MYTILINEOS

SEMI-ANNUAL FINANCIAL REPORT

FOR THE PERIOD FROM THE

1st OF JANUARY TO THE 30th OF JUNE 2018

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A. Representation of the Members of the Board of Directors

(according to article 5 par. 2 of L.3556/2007)

The,

a. Evangelos Mytilineos, Chairman of the Board of Directors and Chief Executive Officer

b. Spyridon Kasdas, Vice - Chairman of the Board of Directors

c. Dimitrios Papadopoulos, Member of the Board of Directors

CERTIFY

a. as far as we know, the interim separate and consolidated financial statements of the company " MYTILINEOS S.A." for the period 1st January 2018 to 30th June 2018, prepared according to the International Financial Reporting Standards, present truly and fairly the assets and liabilities, the equity and the financial results of the Group and the Company, as well as of the consolidated companies, for the period then ended, according to par. 3 - 5 of article 5 of L. 3556/2007 and the authorizing decisions of the BoD OF THE Hellenic Capital Market Commission.

b. as far as we know, the semi - annual Board of Directors Management Report presents in a true and fair view the information required according to par. 6 of article 5 of L. 3556/2007 and the authorizing decisions of the BoD of the Hellenic Capital Market Commission.

Maroussi, 11 September 2018

The designees

Evangelos Mytilineos	Spyridon Kasdas	Dimitrios Papadopoulos
Chairman of the Board of Directors and Chief Executive Officer	**Vice - Chairman of the Board of Directors**	**Member of the Board of Directors**

B. Semi-annual Board of Directors Management Report

Board of Directors Semi – Annual Management Report

(According to 7/448/ 11.10.2007 resolution of the Capital Market Committee)

This report summarizes financial information for the Group and the Company “MYTILINEOS S.A.” for the period ended 30 June 2018, significant events during that period and their effect on the interim financial statements.

The present report contains financial details on the entity titled «MYTILINEOS S.A.» and its subsidiaries and associated companies for the first half of 2018. It presents major events that occurred in the same period and their influence on interim financial statements. It also describes the main risks and uncertainties that may be faced by the Group member companies during the second half of 2018. Finally, it lists major transactions between the Company and its related parties.

I. REVIEW OF DEVELOPMENTS DURING THE FIRST HALF OF 2018 – PERFORMANCE AND FINANCIAL POSITION

With the official completion of Greece’s third financial assistance programme, which took place in August 2018, the Greek economy is now entering a new phase that is characterised by positive prospects but also by considerable challenges.

Thus, consolidating trust in the international markets takes on increased significance, as the country’s financial support by the European Stability Mechanism (ESM) will no longer be available. To this end, pressing on with the reforms and avoiding policies that may lead to fiscal derailment are key prerequisites. Achieving higher growth rates also remains a key objective, as in 2017 the Greek economy recorded the highest growth rate in the last ten years, yet has significant ground to recover given the losses sustained in the previous years.

The increased taxation, the need to achieve high primary budget surpluses and the problems in the management of non-performing loans are the main challenges which are currently emerging in the domestic environment and may have a negative impact on the economic outlook.

At the same time, the negative developments in emerging markets and particularly in Turkey, the concerns over a potential relaxation of the fiscal policy in Italy as well as the possibility of an extension of protectionist measures are key areas that give rise to concerns and may negatively affect economic growth at the global level.

Acknowledging these challenges, MYTILINEOS has strengthened its financial position following the successful completion of its corporate restructuring and has laid solid foundations that will allow it to benefit the most from the recovery of the Greek economy. At the same time, the Company remains strongly extrovert and is planning new investments to further increase and strengthen its competitiveness in its core business areas.

Metallurgy and Mining Sector

The upward trend that followed the prices for Aluminium during 2017 continued during the first half of 2018 with a constant increasing trend per quarter.

More specifically, during the first half of 2018, the average price for Aluminium in the LME stood at $2.210/t, up by approximately 17% in relation to the corresponding period of the previous year, while the premia for Aluminium products followed an increasing trend of 14%.

The API Index for Alumina recorded an outstanding performance in the first half of 2018 due to a combination of events that have affected material's availability on the western hemisphere, such as the new policy of the USA towards Russia which affected the biggest Alumina's and Aluminium's producer outside China, as well as the partial cessation of the world's biggest factory in Alumina production (ALUNORTE). The price has been increased by +135$/t (+43%) in relation to the average price of the same period of 2017. At the same time, there has been a positive effect at the Alumina's sales prices except API.

The performance of the USD against Euro was appreciable weakened, with the Euro/USD parity standing at 1,21 for the first half of 2018, compared to 1,08 of the first half of 2017.

During the first half of 2018, raw material prices and especially Soda, Coke and Pitch were appreciable increased in relation to the corresponding period of 2017. Energy price has also been increased (Electric Power and Natural Gas).

In terms of technical results, the exceptional annual performance of alumina and solid metal during 2017 continued at the same extent during the first half of 2018, because of the productivity investments, while it is projected on a whole year basis a further improvement and the production of Alumina and Aluminium to meet historical performance records at the same year.

EPC & Infrastructure Sector

During the first half of the year, EPC & Infrastructure Sector has entered into several agreements, which strengthen the Group's international presence in the construction industry.

In this framework, it has been signed an agreement with the Federal Government of Nigeria for the full EPC services for four universities, including hybrid power plants utilizing renewable energy sources integrated with energy storage sources, street lightning and training centres as well as operation and maintenance services. This is the first off-grid hybrid project in Africa – a milestone for EPC & Infrastructure Sector – which confirms the strategic expansion of the Company's activities in the energy supply sector in off-grid areas using hybrid systems.

At the same time, METKA EGN signed a contract with Talasol Solar S.L.U., a subsidiary of Ellomay Capital Ltd., for the implementation of a large-scale Solar Power plant, with installed capacity of 300 MW. The scope includes engineering, procurement and construction (EPC) services for the Talasol project and the ancillary facilities for injecting power into the grid, including a 400 kV step-up substation, the high voltage interconnection line to the point of the grid and performance of two years of operation and maintenance (O&M) services. The Contract value is just below to € 200 Mio.

It should be also noted that METKA EGN signed an agreement with HC ESS3 LIMITED και Corylus Capital LLP for the engineering, procurement and construction (EPC) of a new project regarding a hybrid Energy Storage System (ESS), capacity of 20MW, in the United Kingdom, which will provide Fast Frequent Response (FRR) and other ancillary services in the national grid.

In addition, Bridge Power project in Ghana and Tobruk project in Libya are expected to strengthen Company's performance in the future, underlining the commitment of Mytilineos to become a leader in the electricity market in Africa.

Electric power & gas trading sector

First half of 2018 was marked by the decreasing demand of electricity, during the first half of the period (-2.1% in relation to the corresponding period of 2017) due to this year's mild winter. At the same time, during the same period, due to the increased flooding at PPC hydro-electric concessions reservoirs there have been high water supplies which has resulted in an increased production of PPC hydro-electric concessions (+75% in relation to the corresponding period of 2017) and in decreased System Marginal prices (SMP) at the daily wholesale market. In this weak environment, Mytilineos' Units maintained at the top of the list regarding the electricity generation, keeping stable its market share (8,13%).

As far as the cross-border electricity trade is concerned, the Company via Power Exchange traded 380.496 MWh, which have been increased by 156% in relation to the corresponding period of the previous year.

It should be noted that at 02.03.2018 the Company filed an application in Regulatory Authority for Energy (RAE) in order to obtain an electricity generation licence from an gas fired independent electric power plant, of 666 MW in Agios Nikolaos, Delfoi – Distomo – Arachova - Antikira - Viotia.

In the retail market, Mytilineos is now active also in natural gas, offering deals in combination with electricity. In terms of market share, the Company remained at the top of the list of private suppliers (a market share greater than 4%) by presenting a significant increase in the number of its clients. At the same time, Company's partnership with Greek Telecommunications Organisation (OTE) Group has been extended, providing a nationwide branch network for customer services and during the second half of 2018 Protergia's first two owned stores in Athens and Thessaloniki are expected to be operational.

Variance analysis

The effects on the Group's sales as well as on the operating and net profitability during the first half of 2018, compared to the first half of 2017 are presented bellow:

A. Group Sales

Amounts in mil. €	Metallurgy and Mining Sector	EPC & Infrastructure Sector	Power & Gas Sector	Others	Discontinued Operations	Total
Turnover H1 2017	**275.1**	**299.9**	**237.9**	**0.0**	**(1.5)**	**811.4**
Effect from:						
Premia & Prices	33.6		(11.4)			22.2
Organic $/€ eff.	(27.3)					(27.3)
LME	25.8					25.8
EPC Contrancts		(73.9)				(73.9)
Volumes	4.4		20.2			24.6
CACs [1]			(9.9)			(9.9)
Shut-Down income			(0.8)			(0.8)
LNG	(28.1)					(28.1)
Other sales		(30.0)				(30.0)
Other - One offs				1.6	1.5	3.1
Turnover H1 2018	**283.5**	**196.0**	**236.2**	**1.6**	**(0.0)**	**717.1**

[1] CACs = Capacity Assurance Certificates

B. Group EBITDA

Amounts in mil. €	Metallurgy and Mining Sector	EPC & Infrastructure Sector	Power & Gas Sector	Others	Discontinued Operations	Total
EBITDA H1 2017	**80.5**	**46.8**	**37.3**	**(8.6)**	**0.6**	**156.5**
Effect from:						
Premia & Prices	33.6		(15.6)			18.0
Organic $/€ eff.	(24.4)		5.8			(18.6)
LME	25.8					25.8
Electricity	(5.9)					(5.9)
Opex & R/M	(9.1)	14.1	(3.0)	8.3		10.4
EPC Contrancts		(7.7)				(7.7)
Volumes	6.7		(0.4)			6.4
Fuel Oil + NG + Steam	(8.4)					(8.4)
Zn-Pb discontinued operation	0.1					0.1
CACs [1]			(9.9)			(9.9)
Shut-Down income			(0.8)			(0.8)
LRUCRESSA[2] (Price effect)			1.1			1.1
RES			0.7			0.7
Trading			0.5			0.5
Other - One offs		(19.0)	(3.5)		(0.6)	(23.1)
EBITDA H1 2018	**99.0**	**34.3**	**12.3**	**(0.3)**	**(0.1)**	**145.2**

[1] CACs = Capacity Assurance Certificates
[2] LRUCRESSA = Load Representative Uplift Charge for Renewable Energy Source Special Account

C. Group Net Profit after minorities

Amounts in mil. €	Metallurgy and Mining Sector	EPC & Infrastructure Sector	Power & Gas Sector	Others	Discontinued Operations	Total
Net Profit after Minorities H1 2017						**80.7**
Effect from:						
Earnings before interest and income tax (EBIT)	18.0	(12.7)	(23.4)	5.4	(0.8)	(13.5)
Net financial results						8.4
Minorities						4.7
Discontinued Operations					0.8	0.8
Income tax expense						2.9
Net Profit after Minorities H1 2018						**83.9**

The Group's policy is to monitor its performance on a month to month basis thus tracking on time and effectively the deviations from its goals and undertaking necessary actions. The group evaluates its financial performance using the following generally accepted Key Performance Indicators (KPI's).

-EBITDA (Operating Earnings Before Interest, Taxes, Depreciation & Amortization): The Group defines the «Group EBITDA» quantity as profits/losses before tax, itemized for financial and investment results; for total depreciation (of tangible and intangible fixed assets) as well as for the influence of specific factors, i.e. shares in the operational results of liaised bodies where these are engaged in business in any of the business sectors of the Group, as well as the influence of write-offs made in transactions with the above mentioned liaised bodies.

- ROCE (Return on Capital Employed): This index is derived by dividing profit before interest, taxes, depreciation & amortization, to the total capital employed by the Group, these being the sum of the Net Position; Total Debt; and Long - term forecasts.

- ROE (Return on Equity): This index is derived by dividing profit after tax and minority interests by the Group's Net Position.

- EVA (Economic Value Added): This metric is derived by multiplying the total capital employed with the difference (ROCE – Capital Expenditure) and constitutes the amount by which the financial value if the company increases. To calculate the capital expenditure, the Group uses the WACC formula – « Weighted Cost of Capital».

The Weighted average cost of capital is calculated as, the quotient of Equity Capital to Total Capital Employed (Equity Capital and Debt) multiplied by the return on Equity* plus the quotient of Debt to Total Capital Employed (Equity Capital and Debt) multiplied by the return on Debt adjusted by the company tax rate (due to tax saving on interest paid).

$$WACC = \frac{E}{E+D} r_E + \frac{D}{E+D} r_D (1 - Tc)$$

Where

E Equity Capital

D Debt

rE Return on equity

rD Return on debt

Tc Tax rate

The calculation of the indicator Weighted Average Cost of Capital (WACC) for the 1st half of 2018 sums to 8.23 %.

*Return on Equity is calculated by utilizing the “Capital Asset Pricing Model” (CAPM) and is equal to risk-free rate of return plus a risk premium multiplied by beta coefficient, which reveals the variability of the stock in relation to market fluctuations.

The above indicators for the presented period (on an annualized basis) as well as for the previous year, are as follows:

	2018	2017
EBITDA	294.589	305.978
ROCE	13,27%	14,39%
ROE	10,55%	11,32%
EVA	111.883	190.012

EBITDA & EVA in k€.

II. Significant corporate events during the first half of the year

During the reporting period the company proceeded to the below decisions and actions:

- On 06.02.2018, the final settlement of the $40 million compensation that derived from the issued award by the International Arbitral Tribunal on RTB-BOR, was signed by a representative of MYTILINEOS and the Serbian government.

The compensation is to be received in four quarterly installments, the latter in December 2018. The first two installments have already been received, while the total amount of the compensation has been included in the financial results of year 2017.

- On 02.03.2018 MYTILINEOS filed an application with RAE to obtain a production license for a gas fired Combined Cycle Power Plant of 650 MW and construction site the Energy Center in Agios Nikolaos.

- On 07.03.2018 MYTILINEOS announced that its subsidiary METKA EGN has signed an agreement with HC ESS3 Ltd, a company set up by its long-term client Corylus Capital LLP (previously known as Hazel Capital) for the EPC of a new 20 MW hybrid energy storage system (ESS) project in the United Kingdom, which will provide Fast Frequency Response (FFR) and other ancillary services to National Grid.

- On 20.03.2018, the General Court of the European Union rejected MYTILINEOS' appeal against the European Commission's decision concerning the price of the electricity tariffs charged by PPC to Aluminium of Greece during the period 2007-2008. The amount declared as state aid amounts to € 17.4 million plus interest. The Company changed the results of the individual and consolidated financial statements for the year 2017. This amount has already been paid to PPC, and in the event that the General Court's decision is annulled, the amount will benefit the results and cash flows in a subsequent year.

- On 26.03.2018, MYTILINEOS announced the successful transaction between its subsidiary METKA EGN and Lightsource BP, the leading solar power company, to sell four operational solar photovoltaic power projects in the United Kingdom, with total capacity of 18 MW. The four solar projects were developed and constructed by METKA EGN to meet the 31 March 2017 deadline, and subsequently received accreditation under the 1.2 Renewable Obligation Certificate (ROC) program.

- On 23.04.2018 MYTILINEOS announced that its subsidiary, METKA Power West Africa, has signed an agreement with the Federal Government of Nigeria for the first phase of the Energizing Education program. METKA West Africa has signed an agreement for the full EPC services for four universities, including power generation plants, street lighting and training centers, as well as operation and maintenance services. The outcome will help numerous students to have a quality academic life and opportunities for the future.
All four universities will be powered by hybrid power plants utilizing renewable energy sources integrated with energy storage and diesel generation as back-up, enabling reliable power supply for the universities totally autonomously from the grid. In total, 7.5MW of off-grid hybrid power will be installed, incorporating the award winning EXERON technology and the latest developments in mini-grid design.

- On 14.05.2018 MYTILINEOS announced its ranking as a Sustainability Leader for 2017, at the top tier of the Sustainable Performance Directory, the Sustainable Development Business Index for Greek enterprises, together with six other companies from among a total of 50.

- On 19.06.2018 MYTILINEOS announced that its subsidiary, METKA EGN, has signed a contract with Talasol Solar S.L.U., a subsidiary of Ellomay Capital Ltd., to carry out a large scale solar power plant, with installed capacity of 300 MWp in the municipality of Talaván, Cáceres, Spain (the "Talasol Project"). The signing of the agreement took place on 18.06.2018 at MYTILINEOS headquarters in Athens. The scope includes the engineering, procurement and construction (EPC) of the Talasol Project and the ancillary facilities for injecting power into the grid, including a 400 kV step-up substation, the high voltage interconnection line to the point of connection to the grid and performance of two years of operation and maintenance (O&M) services. The Contract value is just below €200Mio.

- The 26.06.2018 was set as the record date for beneficiaries of interest payment for the second Interest Payment Period, i.e. from 27.12.2017 to 27.06.2018, according to the terms of the dated 27.6.2017 common bond loan issued by MYTILINEOS HOLDINGS S.A.

The gross interest amount for the second Interest Payment Period amounted to € 4,701,666.67 i.e. € 15.6722222222 per bond, which was calculated at an annual interest rate of 3.10% (before tax) and corresponded to 300,000 bonds that were being traded on the Athens Exchange on that date. The payment of the accrued interest to the bondholders took place through the "Hellenic Central Securities Depositary S.A." on 27.06.2018.

III PROSPECTS – RISKS AND UNCERTAINTIES FOR THE SECOND HALF OF 2018

1. Prospects for the second half of 2018

Metallurgy and Mining Sector

In the Metallurgy and Mining sector, the growth rate of global aluminium demand is expected to remain strong during the second half of 2018, thus helping support aluminium and alumina's prices.

The API Index is expected to remain high for the remainder of the year, as the recommencement of the production of the factory ALUNORTE in Brazil is not expected to occur.

Raw materials' prices are expected to be normalized during the second half of 2018, compared to the first half, especially soda's price and secondly coke's price, while the performance of the USD against Euro will be strengthened, and the effect at the financial results will be positive.

EPC & Infrastructure Sector

The Group adjusts its strategic planning by focusing on the development of its activities in markets with particular demands, where its prestige and know-how can generate significant added value in the international market. Where good investment opportunities are identified, the Group intends to make use of the significant funding opportunities of the ongoing projects to generate an even greater added value not only for its client but also for its shareholders.

