

MYTILINEOS HOLDINGS S.A.

CONSOLIDATED BALANCE SHEET AS AT 31st DECEMBER 2004 - 13th YEAR OF OPERATION (1 JANUARY - 31 DECEMBER 2004) Reg. Number 23103/06/B/90/26 (Amounts in EURO)

ASSETS	AS AT 31/12/2004			AS AT 31/12/2003			LIABILITIES	AS AT 31/12/2004		AS AT 31/12/2003						
	Acquisition Cost	Accumulated Depreciation	Net Book Value	Acquisition Cost	Accumulated Depreciation	Net Book Value										
B. FORMATION EXPENSES							A. CAPITAL AND RESERVES									
1. Preliminary Expenses	402.959,91	238.713,61	164.246,30	15.405.940,10	11.822.847,09	3.583.093,01	I. Share Capital									
4. Other formation expenses	18.646.730,74	12.843.566,87	5.803.163,87				1. Paid - Up capital	24.429.604,00		24.312.204,00						
TOTAL FORMATION EXPENSES (B)	19.049.690,65	13.082.280,48	5.967.410,17	15.405.940,10	11.822.847,09	3.583.093,01	II. Share premium account	146.689.880,68		146.689.880,68						
C. FIXED ASSETS							III. Revaluation reserves									
I. Intangible Fixed Assets							2. Reserves from value adjustments of other assets	4.532.939,59		1.658.715,53						
3. GOODWILL	173.403.371,77	31.291.060,72	142.112.311,05	163.110.337,88	22.620.903,03	140.489.434,85	IV. Reserves									
II. Tangible Assets							1. Legal reserve	6.013.209,69		5.081.996,23						
1. Land	13.060.493,92	0,00	13.060.493,92	16.298.822,18	0,00	16.298.822,18	3. Special reserves	9.107.062,78		9.011.851,77						
2. Field	198.054,27	0,00	198.054,27	136.589,15	0,00	136.589,15	5. Tax free reserves under special laws	25.779.085,42		24.100.284,08						
3. Buildings and Technical Works	51.646.237,21	35.562.070,29	16.084.166,92	52.382.461,93	36.390.367,37	15.992.094,56	V. Results carried forward									
4. Machinery & Technical Equipment	70.477.230,04	49.411.623,99	21.065.606,05	65.033.301,57	48.706.871,63	16.326.429,94	1. Profit carried forward	23.118.562,59		16.541.502,15						
5. Transportation equipment	5.850.347,57	5.017.903,75	832.443,82	6.383.483,98	5.402.027,74	981.456,24	Minus: Consolidation Adjustments	-31.291.060,71		-22.620.903,03						
6. Furniture & fixtures	6.147.262,72	4.864.276,49	1.282.986,23	5.498.986,29	4.392.636,91	1.106.349,38	VIII. Minority interests	51.410.696,67		52.028.900,28						
7. Payments on account and tangible assets in course of construction	1.535.808,12	0,00	1.535.808,12	5.129.537,68	0,00	5.129.537,68	IX. Consolidation F/X differences	-8.881.221,09		-7.277.083,96						
TOTAL TANGIBLE ASSETS (CII)	148.915.433,85	94.855.874,52	54.059.559,33	150.863.182,78	94.891.903,65	55.971.279,13	TOTAL CAPITAL AND RESERVES (AI + AII + AIII + AIV + AV + AVIII + AVIV)	250.908.759,62		249.527.337,73						
III. FINANCIAL ASSETS							B. PROVISIONS FOR LIABILITIES AND CHARGES									
1. Participating interests in affiliated undertakings			20.795.423,09			25.738.842,76	1. Provisions for retirement benefits	708.206,33		616.643,08						
2. Other participating interests			245.594,99			162.846,48	2. Other provisions	22.110.214,57		19.078.611,04						
7. Other financial assets			321.589,35			241.463,21	TOTAL CREDITORS (CI + CII)	250.762.215,55		222.801.600,16						
TOTAL (CIII)			21.362.607,43			26.143.152,45	D. ACCRUALS AND DEFERRED ACCOUNTS									
TOTAL FIXED ASSETS (CI + CII + CIII)			217.534.477,81			222.603.866,43	1. Deferred income	0,00		220.575,46						
D. CURRENT ASSETS							2. Accrued expenses	2.457.892,29		891.274,00						
I. Stocks							3. Other accrual and deferred income	8.105,74		0,00						
1. Merchandise			2.468.774,27			2.388.270,99	TOTAL CURRENT ASSETS (DI + DII + DIII + DIV)	2.465.998,03		1.111.849,46						
2. Products complete - incomplete-By-products			2.962.566,56			2.837.829,54	E. PREPAYMENTS AND ACCRUED INCOME									
3. Production in progress			20.069.116,05			19.722.230,34	1. Deferred charges	847.424,28		792.579,20						
4. Raw materials - Consumables			38.833.772,40			35.045.552,19	2. Earned income	449.884,19								
5. Payment on account for imports			18.362.689,89			8.425.128,31	3. Other prepayments and accrued income	7.505.287,10		8.802.595,57						
