Aurubis

Annual Report 2008/09

First Annual Report of Aurubis AG

ONE COMPANY. ONE NAME.

4,700 employees in the Aurubis Group

1,100,000 tonnes of copper cathodes annually

99.99 % high purity of our cathode copper

300 million € for environmental protection measures

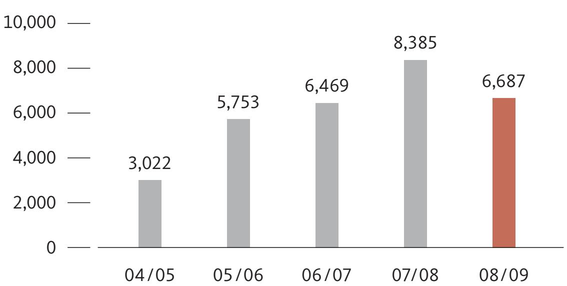
8 % of the workforce in apprenticeships

Aurubis is the largest integrated copper producer in Europe and the international leader in copper recycling. Our core competence lies in the production and processing of copper, the material of the future. We are excellently represented all along the main sectors of the value added chain of copper, from raw material processing and cathode production through to the production of copper products. We have become one of our industry's global leaders thanks to our range of services.

We are oriented to sustainable, international growth and to increasing corporate value. Our strategy's main focus is on strengthening the business, exploiting growth opportunities and practicing responsible care in the handling of people, resources and the environment.

GROUP REVENUES *

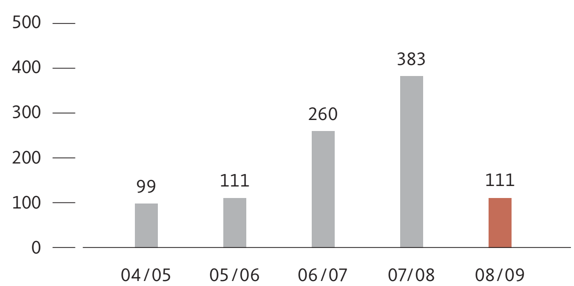
in € million



* before revaluation of LIFO inventories

CONSOLIDATED EBIT

in € million



SEGMENTS

PRIMARY COPPER

All activities are included in the Business Unit (BU) **Primary Copper** that concern the production of quality copper in the form of marketable copper cathodes made from the primary raw material, copper concentrates. This also covers the smelting and refining activities at the production sites in Hamburg, Olen (Belgium) and Pirdop (Bulgaria), and the marketing of the co-product sulphuric acid.

The subsidiaries Peute Baustoff GmbH and Retorte GmbH Selenium Chemicals & Metals, which produce specialty products, are also part of the Business Unit.

RECYCLING / PRECIOUS METALS

The core activity in the Business Unit (BU) **Recycling / Precious Metals** is the production of copper cathodes from a very wide range of recycling raw materials. Recycling activities are performed at various locations in the Group; the recycling centre is situated in Westphalian Lunen. Copper scrap and increasingly recycling raw materials, such as electronic scrap, are processed here using environmentally friendly and innovative technology.

In the Business Unit Recycling / Precious Metals, we produce the precious metals and other by-metals and co-products contained in the copper raw materials.

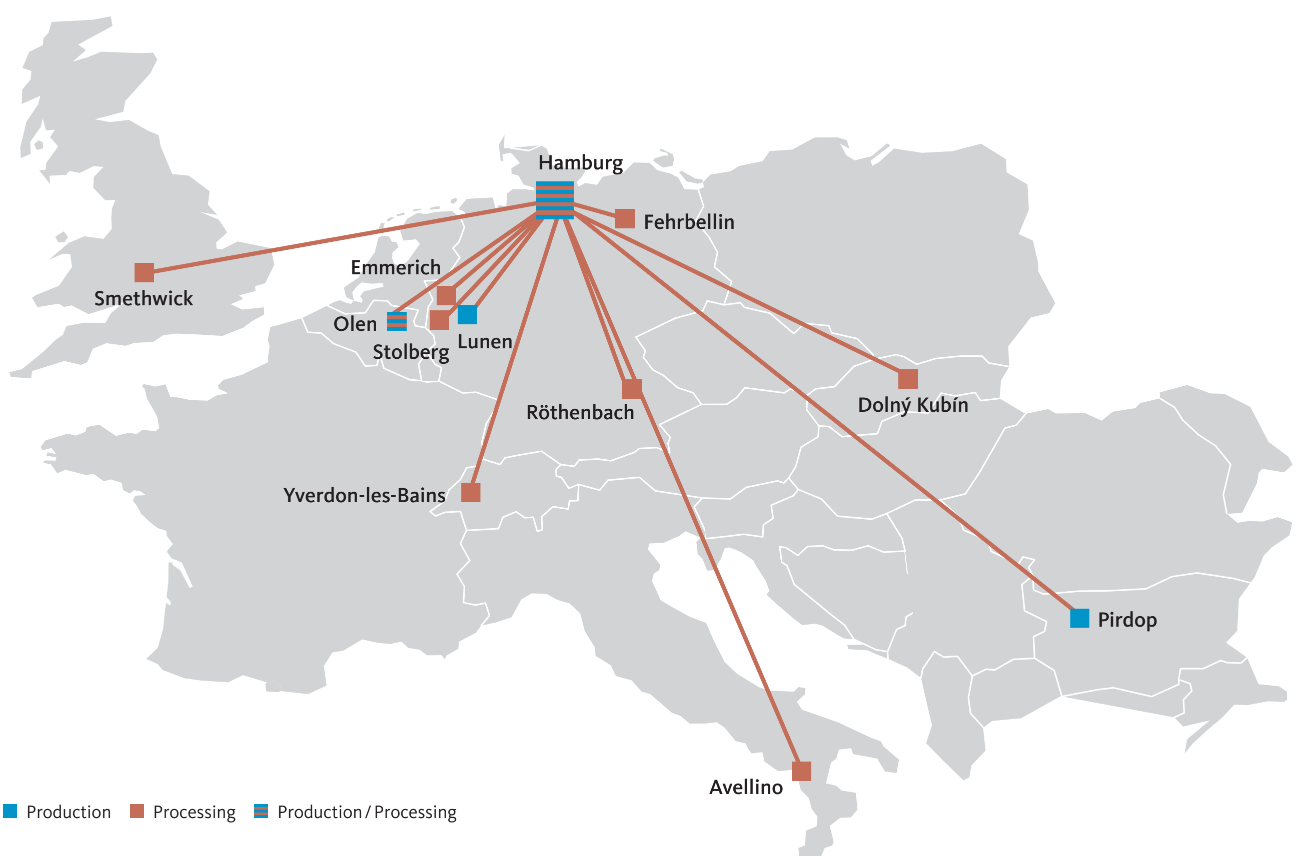
COPPER PRODUCTS

The processing of copper cathodes is performed in the Business Unit (BU) **Copper Products**. The most important copper product is electrolytic copper wire rod for the cable and wire industry. In addition, we produce continuous cast shapes for the market and for internal processing as well as pre-rolled strip, rolled and specialty products. End users of copper, the material of the future, include the electrical engineering, automotive, mechanical engineering, telecommunications and construction industries.

Copper Production

Copper Processing

LOCATIONS



THE GROUP IN FIGURES

Aurubis Group (IFRS)		2007/08 [1]	2008/09 [1]	Change in %
Copper price LME settlement (average)	US$/t	7,785	4,480	– 42.5
Results				
Revenues	€ million	8,385	6,687	– 20.3
EBITDA	€ million	474	216	– 54.3
EBIT	€ million	382	111	– 71.0
EBT	€ million	341	73	– 78.6
Consolidated net income	€ million	237	53	– 77.6
Gross cash flow	€ million	399	283	– 29.1
Balance sheet				
Total assets	€ million	2,966	2,692	– 9.2
Non-current assets	€ million	920	969	+ 5.3
Capital expenditure	€ million	114	111	– 2.6
Depreciation and amortisation	€ million	92	106	+ 15.2
Equity	€ million	947	935	– 1.3
Aurubis shares				
Market capitalisation	€ million	1,232	1,164	– 5.5
Earnings per share	€	5.82	1.28	– 78.0
Dividend per share	€	1.60	0.65	– 59.4
Human resources				
Number of employees [2]		4,764	4,726	– 0.8
Personnel expenses	€ million	266	270	+ 1.5
Production				
Cathodes	1,000 t	852	1,086	+ 27.5
Continuous cast wire rod	1,000 t	718	622	– 13.4
Continuous cast shapes	1,000 t	222	153	– 31.1
Pre-rolled strip	1,000 t	216	145	– 32.9
Strips	1,000 t	44	29	– 34.1
Shaped wires	1,000 t	16	10	– 37.5
Special profiles	t	4,390	4,642	+ 5.7
Gold	t	34	33	– 2.9
Silver	t	1,280	1,230	– 3.9

[1] before revaluation of LIFO inventories using the average cost method
[2] at fiscal year-end on 30 September

“COMING TOGETHER IS A BEGINNING, STAYING TOGETHER IS PROGRESS, AND WORKING TOGETHER IS SUCCESS.”

Henry Ford I., American industrialist

ONE COMPANY, ONE PASSION

A brand name always transports a product's characteristic properties. At best the name alone already arouses positive associations and creates a feeling for the company that stands behind it. After the merger with Cumerio, Norddeutsche Affinerie had outgrown its name: we have crossed the national boundaries and now have production sites in seven European countries. We are more broadly positioned and have become more complex. This change should also be reflected in a new name.

"Aurubis" has achieved even more than that. The name rolls easily off the tongue, is concise and international. But above all, it combines the terms **Aurum**, "the gold", and **Rubrum**, "red": "The red gold" – our product copper can hardly be described in a more beautiful and fitting way. Hence, the necessity to change the name has turned into a real asset.

"We can manage the future better under one roof."

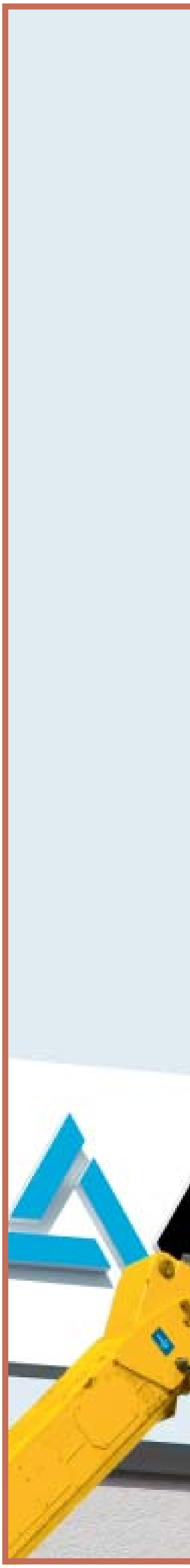
Peter Willbrandt, Member of the Board

"The new name gives us a uniform international image."

Leen Bresseleers, Head of Accounting & Finance, Aurubis Belgium

"Aurubis also stands for the very good cooperation with the colleagues at other production sites, far beyond the national borders."

Martin Lübeck, Foreman, Plastics Locksmiths Shop, Hamburg Plant



A NEW ERA BEGINS

Norddeutsche Affinerie and Cumerio become Aurubis: the change can now also be seen from the outside. And inside, the identification process has progressed in big steps.

AURUM + RUBRUM = AURUBIS

The Red Gold

+ COHESION IDENTIFICATION

= STRENGTH

ANYONE WISHING TO BUILD UP SOMETHING TOGETHER TODAY AND IN THE FUTURE NEEDS A STRONG FOUNDATION, A BASIS CONSISTING OF SOLID VALUES THAT ARE BORNE ALONG AND BROUGHT TO LIFE BY EVERYONE IN EQUAL MEASURE. IN THE DEVELOPMENT OF THE AURUBIS VALUES, IT WAS ABSOLUTELY ESSENTIAL TO IDENTIFY WITH THEM – WHICH IS PRECISELY WHY THEY WERE NOT DICTATED FROM THE TOP, BUT WERE DEVELOPED BY STAFF FROM ALL PRODUCTION SITES AND HIERARCHY LEVELS.

GOOD COHESION WITHIN A CORPORATE GROUP IS A DECISIVE FACTOR, PARTICULARLY IN DIFFICULT TIMES SUCH AS THOSE WE ARE EXPERIENCING IN THE GLOBAL FINANCIAL AND ECONOMIC CRISIS. THIS IS THE ONLY WAY TO MEET THE MANY CHALLENGES OF THE GLOBAL MARKETS EFFECTIVELY. BEING STRONG TOGETHER IS WHAT COUNTS AT AURUBIS. SOLIDARITY IN THE GROUP IS GROWING FROM DAY TO DAY; THE EXCHANGE IS BECOMING MORE INTENSIVE.

OUR JOINT VALUES LIVE

Growth and structural changes often require a renewal of the corporate values, as was also the case at Aurubis. Following the reorientation of the Group, we lost no time in putting in motion a cross-border value process at once in the first fiscal year, with the aim of defining guidelines for all the people at the company and implementing them at all levels of the Group.

Values are an important success factor

Identity and corporate culture are central factors for economic success. When companies merge, the challenge is to reconcile different working and living environments as well as typical national differences. A clear objective and the development of mutually accepted ways of thinking and behaviour based on the appreciation of the original cultures are therefore decisive for successful integration.

It was particularly important for us to include all the sites right from the start, with numerous representatives from management and employees. In terms of high credibility and acceptance, the opinions and input of those people, who put the theory into practice in their working routine, were therefore considered. The many individual pieces of the jigsaw created a coherent overall picture that now forms the obligatory basis for working together in the Group.

Uniform values unite cultures

Employee integration has been performed in a series of individual steps in day-to-day work. Extensive information and communication, for instance in integration newsletters in the respective national languages, have enabled employees to become acquainted with and understand the other cultures. Employees have had the opportunity in mixed project teams, workshops and other joint events to deepen personal contacts and intensify cooperation. The measures have also included visits to one another's plants and work-stays at the individual sites. To facilitate communication, English has been introduced as the Group language for transnational discussions. The transfer of knowledge is to be accelerated and the collaboration further enhanced by mixed working teams and the flexible project-oriented use of employees at other sites.

New standards in HR management

With the decision to establish a modern Human Resources (HR) management system oriented to international structures, we also selected the uniform approach in personnel work and are taking this into account from the organisational and strategic viewpoint. HR in the Aurubis Group faces the conflicting demands of internationalisation, increased mobility, the demographic development, and the increasing need for and the transfer of skills. The pressure of competition and high demands on profitability also have an impact. We have launched an extensive analysis and development process to enable us to face these challenges optimally.

Günter Tepasse, Deutsche Giessdraht

Zdravka Nikolova, Aurubis Bulgaria

Jef Leysen, Aurubis Olen

Isabel Dlugosch, Aurubis Hamburg

Alvaro Monnicchi, Aurubis Avellino

André Zimmermann, Aurubis Lunen

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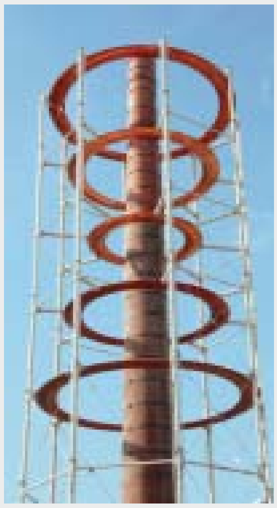
* 6 of 4,700 employees

HAMBURG SITE

Hamburg is the largest production site and the administrative headquarters of the Aurubis Group. Historically the company's birthplace, the plant, which is linked to the port, has been continuously expanded. Today, it is one of the leading addresses worldwide in the copper industry as regards technology, productivity and environmental protection. The production activities cover important sectors along the value added chain of copper.

FACTS AT A GLANCE

2,112 employees
Founded in 1866

Production and processing in 2008 / 09 in 1,000 t

Copper concentrate throughput	1,094	Sulphuric acid output	1,125
Copper cathode output	374	Gold output	33 t
Wire rod output	214	Silver output	1,227 t
Continuous cast shape output	137		

COMMITMENT FOR HAMBURG

The copper roof of St. Michaelis Church in Hamburg has been renewed over a construction period of 16 months. The craftsmen have used about 6,500 m² of copper sheets, for which Aurubis provided approximately 45 tonnes of copper.

PRIMA!

Practised values create value

The development of uniform values and corresponding rules and standards was initiated by the Executive Board. Which values unite us now and in the future? And how can we bring them to life in the whole of the Aurubis Group? About 100 employees provided the basis by their contributions at workshops at different locations. This was then improved and substantiated in a project group made up of 22 value ambassadors. The results were presented for the first time at the Executive Event in Hamburg in June 2009.

The value system is based on five pillars: **P**erformance, **R**esponsibility, **I**ntegrity, **M**utability and **A**ppreciation. The first letters of each word spell out the word **PRIMA** (or "Great!" in German). PRIMA stands for the self-image of each individual and for how they treat each other. At the same time binding regulations were defined that give our actions a structure. Values and regulations together make up the new Code of Conduct in the Aurubis Group.

MEETING OF CULTURES

ETIQUETTE: To say no in Bulgaria, you nod your head; to say yes, you shake it. If two Italians greet each other, this frequently occurs cheek to cheek and in Germany many deals are still sealed with a handshake.

LANGUAGE: About 10 million people speak Bulgarian, which is the oldest documented Slavic language, but the Cyrillic letters are tricky for West Europeans. On the other hand, French, German and Italian are also genuine tongue-twisters. English has therefore been chosen as the Group language for communication together.

EATING HABITS: While the average Belgian considers himself to be the inventor of chips and high-class chocolate, the Italian cannot go without his espresso. It is however just a platitude that only fish and "Labskaus" are eaten in Hamburg, and not usual in day-to-day life.

CAPEX + COMMITMENT

COMPETING COMPANIES IN THE METAL MARKETS WISHING TO REMAIN INTERNATIONAL LEADERS LONG-TERM NEED TO HAVE THE LEADING EDGE IN TECHNOLOGY AND MARKET COMPETENCE AND MUST COMPENSATE FOR ANY DISADVANTAGES IN LOCATION BY INCREASED PRODUCTIVITY AND EFFICIENCY.

THERE IS NO QUESTION ABOUT IT. ALL THESE FACTORS HAVE THEIR SET PLACE IN THE AURUBIS CORPORATE STRATEGY, IN WHICH “FUTURE” IS A KEYWORD – AND GOES HAND IN HAND WITH CAPITAL INVESTMENT. WITH THE COMBINATION OF THE TARGETED USE OF FUNDS AND THE COMMITMENT TO REPEATEDLY IMPROVE THE SKILLS OF OUR OWN TEAM, WE CREATE THE PREREQUISITES FOR CONSTANTLY INCREASING ENTERPRISE VALUE.

= FUTURE

INVEST TODAY – BENEFIT TOMORROW

As a copper producer and metal recycler, we work in markets with development potential. To ensure that we can utilise this potential to secure our future, we continually invest in plant and environmental technologies. This features constant process improvements to increase productivity, the expansion of production capacities and a further improvement in our environmental credentials – measures that make us more competitive.

Lunen and Pirdop – two sites in focus

We concentrated on major projects in fiscal year 2008 / 09, above all the expansion of the metal recycling with a promising future at the Lunen site and the completion of the new tankhouse in Pirdop. Work furthermore continued on the planned expansion of the primary smelter at the East Works, in order to increase the processing capacity for copper concentrates in Hamburg.

Strong position in metal recycling

Today there is already no way around recycling when accepting responsibility for tomorrow. Professionally operated, it results in long-term resource management and an ecologically compatible raw material supply. We are optimally positioned in this promising industry thanks to our recycling business sector.

With the aim of further enhancing our leading market position in metal recycling, we extended the Lunen plant in recent years to make it the Group's recycling centre. Further investments are planned and are to be carried out shortly.

The supply of the most varied secondary raw materials, lead-bearing and precious metal-bearing recycling materials and copper scrap, which, as well as in Lunen, is also part of the raw material mix at other production sites, was centralised further as part of the integration and the activities in the markets bundled. A network of agents in the core markets completes the procurement organisation.

On a growth curve with our new tankhouse

Southeast Europe and the Black Sea states are sales markets with high potential for copper cathodes. Demand in this region amounts to about 700,000 tonnes of copper per annum, with growth averaging more than 4%. Since no adequate cathode production is available to cover the demand, our new tankhouse in Pirdop provides us with the ideal prerequisites to participate in this development. It is also an optimal addition to the upstream smelter that supplies the copper anodes.

FOR LUNEN IN WESTPHALIA AND PIRDOP IN BULGARIA, THE AURUBIS GROUP'S INVESTMENTS ARE FORWARD-LOOKING PROJECTS AT THE RESPECTIVE LOCATIONS THAT HAVE AN IMPACT FAR BEYOND THEIR REGIONAL SURROUNDINGS. AURUBIS BULGARIA WAS ELECTED THE MOST SUCCESSFUL BULGARIAN COMPANY IN THE METAL SECTOR IN 2009, WHILE AURUBIS LUNEN IS A FLAGSHIP OF THE RECYCLING INDUSTRY OPERATING IN THE RUHR.

100%

THE THROUGHPUT OF RECYCLING RAW MATERIALS CAN INCREASE BY UP TO 100%.

LUNEN: THROUGHPUT OF COMPLEX RECYCLING MATERIALS IS DOUBLED

The “KRS-Plus” capital expenditure project at the Lunen site is an important step for the future: the installation of a second furnace plant and the modification of the existing Kayser Recycling System (KRS) to continuous smelting will enable the throughput of complex recycling materials to be significantly increased. Capital expenditure of € 90 million on this project and for further measures to reduce emissions has been planned by 2011. The strategic aim is to increase in particular the environmentally friendly processing of complex raw materials, including industrial residues and electrical and electronic scrap.

PIRDOP: SUCCESSFUL EXPANSION AND PRODUCTIVITY INCREASE

In Pirdop, Aurubis has managed to build on its success to an even greater extent. Following the start of the complete modernisation of the facilities for smelting concentrates and the construction work on the new tankhouse already in 2006, we continued with great intensity to further develop the plant. Some € 55 million were invested by 2008 in renewing the plant for sulphuric acid production and in further environmental and modernisation measures. Additional funds have flowed into technical improvements and the expansion of the slag preparation facilities. Above all, however, thanks to the considerable efforts made, productivity in the smelter plant has been substantially improved. In addition, we have achieved higher value added at the site since commissioning the modern tankhouse in July 2008. Annual output now amounts to more than 200,000 tonnes of copper cathodes registered at the metal exchanges. Some of this is processed into wire rod at Aurubis Italia, while the remainder is sold in Southeast Europe and elsewhere.

LUNEN SITE

FACTS AT A GLANCE

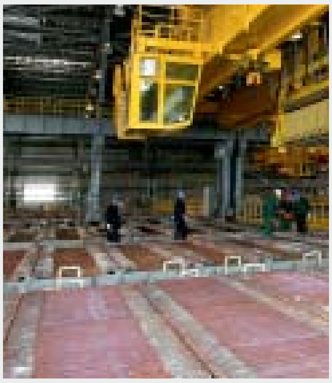
486 employees
Production began in 1916

Production and processing in 2008/09 in 1,000 t

Recycling material input	271
Copper cathode output	197

The Aurubis plant in Lunen / Westphalia, near Dortmund, is the former Hüttenwerke Kayser AG, which had been actively involved in copper recycling at the site since 1916. Today the works is the Group’s recycling centre. Since the construction of the Kayser Recycling System (KRS) in 2002, the state-of-the-art smelting technology has enabled a wide variety of recycling raw materials, including copper scrap, alloyed scrap, electrical and electronic scrap and other metal-bearing residues and recyclables, to be processed in an environmentally sound manner. Copper cathodes of the highest quality, registered at the metal exchanges, are also produced here.

PIRDOP SITE



FACTS AT A GLANCE

760 employees
Smelter built in 1958

Production and processing in 1,000 t

Copper concentrate throughput	1,000
Copper cathode output	193
Sulphuric acid output	989

The Pirdop plant that is located about 90 km east of the Bulgarian capital city of Sofia has given Aurubis a well developed production basis in Southeast Europe. This provides better access to the growth markets there and increases our international orientation. Pirdop is the second largest production site and is making a significant contribution to improving the Group’s performance within the framework of the integration process.

GOOD + GOOD

= EXCELLENT

WHEN TWO STRONG PARTNERS JOIN FORCES, THE RESULT IS A VERITABLE FOUNTAIN OF EXPERIENCE AND KNOWLEDGE. SUCH IS THE CASE AT AURUBIS. HOWEVER, KNOWLEDGE ALONE IS NOT ENOUGH; ONE MUST ALSO KNOW HOW TO APPLY IT. THAT SHOULD NOT HOWEVER BE A PROBLEM FOR US.

MANY YEARS OF KNOW-HOW IN THE PRODUCTION AND PROCESSING OF COPPER HAS MADE AURUBIS INTO THE LEADING SUPPLIER WITH THE HIGHEST QUALITY STANDARDS. OUR PRODUCTION SITES THAT HAVE BEEN BROUGHT TOGETHER IN THE MEANTIME COMPLEMENT EACH OTHER SUPERBLY. THE TECHNOLOGY AND WORK PROCEDURES ARE BEING OPTIMISED IN A CONTINUOUS PROCESS TO ACHIEVE A POWERFUL GROUP OF COMPANIES.

TOP LEVEL PRODUCTION

The copper industry is an international industry. Notwithstanding regional key areas, its markets are located all around the globe. Although the production structures of the individual companies are very heterogeneous, competition between them is tough. Factors such as high productivity and competitive basic conditions decide above all about the respective future viability.

Optimising production processes and sites

Aurubis is an integrated group that is represented along several value added stages. Geographically positioned throughout Europe and with production facilities that are harmonised and in some cases of the same type, the potential for optimisation in the course of the merger is good. We initially investigated the future viability and expansion possibilities of the individual production plants as part of a group-wide technical benchmarking and derived from that the action plans.

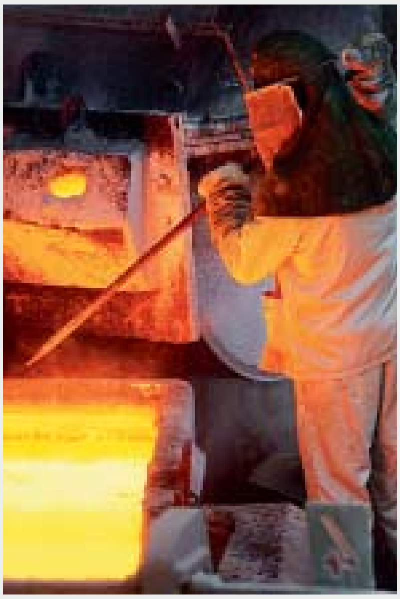
Setting top standards across Europe

An important aspect of this is the amendment of the environmental standards to the highest level. We have meanwhile succeeded in defining uniform standards for the group sites – an important step in environmental management at Aurubis. In addition, the marketing routes of our products have been investigated and optimised. Customers often appreciate deliveries with the same quality guarantee that are made from nearer their location with shorter transport times. Thanks to the broader spread organisation in Europe, we can offer them improved delivery solutions.

Focus on customer wishes

Aurubis should not just be viewed as a copper producer and supplier, but also as a service-provider. We have always given great priority to offering our customers comprehensive service and professional support. In collaboration with them, we develop tailor-made solutions, products and materials for individual applications. Our production sites are complemented by an international distribution network.

OLEN SITE

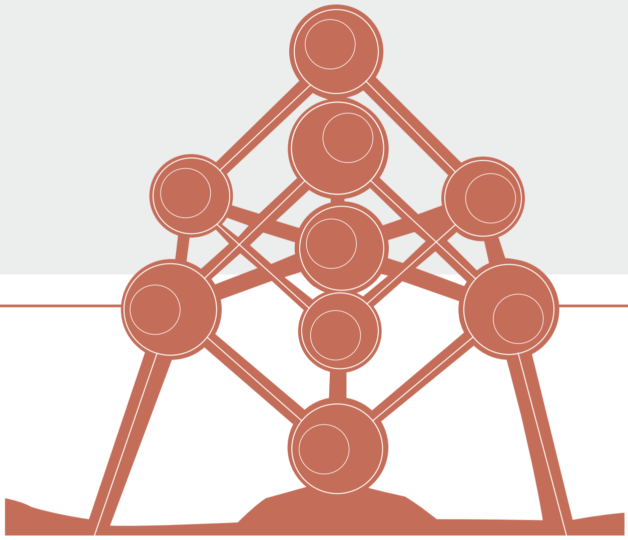


Olen in Belgium has historically been a central production site for copper winning. Some 50 km from Brussels and 30 km from Antwerp, it is therefore very well located for supplying the West European markets. The state-of-the-art tank-house that produces cathodes in metal exchange quality is the main facility, flanked by a plant for the production of wire rod.

FACTS AT A GLANCE

446 employees
1927 beginning of cathode production

Production and processing in 2008/09 in 1,000 t	
Copper cathode output	322
Wire rod output	177



AN "EXCHANGE" WITH A DOUBLE ADVANTAGE

At the Olen site, we decided for marketing and economic reasons to cease the production of continuous cast shapes that was no longer up-to-date technically and to continue this exclusively at the Hamburg site. On the other hand, the production of special oxygen-free wire rod in Hamburg has been discontinued and special productions of this type concentrated in the more efficient plant in Olen. This has improved our technical and economic production competence and bundled them respectively at the most suitable site.

3 million t

EUROPEAN DEMAND FOR WIRE ROD AMOUNTS EACH YEAR TO MORE THAN 3 MILLION TONNES.

ALWAYS CLOSE BY, ALWAYS FLEXIBLE

What was practised in the geographical location of production also plays a part in market development. Since our facilities are spread over Europe, we operate with higher market penetration close to the customers and achieve greater flexibility. While we have the South European and North African market in focus for wire rod from the Avellino production output, the marketing of the quantities produced in Hamburg, Emmerich and Olen is directed towards the rest of Europe.

IDEAS + IMPLEMENTATION

= INNOVATION

WHAT DOES COPPER HAVE TO DO WITH CREATIVITY? WE AT AURUBIS KNOW: A WHOLE LOT! SINCE TIME IMMEMORIAL, COPPER HAS ALWAYS BEEN AN INNOVATIVE HELPMATE. AS A TRUE MATERIAL OF PROGRESS, IT HAS ENABLED NEW TECHNOLOGIES TO BE CREATED AND THUS PERMANENTLY PROVIDED INNOVATIVE MOMENTUM. WE HAVE PARTICIPATED TO AN IMPORTANT DEGREE IN THIS, THE DEVELOPMENT OF NEW PRODUCTS IS ONE OF OUR SPECIAL STRENGTHS. OUR CLAIM AS EVER IS TO SUPPLY TODAY THE IDEAS FOR THE SUCCESS OF TOMORROW.

INTENSIVE RESEARCH INTO FUTURE-LOOKING PROCESSES AND MATERIALS IS THEREFORE AN IMPORTANT PILLAR OF THE AURUBIS STRATEGY. HIGHLY QUALIFIED EXPERTS WORK IN OUR OWN PILOT PLANTS ON IDENTIFYING FURTHER APPLICATION AREAS WITH INTELLIGENT PRODUCTS AND SOLUTIONS.

TO THE TOP BY VIRTUE OF OUR OWN STRENGTH

The markets are moving closer together, are more and more under the influence of state regimentation and are subject to increasingly faster processes of change. Against this background, demands on companies are especially high. Innovative ability, supported by systematic innovation management, is therefore required.

Targeted implementation of value-creating ideas

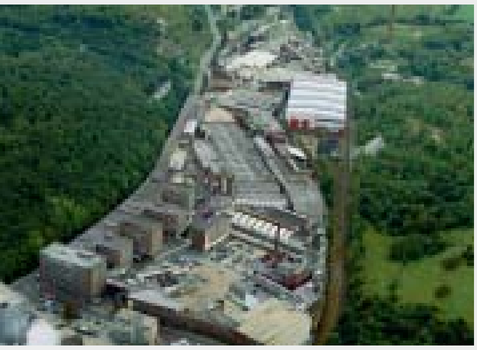
The motto is to keep moving. Continuous new and good ideas and their professional implementation are indispensable for business success. The best ideas are usually right on the doorstep, at the own company. The former suggestion scheme and the research and development activities were certainly excellent instruments, but Aurubis is now going a step further. We want to establish an innovation culture in a campaign that has been started throughout the Group and covers all working sectors that will bring us all a decisive step forward. Whether processes, products, services, efficiency or the strategic development of the business model – the aim is the creation of comprehensive innovation management that also includes our business partners.

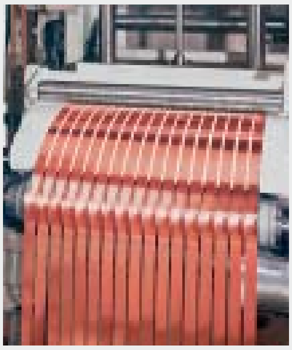
Even more know-how for our customers

Innovative power plays a large part in our relations with our customers. The more specific and higher the demands on our materials are, the more our ideas and know-how are required. We offer here cross-site interdisciplinary research and development work, for instance in a project for the Stolberg and Belgian Aurubis sites for the development of new copper alloys.

WE IMPROVE RESOURCE EFFICIENCY BY INNOVATIONS IN METALLURGY AND PROCESS TECHNOLOGY AND INCREASE PRODUCTIVITY IN OUR SMELTER PLANT AND TANKHOUSES, TAKING INTO ACCOUNT THE ENVIRONMENT.

STOLBERG SITE





The production of copper flat products is concentrated in Stolberg in the Rhineland, not far from Aachen. Aurubis Stolberg mainly produces high-precision strips and wire made of copper and copper alloys for the global market in its cold rolling mill and in the foundry. The strong orientation to specific market and customer requirements is characteristic for the on-site production activities.

FACTS AT A GLANCE

534 employees
Founded in 1643

Production and processing in 2008/09 in t	
Strip output	29,000
Wire output	9,500

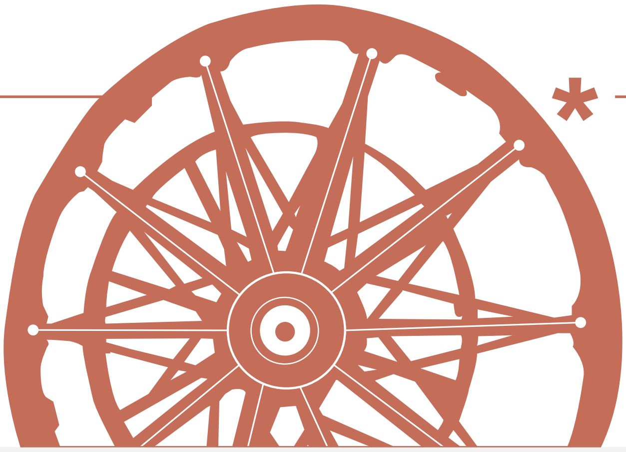
YVERDON SITE

FACTS AT A GLANCE

40 employees
Founded in 2002

Production and processing in 2008/09 in t	
Profiles output	4,600

Aurubis Switzerland S.A., which was founded in 2002 as Swiss Advanced Materials, supplies the market for complex copper profiles in the Group. About 30 km from Lausanne, it manufactures profiles using the Conform® process in complicated forms and in relatively small lot sizes with cost-effective processes.



UTILISING JOINT STRENGTHS

Close ties have been created between the Stolberg and Yverdon-les-Bains production sites as a result of the integration. While Aurubis Stolberg produces strips made of copper and copper alloys and shaped wires, Aurubis Switzerland has specialised in the production of complex profiles. The cooperation functions at all levels. As part of a technology transfer, the Conform® technology used in Switzerland has been taken over in Stolberg. Market development and the utilisation of the agency network are already being carried out jointly; a uniform market presence is being implemented. In addition, the proven market instrument of cross-selling is also being used. This enables the existing customer relationships to be used to market other services or products via them. Both sides benefit from this, since we can firstly fulfil the needs of our customers better, thereby increasing their satisfaction, and secondly have the opportunity to bind our customers long-term.

* Flywheel at Zinkhütter Hof, the Stolberg industrial museum

SUCCESS =

THE AMALGAMATION OF TWO SEASONED COMPANIES IS ACCOMPANIED BY A VARIETY OF CHALLENGES. SOME MIGHT GET CAUGHT UP IN DETAILS AND DIFFICULTIES, BUT AURUBIS JUMPS AT THE OPPORTUNITIES THAT SUCH A "WEDDING" OFFERS. AND TO STAY WITH THE IMAGE OF TYING THE KNOT: JUST AS IN A MARRIAGE, RESPECT, GOOD COMMUNICATION AND THE ABILITY TO MASTER UPS AND DOWNS TOGETHER COUNT IN OUR RELATIONSHIP.

WE BUNDLE OUR POSITIVE PROPERTIES AND KNOW THAT A HARMONIOUS CROSS-SITE COOPERATION CAN MAKE US EVEN STRONGER. WE ENHANCE OUR MARKET POSITION FURTHER BY SHARING OUR EXPERIENCES AND IDEAS.

SYNERGIES + NETWORKS

BUSINESS SUCCESS COMES FROM INSIDE

When two companies merge, it is important to harmonise processes and procedures quickly and efficiently. Improvement potential must be identified, developed and implemented. We initially concentrated on cross-linking the group administrative and production sectors and have thus laid the foundation for a sustained integration.

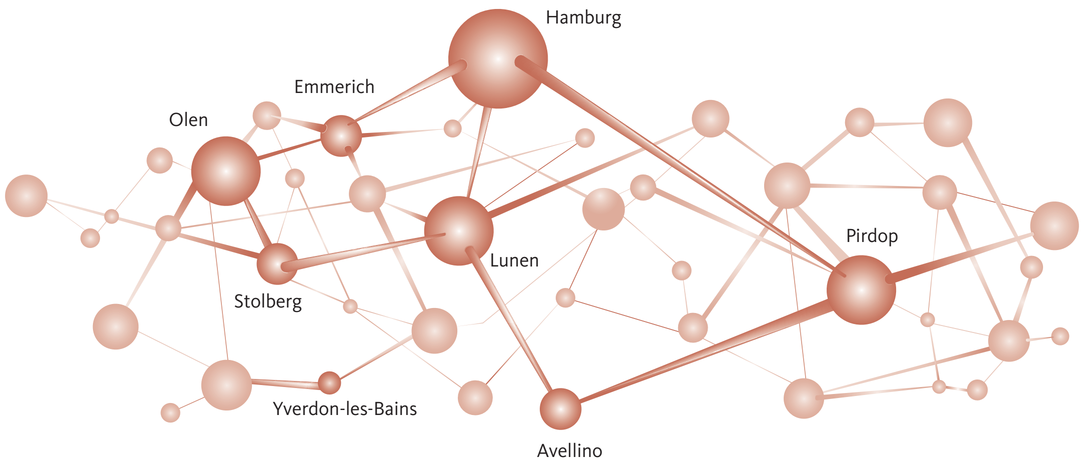
Intelligent networks create synergies

The cross-linking of the production sites is therefore extremely important. By optimising the group-wide material flow management, we are in a position to achieve sensible synergies. Thus, copper anodes from Hamburg can be processed flexibly in Lunen and Olen or vice versa. The cathodes produced in Olen are also used to supply the rod plant located there and the plant in Emmerich, which is also supplied with cathodes from Lunen. And finally Aurubis Italia in Avellino procures most of its cathodes from the tankhouse in Pirdop, an intelligent production network that literally pays off for Aurubis.

Improved processes also in administration

After analysis of the IT infrastructure, work was begun on setting up a corresponding group network in the administration sector and establishing a group-wide communication infrastructure. With success. Both projects have meanwhile been completed. Only the consolidation of the application systems is still in process.

Since we were well equipped from the EDP side, we could also use the infrastructure installed as part of the integration to adapt the Group's accounting systems to the requirements of a centrally run accounting system. The risk management system and internal audit were also matched to the new structures and expanded.



THE AURUBIS GROUP'S PRODUCTION SITES HAVE STRONG LINKS AND WIDELY RAMIFIED CONNECTIONS TO CUSTOMERS AND SUPPLIERS. IT MAINLY DEPENDS ON THE PEOPLE, SUPPORTED BY INFORMATION TECHNOLOGY AND ORGANISATIONAL SYSTEMS, WHEN INTERNAL INFORMATION STRUCTURES AND WORK PROCESSES HAVE TO BE SYNCHRONISED. INTERCULTURAL AND INTERDISCIPLINARY WORKING GROUPS HAVE OVERCOME THIS TASK VERY SUCCESSFULLY IN THE SHORTEST POSSIBLE TIME.

10%

LOGISTIC COSTS COULD BE REDUCED BY SOME 10%, INTER ALIA BY OPTIMISING THE MATERIAL FLOW BETWEEN THE SITES AND TO THE CUSTOMERS AND SUPPLIERS.

COST ADVANTAGE THANKS TO CENTRAL PROCUREMENT

We have followed the principle of bundled procurement in the centralisation of the procurement of strategically important goods and services. Accordingly, the Material Procurement Department in Hamburg coordinates the Group's requirements and carries out the procurement. It thus has a stronger negotiating position and in this way makes a contribution to the Group's success by the resultant cost savings.

AVELLINO SITE

Avellino, capital of the Avellino province in the region of Campania, is the location of our Italian factory for the production of wire rod, and, on a smaller scale, trolley and specialty wire. As the only producer of rod in Southern Italy, the location offers good connections to the Italian processing industry and the markets in the Mediterranean area.

FACTS AT A GLANCE

107 employees
Founded in 1972

Production and processing in 2008/09 in 1,000 t	
Wire rod output	132
Trolley wire output	5

EMMERICH SITE

FACTS AT A GLANCE

116 employees
Founded in 1975

Current shareholders: Aurubis AG (60%) and Codelco Kupferhandel GmbH, Dusseldorf (40%)

Production and processing in 2008/09 in 1,000 t	
Wire rod output (Aurubis share)	99

The logistically very well situated Deutsche Giessdraht GmbH in Emmerich on the Rhine specialises in the production of wire rod. This is in particular the starting product for the production of copper wires that are used as copper windings in transformers and motors and in the production of cable. Numerous variations of the product are produced using the Southwire process. Marketing is carried out by the company's shareholders on a pro-rata basis.

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HIGHLIGHTS OF THE FISCAL YEAR

OCTOBER 2008

» Salzgitter AG increases investment in Norddeutsche Affinerie AG to 20%.

» Inauguration of new high-tech tankhouse in Pirdop.

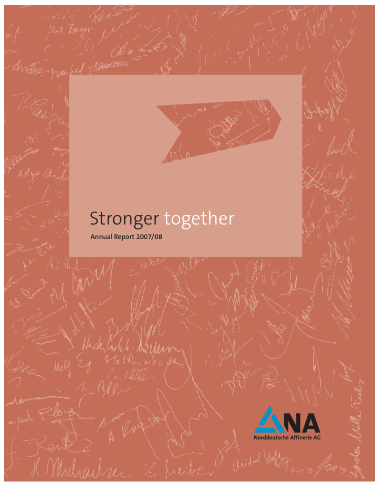
» Ground-breaking ceremony for KRS Plus investment project in Lunen with a volume of € 62.5 million.

NOVEMBER 2008

» Cumerio Belgium plans to discontinue production in the continuous casting plant at the Olen site.

DECEMBER 2008

» Norddeutsche Affinerie publishes best annual results in company history and proposes dividend increase.



APRIL 2009

» Norddeutsche Affinerie and Cumerio become Aurubis – renaming of plc (AG) and of production sites is completed.

MAY 2009

» Project start for expansion and modernisation of slag plant in Pirdop.

» Aurubis AG generates positive operating result – operating cash flow at the prior-year high level.

JUNE 2009

» Copper cathodes from new tankhouse in Pirdop are registered at the LME (London Metal Exchange).

» Group executive seminar is held under the motto Future Days.

JANUARY 2009

» Change in Supervisory Board of Norddeutsche Affinerie AG – Ulf Gänger retires, Prof. Dr Heinz Jörg Fuhrmann, Salzgitter AG, is newly appointed.

