

# Press Release

26/11/2014

**Financial Results for the Nine Month period of 2014**  
**REMARKABLE GROWTH OF**  
**OPERATIONAL PROFITABILITY AND NET PROFITS**  
**Sustained strong cash flows and deleveraging**

**9M2014 Highlights:**

- **Operational profitability (EBITDA) up 11.9%** to €184.1 million from €164.5 million, with **net profits after tax and minority rights rising to €44.9 million**, up from €24.8 million of profits (or –for comparison purposes– €2.7 million of losses, after deduction of the extraordinary income from the PPC-Aluminium Arbitration) in the first nine months of 2013.
- **Strong cash flows** reflected by the **further reduction of net borrowing to €344.2 million**, down from €509.7 million in 2013 and €724.8 million in 2012.

For the nine month period of 2014 MYTILINEOS Group posted a consolidated **turnover of €927.6 million** against €1,051.2 million for the same period in 2013, a decrease attributed exclusively to the regulatory changes of the power market operation. The improved performance of the Group's Metallurgy and EPC sectors drove **earnings before interest, tax, depreciation and amortisation (EBITDA) up by 12% to €184.1 million**, from €164.5 million for the first nine months of 2013. Similarly, net profits after tax and minority rose to **€44.9 million**, up from €24.8 million of profits (or –for comparison purposes– €2.7 million of losses, after deduction of the extraordinary income from the PPC-Aluminium Arbitration) for the same period in the previous year.

The Group's **Metallurgy & Mining Sector** shows the strongest signs of improvement compared to both the previous quarter and the first nine months of 2013. More specifically, the Sector posted a turnover of **€344.0 million** against €339.1 million for the same period in 2013. **Earnings before interest, tax, depreciation and amortization (EBITDA)** stand at **€55.0 million, up 82.7%** from €30.1 million for 9M-2013. This performance reflects first and foremost the successful completion of the "MELLON" Programme and the drastic cost reductions that was achieved, which is now combined with favourable current developments in the international markets, such as the

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strengthening of the USD against the Euro, the decline in oil prices and the stabilisation of the “all-in” Aluminium prices at higher levels.

The **EPC Projects Sector** remained on a positive course for yet another quarter. **METKA** posted a **turnover of €468.3 million** for the first nine months of 2014, against €405.4 million for the same period in 2013. Respectively, **earnings before interest, tax, depreciation and amortisation (EBITDA)** rose to **€78.3 million**, up 21.8% from €64.3 million for the first nine months of 2013. During the first nine months of 2013, METKA continued the successful implementation its previously awarded contracts abroad, dealing effectively with the environment of instability in the Middle East markets. For the immediate future, **METKA** will focus on **entering new markets** with increased energy demands and on drawing on its competitive advantages, gained from its long involvement in successfully managing challenging projects in countries with political and institutional instability, in order to **expand its portfolio of projects in Greece**.

The Energy Sector posted a turnover of €121.9 million for the first nine months of 2014 against €311.3 million for the same period in 2013, impacted by reduced demand and regulatory changes in the operation of the market. **Earnings before interest, tax, depreciation and amortisation (EBITDA)** stood at **€57.8 million** against €72.5 million for the first nine months of 2013. The Group’s priorities for the immediate future are to ensure the dynamic presence of **Protergia** in the retail electricity market and to continue with its RES investments, in anticipation of the gradual completion of the market liberalisation.

The positive performance in the first nine months of 2014 portends improved results for the year-end results for 2014.

The significant further improvement in the key financials indicators, such as the expanded EBITDA (increase in sales price – reduction in costs) and the debt-to-EBITDA ratio (currently nearing 1, which is the ratio’s usual value for the top European companies), together with the net profits (which are expected to further expand in the year’s final quarter as a result of the reduced financial costs), justify the Management’s choice to adopt a conservative approach during the crisis, giving priority to reducing costs, maintaining –at all costs– the Group’s exporting profile and distributing its portfolio across its three core business activities.

The Group is emerging from the crisis with no reduction in personnel (moreover personnel was increased where this was necessary, such as in construction sites abroad), with exemplary conduct towards the banks and its creditors (in conditions of non-existent domestic liquidity), and with a cost basis, know-how and financial structure that serve as strong foundations for the future, for the benefit of its shareholders and employees, as well as of the Greek economy and society.

#### **Note:**

*It is pointed out that to ensure correct comparisons the consolidated figures (EBITDA & net profits after tax and minority rights) given for the **Group** and the EBITDA figure given for the **Metallurgy & Mining Sector** include a deduction in the amount of **€27.5 million** recorded for 9M-2013 and corresponding to a non-recurring income from previous periods as a result of the Permanent Arbitration Ruling on the supply of electricity by the PPC to the Group’s subsidiary ALUMINIUM S.A., with retroactive effect from 01.07.2010.*

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MYTILINEOS Group is a leading Greek industry active in Metallurgy & Mines, Energy and EPC Projects. Established in Greece in 1990, the Group's holding company, MYTILINEOS HOLDINGS S.A., is listed on the Athens Exchange, has a consolidated turnover in excess of €1.4 billion and employs some 2,500 people directly and many more indirectly in Greece and abroad. For more details, please visit the Group's website at: **[www.mytilineos.gr](http://www.mytilineos.gr)**.