



Quarterly Report  
First 9 Months 2016/17

October 1, 2016 to June 30, 2017

**Aurubis**  
Metals for Progress

# At a Glance

Key Aurubis Group figures	Q3			9M			
	2016/17	2015/16	Change	2016/17	2015/16	Change	
Revenues	€m	2,761	2,351	17 %	8,189	7,076	16 %
Gross profit	€m	319	264	21 %	1,027	722	42 %
Operating gross profit	€m	313	240	30 %	867	766	13 %
Personnel expenses	€m	120	114	5 %	357	337	6 %
Depreciation and amortization	€m	33	33	0 %	99	98	1 %
Operating depreciation and amortization	€m	32	31	3 %	96	93	3 %
EBITDA**	€m	132	94	40 %	476	210	> 100 %
Operating EBITDA**	€m	126	70	80 %	316	254	24 %
EBIT	€m	99	61	62 %	377	112	> 100 %
Operating EBIT	€m	94	39	> 100 %	220	161	37 %
EBT	€m	99	58	71 %	371	98	> 100 %
<b>Operating EBT*</b>	<b>€m</b>	<b>93</b>	<b>35</b>	<b>&gt; 100 %</b>	<b>211</b>	<b>148</b>	<b>43 %</b>
Consolidated net income/loss	€m	77	42	83 %	285	72	> 100 %
Operating consolidated net income	€m	71	26	> 100 %	161	109	48 %
Earnings per share	€	1.70	0.94	81 %	6.32	1.58	> 100 %
Operating earnings per share	€	1.59	0.57	> 100 %	3.57	2.40	49 %
Net cash flow	€m	150	203	-26 %	191	45	> 100 %
Capital expenditure (excl. financial fixed assets)	€m	26	41	-37 %	131	107	22 %
<b>Operating ROCE*</b>	<b>%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.0</b>	<b>11.2</b>	<b>-</b>
Copper price (average)	US\$/t	5,662	4,729	20 %	5,591	4,765	17 %
Copper price (balance sheet date)	US\$/t	-	-	-	5,908	4,827	22 %
Employees (average)		6,473	6,380	1 %	6,473	6,337	2 %

\* Corporate control parameters.

Comments on the results are presented in the explanatory notes to the results of operations, net assets and financial position.

\*\*EBITDA (operating EBITDA) is determined from EBIT (operating EBIT) plus depreciation and amortization (operating depreciation and amortization).

This report may include slight deviations in the totals due to rounding.

Production/throughput	Q3			9M			
	2016/17	2015/16	Change	2016/17	2015/16	Change	
<b>Business Unit Primary Copper</b>							
Concentrate throughput	1,000 t	634	373	70 %	1,804	1,572	15 %
Copper scrap/blister copper input	1,000 t	24	20	20 %	80	79	1 %
Sulfuric acid output	1,000 t	630	349	81 %	1,757	1,503	17 %
Cathode output	1,000 t	158	135	17 %	467	438	7 %
<b>BU Copper Products</b>							
Copper scrap/blister copper input	1,000 t	66	83	-20 %	234	233	0 %
KRS throughput	1,000 t	75	58	29 %	197	189	4 %
Cathode output	1,000 t	136	121	12 %	396	375	6 %
Wire rod output	1,000 t	186	206	-10 %	541	588	-8 %
Shape output	1,000 t	52	46	13 %	146	132	11 %
Flat rolled products and specialty wire output	1,000 t	61	59	3 %	172	164	5 %

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# Highlights

The Aurubis Group generated operating earnings before taxes (EBT) of € 211 million in the first nine months of fiscal year 2016/17 (previous year: € 148 million). The operating result was primarily influenced by high smelting and refining charges for copper concentrates combined with higher throughputs and refining charges for copper scrap. The operating return on capital employed (ROCE) amounted to 13.0 % (previous year: 11.2 %). IFRS earnings before taxes (EBT) totaled € 371 million (previous year: € 98 million).

The Group's revenues increased by approximately € 1,113 million to € 8,189 million during the reporting period (previous year: € 7,076 million). This development is primarily due to higher metal prices. Operating EBT was € 211 million (previous year: € 148 million).

The development of operating EBT was influenced by:

- » Significantly higher concentrate throughputs than in the previous year, despite the legal maintenance shutdown in the first quarter of 2016/17 in Hamburg. The previous year's comparative value was affected by the major shutdown in Pirdop in the third quarter.
- » Relatively high smelting and refining charges for copper concentrates due to our advantageous input mix,
- » High refining charges for copper scrap with a good supply,
- » Weak sulfuric acid revenues owing to a surplus on the global markets, particularly in the first half of the fiscal year,
- » A higher metal yield with increased metal prices,
- » The lower cathode premium,
- » Higher sales for shapes and flat rolled products,
- » Weaker sales for wire rod,
- » Positive contributions from our efficiency enhancement program,
- » The US dollar, which was advantageous for us.

Operating ROCE (taking the operating EBIT of the last four quarters into consideration) was 13.0 % (previous year: 11.2 %). The increase resulted from higher contributions to earnings in the last two quarters compared to the previous year. EBT on the basis of IFRS amounted to € 371 million (previous year: € 98 million). Net cash flow as at June 30, 2017, was € 191 million (previous year: € 45 million). In the previous year, net cash flow was characterized by the lower result as well as temporarily higher inventories.

The Business Unit (BU) Primary Copper generated an operating EBT of € 184 million in the first nine months of the fiscal year (previous year: € 96 million). Factors exerting a positive impact on the result here were high smelting and refining charges for copper concentrates due to our advantageous input mix, high refining charges for copper scrap, a higher metal yield given higher metal prices as well as the US dollar, which was still favorable for us. The legally mandated maintenance shutdown at our Hamburg site in October/November 2016 caused an approximately € 15 million decline in the result. In the third quarter of the previous year, the major shutdown in Pirdop had an approximately € 29 million negative impact on the result.

Operating earnings before taxes (EBT) for the BU Copper Products were € 57 million (previous year: € 73 million). The lower cathode premium as well as weaker sales of wire rod due to lower demand had a deleterious

impact on the result. High income from refining charges for copper scrap with a good supply as well as higher sales for shapes and flat rolled products could not compensate for this.

