



Annual General Meeting
Financial Presentation
May 7, 2015



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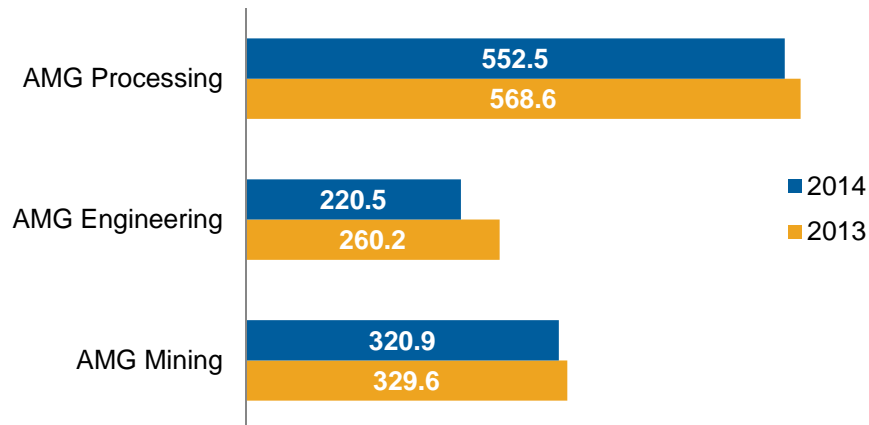
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Financial highlights

Revenue

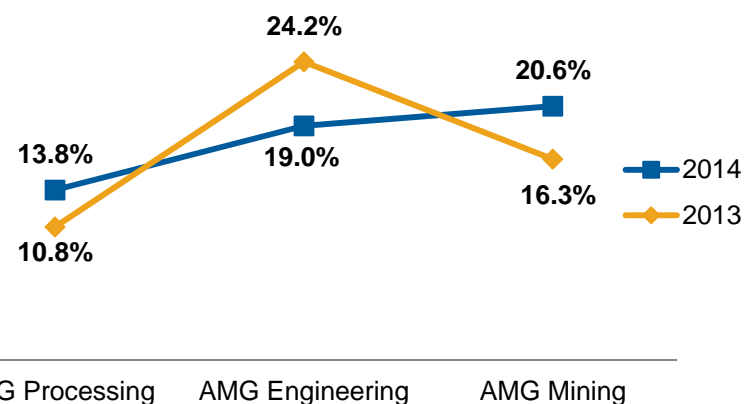
2014 Revenue: \$1,093.9

(in USD millions)



Gross Margin

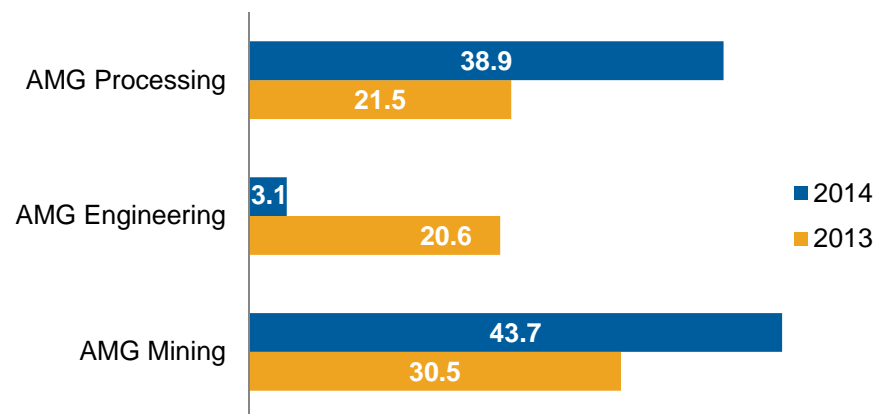
2014 Gross Margin: 16.8%



EBITDA

2014 EBITDA: \$85.7

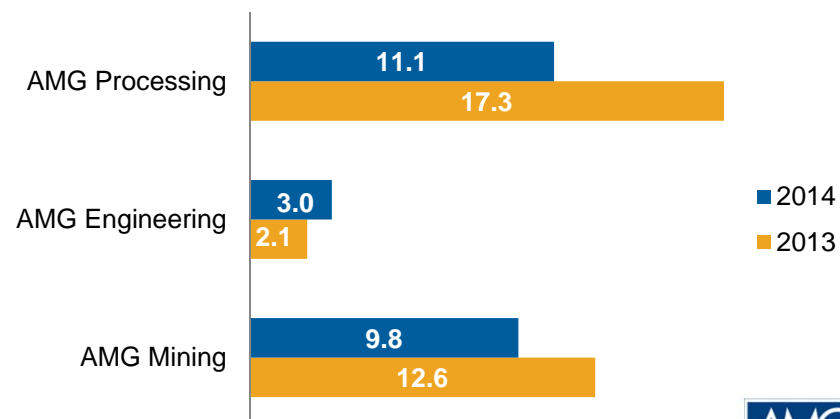
(in USD millions)



