



## PRESS RELEASE

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### 5N PLUS REPORTS FINANCIAL RESULTS FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2015

**Montreal, Québec, November 3, 2015** – 5N Plus Inc. (TSX:VNP), the leading producer of specialty metal and chemical products, today reported financial results for the third quarter ended September 30, 2015.

- Revenues for the three and nine-month periods ended September 30, 2015 reached \$68.7 million and \$251.6 million down from \$114.4 million and \$393.4 million for the corresponding periods of the previous fiscal year, negatively impacted by continuing erosion in relevant underlying commodity prices which have on average decreased by 55% since the beginning of the year.
- Total debt and net debt<sup>1</sup> decreased by \$20.2 million and \$11.7 million respectively in the quarter positively impacted by working capital management. As at September 30, 2015 net debt stood at \$46.7 million, down from \$84.0 million as at December 31, 2014.
- Adjusted EBITDA<sup>1</sup> and EBITDA<sup>1</sup> reached positive \$1.1 million and negative \$26.1 million respectively in the third quarter of 2015 compared to \$8.1 million and \$12.7 million for the same quarter of 2014. Margins were similarly negatively impacted by decreasing metal prices including bismuth, indium, selenium and tellurium which fell by 20%, 33%, 29% and 56% respectively in the third quarter alone. The EBITDA for the third quarter was negatively impacted by an inventory impairment charge of \$27.2 million as well as an allowance for a doubtful note receivable from an affiliate.
- Net loss for the third quarter of 2015 reached \$32.2 million, compared to net earnings of \$4.2 million for the third quarter of 2014.
- Backlog<sup>1</sup> as at September 30, 2015 stood at 134 days of sales outstanding up by 12 days and 25 days when compared to the backlog level of December 31, 2014 and September 30, 2014. Backlog and bookings<sup>1</sup> are also negatively impacted by decreases in underlying commodity pricing.
- 5N Plus also announced today that Mr. Jacques L'Ecuyer has informed the Board of Directors of the Company of his desire to step aside from his current position of President and Chief Executive Officer. As a result, a process has been initiated during the last quarter by the board of directors of the Company to identify a new President and Chief Executive Officer to succeed to Mr. L'Ecuyer whom will remain as President and Chief Executive Officer until the new President and Chief Executive Officer has been appointed by the board of directors.

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<sup>1</sup> See Non-IFRS Measures

Jacques L'Ecuyer, President and Chief Executive Officer, said "Demand for our products remained in line with expectations with a slight decrease in shipments following the usual pattern of the European summer slowdown. Continuing and persistent erosion in prices of almost all of our key metals continues to significantly weigh on our financial performance. Until this trend stops or its magnitude decreases, we expect our financial performance to remain disappointing other than from a cash flow standpoint which should stay relatively strong as we reduce our working capital requirements in line with underlying commodity pricing trends."

#### **Webcast Information**

5N Plus will host a conference call on Wednesday, November 4, 2015 at 8:00 am ET with financial analysts to discuss results of the quarter ended September 30, 2015. All interested parties are invited to participate in the live broadcast on the Company's Web site at [www.5nplus.com](http://www.5nplus.com). A replay of the webcast and a recording of the Q&A will be available until November 11, 2015.

To participate in the conference call:

- Montreal area: 514-807-9895
- Toronto area: 647-427-7450
- Toll-Free : 1-888-231-8191

Enter access code 70617320.

#### **Non-IFRS Measures**

Adjusted EBITDA means EBITDA as defined above before impairment of inventories, allowance for doubtful of a receivable from a related party, litigation and restructuring costs, gain on disposal of property, plant and equipment, change in fair value of debenture conversion option, foreign exchange and derivatives loss (gain). We use adjusted EBITDA because we believe it is a meaningful measure of the operating performance of our ongoing business without the effects of inventory write-downs. The definition of this non-IFRS measure used by the Company may differ from that used by other companies.

Net debt or net cash is a measure we use to monitor how much debt we have after taking into account cash and cash equivalents and restricted cash. We use it as an indicator of our overall financial position, and calculate it by taking our total debt, including the current portion, and subtracting cash and cash equivalents and restricted cash.

Backlog represents the expected orders we have received but have not yet executed and that are expected to translate into sales within the next twelve months expressed in number of days. Bookings represent orders received during the period considered, expressed in days, and is calculated by adding revenues to the increase or decrease in backlog for the period considered divided by annualized year revenues. We use backlog to provide an indication of expected future revenues in days, and bookings to determine our ability to sustain and increase our revenues.

#### **About 5N Plus Inc.**

5N Plus is the leading producer of specialty metal and chemical products. Fully integrated with closed-loop recycling facilities, the Company is headquartered in Montreal, Québec, Canada and operates manufacturing facilities and sales offices in several locations in Europe, the Americas and Asia. 5N Plus deploys a range of proprietary and proven technologies to produce products which are used in a number of advanced pharmaceutical, electronic and industrial applications. Typical products include purified metals such as bismuth, gallium, germanium, indium, selenium and tellurium, inorganic chemicals based on such metals and compound semiconductor wafers. Many of these are critical precursors and key enablers in markets such as solar, light-emitting diodes and eco-friendly materials.

