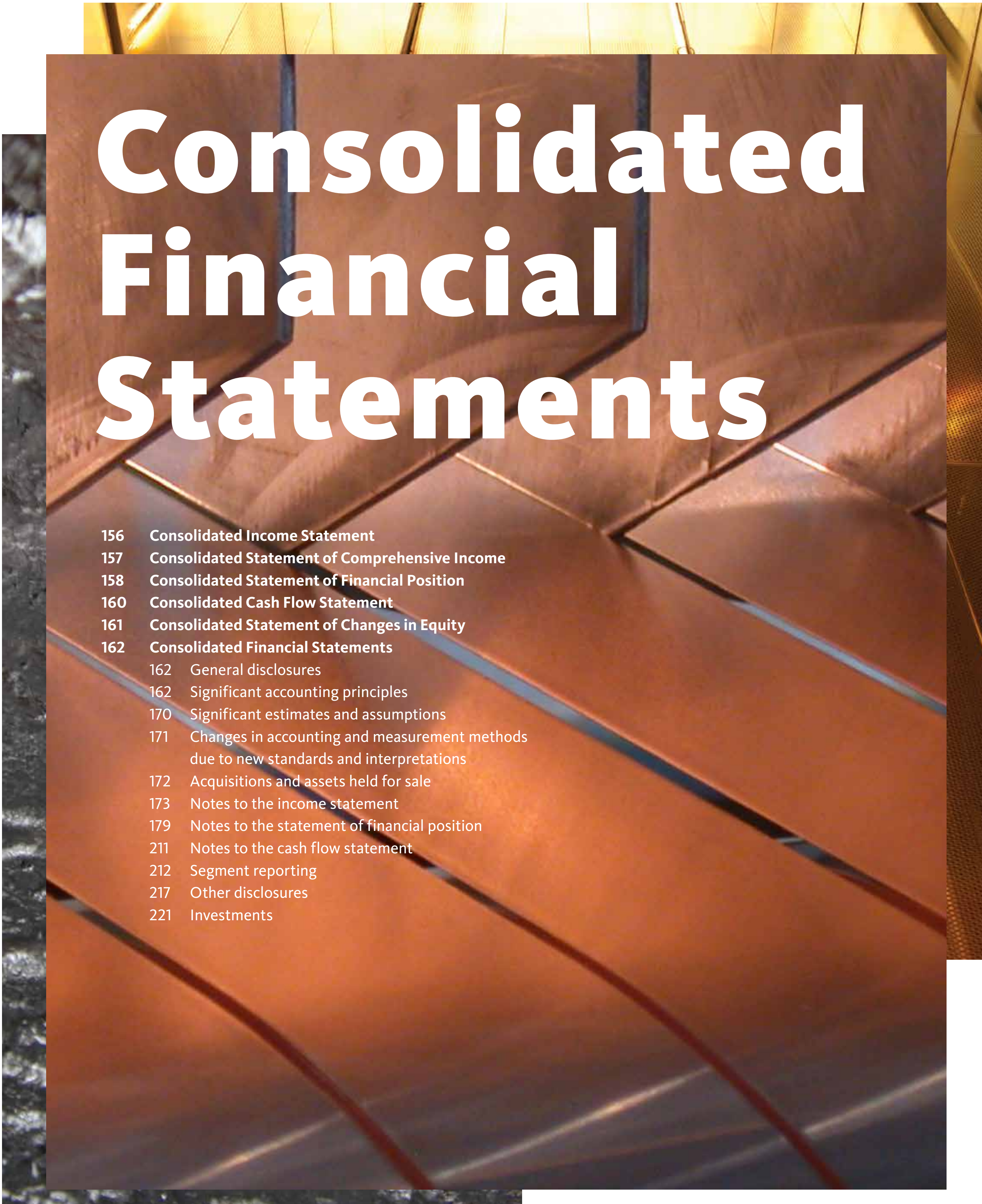

Consolidated Financial Statements

Consolidated Income Statement

for the period from October 1 to September 30 (IFRS)

in € thousand	Note	12 Months 2021/22	12 Months 2020/21
Revenues	1	**18,520,522**	**16,299,837**
Changes in inventories of finished goods and work in process	2	321,377	146,354
Own work capitalized	3	27,042	31,898
Other operating income	4	235,410	72,845
Cost of materials	5	-17,063,419	-14,637,048
Gross profit		**2,040,932**	**1,913,886**
Personnel expenses	6	-570,889	-554,162
Depreciation of property, plant, and equipment and amortization of intangible assets	7	-220,306	-218,962
Other operating expenses	8	-322,084	-310,860
Operational result (EBIT)		**927,653**	**829,902**
Result from investments measured using the equity method	9	18,444	18,705
Interest income	10	7,191	3,613
Interest expense	10	-17,146	-18,478
Other financial income	11	250	7
Other financial expenses	11	-1,137	-8,454
Earnings before taxes (EBT)		**935,255**	**825,295**
Income taxes	12	-220,263	-212,314
Consolidated net income		**714,992**	**612,981**
Consolidated net income attributable to Aurubis AG shareholders	13	714,669	612,796
Consolidated net income attributable to non-controlling interests	13	323	185
Basic earnings per share (in €)	14	16.37	14.03
Diluted earnings per share (in €)	14	16.37	14.03

Consolidated Statement of Comprehensive Income

for the period from October 1 to September 30 (IFRS)

in € thousand	12 Months 2021/22	12 Months 2020/21
Consolidated net income	**714,992**	**612,981**
Items that will be reclassified to profit or loss in the future		
Measurement at market of cash flow hedges	18,160	-13,336
Hedging costs	-674	-1,411
Changes deriving from translation of foreign currencies	23,321	1,690
Income taxes	-7,231	2,511
Financial fixed assets accounted for using the equity method – share of other comprehensive income, after taxes	7,018	3,652
Items that will not be reclassified to profit or loss		
Measurement at market of financial investments	17,847	27,224
Remeasurement of the net liability deriving from defined benefit obligations	161,754	49,566
Income taxes	-50,497	-15,255
Financial fixed assets accounted for using the equity method – remeasurement of the net liability deriving from defined benefit obligations, after taxes	841	7
Other comprehensive income/loss	**170,539**	**54,648**
Consolidated total comprehensive income	**885,531**	**667,629**
Consolidated total comprehensive income attributable to Aurubis AG shareholders	885,206	667,442
Consolidated total comprehensive income attributable to non-controlling interests	325	187

Consolidated Statement of Financial Position

(IFRS)

Assets

in € thousand	Note	9/30/2022	9/30/2021
Intangible assets	15	143,415	158,733
Property, plant, and equipment	16	1,813,611	1,656,927
Financial fixed assets	17	15,980	65,405
Investments measured using the equity method	18	96,007	76,644
Deferred tax assets	24	18,446	18,076
Non-current financial assets	21	168,079	33,878
Other non-current non-financial assets	21	3,579	2,937
Non-current assets		**2,259,117**	**2,012,600**
Inventories	19	3,552,922	2,804,209
Trade accounts receivable	20	622,621	512,966
Other current financial assets	21	210,561	152,078
Other current non-financial assets	21	96,061	51,250
Cash and cash equivalents	22	706,048	942,435
Assets held for sale		0	137,811
Current assets		**5,188,213**	**4,600,749**
Total assets		**7,447,330**	**6,613,349**

Equity and liabilities

in € thousand	Note	9/30/2022	9/30/2021
Subscribed capital	23	115,089	115,089
Additional paid-in capital	23	343,032	343,032
Treasury shares		-60,248	-60,248
Generated Group equity	23	3,794,071	3,025,019
Accumulated other comprehensive income components	23	65,588	19,288
Equity attributable to Aurubis AG shareholders		4,257,532	3,442,180
Non-controlling interests	23	653	537
Equity		**4,258,185**	**3,442,717**
Pension provisions and similar obligations	25	57,605	213,727
Other non-current provisions	26	63,347	77,509
Deferred tax liabilities	24	638,087	443,568
Non-current borrowings	27	209,107	444,269
Other non-current financial liabilities	27	11,475	57,079
Non-current non-financial liabilities	27	5,131	1,698
Non-current liabilities		**984,752**	**1,237,850**
Current provisions	26	67,605	67,068
Trade accounts payable	27	1,582,695	1,386,525
Income tax liabilities	27	32,331	24,004
Current borrowings	27	118,398	137,045
Other current financial liabilities	27	295,634	220,981
Other current non-financial liabilities	27	107,730	59,555
Liabilities deriving from assets held for sale		0	37,604
Current liabilities		**2,204,393**	**1,932,782**
Total equity and liabilities		**7,447,330**	**6,613,349**

Consolidated Cash Flow Statement

for the period from October 1 to September 30 (IFRS)

in € thousand	12 Months 2021/22	12 Months 2020/21
Earnings before taxes	**935,255**	**825,295**
Depreciation and amortization of fixed assets (including impairment losses or their reversals)	220,212	212,574
Change in allowances on receivables and other assets	206	646
Change in non-current provisions	-11,056	8,432
Net gains/losses on disposal of fixed assets	-3,499	-700
Measurement of derivatives	-176,494	49,762
Other non-cash items	4,984	2,082
Expenses and income included in the financial result	-7,602	4,607
Income taxes received/paid	-103,752	-88,081
Gross cash flow	858,253	1,014,617
Change in receivables and other assets	-147,757	-90,764
Change in inventories (including measurement effects)	-729,968	-397,417
Change in current provisions	827	-8,558
Change in liabilities (excluding financial liabilities)	306,461	294,206
Cash inflow from operating activities (net cash flow)	**287,816**	**812,084**
Payments for investments in fixed assets	-347,048	-252,444
Payments from the granting of loans to related entities	-3,469	-10,855
Proceeds from the disposal of fixed assets	494	1,845
Proceeds from the disposal of equity instruments from financial assets	65,525	0
Proceeds from the disposal of subsidiaries and other business units (net of cash and cash equivalents disposed of)	66,484	12,329
Proceeds from the redemption of loans granted to related entities	506	8,200
Interest received	7,192	3,613
Dividends received	9,050	5,257
Cash outflow from investing activities	**-201,265**	**-232,055**
Proceeds deriving from the take-up of financial liabilities	40,180	26,275
Payments for the redemption of bonds and financial liabilities	-302,507	-30,524
Acquisition of treasury shares	0	-18,944
Interest paid	-14,778	-15,812
Dividends paid	-70,063	-56,946
Cash outflow from financing activities	**-347,168**	**-95,951**
Net change in cash and cash equivalents	-260,617	484,077
Changes resulting from movements in exchange rates	1,379	146
Cash and cash equivalents at beginning of period	965,287	481,064
Cash and cash equivalents at end of period	**706,048**	**965,287**
Less cash and cash equivalents of assets held for sale at end of period	**0**	**-22,852**
Cash and cash equivalents at end of period (consolidated statement of financial position)	**706,048**	**942,435**

Consolidated Statement of Changes in Equity

in € thousand	Subscribed capital	Additional paid-in capital	Treasury shares	Generated Group equity	Accumulated other comprehensive income components: Measurement at market of cash flow hedges	Hedging costs	Measurement at market of financial investments	Currency translation differences	Income taxes	Equity attributable to Aurubis AG shareholders	Non-controlling interests	**Total equity**
Balance as at 10/1/2020	**115,089**	**343,032**	**-41,304**	**2,434,664**	**26,198**	**1,572**	**-31,744**	**11,022**	**-8,089**	**2,850,439**	**539**	**2,850,978**
Acquisition of treasury shares	0	0	-18,944	0	0	0	0	0	0	-18,944	0	-18,944
Dividends paid	0	0	0	-56,757	0	0	0	0	0	-56,757	-189	-56,946
Consolidated total comprehensive income/loss	0	0	0	647,112	-7,872	-1,411	27,224	1,690	699	667,442	187	667,629
of which consolidated net income	0	0	0	612,796	0	0	0	0	0	612,796	185	612,981
of which other comprehensive income/loss	0	0	0	34,317	-7,872	-1,411	27,224	1,690	699	54,646	2	54,648
Balance as at 9/30/2021	**115,089**	**343,032**	**-60,248**	**3,025,019**	**18,326**	**161**	**-4,520**	**12,712**	**-7,390**	**3,442,180**	**537**	**3,442,717**
Balance as at 10/1/2021	**115,089**	**343,032**	**-60,248**	**3,025,019**	**18,326**	**161**	**-4,520**	**12,712**	**-7,390**	**3,442,180**	**537**	**3,442,717**
Sale of financial investments	0	0	0	12,141	0	0	-12,141	0	0	0	0	0
Dividends paid	0	0	0	-69,854	0	0	0	0	0	-69,854	-209	-70,063
Consolidated total comprehensive income/loss	0	0	0	826,766	28,657	-674	17,847	23,321	-10,711	885,206	325	885,531
of which consolidated net income	0	0	0	714,669	0	0	0	0	0	714,669	323	714,992
of which other comprehensive income/loss	0	0	0	112,097	28,657	-674	17,847	23,321	-10,711	170,537	2	170,539
Balance as at 9/30/2022	**115,089**	**343,032**	**-60,248**	**3,794,071**	**46,983**	**-513**	**1,186**	**36,033**	**-18,101**	**4,257,532**	**653**	**4,258,185**

Notes to the Consolidated Financial Statements

General disclosures

Aurubis AG, headquartered in Hamburg, Germany, is a quoted corporate entity registered with the District Court of Hamburg under Commercial Register number HR B 1775. The address is Aurubis AG, Hovestrasse 50, 20539 Hamburg.

As required by Regulation (EC) No. 1606/2002 of the European Parliament and the Council dated July 19, 2002 on the application of international accounting standards, in conjunction with Section 315e (1) of the German Commercial Code (HGB), the accompanying consolidated financial statements as at September 30, 2022 are prepared in accordance with the International Financial Reporting Standards (IFRS) approved and published by the International Accounting Standards Board (IASB), as adopted by the European Union. The interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS-IC) have been taken into account.

The consolidated financial statements were released for publication after they were approved on December 20, 2022.

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

Current and non-current assets and liabilities are presented as separate categories in the statement of financial position. In this context, current assets and current liabilities are expected to be realized within twelve months of the balance sheet date or are held primarily for trading purposes.

The preparation of consolidated financial statements in accordance with IFRS furthermore requires the Executive Board and authorized employees to make estimates and assumptions in certain significant areas. These have an impact on the measurement and presentation of the assets and liabilities in the statement of financial position, and on related income and expenses.

Sectors that particularly require the application of estimates and assumptions are presented under Significant estimates and assumptions, page 170–171.

This report may include slight deviations in disclosed totals due to rounding.

Significant accounting principles

SCOPE OF CONSOLIDATION

In addition to the parent company, Aurubis AG, Hamburg, 19 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 reporting date by way of full consolidation. Aurubis Richmond LLC, Richmond was included in the consolidated financial statements for the first time in fiscal year 2021/22. The reporting date for the consolidated financial statements corresponds to the balance sheet date of Aurubis AG, Hamburg, and all consolidated subsidiaries, with the exception of three consolidated companies. The balance sheet date of these subsidiaries is December 31. These companies prepared interim financial statements for consolidation purposes as at the reporting date of the consolidated financial statements.

Accordingly, the financial statements of all significant subsidiaries which Aurubis AG controls are included in these consolidated financial statements.

Pursuant to IFRS 11.24, in conjunction with IAS 28, Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg, a producer of pre-rolled strip in which a 50 % share interest is held, and Cablo GmbH, Gelsenkirchen, in which a 40 % share interest is held, are accounted for using the equity method. Both companies are managed jointly (based on the respective contractual relationship) and mutually (with respect to significant activities) with an additional partner (joint ventures).

CONSOLIDATION PRINCIPLES

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

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

Intercompany receivables, liabilities, and contingent liabilities, as well as 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,12 foreign companies are included in the consolidated financial statements. In accordance with the functional currency concept, the financial statements of subsidiaries prepared in foreign currencies were translated into euros, as the euro is Aurubis AG's reporting currency. Transactions in foreign currencies are converted into the functional currency at the exchange rate at the time of the transaction or, in the case of subsequent measurement, at the time of such measurement. Foreign currency transactions are conducted particularly in US dollars. The average US dollar exchange rate during fiscal year 2021/22 was 1.08413 US$/€. The exchange rate as at September 30, 2022 was 0.97480 US$/€. Gains and losses resulting from the fulfillment of such foreign currency transactions, as well as from the conversion of monetary assets and liabilities designated in a foreign currency as at the reporting date, are recorded in profit and loss in the cost of materials unless they have to be accounted for in equity as qualified cash flow hedges or net investments in foreign business operations. In fiscal year 2021/22, foreign currency conversion differences totaling € 2.3 million (previous year € 3.2 million) were recognized in profit or loss. In accordance with IAS 21, assets and liabilities in the statements of financial position of subsidiaries reporting in a foreign currency are translated at the mid-market rates applicable at the reporting date and the income statement is translated at the average rates for the fiscal year. Any resultant translation differences are recognized directly in equity until the possible disposal of the subsidiary.

Joint ventures are accounted for in accordance with IFRS 11 using the equity method. Profits deriving from upstream/downstream transactions with Group companies are eliminated proportionally.

RECOGNITION OF REVENUES

Revenues are mainly generated from the sale of metals and copper products and are measured in the amount of the consideration that the Group expects to receive from a contract with a customer. The Group recognizes revenues when the authority to exercise control over a product or a service has been transferred to the customer. Bonuses granted in the fiscal year are deducted from revenues. In the case of transport services that generally relate to a specific time period and represent a separate performance obligation, no separation is made on grounds of materiality. Some contracts include rebates and price reductions that are factored into the transaction price.

SHARE-BASED PAYMENT

The recognition and measurement standards of IFRS 2 are to be applied to this compensation component. The component relates to virtual deferred stock with a three-year, forward-looking assessment basis, which is dependent upon the achievement of targets for the operating EBT component and is also based on individual performance. The virtual deferred stock component does not include dividend payments, and the payout is limited to 150 % of the initial value. To determine the fair value of the limitation of the share price development, the value of a European call option is calculated by applying the Black Scholes formula.

FINANCIAL INSTRUMENTS

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

In this connection, financial assets particularly comprise 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 assets. These include in particular bonds and other securitized liabilities, liabilities to banks, trade accounts payable, lease liabilities, and derivative financial instruments. Within the Group, regular way purchases and sales of primary financial instruments are generally recorded as at settlement, i.e., at the date of delivery and transfer of control. Derivative financial instruments are recognized as at the trade date. Financial assets and financial liabilities are generally reported gross (i.e., without being netted).

In accordance with IFRS 9, financial instruments are classified as either measured “at amortized cost” (AC), “at fair value through other comprehensive income” (FV OCI), or “at fair value through profit or loss” (FV P&L).

A debt instrument is measured at amortized cost if both of the following conditions are fulfilled:

» It is held as part of a business model whose objective is to hold assets to collect contractual cash flows.
» The contract conditions of the financial asset lead to cash flows, at fixed times, that only represent redemption and interest payments on the outstanding amount of capital (cash flow criterion).

A debt instrument is measured at fair value through other comprehensive income if both of the following conditions are fulfilled:

» It is held as part of a mixed business model for which both contractual cash flows are collected and the debt instruments are sold
» The contract conditions of the financial asset lead to cash flows, at fixed times, that only represent redemption and interest payments on the outstanding amount of capital (cash flow criterion).

If the criteria mentioned above for classification as AC or FV OCI have not been fulfilled, the debt instruments are measured at fair value through profit or loss (FV P&L).

Notwithstanding the above criteria for classification of debt instruments in the categories AC or FV OCI, a company can irrevocably classify its financial assets as “measured at fair value through profit or loss” upon initial recognition if doing so helps prevent or significantly reduce an accounting anomaly (FV option). The Aurubis Group makes use of the FV option for receivables from supply contracts that are not price-fixed (hybrid contracts).

Equity instruments are normally classified and measured at fair value through profit or loss. Deviating from this, there is an irrevocable option, upon initial recognition of primary equity instruments that are not held for trading, to recognize fair value changes in other comprehensive income (OCI option). Aurubis uses the OCI option and classifies equity instruments that are not held for trading in the category “fair value through other comprehensive income” (FV OCI).

Primary financial liabilities are either measured at amortized cost or at fair value through profit or loss. They are measured at fair value through profit or loss when they are held for trading or have been designated as “fair value through profit or loss” (FV option) – under certain conditions – upon initial recognition. Aurubis makes use of the FV option and irrevocably designates liabilities from supply contracts that are not price-fixed (hybrid contracts) at “fair value through profit or loss.”

