Interim Report
First 6 Months 2019/20
October 1, 2019 to March 31, 2020

Aurubis
Metals for Progress

At a Glance

Key Aurubis Group figures Operating		Q2			6M		
		2019/20	2018/19	Change	2019/20	2018/19	Change
Revenues	€m	3,304	3,046	8 %	6,013	5,660	6 %
Gross profit	€m	307	288	7 %	570	552	3 %
Depreciation and amortization	€m	36	33	9 %	74	67	10 %
EBITDA	€m	98	97	1 %	169	173	-2 %
EBIT	€m	62	64	-3 %	95	106	-10 %
EBT[1]	**€m**	**60**	**63**	**-5 %**	**91**	**103**	**-12 %**
Consolidated net income	€m	46	48	-4 %	70	78	-10 %
Earnings per share	€	1.01	1.05	-4 %	1.56	1.72	-10 %
Net cash flow	€m	68	-26	> 100 %	-25	-334	93 %
Capital expenditure (including leases)	€m	64	47	35 %	124	93	34 %
ROCE[1]	**%**	**-**	**-**	**-**	**7.5**	**9.2**	**-**

[1] Corporate control parameters.

Key Aurubis Group figures IFRS from continuing operations		Q2			6M		
		2019/20	2018/19	Change	2019/20	2018/19	Change
Revenues	€m	3,043	2,741	11 %	5,522	5,082	9 %
Gross profit	€m	153	301	-49 %	434	490	-11 %
Personnel expenses	€m	95	90	5 %	196	182	8 %
Depreciation and amortization	€m	35	30	16 %	70	61	14 %
EBITDA	€m	-13	158	< -100 %	118	203	-42 %
EBIT	€m	-48	127	< -100 %	48	142	-66 %
EBT	€m	-50	124	< -100 %	43	136	-68 %
Consolidated net income/loss	€m	-38	94	< -100 %	32	103	-69 %
Earnings per share	€	-0.84	2.09	< -100 %	0.71	2.28	-69 %

General Aurubis Group figures		Q2			6M		
		2019/20	2018/19	Change	2019/20	2018/19	Change
Copper price (average)	US$/t	5,637	6,215	-9 %	5,759	6,193	-7 %
Copper price (period end date)	US$/t	-	-	-	4,797	6,485	-26 %
Employees (average)		6,753	6,737	0 %	6,786	6,719	1 %

Aurubis Group output/throughput		Q2			6M		
		2019/20	2018/19	Change	2019/20	2018/19	Change
Concentrate throughput	1,000 t	628	589	7 %	1,118	1,181	-5 %
Copper scrap/blister copper input	1,000 t	99	118	-16 %	187	226	-17 %
KRS throughput	1,000 t	71	60	18 %	146	118	24 %
Sulfuric acid output	1,000 t	615	580	6 %	1,086	1,120	-3 %
Cathode output	1,000 t	239	276	-13 %	474	551	-14 %
Wire rod output	1,000 t	213	229	-7 %	412	407	1 %
Shapes output	1,000 t	42	51	-18 %	77	96	-20 %
Flat rolled products and specialty wire output	1,000 t	51	57	-11 %	92	110	-16 %

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

Highlights

The Aurubis Group generated operating earnings before taxes (EBT) of € 91 million in the first half of fiscal year 2019/20 (previous year: € 103 million). The operating result was primarily influenced by a planned maintenance shutdown at the Hamburg site in Q1 2019/20. A higher metal gain and significantly higher refining charges for copper scrap compared to the previous year had a positive impact on the operating result. Operating return on capital employed (ROCE) was 7.5 % (previous year: 9.2 %). IFRS earnings before taxes (EBT) from continuing operations (see page 7) were € 43 million (previous year: € 136 million). On May 4, 2020, the European Commission issued Aurubis AG unconditional approval for the acquisition of the Metallo Group. The merger is a key milestone in the implementation of our multi-metal strategy.

The Group generated revenues of € 6,013 million during the first six months of fiscal year 2019/20 (previous year: € 5,660 million). This development was primarily due to higher precious metal prices.

Operating EBT was € 91 million (previous year: € 103 million) and, compared to the previous year, was negatively influenced by:

- A lower concentrate throughput due to a planned maintenance shutdown at our Hamburg site in Q1 2019/20 with a negative effect of approximately € 34 million on earnings. Production at our sites in Hamburg and Pirdop was at a good level in Q2 2019/20. In the previous year, unplanned shutdowns had an impact of about € 25 million on the result.
- Lower sulfuric acid revenues resulting from significantly reduced sales prices with output volumes at prior-year level,
- Significantly weaker demand for shapes and flat rolled products.

Positive effects on operating EBT compared to the previous year included:

- Substantially higher throughput in the KRS recycling facility, which had been influenced by a planned maintenance shutdown in the previous year,
- Significantly higher refining charges for copper scrap,
- A higher metal gain with increased precious metal prices.

In the previous year, the recognition of a receivable of € 20 million from the vetoed sale of Segment Flat Rolled Products increased operating EBT.

Operating ROCE (taking the operating EBIT of the last four quarters into consideration) was 7.5 % (previous year: 9.2 %). The lower ROCE was caused by the one-off effects at the end of the last fiscal year as well as the planned maintenance shutdown at our Hamburg plant in Q1 of the current fiscal year.

At € -25 million as at March 31, 2020, the net cash flow was significantly above the low prior-year level (€ -334 million). The cash flow in the previous year had been negatively influenced by preparations for planned shutdowns in 2018/19.

Operating EBT for Segment MRP amounted to € 140 million during the reporting period, up significantly on the previous year (€ 112 million). The increase primarily resulted from the influencing factors already mentioned.

Segment FRP generated operating earnings before taxes (EBT) of € -2 million in the first half of the reporting year (previous year: € -3 million). Although sales volumes were considerably lower than the previous year, the result was kept at prior-year level due to stringent cost management.

Aurubis is still reviewing strategic options for the sale of Segment FRP. We will continue to classify Segment FRP as discontinued operations pursuant to IFRS. This does not affect the operating reporting.

On the international copper concentrate market, the good supply at the start of the reporting period continued over long stretches of Q2 2019/20. Since mid-March, effects of COVID-19 have influenced production at individual mines in South America, leading to production limitations in some cases. This has lowered the supply of copper concentrates. Furthermore, there have been logistical delays as well, for instance in the transport and loading of concentrates in important transshipment ports. However, the production limitations are coming up against generally weaker global demand from the smelter industry, especially in China. Thanks to our broadly diversified supplier portfolio, spot market purchases, and flexible material planning, we have been able to secure our smelters' supply well thus far. Until mid-February, Aurubis benefited from concentrate TC/RCs at the conditions of calendar year 2019, which were substantially higher than current TC/RCs.

Refining charges for copper scrap remained stable in the first half-year, at the high level recorded at the close of the last reporting year. The reason for this was a good supply of recycling materials in Europe and the US due to the current import restrictions on copper scrap in China. Aurubis utilized the good market situation and was able to fully supply its production facilities with copper scrap at good conditions during the reporting period.

Following a robust demand trend in Q1 2019/20, the global market for sulfuric acid was highly volatile at the start of the calendar year as a result of the outbreak of the coronavirus pandemic in China. The sealing off of Hubei province, the center of China's fertilizer production and one of the key customer regions for sulfuric acid in Asia, led to increased exports from Chinese sulfuric acid producers. The high supply of acid on the spot markets resulted in a strong price decline on the spot market overseas and in Asia. The European market for sulfuric acid wasn't spared these effects in Q2 2019/20, either. Prices for spot volumes for exports overseas and to Turkey dropped to a great extent in the course of Q2 2019/20. Because of its customer and contract structure, Aurubis isn't completely exposed to developments on the spot market.

The cathode market recorded stable demand overall in the first half of 2019/20. While spot premiums in Europe were stable, quotations in Shanghai edged downward because of the coronavirus pandemic. Chinese cathode demand showed signs of recovery in March, however, after the majority of the copper processing industry in China resumed production.

Until the end of March, the economic impacts of the coronavirus pandemic on Aurubis were marginal, especially considering the dimension this global challenge has taken on.

Aurubis' strong balance sheet and robust liquidity are evident in both the payment of the dividend in early March 2020 and the share buyback program with a volume of up to € 200 million, which the Executive Board approved on March 18, 2020.

On May 4, 2020, the EU antitrust authorities issued Aurubis AG unconditional approval for the acquisition of the Belgian-Spanish Metallo Group. The formal closing of the transaction will take place on May 29, 2020.

Executive Board Chairman Roland Harings:
"The merger with Metallo is a key milestone in the implementation of our strategy. Recycling is crucial for a sustainable society and, furthermore, is an attractive global growth market. Metallo's processing know-how and technical processes perfectly complement Aurubis' core expertise.

