



MYTILINEOS

NINE MONTHS 2020 TRADING UPDATE

Athens, Greece – 4 November 2020 –MYTILINEOS SA (RIC: MYTr.AT, Bloomberg: MYTIL.GA, ADR: MYTHY US) announces the nine months financial results.

- Turnover and EBITDA stood at €1,341 million and €235 million respectively for the first nine months of 2020, recording a slight decrease compared to the same period of 2019.
- Net profits after minority interests amounted to €102 million, keeping the annualized Earnings Per Share (EPS) close to 1.
- Net debt stood at €562 million, with the Leverage Ratio (Net Debt / EBITDA) remaining below 2 and specifically at 1.87 (annualized), despite the Company's ongoing investment program which is in full deployment. The Company's total liquidity position consisting of cash and available credit lines currently exceeds €1.2bn.

As we are approaching the end of an odd year, characterized by unprecedented challenges, MYTILINEOS managed to remain fully operational across all of its different activities. The Company continues to benefit from its comparative advantages that stem from the complementarity of its Business Units, but most importantly out of MYTILINEOS highly synergistic business model. Those characteristics are clearly reflected in the resilient financial performance of the nine months, underlining the Company's ability to effectively absorb the consequences of the pandemic, whilst also setting the base for further growth, that is expected to accelerate in the coming years.

During the 3rd Quarter of 2020, the Company continued to exercise its share buyback program. The total amount of own shares on 30/9/20 stood at 2.8 million (1.94%) while on 31/10/20 it reached 4.0 million (2.81%). The progress of the Company's operations and the positive prospects for even better performance going forward, fully justify the decision taken by the General Assembly on June, 4 2020 to commence the share buyback with the aim the program to be wholly completed, depending always on market conditions.

For the remaining period of 2020, despite the uncertainty due to the pandemic and the new restrictive measures, MYTILINEOS has laid a solid foundation for an outstanding performance, fully comparable to pre-pandemic levels recorded in 2019. This is mainly attributed to the consistently outstanding performance of the Power & Gas BU, the strong recovery of Aluminum prices and the expected acceleration of EPC projects in the Sustainable Engineering Solutions and the Renewables & Storage Development Business Units.

1. FINANCIAL FIGURES

amounts in m. €	9M 2020	9M 2019	Δ %
Turnover	1,341.0	1,547.9	-13.4%
EBITDA	234.5	248.0	-5.4%
EATam	101.8	120.6	-15.6%
EPS*	0.882	1.008	-12.5%
Margins (%)			Δ(bps)
EBITDA	17.5%	16.0%	147
EATam	7.6%	7.8%	-20

*Last Twelve Months Earnings Per Share

2. BUSINESS UNITS OPERATIONAL UPDATE

2.1. Power & Gas Business Unit

amounts in m. €	9M 2020	9M 2019	Δ %
Revenues	664.6	700.4	-5.1%
EBITDA	122.3	73.4	66.7%
Margins (%)			Δ(bps)
EBITDA	18.4%	10.5%	793

Greek Market Data – 9M 2020

Production per Unit type [GWh]	9M 2020	9M 2019	Δ%
Lignite	3,936	7,969	-50.6%
Hydros	2,315	2,685	-13.8%
Natural Gas	13,895	13,279	4.6%
RES ¹	10,443	8,755	19.3%
Net Imports	7,552	7,360	2.6%
Other	2	1	123.1%
Total	38,144	40,049	-4.8%

SMP²	9M 2020	9M 2019	Δ%
January	58.38	75.28	-22.5%
February	49.23	69.01	-28.7%
March	43.65	59.87	-27.1%
April	28.51	62.40	-54.3%
May	34.27	65.91	-48.0%
June	34.04	68.14	-50.0%
July	41.13	62.14	-33.8%
August	46.13	64.02	-27.9%
September	46.62	60.91	-23.5%
Average	42.44	65.27	-35.0%

MYTILINEOS Generation (GWhs)	9M 2020	9M 2019	Δ%
Thermal Plants	3,217	3,199	0.5%
RES	381	314	21.2%
Total	3,598	3,514	2.4%

1. Renewable Energy Sources
2. System Marginal Price

The Power & Gas Business Unit continued its strong performance in the nine months of 2020, despite the reduced electricity consumption (-4.8%) due to the pandemic and the 35% lower prices in the wholesale market (SMP).

