

AMG Advanced Metallurgical Group N.V.
Condensed interim consolidated income statement

For the three months ended September 30

In thousands of US Dollars

	2013	2012
	Unaudited	Unaudited ¹
Continuing operations		
Revenue	286,415	296,851
Cost of sales	246,623	249,314
Gross profit	39,792	47,537
Selling, general and administrative expenses	32,343	34,411
Restructuring expense	1,753	476
Environmental expense	48	1,712
Other income, net	(1,627)	(186)
Operating profit	7,275	11,124
Finance expense	6,347	5,270
Finance income	(324)	(243)
Foreign exchange gain	(358)	(699)
Net finance costs	5,665	4,328
Share of profit of associates	26	208
Profit before income tax	1,636	7,004
Income tax expense	459	2,101
Profit for the period	1,177	4,903
Attributable to:		
Shareholders of the Company	1,407	5,006
Non-controlling interests	(230)	(103)
Profit for the period	1,177	4,903
Earnings per share		
Basic earnings per share	0.05	0.18
Diluted earnings per share	0.05	0.18

¹ AMG restated the December 31, 2012 statement of financial position and 2012 income statement to comply with new IFRS standards and interpretations.

AMG Advanced Metallurgical Group N.V.
Condensed interim consolidated income statement

For the nine months ended September 30

In thousands of US Dollars

	2013	2012
	Unaudited	Unaudited ¹
Continuing operations		
Revenue	874,421	940,426
Cost of sales	737,753	785,555
Gross profit	136,668	154,871
Selling, general and administrative expenses	102,354	111,185
Asset impairment expense	49,703	6,333
Restructuring expense	8,488	4,807
Environmental expense	125	3,000
Other income, net	(2,095)	(888)
Operating (loss) profit	(21,907)	30,434
Finance expense	17,384	18,211
Finance income	(640)	(855)
Foreign exchange gain	(313)	(190)
Net finance costs	16,431	17,166
Share of (loss) profit of associates	(530)	457
(Loss) profit before income tax	(38,868)	13,725
Income tax expense	2,383	8,782
(Loss) profit for the period	(41,251)	4,943
Attributable to:		
Shareholders of the Company	(38,363)	6,126
Non-controlling interests	(2,888)	(1,183)
(Loss) profit for the period	(41,251)	4,943
(Loss) earnings per share		
Basic (loss) earnings per share	(1.39)	0.22
Diluted (loss) earnings per share	(1.39)	0.22

¹ AMG restated the December 31, 2012 statement of financial position and 2012 income statement to comply with new IFRS standards and interpretations.

AMG Advanced Metallurgical Group N.V.
Condensed interim consolidated statement of financial position

In thousands of US Dollars

	Sept 30, 2013 Unaudited	Dec 31, 2012 ¹
Assets		
Property, plant and equipment	258,211	288,269
Goodwill	25,080	24,751
Intangible assets	11,459	13,971
Investments in associates and joint ventures	6,313	7,351
Derivative financial instruments	200	527
Deferred tax assets	37,064	35,455
Restricted cash	9,944	11,888
Notes receivable	251	227
Other assets	24,406	22,262
Total non-current assets	372,928	404,701
Inventories	185,569	211,531
Trade and other receivables	161,310	177,232
Derivative financial instruments	4,196	3,229
Other assets	32,300	30,438
Cash and cash equivalents	116,278	121,639
Total current assets	499,653	544,069
Total assets	872,581	948,770

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AMG Advanced Metallurgical Group N.V.
Condensed interim consolidated statement of financial position
(continued)
In thousands of US Dollars

	Sept 30, 2013 Unaudited	Dec 31, 2012 ¹
Equity		
Issued capital	743	743
Share premium	382,176	382,176
Other reserves	(5,540)	(10,190)
Retained earnings (deficit)	(241,022)	(204,284)
Equity attributable to shareholders of the Company	136,357	168,445
Non-controlling interests	3,615	6,818
Total equity	139,972	175,263
Liabilities		
Loans and borrowings	244,658	265,553
Employee benefits	132,981	137,957
Provisions	31,754	31,852
Deferred revenue	13,572	2,724
Government grants	903	472
Other liabilities	6,299	6,690
Derivative financial instruments	9,082	11,082
Deferred tax liabilities	22,547	26,120
Total non-current liabilities	461,796	482,450
Loans and borrowings	14,797	20,333
Short term bank debt	20,439	29,958
Government grants	56	55
Other liabilities	53,562	58,934
Trade and other payables	123,272	125,342
Derivative financial instruments	5,588	3,900
Advance payments	26,878	26,989
Deferred revenue	5,251	2,533
Current taxes payable	2,076	8,623
Provisions	18,894	14,390
Total current liabilities	270,813	291,057
Total liabilities	732,609	773,507
Total equity and liabilities	872,581	948,770

¹ AMG restated the December 31, 2012 statement of financial position and 2012 income statement to comply with new IFRS standards and interpretations.

AMG Advanced Metallurgical Group N.V.
Condensed interim consolidated statement of cash flows
For the nine months ended September 30
In thousands of US Dollars

	2013	2012
	Unaudited	Unaudited ¹
Cash flows from operating activities		
(Loss) profit for the period	(41,251)	4,943
Adjustments to reconcile net (loss) profit to net cash flows:		
Non-cash:		
Income tax expense	2,383	8,782
Depreciation and amortization	24,822	21,252
Asset impairment expense	49,703	6,333
Net finance costs	16,431	17,166
Share of loss (profit) of associates and joint ventures	530	(457)
(Gain) loss on sale or disposal of property, plant and equipment	(1,429)	210
Equity-settled share-based payment transactions	666	1,268
Movement in provisions, pensions and government grants	969	6,433
Change in working capital and deferred revenue	27,369	(10,773)
Cash flows from operating activities	80,193	55,157
Finance costs paid, net	(11,331)	(10,030)
Income tax paid, net	(11,544)	(11,619)
Net cash flows from operating activities	57,318	33,508
Cash flows used in investing activities		
Proceeds from sale of property, plant and equipment	1,821	226
Proceeds from sale of investment in associate	650	-
Acquisition of property, plant and equipment and intangibles	(22,534)	(33,875)
Acquisition of subsidiaries (net of cash acquired of \$139)	-	(594)
Acquisition of other non-current asset investments	(4,000)	-
Change in restricted cash	1,952	144
Other	13	55
Net cash flows used in investing activities	(22,098)	(34,044)
Cash flows (used in) from financing activities		
Proceeds from issuance of debt	38	67,185
Repayment of borrowings	(42,572)	(27,791)
Change in non-controlling interests	(69)	(7,128)
Other	7	(6)
Net cash flows (used in) from financing activities	(42,596)	32,260
Net (decrease) increase in cash and cash equivalents	(7,376)	31,724
Cash and cash equivalents at January 1	121,639	79,571
Effect of exchange rate fluctuations on cash held	2,015	91
Cash and cash equivalents at September 30	116,278	111,386

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