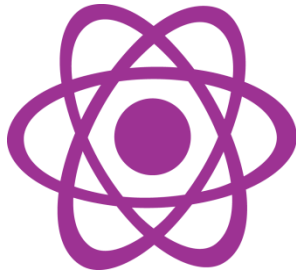




AMG Advanced Metallurgical Group N.V.

Investor Presentation
1st Quarter 2009



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- Preeminent global specialty materials and materials technology company serving growing end-markets
- **Advanced Materials Division:** Niche and complex specialty materials
- **Engineering Systems Division:** Advanced vacuum furnace systems for high-purity metals
- **Timminco (50.7%-owned) ⁽¹⁾:** Solar grade silicon and silicon metal
- **Graphit Kropfmühl (79.5%-owned):** Integrated miner of natural graphite and producer of silicon metal
- **2008 FY Results:** Revenue up 31% to \$1,518 million and EBITDA up 55% to \$185 million

(1) AMG owned 50.3% as of December 31, 2008.

Business Highlights

- Global economic downturn significantly affected demand during the 4th quarter
- Market conditions are unpredictable and will be challenging in 2009
- The Advanced Material Division is implementing a 15% reduction in staffing ⁽¹⁾
- All non-essential capital spending programs have been postponed
- Timminco produced 554 mt and shipped 424 mt of Upgraded Metallurgical (UMGSi) solar silicon during the 4th quarter 2008
 - Total production for 2008: 1,214 mt
 - Total shipments for 2008: 1,045 mt
- 4th quarter 2008 UMGSi average selling price: C\$65/kg
- 4th quarter 2008 UMGSi average cost: less than C\$30/kg
- Timminco is adjusting expansion and operating plans to market demand

⁽¹⁾ From 30 September 2008 levels

Financial Highlights

- Full Year 2008 Revenues up 31% to 1,518 million
- Full Year 2008 EBITDA up 55% to \$185 million
 - Adjusted EPS up 17% to \$2.00
- 4th quarter 2008 revenue up 8% over 4th quarter 2007 to \$341 million
- 4th quarter EBITDA decreased 73% to \$8 million
- Cash of \$143 million and debt at \$232 million at year end 2008
 - Net debt of \$89 million at year end 2008



Strategic Overview

AMG's Strategy



Strategy in action



AMG's strategy is to increase shareholder value through focusing on global CO₂ reduction technologies and industries – Solar, Fuel Efficiency, Recycling and Nuclear

Focus on CO₂ Technologies and Markets

Solar

- Furnace technology leadership for the production of solar silicon wafers
- Low-cost producer of UMG solar silicon based on proprietary technology
- New Timminco UMG solar silicon facility is producing and shipping
- Significant producer of silicon metal sold to polysilicon producers

Fuel Efficiency

- Proprietary alloys and superalloys for aerospace applications
- Furnace technology for production of titanium and other weight-advantaged alloys

Recycling

- Spent refinery catalyst and power plant residue recovery for production of ferrovanadium and ferronickel-molybdenum and vanadium alloys
- Long-term contract for spent catalysts supports long term capacity expansion plans

Nuclear

- Sintering furnaces for nuclear fuel and related furnaces for the nuclear fuel cycle
- Furnaces and process technology for pebble bed reactors
- Graphite production from GK acquisition is a critical input for nuclear components

