

## FIRST-HALF 2015 SALES

- Decline in consolidated sales owing to the impact of the scheduled maintenance shutdowns in the Lead and Zinc segments
- Business environment still characterized by strong demand for scrap: continuation of the selective purchasing policy

**Suresnes, July 23, 2015:** the Recylex Group (Euronext Paris: FR0000120388 - RX) has today reported its interim sales for the six months to June 30, 2015. They totalled €198.1 million, down 10% compared with the first half of 2014.

The breakdown of consolidated sales by segment for the first half of 2015 was as follows:

**Consolidated sales by segment (unaudited IFRS figures):**

(€ million)	Six months to June 30, 2015	Six months to June 30, 2014	Change (%)
<b>Lead</b>	<b>140.4</b>	167.0	-16%
<b>Zinc</b>	<b>36.9</b>	33.7	+9%
<b>Special Metals</b>	<b>11.3</b>	10.7	+6%
<b>Plastics</b>	<b>9.5</b>	9.1	+4%
<b>Total</b>	<b>198.1</b>	220.5	-10%

**Yves Roche, Chairman and Chief Executive Officer of the Recylex Group, commented:**

*"The Recylex Group's first-half 2015 sales declined by 10% owing chiefly to the scheduled maintenance shutdowns in the Lead and Zinc segments. In addition, the Group continued to pursue its selective purchasing strategy and to optimize its working capital requirement in the Lead segment. The Zinc segment maintained its strong momentum as prices moved higher. Discussions are continuing in an effort to secure additional financing to cover the Group's German subsidiaries' full working capital requirements."*

## **1. Trend in metal prices in the six months to June 30, 2015 (€ per tonne)**

Between January 2 and June 30, 2015, lead prices rose by 2.5%, but trends were highly volatile. Zinc prices fell 1.5% over the same period.

In addition, the average lead price during the first half of 2015 was 10% higher than in the first half of 2014. The average zinc price was 28% above its level than in the same period of 2014.

Average prices for the six-month period to end-June were as follows:

(€ per tonne)	Six months to June 30, 2015	Six months to June 30, 2014	Change (%)
Lead price	1,680	1,533	+10%
Zinc price	1,913	1,497	+28%

## **2. Breakdown of consolidated sales to June 30, 2015 relative to June 30, 2014**

Consolidated sales in the first six months of 2015 came to €198.1 million, down 10% compared with the same period of 2014.

- *Lead segment: sales down 16%*

During the first half of 2015, Lead sales accounted for 71% of consolidated sales. They declined by 16% compared with the first six months of 2014 to €140.4 million.

In the first half of 2015, the increase in lead prices did not fully make up for the fall in volumes produced and sold as a result of an unfavourable base of comparison.

The segment's first-half 2015 sales were affected mainly by the volume shortfall arising from the three-week scheduled maintenance shutdown at the Nordenham smelter in the second quarter of 2015 (no shutdown in 2014) and by continued pursuit of the selective purchasing policy for scrap batteries aiming at restoring the segment's margins.

In addition, to reduce Weser-Metall GmbH's working capital requirement following this shutdown, a portion of the volumes upon the resumption of activity were handled under the tolling agreement set up in the second half of 2014. In the first half of 2015, these volumes accounted for 19% of the subsidiary's total input.

During the first half of 2015, production at the Nordenham smelter was 55,771 tonnes, down 21% from 71,001 tonnes in the first six months of 2014. Compared with the first six months of 2014, the smelter's maintenance shutdown gave rise to a volume shortfall of around 11,000 tonnes and the shift in the purchasing mix to less lead-rich materials resulted in a shortfall of some 4,000 tonnes.

- *Zinc segment: sales up 9%*

Zinc sales accounted for 19% of the Group's consolidated total during the first six months of 2015.

They totalled €36.9 million, up 9% compared with the first half of 2014. Restated to include the Group's share of 50%-owned Recytech SA's sales, the segment's sales grew by 13% to €45.9 million.

