



Quarterly Report  
First 9 Months 2018/19  
October 1, 2018 to June 30, 2019

 **Aurubis**  
Metals for Progress

# At a Glance

Key Aurubis Group figures Operating		Q3			9M		
		2018/19	2017/18	Change	2018/19	2017/18	Change
Revenues	€m	3,021	2,977	1 %	8,681	8,747	-1 %
Gross profit	€m	283	307	-8 %	835	929	-10 %
Depreciation and amortization	€m	35	33	6 %	102	98	4 %
EBITDA**	€m	61	113	-46 %	234	367	-36 %
EBIT	€m	26	80	-68 %	132	269	-51 %
<b>EBT*</b>	<b>€m</b>	<b>22</b>	<b>78</b>	<b>-72 %</b>	<b>125</b>	<b>264</b>	<b>-53 %</b>
Consolidated net income	€m	17	60	-72 %	95	201	-53 %
Earnings per share	€	0.38	1.33	-71 %	2.10	4.46	-53 %
Net cash flow	€m	94	132	-29 %	-240	-100	> 100 %
Capital expenditure (including finance leases)	€m	50	37	36 %	143	116	24 %
<b>ROCE*</b>	<b>%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.1</b>	<b>14.6</b>	<b>-</b>

\* Corporate control parameters.

\*\* EBITDA (operating EBITDA) is determined from EBIT (operating EBIT) plus depreciation and amortization (operating depreciation and amortization).

Key Aurubis Group figures IFRS from continuing operations		Q3			9M		
		2018/19	2017/18	Change	2018/19	2017/18	Change
Revenues	€m	2,723	2,626	4 %	7,805	7,787	0 %
Gross profit	€m	213	285	-25 %	703	837	-16 %
Personnel expenses	€m	93	91	3 %	275	266	4 %
Depreciation and amortization	€m	32	30	5 %	93	89	4 %
EBITDA	€m	34	139	-76 %	237	411	-42 %
EBIT	€m	2	109	-98 %	144	322	-55 %
EBT	€m	-1	106	< -100 %	135	313	-57 %
Consolidated net income/loss	€m	-1	81	< -100 %	102	239	-57 %
Earnings per share	€	-0.02	1.82	< -100 %	2.26	5.31	-57 %

General Aurubis Group figures		Q3			9M		
		2018/19	2017/18	Change	2018/19	2017/18	Change
Copper price (average)	US\$/t	6,113	6,872	-11 %	6,167	6,880	-10 %
Copper price (period end date)	US\$/t	-	-	-	5,972	6,646	-10 %
Employees (average)		6,804	6,603	3 %	6,803	6,544	4 %

Aurubis Group output/throughput		Q3			9M		
		2018/19	2017/18	Change	2018/19	2017/18	Change
Concentrate throughput	1,000 t	477	618	-23 %	1,659	1,913	-13 %
Copper scrap/blister copper input	1,000 t	117	118	0 %	343	314	9 %
KRS throughput	1,000 t	68	73	-7 %	186	211	-12 %
Sulfuric acid output	1,000 t	437	575	-24 %	1,557	1,826	-15 %
Cathode output	1,000 t	268	290	-8 %	818	876	-7 %
Rod output	1,000 t	213*	205	4 %	620*	595	4 %
Shapes output	1,000 t	46	52	-12 %	142	151	-6 %
Flat rolled products and specialty wire output	1,000 t	53	62	-14 %	163	178	-8 %

\* Taking the full integration of Deutsche Giessdraht GmbH into account.

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

# Highlights

On May 22, 2019, Aurubis AG signed a purchase agreement for the acquisition of the Belgian-Spanish group of recycling and refining companies Metallo.

In the first nine months of FY 2018/19, the Aurubis Group generated operating earnings before taxes (EBT) of € 125 million (previous year: € 264 million). The operating result was strongly influenced by significantly lower concentrate throughputs, significantly lower refining charges for copper scrap, and expenses resulting from the halt of the Future Complex Metallurgy project. Operating return on capital employed (ROCE) was 7.1 % (previous year: 14.6 %). IFRS earnings before taxes (EBT) from continuing operations (see page 6) were € 135 million (previous year: € 313 million).

At € 8,681 million, the Group generated revenues at prior-year level during the first nine months of fiscal year 2018/19 (previous year: € 8,747 million). This development was primarily due to the lower average copper price. Higher precious metal prices provided a counter-effect.

Operating EBT was € 125 million (previous year: € 264 million) and was negatively influenced by:

- » Significantly lower concentrate throughputs, coupled with lower treatment and refining charges for copper concentrates,
- » A planned maintenance shutdown at our Pirdop site in Q3 2018/19 with a negative effect of approximately € 15 million on earnings,
- » Unplanned shutdowns in Q1 2018/19 with a negative effect of approximately € 25 million on earnings,
- » Significantly lower refining charges for copper scrap compared to the previous year, with a good supply,
- » Weaker demand for shapes and flat rolled products,
- » Higher energy costs,
- » Transaction costs of about € 5 million in connection with the acquisition of Metallo,
- » Expenses of about € 30 million after the halt of the internal investment project Future Complex Metallurgy (FCM).

Positive effects on operating EBT included:

- » Higher sulfuric acid revenues due to considerably higher sales prices, despite lower output volumes

resulting from the shutdowns,

- » Robust sales of copper rod,
- » The recognition of a receivable of € 20 million from Wieland-Werke AG from the rejected sale of Segment Flat Rolled Products,
- » Positive contributions from our efficiency improvement program.

Operating ROCE (taking the operating EBIT of the last four quarters into consideration) was 7.1 % (previous year: 14.6 %). Operating ROCE was at half the prior-year level due to the lower quarterly results, with significantly higher inventories at the same time.

EBT from continuing operations on an IFRS basis amounted to € 135 million (previous year: € 313 million).

The net cash flow as at June 30, 2019 was € -240 million (previous year: € -100 million). The significant decline is almost completely due to higher inventories of intermediates resulting from planned maintenance shutdowns.

Operating EBT for Segment MRP amounted to € 176 million during the reporting period, down significantly on the very good previous year (€ 289 million). The decrease resulted from the influencing factors already mentioned.

Segment FRP generated operating earnings before taxes

(EBT) of € 0 million in the first nine months of the reporting year (previous year: € 7 million). The significant decrease in earnings compared to the previous year is due first and foremost to a lower sales volume and less favorable conditions on the procurement market. We prevented a further drop in earnings with the ongoing efficiency improvement program.

Aurubis is still reviewing strategic options for Segment FRP. We will continue to classify Segment FRP as discontinued operations pursuant to IFRS. This does not affect the operating reporting.

At the start of the reporting period, the copper price was US\$ 6,172/t (LME settlement). After a notable decline to US\$ 5,811/t at the start of January, the copper price recovered to US\$ 6,572/t on March 1, 2019, but then fell again to US\$ 5,756/t on June 17, 2019. Copper was quoted at US\$ 5,972/t at the end of June. The average copper price in Q3 2018/19 reached US\$ 6,113/t (previous year: US\$ 6,872/t). The average price in euros was € 5,439/t (previous year: € 5,768/t).

On the international concentrate market in the first nine months of FY 2018/19, good mine output was met by rising demand among smelters, especially in China, despite isolated smelter shutdowns. Due to planned and unplanned shutdowns, Aurubis has hardly been active on the spot market during the fiscal year so far.

Following a good copper scrap supply in Europe and the US in the first half of FY 2018/19, the market continued to develop favorably in Q3 2018/19, recording a high supply. This was influenced by relatively constant metal prices and relatively stable ongoing economic conditions. Due to different global import and export restrictions, material streams are changing on the market for recycling materials. Aurubis is actively adjusting to the changes in market circumstances and was able to fully supply the production facilities with recycling materials at good conditions in the reporting period.

The global market for sulfuric acid was characterized by consistently high demand during the reporting period. The supply of sulfuric acid was limited, a situation that was reinforced by isolated smelter shutdowns, especially in South America and Asia. This led to a very high price level on the market during long stretches of the reporting period. The market situation in Europe remained stable but cooled off noticeably toward the end of Q3.

The cathode market continued to record good demand in the first nine months of 2018/19. While spot premiums in Europe were relatively stable, the quotation in Shanghai remained substantially lower than the very high level of the previous year.

On May 22, 2019, Aurubis AG signed a purchase agreement for the acquisition of Metallo. Metallo is a Belgian-Spanish group of recycling and refining companies with around 530 employees and revenues of approximately € 1 billion (2018). The purchase price is € 380 million and will be financed without a capital increase. The approval of the antitrust authorities is expected at the end of the calendar year.

**Roland Harings, Executive Board chairman since July 1:** “Our result in Q3 was strained by several extraordinary factors. In addition to one-time expenses from the halt of the FCM project, the operating performance of our large production units fell below expectations. The decline in demand on the product markets negatively impacted our earnings in May/June. Despite the halt of FCM, we are still holding on to our multi-metal strategy. We will be able to apply some of the plans and plant configurations developed during the FCM project and use them to carry out our strategy in the future. The purchase agreement signed in May to acquire the Belgian-Spanish Metallo Group is another key building block in implementing our strategy.”

