

H O L D I N G S 
MYTILINEOS

**Financial Report
for the period
from the 1st of January to the 30th of September 2012**

The attached Interim Financial Statements are those approved by the Board of Directors of "MYTILINEOS HOLDINGS S.A." at 20 November 2012 and have been published to the electronic address www.mytilneos.gr. 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.

Table of Contents

1.A Income Statement.....	3
1.B Statement of Comprehensive Income.....	4
3. Statement of changes in Equity (Group)	6
4. Statement of changes in Equity (Company).....	7
5. Cash Flow Statement.....	8
6. Information about MYTILINEOS HOLDINGS S.A.....	9
7. Additional Information.....	9
7.1 Basis for preparation of the financial statements	9
7.2 New accounting principles and interpretations of IFRIC	10
7.3 Pro forma figure "Operating Earnings before Financial & Investment results, Tax, Depreciation & Amortization" (Group EBITDA).....	14
7.4 Group Structure and method of Consolidation.....	16
7.5 Significant information.....	17
7.6 Cash and Cash equivalents	19
7.7 Loans	19
7.8 Discontinued operations.....	20
7.9 Encumbrances.....	21
7.10 Commitments.....	21
7.11 Contingent Assets & Contingent Liabilities.....	22
7.12 Other Contingent Assets & Liabilities	23
7.13 Provisions	25
7.14 Trade Receivables	26
7.15 Other Long Term Receivables.....	26
7.16 Trade Creditors.....	27
7.17 Sale of Treasury Shares.....	27
7.18 Earnings per Share	28
7.19 Number of employees.....	28
7.20 Management remuneration and fringes	29
7.21 Cash Flows from Operating Activities.....	30
7.22 Other Long term Liabilities	31
7.23 Related Party Transactions according to IAS 24	32
7.24 Capital Expenditure	33
7.25 Segment reporting.....	33
7.26 Post – Balance Sheet events.....	35
E. Figures and Information	36

1.A Income Statement

(Amounts in thousands €)	MYTILINEOS GROUP		MYTILINEOS S.A.	
	1/1-30/09/2012	1/1-30/09/2011	1/1-30/09/2012	1/1-30/09/2011
Sales	1,094,858	1,138,560	12,084	2,678
Cost of sales	(992,895)	(971,389)	(12,062)	(2,604)
Gross profit	101,963	167,171	21	74
Other operating income	33,188	18,123	10,572	5,451
Distribution expenses	(2,439)	(2,375)	-	-
Administrative expenses	(36,763)	(39,858)	(8,232)	(10,510)
Research & Development expenses	(290)	(295)	-	-
Other operating expenses	(14,347)	(16,307)	(990)	(326)
Earnings before interest and income tax	81,312	126,458	1,371	(5,310)
Financial income	2,524	5,271	1,988	3,345
Financial expenses	(35,445)	(35,098)	(10,598)	(16,463)
Other financial results	2,546	(415)	23,102	17,226
Share of profit of associates	982	3,203	-	-
Profit before income tax	51,919	99,419	15,862	(1,203)
Income tax expense	(14,556)	(21,864)	(3,234)	(167)
Profit for the period	37,363	77,555	12,629	(1,370)
Result from discontinuing operations	(3,801)	(1,976)	-	-
Profit for the period	33,563	75,579	12,629	(1,370)
Attributable to:				
Equity holders of the parent	11,601	46,093	12,629	(1,370)
Non controlling Interests	21,961	29,486	-	-
Basic earnings per share	0.1087	0.4321	0.1184	(0.0128)
Diluted earnings per share	0.1087	0.4321	0.1184	(0.0128)
			Summary of Results from continuing operations	
Earnings before income tax, financial results, deprecation and amortization (Circular No.34 Hellenic Capital Market)	116,097	149,797	1,703	(4,963)
Oper. Earnings before income tax, financial results, depreciation and amortization	119,729	164,633	1,703	(4,963)
Earnings before interest and income tax	81,312	126,458	1,371	(5,310)
Profit before income tax	51,919	99,419	15,862	(1,203)
Profit for the period	37,363	77,555	12,629	(1,370)
(A) Definition of line item: Earnings before income tax, financial results, deprec&amort (Circular No.34 Hellenic Capital Market)				
Profit before income tax	51,919	99,419		
Plus: Financial results	30,375	30,242		
Plus: Capital results	(982)	(3,203)		
Plus: Depreciation	34,785	23,339		
Earnings before income tax, financial results, depreciation and amortization	116,097	149,797		
(B) Definition of line item: Oper Earnings before income tax, financ. res, depr&amort				
Profit before income tax	51,919	99,419		
Plus: Financial results	30,375	30,242		
Plus: Capital results	(982)	(3,203)		
Plus: Depreciation	34,785	23,339		
Subtotal	116,097	149,797		
Plus: Other operating results (I)	-	-		
Plus: Other operating results (II)	3,632	14,836		
Oper. Earnings before income tax, financial results, depreciation and amortization	119,729	164,633		

(*) For the determination of Group EBITDA, the Group included in other operating results the Group's share on the profit from the construction of fixed assets on account of subsidiaries and related companies when these are active in one of its reported Business Segments. The reason for that is that such profits will be released in the Group accounts on a net profitability level over the same period as depreciation is charged.

1.B Statement of Comprehensive Income

	MYTILINEOS GROUP		MYTILINEOS S.A.	
	30/09/2012	30/09/2011	30/09/2012	30/09/2011
(Amounts in thousands €)				
Other comprehensive income:				
Net profit(loss) for the period	33,563	75,579	12,629	(1,370)
Exchange differences on translation of foreign operations	2,278	(5,824)	-	-
Available for sale financial assets	-	-	-	-
Cash Flow hedging reserve	7,076	(4,219)	-	-
Stock Option Plan	-	-	-	-
Share of other comprehensive income of associates	-	-	-	-
Income tax relating to components of other comprehensive income	-	-	-	-
Total comprehensive income for the period	42,918	65,536	12,629	(1,370)
Total comprehensive income for the period attributable to:				
Equity attributable to parent's shareholders	20,307	37,123	12,629	(1,370)
Non controlling Interests	22,611	28,413	-	-

2. Statement of Financial Position

(Amounts in thousands €)

Assets

Non current assets

	30/09/2012	31/12/2011	30/09/2012	31/12/2011
Tangible Assets	1,086,007	1,084,113	10,331	10,389
Goodwill	209,401	209,401	-	-
Intangible Assets	246,651	240,246	268	383
Investments in Subsidiary Companies	-	-	893,296	909,830
Investments in Associate Companies	13,641	12,859	42	42
Deferred Tax Receivables	69,704	64,867	457	539
Financial Assets Available for Sale	3,144	3,185	37	37
Other Long-term Receivables	10,043	9,812	51,227	83,847
	1,638,592	1,624,483	955,658	1,005,067

