SHAPING THE FUTURE

Annual Report 2010/11

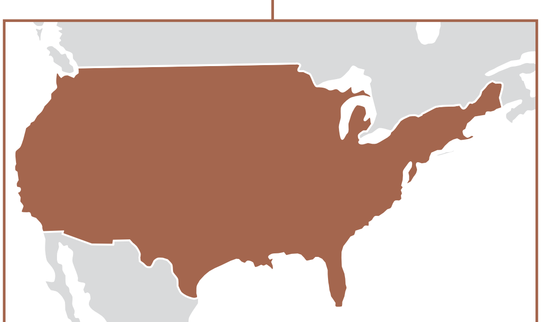
Aurubis

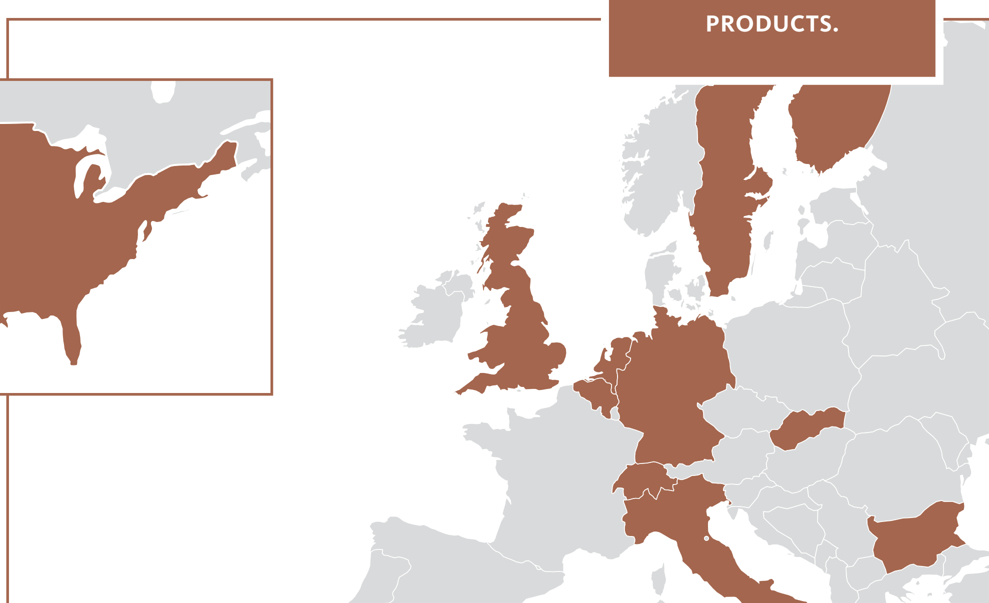
AURUBIS –
integrated processes, international position

AURUBIS IS THE LEADING INTEGRATED COPPER GROUP AND THE WORLD'S LARGEST COPPER RECYCLER. WE HAVE ALMOST 6,300 EMPLOYEES AT 16 PRODUCTION SITES IN ELEVEN EUROPEAN COUNTRIES AND THE USA. FURTHERMORE, WE ARE EQUIPPED WITH AN EXTENSIVE SERVICE AND SALES SYSTEM FOR COPPER PRODUCTS IN EUROPE, ASIA AND NORTH AMERICA.

OUR AIM IS TO GENERATE ATTRACTIVE EARNINGS FOR OUR SHAREHOLDERS AND TO GROW SUSTAINABLY AND INTERNATIONALLY ON THE BASIS OF SECURE STRUCTURES.

WITH OUR THREE BUSINESS UNITS, WE PRODUCE SOME 1.1 MILLION T OF COPPER CATHODES EACH YEAR AND FROM THEM A VARIETY OF COPPER PRODUCTS.





SEGMENTS

PRIMARY COPPER

This Business Unit primarily unites the activities concerned with the production of quality copper in the form of marketable copper cathodes from the primary raw material, copper concentrates. It also produces sulphuric acid.

Main sites
Hamburg (D)
Olen (B)
Pirdop (BG)

Main activities
Processing copper concentrates; producing cathodes, sulphuric acid, iron silicate and other specialty products

Revenues	**6,662.6**
EBIT (operating)	**184.2**
Employees (avg.)	**2,186**

RECYCLING/ PRECIOUS METALS

This Business Unit produces copper cathodes from a wide variety of recycling raw materials. It also produces precious metals and other by-metals.

Main sites
Hamburg (D)
Lünen (D)
Olen (B)

Main activities
Recycling; producing cathodes, precious metals, other specialty products

Revenues	**4,548.0**
EBIT (operating)	**108.1**
Employees (avg.)	**1,079**

COPPER PRODUCTION

COPPER PRODUCTS

This Business Unit processes cathodes into copper products and markets them. End users include the electrical engineering, automotive, mechanical engineering, telecommunications and construction industries.

Main sites
Avellino (I), Buffalo (USA), Emmerich (D), Finspång (S), Hamburg (D), Olen (B), Pori (FIN), Stolberg (D), Yverdon-les-Bains (CH), Zutphen (NL)

Main products
Continuous cast wire rod, continuous cast shapes, strips/foils, shaped wires, special profiles

Revenues	**9,656.8**
EBIT (operating)	**61.5**
Employees (avg.)	**1,744**

COPPER PROCESSING

PRODUCTION

		2009/10	2010/11	Change in %
Copper price LME settlement (avg.)	US$/t	7,036	9,096	+ 29.3
Cathodes	1,000 t	1,144	1,147	+ 0.3
Continuous cast wire rod	1,000 t	766	785	+ 2.5
Continuous cast shapes	1,000 t	210	197	– 6.2
Pre-rolled strip *	1,000 t	209	202	– 3.4
Strips	1,000 t	41	40	– 2.4
Shaped wires	1,000 t	10	11	+ 10.0
Special profiles	t	7,017	10,180	+ 45.1
Gold	t	38	35	– 7.9
Silver	t	1,339	1,374	+ 2.6

* Sales

THE GROUP IN FIGURES

AURUBIS GROUP (IFRS)		2010/11[1) 2)]	2009/10[1)]	Change in %
RESULTS				
Revenues	€ million	13,336	9,865	35.2
EBITDA	€ million	580	581	– 0.2
Operating EBITDA	€ million	440	293	50.0
EBIT	€ million	456	475	– 4.1
Operating EBIT	€ million	327	187	75.0
EBT	€ million	421	447	– 5.9
Operating EBT	€ million	292	159	84.0
Consolidated net income	€ million	322	326	– 1.0
Operating consolidated net income	€ million	211	121	74.7
Net cash flow	€ million	418	85	392.3
BALANCE SHEET				
Total assets	€ million	4,333	3,410	27.1
Non-current assets	€ million	1,096	999	9.7
Capital expenditure	€ million	116	151	– 23.1
Depreciation and amortisation	€ million	124	106	16.2
Equity	€ million	1,740	1,310	32.8
AURUBIS SHARES				
Market capitalisation	€ million	1,717	1,429	20.2
Earnings per share	€	7.33	7.93	– 7.6
Dividend[3)] per share	€	1.20	1.00	20.0
HUMAN RESOURCES				
Number of employees (fiscal year-end)		6,279	4,831	30.0
Personnel expenses	€ million	312	295	5.8

1) values "operationally" adjusted by valuation results from the application of the average cost method in accordance with IAS 2, by copper price-related valuation effects on inventories and by effects from purchase price allocations, mainly property, plant and equipment, starting fiscal year 2010/11
2) including Luvata RPD as of 1 September 2011
3) 2010/11 figure is the proposed dividend

“If the **future** is a prospect,
one should begin **shaping** it
in the present.”

Sir Francis Bacon,
English philosopher and statesman

FOR SOME, COPPER IS AN ELEMENT, A BASIC RAW MATERIAL. FOR OTHERS, IT IS A PRECIOUS METAL. FOR US, COPPER IS MUCH MORE – IT IS THE PULSE OF OUR HIGH-TECH WORLD. THE USE OF HIGH-QUALITY COPPER AND COPPER PRODUCTS RISES WITH THE INCREASING STANDARD OF LIVING AND IS CRUCIAL TO DEVELOPMENT AND GROWTH. THE NEED FOR COPPER IS PROPORTIONAL TO THE INCREASE IN PROSPERITY. WE WANT TO ASSIST IN THIS DEVELOPMENT COMPETENTLY BY CONTINUOUSLY STRENGTHENING OUR BUSINESS AND UTILISING GROWTH OPPORTUNITIES.

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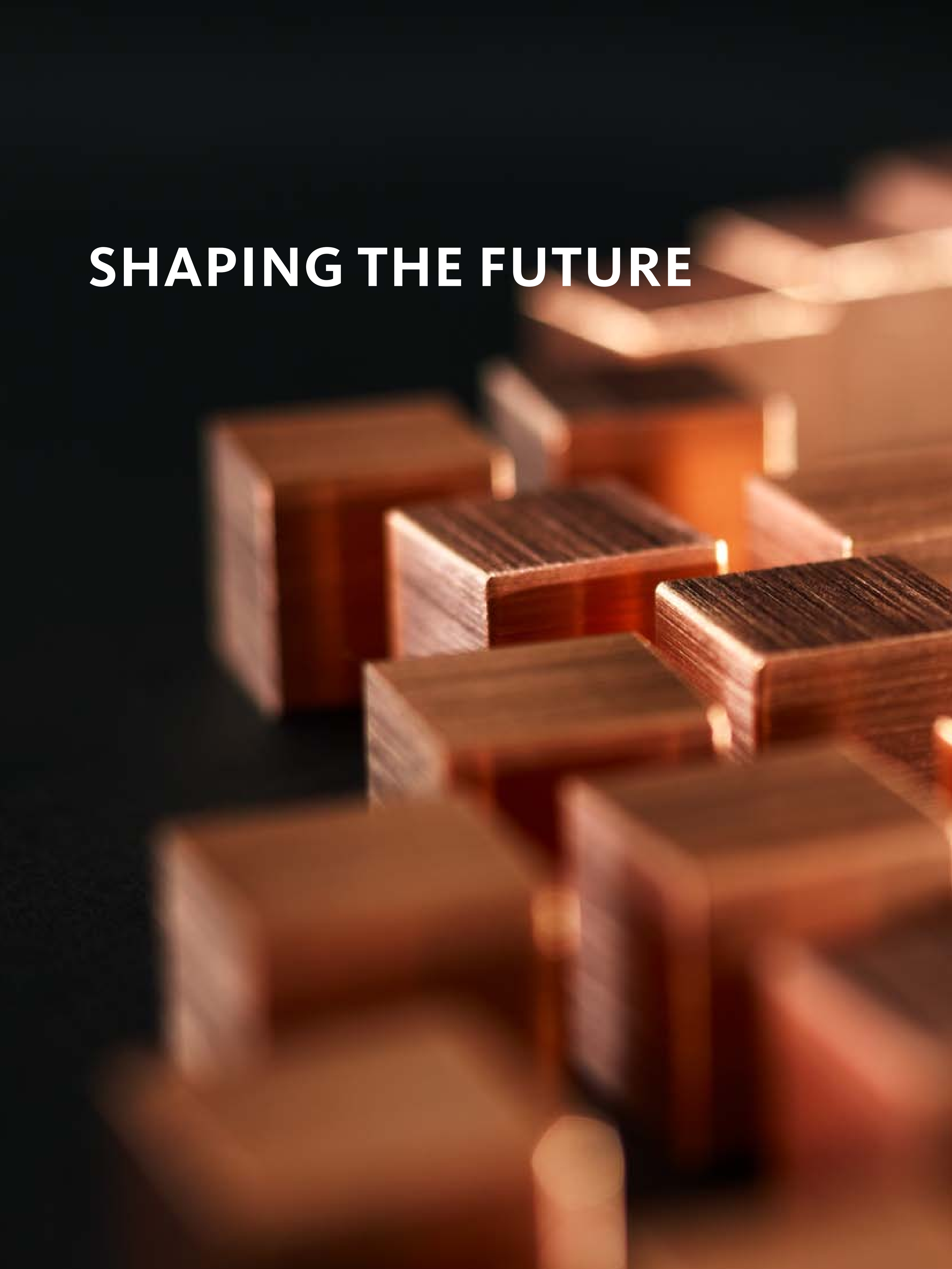
SHAPING THE FUTURE



COPPER IS AS IMPORTANT TODAY AS IT WAS YESTERDAY, AND IT WILL CONTINUE TO BE IMPORTANT TOMORROW BECAUSE COPPER IS THE MATERIAL OF DEVELOPMENT AND PROGRESS. FOR US, COPPER IS THE BUILDING BLOCK WE USE TO SHAPE THE FUTURE – WITH A WEALTH OF IDEAS, PURSUING A CLEAR STRATEGY, ON A SOLID BUSINESS FOUNDATION.

AURUBIS IS PURSUING A CLEAR AIM: WE WANT TO GROW AS THE LEADING INTEGRATED COPPER PRODUCER AND PROCESSOR IN ORDER TO STRENGTHEN OUR POSITION. GROWTH AND INCREASING CORPORATE VALUE SHOULD BE SUSTAINABLE IN THE PROCESS. THE QUALITY OF OUR GROWTH IS THEREFORE IMPORTANT TO US. WE DO NOT WANT TO GROW AT ANY COST BUT TO GROW INTELLIGENTLY. EXPANSION ONLY MAKES SENSE FOR US WHEN IT HELPS US OPTIMISE OUR STRUCTURES AND PROCESSES AND ENHANCE OUR PRODUCT AND SERVICE PORTFOLIO.

WE ARE GROWING – not just to become larger but to become better

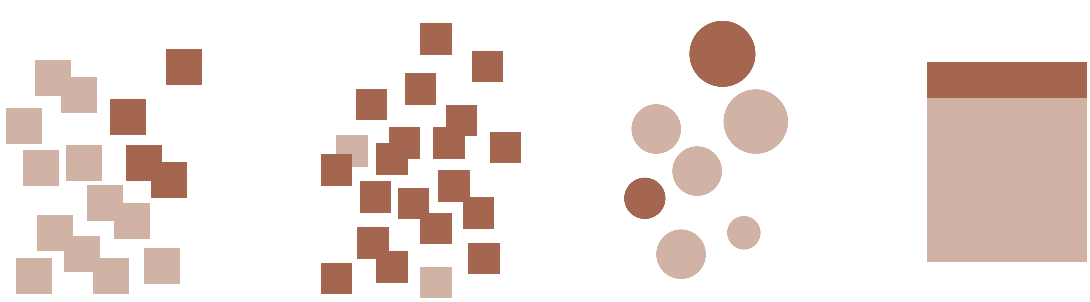
On its path to becoming an international leader, Aurubis took a decisive step during the past year: with the acquisition of the Luvata Group's Rolled Products Division, we are extending our product sector and expanding our foundation for further international growth.

The Company's growth is thoroughly connected to the objective of becoming the world's leading integrated copper producer and processor. The quality of this growth plays a prominent role for us, however. We do not want to become larger at any cost – our ultimate aim is to become better. We have distinctly strengthened our Copper Products Business Unit with the successful acquisition of Luvata's Rolled Products Division (Luvata RPD) as of 1 September 2011. **Both companies' product portfolios complement one another optimally.** Our strength up to now has been in producing copper strip and strip made of high-performance alloys. High-volume products have now been added as well as a new technology that enables us to produce even more cost-effectively. In the expanded Group we are now in the position to offer a wider product range of copper and copper alloys.

WITH THE ACQUISITION, WE ARE JOINING THE RANKS OF THE WORLD'S LEADING INTEGRATED COPPER COMPANIES.

In addition, the acquisition of Luvata RPD allows us to **develop our international presence.** We will have very good access to North American markets in the future, a stronger presence in Europe and a reinforced sales platform overall, which now extends to Asia. In our new position we have improved contact to the market and thus the potential for increased value added.

Aurubis before and after the acquisition of Luvata RPD



Production sites
from 12 to 16

Sales offices
from 2 to 21

Employees
from 4,941 to nearly 6,300

Copper product fabrication
from 1.1 to 1.3 million t

TOGETHER WE CAN UTILISE SYNERGIES AND BECOME EVEN MORE EFFECTIVE.

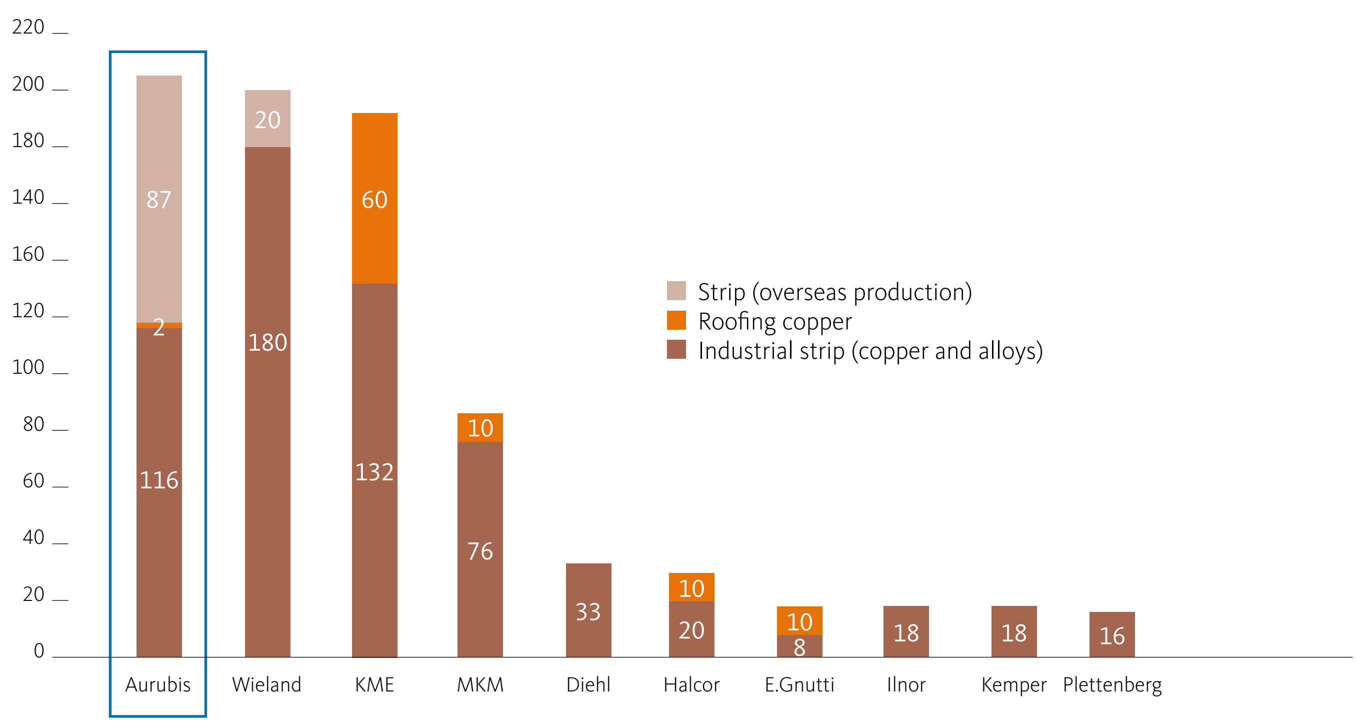
The broader production and sales base also allows us **to advance in internationally significant product markets.** Due to the acquisition of Luvata's Rolled Products Division, we are now one of the leading copper strip producers in Europe and the USA. Equipped with a complete product portfolio and an international sales and distribution network, we are now in a better position to participate in the growth of international customer markets. In the process, our focus is on forward-looking applications in the electrical engineering and electronics industries in Europe and Asia.

We also benefit from the new, larger Aurubis Group in upstream value-added steps as well. There are significant **synergies** in this regard: the integration ensures a continuous raw material supply for the expanded Business Line Flat Rolled Products from our own primary materials. At the same time, we can improve capacity utilisation for primary products such as pre-rolled strip. Moreover, the combination and specialisation of the sites increases capacity utilisation and boosts productivity.

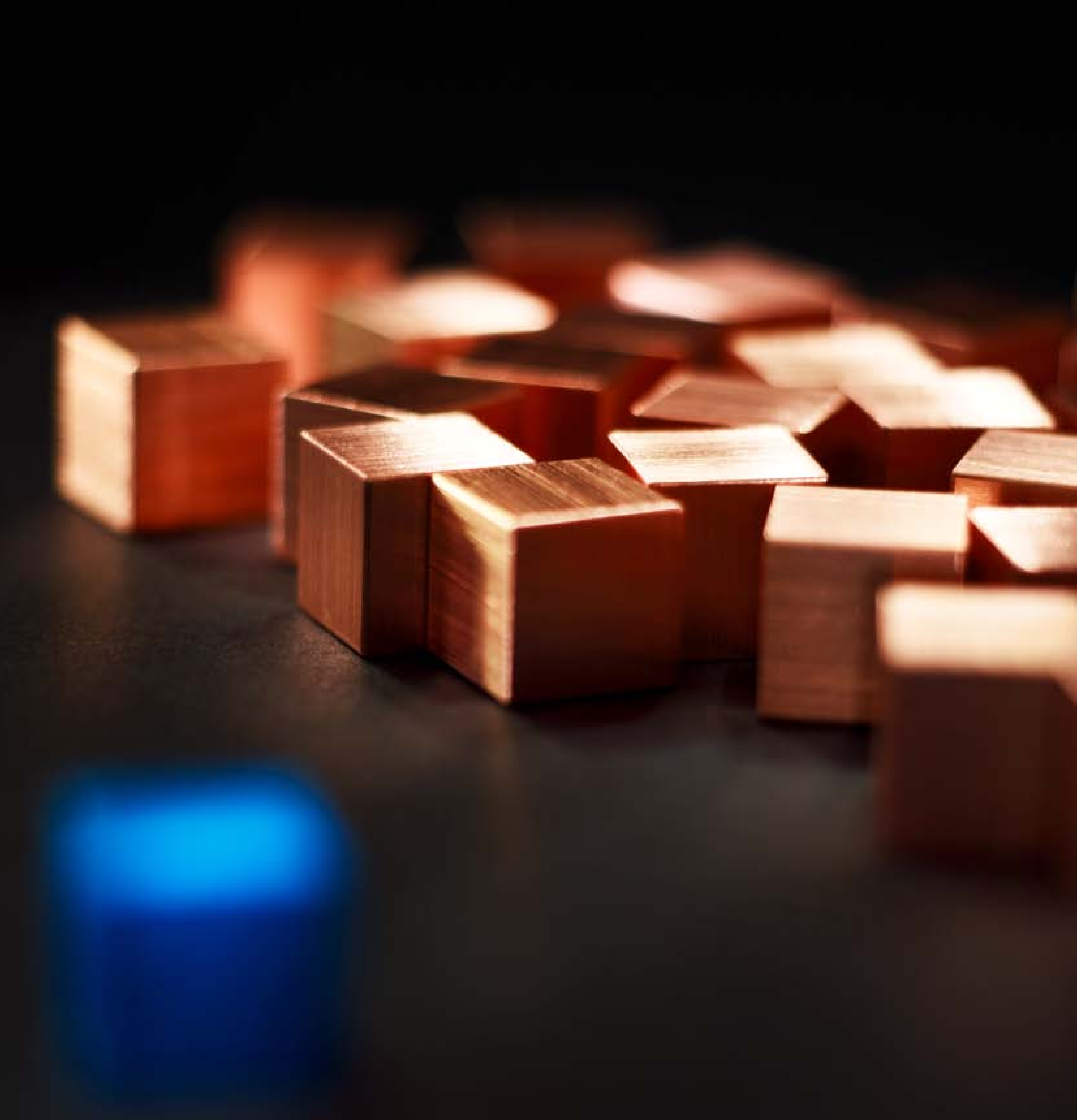
In our new position, we are an even more efficient, reliable supplier for our customers with a complete product portfolio and a global reach.

European fabricators' strip production 2010

in thousand t



Source: Aurubis estimates



EUROPE HAS A HIGH COPPER DEMAND BUT LACKS NATURAL RESOURCES. WE PROCESS VARIOUS RECYCLING RAW MATERIALS EFFICIENTLY, RECOVERING THE VALUABLE MATERIALS THEY CONTAIN. THIS CYCLE CONSERVES NATURAL RESOURCES, REDUCES THE ENERGY DEMAND AND PREVENTS THE PERMANENT LOSS OF VALUABLE MATERIALS. DUE TO OUR PRESENCE ON THE COPPER CONCENTRATE AND RECYCLING MARKETS, WE REDUCE RISKS ON THE PROCUREMENT MARKET WHILE MAINTAINING MODERN, ENVIRONMENTALLY FRIENDLY PRODUCTION PROCESSES.

WE ARE INVESTING IN RECYCLING EXPERTISE –
and strengthening our raw material base

Aurubis operates one of the largest copper recycling sites in the world in Lünen. However, we use recycling raw materials in other plants as well. Our very early entry into this sector in the late 19th century ensures that we are able to make significant advances in metal recovery know-how today. With a new furnace plant that was commissioned in fiscal year 2010/11, we are considerably increasing capacity at the Lünen site yet again and purposefully developing our role as forerunner in copper recycling.

Recycling non-ferrous metals has a long history in Europe, as the continent lacks raw materials. The significance of closed material cycles and recycling is apparent. Apart from this, recycling conserves resources and the environment and has a good energy balance. We recognised the value of material recovery early on and have taken advantage of the benefits of supplying raw materials via recycling for many decades. **Today we combine primary copper production with copper recycling like no other company in the world.**

In the calendar years 2010 and 2011 we invested € 62.5 million in the expansion of the Lünen production plants, thus preparing ourselves for the future. **Our recycling capacity is increasing substantially.** Equipped with the latest technology and improved environmental protection, the facility will be able to process up to an additional 100,000 tonnes of complex raw materials annually in future as compared with before. It is extremely efficient and sets a new international benchmark in environmental protection. We have therefore made significant progress positioning ourselves as an especially qualified complex raw material recycler. We produce not only copper but also a variety of other valuable metals, such as gold, silver, nickel and tin, from a wide range of recycling raw materials. We refer to this process as multi-metal recycling, which helps us increase value added.

WE ARE CONSIDERABLY INCREASING OUR RECYCLING CAPACITY IN LÜNEN IN ONE FELL SWOOP.

RAW MATERIAL SCARCITY MAKES RECYCLING INCREASINGLY ATTRACTIVE WITH A VIEW TO SUPPLY SECURITY.

With **€ 17.5 million,** about 28 % of capital expenditure in Lünen in the last year and a half has flowed **into environmental protection** – a responsibility that we assume as a matter of course. We have always felt obligated to act for the benefit of everyone and of nature. **The new KRS-Plus facility is also designed to reduce emissions to a minimum.**

Furthermore, we are taking on a timely issue with the recovery process, as access to natural raw materials is becoming increasingly difficult for European industry and procurement costs are rising on the world market. **Economic reasons thus support recycling more and more in addition to environmental aspects.** Metal recycling is a key element of the new strategy for raw materials pursued by the German Federal Government and the European Union in order to conserve resources and secure the supply of raw materials to European industry.

With our quality recycling, we guarantee high resource, energy and process efficiency as well as high environmental standards. We view ourselves as optimally positioned for the future as a result.

Four focuses of capital expenditure at the Lünen recycling centre since 2000

€ 40 million
Kayser Recycling System (KRS) – modern smelting plant for processing recycling raw materials

€ 6 million
Sampling plant for complex electronic scrap

€ 7.5 million
High-capacity facility for storing and handling special raw materials

€ 62.5 million
Additional furnace plant (TBRC) for process improvement and capacity expansion

THINKING AND ACTING TOGETHER – INCLUDING ACROSS COUNTRIES – MAKES US STRONG. EVERY INDIVIDUAL ACTIVATES SYNERGIES BY LOOKING BEYOND HIS DEPARTMENT, EXCHANGING IDEAS WITH COLLEAGUES AND WORKING WITH OTHERS TO FIND SOLUTIONS AND IMPROVEMENTS. THIS IS WHY WE ENCOURAGE A CULTURE OF COOPERATION.

WE GIVE OUR EMPLOYEES SPACE –
and attract creative talents

A corporate culture lives through the employees. Only when every individual is prepared to do his part responsibly to contribute to the whole does a sense of community emerge. Only when we as an employer provide sufficient space for developments can we shape the future together. This is why every employee is important to us at Aurubis.

As an industrial enterprise, we live from our expertise in all departments. Deep knowledge and professional development of the markets, modern facilities, achievements in process and product quality, top performance in environmental protection – all of these aspects contribute to our success. Behind these accomplishments are people, **great minds** – our employees. They are the ones who work on continuously expanding our leading position. They move Aurubis forward significantly with their know-how and dedication.

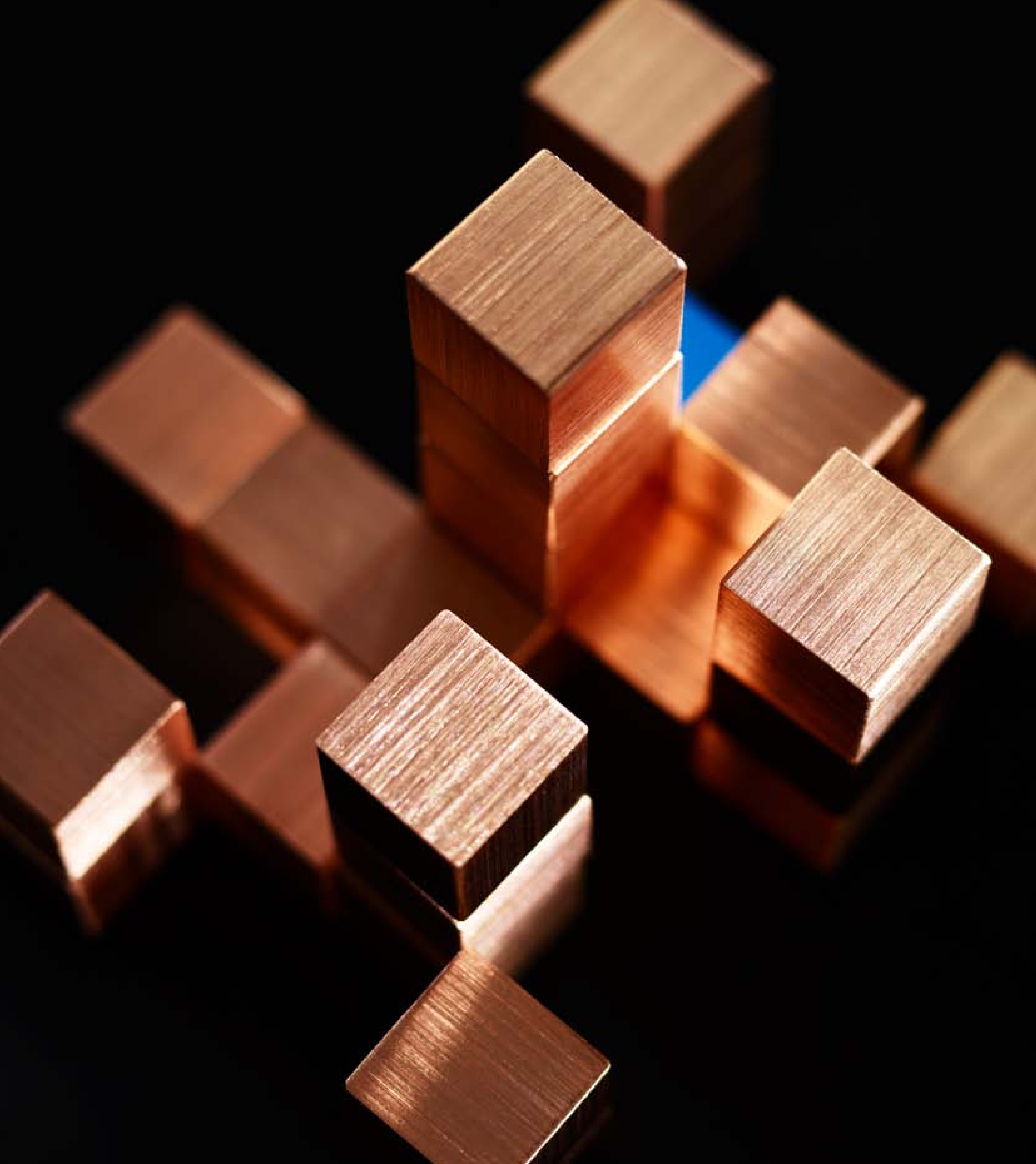
It is a matter of course for us to qualify them with vocational training and to build on this with continuing education. Our apprenticeship rate in Germany has been 8 % for years. We offer 22 trades and professions, and about 300 people are currently in apprenticeships at Aurubis. **Motivation** is just as important to us, however. We can only continue improving, continue growing and increase our profitability when Aurubis is able to maintain employee commitment. Because of this, it is crucial to us that every individual identify with the Company. Those who identify with their work enjoy it more and are more strongly involved as a result. With this in mind, we foster a close working environment at Aurubis, promote teamwork and use an individual, performance-oriented remuneration system.

THE INTERPLAY OF DIFFERENT STRENGTHS MOVES US FORWARD.

A **close working environment** emerges over many years on the basis of openness. We put this transparency into practice in our dealings with one another and benefit from it in extraordinary situations. We are faced with an integration phase with the acquisition of Luvata's Rolled Products Division. There are always many questions in a phase like this. We are familiar with this due to our history, but we also know from experience that our employees work in a solution-oriented manner very quickly. We are building on this ability and look forward to shaping a new, larger and more successful Aurubis.

WE GAIN A HIGHER LEVEL OF IDENTIFICATION AND THUS MOTIVATED EMPLOYEES BY PROVIDING CREATIVE FREEDOM.

The opportunity to **contribute your own ideas to your work** is just as important as open cooperation with others. Innovation management is therefore a decisive component of our strategy at Aurubis. Anyone can take part in this. It involves technical and commercial innovations, optimisations in administrative structures and market development and improvements in processes and daily workflows in all Group departments. Workshops provide employees with creative techniques and space for their ideas. In this way, they introduce their own suggestions to the company, identify more strongly with their work and actively move Aurubis forward.



PROXIMITY TO OUR MARKETS AND STRONG AWARENESS OF CUSTOMER NEEDS BRING NEW KNOWLEDGE TO OUR COMPANY EVERY DAY. WE USE THIS KNOWLEDGE AND ACTIVELY APPLY IT TO OUR DEVELOPMENTS. WE BENEFIT FROM OUR NETWORK STRUCTURES AND PROCESSES AS AN INTEGRATED COPPER COMPANY. THEY ENABLE PROMPT AND EFFECTIVE KNOWLEDGE TRANSFER, ALLOWING US TO BECOME MORE VERSATILE AND TO TAKE ACTION EARLY ON.

WE STAY UP-TO-DATE WITH THE MARKETS –
and remain on track in the process

Global economic conditions are changing in shorter and shorter intervals. Those who want to be successful in future must adjust their business accordingly. Aurubis' strength is integrated production expertise. As a company that is active on significant levels of copper's value-added chain, we can more quickly adapt to changes in the market. The key is to offer the flexibility demanded from the outside while maintaining stability on the inside.

Things happen quickly in the globalised economy and economic dealings are fast-paced. What may be true today could change tomorrow. This leads to higher demands when it comes to companies' planning and business processes. More flexibility and quick action are essential. If this was only a reflection of the current situation, it would be sufficient to tweak small areas. However, we assume that this is a fundamental change. Because of global economic ties and the transparency brought on by new media, everything is moving closer together. External influences have a stronger, more direct effect and are more international. We are adapting to this reality. For us, this means that customers will plan their material requirements on a more short-term basis and that they will expect us to be more flexible, for example. Short reaction times are already one of our strengths. This is a result of our approach, which we have established over the years: the combination of a long-term, well-founded strategy including continuous inspection of the environment and, stemming from that, the corresponding development of our business. Paired with the Aurubis Group's unique structure and broad position, this offers us various courses of action depending on the situation.

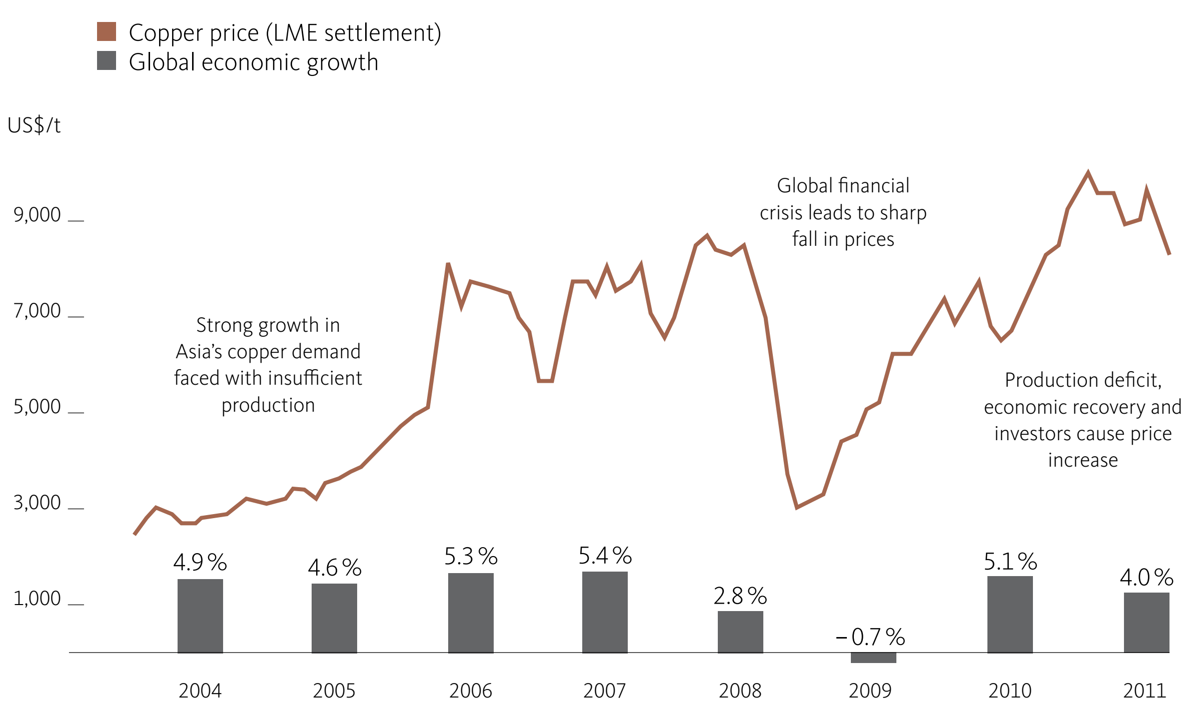
AURUBIS STANDS FOR CONTINUITY. WE MAINTAIN THIS INNER STABILITY BUT ALSO OFFER OUR CUSTOMERS THE FLEXIBILITY THEY REQUIRE.

WE ADHERE TO OUR HIGH QUALITY STANDARDS EVEN UNDER COMPLEX CONDITIONS.

We combine this active flexibility towards the customer side with the same flexibility on the procurement side and the stability of our business model at the same time. Integrated processes in copper production allow us to process a wide range of materials and to recover the elements they contain. This provides us with a clear competitive advantage. We produce our copper from both primary and secondary raw materials. We can take advantage of market opportunities by using a variety of input materials. We largely process our own copper cathodes into high-grade copper products. We are fundamentally able to ensure availability and quality ourselves. Aurubis' business model thus has a sustainable foundation.

We will continue to actively shape our future. However, we also plan to exhibit continuity and stability as time goes on. We have always had security in mind when making strategic decisions, and that will not change. When we invest and grow, we do it in areas where we can sensibly expand and complement our core business. Only in this way can we continue to improve and adhere to our high quality standards.

Volatile economic and copper price trend calls for a suitable approach to the market



Source: LME; IMF, 09/11

DEAR SHAREHOLDERS,

Aurubis has a very successful fiscal year behind it. However, the past fiscal year demonstrated strikingly how much our current environment is defined by uncertainty. The number of negative reports in the media increased steadily following a good start to the year. First it was the political upheaval in North Africa and growing concerns about the financial stability of Southern European countries, followed later by the USA's credit rating downgrade, intensification of the financial crisis in the euro-zone, declining trust in politics as a problem solver and increasing recession scenarios for important economies. In a climate like this, it was not surprising that the sentiment indicators fell and expectations for economic growth suffered across the board. Nevertheless, the hard data up to the balance sheet date for the industries important to us did not indicate that the business situation had worsened significantly, which had been predicted since the summer. In September 2011 it was announced that there was a 10 % increase in German exports compared to the prior month, and the electronics and automotive industries and the machinery and plant engineering sector reported continued high production.

For Aurubis, uncertainty is a factor that we live with in our daily transactions. It is not a new phenomenon. As a company whose business is defined in part by fluctuating exchange prices for copper and other metals, we know how to deal with it. We therefore acknowledged the negative mood emerging but did not allow it to turn us into pessimists. What counts for us is realism, which shows a copper market that has been fundamentally stable for a long time now. The copper price on the metal exchanges proved to be very robust in 2010/11 and barely reacted to negative incidents for much of the year. Our raw material markets allowed for an adequate supply at good conditions and product business progressed at a high level. That being said, fiscal year 2010/11 was very successful for Aurubis, and today we are able to present to you an operating result that – as forecast – considerably exceeds that of the prior year. At € 292 million, operating earnings before taxes (EBT) were 84 % up on the prior-year level. Revenues increased 35.2 % to € 13,336 million. At € 1,084 million, gross profit also achieved a value considerably over the prior-year value. All three business sectors contributed to the good figures. We want you as our shareholders to take part in this and will thus recommend a dividend of € 1.20 at the Annual General Meeting. We thus continue our stable dividend policy, offering an attractive dividend yield even in times of growing uncertainty.

The Executive Board: Dr Stefan Boel, Erwin Faust, Peter Willbrandt, Dr Michael Landau

As a matter of course, we want to build on these accomplishments in the future as well. The successful acquisition of Luvata's Rolled Products Division on 1 September 2011 was an important step. It followed the logic of achieving a strong market position in all business sectors and was an important milestone for Aurubis in its forward-looking strategy of further internationalising and expanding the business foundation. It focuses amongst other things on the product sector, broadening our portfolio in that segment and opening up new customer markets for us. The new fiscal year marks the integration and realignment of the Business Line Flat Rolled Products & Specialty Wire. We are incorporating the new sites into our group, adapting the organisational structure, setting regional production focuses and will tap existing synergies little by little. We, the Executive Board, will not lose sight of our overall strategy in the process. Aurubis continues to be aligned towards qualitative growth in its traditional business areas and views further internationalisation as a way to achieve our targets. In this way we are working on optimising our business and improving our competitive edge.

Our integrated business model offers an excellent starting point. Actively guided processes of change, improvement and innovation make us more resistant to negative influences from the economic environment. Over 6,000 employees are currently working in all areas of the Company to make Aurubis even more crisis-proof.

There was a change in the Executive Board at Aurubis at the beginning of the year. After Dr Bernd Drouven decided to leave the Company on 31 December 2011, the Supervisory Board unanimously elected Peter Willbrandt as his successor. He has been at the Company since 1988, a member of the Executive Board since 2007 and now Chairman since 1 January 2012. He views the successful integration of the new sites in the product sector as the primary task in the coming months.

Though the new fiscal year is still young, it is evident that the solution to the problems of the international financial crisis is meanwhile being addressed in a more active and coordinated manner. The transition to calmer waters may take some time, however. We are equipped for this. On the copper market, many factors indicate continuing high prices, nevertheless with equally high volatility. The continuing trend on the markets for copper raw materials and copper products, especially in calendar year 2012, cannot be realistically estimated at the moment. However, we expect a high level of capacity utilisation for our facilities again. The first quarter of the new fiscal year was satisfactory according to initial information, so we are starting fiscal year 2011/12 with confidence. We and all of the Group's employees will continue working to ensure that Aurubis remains a solid, reliable and responsible company and an attractive investment for you as shareholders and for our business partners in the international copper community.

Best regards

Peter Willbrandt, Chairman of the Board

Erwin Faust

Dr Michael Landau

Dr Stefan Boel

PETER WILLBRANDT

joined the Group in 1988. After senior positions in the smelter production sectors, he was put in charge of Metallurgy in 2001. This was followed by his appointment as General Manager of Primary Copper Production in 2004. He was appointed deputy member of the Executive Board on 1 April 2007 and became a full member on 19 April 2008. Mr Willbrandt was appointed Chairman of the Group's Executive Board on 1 January 2012. He is still responsible for Business Unit Primary Copper.

ERWIN FAUST

held managerial positions in the Volkswagen Group, at VAW Aluminium and as of 2003 at Novelis Europa, a sub-group of Novelis Inc. (formerly Alcan Inc.). As the Chief Financial Officer, he served on the supervisory committees of the European companies and for a time as the commercial director of the German company. Mr Faust was appointed Chief Financial Officer on our Group's Executive Board with effect from 1 October 2008.

DR MICHAEL LANDAU

has been employed by the Company since 1981. In March 1998 he was appointed deputy member of the Executive Board and has been a full member since 1 June 1999. Dr Landau took over as Director of Industrial Relations on 9 November 2007 and is therefore responsible for Human Resources. Business Unit Recycling/Precious Metals is also his responsibility.

DR STEFAN BOEL

worked as of 2001 in Product Development and Marketing in the former Copper Division of Umicore S.A. and subsequently became the commercial director of the Umicore plant in Bulgaria. After the demerger of Cumerio from the Umicore Group, Dr Boel became Vice President Copper Refining and Mining Projects and a member of the Executive Committee. As part of the integration of Cumerio in the Group, he joined the Executive Board on 19 April 2008 and has been put in charge of Business Unit Copper Products.

REPORT OF THE SUPERVISORY BOARD

Dear Shareholders,

Aurubis AG achieved a very good operating resulting in the fiscal year and expanded the Business Line Flat Rolled Products considerably with the acquisition of sites in Europe and the USA. The Supervisory Board would like to thank the Executive Board, management and employees for their successful contributions again. The Supervisory Board reports in the following on the focuses of its activities in fiscal year 2010/11, in particular about the deliberations at the meetings, the work of the committees, the examination of the financial statements of Aurubis AG and the consolidated financial statements, corporate governance as well as changes in the membership of the Company's boards.

COLLABORATION BETWEEN SUPERVISORY BOARD AND EXECUTIVE BOARD

The Supervisory Board performed the functions and obligations incumbent upon it by law and in the Articles of Association in fiscal year 2010/11. It regularly supervised and assisted the Executive Board in an advisory capacity in the management of the Company and supported the organisation of the Group's strategic orientation that had been mutually agreed. The joint target of the Executive Board and Supervisory Board was to increase the enterprise value of Aurubis AG and its Group companies long-term.

The Supervisory Board was informed by the Executive Board regularly, promptly and comprehensively in written and verbal reports, which included all relevant information on corporate planning, business development and the Group's situation, including financial, investment and personnel planning, the risk situation and risk and compliance management. As part of its reports to the Supervisory Board, the Executive Board also addressed deviations of the business performance from the established plans and targets, which were reviewed by the Supervisory Board on the basis of the documents presented and discussed with the Executive Board. The Executive Board agreed the Group's strategic orientation with the Supervisory Board and discussed all the transactions that were of importance for the Group – in particular the Group's further development. The Supervisory Board was included in all decisions which were of basic importance for the Company and the Group and was kept informed by the Executive Board – also between the meetings – about events of fundamental importance for the assessment of the situation and development of the Company and the Group or in urgent cases. The Supervisory Board gave its written agreement if required. Outside the Supervisory Board meetings, the Chairman of the Supervisory Board was also regularly informed by the Chief Executive Officer about the current business situation and important business transactions in the Company.

CONSULTATIONS IN THE SUPERVISORY BOARD

Four extraordinary (on 12 November 2010, 11 January 2011, 29 April 2011 and 30 September 2011) and four scheduled Supervisory Board Meetings (on 10 December 2010, 2 March 2011, 27 May 2011 and 28 September 2011) were held in fiscal year 2010/11. One resolution was adopted by written consent in lieu of a meeting. No member of the Supervisory Board attended less than half of the meetings.

The Executive Board submitted regular reports on the development of the results, the raw material, foreign exchange and energy markets, the business performance, the status of capital expenditure and human resources in the Group as well as the financial situation and the Group's further strategic development, including the necessary projects for implementation. The respective committee chairman also reported on the committees' work and the generated suggestions and results at the meetings.

In the extraordinary meeting on 12 November 2011 the Supervisory Board decided for the first time on the overall performance of the Executive Board as well as the individual members for 2009/10 and determined the bonuses of the individual Executive Board members contingent on the degree to which the respective objectives had been achieved (Components I and II). Details are explained in this annual report under the compensation report.

The meeting on 10 December 2010 focused on the approval of the consolidated financial statements and the separate financial statements for Aurubis AG for 2009/10 and the preparations for the 2011 Annual General Meeting. Furthermore, the Supervisory Board approved a property purchase in Lünen for the construction of a new training centre.

In the extraordinary meeting on 11 January 2011 the Supervisory Board set up a Capital Committee for three weeks, which dealt with the preparation and execution of the capital increase on 12/13 January 2011.

During the meeting on 2 March 2011 the Supervisory Board comprehensively addressed the strategy of Business Unit Primary Copper.

In the extraordinary meeting on 29 April 2011 the Supervisory Board authorised the Executive Board to carry out the acquisition of the Luvata Group's global Rolled Products Division after intensive consultations.

The capital expenditure project Pirdop 2014, which has a volume of € 44 million, was approved by the Supervisory Board in the meeting on 27 May 2011. Furthermore, another Capital Committee was set up for three months. However, it did not pass any resolutions due to the market conditions and was consequently dissolved again.

In the meeting on 28 September 2011 the Supervisory Board discussed and approved the Company's business plan 2011/12 and appointed Mr Peter Willbrandt as Aurubis AG's new Chief Executive Officer effective 1 January 2012. The status of the integration of the companies acquired from the Luvata Group for the Business Line Flat Rolled Products & Specialty Wire was also discussed in detail.

SUPERVISORY BOARD AND COMMITTEES

The Supervisory Board set up a total of five permanent and two temporary committees to fulfil its duties, which effectively supported the work in the meetings. The committees prepared the Supervisory Board's resolutions and the topics to be considered in the meetings. In individual cases the Supervisory Board transferred the decision-making power of the Supervisory Board to the committees within the statutory limits.

General statements on the composition and working procedures of the Supervisory Board and its committees can be found in this year's declaration and report on corporate governance as part of the Aurubis AG's management report.

WORK ON THE PERSONNEL COMMITTEE

The Personnel Committee met four times in the year under review. In its meeting on 8 November 2010 the Personnel Committee developed a recommendation for the assessment of the Executive Board's overall and individual performance for fiscal year 2009/10 as part of the new Executive Board compensation system. In its meetings on 6 May 2011, 27 May 2011 and 28 September 2011, the Personnel Committee worked on the selection process for the Chief Executive Officer's successor and prepared a proposal for a decision for the Supervisory Board.