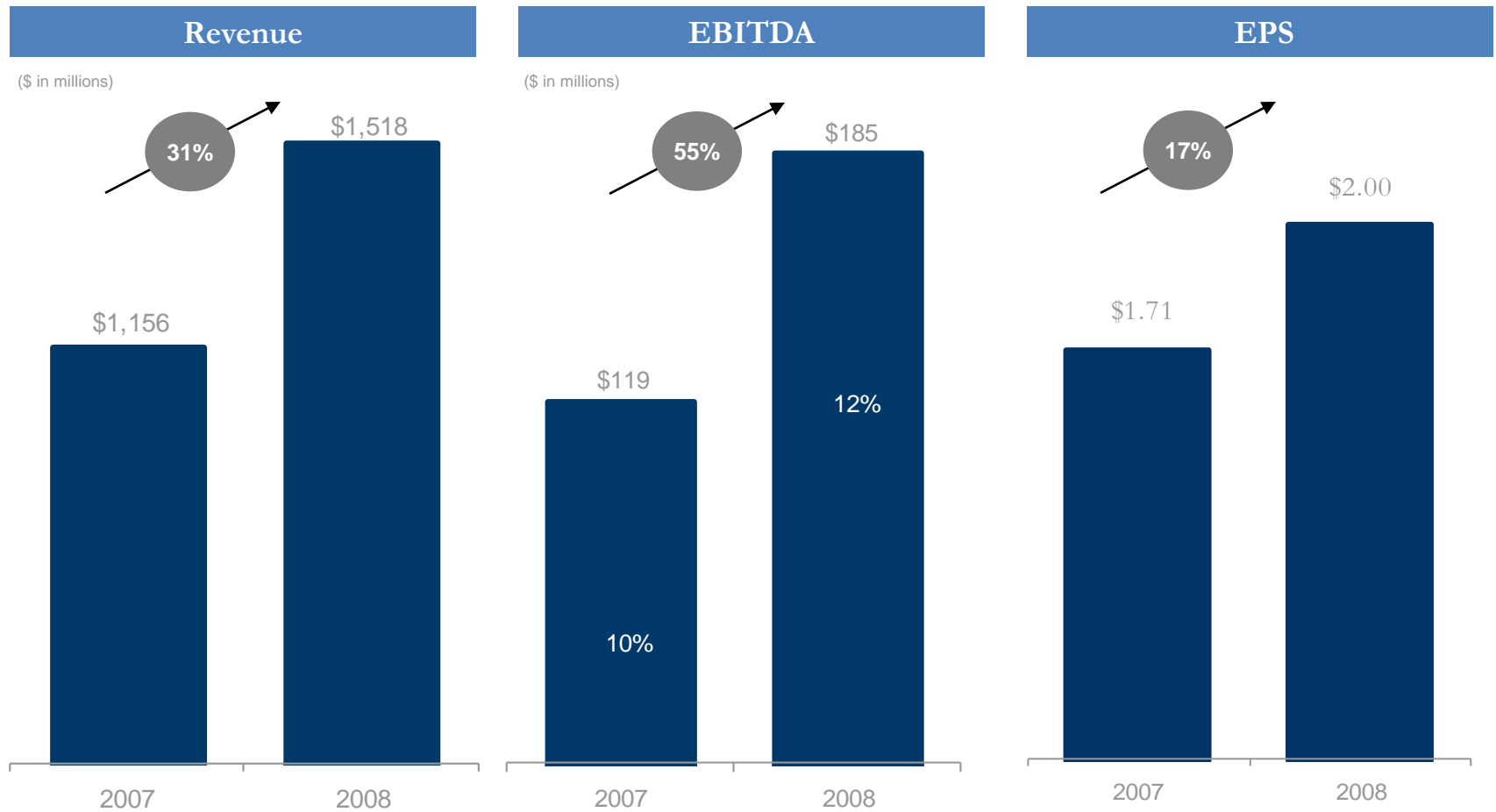
End Markets

AMG Advanced Metallurgical Group N.V.

