

FINANCIAL INFORMATION FOR THE NINE-MONTHS TO SEPTEMBER 30TH 2018

- Decrease of consolidated sales due to the decline in Lead segment's
- Decrease in Lead segment sales chiefly as a result of the slowdown in production, further efforts in progress to improve production
- Solid performance in the Zinc segment despite the fall in zinc prices
- Strong increase in the Special Metals segment's sales and small decline in the Plastics segment's sales

Suresnes, October 30th 2018: The Recylex Group (Euronext Paris: FR0000120388 - RX) is today releasing its sales for the first nine months of 2018 and for the third quarter of 2018. Sales in the nine-month period to September 30th 2018 totaled €281.5 million, down 17% compared to the first nine months of 2017. Consolidated sales for the third quarter of 2018 totaled €87.7 million, down 26% on the same period of 2017.

Consolidated sales by segment (unaudited IFRS figures)

(€ million)	Nine months to September 30, 2018	Nine months to September 30, 2017	Change (as a %)
Lead	181.3	242.6	-25%
Zinc	75.5	74.3	+2%
Special Metals	14.6	10.4	+40%
Plastics	10.1	10.2	-1%
Total	281.5	337.5	-17%

Sebastian Rudow, Chairman and CEO of Recylex S.A., commented:

"The lead segment's performance during the last two quarters has not been satisfactory. Even though we start to benefit from the support of our external experts and from the teams' commitment, we must pursue and increase our efforts to improve production. However, the Group has posted solid sales in the Zinc segment and stable sales in the Plastics segment. With strongly increasing sales, the actions made by the Special Metals segment during the last months have successfully started to pay off. The Group is in the middle of its industrial transformation: having our two lead furnaces running at an optimized level remains our top priority and will require time. In this context, I have changed our organization in Germany to become more efficient. In line with this strategy, evolutions have been made recently in our German subsidiaries top management, in the aim of giving teams the means to be more focused on local operations. We will rely on experienced people which will bring their expertise and knowledge."

1. Trend in metals prices in the nine months to September 30th 2018 (in euros)¹

(€ per tonne)	Nine months to September 30 th 2018	Nine months to September 30 th 2017	Change (in %)
Lead price	1,955	2,031	-4%
Zinc price	2,523	2,499	+1%

Average lead prices in euros were 4% lower at €1,955 in the nine-month period to September 30th 2018 compared to the first nine months of 2017. Between January 2nd 2018 and September 30th 2018, lead prices in euros fell back 18%. A significant decline in lead prices during the third quarter of 2018 accounted for this trend.

Average zinc prices in euros were 1% higher at €2,523 in the nine-month period to September 30th 2018 compared to the first nine months of 2017. Zinc prices in euros declined 21% between January 2nd and September 30th 2018, as the correction late in the first quarter of 2018 and the second quarter continued into the third quarter.

Both zinc and lead prices have experienced an important volatility for the last six months.

The average €/€ exchange rate increased 7%, moving up from \$1.1136 in the first nine months of 2017 to \$1.1945 in the same period of 2018. This increase impacted metals prices stated in euros. Between January 2nd and September 30th 2018, the euro/US dollar exchange fell 4%, however.

2. Breakdown of consolidated sales for the nine months to September 30th 2018 compared to the same period of 2017

Sales in the nine-month period to September 30th 2018 totaled €281.5 million, down 17% compared to the first nine months of 2017. Restated² consolidated sales totaled €300.3 million in the same period of 2018, down 16% compared to the first nine months of 2017.

- *Lead: sales down 25%*

During the first nine months of 2018, the Lead segment accounted for 64% of consolidated sales.