No financial instruments were reclassified into other measurement categories either in fiscal year 2021/22 or in fiscal year 2020/21.

Financial assets are recognized if Aurubis has a contractual right to receive cash and cash equivalents or other financial assets from another company. Financial assets are initially recognized 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. Trade accounts receivable with no significant financing component are measured at the transaction price upon initial recognition. As a general rule, this corresponds to the fair value. The fair values recognized in the statement of financial position represent the market prices of the financial assets to the extent that these can be determined directly by reference to an active market. Otherwise, they are measured using normal market procedures (valuation models), applying the market parameters specific to the instrument. Non-interest-bearing financial assets with a term exceeding one year are discounted. For financial assets with a residual term of less than one year, it is assumed that the fair value corresponds to the nominal value. Financial assets designated in foreign currency are measured on initial recognition with the valid rate applicable at the date of the transaction and as at the reporting date with the then applicable mid-market rate. Financial assets are derecognized if the contractual rights to payments from the financial assets no longer exist or all opportunities and risks are essentially transferred. Any financial assets sold without recourse are derecognized.

The **share interests in affiliated companies** and **investments** that are reported under financial fixed assets are measured at fair value through profit or loss. 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 recognized as other financial income/expenses in the income statement.

Aurubis makes use of the OCI option for equity instruments and accounts for **securities classified as fixed assets** at fair value through other comprehensive income. When these equity instruments are sold, the profits and losses that are unrealized up to this point in other comprehensive income are transferred to revenue reserves and are not disclosed in the income statement.

The non-current receivables reported as **other financial fixed assets** are measured, if significant, at amortized cost for subsequent measurement purposes, applying the effective interest method.

Within the Aurubis Group, **trade accounts receivable** resulting from supply contracts that are not price-fixed are measured at fair value through profit or loss for subsequent measurement purposes. Receivables held for sale within the context of factoring arrangements are measured at fair value through other comprehensive income. On account of their short terms to maturity, remaining trade accounts receivable are measured at nominal value, less any expected credit losses.

Aurubis makes use of the sale of receivables as a financial instrument within the context of factoring agreement arrangements.

Expected credit losses on financial assets measured at amortized cost or at fair value through other comprehensive income are recorded as allowances, i.e., as part of the measurement of these assets in the statement of financial position. A simplified approach for the recognition of impairment losses is applied for trade receivables. In this approach, the expected credit losses are calculated using a so-called cohort model, which is based on the data of the past three fiscal years. The measurement of the outstanding receivables takes actual historical bad debt losses into account, giving consideration to forward-looking information.

Actual defaults result in derecognition of the receivables affected. A financial asset is considered to be in default if contractual payments cannot be collected and are assumed to be irrecoverable. Any adjustments to the balance of allowances due to an increase or decrease in the amount of expected credit losses are recorded in an allowance account. The default risk for trade accounts receivable is limited in particular by the Aurubis Group's existing commercial credit insurance programs.

Derivative financial instruments that are not included in an effective hedging relationship in accordance with IFRS 9 (hedge accounting) and are therefore "held for trading" must be classified as "measured at fair value through profit or loss."

In addition, delivery contracts are concluded in the Aurubis Group for non-ferrous metals to cover the expected requirement for raw materials and also for the sale of finished products. In the process, physical delivery contracts may be terminated by making compensation payments due to changes in demand. Fixed-price metal delivery contracts are therefore also recognized as derivative financial instruments. Since these are not included in an effective hedging relationship in accordance with IFRS 9, they are similarly classified as "measured at fair value through profit or loss."

To the extent that they are non-current, a large proportion of the **other financial assets** are measured at amortized cost for subsequent measurement purposes, applying the effective interest method.

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

For financial assets that are not accounted for at fair value through profit or loss, **allowances for impairment** need to be recognized on the basis of the expected losses. To calculate these allowances, IFRS 9 provides a three-stage model (general approach). Depending on the counterparty's credit default risk, the model requires different levels of impairment assessment at these various stages.

For cash and cash equivalents and other financial assets that fall within the scope of impairment assessment under IFRS 9, the expected credit loss is primarily determined at the time of their acquisition on the basis of credit default swaps for which losses are calculated that are expected from defaults in the next 12 months. In the case of a significant increase in the default risk, the credit losses expected over the asset's respective term are considered. Because of the short-term nature and the counterparties' high level of creditworthiness, the default risk for the financial assets is low as at the reporting date.

When the company buys back its own shares, these are directly deducted from equity. Neither the purchase nor sale of treasury shares is recorded in profit or loss.

Financial liabilities are recognized if there is a contractual obligation to transfer cash and cash equivalents or other financial assets to another company. Financial assets are always initially recognized at fair value. Any directly attributable transaction costs are deducted for all financial liabilities that are not subsequently measured at fair value and are amortized over the term of the liability applying the effective interest method. Financial liabilities denominated in foreign currency are measured on initial recognition with the valid rate applicable at the date of the transaction and as at the reporting date with the then applicable mid-market rate.

Primary financial liabilities, which include borrowings, trade accounts payable, and other primary financial liabilities, are generally measured at amortized cost. If the interest effect is not insignificant, non-interest-bearing liabilities, or liabilities bearing low interest rates, with a residual term exceeding one year, are discounted. In the case of liabilities with a residual term of less than a year, it is assumed that the fair value corresponds to the settlement amount. Trade accounts payable resulting from supply contracts that are not price-fixed provide an exception. These are measured at fair value through profit or loss (FV option) for subsequent measurement purposes. The fair value changes resulting from the company's own credit risk are recognized in other comprehensive income.

The Aurubis Group uses **derivative financial instruments** to hedge interest rate and foreign currency risks and to hedge commodity price risks.

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

Changes in the fair values of derivative financial instruments are recognized either through profit or loss in the income statement or in equity as a component of other comprehensive income. The decisive factor hereby is whether or not the derivative financial instrument is included in an effective hedging relationship. If no **cash flow hedge accounting** relationship exists, the changes in fair values are to be recognized immediately in profit or loss. If, on the other hand, an effective cash flow hedging relationship exists, such changes will be recognized in equity as a component of other comprehensive income.

In order to avoid fluctuations in the income statement due to the different measurement of hedged items and hedging instruments, IFRS 9 includes special regulations relating to hedge accounting. The aim of these hedge accounting regulations is to record the effects of changes in value of hedging instruments and hedged items so that they compensate one another as far as possible.

In addition to documentation, as a prerequisite for the application of the regulations of hedge accounting, IFRS 9 requires proof of an effective hedging relationship. Hedge effectiveness means that changes in fair value (for fair value hedges) or changes in cash flow (for cash flow hedges) of the hedged items are compensated by counteracting changes in the fair value or 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 future cash flows. A risk with regard to the amount of future cash flows exists in particular for planned transactions that are highly likely to occur. Derivative financial instruments used in conjunction with cash flow hedge accounting are recognized at fair 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 recognized directly in equity under a special heading (cash flow hedge reserve), after taking deferred taxes into account. The ineffective portion deriving from measurement is recognized on the other hand in profit or loss in the income statement. The non-designated portion of the derivative is recorded in a separate reserve for hedging costs in other comprehensive income. Within the Aurubis Group, any changes in fair values of foreign currency options are excluded from the hedging relationship. The accounting treatment of the transactions underlying the hedged cash flows remain unchanged. Following the termination of the hedging relationship, the amounts recorded in the reserve are always transferred to the income statement when gains or losses made in connection with the hedged item are recognized in profit or loss or when the underlying transaction is not actually expected to occur anymore.

The Aurubis Group furthermore enters into hedging relationships that do not satisfy the strict requirements of IFRS 9 and cannot therefore be accounted for in accordance with the hedge accounting regulations. Nevertheless, from an economic point of view, these hedging relationships comply with the principles of risk management. Moreover, hedge accounting is also not applied in the case of the monetary assets and liabilities recognized in connection with foreign currency hedging, because the foreign currency translation gains and losses on the hedged items that need to be realized in profit or loss in accordance with IAS 21 are accompanied by gains and losses on the derivative hedging instruments and more or less compensate one another in the income statement.

The **fair value** of financial instruments is determined pursuant to the regulations of IFRS 13 covering measurement at fair value. The fair value of financial instruments quoted in active markets is calculated based on price quotations insofar as these are prices used in routine and current transactions. Where no prices quoted in active markets are available, the Aurubis Group uses measurement procedures to determine the fair value of financial instruments. Consequently, the input parameters applied in measurement procedures are based where possible on observable data derived from the prices of relevant financial instruments traded in active markets. The use of these measurement procedures requires estimates and assumptions on the part of the Aurubis Group, the scope of which depends on the price transparency of the financial instrument and its market. Management regularly analyzes the methods and influencing factors used to determine the fair value to ensure that they are appropriate. Additional information about the main estimates and assumptions used to determine the fair value can be found in the section Financial instruments, on pages 197–210.

INTANGIBLE ASSETS

If intangible assets are acquired, they are recognized at acquisition cost. Internally generated intangible assets that provide future economic benefits are recognized at their cost of generation if the criteria for their recognition as an asset are fulfilled. They are amortized on a scheduled, straight-line basis over their expected useful lives of generally between three and eight years. As an exception, scheduled amortization charges relating to investments made in connection with a long-term electricity supply contract are recorded under cost of materials over the term of the contract. An additional license acquired for a consideration exists, which will be amortized on a scheduled basis in the future. Furthermore, intangible assets were recognized as part of the purchase price allocation resulting from the acquisition of the Metallo Group in fiscal year 2019/20. These are amortized on a scheduled, straight-line basis over their expected useful lives of 9 and 18 years. With the exception of goodwill, the consolidated financial statements do not include any intangible assets with indefinite useful lives.

Carbon dioxide emission rights are recognized under intangible assets, as both free allocations and purchases through the market are foreseen for production purposes. Initial allocations of emission rights acquired free of charge are recognized at an acquisition cost of € 0. Emission rights acquired for consideration are recognized at acquisition cost. Expenses incurred in connection with the disposal of emission rights acquired for consideration are recognized under other operating expenses. Income arising from the sale of emission rights is disclosed under other operating income.

PROPERTY, PLANT, AND EQUIPMENT

Items of property, plant and equipment are recognized as fixed assets if they are used in the business operations for more than one year. These assets are measured at cost less scheduled depreciation. Such assets also include spare parts and maintenance equipment used for more than one period. Technical minimum stocks are recognized as components of the respective technical equipment and machinery. These stocks are quantities of materials that contain metals and are necessary to establish and ensure a production facility's future functionality for its intended use. Minimum stocks are not subject to scheduled depreciation, as they do not deteriorate or age.

Construction costs include all costs that can be directly attributed to the asset. Borrowing costs that can be directly allocated to the purchase, construction, or production of a qualifying asset are capitalized. Borrowing costs of € 935 thousand (previous year: € 904 thousand) were capitalized in the fiscal year reported, applying a financing cost rate of 1.6 % (previous year: 1.6 %). Scheduled depreciation is charged using the straight-line method. In this context, depreciation periods used correspond to the expected economic useful lives of the respective assets, as applicable within the Group. The following useful lives were mainly applied:

Buildings	25 to 40 years
Site installations	10 to 25 years
Technical equipment and machinery	5 to 20 years
Technical minimum stock	unlimited useful life
Other equipment, factory and office equipment	3 to 20 years

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

LEASING

When a contract is entered into, Aurubis assess whether it is, or includes, a lease. As a general rule, all leases have been recognized by the lessees as a right-of-use asset and a lease liability.

The lease liabilities disclosed as financial liabilities are basically recognized at the present value of future fixed lease payments. Furthermore, any variable payments that are linked to an index and any expected residual value guarantees are taken into account. If there is reasonable assurance that an existing purchase or extension option will be exercised, then the purchase price and/or any related lease payments are included when determining the lease liability. Compensation for premature termination of the lease is taken into account if there is reasonable assurance that the claim will be exercised. The lease payments are discounted using the interest rate in the lease or, if this cannot be determined, using the lessee's incremental borrowing rate. Risk-free interbank interest rates for corresponding terms to maturity in different currencies are used to determine the incremental borrowing rate and are increased to include credit and country risk premiums. For subsequent measurement purposes, the carrying amount is increased by the interest on the lease liability and reduced by the lease payments made. The interest deriving from the winding back of the discount on the lease liability is recorded as interest expense in the financial result. If there is a change in the lease payments, the lease liabilities are remeasured. The remeasurement of the lease liability generally leads to an adjustment of the value of the right-of-use asset. Changes in lease payments arise, for example, in connection with adjustments to the term of the lease or though reassessment of extension or termination options.

The right-of-use assets disclosed under property, plant, and equipment are accounted for at cost less scheduled depreciation on a straight-line basis and, where applicable, less any necessary impairment losses recognized in accordance with IAS 36. The cost includes the present value of the future lease payments plus any advance lease payments made, plus any preliminary direct costs and restoration obligations. Any lease incentives received are deducted. The right-of-use assets are generally depreciated over the term of the lease. If the exercise of an existing purchase option can be assumed with reasonable assurance and the purchase price is included in the calculation of the future lease payments, the right-of-use assets are depreciated over the economic useful life of the leased asset.

Lease payments connected with short-term leases, expenses for leases of low-value assets, and variable lease payments that are not linked to an index are recorded in the income statement as current expenses. Moreover, the standards governing leases are not applied to leases of intangible assets. A separation is made into lease and non-lease components to the extent that these can be clearly identified and differentiated.

Leased-out leased assets are recognized at amortized cost under property, plant, and equipment. The resulting earnings are disclosed as revenues. In the case of a finance lease agreement, the leased asset is derecognized and a lease receivable is shown under other financial assets. Aurubis did not act as a lessor in any business relationships in either fiscal year 2021/22 nor in the previous year.

IMPAIRMENT OF NON-FINANCIAL ASSETS

Intangible assets that have an indefinite useful life, such as goodwill, are not amortized on a scheduled basis but are subjected to an annual impairment test. Furthermore, an assessment is made at every reporting date to determine whether there are any indications that the asset could be impaired. In the same way, items of property, plant, and equipment are tested for impairment if there are any indications of such impairment.

Since the metals contained in the minimum stock can be recovered and the utilization potential of the minimum stock is not subject to wear and tear as it is not used in the production process, an unlimited useful life is assumed. The minimum stocks are therefore not depreciated on a scheduled basis but are instead tested for impairment in conjunction with the respective production facilities if there are any indications of such impairment.

Assets that are amortized or depreciated on a scheduled basis 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 testing purposes, assets are combined at the lowest level for which cash flows can be separately identified (cash-generating units). With the exception of goodwill, non-monetary assets on which impairment losses were recognized in the past are reviewed as at each reporting date to ascertain whether the impairment losses possibly need to be reversed.

INVENTORIES

Inventories are measured at acquisition or production cost on initial recognition. Production cost includes all direct costs attributable to the production process, as well as a systematically allocated share of the production-related overheads.

The acquisition costs of copper concentrates and raw materials for recycling are determined by deducting the treatment and refining charges negotiated with the supplier from the purchase value of the metal. Treatment and refining charges are deductions that are made due to the processing of ore concentrates and raw materials for recycling into copper and precious metals. In the smelters, work in process is measured by initially measuring the metal content. The equivalent cost of the processing that is still required for production of the fine metal is deducted from this figure. In this manner, the costs incurred during the production process are successively recognized as a component of the production cost. This procedure applies to the production of copper, precious metals, and minor metals.

In the case of copper products, both the metal components and the costs incurred for further processing the copper into special formats – such as wire rod, shapes, and rolled products – are taken into consideration for the measurement of finished goods by applying a calculated surcharge.

Inventories are measured using the average cost method in accordance with IAS 2. In this context, the amount recognized as at the reporting date is measured at the lower of cost and net realizable value. Net realizable value is determined on the basis of quoted commodity exchange or market prices as at the reporting date.

OTHER NON-FINANCIAL ASSETS

Other non-financial assets are recognized at amortized cost. Writedowns are made to the extent that the assets are at risk.

INCOME TAXES

Income taxes comprise both current and deferred taxes. The tax expense and/or tax credit is recorded in profit or loss. If, however, the related source transactions are recognized directly in equity or in other comprehensive income, then the income taxes attributed to them are also directly accounted for in equity or in other comprehensive income.

The Aurubis Group companies are subject to income taxes in many countries around the world. The tax expense and/or tax credit is calculated by applying the tax regulations of the individual countries that are applicable as at the reporting date.

Deferred tax assets and liabilities result from temporary differences between the tax-based carrying amounts of assets and liabilities and those taken into account in the IFRS financial statements or from tax loss carryforwards and tax credits not yet utilized. The calculation of deferred taxes is based on the tax rates expected in the individual countries at the time of realization. These tax rates are generally based on legislation that is valid, or has been enacted, as at the reporting date.

Deferred tax assets deriving from temporary differences, tax loss carryforwards, and tax credits are recognized by the respective company entities to the extent that deferred tax liabilities exist. If deferred tax assets exceed deferred tax liabilities, they are recognized to the extent that it is probable that sufficient taxable income will be available in the future to ensure the utilization of these tax assets. The recoverability of the recognized deferred tax assets is reviewed on an individual basis each year.

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

Deferred tax assets and liabilities are offset against one another in cases where a legal right of set-off exists and if they relate to income taxes levied on the same company by the same taxation authority.

DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

Discontinued operations are disclosed as soon as part of a company is classified as held for sale, the business area is a separate, significant line of business, and it is for sale as part of a coordinated overall plan.

In accordance with IFRS 5, assets held for sale are measured at the lower of their carrying amount and their fair value less costs to sell.

The consolidated result from discontinued operations is reported in the consolidated income statement separately from expenses and income from continued operations; prior-year figures are shown on a comparable basis. In the consolidated cash flow statement, discontinued operations are included in the cash inflows/outflows from operating, investing, and financing activities. Cash flows from operating, investing, and financing activities for the discontinued business area are presented separately in the Notes to the Financial Statements. Furthermore, assets and liabilities held for sale are separately disclosed in the consolidated statement of financial position in aggregated form.

If, however, a discontinued business area does not fulfill the requirements of IFRS 5.32, assets and liabilities held for sale are separately disclosed in the consolidated statement of financial position in aggregated form. No adjustment is made to prior-year figures. The assets and liabilities disclosed in aggregated form in the statement of financial position are explained in more detail in the Notes to the Financial Statements, broken down by key groups. In this case, no separate disclosure is made in the consolidated income statement.

No discontinued operations or assets held for sale were recognized in fiscal year 2021/22, while assets and liabilities held for sale were recognized in 2020/21.

PROVISIONS

Provisions for pensions and similar obligations are determined in accordance with the projected unit credit method prescribed by IAS 19, based on actuarial reports, applying the “Heubeck-Richttafeln 2018 G” mortality tables. In this connection, the demographic assumptions applied, as well as expected salary and pension trends and the interest rate to be used, are determined on the basis of current estimates as at the reporting date. Accordingly, actuarial gains and losses can result from deviations between the actual parameters as at the reporting date and the assumptions used for the calculation. These actuarial gains and losses – as well as income deriving from plan assets that are not included in net interest – are recognized immediately and completely as they arise and are disclosed as generated Group equity. Past service cost is recognized immediately as an expense in profit or loss.

To determine the net obligation deriving from defined benefit plans, the fair value of the plan assets is deducted from the present value of the pension obligations.

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

OTHER NON-FINANCIAL LIABILITIES

Other non-financial liabilities are recognized at amortized cost.

Contractual liabilities are recorded when one of the parties has fulfilled its contractual obligation. This primarily applies to advance payments received in respect of customer orders that are recognized under other non-financial liabilities.

Significant estimates and assumptions

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

IMPAIRMENT OF GOODWILL AND OF A LICENSE ACQUIRED FOR A CONSIDERATION

An impairment test is carried out at least annually in line with the accounting policies. In this context, the recoverable amount is calculated on the basis of the value in use – refer to the section Intangible assets, on page 179-181. The calculation of the value in use in particular requires estimates of future cash flows on the basis of calculations made for planning purposes.

No impairment loss was recognized for other goodwill amounts or for the licenses acquired for a consideration.

FAIR VALUES IN CONJUNCTION WITH BUSINESS COMBINATIONS

Acquired assets, liabilities, and contingent liabilities are recognized at their fair values when accounting for business combinations. Discounted cash flow (DCF)-based procedures, the results of which depend on assumed future cash flows and other assumptions, are often used in this context. The measurement of contingent liabilities depends significantly on the assumptions with respect to the future resource outflows and the probability of their occurrence.