**Forward-Looking Statements and Disclaimer**

This press release may contain forward-looking information within the meaning of applicable securities laws. All information and statements other than statements of historical facts contained in this press release are forward-looking information. Such statements and information may be identified by words such as “about”, “approximately”, “may”, “believes”, “expects”, “will”, “intends”, “should”, “plans”, “predicts”, “potential”, “projects”, “anticipates”, “estimates”, “continues” or similar words or the negative thereof or other comparable terminology. Forward-looking statements are based on the best estimates available to 5N Plus at this time and involve known and unknown risks, uncertainties and other factors that may cause 5N Plus’ actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. A description of the risks affecting 5N Plus’ business and activities appears under the heading “Risk and Uncertainties” of 5N Plus’ 2014 MD&A dated February 24, 2015 and notes 11 and 12 of the unaudited condensed interim consolidated financial statements for the three and nine-month periods ended September 30, 2015 and 2014, available on SEDAR at [www.sedar.com](http://www.sedar.com). No assurance can be given that any events anticipated by the forward-looking information in this press release will transpire or occur, or if any of them do so, what benefits that 5N Plus will derive therefrom. In particular, no assurance can be given as to the future financial performance of 5N Plus. The forward-looking information contained in this press release is made as of the date hereof and 5N Plus undertakes no obligation to publicly update such forward-looking information to reflect new information, subsequent or otherwise, unless required by applicable securities laws. The reader is warned against placing undue reliance on these forward-looking statements.

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**5N PLUS INC.**  
**Condensed Interim Consolidated Statements of Financial Position**

<i>(unaudited)</i>	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<i>(Figures in thousands of United States dollars)</i>	\$	\$
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	8,025	12,777
Restricted cash	-	2,115
Accounts receivable	44,330	72,391
Inventories	121,753	204,454
Income tax receivable	6,095	2,705
Derivative financial assets	-	147
Other current assets	1,936	2,965
<b>Total current assets</b>	<b>182,139</b>	<b>297,554</b>
Property, plant and equipment	72,345	68,261
Intangible assets	6,336	15,728
Deferred tax asset	9,746	11,037
Investment accounted for using the equity method	331	316
Other assets	3,099	6,635
<b>Total non-current assets</b>	<b>91,857</b>	<b>101,977</b>
<b>Total assets</b>	<b>273,996</b>	<b>399,531</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current</b>		
Bank indebtedness	-	975
Trade and accrued liabilities	36,862	60,286
Income tax payable	5,857	6,064
Long-term debt due within one year	459	667
<b>Total current liabilities</b>	<b>43,178</b>	<b>67,992</b>
Long-term debt	13,042	51,156
Convertible debentures	41,216	46,101
Deferred tax liability	1,487	3,111
Retirement benefit obligation	14,566	16,928
Derivative financial liabilities	89	2,093
Other liabilities	18,590	15,711
<b>Total non-current liabilities</b>	<b>88,990</b>	<b>135,100</b>
<b>Total liabilities</b>	<b>132,168</b>	<b>203,092</b>
Shareholders' equity	141,835	196,443
Non-controlling interest	(7)	(4)
<b>Total equity</b>	<b>141,828</b>	<b>196,439</b>
<b>Total liabilities and equity</b>	<b>273,996</b>	<b>399,531</b>

**5N PLUS INC.****Condensed Interim Consolidated Statements of (Loss) Earnings**

For the three month and nine-month periods September 30, 2015 and 2014

<i>(unaudited)</i> <i>(Figures in thousands of United States dollars, except per share information)</i>	<b>Three months</b>		<b>Nine months</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	\$	\$	\$	\$
<b>Revenues</b>	68,732	114,438	251,645	393,414
Cost of sales	88,923	99,085	265,469	338,869
Selling, general and administrative expenses	7,443	8,480	21,186	28,283
Other expenses	3,964	1,844	18,291	6,023
Share of (gain) loss from joint ventures	(36)	130	(15)	227
	100,294	109,539	304,931	373,402
<b>Operating (loss) earnings</b>	<b>(31,562)</b>	<b>4,899</b>	<b>(53,286)</b>	<b>20,012</b>
<b>Gain on disposal of property, plant and equipment</b>	-	-	-	1,312
<b>Financial (revenues) expenses</b>				
Interest on long-term debt	1,187	1,687	3,575	4,149
Imputed interest and other financial expense	938	1,075	3,380	1,760
Changes in fair value of debenture conversion option	(194)	(5,623)	(1,840)	(5,811)
Foreign exchange and derivative (gain) loss	(2,810)	824	(2,871)	314
	(879)	(2,037)	2,244	412
<b>(Loss) earnings before income tax</b>	<b>(30,683)</b>	<b>6,936</b>	<b>(55,530)</b>	<b>20,912</b>
Income tax expense (recovery)				
Current	(417)	2,717	(389)	7,112
Deferred	1,905	48	(555)	674
	1,488	2,765	(944)	7,786
<b>Net (loss) earnings for the period</b>	<b>(32,171)</b>	<b>4,171</b>	<b>(54,586)</b>	<b>13,126</b>
<b>Attributable to:</b>				
Equity holders of 5N Plus Inc.	(32,171)	4,172	(54,583)	13,263
Non-controlling interest	-	(1)	(3)	(137)
	(32,171)	4,171	(54,586)	13,126
<b>(Loss) earnings per share attributable to equity holders of 5N Plus Inc.</b>	<b>(0.38)</b>	<b>0.05</b>	<b>(0.65)</b>	<b>0.16</b>
<b>Basic (loss) earnings per share</b>	<b>(0.38)</b>	<b>0.05</b>	<b>(0.65)</b>	<b>0.16</b>
<b>Diluted (loss) earnings per share</b>	<b>(0.38)</b>	<b>(0.01)</b>	<b>(0.65)</b>	<b>0.10</b>