Capital Expenditure

2014 CAPEX: \$24.0

(in USD millions)



Operational update

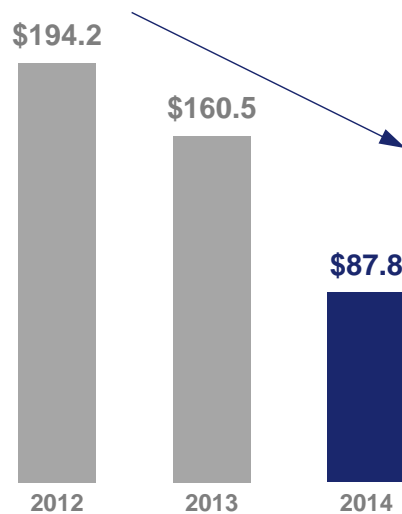
AMG Processing	AMG Engineering	AMG Mining
<ul style="list-style-type: none"> • Strong earnings and operating cash flow with substantial year over year improvement in all business lines. • Working capital reduced to all time low of 38 days. • Vanadium - Completed next step capacity increase • Titanium Alloys – Completed additional long term sales of hydride alloys and titanium aluminides. 	<ul style="list-style-type: none"> • Weaker than forecast earnings driven by low prior year order intake and product development cost overruns. • Order intake improving, although still at low levels. • Working capital reduced to (36) days. • Successful in launching two new furnace product lines <ul style="list-style-type: none"> • Syncrotherm • Glass-forming furnaces • Cost reduction and project cost management system in process 	<ul style="list-style-type: none"> • Strong operating cash flow with substantial year over year improvement in earnings. • Working Capital reduced to all time low of 62 days.
<ul style="list-style-type: none"> • Working capital reduced to all time low of 23 days (37 days excluding advance payments and deferred revenue). 		

Summary of non-recurring charges - 2014

Asset Impairment	Restructuring	Environmental
<ul style="list-style-type: none"> Primary asset impairment expense related to final write-downs of solar assets including \$5.6 million of inventory and \$1.2 million of equipment Additional write-downs also recorded related to Turkey AMG Engineering and Turkey asset impairments offset by a reversal of impairments related to AMG Mining AG (triggered by sale of 40% of graphite) 	<ul style="list-style-type: none"> AMG Processing accounts for \$3.8 million of this total, as AMG continued to right-size its workforce during challenging economic times AMG Mining accrual for \$0.8 million relates to closure costs for Turkey 	<ul style="list-style-type: none"> Additional accrual relates to recent discussions with NJDEP Current accrual of \$17 million is based on preliminary estimates to remove the material onsite Range of estimates for removal is \$10 - \$24 million, a substantial reduction from a previous range of \$25 - \$70 million
\$1.9 million	\$4.9 million	\$5.5 million
Total non-recurring: \$12.3 million		

Net Debt & ROCE

Net Debt (in USD millions)

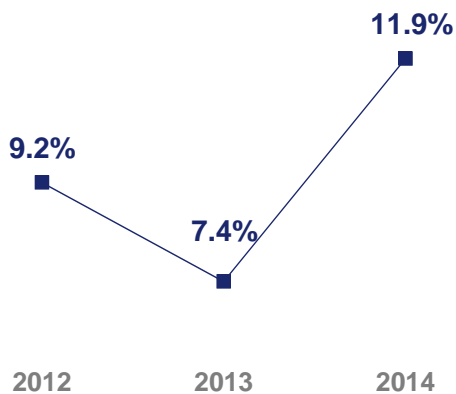


**\$106.4M
reduction in
net debt since
2012**

Net debt: \$87.8M

- \$72.7M reduction on net debt in 2014
- Gross debt reduction of \$120 million since January 1, 2013
- Net Debt to LTM EBITDA: 1.02x