Considering the COVID-19 pandemic, we have steered Aurubis through the crisis well so far. By implementing measures very early on, we were able to effectively protect our employees' health, prevent infection chains from forming, and continue production without limitations. Despite the increasingly challenging raw material and sales markets, we can confirm our forecast for fiscal year 2019/20 thanks to our very robust business model and strong starting position in particular."

Interim Group Management Report First 6 Months 2019/20

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 IFRS 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.

Aurubis has intended to sell Segment FRP since fiscal year 2017/18. Therefore, the special presentation and measurement requirements specified in IFRS 5 must be applied for Segment FRP. These include, among other things, a separate, aggregated disclosure of consolidated net income/loss deriving from discontinued operations in the consolidated income statement, as well as a separate, aggregated disclosure of assets and liabilities held for sale for the discontinued operations in the consolidated statement of financial position. Furthermore, additional disclosures must be made in the notes to the financial statements (see page 30).

The Executive Board continues to treat Segment FRP as an operating reporting segment and, consequently, the financial reporting for operating purposes will remain unchanged until such time as the sales transaction is finalized.

As a result, the accounting impacts deriving from IFRS 5 in the financial statements are reversed in the reconciliation between IFRS reporting and operating reporting.

In order to adjust the measurement impacts in inventories resulting from the application of IAS 2, metal price fluctuations resulting from the application of the average cost method are eliminated in the same manner as any non-permanent write-downs or appreciation in value for copper inventories at the reporting date.

Furthermore, fixed assets have been adjusted for non-cash-effective impacts deriving from purchase price allocations.

Results of operations

Operating EBT in the first six months of the fiscal year amounted to € 91 million (previous year: € 103 million) and was negatively impacted by:

- » A lower concentrate throughput due to a planned maintenance shutdown at our Hamburg site in Q1 2019/20 with a negative effect of approximately € 34 million on earnings. Production at our sites in Hamburg and Pirdop was at a good level in Q2 2019/20. In the previous year, unplanned shutdowns had an impact of about € 25 million on the result.
- » Lower sulfuric acid revenues resulting from significantly reduced sales prices with output volumes at prior-year level,
- » Significantly weaker demand for shapes and flat rolled products.

Positive effects on operating EBT included:

- » Substantially higher throughput in the KRS recycling facility, which had been influenced by a planned maintenance shutdown in the previous year,
- » Significantly higher refining charges for copper scrap,
- » A higher metal gain with increased precious metal prices.

In the previous year, the recognition of a receivable of € 20 million from the vetoed sale of Segment Flat Rolled Products increased operating EBT.

The following table shows how the operating result for the first six months of fiscal year 2019/20 and for the comparative prior-year period have been determined.

Reconciliation of the consolidated income statement (in € million)

	6M 2019/20				6M 2018/19			
		Adjustment effects				Adjustment effects		
	IFRS from continuing operations	Discontinued operations	Inventories/ PPA	Operating	IFRS from continuing operations	Discontinued operations	Inventories/ PPA	Operating
Revenues	5,522	491	0	6,013	5,082	578	0	5,660
Changes in inventories of finished goods and work in process	12	-25	45	32	476	21	-62	435
Own work capitalized	12	0	0	12	9	0	0	9
Other operating income	17	-1	0	16	40	0	0	40
Cost of materials	-5,129	-399	25	-5,503	-5,117	-497	22	-5,592
Gross profit	**434**	**66**	**70**	**570**	**490**	**102**	**-40**	**552**
Personnel expenses	-195	-65	0	-260	-182	-67	0	-249
Depreciation of property, plant, and equipment and amortization of intangible assets	-70	-7	3	-74	-61	-7	1	-67
Other operating expenses	-120	-21	0	-141	-105	-25	0	-130
Operational result (EBIT)	**49**	**-27**	**73**	**95**	**142**	**3**	**-39**	**106**
Result from investments measured using the equity method	0	0	2	2	0	3	1	4
Interest income	2	0	0	2	2	0	0	2
Interest expense	-8	0	0	-8	-8	-1	0	-9
Earnings before taxes (EBT)	**43**	**-27**	**75**	**91**	**136**	**5**	**-38**	**103**
Income taxes	-11	5	-15	-21	-33	-4	12	-25
Consolidated net income	**32**	**-22**	**60**	**70**	**103**	**1**	**-26**	**78**

The Group's revenues increased by € 353 million to € 6,013 million (previous year: € 5,660 million) during the reporting period. This development was primarily due to higher precious metal prices compared to the prior-year period.

There was a minimal change in inventories of finished goods and work in process in the amount of € 32 million in the first six months of the fiscal year (previous year: € 435 million). The high change in inventories in the previous year was primarily due to the increase in intermediate products to prepare for scheduled shutdowns, as well as the increase in finished products.

In a manner corresponding to the development for revenues and inventory changes, the cost of materials decreased from € 5,592 million in the previous year to € 5,503 million.

Own work capitalized was recognized in the fiscal year, partly in connection with the planned maintenance shutdowns at the Hamburg site, and at € 12 million (previous year: € 9 million), was above prior-year level.

Other operating income decreased significantly by € 24 million to € 16 million. In the previous year, the income from the recognition of a receivable of € 20 million from the vetoed sale of Segment Flat Rolled Products was included.

Overall, operating gross profit amounted to € 570 million (previous year: € 552 million), slightly above prior-year level.

Personnel expenses rose from € 249 million in the previous year to € 260 million. The increase was due to wage tariff increases and additions to restructuring provisions.

After taking the slightly higher depreciation of fixed assets and other operating expenses into account, earnings before interest and taxes (EBIT) totaled € 95 million (previous year: € 106 million).

The financial result was € -4 million, slightly below the previous year. This results in operating earnings before taxes (EBT) of € 91 million (previous year: € 103 million).

Operating consolidated net income of € 70 million remained after tax (previous year: € 78 million). Operating earnings per share amounted to € 1.56 (previous year: € 1.72).

The IFRS gross profit of € 434 million from continuing operations (previous year: € 490 million) fell below the previous year considerably. In addition to the effects on earnings already described in the explanation of the operating results of operations, the change in IFRS 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 direct effects on changes in inventories/the cost of materials and hence on the IFRS gross profit. The IFRS gross profit in the first six months of fiscal year 2019/20 includes inventory measurement effects of € -70 million (previous year: € 40 million). The depiction of this volatility is not relevant to the cash flow and does not reflect Aurubis' operating performance.

IFRS consolidated net income from continuing operations was € 32 million (previous year: € 103 million). This translates to IFRS earnings per share of € 0.71 from continuing operations (previous year: € 2.28).

IFRS consolidated net income from discontinued operations was € -22 million (previous year: € 1 million).

Net assets

The following table shows the derivation of the operating statement of financial position as at March 31, 2020 and as at September 30, 2019.

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

	3/31/2020				9/30/2019			
		Adjustment effects				Adjustment effects		
	IFRS	Discon-tinued operations	Inven-tories/PPA	Opera-ting	IFRS	Discon-tinued operations	Inven-tories/PPA	Opera-ting
Assets								
Fixed assets	1,455	158	-35	1,578	1,384	156	-41	1,499
Deferred tax liabilities	4	4	21	29	4	4	46	54
Non-current receivables and other assets	21	2	0	23	29	2	0	31
Inventories	1,918	234	-393	1,759	1,728	265	-461	1,532
Current receivables and other assets	513	105	0	618	405	97	0	502
Cash and cash equivalents	61	11	0	72	421	20	0	441
Assets held for sale	537	-537	0	0	561	-561	0	0
Total assets	**4,509**	**-23**	**-407**	**4,079**	**4,532**	**-17**	**-456**	**4,059**
Equity and liabilities								
Equity	2,583	-23	-283	2,277	2,593	-17	-342	2,234
Deferred tax liabilities	181	11	-124	68	170	14	-114	70
Non-current provisions	287	45	0	332	356	46	0	402
Non-current liabilities	166	2	0	168	153	1	0	154
Current provisions	32	8	0	40	43	8	0	51
Current liabilities	1,098	96	0	1,194	1,057	91	0	1,148
Liabilities deriving from assets held for sale	162	-162	0	0	160	-160	0	0
Total equity and liabilities	**4,509**	**-23**	**-407**	**4,079**	**4,532**	**-17**	**-456**	**4,059**

Total assets (operating) increased from € 4,059 million as at September 30, 2019 to € 4,079 million as at March 31, 2020.

This was due in particular to the € 227 million increase in inventories, from € 1,532 million as at September 30, 2019 to € 1,759 million as at March 31, 2020. The increase was primarily in input materials. High market values from metal futures contracts also had an impact. In contrast, cash and cash equivalents decreased by € 369 million in this period, from € 441 million to € 72 million.

The Group's equity rose by € 43 million, from € 2,234 million as at the end of the last fiscal year to € 2,277 million as at March 31, 2020.

