



AMAG
AUSTRIA METALL

Presentation: Q1-Q3/2018

October 31, 2018

Disclaimer

Note

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Highlights, Market, Strategy

Highlights Q1-Q3/2018

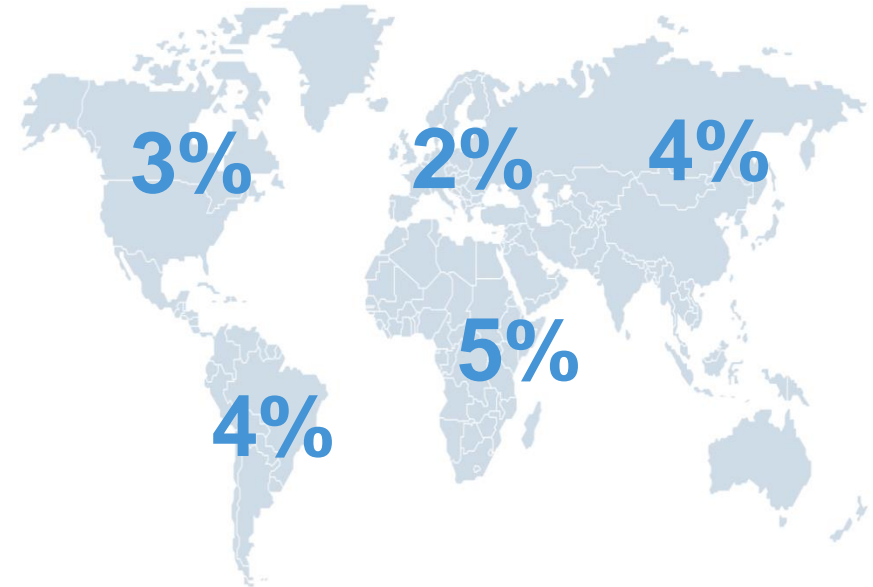
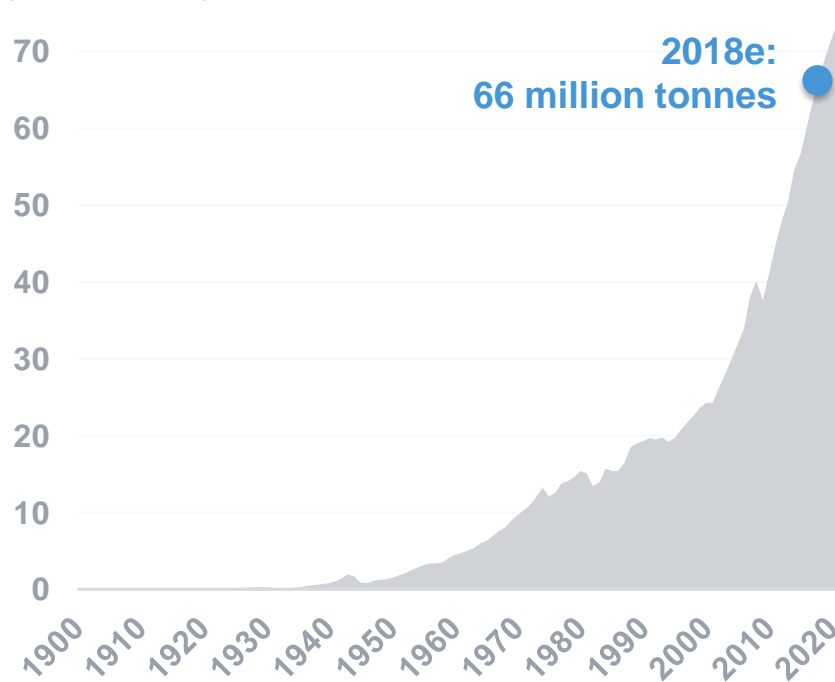
- **Attractive demand growth** for primary aluminium and aluminium rolled products
- **Market environment remains** affected **by special factors**
- **Ramp-up of new plants in the Rolling Division gains momentum**
- **Revenue up** by 4.4 % to EUR 825.0 million
- **EBITDA** of EUR 120.1 million down year-on-year due to higher raw material costs and start-up costs for the site expansion (Q1-Q3/2017: EUR 129.0 million)
- **2018 outlook:** EBITDA at the lower end of the EUR 150 million to EUR 170 million range published in August remains realistic

Primary aluminium: high demand growth

Demand growth continues worldwide

Attractive growth rates in all regions
(CAGR: 2017-2022)

[in millions of tonnes]