Annualized ROCE



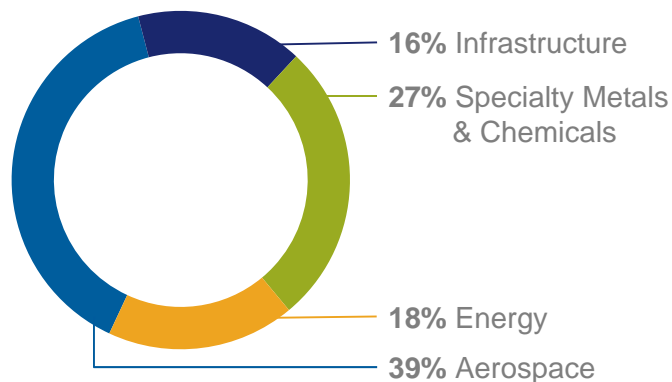
**ROCE FY '14
has exceeded
FY '13 by 61%**

FY '14 ROCE is 61% higher than FY '13 (an increase of 4.5 percentage points over full year 2013)

2014 ROCE improvements are the result of EBITDA growth, efficient use of capital and working capital reductions

A Global Supplier of Critical Materials

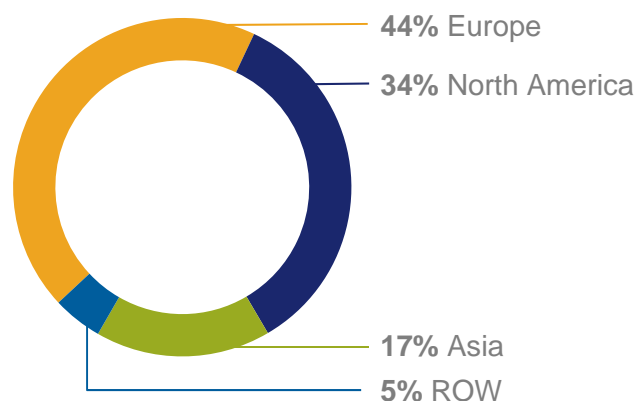
FY 2014 Revenues by End Market



Approx. 3,000 employees

Diverse revenue footprint in stable geographic regions

Revenue by Region*



AMG is a global supplier of Critical Materials to:

Energy



Aerospace



Infrastructure



Specialty Metals & Chemicals



The background of the slide is a photograph of an industrial setting. On the right side, there is a large, tightly coiled metal spring or wire, showing a metallic sheen. On the left side, a robotic arm with orange joints is visible, though it is out of focus. The overall lighting is dim, with a bright light source visible in the background, creating a bokeh effect.

Q1 2015 Financial highlights

A New Segment: AMG Critical Materials

AMG Critical Materials

AMG's conversion, mining, and recycling businesses

- Vanadium
- Superalloys
- Titanium Alloys & Coatings
- Aluminum Alloys
- Tantalum & Niobium
- Antimony
- Graphite
- Silicon

AMG Engineering

AMG's vacuum systems and services business

- Engineering
- Heat treatment services

Q1 2015 Financial highlights

- Revenue: \$257.0 million
 - 6% decrease from the same period in 2014
 - LTM revenue: was \$1,076.0 million
- SG&A: \$30.1 million
 - \$4.9 million or 14% decline from Q1 2014
 - Currency and cost cutting are primary drivers
- EBITDA: \$20.4 million
 - 2% increase from the same period in 2014
 - Improvement despite changes in currency
- EPS: \$0.10
 - 29% decrease from the same period in 2014
- Cash Flow from Operating Activities: \$3.8 million