The increase resulted particularly from the operating consolidated net income of € 70 million and the interest rate-related remeasurement of pension obligations amounting to € 50 million (after tax) included in other comprehensive income. The dividend payment of € 56 million and the purchase of treasury shares amounting to € 19 million had an opposite effect.

Current liabilities from trade accounts payable increased by € 102 million, from € 818 million to € 919 million, in line with the higher inventories of input materials.

In contrast, at € 184 million as at March 31, 2020, borrowings were substantially below the level of the previous fiscal year-end (€ 302 million). The decline resulted primarily from the repayment of a bonded loan (Schuldscheindarlehen) of € 127 million. The conversion effect (€ 33 million) from depicting all leases in the statement of financial position in accordance with the first-time application of IFRS 16 had an opposite effect.

The following table shows the development of borrowings:

(in € million)	3/31/2020	9/30/2019
Non-current bank borrowings	107	116
Non-current liabilities under finance leases	55	33
Non-current borrowings	**162**	**149**
Current bank borrowings	9	150
Current liabilities under finance leases	13	3
Current borrowings	**22**	**153**
Total borrowings	**184**	**302**

Overall, the operating equity ratio (the ratio of equity to total assets) was therefore 55.8 % compared to 55.0 % as at the end of the previous fiscal year.

Total assets (IFRS) decreased from € 4,532 million as at September 30, 2019 to € 4,509 million as at March 31, 2020. This was due to the € 190 million increase in inventories, from € 1,728 million as at September 30, 2019 to € 1,918 million as at March 31, 2020, which was lower compared to the operating statement of financial position. The Group's equity decreased by € 10 million, from € 2,593 million as at the end of the last fiscal year to € 2,583 million as at March 31, 2020. The decrease resulted from the consolidated net income of € 33 million in particular, which was lower compared to the operating statement of financial position.

Overall, the IFRS equity ratio was 57.3 % as at March 31, 2020, compared to 57.2 % as at the end of the previous fiscal year.

Return on capital

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

The lower operating ROCE of 7.5 % compared to 9.2 % in the comparable prior-year period is due to the one-off effects at the end of the last fiscal year as well as the planned maintenance shutdown at our Hamburg plant in Q1 of the current fiscal year.

(in € million)	3/31/2020	3/31/2019
Fixed assets excluding financial fixed assets and investments measured using the equity method	1,547	1,469
Inventories	1,759	2,099
Trade accounts receivable	411	483
Other receivables and assets	259	218
- Trade accounts payable	-919	-1,120
- Provisions and other liabilities	-435	-346
Capital employed as at the period end date	**2,621**	**2,803**
Earnings before taxes (EBT)	180	246
Financial result	17	2
Earnings before interest and taxes (EBIT)[1]	**197**	**248**
Investments accounted for using the equity method	**-1**	**11**
Earnings before interest and taxes (EBIT)[1] - adjusted	**196**	**259**
Return on capital employed (operating ROCE)	**7.5 %**	**9.2 %**

[1] Rolling last 4 quarters

Financial position and capital expenditure

The following comments include both continuing and discontinued operations.

At € -25 million as at March 31, 2020, the net cash flow was above the low prior-year level (€ -334 million). The cash flow in the previous year had been negatively influenced by preparations for planned shutdowns in 2018/19.

The cash outflow from investing activities totaled € 119 million (previous year: € 80 million). Higher investments in fixed assets compared to the previous year included payments for the planned maintenance shutdown at the Hamburg site at the beginning of the fiscal year.

After taking interest payments totaling € 7 million, dividend payments of € 56 million, and payments of € 15 million for the purchase of treasury shares into account, the free cash flow amounts to € -222 million (previous year: € -490 million).

(in € million)	6M 2019/20	6M 2018/19
Cash outflow from operating activities (net cash flow)	-25	-334
Cash outflow from investing activities	-119	-80
Purchase of treasury shares	-15	0
Interest paid	-7	-7
Dividends paid	-56	-69
Free cash flow	**-222**	**-490**
Proceeds and payments from financial liabilities	-147	40
Net change in cash and cash equivalents	**-369**	**-450**

Cash and cash equivalents of € 72 million were available to the Group as at March 31, 2020 (€ 441 million as at September 30, 2019).

Segment Metal Refining & Processing		Q2			6M		
		2019/20	2018/19	Change	2019/20	2018/19	Change
Revenues	€m	3,038	2,736	11 %	5,512	5,072	9 %
Operating EBIT	€m	87	55	58 %	142	114	25 %
Operating EBT	€m	86	54	59 %	140	112	25 %
Operating ROCE (rolling EBIT for the last 4 quarters)	%	-	-	-	14.7	11.6	-
Capital employed	€m	-	-	-	2,257	2,310	-2 %
Concentrate throughput	1,000 t	628	589	7 %	1,118	1,181	-5 %
Hamburg	1,000 t	279	281	-1 %	436	550	-21 %
Pirdop	1,000 t	349	308	13 %	682	631	8 %
Copper scrap/blister copper input	1,000 t	99	118	-16 %	187	226	-17 %
KRS throughput	1,000 t	71	60	18 %	146	118	24 %
Sulfuric acid output	1,000 t	615	580	6 %	1,086	1,120	-3 %
Hamburg	1,000 t	255	273	-7 %	389	513	-24 %
Pirdop	1,000 t	360	307	17 %	697	607	15 %
Cathode output	1,000 t	239	276	-13 %	474	551	-14 %
Hamburg	1,000 t	98	91	8 %	186	181	3 %
Lünen	1,000 t	41	45	-9 %	78	91	-14 %
Olen	1,000 t	43	85	-49 %	98	169	-42 %
Pirdop	1,000 t	57	55	4 %	112	110	2 %
Wire rod output	1,000 t	213	229	-7 %	412	407	1 %
Shapes output	1,000 t	42	51	-18 %	77	96	-20%
Copper price (average)	US$/t	5,637	6,215	-9 %	5,759	6,193	-7 %
	€/t	5,111	5,473	-7 %	5,211	5,440	-4 %
Gold price (average)	US$/kg	50,908	41,924	21 %	49,281	40,686	21 %
	€/kg	46,174	36,914	25 %	44,610	35,738	25 %
Silver price (average)	US$/kg	543	501	8 %	550	484	14 %
	€/kg	493	441	12 %	498	425	17 %

Segment Metal Refining & Processing

Segment Metal Refining & Processing (MRP) processes complex metal concentrates, copper scrap, and metal-bearing recycling materials into metals of the highest quality. Among other items, copper cathodes are manufactured at the Hamburg (Germany), Pirdop (Bulgaria), Olen (Belgium), and Lünen (Germany) sites; these cathodes are processed further into wire rod and shapes at the Hamburg (Germany), Olen (Belgium), Emmerich (Germany), and Avellino (Italy) sites. The segment commands a broad product portfolio, which results from the processing and optimal utilization of concentrates and recycling raw materials that have complex qualities. In addition to high-purity copper, this portfolio includes (among other metals) gold, silver, lead, nickel, tin, minor metals, and platinum group metals, as well as a number of other products such as sulfuric acid and iron silicate.

Segment MRP generated revenues of € 5,512 million during the reporting period (previous year: € 5,072 million). This increase in revenues is primarily due to higher precious metal prices.

Operating EBT for Segment MRP amounted to € 140 million during the reporting period, up significantly on the previous year (€ 112 million). As expected, the planned maintenance shutdown at our Hamburg site in

Q1 2019/20 had a negative effect of about € 34 million on operating EBT and led to a lower concentrate throughput compared to the previous year, which had been influenced by a negative impact of about € 25 million resulting from unplanned shutdowns. There were positive impacts on the result from a higher metal gain with increased precious metal prices, significantly higher refining charges for copper scrap compared to the previous year, and substantially higher throughput in the KRS recycling facility, which had been influenced by a planned maintenance shutdown in the previous year. Production at our sites in Hamburg and Pirdop was at a good level in Q2 2019/20. Lower sulfuric acid revenues attributable to substantially lower sales prices, as well as significantly weaker demand for shapes and flat rolled products, likewise reduced earnings.

Raw materials

The good supply of copper concentrates at the start of the reporting period continued over long stretches of Q2 2019/20. Since mid-March, effects of COVID-19 have influenced production at individual mines in South America, leading to production limitations in some cases. This has reduced the supply of copper concentrates. Furthermore, there have been logistical delays as well, for instance in the transport and loading of concentrates in important transshipment ports. However, the production limitations are coming up against generally weaker global demand from the smelter industry, especially in China. In this context, spot TC/RCs developed positively until early March and, at around US$ 75/t / 7.5 cents/lb, were considerably above the benchmark of US$ 62/t / 6.2 cents/lb. Spot TC/RCs fell again during the course of March due to intensifying limitations on the mine side, and were slightly above US$ 60/t and 6.0 cents/lb at the end of the month.