The copper price at the start of the reporting period was US\$ 4,807/t (LME settlement) and rose to US\$ 6,145/t by mid-February. Afterward, it declined to a low of US\$ 5,466/t at the beginning of May, but recovered by June 30, 2017, closing at an LME settlement price of US\$ 5,908/t (previous year: US\$ 4,827/t). The average copper price in the third quarter was US\$ 5,662/t (previous year: US\$ 4,729/t). The average price in euros also increased to € 5,141/t (previous year: € 4,188/t).

The smelting and refining charges in the spot market for copper concentrates were at a lower level than in the previous year. Export restrictions in Indonesia and production disruptions in mines, e.g. due to strikes, reduced the supply. However, these influences were weaker than expected since several smelters in Asia also conducted maintenance shutdowns and had to adjust their demand accordingly. Aurubis was well supplied with copper concentrates under good conditions.

The increased metal prices during the reporting period had a positive impact on the availability of copper scrap and led to consistently higher refining charges in the market. Our facilities were fully supplied under correspondingly good conditions.

The global market for sulfuric acid was initially characterized by a sustained surplus. However, shutdowns at smelters and sulfur burners led to a reduction in the surplus by mid-year. This situation also continued in the third quarter. Demand remained stable, but the development led to rising prices in the spot market.

The cathode markets recorded a good supply with stable spot premiums. At the end of our third quarter, seasonal effects led to a revival in demand.

*Jürgen Schachler, Chairman of the Board:*

*“With an operating EBT of € 93 million, the third quarter was extraordinarily good. The performance in Bulgaria, where we have been increasingly able to employ complex materials since the shutdown last year, made a particularly positive contribution to the result. In addition, we took advantage of the good scrap supply and achieved high refining charges. The efficiency enhancement program was also able to contribute to the good result.*”

*We are once again confirming our forecast for the full year. We are assuming significantly higher operating earnings before taxes and a slightly higher operating ROCE.”*

# Economic Development First 9 Months 2016/17

## Results of Operations, Net Assets and Financial Position

In order to portray the Aurubis Group's operating success independently of measurement influences for internal management purposes, the presentation of the results of operations, net assets and financial position is supplemented by the results of operations and net assets explained on the basis of operating values.

Measurement influences include effects from the use of the average cost method for inventory measurement purposes in accordance with IAS 2, from copper price-

related measurement effects on inventories and from the impact of purchase price allocations, primarily on property, plant and equipment, from fiscal year 2010/11 onwards.

The following table shows how the operating results for the first nine months of fiscal year 2016/17 and for the comparative prior-year period have been determined.

### Results of operations (operating)

The Aurubis Group generated a consolidated operating net result of € 161 million in the first nine months of fiscal year 2016/17 (previous year: € 109 million).

### Reconciliation of the consolidated income statement (in € million)

	9M 2016/17	9M 2016/17	9M 2016/17	9M 2015/16	9M 2015/16	9M 2015/16
	IFRS	adjust- ment*	Operating	IFRS	adjust- ment*	Operating
Revenues	8,189	0	8,189	7,076	0	7,076
Changes in inventories of finished goods and work in process	66	-83	-17	80	26	106
Own work capitalized	7	0	7	7	0	7
Other operating income	35	0	35	38	0	38
Cost of materials	-7,270	-77	-7,347	-6,479	18	-6,461
<b>Gross profit</b>	<b>1,027</b>	<b>-160</b>	<b>867</b>	<b>722</b>	<b>44</b>	<b>766</b>
Personnel expenses	-357	0	-357	-337	0	-337
Depreciation and amortization of intangible assets and property, plant and equipment	-99	3	-96	-98	5	-93
Other operating expenses	-194	0	-194	-175	0	-175
<b>Operational result (EBIT)</b>	<b>377</b>	<b>-157</b>	<b>220</b>	<b>112</b>	<b>49</b>	<b>161</b>
Result from investments measured using the equity method	7	-3	4	5	1	6
Interest income	2	0	2	2	0	2
Interest expenses	-14	0	-14	-21	0	-21
Other financial expenses	-1	0	-1	0	0	0
<b>Earnings before taxes (EBT)</b>	<b>371</b>	<b>-160</b>	<b>211</b>	<b>98</b>	<b>50</b>	<b>148</b>
Income taxes	-86	36	-50	-26	-13	-39
<b>Consolidated net income/loss</b>	<b>285</b>	<b>-124</b>	<b>161</b>	<b>72</b>	<b>37</b>	<b>109</b>

\* Adjustment for measurement effects deriving from the use of the average cost method in accordance with IAS 2, for copper price-related measurement effects on inventories and for impacts from purchase price allocations, primarily on property, plant and equipment, from fiscal year 2010/11 onwards.

IFRS earnings before taxes of € 371 million (previous year: € 98 million) were adjusted for inventory measurement effects of € -163 million (previous year: € 45 million) (total of the following items: changes in inventories of finished goods and work in process, cost of materials and result from investments measured using the equity method) as well as for effects from the allocation of the purchase price for Luvata Rolled Products Division of € 3 million (previous year: € 5 million) in order to reach operating earnings before taxes of € 211 million (previous year: € 148 million).

The Group's revenues increased by € 1,113 million to € 8,189 million during the reporting period (previous year: € 7,076 million). This development was primarily due to higher metal prices.

The inventory change of € -17 million (previous year: € 106 million) was particularly driven by the reduction of copper products. In the previous year, the build-up of inventories was due in particular to the build-up of copper and precious metals products.

In a manner corresponding to the development of revenues, the cost of materials increased from € 6,461 million in the previous year to € 7,347 million.

After taking own work capitalized and other operating income into account, the residual gross profit was € 867 million (previous year: € 766 million).

Personnel expenses increased by € 20 million to € 357 million (previous year: € 337 million). The increase was due in particular to wage tariff increases and a higher number of employees.

Depreciation and amortization of fixed assets amounted to € 96 million and was therefore slightly above the previous year (€ 93 million).

Other operating expenses increased by € 19 million to

€ 194 million (previous year: € 175 million). The increase was mainly caused by higher transport costs.

The operational result before interest and taxes (EBIT) therefore amounted to € 220 million (previous year: € 161 million).

Net interest expense of € 12 million was slightly below the prior-year level (€ 19 million). The decrease was primarily due to lower interest rates combined with a slightly lower level of gross debt.

