

FINANCIAL REPORT

1st HALF YEAR OF 2014

Aluminium by AMAG –
Not as expensive as gold,
but just as valuable



Key figures for the AMAG Group

Key figures for the Group in mEUR	Q2/2014	Q2/2013	Change in %	H1/2014	H1/2013	Change in %
Shipments total in tons	98,400	93,700	5.0 %	195,500	181,900	7.5 %
External shipments in tons	92,100	87,600	5.1 %	183,000	169,800	7.8 %
Revenue Group	204.0	210.1	(2.9 %)	406.7	412.4	(1.4 %)
of which Metal Division	47.5	54.1	(12.1 %)	90.6	102.4	(11.5 %)
of which Casting Division	28.0	25.5	9.9 %	57.4	48.4	18.6 %
of which Rolling Division	127.1	129.3	(1.6 %)	256.0	258.8	(1.1 %)
of which Service Division	1.4	1.4	0.4 %	2.7	2.8	(3.5 %)
EBITDA	29.8	33.9	(12.0 %)	54.3	65.4	(17.0 %)
EBITDA margin in %	14.6%	16.1%		13.3%	15.8%	
Operating result (EBIT)	16.7	21.4	(22.1 %)	28.1	40.4	(30.4 %)
EBIT margin in %	8.2%	10.2%		6.9%	9.8%	
Earnings before taxes (EBT)	15.2	20.4	(25.5 %)	26.4	37.2	(29.0 %)
Net income after taxes	16.3	19.0	(14.4 %)	26.7	34.0	(21.7 %)
Cash flow from operating activities	48.8	42.2	15.7 %	59.2	69.2	(14.4 %)
Cash flow from investing activities	(50.0)	(18.8)	(166.2 %)	(76.4)	(61.4)	(24.4 %)
Employees ¹⁾	1,636	1,559	4.9 %	1,612	1,539	4.7 %

	June 30, 2014	December 31, 2013	Change in %
Total assets	928.7	933.5	(0.5 %)
Equity	583.2	584.4	(0.2 %)
Equity ratio in %	62.8%	62.6%	
Working capital employed	228.9	223.7	2.3 %
Net financial debt	88.4	50.0	76.7 %
Gearing in %	15.2%	8.6%	

Key share performance indicators (EUR)	Q2/2014	Q2/2013	Change in %	H1/2014	H1/2013	Change in %
Earnings per share	0.46	0.54	(14.4 %)	0.76	0.96	(21.7 %)
Operating cash flow per share	1.39	1.20	15.7 %	1.68	1.96	(14.4 %)
Market capitalisation (mEUR)	853.39	826.94	3.2 %	853.39	826.94	3.2 %
Share price high	25.19	24.20	4.1 %	25.19	25.10	0.4 %
Share price low	23.07	23.00	0.3 %	21.30	22.75	(6.4 %)
Closing price	24.20	23.45	3.2 %	24.20	23.45	3.2 %
Average price (volume weighted)	24.68	23.51	5.0 %	24.27	23.74	2.2 %
Shares in issue	35,264,000	35,264,000	0.0 %	35,264,000	35,264,000	0.0 %

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.

The totalling of rounded amounts and percentages may create rounding differences.

Highlights

- New record in shipments in the 1st Half-Year 2014: 195,500 t, compared with 181,900 t in the previous year
- Significant aluminium price recovery since the start of Q2 2014, although H1 price of USD 1,793/t down 8 % year-on-year (USD 1,955/t)
- Lower aluminium price affects revenue and earnings: Revenue of 406.7 mEUR 1 % below previous year's 412.4 mEUR; H1 2014 EBITDA of 54.3 mEUR compared with 65.4 mEUR in the previous year.
- Full capacity utilisation already secured for Q3 2014
- AMAG 2014 expansion project progresses as planned
- Earnings outlook for 2014: EBITDA range of between 100 mEUR and 110 mEUR slightly improved

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Foreword by the Management Board

AMAG Financial Report for 1st Half-Year 2014

Dear shareholders,

The AMAG Group reports total shipment volumes up by 7 % from 181,900 t in the first half of 2013 to 195,500 t due to the investments that it has made in organic growth and ongoing productivity enhancement measures. This half-year's shipments record comprises a further step on the profitable growth path that the AMAG Group is pursuing. We are now taking major steps towards finalising the AMAG 2014 expansion project, which comprises boosting the Rolling Division's capacity by 50 %, and which will also enable it to produce larger formats. The expansion of plate production is almost completed, and we anticipate that the new hot rolling plant will go into operation to schedule during the fourth quarter of this year. The expansion of the rolling slab casthouse is also making visible progress, and is set to be completed by the first quarter of 2015 as things stand at present.

The market environment for AMAG has improved continuously since the start of the second quarter of 2014. The aluminium price has recovered significantly from its low for the year of 1,687 USD/t on February 4, 2014, and on July 21, 2014 quoted above the 2,000 USD/t level for the first time since February 2013. The semi-annual average aluminium price of 1.793 USD/t was still considerably below the previous year's level (H1 2013: 1,955 USD/t). Price and margin pressure in the Casting and Rolling divisions remains tangible, although it continued to wane a little during the course of the second quarter of 2014.

At 406.7 mEUR, the revenue of the AMAG Group was below the level during the first half of 2013 of 412.4 mEUR due to the price of aluminium. Consolidated EBITDA amounted to 54.3 mEUR, compared with 65.4 mEUR during the first six months of the previous year. The earnings contribution from the Metal Division was down from 25.0 mEUR to 18.2 mEUR due to the low level of the aluminium price. While EBITDA of 2.9 mEUR from the Casting division was ahead of the previous year's 2.2 mEUR, the Rolling Division reported a decline in earnings from 36.6 mEUR to 31.4 mEUR. This arose particularly from the lower margin level and higher start-up expenses for AMAG 2014, which in total more than offset the positive earnings effects from the volume growth.

With a look to the 2014 financial year, we anticipate that shipment volumes will register a considerable increase. While taking into account the planned maintenance activities in August, the current order book position already secures full capacity utilisation for us for the third quarter of 2014. Due to the improved market situation, especially in connection with the higher aluminium price, we are slightly upgrading our forecast compared with the first quarter of 2014, and we now expect EBITDA in a range between 100 mEUR and 110 mEUR for the 2014 financial year.

Ranshofen, July 31, 2014

The Management Board



Helmut Wieser

Chairman and Chief Executive Officer



Helmut Kaufmann

Chief Operating Officer



Gerald Mayer

Chief Financial Officer

Consolidated interim operating and financial review

Business progress at the AMAG Group

Economic environment

With regard to 2014, the IMF¹ forecasts in its recent update 3.4 % global economic growth (2013: 3.2%) and revised its forecast downwards by 0.3 percentage points.

Emerging economies continue to be the main contributors to this growth, although their economic dynamics compared with industrialised countries has lost a little momentum. With a look to China, the IMF forecasts 7.4 % growth in 2014, compared with 7.7 % in 2013.

In the short-term, the economic growth in the USA was slowed in the first quarter by the severe winter. For the second half of 2014 IMF forecasts a significant increase in economic growth, reflected also by high sentiment indicators, such as the purchasing managers' index for the manufacturing sector. For the total year 2014 IMF estimates 1.7 % growth.

As far as the Eurozone is concerned, 2014 is anticipated to see a resumption of growth. After economic output dipped by -0.4 % in 2013, a slight recovery of 1.1 % should occur this year.

The economy in Germany is forecast to grow by 1.9 % according to the latest estimates from the IMF. For Austria, the Austrian Institute of Economic Research (Wifo) expects economic output to grow by 1.4 %².

AMAG's Metal and Rolling divisions operate globally, with global consumption of primary aluminium and rolled products being of central importance as a consequence. With regard to primary aluminium³, global growth of 5.7 % is forecast for 2014.

Global demand for rolled products⁴ should increase by 5.4 % in 2014, according to the Commodity Research Unit (CRU).

On a sector basis, rolled products are primarily in demand from the transportation, packaging, construction and engineering industries. According to the latest CRU figures relating to global demand, the transportation sector is set to see 8.7 % growth in 2014, driven by rising demand for lightweight construction solutions in the automotive area. The construction industry is estimated to experience 5.9 % demand growth compared with 2013. Consumption by the packaging industry is forecast to grow by 4.5 % compared with 2013.

In AMAG's Casting Division, the foundry alloys business is a regional business with a focus on Western and Central Europe. The most important client sector in this context is the automotive industry, to which this division delivered around two thirds of its shipment volumes in 2013, whether directly or indirectly. The global market for cars is expected to expand by around 2.7 % according to the most recent estimates⁵, particularly driven by growth in China (+8.9 %). As far as automotive production in Europe is concerned, a slight recovery of 0.9 % is forecast following the recent years' declines.

Aluminium prices and stocks

Following its lows at the start of year, the aluminium price (3-month LME) recovered somewhat during the course of the first half of the year. Having started at 1,811 USD/t at the beginning of 2013, the price dropped to its low for the year to date of 1,687 USD/t on February 4, 2014. It then registered a moderate increase during the second quarter of 2014, reaching a new high for the year to date of 1,902 USD/t on June 25, 2014. The range of fluctuation during the first half of 2014 consequently amounted to 215 USD/t. The aluminium price stood at 1,884 USD/t as of June 30, 2014.