Based on this strategy, the Group will pursue the timely execution of existing projects and the signing of new contracts in targeted markets. Group will continue to implement its plan for the expansion and strengthening of its presence in the markets of Asia and Africa. At the same time, the Group will continue to implement photovoltaic projects (photovoltaic and energy storage parks), through its subsidiary METKA EGN.

Electric power & gas trading sector

During the second half of 2018 Electric power & gas sector's financial results are expected to be increased due to,

- the ongoing competitive function of thermal energy assets

- the establishment and application of the Transitory Electricity Flexibility Remuneration Mechanism (FRM) through which certain electricity generators are compensated for the provision of Flexibility Services to Hellenic Electricity Transmission System (HETS)

- further development in the retail market of Electricity and Natural Gas

- the increase of the market share in Renewable Energy Sources by operating two new Wind Farms, total capacity of 63.3 MW.

2. Risks & Uncertainties

Risk management objectives and policies

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and price risk), credit risk, liquidity risk, cash flow risk and fair value interest-rate risk. The Group's overall risk management programme focuses on the unpredictability of commodity and financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge the exposure to certain financial risks.

The essential risk management policies are determined by the Group's Management. The risk management policy is applied by the Corporate Treasury Department. The latter acts as a service centre, operating under specific Management - approved lines.

Credit Risk

The Group does not exhibit any considerable concentration of credit risk in any of the contracted parties. Credit risk originates from available cash and cash equivalents, derivative financial instruments and deposits at banks and financial institutions; also from exposure to client derived credit risk.

Regarding commercial and other claims, the Group is not theoretically exposed to significant credit risks; as of the multifaceted nature of the Group's activities, there is no significant concentration of credit risk with respect to its commercial requirements, as this is allocated over a high number of clients. However, the atypical conditions that dominate the Greek market and several other markets in Europe are forcing the Group to constantly monitor its business claims and also to adopt policies and practices to ensure that such claims are collected. By way of example, such policies and practices include insuring credits where possible; pre-collection of the value of product sold to a considerable degree; safeguarding claims by collateral loans on customer reserves; and receiving letters of guarantee.

To minimize credit risk on cash reserves and cash equivalents; in financial derivate contracts; as well as other short term financial products, the Group specifies certain limits to its exposure on each individual financial institution and only engages in transactions with creditworthy financial institutions of high credit rating.

Liquidity Risk

Liquidity risk is related with the Group's need for the sufficient financing of its operations and development. The relevant liquidity requirements are the subject of management through the meticulous monitoring of debts of long term financial liabilities and also of payments made on a daily basis.

The Group ensures that there is sufficient available credit facilities to be able to cover its short-term business needs, after the calculation of cash flows arising from the operation as well as cash and cash equivalents which are held. The funds for long-term liquidity needs ensured by a sufficient amount of loanable funds and the ability to sell long-term financial assets.

Capital Control imposition in Greece

The Group is continuing to vigorously monitor capital controls stemming from the Legislative Act (L.A.) of June 28th 2015 and any subsequent ones, undertaking every necessary action to safeguard its going concern. The Group is able to cope with existing difficulties through the strength of its international profile and its export orientation.

Market risk

Price Risk

The Group's earnings are exposed to movements in the prices of commodities, which are determined by the international markets and the global demand and supply.

The Group faces price risk from fluctuations in the prices of variables that determine both the sales and the cost of sales of the group entities (i.e. products' prices (LME), raw materials, other cost elements etc.). The Group's activities expose it to the fluctuations of the prices of Aluminium (AL), Zinc (Zn), Lead (Pb) as well as to Fuel Oil as a production cost.

Regarding price fluctuation of metals, the Group's policy is to minimize risk by using financial derivative instruments.

Foreign Exchange Risk

The Group operates in a global level and consequently is exposed to foreign exchange risk emanating mainly from the US dollar. This kind of risk mainly results from commercial transactions in foreign currency as well as net investments in foreign entities. For managing this type of risk, the Group Treasury Department enters into derivative or non-derivative financial instruments with financial institutions on behalf and in the name of group companies.

At Group level, such financial instruments are considered to constitute compensation means for the exchange rate risk of specific assets, liabilities or future commercial transactions

Interest rate risk

The Group's assets that are exposed to interest rate fluctuation primarily concern cash and cash equivalents. The Group's policy as regards financial assets is to invest its cash in floated interest rates so as to maintain the necessary liquidity while achieving satisfactory return for its shareholders. In addition, for the totality of its bank borrowing, the Group uses floating interest rate instruments. Depending on the level of liabilities in floating interest rate, the Group proceeds to the assessment of interest rate risk and when necessary examines the necessity to use interest bearing financial derivative instruments. The Group's policy consists in minimizing its exposure to interest bearing cash flow risk as regards long-term funding.

Description of the main risks and management function of the Group in relation to the preparation of the financial statements

a. Risk Factors

Mytilineos Group (the "Group") being active in three main business areas: Metallurgy & Mining, Electic Power & Gas trading and EPC & Infrastructure, faces a number of diversified risk factors.
Therefore, its business, financial condition or results of operations may be impacted by such risk factors.

In addition to any other factors presented and discussed elsewhere in this report, the following are the main important factors that could cause the Group's actual results to differ materially from those expected in any projection.

Market risk

The global economic conditions remain generally highly cyclical. The Group is subject to cyclical fluctuations in LME prices, €/$ parity, general economic, financial and credit conditions, and aluminium end-use markets.

The Group implemented a number of actions to hedge its exposure to market risk, improve its cost structure and secure liquidity.
Such actions mainly include:

- Forward selling of Aluminium by use of several financial instruments.

- Mitigation of its €/$ parity exposure by use of derivative products.
- Assessment and/or restructuring of its energy cost items.
- Asset optimization and cost reduction programs.
- Production process improvements.
- Re-assessment of its credit policy and customer credit worthiness procedures.

Rising cost of raw materials or unfavourable conjuncture

The Group's operational results are influenced by the rising cost of raw materials like metallurgic coke, soda and other basic materials as well as by the cost of freights related to the transportation of the aforementioned materials.

The Group tries to negotiate and "lock" the main freight contracts with competitive terms. At the same time, the Group has implemented a new system of assessing the prices for the procurement of raw materials, while it also runs a continuous cost optimization and reduction program.

Moreover, the Group's operational results may be influenced by unfavorable conjuncture, when the drop in the price of cost items that are linked with the price of LME or the parity €/$ is not enough to counterbalance the respective reduction in the price of LME or the US Dollar during the same period.

Availability of Greek Bauxites and market concentration

The Group for its Alumina operations is highly dependent on the availability of Greek Bauxites. By the operation of its own mines through its 100% subsidiary Delphi Distomon S.A., the Group covers almost the 38-40% of its requirements in Greek Bauxites. However, in the years to come there might be difficulties in the licensing of new sites and the exploration of new bauxite mines in Greece. Furthermore, the Greek bauxite market is already quite concentrated; therefore this fact along with a possibility of a further concentration could have a negative impact on the Group's input cost for Greek bauxite in the future. For these reasons the Group is continuously trying to negotiate long term bauxite contracts as well as joint ventures or strategic alliances with Greek miners.

Health, safety and environmental laws and regulations

The Group's activities fall under the laws and regulations that are relevant to health, safety and environmental protection. The compliance cost with such regulations involves, among others, either investments or the significant spending for actions relating to the safe management of industrial waste and environmental rehabilitation.

Group's personnel is exposed to a series of hazards that can influence or threat, either directly or indirectly, their health and safety. In order for these risks to be addressed the Group has taken all the necessary actions, starting from estimating their possible consequences on the human capital and evaluating the need for corrective measures at work place environment.

Environmental issues for which the Group may be responsible might arise in the future in connection with its current facilities and/or with facilities owned or operated by the Group in the past, even if up to this day the Management is not or could not be aware of such issues or such issues have not yet arisen.

Moreover, the continuous application of Best Available Techniques for operational procedures and waste management as well as environment friendly use of fossil fuels (mainly Natural Gas), especially for Metallurgy and Energy business sectors, is not only a crucial factor of Group's business growth but also depicts Group's commitment towards environmental protection issues and sustainable management of natural resources.

<u>Climate change, climate change legislation or regulations and greenhouse effects.</u>

The consumption of the energy that is generated by fossil fuels is one of the main factors contributing to global warming. An ever-increasing number of governments, governmental bodies and committees have initiated or intend to proceed to legislative and regulatory changes in order to deal with the potential risks associated with this phenomenon.

Energy is a key raw material for the Company's activities and is also expected to also become a key source of income in the near future. Moreover, the Company is active in the wider energy sector through its EPC & Infrastructure Business Unit, undertaking the construction of integrated energy projects. As a result of amendments to the EU regulatory framework, the Company's operating margins might be affected by changes which may have to be made to Company production facilities with increased greenhouse gas emissions and/or Company facilities with high energy needs.

Given the wide-ranging scope of such changes, the likely impact of the future legislation and of the regulatory framework on climate change, as well as of the European and international conventions and agreements, cannot be assessed with any certainty. The Company might be obliged to undertake significant investments in the future, as a result of the requirement for compliance with the new, amended legislation and the new regulations. Finally, as a result of an eventual deficit or surplus in terms of CO2 emission rights management, and also due to its high energy consumptions, mainly in the Metallurgy Business Unit, the Company might in the future recognise significant costs or revenues, respectively. On the other hand, due to any one of the aforementioned changes in the legislation on climate change, the Company might be presented with opportunities in the EPC & Infrastructure sector.

<u>Failure of achieving the expected long term benefits from productivity and the cost reduction initiatives.</u>

The Group has taken and may continue to take initiatives regarding productivity and cost reduction in order to improve performance and reduce the overall production cost. It may be that all such initiatives cannot be implemented or the estimated savings resulting from them cannot be fully achieved, for various reasons beyond the Group's control.

<u>Political, legal and regulatory issues</u>

The Group's activities in Greece relating to electric power and natural gas remain regulated, to a significant degree, by the State and depend on political decisions or on legal and regulatory framework matters. Developments within this environment, which could translate into delays in the substantial liberalisation of the energy market, might impact the activities of the Company and on its future results, as well as on the value of its energy assets or of its other assets whose operation requires the significant consumption of energy products.

Moreover, the Group may also be affected by adverse political developments or developments relating to the regulatory framework in connection with the activity of its EPC & Infrastructure Business Unit abroad, especially so in countries characterised by political instability.

<u>IT Security</u>

The Group's business operations are supported by various software applications and data processing systems. However, the likelihood of such systems becoming unavailable or of a breach of the Company's data can never be completely ruled out.

The Group mitigates these risks by applying high security standards and taking measures in order to establish and ensure the availability, reliability, confidentiality and traceability of systems and data. Additionally, and in order to control potential security risks, the Group invests regularly in the upgrading of software, hardware and equipment, has internal and external audits conducted by international consulting groups, and applies continuous improvement procedures.

<u>Risks relevant to the EPC & Infrastructure Business Unit</u>

The Group through its activity on the EPC & Infrastructure sector, is contractually exposed to risks related to the design, engineering, procurement, construction and deliver of ready-to-operate energy facilities for an agreed price. The aforementioned risks involve mainly cost overruns and/or delays in implementation associated with:

- Unforeseen increases of the cost of raw materials and/or equipment.
- Mechanical failures or failures of equipment.
- Unforeseen conditions during manufacturing.
- Delays due to adverse weather conditions.
- Performance failures or problems relating to suppliers and subcontractors.
- Additional works performed at the request of the customers or due to the customers' delaying to produce in time the information for the design or the engineering of the project.
- Unforeseen or unexpected changes relating to socio-political conditions, mainly in countries with political and governmental instability.

In cases where additional time is required or the Company incurs additional costs for which the customer is at fault, the Company negotiates with the latter the payment of compensation.

The Company's key asset are its people. Its success in the EPC & Infrastructure sector depends on its ability to recruit, train and retain an adequate number of employees, including executives, engineers and technicians with the requisite abilities and specialisations. Therefore, the Company's failure to retain suitably qualified personnel in order to sustain and further develop its know-how might affect its current or future performance.

Force majeure

Unforeseen events, including natural disasters, acts of war or terrorist attacks, non-scheduled interruption of production operation/ outage, interruption of supply or failure of equipment and/or of the processes to meet the specifications, may increase the cost and affect the Group's financial results. Moreover, the Group's insurance terms in force may not provide sufficient coverage for the entire damage generated by such events.

Pendency of proceedings

The Group, has been involved in a number of cases against third parties, either as complainant or as respondent. The outcome of such cases may involve expenses or revenues that can significantly affect its results as well as its financial position.

b. Organization and implementation of risk management

The Group defines risk as a set of uncertain and unpredictable situations that may affect all its activities, its business operation and its financial performance, as well as the implementation of its strategy and the achievement of its goals. For this reason, it has established a specific risk management approach in all its areas of activities where certain risks have been recognized. This approach consists of the following steps:

- Identification and assessment of risk factors.
- Design of a risk management policy.
- Implementation and evaluation of the risk management policy.

The Group has established specific and comprehensive Enterprise Risk Assessment and Management (ERM) processes. All senior executives are involved in the identification and initial assessment of risks, so as to facilitate the work of the Executive Committees of each Business Unit, as well as of the Board of Directors of each legal person, in the designing and approval of specific actions in the context of the approved ERM processes.

With regard to Non-Financial Information, since 2010 the Group has introduced a specific Stakeholder engagement process for evaluating the materiality of the sustainability issues which are related to its activity sectors. This process, combined with the corresponding prioritisation of these issues by the Group's Business Units, is at the core of the accountability policy applied by the Group.

The process for determining the material sustainability issues is an ongoing exercise that is constantly developed and improved. The purpose of this process is to highlight the issues that reflect the Group's significant environmental and social impacts and influence substantially the decisions of its Stakeholders.

By identifying and understanding the material sustainability issues, the Group formulates and develops its uniform business strategy and its aims, targets and social and environmental initiatives (relevant details are given in the Group's Sustainability Report 2017).

Last but not least, the Group conducts regular internal audits to ensure the appropriate and effective implementation of the risk identification and assessment procedures and of the management policies for such risks..

Internal Audit System

In addition to everything mentioned herein and everything described above in connection with the competences of the Audit Committee, the Company's Internal Audit Department is an independent organisational unit which reports to the Board of Directors. Its competences include, among others, the assessment and improvement of the risk management and internal audit systems as well as the monitoring of the compliance with the established policies and procedures as these are determined by the Internal Regulations of Operation, the legislation in force and the regulatory provisions.

Moreover, the following are examined and analysed on a continuous basis:

- The efficiency of the Company's accounting and financial systems, audit mechanisms, quality control systems, health & safety and environmental systems, and business risk management systems.
- The drafting of the financial statements and of other important data and information for notification
- The reliability, the qualifications and the independence of the chartered auditors.
- Cases of conflict between the private interests of the members of the Board or executives of the Company and the latter's interests.
- Relations and transactions of the Company with affiliated companies as well as relations of the Company with companies in whose share capital members of the Company's Board of Directors participate with a percentage of at least 10% or shareholders of the Company participate with a percentage of at least 10%.
- The legality of the fees and any kind of bonuses to the members of the management with regard to the decisions of the competent bodies of the Company.

i. The Board of Directors re-examines continuously and consistently the corporate strategy and the principal business risks, especially in a constantly changing financial and business environment. Moreover, the Board receives at regular intervals from the Audit Committee reports on the activities of the audits carried out, on the basis of the annual schedule of audits planned by the Company's Internal Audit Department. The above allow the Board to form a detailed opinion of the effectiveness of the Company's systems, processes and regulations.

ii. The certified chartered auditors do not offer prohibited non - audit services to the Company.

IV. Significant Related Party Transactions

The commercial transactions of the Group and the Company with related parties during the first half of 2018, were realized under the common commercial terms. The Group or any of its related parties has not entered in any transactions that were not in an arm's length basis, and do not intent to participate in such transactions in the future. No transaction was under any special terms.

The tables bellow present the intercompany sales and transactions, among the Parent Company and its subsidiaries and associates and the executives as at 30 June 2018.