	Solar		Fuel Efficiency		Recycling		Nuclear		Other		Total Group	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Revenue	452	213	410	366	167	115	3	-	485	462	1,518	1,156
Gross Margin	117	40	77	67	43	33	1	-	60	62	298	201
Margin %	26%	19%	19%	18%	26%	28%	50%	N/A	12%	13%	20%	17%
	<ul style="list-style-type: none"> UMG Solar Grade Silicon Silicon metal DSS Vacuum furnaces Coatings for thin film applications 		<ul style="list-style-type: none"> Vacuum furnace systems for the production of high purity metals VAl alloys Superalloys for the Ti industry 		<ul style="list-style-type: none"> Ferrovandium Ferro nickel – molybdenum Vanadium chemicals 		<ul style="list-style-type: none"> Vacuum sintering furnace systems Engineering for processing of weapons grade plutonium into MOX nuclear fuel 		<ul style="list-style-type: none"> Chromium metal Tantalum Vacuum sintering furnace systems Antimony trioxide Natural graphite Al master alloys 			
	<ul style="list-style-type: none"> World's largest producer of UMG Si for solar applications 		<ul style="list-style-type: none"> Petrol prices drive growth in specialty metals to improve fuel economy 		<ul style="list-style-type: none"> Secondary business model enables unique low cost feedstock 		<ul style="list-style-type: none"> Acquired remaining 50% of nuclear joint venture 		<ul style="list-style-type: none"> Portfolio of diverse metals based businesses 			

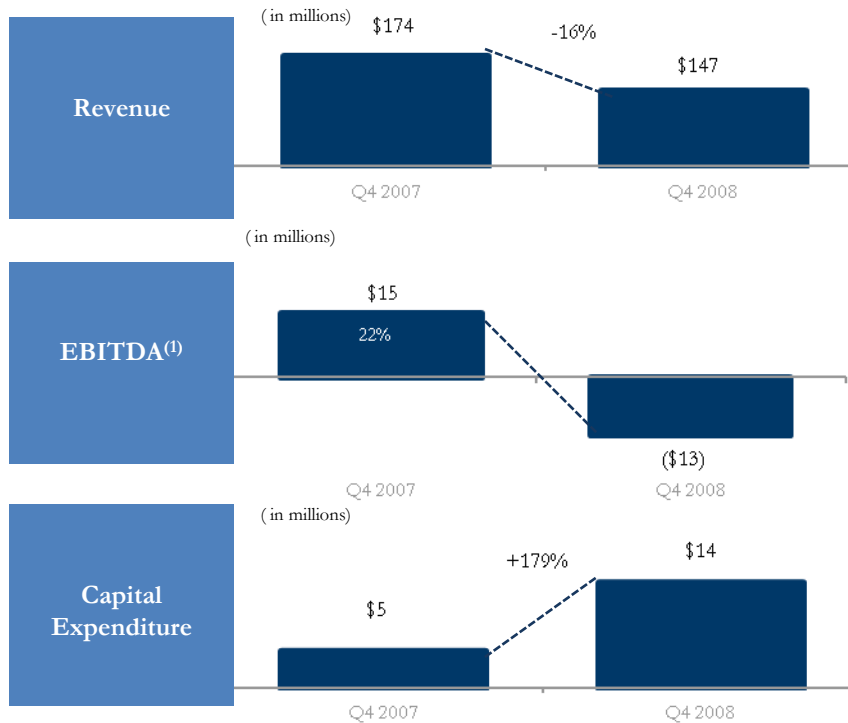
A focus on global CO₂ reduction technologies and industries

Record Results for 2008



Advanced Materials

Q4 2008 Financial Summary



Highlights

- Achieved record revenue and EBITDA during 2008
 - \$756.7 million in revenue, a 10% increase
 - \$62.1 million EBITDA, a 13% increase
- Ferrovandium
 - Reference prices decreased 35% during Q4
 - March 2009 reference price is \$10.25/lb
- Grew sales of rotatable zinc oxide targets for solar thin films increased by 322% in 2008 over 2007
- Current environment
 - Market conditions are extremely challenging
 - Reducing headcount by 15% from 30 September 2008 levels
 - Reducing all non-essential capital investment



(1) Percentages in bars represent EBITDA margins.

