Annual Financial Report

for the period from the 1st of January to

the 31st of December 2012

According to article 4 of

L. 3556/2007

HOLDINGS MYTILINEOS

CONTENTS

A. Representation of the Members of the Board of Directors
(according to article 4 par. 2 of L.3556/2007)

The

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

b. Ioannis Mytilineos, Vice - Chairman of the Board of Directors

c. George Kontouzoglou, Member of the Board of Directors

CERTIFY

a. the enclosed financial statements of "MYTILINEOS HOLDINGS S.A." for the period of 1.1.2012 to 31.12.2012, drawn up in accordance with the applicable accounting standards, reflect in a true manner the assets and liabilities, equity and results of "MYTILINEOS HOLDINGS S.A.", as well as of the businesses included in Group consolidation, taken as a whole

and

b. as far as we know, the enclosed report of the Board of Directors reflects in a true manner the development, performance and financial position of "MYTILINEOS HOLDINGS S.A.", and of the businesses included in Group consolidation, taken as a whole, including the description of the principal risks and uncertainties.

Maroussi, 26 March 2013

The designees

Evangelos Mytilineos	Ioannis Mytilineos	George Kontouzoglou
Chairman of the Board of Directors and Chief Executive Officer	Vice - Chairman of the Board of Directors	Member of the Board of Directors

B. Independent Auditor's Report

To the Shareholders of **MYTILINEOS HOLDINGS S.A**

Report on the Financial Statements

We have audited the accompanying financial statements of MYTILINEOS HOLDINGS SA. ("the Company") as well as the consolidated Financial Statements of the Company and its subsidiaries, which comprise of the individual and consolidated Statement of Financial Position as at December 31, 2012, and the Income Statement and Statement of Comprehensive Income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these individual and consolidated financial statements in accordance with International Financial Reporting Standards as adopted by European Union, and for such internal control as management determines is necessary to enable the preparation of individual and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these individual and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the individual and consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the individual and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the individual and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the individual and consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the individual and consolidated financial statements present fairly, in all material respects, the financial position of the Company and its subsidiaries as at December 31, 2012, and the financial performance and the cash flows of the Company and its subsidiaries for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Emphasis of matters

Without qualifying our opinion, we would like to draw your attention to the following:

As disclosed in note 6.34 of the Financial Statements, Group's subsidiary company ''ALUMINUM S.A.'', disputes in total the electricity pricing that PPC has enforced since July 2008 by virtue of the relevant Ministerial decree (Ministry of Development) regarding the determination of high voltage customers invoice. Following 346/2012 decision of RAE, the price of electricity procured by the subsidiary for the total hours of its operation was set. Based on the abovementioned decision Group's management uses that price in determining its liability due to PPC regarding the true and fair price of the electricity procured. The finalization of the case lies upon the arbitrary procedure that is in progress. Any contingent liabilities (in excess of the already formed provision) or assets that may result from the final settlement of this dispute by the competent arbitrary court, cannot be reliably assessed at the moment.

As disclosed in note 6.34 of the Financial Statements, on 25.7.2011, the Greek Government, via the Ministry of Environment, Energy & Climate Change, disclosed to Group's subsidiary company ''ALUMINUM OF GREECE S.A.'', the decision of the European Commision, rendering incompatible with the community regulations on state assistance the pricing for electric energy sale imposed on ALUMINIUM OF GREECE S.A. by the PPC for the period between January 2007 and March 2008. On 6.10.2011 ALUMINUM S.A. appealed before the European Union's General Court requesting annulment of the abovementioned decision. Group's management estimates that the probability of a future outflow of economic resources for the settlement of this contingent liability of 17.4 million €, is remote.

Report on Other Legal and Regulatory Requirements

a) The Director's Report includes a statement of Corporate Governance, which comprises the information as defined by paragraph 3d of article 43a, of Codified Law 2190/1920.

b) We confirm that the information given in the Director's Report is consistent with the accompanying separate and consolidated financial statements and complete in the context of the requirements of articles 43a, 108 and 37 of Codified Law 2190/1920.

Athens, 26 March 2013

The Chartered Accountant	The Chartered Accountant
Sotiris Constantinou	Manolis Michalios
S.O.E.L. Reg. No. 13671	S.O.E.L. Reg. No. 25131

Grant Thornton
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C. Annual Board of Directors Management Report

Board of Directors Annual Management Report

BOARD OF DIRECTORS ANNUAL REPORT

The present Board of Directors Annual Report pertains to the 2012 fiscal period. The Report has been prepared so as to ensure harmonization with the relevant provisions of C.L. 2190/1920 as in effect, of law 3556/2007 (GGI 91A/30.4.2007) and the issued executive decisions of the HCMC, especially HCMC Board of Directors Decision number 7/448/11.10.2007.

The present report contains financial details on the entity titled «MYTILINEOS HOLDINGS S.A.» (hereinafter called the «Company») and its subsidiaries and associated companies (hereinafter called the «Group», jointly with the company) for fiscal year 2012. It describes major events that occurred in the same period and their influence on annual financial statements. It also describes the main hazards and risks that may faced by the Group member companies in the forthcoming year; finally, it lists major transactions between the Company and the persons associated with it.

I. 2012 REVIEW - PERFORMANCE AND FINANCIAL POSITION

2012 was another year in the continuing deep recession that already counts five consecutive years. Financial and political uncertainty experienced a mid-year peak, particularly through the summer when two consecutive elections were held and national financing through the bailout program was provisionally suspended.

At a global level, the government debt crisis is still here and focuses on the European Region, yet its consequences are now apparent on the economical growth rate of all Eurozone members. The ECB plays a key role in the effort to restore and balance the level of liquidity at individual member states, while unemployment is a phenomenon that undermines development prospects.

At a national level the financial recess has grown to a phenomenal extent, as the cumulative GDP diminution in the 2008 – 2012 period exceeded 20%. The recapitalization of the bank system remained an outstanding issue in 2012 and this adversely affected the liquidity in the Hellenic Economy that remained controlled at marginal levels. The above, combined with delayed government disbursements to private businesses; the enforcement of a series of new indirect and direct taxes and the uncertainty regarding the progress of investment plans, resulted in an unbearable financial setting for Greek enterprises.

Despite these conditions, MYTILINEOS Group, leveraging its extrovert orientation, the rational management of cash flows and its liquidity and the strict cost control, managed to maintain its financial performance at comparable levels to the historic peaks of 2011. In addition, 2012 was marked by the completion of the major Energy investment program, despite the particularly adverse environment.
By the end of 2012 the Group held a strong position, having achieved the strategic objectives of globalizing its operations, improving its competitiveness and creating a balanced portfolio of industrial activities, setting a strong and auspicious foundation for the time to come. Nevertheless, the Group is confronted with major challenges and difficulties ahead, that must be tackled with and successfully overcome.

Metallurgy and Mining Sector

Metal prices in 2012 varied between 1.793 and 2.308 $/tn. Similarly the €/$ exchange rate presented significant variability, between 1,21 and 1,35. Particularly between end-February and August, a clear downturn prevailed with respect to aluminum prices, combined with a strengthening of dollar with respect to euro, as the concern regarding escalation of the Eurozone crisis adversely influenced the common currency.

The mean aluminum value for 2012 was set to 2,081 $/tn, dropping by 15,7% compare to the preceding year, experiencing a two-year low in mid-August, followed by a slight recovery during the 4th Quarter.

Global aluminum consumption continued its increasing trend (+4,5%) for a second successive year; this is driven by strong demand from developing economies. In contrast, in Europe, the aluminum consumption experienced negative rates.

Despite the 4th Quarter recovery, LME values remain feeble and are at odds with the fundamental market conditions. In contrast to LME values, premia were set at particularly high levels, a fact reflecting the lack of available metal for immediate use. The high cost of energy maintains intense cost pressures, presenting major challenges for energy cost-intensive aluminum producers.

Under this framework, the Group prioritizes the strict control and restriction of production operational cost, aiming at improving the competitive position of "Aluminium of Greece". The satisfactory progress of the competitiveness recovery program «MELLON» is already reflected on the financial performance of the Division for the 2nd half of 2012, which exhibits remarkable improvement compared to the 1st half of the same year. In particular, by the end of 2012 Aluminium S.A. has identified actions under the «MELLON» program that account for above 80% of the final cost saving target of the aforesaid program. The full acknowledge of this gain in the financial results of 'Aluminium S.A.' and the Group has already started in 2012. Its progressive completion is anticipated within 2013. Nevertheless it must be noted that, with frequency to these initiatives, finalization of the arbitration between Aluminium S.A. and PPC to definitely set the cost of electric power may positively or adversely influence the gains from these initiatives by approximately 33%.

Construction Sector (EPC).

2012 was the fifth consecutive recession year for the Hellenic Economy; the cumulative GDP reduction is almost 20%. The conditions prevailing for the most part of the year resulted in the further worsening of the local financial conditions, with direct adverse impact to entrepreneurship.

Several months of negotiation with the troika (tripartite committee) and the two parliamentary elections - under especially tense political and financial conditions - maintained a high level of uncertainty for the nation's future and prospects. The international distrust against Greece experienced a peak, while the domestic banking system was found completely unable to finance productive activities.
It is fact that positive developments of the latest two months created well founded expectations for reversing the climate, to the extent that these shook off the risk of exiting the euro and confirmed the intent of Europe and Greece so that the country remains a euro country. However, exiting the crisis is still barely in sight.

Completing the bank sector recapitalization is the necessary step for stabilizing the Hellenic Economy. Alas, it is not sufficient. Reinforcing the reliability of the country and lifting the quarantine of banks from the international fiscal markets are necessary prerequisites for restoring liquidity and supporting the efforts of the private sectors. At this level, the challenge for the country is to utilize the more favorable environment shaped in recent months and to follow a financial recovery track from 2013 onwards.

Throughout the past year, METKA confronted the consequences of unstable financial environment. The distrust to the country posed major obstacles in its international business, posing difficulties in launching new initiatives. Alongside, the company had to tackle the considerable problems and challenges resulting from the escalation of the turmoil in Syria. Taking a highly responsible stand, Corporate Management took all the necessary measures for protection its employees and facilities and designed alternative methods to ensure the progress of works despite hardships, so as to achieve the soonest possible completion of the Project that will allow our client the ability to generate power where this is an utmost necessity for the client country's people and economy.

Despite hardships, the company remained on an unfaltering positive course for 2012 as well. It managed to overcome challenges through a high level of proficiency, leveraging the authority and reliability it has built in the past years.
Faithful to its outgoing nature and the continuous reinforcement of its export oriented profile, the company continued to produce the majority of income outside Greece and also to considerably broaden its project portfolio abroad.

The results of 2012 fiscal year reflect the influence of adverse economic environment as well as the endurance of METKA.

In particular, the Group turnover for the current 2012 fiscal year amounted to € 547,5 mio compared to € 1.003,7 mio in the previous fiscal year; correspondingly, the numbers for the Company in the same period amounted to € 327,9 mio as opposed to € 815,1 mio

The 2011 economic environment led to impressive performance figures which would not be sustainable under the current conditions, as already forecasted by company Management.

The following factors resulted in the above developments for the Group:

a) The project «Construction of a Power Plant 700 MW rating» in Syria, contractual price € 673 mio. In the current fiscal year it recorded a turnover amounting to €141,26 mio.

b) The ongoing construction of the project titled « Construction of A Power Plant , 775 MW rating» at Denizli, Turkey, contractual price €478,6 mio whose turnover amounted to €116,78 mio.

c) The ongoing construction of the project titled «Construction of a Combined Cycle Power Plant 870 MW» at Samsounta, Turkey, contractual price € 327 mio and $ 117 mio, in the current fiscal year recording a turnover of €65,79 mio.

and d) The «Design, procurement, construction and commissioning of an ALSTOM GT 13E2 gas turbine rated at 146 MW» in Jordan, contractual price $ 100 mio and 2 mio JOD. In the current fiscal year the project recorded a turnover of €42,15 mio.

Energy Division.

In the domestic energy market, after the significant decrease experienced in the recent three years, the electric power demand for 2012 has shown signs of stabilization. Regarding production, a rapid growth of RES generation was recorded, mainly attributed to PV Plants, whose total installed rating grew by more than double and exceeded 1.100 MW by end 2012. Correspondingly, the system's threshold limit value (STLV) as set in the wholesale electric power market experienced a drop in 2012 equal to 4,4% compared to the corresponding period of the previous year.

Regarding the market deregulation process, major delays are still observed, regarding the introduction of private generators in the retail market and their access to base units and major hydropower plants.

As regards the MYTILINEOS Group, the commercial service of PROTERGIA plant in Agios Nikolaos and the KORINTHOS POWER plant in June 2011 and April 2012 respectively, signified the completion of the first phase of the company's investment program in the thermal unit sector, which accounts for a total of 1,2GW. Furthermore, the Ministry of Development issued a decision on 17/1/2013 for licensing the commercial service of the electric power / heat cogeneration plant of 'Aluminium S.A.'. As of 28/11/2012, the plant in question was already in « trial operation » status as Distributed High Performance Electric Power / Heat Cogeneration Plant (trial operation of Distributed HPEPHC) by the market operator, after having signed a supplementary transaction contract, and ensuring the proportional estimation and billing of electric power infused to the grid.

By the end of 2012, the Group has been established as the second largest energy player after PPC and now boasts a significant share of its turnover as well as its operational profitability from the Energy Sector.

In particular, the effect to the Group's turnover as well as operational and net profitability during 2012 compared to the previous fiscal year are the following:

A.SALES

Amounts in mil. €	**Variance Analysis**
Turnover 2011	**1.571,0**
Effect from:	
Organic $/€ eff.	20,7
Volumes	-21,8
Premia & Prices	-5,4
LME	-64,8
Other	0,0
Energy	311,2
Zn-Pb discontinued operation	0,0
Zn-Pb commercial activity	6,2
EPC	-419,4
LNG Trading	55,9
Turnover 2012	**1.453,6**

B. EBITDA

Amounts in mil. €	Variance Analysis
EBITDA 2011	**208,7**
Effect from:	
Organic $/€ eff.	11,3
For.Curr.Transl.	-2,3
Fuel Oil + LNG	12,8
Volumes	-7,8
Freight & Logistics	2,8
Premia & Prices	-5,4
Opex & R/M	29,9
LME	-64,8
EPC	-69,5
EPC one off	0,0
Electricity	11,9
CC	5,3
Steel	-2,0
Energy Sector	35,2
Zn-Pb discontinued operation	0,0
Zn-Pb commercial activity	4,1
EBITDA 2012	**170,1**

C. Net Profit after minorities

Amounts in mil. €	Variance Analysis
Net Profit after Minorities 2011	**42,58**
Effect from:	
Operating Results (EBIT)	-51,2
One - off Financial results	0,0
Net Financials	3,8
Share in Associates Results	-1,6
Minorities	13,4
Discontinued Operations	-0,6
Taxes	15,3
Net Profit after Minorities 2012	**21,7**

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. Specifically for the depicted 2012 fiscal year, the Group excludes from EBITDA calculation the extraordinary duty applied to RES and CHP Plants according to Law 4093/2012.

- ROCE (Return on Capital Employed): This index is derived by dividing profit before tax and financial results to the total capital employed by the Group, these being the sum of the Net Position; the sum of loans; and long - term forecasts.

- ROE (Return on Equity): This index is derived by dividing profit after tax 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 above indicators for 2012 compared to 2011 are as follows:

	2012	2011
EBITDA	170.100	208.651
ROIC	20,5%	18,6%
ROE	2,3%	4,7%
EVA	48,04	79,88

II. Significant information

During the reporting period, the Group proceed to the following:

Korinthos Power, a MYTILINEOS Group subsidiary, obtained a commercial operation permit for the power plant rated at 436MW. The power plant is located at the Motor Oil industrial complex at Agioi Theodoroi, Korinthia. The power plant's engineering study, supply, construction and commissioning - including the closed type substation as well - was undertaken and successfully completed by METKA S.A., a MYTILINEOS Group subsidiary.

On April 18, 2012, the company divested six thousand six hundred and ten (6.610) fractional share balances that resulted from the share capital increase of MYTILINEOS HOLDINGS SA for the amount of five million nine hundred fifty seven thousand a hundred and forty one euros and fifty four cents (5.957.141,54€) with premium capitalization of reserves. The net proceed of such divestiture - after subtracting all expenses and tax - amounts to two euro and seventy five cents (2,75 euro per share).

The Extraordinary Unsolicited and Global General Shareholder Assembly of April 26, 2012 of the 100% subsidiary titled «MOVAL GENERAL TRADING, INDUSTRIAL AND MINING INC», decided the following: The increase of the Company's share capital by the amount of six hundred thousand (600.000) euro in cash and the issuance of six hundred (600.000) thousand new stocks of nominal value one (1,00) euro each, and a sale price of seven euro and sixty six cents (7,66) for each new share with limitation of the pre-emption right of old company shareholders and respective amendment of article 5 of Articles of Association. As a result of the above mentioned increase, share capital amounts to € 1.200.000,00 broken down in 1.200.000 nominal shares, € 1,00 nominal value each.

On June 11, 2012, all shares of the company titled «MOVAL GENERAL TRADING, INDUSTRIAL AND MINING INC» were transferred to Protergia, a subsidiary of MYTILINEOS HOLDINGS SA.
Moreover, new natural gas supply contracts were signed for Aluminium S.A., Protergia and Korinthos Power, subsidiaries of the Group, with DEPA S.A., under a Combined Quantity Management umbrella deal for all plants.
Under this Agreement, effective thru end-2014, the uninterrupted provision of pipeline natural gas is ensured for the three thermal power plants as well as for the thermal consumption of Aluminium S.A.

On July 9, 2012, MYTILINEOS S.A. participated in the share capital increase of the company titled GENIKH BIOMHXANIKH AMYNTIKOY YLIKOU, obtaining a 2,25% share of the share capital. The specific company is integrated by 100% as of joint administration.

On July 31, 2012, all shares of the company titled «ARGYRITIS GI BASE METAL INDUSTRIAL & COMMERCIAL INC» were transferred to Protergia, a 100 % subsidiary of MYTILINEOS HOLDINGS SA.

Through decision no. 14613-04/09/2012 by the competent Minister (Ministry of Infrastructure, Transport & Networks) the contracting classification of METKA S.A., a subsidiary of MYTILINEOS Group, was promoted. The specific subsidiary was promoted to the highest grade (7th) of the Contractor's Register (MEEP). In fact, under no. D15/11072/04.09.2012 MEEP certificate by the competent Ministry, the company is now qualified for constructing a wide range of public works without top limit with respect to project budget.

In September 2012 the subsidiary METKA S.A. was served an assignment letter for the extension of an existing power plant in Jordan (1st EPC Project). The appointing agency is Samra Electric Power Co. (SEPCO) and the project refers to Design, procurement, construction and commissioning of a 143MW power plant which constitutes an extension to existing power generation unit, adding a combined cycle plant using Alstom technology, to the already operational open cycle facilities. The total value of the contract amounts to US $143,140,774 and 10,955,000 Jordanian dinars and shall be implemented in a period of 28 months after assignment

In October 2012, METKA subsidiary was served a letter for the assignment of a second EPC project by the same authority in Jordan.

The project refers to the design, supply, construction and commissioning of one Alstom GT13E2 gas turbine and ancillaries, rated at 146MW at local conditions. The total contract value is $104 million US dollars and shall be implemented as a fast-track procedure, aiming at commencing commercial service by the end of June 2013.

Following completion of thorough due diligence, a procedure entailing financial, legal, revenue and technical auditing of the merged parties, as well as negotiations carried out in a spirit of mutual trust, reaching a final agreement was not possible regarding the progressive acquisition of the Bauxite activities of S&B in Greece by 'Aluminium S.A.', a 100% subsidiary of MYTILINEOS S.A., as such has been announced on November 8, 2011. The two companies, evaluating the challenges presented by the domestic and international environment, will continue to pursue ways to improve the competitiveness of bauxite mining activities, whereas their commercial collaboration will continue without impediments.

On December 13, 2012, the subsidiary Aluminum S.A. acquired 100% of the stock of the company titled DESFINA SHIPPING Co.

Finally, in December 2012 a new agreement was made between the Management of subsidiary Aluminum S.A. and the company's Labor Union. The aforesaid agreement resulted in preserving all employment positions and the production capacity of the plant as well as significant cost streamlining on a viable and long - term basis.

Moreover, the following took place in the described period:

- On 15/5/2012, RAE (the Regulating Authority for Energy) issued decision no. 346/2012 that set a provisional price, according to general principles for billing, equal to 42€/MWh, further to the envisaged utility operator charges (UO), the Renewable Energy Sources Duty (RES), the Transmission System Levies and other taxes. Application of the above mentioned provisional price, according to the rationale of the RAE decision, refers to all operating hours of Aluminium S.A., in light of the single - zone tariff that matches its consumption profile, for the entire period of the day; this shall be effective till the final decision by the arbitrators where Aluminium S.A. and PPC have referred their dispute.
- Under Law 4093/2012 *(Interim Budgetary Strategy Framework 2013-2016 – Urgent Measures for the Application of Law 4046/2012 and Interim Budgetary Strategy Framework 2013-2016),* an extraordinary duty has been applied in November 2012 to power generators employing RES and HPEPHC plants. These rates amount to:

  (a) 25% for solar power plants put to trial operation or their link was energized by 31.12.2011

  (b) 30% for Solar Power plants put to trial operation or their link was energized after 1.1.2012 and compensation for energy generated is calculated according to the reference price of the schedule set out in article 27^{A} , Law 3734/2009, as applicable each time, corresponding to a month earlier than February 2012

  (c) 27% for Solar Power plants put to trial operation or their link was energized after 1.1.2012 and compensation for energy generated is calculated according to the reference price of the schedule set out in article 27^{A} , Law 3734/2009, as applicable each time, corresponding to the period between February 2012 and August 9, 2012

  (d) 10% for other RES plants as well as for HECHP plants
- December 2012 saw the beginning of the arbitration procedure between subsidiary Aluminium S.A. and PPC which is currently in progress, as both parties have submitted their claims through Applications Memoranda dated 21.12.2012, followed by their Responses dated 1.2.2013 on opposing claims. Furthermore, the Court of Arbitration has designated a date of hearing of claims by both parties and examination of the first witness on part of the Company on 02.04.2013. In the months to follow, completion of the arbitration procedure and issuance of decision are anticipated.
- The Ministry of Environment, Energy & Climate Change issued a decision on 17/1/2013 for licensing the commercial service of the electric power / heat cogeneration plant of Aluminium S.A. As of

28/11/2012, the plant in question was already in « trial operation » status as Distributed High Performance Electric Power / Heat Cogeneration Plant (trial operation of Distributed HPEPHC) by the market operator, after having signed a supplementary transaction contract, and ensuring the proportional estimation and billing of electric power infused to the grid.

III Prospects for the forthcoming year (2013)

Metallurgy and Mining Sector

In the Metallurgy Sector, the rate of increase of aluminum demand at global level is expected to accelerate in 2013; this development will drive the increase in aluminum prices. However, in early 2013 and despite the new highs observed for Premia, aluminum values at LME varied again below the 2.000 $/tn threshold and this poses persistent challenges to producers.

The developments regarding the European Debt Crisis; the cost of energy; the trend in US dollar value; and the monetary policy to be adopted by Central Banks are expected to be the main factors determining the evolution of the sector in the forthcoming period. The persistent high prices in the oil market, in particular, largely related to geopolitical factors such as the continuing instability in the Arab World, intensify the pressure on costs.

Given this international framework and the unbearable domestic situation which is dictated by excessive tax burdens and limited liquidity, the full implementation of the 'MELLON' program is a key priority and a prerequisite for maintaining competitiveness and for improving financial performance in the Metallurgy Sector.

EPC Sector.

The implementation of the signed work backlog, amounting to 1.7 billion euro, is expected to continue in 2013, as projects in foreign markets are now going through a mature phase.

In 2013, METKA is expected to continue on a steady course, recording satisfactory performance for another year, leveraging the signed backlog, as well as projects awarded in the new markets of Algeria and Jordan.

In the imminent period, METKA will focus on the successful performance of abroad contracts and the pursuit of new projects in excellent or new markets so as to increase its share in Energy Infrastructure Projects in Europe; Turkey; North Africa; and the Middle East.

Energy Division.

For 2013, the Energy Division is expected to have a considerable contribution as all thermal units constructed in the previous years are currently in commercial service. Nevertheless, the combination of reduced demand and increased capacity, especially from RES, does not raise expectations for price increases in the wholesale market; these are expected to remain low.

Another key issue is to see the restoration of liquidity in the energy market and the removal of distortions that result in increased debt.

Having a 1,2 GW capacity in service, the Group has secured the required critical size so as to maximize the benefits from the deregulation of the natural gas market and the possibility for alternate provision of electric power generation fuel through the procurement of Liquefied Natural Gas (LNG), and the anticipated full deregulation of the domestic electric power market.

Under this framework, a satisfactory contribution by the Energy Sector is expected for 2013; this is expected to favorably influence the integrated performance figures of the Group, to the same extent as other main activity sectors.

IV Business Risk Management

Financial risk management aims and policies

The Group's activities give rise to multiple financial risks, including the current and interest rate related risks; the volatility in market prices; credit risks; and liquidity risks. The Group's risk management program aims at containing potential negative influence to its financial results, as this may arise from the inability to predict financial markets and the volatility with respect to cost and sales variables.

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 center, 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.

The tables below summarize the maturity profile of the Group's financial assets as at 31.12.2012 and 31.12.2011 respectively:

MYTILINEOS GROUP

	Past due but not impaired				Non past due but not impaired	Total
	0-3 months	3-6 months	6-12 months	> 1 year		
Liquidity Risk Analysis - Trade Receivables (Amounts in thousands €)						
2012	205,969	31,705	28,294	82,107	267,541	615,616
2011	74,650	21,131	48,108	32,781	251,265	427,936

MYTILINEOS S.A.

	Past due but not impaired				Non past due but not impaired	Total
	0-3 months	3-6 months	6-12 months	> 1 year		
Liquidity Risk Analysis - Trade Receivables (Amounts in thousands €)						
2012	-	-	-	-	498	498
2011	-	-	-	-	718	718

Solvency Risk

The solvency risk is linked to the need to sufficiently finance the Group's activity and growth. The relevant solvency 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.

On 31/12/2012, the Group exhibits a temporary negative balance between Working Capital and Short-Term Liabilities amounting to € 361,63 mio. The above mentioned difference is attributed to Loan Liabilities that mature in the 2013 fiscal year, amounting to € 498 mio, as well as short term loan liabilities amounting to € 255 mio, which are analyzed as follows:

46,5 mio € for installment and €243, mio € for balance of the Bond Debt owned by the parent company, payable in February and August 2013 respectively; a sum of 172,5 mio € for the Bond Loan of subsidiary Korinthos Power which is payable in September 2012; a sum of 105,00 mio € for short term loan liabilities by subsidiary Protergia S.A.; and lastly, a sum of 150,00 mio € for short term loan liabilities of subsidiary Aluminium S.A.

Regarding the above mentioned obligations, the Management notes the following:

Until approval of Financial Statements, the parent company's Bond Loan installment referring to February 2013, which amounts to the sum of 46,5 mio € has been already cleared by refinancing by the Banks that participate to the Bond Loan, to a 87% share. Moreover, also in accordance with a relevant letter endorsed by the Participating Banks, addressed to parent company Management, the latter is in the middle of discussions on revising the current Bond Loan made by Mytilineos HOLDINGS S.A, and assigning the Banks with the preparation of issuing new Common Bond Loans by subsidiary Aluminium S.A. and also by subsidiary Protergia A.E., whose purpose is to refinance the existing long - term lending of the above mentioned companies.

Regarding the above, as particularly noted in the above mentioned letter by the Participating Banks, the terms that will apply to the Banks intending to prepare the above mentioned loans, are finalized in their main parts, with reservation for approval by their competent authorizing bodies.

Regarding the Bond Loan of subsidiary Korinthos Power, the company is amidst discussions with Banks regarding refinancing 100% of the said loan, by agreeing on new long term financing as underlined in a relevant letter endorsed by the Banks that participate in refinancing. According to the said letter, the terms that will apply to the Banks intending to refinance the above mentioned loan, are finalized in their main parts, with reservation for approval by their competent authorizing bodies.

The Group ensures the provision of adequate credit facilities available so as to cover short term business requirements. in addition, funds for long term solvency needs shall be ensured through an adequate amount of borrowed capital and the ability of selling long term financial assets.

The tables below summarize the maturity profile of the Group's liabilities as at 31.12.2012 and 31.12.2011 respectively:

MYTILINEOS GROUP

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2012	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	54.773	477.441	14.222	8.413	554.849
Short Term Loans	21.041	285.522	-	-	306.563
Leasing liabilities	-	-	-	-	-
Trade and other payables	119.744	304.428	76.812	-	500.984
Other payables	28.987	10.671	27.441	-	67.099
Total	224.545	1.078.062	118.475	8.413	1.429.495

MYTILINEOS GROUP

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2011	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	46.500	46.500	334.588	-	427.588
Short Term Loans	124.532	234.810	-	-	359.342
Leasing liabilities	-	-	-	-	-
Trade and other payables	278.603	197.404	65.482	-	541.490
Other payables	28.539	14.204	-	-	42.743
Total	478.174	492.918	400.070	-	1.371.163

MYTILINEOS S.A.

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2012	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	-	-	-	-	-
Short Term Loans	3,205	-	-	-	3,205
Leasing liabilities	-	-	-	-	-
Trade and other payables	8,390	-	-	-	8,390
Other payables	1,760	72,833	23,514	-	98,107
Total	13,356	72,833	23,514	-	109,703

MYTILINEOS S.A.

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2011	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	46,500	46,500	330,986	-	423,986
Short Term Loans	2,143	-	-	-	2,143
Leasing liabilities	-	-	-	-	-
Trade and other payables	8,249	-	-	-	8,249
Other payables	1,847	38,847	23,276	-	63,970
Total	58,740	85,347	354,262	-	498,348

It must be noted that the above table does not include liabilities to clients from the performance of construction projects, as the maturity of such values cannot be assessed.
Finally, regarding the outstanding litigation between subsidiary Aluminium S.A. and PPC S.A. (ref. note 6.34 of the Financial Statements of the presented fiscal year) and potential consequences to the solvency of the company and the Group, detailed reference is made in note 3.8 of the Financial Statements of the presented fiscal year.

Market Risk

Price Risk

Goods prices that are mainly determined by international markets and global offer and demand result in the Group's exposure to the relevant prices fluctuation risk.
Goods' prices are connected both to variables that determine revenues (e.g. metal prices at LME) and to the cost (e.g. fuel oil prices) of the Group's companies. Due to its activity, the Group is exposed to price fluctuation of aluminium (AL), zinc (Zn), lead (Pb) as well as to price fluctuation of fuel oil, as production cost.

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

Exchange rate risk

The Group develops activity at international level and is therefore exposed to exchange rate risk that arises mainly from the US dollar. Such risk primarily stems from commercial transactions in foreign currency as well as from net investments in foreign financial entities. For the management of such risk, the Group's Financial Management Department establishes financial derivative and non-derivative instruments with financial organizations for the account and in the name of the Group's companies.

At the 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.

Effect from risk factors and sensitivities analysis

The effect from the above mentioned factors to Group's operating results, equity and net results presented in the following table:

LME AL (Aluminium)	$/t	+ 50	- 50
EBITDA	m. €	6,6	-6,6
Net Profit	m. €	5,3	-5,3
Equity	m. €	5,3	-5,3

Exchange Rate €/$	€/$	- 0,05	+ 0,05
EBITDA	m. €	13,7	-12,7
Net Profit	m. €	11,0	-10,2
Equity	m. €	11,0	-10,2

Oil Price	$/t	- 50	+ 50
EBITDA	m. €	0,4	-0,4
Net Profit	m. €	0,3	-0,3
Equity	m. €	0,3	-0,3

LNG Price	€/MWh	- 5	+ 5
EBITDA	m. €	12,02	-12,02
Net Profit	m. €	9,6	-9,6
Equity	m. €	9,6	-9,6

It is noted that an increase of five (5) basis points presume a decrease of 4 mil. € on net results and Equity.

The Group's exposure in price risk and therefore sensitivity may vary according to the transaction volume and the price level. However the above sensitivity analysis is representative for the Group exposure in 2012.

V Other Information for the Group and the Company

Group Structure

Companies included in the consolidated financial statements and the method of consolidation are presented in the following table:

COMPANY	Years Not Inspected by Tax Authorities
MYTILINEOS S.A. Maroussi, Athens	2007-2010
METKA S.A., N. Heraklio, Athens	2009-2010
SERVISTEEL, Volos	2010
E.K.M.E. S.A. Municipality of Ehedorou, Thessaloniki	2009-2010
RODAX BRAZI SRL, Bucharest	2009-2012
ELEMKA S.A., N.Heraklio, Athens	2007-2010
DROSCO HOLDINGS LIMITED, Cyprus	2003-2012
BRIDGE ACCESSORIES & CONSTRUCTION SYSTEMS S.A., Maroussi, Athens	2010-2012
METKA BRAZI SRL, Bucharest ROMANIA	2010-2012
POWER PROJECT - Turkey	2010-2012
DELFI DISTOMON A.M.E.	2006-2010
ALOUMINION S.A.	2008 - 2010
RENEWABLE SOURCES OF KARYSTIA SA	2005-2010
SOMETRA S.A., Sibiu Romania	2003-2012
MYTILINEOS FINANCE S.A., Luxemburg	2007-2012
STANMED TRADING LTD, Cyprus	2005-2012
MYTILINEOS ELGRADO D.O.O., Serbia	1999-2012
MYVEKT INTERNATIONAL SKOPJE	1999-2012
RDA TRADING, Guernsey Islands	2007-2012
DELTA PROJECT CONSTRUCT SRL, Boucouresti, Romania	2003-2012
DEFENSE MATERIAL INDUSTRY S.A.-MYTILINEOS AND Co, Maroussi, Athens	2003-2012
INDUSTRIAL RESEARCH PROGRAMS ''BEAT'', Halandri, Athens	2003-2012
GENIKI VIOMICHANIKI, Maroussi, Athens	2009-2010
THORIKI S.A.I.C., Maroussi, Athens	2005-2012
THERMOREMA S.A., Moshato, Athens	2007-2012
KALOMOIRA S.A., Moshato, Athens	2003-2010
DELTA ENERGY S.A., Moshato, Athens	2010
FOIVOS ENERGY S.A., Amfiklia Fthiotidas	2010
YDROXOOS S.A., Moshato, Athens	2010
PEPONIAS S.A., Moshato, Athens	2010
FTHIOTIKI ENERGY S.A., Moshato, Athens	2003-2010
YDRIA ENERGY S.A., Moshato, Athens	2010
EN.DY. S.A., Moshato, Athens	2010
FOTINOS TILEMAXOS S.A., Moshato, Athens	2010
THESSALIKI ENERGY S.A., Moshato, Athens	2010
IONIA ENERGY S.A., Moshato, Athens	2010
ELECTRONWATT S.A., Moshato, Athens	2006-2012
BUSINESS ENERGY S.A., Alimos, Athens	2006-2010
PROTERGIA S.A.	2003-2010
NORTH AEGEAN RENEWABLES, Maroussi, Athens	2010
MYTILINEOS HELLENIC WIND POWER S.A., Maroussi, Athens	2010
AIOLIKI ANDROU TSIROVLIDI S.A.,Maroussi,Athens	2010
AIOLIKI NEAPOLEOS S.A., Maroussi, Athens	2010
AIOLIKI EVOIAS PIRGOS S.A., Maroussi, Athens	2010
AIOLIKI EVOIAS POUNTA S.A., Maroussi, Athens	2010
AIOLIKI EVOIAS HELONA S.A., Maroussi, Athens	2010
AIOLIKI ANDROU RAHI XIROKABI S.A., Maroussi, Athens	2010
AIOLIKI PLATANOU S.A., Maroussi, Athens	2010
AIOLIKI SAMOTHRAKIS S.A., Maroussi, Athens	2010
AIOLIKI EVOIAS DIAKOFTIS S.A., Maroussi, Athens	2010
AIOLIKI SIDIROKASTROU S.A., Maroussi, Athens	2010
HELLENIC SOLAR S.A., Maroussi Athens	2010
SPIDER S.A., Maroussi Athens	2010
GREENENERGY A.E.	2007-2010
BUSINESS ENERGY TPOIZINIA	2007-2012
MOVAL S.A.	2010
ARGYRITIS GEA S.A.	2010
ANEMOSTRATA RENEWABLE ENERGY SOURCES S.A.	2008 - 2010
ANEMODRASI RENEWABLE ENERGY SOURCES S.A.	2008 - 2010
ANEMORAHI RENEWABLE ENERGY SOURCES S.A.	2008 - 2010
ANEMOSKALA RENEWABLE ENERGY SOURCES S.A.	2008 - 2010
KATAVATIS RENEWABLE ENERGY SOURCES S.A.	2008 - 2010
HORTEROU S.A.	2010
KISSAVOS DROSERI RAHI S.A.	2010
KISSAVOS PLAKA TRANI S.A.	2010
KISSAVOS FOTINI S.A.	2010
AETOVOUNI S.A.	2010
LOGGARIA S.A.	2010
IKAROS ANEMOS SA	2010
KERASOUDA SA	2010
ARGOSTYLIA AIOLOS SA	2010
M & M GAS Co S.A.	2010
KORINTHOS POWER S.A.	2010
KILKIS PALEON TRIETHNES S.A.	2010
KILKIS VIKROUNOS S.A.	2010
FERRITIS S.A.	2010
VYRILLOS S.A.	2010
OSTENITIS S.A.	2010
DESFINA SHIPPING COMPANY	2010
MYTILINEOS FINANCIAL PARTNERS S.A.	2011
M&M SA	2010
METKA OVERSEAS	2011

Related Party transactions

The related party transactions mentioned below 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 had any special terms and there were no guarantees given or received.