Benefits to executives at Group and Parent level

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	**30/06/2018**	**30/06/2017**	**30/06/2018**	**30/06/2017**
Short term employee benefits				
- Wages of Key Management and BOD Fees	5,318	10,846	4,744	9,741
- Insurance service cost	175	371	83	324
- Other remunerations	31	37	-	-
	5,525	**11,254**	**4,826**	**10,064**
Pension Benefits:				
- Defined benefits scheme	-	27	-	23
Total	**5,525**	**11,281**	**4,826**	**10,088**

Transactions with related parties

(Amounts in thousands €)		MYTILINEOS GROUP 30/06/2018	MYTILINEOS S.A. 30/06/2018
Stock Sales	SERVISTEEL	-	28
Stock Sales	ELEMKA S.A.	-	1
Stock Sales	DELFI DISTOMON A.M.E	-	297
Stock Sales	RENEWABLE SOURCES KARYSTIA S.A.	-	9
Stock Sales	KORINTHOS POWER S.A.	-	44,476
Stock Sales	POWER PROJECT SANAYI INSAAT TICARET LIMITED SIRKETI	-	2,438
Stock Sales	AIOLIKI ANDROU TSIROVLIDI S.A.	-	12
Stock Sales	AIOLIKI SIDIROKASTROU S.A.	-	18
Stock Sales	HELLENIC SOLAR S.A.	-	11
Stock Sales	YDROXOOS .S.A.	-	2
Stock Sales	AIOLIKI TRIKORFA S.A.	-	3
Stock Sales	METKA-EGN Ltd UK	-	145
Stock Sales	ELIA S.A.	121	121
Stock Sales	TATOI CLUB	140	140
Stock Purchases	DELFI DISTOMON A.M.E	-	7,705
Stock Purchases	PROTERGIA THERMOILEKTRIKI S.A.	-	112
Stock Purchases	M&M GAS Co S.A.	-	7,491
Services Sales	ELEMKA S.A.	-	2
Services Sales	ANEMOSKALA RENEWABLE ENERGY SOURCES S.A.	-	2
Services Sales	ANEMOSTRATA RENEWABLE ENERGY SOURCES S.A.	-	2
Services Sales	DELFI DISTOMON A.M.E	-	9
Services Sales	RENEWABLE SOURCES KARYSTIA S.A.	-	83
Services Sales	GENERAL INDUSTRY S.A. DEFENCE MATERIAL	-	1
Services Sales	KORINTHOS POWER S.A	-	311
Services Sales	OSTENITIS S.A.	-	1
Services Sales	AIOLIKI ANDROU TSIROVLIDI S.A.	-	25
Services Sales	AIOLIKI SIDIROKASTROU S.A.	-	50
Services Sales	HELLENIC SOLAR S.A.	-	100
Services Sales	AIOLIKI TRIKORFA S.A.	-	60
Services Sales	MAKRINOROS S.A.	-	1
Services Sales	M&M GAS S.A.	-	2
Services Sales	DESFINA S.A.	-	1
Services Sales	MYTILINEOS FINANCIAL PARTNERS S.A.	-	2,134
Services Sales	SOLIEN S.A.	-	1
Services Sales	St. Nikolaos S.A.	-	29
Services Sales	METKA POWER WEST AFRICA LIMITED	-	13
Services Sales	ELIA S.A.	4,277	4,277
Services Purchases	SERVISTEEL	-	344
Services Purchases	ELEMKA S.A.	-	1,479
Services Purchases	STANMED TRADING LTD	-	108
Services Purchases	DELFI DISTOMON A.M.E	-	7
Services Purchases	ΚΟΡΙΝΘΟΣ POWER A.E.	-	12
Services Purchases	M&M GAS S.A.	-	161
Services Purchases	MYTILINEOS FINANCIAL PARTNERS S.A.	-	8
Services Purchases	ELIA S.A.	2,111	1,981
Services Purchases	TATOI CLUB	143	43
Services Purchases	M-MARITIME Corporation	3,201	3,201

(Amounts in thousands €)		MYTILINEOS GROUP 30/06/2018	MYTILINEOS S.A. 30/06/2018
Balance from sales of stock/services receivable	ELEMKA S.A.	-	709
Balance from sales of stock/services receivable	STANMED TRADING LTD	-	260
Balance from sales of stock/services receivable	ANEMOSKALA RENEWABLE ENERGY SOURCES S.A.	-	8
Balance from sales of stock/services receivable	ANEMOSTRATA RENEWABLE ENERGY SOURCES S.A.	-	4
Balance from sales of stock/services receivable	DELFI DISTOMON A.M.E	-	69
Balance from sales of stock/services receivable	RENEWABLE SOURCES KARYSTIA S.A.	-	443
Balance from sales of stock/services receivable	MOVAL S.A.	-	16,223
Balance from sales of stock/services receivable	PROTERGIA THERMOILEKTRIKI S.A.	-	393
Balance from sales of stock/services receivable	GENERAL INDUSTRY S.A. DEFENCE MATERIAL	-	49
Balance from sales of stock/services receivable	KORINTHOS POWER S.A	-	12,997
Balance from sales of stock/services receivable	OSTENITIS S.A.	-	569
Balance from sales of stock/services receivable	POWER PROJECT	-	12,261
Balance from sales of stock/services receivable	NORTH AEGEAN RENEWABLES S.A.	-	55
Balance from sales of stock/services receivable	MYTILINEOS HELLENIC WIND POWER S.A.	-	20,500
Balance from sales of stock/services receivable	AIOLIKI ANDROU TSIROVLIDI S.A.	-	170
Balance from sales of stock/services receivable	AIOLIKI EVOIAS HELONA S.A.	-	9
Balance from sales of stock/services receivable	AIOLIKI ANDROU RAHI XIROKOBI S.A.	-	1
Balance from sales of stock/services receivable	AIOLIKI EVOIAS DIAKOFTIS S.A.	-	157
Balance from sales of stock/services receivable	AIOLIKI SIDIROKASTROU S.A.	-	150
Balance from sales of stock/services receivable	HELLENIC SOLAR S.A.	-	2,966
Balance from sales of stock/services receivable	SPIDER ENERGY S.A.	-	18,519
Balance from sales of stock/services receivable	DELTA RENEWABLE ENERGY SOURCES S.A.	-	1,516
Balance from sales of stock/services receivable	YDROXOOS S.A.	-	1
Balance from sales of stock/services receivable	GREEN ENERGY S.A.	-	182
Balance from sales of stock/services receivable	AIOLIKI TRIKORFA S.A.	-	360
Balance from sales of stock/services receivable	M&M GAS Co S.A.	-	8
Balance from sales of stock/services receivable	DESFINA S.A.	-	21
Balance from sales of stock/services receivable	MYTILINEOS FINANCIAL PARTNERS S.A.	-	128,749
Balance from sales of stock/services receivable	Mytilineos International Trading Company AG (MIT Co)	-	175
Balance from sales of stock/services receivable	St. Nikolaos S.A.	-	6
Balance from sales of stock/services receivable	METKA-EGN Ltd Cyprus	-	769
Balance from sales of stock/services receivable	METKA-EGN Ltd UK	-	752
Balance from sales of stock/services receivable	METKA-EGN USA LLC	-	1,901
Balance from sales of stock/services receivable	METKA POWER WEST AFRICA LIMITED	-	623
Balance from sales of stock/services receivable	METKA RENEWABLE LTD CYPRUS	-	212
Balance from sales of stock/services receivable	ELIA S.A.	9,794	9,794
Balance from sales of stock/services receivable	TATOI CLUB	46	40
Balance from sales of stock/services receivable	M-MARITIME Corporation	617	617
Balance from sales/purchases of stock/services payable	SERVISTEEL	-	1,231
Balance from sales/purchases of stock/services payable	ELEMKA S.A.	-	3,709
Balance from sales/purchases of stock/services payable	STANMED TRADING LTD	-	2,541
Balance from sales/purchases of stock/services payable	RDA TRADING	-	3
Balance from sales/purchases of stock/services payable	METKA BRAZI SRL	-	(335)
Balance from sales/purchases of stock/services payable	DELFI DISTOMON A.M.E	-	2,297
Balance from sales/purchases of stock/services payable	PROTERGIA THERMOILEKTRIKI S.A.	-	268
Balance from sales/purchases of stock/services payable	KORINTHOS POWER S.A.	-	27
Balance from sales/purchases of stock/services payable	POWER PROJECT SANAYI INSAAT TICARET LIMITED SIRKETI	-	3,372
Balance from sales/purchases of stock/services payable	AIOLIKI TRIKORFA S.A.	-	500
Balance from sales/purchases of stock/services payable	M&M GAS Co S.A.	-	1,209
Balance from sales/purchases of stock/services payable	MYTILINEOS FINANCIAL PARTNERS S.A.	-	500
Balance from sales/purchases of stock/services payable	METKA-EGN Ltd Cyprus	-	1
Balance from sales/purchases of stock/services payable	ELIA S.A.	361	361

V. Post Balance Sheet events

There are no other significant subsequent events, apart from the abovementioned, neither of the Group nor of the Company, which should be announced for the purposes of I.F.R.S.

Maroussi, 11 September 2018

Evangelos Mytilineos

Chairman & Chief Executive Officer

MYTILINEOS S.A.

C. Independent Auditor’s Report

To the Shareholders of MYTILINEOS HOLDINGS S.A.

Introduction

We have reviewed the accompanying separate and consolidated condensed statement of financial position of MYTILINEOS HOLDINGS S.A. as of 30 June 2018 and the related separate and consolidated condensed statement of comprehensive income, changes in equity and cash flows for the six-month period then ended, and the selected explanatory notes that comprise the interim financial information, which form an integral part of the six-month financial report of Law 3556/2007. Management is responsible for the preparation and fair presentation of this interim condensed financial statement in accordance with the International Financial Reporting Standards as adopted by the European Union and apply for interim financial information (International Accounting Standard “IAS 34”). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information has not been prepared in all material respects, in accordance to IAS 34.

Athens, 11 September 2018

The Certified Public Accountant

Manolis Michalios

SOEL. Reg. No: 25131

GrantThornton

An instinct for growth™

Chartered Accountants Management Consultants
56, Zefirou str., 175 64 Palaio Faliro, Greece
Registry Number SOEL 127

D. Interim Financial Statements

The attached Interim Financial Statements are those approved by the Board of Directors of "MYTILINEOS S.A." at 11 September 2018 and have been published to the website www.mytilineos.gr according to the International Financial Reporting Standards (IFRS).

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1.A Interim Income Statement

(Amounts in thousands €)		MYTILINEOS GROUP 1/1-30/06/2018	MYTILINEOS GROUP 1/1-30/06/2017	MYTILINEOS S.A. 1/1-30/06/2018	MYTILINEOS S.A. 1/1-30/06/2017
Sales	7.8, 7.23	717,134	811,419	564,247	591,446
Cost of sales		(574,129)	(636,644)	(447,137)	(472,894)
Gross profit		**143,006**	**174,775**	**117,110**	**118,553**
Other operating income		18,222	28,075	5,728	24,942
Distribution expenses		(2,396)	(4,565)	(1,866)	(4,039)
Administrative expenses		(34,914)	(38,185)	(27,687)	(28,822)
Research & Development expenses		(93)	(46)	-	-
Other operating expenses		(15,862)	(38,564)	(5,659)	(23,464)
Earnings before interest and income tax		**107,963**	**121,490**	**87,625**	**87,170**
Financial income		4,301	3,566	2,413	5,312
Financial expenses		(21,861)	(28,776)	(14,032)	(23,587)
Other financial results		(2,297)	(3,000)	6,038	2,373
Share of profit of associates		452	212	-	-
Profit before income tax		**88,559**	**93,492**	**82,044**	**71,267**
Income tax expense		(8,502)	(11,374)	(4,806)	(8,125)
Profit for the period		**80,057**	**82,118**	**77,238**	**63,142**
Result from discontinuing operations	7.11	8	(779)	(19)	(295)
Profit for the period		**80,064**	**81,340**	**77,218**	**62,847**
Attributable to:					
Equity holders of the parent	7.24	*83,882*	*80,654*	*77,218*	*62,847*
Non controlling Interests		*(3,818)*	*686*	-	-
Basic earnings per share		*0.5870*	*0.5644*	*0.5404*	*0.4398*
Earnings per share		*0.5870*	*0.5644*	*0.5404*	*0.4398*
Summury of Results from continuing operations					
Oper.Earnings before income tax,financial results,depreciation and amortization		**145,158**	**156,547**	**114,685**	**112,551**
Earnings before interest and income tax		107,963	121,490	87,625	87,170
Profit before income tax		88,559	93,492	82,044	71,267
Profit for the period		80,057	82,118	77,238	63,142
Definition of line item: OperEarnings before income tax,financ.res,depr&amort. (EBITDA)					
Profit before income tax		88,559	93,492	**82,044**	71,267
Plus: Financial results		19,857	28,210	**5,581**	15,903
Plus: Capital results		(452)	(212)	**-**	-
Plus: Depreciation		36,668	34,513	**27,060**	25,381
Subtotal		**144,631**	**156,004**	**114,685**	112,551
Plus: Other operating results (II)		527	543	**-**	-
Oper.Earnings before income tax,financial results,depreciation and amortization (EBITDA)		**145,158**	**156,547**	**114,685**	112,551

The notes on pages 32 to 63 are an integral part of these financial statements.

(*)The Group defines "Group EBITDA" as the Operating earnings before any interest income and expenses, investment results, depreciation, amortization and before the effects of any special factors. "Group EBITDA" is an important indicator used by Mytilineos Group to manage the Group's operating activities and to measure the performance of the individual segments.

1.B Interim Statement of Comprehensive Income

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	1/1-30/06/2018	1/1-30/06/2017	1/1-30/06/2018	1/1-30/06/2017
Other Comprehensive Income:				
Net Profit/(Loss) For The Period	80,064	81,340	77,218	62,847
Items that may be reclassified subsequently to profit or loss:				
Exchange Differences On Translation Of Foreign Operations	1,000	(1,300)	780	455
Cash Flow Hedging Reserve	32,378	(7,496)	32,378	(8,076)
Deferred Tax From Cash Flow Hedging Reserve	(9,390)	2,174	(9,390)	2,342
Other Comprehensive Income:	**23,989**	**(6,623)**	**23,768**	**(5,279)**
Exchange Differences On Translation Of Foreign Operations	**104,053**	**74,717**	**100,986**	**57,568**
Total comprehensive income for the period attributable to:				
Equity attributable to parent's shareholders	107,272	73,996	100,986	57,568
Non controlling Interests	(3,219)	721	-	-

The notes on pages 32 to 63 are an integral part of these financial statements.

2. Interim Statement of Financial Position

(Amounts in thousands €)		MYTILINEOS GROUP 30/06/2018	MYTILINEOS GROUP 31/12/2017	MYTILINEOS S.A. 30/06/2018	MYTILINEOS S.A. 31/12/2017
Assets					
Non current assets					
Tangible Assets		1,152,529	1,136,779	801,801	802,834
Goodwill		209,313	209,313	-	-
Intangible Assets		233,950	235,517	87,721	89,117
Investments in Subsidiary Companies		-	-	239,415	238,935
Investments in Associates		23,824	23,372	17,212	17,212
Deferred Tax Receivables		113,975	124,179	52,707	62,097
Other Financial Assets		159	163	37	37
Derivatives		2,440	-	2,440	-
Other Long-term Receivables	7.19	117,905	134,603	53,626	52,074
		1,854,096	**1,863,927**	**1,254,960**	**1,262,305**
Current assets					
Total Stock	7.9	166,803	158,890	150,103	140,084
Trade and other receivables	7.18	746,934	745,856	375,976	426,155
Other receivables		287,992	272,625	361,266	328,430
Financial assets at fair value through profit or loss		357	814	357	814
Derivatives		5,646	15,168	5,646	15,168
Cash and cash equivalents	7.10	174,039	160,940	113,131	88,995
		1,381,771	**1,354,292**	**1,006,479**	**999,645**
Assets		**3,235,867**	**3,218,219**	**2,261,438**	**2,261,950**
Liabilities & Equity					
Equity					
Share capital	7.21	138,839	138,839	138,604	138,604
Share premium		193,312	193,311	124,701	124,701
Fair value reserves		(9,704)	(32,692)	(10,398)	(33,387)
Other reserves		123,688	109,767	(141,181)	(154,606)
Translation reserves		(10,012)	(10,414)	3,783	3,003
Retained earnings		986,039	978,058	849,613	848,768
Equity attributable to parent's shareholders		**1,422,162**	**1,376,871**	**965,123**	**927,085**
Non controlling Interests		49,935	54,122	-	-
Equity		**1,472,097**	**1,430,992**	**965,123**	**927,085**
Non-Current Liabilities					
Long-term debt	7.10	599,141	598,755	444,856	397,589
Derivatives		-	4,227	-	4,227
Deferred Tax Liability		174,402	181,096	131,769	140,525
Liabilities for pension plans		16,767	17,283	14,471	14,994
Other long-term liabilities		82,051	82,273	65,116	63,901
Provisions	7.17	13,581	13,564	12,422	12,352
Non-Current Liabilities		**885,942**	**897,198**	**668,634**	**633,588**
Current Liabilities					
Trade and other payables	7.20	594,812	575,331	448,589	444,610
Tax payable		60,690	43,510	53,693	34,210
Short-term debt	7.10	55,523	95,998	1,044	75,492
Current portion of non-current liabilities	7.10	39,442	34,327	17,332	22,202
Derivatives		23,297	58,530	22,732	57,964
Other payables		104,064	82,331	84,291	66,800
Current Liabilities		**877,828**	**890,028**	**627,682**	**701,278**
Liabilities		**1,763,770**	**1,787,226**	**1,296,316**	**1,334,865**
Liabilities & Equity		**3,235,867**	**3,218,219**	**2,261,438**	**2,261,950**

The notes on pages 32 to 63 are an integral part of these financial statements.

3. Interim Statement of changes in Equity (Group)

MYTILINEOS GROUP

(Amounts in thousands €)	Share capital	Share premium	Fair value reserves	Other reserves	Translation reserves	Retained earnings	Total	Non controlling Interests	Total
Adjusted Opening Balance 1st January 2017, according to IFRS - as published-	**113,643**	**210,195**	**(4,073)**	**104,627**	**(15,040)**	**580,029**	**989,382**	**294,869**	**1,284,251**
Change In Equity									
Dividends Paid	-	-	-	-	-	(4,510)	(4,510)	-	(4,510)
Transfer To Reserves	-	-	-	662	-	(662)	-	-	-
Impact From Transfer Of Subsidiary	-	-	-	-	-	2,765	2,765	311	3,076
Impact From Merge Through Acquisition Of Subsidiary	25,196	(16,884)	-	31,073	-	220,573	259,958	(244,790)	15,168
Transactions With Owners	**25,196**	**(16,884)**	**-**	**31,735**	**-**	**218,166**	**258,214**	**(244,479)**	**13,735**
Net Profit/(Loss) For The Period	-	-	-	-	-	80,654	80,654	686	81,340
Other Comprehensive Income:									
Exchange Differences On Translation Of Foreign Operations	-	-	-	455	(2,031)	241	(1,335)	35	(1,300)
Cash Flow Hedging Reserve	-	-	(8,089)	592	-	-	(7,496)	-	(7,496)
Dererred Tax From Cash Flow Hedging Reserve	-	-	2,346	(172)	-	-	2,174	-	2,174
Total Comprehensive Income For The Period	**-**	**-**	**(5,743)**	**875**	**(2,031)**	**80,894**	**73,996**	**721**	**74,717**
Adjusted Closing Balance 30/06/2017	**138,839**	**193,311**	**(9,816)**	**137,238**	**(17,071)**	**879,090**	**1,321,591**	**51,111**	**1,372,703**
Opening Balance 1st January 2018, according to IFRS - as published-	**138,839**	**193,311**	**(32,692)**	**109,767**	**(10,414)**	**978,058**	**1,376,871**	**54,122**	**1,430,992**
Adjustments due to IFRS 9	-	-	-	-	-	(17,223)	(17,223)	-	(17,223)
Adjusted Opening Balance 1st January 2018	**138,839**	**193,311**	**(32,692)**	**109,767**	**(10,414)**	**960,835**	**1,359,648**	**54,122**	**1,413,769**
Change In Equity									
Dividends Paid	-	-	-	-	-	(45,725)	(45,725)	-	(45,725)
Transfer To Reserves	-	-	-	13,920	-	(13,920)	-	-	-
Impact From Acquisition Of Share In Subsidiaries	-	-	-	-	-	967	967	(967)	-
Transactions With Owners	**-**	**-**	**-**	**13,920**	**-**	**(58,679)**	**(44,758)**	**(967)**	**(45,725)**
Net Profit/(Loss) For The Period	-	-	-	-	-	83,882	83,882	(3,818)	80,064
Other Comprehensive Income:									
Exchange Differences On Translation Of Foreign Operations	-	-	-	-	402	-	402	598	1,000
Other Financial Assets	-	-	-	-	-	-	-	-	-
Cash Flow Hedging Reserve	-	-	32,378	-	-	-	32,378	-	32,378
Dererred Tax From Cash Flow Hedging Reserve	-	-	(9,390)	-	-	-	(9,390)	-	(9,390)
Total Comprehensive Income For The Period	**-**	**-**	**22,988**	**-**	**402**	**83,882**	**107,272**	**(3,219)**	**104,053**
Closing Balance 30/06/2018	**138,839**	**193,312**	**(9,704)**	**123,688**	**(10,012)**	**986,039**	**1,422,162**	**49,935**	**1,472,097**

The notes on pages 32 to 63 are an integral part of these financial statements.

