three kinds of hedges:

Fair Value Hedging
Fair value hedging is regarded when hedging the exposure in the fluctuations of the fair value of a recognized asset, liability, contingent liability or part of them that could have a negative impact on results.

When hedging accounting, concerning fair value hedge, is followed then any profit or loss from revaluation is recognized in profit and loss.

Cash Flow Hedging
The Group enters into Cash Flow Hedging transactions in order to cover the risks that cause fluctuations in its cash flows and arise either from an asset or a liability or a forecasted transaction.
On revaluation of open positions, the effective part of the hedging instrument is recognized directly in Equity as "Hedging Reserve" while the ineffective part is recognized in Profit & Loss. The amounts recognized in Equity are transferred in profit and loss at the same time as the underlying.
When a hedging instrument has expired, sold, settled or does not qualify for hedging accounting all accumulated profit or loss recognized in Equity, stays in Equity until the final settlement of the underlying. If the underlying is not expected to be settled then any profit or loss recognized in Equity is transferred to profit and loss account.

Hedging of a Net Investment
Hedging of a foreign investment is regarded for accounting purposes in a way similar to cash flow hedging.
The effective part of the hedging result is recognized directly in Equity while any ineffective part is recognized in profit and loss. Accumulated profit or loss recognized in Equity is transferred in profit and loss account at the time of disposal of the investment.

Determination of Fair Value
The fair value of financial instruments trading in an active market is defined by the published prices as of the date of the financial statements.
The fair value of financial instruments not traded in active market is defined through the use of valuation techniques and assumptions based on relevant market information as of the date of the financial statements.

5. Segment reporting

MYTILINEOS Group is active in three main operating business segments: Metallurgy, Constructions and Energy. In identifying its operating segments, management generally follows the Group's service lines, which represent the main products and services provided by the Group. Each of these operating segments is managed separately as each of these service lines requires different technologies and other resources as well as marketing approaches. The adoption of IFRS 8 has not affected the identified operating segments for the Group compared to the recent annual financial statement.

It is noted that, in the context of the agreement between the Group and "ENDESA Europa", the Group will contribute its entire thermal and renewable energy assets and licenses to the new company. The Group applied IFRS 5 "Non Current Assets Available for Sale & Discontinued Operations" and present separately the assets, liabilities and results which are going to be transferred to the new company for the reporting period and for the respective period of the previous year. As held for sale is also considered the subsidiary company SOMETRA S.A. due to the temporary suspension of the production activity of the Zinc-Lead production plant in Copsa Mica, Romania.

The above mentioned assets, liabilities and results are those which are presented in the following tables under the Energy segment and transferred to column "Discontinued Operations".

Segment's results are as follows:

(Amounts in thousands €) **1/1-31/12/2009**	Metallurgy	Constructions	Energy	Others	Discontinuing Operations	Total
Total Gross Sales	505,097	339,390	4,969	-	(28,478)	820,977
Intercompany sales	(31,756)	(234)	(640)	-	-	(32,630)
Inter-segment sales	-	(126,537)	-	-	-	(126,537)
Net Sales	**473,340**	**212,619**	**4,329**	**-**	**(28,478)**	**661,810**
Earnings before interest and income tax	**55,064**	**31,897**	**1,313**	**(18,078)**	**(437)**	**69,758**
Financial results	(5,909)	(1,216)	(592)	(13,335)	113	(20,939)
Share of profit of associates	-	-	(3,439)	(8,913)	-	(12,351)
Profit from company acquisition	-	-	-	-	-	-
Profit before income tax	**49,155**	**30,680**	**(2,717)**	**(40,325)**	**(324)**	**36,468**
Income tax expense	(2,648)	(11,336)	(405)	(2,241)	(42)	(16,672)
Profit for the period	**46,507**	**19,344**	**(3,122)**	**(42,566)**	**(366)**	**19,796**
Result from discontinuing operations	-	-	-	-	(366)	(366)
Assets depreciation	**15,720**	**4,824**	**1,020**	**494**	**(2,543)**	**19,514**
Other operating included in EBITDA	-	31,265	(1,629)	-	-	29,636
Oper.Earnings before income tax,financial results,depreciation and amortization	**70,783**	**67,986**	**703**	**(17,584)**	**(2,980)**	**118,908**
Additions	**30,263**	**2,786**	**85,747**	**597**	**(795)**	**118,597**

(Amounts in thousands €) **1/1-31/12/2008**	Metallurgy	Constructions	Energy	Others	Discontinuing Operations	Total
Total Gross Sales	863,232	381,472	1,865	231	(46,935)	1,199,865
Intercompany sales	(199,688)	(454)	-	(110)	-	(200,252)
Inter-segment sales	-	(70,552)	-	-	-	(70,551)
Net Sales	**663,544**	**310,466**	**1,866**	**120**	**(46,935)**	**929,062**
Earnings before interest and income tax	**44,142**	**51,775**	**(43)**	**(15,997)**	**(4,497)**	**75,381**
Financial results	(10,128)	(3,561)	(953)	(10,989)	2,097	(23,533)
Share of profit of associates	-	-	23	(7,526)	(23)	(7,526)
Profit from company acquisition	-	-	-	-	-	-
Profit before income tax	**34,014**	**48,215**	**(973)**	**(34,512)**	**(2,423)**	**44,321**
Income tax expense	(7,811)	(13,195)	(234)	5,841	(62)	(15,460)
Profit for the period	**26,204**	**35,020**	**(1,206)**	**(28,671)**	**(2,485)**	**28,862**
Result from discontinuing operations	-	-	-	-	(2,485)	(2,485)
Assets depreciation	**17,915**	**5,256**	**201**	**376**	**(2,873)**	**20,876**
Other operating included in EBITDA	-	15,475	(2,231)	-	-	13,245
Oper.Earnings before income tax,financial results,depreciation and amortization	**62,058**	**72,507**	**(2,072)**	**(15,621)**	**(7,370)**	**109,501**
Capital Expenditure	**23.465**	**1.945**	**30.368**	**219**	**(10.931)**	**45.066**

Segment's assets and liabilities are as follows:

	Continuing Operations				Discontinuing Operations				
(Amounts in thousands €)	**Metallurgy**	**Constructions**	**Energy**	**Others**	**Metallurgy**	**Constructions**	**Energy**	**Others**	**Total**
31/12/2009									
Assets	627,126	539,679	576,307	146,169	99,535	-	-	-	1,988,817
Consolidated assets	627,126	539,679	576,307	146,169	99,535	-	-	-	1,988,817
Liabilities	230,504	272,719	131,481	589,958	315	-	-	-	1,224,977
Consolidated liabilities	230,504	272,719	131,481	589,958	315	-	-	-	1,224,977

	Continuing Operations				Discontinuing Operations				
(Amounts in thousands €)	**Metallurgy**	**Constructions**	**Energy**	**Others**	**Metallurgy**	**Constructions**	**Energy**	**Others**	**Total**
31/12/2008									
Assets	793,981	460,847	258,816	46,178	-	-	210,330	-	1,770,151
Consolidated assets	793,981	460,847	258,816	46,178	-	-	210,330	-	1,770,151
Liabilities	187,805	156,894	34,788	404,817	-	-	84,538	-	868,842
Consolidated liabilities	187,805	156,894	34,788	404,817	-	-	84,538	-	868,842

6. Notes on the Financial Statements

6.1 Tangible assets

	MYTILINEOS GROUP				
(Amounts in thousands €)	Land & Buildings	Vehicles & mechanical equipment	Furniture and other equipment	Tangible assets under construction	Total
Gross Book Value	265,367	571,247	21,817	42,529	900,959
Accumulated depreciation and/or impairment	(46,158)	(448,569)	(18,636)	-	(513,363)
Net Book value as at 01/01/2008	**219,208**	**122,678**	**3,180**	**42,529**	**387,596**
Gross Book Value	279,154	597,320	22,526	65,561	964,561
Accumulated depreciation and/or impairment	(52,163)	(471,387)	(19,494)	-	(543,044)
Net Book value as at 31/12/2008	**226,992**	**125,933**	**3,032**	**65,561**	**421,517**
Gross Book Value	249,785	569,937	23,271	310,002	1,152,994
Accumulated depreciation and/or impairment	(32,430)	(452,182)	(20,184)	-	(504,796)
Net Book value as at 31/12/2009	**217,355**	**117,755**	**3,087**	**310,002**	**648,198**

(Amounts in thousands €)	Land & Buildings	Vehicles & mechanical equipment	Furniture and other equipment	Tangible assets under construction	Total
Net Book value as at 01/01/2008	**219,208**	**122,678**	**3,180**	**42,529**	**387,596**
Additions from acquisition/consolidation of subsidiarie	6,038	13,296	0	-	19,334
Additions	2,165	10,125	832	20,942	34,064
Sales-Reductions	(4)	(166)	(8)	-	(178)
Depreciation	(3,224)	(16,850)	(972)	-	(21,046)
Reclassifications	1,766	(4,132)	0	2,108	(258)
Net foreign exchange differences	1,042	981	0	(18)	2,005
Tangible assets of discont. operations	-	-	-	-	-
Net Book value as at 31/12/2008	**226,992**	**125,933**	**3,032**	**65,561**	**421,517**
Additions from acquisition/consolidation of subsidiarie	-	-	-	-	-
Additions	899	1,391	975	111,998	115,263
Sales-Reductions	-	(55)	(1)	(196)	(252)
Depreciation	(3,143)	(15,355)	(971)	-	(19,469)
Reclassifications	628	15,347	84	(16,220)	(161)
Net foreign exchange differences	(439)	-	-	-	(439)
Tangible assets of discont. operations	(7,582)	(9,505)	(32)	148,859	131,739
Net Book value as at 31/12/2009	**217,355**	**117,755**	**3,087**	**310,002**	**648,198**

MYTILINEOS S.A.