In December, the China Smelters Purchase Team (CSPT) set the so-called buying floor for Q1 2020 at a level of US$ 67/t and 6.7 cents/lb. During a meeting at the beginning of April, the CSPT wasn’t able to agree on a buying floor for Q2 2020, according to Reuters.

Thanks to our broadly diversified supplier portfolio, timely countermeasures and spot market purchases, and flexible material planning, we have been able to secure our smelters’ supply well so far. Until mid-February, Aurubis benefited from concentrate TC/RCs at the conditions of calendar year 2019, which were substantially higher than current TC/RCs.

Refining charges for copper scrap remained stable in the first half-year, at the high level recorded at the close of the last reporting year. The reason for this was a good supply of recycling materials in Europe and the US due to the current import restrictions on copper scrap in China. Aurubis utilized the good market situation and was able to fully supply its production facilities with copper scrap at good conditions during the reporting period.

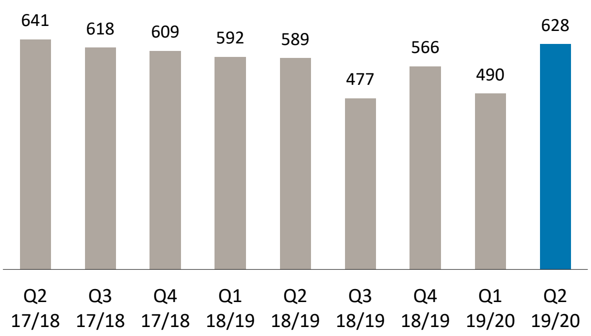
The availability of complex recycling materials, including industrial residues and electrical and electronic scrap, was stable despite intense competition for these materials.

Production

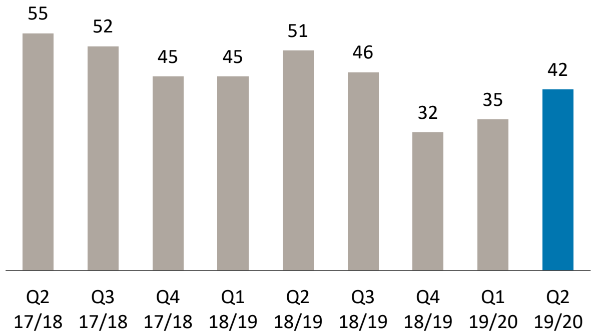
After the planned shutdown at our Hamburg site led to a significantly lower concentrate throughput in Q1 2019/20, production at our Hamburg and Pirdop sites was at a good level in Q2 2019/20. At 1,118,000 t, concentrate throughput after the first six months of 2019/20 was behind the previous year (1,181,000 t), which had been strained by boiler damage at our Hamburg and Pirdop sites.

KRS throughput at the Lünen site was 146,000 t during the reporting period, considerably above the previous year (118,000 t). The previous year had been negatively influenced by boiler damage in Q1 2018/19 and a planned shutdown in March 2019.

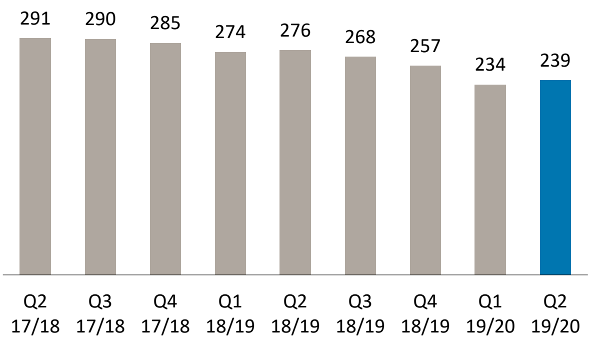
Aurubis Group concentrate throughput (in 1,000 t)



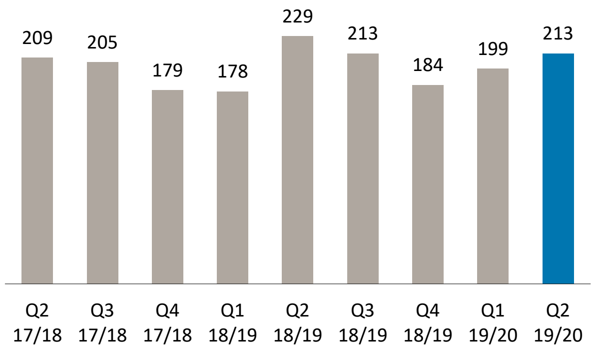
Shapes output (in 1,000 t)



Aurubis Group cathode output (in 1,000 t)



Wire rod output (in 1,000 t)



Cathode output in Lünen was down significantly on the previous year as a result of successive maintenance measures in the tankhouse that continued into Q2 2019/20.

Cathode output in Olen decreased by 42 % compared to the previous year, to 98,000 t, because of crane damage in the tankhouse. Thanks to cooperation with the other sites, the copper cathode supply was secured for wire rod production in Olen. The Olen tankhouse has been available to the greatest possible extent again since the end of April.

At 77,000 t, shapes output was considerably below the previous year (96,000 t) due to weaker demand.

Product markets

In the first half of 2019/20, demand for copper wire rod was stable at the prior-year level. Despite the increasing lockdown in Europe in March related to COVID-19, first and foremost in Italy, as well as production shutdowns in the European automotive industry, we continued to record relatively good demand for copper wire rod at the end of Q2 2019/20. Manufacturers of semi-finished products built up more inventories to be able to maintain production even during the lockdown phase.

Demand for high-purity shapes was much weaker compared to the previous year. The order situation was stable in March, at the level of the two previous months, despite the challenging market environment stemming from COVID-19.

The cathode market recorded stable demand overall in the first half of 2019/20. While spot premiums in Europe were stable, quotations in Shanghai edged downward because of the coronavirus pandemic. Chinese cathode demand showed signs of recovery in March, however, after the majority of the copper processing industry in China resumed production. At US$ 96/t, the Aurubis Copper Premium for calendar year 2020 is the same as in the previous year.

Following a robust demand trend in Q1 2019/20, the global market for sulfuric acid was highly volatile at the start of the calendar year as a result of the outbreak of the coronavirus pandemic in China. The sealing off of Hubei province, the center of China's fertilizer production and one of the key customer regions for sulfuric acid in Asia, led to increased exports from Chinese sulfuric acid producers. The high supply of acid on the spot markets – together with Asian smelters' fears that they would have to ramp down production due to excess acid inventories – resulted in a strong price decline on the spot market overseas and in Asia. The European market for sulfuric acid wasn't spared these effects in Q2 2019/20, either. Prices for spot volumes for exports overseas and to Turkey dropped to a great extent in the course of Q2 2019/20. Because of its customer and contract structure, Aurubis isn't completely exposed to developments on the spot market.

The sales volumes for the other metals we produce were as follows:

Sales volumes		6M 19/20	6M 18/19
Gold	t	23	22
Silver	t	463	364
Lead	t	8,090	9,257
Nickel	t	1,365	1,467
Tin	t	953	730
Minor metals	t	475	541
Platinum group metals (PGMs)	kg	3,967	3,650

The metals we recover depend on the metal contents in the processed copper concentrates and recycling materials. Lower concentrate throughputs due to shutdowns therefore impact the volumes that are recovered. A portion of the metals is sold in the form of intermediate products.

Capital expenditure

Capital expenditure in Segment MRP amounted to € 100 million (previous year: € 68 million). The maintenance shutdown in Hamburg accounted for significant investments.

Segment Flat Rolled Products		Q2			6M		
		2019/20	2018/19	Change	2019/20	2018/19	Change
Revenues	€m	305	349	-13 %	566	666	-15 %
Operating EBIT	€m	1	-1	> 100 %	0	-2	> 100 %
Operating EBT	€m	0	-1	> 100 %	-2	-3	33 %
Operating ROCE (rolling EBIT for the last 4 quarters)	%	-	-	-	-10.0	3.2	-
Capital employed	€m	-	-	-	374	375	0 %
Flat rolled products and specialty wire output	1,000 t	51	57	-11 %	92	110	-16 %

Certain prior-year figures have been adjusted.

Segment Flat Rolled Products

In Segment Flat Rolled Products (FRP), copper and copper alloys – primarily brass, bronze, and high-performance alloys – are processed into flat rolled products and specialty wire. The main production sites are Stolberg (Germany), Pori (Finland), Zutphen (Netherlands), and Buffalo (US). Furthermore, the segment also includes slitting and service centers in Birmingham (UK), Dolný Kubín (Slovakia), and Mortara (Italy), as well as sales offices worldwide.

At € 566 million, the segment's revenues in the first half of 2019/20 were significantly below the prior-year level (€ 666 million). The reason for the lower revenues was a reduced sales volume in particular.

