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MYTILINEOS HOLDINGS S.A.

Financial results 2005 for MYTILINEOS GROUP - Impressive improvement of all financial figures

Mytilineos Group showed an impressive increase in net profit and turnover for the period 01/01 - 31/12/2005 in its financial statements according to the International Financial Reporting Standards (IFRS), which include the Aluminum of Greece S.A. with the method of full consolidation and the Hellenic Vehicle Industry S.A. ELVO with the method of net worth.

The consolidated turnover reached Euro 747 million compared to last year's Euro 311 million, a 139.9% increase, while the consolidated profit before taxes and minority rights came up to Euro 157 million compared to the Euro 29 million of 2004.

To the Group's increased profit one should add the amount of Euro 138 million which represents a surplus value from the acquisition of the company Aluminum of Greece S.A., thus raising the total amount of the year to Euro 295 million. More specifically, the earnings before taxes and interest (EBIT) quadrupled reaching Euro 138 million compared to Euro 35 million of the respective period of 2004, while earnings before taxes, interest, and depreciation (EBITDA) came up to Euro 158 million from Euro 42 million in 2004, showing an increase of 275.1%. Moreover, the considerable holding back of expenses contributed to the impressive increase of the profit margin before taxes (21% from 9.32%), while especially important was the increase of earnings before taxes and minority rights which reached Euro 211 million from the Euro 12 million of last year's respective period. If we deduct the amount of Euro 138 million, which represents the surplus value from the acquisition of Aluminum of Greece S.A., the Group's net income reaches Euro 74 million compared to the Euro 12 million of 2004, marking an increase of 515.2%.

It should be noted that the Group's bank loans, which come up to Euro 128 million, remained almost stable compared to last year, despite the acquisition of Aluminum of Greece S.A., which was compensated with a successful placement of 10% and the conclusion of METKA's capital return. The Group's cash and cash equivalents for 2005 reach now 63 million while the group's net debt stands at Euro 66 million compared to Euro 103 million in 2004.

Total assets for current period surpassed Euro 1.15 billion compared to last year's Euro 564 million. The Group's Equity come up to Euro 708 million (Euro 238 million last year), and if we take into account the capital gain from the capitalization of the subsidiaries METKA S.A. and Aluminum of Greece S.A., they surpass Euro 1 billion.

METKA Group showed also an impressive increase in turnover and profit. Turnover increased by 29.5% and reached Euro 225 million compared to Euro 174 million of the previous period, while net income after tax and minority rights increased by 89.3% reaching Euro 37 million (20 million in 2004). It should be noted that the earnings before taxes and interest (EBIT) reached Euro 49 million compared to 2004's Euro 29 million, while the earnings before tax, interest and depreciation (EBITDA) came up to Euro 54 million (Euro 34 million last year), an increase of

57.6%. The company's bank loans remains null, despite the capital return of Euro 70 million to the shareholders in October 2005, while cash and cash equivalents on 31/12/2005 were Euro 20 million.

It should be pointed out that METKA has a backlog of signed contracts of value Euro 446 million, including the construction of the co-generation plant of 334MW with a budget of Euro 190 million for Aluminum of Greece S.A (its construction has already began), while much higher is the value of the projects under negotiation which METKA has serious possibilities to sign in the near future.

Finally, Aluminum of Greece S.A. showed also positive results. More specifically, turnover increased by 7.2% reaching Euro 382 million, the earnings before taxes and interest (EBIT) marked an increase of 43% reaching Euro 66 million (Euro 46 million in 2004), while the earnings before tax, interest and depreciation (EBITDA) came up to Euro 79 million (Euro 61 εκατ. last year), an increase of 30.4%. Finally, net income after tax and minority rights increased considerably (56.4%) reaching Euro 52 million compared to Euro 33 million in 2004. The Company remains without bank loans, while the cash and cash equivalents at the end of 2005 were Euro 41 million. The prospects of Mytilineos Group for the current year are especially favorable.

The acquisition of Aluminum of Greece S.A. and its smooth integration to the Group's metallurgical sector, makes it the leading verticalized producer of base metals in Southeastern Europe, and closer to its goal of extending its activities to a wider area. Moreover, the continuing increase in the prices of the base metals, which started at the end of the previous year and is expected to be maintained during the following years, combined to the increased demand, assure a considerable increase of the Group's metallurgical and mining projects. In the Energy sector, the first priority for Mytilineos Group is a double investment for the construction of an energy center in Agios Nikolaos of Viotia. This investment includes initially the construction of the co-generation unit of 334 MW in Agios Nikolaos Viotias, a project undertaken by the Group's subsidiary METKA. This new power station shall both cover the electrical energy needs of the plant of Aluminum of Greece and support the National Grid. Moreover, and according to its investment plan, the Group, realizing the advantages offered by the premises of Aluminum of Greece, both in land use and in terms of the electric load, acquired a licence for a new independent power production gas fired unit of 412MW, for which it has also received an Environmental Terms approval. Regarding the renewable energy sources, the Group prepared and is in the process of realizing a large investment plan (100 million euro) for the development of wind parks of total power approx. 100 MW. The first one, with a power of 17 MW and budget of Euro 17 million, is already operating at Sidirokastro of Serres. Finally, in the defense sector, Mytilineos Group has already worked-out and promotes the approval process of a new business plan, which aims to ensure a long-term and profitable operation for the ELVO subsidiary, as well as create important synergies with the other companies of the Group.

For additional information please contact:

Mr. Nikolaos Kontos
Investor Relations Department
Tel. +30 210 6877395