WORK ON THE AUDIT COMMITTEE

The Audit Committee met four times in the reporting period and considered the separate financial statements for Aurubis AG, the consolidated financial statements and the quarterly reports for the past fiscal year, which were discussed with the Executive Board in each case, as well as the internal control systems and the Group's risk management, audit procedures and compliance management. In the meetings on 9 December 2010 and 8 February 2011, the Audit Committee discussed the effects of the damage to the flash smelter. Prof. Dr-Ing. Heinz Jörg Fuhrmann, the Chairman of the Audit Committee until the end of the fiscal year, has specialist knowledge and experience in the application of accounting principles and internal control procedures. He is independent and not a former member of the Company's Executive Board. When Prof. Dr-Ing. Fuhrmann became Chairman of the Supervisory Board, Dr-Ing. Ernst J. Wortberg became Chairman of the Audit Committee. The statements above apply to him as well.

Apart from the appointment of the auditors and the agreement of the fee with the auditors, the committee established the focuses of the annual audit 2010/11, specifically (i) the audit of Aurubis AG's SAP data export to an external service provider's servers, (ii) the audit of the acquisition balances from the first-time consolidation of the former Luvata companies in the consolidated financial statements and (iii) the audit of the opening balance at Aurubis AG in accordance with the German Accounting Law Modernisation Act (BilMoG) and its forward projection.

The Audit Committee furthermore monitored the independence of the auditors and obtained the declaration on their independence recommended by the German Corporate Governance Code. In this regard, the designated auditors were obligated to inform the Chairman of the Audit Committee without delay about any possible grounds for exclusion or lack of impartiality arising during the audit if these were not resolved immediately.

The auditors' representatives attended one Audit Committee meeting and reported on the audit of the annual accounts.

WORK ON THE NOMINATION COMMITTEE

The Nomination Committee did not meet in fiscal year 2010/11.

WORK ON THE CAPITAL COMMITTEE

On 12 January 2011 the Capital Committee – after comprehensive discussions and consideration of existing interests – approved the increase in the Company's subscribed capital by about 10 % through the issuing of 4,086,974 new shares against cash contributions under the exclusion of shareholders' subscription rights, which the Executive Board decided on and carried out the same day. The proceeds from this capital increase were primarily used to strengthen the balance sheet structure, create flexibility for further growth and increase flexibility for refinancing, which is to be carried out by 2012.

The second Capital Committee formed on 27 May 2011 did not pass any resolutions due to the market conditions.

CORPORATE GOVERNANCE

The regular efficiency review was performed by the Supervisory Board at its meeting on 28 September 2011.

CONFLICTS OF INTEREST

There were no conflicts of interest among Executive Board or Supervisory Board members that should have been disclosed to the Supervisory Board or announced at the Annual General Meeting.

AUDIT OF THE SEPARATE FINANCIAL STATEMENTS OF AURUBIS AG AND THE CONSOLIDATED FINANCIAL STATEMENTS

The Company's financial statements prepared by the Executive Board in accordance with the German GAAP and the consolidated financial statements prepared in accordance with IFRS (International Financial Reporting Standards) for the fiscal year from 1 October 2010 to 30 September 2011 and the management reports for the Company and the Group, together with the bookkeeping system and risk management system, have been audited by PricewaterhouseCoopers AG, Wirtschaftsprüfungsgesellschaft, Hamburg, in accordance with the resolution passed at the Company's Annual General Meeting of 3 March 2011 and their subsequent appointment as auditors by the Supervisory Board. The auditors have issued an unqualified auditors' report.

The meeting of the Supervisory Board to approve the financial statements was held on 17 January 2012. All members of the Supervisory Board received copies of the financial statements and audit reports as well as the Executive Board's recommendation on the appropriation of the net earnings and all other documents in good time before this meeting. These documents were discussed in detail at the meeting of the Supervisory Board to approve the financial statements. The auditors participated in this meeting, reported in detail on how the audit had been performed and their main audit findings and were available to provide the Supervisory Board with further information, discuss the documents and make additional comments.

Following a detailed discussion on the audit and the auditors' findings and a thorough consideration of the report by the auditors and the recommendation of the Executive Board on the appropriation of the net income, and on the basis of its own review of and discussion on the separate financial statements of Aurubis AG, the consolidated financial statements, the management reports for the Company and the Group and the Executive Board's recommendation on the utilisation of the unappropriated earnings, the Supervisory Board concurred with the results of the audit. The Supervisory Board concluded that no objections need to be raised, based on the results of its review, and, in accordance with the recommendations of the Audit Committee, approved the separate financial statements of Aurubis AG, which were thus adopted, as well as the consolidated financial statements, the management report for Aurubis AG and the consolidated management report at the meeting on the financial statements. The Supervisory Board concurred with the Executive Board's recommendation on the utilisation of the unappropriated earnings.

CORPORATE GOVERNANCE AND DECLARATION OF CONFORMITY

The Executive Board reports on corporate governance at Aurubis AG, also on behalf of the Supervisory Board, in accordance with Section 3.10 of the German Corporate Governance Code in the declaration and report on corporate governance, which are part of the management report.

On 11 November 2011, the Executive Board and Supervisory Board issued the updated Declaration of Conformity to the Corporate Governance Code in accordance with Section 161 German Companies Act and made it permanently accessible to the public at www.aurubis.com. According to the declaration, Aurubis complies with the Code recommendations, which were last changed in 2010, with three exceptions. Additional information can be found in the Declaration of Conformity in accordance with Section 161 German Companies Act.

CHANGES IN THE SUPERVISORY BOARD AND EXECUTIVE BOARD

Dr-Ing. Ernst J. Wortberg stepped down as Chairman of the Supervisory Board at the end of the fiscal year after 10 years in the position. Prof. Dr-Ing. Heinz Jörg Fuhrmann was elected Chairman of the Supervisory Board effective 1 October 2011.

Chief Executive Officer Dr Bernd Drouven resigned from the Company's Executive Board on 31 December 2011. Mr Peter Willbrandt was elected Chief Executive Officer of the Company effective 1 January 2012.

We would like to thank Dr Wortberg and Dr Drouven for their successful service to the Company.

Hamburg, 17 January 2012

The Supervisory Board

Jörg Fuhrmann

Prof. Dr-Ing. Heinz Jörg Fuhrmann
Chairman

SUPERVISORY AND EXECUTIVE BOARDS

Supervisory Board

Prof. Dr-Ing. Heinz Jörg Fuhrmann, Salzgitter
Chairman since 1 October 2011
Chairman of the Executive Board of Salzgitter AG, Salzgitter since 1 February 2011

- Mannesmannröhren-Werke GmbH, Mülheim +
  Chairman of the Supervisory Board since 1 February 2011
- Salzgitter Mannesmann Handel GmbH, Düsseldorf +
  Chairman of the Supervisory Board since 1 February 2011
- Salzgitter Stahl GmbH, Salzgitter +
  Chairman of the Supervisory Board since 1 February 2011
- Salzgitter Flachstahl GmbH, Salzgitter +
  Member of the Supervisory Board until 31 January 2011
- EUROPIPE GmbH, Mülheim +
  Member of the Supervisory Board
- Öffentliche Lebensversicherung Braunschweig, Braunschweig
  Member of the Supervisory Board
- Öffentliche Sachversicherung Braunschweig, Braunschweig
  Member of the Supervisory Board
- Klöckner-Werke AG, Frankfurt am Main +
  Chairman of the Supervisory Board
- KHS AG, Dortmund +
  Chairman of the Supervisory Board
- Nord/LB Kapitalanlagegesellschaft AG, Hanover
  Member of the Supervisory Board until 18 May 2011
- Nord/LB Capital Management GmbH, Hanover
  Member of the Supervisory Board until 18 May 2011
- TÜV Nord AG, Hanover
  Member of the Supervisory Board
- Ets. Robert et Cie S.A.S. (Comité de Surveillance), F-95500 Le Thillay
  Member of the Advisory Board
- EUROPIPE GmbH, Mülheim,
  Member of the Shareholders' Committee

Dr-Ing. Ernst J. Wortberg, Dortmund
Chairman until 30 September 2011
(still Member of the Supervisory Board)
Professional Supervisory Board Member

Hans-Jürgen Grundmann, Seevetal *
Deputy Chairman
Shop mechanic
Chairman of the Works Council of Aurubis AG

Jan Eulen, Kummerfeld *
District Manager of the Mining, Chemical and Energy Industrial Union Hamburg/Harburg since 3 March 2011

- Honeywell Deutschland Holding GmbH, Offenbach
  Member of the Supervisory Board

Gottlieb Förster, Itzstedt *
Union Secretary of the Mining, Chemical and Energy Industrial Union, Hanover until 3 March 2011

- Gerresheimer AG, Düsseldorf
  Deputy Chairman of the Supervisory Board

Dr Peter von Foerster, Hamburg
Lawyer

- Holcim (Deutschland) AG, Hamburg
  Chairman of the Supervisory Board
- Unilever Deutschland GmbH, Hamburg
  Member of the Supervisory Board
- Hemmoor Zement AG i.L., Hamburg
  Deputy Chairman of the Supervisory Board

+ = Group companies
* = elected by the employees

Rainer Grohe, Otterstadt
Professional Supervisory Board Member
- » K+S Aktiengesellschaft, Kassel
  Member of the Supervisory Board
- » PFW Aerospace AG, Speyer
  Member of the Supervisory Board
- » Graphit Kropfmühl AG, Munich
  Deputy Chairman of the Supervisory Board
- » SASAG AG, Elsteraue
  Member of the Supervisory Board since 12 March 2011

Renate Hold, Drochtersen *
Clerical employee
Deputy Chairman of the Works Council and Chairman of the Group General Works Council of Aurubis AG

Prof. Dr-Ing. E. h. Wolfgang Leese, Kamp-Lintfort
Chairman of the Executive Board of Salzgitter AG, Salzgitter until 31 January 2011
Managing Director of WGL Verwaltung und Beratung GmbH, Kamp-Lintfort, since 13 December 2010
- » MAN Truck & Bus AG, Munich
  Member of the Supervisory Board
- » Schütz GmbH & Co. KGaA, Selters
  Chairman of the Supervisory Board since 22 August 2011
- » Mannesmannröhren-Werke GmbH, Mühlheim/Ruhr +
  Chairman of the Supervisory Board until 31 January 2011
- » Salzgitter Mannesmann Handel GmbH, Düsseldorf +
  Chairman of the Supervisory Board until 31 January 2011
- » Salzgitter Stahl GmbH, Salzgitter +
  Chairman of the Supervisory Board until 31 January 2011

Dr med. Thomas Schultek, Lübeck *
Head of Group Health Protection at Aurubis
- » Chairman of the Committee of Executive Representatives at Aurubis AG, Hamburg

Rolf Schwertz, Datteln *
Bricklayer and boiler operator
Deputy Chairman of the Works Council of Aurubis AG, Lünen, and Chairman of the Central Representative Council of Employees with Disabilities of Aurubis AG

Prof. Dr Fritz Vahrenholt, Hamburg
Chairman of the Management Board of RWE Innogy GmbH, Essen
- » KELAG Kärntner Energieversorgung, Klagenfurt
  Member of the Supervisory Board until 20 May 2011
- » RADAG Rheinkraftwerk Albbruck-Dogern AG, Laufenburg
  Chairman of the Supervisory Board
- » Mateco AG, Stuttgart
  Member of the Supervisory Board
- » Putz & Partner Unternehmensberatung, Hamburg
  Member of the Supervisory Board
- » Fraunhofer-Gesellschaft zur Förderung der angewandten Forschung e.V., Munich
  Member of the Senate
- » Green Exchange, New York
  Member of the Supervisory Board
- » Körber-Stiftung, Hamburg
  Member of the Advisory Board

Helmut Wirtz, Stolberg *
Managing Director of IG Metall, Stolberg
- » Leoni AG, Nuremberg
  Member of the Supervisory Board

+ = Group companies
* = elected by the employees

Supervisory Board Committees

Conciliation Committee in accordance with Section 27 par. 3 Law on Co-determination

Dr-Ing. Ernst J. Wortberg (Chairman) until 30 September 2011
Prof. Dr-Ing. Heinz Jörg Fuhrmann (Chairman) since 1 October 2011
Hans-Jürgen Grundmann (Deputy Chairman)
Renate Hold
Dr Peter von Foerster since 1 October 2011
Prof. Dr-Ing. E.h. Wolfgang Leese until 30 September 2011

Audit Committee

Dr-Ing. Ernst J. Wortberg (Chairman) since 1 October 2011
Prof. Dr-Ing. Heinz Jörg Fuhrmann (Chairman until 30 September 2011)
Gottlieb Förster until 3 March 2011
Jan Eulen since 15 March 2011
Hans-Jürgen Grundmann

Personnel Committee

Prof. Dr-Ing. Heinz Jörg Fuhrmann (Chairman) since 1 October 2011
Dr-Ing. Ernst J. Wortberg (Chairman) until 30 September 2011
Dr Peter von Foerster since 1 October 2011
Hans-Jürgen Grundmann
Renate Hold
Prof. Dr-Ing. E.h. Wolfgang Leese until 30 September 2011
Dr med. Thomas Schultek
Prof. Dr Fritz Vahrenholt

Nomination Committee

Dr-Ing. Ernst J. Wortberg (Chairman)
Prof. Dr-Ing. E.h. Wolfgang Leese since 1 October 2011
Dr Peter von Foerster until 30 September 2011
Rainer Grohe
Prof. Dr-Ing. Heinz Jörg Fuhrmann

Committee for Capital Measures from 11 January to 1 February 2011

Dr-Ing. Ernst J. Wortberg (Chairman)
Hans-Jürgen Grundmann (Deputy Chairman)
Prof. Dr-Ing. Heinz Jörg Fuhrmann
Dr med. Thomas Schultek

Committee for Capital Measures from 27 May to 26 July 2011

Dr-Ing. Ernst J. Wortberg (Chairman)
Renate Hold (Deputy Chairman)
Prof. Dr-Ing. Heinz Jörg Fuhrmann
Dr med. Thomas Schultek

Executive Board

Dr Bernd Drouven, Hamburg
born: 19 September 1955
Chief Executive Officer until 31 December 2011
appointed until 31 December 2011

Peter Willbrandt, Winsen/Luhe
born: 16 February 1962
Member of the Executive Board
Chief Executive Officer since 1 January 2012
appointed until 31 March 2015

Dr Stefan Boel, Hamme, Belgium
born: 9 June 1966
Member of the Executive Board
appointed until 30 April 2016

Erwin Faust, Hamburg
born: 4 January 1957
Member of the Executive Board
appointed until 30 September 2013

Dr Michael Landau, Mölln
born: 26 July 1950
Member of the Executive Board, Director of Industrial Relations
appointed until 31 May 2013

CORPORATE GOVERNANCE

Declaration and report on corporate governance (part of management report)

The principles of responsible and sustainable corporate governance determine the actions of the management and controlling bodies of Aurubis AG. In this declaration, the Executive Board reports – also on behalf of the Supervisory Board – in accordance with Section 3.10 of the German Corporate Governance Code and in accordance with Section 289a paragraph 1 HGB (German Commercial Code) about corporate governance.

DECLARATION OF CONFORMITY AND REPORTING ON CORPORATE GOVERNANCE

In accordance with Section 161 German Companies Act, the Executive Board and Supervisory Board of a company listed in Germany are obliged to issue an annual declaration to the effect that the recommendations of the "Government Commission on the German Corporate Governance Code" published by the Federal Ministry of Justice in the official section of the electronic Federal Gazette (Bundesanzeiger) were and are being complied with, or to list the recommendations which were or are not being applied and explain why not.

The Executive Board and the Supervisory Board have concerned themselves on several occasions in fiscal year 2010/11 with the topic of corporate governance and jointly issued the updated Declaration of Conformity in accordance with Section 161 German Companies Act on 11 November 2011. The declaration has been made permanently accessible to the public on the Aurubis AG website. All the declarations of conformity issued to date are also permanently accessible to the public there.

TEXT OF THE DECLARATION OF CONFORMITY 2011

"The Executive Board and Supervisory Board of Aurubis AG declare that the recommendations of the "Government Commission on the German Corporate Governance Code" in the version dated 26 May 2010 were applied and are being applied in the period from 1 October 2010 to 30 September 2011 with the following exceptions:

» The contracts with new Executive Board members do not include a severance payment cap in the amount of maximum two years' compensation in the event of premature termination of the contract without good cause. The first contracts of newly appointed Executive Board members only have a term of three years and a severance pay cap for the Executive Board member would not be binding. If there is no good cause in terms of Sections 84 paragraph 3 sentence 1 German Companies Act, and 626 German Civil Code, the service contract with the respective Executive Board member can only be terminated by mutual consent. In these cases the Executive Board member is not obliged to agree to a severance pay cap in terms of the Code recommendation (deviation from Code Section 4.2.3 paragraph 4).

» The Supervisory Board will continue in future to observe the legal requirements when proposing candidates at the Annual General Meeting and – irrespective of gender – focus on the professional and personal qualifications of the candidates. It is naturally very relevant that the Company's international activities and potential conflicts of interest as well as diversity are taken into account. In doing so, it is however not necessary to specify concrete objectives (deviation from Code Section 5.4.1).

» In light of the first-time consolidation of the companies of the Business Line Flat Rolled Products newly acquired on 1 September 2011, the financial statements as at 30 September 2011 will not be released to the public within 90 days but within 120 days (deviation from Code Section 7.1.2 sentence 3 (1st alternative)). The Company intends to comply with this recommendation again next fiscal year.

Hamburg, 11 November 2011

For the Executive Board

Dr Bernd Drouven
Chairman

Peter Willbrandt
Member

For the Supervisory Board:

Prof. Dr-Ing. Heinz Jörg Fuhrmann
Chairman"

WORKING PROCEDURES OF THE EXECUTIVE BOARD AND SUPERVISORY BOARD

Aurubis AG is a company subject to German law, to which the German Corporate Governance Code relates. A basic principle of German stock corporation law is the dual management system with the two bodies of the Executive Board and Supervisory Board, which are strictly separated as regards personnel between the Executive Board as the board of management and the Supervisory Board as the monitoring organ and each provided with independent responsibilities. The Executive Board and Supervisory Board of Aurubis AG work closely together and in a spirit of trust in the governance and supervision of the Company to the good of the Company.

THE EXECUTIVE BOARD

The Executive Board runs the Company on its own responsibility without instructions from third parties in accordance with the law, the Articles of Association and the Board's rules of procedure, taking into account the resolutions passed at the Annual General Meeting. The Executive Board represents the Company in dealings with third parties.

The Executive Board as the management body runs the Company's business on its own responsibility with the aim of achieving long-term value added in the Company's interests while taking the needs of all stakeholders into account. The principle of overall responsibility applies, i.e. the members of the Executive Board together bear responsibility for the management of the entire Company. The principles of the cooperation between Aurubis AG's Executive Board members are stated in the rules of procedure for the Executive Board issued by the Supervisory Board. These regulate, in particular, the allocation of responsibilities between the individual Executive Board members, matters reserved for the full Executive Board, the passing of resolutions, i.e. the required majority for resolutions, and the rights and obligations of the Chief Executive Officer.

Certain Executive Board decisions of particular importance require the approval of the Supervisory Board. They are stipulated by the Supervisory Board for the Executive Board in a catalogue of transactions requiring approval. For example, the Supervisory Board makes decisions about investments in other companies if the measure is of great significance for the Group, as well as about substantial capital expenditure measures.

The Executive Board of Aurubis AG consisted of five members in the fiscal year. Dr Bernd Drouven was the Chief Executive Officer and a member until 31 December 2011. Mr Peter Willbrandt has been the Chief Executive Officer since 1 January 2012. Mr Erwin Faust is the Chief Financial Officer. The operating sector is divided into three business units. Dr Stefan Boel is responsible for the Business Unit Copper Products, Dr Michael Landau for the Business Unit Recycling/Precious Metals and Mr Peter Willbrandt for the Business Unit Primary Copper.

The Executive Board keeps the Supervisory Board informed promptly and comprehensively, in written and verbal reports, as well as in the scheduled meetings, about the planning, business development, important business transactions and the Group's situation including the risk situation, risk management and compliance, i.e. the measures to comply with legal requirements and the internal corporate guidelines. Deviations in the business performance from previously prepared budgets and targets are discussed in detail and reasons given.

THE SUPERVISORY BOARD

The Supervisory Board advises and monitors the Executive Board in the management of the Company. It appoints and rescinds the contracts of members of the Executive Board, decides on the compensation system for the Executive Board members and specifies their respective total compensation. The Supervisory Board pays attention to diversity in the composition of the Executive Board in terms of Section 5.1.2 of the Corporate Governance Code.

The Supervisory Board is included in the strategy and planning as well as all aspects of major significance for the company. The Supervisory Board has defined rights of veto in favour of the Supervisory Board for transactions of fundamental importance, in particular those that would significantly change the Company's net assets, financial position and results of operations. In case of important events, an extraordinary Supervisory Board meeting is convened if deemed necessary. The Chairman of the Supervisory Board coordinates the work within the Supervisory Board, chairs their meetings and attends to the affairs of the Supervisory Board externally.

The Supervisory Board has defined rules of procedure for its work. The representatives of the shareholders and the employees generally meet separately to prepare for the meetings.

COMPOSITION OF THE SUPERVISORY BOARD

The Supervisory Board of Aurubis AG with co-determination has twelve members in accordance with the Articles of Association, of which six are elected by the shareholders and six by the employees in accordance with the German Co-determination Act. The periods of office are identical. In accordance with the recommendations of the German Corporate Governance Code, the shareholders' representatives were elected individually to the Supervisory Board in the last election at the Annual General Meeting on 29 February 2008.

The Supervisory Board has not specified any concrete objectives regarding its composition. The Supervisory Board will continue in future to observe the legal requirements when proposing candidates at the Annual General Meeting and – irrespective of gender – focus on the professional and personal qualifications of the candidates. It is naturally very relevant that the Company's international activities and potential conflicts of interest as well as diversity are taken into account.

Former Aurubis AG Executive Board members are not represented in the Supervisory Board. The Supervisory Board has a sufficient number of independent members who do not have a professional or personal relationship with the Company or with its Executive Board. The Supervisory Board's term of office amounts to five years; the current term of office ends at the close of the Annual General Meeting 2013.

SUPERVISORY BOARD COMMITTEES

The Supervisory Board has formed four long-term Committees from its members to prepare and complement its work, in the form of the Personnel Committee, the Audit Committee, the Nomination Committee and the Conciliation Committee. The Committee's tasks as well as their composition and work are specified in detail in the rules of procedure of the Supervisory Board. In addition, two temporary Committees for Capital Measures were formed in the last fiscal year at short notice.

Personnel Committee

The six-member Personnel Committee has equal numbers of representatives of the shareholders and employees. It considers the structure and level of compensation paid to all members of the Executive Board, the preparation of Executive Board contracts and the selection of qualified candidates for Executive Board positions in the preparation of the necessary Supervisory Board resolutions. The Chairman of the Personnel Committee is the Chairman of the Supervisory Board.

Audit Committee

The four-member Audit Committee with equal representation has the task of supporting the Supervisory Board in its supervisory functions. The Audit Committee Chairman during the fiscal year, Prof. Dr-Ing. Heinz Jörg Fuhrmann, is an independent financial expert whose business career has provided him with special expertise and experience in the application of accounting principles and internal control procedures.

Nomination Committee

The Nomination Committee is only made up of representatives of the shareholders in accordance with the Corporate Governance Code. The Nomination Committee has the duty of suggesting suitable candidates to the Supervisory Board so that the Supervisory Board can propose them for election at the Annual General Meeting.

Conciliation Committee

The Conciliation Committee did not meet during the reporting year.

Committee for Capital Measures

The Supervisory Board formed a Committee for Capital Measures for two periods in the fiscal year. The first Capital Committee (11 January to 1 February 2011) approved the increase in the Company's subscribed capital by about 10 % through the issuing of 4,086,974 new shares against cash contributions with the exclusion of subscription rights, which was decided and executed by the Executive Board.

The Committees' compositions are given in the list of Executive and Supervisory Boards in this annual report. The mandates of the Supervisory Board members in other legally formed Supervisory Boards and comparable German and foreign controlling bodies are also included in the list of the Executive and Supervisory Boards in this annual report.

AVOIDING CONFLICTS OF INTEREST

The mandates of the Supervisory Board members in other legally formed Supervisory Boards and comparable German and foreign controlling bodies are included in the list of the Executive and Supervisory Boards in this annual report. No Executive Board member holds more than three Supervisory Board mandates at public limited companies that are not part of the Group or in supervisory committees of companies with comparable requirements. Related parties are presented in the notes to the financial statements.

In the last fiscal year no conflicts of interest occurred among Executive Board or Supervisory Board members that should have been disclosed to the Supervisory Board Chairman and the other Executive Board members. There were no consulting or other service or work contracts between Supervisory Board members and the Company in the reporting year either.

RETENTION IN THE D&O INSURANCE

Aurubis AG has taken out D&O insurance (pecuniary loss/third party indemnity) for the Executive Board and the Supervisory Board with a reasonable retention. Retention of 10 % of the damage or one and a half times the fixed annual compensation has been agreed.

DISCLOSURES ON RELEVANT CORPORATE GOVERNANCE PRACTICES

For Aurubis AG, the applicable legal regulations, in particular the stock market law, the law on co-determination and capital markets law, the Articles of Association, the German Corporate Governance Code and the rules of procedure of the Supervisory Board and the Executive Board, provide the basis for the structure of management and controlling in the Company. Over and above the legal obligations, Aurubis has defined values and derived a Code of Conduct from these, which regulates the framework of behaviour and decisions and provides orientation for corporate activities. The values and the Code of Conduct are published on the homepage at www.aurubis.com. Each employee is briefed on these group-wide applicable values and the Code of Conduct and the corporate guidelines stemming from them. Mandatory instruction is given on special topics to (potentially) affected employees (e.g. antitrust law, anticorruption, environmental protection and occupational safety).

SHAREHOLDERS AND ANNUAL GENERAL MEETING

The shareholders of Aurubis AG exercise their co-determination and supervisory rights at the Annual General Meeting which occurs at least once a year. Resolutions are passed at the AGM on all matters defined by law which are binding for all shareholders and the Company. Each share grants the holder one vote in the AGM voting processes.

The Annual General Meeting elects the members of the Supervisory Board and passes a resolution on the exoneration of the members of the Executive Board and Supervisory Board. It decides on the utilisation of the unappropriated earnings and on capital measures and gives approval to company agreements. Furthermore, it makes decisions about the compensation of the Supervisory Board and amendments to the Company's Articles of Association. An Annual General Meeting is held once a year, in which the Executive Board and Supervisory Board give an account of the past fiscal year. The German Companies Act stipulates that an extraordinary General Meeting can be convened in special cases.

Each shareholder who has registered in good time and can provide proof of his entitlement to participate in the Annual General Meeting and exercise his voting rights is entitled to attend the Annual General Meeting. Shareholders who cannot or do not wish to attend the Annual General Meeting in person may authorise a bank, a shareholders' association, the proxies designated by Aurubis AG, who are bound to follow the shareholders' instructions, or another person of their choice to exercise their voting rights. The shareholders also have the option of submitting their votes before the Annual General Meeting via the internet. Aurubis AG will give further details in the invitation to the Annual General Meeting.

The invitation to the Annual General Meeting and the relevant reports and information for the resolutions are published in accordance with German stock corporation law and made available in English and German on the Aurubis AG website.

CONTROLLING AND RISK MANAGEMENT

It is also part of good corporate governance that the Company handles risks responsibly. As part of our value-oriented Group management, adequate risk management ensures that risks are identified early on and risk positions are minimised. Risk management reports regularly to the Executive Board and the Supervisory Board's Audit Committee. Compliance management was developed further in the fiscal year so as to comply with the requirements resulting from the legal requirements and the Code of Conduct. The Chief Compliance Officer reported regularly to the Executive Board and the Supervisory Board's Audit Committee.

Details of risk management at Aurubis AG are given in the risk report, which includes the mandatory report on the accounting-related internal control and risk management system issued in accordance with the German Accounting Law Modernisation Act (BilMoG).

TRANSPARENCY

Aurubis AG regularly informs the participants in the capital market and the interested general public about the Group's economic situation and new facts. The annual report, half-yearly reports and the quarterly interim reports are generally published within the stipulated periods. Press releases and, if necessary, ad hoc announcements provide information on current events and new developments. Information is made available in German and English and is published in a printed form or via suitable electronic media. Meetings are arranged on a regular basis with analysts and institutional investors as part of our investor relations activities. Apart from an annual analysts' conference, conference calls are also held for analysts, especially in connection with the publication of quarterly figures. All new matters that are disclosed to the financial analysts and comparable addressees are also made available immediately to the shareholders on the Company's website.

The Company's Articles of Association and Declaration of Conformity and all Declarations of Conformity that are no longer current are likewise available on the website.

Furthermore, immediately after receipt of a relevant notification pursuant to Section 21 German Securities Trading Act (WpHG), the achieving, exceeding or falling below of 3, 5, 10, 15, 20, 25, 30, 50 or 75 % of the voting rights in the Company is published in an information system that is distributed throughout Europe.

FINANCIAL CALENDAR

The scheduled dates of the main recurring events and publications – such as the Annual General Meeting, the Annual Report and interim reports – are combined in a financial calendar. The calendar is published sufficiently in advance and made permanently available on the Aurubis AG website.

DIRECTORS' DEALINGS

In accordance with Section 15a of the German Securities Trading Act, members of the Executive and Supervisory Boards, certain employees in management positions and persons closely associated to them have to disclose acquisitions and sales of Company shares and related financial instruments.

The members of the Executive Board have not informed the Company about any notifiable dealings in securities.

The following members of the Supervisory Board informed the Company that they had acquired or sold no-par-value shares in the Company in the period from 1 October 2010 to 30 September 2011:

» Helmuth Wirtz purchased 3,000 no-par-value shares, sold 1,000 no-par-value shares
» Rolf Schwertz purchased 300 no-par-value shares

The Company then reported this information to the Federal Financial Supervisory Authority and published it. Dealings from past years are published on Aurubis AG's website.

The Executive Board and Supervisory Board held less than 1% of the shares issued by the Company as at 30 September 2011.

FINANCIAL REPORTING AND ANNUAL AUDIT

Aurubis AG prepares its consolidated financial statements and the consolidated interim reports in accordance with International Financial Reporting Standards (IFRS) as they should be applied in the European Union. The financial statements of Aurubis AG are issued in compliance with the German Commercial Code (HGB). The financial statements of Aurubis AG and the consolidated financial statements are compiled by the Executive Board and examined by the auditors and the Supervisory Board. The interim reports and the half-yearly financial reports are discussed by the Audit Committee and the Executive Board before publication.

The Company's auditor was elected at the Annual General Meeting in compliance with the provisions of the German Stock Corporation Act. PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft, Hamburg, was appointed auditor of the consolidated financial statements 2010/11 and the HGB financial statements 2010/11 of Aurubis AG. Before submitting the proposal for the election of the auditors, the Supervisory Board obtained the declaration from PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft on their independence specified by the German Corporate Governance Code. The audits were performed in accordance with German auditing regulations, taking into account the generally accepted standards for the audit of financial statements promulgated by the German Institute of Public Auditors; in addition, the International Standards on Auditing were also observed. They also covered risk management and the compliance with reporting obligations on corporate governance in accordance with Section 161 German Securities Trading Act.

Furthermore, it was also agreed with the auditors that they would inform the Supervisory Board without delay about any possible grounds for exclusion or lack of impartiality and about the main findings and incidents arising during the audit.

Hamburg, January 2012

The Executive Board

Peter Willbrandt
Chairman

Dr Michael Landau
Member

Compensation Report

The following compensation report is part of the Group management report. It outlines the structure and level of the Aurubis AG's Executive Board and Supervisory Board compensation.

COMPENSATION FOR THE EXECUTIVE BOARD

The Supervisory Board defines the total compensation of the individual Executive Board Members on the basis of proposals from the Personnel Committee and decides on and reviews the compensation system for the Executive Board at regular intervals.

The requirements for Executive Board compensation changed when the Act on the Appropriateness of Executive Board Compensation (VorstAG) came into force on 5 August 2009.

The Supervisory Board has accordingly examined the compensation system in detail and revised it. The principle of the new provisions is to orient the Executive Board's contracts more strongly to long-term corporate development. The new compensation system came into effect at the beginning of fiscal year 2009/10.

The compensation of the individual Executive Board members is defined in their employment contracts and consists of a series of components, comprising fixed compensation, variable compensation and fringe benefits and pension plans.

The various compensation components are as follows:

The compensation of the Executive Board members is made up of fixed and variable components. The fixed parts consist of fixed compensation, the fringe benefits and pension plans. The fixed compensation amounts to € 480,000 for the Chief Executive Officer and € 336,000 for the ordinary members of the Executive Board and is paid out monthly in equal instalments. In addition, the Executive Board members receive fringe benefits in the form of benefits in kind, mainly comprising the value of insurance premiums in accordance with the fiscal guidelines and the use of a company car. The individual Executive Board members must pay tax on these fringe benefits as components of their compensation.

The new system for variable compensation consists of two components, which are paid out each year. The first component (Component 1) is dependent on achieving an annual target related to an adjusted average consolidated EBT (earnings before taxes) of three years, in each case related to the current and the two prior fiscal years before the respective fiscal year. The target is an EBT derived from a ROCE of 15 %. The target bonus of Component 1 amounts to about 60 % of the variable compensation in relation to Component II and can reach a cap of 100 %. If the EBT is less than 40 % of the target, Component 1 will not be paid. The maximum amount that can be reached from these components amounts to € 600,000 for the Chief Executive Officer and € 400,000 for ordinary members of the Executive Board.

Component II stipulates that an annual assessment of the joint (Component II a) and individual (Component II b) performance of the Executive Board will be carried out by the Supervisory Board. Both components are based on a qualitative criteria-supported assessment of the long-term company management.

The target bonus of Component II has a cap of 100 %. At least 50 % of the target bonus is always paid out unless the granting of same would be unreasonable in the sense of Section 87 paragraph II Companies Act. The maximum amount to be reached from Components II a and II b amounts to € 200,000 for the Chief Executive Officer and € 140,000 for each of the ordinary members of the Executive Board.

In addition to this, the Executive Board members still received compensation from the Company's incentive plan, which is coming to an end, during the past fiscal year and will continue to receive it in the following year as the case may be.

This plan has two components:

It is oriented firstly to the performance of Aurubis shares and is triggered when the Aurubis share price has risen by a previously determined percentage during the reference period (usually three years) (Part A, hurdle component). Secondly, the incentive plan is oriented to the performance of Aurubis shares compared with the performance of the CDAX (Part B, performance component). The participation of Executive Board members in the incentive plan is conditional on their continued ownership of a certain number of Aurubis shares. One acquired share is entitled to five options in each case from Part A and Part B of the plan. The profit per option is limited to the Aurubis share price at the beginning of the term.

The hurdle component (Part A) takes into account the performance of Aurubis shares during the reference period (usually three years) and is only triggered once the price has risen by a percentage defined at the beginning of the term (usually an exercise hurdle of 10 %). The difference between the price when exercising the option plus the most recent dividend and the price at the beginning of the term multiplied by the number of options is paid out.

The performance component (Part B) takes into account the performance of Aurubis shares in relation to the performance of the CDAX and is only triggered if Aurubis shares outperform the CDAX over a period of three years.

In addition, pension plans have been agreed for the individual Executive Board members, with the exception of Dr Boel. The pension benefits are determined as a varying percentage of the fixed compensation. The percentage increases based on the length of service on the Board. The pension is payable once the Executive Board member reaches the age of 65 (Dr Drouven, Mr Faust und Mr Willbrandt) or 62 (Dr Landau) or in the event of their disability. Dr Boel has a defined contribution pension plan, for which an amount of € 50,000 is paid to an insurance company each year.

The employment contracts of Executive Board members include no change of control clauses. In the event of non-renewal of their Executive Board contracts, Executive Board members (with the exception of Dr Boel) will under certain conditions receive an early retirement pension. These conditions are fulfilled if the Executive Board member has completed at least five years of service at Aurubis AG and is at least 55 years old (Mr Faust and Mr Willbrandt) or has completed either 25 or 15 years of service and is at least 50 years old

(Dr Landau). The provision comes into effect for Dr Drouven starting 1 January 2012. Furthermore, Dr Drouven receives 2/3 of his average salary of the last 12 months as compensation for the no-competition clause in place until the end of 2012.

Pensions paid before they reach 62 or 65 years, respectively, have the character of an interim payment. Compensation paid to an Executive Board member for activities outside the Aurubis Group after termination of his contract is offset against the pension until he reaches the age of 62 or 65, respectively.

Apart from the defined benefit pension plans for Dr Drouven, Mr Faust, Mr Willbrandt and Dr Landau and the defined contribution pension plan for Dr Boel, all the members of the Executive Board, with the exception of Dr Landau, have an additional defined contribution company pension plan. This pension plan is based on a lump sum single payment. At the end of each fiscal year, € 120,000 for the Chief Executive Officer and € 80,000 for the other three Executive Board members is paid into liability insurances, beginning at the end of fiscal year 2009/10.

The Executive Board members can use the accumulated capital at the earliest when they have reached 60 years of age, but not before ceasing to be employed by the company.

The total compensation paid to active members of the Executive Board for activities in fiscal year 2010/11 amounted to € 6,555,541. In addition, expenditure for pension funds in the amount of € 1,236,451 was recognised as an expense.

The following table provides details of the compensation of the individual members:

in €	Fixed salary	Variable compensation	Fringe benefits	Compensation from incentive plan	Total	Expenditure for pension funds
Dr Bernd Drouven	480,000	1,000,000	22,484	462,500	1,964,984	323,927
Dr Stefan Boel	336,000	652,000	10,810	198,450	1,197,260	130,000
Erwin Faust	336,000	652,000	16,193	0	1,004,193	237,744
Dr Michael Landau	336,000	652,000	26,485	178,780	1,193,265	330,225
Peter Willbrandt	336,000	652,000	23,809	184,030	1,195,839	214,555
TOTAL	**1,824,000**	**3,608,000**	**99,781**	**1,023,760**	**6,555,541**	**1,236,451**

The Company has set up pension provisions on the basis of IFRS for the Executive Board members, with the exception of Dr Boel. Allocations to the pension provisions for active members of the Executive Board in the year under review amounted to € 826,451. This amount comprises service cost and interest cost. In addition, an amount totalling € 410,000 per fiscal year is paid into an external pension fund for the Executive Board members, with the exception of Dr Landau.

The following table shows the value of the options from the Company's incentive plan for Executive Board members:

Value of the options as at the balance sheet date

	Number of options	6th tranche in €	Total in €
Dr Bernd Drouven	25,000	270,272.00	270,272.00
Dr Stefan Boel	14,000	151,352.00	151,352.00
Erwin Faust	14,000	151,352.00	151,352.00
Dr Michael Landau	14,000	151,352.00	151,352.00
Peter Willbrandt	14,000	151,352.00	151,352.00
TOTAL	**81,000**	**875,680.00**	**875,680.00**

Former members of the Executive Board and their surviving dependents received a total of € 1,599,096, while € 17,373,401 has been provided for their pension entitlement.

COMPENSATION FOR THE SUPERVISORY BOARD

The compensation paid to the Supervisory Board is agreed at the Annual General Meeting and is covered by Section 12 of Aurubis AG's Articles of Association. It is based on the duties and responsibilities of Supervisory Board members as well as the business situation and the Company's business success.

In addition to the reimbursement of expenses incurred while carrying out his office, each member of the Supervisory Board receives a fixed fee of € 40,000 per fiscal year. The Chairman of the Supervisory Board receives twice this amount and his deputy 1.5 times this amount. Supervisory Board members who serve on a Supervisory Board committee receive an additional € 5,000 per fiscal year for each committee served on, not however exceeding € 10,000 per fiscal year. Supervisory Board members who chair a Supervisory Board committee receive an additional € 10,000 per fiscal year per chairmanship, not however exceeding € 20,000 per fiscal year.

In addition to the fixed fee, every member of the Supervisory Board receives an annual bonus linked to the Company's long-term performance of € 250 for every € 1,000,000 of the Company's adjusted earnings before taxes (EBT) in excess of an adjusted EBT of € 50,000,000 per annum on average over the last three fiscal years. The adjusted EBT is the EBT in accordance with IFRS adjusted by valuation results from the use of the average cost method in accordance with IAS 2 and without taking into account the effects of copper price fluctuations in the valuation of inventories of the former Cumerio companies. It has averaged € 186 million in the last three fiscal years. The Chairman receives twice and his deputy 1.5 times this amount.

The fixed compensation (excluding compensation for committee membership) and the bonus linked to the Company's long-term performance are limited to € 80,000 per fiscal year for each member of the Supervisory Board. The limit for the Chairman amounts to € 160,000 per fiscal year and € 120,000 per fiscal year for his deputy.

Furthermore, Supervisory Board members receive an attendance fee of € 500 for each meeting of the Supervisory Board and of its committees attended.

The following table provides details of the compensation of the individual members of the Supervisory Board for fiscal year 2010/11:

in €	Fixed compensation	Variable compensation	Compensation for committee membership	Attendance fees	Total
Wortberg, Dr Ernst J.	80,000	68,000	20,000	7,000	175,000
Grundmann, Hans-Jürgen	60,000	51,000	10,000	7,000	128,000
Eulen, Jan*	23,233	19,748	2,740	2,500	48,221
Förster, Gottlieb**	16,877	14,345	2,110	3,000	36,332
von Foerster, Dr Peter	40,000	34,000	5,000	3,500	82,500
Fuhrmann, Prof. Dr-Ing. Heinz Jörg	40,000	34,000	16,137	4,500	94,637
Grohe, Rainer	40,000	34,000	5,000	3,000	82,000
Hold, Renate	40,000	34,000	10,000	5,000	89,000
Leese, Prof. Dr Wolfgang	40,000	34,000	10,000	4,500	88,500
Schultek, Dr Thomas	40,000	34,000	6,137	5,000	85,137
Schwertz, Rolf	40,000	34,000	0	3,500	77,500
Vahrenholt, Prof. Dr Fritz	40,000	34,000	5,000	3,500	82,500
Wirtz, Helmut	40,000	34,000	0	3,500	77,500
TOTAL	**540,110**	**459,093**	**92,124**	**55,500**	**1,146,827**

* starting 3 March 2011
** until 3 March 2011

On this basis, the Supervisory Board members received a total of € 1,146,827.

Hamburg, 17 January 2012

The Executive Board

Peter Willbrandt
Chairman

Dr Michael Landau
Member of the Board

The Supervisory Board

Prof. Dr-Ing. Heinz Jörg Fuhrmann
Chairman

AURUBIS SHARES

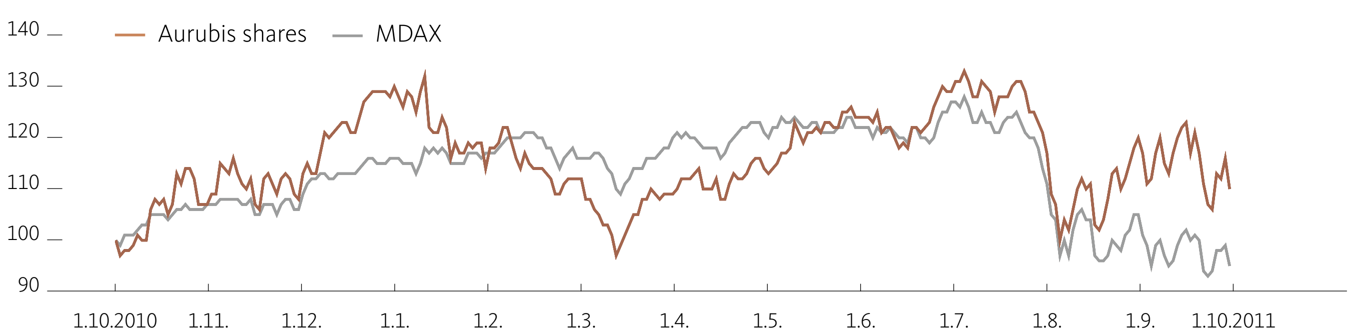
EURO CRISIS, RECESSION FEARS AND POLITICAL UPHEAVAL SEND STOCK MARKETS ON A ROLLER COASTER

At the beginning of fiscal year 2010/11, the international stock markets were initially supported by investors' good mood, which mainly resulted from the positive trend in the global economy. The markets recovered significantly by year-end and continued the trend in early 2011. However, volatility on the capital markets increased in the second quarter of the fiscal year due to factors such as political upheaval in North Africa and related concerns about further economic growth. There were considerable declines in the share prices on the international stock exchanges at the end of the second quarter in light of the earthquake off the coast of northern Japan and the following tsunami as well as the subsequent damage to the nuclear power plant in Fukushima. While the markets were able to recover from these losses to some extent in the course of the third quarter, recurring concerns about the financial situation of some European countries, especially Greece, led to negative impacts on the capital markets again. The possibility of bankruptcy in Greece was initially prevented by EU assistance, but the capital markets did not calm down: the downgrading of the USA's credit rating by the rating agency Standard & Poor's sent the stock markets into a decline at the beginning of August. In addition, disappointing economic data from Europe and the USA fuelled fears of recession on the capital markets, causing stock trading to be characterised by high tension and strong price fluctuations accordingly towards the end of the fiscal year.

In this environment of uncertainty, Aurubis shares developed better than the key German indices. While Aurubis shares were subject to the volatility of the market as a whole, they nevertheless rose by 9.2 % in the period from 1 October 2010 to 30 September 2011, while the MDAX decreased by 4.9 % and the DAX fell by 11.7 %.

Aurubis share performance compared with the MDAX, from 1 October 2010 to 1 October 2011

indexed to 100 %



* Aurubis share price as on 1 October 2011: € 34.58 = 100 %

AURUBIS AG PLACES TEN PERCENT CAPITAL INCREASE, SHARES REACH NEW ALL-TIME HIGHS DESPITE HIGH MARKET VOLATILITY

Aurubis shares started fiscal year 2010/11 at a price of € 34.58 and fell to a low of € 33.60 on 4 October 2011. Supported by the positive outlook for Aurubis' business performance, the shares participated in the year-end rally at an above-average level in the following weeks, exceeding the € 45 mark for the first time in early January 2011.

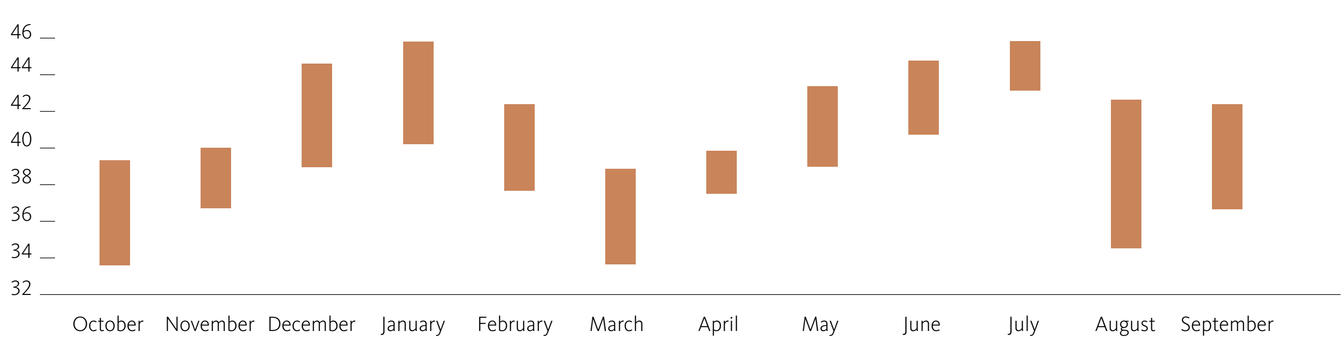
Aurubis carried out a ten percent capital increase with institutional investors on 14 January 2011. Under partial use of the authorisation in accordance with Section 4 paragraph 2 of Aurubis AG's Articles of Association, and with the approval of the Committee for Capital Measures appointed by the Supervisory Board, the Executive Board decided on 12 January 2011 to increase Aurubis AG's subscribed capital by € 10,462,653.44, from € 104,626,557.44 to € 115,089,210.88, by issuing 4,086,974 new no-par-value bearer shares, each with a notional value of € 2.56 of the subscribed capital and with full entitlement to dividends starting 1 October 2010 in exchange for a cash contribution. The subscription price of the shares was set at € 41.50. Shareholder subscription rights were excluded. The capital increase was entered into the Hamburg District Court's Commercial Register on 14 January 2011. Aurubis AG's subscribed capital now amounts to € 115,089,210.88 and is divided into 44,956,723 no-par-value bearer shares.

The publication of an ad hoc announcement on 1 February 2011 about negative impacts on the operating result due to temporary valuation effects led to a short-term decrease in the share price. Although Aurubis shares showed slight recovery tendencies, they were ultimately subject to the distortions of the market as a whole. On 3 March 2011 the Annual General Meeting passed a resolution for a dividend payment of € 1 per share. The dividend level corresponded to the capital market's expectations.

Aurubis shares were initially volatile in the third quarter 2010/11, showing a sideways trend parallel to the total market, but rose strongly at the end of June 2011 and reached a new all-time high of € 45.85 on 7 July 2011. They ended the fiscal year at € 38.19 after coming under strong pressure again towards the end of September together with the market as a whole.

Highs and lows of Aurubis shares in fiscal year 2010/11

in €



The average daily trading volume amounted to 279,000 traded shares (Xetra) in fiscal year 2010/11, an increase compared to the prior-year level of 242,000 traded shares (Xetra).

SALZGITTER AG CONTINUES STABLE INVESTMENT

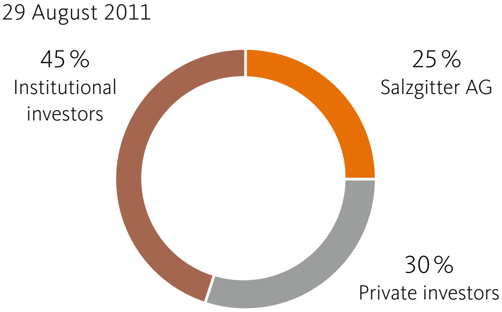
In fiscal year 2010/11 Salzgitter AG maintained its stake in Aurubis AG. On 14 January 2011 the steel producer's investment decreased to just below 25 %. On 29 August 2011 the company announced that it had increased its stake in Aurubis AG to slightly above 25 % again. Salzgitter AG's investment in Aurubis was 25.002 % at the end of the fiscal year. The remaining 75 % of Aurubis shares are divided between private investors, with about 30 %, and institutional investors, with roughly 45 %.

EXECUTIVE BOARD SUGGESTS DIVIDEND OF € 1.20

Private investors are very important to us, which is why Aurubis AG is traditionally known for its shareholder-friendly dividend policy. After our shareholders participated in Aurubis AG's success with a dividend of € 1 in fiscal year 2009/10, we would like them to receive adequate benefit from the profit again this year. The Executive Board and the Supervisory Board will therefore recommend increasing the dividend to € 1.20 per share at the Annual General Meeting on 1 March 2012.

Shareholder structure

as of 29 August 2011



INVESTOR RELATIONS HAS A STRONG PRESENCE ON THE CAPITAL MARKETS AGAIN IN 2010/11

After recovery tendencies were evident on the international capital markets at the beginning of the fiscal year due to the positive prospects for economic development, investors also showed more interest in Aurubis shares. We therefore strengthened our intensive communication with both private and institutional investors, informing them extensively about our business performance, our supplier and sales markets and our strategy.