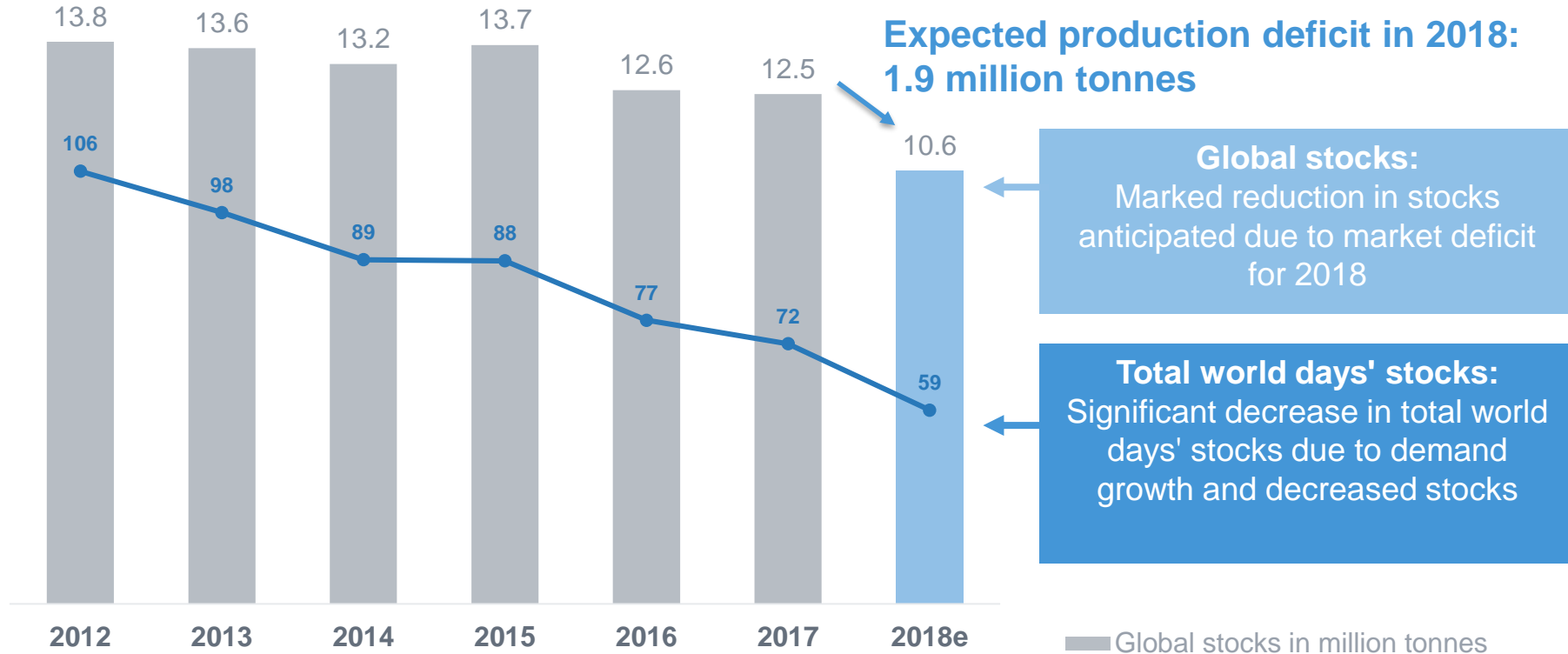


Worldwide: 4% p.a.

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Global primary aluminium stocks

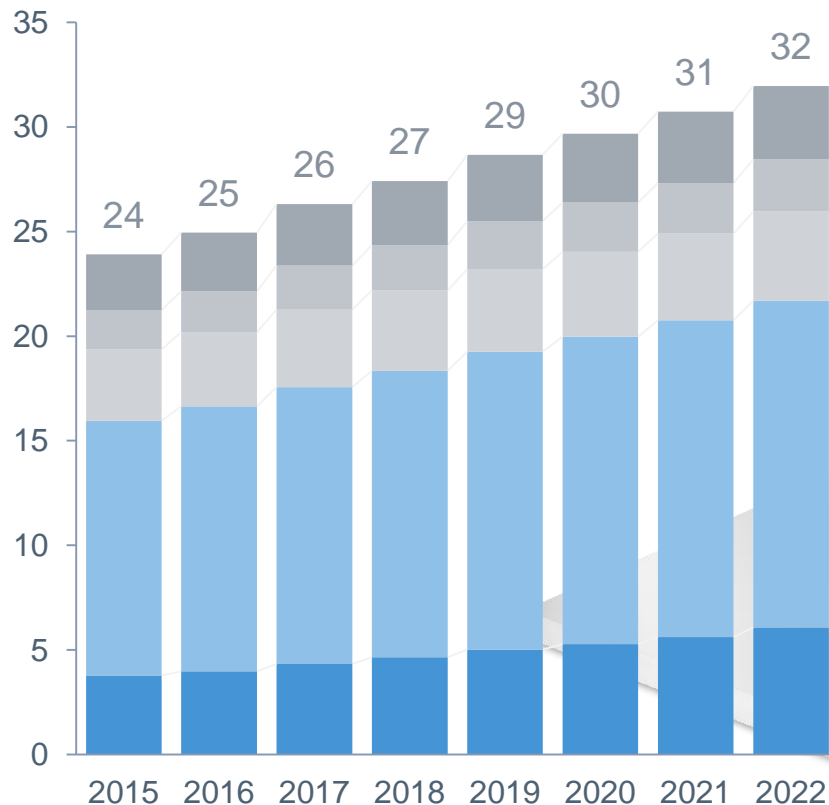
Decrease in global stocks accompanied by rising consumption



Rolled products report high growth rates

Global consumption growing annually by around 4 %

[in millions of tonnes]



Growth forecast 2017-22 in % p.a.:

World	+4%
Other	+4%
Engineering	+3%
Construction	+3%
Packaging	+3%
Transport	+7%

Successful certification according to the ASI Performance Standard

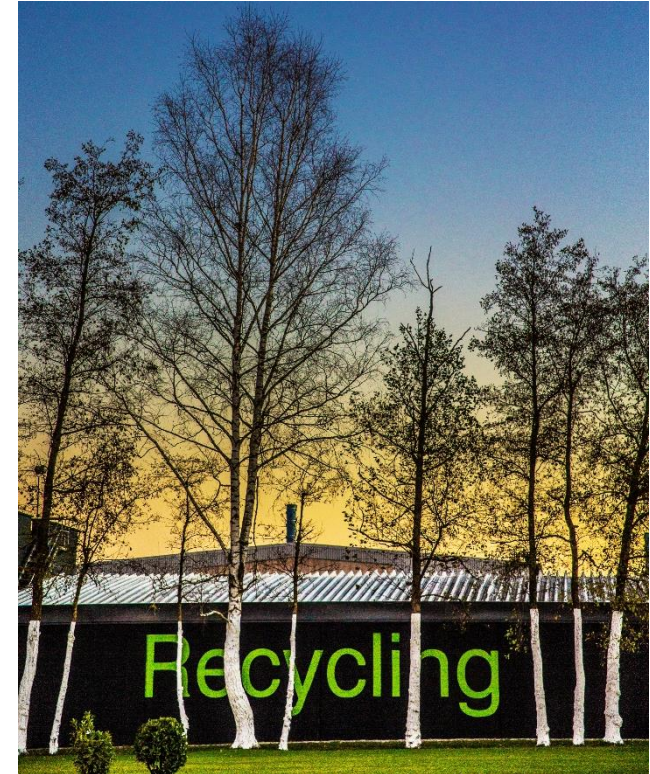
- **First integrated company** worldwide with rolling mill, foundry and recycling **certified according to the ASI Performance Standard**
- Certification includes **many sustainability aspects**
- Special recognition of strategic **focus on aluminium recycling**



asi
CERTIFIED
PERFORMANCE

Aluminium Stewardship Initiative:

One of the worldwide highest industrial standards for the sustainable production and purchasing of aluminium, along with related product responsibility



Organic growth in rolled products

Ramp-up of new plants gathers momentum

Rolling Division shipments

[in thousand tonnes]

■ 2017 ■ 2018

0 %

+5 %

+7 %

54.5 54.4

55.2 57.7

52.7 56.5

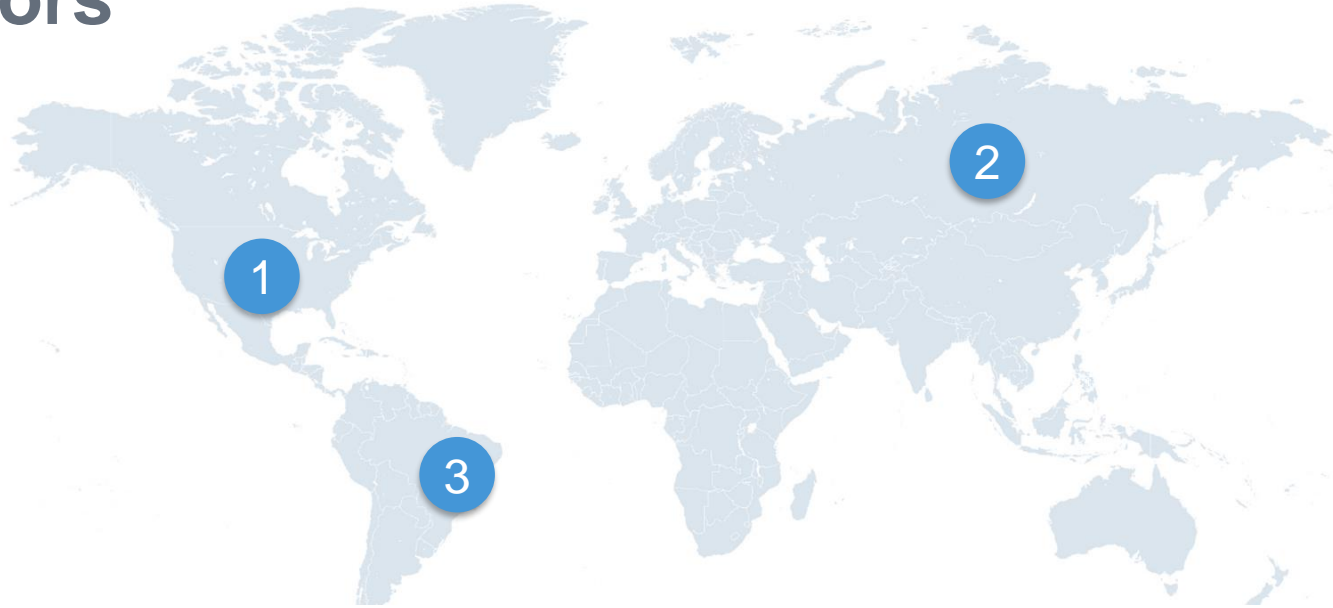
Q1

Q2

Q3



Market environment remains affected by special factors



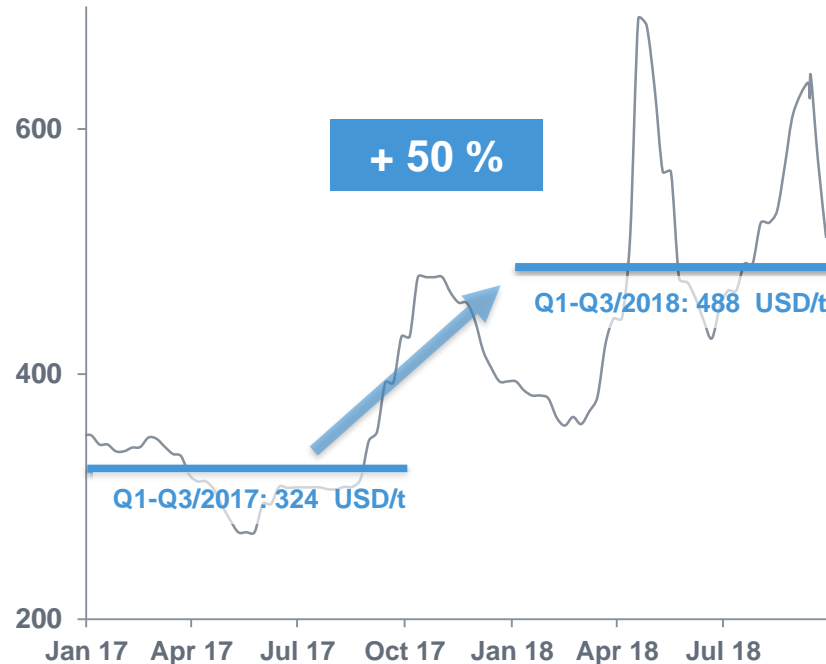
- 1 Additional **US import tariffs** of 10 % on aluminium
- 2 **US sanctions against Russia:** wind-down period extended
- 3 **Production cut at the world's largest alumina refinery** in Brazil

