

## Aurubis continues to successfully make its way through the coronavirus crisis

- » Operating nine-month EBT increases to €133 million
- » Higher throughputs of concentrates and recycling material compensate for weak product demand for wire rod and shapes
- » Fiscal year forecast confirmed
- » Aurubis continues strategy implementation as planned

**Hamburg, August 11, 2020** - The Aurubis Group generated operating earnings before taxes (EBT) of €133 million in the first three quarters of the current fiscal year, exceeding the same period of the previous year (€125 million). A good operating performance boosted concentrate throughput, though treatment and refining charges were lower. A higher metal gain with increased precious metal prices had a positive impact. The recycling business made a positive contribution to the result due to higher refining charges for copper scrap year-over-year, in connection with a substantially higher throughput. Aurubis has therefore been able to compensate well for the impacts of the coronavirus pandemic so far during the fiscal year.

Lower sulfuric acid revenues resulting from significantly reduced sales prices strained the result. A distinct decline in demand for wire rod, shapes, and flat rolled products also had a negative impact compared to the previous year.

Aurubis increased revenues to €8,869 million (previous year: €8,681 million) due to higher precious metal prices in particular. Operating ROCE improved to 8.5 % (previous year: 7.3 %). Aurubis has secured the supply for the smelter network in insecure times thanks to higher inventories of input materials. At €166 million as at June 30, 2020, the net cash flow was significantly above the low prior-year level (€-240 million) due to precious metal sales at increased market prices and cathode sales to Asia.

Aurubis achieved EBT of €248 million from continuing operations on an IFRS basis (previous year: €135 million).\*

For the first time following the acquisition of the recycling company Metallo on May 29, 2020, the new sites in Beerse (Belgium) and Berango (Spain) were included in the consolidated financial statements in June.

“The past quarter was very challenging with regard to external factors due to the global coronavirus crisis,” summarized Roland Harings, Aurubis AG Executive Board Chairman. “Nevertheless, the commitment, flexibility, and discipline of our employees, together with agile crisis management, ensured that we kept coronavirus infection numbers at a very low level at Aurubis and continued production at our smelter sites largely unaffected. Furthermore, the robust nature

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of our business model has proven itself once again during the pandemic, a fact that is reflected in the strong result.”

However, Harings stated that Aurubis would have to be more cost-conscious in the future: “We will therefore continue implementing our cost reduction program in the next several months.” The Performance Improvement Program (PIP), which focuses on cost reduction, had previously been delayed by the coronavirus crisis. Intensive discussions are currently taking place with the employee representative bodies.

### **Aurubis confirms forecast for the current fiscal year**

The impacts of COVID-19 on the raw material and product markets remain difficult for Aurubis to forecast.

Nevertheless, Aurubis expects plant availability during the current fiscal year to exceed the previous year. Despite a reduced global supply of copper concentrates with low treatment and refining charges, Aurubis will be able to provide its plants with a good raw material supply due to both its good position on the market and the supply on the copper scrap market, which appears to be improving with rising refining charges.

In contrast, demand on the copper product markets is significantly lower. While Aurubis does anticipate a recovery in demand for copper wire rod, it will nevertheless be considerably lower than the prior-year level. Furthermore, Aurubis expects a continued surplus on the international sulfuric acid market for Q4 2019/20.

Aurubis remains cautiously optimistic about the rest of the fiscal year. The good raw material supply in the entire Group, including Metallo, can help compensate for weak product markets. Aurubis therefore still expects an operating EBT between € 185 and € 250 million for fiscal year 2019/20.

### **Aurubis successfully continues company development despite the crisis**

Moreover, Aurubis continues to implement its strategy with various measures: the integration of Metallo in the Group is underway. In this context, Aurubis became the first European company in the basic materials industry to place a Schuldschein loan with an ESG (environmental, social, and corporate governance) component, which was oversubscribed by two and a half times the original amount and thus reached a volume of € 400 million. Aurubis will use these funds for the Metallo acquisition and general company financing.

Aurubis also acquired the Berlin software development company azeti in mid-June 2020. azeti develops and markets an internet-of-things (IoT) platform that integrates and evaluates production data, and the company is an important component of Aurubis’ new digital organization.

The Aurubis AG Supervisory Board appointed Heiko Arnold as new Chief Operating Officer (COO) effective August 15, 2020. He holds a doctorate in

chemistry and will be responsible for the production plants, the continuous improvement of operating processes, environmental protection, and occupational health and safety in the company. Most recently, he served as Chief Technology Officer of the Austrian company Lenzing AG. Previously, he worked at BASF for many years, where he held management positions at international production sites. As Chief Technology Officer (CTO), Thomas Bünger will oversee the further development of innovative metallurgical processes and Research & Development in the company.

