

Press Release

20/02/2007

**MYTILINEOS HOLDINGS S.A. BOARD GIVES THE GO AHEAD TO
SUBSIDIARY MPGS TO PROCEED WITH THE CONSTRUCTION OF A NEW
MERCHANT POWER PLANT 412 MW IN GREECE. COMPANY WILL NOT
PARTICIPATE IN FORTHCOMING HTSO TENDER**

MYTILINEOS HOLDINGS has decided to immediately initiate the investment plan for a merchant power plant of 412 MW at Agios Nikolaos site in Biotia, south of Greece.

This decision has been taken within the global context of discussions being held with **ENDESA GROUP** to create a strategic alliance for the Greek electricity market.

The process up to now strongly suggests that the liberalization of the electricity market in Greece is ante portas with large companies' investments to essentially contribute to competition. In this respect Tender procedures, which were initialized back in 2000 in order to give incentives and subsidies to prospective local investors for isolated power units are considered by MYTILINEOS as no longer necessary.

Within this framework MYTILINEOS HOLDINGS agreed to proceed with the construction and operation of a new Merchant Independent Power Production Plant of 412 MW for which MYTILINEOS has been granted all necessary Licenses and Permits to start construction immediately. The plant is of combined cycle technology and shall operate with natural gas as prime fuel. The new merchant plant of Agios Nikolaos shall produce 2500 MWh annually to supply the wholesale market, supply companies and individual consumers. Total investment will exceed the amount of € 215 Mio.

The new power station is to be built by METKA EPC Contractor, a listed subsidiary of MYTILINEOS and is planned to be operable by June 2009. This new unit is to be built nearby the Group's CHP plant of 334 MW, which is under construction and shall be operable in July 2007. The interconnector pipeline to serve with gas both power stations is underway and ready in May 2007.

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The construction of the CCGT by MYTILINEOS HOLDINGS signals the conclusion of the first phase of **Agios Nikolaos Energy Centre**, first system of the country. The total annual production represents about 10% of the total annual consumption of the interconnected system and about 35% of the electricity consumption of the Greater Athens Area. To this respect it shall stabilize the suffering southern part of the electricity system and shall diminish the danger of black outs.

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*MYTILINEOS GROUP is a leading industrial Group active in the sectors of Metallurgy and Mining, Energy, EPC Technical Constructions, and Defense Industry. It was founded in Greece in 1990, it is an Athens Stock Market company, has a consolidated turnover which surpasses €740 million, and employs more than 4,000 employees in Greece and abroad. For additional information please visit the Group's site: www.mytilineos.gr.announced by the Group in 2005. **The Energy Centre has total capacity 742 MW**, sited at the southern part of the Greek electricity system, shall gradually and up to 2009 produce additional power to the electricity*

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