Engineering Systems

Q4 2008 Financial Summary



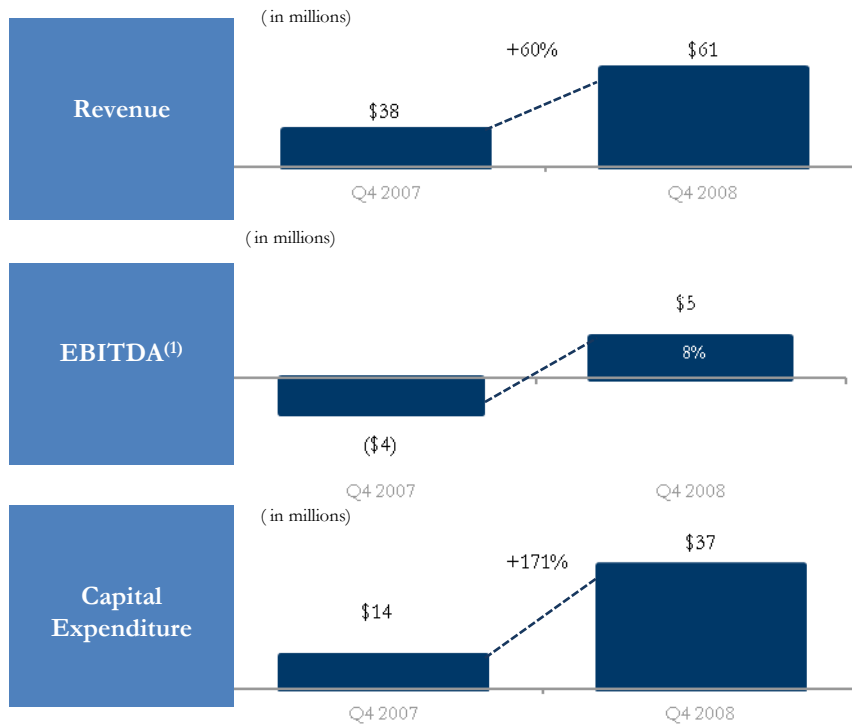
Highlights

- Achieved record revenue and EBITDA during 2008
 - \$435.5 million in revenue, a 40% increase
 - \$95.6 million EBITDA, a 38% increase
- Backlog
 - \$332 million at December 2008, from \$393 million at September 2008
- Completed the expansion of the Berlin production facility
- Product mix: 80% of Q4 revenues were from DSS furnace systems
- Current environment
 - Reasonable visibility for 2009 revenues despite challenging environment



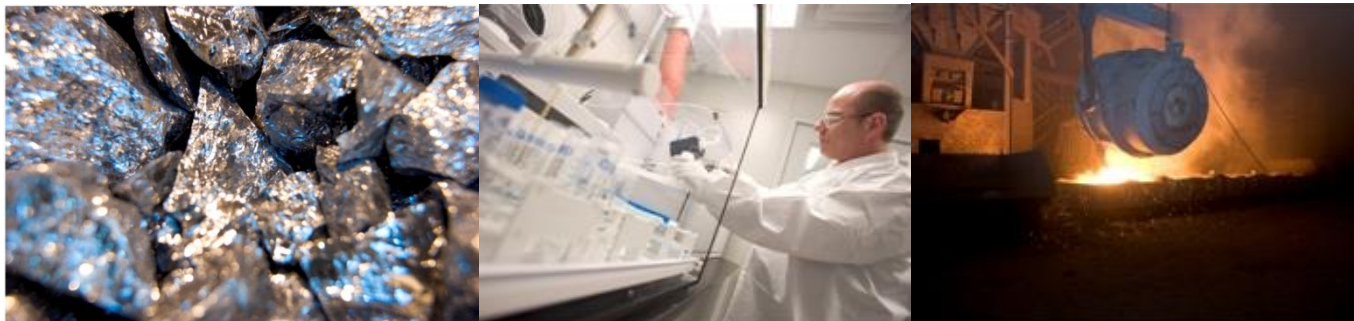
(1) Percentages in bars represent EBITDA margins.