Segment FRP generated operating earnings before taxes (EBT) of € -2 million in the first half of the reporting year (previous year: € -3 million). Although sales volumes were considerably lower than the previous year, the result was kept at prior-year level due to stringent cost management.

Operating ROCE (taking the operating EBIT of the last four quarters into consideration) was -10.0 % (previous year: 3.2 %). The substantial decline is primarily due to the lower results, which include the negative one-off effects of € 51 million reported in Q4 2018/19.

Product markets

The market for flat rolled products has cooled down distinctly compared to the previous year. Demand for connectors from the automotive industry is impacted in particular. Other sales segments are also below expectations.

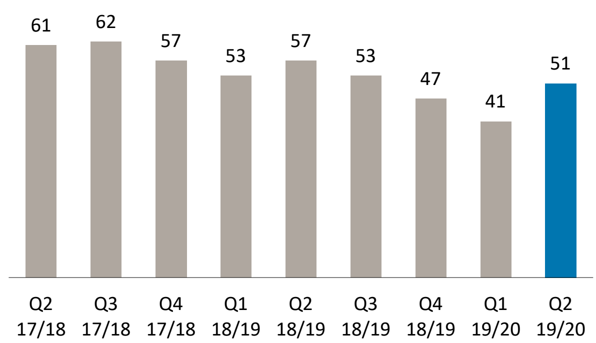
Raw materials

The availability of input metals and the attainable refining charges on the copper price were good in the first half of 2019/20.

Production

Output of flat rolled products and specialty wire decreased to 92,000 t due to demand (previous year: 110,000 t).

Flat rolled products and specialty wire output
(in 1,000 t)



All of the sites continued to work on implementing the programs to improve efficiency and to enhance productivity and quality. The negative influence of the coronavirus pandemic has remained relatively low on both the demand side and the production side thus far.

Capital expenditure

Capital expenditure in Segment FRP amounted to € 8 million (previous year: € 6 million). This was primarily used for replacement investments.

Corporate Governance

The shareholders participating in Aurubis AG's Annual General Meeting on February 27, 2020 passed a resolution on the dividend of € 1.25 per share recommended by the Executive Board and the Supervisory Board for fiscal year 2018/19. The dividend payment was made on the third bank workday after our Annual General Meeting.

The shareholders appointed Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, as auditor and group auditor for fiscal year 2019/20.

According to a voting rights notification dated October 9, 2019, Silchester International Investors LLP located in London held a 10.03 % stake in Aurubis AG at that time. On March 9, 2020, Silchester International Investors LLP notified us that they were pursuing the implementation of strategic targets with their investment in Aurubis. According to the voting rights notification dated May 8, 2020, Silchester International Investors LLP holds 9.93 %.

Rossmann Beteiligungs GmbH, Burgwedel, disclosed with a voting rights notification dated December 30, 2019 that it held a 3.45 % stake in Aurubis AG at that time. Pursuant to the voting rights notification dated March 18, 2020, Rossmann Beteilgungs GmbH, Burgwedel, increased their shareholding to 5.21 %.

On March 18, 2020, the Executive Board of Aurubis AG passed a resolution on a share buyback program. The company is purchasing its own shares on the basis of the authorization issued by the shareholders represented at the Annual General Meeting on March 1, 2018. Aurubis aims to purchase up to 10 % of the existing share capital (i.e., up to 4,495,672 company shares) in several tranches via the stock market, up to a total purchase price of € 200 million (excluding incidental acquisition costs). Aurubis intends to purchase 3 % of the shares in the amount of up to € 60 million in the first tranche. The buyback program started on March 19, 2020 and will end on September 17, 2021 at the latest. The company's purchase of its own shares serves to create treasury stock for possible acquisitions or future financing needs. A total of 547,682 shares had been purchased as part of the share buyback program as of March 31, 2020. As of May 15, 2020, we have bought back a total of 713,971 shares.

On May 4, 2020, the EU antitrust authorities issued Aurubis AG unconditional approval for the acquisition of the Belgian-Spanish Metallo Group. This concludes the merger control proceedings that have been ongoing since August 2019. The formal closing of the transaction will take place on May 29, 2020.

Please also refer to the information published in the Annual Report 2018/19, in the Quarterly Report First 3 Months 2019/20, and on our website.

Risk and Opportunity Management

Overall, the Aurubis Group's raw material supply was good in the first half of fiscal year 2019/20. Due to the global COVID-19 pandemic, however, there will potentially be delivery bottlenecks for copper concentrates as well as recycling materials in the next few months. A negative impact on production can't be completely ruled out, though we expect to be able to largely balance out this effect due to our diversified supplier network.

The economic slowdown caused by the COVID-19 crisis leads to strains on the sales side, especially lower deliveries of wire rod, shapes, and flat rolled products.

Through an energy supply contract that has been in place since 2010, we have secured most of the electricity our main German sites need at an internationally competitive price.

The liquidity supply was secured. We covered trade accounts receivable through trade credit insurance to the greatest extent possible. No significant bad debts were recorded during the reporting period.

We limited risks deriving from the fluctuating euro/US dollar exchange rate by means of appropriate currency rate hedging transactions. We countered the influences deriving from fluctuating metal prices by deploying suitable metal price hedging transactions.

Corporate Development Measures

Our strategy comprises three focus areas: Growth, Efficiency, and Responsibility.

On the one hand, we want this strategy to strengthen our leading position in the standard copper business through structural optimizations and high cost competitiveness. On the other hand, we want to press ahead with the expansion of the multi-metal business using our well-developed process expertise and metallurgical knowledge, as well as innovative industrial solutions. The objective is to continue increasing sales volumes of metals apart from copper and to use a higher volume of complex input materials. Our target is to double the volume of directly supplied complex recycling raw materials in the Aurubis Group by 2022/23 compared to 2016/17. In addition to internal growth, we want to strengthen ourselves with external acquisitions.

On May 22, 2019, Aurubis AG signed a purchase agreement for the acquisition of the Belgian-Spanish Metallo Group, therefore continuing its strategy with purpose. Metallo belongs to funds managed by TowerBrook Capital Partners, a leading transatlantic investment company. Metallo is a recycling and refining company that specializes in recovering non-ferrous metals, primarily from recycling materials with low metal contents. The company has about 540 employees at locations in Belgium and Spain. The purchase agreement stipulates a purchase price of € 380 million, which will be financed without a capital increase.

The acquisition of Metallo, with its attractive growth potential, strengthens Aurubis' metal portfolio, especially for the key metals copper, nickel, tin, zinc, and lead.

The goal of Metallo's "zero waste" business model is to process all input materials into valuable, marketable products, thus making an important contribution to the circular economy. This increases Aurubis' sustainability contribution.

On May 4, 2020, the EU antitrust authorities issued Aurubis AG unconditional approval for the acquisition of the Belgian-Spanish Metallo Group. This concludes the merger control proceedings that have been ongoing since August 2019. The formal closing of the transaction will take place on May 29, 2020.

With the acquisition of the Metallo Group, we are investing in the future: recycling is a growth market. Together, Metallo and Aurubis want to implement improvements to utilize the future opportunities in recycling and to fulfill regulatory requirements at the same time in order to be prepared for the growing challenges in recycling.

Internal growth options to further develop Aurubis into a multi-metal company, including those related to the Metallo acquisition, are being reviewed with the goal of advancing Aurubis AG's integrated smelter network.

Following the veto of the transaction to sell Segment FRP on February 6, 2019, Aurubis is now reviewing other strategic options for the segment.

We have transitioned our efficiency improvement program, which had been focused on leveraging efficiency across the Group, to a Performance Improvement Program (PIP) focusing on cost reduction. The measures have been identified and are being implemented. The measures from the efficiency improvement program continue. We are currently in talks with the employee representatives to the extent that they have to be consulted. We will provide information about the results once the talks have concluded.

Outlook

From the current perspective, the impacts of COVID-19 on our raw material and product markets are varied and difficult to forecast.

Raw material markets

We expect a reduced copper concentrate supply with treatment and refining charges at a low level until the end of fiscal year 2019/20. The spread of COVID-19 and the related production limitations at mines could lead to a lower ongoing supply of copper concentrates.

Due to our position on the market, our contract structure, and our supplier diversification, we expect to secure our smelters' copper concentrate supply.

On the copper scrap market, we expect a satisfactory supply situation with slightly lower refining charges. Ongoing reductions in economic activity due to COVID-19 as well as a continued decline in metal prices could negatively impact the copper scrap supply, leading to lower refining charges. Our facilities are supplied at good conditions in Q3 2019/20.

Product markets

Copper products

The copper product markets are seeing the first negative effects of the ongoing production standstills in the automotive industry. For the next few months, we expect demand for copper wire rod and shapes products to weaken.

For flat rolled products, it remains to be seen whether the negative influence of the coronavirus pandemic continues to be limited on the demand side. In the US especially, more impacts are becoming evident from production stops on the customer side. We currently don't expect any major market recovery for flat rolled products.