1) See International Monetary Fund, World Economic Outlook Update, July 2014

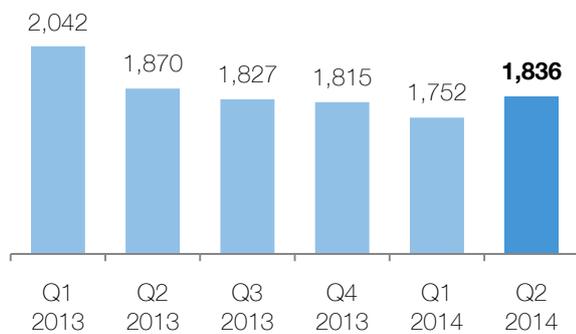
2) See Wifo, economic forecast July 2014

3) See CRU Aluminium Market Outlook, April 2014

4) See CRU Aluminium Rolled Products Outlook, May 2014

5) See IHS Automotive, Global Production Summary, May 2014

Average aluminium price (3-month LME) in USD/t



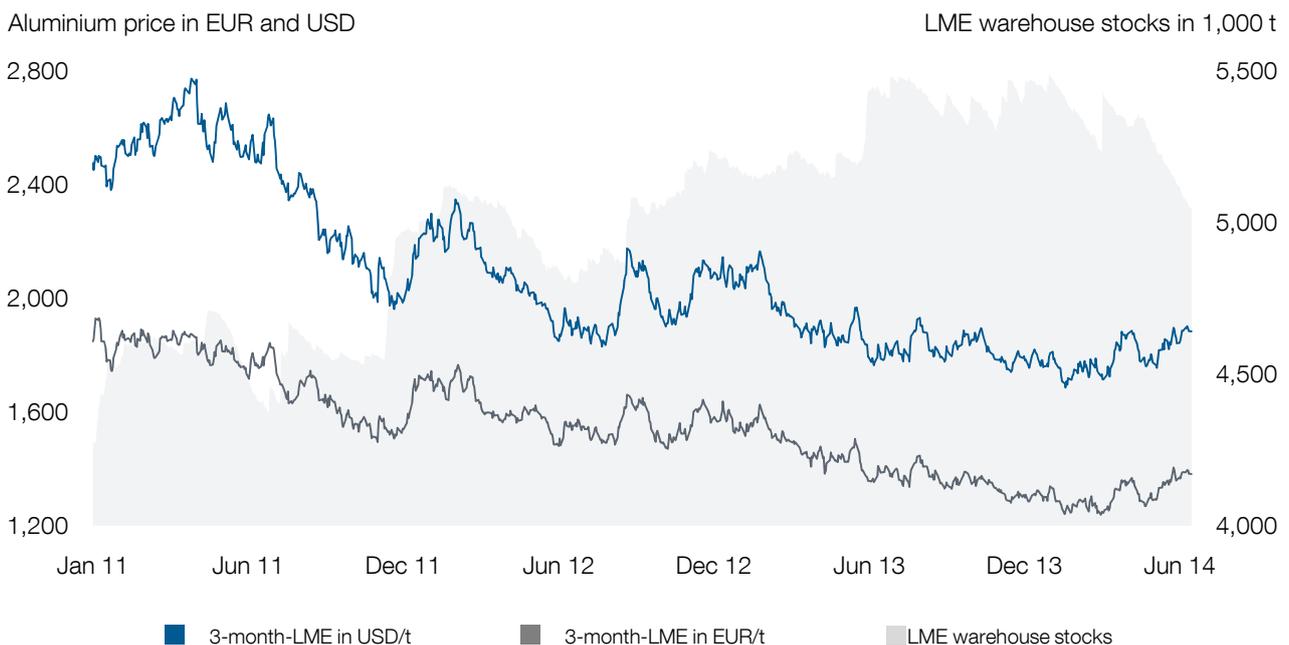
During the first half of 2014, the average aluminium price amounted to 1,793 USD/t, as opposed to 1,955 USD/t in the comparable period of the previous year. The aluminium price in euros moved in a range between 1,233 EUR/t and 1,397 EUR/t, and with an average price of 1,309 EUR/t was also significantly below the previous year's level (H1 2013: 1,488 EUR/t).

Stocks of primary aluminium held in LME-approved warehouses were down compared with the end of 2013 (5.5 million tonnes), standing at 5.0 mt at the end of June 2014. This corresponds to 9.4 % of the estimated annual production for 2014. Total global stocks (including IAI – International Aluminium Institute – and Chinese stocks) are estimated to have amounted to 8.8 mt at the end of June 2014 (2013 year-end: 8.2 mt).

In the primary aluminium area, the AMAG Group is exposed to aluminium price fluctuations in the context of its direct 20 % interest in Canadian smelter Aluminerie Alouette (Metal Division). Despite hedging of the aluminium price, earnings trends in the Metal Division depend on London Metal Exchange (LME) aluminium price trends.

The prices of the AMAG Group's main raw materials, alumina, petroleum coke, pitch and aluminium fluoride, were down year-on-year during the first half of the year. By contrast, aluminium scrap prices largely rose.

Aluminium prices and LME stocks since 2011

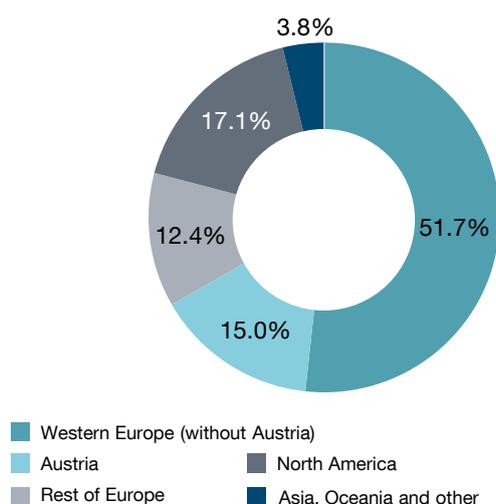


Financials

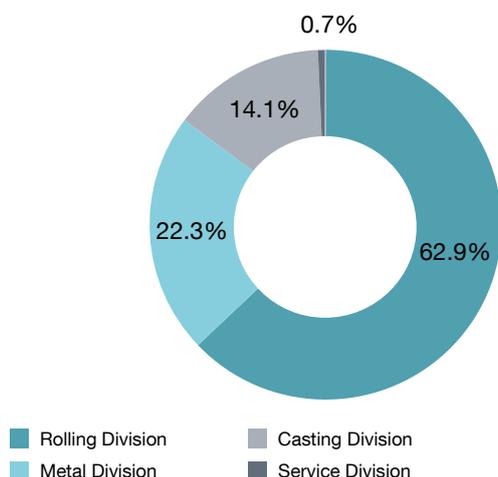
Half-year comparison for the AMAG Group

External shipment volumes for the AMAG Group amounted to 183,000 t, and were consequently above the level of the comparable period of the previous year of 169,800 t as the result of volume growth in the Rolling and Casting divisions, as well as due to higher shipments in the Metal Division due to factors relating to the reporting date. Total shipment volumes of 195,500 t were also considerably above the previous year's level (previous year: 181,900 t).

Group revenue by region



Group revenue by division



During the first half of 2014, the revenue of the AMAG Group amounted to 406.7 mEUR, thereby being recorded slightly, or 1.4 %, below the previous year's level (2013 comparable period: 412.4 mEUR). The effect on revenue from the low aluminium price was largely offset by the higher shipment volumes in this context.

The revenue mix of the AMAG Group by countries continued to be dominated by the established main markets in Western Europe at 51.7 %, Austria with 15.0 % and the rest of Europe with 12.4 %. The revenue shares from North America and Asia/Oceania amounted to 17.1 % and 3.8 %.

The cost of sales increased from 339.6 mEUR to 345.9 mEUR, translating as an increase of 1.9 %. Factors contributing to this rise in costs included the higher production volumes in the Casting and Rolling divisions. While selling and distribution expenses were down by 5.5 % to 18.9 mEUR, administrative expenses were up compared with the first half of the previous year, rising from 9.2 mEUR to 11.0 mEUR. At 4.1 mEUR, research and development expenses were largely at the previous year's level of 4.3 mEUR.

Consolidated earnings before interest and tax (EBIT) stood at 28.1 mEUR during the first half of 2014, 12.3 mEUR below the result of the comparable period of the previous year of 40.4 mEUR. The earnings contribution from the Metal Division was -6.9 mEUR below the previous year's level, chiefly reflecting the aluminium price. In the first half of 2014, the Casting Division reported an increase in EBIT from 0.9 mEUR to 1.7 mEUR. In the Rolling Division, a lower price level, higher raw materials costs and an increase in personnel expenses in connection with the hiring for the AMAG 2014 expansion project exerted a negative impact on EBIT. During the first six months of 2014 EBIT amounted to 22.3 mEUR, compared with 28.0 mEUR in the previous year. At -2.7 mEUR, EBIT in the Service division was slightly below the previous year's level of -2.3 mEUR.

Depreciation and amortisation of 26.1 mEUR during the first half of 2014 increased compared with the 2013 comparable period (25.0 mEUR) due to the high level of investments. At -1.7 mEUR (previous year: -3.2 mEUR) the net financial

result was significantly better, especially reflecting the valuation effect of derivatives. Earnings before tax (EBT) for the first half of 2014 stood at 26.4 mEUR (2013 comparable period: 37.2 mEUR). Current taxes of 2.2 mEUR and deferred taxes of -2.5 mEUR fed through to a tax expense in the first half of 2014 of -0.2 mEUR, compared with 3.2 mEUR in the comparable prior-year period. Earnings after tax for the first half of 2014 amounted to 26.7 mEUR, 21.7 % below the result of the 2013 comparable period of 34.0 mEUR.

Earnings per share during the first half of 2014 stood at EUR 0.76 (2013 comparable period: EUR 0.96).

Quarterly performance of the AMAG Group

External shipments from the AMAG Group in the second quarter 2014 amounted to 92,100 t, 5.1 % above the shipments of the comparable period of the previous year. At 98,400 t, total shipment volumes were also over the previous year's level of 93,700 t.

Revenue during the second quarter of 2014 amounted to 204.0 mEUR, 2.9 % below the revenue of the previous period of 210.1 mEUR. This mainly reflected the low aluminium price. On a country basis, the AMAG Group revenue is distributed among Western Europe at 52.0 %, Austria at 14.8 % and the rest of Europe at 8.8 % %, with North America comprising a revenue share of 20.9 % and Asia/Oceania at 3.5 %.

During the second quarter 2014, the cost of sales amounted to 171.2 mEUR, compared with 172.6 mEUR during the second quarter of 2013. On a quarterly comparison, distribution and selling expenses dipped from 10.4 mEUR to 9.2 mEUR. In the second quarter 2014, and administrative expenses increased by 1.1 mEUR to 5.4 mEUR. Research and development expenses in the second quarter of 2014 amounted to 1.9 mEUR (previous year: 2.2 mEUR).