The Executive Board and the Investor Relations department maintained strong contact with institutional and private investors in the past fiscal year. We met with a number of institutional investors during international roadshows in significant financial centres in Europe and the USA as well as at various investor conferences. In addition, we organised conference calls and participated in a number of individual discussions. We opened our plant doors to our private shareholders in three well attended dialogue events. The investors were given the opportunity to tour the Hamburg site as well as our recycling centre in Lünen and to learn more about the Company in discussions with the Executive Board and employees. As in previous years, feedback was consistently positive.

Our shareholders can reach us quickly and find comprehensive information about the different sectors of the Aurubis Group at our website www.aurubis.com. We also provide current financial reports, presentations and other publications in the download centre.

Key figures of Aurubis shares		2010/11[3)5)]	2009/10[3)]	2009/10[2)]	2008/09[2)]	2007/08[2)4)]	2006/07[2)]
Closing price as at fiscal year-end[1)]	in €	38.19	34.96	34.96	28.48	29.84	30.80
Year high (close)[1)]	in €	45.85	41.53	41.53	31.43	36.60	34.85
Year low (close)[1)]	in €	33.60	26.89	26.89	18.24	21.40	18.99
Market capitalisation as at fiscal year-end[1)]	in € million	1,717	1,429	1,429	1,164	1,220	1,144
Number of shares as at fiscal year-end	in thousand units	44,956.7	40,869.7	40,869.7	40,869.7	40,869.7	37,154.3
Dividend or recommended dividend	in €	1.20	1.00	1.00	0.65	1.60	1.45
Payout ratio	in %	51	48	48	36	23	50
Operating earnings per share/LIFO	in €	4.79	2.92	4.69	1.28	5.82	4.24
Operating price/earnings ratio as at fiscal year-end/LIFO		7.97	11.96	7.5	22.3	5.2	7.3

1) Xetra disclosures
2) with revaluation of inventories using the LIFO method
3) values "operationally" adjusted by valuation results from the application of the average cost method in accordance with IAS 2, by copper price-related valuation effects on inventories and by effects from the purchase price allocation, mainly property, plant and equipment, starting fiscal year 2010/11
4) including Cumerio as of 29 February 2008
5) including Luvata RPD as of 1 September 2011

Information on Aurubis shares

Security identification number:	676650
International Securities Identification Number (ISIN):	DE 000 67 66 504
Stock market segment:	MDAX
Stock exchanges:	Official trading in Frankfurt am Main and Hamburg; unofficial market in Düsseldorf, Stuttgart, Berlin/Bremen
Market segment:	Prime Standard
Issue price:	€ 12.78
Average daily trading volume:	279,000 shares in Xetra trading
Deutsche Börse code:	NDA
Reuters code:	NAFG
Bloomberg code:	NDA_GR

Analyst coverage 2010/11

Bankhaus Lampe	Marc Gabriel
Bank of America/Merrill Lynch	Cedar Barnes
CA Cheuvreux	Alexander Haissl
Commerzbank	Ingo-Martin Schachel
Deutsche Bank	Katja Filzek
Dr. Kalliwoda Research GmbH	Dr. Norbert Kalliwoda
DZ Bank	Dirk Schlamp
Haspa	Ingo Schmidt
Hauck & Aufhäuser	Henning Breiter
HSBC	Thorsten Zimmermann
Independent Research GmbH	Stefan Röhle
LBBW	Nenad Raic
Morgan Stanley	Alain Gabriel
Nord LB	Thomas Wybierek
Solventis	Klaus Soer
SRH Alster Research AG	Oliver Drebing
Viscardi Securities	Robert Willis
M.M. Warburg	Eggert Kuls
West LB	Ralf Dörper

FINANCIAL REPORT

COMPANY AND GENERAL FRAMEWORK

Corporate structure

PERFORMANCE PROFILE: A GLOBALLY ACTIVE COPPER GROUP

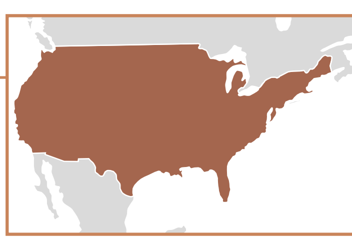
Aurubis AG is one of the world's leading integrated copper groups with a strong foundation in Europe. Its portfolio includes copper production, metal recycling and copper product fabrication. With these services, the Company is active in significant parts of the value-added chain of the industrial metal, copper. The production of precious metals and specialty products completes our range of services. As an international group, Aurubis has sixteen production sites in eleven European countries and the USA. In addition, an extensive sales and distribution network supports product sales in Europe, Asia and North America. Some 6,300 employees work for Aurubis worldwide.

BUSINESS MODEL: COPPER PRODUCTION AND PROCESSING UNDER ONE ROOF

The Aurubis Group's business model unites metal production, recycling and processing. The Company thus has a unique service structure that is strongly oriented towards the demands of the market. The breadth and depth of Aurubis' range of products and services covers most customer needs. The Company offers specialty and standard products, recycling solutions and services. The Group's business model offers great flexibility in the management of raw material procurement, production and sales.

Aurubis produces most of its copper from copper concentrates that are primarily sourced overseas and to a limited extent in the Black Sea region. Additional raw materials include copper scrap and other recycling materials, most of which are procured in Europe, as well as intermediate indus-

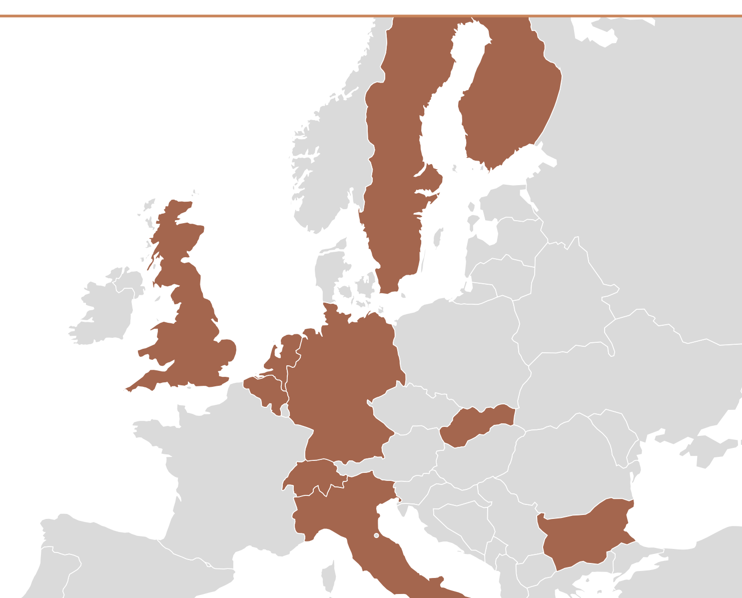
Geographic presence: production sites in 11 European countries and the USA



BU Primary Copper
Hamburg, D
Pirdop, BG
Olen, B
Röthenbach, D

BU Recycling/Precious Metals
Lünen, D
Olen, B
Hamburg, D
Fehrbellin, D

BU Copper Products
Hamburg, D
Olen, B
Emmerich, D
Avellino, I
Stolberg, D
Buffalo, USA
Pori, FIN
Finspång, S
Zutphen, NL
Mortara, I
Yverdon-les-Bains, CH
Smethwick, GB
Dolný Kubín, SK



trial products. The existing facilities are used to process metal production residues, precious metal-bearing raw materials and electronic scrap.

The copper cathodes produced from raw materials at the Hamburg, Lünen, Olen and Pirdop sites are high-quality. They are mainly processed into copper products in the Group, but can also be marketed on the London Metal Exchange (LME) or sold to trade and industry as needed.

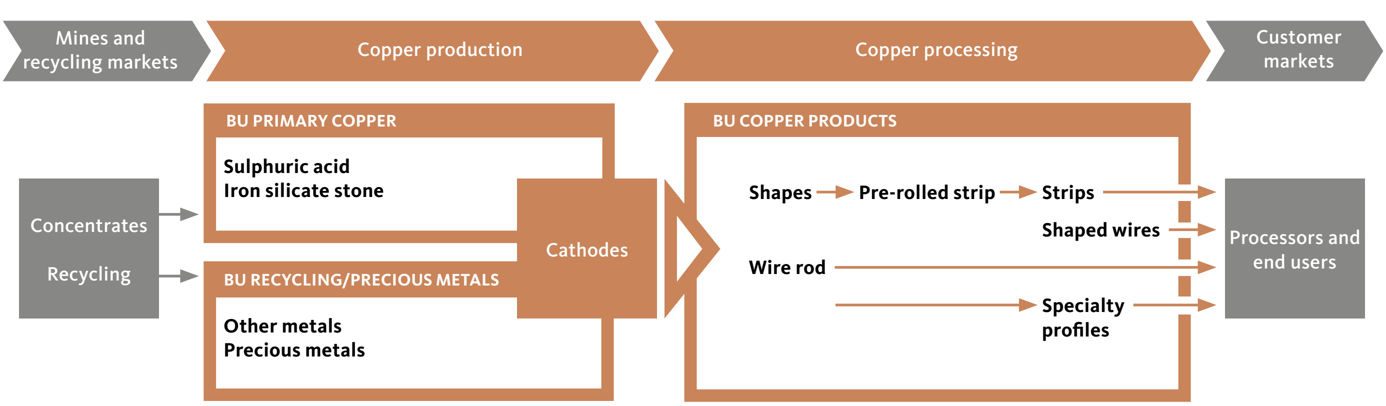
With the production of a wide range of specific copper products, Aurubis increases value added and secures a diverse clientele in the processing industry. The use of the Group's own cathodes guarantees a high degree of delivery reliability. The Group's main product is copper wire rod (AURUBIS ROD), which is extremely effective in converting and transmitting electricity due to its consistently high electrical conductivity and is shaped for use in cables, transformers, generators and motors. Continuous cast shapes (AURUBIS SHAPES), which are the ideal primary product for the fabrication of strip, foils, sheets, tubes and profiles, are also significant. The rolled products produced vary in dimension, quality and composition in a very broad supply structure. Products are often even tailored to customers' specific requirements. Precision strip with very narrow tolerances and flat copper sheets for architectural applications are also part of the product family.

By-products of copper found in raw materials are extracted in the processes to a large extent and manufactured into specialty products, primarily precious metals, sulphuric acid and iron silicate.

GROUP STRUCTURE: THREE OPERATING BUSINESS UNITS WITH CENTRAL MANAGEMENT

The Aurubis Group is managed centrally from the corporate and administrative headquarters in Hamburg, where the main production facilities are also concentrated. The Group structure is oriented towards the value-added chain of copper in accordance with the business model. Three operating Business Units (BUs) form the Group's organisational framework and provide the reporting basis.

Value-added chain



BU **Primary Copper** mainly combines the production facilities for processing copper concentrates and producing copper cathodes at the Hamburg and Pirdop sites as well as copper production at the Olen site. It also includes the production and marketing of sulphuric acid, iron silicate and other specialty products.

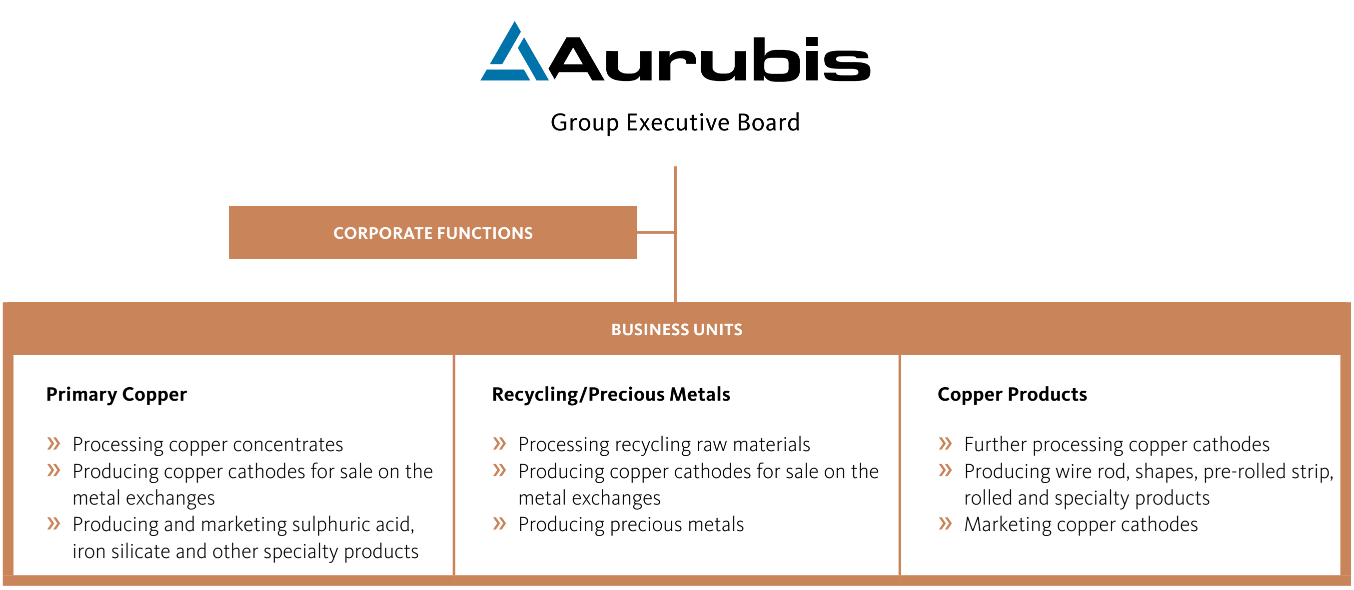
BU **Recycling/Precious Metals** comprises the recycling activities in the Group and is responsible for the production of precious metals. The BU includes the recycling centre in Lünen and the secondary smelter and precious metal production facilities in Hamburg. Companies and investments in connected business areas complete the portfolio.

BU **Copper Products** consists of the group-wide production and marketing of products from the copper product sectors wire rod, continuous cast shapes, rolled products and specialty products. From an organisational perspective, BU Copper Products is divided into Business Lines (BLs): BL Rod+Shapes, BL Flat Rolled Products & Specialty Wire, BL Bars & Profiles and BL Marketing Cathodes. There are considerable holdings in Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg, and Deutsche Giessdraht GmbH, Emmerich.

The significant production sites in Europe are Hamburg, Stolberg and Emmerich (Germany), Olen (Belgium), Zutphen (Netherlands), Finspång (Sweden), Pori (Finland), Yverdon-les-Bains (Switzerland) and Avellino (Italy). Outside of Europe, Aurubis produces strip made of copper and copper alloys in Buffalo (USA). Service centres in the United Kingdom, Slovakia, Italy and the Netherlands and a global sales and distribution network complete the BU's performance profile.

Cross-group sectors support the operating divisions with their respective service and administrative functions.

Organisation structure



LEGAL STRUCTURE OF THE GROUP AND MAIN STEPS IN ITS DEVELOPMENT

Aurubis AG was founded in Hamburg in 1866 under the name Norddeutsche Affinerie AG and was renamed as Aurubis AG as a result of a resolution passed at the Company's Annual General Meeting on 26 February 2009. Following various changes in the ownership structure, an IPO was carried out in 1998. Aurubis has been represented in the MDAX and in the Prime Standard of the German Stock Exchange since 2003.

The Group has grown in the past several years as a result of acquisitions and now has a broad corporate base:

- On 31 December 1999, the majority interest was acquired in Hüttenwerke Kaiser AG, a company that had specialised in copper recycling, which was amalgamated with the former Norddeutsche Affinerie AG on 1 October 2003. The Lünen site is the Group's recycling centre.
- With the acquisition of Prymetall GmbH & Co. KG (now called Aurubis Stolberg GmbH & Co. KG) and its 50 % holding in Schwermetall Halbzeugwerk GmbH & Co. KG (Schwermetall Halbzeugwerk), Stolberg, in fiscal year 2001/2002, Aurubis positioned itself further along the value-added chain.
- Aurubis took over the European competitor Cumerio in fiscal year 2007/08, thus taking the first step toward internationalising the Group. The Company's business model also comprised copper production and processing.
- The acquisition of the Luvata Group's Rolled Products Division on 1 September 2011 represented a significant step toward further strengthening and internationalising the product business.

Aurubis now holds leading international positions in all areas of the copper value-added chain in which the Company is represented. Aurubis is the second largest cathode producer worldwide. We also have a top global position when it comes to copper recycling. This is also true for wire rod production and, following the acquisition of the Luvata Group's Rolled Products Division, for copper foils and flat rolled products as well.

Corporate strategy

STRATEGIC DEVELOPMENT TOWARDS BECOMING THE WORLD'S LEADING INTEGRATED COPPER GROUP

Aurubis' strategy is to leverage its existing integrated copper production and processing competence in smelting, refining, metal extraction, recycling and copper processing, generating the highest possible value from various and especially complex raw materials. Furthermore, the strategy aims to expand the Company's basis in the traditional business fields and involves increasing corporate value sustainably.

In copper production, Aurubis is distinguished by its combination of concentrate processing, recycling, production expertise and integrated production processes. The Group is in a position to process a wide range of raw materials in an environmentally friendly fashion and to recover the essential elements they contain in a marketable form.

In processing, Aurubis focuses on products for applications with growth potential. The specific conductive properties of copper and copper alloys, which domestic and foreign customers value, play a role in this regard. Thanks to the acquisition of Luvata's strip business, Aurubis has yet again expanded its production expertise in the key areas of smelting and casting, deforming and surface treatment.

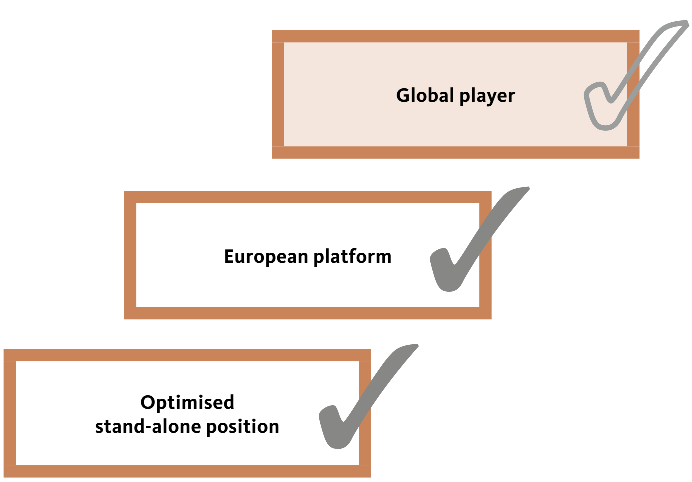
The pursued strategy is one of the results of the comprehensive strategy process that was carried out following the acquisition of Cumerio nv/sa. Outstanding expertise in metal purchasing and management, production and process management are just as important success factors in the strategy as the continuous work on better understanding market trends and customer needs and converting them into products and services that offer customers high value added.

CONCRETE MEASURES TO IMPLEMENT THE STRATEGY

In fiscal year 2010/11 the Aurubis Group pursued defined strategic tasks and made further progress in implementing the strategy.

The most significant step was the acquisition of the Luvata Group's Rolled Products Division. The strategic analysis indicated weakness in this sector at Aurubis, which required a fundamental reorientation. After growth and consolidation opportunities were intensively examined in Europe and beyond, we decided to carry out the acquisition to strengthen our strip business' strategic position and our product expertise sustainably. The newly acquired division has production sites in Finland, the Netherlands, Sweden and the United States as well as additional service centres in the Netherlands and Italy and a global sales and distribution network. This now

Aurubis will become the leading integrated copper producer worldwide



- Our strategy is to utilise our integrated copper production and processing capability in smelting, refining, metal extraction, recycling and copper processing and thus to generate the highest value from different and particularly complex raw materials.
- We supply high-grade copper products.
- We focus on products for growing applications in which the specific properties of copper and copper alloys, especially as regards conductivity, generate added value for our industrial customers in developed countries and emerging markets.

allows the Group to offer its comprehensive product portfolio worldwide. It is also especially strategically relevant that we have access to technical know-how and experienced personnel as well as vertical strip casting technology as a result of the acquisition.

It seems possible to optimise the production structure in the Group by combining the new production sites with the existing plants in Stolberg. In this way we would like to realise economies of scale and cost advantages.

The preconditions for integrating the newly acquired Luvata entities were improved in the past fiscal year and the harmonisation of group-wide processes continued. The implementation of the integration this fiscal year therefore already builds on defined processes that are already in place.

As regards personnel, analytical performance evaluations were carried out and served as a basis for a new remuneration system initiated in the fiscal year. To support targeted personnel development, management reviews for selected managers were also carried out on the basis of our Aurubis Leadership Guidelines that were developed and adopted in 2010.

Internal programmes, for example Innovation Management, were further implemented to strengthen production expertise, market and customer know-how and innovative power.

A FOCUS ON ENHANCING EFFICIENCY

Efficiency enhancement measures were the main focus in many sectors during the entire year.

In BU Primary Copper we started a comprehensive programme to boost efficiency in Pirdop with a special focus on increasing throughput and reducing costs. The measures are being implemented as far as possible without high capital expenditure and will be monitored regularly for continuous improvement in the scope of the project organisation.

Furthermore, a new slag flotation plant was also completed in Pirdop that allows for better control of rising slag quantities from concentrate processing. The copper recovered in the plant is redirected to production.

We also worked on optimising the metal yield at other sites and on improving the marketability of products. Aurubis ultimately benefited from the fact that the Olen site was able to compensate for output fluctuations within the Group caused by scheduled and unscheduled standstills. This enabled more copper scrap to be utilised at attractive conditions.

In BU Recycling/Precious Metals the commissioning of the KRS-Plus project was an outstanding event during the fiscal year. It allows for a much higher throughput of complex recycling raw materials in the recycling centre in Lünen. Throughput was increased with minimal effort in the secondary smelter's electric furnace at the Hamburg site, and precious metal recovery was accelerated and stocks were reduced owing to a new gold electrolysis process.

In BU Copper Products casting expertise for high-quality continuous cast shapes was further expanded in BL Rod+Shapes thanks to capital expenditure at the Hamburg site. Only oxygen-free and low-alloyed shapes up to a total weight of 25 t and a length of 9 m can be cast there. In the rod fabrication sector, a number of measures were implemented in all four facilities to increase productivity and quality.

The expansion of BL Flat Rolled Products & Specialty Wire was accompanied by the implementation of operating measures for company and business development at the Stolberg site during the fiscal year. Moreover, the first year of an efficiency enhancement programme that will last several years ended successfully. In the scope of the current business integration, projects to increase productivity and profitability are starting up in the strip sector as well.

BL Bars & Profiles started a TPM (total productive maintenance) project during the fiscal year that is accompanied by specific KPIs (key performance indicators) and provides for increases in volume and productivity.

SUSTAINABILITY AS THE FOUNDATION OF CORPORATE DEVELOPMENT

The Aurubis Group's corporate values consist of Performance, Responsibility, Integrity, Mutability and Appreciation. They were defined in the PRIMA project, whose name derives from the first letter of each value (the German word "prima" means "great" in English). Responsibility for customers and products, employees and the community is consequently a key element of Aurubis' values. Aurubis' competence lies in its conscientious handling of the environment and limited natural resources, not only as an expression of responsibility but as part of its competitive strength.

In 2009 the first Sustainability Report, which contains extensive information about sustainable corporate management, was published for the whole Aurubis Group. The Environmental Report published in 2011 (see www.aurubis.com) comprehensively outlines the current corporate guidelines, the environmental management system and concrete activities for environmental, climate and resource protection. In the course of integrating the acquired Luvata sites, the new divisions will be incorporated into the existing group-wide system. The Aurubis Group's expanded Sustainability Report will be released in 2012.

Legal disclosure requirements

The declaration on corporate governance and the compensation report are part of the consolidated management report. Both are printed at the beginning of this annual report and available on the Company's website at www.aurubis.com/corporate-governance and www.aurubis.com/compensation-report.

DISCLOSURES OF TAKEOVER PROVISIONS

Explanatory report by the Executive Board of Aurubis AG, Hamburg, in accordance with section 176 paragraph 1 sentence 1 German Companies Act (AKTG) on disclosures of takeover provisions pursuant to sections 289 paragraph 4 and 315 paragraph 4 German Commercial Code (HGB) as at the balance sheet date of 30 September 2011

The following disclosures as at 30 September 2011 are presented in accordance with Sections 289 paragraph 4, and 315 paragraph 4 German Commercial Code (HGB).

Composition of the subscribed capital

The subscribed capital (share capital) of Aurubis AG amounted to € 115,089,210.88 as at the balance sheet date and was divided into 44,956,723 no-par-value bearer shares, each with a notional value of € 2.56 of the subscribed capital.

Each share grants the same rights and one vote at the Annual General Meeting.

Shareholdings exceeding 10 % of the voting rights

One indirect shareholding in Aurubis AG exceeds 10 % of the voting rights:

Salzgitter AG, Salzgitter, notified the Company in accordance with Section 21 paragraph 1 German Securities Trading Act on 29 August 2011 that its voting interest in Aurubis AG had exceeded the threshold of 25 % of the voting rights on 29 August 2011 and amounted to 25.002 % of the voting rights (representing 11,240,000 votes). Of this total, 25.002 % of the voting rights (representing 11,240,000 votes) are attributed to Salzgitter AG via Salzgitter Mannesmann GmbH, Salzgitter.

Accordingly, one direct investment in the capital of Aurubis AG exceeds 25 % of the voting rights: according to the notification of Salzgitter AG, Salzgitter, dated 29 August 2011, Salzgitter Mannesmann GmbH, Salzgitter, has held 25.002 % of the voting rights (representing 11,240,000 votes) since 29 August 2011.

Appointment and removal of Executive Board members and amendments to the Articles of Association

The appointment and removal of members of the Executive Board of Aurubis AG is covered by Sections 84 and 85 German Companies Act and Section 31 Co-determination Act in conjunction with Section 6 paragraph 1 of the Articles of Association. Amendments to the Articles of Association are subject to the approval of the Annual General Meeting. The resolution at the Annual General Meeting is passed by a majority that must comprise at least three quarters of the subscribed capital represented in the vote; Section 179 et seq. German Companies Act applies. In accordance with Section 11 paragraph 9 of the Articles of Association, the Supervisory Board is authorised to resolve amendments to the Articles of Association that only relate to their wording. Furthermore, the Supervisory Board is empowered to adjust Section 4 of the Articles of Association after the complete or partial execution of the subscribed capital increase in accordance with the respective claim to the authorised capital and after the authorisation expires. It is also empowered to adjust the wording of Section 4 paragraphs 1 and 3 of the Articles of Association in accordance with the respective issuing of new no-par-value bearer shares to the holders or creditors of convertible bonds and/or bonds with warrants, profit participation rights or participating bonds (or combinations of these instruments), which are issued by the Company or companies in which it has an indirect or direct majority interest for a cash contribution as a result of the authorisation resolved at the Annual General

Meeting on 3 March 2010 under item 8 of the agenda, and grant a conversion or option right to new no-par-value bearer shares in the Company or establish a conversion obligation. The same applies if the authorisation to issue bonds with warrants or convertible bonds is not used after the authorisation period expires or if the conditional capital is not used after the deadlines for exercising option or conversion rights or for fulfilling conversion or option obligations have expired.

Power of the Executive Board to issue shares

In accordance with Section 4 paragraph 2 of the Articles of Association, the Executive Board is empowered, with the approval of the Supervisory Board, to increase the Company's subscribed capital in the period until 2 March 2016 by issuing up to 22,478,361 new no-par-value shares in exchange for a cash contribution and/or a contribution in kind once or in several instalments by up to € 57,544,604.16. The shareholders shall always be granted a subscription right. The new shares can also be acquired by one or more credit institutions with the obligation of offering them to shareholders for subscription. The Executive Board is, however, authorised, subject to the approval of the Supervisory Board, to exclude shareholder subscription rights once or on several occasions:

a) inasmuch as it is necessary to exclude subscription rights for possible fractional amounts,
b) up to an arithmetical nominal value totalling € 38,046,026.24 if the new shares are issued for a contribution in kind,
c) for capital increases against cash contributions up to an arithmetical nominal value totalling € 11,508,920.32 or, if this amount is lower, by a total of 10 % of the subscribed capital existing when this power was exercised for the first time (in each case taking into account the possible use of other authorisations to exclude the subscription right in accordance with or in the corresponding application of Section 186 paragraph 3 sentence 4 German Companies Act), if the issuing price of the new shares is not significantly lower than the price of company shares in the same category on the stock exchange at the time when the issuing price is finally fixed,
d) inasmuch as it is necessary to grant holders or creditors of bonds with warrants or convertible bonds issued by the Company relating to shares a subscription right for new shares to the same extent as they would be entitled after exercising their option or conversion rights.

In the resolution dated 11 February 2011 the Executive Board of Aurubis AG declared in the scope of a voluntary commitment that it would not make use of the authorisations to exclude shareholders' subscription rights during the duration of the authorisation provided in Section 4 paragraph 2 of the Articles of Association insofar as this would lead to the issuing of Aurubis AG shares under the exclusion of subscription rights whose notional value exceeds a total of 20 % of the subscribed capital at the time of the Annual General Meeting's resolution, or, if this amount is lower, of the subscribed capital existing at the time the authorisation is first used.

This voluntary commitment was made accessible on Aurubis AG's website in the Investor Relations section for the duration of the authorisation.

Power of the Executive Board to repurchase shares

With a resolution of the Annual General Meeting on 3 March 2011, the Company was empowered until 3 September 2012 to repurchase its own shares (treasury shares) up to a total of 10 % of the current subscribed capital. Together with other own shares held by the Company or attributable to it in accordance with Section 71a et seq. German Companies Act, the shares acquired by the Company based on this authorisation shall at no time exceed 10 % of the Company's current subscribed capital. The acquisition of shares for the purpose of trading with own shares is excluded. The Executive Board is empowered to use shares in the Company that are purchased on account of this power for all legally permitted purposes, and in particular also for the following purposes:

a) Own shares that have been acquired can also be sold in a way other than a sale via the stock exchange or by means of an offer to all of the shareholders, if the shares are sold in return for a cash payment at a price that is not materially lower than the stock market price of the Company's shares of the same category at the time of the sale; the subscription rights of the shareholders are excluded.
b) Own shares that have been acquired can also be sold in a way other than a sale via the stock exchange or by means of an offer to all of the shareholders, if this is carried out in return for a contribution in kind by a third party, especially in conjunction with the acquisition of business entities, parts of business entities or participating interests in business entities by the Company itself or by a business entity dependent on it or majority owned by it, and in conjunction with business combinations or to fulfil conversion rights or obligations relating to conversion or option rights issued by the Company or Group entities of the Company; the subscription rights of the shareholders are in each case excluded.
c) Own shares acquired can be withdrawn entirely or in part without a further resolution of the Annual General Meeting.

The complete text of the resolution dated 3 March 2011 has been included under agenda item 6 in the invitation to the Annual General Meeting 2011 published in the electronic German Federal Gazette on 20 January 2011.

Power of the Executive Board to issue convertible bonds and shares out of conditional capital

In accordance with section 4 paragraph 3 of the Company's Articles of Association, the subscribed capital is conditionally increased by up to € 52,313,277.44 by issuing up to 20,434,874 new bearer shares without a nominal amount (no-par-value shares), each with notional interest in the subscribed capital of € 2.56 (conditional capital). The conditional increase in capital will be used to grant no-par-value bearer shares to the holders or creditors of convertible bonds and/or bonds with warrants, profit participation rights or participating bonds (or combinations of these instruments), which are issued by the Company or companies in which it has an indirect or direct majority interest, for a cash contribution as a result of the authorisation resolved at the Annual General Meeting on 3 March 2010 under item 8 of the agenda, and grant a conversion or option right to new no-par-value bearer shares in the Company or establish a conversion obligation. The conditional increase in capital will only be carried out to the extent that option or conversion rights are used or those holders or creditors that are required to convert fulfil their obligation to convert and that the Company's own shares or new shares from the utilisation of authorised unissued capital are used for this purpose. The new no-par-value bearer shares are entitled to participate in the profits from the beginning of the fiscal year in which they come into existence through the exercise of option or conversion rights or the fulfilment of conversion obligations. The Executive Board is authorised to define the further details of how the conditional capital increase shall be performed.

SIGNIFICANT CONDITIONAL AGREEMENTS CONCLUDED BY THE COMPANY

Credit lines of € 550 million are still available from the agreement with a banking syndicate ("the Syndicated Loan") on a credit line initially totalling € 1.2 billion, which, apart from financing the acquisition of Cumerio nv/sa, serves to finance the working capital of the Group. In the event that a single person or a group of persons acting together should acquire more than 50 % of the shares or the voting rights in Aurubis AG, every syndicate lender shall be entitled to cancel its participation in the Syndicated Loan and to demand immediate repayment of the amounts owed to it.

Corporate control

MANAGEMENT RESPONSIBILITY IN THE GROUP

The Executive Board directs Aurubis AG sustainably in line with the corporate strategy. The Executive Board members possess extensive expertise and the necessary national and international experience. The cooperation within the Executive Board and in the other levels of management is based on intensive exchange.

Since the requirements for managers are increasing steadily, managers must continually examine their role and their understanding of leadership, adjusting them as necessary. The common leadership guidelines developed in the past fiscal year serve as a benchmark in the process. These guidelines were used to derive a set of necessary skills for the managers. The result is the Aurubis competence model, which is divided into four competence areas:

» Entrepreneurship
» Efficiency
» Leadership Effectiveness
» Personal Mastery

The competence model is used in the selection of managers and high-potential employees and in management reviews. Furthermore, it serves as a basis for the Aurubis Group's Management Development Programme.

In order to prepare managers as well as possible, a "Leadership Programme" was established offering comprehensive qualification opportunities. Additionally, business coaching offers individual opportunities to work on personal development in a targeted and solution-oriented manner. New managers are provided with active support.

There are plans to introduce Leadership Feedback in 2012 to structure the dialogue between management levels.

An orientation towards success also includes attractive individual compensation at Aurubis, in accordance with the remuneration system for the Aurubis management introduced on 1 October 2010. This remuneration system aligns with international standards and normal market conditions.

A balanced composition within the management team is vital to us: women and men, national and international specialists and managers and younger and seasoned employees work closely together for shared success.

CENTRAL MEASURE OF SUCCESS: RETURN ON CAPITAL EMPLOYED

The main objective of the management control system is to increase the Aurubis Group's corporate value by generating a positive overall contribution to the enterprise in addition to the costs of capital. The basis of the Company's internal management control system is provided by a uniform evaluation of the operating business and the optimisation and investment plans, using earnings, balance sheet and financing ratios. Aurubis' capital expenditure guidelines and project management establish the uniform presentation and assessment of various projects across Group entities. Qualitative and strategic criteria are considered as well.

The Aurubis Group reports in accordance with International Financial Reporting Standards (IFRS). When the average cost method is applied, metal price fluctuations systematically lead to considerable discontinuities in the presentation of the Aurubis Group's results of operations, financial position and net assets due to the reporting of changes in the carrying amounts of inventories. In our view, these valuation results lead to an economically inaccurate presentation in the management report. Furthermore, the purchase price allocation in the course of the acquisition of Luvata's Rolled Products Division resulted in one-time effects that would also lead to a distortion in the Aurubis Group's presentation of the results of operations, financial position and net assets.

In order to be able to present the Aurubis Group's operating success without such valuation effects on internal control systems, internal reporting and control of the Group are carried out on the basis of an operating result.

The operating result is derived from the IFRS results of operations by

» Adjustment by valuation results from the application of the average cost method in accordance with IAS 2
» Adjustment by copper price-related valuation effects on inventories
» Adjustment by effects from purchase price allocations, primarily on fixed assets, starting in fiscal year 2010/11.

One of the main ratios used to determine and compare profitability is ROCE (return on capital employed), which reflects the efficiency with which the capital is utilised in the operating business or to fund investments. ROCE is the ratio of earnings before interest and taxes (EBIT) to capital employed on the balance sheet date. The internal rate of return (IRR) and the net present value (NPV) are also used to assess investment projects.

On the basis of the operating result used by the Group management for control purposes, the Aurubis Group achieved a ROCE of 18.7 % after 11.4 % in the prior year due to the improved operating earnings situation (EBIT of € 327 million compared to € 187 million in the prior year). Taking into account the capital employed and EBIT in accordance with IFRS, a ROCE of 21.8 % results in the current fiscal year, compared to 25.5 % in the prior year.

SIGNIFICANT LEGAL AND ECONOMIC FACTORS

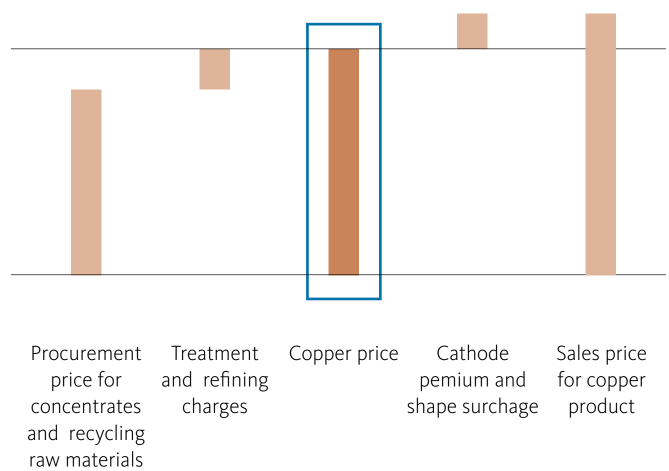
The Aurubis Group's business is influenced by various factors. Occurrences on the international raw material and copper markets are exceedingly important. The economic performance in industrialised countries and emerging markets as well as events on the financial and foreign exchange markets also have a considerable impact. Changes in political conditions, international trade policy and factors related to the environment are likewise relevant for the business.

Copper price, treatment and refining charges, premiums and surcharges

The copper price reflects the relationship between supply and demand. It is formed first and foremost in trading on the London Metal Exchange (LME), which enables physical transactions, hedging transactions and investment business. The copper price is a benchmark beyond exchange trading and is recognised internationally.

This copper price is the basis of Aurubis' raw material and product business. This allows for consistent risk management, so the copper price is only a transitory item when measuring operating earnings. Nevertheless, the copper price influences the supply of raw materials and demand, thus indirectly affecting earnings. Furthermore, an effect on earnings arises from efficient metal extraction in Aurubis' plants. They are determined by the metal price, whose volatility leads to fluctuations accordingly.

Price formation along the value-added chain



Treatment and refining charges (TC/RCs) negotiated with suppliers make up the considerable revenue components of a transaction and are an important earnings factor for the Company when procuring copper-bearing raw materials. They fluctuate distinctly according to the supply and demand trend in the respective markets. They are essentially the remuneration for turning raw materials into the commodity exchange product, copper cathodes, as well as other metals and finished products.

The metal exchange quotation for copper serves as the price basis for the sale of copper products. The European copper cathode premiums and shape surcharges, which are charged for the conversion of cathodes into copper products, are also part of the sales price and are important key earnings factors in copper product sales.

Exchange rates

Financial accounting and reporting is performed in euros in the Aurubis Group. Part of the business is, however, invoiced in foreign currencies and is subject to influences from exchange rate fluctuations accordingly: while the recycling business is mainly invoiced in euros, the international concentrate business is based on the US dollar.

Exchange rate risks are identified directly and serve as the basis for hedging decisions. Spot and forward transactions as well as options are used for ongoing hedging.

Energy

The production processes in the Aurubis Group are energy-intensive. We therefore pursue the fundamental objective of increasing energy efficiency and decreasing specific energy costs. We secured a continuous 30-year electricity supply for the German sites starting in 2010 by means of a contract for a so-called “virtual power plant slice”. It is based on transparent costs and makes Aurubis more independent from the electricity price trend on the electricity exchange, EEX, which is difficult to predict.

The electricity prices on the market in fiscal year 2010/11 rose by about 15 % after initially moving sideways. A reduction to the level before the reactor accident in Fukushima has been evident recently.

The price increase on the gas market at the beginning of 2011 was largely due to the good ongoing economic situation in Europe and Asia. The long, harsh European winter additionally increased gas demand. The prices on the market increased by about 10 %, intensified by the events in Japan. The gas price remained stable starting in July 2011.

At about € 150 million, the Aurubis Group’s energy costs were nearly the same compared to the prior-year period despite the volatile trend on the individual markets. Electricity costs for the Group fell slightly, while gas costs rose slightly. Long-term energy contracts helped prevent the price increases on the market from taking full effect in the Company.

The acquisition of the Luvata Group’s Rolled Products Division will lead to a roughly 15 % increase in the Group’s total electricity and gas consumption. We expect consumption amounting to around 1.6 TWh of electricity and about 1.3 TWh of gas for FY 2011/12.

Because of the energy turnaround in Germany – the phase-out of nuclear energy and the development of renewable energies – there will possibly be significant instability in the electricity supply and in the energy grids. This could entail large-scale blackouts. Aurubis has established a programme encompassing measures that ensure an emergency electricity supply to protect critical facilities from major losses in case of longer blackouts.

The additional electricity costs levied by the state, such as the eco-tax, CHP (combined heat and power) and the Renewable Energy Act, continued to increase in the course of fiscal year 2010/11. Overall, this led to a moderate increase in the total electricity costs. The notable upsurge in the Renewable Energy Law rates was avoided due to existing schemes to balance the supply.

Emission trading

In December 2009 the European Commission published the list of sectors at a significant risk of carbon leakage (relocation of production and emissions), which mentioned the copper industry. In the European Commission's view, the industries included in this list are threatened with especially strong competitive disadvantages if third countries establish less strict climate protection requirements than the European Union.

Complete exemption from all CO_2 costs is necessary to prevent carbon leakage for affected industries. Germany's affirmation of complete compensation has not been approved by the EU yet. European industry's ability to plan and thus its willingness to invest are limited as a result.

Economic environment in general and in individual sectors

GLOBAL ECONOMY LOSES MOMENTUM IN THE COURSE OF THE FISCAL YEAR

The start to fiscal year 2010/11 was accompanied by global economic recovery, which was increasingly described as self-supporting. Its speed varied regionally, however. With their high growth dynamics, newly industrialised countries that in some cases were producing at the capacity limit surpassed the trend in developed countries, which showed only subdued growth. Inflationary pressure rose and elicited countermeasures in the form of more restrictive monetary and fiscal policies, especially in China. World trade expanded appreciably.

Until summer 2011 the global economy appeared to be in a robust condition overall, continuing to move at two different paces in the economic cycle. The effects of the earthquake in Japan on the domestic economy and the international supply chain as well as high raw material prices temporarily led to a slow-down in growth and international commodity trading. This was also evident in declining confidence indicators and reduced entrepreneurial and consumer trust. Starting in August 2011 tension was noticeable on the international financial markets, which proved to be a burden on the strength of economic recovery in developed economies in particular. The regional discrepancies remained. The volatility on the financial markets and investors' risk aversion increased.

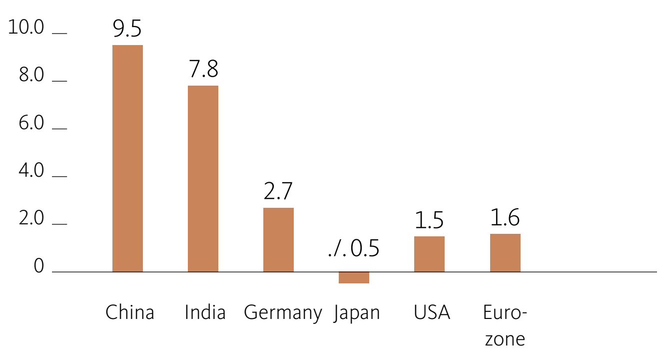
ECONOMY IN THE EURO-ZONE DEVELOPS INCONSISTENTLY – GERMANY STABLE

After a good start, economic development in the EU was increasingly affected by tension on the financial markets. After the euro-zone showed 0.3 % growth in the real GDP in the last quarter of 2010 compared to the prior quarter, it initially jumped to 0.8 % in the first quarter of 2011. The basic economic dynamics subsequently weakened, however, so a plus of only 0.2 % was achieved in the second quarter. The European Central Bank still expected the economy in the euro-zone to be supported by measures adopted to support the financial sector's viability, positive influences from newly industrialised countries and attractive short-term interest. It gradually decreased the prime rate in November and December 2011, most recently to 1.00 %.

The economic growth differential within the monetary union was large again in 2011. Germany and Belgium performed well with plus 2.7 % and plus 2.4 % respectively, France and the Netherlands were in the middle range with 1.7 % and 1.6 % and the other southern European countries were unconvincing with growth rates under 1.00 % or in the negative range.

Expected GDP growth 2011

in %



Source: IWF, World Economic Outlook, Sept. 2011

COPPER MARKET STILL CHARACTERISED BY EXCESS DEMAND

Europe: Copper demand remains high

Demand for cathodes and copper products resulting from the good economic trend supported the European copper market until summer 2011, although the trend developed differently according to region. Seasonal effects came into play during the holiday period, curbing demand growth. While uncertainty increased and expectations were assessed more cautiously due to the euro debt crisis, in the real market the effects were especially perceptible in restrained customer scheduling. This behaviour was also a result of the copper price level and its volatility.

In Germany, which is the significant sales market for Aurubis copper products, the main customer sectors had a high degree of capacity utilisation up to the end of the fiscal year. In the period January to August 2011, domestic customers in the electrical industry ordered 19 % more products and foreign customers ordered 8 % more. The German automotive industry produced 7.2 % more cars from January to September 2011 than in the prior-year period. Machinery and plant engineering showed 88.7 % capacity utilisation in October 2011. Italy, which has a well developed copper processing industry like Germany, had more difficulties with its economic development and experienced reduced demand for refined copper compared with the prior year. According to preliminary data from the International Copper Study Group (ICSG), demand growth was 3.5 % in Europe for the first half-year 2011.

Asia: China's copper demand remains an important price factor

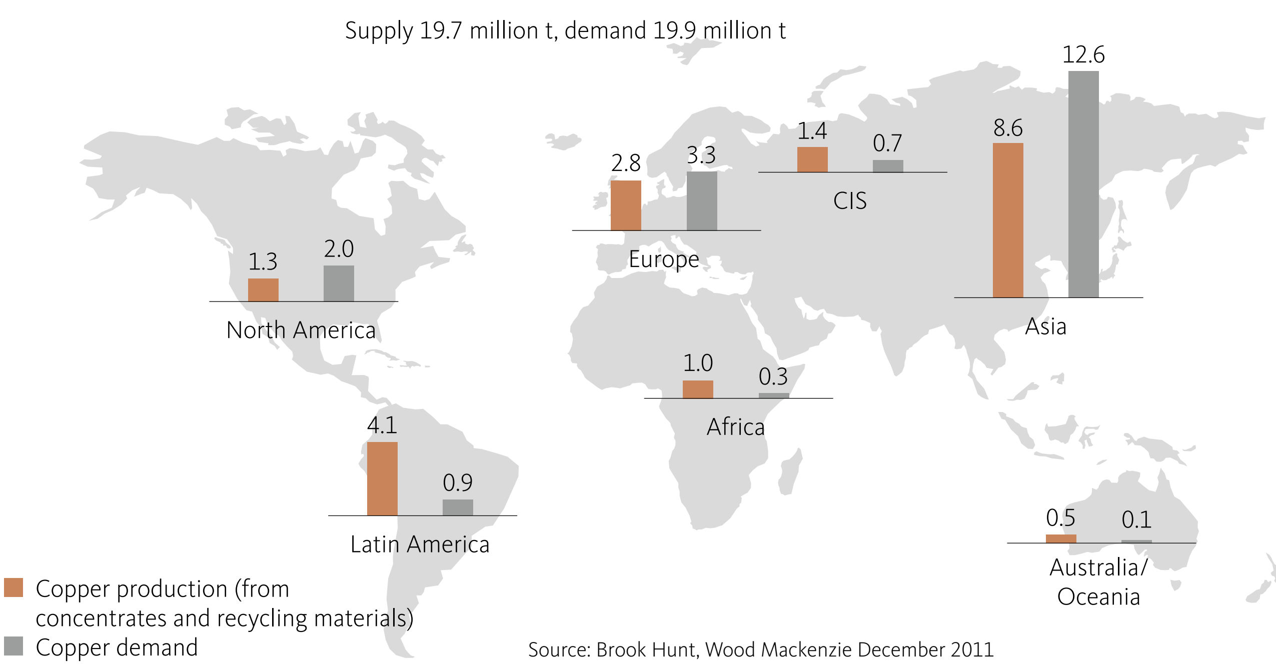
Apart from Europe, China is the largest demand centre for copper. The Asian country's share of global demand for refined copper is about 39 % in the meantime. Its direct purchasing activities on the global market were lower during the first seven months of 2011. During this time, local copper inventories were liquidated and reduced instead, in particular outside of the exchange warehouses. Towards the end of this process, China's purchasing activities increased on the international copper market again. In September 2011 imports reached a 16-month high with 275,000 t of refined copper. Energy production, conversion and distribution in particular were the most important sectors in this regard. According to market research institutes, Chinese demand for refined copper will have increased by 8 to 9 % in 2011, or by about 600,000 t.

Global copper production insufficient to cover demand

In 2011 copper production was once again below the capacity limit. Smelters' capacity utilisation was only about 79 % in the first half-year 2011 according to ICSG. The year was strongly affected by production disruptions compared to 2010, which led to lower quantities at mines as well as smelters. While weather conditions in particular led to volume losses initially, losses were later increasingly tied to wage disagreements at mine operators. Additional production losses resulted from the earthquake in Japan and its aftermath.

Expected supply and demand of refined copper in 2011

in million t



Source: Brook Hunt, Wood Mackenzie December 2011

Copper raw material markets show inconsistent trend

In 2011 the mining industry struggled with decreasing copper contents in ores and the negative factors mentioned above. The production results were therefore unsatisfactory. Nevertheless, there was good availability on the copper concentrate markets at first, which allowed for higher treatment and refining charges (TC/RCs) in spot transactions. Because of the earthquake in Japan, all concentrate deliveries for one copper smelter had to be stopped, which relieved the market. Later in the year the market tapered off again due to strikes in mines.

The copper scrap market exhibited good availability for long periods of the year owing in part to high copper prices and an improved economic situation. The purchasing activities of Chinese market participants were only perceptible at certain times and did not weigh on the market, so the supply options for European copper scrap consumers were adequate. The supply of other recycling raw materials was also good for the most part.

Copper inventories on the metal exchanges fluctuate in the course of the year

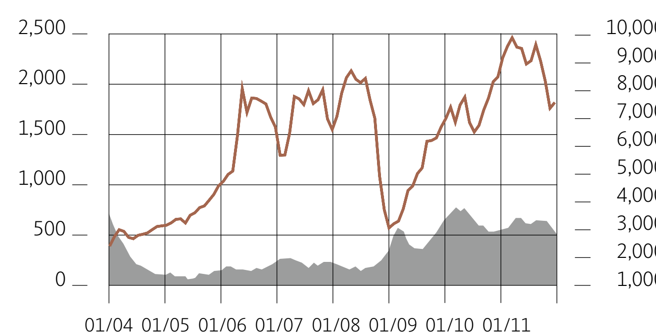
The trend in copper inventories in the warehouses of the three large metal exchanges, LME, COMEX (Commodity Exchange, New York) and SHFE (Shanghai Future Exchange), fluctuated during the fiscal year. After a largely stable course, deliveries to the London Metal Exchange (LME) in particular increased starting in early 2011. On 24 March 2011 the exchange inventories of copper reached the highest level of the fiscal year with 697,000 t. Afterward they fluctuated slightly. They amounted to 651,000 t of copper at the end of September 2011. About 52 % of this quantity was stored in North American warehouses and was thus not very accessible to customers in the strong consumer regions of Asia and Europe. Outside of the metal exchanges, China in particular has stockpiled volumes. They are not officially quantified. There was reportedly a strong reduction in these volumes in 2011.