FAIR VALUES OF DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

The fair values of financial instruments for which there are no quoted prices in an active market are determined on the basis of financial calculation procedures and are influenced by assumptions specific to the instrument. Estimates have a particularly significant influence when the fair value needs to be determined for financial instruments for which at least one significant parameter is not based on observable market data (Level 3 of the fair value hierarchy). The selection and application of suitable parameters and assumptions require an assessment by management. Extrapolation and interpolation procedures have to be applied in particular when data is derived from uncommon market transactions. Detailed information can be found in the section on Financial instruments, pages 197-210.

ACCOUNTING FOR INVENTORIES

Various estimates have to be made in connection with the accounting treatment of inventories. For example, estimation procedures are applied when quantifying inventories as well as in the determination of the metal yield content.

PENSION PROVISIONS AND OTHER PROVISIONS

Within the Aurubis Group, retirement benefits for employees are provided on the basis of both defined benefit plans and defined contribution plans.

Obligations deriving from defined benefit pension plans are measured in accordance with actuarial procedures. These procedures are based on several actuarial assumptions, such as, for example, the assumed interest rate, expected salary and pension developments, employee fluctuations, and life expectancy. For the purposes of determining the assumed interest rate, high-quality corporate bonds with commensurate terms and currencies are used as a source of reference. Deviations of the actual development from the assumptions at the beginning of the reporting period lead to remeasurement of the net liability.

When recognizing other provisions, assumptions are made with regard to the probability of the occurrence and the amount and timing of the outflow of resources, which by their nature are subject to uncertainty.

DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

In accordance with IFRS 5, discontinued operations are measured at the lower of their carrying amount and their fair value less costs to sell.

OTHER ESTIMATES

Other significant estimates relate to the determination of the useful lives of intangible assets and items of property, plant, and equipment, the collectability of receivables, and the measurement of inventory risks within inventories.

Changes in accounting and measurement methods due to new standards and interpretations

The following standards were applied for the first time in fiscal year 2021/22.

Standards and interpretations applied for the first time

	Standard/interpretation	Compulsory application in the EU	Adoption by European Commission	Impacts
IFRS 3	Amendments: Reference to the Conceptual Framework	01/01/2022	06/28/2021	No impacts
IAS 37	Amendments: Onerous Contracts - Cost of Fulfilling a Contract	01/01/2022	06/28/2021	No impacts
IAS 16	Amendments: Property, Plant and Equipment - Proceeds before Intended Use	01/01/2022	06/28/2021	No impacts
Various	Annual Improvements to IFRS (2018-20 cycle)	01/01/2022	06/28/2021	No impacts

Standards and interpretations for which early adoption has not been applied

	Standard/interpretation	Compulsory application in the EU	Adoption by European Commission	Impacts
IFRS 17	Date of application postponed to January 1, 2023	01/01/2023	11/19/2021	No impacts
IAS 1	Amendments: Disclosure of Accounting Policies	01/01/2023	03/02/2022	Based on our current understanding, Aurubis does not expect any material effects.
IAS 8	Changes in Accounting Estimates and Errors	01/01/2023	03/02/2022	Based on our current understanding, Aurubis does not expect any material effects.
IAS 12	Amendments: Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction	01/01/2023	08/11/2022	Based on our current understanding, Aurubis does not expect any material effects.
IFRS 17	Amendments: Initial Application of IFRS 17 and IFRS 9 -Comparative Information	01/01/2023	09/08/2022	No impacts
IAS 1	Classification of Liabilities as Current or Non-current	01/01/2024	Open	Based on our current understanding, Aurubis does not expect any material effects.
IFRS 16	Lease Liability in a Sale and Leaseback Transaction	01/01/2024	Open	Based on our current understanding, Aurubis does not expect any material effects.
IAS 1	Classification of Liabilities as Current or Non-current: Date of application postponed to January 1, 2024	01/01/2024	Open	Based on our current understanding, Aurubis does not expect any material effects.

Acquisitions and assets held for sale

DISPOSAL OF SUBSIDIARIES

After the responsible supervisory authorities issued their consent in May 2022, Aurubis closed the sale of four former Aurubis flat rolled companies to KME SE, Osnabrück, with effect from July 29, 2022. As a result, the companies Aurubis Netherlands BV, Zutphen, Aurubis Mortara S.p.A., Mortara, Aurubis UK Ltd., Smethwick, and Aurubis Slovakia s.r.o., Dolný Kubín, including some 360 employees, were transferred to KME SE. These comprise a production site of the former flat rolled products segment (part of the CSP segment since the start of the fiscal year) in Zutphen (Netherlands) as well as slitting centers in Birmingham (UK), Dolný Kubín (Slovakia), and Mortara (Italy). The purchase price for the assets and liabilities disposed of amounts to around € 73 million.

The carrying amounts of the assets and liabilities at the date of disposal (July 29, 2022) were as follows:

in € million	**July 29, 2022**
Fixed assets	10
Inventories	59
Current receivables and other assets	52
Cash and cash equivalents	9
Deferred tax liabilities	0
Non-current provisions	1
Non-current liabilities	1
Current provisions	2
Current liabilities	65
Net assets disposed of	**61**

The sale of the subsidiaries resulted in a gain of €12 million, calculated as the difference between the disposal proceeds on the one hand and the carrying amount of the net assets of the subsidiaries on the other. The gain was recognized in the income statement under other operating income.

in € million	**2021/22**
Consideration received or outstanding:	
Cash and cash equivalents	73
Total consideration	**73**
Carrying amount of net assets disposed of	61
Gain on disposal before income taxes and reclassification of currency translation reserve	**12**
Reclassification of currency translation reserve	0
Income tax expense on profit	0
Gain on disposal after income taxes	**12**

No subsidiaries were disposed of in the previous year.

ASSETS HELD FOR SALE

As of September 30, 2021, the following assets and liabilities were reclassified as held for sale:

in € million	**9/30/2022**	9/30/2021
Assets		
Fixed assets	0	9
Inventories	0	62
Current receivables and other assets	0	43
Cash and cash equivalents	0	23
Assets held for sale	**0**	**138**
Liabilities		
Deferred tax liabilities	0	0
Non-current provisions	0	2
Non-current liabilities	0	1
Current provisions	0	2
Current liabilities	0	33
Liabilities deriving from assets held for sale	**0**	**38**

Notes to the income statement

1. REVENUES

Analysis by product group in € thousand	2021/22	2020/21
Wire rod	7,439,630	6,208,810
Precious metals	3,528,910	3,524,965
Copper cathodes	2,868,443	2,902,533
Shapes	1,741,202	1,211,104
Strip, bars, and profiles	1,669,685	1,457,561
Other	1,272,652	994,864
	18,520,522	**16,299,837**

A further breakdown of Aurubis Group revenues by Group segments is provided in the section Segment reporting, on pages 212-216.

As at September 30, 2022, the value attributable to (partially) unfulfilled performance obligations was € 1,268,132 thousand (previous year: € 425,340 thousand). This amount is expected to be recorded as revenue within the next two fiscal years.

A remeasurement effect of € -67,438 thousand in fiscal year 2021/22 derived from supply contracts for which prices had not been fixed (previous year: € -15,641 thousand).

With regard to performance obligations in the Aurubis Group, these include no significant financing components since the payment terms agreed in the respective markets are mainly of a short-term nature.

2. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROCESS

in € thousand	2021/22	2020/21
Finished goods	93,782	136,002
Work in process	227,595	10,352
	321,377	**146,354**

The change in inventories of finished goods and work in progress resulted mainly from the build-up of intermediate and finished goods. In addition, high average copper and precious metal prices had the effect of increasing the change in inventories in the fiscal year.

There was a reduction in intermediate products in connection with the maintenance shutdown at the Pirdop site in the previous year, with copper prices also at a high level.

3. OWN WORK CAPITALIZED

Own work capitalized of € 27,042 thousand (previous year: € 31,898 thousand) primarily includes production costs and purchased materials and services. Own work capitalized in the fiscal year resulted to a large extent from activities in connection with the planned maintenance shutdowns at the Hamburg site along with the expansion of Industrial Heat stage 2.

4. OTHER OPERATING INCOME

in € thousand	2021/22	2020/21
Cost reimbursements	67,990	27,494
Compensation and damages	63,084	15,701
Income deriving from subsidies and other government grants for energy costs	46,066	4,563
Income deriving from the sale of emission rights	26,085	0
Income deriving from the disposal of subsidiaries	12,315	0
Income deriving from the reversal of provisions	5,379	1,382
Gains on disposal of fixed assets	159	8,584
Income deriving from reversals of impairment losses	94	6,388
Other income	14,238	8,733
	235,410	**72,845**

Other operating income increased by € 162,565 thousand compared to the previous year to € 235,410 thousand and includes, among other items, income from cost reimbursements, the increase in which is mainly attributable to higher prices for energy sources that were passed on. Furthermore, other operating income also includes € 61,220 thousand in income from insurance compensation connected to the catastrophic flooding impacts at the Stolberg site in July 2021 (previous year: € 15,030 thousand). In addition, government grants of € 46,066 thousand (previous year: € 4,563 thousand) were recognized in the fiscal year in conjunction with increased energy costs. Here, Aurubis mainly profited from a government regulation in Bulgaria allows electricity costs for industrial consumers above a certain threshold to be assumed by the government. Income from the disposal of the four subsidiaries of the former flat rolled products segment (FRP) also contributed to the increase in other operating income for the fiscal year. Refer to the section Disposal of subsidiaries, on page 154.

5. COST OF MATERIALS

in € thousand	2021/22	2020/21
Raw materials, supplies, and merchandise	16,332,058	14,230,396
Cost of purchased services	731,361	406,652
	17,063,419	**14,637,048**

The cost of materials ratio, represented by the ratio of the cost of materials to revenues and changes in inventories, was 90.6 % (previous year: 89.0 %). The increase in raw materials, supplies and merchandise was due to the high average metal prices incurred during the fiscal year. The development in purchased services is mainly due to higher energy prices and the resulting increase in energy costs from € 231,579 thousand in the previous year to € 499,033 thousand in the fiscal year reported.

6. PERSONNEL EXPENSES AND EMPLOYEE NUMBERS

in € thousand	2021/22	2020/21
Wages and salaries	446,718	433,266
Social security contributions, pension and other benefit expenses	124,171	120,896
	570,889	**554,162**

Pension expenses include allocations to the provisions for pensions.

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

	2021/22	2020/21
Blue collar	4,233	4,352
White collar	2,553	2,544
Apprentices	303	288
	7,089	**7,184**

The reduction in the number of employees is mainly related to the sale of four companies of the former Aurubis flat rolled products segment to KME SE. Because the sale took effect on July 29, 2022, the employees of those companies are only included on a pro rata basis in the current year.

Among other components, the total compensation of the Aurubis AG Executive Board members who were newly appointed from fiscal year 2017/18 onward includes a share-based compensation component with a cash settlement.

The following parameters were taken as a basis for the calculation of the fair value of the virtual deferred stock compensation plan:

	9/30/2022
Share price (in €)	53.98
Maximum exercise price (in €)	88.73
Expected volatility (weighted average, in %)	44.00
Expected term (weighted average, in years)	2.00
Expected dividend (in %)	2.41
Risk-free interest rate (based on government bonds, in %)	1.20
Fair value (in € thousand)	1,322

The expected volatility is based on an assessment of the historic volatility of the company's share price, especially in the period that corresponds to the expected term.

The personnel expenses deriving from the deferred stock compensation plan amounted to € 259 thousand in the fiscal year reported (previous year: € 685 thousand) and are included in the same amount as provisions at the reporting date.

7. DEPRECIATION AND AMORTIZATION

in € thousand	2021/22	2020/21
Intangible assets	23,238	13,361
of which impairment losses on goodwill	8,656	0
of which other impairment losses	5,036	4,136
Property, plant, and equipment	197,068	205,601
of which impairment losses	14,597	22,611
of which assets held for sale	0	19,602
	220,306	**218,962**

Impairment losses on property, plant and equipment include impairment losses of € 0 thousand (previous year: € 19,602 thousand) on assets held for sale.

The total figure of € 225,291 thousand (previous year: € 223,946 thousand) that is reported for depreciation of property, plant, and equipment and amortization of intangible assets includes depreciation on investments in connection with an electricity supply contract of € 4,984 thousand (previous year: € 4,984 thousand), which is disclosed under cost of materials.

A breakdown of the depreciation of property, plant, and equipment and amortization of intangible assets is provided in the summary of changes in the Group's intangible assets and property, plant, and equipment Intangible assets, on pages 179-181 and Property, Plant, and equipment, on pages 181-184.

8. OTHER OPERATING EXPENSES

in € thousand	2021/22	2020/21
Selling expenses	144,624	127,611
Administrative expenses	112,940	95,588
Allocations to provisions	1,573	10,162
Other taxes	3,851	3,632
Sundry operating expenses	59,096	73,867
	322,084	**310,860**

The selling expenses mainly comprise freight costs. The increase in administrative expenses compared to the previous year is mainly due to the increase in insurance costs and travel and entertainment expenses.

The additions to provisions in the previous year mainly include environmental risks in the amount of € 10,032 thousand.

Sundry operating expenses include expenses for temporary work, research and development, and the operation of the IT systems.

9. RESULT FROM INVESTMENTS MEASURED USING THE EQUITY METHOD

The result from investments measured using the equity method of € 18,444 thousand (previous year: € 18,705 thousand) comprises the shareholdings in Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg, and Cablo GmbH.

10. INTEREST

in € thousand	2021/22	2020/21
Interest income	7,191	3,613
Interest expense	-17,146	-18,478
	-9,955	**-14,865**

The interest income in the fiscal year mainly derives from income tax and trade tax receivables and from interest-bearing customer receivables, amounting to € 4,072 thousand (previous year: € 2,798 thousand).

The interest expense primarily results from borrowings. Among other items, the interest expense includes the net interest deriving from defined benefit plans, amounting to € 2,441 thousand (previous year: € 2,513 thousand).

11. OTHER FINANCIAL RESULT

in € thousand	2021/22	2020/21
Other financial income	250	7
Other financial expenses	-1,137	-8,454
	-887	**-8,447**

Other financial income in the fiscal year results primarily from securities.

Other financial expenses in the fiscal year result from the change in the fair value of a non-consolidated subsidiary and from the disposal of the investment in Aurubis Middle East, FZE, Dubai.

12. INCOME TAXES

Income taxes comprise both current income taxes as well as deferred taxes. Tax liabilities and receivables include obligations or claims deriving from domestic and foreign income taxes for previous years and for the current year. Income taxes were made up as follows:

in € thousand	2021/2022	2020/21
Current tax expenses/credits	85,052	94,049
Deferred tax expenses/credits	135,211	118,265
Income taxes	**220,263**	**212,314**

Current taxes include tax expenses of € 2,660 thousand (previous year: € 895 thousand) and deferred taxes include tax credits of € 6,199 thousand (previous year: € 574 thousand) deriving from earlier fiscal years.

Applicable German tax legislation for fiscal year 2021/22 foresees a corporate income tax rate of 15 %, plus a solidarity surcharge of 5.5 %. The trade tax rate applicable for Aurubis AG amounts to 16.59 %. The tax rates are unchanged from those of the previous year. For the other German Group companies, trade tax rates between 12.25 % and 17.33 % (previous year: 11.03 % and 17.33 %) are applicable. The foreign companies are subject to their respective national income tax rates, which vary between 10 % and 28.97 % (previous year: 10 % and 28.97 %).

The Group taxes include tax effects from foreign subsidiaries to a significant degree. As a consequence, the tax rate of the German parent company of 32.41 % (previous year: 32.41 %) is not applied as the Group tax rate for calculation purposes, but a Group-wide mixed tax rate of 24.35 % (previous year: 25.60 %) is used instead.

The main contributions to earnings were from Aurubis AG, Aurubis Bulgaria, Aurubis Olen and Aurubis Beerse.

The actual income taxes of € 220,263 thousand (previous year: € 212,314 thousand) were € 7,431 thousand lower (previous year: € 1,053 thousand higher) than the expected income tax expense of € 227,694 thousand (previous year: € 211,261 thousand). The difference between the expected and the actual income tax expense is due to the reasons outlined in the following tax reconciliation:

Reconciliation

in € thousand	2021/22	2020/21
Earnings before taxes	**935,255**	**825,295**
Expected tax charge of 24.35% (previous year: 25.60%)	**227,723**	**211,261**
Reconciliation effects to derive the actual tax charge		
– changes in tax rates	124	35
– non-recognition and correction of deferred taxes	-536	-2,868
– taxes for previous years	-3,539	1,640
– non-deductible expenses	5,550	4,529
– non-taxable income/trade tax reductions	-10,192	-3,817
– outside basis differences	601	559
– permanent differences	-938	2,956
– measurement at equity	-1,382	-2,001
– impairment of goodwill	2,806	0
– other	46	20
Income taxes	**220,263**	**212,314**

There were no significant effects from tax rate changes in the 2021/22 fiscal year.

Effects deriving from the non-recognition and correction of deferred taxes primarily result from the fact that deferred tax assets on loss carryforwards were partially recognized. Overall, there is a reconciliation effect of €- 536 thousand (previous year: € -2,868 thousand).

The effects of € -3,539 thousand deriving from taxes for previous years (previous year: € 1,640 thousand) result from adjustments to previous years' tax returns.

The non-deductible expenses mainly include the non-deductible portion of the dividend income.

Effects deriving from permanent differences result from different measurement approaches used for non-consolidated subsidiaries and from the way in which non-corporate entities are treated.

The recognized deferred tax assets and deferred tax liabilities result from the following recognition and measurement differences in individual items in the statement of financial position, from tax loss carryforwards, and from outside basis differences (OBD):

	9/30/2022			9/30/2021	
in € thousand	Deferred tax assets	Deferred tax liabilities	Deferred tax credits (+)/ expense (-)	Deferred tax assets	Deferred tax liabilities
Intangible assets	3,765	13,132	4,698	11	14,077
Property, plant, and equipment	8,196	163,141	-14,598	4,156	143,498
Investments measured using the equity method	0	6,741	-2,826	0	3,915
Inventories	12,502	429,908	-76,086	13,779	354,204
Receivables and other assets	17,891	117,794	-31,211	23,422	71,122
Pension provisions	6,147	12,688	5,768	40,933	2
Other provisions	4,637	10,751	-9,953	11,595	8,073
Liabilities	86,176	11,149	-11,607	93,391	22,907
Tax loss carryforwards	8,278	0	1,391	6,151	0
Tax credits	26	0	-196	222	0
Outside basis differences	0	1,955	-601	0	1,354
Deferred tax income (+)/expense (-) disposal group	0	0	10	0	0
Total	147,618	767,259	-135,211	193,660	619,152
Offsetting	-129,172	-129,172		-175,584	-175,584
Consolidated Statement of Financial Position	**18,446**	**638,087**		**18,076**	**443,568**

€ 110,093 thousand (previous year: € 112,264 thousand) of the deferred tax assets and € 524,045 thousand (previous year : € 450,870 thousand) of the deferred tax liabilities will be realized within the next twelve months. Deferred tax assets of € 37,525 thousand (previous year: € 81,396 thousand) and deferred tax liabilities of € 243,214 thousand (previous year: € 168,282 thousand) will be realized after more than twelve months. These figures represent the amounts prior to offsetting.

The income taxes to be accounted for in other comprehensive income (OCI) are distributed among the following areas:

	9/30/2022		9/30/2021	
in € thousand	Balance	Change	Balance	Change
Deferred taxes				
Derivatives	-13,460	-7,929	-5,531	777
Pension provisions	-53,989	-52,376	-1,613	-14,996
Total	**-67,449**	**-60,305**	**-7,144**	**-14,219**
Current taxes	-3,179	-1,320	-1,859	-77

With respect to the change in OCI deriving from pension provisions, please refer to note 25 in the Notes to the statement of financial position Pension provisions and similar obligations, pages 189-192.

The realization of deferred tax assets is considered to be sufficiently probable after taking the Group's forecast development plans and the profit expectations of the subsidiaries into account. Deferred tax assets are recognized in respect of loss carryforwards to the extent that deferred tax liabilities were available or if the companies concerned had positive future earnings forecasts.

Loss carryforwards existed totaling € 56,287 thousand (previous year: € 45,607 thousand). Deferred tax assets of € 44,407 thousand (previous year: € 30,678 thousand) were recognized in respect of income tax losses of € 8,278 thousand (previous year: € 6,151 thousand). Deferred tax assets of € 26 thousand were recognized during the year reported in respect of tax credits (previous year: € 222 thousand).