In the second quarter of 2014 the earnings before interest and tax of the AMAG Group were recorded at 16.7 mEUR, 4.7 mEUR less than the comparable figure for the previous

year (Q2 2013: 21.4 mEUR). This year-on-year decline also arises from the low aluminium price and higher raw material costs, especially in the Rolling Division, and start-up expenses for the AMAG 2014 expansion project.

Depreciation and amortisation of 13.1 mEUR are 0.6 mEUR higher than in the prior-year comparable period mainly as a consequence of the high level of investment activity. Earnings after tax of 16.3 mEUR lay below the previous year's level of 19.0 mEUR. Earnings per share amounted to 0.46 EUR (Q2 2013: 0.54 EUR).

Financial position and net debt

Strong equity position

At the end of June 2014, the equity of the AMAG Group amounted to 583.2 mEUR and was consequently at the level as of the end of 2013 of 584.4 mEUR. The equity ratio stood at 62.8 % compared with 62.6 % as of December 31, 2013.

Low net debt

The cash and cash equivalents of the AMAG Group amounted to 41.1 mEUR and were thereby below their level as of December 31, 2013 (79.2 mEUR). Particularly due to investments, net debt rose from 50.0 mEUR as of the end of 2013 to 88.4 mEUR at the end of June 2014. Gearing stood at 15.2 % (end of December 2013: 8.6 %).

Investments

Investments realised by the AMAG Group in the first half of 2014 amounted to 78.7 mEUR (comparable period 2013: 62.4 mEUR), of which 61.8 mEUR were attributable to the AMAG 2014 investment project in Ranshofen. The largest items in this context comprise advance payments for plant under construction, such as the mill stand and plate stretcher.

Employees

The strategic growth objectives of the AMAG Group are reflected in the higher number of individuals that it employs. The AMAG Group employed an average of 1,612 full-time equivalents during the first half of 2014 (H1 2013: 1,539).

Metal Division

The Metal Division includes the AMAG Group's 20 % interest in the smelter Aluminerie Alouette, and is responsible for Group risk management and metal production streams. Located in Canada, Alouette is a very efficient aluminium smelter and benefits from a secure long-term energy supply in a politically stable country.

Economic environment

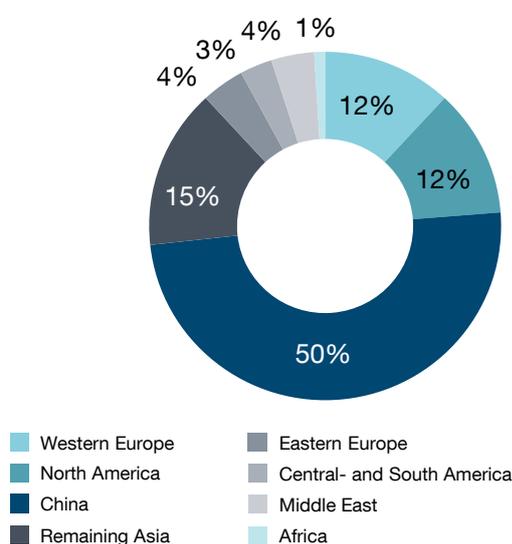
Following lows at the start of year, the aluminium price (3-month LME) recovered somewhat during the course of the first half of the year. Having started at 1,811 USD/t at the beginning of 2013, the price dropped to its low for the year to date of 1,687 USD/t on February 4, 2014. During the second quarter of 2014, the aluminium price registered a moderate increase, reaching a new high for the year to date of 1,902 USD/t on June 25, 2014. The range of fluctuation during the first half of the year consequently amounted to 215 USD/t. The aluminium price stood at 1,884 USD/t as of June 30, 2014.

The six-month average stood at 1,793 USD/t during H1 2014. During the first half of 2013, the aluminium price moved around an average level of 1,955 USD/t.

The premiums that are added to aluminium prices are determined by the place of delivery, as well as supply and demand, in particular. Since the sharp increase during the first quarter 2014, the premium level is significantly above the previous year's level. As a result of the continued favourable financing options and the continued existence of a contango situation, the physical availability of primary aluminium remains strained due to continued high level of stocks and long retrieval periods.

Global consumption of primary aluminium is set to increase from 49.9 mt in 2013 to 52.8 mt (+5.7 %) in 2014, according to the Commodity Research Unit (CRU)⁶. China is still the main driver of this trend with growth of 8.8 % to 26.0 mt, although primary aluminium demand in North America and Europe is expected to register positive growth rates of 3.3 % and 2.2 % respectively.

Forecast consumption of primary aluminium in 2014 by region: 52.8 mt



According to CRU, global primary aluminium production is set to increase by 5.1 % to 52.8 mt in 2014, with China and the Middle East, in particular, boosting electrolysis capacities by 9.7 % and 19.5 % respectively. With regard to Europe and the USA, CRU anticipates that production will drop by -5.1 % and -6.4 % respectively.

Overall, CRU expects a market balance between production and demand for 2014. While a surplus of around 0.8 mt is forecast for China, CRU sees the rest of the world being in deficit to an equal amount.

6) See CRU Aluminium Market Outlook, April 2014

Metal Division earnings trends

The shipments volume of the Metal Division in the first half of 2014 of 63,887 t were 5.7 % above the level of the previous year (H1 2013: 60,432 t) due to effects related to the reporting date. Shipments in the second quarter 2014 stood at 33,397 t compared with 32,444 t in the previous year.

Revenues were down in a half-yearly comparison from 285.9 mEUR to 278.0 mEUR, a decline of 2.8 %. Positive factors in this context primarily comprise the higher shipments volume and a higher level of premiums, although revenue was negatively affected by the year-on-year lower aluminium price and the USD to EUR exchange rate. In the second quarter 2014, the company generated revenue of 140.9 mEUR (Q2 2013: 144.1 mEUR).

In comparison with the first half of the previous year EBITDA dropped from 25.0 mEUR to 18.2 mEUR, representing a decline of 27.1 %. The higher premium level and lower raw materials costs only partially offset the earnings decline as a consequence of the low aluminium price and the lower earnings effects arising from aluminium price hedging. In a quarterly comparison,

EBITDA of 9.4 mEUR was generated in 2014, compared with 13.4 mEUR in the second quarter 2013.

Operating profit (EBIT) amounted to 6.8 mEUR, compared with 13.7 mEUR in the first half of the previous year. In the second quarter 2014, the company generated EBIT of 3.6 mEUR (previous year 2013: 7.9 mEUR).

Employees

In the first half of the year, the average number of employees in the Metal Division stood at 207 individuals, compared with 204 employees in 2013.

Investments

In the Metal Division, investments in property, plant equipment during the first half the year of 8.8 mEUR were above the prior-year comparable figure of 7.5 mEUR. Compared with the previous year, the number of electrolytic cells fitted with new refractory linings increased.

Key figures for the Metal Division in mEUR	Q2/2014	Q2/2013	Change in %	H1/2014	H1/2013	Change in %
Shipments in tons 1)	33,397	32,444	2.9%	63,887	60,432	5.7%
of which internal shipments	1,584	300	428.0%	3,282	549	497.9%
Revenue	140.9	144.1	(2.3%)	278.0	285.9	(2.8%)
of which internal revenue	93.3	90.1	3.6%	187.5	183.5	2.2%
EBITDA	9.4	13.4	(30.0%)	18.2	25.0	(27.1%)
EBITDA margin in %	6.7 %	9.3 %		6.5 %	8.7 %	
EBIT	3.6	7.9	(53.8%)	6.8	13.7	(50.2%)
EBIT margin in %	2.6 %	5.5 %		2.4 %	4.8 %	
Employees FTE (excluding apprentices)	213	207	2.9%	207	204	1.5%

1) Shipment volumes and internal shipment relate exclusively to the AMAG interest in the smelter Alouette

Casting Division

The AMAG Group's Casting Division recycles aluminium scrap to produce high-quality foundry alloys. Its product portfolio covers materials tailored to customer requirements in the form of ingots, sows and liquid aluminium. The Division's core competences comprise the development of alloys in cooperation with customers, and the procurement and processing of aluminium scrap at the Ranshofen site.

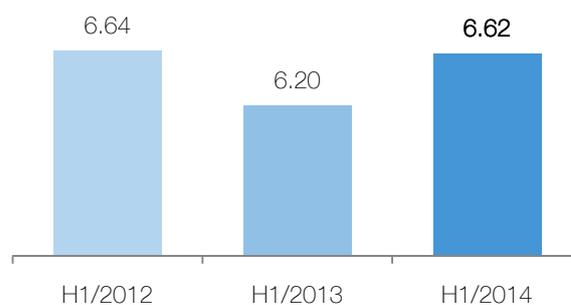
Economic environment

The Casting Division's key geographical markets are mainly Germany and Austria. The automotive sector (including the supply industry) is the largest customer for the Division, accounting for about two thirds of shipments. Consequently, the health of the European automotive industry has a strong bearing on the division's performance.

The global car market is anticipated to grow by around 2.7 % according to the most recent estimates⁷. As far as automotive production in Europe is concerned, a slight recovery of 0.9 % is forecast following the recent years' declines.

European Union car registration trends underpin this positive expectation, which were up from 6.2 million cars in H1 2013 to 6.6 million cars in H1 2014, reflecting 6.5 % growth. This figure is still at a low level compared with previous years, however. Accordingly, the demand situation for foundry alloys as far as the European automotive industry is concerned remains difficult. The price level for foundry alloy products decreased slightly year-on-year again.

New passenger car registrations in the European Union (millions)



Earnings trends in the Casting Division

The Casting Division's capacities continued to be fully utilised in the first half of 2014.

In the first of the year, total shipment volumes increased by 8.0% from 39,885 t to 43,088 t, which is mainly attributable to a slight capacity expansion and product mix changes. In the second quarter 2014, total shipment volumes amounted to 21,442 t, compared with 20,791 t in the previous year.

In a half-year comparison, especially due to the rise in shipment volumes, revenue in the Casting Segment grew from 53.3 mEUR in H1 2013 to 61.9 mEUR in the first half of 2014. In the second quarter of 2014, the Casting Segment generated revenue of 30.6 mEUR compared with 27.9 mEUR in the equivalent quarter of the previous year.

