

AMG Advanced Metallurgical Group N.V.
Consolidated Income Statement

For the quarter ended December 31

In thousands of US Dollars

	2015 Unaudited	2014 Unaudited
Continuing operations		
Revenue	220,842	260,378
Cost of sales	188,457	215,460
Gross profit	32,385	44,918
Selling, general and administrative expenses	30,400	31,241
Restructuring expense	(3,011)	3,059
Asset impairment expense	-	1,867
Environmental	1,529	5,544
Other income, net	(724)	(491)
Operating profit	4,191	3,698
Finance income	(786)	(386)
Finance expense	2,219	5,846
Foreign exchange gain	865	537
Net finance costs	2,298	5,997
Share of profit of associates and joint ventures	382	62
Profit (loss) before income tax	2,275	(2,237)
Income tax expense (benefit)	4,416	(9,884)
(Loss) profit for the period	(2,141)	7,647
Attributable to:		
Shareholders of the Company	(337)	7,310
Non-controlling interests	(1,804)	337
(Loss) profit for the period	(2,141)	7,647
Earnings per share		
Basic earnings per share	(0.01)	0.26
Diluted earnings per share	(0.01)	0.26

AMG Advanced Metallurgical Group N.V.
Consolidated Income Statement

For the year ended December 31

In thousands of US Dollars

	2015	2014
	Unaudited	
Continuing operations		
Revenue	977,143	1,093,889
Cost of sales	817,183	909,597
Gross profit	159,960	184,292
Selling, general and administrative expenses	122,331	133,500
Restructuring expense	3,103	4,870
Asset impairment expense	-	1,867
Environmental	(757)	5,544
Other income, net	(880)	(2,121)
Operating profit	36,163	40,632
Finance income	(1,328)	(924)
Finance expense	11,267	19,944
Foreign exchange (gain) loss	(1,712)	529
Net finance costs	8,227	19,549
Share of gain (loss) of associates and joint ventures	632	(407)
Profit before income tax	28,568	20,676
Income tax expense (benefit)	18,651	(972)
Profit for the year	9,917	21,648
Attributable to:		
Shareholders of the Company	11,080	21,910
Non-controlling interests	(1,163)	(262)
Profit for the year	9,917	21,648
Earnings per share		
Basic earnings per share	0.40	0.79
Diluted earnings per share	0.40	0.79

AMG Advanced Metallurgical Group N.V.
 Consolidated Statement of Financial Position

As at December 31

In thousands of US Dollars

	2015 Unaudited	2014
Assets		
Property, plant and equipment	215,833	237,418
Goodwill	18,676	20,618
Intangible assets	10,246	11,116
Investments in associates and joint ventures	2,230	1,450
Other investments	14,000	-
Deferred tax assets	31,551	37,903
Restricted cash	2,527	7,582
Other assets	19,883	21,987
Total non-current assets	314,946	338,074
Inventories	126,389	145,418
Trade and other receivables	124,270	135,293
Derivative financial instruments	978	1,997
Other assets	27,648	47,055
Assets held for sale	673	2,553
Cash and cash equivalents	127,778	108,029
Total current assets	407,736	440,345
Total assets	722,682	778,419

AMG Advanced Metallurgical Group N.V.
Consolidated Statement of Financial Position
(continued)

As at December 31

In thousands of US Dollars

	2015	2014
	Unaudited	
Equity		
Issued capital	745	745
Share premium	382,978	382,978
Other reserves	(49,500)	(59,728)
Retained earnings (deficit)	(205,662)	(225,843)
Equity attributable to shareholders of the Company	128,561	98,152
Non-controlling interests	25,006	2,825
Total equity	153,567	100,977
Liabilities		
Loans and borrowings	112,217	167,990
Employee benefits	137,853	159,672
Provisions	29,617	37,056
Deferred revenue	13,539	8,950
Government grants	536	666
Other liabilities	8,821	8,885
Derivative financial instruments	5,642	5,056
Deferred tax liabilities	11,691	8,261
Total non-current liabilities	319,916	396,536
Loans and borrowings	3,222	6,562
Short term bank debt	11,304	21,326
Government grants	99	88
Liabilities associated with assets held for sale	423	248
Other liabilities	42,872	53,257
Trade and other payables	108,019	134,373
Derivative financial instruments	8,379	9,104
Advance payments	44,184	31,689
Deferred revenue	16,124	8,414
Current taxes payable	3,093	671
Provisions	11,480	15,174
Total current liabilities	249,199	280,906
Total liabilities	569,115	677,442
Total equity and liabilities	722,682	778,419

AMG Advanced Metallurgical Group N.V.
Consolidated Statement of Cash Flows

For the year ended December 31

In thousands of US Dollars

	2015 Unaudited	2014
Cash flows from operating activities		
Profit for the year	9,917	21,648
Adjustments to reconcile net profit to net cash flows:		
Non-cash:		
Income tax expense	18,651	(972)
Depreciation and amortization	29,590	32,494
Asset impairment expense	-	1,867
Net finance costs	8,227	19,549
Share of (profit) loss of associates and joint ventures	(632)	407
Loss on sale or disposal of property, plant and equipment	2	297
Equity-settled share-based payment transactions	5,041	854
Movement in provisions, pensions and government grants	1,062	44
Working capital and deferred revenue adjustments	21,551	38,991
Cash flows from operating activities	93,409	115,179
Finance costs paid, net	(11,394)	(13,813)
Income tax paid, net	(5,707)	(6,252)
Net cash flows from operating activities	76,308	95,114
Cash flows used in investing activities		
Proceeds from sale of property, plant and equipment	709	493
Proceeds from sale of subsidiaries (net of cash divested of \$1,384 in 2015 (2014:nil))	(1,567)	354
Acquisition of property, plant and equipment and intangibles	(23,264)	(23,957)
Change in restricted cash	4,812	(105)
Acquisition of other non-current asset investments	(1,200)	-
Other	(16)	184
Net cash flows used in investing activities	(20,526)	(23,031)

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

For the year ended December 31

In thousands of US Dollars

	2015	2014
	Unaudited	
Cash flows used in financing activities		
Proceeds from issuance of debt	188,890	2,691
Payment of transaction costs related to debt issuance	(5,081)	-
Repayment of borrowings	(248,490)	(60,649)
Change in non-controlling interests	38,740	28
Dividends paid	(3,134)	-
Other	(34)	5
Net cash flows used in financing activities	(29,109)	(57,925)
Net increase in cash and cash equivalents	26,673	14,158
Cash and cash equivalents at January 1	108,029	103,067
Effect of exchange rate fluctuations on cash held	(6,924)	(9,196)
Cash and cash equivalents at December 31	127,778	108,029