FEBRUARY 2009

» Last Annual General Meeting of NA AG resolves to change the name to Aurubis AG (26 February 2009).

MARCH 2009

» 1st quarter 2008/09: high operating cash flow and significantly negative earnings due to devaluation of copper inventories.

» Short-time working at the sites in Hamburg, Stolberg, Olen and Avellino is necessary – hardship ruling agreed with Works Council.

JULY 2009

» Wire rod output in Hamburg reaches the 6 million tonnes mark since commissioning in 1972.

» First of the series of "Shareholders' Day" events.

AUGUST 2009

» Aurubis Stolberg commissions new wire drawing plant with ultrasonic cleaning.

» First joint environmental declaration for the Aurubis Group.

SEPTEMBER 2009

» Aurubis welcomes 58 new apprentices and 13 new trainees in Hamburg.

LETTER TO THE SHAREHOLDERS

Dear Shareholders,

A difficult fiscal year in many ways lies behind us. It was marked by adverse impacts from the global economic and financial crisis and by major changes within the Group. Nevertheless, your Company has developed well and steered a stable course, with the result that our expectations which we presented to you in the prior-year outlook have largely materialised, and fiscal year 2008/09 closed with positive earnings. This enables us to pay a dividend again this year.

When we look back on the last fiscal year in detail, the economic crisis was paramount and we could not escape its repercussions. In the real economy, in trade and industry, it has in some instances left an indelible mark on business and earnings, whereby the commodity sector has got off lightly. Thus, the copper market has managed to recover substantially since the price collapse in December 2008 and the Aurubis business model, which is based on a certain degree of production and raw material flexibility, has proved to be resistant and stand the test of time.

Nevertheless, shortages of copper scrap on the markets for copper raw materials weighed on business in the first half of the fiscal year. The availability of copper concentrates also decreased, to the detriment of the general procurement conditions. The sales possibilities for our co-product, sulphuric acid, were seriously diminished as a result of the economic situation and its price suffered a strong decline. In product sales, the downturn in sales of our customer industries had a direct effect, with the result that short-time working could not be avoided even in some of our production sectors. However, the situation has improved in the course of the year, both as regards copper scrap procurement and in product sales.

Fiscal year 2008/09 is the first business year since the acquisition of Cumerio in which it is fully consolidated, and it is the first business year under our new name Aurubis AG. The renaming was a logical and necessary step which accompanied Cumerio's integration, which was performed rapidly and without complications. It has not been easy for us to dispense with the traditional name of Norddeutsche Affinerie, but we see this change as a signal. It does not stand for a break with the past because our basis is this past, but it marks the new beginning as an international group. The name Aurubis also stands for our concentration on our core copper business, with which we intend to develop the company further.

In the past months we have benefited from this approach of focusing on copper production and processing. We have reaped advantages from the new group structure, created as part of the integration of Cumerio, which could partly compensate the negative external impacts. In sales, it has paid off that we now have our product business on a wider basis and have strengthened our position in South and Southeast Europe. While our copper cathodes which are registered on the metal exchanges were in demand internationally and could be marketed well, the Group's local links and nearness to the users, which we have achieved as a result of our European locations, helped in copper product sales. In addition, we could counter partial supply shortages in the fiscal year by connecting the wide raw material bases and networking the production plants. On top of this, we have improved the technological and process standards throughout the Group by optimising processes and have also optimised our environmental protection and the management and administration processes. Overall, it can be said that Aurubis has passed its crucial test as an enlarged copper group.

The Executive Board of Aurubis AG is operatively responsible for the Company's Business Units and central functions. The collaboration in the Executive Board is characterised by close cooperation and an intensive interchange of ideas.

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 has been a full member since 19 April 2008. He is responsible for BU 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. Erwin 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 a 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. BU Recycling/Precious Metals is also his responsibility.

Dr Bernd Drouven
after management positions in the metal industry at Preussag, Degussa and Possehl, began his career in the NA Group in 2001 as the Managing Director of the former subsidiary Spiess-Urania Chemicals. In 2004 he moved to the group headquarters and was responsible for strategic planning in the Group. He has been a full member of the Executive Board since January 2006 and was the Chief Financial Officer until the end of September 2008. Dr Drouven was appointed Chief Executive Officer on 16 January 2008.

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 NA Group, he joined the Executive Board on 19 April 2008 and has been put in charge of BU Copper Products.

The smooth bringing together of the people working in the Group, from whom a great deal was demanded in the fiscal year, was also decisive. Existing local cultures hold all manner of cultural knowledge, and cultural diversity is to gain creativity. They ensure that ideas and opinions are exchanged, which again ends in innovations. We are therefore opening up this potential and the close cooperation between executives and employees and have taken this into account in our management structure and in the newly oriented HR management. A Code of Conduct has been worked out in a joint value process, which covers and includes all levels, with which we have provided a basis for group cohesion. We discuss this in more detail in the general part of the annual report.

Our core strategy, which is based on the integrated production competences in the production and processing of copper and includes our requirement for a cross-European and international presence, strong market penetration, wide product and service ranges and the leading edge in technology, has been improved in detail and will codetermine the business development in the next few years. Even in the economic crisis, we continued with strategically important investment projects and will also do this in future, with the focus on capital expenditure on expansions, such as the “RWO Future” and “KRS-Plus” projects. They give a clear direction that the course is being set for further qualitative and quantitative growth in the Group. We also intend to develop further externally and to do this in our traditional business areas with our sights on the growth markets of the future.

Aurubis is a company with opportunities and prospects. As our shareholders, you have remained loyal to us, even in difficult times, for which my colleagues on the Executive Board and I would like to thank you. We hope that you will also put your trust in the enlarged company under the new name of Aurubis AG.

The new fiscal year 2009/10 is the first year after the peak of the economic crisis. Of course, late effects and economic aftermaths cannot be ruled out, but I am convinced that the global economy will recover slowly. On this basis, the omens for the copper market will turn out to be mainly positive. It now remains to be seen if these assumptions apply. We shall pursue our strategic targets regardless and continue with the optimisation of the inner processes and structures – with the aim first and foremost which drives us all: to make the company crisis-proof and a going concern and to enhance and consolidate Aurubis’s position as the leading integrated copper company worldwide.

Yours sincerely

Dr Bernd Drouven
Chairman of the Board of Aurubis AG

REPORT OF THE SUPERVISORY BOARD

Dear Shareholders,

Fiscal year 2008/09 was dominated by the difficult general conditions of the financial crisis. Despite that, Aurubis AG generated a positive result. The decline in the operating result was mainly due to the slowdown in the copper product business, the acid business and due to the very volatile copper scrap recycling business. The Supervisory Board would like to thank the Executive Board, management and employees for their successful contributions.

The Supervisory Board has twelve members with equal representation in accordance with the German Co-determination Act, six of whom represent the shareholders and six the employees. During the year under review, Prof. Dr Heinz Jörg Fuhrmann was appointed a member of the Supervisory Board by the court with effect from 5 January 2009 and then elected at the Annual General Meeting. Mr Thomas Leysen stepped down from the Supervisory Board on 30 September 2009. Prof. Dr h. c. Wolfgang Leese was appointed by the court as a member of the Supervisory Board with effect from 1 October 2009 until the next ordinary Annual General Meeting.

During the past fiscal year 2008/09, the Supervisory Board was again in constant contact with the Executive Board, advised it, and monitored and supervised the main business processes on a continuous basis. The Supervisory Board supports the Group's current strategic orientation, which has been agreed with it. The joint aim of the Executive Board and the Supervisory Board is to increase the enterprise value long-term in the interests of the stakeholders.

Dr Ernst J. Wortberg
Chairman of the Supervisory Board

The Supervisory Board performed the functions incumbent upon it by law and in the Articles of Association with great care during the past fiscal year.

The Executive Board informed the Supervisory Board regularly, promptly and comprehensively, in written and verbal reports about planned business policies, all fundamental aspects of the corporate planning, including financial, investment and personnel planning and the further strategic development. Apart from questions on the integration of the Belgium copper group Cumerio nv/sa, the main focus was on the effects of the financial crisis on the business and the strategic orientation of the Group. The Supervisory Board approved capital expenditure on the expansion of the primary smelter and tankhouse in Hamburg as well as the KRS in Lunen. The Supervisory Board was kept informed regularly, promptly and in detail about the Group's position including the risk situation, and risk management and compliance within the Group. Deviations in the course of business from the budgets and targets were discussed in detail by the Supervisory Board and reviewed by it on the basis of the documents presented. The Executive Board similarly kept the Supervisory Board informed – also between meetings – about events of fundamental importance for the assessment of the Company's situation and development and for the management of the Company.

The Executive Board agreed the Company's strategic orientation with the Supervisory Board at the Supervisory Board meeting on 7 May 2009. Furthermore, following the receipt of detailed reports from the Executive Board, all important business transactions were discussed extensively by the Supervisory Board and debated in the respective responsible committees. The documents required for making decisions, in particular the separate financial statements of Aurubis AG, the consolidated financial statements and the long-form audit report, were issued to the members of the Supervisory Board in good time before the meetings, and reviewed by them.

The Supervisory Board has defined rights of veto for transactions of fundamental importance, in particular those that would have a fundamental effect on the net assets, financial position and results of operations. The Supervisory Board gave its approval to important business requiring approval, such as the expansion of the primary smelter at the Hamburg site, in each case following detailed consultations.

Outside the Supervisory Board meetings, the Chairman of the Supervisory Board maintained regular close contact with the Chairman of the Executive Board.

Five scheduled Supervisory Board meetings and one extraordinary Supervisory Board meeting were held in fiscal year 2008/09. No member of the Supervisory Board attended less than half of the Supervisory Board meetings.

Work of the committees

In addition to the **Conciliation Committee** required by law in accordance with Section 27 paragraph 3 German Co-determination Act, the Supervisory Board again appointed a **Personnel Committee**, an **Audit Committee** and a **Nomination Committee**. Apart from the Nomination Committee, which since 1 November 2009 has been made up of four representatives of the shareholders, all committees have an equal number of representatives of the shareholders and the employees. The Chairman of the Supervisory Board also chairs all committees, apart from the Audit Committee. The Chairman of the Audit Committee has specialist knowledge and experience of the application of accounting principles and internal control procedures. He is independent and is not a former member of the Company's Executive Board.

During the year under review, the Personnel Committee met three times, the Audit Committee five times and the Nomination Committee twice. The auditors participated in one meeting of the Audit Committee. The Conciliation Committee did not meet during the fiscal year.

The work of the Personnel Committee mainly focused on the preparations for the imminent basic revision of the Executive Board's contracts on account of the Law on the Appropriateness of Executive Board Compensation (VorstAG) and in particular the preparations for the reappointment of Dr Michael Landau and Mr Peter Willbrandt.

The Audit Committee considered, in particular, the separate financial statements of Aurubis AG and the consolidated financial statements for the past fiscal year, accounting questions, the risk management and the internal control systems, such as the organisation of procedures in the hedging sector, the appointment of the auditors and the agreement of the fee with the auditors. In addition, it monitored the independence of the auditors and obtained the respective declaration. The Audit Committee also considered the Company's compliance management, including the tasks of the internal auditors. It discussed significant risks with the Executive Board.

Following the meetings, the committee chairmen reported to the Supervisory Board in each case on the work of the committees and the results achieved.

Main matters considered by the Supervisory Board

Apart from the development of the global economy overall, the meetings considered in particular the developments on the metal and foreign exchange markets, as well as the raw material, energy and product markets. The meetings focused on the integration of the Cumerio Group and the repercussions of the financial crisis. The Supervisory Board was likewise concerned with personnel matters and with expansion projects.

Corporate governance

The Supervisory Board discussed in detail the appropriateness of the structure of the Executive Board's compensation system and intends to adapt this to the new legal provisions as quickly as possible. At its meetings on 7 May 2009 and 21 September 2009, the Supervisory Board also reviewed in detail the efficiency of its activities.

No former members of the Executive Board serve on the Supervisory Board.

On 14 December 2009, the Executive Board and Supervisory Board once again issued a Declaration of Conformity in accordance with Section 161 German Companies Act. It is included in this annual report and available at *www.aurubis.com*.

Further information on corporate governance at Aurubis AG is provided in the corporate governance report in this annual report.

Audit of the separate and consolidated financial statements

The Company's financial statements prepared by the Executive Board in accordance with the HGB (German GAAP) and the consolidated financial statements prepared in accordance with IFRS (International Financial Reporting Standards) for the fiscal year from 1 October 2008 to 30 September 2009 and the management reports for the Company and the Group, together with the bookkeeping system, have been audited by PricewaterhouseCoopers AG, Wirtschaftsprüfungsgesellschaft, Hamburg, in accordance with the resolution passed at the Company's Annual General Meeting on 26 February 2009 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 14 December 2009. 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 at the meeting on the financial statements, 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. The Supervisory Board concurred with the Executive Board's recommendation on the utilisation of the unappropriated earnings.

Change in the Executive Board

Dr Bernd Langner retired from the Company's Executive Board on 31 December 2008. Our thanks go to Dr Langner for his successful contributions to the Company.

The Supervisory Board would like to thank the Executive Board, the management, the employees and the employees' representatives of all the group companies for their responsible, dedicated service and successful work under difficult conditions during the year under review.

Hamburg, 14 December 2009

The Supervisory Board

Ernst Wortberg

Dr Ernst J. Wortberg
Chairman of the Supervisory Board

SUPERVISORY AND EXECUTIVE BOARDS

SUPERVISORY BOARD

Dr Ernst J. Wortberg, Dortmund
Chairman
Professional Supervisory Board Member

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

Gottlieb Förster, Itzstedt *
Union Secretary of the Industrial Union:
Mining, Chemistry, Energy, Hanover
» Currenta GmbH & Co. OHG, Leverkusen
  Deputy Chaiman of the Supervisory Board
» Gerresheimer AG, Dusseldorf
  Deputy Chairman of the Supervisory Board
» Chemie Pensionsfonds AG, Munich
  Member of the Supervisory Board until 30 June 2009

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
» Desitin Arzneimittel GmbH, Hamburg
  Deputy Chairman of the Advisory Board
» Bernhard Schulte KG, Hamburg
  Member of the Advisory Council

Prof. Dr Heinz Jörg Fuhrmann, Salzgitter *(since 5 January 2009)*
Deputy Chairman of the Executive Board
of Salzgitter AG, Salzgitter
» Mannesmannröhren-Werke GmbH, Mulheim / Ruhr **
  Member of the Supervisory Board
» Salzgitter Mannesmann Handel GmbH, Dusseldorf **
  Deputy Chairman of the Supervisory Board
» Salzgitter Stahl GmbH, Salzgitter **
  Member of the Supervisory Board
» Salzgitter Flachstahl GmbH, Salzgitter **
  Member of the Supervisory Board
» Europipe GmbH, Mulheim **
  Member of the Supervisory Board
» Öffentliche Lebensversicherung Braunschweig, Brunswick
  Member of the Supervisory Board
» Öffentliche Sachversicherung Braunschweig, Brunswick
  Member of the Supervisory Board
» Klöckner-Werke AG, Frankfurt a. M. **
  Chairman of the Supervisory Board
» KHS AG, Dortmund **
  Chairman of the Supervisory Board since 1 February 2009
» Nordcon Investment Management AG, Hanover
  Member of the Supervisory Board
» 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

Ulf Gänger, Hamburg *(until 31 December 2008)*
Professional Supervisory Board Member
» NAVIS Schiffahrts- und Speditions-Aktiengesellschaft,
  Hamburg
  Chairman of the Supervisory Board
» Peter Cremer Holding GmbH & Co., Hamburg
  Member of the Advisory Board
» Gewürzwerk Hermann Laue (GmbH & Co.), Ahrensburg
  Deputy Chairman of the Advisory Board
» First Ship Lease Pte. Ltd., Singapore
  Member of the Board

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
Member of the Supervisory Board

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

Prof. Dr E. h. Wolfgang Leese, Kamp-Lintfort
(appointed by the court as of 1 October 2009
until the close of the next ordinary AGM)
Chairman of the Executive Board of Salzgitter AG, Salzgitter
» MAN Nutzfahrzeuge AG, Munich
Member of the Supervisory Board
» Mannesmannröhren-Werke GmbH, Mulheim / Ruhr **
Chairman of the Supervisory Board
» Peiner Träger GmbH, Peine
Chairman of the Supervisory Board
until 30 April 2009
» Salzgitter Mannesmann Handel GmbH, Dusseldorf **
Chairman of the Supervisory Board
» Salzgitter Stahl GmbH, Salzgitter **
Chairman of the Supervisory Board
» Dresdner Bank AG, Hamburg
Chairman of the Advisory Board
» Norddeutsche Landesbank, Hanover
Member of the Advisory Board

* elected by the employeess
** Salzgitter Group companies

Thomas Leysen, Antwerp
(until 30 September 2009)
Chairman of the Board of Directors of Umicore nv / sa, Brussels, Belgium
» Corelio NV, Groot-Bijgaarden, Belgium
Chairman of the Board
» B. Metzler seel. Sohn & Co., KGaA,
Frankfurt a. M.
Member of the Supervisory Board
» CMB NV, Antwerp, Belgium
Member of the Supervisory Board
» Etex N.V., Brussels, Belgium
Member of the Supervisory Board since 1 January 2009
» UCB S.A., Brussels, Belgium
Member of the Supervisory Board since 1 January 2009
» IMEC vzw., Leuven, Belgium
Member of the Supervisory Board since 1 January 2009

Dr med. Thomas Schultek, Lubeck *
Head of Group Health Protection at Aurubis AG

Rolf Schwertz, Datteln *
Bricklayer and boiler operator
Member of the Works' Council of Aurubis AG, Lunen

Prof. Dr Fritz Vahrenholt, Hamburg
Chairman of the Management Board of RWE Innogy GmbH, Essen
» ThyssenKrupp Technologies AG, Essen
Member of the Supervisory Board
» VERBIO Vereinigte Bioenergie AG, Leipzig
Deputy Chairman of the Supervisory Board
» KELAG Kärntner Energieversorgung, Klagenfurt
Member of the Supervisory Board
» RADAG Rheinkraftwerk Albbruck-Dogern AG, Laufenburg
Chairman of the Supervisory Board since 1 November 2008
» Mateco AG, Stuttgart
Member of the Supervisory Board since 5 June 2009

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

SUPERVISORY BOARD COMMITTEES

Conciliation Committee in accordance with Section 27 par. 3 Law on Co-determination
Dr Ernst J. Wortberg (Chairman)
Hans-Jürgen Grundmann (Deputy Chairman)
Dr Peter von Foerster until 30 October 2009
Renate Hold
Prof. Dr E.h. Wolfgang Leese since 1 November 2009

Audit Committee
Ulf Gänger (Chairman) until 31 December 2008
Prof. Dr Heinz Jörg Fuhrmann (Chairman) since 14 January 2009
Gottlieb Förster
Hans-Jürgen Grundmann
Dr Ernst J. Wortberg

Personnel Committee
Dr Ernst J. Wortberg (Chairman)
Dr Peter von Foerster until 30 September 2009
Hans-Jürgen Grundmann
Renate Hold
Prof. Dr E.h. Wolfgang Leese since 1 October 2009
Dr med. Thomas Schultek
Prof. Dr Fritz Vahrenholt

Nomination Committee
Dr Ernst J. Wortberg (Chairman)
Dr Peter von Foerster
Rainer Grohe
Prof. Dr E.h. Wolfgang Leese since 1 November 2009

EXECUTIVE BOARD

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

Dr Stefan Boel, Hamme, Belgium
born: 9 June 1966
Member of the Executive Board
appointed until 30 April 2011

Erwin Faust, Hamburg
born: 4 January 1957
Member of the Executive Board since 1 October 2008
appointed until 30 September 2011

Dr Michael Landau, Molln
born: 26 July 1950
Member of the Executive Board,
Director of Industrial Relations
appointed until 31 May 2010

Dr Bernd Langner, Winsen / Luhe
born: 30 January 1949
Member of the Executive Board
appointed until 31 December 2008

Peter Willbrandt, Winsen / Luhe
born: 16 February 1962
Member of the Executive Board
appointed until 31 March 2010

CORPORATE GOVERNANCE REPORT

Aurubis AG regards good corporate governance as the fundamental prerequisite for sustained corporate development. Close and efficient cooperation between the Executive and Supervisory Boards, respect for shareholders' interests, open corporate communications, the responsible handling of risks as well as proper accounting and the annual audit form the basis for success. In order to fulfil this responsibility, the Company has developed a joint concept, to which its actions should be oriented.

Close cooperation between Executive Board and Supervisory Board

The Executive Board and the Supervisory Board cooperate closely in the interests of the Company. The Chief Executive Officer and the Chairman of the Supervisory Board are in regular contact and discuss strategy, business development and the Company's compliance and risk management. The Chief Executive Officer kept the Chairman of the Supervisory Board informed promptly and comprehensively on all matters of importance. The Executive Board provided detailed explanations to Supervisory Board on any deviations from the budgets and targets. The Company's strategic orientation is agreed with the Supervisory Board at regular intervals. The Supervisory Board has defined rights of veto in favour of the Supervisory Board for transactions of fundamental importance, in particular those that would have a significant effect on the Company's net assets, financial position and results of operations.

Executive Board

The Executive Board manages the company with the objective of achieving sustained value added in the interests of the Company, taking into account the needs of all stakeholders.

The Executive Board develops the Company's strategic orientation in agreement with the Supervisory Board. Dr Bernd Drouven is the Chief Executive Officer and Mr Erwin Faust is the Chief Financial Officer.

The operating sector is divided into three Business Units. Dr Stefan Boel is responsible for the Copper Products Unit, Dr Michael Landau for the Recycling & Precious Metals Unit and Mr Peter Willbrandt for the Primary Copper Unit. Details are provided by the corporate rules of procedure.

Until leaving the Company on 31 December 2008, Dr Bernd Langner was responsible for Research and Development and at times for Central Services at the Hamburg plant.

Supervisory Board

The Company has a Supervisory Board pursuant to the German Co-determination Act. The representatives of the shareholders and the employees prepare for the Supervisory Board meetings separately with members of the Executive Board.

No former members of the Company's Executive Board serve on the Supervisory Board.

The Company has taken out D&O insurance (pecuniary loss / third party indemnity) for the Executive Board and the Supervisory Board and for the management of Group companies with a retention of one annual fixed salary. The amount of the retention for the Executive Board is laid down by the provisions of the existing Executive Board contracts.

No consultancy or other service contracts or contracts for work and services existed between members of the Supervisory Board and the Company during the past fiscal year. No conflicts of interest of Executive and Supervisory Board members, which must be disclosed to the Supervisory Board without delay, have occurred. The Executive Board and the Supervisory Board hold less than 1% of the shares issued by the Company.

The Supervisory Board has formed the following committees from its members to improve its efficiency:

Committees

Personnel Committee

The Supervisory Board has appointed a six-member Personnel Committee with equal numbers of representatives of the shareholders and employees. The Personnel Committee, in particular, prepared the reappointment of Dr Michael Landau and Mr Peter Willbrandt. In addition, it considered the structure and level of compensation paid to all members of the Executive Board. The Chairman of the Personnel Committee is the Chairman of the Supervisory Board.

Following the preparatory work of the Personnel Committee, the Supervisory Board discusses and reaches an agreement on the compensation system for the Executive Board, decides on the total compensation paid to the individual members of the Executive Board and reviews this regularly.

Audit Committee

The Supervisory Board has appointed a four-member Audit Committee with equal numbers of representatives of the shareholders and the employees. The Chairman of the Supervisory Board is a member of the Audit Committee, but is not its Chairman.

The German Corporate Governance Code recommends that the Chairman of the Audit Committee has specialist knowledge and experience in the application of accounting principles and internal audit procedures. Aurubis AG also complies with this recommendation. Mr Ulf Gänger, who was Chairman of the Audit Committee until 31 December 2008, was a member of the Executive Board of the Hamburgische Landesbank (now HSH Nordbank AG), and served for many years as Chairman of the Supervisory Board of Helm AG. His business career furthermore provided Mr Gänger with extensive practical knowledge and experience in the approach to internal control procedures.

Prof. Dr Heinz Jörg Fuhrmann, Chairman of the Audit Committee since 14 January 2009, is the Deputy Chairman of Salzgitter AG and its Chief Financial Officer, and a member of the Supervisory Board of various other companies. Accordingly, he also possesses special expertise and experience in the application of accounting principles and internal control procedures. He is likewise independent and is not a former member of the Company's Executive Board.

The Audit Committee concerned itself in particular with the separate and consolidated financial statements for the past fiscal year and with the interim reports, with accounting questions, risk management and internal control systems. Its work also covered the necessary independence of the auditors, the appointment of the auditors, the main focuses of the audit and the agreement of the fee with the auditors.

Nomination Committee

A Nomination Committee, consisting on 1 November 2009 of four representatives of the shareholders, was formed to propose candidates for election as shareholder representatives on the Supervisory Board. It is chaired by the Chairman of the Supervisory Board.

The committee chairmen report regularly and in detail to the Supervisory Board on the work of the committees.

Conciliation Committee

The Conciliation Committee did not meet during the past fiscal year.

Examination of efficiency / Independence

The Supervisory Board reviewed and examined the efficiency of its activities and considered possible ways of optimising these. The Supervisory Board believes that it has an adequate number of independent members.

Directors' Dealings

In accordance with Section 15a of the German Securities Trading Act, members of the Executive and Supervisory Boards have to disclose acquisitions and sales of Company shares. The Executive Board members, Dr Bernd Drouven, Mr Erwin Faust and Dr Michael Landau, informed the Company that they had transacted notifiable business during the period from 1 October 2008 to 30 September 2009, in that Dr Drouven and Mr Faust acquired a total of 2,400 no-par-value shares and Dr Landau sold 7,000 no-par-value shares in the Company during that period.

The Supervisory Board members, Mr Rolf Schwertz and Mr Helmut Wirtz, informed the Company that they acquired 1,500 no-par-value shares in the Company during the period from 1 October 2008 to 30 September 2009.

The Company then reported this information to the Federal Financial Supervisory Authority and published it.

Corporate communications

Our corporate communications attribute great importance to the requirement to provide all target groups simultaneously with the same information in German and English. Private investors can also obtain up-to-date information on current developments in the Group via the Internet.

Our shareholders can obtain information sufficiently in advance on a regular basis about important deadlines via the financial calendar, which is published in the Annual Report, in the quarterly reports and on the Company's website. We hold regular meetings with analysts and institutional investors as part of our investor relations activities. In addition to an annual analysts' conference, telephone conferences are also held for analysts, in particular in connection with the publication of the quarterly figures. We also make all matters disclosed to financial analysts and comparable addressees available immediately to the shareholders on the Company's website.

Aurubis AG's ad-hoc and press releases are made available to the shareholders via the Company's website. The Company's Articles of Association are similarly filed on our website. The Declaration of Conformity with the German Corporate Governance Code and all Declarations of Conformity that are no longer current are available on the Company's website.

In order to make it easier for shareholders to exercise their rights and prepare for the Annual General Meeting, the relevant reports and documents for the Annual General Meeting are posted on Aurubis AG's website (*www.aurubis.com*) and are sent to shareholders on request. Shareholders unable to exercise their voting rights in person at the Annual General Meeting have the opportunity to vote via the Internet or to appoint a Company employee, who is also reachable during the AGM, to act on their instructions as proxy.

Responsible handling of risks and compliance

Good corporate governance also includes the responsible handling of risks by the Company. Within the framework of our value-oriented group management, appropriate risk management and risk controlling ensure that risks are identified promptly and risk positions minimised.

The compliance management was developed further in the fiscal year so as to take account of the requirements resulting from the legal requirements and the Code of Conduct. The Chief Compliance Officer reports regularly to the Executive Board and to the Audit Committee of the Supervisory Board.

Financial reporting and annual audit

The consolidated financial statements of Aurubis AG and its subsidiaries and its interim reports are prepared in accordance with International Financial Reporting Standards (IFRS) in compliance with the requirements of the International Accounting Standards Board.

PricewaterhouseCoopers AG, Wirtschaftsprüfungsgesellschaft, Hamburg, was appointed auditors for fiscal year 2008/09 at the 2009 Annual General Meeting.

In accordance with the recommendation of the German Corporate Governance Code, the Audit Committee obtained a declaration from the auditors, before submitting the proposal for the election of the auditors, on whether and, if applicable, which professional, financial, personal or other relationships existed between the auditors and their executive bodies and the audit staff responsible for the audit, on the one hand, and the Company and members of its executive bodies, on the other hand, that could cast any doubts on the auditors' independence. The declaration also covered the extent to which any other services were provided for the Company, in particular in the consultancy sector, during the previous fiscal year or had been contractually agreed for the coming year.

Furthermore, the Audit Committee of the Company's Supervisory Board agreed with the auditors that the Chairman of the Audit Committee would be informed without delay about any grounds for exclusion or lack of impartiality, even if such grounds were to be remedied immediately.

Finally, it was agreed with the auditors that they would report without delay any facts and events of significance for the duties of the Supervisory Board, which came to their attention during the audit, and that the auditors would advise the Supervisory Board or note this in the long-form audit report, if they ascertained any facts while performing their audit that were inconsistent with the Declaration of Conformity issued by the Executive Board and Supervisory Board.

The auditors participated in the Supervisory Board's deliberations on the separate and consolidated financial statements and reported on the main results of their audit.

COMPENSATION REPORT

Compensation of the Executive Board *

The compensation paid to the individual members of the Executive Board is defined in their employment contracts and consists of several components, comprising fixed compensation, a guaranteed bonus, a variable bonus against which the guaranteed bonus is offset, a component with long-term incentive effect, 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 guaranteed bonus (minimum bonus), the fringe benefits and pension plans. The fixed compensation and guaranteed bonus are paid out monthly in equal instalments. In addition, the members of the Executive Board 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 first portion of the variable compensation is the bonus, which is dependent on the dividend paid for the respective fiscal year.

The second portion of the variable compensation is the component with long-term incentive effect based on a multi-year assessment. This is the Company's incentive plan.

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 3 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

* This report on the Executive Board's compensation is part of the management report of the Group.

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.

The incentive plan is not financed by an increase in the Company's capital, but through the income statement as personnel expenses.

Pension plans have also 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 and the guaranteed bonus (in the case of the newer agreements for Dr Drouven, Mr Faust and Mr Willbrandt without the guaranteed bonus). 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 and Mr Willbrandt) or 62 (Dr Landau and Dr Langner) or in the event of their disability. Dr Boel has a defined contribution pension plan with the Company, 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 for reasons for which they are not responsible, Executive Board members (with the exception of Dr Boel) will under certain conditions receive an early retirement pension from the pension plan. These conditions are fulfilled if the Executive Board member has completed at least five years of service at Aurubis and is at least 55 years old (Dr Drouven, Mr Faust and Mr Willbrandt) or has completed either 25 years of service or 15 years of service respectively and is at least 50 years old (Dr Landau and Dr Langner). This ruling came into effect when Dr Bernd Langner retired.

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

The former Chief Executive Officer, Dr Werner Marnette, who resigned from the Executive Board on 9 November 2007, will continue to receive his fixed income and guaranteed bonus until his contract expires on 31 March 2010, deducting other compensation from this amount. The dividend-related bonus will gradually be reduced until the end of fiscal year 2009/10. Dr Marnette has entitlements from the third and fourth tranches of the incentive plan. Dr Marnette will draw a pension from April 2010 onwards.

The total compensation paid to active members of the Executive Board for activities in fiscal year 2008/09 amounted to € 3.246 million.

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

in €	Fixed salary	Fringe benefits	Variable compensation	Compensation from incentive plan	Total	Allocation to pension provision in fiscal year
Dr Bernd Drouven	417,000	22,380	267,900	30,940	738,220	104,364
Dr Stefan Boel	308,000	60,378	191,300	0	559,678	0
Erwin Faust	308,000	13,856	191,300	0	513,156	74,518
Dr Michael Landau	308,000	28,060	191,300	82,390	609,750	266,776
Dr Bernd Langner until 31 Dec. 2008	77,000	107,310 *	47,825	43,800	275,935	197,217
Peter Willbrandt	308,000	23,597	191,300	26,612	549,509	75,388
Total	**1,726,000**	**255,581**	**1,080,925**	**183,742**	**3,246,248**	**718,263**

* This includes a compensatory amount of € 100,000 in immediate full settlement of Dr Bernd Langner's contractual non-competition clause.

Since 1 October 2008, Dr Marnette has received compensation of € 496,048, and € 150,175 has been provided for his compensation entitlement until 31 March 2010.

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 € 718,263. This amount comprises service cost and interest cost. An amount of € 50,000 per fiscal year is paid into an external pension fund for Dr Boel.

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

	Number of options	Value of options as at 30 September 2009 in €				Total
		3rd tranche	4th tranche	5th tranche	6th tranche	in €
Dr Bernd Drouven	64,000	0.00	108,080.00	94,978.00	24,218.00	227,276.00
Dr Stefan Boel	28,000	0.00	0.00	53,188.00	24,218.00	77,406.00
Erwin Faust	14,000	0.00	0.00	0.00	24,218.00	24,218.00
Dr Michael Landau	42,000	0.00	108,080.00	53,188.00	24,218.00	185,486.00
Dr Bernd Langner until 31 Dec. 2008	22,000	0.00	61,760.00	26,594.00	6,781.00	95,135.00
Peter Willbrandt	37,850	11,972.00	61,760.00	53,188.00	24,218.00	151,138.00
Total	207,850	11,972.00	339,680.00	281,136.00	127,871.00	760,659.00

Former members of the Executive Board and their surviving dependents received a total of € 1,178,320, while € 10,620,986 has been provided for their pension entitlement (excluding Dr Marnette).

Compensation of 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 € 10,000 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 € 2,500 per fiscal year for each committee served on, not however exceeding € 5,000 per fiscal year. Supervisory Board members, who chair a Supervisory Board committee, receive an additional € 5,000 per fiscal year per chairmanship, not however exceeding € 10,000 per fiscal year. Apart from the fixed component, the members of the Supervisory Board receive a performance-related bonus of € 200 per € 0.01 of dividend distributed to the shareholders in excess of € 0.20 per no-par-value share for the fiscal year. The Chairman of the Supervisory Board receives twice and his deputy 1.5 times this amount.

In addition, every member of the Supervisory Board receives an annual bonus linked to the Company's long-term performance of € 500 for every € 1,000,000 of the Company's earnings before taxes (EBT) in excess of € 70,000,000 per annum on average over the last three fiscal years (reference period). The Chairman receives twice and his deputy 1.5 times this amount.

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 2008/09:

in €	Fixed compensation	Variable compensation	Long-term compensation components	Compensation for committee membership	Attendance fees	Total
Dr Ernst J. Wortberg	20,000	18,000	130,000	10,000	8,500	186,500
Hans-Jürgen Grundmann	15,000	13,500	97,500	5,000	7,500	138,500
Gottlieb Förster	10,000	9,000	65,000	2,500	6,000	92,500
Dr Peter von Foerster	10,000	9,000	65,000	5,000	5,500	94,500
Prof. Dr Heinz-Jörg Fuhrmann **	7,370	6,633	47,904	3,562	4,500	69,969
Ulf Gänger *	2,521	2,269	16,384	1,261	2,000	24,435
Rainer Grohe	10,000	9,000	65,000	2,500	4,000	90,500
Renate Hold	10,000	9,000	65,000	5,000	5,000	94,000
Thomas Leysen	10,000	9,000	65,000	0	3,500	87,500
Dr Thomas Schultek	10,000	9,000	65,000	2,500	5,000	91,500
Rolf Schwertz	10,000	9,000	65,000	0	3,500	87,500
Prof. Dr Fritz Vahrenholt	10,000	9,000	65,000	2,500	5,500	92,000
Helmut Wirtz	10,000	9,000	65,000	0	3,500	87,500
Total	**134,891**	**121,402**	**876,788**	**39,823**	**64,000**	**1,236,904**

* until 31 December 2008
** since 5 January 2009

On this basis, the Supervisory Board members received a total of € 1,236,904.

Hamburg, 14 December 2009

The Executive Board

Dr Bernd Drouven
Chairman

Dr Michael Landau
Member of the Board

The Supervisory Board

Dr Ernst J. Wortberg
Chairman

DECLARATION OF CONFORMITY IN ACCORDANCE WITH SECTION 161 GERMAN COMPANIES ACT

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 6 June 2008 were applied in the period from 1 October 2008 to 5 August 2009 and that thereafter the recommendations of the "German Corporate Governance Code" in the version dated 18 June 2009 were and are being applied with the following exceptions:

» Part of the variable compensation included in Executive Board contracts does not relate to demanding, relevant comparison parameters. As a result of the new Corporate Governance Code ruling, the relevant comparison parameters are not, as in the past, applicable only to long-term, but also to short-term, variable compensation components. The contracts of the Executive Board will be amended to accommodate the new rulings shortly as part of basic restructuring of the compensation paid to Executive Board members (deviation from Code Section 4.2.3 paragraph 3, sentence 2).

» The Executive Board contracts do not currently contain a cap for all variable compensation components in the event of extraordinary developments. An amendment will likewise be made shortly as part of the restructuring of the compensation paid to Executive Board members (deviation from Code Section 4.2.3 paragraph 3, sentence 4).

» 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 since the contracts of the Executive Board currently have only a term of three years and a severance payment cap would not be binding for the Executive Board member. If there is no good cause in terms of Sections 84 paragraph 3 sentence 1 German Companies Act, 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 payment cap in terms of the Code recommendation (deviation from Code Section 4.2.3 paragraph 4).

Hamburg, 14 December 2009

The Executive Board

Dr Bernd Drouven
Chairman

Dr Michael Landau
Member of the Board

The Supervisory Board

Dr Ernst J. Wortberg
Chairman

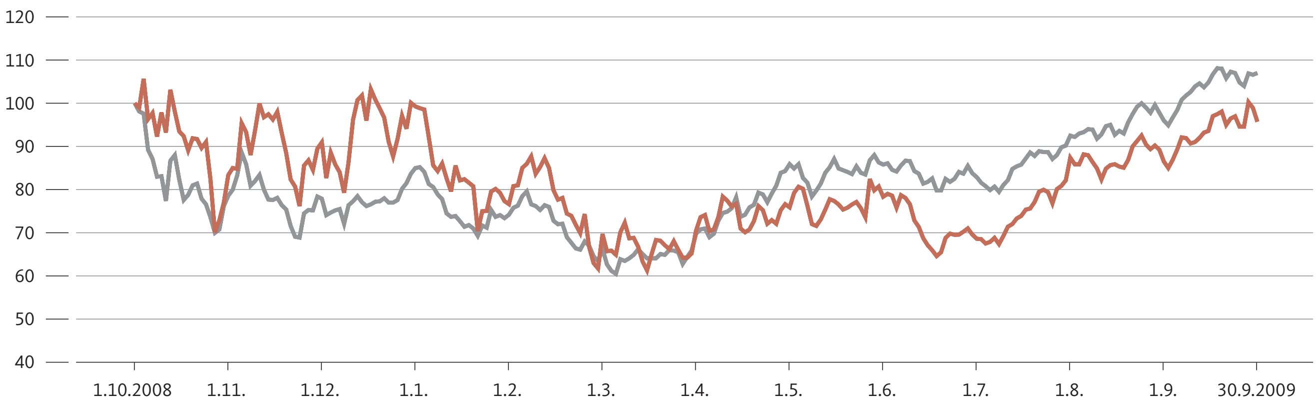
AURUBIS SHARES

Tension on capital market eases slightly thanks to economic stimulus packages
The international stock markets were very much under the influence of the global financial and economic crisis in fiscal year 2008/09. The financial markets developed a strong downtrend right at the beginning, i.e. in October 2008. Following the insolvency of the American investment bank, Lehman Brothers, the fear of further collapses caused investors to withdraw liquidity from the capital market. The share prices on the stock exchanges plummeted. Many of the major industrial nations initiated economic stimulus packages as a reaction to the trend and reduced their prime lending rates substantially. Both measures however had a delayed impact, with the result that the economy did not show signs of recovery until mid 2009.

Compared with the leading German share indexes, Aurubis shares initially performed relatively stably in this environment, but their volatility increased again. They then came under greater pressure on account of the lower copper prices. While the MDAX fell by 40% and the DAX only by a little less by 37%, the decline in the Aurubis share price peaked in March 2009 at 39%.

Aurubis shares have volatile performance with lower trading volumes
In the first quarter of fiscal year 2008/09, Aurubis shares still performed relatively well, but fluctuated in a considerably wider range than in the previous year. Right at the beginning of the fiscal year, on 3 October 2008, they reached a high of € 31.43 (Xetra). When Salzgitter AG announced on 16 October 2008 that it had increased its investment in Aurubis to 20%, the price stabilised for a short time, but then exhibited greater swings under the influence of sinking commodity prices. In line with the operating business performance in the second quarter, the shares reached a low of € 18.24 on 18 March 2009.

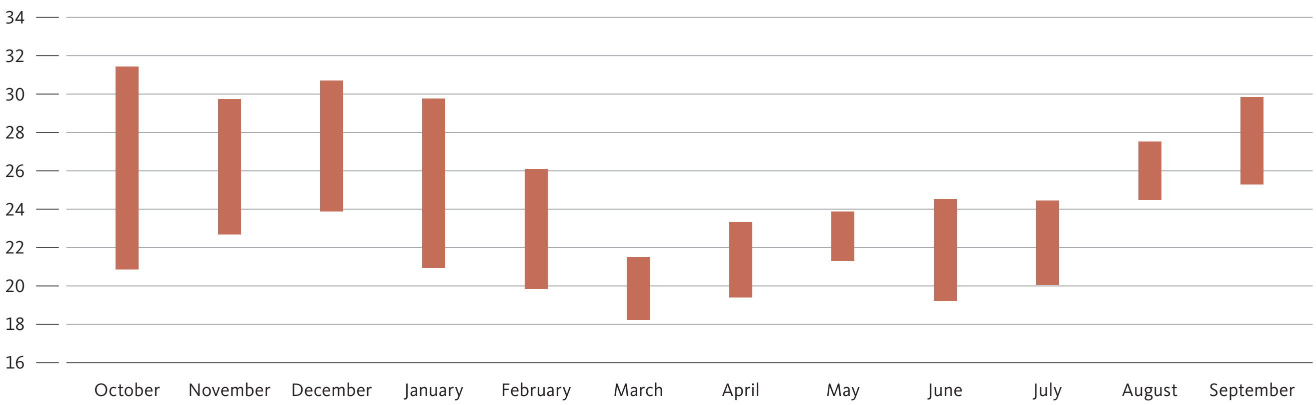
AURUBIS SHARE PERFORMANCE COMPARED WITH THE MDAX FROM 1 OCTOBER 2008 TO 30 SEPTEMBER 2009
indexed to 100%



Aurubis share price as at 1 October 2008: € 29.75 = 100%

HIGHS AND LOWS OF AURUBIS SHARES IN FISCAL YEAR 2008/09

in €



The first signs that the state economic stimulus packages were taking effect and improving economic prospects heralded a tendency for the international stock exchanges to rally during the remainder of the fiscal year. The commodity prices that rose again and spurred on the raw material and mining stocks also made a positive contribution. As our operating business improved, Aurubis shares gained ground again in the third and fourth quarters with declining volatility and ended the fiscal year on 30 September 2009 at a price of € 28.48.

The average daily trading volume of fiscal year 2008/09 reached only 256,000 traded shares (Xetra), considerably down on the high value of the prior year of on average 410,000 shares (Xetra).

Shares have to be renamed following the change in the Company's name

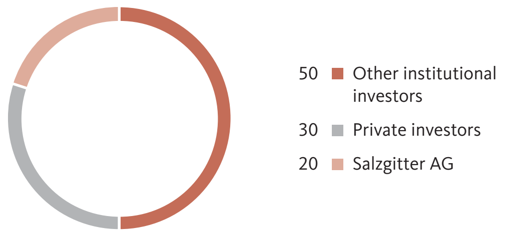
In parallel with the change in the Company's name from Norddeutsche Affinerie AG to Aurubis AG, the shares were also renamed on 1 April 2009 and have since then been listed in the MDAX, Dow Jones, STOXX600 and in the Global Challenges Index under the name Aurubis AG. The security identification number (SIN), the International Securities Identification Number (ISIN) and the Bloomberg and Reuters codes remain unchanged.

