



**Jefferies 2014 Global Industrials Conference**  
**Dr. Heinz Schimmelbusch CEO**  
August 12, 2014

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# AMG Basics

- Critical Materials
- Proprietary Processing Technology
- Extraordinary Price Volatility
  - Low Cost Producer
  - Leader in Niche Markets
  - Lock in Forward Margins
  - Manage a Portfolio
- Sustainability - Measure the CO<sub>2</sub> Impact of Our Products

## AMG Summary Data

<b>Listed:</b>	NYSE-Euronext Amsterdam: AMG
<b>LTM Q2'14 Revenues:</b>	\$1,124.2M
<b>LTM Q2'14 EBITDA:</b>	\$68.7M
<b>LTM Q2'14 Op Cashflow:</b>	\$61.9M
<b>Employees:</b>	3,137
<b>Market Cap:</b>	\$272.1M
<b>Enterprise Value:</b>	\$420.3M
<b>EV / EBITDA</b>	6.1x
<b>Shares outstanding:</b>	27.6M
<b>52 week range:</b>	€6.34 – €8.35
<b>Recent share price:</b>	€7.36 (August 11, 2014)

# AMG 2014 H1 Financial Highlights

- \$553.8M Revenue
- \$40.5M EBITDA
- \$10.8M Net Income
- \$0.41 Earnings per Share
- 10% ROCE
- \$24.8M Operating Cash Flow
- \$12.5M Free Cash Flow
- \$147.8M Net Debt as of June 2014

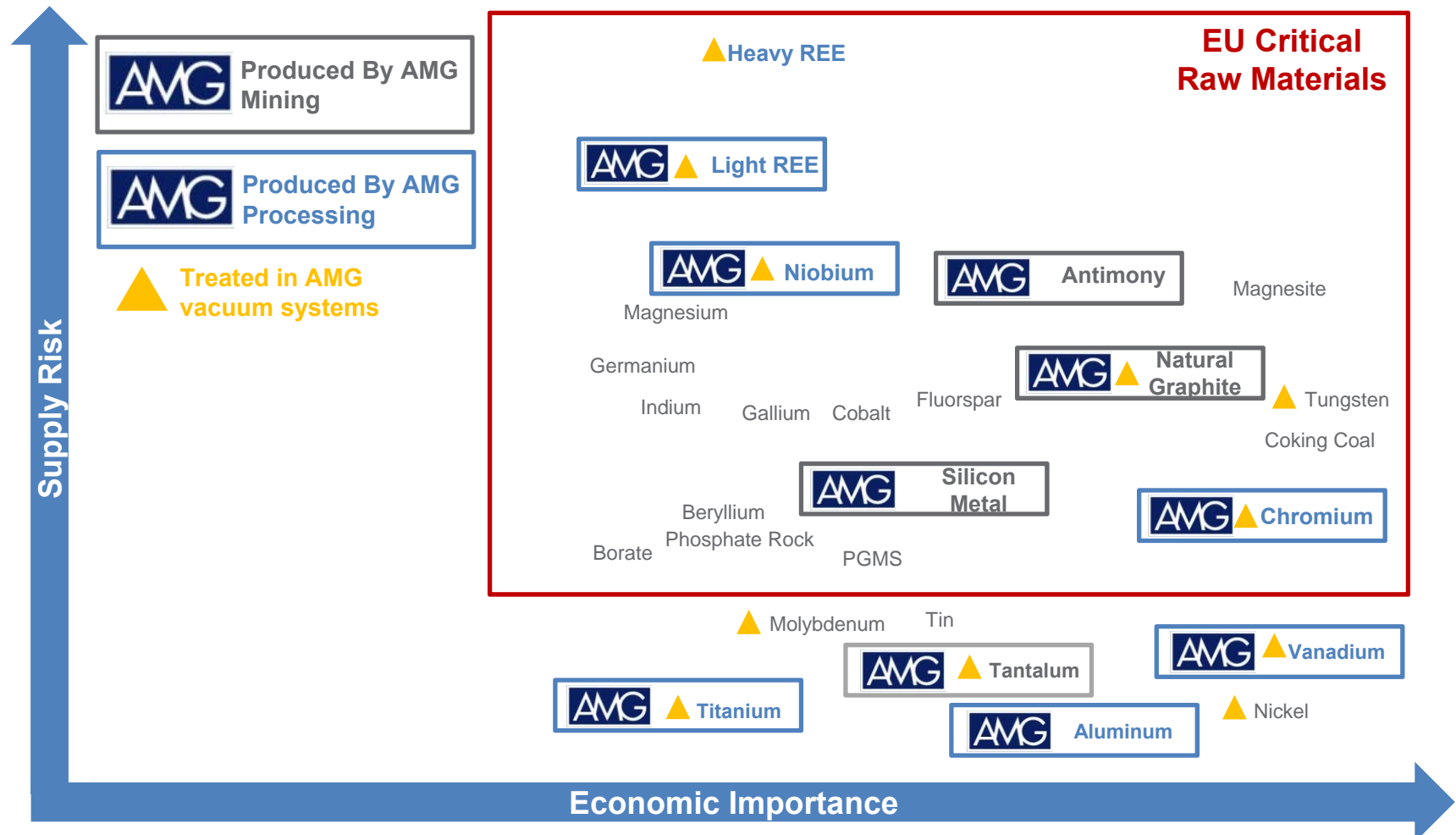


AMG MIBRA Mine

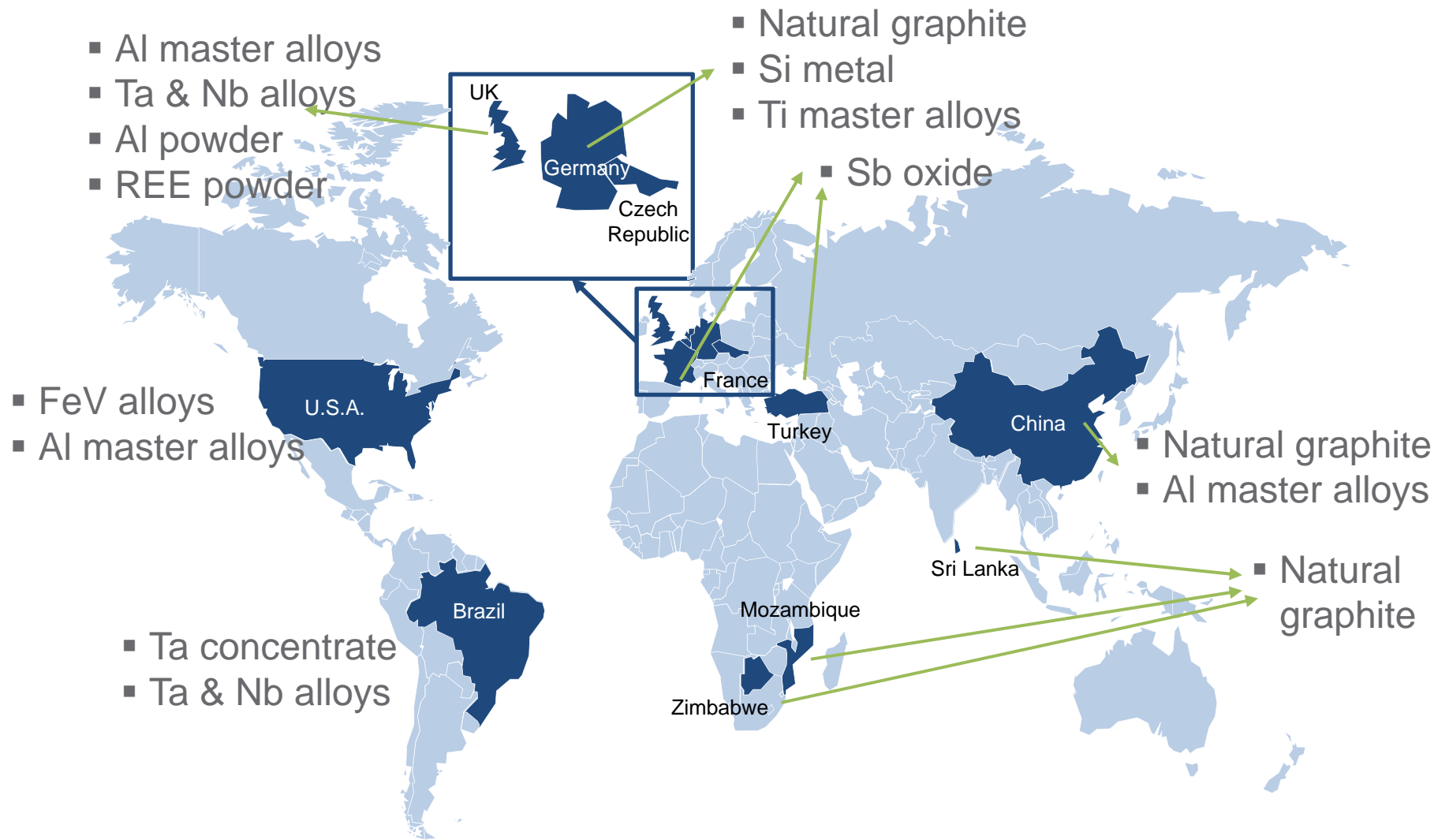
**AMG forecasts 2014 FY EBITDA  $\geq$  \$80M, over 10% growth**

