

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

For the quarter ended March 31

In thousands of US Dollars

	2016	2015
	Unaudited	Unaudited
Continuing operations		
Revenue	237,399	256,991
Cost of sales	193,108	213,689
Gross profit	44,291	43,302
Selling, general and administrative expenses	31,298	30,143
Restructuring expense	68	1,694
Other income, net	(8)	(88)
Operating profit	12,933	11,553
Finance income	(115)	(338)
Finance expense	2,090	3,672
Foreign exchange (gain) loss	(146)	172
Net finance costs	1,829	3,506
Share of profit of associates and joint ventures	1,450	75
Profit before income tax	12,554	8,122
Income tax expense	283	5,465
Profit for the period	12,271	2,657
Attributable to:		
Shareholders of the Company	11,974	2,676
Non-controlling interests	297	(19)
Profit for the period	12,271	2,657
Earnings per share		
Basic earnings per share	0.43	0.10
Diluted earnings per share	0.42	0.10

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

<i>In thousands of US Dollars</i>	March 31, 2016 Unaudited	December 31, 2015
Assets		
Property, plant and equipment	215,126	215,833
Goodwill	23,716	18,676
Intangible assets	10,765	10,246
Investments in associates and joint ventures	-	2,230
Other investments	14,000	14,000
Deferred tax assets	31,360	31,551
Restricted cash	2,512	2,527
Other assets	20,355	19,883
Total non-current assets	317,834	314,946
Inventories	125,846	126,389
Trade and other receivables	146,062	124,270
Derivative financial instruments	1,293	978
Other assets	30,785	27,648
Assets held for sale	3,495	673
Cash and cash equivalents	111,618	127,778
Total current assets	419,099	407,736
Total assets	736,933	722,682

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

<i>In thousands of US Dollars</i>	March 31, 2016 Unaudited	December 31, 2015
Equity		
Issued capital	745	745
Share premium	382,978	382,978
Other reserves	(43,406)	(49,500)
Retained earnings (deficit)	(194,046)	(205,662)
Equity attributable to shareholders of the Company	146,271	128,561
Non-controlling interests	25,825	25,006
Total equity	172,096	153,567
Liabilities		
Loans and borrowings	115,669	112,217
Employee benefits	142,353	137,853
Provisions	29,951	29,617
Deferred revenue	9,096	13,539
Government grants	527	536
Other liabilities	10,219	8,821
Derivative financial instruments	2,680	5,642
Deferred tax liabilities	12,901	11,691
Total non-current liabilities	323,396	319,916
Loans and borrowings	3,327	3,222
Short term bank debt	9,840	11,304
Government grants	102	99
Liabilities associated with assets held for sale	1,459	423
Other liabilities	44,911	42,872
Trade and other payables	118,826	108,019
Derivative financial instruments	4,728	8,379
Advance payments	27,913	44,184
Deferred revenue	15,889	16,124
Current taxes payable	3,220	3,093
Provisions	11,226	11,480
Total current liabilities	241,441	249,199
Total liabilities	564,837	569,115
Total equity and liabilities	736,933	722,682

AMG Advanced Metallurgical Group N.V.
Condensed interim consolidated statement of cash flows

For the quarter ended March 31

In thousands of US Dollars

	2016 Unaudited	2015 Unaudited
Cash flows (used in) from operating activities		
Profit for the year	12,271	2,657
Adjustments to reconcile net profit to net cash flows:		
Non-cash:		
Income tax expense	283	5,465
Depreciation and amortization	7,374	7,181
Net finance costs	1,829	3,506
Share of profit of associates and joint ventures	(1,450)	(75)
Loss (gain) on sale or disposal of property, plant and equipment	171	(45)
Equity-settled share-based payment transactions	668	132
Movement in provisions, pensions and government grants	(23)	312
Working capital and deferred revenue adjustments	(22,222)	(14,422)
Cash flows (used in) from operating activities	(1,099)	4,711
Finance costs paid, net	(1,301)	(353)
Income tax paid, net	(1,920)	(561)
Net cash flows (used in) from operating activities	(4,320)	3,797
 Cash flows used in investing activities		
Proceeds from sale of property, plant and equipment	254	151
Proceeds from sale of subsidiaries (net of cash divested of \$1,347 in 2015)	-	(550)
Acquisition of property, plant and equipment and intangibles	(6,917)	(3,788)
Acquisition of subsidiaries (net of cash acquired of \$35 in 2016)	(4,961)	-
Change in restricted cash	110	(1,304)
Other	12	11
Net cash flows used in investing activities	(11,502)	(5,480)

AMG Advanced Metallurgical Group N.V.
 Condensed interim consolidated statement of cash flows
 (continued)

For the quarter ended March 31

In thousands of US Dollars

	2016	2015
	Unaudited	Unaudited
Cash flows used in financing activities		
Repayment of borrowings	(1,414)	(1,724)
Change in non-controlling interests	-	1,167
Net cash flows used in financing activities	(1,414)	(557)
Net decrease in cash and cash equivalents	(17,236)	(2,240)
Cash and cash equivalents at January 1	127,778	108,029
Effect of exchange rate fluctuations on cash held	1,076	(6,474)
Cash and cash equivalents at March 31	111,618	99,315