# Economic Development First 9 Months 2018/19

## Results of Operations, Net Assets, and Financial Position

In order to portray the Aurubis Group's operating success independently of measurement influences for internal management purposes, the presentation of the results of operations, net assets, and financial position is supplemented by the results of operations and net assets explained on the basis of operating values.

Aurubis is still reviewing strategic options for Segment Flat Rolled Products (FRP). The presentation and measurement rules specified in IFRS 5 therefore still have to be applied to Segment FRP. These include, among other things, a separate, aggregated disclosure of consolidated net income from discontinued operations in the consolidated income statement, as well as a separate, aggregated disclosure of assets and liabilities held for sale for the discontinued operations in the consolidated statement of financial position. Furthermore, additional disclosures must be made in the notes to the financial statements (see pages 31 and 32). With respect to measurement in accordance with IFRS 5, among other things, any impact on income deriving from scheduled depreciation and amortization in Segment FRP, or from application of equity accounting for the purpose of consolidating the investment in the joint venture, Schwermetall Halbzeugwerk GmbH & Co. KG (Schwermetall), must be discontinued in the IFRS consolidated financial statements.

The Executive Board treats Segment FRP as an operating reporting segment and, consequently, the financial reporting for operating purposes will remain unchanged until a possible sale of Segment FRP.

As a result, the accounting impacts deriving from IFRS 5 in the financial statements are reversed in the reconciliation between IFRS reporting and operating reporting.

As regards the reconciliation of the consolidated income statement, the items reported as discontinued activities are again shown separately. For purposes of measurement, the impacts on income deriving from scheduled depreciation and amortization of fixed assets, or from application of equity accounting for the purpose of consolidating the investment, are accounted for, as in the past. In order to demonstrate the Aurubis Group's operating success, subsequent adjustments are also made to inventories and non-current assets.

In order to adjust the measurement impacts in assets resulting from the application of IAS 2, metal price fluctuations resulting from the application of the average cost method are eliminated in the same manner as any write-downs or appreciation in value for copper inventories at the reporting date. Furthermore, from FY 2010/11 onwards, fixed assets have been adjusted for effects deriving from purchase price allocations (PPAs), primarily relating to property, plant, and equipment.

As regards the reconciliation of the consolidated statement of financial position, assets and liabilities held for sale as discontinued operations are again disclosed in a disaggregated form and the measurement effects on the relevant items in the statement of financial position are recognized as they have been in the past. Subsequently, in order to demonstrate the Aurubis Group's operating success, measurement impacts on inventories and fixed assets are also adjusted for.

## Results of operations (operating)

The following table shows how the operating result for the first nine months of fiscal year 2018/19 and for the comparative prior-year period have been determined.

Operating EBT in the first nine months of the fiscal year amounted to € 125 million and is derived from continuing and discontinued operations of the IFRS result as follows:

Aurubis generated IFRS earnings before taxes of € 135 million in the first nine months of the fiscal year (previous year: € 313 million). IFRS earnings before taxes from discontinued operations amount to € 17 million (previous year: € 38 million) (see page 31).

The accounting impacts of IFRS 5 were reversed to derive the operating result. Accordingly, scheduled

## Reconciliation of the consolidated income statement (in € million)

	9M 2018/19					9M 2017/18					
	IFRS from continuing operations	Adjustment effects				Operating	IFRS from continuing operations	Adjustment effects			
Discontinued operations		Inventories	PPA		Discontinued operations			Inventories	PPA		
Revenues	7,805	876	0	0	8,681	7,787	960	0	0	8,747	
Changes in inventories of finished goods and work in process	465	29	-53	0	441	320	39	-52	0	307	
Own work capitalized	12	0	0	0	12	11	0	0	0	11	
Other operating income	49	1	0	0	50	34	1	0	0	35	
Cost of materials	-7,628	-760	39	0	-8,349	-7,315	-821	-35	0	-8,171	
<b>Gross profit</b>	<b>703</b>	<b>146</b>	<b>-14</b>	<b>0</b>	<b>835</b>	<b>837</b>	<b>179</b>	<b>-87</b>	<b>0</b>	<b>929</b>	
Personnel expenses	-275	-100	0	0	-375	-266	-98	0	0	-364	
Depreciation of property, plant, and equipment and amortization of intangible assets	-93	-11	0	2	-102	-89	-11	0	2	-98	
Other operating expenses	-191	-35	0	0	-226	-160	-38	0	0	-198	
<b>Operational result (EBIT)</b>	<b>144</b>	<b>0</b>	<b>-14</b>	<b>2</b>	<b>132</b>	<b>322</b>	<b>32</b>	<b>-87</b>	<b>2</b>	<b>269</b>	
Result from investments measured using the equity method	0	3	1	0	4	0	7	-1	0	6	
Interest income	2	0	0	0	2	2	0	0	0	2	
Interest expense	-11	-2	0	0	-13	-11	-2	0	0	-13	
<b>Earnings before taxes (EBT)</b>	<b>135</b>	<b>1</b>	<b>-13</b>	<b>2</b>	<b>125</b>	<b>313</b>	<b>37</b>	<b>-88</b>	<b>2</b>	<b>264</b>	
Income taxes	-33	-3	7	-1	-30	-74	-9	21	-1	-63	
<b>Consolidated net income</b>	<b>102</b>	<b>-2</b>	<b>-6</b>	<b>1</b>	<b>95</b>	<b>239</b>	<b>28</b>	<b>-67</b>	<b>1</b>	<b>201</b>	

See page 6 for an explanation of the presentation and the adjustment effects.

depreciation and amortization (€ -11 million) and the recognition in income of the shares of Schwermetall consolidated using the equity method (€ -5 million) were taken into account in the reconciliation to the operating result, as in the past.

Moreover, to derive the operating result, the IFRS result was adjusted for inventory measurement effects of € -13 million (previous year: € -88 million) (the total of the following positions: “Changes in inventories of finished goods and work in process,” “Cost of materials,” and “Result from investments measured using the equity method”), as well as for impacts of € 2 million (previous year: € 2 million) deriving from allocations of the purchase price, resulting in operating earnings before taxes of € 125 million (previous year: € 264 million).

Operating EBT was negatively influenced by:

- » Significantly lower concentrate throughputs, coupled with lower treatment and refining charges for copper concentrates,
- » A planned maintenance shutdown at our Pirdop site in Q3 2018/19 with a negative effect of approximately € 15 million on earnings,
- » Unplanned shutdowns in Q1 2018/19 with a negative effect of approximately € 25 million on earnings,
- » Significantly lower refining charges for copper scrap compared to the previous year, with a good supply,
- » Weaker demand for shapes and flat rolled products,
- » Higher energy costs,
- » Transaction costs of about € 5 million in connection with the acquisition of Metallo,
- » Expenses of about € 30 million after the halt of the internal investment project Future Complex Metallurgy (FCM).

Positive effects on operating EBT included:

- » Higher sulfuric acid revenues due to considerably higher sales prices, despite lower output volumes resulting from the shutdowns,
- » Robust sales of copper rod,

- » The recognition of a receivable of € 20 million from Wieland-Werke AG from the rejected sale of Segment Flat Rolled Products,
- » Positive contributions from our efficiency improvement program.

The Group’s revenues decreased by € 66 million to € 8,681 million (previous year: € 8,747 million) during the reporting period. This development was primarily due to the lower average copper price. Higher precious metal prices provided a counter-effect.

The inventory change of € 441 million (previous year: € 307 million) was due in particular to a build-up of copper and precious metal inventories.

Corresponding to the inventory change, the cost of materials increased from € 8,171 million in the previous year to € 8,349 million.

At € 12 million (previous year: € 11 million), own work capitalized was slightly above the prior-year level.

Other operating income increased by € 15 million to € 50 million (previous year: € 35 million). This includes income from the recognition of a receivable in the amount of € 20 million from Wieland-Werke AG from the rejected sale of Segment FRP.

Gross profit amounted to € 835 million (previous year: € 929 million).

Personnel expenses rose from € 364 million in the previous year to € 375 million. The increase was due to wage tariff increases and a higher number of employees. We particularly strengthened our personnel resources in order to address certain issues that will grow in importance in the future. These include Research & Development as well as IT.



Other operating expenses rose by € 28 million, from € 198 million in the previous year to € 226 million. This includes about € 30 million in project costs capitalized thus far for the halted Future Complex Metallurgy project, which were recognized as an expense.

The operational result before interest and taxes (EBIT) therefore amounted to € 132 million (previous year: € 269 million).

At € 11 million, net interest expense was at prior-year level.

After taking the financial result into account, operating earnings before taxes (EBT) were € 125 million (previous year: € 264 million).

Operating consolidated net income of € 95 million remained after tax (previous year: € 201 million). Operating earnings per share amounted to € 2.10 (previous year: € 4.46).

### **Results of operations (IFRS) from continuing operations**

Due to the classification of Segment FRP as an operation intended for sale, the following values regarding the results of operations are exclusively related to continuing operations.

The Group's revenues increased slightly by € 18 million to € 7,805 million (previous year: € 7,787 million) during the reporting period. This development was primarily due to higher precious metal prices.