4. Interim Statement of changes in Equity (Company)

	MYTILINEOS S.A.						
(Amounts in thousands €)	Share capital	Share premium	Fair value reserves	Other reserves	Translation reserves	Retained earnings	Total
Opening Balance 1st January 2017, according to IFRS -as published-	**113,408**	**141,585**	**-**	**3,492**	**-**	**225,821**	**484,306**
Change In Equity							
Dividends Paid	-	-	-	-	-	(3,896)	(3,896)
Impact From Merge Through Acquisition Of Subsidiary	25,196	(16,884)	(4,767)	(151,630)	-	496,986	348,900
Transactions With Owners	**25,196**	**(16,884)**	**(4,767)**	**(151,630)**	**-**	**493,089**	**345,003**
Net Profit/(Loss) For The Period	-	-	-	-	-	62,847	62,847
Other Comprehensive Income:							
Exchange Differences On Translation Of Foreign Operations	-	-	-	455	-	-	455
Cash Flow Hedging Reserve	-	-	(8,089)	13	-	-	(8,076)
Deferred Tax From Cash Flow Hedging Reserve	-	-	2,346	(4)	-	-	2,342
Total Comprehensive Income For The Period	**-**	**-**	**(5,743)**	**464**	**-**	**62,847**	**57,568**
Closing Balance 30/06/2017	**138,604**	**124,701**	**(10,511)**	**(147,675)**	**-**	**781,757**	**886,878**
Opening Balance 1st January 2018, according to IFRS -as published-	**138,604**	**124,701**	**(33,387)**	**(154,606)**	**3,003**	**848,768**	**927,085**
Adjustments due to IFRS 9	-	-	-	-	-	(17,223)	(17,223)
Adjusted Opening Balance 1st January 2018	**138,604**	**124,701**	**(33,387)**	**(154,606)**	**3,003**	**831,545**	**909,862**
Change In Equity							
Dividends Paid	-	-	-	-	-	(45,725)	(45,725)
Transfer To Reserves	-	-	-	13,425	-	(13,425)	-
Transactions With Owners	**-**	**-**	**-**	**13,425**	**-**	**(59,150)**	**(45,725)**
Net Profit/(Loss) For The Period	-	-	-	-	-	77,218	77,218
Other Comprehensive Income:							
Exchange Differences On Translation Of Foreign Operations	-	-	-	-	780	-	780
Cash Flow Hedging Reserve	-	-	32,378	-	-	-	32,378
Deferred Tax From Cash Flow Hedging Reserve	-	-	(9,390)	-	-	-	(9,390)
Total Comprehensive Income For The Period	**-**	**-**	**22,988**	**-**	**780**	**77,218**	**100,986**
Closing Balance 30/06/2018	**138,604**	**124,701**	**(10,398)**	**(141,181)**	**3,783**	**849,613**	**965,123**

The notes on pages 32 to 63 are an integral part of these financial statements.

5. Interim Cash Flow Statement

		MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)		1/1-30/06/2018	1/1-30/06/2017	1/1-30/06/2018	1/1-30/06/2017
Cash flows from operating activities					
Cash flows from operating activities	7.27	75,715	110,518	40,247	78,813
Interest paid		(16,101)	(14,930)	(10,543)	(17,367)
Taxes paid		(84)	(1,141)	-	(977)
Net Cash flows continuing operating activities		**59,530**	**94,446**	**29,704**	**60,469**
Net Cash flows discontinuing operating activities		**82**	**(596)**	**-**	**(136)**
Net Cash flows from continuing and discontinuing operating activities		**59,612**	**93,850**	**29,704**	**60,333**
Net Cash flow from continuing and discontinuing investing activities					
Purchases of tangible assets		(42,996)	(78,330)	(17,280)	(15,599)
Purchases of intangible assets		(3,559)	(1,905)	(1,628)	(130)
Sale of tangible assets		478	(18)	145	1
Dividends received		157	-	6,284	147
Purchase of financial assets at fair value through profit and loss		(564)	-	(564)	-
Acquisition /Sale of subsidiaries (less cash)		(175)	700	-	-
Sale of financial assets held-for-sale		-	4	-	-
Sale of financial assets at fair value through profit and loss		836	-	832	-
Interest received		301	1,662	1,286	379
Grants received/(returns)		1,711	(2,018)	1,711	(2,018)
Other cash flows from investing activities		(21)	49	-	49
Net Cash flow from continuing investing activities		**(43,832)**	**(79,855)**	**(9,213)**	**(17,171)**
Net Cash flow from discontinuing investing activities		**-**	**-**	**-**	**-**
Net Cash flow from continuing and discontinuing investing activities		**(43,832)**	**(79,855)**	**(9,213)**	**(17,171)**
Net Cash flow continuing and discontinuing financing activities					
Tax payments		-	(3)	-	-
Dividends paid to shareholders		(43,259)	(3,955)	(41,372)	(3,355)
Proceeds from borrowings		260,314	438,710	177,451	422,447
Repayments of borrowings		(301,679)	(519,637)	(214,216)	(507,376)
Other cash flows from financing activities		81,954	(25,225)	81,784	(37,406)
Net Cash flow continuing financing activities		**(2,670)**	**(110,110)**	**3,647**	**(125,691)**
Net Cash flow from discontinuing financing activities		**-**	**-**	**-**	**-**
Net Cash flow continuing and discontinuing financing activities		**(2,670)**	**(110,110)**	**3,647**	**(125,691)**
Net (decrease)/increase in cash and cash equivalents		**13,109**	**(96,115)**	**24,137**	**(82,528)**
Cash and cash equivalents at beginning of period		160,940	197,884	88,995	336
Cash and cash equivalents at beginning of period (merged companies)				-	134,979
Exchange differences in cash and cash equivalents		(10)	(1,052)	-	(26)
Net cash at the end of the period		**174,039**	**100,717**	**113,131**	**52,761**
Cash and cash equivalent		**174,039**	**100,717**	**113,131**	**52,761**
Net cash at the end of the period		**174,039**	**100,717**	**113,131**	**52,761**

The notes on pages 26 to 63 are an integral part of these financial statements.

The cash flows from financing activities of the Group and the Company and specifically the line "Other", include repayments of financing under trade agreements.

6. Information about MYTILINEOS S.A.

MYTILINEOS S.A. is today one of the biggest industrial Groups internationally, activated in the sectors of Metallurgy, EPC & Infrastructure, Power & Gas. The Company, which was founded in 1990 as a metallurgical company of international trade and participations, is an evolution of an old metallurgical family business which began its activity in 1908.

During the last decade the Company's has gradually expenses its operations from traditional sectors of international metal's trading to metallurgy in the domains of Integrated Projects and Infrastructure and Electricity and Natural Gas. The Group's objective is to develop synergies between three different operation segments by assigning the role of management and strategy to Mytilineos Holdings S.A.

The group's headquarters is located in Athens – Maroussi (5-7 Patroklou Str., P.C. 151 25) and its shares were listed in the Athens Stock Exchange in 1995.

The financial statements for the period ended 30.06.2018 (along with the respective comparative information for 2017), were approved by the Board of directors on 9 September 2018.

Nature of activities

During the last ten years the Company's activities have expanded from the traditional sector of international metal's trading to those of construction and energy. The aim is the development of synergies between the three different areas of activities.

Pursuant to the resolution adopted on 01.06.2017 by the Ordinary General Meeting of the shareholders of the company, the object of the Company has been amended to read as follows:

1. The object of the Company is:

a. To participate in the capital of other undertakings;

b. To produce and manufacture alumina and aluminium in Greece and to trade in same in any country;

c. To manufacture metal structures of any type;

d. To perform the design, construction, operation, maintenance, management and exploitation of plants for the generation of electrical energy from any source in general;

e. To engage in power and heat generation, trading, supply, transmission and distribution, the import and export, acquisition and transfer of electricity, and heat;

f. To carry on all types of activities relevant to the building, repair and scrapping (breaking) of ships and, in general, defense material;

g. To engage in the production, extraction, acquisition, storage, gasification, transport, distribution and transfer (including by sale/supply) of natural gas;

h. To elaborate studies, undertake the construction of public and private technical projects and works of any nature, to perform assembly and installation activities for the structures and products produced by the Company in Greece and abroad;

i. To construct, operate and exploit hydraulic, sewerage and other similar installations to serve the purposes of the Company and/or other third parties whom the Company does business with;

j. To produce and sell steam, water (indicatively demineralized water, water for firefighting, etc.) as well as;

k. To provide various services to third parties with whom the Company does business with, including, indicatively, services for a) decontamination, b) firefighting, c) monitoring and recording air quality, d) collection, transportation, disposal and management of solid and liquid waste and wastewater, etc.;

l. To elaborate feasibility studies with respect to processes for the operation of power and heat generation plants of all types,

m. To purchase, erect, sell and resell real property, and to acquire, lease, rent, sublease, install, develop and exploit mines and quarries, industrial sites and shops;

n. To provide advice and services in the areas of business administration and management, administrative support, risk management, information systems, financial management;

o. To provide services in connection with market research, analysis of investment programmes, elaboration of studies and plans, the commissioning, supervision and management of the relevant work, risk management and strategic planning, development and organization;

p. To carry on any business act and undertake any activity or action directly or indirectly related to the above objects of the Company.

7. Additional Information

7.1 Basis for preparation of the financial statements

The accompanying consolidated financial statements that constitute the Group's consolidated financial statements for the period from 01.01 to 30.06.2018 have been prepared in accordance with International Financial Reporting Standards ("IFRS"), adopted by the European Union, and more specifically with the provisions of IAS 34 "Interim financial reporting". Moreover, the consolidated financial statements have been compiled on the basis of the historic cost principle as is amended by the readjustment of specific asset and liability items into market values, the going concern principle and are in accordance with the International Financial Reporting Standards (IFRS) that have been issued by the International Accounting Standards Board (IASB) and their interpretations that have been issued by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB.

The reporting currency is Euro (currency of the country of the domicile of the parent Company) and all amounts are reported in thousands unless stated otherwise.

According to the IFRS, the preparation of the Financial Statements requires estimations during the application of the Company's accounting principles. Important admissions are presented wherever it has been judged appropriate. The accounting principles, applied by the Group for the reporting period are consistent with the accounting principles applied for fiscal year 2017.

Discontinued Operations

The Company Mytilineos S.A. presents separately the result from discontinued operations as described below.

In 2009, applying IFRS 5 "Non-current assets held for sale & discontinued operations", the assets and liabilities of the subsidiary company SOMETRA S.A. were presented separately, regarding which a decision was made on January 26, 2009 on temporary suspension of the production activity of the Zinc-Lead production plant in Romania, and presents also the amounts recognized in the income statement separately from continuing operations. Given the global economic recession, there were no feasible scenarios for the alternative utilization of the aforementioned financial assets.

Consequently, since 2011, by applying par. 13 of IFRS 5 "Non-current assets Held for Sale" Zinc-Lead («SOMETRA S.A.») production ceases to be an asset held for sale and is considered as an asset to be abandoned. The assets of its operations returned to continuing operations while at the same time, it continued to show separately the result of the discontinued operation in the income statement.

On 31/12/2015, SOMETRA S.A., contributed the Zinc-Lead activity, through a spin – off process, to its newly established subsidiary Reycom Recycling S.A. (REYCOM). The said spin - off is part of the "Mytilineos Group" restructuring process, regarding the Zinc-Lead discontinued operation, targeting on the production of Zn & Pb oxides through the development of a recycling operation of metallurgical residues. Within the same frame, on 29/11/2016 the cross-border merger of the subsidiary REYCOM and the subsidiary company ALUMINUM OF GREECE (ATE) was completed.

The semi – annual financial statements include limited information compared to the annual financial statements. Therefore, they should be read in conjunction with the latest published annual financial statements as at 31 December 2017.

The accounting policies and methods according to which the financial statements were prepared are consistent with those used under the preparation of the annual financial statements for FY 2017 adjusted in respect of the new Standards and revisions to IFRS-based Standards and are analysed below.

7.2 New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01/01/2018.

IFRS 9 "Financial Instruments" (effective for annual periods starting on or after 01/01/2018)

In July 2014, the IASB issued the final version of IFRS 9. The package of improvements introduced by the final version of the Standard, includes a logical model for classification and measurement, a single, forward-looking "expected loss" impairment model and a substantially-reformed approach to hedge accounting. The Group has examined the effects of the new Standard on its Financial Statements. See note 7.4.

IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods starting on or after 01/01/2018)

In May 2014, the IASB issued a new Standard, IFRS 15. The Standard fully converges with the requirements for the recognition of revenue in both IFRS and US GAAP. The key principles on which the Standard is based are consistent with much of current practice. The new Standard is expected to improve financial reporting by providing a more robust framework for addressing issues as they arise, increasing comparability across industries and capital markets, providing enhanced disclosures and clarifying accounting for contract costs. The new Standard will supersede IAS 11 "Construction Contracts", IAS 18 "Revenue" and several revenue related Interpretations. The Group has examined the effects of the new Standard on its Financial Statements. See note 7.4.

Clarification to IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods starting on or after 01/01/2018)

In April 2016, the IASB published clarifications to IFRS 15. The amendments to IFRS 15 do not change the underlying principles of the Standard, but clarify how those principles should be applied. The amendments clarify how to identify a performance obligation in a contract, how to determine whether a company is a principal or an agent and how to determine whether the revenue from granting a license should be recognized at a point in time or over time. The Group has examined the effects of the new Standard on its Financial Statements. See note 7.4.

Amendment to IFRS 2: "Classification and Measurement of Share-based Payment Transactions" (effective for annual periods starting on or after 01/01/2018)

In June 2016, the IASB published narrow scope amendment to IFRS 2. The objective of this amendment is to clarify how to account for certain types of share-based payment transactions. More specifically, the amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, for share-based payment transactions with a net settlement feature for withholding tax obligation, as well as, a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The amendments do not affect the consolidated Financial Statements.

Amendments to IFRS 4: "Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts" (effective for annual periods starting on or after 01/01/2018)

In September 2016, the IASB published amendments to IFRS 4. The objective of the amendments is to address the temporary accounting consequences of the different effective dates of IFRS 9 Financial Instruments and the forthcoming insurance contracts Standard. The amendments to existing requirements of IFRS 4 permit entities whose predominant activities are connected with insurance to defer the application of IFRS 9 until 2021 (the "temporary exemption") and also permit all issuers of insurance contracts to recognize in other comprehensive income, rather than profit or loss, the volatility that could arise when IFRS 9 is applied before the new insurance contracts Standard is issued (the "overlay approach"). The amendments do not affect the consolidated Financial Statements.

Annual Improvements to IFRSs – 2014-2016 Cycle (effective for annual periods starting on or after 01/01/2018)

In December 2016, the IASB issued Annual Improvements to IFRSs – 2014-2016 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2014-2016 cycle. The issues included in this cycle and are effective for annual periods starting on or after 01/01/2018 are the following: **IFRS 1:** Deletion of short-term exemptions for first-time adopters, **IAS 28:** Measuring an associate or joint venture at fair value. ”). The amendments do not affect the consolidated Financial Statements.

Amendments to IAS 40: “Transfers of Investment Property” (effective for annual periods starting on or after 01/01/2018)

In December 2016, the IASB published narrow-scope amendments to IAS 40. The objective of the amendments is to reinforce the principle for transfers into, or out of, investment property in IAS 40, to specify that (a) a transfer into, or out of investment property should be made only when there has been a change in use of the property, and (b) such a change in use would involve the assessment of whether the property qualifies as an investment property. That change in use should be supported by evidence. ”). The amendments do not affect the consolidated Financial Statements.

IFRIC 22 “Foreign Currency Transactions and Advance Consideration” (effective for annual periods starting on or after 01/01/2018)

In December 2016, the IASB issued a new Interpretation, IFRIC 22. IFRIC 22 provides requirements about which exchange rate to use in reporting foreign currency transactions (such as revenue transactions) when payment is made or received in advance. The amendments do not affect the consolidated Financial Statements.

7.3 New Standards, Interpretations, Revisions and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet or they have not been adopted by the European Union.

IFRS 16 “Leases” (effective for annual periods starting on or after 01/01/2019)

In January 2016, the IASB issued a new Standard, IFRS 16. The objective of the project was to develop a new Leases Standard that sets out the principles that both parties to a contract, i.e. the customer (‘lessee’) and the supplier (‘lessor’), apply to provide relevant information about leases in a manner that faithfully represents those transactions. To meet this objective, a lessee is required to recognise assets and liabilities arising from a lease. The Group will examine the impact of the above on its Financial Statements. The above have been adopted by the European Union with effective date of 01/01/2019.

Amendments to IFRS 9: “Prepayment Features with Negative Compensation” (effective for annual periods starting on or after 01/01/2019)

In October 2017, the IASB published narrow-scope amendments to IFRS 9. Under the existing requirements of IFRS 9, an entity would have measured a financial asset with negative compensation at fair value through profit or loss as the “negative compensation” feature would have been viewed as introducing potential cash flows that were not solely payments of principal and interest. Under the amendments, companies are allowed to measure particular prepayable financial assets with so-called negative compensation at amortised cost or at fair value through other comprehensive income if a specified condition is met. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2019.