(Amounts in thousands €)	Land & Buildings	Vehicles & mechanical equipment	Furniture and other equipment	Tangible assets under construction	Total
Gross Book Value	13,193	179	1,321	-	-
Accumulated depreciation and/or impairment	(2,388)	(122)	(1,047)	-	(3,557)
Net Book value as at 01/01/2008	**10,805**	**57**	**274**	**-**	**11,136**
Gross Book Value	13,193	170	1,415	125	14,903
Accumulated depreciation and/or impairment	(2,616)	(135)	(1,154)	-	(3,906)
Net Book value as at 31/12/2008	**10,576**	**35**	**261**	**125**	**10,998**
Gross Book Value	13,193	188	1,537	-	14,918
Accumulated depreciation and/or impairment	(2,819)	(142)	(1,276)	-	(4,238)
Net Book value as at 31/12/2009	**10,374**	**45**	**261**	**-**	**10,680**

(Amounts in thousands €)	Land & Buildings	Vehicles & mechanical equipment	Furniture and other equipment	Tangible assets under construction	Total
Net Book value as at 01/01/2008	**10,805**	**57**	**274**	**-**	**11,136**
Additions from acquisition/consolidation of subsidiarie	-	-	-	-	-
Additions	-	-	94	125	219
Sales-Reductions	-	(9)	0	-	(9)
Depreciation	(228)	(13)	(107)	-	(348)
Reclassifications	-	-	-	-	-
Net foreign exchange differences	-	-	-	-	-
Tangible assets of discont. operations	-	-	-	-	-
Net Book value as at 31/12/2008	**10,576**	**35**	**261**	**125**	**10,998**
Additions from acquisition/consolidation of subsidiarie	-	-	-	-	-
Additions	-	21	134	-	155
Sales-Reductions	-	-	-	-	-
Depreciation	(203)	(11)	(135)	-	(348)
Reclassifications	-	-	-	(125)	(125)
Net foreign exchange differences	-	-	-	-	-
Tangible assets of discont. operations	-	-	-	-	-
Net Book value as at 31/12/2009	**10,374**	**45**	**261**	**-**	**10,680**

Leased fixed assets included in the table above are as follows:

(Amounts in thousands €)	MYTILINEOS GROUP Land & Buildings	Vehicles & mechanical equipment	Furniture and other equipment	Tangible assets under construction	Total
Gross Book Value	-	260	3	-	263
Accumulated depreciation and/or impairment	-	(104)	(3)	-	107
Net Book value as at 01/01/2008	**-**	**156**	**-**	**-**	**156**
Additions from acquisition/consolidation of subsidiarie	-	-	-	-	-
Additions	-	157	-	-	157
Sales-Reductions	-	-	-	-	-
Depreciation	-	(55)	-	-	(55)
Reclassifications	-	-	-	-	-
Net foreign exchange differences	-	-	-	-	-
Tangible assets of discont. operations	-	-	-	-	-
Gross Book Value	-	417	3	-	420
Accumulated depreciation and/or impairment	-	160	3	-	162
Net Book value as at 31/12/2008	**-**	**257**	**-**	**-**	**257**
Additions from acquisition/consolidation of subsidiarie	-	-	-	-	-
Additions	-	-	-	-	-
Sales-Reductions	-	-	-	-	-
Depreciation	-	(46)	-	-	(46)
Reclassifications	-	-	-	-	-
Net foreign exchange differences	-	-	-	-	-
Tangible assets of discont. operations	-	-	-	-	-
Gross Book Value	-	417	3	-	420
Accumulated depreciation and/or impairment	-	(206)	(3)	-	208
Net Book value as at 31/12/2009	**-**	**211**	**-**	**-**	**211**

No liens or pledges exists on the Group's and Company's fixed assets. Depreciation charged in profit and loss is analyzed in notes 6.22 and 6.23.

6.2 Goodwill

Goodwill is allocated to the group's cash-generating groups identified according to business segment.

(Amounts in thousands €)	Metallurgy	Constructions		Other	Continiuing operations	Discontiniuing operations	Total
Gross Book value	12.935	135.403	6.034	7	**154.379**	6.348	160.726
Accumulated depreciation and/or impairment	(45)	(6.939)	(6.034)	-	**(13.019)**	-	(13.019)
Net Book Value as at 01/01/2008	**12.889**	**128.464**	**-**	**7**	**141.360**	**6.348**	**147.707**
Gross Book value	12.889	145.280	13.554	7	**171.730**	6.348	171.730
Accumulated depreciation and/or impairment	-	-	-	-	-	(6.348)	-
Net Book Value as at 31/12/2008	**12.889**	**145.280**	**13.554**	**7**	**171.730**	**-**	**171.730**
Gross Book value	12.889	148.301	40.144	7	**201.341**	-	**201.341**
Accumulated depreciation and/or impairment	-	-	-	-	**-**	-	-
Net Book Value as at 31/12/2009	**12.889**	**148.301**	**40.144**	**7**	**201.341**	**-**	**201.341**
Book value as at 01/01/2008	**12.889**	**128.464**	**-**	**7**	**141.360**	**6.348**	**147.707**
Additions	-	18.430	13.554	-	**31.984**	-	**31.984**
Sales-Reductions	-	(1.614)	-	-	**(1.614)**	(6.348)	**(7.962)**
Impairment	-	-	-	-	**-**	-	**-**
Net Book value as at 31/12/2008	**12.889**	**145.280**	**13.554**	**7**	**171.730**	**-**	**171.730**
Additions	-	3.021	26.590	-	**29.611**	-	**29.611**
Sales-Reductions	-	-	-	-	**-**	-	**-**
Impairment	-	-	-	-	**-**	-	**-**
Net Book value as at 31/12/2009	**12.889**	**148.301**	**40.144**	**7**	**201.341**	**-**	**201.341**

Goodwill is allocated to the group's cash-generating units (CGUs).

(Amounts in thousands €)	**Recognized Goodwill as at 31/12/2009**
METKA	147.664
ALOUMINION S.A.	12.891
E2 ENERGY SA	6.031
E2 ENERGY LLC	7.524
KORINTHOS POWER SA	20.835
ANEMORAHI	2.884
ANEMODRASI	2.646
KATAVATIS	226
ELEMKA S.A.	635
DEFENSE MATERIAL INDUSTRY S.A.	5
DROSCO HOLDINGS LTD	2
Net Book value as at 31/12/2009	**201.341**

The Group performs impairment tests for goodwill on an annual basis. The recoverable amount of the recognized goodwill, was assessed using their value in use. The "value in use" was determined based on management estimates that were verified by an independent valuator. For the calculation of the value in use the discounted cash flows method was used.

The Group reviewed for impairment all of its continuing activities and no impairment issue was identified. Regarding the zinc-lead activity of SOMETRA S.A. (100% subsidiary of MYTILINEOS Group), for which the Group resolved in January 2009 to the temporary suspension of the production activity, MYTILINEOS S.A. recognised IN 2008 an impairment loss of an amount of € 30m. It is noted that in a Group level the recognized losses from the aforementioned investment exceeds the impairment recognized by the Parent Company.

6.3 Intangible Assets

	MYTILINEOS GROUP			
(Amounts in thousands €)	Software	Land Restoration	Other intangible assets	Total
Gross Book Value	7,111	35,927	33,148	76,186
Accumulated depreciation and/or impairment	(6,237)	(35,140)	(25,655)	(67,031)
Net Book value as at 01/01/2008	**874**	**787**	**7,493**	**9,155**
Gross Book Value	7,401	38,530	33,715	79,645
Accumulated depreciation and/or impairment	(6,553)	(37,743)	(29,097)	(73,393)
Net Book value as at 31/12/2008	**848**	**787**	**4,618**	**6,252**
Gross Book Value	7,894	41,377	33,780	83,052
Accumulated depreciation and/or impairment	(6,888)	(38,732)	(30,250)	(75,870)
Net Book value as at 31/12/2009	**1,006**	**2,645**	**3,530**	**7,182**

	MYTILINEOS GROUP			
(Amounts in thousands €)	Software	Land Restoration	Other intangible assets	Total
Net Book value as at 01/01/2008	**874**	**787**	**7,493**	**9,155**
Additions from acquisition/consolidation of subsidiaries	-	-	-	-
Additions	290	2,603	582	3,475
Sales-Reductions	-	-	(16)	(16)
Depreciation	(317)	(2,603)	(3,442)	(6,362)
Reclassifications	-	-	-	-
Net foreign exchange differences	-	-	-	-
Net Book value as at 31/12/2008	**848**	**787**	**4,618**	**6,252**
Additions from acquisition/consolidation of subsidiaries	-	-	3	3
Additions	479	2,848	13	3,340
Sales-Reductions	-	-	-	-
Depreciation	(480)	(989)	(1,104)	(2,573)
Reclassifications	161	-	-	161
Net foreign exchange differences	-	-	-	-
Net Book value as at 31/12/2009	**1,006**	**2,645**	**3,530**	**7,182**

(Amounts in thousands €)	MYTILINEOS S.A. Software	Total
Gross Book Value	332	332
Accumulated depreciation and/or impairment	(270)	(270)
Net Book value as at 01/01/2008	**61**	**61**
Gross Book Value	373	373
Accumulated depreciation and/or impairment	(297)	(297)
Net Book value as at 31/12/2008	**76**	**76**
Gross Book Value	862	862
Accumulated depreciation and/or impairment	(339)	(339)
Net Book value as at 31/12/2009	**522**	**522**

(Amounts in thousands €)	MYTILINEOS S.A. Software	Total
Net Book value as at 01/01/2008	**61**	**61**
Additions from acquisition/consolidation of subsidiaries	-	-
Additions	41	41
Sales-Reductions	-	-
Depreciation	(27)	(27)
Reclassifications	-	-
Net foreign exchange differences	-	-
Net Book value as at 31/12/2008	**76**	**76**
Additions from acquisition/consolidation of subsidiaries	-	-
Additions	442	442
Sales-Reductions	-	-
Depreciation	(120)	(120)
Reclassifications	125	125
Net foreign exchange differences	-	-
Net Book value as at 31/12/2009	**522**	**522**

Amortization charged in profit and loss is analyzed in notes 6.22 and 6.23.

6.4 Investments in affiliated companies

(Amounts in thousands €)	MYTILINEOS GROUP	
	31/12/2009	31/12/2008
Total Opening	**206,040**	**190,159**
Share of profit/loss (after taxation and minority interest)	(12,351)	(7,526)
Additions	86	38,784
Reversal of received dividends	(6,015)	(15,415)
Other Changes in Equity	-	38
Investments in affiliated companies	**187,759**	**206,040**

The table below presents summarised financial information of associate's:

(Amounts in thousands €)	31/12/2009					
	% Participation	**Assets**	**Liabilities**	**Equity**	**Sales**	**Net profit/ (loss)**
ENDESA Hellas S.A. (consolidated)	49,99%	566.787	158.429	408.357	11.862	(6.879)
ELVO	43%	120.131	122.269	-2.138	36.898	(20.727)

	31/12/2008					
	% Participation	**Assets**	**Liabilities**	**Equity**	**Sales**	**Net profit/ (loss)**
ENDESA Hellas S.A. (consolidated)	49,99%	536.266	129.338	406.928	11.290	(3.610)
ELVO	43%	165.059	146.469	18.590	40.595	(13.374)

6.5 Deferred tax

	MYTILINEOS GROUP				MYTILINEOS S.A.			
	31/12/2009		31/12/2008		31/12/2009		31/12/2008	
(Amounts in thousands €)	**Asset**	**Liability**	**Asset**	**Liability**	**Asset**	**Liability**	**Asset**	**Liability**
Non Current Assets								
Intangible Assets	8	(134)	769	(152)	185	-	284	-
Tangible Assets	659	21,079	1,584	21,179	-	859	-	853
Financial Assets Available for Sale	-	-	-	(416)	-	-	-	(416)
Long-term Receivables	-	38	-	35	-	3	-	-
Current Assets								
Inventories	-	-	-	-	-	-	-	-
Construction Contracts	35,614	11,854	15,764	15,136	-	-	-	-
Receivables	638	-	3,037	399	-	-	292	-
Financial Assets Available for Sale	-	-	-	-	-	-	-	-
Financial assets at fair value	329	-	-	-	329	-	-	-
Reserves								
Reserves' defer tax liability	-	10,043	-	10,055	-	8,896	-	8,896
Long-term Liabilities								
Employee Benefits	5,448	-	6,200	-	45	-	45	-
Subsidies	54	-	102	-	-	-	-	-
Long-term Loans	488	173	-	474	-	173	-	474
Other Long-term Liabilities	2,133	57	2,638	681	-	-	-	175
Short-term Liabilities								
Provisions	0	462	8	-	-	462	-	-
Contingent Liabilities	375	-	-	-	-	-	-	-
Employee Benefits	1,596	-	1,041	-	-	-	-	-
Liabilities from derivatives	-	-	-	377	-	-	-	-
Liabilities from financing leases	7	-	24	-	-	-	-	-
Other Short-term Liabilities	163	-	22	-	87	-	-	-
Other contingent defer taxes	3,750	36,419	-	36,419	-	36,419	-	36,419
Total	**51,262**	**79,990**	**31,188**	**84,187**	**646**	**46,812**	**622**	**46,401**
Offsetting	**(8,414)**	**(8,414)**	**(11,499)**	**(11,499)**	**-**	**-**	**-**	**-**
Deferred Tax Liability/Receivables	**42,848**	**71,576**	**19,689**	**72,688**	**646**	**46,812**	**622**	**46,401**

