



MYTILINEOS S.A. REPORTS FIRST HALF 2018 FINANCIAL RESULTS

- ***Net profit after tax and minority of €83.9 million, up from €80.7 million for the same period in 2017.***
- ***Earnings per share (EPS) of €0.587 against €0.564 for the first half of 2017.***
- ***Earnings before interest, tax, depreciation and amortisation (EBITDA) of €145.2 million.***
- ***Turnover of €717.1 million.***
- ***Net debt dropped to €520.1 million, down €48.1 million from €568.1 million at 31/12/2017.***
- ***MYTILINEOS obtains Regulatory Authority for Energy (RAE) approval for construction of a new 665 MW gas-driven combined cycle power plant.***

Athens, Greece – 12 September 2018 – MYTILINEOS S.A. (RIC: **MYTr.AT**, Bloomberg: **MYTIL.GA**) announces today its financial results for the first half of 2018. A conference call with analysts will be held at 17:30 Greek time, in which the Management will present the results. Information regarding the conference call is available on the Company's website: www.mytilineos.gr.

Commenting on the Financial Results, MYTILINEOS Chairman and CEO Evangelos Mytilineos said:

“Following the successful completion of the corporate restructuring, which drove financial performance of MYTILINEOS to new record-high levels in 2017, the financial results for the first half of 2018 confirm the achievability of the ambitious targets that had been set.

The production license approval granted by RAE for the construction of one of the most advanced combined cycle gas fired power plants in Europe represents one more major step in our investment plans.”

Key Consolidated Financial Results for the First Half of 2018

<i>(amounts in mil. €)</i>	1H2018	1H2017	Δ%
Turnover	717.1	811.4	-11.6%
EBITDA	145.2	156.5	-7.3%
EATam	83.9	80.7	4.0%
EPS	0.587	0.564	4.0%
Margins (%)			Δ (bps)
EBITDA	20.2%	19.3%	95
EATam	11.7%	9.9%	176

Summary of Financial Results for the First Half of 2018

After an excellent year, where results confirmed the expectations from the Company's restructuring, MYTILINEOS is stabilising its' performance, steadily and significantly reducing net debt, while in parallel distributed dividends to its shareholders. Specifically, in the first half of 2018, the Company continued to record strong financial results, driven primarily by the record-high operating margin of the Metallurgy Unit which offset to a great extent margin pressures from the Electric Power & Gas and EPC & Infrastructure Units.

Turnover stood at €717.1 million, down 11.6% from €811.4 million. Earnings before interest, tax, depreciation and amortisation (EBITDA) stood at €145.2 million, down 7.3% from €156.5 million in the first half of 2017. This decrease is attributed mainly to the performance of the Power & Gas Unit, which was affected by reduced prices in the wholesale electricity market as a result of the weather conditions during the reporting period (increased rainfall which led to increased hydropower plant generation), the non-activation of the Capacity Availability Certificates (CACs), and the extraordinary charge of €3.5 million caused by the retrospective revision of the tariffs charged by BOTAS to the Public Gas Corporation (DEPA) SA for the period 2011-2015.

Net profit after tax and minorities stood at €83.9 million, up from €80.7 million for the same period in 2017.

Strong cashflow generation over the period led to a reduction of net debt, post the payment of a dividend of €45.7 million (i.e. €0.32 / share) which was related to 2017 financial results.

Main Activities

Metallurgy

The Unit recorded a turnover of €283.5 million, corresponding to 39.5% of total turnover, against €275.1 million for the first half of 2017.

Earnings before interest, tax, depreciation and amortisation (EBITDA) grew by 22.9% to a new record-high of €99.0 million against €80.5 million for the same period in 2017, on the back of the higher alumina and aluminium prices.

The first half of 2018 was characterised by a series of events which increased volatility in the industry and significantly impacted both aluminium and alumina prices. In particular, the imposition of US sanctions that directly hit the largest alumina and aluminium producer outside China, coupled with the curtailment of alumina production in Brazil and elsewhere, have strongly affected the industry.

