

Aurubis achieves highest results in company's history shortly before its 150th anniversary

Hamburg, December 11, 2015 - The Aurubis Group (Aurubis) more than doubled its operating earnings before taxes (EBT) to € 343 million in fiscal year 2014/15 compared to the previous year (€ 137 million). Operating return on capital employed (ROCE) reached an excellent 18.7 % (previous year: 8.5 %).

The Executive Board and Supervisory Board will recommend the payout of a dividend of € 1.35 per share at the Annual General Meeting on February 24, 2016 (previous year: € 1.00). The payout ratio is therefore 53 % (previous year: 51 %) related to the unappropriated earnings of Aurubis AG and aligns with the current dividend policy. The dividend yield on the basis of the XETRA closing price of € 56.90 as at September 30, 2015 is 2.4 % (previous year: 2.6 %).

“We will celebrate our company’s 150th anniversary on April 28, 2016. The fact that we are able to conclude the 149th fiscal year with record earnings makes us very satisfied and confident that we are on the right path with Aurubis,” commented Aurubis Executive Board Spokesman Erwin Faust regarding the successful fiscal year 2014/15.

Significantly higher treatment and refining charges for the input materials copper concentrate and copper scrap, a strong increase in sulfuric acid prices worldwide and a higher cathode premium contributed to the very good results in particular. High capacity utilization, a good metal gain and a favorable mix of input materials supported this good development. Sales of copper products varied: while sales rose somewhat for wire rod, they declined slightly overall for the other copper products.

“The results exceed the expectations we held at the start of the fiscal year considerably. During the past fiscal year, we had the advantage of good conditions on all of the relevant markets and no larger disruptions in our facilities. It was ‘all systems go’ in almost every respect,” Faust summed up the aspects relevant to earnings. He is currently managing the company together with Dr. Stefan Boel.

At € 10,995 million, the Aurubis Group’s revenues were € 246 million lower than the previous year (€ 11,241 million) due first and foremost to lower sales of copper products. Aurubis’ revenues are generally strongly tied to metal prices and thus are not a suitable indicator of the company’s business performance.

The IFRS consolidated earnings before taxes (EBT) were € 170 million (previous year: € 58 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.

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Outlook

Varying trends are already evident for the anniversary year 2016: while Aurubis still anticipates a good supply of copper concentrates and high treatment and refining charges, there are weaknesses in the copper scrap markets. Lower metal prices cause scrap traders to reduce their collection activity and retain material, which is reflected in supply shortages and lower refining charges in the copper scrap market. There has also been a supply surplus on the sulfuric acid markets since the start of the new fiscal year, with corresponding price pressure. Improvement on these very volatile markets isn't detectable at the moment.

Accounting for physical copper demand, which is expected to be weaker worldwide, Aurubis lowered the cathode premium for European customers to US\$ 92/t for calendar year 2016 (previous year: US\$ 110/t). The company expects the current demand level for copper products to continue.

A 50-day large-scale shutdown will take place at the Group site in Pirdop, Bulgaria in April and May 2016. The capital expenditure costs are expected to be € 44 million and the strain on operating EBT will be around € 25 million. Shorter shutdowns for maintenance work are scheduled at other Group sites as well. However, if there are no additional disruptions, Aurubis should be able to achieve good throughputs in its smelting facilities.

Overall, uncertainties from the general economic and market environment will continue to accompany our business activities in fiscal year 2015/16. There could also be quarterly differences as in the previous years. The first quarter in particular regularly reflects a weaker business performance due to seasonal factors. The improvement projects initiated in 2014/15 will support the results of the current fiscal year but will impact the medium and long term especially.

“Overall, we expect our business to normalize to a certain extent. We also anticipate good results for fiscal year 2015/16, though they won't reach the past year's record results. Compared to the very good prior year, we thus expect significantly lower operating earnings before taxes. Operating ROCE will also decrease considerably,” concluded Erwin Faust.

You can find the complete Annual Report 2014/15 at www.aurubis.com.

At a Glance

Key Aurubis Group figures		4th quarter			Fiscal year		
		2014/15	2013/14	Change	2014/15	2013/14	Change
Revenues	€m	2,528	2,944	-14 %	10,995	11,241	-2 %
Gross profit	€m	135	246	-45 %	1,009	865	17 %
Operating gross profit	€m	288	271	6 %	1,173	937	25 %
Personnel expenses	€m	102	107	-5 %	431	415	4 %
Depreciation and amortization	€m	34	33	3 %	136	128	6 %
Operating depreciation and amortization	€m	33	31	6 %	130	121	7 %
EBITDA	€m	(32)	77	<-100 %	336	216	56 %
Operating EBITDA	€m	121	102	19 %	500	288	74 %
EBIT	€m	(66)	44	<-100 %	200	88	>100 %
Operating EBIT	€m	88	71	24 %	370	167	>100 %
EBT	€m	(75)	37	<-100 %	170	58	>100 %
Operating EBT*	€m	82	62	32 %	343	137	>100 %
Consolidated net income	€m	(48)	29	<-100 %	134	44	>100 %
Operating consolidated net income	€m	61	44	39 %	257	99	>100 %
Earnings per share	€	(1.08)	0.64	<-100 %	2.95	0.95	>100 %
Operating earnings per share	€	1.33	0.96	39 %	5.68	2.17	>100 %
Dividend per share**	€	-	-	-	1.35	1.00	35 %
Net cash flow	€m	17	183	-91 %	365	401	-9 %
Capital expenditure (excl. financial fixed assets)	€m	42	31	35 %	112	128	-13 %
Operating ROCE*	%	-	-	-	18.7	8.5	-
Copper price (average)	US\$/t	5,259	6,994	-25 %	5,933	6,996	-15 %
Copper price (balance sheet date)	US\$/t	-	-	-	5,093	6,736	-24 %
Employees (average)		6,301	6,362	-1 %	6,317	6,337	0 %

* Corporate control parameters

** 2014/15 figure is the proposed dividend.

Certain prior-year figures have been adjusted.

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

Production/throughput		4th quarter			Fiscal year		
		2014/15	2013/14	Change	2014/15	2013/14	Change
BU Primary Copper							
Concentrate throughput	1,000 t	563	564	-0.2 %	2,294	2,221	3.3 %
Copper scrap input	1,000 t	19	25	-24.0 %	103	97	6.2 %
Sulfuric acid output	1,000 t	534	551	-3.1 %	2,200	2,125	3.5 %
Cathode output	1,000 t	156	157	-0.6 %	615	595	3.4 %
BU Copper Products							
Copper scrap input	1,000 t	35	43	-18.6 %	191	202	-5.4 %
KRS throughput	1,000 t	67	74	-9.5 %	269	301	-10.6 %
Cathode output	1,000 t	127	136	-6.6 %	523	531	-1.5 %
Wire rod output	1,000 t	194	178	9.0 %	764	742	3.0 %
Continuous cast shapes output	1,000 t	41	39	5.1 %	170	183	-7.1 %
Flat rolled products and specialty wire output	1,000 t	53	58	-8.6 %	216	228	-5.3 %

Certain prior-year figures have been adjusted.

Company profile

Aurubis is the leading integrated copper group and the largest copper recycler worldwide. We produce more than 1 million t of copper cathodes annually and from them a variety of copper products. Production expertise is our strength and the driving force of our success.

Aurubis has about 6,300 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

Disclaimer:

Forward-looking statements

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