AMG Advanced Metallurgical Group N.V

Investor Presentation

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AMG at a Glance

- 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
- **Majority Owned Subsidiaries:**
  - **Timminco (52.5%-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.

2008 Business Highlights

- Acquired 79.5% of Graphit Kropfmühl
- Established full scale nuclear technology business
  - won contract from Shaw Areva/ U.S. DOE
- Timminco shipped 1,045 mt of Upgraded Metallurgical (UMGSi) solar silicon in 2008
- Cash of $143 million and debt at $232 million at Dec 2008
  - Net debt of $89 million at year end 2008
- Market conditions are challenging in 2009
  - The Advanced Material Division is implementing an 18% reduction in staffing
  - The Engineering Systems Division and GK are also implementing staffing reductions
  - Timminco is renegotiating contracts with Q-Cells and other customers

End Markets 2008

AMG Advanced Metallurgical Group N.V.

	Solar		Energy 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%
	▪ UMG Solar Grade Silicon ▪ Silicon metal ▪ DSS Vacuum furnaces ▪ Coatings for thin film applications		▪ Vacuum furnace systems for the production of high purity metals ▪ Master alloys for the Ti industry ▪ Natural graphite		▪ Ferrovanadium ▪ Ferro nickel – molybdenum ▪ Vanadium chemicals		▪ Vacuum sintering furnace systems ▪ Engineering for processing of weapons grade plutonium into MOX nuclear fuel ▪ Vacuum sintering furnace systems		▪ Chromium metal ▪ Tantalum ▪ Antimony trioxide ▪ Al master alloys			
	▪ **World's largest producer of UMG Si for solar applications**		▪ **Petrol prices drive growth in specialty metals to improve fuel economy**		▪ **Secondary business model enables unique low cost feedstock**		▪ **Acquired remaining 50% of nuclear joint venture**		▪ **Portfolio of diverse metals based businesses**			

A focus on global CO_2 reduction technologies and industries

Global Operations

AMG Advanced Metallurgical Group N.V. (Netherlands)

52.5%(1) | 79.5(2)

Timminco

Canada

- Upgraded metallurgical silicon
- Silicon metal
- Magnesium alloys

Graphit Kropfmühl

Germany

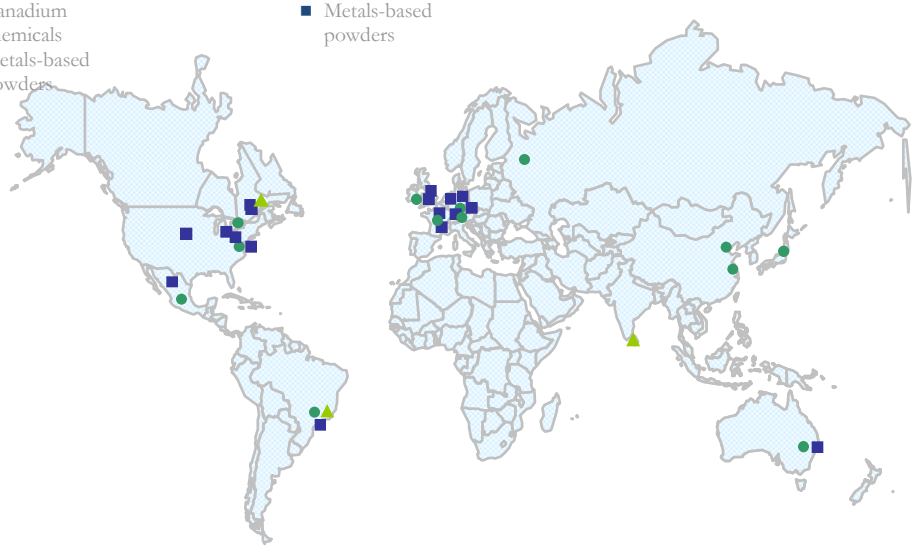
- Silicon metal
- Natural graphite

Advanced Materials Division

Germany	US	UK	Brazil	France
■ Specialty alloys for titanium and superalloys ■ Coating materials ■ Vanadium chemicals ■ Metals-based powders	■ Ferrovanadium ■ Ferronickel-molybdenum	■ Aluminium master alloys ■ Chromium metal ■ Ferrotitanium ■ Metals-based powders	■ Tantalum oxide ■ Niobium oxide ■ Aluminium master alloys	■ Antimony trioxide

Engineering Systems Division

Germany	US/Mexico
■ Vacuum furnace systems ■ Own & Operate heat treatment facilities	■ Own & Operate heat treatment facilities



■ Production Facility
▲ Mine
● Sales Office

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).

Engineering Systems Division

Focus on CO_2 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
- Producer of silicon metal feedstock used to manufacture polysilicon and coating materials for thin film photovoltaics

Recycling

- Spent refinery catalyst and power plant residue recycling used to produce ferrovanadium and ferronickel-molybdenum and vanadium alloys
- Long-term contract for spent catalysts supports long term capacity expansion plans

Fuel Efficiency

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

Nuclear

- **Sintering furnaces for nuclear fuel and related furnaces for the nuclear fuel cycle**
- **Furnaces and process technology for pebble bed reactors**
- Graphite produced by GK is a critical input for nuclear components

End Markets 2008

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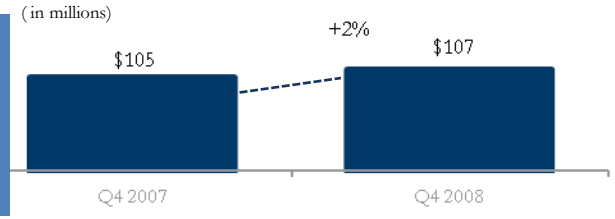
	▪ **World's largest producer of UMG Si for solar applications**		▪ **Petrol prices drive growth in specialty metals to improve fuel economy**		▪ **Secondary business model enables unique low cost feedstock**		▪ **Acquired remaining 50% of nuclear joint venture**		▪ **Portfolio of diverse metals based businesses**			

A focus on global CO_2 reduction technologies and industries

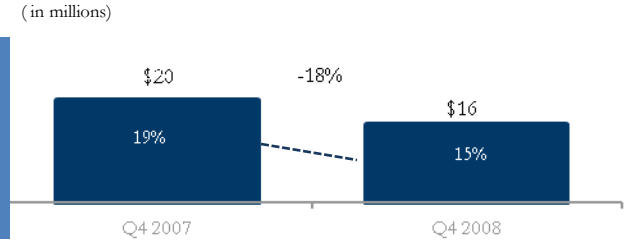
Engineering Systems

Q4 2008 Financial Summary

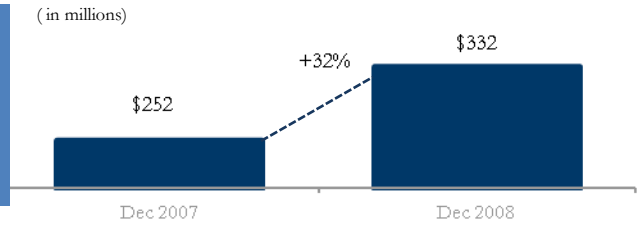
Revenue



EBITDA(1)



Backlog



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.

End Markets Q1 2009

AMG Advanced Metallurgical Group N.V. [1]

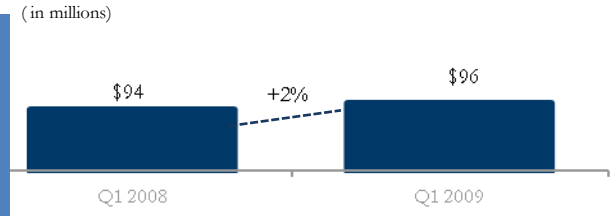
	Solar		Energy Efficiency		Recycling		Nuclear		Other		Total Group YTD	
	Q1 09	Q1 08	Q1 09	Q1 08	Q1 09	Q1 08	Q1 09	Q1 08	Q1 09	Q1 08	Q1 09	Q1 08
Revenue	97	71	59	100	17	39	2	0	72	117	246	326
Gross Margin	13	19	7	18	(3)	13	1	-	6	17	24	67
Margin %	14%	26%	12%	18%	-15%	34%	36%	N/A	8%	15%	10%	21%
	▪ UMG Solar Grade Silicon ▪ Silicon metal ▪ **DSS Vacuum furnaces** ▪ Coatings for thin film applications		▪ **Vacuum furnace systems for the production of high purity metals** ▪ VAl alloys ▪ Master alloys for the Ti industry ▪ Natural graphite		▪ Ferrovanadium ▪ Ferro nickel - molybdenum		▪ **Vacuum sintering furnace systems** ▪ **Engineering for processing of weapons grade plutonium into MOX nuclear fuel** ▪ **Vacuum sintering furnace systems**		▪ Chromium metal ▪ Tantalum ▪ Antimony trioxide ▪ Al master alloys			
	▪ **World's largest producer of UMG Si for solar applications**		▪ **Petrol prices drive growth in specialty metals to improve fuel economy**		▪ **Secondary business model enables unique low cost feedstock**		▪ **Acquired remaining 50% of nuclear joint venture**		▪ **Portfolio of diverse metals based businesses**			

A focus on global CO2 reduction technologies and industries

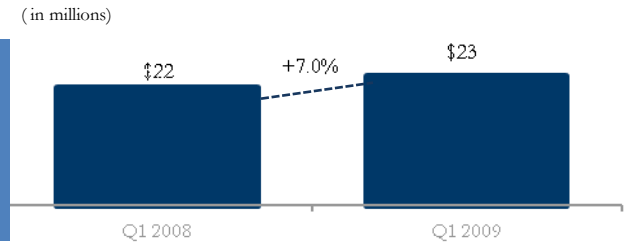
Engineering Systems

Q1 2009 Financial Summary

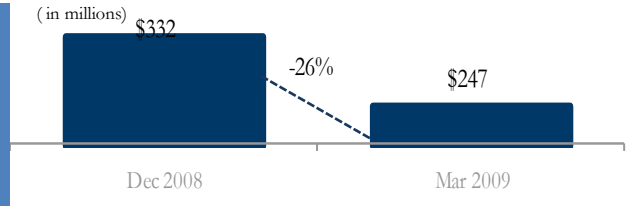
Revenue



EBITDA



Backlog



Highlights

- Revenue increased 2% to $96 million
  - Solar silicon DSS furnace revenues increased 74% in Q109 as compared to Q108
- EBITDA was up 7% to $23 million largely due to increase in revenue and the weaker U.S. Dollar
- Backlog declined from $332 million at December 31 2008 to $247 at March 31, 2009
  - New orders of solar silicon DSS furnaces declined prompting the decline in backlog
- Reasonable visibility for 2009 revenue and gross margin due to remaining backlog

Solar – DSS furnaces for the production of ingots

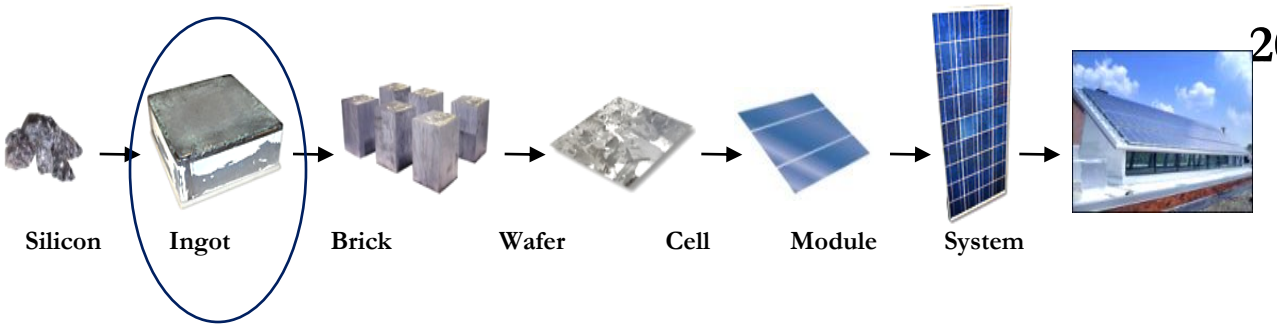
1998 – Development of the first generation DSS ingot furnaces

