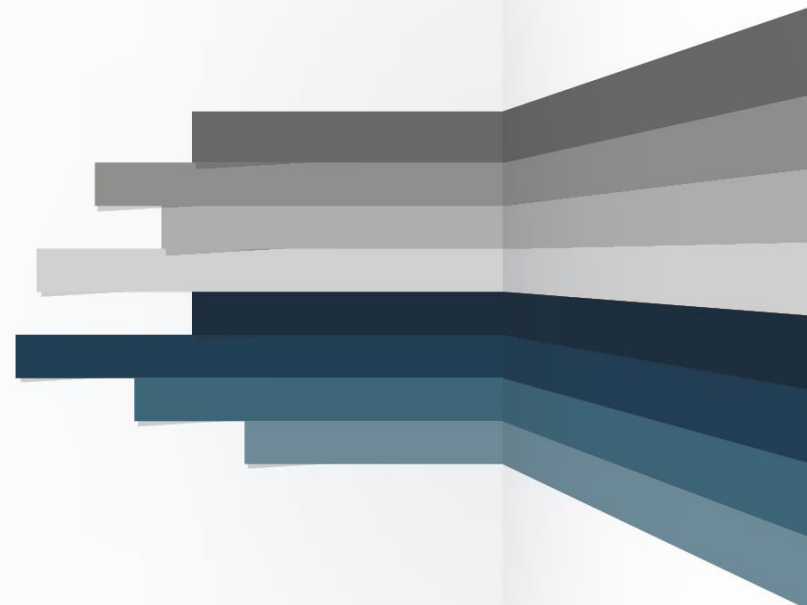


HOLDINGS   
**MYTILINEOS**

Group Presentation

**FY2016 IFRS FINANCIAL RESULTS**



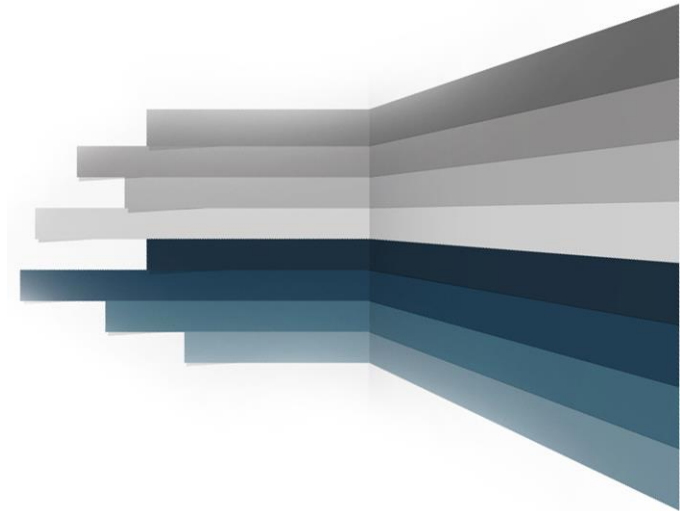
## Disclaimer

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- FY2016 Results Highlights**
- Summary Financial Results
- Business Units Performance
- Q&A



### MYTILINEOS GROUP

- Turnover: € 1,246.1 m. Vs € 1,382.9 m. Last Year.
- EBITDA: € 222.4 m. Vs € 234.4 m Last Year.
- Earnings after Tax & Minorities: € 34.2 m Vs € 47.5 m Last Year.
- Net Debt: € 618 m. as of 31/12/2016.
- Equity: € 1,284 m.

### METKA

- Turnover: € 445.1 m Vs € 668.0 m Last Year.
- EBITDA: € 74.9 m Vs € 116.4 m Last Year.
- Earnings after Tax & Minorities: € 53.3 m Vs € 68.9 m Last Year.
- Backlog as of 31/12/2016: € 1.0 bn.
- Net Cash Position: € 102.9 m. as of 31/12/2016.

**Group**

Solid overall financial results in 2016. Significant improvement in the 2<sup>nd</sup> Half of the year due to the increased performance of the Energy Sector and the recovery of LME prices in the M&M sector.  
The proposed dividend of METKA for 2016 is €0.15 per share (gross) and is subject to the approval of the shareholders at the AGM.

**Metallurgy & Mining**

Soft 1H results reversed in the 2<sup>nd</sup> Half of the year.  
LME Prices in 4Q2016 broke above 2,000 \$/tn, rebounded from their low levels of 1,835 \$/tn that reached in 1Q2016. Further positive impact of strong USD against Euro.  
Robust global demand for primary Aluminium.

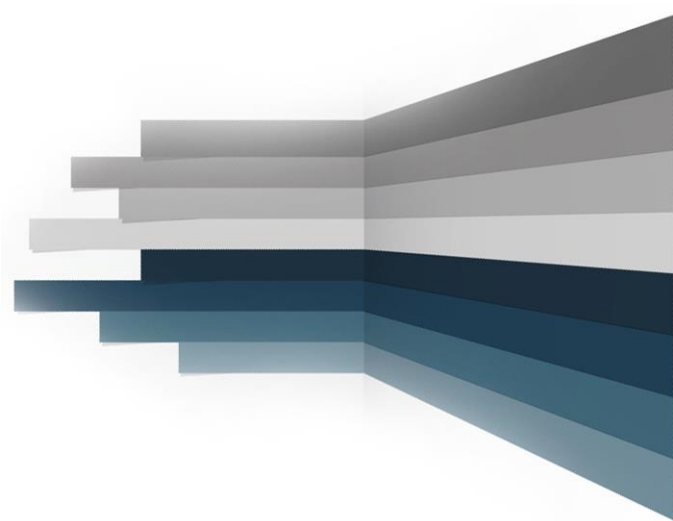
**METKA  
(EPC)**

Performance affected by the unstable environment in the M. East markets.  
Focus on expanding business in new markets with urgent needs for electricity like Serbia, Ghana, Nigeria and Libya.  
Diversification of the company's portfolio of activities . Significant contribution from METKA – EGN active in solar EPC projects internationally.

**Energy**

Strong growth in 2016, coupled with significant increased market shares in the wholesale and retail electricity market.  
Very important commercial agreement of Protergia in 2016, for the sale of its products through the network of Cosmote and Germanos.

- ❑ FY2016 Results Highlights
- ❑ **Summary Financial Results**
- ❑ Business Units Performance
- ❑ Q&A



*(amounts in mil €)*

<b>P&amp;L</b>	<b>FY2016</b>	<b>FY2015</b>	<b>Δ%</b>	<b>2H2016</b>	<b>2H2015</b>	<b>Δ%</b>
<b>Turnover</b>	<b>1,246.1</b>	<b>1,382.9</b>	<b>-9.9%</b>	<b>610.3</b>	<b>746.3</b>	<b>-18.2%</b>
EBITDA	222.4	234.4	-5.1%	121.0	115.7	4.6%
Depreciation	-73.3	-59.9		-38.8	-32.4	
Net Financial Cost	-63.4	-65.7		-31.2	-34.7	
Other	-0.4	-0.1		-0.1	-0.3	
<b>PBT</b>	<b>85.3</b>	<b>108.8</b>	<b>-21.6%</b>	<b>50.9</b>	<b>48.3</b>	<b>5.5%</b>
Income Tax	-21.4	-28.4		-11.3	-13.5	
Non Controlling Interest	-27.1	-28.2		-15.8	-16.3	
Disc. Operations	-2.6	-4.7		-2.1	-3.8	
<b>EATam</b>	<b>34.2</b>	<b>47.5</b>	<b>-28.1%</b>	<b>21.7</b>	<b>14.7</b>	<b>47.6%</b>
<b>Margins (%)</b>	<b>FY2016</b>	<b>FY2015</b>	<b>Δ(bps)</b>	<b>2H2016</b>	<b>2H2015</b>	<b>Δ(bps)</b>
<b>EBITDA</b>	<b>17.8%</b>	<b>16.9%</b>	<b>90</b>	<b>19.8%</b>	<b>15.5%</b>	<b>433</b>
<b>EATam</b>	<b>2.7%</b>	<b>3.4%</b>	<b>-70</b>	<b>3.6%</b>	<b>2.0%</b>	<b>159</b>

(amounts in mil €)

