

AMG Advanced Metallurgical Group N.V.
Condensed Interim Consolidated Income Statement

For the quarter ended September 30

In thousands of US dollars

	2018	2017
	Unaudited	Unaudited
Continuing operations		
Revenue	328,071	258,941
Cost of sales	248,516	207,668
Gross profit	79,555	51,273
Selling, general and administrative expenses	35,645	33,787
Net other operating income	(292)	(270)
Operating profit	44,202	17,756
Finance income	(930)	(229)
Finance cost	5,619	2,495
Net finance cost	4,689	2,266
Profit before income tax	39,513	15,490
Income tax expense	9,961	1,731
Profit for the period	29,552	13,759
Attributable to:		
Shareholders of the Company	29,938	13,953
Non-controlling interests	(386)	(194)
Profit for the period	29,552	13,759
Earnings per share		
Basic earnings per share	0.98	0.47
Diluted earnings per share	0.93	0.44

AMG Advanced Metallurgical Group N.V.
Condensed Interim Consolidated Income Statement

For the nine months ended September 30

In thousands of US dollars

	2018	2017
	Unaudited	Unaudited
Continuing operations		
Revenue	965,840	778,952
Cost of sales	737,006	620,832
Gross profit	228,834	158,120
Selling, general and administrative expenses	108,450	97,339
Net other operating income	(416)	(580)
Operating profit	120,800	61,361
Finance income	(2,212)	(650)
Finance cost	18,780	6,716
Net finance cost	16,568	6,066
Profit before income tax	104,232	55,295
Income tax expense	39,122	12,925
Profit for the period	65,110	42,370
Attributable to:		
Shareholders of the Company	65,636	42,634
Non-controlling interests	(526)	(264)
Profit for the period	65,110	42,370
Earnings per share		
Basic earnings per share	2.17	1.47
Diluted earnings per share	2.05	1.34

AMG Advanced Metallurgical Group N.V.
 Condensed Interim Consolidated Statement of Financial
 Position

<i>In thousands of US dollars</i>	September 30, 2018 Unaudited	December 31, 2017
Assets		
Property, plant and equipment	318,550	298,540
Goodwill and other intangible assets	35,515	38,110
Derivative financial instruments	6,080	636
Other investments	30,463	30,562
Deferred tax assets	34,195	40,108
Restricted cash	804	829
Non-current tax asset	-	2,488
Other assets	15,942	17,729
Total non-current assets	441,549	429,002
Inventories	271,087	162,505
Derivative financial instruments	1,306	6,372
Trade and other receivables	166,731	137,174
Other assets	44,621	37,547
Current tax assets	7,852	3,147
Cash and cash equivalents	349,889	178,800
Assets held for sale	139	2,056
Total current assets	841,625	527,601
Total assets	1,283,174	956,603

AMG Advanced Metallurgical Group N.V.
Condensed Interim Consolidated Statement of Financial
Position
(continued)

<i>In thousands of US dollars</i>	September 30, 2018 Unaudited	December 31, 2017
Equity		
Issued capital	812	796
Share premium	462,891	432,844
Treasury shares	(596)	(3,461)
Other reserves	(93,967)	(72,880)
Retained earnings (deficit)	(72,061)	(99,343)
Equity attributable to shareholders of the Company	297,079	257,956
Non-controlling interests	23,781	24,633
Total equity	320,860	282,589
Liabilities		
Loans and borrowings	365,519	164,788
Employee benefits	152,878	156,193
Provisions	31,266	35,887
Other liabilities	4,464	4,011
Derivative financial instruments	6,989	-
Deferred tax liabilities	7,609	7,888
Total non-current liabilities	568,725	368,767
Loans and borrowings	896	8,820
Short term bank debt	15,733	15,500
Other liabilities	58,882	61,836
Trade and other payables	192,349	155,115
Derivative financial instruments	12,108	1,415
Advance payments	63,132	33,025
Current taxes payable	21,930	9,155
Provisions	28,559	20,381
Total current liabilities	393,589	305,247
Total liabilities	962,314	674,014
Total equity and liabilities	1,283,174	956,603

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

	2018	2017
	Unaudited	Unaudited
Cash from operating activities		
Profit for the year	65,110	42,370
Adjustments to reconcile net profit to net cash flows:		
Non-cash:		
Income tax expense	39,122	12,925
Depreciation and amortization	24,573	22,501
Asset impairment	3,200	811
Net finance costs	16,568	6,066
Gain on sale or disposal of property, plant and equipment	(1,065)	(43)
Equity-settled share-based payment transactions	4,610	6,624
Movement in provisions, pensions and government grants	7,002	(4,718)
Working capital and deferred revenue adjustments	(84,955)	(27,318)
Cash generated from operating activities	74,165	59,218
Finance costs paid, net	(11,949)	(5,813)
Income tax paid, net	(15,469)	(8,152)
Net cash from operating activities	46,747	45,253
Cash used in investing activities		
Proceeds from sale of property, plant and equipment	1,489	183
Insurance proceeds on property, plant and equipment	1,300	1,516
Acquisition of property, plant and equipment and intangibles	(55,043)	(52,677)
Change in restricted cash	-	1,883
Other	(31)	(11)
Net cash used in investing activities	(52,285)	(49,106)

AMG Advanced Metallurgical Group N.V.
 Condensed Interim Consolidated Statement of Cash Flows
 (continued)

For the nine months ended September 30

In thousands of US dollars

	2018	2017
	Unaudited	Unaudited
Cash from financing activities		
Proceeds from issuance of debt	351,172	19,500
Payment of transaction costs related to the issuance of debt	(9,238)	-
Repayment of borrowings	(155,195)	(7,909)
Proceeds from issuance of common shares	15,923	14,370
Net repurchase of common shares	(9,558)	(12,434)
Dividends paid	(12,092)	(9,310)
Net cash from financing activities	181,012	4,217
Net increase in cash and cash equivalents	175,474	364
Cash and cash equivalents at January 1	178,800	160,744
Effect of exchange rate fluctuations on cash held	(4,385)	10,681
Cash and cash equivalents at September 30	349,889	171,789