In the tables below presented the intercompany transactions and balances between the Company, its subsidiaries and the BoD members for the fiscal year 2012 and the intercompany balances at 31.12.2012:

		MYTILINEOS GROUP	MYTILINEOS S.A.
(Amounts in thousands €)		31/12/2012	31/12/2012
Stock Sales	ALOUMINION S.A.	-	16,040
Stock Purchases	DELFI DISTOMON A.M.E.	-	16,012
Services Sales	METKA S.A.	-	6,007
Services Sales	ELEMKA S.A.	-	32
Services Sales	DEFENSE MATERIAL INDUSTRY S.A.-MYTILINEOS AND Co,	-	1
Services Sales	DELFI DISTOMON A.M.E.	-	7
Services Sales	ALOUMINION S.A.	-	6,400
Services Sales	ΓΕΝΙΚΗ ΒΙΟΜΗΧΑΝΙΚΗ Α.Ε. ΑΜΥΝΤΙΚΟΥ ΥΛΙΚΟΥ	-	3
Services Sales	THORIKI S.A.I.C.	-	144
Services Sales	OSTENITIS	-	3
Services Sales	VYRILLOS	-	3
Services Sales	FERRITIS	-	3
Services Sales	PROTERGIA S.A.	-	91
Services Sales	M & M GAS Co S.A.	-	3
Services Sales	DESFINA	-	3
Services Purchases	STANMED TRADING LTD	-	565
Services Purchases	MYTILINEOS FINANCIAL PARTNERS S.A.	-	3,626

		MYTILINEOS GROUP	MYTILINEOS S.A.
(Amounts in thousands €)		31/12/2012	31/12/2012
Balance from sales of stock/services receivable	METKA S.A.	-	345
Balance from sales of stock/services receivable	ELEMKA S.A.	-	-
Balance from sales of stock/services receivable	DEFENSE MATERIAL INDUSTRY S.A.-MYTILINEOS AND Co,	-	10
Balance from sales of stock/services receivable	ΓΕΝΙΚΗ ΒΙΟΜΗΧΑΝΙΚΗ Α.Ε. ΑΜΥΝΤΙΚΟΥ ΥΛΙΚΟΥ	-	25
Balance from sales of stock/services receivable	THORIKI S.A.I.C.	-	32
Balance from sales of stock/services receivable	OSTENITIS	-	5
Balance from sales of stock/services receivable	VYRILLOS	-	4
Balance from sales of stock/services receivable	FERRITIS	-	5
Balance from sales of stock/services receivable	M & M GAS Co S.A.	-	3
Balance from sales of stock/services receivable	DESFINA	-	6
Balance from sales/purchases of stock/services payable	METKA S.A.	-	1
Balance from sales/purchases of stock/services payable	STANMED TRADING LTD	-	23,447
Balance from sales/purchases of stock/services payable	DELFI DISTOMON A.M.E.	-	7,193
Balance from sales/purchases of stock/services payable	ALOUMINION S.A.	-	1,199
Balance from sales/purchases of stock/services payable	MYTILINEOS FINANCIAL PARTNERS S.A.	-	73,208

(Amounts in thousands €)		MYTILINEOS GROUP 31/12/2012	MYTILINEOS S.A. 31/12/2012
Stock Sales	ALOUMINION S.A.	-	16,040
Stock Purchases	DELFI DISTOMON A.M.E.	-	16,012
Services Sales	METKA S.A.	-	6,007
Services Sales	ELEMKA S.A.	-	32
Services Sales	DEFENSE MATERIAL INDUSTRY S.A.-MYTILINEOS AND Co,	-	1
Services Sales	DELFI DISTOMON A.M.E.	-	7
Services Sales	ALOUMINION S.A.	-	6,400
Services Sales	ΓΕΝΙΚΗ ΒΙΟΜΗΧΑΝΙΚΗ Α.Ε. ΑΜΥΝΤΙΚΟΥ ΥΛΙΚΟΥ	-	3
Services Sales	THORIKI S.A.I.C.	-	144
Services Sales	OSTENITIS	-	3
Services Sales	VYRILLOS	-	3
Services Sales	FERRITIS	-	3
Services Sales	PROTERGIA S.A.	-	91
Services Sales	M & M GAS Co S.A.	-	3
Services Sales	DESFINA	-	3
Services Purchases	STANMED TRADING LTD	-	565
Services Purchases	MYTILINEOS FINANCIAL PARTNERS S.A.	-	3,626

(Amounts in thousands €)		MYTILINEOS GROUP 31/12/2012	MYTILINEOS S.A. 31/12/2012
Balance from sales of stock/services receivable	METKA S.A.	-	345
Balance from sales of stock/services receivable	ELEMKA S.A.	-	-
Balance from sales of stock/services receivable	DEFENSE MATERIAL INDUSTRY S.A.-MYTILINEOS AND Co,	-	10
Balance from sales of stock/services receivable	ΓΕΝΙΚΗ ΒΙΟΜΗΧΑΝΙΚΗ Α.Ε. ΑΜΥΝΤΙΚΟΥ ΥΛΙΚΟΥ	-	25
Balance from sales of stock/services receivable	THORIKI S.A.I.C.	-	32
Balance from sales of stock/services receivable	OSTENITIS	-	5
Balance from sales of stock/services receivable	VYRILLOS	-	4
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Balance from sales/purchases of stock/services payable	MYTILINEOS FINANCIAL PARTNERS S.A.	-	73,208

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Short term employee benefits				
- Wages and Salaries and BOD Fees	14,091	13,991	3,086	3,168
- Insurance service cost	378	307	154	158
- Bonus	-	-	-	-
- Other remunerations	-	120	-	-
	14,470	**14,418**	**3,241**	**3,327**
Pension Benefits:				
- Defined benefits scheme	21	56	-	-
- Defined contribution scheme	(206)	105	(260)	39
- Other Benefits scheme	-	-	-	-
Payments through Equity	-	-	-	-
Total	**14,285**	**14,580**	**2,981**	**3,365**

Dividend Policy

Regarding the distribution of dividends, the Board of Directors proposes that no dividend is to be distributed due to the losses recorded in 2012. This proposal is subject to the approval of the General Assembly.

Post Balance Sheet events

There are no other significant subsequent events, apart from the abovementioned, which should be announced for the purposes of I.F.R.S.

Evangelos Mytilineos

Chairman & Chief Executive Officer

MYTILINEOS S.A. – HOLDING

Information regarding the issues of article 4 paragraph 7-8 of L.3356/2007 of MYTILINEOS Holdings S.A.

This explanatory report of the Board of Directors is submitted to the Ordinary General Shareholders' Meeting and contains detailed information regarding the issues of paragraph 7 and 8 of article 4 L.3356/2007.

I. Company's Share Capital Structure

The share capital of Mytilineos Holding S.A amounts to €125,099.972.34, divided into 116,915,862 registered shares with a nominal value of €1.07 each. Each share provides one voting right.

The shares of Mytilineos Holding S.A are listed on the Securities Market of the Athens Exchange.

The rights of the Company's shareholders with respect to their shares are proportional to the share capital stake to which the paid-in share value corresponds. Each share incorporates all the rights and obligations that are stipulated by the Law and Company's Articles of Association, and more specifically:

• The right to dividends from the annual profits or liquidation profits of the Company. A percentage of 35% of the net profits following deduction only of the statutory reserves or 6% of the paid in capital (and in particular the larger of the two amounts) is distributed from the profits of each year to the shareholders as an initial dividend while the distribution of an additional dividend is resolved upon by the General Meeting. The General Meeting determines the added dividend. Dividends are entitled to each shareholder who is registered in the Shareholders' Register held by the Company on the date of approval of the financial statements by the Ordinary General Shareholders' Meeting. The payment date and the payment method of the dividend are available through the media appointed by L. 3556/07. The right to receive payment of the dividend is subject to a time limitation and the respective unclaimed amount goes to the State upon the lapse of five years from the end of the year during which the General Meeting approved the distribution of the said dividend.

• The right to reclaim the amount of one's contribution during the liquidation or, similarly, the writing off of the capital representing the share, provided that this is resolved upon by the General Meeting,

• The right of pre-emption at every share capital increase of the Company via cash payment or the issuance of new shares.

• Each shareholder is entitled to request the annual financial statements along with the relevant reports of the Board of Directors and the Auditors of the Company.

• Shareholders participate in the Company's General Meeting which constitute the following rights: legitimacy, presence, participation in discussions, submission of proposals on the items of the agenda, entry of one's opinion on the minutes of the Meeting and finally the right to vote.
• The General Meeting of Company's Shareholders retain all its rights and obligations during the winding up (according to paragraph 4 of article 33 of the Articles of Association).
The shareholders' responsibility is limited to the nominal value of the shares held.

II. Restrictions for transferring Company shares

The transfer of Company shares takes place based on procedures stipulated by the law while there are no restrictions set by the Articles of Association for transfer of shares.

III. Important Indirect/Direct participations according to articles 9-10 of L.3556/07

The Shareholders (natural or legal entity) that hold direct or indirect a more than 5% of Company's Shares and their respective voting rights are presented in the following table.

Shareholders	No shares	Shares %	Voting right
Evangelos Mytilineos	18.016.678	15,41%	16,09%
Ioannis Mytilineos	19.201.219	16,42%	17,15%
MYTILINEOS SA HOLDINGS (own shares)	4.972.383	4,25%	0,00%
	42.190.280	36,08%	33,24%

IV. Shares with special control rights

There are no Company shares that provide special control rights to their holders.

V. Restrictions on voting rights

No restrictions on voting rights emanate from the Company shares according to the Articles of Association.

VI. Agreements between Company shareholders

The Company is not aware of any agreements among its shareholders, which would result in restrictions on the assignment of its shares or exercise of the voting rights stemming from such shares.

VII. Regulations regarding the assignment and replacement of BoD members and amendments of the Articles of Association

For the assignment and replacement of BoD members as well as for amendments of its Articles of Association, the Company follows the provisions of C.L. 2190/1920

VIII. Responsibility of the BoD for the issuance of new shares or acquisition of own shares according to C.L. 2190/1920

A) According to the provisions of article 13 par. 1 item b) of C.L. 2190/1920 and the article 5 of the Articles of Association, the Company's Board of Directors has the right, following a relevant decision by the General Shareholder's Meeting to increase the Company's share capital with the issuance of new shares, through a decision by the Board of Directors that is made with a majority of at lease two thirds (2/3) of its total members.

In this case, Company's share capital may be increased by no more than the share capital amount paid up on the date when the Board of Directors was granted such power by the General Meeting, This power of the Board of Directors may be renewed by the General Meeting for a period that may not exceed five year per instance of renewal.

B) In accordance with the decisions of the General Meeting of shareholders of the Company on 14.6.2006 and 3.9.2007 the Board of Directors of the Company: (a) On 5.12.2007 resolved on the specification of the terms and table of allocation of the stock option plan of the Company pursuant to the provisions of article 13 para. 13 of codified law 2190/1920 as in force, in favour of members of the Board and executive members of the Company and its affiliates. According to the above decision, there are 28 beneficiaries with up to 171.715 corresponding call options for the current year. It is noted that the beneficiaries of the program did not exercise their rights in 2008.

C) According to the provisions of the paragraphs 5-13 of article 16 par. 9 item b) of C.L. 2190/1920, the listed companies may acquire own shares through the Athens Stock Exchange, according to decision of the General Meeting until the 10% of total shares, in order to support the stock exchange price. In the Meeting held on 14.6.2006 the General Meeting of Shareholders, making use of the above possibility provided by the Law, decide that the Company should acquire, during the period 14.6.2006 - 13.6.2007 no more than 4.054.034 shares, equivalent to 10% of total existing shares, in order to support the stock exchange price of its share, in a price range between € 5 (minimum) and € 35 (maximum). In the Meeting held on 16.2.2006 the General Meeting of Shareholders amended the initial decision in a price range between € 5 (minimum) and € 50 (maximum). In the context of implementing the aforementioned General Meeting decision, the Company's BoD defines by resolution, prior to the start of the individual trading period, the principal trading terms, in particular the maximum number of own shares to be acquired, maximum and minimum price and time period that shares shall be acquired. The company on 6.6.007 completed the 3rd phase of its Share Buyback Program through the acquisition of 1.096.293 treasury shares at an average price of 35,27 euro on the context of the 16.2.2007 decision of the Board of Directors. During that period the company had acquired a total of 5.695.898 (adjusted after split) treasury shares which represented 4,82% of share capital

D) The 2nd Repeat General Meeting of the Company's Shareholders that was held on 3 June 2011 deliberated and resolved to: A) The decrease of the Company's share capital by €6,030,410.86 through the cancellation of 5,635,898 own shares, with corresponding amendment of article 5 par. 1 of the Company's Articles of Association. As a result of the aforementioned decrease, the Company's share capital shall amount to €119,142,830.80, divided into 111,348,440 registered shares with a nominal value of €1.07 each. B) The increase of the Company's share capital by the amount of €5,957,141.54 through capitalisation of reserves against the issue of 5,567,422 new shares, with corresponding amendment of article 5 of the Company's Articles of Association. As a result of the aforementioned increase, the Company's share capital shall amount to €125,099.972.34, divided into 116,915,862 registered shares with a nominal value of €1.07 each

E) On 7.12.2007, the Board of Directors of the Company resolved on the commencement of the plan regarding the acquisition of treasury shares, in implementation of the decision of the Extraordinary General Meeting of the Company's shareholders of 07.12.2007. In the period from 13.12.2007 until 06.12.2009, the Company will acquire up to 6.053.907 treasury shares, at a minimum acquisition price of 2,08 €/share and a maximum acquisition price of 25 €/share (amounts adjusted for the shares split of 19.12.2007). Following the cancellation of 5,635,898 own shares by the 2nd Repeat General Meeting of the Company's Shareholders, as at 30.09.2011, the Company has overall acquired 4.735.603 treasury shares, which corresponds to 4,05% of its share capital.

IX. Important agreement which is amended / terminated in case a change arises in the company's control following a public offer

There are no agreements which enter into force, are amended or terminated in the event of change in the control of the Company following a public offer.

X. Agreement between the Company and BoD members or employees regarding the termination of their terms / employment

There is no agreement between the Company and the BoD members or staff providing for the payment of any compensation specifically in the event of resignation or dismissal without cause, or termination of their mandate or employment as a result of a Public Acquisition Offer

Evangelos Mytilineos

Chairman & Managing Director

MYTILINEOS Holdings S.A.

D. Statement of Corporate Governance

This Statement of Corporate Governance (the "Statement") is made in the context of the conformation of Mytilineos S.A. (the "company") to the provisions of article 2 of Law 3873/2010, and regards:

1. a) Compliance of the Company with the Corporate Governance Code

Our Company complies with the policies and practices adopted by the "Corporate Governance Code of the Hellenic Federation of Enterprises (SEV in Greek) for Listed Companies" (hereinafter the Code), whose text has been posted on the website of SEV.

1. b) Deviation from the special practices of the Code

The Company's practices, as implemented under its Articles of Association, its Internal Regulation and Code of Ethics, deviate from the special practices of the Code in the following points:

i. There is no nomination committee for members of the Board of Directors (article 5.5). Given that no such obligation to set up a committee is laid down by law and our Company has strict criteria pertaining to the selection of its candidates, the Company reserves its right whether a nomination committee for members of the Board of Directors shall be set up, investigating at the same time the possibility of applying a commonly accepted methodology and procedure.

ii. No assessment procedure of the effectiveness of the members of the Board of Directors and its committees exists (article 7.1). Our Company intends to harmonize with the said special practice following the elaboration of a relevant procedure.

iii. The Company's Articles of Association do not provide an electronic vote or correspondence vote procedure for the shareholders in the General Assembly (Part II. Article 1.2). The Company is waiting for the issuance of the relevant ministerial decisions in order to introduce a relevant procedure.

2. The General Assembly and the shareholders' rights

2.A. Operation of the General Assembly and its key powers

The General Assembly of the Company's shareholders is its highest body and is entitled to take decisions on all cases related to the company. More specifically:

The General Assembly is the only competent one to decide on the:

a) extension of the company's duration, merger, split-up, conversion, revival or dissolution;
b) amendment of the articles of association;
c) increase or decrease of the Share Capital, with the exception of the case of para 2, case a, article 5 of the Articles of Association, the provisions imposed by the law and the capitalization of the reserves;

d) issuance of a debenture loan with convertible loans and a debenture loan with participation right in the profits, without prejudice to the terms of para 2, case b, article 5 of the Articles of Association;
e) election of the BoD members, apart from the cases of article 22 of the Articles of Association;
f) election of auditors
g) election of liquidators
h) approval of annual accounts (annual financial statements)
i) appropriation of annual profits

The above competencies do not include:

a) increases decided in application of paragraphs 1 and 14 of article 13, C.L. 2190/1920, as each time in force, and increases imposed by provisions of other laws;
b) the amendments of the Articles of Association decided by the Board of Directors in application of para 5, article 11, para 2, article 13a, para 13, article 13 and para 4, article 17b of C.L. 2190/1920 as each time in force;
c) the absorption of a public limited company (SA) under article 78 by another public limited company (SA) possessing 100% of its shares; and
d) the possibility of profit or optional reserve appropriation in the current fiscal year with the decision of the Board of Directors provided that there is no relevant authorisation of the ordinary general assembly.

(ii) Its legal decisions also bind the shareholders who are absent or disagree.

(iii). The shareholders' General Assembly is convened by the Board of Directors and is held at the company's seat or in the region of another municipality within the prefecture where the company has its seat or in another municipality neighboring the one where the company has its seat, at least once a year, always in the first semester from the expiry of each fiscal year. The General Assembly, also, can be held in the municipality where the seat of the Stock Market where the company's shares are listed. The Board of Directors can convene an extraordinary shareholders' General Assembly, when deemed necessary. The General Assembly can be held via a teleconference, according to the technical security specifications stipulated in the decisions of the Minister of Development, following an opinion of the Capital Market Commission.

(iv). The General Assembly, with the exception of repeat meetings and the similar ones, should convene at least within twenty (20) full days before the one set for its convocation. The publication day of the invitation of the General Assembly and the day of the meeting are not taken into account. The invitation of the General Assembly includes the place of the assembly with its exact address, the date and the time, the items on the agenda, the shareholders with participation right and exact instructions about the way the shareholders will be able to participate in the assembly and exercise their rights in person or by proxy or even from distance. No invitation is required if shareholders representing the total of the share capital are presented or represented and no one objects to its convocation and decision taking.

(v). The General Assembly is in quorum and timely convenes for the items on the agenda when a percentage of at least twenty per cent (20%) of the paid Share Capital is paid. If such a quorum is not achieved in the first Assembly, a repeat one is convened within twenty (20) days from the date of the postponed assembly with an invitation of the Board of Directors sent at least ten (10) days before. The repeat assembly is in quorum and timely convenes on the items of the agenda whatever the part of the paid Share Capital is represented.

(vi). The decisions of the General Assembly are taken with an absolute majority of the votes, represented in the meeting. The General Assembly is exceptionally considered to be in quorum and timely convenes on the items of the agenda if two thirds (2/3) at least of the paid Share Capital are represented, in the case of decisions pertaining to: a. extension of the company's duration, merger, split-up, conversion, revival or dissolution; b. change of the national status of the Company; c. change of the scope of the Company's activities; d) increase and decrease in the share capital; e. change in the profit appropriation (Law 876/1976); f. increase in the shareholders' obligations; g. provision or renewal of the power of the Board of Directors for an increase in the share capital under para 1, article 13, C.L. 2190/1920, and in any case defined by the law or the articles of association that for the General Assembly to take a specific decision, the above quorum is required.

(vii). The General Assembly is provisionally chaired by the President of the Board of Directors or in case of obstacles, the Deputy President appointed by the Board of Directors with a special decision to this purpose. Secretarial duties are performed by the secretary appointed by the President. After the list of the shareholders with a right to vote is approved, the assembly continues with the election of its Chair and a secretary who also acts as a teller.

(viii) The discussions and decisions of the General Assembly are restricted to the items on the agenda. The agenda is prepared by the Board of Directors and includes the proposals of the BoD to the Assembly and possible proposals made by the auditors or shareholders representing one twentieth (1/20) of the paid share capital. For the items discussed for which decisions are taken, minutes are kept signed by the Chair and the Secretary. The list of the shareholders present or represented in the General Assembly is recorded at the beginning of the minutes. If only one (1) shareholder is present in the General Assembly, the presence of a Notary Public is compulsory to co-sign the minutes of the assembly.

b. Rights of the shareholders and their way of exercise

(i) The shareholders exercise the rights relevant to the company's administration only with their participation in the General Assembly. Each share provides the right of one vote in the General Assembly without prejudice to article 16, C.L. 2190/1920, as currently in force.

(ii) Any person appearing as a shareholder in the registry of the Dematerialized Securities System managed by HELLENIC EXCHANGES SA (HELEX), in which the shares of the Company are recorded, is entitled to participate in the General Assembly. Proof of shareholder status should be made by presenting relevant written certification from HELEX or alternatively with direct electronic link-up of the company with the records of the Dematerialized Securities System. Shareholder proof status should exist in the beginning of the fifth (5^{th}) day prior to the general assembly (recording date) and the relevant written certification in proof of the shareholder status issued by HELEX must have been received by the Company by the third (3^{rd}) day before the date of the General Assembly.

(iii) The Company considers that only a party having the shareholder's capacity on the recording day of the list has the right to participate and vote. Shareholders who do not comply with the provisions of article 28a of the Codified Law 2190/1920 may participate in the General Assembly only after the Meeting has authorized them to do so.

(iv) It is noted that in order to exercise the said rights (participation and voting), it is not necessary to block the shares or follow any other similar procedure that may restrict the ability to sell and transfer shares in the period between the Record Date and the date of the General Assembly.

(v) The shareholder may participate in the General Assembly and may vote either in person or by proxy. Each shareholder may appoint up to three (3) proxy holders. Legal entities may participate in the General Meeting by appointing up to three (3) natural persons as proxy holders. Prior to the commencement of the General Meeting proceedings, the proxy holder must disclose to the Company any particular facts that may be of relevance for shareholders in assessing the risk that the proxy holder may pursue interests other than those of the shareholder. Within the meaning intended in this paragraph, a conflict of interest may arise in particular when the proxy holder: (a) is a controlling shareholder of the Company or is another entity controlled by such shareholder; (b) is a member of the board of directors or the broader management of the Company, or of a controlling shareholder or an entity controlled by such shareholder; (c) is an employee or an auditor of the Company, or a controlling shareholder or an entity controlled by such shareholder; (d) is a spouse or close relative (1st degree) of a natural person referred to in (a) to (c) hereinabove. The appointment and revocation of appointment of a proxy holder shall be made in writing and shall be notified to the Company in writing at least three (3) days prior to the date of the General Assembly.

(vi) Participation from a distance in the voting during the shareholders' general assembly is possible either by using electronic means or voting by mail by sending the items of the agenda to the shareholders along with the relevant vote forms on these items.

c. Other shareholders' rights

(i) Ten (10) days before the ordinary General Assembly, each shareholder can take the annual financial statements and the relevant reports of the Board of Directors and the auditors from the company. These documents should have been timely submitted by the Board of Directors to the Company's office.

(ii) After the request of shareholders representing at least one twentieth (1/20) of the paid Share Capital, the Board of Directors is obliged to call an Extraordinary General Assembly setting a date which is not more than forty five (45) days from the day the application was served to the President of the Board of Directors. The application should accurately determine the item on the agenda. If a General Assembly is not called by the Board of Directors within twenty (20) days from serving the relevant application, the assembly is convened by the applicant shareholders at the company's expenses with the decision issued by the Single-Member First Instance Court of the company's seat according to the interim measures procedure. This decision sets the location and the time of the assembly and the agenda.

(iii) After the request of shareholders representing at least one twentieth (1/20) of the paid Share Capital, the Board of Directors is obliged to include additional items in the agenda of a general assembly, already called, if the said request is communicated to the Board of Directors at least fifteen (15) days prior to the general assembly. The additional items should be published or made public with the responsibility of the Board of Directors, under article 26, Codified Law 2190/1920, at least seven (7) days before the general assembly. If these items are not published, the applicant shareholders are entitled to ask the postponement of the general assembly under paragraph 3, article 39, Codified Law 2190/1920 and proceed with the publication according to the previous section, at the Company's expenses.

(iv) After the request of shareholders representing at least one twentieth (1/20) of the paid Share Capital, the Board of Directors puts at the disposal of the shareholders, under article 27, para 3, C.L. 2190/20, at least six (6) days before the date of the general assembly, draft resolutions on items included in the initial or possible revised agenda, if the relevant request is communicated to the Board of Directors at least seven (7) days prior to the date of the general assembly.

(v) If any shareholder requests, and provided that the said request is filed with the Company at least five (5) full days prior to the General Assembly, the Board of Directors is obliged to provide the General Assembly with the specific requested information regarding the affairs of the Company, insofar as such information is relevant to a proper assessment of the items on the daily agenda.

(vi) After the request of shareholders representing at least one twentieth (1/20) of the paid Share Capital, the Chair of the General Assembly is obliged to postpone once taking decisions in the Ordinary or

Extraordinary General Assembly for all or specific items, setting as a date of a decision-making meeting the one on the shareholders' application, which, though, cannot be more than thirty (30) days away from the postponement day. The general assembly following a postponement is the continuation of the previous one and there is no need to repeat the publication formalities of the shareholders' invitation. New shareholders can also participate, by observing the provisions of articles 27, para 2 and 28a of C.L. 2190/1920.

(vii) After the request of shareholders representing at least one twentieth (1/20) of the paid Share Capital, the Board of Directors is obliged to announce to the ordinary general assembly the amounts paid in the last two years to each member of the Board of Directors or the company's directors/ managers and any benefit given to these parties for any reason or as a result of an agreement made with the company. Furthermore, following the application of any shareholder submitted to the company at least five (5) full days before the general assembly, the Board of Directors is obliged to give the general assembly the applied-for specific information to the degree this information is useful for the real assessment of the items on the agenda. The Board of Directors may decline to provide such information citing sufficient material grounds, and this should be recorded in the minutes. Such a reason could be, depending on the specific cases, the representation of the applicant shareholders in the board of directors pursuant to paragraphs 3 or 6 of article 18, C.L. 2190/1920, as currently in force. The Board of Directors may provide a single answer to shareholders' requests that are of similar content. The obligation to provide information does not apply in the event that such information is already available through the Company's website, particularly in the case of frequently asked questions.

(viii) After the request of shareholders representing one fifth (1/5) of the paid-up capital of the Company, and provided that the said request is given to the Company at least five (5) full days prior to the General Assembly, the Board of Directors is obliged to provide the General Assembly with information on the course of the business affairs and financial status of the Company. The Board of Directors may decline to provide such information citing sufficient material grounds, and this should be recorded in the minutes. Such a reason could be, depending on the specific cases, the representation of the applicant shareholders in the board of directors pursuant to paragraphs 3 or 6 of article 18, C.L. 2190/1920, as currently in force. provided the members of the Board of Directors have received the relevant information in an adequate way.

(ix) After the request of shareholders representing at least one twentieth (1/20) of the paid share capital, a decision on any item on the agenda of the General Assembly is taken by a roll-call vote.

(x) Company's shareholders representing at least one twentieth (1/20) of the paid share capital have the right to ask the Single-Member First Instance Court of the region where the company has its seat, for an audit of the company, and the Court applies the voluntary jurisdiction procedure. The audit is ordered if there is the possibility of actions that violate the provisions of the law or the company's articles of association or decisions of the General Assembly.

(xi) Company's shareholders representing at least one fifth (1/5) of the paid share capital have the right to ask the court of the previous paragraph for an audit of the company, provided that it is believed that the management of the corporate affairs is not applied as imposed by the prudent and sound management principle. This provision is not applied in the cases the minority asking for the audit is represented in the Company's Board of Directors.

3. Board of Directors and Committees

A. (i) The Board of Directors is the body that exercises the management of the Company. It has the responsibility of managing (managing and disposing) the company's assets as well as of representing it, with the aim of strengthening its economic value and efficiency and of safeguarding the company's interests.

The Board of Directors has ordinary meetings at least one time per month and extraordinary meetings whenever important issues arise or decisions need to be made. Usually, in the ordinary meetings are present all the members of the Board of Directors. Thus far the Board of Directors has never postponed making a decision because of lack of quorum. More specifically, during the course of the year 2011 the Board of Directors convened forty eight (48) times. The attendances of each member of the Board of Directors during that year are as follows:

BOD Member	Number of sessions during the member's service	Number of sessions that participated in person	Number of sessions that participated through a representative
Evangelos Mytilineos, President of the Board & CEO	56	56	0
Ioannis Mytilineos, Vice-President of the Board	56	56	0
Georgios Kontouzoglou, Executive Director	56	56	0
Sofia Daskalaki, Member of the Board	56	56	0
Ioannis Dimou, Member of the Board	56	56	0
Nikolaos Moussas, Member of the Board	56	56	0
Christos Diamantopoulos, Member of the Board	56	55	0
Apostolos Georgiades, Member of the Board	56	50	0
Dimitrios Daskalopoulos, Member of the Board	56	38	0
Christos Zerefos, Member of the Board	56	53	0
Michail Chandris, Member of the Board	56	41	0

(ii) The Auditing Committee has ordinary meetings at least once every trimester or, extraordinary meetings whenever there is a need to update its members on a matter or make a relevant decision. The attendances of each member of the Auditing Committee during the year in question are as follows:

Member	Number of sessions during the member's service	Number of sessions that participated in person	Number of sessions that participated through a representative
Christos Diamantopoulos President	5	5	-
Ioannis Mytilineos Member	5	5	-
Nikolaos Moussas, Member	5	5	-

(iii) The Remuneration Committee is composed of the following Members:

1. Evangelos Mytilineos
2. Dimitrios Daskalopoulos and
3. Christos Diamantopoulos.

The Remuneration Committee has not convened thus far

(iv) The Corporate Social Responsibility Committee (CSR) is composed of the following Members:

1. Christos Zerefos
2. Christos Diamantopoulos
3. Sofia Daskalaki – Mytilineou
4. Spiros Kasdas
5. Vivian Bouzali
6. Fotis Spirakos
7. Lydia Tsapara

In the course of the year 2012 the CSRC convened twice (2). The attendances of each member of the Board of Directors during that year are as follows:

Member	Number of sessions during the member's service	Number of sessions that participated in person	Number of sessions that participated through a representative
Christos Diamantopoulos President	**2**	**2**	-
Christos Zerefos	2	2	-
Sofi Daskalaki -Mytilineou	2	2	-
Spyros Kasdas	2	2	-
Vivian Bouzali	2	2	-
Fotis Spyrakos	1	1	-
Lydia Tsapara	1	1	-

(v) **According to the Articles of Association and the Internal Regulation of the Company's operation, the Board of Directors has the following basic competences**:

- Setting the strategic directions, including the sale or other disposal of the Company's shares, the acquisition of any enterprise or the proposal for the merger of the Company with another enterprise, which will then be submitted for final approval by the General Assembly of the Company's shareholders.
- Adopting and implementing the general policy on the basis of the recommendations and suggestions made by the General Managers and the Company's Managers.
- Managing and disposing the Company's assets as well as representing the Company judicially or extra-judicially
- Drafting the Company's annual budget and business plan, defining and meeting its efficiency objectives, monitoring the Company's progress and controlling major capital expenditure.
- Performing a full and effective internal audit of all the Company's activities.
- Monitoring the effectiveness of corporate governance principles, based on which the Company operates, and making the necessary changes when needed,
- Defining the strategy and the risk management policy of the Company
- Selecting, managing and developing the Company's Managers and defining the remuneration policy.
- Appointing an internal auditor and defining his/her remuneration,
- Defining the accounting principle that the Company follows,
- Making a brief presentation of the proceedings to the General Assembly of the Company's Shareholders.
- Preparing annual reports in which are analytically stated all the transactions between the Company and associated companies in accordance with article 42e par.5 of c.l.2190/1920 as applicable in each case.

The rules governing the representation and binding of the Company are defined by special decisions of the Board of Directors.

The Remuneration Committee has been established but has not yet convened. It is composed of three members of the Board of Directors, of which, at least one is obligatorily an executive member. It convenes on an ordinary basis or on a case by case basis whenever there is a matter of recruiting or laying off an executive that reports directly to the CEO and executives that report to the General managers and Managers or whenever there is a need to convene. On occasion the Committee submits to the Board of Directors suggestions, which are relevant to its tasks and activities, as these are described hereafter, so that the Board of Directors can decide accordingly.