After taking the financial result into account, operating earnings before taxes (EBT) were € 211 million (previous year: € 148 million). The following major factors were decisive for the development compared to the previous year:

- » Significantly higher concentrate throughputs than in the previous year, despite the legal maintenance shutdown in the first quarter of 2016/17 in Hamburg. The third quarter of 2015/16 was affected by the major shutdown in Pirdop,
- » Relatively high smelting and refining charges for copper concentrates due to our advantageous input mix,
- » High refining charges for copper scrap with a good supply,
- » Weak sulfuric acid revenues owing to a surplus on the global markets, particularly in the first half of the fiscal year,
- » A higher metal yield with increased metal prices,
- » The lower cathode premium,
- » Higher sales for shapes and flat rolled products,
- » Weaker sales for wire rod,
- » Positive contributions from our efficiency enhancement program,
- » The US dollar, which was advantageous for us.

Operating consolidated net income of € 161 million remained after tax (previous year: € 109 million).

Operating earnings per share amounted to € 3.57 (previous year: € 2.40).

## Results of operations (IFRS)

The Aurubis Group achieved a consolidated net result of € 285 million in the first nine months of fiscal year 2016/17 (previous year: € 72 million).

The Group's revenues increased by € 1,113 million to € 8,189 million during the reporting period (previous year: € 7,076 million). This development was primarily due to higher metal prices.

The inventory change of € 66 million (previous year: € 80 million) was particularly driven by higher metal prices. In the previous year, the build-up of inventories was due in particular to the build-up of copper and precious metals products.

In a manner corresponding to the development of revenues, the cost of materials increased by € 791 million, from € 6,479 million in the previous year to € 7,270 million.

After taking own work capitalized and other operating income into account, the residual gross profit was € 1,027 million (previous year: € 722 million).

In addition to the effects on earnings described in the explanation of the operating results of operations, the change in gross profit was also due to metal price developments. The use of the average cost method leads to metal price valuations that are close to market prices. Metal price volatility therefore has a direct effect on the change in inventories/cost of materials and thus on the IFRS gross profit. This is independent of the operating performance and is not relevant to the cash flow.

Personnel expenses increased by € 20 million to € 357 million (previous year: € 337 million). The increase was due in particular to wage tariff increases and a higher number of employees.

At € 99 million, depreciation and amortization of fixed assets was at the prior-year level (€ 98 million).

Other operating expenses increased by € 19 million to € 194 million (previous year: € 175 million). The increase was mainly caused by higher transport costs.

As a result, earnings before interest and taxes (EBIT) totaled € 377 million (previous year: € 112 million).

Net interest expense of € 12 million was slightly below the prior-year level (€ 19 million). The decrease was primarily due to lower interest rates combined with a slightly lower level of gross debt.

After taking the financial result into account, earnings before taxes amounted to € 371 million (previous year: € 98 million).

Consolidated net income of € 285 million remained after tax (previous year: € 72 million). Earnings per share amounted to € 6.32 (previous year: € 1.58).

## Net assets (operating)

The table on the next page shows the derivation of the operating statement of financial position as at June 30, 2017, as compared to the situation at September 30, 2016.

Total assets increased from € 3,823 million as at September 30, 2016, to € 3,900 million as at June 30, 2017, due in particular to higher trade accounts receivable on the balance sheet date. These were partially offset by lower cash holdings from the repayment of a bonded loan.

The Group's equity increased by € 157 million, from € 1,829 million as at the end of the last fiscal year to € 1,986 million as at June 30, 2017. This was largely due to the operating consolidated net income of € 161 million and positive effects with no impact on profit or loss from the remeasurement of pension obligations. Having



## Reconciliation of the consolidated statement of financial position (in € million)

	6/30/2017	6/30/2017	6/30/2017	9/30/2016	9/30/2016	9/30/2016
	IFRS	adjust- ment*	Operating	IFRS	adjust- ment*	Operating
<b>Assets</b>						
Fixed assets	1,491	-45	1,446	1,450	-46	1,404
Deferred tax assets	10	27	37	10	48	58
Non-current receivables and other assets	32	0	32	26	0	26
Inventories	1,841	-367	1,474	1,700	-206	1,494
Current receivables and other assets	579	0	579	369	0	369
Cash and cash equivalents	332	0	332	472	0	472
<b>Total assets</b>	<b>4,285</b>	<b>-385</b>	<b>3,900</b>	<b>4,027</b>	<b>-204</b>	<b>3,823</b>
<b>Equity and liabilities</b>						
Equity	2,272	-286	1,986	1,991	-162	1,829
Deferred tax liabilities	205	-99	106	151	-42	109
Non-current provisions	339	0	339	386	0	386
Non-current liabilities	343	0	343	357	0	357
Current provisions	35	0	35	32	0	32
Current liabilities	1,091	0	1,091	1,110	0	1,110
<b>Total liabilities</b>	<b>4,285</b>	<b>-385</b>	<b>3,900</b>	<b>4,027</b>	<b>-204</b>	<b>3,823</b>

\* Adjustment for measurement effects deriving from the use of the average cost method in accordance with IAS 2, for copper price-related measurement effects on inventories and for impacts from purchase price allocations, primarily on property, plant and equipment, from fiscal year 2010/11 onward.

an offsetting effect was the dividend payment of € 58 million.

Overall, the operating equity ratio (the ratio of equity to total assets) was 50.9 % compared to 47.8 % as at the end of the previous fiscal year.

At € 360 million as at June 30, 2017, borrowings were below the level at the end of the last fiscal year (€ 494 million) due to the repayment of a bonded loan.

The following table shows the development of borrowings as at June 30, 2017, and September 30, 2016:

(in € million)	6/30/2017	9/30/2016
Non-current bank borrowings	317	321
Non-current liabilities under finance leases	23	16
<b>Non-current borrowings</b>	<b>340</b>	<b>337</b>
Current bank borrowings	18	155
Current liabilities under finance leases	2	2
<b>Current borrowings</b>	<b>20</b>	<b>157</b>
<b>Borrowings</b>	<b>360</b>	<b>494</b>

### Return on capital (operating)

The return on capital employed (ROCE) shows the return on the capital employed in the operating business or for an investment. It is determined by taking into account the operating EBIT of the last four quarters.

Due to the higher operating results in the last two quarters of 2016/17, operating ROCE was 13.0 %, compared to 11.2 % in the comparative period.

