

## SALES FOR THE NINE MONTHS TO SEPTEMBER 30, 2015

- Decline in consolidated sales in the nine months to September 30, 2015 due to maintenance shutdowns and to the increase in lead concentrates tolling
- Third-quarter 2015 impacted by strong decrease in metal prices
- Delay of the German perimeter's financing needs until the first quarter of 2016

**Suresnes, November 5, 2015:** the Recylex Group (Euronext Paris: FR0000120388 - RX) has today reported its sales for the nine-month period to September 30, 2015 and for the third quarter of 2015.

Sales for the nine months to September 30, 2015 totaled €294.1 million, down 10% on the first nine months of 2014.

Third-quarter sales came to €96.1 million, down 10% on the third quarter of 2014.

The breakdown in consolidated sales in the nine months to September 30, 2015 by segment was as follows:

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

(€ million)	Nine months to September 30, 2015	Nine months to September 30, 2014	Change (%)
<b>Lead</b>	<b>212.5</b>	245.3	-13%
<b>Zinc</b>	<b>52.7</b>	51.3	3%
<b>Special Metals</b>	<b>15.8</b>	17.6	-10%
<b>Plastics</b>	<b>13.1</b>	13.2	-1%
<b>Total</b>	<b>294.1</b>	327.4	-10%

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

*“Metal prices decreased strongly in the third quarter of 2015, particularly in late August. In this context, we have limited ongoing investments to the minimum. Nevertheless, we recorded a positive production performance, particularly at the Nordenham lead smelter. Sales over the first nine months of 2015 were mainly affected by the major scheduled maintenance shutdowns in the second quarter. Our priorities are still to pursue the reduction of the working capital requirement and the searches for financing.”*

## **1. Trend in metal prices in the nine months to September 30, 2015 (in euros)**

Between January 2 and September 30, 2015, lead prices were highly volatile. At June 30, 2015, they were up 2.5% on the level at beginning of January 2015, but then fell back very sharply in the third quarter of 2015, hitting a low in August, before ending the first nine months of 2015 down 4%.

Zinc prices sank heavily over the same period, declining by 18.5%, again due to a very sharp fall in the third quarter of 2015, particularly in September.

On average, however, lead prices in the first nine months of 2015 were 4% higher than in the same period of 2014. In addition, average zinc prices over the same period were 16% higher than in the first nine months of 2014. Average prices in the nine months to September 30 were as follows:

<i>(€ per tonne)</i>	<b>Nine months to September 30, 2015</b>	<b>Nine months to September 30, 2014</b>	<b>Change (%)</b>
<b>Lead price</b>	<b>1,633</b>	1,571	<b>+4%</b>
<b>Zinc price</b>	<b>1,827</b>	1,581	<b>+16%</b>

Between January 2 and September 30, 2015, the €/€ exchange rate decreased from 1.2039 to 1.1211, representing a decline of 7% over the period, continuing the trend seen since 2014.

The average €/€ exchange rate went from 1.3552 in the first nine months of 2014 to 1.1147 in the same period of 2015, representing a 18% decline in the euro's value against the US dollar.

## **2. Breakdown of consolidated sales in the nine months to September 30, 2015 relative to September 30, 2014**

Consolidated sales in the first nine months of 2015 came to €294.1 million, down 10% compared with the same period of 2014.

During the third quarter of 2015, consolidated sales totaled €96.1 million, also down 10% from €106.9 million in the third quarter of 2014.

- *Lead segment: sales down 13%*

During the first nine months of 2015, Lead sales accounted for 72% of consolidated sales.

They totaled €212.5 million in the nine-month period to September 30, 2015, down 13% on the same period of 2014 and only by 6% restated for the impact of tolling. Indeed, the sales decline was chiefly attributable to the increase in tolling volumes (not recognized in sales) and the unfavorable base of comparison arising from the impact of the scheduled maintenance shutdown at the Weser-Metall GmbH smelter in the second quarter of 2015 (no shutdown in 2014).

In the first nine months of 2015, lead production at the Nordenham smelter totaled 92,596 tonnes as scheduled, down 11% from 103,717 tonnes in the same period of 2014 mainly due to the impact of the maintenance shutdown. The processing plants in France and Germany recycled a total of 94,304 tonnes of scrap batteries, down 10% on the 104,988 tonnes recycled in the same period of 2014.

In the third quarter of 2015, sales came to €72.2 million, down 8% compared with the third quarter of 2014 mainly as a result of the impact of tolling, while production increased by 13%. Restated for the impact of tolling, third-quarter 2015 sales grew by 6%, despite the 6% decline in lead prices over the period.

- *Zinc segment: sales up 3%*

Zinc sales accounted for 18% of the Group's consolidated sales during the first nine months of 2015.

Consolidated sales in the first nine months of 2015 came to €52.7 million, an increase of 3% on the same period of 2014. Restated\* nine-month 2015 sales totaled €64.9 million, up 5% on the same period of 2014. This performance was mainly generated by the rise in zinc prices over the first nine months of 2015.

Electric arc furnace dust recycling sales were slightly higher, thanks to favorable selling prices conditions due to the increase in zinc prices. However, production volumes decreased slightly compared with the first nine months of 2014 due to the scheduled maintenance shutdown of the Harz-Metall GmbH subsidiary in the second quarter of 2015 and less supportive business conditions. The Group's total Waelz oxide production came to 49,963 tonnes in the first nine months of 2015, down from 52,049 tonnes in the same period of 2014.