Q4 2008 Financial Summary



Highlights

- Achieved strong revenue and EBITDA during 2008
 - \$237.8 million in revenue, a 53% increase
 - \$20.0 million EBITDA
- UMGSi Expansion
 - 7 production lines installed as of Q1 2009
 - Shipped 1,045 mt in 2008; 424 mt in Q4
 - Q4 average price C\$65/kg
- Re-evaluating further expansion in light of current poor market conditions
- Magnesium spin off expected to be completed during Q2 2009



(1) Percentages in bars represent EBITDA margins.

Graphit Kropfmühl

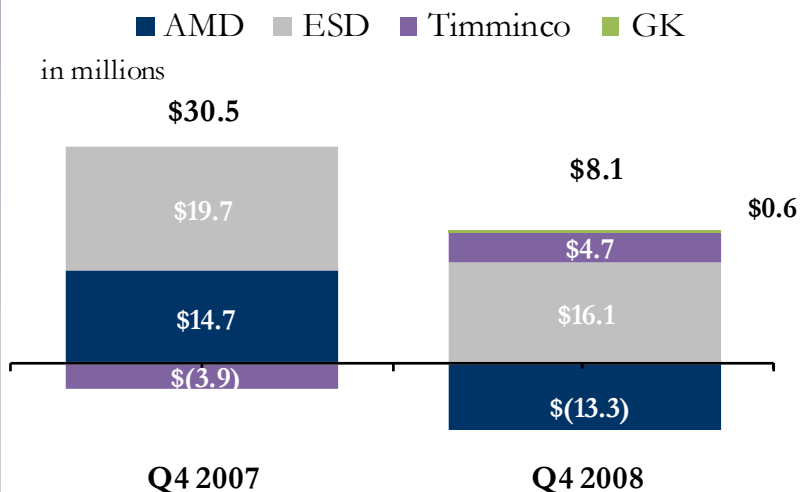
Highlights

- Strong revenue and EBITDA in (eight months) 2008
 - \$87.9 million in revenue for 8 months ended December 2008
 - \$7.6 million EBITDA for the 8 months ended December 2008
- Capital expenditure of \$7.6 million primarily for the expansion of silicon metal capacity
- AMG acquired 79.5% of GK in Q2 2008 for \$66.9 million
- Silicon Metal
 - 30,000 mt of Si metal capacity
 - Secures large Si metal supply to Western Europe polysilicon producers
- Natural Graphite
 - Natural graphite used in the fuel efficiency and transportation industries



EBITDA Overview

Total EBITDA

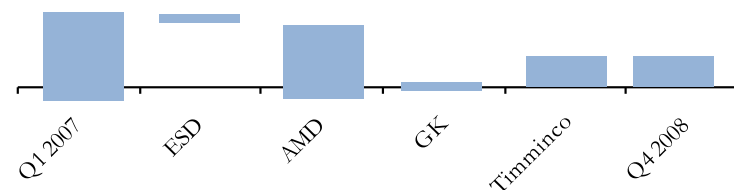


EBITDA

in millions	Q4 2007	Q4 2008
Operating Profit	\$14.5	(\$48.7)
+ Depreciation / Amortization	5.1	8.6
+ / - FX income (loss)	0.8	(2.7)
+ Restructuring and Impairment	(0.3)	43.9
+ Environmental	1.9	5.0
+ Stock Option Expense	1.6	11.9
+ One time items (pension, SERP)	6.9	(9.9)
Adjusted EBITDA	\$30.5	\$8.1

