



**OUR KNOW-HOW
FOR YOUR SAFETY**

INTERIM REPORT 2/2019

NABALTEC-GROUP

KEY FIGURES

FOR THE PERIOD FROM 1 JANUARY 2019 TO 30 JUNE 2019

in EUR million	06/30/2019 (IFRS)	06/30/2018 (IFRS)	Change
Revenues			
Total revenues	97.4	91.8	6.1%
thereof			
Functional Fillers	66.3	60.0	10.5%
Specialty Alumina	31.1	31.8	-2.2%
Foreign share (%)	76.4	73.8	
Employees ¹ (number of persons)	507	470	7.9%
Earnings			
EBITDA	19.0	15.6	21.8%
EBIT	12.4	9.7	27.8%
Consolidated result after taxes	7.6	5.1	49.0%
Earnings per share (EUR)	0.86	0.58	48.3%
Financial position			
Cash flow from operating activities	14.7	13.4	9.7%
Cash flow from investing activities	-9.0	-13.5	-33.3%
Assets, equity and liabilities			
	06/30/2019	12/31/2018	
Total assets	239.7	225.9	6.1%
Equity	101.8	95.8	6.3%
Non-current assets	151.6	149.0	1.7%
Current assets	88.1	76.9	14.6%

¹ on the reporting date 30 June, including trainees

NABALTEC AG

A LEADER IN SPECIALTY CHEMICALS



Nabaltec AG, with registered office in Schwandorf, a chemicals business which has received multiple awards for innovativeness, manufactures, develops and distributes highly specialized products based on aluminum hydroxide and aluminum oxide on an industrial scale through its product segments "Functional Fillers" and "Specialty Alumina."

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SUSTAINABLE PRACTICES



A RELIABLE MANUFACTURER AND SUPPLIER OF SPECIALTY CHEMICALS

Nabaltec products have an extremely diverse range of applications and are the preferred choice whenever utmost quality, safety, eco-friendliness and durability are required.

The combination of these characteristics guarantees that Nabaltec's specialty chemical products will have outstanding prospects for growth and has given the company many years of steadily growing financial success.

Beyond economic aspects, however, Nabaltec AG also attaches particular importance to its ecological and social responsibility. Over the years a certified environmental management system as well as an occupational health and safety management system and an energy management system was introduced.

In addition, sustainable employee development is important to Nabaltec AG in order to be prepared for future personnel challenges and in order to position itself as an attractive employer. With a trainee ratio above average, Nabaltec is committed to promoting young talent, values work/life balance and strengthens the fitness and well-being of its employees through a company health management program.

CONTACT IR

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NABALTEC AG ON THE INTERNET

www.nabaltec.de

OUR PRODUCT AND MARKET SEGMENTS



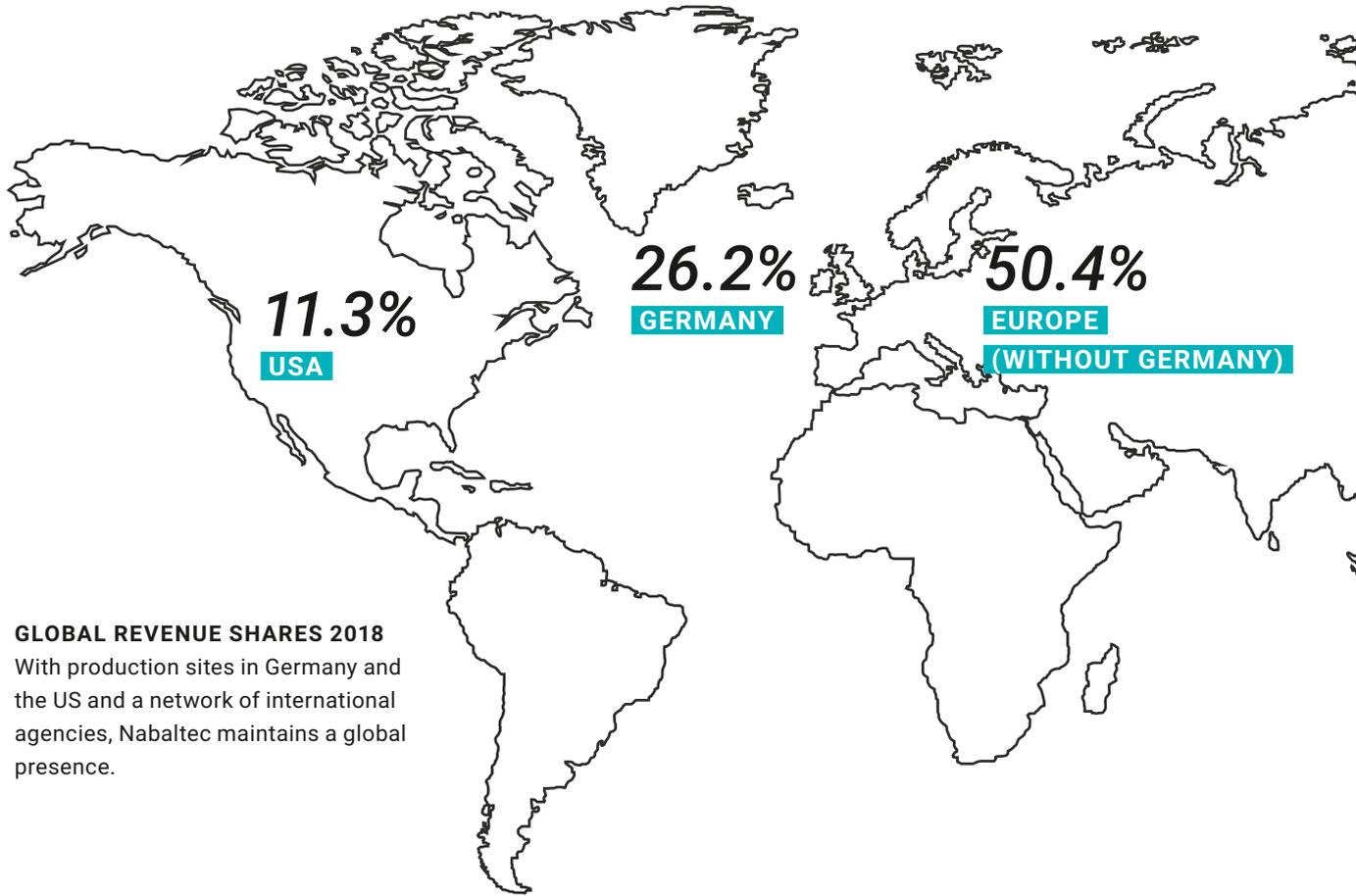
PRODUCT SEGMENTS
"FUNCTIONAL FILLERS" AND
"SPECIALTY ALUMINA"

