

AMG Advanced Metallurgical Group N.V.  
Condensed interim consolidated income statement  
For the three months ended September 30  
In thousands of US Dollars

	2010	2009
	Unaudited	Unaudited
Continuing operations		
Revenue	240,427	205,406
Cost of sales	198,325	165,457
<b>Gross profit</b>	<b>42,102</b>	<b>39,949</b>
Selling, general and administrative expenses	31,682	31,876
Restructuring expense	-	5,302
Environmental expense	257	4,075
Other income, net	(270)	(1,194)
<b>Operating profit (loss)</b>	<b>10,433</b>	<b>(110)</b>
Finance expense	4,840	6,109
Finance income	(1,341)	(617)
Foreign exchange (gain)	(578)	(27)
<b>Net finance costs</b>	<b>2,921</b>	<b>5,465</b>
Share of loss of associates	(17,554)	(1,285)
<b>Loss before income tax</b>	<b>(10,042)</b>	<b>(6,860)</b>
Income tax expense	325	5,694
<b>Loss for the period from continuing operations</b>	<b>(10,367)</b>	<b>(12,554)</b>
Loss after tax for the period from discontinued operations	-	(14,240)
<b>Loss for the period</b>	<b>(10,367)</b>	<b>(26,794)</b>
Attributable to:		
Shareholders of the Company	(11,170)	(20,302)
Minority interests	803	(6,492)
<b>Loss for the period</b>	<b>(10,367)</b>	<b>(26,794)</b>
<b>Earnings (loss) per share</b>		
Basic earnings (loss) per share	(0.41)	(0.76)
Diluted earnings (loss) per share	(0.41)	(0.76)
<b>Earnings (loss) per share for continuing operations</b>		
Basic earnings (loss) per share from continuing operations	(0.41)	(0.50)
Diluted earnings (loss) per share from continuing operations	(0.41)	(0.50)

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

*For the nine months ended September 30*

*In thousands of US Dollars*

	2010	2009
	Unaudited	Unaudited
Continuing operations		
Revenue	719,764	636,059
Cost of sales	590,588	516,825
<b>Gross profit</b>	<b>129,176</b>	<b>119,234</b>
Selling, general and administrative expenses	92,169	94,932
Restructuring expense	6	5,696
Environmental expense	763	4,162
Other income, net	(698)	(4,277)
<b>Operating profit</b>	<b>36,936</b>	<b>18,721</b>
Finance expense	15,761	15,880
Finance income	(2,970)	(2,617)
Foreign exchange (gain)	(4,334)	(176)
<b>Net finance costs</b>	<b>8,457</b>	<b>13,087</b>
Share of loss of associates	(26,974)	(2,685)
<b>Profit before income tax</b>	<b>1,505</b>	<b>2,949</b>
Income tax expense	11,317	17,642
<b>Loss for the period from continuing operations</b>	<b>(9,812)</b>	<b>(14,693)</b>
Loss after tax for the period from discontinued operations		(54,580)
<b>Loss for the period</b>	<b>(9,812)</b>	<b>(69,273)</b>
Attributable to:		
Shareholders of the Company	(10,067)	(45,415)
Minority interests	255	(23,858)
<b>Loss for the period</b>	<b>(9,812)</b>	<b>(69,273)</b>
<b>Earnings (loss) per share</b>		
Basic earnings (loss) per share	(0.37)	(1.69)
Diluted earnings (loss) per share	(0.37)	(1.69)
<b>Earnings (loss) per share for continuing operations</b>		
Basic earnings (loss) per share from continuing operations	(0.37)	(0.65)
Diluted earnings (loss) per share from continuing operations	(0.37)	(0.65)

