

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

For the three months ended March 31

In thousands of US Dollars

	2011	2010
	Unaudited	Unaudited
Continuing operations		
Revenue	317,999	235,793
Cost of sales	258,219	193,209
Gross profit	59,780	42,584
Selling, general and administrative expenses	42,937	30,614
Restructuring expense	285	7
Environmental expense	105	257
Other income, net	(953)	(81)
Operating profit	17,406	11,787
Finance expense	3,760	6,320
Finance income	(3,255)	(547)
Foreign exchange gain	(17)	(2,164)
Net finance costs	488	3,609
Share of loss of associates	4,377	4,395
Profit before income tax	12,541	3,783
Income tax expense	4,964	3,867
Profit (loss) for the period	7,577	(84)
Attributable to:		
Shareholders of the Company	6,972	(64)
Non-controlling interests	605	(20)
	7,577	(84)
Earnings per share		
Basic earnings per share	0.25	0.00
Diluted earnings per share	0.25	0.00

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

	March 31, 2011	December 31,
	Unaudited	2010
		Audited
Assets		
Property, plant and equipment	244,724	228,612
Intangible assets	36,641	27,002
Investments in associates and joint ventures	22,376	25,186
Deferred tax assets	23,716	22,107
Restricted cash	11,179	12,528
Notes receivable	733	322
Derivative financial instruments	7,427	5,199
Other assets	16,504	15,372
Total non-current assets	363,300	336,328
Inventories	244,920	207,204
Trade and other receivables	206,247	175,421
Derivative financial instruments	7,287	5,731
Other assets	43,427	41,080
Cash and cash equivalents	66,071	89,311
Total current assets	567,952	518,747
Total assets	931,252	855,075

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

	March 31, 2011	December 31, 2010
	Unaudited	Audited
Equity		
Issued capital	741	741
Share premium	381,636	381,636
Other reserves	42,210	36,158
Retained earnings (deficit)	(189,523)	(196,481)
Equity attributable to shareholders of the Company	235,064	222,054
Non-controlling interests	13,188	11,911
Total equity	248,252	233,965
Liabilities		
Loans and borrowings	211,027	187,813
Employee benefits	95,011	88,372
Provisions	21,097	20,607
Government grants	636	642
Other liabilities	5,848	5,517
Derivative financial instruments	470	698
Deferred tax liabilities	27,983	25,436
Total non-current liabilities	362,072	329,085
Loans and borrowings	4,820	4,254
Short term bank debt	51,213	45,022
Government grants	187	175
Other liabilities	55,732	43,287
Trade and other payables	115,877	102,253
Derivative financial instruments	3,971	1,754
Advance payments	53,541	49,597
Current taxes payable	15,749	24,979
Provisions	19,838	20,704
Total current liabilities	320,928	292,025
Total liabilities	683,000	621,110
Total equity and liabilities	931,252	855,075

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

	2011	2010
	Unaudited	Unaudited
Cash flows used in operating activities		
Profit (loss) for the period	7,577	(84)
Adjustments to reconcile profit (loss) to net cash flows:		
Non-cash:		
Depreciation and amortization	7,314	6,181
Restructuring expense	285	7
Environmental expense	105	257
Net finance costs	488	3,610
Share of loss of associates	4,377	4,395
Equity-settled share-based payment transactions	1,044	1,650
Cash-settled share-based payment transactions	6,832	(309)
Income tax expense	4,964	3,867
Change in working capital and provisions	(29,015)	(23,210)
Other	(240)	2,410
Interest paid, net	(1,203)	(1,616)
Income tax paid, net	(16,281)	(12,079)
Net cash flows used in operating activities	(13,753)	(14,921)
Cash flows used in investing activities		
Proceeds from sale of property, plant and equipment	50	17
Acquisition of associates and joint ventures	-	(600)
Acquisition of subsidiaries (net of cash acquired of \$91)	(26,823)	-
Acquisition of property, plant and equipment and intangibles	(8,249)	(5,146)
Change in restricted cash	1,753	(208)
Other	392	-
Net cash flows used in investing activities	(32,877)	(5,937)
Cash flows from financing activities		
Net proceeds from issuance of debt	19,364	7,582
Other	25	61
Net cash flows from financing activities	19,389	7,643
Net decrease in cash and cash equivalents	(27,241)	(13,215)
Cash and cash equivalents at January 1	89,311	117,016
Effect of exchange rate fluctuations and consolidation changes on cash	4,001	(4,944)
Cash and cash equivalents at March 31	66,071	98,857