# AMG's Presence in Critical Materials

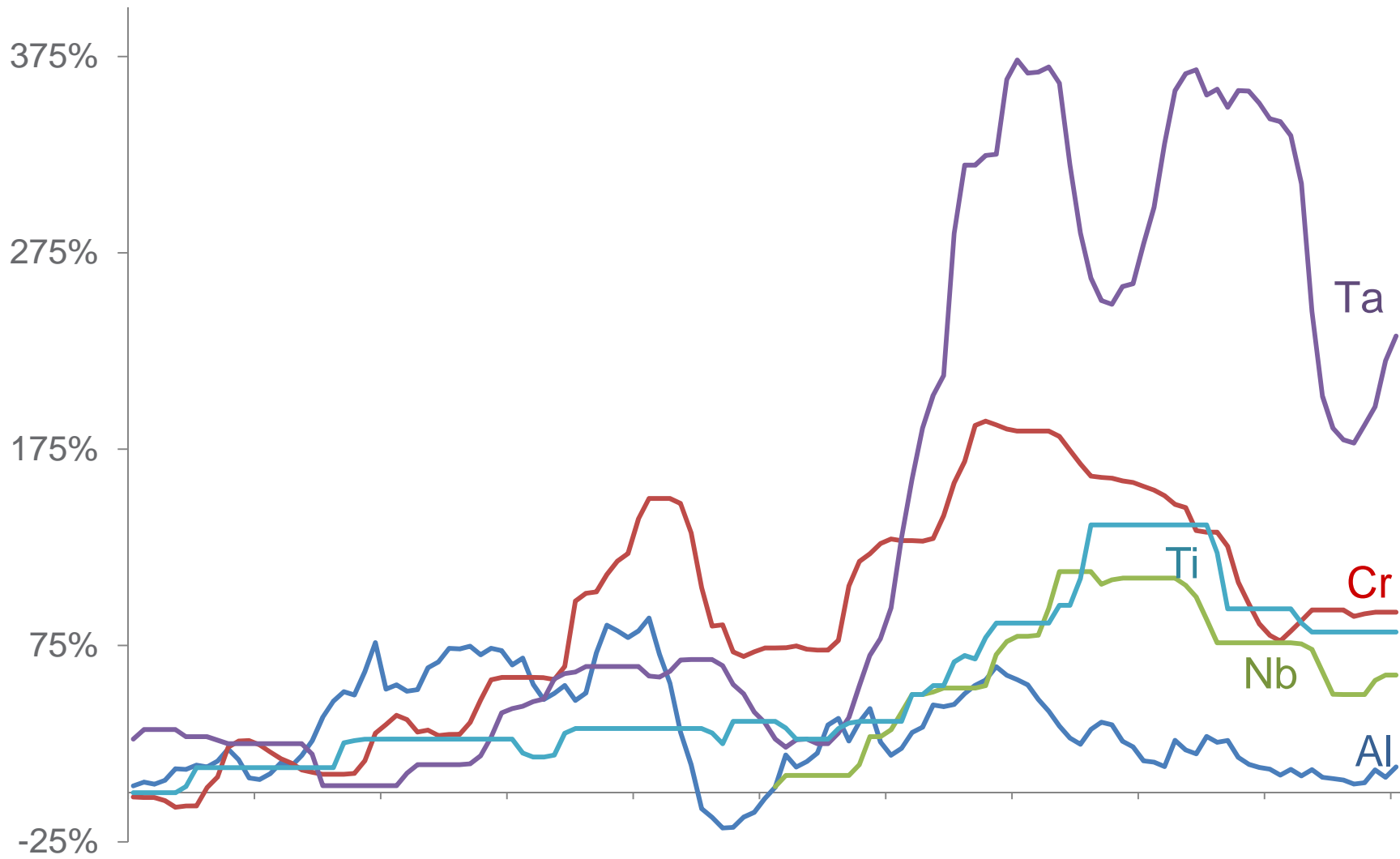
## Critical Raw Materials for the EU



# AMG's Global Portfolio

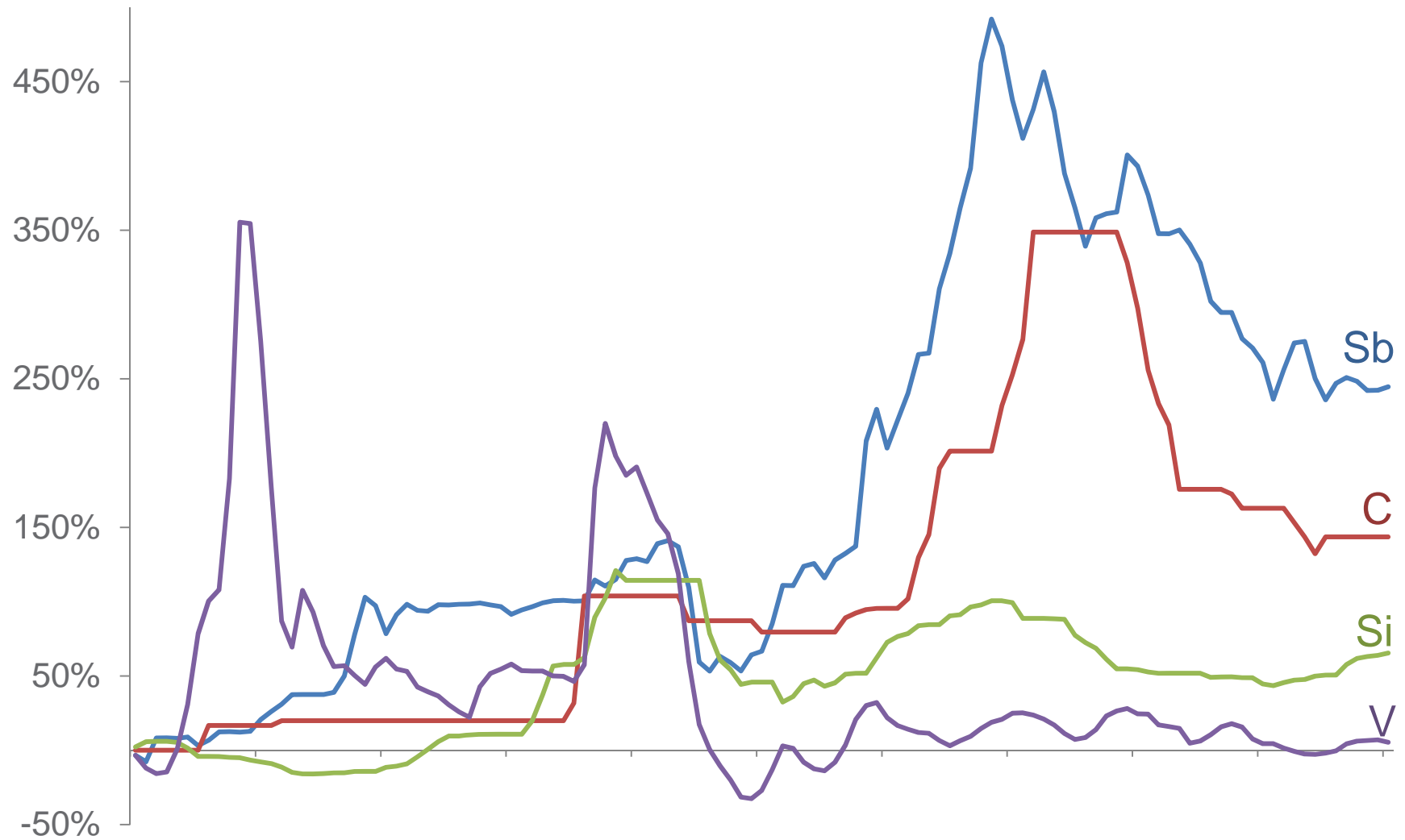


# Metals Price Volatility Last 10 Years

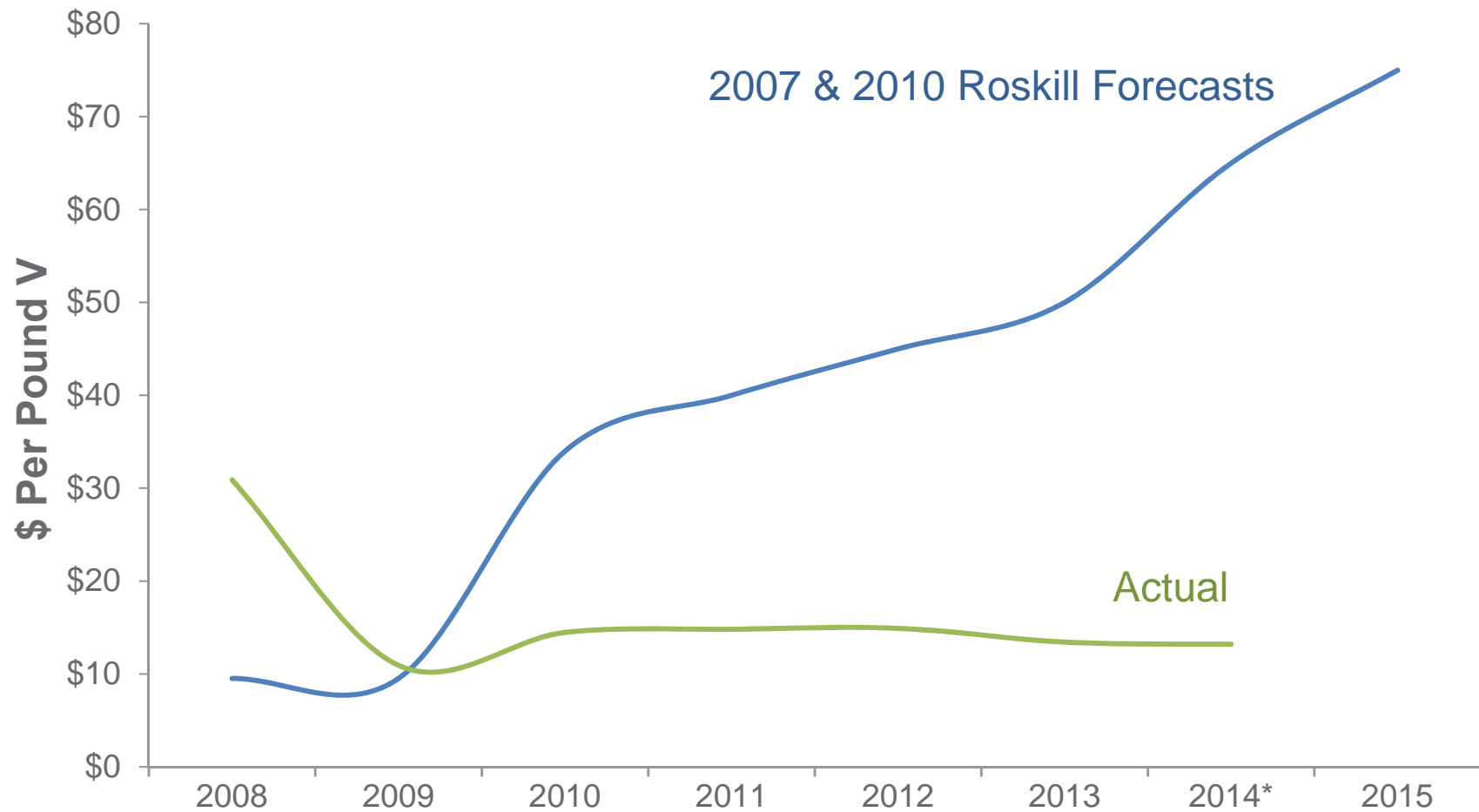




# Metals Price Volatility Last 10 Years



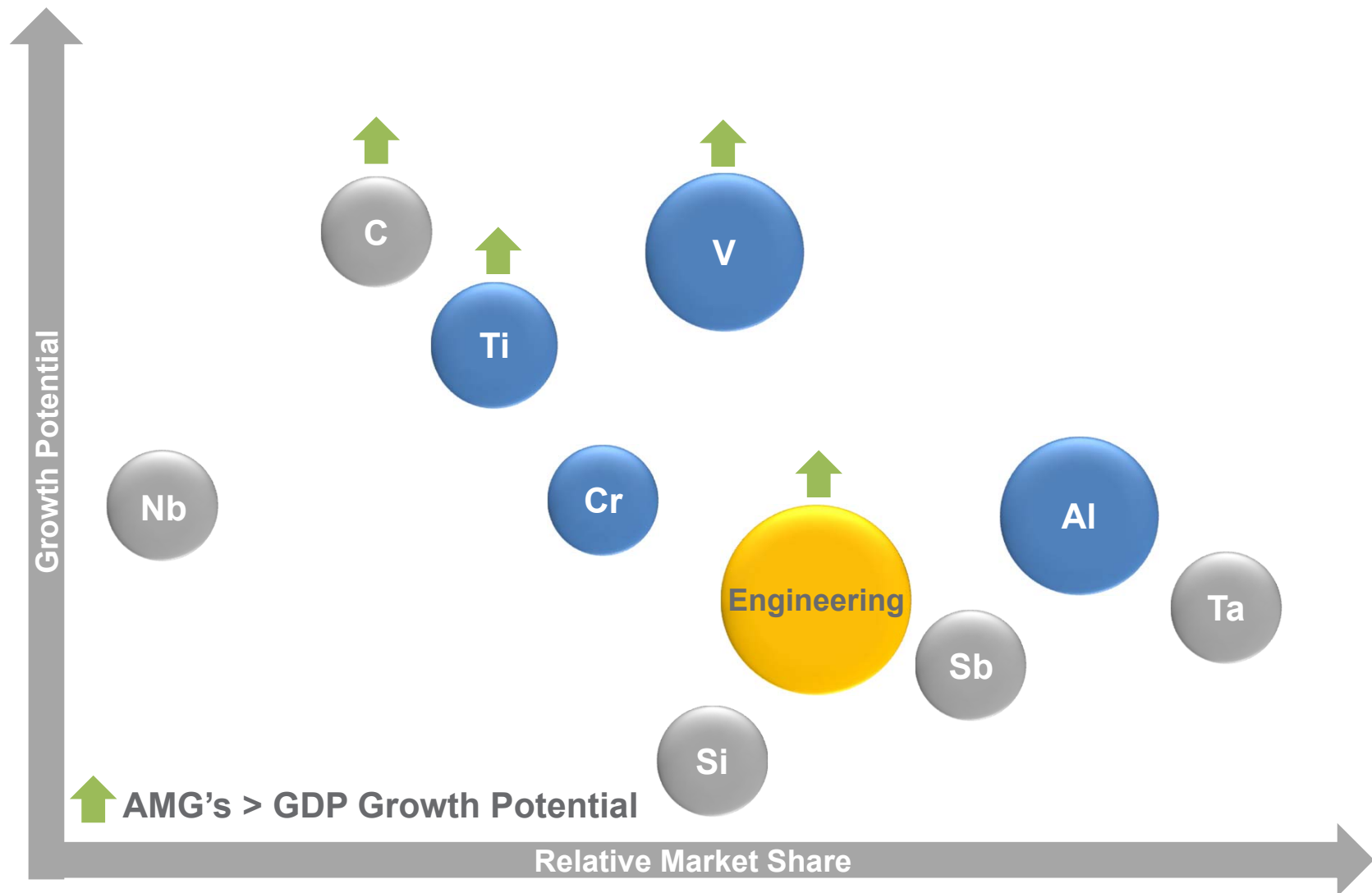
# Ferrovanadium Pricing - Forecast vs. Actual



# AMG's Portfolio Drivers of Criticality

Material	Demand Shifts	Severe Supply Risks
Aluminum Alloys	Fuel Efficiency	I
Ferrovanadium	HSLA Steel	✓
Chrome Metal	Aerospace, Fuel Cells	✓
Titanium Alloys	Aerospace	✓
Antimony Oxides	Infrastructure	✓
Tantalum	Electronics	✓
Niobium	Performance Steel	✓
Natural Graphite	Energy Saving Materials, Batteries, Graphene, Nuclear Waste Solutions	✓
Silicon Metal	Solar	I

