

Independent Auditor's Report

To Aurubis AG, Hamburg

Report on the Audit of the Consolidated Financial Statements and of the Group Management Report

AUDIT OPINIONS

We have audited the consolidated financial statements of Aurubis AG, Hamburg, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 30 September 2018, and the consolidated statement of comprehensive income, consolidated statement of profit or loss, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 October 2017 to 30 September 2018, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the group management report of Aurubis AG, which is combined with the Company's management report, for the financial year from 1 October 2017 to 30 September 2018. In accordance with the German legal requirements, we have not audited the content of those parts of the group management report listed in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- » the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to § (Article) 315e Abs. (paragraph) 1 HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 30 September 2018, and of its financial performance for the financial year from 1 October 2017 to 30 September 2018 and
- » the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of those parts of the group management report listed in the "Other Information" section of our auditor's report.

Pursuant to § 322 Abs. 3 Satz (sentence) 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

KEY AUDIT MATTERS IN THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from 1 October 2017 to 30 September 2018. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matters of most significance in our audit were as follows:

- 1 ACCOUNTING TREATMENT OF HEDGING INSTRUMENTS
- 2 DERIVING AND PRESENTING FINANCIAL MEASURES
- 3 PENSION OBLIGATIONS AND PLAN ASSETS
- 4 PRESENTATION OF THE FLAT ROLLED PRODUCTS (FRP) SEGMENT AS A DISPOSAL GROUP AND DISCONTINUED OPERATION

Our presentation of these key audit matters has been structured in each case as follows:

- ① Matter and issue
- ② Audit approach and findings
- ③ Reference to further information

Hereinafter we present the key audit matters:

① ACCOUNTING TREATMENT OF HEDGING INSTRUMENTS

- ① The companies of the Aurubis Group use a variety of derivative financial instruments to hedge against currency, commodity and interest rate risks arising from their ordinary business activities. The hedging policy defined by the executive directors serves as the basis for these transactions and is documented in corresponding internal guidelines.

Currency risk mainly reflects revenue and costs of materials denominated in foreign currency. The risk of changes in commodities prices focuses on copper prices in purchasing and selling metal. The risk of changes in interest rates results from floating-rate financing. Derivative financial instruments are recognized at fair value as of the balance sheet date. The positive fair values of the derivative financial instruments used as hedges amount to EUR 42.0 million as of the balance sheet date and the negative fair values amount to EUR 32.4 million.

Insofar the derivative financial instruments used by the Aurubis Group are effective hedges of future cash flows in the context of hedging relationships in accordance with the requirements of IAS 39, the respective changes in value are recognized over the duration of the hedging relationships directly in equity. As of the balance sheet date, a cumulative positive net amount of EUR 7.1 million was recognized outside profit or loss as expenses and income before taxes on income. We believe that these matters were of particular importance for our audit due to the high complexity and number of hedging transactions as well as the extensive accounting and measurement requirements of IAS 39.

- ② We involved specialists from our Corporate Treasury Solutions (CTS) area to in the audit of the accounting including the effects of the various hedging instruments on equity and profit or loss. Together, among other things we gained an

understanding of the processes relating to derivative financial instruments and assessed the internal control system, including the internal monitoring of compliance with the hedging policy.

In auditing the fair values we also assess the measurement methods applied using market data and the underlying contractual data. With respect to the hedging of expected future cash flows, we mainly carried out a retrospective assessment of past hedge effectiveness and assessed the expected future hedge effectiveness as well as the corresponding effectiveness tests.

We obtained bank and broker confirmations and made our own calculations in order to assess completeness and to examine the fair values of the recorded transactions. We were able to satisfy ourselves that, overall, the hedging instruments were appropriately accounted for and measured.

- ③ The disclosures on hedging instruments can be found in section "29 Financial instruments" of the notes to the consolidated financial statements.

