

Ranshofen, February 28, 2019

AMAG continues on growth track in FY 2018, setting new shipment and revenue records

- **Market: rising global demand for aluminium; environment in 2018 characterised by several special effects**
- **New records in shipments and revenue**
 - **Total shipments: +1 % to 424,600 tonnes**
 - **Revenue: +6 % to EUR 1,101.6 million**
- **EBITDA of EUR 141.0 million down on previous year's EUR 164.5 million especially due to higher raw materials costs**
- **Proposed dividend per share of EUR 1.20 unchanged compared with the previous year**

AMAG Austria Metall AG continued successfully on its growth track in the 2018 financial year. Supported by rising demand for aluminium products combined with good progress in the ramp-up of the new plants in Ranshofen, the AMAG Group's **total shipments** rose to a record of 424,600 tonnes (2017: 421,700 tonnes).

Helmut Wieser, CEO of AMAG: *"We implemented our two site expansion projects within budget and on schedule, and we are also making good progress in the demanding ramp-up of our new facilities. In 2018, we achieved important qualifications in the packaging, aircraft and automotive industries. This created the basis for further growth in the coming years."*

Higher shipment volumes and the higher average aluminium price contributed to a **new record revenue level**, which was up by around 6 % to EUR 1,101.6 million (2017: EUR 1,036.2 million).

The market environment and consequently also AMAG Group earnings were significantly affected by external market factors in the 2018 financial year. The introduction of additional US import tariffs on aluminium had a negative impact on earnings in the mid-single-digit range in millions of euros for shipments from Austria to

the USA. The production cut ordered by the authorities at the world's largest alumina refinery in Brazil as well as US sanctions on one of the largest alumina and primary aluminium producers led to high price fluctuations for alumina and aluminium. In particular, the price of alumina rose significantly compared with the previous year.

Earnings before interest, tax, depreciation and amortisation (EBITDA) in the 2018 financial year amounted to EUR 141.0 million, down by around 14 % on the previous year's EUR 164.5 million. This was especially due to higher raw material costs, US import tariffs on aluminium, higher ramp-up costs for the site expansion and unfavourable valuation effects as of the year-end. This also led the operating result (**EBIT**) to reduce from EUR 86.8 million to EUR 60.6 million. The AMAG Group generated **net income after taxes** of EUR 44.5 million in the 2018 financial year (2017: EUR 63.2 million).

Free cash flow improved year-on-year from EUR -6.3 million to EUR 11.5 million. **Cash flow from operating activities** stood at EUR 94.3 million (2017: EUR 101.8 million), more than offsetting **cash flow from investing activities** of EUR -82.8 million (2017: EUR -108.2 million).

AMAG reports a solid balance sheet and financing structure. In a comparison of the two balance sheet dates, **equity** rose from EUR 607.9 million to EUR 620.9 million. Long-term financing on favourable terms was concluded with the successful placing of a promissory note loan. Especially for this reason, **total assets** rose from EUR 1,404.9 million at year-end 2017 to EUR 1,561.2 million as of December 31, 2018. This extension of the balance sheet led arithmetically to a slightly lower **equity ratio** of 39.8 % as of the 2018 year-end (December 31, 2017: 43.3 %).

Attractive dividend:

For the 2018 financial year, the Management Board is proposing to the AGM to pay a year-on-year unchanged dividend of EUR 1.20 per share. This corresponds to a dividend yield of around 4 % in relation to the year-end closing price of the AMAG share of EUR 31.20.

2019 outlook:

Attractive global demand growth can be expected in 2019 and in the next five years for both primary aluminium products and aluminium rolled products, according to the latest estimates of the CRU market research institute.

For 2019, CRU expects global demand for primary aluminium to grow by around 3 %. Global demand for aluminium rolled products is expected to increase by around 4 %. The largest percentage growth is forecast in the transport sector with a rise of around 7 %.

Promising market growth, the solid balance sheet and the growth investments that have been realised form a good starting position for the coming years.

Gerald Mayer, Chief Financial Officer and, from March 1, 2019, Chief Executive Officer of AMAG: *"We will consistently pursue our growth strategy. In the 2019 financial year, AMAG will continue to benefit from further volume growth as part of the ramp-up. This brings us a further significant step closer to our shipment target of more than 300,000 tonnes of aluminium rolled products."*

Experience shows that the raw material markets can be subject to high price fluctuations which can significantly affect AMAG Group earnings. For this reason, it is still too early to issue an earnings forecast for the 2019 financial year, especially as economic uncertainties – such as those related to the UK's withdrawal from the EU and weak car sales – have risen further.

Annual Report 2018:

The 2018 annual report is immediately available for downloading from the investor relations area of the AMAG website.

AMAG – key figures:

EUR millions	2018	2017	Change
Shipments in tonnes	424,600	421,700	0.7 %
of which external shipments in tonnes	397,500	395,900	0.4 %
Revenue	1,101.6	1,036.2	6.3 %
EBITDA	141.0	164.5	-14.3 %
EBIT	60.6	86.8	-30.1 %
Net income after taxes	44.5	63.2	-29.5 %
Cash flow from operating activities	94.3	101.8	-7.4 %
Cash flow from investing activities	-82.8	-108.2	23.5 %
Employees ¹⁾	1,959	1,881	4.1 %

EUR millions	31/12/2018	31/12/2017	Change
Equity	620.9	607.9	+2.1 %
Equity ratio	39.8 %	43.3 %	-
Gearing	50.1 %	46.4 %	-

1) Average number of employees (full-time equivalents) including temporary help workers and excluding apprentices. The figure includes a 20 percent pro rata share of the labour force at the Alouette smelter, in line with the equity holding.

About the AMAG Group

AMAG is a leading Austrian premium supplier of high-quality aluminium cast and flat rolled products for highly varied industries such as the aircraft, automotive, sports equipment, lighting, mechanical engineering, construction and packaging industries. The Canadian smelter Alouette, in which AMAG holds a 20 percent interest, produces high-quality primary aluminium, while safeguarding an exemplary net ecological impact.

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Note

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