2001 – Development of large area solidification furnace and exclusivity with REC AS

2004 – Development of the 400kg DSS furnace

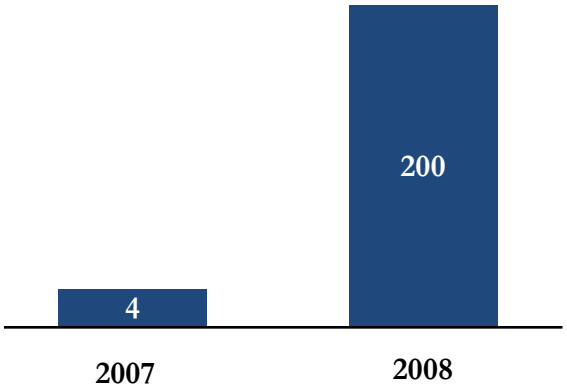
2008 – Establishment of the in-house manufacturing facility in Berlin, Germany

Result: market leading throughput; lowest cost of ownership
2002 Rev: $4mn
2008 Rev: $203mn

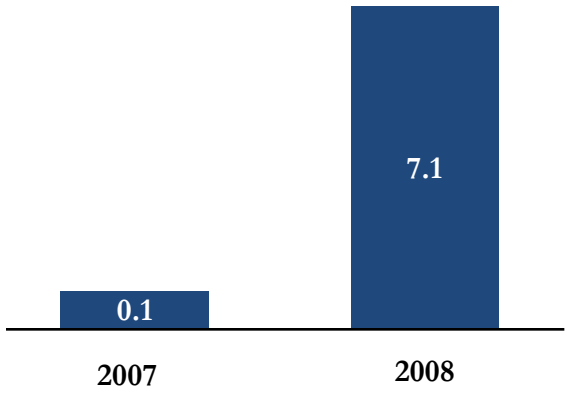


Solar - AMG ingot furnaces

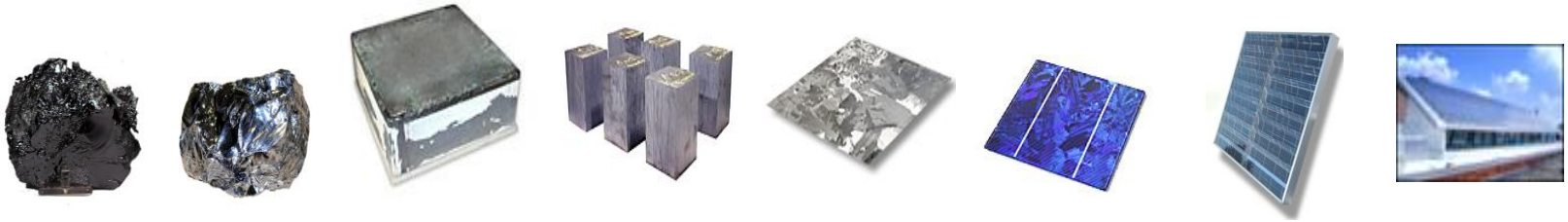
Number of Solar Silicon Remelting and DSS Furnaces Produced



Total Reduction in Production Cost ($ million)



