

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

For the three months ended March 31

In thousands of US Dollars

	2010	2009
	Unaudited	Unaudited
		*Restated
Continuing operations		
Revenue	235,793	215,719
Cost of sales	193,209	181,859
Gross profit	42,584	33,860
Selling, general and administrative expenses	30,614	29,039
Restructuring expense	7	198
Environmental expense	257	5
Other income, net	(81)	(1,691)
Operating profit	11,787	6,309
Finance expense	6,320	4,541
Finance income	(547)	(613)
Foreign exchange gain	(2,164)	(1,097)
Net finance costs	3,609	2,831
Share of loss of associates	4,395	787
Profit before income tax	3,783	2,691
Income tax expense	3,867	7,938
Loss for the period from continuing operations	(84)	(5,247)
Loss after tax for the period from discontinued operations	-	(18,487)
Loss for the year	(84)	(23,734)
Attributable to:		
Shareholders of the Company	(64)	(15,394)
Minority interests	(20)	(8,340)
	(84)	(23,734)
Earnings (loss) per share		
Basic earnings (loss) per share	0.00	(0.57)
Diluted earnings (loss) per share	0.00	(0.57)
Earnings (loss) per share for continuing operations		
Basic earnings (loss) per share from continuing operations	0.00	(0.22)
Diluted earnings (loss) per share from continuing operations	0.00	(0.22)

*The prior year comparative information in the consolidated income statement and consolidated statement of cash flows has been restated to reflect a change in ownership of Timminco. See AMG's annual financial statements for more information.

AMG Advanced Metallurgical Group N.V.
Condensed interim consolidated statement of financial position
In thousands of US Dollars

	March 31, 2010	December 31, 2009
	Unaudited	Audited
Assets		
Property, plant and equipment	204,977	211,022
Intangible assets	26,351	28,253
Investments in associates	30,225	34,794
Deferred tax assets	9,688	10,912
Restricted cash	12,985	13,263
Notes receivable	2,328	5,542
Derivative financial instruments	-	1,718
Other assets	12,300	11,980
Total non-current assets	298,854	317,484
Inventories	180,630	193,378
Trade and other receivables	175,078	147,787
Derivative financial instruments	4,561	4,954
Other assets	32,621	30,359
Cash and cash equivalents	98,857	117,016
Total current assets	491,747	493,494
Total assets	790,601	810,978
Equity		
Issued capital	725	725
Share premium	379,518	379,518
Other reserves	27,858	31,284
Retained earnings (deficit)	(198,961)	(198,897)
Equity attributable to shareholders of the Company	209,140	212,630
Minority interests	15,007	15,793
Total equity	224,147	228,423
Liabilities		
Loans and borrowings	159,800	168,319
Employee benefits	86,917	91,358
Provisions	14,646	14,862
Government grants	588	669
Other liabilities	8,051	7,984
Derivative financial instruments	970	1,339
Deferred tax liabilities	13,252	26,395
Total non-current liabilities	284,224	310,926
Loans and borrowings	3,547	3,464
Short term bank debt	39,632	32,013
Government grants	205	234
Other liabilities	43,843	46,179

Trade and other payables	80,658	69,791
Derivative financial instruments	7,212	6,048
Advance payments	39,807	54,764
Current taxes payable	40,314	36,050
Provisions	27,012	23,086
Total current liabilities	282,230	271,629
Total liabilities	566,454	582,555
Total equity and liabilities	790,601	810,978

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

For the three months ended March 31

In thousands of US Dollars

	2010	2009
	Unaudited	Unaudited *Restated
Cash flows used in operating activities		
Loss for the period from continuing operations	(84)	(5,247)
Loss for the period from discontinued operations	-	(18,487)
Loss for the period	(84)	(23,734)
Adjustments to reconcile profit (loss) to net cash flows:		
Non-cash:		
Depreciation and amortization	6,181	4,929
Restructuring expense	7	198
Environmental expense	257	5
Net finance costs	3,610	2,830
Share of loss of associates	4,395	787
Equity-settled share-based payment transactions	1,650	3,353
Cash-settled share-based payment transactions	(309)	-
Income tax expense	3,867	7,938
Change in working capital and provisions	(23,210)	(9,180)
Other	2,410	(474)
Interest paid, net	(1,616)	(1,189)
Income tax paid, net	(12,079)	(1,916)
Cash flows from discontinued operations	-	15,391
Net cash flows used in operating activities	(14,921)	(1,062)
Cash flows used in investing activities		
Proceeds from sale of property, plant and equipment	17	-
Acquisition of associates	(600)	-
Acquisition of property, plant and equipment and intangibles	(5,146)	(11,967)
Investments in associates	-	(11,519)
Change in restricted cash	(208)	1,005
Other	-	12
Cash flows used in discontinued operations	-	(15,480)
Net cash flows used in investing activities	(5,937)	(37,949)
Cash flows from financing activities		
Net proceeds from issuance of debt	7,582	3,639
Other	61	78
Cash flows from discontinued operations	-	20,720
Net cash flows from financing activities	7,643	24,437
Net decrease in cash and cash equivalents	(13,215)	(14,574)
Cash and cash equivalents at January 1	117,016	143,473
Effect of exchange rate fluctuations and consolidation changes on cash	(4,944)	(6,126)
Cash and cash equivalents at March 31	98,857	122,773

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