

Year results 2015

Our auditor, Deloitte Bedrijfsrevisoren, represented by Kathleen de Brabander, has confirmed that the audit procedures of the consolidated financial statements are substantially completed and that these procedures have not revealed any material modification that would have to be made to the accounting information, derived from the consolidated financial statements and included in this communiqué.

Consolidated income statement for the year on 31 December 2015		
'000 EUR	Year ended 31/12/2015	Year ended 31/12/2014
Revenue	164.054	150.197
Other operating income	1.066	789
Raw materials and consumables used	- 138.589	- 126.051
Employee benefits expense	- 11.158	- 12.251
Depreciation and amortisation expense	- 2.921	- 3.357
Other operating expenses	- 9.974	- 7.905
Operating result	2.478	1.422
Investment revenues	-	-
Hedging results	- 714	541
- <i>closed hedges</i>	268	33
- <i>change in open position</i>	- 982	574
Finance costs	- 501	- 699
Result before tax	1.263	1.264
Income tax expense	- 308	- 359
Result for the year	955	905
Result for the year	955	905
<i>Attributable to:</i>		
Equity holders of the parent	955	905
Non-controlling interest	-	-
	955	905
Result per share (in €) (1.500.000 shares)		
Result before tax	0,84	0,84
Result for the year - basic	0,64	0,60
Result for the year - diluted	0,64	0,60
Overview of the total result on 31 December 2015		
Result for the year	955	905
<i>Other comprehensive income:</i>		
Comprehensive income to be reclassified to the profit or loss statement in the future (*)	-	-
Comprehensive income not to be reclassified to the profit or loss statement in the future (*)	- 75	21
(*) <i>actuarial results of retirement benefit obligations</i>		
Total result for the year	880	926
<i>Attributable to:</i>		
Equity holders of the parent	880	926
Non-controlling interest	-	-

In 2015, the Campine Group achieved a EUR 164.05 million turnover, compared with EUR 150.20 million in 2014 (+9%). We realised higher volumes than in 2014 in all BU's.

The operational result of 2015 was subject to metal price effects:

- The high lead price in the first semester generated higher margins than the low prices in the second semester.
- Also in antimony we noted lower margins in the second semester. The decrease in the antimony margins are almost fully attributable to the decreasing antimony prices.

Nevertheless, the operational result reached EUR 2.48 million compared with EUR 1.42 million in 2014 (+74%).

The actual result of closed hedge transactions amounted to a profit of EUR 0.27 million (2014: EUR -0.03 million). However, the change in the fair value on the open position of the lead hedging at year-end (required by IFRS standards) had an important negative impact of EUR -0.99 million (2014: EUR +0.57 million).

The purpose of the hedging is to smoothen the fluctuations of Campine's result due to the impact of changing lead prices.

The total impact of the lead hedging resulted in a loss of EUR -0.71 million (2014: EUR +0.54 million).

The remaining part of the net financial result amounted to a loss of EUR -0.5 million compared to a loss of EUR -0.7 million in 2014.

The increase in the other operating expenses is mainly explained by the following facts:

- The legal claim of a supplier was settled outside court in line with the provision made in the first semester of 2015.
- Legal costs were made for advice regarding the European Commission's investigation.

The annual pre-tax profit amounted to EUR 1.26 million, which is equal to the pre-tax profit in 2014. The annual profit after taxes reached EUR 0.96 million, compared with a profit of EUR 0.91 million in 2014.

The Board of Directors proposes that the company pays a dividend of EUR 0.225 million (EUR 0.15 gross per share) on the basis of the 2015 result. No dividend was paid for the year 2014.

Results per Business Unit (*)

- **Lead:** The lead Business Unit realised a turnover of EUR 92.20 million (EUR 80.20 million in 2014) (+15%) with a sales volume of 55,324 mT (50,636 mT in 2014) (+9%). A further increase of our direct sales share compared to tolling work was the main reason for the higher average sales prices during the year.

The LME lead price, the predominant basis of our sales prices, fluctuated during the year. Starting at EUR 1,532/mT on 2 January and climbing strongly to EUR 1,924/mT on 5 May, then easing to EUR 1,416/mT on 24 August. In the last quarter, the prices generally stayed between EUR 1,450/mT and EUR 1,550/mT, while ending 2015 at EUR 1,655/mT on 31 December 2015.

- **Antimony:** The volume rose significantly to 9,468 mT (8,226 mT in 2014) (+15%), while the turnover only increased by 6% to EUR 53.29 million (EUR 50.29 million in 2014) due to the decreasing antimony prices.

The average antimony prices were lower in 2015 than in 2014. They increased during the first quarter from EUR 7,182/mT on 2 January to EUR 8,278/mT in April, followed by a steady decrease to EUR 6,892/mT by the beginning of July. The downward trend of prices continued in the second half to EUR 4,776/mT on 31 December 2015.

- **Plastics:** The turnover improved to EUR 24.13 million (EUR 22.37 million in 2014) (+8%), while the volume increased slightly to 5,665 mT (2014: 5,445 mT) (+4%). Sales margins generally remained stable.

(*) *Sales and volume figures are before some eliminations of intersegment sales.*

Perspectives for 2016

The global overproduction of raw materials, combined with a lower demand in applications, has put pressure on raw material prices and margins in 2015. We do not expect major changes in this for the year 2016.

Campine aims for a moderate volume growth in all of its activities.

Campine expects to achieve a better result in 2016 compared with 2015.

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