Current assets

Total Stock	177,952	174,960	-	-
Trade and other receivables	695,062	494,767	7,005	718
Other receivables	129,917	167,044	16,043	36,188
Financial assets at fair value through profit or loss	4,459	354	610	198
Derivatives	-	-	-	-
Cash and cash equivalents	110,716	268,101	3,061	20,565
	1,118,107	1,105,226	26,719	57,670

Non Current Assets Available for Sale

	-	-	-	-
Assets	2,756,698	2,729,709	982,377	1,062,736

Liabilities & Equity

EQUITY

Share capital	127,545	127,545	125,100	125,100
Share premium	277,918	277,918	125,656	125,656
Fair value reserves	(1,731)	(8,807)	-	-
Treasury Stock Reserve	(104,566)	(104,566)	(104,566)	(104,566)
Other reserves	149,124	148,983	95,133	95,133
Translation reserves	(25,806)	(27,435)	-	-
Retained earnings	346,818	335,291	248,982	236,353
Equity attributable to parent's shareholders	769,303	748,929	490,304	477,676
Non controlling Interests	165,658	151,876	-	-
EQUITY	934,961	900,805	490,304	477,676

Non-Current Liabilities

Long-term debt	307,992	334,588	281,737	330,986
Derivatives	1,896	2,422	-	-
Deferred tax liability	141,662	127,552	46,092	46,436
Liabilities for pension plans	26,395	30,534	864	788
Other long-term liabilities	110,323	167,797	-	36,688
Provisions	7,482	7,241	1,368	1,368
Non-Current Liabilities	595,750	670,133	330,062	416,266

Current Liabilities

Trade and other payables	665,066	587,447	12,484	8,249
Tax payable	3,696	8,186	127	1,432
Short-term debt	259,858	185,444	3,063	2,143
Current portion of non-current liabilities	250,978	322,697	46,500	93,000
Derivatives	1,373	7,080	-	-
Other payables	44,099	42,743	99,838	63,970
Current portion of non-current provisions	917	5,174	-	-
Current Liabilities	1,225,987	1,158,771	162,011	168,795

LIABILITIES

	1,821,737	1,828,904	492,073	585,061
--	------------------	------------------	----------------	----------------

Liabilities related to non current assets available for sale

	-	-	-	-
Liabilities & Equity	2,756,698	2,729,709	982,377	1,062,736

3. Statement of changes in Equity (Group)

	MYTILINEOS GROUP									
	Share capital	Share premium	Fair value reserves	Treasury Stock Reserve	Other reserves	Translation reserves	Retained earnings	Total	Non controlling Interests	Total
(Amounts in thousands €)										
Opening Balance 1st January 2011 ,according to IFRS -as published-	127,618	283,875	2,994	(110,597)	148,803	(20,519)	291,576	723,750	120,505	844,255
<u>Change in equity</u>										
Dividends paid	-	-	-	-	0	-	0	0	(12,124)	(12,124)
Transfer to reserves	0	0	-	-	76	-	(76)	1	-	1
Impact from acquisition of share in subsidiaries	-	-	-	-	20	-	-	20	(25)	(5)
Increase / (Decrease) of Share Capital	(73)	(5,958)	-	6,030	-	-	-	0	375	375
Transactions with owners	(73)	(5,958)	-	6,030	97	-	(76)	21	(11,774)	(11,753)
Net profit(loss) for the period	-	-	-	-	-	-	46,093	46,093	29,486	75,579
Other comprehensive income:										
Exchange differences on translation of foreign operations	-	-	-	-	-	(4,751)	-	(4,751)	(1,074)	(5,824)
Cash Flow hedging reserve	-	-	(4,219)	-	-	-	-	(4,219)	-	(4,219)
Share of other comprehensive income of associates	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	(4,219)	-	-	(4,751)	46,093	37,123	28,413	65,536
Closing Balance 30/09/2011	127,545	277,917	(1,224)	(104,566)	148,899	(25,270)	337,592	760,893	137,143	898,036
Opening Balance 1st January 2012,according to IFRS -as published-	127,545	277,918	(8,807)	(104,566)	148,981	(27,435)	335,291	748,927	151,876	900,803
<u>Change in equity</u>										
Dividends paid	-	-	-	-	-	-	-	-	(17,849)	(17,849)
Transfer to reserves	-	0	-	-	159	-	(74)	85	(114)	(30)
Increase / (Decrease) of Share Capital	0	0	-	-	(17)	-	-	(16)	9,135	9,119
Transactions with owners	0	0	-	-	142	-	(74)	68	(8,828)	(8,760)
Net profit(loss) for the period	-	-	-	-	-	-	11,601	11,601	21,961	33,563
Other comprehensive income:										
Exchange differences on translation of foreign operations	-	-	-	-	-	1,629	-	1,629	649	2,278
Cash Flow hedging reserve	-	-	7,076	-	-	-	-	7,076	-	7,076
Share of other comprehensive income of associates	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	7,076	-	-	1,629	11,601	20,307	22,611	42,918
Closing Balance 30/09/2012	127,545	277,918	(1,731)	(104,566)	149,124	(25,806)	346,818	769,303	165,658	934,961

4. Statement of changes in Equity (Company)

	MYTILINEOS S.A.							Total
	Share capital	Share premium	Fair value reserves	Treasury Stock Reserve	Other reserves	Translation reserves	Retained earnings	
(Amounts in thousands €)								
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
<u>Change in equity</u>								
Increase / (Decrease) of Share Capital	(73)	(5,957)	-	6,030	-	-	-	-
Transactions with owners	(73)	(5,957)	-	6,030	-	-	-	-
Net profit(loss) for the period	-	-	-	-	-	-	(1,370)	(1,370)
Other comprehensive income:								
Share of other comprehensive income of associates	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	(1,370)	(1,370)
Closing Balance 30/09/2011	125,100	125,656	-	(104,566)	95,198	-	235,029	476,417
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
<u>Change in equity</u>								
Transactions with owners	-	-	-	-	-	-	-	-
Net profit(loss) for the period	-	-	-	-	-	-	12,629	12,629
Other comprehensive income:								
Share of other comprehensive income of associates	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	12,629	12,629
Closing Balance 30/09/2012	125,100	125,656	-	(104,566)	95,133	-	248,982	490,304

5. Cash Flow Statement

(Amounts in thousands €)