**Balance Sheet**

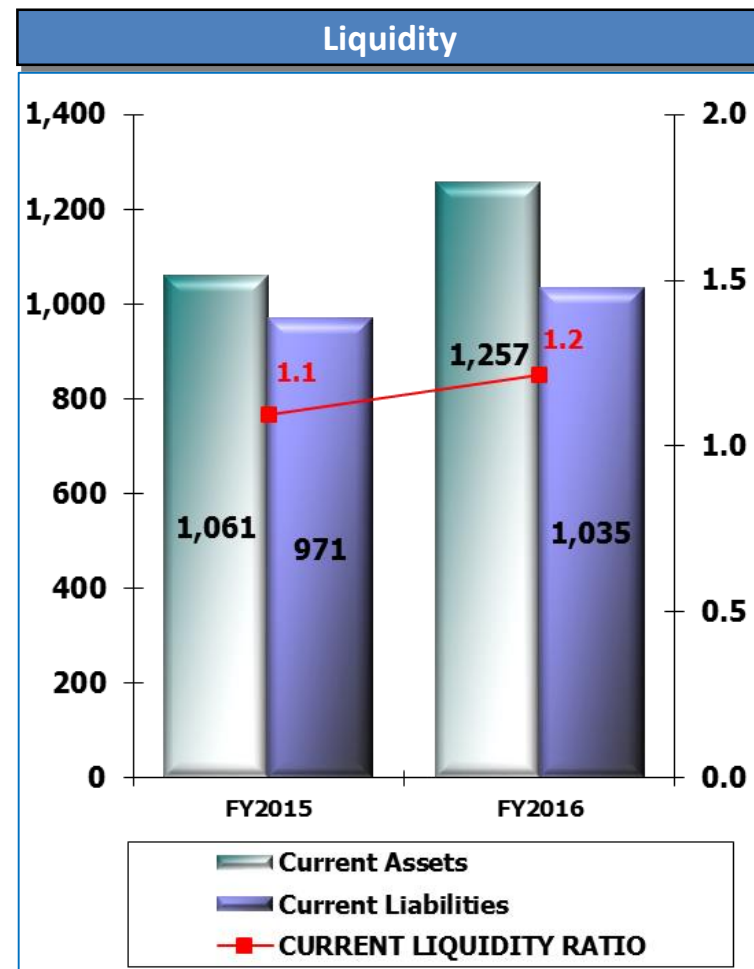
	FY2016	FY2015
Non Current Assets	1,851	1,838
Current Assets	1,257	1,061
<b>Total Assets</b>	<b>3,108</b>	<b>2,899</b>
Debt	816	728
Cash & Cash Equivalents	198	201
<b>Equity</b>	<b>1,284</b>	<b>1,230</b>
<b>Net Debt</b>	<b>618</b>	<b>527</b>

**Key Ratios**

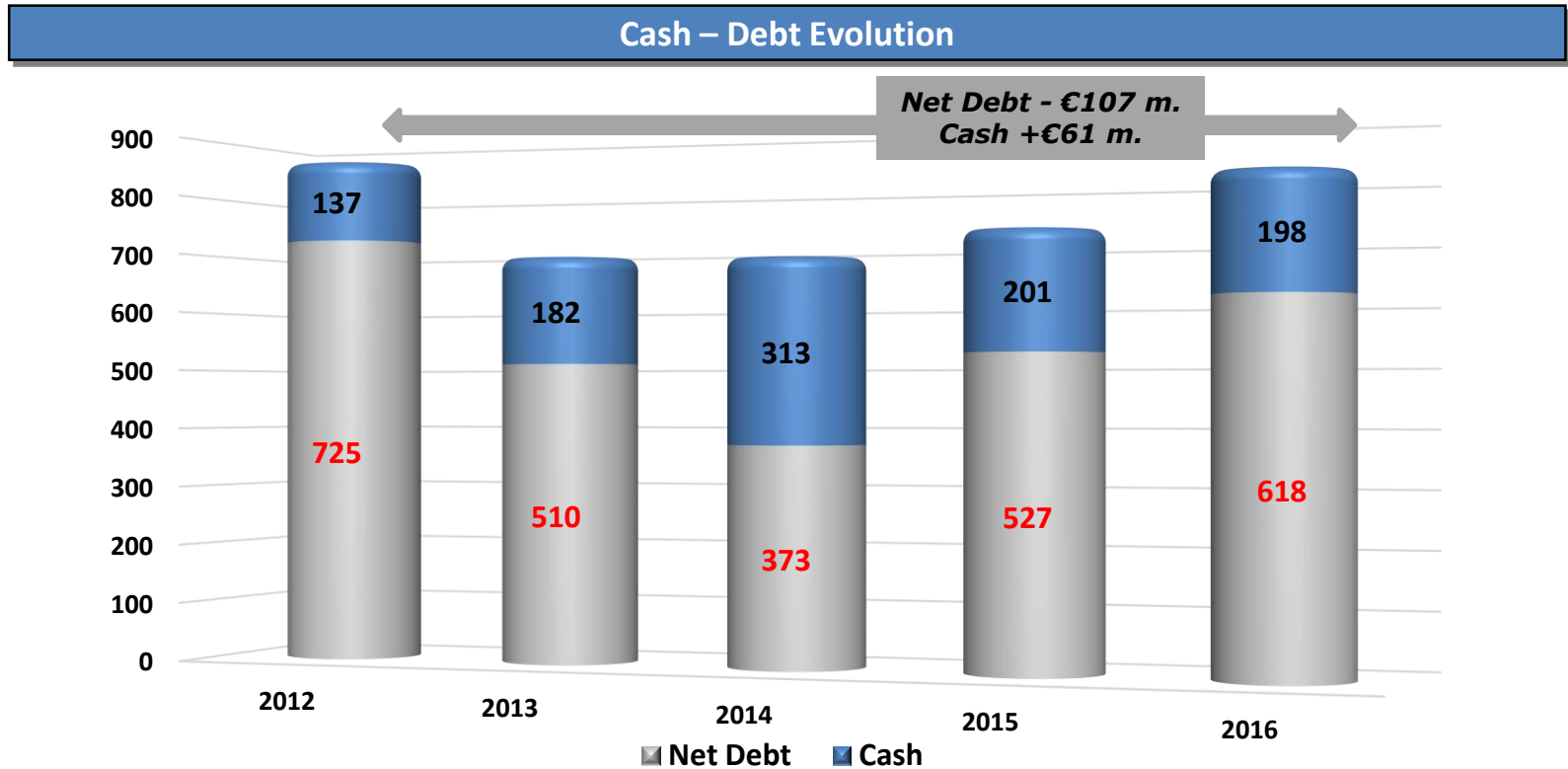
NET DEBT / EBITDA	2.8	2.2
EV / EBITDA	6.0	4.1
EBITDA / NET FIN. EXP.	3.5	3.6
ROCE	12.1%	13.8%
ROE	3.5%	5.1%

Net Debt = Debt – Cash Position.

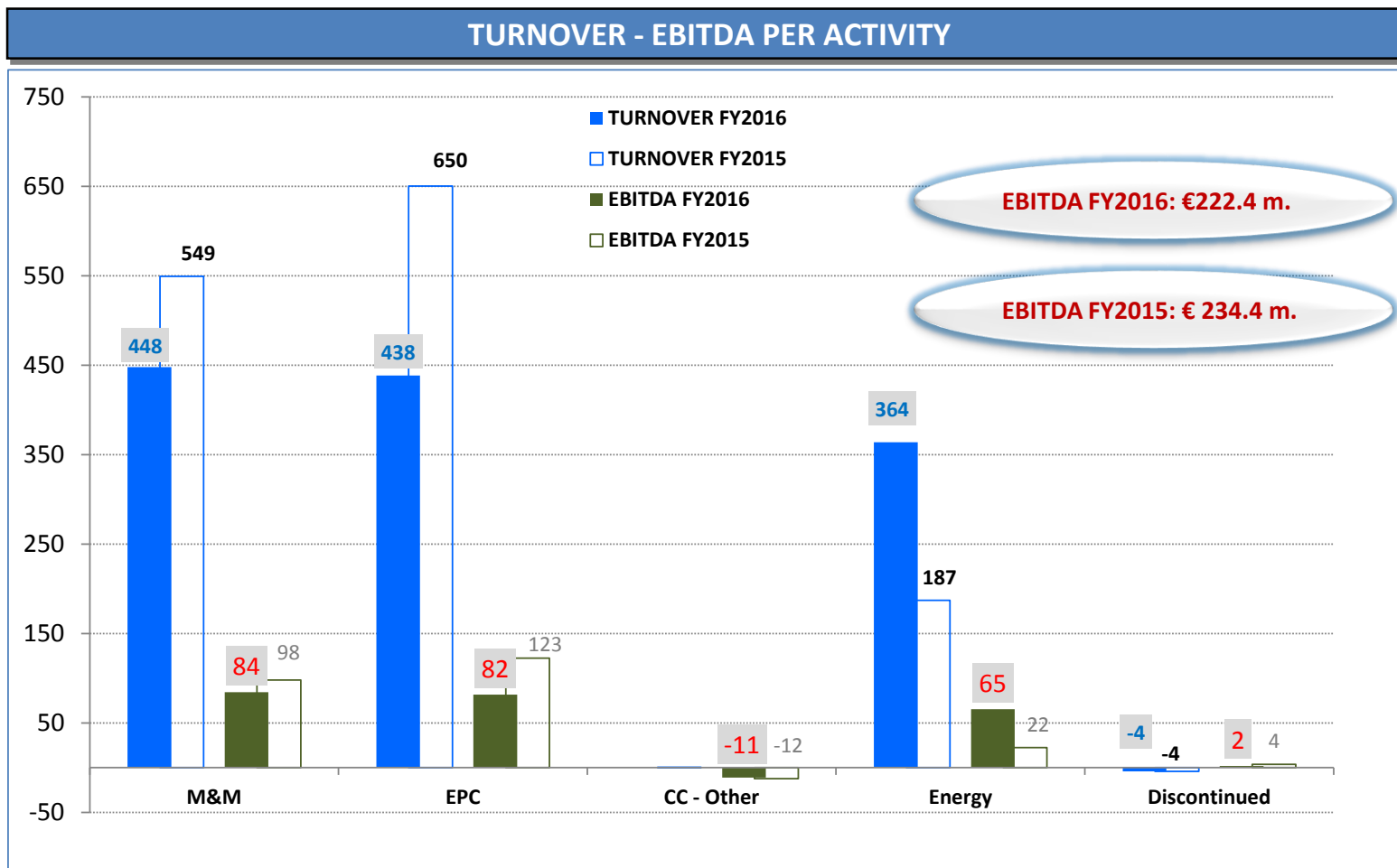
Source: Company Information.







