

Press Release

20/05/2008

RESULTS FOR THE FIRST QUARTER OF 2008

THE GROUP REMAINS ON A STEADY COURSE OF GROWTH AND PROFITABILITY IN SPITE OF ADVERSE CONDITIONS IN THE INTERNATIONAL MARKETS

The Group's **consolidated turnover** for 2008-Q1 stood at **€227.4** million, from €225.4 million for the same Quarter in 2007. This increase in sales is particularly significant considering that it was achieved in the midst of the negative movement of the US Dollar against the Euro, a development which had a negative impact of €27 million on the Group's turnover.

The above, combined with the consistently high level of oil prices to an all-time record-high of over US\$ 125 per barrel, and coupled with the fact that the capital gains from the agreement with Endesa Hellas have not been incorporated in the results for the 1st Quarter (the significant contribution of the energy sector is expected to be reflected in the results for the Quarters to follow), drove **net profit after tax to €6.9 million** against €32.3 million for the same Quarter in 2007, while net profit after tax and minorities stood at **€4.3 million** against €30.2 million for the same Quarter in 2007 which also included around **€10 million** of extraordinary income for the Group. Finally, earnings before tax, interest, depreciation and amortisation (EBITDA) stood at €25.7 million, down from €41 million for the same period in 2007, a decrease attributed to the negative impact on the Group of the movement of the US Dollar against the Euro (€13 million) and to the high oil prices during the period reported (€11 million).

The Group's total assets for the period reported amount to €1.64 billion. On 31/03/2008, the **Group's equity** stood at €706 million, whereas if the mark-to-market value of the subsidiaries' capitalisation is taken into account, then **the Group's adjusted equity is close to €940 million**. Finally, the

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Group's **net debt** (loan liabilities less cash on hand and equivalent items) is maintained at the low level of **€246 million**.

The significant progress and successful strategic planning of **METKA** continues to be reflected in the company's results for 2008-Q1, **confirming its establishment as one of the major players in the sector of EPC projects abroad**. The Company's turnover for 2008-Q1 reached **€87.9 million, up by 28.8%** from €68.2 million for the same period in 2007, with earnings before interest, tax, depreciation and amortisation (EBITDA) standing at €16.5 million, up from €14.1 million for the same Quarter in 2007. The EBITDA margin remains very high (18.8%), both as an absolute value and in comparison with international competition. Finally, net profit after tax and minority rights stood at €10 million versus €9 million for 2007-Q1.

Having established itself as the principal specialist contractor for energy projects in Greece, **METKA is now expanding dynamically to competitive markets abroad**, with a new agreement concluded with Romania's Petrom for construction of a 860 MW energy centre in the country. The signed backlog of METKA today stands at **€775 million**, and is expected to grow further during 2008. The company's successful progress is expected to be reflected in its results for 2008 as well as for the coming years.

In the Energy sector, Endesa Hellas now holds a prominent position as one of the key players driving market trends and developments (market liberalisation). The progress made by the new company so far proves that it satisfies all requirements that will allow it to evolve into the largest independent energy producer in Greece and will spearhead its expansion in the wider region of Southeastern Europe, through a broad power-generation base utilising thermal and renewable energy sources. The recently launched integration into the system of the Cogeneration plant (COGEN) and the rapid development of the two gas-driven combined cycle power plants in Volos and Agios Nikolaos, will enable **Endesa Hellas to supply the Greek market with more than 1,300 MW of electrical power by the year 2010**, thus making a significant contribution towards a solution to the serious social issue of deficits in the power supply system, while at the same time helping reduce power imports which are expensive for Greece.

According to **Endesa's Business Plan 2008-2012**, recently announced in the Madrid Stock Exchange, Endesa Hellas is expected to invest in Greece a total of €2.8 billion solely on thermal power plants (excluding investments in Renewable Energy Sources). The implementation of this plan is expected to act as a catalyst for the substantial liberalisation of the Greek energy market, and to improve further the revenue and profitability structure of the Group.

The results for the 1st Quarter of 2008 will be presented in more detail in a conference call with market analysts and institutional investors, to be held tomorrow **Wednesday 21 May 2008 at 17.00 hrs (Greek time)**.

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*The MYTILINEOS Group consists of leading companies active in Metallurgy & Mines, Energy, EPC Projects and the Defence Industry. Established in Greece in 1990, the Group's holding company, MYTILINEOS Holdings S.A., is listed on the Athens Stock Exchange, has a consolidated turnover of approximately €1 billion and employs over 3,000 persons in Greece and abroad. For more details, please visit the Group's website at: **www.mytilineos.gr**.*