⁷ See IHS Automotive, Global Production Summary, May 2014

Compared with H1 2013, EBITDA was up from 2.2 mEUR to 2.9 mEUR, which in turn was primarily attributable to higher shipment volumes. During the second quarter of 2014, EBITDA amounted to 1.6 mEUR, compared with 1.0 mEUR during the second quarter of 2013.

Operating profit (EBIT) in the first half of 2014 stood at 1.7 mEUR (H1 2013: 0.9 mEUR). In a quarter on quarter comparison, EBIT of 1.0 mEUR was recorded after 0.4 mEUR in Q2 2013.

Employees

As of the end of June 2014, in a half-year comparison, the average number of employees of 122 individuals was slightly above the previous year's level of 120 individuals.

Investments

In the first half of 2014, investments in property, plant and equipment amounted to 0.1 mEUR compared with 0.7 mEUR in the first half of 2013.

Key figures for the Casting Division in mEUR	Q2/2014	Q2/2013	Change in %	H1/2014	H1/2013	Change in %
Shipments in tons	21,442	20,791	3.1%	43,088	39,885	8.0%
of which internal shipments	4,720	5,815	(18.8%)	9,146	11,506	(20.5%)
Revenue	30.6	27.9	9.7%	61.9	53.3	16.1%
of which internal revenues	2.6	2.5	7.2%	4.5	4.9	(8.1%)
EBITDA	1.6	1.0	54.6%	2.9	2.2	30.0%
EBITDA margin in %	5.2 %	3.7 %		4.7 %	4.2 %	
EBIT	1.0	0.4	171.1%	1.7	0.9	77.5%
EBIT margin in %	3.2 %	1.3 %		2.7 %	1.8 %	
Employees FTE (excluding apprentices)	123	119	3.4%	122	120	1.7%

Rolling Division

The AMAG Group's Rolling Division is responsible for the production and sale of rolled products (sheets, strips and plates), and precision cast and rolled plates. The rolling mill specialises in premium products for selected markets. It is supplied by our rolling slab casthouse with rolling slabs predominantly manufactured applying a very high proportion of aluminium scrap. The AMAG 2014 expansion project will ramp up capacity to 225,000 t of rolled products by the end of 2014.

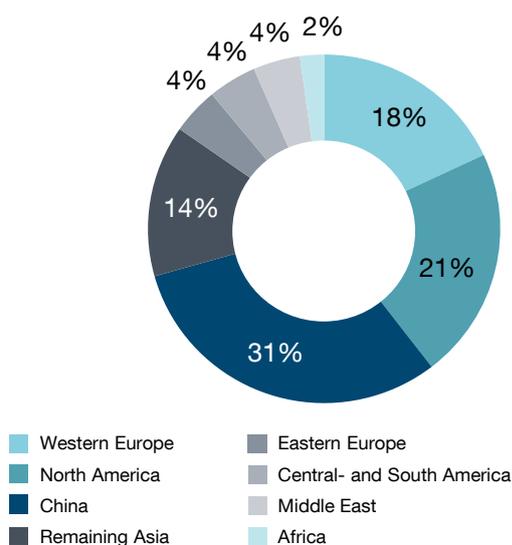
Economic environment

Global demand for aluminium rolled products is anticipated to grow to 22.7 mt in 2014 according to estimates from the CRU⁸. This reflects 5.4 % year-on-year growth. Growth drivers remain countries from the Asia-Pacific region, especially China with 8.8 % growth. Consumption in North America is forecast to rise by 3.3 % to 4.7 mt. In Europe, volumes should increase by 3.0 % to 4.9 mt according to recent estimates.

CRU anticipate 5.3 % annual demand growth for aluminium rolled products up until 2018. In this context, CRU perceives the global transportation sector as representing the strongest growth driver with an average 10.5 % growth rate. The automotive industry's share of aluminium utilisation is set to grow significantly due to legislation to cut vehicles' fuel consumption and CO₂ emissions. Aerospace, a sub-sector of the transportation industry, will also grow further due to rising demand for aeroplanes. With regard to AMAG's core markets of Western Europe and North America, CRU expects demand for rolled products in the aerospace sector to grow annually by 3.3 % and 5.7 % respectively up to 2018. Due to high stock levels of aluminium plates at aeroplane manufacturers, however, product drawdowns are anticipated to continue to be temporarily lower in the 2014 financial year.

In the construction sector, CRU expects demand to grow by 5.6 % on average up to 2018. With a look to the large-volume packaging area, an annual growth rate of 3.7 % is forecast.

Forecast consumption of rolled products in 2014: 22.7 mt



Earnings trends in the Rolling Division

As a result of the investments that have been made in organic growth and productivity enhancement, shipment volumes in the first half year increased by 8.5% to around 88,500 t. In this context, volume growth was reported primarily in the automotive area and for brazing materials. Compared with the previous year's quarter, the Rolling Division boosted shipment volumes by 7.6% to 43,600 t (Q2 2013: 40,500 t).

In the first half of 2014, revenue was unchanged year-on-year at 298.0 mEUR. The higher shipment of volume compensated the effect arising from the lower aluminium

8) See CRU Aluminium Rolled Products Market Outlook, May 2014

price. In the second quarter 2014, revenue amounted to 148.8 mEUR compared with 148.6 mEUR in the previous year.

EBITDA declined from 36.6 mEUR in the first half of the previous year to 31.4 mEUR in the first half of the year under review. Despite the higher shipment volume, this decline was chiefly due to lower market prices, higher raw materials costs, and an increase in personnel expenses in connection with hiring for the AMAG 2014 expansion project. In a quarterly comparison, EBITDA changed from 18.8 mEUR to 18.2 mEUR, reflecting a decline of 3.3 %.

In a half-year comparison, operating profit (EBIT) dropped from 28.0 mEUR by an amount of 20.5 % to 22.3 mEUR, and in the quarterly comparison by 5.9 % to 13.6 mEUR.

Employees

On a half-year comparison, the average number of employees in the Rolling Division was up from 1,096 individuals to 1,157 individuals. This rise is predominately due to the plant expansion in Ranshofen. In the second quarter 2014, the Group employed an average of 1,174 individuals (Q2 2013: 1,113 individuals).

Investments

In the first half of 2014, investments in property, plant equipment amounted to 63.1 mEUR, thereby coming in significantly ahead of the previous year's level of 39.4 mEUR. In a quarterly comparison, investments stood at 34.7 mEUR compared with 9.0 mEUR in the previous year. The investments mainly concerned the AMAG 2014 expansion project in Ranshofen.

Key figures for the Rolling Division in mEUR	Q2/2014	Q2/2013	Change in %	H1/2014	H1/2013	Change in %
Shipments in tons	43,607	40,513	7.6%	88,490	81,556	8.5%
Revenue	148.8	148.6	0.1%	298.0	298.0	0.0%
of which internal revenues	21.7	19.3	12.1%	42.0	39.2	7.1%
EBITDA	18.2	18.8	(3.3%)	31.4	36.6	(14.0%)
EBITDA margin in %	12.2 %	12.6 %		10.5 %	12.3 %	
EBIT	13.6	14.4	(5.9%)	22.3	28.0	(20.5%)
EBIT margin in %	9.1 %	9.7 %		7.5 %	9.4 %	
Employees FTE (excluding apprentices)	1,174	1,113	5.5%	1,157	1,096	5.6%

Service Division

Within the AMAG Group, the Service Division provides central services and infrastructure within the AMAG Group, including facility management, energy supply and waste disposal, as well as purchasing and materials management.

Through providing infrastructure and services, the Service Division makes an important contribution to sustainable corporate success, profitability and the future growth of the AMAG Group.

Service Division areas

Facility Management is responsible for 280 hectares of space, of which buildings take up 90 hectares. A large number investment and maintenance projects are being realised at the Ranshofen site in 2014.

The Service Division also handles waste disposal and takes steps aimed at preventing waste and increasing recycling, as well as ensuring that the Ranshofen site is supplied with process materials, fuel, spare parts and external services.

Earnings trends in the Service Division

Revenue during the first half of the year amounted to 30.9 mEUR compared with 29.4 mEUR in the previous year.

In the second quarter 2014, revenue stood at 14.9 mEUR compared with 14.2 mEUR in the previous year.

EBITDA during the first half of 2014 amounted to 1.7 mEUR compared with 1.6 mEUR in the previous year. EBITDA in the second quarter of 2014 of 0.7 mEUR was also at the previous year's level (Q2 2013: 0.7 mEUR).

Operating profit (EBIT) in the first half the year amounted to -2.7 mEUR compared with -2.3 mEUR during the first six months of the previous year. In a quarterly comparison, the Service Division reported EBIT of -1.5 mEUR following -1.3 mEUR in the second quarter 2013.

Employees

On a half-year comparison, the average number of employees in the Service Division increased from 120 individuals in 2013 to 126 individuals in 2014.

Investments

Investments during the first half year of 6.8 mEUR (previous year: 14.8 mEUR) especially related to investments in infrastructure and buildings for the expansion project in Ranshofen. In a quarterly comparison, investments were down from 11.5 mEUR to 3.9 mEUR.

Key figures for the Service Division in mEUR	Q2/2014	Q2/2013	Change in %	H1/2014	H1/2013	Change in %
Revenue	14.9	14.2	4.8%	30.9	29.4	5.2%
of which internal revenues	13.5	12.8	5.3%	28.2	26.6	6.1%
EBITDA	0.7	0.7	1.0%	1.7	1.6	8.1%
EBITDA margin in %	4.7 %	4.9 %		5.6 %	5.4 %	
EBIT	(1.5)	(1.3)	(19.0%)	(2.7)	(2.3)	(16.7%)
EBIT margin in %	(10.0 %)	(8.8 %)		(8.6 %)	(7.7 %)	
Employees FTE (excluding apprentices)	127	120	5.8%	126	120	5.0%

Economic outlook

With regard to 2014, the IMF⁹ forecasts in its recent update 3.4 % global economic growth (2013: 3.2%) and revised its forecast downwards by 0.3 percentage points.