TOTAL (DI)			82.696.919,17			68.419.011,37	GRANT TOTAL - ASSETS (B + C + D + E)	526.955.394,10		493.136.041,47						
II. Debtors							MEMO ACCOUNTS									
1. Trade debtors			129.815.768,01			72.965.835,51	1. Third party asset items	4.779.697,07		4.512.639,84						
2. Notes receivable in - Portfolio			0,00			75.130,54	2. Guarantees and real securities	184.721.601,63		187.414.585,13						
3. Notes overdue			3.815,11			3.815,11	3. Bilateral agreements	0,00		30.767.673,88						
3a. Cheques receivable			9.700.544,49			11.579.541,05	4. Other memo accounts	146.005.732,74		146.005.732,74						
3b. Cheques overdue			30.375,90			0,00	TOTAL	335.507.031,44		262.016.511,71						
5. Short-Term debt of affiliates			28.413,09			0,00	Additional Information									
6. Short-term debt of other undertakings			0,00			17.573.280,93	1. The real sureties towards the banks for the fixed assets are 2.347,76 euros, while the corresponding loans have been paid in full. 2. In year 2004, according to the provision of the Law 2065/92 and the Treasury decision 1091653/11305/b0012/IOA1121/17.11.2004, there has been a revaluation of land, buildings and cumulative depreciation of the company building. The cost value of land has been increased by 2.788.008,98 euros, of buildings by 164.905,82 euros, of the cumulative depreciation by 63.926,78 euros, which resulted in a surplus value of 2.838.351,55 euros, that was registered in the accounts of Equity: A.III.2 «Reserves from other assets revaluation» and A.VI. «Minority interests» 904.502,86 euros. 3. The are no substantial disputes in courts or in arbitration procedure that can influence the operation and the financial results of the Company. 4. The investments of fixed assets for the year 2004 were 10.471 euros. 5. The number of people employed (in average) is 1.900 people. 6. The revenue analysis (STACOD2003) of the period is the following: (code 281.1) Manufacture of metal structures and parts of structures 127.880 thousand euros, (code 282.1) Manufacture of tanks, reservoirs and containers of metal 1.595 thousand euros, (code 285.2) General mechanical engineering 24.851 thousand euros, (code 296.0) Manufacture of weapons and ammunition 455 thousand euros, (code 351.1) Building and repairing of ships 8.050 thousand euros, (code 352.0) Manufacture of railway and tramway locomotives and rolling stock 5.767 thousand euros, (code 452.1) General construction of buildings and civil engineering works 16.804 thousand euros, (code 453.1) Installation of electrical wiring and fittings 1.480 thousand euros, (code 515.2) Wholesale of metal and metal ores 119.407 thousand euros, (code 511.2) Agents involved in the sale of fuels, ores, metals and industrial chemicals 366 thousand euros and (code 741.5) Management activities of holding companies 6.588 thousand euros. 7. In the consolidated Balance Sheet are included: the subsidiaries «METKA S.A.», «SIDROMETALLIKA S.A.», «ELEMKA S.A.», «Defense Industry Trust», «MYTILINEOS - HELLENIC WIND POWER S.A.», «MYTILINEOS - POWER GENERATION AND SUPPLIES S.A.», «GENINI BIOMKANKI AMYNTIKOU YLIKOU», «MYTILINEOS FINANCE S.A.» which reside in Luxemburg and «SOMETRA S.A.» which reside in Romania. 8. The Group, according to the provisions of the article 103 para.3a of the Law 2190/1920 changed the accounting policy for goodwill of the Group financial statements, registering goodwill in the account of the Assets C.IA. «Other intangible assets», in order to comply with the IFRS. The previous year's accounts were modified accordingly. The annual depreciation of goodwill amounting to 8.670.157,69 euros is included in «Administrative expenses» of the Profit and Loss account. 9. The accounts of the previous period have been adjusted in order to be comparable to the respective accounts in the period ended, and with method of «net equity» the companies ELBO. & HELLENIC COPPER MINES which reside in Cyprus.									