MARKET SEGMENTS:

- Wire & Cable
- Resin & Dispersion
- Rubber & Elastomers
- Battery
- Adsorbents & Catalysts
- Refractory
- Technical Ceramics
- Polishing
- Others

NABALTEC

IN OVERVIEW

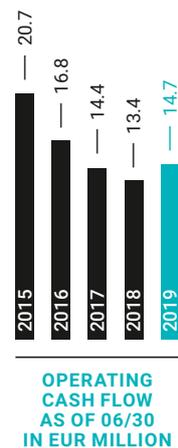
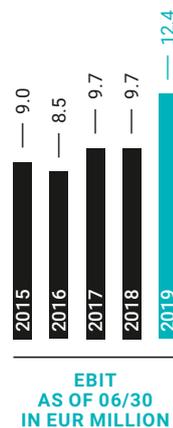
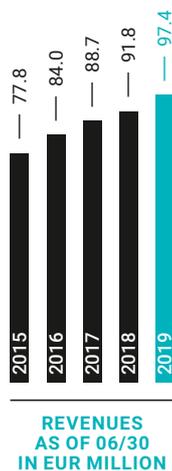


GLOBAL REVENUE SHARES 2018

With production sites in Germany and the US and a network of international agencies, Nabaltec maintains a global presence.

NABALTEC AG Q2/2019

As a fast-growing company, Nabaltec AG was able to continue its very strong performance in the second quarter of 2019 as well. In particular, the company has posted revenue growth over a period of many years, which illustrates the growing global demand for Nabaltec products.





11.3%

TRAINEE RATIO 2018



EMPLOYEES

Nabaltec AG is regularly recognized as one of the 100 best employers among German mid-sized companies in the "TOP JOB" competition, which compares companies from all over the country and in a wide variety of sectors.

Nabaltec's trainees count among the best of their peers on a regular basis.

11x

DISTINCTION FOR EXEMPLARY INNOVATION MANAGEMENT



INNOVATIONS

Nabaltec AG is regularly awarded national and international prizes and distinctions for innovation. In 2018, the company was named one of the 100 most innovative German mid-size companies for the eleventh time.

PRODUCT SEGMENTS

FUNCTIONAL FILLERS

In the product segment "Functional Fillers," Nabaltec AG develops highly specialized aluminum hydroxide-based products for a wide variety of applications, and is among the leading manufacturers in the world in this area. In addition to current market trends, the development of eco-friendly flame retardants, additives and Boehmites is driven above all by the specific requirements of the customers.