Shareholder structure strengthened by Salzgitter AG as the new major shareholder

Aurubis AG's major shareholder, Salzgitter AG, purchased further Aurubis shares in October 2008 and increased its investment in our Company to 20%. This has strengthened the shareholder structure. It is also reflected in the appointment of Prof. Dr Heinz Jörg Fuhrmann from the Executive Board of Salzgitter AG, as a member of the Aurubis Supervisory Board, which took place on 5 January 2009. The former Supervisory Board member, Mr Ulf Gänger, had stepped down from office on 31 December 2008.

The remaining 80% of Aurubis shares are roughly equally divided between institutional and private investors.

SHAREHOLDER STRUCTURE AS AT 9 OCTOBER 2008
in %



Dividend recommendation of € 0.65 per share

We feel committed to Aurubis AG's traditionally shareholder-friendly dividend policy also in times of a weaker trend in earnings. The Executive Board and Supervisory Board will therefore recommend the payment of a dividend of € 0.65 per share at the Annual General Meeting on 3 March 2010. The dividend is therefore not as high as in the prior year, but the payout ratio has risen significantly to 36% (23% in the prior year). The dividend yield at 2.3% is still at a very high level.

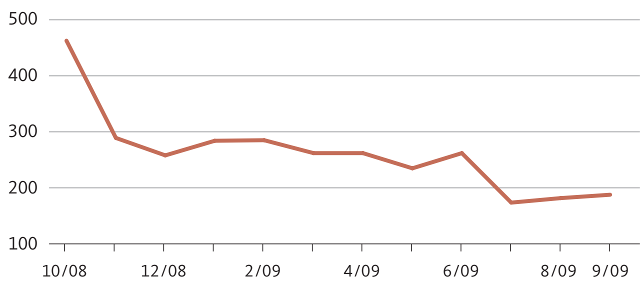
Investor relations in the financial and economic crisis focus on providing comprehensive information

Considerable uncertainty about the prospects of the capital market and the situation in industry and companies was apparent among investor circles due to the ongoing financial and economic crisis. We have therefore increased our continuous open communication with private and institutional investors and have kept them informed in particular about the current economic situation and the impact of the market trend on our business. In addition, investors were briefed in detail about the progress with the Cumerio integration and our corporate strategy.

During the fiscal year, the Executive Board and Investor Relations replied to questions from institutional investors and analysts in conference calls and at capital market events as well as in many individual discussions. Roadshows to the main financial centres in Europe and in the USA were also organised. The "Dialogue with the shareholders", which focuses on the private shareholders, was again held at our head office in Hamburg. The investors were given the opportunity on three dates to become acquainted with the Hamburg operations and learn about current developments at the Company in discussion with the Executive Board and management employees. As in the prior years, demand for the events was very considerable with a positive feedback throughout.

In order to reach our shareholders quickly and ensure high transparency, we also provide detailed reports on our website about the Company's development and about special sectors such as corporate governance. Financial reports, presentations and other publications, such as the market information that appears monthly as the "Copper Mail", are also available in the download centre.

TRADING VOLUME OF AURUBIS SHARES ON DAILY AVERAGE (XETRA)
in thousand units



Key figures of Aurubis shares		2004/05	2005/06	2006/07	2007/08	2008/09
Closing price in Frankfurt as at fiscal year-end	in €	18.48	18.98	30.83	30.15	28.48
Year high (close)	in €	18.73	26.98	34.78	36.10	31.43
Year low (close)	in €	11.70	17.14	19.05	21.00	18.24
Market capitalisation as at fiscal year-end	in € million	625	705	1,146	1,232	1,164
Number of shares	in thousand units	33,813.4	37,154.3	37,154.3	40,869.7	40,869.7
Dividend or recommended dividend	in €	1.00	1.05	1.45	1.60	0.65
Payout ratio	in %	75	66	50	23	36
Earnings per share (IFRS) *	in €	1.77	1.64	4.24	5.82	1.28
Price / earnings ratio as at fiscal year-end *		10.5	11.6	7.3	5.2	22.3

* on the basis of LIFO inventory valuation method

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 Dusseldorf, Stuttgart, Berlin / Bremen
Market segment:	Prime Standard
Issue price:	€ 12.78
Average daily trading volume:	256,566 shares in Xetra trading 28,167 shares at all German stock exchanges
Deutsche Börse code:	NDA
Reuters code:	NAFG
Bloomberg code:	NDA_GR

Analyst coverage 2008 / 09
Bankhaus Lampe
Commerzbank
Deutsche Bank
DZ Bank
Dr. Kalliwoda Research GmbH
Haspa
HSBC
HVB / Unicredit
LBBW
Nord LB
Solventis
SRH Alster Research AG
Viscardi Securities
M.M. Warburg
West LB

GROUP MANAGEMENT REPORT

BUSINESS AND STRATEGY

The foundation for the company's success is provided by the core business, the structure of the group, our modern production facilities and Aurubis's workforce. With the step towards internationalisation, we have realigned ourselves and ensured that the Group is even better placed to face the future. This proved its worth in the global economic and financial crisis that accompanied the fiscal year.

BUSINESS ACTIVITIES AND STRUCTURE OF THE GROUP

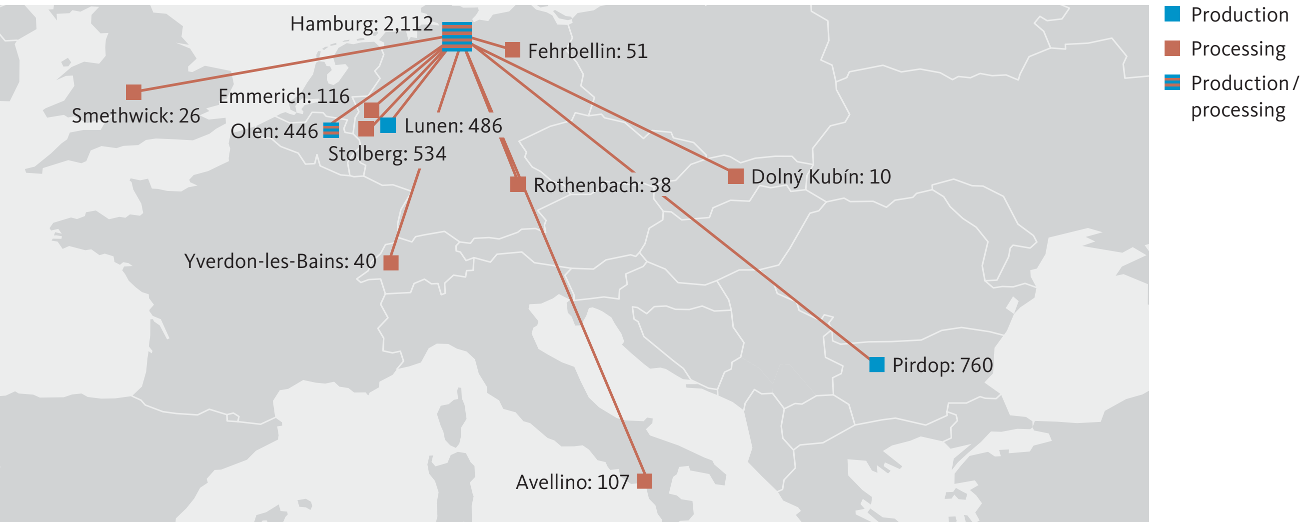
Performance profile

The Annual General Meeting of Norddeutsche Affinerie AG resolved on 26 February 2009 to change the company's name to Aurubis AG. This completed the repositioning of the Group also as regards the company name following the acquisition and integration of Cumerio nv/sa.

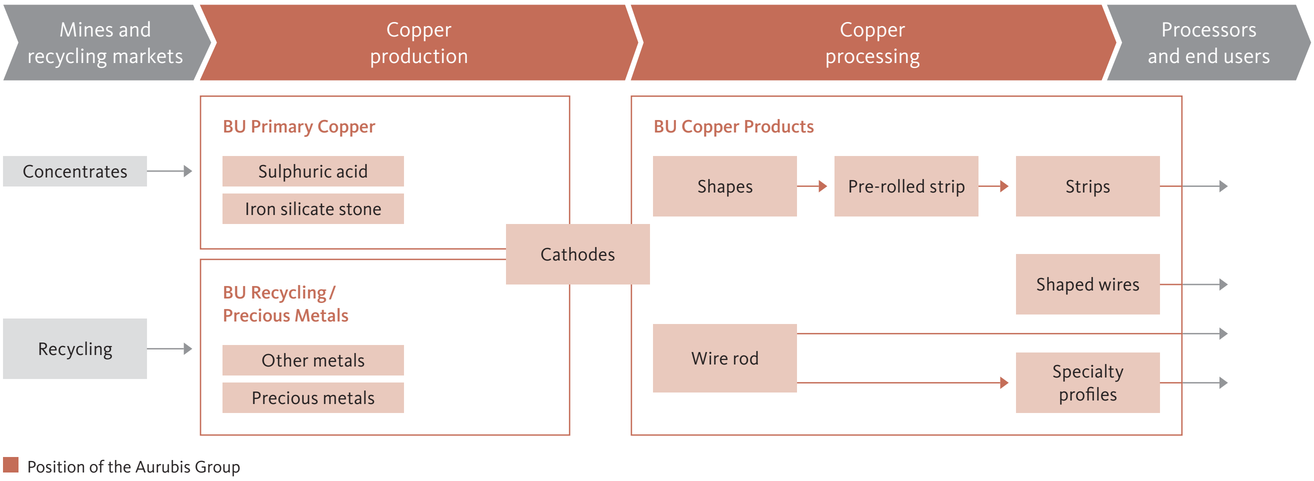
Our core business continues to be oriented to copper. Aurubis unites in the Group the production of copper, the recycling of metals and the manufacture of copper products. Our operating units thus cover principal central elements of the value added chain. This integrative approach has given Aurubis a special competitive profile. The production of precious metals and specialty products rounds off the performance profile. We orient ourselves consistently to the needs of our business associates and are very close to the customers: These are the main characteristics of our business. With production sites in seven countries, the Group is present geographically throughout Europe. Aurubis has some 4,700 employees.

SITES WELL POSITIONED IN THE EUROPEAN CORE MARKET

Production sites and number of employees



WELL POSITIONED ALONG THE VALUE ADDED CHAIN AS THE LEADING INTEGRATED COPPER GROUP



Business model

Aurubis generates its earnings in three Business Units, which reflect the production structure. This model offers great flexibility with regard to the management of the raw materials, production and sales, with a positive effect on profitability.

The Group has two main raw material pillars. The greater part of copper production is based on the processing of copper concentrates, which are largely sourced overseas and in part in the Black Sea region, and are processed at the sites in Hamburg and Pirdop. The second group of raw materials comprises copper scrap, other metal-bearing recycling raw materials and intermediary products, most of which are procured in Europe. Special processing facilities are available for production residues and electronic scrap.

Cathode copper of the highest quality and purity is produced from the treated copper raw materials at the Hamburg, Lunen, Olen and Pirdop sites. We process it into copper products in the Group or market it in the form of copper cathodes that are registered at the metal exchanges.

With the production of the copper products, we continue the addition of value and move nearer to the downstream end-customer markets. At the same time, our own cathode basis reliably guarantees the quantities and qualities for the production processes. The Group's most important copper product is wire rod, which is delivered in various shapes and sizes, especially to the cable and wire factories. In addition, we produce continuous cast shapes, pre-rolled strip, strips, shaped wire and special profiles. These products are mainly used for applications that require high electrical and thermal conductivity. The main industries that use large quantities of copper are the electrical engineering and electronics industries, machine and plant construction, the construction industry and the automotive industry. Products are also made from the metals that accompany the copper in our raw materials, such as precious metals, tin-lead alloys, zinc oxide, copper sulphate or iron silicate. Their main customers are the metal and electronics industry, the chemical industry and the construction industry.

Aurubis occupies leading market positions in all three Business Units. The Group is one of the three largest producers of copper cathodes worldwide.

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. Following various changes in the ownership structure, an IPO was carried out in 1998. The Company has been represented in the MDAX and, at the same time, in the Prime Standard of the German Stock Exchange since 2003.

Following the IPO in 1998, the Group enlarged its corporate base as a result of several acquisitions:

» On 31 December 1999, the majority interest was acquired in Hüttenwerke Kayser AG, a company that had specialised in copper recycling, which was amalgamated with Norddeutsche Affinerie AG on 1 October 2003. Since then, the Lunen site has evolved into the Group's recycling centre.

» In a further step, Aurubis continued its strategic orientation downstream along the value added chain. This was achieved primarily by acquiring Prymetall GmbH & Co. KG (now called Aurubis Stolberg GmbH & Co. KG) with its 50% holding in Schwermetall Halbzeugwerk GmbH & Co. KG (Schwermetall) in Stolberg.

» In order to strengthen the Group further, Aurubis took over the European copper group, Cumerio, in fiscal year 2007/08. This acquisition has enabled us to position ourselves throughout Europe. Cumerio was similarly engaged in the production and processing of copper, with sites in Belgium, Bulgaria, Italy and Switzerland. In spring 2009, all the main companies in the Group, which were wholly-owned by the parent company, uniformly changed their names to Aurubis.

Organisation structure

Aurubis is managed centrally from the corporate and administrative headquarters in Hamburg, where the main production facilities are also concentrated. The Group structure is oriented to the value added chain of copper. Accordingly, the Group is divided organisationally into three operating Business Units, which also provide the reporting basis.

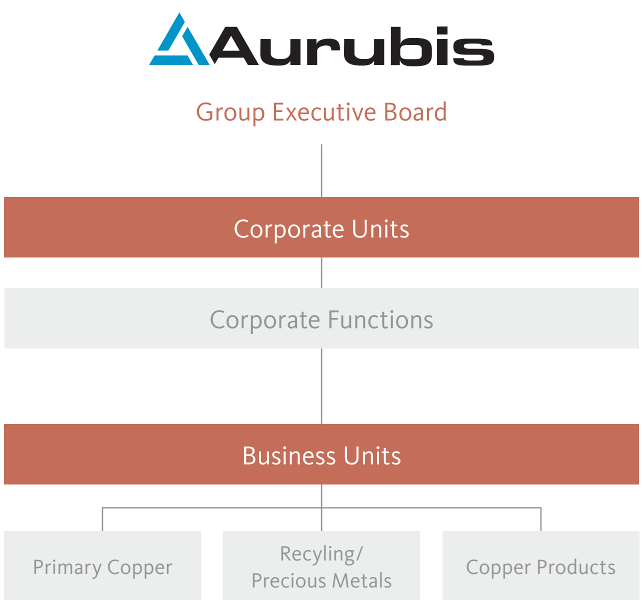
The Business Unit **Primary Copper** mainly comprises the production facilities for the processing of copper concentrates and the production of copper cathodes in Hamburg and Pirdop. It also includes the copper production plant at the Olen site and the marketing of the sulphuric acid that is produced.

The Business Unit **Recycling / Precious Metals** is engaged in the recycling of copper and other metals from a variety of secondary raw materials, as well as the production of precious metals. The Lunen recycling centre and the secondary smelter and precious metal production facilities in Hamburg are allocated to this Business Unit. Companies and investments in connected business areas round off the portfolio.

The Business Unit **Copper Products** includes in particular the group-wide production and marketing of copper products, including wire rod, continuous cast shapes, rolled products and specialty products. The core activities of this Business Unit are carried out at the production sites in Hamburg, Stolberg and Emmerich (Germany), and in Olen (Belgium), Avellino (Italy) and Yverdon-les-Bains (Switzerland). Two slitting centres in the United Kingdom and Slovakia round off the Business Unit's performance profile.

Central sectors covering the entire group support the operating units with service and administrative functions, of which Strategy and Control, Financial Accounting, Risk Management and the Human Resources sector are the most important for the Group.

SLIM ORGANISATION STRUCTURE IS ORIENTED ALONG THE VALUE ADDED CHAIN



AURUBIS'S AIM IS TO BECOME THE LEADING INTEGRATED COPPER PRODUCER WORLDWIDE

Optimised stand-alone position

- Integrated copper producer (refining, recycling and processing)
- Industrial benchmark
- High profitability / financials

European platform

- No. 3 worldwide in copper production
- No. 1 worldwide in copper recycling
- No. 1 worldwide in copper processing
- Strong position in Europe, especially in S / E Europe
- High profitability / financials

Global Player

- Highest competitiveness and best practice in the international copper industry
- Investment targets in consolidation and in global growth regions (Asia, South America, etc.)

Management responsibility in the Group

The collaboration in the Executive Board is characterised by close cooperation and an intensive interchange of ideas. The Executive Board is operatively responsible for the Business Units and the central functions. It works together closely with an executive team, which comprises the managers of the Business Units, directors of subsidiaries and the production and departmental heads.

The Aurubis management is highly performance and success-oriented in all countries and at all levels. Employee potentials are continuously identified and high-flyers encouraged systematically and individually. The HR Corporate sector that was established at the end of 2008 will promote strategic personnel development. Its main task will be to encourage the systematic advancement of senior staff and to prepare them for further-reaching management tasks and international assignments. Our executive team represents a balanced mixture of men and women, younger and more experienced employees, national and international specialists and executives, who have come up from our own ranks, and targeted hiring from the market.

We are currently working on a new remuneration system for the Group's international management, which will be based on an internationally recognised and established evaluation system, with which we intend to achieve even more motivating performance and success orientation.

CORPORATE STRATEGY AND CONTROL

Strategic process successfully traversed

The successful integration of Cumerio has resulted in a permanent change in the profile and market position of the Aurubis Group. We have become the leading copper company in Europe and have established ourselves in the top flight of copper producers and processors worldwide. We went through a comprehensive strategic process during the fiscal year, based on the new profile of the Aurubis Group, in order to ensure our long-term competitiveness and to create the basis for a sustained increase in corporate value. We have redefined our further business strategies and developed a portfolio of strategic measures.

Our business strategy is based on the Company's integrated production competence. Aurubis has its roots in the smelting of copper concentrates and in recycling and has a long history and considerable experience in these central sectors of the copper industry. Thanks to its broad technical processing basis, a wide variety of raw materials and intermediate products can

We went through a comprehensive strategic process in fiscal year 2008/09.

be treated and produced in a marketable form. In processing, we rely on our competence in smelting and casting as well as in the reforming and surface treatment of copper materials in order to produce high-grade qualitative copper products. Our own cathode supply and full quality control along the entire value added chain provide us with further competitive advantages.

Our strategy is to use the integrated copper production and processing competence in such a way that the highest product value can be generated from the raw materials. We therefore focus on particularly high-grade quality products that meet the demands of the market in a special way. The target groups are industrial customers in highly developed markets and in the newly industrialised countries.

Our strength in metal procurement and management as well as in the hedging of price risks supports our business model. The customised service for customers contributes to this to the same degree as a risk management system that is at the highest level. We possess considerable competence in production and process management and are constantly developing our abilities in order to offer ideal solutions to raw material suppliers and product customers.

Aurubis's strategic objective is to also become the leading producer and processor of copper worldwide. To achieve this, we will exploit all appropriate opportunities in order to grow and to contribute to the consolidation of the copper industry. We will moreover also utilise our production competence in growth regions outside Europe.

STRATEGIC ADVANTAGES WILL BE EXPLOITED TO SUPPORT OUR STRATEGIC ORIENTATION

Strategic advantages and leverage

Copper Production

International benchmark in production

- Maximum utilisation of installed capacities
- Leading in efficiency
- Outstanding competence in processing complex primary and secondary materials
- Highest standards in EHS
- Experienced, enthusiastic and innovative employees

Copper Processing

Fully integrated along the value chain

- Captive supply security
- Quality control over the entire value added chain
- Leading position in the production of wire rod
- Experienced, enthusiastic and innovative employees

Strategic orientation

- Leverage strategic capabilities to achieve international growth in our primary copper production and recycling business
- Play an active role in growth and consolidation of the global copper processing industry

€ 40 million

We want to save € 40 million by the end of fiscal year 2009/10 by achieving synergy effects.

Initiatives to achieve our strategic goals

During the past fiscal year, we worked on defined measures and projects in the internal systems, personnel development and strategy sectors as well as on market and production-related questions. In the technical area, our special attention was directed towards the development of our production competence. Key projects included the transfer of know-how and the processing of complex primary and secondary raw materials.

The PME Project Management Excellence System that was launched in the past fiscal year, and the Innovation Management System, implementation of which started at the beginning of fiscal year 2009/10, round off our project portfolio.

The output and utilisation of the production facilities were matched to the new situation. Structural cost reductions were achieved by closing the vertical casting plant in Olen, which was connected with a corresponding reduction in personnel. Temporary short-time working at other Aurubis Group sites also reduced the costs while avoiding further redundancies.

Other sectors also made contributions. The effects of the economic crisis resulted in many market sectors in special situations in the procurement of material and services. More favourable procurement conditions were exploited to optimise long-term agreements and secure favourable prices. The capital expenditure costs in particular for the ongoing investment projects

> We have also continued with all the major strategic investment projects during the economic downturn.

in Lunen and the expansion of the production capacity in Hamburg could be significantly reduced. Metal throughput times could be shortened and the amount of capital tied up reduced by enhancing and refining the laboratory technology. A practice-related energy recording and management system has been developed for the Hamburg site. As a result of our consistent optimisation strategies, the operating core facilities of energy management recorded the best availability in the company's history, accompanied by increased energy recovery.

Our clearly defined strategy and the corresponding strategic initiatives ensure that we can maintain our long-term growth curve, particularly at times of economic upheaval. We therefore also continued with all the major strategic investment projects during the economic downturn in order to improve our competitive position. This applies to the capacity expansions in Pirdop, the RWO Future project, with which we aim to achieve an increase in throughput and reduce the costs at the Hamburg site, as well as for the KRS-Plus project at the Lunen recycling centre.

Operating measures for corporate development

The past fiscal year was marked by the economic repercussions of the financial crisis on the markets and Aurubis's business activities. In this environment, we responded to the weaker order situation with operative measures, without however at the same time neglecting our long-term strategic development, which we continued to pursue parallel to this.

In the wake of the financial and economic crisis, we focused our capital expenditure and postponed less urgent projects. This also applied to synergy projects from the integration of Cumerio. Nevertheless, we achieved substantial synergies during the past fiscal year. Altogether 81 projects are currently in the implementation phase. 70 synergy projects have already been implemented. Improvements in the amount of more than € 25 million were achieved from all the synergy projects in the fiscal year. We continue to expect that the original synergy target of about € 40 million for the fiscal year can be achieved in fiscal year 2009/10.

Sustainability as the basis of corporate development

We orient ourselves to the same degree to the three principles of growth, improvement and responsibility, not only in our daily operating business but also in the implementation of long-term strategic initiatives. We pursue continuous improvement by finding innovative solutions for processes, products and services in order to further improve our production competence and consolidate and enhance our leading position.

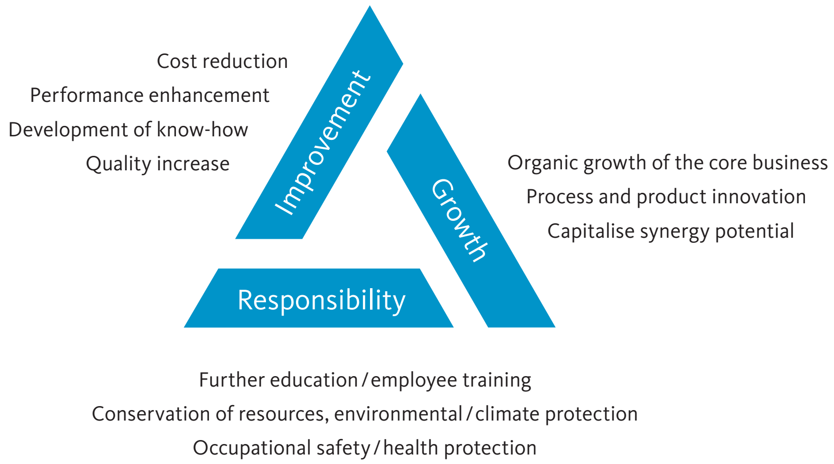
We acknowledge our responsibility for customers and products, employees and the community, and for the responsible handling of the environment and the limited supply of natural resources. At the same time, we attribute special importance to the training and development of our employees and their abilities and competence, because only the best performance of our employees produces top quality products and services for our customers. Within the context of a group-wide value process during the past fiscal year, working groups consisting of employees from the various locations developed a joint basis for how we see ourselves and binding regulations on our future cooperation.

The Aurubis Sustainability Report, which will be issued for the first time in 2009/10 for the particularly environmentally relevant sites of the whole new Group, includes comprehensive information on our sustainable corporate management.

Management control by contributing to increasing corporate value

The main aim of the management control system is to increase Aurubis's corporate value, by generating a positive overall contribution to the enterprise as a whole in addition to the costs of capital. The basis of the Company's internal management control system is provided by uniform evaluations of the operating business and the optimisation and investment plans, using earnings, balance sheet and financing ratios. As part of our newly introduced PME system, various projects across all group entities are presented and assessed uniformly. Qualitative and strategic criteria are also taken into account.

RESPONSIBILITY, IMPROVEMENT AND GROWTH ARE THE PILLARS OF OUR STRATEGY



15%

Our profitability target for the whole Group is to achieve a ROCE of 15%.

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 EBIT (earnings before interest and taxes) to average capital employed. IRR (internal rate of return) shows the effective interest on capital employed and is also used to assess investment projects.

Our growth and profitability objective for the whole Group is to achieve on average 10% growth in the gross profit and 15% in ROCE over a business cycle of 5 years and thus to create additional value for our shareholders.

Although we were unable to match the ROCE achieved in prior years in the past fiscal year due to the economic situation, this however does not change anything in our long-term target for the return on capital.

Value-oriented management and return on capital

The Aurubis Group is managed in accordance with the principles of value-oriented management, based on the evaluation of the return on capital employed (ROCE). Capital employed amounted to € 1,365 million as at 30 September 2009, compared with € 1,760 in the prior year. Based on earnings before interest and taxes (EBIT) of € 111 million, this represents a return on capital employed (ROCE) of 8.1% for the past fiscal year. EBIT for the prior year amounted to € 383 million, i.e. a return on capital employed of 21.7%.

Return on capital employed (ROCE)

Before revaluation of LIFO inventories

in € thousand	30.9.2008	30.9.2009
Equity	947,481	934,969
Pension provisions	66,612	71,450
Borrowings	932,674	616,214
Less: cash and cash equivalents	(186,482)	(257,243)
Capital employed as at balance sheet date	**1,760,285**	**1,365,390**
Earnings before taxes (EBT)	340,628	73,475
Net interest expense	42,031	37,373
Earnings before interest and taxes (EBIT)	**382,659**	**110,848**
Return on capital employed (ROCE)	21.7%	8.1%

BUSINESS PERFORMANCE

Business performance in the Aurubis Group was influenced by the negative developments of the global financial and economic crisis. All the Business Units were affected, although to varying extents. However, the international copper market managed to extricate itself overall from the negative trend. The copper price on the London Metal Exchange was again clearly on an uptrend after the price decline in the first quarter of the fiscal year. The product and recycling markets also showed signs of stabilisation and recovery in the course of the year.

SIGNIFICANT LEGAL AND ECONOMIC FACTORS INFLUENCING THE BUSINESS

Integration of Cumerio

The integration of Cumerio, which was completed during the past fiscal year, affected all areas of the Group and resulted in changes in the internal and external business structures and procedures. The effects can be regarded as positive overall.

International copper and raw material markets

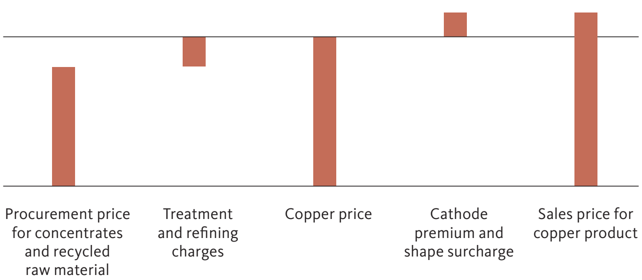
Aurubis is mainly influenced in its business activities by developments on the international raw material and copper markets, whereby the fundamental market factors of output, availability, inventory management and demand have a direct impact. The general economic trends in the industrial nations and the newly industrialised countries as well as the developments on the financial and foreign exchange markets further affect the business. International trade policy and factors related to environmental protection are likewise relevant for the business.

Copper prices

The copper price is formed first and foremost on the London Metal Exchange (LME), which is regarded worldwide as the main exchange for the metal industry. It enables physical transactions, hedging transactions and investment business to be carried out. The price formed in its trading business represents a benchmark and is recognised internationally. While it has a direct influence on earnings in the mining industry, it is only a transitory item for Aurubis. We are a custom smelter that does not hold any investments in mines, and buy our raw materials on international and local markets. In doing so, the LME price forms the basis of the contractual prices, both in purchasing and in product sales. It does however have an indirect impact on the supply of raw materials and demand behaviour. In addition, the very efficient extraction of metal in our operations has an effect on earnings which in terms of value is determined by the metal price. These effects had a special influence in view of the, at times, significant price differences in the past fiscal year.

On the raw materials side, the treatment and refining charges (TC / RCs) are generally the predominant factor for business success. Their development reflects the situation in the market, and they are negotiated between raw material suppliers and Aurubis. TC / RCs are the remuneration for turning the raw materials into the commodity exchange product, copper cathodes. While our recycling business is mainly invoiced on a euro basis, the international concentrate business is based on the US dollar.

PRICE FORMATION ALONG THE VALUE ADDED CHAIN



The metal exchange quotation serves as the price basis for sales of our copper products. In addition, premiums are invoiced for quality, price fixation rights and shape surcharges, the latter for the conversion of cathodes into copper products. They are the key earnings factors on the sales side.

Exchange rates

Aurubis AG's reporting currency is the euro. Part of the business is however subject to fluctuations in the exchange rates. We identify resultant risks directly and make hedging decisions on this basis. Spot and forward transactions as well as options are used for ongoing hedging.

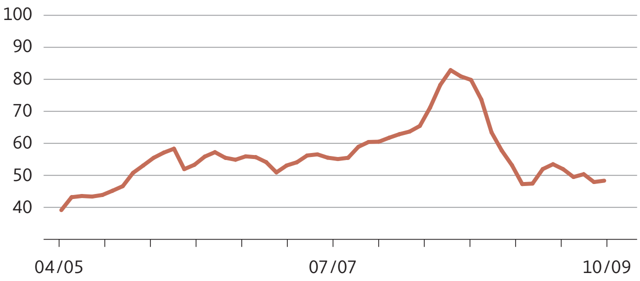
Energy prices

The production processes for copper are in some cases very energy-intensive. As a result, energy consumption and prices have a large impact on the costs. The highest possible energy efficiency is therefore required throughout the Group and is achieved by a variety of measures. Energy consumption at some locations declined compared with the prior year as a result of the low output in the copper product sector. Group-wide electricity consumption was less than 1.3 billion KWh, while gas consumption amounted to about 0.9 billion KWh. Demands by the energy utilities that they should receive compensation for the reduction in the quantity of energy consumed were successfully parried. The electricity costs accounted for more than half of the total energy costs in the Aurubis Group of about € 151 million.

From January 2010, Aurubis will receive its electricity supply for Germany on a cost basis under the 30-year agreement concluded with Vattenfall. The processes necessary to implement the agreement have been pushed ahead. The German Aurubis sites have benefited from the electricity agreements already concluded in 2007 for 2008 and 2009, since electricity did not have to be bought at the peak prices of 2008. The electricity prices for the sites in Italy and Belgium tend to follow the exchange prices. In the past, the Bulgarian electricity price was reset every six months for the energy-intensive industry. We succeeded in preventing a further electricity price increase for fiscal year 2008 / 09 and reached an interim agreement for the time being so that the adjustment is now only made once a year. The aim is to also obtain a long-term electricity agreement for Bulgaria on a calculable basis.

EEX YEAR-AHEAD FUTURE

EEX electricity price (in € / MWh)



Apart from the volatile basic energy price, we expect all ancillary energy prices to rise further in the near future. These include the grid fees and the Renewable Energy Law and CHP (combined heat and power) contribution, and the ecotax or CO_2 licenses. Despite the more stringent requirements of the Renewable Energy Law, we again managed to obtain the reduction for 2010 for Aurubis Hamburg and Lunen as well as for Schwermetall Halbzeugwerk in Stolberg. In the gas sector, the gas supply was not interrupted at any time, although supply shortages occurred as a result of the gas dispute at the beginning of 2009.

Emission trading

We are following with concern the implementation of the emission trading guidelines that were revised in the winter 2008. Thanks to our political endeavours to date, together with the WVM Metal Industry Association, the pressure on the nonferrous metal industry and thus also on copper production eased to some extent in Germany in the second half of 2009. This ruling will now also have to apply for the next few years in order to reduce the electricity price disadvantages compared with our European neighbours.

We believe that our most important task will be to achieve a reduction in direct and indirect CO_2 costs from 2013 onwards, which would enable fair competition with our global competitors. However, complete clarity about the final wording of the respective law is not expected before the second half of 2010.

ECONOMIC ENVIRONMENT IN GENERAL AND IN THE INDIVIDUAL SECTORS

Copper market influenced by economic trend

Copper has for thousands of years been one of the base metals that has accompanied mankind in his development and, due to its extensive use in all areas of life, has a direct impact on a country's industrial production. Accordingly, economic developments in the industrial nations and newly industrialised countries have a direct influence on the situation on the copper market and thus on the purchasing and sales markets of the Aurubis Group.

Financial crisis spreads and becomes a global financial crisis

The crisis on the international financial markets deteriorated further at the beginning of the past fiscal year, in the final quarter of 2008, and accelerated the economic downturn of the global economy. The negative developments in the banking sector and on the stock markets increasingly affected the real economy. Global economic activity declined significantly and global trade shrank. All the leading industrial nations fell into recession.

Overall, the economic trend was accompanied by exceptional nervousness. The very extensive state aid and supportive action that was agreed worldwide initially only had a limited effect. China and other major newly industrialised countries were affected by declining exports on account of their close interdependence on the global economy, but could only cushion the crisis with their substantially lower growth rates.

IMF expects the global economy to shrink by 1.1% in 2009.

Supportive measures take effect and result in economic stabilisation

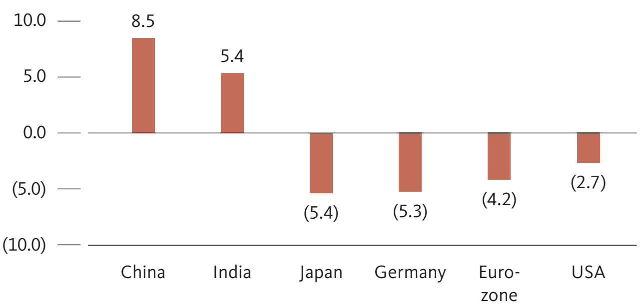
It took until the end of September 2009, two years after the subprime crisis had become a banking crisis and then finally an extensive global economic crisis, for the International Monetary Fund (IMF) to announce the end of the global recession. However, it describes the recovery, which is starting off from a very low level, as still very weak and sees it more as having a stabilising effect. Growth momentum is coming in particular from the newly industrialised countries, which are recovering much faster than more highly developed nations. Risks continue however to exist and turbulence, such as credit squeezes, high national debt and increasing unemployment, is still expected due to the aftermath of the crisis. Overall, the IMF expects the global economy to shrink by 1.1% in 2009.

Economic crisis also hits Europe, but is successfully overcome

Since our markets are mainly in Europe, economic developments in this region have a direct impact on our business. Economic activity declined in the eurozone by 1.8% in the final quarter of 2008 compared with the prior quarter, followed by a minus of 2.5% in the first quarter of 2009. Overseas demand for exports from the eurozone fell, and domestic demand declined. However driving forces gradually took over as of the second quarter of 2009.

EXPECTED GDP GROWTH 2009

in %



Source: International Monetary Fund, World Economic Outlook, October 2009

US$ 4,480/t

The average price for copper was US$ 4,480/t in fiscal year 2008/09.

The decline of 0.1% in GDP compared with the prior quarter was not as bad as originally expected, due in particular to the positive developments in Germany and France that reflected the effects of the economic stimulus packages that have been initiated and the measures to ensure a functioning financial system. The better export climate and growth impulses from the low levels of inventories in the current stock cycle also had a stabilising impact.

Germany benefits from stable domestic economic activity

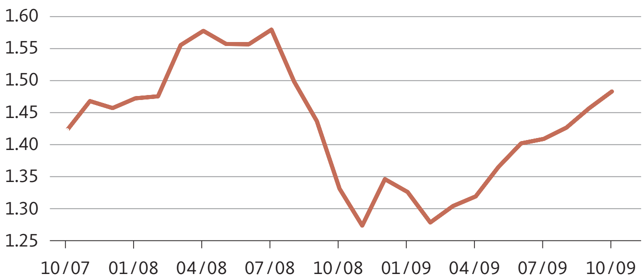
Due to its strong export orientation Germany, as the heartland of our Group with the most Aurubis production locations, was particularly affected by the economic crisis. The economic downturn was, however, not as harsh as initially feared, particularly on account of the domestic economic activity that remained stable to a large extent in the crisis. In addition, clear momentum was provided later in the year by the stimulus packages adopted, whose volume was only exceeded by those of the USA and China. Thus, German spending on automobiles, stimulated by the scrappage incentives, increased by 23% in the first half of 2009 compared with the previous year. Construction spending also made a positive contribution. The electrical engineering industry and machine and plant construction, which were especially badly hit due to their close links to other industrial sectors and their dependence on exports, have however up to now only reported that the trough has been reached. Nevertheless, the monthly order intake in German industry increased overall in August 2009 for the sixth time in succession, again supported by increasing demand from abroad.

U.S. dollar reacts to the economic crisis and weakens

The performance of the US dollar was largely determined by the effects of the global economic and financial crisis during the past fiscal year. Like the commodity prices, the dollar came under pressure in the first quarter of the fiscal year and declined compared with the euro to $ 1.4625 (VÖB – The Association of German Public Sector Banks Euro Fixing, middle rate), before recovering again to about $ 1.25, and then losing ground again from March 2009 onwards. At the end of September 2009, the low level from the end of 2008 was reached again at $ 1.4612 following a depreciation of about 15%.

PERFORMANCE OF EURO/USD EXCHANGE RATE SINCE OCTOBER 2007

VÖB Eurofixing, middle rate



> Production cutbacks at various copper smelters resulted in deteriorating cathode supplies on the market.

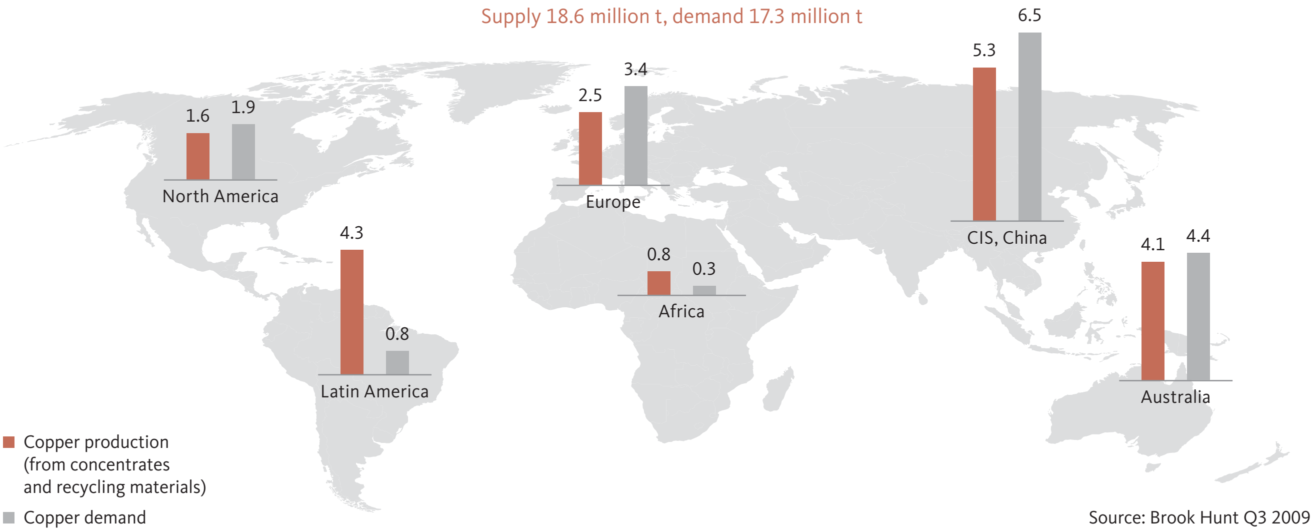
Copper market comes under the influence of the economic crisis

The crisis on the financial markets and the sharp upheaval in the global economy significantly influenced the development of the raw material markets in the past fiscal year. Prices collapsed across the board throughout the commodity sector in the first reporting quarter. Weak economic activity in industry resulted in a significant decline in the physical demand for metals. This was exacerbated by profound uncertainty about the future of the global economy and seasonal effects at the year-end. Parallel to this, the copper stocks in the warehouses of the metal exchanges, especially in Europe and North America, rose substantially. The withdrawal of funds and other investors from commodity exposures that had already begun in the autumn of 2008 increased the pressure on the prices.

Copper, whose main markets are in China and the highly developed industrial nations, experienced an exceptionally sharp drop in prices. The spot price for the metal on the London Metal Exchange (LME) fell by 57% from US$ 6,379/t at the beginning of the fiscal year to US$ 2,770/t on 24 December 2008, its lowest level for many years. This represented a decline of about 70% compared with the highs of almost US$ 9,000/t in the previous fiscal year recorded in July 2008. The forward price structure adjusted to this and changed into contango (when the spot price is lower than the forward price), which is the normal case on the forward markets and indicates the improved short-term availability of cathodes.

EXPECTED SUPPLY AND DEMAND OF REFINED COPPER IN 2009

in million t

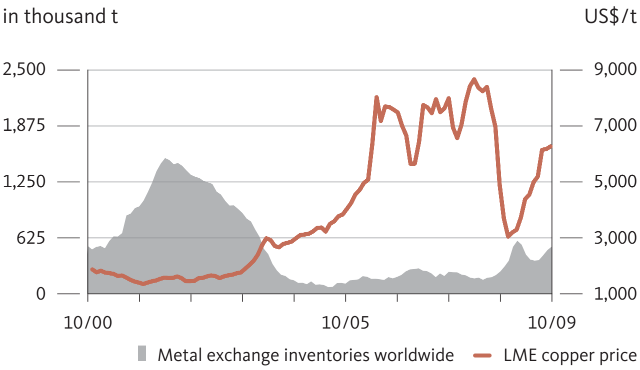


Source: Brook Hunt Q3 2009

Copper market with a positive trend after a difficult start

The economic downturn continued in the first months of 2009, but the development of the copper price succeeded in distancing itself positively from this. After the price had initially been in a range of US$ 3,000 to 4,000/t in the second quarter of our fiscal year, it recovered to just over US$ 5,000/t by the end of June.

COPPER PRICE AND COPPER INVENTORIES OF THE METAL EXCHANGES



This was not however a reflection of the copper product business that was suffering from the poor economic situation in the sector, but in particular expressed the special market situation for copper cathodes. China, followed by South Korea, announced extensive copper purchases to stock up its strategic reserves. Significant differences between the higher Chinese domestic price and the global market price for copper favoured imports and sucked in imports. In addition, with the growing shortage of scrap, Chinese smelters suffered from production losses that triggered further cathode purchases on the world market, which partly compensated the drop in demand in the leading industrial nations of about 17% on the main sales markets of USA, EU and Japan. At the same time, production cutbacks at various copper smelters, which were mainly caused by insufficient sulphuric acid sales, resulted in deteriorating cathode supplies on the market. Overall, the utilisation of the worldwide smelter capacities amounted to about 8.9 million tonnes or only 77% in the first half of 2009.

