



**Interim Report**  
**First 9 Months 2018/19**

*Frankfurt*  
*August 8, 2019*



- » Operating EBT of € 125 million (PY: € 264 million) and ROCE of 7.1 % (PY: 14.6 %) in the first 9 months 2018/19
- » Operating performance unsatisfactory, even beyond planned shutdowns
- » Firm decision to stop our FCM project; project's accrued investment costs strain the Q3 result with about € 30 million
- » Market conditions, except on the acid market, worsened compared to the previous year
- » Input of complex feed material has increased further
- » Gold production on record level
- » Metallo transaction well on track
- » Preparation for shutdown in Hamburg in Oct./Nov. running at full speed
- » Efficiency improvement program: € 120 million will be achieved this fiscal year, headwind from weaker market conditions compared to reference year 2014/15



(operating IFRS)		9M 2018/19	9M 2017/18	Change
Revenues	€m	8,681	8,747	-1 %
Gross profit	€m	835	929	-10 %
EBITDA	€m	234	367	-36 %
EBIT	€m	132	269	-51 %
EBT	€m	125	264	-53 %
Consolidated net income	€m	95	201	-53 %

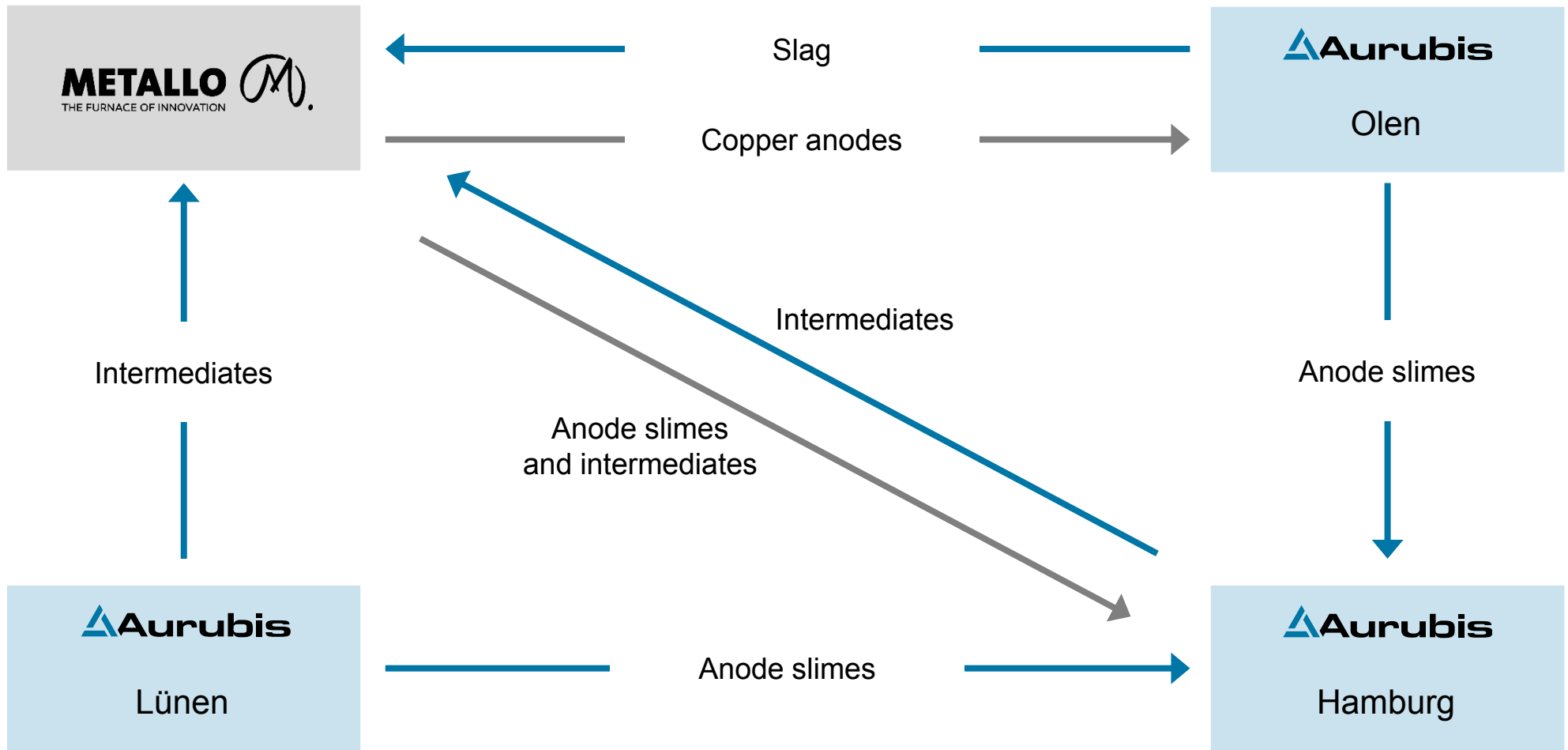
Structure	» Acquisition of 100 % of the shares of Metallo Group and related entities paid in cash
Value consideration	» Enterprise value of € 380m on a cash-and-debt-free basis » Synergies of circa € 10-15m, of which largest part to be realized within three years, with additional upside » Acquisition to be EPS accretive from year one on, synergies not included
Financing	» Full financing in place and arranged by our house banks » No new shares will be issued in relation to the financing of the transaction
Closing consideration	» Transaction conditional on receipt of applicable merger control clearances » No other conditions attached, transaction approved by Aurubis' relevant bodies
Timetable	» Transaction is subject to approval by European Commission » We expect phase 1 approval by the end of 2019