Solar Value Chain



Si-Metal → Poly UMGSi → Ingot → Brick → Wafer → Cell → Module → System

TIM GK

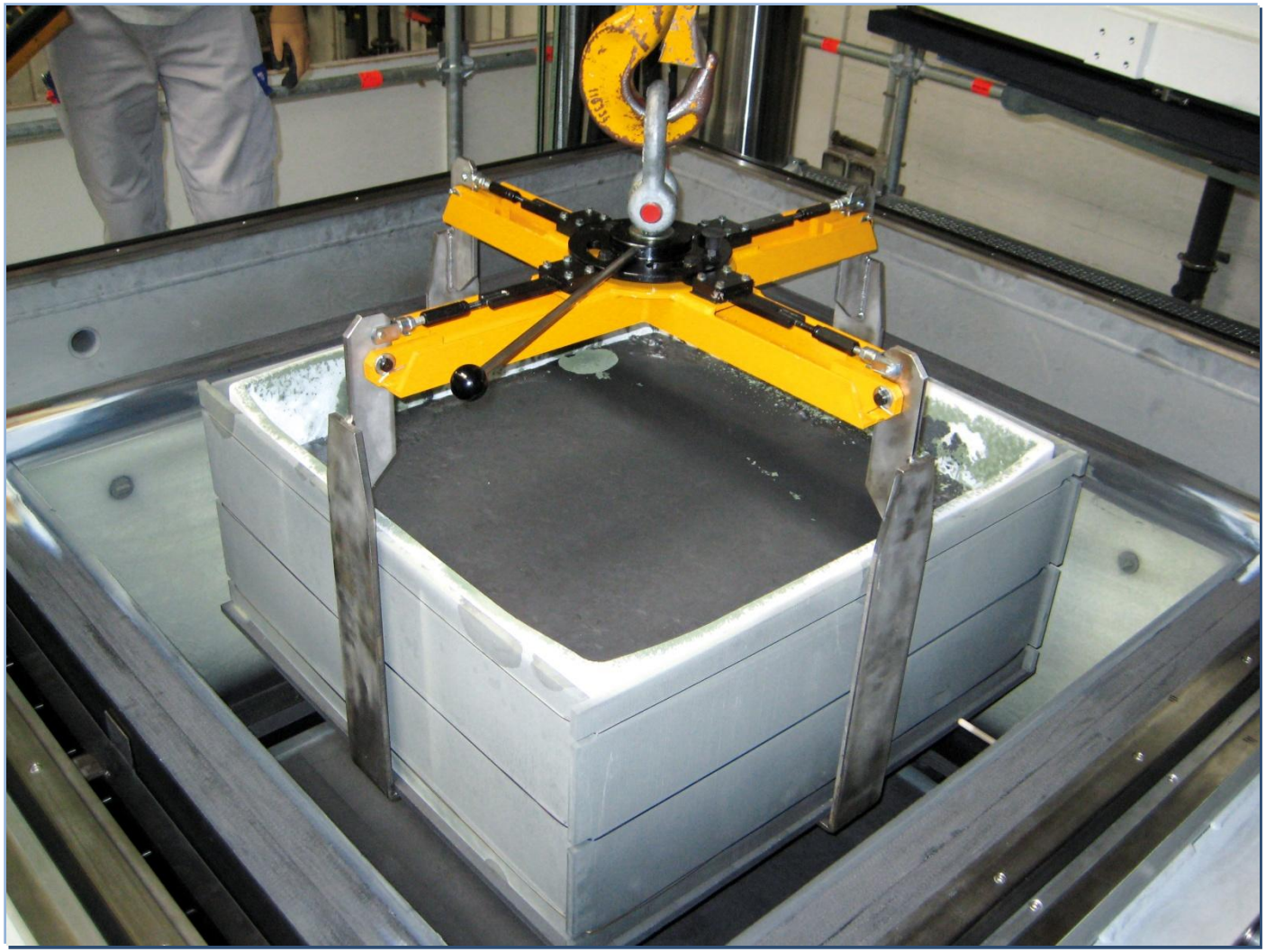
TIM AMG

TIM AMG

AMG Thin Film coatings

AMG participates in multiple steps in the solar value chain

Solar - AMG ingot furnace



Solar - AMG SCU 400 ingot furnaces

Nuclear – technologies to store waste

AMG creates joint venture, FNAG, to promote nuclear technologies

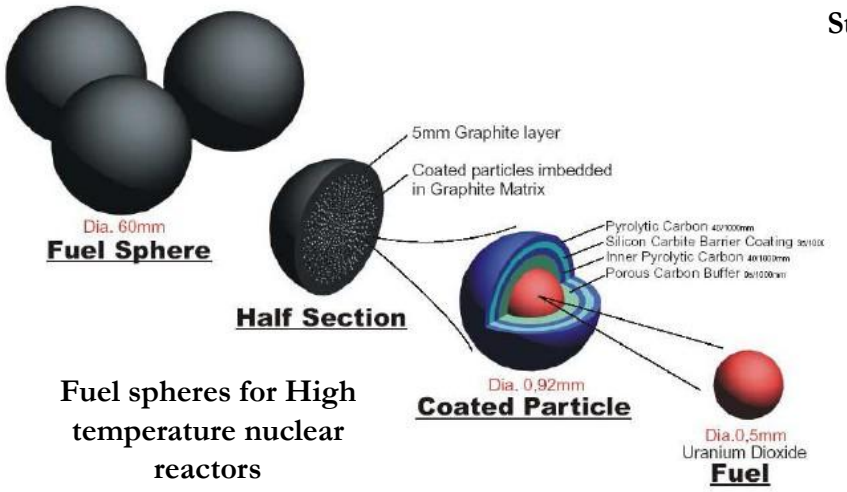
AMG acquires 100% of joint venture

AMG developing long term solution to storage of HTR nuclear waste

1980-2000 | 2007 | 2008 | 2008 | 2009

AMG designs and engineers over 25 nuclear fuel sintering furnaces

FNAG signs contract with U.S. DOE

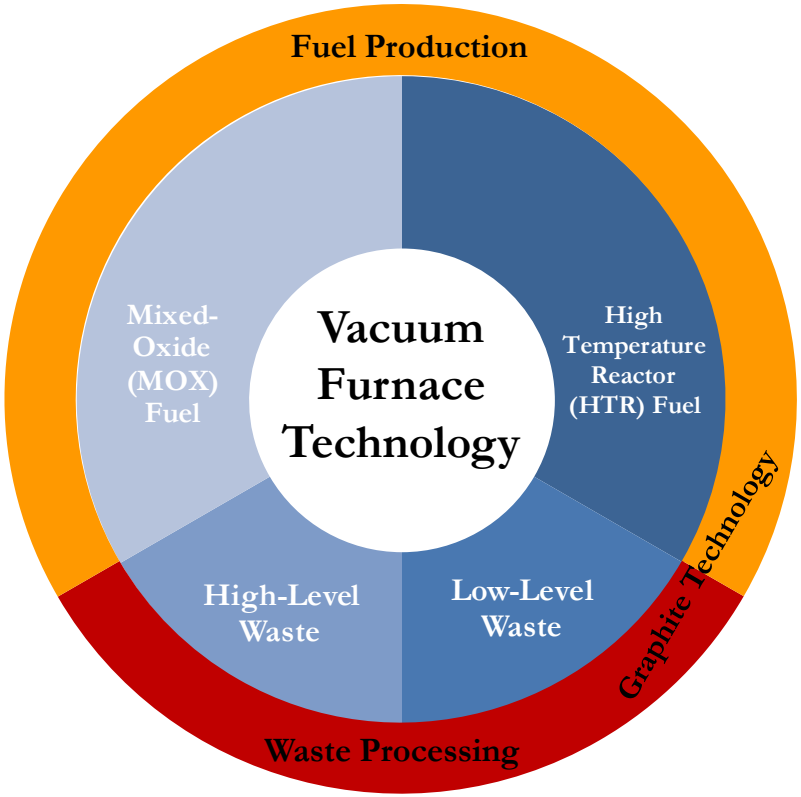


Fuel spheres for High temperature nuclear reactors

Stackable Graphite Blocks

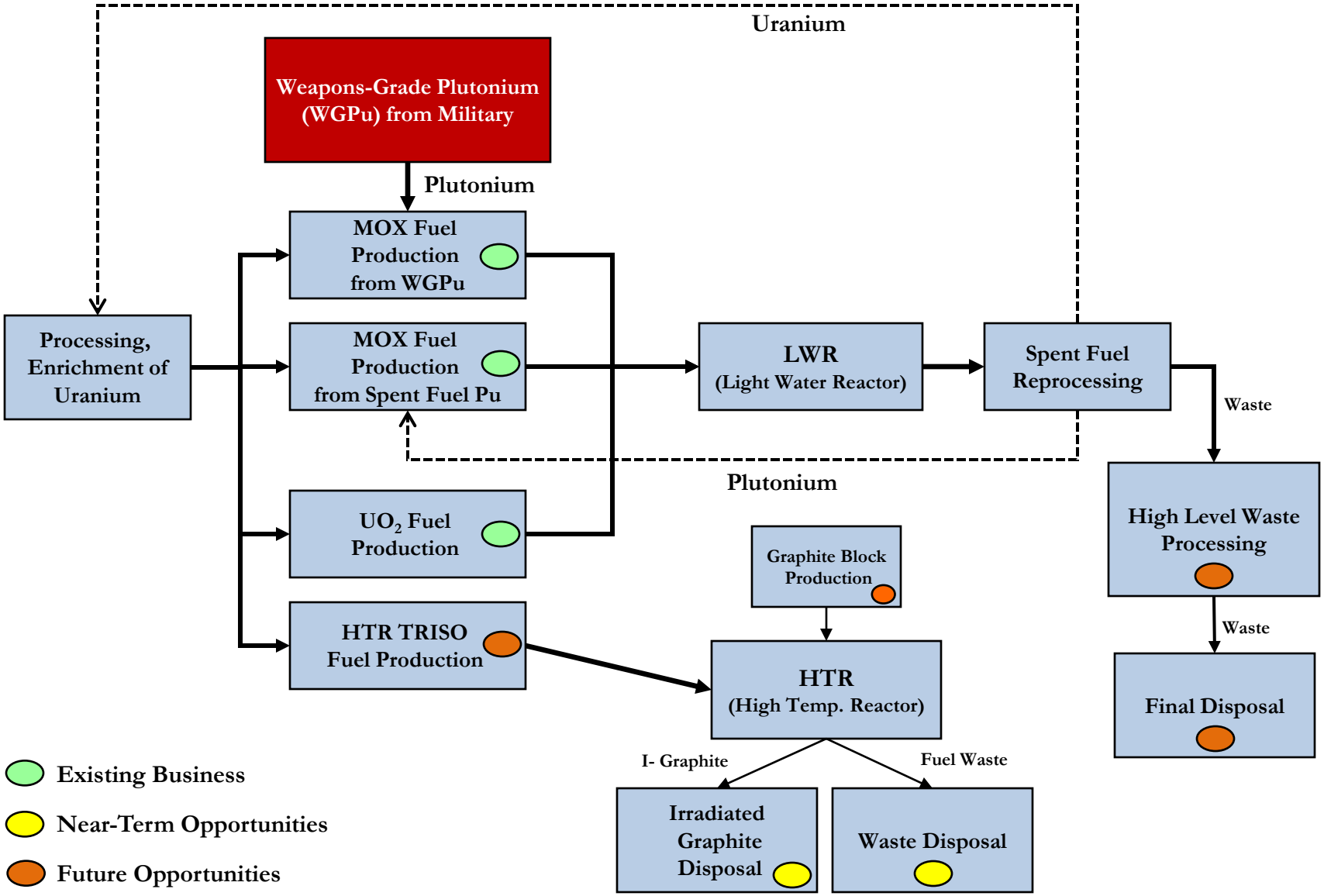
Nuclear

AMG's nuclear business utilizes the core vacuum furnace technology for sintering and coating of both nuclear fuel and radioactive waste streams



AMG's nuclear technology is attempting to solve very large critical problems in this growing alternative energy sector

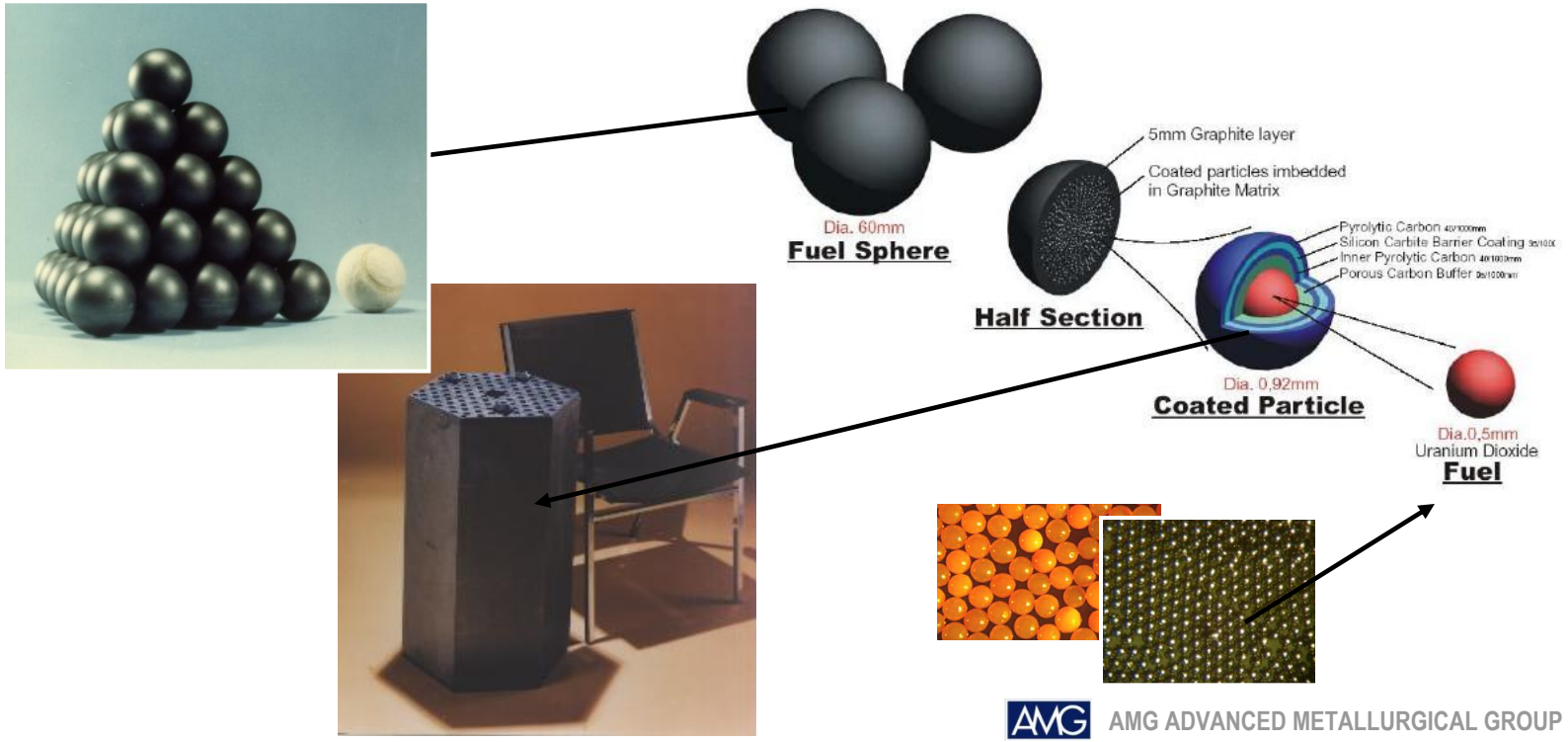
Nuclear – AMG's participation in the value chain



Nuclear technologies for HTR fuel production

AMG can support projects for graphite moderated HTR reactors for power generation and hydrogen production with the following technologies:

- Calcining and sintering of kernels
- Coating of TRISO coated particles
- Molding of fuel spheres
- Molding of monolithic block fuel elements
- Use of corrosion resistant graphite matrix



Energy Efficiency - Vacuum furnaces

Vacuum Melting and Remelting Systems

- Refine raw materials by removing impurities – aerospace, energy
- Refine, treat, and adjust the chemical composition of metals – aerospace, energy, infrastructure

Precision Casting Systems

- Cast high grade metals and nickel based superalloys in a high purity environment – aerospace, infrastructure

Coating Systems

- High-powered electron beam, physical vapour deposition furnace systems to melt, evaporate, and deposit metals and ceramics onto aerospace and industrial gas turbine blades

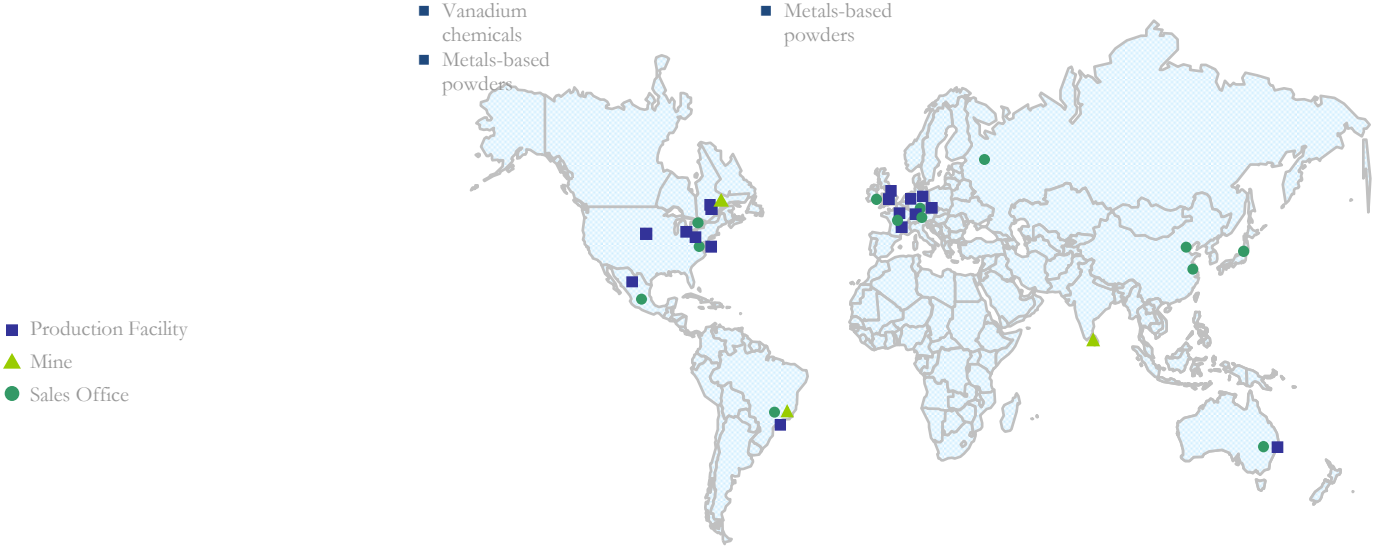
Advanced Materials Division

Advanced Materials

AMG Advanced Metallurgical Group N.V. (Netherlands)