# AMG's Portfolio Growth Potential

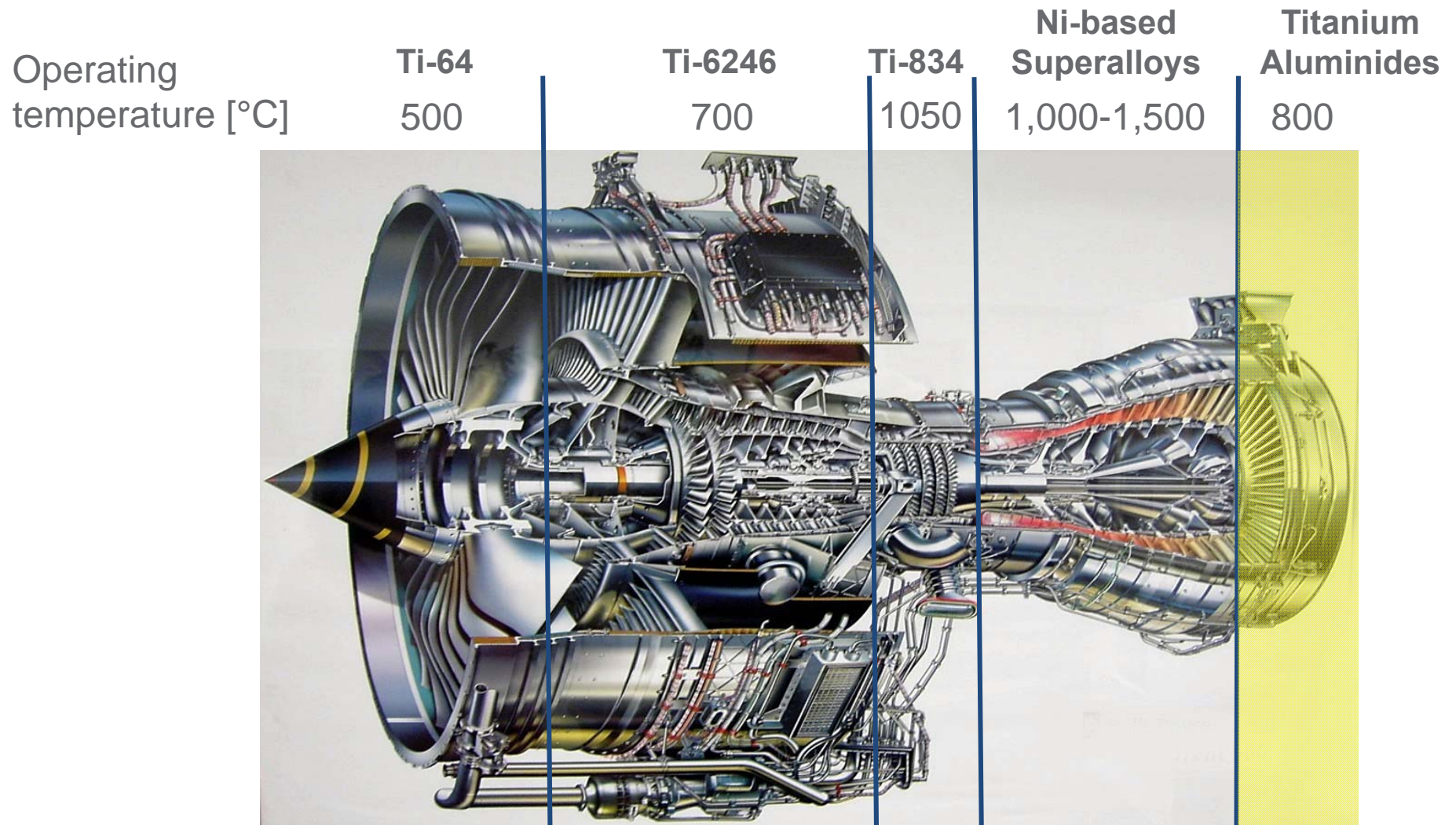


## Titanium Growth Potential





# Titanium Aluminides



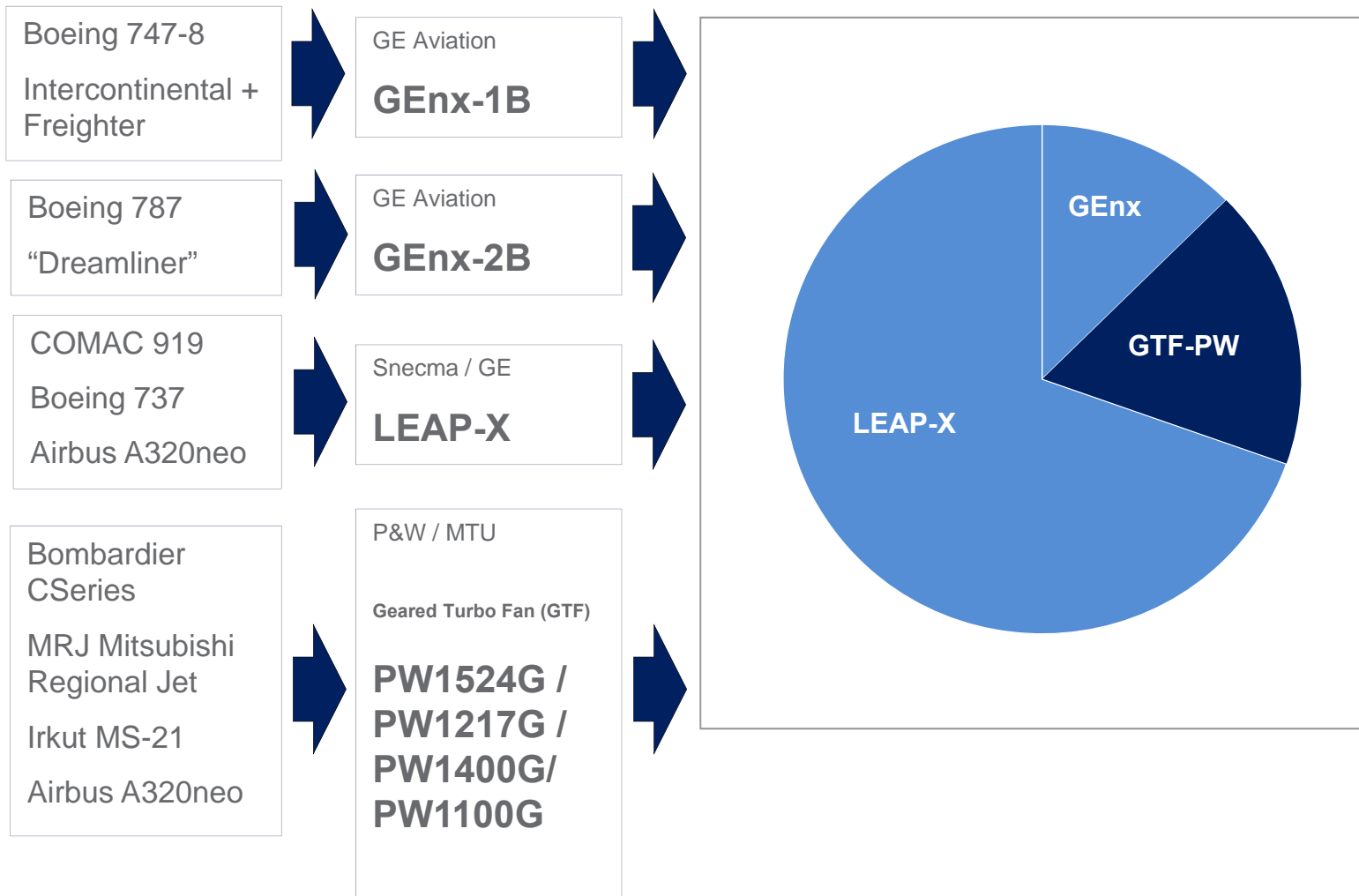
Titanium Aluminide is a substitute for Nickel based Superalloys