Q1-Q3/2018 results

Sharp increase in alumina price compared to aluminium

Alumina price

[in USD/t]

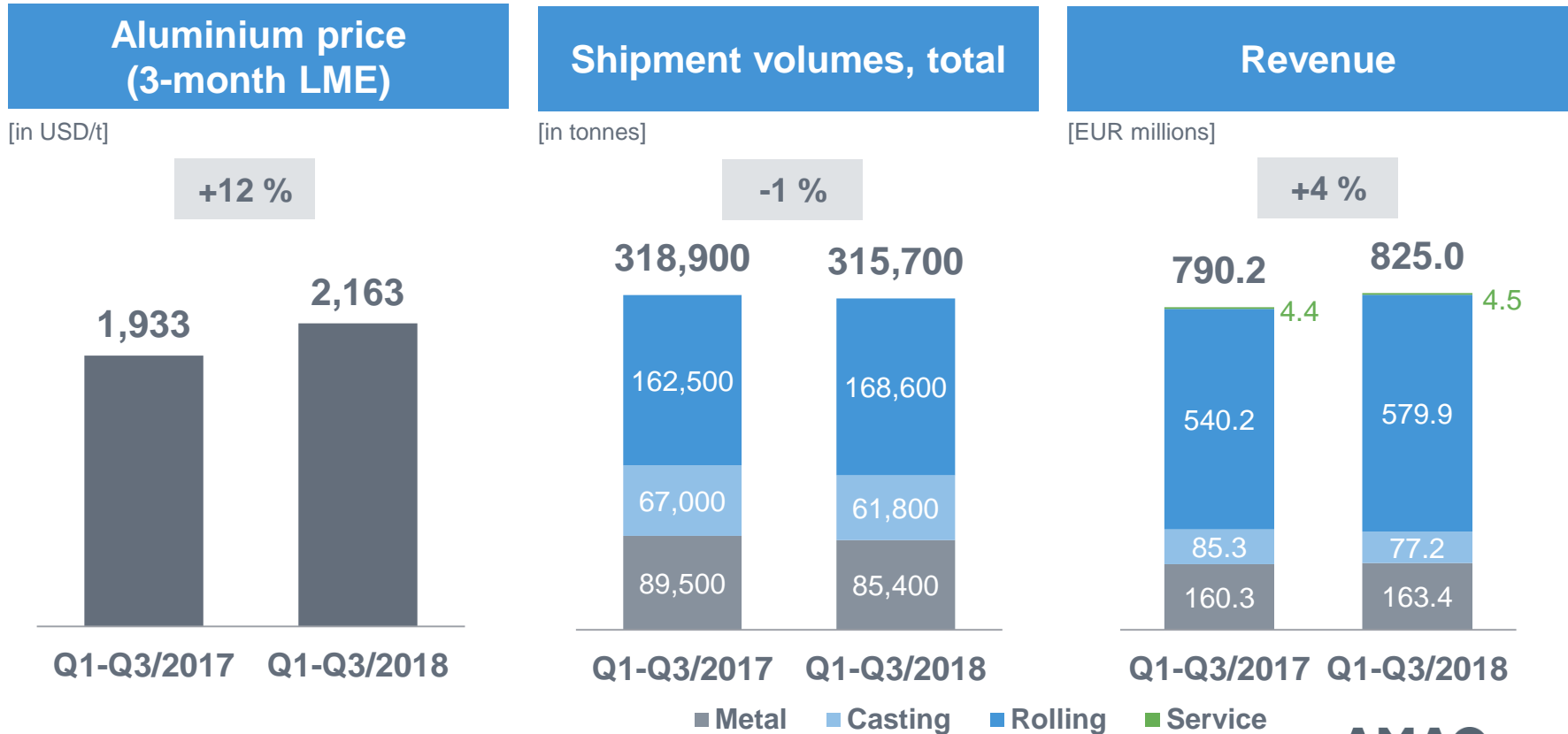


Aluminium price

[3-month LME in USD/t]



