

Aurubis significantly increases earnings in the first quarter: operating EBT at €39 million

Hamburg, February 13, 2015 – **The Aurubis Group’s operating earnings before taxes (EBT), the parameter used for control purposes in the company, increased significantly in the first quarter of fiscal year 2014/15 to €39 million (previous year: €-3 million). The return on capital employed (ROCE) – an important KPI in addition to operating EBT – rose to 11.0 % (previous year: 0.3 %).**

Higher treatment charges for copper concentrates and an increase in the concentrate throughput in particular contributed to the good results compared to the previous year, when Q1 was strongly impacted by the large-scale maintenance and repair shutdown in Hamburg.

A higher cathode premium, a slight increase in sulfuric acid prices, good availability of copper scrap with stable refining charges and good overall demand for our copper products also had a positive effect.

Unscheduled repairs and scheduled maintenance shutdowns at the Hamburg, Lünen and Pirdop sites strained earnings.

“The results fulfilled our expectations in light of the good external market conditions on the one hand and seasonal effects and the weak performance of some of our facilities on the other,” summarized Dr. Bernd Drouven, Chairman of the Aurubis Executive Board.

The Aurubis Group’s revenues amounted to €2,635 million (previous year: €2,793 million). The decrease is primarily due to lower sales of cathodes and precious metals.

The net cash flow was €102 million, considerably down on the previous year (€300 million). The prior-year figure was unusually high because working capital that had been built up for the large-scale shutdown in Hamburg was reduced again in the course of Q1 2013/14.

Earnings before taxes (EBT) based on IFRS increased to €33 million (previous year: €-73 million). In contrast to operating earnings, IFRS earnings include measurement effects due to copper price fluctuations and other factors. Therefore, the operating earnings are decisive for Aurubis in assessing the business performance and managing the company.

Outlook

The international copper market will likely be fundamentally well supported in 2015 – market observers expect a low surplus or a balanced copper cathode market. We therefore anticipate good demand for cathodes with a high premium level.

Aurubis AG
Michaela Hessling
Executive Director Corporate
Communications
Phone: +49 40 7883-3053
m.hessling@aurubis.com

Matthias Trott
Senior Communications
Manager
Phone: +49 40 7883-3037
m.trott@aurubis.com

Hovestrasse 50
D-20539 Hamburg

www.aurubis.com

We expect a good supply on the copper concentrate market with high treatment charges. The same applies to the copper scrap market, which nevertheless reacts more sensitively to copper price changes: falling copper prices could temporarily impact availability and refining charges in this area. We expect sulfuric acid sales to remain stable.

The trends on our product markets vary: while we anticipate stable sales of copper rod, market observers forecast stagnating demand for shapes. More difficult conditions are expected on the markets for strip products as well.

We anticipate positive contributions to earnings from the strong US dollar since a significant portion of Aurubis' revenues is US dollar-based.

A project to improve results started for the Hamburg and Lünen sites in the fall. It includes measures to enhance efficiency in material management, production and maintenance. In addition, the group-wide "Step Up" program was established with the objectives of growth, increasing efficiency, reducing costs and optimizing the net working assets.

"The development of the key markets as well as our programs to improve results and enhance efficiency should positively influence the current fiscal year. We therefore expect considerably higher operating earnings and a slightly higher ROCE for fiscal year 2014/15 compared to the previous year," Dr. Bernd Drouven concluded.

You can find the complete report on the first three months of fiscal year 2014/15 at www.aurubis.com.

Company profile

Aurubis is the leading integrated copper group and the world's largest copper recycler. We produce some 1 million t of copper cathodes each year and from them a variety of copper products. Production expertise is our strength and the driving force of our success.

Aurubis has about 6,500 employees, production sites in Europe and the USA and an extensive service and sales system for copper products in Europe, Asia and North America.

Thanks to our wide range of services, we rank among the global leaders in our industry. Our core business is the production of marketable copper cathodes from copper concentrates, copper scrap and recycling raw materials. These are processed within the Group into continuous cast wire rod, shapes, rolled products and strip as well as specialty wire made of copper and copper alloys. Precious metals and a number of other products, such as sulfuric acid and iron silicate, round off our product portfolio.

Customers of Aurubis include companies in the copper semis industry, the electrical engineering, electronics and chemical industries as well as suppliers of the renewable energies, construction and automotive sectors.

Aurubis is oriented to growth and to increasing corporate value: the main focuses of our strategy are on expanding our leading market position as an integrated copper producer, utilizing growth opportunities and practicing a responsible attitude when dealing with people, resources and the environment.

Aurubis shares are part of the Prime Standard Segment of the Deutsche Börse and are listed in the MDAX and the Global Challenges Index (GCX).

Further information at www.aurubis.com

Key Aurubis Group figures		1st quarter		
		2014/15	2013/14	Change
Revenues	€m	2,635	2,793	-6 %
Gross profit	€m	238	127	+89 %
Operating gross profit	€m	242	195	+24 %
Personnel expenses	€m	105	104	+1 %
Depreciation and amortization	€m	35	31	+14 %
Operating depreciation and amortization	€m	33	29	+17 %
EBITDA	€m	78	(35)	> 100 %
Operating EBITDA	€m	82	33	> 100 %
EBIT	€m	43	(66)	> 100 %
Operating EBIT	€m	49	4	> 100 %
EBT	€m	33	(73)	> 100 %
Operating EBT*	€m	39	(3)	> 100 %
Net result	€m	25	(52)	> 100 %
Operating net result	€m	29	(2)	> 100 %
Earnings per share	€	0.54	(1.17)	> 100 %
Operating earnings per share	€	0.64	(0.05)	> 100 %
Net cash flow	€m	102	300	-66 %
Capital expenditure (excl. financial fixed assets)	€m	21	48	-56 %
Operating ROCE*	%	11.0	0.3	-
Copper price (average)	US\$/t	6,624	7,153	-7 %
Human resources (average)		6,335	6,340	0 %

* Corporate control parameters

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

Certain prior-year figures have been adjusted.

Production/throughput		1st quarter		
		2014/15	2013/14	Change
BU Primary Copper				
Concentrate throughput	1,000 t	576	509	+13.2 %
Copper scrap input	1,000 t	59	48	+22.9 %
Sulfuric acid output	1,000 t	551	492	+12.0 %
Cathode output	1,000 t	238	222	+7.2 %
BU Recycling/Precious Metals				
Copper scrap input	1,000 t	32	32	0.0 %
KRS throughput	1,000 t	70	84	-16.7 %
Cathode output	1,000 t	47	47	0.0 %
BU Copper Products				
Wire rod output	1,000 t	163	156	+4.5 %
Continuous cast shapes output	1,000 t	38	39	-2.6 %
Flat rolled products and specialty wire output	1,000 t	48	50	-4.0 %