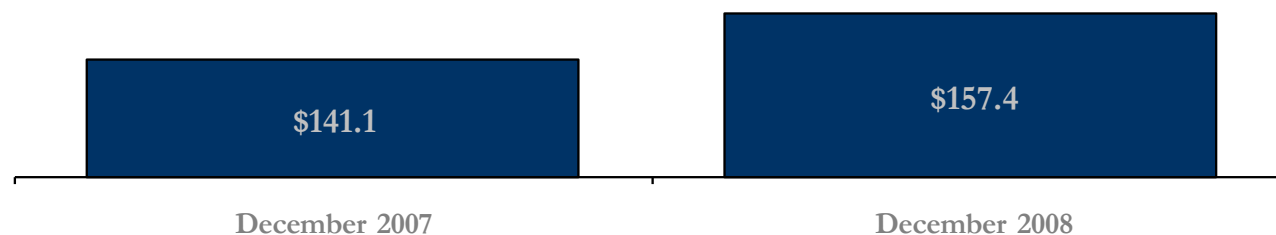
EBITDA BRIDGE

Q4 2007 versus Q4 2008



Working Capital

\$ in millions

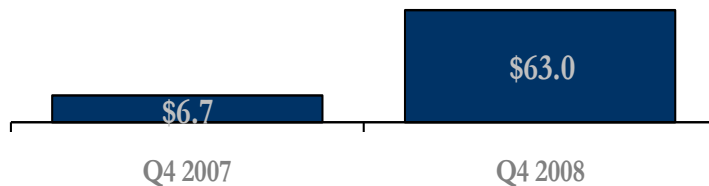


METRIC		December 2007	December 2008
Trade and other receivables	days of sales	53	44
Inventories	days of COGS	68	100
Trade and other payables	days of COGS	58	64
Advance Payments	days of sales	21	34
Net Working Capital	days of sales	42	46
Net Working Capital	% of sales	12.2%	10.4%

Capital Investment

2008 Q4 Capital Expenditures

\$ in millions



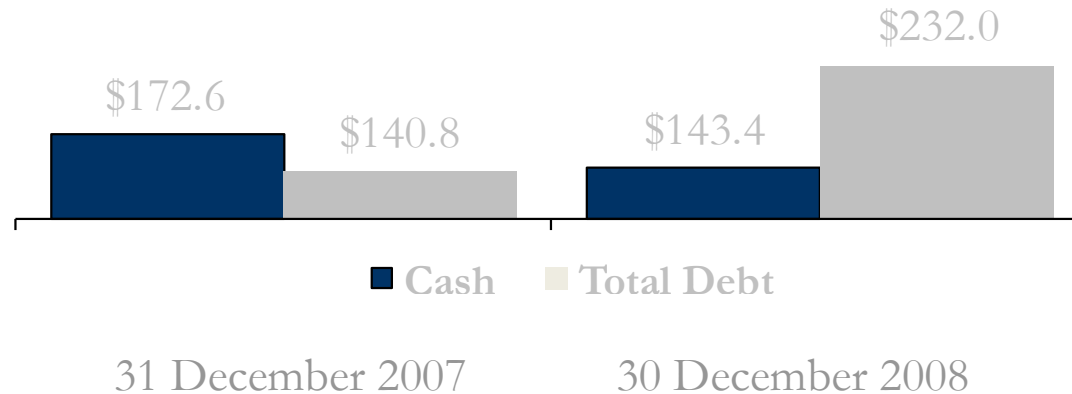
- Maintenance capital is typically \$15 - 20 million per annum and was \$24.3 million in 2008.
- Timminco's solar silicon plant and expansion expenditures were \$76.9 million in 2008.

Growth Capex Programmes

Q4 2008 Major Capital Projects

<u>Project</u>	<u>Q4 2008</u>	<u>2008</u>
Timminco – Solar Silicon Plant & Expansion	\$30.5	\$76.9
Engineering Systems– Mexico heat treatment facility	\$2.8	\$12.1
Advanced Materials – Tantalum mine & hydropower expansion	\$6.1	\$11.6
Engineering Systems – Berlin modification	\$4.5	\$7.2
Advanced Materials - Ferrovanadium expansion	\$2.8	\$3.1

Strong Capital Base



- Cash of \$143.4 million at 31 December 2008
- Total debt increased to \$232.0 million at 30 September 2008
 - GK acquisition used \$62.9 million of cash and included \$27.3 million of assumed debt
 - Timminco debt increased by \$40.6 million to fund expansion
- AMG had a net debt position of \$88.6 million at 31 December 2008
 - Net Debt to EBITDA of less than 1.0x