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

	September 30, 2010	December 31, 2009
	Unaudited	Audited
<b>Assets</b>		
Property, plant and equipment	212,440	211,022
Intangible assets	38,924	28,253
Investments in associates	17,775	34,794
Derivative financial instruments	283	1,718
Deferred tax assets	9,480	10,912
Restricted cash	12,703	13,263
Notes receivable	252	5,542
Other assets	14,355	11,980
<b>Total non-current assets</b>	<b>306,212</b>	<b>317,484</b>
Inventories	202,318	193,378
Trade and other receivables	177,586	147,787
Derivative financial instruments	6,383	4,954
Other assets	42,520	30,359
Cash and cash equivalents	90,213	117,016
<b>Total current assets</b>	<b>519,020</b>	<b>493,494</b>
<b>Total assets</b>	<b>825,232</b>	<b>810,978</b>
<b>Equity</b>		
Issued capital	725	725
Share premium	379,518	379,518
Other reserves	33,374	31,284
Retained earnings (deficit)	(208,967)	(198,897)
<b>Equity attributable to shareholders of the Company</b>	<b>204,650</b>	<b>212,630</b>
Minority interests	14,777	15,793
<b>Total equity</b>	<b>219,427</b>	<b>228,423</b>
<b>Liabilities</b>		
Loans and borrowings	184,499	168,319
Employee benefits	88,500	91,358
Provisions	15,272	14,862
Government grants	515	669
Other liabilities	5,659	7,984
Derivative financial instruments	921	1,339
Deferred tax liabilities	12,529	26,395
<b>Total non-current liabilities</b>	<b>307,895</b>	<b>310,926</b>
Loans and borrowings	4,361	3,464
Short term bank debt	45,934	32,013
Government grants	175	234
Other liabilities	48,061	46,179
Trade and other payables	84,450	69,791
Derivative financial instruments	4,486	6,048
Advance payments	44,556	54,764
Current taxes payable	38,803	36,050
Provisions	27,084	23,086
<b>Total current liabilities</b>	<b>297,910</b>	<b>271,629</b>
<b>Total liabilities</b>	<b>605,805</b>	<b>582,555</b>
<b>Total equity and liabilities</b>	<b>825,232</b>	<b>810,978</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

	2010	2009
	Unaudited	Unaudited
<b>Cash flows used in operating activities</b>		
Loss for the period from continuing operations	(9,812)	(14,693)
Loss for the period from discontinued operations	-	(54,580)
<b>Loss for the period</b>	<b>(9,812)</b>	<b>(69,273)</b>
Adjustments to reconcile loss to net cash flows:		
<b>Non-cash:</b>		
Depreciation and amortization	17,755	17,491
Restructuring expense	6	5,696
Environmental expense	763	4,162
Net finance costs	8,457	13,087
Share of loss of associates	26,974	2,685
Equity-settled share-based payment transactions	4,911	10,451
Cash-settled share-based payment transactions	187	-
Income tax expense	11,317	17,642
Change in working capital and provisions	(38,425)	(35,117)
Other	2,312	4,420
Finance costs paid, net	(9,191)	(7,502)
Income tax paid, net	(29,157)	(6,101)
Cash flows from discontinued operations	-	36,326
<b>Net cash flows used in operating activities</b>	<b>(13,903)</b>	<b>(6,033)</b>
 <b>Cash flows used in investing activities</b>		
Proceeds from sale of property, plant and equipment	1,046	-
Acquisition, net of cash	(17,287)	-
Acquisition of property, plant and equipment and intangibles	(19,054)	(20,755)
Investments in associates	(10,755)	(23,832)
Change in restricted cash	427	1,228
Other	(53)	16
Cash flows used in discontinued operations	-	(33,208)
<b>Net cash flows used in investing activities</b>	<b>(45,676)</b>	<b>(76,551)</b>
 <b>Cash flows from financing activities</b>		
Net proceeds from issuance of debt	36,636	11,084
Other	176	439
Cash flows from discontinued operations	-	47,724
<b>Net cash flows from financing activities</b>	<b>36,812</b>	<b>59,247</b>
 <b>Net decrease in cash and cash equivalents</b>	<b>(22,767)</b>	<b>(23,337)</b>
Cash and cash equivalents at January 1	117,016	143,473
Effect of exchange rate fluctuations and consolidation changes on cash	(4,036)	4,255
<b>Cash and cash equivalents at September 30</b>	<b>90,213</b>	<b>124,391</b>