Scrap zinc recycling sales were also slightly higher in the first nine months of 2015 compared with the same period of 2014. The moderate increase in selling prices helped to make up for a small volume decline caused by persistently tough purchasing conditions. Zinc oxide production by the Norzinco GmbH subsidiary in Germany totaled 16,914 tonnes in the first nine months of 2015, down 11% from 18,931 tonnes in the first nine months of 2014.

In the third quarter of 2015, sales came to €15.8 million, down 10% compared with the third quarter of 2014, mainly as a result of the strong decline in zinc prices in the third quarter of 2015. Over the same period, restated\* sales decreased 12% to €19.0 million.

*\*: When assessing the performance of the Zinc segment, the Group continues to consolidate proportionally its investment in 50%-held Recytech SA, which is not permitted under IFRS.*

- *Special Metals segment: sales down 10%*

The Special Metals segment contributed 5% of consolidated sales in the first nine months of 2015.

In the first nine months of 2015, PPM Pure Metals GmbH recorded sales of €15.8 million, down 10% on the same period of 2014.

This decline was chiefly attributable to a contraction in arsenic volumes sold—despite a more favorable pricing environment—and a decline in germanium volumes sold. Against this backdrop, PPM Pure Metals GmbH introduced tolling measures in germanium to reduce its working capital requirement and its inventories.

In the third quarter of 2015, sales came to €4.5 million, down 35% compared with the third quarter of 2014, mainly as a result of the changes in the production strategy for germanium.

- *Plastics segment: sales down 1%*

Plastics sales accounted for 5% of consolidated sales in the first nine months of 2015.

They totaled €13.1 million, down just 1% compared with the first nine months of 2014.

Despite tough conditions linked to the low level of oil prices, selling prices held up well in France, with a small decline and were offsetted by growth in sales volumes in Germany. Overall sales volumes rose by 3% to 12,794 tonnes.

In the third quarter of 2015, sales came to €3.6 million, down 12% compared with the third quarter of 2014, mainly as a result of lower sales in France caused by the very low level of commodity prices relative to recycled material prices.

### 3. Legal proceedings

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](#)).

In addition, the Group responded to the European Commission's statement of objections within the allotted period. Companies that received statements of objections will present their case at hearings scheduled for November 17 and 18, 2015.

### 4. Search for financing

- *Working capital requirement of the Group's German perimeter*

The Group continued to implement measures to reduce the working capital requirement of its German subsidiaries, including an increase in tolling concentrates volumes handled by the Weser-Metall GmbH subsidiary. Thanks to these measures, the financing requirements of the Group's German subsidiaries were postponed until the first quarter of 2016, unless significant change in current metals prices, exchange rates or other commercial conditions occur.

Discussions are ongoing with a pool of potential providers on a combined package consisting of financing for the new production project in the Lead segment and for the working capital requirement of the Group's German perimeter.

- *Rehabilitation of the L'Estaque site*

Recylex SA continues its search for dedicated financing to complete the rehabilitation work at the L'Estaque site in Marseille. To this end, a request to defer the completion date for the rehabilitation work at this site, currently set at December 31, 2015, has been filed with the relevant authorities.

### 5. Financial agenda

- Full-year 2015 sales: Wednesday, February 17, 2016 (after the market closes)

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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](#)***

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## APPENDIX

### 1. Quarterly trend in average metal prices

(€ per tonne)	First quarter 2015	Second quarter 2015	Third quarter 2015	First quarter 2014	Second quarter 2014	Third quarter 2014
<b>Lead price</b>	1,605	1,758	<b>1,542</b>	1,538	1,528	1,645
<b>Zinc price</b>	1,848	1,981	<b>1,663</b>	1,482	1,512	1,743

### 2. Consolidated sales by quarter (IFRS)

(€ million)	First quarter 2015	Second quarter 2015	Third quarter 2015	First quarter 2014	Second quarter 2014	Third quarter 2014
<b>Lead</b>	75.9	64.4	<b>72.2</b>	87.0	80.0	78.3
<b>Zinc</b>	19.4	17.5	<b>15.8</b>	17.5	16.2	17.6
<b>Special Metals</b>	6.4	4.9	<b>4.5</b>	4.9	5.8	6.9
<b>Plastics</b>	4.8	4.7	<b>3.6</b>	4.5	4.6	4.1
<b>Total</b>	106.5	91.5	<b>96.1</b>	113.9	106.6	106.9

### 3. Recylex SA's sales

(€ million)	Nine months to September 30, 2015	Nine months to September 30, 2014	Change (%)
Lead segment	<b>47.6</b>	53	-10%
Services to Group companies	<b>1.2</b>	1.3	-8%
<b>Total sales</b>	<b>48.8</b>	54.3	-10%

*Disclaimer: This press release contains regulated quarterly financial information for the Recylex Group as defined in Article L. 451-1-2-IV of the French Monetary and Financial Code and Article 221-1 of the AMF General Regulation. 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](http://www.recylex.fr)). Further information about Recylex is available from its website ([www.recylex.fr](http://www.recylex.fr)).*