Sulfuric acid

Sulfuric acid sales are dependent on short-term developments, making them difficult to forecast. The insights into Q3 2019/20 thus far signalize an increasing oversupply, with spot prices decreasing further.

Copper production

We expect plant availability during the current fiscal year to exceed the previous year.

At our Lünen site, we carried out a planned maintenance shutdown in April 2020, with another to follow in September 2020. According to our current plans, we expect an effect of € 16 million on operating EBT for the entire year from the shutdowns in Lünen.

Expected earnings

Due to the reduced 2020 benchmark, we anticipate considerably lower treatment and refining charges for copper concentrates for Aurubis until the end of the year. Despite the tight procurement situation on the concentrate markets, we expect to be able to secure our smelters' copper concentrate supply thanks to our diversified supplier portfolio, spot market purchases, and flexible material planning. Due to our core expertise in processing complex concentrates, we will achieve TC/RCs above the benchmark.

For copper scrap, we anticipate a lower supply with a continued good level of refining charges in the next few months.

We set the Aurubis Copper Premium to US$ 96/t for calendar year 2020 (previous year: US$ 96/t).

We expect the trend for copper wire rod and copper shapes to be below prior-year level for the fiscal year.

We anticipate a weaker demand and sales situation for flat rolled products for the fiscal year compared to the previous year. We continue to expect fundamental growth momentum from the connector market, as well as from an increase in electric vehicles.

For sulfuric acid revenues, we currently anticipate a downward trend with a lower price level. However, the market development for fiscal year 2019/20 is difficult to forecast due to the short-term nature of the business.

Aurubis currently has sufficient liquidity and our investments will be carried out as planned.

In total, we expect an operating EBT between € 185 and 250 million and an operating ROCE between 8 and 11 % for fiscal year 2019/20.

In Segment MRP, we expect an operating EBT between € 230 and 310 million and an operating ROCE between 11 and 16 % for fiscal year 2019/20.

Due to the market outlook, we have adjusted our forecast for operating EBT in Segment FRP from € 11 – 15 million to € 3 – 7 million. We expect an operating ROCE between 0 and 3 %. The effect will be compensated for in the entire Group and does not lead to an adjustment in the Aurubis Group's forecast intervals.

Interval forecast according to Aurubis' definition

	Operating EBT in € million	Operating ROCE in %
Group	185 – 250	8 – 11
Segment MRP	230 – 310	11 – 16
Segment FRP	3 – 7	0 – 3

Interim Consolidated Financial Statements First 6 Months 2019/20

Consolidated Income Statement

(IFRS, in € thousand)

	6M 2019/20	6M 2018/19
Revenues	5,521,858	5,081,975
Changes in inventories of finished goods and work in process	12,021	476,373
Own work capitalized	11,569	8,447
Other operating income	17,483	40,251
Cost of materials	-5,128,630	-5,117,541
Gross profit	**434,301**	**489,505**
Personnel expenses	-195,505	-181,593
Depreciation of property, plant, and equipment and amortization of intangible assets	-70,154	-61,487
Other operating expenses	-120,297	-104,688
Operational result (EBIT)	**48,345**	**141,737**
Interest income	1,556	1,771
Interest expense	-7,115	-7,230
Other financial income	87	1
Other financial expenses	-11	0
Earnings before taxes (EBT)	**42,862**	**136,279**
Income taxes	-10,801	-33,730
Consolidated net income from continuing operations	**32,061**	**102,549**
Consolidated net income from discontinued operations	**-15,038**	**12,440**
Consolidated net income	**17,023**	**114,989**
Consolidated net income attributable to Aurubis AG shareholders	16,960	114,910
Consolidated net income attributable to non-controlling interests	63	79
Basic earnings per share (in €)		
From continuing operations	0.71	2.28
From discontinued operations	-0.33	0.28
Diluted earnings per share (in €)		
From continuing operations	0.71	2.28
From discontinued operations	-0.33	0.28

Consolidated Statement of Comprehensive Income
(IFRS, in € thousand)

	6M 2019/20	6M 2018/19
Consolidated net income	**17,023**	**114,989**
Items that will be reclassified to profit or loss in the future		
Measurement at market of cash flow hedges	4,764	-4,131
Hedging costs	139	0
Changes deriving from translation of foreign currencies	2,409	421
Income taxes	-521	1,017
Share of other comprehensive income attributable to discontinued operations	-252	1,241
Items that will not be reclassified to profit or loss		
Measurement at market of financial investments	-8,161	-12,609
Remeasurement of the net liability deriving from defined benefit obligations	73,765	-39,991
Income taxes	-23,910	12,963
Other comprehensive income/loss	48,233	-41,089
Consolidated total comprehensive income	**65,256**	**73,900**
Consolidated total comprehensive income attributable to Aurubis AG shareholders	65,192	73,821
Consolidated total comprehensive income attributable to non-controlling interests	63	79

Certain prior-year figures have been adjusted.

Consolidated Statement of Financial Position

(IFRS, in € thousand)

ASSETS	3/31/2020	9/30/2019
Intangible assets	119,736	122,025
Property, plant, and equipment	1,303,569	1,248,450
Financial fixed assets	31,918	14,010
Deferred tax liabilities	3,971	3,965
Non-current financial assets	20,711	27,725
Other non-current non-financial assets	380	506
Non-current assets	**1,480,285**	**1,416,681**
Inventories	1,917,435	1,728,164
Trade accounts receivable	340,693	312,224
Other current financial assets	139,775	58,031
Other current non-financial assets	32,183	34,642
Cash and cash equivalents	61,139	421,481
Assets held for sale	537,203	560,711
Current assets	**3,028,428**	**3,115,253**
Total assets	**4,508,713**	**4,531,934**

Consolidated Statement of Financial Position

(IFRS, in € thousand)

EQUITY AND LIABILITIES	3/31/2020	9/30/2019
Subscribed capital	115,089	115,089
Additional paid-in capital	343,032	343,032
Treasury shares	-19,257	0
Generated Group equity	2,175,587	2,164,969
Accumulated other comprehensive income components	-31,949	-30,328
Equity attributable to shareholders of Aurubis AG	2,582,502	2,592,762
Non-controlling interests	601	539
Equity	**2,583,103**	**2,593,301**
Pension provisions and similar obligations	224,624	295,071
Other non-current provisions	62,807	61,304
Deferred tax liabilities	180,715	170,138
Non-current borrowings	160,538	149,811
Other non-current financial liabilities	4,109	3,145
Non-current liabilities	**632,793**	**679,469**
Current provisions	32,499	42,534
Trade accounts payable	867,193	768,695
Income tax liabilities	12,721	13,723
Current borrowings	18,269	152,887
Other current financial liabilities	169,475	100,187
Other current non-financial liabilities	30,364	21,098
Liabilities deriving from assets held for sale	162,296	160,040
Current liabilities	**1,292,817**	**1,259,164**
Total equity and liabilities	**4,508,713**	**4,531,934**

Consolidated Cash Flow Statement

(IFRS, in € thousand)

	6M 2019/20	6M 2018/19
Earnings before taxes	**22,758**	**152,812**
Depreciation and amortization of fixed assets	70,048	61,487
Change in allowances on receivables and other assets	556	74
Change in non-current provisions	1,863	-1,373
Net gains/losses on disposal of fixed assets	110	52
Measurement of derivatives	-9,332	14,053
Other non-cash items	3,822	2,097
Expenses and income included in the financial result	6,640	-818
Income taxes received/paid	-24,068	-32,635
Gross cash flow	**72,397**	**195,749**
Change in receivables and other assets	-42,054	-144,426
Change in inventories (including measurement effects)	-158,838	-587,405
Change in current provisions	-9,811	-10,927
Change in liabilities (excluding financial liabilities)	113,783	213,288
Cash outflow from operating activities (net cash flow)	**-24,523**	**-333,721**
Payments for investments in fixed assets	-121,431	-89,918
Proceeds from the disposal of fixed assets	490	776
Interest received	1,566	1,789
Dividends received	87	7,674
Cash outflow from investing activities	**-119,288**	**-79,679**
Proceeds deriving from the take-up of financial liabilities	7,937	68,154
Payments for the redemption of bonds and financial liabilities	-155,092	-28,630
Purchase of treasury shares	-15,322	0
Interest paid	-6,680	-6,515
Dividends paid	-56,196	-69,683
Cash outflow from financing activities	**-225,353**	**-36,674**
Net change in cash and cash equivalents	-369,164	-450,074
Changes resulting from movements in exchange rates	-41	88
Cash and cash equivalents at beginning of period	441,461	479,223
Cash and cash equivalents at end of period	**72,256**	**29,237**
Less cash and cash equivalents from discontinued operations at end of period	11,117	6,489
Cash and cash equivalents from continuing operations at end of period	**61,139**	**22,748**