Amendments to IAS 28: "Long-term Interests in Associates and Joint Ventures" (effective for annual periods starting on or after 01/01/2019)

In October 2017, the IASB published narrow-scope amendments to IAS 28. The objective of the amendments is to clarify that companies account for long-term interests in an associate or joint venture – to which the equity method is not applied – using IFRS 9. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

Annual Improvements to IFRSs – 2015-2017 Cycle (effective for annual periods starting on or after 01/01/2019)

In December 2017, the IASB issued Annual Improvements to IFRSs – 2015-2017 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2015-2017 cycle. The issues included in this cycle are the following: IFRS 3 - IFRS 11: Previously held interest in a joint operation, IAS 12: Income tax consequences of payments on financial instruments classified as equity, IAS 23: Borrowing costs eligible for capitalization. The amendments are effective for annual periods beginning on or after 1 January 2019. The Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

Amendments to IAS 19: "Plan Amendment, Curtailment or Settlement" (effective for annual periods starting on or after 01/01/2019)

In February 2018, the IASB published narrow-scope amendments to IAS 19, under which an entity is required to use updated assumptions to determine current service cost and net interest for the remainder of the reporting period after an amendment, curtailment or settlement to a plan. The objective of the amendments is to enhance the understanding of the financial statements and provide useful information to the users. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

IFRIC 23 "Uncertainty over Income Tax Treatments" (effective for annual periods starting on or after 01/01/2019)

In June 2017, the IASB issued a new Interpretation, IFRIC 23. IAS 12 "Income Taxes" specifies how to account for current and deferred tax, but not how to reflect the effects of uncertainty. IFRIC 23 provides requirements that add to the requirements in IAS 12 by specifying how to reflect the effects of uncertainty in accounting for income taxes. The Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

Revision of the Conceptual Framework for Financial Reporting (effective for annual periods starting on or after 01/01/2020)

In March 2018, the IASB issued the revised Conceptual Framework for Financial Reporting (Conceptual Framework), the objective of which was to incorporate some important issues that were not covered, as well as update and clarify some guidance that was unclear or out of date. The revised Conceptual Framework includes a new chapter on measurement, which analyzes the concept on measurement, including factors to be considered when selecting a measurement basis, concepts on presentation and disclosure, and guidance on derecognition of assets and liabilities from financial statements. In addition, the revised Conceptual Framework includes improved definitions of an asset and a liability, guidance supporting these definitions, update of recognition criteria for assets and liabilities, as well as clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting. The Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

Amendments to References to the Conceptual Framework in IFRS Standards (effective for annual periods starting on or after 01/01/2020)

In March 2018, the IASB issued Amendments to References to the Conceptual Framework, following its revision. Some Standards include explicit references to previous versions of the Conceptual Framework. The objective of these amendments is to update those references so that they refer to the revised Conceptual Framework and to support transition to the revised Conceptual Framework. The Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

IFRS 17 “Insurance Contracts” (effective for annual periods starting on or after 01/01/2021)

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

7.4 Changes in Accounting Policies

IFRS 15 “Revenue from Contracts with Customers”

IFRS 15 replaces IAS 11 "Construction Contracts", IAS 18 "Revenue" and all Interpretations relating to income from contracts with customers unless such contracts fall within the scope of other standards.

The key principle of this Standard is that an entity recognizes revenue to present the transfer of the promised goods or services to its customers in an amount reflecting the consideration it expects to be entitled to for those goods or services. An entity will recognize revenue in accordance with this key principle by applying a five-step model.

As at January 1, 2018, the Group and the Company adopted IFRS 15, applying this Standard retrospectively, with the cumulative effect of the original application recognized on the date of initial application. Therefore, it recognized the cumulative effect of the transition to the account “Retained Earnings” while the comparative amounts were not restated. However, the Group and the Company did not have any impact on their profitability or financial position during the first application of IFRS 15, with the result that no adjustment was made to “Retained Earnings”.

The Group's and Company's revenues come mainly from Construction Contracts (Construction Sector) and the sale of goods and services (Metallurgy and Energy Sector).

The Group and the Company recognize income when (or as) they fulfill a performance commitment by transferring a promised asset or service (ie an asset) to a customer. An asset is transferred when (or as) the customer acquires audit

of that asset. The customer acquires audit of an asset (good or service) when it can direct its use and receive virtually all the remaining benefits from it.
The amount of revenue recognized is the amount that is allocated to the performance commitment of the contract that has been settled. The performance commitment of the contract can be fulfilled either at a specific time or over time. For over time performance commitments, the Group and the Company recognize revenue over time by choosing the most appropriate method to measure progress in fulfilling every performance commitment. Appropriate methods of measuring progress include both output methods and input methods.

IFRS 9 “Financial Instruments”

IFRS 9 "Financial Instruments" replaces IAS 39 "Financial Instruments: Recognition and Measurement" for annual periods beginning as at or after 01/01/2018, with its key provisions to include the classification and measurement of financial instruments, impairment and hedge accounting.
The Group and the Company have applied the new standard from 01/01/2018 retrospectively without reviewing comparative information from previous years. Therefore, the adjustments resulting from the new classification and the new impairment rules do not appear in the Statement of Financial Position as at 31/12/2017 but were recognized in the Statement of Financial Position as at 01/01/2018.

Classification and Measurement

IFRS 9 eliminates the previous categories of IAS 39 for financial assets: held to maturity, loans and receivables and available for sale. The adoption of IFRS 9 had no impact on the Group's accounting policies for financial liabilities. The effect of IFRS 9 on the classification and measurement of financial assets is presented below.
In accordance with IFRS 9, financial instruments are subsequently measured at fair value through profit or loss, amortized cost, or fair value through other comprehensive income. Classification is based on two criteria:

- the business model for managing a financial asset, meaning, whether the objective is to hold for the purpose of collecting contractual cash flows or collecting contractual cash flows as well as the sale of financial assets; and
- whether the contractual cash flows of the financial asset consist exclusively of capital repayments and interest on the outstanding balance ("SPPI" criterion).

Financial assets (equity investments) that the Group had classified as available-for-sale under IAS 39 are now classified as other financial assets and measured at fair value through the statement of other comprehensive income. Changes in the equity valuation are included in items that will not be classified in the income statement in the future. IFRS 9 allows entities the irrevocable choice to measure an equity investment that is not held for trading at fair value through other comprehensive income.
Financial assets at fair value through profit or loss include equity instruments that the Group has not irrevocably chosen to classify in the statement of comprehensive income upon initial recognition or transfer. This category also includes securities whose cash flows do not meet the SPPI criterion or the Group does not own them in the context of a business model for the purpose of collecting contractual cash flows or collecting contractual cash flows and selling them. The profit or loss on financial assets at fair value through income is recognized in the income statement.

Impairment

The adoption of IFRS 9 led to a change in the accounting treatment of impairment losses for financial assets as it replaced the treatment of IAS 39 for recognizing realized losses by recognizing the expected credit losses.

Conventional assets and receivables from customers: The Group applies the simplified approach of IFRS 9 for the calculation of expected credit losses, according to which the provision for impairment is always measured in an amount equal to the expected credit losses over the lifetime for customer receivables and contractual assets. To determine the expected credit losses in relation to customer receivables, the Group uses a credit loss projection based on the historical data of the Group for credit losses, adjusted for future factors in relation to the debtors and the financial environment. In particular, to determine the expected credit losses in respect of contractual assets, account shall be taken of the estimated rate of early termination of contracts, the amount of the clauses in the case of early termination and the relative rate of collectability. The provision for impairment for the Group and the Company increased by € 17.2 million as at 01/01/2018. Increase in the projection resulted in the respective adjustment of "Retained Earnings".

Hedge Accounting

At the date of the original application of the Standard, all existing hedging relationships of the Group can be classified as continuing and hence the application of the new standard has no impact on the financial statements. The Group's risk management policies are in line with the requirements of the new standard and hedge accounting continues to apply.

Derivative financial instruments to the extent that they are not classified as effective hedging instruments are measured at fair value through the income statement.

Adoption of IFRS 9 from the Group and the Company

The table below shows the adjustments made for each separate line item of the Statement of Financial Position due to the application of the requirements of IFRS 9. Any lines that were not affected by the changes introduced by the new standard are not included in the table.

(Amounts in thousands €)	MYTILINAIOS GROUP		
Segment from Statement of Financial Position	**31/12/2017**	**IFRS 9**	**1/1/2018**
Financial Assets Available for Sale	163	(163)	0
Other Financial Assets	0	163	163
Trade and Other Receivables	745.856	(16.734)	729.121
Other Receivables	272.625	(489)	272.136
Retained Earnings	978.058	(17.223)	960.835

(Amounts in thousands €)	MYTILINAIOS S.A.		
Segment from Statement of Financial Position	**31/12/2017**	**IFRS 9**	**1/1/2018**
Financial Assets Available for Sale	37	(37)	0
Other Financial Assets	0	37	37
Trade and Other Receivables	426.155	(16.734)	409.420
Other Receivables	328.430	(489)	327.941
Retained Earnings	848.768	(17.223)	831.545

7.5 Pro forma figure "Operating Earnings before Financial & Investment results, Tax, Depreciation & Amortization" (Group EBITDA)

Pro forma figures (EBITDA, EBITDA margin, free cash flow, net debt) are not governed by the International Financial Reporting Standards (IFRS). Thus, these figures are calculated and presented by the Group in a way that provides a more fair view of the financial performance of its Business Sectors. The Group defines "Group EBITDA" as the Operating earnings before any interest income and expenses, investment results, depreciation, amortization and before the effects of any special factors. "Group EBITDA" is an important indicator used by Mytilineos Group to manage the Group's operating activities and to measure the performance of the individual segments.

The special factors that affect the Group's net profit / (losses) and EBITDA are the following:
a) the share in the EBITDA of associates when these are active in one of the Group's reported Business Sector and
b) the effects of eliminations of any profit or loss from asset construction transactions of the Group with the associates.

It is noted that the Group financial statements, prepared according to IAS 1 and IAS 28, include the Group's profit realized in connection with the construction of fixed assets on account of subsidiaries and associates, when these are active in one of its reported Business Segments. Such profits are deducted from the Group's equity and fixed assets and released in the Group accounts over the same period as depreciation is charged. Consequently, for the calculation of EBITDA (operational results before depreciation), the Group does not eliminate the profit from the construction of fixed assets as its recovery through their use will effect only the profit after depreciation.

The Group states that the calculation of "Group EBITDA" may differ from the calculation method used by other companies/groups. However, "Group EBITDA" is calculated with consistency in each financial reporting period and any other financial analysis presented by the Group. Specifically financial results contain interest income/expense, while investment results contain gains/loss of financial assets at fair value through profit and loss, share of results in associates companies and gains/losses from the disposal of financial assets (such as subsidiaries and associates).

7.6 Group Structure and method of Consolidation

Group companies, included in the consolidated financial statements are:

	NAME OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES	COUNTRY OF INCORPORATION	PERCENTAGE	CONSOLIDATION METHOD
1	**MYTILINEOS S.A.**	**Greece**	**Parent**	
2	SERVISTEEL	Greece	99.98%	Full
3	RODAX ROMANIA SRL	Romania	100.00%	Full
4	ELEMKA S.A.	Greece	83.50%	Full
5	DROSCO HOLDINGS LIMITED	Cyprus	83.50%	Full
6	BRIDGE ACCESSORIES & CONSTRUCTION SYSTEMS S.A.	Greece	62.63%	Full
7	METKA BRAZI SRL	Romania	100.00%	Full
8	POWER PROJECT SANAYI INSAAT TICARET LIMITED SIRKETI	Turkey	100.00%	Full
9	DELFI DISTOMON A.M.E.	Greece	100.00%	Full
10	DESFINA SHIPPING COMPANY	Greece	100.00%	Full
11	ST. NIKOLAOS SINGLE MEMBER P.C.	Greece	100.00%	Full
12	RENEWABLE SOURCES OF KARYSTIA S.A.	Greece	100.00%	Full
13	SOMETRA S.A.	Romania	92.79%	Full
14	STANMED TRADING LTD	Cyprus	100.00%	Full
15	MYTILINEOS FINANCE S.A.	Luxembourg	100.00%	Full
16	RDA TRADING	Guernsey Islands	100.00%	Full
17	MYTILINEOS BELGRADE D.O.O.	Serbia	92.79%	Full
18	MYVEKT INTERNATIONAL SKOPJE	FYROM	100.00%	Full
19	MYTILINEOS FINANCIAL PARTNERS S.A.	Luxembourg	100.00%	Full
20	MYTILINEOS INTERNATIONAL COMPANY AG "MIT Co"	Switzerland	100.00%	Full
21	GENIKI VIOMICHANIKI S.A.	Greece	Joint Management	Full
22	DELTA PROJECT CONSTRUCT SRL	Romania	95.01%	Full
23	DELTA ENERGY S.A.	Greece	100.00%	Full
24	FOIVOS ENERGY S.A.	Greece	100.00%	Full
25	HYDROHOOS S.A.	Greece	100.00%	Full
26	HYDRIA ENERGY S.A.	Greece	100.00%	Full
27	EN.DY. S.A.	Greece	100.00%	Full
28	THESSALIKI ENERGY S.A.	Greece	100.00%	Full
29	NORTH AEGEAN RENEWABLES	Greece	100.00%	Full
30	MYTILINEOS HELLENIC WIND POWER S.A.	Greece	80.00%	Full
31	AIOLIKI ANDROU TSIROVLIDI S.A.	Greece	80.20%	Full
32	MYTILINEOS AIOLIKI NEAPOLEOS S.A.	Greece	80.20%	Full
33	AIOLIKI EVOIAS PIRGOS S.A.	Greece	80.20%	Full
34	AIOLIKI EVOIAS POUNTA S.A.	Greece	80.20%	Full
35	AIOLIKI EVOIAS HELONA S.A.	Greece	80.20%	Full
36	AIOLIKI ANDROU RAHI XIROKOBI S.A.	Greece	80.20%	Full
37	METKA AIOLIKA PLATANOU S.A.	Greece	80.20%	Full
38	AIOLIKI SAMOTHRAKIS S.A.	Greece	100.00%	Full
39	AIOLIKI EVOIAS DIAKOFTIS S.A.	Greece	80.20%	Full
40	AIOLIKI SIDIROKASTROU S.A.	Greece	80.20%	Full
41	HELLENIC SOLAR S.A.	Greece	100.00%	Full
42	SPIDER S.A.	Greece	100.00%	Full
43	GREEN ENERGY A.E.	Bulgaria	80.00%	Full
44	MOVAL S.A.	Greece	100.00%	Full
45	PROTERGIA AGIOS NIKOLAOS POWER SOCIETE ANONYME OF GENERATION AND SUPPLY OF ELECTRICITY (ex ANEMOSKALA RENEWABLE ENERGY SOURCES S.A.)	Greece	100.00%	Full
46	METKA INDUSTRIAL - CONSTRUCTION S.A. (ex ANEMOSTRATA RENEWABLE ENERGY SOURCES S.A.)	Greece	100.00%	Full
47	ANEMODRASI RENEWABLE ENERGY SOURCES S.A.	Greece	100.00%	Full
48	ANEMORAHI RENEWABLE ENERGY SOURCES S.A.	Greece	100.00%	Full
49	HORTEROU S.A.	Greece	100.00%	Full
50	KISSAVOS DROSERI RAHI S.A.	Greece	100.00%	Full
51	KISSAVOS PLAKA TRANI S.A.	Greece	100.00%	Full
52	KISSAVOS FOTINI S.A.	Greece	100.00%	Full

	NAME OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES	COUNTRY OF INCORPORATION	PERCENTAGE	CONSOLIDATION METHOD
53	AETOVOUNI S.A.	Greece	100.00%	Full
54	LOGGARIA S.A.	Greece	100.00%	Full
55	IKAROS ANEMOS SA	Greece	100.00%	Full
56	KERASOUDA SA	Greece	100.00%	Full
57	AIOLIKH ARGOSTYLIAS A.E.	Greece	100.00%	Full
58	M & M GAS Co S.A.	Greece	50.00%	Full
59	J/V METKA – TERNA	Greece	10.00%	Equity
60	KORINTHOS POWER S.A.	Greece	65.00%	Full
61	KILKIS PALEON TRIETHNES S.A.	Greece	100.00%	Full
62	ANEMOROE S.A.	Greece	100.00%	Full
63	PROTERGIA ENERGY S.A.	Greece	100.00%	Full
64	SOLIEN ENERGY S.A.	Greece	100.00%	Full
65	ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME (EX OSTENITIS S.A.)	Greece	100.00%	Full
66	THERMOREMA S.A.	Greece	40.00%	Equity
67	FTHIOTIKI ENERGY S.A.	Greece	35.00%	Equity
68	METKA RENEWABLES LIMITED	Cyprus	100.00%	Full
69	IONIA ENERGY S.A.	Greece	49.00%	Equity
70	AIOLIKH TRIKORFON S.A.	Greece	100.00%	Full
71	MAKRYNOROS ENERGEIAKH S.A.	Greece	100.00%	Full
72	RIVERA DEL RIO	Panama	50.00%	Full
73	METKA-EGN LTD	Cyprus	50.10%	Full
74	METKA-EGN LTD	England	50.10%	Full
75	METKA-EGN SpA	Chile	50.10%	Full
76	METKA-EGN USA LLC	Puerto Rico	50.10%	Full
77	METKA EGN KZ LLP	Kazakhstan	50.05%	Full
78	METKA EGN MEXICO S. DE.R.L. C.V	Mexico	50.09%	Full
79	METKA-EGN UGANDA SMC LTD	Uganda	50.10%	Full
80	METKA-EGN JAPAN LTD	Japan	50.10%	Full
81	METKA POWER WEST AFRICA LIMITED	Nigeria	100.00%	Full
82	METKA INTERNATIONAL LTD	United Arab Emirates	100.00%	Full
83	METKA POWER INVESTMENTS	Cyprus	100.00%	Full
84	METKA IPS LTD	Dubai	50.00%	Equity
85	INTERNATIONAL POWER SUPPLY AD	Bulgaria	10.00%	Equity
86	AURORA VENTURES	Marshal Islands	100.00%	Full
87	SYMBOL HOLDING LTD	Marshal Islands	100.00%	Full
88	ESPRIT SHIP MANAGEMENT CO.	Marshal Islands	100.00%	Full
89	PLEASURE FINANCE COMPANY	Marshal Islands	100.00%	Full
90	CHARM SHIPTRADE CORP.	Marshal Islands	100.00%	Full
91	EXPEDITION ENTREPRISES LTD	Marshal Islands	100.00%	Full
92	SEALAND MARINE CORP.	Marshal Islands	100.00%	Full
93	UNIQUE SHIPTRADE S.A.	Marshal Islands	100.00%	Full
94	MELODIA VENTURES S.A.	Marshal Islands	100.00%	Full
95	REGION CONSULTING S.A.	Marshal Islands	100.00%	Full
96	VERA SHIPTRADE CORP.	Marshal Islands	100.00%	Full
97	NAVARA MARITIME INC	Marshal Islands	100.00%	Full
98	STALLENT NAVIGATION LTD	Marshal Islands	100.00%	Full
99	MIMOSA MARINE CO	Marshal Islands	100.00%	Full
100	INSIGHT MARITIME LIMITED	Marshal Islands	100.00%	Full
101	PICADO MARINE INC	Marshal Islands	100.00%	Full
102	DOMENICO MARINE CORP	Marshal Islands	100.00%	Full
103	PROTERGIA THERMOELEKTRIKI S.A.	Greece	100.00%	Full
104	MTRH Developmnet GmbH	Austria	100.00%	Full

7.6.1 Foundation & Acquisition

During January 2018, the 100% Group's subsidiary METKA Renewables Ltd, acquired the company MTRH Development GmbH, which is based in Austria, at the amount of € 0.7 Mio. The Group holds 100% of the shares and the newly acquired company is consolidated in the group's financial statements using the method of full consolidation. The consolidation of the newly acquired company does not have any significant effect on the financial statements of 30.06.2018.

