

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

**For the three months ended September 30**

*In thousands of US Dollars*

	<b>2009</b>	<b>2008</b>
	<b>Unaudited</b>	<b>Unaudited*</b>
<b>Continuing operations</b>		
Revenue	205,406	370,982
Cost of sales	165,457	288,177
<b>Gross profit</b>	<b>39,949</b>	<b>82,805</b>
Selling, general and administrative expenses	31,876	39,069
Restructuring expense	5,302	-
Environmental expense	4,075	10
Other income, net	(1,194)	(1,883)
<b>Operating (loss) profit</b>	<b>(110)</b>	<b>45,609</b>
Interest expense	6,109	5,771
Interest income	(617)	(1,611)
Foreign exchange (gain) / loss	(27)	1,272
Net finance costs	5,465	5,432
Share of (loss) profit of associates	(1,285)	24
<b>(Loss) profit before income tax</b>	<b>(6,860)</b>	<b>40,201</b>
Income tax expense	5,694	11,921
<b>(Loss) profit for the period from continuing operations</b>	<b>(12,554)</b>	<b>28,280</b>
Loss after tax for the period from discontinued operations	(14,240)	(12,956)
<b>(Loss) profit for the period</b>	<b>(26,794)</b>	<b>15,324</b>
<b>Attributable to:</b>		
Shareholders of the Company	(20,302)	20,769
Minority interests	(6,492)	(5,445)
	<b>(26,794)</b>	<b>15,324</b>
<b>(Loss)/Earnings per share</b>		
Basic (loss) earnings per share	(0.76)	0.77
Diluted (loss) earnings per share	(0.76)	0.75
<b>(Loss)/Earnings per share from continuing operations</b>		
Basic (loss) earnings per share from continuing operations	(0.50)	1.02
Diluted (loss) earnings per share from continuing operations	(0.50)	0.99

\*Restated

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

For the nine months ended September 30

In thousands of US Dollars

	<b>2009</b>	<b>2008</b>
	<b>Unaudited</b>	<b>Unaudited*</b>
<b>Continuing operations</b>		
Revenue	636,059	1,000,045
Cost of sales	516,825	773,347
<b>Gross profit</b>	<b>119,234</b>	<b>226,698</b>
Selling, general and administrative expenses	94,932	101,473
Restructuring expense	5,696	129
Environmental expense	4,162	31
Other income, net	(4,277)	(4,896)
<b>Operating profit</b>	<b>18,721</b>	<b>129,961</b>
Interest expense	15,880	16,376
Interest income	(2,617)	(5,027)
Foreign exchange (gain) / loss	(176)	2,095
Net finance costs	13,087	13,444
Share of loss of associates	(2,685)	581
<b>Profit before income tax</b>	<b>2,949</b>	<b>117,098</b>
Income tax expense	17,642	33,092
<b>(Loss) profit for the period from continuing operations</b>	<b>(14,693)</b>	<b>84,006</b>
Loss after tax for the period from discontinued operations	(54,580)	(22,356)
<b>(Loss) profit for the period</b>	<b>(69,273)</b>	<b>61,650</b>
<b>Attributable to:</b>		
Shareholders of the Company	(45,415)	68,548
Minority interests	(23,858)	(6,898)
	<b>(69,273)</b>	<b>61,650</b>
<b>(Loss)/Earnings per share</b>		
Basic (loss) earnings per share	(1.69)	2.56
Diluted (loss) earnings per share	(1.69)	2.49
<b>(Loss)/Earnings per share from continuing operations</b>		
Basic (loss) earnings per share from continuing operations	(0.65)	2.98
Diluted (loss) earnings per share from continuing operations	(0.65)	2.90

\*Restated

AMG Advanced Metallurgical Group N.V.  
 Condensed interim consolidated statements of financial position  
*housands of US Dollars*

	September 30, 2009	December 31, 2008
	Unaudited	Audited
<b>Assets</b>		
Property, plant and equipment	220,308	313,470
Intangible assets	27,877	47,060
Investments in associates	55,269	15,700
Deferred tax assets	22,797	29,181
Restricted cash	13,578	15,889
Notes receivable	2,221	2,132
Derivative financial instruments	57	-
Other assets	12,481	11,612
<b>Total non-current assets</b>	<b>354,588</b>	<b>435,044</b>
Inventories	197,886	318,793
Trade and other receivables	149,277	173,422
Derivative financial instruments	5,821	6,393
Other assets	35,293	52,804
Short term investments	-	95
Cash and cash equivalents	124,391	143,473
<b>Total current assets</b>	<b>512,668</b>	<b>694,980</b>
<b>Total assets</b>	<b>867,256</b>	<b>1,130,024</b>

AMG Advanced Metallurgical Group N.V.