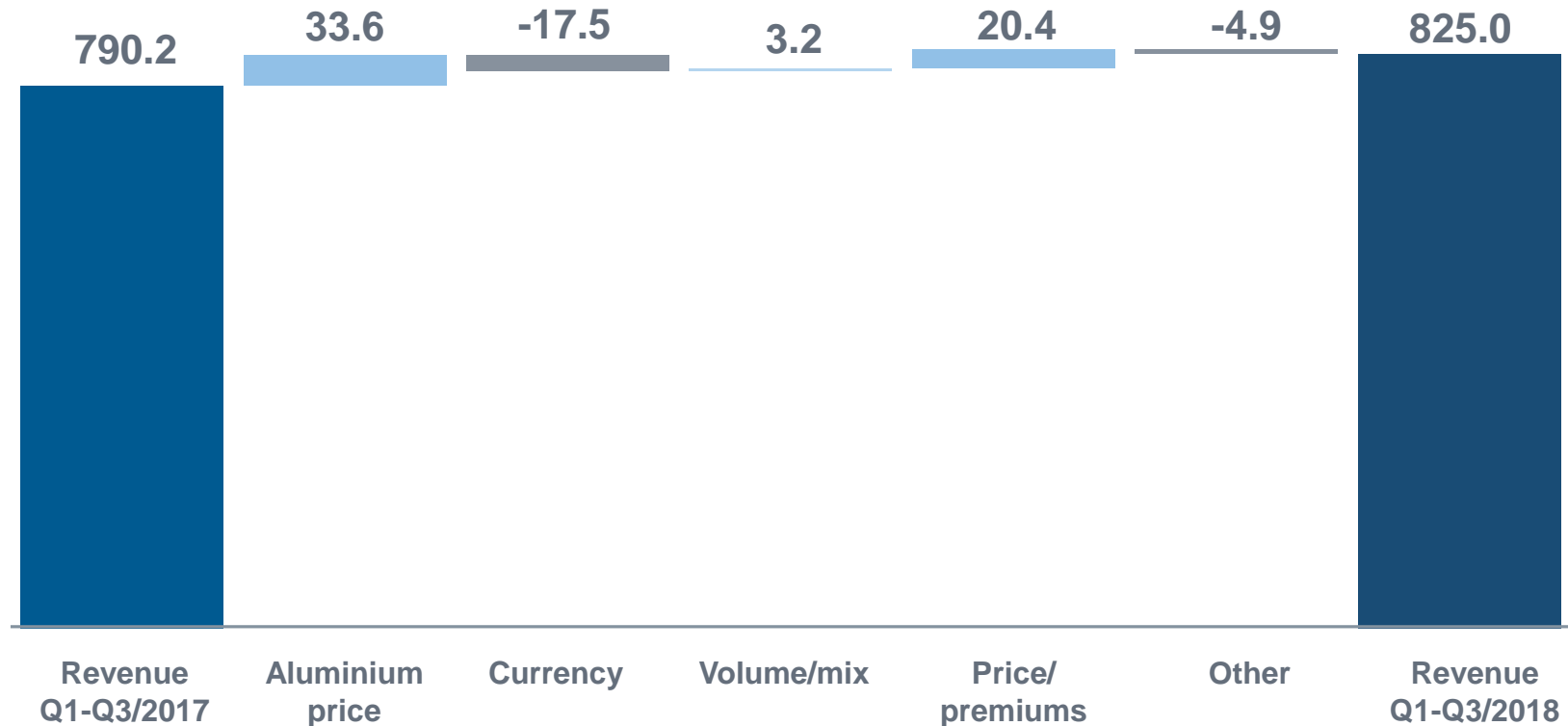
Revenue growth on higher aluminium price



Revenue reconciliation

Year-on-year revenue growth

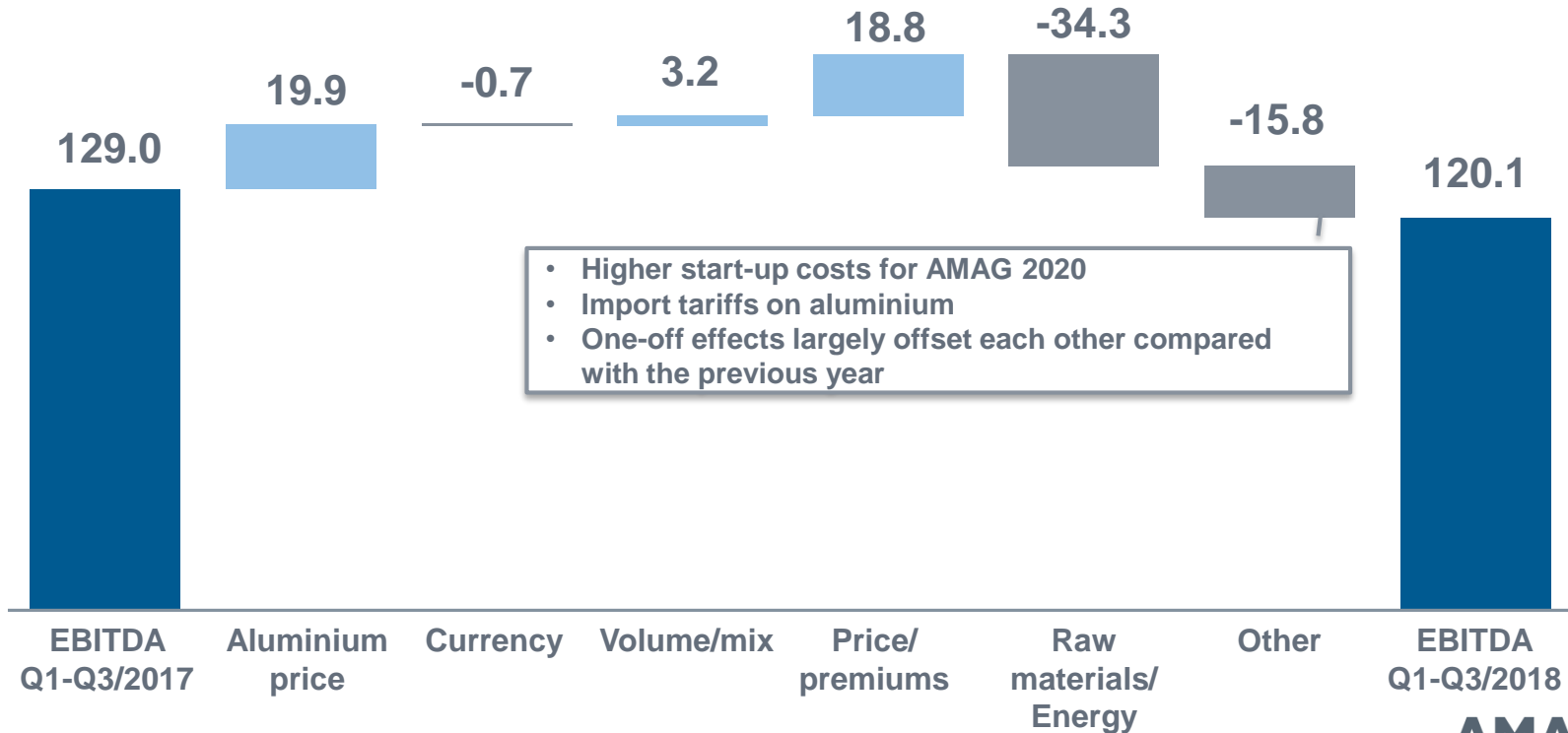
[EUR millions]