Advanced Materials Division

Germany	US	UK	Brazil	France
■ Specialty alloys for titanium and superalloys ■ Coating materials ■ Vanadium chemicals ■ Metals-based powders	■ Ferrovanadium ■ Ferronickel-molybdenum	■ Aluminium master alloys ■ Chromium metal ■ Ferrotitanium ■ Metals-based powders	■ Tantalum oxide ■ Niobium oxide ■ Aluminium master alloys	■ Antimony trioxide



Global presence enables access to key growth markets

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

Focus on CO_2 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
- Producer of silicon metal feedstock used to manufacture polysilicon and **coating materials for thin film photovoltaics**

Recycling

- **Spent refinery catalyst and power plant residue recycling used to produce ferrovanadium and ferronickel-molybdenum and vanadium alloys**
- **Long-term contract for spent catalysts supports long term capacity expansion plans**

Energy Efficiency

- **Proprietary alloys and superalloys for aerospace applications**
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Nuclear

- Sintering furnaces for nuclear fuel and related furnaces for the nuclear fuel cycle
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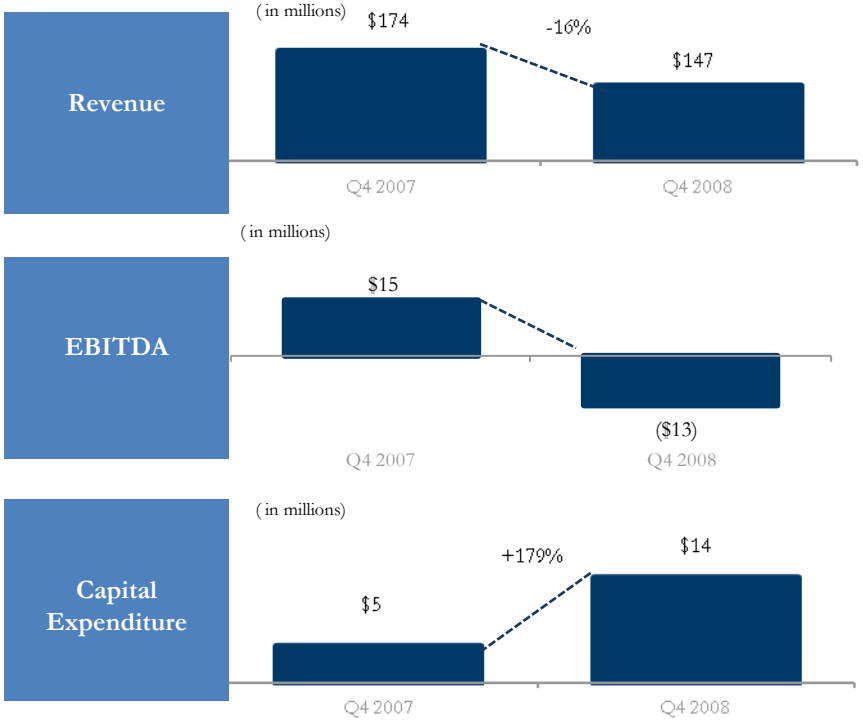
Advanced Materials

Q4 2008 Financial Summary



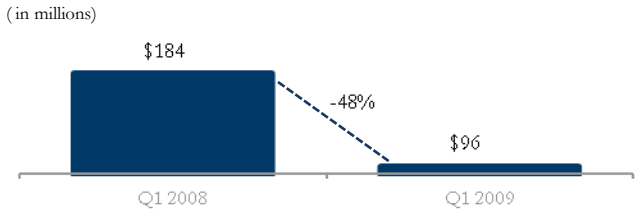
Highlights

- Achieved record revenue and EBITDA during 2008
  - $756.7 million in revenue, a 10% increase
  - $62.1 million EBITDA, a 13% increase
- EBITDA includes inventory write-downs of $20 million in Q408
- Ferrovanadium
  - 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
  - Reducing all non-essential capital investment

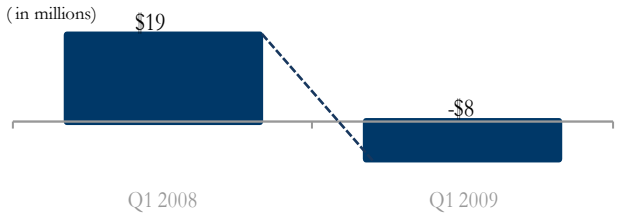
Advanced Materials

Q1 2009 Financial Summary

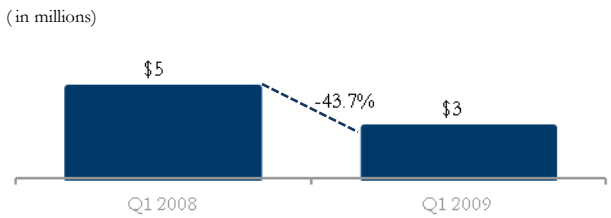
Revenue



EBITDA



Capital Expenditure

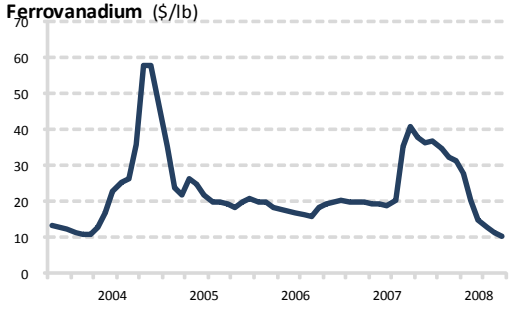


Highlights

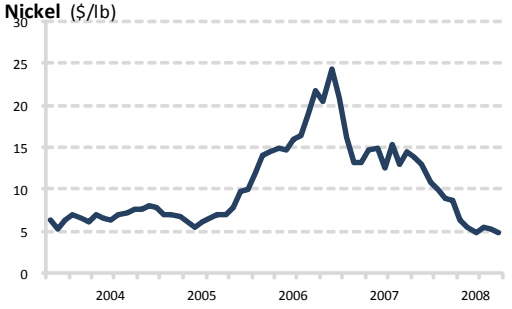
- FeV prices declined 65% and FeV volumes declined 21% year over year impacting both revenue and EBITDA
- Demand remains soft in most markets, most notably steel, superalloys and titanium
- EBITDA includes inventory write-downs of $6.6 million in Q109
- FTE headcount reduction of 18% from September 30, 2008
- Capital expenditures in Q109 represents completion of projects started in 2008
- Expansion capital has been delayed until market conditions improve

Market Environment

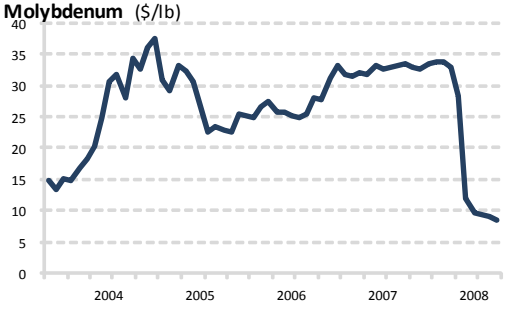
Ferrovanadium ($/lb)



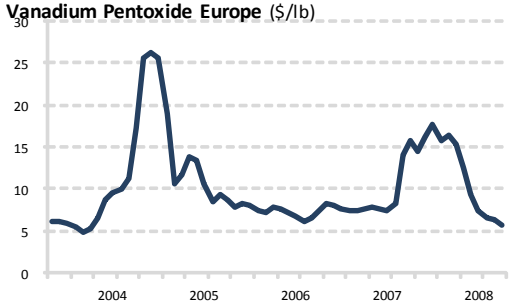
Nickel ($/lb)



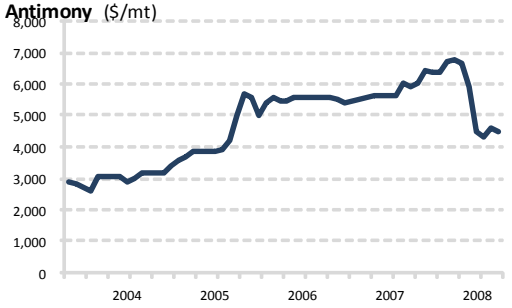
Molybdenum ($/lb)



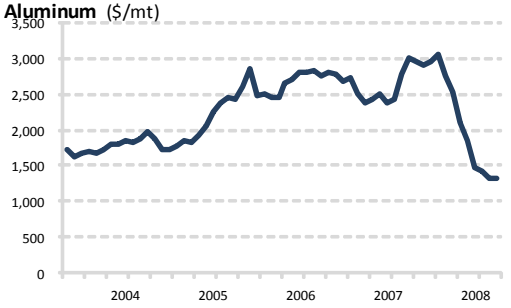
Vanadium Pentoxide Europe ($/lb)



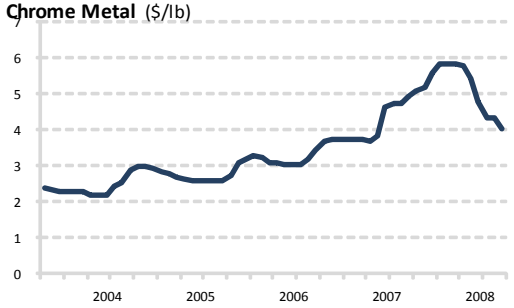
Antimony ($/mt)



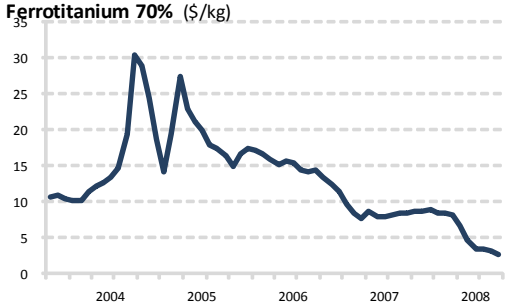
Aluminum ($/mt)



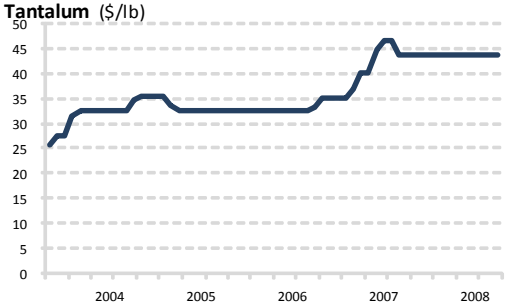
Chrome Metal ($/lb)



Ferrotitanium 70% ($/kg)



Tantalum ($/lb)

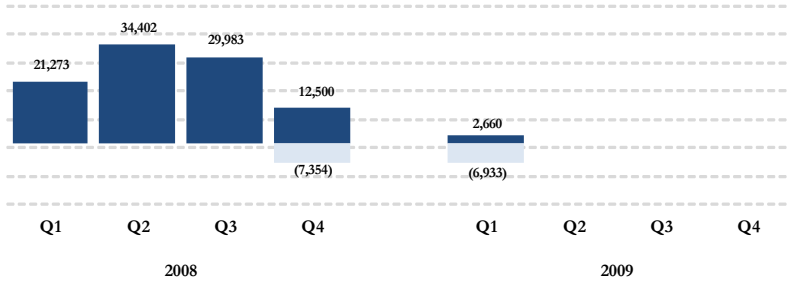


*** Monthly average index prices**

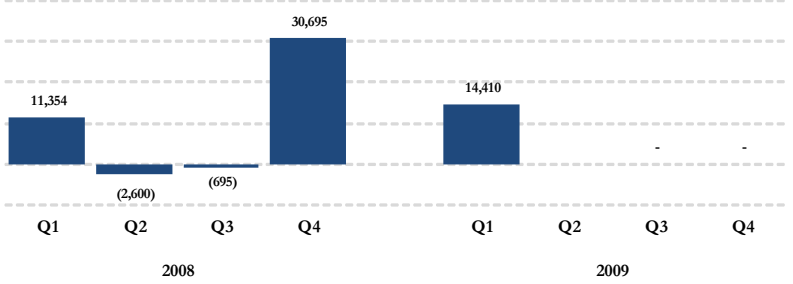
Advanced Materials Division - Q1 2009 Highlights

