

AMG Advanced Metallurgical Group N.V.
Condensed Consolidated Income Statement

For the quarter ended December 31

In thousands of US Dollars

	2016	2015
	Unaudited	Unaudited*
Continuing operations		
Revenue	237,874	220,842
Cost of sales	194,889	185,446
Gross profit	42,985	35,396
Selling, general and administrative expenses	29,989	30,400
Environmental	1,828	1,529
Other income, net	(690)	(724)
Net other operating expenses	1,138	805
Operating profit	11,858	4,191
Finance income	(808)	(786)
Finance expense	2,861	2,219
Foreign exchange (gain) loss	(2,039)	865
Net finance costs	14	2,298
Share of gain of associates and joint ventures, net of tax	-	382
Profit before income tax	11,844	2,275
Income tax expense	879	4,416
Profit (loss) for the period	10,965	(2,141)
Attributable to:		
Shareholders of the Company	9,956	(337)
Non-controlling interests	1,009	(1,804)
Profit (loss) for the period	10,965	(2,141)
Earnings per share		
Basic earnings per share	0.35	(0.01)
Diluted earnings per share	0.32	(0.01)

*AMG modified December 31, 2015 Income Statement presentation in order to take into consideration ESMA's latest recommendations.

AMG Advanced Metallurgical Group N.V.
Condensed Consolidated Income Statement

For the year ended December 31

In thousands of US Dollars

	2016	2015
	Unaudited	Unaudited*
Continuing operations		
Revenue	971,148	977,143
Cost of sales	784,340	820,286
Gross profit	186,808	156,857
Selling, general and administrative expenses	130,750	122,331
Environmental	1,873	(757)
Other income, net	(5,683)	(880)
Net other operating (income) expenses	(3,810)	(1,637)
Operating profit	59,868	36,163
Finance income	(1,267)	(1,328)
Finance expense	13,667	11,267
Foreign exchange gain	(395)	(1,712)
Net finance costs	12,005	8,227
Share of gain of associates and joint ventures, net of tax	1,804	632
Profit before income tax	49,667	28,568
Income tax expense	8,096	18,651
Profit for the year	41,571	9,917
Attributable to:		
Shareholders of the Company	40,558	11,080
Non-controlling interests	1,013	(1,163)
Profit for the year	41,571	9,917
Earnings per share		
Basic earnings per share	1.45	0.40
Diluted earnings per share	1.32	0.40

*AMG modified December 31, 2015 Income Statement presentation in order to take into consideration ESMA's latest recommendations.

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

As at December 31

In thousands of US Dollars

	2016 Unaudited	2015
Assets		
Property, plant and equipment	226,098	215,833
Goodwill	22,729	18,676
Intangible assets	10,486	10,246
Investments in associates and joint ventures	-	2,230
Derivative financial instruments	740	-
Other investments	29,930	14,000
Deferred tax assets	41,285	31,551
Restricted cash	2,526	2,527
Other assets	17,207	19,883
Total non-current assets	351,001	314,946
Inventories	143,593	126,389
Derivative financial instruments	4,007	978
Trade and other receivables	129,220	124,270
Other assets	31,598	27,648
Cash and cash equivalents	160,744	127,778
Assets held for sale	149	673
Total current assets	469,311	407,736
Total assets	820,312	722,682

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

As at December 31

In thousands of US Dollars

	2016 Unaudited	2015
Equity		
Issued capital	760	745
Share premium	389,066	382,978
Treasury shares	(570)	-
Other reserves	(35,950)	(49,500)
Retained earnings (deficit)	(177,592)	(205,662)
Equity attributable to shareholders of the Company	175,714	128,561
Non-controlling interests	22,073	25,006
Total equity	197,787	153,567
Liabilities		
Loans and borrowings	150,959	112,217
Employee benefits	141,588	137,853
Provisions	30,854	29,617
Deferred revenue	2,822	13,539
Government grants	390	536
Other liabilities	6,484	8,821
Derivative financial instruments	887	5,642
Deferred tax liabilities	8,435	11,691
Total non-current liabilities	342,419	319,916
Loans and borrowings	9,621	3,222
Short term bank debt	7,500	11,304
Government grants	97	99
Liabilities associated with assets held for sale	-	423
Other liabilities	57,431	42,872
Trade and other payables	133,328	108,019
Derivative financial instruments	4,661	8,379
Advance payments	29,404	44,184
Deferred revenue	10,198	16,124
Current taxes payable	7,065	3,093
Provisions	20,801	11,480
Total current liabilities	280,106	249,199
Total liabilities	622,525	569,115
Total equity and liabilities	820,312	722,682

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

For the year ended December 31

In thousands of US Dollars

	2016	2015
	Unaudited	
Cash from operating activities		
Profit for the year	41,571	9,917
Adjustments to reconcile net profit to net cash flows:		
Non-cash:		
Income tax expense	8,096	18,651
Depreciation and amortization	29,841	29,590
Asset impairment expense	1,976	-
Net finance costs	12,005	8,227
Share of profit of associates and joint ventures	(1,804)	(632)
Gain on sale or disposal of property, plant and equipment	(4,501)	2
Equity-settled share-based payment transactions	3,073	5,041
Movement in provisions, pensions and government grants	(13,000)	1,062
Working capital and deferred revenue adjustments	(7,737)	21,551
Cash generated from operating activities	69,520	93,409
Finance costs paid, net	(6,707)	(11,394)
Income tax paid, net	(6,588)	(5,707)
Net cash from operating activities	56,225	76,308
Cash used in investing activities		
Proceeds from sale of property, plant and equipment	1,546	709
Proceeds from sale of subsidiaries (net of cash divested of \$1,820 (2015:\$1,384))	6,512	(1,567)
Acquisition of property, plant and equipment and intangibles	(44,086)	(23,264)
Acquisition of subsidiaries (net of cash acquired of \$35)	(4,961)	-
Change in restricted cash	(93)	4,812
Acquisition of other non-current investments	(1,000)	(1,200)
Other	(61)	(16)
Net cash used in investing activities	(42,143)	(20,526)

AMG Advanced Metallurgical Group N.V.
 Condensed Consolidated Statement of Cash Flows
 (continued)

For the year ended December 31

In thousands of US Dollars

	2016	2015
	Unaudited	
Cash from (used in) financing activities		
Proceeds from issuance of debt	163,190	188,890
Payment of transaction costs related to debt issuance	(3,978)	(5,081)
Repayment of borrowings	(122,607)	(248,490)
Change in non-controlling interests	(5,600)	38,740
Net repurchase of common stock	(259)	-
Dividends paid	(7,558)	(3,134)
Other	91	(34)
Net cash from (used in) financing activities	23,279	(29,109)
Net increase in cash and cash equivalents	37,361	26,673
Cash and cash equivalents at January 1	127,778	108,029
Effect of exchange rate fluctuations on cash held	(4,395)	(6,924)
Cash and cash equivalents at December 31	160,744	127,778