	MYTILINEOS GROUP		MYTILINEOS S.A.	
	1/1-30/09/2012	1/1-30/09/2011	1/1-30/09/2012	1/1-30/09/2011
Cash flows from operating activities				
Cash flows from operating activities	19,387	93,591	10,382	(2,592)
Interest paid	(25,304)	(28,685)	(11,320)	(15,829)
Taxes paid	(2,750)	(32,054)	-	(756)
Net Cash flows continuing operating activities	(8,667)	32,852	(938)	(19,177)
Net Cash flows discontinuing operating activities	(2,280)	8,223	-	-
Net Cash flows from continuing and discontinuing operating activities	(10,947)	41,076	(938)	(19,177)
Net Cash flow from continuing and discontinuing investing activities				
Purchases of tangible assets	(56,261)	(84,179)	(160)	(144)
Purchases of intangible assets	(3,534)	(2,337)	-	(118)
Sale of tangible assets	248	373	1	2
Dividends received	-	67	16,421	11,070
Loans to related parties	-	-	-	-
Purchase of financial assets at fair value through profit and loss	(6,450)	(56)	(200)	-
Acquisition of associates	(302)	-	-	-
Acquisition /Sale of subsidiaries (less cash)	(40,000)	(20,005)	(19,711)	633
Sale of financial assets held-for-sale	14	345	-	-
Sale of financial assets at fair value through profit and loss	3,770	403	-	-
Interest received	3,078	2,637	7,298	2,126
Cash received from loans to associates	-	-	27,071	-
Grants received	-	(263)	-	-
Return of Capital from Subsidiary	-	-	20,290	50,150
Other cash flows from investing activities	87	-	-	-
Net Cash flow from continuing investing activities	(99,351)	(103,014)	51,009	63,718
Net Cash flow from discontinuing investing activities	1	(142)	-	-
Net Cash flow from continuing and discontinuing investing activities	(99,350)	(103,156)	51,009	63,718
Net Cash flow continuing and discontinuing financing activities				
Proceeds from issue of share capital	9,133	-	-	-
Tax payments	(34)	(6)	-	-
Dividends paid to parent's shareholders	(17,105)	(12,265)	-	-
Proceeds from borrowings	23,515	84,700	24,527	30,969
Repayments of borrowings	(140,455)	(65,644)	(93,000)	(46,500)
Payment of finance lease liabilities	(6)	-	-	-
Net Cash flow continuing financing activities	(124,951)	6,784	(68,473)	(15,531)
Net Cash flow from discontinuing financing activities	-	-	-	-
Net Cash flow continuing and discontinuing financing activities	(124,951)	6,784	(68,473)	(15,531)
Net (decrease) / increase in cash and cash equivalents	(235,248)	(55,296)	(18,402)	29,009
Cash and cash equivalents at beginning of period	85,659	75,740	18,421	(42,943)
Less: Cash and cash equivalents at beginning of period from discontinuing activities	-	848	-	-
Exchange differences in cash and cash equivalents	448	170	(22)	278
Net cash at the end of the period	(149,142)	21,462	(2)	(13,655)
Overdrafts	(259,858)	(215,827)	(3,063)	(19,873)
Cash and cash equivalent	110,716	236,690	3,061	6,218
Cash and cash equivalents at end of period from discontinuing activities	-	599	-	-
Net cash at the end of the period	(149,142)	21,462	(2)	(13,655)

6. Information about MYTILINEOS HOLDINGS S.A.

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 period ended 30 September 2012 (along with the respective comparative information for the previous year 2011), were approved by the Board of directors on 20 November 2012.

7. Additional Information

7.1 Basis for preparation of the financial statements

The accompanying consolidated financial statements that constitute the Group's consolidated financial statements for the period from 01.01 to 30.09.2012 have been prepared in accordance with International Financial Reporting Standards ("IFRS"), adopted by the European Union, and more specifically with the provisions of IAS 34 "Interim financial reporting". Moreover, the consolidated financial statements have been compiled on the basis of the historic cost principle as is amended by the readjustment of specific asset and liability items into market values, the going concern principle and are in accordance with the International Financial Reporting Standards (IFRS) that have been issued by the International Accounting Standards Board (IASB) and their interpretations that have been issued by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB.

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

According to the IFRS, the preparation of the Financial Statements requires estimations during the application of the Company's accounting principles. Important admissions are presented wherever it has been judged appropriate. The accounting principles, applied by the Group for the reporting period are consistent with the accounting principles applied for fiscal year 2011.

7.2 New accounting principles and interpretations of IFRIC

IFRS and IFRIC interpretations effective for the accounting periods beginning January 1, 2012, noted below:

IFRS 7 Financial Instruments: Disclosures (Amended) - Enhanced Derecognition Disclosure Requirements

The amendment is effective for annual periods beginning on or after 1 July 2011. The amendment requires additional disclosure about financial assets that have been transferred but not derecognised to enable the user of the financial statements to understand the relationship with those assets that have not been derecognised and their associated liabilities. In addition, the amendment requires disclosures about continuing involvement in derecognised assets to enable the user to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognised assets. The Group is in the process of assessing the impact of the amendment on the financial position or performance of the Group.

IAS 12 Income Taxes (Amended) – Recovery of Underlying Assets

The amendment is effective for annual periods beginning on or after 1 January 2012. The amendment clarified the determination of deferred tax on investment property measured at fair value. The amendment introduces a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that its carrying amount will be recovered through sale. Furthermore, it introduces the requirement that deferred tax on non-depreciable assets that are measured using the revaluation model in IAS 16 always be measured on a sale basis of the asset. This amendment has not yet been endorsed by the EU. The Group is in the process of assessing the impact of this amendment on the financial position or performance of the Group.

The following new and amended accounting standards and interpretations have been issued but are not effective for the accounting periods beginning January 1, 2012. The Group is in the process of assessing the impact of this amendment on its financial position or performance:

IFRS 9 Financial Instruments - Classification and Measurement

The new standard is effective for annual periods beginning on or after 1 January 2015. IFRS 9 as issued reflects the first phase of the IASBs work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. Phase 1 of IFRS 9 will have a significant impact on (i) the classification and measurement of financial assets and (ii) a change in reporting for those entities that have designated financial liabilities using the FVO. In subsequent phases, the IASB will address hedge accounting and impairment of financial assets. The completion of this project is expected over the first half of 2012. Early application is permitted. This standard has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new standard on the financial position or performance of the Group.

IFRS 10 Consolidated Financial Statements

The new standard is effective for annual periods beginning on or after 1 January 2013. IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. It also includes the issues raised in SIC-12 Consolidation — Special Purpose Entities. IFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by IFRS 10 will require management to exercise significant judgment to determine which entities are controlled, and therefore, are required to be consolidated by a parent, compared with the requirements that were in IAS 27. This standard has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new standard on the financial position or performance of the Group.

IFRS 11 Joint Arrangements

The new standard is effective for annual periods beginning on or after 1 January 2013. IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities — Non-monetary Contributions by Venturers. IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture must be accounted for using the equity method. This standard has not yet been endorsed by the

EU. The Group is in the process of assessing the impact of the new standard on the financial position or performance of the Group.

IFRS 12 Disclosures of Involvement with Other Entities

The new standard is effective for annual periods beginning on or after 1 January 2013. IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are also required. This standard has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new standard on the financial position or performance of the Group.