Note: Cash includes short term investments

2009 Outlook

Advanced Materials

- Global demand is significantly affected by current market slowdown
- Ferrovanadium prices and demand have decreased due to slowing demand for North American structural steel
- Chromium metal, tantalum, aluminum master alloys volumes are affected by global slowdown
- Working capital should decrease due to price and volume decreases of raw materials

Engineering Systems

- Global demand expected to decrease due to economic uncertainty
- \$332 million backlog as of 31 December
- Berlin production facility being adapted to produce multiple furnace types
- Pricing remains steady
 - 2009 margin levels are expected to be consistent with 2008

Timminco

- Upgraded Metallurgical Silicon capacity expansion on hold; orders significantly below contracted levels
 - Seven lines have been installed as of February 2009
- UMGSi production levels being adjusted to meet current market demand
- Ingot process is proceeding; goal of reducing UMGSi processing costs
- Silicon metal production is being temporarily shutdown in Q2 2009 due to decrease in market demand

⁽¹⁾ From 30 September 2008 levels

Appendix

Consolidated Balance Sheet

\$ in thousands

	<u>December 31, 2007</u>	<u>December 31, 2008</u>
Fixed Assets	155,763	313,470
Goodwill and Intangibles	50,291	47,060
Other non-current assets	76,613	74,514
Inventories	186,410	318,793
Receivables	187,243	173,422
Other current assets	67,669	59,292
Cash	<u>172,558</u>	<u>143,473</u>
TOTAL ASSETS	<u>896,547</u>	<u>1,130,024</u>
TOTAL EQUITY	309,797	311,811
Long-term Debt	115,726	138,990
Pension Liabilities	102,809	103,176
Other long-term liabilities	61,872	81,920
Current Debt	25,056	93,043
Accounts Payable	126,827	156,697
Advance Payments	74,731	94,049
Unearned Revenue	0	35,624
Accruals	42,356	53,882
Other current liabilities	37,373	60,832
TOTAL LIABILITIES	<u>586,750</u>	<u>818,213</u>
TOTAL LIABILITIES AND EQUITY	<u>896,547</u>	<u>1,130,024</u>