No deferred tax assets were set up with respect to loss carryforwards of € 11,880 thousand (previous year: € 14,929 thousand), as the possibility of utilizing them is believed to be unlikely from a current perspective. Of the tax loss carryforwards deemed not to be utilizable, an amount of € 11,880 thousand (previous year: € 14,929 thousand) can be carried forward indefinitely.

Deferred tax liabilities of € 1,955 thousand (previous year: € 1,354 thousand) were set up with respect to the differences between the proportional equity of subsidiaries recognized in the consolidated statement of financial position and the investment carrying amounts for these subsidiaries shown in the tax-based records of the respective parent company (so-called outside basis differences) as at the reporting date. No deferred tax liabilities were set up for outside basis differences deriving from undistributed earnings of subsidiaries amounting to € 20,509 thousand (previous year: € 20,508 thousand), since the reversal of these differences is unlikely in the foreseeable future.

13. CONSOLIDATED NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

Of the reported consolidated net income for 2021/22 of € 714,992 thousand (previous year: € 612,981 thousand), a share of income of € 323 thousand (previous year: € 185 thousand) is attributable to shareholders other than the shareholders of Aurubis AG, Hamburg. This relates to the non-controlling interests in Aurubis Bulgaria AD, Pirdop.

14. EARNINGS PER SHARE

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

in thousand units	Issued shares	Treasury shares	Shares outstanding
Start of fiscal year	44,957	1,298	43,659
Number of shares at 9/30/2022	44,957	1,298	43,659
Weighted number of shares	**44,957**	**1,298**	**43,659**

	2021/22	2020/21
Consolidated net income attributable to Aurubis AG shareholders (in € thousand units)	714,669	612,796
Weighted average number of shares (in thousand units)	43,659	43,674
Basic earnings per share (in €)	**16.37**	**14.03**
Diluted earnings per share (in €)	**16.37**	**14.03**

Diluted earnings per share are determined by augmenting the average number of the shares outstanding during the fiscal year to include the maximum number of potential shares. Potential shares are the maximum number of stock options or shares that could be issued if all conversion rights on convertible bonds were exercised, or other contractual rights that give the holder the right to purchase shares. 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 such financial instruments and other rights existed neither in the reporting year nor in the prior year, the diluted earnings per share for the Aurubis Group correspond to the basic earnings per share.

Notes to the statement of financial position

15. INTANGIBLE ASSETS

The development of the costs of acquisition or generation and the accumulated amortization and impairment-related write-downs of the intangible assets are as follows:

Costs of acquisition or generation

in € thousand	Franchises, industrial property rights, and licenses	Goodwill	Payments on account for intangible assets	Total
10/1/2021	233,665	51,826	1,848	287,339
Additions	6,707	0	6,201	12,908
Disposals	-402	0	0	-402
Transfers	1,677	0	-1,677	0
9/30/2022	**241,647**	**51,826**	**6,372**	**299,845**

Amortization and impairment losses

in € thousand	Franchises, industrial property rights, and licenses	Goodwill	Payments on account for intangible assets	Total
10/1/2021	-86,645	-41,961	0	-128,606
Amortization and impairment losses for the fiscal year	-19,568	-8,656	0	-28,223
Disposals	399	0	0	399
9/30/2022	**-105,814**	**-50,617**	**0**	**-156,430**

Carrying amount

in € thousand	9/30/2022	9/30/2021
Intangible assets		
Franchises, industrial property rights, and licenses	135,833	147,020
Goodwill	1,209	9,865
Payments on account for intangible assets	6,373	1,848
	143,415	**158,733**

Costs of acquisition or generation

in € thousand	Franchises, industrial property rights, and licenses	Goodwill	Payments on account for intangible assets	Total
10/1/2020	228,698	51,826	4,931	285,455
Assets held for sale	-2,070	0	0	-2,070
Additions	4,772	0	1,346	6,118
Disposals	-1,749	0	-658	-2,407
Transfers	4,014	0	-3,771	243
9/30/2021	**233,665**	**51,826**	**1,848**	**287,339**

Amortization and impairment losses

in € thousand	Franchises, industrial property rights, and licenses	Goodwill	Payments on account for intangible assets	Total
10/1/2020	-71,549	-41,961	0	-113,510
Assets held for sale	1,767	0	0	1,767
Amortization and impairment losses for the fiscal year	-17,696	0	-649	-18,345
Disposals	832	0	649	1,482
9/30/2021	**-86,645**	**-41,961**	**0**	**-128,606**

Carrying amount

in € thousand	9/30/2021	9/30/2020
Intangible assets		
Franchises, industrial property rights, and licenses	147,020	157,149
Goodwill	9,865	9,865
Payments on account for intangible assets	1,848	4,931
	158,733	**171,945**

Intangible assets comprise licenses acquired for a consideration, primarily in connection with a long-term electricity supply contract, as well as goodwill on consolidation arising in the Aurubis Group.

As at September 30, 2022, the impairment test led to an impairment loss of € 8,655 thousand, comprising the full amount of goodwill for the Beerse/Berango cash-generating unit (CGU). The CGU impacted consists of two MMR segment sites linked through supply relationships.

The recoverable amount was determined to be € 286 million and was € 29 million less than the carrying amount of the Beerse/Berango CGU. The amount of the impairment loss recognized was limited to reflect the fair values of the individual assets involved. In particular, the development of macroeconomic factors led to a reduction of the value in use compared to the previous year.

In the previous year, no impairment loss was recognized against goodwill.

Aurubis carries out an impairment test on goodwill at least annually. For the impairment test on goodwill, the goodwill acquired in conjunction with a business combination is allocated to the CGU that is expected to benefit from the synergies of the business combination. If the carrying amount of the CGU to which the goodwill was allocated exceeds its recoverable amount, a commensurate impairment loss is recognized on the allocated goodwill.

The recoverable amount is the higher of the fair value less costs to sell and the value in use. The value in use is determined by means of discounting future cash flows after taxes with a risk-adjusted discount rate (WACC) after taxes (discounted cash flow method). Due to the calculated cash flows after taxes, a cost of capital after taxes is used as well.

The cash flow estimates cover a planning horizon of four years before transferring to perpetuity. The cash flows were established within the scope of a qualified planning process including use of internal company values based on past experience and extensive market knowledge, and they take into consideration management's assessment and estimates regarding the future development of the regional market.

In addition to the weighted capital costs, the significant assumptions used to calculate the value in use are the forecast earnings trend and the sustainable growth rate of the terminal value at a level of 1%. The growth rate was derived from future expectations and does not exceed the long-term average growth rates of the respective markets.

The WACC used for discounting purposes amounted to:

	Germany		Belgium	
in € thousand	**9/30/2022**	9/30/2021	**9/30/2022**	9/30/2021
WACC before taxes in %	13.0	10.4	13.2	10.7
WACC after taxes in %	9.1	7.3	9.9	8.0

For intangible assets with finite useful lives, the impairment test for the Beerse/Berango CGU resulted in an impairment loss of € 5,036 thousand. In the previous year, a total impairment loss for goodwill of € 4,136 thousand was recognized against intangible assets.

Development costs of € 280 thousand (previous year: € 726 thousand) were capitalized during the fiscal year reported. Research costs are recognized in profit or loss for the respective periods Research & Development, page 210.

16. PROPERTY, PLANT, AND EQUIPMENT

The costs of acquisition or construction and the accumulated depreciation and impairment losses on property, plant, and equipment are as follows:

Costs of acquisition or construction

in € thousand	Land and buildings	Technical equipment and machinery	Other equipment, factory and office equipment	Payments on account for assets under construction	Total
10/1/2021	826,146	2,584,513	137,289	153,161	3,701,109
Currency exchange rate differences	2,765	14,757	2,078	4,226	23,825
Additions	24,758	113,153	17,211	192,240	347,362
Disposals	-5,265	-65,691	-6,370	-8	-77,334
Transfers	18,524	85,434	2,407	-106,367	0
9/30/2022	**866,928**	**2,732,166**	**152,633**	**243,252**	**3,994,979**

Depreciation and impairment losses

in € thousand	Land and buildings	Technical equipment and machinery	Other equipment, factory and office equipment	Payments on account for assets under construction	Total
10/1/2021	-432,664	-1,522,560	-85,346	-3,613	-2,044,183
Currency exchange rate differences	-572	-10,249	-1,629	-621	-13,071
Reversal of impairment losses in the fiscal year	0	0	94	0	94
Depreciation and impairment losses for the fiscal year	-32,203	-147,634	-16,243	-987	-197,068
Disposals	3,985	62,827	6,048	0	72,860
9/30/2022	**-461,454**	**-1,617,617**	**-97,076**	**-5,220**	**-2,181,367**

Carrying amount

in € thousand	**9/30/2022**	9/30/2021
Property, plant, and equipment		
Land and buildings	405,475	393,481
Technical equipment and machinery	1,114,549	1,061,954
Other equipment, factory and office equipment	55,556	51,942
Payments on account for assets under construction	238,032	149,549
	1,813,611	**1,656,927**

Costs of acquisition or construction

in € thousand	Land and buildings	Technical equipment and machinery	Other equipment, factory and office equipment	Payments on account for assets under construction	Total
10/1/2020	808,683	2,550,187	134,592	142,674	3,636,136
Assets held for sale	-22,485	-52,212	-2,073	-761	-77,531
Currency exchange rate differences	225	865	155	118	1,363
Additions	10,847	48,825	11,109	164,897	235,678
Disposals	-6,115	-78,373	-9,215	-591	-94,294
Transfers	34,991	115,221	2,721	-153,176	-243
9/30/2021	**826,146**	**2,584,513**	**137,289**	**153,161**	**3,701,109**

Depreciation and impairment losses

in € thousand	Land and buildings	Technical equipment and machinery	Other equipment, factory and office equipment	Payments on account for assets under construction	Total
10/1/2020	-418,655	-1,493,408	-78,253	-5,020	-1,995,336
Assets held for sale	17,214	48,790	1,886	599	68,489
Currency exchange rate differences	-74	-651	-134	-13	-872
Reversal of impairment losses in the fiscal year	2,509	1,107	72	0	3,688
Depreciation and impairment losses for the fiscal year	-39,258	-150,565	-16,189	410	-205,601
Disposals	5,598	72,167	7,272	413	85,450
9/30/2021	**-432,666**	**-1,522,560**	**-85,346**	**-3,611**	**-2,044,183**

Carrying amount

in € thousand	9/30/2021	9/30/2020
Property, plant, and equipment		
Land and buildings	393,481	390,028
Technical equipment and machinery	1,061,954	1,056,779
Other equipment, factory and office equipment	51,942	56,339
Payments on account for assets under construction	149,549	137,654
	1,656,927	**1,640,800**

In addition to scheduled depreciation, depreciation charges in the fiscal year reported include impairment losses of € 14,597 thousand (previous year: € 22,611 thousand), which are recognized against consolidated net income in the line “Depreciation of property, plant, and equipment and amortization of intangible assets.” An impairment test carried out due to the decline in the Aurubis Group’s market capitalization below the net assets as at reporting date resulted in an impairment loss of € 12,988 for the Beerse/Berango CGU. The impairment losses relate to technical equipment and machinery (€ 5,668 thousand), land and buildings (€ 5, 739 thousand) and other equipment, factory and office equipment (€ 528 thousand).

In the impairment test process, the total carrying amounts for a CGU are compared to the respective recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and the value in use. The recoverable amount was determined based on the value in use for purposes of the impairment test.

The value in use was calculated by determining the present value of the expected cash flows (discounted cash flow). The planning process for the expected cash flows covers a planning period of four years. The cash flows were established within the scope of a qualified planning process including use of internal company values based on past experience and extensive market knowledge, and they take into consideration management’s assessment and estimates regarding the future development of the regional market.

In addition to the weighted capital costs, the significant assumptions used to calculate the value in use are the forecast earnings trend and the sustainable growth rate of the terminal value at a level of 1 %. The growth rate was derived from future expectations and does not exceed the long-term average growth rates of the respective markets. The discount rate used for the Beerse/Berango CGU amounted to 9.9 % as at September 30, 2022.

The required impairment loss was allocated in accordance with IAS 36.105, whereby external appraisals were used as a basis for the derivation of the fair value less costs to sell the main items of property, plant, and equipment. The measurement process for land is based on the comparable value method. The discounted cash flow method was applied to measure the value of the buildings, whereby the asset value method was taken into account for plausibility purposes. The machinery and equipment were measured based on asset value techniques. The total fair value of the assets less costs to sell determined for the property, plant and equipment of the Beerse/Berango CGU amounted to € 192,507 thousand.

Disclosures concerning leases are provided in note 28 in the Notes to the statement of financial position in the section Leases, on page 196.

No property, plant, and equipment were pledged as security for loans within the Group as at September 30, 2022 and September 30, 2021. Purchase commitments for fixed assets amounted to € 315,505 thousand as at September 30, 2022 (previous year: € 111,530 thousand).

Minimum stocks are recognized in technical equipment and machinery as components of the respective technical equipment and machinery. Minimum stocks are quantities of materials that are necessary to establish and ensure a production facility's continuing functionality for its intended use. A total of € 311,211 thousand was attributable to the technical minimum stock as at September 30, 2022 (previous year: € 313,507 thousand).

From May 31, 2021 onwards, Cablo GmbH has been included in the consolidated financial statements and an additional joint venture. Aurubis holds a 40 % share interest in Cablo GmbH. It is operated as a joint venture with a partner and has been assigned to the MRP segment. The business objective is to recover copper granules and plastics.

Pursuant to IFRS 11.24, in conjunction with IAS 28, Schwermetall Halbzeugwerk GmbH & Co. KG and Cablo GmbH are accounted for using the equity method.

17. FINANCIAL FIXED ASSETS

in € thousand	**9/30/2022**	9/30/2021
Share interests in affiliated companies	10,462	12,544
Investments	116	116
Other financial fixed assets	5,402	52,745
	15,980	**65,405**

The share interests in affiliated companies and investments included in financial fixed assets in the amount of € 10,462 thousand (previous year: € 12,660 thousand) are classified as measured at fair value through profit or loss pursuant to IFRS 9. The shares are not quoted and there is no active market for them. There is no current intention to sell the share interests.

An overview of the investments included in the financial assets of Aurubis AG, Hamburg, is presented in the section Investments, on page 221.

Other financial fixed assets primarily include securities classified as fixed assets, which mainly comprise a share interest in Salzgitter AG, Salzgitter. For these share interests, Aurubis makes use of the option under IFRS 9 to classify equity instruments as at "fair value through other comprehensive income," as there was a long-term intention to hold them. Proceeds from the sale of shares during the fiscal year amounted to € 65,525 thousand. The related reclassification of the accumulated gains to generated group equity amounted to € 12,141 thousand.

18. INVESTMENTS MEASURED USING THE EQUITY METHOD

Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg, is a joint venture in which Aurubis holds a 50 % interest. It is operated as a joint venture with a partner and has been assigned to the CSP segment. The business purpose of the company is the production and marketing of pre-rolled strip made of copper and copper alloys.

From May 31, 2021 onwards, Cablo GmbH has been included in the consolidated financial statements as an additional joint venture. Aurubis holds a 40 % share interest in Cablo GmbH. It is operated as a joint venture with a partner and has been assigned to the MMR segment. The purpose of the business is to recover copper granules and plastics from scrapped cables.

Pursuant to IFRS 11.24, in conjunction with IAS 28, Schwermetall Halbzeugwerk GmbH & Co. KG and Cablo GmbH are accounted for using the equity method.

The following two tables summarize the financial information prepared in accordance with IFRS, and provide a reconciliation to the investment value that has been recognized. The financial information provided in the table represents the total figures for each company (i.e., 100 %).

SUMMARIZED STATEMENT OF FINANCIAL POSITION AND STATEMENT OF COMPREHENSIVE INCOME

	Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg		Cablo GmbH, Gelsenkirchen		Total	
(in € thousand)	**2021/22**	2020/21	**2021/22**	2020/21	**2021/22**	2020/21
Assets	**289,746**	**237,495**	**55,239**	**51,343**	**344,985**	**288,838**
Fixed assets	49,321	45,801	20,262	21,226	69,583	67,027
Deferred tax assets	0	0	664	855	664	855
Non-current receivables and other assets	0	10	0	0	0	10
Inventories	154,211	124,676	10,022	12,844	164,234	137,520
Current receivables and other assets	85,883	66,974	20,107	14,009	105,990	80,982
Cash and cash equivalents	331	34	4,183	2,409	4,514	2,443
Liabilities	**289,746**	**237,495**	**55,239**	**51,343**	**344,985**	**288,838**
Net assets	188,972	150,727	8,474	7,872	197,446	158,599
Deferred tax liabilities	15,098	8,910	0	0	15,098	8,910
Non-current provisions	5,175	7,409	251	223	5,426	7,632
Non-current liabilities	22,738	12,948	32,000	27,000	54,738	39,948
Current provisions	10,612	9,417	112	5	10,724	9,422
Current liabilities	47,151	48,083	14,402	16,244	61,553	64,326
Statement of comprehensive income						
Revenues	673,545	516,184	136,833	38,730	810,378	554,914
Gross profit	91,847	92,100	13,361	2,275	105,207	94,375
Depreciation of property, plant, and equipment and amortization of intangible assets	4,798	4,694	1,720	559	6,517	5,253
Interest income	0	78	0	0	0	78
Interest expense	451	476	425	133	876	609
Earnings before taxes (EBT)	43,216	50,629	793	-1,008	44,009	49,621
Less income taxes	10,882	10,960	191	-855	11,073	10,105
Profit/loss of the period	32,333	39,669	602	-153	32,936	39,516

RECONCILIATION OF THE COMBINED FINANCIAL INFORMATION

	Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg		Cablo GmbH, Gelsenkirchen		Total	
in € thousand	**2021/22**	2020/21	**2021/22**	2020/21	**2021/22**	2020/21
Net assets as at October 1	**150,727**	**110,609**	**7,872**	**0**	**158,599**	**110,609**
Addition of Cablo net assets as at 5/31/2021		0	0	8,025	0	8,025
Profit/loss of the period	32,333	39,669	602	-153	32,936	39,516
Other comprehensive income/loss	23,511	10,949	0	0	23,511	10,949
Distribution	-17,600	-10,500	0	0	-17,600	-10,500
Net assets as at September 30	**188,972**	**150,727**	**8,474**	**7,872**	**197,446**	**158,599**
Share of joint venture	94,486	75,364	3,390	3,149	97,876	78,512
Elimination of intra-group profits	149	149	-2,018	-2,018	-1,869	-1,869
Income tax effects		0		0	0	0
Carrying amount	**94,635**	**75,513**	**1,372**	**1,131**	**96,007**	**76,644**

19. INVENTORIES

in € thousand	9/30/2022	9/30/2021
Raw materials and supplies	1,705,892	1,292,918
Work in process	1,094,854	857,525
Finished goods, merchandise	752,176	653,766
	3,552,922	**2,804,209**

As at the reporting date, write-downs of € 116,358 thousand were recorded against inventories (previous year: € 8,112 thousand), which are mainly the result of metal price fluctuations.

20. TRADE ACCOUNTS RECEIVABLE

The trade accounts receivable as at September 30, 2022 and as at September 30, 2021 were due within one year.

The age structure of the trade accounts receivable, after deducting allowances, is as follows:

in € thousand	Carrying amount	of which: not overdue as at the reporting date	less than 30 days	between 30 and 180 days	more than 180 days
As at September 30, 2022 Trade accounts receivable	622,621	577,936	41,595	1,223	1,867
As at September 30, 2022 Trade accounts receivable	512,966	473,539	30,435	6,725	2,267

The development of the allowances that set up for those trade accounts receivable were not covered by commercial credit insurance was as follows:

in € thousand	9/30/2022	9/30/2021
Specific allowances as at October 1	**2,724**	**2,888**
Assets held for sale	0	-198
Changes in allowances during the period	0	34
Additions	0	34
Balance as at September 30	**2,724**	**2,724**

All expenses and income deriving from allowances against trade accounts receivable are shown respectively under other operating expenses or other operating income.

As regards the balances of trade accounts receivable that are neither written down nor overdue, there is no indication as at the reporting date that the debtors will not fulfill their payment obligations.

Default risks deriving from trade accounts receivable were largely hedged by commercial credit insurances, which we also consider when calculating allowances.

21. OTHER RECEIVABLES AND OTHER ASSETS

Other receivables and other assets comprise both other financial and other non-financial assets.