IFRS 13 Fair Value Measurement

The new standard is effective for annual periods beginning on or after 1 January 2013. IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. This standard should be applied prospectively and early adoption is permitted. This standard has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new standard on the financial position or performance of the Group.

IAS 19 Employee Benefits (Amended)

The revised is effective for annual periods beginning on or after 1 January 2013. The IASB has issued numerous amendments to IAS 19. These range from fundamental changes such as removing the corridor mechanism and the concept of expected returns on plan assets to simple clarifications and re-wording. Early application is permitted. This amendment has not yet been endorsed by the EU. The Group is in the process of assessing the impact of this amendment on the financial position or performance of the Group. The revised Standard provides better presentation of the financial position by fully recognizing the actuarial gains and losses in the statement of comprehensive income when they occur. In order the Group to enhance the presentation of its financial position, and simultaneously facilitate the transition to the revised IAS 19, it decided to change the existing accounting policy by adopted the third alternative method of he current IAS 19. This method has no significant change with method that the revised IAS 19 requires (note 1.16, 37).

The Standard is effective for annual periods beginning on or after 1 January 2013. As a consequence of the new IFRS 11 and IFRS 12, IAS 28 has been renamed IAS 28 Investments in

Associates and Joint Ventures, and describes the application of the equity method to investments in joint ventures in addition to associates. Earlier application is permitted. This amendment has not yet been endorsed by the EU. The Group is in the process of assessing the impact of this amendment on the financial position or performance of the Group.

IAS 32 Financial Instruments: Presentation (Amended) - Offsetting Financial Assets and Financial Liabilities

The amendment is effective for annual periods beginning on or after 1 January 2014. This amendment clarifies the meaning of –currently has a legally enforceable right to set-off and also clarifies the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The amendments to IAS 32 are to be retrospectively applied. Earlier application is permitted. However, if an entity chooses to early adopt, it must disclose that fact and also make the disclosures required by the IFRS 7 Offsetting Financial Assets and Financial Liabilities amendments. This amendment has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the amendment on the financial position or performance of the Group.

IFRIC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine

The interpretation is effective for annual periods beginning on or after 1 January 2013. This interpretation only applies to stripping costs incurred in surface mining activity during the production phase of the mine ('production stripping costs'). Costs incurred in undertaking stripping activities are considered to create two possible benefits a) the production of inventory in the current period and/or b) improved access to ore to be mined in a future period (stripping activity asset). Where cost cannot be specifically allocated between the inventory produced during the period and the stripping activity asset, IFRIC 20 requires an entity to use an allocation basis that is based on a relevant production measure. Early application is permitted. IFRIC 20 has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new interpretation on the financial position or performance of the Group.

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

Pro forma figures (EBITDA, EBITDA margin, free cash flow, net debt) are not governed by the International Financial Reporting Standards (IFRS). Thus, these figures are calculated and

presented by the Group in a way that provides a more fair view of the financial performance of its Business Sectors. The Group defines "Group EBITDA" as the Operating 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 1 and IAS 28, include: The Group's profit realized in connection with the construction of fixed assets on account of subsidiaries and associates, when these are active in one of its reported Business Segments. Such profits are deducted from the Group's equity and fixed assets and released in the Group accounts over the same period as depreciation is charged. Consequently, for the calculation of EBITDA (operational results before depreciation), the Group does not eliminate the profit from the construction of fixed assets as its recovery through their use will effect only the profit after depreciation. The amount of € 3,632 mil. presented in the "Income Statement" represents the gain from the construction of power plants on the account of PROTERGIA S.A. and KORINTHOS POWER S.A.

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.

7.4 Group Structure and method of Consolidation

Group companies, included in the consolidated financial statements are:

Name of subsidiaries, associates and joint ventures	Country of Incorporation	Percentage	Consolidation method
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
DEFENSE MATERIAL INDUSTRY S.A.-MYTILINEOS AND Co, INDUSTRIAL RESEARCH PROGRAMS "BEAT"	Greece	100,00%	Full
GENIKI VIOMICHANIKI	Greece	35,00%	Equity
THORIKI S.A.I.C.	Greece	Joint Management	Full
THERMOREMA S.A.	Greece	100,00%	Full
DELTA ENERGY S.A.	Greece	40,00%	Equity
FOIVOS ENERGY S.A.	Greece	90,00%	Full
YDROXOOS S.A.	Greece	90,00%	Full
PEPONIAS S.A.	Greece	90,00%	Full
FTHIOTIKI ENERGY S.A.	Greece	67,20%	Full
YDRIA ENERGY S.A.	Greece	31,50%	Equity
EN.DY. S.A.	Greece	89,10%	Full
FOTINOS TILEMAXOS S.A.	Greece	90,00%	Full
THESSALIKI ENERGY S.A.	Greece	90,00%	Full
IONIA ENERGY S.A.	Greece	90,00%	Full
ELECTRONWATT S.A.	Greece	49,00%	Equity
BUSINESS ENERGY S.A.	Greece	10,00%	Equity
PROTERGIA S.A.	Greece	49,00%	Equity
	Greece	100,00%	Full
NORTH AEGEAN RENEWABLES MYTILINEOS HELLENIC WIND POWER S.A.	Greece	100,00%	Full
AIOLIKI ANDROU TSIROVLIDI S.A.	Greece	80,00%	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 DIAKOFITIS 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 MOVAL S.A.	Greece	49,00%	Equity
ARGYRITIS GEA S.A.	Greece	100,00%	Full
ANEMOSTRATA RENEWABLE ENERGY SOURCES S.A.	Greece	100,00%	Full
ANEMODRASI RENEWABLE ENERGY SOURCES S.A.	Greece	20,00%	Full
ANEMORASI RENEWABLE ENERGY SOURCES S.A.	Greece	100,00%	Full
ANEMORAHY RENEWABLE ENERGY SOURCES S.A.	Greece	100,00%	Full
ANEMOSKALA RENEWABLE ENERGY SOURCES S.A.	Greece	100,00%	Full
KATAVATIS RENEWABLE ENERGY SOURCES S.A.	Greece	20,00%	Full
HORTEROU S.A.	Greece	100,00%	Full
KISSAVOS DROSERY 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
KORINTHOS POWER S.A.	Greece	65,00%	Full
IKAROS ANEMOS SA	Greece	100,00%	Full
KERASOUDA SA	Greece	100,00%	Full
ARGOSTYLIA AIOLOS SA	Greece	20,00%	Full
M & M GAS Co S.A.	Greece	50,00%	Full
DESFINA SHIPPING COMPANY RDA TRADING	Guernsey Islands	Joint Management	Full
MYVEKT INTERNATIONAL SKOPJE	FYROM	100,00%	Full
MYTILINEOS FINANCE S.A.	Luxemburg	100,00%	Full
RODAX ROMANIA SRL, Bucharest	Romania	56,19%	Full
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

7.5 Significant information

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

On 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.

