

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

For the three months ended June 30
In thousands of US Dollars

	2009	2008
	Unaudited	Unaudited
Continuing operations		
Revenue	233,370	413,005
Cost of sales	199,829	321,003
Gross profit	33,541	92,002
Selling, general and administrative expenses	41,189	39,632
Restructuring and asset impairment expenses	311	13,118
Environmental expense	196	10
Other income, net	(1,392)	(1,638)
Operating (loss) / profit	(6,763)	40,880
Interest expense	6,604	5,795
Interest income	(1,387)	(1,410)
Foreign exchange (gain) loss	(3,243)	203
Net finance costs	1,974	4,588
Share of (loss) / profit of associates	(613)	617
(Loss) / Profit before income tax	(9,350)	36,909
Income tax expense	9,395	14,112
(Loss) / Profit for the year	(18,745)	22,797
Attributable to:		
Shareholders of the Company	(9,718)	25,273
Minority interests	(9,027)	(2,476)
	(18,745)	22,797
(Losses) / Earnings per share		
Basic (losses) / earnings per share	(0.36)	0.94
Diluted (losses) / earnings per share	(0.36)	0.92

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

For the six months ended June 30

In thousands of US Dollars

	2009	2008
	Unaudited	Unaudited
Continuing operations		
Revenue	479,466	739,153
Cost of sales	421,791	579,941
Gross profit	57,675	159,212
Selling, general and administrative expenses	77,083	72,601
Restructuring and asset impairment expenses	4,090	13,245
Environmental expense	307	94
Other income, net	(3,083)	(3,016)
Operating (loss) / profit	(20,722)	76,288
Interest expense	11,739	9,763
Interest income	(2,000)	(3,416)
Foreign exchange (gain) loss	(2,817)	1,538
Net finance costs	6,922	7,885
Share of (loss) / profit of associates	(1,400)	718
(Loss) / Profit before income tax	(29,044)	69,121
Income tax expense	13,434	22,793
(Loss) / Profit for the year	(42,478)	46,328
Attributable to:		
Shareholders of the Company	(25,112)	47,782
Minority interests	(17,366)	(1,454)
	(42,478)	46,328
(Losses) / Earnings per share		
Basic (losses) / earnings per share	(0.94)	1.78
Diluted (losses) / earnings per share	(0.94)	1.74

AMG Advanced Metallurgical Group N.V.
Condensed interim consolidated statements of financial position

In thousands of US Dollars

	June 30, 2009	December 31, 2008
	Unaudited	Audited
Assets		
Property, plant and equipment	337,770	313,470
Intangible assets	51,193	47,060
Investments in associates	14,359	15,700
Deferred tax assets	26,607	29,181
Restricted cash	13,357	15,889
Notes receivable	2,149	2,132
Derivative financial instruments	278	-
Other assets	12,901	11,612
Total non-current assets	458,614	435,044
Inventories	273,491	318,793
Trade and other receivables	150,251	173,422
Derivative financial instruments	3,837	6,393
Other assets	50,378	52,804
Short term investments	101	95
Cash and cash equivalents	110,080	143,473
Total current assets	588,138	694,980
Total assets	1,046,752	1,130,024
Equity		
Issued capital	724	724
Share premium	379,297	379,297
Other reserves	18,843	(2,215)
Retained earnings (deficit)	(148,143)	(123,110)
Equity attributable to shareholders of the Company	250,721	254,696
Minority interests	60,915	57,115
Total equity	311,636	311,811
Liabilities		
Loans and borrowings	162,631	138,990
Employee benefits	107,423	103,176
Provisions	13,007	12,841
Government grants	205	291
Other liabilities	10,297	9,245
Derivative financial instruments	5,741	3,530
Deferred tax liabilities	51,682	56,013

Total non-current liabilities	350,986	324,086
Loans and borrowings	6,547	3,021
Short term bank debt	73,314	83,566
Related party debt	6,822	6,456
Government grants	4,307	8,360
Other liabilities	44,389	53,882
Trade and other payables	117,739	156,697
Derivative financial instruments	7,261	15,419
Advance payments	46,912	94,049
Unearned revenue	21,120	35,624
Current taxes payable	27,682	14,708
Provisions	28,037	22,345
Total current liabilities	384,130	494,127
Total liabilities	735,116	818,213
Total equity and liabilities	1,046,752	1,130,024

AMG Advanced Metallurgical Group N.V.
Condensed interim consolidated statement of cash flows
For the six months ended June 2009
In thousands of US Dollars

	2009	2008
	Unaudited	Unaudited
Cash flows (used in) / from operating activities		
(Loss) / Profit for the period	(42,478)	46,328
Adjustments to reconcile profit to net cash flows:		
Non-cash:		
Depreciation and amortization	17,367	12,570
Restructuring expense	4,090	13,245
Environmental expense	307	94
Net finance costs	6,922	7,885
Share of loss / (profit) of associates	1,400	(718)
Equity-settled share-based payment transactions	12,406	5,365
Income tax expense	13,434	22,793
Change in working capital and provisions	(11,798)	(79,749)
Other	7,064	(6,435)
Interest paid, net	(6,256)	(3,468)
Income tax paid, net	(3,596)	(9,660)
Net cash flows (used in) / from operating activities	(1,138)	8,250
Cash flows used in investing activities		
Proceeds from asset sales	3	24
Acquisition of associates, net of cash	-	(62,854)
Acquisition of property, plant and equipment and intangibles	(33,318)	(56,504)
Change in short-term investments	(1)	14,958
Related party loans	931	(3,668)
Change in restricted cash	1,133	(7,716)
Change in accounts payable included in capital expenditures	(11,315)	(468)
Other	21	(52)
Net cash flows used in investing activities	(42,546)	(116,280)
Cash flows from financing activities		
Proceeds from issuance of debt	12,674	22,402
Repayment of borrowings	(12,682)	20,897
Capital infusion	7,908	(39)
Other	272	184
Net cash flows from financing activities	8,172	43,444
Net (decrease) in cash and cash equivalents	(35,512)	(64,586)
Cash and cash equivalents at January 1	143,473	172,558
Effect of exchange rate fluctuations on cash held	2,119	5,390
Cash and cash equivalents at June 30	110,080	113,362