

New Vision 2025: much more than copper

Hamburg, March 2, 2017 – **Executive Board Chairman Jürgen Schachler presented the new company vision at Aurubis AG’s Annual General Meeting this year. Until 2025 the company intends to enhance and expand its profile as a supplier of various non-ferrous metals. The attendees of the Annual General Meeting agreed to the suggested dividend of € 1.25 per share.**

“Copper has always been our main area of expertise, and it will remain a central metal of the Aurubis Group,” Jürgen Schachler said in his speech. “But we are capable of more: gold and silver, nickel, selenium and other metals have been an established component of our portfolio for a long time now. We are pursuing the next logical step, from a copper producer to a multi-metal producer, and will broaden our position in this direction.”

Aurubis wants to grow internally and externally to achieve this vision: “This could include the expansion of existing capacities, but also acquisitions if they make sense and are a good fit in terms of context and geography,” Schachler continued.

Aurubis AG’s Vision 2025 is summarized in three concise statements: *Passion for metallurgy. Metals for progress. Together with you.* According to Schachler, these statements are unique features of Aurubis. “When you hear these three key statements together in 2025, you should think of Aurubis. They express passion for metallurgy and metals. Metals that enable progress. From a company that is close to its employees, customers and suppliers, as well as to the countries and societies in which it operates.”

To achieve the objective outlined in the vision, Aurubis initiated a transformation program entitled “ONE Aurubis”. It includes a number of sub-projects that will focus on further development and adjustment of the strategy, the organizational structure, process improvements, staff development and the company culture and communication. These measures should bolster the company’s profitability, already in the medium term: “Based on today’s conditions, we would like to improve our EBITDA by the end of fiscal year 2019/20 with internal optimization measures generating more than € 200 million,” Jürgen Schachler stated as a concrete target.

Result in past fiscal year as expected

In his speech, the Executive Board Chairman also looked back on the past fiscal year 2015/16. Though at € 213 million, operating earnings before taxes (EBT) were significantly below the record previous year’s level of € 343 million, this had been forecast by the company and corresponded to market expectations.

The share price developed in alignment with the results and with the weaker commodity sector overall in fiscal year 2015/16. The closing price on September 30, 2016 was € 49.88. The share price has recovered in the course of the new fiscal year and was at € 54.80 again at the end of the first quarter. The closing price was € 55.85 the evening before the Annual General Meeting.

The 2015/16 EBT was significantly impacted by a scheduled maintenance shutdown at the site in Pirdop, Bulgaria. The shutdown was executed in just 54 days and remained within the planned budget of € 44 million. Another important suc-

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cess: not one accident was reported during the entire shutdown. “Well done!” Jürgen Schachler commended the employees in Bulgaria during his speech.

The return on capital employed (ROCE) is an important KPI in addition to operating EBT. It was 10.9 % in fiscal year 2015/16 and was thus below the Group target of 15 %.

In this context, Jürgen Schachler pointed to the company’s robust financial situation: “While our result was clearly below the previous year, we luckily achieved all of the goals we had set, apart from return on capital employed. At 0.1, our debt coverage was at prior-year level. The Group is nearly debt-free.”

Forecast for the new fiscal year confirmed

The Group generated operating earnings before taxes of € 18 million in the first quarter of the new fiscal year. The result was influenced by negative measurement effects in inventories caused by a strong increase in metal prices. However, these effects will balance out again in the course of the fiscal year, Schachler explained. A scheduled, legally mandated maintenance shutdown of the waste heat boiler in Hamburg also strained the operating result. “Without these two effects, we would have achieved a very good result of € 60 million in Q1!” the Executive Board Chairman summarized.

Consequently, Jürgen Schachler once again confirmed the earnings forecast for the current fiscal year. “We expect a significantly, or more than 10 %, higher EBT and a 1 to 5 % increase in ROCE compared to the previous year.”

The attendees of the Annual General Meeting accepted the recommendation of the Supervisory Board and the Executive Board to issue a dividend of € 1.25 per share (previous year: € 1.35) to the shareholders. The dividend yield is 2.5 % based on the closing price at fiscal year-end.

All of the other proposals that were put to a vote were also passed with a large majority at the Annual General Meeting.

About 59.76 % of the share capital with voting rights was present at this year’s Annual General Meeting.

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.

Company profile

Aurubis is today 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 more than 6,400 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 other recycling raw materials. These are processed within the Group into continuous cast wire rod, shapes, rolled products and strip, as well as specialty wire and profiles 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