China's cathode demand results in lower copper stocks at the metal exchanges

The market conditions were also apparent in the outflows from the warehouses of the metal exchanges. Following the increase of 395,000 tonnes in the copper stocks there to almost 620,000 tonnes between October 2008 and February 2009, they declined in the following months to 365,000 tonnes by mid-July 2009, and were therefore again at a level that could theoretically cover global demand for only eight days. Following the reversal of the downward trend due to the saturation of China's acute demand for cathodes, the metal exchanges again reported copper inventories of 493,000 tonnes at the end of September.

Copper price reaches average price of US$ 4,480 / t

In the final quarter of the past fiscal year, the copper price established itself from August 2009 onwards mainly above the US$ 6,000 / t mark. The peak of US$ 6,465 / t on 8 September 2009 was also the highest price during the reporting period. The average copper price for fiscal year 2008 / 09 was therefore US$ 4,480 / t (settlement), which is 42.5% lower than the prior-year figure of US$ 7,785 / t.

Good prospects for the copper market cause funds to make extensive investments

Institutional investors were also partly responsible for the price developments. They had increasingly better liquidity, invested again in commodities and thus strengthened the upwards price trend on the copper market. In doing so, they neglected the fact that the special fundamental effects in force since the beginning of the year had recently become weaker. Instead, they placed their money on positive influences for demand resulting from the economic stimulus plans that had been started worldwide and the slowly noticeable stabilisation of the global economy.

PERFORMANCE OF BUSINESS UNIT PRIMARY COPPER

BU Primary Copper in € million	Before revaluation of LIFO inventories 2007/08	2008/09
Revenues	4,038	4,248
EBT	65.4	14.6
EBIT	82.2	32.3
Capital expenditure *	65.2	48.3
Depreciation and amortisation	54.1	72.2
Average number of employees	1,843	2,083

* on intangible assets and property, plant and equipment

The Business Unit (BU) **Primary Copper** covers the processing of copper concentrates and blister copper and the subsequent production of high-grade copper cathodes in the Group. In addition, copper scrap and intermediary products from other smelters and other recycling raw materials are treated in order to optimise the production processes. The treatment and refining charges generated represent a main source of earnings for BU Primary Copper. Effects on earnings from the efficient extraction of metals also play a role.

Its production operations include the smelter plant and tankhouse at the Pirdop site in Bulgaria, the concentrate processing and cathode production facilities in Hamburg and the cathode production plant in Olen, Belgium.

Relevant raw material markets with volatile supply

The market for copper concentrates was still well supplied at the beginning of the fiscal year. The demand for concentrates declined since numerous copper smelters in Asia reduced their output due to more difficult sales markets for copper and sulphuric acid. The treatment and refining charges (TC / RCs) rose to US$ 75 per tonne of concentrates and 7.5 cents per pound of copper and were even substantially higher still on the spot market.

However, in the course of the fiscal year, the supply decreased on account of production interruptions at some major mines. At the same time, demand on the smelter side rose and traders increased their buying activities, which put the TC / RCs under considerable pressure. Agreements were announced in the spot market in some instances for less than US$ 30 per tonne of concentrates and 3 cents per pound of copper. Annual agreements between smelters from the Asian region and mines were also affected, with TC / RCs of US$ 50 per tonne of concentrates and 5 cents per pound of copper.

The procurement of blister copper and intermediary products from other smelters, which is mainly performed on the basis of annual agreements, developed satisfactorily and was at a good level, but still did not enable us to compensate fully the deficit in the supply of copper scrap. The market for sulphuric acid, which is a by-product of our concentrate processing, was adversely affected to a considerable degree by the global economic crisis at the beginning of the fiscal year. Demand fell in all three main sales sectors, namely in the chemical industry, the fertiliser industry and in the application in metal production as a sulphuric acid leaching agent. The extremely difficult sales situation on the market forced some copper smelters in Asia and Europe to reduce their copper production significantly. We were only affected to a limited extent. The necessary intermediate storage of sulphuric acid could be kept to a minimum, but the drastic price decline significantly burdened the revenues in this product sector. The market however began to show signs of easing again towards the end of the fiscal year.

Improvement potential was identified by knowledge transfer, which had a positive effect on capacity utilisation and the cost position.

The markets for blister copper, smelter intermediary products and copper scrap also showed a volatile supply, in some cases however with contrary trends.

Good raw material supply despite difficult markets

In view of such an environment, which was primarily influenced by the global financial crisis, the business of BU Primary Copper proved to be difficult. This was however partly compensated by our long-term oriented procurement policy and good market penetration. High flexibility in the input of raw materials and the efficiency of our operations likewise helped to cushion the external effects.

Our copper output was scarcely affected by the shortage in the concentrate market, since agreements were concluded in good time and long-term supply contracts ensured that the smelters in Hamburg and Pirdop were kept well supplied. The TC / RCs agreed were above the market level of the fiscal year. Once again our cooperation with a broadly spread international supplier base proved to be the appropriate market strategy for successfully ensuring our raw material supplies.

The supply of copper scrap, which apart from the smelting facilities in BU Recycling / Precious Metals and for the anode production in Olen, is also used as cooling scrap in concentrate processing, was more difficult to secure. At times we were unable to achieve the required quantity in the raw material mix. The refining charges for copper scrap declined significantly compared with the previous year. The supply and refining charges did not improve again until the second half of the fiscal year.

BU Primary Copper achieves good production results

The good supply of our production facilities with copper concentrates ensured that they were well utilised throughout the fiscal year. Almost 2.1 million tonnes of copper concentrates were processed (1.6 million tonnes in the prior year). The plant overhaul that is necessary every three years was performed at the Hamburg site in October 2008, resulting in a production stoppage of 12 days. It was used to improve the emission situation once again and to increase the processing capacity by about 5%, which enabled the loss of throughput to be largely recouped. The difficult sulphuric acid sales situation also hardly affected the concentrate processing, so that, as in the prior year, we treated almost 1.1 million tonnes of copper concentrates.

200,000 t

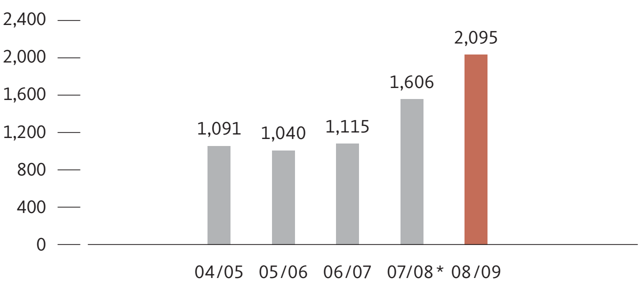
By optimising the process, the tankhouse capacity in Pirdop had risen to about 200,000 tonnes of cathodes by the end of the past fiscal year.

In Pirdop, we managed for the first time in the fiscal year to process more than a million tonnes of copper concentrates. This is a direct consequence of the successfully completed integration in the Group. The smelting operations in both Hamburg and in Pirdop benefited from the fact that the processes at the two sites are very similar. Improvement potential was identified by the knowledge transfer, which had a positive effect on capacity utilisation and the cost position.

Nevertheless, the anode output was still not quite sufficient to keep the tankhouses in BU Primary Copper fully supplied, mainly on account of the shortage from time to time of copper scrap. Total cathode output in the BU still reached 889,000 tonnes (649,000 tonnes in the prior year) with good capacity utilisation of almost 97.5%. While the operation of the tankhouses in Hamburg and Olen was normal, with an output of 374,000 tonnes and 322,000 tonnes of copper cathodes respectively, the production in Pirdop was affected by the commissioning of the new tankhouse, which took up full production in October 2008, following a three-month start-up phase.

CONCENTRATE THROUGHPUT

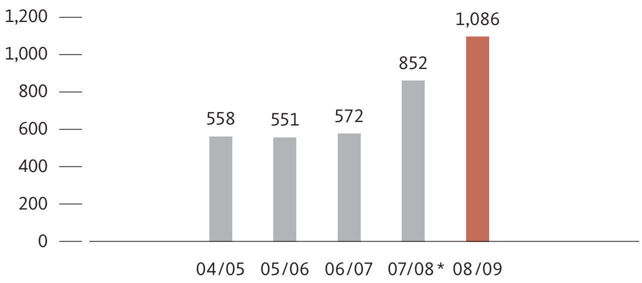
in thousand t



* incl. Pirdop as of 1 March 2008

CATHODE OUTPUT IN THE GROUP

in thousand t



* incl. Olen and Pirdop as of 1 March 2008

The decline in revenues in BU Primary Copper is mainly due to the significantly lower metal prices.

By December 2008, we were already able to decommission in the old tankhouse with its output of almost 70,000 tonnes p.a. The new tankhouse was originally designed with a capacity of 180,000 tonnes p.a. but, after continuously optimising the process, the output had risen to about 200,000 tonnes of cathodes p.a. by the end of the past fiscal year.

The copper cathodes produced in Pirdop are mainly used to supply our rod plant in Southern Italy, but are also sold in Southeast Europe, Turkey, North Africa and outside the region. The committees of the London Metal Exchange were also satisfied with the outstanding quality of our cathodes, which were successfully registered on the metal exchange in June 2009.

The high flexibility and networking of the sites, in which anodes are produced, were essential for the good utilisation of the tankhouses in the fiscal year. All the smelter locations in the Group are in principle capable of casting anodes for the available tankhouses. The anode surplus in Pirdop was used to supply the Olen tankhouse, while the anode surplus in Hamburg was passed on to the Lunen tankhouse (BU Recycling / Precious Metals).

Earnings in BU Primary Copper weighed down by weak markets

Earnings in BU Primary Copper fell perceptively compared with the record profit of the prior year, mainly due to the sharp deterioration in the general economic conditions. This resulted a strong decline in demand for sulphuric acid and in low refining charges for copper scrap in the BU's markets. Production at the sites was however at a high level and in some cases could even be increased. The costs, after adjustment to take into account the full consolidation of Cumerio and the higher output, have largely been maintained at the prior-year level.

BU Primary Copper achieved earnings before interest and taxes (EBIT) in the amount of € 32 million before taking the effects of the revaluation of LIFO inventories using the average cost method. This is a decline of € 49 million or 60% compared with the prior year. Overall, the positive impact of the full consolidation of the former Cumerio companies was unable to compensate the negative effects of the operating business.

Revenues rose slightly year-on-year to € 4,248 million, primarily due to the full inclusion of the Cumerio sites (only seven months in the prior year), which overcompensated for the lower copper prices in the revenues compared with the prior year.

The BU had an average of 2,083 employees during the fiscal year.

PERFORMANCE OF BUSINESS UNIT RECYCLING / PRECIOUS METALS

BU Recycling / Precious Metals	Before revaluation of LIFO inventories	
in € million	2007/08	2008/09
Revenues	2,710	1,957
EBT	144.0	34.8
EBIT	147.2	41.6
Capital expenditure *	26.1	42.2
Depreciation and amortisation	12.3	12.8
Average number of employees	959	953

* on intangible assets and property, plant and equipment

The core activities of the Business Unit **Recycling / Precious** Metals are the production of copper cathodes from a wide range of recycling raw materials. Recycling is performed in the Group at various locations, while the recycling centre is located in Lunen, Westphalia, where complex recycling raw materials, such as electronic scrap, are mainly processed, in addition to copper scrap, using environmentally friendly and innovative technologies.

Further subsidiaries and affiliates, such as Elektro-Recycling NORD GmbH (E.R.N., 70% investment) and CABLO Metall-Recycling & Handel GmbH, are engaged in commodity trading and the preparation of raw materials. We also extract the by-metals and by-products contained in the copper raw materials in the BU Recycling / Precious Metals. These include above all gold, silver and platinum group metals, and also lead, tin and nickel products and other by-elements.

The business activities in the BU Recycling / Precious Metals are mainly dependent on the availability of metal-bearing recycling raw materials and are therefore directly exposed to the fluctuations on the copper and scrap markets and to the developments in other metal and precious metal markets.

225,000 t

Throughput of recycling raw materials in the KRS reaches new high of 225,000 tonnes of material.

The trade cycle also plays an important role, since it is decisive for industrial output and therefore the volume of production residues. We also generate additional contributions to the earnings with our multi-metal recycling, i.e. the recycling of as much of the valuable metal content in raw materials as possible.

Disparate trends in the copper scrap supply

The sharp decline in the copper quotations in the first quarter of fiscal year 2008/09 had a negative impact on the availability of copper scrap and recycling raw materials. In addition, the propensity to invest decreased, so that less scrap was available. The situation was exacerbated by the strong buying activities of Chinese companies, which were triggered by the differential between the Chinese domestic price for copper and the London Metal Exchange price in scrap purchasing, and further depleted the supply.

Nevertheless, we were still able to utilise the Business Unit's processing capacities to a large extent during this period thanks to our deep market penetration. Phases of limited underemployment of the copper scrap processing sector only occurred in the early summer of 2009. The throughput of other recycling raw materials was not affected by this and remained at a high level. The refining charges aligned themselves to the changed market conditions and fell, weighing on the earnings of the Business Unit. This particularly affected the procurement and processing of copper scrap. The market situation however improved from July 2009 onwards. The pressure created by Chinese buyers abated on account of the strong decline in their international procurement business due to local factors. Copper prices rose and stimulated the collection of scrap. The availability of copper scrap increased again and provided us with good security of supply with significantly better refining charges.

Good supply situation for other recycling raw materials ensures utilisation of the respective processing capacities

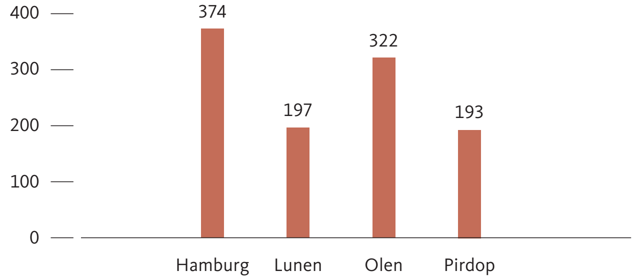
We focused strategically on processing a wide range of electrical and electronic scrap, industrial residues and other recycling raw materials with low copper contents, which proved its worth in the downturn phase. The supply of these raw materials is much less cyclic here, and the number of competitors and their processing possibilities are more limited than in the case of copper scrap. We can also accommodate a wider range of materials because of our investment in material preparation and storage. We were therefore able in the fiscal year to secure the quantities of supplies required for the plant capacities available at our Lunen recycling centre. The suppliers of these materials were mainly located in Germany and the EU, while the refining charges obtained were at a good level.

Overall slightly reduced capacity utilisation, but good productivity

The smelter plant at the Aurubis works in Lunen was well utilised overall. The material throughput in the Kayser Recycling System (KRS), which treats complex recycling raw materials and alloy scrap, reached the record level of 225,000 tonnes in the fiscal year. The processing of copper scrap in the downstream anode furnace could not however match the prior-year level on account of the initial poor availability of material on the market. Cathode output in the Lunen tankhouse, which is fed by the anode output on site and anode deliveries from Hamburg, amounted to 197,000 tonnes, only 3% down on the previous year's record figure, despite delivery shortfalls due to scarcity.

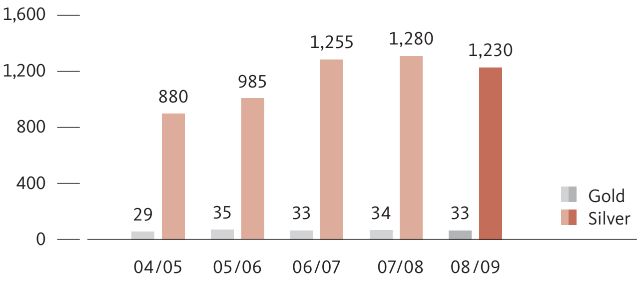
CATHODE OUTPUT BY PRODUCTION SITES

in thousand t, fiscal year 2008/09



GOLD AND SILVER OUTPUT

in t



Precious metal-bearing raw materials still in good supply

The markets for precious metal-bearing raw materials proved to be in fine fettle because of the high precious metal prices. However, the economic downturn in some sectors, such as the electronics industry, was noticeable during the summer months, but these effects did not have a severe impact on Aurubis, due to the variety of economic sectors from which we procure our precious metal-bearing raw materials. We achieved a good production output of 1,230 tonnes of silver and 33 tonnes of gold.

BU Recycling / Precious Metals burdened by the situation on the copper scrap markets

Earnings in BU Recycling / Precious Metals also deteriorated significantly compared with the excellent results of the prior year. However, despite the overall very unfavourable general conditions, a positive result was achieved with earnings before interest and taxes (EBIT) in the amount of € 42 million before including the effects of the revaluation of LIFO inventories using the average cost method. This corresponds to a decline of € 106 million compared with the prior year. The reduction was mainly due to the situation on the copper scrap markets. The considerable activities of Chinese buyers and lower quantities of scrap arising caused a reduction in refining charges and material availability at times. In addition, earnings were burdened by a lower metal yield compared with the prior year as well as lower positive price effects on account of the changed situation on the metal exchanges.

The decline in earnings was mainly due to the situation on the copper scrap markets, which was at times characterised by the considerable activities of Chinese buyers and lower quantities of scrap arising.

The generated revenues in the BU totalling € 1,957 million were significantly down on the prior year (€ 2,710 million), on account of the lower metal quotations.

On average the BU had 953 employees.

PERFORMANCE OF BUSINESS UNIT COPPER PRODUCTS

BU Copper Products in € million	2007/08	2008/09
	Before revaluation of LIFO inventories	
Revenues	6,273	3,644
EBT	102.0	30.9
EBIT	123.5	44.0
Capital expenditure *	22.6	21.0
Depreciation and amortisation	25.2	20.1
Average number of employees	1,304	1,679

* on intangible assets and property, plant and equipment

The Business Unit **Copper Products** is engaged in the production and marketing of top quality copper products. It processes the copper cathodes produced in the Group and also uses high-grade bought-in cathodes to ensure production. We are the European market leader in almost all our product markets. Our main product is continuous cast copper wire rod, which has the highest electrical conductivity and is the most important starting material for the cable and wire industry. BU Copper Products has four rod plants across Europe, located in Hamburg (Germany), Olen (Belgium), Avellino (Italy) and Emmerich (Germany). In Olen, we also produce oxygen-free and low-alloyed wire rod. The rod plant in Emmerich is operated by Deutsche Giessdraht GmbH, in which we hold a 60% investment.

In a second product line, continuous cast copper shapes are produced in Hamburg as the starting product for semi-finished product (semis) fabricators and tube rolling mills. In the downstream production stages, we produce pre-rolled strip (Schwermetall Halbzeugwerk GmbH & Co. KG; 50% Aurubis) and strips made from copper and copper alloys (Aurubis Stolberg), for which the continuous cast shapes produced in Hamburg are mainly processed. The product range also includes brass shaped wires for the electrical engineering industry (Aurubis Stolberg); specialty copper profiles are produced by Aurubis Switzerland SA at Yverdon-les-Bains in Switzerland.

Shape surcharges are paid on the market for the production of copper products which are added to the copper-based price and represent the major part of the revenues of BU Copper Products.

Weak economic environment also affects copper product markets

The markets for copper products were still comparably stable at the beginning of the fiscal year, but were also affected to varying extents from November 2008 onwards by the overall economic downturn. For wire rod, the downturn was comparatively moderate, mainly due to the special product characteristics. The important market segment of energy conversion and distribution is relatively crisis-proof and already benefited during the past fiscal year from the initial effects of the state economic stimulus plans. The enamelled wire sector on the other hand showed a mixed picture in the various regions of Europe and had to absorb stronger downturns overall. The automotive sector was initially badly hit by the crisis, but stabilised again with the help of the European support programmes, while the white goods sector only reported slight cuts thanks to robust European domestic consumption.

The markets for copper products were affected from November 2008 onwards by the overall economic downturn.

The market for semi-finished products by contrast suffered one of the most difficult periods on record. Unlike earlier economic crises, all markets, countries and regions were affected at the same time. On top of this, almost all customers adjusted their inventory holding to the new market situation, and the over-production of 2007 and the beginning of 2008 also weighed on the market. This caused a further slump in the semis industry, to almost 50% in the second quarter. Customer orders did not increase again until the end of May 2009, only interrupted by the annual summer break. Orders were still however placed at very short notice. Demand for copper applications in the construction industry, such as installation pipes and roofing copper, proved to be largely stable, since these products are mostly required for redevelopment and infrastructure projects.

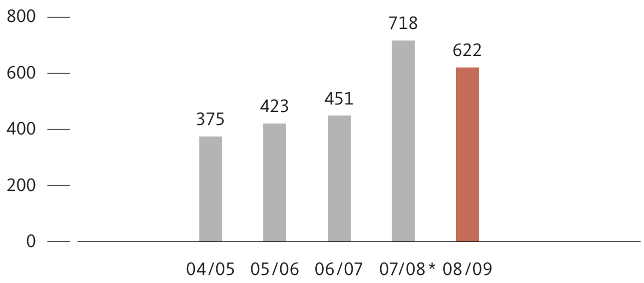
Wire rod business benefits from long-term customer relationships

After a good start to the fiscal year, the trend in the wire rod and shapes business was noticeably affected by declining sales by the customers from November 2008 onwards. At the same time, the wire rod business still benefited from long-term stable customer relationships and the special positioning of our production sites throughout Europe. Local and temporary fluctuations in demand could therefore be compensated and our customers' requirements covered flexibly and reliably. Nevertheless, business performance was characterised until April 2009 by a reduction in stocks along the entire value added chain, accompanied by a low order intake. Business picked up again from the early summer onwards, and improved continuously, apart from the traditionally weak months of August and September. The spot business also picked up in addition to the existing annual agreements. The demand from the entire energy sector provided the main support for this.

We largely completed the modernisation and expansion of the Hamburg rod plant during the past fiscal year. This has increased production efficiency, which had already taken effect at the end of the fiscal year and contributed to the BU's earnings. At the same time, we augmented the delivery possibilities, for instance by offering jumbo coils weighing up to 10 tonnes.

WIRE ROD OUTPUT

in thousand t



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

> The Group's four rod plants produced a total of 622,000 tonnes of wire rod in the last fiscal year.

Aurubis sold a total of 624,000 tonnes of wire rod in the past fiscal year, down about 12% compared with the prior-year sales (712,000 tonnes). At the same time, however, a higher-value product mix resulted in increased revenues.

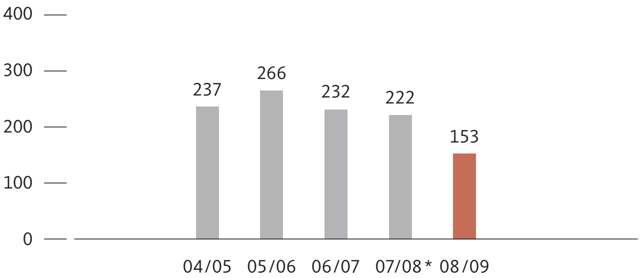
Sales of shapes more severely affected

Our business with continuous cast shapes was affected more severely by the overall economic situation, mainly on account of the intensifying economic downturn in the USA where our customers have many of their sales markets. At the same time, major European semis fabricators used their own foundries as far as possible before placing orders with external custom foundries. We were partly able to compensate for this and the resultant decline in demand with new products, high quality and maximum delivery flexibility. The demand for shapes for the industrial pipe business and some specialty products also picked up towards the end of the fiscal year. Sales stabilised overall after the low in April and rose continuously in the following months until September 2009 with stable revenues.

Sales of shapes totalled 159,000 tonnes in 2009, a 29% decline year-on-year (225,000 tonnes in the prior year).

CONTINUOUS CAST SHAPE OUTPUT

in thousand t



* incl. Olen as of 1 March 2008

Production capacities adjusted

The Group's four rod plants produced a total of 622,000 tonnes of wire rod in the past fiscal year, a decline of some 13% compared with the prior-year output of 718,000 tonnes. In addition, some 5,470 t of specialty products were produced in Avellino.

We used suitable instruments to adjust capacities in all rod plants in order to be able to offer our customers unchanged high delivery flexibility even with declining utilisation. The costs could largely be kept stable.

The output of shapes amounted to 153,000 tonnes in the past fiscal year, 31% down on the prior year (222,000 tonnes). This was partly due to the completion of the relocation of Olen's continuous casting activities in February 2009 and the close-down of one of four casting plants in Hamburg. The casting capacities were thus matched to the falling demand.

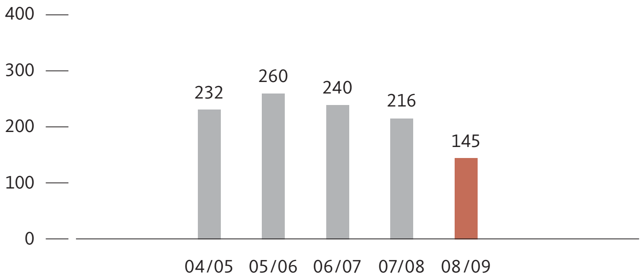
By introducing short-time working from March 2009 until the beginning of August 2009, we minimised the increase in production costs while retaining full delivery flexibility. Regardless of this, we have added the production of important specialty products for the electronics industry to our portfolio following successful trials, which made a further contribution to earnings.

Schwermetall Halbzeugwerk likewise affected

Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg, sold a total of 145,000 tonnes (of which 50% for Aurubis) of strip products made of copper and copper alloys in 2008/09, 33% down on the prior-year quantity. The weak order intake throughout the semis industry at the end of the previous fiscal year that affected all groups of materials deteriorated further. Only the demand for specialty materials and rolled products with higher vertical integration remained largely at a high level. This enabled us to compensate some of our revenue losses caused by declining unit sales, supported by cost savings in the personnel and energy sectors. We responded to the lower capacity utilisation with short-time working from March 2009 onwards. Demand did not pick up perceptively until the fourth quarter.

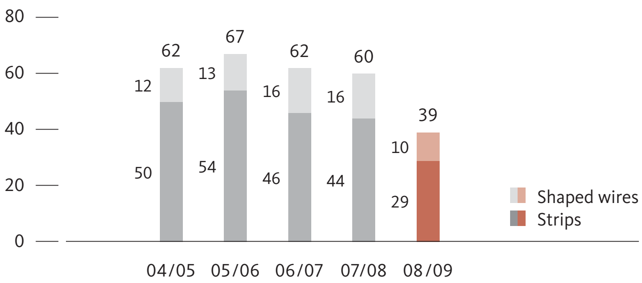
PRE-ROLLED STRIP OUTPUT *

in thousand t



* incl. Wieland Werke AG's 50% share

COPPER STRIPS AND SHAPED WIRES
in thousand t



The mix in strip production shifted further in favour of high-value products.

Production of strips and drawn products suffers from the economic crisis
Aurubis Stolberg produced a total of 39,000 tonnes of strip and drawn products in the past fiscal year, 21,000 tonnes or 35% less than in the previous year. Strip production declined by 15,000 tonnes or 34% to 29,000 tonnes. The product mix shifted further in favour of high-value products, a trend that we intend continuing. Output of wire fell by 6,000 tonnes or 37% to 10,000 tonnes. High volume products with lower margins were however more strongly affected by this. The decline in industrial applications was however less, so that Aurubis even succeeded in increasing its market shares.

At Aurubis Stolberg we reacted to the economic crisis by introducing short-time working in all areas, including administration, from February 2009 onwards. Extensive long-term training courses were also carried out. We adopted additional measures in good time to match the manning levels to plant utilisation by reducing the amount of overtime and the balances on the time accounts, exploiting natural fluctuation, special early retirement schemes and cutting back on temporaries. Further costs were reduced in the procurement and maintenance sectors and for other production overheads. In addition, Aurubis Stolberg has started a long-term programme to increase the productivity and to switch R&D and production even faster and more efficiently to high-value products.

Aurubis Switzerland increases sales volume by acquiring new customers
Despite the difficult economic environment, Aurubis Switzerland improved its sales volume of specialty copper profiles in 2008/09 year-on-year by 8.5% to about 4,640 tonnes. This was only made possible by acquiring new European customers. The sales opportunities in the USA were by contrast severely affected by the economic crisis. Large numbers of business partners lost their credit lines and could only be supplied on the basis of cash before delivery. The strong euro and the product mix also had an adverse impact on the average processing price, which deteriorated by 8.3% compared with the prior-year period.

BU Copper Products with positive result
Overall, BU Copper Products still generated a positive result in the fiscal year despite the difficult market environment for all product sectors.

Earnings before interest and taxes (EBIT) in the BU, before the inclusion of the effects of the revaluation of LIFO inventories using the average cost method, amounted to almost € 44 million in the fiscal year, thus € 80 million down on the prior year figure. The substantial decline was mainly attributable to the market situation and the significantly lower revenues, which could only be compensated to a limited degree on the cost side. A further factor influencing results was the lower price effects due to the changed situation on the metal exchanges.

With lower unit sales and on average lower copper prices, BU Copper Products achieved revenues of only € 3,644 million despite the full inclusion of Cumerio, i.e. a decline of € 2,629 million compared with the prior year.

The BU had an average of 1,679 employees.

€ 6.7 million

Capital expenditure on R&D amounted
to about € 6.7 million in the last fiscal year.

RESEARCH AND DEVELOPMENT

The central Research and Development (R&D) department at Aurubis is divided up in accordance with the Group's Business Units between Primary Copper, Recycling / Precious Metals and Copper Products. In all three sectors, R&D develops innovative solutions for processes and products in close collaboration with production, engineering, marketing and sales. Innovations have a central significance for Aurubis. They provide answers to the changing general conditions, such as more stringent environmental requirements, rising energy prices and tougher competition. They also help to secure our competitive position, and are in addition a central lever for future economic success.

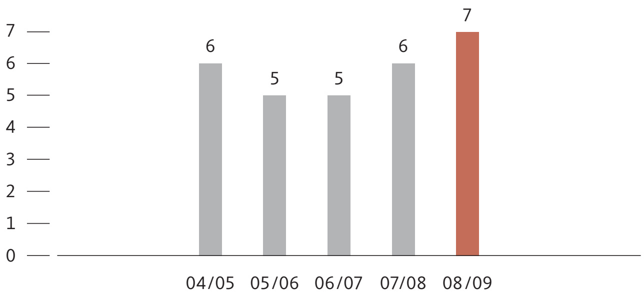
Own R&D and collaboration with technical universities developed further

Increased demand for our products, the focus on complex feed materials and greater demands on the markets have significantly increased the number of projects in the R&D sector. We took these matters into account and increased the R&D team in the course of the year to 32 employees as of 30 September 2009 (29 in the prior year), including 15 engineers and scientists. A further increase in staff is planned for the coming year, to enable us to develop timely solutions for the large number of existing innovation ideas and projects.

In addition, we cooperate closely with various technical universities in the metallurgy, process technology and metal working sectors. Apart from pure contract research, the assignments also include doctorate thesis work and joint research projects. For example, we have been working since mid-2009, partly with other industrial partners, on two research projects subsidised by the Federal Ministry of Education and Research in the "Innovative Technologies for Resource Efficiency" support programme.

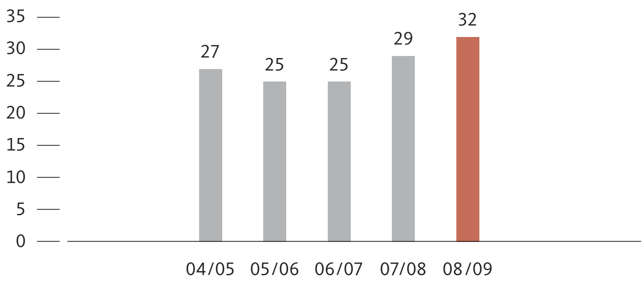
R&D EXPENDITURE

in € million



R&D EMPLOYEES

Number



R&D expenditure and capital investment

Expenditure on R&D amounted to about € 6.7 million in the past fiscal year (€ 5.8 million in the prior year) including expenditure of € 1.4 million on the CIS solar cell. Most of the expenditure was directed towards process improvements.

Improvement in resource efficiency by optimised and new processes

The work in the Primary Copper and Recycling / Precious Metals sectors focused during the past fiscal year on the following topics:

- increasing the metal yield
- adapting the pyrometallurgical and hydrometallurgical processes to more complex raw materials
- further improvement in the environmental compatibility of our processes and products
- extraction of by-metals in the form of enriched intermediates or our own products

In addition to the processes for metal production from primary raw materials, these assignments are optimising the processes for metal extraction from secondary raw materials and residues from recycling raw materials and residues in primary production and, in doing so, taking into account their mutual influence.

During the fiscal year, we developed a process with which undesirable by-elements from the primary copper production can be eliminated. The charging of concentrates will be even more flexible when it is successfully implemented in production. The process is currently being tested and developed further on a pilot scale.

In addition to the development of complex specialty profiles for electrical applications, we performed extensive work in the copper alloy sector, which is mainly destined for later use in contacts and connectors for electrical and electronic components. The process know-how for several low-alloyed specialty materials was also partly developed or optimised further,

We exploit the close contact to our customers to repeatedly generate assignments and ideas for product innovations.

including the required surface treatment. The strips and wires produced have been presented to the customers and in some cases already transferred to serial production after successfully providing samples.

Furthermore, the yield of some valuable metals could be increased by the successful operation of several pilot plants. Some these processes have already been integrated in the production and have proven their worth. In a variety of projects, we are also focusing on the development of new products made from the intermediary materials arising during copper production, with the aim of increasing the sales opportunities.

Increased customer benefit from new or improved products

In the Copper Products sector, we collaborate closely with the Product Technology and Quality departments in Hamburg and Stolberg. We therefore exploit the close contact to our customers to repeatedly generate assignments and ideas for product innovations. The work is mainly focused on

- » the improvement of the product properties such as dimensions, tolerances or technologies, with the aim, for example, of making possible automated processing at our customers with constantly increasing process rates
- » the development of new products in order to accommodate the trend towards miniaturisation, difficult operational conditions or lightweight designs.

We have successfully continued working on the development of lead-free alloys and are already optimising the material systems with various customers. These materials fulfil our customers' requirements and various EU directives as regards their composition. They are used in particular for the metal-cutting manufacture of consumables for electrical and electronic applications.

Solar cell project continued

We have developed flexible copper-based thin film solar cells in a separate project. This provides us with access to the continually growing future market of renewable energy, demand for which will significantly increase in the medium term on account of the shortage of fossil energy sources and due to the climate protection measures that have been resolved.

Sales of solar plants however turned out in 2009 to be much lower than expected by the industry, as a result of the restriction of public subsidies in Spain and financial problems at solar power plants due to the global economic crisis. In our opinion, this is only a temporary interruption to the growth of the solar industry. Despite this, it led to reductions of about 20% in the prices of solar modules, losses at some manufacturers of solar cells and consolidation trends.

Cost-effective technology, good product quality and well-functioning marketing will be decisive for survival in the solar market in future. We have already placed our money on high productivity and sustainability with our focus on electroplated coating processes and continuous strip production, two of the core competencies of Aurubis, since the beginning of the solar cell development. The efficiency rate of a maximum of 12%, which we have so far achieved on a small scale, is a good indicator for achieving competitive product quality. Our partner, C&G, is an established marketing channel for solar modules. Our project is therefore well positioned even under tougher market conditions.

Since 2007, we have built up a pilot line for CIS solar strips, which we have successively brought into operation. The plant for the technical development of the required processes involved total capital expenditure of € 7.5 million, of which about € 0.2 million was still used in the last fiscal year. The results to date show that all the main coordinated process steps from the metal foil to the solar cell fundamentally work. CIS solar cells are produced in the pilot line. The yield and quality of the solar cells however does not yet match the targets that are necessary as a basis for the investment in serial production and launching on the market. Our team of meanwhile 20 employees is working intensively on the reproducibility of the processes and improving the performance of the CIS solar cells to achieve the project goals.

Our project has taken two years longer than originally scheduled for the pilot development, on account of the longer delivery times for machines, longer development periods and more development work which we need because of the complex processes. Despite this, we are still convinced that our concept will be successful. Concrete deliberations on the way forward in the solar project, in particular the construction of serial production facilities (capacity 30 MWp, capital expenditure about € 100 million), will depend on the project results.

HUMAN RESOURCES

Internationalisation presents challenges in personnel work

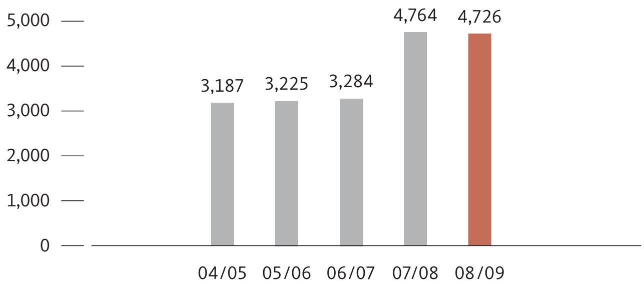
A total of 4,726 people worked in the Aurubis Group in Europe as at 30 September 2009, of whom 71% are employed at the German sites and 29% in other European countries. Every single one contributes to the success of the Group with his ideas and personal commitment. Customers, business associates and investors should be convinced at all times that their decision in favour of Aurubis is right.

The internationalisation of the Company as a result of the integration of Cumerio presented us with great challenges in our personnel work, whereby the focus during the past fiscal year was on technical and personal exchanges between the factories and the international know-how transfer. At the same time, the creation of “cultural bridges” strengthened the team spirit, with intensive and open internal communications effectively accompanying this measure.

The Group organisation was aligned to the new Group structure with various corporate functions. The human resources sector was given its own HR Corporate unit, which is primarily concerned with the implementation of the new HR strategy, the utilisation of modern personnel instruments, management development and international personnel placement.

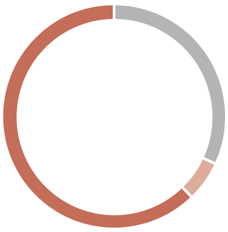
AURUBIS GROUP EMPLOYEES

Number as at 30 September



AURUBIS GROUP PERSONNEL STRUCTURE

Number as at 30 September 2009: total 4,726 (in the prior year: 4,764)



Personnel structure by countries in the Aurubis Group	30.9.2009
Germany	3,337
Bulgaria	758
Belgium	446
Italy	107
Switzerland	40
England	26
Slovakia	10
Turkey	2

Personnel strategy based on corporate strategy

The basis of our new future-oriented personnel work is a personnel strategy focused on the business requirements and the strategic emphasis. This is built on five pillars:

» global leadership,
» growth,
» resources and competencies,
» personnel expenses and
» employer attractiveness.

In addition, the personnel sectors are available to employees and management as business partners and ensure effective processes and the use of professional services and instruments.

Specialists wanted

Throughout the Group, we attribute great importance to hiring young people as employees and specialists. Every two years we organise a Technical University Day at Aurubis Hamburg with the aim of interesting school-leavers in taking a technical degree. Pupils from grammar schools in the region are given information in discussions with representatives from the universities and Aurubis employees about degrees and subsequent career prospects.

We are also similarly committed at the other locations. For example, we work closely together with the universities in Bulgaria. In Belgium, we participate at job fairs and regional cooperation agreements exist with schools at many other locations. Internships and discovery days offer the possibility to become better acquainted with our Group and selected jobs.

Securing the future by training

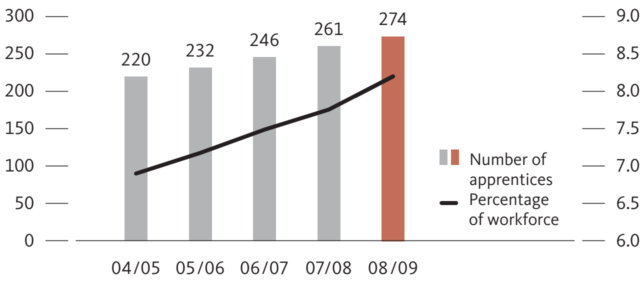
These days, demographic change presents all companies with a further challenge, which, together with the general economic situation, will mean that it will be more difficult to hire good and committed employees.

We have again increased the number of apprenticeships at the German production sites. High-quality training is assigned great importance at Aurubis. As of the balance sheet date 274 young people were in apprenticeships in the Group, representing about 8.2% of the workforce at the German sites. We welcomed 58 new apprentices and 13 new interns from the "9-Plus" project in Hamburg at the beginning of September. The reception was also attended by the Lord Mayor of Hamburg, Ole von Beust, who praised Aurubis in particular for its great commitment to training school-leavers.

The dual vocational training system is unique to Germany. A comparable dual training system does not exist at our major production sites in Belgium and Bulgaria, although the training of our employees also has top priority there.

AURUBIS GROUP APPRENTICES AND THEIR PERCENTAGE OF THE WORKFORCE

Number as at 30 September



High-quality training is assigned great importance at Aurubis, as reflected in the high percentage of apprentices (8.2% of the workforce) at the German sites.

Social responsibility

About 48% of all children under six in Germany have an immigrant background. These children have special intercultural abilities, but their educational needs are also greater. We are therefore cooperating with the Slomanstieg School in the Hamburg district of Veddel, which has a high immigrant proportion of about 90%. Eighth grade pupils are introduced to the practical side of the working world on one day a week. They learn how to handle metals and state-of-the-art machinery in our training workshops and obtain their first practical experience of the day-to-day routine of a large-scale industrial company. At the end of the school year, they receive a certificate that will help them later when they are looking for an apprenticeship. This gives Aurubis the opportunity to make early contact with motivated youngsters.

In a second step, we started the “9 Plus” model with the Slomanstieg School and the City of Hamburg. Thirteen interns are given further tuition at the Slomanstieg School on two days a week and on the other three days they are introduced to a possible apprenticeship in hands-on work experience at Aurubis. The success of this project is clear. We were able to offer nine of last year’s thirteen interns an apprenticeship at Aurubis.

Aurubis AG was awarded the Hamburg Chamber of Commerce’s “School Mercury 2008” for its successful commitment to the integration of young people. The Hamburg Chamber of Commerce thus acknowledged our Company’s transfer management endeavours in the transition from school to a job.

Training during short-time working

Aurubis too suffered from the effects of the financial crisis and its economic consequences. The instrument of short-time working was implemented at the Hamburg, Stolberg, Belgium, Italy and United Kingdom locations from February 2009 onwards to avoid enforced redundancies.

At its peak, about 700 employees were affected by short-time working in the Aurubis Group in May and June 2009. This period was used particularly at the Hamburg and Stolberg sites to give additional vocational training to employees, which was partly subsidised by the state.

The situation has eased in line with the somewhat improved state of the market. In September 2009, only about 250 employees were still affected by short-time working in the Aurubis Group, with a downward trend.

Further training promotes skills

It is important to adapt early and appropriately to changes in order to meet the challenges of the future effectively. The further training of our employees therefore represents a central element of our HR policies. More than 3,200 participants attended courses and seminars during the fiscal year to acquire the knowledge and skills appropriate to their jobs. Since they attended more than one event in some instances, the time spent on vocational training measures amounted to about 40,000 hours. The main topics covered were occupational safety, engineering, IT, foreign languages and management.

Management Development consistently extended

The Management Development programme that already started in 2007/08 was developed further during the reporting period, with the aim of establishing and practicing a uniform management understanding at all executive levels of the international management team. As a result, a programme was also initiated for the international managers in the Group, after the completion of the training seminars for German executive staff. The foremen, whose leadership qualities are of key importance in everyday work, were also included in the management training seminars. The whole topic has been covered since September 2009 on an international basis by the autonomous Management Development function.

Employee profit-sharing

Our employees participate in the success of Aurubis. Performance and success-oriented compensation is a fundamental element of Aurubis AG's remuneration system. The motivation and performance awareness of employees makes a decisive contribution to our Company's success and value. The performance of the individual is therefore always assessed in connection with the performance of the team, the department or the production sector. At the same time, individual and collective team performances complement each other, and each makes a significant contribution to the success of the Company. A third element is oriented to the company's success and is based on the generated EBIT.

Employee shares again in great demand

Staff at the German locations were again given the opportunity during the past fiscal year to acquire shares in Aurubis AG at a discount. Numerous employees once again took advantage of this offer in 2008/09, and 1,990 employees acquired a total of 39,740 shares; in the previous year, 2,088 employees had acquired 41,760 shares.

