

## Aurubis fulfills market expectations for Q1 of fiscal year 2019/20

- » Operating EBT at € 31 million
- » Planned shutdown successfully implemented in Hamburg leads to € 34 million impact on result
- » Market situation remains challenging during fiscal year

**Hamburg, February 13, 2020** – The Aurubis Group generated operating earnings before taxes (EBT) of € 31 million in the first three months of fiscal year 2019/20 (previous year: € 40 million). This result meets the capital market's expectations.

EBT was significantly influenced by a planned maintenance shutdown at the Hamburg plant, which the company carried out in October and November of last year. "We successfully carried out the maintenance shutdown in Hamburg in the planned timeframe and budget. All of the planned investments and measures were accomplished. We therefore expect a considerable improvement in plant availability and a higher concentrate throughput," Aurubis AG Executive Board Chairman Roland Harings positively summed up the situation. The shutdown had a roughly € 34 million impact on the Q1 result. Q1 of the previous year was strained in the amount of approximately € 25 million due to unplanned shutdowns.

Lower sulfuric acid revenues also affected the most recent quarterly result since less sulfuric acid was produced due to the shutdown. Significantly weaker demand for shapes and flat rolled products also weighed on the result.

A higher metal gain with increased precious metal prices on the one hand, and considerably higher refining charges for copper scrap on the other, led to positive effects in Q1.

Aurubis generated revenues of € 2,709 million during the first three months of the current fiscal year (previous year: € 2,614 million). This development was primarily due to higher precious metal prices. Operating ROCE (taking the operating EBIT of the last four quarters into consideration) declined from 11.3 % in Q1 of the previous fiscal year to 7.6 % due to the lower results in the past four quarters. The net cash flow as at the end of Q1 2019/20 improved significantly, to € -93 million, compared to Q1 2018/19 (€ -308 million). In the first three months of the past fiscal year, the net cash flow was influenced by preparations for the planned shutdowns in 2018/19 and effects from unplanned shutdowns.

Aurubis achieved EBT of € 93 million from continuing operations on an IFRS basis (previous year: € 12 million).\*

### Outlook

Aurubis' market environment continues to be challenging. Generally speaking, the economic trend remains to be seen. This is due in part to the impacts of coronavirus, which can't be predicted at the moment.

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The company anticipates that treatment and refining charges for copper concentrates in particular will remain significantly below the previous year in light of the current benchmark of US\$ 62/t (6.2 cents/lb). At the same time, the company is confident that it will have a good supply of copper concentrates. In contrast to concentrate TC/RCs, Aurubis expects copper scrap refining charges to remain at a good level with a good supply situation.

Apart from the planned shutdown already carried out in Hamburg, two additional planned, legally mandated shutdowns are scheduled at the Lünen site for April and September. According to current plans, they will have a roughly € 11 million impact on the result.

When it comes to sales of copper intermediates, Aurubis anticipates stable demand overall, which will nevertheless be at a fairly low level for copper shapes. Aurubis set the copper premium at US\$ 96/t for calendar year 2020, the level of the previous year. For the most part, the company expects to be able to implement this premium for its products.

Sulfuric acid sales, which are generally difficult to forecast, indicate stable demand with constant prices for Q2 of fiscal year 2019/20.

The outlook for the current fiscal year is unchanged, as Roland Harings explained: “Even with the challenging conditions on our markets at the moment, we can confirm our forecast for the fiscal year.”

\* Because the IFRS result includes measurement effects due to metal price fluctuations and other factors, Aurubis discloses an operating result (EBT) that differs from the IFRS result. The operating result largely eliminates the effects of metal price fluctuations and thus allows for a more realistic assessment of the business performance. Operating EBT is used for control purposes within the Group.

Segment FRP will continue to be classified as discontinued operations pursuant to IFRS 5. The intended sale of the segment does not affect the operating reporting, however.

