# MYTILINEOS HOLDINGS S.A.

***Company's number 23103/06/B/90/26 in the register of Societes Anonymes***
***5-7 Patroklou Str., 115 25 Maroussi***

***Figures and information for the period of 1st January 2005 until 30 June 2005*** *(In compliance with the stipulations of decision 17/336/21.04.2005 & P.D. 360/1985)*

*The figures illustraded bellow aim to give summary information about the financial position of MYTILINEOS S.A and its subsidiaries. We advise the reader before making any investment decision or other transaction concerning the company, to visit the company's web site (www.mytilineos.gr) in which the financial statements according to International Financial Reporting Standards together with the Audit Report of the External Auditors (when necessary) are presented.* ***The Chartered accountant:*** *Kazas Vassilis,* ***Audit firm:*** *Grant Thornton,* ***Review Report:*** *Unqualified Opinion.*

## BALANCE SHEET

*Amounts in 000' s EURO*

| | The Group | | The Company | |
|---|---|---|---|---|
| | 30/06/2005 | 31/12/2004 | 30/06/2005 | 31/12/2004 |
| **ASSETS** | | | | |
| Fixed Assets | 582.756 | 282.610 | 322.624 | 253.874 |
| Inventories | 127.783 | 51.633 | 600 | 1.153 |
| Trade and other receivables | 211.637 | 171.892 | 77.119 | 55.287 |
| Other | 215.104 | 57.894 | 25.268 | 31.874 |
| **TOTAL ASSETS** | **1.137.280** | **564.029** | **425.611** | **342.188** |
| **LIABILITIES** | | | | |
| Long Term Borrowings | 192.579 | 103.043 | 73.790 | 76.403 |
| Short Term Borrowings | 122.542 | 46.242 | 106.454 | 12.209 |
| Other short term Liabilities | 179.935 | 164.479 | 33.551 | 42.630 |
| **Total Liabilities (a)** | **495.055** | **313.764** | **213.795** | **131.241** |
| Share Capital Atributable To Share Holders | 338.638 | 185.930 | 211.816 | 222.860 |
| Minority Interests | 303.587 | 64.335 | 0 | 0 |
| **Total Shareholders Equity (b)** | **642.225** | **250.265** | **211.816** | **210.947** |
| **TOTAL LIABILITIES (a)+(b)** | **1.137.280** | **564.029** | **425.611** | **342.188** |

## INCOME STATEMENT

*Amounts in 000' s EURO*

| | The Group | | | | The Company | | | |
|---|---|---|---|---|---|---|---|---|
| | 1/1-30/6/2005 | 1/1-30/6/2004 | 1/4-30/6/2005 | 1/4-30/6/2004 | 1/1-30/6/2005 | 1/1-30/6/2004 | 1/4-30/6/2005 | 1/4-30/6/2004 |
| Sales Turnover | 368.763 | 147.022 | 180.622 | 70.008 | 68.418 | 72.595 | 29.833 | 36.278 |
| Gross profit | 85.924 | 31.645 | 45.323 | 18.157 | 6.023 | 14.282 | 1.413 | 10.046 |
| Profit before tax, borrowings and investments results | 72.200 | 17.967 | 37.505 | 11.463 | 1.300 | 9.905 | (1.541) | 7.364 |
| Profit before tax, borrowings, investments and depreciation results | 82.260 | 21.023 | 42.578 | 12.826 | 1.461 | 10.082 | (1.458) | 7.463 |
| Profit from company acquisition (negative goodwill) | | | | | | | | |
| **Profit before tax** | **215.479** | **14.306** | **53.283** | **8.622** | **19.793** | **11.278** | **18.408** | **9.988** |
| Less Taxes | (35.717) | (3.908) | (22.196) | (2.499) | (10.777) | (2.053) | (9.732) | (1.564) |
| **Profit after Tax** | **179.762** | **10.398** | **31.087** | **6.122** | **9.017** | **9.225** | **8.676** | **8.423** |
| **Distributed at:** | | | | | | | | |
| Shareholders of the Parent | 159.481 | 8.101 | 17.618 | 4.873 | 9.017 | 9.225 | 8.676 | 8.423 |
| Minority interests | 20.281 | 2.297 | 13.469 | 1.250 | | | | |
| **Profit after Tax per Share (in euro/share)** | 3,94 | 0,20 | 0,43 | 0,12 | 0,22 | 0,23 | 0,21 | 0,21 |

