

2018 FIRST-HALF REVENUES

Brussels, July 19, 2018 (5:45 pm) – COIL, the world leader for aluminium anodising, is reporting its revenues for the first half of 2018.

The first half of this year was marked by **unprecedented aluminium price volatility**. In December 2017, aluminium prices increased by 14% in just two weeks, but had returned to their previous levels by the end of March, only to rebound by 32% during the first half of April. They are currently 8% higher than their December 2017 prices.

In general, this price volatility does not directly affect COIL's results because it does not buy or sell the metal that it treats for its subcontracting business. In its project business, metal purchases are fully hedged when an order is taken. This situation has not had any effect on the Company's prices.

In addition, this volatility has a limited impact on underlying demand for aluminium, since end-users continue to purchase metal to satisfy end-market demand and competing materials (with the exception of steel) are significantly more expensive

However, high price volatility impacts the profitability of industrial aluminium users and significantly influences their purchasing and hedging strategies in the short term, particularly for metal distributors. For the first half of 2018, this situation was reflected in a destocking trend, concentrated primarily in the first quarter, with distributors needing to build their stock levels back up again from the second quarter faced with positive trends for underlying demand for continuous anodising.

In this environment, COIL recorded **€12.1m of revenues** for the first half of 2018, down 15.5% from the first half of 2017, with the first quarter accounting for all of this contraction. Sales of anodising services (€11.0m at June 30, 2018) are down 13.7% from the first half of 2017, but were stable in the second quarter of 2018.

Aluminium price volatility has also had a short-term effect on the project business. Sales of packaged offers (anodising with metal included) came to €1.1m, down compared with a high first half of 2017; they represent 9.2% of revenues at June 30, 2018, compared with 11.2% one year earlier. However, there was a strong resurgence in the level of enquiries in the second quarter.

From an industrial perspective, COIL has supported **the start-up of its two new production lines** in Belgium and Germany, which is expected to be reflected in certain related costs. The new automated batch anodising line, based on the new Aloxide® process, was opened in Belgium at the start of the year. The new Line 6 for continuous anodising in Germany is gradually taking on production from Line 3 in Belgium with a view to being fully operational by the end of September.

Given the current level of order intake, COIL expects the **business to return to normal demand patterns in the second half of the year**. With the new Aloxide® business coming on stream and the benefits of its Line 6 investment, the outlook for COIL's business is still excellent.

Next date: 2018 first-half earnings on October 2, 2018 (after close of trading).



COIL is the world's largest architectural and industrial anodiser.

Anodising is an electrochemical process - electrolysis - that develops a natural and protective exterior layer on aluminium that can be coloured, providing exceptional corrosion protection and/or increased functionality for the metal.

Anodising preserves all the natural and ecological properties of aluminium - it retains its high strength-to-weight ratio, non-magnetic properties and exceptional corrosion resistance without any impact on the total and repeated recyclability of the metal.

Anodised aluminium is used across a wide range of architectural, designer, industrial and automotive applications.

Euronext Growth Paris
ISIN: BE0160342011 - ALCOI
Reuters: ALCOI.PA
Bloomberg: ALCOI:FP
www.coil.be

COIL

Tim Hutton
Chief Executive Officer
tim.hutton@coil.be
Tel: +32 (0)11 88 01 88

CALYPTUS

Cyril Combe
cyril.combe@calyptus.net
Tel: +33 (0)1 53 65 68 68