



## Press Release

### 2019 Financial Results

- Execution of significant investments amounting to EUR 164 million
- Stabilisation of Sales volumes and a-EBITDA at prior year levels
- Improvement of financial cost by 21.1%

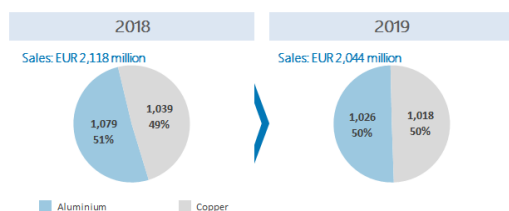
ElvalHalcor, despite the slowdown of growth and industrial output in the European markets and the drop in demand of the US market during the final quarter of 2019, maintained sales volumes, driven by the growth during the first months of 2019, in both the aluminium segment as well the copper segment, maintaining operating profitability at the consolidated level and increasing it at the company level.

More specifically, ElvalHalcor's consolidated revenue declined by 3.5% for 2019 reaching EUR 2,044.6 million, compared to EUR 2,117.8 million for the respective prior year. The decline was mainly caused by metal prices, which fluctuated at lower levels internationally, followed by a marginal drop in sales volumes by 0.5%. It is noteworthy that, in comparison to the prior year, average aluminium prices were lower by 10.4%, copper prices by 2.9% and zinc prices by 7.9%. The slowdown during the last quarter resulted in adjusted consolidated earnings before taxes, interest, depreciation and amortization and metal price lag (a-EBITDA), of EUR 140.2 million for 2019, versus EUR 142 million for the year before.

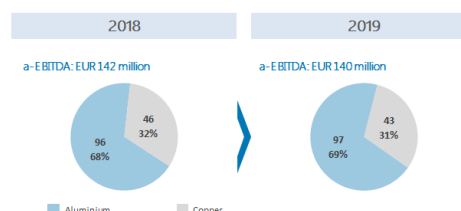
Consolidated gross profit was affected by the declining metal prices and amounted to EUR 145.1 million for 2019, compared to EUR 166.9 million for 2018, as the accounting metal results amounted to a loss of EUR 2.1 million for 2019, compared to a gain of EUR 23.0 million for the fiscal year of 2018. This downtrend impacted also the consolidated earnings before taxes, interest, depreciation and amortization (EBITDA), which amounted to EUR 137.4 million, compared to EUR 165.2 million in 2018.

Consolidated financial costs improved by 21.1% year-on-year, following the improved interest margins achieved by the renegotiation of loans of both the parent company and its subsidiaries. Finally, profit after tax amounted to EUR 41.9 million in 2019, versus EUR 64.3 million for the year 2018, with the reduction in profit, both before and after tax, being driven by the reduced metal result.

#### Sales in EUR million



#### a-EBITDA in EUR million



Amounts in €'000s	GROUP		COMPANY	
	2019	2018	2019	2018
Sales	2,044,606	2,117,789	1,429,922	1,486,972
Gross profit	145,064	166,948	101,920	112,112
EBITDA	137,397	165,166	100,588	114,652
a-EBITDA	140,205	142,150	99,248	91,897
EBIT	80,038	107,051	62,820	75,370
Net financial result	(25,358)	(32,156)	(16,101)	(21,420)
Profit before tax	58,179	75,849	46,419	53,949
Profit after tax	41,942	64,303	32,916	47,339
Profit after tax & non-controlling interests	41,304	63,646	32,916	47,339
Earnings per share	0.1101	0.1806	0.0877	0.1343

### Per segment analysis

until 31.12	Sales		EBITDA		a-EBITDA		EBIT		EBT	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
€'000										
Aluminium	1,026,191	1,078,955	98,490	117,751	97,272	95,768	61,105	76,953	50,178	61,962
Copper	1,018,415	1,038,834	38,907	47,415	42,933	46,383	18,933	30,098	8,001	13,886
<b>Total</b>	<b>2,044,606</b>	<b>2,117,789</b>	<b>137,397</b>	<b>165,166</b>	<b>140,205</b>	<b>142,150</b>	<b>80,038</b>	<b>107,051</b>	<b>58,179</b>	<b>75,849</b>

## Aluminium

In 2019, the aluminium rolling segment experienced a marginal decline by 0.8% in sales volumes, while its turnover reached EUR 1,026, declining by 4.9%, primarily due to the reduction of the price of aluminium versus the prior year, and secondarily due to the drop in demand during the last quarter which affected the volumes sold. a-EBITDA amounted to EUR 97.3 million in 2019 versus EUR 95.8 million for the respective prior year period, marking an increase by 1.6%.

The amount of EUR 130.0 million was invested in acquisition of fix assets, out of which EUR 118.7 million for the production facilities of the aluminum rolling facilities of the parent company in Oinofyta, part of the ongoing strategic investment program. The installation and the operation of the new hot rolling mill is expected to be completed as scheduled in April, and the company has already initiated the next two-year investment program of EUR 100 million with the aim to increase the utilisation of the new production capacity.

## Copper

In 2019, and despite the negative impact from the decline of industrial output, which reduced significantly the overall demand especially in rolling products, and the drop in the growth of the European economy which affected all product categories, the copper segment sales volumes marked a marginal increase of 0.3%, with sales amounting to EUR 1,018 million, declining by 2.0%, versus 2018, and a-EBITDA reaching EUR 43 million compared to EUR 46 million in the prior year.

In regards to the investments, approximately EUR 17 million were invested, out of which EUR 8.0 million at the copper tube plant in Oinofyta, while the amount of EUR 8 million was invested at the copper and copper alloys rolling plant in Sofia.

## Prospects for 2020

For 2020, the prospects started out on a positive outlook, with demand and industrial output recovering. ElvalHalcor closely follows up the developments in regards to the spread of the coronavirus and is ready to address any short term demand fluctuations, but stays focused in its long term growth strategy of increasing exports both in Europe as well as outside Europe, and increasing capacity and market shares in products with dynamic prospects in the frame of a cyclical and sustainable economy.

**Consolidated Condensed Statement of Financial Position**

	31/12/2019	31/12/2018
	€' 000	€' 000
<b>ASSETS</b>		
Non-current assets	1,012,320	894,998
Inventories	469,952	519,218
Trade receivables	215,700	218,285
Other current assets	2,526	3,306
Cash and cash equivalents	48,688	34,241
Assets held for sale	4,495	4,495
<b>TOTAL ASSETS</b>	<b>1,753,680</b>	<b>1,674,543</b>
<b>EQUITY &amp; LIABILITIES</b>		
Share Capital	146,344	146,344
Other Company's shareholders equity	600,844	570,444
<b>Company's shareholders equity</b>	<b>746,957</b>	<b>716,788</b>
Minority rights	14,084	13,679
<b>Total Equity</b>	<b>761,272</b>	<b>730,468</b>
Long term borrowings liabilities	452,186	384,415
Provisions / Other long term liabilities	95,499	94,721
Short term borrowings liabilities	162,393	193,553
Other short term liabilities	282,330	271,386
<b>Total Liabilities</b>	<b>992,408</b>	<b>944,075</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>1,753,680</b>	<b>1,674,543</b>

**Condensed Consolidated of Statement of Cash Flows**

	31/12/2019	30/12/2018
	€ '000	€ '000
Net cash flows from Operating activities	174,057	94,323
Net cash flows from Investing activities	(171,611)	(106,516)
Net cash flows from Financing activities	12,003	4,989
<b>Net (reduction)/ increase in cash and cash equivalents</b>	<b>14,448</b>	<b>(7,204)</b>