(in € million)	6/30/2017	6/30/2016
Fixed assets excl. financial assets and investments measured using the equity method	1,381	1,340
Inventories	1,474	1,523
Trade accounts receivable	415	347
Other receivables and assets	234	203
- Trade accounts payable	-892	-850
- Provisions and other liabilities	-390	-357
<b>Capital employed as at the balance sheet date</b>	<b>2,222</b>	<b>2,206</b>
Earnings before taxes (EBT)	276	228
Financial result	13	19
<b>Earnings before interest and taxes (EBIT)</b>	<b>289</b>	<b>248</b>
<b>Return on capital employed (operating ROCE)</b>	<b>13.0 %</b>	<b>11.2 %</b>

### Net assets (IFRS)

Total assets increased from € 4,027 million as at the end of the past fiscal year to € 4,285 million as at June 30, 2017. The largest increase was in trade accounts receivable on the balance sheet date. These were partially offset by lower cash holdings due to the repayment of a bonded loan.

The Group's equity increased by € 281 million, from € 1,991 million as at the end of the last fiscal year to € 2,272 million as at June 30, 2017. This was largely due

to the consolidated net income of € 285 million and positive effects with no impact on profit or loss from the remeasurement of pension obligations. Having an offsetting effect was the dividend payment of € 58 million.

Overall, the equity ratio was 53.0 % as at June 30, 2017, compared to 49.4 % as at the end of the last fiscal year.

At € 360 million as at June 30, 2017, borrowings were below the level at the end of the last fiscal year (€ 494 million) due to the repayment of a bonded loan.

The following table shows the development of borrowings as at June 30, 2017, and September 30, 2016:

(in € million)	6/30/2017	30.09.2016
Non-current bank borrowings	317	321
Non-current liabilities under finance leases	23	16
<b>Non-current borrowings</b>	<b>340</b>	<b>337</b>
Current bank borrowings	18	155
Current liabilities under finance leases	2	2
<b>Current borrowings</b>	<b>20</b>	<b>157</b>
<b>Borrowings</b>	<b>360</b>	<b>494</b>

### Return on capital (IFRS)

The operating result is used for control purposes within the Group. The operating ROCE is explained in the section "Return on capital (operating)".

### Financial position and capital expenditure

Net cash flow as at June 30, 2017, was € 191 million. Net cash flow of € 45 million in the previous year was characterized by a lower result as well as temporarily higher inventories.

Investments in fixed assets (including financial fixed assets) amounted to € 131 million in the reporting period (previous year: € 107 million). The largest individual investment related to our long-term electricity supply agreement. With this individual investment, we reduced the ongoing costs of long-term electricity consumption. Plans for securing the electricity supply for our German production sites remain intact.

After deducting investments in fixed assets from the net cash flow, the free cash flow amounted to € 60 million (previous year: € -62 million).

The cash outflow from investing activities totaled € 123 million (previous year: € 92 million).

The cash outflow from financing activities amounted to € 208 million (previous year: € 94 million). The higher cash outflow was caused primarily by the repayment of a bonded loan.

Cash and cash equivalents of € 332 million were available to the Group as at June 30, 2017 (€ 472 million as at September 30, 2016).

## Business Unit Primary Copper

Business Unit (BU) Primary Copper produces high-purity copper and precious metals from raw materials such as copper concentrates, copper scrap and blister copper.

Various recycling materials and intermediates from other smelters are also processed. The BU's main product is copper cathodes, which are produced at the sites in Hamburg (Germany) and Pirdop (Bulgaria). Sulfuric acid and iron silicate stone are two of the BU's by-products.

The BU generated revenues of € 4,721 million in the first nine months of 2016/17 (previous year: € 3,891 million). The increase in revenues was primarily attributable to higher metal prices.

The operating EBT of the BU amounted to € 184 million in the reporting period (previous year: € 96 million). Factors exerting a positive impact on the result here were high smelting and refining charges for copper concentrates due to our advantageous input mix, high refining charges for copper scrap, a higher metal yield given higher metal prices as well as the US dollar, which was favorable for us.

The legally mandated maintenance shutdown at our Hamburg site in the first quarter of 2016/17 caused an approximately € 15 million decline in the result. In the third quarter of the previous year, the major shutdown in Pirdop had an approximately € 29 million negative impact on the result.

Operating ROCE (taking the operating EBIT of the last twelve months into consideration) was 25.5 %, higher than in the previous year (17.6 %). The increase resulted from higher contributions to earnings in the last four quarters compared to the previous year.

### Raw materials

The smelting and refining charges in the spot market for copper concentrates were at a lower level than in the

previous year. Export restrictions in Indonesia and production disruptions in mines, e.g. due to strikes, reduced the supply. However, these influences were weaker than expected since several smelters in Asia also conducted maintenance shutdowns and had to adjust their demand accordingly. Aurubis was well supplied with copper concentrates under good conditions.

The increased metal prices during the reporting period had a positive impact on the availability of copper scrap and led to consistently higher refining charges in the market. Our facilities were fully supplied under correspondingly good conditions.

### Sulfuric acid

The global market for sulfuric acid was initially characterized by a sustained surplus. However, shutdowns at smelters and sulfur burners led to a reduction in the surplus by mid-year. This situation also continued in the third quarter. Demand remained stable, but the development led to rising prices in the spot market.

### Production

The concentrate throughput of 1,804,000 t was significantly higher than in the previous year, notwithstanding the legally mandated maintenance shutdown in October/November 2016 in Hamburg. However, prior year production in the third quarter was affected by the major shutdown in Pirdop.

The input of materials containing precious metals enabled very good silver production of 820 t, which was above the previous year. Gold production reached the previous year's level of 32 t.

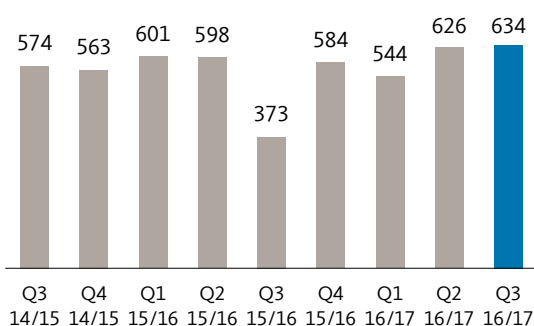
### Capital expenditure

Capital expenditure in the BU amounted to € 92 million (previous year: € 81 million). The main individual investments were connected to long-term electricity sourcing and the shutdown in Hamburg.