The inventory change of € 465 million (previous year: € 320 million) was due in particular to a build-up of copper and precious metal inventories.

At € 12 million (previous year: € 11 million), own work capitalized was slightly above the prior-year level.

Corresponding to the inventory change, the cost of materials increased from € 7,315 million in the previous year to € 7,628 million. The increase includes effects from the use of the average cost method.

Other operating income increased by € 15 million to € 49 million (previous year: € 34 million). This includes income from the recognition of a receivable in the amount of € 20 million from Wieland-Werke AG from the rejected sale of Segment FRP.

Gross profit amounted to € 703 million (previous year: € 837 million).

In addition to the effects on earnings described in the explanation of the operating results of operations, the change in gross profit was also due to metal price developments. The use of the average cost method leads to metal price valuations that are close to market prices. Metal price volatility therefore has direct effects on changes in inventories/the cost of materials and hence on the IFRS gross profit. The depiction of this volatility in the IFRS gross profit is not relevant to the cash flow and does not reflect Aurubis' operating performance.

Personnel expenses rose from € 266 million in the previous year to € 275 million. The increase was due to wage tariff increases and a higher number of employees. We particularly strengthened our personnel resources in order to address certain issues that will grow in importance in the future. These include Research & Development as well as IT.

Other operating expenses rose by € 31 million, from € 160 million in the previous year to € 191 million. This includes about € 30 million in project costs capitalized thus far for the halted Future Complex Metallurgy project, which were recognized as an expense.

Earnings before interest and taxes (EBIT) therefore amounted to € 144 million (previous year: € 322 million).

At € 9 million, net interest expense was at prior-year level.

After taking the financial result into account, earnings before taxes were € 135 million (previous year: € 313 million).

Consolidated net income of € 102 million from continuing operations remained after tax (previous year: € 239 million). Earnings per share from continuing operations amounted to € 2.26 (previous year: € 5.31).

### Net assets (operating)

The table on page 11 shows the derivation of the operating statement of financial position as at June 30, 2019 and as at September 30, 2018.

Total assets increased from € 4,077 million as at September 30, 2018 to € 4,230 million as at June 30, 2019. This was due to the € 549 million increase in inventories, from € 1,549 million as at September 30, 2018 to € 2,098 million as at June 30, 2019. The increase was primarily in intermediate products. In contrast, cash and cash equivalents decreased significantly by € 408 million in this period, from € 479 million to € 71 million.

The Group's equity fell by € 32 million, from € 2,261 million as at the end of the last fiscal year to € 2,229 million as at June 30, 2019. The decline was due to the dividend payment of € 70 million and the remeasurement of pension obligations amounting to € 68 million included in other comprehensive income. The operating consolidated net income of € 95 million had a positive effect.

Current liabilities from trade accounts payable increased by € 108 million, from € 904 million to € 1,012 million, in line with the higher inventories. At € 358 million as at June 30, 2019, borrowings were also slightly above the level of the previous fiscal year-end (€ 314 million):

(in € million)	6/30/2019	9/30/2018
Non-current bank borrowings	118	248
Non-current liabilities under finance leases	34	33
<b>Non-current borrowings</b>	<b>152</b>	<b>281</b>
Current bank borrowings	203	30
Current liabilities under finance leases	3	3
<b>Current borrowings</b>	<b>206</b>	<b>33</b>
<b>Total borrowings</b>	<b>358</b>	<b>314</b>

Overall, the operating equity ratio (the ratio of equity to total assets) was therefore 52.7 % compared to 55.5 % as at the end of the previous fiscal year.

### Return on capital (operating)

The return on capital employed (ROCE) shows the return on the capital employed in the operating business or for an investment. It was determined taking the operating EBIT of the last four quarters into consideration.

Operating ROCE declined by half, from 14.6 % in the comparable prior-year period to 7.1 %, due to the lower quarterly results, with significantly higher inventories at the same time.

## Reconciliation of the consolidated statement of financial position (in € million)

	6/30/2019					9/30/2018					
	IFRS	Adjustment effects				Operating	IFRS	Adjustment effects			
Discontinued operations		Inventories	PPA		Discontinued operations			Inventories	PPA		
<b>Assets</b>											
Fixed assets	1,347	167	-12	-29	1,473	1,354	174	-13	-32	1,483	
Deferred tax assets	3	1	44	0	48	3	1	25	0	29	
Non-current receivables and other assets	29	2	0	0	31	28	2	0	0	30	
Inventories	2,226	293	-421	0	2,098	1,681	274	-406	0	1,549	
Current receivables and other assets	399	110	0	0	509	385	122	0	0	507	
Cash and cash equivalents	63	8	0	0	71	461	18	0	0	479	
Assets held for sale	595	-595	0	0	0	590	-590	0	0	0	
<b>Total assets</b>	<b>4,662</b>	<b>-14</b>	<b>-389</b>	<b>-29</b>	<b>4,230</b>	<b>4,502</b>	<b>1</b>	<b>-394</b>	<b>-32</b>	<b>4,077</b>	
<b>Equity and liabilities</b>											
Equity	2,554	-14	-288	-23	2,229	2,566	1	-281	-25	2,261	
Deferred tax liabilities	168	13	-101	-6	74	188	16	-113	-7	84	
Non-current provisions	326	32	0	0	358	254	34	0	0	288	
Non-current liabilities	153	1	0	0	154	281	1	0	0	282	
Current provisions	29	6	0	0	35	34	8	0	0	42	
Current liabilities	1,275	105	0	0	1,380	1,017	103	0	0	1,120	
Liabilities deriving from assets held for sale	157	-157	0	0	0	162	-162	0	0	0	
<b>Total equity and liabilities</b>	<b>4,662</b>	<b>-14</b>	<b>-389</b>	<b>-29</b>	<b>4,230</b>	<b>4,502</b>	<b>1</b>	<b>-394</b>	<b>-32</b>	<b>4,077</b>	

See page 6 for an explanation of the presentation and the adjustment effects.

## Derivation of the return on capital employed (ROCE)

(in € million)	6/30/2019	6/30/2018
Fixed assets excluding financial fixed assets and investments measured using the equity method	1,411	1,376
Inventories	2,098	1,974
Trade accounts receivable	381	421
Other receivables and assets	206	205
- Trade accounts payable	-1,012	-1,153
- Provisions and other liabilities	-332	-388
<b>Capital employed as at the period end date</b>	<b>2,753</b>	<b>2,435</b>
Earnings before taxes (EBT)	190	351
Financial result	5	5
<b>Earnings before interest and taxes (EBIT)*</b>	<b>194</b>	<b>357</b>
<b>Return on capital employed (operating ROCE)</b>	<b>7.1 %</b>	<b>14.6 %</b>

\* rolling last 4 quarters

## Net assets (IFRS)

Due to the classification of Segment FRP as discontinued operations, the following values regarding net assets in the current year are mainly related to the continuing operations in the Group.

Total assets increased from € 4,502 million as at September 30, 2018 to € 4,662 million as at June 30, 2019. This was due to the € 545 million increase in inventories, from € 1,681 million as at September 30, 2018 to € 2,226 million as at June 30, 2019. The increase was primarily in intermediate products. In contrast, cash and cash equivalents decreased significantly by € 398 million in this period, from € 461 million to € 63 million.

The Group's equity fell slightly by € 12 million, from € 2,566 million as at the end of the last fiscal year to € 2,554 million as at June 30, 2019. The decline was due to the dividend payment of € 70 million and the remeasurement of pension obligations amounting to € 68 million included in other comprehensive income. The consolidated net income of € 114 million from continuing and discontinued operations had a positive impact.

Current liabilities from trade accounts payable increased by € 111 million, from € 837 million to € 948 million, in line with the higher inventories. At € 358 million as at June 30, 2019, borrowings were also slightly above the level of the previous fiscal year-end (€ 314 million):

(in € million)	6/30/2019	9/30/2018
Non-current bank borrowings	118	248
Non-current liabilities under finance leases	34	33
<b>Non-current borrowings</b>	<b>152</b>	<b>281</b>
Current bank borrowings	203	30
Current liabilities under finance leases	3	3
<b>Current borrowings</b>	<b>206</b>	<b>33</b>
<b>Total borrowings</b>	<b>358</b>	<b>314</b>

Overall, the equity ratio was 54.8 % on June 30, 2019, compared to 57.0 % as at the end of the previous fiscal year.

## Return on capital (IFRS)

The operating result is used for control purposes within the Group. The operating ROCE is explained in the section "Return on capital (operating)."

### **Financial position and capital expenditure**

The following comments include both continuing and discontinued operations.

At € -240 million as at June 30, 2019, the net cash flow was below the prior-year level (€ -100 million). This was due in particular to the considerable increase in inventories of intermediate products to prepare for planned maintenance shutdowns.

The cash outflow from investing activities totaled € 128 million (previous year: € 79 million). The higher investments in fixed assets in the current fiscal year include, in particular, payments for the Future Complex Metallurgy project, which has been stopped in the meantime, and for the construction of a new Innovation and Training Center at the Hamburg site. Furthermore, the sale of investment property had a positive effect of about € 8 million on the cash flow from investing activities in the previous year.