PROFIT AND LOSS ACCOUNT AS AT 31st December 2004 (1 JANUARY - 31 DECEMBER 2004)

	FOR THE YEAR ENDED AT 31/12/2004		FOR THE YEAR ENDED AT 31/12/2003	
I. Operating Results				
Net turnover (sales)	313.243.344,05		277.983.676,88	
Less: Cost of sales	253.383.237,98		224.854.888,91	
Gross operating results (Profit)	59.860.106,07		53.128.787,97	
Plus: Other operating income	350.445,16		411.873,49	
Total	60.210.551,23		53.540.661,46	
Less: 1. Administrative expenses	21.479.820,79		19.744.150,62	
3. Distribution costs	12.596.881,83		10.591.402,66	
Sub - Total	26.133.848,61		23.205.108,18	
Plus (or less)				
1. Income from Participations	5.958.764,89		7.473.653,43	
2. Income from Securities	170.722,98		311.721,60	
3. Gains from sale of participating interests and other investments	1.762.411,98		1.852.548,25	
4. Credit Interest and similar income	1.868.720,52		449.708,23	
	9.760.620,37		10.087.631,51	
Less:				
1. Provisions devaluation of participating interests and other investments	557.453,70		78.769,00	
2. Expenses and losses of participation and securities	27.048,92		120.850,44	
3. Debit Interest and similar charges	9.376.174,52		6.631.304,96	
Total Operating Results (Profit)	25.933.791,84		26.461.815,29	
II. PLUS: EXTRAORDINARY results				
1. Extraordinary and non-operating income	6.704.076,74		9.316.878,54	
2. Extraordinary profits	98.682,66		74.803,93	
3. Prior year's income	31.901,55		72.760,87	
4. Income from previous years' provisions	280.492,88		0,00	
	7.115.153,83		9.464.443,34	
Less:				
1. Extraordinary and non-operating expenses	4.096.656,87		13.776.927,32	
2. Extraordinary losses	44.644,46		710.203,77	
3. Prior year's expenses	2.417.560,82		1.755.152,62	
4. Provisions for extra-ordinary liabilities	93.987,46		28.709,51	
Operating and Extraordinary results (profit)	26.396.096,06		19.655.265,41	
Less:				
Total value adjustments of fixed assets	13.155.117,01		13.728.834,24	
Less: Charged to the operating cost	13.155.117,01		13.728.834,24	
NET RESULTS (PROFIT) FOR THE YEAR BEFORE TAXES	26.396.096,06		19.655.265,41	
Less: Minority interests for the year	5.352.177,84		4.531.792,81	
NET RESULTS (PROFIT) FOR THE YEAR BEFORE TAXES	21.043.918,22		15.123.472,60	