Emerging economies continue to be the main contributors to this growth, although their economic dynamics compared with industrialised countries has lost a little momentum. With a look to China, the IMF forecasts 7.4 % growth in 2014, compared with 7.7 % in 2013.

In the short-term, the economic growth in the USA was slowed in the first quarter by the severe winter. For the second half of 2014 IMF forecasts a significant increase in economic growth, reflected also by high sentiment indicators, such as the purchasing managers' index for the manufacturing sector. For the total year 2014 IMF estimates 1.7 % growth.

As far as the Eurozone is concerned, 2014 is anticipated to see a resumption of growth. After economic output dipped by -0.4 % in 2013, a slight recovery of 1.1 % should occur this year.

The economy in Germany is forecast to grow by 1.9 % according to the latest estimates from the IMF. For Austria, the Austrian Institute of Economic Research (Wifo) expects economic output to grow by 1.4 %¹⁰.

Aluminium market outlook

Recourse was made to CRU forecasts, among others, to determine the overall conditions for medium-term growth and the outlook for AMAG for 2014. According to recent forecasts, demand for primary aluminium¹¹ and rolled products¹² is expected to grow by 5.2 % and 5.3 % per annum until 2018.

CRU expects global primary aluminium consumption to be up by 5.7 % to 52.8 mt in 2014. This growth is to be driven chiefly by rising demand in China, which is set to increase by 8.8 % to 26.0 mt. Demand for primary aluminium in North America is forecast to grow by 3.3 % to 6.2 mt in 2014. With a look to Europe, 2.2 % growth to a total of 8.3 mt is forecast.

Primary aluminium production is expected to rise by 5.1 % to 52.8 mt in 2014 as the result of marked production growth in China and the Middle East.

European automotive industry trends are the main drivers for the Casting Division. IHS Automotive¹³ expects the European automotive industry to recover slightly in 2014. Production should be up by 0.9 % in 19.7 million units on this basis. This figure is still at a low level on a multi-year comparison, however. Growing demand could also be anticipated in the Casting Division in the medium and long-term thanks to endeavours to implement lightweight construction solutions and new product development, including for structural components, for example.

As far as the Rolling Division is concerned, CRU is signalling that the market will continue to report a high overall growth rate of 5.4 % in 2014. The main growth driver should be China (+8.8 %), although positive growth rate of 3.4 % and 3.0 % are also forecast for industrialised countries in North America and Europe.

As far as aluminium-consuming industrial sectors are concerned, CRU forecasts high growth in 2014 in the transport area with consumption up by 8.7 % to 3.1 mt. The electronics and electrical sector is expected to grow by 6.3 % to 1.0 mt, and the construction sector is forecast to increase by 5.9 % to 2.7 mt. Consumption in the engineering sector is anticipated to increase by 5.4 % to 2.0 mt of 2014, and the large-volume packaging area is forecast to increase by 4.5 % to 11.7 mt.

9) See International Monetary Fund, World Economic Outlook Update, July 2014

10) See Wifo, economic forecast July 2014

11) See CRU Aluminium Market Outlook, April 2014

12) See CRU Aluminium Rolled Products Market Outlook, May 2014

13) See IHS Automotive, Global Production Summary, May 2014

Business trend outlook for 2014

Based on the currently high order book position and the maintenance measures that are planned in August, it can already be assumed that Group production capacities will be fully utilised in the third quarter of 2014.

The Management Board sees significant volume growth for the entire AMAG Group for 2014. The record level of shipments set in 2013 will be exceeded accordingly.

The Metal Division is exposed to aluminium price fluctuations to a greater extent than in the previous year due to the fact that price hedging has been unattractive to date.

As things stand at present, the Casting Division could benefit from the slight recovery of the European automotive industry, although margins remain at a low level on a multi-year comparison.

Earnings in the Rolling Division remain impacted by high input material costs. Expenses for production start-up for the AMAG 2014 expansion project are also negatively affecting earnings in the 2014 financial year.

As far as the 2014 business trend is concerned, the Management Board continues to anticipate a year-on-year decline in earnings. Due to the improved market situation, especially in connection with the higher aluminium price, the estimate compared with the first quarter of 2014 is being upgraded slightly. For the 2014 financial year, EBITDA in a range between 100 mEUR and 110 mEUR is expected.

The AMAG 2014 expansion project will be largely concluded in the 2014 financial year. As things stand at present, the new rolling mill will be commissioned in the fourth quarter of 2014. The expansion of the wrought alloy foundry, on which we started to work in January 2014, is set to be concluded by the first quarter of 2015.

Risk and opportunity report

AMAG Financial Report for 1st Half-Year 2014

A formalised risk management system designed to identify, assess and manage all the Group's significant risk exposures and opportunities is integral to our business activities. We strive to identify risks at an early stage, and limit them by responding proactively. At the same time we seek to capitalise on the business opportunities open to us. A balanced approach to opportunity and risk management is one of the Group's key success factors.

Risk management system

AMAG's risk management system is aimed at a sustainably positive trend in net assets, the financial position and the results of operations across the entire Group. The system relies primarily on:

- Groupwide standards to regulate operational processes with a view to identifying, analysing, assessing and communicating risks, and actively managing risks and opportunities,
- hedging against specific risks (aluminium price and exchange rate volatility),
- covering certain risks under a comprehensive insurance strategy.

- Risks are managed on the basis of these standards at all levels in the management hierarchy. Strategic risks are reviewed on an annual basis, and any business policy adjustments required are made as part of an institutionalised process. The standards, and the scope and amount of insurance cover, are subject to ongoing review and are updated whenever necessary.

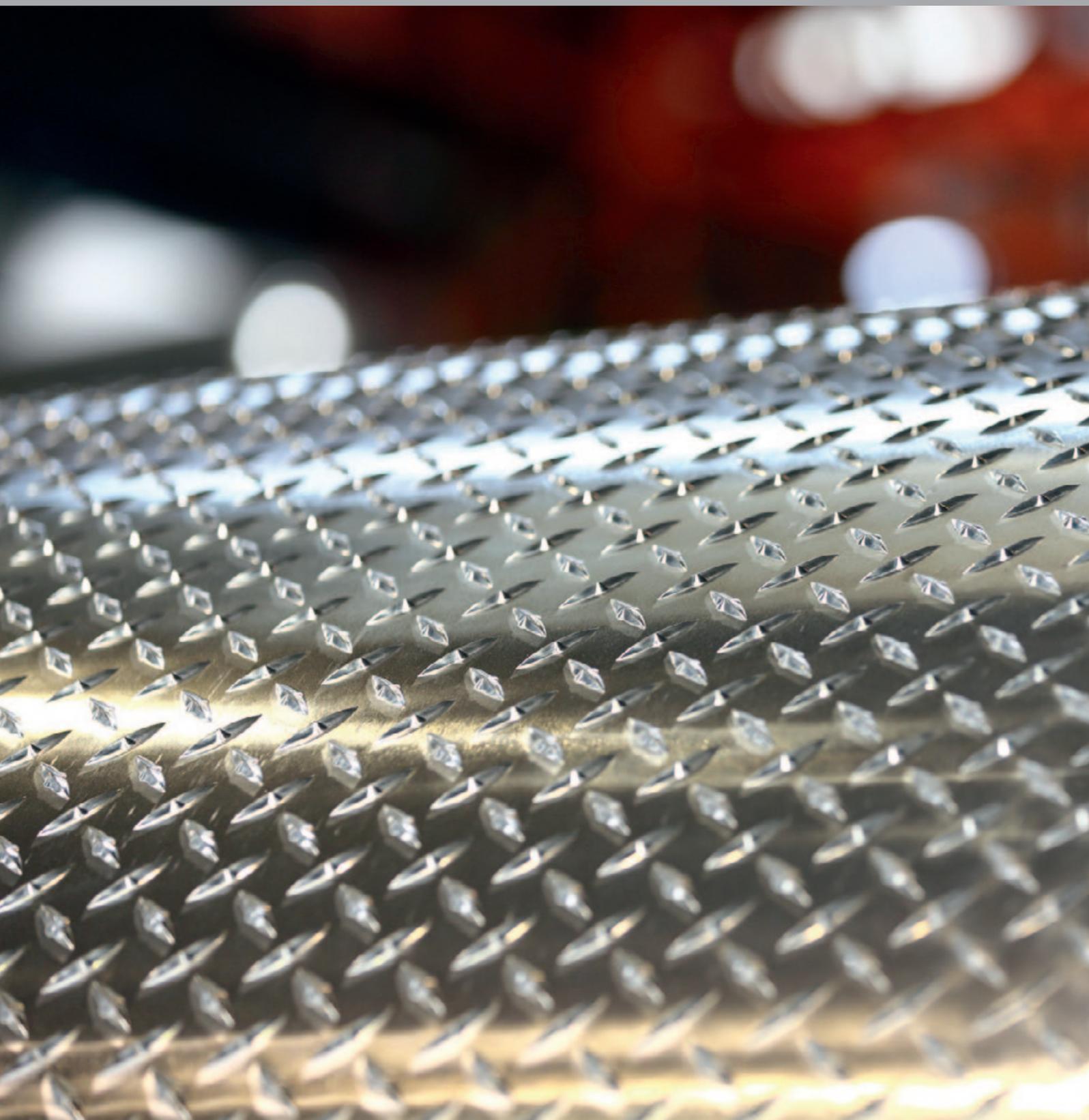
In addition, audits are carried out by an external auditor on a case-by-case basis in selected areas of the business to determine the effectiveness of the internal control system.

Internal control system

The AMAG Group's internal control and risk management systems are based on the Internal Control and Enterprise Risk Managing Frameworks – internationally recognised standards established by the Committee of Sponsoring Organisations (COSO) of the Treadway Commission – and on ISO 31000:2010. The objective is for the relevant managers to identify and manage potential risks.

For a detailed description of the Group's risk exposures, and its risk management and internal control systems, please refer to the AMAG 2013 annual report, which is available in the Investor Relations area of our website (www.amag.at).