The main tasks of the Auditing Committee are: the monitoring of: 1) the financial updating procedure, 2) the effective operation of the internal auditing and risk management systems, 3) the operation of the Internal Auditors Division of the audited entity, 4) the progress of the compulsory audit of the individual and consolidated financial statements. In addition, the Committee is charged with checking and monitoring all issues related to the existence and preservation of the objectivity and independence of the legal auditor or auditing agency, especially with regard to the provision of other services by the legal auditor or auditing agency to the audited entity. The Committee can do so by receiving from the company's legal auditors the compulsory reports on any issue that pertains to the progress and results of the compulsory audit. Moreover, the Committee checks the drafting of the reports and receives the special report of the legal auditors regarding the weaknesses of the internal audit system and in particular the weaknesses of financial information processing and drafting of financial statements.

The topics that were discussed by the Auditing Committee during 2012 are presented in the following table:

	TOPICS OF THE AGENDA
10.01.2012	. Approval of the audits performed by the Internal Audit Division for the 4th trimester of 2011
21.02.2012	Approval of the Annual Plan for the audits to be performed by the Internal Audit Division for the year 2012
14.05.2012	Approval of the audits performed by the Internal Audit Division for the 1st trimester of 2012
06.08.2012	Approval of the audits performed by the Internal Audit Division for the 2nd trimester of 2012

The CSR Committee has the responsibility vis-à-vis the Board of Directors of supervising and ensuring the proper implementation of the Corporate Social Responsibility in the Group, which pertains to policies, objectives, actions and results of environmental, social and moral issues related to the internal and external environment of the Group's companies. Moreover, the CSR Committee can act as an advisor to the Group's Management and to the relevant committees of the Board of Directors on matters that are relevant to its competence, so that these are more fully implemented.

The topics that were discussed by the Corporate Social Responsibility Committee during the year 2012 are presented in the following table:

DATE OF MEETING	TOPICS OF THE AGENDA
24.04.2012	1. Aluminium Museum in Aspra Spitia (White Houses district) . 2. Events organized in Athens Concert Hall. 3. Update on BLOOMBERG – GRI -CDP . 4. Volunteering . 5. Proposal on the appointment of new members.
6.11.2012	1. Aluminium Museum in Apsra Spitia (White Houses District) 2. Events organized in Athens Concert Hall. 4. Update on BLOOMERG – GRI- Future targets 4. ΠΙΚΠΑ Pentelis 5.DIAZOMA 6.Other topics

(B) (i) According to the Articles of Association it is composed of seven (7) up to fifteen (15) members. The composition of the Board of Directors which, in its majority, is made of independent non executive members, is the following:

(ii) The executive members deal with the daily issues of the Company's management and the supervision of the execution of the decisions made by the Board of Directors, whereas the non executive members are charged with supervising the execution of the Board of Directors' decisions as well as other issues or fields of the Company that have been especially assigned to them by a decision of the Board of Directors. The independent non executive members are the members that have no business transaction or other commercial relation with the Company, which could influence their independent judgment. In that sense, it is impossible to perceive as independent member of the Board of Directors any person that: (a) has a business or other professional relation with the company or an associated one according to article 42e par.5 of c.l2190/1920, as applicable at each case, which influences its business activity and especially when this person is an important supplier of goods or services or a basic customer of the Company, (b) is president or General Manager of the company or if he/she is president or general manager or an executive member of the board of directors in an associated company according to article 42e par.5 of c.l2190/1920, as applicable at each case, or has a relation of dependent or paid employment with the Company or with its associated companies, (c) has a second degree kindred relationship with or is the husband of an executive member of the board of directors or of a manager or of a shareholder that has the majority of the share capital of the Company or one of its associated companies according to article 42e par.5 of c.l 2190/1920, as applicable at each case, (d) has been appointed in accordance with article 18 par.3 of c.l 2190/1920. The independent non executive members can submit separate reports to the General Assembly. Their attendance is not compulsory if and when they participate in the Board of Directors as members, representatives of the minority of shareholders and are appointed as such.

(iii) The curricula vitae of the Board of Directors' members are posted on the Company's website www.mytilineos.gr.

(iv) The current Board of Directors was elected by the General Assembly on the 18.07.2011 and its mandate ends on the 18.07.2015. It comprises two executive, four non executive and five independent members.

(v) The members of the Board of Directors – apart from the executive ones that deal exclusively with the company's activities – are professionally active in their fields of specialization, as it can also be verified by their CVs.

(C). Risk Management and internal audit

Information concerning risk management and internal audit:

i. Description of the main features of the risk management and internal audit systems

a. Risk Factors

By operating in three in three basic business sectors, Metallurgy and Mines, Energy and Integrated Energy Projects (EPC), the "Mytilineos Group ("The Group") is faced with a number of different risk factors.

Consequently, the Group’s exposure to these risk factors can potentially influence its operation, its financial state or its operational results.

Apart from the risk factors that may be presented in other parts of the annual management report of the Group, the following ones constitute the basic risk factors that could significantly influence the results and the financial state of the Group.

Market risk

The global financial conditions continue to present fluctuations. The Group is faced with risks that stem from the fluctuations in the price of LME, the parity €/$, the wider economic and financial environment as well as the market of the final products of Aluminum.
In this context, the Group has developed a series of actions in order to counterbalance its exposure to the risks of the market, to improve the structuring of the cost and ensure its liquidity.

These actions include:

- Counterbalancing the risk stemming from the fluctuation of the aluminum price with the use of various financing tools.
- Counterbalancing the risk stemming from its exposure to the fluctuations of the parity €/$ with the use of compensating products
- Restructuring energy cost items.
- Implementation of programs for the optimal utilization of assets and implementation of cost reduction programs.
- Processing plans for the improvement of the production process.
- Reevaluation of the Group’s credit policy as well as of the procedures used for the appraisal of the customers’ creditworthiness.

Rising cost of raw materials or unfavorable conjuncture

The Group’s operational results are influenced by the rising cost of raw materials like metallurgic coke, sulphate 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

To meet the needs of Aloumina the Group is significantly dependent on the availability of Greek bauxites. With the operation of its own mines, through the 100% subsidiary "Delfoi – Distomon SA", the group meets 38-40% of its needs for Greek bauxites. However, in the coming years there may be difficulties in terms of licensing or drilling (finding) new bauxite deposits in Greece. Moreover, the Greek bauxite market is already concentrated in a small number of suppliers. On top of that, the possibility of a further concentration of the market will have a negative impact on the cost that the Group will have to bear for the procurement of bauxite in the future.

For these reasons, the Group aims at negotiating multiyear bauxite contracts and strategic alliances with the Greek producers.

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 wastes and measures for remedying environmental damages.

Environmental issues within our responsibility might arise in the future in relation to our current facilities, facilities that we owned in the past or facilities where we conducted our operations even if the Management has not been or could not be aware of such issues up to date or these issues have not been present yet.

Climate change and green house effect, relevant legislation and regulations.

Energy is a significant raw material relevant to the activities of our Group while it is considered that in the immediate future it shall be an important source of revenue as well. Moreover, the Group is active in the wider energy sector being involved in the construction of integrated energy projects (EPC). There is a widely diffused belief that the consumption of the energy that is generated by fossil fuel constitutes one of the main factor contributing to the warming of our planet. A continuously increasing number of governments, governmental bodies and committees have initiated or intend to pursue regulatory and legislative changes in order to deal with the potential risks of such phenomenon.

As a result of the EU regulatory amendments, the Group's operating margins might be affected by the changes that could be put in place in its production facilities having increased emissions of greenhouses gases and in its facilities with high energy needs. Given the width of the scope of such changes, the assessment of the eventual impact of the future legislation and legislative framework for the climate change, as well as of the European and international conventions and agreements is unclear. The Group might be obliged to undertake significant investments in the future in order to comply with the new, amended legislation and the new regulations.

Finally, the Group, as a result of an eventual deficit or surplus in terms of CO2 emission rights management and due to its large energy consumptions mainly because of the production of aluminum, might recognize significant cost or revenue in future.

On the other hand, due to anyone of the aforementioned legislative changes relating to the climate change, the Group might be given opportunities in the EPC sector.

Failure of achieving the expected long term benefits from productivity and the cost reduction initiatives.

The Group has undertaken and will pursue initiatives relevant to productivity and cost reduction in order to improve the performance and reduce the overall production cost. All such actions may not be fulfilled or the entire estimated savings might not be achieved for various reasons beyond the Group's control.

Political, legal and regulatory issues

The Group's activities in Greece relevant to energy remain regulated , in a significant degree, by the government and depend on political decisions or legal and regulatory framework matters. The developments within this environment, which could be translated into delays in the essential deregulation of the energy market, might affect the activities of the Group and its future results as well as the value of its energy assets or assets, the operation of which requires an important consumption of energy products.

Moreover, the Group may be affected by adverse political developments or developments relating to the regulatory framework that could be connected to its EPC activities in areas outside Greece and mainly in countries with political instability.

IT Safety

Our business operations are supported by different software and data processing systems. However, we cannot fully exclude an eventual non availability of such systems or violation in terms of data safety.

We mitigate such risks by applying high standards and taking measures in order to obtain and ensure their availability, reliability, confidentiality and traceability. In addition and in order to control eventual hazards we regularly invest in the upgrading of software, hardware and equipment and we conduct regular internal and external audits supported by international consulting groups and we apply continuing progress procedures.

Risks relevant to EPC projects

The Group, via its subsidiary (METKA), is exposed, in terms of contracts, to risks that are relevant to engineering and electrical design, the supply, manufacturing and delivery of turn-key energy facilities against a determined price. The aforementioned risks involve mainly cost overruns and/or delays in the implementation due to:

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

When additional time is required or when METKA Group incurs additional cost due to the customers' liability, METKA negotiates with such customers the eventual compensation.

The most valuable privilege of METKA Group is its human resources. As a result, being unable to retain such resources or approach and retain new, suitably trained personnel that may allow to the Group to develop its know-how could significantly influence in current or future performance.

METKA's success in this field depends on the ability to recruit, train and retain a sufficient number of employees, including high rank executives, engineers and technicians that have the appropriate skills and specialization.

Force majeur

Unforeseen events, including natural disasters, acts of war or terrorist attacks, non scheduled interruption of the production operation/ outage, interruption of supply or incapacity of the 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, mainly via its subsidiaries, 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 the results as well as the financial position of both the subsidiaries and the Group alike.

b. Organization and implementation of risk management

The Group determines risk as a set of uncertain and unpredictable situations that may affect all its activities, its business operation, its economic 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 fields of activities where certain risks have been recognized as follows:

(i) Identification and assessment of risk factors

(ii) Design of a risk management policy

(iii) Implementation and evaluation of risk policies

The Group is currently defining a specific, integrated and established Risk Management Organizational Structure. However, all its top executives are involved in the risk detection and primary assessment procedures so as to facilitate the work of the Management's Councils in all business fields as well as the mission of the Board and of all legal persons in relation to the design and approval of specific Risk Management processes and policies.
Last but not least the Group conducts regular internal audits to ensure the appropriate and effective implementation of the risk detection and assessment procedures as well as the management policy for such risks.

c. Internal Audit System

In addition to everything mentioned herein and everything described above relevant to the competences of the Audit Committee, the Internal Audit Division of the Company is an independent unit which reports to the BoD. Its competences involve, among others, the assessment and improvement of risk management and internal audit systems as well as monitoring of the compliance with the established institutional policies and procedures as those are determined by the Internal Operation Regulation, the legislation in force and the regulatory provisions.

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

- The efficiency of the Group's accounting and financial systems, the audit mechanisms, the quality control systems, the health and safety and environmental systems as well as the business risk management ones.
- Drafting of the financial statements and of other important data and information for notification
- The reliability, the qualifications and the independence of chartered auditors
- Cases of conflict between the private interests of the members of the BoD or its managers and the Company's interests
- Relations and transactions of the Company with affiliated companies as well as relations of the Firm with the firms in the equity capital of whom participate members of the Board of Directors in a percentage of at least 10% or shareholders with a percentage of at least 10%.
- The legality of the fees and any kind of bonuses to the members of administration regarding the decisions of the responsible bodies / agencies of the Firm.

i. The Board of Directors in a continuous and consistent way reexamines the firm strategy and the principal business risks, in particular in a constantly changing financial and business environment. Moreover, in regular time intervals, it receives reports on what is done regarding the audits made by the Auditor Committee, based on the annual program of the specific audits of the administration of Internal Audit of the firm. The above mentioned allow the Board of Directors to formulate a complete opinion on the effectiveness of the systems, processes and regulations of the firm.

ii. The certified chartered auditors do not offer non audit services to the firm.

(D) BOD Remunerations

According to the company's article of association the BOD member's remuneration is set by the BOD and submitted to the General Assembly for approval. None of the existing BOD members has an employee relationship to the company.

The BOD members apart from their approved remuneration do not receive any other compensation or benefits.

For the year 2012 no share options were granted and no share benefit plans were in force.

E. Annual Financial Statements

We confirm that the attached Financial Statements are those approved by the Board of Directors of "MYTILINEOS S.A." at 26.03.2013 and have been published to the electronic address www.mytilineos.gr, were they will remain posted for a minimum period of five (5) years. It is noted that the published, in the press, brief financial data aim to provide the user with general information but do not present a full picture of the Company's and Group's financial results and position, according to International Accounting Standards. It is also noted that, for simplification purposes, the published, in the press, brief financial data contain summarizations or reclassifications of certain figures.

I. Income Statement

(Amounts in thousands €)	MYTILINEOS GROUP 1/1-31/12/2012	MYTILINEOS GROUP 1/1-31/12/2011	MYTILINEOS S.A. 1/1-31/12/2012	MYTILINEOS S.A. 1/1-31/12/2011
Sales	1,453,636	1,570,998	16,040	6,173
Cost of sales	(1,316,513)	(1,354,343)	(16,012)	(6,001)
Gross profit	**137,123**	**216,655**	**28**	**171**
Other operating income	47,241	21,931	14,302	15,662
Distribution expenses	(3,265)	(3,387)	-	-
Administrative expenses	(51,161)	(52,865)	(11,192)	(14,322)
Research & Development expenses	(325)	(401)	-	-
Other operating expenses	(19,583)	(20,759)	(482)	(1,492)
Earnings before interest and income tax	**110,030**	**161,174**	**2,656**	**19**
Financial income	3,346	6,262	2,511	4,469
Financial expenses	(55,520)	(48,962)	(13,623)	(21,133)
Other financial results	2,206	(10,961)	(29)	17,019
Share of profit of associates	1,213	2,802	-	-
Profit before income tax	**61,276**	**110,316**	**(8,484)**	**374**
Income tax expense	(9,646)	(24,897)	7,420	(420)
Profit for the period	**51,630**	**85,419**	**(1,064)**	**(45)**
Result from discontinuing operations	(71)	479	-	-
Profit for the period	**51,559**	**85,898**	**(1,064)**	**(45)**
Attributable to:				
Equity holders of the parent	*21,681*	*42,578*	*(1,064)*	*(45)*
Non controlling Interests	*29,878*	*43,320*	-	-
Basic earnings per share	*0.2032*	*0.3991*	*(0.0100)*	*(0.0004)*
Diluted earnings per share	*0.2032*	*0.3991*	*(0.0100)*	*(0.0004)*

			Summury of Results from continuing operations	
Earnings before income tax,financial results,depreciation and amortization (Cicular No.34 Hellenic Capital Market)	164,298	192,003	3,102	479
Oper.Earnings before income tax,financial results,depreciation and amortization	**170,100**	**208,648**	**3,102**	**479**
Earnings before interest and income tax	110,030	161,174	2,656	19
Profit before income tax	61,276	110,316	(8,484)	374
Profit for the period	51,630	85,419	(1,064)	(45)

(A)Definition of line item: Earnings before income tax,financ results,depr&amort (Cicular No.34 Hellenic Capital Market)

Profit before income tax	61,276	110,316
Plus: Financial results	49,968	53,661
Plus: Capital results	(1,213)	(2,802)
Plus: Depreciation	54,268	30,829
Earnings before income tax,financial results,depreciation and amortization	**164,298**	**192,003**

(B)Definition of line item: OperEarnings before income tax,financ.res,depr&amort

Profit before income tax	61,276	110,316
Plus: Financial results	49,968	53,661
Plus: Capital results	(1,213)	(2,802)
Plus: Depreciation	54,268	30,829
Subtotal	164,298	192,003
Plus: Other operating results (I)	-	-
Plus: Other operating results (II)	5,802	16,645
Oper.Earnings before income tax,financial results,depreciation and amortization	**170,100**	**208,648**

II. Statement of Comprehensive Income

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Other comprehensive income:				
Net profit(loss) for the period	51,559	85,898	(1,064)	(45)
Exchange differences on translation of foreign operations	7,895	(7,425)	-	-
Available for sale financial assets	-	-	-	-
Cash Flow hedging reserve	8,354	(11,801)	-	-
Stock Option Plan	-	-	-	-
Share of other comprehensive income of associates	-	-	-	-
Income tax relating to components of other comprehensive income	-	0	-	-
Total comprehensive income for the period	**67,807**	**66,672**	**(1,064)**	**(45)**
Total comprehensive income for the period attributable to:				
Equity attributable to parent's shareholders	37,335	24,435	(1,064)	(45)
Non controlling Interests	30,473	42,237	-	-

III. Statement of Financial Position

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2012	MYTILINEOS GROUP 31/12/2011	MYTILINEOS S.A. 31/12/2012	MYTILINEOS S.A. 31/12/2011
Assets				
Non current assets				
Tangible Assets	1,060,549	1,084,113	10,285	10,389
Goodwill	209,313	209,401	-	-
Intangible Assets	244,772	240,246	229	383
Investments in Subsidiary Companies	-	-	870,231	909,830
Investments in Associate Companies	12,884	12,859	42	42
Deferred Tax Receivables	85,961	64,866	2,245	539
Financial Assets Available for Sale	3,144	3,185	37	37
Other Long-term Receivables	12,844	9,812	51,629	83,847
	1,629,468	**1,624,482**	**934,699**	**1,005,067**
Current assets				
Total Stock	151,630	174,960	-	-
Trade and other receivables	658,247	448,810	498	718
Other receivables	109,533	167,044	16,636	36,188
Financial assets at fair value through profit or loss	2,512	354	545	198
Derivatives	-	-	-	-
Cash and cash equivalents	136,593	268,101	1,055	20,565
	1,058,515	**1,059,269**	**18,734**	**57,670**
Non Current Assets Available for Sale	-	-	-	-
Assets	**2,687,983**	**2,683,751**	**953,433**	**1,062,736**
Liabilities & Equity				
EQUITY				
Share capital	125,335	127,545	125,100	125,100
Share premium	277,917	277,918	125,656	125,656
Fair value reserves	(65)	(8,807)	-	-
Treasury Stock Reserve	(104,566)	(104,566)	(104,566)	(104,566)
Other reserves	149,014	148,983	95,133	95,133
Translation reserves	(20,135)	(27,435)	-	-
Retained earnings	356,635	335,292	235,289	236,353
Equity attributable to parent's shareholders	**784,136**	**748,930**	**476,611**	**477,676**
Non controlling Interests	176,202	151,876	-	-
EQUITY	**960,338**	**900,806**	**476,611**	**477,676**
Non-Current Liabilities				
Long-term debt	22,635	334,588	-	330,986
Derivatives	-	2,422	-	-
Deferred tax liability	151,135	127,551	37,142	46,436
Liabilities for pension plans	15,045	30,534	529	788
Other long-term liabilities	110,573	167,797	-	36,688
Provisions	8,102	7,241	1,368	1,368
Non-Current Liabilities	**307,491**	**670,131**	**39,039**	**416,266**
Current Liabilities				
Trade and other payables	500,985	541,490	8,390	8,249
Tax payable	11,614	8,186	302	1,432
Short-term debt	306,563	185,444	3,205	2,143
Current portion of non-current liabilities	532,214	322,697	327,777	93,000
Derivatives	1,673	7,080	-	-
Other payables	67,099	42,743	98,107	63,970
Current portion of non-current provisions	7	5,174	-	-
Current Liabilities	**1,420,155**	**1,112,814**	**437,782**	**168,795**
LIABILITIES	**1,727,646**	**1,782,946**	**476,821**	**585,061**
Liabilities related to non current assets available for sale	-	-	-	-
Liabilities & Equity	**2,687,983**	**2,683,751**	**953,433**	**1,062,736**

IV. Statement of changes in Equity (Group)

MYTILINEOS GROUP

(Amounts in thousands €)	Share capital	Share premium	Fair value reserves	Treasury Stock Reserve	Other reserves	Translation reserves	Retained earnings	Total	Non controlling Interests	Total
Opening Balance 1st January 2011 ,according to IFRS -as published-	**127,618**	**283,875**	**2,994**	**(110,597)**	**152,166**	**(21,092)**	**291,004**	**725,969**	**121,788**	**847,756**
Change in equity										
Dividends paid	-	-	-	-	0	-	0	0	(12,124)	(12,124)
Transfer to reserves	-	0	-	-	(3,119)	-	1,843	(1,276)	-	(1,276)
Impact from acquisition of share in subsidiaries	-	-	-	-	20	-	-	20	(25)	(5)
Increase / (Decrease) of Share Capital	(73)	(5,966)	-	6,030	(84)	-	1	(92)	-	(92)
Transactions with owners	**(73)**	**(5,966)**	-	**6,030**	**(3,182)**	-	**1,844**	**(1,348)**	**(12,149)**	**(13,497)**
Net profit(loss) for the period	-	-	-	-	-	-	42,578	42,578	43,320	85,898
Other comprehensive income:										
Exchange differences on translation of foreign operations	-	-	-	-	-	(6,343)	1	(6,342)	(1,083)	(7,425)
Cash Flow hedging reserve	-	-	(11,801)	-	-	-	-	(11,801)	-	(11,801)
Share of other comprehensive income of associates	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	**(11,801)**	-	-	**(6,343)**	**42,579**	**24,435**	**42,237**	**66,672**
Closing Balance 31/12/2011	**127,545**	**277,918**	**(8,807)**	**(104,566)**	**148,983**	**(27,435)**	**335,292**	**748,930**	**151,876**	**900,806**
Opening Balance 1st January 2012,according to IFRS -as published-	**127,545**	**277,918**	**(8,807)**	**(104,566)**	**148,983**	**(27,435)**	**335,291**	**748,930**	**151,876**	**900,805**
Change in equity										
Dividends paid	-	-	-	-	-	-	-	-	(17,849)	(17,849)
Transfer to reserves	-	(1)	-	-	422	-	(337)	84	(114)	(31)
Impact from acquisition of share in subsidiaries	(2,210)	0	-	-	-	-	-	(2,210)	-	(2,210)
Increase / (Decrease) of Share Capital	0	**0**	-	-	**(2)**	-	-	**(2)**	**11,816**	**11,814**
Transactions with owners	**(2,210)**	**(1)**	-	-	**419**	-	**(337)**	**(2,128)**	**(6,147)**	**(8,275)**
Net profit(loss) for the period	-	-	-	-	-	-	21,681	21,681	29,878	51,559
Other comprehensive income:										
Exchange differences on translation of foreign operations	-	-	-	-	-	7,300	-	7,300	595	7,895
Cash Flow hedging reserve	-	-	8,743	-	(388)	-	-	8,354	-	8,354
Share of other comprehensive income of associates	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	**8,743**	-	**(388)**	**7,300**	**21,681**	**37,335**	**30,473**	**67,807**
Closing Balance 31/12/2012	**125,335**	**277,917**	**(65)**	**(104,566)**	**149,014**	**(20,135)**	**356,635**	**784,136**	**176,202**	**960,338**

HOLDINGS MYTILINEOS

V. Statement of changes in Equity (Company)

MYTILINEOS S.A.

(Amounts in thousands €)	Share capital	Share premium	Fair value reserves	Treasury Stock Reserve	Other reserves	Translation reserves	Retained earnings	Total
Opening Balance	**125,173**	**131,613**	**-**	**(110,597)**	**95,198**	**-**	**232,922**	**474,310**
Opening Balance (new Entity)	-	-	-	-	-	-	3,476	3,476
Total Opening	**125,173**	**131,613**	**-**	**(110,597)**	**95,198**	**-**	**236,399**	**477,786**
Change in equity								
Increase / (Decrease) of Share Capital	(73)	(5,957)	-	6,030	(66)	-	-	(66)
Transactions with owners	**(73)**	**(5,957)**	**-**	**6,030**	**(66)**	**-**	**-**	**(66)**
Net profit(loss) for the period	-	-	-	-	-	-	(45)	(45)
Other comprehensive income:								
Share of other comprehensive income of associates	-	-	-	-	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**-**	**(45)**	**(45)**
Closing Balance 31/12/2011	**125,100**	**125,656**	**-**	**(104,566)**	**95,133**	**-**	**236,353**	**477,676**
Opening Balance	**125,100**	**125,656**	**-**	**(104,566)**	**95,133**	**-**	**242,455**	**483,777**
Opening Balance (new Entity)	-	-	-	-	-	-	(6,101)	(6,101)
Total Opening	**125,100**	**125,656**	**-**	**(104,566)**	**95,133**	**-**	**236,353**	**477,676**
Change in equity								
Transactions with owners	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net profit(loss) for the period	-	-	-	-	-	-	(1,064)	(1,064)
Other comprehensive income:								
Share of other comprehensive income of associates	-	-	-	-	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**-**	**(1,064)**	**(1,064)**
Closing Balance 31/12/2012	**125,100**	**125,656**	**-**	**(104,566)**	**95,133**	**-**	**235,289**	**476,611**

VI. Cash flow statement

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	1/1-31/12/2012	1/1-31/12/2011	1/1-31/12/2012	1/1-31/12/2011
Cash flows from operating activities				
Cash flows from operating activities	55,306	212,234	3,560	3,183
Interest paid	(49,932)	(43,118)	(14,899)	(19,350)
Taxes paid	(4,187)	(39,096)	-	(1,341)
Net Cash flows continuing operating activities	**1,187**	**130,019**	**(11,340)**	**(17,509)**
Net Cash flows discontinuing operating activities	**1,933**	**15**	**-**	**-**
Net Cash flows from continuing and discontinuing operating activities	**3,120**	**130,034**	**(11,340)**	**(17,509)**
Net Cash flow from continuing and discontinuing investing activities				
Purchases of tangible assets	(91,042)	(113,424)	(189)	(179)
Purchases of intangible assets	(4,479)	(3,977)	-	(118)
Sale of tangible assets	438	445	1	17
Dividends received	83	68	16,421	11,070
Loans to related parties	-	-	-	-
Purchase of financial assets at fair value through profit and loss	(6,677)	-	(200)	-
Acquisition of associates	(345)	-	-	-
Acquisition /Sale of subsidiaries (less cash)	(40,000)	(40,000)	(19,711)	(8,443)
Sale of financial assets held-for-sale	52	413	-	-
Sale of financial assets at fair value through profit and loss	5,095	345	-	-
Interest received	6,456	2,258	7,303	2,619
Cash received from loans to associates	-	-	27,071	21,900
Grants received	-	4,912	-	-
Return of Capital from Subsidiary	-	-	20,290	59,950
Other cash flows from investing activities	-	(31)	-	-
Net Cash flow from continuing investing activities	**(130,419)**	**(148,990)**	**50,986**	**86,816**
Net Cash flow from discontinuing investing activities	**1**	**(242)**	**-**	**-**
Net Cash flow from continuing and discontinuing investing activities	**(130,418)**	**(149,232)**	**50,986**	**86,816**
Net Cash flow continuing and discontinuing financing activities				
Proceeds from issue of share capital	11,960	-	-	-
Tax payments	(36)	(84)	-	(66)
Dividends payed to parent's shareholders	(17,105)	(12,080)	-	-
Proceeds from borrowings	26,267	85,600	32,797	38,869
Repayments of borrowings	(147,984)	(47,986)	(93,000)	(46,500)
Payment of finance lease liabilities	(6)	-	-	-
Net Cash flow continuing financing activities	**(126,905)**	**25,448**	**(60,203)**	**(7,697)**
Net Cash flow from discontinuing financing activities	**-**	**3**	**-**	**-**
Net Cash flow continuing and discontinuing financing activities	**(126,905)**	**25,451**	**(60,203)**	**(7,697)**
Net (decrease) / increase in cash and cash equivalents	**(254,203)**	**6,253**	**(20,557)**	**61,610**
Cash and cash equivalents at beginning of period	83,019	75,740	18,421	(42,943)
Less:Cash and cash equivalents at beginning of period from discontinuing activit	738	848	-	-
Exchange differences in cash and cash equivalents	475	(183)	(15)	(246)
Net cash at the end of the period	**(169,970)**	**82,657**	**(2,151)**	**18,421**
Overdrafts	**(306,563)**	**(185,444)**	**(3,205)**	**(2,143)**
Cash and cash equivalent	**136,593**	**267,363**	**1,055**	**20,565**
Cash and cash equivalents at end of period from discontinuing activities	**-**	**738**	**-**	**-**
Net cash at the end of the period	**(169,970)**	**82,657**	**(2,151)**	**18,421**

1. Information about MYTILINEOS HOLDINGS S.A.

1.1 General Information

Mytilineos Holdings S.A. is today one of the biggest industrial Groups internationally, activated in the sectors of Metallurgy, EPC, Energy, and Defence. 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.

Devoted to continuous growth and progress and aiming to be a leader in all its activities, the Group promotes through its long presence its vision to be a powerful and competitive European Group of "Heavy Industry".

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 year ended 31.12.2012 (along with the respective comparative information for the previous year 2011), were approved by the Board of directors on 26 March 2013.

1.2 Nature of activities

During the last ten years the Group's activities have expanded from the traditional sector of international metal's trading to those of construction and energy. The group aims in the development of synergies between the three different areas of activities, by delegating the role of management and strategy formation in Mytilineos Holdings S.A.

The group monitors its performance on Metallurgy & Mining Sector through the subsidiaries "Aluminium S.A." (Alumina–Aluminium) and "Sometra S.A." (Zinc–Lead). Zinc – Lead Sector was the first which effected from the negative economic environment mainly due to the decrease on demand, the increasing prices of coke and the difficulty to find appropriate Raw Materials. All the above mentioned reasons lead the General Assembly of the company on 26.01.2009 to suspend temporary the production activity.

The Group through its subsidiary METKA is the leading and most specialized EPC Constructor in Greece and expanded in competitive markets abroad with value of pending construction contracts amounting to €1,7 bil.

Since June 2010, "MYTILINEOS HOLDINGS S.A." has become the sole shareholder of "ENDESA HELLAS PRODUCTION AND TRADE OF ELECTRICAL POWER S.A.", which is now renamed into "PROTERGIA PRODUCTION AND TRADE OF ELECTRICAL POWER S.A.". The acquisition of the full control of "ENDESA HELLAS" marks "MYTILINEOS HOLDINGS S.A." establishment as the country's largest independent energy producer with a portfolio of 1.2 GW of installed capacity from thermal plants in operation by 2012 and over 1,000 MW RES in different stages of development.

2. Basis for preparation of the financial statements

The consolidated financial statements of MYTILINEOS S.A. as of December 31st 2012 covering the entire 2012 fiscal year, have been compiled based on 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 accompanying standalone financial statements are compiled buy demand of the statutory law 2190/1920.

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 Group, SINCE 2009, applies IFRS 5 "Non-current assets held for sale & discontinues 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. For that reason the Group plans to abandon the Zinc-Lead production while exploiting the remaining stock of the plan. Consequently, 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.

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.

3. Basic accounting principles

The accounting principles, applied by the Group for the reporting period are consistent with the accounting principles applied for the fiscal year 2011.

3.1 New and amended accounting standards and interpretations of IFRIC

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

The following amendments and interpretations of the IFRS have been issued by IASB and their application is mandatory from or after 01/01/2012. The most significant Standards and Interpretations are as follows:

- **Amendments to IFRS 7 "Financial Instruments: Disclosures - Transfer of Financial Assets" (effective for annual periods beginning on or after 01/07/2011)**

The amendment will allow users of Financial Statements to improve their understanding of transfer transactions of financial assets (for example, securitizations), including understanding the possible effects of any risks that may remain with the entity that transferred the assets. The amendment also requires additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. The amendment is not expected to affect significantly Group's financial statements. This amendment was approved by the European Union in November 2011.

- **Amendment to IAS 12 "Deferred tax – Recovery of Underlying Assets" (effective for annual periods beginning on or after 01/01/2012)**

The current amendment to IAS 12 "Income Tax" was issued in December 2010. The amendment introduces a practical guidance on the recovery of the carrying amount of assets held at fair value or adjusted in accordance with the requirements of IAS 40 "Investment Property" recovered or acquired within the year. The amendment is effective for annual periods beginning on or after 01/01/2012. Earlier application is permitted. The Group will assess the impact of the amendment on its consolidated and separate financial statements. The above amendment has been adopted by the European Union in December 2012.

- **Amendment to IFRS 1 "First-time Adoption of International Financial Reporting Standards" - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters (effective for annual periods beginning on or after 01/07/2011)**

The relevant amendments to IFRS 1 "First-time Adoption of International Financial Reporting Standards" were issued in December 2010. The amendments replace references to fixed dates for first time adopters of IFRS by defining "IFRS transition date". The amendment removes the use of fixed transition date (01 January 2004) and replaces it with the actual date of transition to IFRS. At the same time, it removes the requirements for derecognition of transactions that had taken place before the scheduled transition date. The amendment proposes guidance on how an entity should resume presenting financial statements in accordance with International Financial Reporting Standards (IFRSs) after a period when the entity was unable to comply with IFRSs because its functional currency was subject to severe hyperinflation. The amendments are effective from 01/07/2011. Earlier application is permitted. The Group will assess the impact of the amendment on its consolidated and separate financial statements.. This amendment has been approved by the European Union in December 2012.

New Standards, Interpretations and amendments to existing Standards which have not taken effect yet or have not been adopted by the European Union

The following new Standards, Revised Standards as well as the following Interpretations to the existing Standards have been publicized but have not taken effect yet or have not been adopted by the European Union. In particular:

- **Amendments to IAS 1 "Presentation of Financial Statements" – Presentation of Items of Other Comprehensive Income (effective for annual periods starting on or after 01/07/2012)**

In June 2011, the IASB issued the amendment to IAS 1 "Presentation of Financial Statements". The amendments pertain to the way of other comprehensive income items presentation. The Group will assess the impact of the amendment on its consolidated and separate financial statements. The aforementioned amendments are effective for annual periods starting on or after 01/07/2012. The above amendment has been adopted by the European Union in June 2012.

- **IFRS 9 "Financial Instruments" (effective for annual periods beginning on or after 01/01/2015)**

On 12/11/2009 IASB issued the new Standard, the revised IFRS 9 "Financial Instruments: Recognition and Measurement" which is the first step in IASB project to replace IAS 39. In October 2010, IASB expanded IFRS 9 to add new requirements for classifying and measuring financial liabilities, derecognition of financial instruments, impairment, and hedge accounting. IFRS 9 defines that all financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Subsequent measurement of financial assets is made either at amortized cost or at fair value, depending on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. IFRS 9 generally prohibits reclassification between categories, however, when an entity changes its business model in a way that is significant to its operations, a re-assessment is required of whether the initial determination remains appropriate. The standard requires all investments in equity instruments to be measured at fair value. However, if an equity investment is not held for trading, an entity can make an irrevocable election at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognized in profit or loss. Fair value profit and loss is not subsequently carried forward to income statement while dividend income shall still be recognized in the income statement. IFRS 9 abolishes "cost exception" for unquoted equities and derivatives in unquoted shares, while providing guidance on when cost represents fair value estimation. The Group Management is going to adopt the requirements of IFRS 9 earlier following the relevant approval of the Standard by the European Union. The current Standard has not been adopted by the European Union yet.