# Titanium Aluminides – Engine Types

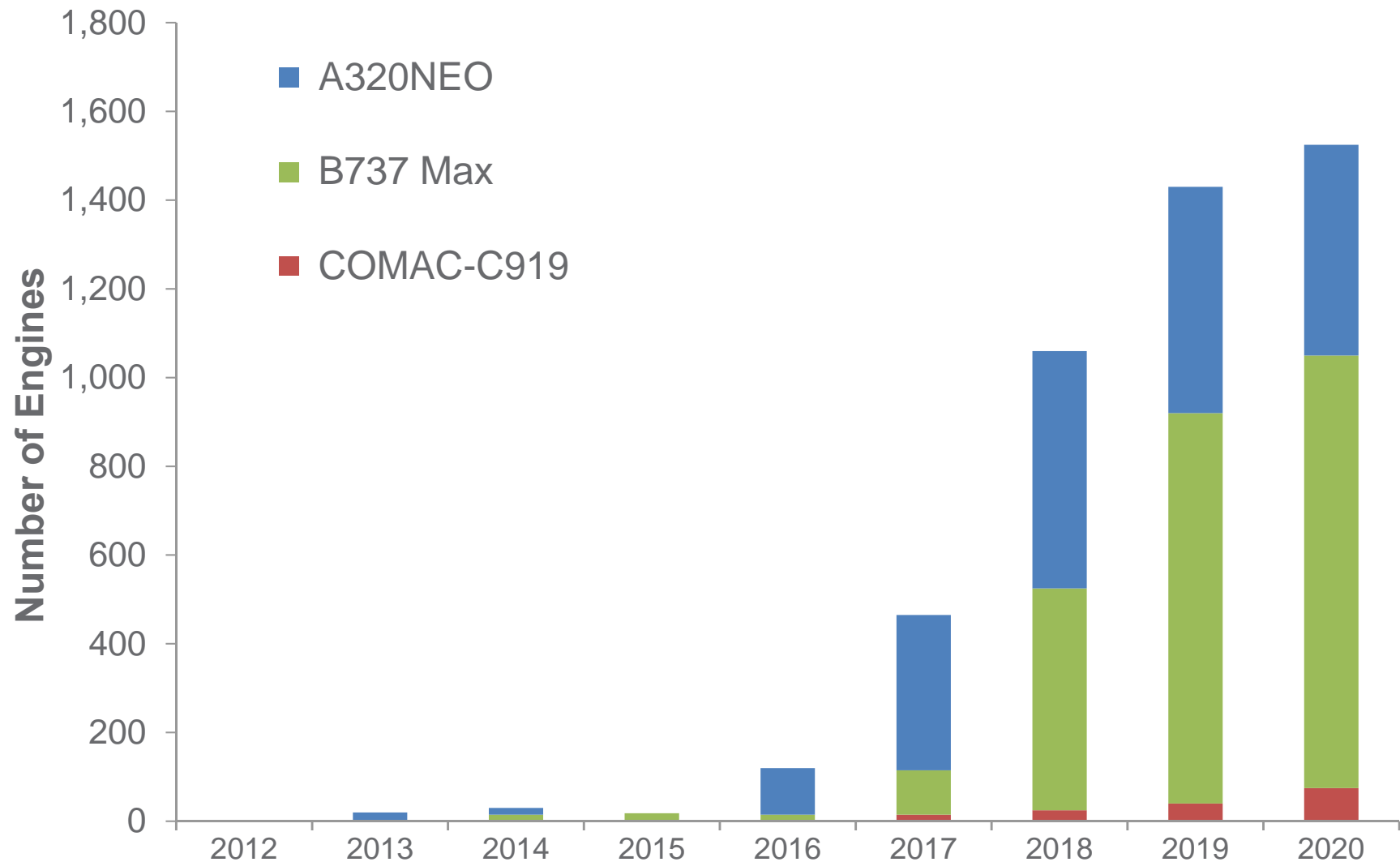
## Model of aircraft

## Type of engine

## Demand 2014 - 2021

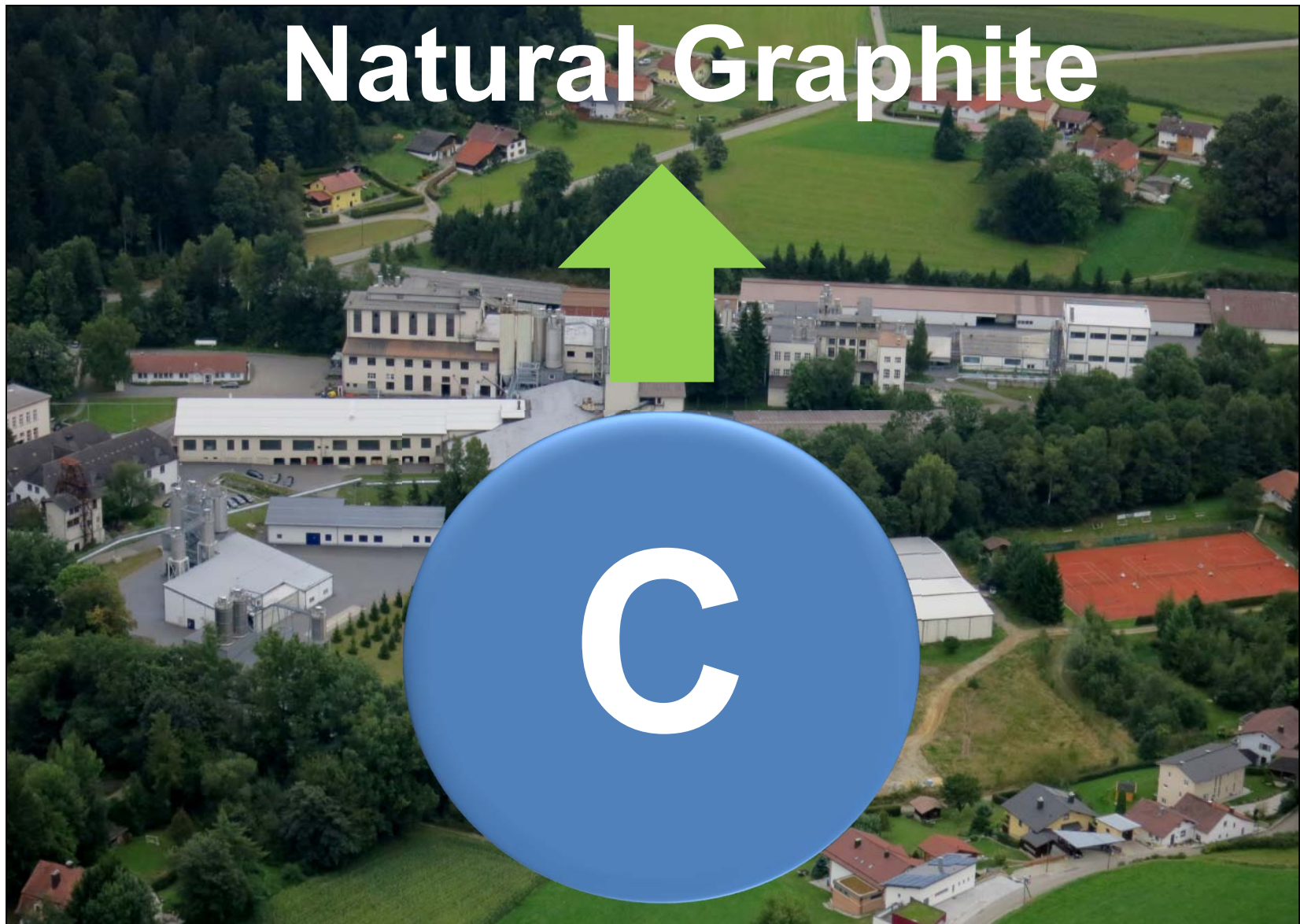


# Titanium Aluminides – Usage in Engines

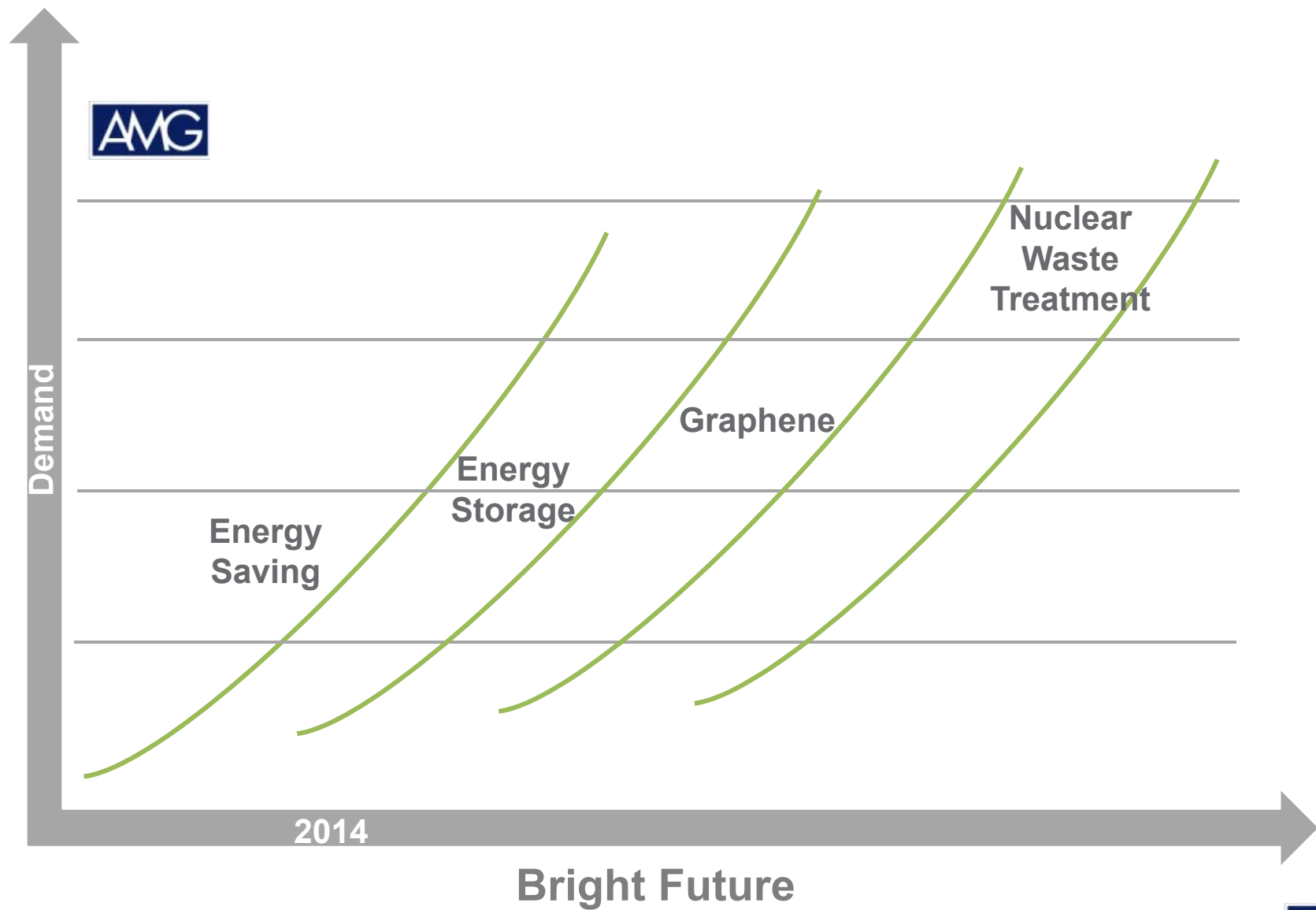




## Natural Graphite Growth Potential



# Natural Graphite Growth Trends



# Natural Graphite Based Insulation – CO<sub>2</sub> Savings

## Base Technology

No  
Insulation



Enabling Technology

## Enhanced Technology

Graphite Enhanced  
EPS Insulation



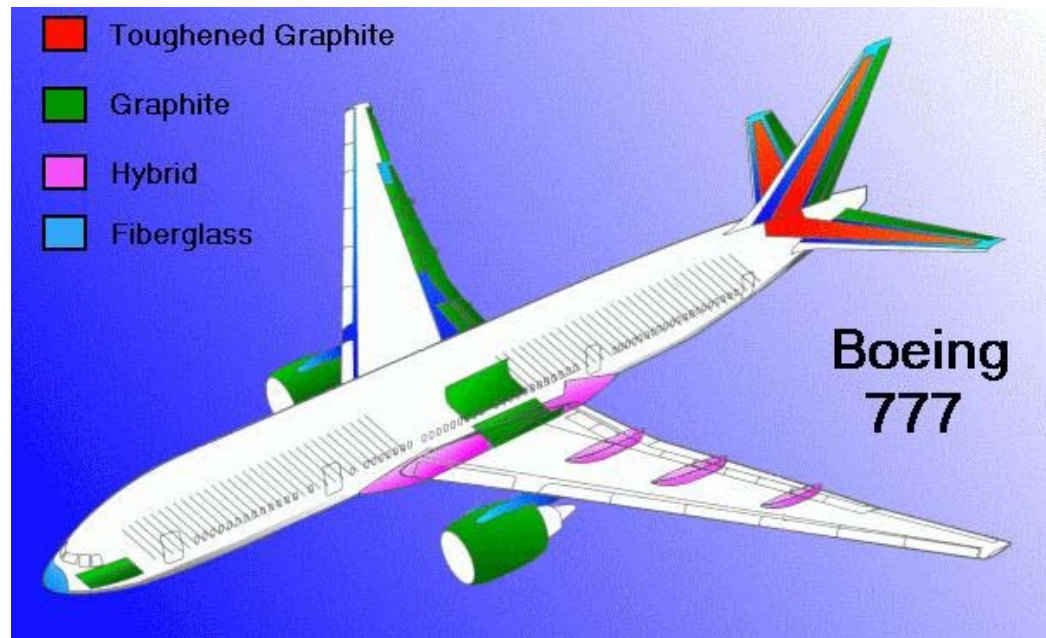
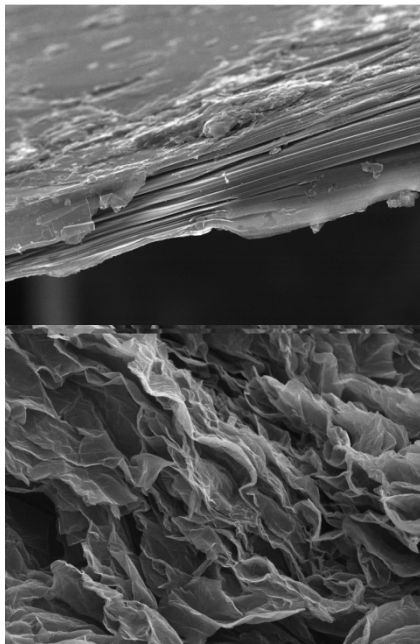
Graphite Enhanced Expanded Polystyrene Insulation  
Increases Thermal Coefficient of the Insulating Materials