Incentive plan continued

In 2004, we initiated 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 third tranche of the plan started in the spring of 2009. This compensation element enables the aforementioned executives to participate in the Company's success if Aurubis AG's shares perform well and fulfil the defined benchmarks. 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 were able to exercise a total of 359,750 options between March and September 2009. They therefore received a special bonus of € 2.24 million as part of the third tranche of the incentive plan. The sixth tranche of the incentive plan was issued in March 2009.

Performance and success-oriented compensation is a fundamental element of Aurubis AG's remuneration system.

1,990

employees took advantage of the possibility to acquire employee shares at a discount.

Management salary system to be amended

It is planned that a new salary system will be introduced for Aurubis management in the second half of 2010 because of differences in the salary systems used at the former Cumerio and the former Norddeutsche Affinerie, which are currently not compatible.

The new salary system will be based on an analytical job evaluation that should be uniform and transparent for the entire Aurubis management. The system is being developed together with an internationally acknowledged compensation consultancy firm, and can therefore be regularly reviewed in an international comparison with regard to the appropriateness of its fixed and variable components. The launching of the system will be accompanied by a new assessment and target agreement process.

“Working life and demography” tariff agreement

The demographic changes in Europe will have an effect as new parameters for corporate economic success and the employment situation of the staff in the coming years. The baby boom generation is nearing pension age and the number of older employees is increasing. At the same time the number of young potential employees will gradually dwindle, as a consequence of the decline in the birth rate.

The parties to the collective agreement of the chemical industry have concluded the “Working life and demography” tariff agreement, with the aim of coming to terms with demographic change. The chemistry industry formula on demographic change includes:

» the performance of a demographic analysis,
» work processes that take age and health into consideration,
» training courses during an employees’ entire working life and
» measures for private pension provision and the use of various instruments to ensure smooth transitions between training, work and retirement.

Discussions have meanwhile commenced between the management and the companies’ works councils.

For the first time in 2010, the employers in the chemical industry will provide an annual demography amount of € 300 per tariff employee as part of the collective agreement. The demography amount can be used for one or more of the following purposes as part of a voluntary company agreement:

» long-term accounts
» early retirement scheme
» partial pension
» chemical unions additional disability pension
» collective pension scheme

Aurubis has already begun to make arrangements for the necessary measures that result from the demographic change.

Values and Code of Conduct

As part of its internationalisation, Aurubis has defined new values for how its employees should behave when working together. They are combined in the project name PRIMA (the German word for “great!”):

P	Performance
R	Responsibility
I	Integrity
M	Mutability
A	Appreciation

These values are to be explained in detail and communicated to our employees in the current fiscal year at every production site.

European Works Council

In order to take into account the Group’s increasing internationalisation, the agreement setting up a European Works Council was signed on 8 October 2009. The European Works Council has twelve members, with seven from Germany, two each from Belgium and Bulgaria and one from Italy.

The objective is to continue and develop the national social dialogue also at the European level. The European Works Council primarily aims to promote an exchange of information and opinions. Employees' representatives and employer's representatives will discuss cross-national topics jointly. The European Works Council applies to Germany, Belgium, Bulgaria, Italy, Slovakia and the United Kingdom. Switzerland is also covered by the agreement. The Council will meet twice a year.

Excellent health management at Aurubis

Health management in the Aurubis Group is still being developed after the integration of Cumerio, since the current standards vary widely from region to region.

The number of accidents at Aurubis Hamburg remains at a low level. The 6.2 notifiable accidents per million working hours represent a slight increase, but the company still holds a leading position in the industry and has a considerably lower accident rate than the average of the relevant employers' liability insurance association of the chemical industry. Occupational safety in the fiscal year focused on strengthening the responsibility of all executives and how they function as role models. This topic was covered at all executive levels in a total of 23 workshops with the aim of achieving a sustainable reduction in the number of accidents.

A similar project was carried out at the Lunen works, where the number of accidents has been reduced to 2.8 notifiable accidents per million working hours.

The first measures from the Aurubis AG safety programme are currently being implemented at the other Group sites.

Thanks from the Executive Board

Our success depends on the great commitment and dedication of our employees at all Aurubis Group production sites. This was particularly apparent in fiscal year 2008 / 09 which had economically very difficult basic conditions. We should like to thank our employees most sincerely for their special contribution in this period. Our thanks also go to the employees' representatives for the very constructive and trusting cooperation.

ENVIRONMENTAL PROTECTION

Certified management systems document responsibility for the environment

Ecological management and climate protection are sustainable components of our corporate policy. We therefore take responsibility throughout the Group for permanently improving environmental protection and the efficient use of energy and also reflect this in our capital expenditure. In recent years, a third of all capital expenditure on average was for environmental protection measures. As a result, we have achieved a leading position in this sector internationally.

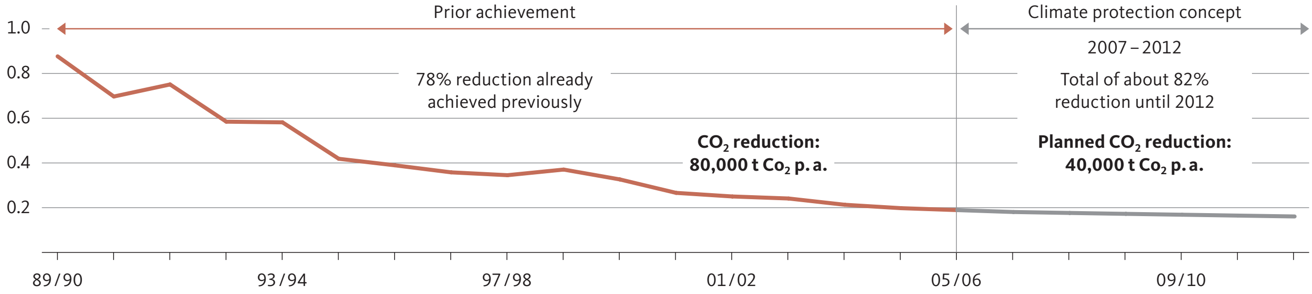
With the step towards internationalisation and the integration of Cumerio, the demands on environmental protection in the Group have increased, although the Aurubis sites in Hamburg, Lunen, Olen and Pirdop have for many years had a management system certified in accordance with the ISO 14001 international environmental norm. Hamburg and Lunen are also certified in accordance with the EU EMAS environmental audit directive. These environmental management systems are mainly focused on the achievement of continuous improvement in ground water protection, soil protection, air quality and energy efficiency.

In addition, the material preparation plant at the Lunen recycling centre has been certified in accordance with the requirements of the Ordinance on Specialised Waste Management Companies and the Act Governing the Sale, Return and Environmentally Sound Disposal of Electrical and Electronic Equipment. This has paved the way for increasing the reliability of supplies of raw materials from the electrical and electronic scrap recycling sector.

In the course of the integration of Cumerio, we started in 2008 to define and implement a binding uniform environmental protection standard for the Group. Together with the TÜV (Technical Control Board), the base data for calculating key factors in environmental protection were examined and uniform calculation principles put in place. These harmonised factors were audited and certified by the TÜV at the beginning of 2009 in Olen, Pirdop, Avellino, Lunen and Hamburg.

CO_2 EMISSIONS* AT AURUBIS AG SINCE 1990

in t CO_2/t copper



* Fuel-related

Ecological management and climate protection are sustainable components of our corporate policy.

The regular annual audit of the environmental management systems at the individual sites by an external verifier was also successfully carried out, providing proof of the high standard of environmental protection in the Group.

Environmental protection is effective at all sites

We also focus in environmental protection on cooperation between industry, environmental associations and the authorities, and seek an open dialogue that also includes the general public. Information events and works tours have therefore been carried out for a wide audience. Numerous discussion meetings on the subject have also been held.

Since 1985, agreements have been concluded to improve environmental protection and to increase energy efficiency at the Aurubis Hamburg site as part of the Environmental Partnership with the Hamburg Authorities for Urban Development and the Environment, likewise on a voluntary basis. In some instances, these go far beyond the statutory requirements. Thus, measures have been defined in cooperation which led to the greatest successes in environmental and climate protection while taking the cost-effectiveness into account. The current agreement foresees environmental protection measures in excess of € 20 million. The majority of the measures have already been implemented in the specified time frame.

The plans to reduce fugitive emissions are awarded top priority. In some cases we have broken new technical ground and developed innovative techniques. For example, a project to capture and suck off fugitive emissions in the anode furnace and casting machine sector in the primary smelter was successfully carried out at the Hamburg site with a capital expenditure volume of more than € 7 million. Dust emissions in this sector have been reduced by more than 70%, while the emissions to the ambient air at the site have declined by more than 80% compared with 1990. The projects are to be completed in 2010 with the construction of a storehouse in the secondary smelter.

An ambitious emission reduction concept involving capital expenditure of some € 10 million has been agreed for the Lunen site in collaboration with the authorities. Most of the measures involved have already been successfully implemented. In addition, we have planned and already partly implemented further measures for environmental protection on a voluntary basis with an investment volume of € 25 million. An important part of the concept is the storehouse for dusty materials, which was officially opened in October 2009, which will enable us in future to substantially reduce the fugitive emissions from the material handling processes. The Kayser Recycling System (KRS) used in Lunen, the construction of which set a milestone in copper recycling from both the technical and environmental aspects, has proved its worth. A further investment of more than € 60 million is planned in innovative furnace technologies, combined with state-of-the-art environmental protection facilities, by 2011. As a result, we hope to further enhance our innovative leading edge in copper recycling.

Emissions at the Olen site have been successfully reduced by in some cases more than 90% since 2004, mainly due to the renewal of the waste heat boiler in the Contimelt plant and the capture and cleaning of fugitive emissions. Volatile organic compound (VOC) emissions have also been lowered by more than 50% by reducing the quantity of ethanol in the rolling mill and the Contirod plant.

In 2008, we successfully completed a project for the installation of a complex new gas cleaning system at the Pirdop site, involving capital expenditure of € 12.5 million. Specific emissions have been reduced as a result by up to 95% since 2000.

At the Avellino site, a new plant has been installed for the capture and treatment of VOCs, which has substantially reduced the emissions that arise in the rolling mill during the surface treatment of the rod. Emissions of total carbon have been reduced by more than 90% at the Avellino site since 2002.

A long-term and reliable energy supply at economically justifiable prices is one of the key factors for the development of the Group. Climate protection also plays a role here and is a priority corporate target. We were the first company in Hamburg to participate in the Hamburg Senate's climate protection concept and have promised to reduce CO_2 emissions at the Hamburg site by a further 40,000 tonnes per annum by 2012, in addition to the achievements in climate protection to date. This target has already been more than 50% achieved by saving 22,000 tonnes of CO_2 per annum.

Hurdles of the European REACH chemicals regulation cleared

The REACH regulation, whose aim is the registration of all material flows in the EU, came into force in 2007. Since 1 December 2008, all chemicals produced in the EU or imported to the EU must be registered at the European Chemicals Agency in Helsinki. This also affects Aurubis.

A long-term and reliable energy supply at economically justifiable prices is one of the key factors for the development of the Group.

Handling of raw materials and energy shows strong sense of responsibility

The responsible handling of resources and sustainable management are attributed special significance in the Aurubis Group. As the largest copper recycler worldwide, we are an important part of modern recycling management, which aims to build up closed material cycles. We therefore constantly strive, with considerable success, to find solutions for making the other substances in our raw materials, apart from copper, into saleable products. This can generally be combined with economic gain, but also serves as integrated environmental protection.

We have successfully completed the necessary pre-registration of materials affecting more than 250 substances with which Aurubis is involved, so that the materials can now be procured and sold without any problems. The necessary registration dossiers are being prepared cost-effectively in consortial cooperation with the other companies affected. As a copper company, we are responsible for the registrations in the copper and nickel sector in this process.

RESULTS OF OPERATIONS, FINANCIAL POSITION AND NET ASSETS

Earnings in fiscal year 2008 / 09 in the Aurubis Group reflect the impacts of the global financial and economic crisis. EBIT before the revaluation of the LIFO inventories using the average cost method decreased by € 271 million to € 111 million. Net borrowings as at 30 September 2009 were reduced to € 359 million after € 746 million, gearing declined to 38.4%. Total assets as at 30 September 2009 amounted to € 2,837 million, thus € 412 million down on the prior year.

RESULTS OF OPERATIONS

The Aurubis Group reports in accordance with International Financial Reporting Standards (IFRS).

Since the measurement of inventories using the LIFO method has been prohibited by IAS 2 since 1 January 2005, all the available inventories in the Aurubis Group have to be measured at average cost. Only the inventories tied up permanently in the production process continue to be measured at the average historic acquisition costs.

This, however, results in the reporting of gains and losses due to changes in the carrying amounts of inventories that result from fluctuations in the metal price. The resultant fictitious earnings could only be completely realised in the event of liquidation and result in profits that can neither be taxed nor, on account of the Group policy of covering metal price risks, distributed as dividends. This presentation can therefore cause considerable discontinuity and a loss of comparability.

In the interests of meaningful business reporting, we are consequently initially reporting the results of operations, financial position and net assets on the basis of the presentation used by Group management for controlling purposes **before the revaluation of the LIFO inventories using the average cost method**, and will then explain how the results of operations, financial position and net assets are affected by the mandatory revaluation.

Consolidated income statement

in € million	Before revaluation of LIFO inventories 2007/08	2008/09
Revenues	8,385	6,687
Other income	52	(73)
Cost of materials	(7,543)	(5,974)
Gross profit	**894**	**640**
Personnel expenses	(266)	(270)
Depreciation and amortisation	(92)	(105)
Other expenses	(154)	(154)
EBIT	**382**	**111**
Net interest expense	(41)	(38)
Earnings before taxes	**341**	**73**
Income taxes	(104)	(20)
Consolidated net income	**237**	**53**

The earnings of the Aurubis Group for fiscal year 2008 / 09 were significantly down on the prior-year results (– 77.6%) and reflected the effects of the global financial and economic crisis. The business performance was influenced by weak product sales from copper processing, low treatment and refining charges for copper concentrates and low refining charges for copper scrap, which severely affected the earnings. Unsatisfactory prices for sulphuric acid have also contributed to reducing earnings.

The comparability of the key financial ratios is limited by the acquisition of the subsidiaries of the former Cumerio Group in 2007/08. While the Cumerio companies were included in the prior-year consolidated financial statements for the period from 1 March 2008 to 30 September 2008, they were consolidated in the year under review for twelve months.

The gross profit fell by € 254 million to € 640 million. The lower metal prices in particular resulted in a 20.2% decline in revenues to € 6,687 million despite the full inclusion of Cumerio. The cost of materials also fell sharply by 20.8% to € 5,974 million, but could only compensate partly for the reduced revenues. Personnel expenses increased slightly by € 4 million to € 270 million, mainly on account of the full inclusion of Cumerio. Depreciation and amortisation at € 106 million were € 14 million up on the prior-year figure for the same reason. The other expenses totalling € 154 million were unchanged at the prior-year level, despite the full inclusion of Cumerio. Countermeasures taken to reduce them had a significant impact here.

As a consequence, earnings before interest, taxes, depreciation and amortisation (EBITDA) of € 216 million in the reporting year were € 258 million down on the prior-year figure. The decline in earnings before interest and taxes (EBIT) was similar, and fell by € 271 million to € 111 million, compared with € 382 million in the prior year. Despite lower net interest expense, earnings before taxes (EBT) declined accordingly by € 268 million to € 73 million. After deducting the tax charge, consolidated net income of € 53 million remained, compared with € 237 million in the prior year. The tax rate was reduced from 30.5% to 27.4% as a result of the higher portion of foreign company earnings in the consolidated earnings. After deducting the minority interest, the basic earnings per share amounted to € 1.28 (€ 5.82 in the prior year).

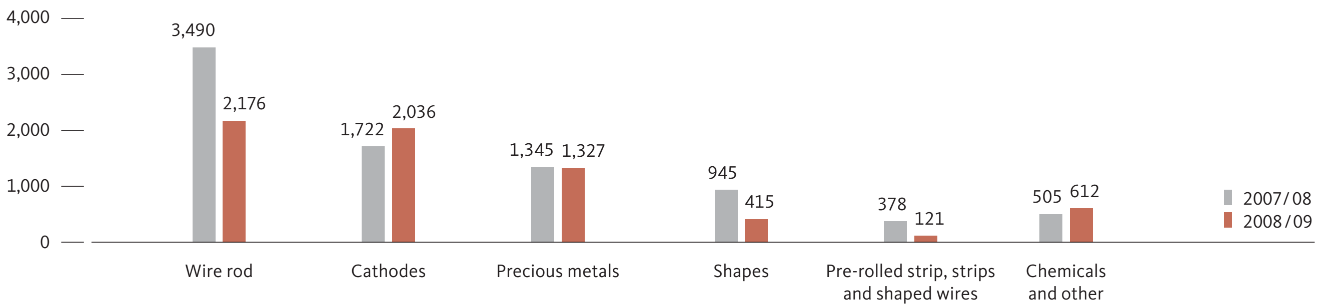
Breakdown of revenues in %	2007/08	2008/09
Germany	49	38
European Union	38	43
Rest of Europe	4	3
Other countries	9	16
Total	100	100

Development of revenues

Group revenues fell by € 1,698 million to € 6,687 million in the year under review, representing a decline of 20.2%. This was mainly due to the lower metal prices combined with lower demand. As a result, revenues in all product groups declined, except for cathodes and chemicals, whose poor market situation was overcompensated by the full inclusion of the Cumerio companies.

DEVELOPMENT OF REVENUES BY PRODUCT GROUPS

in € million



62%

The portion of revenues generated abroad has grown to 62% on account of the enlarged group.

Revenues generated with business partners in the European Union increased to 43% on account of the full inclusion of Cumerio, while the portion of revenues in Germany fell to 38%. The portions of other exports rose strongly by 16% compared with the prior year.

As a result of the reduced revenues, cost of materials fell from € 7,543 million in the prior year to € 5,974 million in fiscal year 2008/09, representing a decline of 20.8%. After including the changes in inventories and other operating income, a lower gross profit of € 640 million remains compared with the € 894 million reported in the prior year.

Source and application of value added

The value added statement presents the Group's economic performance after deduction of all materials and services employed in achieving this. The gross value added in the past fiscal year amounted to € 502 million, compared with € 756 million in the prior year. Net value added is calculated after deduction of depreciation and amortisation, and amounted to € 396 million in fiscal year 2008/09, compared with € 664 in the prior year.

The application statement shows the extent to which the various entitled categories participated in the Group's value added. It can be clearly seen that the largest portion, i.e. € 270 million, of net value added was distributed to the Group's employees. At the same time, the other main recipients of net value added are the public sector, the shareholders and the banks.

Value added statement

Before revaluation of LIFO inventories

in € thousand	2007/08		2008/09	
Source				
Consolidated operating output	8,375,402	100%	6,582,754	100%
Less: Materials and services	(7,619,296)	(91%)	(6,081,151)	(92%)
Gross value added	**756,106**	**9%**	**501,603**	**8%**
Less: Depreciation and amortisation	(92,042)	(1%)	(105,584)	(2%)
Net value added	**664,064**	**8%**	**396,019**	**6%**
Application				
Employees	266,052	40%	269,516	68%
Public sector	103,442	15%	20,171	5%
Banks	57,384	9%	53,028	13%
Shareholders	124,192	19%	66,530	17%
Aurubis Group and outside shareholders	112,994	17%	(13,226)	(3%)
Net value added	**664,064**	**100%**	**396,019**	**100%**

RESULTS OF OPERATIONS AFTER REVALUATION OF LIFO INVENTORIES IN ACCORDANCE WITH IAS 2

In accordance with IAS 2, all the Group's available inventories have no longer been measured since fiscal year 2005/06 by the LIFO method that was applied until then, but on the basis of average cost. Thereby, the fluctuations in the metal prices can lead to fictitious results that considerably limit the meaningfulness of the presentation of the operating earnings. This issue has already been discussed in the section on the results of operations. Despite this limitation, the consolidated results of operations after the revaluation of LIFO inventories are set out in the following in order to comply with legal requirements. As reported in the previous section on results of operations, management however makes particular use of the information and ratios based on the LIFO valuation to control and evaluate the earnings.

Development of earnings after revaluation of LIFO inventories

The revaluation of LIFO inventories had a negative impact of € 139 million on earnings in the fiscal year, mainly due to lower metal prices. The effect on earnings in the prior year was negative at € –98 million.

In total, earnings before interest, taxes, depreciation and amortisation (EBITDA) of € 78 million in fiscal year 2008/09 were € 299 million down on the prior year figure of € 377 million.

If the higher depreciation and amortisation compared with the prior year are taken into account, negative earnings before interest and taxes of € –28 million remain, compared with a prior-year result of € 285 million. After deduction of interest, earnings before taxes amount to € –65 million, after € 243 million in the prior year. Net of income taxes, a consolidated net loss remains for fiscal year 2008/09 of € 46 million after revaluation of LIFO inventories, compared with a consolidated net income of € 171 million in the prior year. Following the elimination of minority interest, basic earnings per share amount to € –1.15 (€ 4.18 in the prior year) after revaluing the LIFO inventories in accordance with the average cost method.

Consolidated income statement — After revaluation of LIFO inventories

in € million	2007/08	2008/09
Revenues	8,385	6,687
Other income	48	(121)
Cost of materials	(7,636)	(6,065)
Gross profit	**797**	**501**
Personnel expenses	(266)	(270)
Depreciation and amortisation	(92)	(106)
Other expenses	(154)	(153)
EBIT	**285**	**(28)**
Net interest expense	(42)	(37)
Earnings before taxes	**243**	**(65)**
Income taxes	(72)	19
Consolidated net income/loss	171	(46)

The revaluation of LIFO inventories using the average cost method has a significant impact on the cost of materials.

Development of revenues

The revenues are not affected by the revaluation of LIFO inventories. Since these were already discussed in the previous section on the results of operations, no further comments will be made here.

The revaluation of LIFO inventories using the average cost method on the other hand had a significant impact on the cost of materials, which amounted to € 6,065 million in fiscal year 2008/09, compared with € 7,636 million in the prior year. This results in a gross profit of € 501 million for the year under review, compared with € 797 million in the prior year.

Return on capital employed (ROCE)

After revaluation of LIFO inventories

in € thousand	30.9.2008	30.9.2009
Equity	1,140,787	1,028,866
Pension provisions	66,612	71,450
Borrowings	932,674	616,214
Less: Cash and cash equivalents	(186,482)	(257,243)
Capital employed as at the balance sheet date	**1,953,591**	**1,459,287**
Earnings before taxes (EBT)	242,998	(65,394)
Net interest expense	42,031	37,373
Earnings before interest and taxes (EBIT)	**285,029**	**(28,021)**
Return on capital employed (ROCE)	14.6%	(1.9%)

Value added statement

After revaluation of LIFO inventories

in € thousand	2007/08		2008/09	
Source				
Consolidated operating output	8,370,619	100%	6,534,347	100%
Less: Materials and services	(7,712,143)	(92%)	(6,171,613)	(94%)
Gross value added	**658,476**	**8%**	**362,734**	**6%**
Less: Depreciation and amortisation	(92,042)	(1%)	(105,584)	(2%)
Net value added	566,434	7%	257,150	4%
Application				
Employees	266,052	47%	269,516	105%
Public sector	72,223	13%	(19,288)	(8%)
Banks	57,384	10%	53,028	21%
Shareholders	124,192	22%	66,530	26%
Aurubis Group and outside shareholders	46,583	8%	(112,636)	(44%)
Net value added	566,434	100%	257,150	100%

After taking into account the revaluation of the LIFO inventories, capital employed as at the balance sheet date amounts to € 1,459 million, compared with € 1,954 million in the prior year. On EBIT of € – 28 million after revaluation of the LIFO inventories, the return on capital employed (ROCE) as at the balance sheet date amounts to – 1.9% for the past fiscal year, compared with 14.6% in the prior year.

Source and application of value added

Gross value added amounts to € 363 million for the past fiscal year after including the revaluation of the LIFO inventories using the average cost method, compared with € 658 million in the prior year. After deducting depreciation and amortisation, net value added amounts to € 257 million, having totalled € 566 million in the prior year. The application of value added statement shows that the net value added (€ 270 million) was distributed to the Group's employees.

FINANCIAL POSITION

The task of financial management is the optimal utilisation of the resources available to the Aurubis Group on the basis of ensured liquidity. This requires the balance sheet structure to be in equilibrium. The Aurubis Group uses various financial ratios to monitor and control the individual items. We will first of all discuss these without the effects of the revaluation of LIFO inventories. Any deviations arising after the revaluation of LIFO inventories using the average cost method will then be explained.

Gearing represents the ratio of net borrowings to equity and provides a clear picture of the funding structure. On 30 September 2009 it amounted to 38.4% and was therefore at a lower level than in the prior year (78.8%). The decrease in gearing is related to the decline in short-term borrowings as at the balance sheet date.

Key group financial ratios

	Before revaluation of LIFO inventories		After revaluation of LIFO inventories	
	30.9.2008	30.9.2009	30.9.2008	30.9.2009
Gearing				
= Net borrowings / equity	78.8%	38.4%	65.4%	34.9%
Net borrowings / EBITDA	1.6	1.7	2.0	4.6
EBITDA-interest coverage				
= EBITDA / net interest expense	11.3	5.7	9.0	2.0

The ratio of borrowing to earnings before interest, taxes, depreciation and amortisation (EBITDA) 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 1.7 is slightly higher than the prior-year figure of 1.6 and represents a very good ratio for redemption of the increased borrowings.

The revaluation of LIFO inventories using the average cost method results in a similar trend. Gearing amounts to 34.9%, compared with 65.4% as at 30 September 2008. The ratio of net borrowings to EBITDA amounts to 4.6, after 2.0 in the prior year. The EBITDA less interest coverage at 2.0 has also declined (9.0 in the prior year). The reduced level of both ratios is due to the decline in EBITDA.

Cash and cash equivalents increased year-on-year from € 187 million to € 257 million. These are mainly used for the operating business activities and also for the partial redemption of borrowings.

The ratio of EBITDA to net interest or EBITDA less interest coverage expresses how net interest expense is covered by earnings before interest, taxes, depreciation and amortisation (EBITDA). The ratio of 5.7 for the past fiscal year clearly shows that earnings before interest, taxes, depreciation and amortisation amount to six times the Group's interest obligations. The ratio of 11.3 was achieved for the prior year, which has deteriorated due to the reduced earnings.

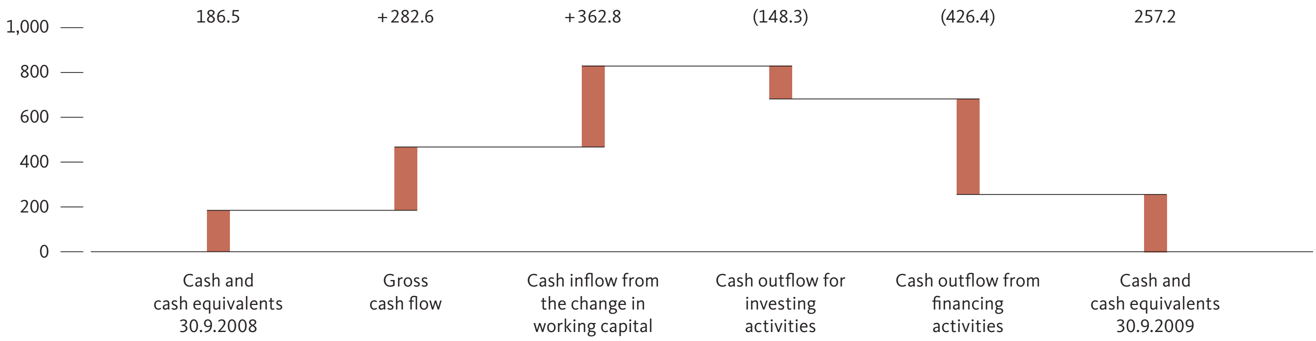
Analysis of liquidity and funding

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

Cash inflow from the operating activities before changes in working capital (gross cash flow) amounted to € 283 million in fiscal year 2008/09, compared with € 399 million in the prior year. This decrease is above all due to the significantly lower operating earnings for the fiscal year.

SOURCE AND APPLICATION OF FUNDS

in € million



Within the working capital, receivables and inventories were reduced while current provisions and liabilities rose. A surplus remained for this sector, so that the cash inflow from operating activities in the fiscal year amounted to € 645 million.

Cash outflow for investing activities amounted to € 148 million in the year under review, compared with € 621 million in the prior year. While the acquisition of the investment in Cumerio nv / sa in the amount of € 525 million accounted for most of the cash outflow in the prior year, cash of € 165 million was used for purchases of property, plant and equipment in the year under review. This expenditure was offset by income from interest, dividends and sales of fixed assets in the amount of € 17 million.

Cash of altogether € 281 million flowed into the Aurubis Group from borrowings in the past fiscal year. At the same time, the Group made payments of € 594 million for the redemption of borrowings that had become due, interest payments of € 46 million and dividend payments of € 67 million to shareholders and the minority shareholders. Cash outflow from financing activities amounted to € 426 million in fiscal year 2008/09. In the prior year there was a cash inflow of € 331 million, in particular due to higher borrowings taken up.

The Aurubis Group has adequate liquidity reserves on account of unused credit lines.

As a result, cash and cash equivalents increased year-on-year from € 187 million to € 257 million. These are mainly used for the operating business activities and also for the partial redemption of borrowings.

The Group's borrowings amounted to € 616 million as at 30 September 2009 (€ 933 million in the prior year). These are due as follows:

in less than 1 year	€ 165 million
in 1 to 5 years	€ 429 million
in more than 5 years	€ 22 million

After deduction of cash and cash equivalents of € 257 million, net borrowings amounted to € 359 million as at 30 September 2009, compared with € 746 million in the prior year.

Net financial liabilities in the Group

in € thousand	30.9.2008	30.9.2009
Borrowings	932,674	616,214
Less: Cash and cash equivalents	(186,482)	(257,243)
Net borrowings	**746,192**	**358,971**

The Aurubis Group has adequate liquidity reserves on account of unused credit lines. 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

Capital expenditure in the fiscal year focused on the integration of Cumerio and the strategic further development of the Group. It mainly involved the expansion of production capacities, process optimisation, plant maintenance and environmental protection.

Business Unit Primary Copper: Construction of new tankhouse in Pirdop

Capital expenditure in the past fiscal year in BU Primary Copper amounted to € 48.3 million and focused on investment projects in Pirdop and Hamburg.

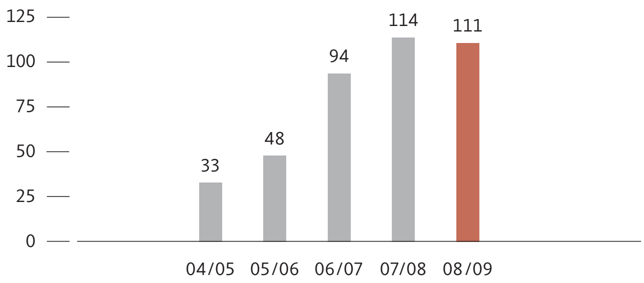
In Pirdop the construction of the new tankhouse with a budgeted capacity of 180,000 tonnes p.a. was successfully completed. The project had a capital expenditure volume of € 80 million in the last fiscal year. The commissioning phase that began on 1 July 2008 and most of the remaining work were completed in the first quarter of fiscal year 2008 / 09. By optimising operation, the new production capacity for cathodes had reached about 200,000 tonnes p.a. by the end of the fiscal year.

The project to adapt the capacity of the slag flotation plant to the increasing concentrate throughput continued in Pirdop. The necessary capital expenditure amounts to almost € 14 million, of which € 3 million was spent in the fiscal year. The new plant will be commissioned in October 2010.

During the past fiscal year, the Future RWO 2008 project was also approved for implementation in Hamburg. This project with a budget of € 55 million comprises several measures, such as the necessary replacement of the tankhouse's 20 year old cells with modern polymer concrete cells, the parallel increase of about 10% in the cathode production capacity to 420,000 tonnes p.a. and the increase in concentrate throughput in the primary smelter to 1.25 million tonnes p.a. The entire project will be carried out in stages over a period of almost four years.

CAPITAL EXPENDITURE

in € million



To make the raw material input more flexible, we are also investing € 5.5 million in a new scrubber in the sulphuric acid plant in Hamburg. It is to be commissioned in the first quarter of fiscal year 2009 / 10.

In Hamburg, capital expenditure was also required on infrastructure, such as bridges, quay walls, new offices and a new building for the works fire brigade. Capital expenditure in Olen mainly focused on plant replacement and maintenance.

Business Unit Recycling / Precious Metals: Bulk storage facility and KRS-Plus project strengthen recycling at the Lunen site

Capital expenditure in BU Recycling / Precious Metals amounted to € 42.2 million. While only minor improvement and optimisation measures were performed in Hamburg, we invested larger amounts in Lunen in environmental protection and the KRS-Plus project. Accordingly, a new bulk storage facility for dusting recycling materials, which ensures improved storage and more environmentally-sound material handling, was completed at the end of September 2009. This project concluded on schedule the emission reduction project that we had agreed with the authorities in 2006. We are also investing € 62.5 million in the KRS-Plus growth project, with which the Lunen recycling centre is to be further expanded. The project is subject to an approval process with public participation and investigations into its environmental compatibility.

Business Unit Copper Products: Capital expenditure at all group production locations

BU Copper Products invested a total of € 21 million in production facilities and systems during the past fiscal year.

In the wire rod production sector, we significantly enhanced the productivity of the Hamburg rod plant and increased the production capacity to 400,000 tonnes p.a. The capital expenditure volume for the project amounted to € 3.8 million.

Following the complete overhaul of the roller and air cushion furnace of the 400 mm rolling line at Aurubis Stolberg in recent years, the finishing sector is now also being tackled by renewing the shears. In 2010, Aurubis Stolberg will have one of the world's most modern rolling lines for contact materials. In the wire sector, we have primarily invested in more modern facilities for surface cleaning.

A new production building was completed in Yverdon-les-Bains in October 2009, in which we will install the new production facilities by February 2010. In Olen, we have invested in a Conform plant and a drawing and stretching unit. This investment project should be completed by January 2010.

NET ASSETS

Total assets amounted to € 2,837 million as at 30 September 2009, a decline of € 412 million compared with the prior-year figure of € 3,249 million, induced above all by the decline in current assets. Inventories decreased year-on-year by € 308 and receivables and other assets by € 224 million. In addition, the smaller difference from the revaluation of LIFO inventories using the average cost method of € 145 million resulted in lower total assets. This was only partly compensated by the € 71 million increase in cash and cash equivalents and the € 50 million increase in other financial fixed assets.

Consolidated balance sheet structure

	Before revaluation of LIFO inventories		After revaluation of LIFO inventories	
in %	2007/08	2008/09	2007/08	2008/09
ASSETS				
Fixed assets	31	36	28	34
Inventories	38	35	43	39
Receivables, etc.	25	19	23	18
Cash and cash equivalents	6	10	6	9
	100	100	100	100
EQUITY AND LIABILITIES				
Equity	32	35	35	36
Provisions	11	12	13	13
Liabilities	57	53	52	51
	100	100	100	100

Equity declined by € 112 million to € 1,029 million as at 30 September 2009, mainly on account of the dividend payments of € 67 million and the consolidated net loss of € 46 million for the fiscal year after revaluation of LIFO inventories. The difference resulting from the revaluation of LIFO inventories in equity fell by € 99 million to € 94 million.

Provisions decreased by € 29 million to € 376 million. Borrowings declined year-on-year by € 316 million to € 616 million.

The Aurubis Group generated clearly positive earnings in the fiscal year before revaluation of the LIFO inventories.

Trade accounts payable at € 601 million were € 157 million up on the prior year. Income tax liabilities totalling € 24 million as at 30 September 2009 were by contrast € 57 million lower than as at 30 September 2008, primarily due to the reduced earnings of the individual Group companies as reported by their statutory financial statements. Other current liabilities fell by € 78 million to € 166 million, due especially to the reduction in the negative fair values from foreign currency and metal forward contracts.

Off-balance-sheet obligations

Off-balance-sheet fixed assets, such as IT equipment, forklift trucks and construction machines under operating leases, are used in the Aurubis Group. The expenditure for these in the past fiscal year amounted to € 5 million, compared with € 3 million in the prior year.

OVERALL STATEMENT ON THE ECONOMIC SITUATION OF THE GROUP

The Aurubis Group generated clearly positive earnings in the past fiscal year (before revaluation of LIFO inventories), although they fell far short of the excellent results of recent years. They can however still be regarded as satisfactory in view of the numerous adverse effects and impacts on the business performance caused by the global economic and financial crisis in the past fiscal year.

The assessment of the business situation results in a differentiated picture. The general copper market succeeded in 2009 in clearly recovering from the low prices recorded in December 2008. The trends on the raw material markets however varied. While copper concentrates were in increasingly short supply in the course of the year and the purchasing terms became more difficult, the availability of copper scrap increased after an initial scarcity so that considerably better refining charges could be obtained. In the concentrate business, which is more long-term oriented, we still profited from our long-term supply agreements. For copper scrap, we exploited the improved market situation to secure supplies with good refining charges. In the product business, we were directly affected by the weak sales situation in our customers' industries and had to make significant adjustments to our production levels in some instances. This was achieved by using the instrument of short-time working. Copper cathodes were still in demand worldwide and could be sold on the market without difficulty. Sales of sulphuric acid, whose international markets were affected by a sharp drop in demand, however proved to be difficult. Overall a slight recovery started to emerge in all product sectors in the second half of the year, as the general economic situation stabilised.

The efficient production of metals with high metal prices again made further contributions to the earnings during the past fiscal year. The past fiscal year was considerably influenced overall by the integration of Cumerio, which was accomplished in a large number of individual measures and now has largely been completed.

LEGAL DISCLOSURE REQUIREMENTS

LAW ON THE DISCLOSURE OF MANAGEMENT COMPENSATION

This requires the compensation paid to members of the Executive Board to be published on an individualised basis, split between non-performance-related and performance-related components as well as components with long-term incentive effect. The total compensation of the Executive Board is also published in the Notes to the Financial Statements of this Annual Report. The detailed report on the compensation paid to the Executive Board is in the Corporate Governance Report, which is part of this Annual Report.

TAKEOVER DIRECTIVE IMPLEMENTATION ACT

The following information is presented in accordance with Section 315 paragraph 4 of the German Commercial Code HGB.

Composition of the subscribed capital

The subscribed capital (share capital) of Aurubis AG amounted to € 104,626,557.44 as at the balance sheet date and was divided into 40,869,749 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 10 October 2008 that its voting interest in Aurubis AG had exceeded the threshold of 20% of the voting rights on 9 October 2008 and amounted to 20.0001% of the voting rights (representing 8,173,987 votes). Of this total, 20.0001% of the voting rights (representing 8,173,987 votes) are attributed to Salzgitter AG via Salzgitter Mannesmann GmbH, Salzgitter.

Accordingly, one direct investment in the capital of Aurubis AG exceeds 20% of the voting rights: according to the notification of Salzgitter AG, Salzgitter, dated 10 October 2008, Salzgitter Mannesmann GmbH, Salzgitter, has held 20.0001% of the voting rights (representing 8,173,987 votes) since 9 October 2008.

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.

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 29 March 2011 by issuing 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 € 38,046,026.24. The shareholders shall be granted a subscription right. 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 arithmetical nominal value totalling € 10,462,653.44 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 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.

Power of the Executive Board to repurchase shares

a) With a resolution of the Annual General Meeting on 26 February 2009, the Company was empowered until 25 August 2010 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 power may be exercised in full or in instalments, once or on several occasions, by the Company or by one of its group companies, or for its or their account by a third party.

   The acquisition may be carried out at the option of the Executive Board via the stock exchange or by means of a public purchase offer addressed to all of the shareholders or by means of a public invitation to submit such an offer. In the case of a purchase via the stock exchange, the consideration paid per share (excluding transaction costs) shall not be more than 10% higher or 50% lower than the mean value of the closing prices for the Company's shares of the same category in Xetra trading (or a comparable successor system) on the last five trading days at the Frankfurt Stock Exchange before entering into the obligation to purchase. In the case of a public purchase offer or a public invitation to submit a purchase offer, the purchase price offered or the threshold amounts per share (excluding transaction costs) shall not be more than 20% higher or 50% lower than the mean value of closing prices for the Company's shares of the same category in Xetra trading (or a comparable successor system) on the last five trading days at the Frankfurt Stock Exchange before the publication of the offer or the public invitation to submit a purchase offer. If significant fluctuations in the relevant share price occur following the publication of a purchase offer or the public invitation to submit a purchase offer, the offer or the invitation to submit such an offer can be amended. In this case, the relevant share price shall be determined in accordance with the closing price for the Company's shares of the same category in Xetra trading (or a comparable successor system) at the Frankfurt Stock Exchange on the last trading date before publication of the amendment; the 20% limit for a higher offer or the 50% limit for a lower offer shall be applied to this amount. The volume of the offer or the invitation to submit purchase offers can be limited. If the total acceptances of the offer or the invitation to submit offers by the shareholders exceed this volume, the acquisition or the acceptances must be carried out in proportion to the shares offered in each case. Preferential purchases or preferential acceptances of smaller lots of up to 100 shares in the Company offered per company shareholder can be foreseen. The purchase offer or invitation to submit such an offer can include further conditions.

b) 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:

   aa) 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 relevant stock market price within the meaning of the above-mentioned rule shall be regarded as the mean value of the closing prices for the Company's shares of the same category in Xetra trading (or a comparable successor system) on the last five trading days at the Frankfurt Stock Exchange before entering into the obligation to sell the shares. The subscription right of the shareholders is excluded. This power shall however only apply on condition that the shares sold excluding the subscription right may not, in accordance with Section 186 paragraph 3 sentence 4 German Companies Act, exceed 10% of the subscribed capital, either at the time this becomes effective or at the time of exercise of this power. This limit of 10% of the subscribed capital shall include shares that will be issued after this power becomes effective, exercising a power resolved at the time that this power becomes effective, or replacing it, to issue new shares out of authorised, unissued capital in accordance with Section 186 paragraph 3 sentence 4 German Companies Act, excluding the right of subscription. Furthermore, this limit of 10% of the subscribed capital shall include shares that will be or have been issued to serve convertible bonds and / or bonds with warrants, to the extent that these bonds were issued after this power became effective on account of power existing at the time that this power becomes effective, or replacing it, in commensurate application of Section 186 paragraph 3 sentence 4 German Companies Act, excluding the right of subscription.

bb) 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 of holders or creditors relating to conversion or option rights issued by the Company or group entities of the Company, in particular however not exclusively on account of the power resolved under Point 8 of the Agenda of the Annual General Meeting on 26 February 2009 to issue bonds with warrants and / or convertible bonds. The subscription rights of the shareholders shall in each case be excluded.

cc) Own shares acquired can be withdrawn entirely or in part without a further resolution of the Annual General Meeting. They can also be withdrawn applying simplified proceedings without a reduction in capital by adjusting the proportionate notional share of the remaining no-par-value shares in the subscribed capital of the Company. The withdrawal can be limited to a portion of the acquired shares. If the withdrawal is carried out applying simplified proceedings, the Executive Board is empowered to adjust the number of shares stated in the Articles of Association.

c) The powers under letter b) and aa) to cc) also includes the use of shares in the Company that are acquired on account of Section 71d sentence 5 German Companies Act.

d) The powers under letter b) can be exploited once or on several occasions, entirely or in part, individually or together; the powers under letter b) and aa) and bb) can also be exercised by entities dependent on or majority owned by the Company or for their account or by third parties acting for the account of the Company.

e) The Supervisory Board can resolve that measures performed by the Executive Board on account of this resolution of the Annual General Meeting can only be carried out with its approval.

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

In the resolution passed at the Annual General Meeting on 26 February 2009, the Executive Board was empowered, subject to the approval of the Supervisory Board, to issue bearer or registered convertible bonds and / or bonds with warrants, profit participation rights and / or participating bonds (or combinations of these instruments) (referred to collectively as “bonds”) until 25 February 2014 once or several times, with or without a maturity limit, in the total nominal amount of up to € 700,000,000.00 and to grant conversion or option rights to the holders or creditors of bonds for no-par-value bearer shares in the Company representing a proportionate amount of the subscribed capital of altogether up to € 52,313,277.44 as further specified in the terms and conditions of the bonds.