- **IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosure of Interests in Other Entities", IAS 27 "Separate Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" (effective for annual periods starting on or after 01/01/2013)**

In May 2011, IASB issued three new Standards, namely IFRS 10, IFRS 11 and IFRS 12. IFRS 10 "Consolidated Financial Statements" sets out a new consolidation method, defining control as the basis under consolidation of all types of entities. IFRS 10 supersedes IAS 27 "Consolidated and Separate Financial Statements" and SIC 12 "Consolidation — Special Purpose Entities". IFRS 11 "Joint Arrangements" sets out the principles regarding financial reporting of joint arrangements participants. IFRS 11 supersedes IAS 31 "Interests in Joint Ventures" and SIC 13 "Jointly Controlled Entities – Non-Monetary Contributions by Venturers". IFRS 12 "Disclosure of Interests in Other Entities" unites, improves and supersedes disclosure requirements for all forms of interests in subsidiaries, under common audit, associates and non-consolidated entities. As a result of these new standards, IASB has also issued the revised IAS 27 entitled IAS 27 "Separate Financial Statements" and revised IAS 28 entitled IAS 28 "Investments in Associates and Joint Ventures". The new standards are effective for annual periods beginning on or after 01/01/2013, while earlier application is permitted. The Group will assess the impact of the new standards on its consolidated and separate financial statements. The Standards have been adopted by the European Union in December 2012.

- **IFRS 13 "Fair Value Measurement" (effective for annual periods starting on or after 01/01/2013)**

In May 2011, IASB issued IFRS 13 "Fair Value Measurement". IFRS 13 defines fair value, sets out in a single IFRS a framework for measuring fair value and requires disclosures about fair value measurements. The measurement and disclosure requirements of IFRS 13 apply when another IFRS requires or permits the item to be measured at fair value. IFRS 13 does not determine when an asset, a liability or an entity's own equity instrument is measured at fair value. Neither does it change the requirements of other IFRSs regarding the items measured at fair value and makes no reference to the way the changes in fair value are presented in the Financial Statements. The new Standard is effective for annual periods starting on or after 01/01/2013, while earlier application is permitted. The Group will assess the impact of the new standard on its consolidated and separate financial statements. The above Standard has been adopted by the European Union in December 2012.

- **Amendments to IAS 19 "Employee Benefits" (effective for annual periods starting on or after 01/01/2013)**

In June 2011, the IASB issued the amendment to IAS 19 "Employee Benefits". The amendments aim to improve the issues related to defined benefit plans. The new amendments are effective for annual periods starting on or after 01/01/2013 while earlier application is permitted. The Group will assess the impact of the amendments on its consolidated and separate financial statements. The above amendment has been adopted by the European Union in June 2012.

- **Amendments to IAS 32 "Financial Instruments: Presentation" – Offsetting financial assets and financial liabilities (effective for annual periods starting on or after 01/01/2014)**

In December 2011, IASB issued amendments to IAS 32 "Financial Instruments: Presentation", which provides clarification on some requirements for offsetting financial assets and liabilities in the statement of financial position. The amendment is effective for annual periods beginning on or after 01/01/2014 and earlier application is permitted. The Group will assess the impact of the amendment on its consolidated and separate financial statements. This amendment has been adopted by the European Union in December 2012.

- **Amendments to IFRS 7 "Financial Instruments: Disclosures" - Offsetting Financial Asserts and Financial Liabilities (effective for annual periods starting on or after 01/01/2013)**

In December 2011, IASB published new requirements for disclosures that enable users of Financial Statements to make better comparison between IFRS and US GAAP based financial statements. The amendment is effective for annual periods beginning on or after 01/01/2013. The Group will assess the impact of the amendment on its consolidated and separate financial statements. This amendment has been adopted by the European Union in December 2012.

- **Amendment to IFRS 1 "First-time Adoption of International Financial Reporting Standards" - Government loans (effective for annual periods starting on or after 01/01/2013)**

In March 2012, IASB issued amendment to IFRS 1, which gives IFRS first-time adopters the option, on a loan by loan basis, of applying the IFRS requirements retrospectively provided that the necessary information to apply the requirements to a particular government loan was obtained at the time of initially accounting for that loan. The Group will assess the impact of the amendment on its consolidated and separate financial statements. This amendment has not been adopted by the European Union yet.

- **Annual Improvements 2009–2011 Cycle (issued in May 2012 – the amendments are effective for annual periods starting on or after 01/01/2013)**

In May 2012, IASB issued Annual Improvements 2009–2011 Cycle, a collection of amendments to 5 International Financial Reporting Standards (IFRSs), as its latest set of annual improvements. The amendments is not expected to affect significantly Group's financial statements. These amendments have not been adopted by the European Union yet.

- ***Transition Guidance: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities (Amendments to IFRS 10, IFRS 11 and IFRS 12)* (effective for annual periods starting on or after 01/01/2013)**

In June 2012 IASB issued Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12) to clarify the transition guidance in IFRS 10 Consolidated Financial Statements. The amendments also provide additional transition relief in IFRS 10, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. Furthermore, for disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for periods before IFRS 12 is first applied. The Group will assess the impact of the amendment on its consolidated and separate financial statements. This amendment has not been adopted by the European Union yet.

- ***Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)* (effective for annual periods starting on or after 01/01/2014)**

In October 2012 IASB issued Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27). The amendments apply to a particular class of business that qualify as investment entities. The IASB uses the term 'investment entity' to refer to an entity whose business purpose is to invest funds solely for returns from capital appreciation, investment income or both. An investment entity must also evaluate the performance of its investments on a fair value basis. Such entities could include private equity organisations, venture capital organisations, pension funds, sovereign wealth funds and other investment funds. The Investment Entities amendments provide an exception to the consolidation requirements in IFRS 10 and require investment entities to measure particular subsidiaries at fair value through profit or loss, rather than consolidate them. The amendments also set out disclosure requirements for investment entities. The amendments are effective from 1 January 2014 with early adoption permitted. The Group will assess the impact of the amendment on its consolidated and separate financial statements. This amendment has not been adopted by the European Union yet.

3.2 Consolidation

Subsidiaries: All the companies that are managed or controlled, directly or indirectly, by another company (parent) either through the majority of voting rights or through its dependence on the know-how provided from the Group. Therefore, subsidiaries are companies in which control is exercised by the parent. Mytilineos S.A. acquires and exercises control through voting rights.
The existence of potential voting rights that are exercisable at the time the financial statements are prepared, is taken into account in order to determine whether the parent exercises control over the subsidiaries. Subsidiaries are consolidated completely (full consolidation) using the purchase method from the date that control over them is acquired and cease to be consolidated from the date that control no longer exists.

MYTILINEOS S.A. exercises control over, the listed on the ATHENS STOCK EXCHANGE, METKA. Due to the large dissemination of these stocks, "control" over this Firm can be determined even in cases that the Group holds stakes lower than 50% of the total voting rights. In such cases, "control" is determined through the representation of the majority of the chairs of the BoD.

The acquisition of a subsidiary by the Group is accounted for using the purchase method. The acquisition cost of a subsidiary is the fair value of the assets given as consideration, the shares issued and the liabilities undertaken on the date of the acquisition plus any costs directly associated with the transaction. The individual assets, liabilities and contingent liabilities that are acquired during a business combination are valued during the acquisition at their fair values regardless of the participation percentage. The acquisition cost over and above the fair value of the individual assets acquired is booked as goodwill. If the total cost of the acquisition is lower than the fair value of the individual assets acquired, the difference is immediately transferred to the income statement.

Inter-company transactions, balances and unrealized profits from transactions between Group companies are eliminated in consolidation. Unrealized losses are also eliminated except if the transaction provides indication of impairment of the transferred asset. The accounting principles of the subsidiaries have been amended so as to be in conformity to the ones adopted by the Group.

For the accounting of transactions with minority, the Group applies the accounting principle based on which such transactions are handled as transactions with third parties beyond the Group. The sales towards the minority create profit and losses for the Group, which are booked in the results. The purchases by the minority create goodwill, which is the difference between the price paid and the percentage of the book value of the equity of the subsidiary acquired.

Associates: Associates are companies on which the Group can exercise significant influence but not "control" and which do not fulfill the conditions to be classified as subsidiaries or joint ventures. The assumptions used by the group imply that holding a percentage between 20% and 50% of a company's voting rights suggests significant influence on the company. Investments in associates are initially recognized at cost and are subsequently valued using the Equity method. At the end of each period, the cost of acquisition is increased by the Group's share in the associates' net assets change and is decreased by the dividends received from the associates.

Any goodwill arising from acquiring associates is contained in the cost of acquisition. Whether any impairment of this goodwill occurs, this impairment decreases the cost of acquisition by equal charge in the income statement of the period.

After the acquisition, the Group's share in the profits or losses of associates is recognized in the income statement, while the share of changes in reserves is recognized in Equity. The cumulated changes affect the book value of the investments in associated companies. When the Group's share in the losses of an associate is equal or larger than the carrying amount of the investment, including any other doubtful debts, the Group does not recognize any further losses, unless it has guaranteed for liabilities or made payments on behalf of the associate or those that emerge from ownership.

Unrealized profits from transactions between the Group and its associates are eliminated according to the Group's percentage ownership in the associates. Unrealized losses are eliminated, except if the transaction provides indications of impairment of the transferred asset. The accounting principles of the associates have been adjusted to be in conformity to the ones adopted by the Group.

3.3 Segment reporting

MYTILINEOS Group is active in three main operating business segments: Metallurgy, Constructions and Energy. In identifying its operating segments, management generally follows the Group's service lines, which represent the main products and services provided by the Group. 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 adoption of IFRS 8 has not affected the identified operating segments for the Group compared to the recent annual financial statement.

3.4 Foreign currency translation

The measurement of the items in the financial statements of the Group's companies is based on the currency of the primary economic environment in which the Group operates (operating currency). The consolidated financial statements are reported in euros, which is the operating currency and the reporting currency of the parent Company and all its subsidiaries.

Transactions in foreign currencies are converted to the operating currency using the rates in effect at the date of the transactions.

Profits and losses from foreign exchange differences that result from the settlement of such transactions during the period and from the conversion of monetary items denominated in foreign currency using the rate in effect at the balance sheet date are posted to the results. Foreign exchange differences from non-monetary items that are valued at their fair value are considered as part of their fair value and are thus treated similarly to fair value differences.

The Group's foreign activities in foreign currency (which constitute an inseparable part of the parent's activities), are converted to the operating currency using the rates in effect at the date of the transaction, while the asset and liability items of foreign activities, including surplus value and fair value adjustments, that arise during the consolidation, are converted to euro using the exchange rates that are in effect as at the balance sheet date.

The individual financial statements of companies included in the consolidation, which initially are presented in a currency different than the Group's reporting currency, have been converted to euros. The asset and liability items have been converted to euros using the exchange rate prevailing at the balance sheet date. The income and expenses have been converted to the Group's reporting currency using the average rates during the aforementioned period. Any differences that arise from this process, have been debited / (credited) to the Equity under the "Translation Reserves" account.

3.5 Tangible assets

Fixed assets are reported in the financial statements at acquisition cost or deemed cost, as determined based on fair values as at the transition dates, less accumulated depreciations and any impairment suffered by the assets. The acquisition cost includes all the directly attributable expenses for the acquisition of the assets.

Subsequent expenditure is added to the carrying value of the tangible fixed assets or is booked as a separate fixed asset only if it is probable that future economic benefits will flow to the Group and their cost can be accurately and reliably measured. The repair and maintenance cost is booked in the results when such is realized.

Depreciation of tangible fixed assets (other than Land which are not depreciated) is calculated using the straight line method over their useful life, as follows:

Land	25-35 years
Mechanical equipment	4-20 years
Vehicles	4-10 years
Other equipment	4-7 years

The residual values and useful economic life of tangible fixed assets are subject to reassessment at each balance sheet date. When the book value of tangible fixed assets exceeds their recoverable amount, the difference (impairment) is immediately booked as an expense in the income statement.

Upon sale of the tangible fixed assets, any difference between the proceeds and the book value are booked as profit or loss to the results. Expenditure on repairs and maintenance is booked as an expense in the period they occur.

Self-constructed tangible fixed assets constitute an addition to the acquisition cost of tangible assets at a value that includes the direct cost of employee's salaries (including the relevant employer's contributions), the cost of materials used and other general costs.

3.6 Intangible assets

The intangible assets include Goodwill, the rights of use of Property, plant and equipment, software licenses, licenses for the production, installation and operation of renewable energy assets and thermal energy assets, the environment rehabilitation expenditure and borrowing costs.

Goodwill on Acquisition: is the difference between the asset's acquisition cost and fair value and the net assets of the subsidiary / associate company as at the acquisition date. During the acquisition date, the company recognizes this surplus value, emerged from acquisition, as an asset and presents it in cost. This cost is equal to the amount by which the acquisition cost exceeds the company's share in the net assets of the acquired company.

After the initial recognition, the surplus value is valued at cost less any accumulated impairment losses. The surplus value is not depreciated, but is reviewed on an annual basis for possible decrease in its value (impairment), if there are events that indicate such a loss according to IAS 36.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. A cash generated unit is the smallest identifiable group of assets generating cash inflows independently and represents the level used by the Group to organise and present each activities and results in its internal reporting. Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating units, to which the goodwill relates. Where the recoverable amount (typically the value in use) of the cash-generating units is less than their carrying amount an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods. The Group performs its annual impairment test of goodwill as at 31 December.

In the case where acquisition cost is less than the company's stake in the acquired company's net assets, the former recalculates the acquisition cost and valuates the assets, liabilities and contingent liabilities of the acquired company. Any difference prevailing after the recalculation is recognized directly in the income statement as a profit.

Software: Software licenses are valued in cost of acquisition less accumulated depreciation. Depreciation is calculated using the straight line method during the assets' useful life that range from 1 to 3 years.

Production, Installation and Operation Licenses of Renewable Energy Assets and Thermal Energy Assets: The different types of licenses entitles the group either with the right to construct an energy asset or the right to produce and sell energy. Current market conditions provide adequate evidence about the recoverable amount of such licenses. Therefore the Group has recognized licenses as intangible assets at fair value less depreciation and less any provision for impairment. The Group runs impairment tests on a yearly basis using the following methodology:

i) Attach possibility factors according to management estimation regarding the construction of assets under license

ii) Runs Discounted Cash Flows (DCF) methodology using assumptions prevailing at the energy market. The period regarded by the management for provisions exceeds the five years encouraged by IAS 36 as, especially for the renewable energy assets, there is satisfactory visibility for a substantially longer period.

iii) The final recoverable amount is calculated for a total portfolio of either renewable or thermal energy assets by multiplying the overall possibility factor with the outcome of the DCF valuation.

iv) Finally, the Group compares the recoverable value calculated to be the value-in-use of the assets with their carrying amounts. When the recoverable value is less than the carrying amount an equal impairment provision is charged to the income statement.

For the reported period, an impairment loss of € 10 mio. was recognized (note. 6.26)

Legal rights to explore mines: The legal rights to explore mines concern rights that the group has acquired mining mineral reserves in several geographical areas. In cost of the mining rights, apart from nominal value of the rights, any cost that relates to the initial evaluation of the rehabilitation cost of the area where work has been done, the commitment of the Group either during the acquirement of the right or as a result of its use for a certain time period. The depreciation time period that is adopted by the Group does not exceed 10 years.

Right of Use of Tangible Assets: Rights of exploitation of tangible assets that are granted in the frames of conventions of manufacture of work (compensative profits) are valued in cost of acquisition, which equals their fair value at the date of their concession, less accumulated depreciation. Depreciation is calculated using the "production units method".

Research and Development Expenses : Research and Development expenditures are recognized as expenses when they are realized. The expenses which arise from the developing programs (related to the design and the test of new or improved products) are capitalized if it is possible to produced future economic benefit. The other development expenditures are booked as an expense in the results when they are realized. Previous years' development expenditures recognized as expenses, can not be capitalized in the future fiscal years. The capitalized development expenses are depreciated from the beginning of the product's economic life using the straight line method during the period of the product's future economic benefits. The Group's depreciation period doesn't exceed the 5 years.

Land Stripping & Restoration expenses : Land Stripping & Restoration expenses are capitalized and amortized using the unit of production method.

Borrowing costs: Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset shall be capitalized as part of the cost of that asset. The amount of borrowing costs eligible for capitalization shall be determined in accordance with IAS 23.

3.7 Impairment of Assets

Assets with an indefinite useful life are not depreciated and are subject to an impairment review annually and when some events suggest that the book value may not be recoverable any resulting difference is charged to the period's results. Assets that are depreciated are subject to an impairment review when there is evidence that their value will not be recoverable. The recoverable value is the greater between the net sales value and the value in use. An impairment loss is recognized by the company when the book value of these assets (or cash generating unit- CGU) is greater than its recoverable amount.

Net sales value is the amount received from the sale of an asset at an arm's length transaction in which participating parties have full knowledge and participate voluntarily, after deducting any additional direct cost for the sale of the asset, while value in use is the present value of estimated future cash flows that are expected to flow into the company from the use of the asset and from its disposal at the end of its estimated useful life.

3.8 Important accounting decisions, estimations and assumptions

The compilation of financial statements according to IFRS requires the management to make decisions, perform estimations and use assumptions that affect the amounts presented in the financial statements, the assets, liabilities, income and expenses. The actual results may differ due to such estimations. Estimations are continuously enhanced and are based on historical data and other factors, such as expectations for future events expected to realize under current conditions.

3.8.1 Accounting decisions

During the implementation procedure for accounting policies, decisions are made by the management, which relate to the following:

- **Classification of investments**

Management classifies Financial assets in the scope of IAS 39 based on their nature and their characteristics at the following four categories:

- financial assets at fair value through profit and loss,
- loans and receivables,
- held-to-maturity investments, and
- available-for-sale investments.

Financial assets are recognized initially at cost, which represents their fair value (plus, in certain cases, directly attributable transaction costs). The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

(i) Financial assets at fair value through profit and loss: Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Gains or losses on investments held for trading are recognized in income.

(ii) Loans and receivables: Loans and receivables which are generated form the Group's operations (and are beyond the Group's normal credit terms) are carried at amortized cost using the effective interest method. Gains and losses are recognized in the income statement when the loans and receivables are derecognized or impaired, as well as through the amortization process.

(iii) Held-to-maturity investments: Financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Held-to-maturity investments are carried at amortized cost using the effective interest method. For investments carried at amortized cost, gains and losses are recognized in income when the investments are derecognized or impaired, as well as through the amortization process.

• Recoverability of receivables accounts

Short term receivables are presented in their nominal value, net of provisions for potential non collectible accounts, while long-term receivables (balances that deviate from the normal credit terms) are measured at amortized cost based on the effective interest rate method. At each balance sheet date all potentially uncollectible accounts are assessed individually for purposes of determining the appropriate allowance for doubtful accounts. The balance of such allowance for doubtful accounts is appropriately adjusted at each balance sheet date in order to reflect the possible risks. Any amount written-off with respect to customer account balances is charged against the existing allowance for doubtful accounts. Any amount provided for in respect to customer account balances is charged in the profit and loss statement.

• Impairment of inventories

Provision for slow moving, damaged or obsolete inventories is made when necessary. The impairments at the net realizable value of inventories are charged in the profit and loss statement in the period the occur.

• Classification of a lease as operating or financial.

Leases where all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases.

3.8.2 Assumptions and estimations

The presentation of the value of specific assets and liabilities in the financial statements requires the use of estimations that are based on assumptions relating to the values and conditions not known with certainty during the compilation date of the financial statements. The Group continuously evaluates the estimations it makes based on historical data, the research of specialized consultants, the trends and methods considered appropriate for the estimation of specific conditions as well as estimations regarding how the assumptions made may change in the future.

Assumptions and estimations are required for the presentation of:

- Possible reductions in goodwill
- Provisions for future payable income tax and deferred taxes.
- The fair value of derivatives and other financial instruments
- Provisions amounts
- Contingent receivables and liabilities

- **Possible reductions in Goodwill**

The Group test goodwill for impairment annually and whenever events or circumstances make it more likely than not that an impairment may have occurred, such as a significant adverse change in the business climate or a decision to sell or dispose of a reporting unit. Determining whether an impairment has occurred requires valuation of the respective reporting unit, which we estimate using a discounted cash flow method. When available and as appropriate, we use comparative market multiples to corroborate discounted cash flow results. In applying this methodology, we rely on a number of factors, including actual operating results, future business plans, economic projections and market data.

If this analysis indicates goodwill s impaired, measuring the impairment requires a fair value estimate of each identified tangible and intangible asset. In this case we supplement the cash flow approach discussed above with independent appraisals, as appropriate.

We test other identified intangible assets with defined useful lives and subject to amortization by comparing the carrying amount to the sum of undiscounted cash flows expected to be generated by the asset. We test intangible assets with indefinite lives annually for impairment using a fair value method such as discounted cash flows.

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 6. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations.

- **Budget of construction contracts**

The treatment for income and expenses of a construction contract, depends on whether the final result of the contract can be reliably estimated. When the result of a construction contract can be estimated reliably then all income and expenses related to the contract are recognized as such during the time period of the contract. The Group uses the percentage of completion method to determine the appropriate amount of income and expense to be recognized in each period. The percentage of completion is calculated as the contracted cost realized over the total budgeted cost of construction for each project.

- **Income Tax**

Group and company is subject to income taxes in numerous jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Group and company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

- **Provisions**

Doubtful accounts are reported at the amounts likely to be recoverable based on historical experience of customer default. As soon as it is learned that a particular account is subject to a risk over and above the normal credit risk (e.g., low creditworthiness of customer, dispute as to the existence or the amount of the claim, etc.), the account is analyzed and written down if circumstances indicate the receivable is uncollectible.

Provisions for environmental rehabilitation are reported at the amounts that are likely to be claimed against the Group in order to settle the liability

- **Contingencies**

The Group is involved in litigation and claims in the normal course of operations. Management is of the opinion that any resulting settlements would not materially affect the financial position of the Group as at December 31, 2012. However, the determination of contingent liabilities relating to the litigation and claims is a complex process that involves judgments as to the outcomes and interpretation of laws and regulations. Changes in the judgments or interpretations may result in an increase or decrease in the Company's contingent liabilities in the future.

Electricity cost, subsidiary Aluminium S.A.

As extensively discussed in Note 6.34 "Contingent assets - liabilities", the Group's subsidiary, Aluminum S.A. is in arbitration with the PPC S.A., in terms of setting the price of electricity. The decision of the competent arbitral tribunal is expected to definitively establish the amount that PPC should and must invoice Aluminium SA, thus the obligation or claim arising in connection with both the amounts of provisions that have been registered and payments the subsidiary company has made to PPC S.A. for the period from 1/7/2010 until 31/12/2013.

In this context, until the final decision of the arbitral tribunal, the Management of the subsidiary, aiming the best assessment of the amount of the liability to PPC S.A. took into account the historical evolution of the case (see note 6.34) and related decisions RAE: 798/2011 (on the draft agreement between PPC S.A. and Aluminum S.A.) and 692/2011 (Basic price policy), but mostly took note of the decision 346/2012 RAE in which the latter, based on what the noted judgments of (798 and 692), established as temporary the price of 42 €/MWh, plus the extra charges provided for Public Utility Services (PUS) , Renewable Energy Sources (RES) charge, use of transport system and other taxes. The application of the above temporary price , based on the RAE decision rationale, will regard the total number of working hours of ALUMULIUM S.A, taking into account the single zone tariff rates throughout the day, which are dictated by the company consumption profile.

Based on all the above, the management of the Aluminium S.A subsidiary company , taking the afore-mentioned price determined by the independent competent authority (RAE) in its 346/2012 decision as a measure of optimum calculation, re-calculated accordingly its liabilities towards DEI for the period spanning 1/7/2010 to 31/12/2012.
From this re-calculation there occurred a reduction of its overall liabilities to PPC S.A. by € 22 million, which can be analysed as follows:
- € 9, 87 million for the period of 6/2010- 12/ 2010
- € 12, 1 million for the year of 2011

This action on the part of ALUMINIUM S.A Management was based on and justified by a series of decisions made by both the RAE itself (831 A/ 2012 and 15/ 2013) as well as decisions made by the Athens Administrative Court of Appeal (358/ 2012), by which it was concluded that up until the issuing of the RAE decision no contractually agreed or administratively determined price existed, and this price remains to be decided following the arbitration procedure, which is still in progress, and will be applied retrospectively. With the acceptance of the above acknowledgement of lack of specific price, on one hand the RAE decisions forbade PPC S.A. to terminate the contractual relation it has had with ALUMINIUM S.A, and on the other hand the decision of the Administrative Court of Appeal rejected the petition of PPC S.A. to temporarily suspend the application of the 346/ 2012 RAE decision. Besides, with the IAS 37 , section 36 ' the sum acknowledged as a provision, should regard the best estimate of the cost demanded for the settlement of the present obligation during the end of the reference period'.

At the same time, according to the IAS 37, section 59 ' the provisions should be re-examined towards the end of each reference period and should be adjusted in such a way so as to reflect the best current estimate'.

Within the framework of the above, on 31/12/2012, according to the 346/ 2012 RAE decision (implementation of a temporary price of 42 € per megawatt hour for the pricing of electricity supplied by PPC S.A. to ALUMINIUM S.A pending the final Arbitration decision, 692/ 2011 (Basic Pricing Principles for High Voltage customers) and 798/ 2011 (on the framework of agreement between ALUMINIUM S.A and PPC S.A.) the Management of Aluminium S.A deemed it necessary to adjust the provision concerning the value of the consumed electric power , so that it can reflect the best possible estimate under the circumstances, as they have evolved after the price determination of the 42 € per megawatt hour made by the Independent regulatory Authority. Let it be noted that this price per megawatt hour is lower by about 20 € than the price that PPC S.A. had been charging ALUMINIUM S.A following a unilateral decision and despite the lack of Contract for the period of 1/7/2010 up until 15/5/2012 (date when the 346/2012 decision was made by the RAE , deciding on a temporary price).

However, in the light of the given uncertainty concerning every pendency of proceedings and also due to the important future effect (positive or negative) that the definitive outcome of this given case can bring about to the outcomes, economic position and financial status of the subsidiary company and the Group, a sensitivity analysis for provisions and liabilities has been carried out , which was incorporated in the Consolidated Financial Statements of the Group on 31/12/2012. More specifically, the possible effect (positive or negative) which will occur if the price determined by final arbitration court decision is different from the temporary price of 42€ / MWh by 1€/ MWh for the period spanning 7/2010 to 31/12/ 2012. In particular , Aluminium S.A subsidiary for the period of 1/7/2010 to 31/12/2012 has consumed 6.225.576, 63 MWhs of electric power out of which:

- 1.104.777,93 MWhs concern the period of 1/7/2010- 31/ 12/ 2010
- 2.549.914,08 MWhs regard the period of 1/1/2011- 31/ 12/ 2011

- 951.993,74 MWhs regard the period of 1/1/2012- 15/5/2012 (date of RAE temporary price issue) and
- 1.618.890,87 MWhs regard the period of 16/5/2012- 31/12/2012

Therefore, for every 1€/ MWh, the outcomes and the financial position of the subsidiary company and the Group are expected to be different by :

- € 1.104.777,93 for the period of 1/7/2010- 31/ 12/ 2010
- € 2.549.914,08 for the period of 1/1/2011- 31/ 12/ 2011
- € 951.993,74 for the period of 1/1/2012- 15/5/2012 (date of RAE temporary price issue) and
- € 1.618.890,87 for the period of 16/5/2012- 31/12/2012,

that is by a total of € 6. 225. 576, 63

3.9 Group Structure

Group companies, included in the consolidated financial statements are:

Name of subsidiaries, associates and joint ventures	Country of Incorporation	Percentage	Consolidation method
MYTILINEOS S.A.	Greece	Parent	
METKA S.A.	Greece	56,19%	Full
SERVISTEEL	Greece	56,18%	Full
E.K.M.E. S.A.	Greece	22,48%	Full
ELEMKA S.A.	Greece	46,92%	Full
BRIDGE ACCESSORIES & CONSTRUCTION SYSTEMS S.A.	Greece	35,19%	Full
DELFI DISTOMON A.M.E.	Greece	100,00%	Full
ALOUMINION S.A.	Greece	100,00%	Full
RENEWABLE SOURCES OF KARYSTIA SA	Greece	100,00%	Full
ELVO	Greece	43,00%	Equity
DEFENSE MATERIAL INDUSTRY S.A.-MYTILINEOS AND Co,	Greece	100,00%	Full
INDUSTRIAL RESEARCH PROGRAMS ''BEAT''	Greece	35,00%	Equity
GENIKI VIOMICHANIKI	Greece	Joint Management	Full
THORIKI S.A.I.C.	Greece	100,00%	Full
THERMOREMA S.A.	Greece	40,00%	Equity
DELTA ENERGY S.A.	Greece	90,00%	Full
FOIVOS ENERGY S.A.	Greece	90,00%	Full
YDROXOOS S.A.	Greece	90,00%	Full
PEPONIAS S.A.	Greece	67,20%	Full
FTHIOTIKI ENERGY S.A.	Greece	31,50%	Equity
YDRIA ENERGY S.A.	Greece	89,10%	Full
EN.DY. S.A.	Greece	90,00%	Full
FOTINOS TILEMAXOS S.A.	Greece	90,00%	Full
THESSALIKI ENERGY S.A.	Greece	90,00%	Full
IONIA ENERGY S.A.	Greece	49,00%	Equity
ELECTRONWATT S.A.	Greece	10,00%	Equity
BUSINESS ENERGY S.A.	Greece	49,00%	Equity
PROTERGIA S.A.	Greece	100,00%	Full
NORTH AEGEAN RENEWABLES	Greece	100,00%	Full
MYTILINEOS HELLENIC WIND POWER S.A.	Greece	80,00%	Full
AIOLIKI ANDROU TSIROVLIDI S.A.	Greece	80,20%	Full
AIOLIKI NEAPOLEOS S.A.	Greece	80,20%	Full
AIOLIKI EVOIAS PIRGOS S.A.	Greece	80,20%	Full
AIOLIKI EVOIAS POUNTA S.A.	Greece	80,20%	Full
AIOLIKI EVOIAS HELONA S.A.	Greece	80,20%	Full
AIOLIKI ANDROU RAHI XIROKABI S.A.	Greece	80,20%	Full
AIOLIKI PLATANOU S.A.	Greece	80,20%	Full
AIOLIKI SAMOTHRAKIS S.A.	Greece	80,20%	Full
AIOLIKI EVOIAS DIAKOFTIS S.A.	Greece	80,20%	Full
AIOLIKI SIDIROKASTROU S.A.	Greece	80,20%	Full
HELLENIC SOLAR S.A.	Greece	100,00%	Full
SPIDER S.A.	Greece	100,00%	Full
GREENENERGY A.E.	Greece	80,00%	Full
BUSINESS ENERGY TPOIZINIA	Greece	49,00%	Equity
MOVAL S.A.	Greece	100,00%	Full
ARGYRITIS GEA S.A.	Greece	100,00%	Full
ANEMOSTRATA RENEWABLE ENERGY SOURCES S.A.	Greece	20,00%	Full
ANEMODRASI RENEWABLE ENERGY SOURCES S.A.	Greece	100,00%	Full
ANEMORAHI RENEWABLE ENERGY SOURCES S.A.	Greece	100,00%	Full
ANEMOSKALA RENEWABLE ENERGY SOURCES S.A.	Greece	20,00%	Full
KATAVATIS RENEWABLE ENERGY SOURCES S.A.	Greece	100,00%	Full
HORTEROU S.A.	Greece	100,00%	Full
KISSAVOS DROSERI RAHI S.A.	Greece	100,00%	Full
KISSAVOS PLAKA TRANI S.A.	Greece	100,00%	Full
KISSAVOS FOTINI S.A.	Greece	100,00%	Full
AETOVOUNI S.A.	Greece	100,00%	Full
LOGGARIA S.A.	Greece	100,00%	Full
KILKIS PALEON TRIETHNES S.A.	Greece	100,00%	Full
ANEMOROE S.A.	Greece	100,00%	Full
FERRITIS S.A.	Greece	100,00%	Full
VYRILLOS S.A.	Greece	100,00%	Full
OSTENITIS S.A.	Greece	100,00%	Full
SOLIEN ENERGY S.A.	Greece	100,00%	Full
KORINTHOS POWER S.A.	Greece	65,00%	Full
IKAROS ANEMOS SA	Greece	100,00%	Full
KERASOUDA SA	Greece	100,00%	Full
AIOLIKH ARGOSTYLIAS A.E.	Greece	20,00%	Full
M & M GAS Co S.A.	Greece	50,00%	Full
DESFINA SHIPPING COMPANY	Greece	100,00%	Full
RDA TRADING	Guernsey Islands	100,00%	Full
MYVEKT INTERNATIONAL SKOPJE	FYROM	100,00%	Full
MYTILINEOS FINANCE S.A.	Luxemburg	100,00%	Full
RODAX ROMANIA SRL, Bucharest	Romania	56,19%	Full
JOINT VENTURE METKA – TEPNA	Greece	10,00%	Full
JOINT VENTURE ATERMON ATTEE-EKME AE-TMUCB SA-METKA S.A.	Greece	99,00%	Equity
JOINT VENTURE ATEPMΩN ATTEE-EKME S.A.	Greece	10,00%	Equity
JOINT VENTUREHELLENIC SOLAR S.A. VOULGARAKIS LTD	Greece	70,00%	Full
ISPANOELLHNIKH AIOLIKH TRIKORFON S.A.	Greece	50,00%	Equity
MAKRYNOROS ENERGEIAKH S.A.	Greece	50,00%	Equity
METKA BRAZI SRL	Romania	56,19%	Full
SOMETRA S.A.	Romania	92,79%	Full
METKA OVERSEAS LTD	Cyprus	56,19%	Full
DELTA PROJECT CONSTRUCT SRL	Romania	95,01%	Full
STANMED TRADING LTD	Cyprus	100,00%	Full
DROSCO HOLDINGS LIMITED	Cyprus	46,92%	Full
MYTILINEOS BELGRADE D.O.O.	Serbia	92,79%	Full
POWER PROJECT SANAYI INSAAT TICARET LIMITED SIRKETI	Turkey	56,19%	Full

3.10 Significant information

During the reporting period, the Group proceed to the following:

Korinthos Power, a MYTILINEOS Group subsidiary, obtained a commercial operation permit for the power plant rated at 436MW. The power plant is located at the Motor Oil industrial complex at Agioi Theodoroi, Korinthia. The power plant's engineering study, supply, construction and commissioning - including the closed type substation as well - was undertaken and successfully completed by METKA S.A., a MYTILINEOS Group subsidiary.

On April 18, 2012, the company divested six thousand six hundred and ten (6.610) fractional share balances that resulted from the share capital increase of MYTILINEOS HOLDINGS SA for the amount of five million nine hundred fifty seven thousand a hundred and forty one euros and fifty four cents (5.957.141,54€) with premium capitalization of reserves. The net proceed of such divestiture - after subtracting all expenses and tax - amounts to two euro and seventy five cents (2,75 euro per share).