**In 2013 Enabled 930,000 mt CO<sub>2</sub> Savings per Year**

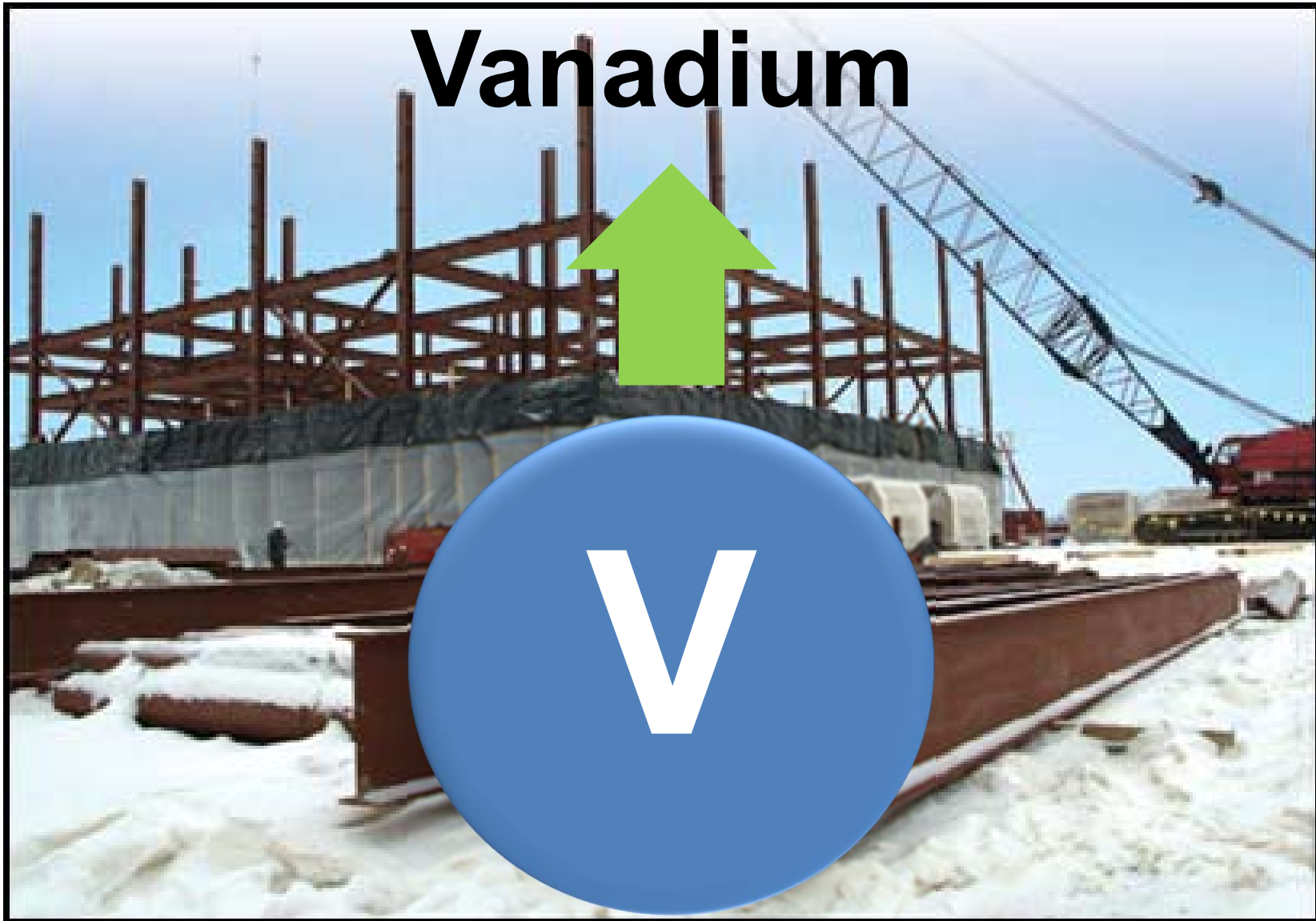


# Graphene

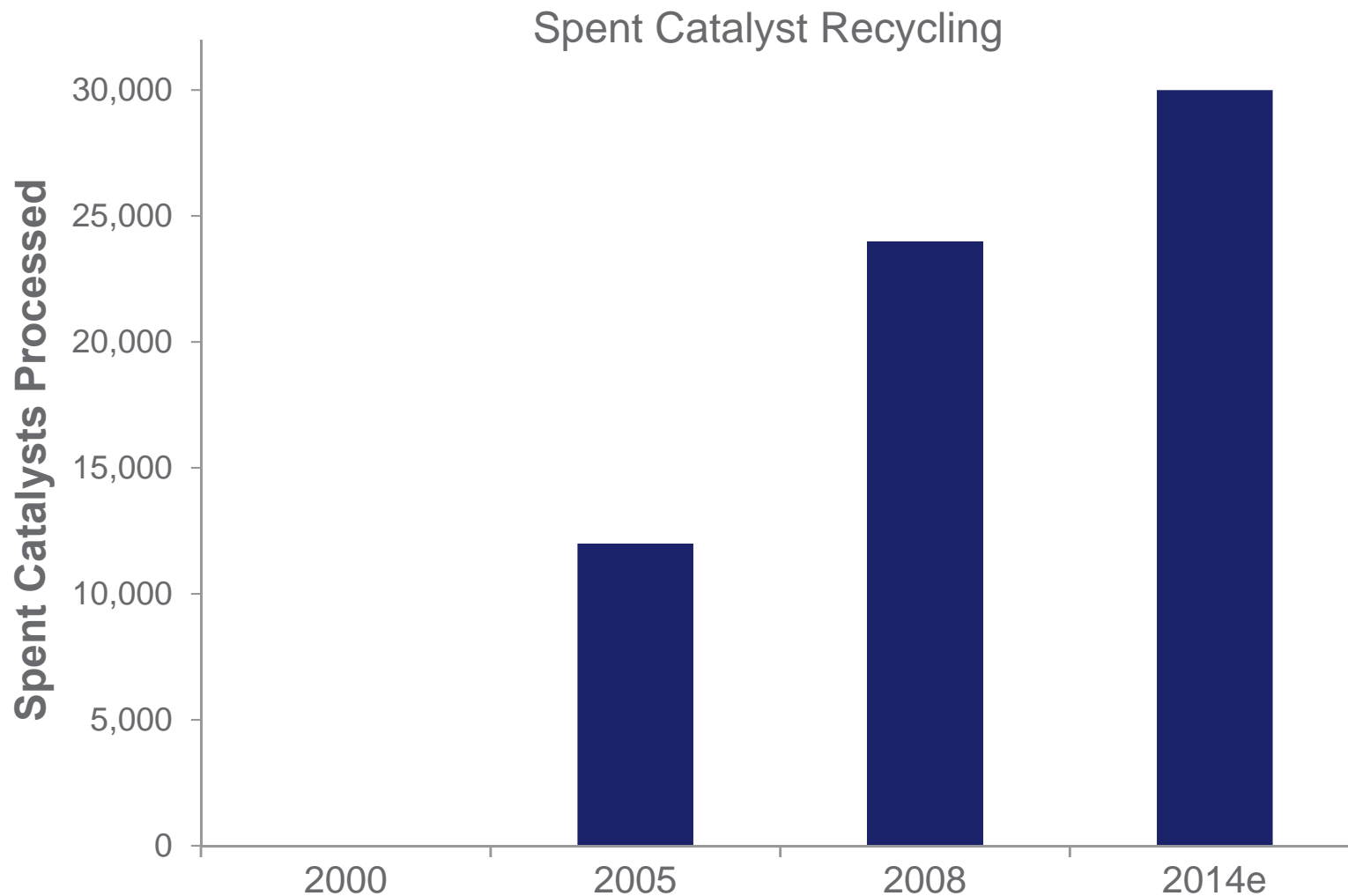
- A standard graphite flake consists of thousands of graphene layers
- 3 million sheets of graphene are 1 mm thick
- 200 times stronger than steel
- Strength of graphene will lead to applications in lightweight composites