Business Unit Primary Copper		Q3			9M		
		2016/17	2015/16	Change	2016/17	2015/16	Change
Revenues	€m	1,582	1,245	27 %	4,721	3,891	21 %
Operating EBIT	€m	75	10	>100 %	188	105	79 %
Operating EBT	€m	75	7	>100 %	184	96	91 %
Operating ROCE (rolling EBIT for the last 4 quarters)	%	-	-	-	25.5	17.6	-
Concentrate throughput	1,000 t	634	373	70 %	1,804	1,572	15 %
Hamburg	1,000 t	299	261	15 %	818	850	-4 %
Pirdop	1,000 t	335	112	>100 %	986	722	37 %
Copper scrap/blister copper input	1,000 t	24	20	20 %	80	79	1 %
Sulfuric acid output	1,000 t	630	349	81 %	1,757	1,503	17 %
Hamburg	1,000 t	274	232	18 %	737	770	-4 %
Pirdop	1,000 t	356	117	>100 %	1,020	733	39 %
Cathode output	1,000 t	158	135	17 %	467	438	7 %
Hamburg	1,000 t	101	90	12 %	295	279	6 %
Pirdop	1,000 t	57	45	27 %	172	159	8 %
Gold	t	12	12	0 %	32	32	0 %
Silver	t	259	246	5 %	820	703	17 %
Copper price (average)	US\$/t	5,662	4,729	20 %	5,591	4,765	17 %
	€/t	5,141	4,188	23 %	5,173	4,298	20 %
Gold (average)	US\$/kg	40,415	40,479	0 %	39,609	38,026	4 %
	€/kg	36,696	35,854	2 %	36,613	34,270	7 %
Silver (average)	US\$/kg	553	540	2 %	555	497	12 %
	€/kg	503	478	5 %	514	448	15 %

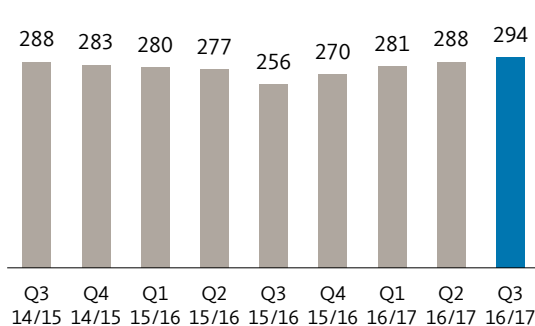
#### Higher concentrate throughput in Q3, especially as a result of good performance in Pirdop

Aurubis Group concentrate throughput (in 1,000 t)



#### Cathode production still at a high level

Aurubis Group cathode output (in 1,000 t)



## Business Unit Copper Products

In BU Copper Products, copper cathodes primarily produced internally are processed into copper wire rod, copper shapes, rolled products and specialty products. The main production sites are located in Hamburg (Germany), Olen (Belgium), Avellino (Italy), Emmerich, Stolberg (both Germany), Pori (Finland), Zutphen (Netherlands) and Buffalo (US). In addition, BU Copper Products also includes the plant in Lünen, where recycling materials are processed to produce high-quality copper cathodes.

The BU generated revenues of € 6,727 million in the first nine months of the fiscal year (previous year: € 5,704 million). Here higher metal prices had a positive impact.

Operating earnings before taxes (EBT) were € 57 million (previous year: € 73 million). The lower cathode premium as well as weaker sales of wire rod due to lower demand had a deleterious impact on the result. High income from refining charges for copper scrap with a good supply as well as higher sales for shapes and flat rolled products could not compensate for this.

Operating ROCE (taking the operating EBIT of the last twelve months into consideration) was 7.2 % (previous year: 9.8 %). The decrease resulted from lower contributions to earnings during the last four quarters compared to the previous year as well as an increase in capital employed.

### Product markets

The demand for copper wire rod slightly recovered in the third quarter after a subdued first half of the year. The relatively stable copper price and rising demand from the energy cable area also had a positive impact. The demand in our core markets remained stable, whereas the regions of the Middle East and Africa fell short of expectations. The enameled wire industry and the automotive industry showed high demand. In the area of

high-purity shapes, the markets recorded consistently high demand above expectations. The business for flat rolled products continued to perform positively with growth stimulus particularly in Europe and in the cable and connector customer segments.

The cathode markets recorded a good supply with stable spot premiums. At the end of our third quarter, seasonal effects led to a revival in demand. We mainly implemented the cathode premium for our products in calendar year 2017.

### Raw materials

The increased metal prices during the reporting period had a positive impact on the availability of copper scrap and led to consistently higher refining charges in the market. Our facilities were fully supplied under good conditions.

While the supply of complex recycling materials, such as industrial residues and electrical and electronic scrap, was sufficient, competition for these materials has nevertheless intensified.

### Production

Due to demand, wire rod production of 541,000 t was below the previous year's level. However, the high demand for shapes products led to significantly higher output than in the previous year.

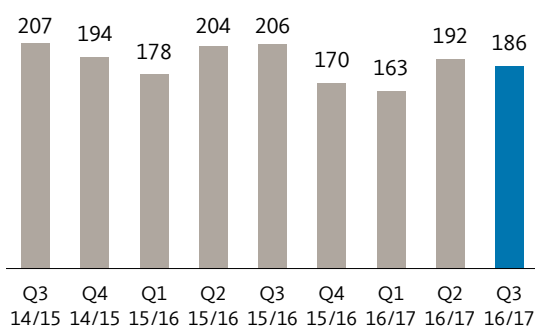
### Capital expenditure

Capital expenditure in the BU amounted to € 39 million (previous year: € 23 million). The main individual investments were connected to long-term electricity sourcing.