HOLDINGS
MYTILINEOS

6.6 Other long-term receivables

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2009	MYTILINEOS GROUP 31/12/2008	MYTILINEOS S.A. 31/12/2009	MYTILINEOS S.A. 31/12/2008
Customers - Withholding quarantees falling due after one year	3,033	1,923	-	-
Given Guarantees	609	781	186	113
Other long term receivables	242	7	-	-
Long - term receivables from related parties	40,748	-	101,552	-
Other Long-term Receivables	**44,632**	**2,711**	**101,737**	**113**

The Long-term receivables from related parties as of 30.09.2009 relate to intercompany loans. The Parent company MYTILINEOS S.A. granted to a) the subsidiary company "ARGYRITIS S.A.", a 4 year loan of the amount of € 59 mil. at a 6 month Euribor interest plus spread and b) to the associated company "ENDESA HELLAS S.A.", a 3 year loan of the amount of € 40 mil. at a 6 month Euribor interest plus spread.

6.7 Inventories

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2009	MYTILINEOS GROUP 31/12/2008
Raw materials	20,465	40,699
Semi-finished products	587	34,699
Finished products	13,594	40,357
Work in Progress	26,267	12,876
Merchandise	1,770	3,139
Others	29,332	45,038
Total	**92,015**	**176,808**
(Less)Provisions for scrap,slow moving and/or destroyed inventories:	(2,630)	(2,788)
Total Stock	**89,385**	**174,020**

Other stock relate to fuels, spare parts and other consumables. The significant decrease in stock in 2009, comparing to prior year is due to the stock of the subsidiary company SOMETRA, which is included in "Non-current assets held for sale" (note 6.31).

6.8 Customers and other trade receivables

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2009	MYTILINEOS GROUP 31/12/2008	MYTILINEOS S.A. 31/12/2009	MYTILINEOS S.A. 31/12/2008
Customers	256,553	196,782	12,963	19,186
Notes receivable	154	84	-	-
Checks receivable	13,085	10,146	35	35
Less:Impairment Provisions	(3,104)	(1,288)	-	-
Net trade Receivables	**266,689**	**205,724**	**12,999**	**19,222**
Advances for inventory purchases	0	642	-	-
Advances to trade creditors	41,851	43,950	-	-
Total	**308,540**	**250,316**	**12,999**	**19,222**

The Group's receivables and liabilities from construction contracts are analyzed in the following tables:

Construction Contracts	MYTILINEOS GROUP 31/12/2009	MYTILINEOS GROUP 31/12/2008
Realised Contractual Revenues	328,446	361,369
Realised Contractual Cost & Profits (minus realised losses)	1,441,153	1,190,705
Advances received	(137,966)	(33,081)
Clients holdings for good performance	4,602	7,693
Receivables for construction contracts according to the percentage of completion	94,378	67,894
Liabilities related to construction contracts according to percent. of completio	(27,779)	(3,254)

6.9 Other receivables

(Amounts in thousands €)	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Other Debtors	8,239	7,381	991	960
Receivables from the State	65,769	43,692	6,906	6,707
Receivables from Subsidiaries	93	5	1,211	206
Loans given to Subsidiaries	-	-	-	-
Accrued income - Prepaid expenses	3,893	6,585	-	107
Prepaid expenses for construction contracts	168	0	61	-
Less:Provision for Bad Debts	(537)	(559)	-	-
Total	**77,625**	**57,106**	**9,169**	**7,979**

6.10 Derivatives financial instruments

	MYTILINEOS GROUP			
	31/12/2009		31/12/2008	
(Amounts in thousands €)	Asset	Liability	Asset	Liability
Futures/Forwards	55,821	2,279	121,396	-
Currency & interest rates derivatives:				
Foreign exchange forward	1,157	-	7,808	-
Currency / interest rate swaps	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	**56,978**	**2,279**	**129,205**	**-**

All derivatives open positions have been mark to market. Fair values of the "interest rate swaps", are confirmed by the financial institutions that the Group has as counterparties.

The Group manages the exposure to currency risk through the use of currency forwards and options and thus by "locking" at exchange rates that provide sufficient cash flows and profit margins. Furthermore, the Group manages the exposure to commodity risk through the use of: a) commodity futures that hedge the risk from the change at fair value of commodities and b) commodity swaps that hedge fluctuations in cash flows from the volatility in aluminum prices.

6.11 Financial Assets at fair value through profit & loss

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Total Opening	**2,757**	**6,702**	**1,031**	**2,903**
Additions	3,675	13	-	-
Sales	(4,641)	(2,069)	-	-
Fair value adjustments	357	(1,890)	350	(1,872)
Exchange rate differences	-	-	-	-
Closing Balance	**2,147**	**2,757**	**1,381**	**1,031**

The financial assets presented in the table above, relate to highly liquid short term assets such as stocks, bonds and mutual funds.

6.12 Cash and cash equivalents

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Cash	85	77	19	12
Bank deposits	198,195	15,754	112,672	2,494
Repos	20,882	28,572	-	-
Total	**219,161**	**44,403**	**112,691**	**2,507**

Group's cash management involves deposits in Euro or foreigner currency and in overnight Libor-Euribor interest rates. Interest received underlies a 10% taxation.

The effective weighted average interest rate for bank deposits is as follows:

	31/12/2009	31/12/2008
Deposits EUR	2,23	3,20%
Deposits USD	1,67	2,50%

The increase in cash an cash equivalents in 2009 is due to the draft, by MYTILINEOS S.A, of the second tranche of the bond loan and to the recall of the de-merger plan of ALUMINIO S.A. (note 6.31).

6.13 Total Equity

i) Share capital

The total amount of the Company's share capital amounts to 125.173.241,66 Euro divided into 116.984.338 intangible, common registered voting shares of a new nominal value 1,07 Euro each. The share capital of the Company did alter within the current (2009) or previous year (2009).

At a Group level, the Share Capital increase of the subsidiary company "GENIKI VIOMICHANIKI", by issuing 8.000 new common shares resulted to the increase of the Share Capital by 234.800€ and the Share Premium by 1.021.124€.

ii) Share Based Payments to Members of the Board of Directors and Executives

By the General Meetings resolutions of 14.6.2006 and 14.9.2007, the Shareholders of the Company approved a stock option plan for the members of the Board of Directors and certain executives of the Mytilineos Group. The main provisions of the stock option plan are as follows:

- The Board of Directors issues stock option certificates within the period of the next 3 to five years.
- The maximum strike price is equal to the 80% of the average share price of six trading months preceding the relevant Shareholders' Annual General Meeting.
- Eligible individuals are members of the Board of Directors, certain executives and other employees that have a minimum of service in the Company.
- The maximum number of stocks issued by options vested is 3% of the total number of stocks.
- Options vest at 20% in 2007, 30% in 2008 and 50% in 2009.
- Options are not tradable or transferable.
- Options vested can be exercised within the first twenty days of December of the year they vest.

The stock option plan is realized by cash payments from the beneficiaries.

The following table illustrates the stock options vested in 2009 and 2008:

	31/12/2009	31/12/2008
Stock Options vested - outstanding at the beginning of the year	**171.715**	**16.915**
Stock Options vested	258.000	154.800
Stock Options exercised	-	-
Stock Options vested - outstanding at the end of the year	**429.715**	**171.715**
Stock Options to be vested in forthcoming years	-	258.000
Total stock options outstanding at the end of the year	**429.715**	**429.715**

The amount of stock options that will vest within the forthcoming years per year of vesting and per exercise price has as follows:

Vesting Date	Exercise price	Number of share options Group	Mytilineos S.A.	Subsidiaries
2007	12,70	16,915.00	9,258.60	7,656.40
2008	12,70	154,800.10	83,763.10	71,037.00
2009	12,70	258,000.10	139,605.10	118,395.00
		429,715.20	**232,626.80**	**197,088.40**

The fair value of the stock options is estimated at the award date using the Black-Scholes option pricing model. The inputs to the model used for the valuation of stock options awarded in 2007 are as follows:

a) Share Price at award date Euro 13,92
b) Risk-free interest rate 4,48%
c) Dividend yield 1,97%
d) Stock Volatility 28%
e) Expected life of option 3 years

Based on these inputs the model produced a value of Euro 3,0088 per each stock option awarded in 2009.

The plan lapsed on 31.12.2009. The outstanding options were not exercised by the beneficiaries.

According to IFRS 2 par.23, having recognised the goods or services received and a corresponding increase in equity, the entity shall make no subsequent adjustment to total equity after vesting date. Therefore, even though the stock options were not exercised, the Company shall not subsequently reverse the amount recognised for services received from the beneficiaries of the plan.

6.14 Reserves

Reserves in the financial statements are analyzed as follows:

(Amounts in thousands €)	Regular Reserve	Special & Extraordinary Reserves	Tax-free and Specially taxed Reserves	Revaluation reserves	Financial instruments valuation reserve	Stock Option Plan Reserve	Total
	MYTILINEOS GROUP						
Opening Balance 1st January 2008according to IFRS -as published-	**17,741**	**983**	**91,473**	**221**	**-**	**161**	**110,579**
Transfer to reserves	**1,569**	**35,697**	**(10)**	**-**	**-**	**-**	**37,256**
Stock Option Plan	-	-	-	-	-	347	347
Closing Balance 31/12/2008	**19,310**	**36,680**	**91,462**	**221**	**-**	**508**	**148,181**
Opening Balance 1st January 2009according to IFRS -as published-	**19,310**	**36,680**	**91,462**	**221**	**-**	**508**	**148,181**
Transfer to reserves	**166**	**84**	**(656)**	**-**	**-**	**-**	**(405)**
Stock Option Plan	-	-	-	-	-	717	717
Closing Balance 31/12/2009	**19,476**	**36,764**	**90,806**	**221**	**-**	**1,225**	**148,493**

(Amounts in thousands €)	Regular Reserve	Special & Extraordinary Reserves	Tax-free and Specially taxed Reserves	Revaluation reserves	Financial instruments valuation reserve	Stock Option Plan Reserve	Total
	MYTILINEOS S.A.						
Opening Balance 1st January 2008according to IFRS -as published-	**55,963**	**8,966**	**28,975**	**172**	**-**	**161**	**94,237**
Transfer to reserves	**-**	**-**	**(103)**	**-**	**-**	**-**	**(103)**
Stock Option Plan	-	-	-	-	-	347	347
Closing Balance 31/12/2008	**55,963**	**8,966**	**28,872**	**172**	**-**	**508**	**94,481**
Opening Balance 1st January 2009according to IFRS -as published-	**55,572**	**25,177**	**13,052**	**172**	**-**	**508**	**94,481**
Stock Option Plan	-	-	-	-	-	717	717
Closing Balance 31/12/2009	**55,572**	**25,177**	**13,052**	**172**	**-**	**1,225**	**95,198**

The majority of the above reserves relates to Parent Company and Greek subsidiaries. Under Greek corporate law, corporations are required to transfer a minimum of 5% of their annual net profit as reflected in their statutory books to a legal reserve, until such reserve equals one-third of the outstanding share capital. The above reserve cannot be distributed throughout the life of the company.