Non-current receivables and other assets are made up as follows as at the reporting date:

in € thousand	9/30/2022	9/30/2021
Non-current (with a residual term of more than 1 year)		
Derivative financial instruments belonging to the category “FV P&L”	113,231	12,800
Derivative financial instruments held as hedging instruments in the context of hedge accounting	27,463	6,523
Receivables from related parties	12,800	0
Other non-current financial assets	14,585	14,555
Non-current financial assets	**168,079**	**33,878**
Other non-current non-financial assets	1,964	1,631
Non-current income tax receivables	1,615	1,306
Other non-current non-financial assets	**3,579**	**2,937**

Current receivables and other assets are made up as follows as at the reporting date:

in € thousand	9/30/2022	9/30/2021
Current (with a residual term of less than 1 year)		
Derivative financial instruments belonging to the category “FV P&L”	97,411	94,339
Derivative financial instruments held as hedging instruments in the context of hedge accounting	49,263	9,494
Receivables from related parties	3,568	16,028
Sundry other current financial assets	60,319	32,217
Other current financial assets	**210,561**	**152,078**
Income tax receivables	35,636	10,058
Sundry other current non-financial assets	60,425	41,192
Other current non-financial assets	**96,061**	**51,250**

The increase in derivative financial instruments belonging to the FV P&L category resulted from the measurement of other transactions due to higher energy prices, mainly in connection with a long-term electricity supply contract.

The increase in sundry other current financial assets is mainly due to receivables from brokers arising from security deposited for open derivative transactions, as well as the realization of government grants for energy costs at our Bulgarian site.

As in the previous year, the sundry other current non-financial assets mainly comprise VAT receivables.

The sundry other current financial assets include a continuing involvement arising from del credere risks with factoring companies and late payment and currency risks deriving from current trade accounts receivable in the amount of € 8,310 thousand (previous year: € 6,002 thousand). The level of continuing involvement corresponds to the maximum risk of loss, mainly based on the assumption that all receivables open on the reporting date that were sold remain outstanding for the entire period for which Aurubis can be held responsible for the late payment risk. The factoring companies retain a purchase price discount of 10 % of the purchase price.

A liability of € 8,287 thousand was recorded in connection with the continuing involvement (previous year: € 6,001 thousand). All trade accounts receivable sold to factoring companies have a term of less than one year, meaning that the fair value of the continuing involvement and the associated liability each correspond to the carrying amount.

All of the receivables covered by five factoring contracts for which the main opportunities and risks were transferred to the purchaser of the receivables were completely derecognized.

In total, outstanding receivables, excluding a continuing involvement, of € 349,253 thousand (previous year: € 392,395 thousand) had been sold to factoring companies as at the reporting date.

As in the previous year, no significant allowances for expected credit losses were recognized in the reporting year.

As regards the balance for other financial assets that are neither written down nor overdue, there is no indication as at the reporting date that the debtors will not fulfill their payment obligations.

22. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of current account balances with banks, cash in hand, and short-term deposits. Cash at banks mainly comprises euro balances.

23. EQUITY

The share capital amounts to € 115,089,210.85 and is divided into 44,956,723 no-par-value shares, each with a notional value of € 2.56. Each share includes a voting right and is entitled to dividends. The share capital is fully paid in.

The Executive Board is authorized, subject to the approval of the Supervisory Board, to increase the company's share capital by February 16, 2027 by up to € 23,017,840.64 either at one time or in several installments (Authorized Capital 2022).

The share capital has been conditionally increased by up to € 11,508,920.32 by issuing up to 4,495,672 new no-par-value bearer shares, each a proportionate notional value per share of € 2.56 of the share capital (conditional capital increase). It will be used to grant shares to the holders or creditors of conversion and/or option rights from convertible bonds and/or bonds with warrants, profit participation rights and/or participating bonds (or combinations of these instruments), which can be issued with the approval of the Supervisory Board in the period up to July 16, 2027.

Based on a resolution passed at the Annual General Meeting on March 1, 2018, the company was authorized for the period up until February 28, 2023 to repurchase its own shares with a volume of up to 10 % of the share capital. On March 18, 2020, the Aurubis AG Executive Board resolved to purchase company shares up to 10 % of the share capital. The buyback program started on March 19, 2020 and ended at the close of September 17, 2021. The objective of the share buyback program was to use these treasury shares for purposes permitted by the shareholders at the Annual General Meeting, particularly for possible acquisitions or future financing needs. As at September 30, 2022, the company held 1,297,693 treasury shares (unchanged from the previous year).

Pursuant to the resolution passed at the Annual General Meeting on February 17, 2022, a dividend of € 1.60 per share was distributed in the reporting year, totaling € 69,854,448.

Generated Group equity comprises consolidated net income, the revenue reserves of all Group companies, the accumulated unappropriated earnings of the subsidiaries since their initial consolidation, and the accumulated amounts resulting from consolidation adjustments recognized in profit or loss. In addition, the effects deriving from the remeasurement of the net liability resulting from the defined benefit pension plans (after taxes), which are recorded directly in equity, are also included.

Aurubis AG's legal reserve of € 6,391 thousand, which is not available for distribution, is also included in this amount. The change in generated Group equity from € 3,025,019 thousand as at September 30, 2021, to € 3,794,072 thousand as at September 30, 2022 includes the dividend payment of € 69,854,448, effects of € 112,097 thousand (after taxes) recognized in equity deriving from the remeasurement of the net liability resulting from the defined benefit pension plans and the consolidated net income for fiscal year 2021/22 of € 714,669 thousand. In addition, the sale of equity instruments classified as at fair value through other comprehensive income under IFRS 9 resulted in reclassifications from accumulated other comprehensive income to generated group equity in the amount of € 12,141 thousand. Changes in accumulated other comprehensive income totaling € 58,440 thousand (previous year: € 20,330 thousand) mainly comprise gains and losses of € 28,657 thousand (previous year: € -7,872 thousand) deriving from the measurement at market of cash flow hedges, income taxes of € - 10,711 thousand (previous year: € 699 thousand), and € 17,847 thousand (previous year: € 27,224 thousand) deriving from measurement at market of financial investments.

An amount of € 21,546 thousand (previous year: € 9,923 thousand) was transferred during the period from other comprehensive income to the consolidated income statement in the context of cash flow hedge accounting and is primarily recorded in the cost of materials.

The non-controlling interests amounting to € 653 thousand (previous year: € 537 thousand) comprise the interests of non-Group shareholders in the equity of a company that is fully consolidated by Aurubis AG, namely Aurubis Bulgaria AD, Pirdop.

The change in non-controlling interests includes a proportional share of the dividend payment, amounting to € 209 thousand. The consolidated result of € 325 thousand in fiscal year 2021/22 had a counteracting effect.

Changes in equity are presented in detail in the consolidated statement of changes in equity, Consolidated Statement of Changes in the section Equity, on page 161.

PROPOSED APPROPRIATION OF EARNINGS

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

Net income for the year of Aurubis AG	**€ 125,376,510.40**
Retained profit brought forward from the prior year	€ 148,823,413.05
Allocations to other revenue reserves	€ 62,600,000.00
Unappropriated earnings	**€ 211,599,923.45**

A proposal will be made to the Annual General Meeting that Aurubis AG's unappropriated earnings of € 211,599,923.45 are used to pay a dividend of € 1.80 per no-par-value share and that € 133,013,669.45 be carried forward. The freely available shares at the balance sheet date, amounting to 43,659,030 (= € 78,586,254), were taken as a basis.

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 Group's liquidity sourcing is secured through a combination of the Group's cash flow, external borrowing, as well as lines of credit available from our banks. Existing credit facilities and lines of credit can compensate for fluctuations in the cash flow development at any time. The objective is to keep the Group's debt structure in equilibrium in the long term. Control and monitoring are carried out on the basis of defined key ratios. Net debt and liquidity are controlled in the medium and short term by means of regular cash flow forecasts.

One of the main key ratios used to determine and compare profitability is operating ROCE (return on capital employed), which reflects the yield on the capital that is utilized in the operating business or for investments. Operating ROCE defines the operating earnings before interest and taxes together with the operating result from investments measured using the equity method in relation to the operating capital employed as at the reporting date and represents the yield on the capital employed. Capital employed comprises equity and interest-bearing liabilities, less cash and cash equivalents.

Operating ROCE improved to 19.0 % owing to the very good financial performance in the fiscal year, compared to 16.6 % in the previous year.

All external requirements under financial covenants were fulfilled in the fiscal year reported.

24. DEFERRED TAX LIABILITIES

The breakdown of the deferred tax liabilities is presented in the section Income taxes, on page 169.

25. PENSION PROVISIONS AND SIMILAR OBLIGATIONS

Within the Aurubis Group, retirement benefits for eligible employees are provided on the basis of both defined benefit plans and defined contribution plans.

The majority of defined benefit plan commitments in the Aurubis Group relate to Germany and the US. On the one hand, these represent individual contractual direct commitments. On the other hand, the Group provides benefits in the form of defined benefit commitments within collective plans. Both funded and unfunded plans exist.

In Germany, the Group provides eligible employees with pension benefits as well as disability and surviving dependent benefits. These are provided to a great extent through pension and support funds, the assets of which may solely be utilized to satisfy the Aurubis Group's pension obligations.

Generally, the amount of the pension benefit per qualified year of service is determined as a percentage of a pensionable salary. In Germany, pensions are reviewed every three years and adjusted, where necessary, in a manner corresponding to the price index development.

In Germany, the company pension plan for new employees hired after September 29, 2003, was amended and is now based on defined contribution commitments. Processing is carried out by an external pension fund and an insurance company.

Furthermore, a subsidiary in the US grants employees pension, health care, and life insurance benefits for the period after retirement under specific conditions related to age and duration of employment with the company. These retirement benefits are based on collective agreements that only apply to unionized employees. These represent lifelong pension benefits whose level depends on the duration of employment. The amount of the benefits does not depend on the salary. Health care benefits are provided after the employee leaves the company until an established minimum age. While the pension commitments are mainly financed through the specific assets of a separate pension fund, there is no separate fund for the health care and life insurance benefits provided in the US.

Within the Group, actuarial reports were obtained for all benefit obligations. The reports take uniform Group-wide accounting policies into consideration, while nevertheless reflecting special country-specific circumstances.

In addition to the “Heubeck-Richttafeln 2018 G” mortality tables, the following market discount rates, salary, and pension trends were used as a basis to calculate the pension obligations:

in %	9/30/2022	9/30/2021
Discount rate	3.6	1.0
Expected income development	3.0	2.8
Expected pension development	2.4	1.6

The increase in the measurement parameters was primarily due to changes in the macroeconomic environment.

A discount rate of 5.2 % (previous year: 2.8 %) was assumed as the basis for the measurement of the pension provision of Aurubis Buffalo, Inc., Buffalo. Income and pension trends are not relevant for the calculation of the pension obligations of the US subsidiary.

The net pension provision for defined benefit obligations disclosed in the consolidated statement of financial position as at September 30, 2022 and September 30, 2021 is as follows:

in € thousand	9/30/2022	9/30/2021
Present value of pension commitments	520,905	689,870
of which funded	436,043	555,179
– Fair value of plan assets	463,300	476,143
Net carrying amount on September 30	**57,605**	**213,727**
of which disclosed as assets	0	0
of which disclosed as liabilities	57,605	213,727

The net liability for benefit commitments, taking into account the separate reconciliations for the present value of the defined benefit obligation and the plan assets, is derived as follows:

Development of the present value of the pension obligations

in € thousand	9/30/2022	9/30/2021
Present value of unfunded benefit obligations	134,691	138,881
Present value of funded benefit obligations	555,179	573,290
Present value of the pension commitments as at October 1	**689,870**	**712,171**
Assets/liabilities held for sale	0	-3,733
Changes in the scope of consolidation	0	0
Current service cost	16,956	18,059
Gain deriving from plan settlements	-49	0
Interest cost on the pension obligations	7,960	6,743
Remeasurements	-163,187	-20,350
Actuarial gains/losses deriving from demographic assumptions	-1,173	839
Actuarial gains/losses deriving from financial assumptions	-165,841	-18,528
Actuarial gains/losses deriving from adjustments based on experience	3,827	-2,661
Benefits paid	-24,731	-23,730
Payments for plan settlements	-11,651	0
Exchange rate difference	5,734	710
Present value of the pension commitments as at September 30	**520,905**	**689,870**

Development of the plan assets

in € thousand	2021/22	2020/21
Fair value of the plan assets as at October 1	**476,143**	**451,775**
Assets/liabilities held for sale	0	-2,952
Changes in the scope of consolidation	0	0
Interest income	5,519	4,230
Remeasurement effects	-1,433	29,216
Benefits paid	-18,457	-16,106
Payments for plan settlements	-11,651	0
Contributions made by employer	8,399	9,632
Exchange rate difference	4,780	348
Fair value of the plan assets as at September 30	**463,300**	**476,143**

Development of the net liability

in € thousand	2021/22	2020/21
Net liability as at October 1	**213,727**	**260,396**
Assets/liabilities held for sale	0	-781
Changes in the scope of consolidation	0	0
Current service cost	16,956	18,059
Gain deriving from plan settlements	-49	0
Net interest result	2,441	2,513
Remeasurement effects	-161,754	-49,566
Benefits paid	-6,274	-7,624
Employer contributions to the plan	-8,399	-9,632
Exchange rate difference	954	362
Net liability as at September 30	**57,605**	**213,727**

The remeasurement effects are directly recorded in other comprehensive income and are disclosed under generated Group equity. The net interest result is disclosed under interest expense. In contrast, the other components of the pension expenses (current and past service cost and the loss deriving from plan settlements) are recorded in personnel expenses.

In Germany, the defined benefit plans are primarily administered through processes in operation within the pension fund and the benefit fund. In this context, the pension fund is overseen by the German Federal Financial Supervisory Authority (BaFin).

Regulations related to the pension fund's capital investment portfolio are defined by the "Ordinance on the Investment of Restricted Assets of Insurance Undertakings (Investment Ordinance, AnlV)." The Investment Ordinance regulates the permitted quantitative distribution and mix of capital investments for the pension fund. A large portion of the pension fund's assets are invested in a segmented special fund.

The risk capital investments (equity instruments and debt instruments with a rating lower than investment grade) may account for a maximum of 35 % of the carrying amount of the pension fund's coverage assets in accordance with the Investment Ordinance. The percentage of real estate held directly or indirectly via an interest in a limited partnership is currently 21.25 % of the carrying amount of the coverage assets. Derivatives are primarily only used for hedging purposes. The risk of longevity is taken into account by the actuary, after performing a review, by adjusting the biometric parameters where necessary.

The benefit fund is also oriented to the Investment Ordinance with respect to permitted capital investments.

The plan assets in the Group are made up as follows:

in € thousand	9/30/2022	9/30/2021
Cash and cash equivalents	22,269	32,496
Equity instruments	54,226	57,058
Debt instruments	128,874	148,491
Real estate	197,150	181,240
Reinsurance policies	55,992	5,367
Other current net assets	4,789	51,491
Total plan assets	**463,300**	**476,143**

The debt instruments include non-listed shares of a Schuldschein loan issued by Aurubis AG in the amount of € 26,000 thousand. The plan assets do not include any real estate used internally. The equity and debt instruments held via security funds are allocated to their corresponding investment classes in the overview.

Market prices are generally available for the equity instruments as a result of their respective quotations on an active market.

The debt instruments are also regularly traded on an active market.

Real estate is held directly and indirectly and is located exclusively in Germany. There is no active market from which market prices can be derived. Appraisals were obtained for all of the real estate included in the plan assets.

The company is subject to various risks in connection with the defined benefit plans. The company is subject to general technical insurance risks in particular, such as the risk of longevity, the risk of interest rate changes, the market price risk, and, to a small extent, a risk of inflation.

SENSITIVITY ANALYSIS

The following sensitivity analysis shows the effect of changes in the parameters on the present value of the defined benefit obligations. Each change in a significant actuarial assumption was analyzed separately, i.e., if one parameter varied, the other parameters remained constant. Possible correlation effects between the individual assumptions are not taken into consideration in this connection:

		Effect on the obligation			
		9/30/2022		9/30/2021	
in € thousand	Change in parameter	Increase	Decrease	Increase	Decrease
Actuarial interest rate	+/- 50 basis points	-30,166	33,564	-52,746	59,983
Expected income development	+/- 50 basis points	5,055	-4,881	9,246	-9,178
Expected pension development	+/- 50 basis points	22,423	-20,590	36,195	-33,339
Life expectancy	+/-1 year	20,139	-19,763	32,248	-31,671

The undiscounted future pension payments are expected to fall due within the following time bands:

in € thousand	9/30/2022	9/30/2021
Less than 1 year	22,914	23,167
Between 1 and 5 years	105,446	102,595
More than 5 years	810,852	680,450
Total	**939,212**	**806,212**

The weighted average duration of obligations deriving from defined benefit plans as at September 30, 2022 is 14.1 years (previous year: 17.0 years).

The expense for defined contribution pension plans amounted to € 23,465 thousand in the year reported (previous year: € 22,602 thousand). This includes both voluntary commitments and the employer's contribution made by the Group to statutory pension schemes.

26. OTHER PROVISIONS

	Non-current		Current		Total	
in € thousand	**9/30/2022**	9/30/2021	**9/30/2022**	9/30/2021	**9/30/2022**	9/30/2021
Personnel-related provisions	46,654	56,285	42,811	39,957	89,465	96,242
Provisions for onerous contracts	0	0	65	4,614	65	4,614
Environmental provisions	16,506	19,239	7,908	7,844	24,414	27,083
Sundry provisions and accruals	188	1,985	16,821	14,653	17,008	16,638
	63,347	**77,509**	**67,605**	**67,068**	**130,952**	**144,577**

The individual classes of provisions developed as follows during the fiscal year reported:

in € thousand	Balance as at 10/1/2021	Used	Released	Allocated	Transfers	Exchange rate difference	**Balance as at 9/30/2022**
Personnel-related provisions	96,242	-32,337	-395	25,860	0	96	89,465
Provisions for onerous contracts	4,614	-4,053	-561	65	0	0	65
Environmental provisions	27,083	-5,567	-2,777	5,114	551	10	24,414
Sundry provisions	16,638	-4,662	-1,646	7,229	-551	0	17,008
	144,577	**-46,619**	**-5,379**	**38,268**	**0**	**106**	**130,952**

Non-current personnel-related provisions primarily include provisions for bridging payments and anniversary bonuses. The weighted average duration of these obligations as at September 30, 2022 is 12.5 years. The higher actuarial interest rate of 3.6 % (previous year: 0.4 %) resulted in a reduced provision for bridging allowances and anniversary bonuses of € 10,871 thousand. Moreover, the personnel-related provisions include obligations from partial retirement contracts.

Provisions for environmental risks primarily relate to clean-up measures at the Lünen and Beerse sites. The provisions have terms of up to 30 years. The probable costs were determined taking into account past experience in comparable cases, existing appraisals, and the clean-up methods that will be used on the basis of present knowledge.

27. LIABILITIES

Financial liabilities as at the reporting date are as follows:

in € thousand	9/30/2022	9/30/2021
Non-current (with a residual term of more than 1 year)		
Bank borrowings	167,221	399,726
Lease liabilities	41,886	44,543
Non-current borrowings	**209,107**	**444,269**
Derivative financial instruments belonging to the category “FV P&L”	6,281	57,050
Liabilities to related parties	0	0
Derivative financial instruments held as hedging instruments in the context of hedge accounting	5,194	29
Other non-current financial liabilities	**11,475**	**57,079**
Non-current financial liabilities	**220,582**	**501,348**
Current (with a residual term of less than 1 year)		
Trade accounts payable	1,582,695	1,386,525
Trade accounts payable	**1,582,695**	**1,386,525**
Bank borrowings	105,929	126,918
Lease liabilities	12,469	10,127
Current borrowings	**118,398**	**137,045**
Derivative financial instruments belonging to the category “FV P&L”	85,113	106,634
Liabilities to related parties	19,199	15,007
Derivative financial instruments held as hedging instruments in the context of hedge accounting	40,416	2,097
Sundry other current financial liabilities	150,906	97,243
Other current financial liabilities	**295,634**	**220,981**
Current financial liabilities	**1,996,727**	**1,744,551**

The increase in sundry other current financial liabilities is mainly due to margin calls for energy. Sundry other current financial liabilities also include personnel obligations such as Christmas bonus payments, outstanding vacation entitlements, and success-based bonus payments, as well as liabilities related to severance pay for employees.