BU Copper Products		Q3			9M		
		2016/17	2015/16	Change	2016/17	2015/16	Change
Revenues	€m	2,305	1,850	25 %	6,727	5,704	18 %
Operating EBIT	€m	27	34	-19 %	62	77	-19 %
Operating EBT	€m	27	33	-18 %	57	73	-22 %
Operating ROCE (rolling EBIT for the last 4 quarters)	%	-	-	-	7.2	9.8	-
Copper scrap/blister copper input	1.000 t	66	83	-20 %	234	233	0 %
KRS throughput	1.000 t	75	58	29 %	197	189	4 %
Cathode output	1.000 t	136	121	12 %	396	375	6 %
Lünen	1.000 t	48	45	7 %	140	131	7 %
Olen	1.000 t	88	76	16 %	256	244	5 %
Rod	1.000 t	186	206	-10 %	541	588	-8 %
Shapes	1.000 t	52	46	13 %	146	132	11 %
Flat rolled products and specialty wire output	1.000 t	61	59	3 %	172	164	5 %

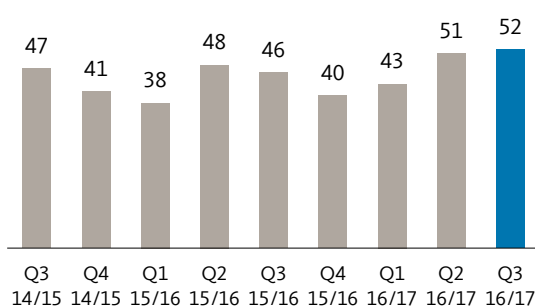
#### Wire rod production also at a modest level in Q3 for demand-related reasons

Rod output (in 1,000 t)



#### Continuous cast shape production further increased due to high demand

Shape output (in 1,000 t)



## Corporate Governance

On June 30, 2017, the Supervisory Board of Aurubis AG had to prematurely terminate the contract of Chief Financial Officer Erwin Faust for health reasons. The company intends to refill the position of CFO by the end of the 2017 calendar year. Since the illness began in September 2016, the Chairman of the Board, Jürgen Schachler, has additionally been performing the duties of Erwin Faust.

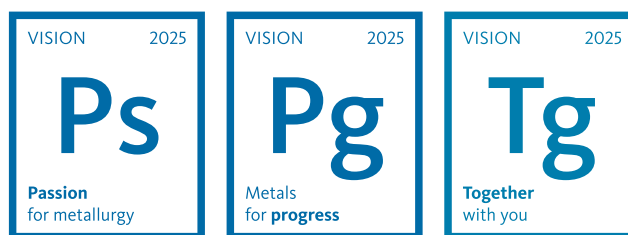
For Corporate Governance, we refer you to the information published in the Annual Report 2015/16 and the Interim Report on the First 6 Months 2016/17.

## Risk and Opportunity Management

The risks outlined in the Annual Report 2015/16 and in the Interim Report on the First 6 Months 2016/17 essentially did not change in the third quarter.

In the antitrust proceedings that had been pending against Aurubis in Bulgaria, the counterparty has withdrawn its appeal. As a result, the positive decision in our favor is now finally legally binding.

## Vision 2025



**Passion for Metallurgy. Metals for Progress. Together with you.**

Elaborating on the information presented at the Annual General Meeting on March 2, 2017, we provided additional explanations in the Interim Report on the First 6 Months 2016/17 on the new Vision 2025 of Aurubis AG and the “ONE Aurubis” transformation program.

Additional work was done on all five areas of the transformation program:

*Strategy:* Good progress has been made with the in-depth development of the strategy. Subject to Supervisory Board approval, we will introduce this to the public on December 13, 2017, during the presentation of our annual financial statements for 2016/17. An essential strategic element of this will be the internal growth project “Future Complex Metallurgy,” which includes an expansion of the processing of complex raw materials, shortens throughput times for precious metals and enables the optimized production of additional metals.

*Organization and responsibility:* The new organizational structure of Aurubis AG will take the vision and strategy into account. It should come into effect at the beginning of the new 2017/18 fiscal year beginning on October 1, 2017.

*Business improvement:* The partial measures foreseen for this year from the group-wide efficiency enhancement program, which is designed to produce a total increase in



EBITDA of more than € 200 million by 2019/20, have been identified and are being implemented. With significant contributions from the plants in Lünen and Hamburg, and Business Line Flat Rolled Products, more than 80 % of the annual target of approximately € 30 million has been realized so far.

*Leadership and employee development:* The launch of the 360° feedback program initially kicked off additional managerial development. The purpose of the program is to recognize further potential improvements that may yield individual development programs.

*Culture and communication:* The focus of this area in the past months was to get the employees excited about the new Vision 2025, to show them the way to achieve this -- ONE Aurubis -- and to help them make the Vision tangible as it relates to their own work environments. An employee survey at the end of May, which was carried out after the first wave of communication, revealed that the Aurubis employees identify with the Vision 2025 and are motivated by it.

## Outlook

### Raw material markets

We continue to assume a sufficient supply of copper concentrates with satisfactory smelting and refining charges, even if the spot TC/RCs remain below the 2017 benchmark.

We continue to expect a fundamentally stable copper scrap market. However, declining metal prices can lead to a tightening of the market with decreasing refining charges in the short term.

### Product Markets

#### Copper Products

In the next few months we are assuming stable sales of copper wire rods, but with lower sales for the full year. For shapes, we anticipate stable demand at a high level. Demand for flat rolled products in Europe is expected to continue at a high level, especially for higher-end components such as high-performance alloys and tinned strips. In North America we expect robust demand with positive impetus from the connector area.

#### Sulfuric acid

We assume that the currently improved market situation will continue in the fourth quarter.

#### Copper production

We expect the volume of copper concentrates processed during the fiscal year to be higher than the previous year, with high plant availability as well as higher cathode production than in the previous year.

#### Expected earnings

Despite the reduced benchmark in 2017, we expect satisfactory smelting and refining charges for concentrates at Aurubis until the end of the fiscal year. With a high mine output, we will continue to be able to continue procuring a good supply of copper concentrates. Due to our core competency of processing

complex concentrates, we will thereby be able to obtain higher TC/RCs.

We expect a slight improvement in sulfuric acid revenues, provided that the positive trend in the sulfuric acid markets continues.

We assume good volumes for copper scrap in the next few months, with correspondingly high refining charges.

Aurubis reduced the cathode premium by US\$ 6/t to US\$ 86/t for calendar year 2017. We expect to be able to implement this premium for our products for the most part despite the current price pressure in the international spot markets.

For wire rod we are assuming weaker demand than in the previous year. For shapes and strip products we assume demand slightly above the previous year's level during the fiscal year.

Our primary income is US dollar-based. Despite the currently weakening US dollar, we continue to assume positive contributions to earnings, taking into account our hedging strategy.

In 2016/17 we expect to achieve the goals we have set for ourselves for the efficiency enhancement program within the framework of "ONE Aurubis." It will lead to additional optimizations at all of the sites.

Overall, we confirm our forecast for fiscal year 2016/17 and expect significantly higher operating EBT and slightly higher operating ROCE compared to the previous year.