The Extraordinary Unsolicited and Global General Shareholder Assembly of April 26, 2012 of the 100% subsidiary titled «MOVAL GENERAL TRADING, INDUSTRIAL AND MINING INC», decided the following: The increase of the Company's share capital by the amount of six hundred thousand (600.000) euro in cash and the issuance of six hundred (600.000) thousand new stocks of nominal value one (1,00) euro each, and a sale price of seven euro and sixty six cents (7,66) for each new share with limitation of the pre-emption right of old company shareholders and respective amendment of article 5 of Articles of Association. As a result of the above mentioned increase, share capital amounts to € 1.200.000,00 broken down in 1.200.000 nominal shares, € 1,00 nominal value each.

On June 11, 2012, all shares of the company titled «MOVAL GENERAL TRADING, INDUSTRIAL AND MINING INC» were transferred to Protergia, a subsidiary of MYTILINEOS HOLDINGS SA.
Moreover, new natural gas supply contracts were signed for Aluminium S.A., Protergia and Korinthos Power, subsidiaries of the Group, with DEPA S.A., under a Combined Quantity Management umbrella deal for all plants.
Under this Agreement, effective thru end-2014, the uninterrupted provision of pipeline natural gas is ensured for the three thermal power plants as well as for the thermal consumption of Aluminium S.A.

On July 9, 2012, MYTILINEOS S.A. participated in the share capital increase of the company titled GENIKH BIOMHXANIKH AMYNTIKOY YLIKOU, obtaining a 2,25% share of the share capital. The specific company is integrated by 100% as of joint administration.

On July 31, 2012, all shares of the company titled «ARGYRITIS GI BASE METAL INDUSTRIAL & COMMERCIAL INC» were transferred to Protergia, a 100 % subsidiary of MYTILINEOS HOLDINGS SA.

Through decision no. 14613-04/09/2012 by the competent Minister (Ministry of Infrastructure, Transport & Networks) the contracting classification of METKA S.A., a subsidiary of MYTILINEOS Group, was promoted. The specific subsidiary was promoted to the highest grade (7th) of the Contractor's Register (MEEP). In fact, under no. D15/11072/04.09.2012 MEEP certificate by the competent Ministry, the company is now qualified for constructing a wide range of public works without top limit with respect to project budget.

In September 2012 the subsidiary METKA S.A. was served an assignment letter for the extension of an existing power plant in Jordan (1st EPC Project). The appointing agency is Samra Electric Power Co. (SEPCO) and the project refers to Design, procurement, construction and commissioning of a 143MW power plant which constitutes an extension to existing power generation unit, adding a combined cycle plant using Alstom technology, to the already operational open cycle facilities. The total value of the contract amounts to US $143,140,774 and 10,955,000 Jordanian dinars and shall be implemented in a period of 28 months after assignment

In October 2012, METKA subsidiary was served a letter for the assignment of a second EPC project by the same authority in Jordan.

The project refers to the design, supply, construction and commissioning of one Alstom GT13E2 gas turbine and ancillaries, rated at 146MW at local conditions. The total contract value is $104 million US dollars and shall be implemented as a fast-track procedure, aiming at commencing commercial service by the end of June 2013.

Following completion of thorough due diligence, a procedure entailing financial, legal, revenue and technical auditing of the merged parties, as well as negotiations carried out in a spirit of mutual trust, reaching a final agreement was not possible regarding the progressive acquisition of the Bauxite activities of S&B in Greece by 'Aluminium S.A.', a 100% subsidiary of MYTILINEOS S.A., as such has been announced on November 8, 2011. The two companies, evaluating the challenges presented by the domestic and international environment, will continue to pursue ways to improve the competitiveness of bauxite mining activities, whereas their commercial collaboration will continue without impediments.

On December 13, 2012, the subsidiary Aluminum S.A. acquired 100% of the stock of the company titled DESFINA SHIPPING Co.

Finally, in December 2012 a new agreement was made between the Management of subsidiary Aluminum S.A. and the company's Labor Union. The aforesaid agreement resulted in preserving all employment positions and the production capacity of the plant as well as significant cost streamlining on a viable and long - term basis.

Moreover, the following took place in the described period:

- On 15/5/2012, RAE (the Regulating Authority for Energy) issued decision no. 346/2012 that set a provisional price, according to general principles for billing, equal to 42€/MWh, further to the envisaged utility operator charges (UO), the Renewable Energy Sources Duty (RES), the Transmission System Levies and other taxes. Application of the above mentioned provisional price, according to the rationale of the RAE decision, refers to all operating hours of Aluminium S.A., in light of the single - zone tariff that matches its consumption profile, for the entire period of the day; this shall be effective till the final decision by the arbitrators where Aluminium S.A. and PPC have referred their dispute.
- Under Law 4093/2012 *(Interim Budgetary Strategy Framework 2013-2016 – Urgent Measures for the Application of Law 4046/2012 and Interim Budgetary Strategy Framework 2013-2016),* an extraordinary duty has been applied in November 2012 to power generators employing RES and HPEPHC plants. These rates amount to:
  (a) 25% for solar power plants put to trial operation or their link was energized by 31.12.2011
  (b) 30% for Solar Power plants put to trial operation or their link was energized after 1.1.2012 and compensation for energy generated is calculated according to the reference price of the schedule set out in article 27[A] , Law 3734/2009, as applicable each time, corresponding to a month earlier than February 2012
  (c) 27% for Solar Power plants put to trial operation or their link was energized after 1.1.2012 and compensation for energy generated is calculated according to the reference price of the schedule set out in article 27[A] , Law 3734/2009, as applicable each time, corresponding to the period between February 2012 and August 9, 2012
  (d) 10% for other RES plants as well as for HECHP plants

- December 2012 saw the beginning of the arbitration procedure between subsidiary Aluminium S.A. and PPC which is currently in progress, as both parties have submitted their claims through Applications Memoranda dated 21.12.2012, followed by their Responses dated 1.2.2013 on opposing claims. Furthermore, the Court of Arbitration has designated a date of hearing of claims by both parties and examination of the first witness on part of the Company on 02.04.2013. In the months to follow, completion of the arbitration procedure and issuance of decision are anticipated.
- The Ministry of Environment, Energy & Climate Change issued a decision on 17/1/2013 for licensing the commercial service of the electric power / heat cogeneration plant of Aluminium S.A. As of 28/11/2012, the plant in question was already in « trial operation » status as Distributed High Performance Electric Power / Heat Cogeneration Plant (trial operation of Distributed HPEPHC) by the market operator, after having signed a supplementary transaction contract, and ensuring the proportional estimation and billing of electric power infused to the grid.

3.11 Financial instruments

Financial instrument is any contract that creates a financial asset in an enterprise and a financial liability or Equity instrument in another.

The financial instruments of the Group are classified in the following categories according to the substance of the contract and the purpose for which they were purchased.

i) Financial instruments valued at fair value through the income statement

These comprise assets that satisfy any of the following conditions:

- Financial assets that are held for trading purposes (including derivatives, except those that are designated and effective hedging instruments, those that are acquired or incurred for the purpose of sale or repurchase and, finally, those that are part of a portfolio of designated financial instruments).
- Upon initial recognition it is designated by the company as an instrument valued at fair value, with any changes recognized through the Income Statement.

In the Balance-sheet of the Group the exchanges and the assessment at fair value of derivatives they are portrayed in separate items of Asset and Liabilities with titled « Derivatives Financial Assets ». The changes at fair value of derivatives are registered in income statement.

ii) Loans and receivables

They include non-derivative financial assets with fixed or predefined payments which are not traded in active markets. The following are not included in this category (loans and receivables):

a) Receivables from down payments for the purchase of goods or services,

b) Receivables relating to tax transactions, which have been legislatively imposed by the state,

c) Any receivable not covered by a contract which gives the company the right to receive cash or other financial fixed assets.

Loans and receivables are included in current assets, except those with a maturity date exceeding 12 months from the balance sheet date. The latter are included in the non-current assets.

iii) Investments held to maturity

These include non derivative financial assets with fixed or defined payments and specific maturity and which the Group intends to hold until their maturity.

The Group did not hold investments of this category.

iv) Financial assets available for sale

These include non derivative financial assets that are either designated as such or cannot be included in any of the previous categories.

Financial assets available for sale are valued at fair value and the relevant profit or loss is booked in Equity reserves until such assets are sold or characterized as impaired.

During the sale, or when they are characterized as impaired, the profit or loss is transferred to the results. Impairment losses that have been booked to the results are not reversed through the results. The purchases and sales of investments are recognized during the transaction date, which is also the date the Group commits to purchase or sell the item. Investments are initially recognized at fair value plus costs directly related to the transaction. Costs directly related to the transaction are not added for items valued at fair value through the income statement. Investments are written-off when the right on cash flows from investments mature or is transferred and the Group has essentially transferred all the risks and rewards implied by the ownership.

The loans and receivables are recognized in amortized cost using the effective interest method.

The realized and unrealized profits or losses arising from changes in the fair value of financial assets valued at fair value through the income statement, are recognized in the profit and loss of the period they occur.

The fair values of financial assets that are traded in active markets, are defined by their prices. For non-traded assets, fair values are defined with the use of valuation techniques such as analysis of recent transactions, comparative items that are traded and discounted cash flows. The securities that are not traded in an active market that have been classified in the category Financial assets available for sale, and whose fair value cannot be determined in an accurate and reliable way, are valued at their acquisition cost.

At each balance sheet date the Group assess whether there are objective indications that lead to the conclusion that financial assets have been impaired. For company shares that have been classified as financial assets available for sale, such an indication consists of a significant or extended decline in the fair value compared to the acquisition cost. If impairment is established, any accumulated loss in Equity, which is the difference between acquisition cost and fair value, is transferred to the results.

3.12 Inventories

At the balance sheet date, inventories are valued at the lower of acquisition cost and net realizable value. Net realizable value is the estimated sales price during the normal course of the company's business less any relevant sales expenses. The cost of inventories does not include financial expenses.

3.13 Trade receivables

Receivables from customers are initially booked at their fair value and are subsequently valued at their amortized cost using the method of the effective interest rate, less the provision for impairment. In the event that the amortized cost or the cost of a financial asset exceeds the present value, then this asset is valued at its recoverable amount, i.e. at the present value of the future cash flows of the asset, which is calculated using the real initial interest rate.

The relevant loss is immediately transferred to the period's profit and loss. The impairment losses, i.e. when there is objective evidence that the Group is unable to collect all the amounts owed based on the contractual terms, are recognized in the income statement.

3.14 Cash and cash equivalents

Cash and cash equivalents include cash in the bank and in hand as well as short term highly liquid investments such as money market products and bank deposits. Money market products are financial assets which are valued at fair value through the profit and loss account.

3.15 Non-current assets classified as Held for sale

The assets available for sale also include other assets (including Goodwill) and tangible fixed assets that the Group intends to sell within one year from the date they are classified as "Held for sale".

The assets classified as "Held for sale" are valued at the lowest value between their book value immediately prior to their classification as available for sale, and their fair value less the sale cost. Assets classified as "Held for sale" are not subject to depreciation. The profit or loss that results from the sale and reassessment of assets "Held for sale" is included in "other income" and "other expenses" respectively, in the income statement.

3.16 Share capital

Expenses incurred for the issuance of shares reduce, after deducting the relevant income tax, the proceeds from the issue. Expenses related to the issuance of shares for the purchase of companies are included in the acquisition cost of the company acquired.

Where any Group company purchases the Company's equity share capital (Treasury shares), the consideration paid, including any directly attributable incremental costs is deducted from equity attributable to the Company's equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs, is included in equity attributable to the Company's equity holders. Treasury stock does not hold any voting rights.

3.17 Income tax & deferred tax

The tax for the period comprises current income tax and deferred tax, i.e. the tax charges or tax credits that are associated with economic benefits accruing in the period but have been assessed by the tax authorities in different periods. Income tax is recognized in the income statement of the period, except for the tax relating to transactions that have been booked directly to Equity. In such case the related tax is, accordingly, booked directly to Equity.

Current income taxes include the short-term liabilities or receivables from the fiscal authorities that relate to taxes payable on the taxable income of the period and any additional income taxes from previous periods (tax audit differences).

Current taxes are measured according to the tax rates and tax laws prevailing during the financial years to which they relate, based on the taxable profit for the year. All changes to the short-term tax assets or liabilities are recognized as part of the tax expense in the income statement.

Deferred income tax is determined according to the liability method which results from the temporary differences between the book value and the tax base of assets or liabilities. Deferred tax is not booked if it results from the initial recognition of an asset or liability in a transaction, except for a business combination, which when it occurred did not affect neither the accounting nor the tax profit or loss.
Deferred tax assets and liabilities are valued based on the tax rates that are expected to be in effect during the period in which the asset or liability will be settled, taking into consideration the tax rates (and tax laws) that have been put into effect or are essentially in effect up until the balance sheet date. In the event where it is impossible to identify the timing of the reversal of the temporary differences, the tax rate in effect on the day after the balance sheet date is used.

Deferred tax assets are recognized to the extent that there will be a future tax profit to be set against the temporary difference that creates the deferred tax asset.

Deferred income tax is recognized for the temporary differences that result from investments in subsidiaries and associates, except for the case where the reversal of the temporary differences is controlled by the Group and it is possible that the temporary differences will not be reversed in the foreseeable future.

Most changes in the deferred tax assets or liabilities are recognized as part of the tax expense in the income statement. Only changes in assets or liabilities that affect the temporary differences are recognized directly in the Equity of the Group, such as the revaluation of property value, that results in the relevant change in deferred tax assets or liabilities being charged against the relevant Equity account.

3.18 Employee benefits

Short-term benefits: Short-term employee benefits (except post-employment benefits) monetary and in kind are recognized as an expense when they accrue. Any unpaid amount is booked as a liability, while in the case where the amount paid exceeds the amount of services rendered, the company recognizes the excess amount as an asset (prepaid expense) only to the extent that the prepayment will lead to a reduction of future payments or to reimbursement.

Post-employment benefits: Post-employment benefits comprise pensions or other benefits (life insurance and medical insurance) the company provides after retirement as an exchange for the employees' service with the company. Thus, such benefits include defined contribution schemes as well as defined benefits schemes. The accrued cost of defined contribution schemes is booked as an expense in the period it refers to.

- **Defined contribution scheme**

  According to the defined contributions scheme, the (legal or implied) obligation of the company is limited to the amount that it has been agreed that it will contribute to the entity (i.e. pension fund) that manages the contributions and provides the benefits. Thus the amount of benefits the employee will receive depends on the amount the company will pay (or even the employee) and from the paid investments of such contributions.

  The payable contribution from the company to a defined contribution scheme, is either recognized as a liability after the deduction of the paid contribution, or as an expense.

- **Defined benefits scheme**

  The liability that is reported in the balance sheet with respect to this scheme is the present value of the liability for the defined benefit less the fair value of the scheme's assets (if there are such) and the changes that arise from any actuarial profit or loss and the service cost. The commitment of the defined benefit is calculated annually by an independent actuary with the use of the projected unit credit method. The yield of long-term Greek Government Bonds is used as a discount rate.

  The actuarial profit and losses are liability items for the company's benefits and for the expense that will be recognized in the results. Such that emerge from adjustments based on historical data and are over or under the 10% margin of the accumulated liability, are booked in the results in the expected average service time of the scheme's participants. The cost for the service time is directly recognized in the results except for the case where the scheme's changes depend on the employees' remaining service with the company. In such a case the service cost is booked in the results using the straight line method within the maturity period.

Benefits for employment termination: Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group books these benefits when it is committed, either when it terminates the employment of existing employees according to a detailed formal plan for which there is no withdrawal possibility, or when it provides such benefits as an incentive for voluntary redundancy. When such benefits are deemed payable in periods that exceed twelve months from the Balance Sheet date, then they must be discounted based on the yields of investment grade corporate or government bonds.

In the case of an offer that is made to encourage voluntary redundancy, the valuation of benefits for employment termination must be based on the number of employees that are expected to accept the offer.

In case of an employment termination where there is inability to asses the number of employees to use such benefits, a disclosure for a contingent liability is made but no accounting treatment is followed.

3.19 Grants

The Group recognizes Government Grants that cumulatively satisfy the following criteria:
a) There is reasonable certainty that the company has complied or will comply to the conditions of the grant and
b) it is probable that the amount of the grant will be received.

Government Grants are booked at fair value and are systematically recognized as revenues according to the principle of matching the grants with the corresponding costs that they are subsidizing.

Government Grants that relate to assets are included in long-term liabilities as deferred income and are recognized systematically and rationally as revenues over the useful life of the fixed asset.

3.20 Provisions

Provisions are recognized when the Group has present obligations (legal or constructive) as a result of past events, their settlement through an outflow of resources is probable and the exact amount of the obligation can be reliably estimated. Provisions are reviewed during the date when each balance sheet is compiled so that they may reflect the present value of the outflow that is expected to be required for the settlement of the obligation. Contingent liabilities are not recognized in the financial statements but are disclosed, except if the probability that there will be an outflow of resources that embody economic benefits is very small. Contingent claims are not recognized in the financial statements but are disclosed provided that the inflow of economic benefits is probable.

3.21 Recognition of income and expenses

Income: Income includes the fair value of goods and services sold, net of Value Added Tax, discounts and returns. Intercompany revenue within the Group is eliminated completely. The recognition of revenue is done as follows:

- **Construction Projects Contracts:** The income from the execution of construction contracts is accounted for in the period the project is constructed, based on its completion stage.
- **Sale of goods**: Sales of goods are recognized when the Group transfers goods to customers, the goods are accepted by them and the collection of the resulting claim is reasonably assured.
- **Provision of services**: Income from the provision of services is accounted for in the period during which the services are rendered, based on the stage of completion of the service in relation to the total services to be rendered.
- **Income from assigned rights for use of tangible assets (Compensative benefits):** The fair value of the assigned rights is recognized as deferred income and are amortized through the income statement according to the completion of the contracts for which these rights have been assigned.
- **Income Interest**: Interest income is recognized on a time proportion basis using the effective interest rate. When there is impairment of assets, their book value is reduced to their recoverable amount which is the present value of the expected future cash flows discounted using the initial real interest rate. Interest is then booked using the same interest rate calculated on the impaired (new book) value.
- **Dividends**: Dividends are accounted for as revenue when the right to receive payment is established.

Expenses: Expenses are recognized in the results on an accrued basis. The payments made for operating leases are transferred to the results as an expense, during the time the lease is used. Interest expenses are recognized on an accrued basis.

3.22 Leases

Group company as Lessee: Leases of fixed assets with which all the risks and benefits related with ownership of an asset are transferred to the Group, regardless of whether the title of ownership of the asset is eventually transferred or not, are finance leases.
These leases are capitalized at the inception of the lease at the lower of the fair value of the asset and the present value of the minimum lease payments. Each lease payment is apportioned between the reduction of the liability and the finance charge so that a fixed interest rate on the remaining financial liability is achieved. The relevant liabilities from leases, net of financial expenses, are reported as liabilities. The part of the financial expense that relates to finance leases is recognized in the income statement during the term of the lease. Fixed assets acquired through finance leases are depreciated over the shorter of their useful life and the lease term.

Lease agreements where the lessor transfers the right of use of an asset for an agreed period of time, without transferring, however, the risks and rewards of ownership of the fixed asset are classified as operating leases. Payments made with respect to operating leases (net of any incentives offered by the lessor) are recognised in the income statement proportionately throughout the term of the lease.

Group Company as lessor: When fixed assets are leased through financial leasing, the present value of the lease is recognized as a receivable. The difference between the gross amount of the receivable and its present value is registered as a deferred financial income. The income from the lease is recognized in the period's results during the lease using the net investment method, which represents a constant periodic return.

Fixed assets that are leased through operating leases are included in the balance sheet's tangible assets. They are depreciated during their expected useful life on a basis consistent with similar self-owned tangible assets. The income from the lease (net of possible incentives given to the lessees) is recognized using the constant method during the period of the lease.

3.23 Construction contracts

Construction contracts refer to the construction of assets or a group of affiliated assets specifically for customers according to the terms provided for in the relevant contracts and whose execution usually lasts for a period of over one fiscal year.

The expenses that refer to the contract are recognized when occur.

In the case where the result of one construction contract may not by reliably valuated, and especially in the case where the project is at a premature state, then:

- The income must be recognized only to the extent that the contractual cost may be recovered, and
- The contractual cost must be recognized in the expenses of the period in which it was undertaken.

Thus, for such contracts income is recognized in order for the profit from the specific project to equal zero.

When the result of a construction contract can be valuated reliably, the contract's income and expenses are recognized during the contract's duration, respectively as income and expense.

The Group uses the "percentage of completion" method to define the appropriate income and expense amount that will be recognized in a specific period.

The completion stage is measured based on the contractual cost that has been realized up to the balance sheet date compared to the total estimated construction cost of each project.
When it is likely for the total contract cost to exceed the total income, then the expected loss is directly recognized in the period's results as an expense.

For the calculation of the cost realized until the end of the period, any expenses related to future activities regarding the contract are excluded and appear as a project under construction. The total cost that was realized and the profit/loss that was recognized for each contract is compared with the progressive invoices until the end of the period.

When the realized expenses plus the net profit (less the losses) that have been recognized, exceed the progressive invoices, the difference appears as a receivable from construction contract customers in the account "Customers and other receivables". When the progressive invoices exceed the realized expenses plus the net profit (less the losses) that have been recognized, the balance appears as a liability towards construction contract customers in the account "Suppliers and other liabilities".

3.24 Dividend distribution

The distribution of dividends to the shareholders of the parent company is recognized as a liability in the consolidated financial statements at the date on which the distribution is approved by the General Meeting of the shareholders.

3.25 Proforma 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 earning 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:

- The Group's share in the EBITDA of associates when these are active in one of its reported Business Segments.

- The Group's share on the profit from the construction of fixed assets on account of subsidiaries and associates when these are active in one of its reported Business Segments.

It is noted that the Group financial statements, prepared according to IAS 21 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).

Finally, the proforma figure "Group EBITDA" should not be confused with the figure "Earnings before income tax, financial results, depreciation and amortization" calculated for the purposes of 6/448/11.10.2007 resolution of the Hellenic Capital Committee, according to Circular No. 34, as the purpose of the latter is not to define proforma figures like EBITDA despite the familiar terminology used.

4. Business Risk Management

4.1 Financial Risk Factors

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 program focuses on the unpredictability of commodity and financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge the exposure to certain financial risks.
Risk management is carried out by a central treasury department (Group Treasury) under policies approved by the Board of Directors. Group Treasury operates as a cost and service centre and provides services to all business units within the Group, co-ordinates access to both domestic and international financial markets and manages the financial risks relating to the Group's operations. This includes identifying, evaluating and if necessary, hedging financial risks in close co-operation with the various business units within the Group.

4.2 Financial Instruments

The Group's financial instruments consist mainly of deposits with banks, bank overdrafts, FX spot and forwards, trade accounts receivable and payable, loans to and from subsidiaries, associates, joint ventures, investments in bonds, dividends payable and lease obligations.

The financial instruments presented in the financial statements are categorized in the tables below:

(Amounts in thousands €)	MYTILINEOS GROUP 2012	MYTILINEOS GROUP 2011	MYTILINEOS S.A. 2012	MYTILINEOS S.A. 2011
Non current assets				
Financial Assets Available for Sale	3.144	3.185	37	37
Other Long-term Receivables	12.844	9.812	51.629	83.847
Total	**15.988**	**12.997**	**51.666**	**83.884**
Current assets				
Derivatives	-	-	-	-
Financial assets at fair value through profit or loss	2.512	354	545	198
Trade and other receivables	767.780	615.854	17.134	36.907
Cash and cash equivalents	136.593	268.101	1.055	20.565
Total	**906.885**	**884.309**	**18.734**	**57.670**
Non-Current Liabilities				
Long-term debt	22.635	334.588	-	330.986
Derivatives	-	2.422	-	-
Other long-term liabilities	110.573	167.797	-	36.688
Total	**133.208**	**504.807**	**-**	**367.674**
Current Liabilities				
Short-term debt	306.563	185.444	3.205	2.143
Current portion of non-current liabilities	532.214	322.697	327.777	93.000
Derivatives	1.673	7.080	-	-
Other Short-term liabilities	67.099	42.743	98.107	63.970
Trade and other payables	568.084	584.233	106.497	72.219
Total	**1.475.633**	**1.142.197**	**535.586**	**231.332**

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 financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

MYTILINEOS HOLDINGS

MYTILINEOS GROUP

(Amounts in thousands €)	Total 31/12/ 2012	Level 1	Level 2	Level 3	Check
Financial assets at fair value					
Financial Assets Available for Sale	3,144	-	32	3,112	-
Financial assets at fair value through profit or loss	2,512	2,499	13	-	-
Derivatives					
Commoditiy Futures/Forwards	-	-	-	-	-
Foreign exchange forward	-	-	-	-	-
Currency / interest rate swaps	-	-	-	-	-
Currency Options	-	-	-	-	-
Financial liabilities at fair value					
Derivatives	-	-	-	-	
Commoditiy Futures/Forwards	-	-	-	-	-
Foreign exchange forward	-	-	-	-	-
Currency / interest rate swaps	-	-	-	-	-
Currency Options	-	-	-	-	-

MYTILINEOS S.A.

(Amounts in thousands €)	Total 31/12/ 2012	Level 1	Level 2	Level 3	Check
Financial assets at fair value					
Financial Assets Available for Sale	37	-	-	37	-
Financial assets at fair value through profit or loss	545	545	-	-	-
Derivatives					
Commoditiy Futures/Forwards	-	-	-	-	-
Foreign exchange forward	-	-	-	-	-
Currency / interest rate swaps	-	-	-	-	-
Currency Options	-	-	-	-	-
Financial liabilities at fair value					
Derivatives	-	-	-	-	
Commoditiy Futures/Forwards	-	-	-	-	-
Foreign exchange forward	-	-	-	-	-
Currency / interest rate swaps	-	-	-	-	-
Currency Options	-	-	-	-	-

Capital Management: The primary objective of the Group's capital management is to ensure the continuous smooth operation of its business activities and the achievement of its growth plans combined with an acceptable credit rating. For the purpose of capital management, the Group monitors the ratios "Net Debt to EBITDA" and "Net Debt to Equity". As net debt, the Group defines interest bearing borrowings minus cash and cash equivalents. The ratios are managed in such a way in order to ensure the Group a credit rating compatible with its strategic growth.

The table bellow presents ratio results for the years December 31, 2012 and 2011 respectively:

	MYTILINEOS GROUP	
(Amounts in thousands €)	**2012**	**2011**
Long-term debt	22.635	334.588
Short-term debt	306.563	185.444
Current portion of non-current liabilities	501.619	322.697
Cash and cash equivalents	(136.593)	(268.101)
Group Net debt	**694.224**	**574.628**
Oper.Earnings before income tax,financial results,depreciation and amortization	**170.100**	**208.648**
EQUITY	**960.338**	**900.806**
Group Net debt / Oper.Earnings before income tax,financial results,depreciation and amortization	**4,08**	**2,75**
Group Net debt / EQUITY	**0,72**	**0,64**

The Company does not manage its capital on Company level but only on a Group level.
The Group, because of bank loans, has the obligations as the ratio of net debt to equity is less than one.

4.3 Market Risk

(i) Foreign Exchange Risk

The Group is activated 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.

In Group level these financial instruments are characterized as exchange rate risk hedges for certain assets, liabilities or foreseen commercial transactions.

(ii) Price Risk

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

The Group is price risk from fluctuations in the prices of variables that determine either the sales and/or 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.

Commodity price risk can be reduced through the negotiation of long term contracts or through the use of financial derivatives.

(iii) Interest rate risk.

Group's interest bearing assets comprises only of cash and cash equivalents. Additionally, the Group maintains its total bank debt in products of floating interest rate. In respect of its exposure to floating interest payments, the Group evaluates the respective risks and where deemed necessary considers the use of appropriate interest rate derivatives. The policy of the Group is to minimize interest rate cash flow risk exposures on long-term financing.

Effects and Sensitivity Analysis

The effects of the above risks at the Group's operating results, equity, and net profitability are presented in the table below:

LME AL (Aluminium)	$/t	+ 50	- 50
EBITDA	m. €	6,6	-6,6
Net Profit	m. €	5,3	-5,3
Equity	m. €	5,3	-5,3

Exchange Rate €/$	€/$	- 0,05	+ 0,05
EBITDA	m. €	13,7	-12,7
Net Profit	m. €	11,0	-10,2
Equity	m. €	11,0	-10,2

Oil Price	$/t	- 50	+ 50
EBITDA	m. €	0,4	-0,4
Net Profit	m. €	0,3	-0,3
Equity	m. €	0,3	-0,3

LNG Price	€/MWh	- 5	+ 5
EBITDA	m. €	12,02	-12,02
Net Profit	m. €	9,6	-9,6
Equity	m. €	9,6	-9,6

It is noted that an increase of five (5) basis points presume a decrease of 4 mil. € on net results and Equity.

The Group's exposure in price risk and therefore sensitivity may vary according to the transaction volume and the price level. However the above sensitivity analysis is representative for the Group exposure in 2012.

4.4 Credit Risk

The Group has no significant concentrations of credit risk with any single counter party. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale customers, including outstanding receivables and committed transactions. Concerning trade accounts receivables, the Group is not exposed to significant credit risks as they mainly consist of a large, widespread customer base. All Group companies monitor the financial position of their debtors on an ongoing basis.

The Group also has potential credit risk exposure arising from cash and cash equivalents, investments and derivative contracts. To minimize this credit risk, the Group operates within an established counterparty policy approved by the Board of Directors, which limits the amount of credit exposure to any one financial institution. Also, as regards money market instruments, the Group only deals with well-established financial institutions of high credit standing.

The tables below summarize the maturity profile of the Group's financial assets as at 31.12.2012 and 31.12.2011 respectively:

MYTILINEOS GROUP

	Past due but not impaired				Non past due but not impaired	Total
	0-3 months	3-6 months	6-12 months	> 1 year		
Liquidity Risk Analysis - Trade Receivables (Amounts in thousands €)						
2012	205,969	31,705	28,294	82,107	267,541	615,616
2011	74,650	21,131	48,108	32,781	251,265	427,936

4.5 Liquidity Risk

Liquidity risk is related with the Group's need for the sufficient financing of its operations and development. The policy of the Group is to minimize interest rate cash flow risk exposures on long-term financing. Liquidity risk is managed by retaining sufficient cash and immediately liquidated financial assets as well as sufficient credit lines with Banks and Suppliers in relation to the required financing of operations and investments.

The Group on 31/12/2012 displays a temporary negative difference between current assets and current liabilities amounting to € 361,63 mio. This difference is attributed to loan obligations maturing within the year of 2013 amounting to € 498 mio and short-term loans of € 255mio of which:

•€46,5 mio€ refer to two equal instalments of the bond loan held by the parent company payable in February and August 2012.
•172.5 mio€ refer to the Korinthos Power's bond loan that is payable in September 2013.
•105 mio€ refer to short-term loans of subsidiary company PROTERGIA S.A.
•150 mio€ refer to short-term loans of subsidiary company ALUMINIUM S.A.

Regarding the above requirements the Administration notes that:

Until the approval of the Financial Statements the installment of the Bond Loan of the parent on the February 2013, which amounts to 46.5 million € has been settled up with refinancing of the participating Banks to the Bond Loan at 87%. Also, according to a letter from the participating Banks to Management of the parent company, the latter is now in advanced discussions with them on amending the existing Bond Loan of Mytilineos SA and award the participating Banks issuing new Common Bond Loan from the subsidiary Aluminium SA and the subsidiary Protergia SA to refinance existing short-term debt of these companies.

Related to the above, as mentioned to the aforementioned letter from the participating Banks, the conditions under which Banks intend to undertake the organization of above Loans have been discriminated, subject to be approved by the relevant approval body .

Regarding the Bond Loan of subsidiary Korinthos Power, the company is in advanced discussions with banks to refinance 100% of the loan, through award of a new long-term financing as typically refers to a letter which is co-signing by the Participating Bank. According to this letter, the conditions under which banks intend to undertake the refinancing of these loans have been discriminated in substantial part, subject to be approved by the appropriate approval body.

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.

The tables below summarize the maturity profile of the Group's financial liabilities as at 31.12.2012 and 31.12.2011 respectively:

MYTILINEOS GROUP

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2012	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	54.773	477.441	14.222	8.413	554.849
Short Term Loans	21.041	285.522	-	-	306.563
Leasing liabilities	-	-	-	-	-
Trade and other payables	119.744	304.428	76.812	-	500.984
Other payables	28.987	10.671	27.441	-	67.099
Total	224.545	1.078.062	118.475	8.413	1.429.495

MYTILINEOS GROUP

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2011	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	46.500	46.500	334.588	-	427.588
Short Term Loans	124.532	234.810	-	-	359.342
Leasing liabilities	-	-	-	-	-
Trade and other payables	278.603	197.404	65.482	-	541.490
Other payables	28.539	14.204	-	-	42.743
Total	478.174	492.918	400.070	-	1.371.163

MYTILINEOS S.A.

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2012	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	-	-	-	-	-
Short Term Loans	3,205	-	-	-	3,205
Leasing liabilities	-	-	-	-	-
Trade and other payables	8,390	-	-	-	8,390
Other payables	1,760	72,833	23,514	-	98,107
Total	13,356	72,833	23,514	-	109,703

MYTILINEOS S.A.

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2011	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	46,500	46,500	330,986	-	423,986
Short Term Loans	2,143	-	-	-	2,143
Leasing liabilities	-	-	-	-	-
Trade and other payables	8,249	-	-	-	8,249
Other payables	1,847	38,847	23,276	-	63,970
Total	58,740	85,347	354,262	-	498,348

4.6 Hedging Accounting

The Group uses Derivative financial instruments such as Commodity Futures and Currency Forwards in order to mitigate the risk related to its business activities along with the risk related to the funding of such activities.

At inception of the hedging transaction, the Group validates the hedging relationship between the underlying and the hedging instrument as far as its risk management strategy is concerned. The Group also verifies the hedging efficiency from the beginning of the hedging relationship and on a continuing basis.

All derivative financial instruments are initially recognized at fair value as at the date of settlement and are valued on a mark - to - market basis on each balance sheet date. The result of this valuation is recognized as an asset when positive and as a liability when negative.

When a derivative financial instrument is no longer regarded as hedging instrument any difference in its fair value is recognized in profit and loss.

There are three kinds of hedges:

Fair Value Hedging

Fair value hedging is regarded when hedging the exposure in the fluctuations of the fair value of a recognized asset, liability, contingent liability or part of them that could have a negative impact on results.

When hedging accounting, concerning fair value hedge, is followed then any profit or loss from revaluation is recognized in profit and loss.

Cash Flow Hedging

The Group enters into Cash Flow Hedging transactions in order to cover the risks that cause fluctuations in its cash flows and arise either from an asset or a liability or a forecasted transaction.

On revaluation of open positions, the effective part of the hedging instrument is recognized directly in Equity as "Hedging Reserve" while the ineffective part is recognized in Profit & Loss. The amounts recognized in Equity are transferred in profit and loss at the same time as the underlying.

When a hedging instrument has expired, sold, settled or does not qualify for hedging accounting all accumulated profit or loss recognized in Equity, stays in Equity until the final settlement of the underlying. If the underlying is not expected to be settled then any profit or loss recognized in Equity is transferred to profit and loss account.

Hedging of a Net Investment

Hedging of a foreign investment is regarded for accounting purposes in a way similar to cash flow hedging.

The effective part of the hedging result is recognized directly in Equity while any ineffective part is recognized in profit and loss. Accumulated profit or loss recognized in Equity is transferred in profit and loss account at the time of disposal of the investment.

