

9th September 2016

Alumetal opens a production plant in Hungary

Thanks to production plant in Komárom in Hungary the Alumetal Group has a great opportunity to become a European market leader in manufacturing secondary aluminum casting alloys designed for the automotive industry.

A modern production plant of the Alumetal Group has been built in just ten months. The investment has cost almost 30 million EUR (around 125 million PLN). The investment has been supported by agreements with the Hungarian Government in the form of a cash grant, as well as the exemption from income tax allowance, the total amount of which, according with the law, cannot exceed 35% of the investments (eligible expenditures). The plant in Komárom will increase production capacities of the Alumetal Group by 60 thousand tons annually (+36%) up to 225 thousand tons per year.

“In recent years the Alumetal Group has earned the position of the largest producer of secondary aluminium casting alloys in the CEE5 region (Poland, the Czech Republic, Slovakia, Hungary, Romania) and our production capacities have been fully used. Now, thanks to the plant in Hungary, we will be able to become number one in Europe. I would like to thank the Hungarian Government for their support at each stage of the investment”, said Mr. Szymon Adamczyk, President of the Management Board of ALUMETAL S.A.

The plant in Komárom is the fourth production plant of the Alumetal Group and their first plant outside Poland. At least 150 people will be employed there and the recipients of the produced alloys are the automotive companies located both in Hungary and southern Europe.

“For many years the centre of European car and car parts manufacturing has been being transferred to our region and Hungary has been attracting the automotive industry successfully. Offering the highest quality products, we follow our current and future clients.

Therefore, the plant in Komárom is so important for our expansion strategy”, remarked Mr. Szymon Adamczyk, President of the Management Board of ALUMETAL S.A.

The official opening ceremony with the presentation of the completed buildings was held on 9th September 2016. The construction of the plant began in October 2015, so the pace was very fast. Presently works aimed to prepare the plant to production start are underway. The Company will inform via current report about putting the plant into operation phase and will publish the final expenditure amount after proper calculation will be possible.

The construction of the new production plant has been financed mainly with own funds, as well as the investment loan and has been supported by the Hungarian Government, as mentioned above.

ALUMETAL S.A.

A modern and rapidly developing manufacturer of secondary aluminium casting alloys with ambition to strengthen its position of the leading company in Europe. At present the production capacities of the four Alumetal Group production plants amount to 225 thousand tons annually, including 60 thousand tons in the plant in Komárom, which was opened in the third quarter of 2016. Except for secondary aluminium casting alloys, the Alumetal Group produces master alloys, steel deoxidation aluminium, as well as fluxes and salts (within the framework of the T+S sp. z o.o.) for the industry of non-ferrous metals and steel. The automotive industry is the recipient of the Alumetal Group products in more than 90%.

Within the last four quarters (Q3 2015 – Q2 2016) the Alumetal Group made a profit of 126 million PLN of EBITDA (+18% vs 2015) and a net profit of 102 million PLN (+31% vs 2015) at 1.35 billion PLN in sales revenues (-7% vs 2015).

Since July 2014 ALUMETAL S.A. shares have been listed on the Main Market of the Warsaw Stock Exchange. The share price of IPO has been in an uptrend. The company also pays dividends each year.