The authorisation shall not include the issuance of convertible bonds and / or bonds with warrants with a conversion obligation and subscription rights of the shareholders. The bonds can be issued in euros or – in the equivalent amount – in another legal currency, for example of an OECD country.

They can also be issued by a direct or indirect affiliated company of the Company. In this case the Executive Board shall be authorised, subject to the approval of the Supervisory Board, to assume the guarantee for the bonds and to grant conversion and option rights to the holders for new no-par-value bearer shares in the Company. The individual issues can be divided into individual bonds each with equal rights. In the event of the issuance of bonds with warrants, each individual bond shall have one or more warrants which entitle the holder to subscribe for no-par-value shares in the Company in accordance with the terms and conditions of the options to be defined by the Executive Board. The terms and conditions of the options can also stipulate that the option price can also be paid completely or partly by transferring individual bonds. The subscription ratio is calculated by dividing the nominal amount of an individual bond by the determined option price for one of the no-par-value bearer shares in the Company. Resultant calculated fractional amounts of shares will be compensated in cash. The proportionate amount of the subscribed capital of the bearer shares in the Company to be obtained may not exceed the nominal amount of the individual bond. The same applies when warrants are attached to a profit participation right or a participating bond.

In the event of the issuance of convertible bonds, the holders of the individual bonds shall have the right to exchange these for no-par-value bearer shares in the Company in accordance with the terms and conditions defined by the Executive Board. The exchange ratio is calculated by dividing the nominal amount of an individual bond by the defined conversion price for one no-par-value bearer share in the Company. The exchange ratio can also be calculated by dividing the issuing price of an individual bond that is less than the nominal amount by the defined conversion price for one new no-par-value bearer share in the Company. Possible resultant calculated fractional amounts of shares will be compensated in cash. The proportionate amount of the subscribed capital of the bearer shares to be issued on conversion shall not exceed the nominal amount of the individual bonds. The terms and conditions of conversion can also establish an obligation to convert at the end of the term or earlier (in each case referred to as “final maturity”) or provide the Company with the right on final maturity to grant the creditors of the bonds with warrants and / or convertible bonds, in whole or in part, shares in the Company instead of payment of the due cash amount in accordance with the exchange ratio. In this case too, the proportionate amount of the subscribed capital of the no-par-value bearer shares to be issued on conversion shall not exceed the nominal amount of the individual bond. The aforementioned conditions shall apply accordingly if the conversion right or the conversion obligation refers to a profit participation right or a participating bond.

The terms and conditions of the bonds, which grant or stipulate a conversion right, a conversion obligation and / or an option right, can provide that the Company’s own shares (treasury shares) can also be granted in the event of conversion or exercising the option. Moreover, it can be stipulated that the Company shall not issue no-par-value bearer shares in the Company to the owners of the convertible bonds or option rights, but shall pay the equivalent amount in cash.

In the event of issuing bonds that grant option or conversion rights or stipulate a conversion obligation, the option or conversion price shall be calculated on the following basis:

» If the shareholders' legal subscription right to the bonds is not excluded, the conversion or option price for bonds that grant an option or conversion right but do not stipulate a conversion obligation shall correspond to 130% of the average closing auction price of the Company's shares in Xetra trading (or a corresponding successor system) at the Stock Exchange in Frankfurt am Main in the period from the beginning of the subscription period to the day before the announcement of the final specification of the terms and conditions in accordance with Section 186 paragraph 2 German Companies Act (inclusive).

» If the shareholders' legal subscription right to the bonds is excluded, the conversion or option price for bonds, which grant an option or conversion right but do not stipulate a conversion obligation, shall correspond to 130% of the volume weighted average price of the Company's shares in Xetra trading (or a corresponding successor system) at the Stock Exchange in Frankfurt am Main during the period between adopting the resolution on using the Executive Board's authorisation and the final allocation of the bonds by the banks involved in the issue (the average price applied is referred to hereinafter also as the "reference price").

» If the shareholders' legal subscription right to the bonds is excluded, the conversion price of bonds with conversion obligation shall correspond to the following amount on the bond's final maturity:

  » the reference price in the event that the arithmetic average price of the Company's shares in the closing auction in Xetra trading (or a corresponding successor system) at the Stock Exchange in Frankfurt am Main on the twenty trading days ending on the third trading day before final maturity of the bonds is lower than or equal to the reference price.

» 120% of the reference price in the event that the average price of the Company's shares in the closing auction in Xetra trading (or a corresponding successor system) at the Stock Exchange in Frankfurt am Main on the twenty trading days ending on the third trading day before final maturity of the bonds is higher than or equal to 120% of the reference price.

» the arithmetic average price of the Company's shares in the closing auction in Xetra trading (or a corresponding successor system) at the Stock Exchange in Frankfurt am Main on the twenty trading days ending on the third trading day before final maturity of the bonds, if this amount is higher than the reference price and lower than 120% of the reference price.

» notwithstanding the aforementioned provisions, 120% of the reference price in the event that the holders or creditors of the bonds make use of an existing conversion right before the occurrence of the conversion obligation.

» notwithstanding the aforementioned provisions, the reference price, inasmuch as the Executive Board, with the approval of the Supervisory Board, in compliance with the terms and conditions of the bonds, calls for early conversion to avert direct significant damage to the Company or to avoid a substantial deterioration in a public credit rating for the Company by a recognised rating agency.

If under the terms and conditions of the bonds with warrants and / or convertible bonds the Company shall have the right to grant to the creditors of the warrants and / or convertible bonds, in whole or in part, shares in the Company instead of the payment of the due amount of cash on final maturity, the option or conversion price shall correspond to the option or conversion price applicable on the third trading day before final maturity ("valuation day"), whereby the Company shall pay to the creditors of the bonds with warrants and / or convertible bonds, as required, an additional cash amount, which shall correspond to the difference between the nominal amount of the bond with warrants and / or convertible bond and the current market value of the shares granted (average value of the prices of the shares in the Company in the closing auction in Xetra trading or a corresponding successor system at the Stock Exchange in Frankfurt am Main on the fifteen trading days immediately prior to the valuation day).

The option or conversion price shall be adjusted during the option or conversion period irrespective of the lowest issue amount in accordance with Section 9 paragraph 1 German Companies Act in each of the following cases:

- capital increases by conversion of capital reserves or revenue reserves;
- share split or consolidation of shares;
- capital increases while granting subscription rights, without granting the holders or creditors of existing warrants or convertible bonds with option and conversion rights or obligations a subscription right to the same extent as that to which they would be entitled after exercising option or conversion rights or after fulfilling the option or conversion obligations;
- issuance of further option or convertible bonds or granting or guarantee of other option or conversion rights or obligations without granting the owners or creditors of already existing option and conversion rights or obligation a subscription right for them to the extent to which they would be entitled after exercising the option or conversion right or fulfilling the option or conversion obligation;
- capital reductions (inasmuch as not solely in the form of a reduction of the proportionate amount of the subscribed capital allocated to each share);
- in the event of other unusual measures or events such as conversions, special dividends or the gaining of control by third parties.

In these cases, adjustment shall be made based on Section 216 paragraph 3 German Companies Act in such a way that the economic value of the option or conversion rights or obligations remains unaffected by measures occurring prior to and causing the adjustment. The specific calculation of the respective adjustment shall be carried out, following closer predefinition in the terms and conditions of the option or convertible bonds, by a specialist credit institute taking these criteria into account and shall be binding – inasmuch as no obvious error is apparent.

Instead of adjusting the option or conversion price, the Company can also pay a corresponding amount in cash when the option or conversion rights are exercised or option or conversion rights fulfilled in all cases after closer definition of the conditions of the warrants or convertible bonds.

The shareholders are fundamentally entitled to a subscription right for the bonds. The bonds can also be taken over by one or several credit institutes with the obligation of offering them to the shareholders for subscription.

If bonds are to be issued with conversion and / or option rights or a conversion obligation in return for a cash payment, the Executive Board will however be empowered, subject to the approval of the Supervisory Board, to issue bonds with conversion and / or option rights or a conversion obligation in commensurate application of Section 186 paragraph 3 sentence 4 German Companies Act with the exclusion of subscription rights, provided the issue price is not significantly lower than the theoretical market value determined using accepted finance mathematical methods for bonds with conversion and / or option rights or a conversion obligation. This empowerment to exclude subscription rights only applies inasmuch as a total proportionate amount of the subscribed capital of not more than € 10,462,653.44 and in total no more than 10% of the subscribed capital at the time of exercising the empowerment is applied to the shares that have been issued or will be issued to exercise conversion and option rights or to fulfil the conversion obligation. The proportionate amount of this maximum amount for the exclusion of subscription rights shall be offset against the subscribed capital for shares that have been issued since 26 February 2009 to utilise unissued conditional capital or that could be subscribed as a result of option or conversion rights or established conversion obligations since 26 February 2009, inasmuch as the subscription right of the shareholders is excluded in accordance with or corresponding to Section 186 paragraph 3 sentence 4 German Companies Act when the conditional capital is used or warrants and / or convertible bonds are issued. Furthermore, the proportionate amount of subscribed capital for the Company's own shares, which the Company has sold to third parties during the term of this empowerment in return for a payment in cash without granting the shareholders subscription rights on the basis of this empowerment in accordance with Section 71 sentence 1 No. 8 German Companies Act, shall be set off, unless this sale is performed via the stock exchange or on the basis of a public offer to the shareholders.

Inasmuch as profit participation rights or profit participation bonds are issued without conversion rights, option rights or a conversion obligation, the Executive Board will be empowered, subject to approval of the Supervisory Board, to exclude the shareholders' subscription right entirely if these profit participation rights or profit participation bonds are similar to debentures, i.e. do not constitute any membership rights in the Company, do not grant the right to participate in proceeds from liquidation and the interest payment is not calculated on the basis of the consolidated net income, the unappropriated profit or the dividend. In addition the interest payment and the par value of the profit participation rights or profit participation bonds shall in this case correspond to the current market conditions applicable at the time of issuance.

Furthermore, the Executive Board will be empowered, subject to the approval of the Supervisory Board, to exclude the subscription right of the shareholders for bonds for fractional amounts and also to exclude the subscription right, subject to the approval of the Supervisory Board, inasmuch as it is necessary in order to be able to grant the holders of conversion and / or option rights on no-par-value bearer shares in the Company or the creditors of convertible bonds with conversion obligations a subscription right to the extent to which they would be entitled after exercising the conversion or option right or on fulfilling the conversion obligation.

The Executive Board will be empowered, subject to the approval of the Supervisory Board and observing the principles provided in this empowerment, to define the remaining details of the issue and terms of the bonds or to define these in consultation with the executive bodies of the issuing direct or indirect affiliated or associated companies. This concerns in particular the interest rate, the nature of the interest payment, the term and the denominations, the conversion or option period, the agreement of an additional cash payment, the compensation or amalgamation of fractional amounts, the cash payment instead of delivery of no-par-value bearer shares and the delivery of existing instead of the issuance of new no-par-value bearer shares.

At the same time it was resolved at the Company's Annual General Meeting that the Company's subscribed capital shall be 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). This 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 26 February 2009 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 shall 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 shall be entitled to participate in the profits from the beginning of the fiscal year in which they are 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.

The Supervisory Board is authorised to amend the version of Section 4 paragraphs 1 and 3 of the Articles of Association in accordance with the respective issuance of new bearer no-par-value shares and to make all other related amendments to the Articles of Association that only relate to the wording. The same applies in the event of non-utilisation of the authorisation to issue bonds with warrants or convertible bonds, following expiry of the authorisation period, and also in the event of the non-utilisation of the conditional capital following expiry of the deadlines for exercising the option or conversion rights or the fulfilment of conversion or option rights."

Significant conditional agreements concluded by the Company

Aurubis AG has concluded an agreement with a banking syndicate (the "Syndicated Loan") on a credit line 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 own to it.

SUBSEQUENT EVENTS

Prof. Dr E. h. Wolfgang Leese was appointed a member of the Supervisory Board by the court with effect from 1 October 2009 until the close of the 2010 Annual General Meeting. Following his appointment, he was elected a member of the Personnel Committee with effect from 1 October 2009 and a member of the Conciliation Committee in accordance with Section 27 paragraph 3 Law on Co-determination and the Nomination Committee with effect from 1 November 2009.

RISK REPORT

Risks are defined in the Aurubis Group as the results of detrimental events which could prevent us from achieving our business targets. The occurrence of undesirable and unplanned events can therefore lead to a decline in earnings at Aurubis.

Risk management system

Risks are an inseparable part of our business activities. A well-functioning and targeted risk management system is necessary in order to combat the principal risks successfully. The early identification of risks, for which we have set up an early-warning system, is therefore particularly important.

The risk management system at Aurubis includes all the business sectors and locations. We thus take into account the increased structures of our corporate group. Risks are structured in accordance with prescribed risk categories and recorded in a risk inventory. They are then assessed depending on their magnitude and likelihood of occurrence and classified in accordance with their significance. Apart from the definition of countermeasures, this includes the continuous monitoring of the development of the risks and an assessment on how they might develop in future. All documentation is issued only in English, to achieve a system that functions across all nations and languages. Autonomous risk management officers have been nominated at each site and in each risk sector. The reporting is combined at the Group's head office in Hamburg. As a corporate management function, risk management reports directly to the CFO.

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

Apart from the requirements of the current business operations, legal aspects for the risk management system are also of major significance. The Control and Transparency in Business Act came into effect in 1998, and since then the Executive Board has been obliged, in connection with Section 91 paragraph 2 of the German Companies Act, to establish an appropriate risk early warning system, to enable risks that threaten the company to be identified in good time. This requirement has already been fulfilled by Aurubis for several years in documented form.

New developments during fiscal year 2008/09

Following the acquisition of Cumerio nv/sa in April 2008, Norddeutsche Affinerie AG, as it was then called, was faced with the challenge of expanding the existing risk management system to cover the new Group. Apart from the larger number of entities to be included, the international positioning of the Group also placed additional requirements on the new risk management system. As a first step, the various organisational units were defined and responsible risk management officers were appointed. After that, the relevant risks for the respective unit were identified as part of a risk assessment performed by the risk management officers together with group risk management. At the same time, the risks were evaluated according to their significance and probability of occurrence. The consolidation of the risks at group level results in a good overview as regards the risks that exist in the Group. The completion of the process is presented in the first quarterly risk report in the enlarged system. Although the Group had grown substantially in the international environment, few new risks became apparent overall, since the business models, and thus the risk profiles, of the two merged companies are very similar.

In addition to the complete revision of the risk management system, the weak economic situation in the course of the past fiscal year presented a particular challenge to Aurubis AG's risk management. Receivables management was therefore one of the main focuses of the work. New group-wide directives for accounts receivable management were developed and bindingly agreed. The monitoring of outstanding receivables was significantly improved and their development discussed intensively with the Executive Board. Measures to safeguard our rights were defined and implemented on a timely basis. Although the trade credit insurers were less willing to cover account receivables, no significant bad debts occurred.

Aurubis's continued conservative accounting policies also proved advantageous in the past fiscal year. We were soundly funded and were scarcely affected by the restrictive liquidity policy of the commercial banks.

We managed to counter the decline in demand in the product sector by using our production units flexibly. Nevertheless, short-time working had to be introduced in some sectors to react adequately to the reduced demand. A unit for the production of continuous cast shapes in Belgium was closed down permanently.

Structuring of the relevant risks

The risks catalogued in conjunction the updating of the risk management system were structured on the basis of their position in the value added chain and the related economic criteria, making possible the systematic, complete and uniform registration of the relevant risks.

Supply and production

The ability to keep the production facilities sufficiently supplied and the availability of the production plant pose significant risks for the Aurubis Group. We mainly use the raw materials required for copper production in the form of copper concentrates, while the remainder are fed into the process in the form of various recycling raw materials and intermediary products. The supply of copper concentrates is largely ensured by long-term supply agreements with a multitude of concentrate suppliers from various countries and continents. The risk of delivery failures is reduced to a minimum by spreading the risk in this way. The primary copper production facilities were accordingly kept fully supplied with copper concentrates. In addition, the long-term nature of the supply agreements in particular limited the risk of earnings being affected by the fluctuating treatment and refining charges on the spot market and ensured a high level of security of supply.

We procured copper scrap and other recycling materials, which are fed into the process in both primary and secondary copper production, on the national and international markets. A copper price difference between the London Metal Exchange and the Shanghai Futures Exchange resulted temporarily in increased activities by Chinese buyers in the European market. The production facilities were not quite fully supplied for a while due to the resultant shortage of copper scrap.

Complex recycling materials, such as electronic scrap, which are in particular the feed materials for our Kayser Recycling System (KRS), were available in sufficient quantities at all times. The plants could be supplied to capacity.

Structurally the merger resulted in only a few new risks since the business models and risk profiles are very similar.

The supply of the plants in the Business Unit Copper Products was ensured to a large extent by our own output of cathodes. Apart from the utilisation of the plant capacities, this enables us to control the quality of the produced copper products during the entire production process. Thus, not only were the facilities for copper production utilised to a great extent, but the reliability in delivery and quality of the products was also ensured in addition.

Decline in demand
Slowdowns in the economy as a whole and the confrontation with changing markets pose a significant risk to the sales of copper products and by-products. The deteriorating economic situation in the past fiscal year developed into a financial and economic crisis in 2009, from which hardly a single sector was spared. The general decline in industrial output resulted in a sharp drop in the demand for copper products. The long-term orientation of our delivery agreements with our customers did however assure sales, but at a lower level than in the prior year. We countered the reduced demand from time to time with short-time working in the copper flat product and wire product sectors.

In line with the demand for copper, the consumption of sulphuric acid in the chemical industry as well as in the mining and fertiliser industries also declined, but this did not have any significant repercussions on primary copper production. Thanks to our long-standing relationships with our customers and the flexibility of our production, Aurubis succeeded in steering itself through the economically difficult environment.

Increase in costs
Unfavourable energy markets and increases in the cost of energy represent a major risk for energy-intensive industry. We have concluded an agreement with Vattenfall for the German sites with a validity of thirty years that will enable us to procure electricity long-term under economically acceptable conditions. The production units outside Germany are still exposed to the electricity price risk.

Finances and financing
The buying and selling of metals, which is subject to regular metal price and exchange rate fluctuations, also represents a potential risk for Aurubis. This risk is monitored intensively as part of the hedging of foreign exchange and metal prices. We offset incoming and outgoing metal quantities from underlying transactions against one another each day and secure open positions by hedging exchange rates on a daily basis. Risks from under-hedging and over-hedging were eliminated on a daily basis by financial instruments, such as option and forward contracts, which hedge in particular exchange rates and metal prices. These financial instruments are also suitable for hedging the liquidity requirements at times of volatile raw material prices. All hedging transactions were performed exclusively with first-class partners in order to limit the default risk.

Thanks to our long-standing relationships with our customers and the flexibility of our production, Aurubis succeeded in steering itself through the economically difficult environment.

Expected receipts from foreign currencies, especially the US dollar, are hedged as far as possible by options and forward transactions. Economically justifiable foreign exchange hedging is however only possible over longer periods to a limited extent.

We hedged the default risk for trade accounts receivable mainly by commercial credit insurances. Other hedging instruments, such as L/Cs and guarantees, were also used. We monitor liquidity, trade account receivables, the development of metal prices and exchange rates and pending price-fixed sales agreements at weekly executive meetings, attended by the Executive Board, business unit managers and risk management.

The total open nominal volume of our derivative financial contracts and the fair value of all open contracts are reported separately in the notes to the consolidated financial statements. Since Aurubis gives its customers the opportunity to obtain limited quantities of metal at fixed prices, the failure to take up price-fixed metals can result in uninsurable default risks. We have succeeded in reducing this risk by limiting the price fixation. Nevertheless this price-fixed volume poses a risk for Aurubis on account of the volatile copper price.

An adequate supply of liquidity is imperative for the business operations of Aurubis. Despite the difficult economic environment, we consider ourselves to be financially well situated on account of the strong cash flow. Access to the capital markets has however become more difficult. In some cases, our borrowings and cash deposits have variable interest rates and are thus subject to interest rate risks, which have to be constantly monitored. Both the financing conditions and the continuation of existing credit lines are dependent on covenants to maintain certain key ratios, which were complied with in fiscal year 2008/09.

We complied with key ratios on financing conditions and the continuation of credit lines in fiscal year 2008/09.

The plan assets for the financing of pension obligations are exposed to capital market risks, and are invested in real estate, securities and funds in order that the future income can discharge the pension obligations.

Legal aspects

The failure to comply with standard values and violations of requirements can have legal consequences. The risk arising from contravention can on the one hand be damaging to our reputation and on the other hand it can also have a negative impact financially. No violations and thus no such risks occurred in the reporting period.

Organisational aspects

Under organisational aspects, risks are above all understood as those caused by the support functions of the value added chain. These can be either personnel risks or also IT risks. Efficient personnel planning and HR management minimised staff fluctuations. IT risks were controlled by giving employees selective training.

Further organisational risks are environmental, strategic and investment risks.

We attribute great importance to the environmentally-safe operation of our production facilities and therefore set standards for ourselves that go beyond laws, requirements and directives. These additional measures enabled us in the past fiscal year to ensure that we maintained our leading position in the copper industry as regards environmental standards. Incidents that might have an adverse impact on the environment cannot however be fully ruled out. Comprehensive alarm and risk avoidance plans exist to counter possible interruptions to the production process. Employees are given regular training in the form of mock emergency drills and test alarms. Fire insurance and fire business interruption policies have been concluded for all the main production plants in the Aurubis Group and limit potential risks resulting from downtimes. No significant repercussions for the environment as a result of interruptions to the production process occurred in the reporting period.

Aurubis is still negotiating with the authorities of the City of Hamburg on the new regulation on the thermal load plan for the River Elbe, which necessitates a significantly lower water inlet temperature, with the aim of finding an acceptable solution for the production location in Hamburg.

A further risk associated with energy management is the additional costs which could affect Aurubis due to the purchase of CO_2 certificates. There is the risk that emission trading certificates could mean significantly higher costs for the Aurubis Group as a result of the revised version of the emission trading guidelines. Uncertainty will continue to prevail until mid-2010 here as regards the exemption of the Aurubis Group, due to a landmark decision that can be interpreted in various ways.

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.

The integration of Cumerio has largely been completed. With the revision of the risk management system, the necessary measures to identify and control risk were put in place and implemented at the respective locations.

The production cost risk arising from increasing energy prices has been averted for our German sites from 2010 onwards by a long-term energy agreement on a production cost basis. Aurubis is also working to hedge the electricity prices continuously at the other locations. The long-term nature of our raw material procurement policy, which avoids dependence on individual suppliers and customers, also represents a success factor for Aurubis. The concept of an integrated copper producer makes us comparatively crisis-proof in changing market situations.

Our sound balance sheet structure with high equity ratio protects Aurubis from possible economic burdens. The sustained high cash flow provides a sure basis to provide the Group with sufficient liquidity for its ongoing business operations. Further funding possibilities that are available via banks and capital market measures enable the necessary resources to finance further projects for internal growth and acquisitions to be procured.

The concept of an integrated copper producer makes us comparatively crisis-proof in changing market situations.

Altogether, we are convinced that the completely revised risk management system provides us with an appropriate system to control this area. There were no significant structural changes in the Group's risks in the year under review.

The Audit Committee appointed by Aurubis's Supervisory Board also concerned itself intensively with questions 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 each quarter 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 fundamentally 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 necessary requirements.

FORECAST REPORT

Aurubis's forecasts for the period until 2011 are based on our strategic and operating planning, prepared on the basis on our corporate targets. They also take into account market information and the assessments on the economic trends and development of the metal markets by renowned organisations and institutes. They also include the opportunities and risks inherent in the expected market and competitive conditions.

Future orientation

The future orientation of the Aurubis Group is determined by our strategy, which was reviewed comprehensively and redefined in fiscal year 2008/09. Over the next two years, we will mainly be focusing on the implementation of the strategic projects with which we want to achieve our strategic objectives.

Specifically this means that we will systematically enhance our production competence within the defined core "Integrated copper production and processing" business line in order to differentiate ourselves further from our competitors in this sector. This relates in particular to the treatment of complex primary and secondary raw materials and their further processing into high-value products for applications, in which the specific properties of copper apply.

On this basis, we will resolutely pursue our expansive course. The growth opportunities in the production of primary copper and recycling lie outside Europe. Here we can contribute our production competence and our extensive knowledge of the market and industry and use it as a lever for the creation of shareholder value. The emerging nations of South America and Asia close to our raw material and sales markets are for instance interesting here.

In copper processing, we intend to enhance our market and competitive position as an integrated copper group in Europe and beyond. At the same time, we will intensively investigate not only growth but also consolidation steps.

We are consistently following our three principles of growth, improvement and responsibility in the implementation of our strategy. Our goal of becoming the leading copper producer and processor worldwide is just as clearly defined.

Global economy

After the recession had cut deeply into global economic development during most of fiscal year 2008/09, the buoyancy in the large newly industrialised countries and in more developed economies appears to be asserting itself at the beginning of the new fiscal year. The economic indicators there have improved within a short period and now signalise an expansion of the economic activities. The extent of the stabilisation or recovery however varies. Although risks still exist in the foreseeable development of the global economy, we consider the World Bank's growth forecast of 3.1% to be realistic, following a decline of – 1.1% in 2009.

The most substantial revival is emerging in Asia, where China, which has also become the most important development factor on the copper market, is playing a key role. Thanks to its extensive economic stimulus package and an expansive lending policy, the country's gross domestic product grew most recently by 8.9% (third quarter 2009 compared with the prior year). An improvement of 8.5% in economic strength is expected for 2009 as a whole, followed by a further increase of 9% in 2010, mainly based on the solid domestic trend.

The concerted measures adopted by the central banks and politicians have also taken effect in the major industrial nations, which traditionally have a large demand for copper and, along with the return of consumer confidence, have led to an economic recovery. In our opinion, however, the trend will initially be flat on account of the aftermath of the burdens still affecting the financial system. Thus, corporate lending is still restrictive, and further risks are associated with the national debt and the development of the labour market.

The situation in the USA has improved since the summer of 2009, so that we expect a 2.7% decline in gross domestic product for 2009 followed by an improvement of 1.5% in 2010. Japan should also return to the growth curve with a plus of 1.7% in the coming year.

The eurozone, which suffered particularly during the crisis from falling domestic demand for industrial equipment and a sharp downturn in the export business, is now deriving considerable strength from it for the return to stability and growth. We will be among the first to benefit from the recovery of global trade due to the marked dominance of the export business in countries such as Germany. In this connection, the German economy is being stimulated by a perceptible upturn in demand for industrial products, although there will be a time lag before production follows this trend. The effects of the European governments' economic stimulus packages that are becoming effective will also improve the situation further. The indicators also show that the economy is recovering slightly in the largest Central and East European EU member states, which were also badly hit by the crisis. Individual countries however show disparate trends due to the heterogeneous structure of the economic region. Overall we expect growth of 0.3% in the coming year for the eurozone, which corresponds with Aurubis's main regional markets, compared with a decline of 4.2% in 2009.

We are not overrating the recent weak performance of the US dollar compared with the euro and other global currencies and regard it as temporary. We do not regard this as a sign of loss of confidence, but believe that effects from the considerably eased monetary policy in the USA and from international investment strategies can be held responsible. The latter include a withdrawal from US government bonds and the focus on investments in foreign securities or commodities with stronger yields.

Copper market

As a direct consequence of such strategies, investments in raw materials increased sharply in the course of 2008/09 and will continue to be a determining factor on the commodity markets. This applies to the trend on the copper market as well as to the other base metals and precious metals. The US dollar exchange rate will play a key role here. We furthermore assume that the fundamental factors that already caused the copper price to rise in the reporting year will continue to do so. We expect momentum above all from the demand side of the markets. Global demand for copper will increase further provided the economic recovery in the leading industrial nations continues and affects the real economy more strongly from 2010 onwards. In particular, we believe that the leading newly industrialised countries are capable of recovering relatively quickly from the crisis, which would be expressed by growing demand for copper. China, which meanwhile accounts for about 6 million tonnes or about 35% of the global market, will again play the most important part as a purchaser of copper on the global market. There are also many arguments in favour of an increase in demand in the established industrial nations. The inventories in the processing industry have reached a low in the stock cycle. Even if the order intake in the copper-intensive end-user industries turns out to be more moderate, there ought to be demand for copper.

> The emerging nations in South America and Asia close to our raw material and sales markets are interesting for our expansion course.

17.9 million t

Global copper demand will reach the level of 2008 in the coming year.

Together with many analysts and professional institutes, we therefore assume that, at nearly 17.9 million tonnes, demand for copper will almost reach the level of 2008 again in the coming year, and thus recoup the decline of some 3% in 2009. We also expect demand for copper to grow more strongly again from 2011 onwards, in line with the economic recovery.

The trend in the stocks on the metal exchanges is an indicator of the development of the demand for copper. After increasing slowly in the last few months, they reached a total of 530,000 tonnes of copper by the end of October 2009, which theoretically covers global demand for about eleven days. They will be the first to reflect a stronger increase in demand. However, we see little chance of a genuine reversal of the trend until the beginning of 2010, since year-end factors will take effect as in prior years.

No substantial change in the situation with regard to copper production is foreseeable. The higher copper price has again kindled the interest in opening up copper deposits. Many mining companies are investing in addition in the development of existing deposits and are trying in this way to compensate for declining output in old mines. Continuing expansion of the capacity can also be observed at the smelter stage, but capacity utilisation worldwide is poor overall for several reasons, including a shortage of raw materials, technical requirements and strikes. In our opinion, this will not change much in the next two years, even if some negative factors, such as the inadequate sulphuric acid sales in recent years, disappear.

Overall, we see the general copper market in a strong fundamental state over the next two years, which should provide good support for the copper price. The global copper balance should initially still show a production surplus, but this will be limited so that a solid price basis will be available. Production deficits will be probable again from 2012 onwards. Risks currently exist from the development of the dollar and the influence of institutional investors. Nothing will change here in the near future.

Primary copper production continues its growth curve

Copper concentrates are the most important raw material in BU Primary Copper. During the past fiscal year, we succeeded in extricating ourselves quite clearly from the effects of the deteriorating concentrate market thanks to our long-term market strategy. However it is no longer possible to distance ourselves from market developments in that when the validity of old terms and conditions expires, they are replaced by current market prices and low treatment and refining charges.

The market for copper concentrate currently shows disparate trends. On the one hand, the rise in copper prices provides a strong incentive for high utilisation of existing mining capacities and for capital expenditure on expansion and new projects. On the other hand, demand for copper concentrates is strong at present, which results in low treatment and refining charges (TC / RCs). Overall however we expect the currently low TC / RCs on the global market to rise again in the medium term with improved availability of copper concentrates.

We also assume that the market for sulphuric acid has meanwhile bottomed out and will continue to ease, as already started in the past fiscal year.

Our production capacities in BU Primary Copper will largely be fully utilised in the coming months. In Hamburg and Pirdop, we have set ourselves the target of again increasing the concentrate throughput with the aim of reducing dependence on the volatile copper scrap market when the tankhouses are fully supplied. On the other hand, this will also give us the flexibility to benefit from positive developments on the copper scrap market.

BU Primary Copper will be able to continue its growth curve, based on our assessment of the relevant markets. We intend to improve its cost position by increasing productivity and efficiency further. We attribute special significance to the flexible raw material input within the Group, whereby the focus here is on the improved feed possibilities of complex primary and secondary raw materials. This is an important approach, with which we intend to differentiate ourselves further from our competitors.

We will continue to synchronise our smelting operations over the next two years and accelerate the know-how transfer between the BU Primary Copper sites. In addition, we are working in Hamburg and Pirdop on projects aimed at further internal growth. For example, we are considering increasing the throughput of concentrates in Hamburg to 1.25 million tonnes by 2012 and the cathode production capacity to 420,000 tonnes p.a. by 2013. For Pirdop, we are investigating possibilities of increasing the concentrate throughput to about 1.3 million tonnes p.a. at the same time as improved environmental protection by 2012. The cost-effectiveness of this concept is currently being investigated.

Further increase in processing of recycling raw materials

In its future development, BU Recycling/Precious Metals intends to expand the recycling of special secondary raw materials. The creation of structures to establish a legally regulated closed loop economy is making progress in growing numbers of countries. These structures already exist in Germany and other EU countries. The quantities of material arising will therefore increase, particularly from the end-of-life sector. The requirements for the suitability of recycling processes are consequently also increasing, particularly since miniaturisation is advancing still further and there are more and more combinations of many metals and materials in one product. Although we have again made progress in the material preparation and storage sectors, we are continuing to invest in the processing facilities with the aim of meeting the increased demands.

At our Lunen recycling centre, Aurubis has started to carry out the KRS-Plus project, with which the melting capacity should be increased, as the central investment measure for the implementation of our recycling strategy. We are restructuring our processes in this project which is scheduled to be completed by 2011. It furthermore foresees the processing of a significantly greater quantity of recycling raw materials.

We expect the markets and our capacity utilisation to stabilise in the new fiscal year, or even to recover, provided the trends are favourable. Much will depend on the extent to which the economic recovery can establish itself in the real economy and how consumer behaviour changes. The influence of Chinese scrap buyers will also remain a determining factor for the development of the European market. The level of the copper price and the market performance of other metals are likewise decisive criteria for the intensity of collection and thus for the yield. Fluctuations in supply, such as those that occurred during the reporting period, will also accompany us in future. This will be associated with refining charges for copper scrap and their resultant contribution to earnings, whose development is difficult to assess.

We are however making good progress thanks to our recycling strategy of technological leadership in material preparation and environmental protection. The constantly broader range of feed materials, our internationally oriented market development within and outside Europe, high productivity and good networking in material flow management in the Group also help to make even difficult market situations controllable. We therefore expect the output of cathodes in the tankhouse at the Lunen site to continue to exceed 200,000 tonnes per annum.

The market situation for precious metal-bearing raw materials reflects the continuing good availability due to the high prices for precious metals. In general, the yield of these raw materials has improved constantly in recent years. We are therefore expecting the volume to increase in the long term, despite an anticipated short-term decline in the supply. From today's perspective, the output of silver and gold will also remain at a high level over the next few years.

Markets for copper products expected to recover

In BU Copper Products, we expect product demand to increase again in the coming months, following the global economic slump during the past fiscal year. This was already apparent during the last few months and should also continue in the immediate future. The economic stimulus programmes launched by the governments have already had a concrete impact on the markets for copper products. The German machine construction industry expects to grow slightly in 2010. The electrical engineering and electronics industry has initially continued its sideways trend in order receipts, but expects this situation to improve. The IT and telecommunications industry was scarcely affected by the economic crisis and expects slight growth in 2010. In the German construction industry, which reports an increase in order intake, momentum is coming in particular from public sector building projects. We believe that this positive trend will continue overall in all sectors.

We are forecasting increasing demand for wire rod and shapes over the next few quarters, generated by the numerous infrastructure measures and in particular the expansion of decentralised electricity networks. We believe that the temporary weak order intake from the automotive sector in the last fiscal year will also pick up again noticeably, reflecting the order situation of the German carmakers.

Demand for continuous cast shapes has probably likewise bottomed out in the meantime. In particular the shapes produced by us with the highest electrical conductivity are again required increasingly in telecommunication engineering and infrastructure projects. At the same time, we have adjusted and extended our product range to meet constantly growing customer demands.

The market for specialty profiles has recovered perceptively since September 2009. Capacities at Aurubis Switzerland will be fully utilised until the new facilities are commissioned in Olen at the beginning of 2010. The sales volume in this specialty product sector should increase significantly for fiscal year 2009/10. We have already carried out commensurate capital expenditure in Olen and in Yverdon-les-Bains to ensure this.

Overall, BU Copper Products supported by the R&D sector will participate to an above-average extent in the product market recovery that we expect on account of its new products and improved services for customers.

Expected future results of operations

Following fiscal year 2008/09 that was marked by the economic crisis, we expect the economic climate to stabilise again in the new fiscal year, with a positive effect on our business and results of operations. We do not however expect that the excellent results of 2007/08 can be achieved again during the forecast period. This relates not only to the demand for wire rod but also the demand for sulphuric acid. Apart from the uncertainties in the development of the European economy, the copper business will also be influenced by global developments that are difficult to forecast. The development of the dollar is an important component off this. By concluding hedging transactions, we have however already neutralised the impact of the dollar on the current fiscal year. In addition, the continuing development of the Chinese economy, which has a major impact on the state of our procurement and sales markets, must also be considered. The copper scrap markets with their high fluctuations

> We intend to make ourselves even more resistant to market fluctuations with internal and external measures over the next two years.

Following the massive slump in fiscal year 2008/09, demand for pre-rolled strip is currently improving. We expect this trend to stabilise in the next few months.

Demand for strip and drawn products should increase again, although we only expect a slow recovery in the next two years and believe that unit sales will need three to four years to regain their former level.

in prices and availability depending on the market situation and the activities of Chinese purchasers must be particularly mentioned here. Overall, it is clear that the development of our company's earnings will be significantly influenced by a small number of external factors that are difficult to forecast. From a present-day perspective, however, we expect earnings to stabilise and improve overall.

Expected future financial position

The development of the financial position in the last fiscal year was marked by high cash flows that were above all due to the reduction in net working capital. A positive feature was that inventories in particular could be lowered, which enabled the net borrowings following the acquisition of Cumerio to be reduced, and strengthened the balance sheet structure. This development will not be repeated to this extent in the new fiscal year. However, we expect more robust cash flows again from the current earnings.

Capital expenditure in the new fiscal year is expected to be above last year's level. Despite the global economic crisis, our company has continued to invest in strategic projects, such as the expansion of the recycling capacities in Lunen, and will continue these projects consequentially. In addition, an increase in the volume of capital expenditure is expected compared with last year, above all on account of payments for the acquisition of a virtual power plant slice to secure our electricity supply.

Overall the company has long-term financing available within the framework of a syndicated loan agreement that will ensure sufficient liquidity and from today's perspective is not at risk.

Overall conclusion on the expected development of the Aurubis Group

The extent, the speed, the interplay and the far-reaching consequences of the financial and economic crisis that we have left behind us have caused a high degree of uncertainty worldwide on the markets. It is an uncertainty that is continuing and is making it extremely difficult to forecast how economies and companies will develop. Changes arrive at increasingly short notice and leave little time to react. It is therefore important to handle proactively and to position our company so that it can also deal optimally with special challenges.

Although Aurubis had to overcome increased demands from the integration of Cumerio in the last fiscal year, the Company was at the same time very successful in cushioning the recent crisis. We intend to make ourselves even more resistant to market fluctuations with internal and external measures over the next two years, since the external impacts are still associated with risks in view of the uncertain overall environment.

From our present-day perspective, the global copper market with its fundamental structure provides the preconditions that the copper price will remain at a high level, while continuing to be volatile. This implies that the incentive to expand mining production and to collect metal scrap will continue, which should also benefit our raw material supply. By expanding the processing of complex raw materials, we are additionally becoming more independent of economic fluctuations. As to product sales, the foreseeable recovery in our key sectors will have a favourable impact, even if it will be impossible to achieve the excellent sales level of the last few years in the immediate future. Since work will continue throughout the group on optimisation and improved performance, further cost cutting effects can be expected from this. On the other hand, business risks resulting for example from difficult financing conditions at customers or increases in energy prices and levies cannot be ruled out.