After deducting the cash outflow from investing activities of € 128 million and dividend and interest payments of € 80 million from the net cash flow of € -240 million, the free cash flow amounts to € -448 million (previous year: € -254 million).

Cash and cash equivalents of € 71 million from continuing and discontinued operations were available to the Group as at June 30, 2019 (€ 479 million as at September 30, 2018).

Segment Metal Refining & Processing		Q3			9M		
		2018/19	2017/18	Change	2018/19	2017/18	Change
Revenues	€m	2,716	2,620	4 %	7,788	7,775	0 %
Operating EBIT	€m	65	88	-26 %	179	294	-39 %
Operating EBT	€m	64	88	-27 %	176	289	-39 %
Operating ROCE (rolling EBIT for the last 4 quarters)	%	-	-	-	10.5	19.2	-
Capital employed	€m	-	-	-	2,319	2,009	15 %
Concentrate throughput	1,000 t	477	618	-23 %	1,659	1,913	-13 %
Hamburg	1,000 t	260	275	-5 %	810	863	-6 %
Pirdop	1,000 t	217	343	-37 %	849	1,050	-19 %
Copper scrap/blister copper input	1,000 t	117	118	0 %	343	314	9 %
KRS throughput	1,000 t	68	73	-7 %	186	211	-12 %
Sulfuric acid output	1,000 t	437	575	-24 %	1,557	1,826	-15 %
Hamburg	1,000 t	220	242	-9 %	733	783	-6 %
Pirdop	1,000 t	217	333	-35 %	824	1,043	-21 %
Cathode output	1,000 t	268	290	-8 %	818	876	-7 %
Hamburg	1,000 t	96	99	-3 %	277	302	-8 %
Lünen	1,000 t	39	50	-22 %	129	149	-13 %
Olen	1,000 t	86	85	1 %	255	256	0 %
Pirdop	1,000 t	47	56	-16 %	157	169	-7 %
Rod output	1,000 t	213*	205	4 %	620*	595	4 %
Shapes output	1,000 t	46	52	-12 %	142	151	-6 %
Copper price (average)	US\$/t	6,113	6,872	-11 %	6,167	6,880	-10 %
	€/t	5,439	5,768	-6 %	5,440	5,738	-5 %
Gold price (average)	US\$/kg	42,097	41,993	0 %	41,144	41,930	-2 %
	€/kg	37,456	35,228	6 %	36,295	34,956	4 %
Silver price (average)	US\$/kg	479	532	-10 %	482	536	-10 %
	€/kg	426	446	-4 %	425	447	-5 %

\* Taking the full integration of Deutsche Giessdraht GmbH into account.

## Segment Metal Refining & Processing

Segment Metal Refining & Processing (MRP) processes complex metal concentrates, copper scrap, and metal-bearing recycling materials into metals of the highest quality. Among other items, copper cathodes are manufactured at the Hamburg (Germany), Pirdop (Bulgaria), Olen (Belgium), and Lünen (Germany) sites; these cathodes are processed further into rod and shapes at the Hamburg (Germany), Olen (Belgium), Emmerich (Germany), and Avellino (Italy) sites. The segment commands a broad product portfolio, which results from the processing and optimal utilization of concentrates and recycling raw materials that have

complex qualities. In addition to high-purity copper, this portfolio includes (among other metals) gold, silver, lead, nickel, tin, minor metals, and platinum group metals, as well as a number of other products such as sulfuric acid and iron silicate.

At € 7,788 million, Segment MRP generated revenues at prior-year level during the reporting period (previous year: € 7,775 million). This development was primarily due to the lower average copper price. Higher precious metal prices provided a counter-effect.

Operating EBT for Segment MRP amounted to € 176 million during the reporting period, down significantly on the very good previous year (€ 289 million).

A considerably lower concentrate throughput with lower treatment and refining charges for copper concentrates strained operating earnings. A planned maintenance shutdown at our Pirdop site in May/June had a negative effect of € 15 million. In Q1 2018/19, unplanned shutdowns at our Hamburg, Pirdop, and Lünen sites led to an impact of approximately € 25 million on earnings. Significantly lower refining charges for copper scrap compared to the previous year, coupled with a good supply, negatively affected the result as well, as did higher energy costs. Sulfuric acid revenues rose due to considerably higher sales prices, despite lower output volumes resulting from the shutdowns. While rod sales stayed at the prior-year level despite a weakening economic environment, shapes products recorded weaker demand, driven by the flat rolled products sector in particular. Contributions from our efficiency improvement program had a positive effect.

Operating ROCE (taking the operating EBIT of the last four quarters into consideration) declined to 10.5 % (previous year: 19.2 %), mainly due to lower earnings contributions and higher inventories owing to maintenance shutdowns.

### Raw materials

In the first nine months of FY 2018/19, good mine output was met by rising demand among smelters, especially in China, despite isolated smelter shutdowns. Due to planned and unplanned shutdowns, Aurubis has hardly been active on the spot market during the fiscal year so far.

For 2019, the benchmark treatment and refining charge (TC/RC) for processing standard copper concentrates is US\$ 80.8/t and 8.08 cents/lb. In July, the China Smelter Purchase Team (CSPT) set a so-called buying floor of US\$ 55/t and 5.5 cents/lb for Q3 2019, according to the news agency Reuters. The low level compared to the benchmark indicates that the CSPT anticipates a tighter concentrate market in the future in light of the

announced build-up of Chinese smelter capacities. We are only marginally dependent on the spot market thanks to our long-term supply strategy. Even though our long-term concentrate contracts exhibit a fundamental correlation to the benchmark level, most of our contracts contain conditions that exceed the benchmark. This is possible due in particular to our ability to optimally use our integrated smelter network and to utilize higher volumes of complex material. In the future, we will continue striving to reduce the volume of contracts that are based exclusively on benchmark conditions.

Following a good copper scrap supply in Europe and the US in the first half of FY 2018/19, the market continued to develop favorably in Q3 2018/19, recording a high supply. This was influenced by relatively constant metal prices and generally stable ongoing economic conditions.

The availability of complex recycling materials, including industrial residues and electrical and electronic scrap, remained stable despite intense competition for these materials.

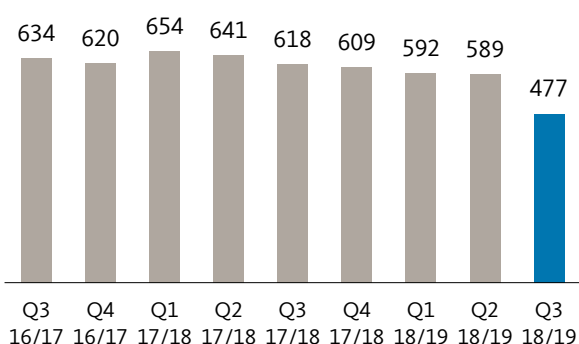
Due to various global import and export restrictions, material streams are changing on the market for recycling materials. Aurubis is actively adjusting to the changes in market circumstances and was able to supply the production facilities with recycling materials at good conditions in the reporting period.

### Production

The concentrate throughput was 1,659,000 t after the first nine months of 2018/19, significantly below the very good throughput of the previous year (1,913,000 t). Apart from unplanned shutdowns in Q1 2018/19, a planned maintenance shutdown carried out at our Pirdop site in May/June 2019 negatively impacted concentrate throughput.

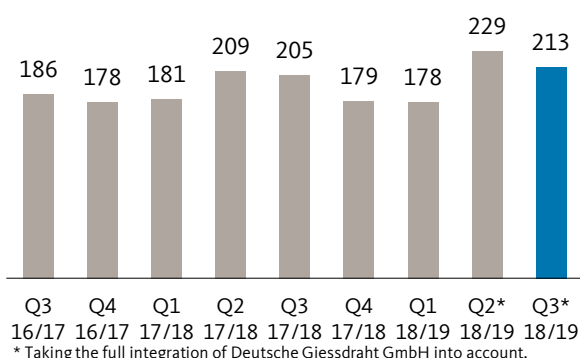
**Concentrate throughput in Q3 2018/19 influenced by scheduled maintenance shutdown in Pirdop**

Aurubis Group concentrate throughput (in 1,000 t)



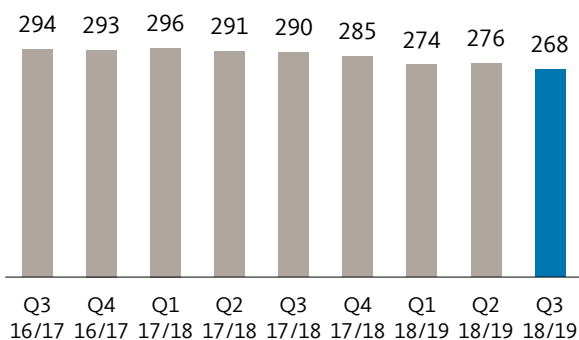
**Copper rod output slightly above very good Q3 of previous year**

Rod output (in 1,000 t)



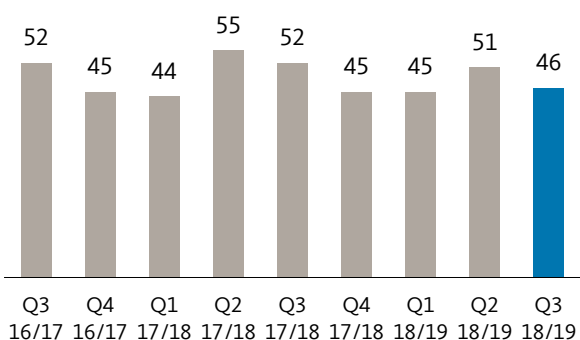
**Cathode output in Q3 2018/19 under previous year due to input materials**

Aurubis Group cathode output (in 1,000 t)



**Shapes output significantly below previous year due to demand**

Shapes output (in 1,000 t)



Sulfuric acid output was significantly down on the prior-year level as a result of the lower concentrate throughput.

