

FINANCIAL INFORMATION FOR THE FIRST QUARTER OF 2018

- Decrease in consolidated sales mainly due to the scheduled shutdowns in the Lead and Zinc segments
- Lead segment impacted, as anticipated, by a major shutdown mainly dedicated to prepare the connection between the current furnace and the new reduction furnace
- Solid performance in the Zinc segment despite the shutdowns
- Increased sales in the Special Metals segment and stable sales in the Plastics segment

Suresnes, April 26th, 2018: the Recylex Group (Euronext Paris: FR0000120388 - RX) has today released its financial information for the first quarter of 2018. Consolidated sales for the three-month period to March 31st, 2018 totaled €95.3 million, down 22% on the first three months of 2017 and breaking down as follows:

Consolidated sales by segment (unaudited IFRS figures):

(€ million)	Three months to March 31 st , 2018	Three months to March 31 st , 2017	Change (%)
Lead	59.6	86.5	-31%
Zinc	27.6	28.5	-3%
Special Metals	4.3	3.8	+14%
Plastics	3.8	3.8	-
Total	95.3	122.6	-22%

Sebastian Rudow, Chairman and CEO of the Recylex Group, commented:

“The first quarter of 2018 was driven by the major maintenance shutdown of our Bath Smelting Furnace in Nordenham which caused a slowdown of our activities and finally of our sales in the Lead segment. Preparatory works have been done to connect the new reduction furnace to the current Bath Smelting Furnace, which is resuming production progressively. We are now looking forward to the start of production of the new Reduction Furnace in the mid of the year. We have the objective to have the Lead and Zinc segments increase their levels of activity during the second quarter of 2018. With our Special Metals and Plastics segments, we have started to focus on their profitability. Furthermore, Recylex is going to optimize internal processes to become more effective in each segment and to prepare for our future.”

1. Trend in metals prices to March 31st, 2018 (in €)

Between January 2nd and March 31st, 2018, lead prices were quite volatile and decreased 7% over the period, due to a downturn trend since the middle of the first quarter. The lead price average for the first quarter of 2018 reached €2,053, a slight 4% decline compared to the first quarter of 2017.

Zinc prices remained at a high level but experienced a 3% decrease between January 2nd and March 31st, 2018, due to a slight correction at the end of the first quarter. However, the zinc price average for the first quarter of 2018 increased by 7% compared to the first quarter of 2017, reaching €2,783.

Average prices for the three-month period to end-March were as follows:

<i>(in € per tonne)</i>	First quarter 2018	First quarter 2017	Change (%)
Lead price	2,053	2,138	-4%
Zinc price	2,783	2,610	+7%

Between January 2nd and March 31st, 2018, the €/€ exchange rate went up 2% over the period. The average €/€ exchange rate increased 15%, from 1.0648 in the first quarter of 2017 to 1.2292 in the first quarter of 2018.

2. Breakdown of consolidated sales to March 31st, 2018 relative to March 31st, 2017

Consolidated sales in the first three months of 2018 came to €95.3 million, down 22% compared with the same period of 2017. Restated* consolidated sales in the three months to March 31st, 2018 came to €101.4 million, a 21% decline compared with the same period of 2017.

- *Lead: sales down 31%*

In the first three months of 2018, Lead sales accounted for 63% of consolidated sales.

Performance was impacted by a major scheduled shutdown of the Nordenham smelter (no scheduled maintenance shutdown in the first quarter of 2017) which led to a lower level of activity throughout the segment during the first quarter of 2018. This four-week shutdown was made in order to prepare the connection between the current bath smelting furnace with the new reduction furnace and also in order to make the regular maintenance of the existing smelter. No other major maintenance shutdowns are planned in 2018. To a lesser extent, the segment's sales were also affected by less favorable commercial conditions for the treatment of lead concentrates and by a small decrease in lead prices average compared to the first quarter of 2017.

Production at the Weser-Metall GmbH smelter totaled 21,054 tonnes for the first quarter of 2018, down 34% from 31,712 tonnes in the first three months of 2017. In a context of good availability of scrap batteries, the Group did not decrease its purchasing during the first quarter of 2018.

As a result, the segment's sales reached €59.6 million in the first quarter of 2018, down 31% compared to the first quarter of 2017.

