

# Announcement

05/10/2016

## Long-term electricity supply agreement between the PPC and Aluminium of Greece

MYTILINEOS HOLDINGS S.A. announces that, following the resolutions of the Extraordinary Meeting of the Shareholders of the PPC, which took place today, Wednesday 5/10/2016, the Group's subsidiary Aluminium of Greece (AoG) **intends to proceed with signing a 7-year contract for the supply of electricity from the PPC** (for the period 2014 - 2020).

The **agreement** came as a result of intensive negotiations between the two parties, held over a period of several months, and **brings to a final close the PPC-AoG conflict over the pricing of electricity**.

It should be stressed that the negotiations took place in a constructive and positive climate, driven by the need to consider the financial interests of the two companies, the amicable settlement of problems in the energy market and, of course, the competitiveness of the Greek Industry.

MYTILINEOS Group **welcomes this agreement**, which acknowledges the specific consumption profile of Aluminium of Greece and, at the same time, enhances the PPC's liquidity at a challenging juncture.

The Group's standing position is that the PPC should be supported, as without the PPC there can be no Electricity Market and no high voltage - consuming industry.

This position, made repeatedly by the MYTILINEOS Group Chairman in the framework of the Group's General Meetings and other public statements, is confirmed by the part of the agreement which foresees the immediate payment by the Group to the PPC, without interest, of an advance of €100 million.

The agreement also foresees that at the start of each contractual year, ALUMINIUM OF GREECE will pay to the PPC, again without interest, an advance equal to 30% of the annual value of electricity. The final commercial clause was also agreed in favour of the PPC: in the event of an increase in Aluminium prices on the London Metal Exchange (LME), the PPC will receive a bonus on the MWh price; yet in case of a price decline PPC will incur no penalty.

This mutually beneficial and rigorously structured agreement marks the beginning of a new era in the relations of the PPC – the country's largest industry – with its largest customer. There can be

**MYTILINEOS Holdings S.A.**

5-7 Patroklou Street, 151 25 Maroussi

Tel.: 210 77 300

Fax: 210 77 400

Email: [info@mytilineos.gr](mailto:info@mytilineos.gr)

Website: [www.mytilineos.gr](http://www.mytilineos.gr)

no doubt that the country's economic recovery and its new economic model presuppose the existence of a globally competitive industry and a strong and financially and operationally healthy PPC.

*For more details, please contact:*

*Mrs Elli Gardiki, Senior Communication Officer – Press Office, Tel.: 210 6877489 2437, Fax: 210 6877400, e-mail [elli.gardiki@mytilineos.gr](mailto:elli.gardiki@mytilineos.gr)*

*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 €1.3 billion and employs some 2,700 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)**.*