The KRS throughput at the Lünen site was influenced by an unplanned shutdown in Q1 2018/19 and a planned maintenance shutdown in March/April 2019.

At 620,000 t after the first nine months of 2018/19, copper rod output was slightly above the very good prior-year level (595,000 t).



## Product markets

Following robust demand for copper rod in the first half of 2018/19, the level weakened at the end of Q3.

Demand for high-purity shapes in Q3 2018/19 also lagged considerably behind the momentum of the first half of 2018/19. This was a result of the general economic trend, which led to weaker demand.

The cathode market continued to record good demand in the first nine months of 2018/19. While spot premiums in Europe were relatively stable, the quotation in Shanghai remained substantially lower than the very high level of the previous year. At US\$ 96/t, the Aurubis copper premium for calendar year 2019 is US\$ 10/t higher than the previous year. We were generally able to implement this premium for our products in the first nine months of 2018/19.

The global market for sulfuric acid was characterized by consistently high demand during the reporting period. The supply of sulfuric acid was limited, a situation that was reinforced by isolated smelter shutdowns, especially in South America and Asia. This led to a very high price level on the market during long stretches of the reporting period. The market situation in Europe remained stable but cooled off noticeably toward the end of Q3.

Within the scope of our multi-metal strategy, we have been reporting sales volumes for lead, nickel, tin, minor metals, and platinum group metals since FY 2017/18, in addition to gold and silver.

Sales volumes		9M 18/19	9M 17/18
Gold	t	37	34
Silver	t	577	610
Lead	t	13,702	14,413
Nickel	t	2,272	2,197
Tin	t	1,055	1,466
Minor metals	t	797	770
Platinum group metals (PGM)	kg	6,049	6,654

The metals we recover depend on the metal contents in the copper concentrates and recycling materials we process. Lower concentrate throughputs due to shutdowns therefore impact the volumes that are recovered. A portion of the metals is sold in the form of intermediate products.

## Capital expenditure

Capital expenditure in Segment MRP amounted to € 115 million (previous year: € 98 million). Significant individual investments included investments in the construction of the new Innovation and Training Center at the Hamburg site, investments in connection with the maintenance shutdown carried out in Pirdop, and investments to prepare for the planned maintenance shutdown in Hamburg (October 2019).

Segment Flat Rolled Products		Q3			9M		
		2018/19	2017/18	Change	2018/19	2017/18	Change
Revenues	€m	333	396	-16 %	999	1,106	-10 %
Operating EBIT	€m	5	3	67 %	3	7	-57 %
Operating EBT	€m	3	3	0 %	0	7	-100 %
Operating ROCE (rolling EBIT for the last 4 quarters)	%	-	-	-	3.9	3.0	-
Capital employed	€m	-	-	-	368	388	-5 %
Flat rolled products and specialty wire output	1,000 t	53	62	-14 %	163	178	-8 %

## Segment Flat Rolled Products

In Segment Flat Rolled Products (FRP), copper and copper alloys – primarily brass, bronze, and high-performance alloys – are processed into flat rolled products and specialty wire. The main production sites are Stolberg (Germany), Pori (Finland), Zutphen (Netherlands), and Buffalo (USA). Furthermore, the segment also includes slitting and service centers in Birmingham (UK), Dolný Kubín (Slovakia), and Mortara (Italy), as well as sales offices worldwide.

At € 999 million, the segment's revenues in the reporting period were below the prior-year level (€ 1,106 million). The reason for the lower revenues was a reduced sales volume in particular.

Segment FRP generated operating earnings before taxes (EBT) of € 0 million in the first nine months of the reporting year (previous year: € 7 million). The significant decrease in earnings compared to the previous year is due first and foremost to a lower sales volume and less favorable conditions on the procurement market. We prevented a further drop in earnings with the ongoing efficiency improvement program.

Operating ROCE (taking the operating EBIT of the last four quarters into consideration) was 3.9 % (previous year: 3.0 %).

Aurubis is still reviewing strategic options for Segment FRP. We continue to classify Segment FRP as discontinued operations pursuant to IFRS. This does not affect the operating reporting.

### Product markets

The European market for flat rolled products cooled off significantly during the reporting period in light of weakening economic conditions. Demand for connectors from the European automotive industry was impacted in particular. Individual sales segments in the US market also lagged behind expectations. The ongoing trade conflicts between the US and various trade partners negatively impact demand.

### Raw materials

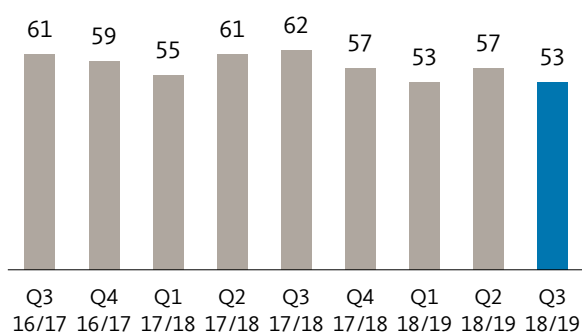
There was good availability of input materials in the first nine months of 2018/19. Nevertheless, conditions weakened compared to the very good previous year.

## Production

Output of flat rolled products and specialty wire decreased to 163,000 t due to demand (previous year: 178,000 t). All of the sites continued to work on implementing the programs to improve efficiency and to enhance productivity and quality.

### Flat rolled products and specialty wire output in Q3 2018/19 also significantly below previous year due to demand

Flat rolled products and specialty wire output (in 1,000 t)



## Capital expenditure

Capital expenditure in Segment FRP amounted to € 8 million (previous year: € 13 million). This was primarily used for replacement investments.

## Corporate Governance

On February 6, 2019, the European Commission prohibited the sale of Segment FRP from Aurubis AG to Wieland-Werke AG. Aurubis AG subsequently stated that it would now be reviewing other strategic options for Segment FRP.

The shareholders participating in Aurubis AG's Annual General Meeting on February 28, 2019 passed a resolution on the dividend of € 1.55 per share recommended by the Executive Board and the Supervisory Board for FY 2017/18. The shareholders at Aurubis AG's Annual General Meeting also elected Andrea Bauer to the Supervisory Board as a shareholder representative.

The shareholders appointed Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, as auditor and Group auditor for FY 2018/19.

On April 16, 2019, the Aurubis AG Supervisory Board passed a resolution at an extraordinary meeting to already appoint Roland Harings to the Executive Board to serve as deputy Executive Board chairman effective May 20, 2019. He has chaired the Executive Board since July 1, 2019.

On April 26, 2019, Aurubis AG published that, according to preliminary results, it had generated operating EBT of € 63 million in Q2 2018/19 and reduced the forecast for the entire fiscal year. According to current estimates, Aurubis AG expects operating EBT in FY 2018/19 to be significantly below the previous year, meaning a decrease of more than 15 % (operating EBT in 2017/18: € 329 million).

Employee representatives on the Supervisory Board Renate Hold-Yilmaz and Ralf Winterfeldt stepped down from their offices in late April 2019. Subsequently, the Hamburg District Court appointed Deniz Filiz Acar to

replace Renate Hold-Yilmaz and Christian Ehrentraut to replace Ralf Winterfeldt as new Supervisory Board members.

On May 22, 2019, Aurubis AG signed a purchase agreement with Metallo Holdings 3 B.V. for the 100 % acquisition of the Belgian-Spanish Metallo Group (“Metallo”). Metallo Holdings belongs to funds managed by TowerBrook Capital Partners, a leading transatlantic investment company. The purchase price is € 380 million (enterprise value) and will be fully financed with outside capital. A capital increase isn’t planned. The closing of the transaction is subject to approval by the relevant antitrust authorities and is expected to take place at the end of the year.

Prof. Dr. Fritz Vahrenholt informed the company that he purchased 2,500 no-par-value shares in the company on May 23, 2019.

Roland Harings purchased 10,000 no-par-value shares in Aurubis AG on May 24, 2019.

Aurubis AG announced on June 12, 2019 that the current economic environment would strain the Q3 2018/19 result (previous year: op. EBT of € 78 million) and the full-year result (previous year: op. EBT of € 329 million). Furthermore, the Executive Board and Supervisory Board passed a resolution to stop the internal investment project Future Complex Metallurgy (FCM). The investment costs of the project that had been capitalized thus far consequently placed an additional strain of approximately € 30 million on the Q3 2018/19 result.