EUR 114.6 MILLION

REVENUES 2018

EUR 19.1 MILLION

EBITDA 2018

EUR 10.5 MILLION

EBIT 2018

SPECIALTY ALUMINA

In the product segment "Specialty Alumina," Nabaltec develops innovative materials for a wide variety of industries based on all-natural ingredients and occupies a leading position in the global market. The company is constantly investing in optimizing the own production facilities, in innovative technologies and in improving the production processes in order to enable the company to consistently supply tailor-made qualities which meet the customers' need.

EUR 62.1 MILLION

REVENUES 2018

EUR 11.5 MILLION

EBITDA 2018

EUR 8.0 MILLION

EBIT 2018

FOREWORD

OF THE CEO



*Ladies and Gentlemen,
Dear Shareholders and Business Partners,*

The financial data for the second quarter and first half of 2019 were highly satisfactory for Nabaltec AG. Revenues amounted to EUR 49.0 million in the second quarter and EUR 97.4 million in the first six months of the year, for a gain of 6.1% over the same period of last year. EBIT amounted to EUR 12.4 million in the first six months of the year, for an EBIT margin (EBIT as a percentage of total performance) of 12.7%. Consolidated net earnings were up 49.0%, from EUR 5.1 million to EUR 7.6 million.

*Revenue growth in the
"Functional Fillers"
product segment,
thanks to an optimized
product mix and price
adjustments*

This performance was driven above all by the "Functional Fillers" product segment, where stable volume combined with further optimization of the product mix towards higher-quality products, together with the price increases implemented in 2019, resulted in solid growth. Market demand in the "Functional Fillers" product segment is intact and at a high level. However, Nabaltec was not entirely unaffected by the economic slowdown in the first half

of the year, and above all in the second quarter, particularly the weakening in the European steel industry and in segments related to the automotive industry. This effect was particularly noticeable in the "Specialty Alumina" segment, and especially in product ranges which are heavily oriented towards the refractory industry.

We were largely able to compensate for this decrease in sales volume in the "Specialty Alumina" product segment, e.g. through an improved product mix and price increases. As a result, the revenue drop in the "Specialty Alumina" segment in the first half of 2019 was limited to 2.2%.

Despite this unexpected slowdown in individual product ranges in the second quarter, Nabaltec is able to confirm its 2019 annual forecast, with a revenue target of EUR 190 million to EUR 195 million and an EBIT margin between 10.0% and 12.0%.

*Confirmation of 2019
annual forecast*

Developments in the US should provide additional stability for revenue performance in the second half of the year. Our subsidiary Nashtec is still in the challenging ramp-up phase, and is gradually approaching target utilization. The strong growth in the boehmite market continues unabated. Demand in the e-mobility market remains within expected bounds, despite the slowdown in the automotive industry. Our sales in the boehmite product segment were up 65.9% in the first half of the year, although total volume continues to be relatively small. However, we think this product segment has a bright future and we expect it to play a much more significant role within Nabaltec's product portfolio.

Economic and geopolitical uncertainty is not abating at the moment. Nevertheless, Nabaltec AG is in a strong position for the future thanks to its broad product portfolio and solid cost management. Our earnings growth gives us the flexibility we need to make additional investments, such as taking our positioning in the US market to a new level.

*A broad product
portfolio and solid cost
management for strong
future performance*

Schwandorf, August 2019

Yours,



JOHANNES HECKMANN

CEO

NABALTEC SHARE

THE SECOND QUARTER OF 2019

ISIN/WKN: DE000A0KPPR7/A0K PPR
**NABALTEC SHARE HAS BEEN LISTED IN
 THE FRANKFURT STOCK EXCHANGE
 SINCE 24 NOVEMBER 2006 AND HAS BEEN
 TRADED IN THE SCALE MARKET SEGMENT.**

*Share up 61.3%
 since the start
 of 2019*

Nabaltec share performed extraordinarily well in the first six months of 2019 and was up 61.3% since the start of the year. The shares low for the first half of 2019 was recorded in early January, when it was traded at EUR 21.90. It climbed to a high of EUR 36.60 on 20 June 2019. Its closing price at the end of the second quarter was EUR 35.00.

Nabaltec share clearly outperformed the two relevant comparison indices, the SDAX and the specialty chemicals index, in the first half of the year. The SDAX was up 19.7% in the first six months of the year, while the specialty chemicals index was up 13.5%.

PERFORMANCE OF THE NABALTEC SHARE (XETRA, INDEXED)



KEY DATA FOR NABALTEC SHARE (XETRA)

	First 6 months of 2019	Year 2018
Number of shares	8,800,000	8,800,000
Market capitalization (cutoff date, in EUR million)	308.00	190.96
Average price (in EUR)	30.36	24.42
High (in EUR)	36.60	30.10
Low (in EUR)	21.90	21.00
Closing price (cutoff date, in EUR)	35.00	21.70
Average daily turnover (in shares)	4,164	3,105
Earnings per share (in EUR)	0.86	1.17

The average XETRA daily trading volume of Nabaltec share was 4,164 shares in the first six months of 2019, well above the average value for 2018 as a whole, 3,105 shares.