② DERIVING AND PRESENTING FINANCIAL MEASURES

- ① The Aurubis Group uses operating earnings before taxes (EBT) and the operating return on capital employed (ROCE) as financial measures for the purposes of management and analysis. Both measures are calculated in accordance with the respective definition and approach presented in the notes on segment reporting by means of adjusting the corresponding IFRS results for measurement impacts deriving from the application of IAS 2 and effects deriving from purchase price allocations. The consolidated financial statements of Aurubis AG included adjustments to EBT in the amount of EUR 39.6 million and to capital employed to calculate the ROCE in the amount of EUR 293.3 million (indirectly by adjusting the individual items in the statement of financial position excluding investments measured using the equity method). The Company uses EBT and ROCE as core financial performance indicators in its capital market communication. They are also used as a measure of target achievement for the annual performance-related remuneration of the Aurubis Group's employees. Against this background, the adjustments to operating earnings before taxes and the operating return on

capital employed were of particular importance during our audit since they are based on the Aurubis Group's internal accounting guidelines and there is a risk of bias in the executive directors' judgment.

- ② Our audit included assessing the calculation of EBT and ROCE, and critically evaluating the identification and definition of non-operational measurement influences taken into account by the executive directors. Based on the findings of our audit and the information provided to us by the executive directors, we examined whether the adjustments had been applied in accordance with the respective definition and approach presented in the notes on segment reporting. We were able to satisfy ourselves that the adjustments applied to EBT and ROCE by the executive directors were in line with the notes on segment reporting and had been applied consistently.
- ③ The disclosures on deriving and presenting financial measures can be found in the section entitled "Economic development in the Aurubis Group" in the Group management report.

③ PENSION OBLIGATIONS AND PLAN ASSETS

- ① Pension provisions amounting to EUR 199.0 million are reported in the consolidated financial statements, comprising the net amount of the obligations under various pension plans (EUR 509.2 million) and the fair value of plan assets (EUR 310.2 million). The majority of these provisions relate to old-age and transitional pension commitments in Germany. Obligations under defined benefit plans are measured using the projected unit credit method. This requires in particular that assumptions be made as to long-term salary and pension trends, average life expectancy and staff fluctuations. Furthermore, the discount rate is derived on the basis of the return on high-quality corporate bonds issued in currencies and with maturities that match those of the underlying obligations. Changes to these measurement assumptions are recognized directly in equity as remeasurements. The plan assets largely comprise real estate assets, which are measured at fair value based on real estate appraisals. From our point of view, these matters were of particular importance during our audit because the recognition and measurement of these items – which are significant in terms of their total amount – are based to a large extent on estimates and assumptions made by the Company's executive directors.

- ② Our audit included among other procedures evaluating the actuarial reports obtained. Due to the specific features of the actuarial calculations, we were assisted by pensions specialists from our People & Organisation area (T&L P&O). In order to use the reports for the purposes of our audit, we assessed the professional qualification of the external actuaries as well as the measurement methods and assumptions used. On this basis, among other things we checked the numerical data, the actuarial parameters, the calculation of the provisions as well as the disclosures in the consolidated statement of financial position and the notes to the consolidated financial statements based on the actuarial reports. Our audit of the fair value of the plan assets was carried out in particular on the basis of real estate appraisals, bank and fund confirmations as well as other evidence of assets, which we evaluated. Based on our audit procedures, we were able to satisfy ourselves that the estimates and assumptions made by the executive directors are substantiated and sufficiently documented.
- ③ The disclosures on pension obligations and plan assets can be found in section "26 Pension provisions and similar obligations" of the notes to the consolidated financial statements.