In its ordinary meeting on June 12, 2019, the Supervisory Board also unanimously released Executive Board Chairman Jürgen Schachler from his duties, effective immediately.

In the same Supervisory Board meeting on June 12, 2019, Stefan Schmidt was appointed deputy chairman of the Supervisory Board.

On June 26, 2019, Aurubis AG published that Silchester International Investors LLP, London, held a 5.17 % stake in Aurubis as of June 24, 2019.

Please also refer to the information published in the Annual Report 2017/18, the Interim Report First 6 Months 2018/19, and on our website.

## Risk and Opportunity Management

The risks and opportunities outlined in the Annual Report 2017/18 and in the Interim Report First 6 Months 2018/19 did not fundamentally change in Q3 2018/19.

## Corporate Development Measures

Our strategy comprises three focus areas: Growth, Efficiency, and Responsibility. On the one hand, we want this strategy to strengthen our leading position in the standard copper business through structural optimizations and high cost competitiveness. On the other hand, we want to press ahead with the expansion of the multi-metal business using our well-developed process expertise and metallurgical knowledge, as well as innovative industrial solutions. The objective is to continue increasing sales volumes of metals apart from copper and to use a higher volume of complex input materials. Our target is to double the volume of directly supplied complex recycling raw materials in the Aurubis Group by 2022/23 compared to 2016/17. In addition to internal growth, we want to strengthen ourselves with external acquisitions.

On May 22, 2019, Aurubis AG signed a purchase agreement for the acquisition of the Belgian-Spanish Metallo Group, a transaction that aligns with the Aurubis strategy. Metallo belongs to funds managed by TowerBrook Capital Partners, a leading transatlantic investment company. Metallo is a recycling and refining company that specializes in recovering non-ferrous metals, primarily from recycling materials with low metal contents. The company has about 530 employees at locations in Belgium and Spain. In fiscal year 2018, Metallo generated revenues of approximately € 1 billion. The purchase agreement stipulates a purchase price of € 380 million, which will be financed without a capital increase.

The acquisition of Metallo, with its attractive growth potential, strengthens Aurubis' metal portfolio, especially for the key metals copper, nickel, tin, zinc, and lead.

The goal of Metallo's "zero waste" business model is to process all input materials into valuable, marketable products, thus making an important contribution to the circular economy. This increases Aurubis' sustainability contribution.

The closing of the transaction is subject to approval by the relevant antitrust authorities and is expected to take place at the end of the year.

On June 12, 2019, the Executive Board and Supervisory Board passed a resolution to stop the internal investment project Future Complex Metallurgy (FCM). The basic engineering results indicated significantly higher investment costs. The project was thus no longer as cost-effective as originally expected.

Internal growth options to further develop Aurubis into a multi-metal company, including those related to the Metallo acquisition, are being reviewed with the goal of advancing Aurubis AG's integrated smelter network.

Following the veto of the transaction to sell Segment FRP on February 6, 2019, Aurubis is now reviewing other strategic options for the segment.

## Outlook

### Raw material markets

We expect a good copper concentrate supply and satisfactory treatment and refining charges until the end of the fiscal year.

Due to planned and unplanned shutdowns, as well as a level of coverage in line with the market, we have a sufficient supply of concentrates from existing contracts and thus aren't active on the spot market.

On the copper scrap market, we expect a stable supply with a good ongoing price level. Our facilities are fully supplied at good conditions in Q4 2018/19. Nevertheless, downward metal price trends could lead to a reduction in the copper scrap supply at short notice and thus to lower refining charges in the future.

### Product markets

#### Copper products

For the next few months, we expect weaker copper rod demand from cable producers.

We expect considerably lower demand for copper shapes than in the previous year, due in part to the general economic trend and the resulting weaker demand.

Demand for flat rolled products, especially in the European automotive sector, has been declining since fall 2018. Demand will continue to be weak for the rest of the fiscal year. Overall, for FY 2018/19, we expect the demand and sales situation to be significantly below the very good previous year.

#### Sulfuric acid

Sulfuric acid sales are dependent on short-term developments, making them difficult to forecast.

Following a significant price decrease at the end of Q3 2018/19, current information indicates that the price level will be lower in Q4 as well.

### Copper production

Because of planned and unplanned shutdowns, we expect plant availability to be lower and thus the volume of copper concentrates processed during the current fiscal year to be significantly lower than the previous year. Cathode output is also expected to be lower than prior-year output.

The following additional maintenance shutdowns are planned until the end of calendar year 2019:

At our Lünen site, we will carry out a planned maintenance shutdown lasting 25 days in September 2019. According to our current plans, the shutdown will have a roughly € 3 million impact on our operating EBT.

At our Hamburg site, we will carry out a planned maintenance shutdown lasting 36 days in October/November 2019. According to our current plans, the shutdown will have a roughly € 30 million impact on our operating EBT.

### Expected earnings

The below-average plant availability and the preparatory measures for the planned shutdown in Hamburg could continue to strain our facilities' operating performance until fiscal year-end. Task forces across company sites are developing solutions to enhance plant availability in the long term.

At the same time, despite the slightly reduced 2019 benchmark, we expect satisfactory treatment and refining charges for concentrates at Aurubis until the end of the fiscal year. Because we're sufficiently supplied with concentrates for the current fiscal year through

existing contracts and we therefore aren't active on the spot market, the current price decline on the spot market doesn't affect our results.

For copper scrap, we also anticipate a satisfactory supply with a continued good level of refining charges in the next few months.

Aurubis set the copper premium at US\$ 96/t for calendar year 2019 (previous year: US\$ 86/t). For the most part, we expect to be able to implement this premium for our products.

Compared to the previous year, we expect slightly lower sales of copper rod and substantially lower sales of copper shapes for the entire year due to the weaker economic conditions.

We anticipate a significantly weaker demand situation for flat rolled products for the fiscal year.

We count on a positive trend for sulfuric acid revenues compared to the previous year, which was already very good.

We expect an additional € 60 million in project success from the efficiency improvement program this fiscal year compared to the base year 2014/15. However, market conditions in primary copper production have weakened compared to the base year, so achieving the entire target level of project success will be very challenging.

#### Qualified comparative forecast according to Aurubis' definition for operating EBT

	Change in operating EBT
At prior-year level	± 0 to 5.0 %
Moderate	± 5.1 to 15.0 %
Significant	> ± 15.0 %

Overall, we expect significantly lower operating EBT and a significantly lower operating ROCE for the Aurubis Group in fiscal year 2018/19 compared to the previous year.

In Segment Metal Refining & Processing, we expect significantly lower operating EBT and a significantly lower operating ROCE in fiscal year 2018/19 compared to the previous year.

In Segment Flat Rolled Products, we anticipate significantly lower operating EBT and a slightly lower operating ROCE in fiscal year 2018/19 compared to the previous year.

#### Qualified comparative forecast according to Aurubis' definition for operating ROCE

	ROCE delta as a percentage
At prior-year level	± 0 to 1.0
Slight	± 1.1 to 4.0
Significant	> ± 4.0

# Interim Consolidated Financial Statements

## First 9 Months 2018/19

### Consolidated Income Statement

(IFRS, in € thousand)

	9M 2018/19	9M 2017/18
Revenues	7,804,689	7,786,899
Changes in inventories of finished goods and work in process	464,918	319,731
Own work capitalized	11,843	11,490
Other operating income	49,160	33,692
Cost of materials	-7,627,834	-7,315,046
<b>Gross profit</b>	<b>702,776</b>	<b>836,766</b>
Personnel expenses	-275,348	-265,784
Depreciation of property, plant, and equipment and amortization of intangible assets	-92,713	-89,184
Other operating expenses	-190,704	-159,622
<b>Operational result (EBIT)</b>	<b>144,011</b>	<b>322,176</b>
Interest income	2,354	2,446
Interest expense	-11,538	-11,789
Other financial income	403	689
Other financial expenses	0	-13
<b>Earnings before taxes (EBT)</b>	<b>135,230</b>	<b>313,509</b>
Income taxes	-33,464	-74,298
<b>Consolidated net income from continuing operations</b>	<b>101,766</b>	<b>239,211</b>
<b>Consolidated net income from discontinued operations</b>	<b>12,709</b>	<b>29,622</b>
<b>Consolidated net income</b>	<b>114,475</b>	<b>268,833</b>
Consolidated net income attributable to Aurubis AG shareholders	114,379	267,809
Consolidated net income attributable to non-controlling interests	96	1,024
Basic earnings per share (in €)		
From continuing operations	2.26	5.31
From discontinued operations	0.28	0.66
Diluted earnings per share (in €)		
From continuing operations	2.26	5.31
From discontinued operations	0.28	0.66



## Consolidated Statement of Comprehensive Income

(IFRS, in € thousand)