- The Cash Position of the Group stands at €198m. (-1% from 31/12/2015)
- Net Debt / EBITDA ratio at 2.8
- In October 2016 AoG paid an advance of €100m. to PPC as part of the agreement over electricity supply.



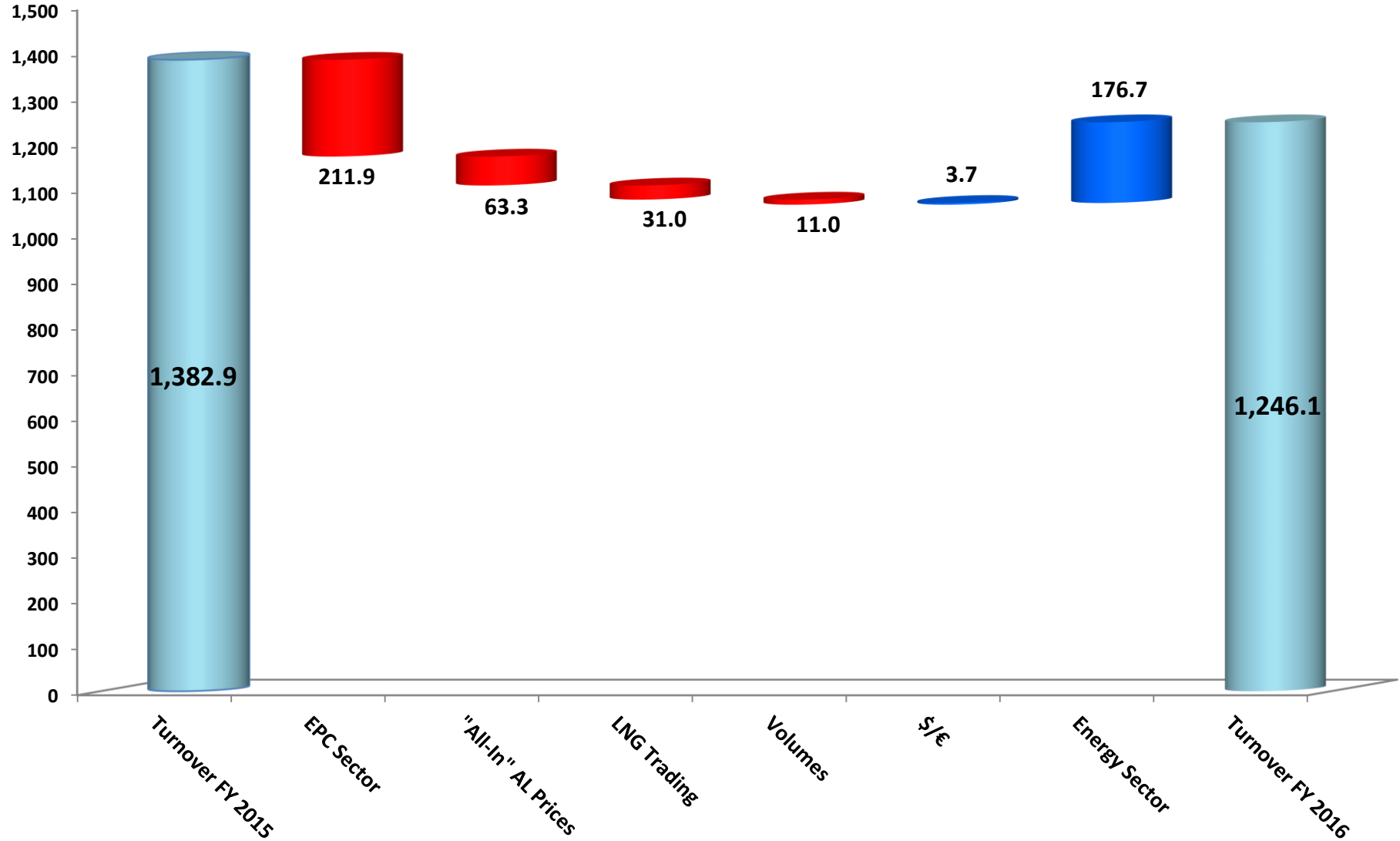
\*Corporate Center includes all other activities that are not directly linked to M&M, EPC & Energy.

\*EPC does not include intercompany transactions.

Source: Company Information.

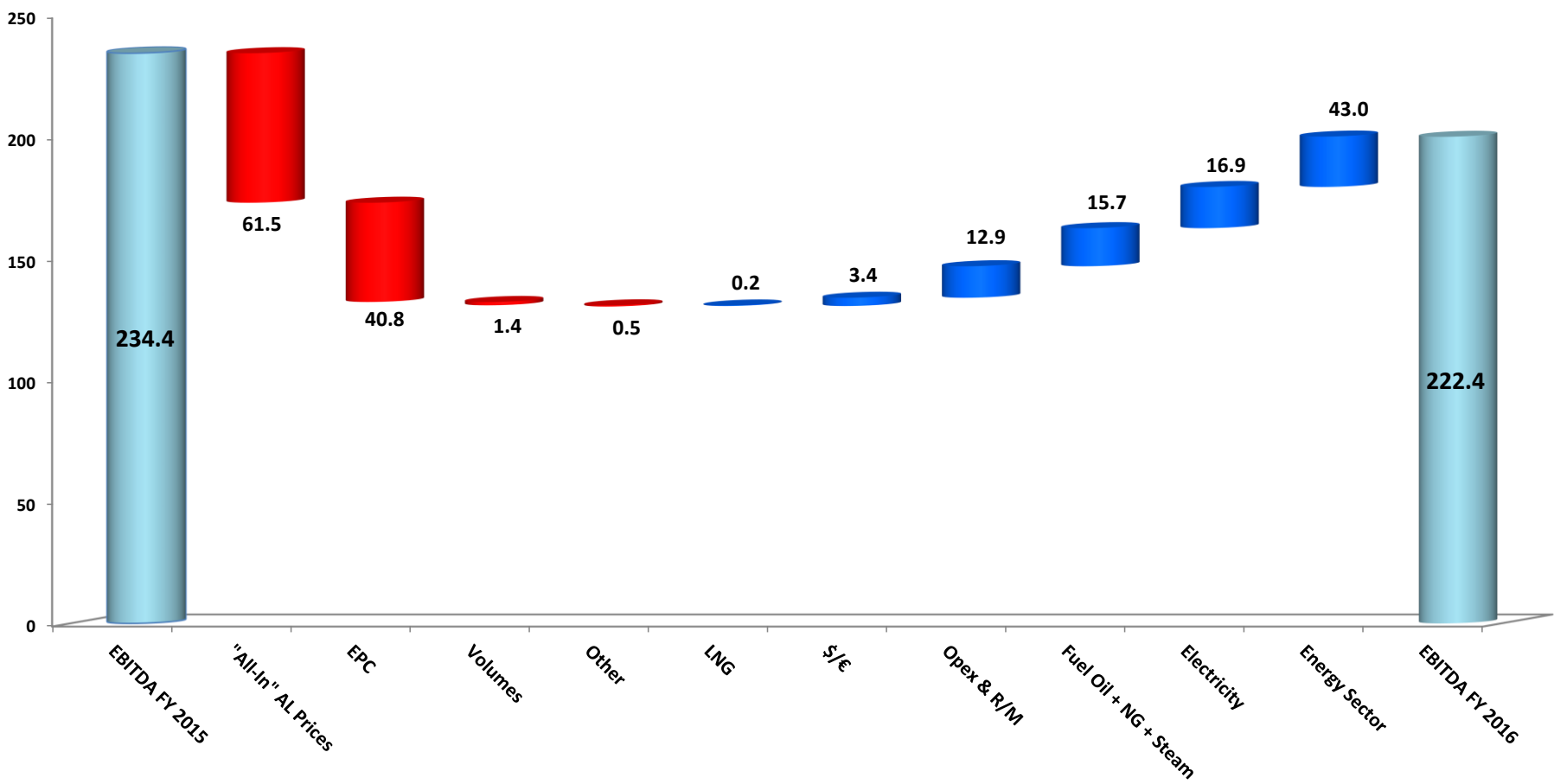
TURNOVER

(amounts in mil €)



