

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

For the three months ended December 31

In thousands of US Dollars

	2013	2012
	Unaudited	Unaudited ¹
Continuing operations		
Revenue	284,023	275,176
Cost of sales	242,989	233,624
Gross profit	41,034	41,552
Selling, general and administrative expenses	38,502	33,868
Restructuring expense	5,737	1,349
Asset impairment	1,321	3,553
Environmental	(211)	(1,228)
Other income, net	(26)	(338)
Operating (loss) profit	(4,289)	4,348
Finance income	(170)	(196)
Finance expense	4,319	8,045
Foreign exchange loss	488	771
Net finance costs	4,637	8,620
Share of (loss) profit of associates and joint ventures	(1,618)	1,896
Loss before income tax	(10,544)	(2,376)
Income tax (benefit) expense	(6,759)	2,045
Loss for the period	(3,785)	(4,421)
Attributable to:		
Shareholders of the Company	(3,175)	(3,282)
Non-controlling interests	(610)	(1,139)
Loss for the period	(3,785)	(4,421)
Loss per share		
Basic loss per share	(0.12)	(0.12)
Diluted loss per share	(0.12)	(0.12)

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 year ended December 31

In thousands of US Dollars

	2013 Unaudited	2012 Unaudited ¹
Continuing operations		
Revenue	1,158,444	1,215,602
Cost of sales	980,742	1,019,179
Gross profit	177,702	196,423
Selling, general and administrative expenses	140,856	145,053
Restructuring expense	14,225	6,151
Asset impairment expense	51,024	9,891
Environmental	(86)	1,772
Other income, net	(2,121)	(1,226)
Operating (loss) profit	(26,196)	34,782
Finance income	(810)	(1,051)
Finance expense	21,703	26,256
Foreign exchange loss	175	581
Net finance costs	21,068	25,786
Share of (loss) profit of associates and joint ventures	(2,148)	2,353
(Loss) profit before income tax	(49,412)	11,349
Income tax (benefit) expense	(4,376)	10,828
(Loss) profit for the year	(45,036)	521
Attributable to:		
Shareholders of the Company	(41,538)	2,843
Non-controlling interests	(3,498)	(2,322)
(Loss) profit for the year	(45,036)	521
(Loss) earnings per share		
Basic (loss) earnings per share	(1.51)	0.10
Diluted (loss) earnings per share	(1.51)	0.10

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

	Dec 31, 2013 Unaudited	Dec 31, 2012 ¹
Assets		
Property, plant and equipment	259,683	288,269
Goodwill	25,078	24,751
Intangible assets	12,116	13,971
Investments in associates and joint ventures	4,755	7,351
Derivative financial instruments	271	527
Deferred tax assets	27,003	35,455
Restricted cash	7,967	11,888
Notes receivable	-	227
Other assets	25,519	22,262
Total non-current assets	362,392	404,701
Inventories	179,343	211,531
Trade and other receivables	150,807	177,232
Derivative financial instruments	2,177	3,229
Other assets	34,430	30,438
Cash and cash equivalents	103,067	121,639
Total current assets	469,824	544,069
Total assets	832,216	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

	Dec 31, 2013 Unaudited	Dec 31, 2012 ¹
Equity		
Issued capital	744	743
Share premium	382,518	382,176
Other reserves	(4,605)	(9,909)
Retained earnings (deficit)	(246,304)	(204,565)
Equity attributable to shareholders of the Company	132,353	168,445
Non-controlling interests	2,237	6,818
Total equity	134,590	175,263
Liabilities		
Loans and borrowings	223,788	265,553
Employee benefits	138,009	137,957
Provisions	30,443	31,852
Deferred revenue	11,776	2,724
Government grants	883	472
Other liabilities	8,425	6,690
Derivative financial instruments	7,702	11,082
Deferred tax liabilities	3,121	26,120
Total non-current liabilities	424,147	482,450
Loans and borrowings	20,873	20,333
Short term bank debt	18,919	29,958
Government grants	74	55
Other liabilities	54,383	58,934
Trade and other payables	127,381	125,342
Derivative financial instruments	5,298	3,900
Advance payments	16,341	26,989
Deferred revenue	5,009	2,533
Current taxes payable	2,329	8,623
Employee benefits	1,350	-
Provisions	21,522	14,390
Total current liabilities	273,479	291,057
Total liabilities	697,626	773,507
Total equity and liabilities	832,216	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 year ended December 31
In thousands of US Dollars

	2013 Unaudited	2012 Unaudited ¹
Cash flows from operating activities		
(Loss) profit for the period	(45,036)	521
Adjustments to reconcile net (loss) profit to net cash flows:		
Non-cash:		
Income tax (benefit) expense	(4,376)	10,828
Depreciation and amortization	33,248	31,558
Asset impairment expense	51,024	9,891
Net finance costs	21,068	25,786
Share of loss (profit) of associates and joint ventures	2,148	(2,353)
(Gain) loss on sale or disposal of property, plant and equipment	(1,296)	327
Equity-settled share-based payment transactions	475	1,724
Movement in provisions, pensions and government grants	2,427	8,617
Change in working capital and deferred revenue	40,200	9,910
Cash flows from operating activities	99,882	96,809
Finance costs paid, net	(18,046)	(18,601)
Income tax paid, net	(12,129)	(12,571)
Net cash flows from operating activities	69,707	65,637
Cash flows used in investing activities		
Proceeds from sale of property, plant and equipment	2,515	332
Proceeds from sale of investment in associate	650	-
Acquisition of subsidiaries (net of cash acquired of nil and \$133)	-	(166)
Acquisition of property, plant and equipment and intangibles	(32,025)	(48,109)
Change in restricted cash	3,989	(671)
Acquisition of other non-current asset investments	(4,000)	-
Other	9	75
Net cash flows used in investing activities	(28,862)	(48,539)
Cash flows (used in) from financing activities		
Proceeds from issuance of debt	38	72,078
Repayment of borrowings	(61,679)	(35,126)
Contributions by non-controlling interests	392	-
Change in non-controlling interests	(1,007)	(15,291)
Other	4	-
Net cash flows (used in) from financing activities	(62,252)	21,661
Net (decrease) increase in cash and cash equivalents	(21,407)	38,759
Cash and cash equivalents at January 1	121,639	79,571
Effect of exchange rate fluctuations on cash held	2,835	3,309
Cash and cash equivalents at December 31	103,067	121,639

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