	9M 2018/19	9M 2017/18
<b>Consolidated net income</b>	<b>114,475</b>	<b>268,833</b>
Items that will be reclassified to profit or loss in the future		
Measurement at market of cash flow hedges	1,660	-20,995
Changes deriving from translation of foreign currencies	55	-1,017
Income taxes	-208	4,833
Share of other comprehensive income attributable to discontinued operations	582	508
Items that will not be reclassified to profit or loss		
Measurement at market of financial investments	-13,047	-752
Remeasurement of the net liability deriving from defined benefit obligations	-67,901	-7,980
Income taxes	22,010	2,588
Other comprehensive income/loss	-56,849	-22,815
<b>Consolidated total comprehensive income</b>	<b>57,626</b>	<b>246,018</b>
Consolidated total comprehensive income attributable to Aurubis AG shareholders	57,529	244,994
Consolidated total comprehensive income attributable to non-controlling interests	97	1,024

## Consolidated Statement of Financial Position

(IFRS, in € thousand)

<b>ASSETS</b>	6/30/2019	9/30/2018
Intangible assets	122,784	123,049
Property, plant, and equipment	1,203,384	1,198,042
Financial fixed assets	21,191	32,929
Deferred tax assets	2,748	2,742
Non-current financial assets	27,764	27,930
Other non-current non-financial assets	570	764
<b>Non-current assets</b>	<b>1,378,441</b>	<b>1,385,456</b>
Inventories	2,226,230	1,680,698
Trade accounts receivable	296,736	274,501
Other current financial assets	74,154	71,419
Other current non-financial assets	27,793	39,850
Cash and cash equivalents	63,398	461,045
Assets held for sale	595,012	589,500
<b>Current assets</b>	<b>3,283,323</b>	<b>3,117,013</b>
<b>Total assets</b>	<b>4,661,764</b>	<b>4,502,469</b>

## Consolidated Statement of Financial Position

(IFRS, in € thousand)

<b>EQUITY AND LIABILITIES</b>	6/30/2019	9/30/2018
Subscribed capital	115,089	115,089
Additional paid-in capital	343,032	343,032
Generated Group equity	2,114,383	2,090,677
Accumulated other comprehensive income components	-18,972	16,974
Equity attributable to shareholders of Aurubis AG	2,553,532	2,565,772
Non-controlling interests	653	556
<b>Equity</b>	<b>2,554,185</b>	<b>2,566,328</b>
Pension provisions and similar obligations	271,017	199,006
Other non-current provisions	54,665	55,575
Deferred tax liabilities	167,944	187,768
Non-current borrowings	151,876	280,864
Other non-current financial liabilities	1,091	68
<b>Non-current liabilities</b>	<b>646,593</b>	<b>723,281</b>
Current provisions	29,000	33,776
Trade accounts payable	948,330	836,748
Income tax liabilities	5,716	9,662
Current borrowings	206,215	32,812
Other current financial liabilities	90,098	113,950
Other current non-financial liabilities	24,189	23,840
Liabilities deriving from assets held for sale	157,438	162,072
<b>Current liabilities</b>	<b>1,460,986</b>	<b>1,212,860</b>
<b>Total equity and liabilities</b>	<b>4,661,764</b>	<b>4,502,469</b>

## Consolidated Cash Flow Statement

(IFRS, in € thousand)

	9M 2018/19	9M 2017/18
<b>Earnings before taxes</b>	<b>152,117</b>	<b>352,332</b>
Depreciation and amortization of fixed assets	92,713	95,108
Change in allowances on receivables and other assets	228	196
Change in non-current provisions	-977	-4,526
Net losses on disposal of fixed assets	30,998	85
Measurement of derivatives	1,635	16,368
Other non-cash items	3,343	4,405
Expenses and income from the financial result	3,104	5,971
Income taxes received/paid	-47,587	-64,838
<b>Gross cash flow</b>	<b>235,574</b>	<b>405,101</b>
Change in receivables and other assets	-13,226	-65,075
Change in inventories (including measurement effects)	-562,938	-673,435
Change in current provisions	-6,740	734
Change in liabilities (excluding financial liabilities)	107,361	232,860
<b>Cash outflow from operating activities (net cash flow)</b>	<b>-239,969</b>	<b>-99,815</b>
Payments for investments in fixed assets	-140,003	-102,725
Proceeds from the disposal of fixed assets	1,467	851
Proceeds from the sale of investment property	0	7,842
Proceeds from the redemption of loans granted to third parties	0	6,529
Interest received	2,377	2,474
Dividends received	8,076	6,374
<b>Cash outflow from investing activities</b>	<b>-128,083</b>	<b>-78,655</b>
Proceeds deriving from the take-up of financial liabilities	117,939	16,858
Payments for the redemption of bonds and financial liabilities	-77,890	-81,194
Interest paid	-10,445	-9,416
Dividends paid	-69,683	-66,275
<b>Cash outflow from financing activities</b>	<b>-40,079</b>	<b>-140,027</b>
Net change in cash and cash equivalents	-408,131	-318,497
Changes resulting from movements in exchange rates	75	-53
Cash and cash equivalents at beginning of period	479,223	570,569
<b>Cash and cash equivalents at end of period</b>	<b>71,167</b>	<b>252,019</b>
Less cash and cash equivalents from discontinued operations at end of period	7,769	18,994
<b>Cash and cash equivalents from continuing operations at end of period</b>	<b>63,398</b>	<b>233,025</b>

## Consolidated Statement of Changes in Equity

(IFRS, in € thousand)

	Accumulated other comprehensive income components							Total equity		
	Subscribed capital	Additional paid-in capital	Generated Group equity	Measurement at market of cash flow hedges	Measurement at market of financial investments	Currency translation differences	Income taxes		Equity attributable to Aurubis AG shareholders	Non-controlling interests
<b>Balance as at 9/30/2017</b>	<b>115,089</b>	<b>343,032</b>	<b>1,870,573</b>	<b>19,744</b>	<b>11,820</b>	<b>8,745</b>	<b>-6,354</b>	<b>2,362,649</b>	<b>3,097</b>	<b>2,365,746</b>
Dividend payment	0	0	-65,187	0	0	0	0	-65,187	-1,088	-66,275
Consolidated total comprehensive income/loss	0	0	262,417	-20,995	-752	-509	4,833	244,994	1,024	246,018
of which consolidated net income	0	0	267,809	0	0	0	0	267,809	1,024	268,833
of which other comprehensive income/loss	0	0	-5,392	-20,995	-752	-509	4,833	-22,815	0	-22,815
<b>Balance as at 6/30/2018</b>	<b>115,089</b>	<b>343,032</b>	<b>2,067,803</b>	<b>-1,251</b>	<b>11,068</b>	<b>8,236</b>	<b>-1,521</b>	<b>2,542,456</b>	<b>3,033</b>	<b>2,545,489</b>
<b>Balance as at 9/30/2018</b>	<b>115,089</b>	<b>343,032</b>	<b>2,090,677</b>	<b>-7,051</b>	<b>15,230</b>	<b>9,042</b>	<b>-247</b>	<b>2,565,772</b>	<b>556</b>	<b>2,566,328</b>
Change in accounting methods	0	0	24,525	-395	-24,593	0	0	-463	0	-463
<b>Balance as at 10/1/2018</b>	<b>115,089</b>	<b>343,032</b>	<b>2,115,202</b>	<b>-7,446</b>	<b>-9,363</b>	<b>9,042</b>	<b>-247</b>	<b>2,565,309</b>	<b>556</b>	<b>2,565,865</b>
Dividend payment	0	0	-69,683	0	0	0	0	-69,683	0	-69,683
Acquisition of non-controlling interests	0	0	377	0	0	0	0	377	0	377
Consolidated total comprehensive income/loss	0	0	68,487	1,660	-13,047	637	-208	57,529	97	57,626
of which consolidated net income	0	0	114,379	0	0	0	0	114,379	96	114,475
of which other comprehensive income/loss	0	0	-45,892	1,660	-13,047	637	-208	-56,850	1	-56,849
<b>Balance as at 6/30/2019</b>	<b>115,089</b>	<b>343,032</b>	<b>2,114,383</b>	<b>-5,786</b>	<b>-22,410</b>	<b>9,679</b>	<b>-455</b>	<b>2,553,532</b>	<b>653</b>	<b>2,554,185</b>

## Selected Notes to the Consolidated Financial Statements

### General principles

This quarterly report of Aurubis AG was prepared on the basis of interim financial statements in accordance with IFRS. A review was not carried out by the auditors.

### Changes in accounting and measurement methods due to new standards and interpretations

#### Standards and interpretations applied for the first time

The annual improvements to the IFRS cycle 2014-2016 adopted into European law by the European Union in February 2018 that are applicable for fiscal years starting on or after January 1, 2018 concern a number of small amendments and clarifications to IFRS. They do not affect the Aurubis Group.

The amendments to IFRS 2 (Share-based Payment) and to IFRIC 22 (Foreign Currency Transactions and Advance Consideration) that were adopted into European law by the European Union in February and March 2018 and that are applicable to fiscal years beginning on or after January 1, 2018 have not led to any significant impacts for the Aurubis Group.

#### IFRS 9 and IFRS 15

IFRS 9 (Financial Instruments) and IFRS 15 (Revenue from Contracts with Customers) were applied retrospectively for the first time on October 1, 2018, without changing the prior-year figures. The effects of the first application of IFRS 9 and IFRS 15 on the revenue reserves and other comprehensive income are presented cumulatively in the consolidated statement of changes in equity.