EBITDA

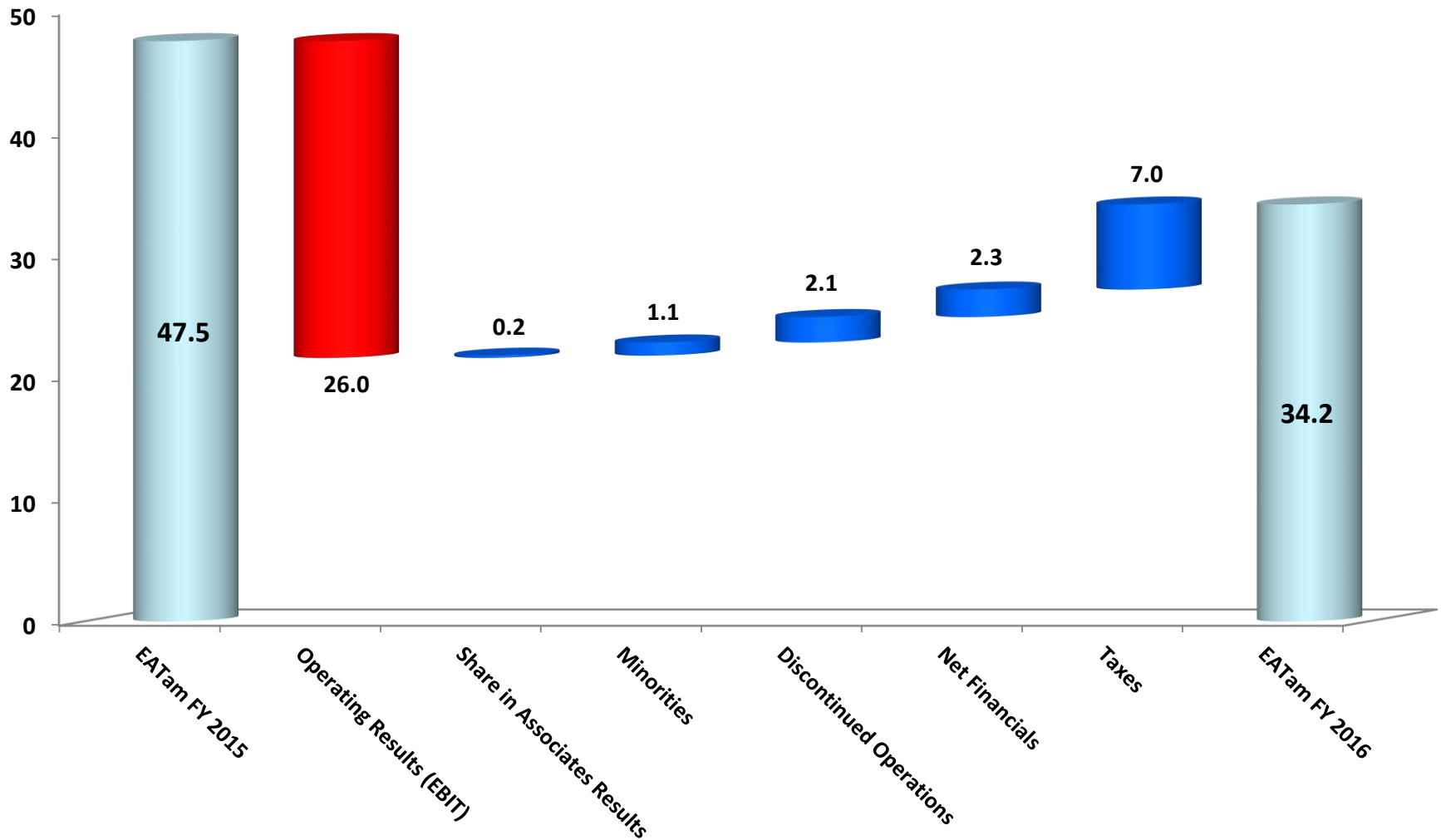
(amounts in mil €)



Source: Company Information

**NET PROFIT**

(amounts in mil €)



*(amounts in mil €)*

<b>P&amp;L</b>	<b>FY2016</b>	<b>FY2015</b>	<b>Δ%</b>	<b>2H2016</b>	<b>2H2015</b>	<b>Δ%</b>
Turnover	445.1	668.0	-33.4%	182.5	410.5	-55.5%
EBITDA	74.9	116.4	-35.7%	36.2	70.2	-48.4%
Depreciation	-3.8	-3.7		-1.9	-1.8	
Net Financial Cost	-5.9	-7.7		-0.2	-2.4	
Other	-1.7	-4.4		-2.6	-5.3	
<b>PBT</b>	<b>63.4</b>	<b>100.5</b>	<b>-36.9%</b>	<b>31.5</b>	<b>60.7</b>	
Income Tax	-7.4	-31.3		2.0	-20.7	
Non Controlling Interest	-2.7	-0.3		0.4	-0.3	
<b>EATam</b>	<b>53.3</b>	<b>68.9</b>	<b>-22.7%</b>	<b>33.9</b>	<b>39.7</b>	<b>-14.7%</b>
<b>Margins (%)</b>	<b>FY2016</b>	<b>FY2015</b>	<b>Δ(bps)</b>	<b>2H2016</b>	<b>2H2015</b>	<b>Δ(bps)</b>
EBITDA	16.8%	17.4%	-60	19.8%	17.1%	274
EATam	12.0%	10.3%	166	18.6%	9.7%	889

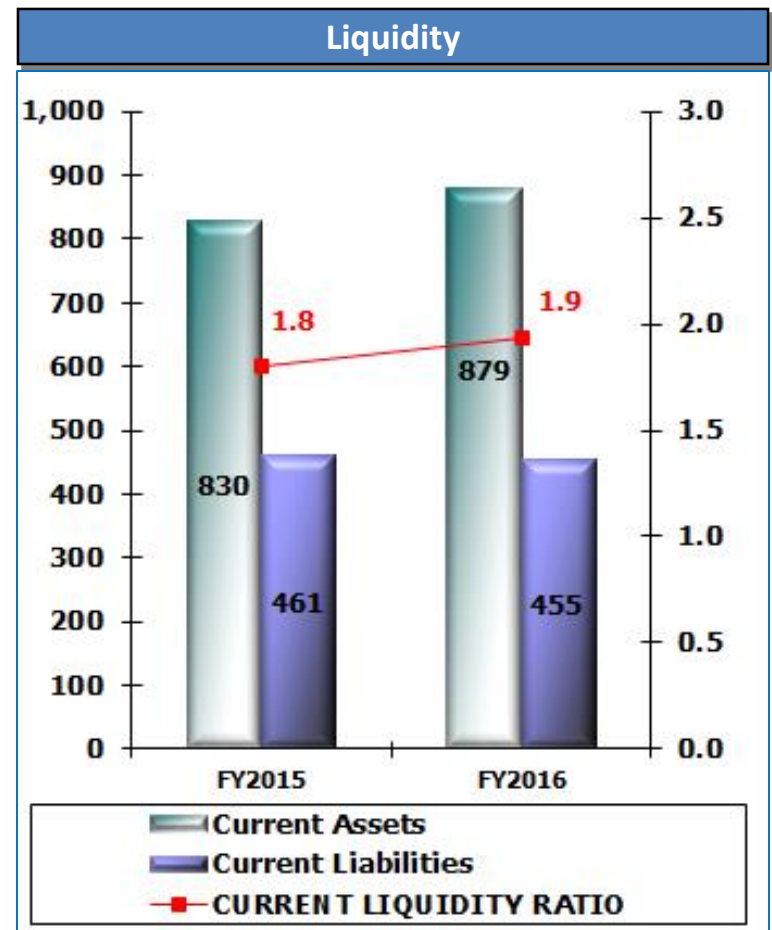
(amounts in mil €)

**Balance Sheet**

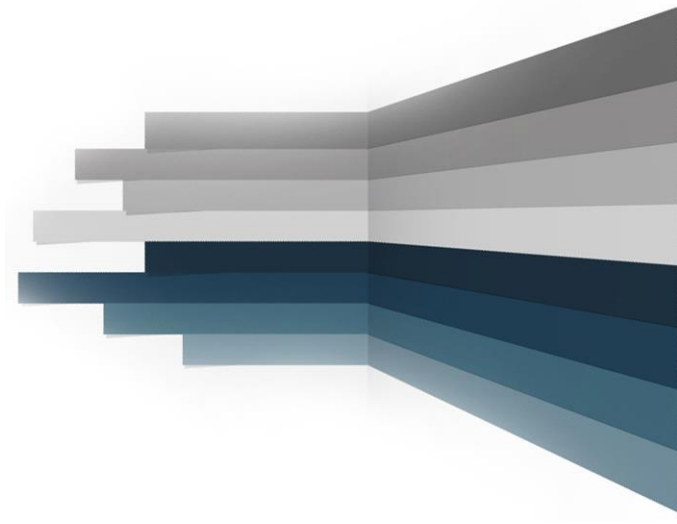
	FY2016	FY2015
Non Current Assets	267	271
Current Assets	879	830
<b>Total Assets</b>	<b>1,146</b>	<b>1,101</b>
Bank Debt	4	4
Cash Position	107	155
<b>Equity</b>	<b>601</b>	<b>551</b>
Current Liabilities	455	461
Total Liabilities	545	550
<b>Net Debt</b>	<b>-103</b>	<b>-150</b>

**Key Ratios**

	FY2016	FY2015
<b>EV / EBITDA</b>	<b>3.1</b>	<b>1.9</b>
ROCE	12%	20%
ROE	9%	13%

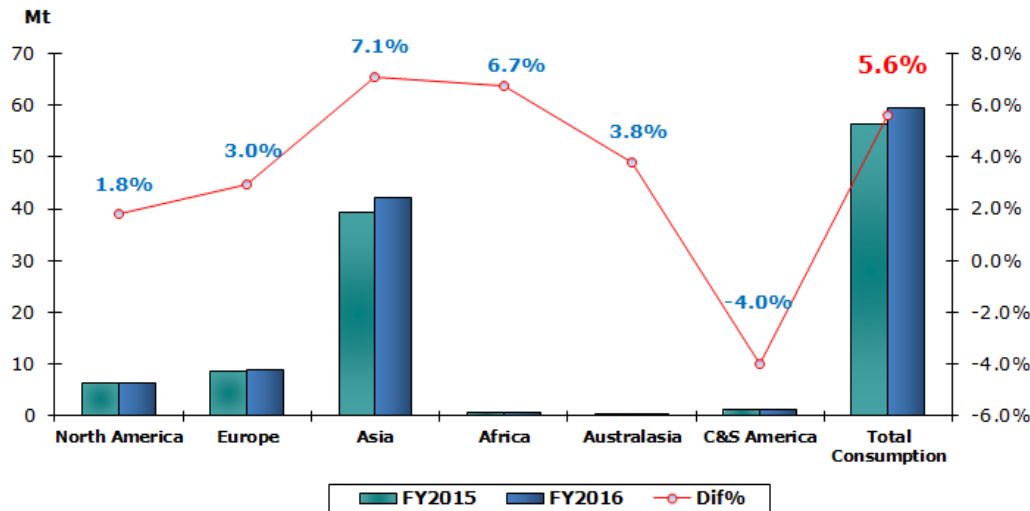


- ❑ 1H2016 Results Highlights
- ❑ Summary Financial Results
- ❑ **Business Units Performance**
- ❑ Outlook