Consolidated Statement of Changes in Equity

(IFRS, in € thousand)

					Accumulated other comprehensive income components*							
	Subscribed capital	Additional paid-in capital	Treasury shares	Generated Group equity	Measurement at market of cash flow hedges	Hedging costs	Measurement at market of financial investments	Currency translation differences	Income taxes	Equity attributable to Aurubis AG shareholders	Non-controlling interests	Total equity
Balance as at 9/30/2018	**115,089**	**343,032**	**0**	**2,115,202**	**-7,446**	**0**	**-9,363**	**9,042**	**-247**	**2,565,309**	**556**	**2,565,865**
Dividend payment	0	0	0	-69,683	0	0	0	0	0	-69,683	0	-69,683
Acquisition of non-controlling interests	0	0	0	377	0	0	0	0	0	377	0	377
Consolidated total comprehensive income/loss	0	0	0	87,882	-4,131	0	-12,609	1,662	1,017	73,821	79	73,900
of which consolidated net income	0	0	0	114,910	0	0	0	0	0	114,910	79	114,989
of which other comprehensive income/loss	0	0	0	-27,028	-4,131	0	-12,609	1,662	1,017	-41,089	0	-41,089
Balance as at 3/31/2019	**115,089**	**343,032**	**0**	**2,133,778**	**-11,577**	**0**	**-21,972**	**10,704**	**770**	**2,569,824**	**635**	**2,570,459**
Balance as at 10/1/2019	115,089	343,032	0	2,164,969	-12,404	-499	-29,551	11,661	465	2,592,762	539	2,593,301
Purchase of treasury shares	0	0	-19,257	0	0	0	0	0	0	-19,257	0	-19,257
Dividend payment	0	0	0	-56,196	0	0	0	0	0	-56,196	0	-56,196
Consolidated total comprehensive income/loss	0	0	0	66,814	4,764	139	-8,161	2,157	-521	65,192	63	65,255
of which consolidated net income	0	0	0	16,960	0	0	0	0	0	16,960	63	17,023
of which other comprehensive income/loss	0	0	0	49,854	4,764	139	-8,161	2,157	-521	48,232	0	48,232
Balance as 3/31/2020	**115,089**	**343,032**	**-19,257**	**2,175,587**	**-7,640**	**-360**	**-37,712**	**13,818**	**-56**	**2,582,501**	**602**	**2,583,103**

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

Selected Notes to the Consolidated Financial Statements

General principles

This interim Group report of Aurubis AG includes interim consolidated financial statements and a Group management report in accordance with the regulations of the German Securities Trading Act. The interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) for interim reporting as applicable in the EU. The accounting and measurement principles used in the financial statements as at September 30, 2019 have been applied without amendment, with the exception of accounting standards that are to be applied for the first time in the current fiscal year. The interim consolidated financial statements and the interim Group management report for the first six months of fiscal year 2019/20 have not been reviewed by the auditors.

Changes in accounting and measurement methods due to new standards and interpretations

IFRS 16

The new accounting standard IFRS 16 “Leases” was published by the IASB in January 2016 and was adopted into European law by the EU on October 31, 2017. IFRS 16 replaces the previous standard IAS 17, as well as the related interpretations IFRIC 4, SIC-15, and SIC-27. The application of IFRS 16 has been compulsory since January 1, 2019. Aurubis applied IFRS 16 with the modified retrospective method for the first time on October 1, 2019, without adjusting the prior-year figures. Consequently, the figures provided in the reporting year can only be compared with prior-year figures to a limited extent. In the transition to IFRS 16, Aurubis is using the simplified approach with regard to maintaining the definition of a lease. Therefore, at the time of first application, the Group applied IFRS 16 to the agreements that had previously been classified as leases under application of IAS 17 and IFRIC 4. The definition of a lease pursuant to IFRS 16 is applied to contracts that were entered into or changed after October 1, 2019.

For lessees, IFRS 16 leads to the recognition of all leases in the form of a right-of-use asset and a lease liability on the basis of the present value of future lease payments. Lease payments are discounted with the interest rate implicit in the lease or, if there is no such interest rate, with the lessee’s incremental borrowing rate. The distinction between operating and finance leases no longer has to be made for lessees. The previous expense for operating leases will no longer be recognized in the income statement. In the future, it will be replaced by the depreciation charges made in respect of the right-of-use assets as well as interest expenses deriving from the unwinding of discount on leasing liabilities. Aurubis makes use of the options for lessees provided by the standard and recognizes payments of short-term leases and leases for low-value assets directly in expenses and in the cash flow from operating activities. The new regulations were not applied to leases whose term ends within twelve months following the time of first application. These leases are recognized in the same way as short-term leases.

For lessors, the accounting model prescribed by IFRS 16 does not differ materially from the requirements of IAS 17. For accounting purposes, a distinction must still be made here between finance and operating leases.

At the time of the change on October 1, 2019, the application of IFRS 16 resulted in a balance sheet extension of about € 33.2 million. The corporate control parameters EBT and ROCE are only minimally affected by the application of IFRS 16.

Based on the commitments under operating leases as at September 30, 2019, the reconciliation to the opening balance of lease liabilities as at October 1, 2019 was as follows:

Reconciliation of lease liabilities

(in € thousand)	10/1/2019
Commitments under operating leases as at 9/30/2019	**39,891**
Discounting	-5,111
Application of options for lessees and others	-1,614
Lease liabilities recognized for the first time as at 10/1/2019	**33,166**
Liabilities previously recognized under finance leases as at 9/30/2019	36,423
Lease liabilities recognized as at 10/01/2019	**69,589**

The weighted average discount rate for lease liabilities at the time of initial application was 3.0 %. As at March 31, 2020, lease liabilities amounted to € 65.9 million and right-of-use assets amounted to € 64.0 million. For the first half of fiscal year 2019/20, depreciation of lease liabilities amounting to € 5.7 million was recognized in the income statement and interest expenses amounting to € 1.0 million were recognized in the financial result.

Discontinued operations and assets held for sale

Aurubis is currently reviewing different strategic options for the sale of Segment FRP. The segment thus continues to fulfill the conditions for presentation as discontinued operations pursuant to IFRS 5.

The consolidated result from discontinued operations is reported in the consolidated income statement separately from expenses and income from continued operations; prior-year figures are shown on a comparable basis.

Internal Group expenses and income are fully eliminated in the process of determining the consolidated net income/net loss for both continuing and discontinued operations. The internal Group transactions are eliminated from an economic perspective, i.e., taking the Aurubis Group's future trading relationships into account. The Group will maintain existing supply relationships with the discontinued business division after a possible sale of Segment FRP. Revenues of Aurubis AG and its subsidiaries deriving from deliveries to the discontinued business division were therefore fully eliminated there.

Consolidated net income from discontinued operations

(in € million)	6M 2019/20	6M 2018/19
Revenues	491	578
Changes in inventories of finished goods and work in process	-25	21
Expenses	-486	-584
Earnings before taxes (EBT)	**-20**	**16**
Income taxes	5	-4
Consolidated net income/loss from discontinued operations	**-15**	**12**
Consolidated net income/loss attributable to Aurubis AG shareholders from discontinued operations	-15	12

Carrying amounts of the main groups of assets held for sale and related liabilities

ASSETS (in € million)	3/31/2020	9/30/2019
Fixed assets	182	173
Deferred tax assets	4	4
Non-current receivables and other assets	2	2
Inventories	233	265
Current receivables and other assets	105	97
Cash and cash equivalents	11	20
Assets held for sale	**537**	**561**

EQUITY AND LIABILITIES (in € million)	3/31/2020	9/30/2019
Deferred tax liabilities	11	13
Non-current provisions	45	46
Non-current liabilities	2	1
Current provisions	8	8
Current liabilities	97	91
Liabilities deriving from assets held for sale	**162**	**160**

Cash flow from discontinued operations

(in € million)	6M 2019/20	6M 2018/19
Cash outflow from operating activities (net cash flow)	-3	-6
Cash outflow from investing activities	-8	-6
Cash inflow from financing activities	2	0

Inventories in accordance with IFRS

On March 31, 2020, inventories relating to continuing operations were written down by € 143.4 million (September 30, 2019: € 19.0 million).

Purchase of treasury shares

The Executive Board is authorized by the shareholders represented at the Annual General Meeting to purchase the company's own shares in the amount of up to 10 % of the share capital until the close of September 17, 2021. The company's purchase of its own shares serves to create treasury stock for possible acquisitions or future financing needs.

Earnings per share

Basic earnings per share are calculated by dividing the consolidated net earnings from continuing operations, excluding the non-controlling interests, by the weighted average number of shares outstanding during the fiscal year.