Q1-Q3/2018 EBITDA reconciliation

Reduction in earnings mainly reflects higher raw material costs and start-up costs for the site expansion

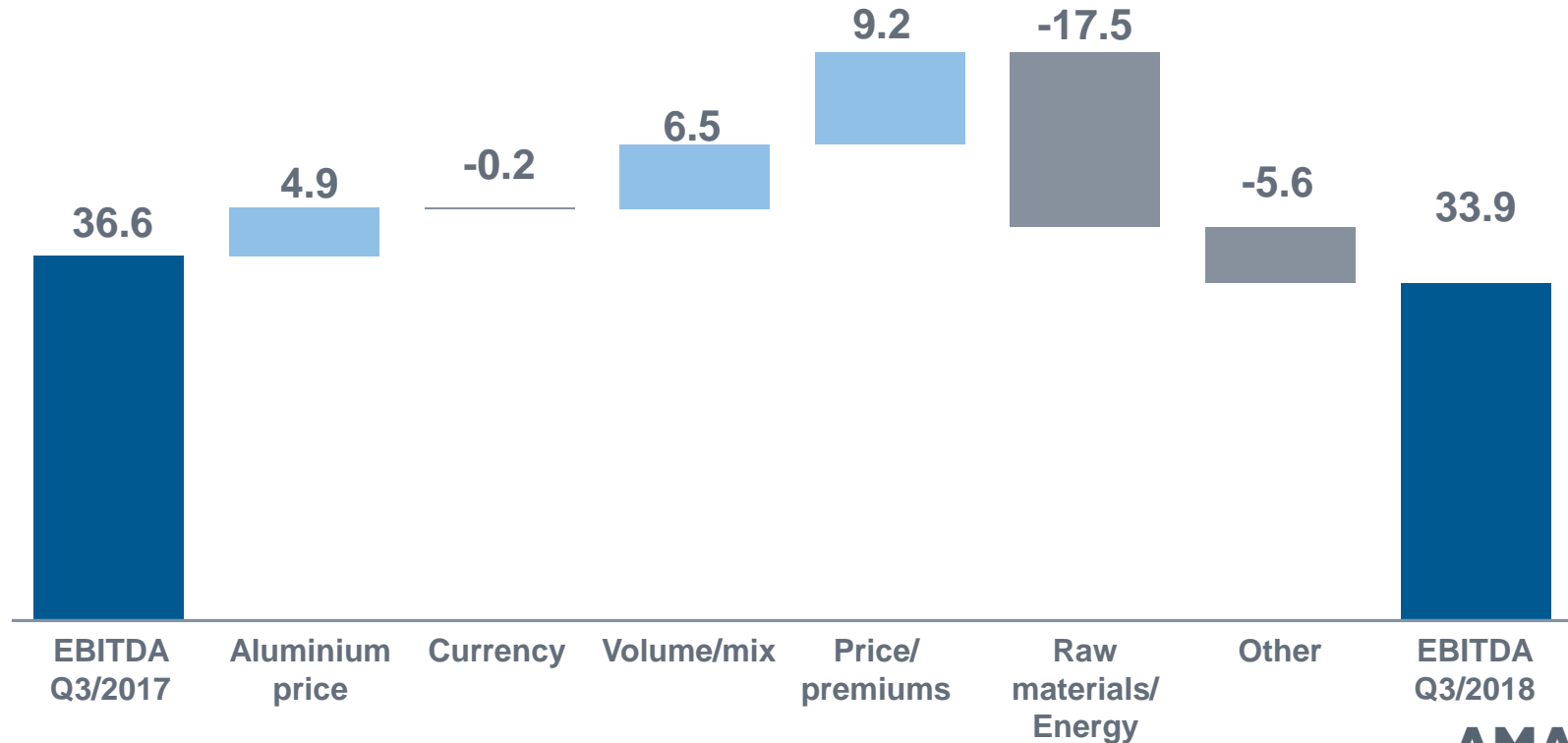
[EUR millions]



Q3/2018 EBITDA reconciliation

Raw material costs significantly impact results

[EUR millions]



AMAG Group – key figures (1/2)

	Q3 2018	Q3 2017	+/- (%)	Q1-Q3 2018	Q1-Q3 2017	+/- (%)
Shipments, total [in tonnes]	111,000	104,100	7 %	315,700	318,900	-1 %
Revenues [EUR millions]	285.4	254.8	12 %	825.0	790.2	4 %
EBITDA [EUR millions]	33.9	36.5	-7 %	120.1	129.0	-7 %
EBITDA margin [in %]	11.9 %	14.3 %	-	14.6 %	16.3 %	-
EBIT [EUR millions]	14.0	16.9	-17 %	60.0	72.0	-17 %
EBIT margin [in %]	4.9 %	6.6 %	-	7.3 %	9.1 %	-
Net income after taxes [EUR millions]	10.3	11.1	-7 %	43.4	48.6	-11 %
Earnings per share [EUR]	0.29	0.31	-7 %	1.23	1.38	-11 %

