

## Aurubis result grows significantly despite coronavirus pandemic

- » Operating EBT increases to € 221 million in fiscal year 2019/20 (previous year: € 192 million)
- » Executive Board and Supervisory Board to recommend a dividend of € 1.30 at the Annual General Meeting
- » Outlook cautiously optimistic, with slightly higher forecast range for new fiscal year's operating result
- » Sale negotiations for Segment FRP at an advanced stage

**Hamburg, December 9, 2020** – Despite the coronavirus pandemic and its extensive impacts on the global economy, Aurubis AG (Aurubis) increased its operating earnings before taxes (EBT) by 15 % to € 221 million in the past fiscal year (previous year: € 192 million). Operating ROCE also increased, reaching 9.3 % (previous year: 8.6 %). Operating consolidated net income rose by 21 % to € 167 million (previous year: € 138 million).

### Recommended dividend of € 1.30 per share

In light of the good result, the Executive Board and Supervisory Board will recommend the payout of a dividend of € 1.30 per share at the Annual General Meeting on February 11, 2021, which will take place digitally for the first time ever (previous year: € 1.25). If the shareholders at the Annual General Meeting accept this recommendation, the payout ratio will be 35 % (previous year: 41 %) of the operating consolidated net result.

### Throughputs of recycling materials and concentrates increase

Significantly higher refining charges for copper scrap and other recycling materials contributed to the good earnings situation. The throughput of other recycling materials increased substantially, due in part to the first-time inclusion of the Metallo sites in Beerse (Belgium) and Berango (Spain), which have been accounted for in the consolidated financial statements since June 2020. With the acquisition, Aurubis is expanding its product portfolio and its capacities for processing recycling raw materials, especially those with low metal contents. “The integration of Metallo is going completely according to plan,” reports Aurubis AG Executive Board Chairman Roland Harings. “We are confident that we will even exceed the targeted synergy potential of € 10 to 15 million in the next three years.”

Earnings were also positively influenced by a significantly higher metal gain accompanied by increased precious metal prices and a substantially higher concentrate throughput, which was nevertheless counterbalanced by lower treatment and refining charges for copper concentrates due to market factors. Contributions from the Performance Improvement Program (PIP) also supported earnings, and the necessary restructuring expenses were included in their entirety in the result of the past fiscal year.

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Notably lower prices on the global sulfuric acid markets led to declining revenues in sulfuric acid sales accordingly. Cathode sales to Asia, especially to China, strongly compensated for the drop in demand on the European copper product markets due to the coronavirus pandemic.

IFRS earnings before taxes (EBT) amounted to € 367 million.\*

“We made it through the crisis robust during the past fiscal year, which was a unique challenge in light of the market dynamics caused by the pandemic,” summarizes Roland Harings. “Our employees’ level-headedness and discipline in implementing the hygiene concept played a decisive role. After several difficult months, we can luckily say that our crisis management has proven to be effective. In our plants – where employees are working 24 hours a day, seven days a week – there have been no production limitations thus far. Our solid balance sheet and financing structure, which provide us with a measure of leeway, and our robust business model helped. Our broad position in a number of regions, and particularly our expertise in copper and non-ferrous metal recycling, provide us with stability. In spite of the ongoing pandemic, we therefore look to the new fiscal year with a sense of cautious optimism and expect the result to be in a slightly higher target range.”

#### **Aurubis increases forecast range for this fiscal year**

For the current fiscal year 2020/21, Aurubis forecasts an operating EBT in a slightly higher target range between € 210 and 270 million (previous year: € 185 to 250 million). The company expects an operating ROCE of between 8 and 11 %, as in the previous year.

Supported by industry forecasts and current demand on the markets, Aurubis expects global copper demand to increase again in 2021 following the temporary decline in 2020. Because of these expectations, the Aurubis copper premium will stay at the prior-year level of US\$ 96/t. A high expected supply of copper concentrates and recycling materials bolsters optimism for the new fiscal year, as does the ongoing stabilization of operational plant availability in the Group.

#### **Steady implementation of company strategy continues**

Despite the coronavirus pandemic, Aurubis continued its growth strategy according to plan during the past year. In addition to the important acquisition of Metallo, a joint venture for cable recycling was formed with TSR Recycling GmbH & Co. KG, which is expected to be completed in the first quarter of 2021.

Aurubis continues to push ahead with the planned sale of Segment Flat Rolled Products: “It is still our clear intention to sell FRP, and we are in an advanced stage of negotiations. However, the process has been delayed by the coronavirus crisis,” explains the Aurubis AG Executive Board Chairman.

To continue boosting efficiency, Aurubis has launched several different initiatives. These include the Performance Improvement Program (PIP) previously mentioned, which has been focusing on reducing costs in the administrative areas, optimizing Group-wide procurement, and improving throughput and maintenance at the

Hamburg site since 2020. The program will deliver a € 100 million contribution to earnings until fiscal year 2022/23.