# The acquisition will strengthen Aurubis' multi-metal portfolio of key metals especially, like copper, nickel, tin, zinc, and lead

Aurubis and Metallo → increase in metal production compared to current output

<b>Copper</b> → 	<b>Gold</b> → 	<b>Silver</b> → 	<b>Lead</b> ↑ 
<b>Nickel</b> ↑ 	<b>PGMs</b> Platinum Osmium Iridium Ruthenium Rhodium Palladium 	<b>Tin</b> ↑ 	<b>Minor Metals</b> Selenium Tellurium Rhenium Antimony Bismuth 
<b>Zinc</b> ↑ New 			

# Metallo complements and expands the Aurubis flowsheet in the recycling business







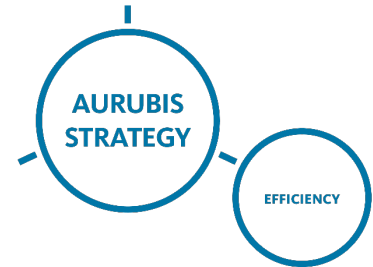
## Financial impact:

- » Capex: approx. € 45 million
- » EBT effect: approx. € 30 million
- » Concentrate throughput effect: approx. 125,000 t

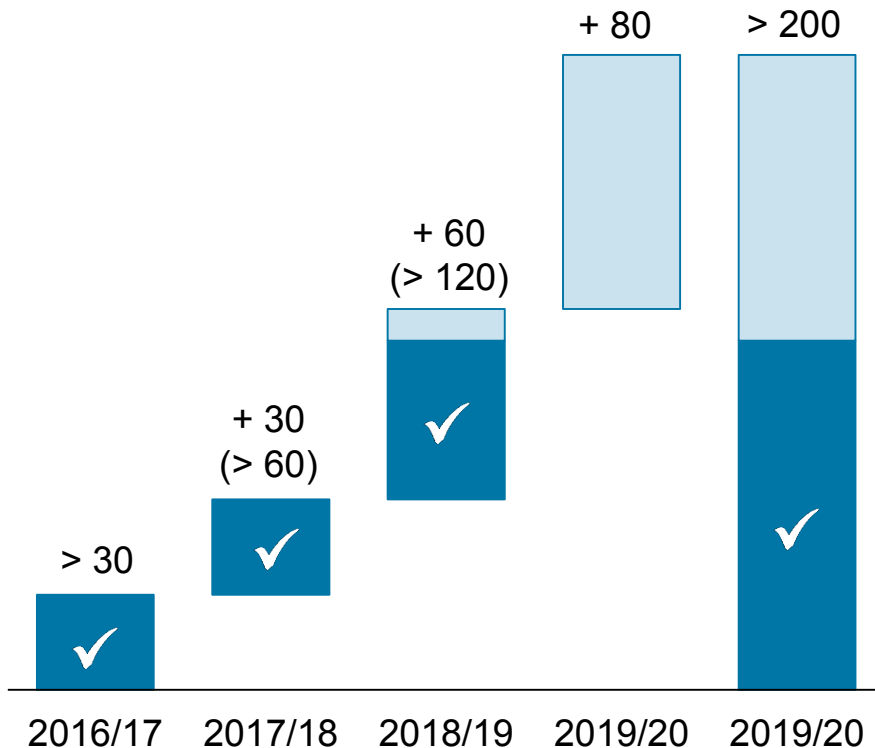
## Key data for the measure

- » Description: Overhaul of waste heat boiler to comply with legal deadlines, replacement of two converter vessels, relining of anode furnace, renovation of heat exchangers in the acid plant
- » Time period: Oct./Nov. 2019; approx. 36 days
- » Supply reliability: Scheduling takes place group-wide in close cooperation in order to guarantee optimal anode supply within the Group