## 5N PLUS INC.

(Figures in thousands of United States dollars)

### Cash Flows

	Q3 2015	Q3 2014	Change	YTD 2015	YTD 2014	Change
	\$	\$		\$	\$	
Funds (used in) from operations <sup>1</sup>	(620)	982	(163%)	(4,117)	13,562	(130%)
Net changes in non-cash working capital items	14,460	(528)	(2,839%)	51,994	(26,746)	(294%)
Operating activities	13,840	454	2,948%	47,877	(13,184)	(463%)
Investing activities	(5,094)	(5,906)	(14%)	(14,645)	(11,224)	30%
Financing activities	(17,156)	(5,305)	(223%)	(37,593)	12,853	(392%)
Effect of foreign exchange rate changes on cash and cash equivalents related to operations	(84)	(610)	(86%)	(391)	(584)	(33%)
<b>Net decrease in cash and cash equivalents</b>	<b>(8,494)</b>	<b>(11,367)</b>	<b>(25%)</b>	<b>(4,752)</b>	<b>(12,139)</b>	<b>(61%)</b>

### Revenues by Segment

	Q3 2015	Q3 2014	Change	YTD 2015	YTD 2014	Change
	\$	\$		\$	\$	
Electronic Materials	24,999	34,784	(28%)	85,432	127,469	(33%)
Eco-Friendly Materials	43,733	79,654	(45%)	166,213	265,945	(38%)
<b>Total revenues</b>	<b>68,732</b>	<b>114,438</b>	<b>(40%)</b>	<b>251,645</b>	<b>393,414</b>	<b>(36%)</b>

### Adjusted EBITDA

	Q3 2015	Q3 2014	Change	YTD 2015	YTD 2014	Change
	\$	\$		\$	\$	
Electronic Materials	2,884	4,684	(38%)	10,676	18,789	(43%)
Eco-Friendly Materials	804	6,415	(87%)	(538)	19,061	(103%)
Corporate						
Research and Development	(400)	(362)	10%	(1,124)	(741)	52%
Other	(2,236)	(2,666)	(16%)	(5,729)	(7,721)	(26%)
<b>Adjusted EBITDA<sup>1</sup></b>	<b>1,052</b>	<b>8,071</b>	<b>(87%)</b>	<b>3,285</b>	<b>29,388</b>	<b>(89%)</b>
<b>EBITDA<sup>1</sup></b>	<b>(26,136)</b>	<b>12,721</b>	<b>(305%)</b>	<b>(28,696)</b>	<b>35,423</b>	<b>(181%)</b>

### Backlog and Bookings

	BACKLOG <sup>1</sup>			BOOKINGS <sup>1</sup>		
	Q3 2015	Q2 2015	Q3 2014	Q3 2015	Q2 2015	Q3 2014
	\$	\$	\$	\$	\$	\$
Electronic Materials	54,965	68,368	79,753	11,596	18,095	37,259
Eco-Friendly Materials	45,603	62,981	57,430	26,355	51,742	63,999
<b>Total</b>	<b>100,568</b>	<b>131,349</b>	<b>137,183</b>	<b>37,951</b>	<b>69,837</b>	<b>101,258</b>

(number of days based on annualized revenues)

	BACKLOG <sup>1</sup>			BOOKINGS <sup>1</sup>		
	Q3 2015	Q2 2015	Q3 2014	Q3 2015	Q2 2015	Q3 2014
Electronic Materials	201	203	209	42	54	98
Eco-Friendly Materials	95	102	66	55	84	73
<b>Weighted average</b>	<b>134</b>	<b>137</b>	<b>109</b>	<b>50</b>	<b>73</b>	<b>81</b>

\*Bookings and backlog are also presented in number of days to normalize the impact of commodity prices.

<sup>1</sup> See Non-IFRS Measures