With materials for recycling in short supply in the marketplace, the rise in zinc prices compared with the first half of 2014 helped to make up for some of the contraction in Waelz oxide production volumes caused by the scheduled maintenance shutdown by German subsidiary Harz-Metall GmbH and less favourable commercial conditions for the zinc oxide production business as the rise in selling prices did not fully keep pace with the increase in zinc prices.

- *Special Metals: sales up 6%*

Special Metals sales contributed 5% of the Group's consolidated total in the first half of 2015. They totalled €11.3 million owing chiefly to the increase in germanium selling prices compared with the first half of 2014.

- *Plastics: sales up 4%*

Plastics sales accounted for 5% of consolidated sales in the first six months of 2015. They grew by 4% over the period to €9.5 million.

Volume growth in Germany and a stable top-line performance in France made up for the impact of lower selling prices.

### **3. Legal proceedings in progress**

- Please refer to the document summarizing the development of legal proceedings concerning Recylex SA and Metaleurop Nord SAS on the Recylex Group website ([www.recylex.fr](http://www.recylex.fr) - News - [Legal proceedings schedule](#)).
- On June 24, 2015, Recylex SA and its subsidiaries purchasing scrap lead batteries announced that they had received a statement of objections from the Directorate General for Competition of the European Commission. The Recylex Group and its advisers will issue a response within the allotted period, i.e. during the second half of 2015. Receipt of such a statement does not prejudice the final outcome of the procedure.
- On July 21, 2015: the Douai Administrative Appeal Court decided to confirm the registration of Metaleurop Nord's Noyelles-Godault plant on the list of facilities eligible for the "ACAATA" (early retirement allocation for asbestos workers) but also decided to reduce the period of registration from January 1, 1962 to December 31, 1989 (vs. December 31, 1996 previously). Recylex is considering with its counsels the possibility of an appeal to the "Conseil d'État".

### **4. Financial agenda**

- Monday, August 31, 2015 (after market): Interim 2015 results
- Thursday, November 5, 2015 (after market): Sales for the nine months to September 30, 2015

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### ***Regenerating the urban mine***

*With operations in France, Germany and Belgium, Recylex is a European group specialized in lead and plastics recycling (mainly from automotive and industrial batteries), zinc recycling (from electric arc furnace dust and zinc scrap) and the production of special metals, primarily for the electronics industry.*

*A key player in the circular economy with long-standing expertise in urban waste recovery, the Group has close to 680 employees in Europe and generated consolidated sales of €422 million in 2014.*

*For more information about Recylex Group: [www.recylex.fr](http://www.recylex.fr) and on twitter: [@Recylex](https://twitter.com/Recylex)*

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## APPENDIX

### 1. Quarterly trend in metal prices

(€ per tonne)	First quarter 2015	Second quarter 2015	First quarter 2014	Second quarter 2014
<b>Lead price</b>	1,605	<b>1,758</b>	1,538	1,528
<b>Zinc price</b>	1,848	<b>1,981</b>	1,482	1,512

### 2. Consolidated sales\* by quarter

(€ million)	First quarter 2015	Second quarter 2015	First quarter 2014	Second quarter 2014
<b>Lead</b>	75.9	<b>64.5</b>	87.0	80.0
<b>Zinc</b>	19.4	<b>17.5</b>	17.5	16.2
<b>Special Metals</b>	6.4	<b>4.9</b>	4.9	5.8
<b>Plastics</b>	4.8	<b>4.7</b>	4.5	4.6
<b>Total</b>	106.5	<b>91.6</b>	113.9	106.6

### 3. Recylex SA's sales

(€ million)	Six months to June 30, 2015	Six months to June 30, 2014	<b>Change (%)</b>
Lead segment	<b>33.4</b>	36.9	-9%
Services to Group companies	<b>0.8</b>	0.8	0%
<b>Total sales</b>	<b>34.2</b>	37.7	-9%