Earnings per share (EPS) amounted to EUR 0.86 in the first six months of 2019, compared to an EPS of EUR 0.58 in the first six months of 2018.

*Earnings per share
of EUR 0.86 in the
first half of 2019*

Analyst recommendations from Hauck & Aufhäuser Bank for Nabaltec share continue to be positive. The bank issued a “buy” recommendation in all of its analyses. In its study of 7 June 2019, it once again confirmed a price target of EUR 44.00. Baader Bank rated Nabaltec share a “hold” in all of its studies in the second quarter, with a price target of EUR 31.00.

*Hauck & Aufhäuser
Bank confirms “buy”
recommendation
with a price target of
EUR 44.00*

The analyst recommendations for Nabaltec share can be found online in the Investor Relations/Share section of www.nabaltec.de.

As of 30 June 2019, the majority of Nabaltec’s 8,800,000 shares continued to be held by the Heckmann and Witzany families. The Heckmann family held 28.25% of the company’s capital stock and the Witzany family held 27.17%. The remaining 44.58% of shares are in free float.

NABALTEC AG

CONSOLIDATED INTERIM MANAGEMENT REPORT

AS OF 30 JUNE 2019

COURSE OF BUSINESS

Consolidated revenues set a record high of EUR 49.0 million, revenues in the first half of 2019 amount to EUR 97.4 million

Nabaltec AG once again reported revenue growth in the second quarter of 2019, continuing its strong performance in the previous quarter and in the same quarter of last year. Revenues were 49.0 EUR million in the second quarter of 2019, up 5.4% from the same quarter of last year (EUR 46.5 million). Revenues in the first six months of 2019 amounted to EUR 97.4 million, up 6.1% from the first half of 2018, when revenues were EUR 91.8 million.

Revenues in the “Functional Fillers” product segment were up 10.1%, from EUR 30.7 million in the same quarter of last year to EUR 33.8 million. In the first six months of 2019, revenues in this segment amounted to EUR 66.3 million, up from EUR 60.0 million in the same period of last year (up 10.5%). This growth is largely attributable to an optimized product mix and price effects.

Revenues in the “Specialty Alumina” product segment amounted to EUR 15.2 million in the second quarter, down from EUR 15.9 million in the same quarter of last year. In the first half of the year, revenues in the “Specialty Alumina” segment amounted to EUR 31.1 million, down from EUR 31.8 million in the first half of 2018. This slight drop, 2.2%, is due to a weakening in the refractory industry, which is largely attributable to a slump in the European steel industry.

Export ratio of 76.4%

Nabaltec’s export ratio increased from 73.8% in the same period of last year to 76.4% in the first half of 2019. Nabaltec was able to post gains in Europe above all, but also in Asia, particularly in the “Functional Fillers” product segment.

Nabaltec's total performance improved to EUR 97.8 million in the first six months of 2019, up from EUR 90.6 million in the same period of last year (up 7.9%), and set a record high of EUR 49.8 million in the second quarter. Aside from strong revenue growth, this improvement can be attributed to a slight increase in inventories of finished goods and work in process.

The cost of materials ratio (as a percentage of total performance) decreased from 48.2% to 45.6% in the reporting period, for a noticeable improvement. Higher sale prices and an improved product mix had a positive impact in this area. The gross profit margin (as a percentage of total performance) was 55.1% in the first six months of the year, up from 54.0% in the first half of 2018.

The personnel expense ratio (as a percentage of total performance) increased slightly, from 18.5% to 18.6%, as the number of employees increased from 470 to 507 (up 7.9%).

Other operating expenses increased slightly, from EUR 16.5 million in the same period of last year to EUR 16.7 million in the first six months of 2019. This increase was largely due to freight costs and commissions to commercial agents. The ratio of other operating expenses to total performance decreased from 18.2% in the same quarter of last year to 17.1%.

Earnings before interest, taxes, depreciation and amortization (EBITDA) climbed to EUR 19.0 million in the first half of 2019, up 21.8% from the value of EUR 15.6 million posted in the same period of last year. EBITDA margin (as a percentage of total performance) improved from 17.2% in the first half of last year to 19.4% in the first half of 2019.

Consolidated EBIT amounted to EUR 12.4 million in the first six months of 2019, up 27.8% from the first half of 2018, when EBIT was EUR 9.7 million. The EBIT margin (as a percentage of total performance) was 12.7% in the first half of 2019, up from 10.7% in the same period of last year.

EBIT of EUR 12.4 million in the first six months of 2019 (up 27.8%); EBIT margin climbs to 12.7%

Net financial income amounted to EUR –1.3 million in the first six months of 2019, the same as in the same period of last year.