MYTILINEOS HOLDINGS S.A. is notifying investors that, in accordance with resolution no. 61/27.3.2012 of the Director of Research, Certification and Training of the Hellenic Capital Market Commission, on Wednesday, 18th April 2012, a share disposal was carried out, which arose from the 6,610 total fractional balances after the increase of the Company's share capital by the amount of EUR 5,957,141.54 through the capitalisation of share premium reserves. The net proceeds of the sale, after the deduction of expenses and taxes, amount to two Euros seventy five sent (euro 2,75 per share).

At the 26th of April the Extraordinary General Meeting of the subsidiary company "MOVAL S.A." decided the increase of share capital by the amount of six hundred thousand (600,000) euros in cash and the issue of six hundred (600,000) thousand new shares of nominal value of one (1.00 euros) each, and a price of seven euro and sixty-six cents (7.66) per share by reducing the preference right of existing shares and a corresponding amendment to Article 5 of the Statute. The result of this increase is that the share capital amounts to € 1.200.000,00, divided into 1,200,000 registered shares of nominal value € 1,00 each.

In June, all shares of the company "MOVAL S.A." transferred to "Protergia S.A.", a 100% MYTILINEOS HOLDINGS SA subsidiary.

MYTILINEOS Group subsidiaries ALUMINIUM S.A., Protergia S.A. and Korinthos Power S.A. signed with the Public Gas Corporation S.A. (DEPA) new agreements for their supply with natural gas, under the "umbrella" of a Joint Management Agreement for all involved plants.

This Agreement, which will remain in effect until the end of 2014, ensures the smooth supply of pipeline gas to meet the needs of the Group's three thermal power plants, as well as of the thermal consumptions of ALUMINIUM S.A.

On July the MYTILINEOS HOLDINGS SA participated in the 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.

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

According to subsidiary company "METKA S.A.", its construction certificate was upgraded by the nr.14613-04/09/2012 decision of the Ministry of Infrastructure, Transport and Networks, according to the provisions of Article 4 of Law 2940/2001 (Government Gazette 180/t.A/6.8.2001). In accordance with the opinion of the Register of Contractor Enterprises' (RCE) committee of 16.07.2012, the Company was classified in the highest (7th) Grade of the RCE. Thus, with the relevant Ministry's RCE Confirmation No. D15/11072/04.09.2012, the Company acquires the right to undertake the construction of a wide range of public works without a budget ceiling.

On September, "METKA S.A." had received the Letter of Award for an expansion of an existing power station in Jordan(1st EPC PROJECT) and on October announced the 2nd EPC project in Jordan.

Following an extensive due diligence entailing financial, legal, tax and technical audits of the merging parties, as well as negotiations conducted in a context of mutual trust, it was not possible to conclude on an agreement for the gradual acquisition of S&B's bauxite operations in Greece by MYTILINEOS' fully owned subsidiary ALUMINIUM S.A., as announced on 8 November 2011.

The two parties continue to evaluate the challenges that arise from the domestic and international economic environment and to seek ways to improve the competitiveness of the bauxite mining activity. Furthermore, the parties remain commercially engaged and continue to enjoy a strong relationship.

7.6 Cash and Cash equivalents

(Amounts in thousands €)

	MYTILINEOS GROUP		MYTILINEOS S.A.	
	30/09/2012	31/12/2011	30/09/2012	31/12/2011
Cash	292	233	10	16
Bank deposits	87,759	108,035	3,051	18,409
Time deposits & Repos	22,665	159,832	-	2,140
Total	110,716	268,101	3,061	20,565

7.7 Loans

(Amounts in thousands €)

	MYTILINEOS GROUP		MYTILINEOS S.A.	
	30/09/2012	31/12/2011	30/09/2012	31/12/2011
Long-term debt				
Bank loans	3.470	1.518	0	0
Loans from related parties	0	0	0	0
Leasing liabilities	51	57	0	0
Bonds	304.471	333.013	281.737	330.986
Total	307.992	334.588	281.737	330.986
Short-term debt				
Overdraft	174.574	122.101	3.063	2.143
Bank loans	85.284	63.343	0	0
Total	259.858	185.444	3.063	2.143
Current portion of non-current liabilities	221.383	310.697	46.500	93.000
Total	789.233	830.729	331.300	426.129

Mytilineos Group is in advanced discussions with a syndication of Banks regarding:

- the refinancing of the parent Company's Bad redemptions amounting €46,5 mil. as well as the respective bullet payment of €279 mil.
- the refinancing of Korinthos Power loan amount €174,5 mil from Short term to Long term.
- the refinancing of Protergia Group loans amounting €75 mil from Short term to Long term.

The Management estimates that said refinancing will be affected and respective agreements will be signed by first quarter of 2013.

7.8 Discontinued operations

The Group 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. Following is presented the analysis of the relevant assets and liabilities as well as the profit and loss of the discontinued operations.

(Amounts in thousands €)	MYTILINEOS GROUP	
	1/1-30/09/2012	1/1-30/09/2011
Sales	4,495	7,686
Cost of sales	(6,231)	(7,342)
Gross profit	(1,737)	344
Other operating income	775	172
Distribution expenses	(705)	(1,320)
Administrative expenses	(1,135)	(1,320)
Other operating expenses	(990)	117
Earnings before interest and income tax	(3,792)	(2,005)
Financial income	1	8
Financial expenses	(10)	(5)
Profit before income tax	(3,801)	(2,002)
Income tax expense	-	26
Profit for the period	(3,801)	(1,976)
Result from discontinuing operations	-	-
Profit for the period	(3,801)	(1,976)
Attributable to:	-	-
Equity holders of the parent	(3,801)	(1,976)
Basic earnings per share	(0.0356)	(0.0185)

7.9 Encumbrances

There are no encumbrances over the Company's and the Group's assets.

7.10 Commitments

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

(Amounts in thousands €)	MYTILINEOS GROUP	
	30/09/2012	31/12/2011
Commitments from construction contracts		
Value of pending construction contracts	1,430,881	1,728,260
Granted guarantees of good performance	289,576	439,051
Total	1,720,457	2,167,312