Aurubis will expand existing markets and develop new ones by digitalizing products and business models. During the past fiscal year, the company established an Innovation Lab that develops digital innovations in a targeted way, digitalizing relationships with customers and suppliers in the process. With the acquisition of the Berlin IT company azeti, Aurubis is also strengthening digitalization in production. azeti develops and markets an internet-of-things (IoT) platform that integrates and evaluates production data. The objective in using this platform is to reduce shutdown times, optimize maintenance, and make production more flexible.

Sustainability is another key part of the strategy: with the Copper Mark, the copper sector has developed the first quality seal for the sustainable production of copper. Aurubis supports this quality seal as one of its initiators within the ICA (International Copper Association), and the plant in Pirdop, Bulgaria, will be the first Aurubis site to undergo the certification process. Other sites will follow.

Furthermore, important projects are being implemented or planned in order to continue reducing the company's CO<sub>2</sub> footprint. "Under the condition of competitive prices for green energies and green hydrogen, we have the technical possibilities to make our production CO<sub>2</sub>-neutral well before 2050," says Roland Harings. "We are committed to this objective and are involved in a dialogue with policymakers about the issue, because the overall conditions for industry have to ensure our international competitiveness."

\* 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.

You can read the complete Annual Report 2019/20 on our website at [www.aurubis.com/en/investor-relations/news-and-reports/annual-reports](http://www.aurubis.com/en/investor-relations/news-and-reports/annual-reports)

Key Aurubis Group figures Operating		Q4			Fiscal year		
		2019/20	2018/19	Change	2019/20	2018/19	Change
Revenues	€m	3,533	3,216	10 %	12,429	11,897	4 %
Gross profit	€m	385	333	16 %	1,233	1,168	6 %
Depreciation and amortization	€m	77	49	57 %	192	151	27 %
EBITDA	€m	161	125	29 %	415	359	16 %
EBIT	€m	84	76	11 %	223	208	7 %
<b>EBT<sup>1</sup></b>	<b>€m</b>	<b>88</b>	<b>67</b>	<b>31 %</b>	<b>221</b>	<b>192</b>	<b>15 %</b>
Consolidated net income	€m	64	43	49 %	167	138	21 %
Earnings per share	€	1.43	0.98	47 %	3.73	3.08	21 %
Net cash flow	€m	293	512	-43 %	459	272	69 %
Capital expenditure (including leases)	€m	74	81	-10 %	237	224	6 %
<b>ROCE<sup>1</sup></b>	<b>%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9.3</b>	<b>8.6</b>	<b>-</b>

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

Key Aurubis Group figures IFRS		Q4			Fiscal year		
		2019/20	2018/19	Change	2019/20	2018/19	Change
Revenues	€m	3,533	3,216	10 %	12,429	11,897	4 %
Gross profit	€m	433	374	16 %	1,404	1,224	15 %
Personnel expenses	€m	164	129	27 %	553	505	9 %
Depreciation and amortization	€m	90	37	> 100 %	210	140	50 %
EBITDA	€m	197	156	26 %	585	415	41 %
EBIT	€m	119	131	9 %	376	275	37 %
EBT	€m	117	127	8 %	367	264	39 %
Consolidated net income	€m	77	89	14 %	265	193	38 %
Earnings per share	€	1.73	2.01	14 %	5.95	4.28	39 %

General Aurubis Group figures		Q4			Fiscal year		
		2019/20	2018/19	Change	2019/20	2018/19	Change
Copper price (average)	US\$/t	6,872	5,802	18 %	5,857	6,070	-4 %
Copper price (period end date)	US\$/t	-	-	-	6,610	5,728	15 %
Employees (average) <sup>1</sup>		-	-	-	6,897	6,740	2 %
Employees (period end date) <sup>1</sup>		-	-	-	7,236	6,831	6 %

<sup>1</sup> Prior-year figure adjusted.

Aurubis Group output/throughput		Q4			Fiscal year		
		2019/20	2018/19	Change	2019/20	2018/19	Change
Concentrate throughput	1,000 t	618	566	9 %	2,378	2,225	7 %
Copper scrap/blister copper input <sup>1</sup>	1,000 t	92	92	0 %	370	435	-15 %
Other recycling materials <sup>1</sup>	1,000 t	114	41	> 100 %	348	256	36 %
Sulfuric acid output	1,000 t	577	544	6 %	2,272	2,101	8 %
Cathode output <sup>1</sup>	1,000 t	284	257	11 %	1,031	1,075	-4 %
Wire rod output	1,000 t	198	184 <sup>1</sup>	8 %	759	804	-6 %
Shapes output	1,000 t	37	32	16 %	154	174	-11 %
Flat rolled products and specialty wire output	1,000 t	40	47	-15 %	178	210	-15 %

<sup>1</sup> Metallo sites included for four months.

**Aurubis - Metals for Progress**

*Aurubis AG is a leading global provider of non-ferrous metals and one of the largest copper recyclers worldwide. The company processes complex metal concentrates, scrap metals, organic and inorganic metal-bearing recycling materials, and industrial residues 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 7,200 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)*