## GENERAL INFORMATION

1. Group Structure - Group Companies that are included in the consolidated financial statements with their respective locations and percentage of ownership are as follow:

| COMPANY | Percentage |
|---|---|
| MYTILINEOS S.A. Maroussi, Athens | Parent |
| METKA S.A., N. Heraklio, Athens | 62,74% (1) |
| SERVISTEEL, Volos | 62,73% (3) |
| E.K.M.E. S.A. Municipality of Ehedorou, Thessaloniki | 25,10% (3) |
| 3.K.Π. A.T.E.E., Abelokipoi, Athens | 25,10% (3) |
| RODAX A.T.E.E., N. Heraklio, Athens | 62,74% (3) |
| ALUMINIUM OF GREECE S.A. | 46,00% (3) |
| DELFI DISTOMON A.M.E. | 46,00% (3) |
| ELVO, Thessaloniki | 43,00% (2) |
| SOMETRA S.A., SIBIU Romania | 87,96% (1) |
| ELEMKA S.A., N. Heraklio Athens | 83,50% (1) |
| MYTILINEOS FINANCE S.A., Luxemburg | 99,97% (1) |
| STANMED TRADING LTD , Cyprus | 99,97% (3) |
| MYTILINEOS BELGRADE D.O.O., Serbia | 99,97% (3) |
| MYVEKT INTERNATIONAL SKOPJE | 99,97% (3) |
| RDA TRADING, Guernsey Islands | 99,97% (3) |
| DEFENSE MATERIAL INDUSTRY S.A. - MYTILINEOS AND Co, Maroussi, Athens | 100,00% (1) |
| MYTILINEOS POWER GENERATION & SUPPLIES S.A., Maroussi, Athens | 88,75% (1) |
| CRETE POWER GENERATION & SUPPLY S.A., Maroussi, Athens | 75,00% (3) |
| INDUSTRIAL RESEARCH PROGRAMS "BEAT", Halandri. Athens | 35,00% (2) |
| G. SIDIROMETALLICA S.A.., Maroussi, Athens | 50,00% (1) |
| HELLENIC COPPER MINES LTD, Cyprus | 39,16% (2) |
| MYTILINEOS HELLENIC WIND POWER S.A. , Maroussi, Athens | 71,06% (1) |
| AIOLIKI ANDROU TSIROVLIDI S.A., Maroussi, Athens | 70,49% (3) |
| AIOLIKI NEAPOLEOS S.A., Maroussi, Athens | 70,49% (3) |
| AIOLIKI EVOIAS PIRGOS S.A., Maroussi, Athens | 70,49% (3) |
| AIOLIKI EVOIAS POUNTA S.A., Maroussi, Athens | 70,49% (3) |
| AIOLIKI EVOIAS HELONA S.A., Maroussi, Athens | 70,49% (3) |
| AIOLIKI ANDROU RAHI XIROKABI S.A.., Maroussi, Athens | 70,49% (3) |
| AIOLIKI PLATANOU S.A., Maroussi, Athens | 70,49% (3) |
| AIOLIKI SAMOTHRAKIS S.A., Maroussi, Athens | 70,49% (3) |
| AIOLIKI EVOIAS DIAKOFTIS S.A., Maroussi, Athens | 70,49% (3) |
| AIOLIKI SIDIROKASTROU S.A, Maroussi, Athens | 70,49% (3) |
| GENIKI VIOMICHANIKI, Maroussi, Athens | - (4) |

**NOTES:**
*(1) Controling Shares - Full Consolidation Method*
*(2) Companies held directly - Equity Consolidation*
*(3) Companies held indirectly*
*(4) Horizontal Consolidation (common Management)*