**The complete Quarterly Report First 3 Months 2019/20 is available at [www.aurubis.com](http://www.aurubis.com)**

## At a Glance

Key Aurubis Group figures Operating		Q1		
		2019/20	2018/19	Change
Revenues	€m	2,709	2,614	4 %
Gross profit	€m	263	264	0 %
Depreciation and amortization	€m	38	34	12 %
EBITDA	€m	71	76	-7 %
EBIT	€m	33	42	-21 %
<b>EBT<sup>1</sup></b>	<b>€m</b>	<b>31</b>	<b>40</b>	<b>-23 %</b>
Consolidated net income	€m	24	30	-20%
Earnings per share	€	0.54	0.67	-19 %
Net cash flow	€m	-93	-308	70 %
Capital expenditure (including finance leases)	€m	61	46	32 %
<b>ROCE<sup>1,2</sup></b>	<b>%</b>	<b>7.6</b>	<b>11.3</b>	<b>-</b>

<sup>1</sup> Corporate control parameters.

<sup>2</sup> The shares of Schwermetall Halbzeugwerk GmbH & Co. KG accounted for using the equity method have been included since FY 2018/19. This adjustment should improve the depiction of Segment FRP's profitability. Prior-year figures have been adjusted accordingly.

Key Aurubis Group figures IFRS from continuing operations		Q1		
		2019/20	2018/19	Change
Revenues	€m	2,479	2,341	6 %
Gross profit	€m	281	188	50 %
Personnel expenses	€m	101	92	10 %
Depreciation and amortization	€m	35	31	12 %
EBITDA	€m	131	46	> 100 %
EBIT	€m	96	14	> 100 %
EBT	€m	93	12	> 100 %
Consolidated net income	€m	70	9	> 100 %
Earnings per share	€	1.55	0.19	> 100 %

General Aurubis Group figures		Q1		
		2019/20	2018/19	Change
Copper price (average)	US\$/t	5,881	6,172	-5 %
Copper price (period end date)	US\$/t	6,156	5,965	3 %
Employees (average)		6,819	6,702	2 %

Aurubis Group output/throughput		Q1		
		2019/20	2018/19	Change
Concentrate throughput	1,000 t	490	592	-17 %
Copper scrap/blister copper input	1,000 t	100	108	-7 %
KRS throughput	1,000 t	74	58	28 %
Sulfuric acid output	1,000 t	471	540	-13 %
Cathode output	1,000 t	234	274	-15 %
Wire rod output	1,000 t	199 <sup>1</sup>	178	12 %
Shapes output	1,000 t	35	45	-22 %
Flat rolled products and specialty wire output	1,000 t	41	53	-23 %

<sup>1</sup> Taking the full integration of Deutsche Giessdraht GmbH into account.

### **Aurubis - Metals for Progress**

*Aurubis AG is a leading global provider of non-ferrous metals and the largest copper recycler worldwide. The company processes complex metal concentrates, scrap metals, and metal-bearing recycling materials into metals of the highest quality.*

*Its main area of expertise is the processing of concentrates and recycling raw materials with complex qualities. With its range of services, Aurubis is a forerunner in the industry. The group of companies is oriented towards growth, efficiency, and sustainability. The main components of the strategy are the expansion of the leading market position as an integrated copper producer, entering new markets in industries of the future, the highly efficient and optimal recovery of additional metals and by-products from complex raw materials, and practicing a responsible attitude when dealing with people, resources, and the environment.*

*Aurubis produces more than 1 million t of copper cathodes annually, and from them a variety of copper products such as wire rod, continuous cast shapes, rolled products, and strip, as well as specialty wire and profiles made of copper and copper alloys. Precious metals, selenium, lead, nickel, and a number of other products such as sulfuric acid and iron silicate also belong to the product portfolio.*

*Aurubis has about 6,800 employees, production sites in Europe and the US, and an extensive service and distribution system in Europe, Asia, and North America.*

*Aurubis' customers include companies in the semis industry; the electrical, electronics, and chemical industries; and suppliers of the renewable energies, construction, and automotive sectors.*

*Aurubis shares are part of the Prime Standard Segment of the German Stock Exchange and are listed in the MDAX and the Global Challenges Index (GCX).*

*Further information at [www.aurubis.com](http://www.aurubis.com)*