Q1 2015 Financial highlights

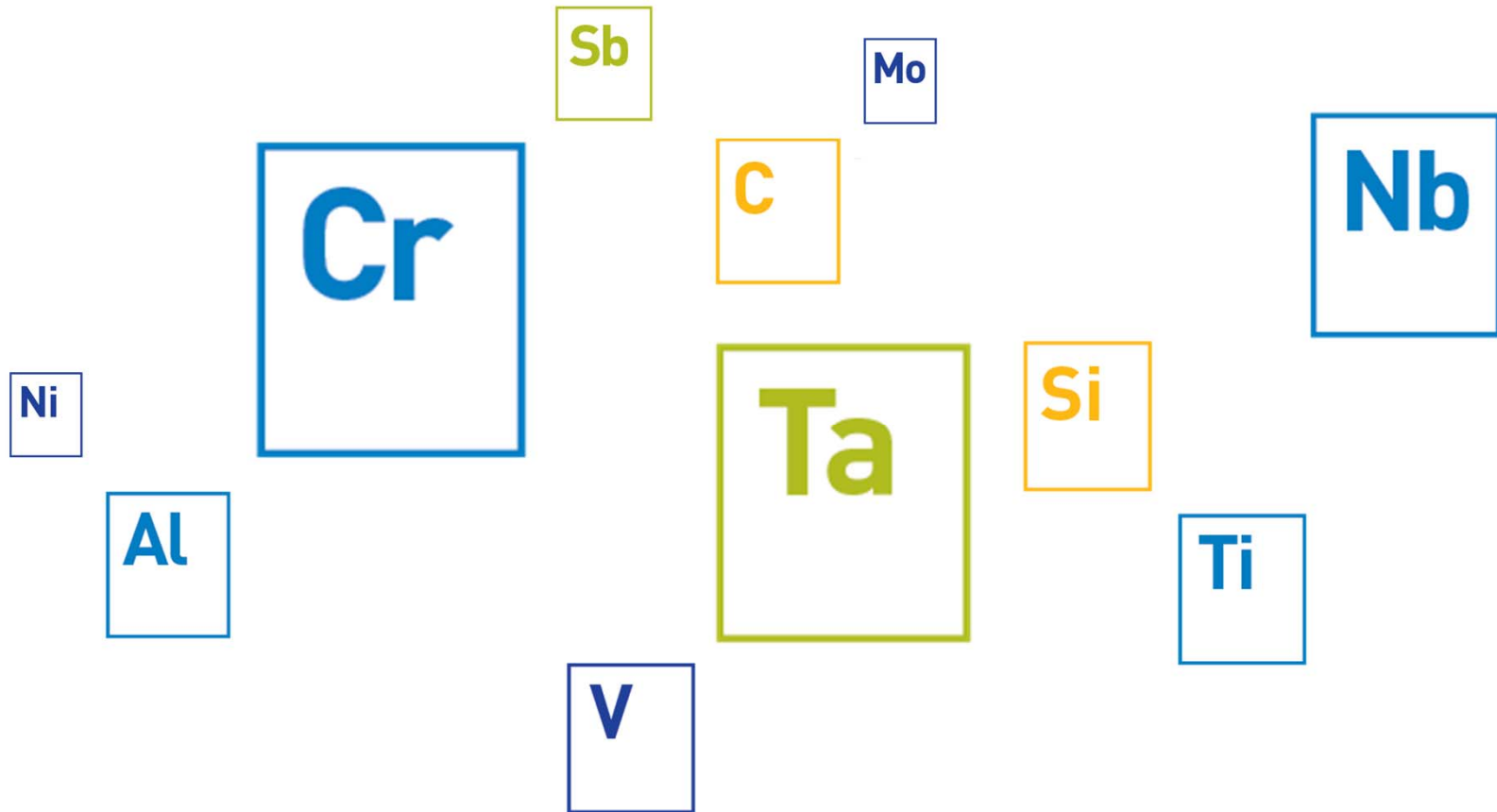
- AMG Critical Materials:
 - Revenue: \$202.3 million
 - Maintenance of gross margin, despite declining prices
 - EBITDA: \$17.3 million
- AMG Engineering
 - Revenue: \$54.7 million
 - Reduction of gross margin more than offset by SG&A cost controls
 - EBITDA \$3.1 million
- As of March 31, 2015
 - Cash: \$99.3 million
 - Net debt: \$86.8 million
 - Debt to capitalization: 0.59x
 - Net Debt to LTM EBITDA: 1.01x
 - Total liquidity: \$173.1 million



2015 Financial Objectives

Objective	Description
Refinance	<ul style="list-style-type: none">• Complete syndicated bank debt refinancing by end of Q2 2015
Maintain conservative balance sheet	<ul style="list-style-type: none">• Optimize capital structure for financial flexibility
Complete AMG Engineering Cost Reduction Program	<ul style="list-style-type: none">• Implement new procurement optimization program and reduce headcount• Annualized savings of approximately \$7M per year• To be completed Q4 2015
Improve ROCE	<ul style="list-style-type: none">• Increase ROCE through operational improvements and disciplined capital management
Increase Productivity	<ul style="list-style-type: none">• Continuous cost and product mix optimization

AMG aims to improve ROCE and complete refinancing in 2015



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