2. MYTILINEOS S.A. acquired a 46% portion of ALUMINIUM OF GREECE (listed on the Athens Stock Exchange) for an amount of € 68,98m, which has been consolidated for first time.This acquisition has positively influenced the Group Turnover by € 180,3 million (or 48,9%), the Profit before Taxes, investments and depreciation (EBIT) by € 34,1 million (or 48,62%) and the Group's Net worth increased by € 33,9 million (or 56,8%).
3. Consolidated profits increased further by € 136,96 million (after earnings before tax, investments and depreciation) representing negative goodwill following the a/m acquisition (included in the account Profit Before Tax).
4. From the 1st of January 2005 ALUMINIUM OF GREECE has been made aware of its allocation of the Greek National Allocation Plan for CO2 emissions. This has yet to be approved by the EU Commission and the accounting treatment is under review and discussion by the IASB and EFRAG. Therefore, this element has not taken into account in the 1st semester financial statements.
5. The basic accounting principles applied in the consolidated balance sheet of 31/12/04 has not been altered. As of 01/01/05 the Group applies the IFRS STABLE PLATFORM 2005.
6. The company has been tax audited up to the fiscal year 2002. The non audited fiscal years for the Group, are presented into the co's annex of analytical notes.
7. There are no encumberances on the company's assets.
8. The account of assets "Other receivables" includes a litigation claim of the parent company from Export Credit Insurance Organization (ECIO), amounting to € 14.509.364. The above claim has been granted to the company (decision EA 6619/2004) by the Court of Appeal of Athens. According to the Court's decision ECIO is obliged to pay to MYTILINEOS A.E. compensation which amounts to € 16.069.095,48 plus interest, until full repayment and ensured by an equal amount letter of credit. There are no other litigations which have an important impact on the financial position of the Group.
9. The number of employees at the end of the reporting period are as follows:

| | The Group | | The Company | |
|---|---|---|---|---|
| | 30/06/2005 | 30/06/2004 | 30/06/2005 | 30/06/2004 |
| FULL TIME EMPLOYEES | 3.314 | 3.696 | 63 | 68 |
| PART TIME EMPLOYEES | 419 | 598 | 2 | 2 |
| TOTAL | 3.733 | 4.294 | 65 | 70 |

10. Company' s transactions with related parties (according to IAS 24) as of 30/6/05 are as follows: Purchases: € 19.674 thousand – Sales: € 29.769 thousand. The balance of the company's receivables and payables with its related parties (according to IAS 24) is respectively € 35.114 thousand and € 2.881 thousand. Group's transactions with relates parties (according to IAS 24) as of 30/6/05 are as follows: Purchases: € 87 thousand – Sales: € 5 thousand – Receivables: € 19 thousand – Payables: € 0,00.