**Target: Project success > € 200 million** (base year: 2014/15)



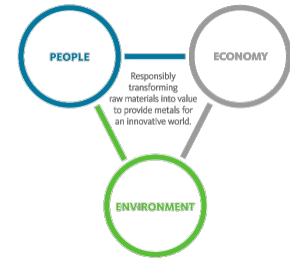
(in € million)



- » Measures for 2018/19 have been identified and are being implemented
- » All of the company's divisions are contributing to project success, including both production and the corporate functions
- » Under difficult overall circumstances and market conditions, we will narrowly reach the € 120 million in 2018/19
- » For the coming year, we're currently developing additional measures under these different circumstances to achieve the total project success



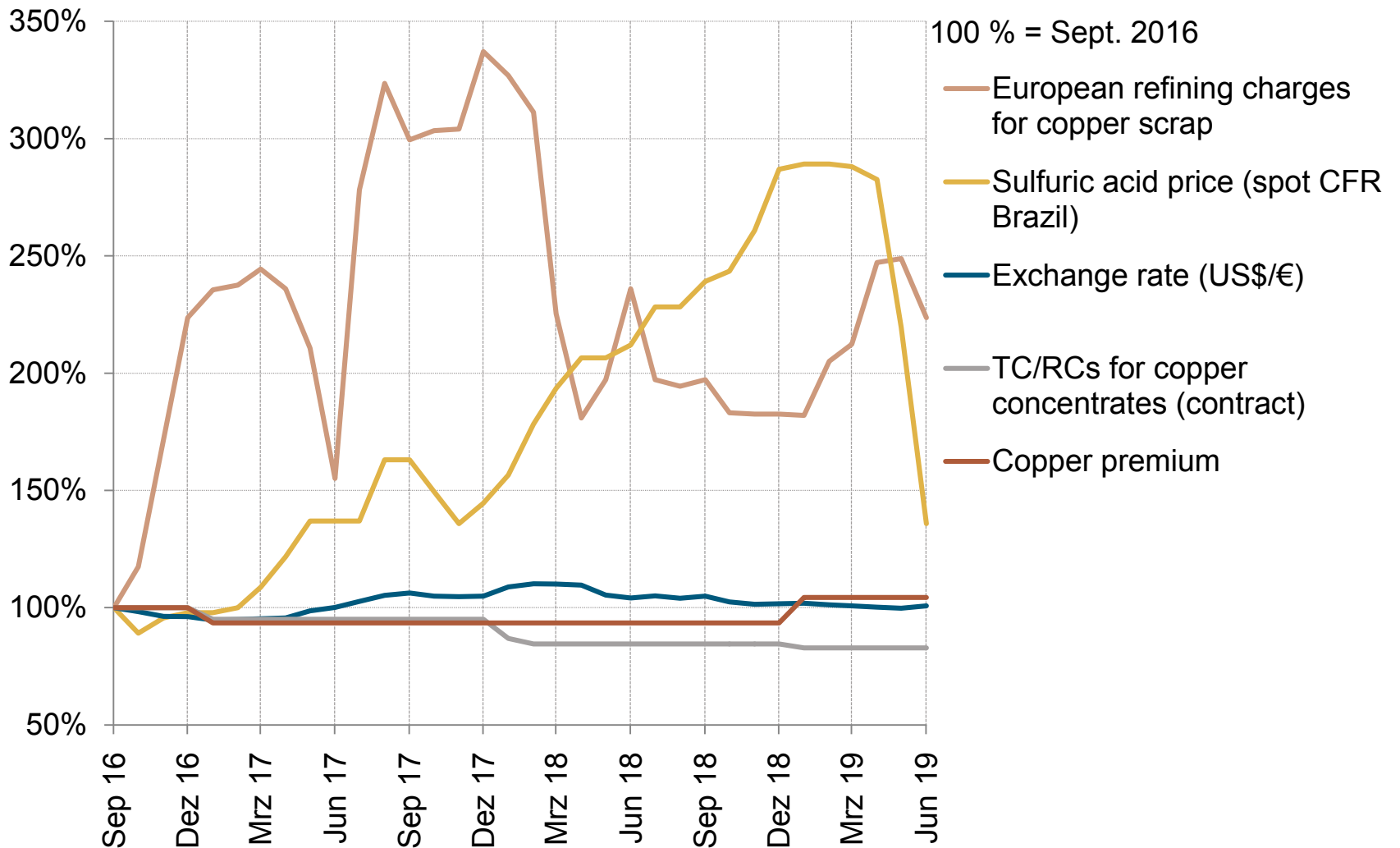
# Sustainability at Aurubis is part of the corporate strategy