Determination of Fair Value

The fair value of financial instruments trading in an active market is defined by the published prices as of the date of the financial statements.

The fair value of financial instruments not traded in active market is defined through the use of valuation techniques and assumptions based on relevant market information as of the date of the financial statements.

5. Segment reporting

MYTILINEOS Group is active in three main operating business segments: Metallurgy, Constructions and Energy. In identifying its operating segments, management generally follows the Group's service lines, which represent the main products and services provided by the Group. 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 adoption of IFRS 8 has not affected the identified operating segments for the Group compared to the recent annual financial statement.

Segment's results are as follows:

(Amounts in thousands €) *1/1-31/12/2012*	Metallurgy	Constructions	Energy	Others	Discontinuing Operations	Total
Total Gross Sales	616.881	547.549	447.150	16.040	(5.771)	1.621.849
Intercompany sales	(110.344)	(16.443)	(1.082)	(16.040)	-	(143.909)
Inter-segment sales	(576)	(23.728)	-	-	-	(24.304)
Net Sales	**505.961**	**507.378**	**446.068**	**-**	**(5.771)**	**1.453.636**
Earnings before interest and income tax	**2.108**	**84.952**	**31.115**	**(8.965)**	**823**	**110.032**
Financial results	(16.925)	(7.951)	(15.838)	(9.268)	14	(49.968)
Share of profit of associates	-	834	379	-	-	1.213
Profit from company acquisition	-	-	-	-	-	-
Profit before income tax	**(14.817)**	**77.835**	**15.656**	**(18.233)**	**837**	**61.277**
Income tax expense	(1.494)	(12.122)	(3.450)	7.420	-	(9.646)
Profit for the period	**(16.311)**	**65.713**	**12.206**	**(10.813)**	**837**	**51.631**
Result from discontinuing operations	-	-	-	-	837	837
Assets depreciation	**18.519**	**4.735**	**32.574**	**445**	**(2.005)**	**54.268**
Other operating included in EBITDA	-	4.330	1.470	-	-	5.800
Oper.Earnings before income tax,financial results,depreciation and amortization	**20.627**	**94.017**	**65.159**	**(8.520)**	**(1.182)**	**170.100**

(Amounts in thousands €) *1/1-31/12/2011*	Metallurgy	Constructions	Energy	Others	Discontinuing Operations	Total
Total Gross Sales	575.094	1.003.700	157.170	6.173	(11.965)	1.730.172
Intercompany sales	(53.805)	(14.683)	(9.190)	(6.173)	-	(83.851)
Inter-segment sales	-	(62.223)	(13.100)	-	-	(75.323)
Net Sales	**521.289**	**926.793**	**134.880**	**-**	**(11.965)**	**1.570.998**
Earnings before interest and income tax	**14.778**	**141.721**	**19.505**	**(14.246)**	**(580)**	**161.177**
Financial results	(8.080)	(10.349)	(14.653)	(20.726)	148	(53.661)
Share of profit of associates	-	2.646	157	-	-	2.802
Profit from company acquisition	-	-	-	-	-	-
Profit before income tax	**6.699**	**134.018**	**5.008**	**(34.973)**	**(432)**	**110.319**
Income tax expense	5.714	(29.108)	(1.036)	(420)	(46)	(24.897)
Profit for the period	**12.413**	**104.909**	**3.972**	**(35.393)**	**(479)**	**85.423**
Result from discontinuing operations	0	0	0	0	(479)	(479)
Assets depreciation	**17.162**	**5.128**	**10.478**	**460**	**(2.399)**	**30.829**
Other operating included in EBITDA	-	16.645	-	-	-	16.645
Oper.Earnings before income tax,financial results,depreciation and amortization	**31.940**	**163.494**	**29.983**	**(13.786)**	**(2.979)**	**208.651**

Segment's assets and liabilities are as follows:

(Amounts in thousands €)	Continuing Operations Metallurgy	Constructions	Energy	Others	Total
31/12/2012					
Assets	666.565	798.553	1.191.002	31.863	2.687.983
Consolidated assets	666.565	798.553	1.191.002	31.863	2.687.983
Liabilities	427.573	384.392	480.880	434.801	1.727.646
Consolidated liabilities	427.573	384.392	480.880	434.801	1.727.646

(Amounts in thousands €)	Continuing Operations Metallurgy	Constructions	Energy	Others	Total
31/12/2011					
Assets	757.883	831.868	1.037.142	56.859	2.683.752
Consolidated assets	757.883	831.868	1.037.142	56.859	2.683.752
Liabilities	451.082	439.468	325.542	566.855	1.782.947
Consolidated liabilities	451.082	439.468	325.542	566.855	1.782.947

HOLDINGS MYTILINEOS

6. Notes on the Financial Statements

6.1 Tangible assets

MYTILINEOS GROUP					
(Amounts in thousands €)	Land & Buildings	Vehicles & mechanical equipment	Furniture and other equipment	Tangible assets under construction	Total
Gross Book Value	251.442	596.346	25.406	633.290	1.506.484
Accumulated depreciation and/or impairment	(34.854)	(469.310)	(21.158)	-	(525.322)
Net Book value as at 01/01/2011	**216.587**	**127.036**	**4.247**	**633.290**	**981.162**
Gross Book Value	356.397	841.548	25.797	476.740	1.700.482
Accumulated depreciation and/or impairment	(64.144)	(530.788)	(21.437)	-	(616.369)
Net Book value as at 31/12/2011	**292.253**	**310.761**	**4.360**	**476.740**	**1.084.113**
Gross Book Value	389.167	1.299.361	29.525	16.441	1.734.494
Accumulated depreciation and/or impairment	(67.408)	(584.028)	(22.509)	-	(673.945)
Net Book value as at 31/12/2012	**321.759**	**715.333**	**7.015**	**16.441**	**1.060.549**

(Amounts in thousands €)	Land & Buildings	Vehicles & mechanical equipment	Furniture and other equipment	Tangible assets under construction	Total
Net Book value as at 01/01/2011	**216.587**	**127.036**	**4.247**	**633.290**	**981.162**
Additions	101	13.603	1.159	113.208	128.072
Sales-Reductions	(120)	8.830	(296)	(9.372)	(958)
Depreciation	(5.692)	(23.530)	(1.050)	-	(30.272)
Reclassifications	73.252	179.280	241	(263.437)	(10.664)
Net foreign exchange differences	678	18	(58)	112	749
Tangible assets from acquisition / (sale) of subsidiary	7.446	5.523	117	2.938	16.025
Net Book value as at 31/12/2011	**292.253**	**310.761**	**4.360**	**476.740**	**1.084.113**
Additions from acquisition/consolidation of subsidiaries	79	-	-	43	122
Additions	1.150	(1.996)	786	43.005	42.945
Sales-Reductions	0	(233)	(33)	(1.607)	(1.873)
Depreciation	(3.690)	(51.866)	(1.136)	0	(56.692)
Reclassifications	32.367	458.275	3.036	(501.668)	(7.990)
Net foreign exchange differences	(400)	392	3	(72)	(77)
Net Book value as at 31/12/2012	**321.759**	**715.333**	**7.016**	**16.441**	**1.060.549**
Balance Figure 31/12/2011	**(8)**	**(6)**	**(184)**	**(478)**	**(676)**
Balance Figure 31/12/2012	**0**	**0**	**0**	**0**	**0**

MYTILINEOS S.A.

(Amounts in thousands €)	Land & Buildings	Vehicles & mechanical equipment	Furniture and other equipment	Tangible assets under construction	Total
Gross Book Value	13,193	207	1,619	-	15,019
Accumulated depreciation and/or impairment	(3,022)	(145)	(1,336)	-	(4,502)
Net Book value as at 01/01/2011	**10,171**	**63**	**284**	**-**	**10,518**
Gross Book Value	13,193	222	1,754	-	15,169
Accumulated depreciation and/or impairment	(3,224)	(150)	(1,406)	-	(4,780)
Net Book value as at 31/12/2011	**9,969**	**72**	**348**	**-**	**10,389**
Gross Book Value	13,304	222	1,800	-	15,327
Accumulated depreciation and/or impairment	(3,428)	(162)	(1,451)	-	(5,042)
Net Book value as at 31/12/2012	**9,876**	**60**	**349**	**-**	**10,285**

(Amounts in thousands €)	Land & Buildings	Vehicles & mechanical equipment	Furniture and other equipment	Tangible assets under construction	Total
Net Book value as at 01/01/2011	**10,171**	**63**	**284**	**-**	**10,518**
Additions from acquisition/consolidation of subsidiaries	-	-	-	-	-
Additions	-	44	135	-	179
Sales-Reductions	-	(17)	-	-	(17)
Depreciation	(203)	(17)	(70)	-	(290)
Reclassifications	-	-	-	-	-
Net foreign exchange differences	-	-	-	-	-
Tangible assets from acquisition / (sale) of subsidiary	-	-	-	-	-
Net Book value as at 31/12/2011	**9,969**	**72**	**348**	**-**	**10,389**
Additions from acquisition/consolidation of subsidiaries	-	-	-	-	-
Additions	111	-	77	-	189
Sales-Reductions	-	-	(1)	-	(1)
Depreciation	(204)	(13)	(75)	-	(292)
Reclassifications	-	-	-	-	-
Net foreign exchange differences	-	-	-	-	-
Tangible assets from acquisition / (sale) of subsidiary	-	-	-	-	-
Net Book value as at 31/12/2012	**9,876**	**60**	**349**	**-**	**10,285**

No liens or pledges exists on the Group's and Company's fixed assets. Depreciation charged in profit and loss is analyzed in notes 6.22 and 6.23.

6.2 Goodwill

Goodwill is allocated to the group's cash-generating groups identified according to business segment.

(Amounts in thousands €)	Metallurgy	Constructions	Energy	Others	Continuing Operations (Total)	Discontinuing Operations (Total)	Total
Gross Book Value	12.889	142.166	54.340	7	209.401	-	209.401
Accumulated depreciation and/or impairment	-	-	-	-	-	-	-
Net Book value as at 01/01/2011	**12.889**	**142.166**	**54.340**	**7**	**209.401**	**-**	**209.401**
Gross Book Value	12.889	142.166	54.340	7	209.401	-	209.401
Accumulated depreciation and/or impairment	-	-	-	-	-	-	-
Net Book value as at 31/12/2011	**12.889**	**142.166**	**54.340**	**7**	**209.401**	**-**	**209.401**
Gross Book Value	12.889	142.166	54.252	7	209.401	-	209.313
Accumulated depreciation and/or impairment	-	-	-	-	-	-	-
Net Book value as at 31/12/2012	**12.889**	**142.166**	**54.252**	**7**	**209.401**	**-**	**209.313**
Net Book value as at 01/01/2011	**12.889**	**142.166**	**54.340**	**7**	**209.401**	**-**	**209.401**
Additions	-	-	-	-	-	-	-
Sales-Reductions	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
Exchange rate differences	-	-	-	-	-	-	-
Net Book value as at 31/12/2011	**12.889**	**142.166**	**54.340**	**7**	**209.401**	**-**	**209.401**
Additions	-	-	138	-	-	-	138
Sales-Reductions	-	-	-	-	-	-	-
Impairment	-	-	(226)	-	-	-	(226)
Exchange rate differences	-	-	-	-	-	-	-
Net Book value as at 31/12/2012	**12.889**	**142.166**	**54.252**	**7**	**209.401**	**-**	**209.313**

Entity	GOODWILL per Cash Generating Unit:31/12/2012
METKA	141.529.000,00
ΚΟΡΙΝΘΟΣ POWER	20.835.000,00
PROTERGIA	14.195.000,00
A.P.E. KARYSTIAS S.A.	13.554.000,00
ΑΛΟΥΜΙΝΙUΜ S.A.	12.891.000,00
ANEMORACHI S.A.	2.884.000,00
ANEMODRASH S.A.	2.646.000,00
KATAVATHS S.A.	0
ELEMKA S.A.	635.000,00
DEFENCIVE INDUSTRY JOINT VENTURE	5.000,00
DROSCO HOLDING LTD	2.000,00
Solien ELLINIKH FOTOVOLTAIKH	138.000,00
TOTAL	**209.314.000,00**

The Group performs impairment tests for goodwill on an annual basis. The recoverable amount of the recognized goodwill, was assessed using their value in use. The "value in use" was determined based on management estimates that were verified by an independent valuator. For the calculation of the value in use the discounted cash flows method was used.

6.3 Intangible Assets

	MYTILINEOS GROUP				
(Amounts in thousands €)	Software	Land Restoration	Licenses	Other intangible assets	Total
Gross Book Value	8.548	44.179	232.907	35.666	321.300
Accumulated depreciation and/or impairment	(7.650)	(40.131)	(39)	(30.519)	(78.340)
Net Book value as at 01/01/2011	**898**	**4.048**	**232.868**	**5.147**	**242.960**
Gross Book Value	8.745	47.153	227.767	41.055	324.721
Accumulated depreciation and/or impairment	(8.100)	(41.369)	(2.731)	(32.275)	(84.475)
Net Book value as at 31/12/2011	**646**	**5.784**	**225.037**	**8.780**	**240.246**
Gross Book Value	9.084	50.088	229.699	48.090	336.961
Accumulated depreciation and/or impairment	(8.405)	(43.176)	(7.429)	(33.179)	(92.189)
Net Book value as at 31/12/2012	**679**	**6.912**	**222.270**	**14.911**	**244.772**

	MYTILINEOS GROUP				
(Amounts in thousands €)	Software	Land Restoration	Licenses	Other intangible assets	Total
Net Book value as at 01/01/2011	**898**	**4.048**	**232.868**	**5.147**	**242.960**
Additions from acquisition/consolidation of subsidiaries	-	-	-	-	-
Additions	163	2.975	1.127	7.846	12.111
Sales-Reductions	(2)	-	(6.685)	(7)	(6.694)
Sale of subsidiary	-	-	-	-	-
Depreciation	(450)	(1.238)	(2.691)	(1.750)	(6.129)
Reclassifications	37	-	418	(2.459)	(2.005)
Net foreign exchange differences	-	-	-	-	-
Net Book value as at 31/12/2011	**646**	**5.784**	**225.037**	**8.780**	**240.246**
Additions from acquisition/consolidation of subsidiaries	-	-	-	-	-
Additions	296	2.835	995	354	4.480
Sales-Reductions	-	-	-	-	-
Sale of subsidiary	-	-	-	-	-
Depreciation	(305)	(1.807)	(4.699)	(1.408)	(8.219)
Reclassifications	43	100	937	7.185	8.265
Net foreign exchange differences	-	-	-	-	-
Net Book value as at 31/12/2012	**680**	**6.912**	**222.270**	**14.911**	**244.772**

MYTILINEOS S.A.

(Amounts in thousands €)	Software	Total
Gross Book Value	914	914
Accumulated depreciation and/or impairment	(482)	(482)
Net Book value as at 01/01/2011	**431**	**431**
Gross Book Value	1,032	1,032
Accumulated depreciation and/or impairment	(649)	(649)
Net Book value as at 31/12/2011	**383**	**383**
Gross Book Value	1,032	1,032
Accumulated depreciation and/or impairment	(802)	(802)
Net Book value as at 31/12/2012	**229**	**229**

MYTILINEOS S.A. MYTILINEOS S.A.

(Amounts in thousands €)	Software	Total
Net Book value as at 01/01/2011	**431**	**431**
Additions from acquisition/consolidation of subsidiaries	-	-
Additions	118	118
Sales-Reductions	-	-
Sale of subsidiary	-	-
Depreciation	(167)	(167)
Reclassifications	-	-
Net foreign exchange differences	-	-
Net Book value as at 31/12/2011	**383**	**383**
Additions from acquisition/consolidation of subsidiaries	-	-
Additions	-	-
Sales-Reductions	-	-
Sale of subsidiary	-	-
Depreciation	(153)	(153)
Reclassifications	-	-
Net foreign exchange differences	-	-
Net Book value as at 31/12/2012	**229**	**229**

Amortization charged in profit and loss is analyzed in notes 6.22 and 6.23.

6.4 Investments in affiliated companies

	MYTILINEOS GROUP	
(Amounts in thousands €)	31/12/2012	31/12/2011
Total Opening	**13,063**	**13,179**
Aquisition	-	-
Share of profit/loss (after taxation and minority interest)	(319)	(320)
Additions	141	60
Reversal of received dividends	-	(60)
Investments in affiliated companies	**12,884**	**12,859**

6.5 Deferred tax

	MYTILINEOS GROUP				MYTILINEOS S.A.			
	31/12/2012		31/12/2011		31/12/2012		31/12/2011	
(Amounts in thousands €)	Asset	Liability	Asset	Liability	Asset	Liability	Asset	Liability
Non Current Assets								
Intangible Assets	1.351	21.541	1.720	20.690	41	-	94	-
Tangible Assets	1.463	36.017	985	22.357	-	821	-	852
Financial Assets Available for Sale	-	-	-	-	-	-	-	-
Long-term Receivables	2.251	16.531	3.376	16.657	-	-	-	-
Current Assets								
Inventories	-	-	-	-	-	-	-	-
Construction Contracts	69.010	9.315	77.194	6.272	-	-	-	-
Receivables	4.978	-	4.743	232	-	-	-	-
Financial Assets Available for Sale	-	-	-	-	-	-	-	-
Financial assets at fair value	370	-	399	-	370	-	399	-
Reserves								
Reserves' defer tax liability	-	68.557	-	68.557	-	8.896	-	8.896
Long-term Liabilities								
Employee Benefits	4.382	639	4.424	629	32	-	45	-
Subsidies	208	-	208	-	-	-	-	-
Long-term Loans	-	(29)	-	285	-	(32)	-	285
Other Long-term Liabilities	1.050	-	1.048	-	-	-	-	-
Short-term Liabilities								
Provisions	36	3.265	35	2.973	-	98	-	-
Contingent Liabilities	31.067	-	16.901	-	1.803	-	-	-
Employee Benefits	682	-	682	-	-	-	-	-
Liabilities from derivatives	-	-	-	-	-	-	-	-
Liabilities from financing leases	-	-	-	-	-	-	-	-
Other Short-term Liabilities	1.190	26	733	188	-	-	-	-
Other contingent defer taxes	-	27.358	-	36.304	-	27.358	-	36.403
Total	**118.047**	**183.221**	**112.458**	**175.143**	**2.246**	**37.141**	**539**	**46.436**
Offsetting	**(32.086)**	**(32.086)**	**(47.591)**	**(47.591)**	**0**	**0**	**0**	**0**
Deferred Tax Liability/Receivables	**85.961**	**151.135**	**64.867**	**127.552**	**2.245**	**37.142**	**539**	**46.436**

6.6 Other long-term receivables

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Customers - Withholding guarantees falling due after one year	4,696	4,362	-	-
Given Guarantees	1,129	1,049	167	232
Other long term receivables	6,995	4,402	-	-
Long - term receivables from related parties	25	-	51,462	83,615
Other Long-term Receivables	**12,844**	**9,812**	**51,629**	**83,847**

The Long-term receivables from related parties relate to intercompany loans. The Parent company MYTILINEOS S.A. granted in 2009 to the subsidiary company "ARGYRITIS S.A.", a 4 year loan of the amount of € 59 mil. at a 6 month Euribor interest plus spread. The amount of the loan as at 31.12.2012 was € 49,9 mil.

6.7 Inventories

	MYTILINEOS GROUP	
(Amounts in thousands €)	31/12/2012	31/12/2011
Raw materials	2,922	12,867
Semi-finished products	4,378	710
Finished products	39,692	39,072
Work in Progress	39,805	36,775
Merchandise	585	1,367
Others	66,847	86,769
Total	**154,230**	**177,560**
(Less)Provisions for scrap,slow moving and/or destroyed inventories:	(2,600)	(2,600)
Total Stock	**151,630**	**174,960**

Other stock relate to fuels, spare parts and other consumables. The decrease in stocks comparing to prior year relate to the reclassification of the subsidiary SOMETRA (note 2).

6.8 Customers and other trade receivables

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Customers	573,644	379,492	462	683
Notes receivable	4	4	-	-
Checks receivable	4,964	9,302	35	35
Less:Impairment Provisions	(4,480)	(4,286)	-	-
Net trade Receivables	**574,132**	**384,512**	**498**	**718**
Advances for inventory purchases	370	167	-	-
Advances to trade creditors	83,744	64,132	-	-
Total	**658,247**	**448,810**	**498**	**718**

	MYTILINEOS GROUP	
Construction Contracts	31/12/2012	31/12/2011
Realised Contractual Revenues	516,778	979,315
Realised Contractual Cost & Profits (minus realised losses)	2,742,426	2,730,326
Advances received	(33,497)	(36,294)
Clients holdings for good performance	152,682	143,445
Receivables for construction contracts according to the percentage of completion	25,884	19,262
Liabilities related to construction contracts according to percent. of completio	(164,567)	(240,337)

6.9 Other receivables

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2012	MYTILINEOS GROUP 31/12/2011	MYTILINEOS S.A. 31/12/2012	MYTILINEOS S.A. 31/12/2011
Other Debtors	26,256	41,643	1,206	120
Receivables from the State	63,709	75,411	15,393	9,894
Receivables from Subsidiaries	802	735	33	26,102
Loans given to Subsidiaries	0	-	-	-
Accrued income - Prepaid expenses	20,197	50,618	-	-
Prepaid expenses for construction contracts	(894)	(826)	5	73
Less:Provision for Bad Debts	(537)	(537)	-	-
Total	**109,533**	**167,044**	**16,636**	**36,188**

6.10 Derivatives financial instruments

	MYTILINEOS GROUP			
	31/12/2012		31/12/2011	
(Amounts in thousands €)	Asset	Liability	Asset	Liability
Derivatives	-	1.673	-	7.080
Total	**-**	**1.673**	**-**	**7.080**

All derivatives open positions have been mark to market. Fair values of the "interest rate swaps", are confirmed by the financial institutions that the Group has as counterparties.

The Group manages the exposure to currency risk through the use of currency forwards and options and thus by "locking" at exchange rates that provide sufficient cash flows and profit margins. Furthermore, the Group manages the exposure to commodity risk through the use of: a) commodity futures that hedge the risk from the change at fair value of commodities and b) commodity swaps that hedge fluctuations in cash flows from the volatility in aluminum prices

6.11 Financial Assets available for sale

	MYTILINEOS GROUP	
(Amounts in thousands €)	31/12/2012	31/12/2011
Total Opening	**3.185**	**3.527**
Sale of Investment	0	(342)
Valuation of Treasury Shares at fair value	18	(99)
Other Changes	(59)	0
Closing Balance	**3.144**	**3.185**

6.12 Cash and cash equivalents

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Cash	267	233	14	16
Bank deposits	47,628	108,065	1,041	18,409
Time deposits & Repos	88,698	159,802	-	2,140
Total	**136,593**	**268,101**	**1,055**	**20,565**

The weighted average interest rate is as:	**31/12/2012**	**31/12/2011**
Deposits EUR	1.64%	1.16%
Deposits USD	-	0.09%

Group’s cash management involves deposits in Euro or foreigner currency and in overnight Libor-Euribor interest rates.

6.13 Total Equity

Share capital

The 2nd Repeat General Meeting of the Company’s Shareholders that was held on 3 June 2011 deliberated and resolved to: A) The decrease of the Company’s share capital by €6,030,410.86 through the cancellation of 5,635,898 own shares, with corresponding amendment of article 5 par. 1 of the Company’s Articles of Association. As a result of the aforementioned decrease, the Company’s share capital shall amount to €119,142,830.80, divided into 111,348,440 registered shares with a nominal value of €1.07 each. B) The increase of the Company's share capital by the amount of €5,957,141.54 through capitalisation of reserves against the issue of 5,567,422 new shares, with corresponding amendment of article 5 of the Company's Articles of Association. As a result of the aforementioned increase, the Company's share capital shall amount to €125,099.972.34, divided into 116,915,862 registered shares with a nominal value of €1.07 each.

6.14 Reserves

Reserves in the financial statements are analyzed as follows:

MYTILINEOS GROUP

(Amounts in thousands €)	Regular Reserve	Special & Extraordinary Reserves	Tax-free and Specially taxed Reserves	Revaluation reserves	Financial instruments valuation reserve	Stock Option Plan Reserve	Total
Opening Balance 1st January 2011,according to IFRS -as published-	**19,826**	**36,402**	**94,491**	**221**	**-**	**1,225**	**152,166**
Dividends paid	**0**	-	-	-	-	-	**0**
Transfer to reserves	**244**	**-**	**(3,363)**	-	-	-	**(3,119)**
Impact from acquisition of share in subsidiaries	-	20	-	-	-	-	20
Increase / (Decrease) of Share Capital	-	(84)	-	-	-	-	(84)
Share of other comprehensive income of associates	-	-	-	-	-	-	-
Closing Balance 31/12/2011	**20,070**	**36,339**	**91,128**	**221**	**-**	**1,225**	**148,983**
Opening Balance 1st January 2012,according to IFRS -as published-	**20,069**	**36,340**	**91,128**	**221**	**-**	**1,225**	**148,983**
Transfer to reserves	**452**	**(31)**	-	-	-	-	**422**
Increase / (Decrease) of Share Capital	-	(2)	-	-	-	-	(2)
Cash Flow hedging reserve	-	-	-	-	(388)	-	(388)
Share of other comprehensive income of associates	-	-	-	-	-	-	-
Closing Balance 31/12/2012	**20,522**	**36,307**	**91,128**	**221**	**(388)**	**1,225**	**149,014**

MYTILINEOS S.A.

(Amounts in thousands €)	Regular Reserve	Special & Extraordinary Reserves	Tax-free and Specially taxed Reserves	Revaluation reserves	Financial instruments valuation reserve	Stock Option Plan Reserve	Total
Opening Balance 1st January 2011,according to IFRS -as published-	**55,572**	**25,177**	**13,052**	**172**	**-**	**1,225**	**95,198**
Increase / (Decrease) of Share Capital	-	(66)	-	-	-	-	(66)
Share of other comprehensive income of associates	-	-	-	-	-	-	-
Closing Balance 31/12/2011	**55,572**	**25,112**	**13,052**	**172**	**-**	**1,225**	**95,133**
Opening Balance 1st January 2012,according to IFRS -as published-	**55,572**	**25,112**	**13,052**	**172**	**-**	**1,225**	**95,133**
Share of other comprehensive income of associates	-	-	-	-	-	-	-
Closing Balance 31/12/2012	**55,572**	**25,112**	**13,052**	**172**	**-**	**1,225**	**95,133**

The majority of the above reserves relates to Parent Company and Greek subsidiaries. Under Greek corporate law, corporations are required to transfer a minimum of 5% of their annual net profit as reflected in their statutory books to a legal reserve, until such reserve equals one-third of the outstanding share capital. The above reserve cannot be distributed throughout the life of the company.

Tax free reserves represent non distributed profits that are exempt from income tax based on special provisions of development laws (under the condition that adequate profits exist for their allowance). These reserves mainly relate to investments and are not distributed.

Specially taxed reserves represent interest income and income from disposal of listed in the Stock Exchange and non listed companies and are tax free or tax has been withheld at source. Except for any tax prepayments, these reserves are exempted from taxes, provided they are not distributed to shareholders.

6.15 Loan liabilities

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Long-term debt				
Bank loans	3,157	1,518	-	-
Loans from related parties	-	-	-	-
Leasing liabilities	51	57	-	-
Bonds	19,428	333,013	-	330,986
Total	**22,635**	**334,588**	**-**	**330,986**
Short-term debt				
Overdraft	160,543	122,101	3,205	2,143
Bank loans	146,021	63,343	-	-
Total	**306,563**	**185,444**	**3,205**	**2,143**
Current portion of non-current liabilities	532,214	322,697	327,777	93,000
	861,412	**842,729**	**330,982**	**426,129**

The effective weighted average borrowing rate for the group, as at the balance sheet date is 4,71%.

6.16 Employee benefit liabilities

The amounts recognized on the Balance Sheet are:

MYTILINEOS GROUP

	31/12/2012			31/12/2011		
(Amounts in thousands €)	Defined Contributions Plans	Defined Contributions Plans	Total	Defined Contributions Plans	Defined Contributions Plans	Total
Current employment cost	4.877	7.184	12.061	3.816	5.921	9.737
Financial cost	5.368	3.248	8.616	4.210	2.678	6.888
Anticipated return on assets	0	(32)	(32)	0	(25)	(25)
Net actuarialy (profits)/ losses realised for the period	(666)	(6.454)	(7.120)	3.353	(2.243)	1.110
Past employment cost	0	0	0	0	0	0
Losses from abridgement	0	0	0	0	0	0
Pnl charge	**9.579**	**3.946**	**13.524**	**11.379**	**6.332**	**17.711**
	-	-	-	-	-	-
Expected return of plan assets	0	32	32	0	25	25
Actuarial gains on plan assets	0	447	447	0	70	70
Return of plan assets	**0**	**479**	**479**	**0**	**94**	**94**

MYTILINEOS S.A.

	Defined Contributions Plans	
(Amounts in thousands €)	31/12/2012	31/12/2011
Current employment cost	63	65
Financial cost	37	38
Anticipated return on assets	0	0
Net actuarialy (profits)/ losses realised for the period	(361)	(63)
Past employment cost	0	0
Losses from abridgement	0	0
Pnl charge	**(260)**	**39**

MYTILINEOS GROUP

(Amounts in thousands €)	2012 Total	2011 Total
Present value of Defined Benefit Plans	5.517	10.858
Less: Fair value of plan assets	(4.364)	(4.119)
	1.153	**6.739**
Present value of Defined Contributions Plans	12.423	22.121
Net actuarialy (profits)/ losses not recognised	0	0
	12.423	**22.121**
Present value of Defined Contributions Plans	**13.577**	**28.861**

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(Amounts in thousands €)	31/12/2012			31/12/2011		
	Defined Contributions Plans	Defined Contributions Plans	Total	Defined Contributions Plans	Defined Contributions Plans	Total
Total Opening	**22.121**	**10.858**	**32.979**	**24.527**	**13.800**	**38.327**
Current employment cost	1.035	1.262	2.297	1.151	1.659	2.810
Financial cost	1.183	570	1.753	1.286	724	2.010
Actuarialy (profits)/ losses	(3.592)	(3.834)	(7.425)	1.244	(650)	593
Losses from abridgement	0	0	0	0	0	0
Settlements	0	0	0	0	0	0
Additions due to acquisitions	0	0	0	0	0	0
Contributions paid	(8.324)	(3.340)	(11.664)	(6.086)	(4.675)	(10.761)
Exchange rate differences	0	0	0	0	0	0
Total Closing	**12.423**	**5.517**	**17.940**	**22.121**	**10.858**	**32.979**

MYTILINEOS GROUP

	31/12/2012 Defined Contributions Plans	31/12/2011
Total Opening	**4.119**	**4.479**
Anticipated return on assets	8	9
Actuarialy (profits)/ losses	377	(544)
Employer contributions	3.200	4.850
Contributions paid	(3.340)	(4.675)
Additions due to acquisitions	0	0
Total Closing	**4.364**	**4.119**

	MYTILINEOS S.A.	
(Amounts in thousands €)	2012 Total	2011 Total
Present value of Defined Contributions Plans	529	788
	529	**788**
Present value of Defined Contributions Plans	**529**	**788**

	MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2012 Defined Contributions Plans	31/12/2011 Defined Contributions Plans
Total Opening	**788**	**750**
Current employment cost	37	65
Financial cost	63	38
Actuarialy (profits)/ losses	67	(63)
Losses from abridgement	0	0
Settlements	0	0
Additions due to acquisitions	0	0
Contributions paid	(427)	0
Exchange rate differences	0	0
Total Closing	**529**	**788**

The assumptions used, are presented in the following table:

	31/12/212	31/12/211	31/12/2010	31/12/2009
Discount Rate	4,60%	5,20%	5,50%	5,50%
Future Salary increases	3,00%	3,20%	3,50%	3,50%
Inflation	2,00%	2,00%	2,50%	2,50%

6.17 Other long-term liabilities

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Received guarantees - Grants-Leasing				
Total Opening	**34,679**	**33,887**	**-**	**-**
Received guarantees - Grants-Leasing from Subsidiaries' aquisition	-	-	-	-
Additions	(239)	4,673	-	-
Transfer at profits/loss	(583)	-	-	-
Transfer from / (to) Short term	-	(3,363)	-	-
Depreciation for the period	(448)	(518)	-	-
Discont. operations / Sales of subsidiary	-	-	-	-
Exchange rate differences	-	-	-	-
Closing Balance	**33,409**	**34,679**	**-**	**-**
Advances of customers				
Total Opening	**2,227**	**69,083**	**-**	**-**
Received guarantees - Grants-Leasing from Subsidiaries' aquisition	-	-	-	-
Additions	41,732	239,941	-	-
Transfer at profits/loss	-	-	-	-
Transfer from / (to) Short term	(8,788)	148,539	-	-
Depreciation for the period	(35,026)	(455,336)	-	-
Discont. operations / Sales of subsidiary	-	-	-	-
Exchange rate differences	-	-	-	-
Closing Balance	**146**	**2,227**	**-**	**-**
Other				
Total Opening	**130,541**	**76,456**	**36,688**	**75,962**
Received guarantees - Grants-Leasing from Subsidiaries' aquisition	-	-	-	-
Additions	17,074	76,876	3,312	-
Transfer at profits/loss	-	-	-	-
Transfer from / (to) Short term	(30,609)	16,330	-	-
Depreciation for the period	(40,001)	(39,274)	(40,000)	(39,274)
Discont. operations / Sales of subsidiary	-	-	-	-
Exchange rate differences	0	-	-	-
Closing Balance	**77,005**	**130,388**	**-**	**36,688**
Suppliers holdings for good performance				
Total Opening	**503**	**9,689**	**-**	**-**
Received guarantees - Grants-Leasing from Subsidiaries' aquisition	-	-	-	-
Additions	2,621	(3,277)	-	-
Transfer at profits/loss	-	-	-	-
Transfer from / (to) Short term	1,738	14,282	-	-
Depreciation for the period	(4,834)	(20,191)	-	-
Discont. operations / Sales of subsidiary	-	-	-	-
Exchange rate differences	(14)	-	-	-
Closing Balance	**14**	**503**	**-**	**-**
Total	**110,573**	**167,797**	**-**	**36,688**

6.18 Provisions

Provisions referring to Group and Company are recognized if the following are met: (a) legal or implied liabilities exist as a consequence of past events, (b) there is a possibility of settlement that will require the outflow if economic benefits and (c) the amount of the liability can be measured reliably. More specifically, the Group recognizes provisions for environmental restorations as a result of exploitation of mineral resources processed mainly for the production of Alumina and Aluminum. All provisions are reviewed at each balance-sheet date and are adjusted accordingly so that they reflect the present value of expenses that will be required for the restoration of the environment. Contingent receivables are not recognized in the financial statements but are disclosed if there is a possibility of an inflow of economic benefits.

Environmental Restoration. This provision represents the present value of the estimated costs to reclaim 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 are individually material to the Group and to contingent liabilities arising from current commitments.