Tax free reserves represent non distributed profits that are exempt from income tax based on special provisions of development laws (under the condition that adequate profits exist for their allowance). These reserves mainly relate to investments and are not distributed. For these reserves, deferred tax liabilities of € 10 mil. were provided.

Specially taxed reserves represent interest income and income from disposal of listed in the Stock Exchange and non listed companies and are tax free or tax has been withheld at source. Except for any tax prepayments, these reserves are exempted from taxes, provided they are not distributed to shareholders.

6.15 Loan liabilities

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	**31/12/2009**	**31/12/2008**	**31/12/2009**	**31/12/2008**
Long-term debt				
Bank loans	43,799	-	-	-
Loans from related parties	11	-	-	-
Leasing liabilities	-	343	-	-
Bonds	478,237	310,851	478,237	310,851
Total	**522,046**	**311,195**	**478,237**	**310,851**
Short-term debt				
Overdraft	74,870	96,641	37,900	14,968
Bank loans	53,136	3,314	34,489	-
Leasing liabilities	28	103	-	-

The increase of Group and parent loans during 2009 is due to the draft, by MYTILINEOS S.A, of the second tranche of the bond loan of the amount of approximately € 160 mil.

The effective weighted average borrowing rate for the group, as at the balance sheet date is as follows:

	31/12/2009	**31/12/2008**
EUR	1,77%	5,80%
USD	2,86%	4,70%

HOLDINGS
MYTILINEOS

6.16 Employee benefit liabilities

The amounts recognized on the Balance Sheet are:

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2009	MYTILINEOS GROUP 31/12/2008	MYTILINEOS S.A. 31/12/2009	MYTILINEOS S.A. 31/12/2008
Liabilities for pension plans	42,475	44,868	658	611
Total	**42,475**	**44,868**	**658**	**611**

	MYTILINEOS GROUP					
	31/12/2009			31/12/2008		
(Amounts in thousands €)	Defined Contributions Plans	Defined Contributions Plans	Total	Defined Contributions Plans	Defined Contributions Plans	Total
Current employment cost	1,322	2,203	3,526	1,270	2,130	3,399
Financial cost	1,498	1,040	2,538	1,431	955	2,386
Anticipated return on assets	-	(8)	(8)	-	(5)	(5)
Net actuarialy (profits)/ losses realised for the period	2,458	380	2,838	(1,495)	3,958	2,462
Past employment cost	-	-	-	-	-	-
Losses from abridgement	-	-	-	5	-	5
Amount included in employees' benefits	**5,278**	**3,616**	**8,894**	**1,210**	**7,037**	**8,247**
	-	-	-	-	-	-
Expected return of plan assets	-	8	8	-	5	5
Actuarial gains on plan assets	-	608	608	-	(1,359)	(1,359)
Return of plan assets	**-**	**616**	**616**	**-**	**(1,354)**	**(1,354)**

	MYTILINEOS S.A.	
	Defined Contributions Plans	
(Amounts in thousands €)	31/12/2009	31/12/2008
Current employment cost	56	61
Financial cost	30	24
Anticipated return on assets	-	-
Net actuarialy (profits)/ losses realised for the period	14	(10)
Past employment cost	-	-
Losses from abridgement	-	-
Amount included in employees' benefits	**100**	**75**

The changes on present value of benefit scheme contribution are:

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2009 Defined Contributions Plans	Defined Contributions Plans	Total	31/12/2008 Defined Contributions Plans	Defined Contributions Plans	Total
Present value of Defined Benefit Plans	-	17,452	17,452	-	18,048	18,048
Less: Fair value of plan assets	-	(4,458)	(4,458)	-	(3,762)	(3,762)
	-	12,995	12,995	-	14,286	14,286
	-	-	-	-	-	-
Present value of Defined Contributions Plans	29,480	-	29,480	30,541	-	30,541
Net actuarialy (profits)/ losses not recognised	-	-	-	40	-	40
	29,480	-	29,480	30,581	-	30,581
Net retirement obligation	29,480	12,995	42,475	30,581	14,286	44,868

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2009 Defined Contributions Plans	Defined Contributions Plans	Total	31/12/2008 Defined Contributions Plans	Defined Contributions Plans	Total
Total Opening	30,581	18,048	48,630	29,213	16,563	45,777
Current employment cost	1,424	2,102	3,526	1,381	2,018	3,399
Financial cost	1,590	948	2,538	1,524	870	2,394
Actuarialy (profits)/ losses	2,476	995	3,470	3,466	2,591	6,057
Losses from abridgement	-	-	-	5	-	5
Settlements	50	-	50	-	-	-
Additions due to acquisitions	-	-	-	8	-	8
Contributions paid	(6,641)	(4,640)	(11,281)	(5,016)	(3,994)	(9,010)
Exchange rate differences	-	-	-	-	-	-
Liabilities for pension plans	29,480	17,452	46,932	30,581	18,048	48,630

	MYTILINEOS GROUP 31/12/2009 Defined Contributions Plans	31/12/2008
Total Opening	3,762	5,180
Anticipated return on assets	8	5
Actuarialy (profits)/ losses	608	(1,359)
Employer contributions	4,720	3,930
Contributions paid	(4,640)	(3,994)
Additions due to acquisitions	-	-
Liabilities for pension plans	4,458	3,762

The assumptions used, are presented in the following table:

	31/12/2009	31/12/2008
Discount rate	5,50%	5,50%
Future wage and salary increase	3,50%	3,00%
Future pension increase	0,50%	0,50%
Inflation	2,50%	2,50%

6.17 Other long-term liabilities

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2009	31/12/2008
Received guarantees - Grants-Leasing		
Total Opening	**24,425**	**3,785**
Received guarantees - Grants-Leasing from Subsidiaries' aquisiti	-	2,924
Additions	2,586	178
Transfer at profits/loss	-	(168)
Transfer from / (to) Short term	-	3
Depreciation for the period	(778)	(87)
Discont. operations	-	-
Exchange rate differences	-	-
Closing Balance	**26,233**	**6,636**
Rights for using Assets acquired through compensative benefits		
Total Opening	**-**	**973**
Received guarantees - Grants-Leasing from Subsidiaries' aquisiti	-	-
Additions	-	-
Transfer at profits/loss	-	-
Transfer from / (to) Short term	-	1,987
Depreciation for the period	-	(2,960)
Discont. operations	-	-
Exchange rate differences	-	-
Closing Balance	**-**	**-**
Advances of customers		
Total Opening	**47,202**	**19,905**
Received guarantees - Grants-Leasing from Subsidiaries' aquisiti	-	-
Additions	93,704	42,315
Transfer at profits/loss	-	-
Transfer from / (to) Short term	(94,677)	41,781
Depreciation for the period	(42,184)	(56,800)
Discont. operations	-	-
Exchange rate differences	-	-
Closing Balance	**4,045**	**47,202**
Other		
Total Opening	**360**	**313**
Received guarantees - Grants-Leasing from Subsidiaries' aquisiti	-	-
Additions	(162)	46
Transfer at profits/loss	-	-
Transfer from / (to) Short term	(46)	-
Depreciation for the period	-	-
Discont. operations	-	-
Exchange rate differences	-	1
Closing Balance	**151**	**360**
Suppliers holdings for good performance		
Total Opening	**2,496**	**-**
Received guarantees - Grants-Leasing from Subsidiaries' aquisiti	-	-
Additions	5,624	2,992
Transfer at profits/loss	-	-
Transfer from / (to) Short term	(6,610)	3,308
Depreciation for the period	(1,510)	(3,804)
Discont. operations	-	-
Exchange rate differences	-	-
Closing Balance	**-**	**2,496**
Total	**30,430**	**56,693**

The change in grants in 2009 is due to the recall of the ALUMINIUM de-merger.

6.18 Provisions

Provisions referring to Group and Company are recognized if the following are met: (a) legal or implied liabilities exist as a consequence of past events, (b) there is a possibility of settlement that will require the outflow if economic benefits and (c) the amount of the liability can be measured reliably. More specifically, the Group recognizes provisions for environmental restorations as a result of exploitation of mineral resources processed mainly for the production of Alumina and Aluminum. All provisions are reviewed at each balance-sheet date and are adjusted accordingly so that they reflect the present value of expenses that will be required for the restoration of the environment. Contingent receivables are not recognized in the financial statements but are disclosed if there is a possibility of an inflow of economic benefits.

	MYTILINEOS GROUP				
(Amounts in thousands €)	Litigation Provision	Environmental Restoration	Tax liabilities	Other	Total
01/01/2008	**1,524**	**5,429**	**2,797**	**11,521**	**21,271**
Additions from acquisition/consolidation of subsidiaries	-	-	-	119	119
Additional provisions for the period	-	132	1,425	1,500	3,058
Unrealised reversed provisions	-	-	-	-	-
Exchange rate differences	-	-	-	-	-
Realised provisions for the period	-	(204)	(203)	(8,421)	(8,828)
31/12/2008	**1,524**	**5,358**	**4,019**	**4,720**	**15,620**
Long Term	1,500	5,358	4,019	4,307	15,183
Short Term	24	-	-	413	437
Additions from acquisition/consolidation of subsidiaries	-	-	-	-	-
Additional provisions for the period	-	-	1,767	147	1,914
Unrealised reversed provisions	(1,500)	(600)	(266)	(122)	(2,489)
Exchange rate differences	-	-	-	-	-
Realised provisions for the period	(24)	(260)	(1,063)	(1,026)	(2,372)
31/12/2009	**-**	**4,498**	**4,456**	**3,712**	**12,666**
Long Term	-	4,498	3,567	3,688	11,752
Short Term	-	-	890	24	914

	MYTILINEOS S.A.				
(Amounts in thousands €)	Litigation Provision	Environmental Restoration	Tax liabilities	Other	Total
01/01/2008	**-**	**-**	**1,268**	**248**	**1,516**
Additions from acquisition/consolidation of subsidiaries	-	-	-	-	-
Additional provisions for the period	-	-	-	-	-
Unrealised reversed provisions	-	-	-	-	-
Exchange rate differences	-	-	-	-	-
Realised provisions for the period	-	-	-	-	-
31/12/2008	**-**	**-**	**1,268**	**248**	**1,516**
Long Term	-	-	1,268	-	1,268
Short Term	-	-	-	248	248
Additions from acquisition/consolidation of subsidiaries	-	-	-	-	-
Additional provisions for the period	-	-	-	266	266
Unrealised reversed provisions	-	-	(266)	-	(266)
Exchange rate differences	-	-	-	-	-
Realised provisions for the period	-	-	-	(248)	(248)
31/12/2009	**-**	**-**	**1,002**	**266**	**1,268**
Long Term	-	-	1,002	266	1,268
Short Term	-	-	-	-	-

Litigation Provision. Concerning the case of the Romanian governmental service ARSA, the arbitration court resolved in favor of MYTILINEOS and therefore the respective provision was reversed.

