



## Europe Greece

Basic Resources - Nonferrous Metals

### Company Description

ElvalHalcor Hellenic Copper and Aluminium industry S.A. (ElvalHalcor), is a leading global manufacturer of aluminium and copper products.

The Company was formed in December 2017 via the merger of Elval, a leading European aluminum rolling company, and Halcor, the largest copper tubes producer in Europe.

ElvalHalcor capitalises on natural synergies in innovation and technology, research and development (R&D), procurement, marketing, infrastructure and environment to produce value-added, high-quality solutions for its customers around the world.

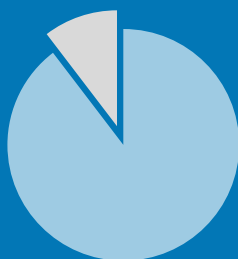
### Share Data

Price (€)	€ 1.55 (22/5/2018)
# of shares	375,241,586
Capitalization (mil.€)	€ 581.6
% change since 31/12/2017	13%
52 wks high (€)	€ 2.04
52 wks low (€)	€ 0.59
REUTERS	ELHA.AT
BLOOMBERG	ELHA:GA

### Shareholders Structure

**Free Float**  
**8.56%**

**VIOHALCO**  
**91.44%**



## IR RELEASE Q1 2018

### Results Q1 2018

	Published		3-month basis			
	(M €)	2018	2017	2018	2017	Δ (%)
<b>Turnover</b>		528.2	233.8	528.2	462.6	14.2%
<b>Gross Profit</b>		43.0	29.0	43.0	51.1	-15.9%
<b>a-EBITDA</b>		36.3	22.0	36.3	32.9	10.3%
<b>EBITDA</b>		44.3	32.4	44.3	52.5	-16.0%
<b>EBIT</b>		29.0	21.7	29.0	37.9	
<b>EBT</b>		20.0	18.8	20.0	29.1	
<b>Profit after tax</b>		22.1	13.2	22.1	23.8	
<b>Profit after tax &amp; non-controlling interests</b>		21.7	13.3	-	-	
<b>Margin</b>						
<b>Gross Profit</b>		8.1%	12.4%	8.1%	11.0%	
<b>a-EBITDA</b>		6.9%	9.4%	6.9%	7.1%	
<b>EBITDA</b>		8.4%	13.9%	8.4%	11.4%	

### Q1 2018 Results

The consolidated revenue of ElvalHalcor marked an increase of 14.2% for the first quarter of 2018<sup>(1)</sup> amounting to EUR 528.2 mil versus EUR 462.6 mil for the respective prior year period, mainly due to the increase of the volume of sales at consolidated level by 7.2% and secondarily by the slightly increased metal prices.

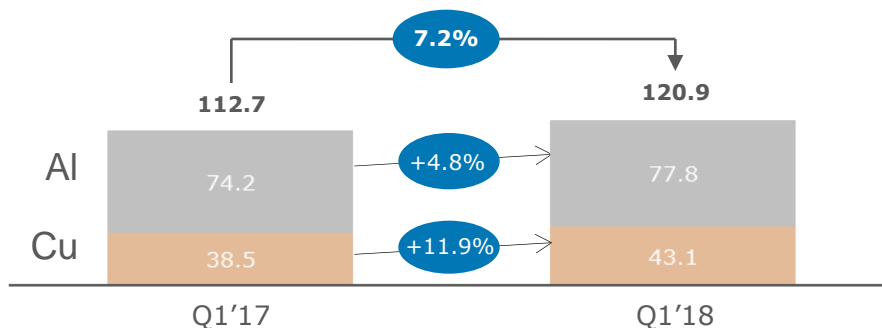
The adjusted consolidated earnings before taxes, interest depreciation and amortization (a-EBITDA) were increased by 10.3% during the first quarter of 2018 amounting to EUR 36.3 million versus EUR 32.9 million in the prior year respective period, increased by EUR 3.4 mil. This positive trend was the result of the increase of the volume of sales, as well as the improved sales mix.