Quarterly Results

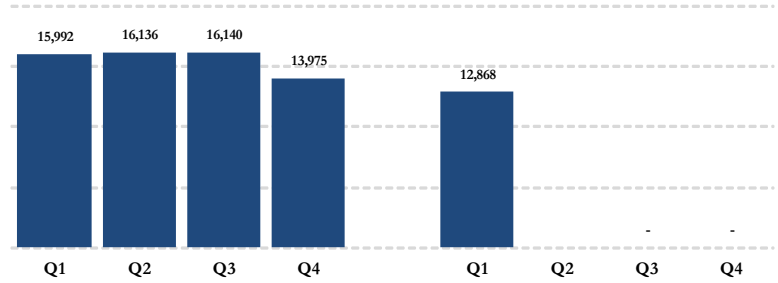
Normalized EBITDA USD thousand



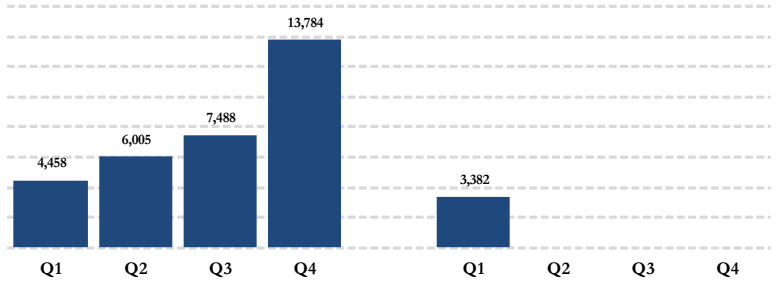
Operating Cash Flow (1) USD thousand



Selling & Administrative USD thousand

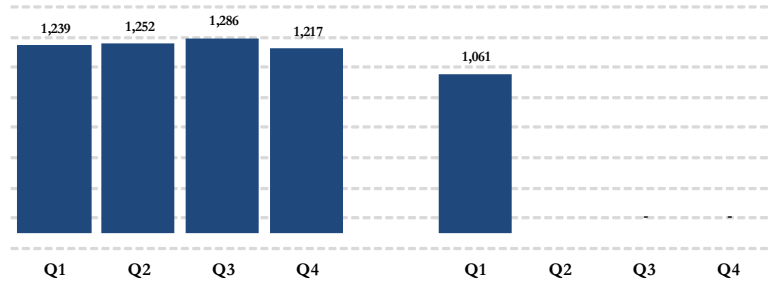


Capital Expenditures USD thousand

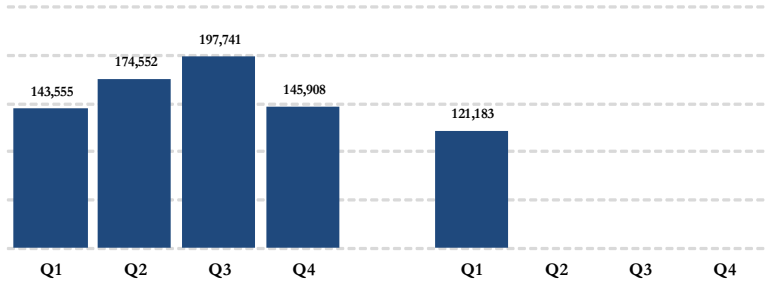


Quarter Ending Amounts

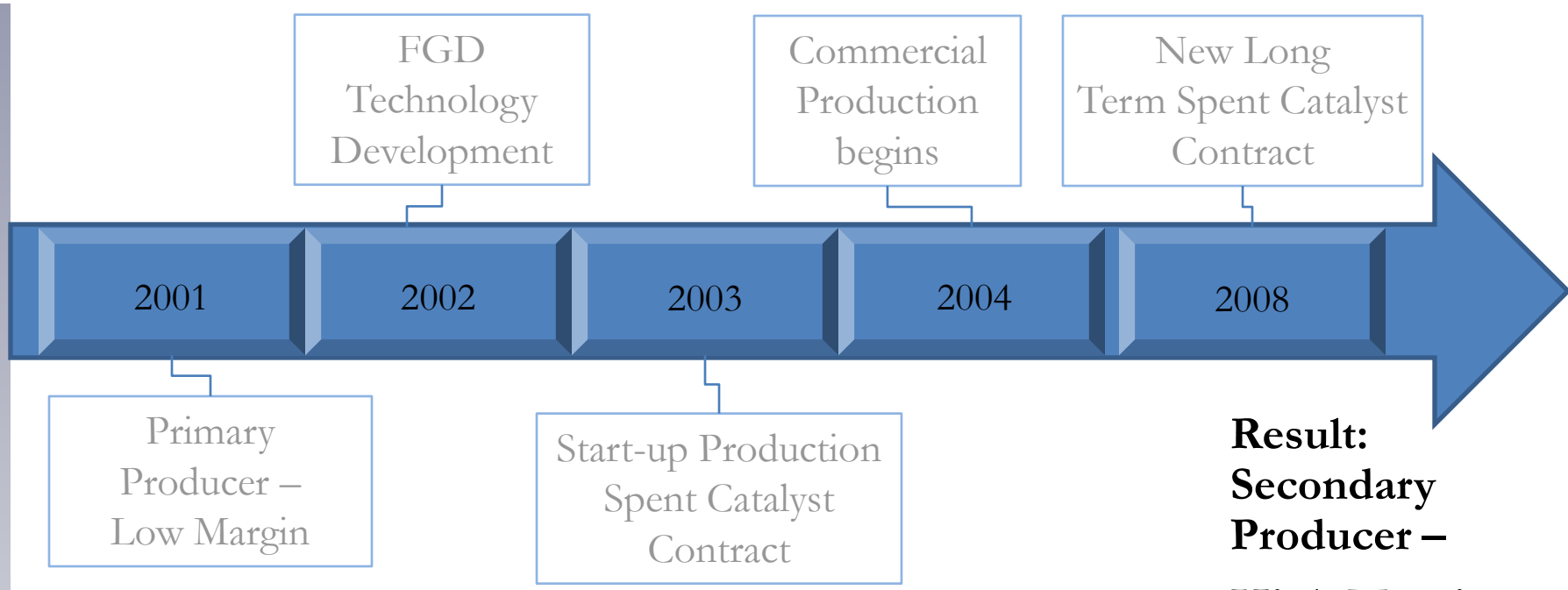
Headcount (2)



Working Capital USD thousand



Recycling - Ferrovanadium Business Model Innovation



→ 2002 revenue: $17mn

→ 2002 gross margin: $(0.7)mn

→ 2008 revenue: $167mn

→ 2008 gross margin: $43mn

Result: Secondary Producer –

High Margin

Secure feedstock

30% market share in North America

Innovation drives margin expansion and increase in revenues and earnings

Commercial Uses of Vanadium

Commercial uses of vanadium include:

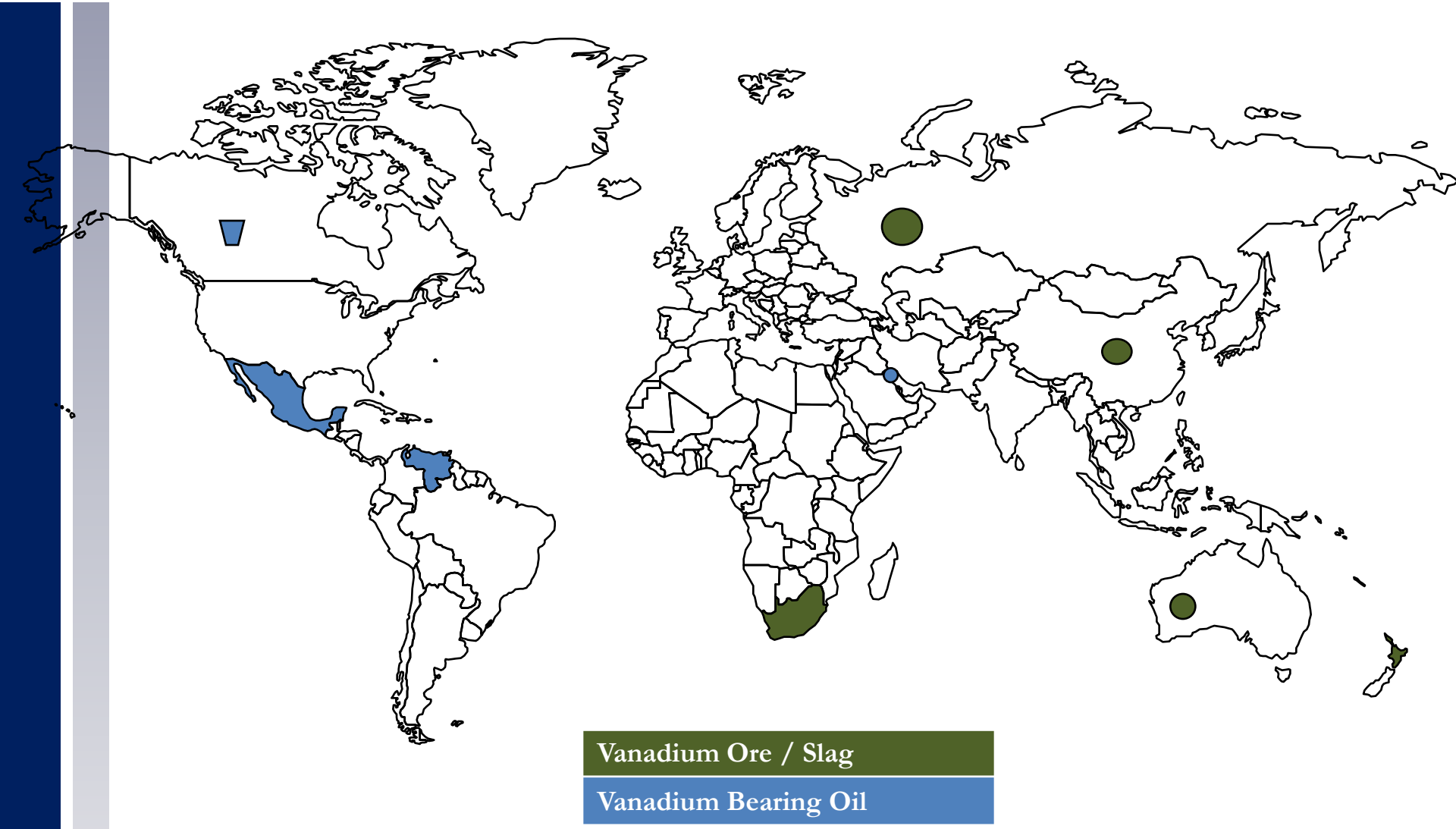
- Alloys used for micro-alloying in steel to improve properties (~85% of V consumption)
- Aerospace master alloys (~10% of V consumption)
- Chemicals (~5% of V consumption)

Produced from ore, as a co-product of steel slag, refinery spent catalysts, and power plant ashes and residues