## CASH FLOW STATEMENT

*Amounts in 000' s EURO*

| | The Group | | The Company | |
|---|---|---|---|---|
| | 1/1-30/6/2005 | 1/1-30/6/2004 | 1/1-30/6/2005 | 1/1-30/6/2004 |
| **Operating Activities** | | | | |
| Profit Before Tax | 215.479 | 11.519 | 19.793 | 8.358 |
| Plus (Less) Adjustments for: | | | | |
| Depreciations | 10.160 | 3.038 | 161 | 177 |
| Provisions | 61 | 19 | - | - |
| Exchange differences | 8.668 | 2.100 | 8.323 | 1.927 |
| Results (revenues, expences, profit, loss) from Investment Activities | (173.550) | (6.401) | (27.084) | (5.136) |
| Debit Interest and similar expences | 4.904 | 4.835 | 4.291 | 3.481 |
| Plus (Less) Adjustments for working capital accounts or generated from operations: | | | | |
| Decrease (Increase) in Inventories | (75.003) | 14.930 | 553 | (966) |
| Decrease (Increase) in Trade and Other Receivables | (3.890) | (78.522) | (17.704) | (9.888) |
| Increase (Decrease) in Trade and Other Payables (except Banks) | 2.274 | 56.027 | (16.018) | 10.246 |
| Increase (Decrease) in other current assets | 23.792 | (4.121) | 8.849 | (5.444) |
| Less: | | | | |
| Debit Interest and similar expences Paid | (5.280) | (4.654) | (4.291) | (3.481) |
| Taxes Paid | (18.531) | (1.834) | - | - |
| **Net cash flow from Operating activities (A)** | **(10.915)** | **(3.065)** | **(23.127)** | **(727)** |
| **Investing Activities** | | | | |
| Acquisition of subsidiary, associates and other investments | 40.870 | (2.235) | (72.376) | (2.235) |
| Purchase of intangible assets, property and equipment | (14.617) | (6.053) | - | (502) |
| Disposals from sale of tangible assets | 299 | 460 | 14 | - |
| Sales of financial assets available for sale | 12.536 | (1.677) | - | - |
| Interest received | 1.475 | 447 | - | - |
| Proceeds from borrowing of affiliated parties | 70 | - | - | - |
| Proceeds from dividends | 38.194 | 10.959 | 16.775 | 5.480 |
| **Net cash from investing activities (B)** | **78.828** | **1.901** | **(55.587)** | **2.743** |
| **Financing Activities** | | | | |
| Proceeds from Share Capital Increase | 2.480 | - | - | - |
| Proceeds from Borrowings | 17.768 | 4.756 | 4.609 | 1.085 |
| Payments of Borrowings | (12.221) | (1.531) | (10.781) | - |
| Payments of finance lease Liabilities (capital) | - | (11) | - | - |
| Payments of finance lease Liabilities (interest) | | | | |
| Dividends paid | (39.440) | (4.280) | (8.104) | (4.052) |
| **Net cash from financing activities (C)** | **(31.414)** | **(1.065)** | **(14.276)** | **(2.967)** |
| **Net increase / decrease in cash and cash equivalent (A)+(B)+(C)** | **36.499** | **(2.230)** | **(92.990)** | **(951)** |
| **Cash and cash equivalent at the beginning of the period** | **(24.564)** | **(3.616)** | **(10.355)** | **(18.120)** |
| **Cash and cash equivalent at the end of the period** | **11.935** | **(5.846)** | **(103.345)** | **(19.071)** |

## STATEMENTS OF CHANGES IN EQUITY

*Amounts in 000' s EURO*

| | The Group | | The Company | |
|---|---|---|---|---|
| | 1/1-30/6/2005 | 1/1-30/6/2004 | 1/1-30/6/2005 | 1/1-30/6/2004 |
| Equity at the beginning of the period (1/1/05 and 1/1/04 respectively) | 250.265 | 237.776 | 210.947 | 208.969 |
| Increase (Dicrease) in Share Capital | 232.591 | - | - | - |
| Distributed dividend | (33.673) | (6.884) | (8.148) | (4.052) |
| Income changed directly to equity | 4.505 | (433) | - | - |
| Profit (Loss) after Taxes | 179.762 | 10.398 | 9.017 | 9.225 |
| Purchase (Sale) of Share Equities | 8.775 | - | - | - |
| **Total Equity at the end of the period (30/6/2005 και 30/6/2004)** | **642.225** | **240.856** | **211.816** | **214.142** |

11. Earnings per share has been calculated on the basis of net profits distribution over the number of shares.
12. Capital Expenditure for the first semester 2005: Group: € 11.346 thousand Company: € 0,00
13. The Group applied IAS 8 "Accounting policies, changes in accounting estimates and errors" due to a change in estimating Deferred Tax Liability on transition date (1/1/2004). This change resulted to an increase of Deferred Tax Liability on 1/1/2004 and 1/1/2005 amounted to € 11.913.360 with an equal charge to Group's equity.
14. First quarter Groups' and Companys' Financial statements approved by entitys' Board of Directors on 3rd of August 2005. The members of Board are as follows: Evangelos Mytilineos, Ioannis Mytilineos, George Kontouzoglou, Nikolaos Mousas, Xristos Diamantopoulos, Apostolos Georgiadis, George Lymperakis.