Nabaltec's earnings before taxes amounted to EUR 11.1 million in the first six months of 2019, up 32.1% from the same period of last year, when earnings before taxes were EUR 8.4 million. Net consolidated earnings in the first half of 2019 came to EUR 7.6 million, up from EUR 5.1 million in the first half of 2018. This corresponds to earnings per share of EUR 0.86 for the first half of 2019. By comparison, earnings per share in the same period of last year were EUR 0.58.

Cash flow from operating activity was EUR 14.7 million in the first half of 2019, compared to EUR 13.4 million in the first six months of 2018. This was due in particular to the impact of changes in working capital. The increase in trade receivables and inventories had the effect of reducing cash flow.

Spending on investments decreased relative to the same period of last year, from EUR 13.5 million to EUR 9.0 million. Cash flow from financing activity was EUR –2.7 million, nearly even with the same period of last year, when the figure was EUR –2.6 million.

Nabaltec Group's cash and cash equivalents amounted to EUR 33.3 million as of 30 June 2019.

Total assets increased from EUR 225.9 million on 31 December 2018 to EUR 239.7 million. As of the reporting date, 30 June 2019, non-current assets were up by 1.7%, to EUR 151.6 million (2018: EUR 149.0 million), due to an increase in property, plant and equipment. Current assets were up by 14.6% from the end of 2018, to EUR 88.1 million, due to an increase in trade receivables and other assets, as well as inventories.

*Equity ratio
up to 42.5%*

On the liabilities side of the balance sheet, the equity ratio increased from 42.4% on 31 December 2018 to 42.5% on 30 June 2019. Non-current liabilities on 30 June 2019 amounted to EUR 77.5 million, down from EUR 108.3 million on 31 December 2018. Current liabilities were up from the end of 2018 (EUR 21.8 million), to EUR 60.4 million. This shift from non-current to current liabilities is due to the fact that the first tranche of a loan against borrower's note obtained in 2015, in the amount of EUR 31.0 million, will be due in April 2020.

EMPLOYEES

*Trainee ratio at a
high level of 9.5%*

As of the reporting date, 30 June 2019, Nabaltec Group had 507 employees (including trainees). On the same date of last year, this number was 470 employees. The trainee ratio was 9.5%, a traditionally high level for Nabaltec.

SUBSEQUENT EVENTS

No events of particular importance for assessment of Nabaltec Group's financial, earnings and liquidity position occurred after the reporting date, 30 June 2019.

OUTLOOK

Nabaltec foresees intact sales markets and largely stable demand for its products in 2019 as well unless there is a fundamental change in the market environment. A slight worsening in the refractory industry can be ascertained at the moment, which is having an impact on the "Specialty Alumina" product segment. Market growth in other key sectors remains intact. The company has taken a leading international position within its markets. Based on its market position in 2018 and the reputation it has built up over many years, Nabaltec sees good future prospects for its key products.

Nabaltec expects to continue to post revenue growth in 2019. The first half of 2019 went well. Revenue growth will come from increases in volume as well as from price increases. The US subsidiary Nashtec LLC resumed production at the end of 2018 and assumed full responsibility for supplying US customers as of the second quarter of 2019. Naprotec LLC is currently expected to begin production of refined hydroxide in the fourth quarter of 2019, with an annual capacity of up to 30,000 tons.

Further revenue growth in 2019

Nabaltec AG confirms its 2019 annual forecast with a revenue target of EUR 190 million to EUR 195 million and an EBIT margin between 10.0% and 12.0%.

2019 forecast with an EBIT margin between 10.0% and 12.0%

Orders on hand amounted to EUR 62.1 million on 30 June 2019.

Otherwise, the statements made in the forecast report of the 2018 consolidated management report retain their validity.

REPORT ON OPPORTUNITIES AND RISKS

No significant changes were evident in the first half of 2019 to the risk situation presented in the 2018 consolidated management report.

Schwandorf, 5 August 2019

The Management Board

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD FROM 1 JANUARY 2019 TO 30 JUNE 2019

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME				
in TEUR	01/01/–06/30/2019	04/01/–06/30/2019	01/01/–06/30/2018	04/01/–06/30/2018
Revenues	97,409	48,956	91,786	46,545
Change in inventories of finished goods and work in progress	-22	670	-1,435	665
Own work capitalized	390	193	218	131
Total performance	97,777	49,819	90,569	47,341
Other operating income	724	208	2,072	783
Cost of materials	-44,588	-22,777	-43,742	-23,123
Gross earnings	53,913	27,250	48,899	25,001
Personnel expenses	-18,203	-9,068	-16,770	-8,521
Depreciation	-6,604	-3,434	-5,934	-2,981
Other operating expenses	-16,681	-8,118	-16,487	-8,106
Operating profit (EBIT)	12,425	6,630	9,708	5,393
Interest and similar income	75	40	75	36
Interest and similar expenses	-1,398	-703	-1,402	-705
Net income from ordinary activities (EBT)	11,102	5,967	8,381	4,724
Taxes on income	-3,528	-1,895	-3,311	-2,532
Net after-tax earnings	7,574	4,072	5,070	2,192
Earnings per share (in EUR)	0.86	0.46	0.58	0.25

