

## **Announcement**

In reply to recent publications in the Press concerning the Company's disinvestment from ELVO S.A., MYTILINEOS HOLDINGS S.A., in compliance with the requirements under the stock market legislation regarding the obligation to inform the competent authorities and the investing public, informs of the following:

With its announcement of 25/6/2010, the Company advised its decision to withdraw from the Management of ELVO, a move completed in September 2010. Since then, the Board of Directors of ELVO S.A. is composed exclusively of representatives of the Hellenic State.

In parallel, in order to assist the efforts of the Government for the rationalisation and/or privatisation of ELVO, our Company, with a relevant letter sent to the competent Ministers both in September 2010 and early this month, expressed its intention to place all ELVO shares under its ownership under the control of the State for the purposes of negotiations, undertaking to transfer such shares to the buyer to be selected with the same terms as those which shall apply for the shares held by the Hellenic State, and further authorising at the same time our the competent representatives of the Hellenic State to represent the Company in the relevant negotiations with full powers and authorities. As an option, and in order to facilitate the State in the conclusion of the said procedures, the Company announced its intention to transfer all shares under its ownership to ELVO for a token price, demonstrating its sincere intentions and its confidence in the undertaken by the Government with a view to arriving at a conclusive solution that will ensure the best possible prospects for ELVO.

It is pointed out that Mytilineos Group acquired 43% of the shares of ELVO in August 2000, after a relevant invitation from the Hellenic state, for a price of 12.3 million Euro. In the following years, through the share capital increases carried out by ELVO in 2001 and 2003, Mytilineos Group paid a total amount of 7 million Euro, driving up the value of its participation to 19.2 million Euro, of which 15.9 million Euro represent the value of participation of the Group's parent company, MYTILINEOS HOLDINGS S.A., and the remaining 3.3 million Euro represent the value of the participation of a Group affiliate. From the initial acquisition to this day, Mytilineos Group has recognised, based on its participation share in the results of ELVO, 5.9 million Euro of total losses, reducing by the same amount the value of its participation, which currently stands at 13.3 million Euro. This amount is the maximum loss which may be posted by the Group in relation to its participation in ELVO, a participation that the Group considers to be no longer justifiable in business terms.