Consolidated Income Statement

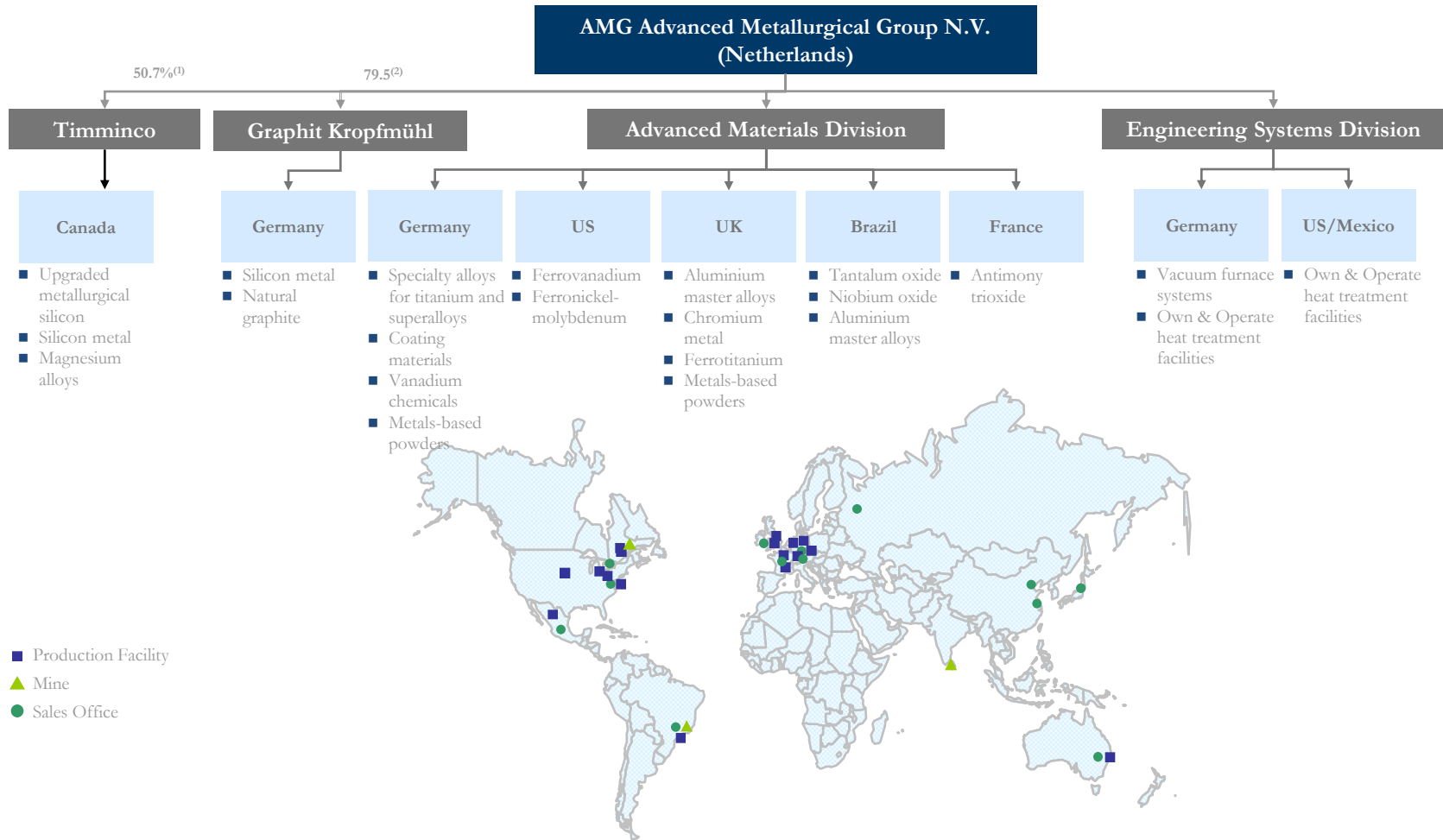
\$ in thousands

	Q4 2007	Q4 2008
Total Revenue	316,925	341,230
Cost of Goods Sold	263,261	296,764
Gross Margin	53,664	44,466
Selling, General and Admin.	38,107	50,084
Asset impairment and restructuring	(292)	29,391
Environmental	1,863	5,036
Other Expense (Income)	(557)	(1,260)
Operating Profit	14,543	(38,785)
Net Finance Costs	878	5,603
Equity Accounted Investee Profit	(1,250)	(9,534)
Profit before Income taxes	12,415	(53,922)
Tax Provision	(2,147)	5,172
Profit for the Quarter	14,562	(59,094)
Attributable to:		
Shareholders of the Company	18,177	(54,096)
Minority Interest	(3,615)	(4,998)

Consolidated Cash Flows

\$ in thousands	<u>Full Year December 31, 2007</u>	<u>Full Year December 31, 2008</u>
Cash Flows from Operations	74,500	123,353
Capital Expenditures	(58,259)	(158,290)
Other Investing Activities	(34,600)	(62,400)
Cash Flows from Investing Activities	(92,859)	(220,690)
Cash Flows from Financing Activities	123,425	79,574
Net increase (decrease) in cash	105,066	(17,763)
Beginning Cash	54,610	172,558
Effects of exchange rates on cash	12,882	(11,322)
Ending Cash	172,558	143,473
Approximate availability under AMG lines of credit		103,108
Total Liquidity		246,581

Global Operations



Global presence enables access to key growth markets

Note: This chart is a simplified depiction of AMG's organisational structure.

(1) Timminco Limited is listed on the Toronto stock exchange (TIM.CN / TIM.TO).

(2) Graphit Kropfmühl AG ("GK") is listed on the Frankfurt stock exchange (GKRG.DE / GKR.GR).