Regarding the energy generation mix, Natural Gas has emerged as the base load fuel, following the drop of electricity production from lignite by 50.6%. The contribution of RES was significantly increased, representing 27% of the total energy production.

MYTILINEOS, managed to benefit significantly from the above conditions and the change of the energy mix, leveraging on its competitive natural gas portfolio, the high efficiency, availability and reliability of its production units, as well as the leading position it holds amongst private electricity suppliers.

Specifically, **turnover** stood at **€664.6 mn.** which corresponds to 49.6% of the total turnover, against €700.4 mn. in the respective period of 2019. The Earnings Before Interest, Taxes, Depreciation and Amortization (**EBITDA**) in the nine months amounted to **€122.3 mn.**, compared to €73.4 mn. in the same period of the previous year, posting an increase of 66.7%. Notably, regarding the Third Quarter of 2020, the performance of the Unit reached a new record high with **EBITDA reaching €51 million compared to €23 million of the same period in 2019.**

The total power generation of MYTILINEOS thermal and renewable energy units increased to 3.6TWhs, representing 9.4% of total energy production in the interconnected system, or 11.8% if we include the electricity generated by the Combined Heat and Power Plant (CHP) of the Metallurgy Business Unit.

MYTILINEOS, leveraging its high self-consumption profile, the long-term experience in natural gas supply, its strong presence in the Greek and neighboring Balkan wholesale markets has acquired access to competitive Natural Gas prices. This fact, as well as the current low market prices (Hubs and mostly TTF), have led to an increase of the profitability margin (clean spark spread) of the Company's thermal plants by 55%, compared to the respective period of the previous year.

During the first nine months of 2020, MYTILINEOS market share stood at 38% of the total natural gas imports in Greece, while the corresponding share on the total exports reached 73%.

Both profitability and electricity production from RES were significantly higher, as in the third quarter of 2020 another 11MW came online, increasing the Company's total installed capacity to 222MW, while the construction of a new 43.2MW Wind Park has also been launched.

Regarding electricity and natural gas supply, Protergia continues to strengthen its position as the leading independent supplier, increasing its market share to 8.5% at the end of nine months of 2020, exceeding 260.000 customers.

In the context of Target Model implementation from November 1st, MYTILINEOS through the new Energy & Trading Management division has set the foundation to maximize the benefits from the new market structure by making the most out of its size and experience in the electricity market.

Finally, the construction of the new Gas-fired Combined Cycle (CCGT), 826MW power plant continues according to the initial timeline and it is expected to be commissioned by the Fourth quarter of 2021. The new plant is expected to enhance significantly MYTILINEOS position both in terms of power production and supply to companies and retail customers, whilst contributing decisively to the country's transition to an energy mix that will have significantly lower carbon footprint.

2.2. Metallurgy Business Unit

amounts in m. €	9M 2020	9M 2019	Δ %
Revenues	365.0	440.3	-17.1%
EBITDA	104.0	130.6	-20.3%
Margins (%)			Δ(bps)
EBITDA	28.5%	29.7%	-116

Total Volumes (ktons)	9M 2020	9M 2019	Δ%
Alumina	344.3	351.3	-2.0%
Primary Aluminium	134.8	137.4	-1.9%
Secondary Aluminium	30.4	14.7	106.8%
Total	509.5	503.4	1.2%

Aluminium & Alumina prices	9M 2020	9M 2019	Δ%
3M LME	1,659.9	1,828.6	-9.2%
Alumina Price Index (API)	267.2	349.4	-23.5%

In the nine months of 2020, the Metallurgy Business Units recorded **turnover** of **€365.0** mn. representing the 27.2% of the total turnover, from 440.3 mn. In the respective period of 2019. The **EBITDA** during the first nine months of 2020 was **€104.0mn** compared to €130.6mn of the respective period in 2019.

Both the Alumina refinery and the Aluminum smelter operated at full capacity without any issues related to the pandemic affecting either the demand of their products or the supply chain.

Robust economic activity during the third quarter of the year has led to an increase of Alumina and Aluminum prices compared to the respective quarter of 2019, thus improving nine month results. Specifically, the nine-months average Alumina price (API) stood at \$267 per ton, remaining 23.5% lower compared to the nine months of 2019, while the average Aluminum price (3M LME) stood at \$1,660, 9% lower compared to the nine months of the previous year. Regarding the premium for the aluminum products, the average price was 33% lower.

