

**ANNOUNCEMENT IN RESPONSE TO THE HELLENIC CAPITAL
MARKET COMMISSION's LETTER**

10 November 2011 – In response to the Hellenic Capital Market Commission's (HCMC) protocolled letters 5032 & 5033 dated 8/11/2011 and in accordance with the provisions of L.3556/2007 and the decision 3/347/2005 of the Board of Directors of the HCMC, regarding the initial agreement for the gradual acquisition of S&B Industrial Minerals S.A. (S&B) bauxite operations in Greece by MYTILINEOS S.A. fully owned subsidiary ALUMINIUM S.A., S&B and MYTILINEOS S.A. inform the investment community that,

A) The acquisition price has initially been agreed at €61,072,000, to be confirmed upon completion of the financial, legal, tax and technical Due Diligence, which will be validated after the completion of Due Diligence, which entails financial, tax, legal and technical audits. To note that the valuation of a mining company is by default a rather complex a complex procedure process and the confirmation of the consideration attached depends upon a number of factors that can not be assessed prior to the completion of the Due Diligence and the validation of the price depends on elements that cannot be ascertained prior to the completion of the aforementioned audits.

B) The parties have initially agreed that the duration for the Due Diligence process will be three months. Upon its satisfactory completion, the parties will establish the relevant legal documents for the implementation of the gradual acquisition. At that time, a detailed procedure, the terms and the relevant timeline for the gradual transfer of S&B's shareholding to ALUMINIUM S.A. will be established. The initial agreement foresees the divestment, contribution to, and absorption of, S&B's bauxite activity in Greece from Delphi Distomon (New D.D.), which is a fully-owned subsidiary of ALUMINIUM S.A. engaged in bauxite production. At this stage, S&B will become a shareholder in New D.D. Thereafter, ALUMINIUM S.A. will gradually acquire S&B's contributed share, such that, it initially reaches a 51% participation in New D.D. and gradually acquires the remaining 49% of S&B's holding over the following 30 month period.

C) The preconditions for the completion of the gradual acquisition are

- (i.) Due Diligence completion
- (ii.) Finalization of terms and agreement structure
- (iii.) Agreement of terms and conditions for the legal documents (JV-Contribution Agreement, Shareholders Agreement)
- (iv.) Relevant Competition authority approvals

- (v.) Other approvals from relevant authorities or third parties with regard to existing licenses and contractual obligations assumed by S&B in the framework of bauxite-related operations

The parties will act in accordance with the provisions of the Capital Market and proceed to further announcements for the information of the investing public and the HCMC, as soon as there are further developments regarding the initial agreement in relation to the above-mentioned specifics.

About MYTILINEOS

*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 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**.*

About S&B Industrial Minerals

S&B Industrial Minerals is an international Group of companies, its purpose being to provide innovative industrial solutions by developing and transforming natural resources into value creating products. Utilizing the multiple properties of industrial minerals, S&B offers a portfolio of customized solutions for a broad range of applications (including foundry, steel-making, construction & building materials, metallurgy and horticulture), operating responsibly and adhering to the sustainable development principles of the triangle: economy – society – environment. It holds leading positions in its main sectors (bentonite, perlite, bauxite and casting fluxes). S&B was established in Greece in 1934, is listed on the Athens Exchange (ticker:ARBA), is active in 20 countries across five continents, in 2010 it had a Group turnover of €420 million, and employs approximately 2,000 people worldwide. For more information, please visit S&B's website at www.sandb.com