



Europe Greece

Basic Resources - Nonferrous Metals

Company Description

ElvalHalcor Hellenic Copper and Aluminium industry S.A. (ElvalHalcor), is a leading global manufacturer of aluminium and copper products.

The Company was formed in December 2017 via the merger of Elval, a leading European aluminium rolling company, and Halcor, the largest copper tubes producer in Europe.

ElvalHalcor capitalises on natural synergies in innovation and technology, research and development (R&D), procurement, marketing, infrastructure and environment to produce value-added, high-quality solutions for its customers around the world.

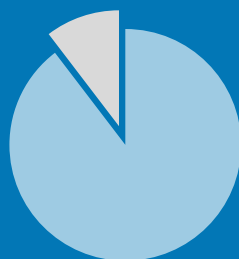
Share Data

Price (€)	€ 1.06 (11/03/2020)
# of shares	375,241,586
Capitalization (mil.€)	€ 397.8
% change since 31/12/2019	-39 %
52 wks high (€)	€ 2.07
52 wks low (€)	€ 0.92
REUTERS	ELHA.AT
BLOOMBERG	ELHA:GA

Shareholders Structure

Free Float
8.56%

VIOHALCO
91.44%



IR RELEASE FY 2019

Financial Results

	Consolidated		Company	
(M €)	2019	2018	2019	2018
Turnover	2,044.6	2,117.8	1,429.9	1,486.9
Gross Profit	145.1	166.9	101.9	112.1
a-EBITDA	140.2	142.1	99.2	91.9
EBITDA	137.4	165.2	100.6	114.7
EBIT	80.0	107.1	62.8	75.4
EBT	58.2	75.8	46.4	53.9
Profit after tax	41.9	64.3	32.9	47.3
Profit after tax & non-controlling interests	41.3	63.6	32.9	32.9
Margin				
Gross Profit	7.1%	7.9%	7.1%	7.5%
a-EBITDA	6.8%	6.7%	6.9%	6.2%
EBITDA	6.7%	7.8%	7.0%	7.7%

FY 2019 Financial Results

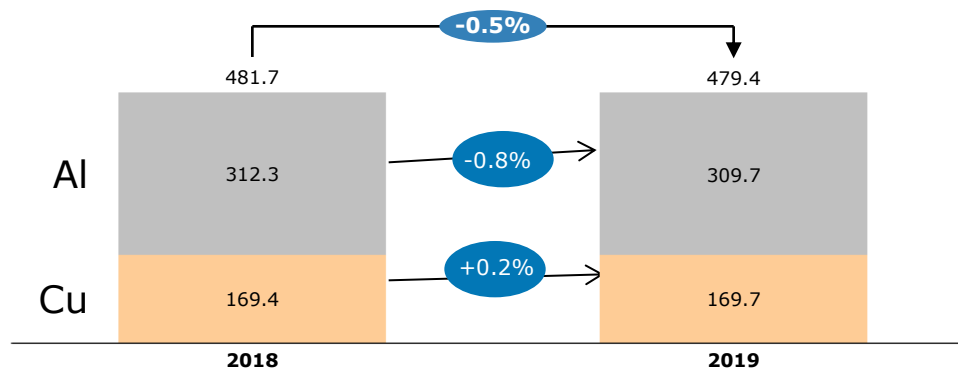
ElvalHalcor, despite the slowdown of growth and industrial output in the European markets and the drop in demand of the US market during the first quarter of 2019, maintained sales volumes, driven by the growth during the first months of 2019, in both the aluminium segment as well the copper segment, maintaining operating profitability at the consolidated level and increasing it at the company level.

More specifically, ElvalHalcor's consolidated revenue declined by 3.5% for 2019 reaching EUR 2,044.6 million, compared to EUR 2,117.8 million for the respective prior year. The decline was mainly caused by metal prices, which fluctuated at lower levels internationally, followed by a marginal drop in sales volumes by 0.5%. It is noteworthy that, in comparison to the prior year, average aluminium prices were lower by 10.4%, copper prices by 2.9% and zinc prices by 7.9%. The slowdown during the last quarter resulted in adjusted consolidated earnings before taxes, interest, depreciation and amortization and metal price lag (a-EBITDA), of EUR 140.2 million for 2019, versus EUR 142.2 million for the year before.

Consolidated gross profit was affected by the declining metal prices and amounted to EUR 145.1 million for 2019, compared to EUR 166.9 million for 2018, as the accounting metal results amounted to a loss of EUR 2.1 million for 2019, compared to a gain of EUR 23.0 million for the fiscal year of 2018. This downturn impacted also the consolidated earnings before taxes, interest, depreciation and amortization (EBITDA), which amounted to EUR 137.4 million, compared to EUR 165.2 million in 2018.

Consolidated financial costs improved by 21.1% year-on-year, following the improved interest margins achieved by the renegotiation of loans of both the parent company and its subsidiaries. Finally, profit after tax amounted to EUR 41.9 million in 2019, versus EUR 64.3 million for the year 2018, with the reduction in profit, both before and after tax, being driven by the reduced metal result.

Volume of Sales in kt



Results per Segment FY 2019

ALUMINIUM

In 2019, the aluminium rolling segment experienced a marginal decline by 0.8% in sales volumes, while its turnover reached EUR 1,026, declining by 4.9%, primarily due to the reduction of the price of aluminium versus the prior year, and secondarily due to the drop in demand during the last quarter which affected the volumes sold. a-EBITDA amounted to EUR 97.3 million in 2019 versus EUR 95.8 million for the respective prior year period, marking an increase by 1.6%.

The amount of EUR 130.0 million was invested in acquisition of fix assets, out of which EUR 118.7 million for the production facilities of the aluminum rolling facilities of the parent company in Oinofyta, part of the ongoing strategic investment program. The installation and the operation of the new hot rolling mill is expected to be completed as scheduled in April, and the company has already initiated the next two-year investment program of EUR 100 million with the aim to increase the utilisation of the new production capacity.

COPPER

In 2019, and despite the negative impact from the decline of industrial output, which reduced significantly the overall demand especially in rolling products, and the drop in the growth of the European economy which affected all product categories, the copper segment sales volumes marked a marginal increase of 0.3%, with sales amounting to EUR 1,018 million, declining by 2.0%, versus 2018, and a-EBITDA reaching EUR 43 million compared to EUR 46 million in the prior year.

In regards to the investments, approximately EUR 17 million were invested, out of which EUR 8.0 million at the copper tube plant in Oinofyta, while the amount of EUR 8 million was invested at the copper and copper alloys rolling plant in Sofia.

ALUMINIUM		
(€'000)	2019	2018
Revenue	1,026,191	1,078,955
EBITDA	98,490	117,751
a-EBITDA	97,272	95,767
EBIT	61,105	76,953
Net finance cost	(11,544)	(15,179)
Profit before Taxes	50,178	61,962

COPPER		
(€'000)	2019	2018
Revenue	1,018,415	1,038,834
EBITDA	38,907	47,415
a-EBITDA	42,933	46,382
EBIT	18,933	30,098
Net finance cost	(15,179)	(16,977)
Profit before Taxes	8,001	13,887