Environmental Restoration. This provision represents the present value of the estimated costs to reclaim quarry sites and other similar post-closure obligations.

Tax Liabilities. This provision relates to future obligations that may result from tax audits.

Other provisions. Comprise other provisions relating to other risks none of which are individually material to the Group and to contingent liabilities arising from current commitments.

6.19 Suppliers and other liabilities

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Suppliers	208,879	105,236	-	-
Notes Payable	-	-	-	-
Cheques Payable	-	-	-	-
Customers' Advances	118,228	33,088	-	-
Liabilities to customers for project implementation	27,779	3,254	-	-
Total	**354,885**	**141,579**	**-**	**-**

The significant increase in 2009 comparing with 2008 is due to the advances received from the new construction contracts signed by the subsidiary METKA.

6.20 Current tax liabilities

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Tax expense for the period	19,393	14,422	-	6
Tax audit differences	319	-	-	-
Tax liabilities	17,647	4,870	3,806	1,063
Total	**37,360**	**19,293**	**3,806**	**1,069**

The increase in current tax liabilities is due to the extraordinary income tax charged according to Law 3808/2009.

6.21 Other short-term liabilities

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2009	MYTILINEOS GROUP 31/12/2008	MYTILINEOS S.A. 31/12/2009	MYTILINEOS S.A. 31/12/2008
Liabilities to Related Parties	718	717	19,352	19,645
Accrued expense	5,058	6,054	-	-
Social security insurance	3,655	4,440	176	167
Dividends payable	1,452	1,577	1,012	1,010
Deferred income-Grants	-	1,081	-	-
Others Liabilities	12,027	8,444	2,120	4,147
Total	**22,910**	**22,312**	**22,661**	**24,970**

6.22 Cost of goods sold

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2009	MYTILINEOS GROUP 31/12/2008	MYTILINEOS S.A. 31/12/2009	MYTILINEOS S.A. 31/12/2008
Retirement benefits	9,571	6,605	-	-
Medical benefits after retirement	-	-	-	-
Other employee benefits	68,705	71,913	-	-
Cost of materials & inventories	232,046	491,374	-	-
Third party expenses	70,681	46,578	-	-
Third party benefits	124,084	139,974	-	-
Assets repair and maintenance cost	638	509	-	-
Operating leases rent	2,066	399	-	-
Taxes & Duties	918	231	-	-
Advertisement	280	35	-	-
Other expenses	15,176	21,365	-	-
Depreciation - Tanginle Assets	18,013	16,732	-	-
Depreciation - Inanginle Assets	638	2,866	-	-
Total	**542,814**	**798,580**	**-**	**-**

6.23 Administrative & Distribution Expenses

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Distribution expenses				
Retirement benefits	16	-	-	-
Medical benefits after retirement	-	-	-	-
Other emploee benefits	1,003	1,522	-	-
Inventory cost	1	1	-	-
Third party expenses	564	1,110	-	285
Third party benefits	170	134	-	-
Assets repair and maintenance cost	14	58	-	-
Operating leases rent	25	47	-	-
Taxes & Duties	8	10	-	-
Advertisement	0	17	-	-
Other expenses	982	1,664	2	-
Depreciation - Tanginle Assets	140	153	-	1
Depreciation - Inanginle Assets	10	14	-	-
Total	**2,933**	**4,729**	**2**	**286**

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Administrative expenses				
Retirement benefits	96	137	-	-
Medical benefits after retirement	-	-	-	-
Other emploee benefits	12,762	12,160	7,264	7,209
Inventory cost	0	8	-	-
Third party expenses	16,146	16,037	7,511	6,349
Third party benefits	1,818	1,693	628	512
Assets repair and maintenance cost	547	460	131	144
Operating leases rent	1,575	1,182	549	491
Taxes & Duties	348	130	127	-
Advertisement	1,468	1,245	1,090	887
Other expenses	4,310	5,518	1,552	1,717
Depreciation - Tanginle Assets	1,004	1,085	374	347
Depreciation - Inanginle Assets	166	41	120	27
Total	**40,240**	**39,696**	**19,347**	**17,684**

6.24 Other operating income / expenses

(Amounts in thousands €)	MYTILINEOS GROUP		MYTILINEOS S.A.	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Other operating income				
Grants amortization	456	15	-	-
Income from Subsidies	376	231	18	-
Compensations	34	190	-	182
Profit from foreign exchange differences	5,363	20,229	972	1,781
Rent income	743	651	228	210
Operating income from services	119	2,484	19,284	15,433
Income from reversal of unrealized provisions	3,160	6,596	3	-
Profit from sale of fixed assets	60	82	4	56
Other	3,346	1,814	901	159
Total	**13,658**	**32,293**	**21,411**	**17,821**
Other operating expenses				
Losses from foreign exchange differences	5,348	10,540	-	2
Provision for bad debts	2,045	-	-	-
Loss from sale of fixed assets	217	111	2	9
Operating expenses from services	11,426	31,664	137	34
Other taxes	233	534	11	224
Compensations	31	120	-	3
Total	**19,301**	**42,969**	**149**	**271**

The fluctuations of the foreign exchange currency rates in 2009 and 2008 and the respective effect in the financial statements are analysed in detail in the Annual Report of the B.o.D. and in note 4 "Business Risk Management".

6.25 Financial income / expenses

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2009	MYTILINEOS GROUP 31/12/2008	MYTILINEOS S.A. 31/12/2009	MYTILINEOS S.A. 31/12/2008
Financial income				
Bank deposits	3,126	704	1,319	12
Revaluation of currency derivatives	-	-	-	-
Customers	439	101	-	7
Available for sale Investments	10	-	-	-
Interest rate swaps	-	-	-	-
Loans to related parties	750	42	2,683	417
Other	941	2,112	-	-
Total	**5,265**	**2,959**	**4,002**	**436**
Financial expenses				
Discounts of Employees' benefits liability due to service termination	89	85	-	-
Bank Loans	21,044	25,298	15,631	16,751
Interest charges due to customer downpayments	885	1,581	-	-
Loans to related parties	-	0	347	447
Letter of Credit commissions	1,679	1,208	4	118
Interest rate swaps	-	-	-	-
Factoring	445	122	-	-
Financial Leases	4	17	-	2
Other Banking Expenses	1,049	599	18	44
Total	**25,195**	**28,910**	**15,999**	**17,362**

6.26 Other financial results

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	**31/12/2009**	**31/12/2008**	**31/12/2009**	**31/12/2008**
Other financial results				
Cash Flow Hedging	-	-	-	-
Nonhedging derivatives	(1,720)	(818)	-	-
Profit / (loss) from fair value of other financial instrument through profit/los	357	(3,766)	350	(3,584)
Gain from disposal	-	-	-	-
Fair value profit	-	10,316	-	6,554
Fair value losses	-	0	-	-
Profit / (loss) from the sale of financial instruments	379	(24)	-	-
Income from dividends	-	0	11,521	34,233
Other Income	(25)	(3,291)	-	(433)
Total	**(1,010)**	**2,417**	**11,871**	**36,771**

The line "Fair value profit" contains the capital gains recognised from the transfer of assets to ENDESA in 2008.

Furthermore, the Group reviewed for impairment all of its continuing activities and no impairment issue was identified. Regarding the zinc-lead activity of SOMETRA S.A. (100% subsidiary of MYTILINEOS Group), for which the Group resolved in January 2009 to the temporary suspension of the production activity, MYTILINEOS S.A. recognised in 2008 an impairment loss of an amount of € 30m. It is noted that in a Group level the recognized losses from the aforementioned investment exceeds the impairment recognized by the Parent Company.

6.27 Consolidations of companies

On 14.04.2009 MYTILINEOS HOLDINGS S.A. completed the joint venture agreement with MOTOR OIL (HELLAS) CORINTH REFINERIES S.A. for the joint construction, operation and exploitation of a 400 MW approximately combined cycle, gas turbine power plant within the MOTOR OIL facilities in Ag. Theodori (Corinthia). The agreement was completed with the acquisition by MYTILINEOS HOLDINGS S.A., through its 100% subsidiary "ARGYRITIS GEA S.A.", of a 65% stake in KORINTHOS POWER S.A., which currently holds the licences for the above power plant, through a share capital increase, with MOTOR OIL S.A. retaining a 35% stake in the Company. The increase of the Company's share capital amounted to 59.4 million

Euro and was fully subscribed by MYTILINEOS HOLDINGS S.A., through "ARGYRITIS GEA S.A.", on 15.04.2009. The construction of the new combined-cycle gas turbine power plant is undertaken by METKA S.A., a subsidiary of MYTILINEOS HOLDINGS S.A. According to the construction schedule, construction of the plant will be completed in 28 months, i.e. within 2011. The total investment amounts to 285 million Euro. The recognized goodwill at Group level amounted to €20,8 mil.

The fair values of identifiable assets and liabilities related to the Group, the total consideration (cost) of acquisition and the resulting goodwill recognized are summarized as follows:

(Amounts in thousands €)

	Fair value recognised on acquisiton	Previous carrying value
ASSETS		
Property, plant and equipment	(14)	40
Trade and other receivables	0	0
Cash and cash equivalents	59.399	59.432
Total Assets	**59.385**	**59.472**
LIABILITIES		
Non-Current Liabilities	-	-
Current Liabilities	96	96
Total liabilities	**96**	**96**
Net Assets	**59.289** -	**59.375**
Equity attributable to parent's shareholders (65%)	**38.538**	
Goodwill arising on acquisition	20.891	
Consideration, satisfied by cash	**59.429**	
Cash flow on acquisition		
Purchase consideration settled in cash	59.429	
Direct and other purchase expenses	-	
Net cash acquired with the subsidiary	**(59.399)**	
Net cash flow on acquisition	**30**	

6.28 Income tax

Income tax for the Group and Company differs from the theoretical amount that would result using the nominal tax rate prevailing at year end over the accounting profits. The reconciliation of this difference is analyzed as follows:

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2009	MYTILINEOS GROUP 31/12/2008	MYTILINEOS S.A. 31/12/2009	MYTILINEOS S.A. 31/12/2008
Income Tax	16,968	15,023	-	53
Income Tax provision	(932)	728	6	-
Tax Audit differences	3,957	(7)	-	-
Deferred taxation	(13,393)	(1,066)	387	(1,989)
Extraordinary Income Tax	8,795	-	2,335	-
Other Taxes	1,277	782	-	-
Total	**16,672**	**15,460**	**2,728**	**(1,936)**
Earnings before tax	**36,468**	**44,321**	**1,788**	**19,655**
Nominal Tax rate	0.25	0.25	0.25	0.25
Presumed Tax on Income	**9,117**	**11,080**	**447**	**4,914**
Adjustments for Nominal Tax Rate changes	104	(2,101)	-	-
Nominal Tax Rate Difference in foreign Subsidiary Companies	(1,461)	-	-	-
Adjustment for statutory revaluation of fixed assets	-	(976)	-	-
Non taxable income	(3,476)	(10,598)	-	(10,105)
Tax on Non taxable reserves	(9,913)	(6,209)	-	-
Dividends	-	(6,847)	-	(6,847)
Elimination of assets construction Intercompany Profit	(6,250)	(3,904)	-	-
Non tax deductible expenses	15,192	27,282	19	10,049
Supplementrary Income tax from land - plot & buildings	(40)	5	(73)	-
Income tax from land - plot & buildings	919	89	-	-
Other taxes	377	1,345	-	-
Income tax coming from previous years	3,001	48	-	-
Extraordinary Income Tax	8,795	-	2,335	-
Other	307	6,245	-	53
Realized Tax on Income	**16,672**	**15,460**	**2,728**	**(1,936)**

Income Tax (Extraordinary) L. 3808/2009

According to Law 3808/2009, an extraordinary income tax was charged to profitable Greek companies based on the total net profit of financial year 2008.