A common understanding and valid management systems in all areas of activity contribute to long-term success



## Trend in significant market prices and refining charges



# Key figures remain very robust and provide room for future growth

		9M 2018/19	9M 2017/18	Target
ROCE*	%	7.1	14.6	15.0
Equity ratio (equity / total liabilities)	%	52,7	51.2	> 40.0
Debt coverage**		0.9	0.1	< 3.0

Additional KPIs		9M 2018/19	9M 2017/18
Capital expenditure (including finance leases)	€m	123	116
Capital employed (balance sheet date)	€m	2,753	2,435
Net cash flow	€m	-240	-100

\* Rolling EBIT last 4 quarters

\*\* Net financial liabilities / rolling EBITDA last 4 quarters

# Segment MRP: Impacted by lower throughput and lower refining charges for copper scrap

Operating results for Segment Metal Refining & Processing (MRP) (first 9 months FY 2018/19)



Segment MRP	9M 2018/19	9M 2017/18
EBIT (in €m)	179	294
EBT (in €m)	176	289
ROCE* (%)	10.5	19.2

(Quantities in 1,000 t)

Concentrates	1,659	1,913
Copper scrap / blister copper	343	314
Cathodes	818	876
Sulfuric acid	1,557	1,826
Rod	620	595
Shapes	142	151

- » Substantially lower concentrate throughput with lower TC/RCs
- » Scheduled shutdown in Pirdop in May/June with a negative impact of € 15 million
- » Unscheduled shutdowns in Hamburg, Pirdop, and Lünen in Q1 2018/19 led to negative effect of approx. € 25 million
- » Significantly lower refining charges for copper scrap compared to previous year, but still at a good level
- » Higher sulfuric acid revenues due to price factors despite lower production volumes
- » Increased energy costs
- » Robust sales for rod, but weaker demand for shapes
- » Positive contributions from our efficiency improvement program

\* Rolling EBIT last 4 quarters  
August 2019

## Operating results for Segment Flat Rolled Products (FRP) (first 9 months 2018/19)



Segment FRP	9M 2018/19	9M 2017/18
EBIT (in €m)	3	7
EBT (in €m)	0	7
ROCE* (%)	3.9	3.0
(Quantities in 1,000 t)		
Flat rolled products and specialty wire	163	178

- » Operating EBT down significantly because of lower sales volumes and less favorable supply conditions compared to previous year
- » Sales volumes below previous year due to lower demand, especially from automotive sector

\* Rolling EBIT last 4 quarters





- » Reuters 2019 copper price poll from July: US\$ 6,173/t
- » Copper concentrates: good supply with satisfactory TC/RCs expected
- » Aurubis won't be active on the concentrate spot market for the rest of the fiscal year
- » Sulfuric acid markets signal lower demand with lower prices
- » Copper scrap: satisfactory supply volume and refining charges at a good level
- » Rod: lower demand from the cable industry driven by a weaker economic trend
- » Shapes and flat rolled products: significantly lower demand situation
- » Efficiency improvement target of additional € 60 million project result, based on conditions of 2014/15, is expected to be reached
- » Cross-site task forces are developing solutions to increase plant availability in the long term

**Aurubis definition for a qualified comparative forecast**

Operating ROCE delta as a percentage	
± 0 to 1	At prior-year level
± 1.1 to 4	Slight
> ± 4	Significant