Following its maintenance shutdown, the BSF furnace is resuming production progressively since the beginning of the second quarter of 2018, with technical optimizations being currently performed. The hot commissioning of the new reduction furnace is scheduled to take place at the end of the second quarter of 2018 with the ramp up phase planned during the third quarter of 2018.

- *Zinc: sales down 4%*

Zinc accounted for 29% of the Group's consolidated sales in the first three months of 2018.

In the first quarter of 2018, Zinc sales totaled €27.6 million, slightly down by 3% compared with the same period of 2017. Restated* Zinc segment sales came to €33.7 million, compared with €34.5 million in the same period of 2017, down 2% compared to the first quarter of 2017.

Sales in the activity of electric arc furnace dust recycling were slightly down. Solid production levels at both plants did not make up for the impact of a short exceptional maintenance shutdown at Harz-Metall GmbH to change refractory bricks (its major maintenance shutdown still being scheduled for the third quarter of 2018) and for the impact of the yearly maintenance shutdown of Recytech S.A. (which was brought forward in the first quarter of 2018 instead of the second quarter as usual). As a result, total Group Waelz oxide production reached 16,368 tonnes in the first quarter of 2018, down 13% compared to the first quarter of 2017. However, despite these shutdowns, the Waelz activity's sales remained at a solid level.

Scrap zinc recycling sales were almost stable. Zinc oxide production from Norzinco GmbH reached 6,243 tonnes in the first quarter of 2018, down only 1% compared to the first quarter of 2017.

- *Special Metals: sales up 14%*

Special Metals contributed 5% of the Group's consolidated sales in the first quarter of 2018.

PPM Pure Metals GmbH sales stood at €4.3 million, up 14% on the first quarter of 2017.

This increase was generated in a context of a better market demand. Arsenic sales were slightly up thanks to significantly higher volumes which more than offset the unfavorable prices evolution. Germanium sales increased on the back of better prices which made up for the decrease in volumes. Gallium sales showed a positive improvement thanks the ramping up of its tolling activity, as well as the other metals activity.

- *Plastics: stable sales*

Plastics sales accounted for 3% of consolidated sales in the first three months of 2018.

They totaled €3.8 million, stable compared with the first quarter of 2017.

C2P S.A.S in France posted a positive performance compared with the first quarter of 2017, with a temporary increase in volumes sold offsetting slightly declining prices, whereas C2P Germany GmbH recorded a significant decrease in sales.

During the period, the segment's total production of recycled polypropylene dropped 6% to 3,411 tonnes from 3,611 tonnes in the first quarter of 2017.

**When assessing the performance of the Zinc segment, the Group consolidates its 50% investment in Recytech S.A. proportionately, which is not permitted under IFRS. See note 19 to the 2017 consolidated financial statements.*

3. Legal proceedings in progress concerning Recylex S.A. and Metaleurop Nord S.A.S.

On April 11th, 2018 the Arras Commercial Court ruled in favor of Recylex S.A. by rejecting the claim for damages from the liquidators of Metaleurop Nord S.A.S. (see press release dated from April 11th, 2018).

The April 12th, 2018 update summarizing the proceedings concerning Metaleurop Nord S.A.S. and Recylex S.A. is available from the Recylex Group's website at www.recylex.fr - News - [Legal proceedings schedule](#) (see press release dated from April 13th, 2018).

Regenerating the urban mines

With operations in France and Germany, Recylex is a European group specialized in lead, plastics and zinc recycling, as well as a producer of special metals. A key player in the circular economy with long-standing expertise in urban waste recovery, the Group has more than 660 employees in Europe and generated consolidated sales of €450 million in 2017.

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

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APPENDIX

Recylex S.A.'s sales

(€ million)	Three months to March 31 st , 2018	Three months to March 31 st , 2017	Change (%)
Lead segment	21.4	25.6	-16%
Services to Group companies	0.4	0.2	+50%
Total sales	21.8	25.8	-16%

Disclaimer: This press release may contain forward-looking statements that do not constitute forecasts regarding results or any other performance indicator, but rather trends or targets. These statements are by their nature subject to risks and uncertainties as described in the Company's annual report available on its website (www.recylex.fr). Further information about Recylex is available from its website (www.recylex.fr).