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in TEUR	01/01/–06/30/2019	04/01/–06/30/2019	01/01/–06/30/2018	04/01/–06/30/2018
Net after-tax earnings	7,574	4,072	5,070	2,192
Items which may be reclassified to profit and loss				
Currency translation (after taxes)	197	–535	1,144	1,977
Net income from hedge accounting (after taxes)	9	116	56	133
Total	206	–419	1,200	2,110
Items which will not be reclassified to profit and loss				
Actuarial gains and losses	0	0	0	0
Total	0	0	0	0
Other comprehensive income	206	–419	1,200	2,110
Total comprehensive income	7,780	3,653	6,270	4,302

CONSOLIDATED BALANCE SHEET

AS OF 30 JUNE 2019
ASSETS

in TEUR	06/30/2019	12/31/2018
Non-current assets	151,577	148,964
Intangible assets		
Concessions, proprietary rights and similar rights and assets, as well as licenses to such rights and assets (including advance payments)	539	509
Property, plant and equipment	150,960	148,377
Land, leasehold rights and buildings, including buildings on unowned land	45,678	38,641
Technical equipment and machinery	89,260	71,158
Other fixtures, fittings and equipment	3,807	3,657
Advance payments and assets under construction	12,215	34,921
Financial assets	78	78
Shares in affiliated companies	78	78
Deferred tax assets	0	0
Current assets	88,107	76,915
Inventories	37,943	34,624
Raw materials and supplies	23,590	20,609
Work in process	1,282	880
Finished goods and merchandise	13,071	13,135
Other assets and accounts receivable	16,846	12,002
Trade receivables	8,768	4,459
Other assets	8,078	7,543
Cash and cash equivalents	33,318	30,289
TOTAL ASSETS	239,684	225,879

LIABILITIES

in TEUR	06/30/2019	12/31/2018
Shareholders' equity	101,807	95,787
Subscribed capital	8,800	8,800
Capital reserve	47,029	47,029
Earnings reserve	9,699	9,699
Profit carry-forward	40,391	31,865
After-tax earnings	7,574	10,286
Other changes in equity with no effect on profit and loss	-11,686	-11,892
Non-current liabilities	77,483	108,326
Pension reserves	36,392	36,052
Other provisions	1,198	1,153
Accounts payable to banks	39,450	70,417
Deferred tax liabilities	443	704
Current liabilities	60,394	21,766
Accounts payable from income taxes	4,089	2,183
Other provisions	194	185
Accounts payable to banks	31,417	529
Trade payables	16,048	12,643
Other accounts payable	8,646	6,226
TOTAL LIABILITIES	239,684	225,879

CONSOLIDATED CASH FLOW STATEMENT

FOR THE PERIOD FROM 1 JANUARY 2019 TO 30 JUNE 2019

CONSOLIDATED CASH FLOW STATEMENT

in TEUR	01/01/ – 06/30/2019	01/01/ – 06/30/2018
Cash flow from operating activity		
Earnings before taxes	11,102	8,381
+ Depreciation of fixed assets	6,604	5,934
-/+ Other income/expenses with no effect on cash flow	0	-926
-/+ Income/loss from the disposal of assets	0	5
- Interest income	-75	-75
+ Interest expenses	1,398	1,402
Net operating income before changes in working capital	19,029	14,721
+/- Increase/decrease in provisions	76	89
-/+ Increase/decrease in trade receivables and other assets not attributable to investment or financing activity	-4,844	-4,931
+/- Increase/decrease in inventories	-3,319	4,450
+/- Increase/decrease in trade payables and other liabilities not attributable to investment or financing activity	5,740	1,822
Cash flow from operating activity before taxes	16,682	16,151
- Income taxes paid	-1,953	-2,715
Net cash flow from operating activity	14,729	13,436

CONSOLIDATED CASH FLOW STATEMENT

in TEUR	01/01/ - 06/30/2019	01/01/ - 06/30/2018
Cash flow from investing activities		
+ Payments received from the disposal of property, plant and equipment	0	6
- Payments made for investments in property, plant and equipment	-8,834	-13,406
- Payments made for investments in intangible assets	-125	-118
- Cash paid for the acquisition of consolidated companies	0	0
Net cash flow from investment activity	-8,959	-13,518
Cash flow from financing activity		
- Dividends	-1,760	-1,584
- Payments made for the repayment of borrowings	0	0
- Interest paid	-1,011	-1,008
+ Interest received	26	26
Net cash flow from financing activity	-2,745	-2,566
Net change in cash and cash equivalents	3,025	-2,648
Change in funds due to changes in exchange rates	4	377
Funds at start of period	30,289	45,917
Funds at end of period	33,318	43,646

