

Corporate News from 29 September 2017

HMS Bergbau AG sees successful first half of 2017

- ▲ **Total performance up 33 % to EUR 104 million (previous year: EUR 78 million)**
- ▲ **Profit for the period: EUR 495 thousand (previous year: EUR 81 thousand)**
- ▲ **Expansion of trading activities to include further commodities**
- ▲ **Business performance forecast for 2017 confirmed**

Berlin, 29 September 2017: The international commodities trading group HMS Bergbau AG succeeded in expanding its business activities in the first six months of financial year 2017. Following 2015 and 2016, which were challenging years from a business perspective, a reversal in the global economic development trend has materialised, in line with market participants' expectations. As a result, commodity price levels have been increasing moderately since the end of 2016. Global commodities trading has also been gaining momentum. Improved utilisation of structures, stronger risk diversification and a slight increase in gross margins were seen in the first half of 2017 thanks to the expansion of global trading activities to include further commodities in addition to coal – such as petcoke, cement clinker, cement, ores and fertilisers – which started in 2015.

The positive factors overall in the first six months of the current financial year therefore led to an expansion of business activities and volume. Solid international trade relationships and higher tonnage, coupled with an increase in prices, made it possible to expand both total revenues and profitability. The Group's total revenues increased by roughly 33 % year on year, from EUR 78.2 million to EUR 104.2 million, in the first half of 2017. In the reporting period, EBIT rose from EUR 378 thousand in the first six months of 2016 to EUR 650 thousand as of 30 June 2017. Profit for the period from 1 January to 30 June 2017 stood at EUR 495 thousand (previous year: EUR 81 thousand).

Due to the balance sheet date, total assets fell slightly to EUR 34.4 million as of 30 June 2017, following EUR 41.0 million as of 31 December 2016. This was mainly the result of the reporting-date-related decrease in trade receivables to around EUR 17.5 million. On the equity and liabilities side, equity improved by around EUR 480 thousand to EUR 4.6 million. The equity ratio stood at 13.5 % as of 30 June 2016 – some 3.5 percentage points better than on 31 December 2016.

Despite the recovery of the markets, the Group continues to work on promoting HMS Bergbau AG's positioning in international commodity markets so as to consolidate and expand the position it has achieved. The constantly rising demand for a wide range of commodities should also put HMS

Corporate contact information:

HMS Bergbau AG
An der Wuhlheide 232
12459 Berlin
Germany

T.: +49 (30) 65 66 81-0
F: +49 (30) 65 66 81-15

Email: info@hms-ag.com
URL: www.hms-ag.com

CEO
Heinz Schemnikau

CFO
Steffen Ewald

Chairman of the Supervisory Board
Dr Hans-Dieter Harig

HMS Investor Relations contact information:

GFEI Aktiengesellschaft
Office Center Plaza
Ostergarbe 11
30559 Hanover

T.: +49 (511) 47 40 231-0

E-mail: investors@hms-ag.com

Bergbau AG's dependence on individual product groups into perspective beyond 2017. In the process, HMS Bergbau AG continues to draw on and open up its existing network, commodities expertise that it has acquired over the years, as well as its global logistics know-how. At the same time, it is tapping into and continuing to further develop new supply and sales markets – especially in Asia, Africa and the Middle East – within the scope of this horizontal integration strategy.

HMS Bergbau AG's business performance for 2017 continues to remain positive. Commodity prices appear to be stabilising at the current level. Along with the expansion of trade in further commodities, positive global economic forecasts, increased international trading volumes and new marketing agreements – primarily in South Africa, Botswana and Indonesia – encourage the Group to take an optimistic view of the months ahead.

Accordingly, HMS Bergbau AG confirms the previous forecast for the current financial year, which anticipates a slight rise in sales revenues as well as attractive gross margins moving forward on account of the further vertical and horizontal integration of trading business. A positive annual result is still expected for financial year 2017.

The Management Board

About HMS Bergbau AG:

Berlin-based HMS Bergbau AG is one of the leading independent raw materials marketing and trading companies in Germany, specialising in the international purchase and sale of coal and raw materials such as ore, fertilizers and cement products. Its customers include renowned energy producers and other industrial consumers worldwide, with whom it works closely to provide raw materials. HMS Bergbau AG is active primarily in Asia, Africa and Europe and also develops first-class raw material resources. Through its Polish subsidiary Silesian Coal Sp. S.A., the company also has licences to explore coal reserves in Silesia. HMS Bergbau AG has also sold the coal products of IchorCoal N.V. for a considerable time and concluded a number of new supply agreements in 2015, particularly in Asia. HMS Bergbau AG also handled complex transport solutions for its customers. The company was established in 1995 and is listed on Germany's Frankfurt Stock Exchange in the Basic Board segment.