Copper price considerably up on the prior-year level

The copper price on the LME proved to be very robust during the fiscal year as a result of the fundamental market situation. It was at a high level in fiscal year 2010/11 at an average of US$ 9,096/t (settlement), exceeding the prior-year average (US$ 7,036/t) by 29 %. After starting at US$ 8,115/t, prices peaked at amounts over US$ 10,000/t in February 2011. Growing uncertainties on the financial markets caused prices to fall to under US$ 8,000/t starting in mid-September 2011. The high during the fiscal year was US$ 10,148/t (14 February 2011), while the low was US$ 6,975.50 (29 September 2011).

Copper price and metal exchange copper inventories

Until 30 September 2011 in thousand t US$/t



Metal exchange copper inventories
LME copper price

CONSOLIDATED BUSINESS PERFORMANCE 2010/11

Performance of BU Primary Copper

Business Unit Primary Copper in € million	2010/11 operating	2009/10 operating
Revenues	6,662.6	5,385.2
EBT	169.5	65.4
EBIT	184.2	74.1
Capital expenditure *	47.5	71.3
Depreciation and amortisation	(70.9)	(73.3)
Average number of employees	2,186	2,143

* on intangible assets and property, plant and equipment

BU Primary Copper produces copper cathodes from copper concentrates and blister copper from other smelters. In addition, copper scrap, intermediates and other recycling materials are treated in order to optimise the process. The treatment and refining charges (TC/RCs) generated represent a main source of earnings for the BU. Its main production operations include the smelting and refining facilities at the sites in Hamburg (Germany), Olen (Belgium) and Pirdop (Bulgaria).

GOOD TC/RCS FOR COPPER CONCENTRATES

The supply of copper concentrates showed a very positive trend in the course of the fiscal year, which caused TC/RCs in the spot market to increase appreciably. There were also significant improvements in conditions under long-term contracts. We were able to take advantage of this development.

On the markets for blister copper and copper scrap there was also a very favourable trend with high refining charges, which generated additional improvements in the result.

PRODUCTION PLANTS FULLY SUPPLIED WITH RAW MATERIALS

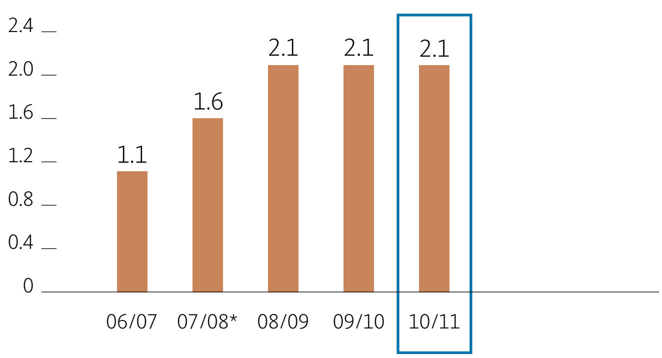
Because of the advantageous market trend, we were in a position to provide all sites with a good raw material supply. Additional results were generated due to optimisations in the input mix. This affected the processing of precious metal-bearing materials among other things, which resulted in high profit contributions.

Demand for sulphuric acid, which we produce as a by-product of concentrate processing, was high in the fiscal year overall. We achieved extraordinarily good results in some cases in our important sales markets in the chemistry and fertiliser sectors as well as in copper recovery via metal leaching, especially in foreign transactions. Moreover, there were positive effects due to an improved strategic market orientation.

BU PRIMARY COPPER GENERATES GOOD PRODUCTION RESULTS

The good supply of the raw materials copper concentrate and copper scrap ensured high capacity utilisation of the production plants during the entire fiscal year, although an unscheduled 15-day standstill was necessary at the Hamburg site in December 2010 to repair damage to the bottom of the flash smelter, the main plant in concentrate processing. Apart from repairing the damage, the time was used to carry out the maintenance and auditing work that was originally scheduled for the end of the fiscal year. Overall, we processed about 1.1 million t of copper concentrates (1.1 million t in the prior year) in Hamburg during the fiscal year, the same quantity as in the prior year.

Concentrate throghput
in million t



* incl. Pirdop as of 1 March 2008

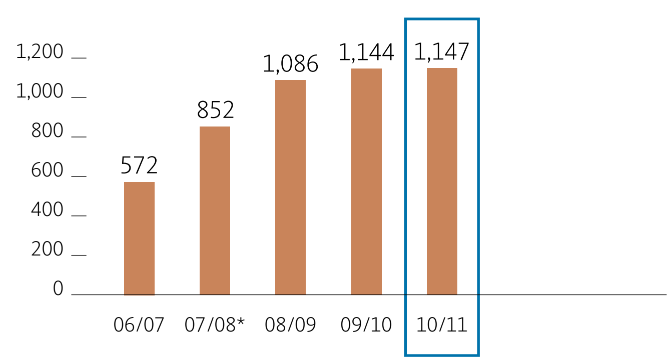
At the Bulgarian site in Pirdop, production was affected by a scheduled standstill in October 2010. Routine maintenance work was carried out during this time. In addition, the opportunity was used to further improve the site's emissions situation with technical modifications and to increase plant availability. We achieved a concentrate throughput of 1.0 million t (1.0 million t in the prior year) at our Bulgarian site in Pirdop. This good performance was a result of the technical improvements implemented during the standstill in October 2010 in particular.

We thus processed a total of nearly 2.1 million t of copper concentrates (2.1 million t in the prior year) in BU Primary Copper in 2010/11, achieving the prior-year result. The sulphuric acid output amounted to 2 million t based on the concentrate throughput (2.1 million t in the prior year).

The ability to fully supply anodes to the Group's tankhouses was negatively impacted by production limitations that occurred in smelting operations in the concentrate processing sector. Nevertheless, we utilised our production flexibility to keep the anode loss as low as possible. In the Belgian production plant in Olen, more scrap and blister copper were used to maximise the anode output.

Totalling 934,000 t, BU Primary Copper's cathode output even exceeded the prior-year quantity (932,000 t). The tankhouse in Hamburg attained the prior-year result with 364,000 t of cathode output (364,000 t in the prior year) despite ongoing technical modifications. At 349,000 t, the tankhouse in Olen exceeded the prior-year quantity somewhat (347,000 t), while the tankhouse in Pirdop produced slightly more with 221,000 t (220,000 t in the prior year).

Cathode output in the Group
in thousand t, BU Primary Copper and BU Recycling



* incl. Olen and Pirdop as of 1 March 2008

GOOD RESULT IN BU PRIMARY COPPER

BU Primary Copper generated a very good result due to the positive business performance. The favourable market trend for copper and copper raw materials as well as sulphuric acid led to a significant rise in revenues. The good availability of copper concentrates and copper scrap on the markets led to a welcome TC/RC trend. In the sulphuric acid market, considerably higher global demand contributed to positive business performance and increasing prices. The output at the respective sites of the Business Unit was at the good level of the prior year.

Operating earnings before interest and taxes (EBIT) amounted to € 184 million in BU Primary Copper in fiscal year 2010/11. Compared to the prior year, this is an improvement of € 110 million or 149 %.

The BU's revenues in fiscal year 2010/11 rose by € 1,277 million or 23.7 % to total revenues of € 6,663 million.

The BU had an average of 2,186 employees.

Performance of BU Recycling/Precious Metals

Business Unit Recycling/Precious Metals in € million	2010/11 operating	2009/10 operating
Revenues	4,548.0	3,399.6
EBT	100.1	49.4
EBIT	108.1	59.3
Capital expenditure *	55.2	47.4
Depreciation and amortisation	(14.8)	(14.1)
Average number of employees	1,079	999

* on intangible assets and property, plant and equipment

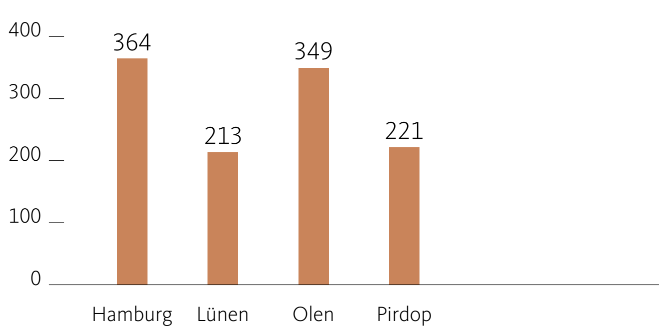
The core activity of BU Recycling/Precious Metals is the production of copper cathodes from a wide range of recycling raw materials. Recycling takes place in the Group at various locations. The main activities take place in the recycling centre in Lünen. In addition to copper scrap, increasing quantities of a variety of complex recycling raw materials, such as electronic scrap, are processed here using environmentally friendly and innovative technologies.

Subsidiaries and affiliates, such as Elektro-Recycling NORD GmbH, Hamburg (E.R.N., 70 % investment until 1 December 2011, 100 % starting 2 December 2011), CABLO Metall-Recycling & Handel GmbH, Fehrbellin (100 %), and C.M.R. International N.V., Antwerp (50 %), are engaged in commodity trading and the preparation of raw materials.

We also process the by-metals contained in the copper raw materials into products in BU Recycling/Precious Metals. These include above all gold, silver and platinum group metals as well as lead, tin, nickel and other specialty products.

Cathode output by sites

in thousand t, fiscal year 2010/11



The business performance in BU Recycling/Precious Metals is mainly dependent on the availability of recycling raw materials, the attainable margins and the efficiency of the recycling processes. The economic trend in this sector is thus exposed to the fluctuations on the copper and precious metals markets as well as the economic situation. The state of the market for other metals also plays a role. Aurubis' multi-metal recycling, which recovers as much of the valuable metal contents in the raw materials as possible, results in additional contributions to earnings.

GOOD COPPER SCRAP SUPPLY ENSURES HIGH REFINING CHARGES

BU Recycling/Precious Metals benefited in particular from good material availability in the copper scrap market in fiscal year 2010/11. The economy continued to recover, while the stable exchange prices for copper supported buying activities. As a result, there was a high supply of volumes in the first half of the fiscal year in particular. Metal traders often fulfilled their contractual delivery obligations in advance, and deliveries were accordingly high.

The good market situation was evident particularly in Germany and in our most important central European supply markets. Overseas markets also indicated a high level of quantities. Overall, we further expanded our market position in the fiscal year. We were able to improve the purchasing conditions again since China, the strongest competitor in copper scrap procurement, showed only limited buying interest.

We increased copper scrap processing at the various Aurubis smelter sites at good refining charges overall owing to the favourable market environment. The market situation, which was positive for us, continued for almost the whole fiscal year. Only towards the end did falling copper prices lead to uncertainty among market participants.

POSITIVE MARKET SITUATION FOR COMPLEX RECYCLING RAW MATERIALS

The recycling of complex secondary raw materials, which mostly contain low amounts of copper, is also an important part of our recycling business. These kinds of materials are processed in the Group, especially at the recycling centre in Lünen. They include electrical and electronic scrap as well as a variety of industrial residues, which we process in an efficient and environmentally sound fashion. They often contain precious metals and other metals. Our supply markets for these raw materials were once again located in Germany and bordering European countries, and to an increasing degree in non-European countries as well.

With the completion of the KRS-Plus project in summer 2011, we optimised and significantly expanded the processing of complex secondary raw materials once again.

FULL UTILISATION OF RECYCLING CAPACITIES

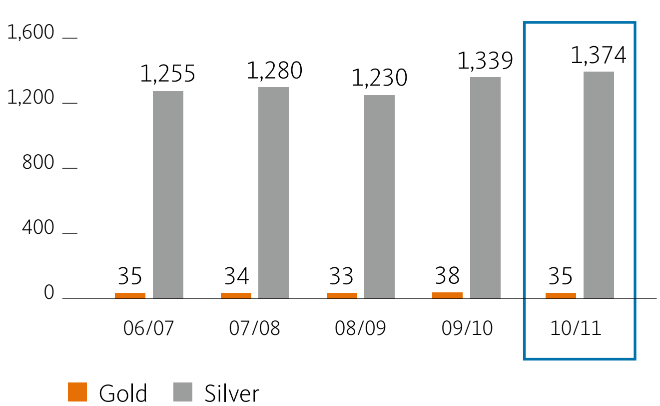
The recycling capacities in all Aurubis plants were fully utilised. The throughput in the Kayser Recycling System (KRS) at the Lünen site increased by 12 %, from 232,500 t in the prior year to 260,400 t. The modified production methods resulting from the KRS-Plus project were already apparent. The quantity of converted copper produced from complex recycling raw materials in the KRS and TBRC (KRS-Plus project) was increased. The copper anode output reached an excellent value again. The copper cathode output in the Lünen plant's tankhouse amounted to 213,000 t (212,000 t in the prior year) in fiscal year 2010/11.

FURTHER VOLUME INCREASE IN PRECIOUS METAL-BEARING RAW MATERIALS

In addition to copper materials, precious metal-bearing raw materials are utilised in Aurubis' fabrication processes. The volume increased considerably, supported by high precious metal prices. Because of the utilised capacities, there was a concentration on low-content materials that were ideal for the copper recovery processes and contributed positively to the earnings trend, especially when it came to silver.

Gold and silver output

in t



Based on the good supply situation and high plant utilisation, we reached a peak level with an output of 1,374 t of silver (1,339 t in the prior year). The gold output decreased slightly to 35 t (38 t in the prior year) due to the feed but was still at a very high level.

BU RECYCLING/PRECIOUS METALS ATTAINS VERY GOOD RESULT

BU Recycling/Precious Metals benefited in large part from the good economic situation in Germany in the past year again. The expectations we expressed in the prior year were completely fulfilled. The copper price level and the market situation for other metals continued to be decisive factors for recycling success.

Operating earnings before interest and taxes (EBIT) rose by € 48.8 million, or 82.3 % compared to the prior year to € 108.1 million. As expected, the good supply of recycling raw materials and the completion of the KRS-Plus project in summer 2011 led to an increase in value added at the Lünen site. In Hamburg a project to increase the electric furnace's throughput in the secondary smelter was successfully implemented as well.

The BU's revenues increased from € 3,400 million to € 4,548 million, primarily due to the prices.

The BU had an average of 1,079 employees.

Performance of BU Copper Products

Business Unit Copper Products in € million	2010/11 operating	2009/10 operating
Revenues	9,656.8	7,419.3
EBT	49.7	47.9
EBIT	61.5	57.4
Capital expenditure *	13.0	20.4
Depreciation and amortisation	(27.1)	(18.3)
Average number of employees	1,744	1,612

* on intangible assets and property, plant and equipment

In BU Copper Products we produce and market top quality copper products. Copper cathodes produced in the Group in particular are used for production. We cover high levels of demand with bought-in cathodes from other companies.

The strongest product in the Aurubis Group in terms of volume is cast copper wire rod from the AURUBIS ROD brand. It is characterised by the highest electrical conductivity, the best workability and excellent surfaces. Rod is the main starting material for the cable and wire industry. Our customers process it into electrical conductors with a variety of cross-sections and constructions. Furthermore, Aurubis manufactures continuous cast shapes from the AURUBIS SHAPES brand as a starting product for semi-finished product (semis) fabricators and tube rolling mills. We hold a leading position in this area as well, especially when large cast shapes and specialty products of the highest quality are required.

In the following value-added stage, our subsidiary Schwermetall Halbzeugwerk GmbH & Co. KG (50 % Aurubis) produces pre-rolled strip for the semis fabricators in the Group. In addition to finished strips, we produce shaped brass wires for the electrical industry in Stolberg (Germany). Special copper profiles are fabricated at the sites in Yverdon-les-Bains (Switzerland) and Olen (Belgium).

After the acquisition of the Luvata Group's Rolled Products Division in early September 2011, the production sites in the Group expanded to include Pori (Finland) and Buffalo (USA), where finished strips are produced from the Group's own continuous cast shapes. The newly added sites in Zutphen (Netherlands) and Finspång (Sweden) specialise in innovative vertical strip casting (VSC) operated exclusively at Aurubis, which is based on the direct casting of pre-rolled strip close to the final gauge, which is then re-rolled and processed into the final strip.

POSITIVE TREND ON THE COPPER PRODUCT MARKETS INITIALLY CONTINUES BUT LOSES MOMENTUM LATER ON

The positive trend in the European markets for copper products continued in the first few months of the fiscal year. Strong exports from Germany in particular, high ongoing levels of activity in the automotive industry and heavy domestic demand led to full order books.

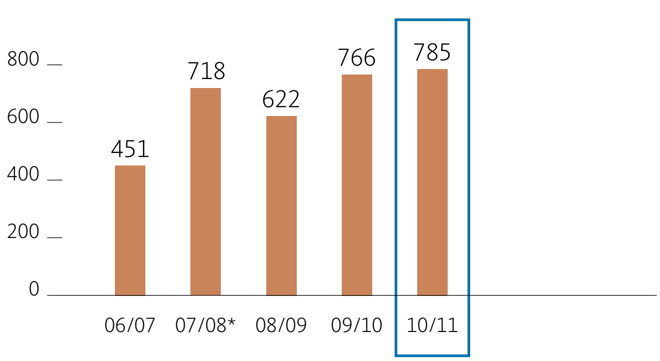
AURUBIS ROD business calmer after dynamic start

The cable and wire industry increasingly demanded high quantities of wire rod for project business, among other things. The new fiscal year therefore started with strong demand for AURUBIS ROD. Starting in June 2011, however, rising customer uncertainty was noticeable, prompted by the European financial crisis. While the automotive sector remained stable, the enamelled wire and cable and wire industry could not achieve additional growth. Copper demand for the manufacture of specialty cable was supported by strong exports, on the other hand. Influenced by the shift in the market environment, even customers that held only low copper inventories demanded the highest delivery flexibility, with changes in orders and scheduling made at extremely short notice. Aurubis made a strong impression with swift reactions and comprehensive solutions in sales, processing and logistics, ensuring optimal delivery to business partners.

The four wire rod plants in the Group were well utilised again with an output of 785,000 t in the fiscal year, which represents growth of about 3 % as compared to the prior year (766,000 t). The proportion of high-quality and newly developed products in the product portfolio increased further. Deliveries of AURUBIS ROD reached 784,000 t in the past fiscal year, which represents growth of about 3 % as compared to the prior year (759,000 t).

Wire rod output

in thousand t



* incl. the wire rod output of Olen and Avellino as of 1 March 2008

AURUBIS SHAPES business stable

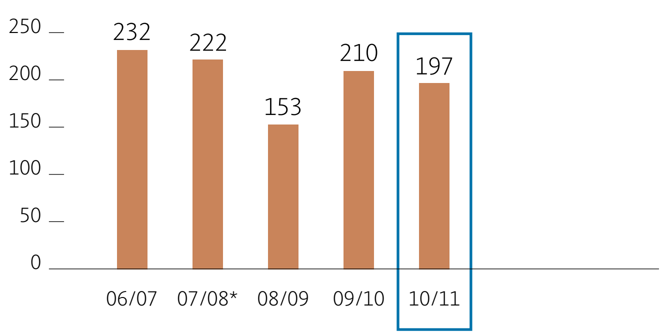
European semis fabricators and the industrial pipe sector felt demand for strips, sheets and profiles slow down after favourable business performance in late summer. Demand for installation pipes and copper semis for the construction industry stagnated with ongoing high, volatile copper prices. In contrast, business for specialty products, e.g. for the semiconductor industry and for products made of micro-alloyed copper, remained steady, even in the difficult environment.

For continuous cast products from the AURUBIS SHAPES product family, we initially increased business until February 2011. Our customers required high-quality products with the best conductivity as well as micro-alloyed products for special applications. Demand calmed down in the course of the spring and then levelled off slightly below the prior-year level in terms of volume after the summer break until the end of the fiscal year. Revenues rose at the same time, as higher shape surcharges were paid due to the higher quality product mix. Additional direct business with customers overseas was expanded in phases when the dollar exchange rate was weak.

The output from our continuous casting plant in Hamburg reached a total of 197,000 t in the fiscal year, which represents a decrease of 6 % as compared to the prior year (210,000 t). At 197,000 t, sales were also about 6 % down on the prior-year value of 209,000 t. We increased the proportion of high-quality items in the product mix yet again.

Continuous cast shape output

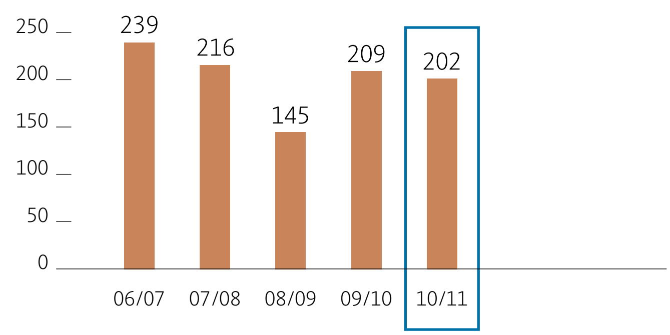
in thousand t



* incl. Olen as of 1 March 2008

Pre-rolled strip sales*

in thousand t



* incl. Wieland-Werke AG's 50 % share

Sales of pre-rolled strip exceed plan but are under high prior-year level

Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg, in which we hold a 50 % share through Aurubis Stolberg GmbH & Co. KG, exceeded the sales plan for fiscal year 2010/11. The favourable demand for strip products at the start continued during the rest of the year. Order receipts only weakened in the summer months.

While sales in the core European markets remained at the prior-year level, demand from the USA declined appreciably due to the poor economic situation and high raw material prices. Sales of the classic materials copper and brass were also on the decrease in Asia in fiscal year 2010/11. The increased demand for specialty materials compensated for this.

Schwermetall Halbzeugwerk sold about 202,000 t of strip products made of copper and copper alloys in fiscal year 2010/11. The high prior-year value of 209,000 t was therefore not achieved. Nevertheless, a positive result was generated as in the prior year.

Stable output quantities for strip and wire products with an improved product mix

In the first half-year 2010/11 the Aurubis Group benefited from growth in core markets and in export business when it came to strip products. Seasonal fluctuations at the turn of the year were also smaller than usual. The main drivers were the electrical engineering and electronics segments, including applications for the automotive industry. In contrast, demand for standard and volume products showed weaker development, especially for the construction sector. The substitution pressure remains strong in this area in particular due to the high copper price level. In the second half-year the weakening of the general economic situation curbed demand.

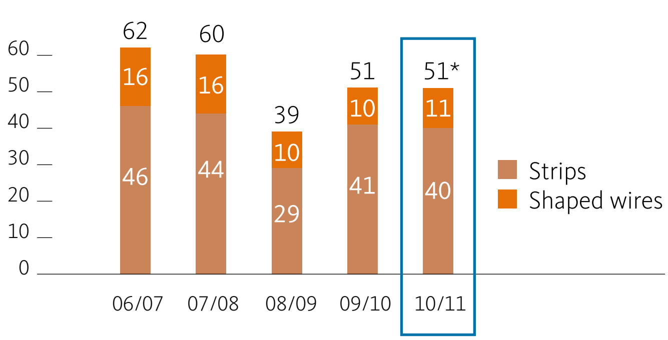
The annual output of the rolling mill in Stolberg was slightly below the prior-year level, and initial growth was largely equalised at the end of the fiscal year. A total of about 51,000 t of strips and drawn products was produced. At about 40,000 t, strip production was 1,000 t below the prior-year value, while the wire volume increased by the same quantity to 11,000 t. At the same time, the shift in the product mix to higher value products was pushed forward. The average revenues for processing in the strip sector considerably increased accordingly. This value remained stable in the wire sector. Furthermore, measures from the efficiency enhancement programme at the Stolberg site led to above-average improvements in the margins in both product sectors.

The service centres in Smethwick, UK, and Dolny Kubin, Slovakia, further increased their volumes and market shares in the past fiscal year.

The acquisition of the Luvata Group's Rolled Products Division on 1 September 2011 will take full effect in the new fiscal year. This business sector is combined with the Stolberg site to form the expanded BL Flat Rolled Products & Specialty Wire. We expect that the expanded BL's strip output can increase to significantly over 200,000 t annually as a result of this step.

Copper strips and shaped wires

in thousand t



* incl. Luvata RPD as of 1 September 2011

Growth in sales of bars and profiles

After the special copper profiles of both Conform® plants at Aurubis Switzerland and Aurubis Belgium and the upwards cast oxygen-free wire were integrated into the new Business Line Bars & Profiles in spring 2010, we restructured and expanded the business. Concentrations were established in the process, which led to production shifts. While the output of bars and profiles at Aurubis Switzerland decreased from 5,457 t to 5,100 t, they increased from 1,560 t to 5,080 t at Aurubis Belgium. The fabrication of standard products, which used to be located in Yverdon-les-Bains as well, is now concentrated in Olen. Special profiles are only produced in Switzerland. The growth in output for special profiles almost compensated for the loss in volumes at the Yverdon-les-Bains site due to production shifts. Our new market position contributed to the 48 % increase in sales volumes from 6,860 t in the prior year to 10,180 t.

BU COPPER PRODUCTS INCREASES RESULT ONCE AGAIN

The earnings of BU Copper Products grew further owing to increasing unit sales overall with a high-quality product mix. In total, the BU achieved operating earnings before interest and taxes (EBIT) of € 61.5 million, an increase of € 4.1 million, or 7 % compared to the prior year (€ 57.4 million).

The BU's revenues totalled € 9,656.8 million in the fiscal year, an increase of € 2,237.5 million, or 30.2 % compared to the prior year (€ 7,419.3 million).

The BU had an average of 1,744 employees.

FISCAL SITUATION

Results of operations, financial position and net assets

ACQUISITION OF LUVATA RPD

The Aurubis Group acquired the Luvata Group's Rolled Products Division (Luvata RPD) during the reporting period. Effective 1 September 2011, this expanded the scope of consolidation by 11 companies. The individual companies are:

- Aurubis Sweden AB, Finspång (formerly Luvata Sweden AB, Finspång)
- Aurubis Holding Sweden AB, Stockholm (formerly Aurubis Sweden AB, Stockholm)
- Aurubis Finland Oy, Pori
- Aurubis Holding USA LLC, Wilmington
- Aurubis Niagara Falls Inc., Buffalo (formerly Luvata Niagara Falls Inc., Buffalo)
- Aurubis Buffalo Inc., Buffalo (previously Luvata Buffalo Inc., Buffalo)
- OAB Holding Inc., Buffalo
- Aurubis Netherlands BV, Zutphen
- Aurubis Mortara SRL, Mortara
- Luvata Mortara S.p.A., Mortara
- Aurubis Product Sales GmbH, Hamburg

The purchase price for the acquisition of the consolidated interest and/or the net assets in Luvata RPD totalled € 159 million. Assets amounting to € 409 million and liabilities amounting to € 173 million were acquired on 1 September 2011 in the process. Overall, the acquisition led to a negative difference amounting to € 77 million, which was recognised in profit or loss in the year under review.

Further information on the acquisition of Luvata RPD is provided in the notes to the consolidated financial statements of this report.

RESULTS OF OPERATIONS

Results of operations (operating)

In order to portray the Aurubis Group's operating success independently of valuation influences from the use of the average cost method in inventory valuation in accordance with IAS 2, from copper price-related valuation effects on inventories and from purchase price allocations, primarily on property, plant and equipment, for internal control starting in fiscal year 2010/11, the results of operations are initially presented on the basis of the operating result and expanded by the results of operations, financial position and net assets in accordance with IFRS in a second part. In light of the definition of the operating result as an internal control parameter in fiscal year 2010/11, the prior-year figures are listed accordingly to ensure that the fiscal years can be compared.

Reconciliation of the consolidated income statement

in € million	2010/11 IFRS	2010/11 Adjustment*	2010/11 Operating	2009/10 Operating
Revenues	13,336		13,336	9,865
Changes in inventories of finished goods and work in process	74	12	86	133
Own work capitalised	11		11	5
Other operating income	121	(75)	46	48
Cost of materials	(12,458)	(77)	(12,535)	(9,299)
Gross profit	**1,084**	**(140)**	**944**	**752**
Personnel expenses	(312)		(312)	(295)
Depreciation and amortisation	(124)	11	(113)	(106)
Other operating expenses	(192)		(192)	(164)
Operational result	**456**	**(129)**	**327**	**187**
Result from investments	1		1	1
Interest income	14		14	10
Interest expense	(50)		(50)	(39)
Earnings before taxes (EBT)	**421**	**(129)**	**292**	**159**
Income taxes	(99)	18	(81)	(38)
CONSOLIDATED NET INCOME	**322**	**(111)**	**211**	**121**

* Adjustment effects to determine the operating result

At € 211 million, the Aurubis Group's operating consolidated net income in fiscal year 2010/11 was considerably up on the operating consolidated net income of the prior year, which amounted to € 121 million. This reflects the overall good business performance of the Aurubis Group in an economic environment that was characterised by high availability on our procurement markets and good prices on procurement and sales markets during the entire fiscal year. Metal prices were at a high level. Economic uncertainty was perceptible starting in the second half-year 2011 due to tension on the financial markets.

The IFRS earnings before taxes, which amounted to € 421 million, were adjusted by valuation effects of € 65 million (€ 288 million in the prior year) in the inventories as well as effects from the purchase price allocation of the Luvata RPD amounting to € 64 million. The resulting operating earnings before taxes come to € 292 million (€ 159 million in the prior year).

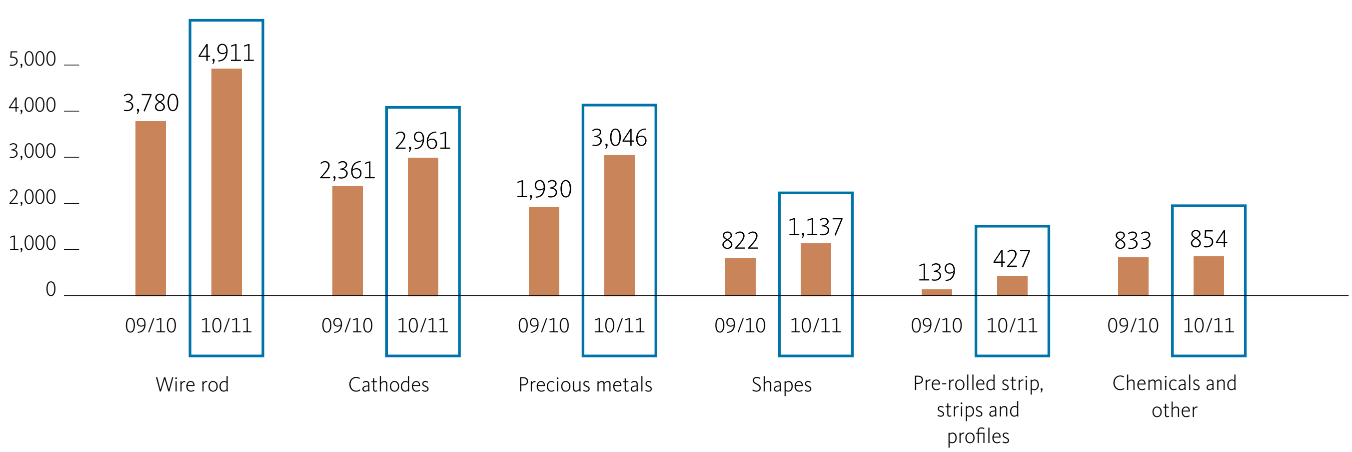
Group revenues increased by € 3,471 million to € 13,336 million, representing an increase of 35 % in the reporting year. This was primarily due to the higher metal prices, especially for copper, silver and gold.

Breakdown of revenues

in %	2010/11	2009/10
Germany	35	36
European Union	46	50
Rest of Europe	4	5
Other countries	15	9
TOTAL	**100**	**100**

Development of revenues by product groups

in € million



The increased metal prices were also crucial for the rise in the cost of materials from € 9,299 million in the prior year to € 12,535 million in the past year, representing an increase of 35 %. After including the increase in inventories and other operating income, the gross profit improved considerably from € 752 million in the prior year to € 944 million despite reduced throughput related to the standstill.

Personnel expenses rose from € 295 million in the prior year to € 312 million in the reporting period. This is mainly due to increased profit-sharing bonuses, an increase in the number of employees and the personnel costs of the former Luvata RPD companies in September, which were not included in the prior year because of the first-time consolidation.

Depreciation and amortisation amounted to about € 113 million and changed only slightly compared to the prior year (€ 106 million).

Other operating expenses rose from € 164 million in the prior-year period to € 192 million. The increase in operating expenses compared with the prior year is partially due to the first-time consolidation of the Luvata RPD acquisition as well as various individual circumstances. These include increased consulting expenses and higher expenses in conjunction with scheduled and unscheduled standstills.

Operating earnings before taxes were € 292 million in the fiscal year, € 133 million above the prior-year earnings. Despite cost increases, the following factors primarily contributed to the good earnings trend compared to the prior year period:

» Sulphuric acid prices were significantly higher than the prior-year level and had a distinctly positive effect on consolidated earnings despite lower sales quantities.
» There was a higher input of scrap and other recycling materials with good refining charges and high material availability.
» There was high demand for copper products with increased shape surcharges and a rise in the cathode premium.
» A good metal yield was achieved with high metal prices.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) reached about € 440 million (€ 239 million in the prior year). Earnings before interest and taxes (EBIT) amounted to € 327 million compared to € 187 million in the comparable prior-year period. After incorporating the net interest expense, earnings before taxes amount to € 292 million (€ 159 million in the prior year). Net interest expense increased by € 7 million to € 35 million (€ 28 million in the prior year), mainly due to higher average gross debt as well as a higher share of long-term fixed interest rates.

Consolidated net income of € 211 million (€ 121 million in the prior year) remains after deducting the tax charge.

Return on capital

At 18.7 %, the operating return on capital employed (ROCE) was up on the value of the prior-year period (11.4 %) due to the improved results of operations.

Results of operations (IFRS)

The Aurubis Group generated consolidated net income of € 322 million (€ 326 million in the prior year) in fiscal year 2010/11. As in the prior year, the result is positively influenced by rising metal prices. The positive contribution to earnings allocated to the use of the average cost method to valuate inventories in accordance with IAS 2 amounts to € 72 million in the reporting year (€ 133 million in the prior year).

Consolidated income statement

in € million	2010/11 IFRS	2009/10 IFRS
Revenues	13,336	9,865
Changes in inventories/own work capitalised	85	146
Other operating income	121	48
Cost of materials	(12,458)	(9,019)
Gross profit	**1,084**	**1,040**
Personnel expenses	(312)	(295)
Depreciation and amortisation	(124)	(106)
Other expenses	(192)	(164)
Operational result	**456**	**475**
Financial result	(35)	(28)
Earnings before taxes (EBT)	**421**	**447**
Income taxes	(99)	(121)
CONSOLIDATED NET INCOME	**322**	**326**

Group revenues increased by € 3,471 million to € 13,336 million, representing an increase of 35 % in the reporting year. This was primarily due to the higher metal prices, especially for copper, silver and gold.

A negative difference amounting to € 77 million resulted from the acquisition of Luvata RPD due to the disclosure of hidden reserves, mainly owing to the revaluation of property, plant and equipment. This was recognised as other operating income pursuant to IFRS.

Despite the lower throughput at the beginning of the fiscal year due to the standstill, the gross profit was € 1,084 million, which was € 44 million up on the gross profit of the prior-year period (€ 1,040 million).

Personnel expenses rose from € 295 million in the prior year to € 312 million in the reporting period. This is mainly due to increased profit-sharing bonuses, an increase in the number of employees and the personnel costs of the former Luvata RPD companies in September, which were not included in the prior year because of the first-time consolidation.

Depreciation and amortisation amounted to about € 124 million and changed compared to the prior year (€ 106 million), mainly due to impairment losses in connection with the discontinuation of solar cell production activities as well as depreciation of some of the fixed assets of the former Luvata RPD company in Sweden.

Other operating expenses rose from € 164 million in the prior-year period to € 192 million. The increase in operating expenses compared with the prior year is partially due to the first-time consolidation of the Luvata RPD acquisition as well as various individual circumstances. These include increased consulting expenses and higher expenses in conjunction with scheduled and unscheduled standstills.

At € 580 million, earnings before interest, taxes, depreciation and amortisation (EBITDA) were at the prior-year level (€ 581 million in the prior year). In contrast, at € 456 million, earnings before interest and taxes (EBIT) were € 19 million below the comparable prior-year value (€ 475 million). After including the interest result, earnings before taxes amounted to € 421 million (€ 447 million in the prior year). Net interest expense increased by € 7 million to € 35 million (€ 28 million in the prior year), mainly due to higher average gross debt as well as a larger proportion of long-term fixed interest rates.

Consolidated net income of € 322 million (€ 326 million in the prior year) remains after deducting the tax charge.

Return on capital

With capital employed of € 2,086 million and EBIT of € 456 million in accordance with IFRS, the return on capital employed (ROCE) amounts to 21.8 % for the past fiscal year, compared with 25.5 % in the prior year.

Return on capital employed (ROCE)

in € million	30.9.2011	30.9.2010
Equity	1,740	1,310
Pension provisions	108	74
Borrowings	729	624
Less: cash and cash equivalents	(491)	(148)
Capital employed as at the balance sheet date	**2,086**	**1,860**
Earnings before taxes (EBT)	421	447
Net interest expense	35	28
Earnings before interest and taxes (EBIT)	**456**	**475**
RETURN ON CAPITAL EMPLOYED (ROCE)	**21.8 %**	**25.5 %**

FINANCIAL POSITION

Financial position (IFRS)

The task of the Group treasury is to provide optimal liquidity and to control liquidity for the Group to ensure that the balance sheet structure is in equilibrium in the long term. Control and monitoring is carried out on the basis of defined financial ratios. Net debt and liquidity are controlled in the medium and short term by means of regular cash flow forecasts.

Gearing, which represents the ratio of net borrowings to equity, is a significant parameter that provides a clear picture of the funding structure. On 30 September 2011 it amounted to 13.7 % and was therefore at a significantly improved level compared to the prior year (36.3 %). The improvement in gearing is mainly due to net borrowings, which were halved to € 238 million compared to the prior year, and to equity, which increased by € 430 million to € 1,740 million.

Debt coverage calculates the ratio of net borrowings to earnings before interest, taxes, depreciation and amortisation (EBITDA) and shows the number of periods required to redeem the existing borrowings from the Group's income assuming an unchanged earnings situation. The current ratio of 0.4 is lower than the prior-year figure of 0.8 and represents a very good ratio for redemption of the borrowings as in the prior year.

The interest coverage ratio expresses how net interest expense is covered by earnings before interest, taxes, depreciation and amortisation (EBITDA). The ratio of 16.3 for the past fiscal year again clearly shows that earnings before interest, taxes, depreciation and amortisation amount to 16 times the Group's interest obligations. A ratio of 20.4 was achieved for the prior year.

Key Group financial ratios

	30.9.2011	30.9.2010
Gearing = Net borrowings / equity	13.7 %	36.3 %
Net borrowings / EBITDA	0.4	0.8
Interest coverage = EBITDA / net interest expense	16.3	20.4

Analysis of liquidity and funding

The cash flow statement shows the cash flows in the Group and how the funds are generated and used.

The good business performance had a positive effect on gross cash flow, which at € 792 million was considerably up by € 280 million on the prior-year value (€ 512 million in the prior year). Cash outflow from the change in working capital amounted to € 374 million, about € 53 million below the comparable prior-year value. Overall, net cash flow in the reporting period amounted to € 418 million, which was € 333 million above the comparable prior-year value.

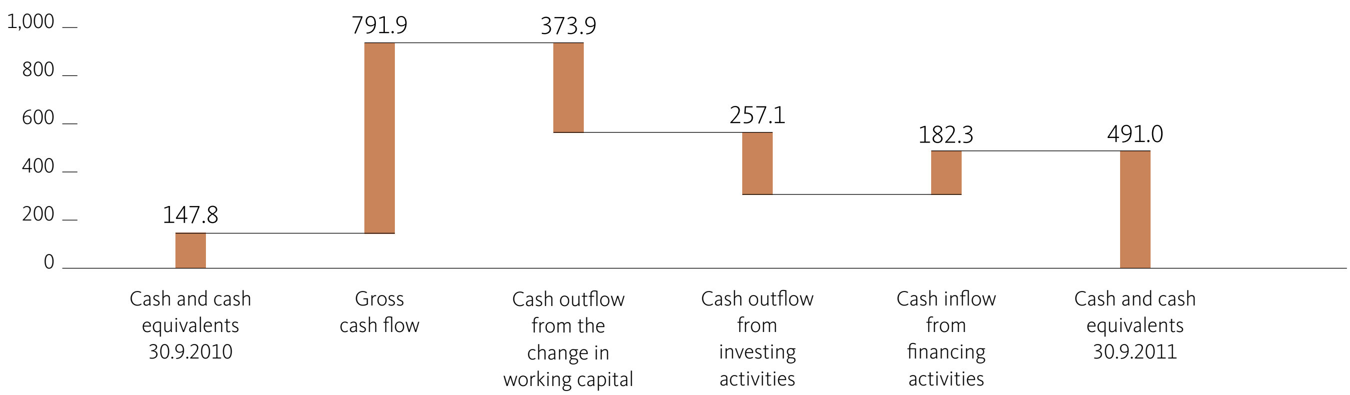
Investments (including financial fixed assets and prior to the acquisition of Luvata RPD) amounted to € 116 million (€ 151 million in the prior year) in the reporting period and primarily consisted of investments in property, plant and equipment. The largest investments were allotted to the expansion of complex secondary material processing (KRS-Plus) at the Lünen site, which went into operation in the past fiscal year, the expansion of concentrate processing at the Hamburg site (Future RWO) and the expansion of anode slime processing at the Hamburg site.

A free cash flow of € 302 million results after deducting investments in fixed assets from the net cash flow, which is € 368 million above the prior year.

Net payments amounting to € 159 million were made in the current fiscal year on a preliminary purchase price for the acquisition of interests in affiliated companies of Luvata's Rolled Products Division. Cash and cash equivalents of € 23 million were gained in the acquisition. Cash outflow from investing activities thus totalled € 257 million compared to € 139 million in the prior year.

Source and application of funds

in € million



Cash inflow from financing activities rose by € 235 million compared to the prior year, mainly due to the cash inflow from the capital increase as well as from a higher net cash inflow from loan liabilities. Interest payments of € 46 million and dividend payments to shareholders and non-controlling shareholders of € 46 million were incurred. The cash inflow from financing activities thus amounted to € 182 million in fiscal year 2010/11. In the prior year there had been a cash outflow of € 52 million.

As a result, cash and cash equivalents increased from € 148 million to € 491 million compared to the prior year. Cash and cash equivalents are mainly used for the operating business activities, investing activities and the partial redemption of borrowings.

The Group's borrowings rose to € 729 million as at 30 September 2011 (€ 624 million in the prior year). After deducting cash and cash equivalents of € 491 million, net borrowings amounted to € 238 million as at 30 September 2011, compared with € 476 million in the prior year.

Net borrowings in the Group

in € million	30.9.2011	30.9.2010
Borrowings	729	624
Less: Cash and cash equivalents	(491)	(148)
NET BORROWINGS	**238**	**476**

In addition to cash and cash equivalents, the Aurubis Group has unused credit facilities and thus adequate liquidity reserves. Parallel to this, the Group makes selective use of the sale of receivables without recourse as part of factoring agreements as an off-balance-sheet financial instrument.

Analysis of capital expenditure

BU Primary Copper: focus of activities on process optimisation and capacity expansion

Capital expenditure in the past fiscal year in BU Primary Copper amounted to € 47.5 million. Apart from an improvement in environmental protection, process optimisation and the expansion of existing production capacities, capital expenditure related to general plant maintenance.

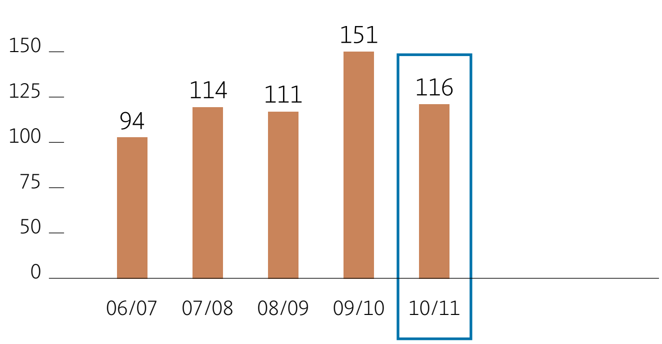
In Hamburg the project Future RWO was further implemented according to plan. The project duration is four years; the total budget amounts to € 55 million. The tankhouse is being modernised and its capacities are being expanded as part of the project. Aside from this, the primary smelter's concentrate processing capacity is being increased.

In addition, capital expenditure was used for infrastructure in Hamburg in the past fiscal year. This included quay walls, extensive renovations to office buildings and the construction of a storehouse, for example.

At the Pirdop site, the project to expand the slag flotation capacity was successfully completed in October 2010 and the new facility was commissioned.

Capital expenditure

in € million



In the past fiscal year, we cleared the "Pirdop 2014" project for implementation at the Pirdop site. The project has a budget of € 44.2 million and includes measures to improve environmental protection and activities to increase the concentrate processing capacity to 1.3 million t p.a. The project will be implemented step-by-step over a period of three years.

At the Olen site, capital expenditure was primarily related to replacements and maintenance.

BU Recycling/Precious Metals: concentration on expanding recycling capacities and improving precious metal production

Capital expenditure in BU Recycling/Precious Metals totalled € 55.2 million in the reporting period. Most of this sum was directed to the KRS-Plus project.

The focus is an expansion of the existing KRS facility with a top blown rotary converter (TBRC). This measure was implemented over a period of 18 months with capital expenditure of € 62.5 million, of which € 17.5 million was applied to environmental protection measures. It enables a throughput increase in the existing KRS smelting furnace from 275,000 t p.a. to 350,000 t p.a. Overall, the recycling capacity in Lünen will be expanded by up to 100,000 t p.a. owing to the additional TBRC for raw materials.

The new furnace went into operation at the beginning of summer 2011 according to plan. The procedural and metallurgical results attained already corresponded to the target values at the end of the fiscal year.

In the Hamburg plant, the most important capital expenditure projects were the throughput increase in the secondary smelter RWN's electric furnace, the construction of the storehouse for bulk material and the conversion of the gold refining process. They were all successfully implemented on schedule, allowing us to sustainably improve the important issues of reducing inventories and recovering metals more quickly. The future project to process the anode slimes that accumulate in the Group internally continued according to plan. Construction measures have started for the building. The plan is to start up the facility in 2013.

BU Copper Products: capital expenditure mainly used to modernise facilities and enhance quality

BU Copper Products invested a total of € 13.0 million in production facilities and systems in the past fiscal year.

The most important project in BL Rod+Shapes was the complete renovation of one of our casting plants for continuous cast shapes at the Hamburg site. After implementing the project on schedule, we now have the most efficient foundry for oxygen-free copper materials worldwide.

In BL Flat Rolled Products & Specialty Wire there was an investment in a new rolling oil filter in order to improve the quality of the rolled surfaces even further. This allowed us to make another distinct leap in the quality of our contact materials, base plates and leadframes. There were also a number of smaller investments to improve existing processes and further optimise the facilities.

Capital expenditure totalled € 3.6 million at Schwermetall Halbzeugwerk in fiscal year 2010/11. The largest investment was the construction of a new hood installation in the annealing plant. From the total capital expenditure volume of € 1.5 million for the installation, a partial amount of € 1.0 million was attributed to fiscal year 2010/11. In addition, there were a number of investments to modernise the facilities and improve quality.

NET ASSETS

Net assets (IFRS)

Total assets increased from € 3,410 million at the end of the last fiscal year to € 4,333 million as at 30 September 2011, due above all to the higher metal prices, the increase in fixed assets owing to the acquisition of Luvata's Rolled Products Division and the increase in cash and cash equivalents as at the balance sheet date.

Consolidated balance sheet structure (IFRS)

in %	2010/11	2009/10
ASSETS		
Fixed assets	25	29
Inventories	42	45
Receivables, etc.	22	22
Cash and cash equivalents	11	4
	100	**100**
EQUITY AND LIABILITIES		
Equity	40	38
Provisions	12	13
Liabilities	48	49
	100	**100**

The Group's equity rose from € 1,310 million at the end of the last fiscal year to € 1,740 million as at 30 September 2011, mainly as a result of the consolidated net income amounting to € 322 million in fiscal year 2010/11 and the capital increase amounting to € 166 million successfully placed in the first quarter. This was offset by dividend payments totalling € 46 million. Overall, at 40.2 %, the equity ratio was up on the comparable prior-year value of 38.4 %.

Borrowings increased from € 624 million as at 30 September 2010 to € 729 million as at 30 September 2011, primarily due to the taking up of a "Schuldscheindarlehen" (bonded loan) totalling € 450 million, less repayments of liabilities from syndicated loans in the amount of € 365 million. Current liabilities amounted to € 43 million as at 30 September 2011 and non-current liabilities amounted to € 686 million.

The increase in other current liabilities from € 219 million as at 30 September 2010 to € 418 million as at 30 September 2011 resulted largely from the valuation of derivatives at fair value on the balance sheet date.

Net assets (operating)

The difference between fixed assets in accordance with IFRS and operating fixed assets amounted to € – 90 million as at 30 September 2011; the difference between inventories in accordance with IFRS and operating inventories was € – 399 million. Operating fixed assets thus amounted to € 1,006 million, operating inventories to € 1,424 million. At the same time, the difference has an effect in equity of € – 337 million and in deferred tax liabilities of € – 152 million.

OVERALL STATEMENT ON THE ECONOMIC SITUATION

Fiscal year 2010/11 was successful for the Aurubis Group, which exhibits a stable economic situation. All Business Units contributed positively to the overall result. Copper and precious metal prices reached peak levels. The sulphuric acid market also showed an especially good trend. The TC/RCs for copper concentrates increased in the course of the year, and the refining charges for copper scrap rose as well. Capacity utilisation of the production plants was high everywhere. Product sales were convincing with good customer business until summer, but were then affected by buyers' more cautious scheduling behaviour. A number of internal measures were oriented towards making the Group even more efficient and effective. With the expansion of recycling activities at the Lünen site and technical modifications in the copper cathode and precious metal production plants at the Hamburg site, we have excellent projects that allow us to invest in the future. The position on the markets was further strengthened.

NON-FINANCIAL PERFORMANCE INDICATORS

Human resources

PERSONNEL STRATEGY WITH MODERN MANAGEMENT INSTRUMENTS

The Aurubis Group pursues a common international personnel strategy derived from the corporate strategy. It is employed by Human Resources Corporate (HR) and the local HR departments and implemented in modern management. The leadership guidelines introduced in 2010 and the Leadership Programme first carried out in 2011 are both components of the personnel strategy.

Suitable solutions are sought for the increasing demands on the Company and its managers in order to lead employees under changing conditions, assess their talents and help them develop further according to their abilities. Aurubis offers its managers adequate personnel development programmes for this purpose. The aim of the programmes is to enable managers to optimise their accountability and to work on themselves personally in order to boost their own effectiveness. In addition, Aurubis Lounges are a compact option that enables personal development and effectively reintroduces special topics in a short amount of time. Practical workshops round off the offering for intensive professional development in specialised topics.