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE PERIOD FROM 1 JANUARY 2019 TO 30 JUNE 2019

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

in TEUR	Shareholders' equity attributable to shareholders of Nabaltec AG		
	Subscribed capital	Capital reserve	Earnings reserve
Balance per 01/01/2018	8,800	47,029	9,721
Dividend payments	–	–	–
Actuarial gains and losses	–	–	–
Currency translation	–	–	–
Net income from hedge accounting	–	–	–
Other comprehensive income	–	–	–
Net income after taxes	–	–	–
Net income	–	–	–
Balance per 06/30/2018	8,800	47,029	9,721
Other changes in equity with no effect on profit and loss	–	–	–22
Actuarial gains and losses	–	–	–
Currency translation	–	–	–
Net income from hedge accounting	–	–	–
Other comprehensive income	–	–	–
Net income after taxes	–	–	–
Net income	–	–	–
Balance per 12/31/2018	8,800	47,029	9,699
Resolved dividend payment	–	–	–
Actuarial gains and losses	–	–	–
Currency translation	–	–	–
Net income from hedge accounting	–	–	–
Other comprehensive income	–	–	–
Net income after taxes	–	–	–
Net income	–	–	–
Balance per 06/30/2019	8,800	47,029	9,699

Profit carry-forward	Other changes in equity with no effect on profit and loss	Consolidated shareholders' equity
33,449	-14,436	84,563
-1,584	—	-1,584
—	0	0
—	1,144	1,144
—	56	56
—	1,200	1,200
5,070	—	5,070
5,070	1,200	6,270
36,935	-13,236	89,249
—	—	-22
—	1,012	1,012
—	190	190
—	142	142
—	1,344	1,344
5,216	—	5,216
5,216	1,344	6,560
42,151	-11,892	95,787
-1,760	—	-1,760
—	0	0
—	197	197
—	9	9
—	206	206
7,574	—	7,574
7,574	206	7,780
47,965	-11,686	101,807

NABALTEC AG

SEGMENT REPORTING

The operative segments are consistent with the business divisions of the Nabaltec Group. The risks as well as internal organization and reporting structure are mainly determined by the differentiation of the products.

BUSINESS SEGMENTS

Nabaltec is divided into two product segments, "Functional Fillers" and "Specialty Alumina." Each segment represents a strategic business division, the products and markets of which differ from those of the other.

The product segment "Functional Fillers" produces and distributes non-halogenated flame retardant fillers for the plastics and the wire & cable industry as well as additives.

The product segment "Specialty Alumina" produces and distributes ceramic raw material and ceramic bodies for numerous applications in technical ceramics as well as the refractory industry.

PERIOD FROM 1 JANUARY 2019 – 30 JUNE 2019

in TEUR	Functional Fillers	Specialty Alumina	Nabaltec Group
Revenues			
Third party revenue	66,303	31,106	97,409
Segment result			
EBITDA	13,762	5,267	19,029
EBIT	8,880	3,545	12,425

PERIOD FROM 1 JANUARY 2018 – 30 JUNE 2018

in TEUR	Functional Fillers	Specialty Alumina	Nabaltec Group
Revenues			
Third party revenue	59,999	31,787	91,786
Segment result			
EBITDA	10,044	5,598	15,642
EBIT	5,798	3,910	9,708

NABALTEC AG

ABRIDGED CONSOLIDATED NOTES

TO THE INTERIM REPORT FROM 1 JANUARY 2019 TO 30 JUNE 2019

1. GENERAL INFORMATION

Nabaltec AG, with registered office in Schwandorf, Germany¹, was formed by Company Agreement of 14 December 1994 with the corporate name Nabaltec GmbH and registered office in Schwandorf (entered into the Commercial Register of the Local Court of Amberg under Commercial Register No. B 3920). It acquired the specialty oxides business of VAW aluminium AG in 1995 and was transformed into a joint-stock company in 2006.

The corporate purpose pursuant to § 2 of the Articles of Association of Nabaltec AG is the manufacture of products based on mineral raw materials, particularly aluminum hydroxide and aluminum oxide, and the distribution of those products.

The shares of Nabaltec AG are listed in the Open Market (Scale) segment of the Frankfurt Stock Exchange since 24 November 2006.