## Vanadium Growth Potential



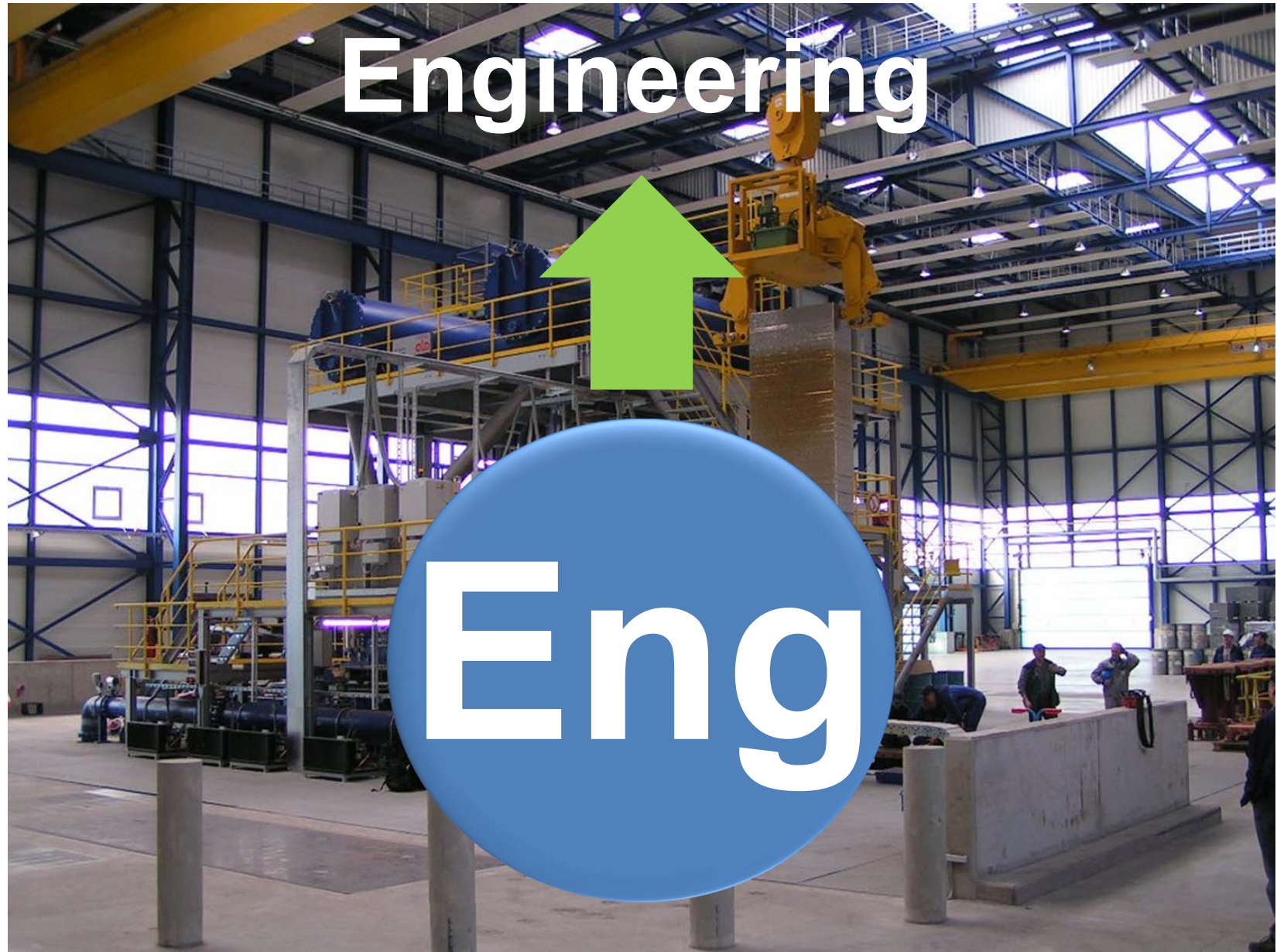
# Ferrovanadium Capacity Growth



**Lowest Cost Producer and Recycling Market Leader**



# Engineering Growth Potential

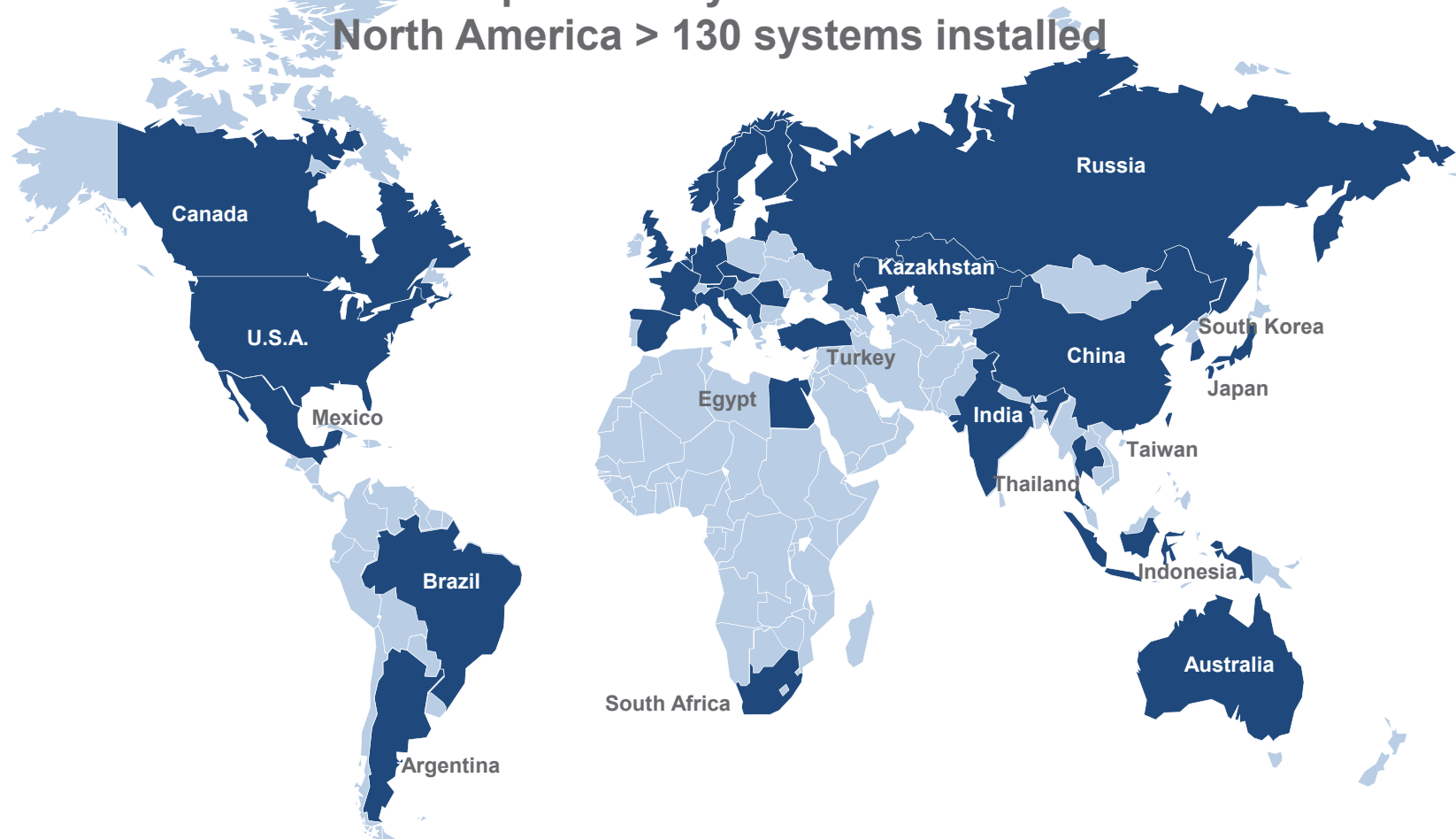


# AMG Engineering – Systems Installed

Asia > 650 systems installed

Europe > 750 systems installed

North America > 130 systems installed



## Global Leadership in Vacuum Furnaces



# Engineering Growth Areas

Tough,  
yet beautiful.