At a level of € 273,150 thousand as at September 30, 2022, bank borrowings were lower than at the previous fiscal year-end (€ 526,644 thousand). In December 2021, all variable interest rate tranches of the Schuldschein loan, totaling € 152,500 thousand, were redeemed ahead of schedule using free liquidity. These bonded loans were disclosed as non-current liabilities in the statement of financial position as at September 30, 2021, due to their legal contract term. In addition, current bank borrowings were down due to the redemption of a bonded loan in the amount of € 102,500 thousand that fell due in February 2022.

Aurubis had no bank borrowings secured by mortgages and liens on fixed assets. Financial assets have not been pledged as collateral for bank borrowings.

As at September 30, 2022, payments in the amount of € 531,317 thousand (previous year: € 292,173 thousand) deriving from forward foreign exchange transactions with a negative fair value are matched by receipts of € 486,727 thousand (previous year: € 289,631 thousand). Derivatives with positive fair values qualify as assets and are therefore not included here.

The decrease in derivative financial instruments belonging to the “FV P&L” category resulted from the measurement of metal forward contracts and other transactions, as metal and energy prices had increased, compared to the prior year, at the reporting date.

The following table shows the Aurubis Group’s contractually agreed redemption payments for non-derivative financial liabilities and the discounted net cash flows of the derivative financial instruments with negative fair values. Foreign currency amounts are translated at the closing rate.

in € thousand	Carrying amount as at 9/30/2022	Payments less than 1 year	Payments 1 to 5 years	Payments more than 5 years
Bank borrowings	273,150	105,929	167,221	0
Lease liabilities	54,355	12,469	26,671	15,215
Trade accounts payable	1,582,695	1,582,695	0	0
Liabilities to related parties	19,199	19,199	0	0
Derivatives belonging to the category “FV P&L”	91,394	85,113	6,281	0
Derivatives designated as hedging instruments for hedge accounting purposes	45,610	40,416	5,194	0
Sundry other current financial liabilities	150,906	150,906	0	0
Total	**2,217,309**	**1,996,727**	**205,367**	**15,215**

in € thousand	Carrying amount as at 9/30/2021	Payments less than 1 year	Payments 1 to 5 years	Payments more than 5 years
Bank borrowings	526,644	126,918	326,726	73,000
Lease liabilities	54,670	10,127	26,390	18,153
Trade accounts payable	1,386,525	1,386,525	0	0
Liabilities to related parties	15,007	15,007	0	0
Derivatives belonging to the category “FV P&L”	163,684	106,634	57,050	0
Derivatives designated as hedging instruments for hedge accounting purposes	2,126	2,097	29	0
Sundry other current financial liabilities	97,243	97,243	0	0
Total	**2,245,899**	**1,744,551**	**410,195**	**91,153**

Non-financial liabilities as at the reporting date are as follows:

in € thousand	9/30/2022	9/30/2021
Non-current (with a residual term of more than 1 year)		
Non-current non-financial liabilities	5,131	1,698
Non-current non-financial liabilities	**5,131**	**1,698**
Current (with a residual term of less than 1 year)		
Income tax liabilities	32,331	24,004
Income tax liabilities	**32,331**	**24,004**
Other tax liabilities	11,777	17,445
Social security obligations	11,668	8,175
Advance payments received on orders	75,838	22,837
Sundry other current non-financial liabilities	8,447	11,098
Other current non-financial liabilities	**107,730**	**59,555**
Current non-financial liabilities	**140,061**	**83,559**

The advance payments received on customer orders reported for the previous year, amounting to € 22,837 thousand, were fully realized as revenues in the fiscal year reported. The increase in the current fiscal year is based on customer orders for cathodes immediately before the reporting date. Other tax liabilities mainly comprise wage tax and VAT liabilities.

28. LEASES

As part of its business activities, Aurubis leases facilities that are involved in the storage and handling of copper concentrates, as well as ships and rail tank wagons for the transport of concentrates and sulfuric acid. The company also has lease agreements for office buildings, parking lots, containers, and vehicles. The right-of-use assets accounted for in this regard in fixed assets developed as follows:

in € thousand	Land and buildings	Technical equipment and machinery	Other equipment, factory and office equipment	Total
Costs of acquisition or construction 9/30/2021	10,389	76,701	10,597	97,687
Additions	2,338	5,480	3,610	11,429
Disposals	-571	-1,112	-600	-2,283
Currency exchange rate differences	0	0	73	72
Costs of acquisition or construction as at 9/30/2022	**12,156**	**81,069**	**13,680**	**106,905**
Accumulated depreciation and write-downs as at 9/30/2021	-7,143	-33,465	-4,417	-45,025
Depreciation and impairment losses for the fiscal year	-984	-7,776	-3,278	-12,038
Disposals	570	1,113	539	2,222
Currency exchange rate differences	0	3	-32	-30
Accumulated depreciation and write-downs as at 9/30/2022	**-7,557**	**-40,126**	**-7,187**	**-54,870**
Carrying amount as at 9/30/2022	**4,599**	**40,943**	**6,493**	**52,035**

The interest expense for lease liabilities recognized in the income statement amounted to € 1,841 thousand in the fiscal year (previous year: € 1,933 thousand). Expected future payments for lease liabilities total € 65,008 thousand (previous year: € 66,715 thousand).

The following table shows the Aurubis Group's contractually agreed undiscounted interest and redemption payments for lease liabilities and their residual terms.

	9/30/2022				9/30/2021			
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
Expected lease payments	**14,177**	**31,563**	**19,268**	**65,008**	**11,888**	**31,668**	**23,158**	**66,714**
Interest portion	1,708	4,892	4,053	10,653	1,761	5,278	5,005	**12,044**
Redemption portion	12,469	26,671	15,215	54,355	10,127	26,390	18,153	**54,670**

In fiscal year 2021/22, expenses of € 5,020 thousand deriving from short-term lease arrangements (previous year: € 5,096 thousand) and € 1,329 thousand deriving from leases of low-value assets (previous year: € 705 thousand) were recorded. Furthermore, expenses of € 2,718 thousand (previous year: € 3,010 thousand) for variable lease payments that were not included in the measurement of lease liabilities were recognized in profit or loss. Depreciation of right-of-use assets amounted to € 12,038 thousand in the fiscal year (previous year: € 13,344 thousand).

The total cash outflows for leases amounted to € 8,833 thousand (previous year: € 12,568 thousand) in fiscal year 2021/22.

Leases within the Aurubis Group may include extension and termination options. Such options are included in the calculation of the lease liability if there is reasonable assurance that they will be exercised.

As in the previous year, there were no sale-and-leaseback transactions in fiscal year 2021/22.

29. OTHER FINANCIAL COMMITMENTS AND CONTINGENT LIABILITIES/RECEIVABLES

in € thousand	9/30/2022	9/30/2021
Capital expenditure commitments	315,505	111,530
Warranty obligations	1,039	1,039
Commitments relating to discounted bills of exchange	1,342	1,351
Commitments under leases	2,566	8,606

The capital expenditure commitments mainly relate to property, plant, and equipment.

In addition, commitments exist under leases, amounting to € 2,566 thousand, which were not considered for purposes of the measurement of lease liabilities. These commitments mainly arise from variable lease payments and leases that Aurubis has entered into, but which have not yet commenced.

In addition to the commitments already outlined, there are also obligations under long-term contracts.

The securing of our smelter network's supply of raw materials, especially copper concentrates, is of crucial importance. In order to secure this supply, we have entered into long-term agreements with terms of between five and ten years. Especially in the case of copper concentrates, pricing is based on the metal content of the transactions, as well as on the applicable LME exchange price at the time of the actual delivery. As both the metal contents and the metal prices are very volatile (and therefore difficult to forecast), from our perspective a reliable quantitative disclosure of the commitments deriving from raw material supply sourcing isn't possible.

Furthermore, an agreement is in place with an energy utility for the cost-based procurement of one billion kilowatt hours of electricity per annum over a term of 30 years, commencing in 2010. As the cost and price components are also subject to a high level of volatility, reliable quantitative disclosure of the related commitment is also not possible in this case.

In addition, the Group has entered into long-term agreements for the supply of oxygen to various sites. The commitments resulting from these agreements amount to € 128,005 thousand (previous year: € 118,883 thousand).

Obligations under other long-term contracts are mainly related to the provision of transport and handling services by various service providers and amount to € 145,907 thousand (€ 140,344 thousand).

As at September 30, 2022, contingent liabilities of € 0 thousand (previous year: € 1,604 thousand) derived from environmental risks.

Aurubis receives partial compensation for the CO_2 costs included in the electricity price. This compensation arrives with a time delay. The exact timing of the compensation payments and their amount cannot be reliably estimated at the reporting date, so quantitative information is not possible.

On July 14, 2021, production at Aurubis Stolberg GmbH had to be stopped due to severe weather impacts. Negative effects deriving from rebuilding costs for our plant in Stolberg following the catastrophic flooding have been somewhat compensated by payments received from insurance claims, some of which were already received in the fiscal year reported. Aurubis expects to receive additional compensation payments. The exact timing and amount of these cannot be reliably estimated at the reporting date, so that disclosure of quantitative information is not possible.

30. FINANCIAL INSTRUMENTS

The Aurubis Group is exposed to market risks, liquidity risks, and default risks as a result of the deployment 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 exchange rate risks, interest rate fluctuation risks, and other price risks.

CURRENCY EXCHANGE RATE RISKS

As a result of its business operations, the Aurubis Group is exposed to currency exchange 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 primarily affect the US dollar. For this purpose, the foreign currency positions from underlying transactions are offset against each other on a daily basis and any remaining open positions are squared by means of foreign exchange derivatives. We work exclusively with business partners with good credit standing on all foreign exchange hedge transactions.

Furthermore, foreign currency forward and option contracts were concluded in the past fiscal year to hedge future receipts. Provided the criteria for cash flow hedges were fulfilled, the results of these hedge transactions are initially recognized in the accompanying financial statements in other comprehensive income in the amount of the effective portion of the hedge.

These results are recognized in profit or loss as soon as the underlying hedged transaction is recognized in profit or loss. Fundamental shifts in currency relationships, in particular between the euro and the US dollar, can, however, only be hedged for a limited time in this context.

Information on the management of exchange rate risks is provided in the Risk Report in the Management Report, on pages 133-144.

The foreign currency risk constitutes a cash flow risk and represents the risk position for the following period. This corresponds to the net amount of the nominal volume of the non-derivative and derivative financial instruments held, which are exposed to exchange rate risks. In addition, planned revenue transactions for the following periods are included to the extent that these are taken into account for currency risk management purposes to show the risk position for the following period.

Foreign currency risk

	€ / US$	
in € thousand	**9/30/2022**	9/30/2021
Risk position deriving from recorded transactions	-644,499	-952,780
Budgeted revenues	555,396	398,739
Forward foreign exchange contracts	254,573	771,848
Put option transactions	-46,676	-98,886
Net exposure	**118,794**	**118,921**

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 the potential impacts on profit or loss and on equity, as at the reporting date, of a change in the respective risk variable for each type of risk. The impacts for the periods are determined by relating the hypothetical changes in the risk variables to the amount reported as at the reporting date. In doing so, it is assumed that the amount reported as at the reporting date is representative for the entire year.

In order to determine the exchange rate risk, a sensitivity analysis is performed for the foreign currencies that pose a significant risk for the business. In this case, the US dollar. For the purpose of the sensitivity analysis for the currencies, it was assumed that the exchange rate of the euro compared with the US dollar would change by +/-10 %, respectively.

If the euro had been 10 % stronger or weaker against the US dollar on September 30, 2022 or September 30, 2021 as compared to the closing rate prevailing on the reporting date, then – from a foreign currency risk perspective – equity and net income for the year would have changed to the extent shown in the following table. All relevant recognized foreign currency items have been included in the calculation, as well as the budgeted revenues of the following period that were considered in the foreign currency risk exposure assessment.

Currency sensitivity

	€ / US$	
in € thousand	9/30/2022	9/30/2021
Closing rate	0.9748	1.1579
Devaluated rate (€ against US$)	**0.8773**	**1.0421**
Effect on earnings	61,438	44,282
of which budgeted revenues	61,711	44,304
of which non-derivative transactions	-26,748	15,371
of which derivative transactions	26,475	-15,393
Effect on equity	-33,009	-16,629
Appreciated rate (€ against US$)	**1.0723**	**1.2737**
Effect on earnings	-50,516	-36,248
of which budgeted revenues	-50,491	-36,249
of which non-derivative transactions	21,636	-12,593
of which derivative transactions	-21,661	12,594
Effect on equity	25,976	16,987

INTEREST RATE FLUCTUATION RISKS

Interest rate fluctuation risks arise due to 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. Any interest rate risks that arise are hedged by interest rate swaps. Interest rate fluctuation risks are of significant importance in the financial 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 recognized in other comprehensive income in the amount of the effective portion of the hedge transaction. They are recognized in profit or loss as soon as the underlying hedged transaction is recognized in profit or loss in the respective fiscal year. No interest rate hedges were transacted during the fiscal year reported.

Details of how interest rate fluctuation risks are managed are provided in the Risk Report in the Management Report, on pages 133-144.

The table below shows the net exposure for variable interest-bearing risk positions.

Variable interest-bearing risk positions

in € thousand	Total amount 9/30/2022	Total amount 9/30/2021	less than 1 year 9/30/2022	less than 1 year 9/30/2021
Loans/time deposits	681,183	920,914	681,183	920,914
Other risk positions	-352,055	-338,744	-352,055	-338,744
of which hedged against the interest rate fluctuation risk	0	0	0	0
Net exposure	**329,128**	**582,170**	**329,128**	**582,170**

In accordance with IFRS 7, interest rate fluctuation risks are presented in a sensitivity analysis, which reflects the effects of a change in market interest rates on interest income, interest expenses and equity.

In the event of an increase (decrease) in all relevant interest rates by 100 basis points (50 basis points), equity and earnings for the year ending September 30, 2022 and September 30, 2021, respectively, would change, as shown by the following table. The same items have been included in the calculation as were considered for the determination of the net exposure presented above.

Interest rate sensitivities

in € thousand	9/30/2022 +100 BP	9/30/2022 -50 BP	9/30/2021 +100 BP	9/30/2021 -50 BP
Effect on earnings	3,077	-2,175	6,779	-4,014
Effect on equity	0	0	0	0

OTHER PRICE RISKS

As a result of its business operations, the Aurubis Group is exposed to commodity price risks. Among other measures, non-ferrous metals futures contracts are entered into in order to mitigate these price risks. The contracts are mainly focused on the hedging of the copper price. For this purpose, incoming and outgoing metal quantities from underlying transactions are offset against each other on a daily basis and remaining open positions are squared by means of metal exchange transactions. We work exclusively with business partners with good credit standing on all metal hedge transactions.

If price-fixed metal delivery agreements for non-ferrous metals, which are contracted to cover the expected raw material requirement or the expected sale of finished products, are accounted for as derivative financial instruments, then market value changes in these are recognized in profit or loss. Gains and losses from the contrary development of the fair value of the hedged items and the hedge transactions are therefore recognized directly in profit or loss.

Details of metal price risk management processes are provided in the Risk Report in the Management Report. Risk Report in the Management Report, pages 133-144

The Aurubis Group has secured its electricity consumption at the German sites by concluding a long-term agreement with an energy utility. Aurubis is exposed to an electricity price risk from the measurement of part of this agreement.

The nominal volumes of the derivative financial instruments covering copper, silver, gold, as well as electricity, coal, CO_2, and gas, which result from the gross total of the nominal amounts of the individual purchasing and sales contracts, are as follows.

Nominal volumes of the derivatives

in € thousand	9/30/2022	9/30/2021
Copper	2,002,066	2,513,093
Silver	167,186	123,628
Gold	538,435	621,927
Energy	608,924	285,468
	3,316,611	**3,544,116**

In accordance with IFRS 7, commodity price risks are presented in a sensitivity analysis, which reflects the effects of a change in the commodity prices on equity and net income for the period.

In the event of a 10 % increase (decrease) in all relevant commodity prices, equity and earnings for the year would be changed for the year ending September 30, 2022 and September 30, 2021 respectively as shown in the following table. The calculation includes all derivatives for copper, silver, gold, as well as electricity, coal, CO_2, and gas as at the reporting date.

Commodity price sensitivity

	Copper		Silver		Gold		Energy	
in € thousand	**9/30/2022**	9/30/2021	**9/30/2022**	9/30/2021	**9/30/2022**	9/30/2021	**9/30/2022**	9/30/2021
Price increase								
Effect on earnings	12,140	27,774	7,010	1,995	33,329	38,381	1,463	1,369
Effect on equity	0	0	0	0	0	0	5,451	1,350
Price decrease								
Effect on earnings	-12,140	-27,774	-7,010	-1,995	-33,329	-38,381	-1,463	-1,369
Effect on equity	0	0	0	0	0	0	-5,451	-1,350

The effects on earnings shown in the commodity price sensitivity table for metals are partially or completely compensated through the measurement of the purchase or sales contracts that are not yet fixed, since these positions are provisionally measured at the respective price on the reporting date.

DERIVATIVE FINANCIAL INSTRUMENTS

The Aurubis Group uses derivative financial instruments to hedge exchange rate and other price risks. These are reported according to their residual term under other current/non-current financial assets/liabilities. Provided the criteria for the application of hedge accounting are fulfilled, these are treated as cash flow hedges.

Financial derivatives

	Assets				Equity and liabilities			
	9/30/2022		9/30/2021		**9/30/2022**		9/30/2021	
in € thousand	**Carrying amount**	**Nominal volume**	Carrying amount	Nominal volume	**Carrying amount**	**Nominal volume**	Carrying amount	Nominal volume
Forward foreign exchange contracts								
without a hedging relationship	19,404	810,666	16,500	1,137,664	2,311	146,994	1,842	234,011
as cash flow hedges	0	0	6,492	130,318	42,279	340,323	699	55,634
Foreign currency options								
without a hedging relationship	0	0	0	0	0	0	0	0
as cash flow hedges	103	36,091	1,401	100,622	8	3,504	0	0
Metal futures contracts								
without a hedging relationship	57,553	1,436,149	66,953	1,479,561	57,208	1,466,450	97,509	2,054,174
as cash flow hedges	18	792	21	1,559	3,323	26,783	1,427	19,954
Other transactions								
without a hedging relationship	133,685	492,818	23,686	16,012	31,875	103,498	64,333	259,273
as cash flow hedges	76,605	19,790	8,103	10,184	0	0	0	0

The nominal volume of the derivative financial instruments is the sum of the nominal amounts of the individual purchase and sales contracts. By contrast, the fair value is based on the measurement of all contracts at the prices applicable on the measurement date. It indicates the potential impact on income of the prompt settlement of all derivatives as at the reporting date, without considering the hedged transactions.

The impact on earnings of changes in the market value of financial derivatives that relate to a cash flow hedge is recognized in equity through other comprehensive income in the amount of the effective portion. The hedging costs for these financial derivatives are recorded in other comprehensive income and are disclosed as a separate reserve item. The cumulative amounts recorded in equity are reclassified to the income statement in the period in which the hedged cash flows impact the income statement and are mainly recorded as a component of the cost of materials.

The ineffective portion of the market value change is, by contrast, recognized directly in profit or loss. Ineffectiveness results in particular from the credit risk (CRA) and the foreign currency basis spread (CCBS), which are not reflected in the hedged transaction. No ineffective changes in the market value of the hedge instruments were identified that had to be recognized during the fiscal year reported (previous year: € 55 thousand).