During June 2018, the 50,10% Group's subsidiary, METKA – EGN LTD, which is based in UK, founded METKA -EGN UGANDA – SMC LTD. METKA – EGN LTD holds 100% of the shares and the newly acquired company is consolidated in the group's financial statements using the method of full consolidation.

During June 2018, the 50,10% Group's subsidiary, METKA – EGN LTD, which is based in UK, founded METKA -EGN JAPAN LTD. METKA – EGN LTD holds 100% of the shares and the newly acquired company is consolidated in the group's financial statements using the method of full consolidation.

7.6.2 Other changes

On 30.06.2018, the MYTILINEOS S.A. acquired the remaining 9.97% of the subsidiary DELTA ENERGY S.A., thus becoming the sole shareholder. The purchase price amounted to € 480 thousand. After the aforementioned purchase, the companies FOIVOS ENERGY S.A., HYDROHOOS S.A., HYDRIA ENERGY S.A., EN.DY. S.A. and THESSALIKI ENERGY S.A. also became 100% subsidiaries of the Group, through DELTA ENERGY S.A.

7.7 Significant information

During the reporting period the company proceeded to the below decisions and actions:

- On 06.02.2018, the final settlement of the $40 million compensation that derived from the issued award by the International Arbitral Tribunal on RTB-BOR, was signed by a representative of MYTILINEOS and the Serbian government.

The compensation is to be received in four quarterly installments, the latter in December 2018. The first two installments have already been received, while the total amount of the compensation has been included in the financial results of year 2017.

- On 02.03.2018 MYTILINEOS filed an application with RAE to obtain a production license for a gas fired Combined Cycle Power Plant of 650 MW and construction site the Energy Center in Agios Nikolaos.

- On 07.03.2018 MYTILINEOS announced that its subsidiary METKA EGN has signed an agreement with HC ESS3 Ltd, a company set up by its long-term client Corylus Capital LLP (previously known as Hazel Capital) for the EPC of a new 20 MW hybrid energy storage system (ESS) project in the United Kingdom, which will provide Fast Frequency Response (FFR) and other ancillary services to National Grid.

- On 20.03.2018, the General Court of the European Union rejected MYTILINEOS' appeal against the European Commission's decision concerning the price of the electricity tariffs charged by PPC to Aluminium of Greece during the period 2007-2008. The amount declared as state aid amounts to € 17.4 million plus interest. The Company changed the results of the individual and consolidated financial statements for the year 2017. This amount has already been paid to PPC, and in the event that the General Court's decision is annulled, the amount will benefit the results and cash flows in a subsequent year.

- On 26.03.2018, MYTILINEOS announced the successful transaction between its subsidiary METKA EGN and Lightsource BP, the leading solar power company, to sell four operational solar photovoltaic power projects in the United Kingdom, with total capacity of 18 MW. The four solar projects were developed and constructed by METKA EGN to meet the 31 March 2017 deadline, and subsequently received accreditation under the 1.2 Renewable Obligation Certificate (ROC) program.

- On 23.04.2018 MYTILINEOS announced that its subsidiary, METKA Power West Africa, has signed an agreement with the Federal Government of Nigeria for the first phase of the Energizing Education program. METKA West Africa has signed an agreement for the full EPC services for four universities, including power generation plants, street lighting and training centers, as well as operation and maintenance services. The outcome will help numerous students to have a quality academic life and opportunities for the future.
All four universities will be powered by hybrid power plants utilizing renewable energy sources integrated with energy storage and diesel generation as back-up, enabling reliable power supply for the universities totally autonomously from the grid. In total, 7.5MW of off-grid hybrid power will be installed, incorporating the award winning EXERON technology and the latest developments in mini-grid design.

- On 14.05.2018 MYTILINEOS announced its ranking as a Sustainability Leader for 2017, at the top tier of the Sustainable Performance Directory, the Sustainable Development Business Index for Greek enterprises, together with six other companies from among a total of 50.

- On 19.06.2018 MYTILINEOS announced that its subsidiary, METKA EGN, has signed a contract with Talasol Solar S.L.U., a subsidiary of Ellomay Capital Ltd., to carry out a large scale solar power plant, with installed capacity of 300 MWp in the municipality of Talaván, Cáceres, Spain (the "Talasol Project"). The signing of the agreement took place on 18.06.2018 at MYTILINEOS headquarters in Athens. The scope includes the engineering, procurement and construction (EPC) of the Talasol Project and the ancillary facilities for injecting power into the grid, including a 400 kV step-up substation, the high voltage interconnection line to the point of connection to the grid and performance of two years of operation and maintenance (O&M) services. The Contract value is just below €200Mio.

- The 26.06.2018 was set as the record date for beneficiaries of interest payment for the second Interest Payment Period, i.e. from 27.12.2017 to 27.06.2018, according to the terms of the dated 27.6.2017 common bond loan issued by MYTILINEOS HOLDINGS S.A.

The gross interest amount for the second Interest Payment Period amounted to € 4,701,666.67 i.e. € 15.6722222222 per bond, which was calculated at an annual interest rate of 3.10% (before tax) and corresponded to 300,000 bonds that were being traded on the Athens Exchange on that date. The payment of the accrued interest to the bondholders took place through the “Hellenic Central Securities Depositary S.A.” on 27.06.2018.

7.8 Segment reporting

Primary reporting format – business segments

MYTILINEOS Group is active in three main operating business segments: a) Metallurgy and Mining, b) EPC & Infrastructure and c) Electric Power & Gas trading. In accordance with the requirements of IFRS 8, management generally follows the Group's service lines, which represent the main products and services provided by the Group, in identifying its operating segments. Each of these operating segments is managed separately as each of these service lines requires different technologies and other resources as well as marketing approaches. The Group’s service lines that do not fulfil the quantitative and qualitative thresholds of IFRS 8, in order to be considered as separate segments, are presented cumulatively under the category “Others”.

The Group has applied IFRS 5 “Non-Current Assets Available for Sale & Discontinued Operations” and present separately the results of the discontinued operations of the subsidiary company SOMETRA S.A.

Income and results per operating segment are presented as follows:

(Amounts in thousands €) *1/1-30/06/2018*	Metallurgy	EPC & Infrastructure	Power & Gas	Others	Discontinuing Operations	Total
Total Gross Sales	291,179	206,879	288,712	1,567	(22)	788,315
Intercompany sales	(7,705)	(10,915)	(52,561)	-	-	(71,181)
Inter-segment sales	-	-	-	-	-	-
Net Sales	**283,474**	**195,964**	**236,151**	**1,567**	**(22)**	**717,134**
Earnings before interest and income tax	**82,665**	**31,504**	**(5,555)**	**(641)**	**(10)**	**107,963**
Financial results						(19,857)
Investment Results						452
Profit before income tax	**78,507**	**30,620**	**(11,844)**	**(6,509)**	**(8)**	**88,558**
Assets depreciation	16,284	2,252	17,836	342	(47)	36,668
Other operating included in EBITDA		527				527
Oper.Earnings before income tax,financial results,depreciation and amortization (EBITDA)	**98,950**	**34,284**	**12,283**	**(304)**	**(56)**	**145,158**

(Amounts in thousands €) *1/1-30/06/2017*	Metallurgy	EPC & Infrastructure	Power & Gas	Others	Discontinuing Operations	Total
Total Gross Sales	367,130	311,071	242,570	4,462	(1,503)	923,730
Intercompany sales	(91,993)	(4,135)	(4,597)	(4,462)	-	(105,187)
Inter-segment sales	-	(7,050)	(74)	-	-	(7,124)
Net Sales	**275,137**	**299,886**	**237,899**	**-**	**(1,503)**	**811,419**
Earnings before interest and income tax	**64,760**	**44,208**	**17,797**	**(6,031)**	**756**	**121,490**
Financial results	(11,273)	884	(12,134)	(5,710)	23	(28,210)
Investment Results	-	-	-	212	-	212
Profit before income tax	**53,487**	**45,092**	**5,663**	**(11,529)**	**779**	**93,492**
Assets depreciation	15,758	2,028	19,498	(2,591)	(180)	34,513
Other operating included in EBITDA	-	543	-	-	-	543
Oper.Earnings before income tax,financial results,depreciation and amortization	**80,518**	**46,779**	**37,295**	**(8,622)**	**576**	**156,546**

Assets and liabilities per operating segment are presented as follows:

(Amounts in thousands €)	Metallurgy	EPC & Infrastructure	Power & Gas	Others	Total
30/06/2018					
Assets	1,135,173	1,292,548	1,056,491	(248,345)	3,235,867
Consolidated assets	1,135,173	1,292,548	1,056,491	(248,345)	3,235,867
Liabilities	735,336	560,652	605,048	(137,266)	1,763,770
Consolidated liabilities	735,336	560,652	605,048	(137,266)	1,763,770

(Amounts in thousands €)	Metallurgy	EPC & Infrastructure	Power & Gas	Others	Total
31/12/2017					
Assets	1,050,888	1,275,812	1,056,565	(165,046)	3,218,219
Consolidated assets	1,050,888	1,275,812	1,056,565	(165,046)	3,218,219
Liabilities	755,532	559,885	599,051	(127,242)	1,787,226
Consolidated liabilities	755,532	559,885	599,051	(127,242)	1,787,226

The negative value of assets in category "Others" is a result of intercompany eliminations made in order to reconcile the figures on segment report and those on financial statements.

Geographical Information

The Group's Sales and its Non-current assets (other than financial instruments, investments, deferred tax assets and postemployment benefit plan assets) are divided into the following geographical areas:

	MYTILINEOS GROUP			
(Amounts in thousands €)	Sales 30/06/2018	Sales 30/06/2017	Non current assets 30/06/2018	Non current assets 31/12/2017
Hellas	355,262	417,062	1,514,304	1,512,526
European Union	195,343	186,654	23,263	23,198
Other Countries	166,530	207,703	58,226	45,885
Regional Analysis	**717,134**	**811,419**	**1,595,792**	**1,581,609**

7.9 Stock

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	30/06/2018	31/12/2017	30/06/2018	31/12/2017
Raw materials	65,444	60,691	65,268	59,122
Semi-finished products	2,033	844	1,726	522
Finished products	15,062	18,060	15,062	18,059
Work in Progress	34,176	32,552	33,886	32,228
Merchandise	5,448	5,064	-	-
Others	47,071	44,110	36,464	32,455
Total	**169,235**	**161,322**	**152,405**	**142,387**
(Less)Provisions for scrap, slow moving and/or destroyed inventories:	(2,432)	(2,432)	(2,303)	(2,303)
Total Stock	**166,803**	**158,890**	**150,103**	**140,084**

7.10 Cash and Cash equivalents

(Amounts in thousands €)	MYTILINEOS GROUP 30/06/2018	MYTILINEOS GROUP 31/12/2017	MYTILINEOS S.A. 30/06/2018	MYTILINEOS S.A. 31/12/2017
Cash	1,123	17,980	995	915
Bank deposits	81,822	87,805	21,027	34,309
Time deposits & Repos	91,094	55,155	91,109	53,770
Total	**174,039**	**160,940**	**113,131**	**88,995**

The weighted average interest rate is as:	30/06/2018	31/12/2017
Deposits in Euro	0.39%	0.24%

7.10.1 Loan liabilities

(Amounts in thousands €)	MYTILINEOS GROUP 30/06/2018	MYTILINEOS GROUP 31/12/2017	MYTILINEOS S.A. 30/06/2018	MYTILINEOS S.A. 31/12/2017
Long-term debt				
Bank loans	132,994	14,759	-	-
Bonds	466,147	583,996	444,856	397,589
Total	**599,141**	**598,755**	**444,856**	**397,589**
Short-term debt				
Overdraft	3,123	54,562	1,044	52,462
Bank loans	52,400	41,437	-	23,031
Total	**55,523**	**95,998**	**1,044**	**75,492**
Current portion of non-current liabilities	39,442	34,327	17,332	22,202
Total	**694,106**	**729,080**	**463,232**	**495,283**

7.10.2 Loan liabilities movement

MYTILINEOS GROUP

(Amounts in thousands €)	30/06/2018 Short term Loan Liabilities	30/06/2018 Long term Loan Liabilities	30/06/2018 Total	31/12/2017 Short term Loan Liabilities	31/12/2017 Long term Loan Liabilities	31/12/2017 Total
Total Opening	**130,326**	**598,755**	**729,080**	**387,526**	**428,650**	**816,176**
Repayments	(151,841)	(149,838)	(301,679)	(437,676)	(228,301)	(665,977)
Proceeds	72,401	187,912	260,314	155,140	429,792	584,932
Foreign Exchange Rates	(82)	-	(82)	255	-	255
Other	1,803	4,530	6,333	2,673	(1,000)	1,673
Reclassification	42,359	(42,218)	141	22,407	(30,386)	(7,979)
Total	**94,965**	**599,141**	**694,106**	**130,325**	**598,755**	**729,080**

MYTILINEOS S.A.

(Amounts in thousands €)	30/06/2018 Short term Loan Liabilities	30/06/2018 Long term Loan Liabilities	30/06/2018 Total	31/12/2017 Short term Loan Liabilities	31/12/2017 Long term Loan Liabilities	31/12/2017 Total
Total Opening	**97,694**	**397,589**	**495,283**	**18,831**	**5,250**	**24,081**
Impact From Merge of Subsidiaries	-	-	-	295,818	261,551	557,369
Repayments	(88,804)	(125,412)	(214,216)	(371,605)	(220,248)	(591,853)
Proceeds	8,922	168,528	177,451	140,116	375,000	515,116
Other	43	4,531	4,574	323	(1,763)	(1,440)
Reclassification	521	(380)	141	14,211	(22,202)	(7,991)
Total	**18,376**	**444,856**	**463,232**	**97,694**	**397,589**	**495,283**

7.11 Discontinued operations

The Group, since 2009, applies IFRS 5 "Non-current assets held for sale & discontinued operations", and presents separately the assets and liabilities of the subsidiary company SOMETRA S.A., following the suspension of the production activity of the Zinc-Lead production plant in Romania, and presents also the amounts recognized in the income statement separately from continuing operations. Given the global economic recession, there were no feasible scenarios for the alternative utilization of the aforementioned financial assets.

From 2011 and on, by applying par. 13 of IFRS 5 “Non-current assets Held for Sale”, the Zinc-Lead production ceases to be an asset held for sale and is considered as an asset to be abandoned. The assets of the disposal group to be abandoned are presented within the continuing operations while the results as discontinued operations.

In December 2015, SOMETRA S.A., contributed the Zinc-Lead activity, through a spin – off process, to its newly established subsidiary Reycom Recycling S.A. (REYCOM). The said spin - off is part of the "Mytilineos Group" restructuring process, regarding the Zinc-Lead discontinued operation, targeting on the production of Zn & Pb oxides through the development of a recycling operation of metallurgical residues.
In the same context, on 29/11/2016 the cross – border merger of the subsidiary REYCOM and the subsidiary company ALUMINIUM OF GREECE (AOG) was completed.

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	1/1-30/06/2018	1/1-30/06/2017	1/1-30/06/2018	1/1-30/06/2017
Sales	**22**	**1,503**	**0**	**0**
Cost of sales	67	(916)	-	(0)
Gross profit	**(46)**	**587**	**0**	**0**
Other operating income	997	479	-	91
Distribution expenses	(41)	(91)	(0)	(0)
Administrative expenses	(893)	(1,330)	(19)	(367)
Other operating expenses	(8)	(401)	(0)	(0)
Earnings before interest and income tax	**10**	**(756)**	**(19)**	**(277)**
Financial expenses	(2)	(23)	(0)	(18)
Profit before income tax	**8**	**(779)**	**(19)**	**(295)**
Income tax expense	-	(0)	-	(0)
Profit for the period	**8**	**(779)**	**(19)**	**(295)**
Result from discontinuing operations	-	(0)	-	(0)
Profit for the period	**8**	**(779)**	**(19)**	**(295)**

7.12 Encumbrances

Group’s assets’ pledges and other encumbrances amount to € 272.2 m.

7.13 Commitments

Group’s commitments due to construction contracts are as follows:

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	30/06/2018	31/12/2017	30/06/2018	31/12/2017
Commitments from construction contracts				
Value of pending construction contracts	1,489,402	1,311,341	633,643	634,777
Granted guarantees of good performance	257,446	243,112	257,444	235,701
Total	**1,746,848**	**1,554,453**	**891,087**	**870,478**

7.14 Operating Leases

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	30/06/2018	31/12/2017	30/06/2018	31/12/2017
Until 1 year	4,386	4,188	3,355	3,188
1 to 5 years	13,639	15,441	9,612	10,800
>5 years	11,879	11,504	3,879	3,665
Total Operating Lease	**29,904**	**31,133**	**16,846**	**17,654**

7.15 Contingent Assets & Contingent Liabilities

Unaudited tax years

For the fiscal years from 2011 up to 2016, the Group's Companies operating in Greece fulfilling relevant criteria to be subject to tax audit by the statutory auditors, have received Tax Compliance Report, according to article 65A par. 1 of law 4174/2013, having no significant differentiations. According to the circular CL. 1006/2016, companies that have been subject to foresaid tax audit, are not exempt from the regular tax audit held by the competent tax authorities.