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(Amounts in thousands €)	Litigation Provision	Environmental Restoration	Tax liabilities	Other	Total
01/01/2011	-	**4,115**	**4,267**	**3,855**	**12,236**
Additions from acquisition/consolidation of subsidiaries	-	-	-	-	-
Sale of Subsidiary	-	-	-	-	-
Additional provisions for the period	-	250	933	4,878	6,061
Unrealised reversed provisions	-	(1,091)	-	(2,050)	(3,141)
Exchange rate differences	-	-	-	-	-
Realised provisions for the period	-	(620)	(2,150)	-	(2,770)
31/12/2011	-	**2,653**	**3,079**	**6,682**	**12,415**
Long Term	-	2,653	2,950	1,638	7,241
Short Term	-	-	129	5,045	5,174
Additions from acquisition/consolidation of subsidiaries	-	-	-	-	-
Sale of Subsidiary	-	-	-	-	-
Additional provisions for the period	-	-	452	1,117	1,569
Unrealised reversed provisions	-	-	-	-	-
Exchange rate differences	-	-	0	167	167
Realised provisions for the period	-	(874)	(129)	(5,009)	(6,013)
31/12/2012	-	**1,779**	**3,402**	**2,928**	**8,109**
Long Term	-	1,779	3,402	2,921	8,102
Short Term	-	-	-	7	7

MYTILINEOS S.A.

(Amounts in thousands €)	Litigation Provision	Environmental Restoration	Tax liabilities	Other	Total
01/01/2011	-	-	**1,002**	**266**	**1,268**
Additions from acquisition/consolidation of subsidiaries	-	-	-	-	-
Sale of Subsidiary	-	-	-	-	-
Additional provisions for the period	-	-	100	-	100
Unrealised reversed provisions	-	-	-	-	-
Exchange rate differences	-	-	-	-	-
Realised provisions for the period	-	-	-	-	-
31/12/2011	-	-	**1,102**	**266**	**1,368**
Long Term	-	-	1,102	266	1,368
Short Term	-	-	-	-	-
Additions from acquisition/consolidation of subsidiaries	-	-	-	-	-
Sale of Subsidiary	-	-	-	-	-
Additional provisions for the period	-	-	-	-	-
Unrealised reversed provisions	-	-	-	-	-
Exchange rate differences	-	-	-	-	-
Realised provisions for the period	-	-	-	-	-
31/12/2012	-	-	**1,102**	**266**	**1,368**
Long Term	-	-	1,102	266	1,368
Short Term	-	-	-	-	-

6.19 Suppliers and other liabilities

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Suppliers	354,981	290,026	7,191	7,130
Notes Payable	-	-	-	-
Cheques Payable	592	638	-	-
Customers' Advances	57,581	73,241	1,199	1,119
Liabilities to customers for project implementation	87,831	177,585	-	-
Total	**500,985**	**541,490**	**8,390**	**8,249**

6.20 Current tax liabilities

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Tax expense for the period	1.934	10.930	0	100
Tax audit differences	(2.320)	2.503	0	0
Tax liabilities	10.032	11.464	7.420	320
Total	**9.646**	**24.897**	**7.420**	**420**

6.21 Other short-term liabilities

	MYTILINEOS GROUP	MYTILINEOS GROUP	MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Liabilities to Related Parties	1,970	876	96,347	62,178
Accrued expense	44,623	22,402	-	-
Social security insurance	3,641	3,925	136	176
Dividends payable	1,962	1,453	531	571
Deferred income-Grants	-	83	-	-
Others Liabilities	14,903	14,004	1,093	1,045
Total	**67,099**	**42,743**	**98,107**	**63,970**

6.22 Cost of goods sold

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2012	MYTILINEOS GROUP 31/12/2011	MYTILINEOS S.A. 31/12/2012	MYTILINEOS S.A. 31/12/2011
Retirement benefits	(3,238)	7,258	-	-
Medical benefits after retirement	-	-	-	-
Other employee benefits	63,779	70,539	-	-
Cost of materials & inventories	453,245	686,486	16,012	6,001
Third party expenses	170,657	223,457	-	-
Third party benefits	492,730	277,798	-	-
Assets repair and maintenance cost	9,979	791	-	-
Operating leases rent	4,130	2,746	-	-
Taxes & Duties	1,994	1,433	-	-
Advertisement	200	56	-	-
Other expenses	71,109	54,569	-	-
Depreciation - Tanginle Assets	45,478	25,570	-	-
Depreciation - Inanginle Assets	6,452	3,639	-	-
Total	**1,316,513**	**1,354,343**	**16,012**	**6,001**

6.23 Administrative & Distribution Expenses

	MYTILINEOS GROUP	MYTILINEOS GROUP	MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Distribution expenses				
Retirement benefits	-	-	-	-
Medical benefits after retirement	-	-	-	-
Other emploee benefits	914	1,110	-	-
Inventory cost	1	1	-	-
Third party expenses	820	1,003	-	-
Third party benefits	138	250	-	-
Assets repair and maintenance cost	13	16	-	-
Operating leases rent	53	52	-	-
Taxes & Duties	243	254	-	-
Advertisement	-	-	-	-
Other expenses	1,046	644	-	-
Depreciation - Tanginle Assets	21	51	-	-
Depreciation - Inanginle Assets	15	6	-	-
Total	**3,265**	**3,387**	**-**	**-**

	MYTILINEOS GROUP		MYTILINEOS S.A.	MYTILINEOS S.A.
(Amounts in thousands €)	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Administrative expenses				
Retirement benefits	35	35	-	-
Medical benefits after retirement	-	-	-	-
Other emploee benefits	13,877	14,406	5,681	6,136
Inventory cost	1	-	-	-
Third party expenses	17,099	19,639	2,580	3,999
Third party benefits	5,028	4,193	488	458
Assets repair and maintenance cost	855	418	104	161
Operating leases rent	2,154	2,888	395	627
Taxes & Duties	896	642	86	94
Advertisement	1,390	1,288	582	1,121
Other expenses	6,837	7,343	829	1,266
Depreciation - Tanginle Assets	2,450	1,585	292	293
Depreciation - Inanginle Assets	540	426	153	167
Total	**51,161**	**52,865**	**11,192**	**14,322**

6.24 Other operating income / expenses

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Other operating income				
Grants amortization	687	448	-	-
Income from Subsidies	593	195	5	4
Compensations	23,032	35	634	-
Profit from foreign exchange differences	14,809	11,773	753	427
Rent income	642	717	199	254
Operating income from services	35	307	12,413	14,597
Income from reversal of unrealized provisions	1,273	3,568	297	-
Profit from sale of fixed assets	26	108	1	5
Other	6,145	4,779	1	375
Total	**47,241**	**21,931**	**14,302**	**15,662**
Other operating expenses				
Losses from foreign exchange differences	12,623	15,249	279	1,005
Provision for bad debts	311	574	-	-
Loss from sale of fixed assets	217	402	1	1
Operating expenses from services	4,060	3,887	92	457
Other taxes	2,273	636	76	29
Compensations	99	12	34	-
Total	**19,583**	**20,759**	**482**	**1,492**

The fluctuations of the foreign exchange currency rates in 2012 and 2011 and the respective effect in the financial statements are analysed in detail in the Annual Report of the B.o.D. and in note 4 "Business Risk Management".

6.25 Financial income / expenses

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2012	MYTILINEOS GROUP 31/12/2011	MYTILINEOS S.A. 31/12/2012	MYTILINEOS S.A. 31/12/2011
Financial income				
Bank deposits	2,332	2,419	39	173
Revaluation of currency derivatives	44	392	-	-
Customers	-	30	-	-
Available for sale Investments	249	249	-	-
Interest rate swaps	-	-	-	-
Loans to related parties	2	5	2,473	4,296
Other	718	3,167	-	-
Total	**3,346**	**6,262**	**2,511**	**4,469**
Financial expenses				
Discounts of Employees' benefits liability due to service termination	115	70	37	-
Bank Loans	36,698	33,928	9,476	19,719
Interest charges due to customer downpayments	-	-	-	-
Loans to related parties	-	-	4,062	1,335
Letter of Credit commissions	9,797	12,230	30	60
Interest rate swaps	924	-	-	-
Factoring	1,748	1,405	-	-
Financial Leases	-	-	-	-
Other Banking Expenses	6,238	1,329	17	18
Total	**55,520**	**48,962**	**13,623**	**21,133**

6.26 Other financial results

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Other financial results				
Profit / (loss) from fair value of other financial instrument through profit/los	608	(11,385)	147	(982)
Gain from disposal	-	-	995	-
Fair value profit	1	-	-	-
Profit / (loss) from the sale of financial instruments	2,030	356	-	3,989
Income from dividends	83	68	21,894	14,012
Other Income	(515)	-	(23,066)	-
Total	**2,206**	**(10,961)**	**(29)**	**17,019**

The Group tests goodwill annually for any loss in value. To determine the recoverable amount value in use is used. The value in use was based on management estimates. Determining the value in use was based on the method of discounted cash flows. From the impairment test which was held in the assets of the subsidiary PROTERGIA AE, due to the negative change of macroeconomic and financial parameters, an impairment loss amounting € 10,8 million addition was revealed, Also, an impairment loss amounting € 12,2 million from the impairment test performed in the assets of the subsidiary THORIKI SA, due to the negative change in macroeconomic and financial parameters, was held. This amount appears in the "Other financial results."

6.27 Income tax

Income tax for the Group and Company differs from the theoretical amount that would result using the nominal tax rate prevailing at year end over the accounting profits. The reconciliation of this difference is analyzed as follows:

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	**31/12/2012**	**31/12/2011**	**31/12/2012**	**31/12/2011**
Income Tax	1.808	15.930	0	0
Income Tax provision	126	(5.000)	0	100
Tax Audit differences	(2.320)	2.503	0	0
Deferred taxation	6.901	5.863	(10.449)	(1.501)
Extraordinary Income Tax	19	3.312	19	51
Other Taxes	3.112	2.289	3.010	1.770
Total	**9.646**	**24.897**	**(7.420)**	**420**
Earnings before tax	**61.205**	**102.400**	**(8.484)**	**374**
Nominal Tax rate	0,20	0,20	0,20	0,20
Presumed Tax on Income	**12.241**	**20.480**	**(1.697)**	**75**
Nominal Tax Rate Difference in foreign Subsidiary Companies	(159)	882	0	0
Adjustment for statutory revaluation of fixed assets	(342)	0	0	0
Non taxable income	(4.336)	(4.201)	0	0
Tax on Non taxable reserves	(107)	0	0	0
		6.348		
Dividends	0	(149)	0	0
Non tax deductible expenses	4.551	4.880	0	0
Supplementrary Income tax from land - plot & buildings	0	1	0	0
Income tax from land - plot & buildings	938	929	0	0
Other taxes	450	637	0	0
Income tax coming from previous years	126	(2.408)	0	100
Extraordinary Income Tax	19	3.312	19	51
Other	(3.735)	(5.814)	(5.742)	194
Realized Tax on Income	**9.646**	**24.897**	**(7.420)**	**420**

Starting with the year 2011 and in accordance with paragraph 5 of Article 82 of Law 2238/1994, the Group companies whose financial statements are audited by mandatory statutory auditor or audit firm, under the provisions of Law 2190/1920, are subject to a tax audit by statutory auditors or audit firms and receives annual Tax Compliance Certificate. In order to consider that the fiscal year was inspected by the tax authorities, must be applied as specified in paragraph 1a of Article 6 of POL 1159/2011.

For the fiscal year 2011, the Group companies which were subject to tax audit by statutory auditors or audit firm, under para.5 Article 82 of Law 2238/1994, received a Tax Compliance Certificate free of disputes. In order to consider that the fiscal year was inspected by the tax authorities, must be applied as specified in paragraph 1a of Article 6 of POL 1159/2011.

For fiscal year 2012, the tax audit which is being carried out by the auditors are not expected to result in a significant variation in tax liabilities incorporated in the financial statements.

6.28 Earnings per share

Basic earnings per share are calculated by dividing net profit for the year attributable to shareholders by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares.

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	1/1-31/12/2012	1/1-31/12/2011	1/1-31/12/2012	1/1-31/12/2011
Equity holders of the parent	21,681	42,578	(1,064)	(45)
Weighted average number of shares	106,681	106,681	106,681	106,681
Basic earnings per share	**0.2032**	**0.3991**	**(0.0100)**	**(0.0004)**
Diluted effects of share options	-	-	-	-
Diluted earnings per share	**0.2032**	**0.3991**	**(0.0100)**	**(0.0004)**
Continuing Operations (Total)				
Equity holders of the parent	21,752	42,099	(1,064)	(45)
Weighted average number of shares	106,681	106,681	106,681	106,681
Basic earnings per share	**0.2039**	**0.3946**	**(0.0100)**	**(0.0004)**
Diluted effects of share options	-	-	-	-
Diluted earnings per share	**0.2039**	**0.3946**	**(0.0100)**	**(0.0004)**
Discontinuing Operations (Total)				
Equity holders of the parent	(71)	479		
Weighted average number of shares	106,681	106,681		
Basic earnings per share	**(0.0007)**	**0.0045**		
Diluted effects of share options	-	-		
Diluted earnings per share	**(0.0007)**	**0.0045**		

The diluted earnings per share are calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: stock options. As at 31.12.2012 the Group and the Company have no diluted earnings per share from stock options.

6.29 Cash flows from operating activities

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	1/1-31/12/2012	1/1-31/12/2011	1/1-31/12/2012	1/1-31/12/2011
Cash flows from operating activities				
Profit for the period	51,630	85,419	(1,064)	(45)
Adjustments for:				
Tax	9,646	24,897	(7,420)	420
Depreciation of property,plant and equipment	54,897	27,003	292	293
Depreciation of intangible assets	2,063	4,274	153	167
Impairments	226	12,046	23,066	-
Provisions	636	178	-	-
Income from reversal of prior year's provisions	(217)	(3,585)	-	-
Profit / Loss from sale of tangible assets	191	191	0	(3)
Profit/Loss from fair value valuation of investment property	-	0	(995)	(3,989)
Profit / Loss from fair value valuation of derivatives	880	(392)	-	-
Profit/Loss from fair value valuation of financ.assets at fair value through PnL	(533)	1,053	(147)	982
Profit / Loss from sale of held-for-sale financial assets	-	(165)	-	-
Profit from sale of financial assets at fair value	-	39	-	39
Interest income	(3,302)	(5,041)	(2,511)	(4,469)
Interest expenses	44,999	37,189	13,623	21,133
Dividends	(83)	(68)	(21,894)	(14,012)
Grants amortization	(687)	(448)	-	-
Profit from company acquisition	765	(157)	-	-
Parent company's portion to the profit of associates	(1,979)	(2,655)	-	-
Loans Exchange differences	(454)	1,602	(461)	824
Other differences	5,800	(248)	-	-
	112,851	**95,712**	**3,705**	**1,384**
Changes in Working Capital				
(Increase)/Decrease in stocks	31,940	(35,007)	-	-
(Increase)/Decrease in trade receivables	(97,423)	(17,970)	1,500	(5,112)
(Increase)/Decrease in other receivables	(4,355)	(8,304)	-	-
Increase / (Decrease) in liabilities	(23,723)	97,332	(321)	6,917
Provisions	(235)	-	-	-
Pension plans	(15,379)	(4,949)	(260)	39
	(109,174)	**31,102**	**919**	**1,844**
Cash flows from operating activities	**55,306**	**212,234**	**3,560**	**3,183**

6.30 Discontinued Operations

The Group, SINCE 2009, applies IFRS 5 "Non-current assets held for sale & discontinues 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. For that reason the Group plans to abandon the Zinc-Lead production while exploiting the remaining stock of the plan. Consequently, 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.

Following is presented the analysis of the profit and loss of the discontinued operations.

MYTILINEOS GROUP		
(Amounts in thousands €)	1/1-31/12/2012	1/1-31/12/2011
Sales	**5,771**	**11,965**
Cost of sales	(2,869)	(8,023)
Gross profit	**2,902**	**3,941**
Other operating income	844	365
Distribution expenses	(939)	(1,809)
Administrative expenses	(1,657)	(1,909)
Other operating expenses	(1,208)	(8)
Earnings before interest and income tax	**(57)**	**580**
Financial income	1	8
Financial expenses	(15)	(156)
Profit before income tax	**(71)**	**432**
Income tax expense	-	46
Profit for the period	**(71)**	**479**
Result from discontinuing operations	-	-
Profit for the period	**(71)**	**479**
Attributable to:	**-**	**-**
Equity holders of the parent	*(71)*	*479*
Basic earnings per share	*(0.0007)*	*0.0045*

6.31 Sale of Treasury Shares

On 7.12.2007, the Board of Directors of the Company resolved on the commencement of the plan regarding the acquisition of treasury shares, in implementation of the decision of the Extraordinary General Meeting of the Company's shareholders of 07.12.2007. In the period from 13.12.2007 until 06.12.2009, the Company will acquire up to 6.053.907 treasury shares, at a minimum acquisition price of 2,08 €/share and a maximum acquisition price of 25 €/share (amounts adjusted for the shares split of 19.12.2007). Following the cancellation of 5,635,898 own shares by the 2nd Repeat General Meeting of the Company's Shareholders, as at 30.09.2011, the Company has overall acquired 4.735.603 treasury shares, which corresponds to 4,05% of its share capital.

6.32 Encumbrances

There are no encumbrances on the Group's and company's assets.

6.33 Commitments

Group's commitments due to construction contracts and finance lease are as follows:

	MYTILINEOS GROUP	MYTILINEOS GROUP
(Amounts in thousands €)	31/12/2012	31/12/2011
Commitments from construction contracts		
Value of pending construction contracts	1,682,124	1,728,260
Granted guarantees of good performance	367,213	439,051
Total	**2,049,337**	**2,167,312**

6.34 Contingent Assets & Contingent Liabilities

Disclosures related to contingent liabilities

The fiscal years that have not been inspected by the tax authorities for each of the Group's companies are as follows:

COMPANY	Years Not Inspected by Tax Authorities
MYTILINEOS S.A. Maroussi, Athens	2007-2010
METKA S.A., N. Heraklio, Athens	2009-2010
SERVISTEEL, Volos	2010
E.K.M.E. S.A. Municipality of Ehedorou, Thessaloniki	2009-2010
RODAX BRAZI SRL, Bucharest	2009-2012
ELEMKA S.A., N.Heraklio, Athens	2007-2010
DROSCO HOLDINGS LIMITED, Cyprus	2003-2012
BRIDGE ACCESSORIES & CONSTRUCTION SYSTEMS S.A., Maroussi, Athens	2010-2012
METKA BRAZI SRL, Bucharest ROMANIA	2010-2012
POWER PROJECT - Turkey	2010-2012
DELFI DISTOMON A.M.E.	2006-2010
ALOUMINION S.A.	2008 - 2010
RENEWABLE SOURCES OF KARYSTIA SA	2005-2010
SOMETRA S.A., Sibiu Romania	2003-2012
MYTILINEOS FINANCE S.A., Luxemburg	2007-2012
STANMED TRADING LTD, Cyprus	2005-2012
MYTILINEOS ELGRADO D.O.O., Serbia	1999-2012
MYVEKT INTERNATIONAL SKOPJE	1999-2012
RDA TRADING, Guernsey Islands	2007-2012
DELTA PROJECT CONSTRUCT SRL, Boucouresti, Romania	2003-2012
DEFENSE MATERIAL INDUSTRY S.A.-MYTILINEOS AND Co, Maroussi, Athens	2003-2012
INDUSTRIAL RESEARCH PROGRAMS "BEAT", Halandri, Athens	2003-2012
GENIKI VIOMICHANIKI, Maroussi, Athens	2009-2010
THORIKI S.A.I.C., Maroussi, Athens	2005-2012
THERMOREMA S.A., Moshato, Athens	2007-2012
KALOMOIRA S.A., Moshato, Athens	2003-2010
DELTA ENERGY S.A., Moshato, Athens	2010
FOIVOS ENERGY S.A., Amfiklia Fthiotidas	2010
YDROXOOS S.A., Moshato, Athens	2010
PEPONIAS S.A., Moshato, Athens	2010
FTHIOTIKI ENERGY S.A., Moshato, Athens	2003-2010
YDRIA ENERGY S.A., Moshato, Athens	2010
EN.DY. S.A., Moshato, Athens	2010
FOTINOS TILEMAXOS S.A., Moshato, Athens	2010
THESSALIKI ENERGY S.A., Moshato, Athens	2010
IONIA ENERGY S.A., Moshato, Athens	2010
ELECTRONWATT S.A., Moshato, Athens	2006-2012
BUSINESS ENERGY S.A., Alimos, Athens	2006-2010
PROTERGIA S.A.	2003-2010
NORTH AEGEAN RENEWABLES, Maroussi, Athens	2010
MYTILINEOS HELLENIC WIND POWER S.A., Maroussi, Athens	2010
AIOLIKI ANDROU TSIROVLIDI S.A.,Maroussi,Athens	2010
AIOLIKI NEAPOLEOS S.A., Maroussi, Athens	2010
AIOLIKI EVOIAS PIRGOS S.A., Maroussi, Athens	2010
AIOLIKI EVOIAS POUNTA S.A., Maroussi, Athens	2010
AIOLIKI EVOIAS HELONA S.A., Maroussi, Athens	2010
AIOLIKI ANDROU RAHI XIROKABI S.A., Maroussi, Athens	2010
AIOLIKI PLATANOU S.A., Maroussi, Athens	2010
AIOLIKI SAMOTHRAKIS S.A., Maroussi, Athens	2010
AIOLIKI EVOIAS DIAKOFTIS S.A., Maroussi, Athens	2010
AIOLIKI SIDIROKASTROU S.A., Maroussi, Athens	2010
HELLENIC SOLAR S.A., Maroussi Athens	2010
SPIDER S.A., Maroussi Athens	2010
GREENENERGY A.E.	2007-2010
BUSINESS ENERGY TPOIZINIA	2007-2012
MOVAL S.A.	2010
ARGYRITIS GEA S.A.	2010
ANEMOSTRATA RENEWABLE ENERGY SOURCES S.A.	2008 - 2010
ANEMODRASI RENEWABLE ENERGY SOURCES S.A.	2008 - 2010
ANEMORAHI RENEWABLE ENERGY SOURCES S.A.	2008 - 2010
ANEMOSKALA RENEWABLE ENERGY SOURCES S.A.	2008 - 2010
KATAVATIS RENEWABLE ENERGY SOURCES S.A.	2008 - 2010
HORTEROU S.A.	2010
KISSAVOS DROSERI RAHI S.A.	2010
KISSAVOS PLAKA TRANI S.A.	2010
KISSAVOS FOTINI S.A.	2010
AETOVOUNI S.A.	2010
LOGGARIA S.A.	2010
IKAROS ANEMOS SA	2010
KERASOUDA SA	2010
ARGOSTYLIA AIOLOS SA	2010
M & M GAS Co S.A.	2010
KORINTHOS POWER S.A.	2010
KILKIS PALEON TRIETHNES S.A.	2010
KILKIS VIKROUNOS S.A.	2010
FERRITIS S.A.	2010
VYRILLOS S.A.	2010
OSTENITIS S.A.	2010
DESFINA SHIPPING COMPANY	2010
MYTILINEOS FINANCIAL PARTNERS S.A.	2011
M&M SA	2010
METKA OVERSEAS	2011

For the fiscal years that have not been inspected by the tax authorities (as reported in the above table), there is a possibility of additional tax imposition. Therefore the Group assesses, on an annual basis, the contingent liabilities regarding additional taxes from tax inspections in respect of prior years and makes relevant provisions where this is deemed necessary. The Management assesses that apart from the recorded provisions which as at 31.12.2012 amount to € 3,4mil., any tax differences that may arise in the future will not have a material impact on the financial position, results and cash flows of the Group.

Other Contingent Assets & Liabilities

Aluminium S.A. , a subsidiary firm of the MYTILINAIOS HOLDINGS S.A. has submitted a legal action against Public Power Corporation / CCP (henceforth the "Provider") regarding the validity of the denunciation from the last one on 25-6-1960 of the original contract of energy supply. At the same time, the Group did not accept its integration in the invoice A – 150 (High Voltage Invoice) because it was subject to a special regime of invoicing on a legal and also conventional aspect ….which was different form the one applied to all other industrial (B2B) clients due to the specific consumer specifications of it (size and stability of the consumption).

In addition, the ALUMINIUM S.A. contested the invoicing of the electrical energy supplied by the Provider as a whole after the decision no Δ5/ΗΛ/Β/Φ29/23860/2007 of the Ministry of Development (MD) was set in force, which regulates among other issues the deregulation of the high voltage invoices. Specifically, it rejected the one-sided increase imposed by the Provider from July 2008 on the electrical energy sale invoice when it applied wrongfully the decision of the MD regarding the abolition of the regulated high voltage invoice and when it ignored the obligation of the Provider arising from this aforesaid decision to negotiate the invoices with the high voltage clients, with the highest price limit 10% on the valid invoice until 30.06.08.

Specifically, the subsidiary firm of the Group contests invoicing process as a whole of the electrical energy from the Provider, as there has been no negotiation whatsoever between them, as provided by the decision of the Ministry, while this is the continuance of the abolished regulated industry invoice (A150) with a surcharge of 10%. In particular, ALUMINIUM S.A. :
Contested from the beginning the invoicing of the electrical energy supplied by the Provider after 1-7-2008, basing its contestation on the fact that this was levied in an arbitrary and one-sided way, without being based on a binding decision of the administration, as was the case until then according the

regulated invoice status (to which the firm never accepted its integration) with no prior negotiations and setting a reasonable time period to the Provider for the conventional / contract definition of a price which would be fair, reasonable and equivalent to the supply.

It rejected the payment of the invoices which regarded the one-sided levied increase of 10% asking at the same time to issue a credit invoice which it issued itself after rejection of the Provider.

It accepted to pay off reserving the rest of the value of the invoices in the context of good faith and for a transitional period, until the conclusion of the negotiations to which both parties should have come to.

In order to resolve the above mentioned dispute the ALUMINIUM S.A. and the Provider after specific decisions made by their Boards of Directors have submitted to arbitration the aforesaid dispute to the Supreme Court (Areios Pagos), in order for it to decide whether the interpretation o the relevant legislative previsions was correct or not, in other words whether the increase of 10% was legally levied on the prior invoice in force without any prior negotiation as well as whether there was a right and / or an obligation of the Provider to negotiate the terms of the relevant supply contract , in particular regarding the process of defining the price, with the only limitation the highest price limit which was defined by the prior invoice in force (A150) surcharged / increased by 10% and with no lowest price limit.

On 25.2.2010 the Arbitration Court has issued its decision based on which the two parties are invited to come to negotiations abiding with the principles of good faith and transaction customs. The objective of the negotiations between the two parties which started on 23 March 2010 was the agreement on the terms based on which the Provider would respond to the needs of the ALUMINIUM S.A. regarding the electrical energy as a whole or in part, as well as regulating the relations of the two parties for the time period 01.0.2008 until the signature of a final agreement.

The administration of the ALUMINIUM S.A. taking into account the relevant Ministry decision regarding the aforesaid decision of the Arbitration Court has proceeded to the evaluation of the maximum potential obligation / liability to the Provider regarding the time period 01.07.2008 – 31.12.2009 which it integrated in the operational results of the accounting period as prevision.

On 04.08.2010 the negotiations between the Provider and the ALUMINIUM S.A. have concluded in an agreement frame based on which the two sides would proceed to the signature of a new contract of electrical energy supply. The agreement frame provided the terms regarding the electrical energy supply from the ALUMINIUM S.A. by the CCP for a total of 4.710 hours annually (hours of low and middle demand as defined in the abolished invoice A-150 with a price 40,7 €/MWh (price of the electrical energy in the abolished invoice which was equivalent to the aforesaid hours) while for the other hours ALUMINIUM S.A. would cover its needs in electrical energy as self supplied, when this would be possible on a legal and a regulation aspect.

The time period of the agreement in cause was provided for 25 years with a prevision to redefine the terms after 31.12.2013 depending on the conditions of the electrical energy market as well as on the CO2 emission rights.

Furthermore, the agreement frame in cause was in force from 1/7/2010 and it defined also the payment process of the sum of the ALUMINIUM S.A. to the Provider on 30/6/2010 as this was agreed upon by the two parties , the sum of € 82,6. In particular, the agreement between the two parties defined the terms of the payment of the sum of 20 million euros from the ALUMINIUM S.A. to the Provider as well as the return to the ALUMINIUM S.A. of the down payment of 9,1 million euros which it owned according to the old contract between the two parties. Furthermore, the agreement defined the terms for the monthly instalments of the sum:
€ 1 mio while the middle monthly rate LME is until the 2.500$/τν
€ 1 mio while the middle monthly rate LME is from 2.500$/τν until 3.000$ / τν
€ 1 mio while the middle monthly rate LME is over 3.000$/τν

In the aforesaid installments an interest equal to a middle monthly Euribor was foreseen plus the margin 1%. The aforesaid installments have a maximum duration until December 2013 when the payment of any unpaid sum was foreseen.

The finalization of the terms foreseen in the aforesaid agreement as well as the signature of a new contract of electrical energy supply was subject to the approval of the REGULATORY AUTHORITY OF ENERGY, to which the Provider has submitted a draft of an electrical energy supply contract, which included the terms of the supply offered in order to exercise its regulation control. The activation of this agreement defined as necessary and indispensable term the final arrangement of various subjects of the regulatory frame which regarded the process of self – supply of electrical energy from ALUMINIUM S.A. as well as the relevant ministry decisions to verify the codes which will allow the issue of commercial permit of the station of co-production of electrical energy and heat.

Waiting for the above mentioned and for a reasonable time period the two parties agreed on 16/12/2010 regarding the implementation of the agreement frame from 1/7/2010 the following:
40,7 €/MWh for the middle monthly proportion of 4.710 hours per year and

The Limit System Price / Rate on the middle monthly proportion of the other 4.050 hours.

Moreover, the payment process of the old sum with the down payment of 20 mio euros as well as the payment of the monthly installments of the sum 1 mio plus interests form 1/7/2010 until 30/11/2010.

On 30/6/2011 the REGULATORY AUTHORITY OF ENERGY (RAE) issued its decision no 798/2011 regarding the contract draft which was submitted for control and approval. In the aforesaid decision RAE formulates its point of view, rejecting in essence the basic terms of the examined contract draft inviting the two parties to negotiate again and to redefine these terms on the basis of the basic principles of invoicing as defined on 06.06.2011 with the decision no 798/2011. In particular the decision no 798/2011 of the RAE mentions:

"{….} taking into consideration the comments set by the two firms regarding the aforesaid terms, the following must be reexamined: a) the issue of the distinction of the charges which regard clearly the charges which are included to the marked / labeled prices and the charges which are levied further / plus and the charges which have to be paid by the client and b) the continuing problematic reference to the A – 150, moreover as stated: '[….] the objective of the existence of the negotiation ability between the high voltage clients and in particular of a client with the electrical specifications of the ALUMINIUM S.A. which represent approximately the 5% of the total consumption of the interconnected system with the dominant provider, in other words PPC S.A., is to examine and to express in percentage the possibilities that exist in order to improve the contract and to internalize any benefits arising from it regarding the function of the Daily Energy Programming / Planning as well as the long term development planning of the System which large / big consumptions can offer and in particular consumptions of the size of firms such as ALUMINIUM S.A., the consumption of which on itself justifies the construction and the viable function of a production unit of 300 MW, taking into consideration the combination of such a large size and the high coefficient of charge of the specific consumer

It is obvious that the existence or not of a consumer of the size of ALUMINIUM S.A. , affects definitively the business plan of PPC S.A. as well as of the whole electrical energy market

In the decision 692/2011 RAE mentions clearly that the high voltage regulated invoices (A-150) have been abolished from 1/7/2008 and PPC should have negotiated with its clients in order to set up personalized invoices in the same decision RAE sets the Basic Invoicing Principles as follows:
The invoices must reflect the real supply cost , in other words cover (a) the production cost as this is revealed in the wholesale market and in the various processes / mechanisms in part (b) the cost of the

trade activity and of the client management (such as the cost of the services for the issue and collection of the invoices, the function of the commercial centers of the Provider etc) and (c) a reasonable profit.
The invoices must not make any distinction between the consumers with the same electrical specifications as well as crossed subsidies among consumers with different specifications.
The invoices must not bias the competition
The invoices must provide a distinction of the charges
Any eventual re-adaptation processes / mechanisms must be transparent contributing in that way to avoiding the exaggerated changeability / volatility and with sufficient choices regarding the risk of the price fluctuation in time.

After issuing the aforesaid decisions of the RAE, negotiation groups with authorized representatives of the parties came to meetings during which the renegotiation of the afore mentioned terms was discussed in the light of the decisions no 798/2011 and 692/2011 and whose content is binding for both parties, as provided by the decision no 798/2011.

In the last meeting it was agreed upon that the ALUMINIUM S.A. sends in writing its opinion regarding the two basic subjects where a divergence or even a complete juxtaposition of the contract draft was located regarding the principles defined by the RAE and in particular: a. the definition of the low charge zone not based on the administration defined zones as there were in force in the old and abolished invoice of PPC (A-150) but based on the real demand conditions in combination with the energy mix f electrical production of PPC which covers this demand and b. The formulation of a specific proposal on the invoicing way of the electrical energy for the other (except for the low charge hours) according to the terms defined by the decisions of the RAE, in other words so that they reflect the cost of PPC S.A. as revealed in the wholesale market plus a reasonable profit and the regulated charges.

ALUMINIUM S.A indeed sent its opinions to the Public Power Corporation S.A (PPC) on 31/8/2011. Since no agreement was made possible on the basis of what was mentioned above and in an effort to find a definitive solution to the problem, the parties involved decided to refer the matter to the RAE (Regulatory Authority for Energy) in accordance with article 37 of the 4001/ 2011 Law, so that the arbitration body can formulate the final terms of the supply contract.

After the afore-mentioned facts, and in order to facilitate the relevant decisions to be made by the competent bodies of PPC, Aluminium S.A decided to and actually effected the deposit of € 25.624.000 as down payment for its total liabilities towards PPC S.A., reserving the decision for the clearing of the above sum with the sum that will be calculated after the final pricing , as it will be formed following the decision of the arbitration court.

Finally, both parties also formally referred the issue to the arbitration body under RAE on 18/11/2011, submitting to RAE the relevant arbitration agreement.

Regarding the amount corresponding with the provisions which had been initially entered in the books about the value of the electric power consumed by ALUMINIUM S.A during the period of 1/7/2010-31/12/2011 , the sum amounted to € 197,69 million, out of which € 63 million pertained to the period 1/7- 31/ 12/ 2010, and € 134, 69 million to the period of 1/1- 31/ 12/ 2011. In what concerns this period, PPC demonstrated an inconsistent behaviour since, on one hand it went on sending the cancelled A150 invoice, as it had remained in effect up until 30-6-2008 ,compounded with a 10% increment , and on the other hand it sent monthly statements (bills) containing an estimate of the value of the electric energy consumed and the remaining charges based on the 4/ 8 /2010 draft contract, which was sent to RAE on 16-12- 2010 for inspection (henceforth to be called the 'draft contract' or the 'terms for power supply from PPC to ALUMINIUM S.A'), which had been agreed on and put into effect on 1/7/2010. Therefore PPC, within the framework of the above draft contract, had sent electricity bills for the afore-mentioned period amounting to a total of € 234, 07 million (€ 64,8 million for the period of 1/7- 31/12/ 2010 and € 169,23 million for the period of 1/1- 31/12/ 2011) out of which a sum of € 193, 66 million pertained to the price of the electric energy actually consumed and the sum of € 40, 41 million regarded other charges, for which there exists a written disagreement made between the two parties from the very beginning; this disagreement , together with other issues of disagreement regarding the proposed terms of electricity supply had also been submitted to RAE as mentioned above. The difference between the liabilities and charges provisions of ALUMINIUM S.A and the actual PPC S.A. bills for the period of 1/7/2010- 31/12/ 2011 amounted to the sum of €36, 38 million.