Aurubis has regularly taken part in a programme called SeitenWechsel ("changing sides" in German) for a few years. Selected managers complete a one-week internship in a social institution and become familiar with fields that they have no contact with in everyday life. This took place again in fiscal year 2010/11.

PROMOTING FEMALE EMPLOYEES IN THE COMPANY

Aurubis is committed to equal opportunities for women and men. The Code of Conduct, which must be observed by every employee of the Aurubis Group, expressly states that no one may be discriminated against, harassed or excluded due to gender.

The percentage of female employees in the Group is 11.4 %. The relatively low percentage of female employees results from the fact that Aurubis is a production company in the smelting industry, in which many jobs are naturally occupied by men due to physical requirements as well as shift work. While all open positions are offered to women and men equally, experience shows that women generally do not apply for industrial jobs. Additionally, the number of female students – and thus the number of female applicants – from the technical subjects relevant to us is very low.

Aurubis is employing targeted marketing measures in order to change this in future. For example, the Company organised a Technical University Day, opening its doors for male and female pupils. Relevant universities were presented on the Aurubis premises and informed the school leavers about courses of study and professional aims. Aurubis uses the event first and foremost to create an interest in engineering studies among female participants.

SUCCESSOR DEVELOPMENT

The Aurubis High Potential Programme was initiated in 2011 for talented young employees. We chose qualified candidates from various sectors at all Aurubis Group sites as participants during a multi-stage nomination and selection process. Lectures, active learning and intensive reflection as well as team-oriented exercises and feedback phases are the main components of this support programme.

WORKING LIFE

Aurubis offers its employees attractive pension plans for the period following active employment. The pension provisions in place in Hamburg and Lünen – e.g. as part of the pension funds issued by the chemical union and the new lifetime working-hour accounts – are becoming increasingly popular. The Aurubis lifetime working-hour accounts agreed on with the employees' representatives were introduced at additional sites apart from Hamburg and Lünen.

EMPLOYEE COMPENSATION: INCENTIVES VIA VARIABLE COMPONENTS

New management salary system

A new salary system for Aurubis management (in Germany: senior staff) was introduced on 1 October 2010. The differing salary and bonus systems at the former Cumerio and the former Norddeutsche Affinerie were completely revised and carried over into a new, transparent salary system. This is based on an analytical job evaluation. Clearly defined income brackets and a target bonus model with defined levels of performance measurement and weighting allow managers to assess how the Group must perform on a Group level, Business Unit level and individual level. The system is assessed internationally in regular intervals for its competitiveness and attractiveness. The overall system is accompanied by a new target agreement process.

The plan is to include the management of the former Rolled Products Division of Luvata in the salary and bonus system in the course of fiscal year 2011/12.

Employee profit-sharing

Employees participate in Aurubis AG's success. Performance and success-oriented compensation is a fundamental element of the remuneration system. Motivated, high-performance employees make a decisive contribution to the Company's success and value. The performance of the individual is always assessed in connection with the performance of the team, the department or the production sector. The individual performance and collective team performance serve as parameters in this case. Both contribute significantly to company success and are considered in the performance and success-oriented compensation accordingly.

Employee shares still in high demand

Staff were again given the opportunity to acquire Aurubis AG shares at a discount during the past fiscal year. Numerous employees once more took advantage of this offer. A total of 1,806 employees (1,647 employees in the prior year) acquired a total of 35,520 shares (31,150 in the prior year) in fiscal year 2010/11.

Incentive plan

Since 2004 there has been an incentive plan which provides a capital market-oriented compensation component for the Executive Board, management and non-tariff employees in the form of a virtual stock option plan.

The exercise period of the plan's fifth tranche started in spring 2011. The prerequisite for participation is that executives own a certain number of Aurubis shares, depending on their seniority. Since Aurubis shares outperformed the CDAX for this tranche as well, the participants exercised a total of 578,850 options between March and September 2011 and therefore received a special bonus of € 8.522 million as part of the fifth tranche of the incentive plan. The seventh and last tranche of the incentive plan was issued in March 2010. Since the new Executive Board compensation system does not include these compensation components, they will also be phased out for management and non-tariff employees.

DEVELOPING EXPERTISE: BUILDING UP QUALIFICATIONS EARLY ON

Facing demographic change – a focus on talented young people

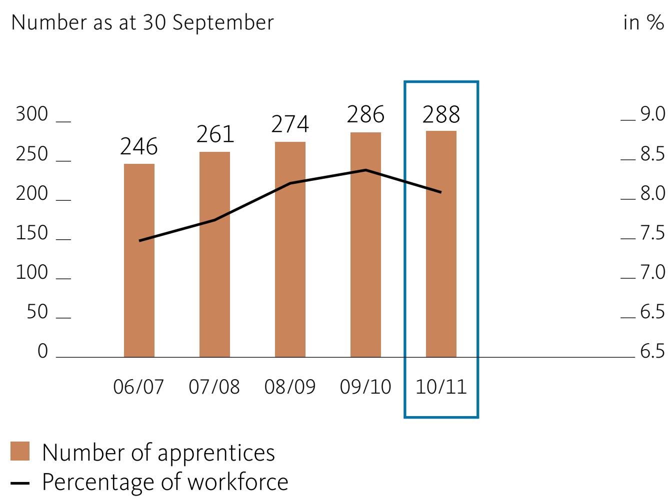
Demographic change in Germany and Europe is becoming noticeable for Aurubis. Measures to find specialists and managers early on as well as high-quality vocational training are therefore becoming increasingly significant.

Aurubis actively utilises different opportunities and makes presentations at various business and career fairs as an attractive and future-oriented employer for graduates and talented young people. One of the focuses this year was events with partner universities in Aachen, Clausthal-Zellerfeld, Freiberg, Hamburg and Leoben. In addition to direct employment, Aurubis offers a number of possibilities for university internships, semester-long work experience and thesis projects. The Company will continue and even intensify its marketing activities at universities in future as well.

Aurubis continues to invest a great deal in apprenticeships and continuing education for personnel across the Group. This is evident in the percentage of apprentices, which has been over 8 % in Germany for years, as well as in the high retention rate of well above 90 % following the apprenticeship. As at the balance sheet date, a total of 308 young people were in apprenticeships in one of the 22 trades and professions in the Group. In September 2011 70 apprentices and 14 9-Plus trainees began their training at the German Group sites.

Aurubis Group apprentices and their percentage of the workforce

Number as at 30 September



Aurubis AG collaborates with selected schools and was represented at many vocational training and Chamber of Commerce fairs in order to reach a sufficient number of suitable applicants for apprenticeships today and in future. To supplement this, we carry out many vocational orientation events at schools near the sites and at the Company.

A significant milestone for improved vocational training is the new training centre at the Lünen site. Aurubis has invested € 300,000 in order to fulfil the requirements of modern vocational training in future. The purpose of the new training centre is to ensure future vocational training and continuing education in the recycling centre in the long term. It provides Aurubis with the opportunity to further increase the quality of training and to approach the demands of modern vocational training even better. In addition, the new space allows all apprentices to be mentored optimally and the core workforce to be trained directly at the site.

Aurubis is convinced that high-quality training and targeted investments in employees' qualifications guarantee the Company's long-term success.

Apprenticeship plans in Bulgaria

The dual vocational training system in Germany has stood the test of time over many decades. Aurubis therefore introduced this successful system at its site in Bulgaria as well, taking on 14 apprentices for the first time in Pirdop.

Increasing employees' qualifications by further training

Sustainably developing employees' abilities, qualifications and skills remains a central aspect of Aurubis' HR strategy. In fiscal year 2010/11 more than 2,800 employees participated in training and personnel development measures. The time spent on vocational training totalled more than 39,000 hours. The main topics in the reporting period were occupational safety, personnel management and foreign language skills. New offers especially for female employees were developed and successfully carried out for the first time.

HEALTH PROTECTION IN THE GROUP

The targets of occupational safety and health protection in the Aurubis Group are oriented towards physical well-being and a good environment in the workplace and avoiding work-related accidents and illnesses of any kind. Continuous improvements and new approaches relating to technology, organisation and conduct are necessary in order to reach these targets.

In this regard, a management system for occupational safety, health protection and health promotion started during the past year. We developed binding guidelines to specify the requirements. They will be supplemented by process instructions for specific topics. All applicable legal requirements related to safety and health protection are fulfilled. In some cases, internal standards extend beyond legal requirements.

All technical facilities, work processes and working conditions are subject to systematic risk and hazard analyses. These inspections form the basis of safety training. Documented participation in this training and on-site instruction are pre-conditions for working at Aurubis AG. This also applies to temporary workers and external companies. Stationary and personal assessments and routine medical check-ups were carried out at work stations again to ensure technical plant safety.

The Employee Assistance Programme (EAP) successfully implemented at the model sites last year was well received by the employees. EAP is an external, anonymous telephone hotline that offers assistance with job-related and personal problems.

The frequency of accidents based on the number of lost shifts decreased by 26.5 % during the past fiscal year. The absolute number of accidents fell from 131 to 101. There were no work-related fatalities in the Group. Detailed accident analyses indicate differences in the safety performance of the individual sites. We will provide the BUs and sites with more targeted individual support in future.

PERSONNEL STRUCTURE

A total of 6,279 employees worked in the Aurubis Group worldwide as at 30 September 2011 – including the employees added with the acquisition of the Luvata Group's Rolled Products Division. Of this number, 56 % are employed in German plants and 44 % work in other countries.

Aurubis Group personnel are dispersed in the following countries:

Germany (3,546), Bulgaria (812), USA (617), Belgium (474), Sweden (226), Finland (194), Netherlands (159), Italy (133), Switzerland (50), England (28), Slovakia (12), China (9), France (3), Singapore (3), Thailand (2), Korea (2), Russia (2), Japan (2), Turkey (2), Spain (1), Taiwan (1) and Vietnam (1).

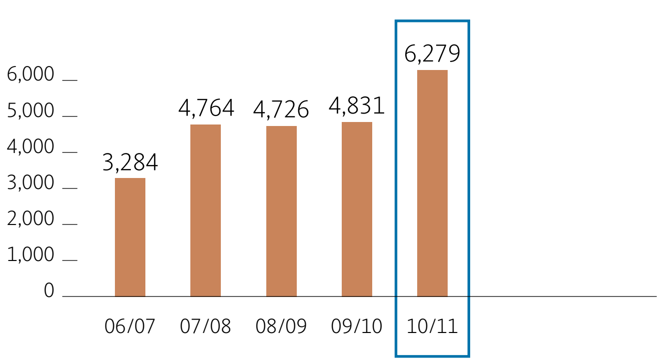
THANKS FROM THE EXECUTIVE BOARD

In fiscal year 2010/11 all employees contributed to the Company's success with their professional expertise and a high level of personal dedication. We would like to offer you our sincere thanks for this.

Our thanks also go to the employees' representatives for the continued constructive and trusting cooperation.

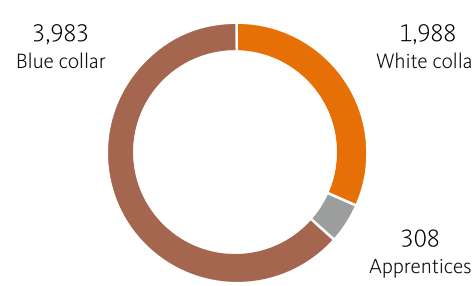
Aurubis Group employees

Number as at 30 September



Aurubis Group personnel structure

Number as at 30 September 2011: 6,279 (4,831 in the prior year)



Research and development

Research and development (R&D) is involved with innovations to increase production and sales as well as improvements in fabrication and production processes. The objective is to support the operating units in implementing their strategy. There is intensive cooperation with the production sectors to solve sudden problems and to continuously improve processes and products. Moreover, longer-term projects to develop innovative procedures and products are becoming more and more important. Smaller teams work on these projects across divisions.

Aurubis utilises employees' potential for this task. Employees can take part in the innovation process via Innovation Management. The activities are oriented towards elements of the strategy and extend to all divisions.

INNOVATION MANAGEMENT PRESENTS INITIAL SUCCESSES

Innovation Management at Aurubis guides and controls innovations in the Company. The focus is the implementation of ideas into economically successful products and services as well as improvements in production and fabrication processes with the aim of increasing effectiveness and efficiency.

In fiscal year 2009/10 Aurubis established Innovation Management, the purpose of which is to implement an innovation system in the Group. The various ways of including employees in innovation activities have already shown initial successes. There were positive results in the gold electrolysis, the cathode shaft furnace in Olen and the copper tankhouses. Furthermore, there are concrete approaches at one of the subsidiaries. The employees from the acquisition of the Luvata Group's Rolled Products Division will be integrated into the Aurubis innovation model as quickly as possible. In future there will be a stronger focus on specific topics at the individual Business Unit sites.

FOCUSES OF R&D WORK

The main focuses of R&D work during the fiscal year included increasing efficiency and flexibility in complex raw material processing, extracting by-metals from various intermediate products from the copper production process and developing and optimising copper-based products. The R&D division's spectrum of activities was extended to include the target of reducing working capital owing to the strong increase in copper and precious metal prices. This entails work to shorten complex processing methods that in many cases have developed over long periods of time and work to recover metals more quickly with the help of optimised processes.

Intensive cooperation with metallurgy departments at universities continued, expanding to include chemistry, process technology and metrology institutes. The partnerships entered into encompass bilateral projects and doctoral scholarships as well as publicly funded work, e.g. by the Federal Ministry of Education and Research. Additionally, the Company has very close contact with plant construction firms and technology developers.

Processing complex raw materials efficiently

One of the key focuses of R&D work for BU Primary Copper and BU Recycling/Precious Metals was once again to improve the metal yield by reducing losses of valuable metals. As part of a publicly funded research project, Aurubis is operating a pilot facility in which trials are taking place to improve quality with regard to the valuable metal contents of iron silicate slag from primary copper production. The work will continue in fiscal year 2011/12 in cooperation with RWTH Aachen.

Furthermore, the start-up of the top blown rotary converter (TBRC) in the recycling centre in Lünen led to a reduction in metal losses in flue dust and other by-products. The introduction of a new process significantly reduced the throughput time in the gold extraction process.

A new method was also successfully tested in initial pilot trials in secondary copper production. The plan is to significantly reduce processing times for precious metal-bearing materials in this sector as well.

In the tankhouse, a procedure for removing unwanted elements from the electrolyte was transferred from the pilot operation to the production plant. This procedure enables increased flexibility in processing complex concentrates.
A hydrometallurgical procedure for processing highly arsenic concentrates was further optimised and successfully verified in pilot and demo facilities in cooperation with Teck Resources Ltd. (Vancouver, Canada) and CESL Limited (Richmond, Canada). The work will continue in fiscal year 2011/12.

Optimising products for customer requirements

In BU Copper Products, Aurubis is concentrating on the development of new or optimised copper products and the processes used to produce them. The R&D division works closely together with customers as well as the Group's sales, production, product technology and quality divisions for this purpose. Aside from improving existing products to fulfil increasing customer requirements and developing innovative products with new properties, projects in which high-quality materials are used to reduce material input are gaining importance, for instance. The optimisation of conductivity and strength has top priority when it comes to applications in the automotive industry and the electrical and electronics sector.

For BL Rod+Shapes, low-alloyed copper materials for stronger wire resistant to softening and higher alloyed copper alloys for continuous cast products were sampled. One research focus for BL Flat Rolled Products & Specialty Wire was the development of the second generation of lead-free brass alloys. The first casting trials were carried out successfully. The objective is a further improvement in the combination of the properties of machinability, workability and strength. The first-generation lead-free brass alloy is currently being launched on the market under the brand name BlueBrass®42.

Beyond this, strip products made of pure copper materials and low-alloyed copper alloys were developed further for a number of applications in the electrical and electronics industry. Optimising production processes such as hot-dip tinning increased their efficiency considerably in some cases, for example with regard to the yield.

The spectrum of activities is expanding for R&D in fiscal year 2011/12 in the course of integrating the Rolled Products Division acquired from Luvata. The focus comprises new requirements and developments in the engine and machine cooling sector, the construction industry and additional industrial applications.

DEVELOPMENT ACTIVITIES IN SOLAR CELL PROJECT DISCONTINUED

In the joint venture CIS Solartechnik, Aurubis AG and Cordes & Graefe KG (Bremen) developed flexible solar modules for generating energy in accordance with a self-devised process using copper as a basis. The development of a pilot line concluded in fiscal year 2010/11 and the technical feasibility of the process was confirmed. Due to the dramatic changes in the global solar market, which include a persistent drastic price decrease and relocation of production to Asia, the construction of the joint venture's own batch production facility in Germany is no longer cost-efficient. Cooperation and sales efforts remained fruitless, so CIS Solartechnik GmbH & Co. KG discontinued its operating business.

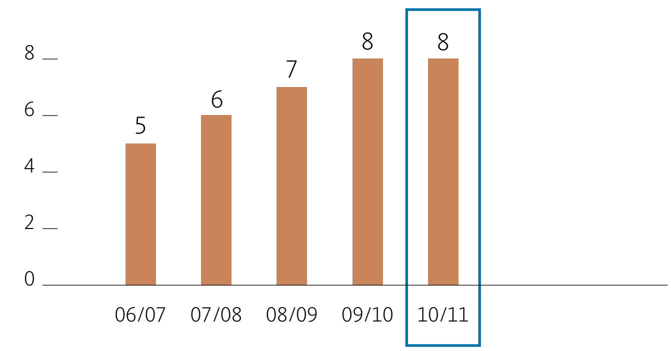
R&D EXPENDITURE AND INVESTMENTS

The Aurubis Group's expenditure for R&D amounted to about € 8.2 overall (€ 8.4 million in the prior year) including expenditure for the CIS solar cell project. While most of the expenditure was allocated to projects for process improvement again, the allocation to product and process developments nevertheless increased.

It was necessary to increase the number of employees working in R&D slightly due to the rising number of projects. At the end of the fiscal year the team was made up of 38 employees total (36 in the prior year) at different sites, 21 of whom have qualifications in engineering or natural sciences. The plan is to strengthen this sector in the course of integrating Luvata's Rolled Products Division.

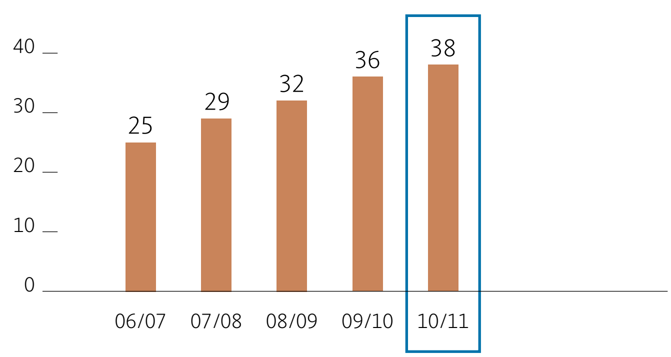
R&D expenditure

in € million



R&D employees

Number



Environmental protection

ENVIRONMENTAL GUIDELINES AND MANAGEMENT SYSTEM

As a responsible company, Aurubis is dedicated to sustainable economic activity. The Company is mindful of improved energy efficiency and reduced CO_2 emissions due to its energy-intensive processes. Additional key aims of environmental protection are improved water and soil conservation and immission control. In order to protect naturally limited resources, Aurubis is also concerned with utilising raw materials as completely as possible and relies on recycling for copper recovery.

Environmental and climate protection is a fixed element of company strategy and is enshrined in the guidelines. An environmental management system ensures that valid legal requirements for environmental protection are fulfilled. It also serves to continuously improve environmental protection at Aurubis. Targets and measures are defined and their implementation is controlled with the help of the system. Environmental protection standards were developed and implemented so that all sites can report on compliance with environmental protection targets, environmental protection measures implemented and the environmental key performance indicators (KPIs).

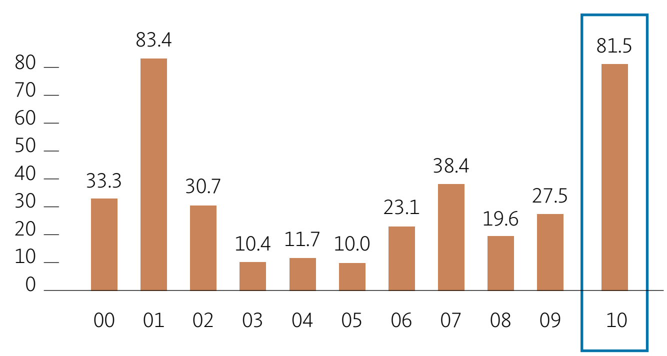
Aurubis' environmental management systems are certified in accordance with ISO 14001 at most of the individual sites and additionally with EMAS in Hamburg, Lünen and at Schwermetall Halbzeugwerk. The implementation of environmental protection and the resulting successes were reviewed and verified during the annual inspection by external consultants.

PROJECTS AND PROGRESS IN ENVIRONMENTAL PROTECTION

The precondition for sustainable environmental protection is capital expenditure on state-of-the-art environmental and plant technologies in particular. In the past several years, an average of about one-third of the Aurubis Group's total capital expenditure has been spent on environmental protection measures. These measures amounted to over € 80 million in 2010.

Capital expenditure for environmental protection at Aurubis

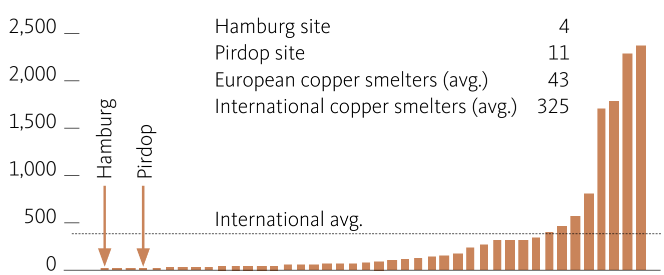
in € million



The Aurubis Group is currently one of the most environmentally sound and energy-efficient copper producers in the world. Energy efficiency and climate protection are constantly developed and improved at all Group sites.

SO_2 emissions – comparison with other smelters

in kg SO_2/t of copper produced



Source: Brook Hunt 2010/certified data

This is also confirmed by the emissions trend in primary copper production – emissions have been reduced by over 80 % since 2000, while specific dust emissions for the primary and secondary copper production sectors decreased by 94 % (reference year 2000).

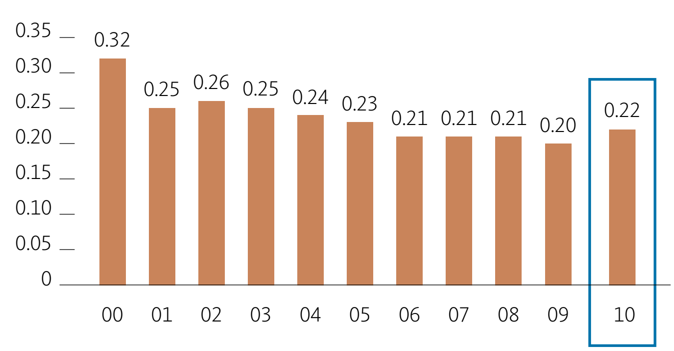
The following reduction measures contributed significantly to the further decrease in emissions in fiscal year 2010/11:

- In September 2011 a new storehouse for bulk material was inaugurated at the Hamburg site. The capital expenditure volume amounted to about € 7.5 million. The 5,000 m² hall with an integrated crusher and conveyor facility is intended to reduce fugitive emissions in this area by about 70 %. The immission situation in the immediate vicinity of the production facilities and surrounding the plant will be further improved as a result.
- We optimised the collection and cleaning of fugitive emissions at the Pirdop site in the area of the smelting facilities. The installation of technical equipment was completed in October 2010 and led to a further emission reduction.
- At the Lünen site, the new furnace facilities set a new benchmark in environmental protection. With a capital expenditure volume totalling € 62.5 million, Aurubis spent € 17.5 million on extensive environmental protection equipment. A highlight in this respect is the new crane hood, which was installed in a plant of the non-ferrous metals industry for the first time. It collects all of the fugitive emissions from the new furnaces in connection with a closed hall.

The Group invested in energy-efficient plant technologies at all sites, in individual measures to save more energy and in voluntary projects, such as the city of Hamburg's climate protection programme. This led to significant CO_2 emission reductions, as demonstrated by the consolidated climate protection indicators for copper production in the Aurubis Group. The continuous positive trend was confirmed, taking into account the climate conditions of an especially harsh winter.

Fuel-related CO_2 emissions from primary copper production

in t CO_2/t of copper produced



RESOURCE CONSERVATION

The European Commission established resource protection as a key issue of 2011. Accordingly, environmental protection should extend beyond avoiding and reducing emissions. Increased material efficiency and optimised recycling of waste in particular led to progress in resource conservation. On the national level, there is a draft of a German resource efficiency programme that provides for an increase in resource efficiency, especially by increasing recycling rates.

The recycling of copper scrap, copper alloy scrap and other recycling materials is a central business segment in copper production at Aurubis apart from processing copper concentrates. About one-third of the copper produced currently comes from processing recycling materials. Copper thus fulfils the criteria of sustainable development and serves as a basis for modern recycling management. It conserves natural resources, lowers the energy demand and prevents the permanent loss of valuable materials. However, processing primary raw materials cannot be avoided, as copper demand continues to increase worldwide and the return times are long in some cases due to the metal's very high durability.

Aurubis is a leader in copper recycling. The copper group efficiently reprocesses different recycling raw materials with state-of-the-art recycling technologies that guarantee environmentally friendly production and enable the fabrication of high-quality products. Effects of production on the resources water, air and soil are kept as low as possible at Aurubis with the best available plant technology. Non-ferrous metals such as copper are not used up; they are fed into the cycle and therefore fulfil sustainability and resource efficiency requirements to a high degree. Nearly all raw materials are converted into marketable products. Waste is effectively avoided and disposed of in the most environmentally friendly way possible.

A total of 3.3 million t of raw materials were utilised at Aurubis in 2010 in primary and secondary copper production. About 860,000 t of this amount, or more than one-fourth of the input materials, comprised recycling materials. The proportion of recycling materials in the raw material input has continuously increased from 19 % to 26 % in the past five years. The development of recycling in the Group helps close material cycles in an environmentally friendly manner and is therefore an important contribution to resource protection and sustainable development.

Apart from this, Aurubis strives to recycle accumulated waste as far as possible. The recycling rate for production waste reached 99.8 % at the sites in 2010. Overall, 120,000 t of waste accumulated in Aurubis' copper production processes. More than half (62,000 t) came from construction measures in the course of various building projects such as the KRS-Plus project at the Lünen site. Of the remaining production waste (58,000 t), 37 % was directed to recycling.

Our Environmental Report 2011 contains more detailed information on environmental protection in the Aurubis Group. It can be found on our website, www.aurubis.com, or obtained from the Group Communications Department.

RISK MANAGEMENT

Risk management system

Risks are defined at Aurubis as the results of detrimental events which lead to adverse effects on earnings, preventing business targets from being achieved. The risks are outlined, monitored and evaluated as part of a risk management system in the Aurubis Group. Measures for controlling risks have been established within the system.

Risks are an integral part of the Aurubis Group's economic activities. We manage and monitor the significant risks with the help of a well-functioning risk management system (RMS) that is tailored to our business activities. The early identification of these risks is of major importance and is achieved by an implemented early warning system.

Aurubis' objective is to limit negative effects on earnings caused by risks as far as possible by appropriate countermeasures. Our principles are defined in a Group guideline for risk management.

The RMS covers all the Aurubis Group's main sites and business sectors, including the new sites of the former Luvata Rolled Products Division. All risks are listed in uniform prescribed categories and documented in a risk inventory. The significance of the identified risks is then assessed depending on their magnitude and likelihood of occurrence. Furthermore, considerable risks are analysed in more depth and assigned appropriate countermeasures. In addition to the definition of countermeasures, the current and future development of these risks is continuously tracked. The processes of the RMS are uniformly specified across the whole Group. Risk management officers have been appointed for all sites and business sectors, and form a network within the Group. The Group headquarters in Hamburg manages the network. Group risk management reports directly to the Chief Financial Officer.

The entire RMS is documented in an auditable form and is subject to regular review, when newly identified risks are also taken into account.

Apart from the operating requirements for the RMS, there are also legal foundations that are of great importance. The Control and Transparency in Business Act (KonTraG), which went into effect in 1998 in connection with Section 91 paragraph 2 of the German Companies Act, requires the Executive Board to establish a suitable early warning system for risks to help identify risks that pose a threat to the company in a timely manner. This has been fulfilled at Aurubis for years.

New developments during fiscal year 2010/11

After our RMS proved to be successful in the previous years, re-audits were carried out according to schedule at all sites again in 2011. In addition, we audited the main new sites of the Luvata Group's Rolled Products Division acquired on 1 September 2011. Altogether, the overall risk situation had changed very little. Slight changes were made in the risk inventory. The overall risk situation generally eased as a result of economic recovery. The liquidity situation improved further as well. There was a special focus on developments in the electricity supply. The consideration of a possible blackout risk in the electricity supply was particularly important.

Explanation of relevant risks

The risks that were assessed and catalogued in the context of the re-audits were structured on the basis of their position in the value-added chain and related business activities. We systematically, uniformly registered relevant risks for the entire value-added chain in this way. Furthermore, they were classified according to their likelihood of occurrence and economic significance

SUPPLY AND PRODUCTION

The ability to keep the production facilities supplied with raw materials and the availability of these facilities are of the utmost importance for the Aurubis Group. Occurrences that physically restrict our production processes are thus viewed as significant risks.

Most of the raw materials for copper production are in the form of copper concentrates. The remaining materials are procured in the form of recycling raw materials and smelter intermediates. To ensure our supply of copper concentrates, we have concluded long-term agreements with a number of concentrate suppliers from various countries. In this way we are able to minimise the risk of production interruptions caused by possible delivery failures. The risk of volatile treatment and refining charges on the spot market was also limited by the long-term nature of the supply agreements. All in all, the availability of copper concentrates improved for us compared to the prior year. The level of treatment and refining charges increased. Plant availability was good overall, though it was lower compared to the prior years at times due to technical disruptions. The disruptions were quickly corrected in each case, so negative influences on production were limited. The flexible use of our production plants at the four smelter sites and the increased use of recycling raw materials enabled nearly complete utilisation of the existing copper production capacities. We still expect the availability of copper concentrates to recover in the medium term and thus that treatment and refining charges will rise.

The production facilities of the Business Unit Recycling/Precious Metals were kept well supplied with raw materials during the entire fiscal year. We procured copper scrap and other recycling materials in the national and international markets from an extensive network of suppliers. Aurubis bought large quantities of copper scrap with good refining charges as a result of the high copper price and the substantial restraint of Chinese purchasers. Complex recycling materials such as electronic scrap, which serves in particular as feed material for the Kayser Recycling System (KRS) and the expansion, KRS-Plus, which started up in summer 2011, were also available in sufficient quantities at all times with good processing margins. We view the supply situation on the market for recycling materials positively, though the predictability of copper scrap availability in particular is limited. Temporary volatility cannot be ruled out.

The supply in the production plants in BU Copper Products is mainly covered by copper cathodes produced within the Group. In addition to higher value added, this allows for quality control for copper products during the entire process. We have procured copper cathodes for BU Copper Products to fulfil the increased demand, therefore ensuring our delivery reliability and the quality of our products. The production volume was higher due to increased demand. Furthermore, we expect that additional demand for copper-bearing raw materials for our BU Copper Products, which has expanded owing to the acquisition of the Luvata Group's Rolled Products Division, can be supplied in future as well.

PRODUCT SALES

All in all, the sales situation continued to improve in the past fiscal year. This applies both to our copper products and to specialty products, such as sulphuric acid. We expect the good overall sales situation to continue for all products, including those produced at the new sites. Positive or negative influences from economic trends are possible, however. These influences have become more extensive due to the development of our activities in the product business.

ENERGY

Energy prices were stable overall. We are safeguarded against cost burdens due to unpredictable prices on the electricity exchange owing to our long-term contract, which has been in effect since 1 January 2010. This safeguard corresponds to most of our electricity demand and covers all of the German sites. Burdens resulting from changes in potential cost drivers such as the eco-tax, the Renewable Energy Law, combined heat and power and the emission trade are still difficult to quantify reliably because of the still uncertain legal situation. In this respect, we expect burdens to increase in the medium term but do not see any threatening economic influences.

We have dealt intensively with the issue of disruptions in the electricity supply due to a lack of back-up capacities following the shut-down of a majority of German nuclear power plants. Appropriate countermeasures to reduce possible burdens have been created to absorb the follow-up costs of a longer blackout, especially in the winter. We expect that as a result of these measures we will be well positioned in future to limit the risks of longer blackouts significantly.

FINANCES AND FINANCING

The buying and selling of metals, which is subject to constant metal price and exchange rate fluctuations, represents a potential risk. This risk is substantially reduced with foreign exchange and metal price hedging. Daily balancing of incoming and outgoing metal quantities from underlying transactions considerably reduces the volumes to be hedged. Backlogs are hedged daily by hedging transactions as in prior years. The same occurs by using financial instruments such as spot and forward contracts for exchange rates and metal prices. Risks from surpluses and deficits are eliminated on a daily basis in this way. We have only selected first-rate firms as partners for hedging transactions to minimise the credit risk.

We hedge expected receipts from foreign currencies, especially the US dollar, as far as possible with options and forward transactions. We will continue this in future as well and expect that we can reduce the risks from metal price and exchange rate fluctuations to a reasonable level with these measures for the expanded Group. Economically acceptable exchange rate hedges can only be realised for a limited time, however.

Trade accounts receivable are generally hedged by commercial credit insurances or other hedging instruments, e.g. bank guarantees. Own risks were only permitted to a very limited extent and after intensive individual examination. The positive economic trend at the majority of our customers resulted in a higher number being insured as regards the credit insurances. The development of the outstanding receivables is monitored weekly. During the reporting period there were no significant bad debts. The new companies were completely incorporated into the established system starting 1 September 2011. We do not foresee any threatening trends for future development either.

The liquidity situation improved continuously in the course of the past fiscal year and was secured during the entire fiscal year. The credit lines at the banks were sufficient. Covenants arranged with the financing banks were easily complied with. The reduction in working capital and the successful execution of a 10 % capital increase in January 2011 had a positive effect in this respect. From today's perspective, we regard the available liquidity as satisfactory and expect that this situation will continue in the next year as well despite strained financial markets, unless there are larger currency distortions.

LEGAL AND ORGANISATIONAL ASPECTS

Environmental risks resulting from the possible failure to comply with standard values and violations of requirements can have legal consequences. We have focused on the environmentally friendly operation of our production facilities for many years now and set our own standards. The environmental standard of our production facilities is still an international benchmark. We monitor environmental risks closely. Certification in accordance with ISO 14001 and EMAS is evidence of our high standard in environmental management. We intensively inspected the production sites of the acquired Luvata RPD for environmental risks. The risks from existing tail-back claims are low for Aurubis and thus do not represent a significant risk. We consider ourselves to be well positioned for the future in this regard as well. Nevertheless, incidents that might have an adverse impact on the environment cannot be completely ruled out.

We are also leaders in occupational health and safety, which we are also continuously developing.

Alarm plans are in place to counter possible interruptions in the production processes, which can be caused by extraordinary events such as flooding or fire. Emergency drills are carried out to train employees. In addition, significant risks are largely covered by insurances.

Assessment of risk situation

The assessment of the current and future risk-relevant factors does not result in any risks to the continued existence of Aurubis AG as a going concern. Significant risks have been identified, quantified and controlled as far as possible by the respective action taken. The development of the main risks is regularly monitored at Group level by the risk officers. We do not view the additional risks from the acquisition of the Luvata Group's Rolled Product Division as substantial.

Our raw material sourcing is very well positioned thanks to long-term supply contracts and a strong market position. The Group's facilities operate with a very high availability rate overall and have an internationally leading environmental standard. We have a very good competitive position in the European core market and a good starting basis in the USA due to the expansion of the already advantageous regional distribution of our production facilities. Our strong balance sheet structure and the very good liquidity situation provide a high level of financial stability, even in times of crisis.

There are potential risks when it comes to energy prices influenced by government measures and environmental protection legislation in particular. It is still only possible to quantify energy price risks to a limited degree due to the unclear data available, however. Under the current circumstances, we do not expect threatening cost increases.

We are convinced that our risk management system provides an appropriate system to control relevant risks. No substantial risks arose in the reporting year. There were no particular structural changes in the Group's risks.

The Audit Committee appointed by Aurubis' Supervisory Board also concerned itself intensively with issues relating to risk management in accordance with Section 5.3.2 of the German Corporate Governance Code. The risk management officer informed the Audit Committee of the Supervisory Board quarterly about developments in the risk management sector.

The auditors have audited our risk management system to ensure that it complies with the statutory provisions. Both the Audit Committee and the auditors ascertained that the Executive Board and Supervisory Board have taken the measures prescribed by Section 91 paragraph 2 German Companies Act in an appropriate manner and that the risk management system fulfils all the requirements.

Internal control system relating to the consolidated accounting process

(Report in accordance with Section 315 paragraph 2 No. 5 HGB)

The objective of the internal control system (ICS) for the accounting process is to ensure that financial statements complying with regulations are prepared. Aurubis has an internal control and risk management system in which structures and processes related to accounting policies are defined and implemented in the organisation. This ensures that the Group accounting procedures are reliable and performed correctly, that business transactions are thoroughly reported in a timely manner as prescribed by law and in the Articles of Association, and that legal norms and internal guidelines on accounting are observed. Amendments to laws and accounting standards are continuously analysed for their relevance for the consolidated financial statements, and resultant changes are incorporated in the Group's internal processes and systems.

PRINCIPLES OF THE INTERNAL CONTROL SYSTEM RELATED TO ACCOUNTING POLICIES

As the parent company, Aurubis AG prepares the Aurubis Group's consolidated financial statements. The financial reporting of the consolidated Group companies that are included in the consolidated financial statements takes place prior to this process. These Group companies prepare their financial statements locally and transfer them via a defined uniform group-wide data model to the Corporate Accounting Department. The Group companies are responsible for compliance with the valid group-wide guidelines and procedures as well as for the correct and timely execution of the accounting-relevant processes and systems.

The internal control system includes the following main elements:

- Ensuring standardised accounting procedures in the preparation of the separate financial statements of Aurubis AG by systematically implemented controls, which are supported by manual accounting controls and other authorisation and approval procedures (separation of functions, access regulations and limitations, the use of the dual control principle, guidelines on payment transactions)
- Ensuring uniform group accounting procedures in accordance with IFRS by the application of uniform accounting regulations and work instructions, central audit of reporting packages, analysis of deviations to the budget and reporting as part of the quarterly controller meeting
- Inclusion of external accounting and internal reporting by all group companies in a uniform consolidation and reporting system
- Overall consolidation of the consolidated financial statements by the Corporate Accounting Department, which centrally performs the consolidation measures, coordination and monitoring of the timely and procedural input
- Giving the group companies support in accounting procedures by having a central contact person in Corporate Accounting
- Clarification of special technical questions and complex issues related to specific cases with an external consultant

INTERNAL AUDIT AS PROCESS-INDEPENDENT RISK OBSERVATION

The Internal Audit as a central unit examines the reliability of the accounting practices of the German and foreign Group companies. In particular, existing internal accounting policies and the adherence to them in practice are assessed. The Internal Audit additionally provides information about risks that arise from identifiable deviations and advises on adjustment measures.

SUBSEQUENT EVENTS

Aurubis has started a process to optimise and consolidate its production capacities for flat rolled copper products in the scope of the acquisition of Luvata's Rolled Products Division. There are plans to relocate the Finspång (Sweden) site's production volumes to other Group production sites in Europe and the United States. The process should be completed in a period of up to two years. Consultations with the labour unions about the planned relocation started on 24 November 2011.

FORECAST REPORT

Beginning of the fiscal year and further course

The Aurubis Group's new fiscal year started in an unpredictable environment characterised by uncertainty about the further general economic trend.

We have improved our position in the rolled products sector and expanded our production expertise due to the acquisition of Luvata's Rolled Products Division, implementing another step of the Group strategy.

The utilisation and development of production expertise in the business fields copper production and copper processing are the main guiding principles of our strategic activities.

In primary copper production we will continue our activities to further improve the efficiency and effectiveness of recovery processes for copper and other metals through the exchange of know-how and targeted projects and to produce marketable intermediate and end products. We will intensify our technological expertise in the existing production processes. Additional key issues in the new fiscal year include hedging the cost position, continuing the project to modernise the copper tankhouse in Hamburg and increasing the concentrate processing capacity.

In recycling and precious metals we have increased the capacity and expertise in processing complex recycling raw materials at the Hamburg and Lünen sites and will orient our focus towards continuously improving processes in the future as well. We benefit more and more from increased flexibility, which allows for the optimisation of the raw material input in accordance with technical and business aspects.

We have completed the announced consolidation and growth step in copper processing by acquiring Luvata's Rolled Products Division. In terms of our strategy, we will promote the transfer of production expertise between the individual sites and precisely analyse the development potential of the newly acquired processes and technologies in order to apply them in a targeted manner in future. At the same time, we will optimise the production structure in order to better utilise the strengths of individual sites and to improve productivity and profitability.

In fiscal year 2010/11 we moved one step closer on our path to becoming the world's leading copper producer and processor. We will continue on this growth path in future. We still see growth potential in copper production, both in regions with high levels of primary raw materials as well as in regions with rising copper demand and growing secondary raw material flows. In copper processing, our focus is on successfully concluding the integration of the new sites. At the same time, we are keeping our future growth and consolidation options open in wire rod fabrication and rolled products.

We take our responsibility towards the environment, employees, society and shareholders seriously. We want to continue improving and growing in this regard as well.

Expected development in basic conditions

The global economy slowed down in the last quarter of 2011 but shows very different regional trends. For 2012 the International Monetary Fund predicts economic growth of 4% after over 5% in 2010. At 1.5% for 2011 and 2% for 2012, the growth dynamics in the industrialised economies fall considerably behind the emerging markets. This is also apparent in the forecasts for selected countries. The German Central Bank has retracted its estimate for Germany and now regards economic growth between 0.5 and 1% as realistic, citing the debt crisis in the euro-zone as the cause. However, according to the Bundesverband der Industrie, there is no cause for a recession scenario, as industrial production is at a high level and the order books are filled. A great deal depends on whether the turbulence blows over on the financial markets and does not become stronger again. Economic expansion in the emerging markets will likely continue upwards, though it will not be able to avoid influences from the trend in Europe and the USA. China plays a considerable role in this regard. Its economic expansion persists and, at 9.0% according to the World Bank's forecast for 2012, will be somewhat lower than the 9.5% increase in 2011.

The not yet stabilised financial sector, high national debt in Europe and the USA, inflationary tendencies in China and macroeconomic data nonetheless create an atmosphere of uncertainty which makes trends difficult to predict. This will not change much in the short term.

Regardless of these developments, we view the situation of the copper and metal markets as generally stable. Volatility should be expected, however. While the strikes in large mines in Indonesia and South America are burdensome factors for the copper concentrate supply, we nonetheless assume that there will be a quick solution to these kinds of conflicts. In addition, we expect positive impulses from the commissioning of new projects. A great deal argues for a good situation on the copper scrap market as well, which shows higher volatility. Capacity utilisation will likely be low again at copper smelters worldwide.

The current demand situation in Europe is affected by a "wait and see" attitude and customers' cautious delivery scheduling. Apart from the financial crisis, this is a result of copper prices, seasonal effects at year-end and company programmes to reduce the throughput time. Copper sales in the processing industry should nevertheless continue to have a stable basis despite possible temporary weaknesses. However, the trend is difficult to forecast. Liquidity bottlenecks due to an intensified situation are not expected.

In China many factors argue for a continuation of the economic dynamics and for good ongoing copper demand. Industrial production is high, and copper inventories in the country have been drawn on strongly and offer little leeway for a further reduction. Raw material bottlenecks also limit domestic production of refined copper. Copper inventories at metal exchanges are still declining and can only be used to a limited extent.

Because of this combination of factors, market analysts view a material shortage in the copper market as possible again in 2012 despite the uncertainty in the economic environment. As a result, the copper prices will be supported accordingly. They started the fiscal year at US$ 6,795/t (LME settlement) and subsequently fluctuated between US$ 8,040/t and US$ 6,916/t. We expect high copper and precious metal prices for 2012 but also see a tendency towards volatility.

Foreign exchange markets are even more strongly subject to influences from the trend on the financial markets and the economy than copper and other metals. A realistic forecast cannot be issued in this respect. We have largely hedged our currency risks.

Expected business performance

BU PRIMARY COPPER EXPECTS GOOD CONCENTRATE SUPPLY

In copper production, copper concentrates are the most important raw material for producing cathodes. They are procured on international markets that are influenced by the global economy and are independent from the European trend. We fundamentally regard good capacity utilisation of mines as realistic, especially if the copper price remains high. Together with the output from the expected new mine projects, there should be a good supply overall. The strikes in Indonesia and South America will probably only have a limited effect, as an agreement is expected soon. We do not expect supply bottlenecks for Aurubis since we have long-term concentrate contracts.

The markets for other raw materials such as blister copper and copper scrap will likely remain characterised by volatility and subject to the influences of the copper market.

The good demand for sulphuric acid should persist in the new fiscal year. We expect a continued favourable price level if the global economy is relatively stable.

Production capacities for concentrate processing will be extensively utilised according to our planning. We are continuing ongoing projects to increase throughput in the Hamburg smelter according to schedule. These measures reduce our dependence on the volatile copper scrap market without limiting purchasing flexibility if market opportunities arise. The advanced work to expand and modernise the cathode production capacity in Hamburg continues and will be finished in late 2012 according to our planning.

The work on opening up cost reduction potential will have great significance in future as well. The plan is to improve the cost position in international competition sustainably.

BU RECYCLING/PRECIOUS METALS EXPECTS SUCCESSFUL DEVELOPMENT

In copper recycling, new market opportunities are increasingly opening up for Aurubis due to its position, as we have extensive processing options and a broad purchasing presence. The high-quality recycling we offer is becoming more and more significant in light of the discussion on protecting the environment, conserving resources and securing raw materials.

The trend on the markets for recycling raw materials is oriented towards the copper market and the economic situation. We assume that these markets will be in better shape again and will continue the successful trend of the prior years following the latest phase of uncertainty. The stability of the copper prices is decisive in this regard. The copper scrap market is nevertheless susceptible to volatility. We therefore cannot rule out temporary effects of exceptional influences from the overall economic environment and from the raw material markets. All in all, however, we view the copper scrap supply as good and will utilise our furnace facilities to a high degree again.

More complex recycling raw materials exhibit stronger continuity with respect to availability. We have strengthened the processing of these raw materials with the commissioning of the KRS-Plus furnace facility. For the new fiscal year we expect a full supply for the significantly larger processing capacities in this sector and a corresponding increase in the output of various by-metals. We anticipate a continued positive market environment for precious metal-bearing raw materials.

BU COPPER PRODUCTS BENEFITS FROM EXPANSION OF ALTERNATIVE ENERGIES

Large quantities of copper products are still required in Europe. Demand can therefore be basically viewed as robust. Drivers include continued strong export activities, the orientation towards the development of alternative energies and the necessity of building and expanding flexible energy grids. The European debt crisis will not be able to change this fundamentally, but only bring about postponements or realignments of already urgent measures and projects. Additional opportunities arise for us in product marketing owing to the development of alternative energies.

On the market for continuous cast copper wire rod, we expect weakening demand in the next few months that will be lower than the high level of the first half-year 2010/11. Customer orders are placed at shorter notice with limited visibility. Even so, we intend to utilise our position in the market in order to continue business at a high level, supported by the high-value product mix offered by the AURUBIS ROD product family. With latent overcapacities in this product sector, however, we are dependent on the further economic trend when it comes to volume business and prices.

The continuous cast shape business within the AURUBIS SHAPES product family likewise depends on the economy. We nonetheless view ourselves as well positioned due to the production of materials that were developed in close cooperation with customers. The efforts to increase the efficiency of components in electrical engineering and mechanical engineering as well as in the further miniaturisation of components can often only be achieved with special copper materials that exhibit the highest quality at all times. In these cases we are able to position ourselves with our product solutions. Overall, we expect production and sales to be somewhat below the prior year as well.

Demand for pre-rolled strip appears to be restrained at the beginning of the new fiscal year. Both the European and overseas markets are affected by the weaker trend. Because of the uncertain financial conditions, we expect a weaker order intake in the first few months of the new fiscal year.

In the strip sector, the integration of the new sites into the Business Line and the optimisation and consolidation of the production structure will take centre stage. Synergies will also materialise. Focuses on the production side include increasing capacity utilisation and improving profitability while using individual sites' specific strengths. We expect increases in sales due to the expanded product portfolio and the use of the sales and distribution network in Europe, North America and Asia. Hardly any growth impulses can be expected from the market initially in light of the order receipts, which have been weaker and at shorter notice recently.

Expected results of operations

A forecast of the results of operations for the next two years is very difficult in the current environment. There is a lack of basic conditions that can be reliably assessed. We expect that the turbulence on the financial markets and the uncertainty in global economic development will continue at first. The trend in China, the leading copper demand country, is also unclear. It does not seem likely that the financial and debt crisis in Europe will be overcome in the near future. Nevertheless, important steps have been taken with the approaches to solving the issue so far. The decisive factor for the further trend is whether the political attempts at stabilising the situation are successful and how the real economy reacts. There is a particular uncertainty in this case, as the predicted worsening of the economic situation has been only slightly evident up to now in the production capacity and in the orders on hand in the industries that are among the most important copper consumers. Regardless of this, a significant portion of our product sales goes to a sector that will directly benefit from the changes in energy policy in Germany, as the production and supply of electricity has to be reconfigured following the decision to phase out nuclear power. As a conductive metal, copper plays an important role in this.

In this uncertain overall scenario, we predict a satisfactory supply on the raw material procurement markets that are important for us. We expect a good supply of copper concentrates for the next two years. From today's perspective, there is no foreseeable fundamental change in the overall good supply situation for copper scrap and other recycling raw materials either. The trend on the sulphuric acid market, which is determined first and foremost by fertiliser demand, remains difficult to predict. Because of the growing international demand for food, however, we assume that there will be a stable demand trend overall in this case as well.

In the product business, the trend on the market side is expected to be subdued at first compared to the prior year, and further development cannot be estimated.

The market for refined copper will likely be characterised by a deficit and thus fulfils the fundamental precondition for continued high prices. Price volatility still has to be expected.

On the cost side we do not expect any significant negative impacts on our results of operations, unless there are negative developments in the legal conditions of the energy market.

We therefore see a stable trend in business for the Aurubis Group that will nevertheless be more strongly accompanied by uncertainties than in the prior year and could be burdened by a declining economic trend in some areas.

If there are no considerable changes in the economic conditions or new crisis-ridden developments on the financial markets or in politics, we expect the Company's results of operations to be satisfactory.

Expected financial position

The trend in the financial position in the past fiscal year was characterised by a stable and high gross cash flow that reflects the improved business position. An increase in the net working capital weighed on the cash flow, as did the high planned level of capital expenditure and the acquisition of the Luvata Group's Rolled Products Division. This led to a considerable reduction in net debt overall as a result of income from the capital increase, among other factors.

