

# Press Release

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## RESULTS FOR THE THIRD QUARTER OF 2010 EXPORTS BOOST TURNOVER AND PROFITABILITY

MYTILINEOS Group remained on a course of steady growth during the 2010 nine-month period, posting **strong financial results** for yet another quarter, despite the deep recession which continues to prevail in the Greek economy. The significant increase in turnover and profitability serves as proof of the Group's successful export-oriented strategy and of the benefits from the **acceleration in the implementation of projects abroad by the Group's subsidiary METKA** and from **the increase of LME Aluminium Prices**. Moreover, the implementation of the Group's investment plan, aimed at establishing the MYTILINEOS Group as the **largest independent power producer in Greece** (with a total capacity of 1.2 GW in commercial operation by 2011), is continuing unabated.

In particular, the Group's **consolidated turnover** for the nine-month period of 2010 reached **€764.5** million against **€485.9** million for the same period in 2009. This increase was mainly due to the acceleration in the implementation of projects abroad.

It should be noted here that the figures for turnover and operating results before tax, for the 2010 nine-month period, also include €32.4 million of non-incurring income from the sale of ETADE S.A., a METKA subsidiary, in January 2010.

Earnings before tax, interest, depreciation and amortisation (EBITDA) stood at **€152.0** million, up from **€89.4** million for the same period in 2009, strengthened by the significant increase in profitability, achieved by the Group's subsidiary METKA, as well as by the solid performance of the Metallurgy sector. Net profit after tax and minority rights rose at **€57.4** million against **€18.3** million for the same period in 2009. Net profit for the 2010 nine-month period was adjusted

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downwards by **€9.8** million to account for the amount paid by the Group, as extraordinary social responsibility levy.

The Group's **Metallurgy & Mining Sector** benefits from its export orientation and from the strong recovery in LME aluminium prices (up 36.1% from the nine-month period of 2009), while at the same time, it capitalises significant gains from the Group's successful risk-management policy. In addition, **the operation of the cogeneration plant, which supplies steam to the alumina refinery and can now also use Liquefied Natural Gas (LNG) as an alternative fuel**, also helped reduce operating costs.

The **EPC Construction Sector** posted record-high quarter sales, with the turnover of the Group's for the nine-month period of 2010 standing at **€487.2** million, against **€203.0** million for the same period in 2009. An increase attributed to the **significant acceleration of the implementation of signed contracts abroad and especially in Turkey**. Earnings before interest, tax, depreciation and amortisation (EBITDA) stood at **€107.8** million, up from **€36.1** last year, while **the EBITDA margin stood at a particularly high 16.6%** (excluding the non-recurring income). As regards net profit, this stood at **€70.1** million against €19.9 million for the 2009 nine-month period. The net profit posted by METKA for the nine-month period of 2010 was adjusted downwards by **€5.6** million to account for the amount paid by the company, as extraordinary social responsibility levy.

It should be pointed out that following the recent signature of a **€680** million contract in Syria, the largest-ever in the history of METKA, the **company's current backlog** is c. **€2.4 billion**. As a result of its international expansion strategy, 90% of the company's backlog represents activities in the markets of SE Europe, Turkey and the Middle East, which are characterised by high growth rates, increased energy demands and strong demographics.

In the **Energy Sector**, during the third quarter of 2010, the Group continued implementing its investment plan, in order to strengthen its operations in the sector, as well as to take advantage of the opportunities emerging by the climate of divestment in the domestic market. The Group further strengthened its presence in the domestic energy market by acquiring full control of ENDESA HELLAS, a move that led to the creation of **PROTERGIA**, the Group's principal energy company, as well as by expanding its **cooperation with MOTORL OIL, which led to the creation of the**

**joint company M&M NATURAL GAS**, which operates in the **natural gas market**. The launch of M&M marks the effective liberalisation of the market for natural gas, is already contributing considerably to the Group's efforts to cut its energy costs and provides a distinct competitive advantage in view of the full liberalisation of the electricity market.

The Group's strategy for vertical integration, which is applied across all its activities and is also taking form through selective acquisitions and strategic alliances, together with the swift implementation of investments in thermal and RES assets, establish the conditions that will allow the Group to increase its market share and to further improve the position of MYTILINEOS in the domestic energy market.

The results for the Third Quarter of 2010 will be presented in more detail in a **conference call** with market analysts and institutional investors, to be held tomorrow **Thursday 18 November 2010 at 17.30 hrs (Greek time)**.

*For more details, please contact:*

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*The MYTILINEOS Group is a leading Greek industry active in Metallurgy & Mines, Energy and EPC Projects. Established in Greece in 1990, the Group's holding company, MYTILINEOS HOLDINGS S.A., is listed on the Athens Exchange, has a consolidated turnover of approximately €700 million and employs over 2,700 people in Greece and abroad. For more details, please visit the Group's website at: [www.mytilineos.gr](http://www.mytilineos.gr).*