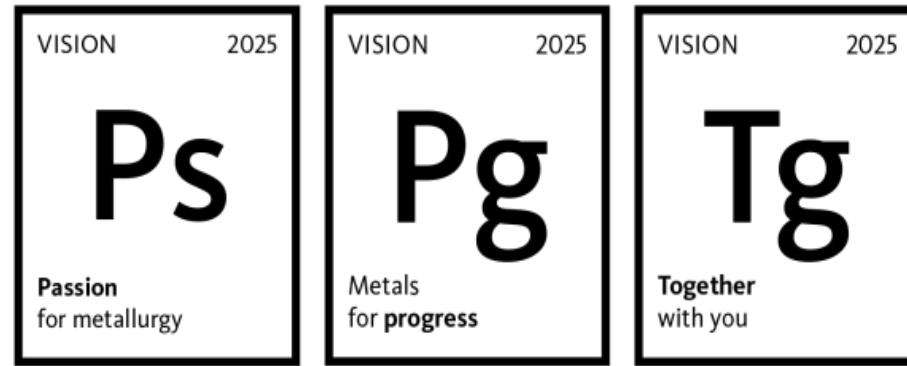
Change in operating EBT	
± 0 to 5 %	At prior-year level
± 5.1 to 15 %	Moderate
> ±15 %	Significant

For FY 2018/19, we expect a significantly lower operating EBT and a significantly lower operating ROCE for the Aurubis Group compared to the 2017/18 reporting year.





- » Annual Report 2018/19 12/11/2019
- » Q1 2019/20 2/13/2020
- » AGM 2/27/2020
- » Q2 2019/20 5/19/2020
- » Q3 2019/20 8/11/2020
- » Q4 2019/20 12/9/2020



**Thank you for your attention**

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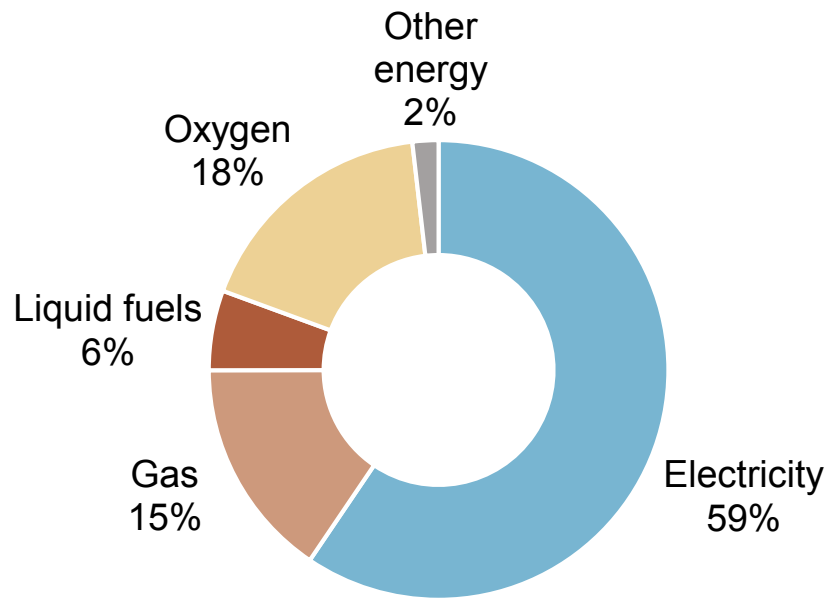
### Forward-looking statements

This document contains forward-looking statements that involve risks and uncertainties, including statements about Aurubis' plans, objectives, expectations, and intentions.

Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic, and competitive uncertainties and contingencies, many of which are beyond the control of Aurubis.

Should one or more of these risks, uncertainties, or contingencies materialize, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated, or projected.

## Breakdown of energy costs in the Aurubis Group (first 9 months of FY 2018/19)



Energy costs in the Aurubis Group in the first half-year: € 146 million (previous year: € 133 million)



- » Total electricity consumption in the Aurubis Group: approx. 1.9 TWh (2017)
- » CO<sub>2</sub> emissions of 1.6 million t (2017)
  - » 0.5 million t of emissions produced as a direct result of burning fuels in internal facilities (Scope 1)
  - » 1.1 million t indirect emissions related to purchased energy (Scope 2)

# Prices for CO<sub>2</sub> certificates increased significantly

Prices for CO<sub>2</sub> certificates (in €)





# Additional investments at the Pirdop site in the course of a legally mandated planned shutdown in May/June 2019



## Financial impact:

- » Capex: approx. € 19 million (FY 17/18: approx. € 10 million, FY 18/19: approx. € 9 million)
- » EBT effect: approx. € 15 million
- » Concentrate throughput effect: approx. 88,000 t

## Key data for the measure

- » Description: Boiler repair/replacement of the catalyst mass in the contact plant boiler
- » Time period: May/June 2019; approx. 22 days
- » Supply reliability: Scheduling takes place group-wide in close cooperation in order to guarantee optimal anode supply within the Group
- » Additional benefit: Measure is associated with forward-looking investments at the site: for example, backup rectifier in the tankhouse and regulatory inspection