INTERIM CONSOLIDATED FINANCIAL STATEMENTS ACCORDING TO IAS 34



Consolidated statement of financial position

AMAG Financial Report for 1st Half-Year 2014

Assets in kEUR	June 30, 2014	December 31, 2013
Intangible assets	4,922	4,160
Property, plant and equipment	536,771	484,074
Other non-current assets and financial assets	9,553	15,915
Deferred tax assets	30,618	27,271
Non-current assets	581,863	531,420
Inventories	179,718	200,940
Trade receivables	92,675	70,268
Current tax assets	3,147	2,497
Other receivables	30,236	49,181
Cash and cash equivalents	41,062	79,164
Current assets	346,838	402,050
TOTAL ASSETS	928,701	933,470

Equity and liabilities in kEUR	June 30, 2014	December 31, 2013
Share capital	35,264	35,264
Capital reserves	379,337	379,337
Hedging reserve	9,171	17,493
Revaluation of defined benefit plans	(9,421)	(9,408)
Exchanges differences	7,336	5,761
Retained earnings	161,481	155,989
Equity	583,168	584,437
Non-current provisions	70,067	68,796
Interest-bearing financial liabilities	112,248	125,554
Other non-current liabilities	12,240	5,682
Deferred tax liabilities	25,680	27,557
Non-current liabilities	220,235	227,589
Current provisions	12,888	15,678
Interest-bearing financial liabilities	17,237	3,641
Trade payables	57,966	60,811
Current tax liabilities	4,511	4,813
Other current liabilities	32,696	36,501
Current liabilities	125,299	121,445
TOTAL EQUITY AND LIABILITIES	928,701	933,470

Consolidated statement of profit or loss

acc. to the COST OF SALES METHOD in KEUR	Q2/2014	Q2/2013	H1/2014	H1/2013	2013
Revenue	204,025	210,150	406,724	412,427	786,445
Cost of sales	(171,151)	(172,571)	(345,929)	(339,590)	(657,175)
Gross profit	32,874	37,579	60,794	72,837	129,270
Other income	1,320	1,785	3,549	3,183	7,049
Selling and distribution expenses	(9,230)	(10,396)	(18,873)	(19,976)	(36,040)
Administrative expenses	(5,443)	(4,296)	(11,001)	(9,220)	(16,785)
Research and development expenses	(1,907)	(2,250)	(4,091)	(4,282)	(8,020)
Other expenses	(927)	(1,009)	(2,266)	(2,173)	(3,037)
Earnings before interest and taxes (EBIT)	16,687	21,413	28,113	40,369	72,436
Net interest result	(1,608)	(1,205)	(3,063)	(2,522)	(6,548)
Other financial result	126	207	1,369	(648)	(877)
Net financial income (expenses)	(1,482)	(999)	(1,694)	(3,169)	(7,425)
Earnings before taxes (EBT)	15,206	20,414	26,419	37,200	65,011
Current taxes	(1,549)	(3,092)	(2,221)	(5,284)	(17,237)
Deferred taxes	2,629	1,700	2,453	2,112	8,254
Income taxes	1,080	(1,392)	231	(3,172)	(8,983)
Net income after taxes	16,286	19,023	26,650	34,028	56,028
Total number of no-par-value shares	35,264,000	35,264,000	35,264,000	35,264,000	35,264,000
Earnings per share	0.46	0.54	0.76	0.96	1.59

Consolidated statement of comprehensive income

AMAG Financial Report for 1st Half-Year 2014

in kEUR	Q2/2014	Q2/2013	H1/2014	H1/2013	2013
Net income after taxes	16,286	19,023	26,650	34,028	56,028
Items that are or may be reclassified to profit or loss:					
Currency translation differences	1,547	(3,572)	1,575	1,440	(7,271)
Changes in the hedging reserve					
Recognized income (expenses) during the financial year	(2,595)	9,392	(5,344)	17,279	23,649
Reclassifications of amounts that have been recognized in the statement of income	(2,646)	(3,938)	(6,063)	(7,345)	(16,755)
Deferred taxes relating thereto	1,346	(1,408)	2,978	(2,593)	(1,783)
Currency translation differences	80	(294)	106	112	(554)
Items that will never be reclassified to profit or loss:					
Remeasurement of defined benefit plans	0	0	0	0	11,056
Deferred taxes relating thereto	0	0	0	0	(2,970)
Currency translation differences	(13)	203	(13)	(82)	114
Other comprehensive income for the year net of tax	(2,282)	382	(6,761)	8,812	5,484
Total comprehensive income and expenses for the financial year	14,004	19,405	19,889	42,840	61,513

Consolidated statement of cash flows

in kEUR	Q2/2014	Q2/2013	H1/2014	H1/2013	2013
Earnings before taxes (EBT)	15,206	20,414	26,419	37,200	65,011
Net interest result	1,608	1,205	3,063	2,522	6,548
Depreciation, amortization and impairment losses / reversal of impairment losses on non-current assets	13,135	12,493	26,139	24,982	50,382
Losses/gains from the disposal of non-current assets	19	(72)	79	(54)	1,016
Other non-cash expenses/income	125	(843)	186	(973)	(1,400)
Changes in inventories	10,180	15,735	21,459	20,588	10,088
Changes in trade receivables	1,895	(2,332)	(22,406)	(17,205)	6,818
Changes in trade payables	74	(10,679)	(4,206)	4,360	10,020
Changes in provisions	(354)	(1,937)	(2,659)	(4,038)	(8,263)
Changes in derivatives	6,499	2,117	3,209	(411)	(574)
Changes in other receivables and liabilities	2,496	8,645	13,238	9,614	1,396
	50,881	44,746	64,521	76,585	141,042
Taxes paid	(931)	(1,921)	(3,202)	(6,037)	(14,528)
Interest paid	(1,109)	(627)	(2,073)	(1,352)	(4,280)
Cash flow from operating activities	48,841	42,199	59,247	69,196	122,234
Proceeds from disposals of non-current assets	560	1,224	573	1,759	1,428
Payments for investments in property, plant and equipment and intangible assets	(51,203)	(20,603)	(77,738)	(63,776)	(127,651)
Proceeds from grants for investments	653	597	761	597	1,045
Cash flow from investing activities	(49,990)	(18,782)	(76,403)	(61,421)	(125,178)
Repayments of borrowings	(407)	0	(406)	0	(825)
Proceeds from borrowings	285	4,673	473	20,246	21,225
Dividends paid	(21,158)	(21,158)	(21,158)	(21,158)	(21,158)
Cash flow from financing activities	(21,280)	(16,485)	(21,092)	(913)	(758)
Change in cash and cash equivalents	(22,429)	6,931	(38,249)	6,862	(3,702)
Effect of exchange rate changes on cash and cash equivalents	312	(631)	146	17	(1,471)
Cash and cash equivalents at beginning of period	63,179	84,916	79,164	84,337	84,337
Cash and cash equivalents at the end of period	41,062	91,216	41,062	91,216	79,164
Change in cash and cash equivalents	(22,429)	6,931	(38,249)	6,862	(3,702)

Consolidated statement of changes in equity

AMAG Financial Report for 1st Half-Year 2014

	Share capital	Capital reserves	Hedging reserve	Revaluation of defined benefit plans	Exchanges differences	Retained earnings	Equity
in kEUR				adjusted *)	adjusted *)	adjusted *)	
Balance as of January 1, 2013	35,264	379,337	12,937	(17,608)	13,033	121,119	544,082
Total comprehensive income and expenses for the 1st half-year of 2013			7,342	0	1,470	34,028	42,840
Exchange differences			112	(82)	(30)	0	0
Transactions with owners							
Dividend distributions						(21,158)	(21,158)
Balance as of June 30, 2013	35,264	379,337	20,391	(17,689)	14,473	133,989	565,764
Total comprehensive income and expenses for the 2nd half-year of 2013			(2,232)	8,086	(9,182)	22,001	18,673
Exchange differences			(666)	195	471	0	0
Transactions with owners							
Dividend distributions						0	0
Balance as of December 31, 2013	35,264	379,337	17,493	(9,408)	5,761	155,989	584,437
Balance as of January 1, 2014	35,264	379,337	17,493	(9,408)	5,761	155,989	584,437
Total comprehensive income and expenses for the 1st half-year of 2014			(8,428)	0	1,667	26,650	19,889
Exchange differences			106	(13)	(93)	0	0
Transactions with owners							
Dividend distributions						(21,158)	(21,158)
Balance as of June 30, 2014	35,264	379,337	9,171	(9,421)	7,336	161,481	583,168

1) Adjusted on the basis of applying IAS 19

Notes to the consolidated interim financial statements

General

AMAG Austria Metall AG, Lamprechtshausener Strasse 61, 5282 Ranshofen, registered under commercial register number 310593f at the Ried District Court, is an Austrian holding company. Together with its subsidiaries and associates, it engages in the production and distribution of primary aluminium, rolled products (sheet and plate), and recycling foundry alloys.

Basis of preparation

The consolidated interim financial statements for the reporting period January 1 to June 30, 2014 were prepared in accordance with IAS 34 Interim Financial Reporting. The interim statements do not contain all of the information and disclosures provided in the consolidated annual financial statements for the year ended December 31, 2013, and should be read in conjunction with the latter.

The accounting policies applied to the preparation of the interim statements conform to those applied in the consolidated annual financial statements for the year ended December 31, 2013. The consolidated interim financial statements are presented in thousands of euros (kEUR). The totalling of rounded amounts and percentages may lead to rounding differences due to the application of automated calculations. Unless otherwise stated, the comparative disclosures refer to the first half of 2013 financial year of AMAG Austria Metall AG (June 30, 2013 reporting date).

The Management Board of AMAG Austria Metall AG is satisfied that the Group interim report in all material respects gives a true and fair view of the Group's net assets, financial position and results of operations.

These consolidated interim financial statements as of June 30, 2014 were neither subjected to a full audit nor were they reviewed by an auditor.

Changes in the scope of consolidation

The scope of consolidation of AMAG Austria Metall AG was unchanged between January 1, 2014 and June 30, 2014. Please refer to the details in the consolidated financial statements as of December 31, 2013 for information about changes to the scope of consolidation during 2013.