We will do everything in our power to achieve a positive result again in fiscal year 2009/10 in excess of that of the past fiscal year and also want our shareholders to continue to participate in this in an appropriate manner.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

for the period 1 October to 30 September (IFRS)

in € thousand	Note	2008/09	2007/08
Revenues	1	**6,686,878**	**8,384,561**
Changes in inventories of finished goods and work in process		(159,253)	(24,582)
– *thereof from revaluation of LIFO inventories using the average cost method*		*(48,407)*	*(4,783)*
Own work capitalised	2	6,722	10,640
Other operating income	3	31,048	61,629
Cost of materials	4	(6,064,810)	(7,635,555)
– *thereof from revaluation of LIFO inventories using the average cost method*		*(90,462)*	*(92,847)*
Gross profit		**500,585**	**796,693**
Personnel expenses	5	(269,516)	(266,052)
Depreciation and amortisation	6	(105,584)	(92,042)
Other operating expenses	7	(153,506)	(154,278)
Operational result		**(28,021)**	**284,321**
Result from investments	8	566	708
Interest income	9	15,089	15,353
Interest expense	9	(53,028)	(57,384)
Earnings before taxes		**(65,394)**	**242,998**
– *thereof from revaluation of LIFO inventories using the average cost method*		*(138,869)*	*(97,630)*
Income taxes	10	19,288	(72,223)
– *thereof from revaluation of LIFO inventories using the average cost method*		*39,459*	*31,219*
Consolidated net loss (income in the prior year)		**(46,106)**	**170,775**
– *thereof from revaluation of LIFO inventories using the average cost method*		*(99,410)*	*(66,411)*
Loss (income in the prior year) attributable to minority interest	11	(973)	(1,821)
– *thereof from revaluation of LIFO inventories using the average cost method*		*51*	*0*
Consolidated net loss after minority interest (income in the prior year)		**(47,079)**	**168,954**
– *thereof from revaluation of LIFO inventories using the average cost method*		*(99,359)*	*(66,411)*
Basic earnings per share in €	12	(1.15)	4.18
– *thereof from revaluation of LIFO inventories using the average cost method*		*(2.43)*	*(1.64)*
Diluted earnings per share in €	12	(1.15)	4.18
– *thereof from revaluation of LIFO inventories using the average cost method*		*(2.43)*	*(1.64)*

CONSOLIDATED BALANCE SHEET

as at 30 September (IFRS)

ASSETS

in € thousand	Note	30.9.2009	30.9.2008
Intangible assets		**41,922**	**46,757**
Property, plant and equipment		**874,427**	**870,918**
Investment property		**22**	**30**
Interests in affiliated companies		246	246
Investments		649	626
Other financial fixed assets		52,156	1,811
Financial fixed assets		**53,051**	**2,683**
Fixed assets	13	**969,422**	**920,388**
Deferred tax assets		**1,433**	**4,164**
Non-current receivables and financial assets		63,383	29,336
Other non-current assets		22	3,323
Non-current receivables and other assets	16	**63,405**	**32,659**
Non-current assets		**1,034,260**	**957,211**
Inventories	14	**1,093,627**	**1,401,571**
– *thereof from revaluation of LIFO inventories using the average cost method*		*144,932*	*283,801*
Trade accounts receivable	15	269,503	391,356
Income tax receivables	16	10,320	10,875
Other current receivables and assets	16	171,918	301,609
Current receivables and other assets		**451,741**	**703,840**
Short-term security investments	17	**464**	**317**
Cash and cash equivalents	18	**257,243**	**186,482**
Current assets		**1,803,075**	**2,292,210**
Total assets		**2,837,335**	**3,249,421**

EQUITY AND LIABILITIES

in € thousand	Note	30.9.2009	30.9.2008
Subscribed capital		104,627	104,627
Additional paid-in capital		187,055	188,759
Generated group earnings		723,481	834,459
– *thereof from revaluation of LIFO inventories using the average cost method*		*93,947*	*193,306*
Changes in accumulated other comprehensive income		10,380	8,680
Equity attributable to shareholders of Aurubis AG		**1,025,543**	**1,136,525**
Minority interest		**3,323**	**4,262**
– *thereof from revaluation of LIFO inventories using the average cost method*		*(51)*	*0*
Equity	19	1,028,866	1,140,787
Pension provisions	20	71,450	66,612
Deferred tax liabilities	21	167,130	221,325
– *thereof from revaluation of LIFO inventories using the average cost method*		*51,036*	*90,495*
Other non-current provisions	22	39,505	41,682
Non-current provisions		**278,085**	**329,619**
Non-current borrowings		451,149	523,078
Other non-current liabilities		25,248	1,604
Non-current liabilities	23	**476,397**	**524,682**
Non-current provisions and liabilities		**754,482**	**854,301**
Other current provisions	22	**97,875**	**74,991**
Current borrowings		165,065	409,596
Trade accounts payable		600,853	444,059
Income tax liabilities		24,262	81,341
Other current liabilities		165,932	244,346
Current liabilities		**956,112**	**1,179,342**
Current provisions and liabilities		**1,053,987**	**1,254,333**
Debt		1,808,469	2,108,634
Total equity and liabilities		2,837,335	3,249,421

CONSOLIDATED CASH FLOW STATEMENT

for the period 1 October to 30 September (IFRS)

in € thousand	2008/09	2007/08
Earnings before taxes after revaluation of LIFO inventories	**(65,394)**	**242,998**
Revaluation of LIFO inventories using the average cost method	138,869	97,630
Earnings before taxes before revaluation of LIFO inventories	**73,475**	**340,628**
Depreciation and amortisation	105,584	92,042
Impairment losses on current assets	29,913	77,568
Change in non-current provisions	(4,449)	(1,304)
Net losses on disposal of fixed assets	8,499	1,473
Other non-cash expenses and income	65,290	(32,099)
Result from investments	(566)	(708)
Net interest expense	37,696	42,031
Income taxes paid	(32,841)	(120,526)
Gross cash flow	**282,601**	**399,105**
Change in receivables and other assets, including short-term security investments	150,087	440,055
Change in inventories	140,668	116,218
Change in current provisions	22,889	3,470
Change in liabilities (excluding borrowings)	48,561	(502,913)
Cash inflow from operating activities (net cash flow)	**644,806**	**455,935**
Additions to fixed assets	(164,544)	(116,062)
Acquisition of intersts in Cumerio nv/sa	0	(524,756)
Proceeds from disposal of fixed assets	550	3,680
Interest received	15,089	15,326
Dividends received	566	708
Cash outflow from investing activities	**(148,339)**	**(621,104)**
Proceeds from capital increases	0	97,639
Proceeds from issuance of bonds and taking up borrowings	281,035	646,495
Payment for the redemption of bonds and borrowings	(594,481)	(300,374)
Interest paid	(45,675)	(52,602)
Dividends paid	(67,305)	(60,521)
Cash outflow (inflow in the prior year) from financing activities	**(426,426)**	**330,637**
Net changes in cash and cash equivalents	70,041	165,468
Changes resulting from changes in exchange rates	720	996
Cash and cash equivalents at beginning of period	186,482	20,018
Cash and cash equivalents at end of period	**257,243**	**186,482**

Further information on the consolidated cash flow statement is provided on page 163 of this report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in € thousand	Subscribed capital	Additional paid-in capital	Generated group equity	Revaluation reserve	Changes in accumulated other comprehensive income	Equity attributable to shareholders of Aurubis AG	Minority interest	Total
Balance as at 30.9.2007	95,115	101,557	733,818	0	(19,619)	910,871	2,761	913,632
– *thereof from revaluation of LIFO inventories using the average cost method*			*259,717*			*259,717*		*259,717*
Capital increase	9,512	88,613				98,125		98,125
Cost of increase in capital after tax effects of € 672 thousand		(1,411)				(1,411)		(1,411)
Dividend payments			(59,261)			(59,261)	(1,260)	(60,521)
Market valuation of financial assets and cash flow hedges					37,399	37,399		37,399
Exchange differences					(54)	(54)		(54)
Deferred taxes on changes in accumulated other comprehensive income					(9,046)	(9,046)		(9,046)
Successive acquisition of Cumerio			908	(9,960)		(9,052)	908	(8,144)
Reclassification of revaluation reserve			(9,960)	9,960		0		0
Changes in equity not recognised in profit or loss	**9,512**	**87,202**	**(68,313)**	**0**	**28,299**	**56,700**	**(352)**	**56,348**
Consolidated net income			168,954			168,954	1,853	170,807
– *thereof from revaluation of LIFO inventories using the average cost method*			*(66,411)*			*(66,411)*	*0*	*(66,411)*
Changes in equity recognised in profit or loss	**0**	**0**	**168,954**	**0**	**0**	**168,954**	**1,853**	**170,807**
– *thereof from revaluation of LIFO inventories using the average cost method*			*(66,411)*			*(66,411)*	*0*	*(66,411)*
Balance as at 30.9.2008	104,627	188,759	834,459	0	8,680	1,136,525	4,262	1,140,787
– *thereof from revaluation of LIFO inventories using the average cost method*			*193,306*			*193,306*	*0*	*193,306*
Dividend payment			(65,392)			(65,392)	(1,913)	(67,305)
Market valuation of financial assets and cash flow hedges			(211)		2,132	1,921	1	1,922
Exchange differences					188	188		188
Deferred taxes on changes in accumulated other comprehensive income					(620)	(620)		(620)
Other changes		(1,704)	1,704			0		0
Changes in equity not recognised in profit or loss	**0**	**(1,704)**	**(63,899)**	**0**	**1,700**	**(63,903)**	**(1,912)**	**(65,815)**
Consolidated net loss			(47,079)			(47,079)	973	(46,106)
– *thereof from revaluation of LIFO inventories using the average cost method*			*(99,359)*			*(99,359)*	*(51)*	*(99,410)*
Changes in equity recognised in profit or loss	**0**	**0**	**(47,079)**	**0**	**0**	**(47,079)**	**973**	**(46,106)**
– *thereof from revaluation of LIFO inventories using the average cost method*			*(99,359)*			*(99,359)*	*(51)*	*(99,410)*
Balance as at 30.9.2009	104,627	187,055	723,481	0	10,380	1,025,543	3,323	1,028,866
– *thereof from revaluation of LIFO inventories using the average cost method*			*93,947*			*93,947*	*(51)*	*93,896*
Total income and expense for fiscal year 2007/08			159,902	0	28,299	188,201	2,761	190,962
Total income and expense for fiscal year 2008/09			(45,586)	0	1,700	(43,886)	974	(42,912)

Further information on changes in equity is provided on page 144 of this report.

CHANGES IN FIXED ASSETS OF THE GROUP

as at 30 September 2009

in € thousand	Acquisition or construction cost 1.10.2008	Additions in the fiscal year	Disposals
Intangible assets			
1. Franchises, industrial property rights and licenses	38,819	3,167	(1,095)
2. Goodwill	43,170	0	0
3. Payments on account for intangible assets	9,999	809	(8,657)
	91,988	**3,976**	**(9,752)**
Property, plant and equipment			
1. Land and buildings	472,175	9,095	(12,995)
2. Technical equipment and machinery	1,285,647	34,971	(44,615)
3. Other equipment, factory and office equipment	70,665	4,393	(6,559)
4. Leased assets	43,640	0	(37)
5. Payments on account and assets under construction	71,036	59,049	(555)
	1,943,163	**107,508**	**(64,761)**
Investment property	**96**	**0**	**0**
Fixed financial assets			
1. Interests in affiliated companies	2,271	0	(2,025)
2. Investments in associated companies	1,100	20	0
3. Other investments	22	23	(20)
4. Fixed asset securities	2,018	53,000	0
5. Other loans	381	18	(190)
	5,792	**53,061**	**(2,235)**
	2,041,039	**164,545**	**(76,748)**

Transfers	Fair value or exchange differences (net)	Acquisition or construction cost 30.9.2009	Depreciation, amortisation and write-downs 30.9.2009	Carrying amount 30.9.2009	Carrying amount of prior year 30.9.2008	Systematic depreciation and amortisation in past fiscal year	Impairment losses in past fiscal year
2,156	436	43,483	(26,564)	16,919	14,923	(3,899)	(5,550)
0	0	43,170	(18,200)	24,970	24,970	0	0
(2,118)	0	33	0	33	6,864	0	0
38	436	86,686	(44,764)	41,922	46,757	(3,899)	(5,550)
11,669	148	480,092	(260,156)	219,936	213,954	(11,813)	(5)
36,921	132	1,313,056	(787,847)	525,209	533,650	(76,864)	(291)
1,178	2	69,679	(50,821)	18,858	19,089	(4,542)	0
0	9	43,612	(12,925)	30,687	33,293	(2,613)	0
(49,806)	13	79,737	0	79,737	70,932	0	0
(38)	304	1,986,176	(1,111,749)	874,427	870,918	(95,832)	(296)
0	0	96	(74)	22	30	(7)	0
0	0	246	0	246	246	0	0
0	0	1,120	(496)	624	604	0	0
0	0	25	0	25	22	0	0
0	(2,483)	52,535	(588)	51,947	1,430	0	0
0	0	209	0	209	381	0	0
0	(2,483)	54,135	(1,084)	53,051	2,683	0	0
0	(1,743)	2,127,093	(1,157,671)	969,422	920,388	(99,738)	(5,846)

CHANGES IN FIXED ASSETS OF THE GROUP

as at 30 September 2008

in € thousand	Acquisition or construction cost 1.10.2007	Additions due to changes in scope of consolidation (net)	Additions in the fiscal year	Disposals
Intangible assets				
1. Licenses, industrial property rights and similar rights and assets, and licenses to such rights and assets	24,617	11,271	2,584	666
2. Goodwill	43,170	0	0	0
3. Payments on account	437	5,738	4,647	0
	68,224	**17,009**	**7,231**	**666**
Property, plant and equipment				
1. Land and buildings	324,841	121,118	5,862	2,936
2. Technical equipment and machinery	894,450	286,941	29,013	14,184
3. Other equipment, factory and office equipment	65,192	3,552	5,330	3,967
4. Leased assets	43,817	222	15	418
5. Payments on account and assets under construction	38,766	78,826	66,457	0
	1,367,066	**490,659**	**106,677**	**21,505**
Investment property	**96**	**0**	**0**	**0**
Financial fixed assets				
1. Interests in affiliated companies	2,297	0	0	26
2. Loans to affiliated companies	140	0	0	140
3. Investments in associated companies	0	0	0	0
4. Other investments	216,937	3,450	0	219,265
5. Fixed asset securities	0	15	2,003	0
6. Other loans	286	0	151	56
	219,660	**3,465**	**2,154**	**219,487**
	1,655,046	**511,133**	**116,062**	**241,658**

There were no intangible assets, apart from goodwill, with indefinite useful lives either at 30.9.2007 or at 30.9.2008.

Transfers	Changes in fair value and exchange differences (net)	Acquisition or construction cost 30.9.2008	Depreciation, amortisation and write-downs 30.9.2008	Carrying amount 30.9.2008	Carrying amount 30.9.2007	Systematic depreciation and amortisation in the fiscal year	Impairment losses in the fiscal year
823	190	38,819	23,896	14,923	2,769	2,708	0
0	0	43,170	18,200	24,970	24,970	0	0
(823)	0	9,999	3,135	6,864	437	0	3,135
0	190	91,988	45,231	46,757	28,176	2,708	3,135
23,185	105	472,175	258,221	213,954	81,021	10,983	5,338
89,373	54	1,285,647	751,997	533,650	194,256	56,415	6,332
556	2	70,665	51,576	19,089	14,693	4,246	96
0	4	43,640	10,347	33,293	35,773	2,678	0
(113,114)	101	71,036	104	70,932	38,766	0	104
0	266	1,943,163	1,072,245	870,918	364,509	74,322	11,870
0	0	96	66	30	37	7	0
0	0	2,271	2,025	246	272	0	0
0	0	0	0	0	140	0	0
0	0	0	0	0	0	0	0
0	0	1,122	496	626	216,441	0	0
0	0	2,018	588	1,430	0	0	588
0	0	381	0	381	286	0	0
0	0	5,792	3,109	2,683	217,139	0	588
0	456	2,041,039	1,120,651	920,388	609,861	77,037	15,593

NOTES TO THE FINANCIAL STATEMENTS

BASIS OF PRESENTATION

Aurubis Aktiengesellschaft ("Aurubis AG") – formerly Norddeutsche Affinerie Aktiengesellschaft – is a quoted limited company domiciled in Germany. On 26 February 2009, the Company's Annual General Meeting resolved to change the Company's name to Aurubis AG; the necessary entry in the commercial register and the subsequent renaming of the shares took place on 1 April 2009.

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 2009 have been prepared in accordance with the International Financial Reporting Standards (IFRSs) 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 draft consolidated financial statements to the Supervisory Board on 9 December 2009. The Supervisory Board's task is to review and approve the consolidated financial statements. At the time of reporting, this was scheduled to be carried out on 14 December 2009.

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. Such estimates and assumptions are primarily applied in defining the useful lives of fixed assets, the computation of discounted cash flows in conjunction with impairment tests, and the recognition of provisions for pension obligations and for pending losses and environmental protection. Further information on the amounts of the provisions that have been set up is given under Notes 20 to 22. Furthermore, the calculation of the fair values of the acquired assets and liabilities that are to be determined as part of the first-time consolidation is based on estimates and assumptions. Actual amounts could deviate from these assumptions. Where they had an impact on the measurement, the underlying assumptions are discussed separately under the respective item in these notes.

SCOPE OF CONSOLIDATION

In addition to the parent company, Aurubis AG, Hamburg, thirteen 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 date corresponds to the balance sheet date of Aurubis AG, Hamburg, and all consolidated subsidiaries, with the exception of two consolidated companies, whose balance sheet date is 31 December. Interim financial statements were prepared by these companies as at the consolidated balance date for consolidation purposes.

Following the amalgamation and renaming of Cumerio nv / sa, Brussels, and Cumerio Belgium, Olen, as per 1 October 2008, only Aurubis Belgium, Olen, is included in consolidation.

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 2009 amounted to € 42,552 thousand (€ 62,951 thousand in the prior year), its share of the non-current liabilities to € 13,828 thousand (€ 13,274 thousand in the prior year) and its share of current liabilities to € 13,474 thousand (€ 13,852 thousand in the prior year). The company contributed € – 63 thousand (€ 2,788 thousand in the prior year) to the group's net income in the reporting period, and € 75,506 thousand (€ 120,511 thousand in the prior year) to its revenues.

CIS Solartechnik's share of the group's assets and current liabilities as at 30 September 2009 amounted to € 4,226 thousand (€ 3,642 thousand in the prior year) and € 85 thousand (€ 319 thousand in the prior year) respectively. The company's contribution to the group's net income in the reporting period amounted to € – 131 thousand (€ – 346 thousand in the prior year). No revenues were generated, since the company has not to date been operationally active.

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 companies included in the consolidated financial statements have been audited by independent auditors.

Capital consolidation is performed as at the acquisition date using the purchase 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 is recognised as goodwill and tested annually for impairment. In accordance with IFRS 3, 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 eight German companies, eight 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

Standards and interpretations applied for the first time

IAS 39 / IFRS 7	Reclassification of Financial Assets – implementation and transitional ruling
IFRIC 11	IFRS 2 – Group and Treasury Share Transactions

Standards applied voluntarily for the first time

IFRS 8	Business Segments
IFRIC 12	Service Concession Arrangements
IFRIC 13	Customer Loyalty Programmes
IFRIC 14	IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
IFRIC 16	Hedges of a Net Investment in a Foreign Operation

Standards and interpretations not adopted early

IAS 1	Presentation of Financial Statements
IAS 23	Borrowing Costs
IAS 27	Consolidated and Separate Financial Statements
IAS 32	Financial Instruments: Presentation (cancellable financial instruments and obligations arising on liquidation)
IAS 39	Financial Instruments: Measurement and Recognition (permitted underlying transactions for a hedge relationship)
IAS 39 / IFRS 7	Financial Instruments: Measurement and Recognition and IFRS 7 Financial Instruments: Disclosures
IAS 27 / IFRS 1	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
IFRS 2	Share-based Payment (Vesting Conditions and Cancellations)
IFRS 3	Business Combinations
Various	Annual Improvements Project 2008 – IFRS Improvements
IFRIC 15	Agreements for the Construction of Real Estate

Standards and interpretations published but not yet implemented

IFRS 1	Restructuring of the Standard
IFRS 2	Amendments to IFRS 2: Group Cash-settled Share-based Payment Transactions
IFRS 7	Amendment to IFRS 7: Improved Disclosures on Financial Instruments
IFRS 9	Financial Instruments
IAS 32	Amendment to IAS 32: Classification of Subscription Rights
IFRIC 9 / IAS 39	Amendments to IFRIC 9 and IAS 39: Embedded Derivatives
Various	Annual Improvements Project 2009 – Improvements to IFRS
IFRIC 17	Distribution of Non-Cash Assets to Owners
IFRIC 18	Being investigated by management Transfers of Assets from Customers

Compulsory application	Adoption by EU Commission	Impact
1.6.2008 (retrospective)	15.10.2008	none
1.1.2008	1.6.2007	none

Compulsory application	Adoption by EU Commission	Impact
1.1.2009	21.11.2007	Change in segment reporting
1.10.2009	26.3.2009	none
1.1.2009	16.12.2008	none
1.1.2009	16.12.2008	none
1.7.2009	5.6.2009	none

Compulsory application	Adoption by EU Commission	Impact
1.1.2009	17.12.2008	Being investigated by management
1.1.2009	10.12.2008	Being investigated by management
1.7.2009	12.6.2009	Dependent on type and extent of future transactions. Impact cannot currently be foreseen.
1.1.2009	21.1.2009	Being investigated by management
1.7.2009	16.9.2009	Being investigated by management
13.9.2009	10.9.2009	Being investigated by management
1.1.2009	23.1.2009	Being investigated by management
1.1.2009	16.12.2008	Being investigated by management
1.7.2009	12.6.2009	Dependent on type and extent of future transactions. Impact cannot currently be foreseen.
1.1.2009 / 1.7.2009	23.1.2009	Being investigated by management
1.1.2010	27.7.2009	none

Compulsory application	Adoption by EU Commission	Impact
1.7.2009	Q4 2009	none
1.1.2010	Q1 2010	Being investigated by management
1.1.2009	Q4 2009	Being investigated by management
1.1.2013	Not known	n / a
1.2.2010	Q4 2009	Being investigated by management
30.6.2009	Q4 2009	Being investigated by management
Depending on standard	Q1 2010	Being investigated by management
1.7.2009	Q4 2009	Being investigated by management
1.7.2009	Q4 2009	Being investigated by management

ACCOUNTING POLICIES

Recognition of revenues and expenses

Revenues and other operating income are recognised when the services are performed 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 of 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 securitized 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 valid rate for the day 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 hedge 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 amortised cost.

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 2008/09 or in fiscal year 2007/08.

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 valid rate for the day 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 hedge 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 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 hedge relationship. If no **hedge accounting** exists, the changes in fair values shall be recognised immediately in profit or loss. If on the other hand an effective hedge 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 hedge 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 hedge 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. Fair value hedge accounting was not applied in the Aurubis Group during the reporting period.

The Aurubis Group furthermore enters into hedge 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 hedge 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 und financial liabilities that fall under IAS 39 could under certain circumstances 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. Borrowing costs are not taken into account. 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 economic 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. Metal inventories that are tied up permanently in the production process, on the other hand, are measured at historical cost. On the one hand, they are measured at the lower of acquisition and construction costs as at the balance sheet date and realisable net sales value less cost incurred in the sales transaction on the other. 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.

Without the provision of additional information, the sequence of consumption procedure prescribed by IAS 2 for the valuation of inventories results in considerable discontinuity and a loss of comparability. The operating activities of the Aurubis Group would accordingly not be appropriately presented. The impact of the revaluation of LIFO inventories on the respective items is therefore presented separately in these consolidated financial statements.

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

In accordance with IAS 12, deferred taxes are recognised on all differences between the tax bases of individual companies and the corresponding carrying amounts under IFRS, provided these differences result in future taxable or deductible amounts and will reverse in the future. Deferred tax assets are recognised to the extent that they can be used. Tax loss carryforwards are taken into account if they are realisable within a foreseeable planning horizon. 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

Since 2004/05, the Executive Board, senior staff and non-tariff staff in the Aurubis Group have been 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 2008/09 is shown in the explanations on the personnel expenses in Note 5.

NOTES TO THE INCOME STATEMENT

1] Revenues

By product groups

in € thousand	2008/09	2007/08
Continuous cast wire rod	2,175,695	3,489,481
Copper cathodes	2,036,336	1,721,908
Precious metals	1,327,095	1,345,470
Continuous cast shapes	415,101	944,870
Pre-rolled strip, strips and profiles	120,840	377,559
Chemicals	61,808	92,611
Other	550,003	412,662
	6,686,878	8,384,561

The revenues from continuous cast wire rod and shapes also include revenues from “Wandelkathoden” (copper on account), which have already been sold, but cannot be delivered in the required shapes until receipt of the customers’ specifications.

A further breakdown of Aurubis Group revenues by group segments is provided in the segment reporting on page 164.

2] Own work capitalised

Own work capitalised of € 6,722 thousand (€ 10,640 thousand in the prior year) primarily includes production costs and purchased materials.

3] Other operating income

in € thousand	2008/09	2007/08
Cost reimbursements and services for third parties	11,407	15,328
Damages and indemnities	894	1,706
Gains on the reversal of provisions	571	1,954
Gains on disposal of fixed assets	189	1,466
Other income	17,987	41,175
– *of which rent received on investment property*	*108*	*111*
	31,048	61,629

Other operating income in the prior year included not only the negative goodwill of € 30,617 thousand resulting from the first-time consolidation of Cumerio but also the gain of € 1,482 thousand on the deconsolidation of KPP Kraftwerk Peute Projektmanagement GmbH & Co. KG.

4] Cost of materials

in € thousand	2008/09	2007/08
Raw materials, supplies and merchandises	5,821,488	7,477,722
– *thereof from revaluation of LIFO inventories using the average cost method*	*90,462*	*92,847*
Cost of purchased services	243,322	157,833
	6,064,810	7,635,555

Cost of materials decreased in line with the reduced revenues. Taking into account the changes in inventories, the cost of materials ratio increased to 92.9% (91.3% in the prior year).

5] Personnel expenses and human resources

in € thousand	2008/09	2007/08
Wages and salaries	208,889	215,601
Social security, pension and other benefit expenses	60,627	50,451
	269,516	266,052

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:

Options	2nd tranche	3rd tranche	4th tranche	5th tranche	Total
Outstanding options as at 1.10.2008	382,600	421,100	623,000	0	1,426,700
Options granted in the fiscal year	0	0	0	673,000	673,000
Options realised in the fiscal year	1,600	1,000	14,000	0	16,600
Options expired in the fiscal year	0	0	0	0	0
Options exercised in the fiscal year	355,750	0	0	0	355,750
Oustanding options as at 30.9.2009	25,250	420,100	609,000	673,000	1,727,350
Options exercisable as at 30.9.2009	0	0	0	0	0

The weighted average remaining contract term for all options is 27 months. The average value of the options exercised in the past fiscal year amounted to € 6.22 (€ 8.95 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 € 2,765 thousand (€ 4,173 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 2009 was between € 3.42 and € 9.68 (between € 5.39 and € 11.66 in the prior year), while the provision for this as of the balance sheet date amounted to € 5,742 thousand (€ 5,189 thousand in the prior year).

The following parameters were assumed:

Non-risk interest rate	0.86% – 2.12%
Aurubis AG share price as at valuation date	28.48 €
Aurubis AG share volatility	65.47%
CDAX performance as at valuation date	494.35
CDAX volatility	38.41%
Aurubis AG / CDAX correlation	66.08%

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:

	2008/09	2007/08
Blue collar	2,962	2,615
White collar	1,524	1,277
Trainees and apprentices	229	214
	4,715	4,106
– thereof number of employees in joint ventures	*141*	*143*

6] Depreciation and amortisation

Depreciation and amortisation for the Group on intangible assets and property, plant and equipment totalled € 105,584 thousand (€ 92,042 thousand in the prior year). This comprises depreciation of € 96,128 thousand (€ 86,192 thousand in the prior year) on property, plant and equipment, amortisation of € 9,449 thousand (€ 5,843 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, these amounts included impairment losses of € 5,550 thousand on intangible assets, which comprised software at Aurubis Belgium sa / nv, Olen. The software is not being used and has been written off completely.

A breakdown of depreciation and amortisation on intangible assets, property, plant and equipment and financial assets is provided in the details of changes in fixed assets on pages 120 to 123.

7] Other operating expenses

in € thousand	2008/09	2007/08
Selling expenses	60,917	61,976
Administrative expenses	50,358	55,786
Other taxes	3,099	1,683
Expenses relating to prior periods	88	3,852
Sundry expenses	39,044	30,981
	153,506	154,278

The selling expenses mainly comprise freight costs. Expenses relating to prior periods in the previous fiscal year primarily comprised losses on the disposal of fixed assets.

8] Result from investments

in € thousand	2008/09	2007/08
Income from investments	560	706
Income from profit and loss transfer agreements	6	2
	566	708

Income from investments comprises dividends from non-consolidated subsidiaries.

9] Interest, similar income and expenses

in € thousand	2008/09	2007/08
Interest income	15,089	15,345
Interest expense	(53,028)	(56,796)
Income from loans reported under financial fixed assets	0	8
Write-downs on financial fixed assets and fixed asset securities	0	(588)
	(37,939)	(42,031)

Interest and similar expenses include the interest component of the pension expenses in the amount of € 7,110 thousand (€ 4,167 thousand in the prior year).

The write-downs on financial fixed assets and fixed asset securities in the prior year related to shares. Available-for-sale financial assets were written down through profit or loss to the stock market price as of the balance sheet date on account of their expected permanent impairment.

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	2008/09	2007/08
Current taxes	32,841	121,562
Deferred taxes	(52,129)	(49,339)
– thereof from the revaluation of LIFO inventories using the average cost method	*(39,459)*	*(31,219)*
	(19,288)	72,223

Current taxes include back-payments for prior years of € 882 thousand (refund of € 192 thousand in the prior year), while deferred taxes include the effects from the corrections of the tax base of € –1,474 thousand (€ 6 thousand in the prior year).

Aurubis AG is subject to corporate income tax and trade tax. Since fiscal year 2007/08, a uniform corporate income tax rate of 15% has applied, plus a solidarity surcharge of 5.5%. Trade tax amounts to 16.45% of the taxable income and is not deductible when determining the income taxes due. A lower trade tax rate is applicable for the other German group companies. The foreign companies are subject to their national income tax. The tax rates amount to 33.99% in Belgium, 10% in Bulgaria, 32.29% in Italy (mixed rate from IRAP and IRES), 28% in the United Kingdom, 19% in Slovakia and 25% in Austria. Aurubis Switzerland is still exempt from income taxes for a further four years (originally ten years). 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 € 20,489 thousand.

Deferred taxes result from the different timing of carrying amounts between the tax bases of the companies and the consolidated balance sheet. They are calculated using the balance sheet oriented liability method and the tax rates expected at the time of realisation. These are generally based on the legal situation applying as of the balance sheet date in the respective countries.

In accordance with IAS 12.81, 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%) does not form the basis of the calculated group tax rate, but instead a group-wide mixed tax rate of 26.60% (29.00% in the prior year on the basis of the budgeted results).

Reconciliation

in € thousand	2008/09	2007/08
Earnings before taxes	(65,394)	242,998
Theoretical tax charge at 26.60% (29.00% in the prior year)	(17,397)	70,469
Changes in the theoretical tax charge due to:		
– changes in tax rate	564	(795)
– non-recognition and correction of deferred taxes	670	987
– deviating tax rates	0	10,502
– taxes for prior years	(592)	(186)
– increase (capitalisation) of corporate income tax credit	(191)	(202)
– non-deductible expenses	4,269	3,285
– non-taxable income	(829)	(242)
– notional interest deduction (Belgium)	(6,964)	(1,427)
– amortisation of negative goodwill	0	(8,879)
– other	1,182	(1,289)
Income taxes	**(19,288)**	**72,223**
– thereof from revaluation of LIFO inventories using the average cost method	*(39,459)*	*(31,219)*

The following deferred tax assets and liabilities result from recognition and measurement differences in individual balance sheet items and from tax loss carryforwards:

in € thousand	2008/09 Deferred tax assets	2008/09 Deferred tax liabilities	2007/08 Deferred tax assets	2007/08 Deferred tax liabilities
Intangible assets	4,139	8,912	4,857	7,833
Property, plant and equipment	600	89,296	891	88,155
Financial fixed assets	807	0	6	5
Inventories	1,880	110,393	274	147,398
– thereof from revaluation of LIFO inventories using the average cost method	*0*	*51,036*	*0*	*90,495*
Receivables and other assets	6,762	55,585	29,675	82,088
Pension provisions	4,523	563	3,444	24
Other provisions	25,393	464	14,892	519
Liabilities	46,417	4,330	95,756	47,990
Tax loss carryforwards	13,452	0	7,054	0
Outside basis differences	0	127	0	0
Offsetting	(102,540)	(102,540)	(152,685)	(152,685)
Per consolidated balance sheet	**1,433**	**167,130**	**4,164**	**221,327**

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 only be carried forward for five years, but in the other countries for an unlimited time.

Total tax loss carryforwards amount to € 126,625 thousand. No deferred taxes have been recognised on trade tax loss carryforwards of € 1,645 thousand.

The amount of deferred taxes resulting from cash flow hedges charged or credited directly in equity has fallen, after offsetting, compared with the prior year (deferred tax liabilities of € 1,865 thousand) to deferred tax liabilities of € 2,485 thousand.

The recognition of corporate income tax credits and increases on account of Section 37 German Corporate Income Tax Act resulted in net income of € 191 thousand in the year under review.

The income tax charges expected as a result of the audit by the fiscal authorities of the years 1999 to 2003 (for the German companies) were fully paid by 30 September 2009.

Additional claims are improbable, so that no provisions have been set up.

11] Loss (income in the prior year) attributable to minority interest

Of the reported net loss for 2008/09 of € 46,106 thousand (net income in the prior year of € 170,775 thousand), income of € 973 thousand (€ 1,821 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 minority interest by the weighted average number of shares outstanding during the fiscal year.

in € thousand	2008/09	2007/08
Consolidated net loss (income in the prior year) excluding the minority interest	(47,079)	168,954
Weighted average number of shares (in thousand)	40,870	40,463
Basic earnings per share in €	**(1.15)**	**4.18**
– thereof from revaluation of LIFO inventories using the average cost method	*(2.43)*	*(1.64)*

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 on pages 120 to 123 of this report.

Intangible assets comprise licenses acquired for a consideration and goodwill on consolidation arising in the Aurubis Group. Most of the goodwill relates in the amount of € 6,322 thousand to the cash-generating unit of Aurubis Stolberg GmbH & Co. KG, Stolberg, and in the amount of € 17,439 thousand to synergy effects between the Copper Products cash-generating unit at Aurubis AG, Hamburg, and Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg.

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 2009 was € 7,251 thousand.

As prescribed by IFRS 3, goodwill was not amortised systematically in the fiscal year. The regular impairment tests in accordance with IAS 36 also did not result in a need for any write-downs. The goodwill is allocated to cash-generating units for the purpose of the impairment tests. The allocation is made to those cash-generating units or groups of cash-generating units which are expected to benefit from the business combination which gave rise to the goodwill. The impairment tests are performed applying the discounted cash flow method. In the course of this, the expected cash flows in the group budgets for the next four years are rolled forward and discounted to the balance sheet date. As at 30 September 2009, the discounting was performed applying a uniform interest rate of 5.8% after tax or 8.1% before tax (7.7% after tax or 10.9% before tax in the prior year). In addition to future expectations in the market and industry, the group budgets also refer to historical experience when forecasting cash flows. The growth rate applied amounts to 1.0%.

Development costs have been recognised in all the cases where they completely fulfil the criteria of IAS 38 for capitalisation. In the reporting year, these included a share in the development costs in the amount of € 3,282 thousand at CIS Solartechnik GmbH & Co. KG, Bremerhaven. Research costs are recognised in profit or loss for the respective periods.

Rented or leased property, plant and equipment totalled € 30,687 thousand (€ 33,293 thousand in the prior year). This mainly consists of ships and tanks for the transportation and storage of sulphuric acid, motor-cars and 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 € 9,428 thousand and carrying amounts for the storehouse for storing copper concentrates in Brunsbüttel in the amount of € 7,641 thousand. Part of the lease payments is adjusted annually to the indexed price trend for commercial products. The remaining leases are generally based on fixed rental arrangements. Collateral has not been provided for them.

As at 30 September 2009, group fixed assets with a carrying amount of € 17,985 thousand were pledged as security for loans (€ 3,659 thousand in the prior year). Purchase commitments for property, plant and equipment amounted at that date to € 16,450 thousand (€ 5,242 thousand in the prior year).

The fair value of all land and buildings held as investment property amounted to € 1,083 thousand. The fair values are determined on the basis of an appraisal. The rental income expected on this as at 30 September 2009 amounted to € 542 thousand, 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 € 895 thousand (€ 872 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. It is not planned to sell the interests at present. In the prior year, the investment in Cumerio nv / sa, Brussels, was measured at the fair value determined from the stock market price in accordance with IAS 39.46.

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 on page 170 of this report. Changes in the other investments are explained in the information on the scope of consolidation.

Impairment losses on the other financial fixed assets are shown as write-downs in the schedule of changes in fixed assets in the Group.

As regards the other financial fixed assets that are neither impaired nor in default of payment, there was no indication as at 30 September 2009 that the debtors will not fulfil their payment obligations.

14] Inventories

in € thousand	30.9.2009	30.9.2008
Raw materials and supplies	463,377	608,429
Work in process	466,088	498,689
Finished goods, merchandise	162,486	290,350
Payments on account of inventories	1,676	4,103
	1,093,627	**1,401,571**
– thereof from revaluation of LIFO inventories using the average cost method	*144,932*	*283,801*

Since fiscal year 2005 / 06, the revision of IAS 2 has required a change in the sequence of the consumption process. Instead of the LIFO method previous applied, interchangeable inventories are measured in the accompanying financial statements using the average cost method. This results in an increase of € 144,932 thousand (€ 283,801 thousand in the prior year) in the carrying amount of the inventories compared with the LIFO method applied until fiscal year 2004 / 05.

In the fiscal year, inventories were written up by € 41,560 thousand (write-downs of € 133,671 thousand in the prior year) due to the rise in the metal prices.

15] Trade accounts receivable

Receivables and other assets were due within one year as of 30 September 2009 and as of 30 September 2008.

The age structure of 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: in less than 30 days	between 30 and 180 days	more than 180 days
as at 30.9.2009					
Trade accounts receivable	269,503	245,087	18,756	4,994	666
as at 30.9.2008					
Trade accounts receivable	391,356	357,711	29,096	4,281	268

The impairment on trade accounts receivable relates to the total write-down on receivables from customers, mainly comprising receivables at Aurubis AG, Hamburg.

Movements on the allowances for trade accounts receivable are as follows:

in € thousand	30.9.2009	30.9.2008
Specific allowances		
Balance at 1.10.	1,926	1,865
Impairment in the period	(1,482)	61
Additions	*169*	*542*
Reversal	*(1,651)*	*(481)*
Balance at 30.9.	**444**	**1,926**

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	30.9.2009	30.9.2008
Non-current (with residual term of more than 1 year)		
Over-funding of pension funds	26,134	27,310
Derivative financial instruments of the held-for-trading category	21,588	526
Derivative financial instruments as hedging instruments as part of hedge accounting	7,716	1,099
Other non-current financial assets	7,945	401
Non-current financial assets	**63,383**	**29,336**
Current (with residual term of less than 1 year)		
Derivative financial instruments of the held-for-trading category	76,918	181,604
Derivative financial instruments as hedging instruments as part of hedge accounting	19,025	14,224
Receivables from related parties	524	1,007
Over-funding of pension funds	0	122
Other current financial assets	14,465	2,503
Current financial assets	**110,932**	**199,460**

Receivables from related parties primarily comprise receivables from Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg, which is consolidated proportionately, and small amounts of 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 hedge relationship.

With the exception of the asset amount resulting from the over-funding of pension funds and interest derivatives, there is no interest rates 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	30.9.2009	30.9.2008
Specific allowances		
Balance at 1.10.	400	300
Impairment in the period	(160)	100
Additions	*0*	*102*
Reversal	*(160)*	*(2)*
Exchange rate changes	*0*	*0*
Balance at 30.9.	**240**	**400**

In the past fiscal year, allowances of € – 160 thousand (reversal of € 100 thousand in the prior year) were recorded on other financial assets. These are included in other operating expenses. Income from the reversal of write-downs is reported under other operating income.

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	30.9.2009	30.9.2008
Non-current (with residual term of more than 1 year)		
Receivables from income taxes	22	0
Other non-current non-financial assets	0	3,323
Non-current non-financial assets	**22**	**3,323**
Current (with residual term of less than 1 year)		
Receivables from income taxes	10,320	10,875
Other current non-financial assets	60,986	102,149
Current non-financial assets	**71,306**	**113,024**

The other current non-financial assets mainly comprise VAT receivables at Aurubis Bulgaria AD, Pirdop.

17] Short-term security investments

These are fixed-interest securities, all of which are pledged.

18] Cash and cash equivalents

Cash and cash equivalents consist of current accounts and time deposits, as well as cash in hand and cheques. Deposits at the banks are mostly euro deposits at various banks.

19] Equity

The share capital amounts to € 104,626,557.44 and is divided into 40,869,749 no-par-value bearer shares, each with a notional interest of € 2.56 per share.

The Executive Board is empowered, subject to the approval of the Supervisory Board, to increase the share capital by 29 March 2011 by up to € 38,046,026.24 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 that can be issued by 25 February 2014.

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 other revenue reserves from € 659,114 thousand at the beginning of the fiscal year to € 764,169 thousand as at 30 September 2009 includes the dividend payment in the amount of € 65,392 thousand, the consolidated net income for fiscal year 2007 / 08 of € 168,954 thousand and other changes of € 1,493 thousand.

Changes in accumulated other comprehensive income include gains and losses on market valuations of derivative financial instruments in conjunction with cash flow hedges and other financial assets of € 12,756 thousand (€ 10,624 thousand in the prior year). Deferred tax liabilities of € 2,485 thousand (€ 1,865 thousand in the prior year) were recognised on this. In addition, exchange differences of € 109 thousand (€ – 79 thousand in the prior year) are also reported.

The minority interest comprises the interests of non-group shareholders in the equity of a fully consolidated company. This relates as at 30 September 2009 to Deutsche Giessdraht GmbH, Emmerich, and Aurubis Bulgaria AD, Pirdop.

A detailed statement of changes in equity is presented on page 119 of this Annual Report.

Proposed appropriation of earnings

The separate financial statements of Aurubis AG, Hamburg, have been prepared in accordance with German GAAP (HGB – German Commercial Code).

in €

Net income for the year of Aurubis AG	15,457,756.56
Profit brought forward from the prior year	58,799,974.90
Allocations to other revenue reserves	7,728,000.00
Unappropriated earnings	**66,529,731.46**

We will propose to the Annual General Meeting that Aurubis AG, Hamburg's unappropriated earnings of € 66,529,731.46 be used to pay a dividend of € 0.65 per no-par-value share (= € 39,964,394.61) and that € 26,565,336.85 be carried forward.

Additional information on capital management

The main purpose of management control is to increase the corporate value of the Aurubis Group, in that a positive contribution to the enterprise as a whole is generated 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. No capital requirements are defined in the articles of association.

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 LIFO valuation used by the group management for controlling purposes reached 8.12% in the past fiscal year due to the decline of € 271.8 million in EBIT to € 110.8 million, compared with 21.7% in the prior year. After revaluation of the LIFO inventories using the average cost method, ROCE also declined on account of the reduced EBIT from 14.6% in the prior year to – 1.9%.

Gearing represents the ratio of net borrowings to equity. On 30 September 2009, it amounted to 38.4% before revaluation of the LIFO inventories and was thus at a lower level than in the prior year (78.8%). The reduction in gearing is due to the lower amount of borrowings compared with the prior year.

After revaluation of the LIFO inventories using the average cost method, gearing amounted to 34.9%, compared with 65.4% as at 30 September of the prior year.

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.

The pension obligations were computed on the basis of the following assumed market discount rates, salary and pension trends:

The assumption of a salary increase of 10% was applied exclusively for the valuation of the pension provision of Aurubis Bulgaria AD, Pirdop.

The retirement age has been assumed to be the earliest possible age at which employees can claim early retirement benefits under the state pension scheme. The corresponding calculations are based on the regulations in the 2007 German Act to Adapt the Standard Retirement Age to Reflect Demographic Changes and Prof. Klaus Heubeck's 2005G mortality tables. Figures based on historical experience were used to calculate the expected return on the plan assets.

	30.9.2009	30.9.2008
Discount rate	5.50%	6.50%
Expected income trend	2.0% to 3.0%; 10%	2.0% to 3.5%; 10%
Expected pensions trend	6.00% every 3 years	6.50% every 3 years
Expected return on plan assets	4.25%	4.25% to 5.00%
Fluctuation	0.00% to 10.00%	0.00% to 10.00%

In the event of over-funded pension plans, the resulting assets are reported under other 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		30.9.2009	30.9.2008	30.9.2007
	Present value of unfunded pension obligations	40,849	36,566	34,654
+	Present value of funded pension obligations	259,799	230,969	245,271
=	**Present value of pension obligations**	**300,648**	**267,535**	**279,925**
–	Fair value of plan assets	(240,806)	(241,743)	(248,125)
–	Unrecognised actuarial gains / losses	(14,526)	13,388	282
–	Unrecognised past service cost	0	0	(13)
=	**Net obligation recorded in the balance sheet**	**45,316**	**39,180**	**32,069**
+	Asset in accordance with IAS 19.58	26,134	27,432	26,730
=	Net provision per balance sheet	71,450	66,612	58,799

The resultant net provision developed as follows:

in € thousand		30.9.2009	30.9.2008
Net provision at 1.10.		66,612	58,799
+	Addition from the first-time consolidation of Cumerio	0	6,627
–	Net expense recognised in the income statement	11,107	11,662
–	Payments to beneficiaries during the fiscal year (unfunded plans)	(4,022)	(3,324)
–	Payments to pension funds during the fiscal year (funded plans) including changes in the asset	(4,810)	(7,275)
+/–	Other	2,563	123
=	Net provision at 30.9.	71,450	66,612

The following amounts were recognised in the income statement for the past fiscal year:

in € thousand	2008/09	2007/08
Current service cost	1,960	5,486
Interest cost on the pension obligations	16,973	14,796
Expected return on plan assets	(10,097)	(10,629)
Actuarial gains and losses	2,216	(74)
Compensation for curtailments	55	2,083
Expense recognised in profit or loss	11,107	11,662

The actual return on plan assets was € 245 thousand higher than the expected return.

The plan assets developed as follows:

in € thousand	30.9.2009	30.9.2008	30.9.2007
Fair value of plan assets at 1.10.	241,743	248,125	238,993
Additions from the first-time consolidation of Cumerio	0	10,273	0
Expected return on plan assets	10,097	10,629	9,948
Actuarial gains and losses	(1,630)	(15,169)	7,932
Pension payments	(12,988)	(19,294)	(10,928)
Contributions made by employer	3,584	7,172	2,080
Other changes	0	7	100
Fair value of plan assets at 30.9.	240,806	241,743	248,125

The plan assets include neither the company's own financial instruments nor owner-occupied real estate. The plan assets had the following structure:

in %	30.9.2009	30.9.2008
Fixed interest securities	46	44
Real estate	28	27
Shares	10	12
Other	16	17
	100	100

Expenditure for defined contribution plans for the group retirement pensions amounted to € 19,777 thousand in the year under review. 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 1.10.2008	Used	Released	Allocated	Balance per 30.9.2009
Expected losses on onerous contracts	37,000	36,803	0	67,737	67,934
Personnel provisions	62,387	35,701	158	28,375	54,903
Environmental provisions	8,484	1,063	0	25	7,446
Sundry provisions	8,802	4,089	413	2,797	7,097
	116,673	77,656	571	98,934	137,380

The allocations to personnel provisions include unwinding of discounting in the amount of € 884 thousand.

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 primarily include clean-up measures at the Hamburg and Lunen sites. 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.

Provisions for expected losses on onerous contracts were recognised for treatment and refining charges that will not cover the costs. Full costs on the basis of the Group budget for the following year were used for the calculation of the provisions, taking into account expected cost increases. Losses expected on the sale of sulphuric acid produced in the course of the smelting process have also been included.