In addition to the capital increase, the Company took up "Schuldscheindarlehen" (bonded loans) totalling over € 450 million with terms of 4 and 6 years during the past fiscal year, which replaced a significant portion of shorter term external funds. Furthermore, credit lines are available in the scope of a syndicated loan agreement. They ensure sufficient liquidity that is not at risk from today's perspective.

Capital expenditure in the new fiscal year is expected to be higher than the prior-year level. Various strategic projects are being implemented apart from the additional capital expenditure for the newly acquired former Luvata companies. An important new project is the capital expenditure for the expansion of concentrate processing capacities and the improvement of the emissions situation in Pirdop, Bulgaria.

Overall conclusion on the expected development of the Aurubis Group

The Aurubis Group concluded fiscal year 2010/11 in a very good position. The company model proved to be decisively resistant to negative external changes. Aurubis is positioned in the copper and metal markets in such a way that we are able to make use of our earning power even in difficult times. Moreover, our continuous work on optimisations and improvements in efficiency as well as our innovation strength contribute to this.

In the key market of copper and other metal markets, a great deal speaks in favour of ongoing high metal prices. Price volatility is to be expected, however. We expect uncertainty in the further demand trend and thus higher risks in our copper product sales overall. On the other hand, the energy turnaround in Germany may contribute positive impulses due to the rising demand for wire rod. Demand from the agricultural and mining industries will continue to facilitate sulphuric acid sales, although this market reacts sensitively to demand fluctuations.

For copper concentrates, we expect a good market supply owing to the ongoing implementation of mine projects. Negative impacts due to production disruptions in the mines are nonetheless still possible. All in all, we regard ourselves as very well placed on the world concentrate markets owing to our position and our contract structures. The copper scrap supply on the market is subject to factors that have a direct effect and can change quickly. With high copper prices and low Chinese buying activities, however, the chances for continuing satisfactory availability are good.

In view of the uncertain trends in the economic environment, we will continue to pursue our strategy and adhere to our objective of expanding the Company's strengths, utilising opportunities and improving our resistance. Risks which cannot be controlled or are hard to control, such as those arising from developments in the energy market or the economy, could nonetheless make this difficult.

We believe we are well positioned with our business model and look confidently to the next few years despite the difficult environment.

CONSOLIDATED INCOME STATEMENT

for the period 1 October to 30 September (IFRS)

in € thousand	Note	2010/11	2009/10
Revenues	1	**13,335,808**	9,865,369
Changes in inventories of finished goods and work in process		73,926	141,266
Own work capitalised	2	10,954	5,004
Other operating income	3	121,007	47,463
Cost of materials	4	(12,458,473)	(9,018,728)
Gross profit		**1,083,222**	**1,040,374**
Personnel expenses	5	(311,718)	(294,800)
Depreciation and amortisation	6	(123,696)	(106,459)
Other operating expenses	7	(192,285)	(164,029)
Operational result (EBIT)		**455,523**	**475,086**
Result from investments	8	706	494
Interest income	9	14,538	10,316
Interest expense	9	(50,028)	(38,814)
Earnings before taxes (EBT)		**420,739**	**447,082**
Income taxes	10	(98,321)	(121,335)
CONSOLIDATED NET INCOME		**322,418**	**325,747**
Income attributable to non-controlling interests	11	1,651	1,525
Consolidated net income attributable to Aurubis AG shareholders		320,767	324,222
Basic earnings per share in €	12	7.33	7.93
Diluted earnings per share in €	12	7.33	7.93

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period 1 October to 30 September (IFRS)

in € thousand	2010/11	2009/10
Consolidated net income	**322,418**	**325,747**
Changes recognised directly in equity		
Market valuation of cash flow hedges	(6,102)	(6,560)
Market valuation of investment property	(8,236)	(14,253)
Changes from translation of foreign currencies	2,249	615
Deferred taxes on accumulated other comprehensive income	(304)	3,354
Other comprehensive income	**(12,393)**	**(16,844)**
CONSOLIDATED TOTAL COMPREHENSIVE INCOME	**310,025**	**308,903**
Consolidated total comprehensive income attributable to Aurubis AG shareholders	**308,374**	**307,378**
Consolidated total comprehensive income attributable to non-controlling interests	**1,651**	**1,525**

CONSOLIDATED BALANCE SHEET as at 30 September (IFRS)

ASSETS

in € thousand	Note	30.9.2011	30.9.2010
Intangible assets		**94,391**	**101,887**
Property, plant and equipment		**970,502**	**858,345**
Investment property		**8**	**15**
Interests in affiliated companies		1,477	524
Investments		645	626
Other financial fixed assets		28,933	37,942
Financial fixed assets		**31,055**	**39,092**
Fixed assets	13	**1,095,956**	**999,339**
Deferred tax assets	21	**2,910**	**5,182**
Non-current receivables and financial assets		66,365	95,565
Other non-current assets		567	43
Non-current receivables and other assets	16	**66,932**	**95,608**
NON-CURRENT ASSETS		**1,165,798**	**1,100,129**
Inventories	14	**1,822,520**	**1,517,511**
Trade accounts receivable	15	564,415	437,384
Income tax receivables	16	10,271	24,776
Other current receivables and assets	16	278,938	182,379
Current receivables and other assets		**853,624**	**644,539**
Short-term security investments	17	**479**	**301**
Cash and cash equivalents	18	**490,981**	**147,803**
CURRENT ASSETS		**3,167,604**	**2,310,154**
TOTAL ASSETS		**4,333,402**	**3,410,283**

EQUITY AND LIABILITIES

in € thousand	Note	30.9.2011	30.9.2010
Subscribed capital		115,089	104,627
Additional paid-in capital		342,782	187,055
Generated Group earnings		1,296,948	1,021,138
Accumulated other comprehensive income components		(18,857)	(6,464)
Equity attributable to shareholders of Aurubis AG		**1,735,962**	**1,306,356**
Non-controlling interests		**4,146**	**3,847**
EQUITY	19	**1,740,108**	**1,310,203**
Pension provisions	20	107,742	74,069
Deferred tax liabilities	21	288,128	257,035
Other non-current provisions	22	73,961	50,603
Non-current provisions		**469,831**	**381,707**
Non-current borrowings		686,183	332,617
Other non-current liabilities		21,786	16,737
Non-current liabilities	23	**707,969**	**349,354**
Non-current provisions and liabilities		**1,177,800**	**731,061**
Other current provisions	22	64,783	**58,321**
Current borrowings		42,830	290,919
Trade accounts payable		868,173	792,530
Income tax liabilities		22,069	7,947
Other current liabilities		417,639	219,302
Current liabilities	23	**1,350,711**	**1,310,698**
Current provisions and liabilities		**1,415,494**	**1,369,019**
TOTAL LIABILITIES		**2,593,294**	**2,100,080**
TOTAL EQUITY AND LIABILITIES		**4,333,402**	**3,410,283**

CONSOLIDATED CASH FLOW STATEMENT

for the period 1 October to 30 September (IFRS)

in € thousand	2010/11	2009/10
Earnings before taxes	**420,739**	**447,082**
Depreciation and amortisation	123,696	106,459
Impairment losses on current assets	178,600	(24,637)
Change in non-current provisions	6,619	7,730
Net losses on disposal of fixed assets	801	3,899
Valuation of derivatives	188,167	(24,175)
Income from negative difference from acquisition of interests in affiliated companies	(77,232)	0
Result from investments	(706)	(494)
Net interest expense	34,962	28,113
Income taxes paid	(83,783)	(31,767)
Gross cash flow	**791,863**	**512,210**
Change in receivables and other assets, including short-term security investments	(30,653)	(213,943)
Change in inventories	(321,290)	(397,206)
Change in current provisions	3,254	(39,567)
Change in liabilities (excluding borrowings)	(25,178)	223,411
Cash inflow from operating activities (net cash flow)	**417,996**	**84,905**
Additions to fixed assets	(115,828)	(150,561)
Payment for the acquisition of interests in affiliated companies less acquired cash and cash equivalents	(159,097)	0
Proceeds from disposal of fixed assets	2,409	485
Interest received	14,675	10,167
Dividends received	706	494
Cash outflow from investing activities	**(257,135)**	**(139,415)**
Proceeds from capital increase	169,609	0
Payment for costs of capital increase	(5,050)	0
Proceeds from issuance of bonds and taking up borrowings	717,130	571,300
Payment for the redemption of bonds and borrowings	(606,602)	(563,792)
Interest paid	(46,482)	(32,301)
Dividends paid	(46,309)	(27,565)
Cash inflow (outflow in the prior year) from financing activities	**182,296**	**(52,358)**
Net changes in cash and cash equivalents	343,157	(106,868)
Changes resulting from changes in exchange rates	21	(2,572)
Cash and cash equivalents at beginning of period	147,803	257,243
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**490,981**	**147,803**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in € thousand	Subscribed capital	Additional paid-in capital	Generated group equity	Accumulated comprehensive income components: Market valuation of cash flow hedges	Market valuation of financial assets	Exchange differences	Deferred taxes	Equity attributable to Aurubis AG shareholders	Non-controlling interests	Total
Balance as at 30.9.2009	**104,627**	**187,055**	**723,481**	**15,239**	**(2,483)**	**109**	**(2,485)**	**1,025,543**	**3,323**	**1,028,866**
Dividend payment	0	0	(26,565)	0	0	0	0	(26,565)	(1,000)	(27,565)
Consolidated net income	0	0	324,222	(6,560)	(14,253)	615	3,354	307,378	1,524	308,902
Balance as at 30.9.2010	**104,627**	**187,055**	**1,021,138**	**8,679**	**(16,736)**	**724**	**869**	**1,306,356**	**3,847**	**1,310,203**
Balance as at 30.9.2010	**104,627**	**187,055**	**1,021,138**	**8,679**	**(16,736)**	**724**	**869**	**1,306,356**	**3,847**	**1,310,203**
Increase in capital from issuing new shares [1]	10,462	155,727	0	0	0	0	0	166,189	0	166,189
Dividend payment	0	0	(44,957)	0	0	0	0	(44,957)	(1,352)	(46,309)
Consolidated net income	0	0	320,767	(6,102)	(8,236)	2,249	(304)	308,374	1,651	310,025
BALANCE AS AT 30.9.2011	**115,089**	**342,782**	**1,296,948**	**2,577**	**(24,972)**	**2,973**	**565**	**1,735,962**	**4,146**	**1,740,108**

[1] The increase in capital was reduced in additional paid-in capital by net transaction costs of € 3,420 thousand. These include an actual tax benefit of € 1,630 thousand from the deductibility of the transaction costs for tax purposes.

NOTES TO THE FINANCIAL STATEMENTS

Basis of presentation

Aurubis Aktiengesellschaft ("Aurubis AG") is a quoted limited company domiciled in Germany.

As required by Regulation (EC) No. 1606/2002 of the European Parliament and the Council dated 19 July 2002 on the application of international accounting standards and Section 315a paragraph 1 of the German Commercial Code (HGB), the accompanying consolidated financial statements as at 30 September 2011 have been prepared in accordance with the International Financial Reporting Standards (IFRS) approved and published by the International Accounting Standards Board (IASB), as adopted by the European Union. The interpretations of the International Financial Reporting Interpretations Committee (IFRIC) have been taken into account. No accounting policies in accordance with German law that do not comply with IFRS have been applied.

The Executive Board will issue the consolidated financial statements to the Supervisory Board on 5 January 2012. The Supervisory Board's task is to review and approve the consolidated financial statements.

The consolidated financial statements have been prepared in euros. If nothing to the contrary is indicated, all amounts are shown in currency units of thousand.

Current and non-current assets are presented as separate categories in the balance sheet. Current assets and current liabilities are expected to be realised within twelve months of the balance sheet date or are held primarily for trading purposes.

Assets and liabilities have been measured as a general rule at amortised acquisition or construction cost. Derivative financial instruments and available-for-sale financial assets are measured at fair value. The preparation of consolidated financial statements in accordance with IFRS furthermore requires the Executive Board and authorised employees to make estimates and assumptions in significant areas that have an impact on the measurement and reported amount of the assets and liabilities in the balance sheet, and on income and expenses. Sectors which require the application of estimates and assumptions in particular are presented under "Significant estimates and uncertainties" on page 130.

Scope of consolidation

In addition to the parent company, Aurubis AG, Hamburg, 24 further companies in which Aurubis AG, Hamburg, holds the majority of the voting rights either directly or indirectly and thus has control were included in the consolidated financial statements as at the balance sheet date by way of full consolidation. The consolidated balance sheet date corresponds to the balance sheet date of Aurubis AG, Hamburg, and all consolidated subsidiaries, with the exception of three consolidated companies whose balance sheet date is 31 December. Interim financial statements were prepared by these companies as at the consolidated balance sheet date for consolidation purposes.

The companies of the fully acquired Luvata RPD, as well as the holding companies established as part of the acquisition, were consolidated for the first time starting 1 September 2011. These individual companies are as follows:

- » Aurubis Sweden AB, Finspång (formerly Luvata Sweden AB, Finspång)
- » Aurubis Holding Sweden AB, Stockholm (formerly Aurubis Sweden AB, Stockholm)
- » Aurubis Finland Oy, Pori
- » Aurubis Holding USA LLC, Wilmington
- » Aurubis Niagara Falls Inc., Buffalo (formerly Luvata Niagara Falls Inc., Buffalo)
- » Aurubis Buffalo Inc., Buffalo (formerly Luvata Buffalo Inc., Buffalo)
- » OAB Holding Inc., Buffalo
- » Aurubis Netherlands BV, Zutphen
- » Aurubis Mortara SRL, Mortara
- » Luvata Mortara S.p.A., Mortara
- » Aurubis Product Sales GmbH, Hamburg

The Aurubis Group held 100 % investments in each of these companies as at 30 September 2011.

Acquisition of Luvata RPD

On 1 September 2011 Aurubis AG acquired the Luvata Group's Rolled Products Division ("Luvata RPD"). The copper products segment will be significantly strengthened as a result of the acquisition of Luvata RPD. The combined activities benefit from a broader product portfolio, expansion into the North American Markets and a stronger presence in Europe.

Luvata RPD's product range comprises brass products as well as specialty products such as cakes, sheets, strips and foils made of copper and copper alloys. The main Luvata RPD production sites are in Finland, the Netherlands, Sweden and the United States. The Aurubis AG management expects that the further optimisation of the combined Group's production facilities and higher capacity utilisation will lead to considerable synergies that will have a positive effect on the Group's profitability. The transaction will improve the vertical integration of Aurubis' value-added chain due to higher capacity utilisation.

Name	Location	Form of acquisition
Luvata Sweden AB	Finspång, Sweden	100% of the voting rights (share deal)
Luvata Buffalo, Inc.	Buffalo, USA	100% of the voting rights (share deal)
Luvata Niagara Falls, Inc.	Buffalo, USA	100% of the voting rights (share deal)
Luvata Mortara S.p.A.	Mortara, Italy	100% of the voting rights (share deal)
Aurubis Netherlands B.V.	Zutphen, Netherlands	Asset deal
Aurubis Pori Oy	Pori, Finland	Asset deal

The total purchase price for the acquisition of the Rolled Products Division amounted to € 159.0 million at the time the consolidated financial statements were prepared and was paid with available cash. The incidental acquisition costs incurred amounting to € 4.3 million were recognised as other operating expenses.

The purchase price allocation of the acquisition of the Rolled Products Division is provisional overall, as the acquisition date was shortly before the balance sheet date. Changes could result in particular in the valuation of the procurement and sales contracts, inventories and the resulting deferred tax effects.

In the course of the acquisition, receivables with a fair value of € 103.0 million were recognised. The gross amount totalled € 105.3 million. Of this amount, € 2.3 million will likely be irrecoverable.

At the time of the acquisition, a contingent liability amounting to € 6.9 million and an identical indemnity for eliminating environmental damages at the Buffalo, Finspång and Zutphen sites were recognised. The environmental risks mainly comprise soil and water contamination. The settlement amount was derived on the basis of estimates made by an external environmental expert. At the time of the purchase price allocation, utilisation for the sites in Buffalo and Finspång could not be specified. At the Zutphen site, the contingent liability of € 2.9 million is related to an initiated safety measure. The settlement amount is expected to be utilised during the period from 2011 to 2025. The discount factor for this long-term contingent liability is 5.3 %.

The assumptions regarding the possible initial scenarios to be valuated, which underlie the valuation, have not changed for the Buffalo and Zutphen sites. Deviating from this, the probability of an obligation to eliminate the environmental damage was re-evaluated for the site in Finspång (Sweden) as at the balance sheet date. The associated allocation of the provision amounts to € 2.2 million as at the balance sheet date.

The following table compares the purchase price of the acquired interests and the fair values of acquired assets and debts:

Preliminary fair values at the time of the acquisition	in € million
Fixed assets	112.0
Inventories	155.5
Trade accounts receivable	103.0
Cash and cash equivalents	23.0
Other assets	15.4
Total fixed assets	**408.9**
Pension provisions	30.8
Trade accounts payable	82.7
Contingent liabilities	6.9
Other liabilities	30.7
Deferred taxes (net effect)	21.6
Total liabilities	**172.7**
ACQUIRED NET ASSETS	**236.2**
Acquisition cost	159.0
NEGATIVE DIFFERENCE	**77.2**

The following table shows the revenues and earnings of the Rolled Products Division since the acquisition date:

Since 1 September 2011	in € million
Revenues in the Group	94.8
Contribution to consolidated net income	**(32.1)**

The financial information for the Luvata RPD for the month of September 2011 corresponds to the contribution to earnings actually generated in the consolidated financial statements of Aurubis AG. The contribution to consolidated net income amounting to € – 32.1 million includes impairments of inventories amounting to € 24.6 million as at the balance sheet date. Additionally, impairments of property, plant and equipment amounting to € 10.0 million weigh on the contribution to consolidated earnings (see Note 6).

The negative difference of € 77.2 million that resulted on the group level and was recognised as other operating income is not a component of the earnings factor presented.

The following table shows the revenues and earnings of the consolidated company that would have resulted if the acquisition had already taken place on 1 October 2010 (pro forma earnings).

Since 1 October 2010	in € million
Revenues in the Group	14,377.2
Pro forma consolidated net income	**330.6**

The basis for determining the pro forma earnings for the entire Group was the earnings factor EBITDA in accordance with IFRS for the Luvata RPD for the period from 1 October 2010 to 31 August 2011. The necessary pro forma adjustments are based on the available information and assumptions. Deviating from the accounting principles of the Group, the historical financial data of the Luvata RPD was determined on the basis of the first-in-first-out (FIFO) method. Due to the limited information, the method for valuating inventories could not be adjusted to the method applied in the Group.

In order to determine the pro forma consolidated earnings, the assumption was made that the acquisition had taken place on 1 October 2010. However, this hypothetical purchase price allocation is based on the fair values for the acquired assets, debts and contingent liabilities derived in conjunction with the present purchase price allocation. The historical EBITDA of the separate Luvata RPD was corrected by the following pro forma adjustments:

» Pro forma adjustments result from additional notional depreciation on fair value adjustments in the fixed assets for the period from 1 October 2010 to 31 August 2011 in conjunction with the first-time consolidation on 1 September 2011 as well as the tax adjustments.
» Pro forma adjustments include earnings effects from the new financing in connection with the acquisition for the period from 1 October 2010 to 31 August 2011.
» The pro forma financial information does not take any synergies or cost savings associated with the transaction into account.

Due to the premises described, the pro forma earnings presented do not necessarily correspond to the consolidated earnings that the Group would have generated if the acquisition of the Luvata RPD was actually completed on 1 October 2010. In addition, a statement about the future development of consolidated earnings is only possible to a limited extent due to extraordinary influences.

Pursuant to the requirements of IFRS 3 "Business Combinations", all acquired assets, liabilities and contingent liabilities are recognised at fair value. This resulted in an increase in the acquired net assets, in particular due to the disclosure of hidden reserves in fixed assets. On the basis of the purchase price allocation, a negative difference amounting to € 77.2 million arises mainly due to the revaluation of property, plant and equipment. This was realised as other operating income following a reassessment of the fair values pursuant to IFRS 3.34.

Accordingly, the financial statements of all significant subsidiaries in which Aurubis AG holds legal and/or de facto control are included in these consolidated financial statements.

Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg, and CIS Solartechnik GmbH & Co. KG, Bremerhaven, have been consolidated proportionately in accordance with IAS 31. A 50 % investment is held in each of these two entities. They are managed jointly with other partners (joint ventures). The accounting policies applied comply with those for the fully consolidated subsidiaries.

Schwermetall Halbzeugwerk's share of the Group's assets as at 30 September 2011 amounted to € 80,955 thousand (€ 81,678 thousand in the prior year), its share of the non-current liabilities to € 18,678 thousand (€ 16,248 thousand in the prior year) and its share of current liabilities to € 19,925 thousand (€ 27,349 thousand in the prior year). The company contributed € 7,521 thousand (€ 9,477 thousand in the prior year) to the Group's net income in the reporting year, and € 171,137 thousand (€ 145,224 thousand in the prior year) to its revenues.

CIS Solartechnik's share of the Group's assets and current liabilities as at 30 September 2011 amounted to € 166 thousand (€4,060 thousand in the prior year) and € 622 thousand (€ 639 thousand in the prior year) respectively. The company's contribution to the Group's net income in the reporting period amounted to € – 4,155 thousand (€ – 473 thousand in the prior year). No revenues were generated, since the company has not been operationally active to date.

Consolidation principles

The separate financial statements of all companies included in consolidation are prepared in accordance with the uniform accounting policies applied in the Aurubis Group. The financial statements of the main companies included in the consolidated financial statements have been audited by independent auditors.

Capital consolidation is performed as at the acquisition date using the acquisition method, whereby the acquisition cost of the acquired interest is offset against the fair values of acquired assets and liabilities of the subsidiary at that time. Any unallocated difference on the asset side is recognised as goodwill and tested annually for impairment. In accordance with IAS 36, goodwill is not systematically amortised. Negative goodwill is recognised immediately in profit or loss following a reassessment of the fair values.

Receivables, liabilities and contingent liabilities, and revenues, other income and expenses between group companies are eliminated. Profits resulting from transactions between group companies are eliminated, if material.

In addition to nine German companies, 18 foreign companies are included in the consolidated financial statements. The financial statements of subsidiaries in foreign currencies were translated to euros in accordance with the concept of the functional currency. In accordance with IAS 21, assets and liabilities in the balance sheet are translated at the mid-market rates on the balance sheet date and the income statement is translated at the average rates for the year. Any resultant translation differences are recognised directly in equity until the possible disposal of the subsidiary.

The same consolidated policies are applied accordingly for proportionally consolidated joint ventures. The consolidation procedures required for transactions between such companies and the remaining group companies are performed proportionately based on the interest in the joint ventures.

Changes in accounting policies on account of new standards and interpretations

Accounting policies

Standards and interpretations applied for the first time

	Standards/interpretations	Compulsory application in the EU	Adoption by EU Commission	Impact
IFRIC 17	Distribution of Non-Cash Assets to Owners	1.11.2009	27.11.2009	none
IFRS 1	Amendment: Additional Exceptions for First-time Adopters	1.1.2010	24.6.2010	none
IFRS 2	Amendment: Group Cash-settled Share-based Payment Transactions	1.1.2010	24.3.2010	none
IFRS 1	First-time Adoption of IFRS (rev. November 2008)	1.1.2010	26.11.2009	none
IFRIC 15	Agreements for the Construction of Real Estate	1.1.2010	23.7.2009	none
Various	Improvements to IFRS (2009)	1.1.2010	24.3.2010	none
IAS 32	Amendment: Classification of subscription rights	1.2.2010	24.12.2009	none
IFRIC 19	Extinguishing Financial Liabilities with Equity	1.7.2010	24.7.2010	none
IFRS 1	Amendment: Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters	1.7.2010	1.7.2010	none
Various	Improvements to IFRS (2010)	1.7.2010	18.2.2011	none

Standards and interpretations not adopted early

	Standards/interpretations	Compulsory application in the EU	Adoption by EU Commission	Impact
IAS 24	Related Party Disclosures	1.1.2011	20.7.2010	being investigated by Management
IFRIC 14	Amendment: Prepayments of a Minimum Funding Requirement	1.1.2011	20.7.2010	none
Various	Improvements to IFRS (2010)	1.1.2011	18.2.2011	none
IFRS 1	Amendment: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1.7.2011	open	none
IFRS 7	Amendment: Financial Instruments: Disclosures – Transfers of Financial Assets	1.7.2011	23.11.2011	Expansion of disclosures in the notes when transferring financial assets

Standards and interpretations published but not yet in force

	Standards/interpretations	Compulsory application in the EU	Adoption by EU Commission	Impact
IAS 12	Amendment: Deferred Tax – Recovery of Underlying Assets	1.1.2012	open	none
IAS 1	Amendments: Presentation of Items of Other Comprehensive Income	1.7.2012	open	being investigated by Management
IFRS 9	Financial Instruments – Classification and Measurement	1.1.2013	open	being investigated by Management
IFRS 10	Consolidated Financial Statements	1.1.2013	open	being investigated by Management
IFRS 11	Joint Arrangements	1.1.2013	open	being investigated by Management
IFRS 12	Disclosure of Interests in Other Entities	1.1.2013	open	elimination of proportional consolidation
IFRS 13	Fair Value Measurement	1.1.2013	open	being investigated by Management
IAS 19	Employee Benefits	1.1.2013	open	being investigated by Management
IAS 27	Consolidated and Separate Financial Statements (rev. May 2011)	1.1.2013	open	being investigated by Management
IAS 28	Investments in Associates (rev. May 2011)	1.1.2013	open	being investigated by Management
IAS 19	Employee Benefits (rev. June 2011)	1.1.2013	open	elimination of the corridor method, recognition of actuarial profits and losses in other comprehensive income
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	1.1.2013	open	none

Main estimates and assumptions

Accounting and valuation in the consolidated financial statements are influenced by a number of estimates and assumptions based on past experience as well as additional factors, including expectations about future events. All estimates and assessments are subject to continuous review and re-evaluation. The use of estimates and assumptions is especially necessary in the following areas:

Impairment of goodwill

Goodwill is reviewed for impairment annually in line with the accounting and valuation methods. The attainable amount was calculated on the basis of the value in use (Note 13). The calculation of the value in use requires estimates of the future cash flow in particular on the basis of budget planning. The result of the impairment test during the fiscal year was that there was no impairment. A 10 % reduction in the predicted cash flow or a 1 % increase in the WACC after taxes from 5.9 % to 6.9 % would not lead to allowances either.

Fair values in conjunction with business combinations

Acquired assets, debts and contingent liabilities are recognised with their fair values in the accounting of business combinations. DCF-based procedures whose results depend on the assumed future cash flows and other assumptions are often used. The valuation of contingent liabilities depends significantly on the assumptions with respect to the future resource outflows and the probability of occurrence.

Fair values of derivatives and other financial instruments

The fair values of financial instruments for which there are no quoted prices in an active market are determined on the basis of mathematical procedures and are influenced by assumptions specific to the instrument. Detailed information can be found in the section entitled “Additional disclosures on financial instruments” on page 170.

Pension provisions and other provisions

Obligations from defined benefit pension plans are valuated in accordance with actuarial procedures. These procedures are based on several actuarial assumptions, for example the assumed interest rate, the expected return on plan assets, expected income and pension development, employee fluctuations and life expectancy. In the calculation of the assumed interest rate, industrial bonds of the highest credit standing are used whose term corresponds to the duration of the obligations. Current market expectations are included in determining the expected return from plan assets as well. Deviations of the actual development from the expectations lead to actuarial profit or loss that could have significant effects on the amount of the pension obligations and the fair value of the plan assets. The application of the corridor method significantly reduces the effect of actuarial profit and loss on the amount of the balance sheet approach, however, and levels it over time.

When balancing other provisions, assumptions are made with regard to the probability of occurrence, the amount and time of the resource outflow, which are naturally characterised by uncertainty.

Other significant estimates are related to calculating the useful lives of intangible assets and property, plant and equipment, the collectability of receivables, the valuation of inventory risks as well as the valuation of obligations from share-based compensation.

Recognition of revenues and expenses

Revenues and other operating income are recognised when control is transferred or the significant risks and rewards of ownership of the goods are transferred to the customer. Processing fees are taken into account in accordance with the stage of completion of the processed material.

Operating expenses are recognised when incurred. Interest income and interest expense are recognised in the periods to which they relate. If income or expenses arise as a result of profit and loss transfer agreements, they are recognised at the end of the respective fiscal year. Interest expense from leasing agreements is calculated using the effective interest method. Dividends to which group companies are entitled are recognised as income at the time that the right to receive them arises.

Financial instruments

A **financial instrument** is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets comprise in this connection in particular cash and cash equivalents, equity instruments held in other entities (e.g. investments or share portfolios), trade accounts receivable, other loans and receivables granted, and primary and derivative financial instruments that are held for trading. Financial liabilities generally establish a contractual obligation to deliver cash or other financial liabilities. These include in particular bonds and other securitised liabilities, liabilities to banks, trade accounts payable, financial lease liabilities and derivative financial instruments. Financial instruments are generally recognised as soon as a group company of Aurubis AG becomes a contractual party to the regulations of the financial instrument. In the Group, regular way purchases and sales of financial instruments are generally recorded as of the settlement date, i.e. at the date of delivery and transfer of title, and in metal trading at the trade date. Derivative financial instruments are recognised as of the trade date. Financial assets and financial liabilities are generally reported gross (i.e. without being netted). Under prevailing law, quoted metal futures contracts are reported netted, observing matching maturities.

Financial assets are recognised initially at fair value. Thereby, in the case of financial assets that will not be measured subsequently at fair value through profit or loss, the transaction costs directly attributable to the purchase have to be taken into account. The fair values recognised in the balance sheet generally represent the market prices of the financial assets. If these cannot be determined directly by referring to an active market, they are measured with a normal market procedure (valuation model), applying the market parameters specific to the instrument. Non-interest-bearing financial assets with a term exceeding a year are discounted. For financial assets with a remaining term of less than a year, it is assumed that the fair value corresponds with the nominal value. Financial assets in foreign currency are measured on initial recognition with the mean rate of exchange and as at the balance sheet date with the selling rate as at the balance sheet date. Financial assets sold without recourse are derecognised.

The non-current receivables reported in **"other financial fixed assets"** are assigned to the category "loans and receivables" and are measured at amortised cost, applying the effective interest method.

On account of their short maturities, **trade accounts receivable** are measured at nominal value, less allowances for bad debts. A distinction is made between specific allowances and lump-sum specific allowances. The allowances take adequate account of the credit risks, which are determined on the basis of historical experience and individual assessments of the risks. Actual defaults result in derecognition of the receivables affected.

Impairments of trade accounts receivable are recorded through an allowance account. The decision as to whether a credit risk should be taken into account by means of an allowance account or a direct reduction of the receivable depends on the reliability of the assessment of the risk situation.

Financial assets held for trading are measured at fair value. These include derivative financial instruments that are not included in an effective hedging relationship in accordance with IAS 39 and therefore have to be classified as held for trading.

In addition, delivery contracts are concluded at Aurubis for non-ferrous metals not only to cover the expected requirement for raw materials and the expected sale of finished products, but also to exploit price fluctuations between short-term and long-term forward prices. Price-fixed metal delivery contracts are therefore also recognised as derivative financial instruments. Since these are not included in an effective hedging relationship in accordance with IAS 39, they are similarly classified as "held for trading".

Gains or losses resulting from the subsequent measurement of "held for trading" financial assets are recognised in profit or loss.

Other financial assets are allocated to the category loans and receivables and, to the extent that they are non-current, are measured at amortised cost, applying the effective interest method.

The fixed-interest securities reported under the current assets, all of which are pledged, are allocated to the **held-to-maturity** category. These held-to-maturity financial instruments are measured at amortised cost.

Cash and cash equivalents have a remaining term on initial recognition of up to three months and are measured at the nominal value.

The **"available-for-sale"** category represents in the Aurubis Group the residual amount of primary financial assets that fall under IAS 39 and are not assigned to another category. They include the interests in affiliated companies that are reported under financial fixed assets, other investments and fixed asset securities. They are generally measured at fair value, which is derived from the stock market price, provided a price quoted in an active market is available. Subsequent gains and losses resulting from measurement at fair value are recognised directly in equity. This does not apply if these are permanent or significant impairment losses and foreign-currency-related changes in the value of debt instruments, which are recognised in profit or loss. The accumulated gains or losses on measurement at fair value that are recorded in equity are only recognised in profit or loss on disposal of the financial assets. If the fair value of non-quoted equity instruments cannot be reliably determined, the interests are measured at cost, if appropriate net of impairment losses.

No financial instruments were reclassified into other measurement categories either in fiscal year 2010/11 or in fiscal year 2009/10.

An impairment loss is recognised in the Aurubis Group if the carrying amount of a financial asset is higher than the present value of the future cash flows. The test of whether impairment exists is carried out at every balance sheet date. Indications such as considerable financial problems on the part of the debtor can be referred to in order to determine objectively whether impairment has incurred.

For the question of impairment, the existing credit relationships that are assigned to the category "loans and receivables" shall be analysed and they shall then be measured subsequently at amortised cost. In addition, the financial assets of the held-to-maturity category shall be investigated. It shall be investigated at every balance sheet date whether there are objective indications of impairment that should be recognised in the financial statements. The amount of the loss is calculated as the difference between the carrying amount of the asset and the present value of the expected future cash flows, discounted with the original effective interest rate of the financial instrument (recoverable amount). Thereby, cash flows from short-term receivables are not discounted, for the sake of simplicity. The carrying amount of the asset shall be reduced to the recoverable amount through profit or loss by a direct write-down or by using an allowance account.

For equity instruments of the "available-for-sale" category, an impairment loss is recognised if fair value is permanently significantly lower than the original cost. The loss is the difference between the current fair value and the carrying amount of the financial instrument. While reversals of impairment losses on debt instruments shall be recognised in profit or loss, in the case of equity instruments they may only be recognised in equity.

Financial liabilities are initially recognised at fair value. The directly attributable transaction costs are also recognised for all financial liabilities that are not subsequently measured at fair value and amortised over the term applying the effective interest method. Financial liabilities in foreign currency are valued on initial recognition with the closing rate of exchange and as at the balance sheet date with the buying rate as at the balance sheet date.

Primary financial liabilities, which include borrowings, trade accounts payable and other primary financial liabilities, are fundamentally measured at amortised cost. If the interest effect is not insignificant, non-interest-bearing liabilities or liabilities at low interest rates with a term exceeding one year are discounted. In the case of liabilities with a term of less than a year, it is assumed that the fair value corresponds with the settlement amount.

Liabilities under finance leases are recognised on inception of the lease at the lower of the present value of the leasing payments and the fair value of the leased asset. In subsequent periods, the redemption portions included in the leasing payments reduce the corresponding liabilities.

Derivative financial instruments that are not included in effective hedging relationships must be classified as **"held-for-trading"** and therefore recognised at fair value through profit and loss. If this is negative, this results in the recognition of a financial liability.

The Aurubis Group uses **derivative financial instruments** to hedge interest rate and foreign currency risks and to hedge non-ferrous metal price risks.

Derivative financial instruments are measured at fair value. This represents the market value and can be both positive and negative. If the market value is not available, this is calculated with present value and option price models. As far as possible, the relevant market prices and interest rates observed at the balance sheet date, which are derived from recognised sources, are used as the opening parameters for these models.

Changes in the fair values of derivative financial instruments are recognised either through profit or loss in the income statement or directly in equity. Thereby, what is decisive is whether or not the derivative financial instrument is included in an effective hedging relationship. If no **cash flow hedge accounting** exists, the changes in fair values shall be recognised immediately in profit or loss. If on the other hand an effective hedging relationship exists, this will be accounted for as such.

In order to avoid fluctuations in the income statement due to the different measurement of hedged items and hedging instruments, IAS 39 includes special regulations on hedge accounting. The aim of these hedge accounting regulations is to record gains and losses on hedging instruments and hedged items so that they compensate one another as far as possible.

In addition to documentation, IAS 39 requires for the application of the regulations of hedge accounting proof of an effective hedging relationship. Hedge effectiveness means that changes in fair value (for fair value hedges) or changes in cash flow (for cash flow hedges) of the hedged items are compensated by the changes in the opposite direction in the fair value or the changes in the cash flows of the hedging instruments, in each case relating to the hedged risk.

The purpose of derivatives that are used as hedging instruments in conjunction with a **cash flow hedge** is to hedge the exposure to variability in future cash flows. A risk with regard to the amount of future cash flows exists in particular for loans at floating interest rates and planned transactions that are highly likely to occur. Derivative financial instruments used in conjunction with cash flow hedge accounting are recognised at market value. The gain or loss on measurement is split between an effective and an ineffective portion. The effective portion is the portion of the gain or loss on measurement that represents an effective hedge of the cash flow risk. This is recognised directly in equity under a special heading (cash flow hedge reserve), after taking into account deferred taxes. The ineffective portion of the valuation result on the other hand is recognised in profit or loss in the income statement. The general recognition rules for the transactions underlying the hedged cash flows do not change. Following the termination of the hedging relationship, the amounts recorded in the reserve are always transferred to the income statement when gains or losses in connection with the hedged item are recognised in profit or loss.

The purpose of **fair value hedges** is to hedge the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment. The Aurubis Group uses fair value hedges in conjunction with interest rate hedging. Thereby, interest rate swaps are used to hedge changes in the fair value of borrowings. In accordance with the regulations on fair value hedge accounting, the derivative financial instrument used as a hedging instrument is recognised at fair value, whereby gains and losses on measurement are recognised in profit or loss in the income statement. For the hedged asset or the hedged liability, changes in the market value resulting from the hedged risk must also be recognised in profit or loss in the income statement. The gains or losses on measurement from the hedged item relating to the hedged risk are recognised in profit or loss together with the gains or losses on the hedging instrument.

The Aurubis Group furthermore enters into hedging relationships that do not satisfy the strict requirements of IAS 39 and cannot therefore be accounted for in accordance with the regulations on hedge accounting. Despite this, these hedging relationships comply from an economic point of view with the principles of risk management. Moreover, no hedge accounting is applied in the case of the monetary assets and liabilities recognised in connection with the foreign currency hedging, because the gains and losses on the hedged items that have to be realised on the foreign currency translation in accordance with IAS 21 in profit or loss are accompanied by gains and losses on the derivative hedging instruments and more or less compensate one another in the income statement

Financial assets and financial liabilities that fall under IAS 39 could under certain circum-stances be allocated irrevocably on initial recognition to the subcategory “fair value option”. The Aurubis Group has not made use of the fair value option either for financial assets or for financial liabilities.

Fixed assets

If intangible assets are acquired, they are recognised at acquisition cost. Internally generated intangible assets that will generate future economic benefit are recognised at their creation cost, if they are technically feasible. They are amortised systematically straight-line over their expected useful lives of generally three years. With the exception of goodwill, the consolidated financial statements do not include any intangible assets with indefinite useful lives.

Property, plant and equipment used in the business operations for more than one year are measured at acquisition or construction cost less systematic depreciation. Construction costs include all direct costs as well as a reasonable share of the construction related overheads. No borrowing costs had to be capitalised in the past fiscal year. Systematic depreciation is recorded using the straight-line method. The depreciation periods used correspond to the expected economic useful lives in the Group. The following main useful lives are applied:

Buildings	25 to 40 years
Site installations	10 to 25 years
Technical equipment and machinery	5 to 20 years
Factory and office equipment	3 to 20 years

General overhauls or maintenance measures resulting in the replacement of components are recognised as an asset if it is probable that future economic benefits will flow to the Group and the costs can be measured reliably.

Leased property, plant and equipment that satisfy the criteria of IAS 17 for a finance lease are recognised within the fixed assets. This is the case if all significant risks and rewards of eco-nomic ownership lie with the respective group company. Such property, plant and equipment are recognised at fair value or, if lower, at the present value of the minimum lease payments, and depreciated using the straight-line method over the lease term or, if it is expected that ownership will be obtained at the end of the lease term, over the economic useful life. The future lease payment obligations are recognised as a liability at their present value.

Assets that have an indefinite useful life, such as goodwill, are not amortised systematically, but are tested for impairment each year. Assets that are systematically amortised are tested for impairment if events or changes in circumstances indicate that the carrying amount might not be recoverable. Impairment losses are recorded in the amount by which the carrying amount exceeds the recoverable amount. The recoverable amount is the higher of the fair value of the asset less costs to sell and its value in use. For impairment tests, assets are combined at the lowest level for which cash flows can be separately identified (cash-generating units). With the exception of goodwill, non-cash assets, on which impairment losses were recognised in the past, shall be investigated as at each balance sheet date to see whether the impairment losses possibly have to be reversed.

Buildings held as investment property are measured at amortised cost less systematic straight-line depreciation in accordance with the aforementioned useful lives for buildings.

Inventories

Inventories are measured at acquisition or production cost. Production cost includes all direct costs as well as a reasonable share of the production-related overheads. In accordance with IAS 2, all interchangeable inventories are valued applying the average cost method. Intermediate products that are tied up permanently in the production process, on the other hand, are measured at historical cost. The net sales price is determined as a general rule on the basis of the exchange or market prices as at the balance sheet date or the higher already contractually agreed sales prices if the price-fixed agreements are not already recognised as derivative financial instruments at their fair value for the respective group company.

Other non-financial assets

Other non-financial assets are recognised at amortised cost. Any risk in the non-financial assets is provided for by write-downs.

Deferred taxes

Deferred taxes result from temporary differences between the tax-related carrying amounts of assets and debts and those taken into account in the IFRS statement as well as from tax loss carryforwards. They are calculated using the balance sheet oriented liability method and the tax rates expected in the individual countries at the time of realisation. These are generally based on the legal situation that applies or that has largely been legally adopted as of the balance sheet date and is expected to be applicable at the time of realisation of the deferred tax receivable or the settlement of the deferred tax liability.

Deferred tax assets on temporary differences, tax loss carryforwards and tax credits are recognised at the company entities to the extent that deferred tax liabilities are present. If deferred tax assets exceed deferred tax liabilities, they are recognised to the extent to which it is possible that income that is taxed sufficiently in the future will be available for utilisation of these tax assets. The recognised deferred taxes are reviewed individually every year for their feasibility.

Deferred tax liabilities that arise due to temporary differences in connection with investments in subsidiaries and associated companies are recognised unless the time of the reversal of the temporary differences can be determined by the group and it is likely that the temporary differences will not reverse in the foreseeable future due to this influence.

Changes in deferred taxes in the balance sheet generally lead to deferred tax expense or income. If circumstances that entail a change in deferred taxes are recognised directly in equity or in other income, the change in deferred taxes is also taken into account directly in equity or in other income.

Deferred tax assets and deferred tax liabilities are offset if they relate to income taxes levied by the same taxation authority and can be set off against each other.

Provisions

Provisions for pension and similar obligations are determined in accordance with the projected unit credit method prescribed by IAS 19 based on actuarial reports. The demographic assumptions applied as well as the expected salary and pension trends and the discount rate to be used are determined on the basis of current estimates as of the balance sheet date. Accordingly, actuarial gains and losses can result from deviations between the actual parameters and the assumptions used for the calculation. In accordance with the corridor method described in IAS 19, actuarial gains and losses at the beginning of the fiscal year are amortised if they exceed 10 % of the defined benefit obligation or the fair value of plan assets at the beginning of the fiscal year. The amount recognised for the period then comprises the amount exceeding the corridor allocated over the remaining working lives of the employees participating in the pension plan. The interest portion included in the pension costs is recorded in the financial result as net interest expense.

Other provisions are recognised for all other uncertain obligations and risks of the Aurubis Group, for which an obligation to third parties results from past events, the settlement of which is expected to result in an outflow of cash resources, and the amount of which can be reliably estimated. If the effect of the time value of money is material, non-current provisions are recognised at their present value.

Other non-financial liabilities

Other non-financial liabilities are recognised at amortised cost.

Share-based compensation components

Senior staff and non-tariff staff in the Aurubis Group are able to participate in a share-based compensation component with cash in lieu, for which the recognition and measurement regulations of IFRS 2 have to be applied. This is a virtual stock option plan.

The resultant liability is measured in accordance at the fair value of the issued options. The resultant personnel expenses are recognised pro rata temporis in profit or loss over the waiting period of the options. The fair value is recalculated for each balance sheet date during the blocking period and until the options are exercised. The basis for this is provided by option price models (binomial model and Monte Carlo simulation), depending on what was promised by the programme, taking into account changes in the measurement parameters. The impact on the financial statements for the current fiscal year and the prior year is shown in the explanations on the personnel expenses in Note 5.

Notes to the income statement

1. Revenues

By product groups

in € thousand	2010/11	2009/10
Continuous cast wire rod	4,911,162	3,780,225
Copper cathodes	2,961,071	2,360,887
Precious metals	3,045,448	1,930,227
Continuous cast shapes	1,136,576	822,420
Pre-rolled strip, strips and profiles	427,374	138,793
Chemicals	95,946	50,680
Other	758,231	782,137
	13,335,808	**9,865,369**

A further breakdown of Aurubis Group revenues by Group segments is provided in the segment reporting at the end of this report.

2. Own work capitalised

Own work capitalised of € 10,954 thousand (€ 5,004 thousand in the prior year) primarily includes production costs and purchased materials.

3. Other operating income

in € thousand	2010/11	2009/10
Cost reimbursements and services for third parties	13,697	13,074
Income from commission and refunded freight payments	8,178	7,421
Damages and indemnities	2,111	2,275
Income from the reversal of provisions	1,277	814
Gains on disposal of fixed assets	126	48
Other income	95,618	23,831
of which rent received on investment property	108	108
	121,007	**47,463**

The income from the disposal of the negative goodwill from the acquisition of Luvata RPD in the amount of € 77,232 thousand is included in the other income.

4. Cost of materials

in € thousand	2010/11	2009/10
Raw materials, supplies and merchandises	12,218,558	8,801,691
Cost of purchased services	239,915	217,037
	12,458,473	**9,018,728**

Cost of materials rose in line with the increased metal prices.

Taking into account the changes in inventories, the cost of materials ratio increased slightly to 92.9 % (90.1 % in the prior year).

5. Personnel expenses and human resources

in € thousand	2010/11	2009/10
Wages and salaries	247,026	237,662
Social security, pension and other benefit expenses	64,692	57,138
	311,718	**294,800**

The pension expenses primarily comprise allocations to the provisions for pensions and to externally funded pension plans.

A share-based compensation component with cash in lieu has been in force for the Executive Board, senior staff and non-tariff staff in the Aurubis Group since fiscal year 2004/05 in the form of a virtual stock option plan. The prerequisite for participation is that the respective senior staff must hold a certain number of Aurubis shares. The options granted can be exercised after a waiting period of three years, at the earliest however after the third ordinary Annual General Meeting since the commencement of the term of the respective tranche. They must be exercised within a year. The right to exercise the options and the amount of the payments to each participant are determined on the basis of two performance criteria, which depend firstly on the absolute increase in the Aurubis share price and secondly on the performance of Aurubis shares compared with the CDAX as the reference index.

The granted entitlements to share options have developed as follows:

in € thousand	3rd tranche	4th tranche	5th tranche	6th tranche	7th tranche	Total
Outstanding options as at 1.10.2009	**25,250**	**420,100**	**609,200**	**673,000**	**0**	**1,727,550**
Options granted in the fiscal year	0	0	0	0	524,500	524,500
Options realised in the fiscal year	1,000		11,000	14,000	2,500	28,500
Options expired in the fiscal year	0	0	0	0	0	0
Options exercised in the fiscal year	24,250	411,850	0	0	0	436,100
Outstanding options as at 30.9.2011	**0**	**8,250**	**598,200**	**659,000**	**522,000**	**1,787,450**
Options exercisable as at 30.9.2011	0	0	0	0	0	0

in € thousand	4th tranche	5th tranche	6th tranche	7th tranche	Total
Outstanding options as at 1.10.2010	**8,250**	**598,200**	**659,000**	**522,000**	**1,787,450**
Options granted in the fiscal year	0	0	0	0	0
Options realised in the fiscal year		0	10,100	11,000	21,100
Options expired in the fiscal year	0	0	0	0	0
Options exercised in the fiscal year	8,250	578,850	0	0	587,100
Outstanding options as at 30.9.2011	**0**	**19,350**	**648,900**	**511,000**	**1,179,250**
Options exercisable as at 30.9.2011	0	0	0	0	0

The weighted average remaining contract term for all options is 18 months (24 months in the prior year). The average value of the options exercised in the past fiscal year amounted to € 14.80 (€ 15.78 in the prior year).

The resultant personnel expenses from the stock option plan are recognised in profit or loss pro rata temporis over the waiting period of the options. In the past fiscal year these amounted to € 8,430 thousand (€ 9,416 thousand in the prior year). The options issued are measured at fair value with the help of two option price models (absolute amount by means of a binomial model and relative hurdle by means of a Monte Carlo simulation) both for Aurubis shares and for the CDAX reference index. The share and index performance at future dates is simulated as part of a Monte Carlo simulation. Fair value is recalculated as at each balance sheet date during the blocking period and until the options are exercised, on the basis of the option price models, taking into account changes in the measurement parameters. The fair value per option right as at 30 September 2011 was between € 5.68 and € 15.47 (between € 3.50 and € 16.58 in the prior year), while the provision for this as of the balance sheet date amounted to € 8,905 thousand (€ 9,162 thousand in the prior year). The following parameters were assumed:

Non-risk interest rate	1.35 % – 1.56 %
Aurubis AG share price as at valuation date	€ 38.19
Aurubis AG share volatility	36.05 %
CDAX performance as at valuation date	487.21
CDAX volatility	23.22 %
Aurubis AG/CDAX correlation	70.03 %

The expected volatility was determined on the basis of the historical development of the share price, because there were no implicit volatilities.

The average number of employees in the Group during the year was as follows:

	2010/11	2009/10
Blue collar	3,132	2,962
White collar	1,630	1,549
Trainees and apprentices	247	243
	5,009	**4,754**
thereof number of employees in joint ventures	147	143

6. Depreciation and amortisation

Depreciation and amortisation for the Group on intangible assets and property, plant and equipment totalled € 123,696 thousand (€ 106,459 thousand in the prior year). This comprises depreciation of € 113,277 thousand (€ 101,502 thousand in the prior year) on property, plant and equipment, amortisation of € 10,412 thousand (€ 4,950 thousand in the prior year) on intangible assets and depreciation of € 7 thousand (€ 7 thousand in the prior year) on investment property.

In the past fiscal year, depreciation and amortisation included impairment losses of € 16,590 thousand (€ 174 thousand in the prior year).

For intangible assets, these mainly result from the complete allowance of the proportional capitalised development costs at CIS Solartechnik GmbH & Co. KG of € 4,466 thousand. Because of the dramatic changes in the global solar market, including a drastic price decrease and relocation of production to Asia, the development of series production in Germany is no longer efficient.

For property, plant and equipment, the impairment is largely allotted to property and buildings, technical equipment and machinery as well as facilities under construction of Aurubis Sweden AB amounting to € 10,029 thousand. Aurubis has started a process to optimise and consolidate its production capacities for flat rolled copper products in the scope of the acquisition of Luvata's Rolled Products Division. There are plans to relocate the Group's production sites within Europe and the United States.

Both the impaired intangible assets and the impaired property plant and equipment affect the copper products segment.