#### Qualified comparative forecast according to Aurubis' definition

	Change in operating EBT	ROCE delta as a percentage
At prior-year level	± 2 %	± 1
Slight	±3 bis 10 %	± 1 bis 5
Significant	> ± 10 %	> ±5

# Interim Consolidated Financial Statements

## First 9 Months 2016/17

### Consolidated Income Statement

(IFRS, in € thousand)

	9M 2016/17	9M 2015/16
Revenues	8,188,884	7,075,781
Changes in inventories of finished goods and work in process	65,760	80,411
Own work capitalized	6,989	6,567
Other operating income	34,522	38,061
Cost of materials	-7,269,316	-6,479,229
<b>Gross profit</b>	<b>1,026,839</b>	<b>721,591</b>
Personnel expenses	-356,739	-336,975
Depreciation and amortization of intangible assets and property, plant and equipment	-98,869	-97,789
Other operating expenses	-193,902	-174,847
<b>Operational result (EBIT)</b>	<b>377,329</b>	<b>111,980</b>
Result from investments measured using the equity method	7,255	3,888
Interest income	1,960	2,248
Interest expenses	-15,339	-20,544
Other financial income	219	257
Other financial expenses	-500	0
<b>Earnings before taxes (EBT)</b>	<b>370,924</b>	<b>97,829</b>
Income taxes	-86,069	-25,426
<b>Consolidated net income/loss</b>	<b>284,855</b>	<b>72,403</b>
Consolidated net income/loss attributable to Aurubis AG shareholders	283,902	71,193
Consolidated net income attributable to non-controlling interests	953	1,210
Basic earnings per share (in €)	6.32	1.58
Diluted earnings per share (in €)	6.32	1.58

## Consolidated Statement of Comprehensive Income

(IFRS, in € thousand)

	9M 2016/17	9M 2015/16
<b>Consolidated net income/loss</b>	<b>284,855</b>	<b>72,403</b>
Items that will be reclassified to profit or loss in the future		
Measurement at market of cash flow hedges	17,394	21,012
Measurement at market of financial investments	4,782	1,091
Changes deriving from translation of foreign currencies	-1,040	56
Income taxes	-4,002	-5,141
Items that will not be reclassified to profit or loss		
Remeasurement of the net liability deriving from defined benefit obligations	53,714	-93,923
Income taxes	-17,411	30,381
Other comprehensive income/loss	53,437	-46,524
<b>Consolidated total comprehensive income/loss</b>	<b>338,292</b>	<b>25,879</b>
Consolidated total comprehensive income/loss attributable to Aurubis AG shareholders	337,339	24,669
Consolidated total comprehensive income attributable to non-controlling interests	953	1,210

## Consolidated Statement of Financial Position

(IFRS, in € thousand)

<b>ASSETS</b>	6/30/2017	9/30/2016
Intangible assets	132,047	84,740
Property, plant and equipment	1,275,993	1,288,155
Investment property	8,473	8,515
Financial fixed assets	27,690	23,414
Investments measured using the equity method	46,317	45,012
Deferred tax assets	10,049	10,418
Non-current financial assets	29,910	23,080
Other non-current non-financial assets	2,278	2,468
<b>Non-current assets</b>	<b>1,532,757</b>	<b>1,485,802</b>
Inventories	1,840,749	1,700,205
Trade accounts receivable	414,754	242,106
Other current financial assets	100,447	75,503
Other current non-financial assets	63,755	51,487
Cash and cash equivalents	332,082	471,874
<b>Current assets</b>	<b>2,751,787</b>	<b>2,541,175</b>
<b>Total assets</b>	<b>4,284,544</b>	<b>4,026,977</b>

## Consolidated Statement of Financial Position

(IFRS, in € thousand)

<b>EQUITY AND LIABILITIES</b>	6/30/2017	9/30/2016
Subscribed capital	115,089	115,089
Additional paid-in capital	343,032	343,032
Generated Group earnings	1,784,789	1,520,781
Accumulated other comprehensive income components	26,600	9,465
Equity attributable to shareholders of Aurubis AG	2,269,510	1,988,367
Non-controlling interests	2,213	2,769
<b>Equity</b>	<b>2,271,723</b>	<b>1,991,136</b>
Pension provisions and similar obligations	272,574	322,000
Other non-current provisions	66,870	64,038
Deferred tax liabilities	205,321	150,847
Non-current borrowings	340,325	337,112
Other non-current financial liabilities	1,702	18,788
Non-current non-financial liabilities	1,201	1,201
<b>Non-current liabilities</b>	<b>887,993</b>	<b>893,986</b>
Current provisions	34,908	32,310
Trade accounts payable	891,959	797,710
Income tax liabilities	13,959	4,522
Current borrowings	19,508	158,131
Other current financial liabilities	134,644	117,702
Other current non-financial liabilities	29,850	31,480
<b>Current liabilities</b>	<b>1,124,828</b>	<b>1,141,855</b>
<b>Total liabilities</b>	<b>4,284,544</b>	<b>4,026,977</b>

## Consolidated Cash Flow Statement

(IFRS, in € thousand)

	9M 2016/17	9M 2015/16
<b>Earnings before taxes</b>	<b>370,924</b>	<b>97,829</b>
Depreciation and amortization of fixed assets	98,869	97,789
Change in allowances on receivables and other assets	883	1,533
Change in non-current provisions	4,591	384
Net losses on disposal of fixed assets	2,197	618
Measurement of derivatives	7,026	-68,508
Other non-cash items	2,936	0
Financial result	5,242	12,146
Income taxes received/paid	-43,048	-85,326
Change in receivables and other assets	-194,983	7,163
Change in inventories (including measurement effects)	-143,659	-98,356
Change in current provisions	2,608	-5,475
Change in liabilities (excluding financial liabilities)	77,364	85,482
<b>Cash inflow from operating activities (net cash flow)</b>	<b>190,950</b>	<b>45,279</b>
Payments for investments in fixed assets	-130,702	-106,568
Proceeds from the disposal of fixed assets	114	8,456
Interest received	1,960	2,248
Dividends received	6,169	3,857
<b>Cash outflow from investing activities</b>	<b>-122,459</b>	<b>-92,007</b>
Proceeds deriving from the take-up of financial liabilities	116,134	32,949
Payments for the redemption of bonds and financial liabilities	-257,191	-51,399
Interest paid	-9,608	-14,171
Dividends paid	-57,705	-61,641
<b>Cash outflow from financing activities</b>	<b>-208,370</b>	<b>-94,262</b>
Net change in cash and cash equivalents	-139,879	-140,990
Changes resulting from movements in exchange rates	87	-38
Cash and cash equivalents at beginning of period	471,874	452,971
<b>Cash and cash equivalents at end of period</b>	<b>332,082</b>	<b>311,943</b>