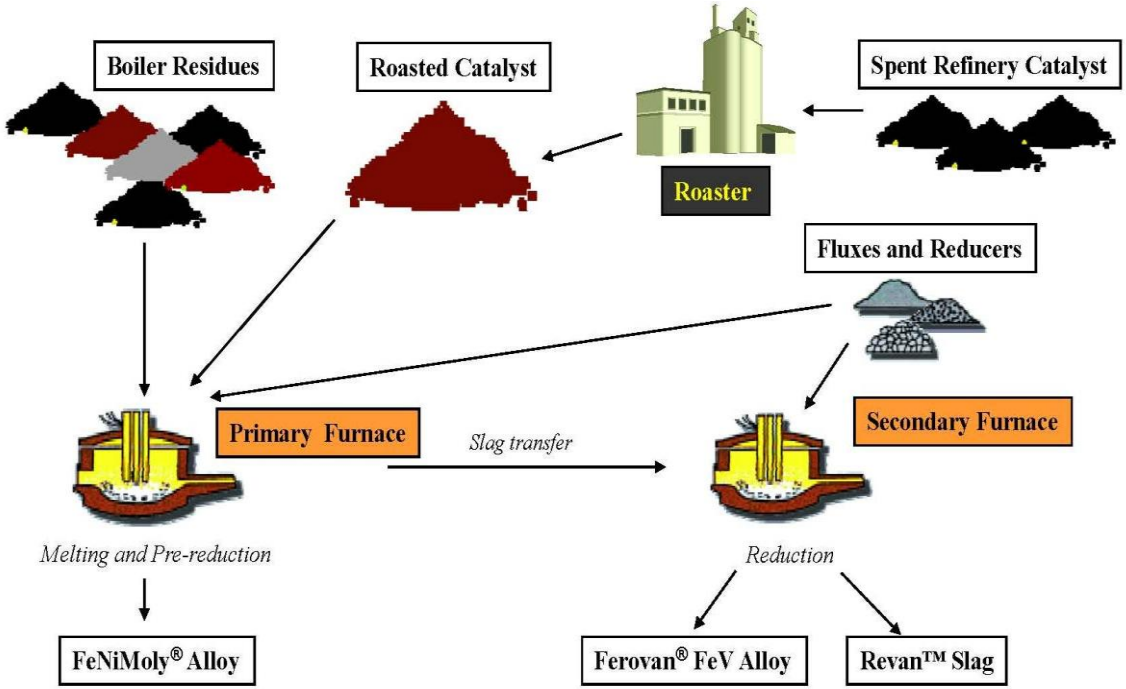
Annual World Production[1] (mt/year)	
Steel	**1.4 Billion**
Nickel	**1.0 Million**
Molybdenum	**180,000**
Vanadium	**54,000**

[1]Source: MVC Management Estimate

Sources of V Bearing Raw Materials are Limited



Recycling



AMG is the largest recycler of spent oil refinery catalysts and power plant residues to produce ferro vanadium – a key alloy used to improve the strength to weight ratio in structural steel

Industry Leading Environmental Solution

- **100% Recycled Raw Materials**
  - We only use secondary or waste materials
  - V raw materials are hazardous wastes
  - 100% secondary aluminum is used as reductant
- **Industry Leading Process**
  - No process wastewater
  - Lowest discharge of toxic elements to land/air/water
  - Highest industry conversion to saleable products
- **FeV is an Energy Efficient Micro Alloy**
  - Vanadium alloy steels reduce steel requirements by 20-40%
  - Vanadium alloy steels reduce the need for large quantities of other raw materials and energy

Solar - Rotatable targets for TCOs for thin films

Identification of need for rotatable transparent conductive oxides (TCO) targets in solar cell manufacturing

Acquisition of Fremat Development at production of advanced bonded rotatable targets

2002 | 2004 | 2006 | 2007

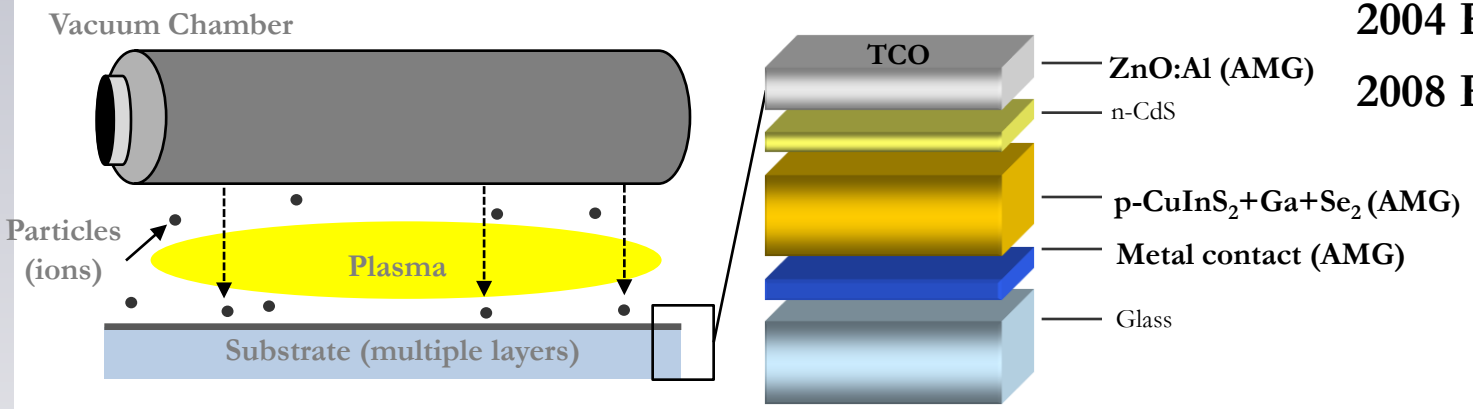
Development of first ZnO/AZOY coatings

Market testing and acceptance
First significant commercial contracts

Result: increased sunlight absorption and conductivity in solar cells

2004 Rev: $0.6mn

2008 Rev: $5.0mn

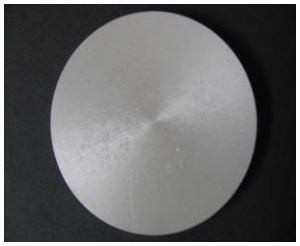


Solar - Rotatable targets for CIGS thin films

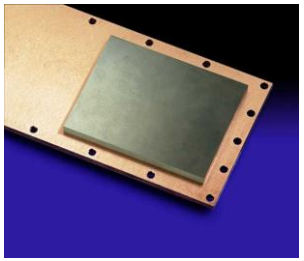
CIGS module (example of layers)

Glass
AZOY sputtered
ZnO intrinsic sputtered
CdS (wet chemical)
CIG(S) or CI(S)
Mo or NiV laser structured
Glass, plastic, etc

(S) can be sulphur, selen or the combination of both



CIGS ternary target material (patent pending)



AZOY® on Copper backing plate

AMG Focus

- Increase the cost reduction for our customers by using rotatable targets and CuInGa-alloys

Energy Efficiency - Gamma Ti Aluminides for Aerospace

1995 — Initial development begins for lightweight Gamma Ti alloys in the aerospace industry

2000 — Development of first Gamma Ti valves for formula 1 racing

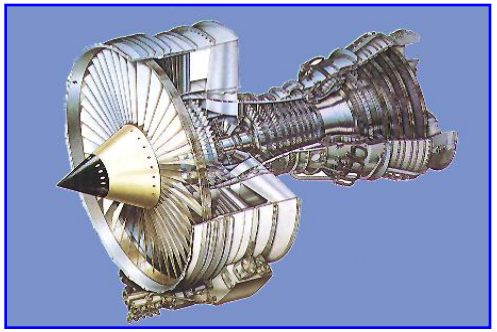
2006 — Market testing and acceptance for aerospace

2008 — First significant commercial production of aerospace grade material; Rolls Royce & GE

Result: less weight; increased fuel efficiency

2000 Rev: $0.7mn

2008 Rev: $1.5mn



Energy Efficiency – Specialty Alloys

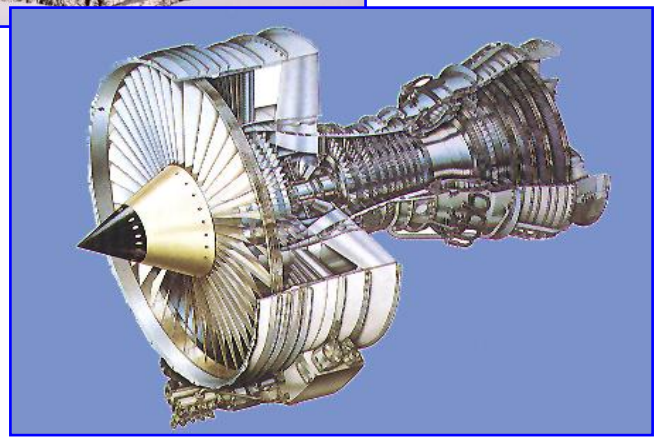
Master Alloys for the production of titanium and superalloys

- Titanium master alloys (e.g. VAl, MoAl, multinary alloys)
- Master alloys for super alloys (e.g. NiNb, FeNb hp)
- Gamma titanium

Applications:

- Aerospace - turbine blades, fuselage, nozzle, etc.
- Satellites - skin
- Energy – industrial gas turbines
- Energy - off-shore-transportation and drilling tubes

Master alloys

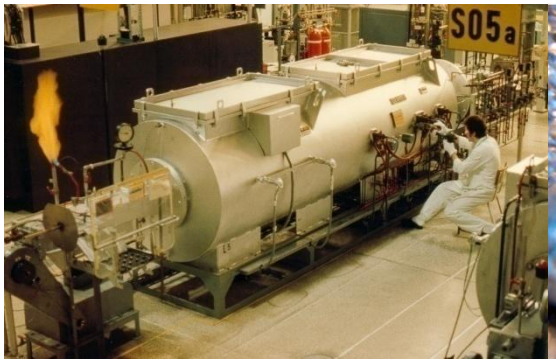


Aeropace engine

Finance

Financial Update 2008

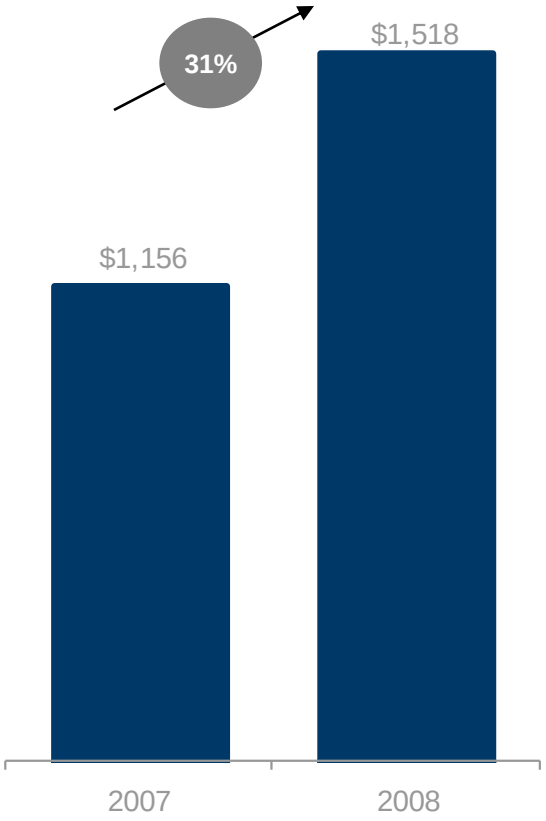
- Full Year 2008 Revenues up 31% to 1,518 million
- Full Year 2008 EBITDA up 55% to $185 million
  - Adjusted EPS up 17% to $2.00
- 4th quarter 2008 revenue up 8% over 4th quarter 2007 to $341 million
- 4th quarter EBITDA decreased 73% to $8 million
- Cash of $143 million and debt at $232 million at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