④ PRESENTATION OF THE FLAT ROLLED PRODUCTS (FRP) SEGMENT AS A DISPOSAL GROUP AND DISCONTINUED OPERATION

- ① The assets and liabilities of the Flat Rolled Products (FRP) reporting segment are presented in the consolidated financial statements under the balance sheet items "Assets held for sale" in the amount of EUR 589.5 million and "Liabilities deriving from assets held for sale" in the amount of EUR 162.1 million. On 12 February 2018, Aurubis AG signed a term sheet with Wieland-Werke Aktiengesellschaft, Ulm, regarding the sale of the companies of the FRP segment. The purchase agreement was entered into on 29 March 2018 and is subject to the approval in connection with the merger control proceedings by the European Commission. After the European Commission informed Aurubis AG that the transaction was unlikely to be approved as submitted, the Executive Board published an ad hoc disclosure on 10 October 2018 stating that, in its estimation, the execution of the transaction with Wieland-Werke Aktiengesellschaft, Ulm, as submitted to the European Commission, was no longer highly probable at that time.

Aurubis AG and Wieland-Werke Aktiengesellschaft, Ulm, agreed to continue the European Commission's merger control proceedings. In the event the sale to Wieland-Werke Aktiengesellschaft, Ulm, is prohibited, either in full or in part, the Executive Board has actively identified sales alternatives. The Executive Board continues to regard the sale of the FRP segment as highly probable due to the buying interest expressed by various market participants. Therefore, the assets and liabilities of the FRP segment will continued to be reported and measured as a disposal group and discontinued operation after the balance sheet date. Against this background and due to the high complexity of the accounting treatment, this matter was of particular importance for our audit.

- ② As part of our audit and with the support of our internal specialists from Capital Markets & Accounting Advisory Services (CMAAS), we first obtained an understanding of the underlying contractual agreements and their effects on the presentation of the assets and liabilities of the FRP segment. Therewith, we, among other things, assessed the accounting treatment of the FRP segment as a disposal group and discontinued operation in accordance with IFRS 5. In order to assess whether the conditions had been met for classification during the year as a disposal group and discontinued operation, in particular the classification of the execution of a sales transaction as highly probable, also taking into account the ad hoc disclosure on 10 October 2018, we furthermore held discussions with the responsible persons of the Aurubis Group involved in the transaction and obtained further evidence. In doing so, we also used minutes from Executive Board and Supervisory Board meetings as well as correspondence with potential buyers to assess whether there was a corresponding buying interest in the market. We were able to satisfy ourselves that the assumptions underlying the classification as a discontinued operation and the measurement of the FRP segment's assets and liabilities are sufficiently documented and substantiated and that the presentation as a disposal group and discontinued operation as well as the corresponding disclosures are appropriate.

- ③ The disclosures on the planned disposal of the FRP segment can be found in the sections "Acquisitions and discontinued operations" and "Events after the balance sheet date" of the notes to the consolidated financial statements.

OTHER INFORMATION

The executive directors are responsible for the other information. The other information comprises the following non-audited parts of the group management report:

- » the statement on corporate governance pursuant to § 289f HGB and § 315d HGB included in section "Legal Disclosures" of the group management report
- » the corporate governance report pursuant to No. 3.10 of the German Corporate Governance Code
- » the separate non-financial report pursuant to § 289b Abs. 3 HGB and § 315b Abs. 3 HGB

The other information comprises further the remaining parts of the annual report – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor's.

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- » is materially inconsistent with the consolidated financial statements, with the group management report or our knowledge obtained in the audit, or
- » otherwise appears to be materially misstated.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE GROUP MANAGEMENT REPORT

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- » Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- » Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- » Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- » Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- » Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB.
- » Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the group management report.

We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.

- » Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- » Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory Requirements

FURTHER INFORMATION PURSUANT TO ARTICLE 10 OF THE EU AUDIT REGULATION

We were elected as group auditor by the annual general meeting on 1 March 2018. We were engaged by the supervisory board on 13 June 2018. We have been the group auditor of the Aurubis AG, Hamburg, without interruption since the financial year 2008/2009.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

German public Auditor responsible for the Engagement

The German Public Auditor responsible for the engagement is Claus Brandt.

Hamburg, 10. December 2018

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Claus Brandt	Alexander Fernis
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)