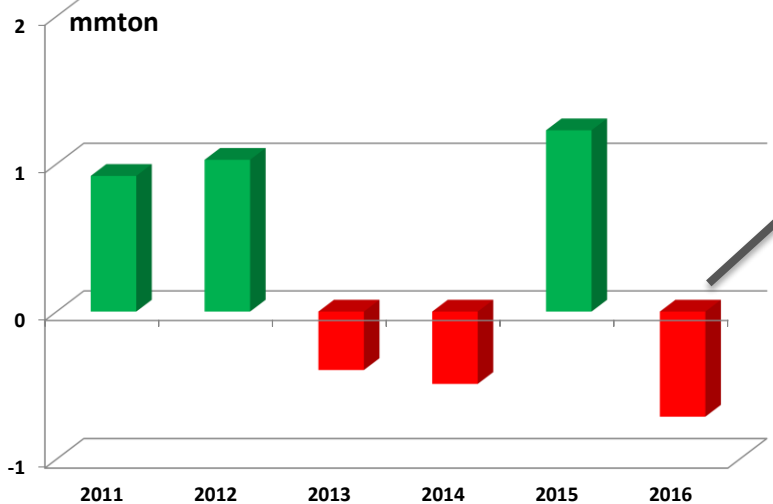




Global Demand Evolution per Region



Market Balance



ALUMINIUM MARKET

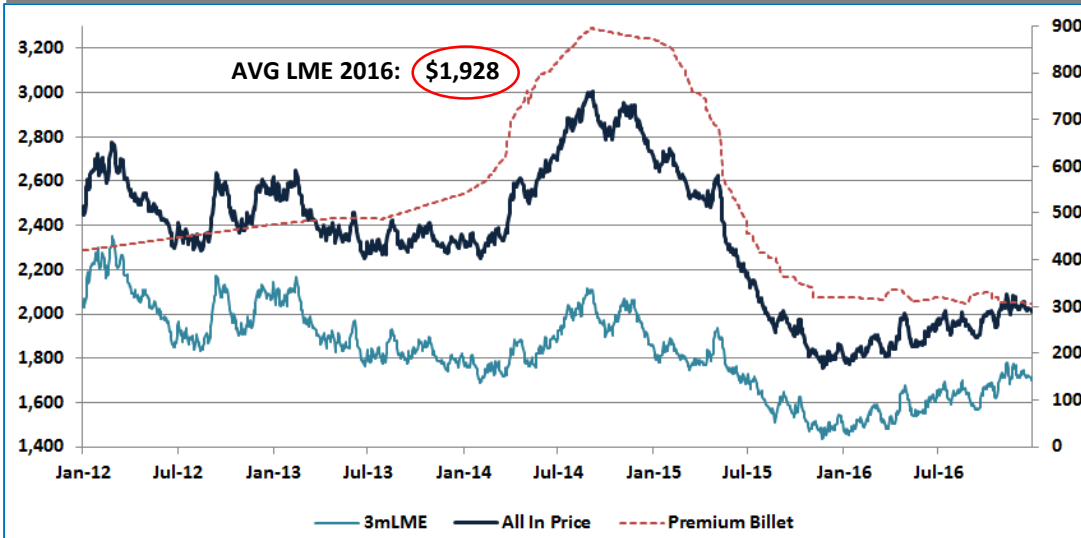
➤ **Demand:** Total world consumption remained robust for yet another year growing by 5.6%, surpassing 59 MMT. Manufacturing and transportation sectors continue to fuel global demand growth. In North America recent US election has resulted to a surge in economic sentiment.

Initial data show that global end-user demand growth in January 2017 has been the strongest in 3 years.

➤ **Supply:** Production expanded at a much lower pace in 2016, up 3.6% against +6.0% in 2015. US formal complaint to the WTO adds pressure on China's aluminium overcapacity/exports.

➤ **Market Balance:** In 2016, the global market recorded a growing global metal deficit of approximately 0.7 MMT.

Aluminium LME Prices – Premiums (\$/TN)



ALUMINIUM - ALUMINA

➤ **Pricing:** The average Aluminium “all-In” price during 2016 settled at \$1,928 down 13.1% driven mainly by lower Premia. LME prices bounced back in the 2<sup>nd</sup> Half of 2016 helped by production curtailments in China while Premia have stabilised at levels compatible with the current LME prices for Aluminium.

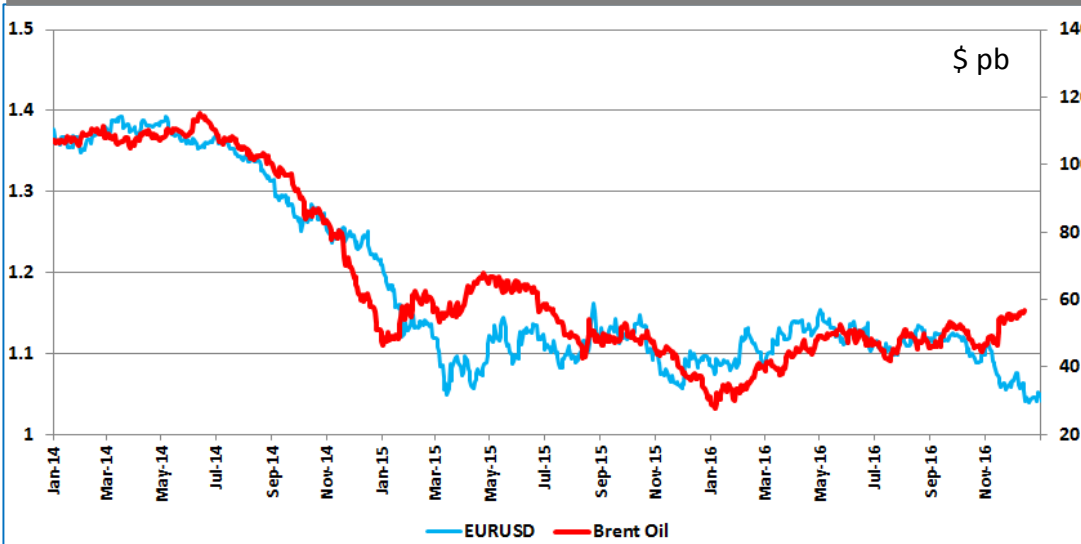
The Alumina price averaged \$301 down 15.7% in 2016. Prices traded lower than \$200 in January 2016, to recover strongly particularly during the 4<sup>th</sup> Quarter of 2016 ending the year at prices close to \$340 (ie 20% of the LME price).

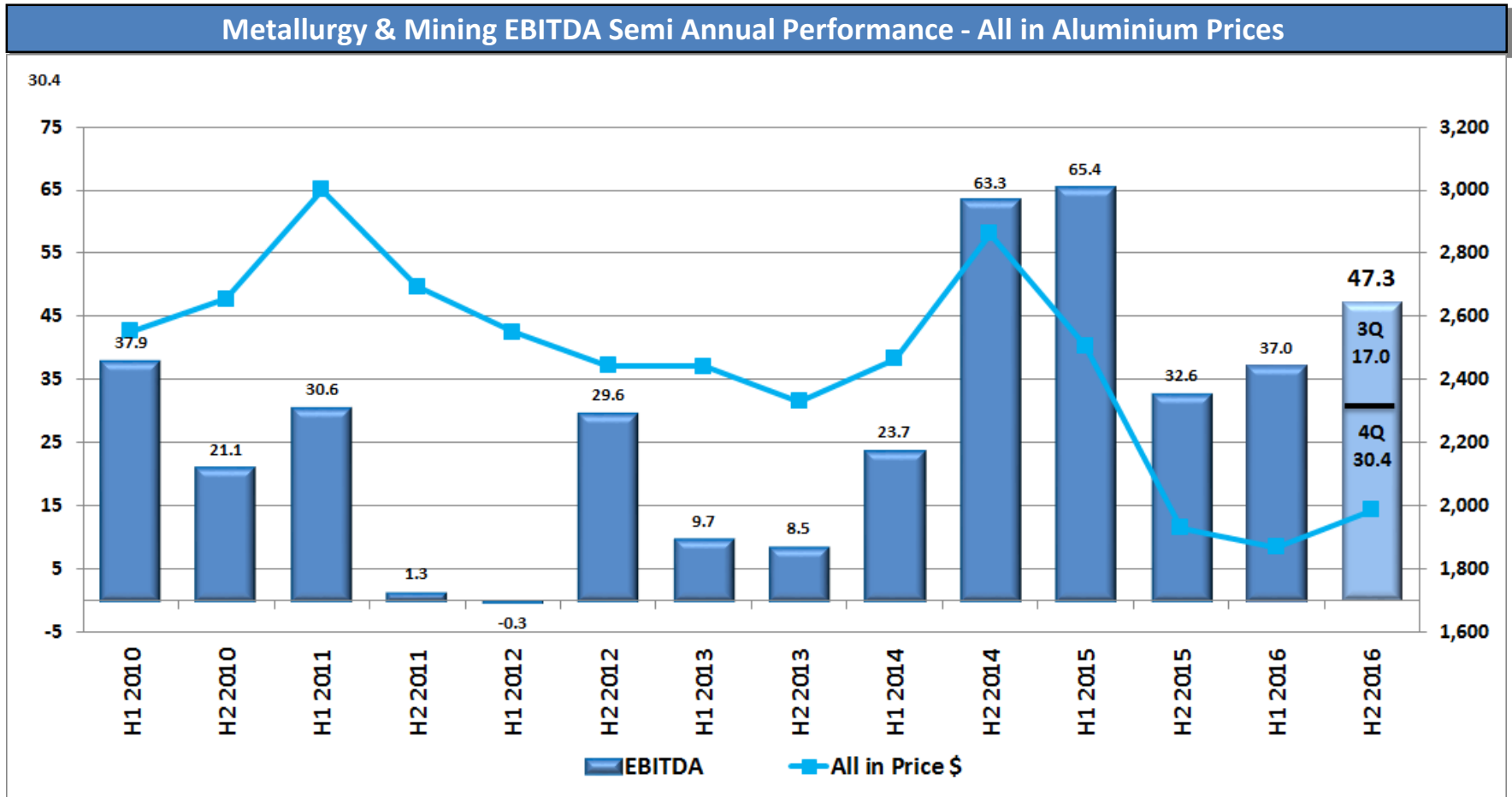
➤ **Brent:** The average price for Brent during 2016 dipped to \$45.1 a barrel against \$53.6 in 2015 (down 16% yoy).

