

FINANCIAL INFORMATION AS OF DECEMBER 31ST 2018

- Consolidated sales down 19%, mainly due to a strong decline in the Lead segment
- Lead segment affected by the slowdown in production as a result of persistent technical difficulties in the smelter and by decreased lead prices
- Solid performance in the Zinc segment despite decreased zinc prices
- Strong growth in the Special Metals segment as a result of commercial efforts
- Decline in the Plastics segment due to challenging market conditions

Suresnes, February 14th 2019: the Recylex Group (Euronext Paris: FR0000120388 - RX) is today reporting its sales for the financial year to December 31st 2018 and for the fourth quarter of 2018.

0 million in 2018, down 19% compared to 2017. Consolidated sales for the fourth quarter of million, down 26% on the same period of 2017.

Consolidated sales by segment (unaudited IFRS figures)

(€ million)	2018	2017	Change (in %)
Lead	236.6	324.1	-27%
Zinc	96.3	98.4	-2%
Special Metals	19.2	14.2	+35%
Plastics	12.9	13.6	-5%
Total	365.0	450.3	-19%

Sebastian Rudow, Chairman and Chief Executive Officer of Recylex S.A., stated:

“The contraction in our 2018 sales reflects the persistent difficulties in our Lead segment and decreased non-ferrous metals prices in euros. Our Lead segment had to contend with a sharp slowdown in its production linked with the change in the main furnace’s configuration. This challenging situation continues and is severely affecting our industrial and financial performances. Our top priority is to improve the combined operations of the lead segment’s two furnaces, which will require further technical adjustments in the first six months of 2019. Even so, our Zinc segment recorded a very healthy 2018 performance, which partly helped to offset the fall in zinc prices. The Special Metals segment’s strong performance reflects the efforts made by our teams, as well as better market conditions. Competition from virgin materials again held back the Plastics segment.”

1. Metal prices in the year to December 31st ¹

(€ per tonne)	2018 average	2017 average	Change (%)
Lead price	1,895	2,052	-8%
Zinc price	2,468	2,561	-4%

This decline was concentrated mainly in the second half of 2018, with the lead price dropping from an average price stated in US dollars fell 3% in 2018 relative to 2017. . The average lead price stated in US dollars fell 3% in 2018 relative to 2017.

The average 2018 zinc price stated in euros was 4% lower than in 2017. This decline was concentrated mainly in the second half of 2018, with the zinc price dropping from an average of . The average zinc price stated in US dollars rose 1% between 2017 and 2018.

The overall depreciation in the US dollar during 2018 accentuated the extent of the fall in lead and zinc prices stated in euros. The average euro/dollar exchange rate rose by 4.6% from an average of \$1.1295 in 2017 to an average of \$1.1810 in 2018.

2. Breakdown of 2018 consolidated sales relative to 2017

0 million in 2018, down 19% compared to 2017. Restated² million, down 18% compared to 2017.

Consolidated million, down 26% on the same period of 2017. Consolidated restated² million, down 25% compared to the fourth quarter of 2017.

- *Lead: sales down 27%*

In 2018, the Lead segment accounted for 65% of consolidated sales.

6 million in 2018, down 27% on their 2017 level. In 2018, the

- A lengthy 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 ² utilization rate,
- The continued slowdown in the third and fourth quarter of 2018, despite some initial signs of improvement,
- The fall in lead prices (down 8% in 2018 compared to 2017).

2018 lead production came to 104,592 tonnes, down 15% relative to 2017. In the fourth quarter of 2018, lead production increased by 1% compared to the fourth quarter of 2017, owing in particular to a favorable base of comparison as the Weser-Metall lead smelter had carried out a very short maintenance shutdown in the fourth quarter of 2017.

As a result, the Group decided to reduce its scrap battery purchases. The Group recycled 112,917 tonnes of scrap lead batteries in 2018, down close to 20% compared to 2017.

In the fourth quarter of 2018, sales amounted to 2 million, down 32% from 2.9 million in the same period of 2017.

Following the commissioning of the new reduction furnace, by-products from the main furnace are now processed internally instead of being sold. Even so, most of these by-products were not processed in the fourth quarter of 2018 due to technical difficulties. In addition, the increase in tolling³ volumes also pushed sales in the fourth quarter of 2018 down below their level in the same period of 2017. The slight improvement in production compared to the fourth quarter of 2017 failed to offset the impact of the sharp fall in lead prices during the period.

Weser-Metall

Weser-Metall scheduled three-week maintenance shutdown in January 2019 (initially scheduled for the end of the second quarter of 2019) after advanced wear and tear was detected in the refractory bricks in its main furnace (BSF). Lead production at both furnaces resumed during January 2019.

With current production levels remaining unsatisfactory, the Group still aims to improve the combined operations of the main furnace and the new reduction furnace. As a result, an additional maintenance shutdown of approximately one week is scheduled mid-2019 to implement further technical improvements and to ensure operational reliability.

- *Zinc: sales down 2%*

In 2018, the Zinc segment accounted for 26% of consolidated sales.

