

A nighttime photograph of a city skyline, featuring a prominent skyscraper with a glowing spire and illuminated facade. The sky is dark blue with some clouds. The skyscraper has a distinctive triangular top section and a long, thin spire that is brightly lit. The building's facade is dark, but several vertical columns of lights are visible. Other buildings in the background are also lit up, creating a vibrant city scene.

CRITICAL MATERIALS FOR

THE NEW MILLENNIUM



AMG Advanced Metallurgical Group N.V.
Annual General Meeting 2017
Financial Presentation



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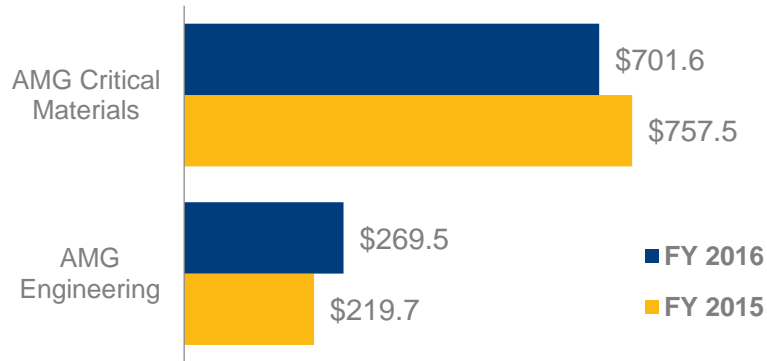
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DIVISIONAL FINANCIAL HIGHLIGHTS – FY 2016 VS. FY 2015