Lead segment sales in the nine-month period to September 30th 2018 totaled €181.3 million, down 25% compared to the first nine months of 2017. Since the beginning of 2018, the segment's performance has been affected by:

- A long scheduled shutdown at the Nordenham smelter in the first quarter of 2018, for maintenance and to prepare for the connection of the existing (BSF) furnace to the new reduction furnace,
- The slowdown in production in the second quarter of 2018 compared to the same period of 2017 as a result of the technical adjustments required to connect the main furnace to the new reduction furnace (commissioning began on June 28th 2018), which significantly lowered the main furnace's² utilization rate,
- This slowdown in production continued into the third quarter of 2018, despite some first signs of improvement,
- To a lesser extent, the fall in lead prices (down 4% in the first nine months of 2018 compared to the same period of 2017).

Overall, lead production totaled 72,430 tonnes in the nine months to September 30th 2018, down 20% compared to the first nine months of 2017. In this context, Recylex scaled down its purchases

of scrap batteries in the second and third quarters of 2018. In the nine-month period to September 30th 2018, the Group recycled 83,231 tonnes of scrap lead batteries, down 16% compared to the same period of 2017.

In the third quarter of 2018, Lead segment sales totaled €57.8 million, compared to €91.2 million in the same period of 2017. This substantial decline reflected the production slowdown and a high base of comparison resulting from a good level of production in the third quarter of 2017. It also flowed from the fall in lead prices compared to the third quarter of 2017 (down 9%).

Even though the Group recorded an encouraging increase of 7% in its lead production between the second quarter of 2018 and the third quarter of 2018, reflecting the initial benefits of the measures taken by Weser-Metall GmbH, current production levels are not yet satisfactory. Weser-Metall GmbH's teams were strengthened and are assisted by independent specialists, as they continue their efforts to get the main furnace and reduction furnace² running smoothly together.

- *Zinc: sales up 2%*

During the first nine months of 2018, the Zinc segment generated 27% of consolidated sales.

The segment recorded sales of €75.5 million in the nine-month period to September 30th 2018, up 2% compared to the same period of 2017. Restated³ segment sales came to €94.3 million in the nine-month period to September 30th 2018, up 1% compared to the first nine months of 2017. The segment's sales performance was broadly positive over the first nine months of 2018, as the impact of the maintenance shutdowns in the first quarter was offset to a large degree by high production levels.

Dust recycling sales rose in line with trends in average zinc prices over the first nine months of 2018. Recylex's total Waelz oxide production was 54,644 tonnes, almost stable (up 1%) compared to the first nine months of 2017. The Harz-Metall GmbH plant's major maintenance shutdown is now scheduled for the first quarter of 2019 instead of the fourth quarter of 2018 as previously indicated.

Scrap zinc recycling sales increased slightly compared to the first nine months of 2017, with the main driver coming from strong demand for zinc oxides and favorable business conditions in the third quarter of 2018. Norzinco GmbH's zinc oxide production totaled 18,292 tonnes in the nine months to September 30th 2018, up 3% compared to the first nine months of 2017.

Sales in the third quarter of 2018 totaled €22.1 million, up from €21.9 million in the third quarter of 2017, with positive production levels helping to offset the impact of the steep decline in zinc prices compared to the third quarter of 2017 (down 13%). Likewise, restated³ sales for the third quarter of 2018 recorded a small decline to €27.5 million from €29.1 million in the third quarter of 2017, as trends in the dust recycling business are highly sensitive to fluctuations in zinc prices.

- *Special Metals: sales up 40%*

Special Metals contributed 5% of Recylex's consolidated sales in the first nine months of 2018.

PPM Pure Metals GmbH sales totaled €14.6 million in the nine-month period to September 30th 2018, up 40% on the first nine months of 2017 (as a result of three consecutive quarters of improvement on 2017). The business benefited notably from the sales and marketing efforts, especially "dopants" for silicon wafers, an area in which PPM is expanding. Arsenic sales volumes

rose significantly, more than making up for the unfavorable pricing trends. Performance in germanium was driven by higher sales volumes and selling prices.

Likewise, the Special Metals segment's sales made substantial headway during the third quarter of 2018. They totaled €5.1 million, up from €3.2 million in the third quarter of 2017.