7.11 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	2009-2011
ELEMKA S.A., N.Heraklio, Athens	2007-2010
DROSCO HOLDINGS LIMITED, Cyprus	2003-2011
BRIDGE ACCESSORIES & CONSTRUCTION SYSTEMS S.A., Maroussi, Athens	2010-2011
METKA BRAZI SRL, Bucharest ROMANIA	2010-2011
POWER PROJECT - Turkey	2010-2011
DELFI DISTOMON A.M.E.	2006-2010
ALOUMINION S.A.	2008 - 2010
RENEWABLE SOURCES OF KARYSTIA SA	2005-2010
SOMETRA S.A., Sibiu Romania	2003-2011
MYTILINEOS FINANCE S.A., Luxemburg	2007-2011
STANMED TRADING LTD, Cyprus	2005-2011
MYTILINEOS ELGRADO D.O.O., Serbia	1999-2011
MYVEKT INTERNATIONAL SKOPJE	1999-2011
RDA TRADING, Guernsey Islands	2007-2011
DELTA PROJECT CONSTRUCT SRL, Boucouresti, Romania	2003-2011
DEFENSE MATERIAL INDUSTRY S.A.-MYTILINEOS AND Co, Maroussi, Athens	2003-2011
INDUSTRIAL RESEARCH PROGRAMS "BEAT", Halandri, Athens	2003-2011
GENIKI VIOMICHANIKI, Maroussi, Athens	2009-2010
THORIKI S.A.I.C., Maroussi, Athens	2005-2011
THERMOREMA S.A., Moshato, Athens	2007-2011
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	2006-2011
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	2007-2011
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
ANEMORAHY 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.	2006-2010
KISSAVOS DROSERI RAHI S.A.	2007-2010
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.	2010
M&M SA	2010
METKA OVERSEAS	2011
	2010
	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 30.09.2012 amount to € 4,21 mil., 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.

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.

7.12 Other Contingent Assets & Liabilities

Regarding the case of the subsidiary company "ALUMINIUM S.A" with Public Power Company (PPC), for the period presented and following the note 6.34 of the 2011 Annual Financial Statements, the Management notes:

On 15/3/2012 "ALUMINIUM S.A" filed a complaint (dated 12/3/2012) before the Regulatory Authority for Energy (RAE), accompanied by an application for interim measures, requesting in particular the temporary formulation of the pricing formula for ALUMINIUM's power supply from PPC. On 16/5/2012 RAE notified "ALUMINIUM S.A" of its decision (no 346/2012) on ALUMINIUM's complaint setting the temporary price –in accordance with the basic principles on power supply tariffs– at 42€/MWh plus charges for Public Service Obligations (PSO), Renewables' levy, Transmission Network use and other taxes. The aforesaid temporary price shall apply for the total of ALUMINIUM's operating hours, taking into account the single-zone charge dictated by ALUMINIUM's consumption profile (flat load curve) throughout the day.

The management based on the above mentioned RAE decision recalculated and made the necessary adjustments on the electricity cost projections until the final outcome of the arbitration procedure.

Therefore, the amount of the ALUMINIUM's obligation to PPC on 30/9/2012, beyond the amount of € 33,6 million which is part of the adjusted outstanding balance of € 82,6 million, as was determined until 30/6/2010, concerns the balance of September and August under the application of temporary value adopted by the RAE.

PPC appealed before the Administrative Court of Appeals against the decision of RAE no 346/212 concerning the temporary price of Alouminion at 42 euros/MWh aiming at the same time to secure as an injunctive measure the suspension of enforcement of said decision. The Administrative Court of Appeals issued its 358/2012 decision by virtue of which PPC's motion for injunction has been rejected, while the hearing for the appeal has not yet been scheduled.

In parallel, PPC by its Extra Judicial Statement, threatened the immediate termination of its contractual relationship with Aluminium and to seize to operate as Aluminium's supplier, in case the latter did not proceed with the immediate payment of the difference between the charges of PPC in accordance with the "Framework Agreement" and the actual payments made by Aluminium for the time-period before the establishment of the temporary tariff, despite the fact that final determination of the tariff for said time-period is referred by both parties to the pending Arbitration. Aluminium filed a new motion before RAE requesting RAE to issue an injunctive measure forbidding PPC to proceed with the threatened termination. On said motion, RAE issued its 831A/2012 decision, awarding to Aluminium the requested injunction and forbidding PPC to terminate its contractual relationship with Aluminium and to seize to operate as Aluminium's supplier.

On October 25, 2012 the arbitral tribunal initiated the arbitration proceedings and set the time-schedule the procedure, which foresees the issue of a final arbitral award by early May 2013.

The arbitral court is expected to define the amount of the liability or claim which will arise, in connection with the ALUMINIUM's payments to PPC for the period from July 2010 until September 2012.

According to European Commission's decision for the recovery amount of € 17.4 mil from the subsidiary "ALUMINIUM S.A.", considered as state aid, the Management's position remains unaltered. (Note 6.34 of the 2011 Annual Financial Statements).

7.13 Provisions

The Group's and the Company's recorded provisions as at 30.09.2012 are analyzed below:

(Amounts in thousands €)	MYTILINEOS GROUP				
	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	-	-	1,264	219	1,483
Unrealised reversed provisions	-	-	-	-	-
Exchange rate differences	-	-	0	(155)	(155)
Realised provisions for the period	-	(177)	(129)	(5,037)	(5,344)
30/09/2012	-	2,476	4,214	1,709	8,399
Long Term	-	2,476	3,304	1,702	7,482
Short Term	-	-	910	7	917

(Amounts in thousands €)	MYTILINEOS S.A.				
	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	-	-	-	-	-
30/09/2012	-	-	1,102	266	1,368
Long Term	-	-	1,102	266	1,368
Short Term	-	-	-	-	-

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.

7.14 Trade Receivables

(Amounts in thousands €)	MYTILINEOS GROUP		MYTILINEOS S.A.	
	30/09/2012	31/12/2011	30/09/2012	31/12/2011
Customers	635,269	425,449	6,970	683
Notes receivable	4	4	-	-
Checks receivable	7,689	9,302	35	35
Less: Impairment Provisions	(4,368)	(4,286)	-	-
Net trade Receivables	638,594	430,469	7,005	718
Advances for inventory purchases	286	167	-	-
Advances to trade creditors	56,181	64,132	-	-
Total	695,062	494,767	7,005	718

7.15 Other Long Term Receivables

(Amounts in thousands €)	MYTILINEOS GROUP		MYTILINEOS S.A.	
	30/09/2012	31/12/2011	30/09/2012	31/12/2011
Customers - Withholding quarantees falling due after one year	4,494	4,362	-	-
Given Guarantees	1,053	1,049	167	232
Other long term receivables	4,497	4,401	-	-
Long - term receivables from related parties	-	-	51,060	83,615
Other Long-term Receivables	10,043	9,812	51,227	83,847

The Long-term receivables from related parties as of 30.09.2012 relate to intercompany loans.

7.16 Trade Creditors

	MYTILINEOS GROUP		MYTILINEOS S.A.	
	30/09/2012	31/12/2011	30/09/2012	31/12/2011
(Amounts in thousands €)				
Suppliers	473,016	335,983	12,484	7,130
Notes Payable	-	-	-	-
Cheques Payable	605	638	-	-
Customers' Advances	84,196	73,241	-	1,119
Liabilities to customers for project implementation	107,249	177,585	-	-
Total	665,066	587,447	12,484	8,249

7.17 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 30.06.2011, the Company has overall acquired 4.735.603 treasury shares, which corresponds to 4,05% of its share capital.