6.29 Earnings per share

Basic earnings per share are calculated by dividing net profit for the year attributable to shareholders by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares.

(Amounts in thousands €)	MYTILINEOS GROUP 1/1-31/12/2009	MYTILINEOS GROUP 1/1-31/12/2008	MYTILINEOS S.A. 1/1-31/12/2009	MYTILINEOS S.A. 1/1-31/12/2008
Equity holders of the parent	13,726	18,492	(941)	21,591
Weighted average number of shares	106,863	109,591	106,863	109,591
Basic earnings per share	**0.1284**	**0.1687**	**(0.0088)**	**0.1970**
Diluted effects of share options	-	-	-	-
Diluted earnings per share	**0.1284**	**0.1687**	**(0.0088)**	**0.1970**
Continuing Operations (Total)				
Equity holders of the parent	13,360	15,904	(941)	21,591
Weighted average number of shares	106,863	109,591	106,863	109,591
Basic earnings per share	**0.1250**	**0.1451**	**(0.0088)**	**0.1970**
Diluted effects of share options	-	-	-	-
Diluted earnings per share	**0.1250**	**0.1451**	**(0.0088)**	**0.1970**
Discontinuing Operations (Total)				
Equity holders of the parent	366	2,588		
Weighted average number of shares	106,863	109,591		
Basic earnings per share	**0.0034**	**0.0236**		
Diluted effects of share options	-	-		
Diluted earnings per share	**0.0034**	**0.0236**		

The diluted earnings per share are calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: stock options. As at 31.12.2009 the Group and the Company have no diluted earnings per share from stock options.

6.30 Cash flows from operating activities

(Amounts in thousands €)	MYTILINEOS GROUP 1/1-31/12/2009	MYTILINEOS GROUP 1/1-31/12/2008	MYTILINEOS S.A. 1/1-31/12/2009	MYTILINEOS S.A. 1/1-31/12/2008
Cash flows from operating activities				
Profit for the period	19,796	28,862	(941)	21,591
Adjustments for:				
Tax	16,672	15,460	2,728	(1,936)
Depreciation of property,plant and equipment	19,471	18,194	374	348
Depreciation of intangible assets	808	2,920	120	27
Impairments	-	-	-	30,000
Provisions	(495)	(710)	-	-
Income from reversal of prior year's provisions	(3,334)	(954)	(48)	-
Profit / Loss from sale of tangible assets	157	147	(3)	(47)
Profit / Loss from fair value valuation of derivatives	-	(691)	-	-
Profit/Loss from fair value valuation of financ.assets at fair value through PnL	(713)	(7,963)	(350)	(34,249)
Interest income	(5,739)	(2,959)	(4,002)	(436)
Interest expenses	23,553	27,726	15,999	17,362
Dividends	-	0	(11,521)	(34,233)
Grants amortization	(778)	(256)	-	-
Parent company's portion to the profit of associates	12,351	7,526	-	-
Loans Exchange differences	(81)	(8,738)	(972)	(1,759)
Other differences	6,652	15,631	388	188
	68,523	**65,333**	**2,714**	**(24,735)**
Changes in Working Capital				
(Increase)/Decrease in stocks	34,772	(119,197)	-	-
(Increase)/Decrease in trade receivables	(67,294)	11,828	4,720	47,333
(Increase)/Decrease in other receivables	1,909	(2,887)	-	-
Increase / (Decrease) in liabilities	31,919	123,315	(1,143)	(23,809)
Pension plans	(2,315)	(7)	47	13
	(1,010)	**13,051**	**3,624**	**23,537**
Cash flows from operating activities	**87,309**	**107,246**	**5,398**	**20,393**

It is noted that the adjustment for "Other operating differences" in the above group cash flow statement for the current period, contains an amount of € 6 mil which relates to the elimination of gain in the consolidated Profit & Loss Statement.

6.31 Discontinued Operations

As a consequence of the 31 December 2009 resolution of the Extraordinary General Meeting of the shareholders of "ALUMINION S.A." for the recalling of the plan for the de-merger of "ALUMINION S.A." by the merger of its assets and liabilities with the companies "ALUMINION OF GREECE S.A." and "ENDESA HELLAS S.A.", the energy assets and licenses of the company are not presented anymore separately as Non-current Assets and Liabilities held for sale (see note 3.10).

The Group applies IFRS 5 "Non-current assets held for sale & discontinues operations", and presents separately the assets and liabilities of the subsidiary company SOMETRA S.A., following the suspension of the production activity of the Zinc-Lead production plant in Romania, and presents also the amounts recognized in the income statement separately from continuing operations. The Group re-presents the income statement and cash flow for the prior period presented in the financial statements so that the disclosures relate to all operations that have been discontinued by the end of the reporting period for the latest period presented.

Following is presented the analysis of the relevant assets and liabilities as well as the profit and loss of the discontinued operations.

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2009	31/12/2008
Assets		
Non current assets		
Tangible Assets	17,529	151,345
Intangible Assets	15	-
Deferred Tax Receivables	930	11,800
Other Long-term Receivables	2	-
Non current assets	**18,476**	**163,145**
Current assets		
Total Stock	73,153	158
Trade and other receivables	6,587	-
Other receivables	1,088	2,474
Cash and cash equivalents	232	44,552
Current assets	**81,060**	**47,184**
Assets	**99,535**	**210,329**
Liabilities & Equity		
Non-Current Liabilities		
Long-term debt	147	43,799
Other long-term liabilities	-	17,789
Non-Current Liabilities	**147**	**61,588**
Current Liabilities		
Trade and other payables	0	22,762
Other payables	168	189
Current Liabilities	**168**	**22,951**
LIABILITIES	**315**	**84,538**
Liabilities & Equity	**315**	**84,538**

(Amounts in thousands €)	MYTILINEOS GROUP 1/1-31/12/2009	1/1-31/12/2008
Sales	**28,478**	**46,935**
Cost of sales	(20,137)	(55,348)
Gross profit	**8,342**	**(8,413)**
Other operating income	1,581	29,492
Distribution expenses	(2,561)	(3,434)
Administrative expenses	(5,427)	(6,354)
Other operating expenses	(1,497)	(6,795)
Earnings before interest and income tax	**437**	**4,497**
Financial income	10	28
Financial expenses	(123)	(2,125)
Share of profit of associates	-	23
Profit before income tax	**324**	**2,423**
Income tax expense	42	62
Profit for the period	**366**	**2,485**
Result from discontinuing operations	-	-
Profit for the period	**366**	**2,485**
Attributable to:	-	-
Equity holders of the parent	*366*	*2,588*
Minority interest	-	*(103)*
Basic earnings per share	*0.0034*	*0.0236*

6.32 Sale of Treasury Shares

On 7.12.2007, the Board of Directors of the Company resolved on the commencement of the plan regarding the acquisition of treasury shares, in implementation of the decision of the Extraordinary General Meeting of the Company's shareholders of 07.12.2007. In the period from 13.12.2007 until 06.12.2009, the Company will acquire up to 6.053.907 treasury shares, at a minimum acquisition price of 2,08 €/share and a maximum acquisition price of 25 €/share (amounts adjusted for the shares split of 19.12.2007). During the reported period the Company has acquired a total of 667.207 treasury shares at an average price of €3,94. As at 31.12.2009, the Company has overall acquired 10.371.501 treasury shares, which corresponds to 8,87% of its share capital.

6.33 Encumbrances

There are no encumbrances on the Group's and company's assets.

6.34 Commitments

Group's commitments due to construction contracts and finance lease are as follows:

	MYTILINEOS GROUP	
(Amounts in thousands €)	**31/12/2009**	**31/12/2008**
Commitments from construction contracts		
Value of pending construction contracts	1,678,249	523,517
Granted guarantees of good performance	282,874	172,323
Total	**1,961,123**	**695,841**
Commitments from finance lease - minimum lease payments		
Until 1 year	28	75
1 to 5 years	-	28
Total	**28**	**103**

6.35 Contingent Assets & Contingent Liabilities

Disclosures related to contingent liabilities

The fiscal years that have not been inspected by the tax authorities for each of the Group's companies are as follows:

COMPANY	Years Not Inspected by Tax Authorities
MYTILINEOS S.A. Maroussi, Athens	2007-2009
METKA S.A., N. Heraklio, Athens	2009
SERVISTEEL, Volos	2008-2009
E.K.M.E. S.A. Municipality of Ehedorou, Thessaloniki	2005-2009
RODAX A.T.E.E., N.Heraklio, Athens	2008-2009
RODAX BRAZI SRL, Bucharest	2009
ELEMKA S.A., N.Heraklio, Athens	2007-2009
DROSCO HOLDINGS LIMITED, Cyprus	2003-2009
BRIDGE ACCESSORIES & CONSTRUCTION SYSTEMS S.A., Maroussi, Athens	2007-2009
ENERGY CONSTRUCTION DEVELOPMENT WESTERN GREECE S.A., Agrinio Aitoloakarnanias	2007-2009
METKA BRAZI SRL, Bucharest ROMANIA	2009
EUROMETAL AGENCY S.A.	2003-2009
DELFI DISTOMON A.M.E.	2006-2009
ALOUMINION S.A.	2008 - 2009
COGENERATION OF ELECTRICITY AND HEAT S.A.	2005-2009
ELVO, Thessaloniki	2006-2009
SOMETRA S.A., Sibiu Romania	2003-2009
MYTILINEOS FINANCE S.A., Luxemburg	2007-2009
STANMED TRADING LTD, Cyprus	2004-2009
MYTILINEOS ELGRADO D.O.O., Serbia	1999-2009
MYVEKT INTERNATIONAL SKOPJE	1999-2009
RDA TRADING, Guernsey Islands	2007-2009
DEFENSE MATERIAL INDUSTRY S.A.-MYTILINEOS AND Co, Maroussi, Athens	2003-2009
INDUSTRIAL RESEARCH PROGRAMS ''BEAT'', Halandri, Athens	2003-2009
GENIKI VIOMICHANIKI, Maroussi, Athens	2003-2009
THORIKI S.A.I.C., Maroussi, Athens	2009
THERMOREMA S.A., Moshato, Athens	2007-2009
KASTANIOTIKO S.A., Moshato, Athens	2003-2009
POUGAKIA S.A., Moshato Athens	2007-2009
DELTA PROJECT CONSTRUCT SRL, Boucouresti, Romania	2005-2009
KALOMOIRA S.A., Moshato, Athens	2003-2009
DELTA ENERGY S.A., Moshato, Athens	2007-2009
FOIVOS ENERGY S.A., Amfiklia Fthiotidas	2000-2009
YDROXOOS S.A., Moshato, Athens	2007-2009
PEPONIAS S.A., Moshato, Athens	2007-2009
FTHIOTIKI ENERGY S.A., Moshato, Athens	2003-2009
YDRIA ENERGY S.A., Moshato, Athens	2005-2009
AIOLIKI MARTINOU S.A., Moshato, Athens	2003-2009
ARGIRI ENERGY S.A., Moshato, Athens	2003-2009
EN.DY. S.A., Moshato, Athens	2003-2009
FOTINOS TILEMAXOS S.A., Moshato, Athens	2003-2009
THESSALIKI ENERGY S.A., Moshato, Athens	2001-2009
IONIA ENERGY S.A., Moshato, Athens	2007-2009
ELECTRONWATT S.A., Moshato, Athens	2006-2009
BUSINESS ENERGY S.A., Alimos, Athens	2006-2009
ENDESA Hellas S.A.	2003-2009
NORTH AEGEAN RENEWABLES, Maroussi, Athens	2006-2009
MYTILINEOS HELLENIC WIND POWER S.A., Maroussi, Athens	2002-2009
AIOLIKI ANDROU TSIROVLIDI S.A.,Maroussi,Athens	2003-2009
AIOLIKI NEAPOLEOS S.A., Maroussi, Athens	2003-2009
AIOLIKI EVOIAS PIRGOS S.A., Maroussi, Athens	2003-2009
AIOLIKI EVOIAS POUNTA S.A., Maroussi, Athens	2003-2009
AIOLIKI EVOIAS HELONA S.A., Maroussi, Athens	2003-2009
AIOLIKI ANDROU RAHI XIROKABI S.A., Maroussi, Athens	2003-2009
AIOLIKI PLATANOU S.A., Maroussi, Athens	2003-2009
AIOLIKI SAMOTHRAKIS S.A., Maroussi, Athens	2003-2009
AIOLIKI EVOIAS DIAKOFTIS S.A., Maroussi, Athens	2003-2009
AIOLIKI SIDIROKASTROU S.A., Maroussi, Athens	2007-2009
HELLENIC SOLAR S.A., Maroussi Athens	2006-2009
SPIDER S.A., Maroussi Athens	2003-2009
GREENENERGY A.E.	2007-2009
BUSINESS ENERGY TPOIZINIA	2007-2009
MOVAL S.A.	2008-2009
ARGYRITIS GEA S.A.	2008-2009
ANEMOSTRATA RENEWABLE ENERGY SOURCES S.A.	2008 - Ext. fiscal year
ANEMODRASI RENEWABLE ENERGY SOURCES S.A.	2008 - Ext. fiscal year
ANEMORAHI RENEWABLE ENERGY SOURCES S.A.	2008 - Ext. fiscal year
ANEMOSKALA RENEWABLE ENERGY SOURCES S.A.	2008 - Ext. fiscal year
KATAVATIS RENEWABLE ENERGY SOURCES S.A.	2008 - Ext. fiscal year
ENERGY E2 AIOLIKI S.A.	2006-2009
ENERGY E2 AIOLIKA PARKA KARYSTIAS S.A.	2007-2009
HORTEROU S.A. [1]	Ext. fiscal year
KISSAVOS DROSERI RAHI S.A.[1]	Ext. fiscal year
KISSAVOS PLAKA TRANI S.A.[1]	Ext. fiscal year
KISSAVOS FOTINI S.A.[1]	Ext. fiscal year
AETOVOUNI S.A.[1]	Ext. fiscal year
LOGGARIA S.A.[1]	Ext. fiscal year
KORINTHOS POWER S.A.	2005-2009
KILKIS PALEON TRIETHNES S.A.1	Ext. fiscal year
KILKIS VIKROUNOS S.A.1	Ext. fiscal year
FERRITIS S.A.1	Ext. fiscal year
VYRILLOS S.A.1	Ext. fiscal year
OSTENITIS S.A.1	Ext. fiscal year

(1) Formed Subsidiaries for the period 1.1-31.12.2009

During the reporting period, tax authorities' inspection assessed tax differences for the subsidiary company METKA S.A. amounting to € 833 thousand. The amount was matched against the respective provision. It is also noted that METKA S.A. is currently under tax audit for the fiscal year 2008.

The subsidiary EKME is currently under tax audit by the authorities for the financial years 2005 to 2008.

In July 2009, tax authorities' inspection assessed tax differences for the subsidiary company ALOUMINIO S.A. for the fiscal years 2006 to 30.06.2008, amounting to € 3 mil. The accumulated provision of the company as at 30.09.2009 amounts to € 2,1 mil.

In November 2009, tax authorities commenced the inspection of the subsidiary company THORIKI for the fiscal years 2006 to 2008. Until the date of the approval of the Financial Statements the tax authorities have not completed their inspection. The company recognized a provision for tax differences of an amount of € 890 thousands.

For the fiscal years that have not been inspected by the tax authorities (as reported in the above table), there is a possibility of additional tax imposition. Therefore the Group assesses, on an annual basis, the contingent liabilities regarding additional taxes from tax inspections in respect of prior years and makes relevant provisions where this is deemed necessary. The Management assesses that apart from the recorded provisions which as at 31.12.2009 amount to € 4,5 mil., any tax differences that may arise in the future will not have a material impact on the financial position, results and cash flows of the Group.

Other Contingent Assets & Liabilities

The subsidiary company "ALUMINION S.A" (hereinafter called the "Subsidiary") has filed a lawsuit against the Public Power Company (PPC) (hereinafter called the "Supplier") regarding the validity of the termination of the initial electricity supply contract by the latter. In addition, "ALUMINION S.A." disputes the validity of the increase of electricity supply prices enforced by the Supplier in July 2008 by virtue of the relevant Ministerial decree (Ministry of Development) regarding the abolishment of regulated invoices for the high voltage customers and the obligation of the Supplier to negotiate with said customers subject to a ceiling of a 10% increase on the effective up to 30/6/2008 invoice.

More specifically the Subsidiary disputes the electricity pricing from the Supplier in total as it has not resulted from any negotiations, as provided by the Ministerial decree, while ιin effect it is a variation of the already revoked former industrial tariff with a flat 10% increase. Moreover, the position of the Subsidiary is as such:

- it disputed from the very beginning the unilaterally imposed 10% increase, requesting the issuance of a credit note form the Supplier. Following the Supplier's reluctance to issue such an invoice the Subsidiary proceeded with the issuance of such credit note itself.
- it accepted with reservations the rest of the invoiced amount acting in good faith and for a transitional period until the final conclusion of the negotiations that the two parties should have entered into. However, as the reasonable time for the two parties to enter in negotiations had elapsed, the Subsidiary disputes actively the total of the invoice.

Moreover, the Subsidiary and the Supplier, following respective BOD decisions, referred the resolution of the above-mentioned dispute to Arbitration before the President of the Supreme Court of Greece to resolve on the interpretation of the relevant Ministerial Decree. More specifically, whether the 10% increase over the former tariff, has been legally imposed, without prior negotiations of the parties involved, as well as whether the Supplier had the right and/or the obligation to enter into negotiations with the Subsidiary regarding the terms of their power supply contract, especially referring to the pricing mechanism, with the cap of a price equal to the former tariff increased by 10% and without any floor.

In compliance with the contents of the Arbitration Court Ruling issued on 25.02.2010 - between the Greek "Public Power Corporation (PPC) S.A." and "ALUMINIUM S.A."-, the 100% subsidiary "ALUMINIUM S.A." will enter into negotiations with the PPC S.A. under the principles of good faith and commercial values. The aim of the negotiations which commenced on the 23rd March 2010 will be to reach an agreement of the terms under which PPC will supply electricity power to ALUMINIUM S.A. to cover fully or partly the needs of our subsidiary and to settle the transactions between the two parties for the period from 01.07.2008 to the date of the final agreement.

Considering the aforementioned Ministerial decree and the above Court Ruling, the Management of ALUMINIUM S.A. estimated the maximum contingent liability towards PPC for the period 01.07.2008 – 31.12.2009 and was posted as a provision in the results of the period.

The cumulative difference resulted between the issuance of the invoices by the supplier and the recorded provision for the period 01.07.2008 – 31.12.2009 amounts to 21,3 mil €, of which 8,1 mil € relate to 2008 and 13,2 mil € relate to the period 01.01.- 30.06.2009.

Any contingent liabilities (beyond the provision) or assets that may result from the final decision of the arbitration cannot be reliably assessed at the moment.

6.36 Dividend Proposed and Payable

Regarding the distribution of dividends, the Board of Directors proposes that no dividend is to be distributed due to losses recorded in 2009. This proposal is subject to the approval of the General Assembly.

In the reporting period the Company paid a total amount of € 11,14 mil. for dividends (2008: 0,10 €/share, 2007: 0,51 €/share).

6.37 Number of employees

	MYTILINEOS GROUP		MYTILINEOS S.A.	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Full time employees	1,584	1,689	83	79
Part time employees	378	1,109	-	-
Total	**1,962**	**2,798**	**83**	**79**

On 26 January 2009 the General Assembly of the Shareholders of Sometra S.A., subsidiary of MYTILINEOS S.A., resolved to the temporary suspension of the production activity of the Zinc-Lead production plant in Copsa Mica, Romania, and to drastically reduce the number of personnel. The personnel compensation cost as at 31.12.2009 amounted to € 972 thousands approximately and was recognized in current period's results.

6.38 Related Party transactions

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2009	MYTILINEOS GROUP 31/12/2008	MYTILINEOS S.A. 31/12/2009	MYTILINEOS S.A. 31/12/2008
Stock Sales				
Associates	26,095	45,317	-	-
Total	**26,095**	**45,317**	**-**	**-**
Stock Purchases				
Total	**-**	**-**	**-**	**-**
Services Sales				
Subsidiaries	-	-	21,543	16,281
Associates	817	217	741	143
Total	**817**	**217**	**22,284**	**16,424**
Services Purchases				
Subsidiaries	-	-	347	447
Associates	50	74	50	4
Other Related Parties	-	-	-	(6,880)
Management remuneration and fringes	15,683	14,712	7,044	13,760
Total	**15,733**	**14,786**	**7,441**	**7,331**

	MYTILINEOS GROUP 31/12/2009	MYTILINEOS GROUP 31/12/2008	MYTILINEOS S.A. 31/12/2009	MYTILINEOS S.A. 31/12/2008
Loans given to Related Parties				
Subsidiaries	-	-	60,863	-
Associates	40,689	-	40,689	-
Total	**40,689**	**-**	**101,552**	**-**
Loans received from Related Parties				
Subsidiaries	-	-	19,324	19,644
Total	**-**	**-**	**19,324**	**19,644**
Balance from sales of stock/services receivable				
Subsidiaries	-	-	14,134	18,470
Associates	80,536	7,443	29	966
Management remuneration and fringes	50	31	26	31
Total	**80,586**	**7,474**	**14,189**	**19,467**
Guarantees granted to related parties				
Subsidiaries	-	-	38,594	37,324
Total	**-**	**-**	**38,594**	**37,324**
Balance from sales/purchases of stock/services payable				
Subsidiaries	-	-	186	6
Associates	10,456	10,931	16	12
Management remuneration and fringes	377	209	28	210
Total	**10,832**	**11,141**	**229**	**227**

The above mentioned related party transactions are on a pure commercial basis. The Group or any of its related parties has not entered in any transactions that were not in an arm's length basis, and do not intent to participate in such transactions in the future. No transaction fro the above mentioned had any special terms and there were no guarantees given or received.