## Consolidated Statement of Changes in Equity

(IFRS, in € thousand)

	Subscribed capital	Additional paid-in capital	Generated Group equity	Accumulated other comprehensive income components*					Total equity	
				Measurement at market of cash flow hedges	Measurement at market of financial investments	Currency translation differences	Income taxes	Equity attributable to Aurubis AG shareholders		Non-controlling interests
<b>Balance as at 9/30/2015</b>	<b>115,089</b>	<b>343,032</b>	<b>1,523,444</b>	<b>-33,994</b>	<b>0</b>	<b>11,688</b>	<b>6,542</b>	<b>1,965,801</b>	<b>2,778</b>	<b>1,968,579</b>
Dividend payment	0	0	-60,692	0	0	0	0	-60,692	-949	-61,641
Consolidated total comprehensive income/loss	0	0	7,651	21,012	1,091	56	-5,141	24,669	1,210	25,879
of which consolidated net income	0	0	71,193	0	0	0	0	71,193	1,210	72,403
of which other comprehensive income/loss	0	0	-63,542	21,012	1,091	56	-5,141	-46,524	0	-46,524
<b>Balance as at 6/30/2016</b>	<b>115,089</b>	<b>343,032</b>	<b>1,470,403</b>	<b>-12,982</b>	<b>1,091</b>	<b>11,744</b>	<b>1,401</b>	<b>1,929,778</b>	<b>3,039</b>	<b>1,932,817</b>
<b>Balance as at 9/30/2016</b>	<b>115,089</b>	<b>343,032</b>	<b>1,520,781</b>	<b>-5,944</b>	<b>5,092</b>	<b>10,561</b>	<b>-244</b>	<b>1,988,367</b>	<b>2,769</b>	<b>1,991,136</b>
Dividend payment	0	0	-56,196	0	0	0	0	-56,196	-1,509	-57,705
Consolidated total comprehensive income/loss	0	0	320,204	17,394	4,782	-1,039	-4,002	337,339	953	338,292
of which consolidated net income	0	0	283,902	0	0	0	0	283,902	953	284,855
of which other comprehensive income/loss	0	0	36,302	17,394	4,782	-1,039	-4,002	53,437	0	53,437
<b>Balance as at 6/30/2017</b>	<b>115,089</b>	<b>343,032</b>	<b>1,784,789</b>	<b>11,450</b>	<b>9,874</b>	<b>9,522</b>	<b>-4,246</b>	<b>2,269,510</b>	<b>2,213</b>	<b>2,271,723</b>

\* The items included here will be reclassified to profit or loss in the future.



## **Selected Notes to the Consolidated Financial Statements**

### **General principles**

The above quarterly report of Aurubis AG has been prepared in accordance with International Financial Reporting Standards (IFRS) as applicable in the EU. The accounting and measurement principles used in the financial statements as at September 30, 2016, have been applied without amendment. The auditors have not conducted a review.

### **Standards to be applied for the first time**

The annual improvements to the IFRS cycles 2012-2014 adopted into European law by the European Union in December 2015 that are applicable for fiscal years starting on or after January 1, 2016, concern a number of small amendments and clarifications to IFRS. They do not affect the Aurubis Group.

The amendments to IAS 16 and IAS 38, which were adopted into European law by the European Union in December 2015 that are applicable for fiscal years starting on or after January 1, 2016, primarily include a clarification of acceptable methods of depreciation and amortization. The amendments do not affect the Aurubis Group.

### **Standards not adopted early IFRS 9/IFRS 15**

In the 2018/19 fiscal year, Aurubis must observe new rules regarding IFRS 9 for the classification and measurement of financial instruments and must recognize its revenues based on the five-step model according to IFRS 15. Therefore, management began conducting an initial impact analysis of the new rules in the last fiscal year in anticipation of this. In the first nine months of the current fiscal year, this impact analysis was continued based on qualitative data analyses or on contract reviews and structured interviews with the business units.

We do not currently expect any material impact on the Aurubis Group resulting from the introduction of IFRS 9. Similarly, we do not expect any material impact from accounting according to IFRS 15 since revenues are primarily generated from the sale of metals and copper products.

### **Dividend**

A total of € 56,195,903.75 of Aurubis AG's unappropriated earnings of € 122,012,020 in fiscal year 2015/16 was used to pay a dividend of € 1.25. An amount of € 65,816,116.25 was carried forward.

### **Capital expenditure**

The largest individual investment was a payment in connection with our long-term electricity supply agreement. With this individual investment, we reduced the costs of long-term electricity consumption.

## Consolidated Segment Reporting

(in € thousand)

	Primary Copper segment		Copper Products segment		Other		Total		Reconciliation/consolidation		Group total	
	9M 2016/17 operating	9M 2015/16 operating	9M 2016/17 operating	9M 2015/16 operating	9M 2016/17 operating	9M 2015/16 operating	9M 2016/17 operating	9M 2015/16 operating	9M 2016/17 IFRS	9M 2015/16 IFRS	9M 2016/17 IFRS	9M 2015/16 IFRS
Revenues												
Total revenues	4,721,388	3,890,566	6,727,282	5,703,982	10,345	8,765						
Inter-segment revenues	2,742,887	2,079,409	525,222	446,178	2,022	1,944						
Revenues with third parties	1,978,501	1,811,157	6,202,060	5,257,804	8,323	6,821	8,188,884	7,075,781	0	0	8,188,884	7,075,781
EBIT	187,656	104,892	62,430	77,446	-30,166	-21,816	219,920	160,521	157,409	-48,541	377,329	111,980
EBT	183,733	95,957	57,161	73,107	-30,058	-21,514	210,836	147,550	160,088	-49,721	370,924	97,829
ROCE (%)	25.5	17.6	7.2	9.8								

The division of the segments complies with the definition of business units in the Group.

# Dates and Contacts

## Financial Calendar

Annual Report 2016/17	December 13, 2017
Quarterly Report First 3 Months 2017/18	February 13, 2018
Annual General Meeting	March 1, 2018
Interim Report First 6 Months 2017/18	May 15, 2018
Quarterly Report First 9 Months 2017/18	August 9, 2018
Annual Report 2017/18	December 11, 2018

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