AMAG Group – key figures (2/2)

	Q3 2018	Q3 2017	+/-	Q1-Q3 2018	Q1-Q3 2017	+/-
Cash flow from operating activities [EUR millions]	7.3	40.0	-82 %	26.5	66.8	-60 %
Cash flow from investing activities [EUR millions]	-24.4	-20.1	-22 %	-61.7	-87.5	29 %
Employees ¹	2,003	1,915	5 %	1,959	1,866	5 %
	30/09/2018			31/12/2017		+/-
Net financial debt ² [EUR millions]	360.3			282.4		+28 %
Gearing [in %]	57.8 %			46.4 %		-
Equity ratio [in %]	42.6 %			43.3 %		-

- **Cash flow from operating activities** down year-on-year cumulatively mainly due to the higher aluminium price and higher metal stocks in connection with the ramp-up
- **CAPEX** down year-on-year, as planned
- **Increase in workforce** reflects organic growth path in Ranshofen

1) Average number of employees (full-time equivalents) including temporary help workers, excluding apprentices; includes 20 % share of number of employees at interest held in Alouette smelter

2) Net balance of liquid assets and financial receivables, less financial liabilities

Metal Division

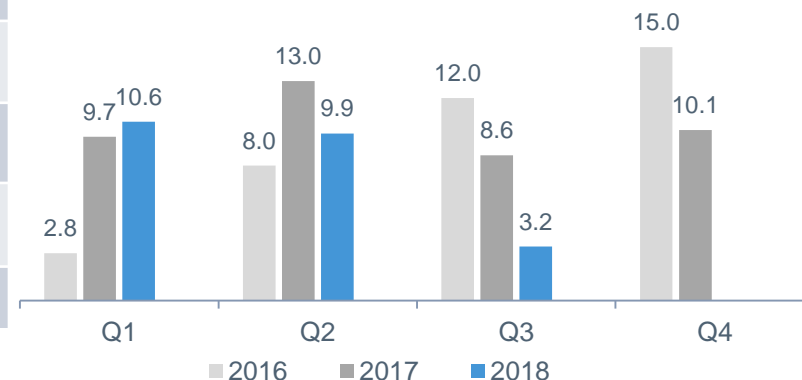
Raw material costs significantly affect results



	Q3 2018	Q3 2017	+/- (%)	Q1-Q3 2018	Q1-Q3 2017	+/- (%)
Shipments, total [in tonnes]	30,600	28,900	+6 %	85,400	89,500	-5 %
Revenues [EUR millions]	199.7	180.5	+11 %	601.6	559.6	+8 %
EBITDA [EUR millions]	3.2	8.6	-63 %	23.7	31.2	-24 %
EBITDA margin	1.6 %	4.7 %	-	3.9 %	5.6 %	-
Employees ¹	189	190	-1 %	189	191	-1 %

EBITDA

(in EUR millions)



1) Average number of employees (full-time equivalents), including temporary help workers and excluding apprentices. This includes a 20 % share of the number of employees at interest held in Alouette smelter.

- Lower shipment volumes in Q1-Q3/2018 mainly due to higher level of refractory relining activities
- Higher raw materials prices (especially alumina) not fully compensated by the higher aluminium price

Casting Division

Casting Division benefits from new melting furnace



	Q3 2018	Q3 2017	+/- (%)	Q1-Q3 2018	Q1-Q3 2017	+/- (%)
Shipments, total [in tonnes]	24,000	22,400	7 %	61,800	67,000	(8 %)
Revenues [EUR millions]	31.1	30.6	2 %	83.2	92.5	(10 %)
EBITDA [EUR millions]	3.0	1.7	79 %	5.6	4.7	20 %
EBITDA margin	9.8 %	5.6 %		6.7 %	5.0 %	
Employees ¹	125	128	-2 %	124	125	-1 %

¹⁾ Average number of employees (full-time equivalents) including temporary help workers and excluding apprentices

EBITDA
(in EUR millions)



- Significant increase in shipments in Q3/2018 after commissioning of the new melting furnace
- Q3/2018 earnings improve significantly due to volume growth and higher margin level

Rolling Division

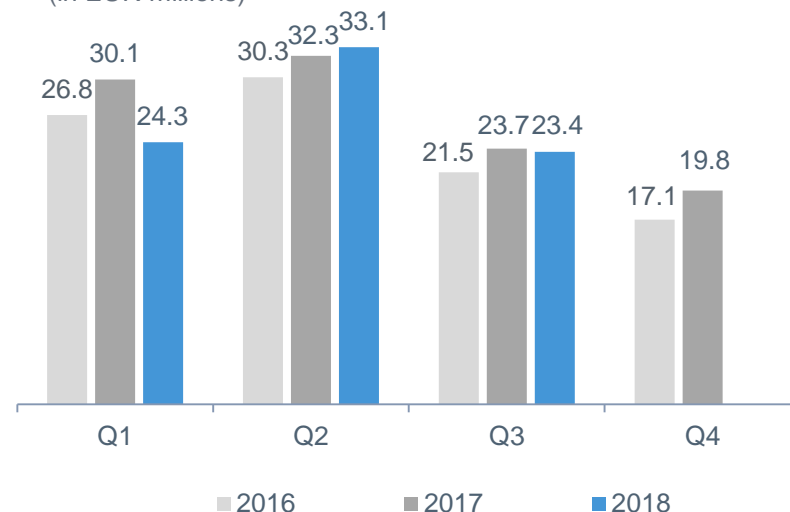
Q3 EBITDA at previous year's level

	Q3 2018	Q3 2017	+/- (%)	Q1-Q3 2018	Q1-Q3 2017	+/- (%)
Shipments, total [in tonnes]	56,500	52,700	+7 %	168,600	162,500	+4 %
Revenues [EUR millions]	225.2	197.5	+14 %	673.1	616.5	+9 %
EBITDA [EUR millions]	23.4	23.7	-1 %	80.8	86.1	-6 %
EBITDA margin	10.4 %	12.0 %	-	12.0 %	14.0 %	-
Employees ¹	1,535	1,453	+6 %	1,500	1,409	+6 %