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2009	31/12/2008	MYTILINEOS S.A. 31/12/2009	31/12/2008
Short term employee benefits				
- Wages and Salaries and BOD Fees	14,167	13,387	5,770	5,880
- Insurance service cost	233	225	113	113
- Bonus	397	599	397	474
- Other remunerations	-	6	-	6
	14,797	**14,215**	**6,280**	**6,472**
Pension Benefits:				
- Defined benefits scheme	58	38	-	-
- Defined contribution scheme	110	111	47	61
- Other Benefits scheme	-	-	-	-
Payments through Equity	717	347	717	347
Total	**15,683**	**14,712**	**7,044**	**6,880**

No loans have been given to members of the Board of Directors or other management members of the Group (and their families).

6.39 Post Balance Sheet events

On 8 January 2010 the Management of METKA S.A. announced the sale to TERNA S.A. of 100% of the shares of ETADE S.A., a wholly-owned subsidiary of METKA S.A., for a price of € 42.515.000. The suspension for more than two years of the activities for the Aliveri V CCGT and the consequences from postponement of its implementation for a time coinciding with the implementation of the Megalopolis V CCGT project, led to the sale of ETADE being considered as the most appropriate course of action in order to protect the interests of METKA and establish the conditions for further expansion of its activities abroad.

On 4 February 2010, Following extensive negotiations in Istanbul, Turkey, the companies "BORASCO", "METKA S.A." and "POWER PROJECTS" reached an agreement for construction works as well as supply of most of the equipment for a thermal power plant in Samsun, Turkey. The contract comprises of the supply of the majority of equipment and construction works for a 870 MW natural gas fired power plant, consisting of two (2) single shaft units provided by GENERAL ELECTRIC. The share of METKA S.A. in the contract value of the project is €199.9 million plus US$172.3 million.

In compliance with the contents of the Arbitration Court Ruling issued on 25.02.2010 - between the Greek "Public Power Corporation (PPC) S.A." and "ALUMINIUM S.A."-, the 100% subsidiary "ALUMINIUM S.A." will enter as soon as possible into negotiations with the PPC S.A.. The aim of the negotiations will be to reach an agreement of the terms under which PPC will supply electricity power to ALUMINIUM S.A. to cover fully or partly the needs of our subsidiary.

On 17.03.2010 MYTILINEOS HOLDINGS S.A. and ENDESA S.A. have reached an agreement for the acquisition of 50.01% of the share capital held by ENDESA S.A. in the joint company ENDESA HELLAS PRODUCTION AND TRADE OF ELECTRICAL POWER S.A. The total price to be paid by MYTILINEOS HOLDINGS S.A. for the acquisition of 50.01% of ENDESA HELLAS amounts to €140 million, and will be paid in instalments scheduled until 1 July 2012. At the same time, ENDESA S.A. will acquire one wind park and three hydropower plants with a total installed power generation capacity of around 14 MW, which belong to the ENDESA HELLAS portfolio, for a price of €20 million. Upon completion of the above procedure, MYTILINEOS HOLDINGS S.A. will become the sole shareholder of ENDESA HELLAS, with 100% of the company's share capital in its possession.

There are no other significant subsequent events, apart from the abovementioned, which should be announced for the purposes of I.F.R.S.

E. Figures and Information

MYTILINEOS HOLDINGS

Company's No 23103/06/B/90/26 in the register of Societes Anonymes
5-7 Patroklou Str. Maroussi

FIGURES AND INFORMATION FOR THE FISCAL YEAR OF 1 JANUARY 2009 UNTIL 31 DECEMBER 2009

COMPANY PROFILE

Supervising Authority:	Ministry of Economy, Competitiveness and Shipping
Company website:	www.mytilineos.gr
Board of Directors:	

EVANGELOS MYTILINEOS - President & CEO, IOANNIS MYTILINEOS - Vice President non-executive, GEORGE KONTOUZOGLOU - Executive Director-executive member, NIKOLAOS MOUSAS - non-executive, CHRISTOS DIAMANTOPOULOS - non-executive, APOSTOLOS GEORGIADIS - independent non-executive, DIMITRIS DASKALOPOULOS - independent non-executive, CHRISTOS ZEREFOS, independent non-executive, MICHALIS HANDRIS - independent non-executive

Date of approval of the Financial Statements by the Board of Directors:	30 March 2010
The Certified Auditor:	Deligiannis George (SOEL Reg. No 15791), Michalios Manolis (SOEL Reg. No 25131)
Auditing Company:	GRANT THORNTON
Type of Auditor's opinion:	Unqualified opinion - emphasis of matter

STATEMENT OF FINANCIAL POSITION
Amounts in 000's €

INCOME STATEMENT
Amounts in 000's €

STATEMENT OF CHANGES IN EQUITY
Amounts in 000's €

CASH FLOW STATEMENT
Amounts in 000's €

ADDITIONAL DATA AND INFORMATION

Maroussi 30 March 2010

THE PRESIDENT OF THE BOARD & CHIEF EXECUTIVE OFFICER	THE MEMBER OF THE BOARD OF DIRECTORS	THE GROUP CHIEF FINANCIAL & OPERATIONAL SUPPORT ACTIVITIES OFFICER	THE GROUP FINANCIAL CONTROLLER
EVANGELOS MYTILINEOS	GEORGE KONTOUZOGLOU	IOANNIS DIMOU	IOANNIS KALAFATAS

F. Information of the article 10 of the Law 3401/2005

MYTILINEOS HOLDINGS S.A. published to press the following information of article 10, Law 3401/2005 and made them available to public during the financial year 2009. Information is uploaded both in the official web site of Athens Stock Exchange (ASE) www.ase.gr and in the company's web site www.mytilineos.gr.

Press Releases & Announcements 2009

(http://www.mytilineos.gr/site/en-US/home/irsite/investor_news/news/default.aspx?search=1&category=&month=&year=2009)

14/12/2009	Significant Environmental Benefits From MYTILINEOS Group: 2nd Filter Press In The ALUMINUM OF GREECE Plant Enters Into Operation
11/12/2009	New Website Mytilineos S.A. Group of Companies
11/12/2009	Announcement: Disclaimer of Publication
10/12/2009	Announcement Of Other Important Matters
10/12/2009	Press Release
26/11/2009	Strategic Alliance of Motor Oil – Mytilineos Group in the Natural Gas Market
26/11/2009	Announcement
12/11/2009	Results of the Third Quarter of 2009 - Resilience Against Market Downturn, Increased Profitability, Decreased Operating Expenses & Acceleration Of Investments
12/11/2009	Press Release
11/11/2009	Mytilineos Group Nine Month 2009 Financial Results Conference Call Invitation
21/10/2009	Outcome of sale of fractional rights
16/10/2009	Announcement
12/10/2009	Announcement
5/8/2009	Results for the First Semester of 2009 - Sustained Profitability, Improved Profit Margin and Increased Liquidity
29/6/2009	Contract For Construction of a 700 Mw Power Station Signed on 25.06.09 in Damascus
18/6/2009	Announcement
17/6/2009	Announcement
27/5/2009	Results for the first quarter 2009
7/5/2009	Notification of Ex-Date / Payment of Dividend
7/5/2009	Notification of the resolutions of the Regular General Meeting of the Shareholders of 7 May 2009
27/4/2009	KORINTHOS POWER – METKA contract signed for construction of a 437 mw power plant in Ag. Theodori (Corinthia)
27/4/2009	Motor Oil – Mytilineos Group. Complete Major Deal In The Energy Sector
21/4/2009	Announcement
13/4/2009	Mytilineos Group Wins Three Investor Relations Awards

9/4/2009	Announcement of Share Buy-back
9/4/2009	Announcement of Deviation from the Share Buy-Back Limit of 25%
6/4/2009	Invitation to a Regular General Meeting
1/4/2009	Announcement of Share Buy-back
27/3/2009	FY 2008 Financial Results Presentation
26/3/2009	Annual Results For 2008
23/3/2009	Announcement of Acquisition of Owned Shares
16/3/2009	Announcement of Share Buy-back
6/3/2009	Announcement of deviation from the share buy-back limit of 25%
27/2/2009	Announcement of Acquisition of Owned Shares
26/2/2009	Announcement of Acquisition of Owned Shares
16/2/2009	Financial Calendar 2009
16/2/2009	Financial Calendar 2009 METKA
6/2/2009	Announcement of deviation from the share buy-back limit of 25%
6/2/2009	Announcement of Acquisition of Owned Shares
5/2/2009	Announcement of Acquisition of Owned Shares
29/1/2009	Announcement of Acquisition of Owned Shares
28/1/2009	Reply to a letter from the Hellenic Capital Market Commission
26/1/2009	Temporary Suspension of Sometra on Romania
21/1/2009	Announcement of Acquisition of Owned Shares
20/1/2009	Announcement of Acquisition of Qwned Shares
19/1/2009	Announcement of Share Buy-back
12/1/2009	Announcement of Share Buy-back
7/1/2009	Announcement of Acquisition of Owned Shares
5/1/2009	Announcement of deviation from the share buy-back limit of 25%

Financial Statements
(http://www.mytilineos.gr/site/en-US/home/irsite/financial_profile/financial_statements/Default.aspx)

3MONTH 2009 Figures & Information Condensed Interim Fin. Report
6MONTH 2009 Figures & Information Interim Financial Statements
9MONTH 2009 Figures & Information Condensed Interim Fin. Report
12MONTH 2009 Figures & Information Annual Financial Statements

G. Availability of Financial Statements

The Annual Financial Statements of the Group and the Company as well as the financial statements of the companies that are consolidated, the auditor's report and the report of the Board of Directors for the year ending December 31st 2009 have been posted on the web site of the company. Finally, the present Annual Financial Report, the prior years' Annual Reports and other significant information can be found on the web site of the company (www.mytilineos.gr).

THE PRESIDENT OF THE BOARD & CHIEF EXECUTIVE OFFICER	THE MEMBER OF THE BOARD	THE CHIEF EXECUTIVE DIRECTOR – GROUP FINANCE & OPERATIONS	THE GROUP FINANCIAL CONTROLLER
EVANGELOS MYTILINEOS I.D. No AB649316/2006	GEORGE KONTOUZOGLOU I.D. No P 073899/1991	IOANNIS DIMOU I.D. No P102714/1993	IOANNIS KALAFATAS I.D. No AZ 556040/2008

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