

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

For the quarter ended December 31

In thousands of US dollars

	2018	2017
	Unaudited	Unaudited
Continuing operations		
Revenue	344,448	280,699
Cost of sales	258,107	224,192
Gross profit	86,341	56,507
Selling, general and administrative expenses	35,131	34,955
Environmental expense	8,722	3,092
Other expense, net	27	69
Net other operating expense	8,749	3,161
Operating profit	42,461	18,391
Finance income	(1,509)	(1,116)
Finance cost	8,450	3,444
Net finance cost	6,941	2,328
Profit before income tax	35,520	16,063
Income tax expense	5,849	980
Profit for the period	29,671	15,083
Attributable to:		
Shareholders of the Company	28,980	14,331
Non-controlling interests	691	752
Profit for the period	29,671	15,083
Earnings per share		
Basic earnings per share	0.95	0.48
Diluted earnings per share	0.92	0.45

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

For the year ended December 31

In thousands of US dollars

	2018	2017
	Unaudited	
Continuing operations		
Revenue	1,310,288	1,059,651
Cost of sales	995,113	845,024
Gross profit	315,175	214,627
Selling, general and administrative expenses	143,581	132,294
Environmental expense	8,757	3,092
Other income, net	(424)	(511)
Net other operating expense	8,333	2,581
Operating profit	163,261	79,752
Finance income	(3,721)	(1,766)
Finance cost	27,230	10,160
Net finance cost	23,509	8,394
Profit before income tax	139,752	71,358
Income tax expense	44,971	13,905
Profit for the year	94,781	57,453
Attributable to:		
Shareholders of the Company	94,616	56,965
Non-controlling interests	165	488
Profit for the year	94,781	57,453
Earnings per share		
Basic earnings per share	3.12	1.95
Diluted earnings per share	2.97	1.80

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

<i>In thousands of US dollars</i>	December 31, 2018 Unaudited	December 31, 2017
Assets		
Property, plant and equipment	327,951	298,540
Goodwill and other intangible assets	35,130	38,110
Derivative financial instruments	7,592	636
Other investments	21,452	30,562
Deferred tax assets	34,112	40,108
Restricted cash	1,715	829
Non-current tax asset	-	2,488
Other assets	11,266	17,729
Total non-current assets	439,218	429,002
Inventories	316,715	162,505
Derivative financial instruments	1,335	6,372
Trade and other receivables	138,530	137,174
Other assets	39,426	37,547
Current tax assets	3,668	3,147
Cash and cash equivalents	381,900	178,800
Assets held for sale	144	2,056
Total current assets	881,718	527,601
Total assets	1,320,936	956,603

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

<i>In thousands of US dollars</i>	December 31, 2018 Unaudited	December 31, 2017
Equity		
Issued capital	812	796
Share premium	462,891	432,844
Treasury shares	(347)	(3,461)
Other reserves	(104,274)	(72,880)
Retained earnings (deficit)	(39,158)	(99,343)
Equity attributable to shareholders of the Company	319,924	257,956
Non-controlling interests	24,119	24,633
Total equity	344,043	282,589
Liabilities		
Loans and borrowings	356,997	164,788
Employee benefits	149,217	156,193
Provisions	32,527	35,887
Other liabilities	4,371	4,011
Derivative financial instruments	5,148	-
Deferred tax liabilities	7,930	7,888
Total non-current liabilities	556,190	368,767
Loans and borrowings	8,947	8,820
Short-term bank debt	15,500	15,500
Other liabilities	61,120	61,836
Trade and other payables	230,939	155,115
Derivative financial instruments	8,267	1,415
Advance payments	50,210	33,025
Current taxes payable	19,675	9,155
Provisions	26,045	20,381
Total current liabilities	420,703	305,247
Total liabilities	976,893	674,014
Total equity and liabilities	1,320,936	956,603

AMG Advanced Metallurgical Group N.V.
Condensed Consolidated Statement of Cash Flows

For the year ended December 31

In thousands of US dollars

	2018	2017
	Unaudited	
Cash from operating activities		
Profit for the year	94,781	57,453
Adjustments to reconcile net profit to net cash flows:		
Non-cash:		
Income tax expense	44,971	13,905
Depreciation and amortization	33,034	30,899
Asset impairment	3,333	1,160
Net finance costs	23,509	8,394
(Gain) loss on sale or disposal of property, plant and equipment	(720)	75
Equity-settled share-based payment transactions	7,499	8,697
Movement in provisions, pensions and government grants	3,724	(3,016)
Working capital and deferred revenue adjustments	(73,107)	(21,308)
Cash generated from operating activities	137,024	96,259
Finance costs paid, net	(18,273)	(7,443)
Income tax paid, net	(21,329)	(10,291)
Net cash from operating activities	97,422	78,525
Cash used in investing activities		
Proceeds from sale of property, plant and equipment	1,660	254
Insurance proceeds on property, plant and equipment	1,300	1,516
Acquisition of property, plant and equipment and intangibles	(73,031)	(80,904)
Change in restricted cash	(923)	1,911
Other	(325)	3
Net cash used in investing activities	(71,319)	(77,220)

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

For the year ended December 31

In thousands of US dollars

	2018	2017
	Unaudited	
Cash from financing activities		
Proceeds from issuance of debt	353,087	30,000
Transaction costs related to the issuance of debt	(9,238)	-
Repayment of borrowings	(155,423)	(17,153)
Proceeds from issuance of common shares	15,923	14,370
Net repurchase of common shares	(9,558)	(12,434)
Dividends paid	(12,092)	(9,293)
Net cash from financing activities	182,699	5,490
Net increase in cash and cash equivalents	208,802	6,795
Cash and cash equivalents at January 1	178,800	160,744
Effect of exchange rate fluctuations on cash held	(5,702)	11,261
Cash and cash equivalents at December 31	381,900	178,800