For fiscal year 2017, the tax Compliance audit is already being performed by the Statutory auditors and is not expected to bring any significant differentiation on the tax liabilities incorporated in the Financial Statements.

Unaudited tax years – Group's resident (Greek) subsidiaries

Taking into consideration the above regarding the Tax Compliance Report (where applicable), the following table shows the Company's and resident (Greek) subsidiaries' financial years whose tax liabilities are not definitive:

	COMPANY	YEARS NOT INSPECTED BY TAX AUTHORITIES		COMPANY	YEARS NOT INSPECTED BY TAX AUTHORITIES
1	MYTILINEOS S.A.	-	32	HELLENIC SOLAR S.A.	2010
2	METKA INDUSTRIAL - CONSTRUCTION S.A. (absorption by MYTILINEOS in 2017)	-	33	SPIDER S.A.	2010 & 2014-2017*
3	ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME (absorption by MYTILINEOS in 2017)	2010	34	MOVAL S.A.	1/7/2009-30/6/2010 & 2014-2017*
4	PROTERGIA S.A. (absorption by MYTILINEOS in 2017)	2010	35	PROTERGIA THERMOELEKTRIKI S.A.	1/7/2009-30/6/2010 & 2014-2017*
5	PROTERGIA THERMOELEKTRIKI S.A. (absorption by MYTILINEOS in 2017)	2010	36	METKA INDUSTRIAL - CONSTRUCTION S.A. (ex ANEMOSTRATA RENEWABLE ENERGY SOURCES S.A.)	2009 - 2010 & 2014-2017*
6	SERVISTEEL	2010	37	ANEMODRASI RENEWABLE ENERGY SOURCES S.A.	2009 - 2010 & 2014-2017*
7	ELEMKA S.A.	2010	38	ANEMORAHI RENEWABLE ENERGY SOURCES S.A.	2009 - 2010 & 2014-2017*
8	BRIDGE ACCESSORIES & CONSTRUCTION SYSTEMS S.A.	2010 & 2014-2017*	39	PROTERGIA AGIOS NIKOLAOS POWER S.A. OF GENERATION AND SUPPLY OF ELECTRICITY (ex ANEMOSKALA RENEWABLE ENERGY SOURCES S.A.)	2009 - 2010 & 2014-2017*
9	DELFI DISTOMON A.M.E.	2006-2010	40	HORTEROU S.A.	2010 & 2014-2017*
10	DESFINA SHIPPING COMPANY	2010-2017	41	KISSAVOS DROSERI RAHI S.A.	2010 & 2014-2017*
11	ST. NIKOLAOS SINGLE MEMBER P.C.	2014-2017	42	KISSAVOS PLAKA TRANI S.A.	2010 & 2014-2017*
12	RENEWABLE SOURCES OF KARYSTIA S.A.	2010	43	KISSAVOS FOTINI S.A.	2010 & 2014-2017*
13	GENIKI VIOMICHANIKI S.A.	2014-2017	44	AETOVOUNI S.A.	2010 & 2014-2017*
14	DELTA ENERGY S.A.	2010 & 2014-2017*	45	LOGGARIA S.A.	2010 & 2014-2017*
15	FOIVOS ENERGY S.A.	2010 & 2014-2017*	46	IKAROS ANEMOS SA	2014-2017*
16	HYDROHOOS S.A.	2010 & 2016-2017	47	KERASOUDA SA	2014-2017*
17	HYDRIA ENERGY S.A.	2010 & 2014-2017*	48	AIOLIKH ARGOSTYLIAS A.E.	2014-2017*
18	EN.DY. S.A.	2010 & 2014-2017*	49	J/V METKA – TERNA	2009-2017*
19	THESSALIKI ENERGY S.A.	2010 & 2014-2017*	50	KORINTHOS POWER S.A.	2010
20	NORTH AEGEAN RENEWABLES	2010 & 2014-2017*	51	KILKIS PALEON TRIETHNES S.A.	2010 & 2014-2017*
21	MYTILINEOS HELLENIC WIND POWER S.A.	2010	52	ANEMOROE S.A.	2010 & 2014-2017*
22	AIOLIKI ANDROU TSIROVLIDI S.A.	2010 & 2014-2015*	53	PROTERGIA ENERGY S.A.	2010 & 2014-2017*
23	MYTILINEOS AIOLIKI NEAPOLEOS S.A.	2010 & 2014-2017*	54	SOLIEN ENERGY S.A.	2007-2011 & 2014-2017*
24	AIOLIKI EVOIAS PIRGOS S.A.	2010 & 2014-2017*	55	ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME (EX OSTENITIS S.A.)	2010 & 2014
25	AIOLIKI EVOIAS POUNTA S.A.	2010 & 2014-2017*	56	THERMOREMA S.A.	2007-2017
26	AIOLIKI EVOIAS HELONA S.A.	2010 & 2014-2017*	57	FTHIOTIKI ENERGY S.A.	2003-2017
27	AIOLIKI ANDROU RAHI XIROKOBI S.A.	2010 & 2014-2017*	58	IONIA ENERGY S.A.	2010-2011, 2013-2017
28	METKA AIOLIKA PLATANOU S.A.	2010 & 2014-2017*	59	AIOLIKH TRIKORFON S.A.	2008-2014
29	AIOLIKI SAMOTHRAKIS S.A.	2010 & 2014-2017*	60	MAKRYNOROS ENERGEIAKH S.A.	2008-2017
30	AIOLIKI EVOIAS DIAKOFTIS S.A.	2010 & 2014-2017*	61	M & M GAS Co S.A.	-
31	AIOLIKI SIDIROKASTROU S.A.	2010	62	BUSINESS ENERGY TRIZINIA S.A.	2008-2015

*said companies have received a Tax Compliance Report for the fiscal years 2011-2013 while from 2014 onwards, following the amendment of the provisions of Law 4174/2013 par. 1 article 65A, they no longer meet the control criteria.

It shall be noted that on 31/12/2017, the years up to 31/12/2011 have become time-barred in accordance with the provisions of paragraph 1 of article 36 of Law 4171/2013.

Unaudited tax years – Group's foreign subsidiaries

The years of the Group's foreign subsidiaries whose tax liabilities are not definitive, are stated on following table:

	COMPANY	YEARS NOT INSPECTED BY TAX AUTHORITIES
1	RODAX ROMANIA SRL, Romania	2009-2017
2	DROSCO HOLDINGS LIMITED, Cyprus	2003-2017
3	METKA BRAZI SRL, Romania	2008-2017
4	POWER PROJECTS, Turkey	2010-2017
5	GREEN ENERGY S.A.	2007-2017
6	METKA RENEWABLES LIMITED	2015-2017
7	SOMETRA S.A., Romania	2003-2017
8	STANMED TRADING LTD, Κύπρος	2011-2017
9	MYTILINEOS FINANCE S.A., Luxemburg	2007-2017
10	RDA TRADING, Guernsey Islands	2007-2017
11	MYTILINEOS BELGRADE D.O.O., Serbia	1999-2017
12	MYVEKT INTERNATIONAL SKOPJE	1999-2017
13	MYTILINEOS FINANCIAL PARTNERS S.A.	2011-2017
14	MYTILINEOS INTERNATIONAL COMPANY A.G. "MIT Co"	2013-2017
15	DELTA PROJECT CONSTRUCT SRL, Romania	2005-2017
16	RIVERA DEL RIO	2015-2017
17	METKA-EGN LTD (CYPRUS)	2015-2017
18	METKA-EGN LTD (ENGLAND)	2015-2017
19	METKA -EGN SpA	2015-2017
20	METKA-EGN USA LLC	2015-2017
21	METKA POWER WEST AFRICA LIMITED	2015-2017
22	METKA-EGN KZ	2017
23	METKA-EGN MEXICO	2017
24	METKA-EGN UGANDA SMC LTD	new entity
25	METKA-EGN JAPAN LTD	new entity
26	METKA INTERNATIONAL LTD	2016-2017
27	METKA POWER INVESTMENTS	2016-2017
28	METKA IPS LTD	2017
29	INTERNATIONAL POWER SUPPLY AD	2016-2017
30	MTRH Developmnet GmbH	2016-2017

7.16 Other Contingent Assets & Liabilities

Notes of Independent Power Transmission Operator S.A. (ADMIE)

On 17.12.2014, Independent Power Transmission Operator S.A. (IPTO or ADMIE) sent briefing notes to MYTILINEOS (henceforth the "Company") as universal successor of ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME due to merger, requesting the issuance of a credit invoice for the amount of €17.4m relating to the Excise Tax (ET) on Gas consumed at the Combined Heat and Power (CHP) Plant for the period of 28/11/2012 until 31/10/2013 (henceforth the "Reference Period"). Said ET was invoiced to ADMIE during the aforementioned period, pursuant to its related debit notes.

In relation to the above, we note the following:

- The CHP station is a dispatchable cogeneration unit, part of which qualifies as highly efficient (High-Efficiency Combined Heat and Power/ HE-CHP) under the Code's provisions, but also under the specific operational terms which were approved by way of RAE's Decision No. 700/2012 (as amended by Decision 341/2013).

- According to Article 197(2) of Law 4001/2011, from 1/9/2011 onwards, all HE-CHP stations, regardless of their installed capacity, gain priority for the allocation of their loads. In particular, in accordance with Article 197(3) of the above Law, HE-CHP stations with an installed capacity over 35MW are to be compensated with the tariff which derives from the table displayed in Law 3468/2006, plus the Natural Gas Clause Coefficient (CC), which is calculated using the following formula: CC = 1+(AGP-26)/(100 x nel)

Where:

• AGP: the monthly mean average unitary selling price of natural gas to NG users in Greece who are also electricity customers, in €/MWh using the gross calorific value (GCV). This value is determined by the Ministry of Environment, Energy and Climate Change's Petroleum Policy Directorate and is communicated to Hellenic Transmission System Operator S.A. (HTSO or DESMIE) on a monthly basis.

• nel: the electrical efficiency of the provision for High-Efficiency CHP based on the gross calorific value (GCV) of natural gas, which is defined in accordance with the station's technical information, as reported by the relevant Operator.

The CC value cannot be lower than one (1) and is determined on a case-by-case basis by way of a decision made by the Minister of Environment, Energy and Climate Change (henceforth the "Ministerial Decision") following consultation by RAE. RAE's opinion must also take the plant's installed capacity into account, in a way so that the determined value generally decreases as the capacity increases.

Moreover, the AGP is displayed in €/MWh and includes the ET, as specified in the letter sent by the Ministry of Environment, Energy and Climate Change's Petroleum Policy Directorate on 2/11/2011.

The High-Efficiency CHP station owned by the Company has an installed capacity of 334MW, of which 134.6MW has priority in entering the system (HE-CHP) in accordance with the aforementioned decisions which approved the Specific Operational Terms. From 1/9/2011 until 31/10/2013 (which ADMIE set as the final date for settling the ET), the CC value, as defined above, had not been established because the relevant decision had not been issued by the Minister of Environment, Energy and Climate Change, despite the fact that the Regulatory Authority for Energy had issued two relevant opinions in accordance with the provisions of Article 197(2) of Law 4001/2011 (RAE 3/2012 and RAE 5/2013). Consequently, the Subsidiary's HE-CHP neither issued invoices nor received a tariff in accordance with the provisions of Law 4001/2011. Instead, following the signing of a Private Agreement between the Company and the Operator of Electricity Market (LAGIE) on 26.4.2013, HE-CHP issued temporary invoices, for the entire aforementioned period, at the minimum price which could have resulted from the application of the mathematical formula established by Law 4001/2011 (if the CC value was set at the unit price, i.e., if the AGP amounted to 26€/MWh). According to the Private Agreement, the final settlement was to take place following the establishment of the CC by way of the issuance of the relevant Ministerial Decision, so that dispatched HE-CHP energy would be compensated in accordance with the provisions of the "Supplementary Agreement for Transactions relating to Electricity from the Dispatchable High-Efficiency CHP Station" (Government Gazette B' 3108/23.11.2012) which was concluded between the Company and LAGIE on 28.11.2012.

The aforementioned provisions of Law 4001/2011, in conjunction with the provisions specified in the letter sent by the Ministry of Environment, Energy and Climate Change's Petroleum Policy Directorate, as well as the provisions of both the Company's Private Agreement with LAGIE and the "Supplementary Agreement for Transactions relating to Electricity from the Dispatchable High-Efficiency CHP Station" between the two parties, require that the Natural Gas ET is recovered to the extent that the natural gas was consumed in generating electricity. Therefore, the Company also recognized the part of the Natural Gas ET which corresponded to consumptions made in generating useful heat (steam for the Alumina production process) as a liability (deducted from ADMIE's receivables balance), the total value of which amounted to €9.1m.

Regarding the remaining balance of ADMIE's relevant briefing note, which amounts to €8.3m and relates to the Natural Gas ET which corresponded to consumptions for electricity generation (HE- CHP), it is noted that this does not constitute a liability for the Company. Specifically, in accordance with IAS 37, "a liability is a present obligation of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits". Based on the above and given that the Company has not received a final compensatory price for the Period (by way of the CC, see above), while, based on the Private Agreement between the Company and LAGIE, the final settlement will take place following the issuance of the relevant Ministerial Decision regarding the establishment of the CC (which has not been issued), the Company believes that it has no commitment which would legally constitute an obligation to return the amount of €8.3m. A relevant liability may arise once the aforementioned Ministerial Decision regarding the establishment of the CC is issued, in which case the Company estimates that the final compensation that it will receive for electricity dispatched to the system as High-Efficiency CHP will exceed the amount of €8.3m. Therefore, it is not expected that a loss will result for the Company .

Finally, in respect of the final settlement of the CHP pricing for 2013 it is noted that, on the 4th of June 2015 the Company, sent a letter to the Operator of the Electricity Market (LAGHE) asking the convene of the Dispute Settlement Committee as provided in the article 16 p. 2 of the "Supplementary Agreement for Transactions relating to Electricity from the Dispatchable High-Efficiency CHP Station" signed between the parties. The dispute in consideration concerns the imposition of a 10% special tax plus an extra 10% of one-off discount on tariffs, both regarding the financial year 2013.

Following negotiations, the parties have reached a mutually acceptable draft arbitration agreement, so as to jointly apply for the resolution of the dispute by the special arbitration of the Regulatory Authority for Energy (RAE), in accordance with article 37 of L.4001/2011. At 07.02.2018 the two parties signed an agreement to continue the dispute with the help of the arbitration of the Regulatory Authority for Energy .

According to IAS 37.14: A provision shall be recognised when:

(a) an entity has a present obligation (legal or constructive) as a result of a past event;

(b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(c) a reliable estimate can be made of the amount of the obligation.

If these conditions are not met, no provision shall be recognised.

No provision has been made for this matter, since according to the relevant opinions of the Company's legal advisers and the management of the Company: (a) the existence of a commitment has not yet been finalized; and (b) there is no probability that there will be an outflow of financial resources.

State aid against MYTILINEOS (as universal successor of ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME due to merger), Decision of the European Commission

According to the information provided in previous Financial Statements, the General Court of the European Union has turned down the Company's appeal with the decision dated 13.03.2018. The Company Is going to institute proceedings against the above stated decision, before the competent courts of European Union which have the final judgment on the nature of the difference in the selling price of electricity as illegal or non-State aid. As a result, the Company has recognized the amount of 17.4 € mio plus 4.2 € mio of interest expenses in the profit and loss statement.

DEPA claim against the Company (as universal successor of ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME and Protergia Thermoilektriki Agiou Nikolaou Power Generation and Supply S.A. due to merger) and Korinthos Power S.A.

DEPA S.A. demands:

Regarding charges that arose from the retrospective revision of the contract price due to the revision of the prices charged by DEPA's supplier, the Turkish company "BOTAS PETROLEUM PIPELINE CORPORATION":

- the amount of €6.26 Mio plus interest € 0.87 Mio by the Company (as universal successor of Protergia Thermoilektriki Agiou Nikolaou Power Generation and Supply S.A.);
- the amount of €7.25 Mio plus interest €1.58 Mio by the Company (as universal successor of ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME) and
- the amount of €4.65 Mio plus interest € 0.62 Mio by Korinthos Power S.A.

The Company and Korinthos Power S.A. contested the existence of the said amounts. More specifically:

The Company (as universal successor of Protergia Thermoilektriki Agiou Nikolaou Power Generation and Supply S.A. due to merger) and Korinthos Power S.A. filed arbitration lawsuits against DEPA S.A., in order to resolve the aforementioned disputes. The arbitration limited DEPA S.A.'s claims to 24 months and it was decided that the Company as well as KORINTHOS POWER S.A. owe to DEPA S.A. a compensation only for the years 2012 and 2013, i.e. € 4.2 Mio the Company and € 3.2 Mio KORINTHOS POWER S.A., while the two companies do not owe DEPA S.A. any compensation for the years 2011, 2014 and 2015. Moreover, the Arbitration decided that the two companies do not owe DEPA S.A. the invoiced interest on the claimed amounts (for any year).

Finally, discussions are ongoing between the Company (as universal successor of ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME) and DEPA S.A., with respect to the case of ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME.

It should be noted that the arguments of ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME are considerably stronger than those of both Protergia and Korinthos Power, not only due to the terms of the agreement that were applicable for ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME, but also due to the calculation method regarding the compensation for the CHP power, which was injected by ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME to the system, during the critical period. The aforementioned calculation method did not include the additional amount which was calculated by DEPA regarding the BOTAS agreement. Consequently, the Group's financial results experienced a negative effect of € 3.4 Mio. Provisions, recognized in previous periods, were used for the remaining amount.

Other Contingent Assets & Liabilities

Litigation with UBAF

After the termination of the agreement between the Company (as universal successor of METKA S.A. due to merger) with UBAF (Bank) to keep cash of the Company amounting initially to € 59,7 mil. within a term deposit account and the refusal of UBAF to transfer the aforementioned balance to the Company's current amount, during 2017 the amount of 32 € mio has been released. The two parties discuss to reach a solution for the remaining amount and the agreement is expected to be completed by the end of 2018.