Condensed interim consolidated statements of financial position (continu

*In thousands of US Dollars*

**Equity**

Issued capital	724	724
Share premium	379,297	379,297
Other reserves	28,049	(2,215)
Retained earnings (deficit)	(168,539)	(123,110)
<b>Equity attributable to shareholders of the Company</b>	<b>239,531</b>	<b>254,696</b>
Minority interests	19,627	57,115
<b>Total equity</b>	<b>259,158</b>	<b>311,811</b>

**Liabilities**

Loans and borrowings	165,367	138,990
Employee benefits	91,004	103,176
Provisions	11,986	12,841
Government grants	750	291
Other liabilities	10,221	9,245
Derivative financial instruments	6,318	3,530
Deferred tax liabilities	44,247	56,013
<b>Total non-current liabilities</b>	<b>329,893</b>	<b>324,086</b>

Loans and borrowings	3,204	3,021
Short term bank debt	33,761	83,566
Related party debt	-	6,456
Government grants	2,330	8,360
Other liabilities	45,492	53,882
Trade and other payables	80,556	156,697
Derivative financial instruments	7,528	15,419
Advance payments	47,945	94,049
Unearned revenue	-	35,624
Current taxes payable	35,769	14,708
Provisions	21,620	22,345
<b>Total current liabilities</b>	<b>278,205</b>	<b>494,127</b>
<b>Total liabilities</b>	<b>608,098</b>	<b>818,213</b>
<b>Total equity and liabilities</b>	<b>867,256</b>	<b>1,130,024</b>

AMG Advanced Metallurgical Group N.V.  
Condensed interim consolidated statement of cash flows  
For the nine months ended September 30

In thousands of US Dollars

	2009	2008
	Unaudited	Unaudited*
<b>Cash flows (used in) / from operating activities</b>		
(Loss) / Profit for the period from continuing operations	(14,693)	84,006
(Loss) for the period from discontinued operations	(54,580)	(22,356)
Profit for the period	(69,273)	61,650
Adjustments to reconcile profit to net cash flows:		
Depreciation and amortization	17,491	18,271
Amortization of purchase accounting adjustment to inventory	-	8,178
Restructuring expense	5,696	129
Environmental expense	4,162	31
Net finance costs	13,087	13,444
Share of loss / (profit) of associates	2,685	(581)
Equity-settled share-based payment transactions	10,451	7,439
Income tax expense	17,642	33,092
Change in working capital and provisions	(35,117)	(59,273)
Other	4,420	3,606
Interest paid, net	(7,502)	(4,663)
Income tax paid, net	(6,101)	(17,526)
Cash flows from discontinued operations	36,326	12,241
<b>Net cash flows (used in) / from operating activities</b>	<b>(6,033)</b>	<b>76,038</b>
<b>Cash flows used in investing activities</b>		
Proceeds from asset sales	-	90
Acquisition of associates, net of cash	-	(66,484)
Acquisition of property, plant and equipment and intangibles	(20,755)	(42,060)
Change in short-term investments	-	(842)
Change in restricted cash	1,228	(3,866)
Other	16	(5,217)
Cash flow from discontinued operations	(33,208)	(40,376)
<b>Net cash flows used in investing activities</b>	<b>(52,719)</b>	<b>(158,755)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of debt	19,255	48,984
Repayment of borrowings	(8,171)	-
Capital infusion	(23,832)	(180)
Other	439	379
Cash flow from discontinued operations	47,724	23,941
<b>Net cash flows from financing activities</b>	<b>35,415</b>	<b>73,124</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(23,337)</b>	<b>(9,593)</b>
Cash and cash equivalents at January 1	143,473	172,558
Effect of exchange rate and consolidation changes on cash held	4,255	(8,803)
<b>Cash and cash equivalents at September 30</b>	<b>124,391</b>	<b>154,162</b>

\*Restated