Average price of designated hedging instruments

	9/30/2022	9/30/2021
Forward foreign exchange contracts (USD/EUR)	1.1169	1.1266
Foreign currency options (USD/EUR)	1.1751	1.1869
Metal futures contracts - nickel (EUR/t)	19,343.79	14,500.49
Metal futures contracts - zinc (EUR/t)	2,986.15	2,463.28
Coal derivatives (USD/t)	59.20	58.00
Gas derivatives (EUR/MWh)	16.39	16.39
Electricity derivatives (EUR/MWh)	29.37	0.00

The following overview shows a reconciliation of the other comprehensive income for the fiscal year that results from accounting for hedging relationships:

Cash flow hedges

	2021/22		2020/21	
in € thousand	**Measurement at market of cash flow hedges**	**Hedging costs**	Measurement at market of cash flow hedges	Hedging costs
Balance as at October 1	18,326	161	26,198	1,572
Change in fair value	50,203	-1,487	2,051	-2,212
Reclassification to profit (+) or loss (-)	21,546	-813	9,923	-801
Balance as at September 30	**46,983**	**-513**	**18,326**	**161**

The following two tables show when the cash flows from cash flow hedges will occur and when they will influence the income statement:

Cash flow hedges as at September 30, 2022

Occurrence and impact on income statement in € thousand	Carrying amount	Nominal volume	less than 1 year	1 to 5 years	more than 5 years
Forward foreign exchange contracts					
Assets	0	0	0	0	0
Liabilities	42,279	340,323	269,223	71,100	0
Foreign currency options					
Assets	103	36,091	36,091	0	0
Liabilities	8	3,504	3,504	0	0
Metal futures contracts					
Assets	18	792	792	0	0
Liabilities	3,323	26,783	25,198	1,585	0
Other transactions					
Assets	76,605	19,790	4,067	15,723	0
Liabilities	0	0	0	0	0

Cash flow hedges as at September 30, 2021

Occurrence and impact on income statement in € thousand	Carrying amount	Nominal volume	less than 1 year	1 to 5 years	more than 5 years
Forward foreign exchange contracts					
Assets	6,492	130,318	130,318	0	0
Liabilities	699	55,634	55,634	0	0
Foreign currency options					
Assets	1,401	100,622	100,622	0	0
Liabilities	0	0	0	0	0
Metal futures contracts					
Assets	21	1,559	1,429	130	0
Liabilities	1,427	19,954	19,284	670	0
Other transactions					
Assets	8,103	10,184	449	2,552	7,183
Liabilities	0	0	0	0	0

LIQUIDITY RISKS

Liquidity risks constitute the risks that the business is unable to settle its own liabilities. The contractually agreed undiscounted interest and redemption payments of the financial liabilities are shown in the section Liabilities, on pages 194-195.

The adequate sourcing of the Group with liquid funds is ensured not only by the Group's cash flow but also by the existing short-term and long-term credit lines with our banks. Fluctuations in cash flow can therefore be compensated for. An autonomous executive committee monitors the development of Aurubis' liquidity position on a timely and regular basis and reports to the Executive Board.

Further management measures taken regarding liquidity risks are described in the Risk Report, on pages 133-144.

DEFAULT RISKS

Default risks exist for all classes of financial instruments, in particular for trade accounts receivable. The concentration of the credit risk is limited due to the wide-ranging and heterogeneous customer base. The largest individual customer account receivable balances are regularly controlled. The credit risk arising from derivative financial instruments is limited in that the corresponding contracts are only concluded with contractual parties and banks that have a good credit standing.

The customers have been classified according to their credit rating within the context of the credit risk management process, whereby each customer has been given a specific credit limit.

The carrying amounts of the financial assets recognized in the statement of financial position, less any write-downs, represent the maximum potential default risk without taking into account the value of any securities received or other risk-mitigating agreements.

Furthermore, to minimize default risks as far as possible, we monitor the receivables due from our business associates on a regular basis. Apart from instruments that are customary within the market, such as letters of credit and guarantees, we also make particular use of commercial credit insurance to safeguard against potential bad debts. If receivables are sold under factoring agreements, this is done without recourse.

Additional disclosures for financial instruments

		2021/2022					
			Measurement in the statement of financial position under IFRS 9				
Carrying amounts, valuations and fair values by measurement category in € thousand	Measurement category under IFRS 9	Carrying amount as at 9/30/2022	Amortized cost	Fair value through equity	Fair value through profit or loss	Measurement in the statement of financial position under IFRS 16	Fair value 9/30/2022
ASSETS							
Share interests in affiliated companies	FV P&L	10,462			10,462		10,462
Investments	FV P&L	116			116		116
Securities classified as fixed assets	FV OCI	5,021		5,021			5,021
Other financial fixed assets							
Other loans	AC	381	381				381
Trade accounts receivable	AC	293,010	293,010				293,010
	FV P&L	244,855			244,855		244,855
	FV OCI	84,756		84,756			84,756
Other receivables and financial assets							
Receivables from related parties	AC	16,368	16,368				16,368
Other financial assets	AC	49,477	49,477				49,477
	FV P&L	10,927			10,927		10,927
	n/a	14,500	14,500				n/a
Derivative financial assets							
Derivatives without a hedging relationship	FV P&L	210,642			210,642		210,642
Derivatives with a hedging relationship (hedge accounting)	n/a	76,726		76,726			76,726
Cash and cash equivalents	AC	706,048	706,048				706,048
EQUITY AND LIABILITIES							
Bank borrowings	AC	273,150	273,150				261,673
Lease liabilities	n/a	54,355				54,355	54,355
Trade accounts payable	AC	349,323	349,323				349,323
	FV P&L	1,233,372			1,233,372		1,233,372
Liabilities to related parties	AC	19,199	19,199				19,199
Other non-derivative financial liabilities	AC	142,619	142,619				142,619
	n/a	8,287	8,287				n/a
Derivative financial liabilities							
Derivatives without a hedging relationship	FV P&L	91,394			91,394		91,394
Derivatives with a hedging relationship (hedge accounting)	n/a	45,610		45,610			45,610
Of which aggregated by measurement categories in accordance with IFRS 9:							
Financial assets at amortized cost (AC)		1,065,284	1,065,284	0	0		1,065,284
Financial assets at fair value through other comprehensive income (FV OCI)		89,777	0	89,777	0		89,777
Financial assets at fair value through profit or loss (FV P&L)		477,002	0	0	477,002		477,002
Financial liabilities at amortized cost (AC)		784,291	784,291	0	0		772,814
Financial liabilities at fair value through profit or loss (FV P&L)		1,324,766	0	0	1,324,766		1,324,766

Carrying amounts, valuations and fair values by measurement category in € thousand	2020/2021						
			Measurement in the statement of financial position under IFRS 9				
	Measurement category under IFRS 9	Carrying amount as at 9/30/2021	Amortized cost	Fair value through equity	Fair value through profit or loss	Measurement in the statement of financial position under IFRS 16	Fair value as at 9/30/2021
ASSETS							
Share interests in affiliated companies	FV P&L	12,544			12,544		12,544
Investments	FV P&L	116			116		116
Securities classified as fixed assets	FV OCI	52,699		52,699			52,699
Other financial fixed assets							
Other loans	AC	46	46				46
Trade accounts receivable	AC	258,068	258,068				258,068
	FV P&L	224,638			224,638		224,638
	FV OCI	30,260		30,260			30,260
Other receivables and financial assets							
Receivables from related parties	AC	16,028	16,028				16,028
Other financial assets	AC	26,522	26,522				26,522
	FV P&L	8,765			8,765		8,765
	n/a	11,485	11,485				n/a
Derivative financial assets							
Derivatives without a hedging relationship	FV P&L	107,139			107,139		107,139
Derivatives with a hedging relationship (hedge accounting)	n/a	16,017		16,017			16,017
Cash and cash equivalents	AC	942,435	942,435				942,435
EQUITY AND LIABILITIES							
Bank borrowings	AC	526,644	526,644				550,103
Liabilities under finance leases	n/a	54,670				54,670	54,670
Trade accounts payable	AC	305,067	305,067				305,067
	FV P&L	1,081,458			1,081,458		1,081,458
Liabilities to related parties	AC	15,007	15,007				15,007
Other non-derivative financial liabilities	AC	91,242	91,242				91,242
	n/a	6,001	6,001				n/a
Derivative financial liabilities							
Derivatives without a hedging relationship	FV P&L	163,684			163,684		163,684
Derivatives with a hedging relationship (hedge accounting)	n/a	2,126		2,126			2,126
Of which aggregated by measurement categories in accordance with IFRS 9:							
Financial assets at amortized cost (AC)		1,243,099	1,243,099	0	0		1,243,099
Financial assets at fair value through other comprehensive income (FV OCI)		82,959	0	82,959	0		82,959
Financial assets at fair value through profit or loss (FV P&L)		353,202	0	0	353,202		353,202
Financial liabilities at amortized cost (AC)		937,960	937,960	0	0		961,419
Financial liabilities at fair value through profit or loss (FV P&L)		1,245,142	0	0	1,245,142		1,245,142

As a general rule, the market value of financial instruments to be recognized at fair value is determined on the basis of quotations on the relevant exchanges. If no such quotations are available, measurement is carried out applying a process that is customary for the market (measurement methods), based on instrument-specific market parameters and interest rates drawn from recognized sources.

If observable input parameters are not available or only partially available, the fair value is calculated on the basis of appropriate measurement methods. In the Aurubis Group, this applies in particular to the extrapolation of market data for electricity, coal, and CO_2, with due regard to market information about price determination and liquidity considerations. If insufficient market information is available, management's best estimate for a certain input parameter is used to determine the value. Thus, if observable input parameters are not available or only partially available on the market, the measurement process is significantly influenced by the use of estimates and assumptions.

Due to the predominantly short-term nature of cash and cash equivalents, trade accounts receivable and payable, other financial assets, receivables from and payables to related parties, and other non-derivative financial liabilities, an assumption is made that the fair values correspond to the carrying amounts.

An assumption has been made for share interests in non-corporate entities and non-quoted corporate entities that the carrying amount corresponds to the market value. It would only be possible to reliably determine the market value in conjunction with specific sales negotiations.

Pursuant to IFRS 13, the following tables show the measurement methods used to determine the fair value for Level 1, Level 2, and Level 3, as well as the main non-observable parameters that were used for measurement.

In this connection, the individual levels are defined in accordance with IFRS 13 as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: procedures under which all input parameters with a significant effect on the fair value are observable either directly or indirectly in the market
- Level 3: procedures that use input parameters which have a significant influence on the fair value and are not based on observable market data

Financial instruments from Level 1 measured at fair value

Type	Measurement method
Securities classified as fixed assets	Exchange quotations

Financial instruments from Level 2 measured at fair value

Type	Measurement method and applied input parameters
Forward foreign exchange contracts	Par method, taking into account actively traded forward rates and the currently valid interest rate for discounting purposes as at the reporting date
Foreign currency options	Black-Scholes model. Calculation based on the exchange rates as at the reporting date, taking into account the expected volatility of the respective exchange rate during the term of the option and customary market interest rates
Metal futures contracts	Discounted cash flow method, taking into account actively traded metal forward rates and customary market interest rates for discounting purposes as at the reporting date
Other transactions	Discounted cash flow method. Discounting of the expected future cash flows over the remaining term of the contracts, based on use of current market interest rates

Financial instruments from Level 2 not measured at fair value

Type	Measurement method and applied input parameters
Borrowings	Discounted cash flow method Discounting of expected future cash flows with currently applicable interest rates for financial liabilities with comparable conditions and residual terms

Financial instruments from Level 3 measured at fair value

Type	Measurement method	Significant non-observable measurement parameters	Interdependence between significant non-observable parameters and fair value
Share interests in affiliated companies and investments	Discounted cash flow method	Future expected cash flows	The fair value is continually reviewed by applying significant, non-observable measurement parameters to determine if any measurement adjustments need to be made
Energy supply contract	Discounted cash flow method	Extrapolation of market data for electricity, coal, and CO_2	The fair value would be higher (lower) if: – the price for electricity increased more (less) than expected – the price for coal and CO_2 increased less (more) than expected

If the parameters used for measurement fall into different levels of the measurement hierarchy, the fair value measurement is fully classified as belonging to the lowest level to which an input parameter is attributed, where this parameter significantly influences the entire fair value.

If there are any reclassifications to other levels in the measurement hierarchy, the Aurubis Group accounts for these as at the beginning of the relevant fiscal year.

The following overview shows the main measurement parameters that provide the basis for those financial instruments that are accounted for at fair value and presented in the Notes to the Consolidated Financial Statements.

Hierarchical classification of fair values of financial instruments in accordance with IFRS 7 as at September 30, 2022

Aggregated by classes in € thousand	9/30/2022	Level 1	Level 2	Level 3
Share interests in affiliated companies	**10,462**	**0**	**0**	**10,462**
Investments	**116**	**0**	**0**	**116**
Securities classified as fixed assets	**5,021**	**5,021**	**0**	**0**
Trade accounts receivable	**329,611**	**0**	**329,611**	**0**
Other financial assets	**10,927**	**0**	**10,927**	**0**
Derivative financial assets				
Derivatives without a hedging relationship	210,642	0	113,393	97,249
Derivatives with a hedging relationship	76,726	0	76,726	0
Assets	**643,505**	**5,021**	**530,657**	**107,827**
Bank borrowings	**261,673**	**0**	**261,673**	**0**
Trade accounts payable	**1,233,372**	**0**	**1,233,372**	**0**
Derivative financial liabilities				
Derivatives without a hedging relationship	91,394	0	91,394	0
Derivatives with a hedging relationship	45,610	0	45,610	0
Liabilities	**1,632,049**	**0**	**1,632,049**	**0**

Hierarchical classification of fair values of financial instruments in accordance with IFRS 7 as at September 30, 2021

Aggregated by classes in € thousand	9/30/2021	Level 1	Level 2	Level 3
Share interests in affiliated companies	**12,544**	**0**	**0**	**12,544**
Investments	**116**	**0**	**0**	**116**
Securities classified as fixed assets	**52,699**	**52,699**	**0**	**0**
Trade accounts receivable	**254,898**	**0**	**254,898**	**0**
Other financial assets	**8,765**	**0**	**8,765**	**0**
Derivative financial assets				
Derivatives without a hedging relationship	107,139	0	107,139	0
Derivatives with a hedging relationship	16,017	0	13,749	2,268
Assets	**452,178**	**52,699**	**384,551**	**14,928**
Bank borrowings	**550,103**	**0**	**550,103**	**0**
Trade accounts payable	**1,081,458**	**0**	**1,081,458**	**0**
Derivative financial liabilities				
Derivatives without a hedging relationship	163,684	0	106,654	57,030
Derivatives with a hedging relationship	2,126	0	2,126	0
Liabilities	**1,797,371**	**0**	**1,740,341**	**57,030**

In fiscal year 2021/22, the fair value of one item was reclassified from level 3 to level 2 of the measurement hierarchy, as its measurement was exclusively based on input parameters directly observable on the market.

The following overview shows a reconciliation of the financial instruments measured at fair value and classified in Level 3:

Reconciliation of financial instruments in Level 3 as at September 30, 2022

Aggregated by classes in € thousand	Balance as at 10/1/2021	Difference from capital measures	Reclassifications between the individual levels	Gains (+)/ losses (-) recorded in the income statement	**Balance as at 9/30/2022**	Gains (+)/ losses (-) for financial instruments held at the reporting date
Share interests in affiliated companies	12,544	-945	0	-1,137	10,462	-1,137
Investments	116	0	0	0	116	0
Derivative assets without a hedging relationship	0	0	0	97,249	97,249	97,249
Derivative assets with a hedging relationship	2,268	0	-2,268	0	0	0
Derivative liabilities without a hedging relationship	-57,030	0	0	57,030	0	57,030

Reconciliation of financial instruments in Level 3 as at September 30, 2021

Aggregated by classes in € thousand	Balance as at 10/1/2020	Difference deriving from capital measures	Gains (+)/ losses (-) recorded in other comprehensive income	Gains (+)/ losses (-) recorded in the income statement	**Balance as at 9/30/2021**	Gains (+)/ losses (-) for financial instruments held at the reporting date
Share interests in affiliated companies	9,957	11,439	0	-8,852	**12,544**	-8,852
Investments	131	0	0	-15	**116**	-15
Derivative assets with a hedging relationship	0	0	2,268	0	**2,268**	0
Derivative liabilities without a hedging relationship	-11,856	0	0	-45,174	-57,030	-43,093
Derivative liabilities with a hedging relationship	-155	0	155	0	0	0

Gains and losses deriving from derivative financial instruments classified as Level 3 without a hedging relationship relate to part of an energy supply contract and are disclosed in the income statement under “Cost of materials.” The positive development in the fair value of these financial instruments resulted mainly from the market data observed for electricity as at September 30, 2022, which was much higher than the previous year.

Subsequent gains and losses resulting from measurement at fair value of non-consolidated companies and participatory investments are recognized as other financial income/expenses in the income statement.

The fair value of these financial instruments is partially based on non-observable input parameters, which are largely related to the price of electricity, coal, and CO_2. If the Aurubis Group had taken other possible suitable alternative measurement parameters as a basis for measuring the relevant financial instruments as at September 30, 2022, the recorded fair value would have been € 16,571 thousand (previous year: € 18,677 thousand) higher in the case of an increase in the electricity price and a decrease in the coal and CO_2 price by 20 %, respectively, at the end of the term or € 15,886 thousand (previous year: € 12,524 thousand) lower in the case of a decrease in the electricity price and an increase in the coal and CO_2 price by 20 %, respectively, at the end of the term. In order to calculate the maximum impacts which can arise from the relative uncertainty in the determination of the fair values of financial instruments whose measurement is based on non-observable parameters, the Aurubis Group remeasures such financial instruments. In this context, parameters at the extreme end of the range of possible reasonable alternatives are used for the non-observable input parameters. Since it is unlikely that a scenario in which all the non-observable parameters are simultaneously at the extreme end of the range of possible reasonable alternatives will occur, the aforementioned estimated values are expected to surpass the actual uncertainties in the determination of fair values. The disclosures shown do not represent a prediction or an indication of any future changes in the fair value.

OFFSETTING OPTIONS FOR DERIVATIVE FINANCIAL ASSETS AND LIABILITIES

The financial instruments that Aurubis enters into are subject to netting agreements with financial institutions that include a mutual right of offset. However, these agreements do not fulfill the criteria for offsetting in the statement of financial position, as the netting right can only be utilized if one of the contracting parties defaults.

The following table shows the financial assets and liabilities in the Aurubis Group that are subject to offsetting options.

Offsetting options for derivative financial assets and liabilities

in € thousand	2021/22	2020/21
Financial assets		
Gross amount of financial assets in the statement of financial position	287,368	123,156
Financial instruments that qualify for offsetting in the statement of financial position	0	0
Net value of financial assets in the statement of financial position	287,368	123,156
Offsettable due to framework agreements	-63,627	-30,821
Total net value of financial assets	**223,741**	**92,335**
Financial liabilities		
Gross amount of financial liabilities in the statement of financial position	-137,004	-165,810
Financial instruments that qualify for offsetting in the statement of financial position	0	0
Net value of financial liabilities in the statement of financial position	-137,004	-165,810
Offsettable due to framework agreements	63,627	30,821
Total net value of financial liabilities	**-73,377**	**-134,989**

Net earnings by measurement category

in € thousand	2021/22	2020/21
Financial assets at amortized cost (AC)	-15,816	-33,063
Financial assets at fair value through other comprehensive income (FV OCI)	192	0
Financial assets and liabilities at fair value through profit or loss (FV P&L)	224,585	-47,644
Financial liabilities at amortized cost (AC)	28,229	6,877
	237,190	**-73,830**

The net income/expense deriving from the financial assets measured at fair value through other comprehensive income relates exclusively to equity instruments. The net income/expense deriving from the financial assets and liabilities measured at fair value through profit or loss mainly include the gains/losses deriving from metal futures contracts on the exchanges, forward foreign exchange contracts, and transactions to hedge energy price risks. Furthermore, fixed-price metal delivery contracts treated as derivatives are taken into account, as are purchase or sales contracts that are not yet price-fixed, which result in a partial compensation effect since they are measured at the respective price on the reporting date. Dividends, but not interest, are included in the calculation. The foreign currency impact deriving from items accounted for at amortized cost, which is included in the net result in fiscal year 2021/22, amounts to € 12,521 thousand (previous year: € -25,567 thousand).

31. RESEARCH & DEVELOPMENT

Research and development costs of € 11,756 thousand were recognized in profit or loss for the Aurubis Group for fiscal year 2021/22 (previous year: € 11,589 thousand). Moreover, development costs of € 280 thousand (previous year: € 726 thousand) were capitalized in the fiscal year.

Notes to the cash flow statement

The consolidated cash flow statement reports the cash flows in the Aurubis Group for fiscal year 2021/22 and for the prior-year comparative period. In accordance with IAS 7, a distinction is made between the cash inflow from operating activities, the cash outflow from investing activities, and the cash outflow from financing activities.

Commencing with earnings before taxes, adjustment is made for all non-cash-effective expenses and income, the financial result (consisting of the result from investments measured using the equity method, interest expenses, interest income, and other financial expenses and income), income taxes paid out, and changes in working capital to arrive at the cash inflow from operating activities (net cash flow).

At a level of € 288 million as at September 30, 2022, the net cash flow was significantly above that of the prior year (€ 812 million). The inventory buildup of input materials, in particular, as a result of the extended maintenance shutdown at the Hamburg site, had a negative impact on the net cash flow in the fiscal year.