- *Plastics: sales down 1%*

Plastics contributed 4% of Recylex's consolidated sales in the first nine months of 2018.

The segment's sales totaled €10.1 million in the nine-month period to September 30th 2018, down just 1% compared to the first nine months of 2017.

During the period, the segment's total production of recycled polypropylene dropped just over 2% to 9,728 tonnes, compared to the 9,977 tonnes in the first nine months of 2017. Despite persistently tough market conditions, C2P SAS in France posted a slight improvement in its sales compared to the first nine months of 2017. The key factor was an increase in sales volumes, which helped offset the slight downturn in prices. Conversely, C2P Germany GmbH suffered a significant decline in its sales.

During the third quarter of 2018, the Plastics segment's sales totaled €2.7 million, down 8% on the €2.9 million posted in the third quarter of 2017. The rise in C2P France's sales volumes over the period was not sufficient to offset the drop-off in demand for materials in Germany and postponements of orders from the third to the fourth quarter of 2018 affecting C2P Germany GmbH.

3. Other information

Following the publication of its press release and Interim Financial Report on September 28th 2018 disclosing financial targets applicable to the Group's German sub-group in connection with the financing obtained in December 2016⁴, the Company can confirm that the financial target set for the period ended on September 30th 2018, was met. Indeed, the cumulative EBITDA⁵ for the Group's German sub-group over a rolling 12-month period came to €(2.4) million compared to the target set at no less than €(2.5) million.

It is important to note that since these financial targets apply only to the German sub-group, they cannot in any circumstances be considered as earnings forecasts or as any other performance indicator and should not be regarded as a measure of the Group's financial performance.

4. Legal proceedings in progress

The September 19th 2018 update summarizing the proceedings concerning Recylex SA is available from the Recylex Group's website at www.recylex.fr - News - Legal proceedings schedule).

5. Provisional financial agenda

Financial information for the financial year to December 31st 2018: Thursday, February 14th 2019 (after market close).

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, on LinkedIn and twitter: [@Recylex](https://twitter.com/Recylex)

Press/Investor contact:

Gabriel ZEITLIN

+ 33 (0)1 58 47 29 89

gabriel.zeitlin@recylex.fr



***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).*

APPENDIX

1. Trend in average quarterly metals prices¹

(€ per tonne)	First quarter 2018	Second quarter 2018	Third quarter 2018	First quarter 2017	Second quarter 2017	Third quarter 2017
Lead price	2,052	2,006	1,810	2,138	1,963	1,988
Zinc price	2,783	2,612	2,182	2,610	2,358	2,522

2. Consolidated sales by quarter⁶

(€ million)	First quarter 2018	Second quarter 2018	Third quarter 2018	First quarter 2017	Second quarter 2017	Third quarter 2017
Lead	59.6	64.6	57.8	86.5	64.9	91.2
Zinc	27.6	26.2	22.1	28.5	23.9	21.9
Special Metals	4.3	5.2	5.1	3.8	3.4	3.2
Plastics	3.8	3.3	2.7	3.8	3.5	2.9
Total	95.3	99.3	87.7	122.6	95.7	119.2

3. Recylex SA's⁶ sales

(€ million)	Nine months to September 30, 2018	Nine months to September 30, 2017	Variation (in %)
Lead segment	57.9	66.7	-13%
Services to Group companies	1.1	0.9	+22%
Total sales	59.0	67.6	-13%

¹ Source: London Metal Exchange (LME), 2018.

² See press releases dated July 26th 2018 and September 28th 2018.

³ When assessing the performance of the Zinc segment, the Group consolidates its 50% investment in Recytech SA proportionately, which is not permitted under IFRS. See Note 19 to the consolidated financial statements for the financial year ended December 31st 2017.

⁴ See Note 10 to the condensed interim financial statements for the six-month period to June 30th 2018.

⁵ Operating income plus depreciation of property, plant and equipment, and amortization of intangible and financial assets and of goodwill.

⁶ Under IFRS - 2018 figures unaudited and 2017 figures audited.