The average copper price amounted for the first quarter of 2018 to EUR 5,663 per ton for Q1'18 versus EUR 5,475 per ton for Q1'17 of and the average aluminium price amounted to EUR 1,756 per ton versus EUR 1,738 respectively. As the positive effect of the metals was significantly lower in Q1'18, the consolidated earnings before taxes, interest depreciation and amortization (EBITDA), amounted to profit of EUR 44.3 mil. versus profit of EUR 52.5 mil. the prior year respective period, while the consolidated earnings before taxes, interest (EBIT) amounted to EUR 20.0 mil. versus EUR 29.1 mil for the prior year period. These reductions are due to the trend of the metal prices as the a-EBITDA, which isolates this effect and expresses in a better way the operational profitability of the Company, was increased.

The shift to industrial products of high added value and improved margin, as a result of the investments that took place during the prior years, is positively affecting profitability and the a-EBITDA through the broader spectrum and enhanced quality product portfolio. The first quarter of 2017, benefited by the strong US dollar versus the EUR by strengthening the profitability in dollar denominated markets.

<sup>(1)</sup> The consolidated results of Q1'17, as published, and due to the accounting treatment of the merger, include the revenues and results of Elval Group only. For the best comparability and depiction of the figures of the ElvalHalcor group, the Company has prepared and is showing pro-forma financial statements that depict the figures of the financial results as if the merger had taken place in 01/01/2017

## Volume of Sales in kt



## Results per Segment Q1'18

### ALUMINIUM

During Q1'18, the aluminium rolling segment increased its volumes by 4.8% and its revenue by 12.2% to EUR 262 mil. Profit before income tax amounted to EUR 12.6 mil. versus EUR 18.8 mil. the respective prior year period due to the decline of the positive effect of the aluminium versus the prior year respective period, while a-EBITDA rose to EUR 24.5 mil. during Q1'18 versus EUR 22.0 mil. for the respective prior year period.

In regards to the aluminium segment of ElvalHalcor the investment program of EUR 150 mil. is evolving according to schedule, while the necessary funding is secured after the signing of the agreements with European Investment Bank and Commerzbank. More specifically for the next two years EUR 150 mil. will be invested in equipment, technology, and infrastructure with the aim to increase initially by more than 20% the production capacity of the aluminium rolling division of ElvalHalcor and to set the basis for additional future investments that will more than double the capacity.

### COPPER

During Q1'18, the copper segment saw significant growth in sales volumes, which rose by 11.9% versus the prior year period of 2017 and in terms of value by 16.1% with the revenue amounting to 266 mil.. Profit before income tax amounted to EUR 7.3 mil. profit versus EUR 10.3 mil. for the respective prior year period, due to the reduction of the positive effect of the price of copper, while the a-EBITDA rose to EUR 11.8 mil. during Q1'18 versus EUR 10.9 mil. for the respective prior year period.

In regards to the copper segment, considering that the phase of approvals has been completed, for the starting of the joint venture in Nedzink S.A., this is expected to proceed as scheduled. Regarding the sales in products the positive trend is expected to be maintained while the segment is already benefiting from investments made during the previous years, and from the strategic shift towards high added value products while the revenue of the subsidiary Sofia Med is growing on double digits.

ALUMINIUM	For the 3 months ending on 31.03	
(€'000)	2018	2017
<b>Revenue</b>	262,260	233,805
<b>Gross Profit</b>	24,657	29,040
<b>EBITDA</b>	28,235	32,393
<b>a-EBITDA</b>	24,506	22,010
<b>EBIT</b>	17,137	21,657
<b>Profit before Taxes</b>	12,628	18,811

COPPER	For the 3 months ending on 31.03	
(€'000)	2018	2017
<b>Revenue</b>	265,959	229,105
<b>Gross Profit</b>	18,415	22,046
<b>EBITDA</b>	16,089	20,150
<b>a-EBITDA</b>	11,789	10,925
<b>EBIT</b>	11,825	16,195
<b>Profit before Taxes</b>	7,372	10,276