#### IFRS 9

The use of the option to measure investment securities at fair value through other comprehensive income (FV OCI) led to a corresponding increase of € 24.6 million in revenue reserves at the time of transition.

The introduction of the expected credit loss model within the scope of IFRS 9 reduced trade accounts receivable and other financial assets by € 0.3 million at the time of transition.

For hedge accounting, Aurubis is applying the requirements of IFRS 9 prospectively starting October 1, 2018. This does not apply to the requirement to delineate changes in the FV OCI of non-designated fair value components of options. The resulting conversion effect was € 0.4 million.

After taking deferred taxes of € 0.1 million into account, the adjustments carried out on October 1, 2018 resulted in total in an € 0.2 million decrease in Group equity with no effect on profit or loss.

#### IFRS 15

At Aurubis, the change in accounting under IFRS 15 mainly affects the point in time at which revenue is recognized, this being dependent on the point in time when the authority to dispose of the goods or services is transferred. Revenues are generally recognized by Aurubis at the time they are generated, as the performance obligations entered into primarily relate to the transfer of goods. The point in time of recognition is later in some cases under the new standard.

At the time of the transition, this resulted in a € 6.1 million decrease in trade accounts receivable and a € 5.8 million increase in inventories.

After taking deferred taxes of € 0.1 million into account, the adjustments carried out on October 1, 2018 resulted in total in an € 0.3 million decrease in Group equity with no effect on profit or loss.

Standards and interpretations not adopted early  
IFRS 16

The impacts of the implementation of IFRS 16 on the Aurubis Group are currently being reviewed in detail. Based on current knowledge, we expect an increase in total assets in the mid-double-digit million range.

Regarding a change in the key control parameters EBT and ROCE, we also expect only minimal impacts due to the application of IFRS 16.

Discontinued operations and assets held for sale

The consolidated result from discontinued operations is reported in the consolidated income statement separately from expenditures and income from continued operations; prior-year figures are shown on a comparable basis. In the consolidated cash flow statement, discontinued operations are included in the cash inflows/outflows from operating, investing, and financing activities; prior-year figures are shown on a comparable basis. Furthermore, assets and debts held for sale are reported on in the consolidated statement of financial position in aggregated form.

Internal Group expenses and income are fully eliminated in the process of determining the consolidated result for both continuing and discontinued operations. The internal Group transactions are eliminated from an economic perspective, i.e., taking the Aurubis Group's future trading relationships into account. The Group will maintain existing supply relationships with the discontinued business division after a possible sale of Segment FRP. Revenues of Aurubis AG and its subsidiaries deriving from deliveries to the discontinued business division were therefore fully eliminated there.

**Consolidated net income from discontinued operations**

(in € million)	9M 2018/19	9M 2017/18
Revenues	876	960
Changes in inventories of finished goods and work in process	29	39
Expenses	-888	-961
<b>Earnings before taxes (EBT)</b>	<b>17</b>	<b>38</b>
Income taxes	-4	-9
<b>Consolidated net income from discontinued operations</b>	<b>13</b>	<b>29</b>
Consolidated net income attributable to Aurubis AG shareholders from discontinued operations	13	29

### Carrying amounts of the main groups of assets held for sale and related liabilities

ASSETS (in € million)	6/30/2019	9/30/2018
Fixed assets	181	173
Deferred tax assets	1	1
Non-current receivables and other assets	2	2
Inventories	293	274
Current receivables and other assets	110	122
Cash and cash equivalents	8	18
<b>Assets held for sale</b>	<b>595</b>	<b>590</b>

EQUITY AND LIABILITIES (in € million)	6/30/2019	9/30/2018
Deferred tax liabilities	13	16
Non-current provisions	32	34
Non-current liabilities	1	1
Current provisions	6	8
Current liabilities	105	103
<b>Liabilities deriving from assets held for sale</b>	<b>157</b>	<b>162</b>

### Cash flow from discontinued operations

(in € million)	9M 2018/19	9M 2017/18
Cash outflow (inflow in the previous year) from operating activities (net cash flow)	-1	9
Cash outflow from investing activities	-8	-12
Cash outflow (cash inflow in the previous year) from financing activities	-1	5

### Inventories in accordance with IFRS

On June 30, 2019, inventories relating to continuing operations were written down by € 32.4 million (September 30, 2018: € 29.9 million).

### Dividend

A total of € 69,682,920.65 of Aurubis AG's unappropriated earnings of € 134,828,004.87 in FY 2017/18 was used to pay a dividend of € 1.55 per share. An amount of € 65,145,084.22 was carried forward.

### Significant events after the balance sheet date

There were no significant events after the balance sheet date.



### Consolidated Segment Reporting

Aurubis reporting is separated into two operational business segments, Metal Refining & Processing (MRP) and Flat Rolled Products (FRP). From an organizational perspective, Segment MRP includes the Commercial and Operations divisions. The Commercial division combines all market-relevant organizational units, i.e., raw material procurement and product sales. The Operations division is responsible for the production of all basic products and metals, as well as their further processing into other products such as rod and shapes.

Segment FRP is a discontinued business division that is to be reported separately on an aggregated basis in the consolidated income statement and in the consolidated statement of financial position in accordance with IFRS 5. The Executive Board continues to treat Segment FRP as an operating reporting segment and, consequently, will maintain the segment reporting as previously presented until a possible sale of Segment FRP.

As Segment FRP's operating business activities are continuing unchanged and are being monitored and managed by the Aurubis Group's Executive Board, this company division also fulfills the definition of a segment that must be reported on, even after its classification as a discontinued business division, and is accordingly presented separately for segment reporting purposes.

The elimination of external sales, amounting to € 876,248 thousand and shown in the column "Effects from discontinued operations" (previous year: € 959,845 thousand), represents the external sales of Segment FRP less Segment FRP's internal Group sales with Segment MRP that are fully eliminated in the discontinued business division, amounting to € 110,325 thousand (previous year: € 130,750 thousand).

A breakdown of the revenues by product group is provided in the table on page 34.

(in € thousand)	Segment Metal Refining & Processing		Segment Flat Rolled Products		Other		
	9M 2018/19 operating	9M 2017/18 operating	9M 2018/19 operating	9M 2017/18 operating	9M 2018/19 operating	9M 2017/18 operating	
Rod	3,217,582	3,271,345	0	0	0	0	
Copper cathodes	1,573,975	1,624,078	2,414	8,398	0	0	
Precious metals	1,925,994	1,715,193	0	0	0	0	
Shapes	604,511	687,245	55,393	60,749	0	0	
Strip, profiles, and shapes	145,629	135,537	857,497	942,565	0	0	
Chemicals and other products	211,720	212,452	71,290	78,913	14,932	10,269	
<b>Total</b>	<b>7,679,411</b>	<b>7,645,850</b>	<b>986,594</b>	<b>1,090,625</b>	<b>14,932</b>	<b>10,269</b>	

(in € thousand)	Segment Metal Refining & Processing		Segment Flat Rolled Products		Other		
	9M 2018/19 operating	9M 2017/18 operating	9M 2018/19 operating	9M 2017/18 operating	9M 2018/19 operating	9M 2017/18 operating	
Revenues							
Total revenues	7,788,170	7,775,388	999,263	1,105,596	17,378	12,227	
Inter-segment revenue	108,759	129,538	12,669	14,971	2,446	1,958	
Revenues with third parties	7,679,411	7,645,850	986,594	1,090,625	14,932	10,269	
EBIT	179,358	293,507	3,068	7,166	-50,754	-31,890	
EBT	175,582	289,485	449	6,953	-50,782	-32,079	
ROCE (%)	10.5	19.2	3.9	3.0			

The division of the segments complies with the definition of segments in the Group.

Total	
9M 2018/19 operating	9M 2017/18 operating
3,217,582	3,271,345
1,576,389	1,632,476
1,925,994	1,715,193
659,904	747,994
1,003,126	1,078,102
297,942	301,634
<b>8,680,937</b>	<b>8,746,744</b>

Total		Reconciliation/ consolidation		Effects from discontinued operations		Group (continuing operations)	
9M 2018/19 operating	9M 2017/18 operating	9M 2018/19 IFRS	9M 2017/18 IFRS	9M 2018/19 IFRS	9M 2017/18 IFRS	9M 2018/19 IFRS	9M 2017/18 IFRS
8,680,937	8,746,744	0	0	-876,248	-959,845	7,804,689	7,786,899
131,672	268,783	12,848	85,666	-509	-32,273	144,011	322,176
125,249	264,359	12,202	87,125	-2,221	-37,975	135,230	313,509

# Dates and Contacts

## Financial Calendar

Annual Report 2018/19	December 11, 2019
Quarterly Report First 3 Months 2019/20	February 13, 2020
Annual General Meeting	February 27, 2020
Interim Report First 6 Months 2019/20	May 19, 2020
Quarterly Report First 9 Months 2019/20	August 11, 2020
Annual Report 2019/20	December 9, 2020

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