

Ranshofen, August 4, 2015

AMAG: Increase in operating profit (EBITDA) of 30 % in H1 2015

- Record shipments of 91,000 tonnes in Rolling Division as result of new hot rolling mill
- Revenue grows 15.9 % – from EUR 406.7 million to EUR 471.5 million
- EBITDA in H1 2015 up 30.1 % to EUR 70.6 million (H1 2014: EUR 54.3 million)
- First half of 2015 characterised by volatile commodity and currency markets
- FY 2015 outlook: EBITDA range between EUR 130 million and EUR 140 million remains realistic
- Plant expansion program AMAG 2020 with cold-rolling mill and upgrading equipment running to schedule

AMAG Austria Metall AG reported significant growth in its key operating earnings results during the first half of 2015 compared with the previous year's first six months.

Revenue grew by 15.9 % – from EUR 406.7 million to EUR 471.5 million. **Earnings before interest, tax, depreciation and amortisation (EBITDA)** were up by 30.1 %, increasing to EUR 70.6 million (H1 2014: EUR 54.3 million).

Helmut Wieser, CEO of AMAG: "*Our broad portfolio of special products has enabled us to exploit market opportunities and report significant increase in both revenue, which was up 16 %, and operating earnings, which grew by 30%. This growth also already includes contributions from new products from the new plants created as part of our AMAG 2014 expansion project. These new plants allow us to manufacture broader plates and treadplates.*"

All operating segments contributed to the rise in operating earnings compared with the first half of 2014. The Metal Division benefited particularly from the lower EUR/USD exchange rate, boosting EBITDA by 34.9 %, from EUR 18.2 million to EUR 24.5 million. EBITDA generated by the Casting Division amounted to EUR 5.3 million in the first half of 2015, 83.1 % ahead of the EUR 2.9 million generated in the previous year's comparable period. The Rolling Division reported EBITDA in the first half of 2015 up by 20.1 %, from EUR 31.4 million to EUR 37.7 million. Along with positive effects from a slight shift in the product mix, earnings growth also reflected an increase in shipments as a result of the commissioning of new hot rolling mill.

The AMAG Group achieved an operating result (**EBIT**) of EUR 36.0 million in the 2015 financial year, representing 28.2 % rise compared with the first half of 2014 (EUR 28.1 million). **Consolidated net income after tax** amounted to EUR 22.7 million in the first half of 2015, after the previous year's EUR 26.7 million.

Balance sheet structure remains solid

The **equity** of the AMAG Group stood at EUR 615.5 million as of June 30, 2015, thereby at the level at the end of 2014 (EUR 623.9 million). The **equity ratio** of 57.4 % remains at a solid level (December 31, 2014: 57.1%).

Due to the dividend payout in April 2015, **net debt** increased to EUR 134.1 million, compared with EUR 93.0 million as of December 31, 2014. Gearing amounted to 21.8 % as of the end of June (December 31, 2014: 14.9 %).

Plant expansion

The ramp-up of the new rolling slab casthouse and the new hot rolling mill is running to schedule. Along with the progress made with the extensive qualification process for aerospace products from the new hot rolling mill, we are now also selling sheets and plates in larger product dimensions.

Preparation for the next expansion step (the "AMAG 2020" project) is also running to schedule. Commissioning of the new cold rolling mill, including the additional finishing plants and upgrading equipment, is planned for 2017. Overall, the EUR 300 million expansion programme will create a further 250 jobs at the Ranshofen site over the coming years.

Outlook: EBITDA range between EUR 130 million and EUR 140 million remains realistic

Demand for primary aluminium and aluminium rolled products is expected to increase further, according to estimates from market research institution CRU. Annual global growth of around 5 % is anticipated for 2015 and subsequent years, driven especially by the increased application of aluminium rolled products in automotive production.

With its new hot rolling mill, the Rolling Division will be able to expand its shipment volumes in 2015 even faster than the CRU's forecast 5 % market growth rate, although not all customer sectors will exhibit demand as strong as the transportation area. Weaker demand is currently observable in the construction industry.

Helmut Wieser, CEO of AMAG: "*The transportation area, in particular, remains a key driver of our business with forecast annual growth of 12 %. Demand for aluminium body sheets in automotive production is expected to quadruple worldwide to 2.1 million tonnes by 2019. Along with rising production figures, this is chiefly due to lightweight automotive construction utilising aluminium. The aerospace and packaging industries, as well as consumer electronics, comprise additional growth areas.*"

Given the high volatility on commodity and currency markets, it remains difficult to provide a precise earnings forecast for the full 2015 financial year. In light of the good earnings trend during the first half of 2015, the Management Board continues to expect that operating earnings will report year-on-year growth. Business conditions for AMAG have nevertheless worsened, especially in connection with the fall in the aluminium price. The EBITDA range of between EUR 130 million and EUR 140 million, which was announced as part of reporting on the first quarter 2015, remains realistic. This requires that the conditions in the second half of 2015 do not remain sustainably at, or below, their level as during the first half of July 2015.

AMAG – Key figures

in EUR millions	Q2/2015	Q2/2014	Change	H1/2015	H1/2014	Change
Shipments in tonnes	97,800	98,400	-0.6%	192,500	195,500	-1.5%
of which external shipments in tonnes	85,500	92,100	-7.2%	173,700	183,000	-5.1%
Revenue	240.5	204.0	17.9%	471.5	406.7	15.9%
EBITDA	35.3	29.8	18.3%	70.6	54.3	30.1%
EBIT	18.0	16.7	7.7%	36.0	28.1	28.2%
Net income after taxes	10.1	16.3	-38.0%	22.7	26.7	-14.8%
Cash flow from operating activities	13.1	48.8	-73.2%	26.6	59.2	-55.1%
Cash flow from investing activities	-11.7	-50.0	76.6%	-28.2	-76.4	63.1%
Employees ¹⁾	1,694	1,636	3.5%	1,678	1,612	4.1%

in EUR millions	June 30, 2015	December 31, 2014	Change
Equity	615.5	623.9	-1.3%
Equity ratio	57.4 %	57.1 %	-

1) Average number of employees (full-time equivalents) including temporary help workers and excluding apprentices. The figure includes a 20 % pro rata share of the labour force at the Alouette smelter, in line with the equity holding.

About the AMAG Group

AMAG is a leading Austrian premium supplier of high-quality aluminium cast and flat rolled products for highly varied industries such as the aircraft, automotive, sports equipment, lighting, mechanical engineering, construction and packaging industries. The Canadian smelter Alouette, in which AMAG holds a 20 % interest, produces high-quality primary aluminium while safeguarding an exemplary eco-balance. With 1,638 employees, the company achieved revenue of EUR 823 million and an operating result (EBITDA) of EUR 115 million in the 2014 financial year.

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Note

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