➤ **Gas:** Market operates under oversupply conditions. Demand is expected to weaken after the nuclear restarts in Japan. In addition to that, the interconnectedness between markets is clearly growing due to LNG plants which make gas capable to be shipped overseas. In the Greek market, following the recently signed reverse flow agreement between DESFA/Bulgartransgaz, M&M conducted the first ever pipeline Gas export from Greece.

➤ **Eurodollar:** The average FX rate in 2016 shaped at 1.10, practically unchanged compared to 2015 (1.11). The Group is well positioned to benefit out of the structural strengthening of the USD.

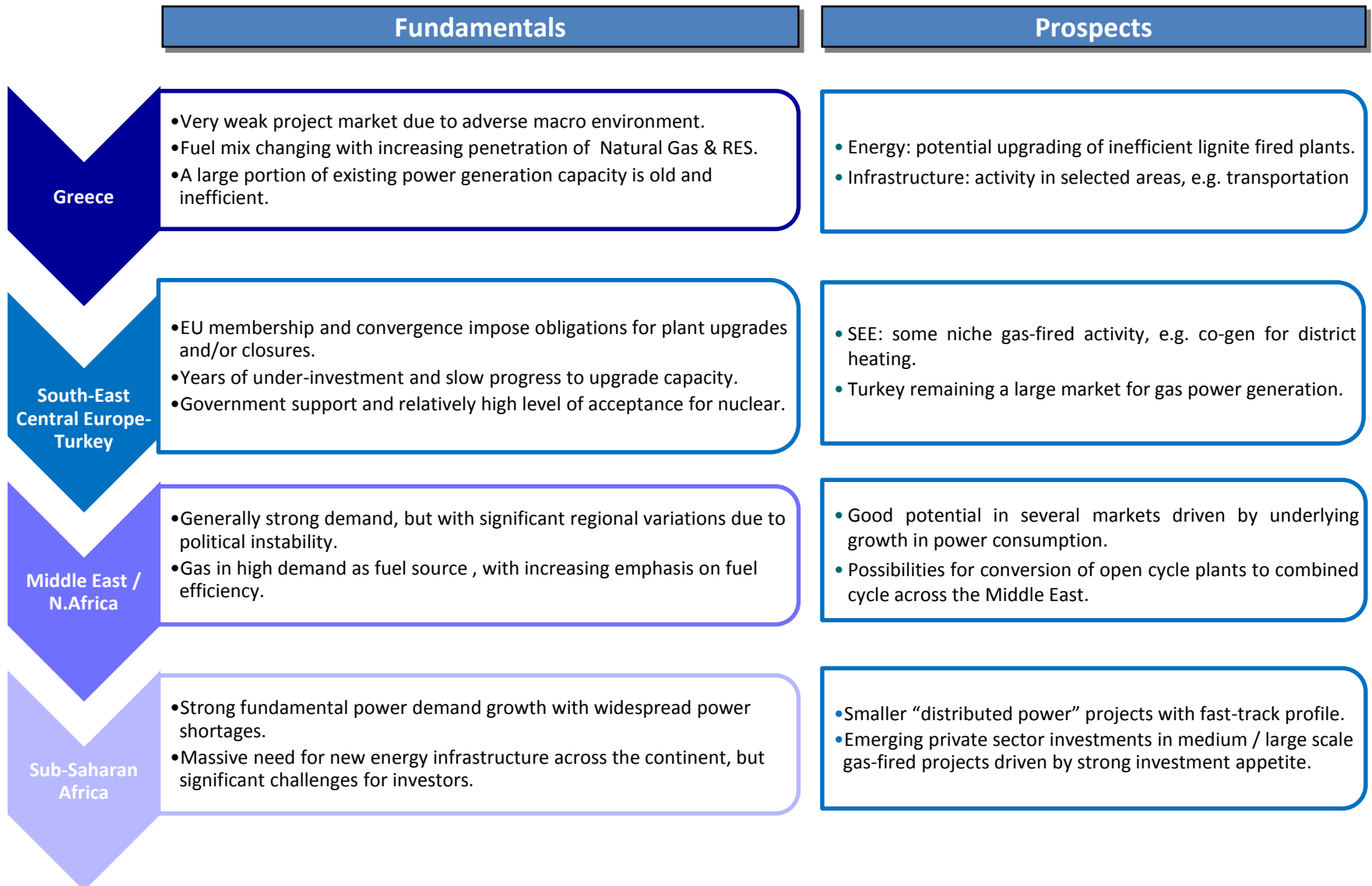
Eurodollar - Brent





### Performance improvement

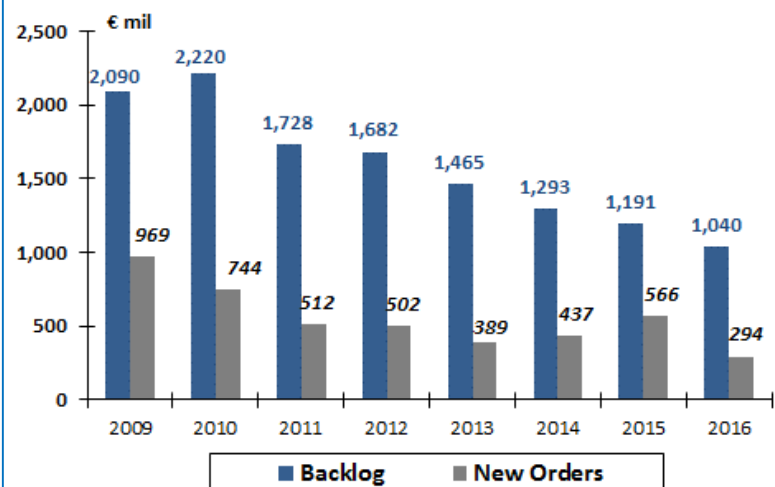
- 2H2016 EBITDA at € 47.3 m. up 45.0% vs 2H2015.
- “All-In “Prices rebounded in 2H2016 from their multi year low levels in 1H2016.
- Strong USD against Euro.
- New cost cutting program with code name “ The BEST” underway.



Backlog



Backlog – Sales Evolution



Main EPC Projects under Execution in 2016:

Syria

- **PEEGT:** 724 MW CCGT in Deir Azzour. METKA leader of Consortium with Ansaldo. Contract value of €678 m.

Greece

- **ERGOSE:** Construction of remaining infrastructure, permanent way, signalling-telecommanding, telecommunications and electrical engineering works for the tunnel facilities for the new railway line Kiato-Rododafni. Contract value of €225m.

Ghana

- **Ministry of Electricity:** 250 MW mobile unit with GE supplying the main equipment. BOOT project with total contract value of \$350 m.

Iraq

- **Republic of Iraq:** 1,250 MW OCGT in Basra. GE sub supplier for the main equipment. Contract value of €260 m.
- **Republic of Iraq:** engineering, procurement and construction as required to enable operation of the Shat-AI-Basra Power Plant on heavy fuel oil. Contract value of €125 m.

Algeria

- **SPE (Spa):** 368 MW OCGT in Hassi R'mel. METKA in Consortium with GE. Contract value of €93 m .
- **SPE (Spa):** 591 MW OCGT in Hassi R'mel II. METKA in Consortium with GE. Contract value of €175 m.