Record Results for 2008

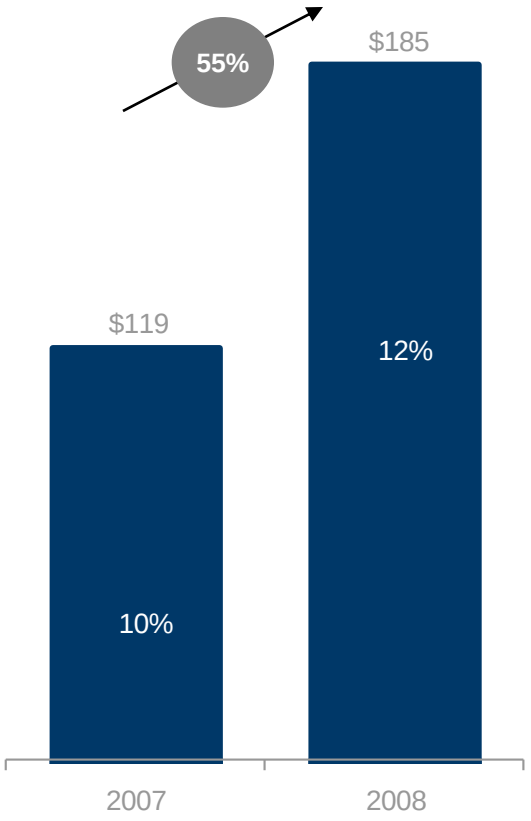
Revenue

($ in millions)



EBITDA

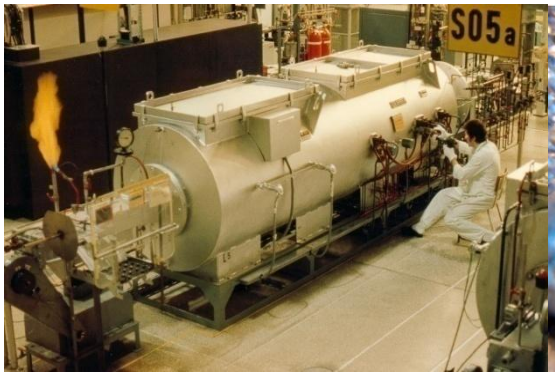
($ in millions)



EPS

Financial Update Q1 2009

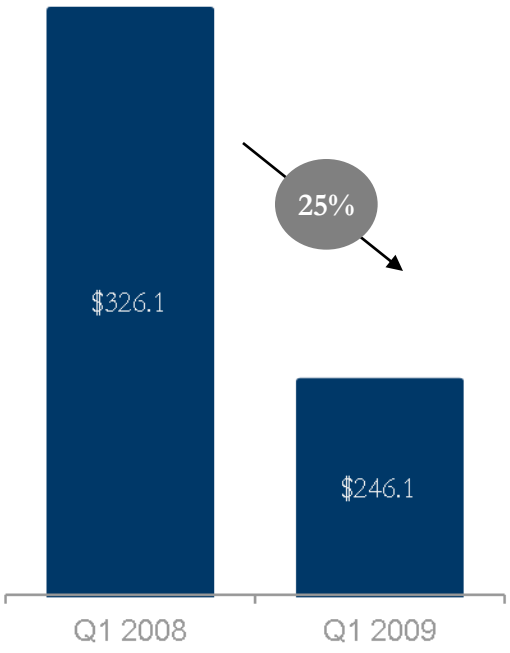
- Q1 Revenues declined 25% to $246.1 million
  - Excluding Timminco, revenues declined 23% to $215.7
- Q1 EBITDA down 92% to $3.3 million
  - Excluding Timminco, EBITDA declined 62% to $15.9
    - Adjusted EPS was ($0.50) in Q1 2009 as compared to $0.82 in Q1 2008
    - Adjusted EPS was ($0.22) in Q1 2009 excluding Timminco
- Cash of $122.8 million and debt at $229.5 million at March 31, 2009
    - Net debt of $106.7 million at March 31, 2009
    - Excluding Timminco, net debt was $62.8 million




Results for Q1 2009

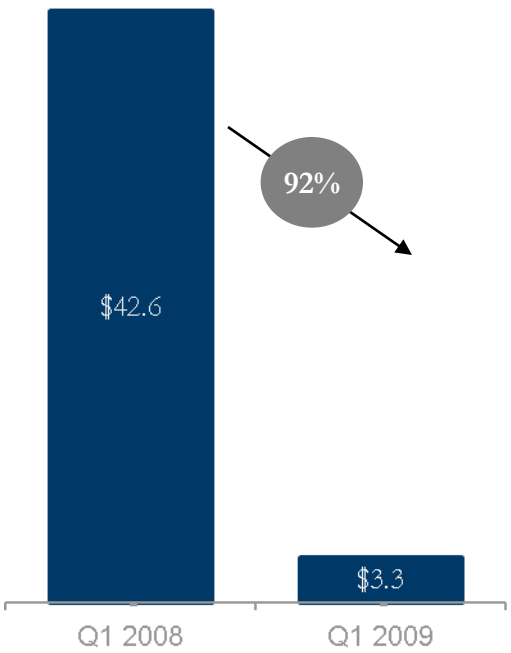
Revenue

($ in millions)



EBITDA

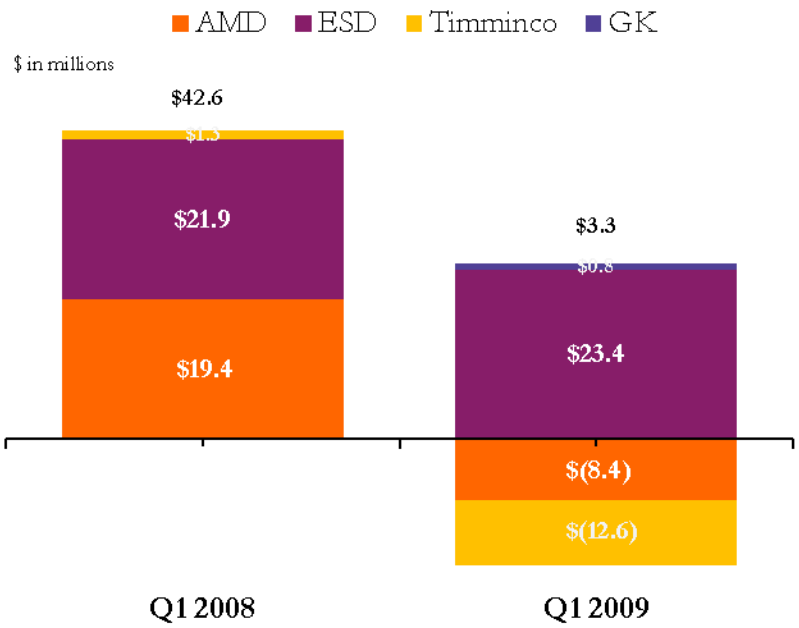
($ in millions)



EPS

EBITDA Overview

Total EBITDA



EBITDA

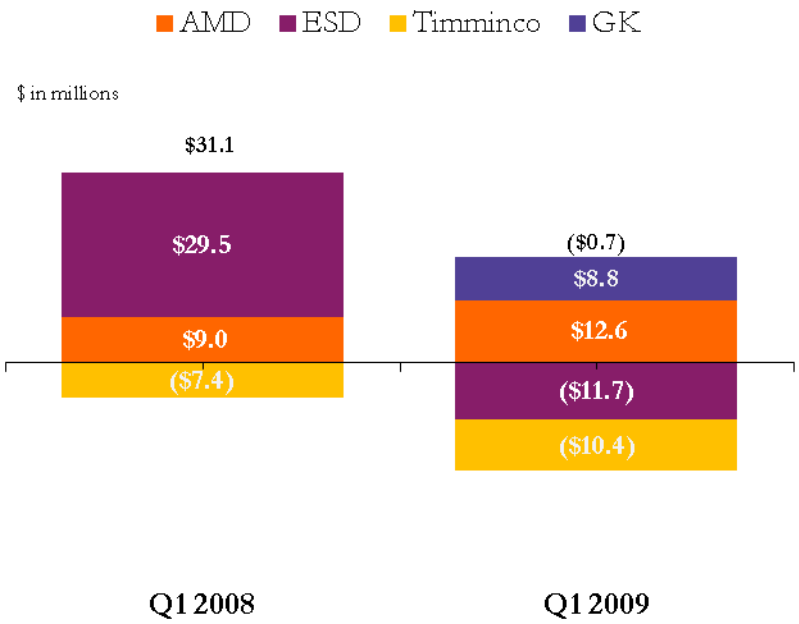
$ in millions	Q1 2008	Q1 2009
Operating Profit	$35.4	($13.9)
+ Depreciation / Amortization	5.7	8.0
+ / - FX income (loss)	(1.3)	(0.4)
+ Restructuring and Impairment	0.1	3.8
+ Environmental	-	-
+ Stock Option Expense	2.6	5.7
Adjusted EBITDA	$42.6	$3.3
Adjusted EBITDA excluding Timminco	$41.3	$15.9

Significant non-recurring items include:

- Timminco restructuring charges
- Inventory write-down to LCM in the amount of $7.1, which is not adjusted from EBITDA
  - $6.6 million adjustment to Advanced Materials
  - $0.5 million adjustment to Engineering Systems