Still, the lower raw material and natural gas prices in the nine months of 2020, as compared to the last year's respective period, partially offset the impact of lower sales prices on the results, improving production costs by c. 25% in Alumina and primary Aluminum and resulting in retaining the operational margin (EBITDA/sales) at high levels of c. 30%, similar to the corresponding period of last year.

Metallurgy's new competitiveness program named "Hephaestus" is in full deployment, with cost savings so far reaching €18mn. The program is expected to last until the end of 2021, with a total target of €62 mn. savings, out of which €35 mn. refer to recurring improvement at the EBITDA level, while the remaining to one-off improvements.

2.3. Renewables & Storage Development Business Unit

amounts in m. €	9M 2020	9M 2019	Δ %
Revenues	209.7	194.9	7.6%
EBITDA	11.5	11.7	-2.0%
Margins (%)			Δ(bps)
EBITDA	5.5%	6.0%	-53

In the nine months of 2020, the Renewables & Storage Development Business Unit, recorded a **turnover** of **€209.7** mn. a 15.6% of the total turnover, compared to €194.9 mn. in the respective period of 2019. The **EBITDA** in the nine months of 2020, stood at **€11.5** mn. compared to €11.7 mn. in the same period of the previous year.

In the first nine months of the year, the financial performance of RSD Business Unit was at a similar level to the corresponding period of 2019, while it should be noted that as a consequence of the pandemic, the contractual closure and commencement of new projects has been shifted towards the last quarter of the current year, a development that has been also incorporated in the Company's 2021 Draft Budget.

Regarding the EPC projects for third parties in the nine months, the construction of two large projects in Spain and Chile, regarding 300MW and 170MW respectively were concluded. The “Talasol” project in Spain was considered as one of the largest ones in Europe during the past year, while the “Atacama Solar Project” in Chile was the second largest in the country. During the same period, MYTILINEOS undertook new projects in Greece and United Kingdom, while new projects in Kazakhstan are in advance stage of contracting.

Regarding the Build, Own & Transfer (BOT) projects, the first sale of a portfolio of solar parks was concluded in the Northern and Central Greece, with total capacity of 47MW, while the development of projects continued in countries like Greece, Spain, United Kingdom, Chile, Mexico, South Korea, Taiwan and Australia. The total capacity of the BOT portfolio reaches 4.3GW, including projects that are in various stages: from early development stage to “ready to build” projects.

The Renewable & Storage Development Business Unit continues to focus on the timely execution of the existing contracts and the undertaking of new projects and investments on targeted markets with increased green energy needs. As the installed capacity of solar projects is expected to increase significantly in the coming years, MYTILINEOS offers credible solutions across the Solar projects lifecycle.

2.4. Sustainable Engineering Solutions Business Unit

amounts in m. €	9M 2020	9M 2019	Δ %
Revenues	101.6	212.3	-52.2%
EBITDA	-0.3	35.9	-100.8%
Margins (%)			Δ(bps)
EBITDA	-	16.9%	-1722

In the nine months of 2020, **turnover** stood at **€101.6** mn. representing 7.6% of the total turnover, compared to €212.3 mn. in the same period of 2019. The Sustainable Engineering Solutions Business Unit’s low performance is due to the effect of the Covid-19 pandemic and the time shift regarding the implementation and the contracting of new projects.

2020 is a turning point, as the former EPC & Infrastructure BU is being transformed, with new organizational structure, focusing on projects that promote the goals of Energy Transition and the Sustainable Development. In this context, the European Recovery Fund is expected to offer significant opportunities for the Greek economy and especially for companies with strong credentials and know-how in projects that promote a model of sustainable development (for instance solid & liquid waste management projects, hybrid and off-grid energy projects, energy upgrade projects and execution of innovative first-of-kind energy projects).

The revamped Sustainable Engineering Solutions Business Units is expected to yield immediate results from the 4th quarter of 2020, starting with the increase of the outstanding Backlog within 2020, the execution of existing contracts including also the undertaking of new projects, in view of the proposals of the European Recovery Fund.

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MYTILINEOS S.A.

MYTILINEOS S.A. is a leading Greek industry active in Metallurgy, Power & Gas, Renewables & Storage and Sustainable Engineering Solutions. Established in Greece in 1990, the company is listed on the Athens Exchange, has a consolidated turnover of €2.3 billion and employs directly or indirectly more than 3,600 people in Greece and abroad.

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