The segment sales amounted to 3 million in 2018, down 2% compared to 2017. Restated³ sales were 7 million in 2018, down 3% compared to 2017. The segment held up well in 2018, with healthy production levels largely offsetting the impact of the maintenance shutdowns and of the fall in zinc prices.

Dust recycling sales mirrored trends in average zinc prices during 2018. Total Group Waelz oxide production came to 74,269 tonnes, representing a very small increase of 1% on the 2017 level.

The Harz-Verfahren plant was closed in 2019.

Scrap zinc recycling sales edged below their 2017 level. Firm demand for oxides and zinc dust, and supportive business conditions in 2018 helped to make up for the fall in zinc prices. Norzinco sales amounted to 1.5 million tonnes in 2018, up 2% compared to 2017.

In the fourth quarter of 2018, sales amounted to 8 million, down 15% from 9.4 million in the fourth quarter of 2017, representing a decline of 15%. Restated³ fourth-quarter 2018 sales dropped 14% to 8.1 million. That decline reflected the 16% fall in zinc prices stated in euros during the fourth quarter of 2018 compared to the fourth quarter of 2017, as the dust recycling business is highly sensitive to fluctuations in zinc prices.

- *Special Metals: sales up 35%*

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

Special Metals sales increased 35% in consecutive quarters of improvement on 2017.

Sales were boosted by the impact of its sales and marketing efforts across most of its businesses. Its arsenic sales volumes in particular recorded a strong increase, largely offsetting the small dip in prices. Germanium sales were healthy in a more supportive pricing environment, and trends in gallium sales were also encouraging.

Likewise, Special Metals posted a 21% increase in the fourth quarter of 2018 of 2.9 million.

As a result, PPM Pure Metals has decided to restart its second high-purity arsenic production line during the first half of 2019. It had been out of service since 2013.

- *Plastics: sales down 5%*

2018 sales.

2.9 million, down 5% on 2017.

During the fourth quarter of 2018, C2P sales of polyethylene dropped to 12,522 tonnes, down 6% on its 2017 level. Amid persistently tough market conditions, C2P S.A.S. in France posted almost stable sales compared to 2017 (down 1%). The key factor was growth in sales volumes, which largely offset the impact of the downturn in prices. Conversely, C2P Germany GmbH suffered another significant sales contraction (down 22%).

During the fourth quarter of 2018, C2P sales of 2.9 million, down 16% in 2018, down 16% in 2018. 2.9 million posted in the fourth quarter of 2017 as a result of the fall in prices and volumes sold in both France and Germany.

3. Legal proceedings in progress

The September 19th 2018 update summarizing the proceedings concerning Recylex S.A. is available on the Recylex website (see [Recylex - News - Legal proceedings in progress](#) schedule).

4. Forecasted financial agenda

2018 financial results, Thursday March 28th 2019 (after the market close)

Raw materials from urban mines

The Recylex Group, based in France and Germany, is a European specialist in the recycling of lead, zinc, polypropylene and in the production of high-purity special metals. As a key player in the circular economy and thanks to its long-standing know-how, Recylex achieved consolidated sales of € 365 million in 2018 and employs more than 660 people. To find out more, please visit our website www.recylex.fr or join @Recylex on [Twitter](#) and [LinkedIn](#).

Press/Investor contact:

Gabriel ZEITLIN

+ 33 (0)1 58 47 29 89

gabriel.zeitlin@recylex.fr



1. Trend in average quarterly metals prices¹

(€ per tonne)	First quarter 2018	Second quarter 2018	Third quarter 2018	Fourth quarter 2018	First quarter 2017	Second quarter 2017	Third quarter 2017	Fourth quarter 2017
Lead price	2,053	2,006	1,810	1,721	2,138	1,963	1,988	2,117
Zinc price	2,783	2,612	2,182	2,305	2,610	2,358	2,522	2,749

2. Consolidated sales by quarter⁴

	First quarter 2018	Second quarter 2018	Third quarter 2018	Fourth quarter 2018	First quarter 2017	Second quarter 2017	Third quarter 2017	Fourth quarter 2017
Lead	59.6	64.0	57.8	55.2	86.5	64.9	91.2	81.5
Zinc	27.6	25.8	22.1	20.8	28.5	23.9	21.9	24.0
Special Metals	4.3	5.1	5.1	4.6	3.8	3.4	3.2	3.8
Plastics	3.8	3.6	2.7	2.9	3.8	3.5	2.9	3.4
Total	95.3	98.5	87.7	83.5	122.6	95.7	119.2	112.7

3. Recylex S.A.⁴

(€ million)	Full year to December 31, 2018	Full year to December 31, 2017	Variation (in %)
Lead segment	73.4	89.8	-18%
Services to Group companies	1.6	1.3	+23%
Total sales	75.0	91.1	-18%

¹ Source: London Metal Exchange (LME), 2019.

² 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 consolidated financial statements for the financial year ended December 31st 2017.

³ See the press release dated August 28th 2014.

⁴ Under IFRS. 2018 data unaudited, 2017 data audited.

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).