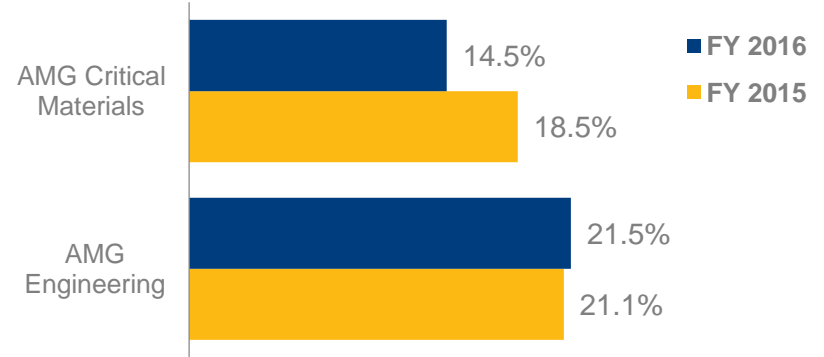
REVENUE

FY 2016 \$971.1 MILLION
FY 2015 \$977.1 MILLION



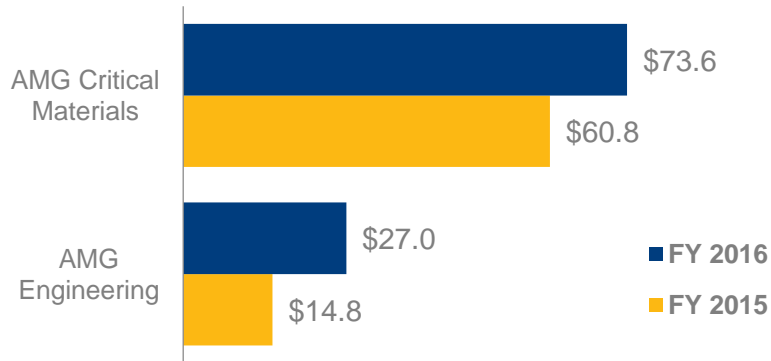
GROSS MARGIN *

FY 2016 19.2%
FY 2015 16.1%



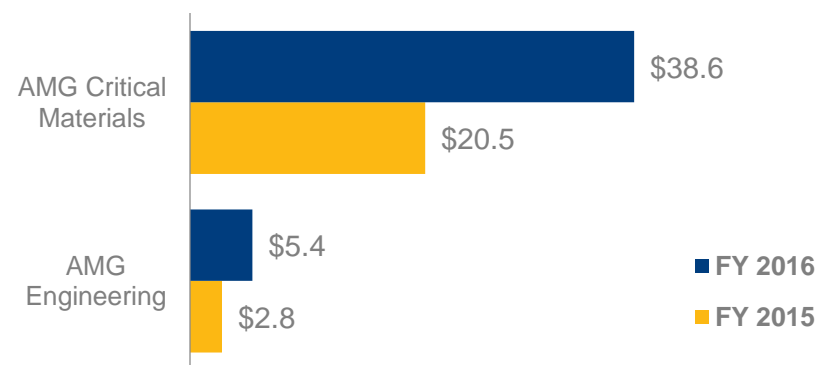
EBITDA

FY 2016 \$100.7 MILLION
FY 2015 \$75.6 MILLION



CAPITAL EXPENDITURE

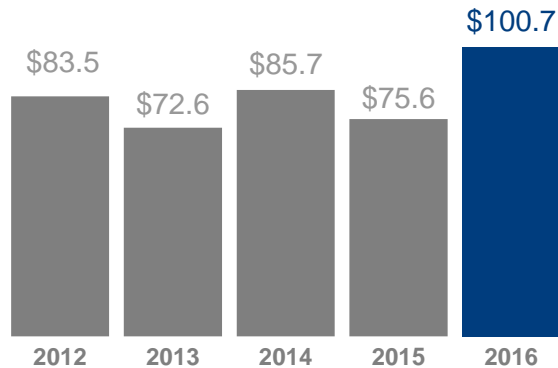
FY 2016 \$44.1 MILLION
FY 2015 \$23.3 MILLION



* Gross Profit has been restated to include restructuring expenses and asset impairment expenses, in order to take into consideration ESMA's latest recommendations.

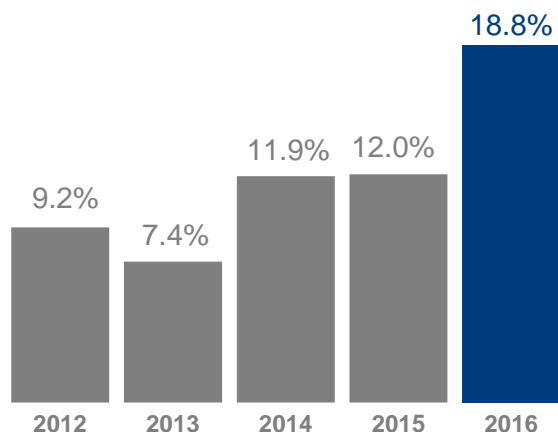
5 YEAR TREND: EBITDA & ROCE

EBITDA (IN MILLIONS OF US DOLLARS)



**FY '16 EBITDA
UP 33%
VERSUS FY '15**

Annualized ROCE



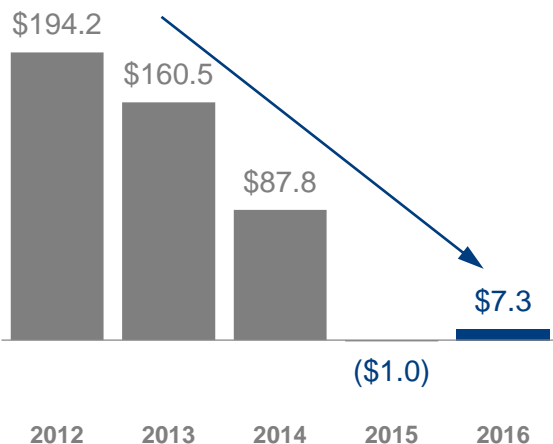
**FY '16 ROCE
IMPROVED TO
18.8% FROM
12.0% IN FY '15**

- 2016 EBITDA is up 33% due to product mix and operational improvements in Critical Materials as well as a very strong performance by Engineering due to an increase in demand for furnaces from the aerospace industry

- FY 2016 annualized ROCE improved to 18.8% from 12.0% in FY 2015
- ROCE improvements are the result of efficient use of capital and improved profitability