23] Liabilities

Financial liabilities as at the balance sheet date were as follows:

in € thousand	30.9.2009	30.9.2008
Non-current (with residual terms of more than 1 year)		
Borrowings	422,909	492,385
Liabilities under finance leases	28,240	30,693
Derivative financial instruments of the held-for-trading category	14,585	0
Derivative financial instruments as hedging instruments as part of hedge accounting	9,622	417
Other non-current financial liabilities	1,041	1,054
Non-current financial liabilities	**476,397**	**524,549**
Current (with residual terms of less than 1 year)		
Trade accounts payable	600,853	444,059
Borrowings	162,666	407,005
Derivative financial instruments of the held-for-trading category	36,181	67,407
Liabilities to related parties	4,269	2,366
Liabilities under finance leases	2,399	2,591
Derivative financial instruments as hedging instruments as part of hedge accounting	650	2,863
Other current financial liabilities	50,680	57,954
Current financial liabilities	**857,698**	**984,245**

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:

	30.9.2009				30.9.2008			
in € thousand	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	3,493	11,397	25,320	40,210	3,772	12,268	27,896	43,936
– Interest portion	*1,094*	*3,681*	*4,796*	*9,571*	*1,181*	*3,891*	*5,580*	*10,652*
– Redemption portion	*2,399*	*7,716*	*20,524*	*30,639*	*2,591*	*8,377*	*22,316*	*33,284*

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. Derivates with positive fair values qualify as assets and are therefore not included.

in € thousand	Carrying amount as at 30.9.2009	up to 1 year	from 1 to 5 years	more than 5 years
Borrowings	585,575	168,386	445,133	2,084
Liabilities under finance leases	30,639	3,493	11,397	25,320
Trade accounts payable	600,853	600,853	0	0
Liabilities to related parties	4,269	4,269	0	0
Derivatives of the held-for-trading category	50,766	36,181	14,585	0
Derivatives designated as a hedging instrument for hedge accounting	10,272	650	9,622	0
Other financial liabilities	51,721	50,680	1,041	0
Total	1,334,095	864,512	481,778	27,404

in € thousand	Carrying amount as at 30.9.2008	up to 1 year	from 1 to 5 years	more than 5 years
Borrowings	899,390	448,554	554,359	14,779
Liabilities under finance leases	33,284	3,772	12,268	27,896
Trade accounts payable	444,059	444,059	0	0
Liabilities to related parties	2,366	2,366	0	0
Derivatives of the held-for-trading category	67,407	52,800	14,607	0
Derivatives designated as a hedging instrument for hedge accounting	3,280	3,280	0	0
Other financial liabilities	59,008	57,954	1,054	0
Total	1,508,794	1,012,785	582,288	42,675

This presentation does not show any plan figures but only the financial instruments that were held as at 30 September 2009 or 30 September 2008 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 (€ 12,876 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	30.9.2009	30.9.2008
Non-current (with residual term of more than 1 year)		
Other non-current non-financial liabilities	0	133
Non-current non-financial liabilities	**0**	**133**
Current (with residual term of less than 1 year)		
Income tax liabilities	24,262	81,341
Social security liabilities	16,532	14,519
Advance payments received on orders	4,090	13,394
Other current non-financial liabilities	53,530	85,843
Current non-financial liabilities	**98,414**	**195,097**

24] Contingent liabilities and other financial commitments

in € thousand	30.9.2009	30.9.2008
Commitments under tolling agreements	41,274	16,430
Capital commitments	16,450	5,242
Warranty obligations and other contingencies	8,947	3,597
Contingent liabilities under discounted bills	0	599
	66,671	**25,868**

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.

In addition, an agreement has been concluded with an energy supplier 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 € 1,550 thousand of the total commitments.

Financial commitments under leases

As at 30 September 2009, minimum lease payments under operating leases amounted to € 8,943 thousand (€ 4,788 thousand in the prior year). These are due as follows:

in € thousand	30.9.2009 less than 1 year	1 to 5 years	more than 5 years	Total
Minimum lease payments under operating leases	3,146	5,766	31	8,943

in € thousand	30.9.2008 less than 1 year	1 to 5 years	more than 5 years	Total
Minimum lease payments under operating leases	2,609	2,179	0	4,788

Lease payments in fiscal year 2008/09 recognised as expense amounted to € 4,627 thousand (€ 3,119 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, metal 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 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 exchange risk exposure 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 respective following years are included if these are taken into account in the currency risk management. Counter-positions in the same currency are offset against each other.

	USD		GBP	
in € thousand	30.9.2009	30.9.2008	30.9.2009	30.9.2008
Cash at banks	4,961	18,134	1	40
Trade accounts receivable	58,840	102,004	663	36,048
Other receivables	865	21,255	0	0
Trade accounts payable	(385,709)	(126,246)	(1,754)	(910)
Other liabilities	(14,603)	(21,371)	(370)	(734)
Budgeted revenues	433,634	474,672	1,426	6,667
Foreign exchange forward contracts	21,292	(237,097)	34	(33,823)
Put option transactions	(42,341)	(66,420)	0	0
Net exposure	76,939	164,931	0	7,288

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 the 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 USD and GBP. For the sensitivity analysis for the currencies, it was assumed that the exchange rate of the euro compared with the foreign currency had changed by +/– 10%.

If the euro had been 10% stronger or weaker on 30 September 2009 or 30 September 2008 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. The same items have been included in the calculation as for the determination of the aforementioned net exposure.

Currency sensitivity

	EUR/USD		EUR/GBP	
in € thousand	30.9.2009	30.9.2008	30.9.2009	30.9.2008
Closing rate	1.4643	1.4303	0.9093	0.7903
Depreciation (EUR against FX)				
Effect on net income	36,637	37,171	0	812
Effect on equity	(19,521)	(9,381)	0	0
Appreciation (EUR against FX)				
Effect on net income	(30,087)	(30,039)	0	(663)
Effect on equity	17,420	9,113	0	0

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. 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 which will expire in the following periods.

Variable interest financial instruments

	Total amount		up to 1 year		1 to 5 years		more than 5 years	
in € thousand	30.9.2009	30.9.2008	30.9.2009	30.9.2008	30.9.2009	30.9.2008	30.9.2009	30.9.2008
Loans / fixed deposits	161,700	140,000	161,700	140,000	0	0	0	0
Borrowings	(444,268)	(732,272)	(156,354)	(366,965)	(287,914)	(352,807)	0	(12,500)
covered by interest rate swaps	371,806	62,917	77,092	4,167	292,214	46,250	2,500	12,500
floated by interest rate swaps	(62,500)	(62,500)	0	0	(62,500)	(62,500)	0	0
Net exposure	26,738	(591,855)	82,438	(222,798)	(58,200)	(369,057)	2,500	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 the 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 2009 and 30 September 2008 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.

Interest rate sensitivity

	30.9.2009		30.9.2008	
in € thousand	+100 BP	−50 BP	+100 BP	−100 BP
Effect on earnings	68	41	(5,940)	5,970
Effect on equity	6,421	(5,115)	1,344	(1,384)

Other price risks

As a result of its business operations, the Aurubis Group is exposed to non-ferrous metal price risks. Non-ferrous metals futures contracts and metal options are entered into 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 notional amounts for derivate financial instruments for copper, silver and gold, 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	30.9.2009	30.9.2008
Copper	1,674,983	2,887,245
Gold	37,705	46,108
Silver	21,027	34,577
	1,733,715	2,967,930

Metal 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 metal price risks on the net income for the period and on equity.

In the event of a 10% increase (decrease) of all relevant metal prices, the equity and earnings for the year would be changed as at 30 September 2009 and 30 September 2008 as shown in the following table. The calculation includes all derivatives for the metals, copper, silver and gold.

Metal price sensitivity

	Copper		Silver		Gold	
in € thousand	30.9.2009	30.9.2008	30.9.2009	30.9.2008	30.9.2009	30.9.2008
Price increase						
Effect on earnings	35,841	10,906	699	130	543	(407)
Effect on equity	0	(1,414)	0	(257)	0	(495)
Price decrease						
Effect on earnings	(35,841)	(10,906)	(699)	(130)	(543)	407
Effect on equity	0	1,414	0	257	0	495

The effects on earnings shown as the metal price sensitivity are compensated 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.

Financial derivatives

	ASSETS				LIABILITIES			
	30.9.2009		30.9.2008		30.9.2009		30.9.2008	
in € thousand	Carrying amount	Notional amount	Carrying amount	Notional amount	Carrying amount	Notional amount	Carrying amount	Notional amount
Interest swaps								
without hedging relationship	20	3,100	107	10,278	253	4,956	37	1,500
as cash flow hedges	0	0	990	62,917	9,622	363,750	0	0
as fair value hedge	4,067	62,500	0	0	0	0	1,342	62,500
Foreign exchange forward contracts								
without hedging relationship	14,037	444,899	18,763	393,593	25,364	560,302	35,762	752,121
as cash flow hedges	18,790	222,144	3,370	146,732	650	19,840	3,825	88,593
Foreign currency options								
without hedging relationship	0	0	0	0	0	0	0	0
as cash flow hedges	3,040	44,711	2,452	65,764	0	0	0	0
Metal futures contracts								
without hedging relationship	84,277	1,410,280	163,229	1,686,165	24,172	450,052	31,964	1,238,185
as cash flow hedges	844	3,492	10,440	34,953	0	0	6,806	20,330
Metal options								
without hedging relationship	0	0	0	0	0	0	0	0
as cash flow hedges	0	0	12	5,082	0	0	0	0
Other transactions								
without hedging relationship	172	5,491	31	81	977	14,573	0	0
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 € 15,128 thousand (€ 30,589 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 € 7,480 thousand (€ –2,126 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.

The ineffective portion of the change in fair value of the hedge instrument amounts to € 436 thousand (€ – 436 thousand in the prior year). This amount is recognised in the income statement in "Cost of materials".

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 2009

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 value	0	0	0	0	0
Liabilities	9,622	363,750	76,667	287,083	0
Foreign exchange forward contracts					
Asset value	18,790	222,144	148,740	73,404	0
Liabilities	650	19,840	19,840	0	0
Foreign currency options					
Asset value	3,040	44,711	44,711	0	0
Liabilities	0	0	0	0	0
Metal future contracts					
Asset value	844	3,492	3,492	0	0
Liabilities	0	0	0	0	0

Cash flow hedges as at 30 September 2008

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 value	990	62,917	4,167	46,250	12,500
Liabilities	0	0	0	0	0
Foreign exchange forward contracts					
Asset value	3,370	146,732	125,592	21,140	0
Liabilities	3,825	88,593	44,774	43,819	0
Foreign currency options					
Asset value	2,452	65,764	47,098	18,666	0
Liabilities	0	0	0	0	0
Metal future contracts					
Asset value	10,440	34,953	29,577	5,376	0
Liabilities	6,806	20,330	18,446	1,884	0
Metal options					
Asset value	12	5,082	5,082	0	0
Liabilities	0	0	0	0	0

The net result of fair value hedges from the measurement of hedge transactions in the reporting period amounted to € 5,409 thousand (€ –2,016 thousand in the prior year). The net result of connected underlying transactions recognised in the income statement amounted to € –5,434 thousand in the reporting period (€ 2,020 thousand in the prior year).

Liquidity risks

Liquidity risks represent the risk that the Company cannot meet its own obligations. The contractual residual term of 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 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	2009 Carrying amount 30.9.2009	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	246	246	0	0
Investments	AfS	649	649	0	0
Fixed asset securities	AfS	51,947	0	51,947	0
Other financial fixed assets					
Loans to affiliated companies	LaR	0	0	0	0
Other loans	LaR	209	209	0	0
Trade accounts receivable	LaR	269,503	269,503	0	0
Other receivables and financial assets					
Receivables from related parties	LaR	524	524	0	0
Over-funding of pension funds	n/a	26,134	0	0	0
Other financial assets	LaR	22,410	22,410	0	0
Derivative financial assets					
Derivatives without hedging relationship	FAHfT	98,506	0	0	98,506
Derivatives with hedging relationship (hedge accounting)	n/a	26,741	0	22,674	4,067
Short-term security investments	HtM	464	464	0	0
Cash and cash equivalents	n/a	257,243	257,243	0	0
EQUITY AND LIABILITIES					
Borrowings	FLAC	585,575	585,575	0	0
Liabilities from finance leases	FLAC	30,639	0	0	0
Trade accounts payable	FLAC	600,853	600,853	0	0
Payables to related parties	FLAC	4,269	4,269	0	0
Other non-derivative financial liabilities	FLAC	51,721	51,721	0	0
Derivative financial liabilities					
Derivatives without hedging relationship	FLHfT	50,766	0	0	50,766
Derivatives with hedging relationship (hedge accounting)	n/a	10,272	0	10,272	0
thereof aggregated by measurement categories in accordance with IAS 39:					
Loans and receivables (LaR)		292,646	292,646	0	0
Available-for-sale (AfS)		52,842	894	51,948	0
Held-to-maturity (HtM)		464	464	0	0
Financial assets held for trading (FAHfT)		98,506	0	0	98,506
Financial liabilities at amortised cost (FLAC)		1,273,057	1,242,418	0	0
Financial liabilities held for trading (FLHfT)		50,766	0	0	50,766

Balance sheet valuation under IAS 17	Balance sheet valuation under IAS 19	Fair Value 30.09.09	2008 Carrying amount 30.9.2008	Balance sheet valuation under IAS 39 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 30.09.08
0	0	246	246	246	0	0	0	0	246
0	0	649	626	626	0	0	0	0	626
0	0	51,947	1,430	0	1,430	0	0	0	1,430
0	0	0	0	0	0	0	0	0	0
0	0	209	381	381	0	0	0	0	381
0	0	269,503	389,415	389,415	0	0	0	0	389,415
0	0	524	1,007	1,007	0	0	0	0	1,007
0	26,134	26,134	27,432	0	0	0	0	27,432	27,432
0	0	22,410	2,904	2,904	0	0	0	0	2,904
0	0	98,506	182,130	0	0	182,130	0	0	182,130
0	0	26,741	17,264	0	17,264	0	0	0	17,264
0	0	464	317	317	0	0	0	0	317
0	0	257,243	186,482	186,482	0	0	0	0	186,482
0	0	581,217	899,390	899,390	0	0	0	0	904,535
30,639	0	30,639	33,284	0	0	0	33,284	0	33,284
0	0	600,853	435,010	435,010	0	0	0	0	435,010
0	0	4,269	2,366	2,366	0	0	0	0	2,366
0	0	51,721	59,008	59,008	0	0	0	0	59,008
0	0	50,766	67,763	0	0	67,763	0	0	67,763
0	0	10,272	11,973	0	10,631	1,342	0	0	11,973
0	0	292,646	393,707	393,707	0	0	0	0	393,707
0	0	52,842	2,302	872	1,430	0	0	0	2,302
0	0	464	317	317	0	0	0	0	317
0	0	98,506	182,130	0	0	182,130	0	0	182,130
30,693	0	1,268,699	1,429,058	1,395,774	0	0	33,284	0	1,434,203
0	0	50,766	67,763	0	0	67,763	0	0	67,763

The trade accounts receivable and trade accounts payable reported in the previous fiscal year included derivative financial instruments of € 1,941 thousand and € 9,049 thousand respectively. These derivative financial instruments hedged foreign exchange and price risks from future receivables for processing fees.

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 from concrete 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.

Net earnings in accordance with measurement categories

in € thousand	2008/09	2007/08
Loans and receivables (LaR)	(29,241)	4,949
Available-for-sale (AfS)	560	118
Held-to-maturity (HtM)	0	0
Financial instruments held for trading (FAHfT and FLHfT)	(97,665)	(23,388)
Financial liabilities at amortised cost (FLAC)	9,345	16,631
Total	**(117,001)**	**(1,690)**

The net earnings of the financial instruments held-for-trading include the earnings on metal futures contracts on the exchanges and the foreign exchange forward contracts. The portion of price-fixed metal delivery transactions, which result in a negative effect in earnings, is not included. Dividends are included in the calculation, but not interest.

In conjunction with the recognition in profit or loss of the change in value of available-for-sale financial assets, net valuation results of € – 2,483 thousand are recorded in equity in 2008/09 (€ 3,430 thousand in the prior year).

26] Research and development

Research and development costs of € 6,663 thousand were recognised in profit or loss for the Aurubis Group for fiscal year 2008/09.

NOTES TO THE CASH FLOW STATEMENT

The cash flow statement reports the cash flows in the Aurubis Group in fiscal year 2008/09 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 reported net interest consists of interest and similar income of € 15,089 thousand (€ 15,353 thousand in the prior year) and interest and similar expenses of € 52,785 thousand (€ 57,384 thousand in the prior year). The interest of € 7,110 thousand included in interest expense for allocations to pension provisions does not affect cash flow and is therefore not included accordingly in the interest payments in the cash outflow from financing activities. The prior year figures were adjusted accordingly by € 4,167 thousand.

The cash inflow from operating activities (net cash flow) is arrived at by adjusting the gross cash flow for changes in working capital.

The cash outflow from investing activities mainly results from the purchase of fixed assets. In detail, € 3,976 thousand (€ 7,231 thousand in the prior year) was invested in intangible assets, € 107,508 thousand (€ 106,677 thousand in the prior year) in property, plant and equipment and € 53,061 thousand (€ 2,154 thousand in the prior year) in financial fixed assets.

Contrary to the additions to fixed assets reported in the changes in the fixed assets of the Group on page 120, these figures only include investments that have caused an outflow of cash. Thus, any finance leases entered into have no impact on cash outflow from investing activities, whereas they are included in the additions to the fixed assets.

The cash inflow from financing activities in fiscal year 2008/09 resulted from proceeds and payments from taking up and redeeming borrowings, dividend payments and interest paid. In the prior year this item also included the proceeds from the capital increase carried out on 9 November 2007.

The changes resulting from changes in exchange rates for the past fiscal year are reported without being netted. The prior year figures have been adjusted accordingly.

SEGMENT REPORTING

in € thousand	Primary Copper segment 2008/09	Primary Copper segment 2007/08	Recycling/Precious Metals segment 2008/09	Recycling/Precious Metals segment 2007/08	Copper Products segment 2008/09	Copper Products segment 2007/08
Revenues						
Total revenues	4,247,767	4,038,450	1,957,096	2,709,639	3,643,924	6,273,112
Inter-segment revenues	2,340,718	3,219,687	800,702	1,364,169	22,047	56,512
Revenues with third parties	1,907,049	818,763	1,156,394	1,345,470	3,621,877	6,216,600
EBITDA	104,464	136,340	54,330	159,578	64,035	148,733
Depreciation and amortisation	(72,164)	(54,122)	(12,760)	(12,329)	(20,102)	(25,188)
EBIT	32,300	82,218	41,570	147,249	43,933	123,545
Result from investments	0	0	561	700	5	8
Interest income	33,555	13,776	2,419	2,700	21,070	6,406
Interest expense	(51,298)	(30,610)	(9,702)	(6,636)	(34,089)	(27,990)
Earnings before taxes	14,557	65,384	34,848	144,013	30,919	101,969
Income taxes						
Consolidated net loss (income)						
Capital expenditure on intangible assets and property, plant and equipment	48,277	65,152	42,242	26,127	20,965	22,634
Average number of employees	2,083	1,843	953	959	1,679	1,304

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 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, with the exception of the valuation of inventories. For internal controlling purposes, the inventory valuation is performed using the LIFO method since these figures are much less influenced by metal price fluctuations. The presentation of the segment reporting corresponds with the internal reporting.

The reconciliation to the average cost method used in the consolidated financial statements is shown in the reconciliation/consolidation column. The application of the average cost method affects the earnings for the year under review by € 138,869 thousand (€ 97,630 thousand in the prior year), the change in inventories by € 48,407 thousand (€ 4,783 thousand in the prior year) and cost of materials by € 90,462 thousand (€ 92,847 thousand in the prior year).

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	Group total 2008/09	Group total 2007/08
Germany	2,518,777	4,104,464
Other European Union states	2,884,253	3,155,371
Rest of Europe	191,452	361,493
Non-European countries	1,092,396	763,233
	6,686,878	8,384,561

Other		Total		Reconciliation		Group total	
2008/09	2007/08	2008/09	2007/08	2008/09	2007/08	2008/09	2007/08
1,558	3,728						
0	0						
1,558	3,728	6,686,878	8,384,561	0	0	6,686,878	8,384,561
(5,257)	(4,179)	217,572	440,472	(140,009)	(64,109)	77,563	376,363
(558)	(403)	(105,584)	(92,042)	0	0	(105,584)	(92,042)
(5,815)	(4,582)	111,988	348,430	(140,009)	(64,109)	(28,021)	284,321
0	0	566	708	0	0	566	708
(23)	(217)	57,021	22,665	(41,932)	(7,312)	15,089	15,353
129	540	(94,960)	(64,696)	41,932	7,312	(53,028)	(57,384)
(5,709)	(4,259)	74,615	307,107	(140,009)	(64,109)	(65,394)	242,998
				19,288	(72,223)	19,288	(72,223)
						(46,106)	170,775
0	(5)	111,484	113,908	0	0	111,484	113,908
0	0	4,715	4,106	0	0	4,715	4,106

The breakdown of capital expenditure and non-current assets by regions was carried out in accordance with the respective location of the assets:

Information on regions

	Capital expenditure		Non-current assets	
in %	2008/09	2007/08	2008/09	2007/08
Germany	76,612	78,321	482,233	441,978
Belgium	10,454	8,220	97,272	104,929
Bulgaria	17,760	24,785	355,807	374,750
Rest of Europe	6,658	2,582	34,110	31,390
Group total	111,484	113,908	969,422	953,047

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 Metal 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 Metal 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).

EBIT (earnings before interest and taxes) represents earnings before taxes, adjusted for the net interest allocated to the segment. Based on this, EBITDA (earnings before interest, taxes, depreciation and amortisation) is EBIT plus the depreciation and amortisation on the intangible assets and the property, plant and equipment of the segment.

Impairment losses of altogether € 35,759 thousand (€ 93,161 thousand in the prior year) were recognised on assets, of which € 26,099 thousand (€ 60,185 thousand in the prior year) related to the Primary Copper segment, reversals of impairment losses of € 1,323 thousand (impairment losses of € 1,884 thousand in the prior year) to the Recycling / Precious Metal segment, impairment losses of € 10,983 thousand (€ 30,504 thousand in the prior year) to the Copper Products segment and € 0 (€ 588 thousand in the prior year) to “Other”. The impairment losses in the Primary Copper segment of € 26,099 thousand comprise impairment losses on property, plant and equipment of € 3,052 thousand (€ 6,239 thousand in the prior year) and impairment losses on current assets of € 23,047 thousand (€ 53,946 thousand in the prior year). The reversal of impairment losses in the Recycling / Precious Metals segment of € 1,323 thousand (impairment losses of € 1,884 thousand in the prior year) related as in the prior year exclusively to impairment losses on current assets. In the Copper Products segment, impairment losses of € 2,794 thousand were recognised on property, plant and equipment (€ 8,766 thousand in the prior year) and of € 8,189 thousand (€ 21,738 thousand in the prior year) on current assets.

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, various 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	14,599	5,705	276	182
Subsidiaries	567	0	872	3,800

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.

Disclosures on the Executive Board and Supervisory Board

Total compensation

The total compensation of the active Executive Board members for fiscal year 2008 / 09 amounted to € 3,246,248 and included a fixed component for the past fiscal year of € 1,726,000, fringe benefits of € 255,581, a variable component of € 1,080,925 and a payment from the incentive plan of € 183,742. The proportional fair value of the 207,850 options acquired by the Executive Board as part of an incentive plan amounted to € 760,659.

Since 1 October 2008, Dr Marnette, who resigned as Chief Executive Officer on 9 November 2007, has received compensation of € 496,048, while € 150,175 has been provided for his compensation entitlement until 31 March 2010.

The compensation of the Supervisory Board for fiscal year 2008/09 amounted to € 1,236,904.

Details of the individual compensation of the members of the Executive Board and the Supervisory Board including their pension entitlements are provided in the management report on pages 40 to 44.

Shareholdings
Members of the Supervisory Board hold 5,592 shares and members of the Executive Board 11,900 shares in Aurubis AG.

Directors' Dealings
The Executive Board members, Dr Bernd Drouven, Mr Erwin Faust and Dr Michael Landau, informed the Company that they had transacted notifiable business between 1 October 2008 and 30 September 2009, in that Dr Drouven and Mr Faust acquired a total of 2,400 no-par-value shares in the Company and Dr Landau sold 7,000 no-par-value shares during that period.

The Supervisory Board members, Mr Rolf Schwertz and Mr Helmut Wirtz, informed the Company that they acquired 1,500 no-par-value shares in the Company between 1 October 2008 and 30 September 2009.

The Company then reported this information to the Federal Financial Supervisory Authority and published it.

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 10 October 2008 pursuant to Sections 21 paragraph 1 and Section 24 German Securities Trading Act that the voting interest of its subsidiary, Salzgitter Mannesmann GmbH, Salzgitter, Germany, in Norddeutsche Affinerie AG, Hamburg, (ISIN: DE0006766504, WKN: 676650) had exceeded the 20% threshold on 9 October 2008 and now amounted to 20.0001% (representing 8,173,987 voting rights).

Salzgitter Aktiengesellschaft, Salzgitter, Germany, informed us in its notification dated 10 October 2008 pursuant to Section 21 paragraph 1 German Securities Trade Act that its voting interest in Norddeutsche Affinerie AG, Hamburg, (ISIN: DE0006766504, WKN: 676650) had exceeded the 20% threshold on 9 October 2008 and amounted to 20.0001% (representing 8,173,987 voting rights). 20.0001% of the voting rights (representing 8,173,987 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.

Grantham, Mayo, Van Otterloo & Co. LLC, Boston, USA, notified us on 18 December 2008 pursuant to Section 21 paragraph 1 German Securities Trading Act that its voting interest in Norddeutsche Affinerie AG, Hamburg, ISIN: DE0006766504, WKN: 676650 had exceeded the 3% threshold in shares on 11 November 2008 and now amounted to 3.05% (representing 1,247,011 voting rights).

Grantham, Mayo, Van Otterloo & Co. LLC, Boston, USA, notified us on 10 March 2009 pursuant to Section 21 paragraph 1 German Securities Trading Act that its voting interest in Norddeutsche Affinerie AG, Hamburg, ISIN: DE0006766504, WKN: 676650 had fallen below the 3% threshold on 5 February 2009 and amounted to 2.97% on that day (representing 1,214,724 voting rights).

On 2 October 2009, Barclays Global Investors UK Holdings Ltd, London, England, informed us pursuant to Sections 21 and 22 German Securities Trading Act that Barclays Global Investors NA, San Francisco, USA, had exceeded the 3% threshold on 29 September 2009, and at that time held 3.07% of the voting rights (representing 1,253,800 shares with voting rights) in Aurubis AG.

Barclays Global Investors NA was attributed 3.02% of the voting interest (representing 1,232,648 shares with voting rights) of this 3.07% (representing 1,253,800 shares with voting rights) in Aurubis AG pursuant to Section 22 paragraph 1 sentence 1 No. 6 German Securities Trading Act and 0.05% of the voting interests (representing 21,152 shares with voting rights) of this 3.07% (representing 1,253,000 shares with voting rights) of the voting rights in Aurubis AG pursuant to Section 22 paragraph 1 sentence 1 No. 6 German Securities Trading Act in connection with Section 22 paragraph 1 sentence 2 German Securities Trading Act.

On 1 December 2009 the investor BlackRock concluded the purchase from Barclays Global Investors NA and sent us the following notification, as a result of which the voting interest of the investor BlackRock in Aurubis AG amounts to a total of 5.56%.

BlackRock Financial Management, Inc., New York, USA, notified us on 8 December 2009 pursuant to Sections 21 and 24 German Securities Trading Act that its voting interest in Aurubis AG, Hamburg, Germany, ISIN: DE 0006766504, WKN: 676650, on 1 December 2009 had exceeded the 3% and 5% threshold of the voting rights in shares and now amounted to 5.56% (representing 2,273,658 voting rights).

The voting rights are attributed to BlackRock Financial Management, Inc. in accordance with Section 22 paragraph 1 sentence 1 No. 6 German Securities Trading Act in connection with Section 22 paragraph 1 sentence 2 German Securities Trading Act.

BlackRock Holdco 2, Inc., New York, USA, notified us on 8 December 2009 pursuant to Sections 21 and 24 German Securities Trading Act that its voting interest in Aurubis AG, Hamburg, Germany, ISIN: DE 0006766504, WKN: 676650, on 1 December 2009 had exceeded the 3% and 5% threshold of the voting rights in shares and now amounted to 5.56% (representing 2,273,658 voting rights).

The voting rights are attributed to BlackRock Holdco 2, Inc. in accordance with Section 22 paragraph 1 sentence 1 No. 6 German Securities Trading Act in connection with Section 22 paragraph 1 sentence 2 German Securities Trading Act.

BlackRock, Inc., New York, USA, notified us on 8 December 2009 pursuant to Sections 21 and 24 German Securities Trading Act that its voting interest in Aurubis AG, Hamburg, Germany, ISIN: DE 0006766504, WKN: 676650, on 1 December 2009 had exceeded the 3% and 5% threshold of the voting rights in shares and now amounted to 5.56% (representing 2,273,658 voting rights).

The voting rights are attributed to BlackRock, Inc. in accordance with Section 22 paragraph 1 sentence 1 No. 6 German Securities Trading Act in connection with Section 22 paragraph 1 sentence 2 German Securities Trading Act.

Auditors' fees

The following fees were recorded as expenses for the fiscal year 2008/09 or the prior year for services rendered by the group auditors, PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft (KPMG AG, Wirtschaftsprüfungsgesellschaft in the prior year):

in € thousand	2008/09	2007/08
Audit services	590	434
Other assurance and valuation services	26	287
Tax services	0	122
Other services	0	77

Events after the balance sheet date

Prof. Dr E. h. Wolfgang Leese was appointed a member of the Supervisory Board by the court with effect from 1 October 2009 until the close of the 2010 Annual General Meeting. Following his appointment, he was elected a member of the Personnel Committee with effect from 1 October 2009 and a member of the Conciliation Committee in accordance with Section 27 paragraph 3 Law on Co-determination and the Nomination Committee with effect from 1 November 2009.

Hamburg, 14 December 2009

Aurubis AG
Hovestraße 50
20539 Hamburg

The Executive Board

Dr Bernd Drouven Dr Stefan Boel Erwin Faust

Dr Michael Landau Peter Willbrandt

INVESTMENTS AS PER SECTION 313 NO. 2 HGB AS AT 30 SEPTEMBER 2009

	Company name and registered office	% of capital held	Currency	Held directly by	Equity in '000	Net earnings in '000
1	Aurubis AG		EUR			
2	Aurubis Belgium nv / sa, Brussels	100	EUR	1	704,196	8,425 [1)]
3	Cumerio Austria GmbH, Vienna	100	EUR	1	137,052	18,380 [1)]
4	Aurubis Stolberg GmbH & Co. KG, Stolberg	100	EUR	1	19,046	(4,054)
5	RETORTE GmbH Selenium Chemicals & Metals, Röthenbach	100	EUR	1	3,488	754
6	Aurubis Italia Srl, Avellino	100	EUR	1	21,817	(4,493) [1)]
7	Aurubis Switzerland SA, Yverdon-les-Bains	100	CHF	1	10,118	(4,134) [1)]
8	CABLO Metall-Recycling & Handel GmbH, Fehrbellin	100	EUR	1	4,949	1,275
9	Peute Baustoff GmbH, Hamburg	100	EUR	1	391	260
10	Deutsche Giessdraht GmbH, Emmerich	60	EUR	1	6,924	2,498
11	E.R.N. Elektro-Recycling NORD GmbH, Hamburg	70	EUR	1	3,052	1,476
12	Aurubis Stolberg Verwaltungs-GmbH, Stolberg	100	EUR	1	31	1
13	Hüttenbau-Gesellschaft Peute mbH, Hamburg	100	EUR	1	87	0
14	CIS Solartechnik GmbH & Co. KG, Bremerhaven	50	EUR	1	318	(2,780) [2)]
15	C.M.R. International N.V., Antwerp	50	EUR	1	1,851	168
16	VisioNA GmbH, Hamburg	50	EUR	1	22	1
17	PHG Peute Hafen- und Industriebetriebsgesellschaft mbH, Hamburg	7	EUR	1	87	3
18	Aurubis Bulgaria AD, Pirdop	99.77	EUR	3	366,108	(15,099) [1)]
19	Aurubis Engineering EAD, Sofia	100	EUR	3	379	48 [1)]
20	Aurubis U.K. Ltd., Smethwick	100	GBP	4	1,183	(175) [1)]
21	Aurubis Slovakia s.r.o., Dolný Kubín	100	EUR	4	564	(277) [1)]
22	Schwermetall Halbzeugwerk GmbH, Stolberg	50	EUR	4	60	8
23	Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg	50	EUR	4	34,530	10,945 [2)]
24	JoSeCo GmbH, Kirchheim / Schwaben	33	EUR	5	214	14
25	Agropolychim AD, Devnya	1	EUR	19	26,933	(17,363) [1)]

[1)] Equity and net earnings are based on the IFRS reporting package since statutory or country-specific financial statements are not yet available.
[2)] Companies 14 and 23 were consolidated proportionately..

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.

The Executive Board

Dr Bernd Drouven

Dr Stefan Boel

Erwin Faust

Dr Michael Landau

Peter Willbrandt

AUDITORS' REPORT

We have audited the consolidated financial statements prepared by Aurubis AG, comprising the balance sheet, the income statement, the statements of changes in equity and cash flows and the notes to the consolidated financial statements, together with the Group management report for the fiscal year from 1 October 2008 to 30 September 2009. The preparation of the consolidated financial statements and the group management report in accordance with IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315a paragraph 1 HGB are the responsibility of the Company's executive board. 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 Section 317 HGB ("Handelsgesetzbuch": German Commercial Code) and the German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (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 entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by the executive board, 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 IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315a paragraph 1 HGB 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.

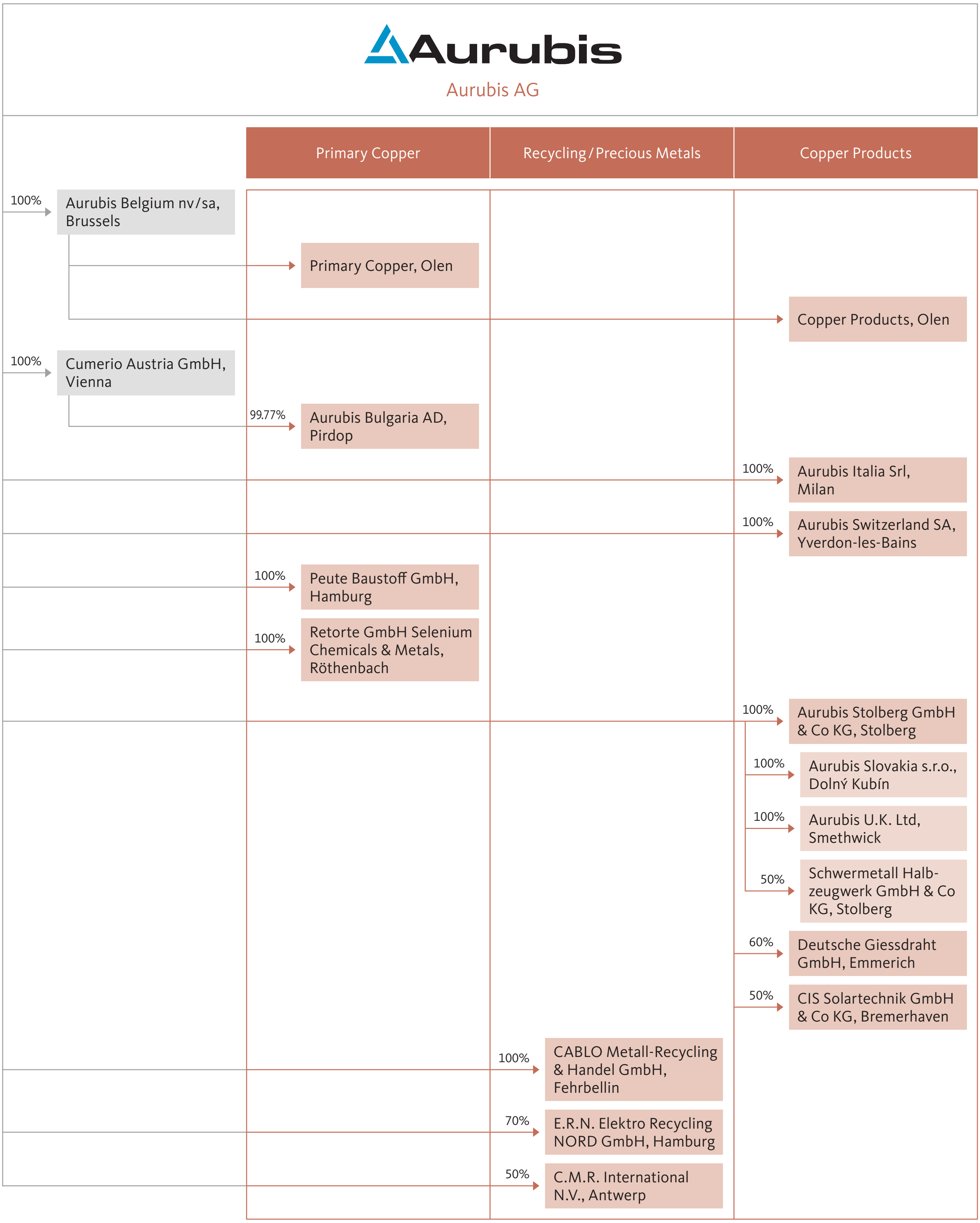
Hamburg, 14 December 2009

PricewaterhouseCoopers AG
Wirtschaftsprüfungsgesellschaft

Andreas Borcherding
Auditor

Richard Müllner
Auditor

MAIN INVESTMENTS



GLOSSARY

SPECIFIC AURUBIS TERMS

Anodes
Positive electrodes of an electrolytic cell, end-product of the RWO; copper content about 99.5%.

Anode slimes
Important by-product of the copper tankhouse, which settles on the bottom of an electrolytic cell as the copper anodes dissolve. The precious and non-soluble components of the anodes are recovered with the anode slimes (e.g. silver, gold, selenium and lead).

Backwardation
Price relationship on the LME, when the spot price is higher than the forward or futures price. The price difference between cash and three month transactions is generally quoted; an indication of poor availability of cathodes for prompt delivery.

Cathodes
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.

CIS solar cells
For these solar cells, a two millionth of a metre thin film made of a copper, indium and selenium compound is applied to a carrier foil of copper, titanium or stainless steel. 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 arise. These can be pretreated and processed in the Lunen recycling centre in an environmentally friendly process.

COMEX
Together with the LME one of the two most important metal exchanges. It is of particular importance to the American market.

Commodity
Collective term for materials traded on the exchanges. These include non-ferrous metals, such as copper and tin, but also crude oil, beef, 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. code of conduct).

Continuous cast wire rod
Semi-finished product produced in a continuous process for the production of copper wire with a standard diameter of 8 mm. Other dimensions can also be supplied.

Continuous casting
Continuous casting produces a continuous strand. During the casting process, sizes of various lengths are separated from the casting billet by a flying saw. A variety of profiles (billets and cakes) and lengths can be created. These socalled continuous cast shapes are processed further by rolling and pressing into sheets, foils, profiles and tubes.

Converter
A 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 concentrates
A product resulting from the processing (enriching) of copper ore, NA's main raw material. Since copper is found principally only in ores in compound form and in low concentrations (0.5 to 4% copper content), the ores, after extraction from the mine, are enriched in processing facilities into concentrates (copper content of 25 to 40%).

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 soluble impurities (nickel, etc.) are dissolved in the electrolyte. Copper from the solution is deposited on the cathode with a purity of more than 99.99%. More precious elements (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 intermediary products. The copper is then enriched in the copper matte (copper content about 65%).

Iron silicate
A by-product of the (primary) copper concentrate smelting process. During the process the iron contained in the copper concentrate is combined with silicate flux to yield iron silicate. As granules or in a lumpy form it is mainly used in the construction industry.

KRS
Kayser Recycling System; a state-of-the-art recycling plant in Lunen for the treatment of a large range of copper-bearing secondary raw materials.

LME
London Metal Exchange: the most important metal exchange in the world with the highest turnover.

OF copper
Oxygen-free copper. Special copper brand with high conductivity for electric and electronic applications.

Primary copper
Copper recovered from copper ores.

Recycled 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 NA'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 refining copper cathodes into copper products.

Single sourcing
When a product or service is only procured from one supplier.

Smelter
A part of a works or company, in which crude metal or bullion are recovered, is called a smelter. Typical products are lead bullion or blister copper.

Spot business
Daily business; market for prompt deliveries.

Stainless steel
Negatively polarised electrodes used in the copper tankhouse, on to which cathode sheets the copper ions which are dissolved from the anodes are deposited cathodically as metallic copper.

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 ROD
Oxygen-free copper wire rod which depending on the customer's requirements contains alloying elements of up to 5%.

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

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.

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.

Capital employed
Capital employed is the sum of equity, provisions for pension liabilities and financial liabilities, less cash and cash equivalents.

Gearing
Gearing is the ratio of net financial liabilities to equity.

Net financial liabilities
Net financial liabilities consist of long and short-term financial liabilities less cash and cash equivalents.

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.

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.

5-YEAR OVERVIEW

Aurubis Group (IFRS)		2004/05[1]	2005/06[1]	2006/07[1]	2007/08[1)2)]	2008/09[1]
Copper price LME settlement (average)	US$/t	3,382	6,033	7,088	7,785	4,480
Results						
Revenues	€ million	3,022	5,753	6,469	8,385	6,687
EBITDA	€ million	163	163	318	474	216
EBIT	€ million	99	111	260	382	111
EBT	€ million	90	103	251	341	73
Net income	€ million	61	60	159	237	53
Gross cash flow	€ million	137	112	231	399	283
Balance sheet						
Total assets	€ million	1,128	1,811	1,940	2,966	2,692
Non-current assets	€ million	366	360	610	920	969
Capital expenditure	€ million	33	48	94	114	111
Depreciation and amortisation	€ million	64	52	58	92	106
Equity	€ million	442	501	654	947	935
Aurubis shares						
Market capitalisation[3]	€ million	625	705	1,146	1,232	1,164
Earnings per share	€	1.77	1.64	4.24	5.82	1.28
Dividend per share	€	1.00	1.05	1.45	1.60	0.65
Human resources						
Number of employees (average)		3,158	3,187	3,219	4,764	4,726
Personnel expenses	€ million	189	194	215	266	270
Production						
Cathodes	1,000 t	558	551	572	852	1,086
Continuous cast wire rod	1,000 t	375	423	451	718	622
Continuous cast shapes	1,000 t	237	266	232	222	153
Pre-rolled strip	1,000 t	116	130	120	216	145
Strips	1,000 t	50	54	46	44	29
Shaped wires	1,000 t	12	13	16	16	10
Special profiles	t	–	–	–	4,390	4,642
Gold	t	29	35	33	34	33
Silver	t	880	985	1,255	1,280	1,230

1) before revaluation of LIFO inventories using the average cost method
2) including Cumerio as of 29 February 2008
3) at fiscal year-end on 30 September

FINANCIAL CALENDAR

16 December 2009	Financial statements 2008/09
11 February 2010	Interim report on first quarter 2009/10
3 March 2010	Annual General Meeting
7 May 2010	Interim report on second quarter 2009/10
11 August 2010	Interim report on third quarter 2009/10

Our fiscal year begins on 1 October and ends on 30 September.

IMPRINT

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Udo Bojahr (p. 23)
Michael Lange (p. 14)

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Disclaimer
This Annual Report contains forward-looking statements based on current assumptions and forecasts. Various known and unknown risks, uncertainties and other factors could have the impact that the actual future results, financial situation or developments differ from the estimates given here. We assume no liability to update forward-looking statements.

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