7.18 Earnings per Share

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

(Amounts in thousands €)	MYTILINEOS GROUP				MYTILINEOS S.A.			
	1/1-30/09/2012	1/1-30/09/2011	1/7-30/09/2012	1/7-30/09/2011	1/1-30/09/2012	1/1-30/09/2011	1/7-30/09/2012	1/7-30/09/2011
Equity holders of the parent	11,601	46,093	3,064	15,556	12,629	(1,370)	476	(7,780)
Weighted average number of shares	106,681	106,681	106,681	106,681	106,681	106,681	106,681	106,681
Basic earnings per share	0.1087	0.4321	0.0287	0.1458	0.1184	(0.0128)	0.0045	(0.0729)
Diluted effects of share options	-	-	-	-	-	-	-	-
Diluted earnings per share	0.1087	0.4321	0.0287	0.1458	0.1184	(0.0128)	0.0045	(0.0729)
Continuing Operations (Total)								
Equity holders of the parent	15,402	48,069	5,592	15,758	12,629	(1,370)	476	(7,780)
Weighted average number of shares	106,681	106,681	106,681	106,681	106,681	106,681	106,681	106,681
Basic earnings per share	0.1444	0.4506	0.0524	0.1477	0.1184	(0.0128)	0.0045	(0.0729)
Diluted effects of share options	-	-	-	-	-	-	-	-
Diluted earnings per share	0.1444	0.4506	0.0524	0.1477	0.1184	(0.0128)	0.0045	(0.0729)
Discontinuing Operations (Total)								
Equity holders of the parent	(3,801)	(1,976)	(2,528)	(202)	-	-	-	-
Weighted average number of shares	106,681	106,681	106,681	106,681	-	-	-	-
Basic earnings per share	(0.0356)	(0.0185)	(0.0237)	(0.0019)	-	-	-	-
Diluted effects of share options	-	-	-	-	-	-	-	-
Diluted earnings per share	(0.0356)	(0.0185)	(0.0237)	(0.0019)	-	-	-	-

As at 30.09.2011 the Group and the Company have no diluted earnings per share.

7.19 Number of employees

The number of employees for the reporting period and the respective previous period for the Group and the Company, is:

	MYTILINEOS GROUP		MYTILINEOS S.A.	
	30/09/2012	30/09/2011	30/09/2012	30/09/2011
Full time employees	1,602	1,671	60	86
Part time employees	194	333	-	-
Total	1,796	2,004	60	86

7.20 Management remuneration and fringes

	MYTILINEOS GROUP		MYTILINEOS S.A.	
	30/09/2012	30/09/2011	30/09/2012	30/09/2011
(Amounts in thousands €)				
Short term employee benefits				
- Wages and Salaries and BOD Fees	10,721	10,163	2,442	2,563
- Insurance service cost	262	229	113	115
- Bonus	-	-	-	-
- Other remunerations	-	60	-	-
	10,982	10,452	2,555	2,678
Pension Benefits:				
- Defined benefits scheme	16	42	-	-
- Defined contribution scheme	116	100	76	49
- Other Benefits scheme	-	-	-	-
Payments through Equity	-	-	-	-
Total	11,114	10,594	2,631	2,726

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

7.21 Cash Flows from Operating Activities

	MYTILINEOS GROUP		MYTILINEOS S.A.	
	1/1-30/09/2012	1/1-30/09/2011	1/1-30/09/2012	1/1-30/09/2011
(Amounts in thousands €)				
<u>Cash flows from operating activities</u>				
Profit for the period	37,363	77,555	12,629	(1,370)
Adjustments for:				
Tax	14,556	21,866	3,234	167
Depreciation of property, plant and equipment	30,072	18,529	217	220
Depreciation of intangible assets	5,370	4,945	115	127
Provisions	181	144	-	-
Income from reversal of prior year's provisions	(58)	(2,981)	-	-
Profit / Loss from sale of tangible assets	0	117	0	(5)
Profit/Loss from fair value valuation of investment property	0	-	(995)	(3,989)
Profit / Loss from fair value valuation of derivatives	800	(223)	-	-
Profit/Loss from fair value valuation of financ. assets at fair value through PnL	(1,401)	830	(212)	775
Profit / Loss from sale of held-for-sale financial assets	-	(593)	-	-
Interest income	(2,480)	(4,218)	(1,988)	(3,345)
Interest expenses	27,283	26,003	10,598	16,463
Dividends	(83)	(68)	(21,894)	(14,012)
Grants amortization	(515)	(336)	-	-
Profit from company acquisition	(436)	(202)	-	-
Parent company's portion to the profit of associates	(547)	(3,001)	-	-
Loans Exchange differences	1,300	(452)	16	(422)
Other differences	(542)	(3,600)	-	-
	73,499	56,761	(10,909)	(4,020)
<u>Changes in Working Capital</u>				
(Increase)/Decrease in stocks	5,190	(17,581)	-	-
(Increase)/Decrease in trade receivables	(79,602)	(83,861)	(4,235)	6,536
(Increase)/Decrease in other receivables	(2,494)	270	-	-
Increase / (Decrease) in liabilities	(10,239)	66,177	12,823	(3,787)
Provisions	(177)	-	-	-
Pension plans	(4,218)	(5,730)	76	49
Other	65	-	-	-
	(91,475)	(40,724)	8,663	2,798
Cash flows from operating activities	19,387	93,591	10,382	(2,592)

7.22 Other Long term Liabilities

(Amounts in thousands €)

	MYTILINEOS GROUP		MYTILINEOS S.A.	
	30/09/2012	31/12/2011	30/09/2012	31/12/2011
Received guarantees - Grants-Leasing				
Total Opening	34,679	33,887	-	-
Received guarantees - Grants-Leasing from Subsidiaries' aquisiti	-	-	-	-
Additions	(239)	4,673	-	-
Transfer at profits/loss	(32)	-	-	-
Transfer from / (to) Short term	120	(3,363)	-	-
Depreciation for the period	(321)	(518)	-	-
Discont. operations / Sales of subsidiary	-	-	-	-
Exchange rate differences	-	-	-	-
Closing Balance	34,206	34,679	-	-
Advances of customers				
Total Opening	2,227	69,083	-	-
Received guarantees - Grants-Leasing from Subsidiaries' aquisiti	-	-	-	-
Additions	38,898	239,941	-	-
Transfer at profits/loss	-	-	-	-
Transfer from / (to) Short term	(13,184)	148,539	-	-
Depreciation for the period	(27,796)	(455,336)	-	-
Discont. operations / Sales of subsidiary	-	-	-	-
Exchange rate differences	-	-	-	-
Closing Balance	146	2,227	-	-
Other				
Total Opening	130,388	76,456	36,688	75,962
Received guarantees - Grants-Leasing from Subsidiaries' aquisiti	-	-	-	-
Additions	16,180	76,876	3,312	-
Transfer at profits/loss	-	-	-	-
Transfer from / (to) Short term	(44,845)	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	61,721	130,388	-	36,688
Suppliers holdings for good performance				
Total Opening	503	9,689	-	-
Received guarantees - Grants-Leasing from Subsidiaries' aquisiti	-	-	-	-
Additions	2,378	(3,277)	-	-
Transfer at profits/loss	-	-	-	-
Transfer from / (to) Short term	14,924	14,282	-	-
Depreciation for the period	(3,531)	(20,191)	-	-
Discont. operations / Sales of subsidiary	-	-	-	-
Exchange rate differences	(24)	-	-	-
Closing Balance	14,250	503	-	-
Total	110,323	167,797	-	36,688