These developments, along with the high productivity gains made possible by a number of initiatives over the past few years, have led to a record-high operating margin, highlighting the strong comparative advantage of the Company's vertically integrated production model.

Power & Gas

The Unit recorded a turnover of €236.2 million, corresponding to 32.9% of total turnover for the first half of 2018, against €237.9 million for the same period in 2017.

The reduced demand for electricity due to the mild climatic conditions, together with the availability of large water reserves, created a weak environment for the entire domestic power generation market and hence for gas-driven power plants. This trend is clearly seasonal. The normalisation of the Capacity Availability Certificates (CACs), which are expected to be enforced in the second half of the year and the shift in the wholesale market (SMP) are expected to significantly improve the picture in the second half of the year.

Earnings before interest, tax, depreciation and amortisation (EBITDA) stood at €12.3 million against €37.3 million for the first half of 2017.

Overall, the generation of electricity by the Company's power plants stood at 2.0 TWhrs in the first half of 2018, corresponding to 9.5% of domestic production and compared to 2.2 TWhrs for the same period last year (down 6.0%). At the same time, the competitive prices secured by the Natural Gas Department for the supply of Natural Gas from diverse sources and agreements helped increase the efficiency of the Company's plants.

In the retail market for electricity, Protergia maintained its leading position in the first half of 2018, steadily expanding its market share to 4.2%, up from 3.6% for the same period last year.

Following RAE's approval of the electricity generation license for the new plant, the Company is moving forward with the necessary design studies and licenses required to secure the approval to launch construction. It should be noted that this will be one of the most advanced gas-powered combined cycle plants in the EU, with a total output capacity of over 665 MW, and will rely on the use of a leading-edge Class H gas turbine, offering the highest efficiency ratios among other plants in Greece.

Through this investment, the Company is expected to become the largest independent power producer in the country, while also signalling Greece's successful transition to the new "clean energy" era.

EPC & Infrastructure

The Unit recorded a turnover of €196.0 million for the first half of 2018, corresponding to 27.3% of total turnover, against €299.9 million for the same period in 2016.

Earnings before interest, tax, depreciation and amortisation (EBITDA) stood at €34.3 million against €46.8 million for the first half of 2017.

METKA EGN, a subsidiary of the Group, is starting to show signs of its' potential. In June 2018, it signed a €200 million contract with Talasol Solar S.L.U.m, a subsidiary of Ellomay Capital Ltd., for the construction of a large-scale solar power plant with an installed capacity of 300 MW for the Municipality of Talaván in Spain.

This a milestone project, as it highlights the prospects of the competitive, non-subsidised solar power generation in Europe, while also positions the Company as a global leader in providing integrated solutions for the EPC solar power space.

Outlook for the Company's Business Units

The outlook for the second half of 2018 is positive, based on the outcome of the below factors that are expected to affect the Company's financial performance:

- The developments in the aluminium industry, in view of the expiry of the deadline of the 23rd of October regarding the imposition of sanctions by the US Department of the Treasury;
- The timetable for the full relaunch of alumina production in Brazil;
- The overall geographic expansion of the EPC & Infrastructure Unit, with the construction of photovoltaic plants showing strong potential;
- The operation of the energy units in the context of increasing CO2 prices and the growth of business activities in the retail electricity and gas markets
- The steady decrease of both net debt and financial costs.

Based on the above factors, the outlook for the second half of the year is positive, with prospects for full-year 2018 to reach or perhaps even exceed the record-high results of 2017.

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MYTILINEOS S.A.

MYTILINEOS S.A. is a leading Greek industry active in Metallurgy, Power & Gas and EPC & Infrastructure. Established in Greece in 1990, the company is listed on the Athens Exchange, has a consolidated turnover in excess of €1.5 billion and employs directly or indirectly more than 2,900 people in Greece and abroad. For more details, please visit the Company's website: www.mytilineos.gr

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