Arbitration with ENTREPOSE ALGERIE SPA

ENTREPOSE ALGERIE SPA as a subcontractor of the Company (in its capacity as a universal successor of METKA S.A. as a result of merger) on the basis of a relevant contract (No A-7449) entered into on 1 June 2014, concerning the execution of part of the works relating to the construction of Hassi R'mel II power plant in Algeria, referred to arbitration against the Company before the Court of Arbitration of the International Chamber of Commerce (ICC), claiming payment of the amount of EUR 6,968,496.39 plus interest, as compensation for damage suffered on the basis of that contract. The Company (as a universal successor of METKA SA due to merger) intends to respond to the above-mentioned application for arbitration by submitting a claim against ENTREPOSE ALGERIE SPA for the payment of damages and penalties amounting to approximately EUR 8,650,000 due to non- compliance of the contractor with its contractual obligations under the same contract. The arbitration proceedings are currently ongoing. At this stage, there has been an agreement between the two parties for the suspension of the Arbitration proceedings until 30.09.2018, with the intention to seek an amicable settlement of the dispute and an overall settlement of the claims.

Company's other Contingent Assets & Liabilities

There are other potential third party claims of € 0.75 million against the Company for which no provision has been made.

According to IAS 37.14: A provision shall be recognised when:

(a) an entity has a present obligation (legal or constructive) as a result of a past event;

(b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(c) a reliable estimate can be made of the amount of the obligation.

If these conditions are not met, no provision shall be recognised.

No provision has been made for this matter, since according to the relevant opinions of the Company's legal advisers and the management of the Company: (a) the existence of a commitment has not yet been finalized; and (b) there is no probability that there will be an outflow of financial resources.

Moreover, there are claims of the Company against third parties, which totally amount to €12.8 Mio.

7.17 Provisions

The Group’s and the Company’s recorded provisions as at 30.06.2018 are analyzed bellow:

	MYTILINEOS GROUP			
(Amounts in thousands €)	Environmental Restoration	Tax liabilities	Other	Total
1/1/2017	**1,099**	**1,315**	**11,517**	**13,930**
Additional Provisions For The Period	1,000	372	1,080	2,452
Unrealised Reversed Provisions	-	(346)	-	(346)
Exchange Rate Differences	-	-	(2)	(2)
Realised Provisions For The Period	(168)	(444)	(1,858)	(2,471)
31/12/2017	**1,930**	**897**	**10,737**	**13,564**
Long -Term	1,930	897	10,737	13,564
Short - Term	-	-	-	-
Additional Provisions For The Period	-	370	717	1,087
Realised Provisions For The Period	(86)	-	(619)	(705)
30/06/2018	**1,844**	**902**	**10,835**	**13,581**
Long -Term	1,844	902	10,835	13,581
Short - Term	-	-	-	-

	MYTILINEOS S.A.			
(Amounts in thousands €)	Environmental Restoration	Tax liabilities	Other	Total
1/1/2017	**-**	**2**	**266**	**268**
Merge Through Acquisition Of Subsidiary	-	1,395	11,233	12,628
Additional Provisions For The Period	1,000	-	1,093	2,093
Unrealised Reversed Provisions	-	(346)	-	(346)
Realised Provisions For The Period	-	(437)	(1,855)	(2,291)
31/12/2017	**1,000**	**615**	**10,737**	**12,352**
Long -Term	1,000	615	10,737	12,352
Short - Term	-	-	-	-
Additional Provisions For The Period	-	-	689	689
Realised Provisions For The Period	-	-	(619)	(619)
30/06/2018	**1,000**	**615**	**10,807**	**12,422**
Long -Term	1,000	615	10,807	12,422
Short - Term	-	-	-	-

Environmental Restoration. This provision represents the present value of the estimated costs to restore quarry sites and other similar post-closure obligations.

Tax Liabilities. This provision relates to future obligations that may result from tax audits.

Other provisions. Comprise other provisions relating to other risks, none of which is individually material to the Group and to contingent liabilities arising from current commitments.

7.18 Trade Receivables

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	**30/06/2018**	**31/12/2017**	**30/06/2018**	**31/12/2017**
Customers	728,896	696,385	366,639	384,486
Notes receivable	300	300	-	-
Checks receivable	4,050	4,282	2,276	2,463
Less: Impairment Provisions	(23,916)	(6,766)	(21,753)	(4,603)
Net trade Receivables	**709,330**	**694,202**	**347,162**	**382,347**
Advances for inventory purchases	475	157	-	-
Advances to trade creditors	37,130	51,497	28,814	43,808
Total	**746,934**	**745,856**	**375,976**	**426,155**

For the change of the amount of impairment provisions in Trade receivables account, see also note 7.4.

7.19 Other Long Term Receivables

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	**30/06/2018**	**31/12/2017**	**30/06/2018**	**31/12/2017**
Customers - Withholding guarantees falling due after one year	105,046	122,964	44,524	44,524
Given guarantees	3,325	1,788	2,844	1,291
Other long term receivables	9,535	9,851	6,258	6,258
Other long term receivables	**117,905**	**134,603**	**53,626**	**52,074**

7.20 Trade Creditors

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	**30/06/2018**	**31/12/2017**	**30/06/2018**	**31/12/2017**
Suppliers	272,656	331,536	155,892	225,220
Customers' Advances	203,344	111,073	172,753	86,887
Liabilities to customers for project implementation	118,812	132,722	119,944	132,504
Total	**594,812**	**575,331**	**448,589**	**444,610**

7.21 Share Capital

MYTILINEOS HOLDINGS S.A.'s shares are freely traded on the Athens Exchange. The Company's share capital is fully paid–up and the shares have been fully paid. Upon the completion of the merger by absorption of "METKA INDUSTRIAL – CONSTRUCTION SOCIETE ANONYME" , "ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME", "PROTERGIA POWER GENERATION AND SUPPLIES SOCIETE ANONYME" and "PROTERGIA AGIOS NIKOLAOS POWER SOCIETE ANONYME OF GENERATION AND SUPPLY OF ELECTRICITY" by "MYTILINEOS HOLDINGS S.A.", the Company will proceed with all the necessary actions in order to ensure that the new shares that METKA's beneficiary shareholders are entitled to as a result of the Merger are credited to their SAT (Dematerialized Securities System-DSS) accounts. No new shares will be issued for the balance of the Absorbed Companies, given that the Absorbing Company owns the entirety (100%) of their shares either directly or indirectly. Therefore, their total contributed assets (assets and liabilities) will not result in an increase of the Absorbing Company's share capital, but the amount relating to the value of the Absorbing Company's participation in the aforementioned Absorbed Companies will be deleted from the Absorbing Company's "Participating Interests" account, and any differences will be registered under equity accounts as differences resulting from the Merger. As of the date of the completion of the Merger, the new shares that are attributable to the beneficiaries of METKA's shares will confer to them the right to participate in the Absorbing Company's profits and the right to receive dividends. The share capital and the alterations to the Absorbing Company's share capital before and after the Merger are shown in the following table:

	Acquiring company's equity before & post merger
I. Mytilineos' Equity before merger	**113.408.386**
Share's nominal value	0,97
Number of shares before merger	116.915.862
II. Change in Equity due to merger	
Equity increase equal to METKA's contributed equity (Acquired Company A), amount of €8.312.096,32, which remains after the elimination due to merger of the acquiring company's interest in the acquired	8.312.096
Above par reserve capitalization of the acquiring	16.883.944
Total Equity Increase	25.196.040
New Company's Equity post merger (I+II)	138.604.426
Share's nominal value	0,97
Number of common shares post merger	142.891.161

There hasn't been any movement in the share capital of the Group during the six month period ended at 30.06.2018.

7.22 Fair Value Measurements

The following table presents financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

The Group's financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy for 30/06/2018 and 31/12/2017 as follows:

			MYTILINEOS GROUP	
(Amounts in thousands €)	30/06/2018	Level 1	Level 2	Level 3
Financial Assets				
Financial assets at fair value through profit or loss				
Stock Shares	293	293	-	-
Bank Bonds	63	63	-	-
Other Financial Assets	159	114	8	37
Foreign Exchange Contracts For Cash Flow Hedging (Forward)	5,646	-	5,646	-
Commodity Futures	2,440	-	2,440	-
Financial Assets	**8,602**	**471**	**8,095**	**37**
Financial Liabilities				
Foreign Exchange Swap Contracts (Swaps)	566	-	566	-
Commodity Futures	22,732	-	22,732	-
Financial Liabilities	**23,297**	**-**	**23,297**	**-**

			MYTILINEOS GROUP	
(Amounts in thousands €)	31/12/2017	Level 1	Level 2	Level 3
Financial Assets				
Financial assets at fair value through profit or loss				
Stock Shares	761	761	-	-
Bank Bonds	53	53	-	-
Other Financial Assets	163	117	8	37
Foreign Exchange Contracts (Forward)	15,168	-	15,168	-
Financial Assets	**16,145**	**932**	**15,176**	**37**
Financial Liabilities				
Foreign Exchange Swap Contracts (Swaps)	566	-	566	-
Commodity Futures	61,843	-	61,843	-
Commodity Options	348	-	348	-
Financial Liabilities	**62,757**	**-**	**62,757**	**-**

			MYTILINEOS S.A.	
(Amounts in thousands €)	30/06/2018	Level 1	Level 2	Level 3
Financial Assets				
Financial assets at fair value through profit or loss				
Stock Shares	293	293	-	-
Bank Bonds	63	63	-	-
Financial Assets Available For Sale	37	-	-	37
Foreign Exchange Contracts For Cash Flow Hedging (Forward)	5,646	-	5,646	-
Commodity Futures	2,440	-	2,440	-
Financial Assets	**8,480**	**357**	**8,086**	**37**
Financial Liabilities				
Commodity Futures	22,732	-	22,732	-
Financial Liabilities	**22,732**	**-**	**22,732**	**-**

			MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2017	Level 1	Level 2	Level 3
Financial Assets				
Financial assets at fair value through profit or loss				
Stock Shares	761	761	-	-
Bank Bonds	53	53	-	-
Other Financial Assets	37	-	-	37
Foreign Exchange Contracts (Forward)	15,168	-	15,168	-
Financial Assets	**16,019**	**814**	**15,168**	**37**
Financial Liabilities				
Commodity Futures	61,843	-	61,843	-
Commodity Options	348	-	348	-
Financial Liabilities	**62,191**	**-**	**62,191**	**-**

7.23 Sales

(Amounts in thousands €)	Metallurgy	EPC & Infrastructure	Power & Gas	Others	Discontinuing Operations	Total
30/06/2018						
Hellas	74,883	43,968	232,248	-	-	351,099
European Union	171,430	21,184	3,696	-	(22)	196,288
Other Countries	37,160	130,813	206	1,567	-	169,746
Total	**283,473**	**195,965**	**236,150**	**1,567**	**(22)**	**717,134**

(Amounts in thousands €)	Metallurgy	EPC & Infrastructure	Power & Gas	Others	Discontinuing Operations	Total
30/06/2017						
Hellas	89,286	92,626	235,148	-	-	417,060
European Union	157,876	28,204	2,079	-	(1,503)	186,656
Other Countries	27,976	179,056	671	-	-	207,703
Total	**275,138**	**299,886**	**237,898**	**-**	**(1,503)**	**811,419**

7.24 Earnings per Share

Earnings per share have been calculated on the total weighted average number of common and preference shares excluding the average number of treasury shares.

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	1/1-30/06/2018	1/1-30/06/2017	1/1-30/06/2018	1/1-30/06/2017
Equity holders of the parent	83,882	80,654	77,218	62,847
Weighted average number of shares	142,891	142,891	142,891	142,891
Basic earnings per share	**0.5870**	**0.5644**	**0.5404**	**0.4398**
Continuing Operations (Total)				
Equity holders of the parent	83,874	81,432	77,238	63,142
Weighted average number of shares	142,891	142,891	142,891	142,891
Basic earnings per share	**0.5870**	**0.5699**	**0.5405**	**0.4419**
Discontinuing Operations (Total)				
Equity holders of the parent	8	(779)	(284)	
Weighted average number of shares	142,891	142,891	142,891	
Basic earnings per share	**0.0001**	**(0.0055)**	**(0.0020)**	

7.25 Number of employees

The number of employees at the end of the current reporting period for the Group amounts to 2.139 and for the Company to 1.832. Accordingly, on 30/06/2017, the number of employees for the Group amounted to 2.060 and for the Company to 1.728.

7.26 Management remuneration and fringes

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	30/06/2018	30/06/2017	30/06/2018	30/06/2017
Short term employee benefits				
- Wages of Key Management and BOD Fees	5,318	10,846	4,744	9,741
- Insurance service cost	175	371	83	324
- Other remunerations	31	37	-	-
	5,525	**11,254**	**4,826**	**10,064**
Pension Benefits:				
- Defined benefits scheme	-	27	-	23
Total	**5,525**	**11,281**	**4,826**	**10,088**

No loans have been given to members of BoD or other management members of the Group (and their families).

7.27 Cash Flows from Operating Activities

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	1/1-30/06/2018	1/1-30/06/2017	1/1-30/06/2018	1/1-30/06/2017
Cash flows from operating activities				
Profit for the period	**80,057**	**82,118**	**77,238**	**63,142**
Adjustments for:				
Tax	8,502	11,374	4,806	8,125
Depreciation of property,plant and equipment	33,180	32,825	24,441	24,034
Depreciation of intangible assets	4,150	2,869	2,471	1,712
Provisions	100	51	153	138
(Profit)/Loss from sale of tangible assets	-	(6)	-	(1)
(Profit)/Loss from sale of subsidiary	-	(3,373)	-	-
(Profit)/Loss from fair value valuation of financial assets at fair value through PnL	246	(614)	246	(614)
(Profit)/Loss from sale of financial assets at fair value	-	100	-	100
Interest income	(4,301)	(3,566)	(2,413)	(5,312)
Interest expenses	21,838	25,567	14,032	21,427
Dividends	(157)	-	(6,284)	(1,961)
Grants amortization	(1,266)	(1,232)	(556)	(523)
Exchange differences	(1,298)	(3,764)	(34)	(8,243)
Other differences	-	882	-	-
	60,995	**61,115**	**36,862**	**38,881**
Changes in Working Capital				
(Increase)/Decrease in stocks	(7,914)	107,071	(10,019)	25,748
(Increase)/Decrease in trade receivables	(76,721)	(93,689)	(33,063)	178,743
(Increase)/Decrease in other receivables	61	(4,100)	85	(1,189)
Increase / (Decrease) in liabilities	19,769	(41,320)	(30,313)	(225,778)
Provisions	5	-	-	-
Pension plans	(542)	(677)	(543)	(733)
Other	5	-	-	-
	(65,337)	**(32,715)**	**(73,853)**	**(23,210)**
Cash flows from operating activities	**75,715**	**110,518**	**40,247**	**78,813**

7.28 Related Party Transactions according to IAS 24

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	30/06/2018	30/06/2017	30/06/2018	30/06/2017
Stock Sales				
Subsidiaries	-	-	47,440	39,985
Other Related parties	261	272	261	272
Total	**261**	**272**	**47,701**	**40,257**
Stock Purchases				
Subsidiaries	-	-	15,309	9,089
Total	**-**	**-**	**15,309**	**9,089**
Services Sales				
Subsidiaries	-	-	2,826	5,459
Other Related parties	4,277	1,527	4,277	1,259
Total	**4,277**	**1,527**	**7,103**	**6,719**
Services Purchases				
Subsidiaries	-	-	2,119	10,871
Management remuneration and fringes	5,525	11,281	4,826	10,088
Other Related parties	5,455	3,455	5,225	3,315
Total	**10,980**	**14,736**	**12,170**	**24,273**

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	30/06/2018	31/12/2017	30/06/2018	31/12/2017
Balance from sales of stock/services receivable				
Subsidiaries	-	-	229,925	203,645
Management remuneration and fringes	-	-	-	-
Other Related parties	10,457	5,926	10,401	5,878
Total	**10,457**	**5,926**	**240,326**	**209,523**
Guarantees granted for related parties				
Subsidiaries	846,300	859,910	846,300	859,910
Total	**846,300**	**859,910**	**846,300**	**859,910**
Balance from purchases of stock/services payable				
Subsidiaries	-	-	15,321	36,473
Management remuneration and fringes	634	37	634	37
Other Related parties	361	491	361	490
Total	**995**	**528**	**16,316**	**37,000**

Out of the above mentioned parent company guarantees:

- € 436.60 Mio are parent company guarantees for bank loans of the Group's subsidiaries and other Financials and

- € 409.70 Mio are parent company guarantees on behalf of customers and suppliers of the Group's subsidiaries.

It is noted that the above amount of guarantees issued by the parent on behalf of customers and suppliers of its subsidiaries refers to the maximum amount of the guarantee and the respective risk undertaken by the parent regardless of the probability of realization of said risk.

The parent company assesses the price that shall be invoiced to its subsidiaries for guarantees issued by the parent on behalf of them based on generally accepted pricing methods. In cases where such pricing exceeds the amount of the already agreed and charged management fees, there will be an incremental charge to cover the difference.

The above mentioned related party transactions are on a pure commercial basis. The Group or any of its related parties has not entered in any transactions that were not in an arm's length basis, and do not intent to participate in such transactions in the future. No transaction from the above mentioned was under any special terms.

7.29 Capital Expenditure

The Group realized capital expenditures for the six month period ended June 30, 2018 of € 46,555 thousands (€ 80,235 thousands for the six month period ended June 30, 2017).

7.30 Post – Balance Sheet events

There are no other significant subsequent events, apart from the abovementioned, neither of the Group nor of the Company, which should be announced for the purposes of I.F.R.S.

Maroussi, 11 September 2018

THE PRESIDENT OF THE BOARD & CHIEF EXECUTIVE OFFICER	THE VICE-PRESIDENT OF THE BOARD
EVANGELOS MYTILINEOS	**SPYRIDON KASDAS**
I.D. No AN 094179/2017	I.D. No AB 050826/2006
THE CHIEF FINANCE OFFICER	THE FINANCIAL DIRECTOR
IOANNIS KALAFATAS	**SPYRIDON PETRATOS**
I.D. No AZ 556040/2008	I.D. No AB 263393/2006