Accounting standards

Amendments to IAS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities had no effects on the quarterly financial statements of the AMAG Group. The amendments to IAS 36 relating to fair value disclosures for non-financial assets had no effects on the quarterly financial statements of the AMAG Group.

Seasonal and cyclical factors

The business of AMAG Austria Metall AG is not normally subject to marked seasonal variations. The scheduled annual maintenance measures at the Ranshofen site continue to be predominantly realised during the second half of the year (August and December). As a consequence, lower production volumes are assumed for the fourth quarter 2014 compared with previous quarters.

Business divisions

Please refer to the interim operational and financial review for information on the Metal, Casting, Rolling and Service divisions.

Notes to the consolidated statement of financial position

Property, plant and equipment increased from 484.1 mEUR at the end of 2013 to 536.8 mEUR at the end of June 2014. This mainly reflected plant added for the expansion of the Ranshofen site, which exceeded depreciation incurred during the period.

Primarily due to the lower inventory volumes and a lower aluminium price, the value of inventories decreased from 200.9 mEUR as of the end of December 2013 to 179.7 mEUR as of the end of June 2014.

The receivables position is usually lower at year-end than at the end of interim reporting periods because deliveries tend to fall at the turn of the year. Trade receivables increased from 70.3 mEUR at the end of 2013 to 92.7 mEUR at the end of June 2014.

The equity of the AMAG Group at the end of June 2014 amounted to 583.2 mEUR and was consequently at the level as of the end of 2013 of 584.4 mEUR. This decline reflects the earnings after tax for the first half of 2014 of 26.7 mEUR and the change in the hedge reserve (IAS 39) of -8.5 mEUR, the currency translation difference of +1.7 mEUR, and the end -21.2 mEUR dividend payout. Actuarial gains/losses, currency translation differences and retained earnings were restated as of January 1, 2013 and June 30, 2013 due to the IAS 19 amendment. For more information, please refer to the notes to the consolidated financial statements as of December 31, 2013.

The provisions for pensions, severance benefits, medical care benefits and anniversary bonuses are calculated on the basis of the full-year preview prepared by the actuary as of the previous year's year-end. Adjustments arising from modifications to the actuarial assumptions are generally implemented as of the year-end on the basis of the valuation that is current at that time. The actuarial assumptions are monitored constantly.

Compared with the previous year-end, no significant modification occurred to the actuarial assumptions for the obligations of the Austrian companies. For Canada, the discounting rate in the first half the year fell to 4.25 %, compared with 5 % as of 31 December 2013. This change would feed through to an estimated increase in the defined benefit obligation of around 5.5 mEUR. This would effect equity in an amount of -4.0 mEUR (after deferred taxes).

Notes to the consolidated statement of profit or loss

From January to June 2014, the revenue of the AMAG Group amounted to 406.7 mEUR, and was consequently below the level of the comparable figure for the previous year of 412.4 mEUR. Group earnings before interest, tax, depreciation and amortisation (EBITDA) during the first half of 2014 amounted to 54.3 mEUR, and were thereby 11.1 mEUR below the comparable figure for the previous year of 65.4 mEUR. Earnings after tax stood at 26.7 mEUR in the first half of 2014, compared with the previous year's 34.0 mEUR.

Notes to the statement of cash flows

Cash flow from operating activities in the first half of 2014 reached 59.2 mEUR, and were consequently 9.9 mEUR below the previous year's figure (2013 comparable period: 69.2 mEUR). Cash flow from investing activities during the first six months of

2014 amounted to -76.4 mEUR (2013 comparable period: -61.4 mEUR) and resulted particularly from expansion investment at the Ranshofen location. Cash flow from financing activities during the first half of 2014 stood at -21.1 mEUR.

Notes on financial instruments

Additional disclosures about financial instruments pursuant to IFRS 7

2014 Amounts in kEUR	Book value as of June 30, 2014	Fair- Value- Hedge	Cashflow- Hedge	Held for Trading
Assets				
Other non-current assets and financial assets	9,553	30	5,241	142
Trade receivables	92,675	0	0	0
Current tax assets	3,147	0	0	0
Other receivables	30,236	612	7,562	7,001
Cash and cash equivalents	41,062	0	0	2,500
Liabilities				
Interest-bearing financial liabilities	112,248	0	0	0
Other non-current liabilities	12,240	0	1,451	252
Interest-bearing financial liabilities	17,237	0	0	0
Trade payables	57,966	0	0	0
Current tax liabilities	4,511	0	0	0
Other current liabilities	32,696	854	1,130	6,503

2013 Amounts in kEUR	Book value as of December 31, 2013	Fair-Value- Hedge	Cashflow- Hedge	Held for Trading
Assets				
Other non-current assets and financial assets	15,915	0	10,828	290
Trade receivables	70,268	0	0	0
Current tax assets	2,497	0	0	0
Other receivables	49,181	79	12,116	16,254
Cash and cash equivalents	79,164	0	0	17,308
Liabilities				
Interest-bearing financial liabilities	125,554	0	0	0
Other non-current liabilities	5,682	6	1,102	585
Interest-bearing financial liabilities	3,641	0	0	0
Trade payables	60,811	0	0	0
Current tax liabilities	4,813	0	0	0
Other current liabilities	36,501	636	876	11,466

*) Loans and receivables are recognised at amortised cost

Held to Maturity	Available for Sale	Loans, receivables and liabilities *)	Cash and cash equivalents *)	Not a financial instrument	Fair value as of June 30, 2014
26	463	3,496	0	155	9,553
0	0	92,675	0	0	92,675
0	0	0	0	3,147	3,147
0	0	4,916	713	9,432	30,236
0	0	0	38,562	0	41,062
0	0	112,248	0	0	110,313
0	0	9,203	0	1,334	12,240
0	0	17,237	0	0	17,571
0	0	57,966	0	0	57,966
0	0	0	0	4,511	4,511
0	0	3,173	0	21,035	32,695

Held to Maturity	Available for Sale	Loans, receivables and liabilities *)	Cash and cash equivalents *)	Not a financial instrument	Fair value as of December 31, 2013
26	535	4,141	0	95	15,915
0	0	70,268	0	0	70,268
0	0	0	0	2,497	2,497
0	0	10,597	341	9,795	49,181
0	0	0	61,856	0	79,164
0	0	125,554	0	0	124,960
0	0	2,708	0	1,282	5,682
0	0	3,641	0	0	3,641
0	0	60,811	0	0	60,811
0	0	0	0	4,813	4,813
0	0	7,593	0	15,930	36,501

Cash and cash equivalents, financial instruments, and trade and other receivables generally have short maturities. As a result, the carrying amounts for these items are approximately the same as the respective fair value. Financial instruments not categorised in accordance with IFRS 7 include financial assets and liabilities measured at fair value as well as those recognised at amortised cost.

In general, trade payables and other current liabilities have maturities of less than one year, and the reported values are approximations of the respective fair value.

The fair values of bank borrowings and other financial liabilities are calculated as the present values of the related payments on the basis of the respective yield curve taking account of the Group's credit risk exposure.

The measurement categories are as follows:

in kEUR	2014				2013			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
ASSETS								
Other non-current assets and financial assets	0	867	4,546	5,413	0	2,072	9,045	11,117
Other receivables	0	11,087	4,088	15,175	0	22,404	6,044	28,448
Cash and cash equivalents	2,500	0	0	2,500	17,308	0	0	17,308
LIABILITIES								
Interest-bearing financial liabilities	0	110,313	0	110,313	0	124,960	0	124,960
Other non-current liabilities	0	1,703	0	1,703	0	1,692	0	1,692
Other current liabilities	0	8,487	0	8,487	0	12,979	0	12,979

The Group uses the following hierarchy to determine and report the fair value of financial instruments for each valuation method:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: methods in which all inputs that have a material effect on the reported fair value are directly or indirectly observable. The transactions outlined below are recognised at this level:

Exchange futures: In exchange futures transactions, a specified amount of a certain currency is exchanged for an amount in another currency at an agreed exchange rate on a particular date. Both cash flows arising at the maturity date are recognised at present value on the basis of the yield curve for each transaction currency. The present value cash flows are then converted into the reporting currency using the applicable exchange rates, and the difference between them is recognised as the present value of the exchange future. The input parameters are the respective exchange rates and the yield curve.

Interest rate swaps: Interest rate swaps involve the exchange of a floating interest rate for a fixed rate. In valuing the transaction, the present value of the variable interest payments and that of the fixed interest payments are first calculated, and the difference between the two over the duration of the transaction represents the present value of the interest rate swap. The input parameters are the six-month Euribor rate and the yield curve.

Commodity futures: The value of these futures is the difference between the contract price and the aluminium price quoted on the London Metal Exchange (LME) at the maturity date of the transaction. The input parameters are the LME quoted aluminium price including the term structure, and the euro/US dollar futures curve.

Commodity options: The Black-Scholes model is used in the valuation of commodity options. The key input parameters are the LME quoted aluminium price including the term structure, the euro/US dollar futures curve and data on aluminium price volatility.

Level 3: methods based on input parameters that have a material effect on fair value and are not based on observable market data.

Assets measured at a fair value determined in accordance with level 3 in the course of a subsequent measurement relate to the embedded derivative included in the electricity supply agreement for the Alouette smelter.

Power supply contract concluded by Aluminerie Alouette Inc.: Alouette has a power contract with a state-owned utility which directly ties the rate to be paid by Alouette to the market price of aluminium under a contractual pricing formula. Due to the linkage between electricity and aluminium prices this contract contains an embedded derivative. The fair value of the derivative is measured on the basis of an appropriate model. Due to the monopolistic electricity market in Canada there is no liquid electricity market in the normal sense, meaning that there is no market price. A discounted cash flow analysis is consequently employed to value the derivative, applying an electricity reference price, related yield curves and aluminium forward prices.

In order to obtain a market-based valuation of the contract, the present value of future electricity payments was subsequently calculated using aluminium forward prices and the average premium for deliveries in the Midwestern United States, and compared with the present value of future electricity payments yielded by the Alouette electricity reference price. This approach provides a market valuation of the embedded derivative.