APPROPRIATION ACCOUNT

	FOR THE YEAR ENDED		FOR THE YEAR ENDED	
	AT 31/12/2004		AT 31/12/2003	
Net Results (Profit) for the year	26.396.096,06		19.655.265,41	
(+): Profit brought forward	-6.079.400,88		-4.861.276,21	
(-): Gains from sale of participating interests	283.034,40		881.016,26	
(+): Loss of participation and securities	0,00		25.635,29	
(+): Taxed reserves for appropriation	40.416,29		0,00	
(-): Previous years Tax differences	141.689,88		177.978,00	
Total	19.932.387,19		13.760.630,23	
Less: 1. Income Tax	11.146.524,61		8.804.059,57	
Tax on reserves appropriated	14.145,70		0,00	
Other taxes	84.488,18		117.574,08	
Minority interest	5.352.177,84		4.531.792,81	
Profits for appropriation	3.335.050,86		307.203,76	
APPROPRIATED AS UNDER:				
1. Legal reserve	933.162,07		787.518,26	
2. First dividend	3.028.644,73		2.649.844,36	
3. Added dividend	5.075.423,27		1.402.189,64	
5. Extraordinary reserve	95.300,97		545.100,84	
5b. Tax-free reserve L.2579/98	0,00		906.643,89	
6. Reserve L.2601/98	2.270.511,45		0,00	
-Reserve L.148/67	60.906,65		0,00	
6a. Reserves out of tax exempt income	35.409,74		34.895,41	
6c. Tax-free reserves of construction company profits	8.190,10		60.412,24	
8. Profits carried forward	-8.172.498,12		-6.079.400,88	
	3.335.050,86		307.203,76	

MAROUSSI, 24 FEBRUARY 2005

THE CHAIRMAN OF THE BOARD OF DIRECTORS

MYTILINEOS EVANGELOS

ID No I 082392

THE VICE-PRESIDENT OF THE BOARD OF DIRECTORS

MYTILINEOS IOANNIS

ID No Σ 683930

THE CHIEF FINANCIAL OFFICER

MITSOVOLEAS APOSTOLOS

ID No K 346673

THE CHIEF ACCOUNTANT

TZANOGLY NIKOLAOS

ID No M 195608

AUDITOR'S REPORT

To the Shareholders of the Societe Anonyme «MYTILINEOS GROUP S.A.»

In compliance with article 108, law 2190/1920 we have audited the Consolidated Balance Sheet and the Consolidated Profit and Loss Account, consolidated cash flows statement as well as the related notes on the consolidated accounts of the Societe Anonyme «MYTILINEOS S.A. GROUP» and its subsidiary companies for the fiscal year ended at December 31st, 2004. Our audit was conducted in accordance with the auditing procedures we considered necessary on the basis of auditing principles and regulations implemented by the Greek Institute of Chartered Accountants which are in compliance with the basic principles of the International Auditing Standards. We have audited the books of accounts and the records of the company and have obtained all the information and explanation we needed. We have verified that the Board of Directors' consolidated report is consistent with the consolidated financial statements. Our audit was not expanded to the financial statements of «EL.B.O S.A.», «HELLENIC COPPER MINES S.A.» located in Cyprus and «BEAT S.A.» which are included in the consolidation, based on the equity method. For the application of the equity method we used summarized financial statements approved by the management of the company. Our audit ascertained the following: 1) An amount of € 1.198k which is included in the profit and loss account under the heading «Prior Years' Expenses» referring to losses from the devaluation of stock listed in the Stock Exchange, which were transferred to the item of Assets- «Expenses Amortized in more than one year», according to article 37 of Law 2874/2000, in order for them to be depreciated in five years. According to law 2190/1920 the above mentioned losses should have been charged to prior years' results. Due to this treatment current year's results are equally decreased. 2) The accounts of Assets «customers» «post dated cheques» and «other debtors» include overdue and doubtful debts of subsidiary companies, which have not been covered by a relevant provision, amounting to € 14.196k. In our opinion the company should have made a provision of an amount of € 1.540k charging the consolidated results for the year ended and the amount of € 12.656k should be charged to prior years' results. 3) The Parent Company following relevant tax legislation POL 1052/2004 transferred to the Assets account «formation expenses» in order to be depreciated within three years, doubtful and overdue debts from customers located to former Yugoslavia. An amount of € 2.498k was charged to current year's results and an amount of € 4.997k will be charged to future results. According to law