As in the previous year, Aurubis participates in factoring programs. Cash flows deriving from the factoring programs are presented under the cash flow from operating activities, as this reflects the economic substance of the transactions. The total amount of trade accounts receivable sold under the factoring programs can be found in Note 21 "Other receivables and other assets."

The cash outflow from investing activities totaled € 201 million (previous year: € 232 million) and primarily included considerably higher payments for investments in property, plant, and equipment amounting to € 334 million (previous year: € 232 million). Among other items, payments were made during the fiscal year reported for investments connected to the maintenance shutdown at the Hamburg site (€ 59 million), as well as payments for the construction of the Aurubis Richmond recycling plant in Georgia, USA (€ 26 million).

Cash inflows of € 66 million from the disposal of securities as well as a further € 66 million deriving from the sale of subsidiaries had a positive effect.

After taking interest expenses totaling € 15 million and the dividend payment of € 70 million into account, a slightly positive free cash flow totaling € 3 million (previous year € 488 million) was recorded.

Cash and cash equivalents of € 706 million were available to the Group as at September 30, 2022 (€ 965 million as at September 30, 2021). The net cash position as at September 30, 2022 was € 379 million (previous year: € 383 million).

The following table shows the cash-effective and non-cash-effective changes in borrowings.

in € million	Balance as at 10/1/2021	Cash -effective	Additions for leases	**Balance as at 9/30/2022**
Bank borrowings	527	-254	0	273
Lease liabilities	55	-9	8	54
	582	**-263**	**8**	**327**

Segment reporting

	Multimetal Recycling segment		Custom Smelting & Products		Other	
	2021/22	2020/21	**2021/22**	2020/21	**2021/22**	2020/21
in € thousand	**operating**	operating	**operating**	operating	**operating**	operating
Revenues						
Total revenues	5,960,094	5,128,016	18,570,083	16,272,904	0	0
Inter-segment revenues	5,315,462	4,565,946	694,193	535,137	0	0
Revenues with third parties	644,632	562,070	17,875,890	15,737,767	0	0
EBITDA	286,808	322,704	524,287	316,255	-57,101	-45,886
Depreciation and amortization	-80,573	-62,900	-136,129	-132,286	-3,817	-3,473
EBIT	206,235	259,803	388,158	183,969	-60,918	-49,359
Interest income	1,897	1,383	15,906	13,166	1,755	1,141
Interest expense	-3,050	-3,398	-23,926	-24,393	-2,535	-2,765
Result from investments measured using the equity method	241	-2,079	9,553	12,178	0	0
Other financial income	0	0	58	7	192	0
Other financial expenses	0	0	-73	-15	-1,064	-8,439
EBT	205,322	255,710	389,676	184,913	-62,570	-59,421
Consolidated net income						
Return on capital employed (ROCE) in %	25.7	35.4	18.7	11.2		
Capital expenditure on intangible assets and property, plant, and equipment	153,489	60,243	208,141	181,553	0	0
Average number of employees	1,660	1,686	5,080	5,166	349	332

Regarding the basic derivation of the ROCE, we refer to the Combined Management Report.

[1] Prior-year figures have been adjusted due to the new operating earnings definition.

Financial performance, assets, liabilities and financial position of the Aurubis Group, pages 111–119.

	Total		Reconciliation/ consolidation		Group	
	2021/22	2020/21	**2021/22**	2020/21	**2021/22**	2020/21
	operating	operating	**IFRS**	IFRS	**IFRS**	IFRS
	18,520,522	16,299,837	0	0	18,520,522	16,299,837
	753,994	593,073	393,965	455,791	1,147,959	1,048,864
	-220,519	-198,659	213	-20,303	-220,306	-218,962
	533,475	394,413	394,178	435,489	927,653	829,902
	19,558	15,690	-12,366	-12,077	7,191	3,613
	-29,511	-30,556	12,365	12,078	-17,146	-18,478
	9,794	10,099	8,650	8,606	18,444	18,705
	250	7	0	0	250	7
	-1,137	-8,454	0	0	-1,137	-8,454
	532,428	381,202	402,827	444,093	935,255	825,295
					714,992	612,981
	361,630	241,796	0	0	361,630	241,796
	7,089	7,184	0	0	7,089	7,184

In the course of developing the Aurubis Group's strategy, the segmentation was adjusted with effect from October 1, 2021. With the new fiscal year 2021/22, the two segments Multimetal Recycling and Custom Smelting & Products determine the fundamental organization structure and provide the basis for segment reporting in accordance with IFRS 8.

The Multimetal Recycling (MMR) segment comprises the recycling activities in the Group and thus the processing of copper scrap, organic and inorganic recycling raw materials containing metal, and industrial residues. The segment includes the recycling activities of the sites in Lünen (Germany), Olen and Beerse (both in Belgium), and Berango (Spain).

The Custom Smelting & Products (CSP) segment comprises the production facilities for processing concentrates and for manufacturing and marketing standard and specialty products such as cathodes, wire rod, shapes, strip products, sulfuric acid, and iron silicate. The CSP segment is also responsible for precious metal production. The sites in Hamburg (Germany) and Pirdop (Bulgaria) manufacture copper cathodes, which are processed further into wire rod and shapes at the Hamburg (Germany), Olen (Belgium), Emmerich (Germany), and Avellino (Italy) sites. The Buffalo (US), Stolberg (Germany), and Pori (Finland) sites produce flat rolled products and specialty wire products.

The internal reporting is generally based on the accounting policies in accordance with IFRS, which are applied in the consolidated financial statements. For internal management purposes, the IFRS-based results are reconciled to the operating result.

The operating result is derived from the financial performance under IFRS by:

» Adjusting for measurement results deriving from the application of IAS 2. In this context, the metal price fluctuations resulting from the application of the average cost method are eliminated. Likewise, non-permanent write-downs or write-ups of metal inventory values as at the reporting date are eliminated.
» Adjusting for unrealized reporting date-related effects deriving from the market valuations of metal derivative transactions in connection with the main metal inventories,
» Adjusting for unrealized reporting date-related effects deriving from the market valuation of energy derivative transactions.
» Eliminating any non-cash effects deriving from purchase price allocations.
» Adjusting for effects deriving from the application of IFRS 5.

The calculation has been changed, in comparison to the previous year, in that, in line with the metal derivative transactions, unrealized reporting date-related effects deriving from the market valuation of energy derivative transactions are now also excluded from the calculation.

The adjustment effects deriving from metal derivative transactions now include all Group companies and no longer just the smelter sites.

These adjustments to the derivation process led to an € -145 million adjustment to operating EBT as at the reporting date, from € 677 million to € 532 million. Of this amount, € -142 million derives from the exclusion of the effects deriving from energy derivative transactions.

An equivalent adjustment in the previous year would have improved operating EBT by € 28 million, from € 353 million to € 381 million. Of this amount, € 28 million derives from the exclusion of energy derivative transactions.

The reconciliation to the IFRS-based consolidated financial statements is shown in the "Reconciliation/consolidation" column. In this connection, a total of € 172 thousand (previous year: € -1,233 thousand) of the earnings before taxes (EBT) derives from consolidation impacts, while € 402,655 thousand (previous year: € 445,326 thousand) derives from reconciliation to the IFRS EBT.

The Group generates most of its revenues with business associates in countries within the European Union. The breakdown of external revenues by region is based on the location of the customers, and is as follows:

in € thousand	2021/22	2020/21
Germany	6,523,477	5,724,249
Other European Union countries	6,686,161	5,616,820
Rest of Europe	1,572,089	1,348,885
Asia	1,872,532	2,000,081
Americas	816,058	727,685
Other	1,050,205	882,117
Group total	**18,520,522**	**16,299,837**

During the fiscal year, no individual business partner of the Aurubis Group was responsible for a revenue share of 10 % or more.

The breakdown of capital expenditure (into intangible assets and property, plant, and equipment) and non-current assets by region is based on the location of the respective assets:

	Capital expenditure		Fixed assets	
in € thousand	2021/22	2020/21	2021/22	2020/21
Germany	230,904	134,812	1,156,988	1,069,033
Bulgaria	39,603	57,694	345,512	354,251
Belgium	46,465	35,753	455,207	466,160
Other European countries	6,608	5,597	30,907	29,388
North America	38,050	7,940	80,399	38,877
Group total	**361,630**	**241,796**	**2,069,013**	**1,957,709**

The locations in other European countries are mainly operational sites within the European Union.

SEGMENT DATA

The revenues of the individual segments consist of inter-segment revenues and of revenues with non-group third parties. The total third-party revenues of the individual segments correspond to the consolidated revenues of the Group. The prices and conditions for products and services exchanged between Group companies and segments correspond to those with third parties.

	Multimetal Recycling segment		Custom Smelting & Products		Total	
in € thousand	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
Wire rod	0	0	7,439,630	6,208,810	7,439,630	6,208,810
Copper cathodes	167,118	179,110	2,701,325	2,723,423	2,868,443	2,902,533
Precious metals	0	0	3,528,910	3,524,965	3,528,910	3,524,965
Shapes	0	0	1,741,202	1,211,104	1,741,202	1,211,104
Strip, bars, and profiles	0	0	1,669,685	1,457,566	1,669,685	1,457,561
Other	477,514	382,960	795,138	611,899	1,272,652	994,864
	644,632	**562,070**	**17,875,890**	**15,737,767**	**18,520,522**	**16,299,837**

Other consolidated revenues mainly include the sales of tin bars, sulfuric acid and intermediate products containing precious metals.

Operating EBIT represents operating earnings before taxes, adjusted for the financial result attributable to the segment. Based on this, operating EBITDA is operating EBIT adjusted for depreciation of property, plant, and equipment and amortization of intangible assets belonging to the segment.

In addition to scheduled depreciation and amortization, the MMR segment also includes impairment losses recognized against non-current assets within the meaning of IAS 36 for the Beerse/Berango cash-generating unit (CGU) in the amount of € 26,680 thousand. Of this amount, € 8,655 thousand relates to impairment losses on goodwill and € 18,024 thousand to impairment losses on other non-current assets. In the previous year, impairment losses on other non-current assets amounted in total to € 8,420 thousand.

The average number of employees for each segment includes all the employees of companies that were consolidated in the accompanying consolidated financial statements.

Other disclosures

DISCLOSURES CONCERNING RELATIONSHIPS TO RELATED PARTIES

In accordance with IAS 24, related parties are regarded as all individual persons and entities that can be influenced by, or that can themselves influence, the company.

The employees' representatives on the Supervisory Board received compensation for their employment at Aurubis AG at a level that is normal for the market.

Within the Aurubis Group, various Group companies purchase different types of products and services from and provide different types of products and services to related companies as part of their normal business activities. Such delivery and service relationships are conducted using market prices. In the case of services, these are charged on the basis of existing contracts.

The following amounts relate to joint ventures accounted for using the equity method:

9/30/2022

in € thousand	Income	Expenses	Receivables	Liabilities
Schwermetall Halbzeugwerk GmbH & Co. KG	188,904	31,014	0	986
Cablo GmbH	10,100	37,007	12,859	9,454

9/30/2021

in € thousand	Income	Expenses	Receivables	Liabilities
Schwermetall Halbzeugwerk GmbH & Co. KG	101,299	34,899	4,355	389
Cablo GmbH	16,463	23,837	11,228	5,170

The following amounts relate to non-consolidated related companies:

9/30/2022

in € thousand	Income	Expenses	Receivables	Liabilities
Joint ventures	0	133	0	36
Subsidiaries	19,742	1,739	3,502	8,722

9/30/2021

in € thousand	Income	Expenses	Receivables	Liabilities
Joint ventures	0	105	0	36
Subsidiaries	12,565	1,451	1,588	9,708

With the exception of Salzgitter AG, no individual shareholders of Aurubis AG are able to exercise a significant influence on the Aurubis Group.

Salzgitter Group companies account for € 1,087 thousand in expenses for the fiscal year (previous year: € 184 thousand) and income of € 70 thousand (previous year: € 63 thousand). As at the reporting date, there were related liabilities of € 49 thousand (previous year: € 93 thousand) and receivables of € 3 thousand (previous year: € 2 thousand).

As at the reporting date, no letters of comfort had been issued to related parties.

SUBSEQUENT EVENTS

In the night of October 28, 2022, the IT systems of Aurubis were subject to a cyberattack. This meant that a large number of systems at Aurubis sites had to be shut down and disconnected from the internet as a preventive measure. Production was largely maintained. All major IT systems are now back in full operation. The impact recognized in profit or loss on the Group's (operating) EBT is currently expected to be in the low, single-digit million range.

Additionally, the Supervisory Board approved further growth and investment projects.

No further significant events occurred after the reporting date.

INFORMATION CONCERNING THE EXECUTIVE BOARD AND THE SUPERVISORY BOARD

TOTAL COMPENSATION

Members of the Executive Board and members of the Supervisory Board are key management personnel as defined in IAS 24.

Key management personnel and former members of the Executive Board are entitled to the following short-term and post-employment benefits:

Compensation by the Aurubis Group:

	Short-term benefits payable to governing bodies and employees (salary and other benefits)		Post-employment benefits	
in € thousand	**2021/22**	2020/21	**2021/22**	2020/21
Former Executive Board members	0	0	0	0
Active Executive Board members	2,963	3,352	620	800
Supervisory Board members	1,565	1,549	0	0
Total	**4,528**	4,901	**620**	800

The basis for the short-term benefits payable to Executive Board members active during the reporting year are the expenses recognized in the consolidated financial statements, which includes both fixed and variable compensation components.

Obligations of the Aurubis Group:

	Short-term benefits payable to governing bodies and employees (salary and other benefits)		Post-employment benefits (additions to pension obligations)	
in € thousand	**2021/22**	2020/21	**2021/22**	2020/21
Former Executive Board members	0	0	34,113	39,715
Active Executive Board members	1,213	1,398	2,316	1,692
Supervisory Board members	1,435	1,415	0	0
Total	**2,648**	2,813	**36,429**	41,407

Obligations arising from short-term employee benefits include the expected variable annual compensation to be paid in the following year.

In addition to short-term and post-employment benefits, active members of the Executive Board receive a share-based compensation component with a cash settlement and a performance cash plan.

The system for variable compensation includes both annual variable compensation (two-thirds of the annual bonus, due currently) and multiannual variable compensation, which is forward-looking and not currently due. The multiannual compensation consists of both a performance cash plan over four fiscal years and a stock deferral (virtual stock – converted from one-third of the annual bonus) over three fiscal years. The ratio of multiannual to annual variable compensation is 60:40.

The recognition and measurement standards of IFRS 2 are to be applied to the share-based compensation component with a cash settlement. This component involves virtual deferred stock. The resulting obligation is equal to the fair value of the virtual stock.

Other expenses of the Aurubis Group arising from share-based payments and other long-term employee benefits:

	Share-based payments		other long-term benefits	
in € thousand	**2021/22**	2020/21	**2021/22**	2020/21
Active Executive Board members	259	685	1.559	1,436

Additional obligations of the Aurubis Group from share-based payments and other long-term employee benefits:

	Share-based payments		other long-term benefits	
in € thousand	**2021/22**	2020/21	**2021/22**	2020/21
Active Executive Board members	1,322	1,423	3,517	2,545

Thus, the compensation earned by the members of the Executive Board for the performance of their duties in the fiscal year amounted to € 5,401 thousand (previous year: € € 6,273 thousand) and the members of the Supervisory Board received € 1,565 thousand (previous year: € 1,549 thousand). In addition to the amounts mentioned, the Supervisory Board members representing the employees, who are Aurubis Group employees, received compensation within the scope of their employment. The amount of this compensation was commensurate with their functions and duties in the Group.

Additional details of the individual compensation of the members of the Supervisory Board members are presented and explained in the compensation report.

REPORTABLE SECURITIES TRANSACTIONS

DIRECTORS' DEALINGS

In accordance with Art. 19 Market Abuse Regulation (EU No. 596/2014), the members of the Executive Board and the Supervisory Board must disclose the acquisition and sale of shares in the company. This does not apply if the total transactions per person do not exceed € 20,000 per calendar year.

No members of the Supervisory Board or Executive Board informed the company that he/she had acquired or sold no-par-value shares in the company in the period from October 1, 2021 to September 30, 2022.

DECLARATION OF CONFORMITY WITH THE GERMAN CORPORATE GOVERNANCE CODE IN ACCORDANCE WITH SECTION 161 OF THE GERMAN STOCK CORPORATION ACT (AKTG)

The declaration required under Section 161 of the German Stock Corporation Act (AktG) 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.

It is also available online at www.aurubis.com/en/about-aurubis/corporate-governance.

NOTIFICATION PURSUANT TO SECTION 160 (1) NO. 8 OF THE GERMAN STOCK CORPORATION ACT (AKTG)

The voting rights notifications, which were issued by shareholders in accordance with Section 33 (1) of the German Securities Trading Act (WpHG), covering transactions that exceed or fall below the relevant notification thresholds and which were received prior to preparation of the financial statements of Aurubis AG, are made available in the separate financial statements of Aurubis AG.

It is also available online at www.aurubis.com/en/about-aurubis/corporate-governance.

DISCLOSURES CONCERNING AUDITORS' FEES

The following fees were recorded as expenses for fiscal year 2021/22 and the prior year for services rendered by the global Deloitte network:

in € thousand	2021/22	2020/21
Financial statement auditing services	1,165	1,152
Other assurance services	142	12
Total	**1,307**	**1,164**

The following fees related to services rendered by the audit firm Deloitte GmbH Wirtschaftsprüfungsgesellschaft:

in € thousand	2021/22	2020/21
Financial statement auditing services	726	711
Other assurance services	62	3
Total	**788**	**714**

Investments

pursuant to Section 313 (2) of the German Commercial Code (HGB) as at September 30, 2022

	Company name and registered office	% of capital held directly and indirectly	Held by
1	Aurubis AG		
	Fully consolidated companies		
2	Aurubis Olen nv, Olen	100	1
3	Aurubis Finland Oy, Pori	100	2
4	Aurubis Holding USA LLC, Buffalo	100	2
5	Aurubis Buffalo Inc., Buffalo	100	4
6	Cumerio Austria GmbH, Vienna	100	1
7	Aurubis Bulgaria AD, Pirdop	99.86	6
8	Aurubis Engineering EAD, Sofia	100	6
9	Aurubis Italia Srl, Avellino	100	1
10	Aurubis Stolberg GmbH & Co. KG, Stolberg	100	1
11	Aurubis Stolberg Asset GmbH & Co. KG, Stolberg	100	10
12	Peute Baustoff GmbH, Hamburg	100	1
13	RETORTE GmbH Selenium Chemicals & Metals, Röthenbach	100	1
14	E.R.N. Elektro-Recycling NORD GmbH, Hamburg	100	1
15	Aurubis Product Sales GmbH, Hamburg	100	1
16	Deutsche Giessdraht GmbH, Emmerich	100	1
17	Metallo Group Holding NV, Beerse	100	1
18	Aurubis Beerse NV, Beerse	100	17
19	Aurubis Berango S.L.U., Berango	100	18
20	Aurubis Richmond LLC, Richmond	100	4
	Companies accounted for using the equity method		
21	Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg	50	10
22	CABLO GmbH, Gelsenkirchen	40	1
	Non-consolidated companies		
23	azeti GmbH, Berlin	100	1
24	Aurubis Holding Sweden AB, Stockholm	100	2
25	Aurubis Sweden AB, Finspång	100	24
26	Aurubis Stolberg Verwaltungs-GmbH, Stolberg	100	1
27	Aurubis Stolberg Asset Verwaltungs-GmbH, Stolberg	100	10
28	Aurubis Hong Kong Ltd., Hong Kong	100	2
29	Aurubis Metal Products (Shanghai) Co., Ltd, Shanghai	100	28
30	Aurubis Rus LLC, St. Petersburg	100	2
31	Retorte do Brasil, Joinville	51	13
32	Schwermetall Halbzeugwerk GmbH, Stolberg	50	10
33	JoSeCo GmbH, Kirchheim/Swabia	50	13
34	Aurubis Turkey Kimya Anonim Sirketi, Istanbul	100	7

Hamburg/Germany, December 20, 2022

Executive Board

Roland Harings	Dr. Heiko Arnold	Rainer Verhoeven
Chairman	Member	Member

Responsibility Statement

We confirm to the best of our knowledge that, in accordance with the applicable reporting principles, the Consolidated Financial Statements give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group, and that the Combined Management Report provides a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Hamburg/Germany, December 20, 2022

Executive Board

Roland Harings
Chairman

Dr. Heiko Arnold
Member

Rainer Verhoeven
Member