



Press Release

Trading Update Q1'19 Financial Results

- **Increase of turnover by 4.5% for the Q1'19 versus Q1'18**
- **Increase of the a-EBITDA to EUR 37.6 million for Q1'19 versus EUR 36.3 million for Q1'18**
- **Reduction of the financial cost by 23.6%**

ElvalHalcor's consolidated revenue increased by 4.5% year-on-year in Q1 2019 to EUR 551.9 million (Q1 2018: EUR 528.2 million). This is largely attributable to a 3.8% year-on-year sales volume increase, together with an improvement in product mix. Meanwhile, metal prices moved at lower levels.

Adjusted consolidated earnings before taxes, interest, depreciation and amortization (a-EBITDA) were up 3.6% year-on-year to EUR 37.6 million, versus EUR 36.3 million in Q1 2018, owing to higher sales volumes and an improved sales mix.

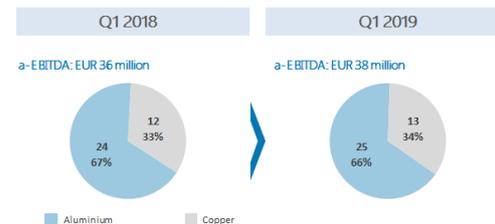
Gross profit amounted to EUR 40.4 million in the quarter (Q1 2018: EUR 43.0 million), due to a reduction of the metal result which amounted to EUR 0.7 million, down from EUR 8.0 million in Q1 2018. This was driven by a downtrend in metal prices of aluminium. Consolidated earnings before taxes, interest, depreciation and amortization (EBITDA) amounted to EUR 38.3 million (Q1 2018: EUR 44.3 million).

The significant 23.6% year-on-year improvement in the consolidated net financial result is attributable to improved interest margins, resulting from the renegotiation of loans of the parent company and of its subsidiaries. Finally, profit after tax amounted to EUR 16.5 million in Q1 2019, versus EUR 22.1 million for the respective prior year period. The reduction in the profit before and after tax is attributed to the reduced metal results, as the operational profitability of the company continued in an uptrend, as reflected in the adjusted EBITDA of the period.

Sales in EUR million



a-EBITDA in EUR million



Amounts in thousands EUR	Q1'19	Q1'18
Sales	551,871	528,219
Gross profit	40,421	42,982
EBITDA	38,300	44,325
a-EBITDA	37,614	36,297
EBIT	24,453	28,964
Net financial result	(6,573)	(8,599)
Profit before tax	17,513	20,002
Profit after tax	16,513	22,098
Profit after tax & non- controlling interests	16,085	21,727
Earnings per share	0.0429	0.0579

Per segment analysis

For the 3 months until 31.03	Sales		EBITDA		a-EBITDA		EBIT		EBT	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018
€'000										
Aluminium	271,812	262,260	23,266	28,235	25,242	24,506	13,822	17,137	10,987	12,628
Copper	280,059	265,959	15,034	16,089	12,372	11,789	10,632	11,825	6,525	7,372
Total	551,871	528,219	38,300	44,324	37,614	36,295	24,453	28,963	17,513	20,001

Aluminium

During Q1'19, the aluminium rolling segment marked an increase of the volumes by 2.7% and its revenue by 3.8% amounting to EUR 272 million. The profit before tax for the segment amounted to EUR 11.0 million versus EUR 12.6 million, for the respective prior year period due to the adverse effect of the aluminium price in regards to the prior year period, while the a-EBITDA amounted to EUR 25.2 million for Q1,19 versus EUR 24.5 million for the respective prior year period.

The EUR 150 million program develops according to the schedule, as approximately EUR 16.1 million were invested on acquisition of fixed assets, out of which EUR 14.7 million for the production facilities of the aluminum rolling facilities of the parent company in Oinofyta.

Copper

During Q1'19, the copper segment sales volumes grew significantly, by 5.7%, versus Q1'18, with the sales amounting to EUR 280 million increased by 5.2%. The profit before tax amounted to EUR 6.5 million versus profit of EUR 7.3 million in the respective Q1'18, due to the reduction of the positive effect of the fluctuation of the copper prices, while a-EBITDA amounted EUR 12.4 million in Q1'18 versus EUR 11.8 for the respective prior year period.

In regards to the investments, the newly installed production capacity, which was completed in 2018 has started production at the copper tube plant. For Q1'19, EUR 4.2 million for completion of the investment program were invested, including new investments in the subsidiary Sofia Med.

Consolidated Condensed Statement of Financial Position

	31/3/2019	31/12/2018
	€ '000	€ '000
ASSETS		
Fixed assets	907,373	894,998
Inventories	489,716	519,218
Trade receivables	279,639	218,286
Other current assets	1,969	3,306
Cash and cash equivalents	4,495	4,495
Assets held for sale	26,575	34,241
TOTAL ASSETS	1,709,768	1,674,543
EQUITY & LIABILITIES		
Share Capital	146,344	146,344
Other Company's shareholders equity	585,563	570,444
Company's shareholders equity	731,907	716,788
Minority rights	14,072	13,679
Total Equity	745,979	730,468
Long term borrowings liabilities	395,406	372,905
Provisions / Other long term liabilities	90,758	106,231
Short term borrowings liabilities	218,911	191,225
Other short term liabilities	258,713	273,714
Total Liabilities	963,788	944,075
TOTAL EQUITY & LIABILITIES	1,709,768	1,674,543

Condensed Consolidated of Statement of Cash Flows

	31/3/2019	31/3/2018
	€ '000	€ '000
Net cash flows from Operating activities	(18,257)	(3,374)
Net cash flows from Investing activities	(20,903)	(23,659)
Net cash flows from Financing activities	31,495	29,969
Net (reduction)/ increase in cash and cash equivalents	(7,665)	2,935