Due to the delay in the decision to be made by the arbitration , ALUMINIUM S.A appealed to RAE on 15.3.2012 by virtue of the complaint filed on 12.3.2012 , asking for the implementation of temporary measures for the temporary determination of a pricing framework governing the supply of electric power to ALUMINIUM S.A.

On 16. 5. 2012 the Regulatory Authority of Energy served to the ALUMINIUM S.A subsidiary the 346/2012 decision on the complaint it had filed, based on which, and in accordance with general pricing principles, it determined as temporary the price of 42 €/MWh, plus the extra charges provided for Public Utility Services (PUS) , Renewable Energy Sources (RES) charge, use of transport system and other taxes. The application of the above temporary price , based on the RAE decision rationale, will regard the total number of working hours of ALUMULIUM S.A, taking into account the single zone tariff rates throughout the day, which are dictated by the company consumption profile.

Based on all the above, the management of the Aluminium S.A subsidiary company , taking the afore-mentioned price determined by the independent competent authority (RAE) in its 346/2012 decision as a measure of optimum calculation, re-calculated accordingly its liabilities towards PPC S.A. for the period spanning 1/7/2010 to 31/12/2012.

From this re-calculation there occurred a reduction of its overall liabilities to PPC S.A. by € 22 million, which can be analysed as follows:

- € 9, 87 million for the period of 6/2010- 12/ 2010
- € 12, 1 million for the year of 2011

This action on the part of ALUMINIUM S.A Management was based on and justified by a series of decisions made by both the RAE itself (831 A/ 2012 and 15/ 2013) as well as decisions made by the Athens Administrative Court of Appeal (358/ 2012), by which it was concluded that up until the issuing of the RAE decision no contractually agreed or administratively determined price existed, and this price remains to be decided following the arbitration procedure, which is still in progress, and will be applied retrospectively. With the acceptance of the above acknowledgement of lack of specific price, on one hand the RAE decisions forbade PPC S.A. to terminate the contractual relation it has had with ALUMINIUM S.A, and on the other hand the decision of the Administrative Court of Appeal rejected the petition of PPC S.A. to temporarily suspend the application of the 346/ 2012 RAE decision. Besides, with the IAS 37 , section 36 ' the sum acknowledged as a provision, should regard the best estimate of the cost demanded for the settlement of the present obligation during the end of the reference period'.

At the same time, according to the IAS 37, section 59 ' the provisions should be re-examined towards the end of each reference period and should be adjusted in such a way so as to reflect the best current estimate'.

Within the framework of the above, on 31/12/2012, according to the 346/ 2012 RAE decision (implementation of a temporary price of 42 € per megawatt hour for the pricing of electricity supplied by PPC S.A. to ALUMINIUM S.A pending the final Arbitration decision, 692/ 2011 (Basic Pricing Principles for High Voltage customers) and 798/ 2011 (on the framework of agreement between ALUMINIUM S.A and PPC S.A.) the Management of Aluminium S.A deemed it necessary to adjust the provision concerning the value of the consumed electric power , so that it can reflect the best possible estimate under the circumstances, as they have evolved after the price determination of the 42 € per megawatt hour made by the Independent regulatory Authority. Let it be noted that this price per megawatt hour is lower by about 20 € than the price that PPC S.A. had been charging ALUMINIUM S.A following a unilateral decision and despite the lack of Contract for the period of 1/7/2010 up until 15/5/2012 (date when the 346/2012 decision was made by the RAE , deciding on a temporary price).

However, in the light of the given uncertainty concerning every pendency of proceedings and also due to the important future effect (positive or negative) that the definitive outcome of this given case can bring about to the outcomes, economic position and financial status of the subsidiary company and the Group, a sensitivity analysis for provisions and liabilities has been carried out , which was incorporated in the Consolidated Financial Statements of the Group on 31/12/2012. More specifically, the possible effect (positive or negative) which will occur if the price determined by final arbitration court decision is different from the temporary price of 42€ / MWh by 1€/ MWh for the period spanning 7/2010 to 31/12/ 2012. In particular , Aluminium S.A subsidiary for the period of 1/7/2010 to 31/12/2012 has consumed 6.225.576, 63 MWhs of electric power out of which:
1.104.777,93 MWhs concern the period of 1/7/2010- 31/ 12/ 2010
2.549.914,08 MWhs regard the period of 1/1/2011- 31/ 12/ 2011
951.993,74 MWhs regard the period of 1/1/2012- 15/5/2012 (date of RAE temporary price issue) and
1.618.890,87 MWhs regard the period of 16/5/2012- 31/12/2012

Therefore, for every 1€/ MWh, the outcomes and the financial position of the subsidiary company and the Group are expected to be different by :

€ 1.104.777,93 for the period of 1/7/2010- 31/ 12/ 2010
€ 2.549.914,08 for the period of 1/1/2011- 31/ 12/ 2011
€ 951.993,74 for the period of 1/1/2012- 15/5/2012 (date of RAE temporary price issue) and
€ 1.618.890,87 for the period of 16/5/2012- 31/12/2012,
that is by a total of € 6. 225. 576, 63

In what concerns the amount of the total liability of ALUMINIUM S.A to PPC S.A. S.A on 31.12.2012 we should mention that the total liability , on the books of ALUMINIUM , apart from the sum of € 30, 6 million which regards the outstanding and serviced without fail and in accordance with the terms of the agreement part of the settled balance of € 82, 6 million, as it had been defined following a settlement up until 30/6/2010, regards only the current balance based on the application of the temporary price issued by decision of the RAE. Except for the outstanding balance settlement in question, and pending the arbitration decision of the RAE , there exists no other liability of ALUMINIUM S.A towards PPC S.A.. for the period of 01.07.2010 to 15.05.2012. PPC S.A. issued bills in accordance with the Industry Invoice (A 150) abolished by Ministerial Decision, which was in fact surcharged unilaterally by a 10% increment

, while from 16.05.2012 onwards PPC S.A. has been issuing bills based on the above temporary price. The difference between the liability acknowledged by ALUMINIUM S.A and the price stemming from the afore-mentioned invoices issued by PPC S.A. for the period of 1/7/2010 to 31/12/2012 amounts to € 64,16 million.

It is noted that although PPC, showing a controversial and infringing behaviour in terms of accounting-financial and taxation terms, issued the above tariffs without any negotiation or agreement between the two parties, it presents the claim that Aluminium S.A. should pay the amounts arising from the formula of the temporary agreement which was rejected by RAE. In this case, the difference between the liability acknowledged by ALUMINIUM S.A. and the amounts demanded by PPC is € 80.1 million on 31.12.2012. The above mentioned clearly show that PPC demands Aluminium S.A. to pay for the consumed electricity, a megawatt/hour rate which not only overly exceeds the cap of 10% of the old industrial tariff (cap), as set with the Decision of the Ministry of Development, No ΥΠΑΝ Δ5/ΗΛ/Β/Φ29/23860/2007, but it also charges Aluminium S.A. with the tariffs set for the rest of the high-voltage customers, which, with the explicit admission of RAE in its decisions, do not demonstrate at all the special energy characteristics of continuous base load of Aluminium S.A. and, therefore, the tariffs for them should be, as a rule, higher. The aforementioned in combination with the emphasis given by PPC Auditors in the Interim Financial Statements of 30.06.2012, according to which there are possible liabilities for PPC arising from the legal issues with Aluminium S.A., reasonably result in the conclusion that PPC has carried out impairment estimates of the liabilities it presents in its Financial Statements compared to what it demands as shown above. Nevertheless, contrary to its own estimate, PPC states verbatim in the notes of its Interim Financial Statements of 30.06.2012: "Following the above, PPC continues today to charge ALUMINIUM S.A. with the tariff set in the decision of RAE, while the debts of ALUMINIUM S.A. on 30.06.2012, based on the Framework Agreement, amount to 127.7 million euros. This claim includes the amount of 36.6 million euros which concerns the unpaid balance of the regulated consumptions, settled according to the Framework Agreement, from 01.07.08 to 30.06.10, coming up to 82.6 million euros. Furthermore, the total claim against ALUMINIUM S.A. includes the amount of 91.1 million euros concerning current electricity bills. The biggest part of the amount of these bills (82 million euros) is not acknowledged by ALUMINIUM S.A., which pays the amounts calculating them on the basis of the unlawful interpretation for retroactive effect of RAE's Decision No 346/9.5.2012. PPC, given the fact that it incorporated the said decision of RAE in its later billings, does not consider that the total of its claim is a doubtful debt and, therefore, it has not entered a relevant provision in its financial statements".

The total of the above differences (reflecting the controversial behaviour of PPC and the even more controversial accounting presentation for this period) is expected to be settled with the decision of the Arbitration Court, expected in May 2013, which both parties have been committed in advance to accept.

The arbitration procedure is in progress as both parties have submitted their arguments with their Statements of Case on 21.12.2012 and their Answers on 1.2.2013 about the arguments of the opposing party. Furthermore, the Arbitration Court has set 02.04.2013 as a date of oral presentation of the arguments of both parties and examination of the first witness from the Company. It is expected, thus, that within the next few months, the arbitration procedure shall be completed and a decision shall be issued.

The issuance of the decision by the competent arbitration court is expected to decisively determine the amount of the liability or claim pertaining to the payments that the subsidiary company has made to PPC for the period from July 2010 up to June 2012.

On 27/7/2011, the Greek Government, via the Ministry of Environment, Energy and Climate Change, announced to ALUMINIUM S.A. SA, a subsidiary of the Group, the decision of the European Commission finding the difference between the energy sale price imposed on Aluminium S.A. by PPC in application of the high voltage regulated tariff (A-150) and the price arising from the application of the Contract of 1960 for the period from January 2007 to March 2008, in application of a decision of interim measures of the Single-Member First Instance Court of Athens claiming that the Contract of 1960 has not expired and ordering the return of the tariffs to the framework of the said contract, discordant with the Community state aid rules. The said difference between the two tariffs, the recovery of which is asked by the European Commission with its above decision, amounts to €17.4 million.

The arguments of the European Commission focus on the following:

i) Selective application of the "preferential tariffing" only for Aluminium S.A..

ii) The Commission believes that the seller (PPC) had no right to charge "reduced rates". Taken into account that PPC declined the extension of the 1960 Contract, there are reasonable grounds (for the Commission) that the extension of the agreement secured an advantage given that it did not correspond to the 'usual rate" for the big industrial consumers.

iii) Finally, the commission considers that this tariffing method distorts competition and affects the transactions between member states, because the preferential tariffing was used in a company active in sectors whose products are widely traded among member states.

According to the Management, the EC decision on the recovery of the amount of € 17.4 million by the Greek state, considered state aid, is based on the erroneous believe that the regulated high voltage tariff (A150), as in force in the reference period of the decision (1/2007 – 3/2008) in the Greek market, namely in a non-liberated electricity market in breach of the Community Legislation (in particular Directive 2003/54/EC) in which PPC had a monopoly position, was a competitive, reasonable electricity supply tariff ("market tariff"). As a consequence, the EC decision is based on the admission that

ALUMINIUM S.A. SA (former ALUMINIUM S.A. OF GREECE), by paying anything less than the said administratively regulated high-voltage tariff that PPC as a monopoly and the Ministry of Development as a supervising and administering authority practically imposed on their customers (such as ALUMINIUM S.A.), received a kind of state aid which, furthermore, positively affected its position compared to that of its competitors in the European market. As acknowledged by the European Commission in the framework of the infringement procedure (No. 2195/2009), the regulated tariff A-150 should have been abolished with the inclusion of the 2nd energy package (Directive 2003/54/EC) in order to promote the development of a competitive electricity market and abolish the cross subsidies between consumers of even the same category, something which RAE already stressed in 2007. Its imposition by PPC on ALUMINIUM S.A. with the expiry of the 1960 contract is not an indication of a seller's behaviour in a market economy but an abusive behaviour of the state monopoly taking advantage of its dominant position in order to increase its revenues based on a state aid. If PPC accepted to negotiate with its customers (High-Voltage Connection where the tariffs should have been deregulated on 1.7.2008), the rate charging ALUMINIUM S.A. with would be determined in market and competition terms, as shown in RAE's decisions, No 692/2011 and No 798/2011, a fact certainly leading to a lower tariff. Moreover, in the same period, ALUMINIUM S.A. paid (in application of the decision of interim measures) a power rate higher than the average power supply rate for the corresponding industries in the other member states and although the decision acknowledges the fact that ALUMINIUM S.A. does not have a domestic competition, it erroneously determines the "relevant market", characterizing the tariff difference paid by ALUMINIUM S.A. compared to the other industrial consumes as an illegal state aid.

According to the above, the Management deems that the rationale of the EC decision is a straw man, erroneous and not adequately justified. On 6.10.2011, the subsidiary company ALUMINUM brought the matter before the General Court of the European Union asking for the annulment of the above decision.

In conclusion, the opinion of the Management is that the recourse of the company against the decision in the competent European Court faces strong possibilities of being admitted and, therefore, the difference of 17.4 million €, mentioned in the said decision, is a possible liability with, though, zero possibility with regard to a future outflow of financial resources for its settlement.

6.35 Dividend Proposed and Payable

Regarding the distribution of dividends, the Board of Directors proposes that no dividend is to be distributed due to losses recorded in 2012. This proposal is subject to the approval of the General Assembly.

6.36 Number of employees

	MYTILINEOS GROUP		MYTILINEOS S.A.	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Full time employees	1,521	1,616	59	85
Part time employees	315	286	-	-
Total	**1,836**	**1,902**	**59**	**85**

6.37 Related Party transactions

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 had any special terms and there were no guarantees given or received.

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2012	MYTILINEOS GROUP 31/12/2011	MYTILINEOS S.A. 31/12/2012	MYTILINEOS S.A. 31/12/2011
Stock Sales				
Subsidiaries	0	0	16.040	6.173
Total	**0**	**0**	**16.040**	**6.173**
Stock Purchases				
Subsidiaries	0	0	16.012	6.001
Total	**0**	**0**	**16.012**	**6.001**
Services Sales				
Subsidiaries	0	0	12.700	19.146
Total	**0**	**0**	**12.700**	**19.146**
Services Purchases				
Subsidiaries	0	0	4.192	1.335
Management remuneration and fringes	14.285	14.580	2.981	3.365
Total	**14.285**	**14.580**	**7.173**	**4.701**

	MYTILINEOS GROUP 31/12/2012	MYTILINEOS GROUP 31/12/2011	MYTILINEOS S.A. 31/12/2012	MYTILINEOS S.A. 31/12/2011
Loans given to Related Parties				
Subsidiaries	0	0	51.462	83.615
Total	**0**	**0**	**51.462**	**83.615**
Loans received from Related Parties				
Subsidiaries	0	0	96.655	62.123
Total	**0**	**0**	**96.655**	**62.123**
Balance from sales of stock/services receivable				
Subsidiaries	0	0	434	26.722
Associates	0	26	0	26
Management remuneration and fringes	9	74	0	57
Total	**9**	**99**	**434**	**26.804**
Guarantees granted to related parties				
Subsidiaries	0	0	142.470	100.500
Total	**0**	**0**	**142.470**	**100.500**
Balance from sales/purchases of stock/services payable				
Subsidiaries	0	0	8.393	8.635
Management remuneration and fringes	2.173	137	0	55
Total	**2.173**	**137**	**8.393**	**8.690**

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2012	MYTILINEOS GROUP 31/12/2011	MYTILINEOS S.A. 31/12/2012	MYTILINEOS S.A. 31/12/2011
Short term employee benefits				
- Wages and Salaries and BOD Fees	14,091	13,991	3,086	3,168
- Insurance service cost	378	307	154	158
- Bonus	-	-	-	-
- Other remunerations	-	120	-	-
	14,470	**14,418**	**3,241**	**3,327**
Pension Benefits:				
- Defined benefits scheme	21	56	-	-
- Defined contribution scheme	(206)	105	(260)	39
- Other Benefits scheme	-	-	-	-
Payments through Equity	-	-	-	-
Total	**14,285**	**14,580**	**2,981**	**3,365**

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

6.38 Post Balance Sheet events

There are no other significant subsequent events, apart from the abovementioned, which should be announced for the purposes of I.F.R.S.

E. Figures and Information

HOLDINGS MYTILINEOS

Company's No 23103/06/B/90/26 in the register of Societes Anonymes
Patroklou 5 Str. Maroussi

FIGURES AND INFORMATION FOR THE FISCAL YEAR OF 1 JANUARY 2012 UNTIL 30 December 2012

According to 4/507/28.04.2009 resolution of Greek Capital Committee,
The figures presented below aim to give summary information about the financial position and results of MYTILINEOS S.A. and its subsidiaries.
The reader who aims to form a full opinion on the company's financial position and results, must access the company's website where the financial statements prepared according to
the International Financial Reporting Standards and the Auditor's Report, when this is required, are published. Indicatively, the reader can visit the company's web site, where the above financial statements are posted.

COMPANY PROFILE

Supervising Authority: Ministry of Development
Company website: www.mytilineos.gr
Board of Directors:
EVANGELOS MYTILINEOS - Financier/ Executive member, President & CEO, IOANNIS MYTILINEOS - Civil Engineer/ Vice President non-executive, GEORGE - PANOURIOS KONTOUZOGLOU - Financier/ Executive Director-executive member, SOFIA DASKALAKI - Business Consultant/ non-executive member, IOANNIS DIMOU - Financier/ executive member, NIKOLAOS MOUSAS - Lawyer/ non-executive, CHRISTOS DIAMANTOPOULOS - University Professor/ independent non-executive, APOSTOLOS GEORGIADIS - University Professor/ independent non-executive, DIMITRIS DASKALOPOULOS - President of SEV/ independent non-executive, CHRISTOS ZEREFOS - Academic, Professor of Atmospheric Physics University of Athens/ independent non-executive, MICHALIS HANDRIS - Shipowner, President of CHANDRIS England Ltd/ independent non-executive

Date of approval of the Financial Statements by the Board of Directors: 26 March 2013
The Certified Auditor: Constantinou Sotiris, Michalios Manolis
Auditing Company: GRANT THORNTON
Type of Auditor's opinion: Unqualified opinion - emphasis of matter

STATEMENT OF FINANCIAL POSITION
Amounts in 000's €

	THE GROUP		THE COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Tangible Assets	1.060.549	1.084.113	10.285	10.389
Intangible Assets	244.772	240.246	229	383
Other non current assets	324.147	300.123	924.185	994.295
Inventories	151.630	174.960	(0)	-
Trade Receivables	658.247	448.810	498	718
Other Current Assets	248.639	435.499	18.236	56.951
Non current assets available for sale	-	-	-	-
Total Assets	**2.687.983**	**2.683.751**	**953.433**	**1.062.736**
EQUITY AND LIABILITIES				
Share Capital	125.335	127.545	125.100	125.100
Treasury stock reserve	(104.566)	(104.566)	(104.566)	(104.566)
Retained earnings and other reserves	763.367	725.951	456.078	457.142
Equity attributable to parent's Shareholders (a)	**784.136**	**748.930**	**476.611**	**477.676**
Minority Interests (b)	176.202	151.876	-	-
Total Equity (c) = (a) + (b)	**960.338**	**900.806**	**476.611**	**477.676**
Long term Borrowings	22.635	334.588	-	330.986
Provisions and other long term liabilities	284.855	335.543	39.039	85.281
Short term borrowings	838.777	508.141	330.982	95.143
Other short term liabilities	581.378	604.673	106.800	73.651
Non current liabilities available for sale	-	-	-	-
Total Liabilities (d)	**1.727.646**	**1.782.946**	**476.821**	**585.061**
TOTAL EQUITY AND LIABILITIES (c) + (d)	**2.687.983**	**2.683.751**	**953.433**	**1.062.736**

INCOME STATEMENT
Amounts in 000's €

THE GROUP

	1/1-31/12/12			1/1-31/12/11		
	Continuing Operations	Discontinuing Operations	Total	Continuing Operations	Discontinuing Operations	Total
Sales Turnover	1.453.636	5.771	1.459.407	1.570.998	11.965	1.582.963
Gross profit / (loss)	137.123	2.902	140.025	216.655	3.941	220.597
Profit / (Loss) before tax, financial and investment results	110.030	(57)	109.972	161.174	580	161.754
Profit / (Loss) before tax	**61.276**	**(71)**	**61.205**	**110.316**	**432**	**110.748**
Less taxes	(9.646)	-	(9.646)	(24.897)	46	(24.850)
Profit / (Loss) after tax (A)	**51.630**	**(71)**	**51.559**	**85.419**	**479**	**85.898**
Equity holders of the parent Company	21.752	(71)	21.681	42.099	479	42.578
Minority Interests	29.878	-	29.878	43.320	-	43.320
Other comprehensive income after tax (B)	**16.249**	**-**	**16.249**	**(19.226)**	**-**	**(19.226)**
Total comprehensive income after tax (A) + (B)	**67.878**	**(71)**	**67.807**	**66.193**	**479**	**66.672**
Owners of the Company	37.406	(71)	37.335	23.956	479	24.435
Minority Interests	30.473	-	30.473	42.237	-	42.237
Net profit after tax per share (in Euro/share)	0,2039	(0,0007)	0,2032	0,3946	0,0045	0,3991
Profit / (Loss) before tax, financial, investment results, depreciation and amortization	164.298	1.947	166.245	192.003	2.979	194.983

THE COMPANY

	1/1-31/12/12	1/1-31/12/11
Sales Turnover	16.040	6.173
Gross profit / (loss)	28	171
Profit / (Loss) before tax, financial and investment results	2.656	19
Profit / (Loss) before tax	**(8.484)**	**374**
Less taxes	7.420	(420)
Profit / (Loss) after tax (A)	**(1.064)**	**(45)**
Equity holders of the parent Company	(1.064)	(45)
Minority Interests	-	-
Other comprehensive income after tax (B)	**0**	**0**
Total comprehensive income after tax (A) + (B)	**(1.064)**	**(45)**
Owners of the Company	(1.064)	(45)
Minority Interests	-	-
Net profit after tax per share (in Euro/share)	(0,0100)	(0,0004)
Profit / (Loss) before tax, financial, investment results, depreciation and amortization	3.102	479

STATEMENT OF CHANGES IN EQUITY
Amounts in 000's €

	THE GROUP		THE COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Equity at the beginning of the period (01.01.2012 and 01.01.2011 respectively)	**900.806**	**844.253**	**477.676**	**477.786**
Total comprehensive income for the period after tax (continuing/ discontinuing operations)	67.807	66.672	(1.064)	(45)
Increase / (Decrease) in Share Capital	11.814	(83)	-	(66)
Dividends paid	(17.849)	(12.124)	-	-
Impact from acquisition of share in subsidiaries	-	-	-	-
Treasury shares purchased	-	-	-	-
Other movements from subsidiaries	(2.241)	2.085	-	-
Equity at the end of the period (31.12.2012 and 31.12.2011 respectively)	**960.338**	**900.806**	**476.611**	**477.676**

CASH FLOW STATEMENT
Amounts in 000's €

	THE GROUP		THE COMPANY	
	1/1-31/12/12	1/1-31/12/11	1/1-31/12/11	1/1-31/12/10
Operating activities				
Profit before tax (continuing operations)	61.276	109.228	(8.484)	374
Profit before tax (discontinuing operations)	(71)	(568)	-	-
Adjustments for:				
Depreciation	56.273	33.228	445	460
Impairments	226	12.046	23.066	-
Provisions	(431)	(2.316)	-	-
Exchange differences	(454)	1.796	(461)	824
Other Operating Results	5.800	(252)	-	-
Results (income, expenses, gains and losses) of insting activities	(3.381)	(9.219)	(25.547)	(21.452)
Interest expense	44.999	37.189	13.623	21.133
Adjustments related to working capital accounts or to operating activities				
(Increase)/Decrease in stocks	31.940	(35.007)	-	-
(Increase)/Decrease in trade receivables	(101.778)	(72.231)	1.500	(5.112)
Increase / (Decrease) in liabilities (excluding banks)	(39.102)	138.338	(581)	6.956
(Increase)/Decrease in other receivables				
Less:				
Interest expense paid	(49.932)	(43.118)	(14.899)	(19.350)
Income tax paid	(4.187)	(39.096)	-	(1.341)
Cash flows from discontinuing operating activities	1.932	15	-	-
Cash flows from operating activities (a)	**3.120**	**130.033**	**(11.340)**	**(17.509)**
Investing activities				
(Acquisition) / Sale of subsidiaries (less cash)	(40.000)	(40.000)	(19.711)	(8.443)
Purchases of tangible and intangible assets	(95.522)	(117.432)	(189)	(297)
Acquisition of associates	(345)	-	-	-
Return of subsidiary share capital	-	-	20.290	59.950
Purchase of financial assets held-for-sale	(6.677)	-	-	-
Sale of tangible and intangible assets	438	444	1	17
Sale of financial assets held-for-sale	52	413	-	-
Grants Received	-	4.912	-	-
Sale of financial assets at fair value through profit and loss	5.095	345	(200)	-
Interest received	6.456	2.258	7.303	2.619
Loan receivables	-	-	27.071	-
Loans to / from related parties	-	-	-	21.500
Dividends received	83	68	16.421	11.070
Cash flows from discontinuing investing activities	1	(242)	-	-
Cash flows from investing activities (b)	**(130.418)**	**(149.234)**	**50.986**	**86.816**
Financing activities				
Issue of ordinary shares	11.060	-	-	-
Capital Increase Tax	(36)	(84)	-	(66)
Capital Increase	-	-	-	-
Proceeds from loans	26.267	85.600	32.797	38.869
Loan repayments	(147.984)	(47.986)	(93.000)	(46.500)
Dividends paid	(17.105)	(12.080)	-	-
Payment of finance lease liabilities	(4)	-	-	-
Cash flow discontinuing financing activities	-	3	-	-
Cash flows from continuing financing activities (c)	**(126.906)**	**25.453**	**(60.203)**	**(7.697)**
Net (decrease) / increase in cash and cash	**(254.203)**	**6.253**	**(20.557)**	**61.610**
Cash and cash equivalents at beginning of period	**84.232**	**76.404**	**18.406**	**(43.189)**
Net cash at the end of the period	**(169.970)**	**82.657**	**(2.151)**	**18.421**

ADDITIONAL DATA AND INFORMATION

1. On July 9th 2012, MYTILINEOS HOLDINGS SA participated in the share capital increase of the company GENIKI VIOMICHANIKI, acquiring rate of 2.25% of the share capital. This company is consolidated with the method of full consolidation. Companies included in the consolidated financial statements together with country located, participation of interest and method of consolidation in 2012 are presented in note 3.9 of the annual financial statements.

2. The fiscal years that are unaudited by the tax authorities for the Company and the Group's subsidiaries are presented in detail in note 6.34 of the annual financial statements. For the fiscal year 2011, the Group companies which were subject to tax audit by statutory auditors or audit firm, under para.5 Article 82 of Law 2238/1994, received a Tax Compliance Certificate free of disputes. For the fiscal year 2012, tax audit is being conducted by auditors and is not expected to result significant differentiation. In order to consider that the fiscal year was inspected by the tax authorities, must be applied as specified in paragraph 1a of Article 6 of POL 1159/2011.

3. The basic accounting policies in the consolidated balance sheet of 31 December 2011 have not been altered.

4. No liens and pledges exist on the Company's and Group's assets.

5. The number of employees and workers at the end of the reporting period is as follows:

	THE GROUP		THE COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Employees	1.521	1.616	59	85
Workers	315	286	-	-
	1.836	**1.902**	**59**	**85**

6. Capital Expenditure for 2012: Group € 95.522 thousand and Company € 189 thousand.

7. Earnings per share has been calculated on the basis of net profits over the weighted average number of shares.

8. On December 31st 2012, the Company owns 4.972.383 treasury shares, worth € 22.226.552,01 which correspond to 4,25% of its share capital.

9. Related party transactions and balances for the reported period, according to I.A.S. 24 are as follows:

Amounts in 000's €	THE GROUP	THE COMPANY
Revenues	-	28.740
Expenses	-	20.204
Receivables	-	51.896
Liabilities	-	105.048
Key management personnel compensations	14.285	2.981
Receivables from key management personnel	9	-
Payables to key mananagement personnel	2.173	55

10. Apart from the lawsuit against PPC mentioned in note 6.34, there are no litigation matters which have a material impact on the financial position of the Company and the Group. The Group's tax provision balance for contigent tax obligations as of 31 December 2012 amounts to €341m and for the company to € 1,1m . Other provisions' balance as of 31 December 2012 amounts to € 4,7m for the Group and € 266m for the Company.

11. In the Statement of Changes in Equity, the amounts included in the line "Total comprehensive income for the period after tax (continuing/ discontinuing operations)" for the year end 31 December 2012 and 2011 are presented in the table below:

	THE GROUP		THE COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Net profit(loss) for the period	51.559	85.898	(1.064)	(45)
Exchange differences on translation of foreign operations	7.895	(7.425)	-	-
Cash Flow hedging reserve	-			
Stock Option Plan	8.354	(11.801)	-	-
Income tax relating to components of other comprehensive income	-	-	-	-
Total comprehensive income for the period after tax (continuing/ discontinuing operations)	**67.807**	**66.672**	**(1.064)**	**(45)**

12.In April, Korinthos Power, subsidiary of MYTILINEOS HOLDINGS SA, obtained the commercial operation license for the 436 MW combined cycle natural gas fired power plant. The plant is located at the Motor Oil industrial facilities in Ag. Theodori, Korinthia.Engineering, procurement, construction and commissioning for the plant,including the closed-type power substation, were undertaken and carried out successfully by METKA S.A., a MYTILINEOS HOLDINGS SA subsidiary.

13. Certain prior year / period amounts have been reclassified for presentation purposes.

14. On June 11th 2012, all shares of the company "MOVAL S.A." transferred to "Protergia S.A.", a 100% MYTILINEOS HOLDINGS SA subsidiary.

15. On July 31st 2012, all shares of the company "ARGYRITIS S.A." transferred to "Protergia S.A.", a 100% MYTILINEOS HOLDINGS SA subsidiary.

16. On December 13th 2012, all shares of the company "DESFINA SHIPPING COMPANY", transferred to "ALUMINIUM S.A.", a 100% MYTILINEOS HOLDINGS SA subsidiary.

17.The Ministry of Environment, Energy & Climate Change issued a decision on 17/1/2013 for licensing the commercial service of the electric power / heat cogeneration plant of 'Aluminum'. As of 28/11/2012, the plant in question was already in « trial operation » status as Distributed High Performance Electric Power / Heat Cogeneration Plant (trial operation of Distributed HPEPHC) by the market operator, after having signed a supplementary transaction contract, and ensuring the proportional estimation and billing of electric power infused to the grid.

18.The emphasis of matters of the auditors relate to: a) the uncertainty of the resolution of the arbitration between ALUMINIUM S.A. and PPC regarding the electricity pricing and b) the uncertainty of the outcome of the European Commission decision requesting the recovery of state aid (Note 6.34 of the annual financial statements).

Maroussi, 26 March 2013

THE PRESIDENT OF THE BOARD & CHIEF EXECUTIVE OFFICER	THE VICE-PRESIDENT OF THE BOARD	THE CHIEF EXECUTIVE DIRECTOR GROUP FINANCE	THE GROUP FINANCIAL CONTROLLER
EVANGELOS MYTILINEOS	**IOANNIS MYTILINEOS**	**IOANNIS KALAFATAS**	**ANASTASIOS DELIGEORIS**
I.D. No AB649316/2006	I.D. No AE044243/2007	I.D. No AZ 556040/2008	I.D. No Π 195231/1989

F. Information of the article 10 of the Law 3401/2005

MYTILINEOS HOLDINGS S.A. published to press the following information of article 10, Law 3401/2005 and made them available to public during the financial year 2012. Information is uploaded both in the official web site of Athens Stock Exchange (ASE) www.ase.gr and in the company's web site www.mytilineos.gr.

Press Releases & Announcements 2012 (http://www.mytilineos.gr/site/en-US/home/irsite/investor_news/news/default.aspx?search=1&category=&month=&year=20112)

11/1/2012	ANNOUNCEMENT
15/2/2012	CHAIRMAN'S INTERVIEW AT BLOOMBERG TV
23/2/2012	PROTERGIA EXPANDS ITS ENERGY ASSETS-LAUNCH OF OPERATION OF THREE NEW PHOTOVOLTAIC PARKS
29/2/2012	Announcement
6/3/2012	Announcemet
6/3/2012	Announcement
8/3/2012	Announcement
19/3/2012	Announcement
22/3/2012	Announcement
27/3/2012	Announcement
28/3/2012	Full Year 2011 Financial Results
28/3/2012	Announcement
28/3/2012	Extrovert Profile Boosts Growth for Mytilineos Group Exports Exceeded €1.2 Billion
2/4/2012	Commercial Operation launched for the Group's third large Electricity Production Plant in Ag. Theodori (Korinthia)
11/4/2012	Invitation of the Shareholders of the Corporation MYTILINEOS HOLDINGS S.A. to a Regular General Meeting
18/4/2012	Outcome of Sale of Fractional Rights
25/4/2012	Announcement
8/5/2012	Notification of the Resolutions of the Annual General Meeting of the Shareholders of 8 May 2012
10/5/2012	New Natural Gas Supply Agreements Signed with DEPA - Three-Year Joint Management Agreement Representing $1.4 Bn in Value
17/5/2012	Financial Results for the 1st Quarter of 2012 - Strong Resilience in an Adverse Economic Environment
31/5/2012	Announcement
27/6/2012	Presentation to the "Association of Greek Institutional Investors"
8/8/2012	Press Release-First Semester 2012 Results
7/9/2012	Evangelos Mytilineos: We need to support the country's effort
16/10/2012	Evangelos Mytilineos: «There will be no exit from the crisis, if Greece does not return to growth»
17/10/2012	Announcement
21/11/2012	Financial Results for the 3rd Quarter of 2012 - Resilience in terms of turnover and core profitability

Financial Statements
(**http://www.mytilineos.gr/site/en-US/home/irsite/group_publikations/analyst_kit/default.aspx**)

3MONTH 2012
Press Release
Figures & Information
Condensed Interim Fin. Report
Financial Results Presentation
6MONTH 2012
Press Release
Figures & Information
Condensed Interim Fin. Report
Financial Results Presentation
9MONTH 2012
Press Release
Figures & Information
Condensed Interim Fin. Report
Financial Results Presentation
12MONTH 2012
Press Release
Figures & Information
Condensed Interim Fin. Report
Financial Results Presentation

G. Availability of Financial Statements

The Annual Financial Statements of the Group and the Company as well as the financial statements of the companies that are consolidated, the auditor's report and the report of the Board of Directors for the year ending December 31st 2012 have been posted on the web site of the company. Finally, the present Annual Financial Report, the prior years' Annual Reports and other significant information can be found on the web site of the company (www.mytilineos.gr).

THE PRESIDENT OF THE BOARD & CHIEF EXECUTIVE OFFICER	THE VICE-PRESIDENT OF THE BOARD	THE CHIEF EXECUTIVE DIRECTOR – GROUP FINANCE	THE GROUP FINANCIAL CONTROLLER
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