Free Cash Flow Overview

Total Free Cash Flow



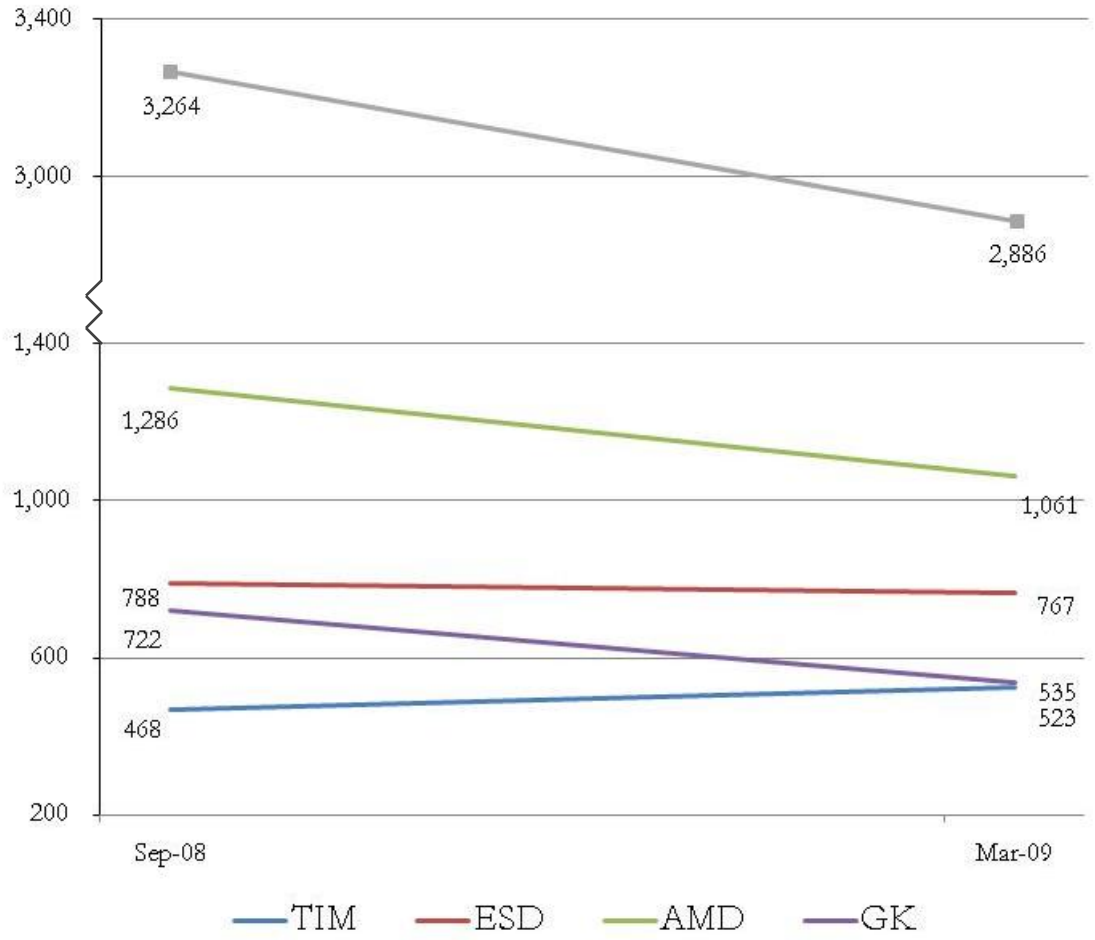
Free Cash Flow

$ in millions	Q1 2008	Q1 2009
Adjusted EBITDA	42,633	3,263
+ / - Change in working capital	(9,811)	(873)
- Maintenance capital	(1,699)	(3,143)
Free Cash Flow	31,123	(753)
Free Cash Flow excluding Timminco	38,463	9,662

- Reduction in free cash flow primarily due to EBITDA decline
  - Advanced Materials EBITDA declined but this was more than offset by a working capital reduction of more than $24 million in the quarter
  - Engineering Systems saw an increase in EBITDA but this was offset by an increase in working capital primarily due to a reduction in advance payments

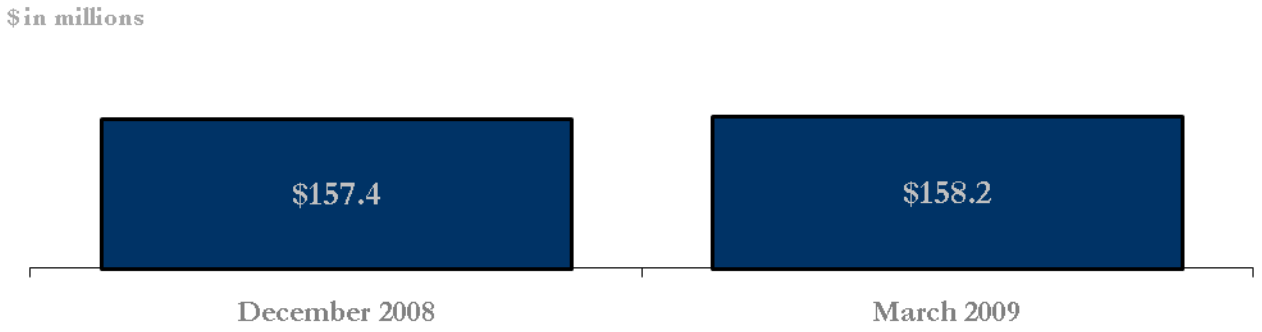
Cost Savings

AMG headcount by unit



AMG has reduced headcount by 12% since September 2008

Working Capital

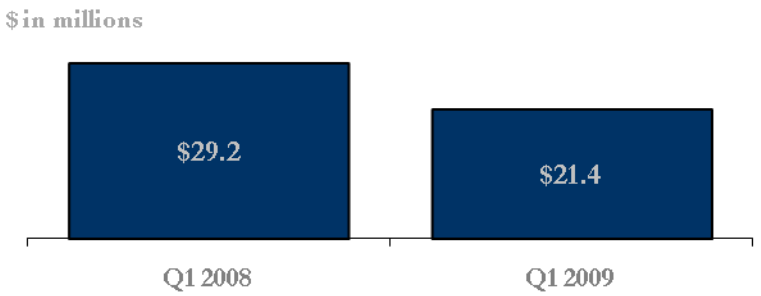


	METRIC	December 2008	March 2009
Trade and other receivables	days of sales	44	54
Inventories	days of COGS	100	115
Trade and other payables	days of COGS	64	66
Advance Payments	days of sales	34	41
Net Working Capital	days of sales	46	63
Net Working Capital	% of sales	10.4%	16.1%

Note: On a dollar basis, inventories and receivables declined in Q109 by 11% and 12%, respectively

Capital Investment

Q1 Capital Expenditures



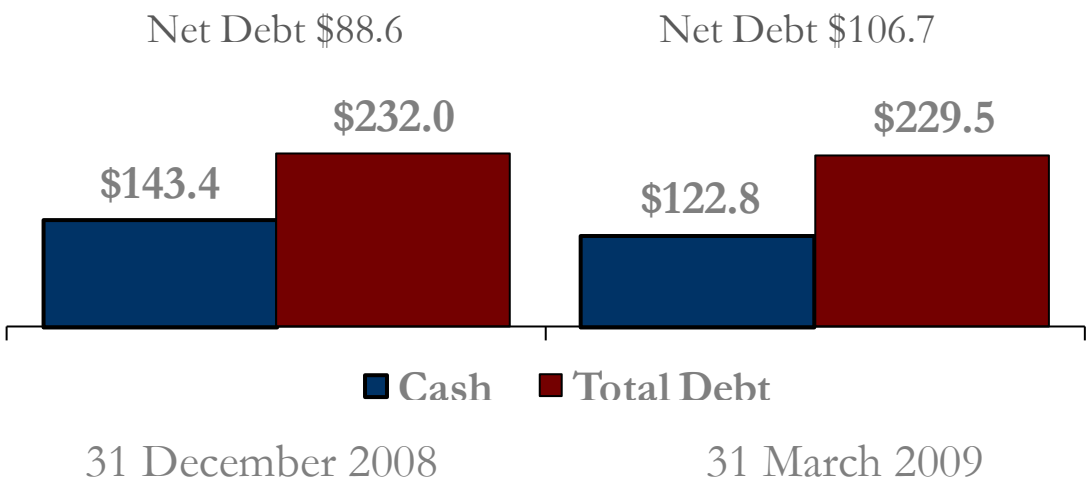
- Maintenance capital was $3.1 million in Q1 2009
- All major expansion projects have been curtailed
- Capital spend in Q1 2009 primarily related to completion of projects started in 2008
- Excluding Timminco, capital was $13.7 and $8.1 in Q1 2008 and Q1 2009 respectively

Growth Capex Programmes

Major Capital Projects

Project ($ in millions)	Q1 2009	Q1 2008
Timminco – Solar Silicon Plant & Expansion	$10.0	$14.6
Engineering Systems– Mexico heat treatment facility	0.1	6.9
Advanced Materials – Tantalum mine & hydropower expansion	0.7	1.3
Engineering Systems – Berlin modification	0.7	0.4
Advanced Materials - Ferrovanadium expansion	0.4	0.1

Capital Base



- Cash of $122.8 million at 31 March 2009
- Total debt decreased to $229.5 million at 31 March 2009
- AMG had a net debt position of $106.7 million at 31 March 2009 of which $43.9 million was related to Timminco
  - Net Debt to EBITDA (based on LTM) 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, aluminum master alloys, Titanium master alloy volumes are being materially affected by global slowdown
- Focus on working capital reduction due to price and volume decreases

Engineering Systems

- Global demand decreasing due to economic uncertainty
- $247 million backlog as of 31 March; order intake environment is challenging
- Berlin production facility being adapted to produce multiple furnace types
- Margins remains relatively steady
  - 2009 margin levels may be impacted by declining economies of scale

Timminco

- Upgraded Metallurgical Silicon capacity expansion on hold; orders significantly below contracted levels
  - Seven lines have been installed as of February 2009
- UMGSi operations being improved to increase quality and reduce costs
- Ingot process is proceeding; goal of reducing UMGSi processing costs
- Silicon metal production is temporarily shutdown in Q2 2009

(1) From 30 September 2008 levels

Appendix

Consolidated Balance Sheet

$ in thousands	December 31, 2008	March 31, 2009
Fixed Assets	313,470	320,947
Goodwill and Intangibles	47,060	47,421
Other non-current assets	74,514	74,853
Inventories	318,793	283,371
Receivables	173,422	153,219
Other current assets	59,292	47,228
Cash	143,473	122,773
TOTAL ASSETS	**1,130,024**	**1,049,812**
TOTAL EQUITY	311,811	303,353
Long-term Debt	138,990	145,021
Pension Liabilities	103,176	100,302
Other long-term liabilities	81,920	77,919
Current Debt	93,043	84,500
Accounts Payable	156,696	121,613
Advance Payments	94,049	74,637
Unearned Revenue	35,624	36,177
Accruals	53,882	40,558
Other current liabilities	60,833	65,792
TOTAL LIABILITIES	818,213	746,458
TOTAL LIABILITIES AND EQUITY	**1,130,024**	**1,049,812**

- Inventory decline due to working capital management strategies in all segments of business and write-downs in excess of $7.1 million
- Receivables decline due to lower sales in Q1 09
- Accounts payable declined due to held payments at year-end
- Advance payments declined due to lower order intake at ALD in Q1

Consolidated Income Statement

$ in thousands	Q1 2008	Q1 2009
Total Revenue	326,148	246,095
Cost of Goods Sold	258,938	221,962
Gross Margin	67,210	24,134
Selling, General and Admin.	32,969	35,894
Asset impairment and restructuring	128	3,779
Environmental	84	111
Other Expense (Income)	(1,379)	(1,691)
Operating Profit	35,408	(13,959)
Net Finance Costs	3,298	4,948
Equity Accounted Investee Profit	101	(787)
Profit before Income taxes	32,211	(19,694)
Tax Provision	(8,680)	4,039
Profit for the Quarter	23,531	(23,733)
Attributable to:		
Shareholders of the Company	22,509	(15,394)
Minority Interest	1,022	(8,339)

- Cost of goods sold includes over $7.1 million in inventory write-downs
- Timminco production issues negatively impacted gross margin
- SG&A higher due to share-based payment expense which was $3.2 million higher in Q109 than in Q108
- Restructuring charge recorded at Timminco for closure of Aurora facility
- Finance charges increased due to increased debt at Timminco
- Tax provision booked due to losses occurring in jurisdictions where tax benefits cannot be booked

Consolidated Cash Flows

$ in thousands	Q1 2008	Q1 2009
Cash Flows from Operations	30,352	(1,062)
Capital Expenditures	(29,223)	(21,430)
Other Investing Activities	(3,831)	(5,001)
Cash Flows from Investing Activities	(33,054)	(26,431)
Cash Flows from Financing Activities	25,951	12,918
Net increase (decrease) in cash	23,249	(14,575)
Beginning Cash	172,558	143,473
Effects of exchange rates on cash	6,895	(6,125)
Ending Cash	202,702	122,773
Approximate availability under AMG lines of credit	64,000	71,000
Total Liquidity	266,702	193,773

AMG Advanced Metallurgical Group N.V.