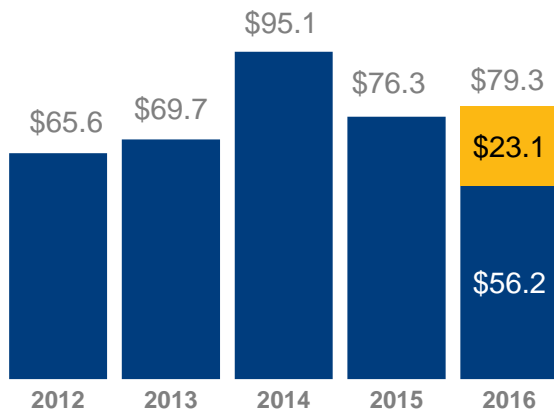
5 YEAR TREND: NET DEBT & OPERATING CASH FLOW

NET DEBT (CASH) (IN MILLIONS OF US DOLLARS)



**\$187M
REDUCTION
IN NET DEBT
SINCE 2012**

OPERATING CASH FLOW (IN MILLIONS OF US DOLLARS)



**FY 2016
OPERATING
CASH FLOW
OF \$56.2M**

■ Pension contribution

- Net debt: \$7.3 million
 - \$186.9 million reduction of net debt since December 31, 2012
 - Net Debt to LTM EBITDA: 0.07x
- AMG's primary debt facility is a \$400 million multicurrency term loan and revolving credit facility
 - 5 year term (until 2021) with an accordion feature that allows the Company, subject to certain conditions, to increase the commitment amount by up to \$100 million
 - In compliance with all debt covenants
- FY '16 net cash from operating activities of \$56.2 million, which included voluntary cash contributions to the Company's pension plans of \$23.1 million made during the year

Q1 2017 FINANCIAL HIGHLIGHTS

Revenue: \$258.0M

- 9% increase from the same period in 2016

**Operating Profit:
\$21.0M**

- \$8.1 million or 63% increase from Q1 2016

EBITDA: \$33.0M

- 56% increase from the same period in 2016
- Driven by strong performance in vanadium, titanium alloys, and chrome, and the recognition of additional tantalum deferred revenue

**Fully diluted EPS:
0.50**

- 19% increase from the same period in 2016
-

Q1 2017 FINANCIAL HIGHLIGHTS

AMG Critical Materials

- Revenue: \$194.5 million
- 19% increase in gross profit versus Q1 2016
- EBITDA: \$25.7 million

AMG Engineering

- Revenue: \$63.5 million
- 18% increase in gross profit over Q1 2016
- EBITDA: \$7.3 million

March 31, 2017 Financial Position

- Cash: \$166.5 million
 - Net cash: \$0.5 million
 - Total liquidity: \$354 million
-

OPERATIONAL UPDATE 2016 – CURRENT

AMG CRITICAL MATERIALS

- AMG Vanadium – signed a new long-term, multi-year agreement to process and recycle spent catalysts
- AMG Graphite – continued its development of the Ancuabe mine in Mozambique, which is now operational and in the process of ramping up production
- AMG Silicon – completed upgrade of the last of its four furnaces
- AMG Titanium Alloys & Coatings – selected by MTU, under a long term supply contract with value exceeding \$40M, to provide titanium aluminides for the Pratt & Whitney PurePower® PW1100G-JM engine
- AMG Lithium – received board approval for project to construct a lithium concentrate (spodumene) plant at the Mibra mine in Brazil
 - Awarded EPC contract to Outotec for the turnkey delivery of a lithium concentrate beneficiation plant
 - Signed a multi-year contract to supply 90,000 tons per year of lithium concentrate with deliveries commencing in H2 2018
 - Published updated resource statement showing an increase of approx. 38% compared to prior one

AMG ENGINEERING

- Significantly improved financial results in 2016 compared to 2015
- Stronger order intake due to improving market conditions
- Successfully launched 2 new product lines in 2016:
 - A plasma hearth melting furnace for the remelting of titanium aluminides for the aerospace engine industry
 - New innovative coating equipment for the production of advanced ceramic materials beyond metals
- Acquired the remaining 50% share of their joint venture company, ALD-Holcroft Co. Inc., from AFC-Holcroft LLC
- Completed the relocation to its new, more cost effective headquarters in Hanau