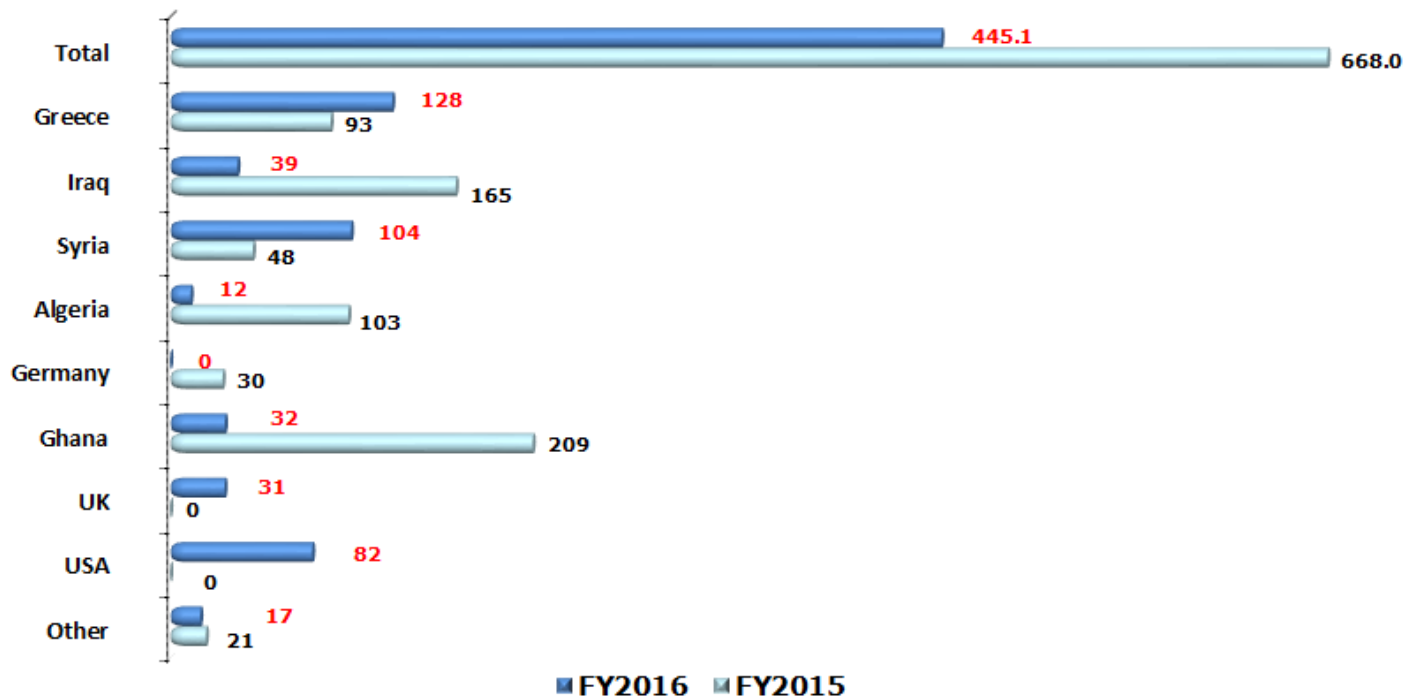
Puerto Rico

- **57 MW of Solar PV.** EPC and O&M for the photovoltaic power plant. Contract value of \$89.6m.

METKA establishes itself as a Leading European Energy EPC Contractor

- ✓ 42.9% of Turnover refers to energy thermal projects.
- ✓ 27.4% of Turnover refers to photovoltaic projects.
- ✓ 71.22% of Turnover derived from projects abroad.

Geographical Turnover Analysis

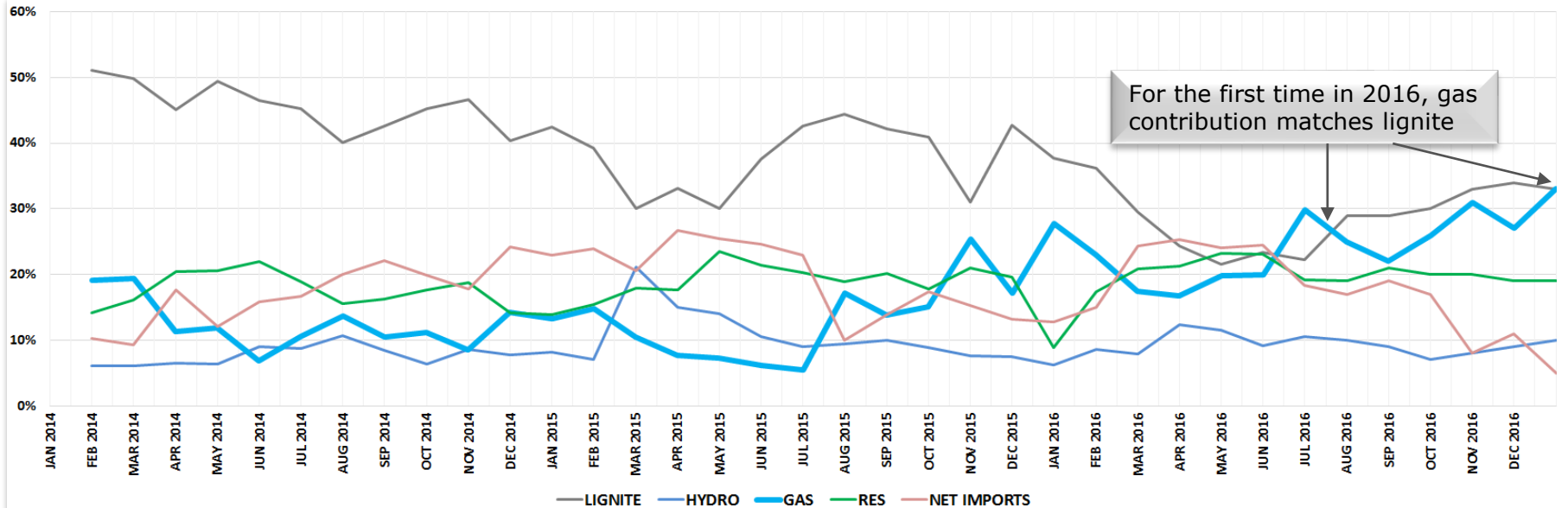


Key Characteristics & Trends

Future Outlook

<p><b>Demand</b></p>	<p>The demand for electricity in Greece in 2016 marginally decreased by 0.3% at 51.2 TWh from 51.4 TWh in 2015.</p>	<p>Demand for power outlook has deteriorated during the past years along with GDP performance expectations. Nevertheless the construction of the interconnections with the islands mainly Crete and Cyclades and potential recovery of the GDP is expected to drive electricity demand higher in the medium term.</p>
<p><b>Supply</b></p>	<p>Regarding the generation mix:</p> <ul style="list-style-type: none"> <li>• Lignite Production decreased by 23%.</li> <li>• Hydro production was 10% lower.</li> <li>• Natural Gas participation (with AL/CHP) posted a significant increase of 72%.</li> <li>• Net electricity Imports declined by 8.5%.</li> </ul>	<p>Further increase of Gas-fired participation is anticipated in the fuel mix given that:</p> <ul style="list-style-type: none"> <li>• A significant part of old lignite capacity will be gradually decommissioned due to new environmental requirements.</li> <li>• Flexible thermal production is needed to accommodate the increased penetration of RES.</li> <li>• Demand is recovering from its low levels</li> </ul>
<p><b>Competitive Dynamics</b></p>	<p>In an effort to enhance the competitiveness of the energy market but also meet the requirements of the MoU of the country with its lenders, clear requirements for opening-up the retail electricity market to other players have been set by which the role and market share of PPC will be reduced from ~95% in 2015 down to 75% by end of 2017 and to 50% by early 2020.</p>	<p>NOME type auctions will be the key driver for the reform in the retail market and if the market opening is not achieved according to the milestones set in the MoU then structural measures will be adopted by the Greek government. Moreover RAE has introduced a roadmap for the reform of the Greek wholesale market to move from a mandatory pool towards an economic day-ahead market (power exchange) with separate markets running in parallel for unit dispatch scheduling, ancillary services provision and balancing/real time scheduling.</p>

### Fuel Mix Evolution (2014 – 2016)

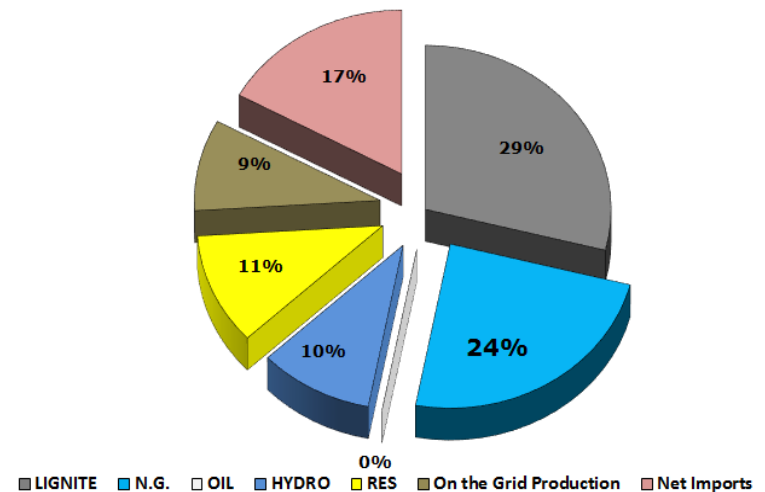


### Electricity Market – Developments in FY2016

- Total Demand shaped at 51.2TWh (-0.3% vs. 2015).
- Total Domestic Power Production increased by 1,5% at 42.4TWh.
- Average SMP decreased by 17,5% at 42.9 €/MWh.
- Lignite production dropped 23,3% to 14.9TWh.
- Natural Gas production (without FiT part of AL/CHP) significantly increased by 72% to 12.5TWh.
- Hydro production decreased by 10,2% to 4.8TWh.
- Total RES production shaped at 5.46TWh from 5.03TWh in 2015. (Total RES = RES + On the Grid Production)
- Net Imports were 8.8TWh vs 9.6TWh in 2015 (-8.5%).

