

Ranshofen, February 28, 2017

AMAG: Significant earnings growth and record shipments in FY 2016

- **Record shipments of more than 400,000 tonnes**
- **EBITDA of EUR 143.0 million up 15 % year-on-year**
- **Net income after taxes grows 14 % to EUR 46.3 million**
- **Unchanged dividend of EUR 1.20 per share proposed**
- **"AMAG 2020" expansion project running on schedule and on budget**

The 2016 financial year was a successful one for AMAG Austria Metall AG. The company achieved record shipments for the sixth consecutive year. Driven by strong demand for aluminium, especially from the transport industry, **shipments** climbed to an all-time high of 405,900 tonnes (up 6 %). Net income after taxes improved 14 % year on year from EUR 40.5 million to EUR 46.3 million. The volume and earnings growth underscores the growth course at the Group's main site in Ranshofen, supported by the installation of new equipment and productivity improvements.

Helmut Wieser, CEO of AMAG Austria Metall AG: *"With our rolled products, we're growing faster than the market, boosting our volumes for sheets and plates for the aircraft industry by 24 %, and strips for the packaging industry by 13 %. With the megatrend to lightweight design in automotive construction, the use of aluminium has excellent growth potentials – here we achieved 44 % volume growth with our rolled products."*

Revenue of EUR 906.2 million was at the previous year's level (EUR 913.3 million). Higher shipment volumes almost fully offset effects from the lower average aluminium price.

Earnings before interest, tax, depreciation and amortisation (EBITDA) were up by 15 % year-on-year, growing from EUR 123.9 million to EUR 143.0 million. Higher shipment volumes, enhanced productivity, more favourable raw materials costs and cost optimisation measures at the Canadian location contributed to this positive earnings trend.

The AMAG Group achieved an **operating result (EBIT)** of EUR 73.0 million in the 2016 financial year, 33 % up on the previous year's EUR 54.7 million. **Consolidated net income after taxes** improved by 14 %, from EUR 40.5 million to EUR 46.3 million.

As a result of its organic growth course, AMAG reported a record level of **investments of EUR 201.3 million** in 2016, of which around EUR 165 million was attributable to the plant expansion in Ranshofen.

More than half of this investment spending was financed from **cash flow from operating activities**, which increased by around 5 % to EUR 114.9 million (2015: EUR 109.9 million). **Gearing** thereby also remained at a solid level of 35.8 % as of the end of December 2016.

Equity of EUR 630.5 million was almost unchanged compared with the previous year's end (EUR 638.0 million). Total assets increased to EUR 1,389.7 million (December 31, 2015: EUR 1,104.3 million) mainly due to investments in the plant expansion and the recognition on the balance sheet of the beneficial new electricity contract for the Canadian site. The equity ratio declined from 57.8 % to 45.4 % accordingly.

Due to the positive business trend, the Management Board proposes to the AGM a year-on-year unchanged **dividend of EUR 1.20 per share**. This corresponds to a dividend yield of 4.0 % in relation to the volume-weighted average share price in 2016.

FY 2017 outlook

Rising demand for aluminium and its alloys forms the very promising basis for the growth path the company is pursuing, and for a positive business trend in the coming years.

An important milestone is being set in AMAG's strategic development with the commissioning of the new cold rolling mill and further finishing plants planned for June 2017, which will increase capacity for aluminium rolled products to more than 300,000 tonnes. Taking the planned ramp-up curve into account, AMAG will consequently benefit from a further rise in shipments in the 2017 financial year.

Helmut Wieser, CEO of AMAG: *"We will conclude the second stage of our plant expansion in June this year, with Europe's most state-of-the-art aluminium rolling mill going into operation after a record 16-month construction period. The plant expansion is creating a total of 450 new jobs at our Ranshofen site, 360 of which have already been created."*

AMAG Group revenue and earnings are nevertheless also significantly affected by price trends on raw materials and currency markets. As experience shows, such markets prove very volatile. Therefore it is still too early to provide a revenue and results forecast for the 2017 financial year. Overall, however, the Management Board is confident that EBITDA can at least reach the level of the 2016 financial year.

AMAG – key figures

in EUR million	2016	2015	Change
Shipments in tonnes	405,900	381,300	6.5 %
of which external shipments in tonnes	375,200	347,100	8.1 %
Revenue	906.2	913.3	-0.8 %
EBITDA	143.0	123.9	15.5 %
EBIT	73.0	54.7	33.4 %
Net income after taxes	46.3	40.5	14.2 %
Cash flow from operating activities	114.9	109.9	4.5 %
Cash flow from investing activities	-185.4	-91.2	-103.2 %
Employees ¹⁾	1,762	1,704	3.4 %

in EUR million	Dec. 31, 2016	Dec. 31, 2015	Change
Equity	630.5	638.0	-1.2 %
Equity ratio	45.4 %	57.8 %	-

1) Average number of employees (full-time equivalents) including temporary help workers and excluding apprentices. The figure includes a 20 percent 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 net ecological impact.

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Note

AMAG compiled the forecasts, budgets and forward-looking assessments and statements contained in this publication on the basis of information available to the Group at the time the report was prepared. In the event that the assumptions underlying these forecasts prove to be incorrect, targets are missed, or risks materialise, actual results may depart from those currently anticipated. We are not obliged to revise these forecasts in light of new information or future events.

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