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

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

**The complete Quarterly Report on the First 9 Months 2019/20 is available at [www.aurubis.com](http://www.aurubis.com)**

## „At a Glance“

Key Aurubis Group figures Operating		Q3			9M		
		2019/20	2018/19	Change	2019/20	2018/19	Change
Revenues	€m	2,883	3,021	-5 %	8,896	8,681	2 %
Gross profit	€m	278	283	-2 %	848	835	2 %
Depreciation and amortization	€m	41	35	17 %	115	102	13 %
EBITDA	€m	85	61	39 %	254	234	9 %
EBIT	€m	44	26	69 %	139	132	5 %
<b>EBT<sup>1</sup></b>	<b>€m</b>	<b>42</b>	<b>22</b>	<b>91 %</b>	<b>133</b>	<b>125</b>	<b>6 %</b>
Consolidated net income	€m	33	17	94 %	103	95	8 %
Earnings per share	€	0.74	0.38	93 %	2.30	2.10	9 %
Net cash flow	€m	191	94	> 100 %	166	-240	> 100 %
Capital expenditure (including leases)	€m	39	50	-21 %	163	143	14 %
<b>ROCE<sup>1</sup></b>	<b>%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8.5</b>	<b>7.3</b>	<b>-</b>

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

Key Aurubis Group figures IFRS from continuing operations		Q3			9M		
		2019/20	2018/19	Change	2019/20	2018/19	Change
Revenues	€m	2,662	2,723	-2 %	8,184	7,805	5 %
Gross profit	€m	400	213	88 %	834	703	19 %
Personnel expenses	€m	98	93	5 %	294	275	7 %
Depreciation and amortization	€m	38	32	21 %	108	93	17 %
EBITDA	€m	249	34	> 100 %	367	237	55 %
EBIT	€m	210	2	> 100 %	258	144	79 %
EBT	€m	205	-1	> 100 %	248	135	84 %
Consolidated net income/loss	€m	155	-1	> 100 %	187	102	84 %
Earnings per share	€	3.47	-0.02	> 100 %	4.18	2.26	85 %

General Aurubis Group figures		Q3			9M		
		2019/20	2018/19	Change	2019/20	2018/19	Change
Copper price (average)	US\$/t	5,413	6,113	-11 %	5,629	6,167	-9 %
Copper price (period end date)	US\$/t	-	-	-	6,038	5,972	1 %
Employees (average)		-	-	-	6,762	6,803	-1 %
Employees (period end date)		-	-	-	7,294	6,853	6 %

Aurubis Group output/throughput		Q3			9M		
		2019/20	2018/19	Change	2019/20	2018/19	Change
Concentrate throughput	1,000 t	642	477	35 %	1,760	1,659	6 %
Copper scrap/blister copper input <sup>2</sup>	1,000 t	91	117	-22 %	278	343	-19 %
Recycling input <sup>2</sup>	1,000 t	102	78	31 %	234	215	9 %
Sulfuric acid output	1,000 t	608	437	39 %	1,695	1,557	9 %
Cathode output	1,000 t	272	268	1 %	746	818	-9 %
Wire rod output	1,000 t	149	213	-30 %	561	620	-10 %
Shapes output	1,000 t	41	46	-11 %	117	142	-18 %
Flat rolled products and specialty wire output	1,000 t	46	53	-13 %	138	163	-15 %

<sup>2</sup> Metallo sites included for one month.

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

*Aurubis AG is a leading global provider of non-ferrous metals and the largest copper recycler worldwide. The company processes complex metal concentrates, scrap metals, and metal-bearing recycling materials into metals of the highest quality. Aurubis produces more than 1 million tons of copper cathodes annually, and from them a variety of products such as wire rod, continuous cast shapes, profiles, and flat rolled products made of copper and copper alloys. Aurubis produces a number of other metals as well, including precious metals, selenium, lead, nickel, tin, and zinc. The portfolio also includes additional products such as sulfuric acid and iron silicate.*

*Sustainability is a fundamental part of the Aurubis strategy. "Aurubis responsibly transforms raw materials into value" – following this maxim, the company integrates sustainable conduct and business activities into the corporate culture. This involves a careful approach to natural resources, responsible social and ecological conduct in everyday business, and sensible, healthy growth.*

*Aurubis has about 7,400 employees, production sites in Europe and the US, and an extensive service and distribution system in Europe, Asia, and North America.*

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

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