7.23 Related Party Transactions according to IAS 24

(Amounts in thousands €)

Stock Sales

	MYTILINEOS GROUP		MYTILINEOS S.A.	
	30/09/2012	30/09/2011	30/09/2012	30/09/2011
Subsidiaries	-	-	12,084	2,678
Total	-	-	12,084	2,678

Stock Purchases

Subsidiaries	-	-	12,062	2,604
Total	-	-	12,062	2,604

Services Sales

Subsidiaries	-	-	11,134	8,222
Total	-	-	11,134	8,222

Services Purchases

Subsidiaries	-	-	2,996	465
Management remuneration and fringes	11,114	10,594	2,631	2,726
Total	11,114	10,594	5,627	3,191

Loans given to Related Parties

	MYTILINEOS GROUP		MYTILINEOS S.A.	
	30/09/2012	31/12/2011	30/09/2012	31/12/2011
Subsidiaries	-	-	51,060	83,615
Total	-	-	51,060	83,615

Loans received from Related Parties

Subsidiaries	-	-	87,462	62,123
Total	-	-	87,462	62,123

Balance from sales of stock/services receivable

Subsidiaries	-	-	6,938	26,722
Associates	15	26	15	26
Management remuneration and fringes	33	74	33	57
Total	47	99	6,986	26,804

Guarantees granted to related parties

Subsidiaries	-	-	127,839	100,500
Total	-	-	127,839	100,500

Balance from sales/purchases of stock/services payable

Subsidiaries	-	-	23,866	8,635
Management remuneration and fringes	75	137	37	55
Total	75	137	23,903	8,690

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

7.24 Capital Expenditure

The Group realized capital expenditures for the six month period ended September 30, 2012 of €59.795 thousands which relate to investments of the energy division (€86.515 thousands for the nine month period ended September 30, 2011).

7.25 Segment reporting

Primary reporting format – business segments

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.

The Group has applied IFRS 5 "Non Current Assets Available for Sale & Discontinued Operations" and present separately the assets, liabilities and results which are going to be transferred to the new company for the reporting period and for the respective period of the previous year and presents the subsidiary company SOMETRA S.A. due to the temporary suspension of the production activity of the Zinc-Lead production plant in Copsa Mica, Romania. The above mentioned assets, liabilities and results are those which are presented in the following tables under the Energy segment and transferred to column "Discontinued Operations".

Segment's results for the period ended September 30, 2012 and 2011 of the Group and the entity are as follows:

(Amounts in thousands €)	Metallurgy	Constructions	Energy	Others	Discontinuing Operations	Total
Total Gross Sales	470,340	409,176	340,900	12,084	(4,495)	1,228,005
Intercompany sales	(93,736)	(5,930)	(1,090)	(12,084)	-	(112,840)
Inter-segment sales	(573)	(19,734)	-	-	-	(20,306)
Net Sales	376,031	383,512	339,809	-	(4,495)	1,094,858
Earnings before interest and income tax	(5,603)	65,999	25,034	(7,910)	3,792	81,312
Financial results	(7,720)	(5,617)	(9,668)	(7,379)	8	(30,375)
Share of profit of associates	-	547	436	-	-	982
Profit from company acquisition	-	-	-	-	-	-
Profit before income tax	(13,323)	60,929	15,802	(15,290)	3,801	51,919
Income tax expense	(846)	(10,989)	518	(3,239)	-	(14,556)
Profit for the period	(14,169)	49,940	16,320	(18,529)	3,801	37,363
Result from discontinuing operations	-	-	-	-	3,801	3,801
Assets depreciation	12,934	3,566	19,475	333	(1,522)	34,785
Other operating included in EBITDA	-	3,632	-	-	-	3,632
Oper.Earnings before income tax,financial results,depreciation and amortization	7,331	73,196	44,509	(7,578)	2,271	119,729

(Amounts in thousands €)	Metallurgy	Constructions	Energy	Others	Discontinuing Operations	Total
Total Gross Sales	439,732	719,592	120,202	2,678	(7,686)	1,274,517
Intercompany sales	(45,172)	(12,005)	(8,947)	(2,678)	-	(68,802)
Inter-segment sales	-	(54,055)	(13,100)	-	-	(67,155)
Net Sales	394,560	653,532	98,154	-	(7,686)	1,138,560
Earnings before interest and income tax	22,244	96,041	16,765	(10,596)	2,005	126,458
Financial results	(2,792)	(7,561)	(3,186)	(16,701)	(3)	(30,242)
Share of profit of associates	-	3,001	202	-	-	3,203
Profit from company acquisition	-	-	-	-	-	-
Profit before income tax	19,452	91,482	13,781	(27,297)	2,002	99,419
Income tax expense	(1,126)	(20,163)	(382)	(167)	(26)	(21,864)
Profit for the period	18,326	71,319	13,398	(27,464)	1,976	77,555
Result from discontinuing operations	-	-	-	-	1,976	1,976
Assets depreciation	14,063	4,200	6,552	347	(1,824)	23,339
Other operating included in EBITDA	-	14,836	-	-	-	14,836
Oper.Earnings before income tax,financial results,depreciation and amortization	36,307	115,077	23,317	(10,249)	181	164,633

Segment's assets and liabilities are as follows:

(Amounts in thousands €)	Continuing Operations				Total
	Metallurgy	Constructions	Energy	Others	
30/09/2012					
Assets	700.598	760.326	1.282.900	12.873	2.756.698
Consolidated assets	700.598	760.326	1.282.900	12.873	2.756.698
Liabilities	483.461	388.503	522.389	427.383	1.821.737
Consolidated liabilities	483.461	388.503	522.389	427.383	1.821.737

(Amounts in thousands €)	Continuing Operations				Total
	Metallurgy	Constructions	Energy	Others	
31/12/2011					
Assets	803.840	831.868	1.037.142	56.859	2.729.709
Consolidated assets	803.840	831.868	1.037.142	56.859	2.729.709
Liabilities	497.039	439.468	325.542	566.855	1.828.904
Consolidated liabilities	497.039	439.468	325.542	566.855	1.828.904

7.26 Post – Balance Sheet events

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