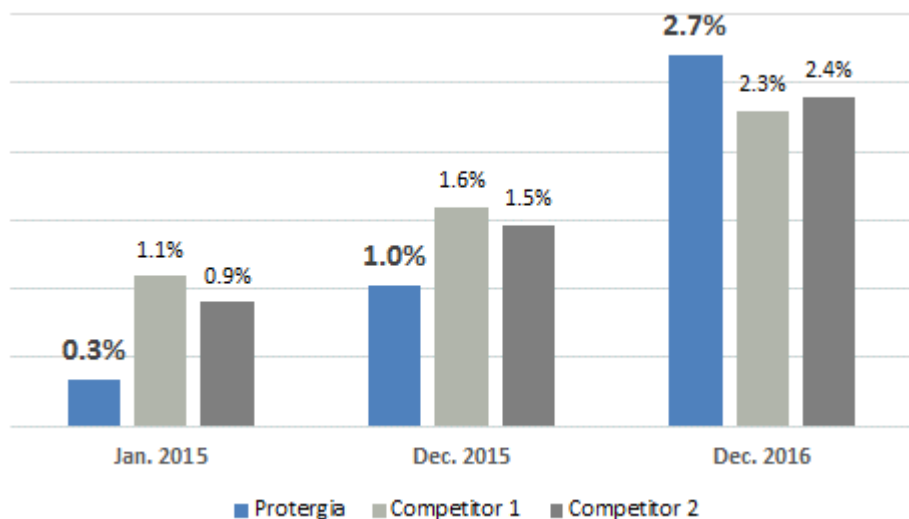
### Domestic Market Fuel Mix FY2016

Total Power Production FY2016: 51.2 TWh

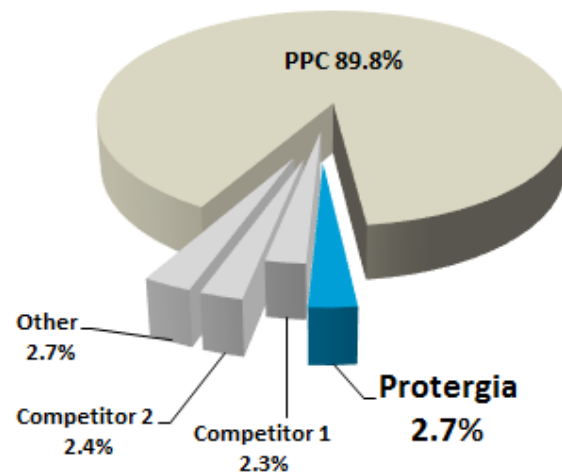




**Independent Suppliers Market Share Dynamics**

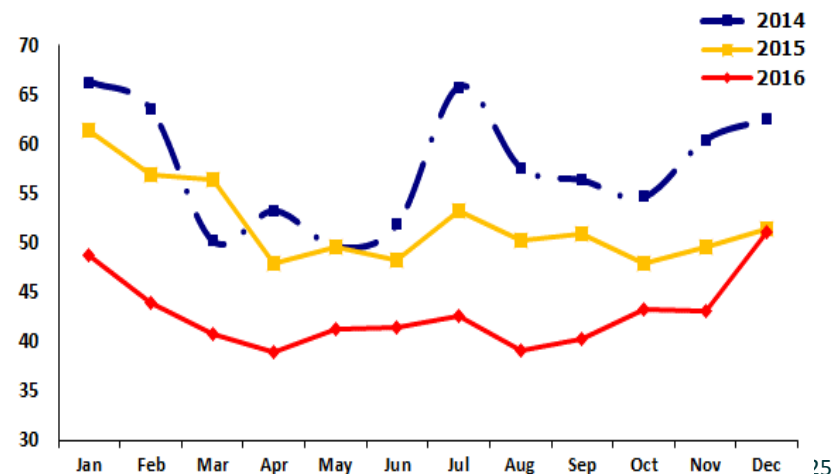


**DEC 2016: Protergia Share – Retail Market**

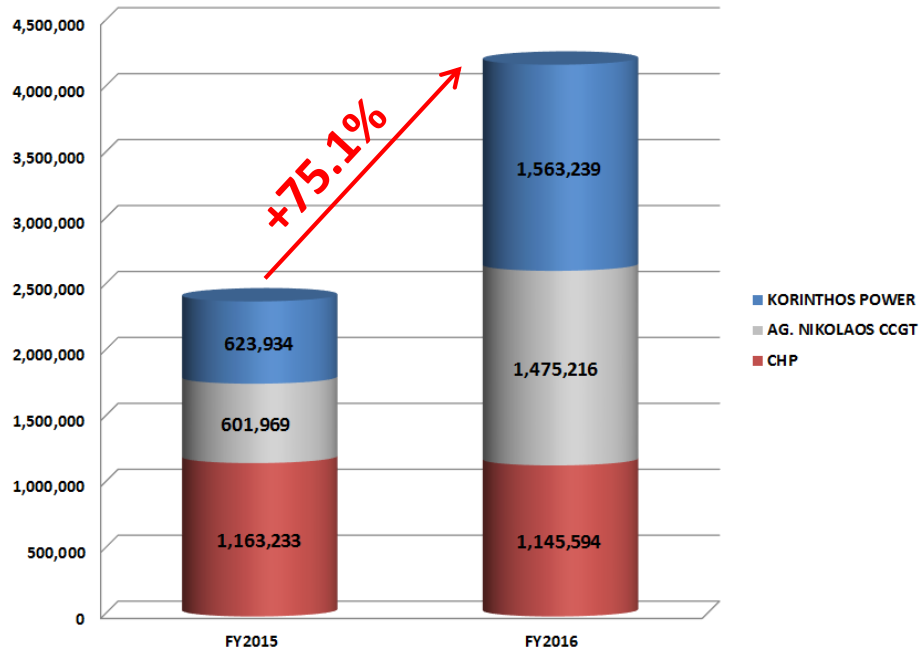


- Rapid market share growth of Protergia in the last two years.
- In December 2016 Protergia ranked first among the independent power producers (IPP) in Greece.
- Further opening-up of the energy market and the strategic agreement with Cosmote and Germanos will significantly enhance the market shares of Protergia.

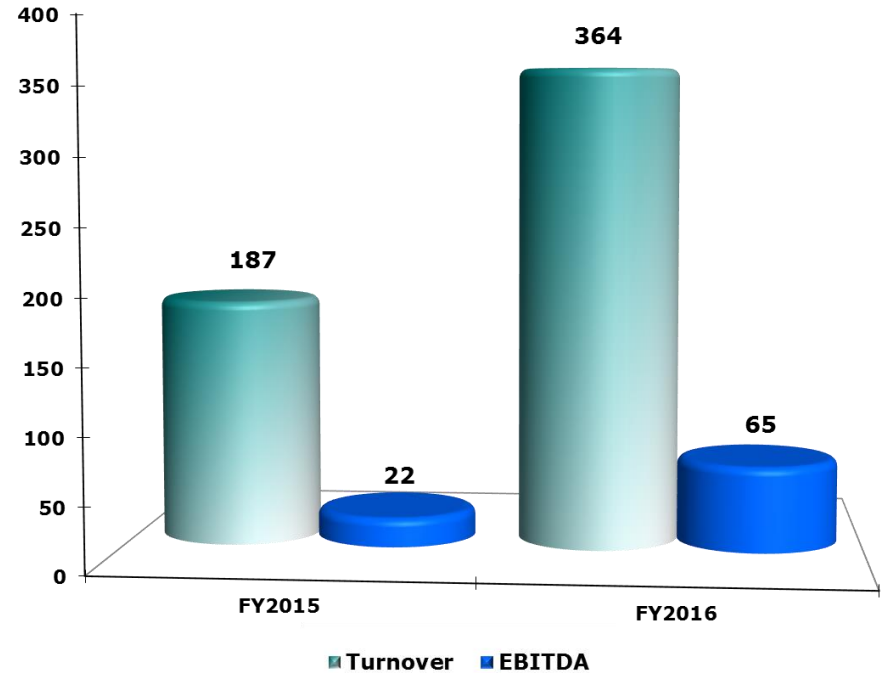
**SMP data 2014 – 2016 (EUR/MWh)**



Mytilineos Group Power Production FY 2015 – 16 (MWh)



Energy Sector Financial Results (€ m.)



➤ Mytilineos Group thermal power plants produced **4.2TWh** during FY2016 this being:

- **30.7%** of the total gas generation production
- **52.2%** of the gas generation production of the IPPs and
- **9.86 %** market share of the domestic power production.

## Contact Information

**Dimitris Katralis**

IR Officer

Email: [dimitrios.katralis@mytilineos.gr](mailto:dimitrios.katralis@mytilineos.gr)

Tel: +30-210-6877476

Fax: +30-210-6877400

**Mytilineos Holdings S.A.**

5-7 Patroklou Str.

15125 Maroussi

Athens

Greece

Tel: +30-210-6877300

Fax: +30-210-6877400

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

[www.metka.gr](http://www.metka.gr)