A breakdown of depreciation and amortisation on intangible assets, property, plant and equipment and financial assets is provided in the details of changes in intangible assets and property, plant and equipment in the group.

7. Other operating expenses

in € thousand	2010/11	2009/10
Selling expenses	80,933	79,335
Administrative expenses	62,357	48,217
Other taxes	3,819	2,401
Sundry expenses	45,176	34,076
	192,285	**164,029**

The selling expenses mainly comprise freight costs.

8. Result from investments

in € thousand	2010/11	2009/10
Income from investments	706	490
Income from profit and loss transfer agreements	0	4
	706	**494**

Income from investments comprises dividends from non-consolidated subsidiaries.

9. Interest, similar income and expenses

in € thousand	2010/11	2009/10
Interest income	14,538	10,316
Interest expense	(49,338)	(38,814)
Depreciation and amortisation on financial fixed assets and fixed asset securities	(690)	0
	(35,490)	**(28,498)**

Interest and similar expenses include the interest component of the pension expenses in the amount of € 4,279 thousand (€ 5,979 thousand in the prior year).

10. Income taxes

Income taxes comprise income taxes paid or owed and deferred taxes. Income tax expense including deferred taxes is made up as follows::

in € thousand	2010/11	2009/10
Current taxes	85,356	31,767
Deferred taxes	12,965	89,568
	98,321	**121,335**

The higher tax charge compared to the prior year is due to earnings. Current taxes include back-payments for prior years of € 497 thousand (€ 663 thousand in the prior year), while deferred taxes include the effects from the corrections of the tax base of € –3,527 thousand (€ 979 thousand in the prior year).

The applicable German corporate income tax for fiscal year 2010/11 specifies a legal tax rate of 15 % (15 % in the prior year), plus a solidarity surcharge of 5.5 % (5.5 % in the prior year). As in the prior year, trade tax amounts to 16.45 % of the taxable income. A lower trade tax rate is applicable for the other German group companies. The foreign companies are subject to their national income tax which varies between 10 % and 35.98 % (10 % and 33.99 % in the prior year). Aurubis Switzerland is still exempt from income taxes until the end of 2011. The "notional interest deduction" is a special feature to be observed in Belgian tax law, which results in a lower assessment basis for the current taxes of Aurubis Belgium in the reporting period of € 21,634 thousand (€ 25,360 thousand in the prior year).

In accordance with IAS 12.81(c), the actual tax expense has to be reconciled to the tax charge that would have resulted if the theoretical tax rates were applied to the reported consolidated pre-tax earnings.

The Group tax position is to a significant degree a combination of international tax rates. As a consequence, the German tax rate (32.28 %, 32.28 % in the prior year) does not form the basis of the calculated group tax rate, but instead a group-wide mixed tax rate of 28.41 % (28.83 % in the prior year).

Reconciliation:

in € thousand	2010/11	2009/10
Earnings before taxes	420,739	447,082
Theoretical tax charge at 28.41 % (28.83 % in the prior year)	119,537	128,889
Changes in the theoretical tax charge due to:		
changes in tax rate	8	43
non-recognition and correction of deferred taxes	7,454	88
taxes for prior years	(3,029)	(316)
increase (capitalisation) of corporate income tax credit	(152)	(170)
non-deductible expenses	3,635	3,095
non-taxable income	(721)	(546)
notional interest deduction (Belgium)	(7,353)	(8,620)
negative goodwill recognised from the acquisition of Luvata RPD	(20,947)	
other	(111)	(1,128)
INCOME TAXES	**98,321**	**121,335**

The effects of the non-recognition and correction of deferred taxes mainly affect the temporary differences as well as the tax loss carryfowards of Luvata Sweden AB, as the use of these deferred tax assets in future is unlikely due to the planned restructuring.

The taxes from prior years are primarily influenced by the adjustment of deferred taxes on the goodwill of Aurubis Stolberg and Schwermetall in the Group.

The deferred tax assets and deferred tax liabilities result from the following recognition and measurement differences in individual balance sheet items, from tax loss carryforwards and from outside basis differences (OBD):

	2010/11		2009/10	
in € thousand	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible assets	3,129	3,659	9,308	14,960
Property, plant and equipment	905	108,244	939	87,604
Financial fixed assets	226	304	1,702	277
Inventories	8,183	206,483	7,809	183,705
Receivables and other assets	3,667	100,685	2,687	70,745
Pension provisions	14,104	6	4,891	7
Other provisions	7,766	850	12,884	417
Liabilities	111,708	18,467	61,869	3,088
Tax loss carryforwards	4,572	0	7,664	0
Outside basis differences	0	780	0	803
Offsetting	(151,350)	(151,350)	(104,571)	(104,571)
PER CONSOLIDATED BALANCE SHEET	**2,910**	**288,128**	**5,182**	**257,035**

The following effects on deferred tax assets and deferred tax liabilities (not affecting net income) resulted from the acquisition of the Luvata RPD on the acquisition date:

in € thousand	2010/11 Deferred tax assets	2010/11 Deferred tax liabilities
Intangible assets		85
Property, plant and equipment		26,571
Financial fixed assets		0
Inventories		9,167
Receivables and other assets		841
Pension provisions	9,219	
Other provisions	3,099	
Liabilities	751	
Tax loss carryforwards	1,949	
PER CONSOLIDATED BALANCE SHEET	**15,018**	**36,664**

The amount of deferred taxes resulting from cash flow hedges charged or credited directly in other comprehensive income (OCI) and thus the equity has decreased by € 304 thousand, after offsetting, compared with the prior year to deferred tax assets of € 565 thousand.

In addition, there were exchange rate-related changes in the individual deferred tax positions of the foreign subsidiaries totalling € 80 thousand. Apart from that, the changes in deferred tax assets and liabilities were recognised in profit or loss.

Deferred tax assets are only recognised to the extent to which the respective benefits will probably be realised. Based on the forecast profit expectations of the subsidiaries, it is assumed in accordance with IAS 12.34 that the tax loss carryforwards will be utilised to the extent that this is probable. Losses in Bulgaria can be carried forward for five years, in Switzerland for seven years and in the other countries for an unlimited time.

Total tax loss carryforwards amount to € 75,348 thousand (€ 58,027 in the prior year). No deferred tax assets have been recognised on trade tax loss carryforwards of € 54,196 thousand (€ 8,356 in the prior year), as the possibility of using them is seen as unlikely from the current perspective. Of the tax loss carryforwards with no value, an amount of € 42,082 thousand can be carried forward without restrictions and an amount of € 12,114 thousand can be used within the next seven years.

Current tax on costs in conjunction with the capital increase of € 1,630 thousand at Aurubis AG were recognised directly in equity.

The recognition of corporate income tax credits and increases on account of Section 37 German Corporate Income Tax Act resulted in net income of € 152 thousand in the year under review (€ 170 in the prior year).

Deferred tax liabilities of € 786 thousand (€ 803 thousand in the prior year were formed on the difference between the proportional equity of a subsidiary recognised in the consolidated balance sheet and the investment carrying amount for this subsidiary in the tax base of the parent company (so-called outside basis differences) as at the balance sheet date. No deferred tax liabilities were formed for outside basis differences from accumulated earnings of subsidiaries amounting to € 22,777 thousand.

11. Income attributable to non-controlling interests

Of the reported net income for 2010/11 of € 322,418 thousand (€ 325,747 thousand in the prior year), income of € 1,651 thousand (€ 1,525 thousand in the prior year) is attributable to shareholders other than the shareholders of Aurubis AG, Hamburg. This relates to the interests of outside shareholders in Deutsche Giessdraht GmbH, Emmerich and Aurubis Bulgaria AD, Pirdop.

12. Earnings per share

Basic earnings per share are calculated by dividing the consolidated net income excluding the non-controlling interests by the weighted average number of shares outstanding during the fiscal year.

in € thousand	2010/11	2009/10
Consolidated net income excluding non-contolling interests	320,767	324,222
Weighted average number of shares (in thousand)	43,770	40,870
BASIC EARNINGS PER SHARE IN €	**7.33**	**7.93**

Diluted earnings per share are determined by adding to the weighted average of the shares outstanding in the fiscal year the maximum number of shares which could be issued if all conversion rights on convertible bonds were exercised. Where applicable, the consolidated net income is increased at the same time by the interest expense incurred on convertible bonds less the corresponding taxes.

Since conversion rights on convertible bonds existed neither in the reporting year nor in the prior year, the diluted earnings per share correspond for the Aurubis Group with the basic earnings per share.

Notes to the Balance Sheet

13. Fixed assets

The breakdown and development of the Group's fixed assets are presented in the financial statements in this report on pages 186 to 189.

Intangible assets comprise licences acquired for a consideration and goodwill on consolidation arising in the Aurubis Group. As in the prior year, most of the goodwill relates in the amount of € 6,322 thousand to the cash-generating unit of Prymetall GmbH & Co. KG, Stolberg, and in the amount of € 17,439 thousand to synergy effects in the Copper Products cash-generating unit at Aurubis Hamburg.

As part of the purchase price allocation of the Cumerio Group in fiscal year 2007/08, an intangible asset in the amount of € 10,174 thousand was capitalised for acquired technological know-how at Aurubis Switzerland S.A., Yverdon-les-Bains. The intangible asset has an expected useful life of four years and is being amortised systematically. The carrying amount as at 30 September 2011 was € 3,736 thousand (€5,838 thousand in the prior year).

For the impairment test, the goodwill acquired in conjunction with a business combination is allocated to the CGU, which benefits from the synergies of the business combination in line with expectations. If the carrying amount of the CGU to which the goodwill was allocated exceeds its recoverable amount, the allocated goodwill is amortised accordingly due to the impairment.

As in the prior year, the goodwill resulting from the acquisition of Prymetall GmbH & Co. KG was distributed to the following CGUs for purposes of the impairment test in accordance with IAS 36:

in € thousand	CGU Aurubis Stolberg	CGU copper products Aurubis Hamburg
30.9.2011	6,322	17,439

The recoverable amount is the higher of the fair value less costs to sell and the value in use. Aurubis determines the recoverable amount on the basis of the value in use. The value in use is determined by means of discounting future cash flows after taxes with a risk-adjusted discount rate (WACC) after taxes (discounted cash flow method).

The cash flow estimates comprise a planning horizon of four years before transferring to perpetuity. The budget approved by the management forms the basis for the detail planning phase. In the forecast of the cash flows, the budget planning includes the future market and industry expectations as well as experiences from the past.

For the extrapolation of the cash flows beyond the detail planning period, constant growth rates of 1 % (1 % in the prior year) were assumed. The growth rate was derived from future expectations and does not exceed the long-term average growth rates of the respective markets.

The weighted average cost of capital is determined on the basis of market data. The WACC for the discounting carried out amounted to 5.9 % after taxes or 8.1 % before taxes as at 30 September 2011 (5.3 % after taxes or 7.3 % before taxes in the prior year).

As in the prior year, there was no impairment of goodwill.

No development costs were recognised in the Group as at 30 September 2011 (€ 3,811 thousand in the prior year). Research costs are recognised in profit or loss for the respective periods.

Rented or leased property, plant and equipment totalled € 25,969 thousand (€ 29,041 thousand in the prior year). This mainly consists of ships for the transportation of sulphuric acid as well as facilities for handling, storing and transporting copper concentrates in Brunsbüttel. The carrying amount of the leased facilities includes carrying amounts for ships for transporting copper concentrates and sulphuric acid in the amount of € 8,388 thousand (€ 8,578 thousand in the prior year) and carrying amounts for the storehouse for storing copper concentrates in Brunsbüttel in the amount of € 6,755 thousand (€ 7,198 thousand in the prior year). The remaining leases are generally based on fixed rental arrangements. Collateral has not been provided for them.

As at 30 September 2011, group fixed assets with a carrying amount of € 17,985 thousand were pledged as security for loans (€ 17,895 thousand in the prior year). Purchase commitments for property, plant and equipment amounted at that date to € 6,587 thousand (€ 9,056 thousand in the prior year).

The fair value of all land and buildings held as investment property amounted to € 1,083 thousand as in the prior year. The fair values are determined on the basis of an appraisal. The rental income expected on this as at 30 September 2011 amounted to € 542 thousand as in the prior year, of which € 108 thousand is due within one year. The directly attributable operating expenses are insignificant.

The interests in affiliated companies and other investments included in the financial fixed assets in the amount of € 2,122 thousand (€ 1,150 thousand in the prior year) are classified as "available-for-sale". In the past fiscal year, all interests in affiliated companies were measured at amortised cost since it would only be possible to ascertain the market value reliably within the context of concrete sales negotiations. These interests are not quoted and there is no active market. There are no plans to sell the interests at present.

The other loans reported in financial fixed assets include neither overdue nor impaired items.

A detailed overview of the investments included in the financial assets of Aurubis AG is presented at the end of this report.

As regards the other financial fixed assets that are neither impaired nor in default of payment, there was no indication as at the current balance sheet date that the debtors will not fulfil their payment obligations.

Fixed asset securities still mainly comprise investments in Salzgitter AG, Salzgitter.

14. Inventories

in € thousand	30.9.2011	30.9.2010
Raw materials and supplies	879,590	745,178
Work in process	607,378	538,102
Finished goods, merchandise	335,006	233,057
Payments on account of inventories	546	1,174
	1,822,520	**1,517,511**

In the fiscal year, write-downs of € 175,707 thousand were recorded on the inventories (write-ups of € 23,099 thousand in the prior year) due to the lower metal prices.

15. Trade accounts receivable

The trade accounts receivable as at 30 September 2011 and as at 30 September 2010 were due within one year.

The age structure of the trade accounts receivable is as follows:

in € thousand	Carrying amount	thereof: neither past due nor impaired as at the balance sheet date	thereof: not impaired as at the balance sheet date and due in the following time bands		
			less than 30 days	between 30 and 180 days	more than 180 days
as at 30.9.2011					
Trade accounts receivable	**564,415**	518,878	40,666	2,418	2,453
as at 30.9.2010					
Trade accounts receivable	**437,384**	419,829	14,062	2,507	986

The allowances on trade accounts receivable relate to the total write-down on receivables from customers, mainly comprising receivables at Aurubis Belgium nv/sa.

Movements on the allowances for trade accounts receivable are as follows:

in € thousand	30.9.2011	30.9.2010
Specific allowances		
Balance at beginning of fiscal year	706	444
Allowances in the period	2,586	262
Additions	2,687	477
Reversal	(472)	(212)
Transfers	370	0
Exchange rate changes	1	(3)
BALANCE AT END OF FISCAL YEAR	**3,292**	**706**

All expenditure and income from allowances and write-offs of trade accounts receivable are shown under other operating expenses or other operating income.

As regards the trade accounts receivable, which have neither been impaired nor is payment in arrears, there is no indication as at the balance sheet date that the debtors will not fulfil their payment obligations.

Default risks on trade accounts receivable are largely covered by trade credit insurance. Apart from this, no further collateral is available to the Aurubis Group.

16. Receivables and other assets

Other receivables and other assets comprise other financial and other non-financial assets.

Other financial assets were made up as follows as at the balance sheet date:

in € thousand	30.9.2011	30.9.2010
Non-current (with residual term of more than 1 year)		
Over-funding of pension funds	24,134	25,482
Derivative financial instruments of the held-for-trading category	24,373	56,377
Derivative financial instruments as hedging instruments as part of hedge accounting	5,084	6,629
Other non-current financial assets	12,774	7,077
NON-CURRENT FINANCIAL ASSETS	**66,365**	**95,565**
Current (with residual term of less than 1 year)		
Derivative financial instruments of the held-for-trading category	100,702	56,411
Derivative financial instruments as hedging instruments as part of hedge accounting	11,336	15,474
Receivables from related parties	6,726	3,969
Other current financial assets	75,794	23,027
CURRENT FINANCIAL ASSETS	**194,558**	**98,881**

Receivables from related parties primarily comprise receivables from Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg, which is consolidated proportionately, and receivables from non-consolidated subsidiaries.

Derivative financial instruments of the held-for-trading category with a term of more than one year are reported as non-current due to their economic hedging relationship.

The other current financial assets include a continuing involvement from late payment risks for factoring transactions of current trade accounts receivable in the amount of € 2,301 thousand. A liability of € 2,848 thousand was reported in connection with the continuing involvement. In total, outstanding receivables in the amount of € 251 million had been sold to factoring companies as at the balance sheet date.

With the exception of the asset amount resulting from the over-funding of pension funds and interest derivatives, there is no interest rate risk for any receivable or other asset. Further information on the asset resulting from over-funding of pension funds is provided in Note 20 Pension provisions and on the interest derivatives in Note 25 Financial instruments.

The allowances on other financial assets are reported in the following table:

in € thousand	30.9.2011	30.9.2010
Specific allowances		
Balance at beginning of fiscal year	**499**	**240**
Allowances in the period	(107)	259
Additions		259
Reversal	(107)	0
Exchange rate changes		0
BALANCE AT END OF FISCAL YEAR	**392**	**499**

In the past fiscal year, income of € 107 thousand from the reversal of write-downs was recorded on other financial assets and reported in other operating income. In the prior year, new write-downs of € 259 thousand were reported under other operating expenses.

As regards other financial assets that have neither been impaired nor is payment in arrears, there is no indication as of the balance sheet date that the debtors will not fulfil their payment obligations.

The breakdown of other non-financial assets as at the balance sheet date is as follows:

in € thousand	30.9.2011	30.9.2010
Non-current (with residual term of more than 1 year)		
Receivables from income taxes	0	8
Other non-current non-financial assets	567	35
NON-CURRENT NON-FINANCIAL ASSETS	**567**	**43**
Current (with residual term of less than 1 year)		
Receivables from income taxes	10,271	24,776
Other current non-financial assets	84,380	83,498
CURRENT NON-FINANCIAL ASSETS	**94,651**	**108,274**

The other current non-financial assets mainly comprise VAT receivables at Aurubis AG, Hamburg, and Aurubis Bulgaria AD, Pirdop.

17. Short-term security investments

These are fixed-interest securities and shares in equity funds.

18. Cash and cash equivalents

Cash and cash equivalents consist of current accounts and time deposits at banks, as well as cash in hand and cheques. Cash at banks mainly comprises euro deposits at various banks.

19. Equity

The share capital amounts to € 115,089,210.88 and is divided into 44,956,723 no-par-value bearer shares, each with a notional interest of € 2.56.

On 14 January 2011 Aurubis AG carried out a capital increase by issuing new shares. A total of 4,086,974 shares with a nominal value of € 2.56 per share were issued. Taking into consideration the offsetting of the costs of the capital increase of € 5,050 thousand less the actual tax benefit from the tax deductibility of the transaction costs of € 1,630 thousand with the additional paid-in capital, this increased to a total of € 342,782 thousand.

The Executive Board is empowered, subject to the approval of the Supervisory Board, to increase the share capital by 2 March 2016 by up to € 57,544,604.16 by issuing new shares once or in several instalments for a cash contribution or a contribution in kind.

The share capital has been conditionally increased by up to € 52,313,277.44 by issuing up to 20,434,874 new no-par-value bearer shares with a proportionate notional amount per share of € 2.56 of the share capital (conditional capital increase). It will be used to grant rights to the holders of bonds with warrants and/or convertible bonds and participation rights and/or participating bonds that can be issued by 2 March 2015.

Generated group equity comprises consolidated net income, the retained earnings of all group companies, the accumulated unappropriated earnings of the subsidiaries since their initial consolidation and the accumulated amounts resulting from consolidation adjustments recognised in profit or loss.

The legal reserve of € 6,391 thousand, which is not available for dividend payments, is also included in this amount. The change in generated group equity from € 1,021,138 thousand at the beginning of the fiscal year to € 1,296,948 thousand as at 30 September 2011 includes the dividend payment of € 44,957 thousand and the consolidated net income for fiscal year 2010/11 of € 320,767 thousand.

Changes in accumulated other comprehensive income of altogether € – 12,393 thousand (€ – 16,844 thousand in the prior year) mainly comprise gains and losses of € – 6,102 thousand (€ – 5,578 thousand in the prior year) on market valuations of derivative financial instruments in conjunction with cash flow hedges and of € – 8,236 thousand (€ – 14,253 thousand in the prior year) on market valuations of other financial assets.

The non-controlling interests comprise the interests of non-group shareholders in the equity of a fully consolidated company. This relates as at 30 September 2011 to Deutsche Giessdraht GmbH, Emmerich, and Aurubis Bulgaria AD, Pirdop.

A detailed statement of changes in equity is presented in the financial statements.

Proposed appropriation of earnings

The separate financial statements of Aurubis AG, Hamburg, have been prepared in accordance with German GAAP (HGB – German Commercial Code).

Net income for the year of Aurubis AG	**€ 128,156,717.61**
Profit brought forward from the prior year	€ 39,885,184.13
Allocations to other revenue reserves	€ 63,000,000.00
Unappropriated earnings	**€ 105,041,901.74**

We will propose to the Annual General Meeting that Aurubis AG, Hamburg's unappropriated earnings of € 105,041,901.74 be used to pay a dividend of € 1.20 per no-par-value share (= € 53,948,067.60) and that € 51,093,834.14 be carried forward.

A dividend of € 1.00 per share was paid in fiscal year 2010/11, a total of € 44,956,723.00.

Additional information on capital management

The main purpose of management control is to increase the corporate value of the Aurubis Group by generating a positive contribution to the enterprise as a whole beyond the capital costs. The task of the financial management is to utilise the available funds optimally on the basis of ensured liquidity. This requires the balance sheet structure to be in equilibrium. Various ratios are used in the Aurubis Group to control and manage the individual items. Net debt and liquidity are controlled in the medium and short term by means of regular cash flow forecasts.

One of the main ratios used to determine and compare profitability is ROCE (return on capital employed), which reflects the efficiency with which the capital is utilised in the operating business or for investments. ROCE is the ratio of EBIT (earnings before interest and taxes) to capital employed as at the balance sheet date. ROCE in the Aurubis Group on the basis of the operating result used by group management for controlling purposes reached 18.7 % in the past fiscal year, compared with 11.4 % in the prior year, due to the improved operating results of operations (EBIT of € 327 million compared with € 187 million in the prior year). Taking into account the capital employed and EBIT in accordance with IFRS, there is a ROCE of 21.8 % for the current fiscal year, compared with 25.5 % in the prior year.

Gearing represents the ratio of net borrowings to equity. On 30 September 2011, it amounted to 13.7 % and was thus at a significantly improved level compared with the prior year (36.3 %). The improvement in the gearing is primarily due to net borrowings being halved to € 238 million compared with the prior year and equity increasing by € 430 million to € 1,740 million.

20. Pension provisions

Retirement benefits for employed persons are granted in the Aurubis Group based on both defined benefit plans and defined contribution plans. The expenditure incurred for these is included in the personnel expenses and interest expense.

The majority of pension benefit plans in the Aurubis Group are defined benefit plans. Both funded and unfunded plans exist.

Actuarial reports were obtained for all pension obligations. The reports take uniform group-wide accounting into consideration while nevertheless accommodating countries' specific features.

The pension obligations were computed on the basis of the following ranges for assumed market discount rates, salary and pension trends:

	30.9.2011	30.9.2010
Discount rate	4.02 % to 4.80 %	4.20 %
Expected salary trend	3 % to 5 %	3 %; 5 %
Expected pensions trend	1.8 % to 5.5%	5.5 % every 3 years
Expected return on plan assets	4.25 % to 7.5 %	4.25 %
Fluctuation	0.00 % to 10.00 %	0.00 % to 10.00 %

The assumption of a salary increase of 5 % (5 % in the prior year) was applied exclusively for the valuation of the pension provision of Aurubis Bulgaria AD, Pirdop.

In the event of over-funded pension plans, the resulting assets are reported under other non-current assets in accordance with IAS 19.58. The net liability recognised in the consolidated balance sheet for defined benefit plans is arrived at as follows:

in € thousand	30.9.2011	30.9.2010	30.9.2009	30.9.2008
Present value of unfunded pension obligations	61,952	44,066	40,849	36,566
+ Present value of funded pension obligations	338,033	300,264	259,799	230,969
= Present value of pension obligations	**399,985**	**344,330**	**300,648**	**267,535**
– Fair value of plan assets	(272,086)	(237,790)	(240,806)	(241,743)
– Unrecognised actuarial gains/losses	(44,291)	(57,953)	(14,526)	13,388
= Net obligation recorded in the balance sheet	**83,608**	**48,587**	**45,316**	**39,180**
+ Asset in accordance with IAS 19.58	24,134	25,482	26,134	27,432
NET PROVISION PER BALANCE SHEET	**107,742**	**74,069**	**71,450**	**66,612**

The resultant net provision developed as follows:

in € thousand	30.9.2011	30.9.2010
Net provision at the beginning of the fiscal year	**74,069**	**71,450**
+ Additions from first-time consolidation	31,489	0
+ Net expense recognised in the income statement	12,707	10,079
– Payments to beneficiaries during the fiscal year (unfunded plans)	(7,149)	(4,994)
– Payments to pension funds during the fiscal year (funded plans) including changes in the asset	(3,548)	(2,370)
+/– Exchange rate difference	772	0
+/– Other	(598)	(96)
= NET PROVISION AT THE END OF THE FISCAL YEAR	**107,742**	**74,069**

The following amounts were recognised in the income statement for the past fiscal year:

in € thousand	2010/11	2009/10
Current service cost	6,303	6,657
Interest cost on the pension obligations	14,411	15,760
Expected return on plan assets	(10,132)	(9,781)
Actuarial gains and losses	2,125	(2,557)
EXPENSE RECOGNISED IN PROFIT OR LOSS	**12,707**	**10,079**

The actual return on plan assets was € 9,593 thousand lower than expected (€ 2,725 thousand higher in the prior year).

The plan assets developed as follows:

in € thousand	30.9.2011	30.9.2010	30.9.2009
Fair value of plan assets at beginning of fiscal year	**237,790**	**240,806**	**241,743**
Additions from the first-time consolidation of Cumerio	42,931	0	0
Expected return on plan assets	10,140	9,781	10,097
Actuarial gains and losses	(12,295)	2,245	(1,630)
Pension payments	(12,299)	(11,775)	(12,988)
Contributions made by employer	4,414	2,043	3,584
Exchange rate difference	1,405	0	0
Other changes	0	(5,310)	0
FAIR VALUE OF PLAN ASSETS AT END OF FISCAL YEAR	**272,086**	**237,790**	**240,806**

The plan assets include neither the company's own financial instruments nor owner-occupied real estate.

The plan assets had the following structure:

	30.9.2011	30.9.2010
Fixed interest securities	43 %	48 %
Real estate	27 %	29 %
Shares	11 %	8 %
Other	19 %	15 %
	100 %	**100 %**

Expenditure for defined contribution plans for the Group retirement pensions amounted to € 18,733 thousand in the year under review (€16,738 thousand in the prior year). These include both voluntary undertakings and the employer's contribution made by the Group to the statutory state pension funds.

21. Deferred tax liabilities

The breakdown of the deferred tax liabilities is presented in Note 10 Income taxes.

22. Other provisions

The individual classes of provisions developed as follows during the past fiscal year:

in € thousand	Balance per 1.10.2010	Additions due to change in scope of consolidation	Used	Released	Allocated	Interest effect	Exchange rate difference	Balance per 30.9.2011
Personnel provisions	70,142	7,459	29,122	158	58,806	736	2,305	110,168
Expected losses on onerous contracts	24,679	0	24,145	0	1,664	0	0	2,198
Environmental provisions	7,568	7,044	385	0	2,251	(370)	63	16,171
Sundry provisions	6,535	214	1,793	1,119	6,377	0	(7)	10,207
	108,924	**14,717**	**55,445**	**1,277**	**69,098**	**366**	**2,361**	**138,744**

The personnel provisions consist mainly of obligations to employees relating to Christmas bonuses, outstanding holiday claims, anniversary bonuses, bridging loans, profit-sharing bonuses and from the early retirement scheme. Environmental provisions at the start of the fiscal year primarily included clean-up measures at the Hamburg and Lünen sites. As part of the acquisition of the Luvata companies, provisions were set up for identified environmental risks, mainly at the sites in Buffalo, USA and Zutphen, Netherlands. The provisions have terms of up to 29 years. Various methods are available to carry out these measures. The probable costs are determined taking into account historical experience in comparable cases, existing appraisals and the clean-up methods that will probably be used on the basis of present knowledge.

The decline in provisions for expected losses on onerous contracts was attributable in particular to reduced provisions for expected losses from onerous contracts for treatment and refining charges that will not cover the costs.

23. Liabilities

Financial liabilities as at the balance sheet date were as follows:

in € thousand	30.9.2011	30.9.2010
Non-current (with residual terms of more than 1 year)		
Borrowings	662,348	306,899
Liabilities under finance leases	23,835	25,718
Derivative financial instruments of the held-for-trading category	11,624	8,805
Derivative financial instruments as hedging instruments as part of hedge accounting	9,104	7,791
Other non-current financial liabilities	138	136
NON-CURRENT FINANCIAL LIABILITIES	**707,049**	**349,349**
Current (with residual terms of less than 1 year)		
Trade accounts payable	868,173	792,530
Borrowings	40,908	287,699
Derivative financial instruments of the held-for-trading category	235,708	37,915
Liabilities to related parties	13,150	5,265
Liabilities under finance leases	1,922	3,220
Derivative financial instruments as hedging instruments as part of hedge accounting	2,943	1,730
Other current financial liabilities	45,753	53,269
CURRENT FINANCIAL LIABILITIES	**1,208,557**	**1,181,628**

Social security obligations to pension funds amounting to € 13,606 thousand are included in other current financial liabilities.

The liabilities under finance leases include the present value of the minimum lease payments and the contractually guaranteed residual values at the end of the lease term. Payments are due as follows:

in € thousand	30.9.2011				30.9.2010			
	less than 1 year	1 to 5 years	more than 5 years	Total	less than 1 year	1 to 5 years	more than 5 years	Total
Minimum lease payments	2,818	9,730	20,495	**33,043**	4,204	10,223	22,782	**37,209**
Interest portion	896	2,966	3,424	7,286	984	3,209	4,078	8,271
Redemption portion	1,922	6,764	17,071	25,757	3,220	7,014	18,704	28,938

The following table shows the contractually agreed undiscounted interest and redemption payments of the non-derivative financial liabilities and the derivative financial instruments with negative fair values made by the Aurubis Group. Derivatives are shown with their net cash flows. From foreign exchange forward transactions with a negative fair value, payments in the amount of € 770.1 million (€ 665.8 million in the prior year) are matched by receipts in the amount of € 743.1 million (€ 634.9 million in the prior year) as at 30 September 2011. Derivatives with positive fair values qualify as assets and are therefore not included.

in € thousand	Carrying amount as at 30.9.2011	Payments		
		up to 1 year	from 1 to 5 years	more than 5 years
Borrowings	**703,257**	58,802	487,019	264,643
Liabilities under finance leases	**25,757**	2,818	9,730	20,495
Trade accounts payable	**868,173**	868,173	0	0
Liabilities to related parties	**13,150**	13,150	0	0
Derivatives of the held-for-trading category	**247,332**	235,708	11,311	313
Derivatives designated as a hedging instrument for hedge accounting	**12,047**	2,943	9,104	0
Other financial liabilities	**45,891**	45,753	138	0
TOTAL	**1,915,607**	**1,227,347**	**517,302**	**285,451**

in € thousand	Carrying amount as at 30.9.2010	Payments up to 1 year	Payments from 1 to 5 years	Payments more than 5 years
Borrowings	**594,598**	67,714	551,149	1,076
Liabilities under finance leases	**28,938**	4,204	10,223	22,782
Trade accounts payable	**792,530**	792,530	0	0
Liabilities to related parties	**5,265**	5,265	0	0
Derivatives of the held-for-trading category	**46,720**	37,915	8,805	0
Derivatives designated as a hedging instrument for hedge accounting	**9,521**	1,730	7,791	0
Other financial liabilities	**53,405**	53,269	136	0
TOTAL	**1,530,977**	**962,627**	**578,104**	**23,858**

This presentation does not show any plan figures but only the financial instruments that were held as at 30 September 2011 or 30 September 2010 and for which contractual agreements on the payments existed. Foreign currency amounts are translated at the closing rate.

At subsidiaries, liabilities to loans of € 17,895 thousand (€ 17,895 thousand in the prior year) are secured by mortgages and fixed assets. Financial assets have not been pledged as collateral for liabilities to banks.

Non-financial liabilities as at the balance sheet date are as follows:

in € thousand	30.9.2011	30.9.2010
Non-current (with residual term of more than 1 year)		
Other non-current non-financial liabilities	920	5
NON-CURRENT NON-FINANCIAL LIABILITIES	**920**	**5**
Current (with residual term of less than 1 year)		
Other tax liabilities	86,700	92,066
Social security obligations	12,439	15,859
Income tax liabilities	22,069	7,947
Advance payments received on orders	7,617	4,822
Other current non-financial liabilities	13,329	8,376
CURRENT NON-FINANCIAL LIABILITIES	**142,154**	**129,070**

Other tax liabilities mainly comprise import-VAT.

24. Contingent liabilities and other financial commitments

in € thousand	30.9.2011	30.9.2010
Commitments under tolling agreements	46,609	53,841
Capital commitments	6,587	9,056
Warranty obligations and other contingencies	225,672	181,186
Contingent liabilities under discounted bills	1,343	749
	280,211	**244,832**

The capital commitments relate exclusively to property, plant and equipment.

Commitments under tolling agreements refer to the value of the metal extracted during the tolling process, which has to be returned by group companies. These obligations are matched by corresponding recourse claims.

Other commitments mainly include long-term agreements for the provision of discharging and handling services by various service providers.

An agreement with an energy supplier is in place for the cost-based procurement of one billion kilowatt hours of electricity per annum over a term of 30 years commencing in 2010. The payments are based on price and performance components as well as a contribution to the investment costs of a power plant.

Joint ventures account for € 344 thousand of the total commitments (€1,352 thousand in the prior year).

Financial commitments under leases

As at 30 September 2011, minimum lease payments under operating leases amounted to € 16,523 thousand (€ 13,784 thousand in the prior year). These are due as follows:

in € thousand	less than 1 year	1 to 5 years	more than 5 years	Total
30.9.2011				
Minimum lease payments under operating leases	5,839	10,557	127	**16,523**
30.9.2010				
Minimum lease payments under operating leases	3,879	9,872	33	**13,784**

Lease payments in fiscal year 2010/11 recognised as expense amounted to € 4,964 thousand (€4,874 thousand in the prior year).

25. Financial instruments

The Aurubis Group is exposed to market risks, liquidity risks and credit risks as a result of the use of financial instruments.

Market risks

Market risks arise as a result of a possible change in risk factors that lead to a decrease in the market value of the transactions affected by these risk factors. The following groups of general risk factors are relevant for the Aurubis Group: currency risks, commodity price risks and interest rate risks.

Exchange rate risks

As a result of its business operations, the Aurubis Group is exposed to interest rate fluctuations. Changes in exchange rates can lead to losses in the value of financial instruments. Foreign currency forward and option contracts are concluded to limit currency risks. These mainly cover the USD. The daily foreign currency positions from underlying transactions are offset against each other each day and remaining open positions are squared by means of foreign exchange derivatives. We work exclusively with brokers and bankers with first-class credit standing on all foreign exchange transactions.

Furthermore, foreign currency forward contracts and metal futures contracts as well as foreign currency option contracts were concluded in the past fiscal year to hedge future receipts. Provided the criteria for cash flow hedges were fulfilled, the results of these hedge transactions were recognised in the accompanying financial statements initially in equity in the amount of the effective part of the hedge transaction. These are recognised in profit or loss as soon as the underlying hedged transaction is recognised in profit or loss in the respective fiscal year.

Future receipts in foreign currencies are primarily hedged by forward contracts and options. Fundamental changes in exchange ratios, in particular between the euro and the USD, can, however, only be hedged for a limited time.

Information on the management of exchange rate risks is provided in the risk report in the management report.

The net exchange risk exposure represents the risk position for the following period. This corresponds to the net amount of the nominal volume of the non-derivative and derivative financial instruments, which are exposed to currency risks. In addition, planned procurement and revenue transactions of the following years are included if these are taken into account in the currency risk management to show the risk position for the following period.

Foreign currency risk	EUR/USD	
in € thousand	30.9.2011	30.9.2010
Risk position from recognised transactions	(634,128)	(463,948)
Budgeted revenues	490,984	417,998
Foreign exchange forward contracts	428,635	194,451
Put option transactions	(136,266)	(126,026)
NET EXPOSURE	**149,225**	**22,475**

IFRS 7 requires a sensitivity analysis to be performed for each type of risk to indicate the market risks. The use of sensitivity analyses determines for each type of risk the impacts on profit or loss and on equity as at the balance sheet date of a change in the respective risk variable. The impacts for the periods are determined by relating the hypothetical changes in the risk variables to the amount reported as at the balance sheet date. In doing so, it is assumed that the amount reported as at the balance sheet date is representative for the entire year.

For the exchange rate risk, a sensitivity analysis is performed for the foreign currencies which pose a significant risk for the entity, in this instance, the US dollar. For the sensitivity analysis for the currencies, it was assumed that the exchange rate of the euro compared with the US dollar had changed by +/− 10 %.

If the euro had been 10 % stronger or weaker than the US dollar on 30 September 2011 or 30 September 2010 than the rate prevailing on the balance sheet date compared with the main currencies for the Aurubis Group, equity and net income for the year would have changed to the extent shown in the following table. All relevant items and budgeted revenues have been included in the calculation.

Currency sensitivity	EUR/USD	
in € thousand	30.9.2011	30.9.2010
Closing rate	1.3503	1.3648
Depreciation (EUR against FX)		
Effect on net income	77,609	33,143
thereof budgeted revenues	54,553	46,445
Effect on equity	(16,236)	(18,506)
Appreciation (EUR against FX)		
Effect on net income	(70,112)	(36,919)
thereof budgeted revenues	(44,635)	(38,000)
Effect on equity	19,534	23,519

Interest rate risks

Interest rate risks arise on account of potential changes in market interest rates and can result in a change in the fair value of fixed-interest financial instruments and interest payment fluctuations for variable interest rate financial instruments. Interest rate risks are hedged by interest rate swaps and to a small extent by interest rate caps. Interest rate risks are mainly of significance in the financial sector, but not in the operating sector. Provided the criteria for cash flow hedges are fulfilled for the hedging of variable interest payments, the results of these hedge transactions are initially recognised in equity in the amount of the effective portion of the hedge transaction. They are recognised in profit or loss as soon as the underlying hedged transaction is recognised in profit or loss in the respective fiscal year.

In order to benefit from the low level of short-term interest rates, part of a € 125,000 thousand Cumerio Austria bond, which has a fixed interest warrant of 4.875 %, is covered by an interest rate swap. This swap converts the fixed interest warrants into variable interest rate obligations and is designated as a fair value hedge. The changes in the fair value of the interest rate swap are recognised in the income statement, like the changes in the fair value of the underlying instrument attributable to the hedged risk.

Details of how interest rate risks are managed are provided in the risk report in the management report.

The following table shows the net exposure for variable and fixed interest-bearing financial instruments.

Variable interest financial instruments	Total amount		up to 1 year		1 to 5 years		more than 5 years	
in € thousand	30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010
Loans/fixed deposits	444,285	110,200	444,285	110,200	0	0	0	0
Borrowings	(506,670)	(708,046)	(280,170)	(306,769)	(138,000)	(401,277)	(88,500)	0
covered by interest rate swaps	207,417	302,339	19,167	19,423	89,750	282,916	98,500	0
floated by interest rate swaps	(62,500)	(62,500)	0	0	(62,500)	(62,500)	0	0
NET EXPOSURE	**82,532**	**(358,007)**	**183,282**	**(177,146)**	**(110,750)**	**(180,861)**	**10,000**	**0**

Interest rate risks are presented in a sensitivity analysis in accordance with IFRS 7, which reflects the effects of a change in market interest rates on interest income and interest expense, on trading profit and trading loss and on equity.

In the event of an increase (decrease) in all relevant interest rates by 100 basis points (50 basis points), equity and earnings as at 30 September 2011 and 30 September 2010 would change as shown by the following table. The same items have been included in the calculation as for the determination of the aforementioned net exposure.

	30.9.2011		30.9.2010	
in € thousand	+100 BP	– 50 BP	+100 BP	– 50 BP
Effect on earnings	1,058	(348)	(3,626)	1,870
Effect on equity	4,459	(2,329)	3,555	(1,818)

Other price risks

As a result of its business operations, the Aurubis Group is exposed to commodity price risks. Non-ferrous metals futures contracts and metal options are entered into in particular in order to mitigate these risks. The contracts are mainly focused on the hedging of the copper price. Incoming and outgoing metal quantities from underlying transactions are offset against each other each day and remaining open positions squared by exchange transactions. We work exclusively with brokers and banks with first-class credit standing on all metal hedge transactions.

If delivery agreements for non-ferrous metals are used both to cover the expected raw material requirement or the expected sale of finished products and to exploit market opportunities that arise due to matching maturities, price-fixed metal delivery agreements have also been recognised in profit or loss as derivative financial instruments. Gains and losses from the contrary development of the fair value of the hedged items and the hedge transactions are therefore recognised directly in profit or loss.

Details of metal price risk management are provided in the risk report in the management report.

The Aurubis Group has secured its electricity consumption by concluding a long-term agreement with an energy supplier. Aurubis is exposed to an electricity price risk from the valuation of part of this agreement.

The notional amounts for derivate financial instruments for copper, silver, gold, electricity and CO_2, which result from the total of the notional amounts for the individual purchasing and sales contracts, are as follows:

Notional amounts of derivatives

in € thousand	30.9.2011	30.9.2010
Copper	2,483,872	1,603,301
Silver	171,638	11,227
Gold	108,834	120,069
Electricity, CO_2	40,055	40,667
	2,804,399	**1,775,264**

Commodity price risks are shown in the form of a sensitivity analysis in accordance with IFRS 7, which reflects the effects of a change in the commodity prices on the net income for the period and on equity.

In the event of a 10 % increase (decrease) of all relevant commodity prices, equity and earnings for the year would be changed as at 30 September 2011 and 30 September 2010 as shown in the following table. The calculation includes all derivatives for copper, silver, gold and electricity as at the balance sheet date.

Commodity price sensitivity	Copper		Silver		Gold		Electricity, CO_2	
in € thousand	30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010
Price increase								
Effect on earnings	58,697	42,149	10,885	514	4,691	(5,074)	3,288	3,961
Effect on equity	0	0	0	0	(83)	(1,147)	0	0
Price decrease								
Effect on earnings	(58,697)	(42,149)	(10,885)	(514)	(4,691)	5,074	(3,288)	(3,961)
Effect on equity	0	0	0	0	83	1,147	0	0

The effects on earnings shown as the metal price sensitivity are compensated for the metals in part or entirely by the valuation of the purchase or sales contracts that are not yet fixed since these positions are valued provisionally at the respective price on the reporting date.

Derivative financial instruments

The Aurubis Group uses derivative financial instruments to hedge currency, interest rate and commodity price risks. Provided the criteria for the application of hedge accounting are fulfilled, these are reflected by cash flow hedges. In addition, a swap as part of the hedging of the fair value of an issued bond was designated as a fair value hedge.

Financial derivatives	**ASSETS**				**LIABILITIES**			
	30.9.2011		30.9.2010		30.9.2011		30.9.2010	
in € thousand	Carrying amount	Notional amount	Carrying amount	Notional amount	Carrying amount	Notional amount	Carrying amount	Notional amount
Interest swaps								
without hedging relationship	60	14,250	53	10,300	333	7,500	148	4,956
as cash flow hedges	0	0	0	0	8,232	185,667	8,497	287,083
as fair value hedge	2,810	62,500	4,168	62,500	0	0	0	0
Foreign exchange forward contracts								
without hedging relationship	46,276	1,196,938	25,702	499,682	23,751	626,729	29,451	617,358
as cash flow hedges	3,254	65,524	12,583	209,516	3,621	139,683	639	25,781
Foreign currency options								
without hedging relationship	0	0	0	0	0	0	0	0
as cash flow hedges	3,110	139,337	5,162	126,026	0	0	0	0
Metal futures contracts								
without hedging relationship	75,031	732,716	82,514	1,461,628	214,711	2,165,556	16,849	384,177
as cash flow hedges	7,246	31,613	190	15,939	194	958	385	8,049
Other transactions								
without hedging relationship	3,708	38,946	4,519	59,374	8,537	66,427	272	12,131
as cash flow hedges	0	0	0	0	0	0	0	0

The notional volume of the derivative financial instruments is the sum of the notional amounts of the individual purchase and sales contracts. By contrast, the fair value is based on the measurement of all contracts at the prices on the measurement date. It indicates the potential impact on income of the prompt settlement of all derivatives as at the balance sheet date, ignoring the underlying transactions.

The impact on the earnings of changes in the fair value of financial derivatives which relate to a cash flow hedge is recognised directly in equity in the amount of the effective portion. The effective portion of the changes in the value of derivative financial instruments which was recognised directly in equity amounts to € 3,142 thousand (€ – 2,564 thousand in the prior year). The amount that was transferred during the period from equity into the income statement as part of cash flow hedge accounting amounts to € 10,229 thousand (€ 10,784 thousand in the prior year) and is mainly included in the income statement item “Cost of materials”.

The ineffective portion of the fair value change is by contrast recognised directly in income.

No ineffective portions of the change in fair value of the hedge instrument were identified in the fiscal year (€ 0 thousand in the prior year).

The following two tables show when the cash flows from cash flow hedges occur and when they influence the income statement:

Cash flow hedges as at 30 September 2011

Occurrence and impact on income statement in € thousand	Carrying amount	Notional amount	less than 1 year	1 to 5 years	more than 5 years
Interest rate swaps					
Asset values	**0**	0	0	0	0
Liabilities	**8,232**	185,667	16,667	80,500	88,500
Foreign exchange forward contracts					
Asset values	**3,254**	65,524	51,362	14,162	0
Liabilities	**3,621**	139,683	87,220	52,463	0
Foreign currency options					
Asset values	**3,110**	139,337	107,772	31,565	0
Liabilities	**0**	0	0	0	0
Metal futures contracts					
Asset values	**7,246**	31,613	30,158	1,455	0
Liabilities	**194**	958	958	0	0

Cash flow hedges as at 30 September 2010

Occurrence and impact on income statement in € thousand	Carrying amount	Notional amount	less than 1 year	1 to 5 years	more than 5 years
Interest swaps					
Asset values	0	0	0	0	0
Liabilities	8,497	287,083	16,667	270,416	0
Foreign exchange forward contracts					
Asset values	12,583	209,516	162,397	47,119	0
Liabilities	639	25,781	25,781	0	0
Foreign currency options					
Asset values	5,162	126,026	35,170	90,856	0
Liabilities	0	0	0	0	0
Metal futures contracts					
Asset values	190	15,939	14,980	959	0
Liabilities	385	8,049	8,049	0	0

The net result of fair value hedges from the measurement of hedge transactions in the reporting period amounted to € –1,359 thousand (€ 402 thousand in the prior year). The net result of connected underlying transactions recognised in the income statement amounted to € 1,358 thousand in the reporting period (€ –392 thousand in the prior year).

Liquidity risks

Liquidity risks represent the risk that the Company cannot meet its own obligations. The contractually agreed undiscounted interest and redemption payments of the financial liabilities are shown in Note 23.

The adequate supply of the Group with cash and cash equivalents is ensured not only by the Group's strong cash flow but also by the existing short-term and long-term credit lines at our banks. Fluctuations in cash flow can therefore be cushioned. An autonomous executive committee, under the supervision of the Executive Board, monitors Aurubis' liquidity position regularly and promptly. Further management measures taken regarding liquidity risks are described in the risk report in the management report.

Credit risks

Credit risks exist for all classes of financial instruments, in particular for trade accounts receivable. The Aurubis Group is not exposed to any significant credit risk as regards an individual contractual party. The concentration of the credit risk is limited on account of the wide and heterogeneous customer base. The largest receivables from customers in terms of amount are subject to regular review. The credit risk from derivative financial instruments is limited since the corresponding contracts are only concluded with contractual parties and banks with a good credit standing.

The customers are classified by their credit rating as part of credit risk management and each customer is given a specific limit.

The carrying amounts of the financial assets in the balance sheet, less any write-downs, represent the maximum potential credit risk without taking into account the value of obtained securities or other risk-mitigating agreements.

Furthermore, to minimise credit risks, we monitor the receivables from our business associates on a daily basis. Apart from the instruments customary on the market, such as letters of credit and guarantees, we also use commercial credit insurance to hedge potential bad debts. If receivables are sold under factoring agreements, this is done without recourse.

Additional disclosures on financial instruments

Carrying amounts, valuations and fair values in measurement categories in € thousand	Measurement category under IAS 39	2011 Carrying amount 30.9.2011	Balance sheet valuation under IAS 39 Amortised cost	 Fair value recognised in equity	 Fair value recognised in profit or loss
ASSETS					
Interests in affiliated companies	AfS	1,478	1,478	0	0
Investments	AfS	645	645	0	0
Fixed asset securities	AfS	28,768	0	28,768	0
Other financial fixed assets					
Loans to affiliated companies	LaR	0	0	0	0
Other loans	LaR	165	165	0	0
Trade accounts receivable	LaR	564,415	564,415	0	0
Other receivables and financial assets					
Receivables from related parties	LaR	6,726	6,726	0	0
Over-funding of pension funds	n/a	24,134	0	0	0
Other financial assets	LaR	88,569	88,569	0	0
Derivative financial assets					
Derivatives without hedging relationship	FAHfT	125,075	0	0	125,075
Derivatives with hedging relationship (hedge accounting)	n/a	16,420	0	13,610	2,810
Short-term security investments	HtM	479	479	0	0
Cash and cash equivalents	n/a	490,981	490,981	0	0
EQUITY AND LIABILITIES					
Borrowings	FLAC	703,257	703,257	0	0
Liabilities from finance leases	n/a	25,757	0	0	0
Trade accounts payable	FLAC	868,173	868,173	0	0
Payables to related parties	FLAC	13,150	13,150	0	0
Other non-derivative financial liabilities	FLAC	45,891	45,891	0	0
Derivative financial liabilities					
Derivatives without hedging relationship	FLHfT	247,332	0	0	247,332
Derivatives with hedging relationship (hedge accounting)	n/a	12,047	0	12,047	0
thereof aggregated by meaurement categories in accordance with IAS 39:					
Loans and receivables (LaR)		659,875	659,875	0	0
Available-for-sale (AfS)		30,891	2,123	28,768	0
Held-to-maturity (HtM)		479	479	0	0
Financial assets held for trading (FAHfT)		125,075	0	0	125,075
Financial liabilities at amortised cost (FLAC)		1,630,471	1,630,471	0	0
Financial liabilities held for trading (FLHfT)		247,332	0	0	247,332

			2010						
				Balance sheet valuation under IAS 39					
Balance sheet valuation under IAS 17	Balance sheet valuation under IAS 19	Fair Value 30.9.2011	Carrying amount 30.9.2010	Amortised cost	Fair value recognised in equity	Fair value recognised in profit or loss	Balance sheet valuation under IAS 17	Balance sheet valuation under IAS 19	Fair Value 30.9.2010
0	0	1,478	524	524	0	0	0	0	**524**
0	0	645	626	626	0	0	0	0	**626**
0	0	28,768	37,740	0	37,740	0	0	0	**37,740**
0	0	0	0	0	0	0	0	0	**0**
0	0	165	202	202	0	0	0	0	**202**
0	0	564,415	437,384	437,384	0	0	0	0	**437,384**
0	0	6,726	3,969	3,969	0	0	0	0	**3,969**
0	24,134	24,134	25,482	0	0	0	0	25,482	**25,482**
0	0	88,569	30,104	30,104	0	0	0	0	**30,104**
0	0	125,075	112,788	0	0	112,788	0	0	**112,788**
0	0	16,420	22,103	0	17,935	4,168	0	0	**22,103**
0	0	479	301	301	0	0	0	0	**301**
0	0	490,981	147,803	147,803	0	0	0	0	**147,803**
0	0	709,193	594,598	594,598	0	0	0	0	**593,096**
25,757	0	25,757	28,938	0	0	0	28,938	0	**28,938**
0	0	868,173	792,530	792,530	0	0	0	0	**792,530**
0	0	13,150	5,265	5,265	0	0	0	0	**5,265**
0	0	45,891	53,405	53,405	0	0	0	0	**53,405**
0	0	247,332	46,720	0	0	46,720	0	0	**46,720**
0	0	12,047	9,521	0	9,521	0	0	0	**9,521**
0	0	659,875	471,659	471,659	0	0	0	0	**471,659**
0	0	30,891	38,890	1,150	37,740	0	0	0	**38,890**
0	0	479	301	301	0	0	0	0	**301**
0	0	125,075	112,788	0	0	112,788	0	0	**112,788**
0	0	1,636,407	1,445,798	1,445,798	0	0	0	0	**1,444,296**
0	0	247,332	46,720	0	0	46,720	0	0	**46,720**

The market value of financial instruments to be recognised at the fair value is as a general rule determined on the basis of quotations on the metal exchanges. If no quotations are available, it is measured applying the process customary on the market (measurement methods) based on instrument-related market parameters.