Gorilla Glass



Intelligent Fasteners



Turbine Blade Coating



Fuel Efficiency



Nuclear Waste  
Technologies

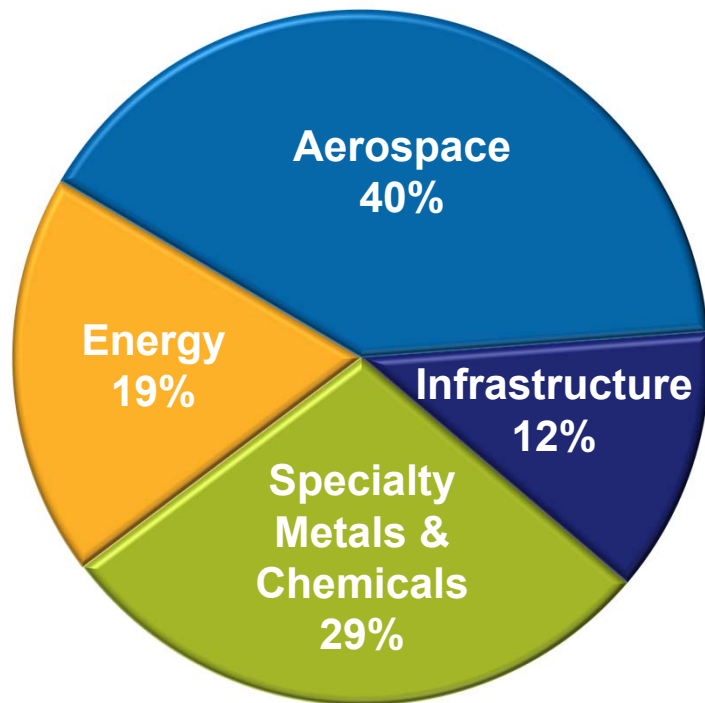
# AMG Overview



# AMG End Markets

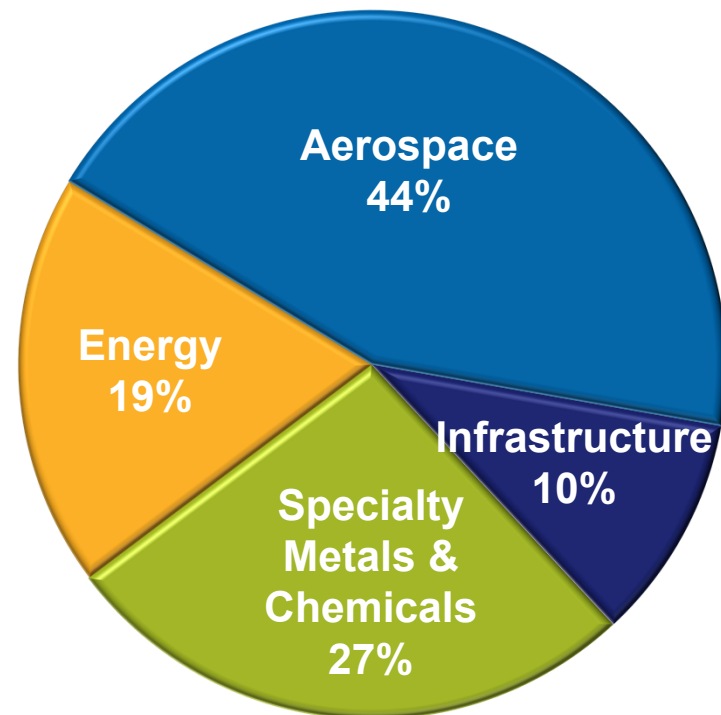
## Revenue

2013: \$1,158.4M

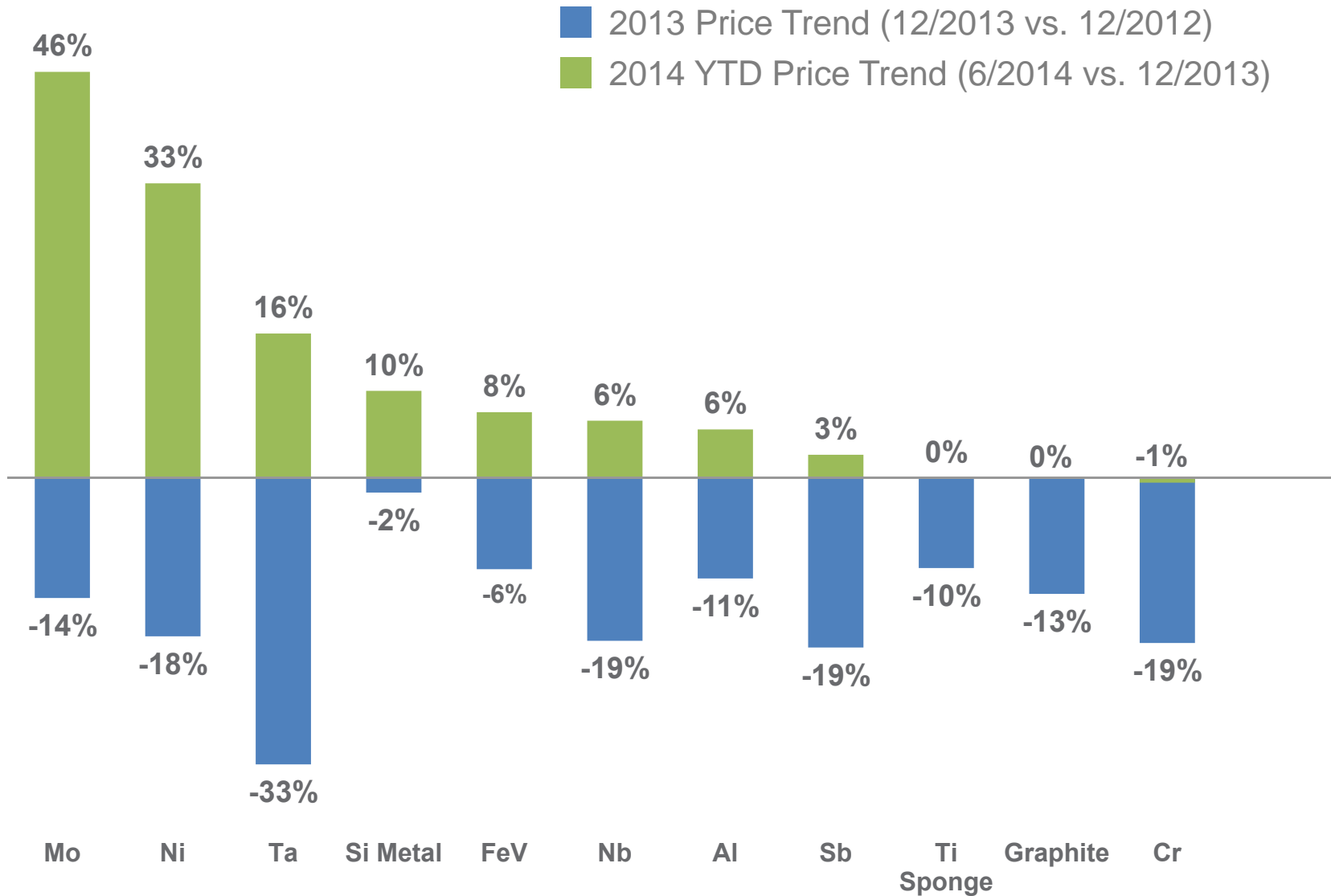


## Gross Profit

2013: \$177.7M

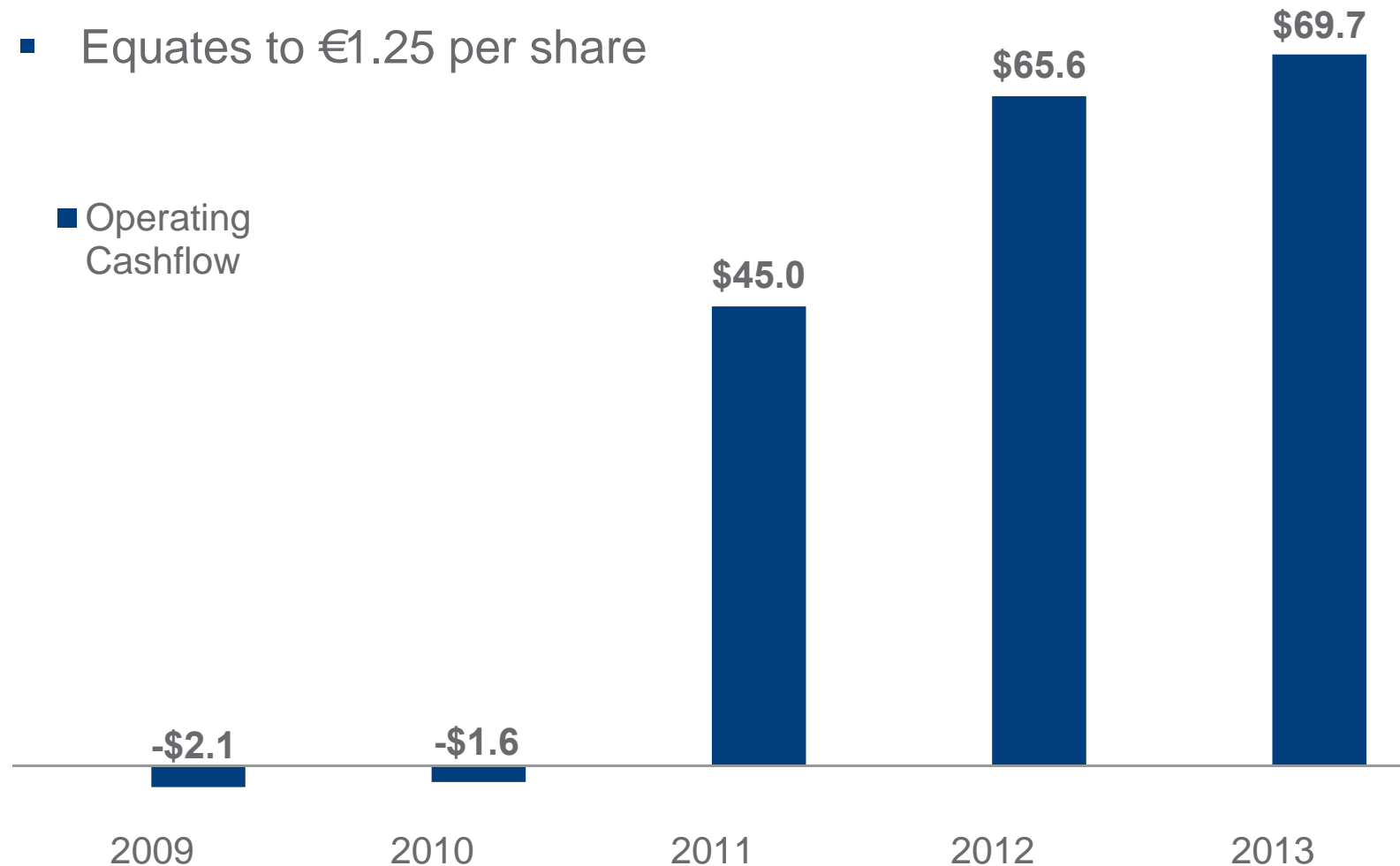


# Critical Metals Prices Improving



## AMG's Focus on Cash Flow

- Net debt reduced from \$194.2M to \$147.8M in June 2014 from Dec 2012
  - \$46.4M, or 24%, debt reduction
  - Equates to €1.25 per share





**Thank You**