2. BASIS OF PREPARATION

The consolidated financial statements of Nabaltec AG as of 30 June 2019 were prepared with due regard to all International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and interpretations of the International Financial Reporting Interpretation Committee (IFRIC) and of the Standing Interpretations Committee (SIC) recognized by the European Union and applicable to the financial year.

The interim financial statements of Nabaltec AG for the period from 1 January to 30 June 2019 were prepared in conformance with IAS 34, "Interim Financial Reporting," as a shorter financial report. The shorter financial statements do not contain all information prescribed for the financial statements of the financial year and should be read in conjunction with the consolidated financial statements as at 31 December 2018.

The interim financial statements encompass the period from 1 January 2019 to 30 June 2019.

The consolidated financial statements are prepared in euro (EUR). Unless stipulated otherwise, all values are rounded up or down to the nearest thousand euro (EUR thousand) in accordance with the commercial rounding practice. Please note that differences can result from the use of rounded amounts and percentages.

¹ Nabaltec AG, Alustraße 50 – 52, 92421 Schwandorf, Germany

The presentation in the balance sheet differentiates between current and non-current assets and liabilities, some of which are broken down further by their respective maturities in the notes to the financial statements.

The consolidated statement of comprehensive income has been prepared in accordance with the total expenditure format.

The interim financial statements have not been audited or reviewed by the auditor.

SCOPE OF CONSOLIDATION

The scope of consolidation of Nabaltec AG as of 30 June 2019 has not changed compared to the consolidated financial statements as of 31 December 2018. The consolidated financial statements include the separate financial statements of Nabaltec AG, Schwandorf, as the parent company and its subsidiaries Nashtec LLC, Corpus Christi (USA), Nabaltec USA Corporation, Corpus Christi (USA), Naprotec LLC, Chattanooga (USA) and Nabaltec (Shanghai) Trading Co., Ltd.

NEW ACCOUNTING PROVISIONS

All accounting and valuation methods used in the preparation of the abridged financial statements correspond to the methods applied in the most recent consolidated financial statements as at 31 December 2018.

In addition to the Standards and Interpretations used on 31 December 2018, the following Standards and Interpretations were used for the first time, and had no substantial impact, if any, on the interim financial statements:

- IFRS 16, "Leases"
- Amendments to IAS 19, "Amendment, curtailment or settlement of pension plan"
- Amendments to IFRS 9, "Prepayment features with negative compensation"
- Various: Improvements to the International Financial Reporting Standards (2015 – 2017)
- IFRIC 23, "Uncertainty over income tax treatments"

Until the publication of this interim financial statement, IASB has not published any further changes to standards.

3. NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

REVENUES

We refer to the segment reports with respect to the revenue by product area. Information on revenue performance may be found in the management report.

4. NOTES TO THE CONSOLIDATED BALANCE SHEET

PROPERTY, PLANT AND EQUIPMENT

The additions to property, plant and equipment in the first six months of 2019 were the result of investments, primarily in buildings and in technical equipment and machinery to expand capacity and for further process optimization.

FINANCIAL ASSETS

Financial assets consist of the 100% interest in Nabaltec Asia Pacific K.K. The subsidiary is not fully consolidated on grounds of materiality. In the absence of an active market, the shares are measured at cost.

SHAREHOLDERS' EQUITY

The change in the shareholders' equity of Nabaltec AG is presented in the consolidated statement of changes in equity.

CURRENT AND NON-CURRENT LIABILITIES

LIABILITIES TO BANKS

Liabilities to banks largely entail credits borrowed at standard market interest rates. The market value corresponds to the book value.

5. OTHER DISCLOSURES

OTHER FINANCIAL OBLIGATIONS

CONTINGENT LIABILITIES AND LEGAL LIABILITY RELATIONS

As of the cutoff date, there were no contingent liabilities, legal liability relations or other legal disputes for which provisions had not been previously made.

RELATED PARTY TRANSACTIONS

The group of related persons and enterprises did not change compared to the consolidated financial statements as at 31 December 2018.

No transactions with related persons and enterprises took place in the first six months of 2019. Such transactions are conducted at standard market prices and conditions.

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

There are no significant events after the balance sheet date.

Schwandorf, 5 August 2019

The Management Board

FINANCIAL CALENDAR 2019

Baader Investment Conference, Munich	23 – 24 September
Interim Report 3 / 2019	21 November
Deutsches Eigenkapitalforum, Frankfurt	25 – 26 November

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Statements relating to the future

This interim report contains statements relating to the future which are based on the Management Board's current estimations and prognosis as well as on information currently available. These statements relating to the future are not to be understood as guarantees of the predicted future developments and results. The future developments and results are rather dependent on a number of risks and uncertainties and are based on assumptions which possibly may prove to be false. We do not accept any obligation to update these statements relating to the future.

Rounding

Due to computational reasons, rounding differences may appear in the percentages and figures in the tables, graphics and text of this report.



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