The fair value is determined on the basis of the discounted cash flow method, which takes into account the individual financial standing and other market aspects in the form of credit and liquidity spreads for the determination of present value.

For derivative financial instruments such as foreign currency forward contracts, metal futures contracts, swaps and options, the fair value is calculated applying present value and option price models. The market prices and interest rates applicable on the balance sheet date that are taken from reliable sources are used as far as possible as input parameters for these models.

No liquid markets exist for loans and receivables that are valued at amortised cost. It is assumed for short-term loans and receivables that the fair value corresponds with the carrying amount. For all other loans and receivables, the fair value is determined by discounting the cash flows expected in the future. The interest rates for which new loans with a corresponding risk structure, original currency and maturity could be taken up are used in this connection for loans.

It is assumed for investments in partnerships and non-quoted limited liability companies that the carrying amount corresponds to the fair value. The fair value could only be reliably determined in conjunction with specific sales negotiations.

Trade accounts payable and the other current financial liabilities generally have a residual term of less than one year, so that the carrying amount approximates the fair value.

The fair values for quoted bonds correspond to the notional values multiplied by the price quotations on the balance sheet date.

The fair values of liabilities to banks are determined as the present values of the payments connected with the liabilities using the respective applicable interest rate structure curve and the Aurubis Group credit spread curve which is broken down into different currencies.

The following table shows the financial instruments for the fair value on which the main parameters of the valuation are based. The individual levels are defined in accordance with IFRS 7 as follows:

» Level 1: quoted (not adjusted) prices on active markets for identical assets or liabilities.
» Level 2: processes for which all input parameters which have a significant effect on the fair value are observable either directly or indirectly on the market.
» Level 3: processes that use input parameters which have a significant effect on the fair value and are not based on observable market data.

Hierarchical classification of fair values of financial instruments in accordance with IFRS 7 as at 30 September 2011

Aggregated by classes in € thousand	Fair value 30.9.2011	Level 1	Level 2	Level 3
Short-term security investments in fixed assets	28,768	28,768	–	–
Derivative financial assets				
Derivatives without hedging relationship	125,075	–	125,075	–
Derivatives with hedging relationship	16,420	–	16,420	–
ASSETS	**170,263**	**28,768**	**141,495**	**0**
Derivative financial liabilities				
Derivatives without hedging relationship	247,332	–	247,332	–
Derivatives with hedging relationship	12,047	–	12,047	–
LIABILITIES	**259,379**	**0**	**259,379**	**0**

Hierarchical classification of fair values of financial instruments in accordance with IFRS 7 as at 30 September 2010

Aggregated by classes in € thousand	Fair value 30.9.2010	Level 1	Level 2	Level 3
Short-term security investments in fixed assets	37,740	37,740	–	–
Derivative financial assets				
Derivatives without hedging relationship	112,788	–	112,788	–
Derivatives with hedging relationship	22,103	–	22,103	–
ASSETS	**172,631**	**37,740**	**134,891**	**0**
Derivative financial liabilities				
Derivatives without hedging relationship	46,720	–	46,720	–
Derivatives with hedging relationship	9,521	–	9,521	–
LIABILITIES	**56,241**	**0**	**56,241**	**0**

Net earnings in accordance with measurement categories

in € thousand	2010/2011	2009/2010
Loans and receivables (LaR)	12,541	15,236
Available-for-sale (AfS)	10	490
Held-to-maturity (HtM)	0	0
Financial instruments held for trading (FAHfT and FLHfT)	(80,470)	93,208
Financial liabilities at amortised cost (FLAC)	11,263	(7,616)
TOTAL	**(56,656)**	**101,318**

The net earnings of the financial instruments held-for-trading mainly include the earnings on metal futures contracts on the exchanges and foreign exchange forward contracts. Price-fixed metal delivery transactions were also taken into consideration in the past fiscal year, as these are treated almost completely as derivatives. The purchase or sales contracts that are not yet fixed, which nonetheless result in a partial compensation effect since they are valued provisionally at the respective price on the reporting date, are not included. Dividends, but not interest, are included in the calculation.

In conjunction with the recognition in profit or loss of the change in value of available-for-sale financial assets, net valuation results of € –8,236 thousand are recorded in equity in 2010/11 (€ –14,253 thousand in the prior year).

26. Research and development

Research and development costs of € 8,214 thousand were recognised in profit or loss for the Aurubis Group for fiscal year 2010/11 (€ 8,378 thousand in the prior year).

Notes to the cash flow statement

The cash flow statement reports the cash flows in the Aurubis Group in fiscal year 2010/11 and in the prior-year comparative period. In accordance with IAS 7, a distinction is made between the cash outflow or cash inflow from operating activities, the cash outflow from investing activities and the cash inflow or cash outflow from financing activities.

Gross cash flow is first of all reported, starting off from earnings before taxes, after adjusting for depreciation and amortisation, non-cash expenses and income, as well as net financial expenses and income taxes paid. The cash inflow from operating activities (net cash flow) results from gross cash flow after taking the change in working capital into account.

Net cash flow increased from € 85 million in the prior year to € 418 million in the current fiscal year. This was due to the good business performance, which had a positive effect on gross cash flow, which at € 792 million was considerably up by € 280 million on the prior-year value (€ 512 million in the prior year). Cash outflow from the change in working capital amounted to € 374 million, about € 53 million below the comparable prior-year value.

The cash outflow from investment activities mainly comprised the purchase of fixed assets and payments for the acquisition of affiliated companies. The investments (including fixed financial assets and prior to the acquisition of Luvata RPD) amounted to € 116 million in the reporting period (€ 151 million in the prior year) and primarily consisted of investments in property, plant and equipment. The largest investments were allotted to the expansion of complex secondary material processing (KRS-Plus) at the Lünen site, which went into operation in the past fiscal year, the expansion of concentrate processing at the Hamburg site (Future RWO) and the expansion of anode slime processing at the Hamburg site. A free cash flow of € 302 million results after deducting investments in fixed assets from the net cash flow, which is € 368 million above the prior year.

In addition, net payments amounting to € 159 million were made in the current fiscal year on a preliminary purchase price for the acquisition of investments in affiliated companies of Luvata's Rolled Products Division. Cash and cash equivalents of € 23 million were gained in the acquisition. Cash outflow from investing activities thus totalled € 257 million compared to € 139 million in the prior year.

Cash inflow from financing activities in fiscal year 2010/11 resulted from proceeds from the capital increase less payments for associated costs, from proceeds and payments from taking up and redeeming borrowings, dividend payments and interest paid. The cash inflow from financing activities amounted to € 182 million in fiscal year 2010/11. In the prior year there had been a cash outflow of € 52 million. The increase compared to the prior year is primarily due to the cash inflow from the capital increase as well as a higher net cash inflow from borrowings.

Overall, cash and cash equivalents increased from € 148 million to € 491 million compared to the prior year.

Segment reporting

	Primary Copper segment		Recycling/Precious Metals segment		Copper Products segment	
in € thousand	2010/11 operating	2009/10 operating	2010/11 operating	2009/10 operating	2010/11 operating	2009/10 operating
Revenues						
Total revenues	6,662,561	5,385,223	4,547,987	3,399,638	9,656,769	7,419,286
Inter-segment revenues	5,899,589	4,915,627	1,593,134	1,410,307	59,332	22,424
Revenues with third parties	762,972	469,596	2,954,853	1,989,331	9,597,437	7,396,862
EBITDA	255,096	147,395	122,883	73,367	88,639	75,674
Depreciation and amortisation	(70,863)	(73,330)	(14,831)	(14,102)	(27,109)	(18,299)
EBIT	184,233	74,065	108,052	59,265	61,530	57,375
Result from investments	0	0	700	490	6	4
Interest income	33,168	25,631	1,479	1,360	21,829	18,002
Interest expense	(47,910)	(34,280)	(10,088)	(11,706)	(33,672)	(27,437)
Earnings before taxes	169,491	65,416	100,143	49,409	49,693	47,944
Income taxes						
CONSOLIDATED NET INCOME						
Return on capital employed (ROCE) in %	22.0	9.8	75.9	25.4	8.3	9.5
Capital expenditure on intangible assets and property, plant and equipment	47,525	71,336	55,166	47,390	12,950	20,415
Average number of employees	2,186	2,143	1,079	999	1,744	1,612

We report on the operating segments in the same way as in the internal reporting to the chief operating decision makers. The chief operating decision makers are defined as the Executive Board of Aurubis AG.

Three reportable segments, which differ as regards production process or their products and are managed separately, have been identified. The “other” column includes central administrative income and costs that cannot be directly allocated to one of the reportable segments.

The internal reporting is generally based on the accounting policies applied for the consolidated financial statements. Internal control is carried out on the basis of the operating result. The operating result of the respective Business Unit follows after adjusting the results in accordance with IFRS by

» Valuation results from the application of the average cost method in accordance with IAS 2
» Copper price-related valuation effects on inventories
» Effects from purchase price allocations, primarily on fixed assets, starting in fiscal year 2010/11

Other		Total		Reconciliation/consolidation		Group total	
2010/11 operating	2009/10 operating	2010/11 operating	2009/10 operating	2010/11 IFRS	2009/10 IFRS	2010/11 IFRS	2009/10 IFRS
31,493	15,883						
10,947	6,303						
20,546	9,580	13,335,808	9,865,369	0	0	13,335,808	9,865,369
(26,912)	(3,261)	439,706	293,175	139,513	288,370	579,219	581,545
(219)	(728)	(113,022)	(106,459)	(10,674)	0	(123,696)	(106,459)
(27,131)	(3,989)	326,684	186,716	128,839	288,370	455,523	475,086
0	0	706	494	0	0	706	494
285	11	56,761	45,004	(42,223)	(34,688)	14,538	10,316
(581)	(79)	(92,251)	(73,502)	42,223	34,688	(50,028)	(38,814)
(27,427)	(4,057)	291,900	158,712	128,839	288,370	420,739	447,082
				(98,321)	(121,335)	(98,321)	(121,335)
						322,418	**325,747**
						21.8	25.5
0	12,000	115,641	151,141	(769)	0	114,872	151,141
0	0	5,009	4,754	0	0	5,009	4,754

The presentation of the segment reporting corresponds with the internal reporting.

As part of the definition of the operating result as an internal control parameter in fiscal year 2010/11, the prior-year figures for the Primary Copper and Copper Products segments were adjusted to ensure the comparability of the fiscal years. Because of the adjustment, earnings before taxes for 2009/10 changed to € 65,416 thousand in the Primary Copper segment and to € 47,944 thousand in the Copper Products segment.

The reconciliation to the average cost method used in the consolidated financial statements is shown in the reconciliation/consolidation column. A total of € – 42 thousand (€ – 82 thousand in the prior year) is allocated to consolidation in earnings before taxes, while € 128,881 thousand (€ 288,452 thousand in the prior year) is allocated to reconciliation to the average cost method.

The Group generates most of its revenues with business associates in countries in the European Union. The breakdown of revenues by regions is based on the location of the customers, and is as follows:

Revenues by regions

in € thousand	2010/2011	2009/2010
Germany	4,650,988	3,580,008
Other European Union states	6,076,638	4,881,657
Rest of Europe	502,764	455,814
Asia	880,284	327,352
America	857,606	405,238
Other	367,528	215,300
GROUP TOTAL	13,335,808	9,865,369

The breakdown of capital expenditure and non-current assets by regions is based on the location of the respective assets:

Information on regions

	Capital expenditure		Non-current assets	
in € thousand	2010/2011	2009/2010	2010/2011	2009/2010
Germany	95,083	126,400	566,114	537,175
Bulgaria	10,204	10,043	306,121	330,831
Belgium	6,388	10,454	88,659	95,026
Rest of Europe	2,880	4,244	108,032	36,307
North America	317	0	27,030	0
GROUP TOTAL	114,872	151,141	1,095,956	999,339

The locations in the rest of Europe are mainly places of business within the European Union.

Primary Copper segment

Copper production ranges from the procurement of copper-bearing and precious metal-bearing raw materials to the production of marketable metals. In the Primary Copper segment, copper concentrates are mainly used as the raw material for copper production. The product is copper cathodes that can be traded on the metal exchanges.

Recycling/Precious Metals segment

Copper-bearing recycling materials and input materials containing precious metals are utilised as the raw materials for the production of copper in the Recycling/Precious Metals segment. In addition to copper cathodes that can be traded on the metal exchanges, gold, silver and platinum group metal products are produced in this segment.

During the copper production process, a variety of products is produced in these two segments from the natural by-elements in the raw materials, such as sulphuric acid and iron silicate stone.

The majority of the copper cathodes produced in the Primary Copper and Recycling/Precious Metals segments are passed on to the Copper Products segment, where they are processed into copper products and marketed externally. This accounts for most of the revenues in the Copper Products segment. The Primary Copper segment therefore generates most of its revenues within the Group.

Precious metals, sulphuric acid and iron silicate stone are by contrast primarily sold to external customers.

The production of high-grade selenium products and the environmentally-friendly dismantling of cable and sale of the resultant granules are also performed in the Recycling/Precious Metals segment.

Copper Products segment

The Copper Products segment includes all sectors involved in the production and marketing of wire rod, continuous cast shapes, pre-rolled strip, strips and profiles and copper trading. The copper cathodes produced in the Primary Copper and Recycling/Precious Metals segments mainly serve as the starting products for these products. Most of the products from the copper processing segment are sold to customers in Europe.

Segment data

The revenues of the individual segments consist of inter-segment revenues and of revenues with third parties outside the Group. The total third party revenues of the individual segments correspond with the consolidated revenues of the Group. The prices and conditions for products and services exchanged between Group companies and segments correspond to those with non-related parties.

A breakdown of the revenues by product groups is provided in the information on revenues (Note 1).

Operating EBIT (earnings before interest and taxes) represents earnings before taxes, adjusted for the net interest allocated to the segment and the income from investments. Based on this, operating EBITDA (earnings before interest, taxes, depreciation and amortisation) is operating EBIT plus the depreciation and amortisation on the intangible assets and the property, plant and equipment of the segment.

Impairment losses of altogether € 10,930 thousand (reversals of impairment losses of € 515 thousand in the prior year) were recognised on assets, comprising € 488 thousand (€ 431 thousand in the prior year) relating to the Primary Copper segment, € 29 thousand (€ 774 thousand in the prior year) relating to the Recycling/Precious Metals segment and € 10,413 (reversals of impairment losses of € 1,720 thousand in the prior year) relating to the Copper Products segment. The impairment losses in the Primary Copper segment of € 488 thousand and the impairment losses in the Recycling/Precious Metals segment of € 29 thousand related as in the prior year exclusively to impairment losses on fixed assets. In the Copper Products segment, impairment losses of € 6,561 thousand were recognised on fixed assets (€ 174 thousand in the prior year) and impairment losses of € 3,852 thousand were recognised on current assets (reversals of impairment losses of € 1,894 thousand in the prior year).

The average number of employees for each segment includes the employees of all companies that were fully or proportionately consolidated in the accompanying financial statements. Employees of the proportionately consolidated companies have been included proportionately in accordance with the Group's holding. Employees who became part of the Group in the course of the fiscal year are included in accordance with the duration of their employment in the Group. Personnel expenses were reported accordingly.

Other disclosures

Related parties

In accordance with IAS 24, related parties are regarded as all persons and entities that are influenced by or that can influence the company.

In the Aurubis Group, different group companies purchase various services from and provide various services to related companies as part of their normal business activities. Such deliveries and services are charged at market prices. Services are charged on the basis of existing contracts.

The following amounts from related companies were not consolidated:

in € thousand	Income	Expenses	Receivables	Liabilities
Joint ventures	45,659	9,555	2,450	13,099
Subsidiaries	947	146,481	326	0

No individual shareholders of Aurubis AG apart from Salzgitter AG exercise a significant influence on the Aurubis Group. The relationships to the Executive Board and Supervisory Board are disclosed below.

At the balance sheet date there were letters of comfort totalling € 4,500 thousand to hedge bank liabilities of C.M.R. International N.V., Antwerp, an affiliated company, which was not included in the scope of consolidation.

Disclosures on the Executive Board and Supervisory Board

Total compensation

The total compensation of the active Executive Board members for fiscal year 2010/11 amounted to € 6,555,541 and included a fixed component for the past fiscal year of € 1,824,000, fringe benefits of € 99,781, a variable component of € 3,608,000 and a payment from the incentive plan of € 1,023,760. The proportional fair value of the 81,000 options acquired by the Executive Board as part of an incentive plan amounted to € 875,680. In addition, expenditure for pension provisions in the amount of € 1,236,451 was recognised as an expense.

Former members of the Executive Board and their surviving dependents received a total of € 1,599,096, while € 17,373,401 has been provided for their pension entitlement.

The compensation of the Supervisory Board for fiscal year 2010/11 amounted to € 1,146,827.

Details of the individual compensation of the members of the Executive Board and the Supervisory Board are provided in the compensation report.

Shareholdings

Members of the Supervisory Board hold 6,665 shares (4,304 in the prior year) and members of the Executive Board 11,800 shares (11,800 in the prior year) in Aurubis AG.

Notifiable securities transactions

Directors' dealings

In accordance with Section 15a German Securities Trading Act, the members of the Executive Board and the Supervisory Board must disclose the acquisition and sale of shares in the Company.

Members of the Executive Board did not carry out any notifiable securities transactions during the reporting period.

The following members of the Supervisory Board informed the Company that they had acquired or sold no-par-value shares in the Company in the period from 1 October 2010 to 30 September 2011:

» Helmuth Wirtz purchased 3,000 no-par-value shares, sold 1,000 no-par-value shares
» Rolf Schwertz purchased 300 no-par-value shares

The Company then reported this information to the Federal Financial Supervisory Authority and published it.

The Executive Board and Supervisory Board hold less than 1 % of the shares issued by the Company.

Declaration of conformity with the German Corporate Governance Code in accordance with Section 161 German Companies Act

The declaration required under Section 161 German Companies Act has been issued by the Executive Board and the Supervisory Board and has been made permanently accessible to the shareholders on the Company's website.

Notification pursuant to Section 160 paragraph 1 No. 8 German Companies Act

Salzgitter Aktiengesellschaft, Salzgitter, Germany, informed us in its notification dated 17 January 2011 pursuant to Sections 21, paragraph 1, and 24 German Securities Trading Act that the voting rights of its subsidiary, Salzgitter Mannesmann GmbH, Salzgitter, Germany, in Aurubis AG, Hamburg, Germany (ISIN: DE0006766504, WKN: 676650), had fallen below the 25 % threshold on 14 January 2011 and at the time amounted to 22.728 % (representing 10,217,706 voting rights).

Salzgitter Aktiengesellschaft, Salzgitter, Germany, informed us in its notification dated 17 January 2011 pursuant to Section 21 paragraph 1 German Securities Trading Act that its voting interest in Aurubis AG, Hamburg, Germany (ISIN: DE0006766504, WKN: 676650), had fallen below the 25 % threshold on 14 January 2011 and at the time amounted to 22.728 % of the voting rights (representing 10,217,706 voting rights). 22.728 % of the voting rights (representing 10,217,706 voting rights) are attributed to Salzgitter Aktiengesellschaft via Salzgitter Mannesmann GmbH pursuant to Section 22 paragraph 1 sentence 1 No. 1 German Securities Trading Act.

Salzgitter Aktiengesellschaft does not hold any voting rights directly.

Deutsche Bank AG London, London, England, informed us in its notification dated 20 January 2011 pursuant to Sections 21, paragraph 1, and 24 German Securities Trading Act in connection with paragraph 32 (2) Investment Act that the voting rights of its subsidiary, DWS Investment GmbH, Frankfurt, Germany, in Aurubis AG, Hamburg, Germany (ISIN: DE0006766504, WKN: 676650), exceeded the 3 % threshold on 18 January 2011 and at the time amounted to 4.07 % (representing 1,829,698 voting rights).

Dr Jens Ehrhardt, Germany, informed us on 26 April 2011 pursuant to Section 21 paragraph 1 German Securities Trading Act that his voting interest in Aurubis AG, Hamburg, Germany (ISIN: DE0006766504, WKN: 676650), had exceeded the 3 % threshold on 18 March 2011 and amounted to 3.08 % (representing 1,386,164 voting rights). This interest includes 63,500 voting rights (0.14 %) attributed to Dr Ehrhardt pursuant to Section 22 paragraph 1 sentence 1 No. 6 in conjunction with sentence 2 German Securities Trading Act, and 1,322,644 voting rights (2.94 %) attributed to Dr Ehrhardt pursuant to Section 22 paragraph 1 sentence 1 No. 1 German Securities Trading Act.

DJE Kapital AG, Pullach, Germany, informed us on 26 April 2011 pursuant to Section 21 paragraph 1 German Securities Trading Act that its voting interest in Aurubis AG, Hamburg, Germany (ISIN: DE0006766504, WKN: 676650), had exceeded the 3 % threshold on 18 March 2011 and amounted to 3.08 % (representing 1,386,164 voting rights). This interest includes 63,500 voting rights (0.14 %) attributed to DJE Kapital AG pursuant to Section 22 paragraph 1 sentence 1 No. 6 in conjunction with sentence 2 German Securities Trading Act, and 1,322,644 voting rights (2.94 %) attributed to DJE Kapital AG pursuant to Section 22 paragraph 1 sentence 1 No. 1 German Securities Trading Act.

DJE Investment S.A., Luxembourg, Luxembourg, informed us on 26 April 2011 pursuant to Section 21 paragraph 1 German Securities Trading Act that its voting interest in Aurubis AG, Hamburg, Germany (ISIN: DE0006766504, WKN: 676650), had exceeded the 3 % threshold on 18 March 2011 and amounted to 3.08 % (representing 1,386,164 voting rights). This interest includes 63,500 voting rights (0.14 %) attributed to DJE Investment S.A. pursuant to Section 22 paragraph 1 sentence 1 No. 6 German Securities Trading Act. An additional 1,322,644 voting rights (2.94 %) are held directly by DJE Investment S.A.

Dr Jens Ehrhardt, Germany, informed us on 20 May 2011 pursuant to Section 21 paragraph 1 German Securities Trading Act that his voting interest in Aurubis AG, Hamburg, Germany (ISIN: DE0006766504, WKN: 676650), had fallen below the 3 % threshold on 16 May 2011 and at the time amounted to 2.88 % (representing 1,297,094 voting rights). This interest includes 23,300 voting rights (0.05 %) attributed to Dr Ehrhardt pursuant to Section 22 paragraph 1 sentence 1 No. 6 in conjunction with sentence 2 German Securities Trading Act, and 1,273,794 voting rights (2.83 %) attributed to Dr Ehrhardt pursuant to Section 22 paragraph 1 sentence 1 No. 1 German Securities Trading Act.

DJE Kapital AG, Pullach, Germany, informed us on 20 May 2011 pursuant to Section 21 paragraph 1 German Securities Trading Act that its voting interest in Aurubis AG, Hamburg, Germany (ISIN: DE0006766504, WKN: 676650), had fallen below the 3 % threshold on 16 May 2011 and at the time amounted to 2.88 % (representing 1,297,094 voting rights). This interest includes 23,300 voting rights (0.05 %) attributed to DJE Kapital AG pursuant to Section 22 paragraph 1 sentence 1 No. 6 in conjunction with sentence 2 German Securities Trading Act, and 1,273,794 voting rights (2.83 %) attributed to DJE Kapital AG pursuant to Section 22 paragraph 1 sentence 1 No. 1 German Securities Trading Act.

DJE Investment S.A., Luxembourg, Luxembourg, informed us on 20 May 2011 pursuant to Section 21 paragraph 1 German Securities Trading Act that its voting interest in Aurubis AG, Hamburg, Germany (ISIN: DE0006766504, WKN: 676650), had fallen below the 3 % threshold on 16 May 2011 and at the time amounted to 2.88 % (representing 1,297,094 voting rights). This interest includes 23,330 voting rights (0.05 %) attributed to DJE Investment S.A. pursuant to Section 22 paragraph 1 sentence 1 No. 6 German Securities Trading Act. An additional 1,273,794 voting rights (2.83 %) are held directly by DJE Investment S.A.

Dr Jens Ehrhardt, Germany, informed us on 6 June 2011 pursuant to Section 21 paragraph 1 German Securities Trading Act that his voting interest in Aurubis AG, Hamburg, Germany (ISIN: DE0006766504, WKN: 676650), had exceeded the 3 % threshold on 25 May 2011 and amounted to 3.07 % (representing 1,379,594 voting rights). This interest includes 66,000 voting rights (0.15 %) attributed to Dr Ehrhardt pursuant to Section 22 paragraph 1 sentence 1 No. 6 in conjunction with sentence 2 German Securities Trading Act, and 1,313,594 voting rights (2.92 %) attributed to Dr Ehrhardt pursuant to Section 22 paragraph 1 sentence 1 No. 1 German Securities Trading Act.

DJE Kapital AG, Pullach, Germany, informed us on 6 June 2011 pursuant to Section 21 paragraph 1 German Securities Trading Act that its voting interest in Aurubis AG, Hamburg, Germany (ISIN: DE0006766504, WKN: 676650), had exceeded the 3 % threshold on 25 May 2011 and amounted to 3.07 % (representing 1,379,594 voting rights). This interest includes 66,000 voting rights (0.15 %) attributed to DJE Kapital AG pursuant to Section 22 paragraph 1 sentence 1 No. 6 in conjunction with sentence 2 German Securities Trading Act, and 1,313,594 voting rights (2.92 %) attributed to DJE Kapital AG pursuant to Section 22 paragraph 1 sentence 1 No. 1 German Securities Trading Act.

DJE Investment S.A., Luxembourg, Luxembourg, informed us on 6 June 2011 pursuant to Section 21 paragraph 1 German Securities Trading Act that its voting interest in Aurubis AG, Hamburg, Germany (ISIN: DE0006766504, WKN: 676650), had exceeded the 3 % threshold on 25 May 2011 and amounted to 3.07 % (representing 1,379,594 voting rights). This interest includes 66,000 voting rights (0.15 %) attributed to DJE Investment S.A. pursuant to Section 22 paragraph 1 sentence 1 No. 6 German Securities Trading Act. An additional 1,313,594 voting rights (2.92 %) are held directly by DJE Investment S.A.

Dr Jens Ehrhardt, Germany, informed us on 26 August 2011 pursuant to Section 21 paragraph 1 German Securities Trading Act that his voting interest in Aurubis AG, Hamburg, Germany (ISIN: DE0006766504, WKN: 676650), had fallen below the 3 % threshold on 19 August 2011 and amounted to 2.95 % (representing 1,325,794 voting rights). This interest includes 80,100 voting rights (0.18 %) attributed to Dr Ehrhardt pursuant to Section 22 paragraph 1 sentence 1 No. 6 in conjunction with sentence 2 German Securities Trading Act, and 1,245,694 voting rights (2.77 %) attributed to Dr Ehrhardt pursuant to Section 22 paragraph 1 sentence 1 No. 1 German Securities Trading Act.

DJE Kapital AG, Pullach, Germany, informed us on 26 August 2011 pursuant to Section 21 paragraph 1 German Securities Trading Act that its voting interest in Aurubis AG, Hamburg, Germany (ISIN: DE0006766504, WKN: 676650), had fallen below the 3 % threshold on 19 August 2011 and at the time amounted to 2.95 % (representing 1,325,794 voting rights). This interest includes 80,100 voting rights (0.18 %) attributed to DJE Kapital AG pursuant to Section 22 paragraph 1 sentence 1 No. 6 in conjunction with sentence 2 German Securities Trading Act, and 1,245,694 voting rights (2.77 %) attributed to DJE Kapital AG pursuant to Section 22 paragraph 1 sentence 1 No. 1 German Securities Trading Act.

DJE Investment S.A., Luxembourg, Luxembourg, informed us on 26 August 2011 pursuant to Section 21 paragraph 1 German Securities Trading Act that its voting interest in Aurubis AG, Hamburg, Germany (ISIN: DE0006766504, WKN: 676650), had fallen below the 3 % threshold on 19 August 2011 and at the time amounted to 2.95 % (representing 1,325,794 voting rights). This interest includes 80,100 voting rights (0.18 %) attributed to DJE Investment S.A. pursuant to Section 22 paragraph 1 sentence 1 No. 6 German Securities Trading Act. An additional 1,245,694 voting rights (2.77 %) are held directly by DJE Investment S.A.

Salzgitter Aktiengesellschaft, Salzgitter, Germany, informed us in its notification dated 29 August 2011 pursuant to Sections 21, paragraph 1, and 24 German Securities Trading Act that the voting rights of its subsidiary, Salzgitter Mannesmann GmbH, Salzgitter, Germany, in Aurubis AG, Hamburg, Germany, had exceeded the 25 % threshold on 29 August 2011 and at the time amounted to 25.002 % of the voting rights (representing 11,240,000 voting rights).

Salzgitter Aktiengesellschaft, Salzgitter, Germany, informed us in its notification dated 29 August 2011 pursuant to Section 21 paragraph 1 German Securities Trading Act that its voting interest in Aurubis AG, Hamburg, Germany, had exceeded the 25 % threshold on 29 August 2011 and at the time amounted to 25.002 % of the voting rights (representing 11,240,000 voting rights). 25.002 % of the voting rights (representing 11,240,000 voting rights) are attributed to Salzgitter Aktiengesellschaft via Salzgitter Mannesmann GmbH pursuant to Section 22 paragraph 1 sentence 1 No. 1 German Securities Trading Act.

Salzgitter Aktiengesellschaft does not hold any voting rights directly.

Notification pursuant to Section 26 paragraph 1 German Securities Trading Act

Salzgitter Aktiengesellschaft, Salzgitter, Germany, informed us of the following pursuant to Section 27a German Securities Trading Act on 15 September 2011 in view of the voting interests held by its subsidiary Salzgitter Mannesmann GmbH, Salzgitter, Germany, in Aurubis AG, Hamburg, Germany, which the latter is attributed in accordance with Section 22 paragraph 1 sentence 1 No. German Securities Trading Act:

From today's perspective, its investment in Aurubis AG is primarily aimed at the implementation of its own strategic goals.

It can imagine acquiring or in some other way securing further voting rights in Aurubis AG in the next twelve months, not however exceeding 30 % of the voting rights, depending on market developments and future economic conditions.

One current and one former member of its Executive Board serve on the Supervisory Board of Aurubis AG. In this context and based on its shareholder status, Salzgitter Aktiengesellschaft can, as it deems necessary, influence further appointments to the administrative, management or supervisory bodies of Aurubis AG.

It does not aim to make any significant changes to the capital structure of Aurubis AG.

Only its own funds have been used for the acquisition of the voting rights in Aurubis AG.

Salzgitter Aktiengesellschaft has issued this notification also on behalf of its subsidiary Salzgitter Mannesmann GmbH in accordance with Section 24 German Securities Trading Act.

On 31 January 2011 Aurubis AG disclosed that its total number of voting rights amounted to 44,956,723 voting rights on 31 January 2011. The change in the total number of voting rights has been in effect since 14 January 2011.

Auditors' fees

The following fees were recorded as expenses for the fiscal year 2010/11 or the prior year for services rendered by the group auditors, PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft:

in € thousand	2010/11	2009/10
Audit services	1,345	601
Other assurance and valuation services	123	0
Tax services	15	9
Other services	1,097	175
TOTAL	**2,580**	**785**

Events after the balance sheet date

Aurubis has started a process to optimise and consolidate its production capacities for flat rolled copper products in the scope of the acquisition of Luvata's Rolled Products Division. There are plans to relocate the Finspång (Sweden) site's production volumes to other Group production sites in Europe and the United States. The process should be completed in a period of up to two years. Consultations with the labour unions about the planned relocation started on 24 November 2011.

Hamburg, 17 January 2012

The Executive Board

Peter Willbrandt	Erwin Faust	Dr Michael Landau	Dr Stefan Boel

Changes in intangible assets and property, plant and equipment in the Group as at 30 September 2011

in € thousand	Acquisition or construction cost 1.10.2010	Additions due to changes in the scope of consolidation	Additions in the fiscal year	Disposals	Transfers
Intangible assets					
Franchises, industrial property rights and licences	108,085	381	1,952	(392)	27
Goodwill	43,170	0	0	0	0
Payments on account for intangible assets	57	0	71	0	(27)
	151,312	**381**	**2,023**	**(392)**	**0**
Property, plant and equipment					
Land and buildings	495,960	37,061	16,434	(2,828)	14,531
Technical equipment and machinery	1,349,156	69,549	37,621	(19,523)	55,793
Other equipment, factory and office equipment	70,693	1,677	5,333	(3,623)	758
Leased assets	43,710	0	112	(8,786)	0
Payments on account for assets under construction	81,409	4,108	53,460	(33)	(71,082)
	2,040,928	**112,395**	**112,960**	**(34,793)**	**0**
	2,192,240	**112,776**	**114,983**	**(35,185)**	**0**

Fair value or exchange differences (net)	Acquisition or construction cost 30.9.2011	Depreciation, amortisation and write-downs 30.9.2011	Carrying amount 30.9.2011	Carrying amount 30.9.2010	Systematic depreciation and amortisation in the fiscal year	Impairment losses in the fiscal year
516	110,569	(41,249)	**69,320**	76,860	(5,516)	(4,896)
0	43,170	(18,200)	**24,970**	24,970	0	0
0	101	0	**101**	57	0	0
516	**153,840**	**(59,449)**	**94,391**	**101,887**	**(5,516)**	**(4,896)**
951	562,109	(287,514)	**274,595**	225,557	(14,249)	(5,547)
1,023	1,493,619	(912,311)	**581,308**	503,834	(80,200)	(5,609)
28	74,866	(53,782)	**21,084**	18,504	(4,944)	(52)
17	35,053	(9,084)	**25,969**	29,041	(2,190)	0
170	68,032	(486)	**67,546**	81,409	0	(486)
2,189	**2,233,679**	**(1,263,177)**	**970,502**	**858,345**	**(101,583)**	**(11,694)**
2,705	**2,387,519**	**(1,322,626)**	**1,064,893**	**960,232**	**(107,099)**	**(16,590)**

Changes in intangible assets and property, plant and equipment in the Group as at 30 September 2010

in € thousand	Acquisition or construction cost 1.10.2009	Additions in the fiscal year	Disposals	Transfers
Intangible assets				
Franchises, industrial property rights and licences	43,483	62,657	(289)	1,326
Goodwill	43,170	0	0	0
Payments on account for intangible assets	33	29	0	(5)
	86,686	**62,686**	**(289)**	**1,321**
Property, plant and equipment				
Land and buildings	480,092	6,510	(3,707)	12,089
Technical equipment and machinery	1,313,056	24,460	(26,217)	37,012
Other equipment, factory and office equipment	69,679	3,749	(3,728)	962
Leased assets	43,612	924	(851)	0
Payments on account for assets under construction	79,737	52,812	0	(51,384)
	1,986,176	**88,455**	**(34,503)**	**(1,321)**
	2,072,862	**151,141**	**(34,792)**	**0**

Fair value or exchange differences (net)	Acquisition or construction cost 30.9.2010	Depreciation, amortisation and write-downs 30.9.2010	Carrying amount 30.9.2010	Carrying amount 30.9.2009	Systematic depreciation and amortisation in the fiscal year	Impairment losses in the fiscal year
908	108,085	(31,225)	**76,860**	16,919	(4,950)	0
0	43,170	(18,200)	**24,970**	24,970	0	0
0	57	0	**57**	33	0	0
908	**151,312**	**(49,425)**	**101,887**	**41,922**	**(4,950)**	**0**
976	495,960	(270,403)	**225,557**	219,936	(13,563)	0
845	1,349,156	(845,322)	**503,834**	525,209	(80,367)	(174)
31	70,693	(52,189)	**18,504**	18,858	(4,803)	0
25	43,710	(14,669)	**29,041**	30,687	(2,595)	0
244	81,409	0	**81,409**	79,737	0	0
2,121	**2,040,928**	**(1,182,583)**	**858,345**	**874,427**	**(101,328)**	**(174)**
3,029	**2,192,240**	**(1,232,008)**	**960,232**	**916,349**	**(106,278)**	**(174)**

Investments as per Section 313 no. 2 HGB as at 30 September 2011

	Company name and registered office	% of capital held	Currency	Held directly by	Equity in '000	Net earnings in '000
1	Aurubis AG		EUR			
	Fully consolidated companies					
2	Aurubis Belgium nv/sa, Brussels	100	EUR	1	956,885	46,327[1)]
3	Aurubis Holding Sweden AB (formerly: Aurubis Sweden AB), Stockholm	100	SEK	2	345,675	(1,064)[1)]
4	Aurubis Sweden AB (formerly: Luvata Sweden AB), Finspång	100	SEK	3	374,959	(187,089)[1)]
5	Aurubis Finland Oy, Pori	100	EUR	2	26,850	(4,333)[1)]
6	Aurubis Holding USA LLC, Wilmington	100	USD	2	29,857	(410)[1)]
7	Aurubis Niagara Falls Inc. (formerly: Luvata Niagara Falls Inc.), Buffalo	100	USD	6	2,303	20[1)]
8	Aurubis Buffalo Inc. (formerly: Luvata Buffalo Inc.), Buffalo	100	USD	6	52,649	(13,063)
9	OAB Holding Inc., Buffalo	100	USD	8	20,491	184
10	Aurubis Netherlands BV, Zutphen	100	EUR	2	35,771	(3,388)[1)]
11	Aurubis Mortara SRL, Mortara	100	EUR	2	8,806	(4)[1)]
12	Luvata Mortara S.p.A., Mortara	100	EUR	11	3,705	(546)[1)]
13	Cumerio Austria GmbH, Vienna	100	EUR	1	137,049	76[1)]
14	Aurubis Bulgaria AD, Pirdop	99,77	EUR	13	509,115	68,593[1)]
15	Aurubis Engineering EAD, Sofia	100	EUR	13	422	20[1)]
16	Aurubis Italia Srl, Avellino	100	EUR	1	25,125	3,221[1)]
17	Aurubis Switzerland SA, Yverdon-les-Bains	100	CHF	1	(9,308)	(12,380)[1)]
18	Aurubis Stolberg GmbH & Co. KG, Stolberg	100	EUR	1	27,237	6,972
19	Aurubis U.K. Ltd., Smethwick	100	GBP	18	1,598	170[1)]
20	Aurubis Slovakia s.r.o., Dolny Kubin	100	EUR	18	729	109[1)]
21	CABLO Metall-Recycling & Handel GmbH, Fehrbellin	100	EUR	1	3,610	224
22	Peute Baustoff GmbH, Hamburg	100	EUR	1	703	590
23	RETORTE GmbH Selenium Chemicals & Metals, Röthenbach	100	EUR	1	4,514	2,286
24	Aurubis Product Sales GmbH, Hamburg	100	EUR	1	13	(18)
25	Deutsche Giessdraht GmbH, Emmerich	60	EUR	1	8,075	3,647
	Proportionately consolidated companies					
26	CIS Solartechnik GmbH & Co. KG, Bremerhaven	50	EUR	1	(458)	(955)
27	Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg	50	EUR	18	48,381	8,885

	Company name and registered office	% of capital held	Currency	Held directly by	Equity in '000	Net earnings in '000
	Non-consolidated companies					
28	E.R.N. Elektro-Recycling NORD GmbH, Hamburg	100	EUR	1	4,193	1,916 [2]
29	Aurubis Stolberg Verwaltungs-GmbH, Stolberg	100	EUR	1	31	0
30	Hüttenbau-Gesellschaft Peute mbH, Hamburg	100	EUR	1	87	0
31	Aurubis Hong Kong Ltd., Hong Kong	100	HKD	2	10,650	(32) [1]
32	Aurubis OOO Rus, St. Petersburg	100	RUB	2	(299)	(309) [1]
33	Retorte do Brasil, Joinville	51	BRL	23	1,221	6
34	C.M.R. International N.V., Antwerp	50	EUR	1	2,252	316
35	VisioNA GmbH, Hamburg	50	EUR	1	25	2
36	Schwermetall Halbzeugwerk GmbH, Stolberg	50	EUR	18	26	12
37	JoSeCo GmbH, Kirchheim/Swabia	33	EUR	23	217	11
38	PHG Peute Hafen- und Industriebetriebsgesellschaft mbH, Hamburg	7	EUR	1	92	3
39	Agropolychim AD, Devnya	1	EUR	14	16,049	7,817

[1] Equity and net earnings are based on the IFRS reporting package since statutory or country-specific financial statements are not yet available.
[2] With the purchase agreement of 2 December 2011, the investment was raised from 70 % to 100 %.

AUDITORS' REPORT

We have audited the consolidated financial statements prepared by the Aurubis AG, Hamburg, comprising the statement of financial position, income statement and statement of comprehensive income, statement of changes in equity, cash flow statement and the notes to the consolidated financial statements, together with the group management report for the business year from 1 October 2010 to 30 September 2011. The preparation of the consolidated financial statements and the group management report in accordance with the IFRSs, as adopted by the EU, and the additional requirements of German commercial law pursuant to § (Article) 315a Abs. (paragraph) 1 HGB ("Handelsgesetzbuch": German Commercial Code) and supplementary provisions of the articles of incorporation is the responsibility of the parent Company's Board of Managing Directors. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of the entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by the Company's Board of Managing Directors, as well as evaluating the overall presentation of the consolidated financial statements and the group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion based on the findings of our audit the consolidated financial statements comply with the IFRSs as adopted by the EU, the additional requirements of German commercial law pursuant to § 315a Abs. 1 HGB and supplementary provisions of the articles of incorporation and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Hamburg, 17 January 2012

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Andreas Borcherding	ppa. Matthias Kirschke
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Hamburg, 17 January 2012

The Executive Board

Peter Willbrandt   Erwin Faust   Dr Michael Landau   Dr Stefan Boel

GLOSSARY

Anode furnace
A furnace used in pyrometallurgical copper refining.

Anodes
The end product of pyrometallurgical copper production. Positive polarised electrodes of a tankhouse cell. Copper content about 99.5 %.

Anode slimes
A product of the copper tankhouse which settles on the bottom of a tankhouse cell. Contains precious and non-soluble components of the anode, including silver, gold, selenium and lead in particular.

Blister copper
Unrefined porous copper. During solidification, dissolved gases form small blisters in the copper. Blister copper is also purchased as a raw material.

CIS solar cell
A flexible, copper-based solar cell. A semi-conductive layer with the components copper, indium and selenium is applied to a carrier foil. The name CIS is a combination of the first letters of the metals copper, indium and selenium.

Collection points
Companies and industrial enterprises where metal-bearing production residues accumulate.

COMEX
Commodity exchange located in New York on which copper and other materials are traded. Especially important for the American market.

Commodity
A term for materials mostly traded on the exchanges, including non-ferrous metals such as copper, tin and lead as well as precious metals, but also crude oil, grain and coffee.

Compliance
Compliance means conforming to a specification or policy that has been clearly defined. Apart from laws, directives and other standards, it also refers to corporate guidelines (e.g. codes of conduct).

Contango
The normal status of commodity futures contracts on the exchange in which the price for prompt deliveries is below the forward price for future delivery (taking storage costs into account). The opposite of backwardation.

Continuous casting
Continuous casting produces a continuous strand. During the casting process, a flying saw separates individual bars in different lengths. These so-called continuous cast products with varying cross-sections are processed by rolling and extrusion into plates, foils and tubes.

Continuous cast wire rod
Semi-finished product produced in a continuous process for the fabrication of copper wire. Standard diameter: 8 mm. Other dimensions can also be supplied.

Converter
Metallurgical furnace in which metal production or refining processes are typically carried out through oxidation. Copper matte from the flash smelter is treated in the converter into blister copper.

Copper cathodes
Quality product of the copper tankhouse (copper content 99.99 %) and the first marketable product in copper production which can be sold on the metal exchanges.

Copper concentrates
A product resulting from the processing (enriching) of copper ores, the Aurubis Group's main raw material. Since copper is found almost exclusively in ores in compound form and in low concentrations (0.5 to 4 % copper content), the ores are enriched in processing facilities into concentrates (copper content of 25 to 40 %) after extraction from the mine.

Copper tankhouse
In the copper tankhouse an electrochemical process, the last refining stage in copper recovery, takes place. Anodes and cathodes are hung in a sulphuric acid solution (electrolyte) and connected to an electric current. Copper and baser elements (e.g. nickel) are dissolved in the electrolyte. Copper from the solution is deposited on the cathode with a purity of 99.99 %. More precious metals (e.g. silver and gold) and insoluble components settle as so-called anode slimes on the bottom of the tankhouse cell.

Flash smelter
First phase in the processing of copper concentrate. The concentrate, which is suspended in a reaction shaft, reacts with oxygen and is melted through the heat released. Sulphur and iron are separated into intermediate products. The copper is then enriched in the copper matte (copper content about 65 %).

Iron silicate
A by-product of copper production in the refining process. Formed using sand from iron chemically bonded to copper concentrates and recycling raw materials. Is mainly used in the construction industry as granules/sand or in a lumpy form.

KRS
Kayser Recycling System; a state-of-the-art recycling plant in Lünen for the treatment of a wide range of copper-bearing secondary raw materials.

KRS-Plus
Expansion of the existing KRS facility that includes a top blown rotary converter and a slag separation and holding furnace.

LME
London Metal Exchange: the most important metal exchange in the world with the highest turnover.

Primary copper
Copper recovered from copper ores.

Recycling materials
Materials in a closed loop economy. They arise as residues from production processes or during the preparation of end-of-life products and rejects and are ideal for recycling.

RWO
The primary smelter at Aurubis AG's production site in Hamburg.

Secondary copper
Copper produced from recycled material.

Settlement price
Official cash selling rate on the LME. Price basis in annual sales agreements.

Shape surcharge
Fee for processing copper cathodes into copper products.

Smelter
A part of a plant or company in which crude metal or bullion is recovered. Typical products are lead bullion or blister copper.

Spot market
Daily business; market for prompt deliveries.

Sustainable Development
Lasting future-oriented development targeted since the 1992 UN Conference as being the most sensible ideal of the way forward in environmental protection.

Top blown rotary converter (TBRC)
A single-stage pyrometallurgical facility for the recovery of precious metals from the anode slimes in the copper tankhouse.

Treatment and refining charges (TC/RCs)
Compensation which Aurubis receives for the processing of copper concentrates and other raw materials into copper.

Glossary of financial terms

Capital employed
Capital employed is the sum of equity, provisions for pension liabilities and financial liabilities, less cash and cash equivalents.

EBIT
EBIT (earnings before interest and tax) is an indicator of a company's operative earning power, ignoring its capital structure.

EBITDA
EBITDA (earnings before interest, taxes, depreciation and amortisation) is an indicator of a company's operative earning power, ignoring its capital structure and propensity to invest.

EBT
EBT (earnings before tax) is an indicator of a company's earning power.

Free cash flow
Free cash flow is the generated surplus of cash and cash equivalents taking into account cash-related changes in working capital and after deducting capital expenditure. It is available for the company's dividend and interest payments as well as for the redemption of financial liabilities.

Gearing
Gearing is the ratio of net financial liabilities to equity.

Gross cash flow
Gross cash flow is the sum of the generated cash and cash equivalents before taking into account cash-related changes in working capital.

Net cash flow
Net cash flow is the generated surplus of cash and cash equivalents after taking into account cash-related changes in working capital. It is available for payments in conjunction with the company's investing and financing activities.

Net financial liabilities
Net financial liabilities consist of long and short-term financial liabilities less cash and cash equivalents.

ROCE
ROCE (return on capital employed) is the ratio of EBIT to average capital employed. It therefore represents the efficiency with which capital was utilised to generate earnings in the period under review.

5-YEAR OVERVIEW

Aurubis Group (IFRS)		2010/2011 2)4)	2009/2010 2)	2009/10 1)	2008/09 1)	2007/08 1)3)	2006/07 1)
Results							
Revenues	€ million	13,336	9,865	9,865	6,687	8,385	6,469
EBITDA	€ million	580	581	581	78	376	373
Operating EBITDA/LIFO	€ million	440	293	392	216	474	318
EBIT	€ million	456	475	475	(28)	284	315
Operating EBIT/LIFO	€ million	327	187	286	111	382	260
EBT	€ million	421	447	447	(65)	243	307
Operating EBT/LIFO	€ million	292	159	258	73	341	251
Consolidated net income	€ million	322	326	326	(46)	171	223
Operating consolidated net income/LIFO	€ million	211	121	193	53	237	159
Net cash flow	€ million	418	85	85	645	461	259
Balance sheet							
Total assets	€ million	4,333	3,410	3,410	2,837	2,292	1,674
Non-current assets	€ million	1,096	999	999	969	920	610
Capital expenditure	€ million	116	151	151	111	114	94
Depreciation and amortisation	€ million	124	106	106	106	92	58
Equity	€ million	1,740	1,310	1,310	1,029	1,141	914

1) with revaluation of inventories using the LIFO method
2) values “operationally” adjusted by valuation results from the application of the average cost method in accordance with IAS 2, by copper price-related valuation effects on inventories and by effects from the purchase price allocation, mainly property, plant and equipment, starting fiscal year 2010/11
3) including Cumerio as of 29 February 2008
4) including Luvata RPD as of 1 September 2011

FINANCIAL CALENDAR

19 January 2012	Financial statements 2010/11
14 February 2012	Interim report on first quarter 2011/12
1 March 2012	Annual General Meeting, Hamburg
14 May 2012	Interim report on second quarter 2011/12
14 August 2012	Interim report on third quarter 2011/12

Our fiscal year begins on 1 October and ends on 30 September.

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