The change in the value of the embedded derivative is shown below:

	Other non-current assets and financial assets	Other receivables
As at January 1, 2013	6,841	3,883
Changes Fair Value	4,781	5,456
Recycling	0	(2,921)
As at June 30, 2013	11,622	6,418
As at January 1, 2014	9,045	6,044
Changes Fair Value	(4,499)	1,295
Recycling	0	(3,251)
As at June 30, 2014	4,546	4,088

The impact of a change in the electricity reference price on measurement is outlined below:

Sensitivity in kEUR	June 30, 2014		June 30, 2013	
	+1%	-1%	+1%	-1%
Other non-current assets and financial assets	278	(278)	487	(487)
Other receivables	202	(202)	213	(213)

Related parties disclosures

Outstanding balances and transactions between AMAG Austria Metall AG and its subsidiaries are eliminated in the preparation of the consolidated financial statements, and are not commented on here.

The Group's operations give rise to related-party business relationships in the form of purchases or sales of goods and services, and rendering or receiving of services, to and from associates. These transactions are all performed on an arm's length basis.

No loans have been extended to members of the Management or Supervisory boards, and no guarantees have been given on their behalf. No other transactions – and in particular no purchase contracts involving assets of significant value – have been entered into with related parties.

Significant events after the balance sheet date

No significant events occurred after the June 30, 2014 balance sheet date.

Declaration of the Management Board

AMAG Financial Report for 1st Half-Year 2014

We hereby declare that to the best of our knowledge the interim consolidated financial statements, prepared in accordance with the rules for interim financial reporting established by the International Financial Reporting Standards (IFRS), to the maximum possible extent give a true and fair view of the Company's net assets, financial position and results of operations of AMAG Austria Metall AG.

We also confirm that to the best of our knowledge this Group interim report to the maximum possible extent gives a true and fair view of the net assets, financial position and results of operations of AMAG Austria Metall AG in respect of the significant events that occurred during the first six months of the financial year and their impact on the interim financial statements, and of the principal risks and uncertainties to which the Company will be exposed during the remaining six months of the financial year, as well as the mandatory related party disclosures.

Ranshofen, July 31, 2014

The Management Board



Helmut Wieser
Chairman and Chief Executive Officer



Helmut Kaufmann
Chief Operating Officer



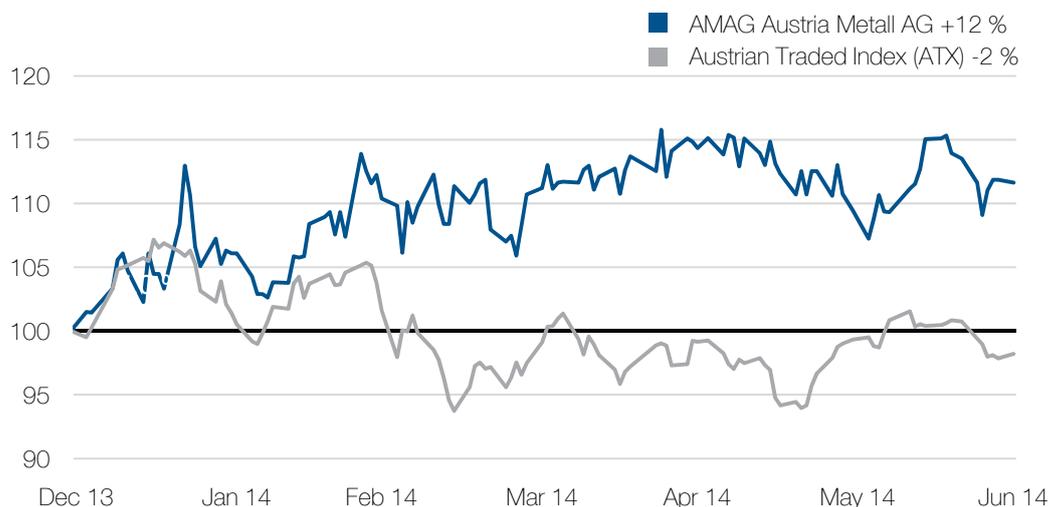
Gerald Mayer
Chief Financial Officer

The AMAG share

AMAG share price performance

The AMAG share performed very well during the first half of 2014, even reaching a new all-time high with its maximum intraday price of EUR 25.19 on April 23, 2014. The lowest intraday price was registered on January 2, 2014 at EUR 21.30. On June 30, 2014, the share quoted at EUR 24.20, reflecting a gain of 3.2 % compared with the end of June 2013. Since the start of the year, the AMAG share has appreciated by 11.6 %, while the ATX index was down by -1.8 % over the same period. At the end of June 2014, the market capitalisation amounted to 853.4 mEUR (December 31, 2013: 764.5 mEUR).

Performance of the AMAG share between January 2, 2014 and June 30, 2014



Trading volumes

Average daily trading volumes (double counting) in the share amounted to 17,219 shares in the period between January 2, 2014 and June 30, 2014 (H1 2013: 39,145 shares). The share of OTC trading amounted to 43.6 % during the first six months of 2014 (H1 2013: 27.6 %).

Investor Relations

The AMAG share is currently covered by 7 analysts at the following firms: Baader Bank (hold), Berenberg Bank (hold), Erste Group (hold), JP Morgan (neutral), Kepler Cheuvreux (hold), Landesbank Baden-Württemberg (hold) and Raiffeisen Centrobank (hold).

AMAG has presented itself at the following events during 2014 to date:

- German Corporate Conference in Frankfurt
- Roadshow in Frankfurt, Zurich
- Roadshow in Brussels
- Zürs Investor Conference
- Gewinn Moneyworld fair in Linz

Annual General Meeting

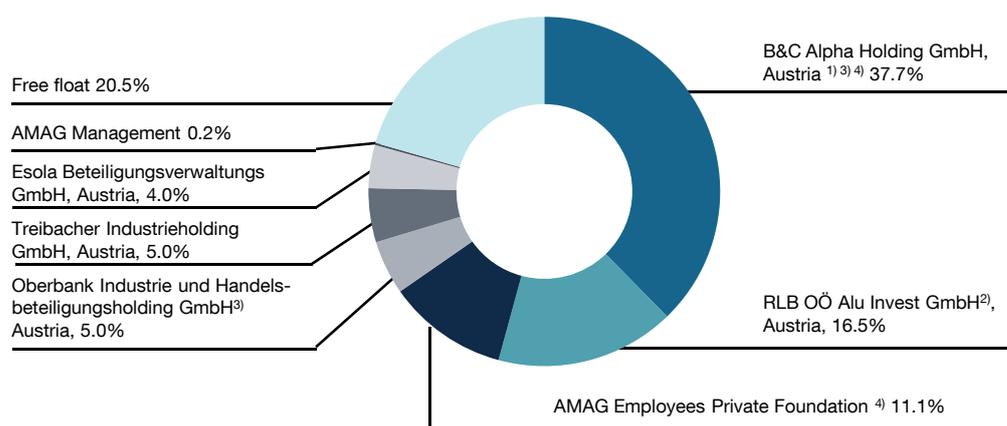
AMAG Austria Metall AG held its third annual general meeting as a public company at the Schlossmuseum in Linz on April 10, 2014. All of the items on the agenda were discussed and the resolutions adopted with large majorities. Further details of the agenda and the resolutions can be found in the Investor Relations section of our website at www.amag.at.

Ownership structure

The following change in the Group's ownership structure took place in the first six months of 2014.

Under a purchase agreement signed on February 26, 2014, Esola Beteiligungsverwaltungs GmbH sold a total of 319,581 AMAG shares, which were transferred to Treibacher Industrieholding GmbH on the same day. As a result of this transaction, Esola Beteiligungsverwaltungs GmbH's share of both equity and voting rights is now below 5 %.

Ownership structure on June 30, 2014



1) B&C Alpha Holding GmbH is an indirect wholly-owned subsidiary of B&C Industrieholding GmbH

2) RLB OÖ Alu Invest GmbH is an indirect wholly-owned subsidiary of Raiffeisenlandesbank Oberösterreich AG

3) B&C Industrieholding GmbH and Oberbank AG concluded a participation agreement on January 7, 2013

4) B&C Industrieholding GmbH and AMAG Employees Private Foundation concluded a shareholders' agreement on March 1, 2013

Key share performance indicators (EUR)	Q2/2014	Q2/2013	Change in %	H1/2014	H1/2013	Change in %
Earnings per share	0.46	0.54	(14.4 %)	0.76	0.96	(21.7 %)
Operating cash flow per share	1.39	1.20	15.7 %	1.68	1.96	(14.4 %)
Market capitalisation (mEUR)	853.39	826.94	3.2 %	853.39	826.94	3.2 %
Share price high	25.19	24.20	4.1 %	25.19	25.10	0.4 %
Share price low	23.07	23.00	0.3 %	21.30	22.75	(6.4 %)
Closing price	24.20	23.45	3.2 %	24.20	23.45	3.2 %
Average price (volume weighted)	24.68	23.51	5.0 %	24.27	23.74	2.2 %
Shares in issue	35,264,000	35,264,000	0.0 %	35,264,000	35,264,000	0.0 %

Information on the AMAG stock

ISIN	AT00000AMAG3
Class of shares	Ordinary shares made out to bearer
Ticker symbol on the Vienna Stock Exchange	AMAG
Indexes	ATX-Prime, ATX BI, ATX GP, Voenix, WBI
Reuters	AMAG.VI
Bloomberg	AMAG AV
Trading segment	Official Market
Market segment	Prime Market
First day of trading	8 April 2014
Offer price per share in EUR	19.00
Number of shares outstanding	35,264,000

Financial calendar 2014

July 31, 2014	Half-year financial report 2014
November 4, 2014	Report for the first three quarters of 2014

Note

AMAG compiled the forecasts, budgets and forward-looking assessments and statements contained in this report 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 not achieved, or certain risks materialise, actual results may deviate from those currently anticipated. We are not obliged to revise these forecasts in light of new information or future events.

This report was prepared and the data contained in it verified with the greatest possible care. However, rounding and transmission errors, and misprints cannot be entirely ruled out. This report is also available in German. In cases of doubt, the German-language version is authoritative.

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