(in thousand units)	Issued shares	Treasury shares	Shares out-standing
Start of fiscal year	44,957	0	44,957
Purchase of treasury shares	0	548	-548
Number of shares at 3/31/2020	44,957	548	44,409
Weighted number of shares	**44,957**	**19**	**44,938**

(in € thousand)	3/31/2020	3/30/2019
Consolidated net income attributable to Aurubis AG shareholders from continuing operations	31,998	102,470
Weighted average number of shares (in thousand units)	44,938	44,957
Basic earnings per share from continuing operations (in €)	**0.71**	**2.28**
Diluted earnings per share from continuing operations (in €)	**0.71**	**2.28**

Dividend

A total of € 56,195,903.75 of Aurubis AG's unappropriated earnings of € 127,590,975.97 in fiscal year 2018/19 was used to pay a dividend of € 1.25 per share. An amount of € 71,395,072.22 was carried forward.

Significant events after the balance sheet date

On May 4, 2020, the EU antitrust authorities issued Aurubis AG unconditional approval for the acquisition of the Belgian-Spanish Metallo Group.

Financial instruments

The following table categorizes the fair values of all Aurubis financial instruments in the Levels 1 to 3.

The levels indicate whether the fair value is a price that is quoted on an active market and is available to the company, as is the case for Level 1; is based on other observable factors, as is the case for Level 2; or is based on non-observable factors, as is the case for Level 3.

Fixed asset securities and derivatives are shown in the statement of financial position, as also presented in the table, with their fair values. Bank borrowings are included in Aurubis' statement of financial position at amortized cost and their fair values are presented in the table for informational purposes only. Additional information on the measurement methods and input parameters used can be obtained from Aurubis' IFRS consolidated financial statements as at September 30, 2019.

No reclassifications between the individual levels were made in the first six months of fiscal year 2019/20.

Hierarchical classification of fair values of financial instruments

Aggregated by classes (in € thousand)	Fair value 3/31/2020	Level 1	Level 2	Level 3
Interests in affiliated companies	12,240	0	0	12,240
Investments	105	0	0	105
Securities classified as fixed assets	19,507	19,507	0	0
Trade accounts receivable	189,249	0	189,249	0
Other financial assets	15,266	0	15,266	0
Derivative financial assets				
Derivatives without a hedging relationship	89,732	0	84,461	5,271
Derivatives with a hedging relationship	3,560	0	3,560	0
Assets	**329,659**	**19,507**	**292,536**	**17,616**
Bank borrowings	115,882	0	115,882	0
Trade accounts payable	365,254	0	365,254	0
Derivative financial liabilities				
Derivatives without a hedging relationship	79,495	0	79,495	0
Derivatives with a hedging relationship	10,959	0	10,959	0
Liabilities	**571,590**	**0**	**571,590**	**0**

Reconciliation of financial instruments in Level 3

Aggregated by classes (in € thousand)	Balance as at 10/1/2019	Sales/ purchases	Gains (+)/losses (-) recorded in the income statement	Balance as at 3/31/2020	Gains (+)/ losses (-) for derivatives held at the reporting date
Interests in affiliated companies	2,593	9,658	-11	12,240	-11
Investments	105	0	0	105	0
Derivative assets without a hedging relationship	14,011	0	-8,740	5,271	-8,740

Gains and losses deriving from derivative financial instruments classified as Level 3 relate to part of an energy supply contract and are recorded in the income statement under “Cost of materials.”

The fair value of these financial instruments is partially based on non-observable input parameters, which are largely related to the price of electricity and coal. Measurement is carried out using the discounted cash flow method.

If the Aurubis Group had taken other possible suitable alternative measurement parameters as a basis for measuring the relevant financial instruments on March 31, 2020, the recorded fair value would have been € 12,113 thousand (previous year: € 11,301 thousand) higher in the case of an increase in the electricity price and a decrease in the coal price by 20 %, respectively, at the end of the term or € 7,645 thousand (previous year: € 7,517 thousand) lower in the case of a decrease in the electricity price and an increase in the coal price by 20 %, respectively, at the end of the term.

Consolidated Segment Reporting

Aurubis reporting is separated into two operational business segments, Metal Refining & Processing (MRP) and Flat Rolled Products (FRP).

Segment MRP processes complex metal concentrates, copper scrap, and metal-bearing recycling materials into metals of the highest quality.

From an organizational perspective, it includes the Commercial and Operations divisions. The Commercial division combines all market-relevant organizational units (i.e., raw material procurement and product sales). The Operations division is responsible for the production of all basic products and metals, as well as their further processing into other products such as wire rod and shapes.

Segment FRP processes copper and copper alloys – primarily brass, bronze, and high-performance alloys – into flat rolled products and specialty wire products and then markets them.

Segment FRP is designated as a discontinued business division that needs to be reported separately on an aggregated basis in the consolidated income statement and in the consolidated statement of financial position in accordance with IFRS 5. As Segment FRP’s operating business activities are continuing unchanged and are being monitored and managed by the Aurubis Group’s Executive Board, this company division also fulfills the definition of a segment that must be reported on, even after its classification as a discontinued business division, and will be accordingly presented separately for segment reporting purposes until the sales transaction has been completed.

The elimination of external sales, amounting to € 491,431 thousand and shown in the column “Effects from discontinued operations” (previous year: € 578,445 thousand), represents the external sales of Segment FRP less Segment MRP’s internal Group sales with Segment FRP that are fully eliminated in the discontinued business division, amounting to € 70,062 thousand (previous year: € 75,563 thousand).

A breakdown of the revenues by product group is provided in the following table.

	Segment Metal Refining & Processing		Segment Flat Rolled Products		Other		Total	
(in € thousand)	6M 2019/20 operating	6M 2018/19 operating	6M 2019/20 operating	6M 2018/19 operating	6M 2019/20 operating	6M 2018/19 operating	6M 2019/20 operating	6M 2018/19 operating
Wire rod	2,179,602	2,096,961	0	0	0	0	2,179,602	2,096,962
Copper cathodes	992,380	1,093,407	1,052	1,150	0	0	993,433	1,094,557
Precious metals	1,585,456	1,158,265	0	0	0	0	1,585,456	1,158,265
Shapes	293,927	415,558	28,589	36,174	0	0	322,516	451,732
Strip, profiles, and shapes	81,154	88,517	492,022	574,153	0	0	573,176	662,670
Chemicals and other products	310,282	143,277	39,845	42,547	8,980	10,411	359,106	196,234
Total	**5,442,801**	**4,995,985**	**561,508**	**654,024**	**8,980**	**10,411**	**6,013,289**	**5,660,420**

(in € thousand)	Segment Metal Refining & Processing		Segment Flat Rolled Products		Other	
	6M 2019/20 operating	6M 2018/19 operating	6M 2019/20 operating	6M 2018/19 operating	6M 2019/20 operating	6M 2018/19 operating
Revenues						
Total revenues	5,511,889	5,071,548	566,097	665,553	10,495	10,921
Inter-segment revenues	69,088	75,563	4,589	11,529	1,515	510
Revenues with third parties	5,442,801	4,995,985	561,508	654,024	8,980	10,411
EBIT	141,663	113,995	33	-2,117	-46,684	-5,806
EBT	139,595	111,764	-1,541	-3,235	-47,273	-5,794
ROCE (%)	14.7	11.6	-10.0	3.2		

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

Total		Reconciliation/ consolidation		Effects from discontinued operations		Group (continuing operations)	
6M 2019/20 operating	6M 2018/19 operating	6M 2019/20 IFRS	6M 2018/19 IFRS	6M 2019/20 IFRS	6M 2018/19 IFRS	6M 2019/20 IFRS	6M 2018/19 IFRS
0	0						
0	0						
6,013,289	5,660,420	0	0	-491,431	-578,445	5,521,858	5,081,975
95,012	106,072	-72,180	38,936	25,513	-3,271	48,345	141,737
90,781	102,735	-74,575	38,409	26,656	-4,865	42,862	136,279

Responsibility Statement

To the best of our knowledge and pursuant to the applicable accounting principles, we confirm that the interim consolidated financial statements give a true and fair view of the net assets, financial position, and results of operations of the Group, and that the interim Group management report gives a fair representation of the business development, earnings, and the position of the Group, together with a description of the significant opportunities and risks associated with the expected development of the Group in the remainder of the fiscal year.

Hamburg, May 15, 2020

Aurubis AG
Executive Board

Roland Harings Rainer Verhoeven Dr. Thomas Bünger

Legal disclaimer:

Forward-looking statements

This information contains forward-looking statements based on current assumptions and forecasts. Various known and unknown risks, uncertainties, and other influencing factors could have the impact that the actual future results, financial position, or developments may differ from the estimates given here. We assume no liability to update forward-looking statements.

Dates and Contacts

Financial Calendar

Quarterly Report First 9 Months 2019/20	August 11, 2020
Annual Report 2019/20	December 9, 2020

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