¹⁾ Average number of employees (full-time equivalents) including temporary help workers and excluding apprentices

EBITDA

(in EUR millions)



- Significant volume growth in Q3/2018 in connection with the strategic growth path
- EBITDA down year-on-year cumulatively mainly due to higher start-up costs
- Additional volume and higher price level in Q3/2018 offset effect from higher start-up costs and US import tariffs

Outlook

FY 2018 outlook

AMAG Austria Metall AG

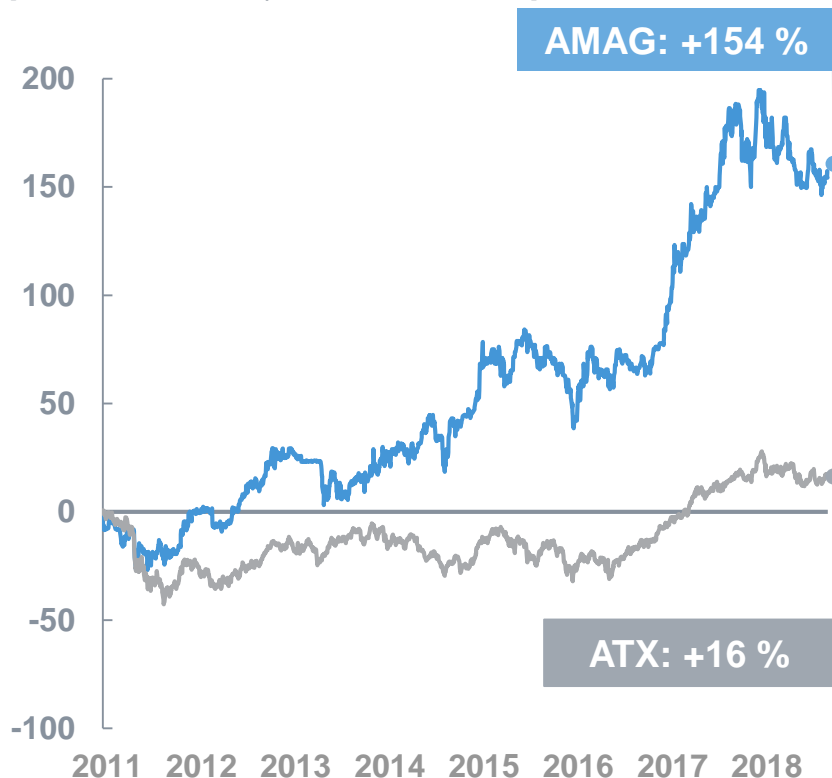
- **Attractive market growth** with expected increase of around 4 % in global consumption of primary aluminium and rolled products¹⁾ in 2018
- **Market environment remains significantly affected by aforementioned special factors**
- **Raw material costs (especially alumina) significantly affect earnings**
- **Volume growth in the Rolling Division** due to ramp-up of new plants and achievement of important qualifications
- **EBITDA at the lower end of the EUR 150 million to EUR 170 million range published in August remains realistic**
- **2019 financial year** will depend significantly on the development of the aforementioned special factors

The share

AMAG share

Significant outperformance since IPO

[Performance until September 28, 2018 in %]



Shareholder structure

B&C Industrieholding GmbH²⁾

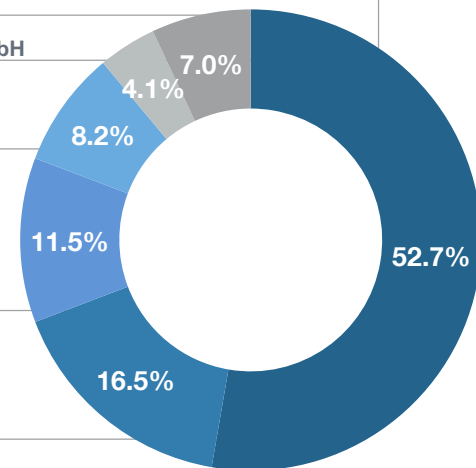
Free float

Esola Beteiligungsverwaltungs GmbH

Treibacher Industrieholding GmbH

Employees Private Foundation

RLB OÖ Alu Invest GmbH^{1), 2)}



1) RLB OÖ Alu Invest GmbH is a wholly-owned subsidiary of Raiffeisenlandesbank Oberösterreich AG

2) B&C Industrieholding GmbH and Raiffeisenlandesbank Oberösterreich concluded an investment agreement on 1 April 2015

IR information

Information about the AMAG share

ISIN	AT00000AMAG3
Ticker symbol: Vienna Stock Exchange	AMAG
Indices	ATX-Prime, ATX BI, ATX GP, ATX TD, VÖNIX, WBI
Reuters	AMAG.VI
Bloomberg	AMAG AV
Number of shares in issue	35,264,000

2018 financial calendar

February 28, 2019	2018 annual financial statements
April 10, 2019	Annual General Meeting
April 17, 2019	Dividend payment date
April 30, 2019	Q1/2019 report
August 1, 2019	H1/2019 report
October 30, 2019	Q3/2019 report

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Notes

Competence in Aluminium



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