AMG REPORTS THIRD QUARTER 2009 RESULTS

Key Highlights

- **Revenue was $205.4 million in Q3 2009; YTD 2009 revenue was $636.1 million**
- **EBITDA[1] was $18.6 million in Q3 2009; YTD 2009 EBITDA was $56.7 million**
- **EPS on a fully diluted basis was ($0.76) in Q3 2009**
- **Advanced Materials Division performance improved, generating revenue of $110.1 million and EBITDA of $5.0 million, in Q3 2009**
- **Engineering Systems Division was impacted by the global slowdown, generating revenue of $61.6 million and EBITDA of $11.0 million, in Q3 2009**
- **Graphit Kropfmühl revenues and EBITDA improved to $33.7 million and $2.6 million, respectively in Q3 2009**
- **Timminco was deconsolidated during the quarter as AMG's ownership dropped below 50% due to Timminco's issuance of additional shares**
- **As of September 30, 2009 cash on hand was $124.4 million, net debt was $77.9 million; Q3 2009 free cash flow[2] was $8.8 million**

Amsterdam, 11 November 2009 (Regulated Information) --- AMG Advanced Metallurgical Group N.V. ("AMG", EURONEXT AMSTERDAM: "AMG") reported third quarter 2009 revenue of $205.4 million, a decrease 45% from $371.0 million in the third quarter 2008.

Net loss attributable to shareholders for the third quarter 2009 was ($20.3) million, or ($0.76) per fully diluted share, compared to net income of $20.8 million or $0.75 per fully diluted share for the third quarter 2008. EBITDA declined 71% to $18.6 million in the third quarter 2009 from $63.7 million in the third quarter 2008.

In commenting on results, Dr. Heinz Schimmelbusch, Chairman of the Management Board and CEO, said, "The decline in market conditions moderated during the third quarter 2009. During the quarter, Advanced Materials prices and volumes increased slightly from the lows of the second quarter 2009, but both volumes and prices remain adversely affected by the unprecedented slowdown in global industrial activity. The Engineering Systems Division's financial performance was significantly impacted by the low levels of order intake and seasonal slowdowns. Graphit Kropfmühl improved profitability during the quarter due to a slight rebound in silicon metal prices. Despite the apparent bottoming of economic activity, the recovery process may be slow and uneven. AMG continues to limit capital investment and is reducing costs to preserve free cash flow."

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(1) EBITDA is defined as earnings before interest, tax, depreciation and amortization and excludes nonrecurring items
(2) Free cash flow is defined as EBITDA less change in working capital and maintenance capital expenditures

Accounting Note

AMG owned less than 50% (47.9%) of Timminco as of September 30, 2009, and therefore going forward AMG will account for Timminco under the IFRS equity method of accounting. For purposes of this release, this accounting treatment requires AMG to deconsolidate its investment in Timminco and include Timminco's quarterly and year to date financial results as one line item – "discontinued operations" on the profit and loss statement. The carrying value of AMG's investment in Timminco is included as an "Investment in Associate" on the asset portion of AMG's balance sheet. As such, the Key Figures below except for net income attributable to shareholders exclude the financial performance of Timminco during the period and all prior year figures have been restated to exclude Timminco.

While AMG no longer owns more than 50% of Timminco, Timminco remains a strategic asset of AMG.

Key Figures

In 000's US Dollar

	Q3'09	Q3'08	Change
Revenue	**$205,406**	**$370,982**	**(45%)**
Gross profit	39,949	82,805	(52%)
Gross margin	19.4%	22.3%	
Operating income	(110)	45,609	N/A
Operating margin	(0.0%)	12.3%	
Net Income attributable to shareholders	**(20,302)**	**20,769**	**N/A**
EPS- Fully diluted	(0.76)	0.75	N/A
Adjusted EPS- Continuing Operations Fully diluted (1)	(0.30)	0.99	N/A
EBITDA (2)	**18,602**	**63,725**	**(71%)**
EBITDA margin	9.1%	17.2%	

Notes:

(1) Adjusted for non-recurring, restructuring charges and equity accounting treatment for AMG's investment in Timminco

(2) EBITDA is defined as earnings before interest, tax, depreciation and amortization and excludes nonrecurring items

Operational Review

Advanced Materials Division

	Q3'09	Q3'08	Change
Revenue	$110,143	$199,396	(45%)
Gross profit	15,736	42,702	(63%)
Operating income	(8,444)	22,620	N/A

EBITDA	5,012	25,427	(80%)
Capital expenditures	1,937	7,643	(75%)

The Advanced Materials division's third quarter 2009 financial results were impacted by continued weak demand for the majority of its products, most notably in the steel, superalloy and titanium markets. Third quarter revenue decreased 45% to $110.1 million from the third quarter 2008.

Gross margin percentage decreased from 21% of revenue in the third quarter of 2008 to 14% in the third quarter of 2009. This was caused by a sharp decline in end product prices and lower volumes, particularly in ferrovanadium, from the third quarter of 2008. The decrease in revenue and margins was primarily caused by ferrovanadium, with reference prices decreasing by 59% and volumes declining by 42% over the third quarter 2008. Titanium master alloys, vanadium chemicals, ferronickel-molybdenum and ferrotitanium products were also impacted by falling end market prices. Even more significant were the decreased volumes as the result of decreased global demand. Aluminium master alloys volumes decreased 43% and titanium master alloys volumes declined by 77% during the third quarter 2009 compared to the third quarter 2008. The global recession continued to impact industrial production across all markets, although less so than in the second quarter of 2009.

The Division's working capital increased slightly during the third quarter 2009, after decreasing by over $18 million since December 31, 2008. To mitigate the decrease in revenue, the Advanced Materials Division has reduced SG&A expenses by approximately 21% from the third quarter 2008.

The third quarter 2009 EBITDA decreased by $20.4 million to $5.0 million, compared to the same period in 2008. This was the result of the decrease in revenue and gross margin, which were slightly offset by a decline in SG&A. Sequentially, third quarter 2009 EBITDA improved by $7.0 million over the second quarter 2009 driven by cost saving measures.

Capital expenditures were $1.9 million for the third quarter 2009, 75% less than the comparable period in 2008. The Division was only performing maintenance capital investment during the quarter because of the cost containment measures.

Engineering Systems Division

	Q3'09	Q3'08	Change
Revenue	$61,598	$135,155	(54%)
Gross profit	20,637	44,326	(53%)
Operating income	7,132	30,836	(77%)
EBITDA	11,036	34,241	(68%)
Capital expenditures	1,239	4,392	(72%)

The Engineering Systems division's order intake was significantly affected by the global economic slowdown as customers continued to defer investment decisions during third quarter 2009 because of the weak credit markets and a slow recovery in their end market demand. Order backlog was at $204 million on September 30, 2009, down 9% from $223 million on June 30, 2009. The decrease was primarily due to a significant reduction in orders for solar furnace systems to $16.7 million during the quarter. Overall, order intake was $44.2 million during the third quarter 2009, down from $53.5 in the second quarter 2009. The backlog consists primarily of melting and remelting systems for the titanium and specialty steel industries and solar silicon DSS furnaces.

Third quarter 2009 revenue decreased by $73.6 million or 54%. Sales of solar silicon DSS melting furnaces for the photovoltaic industry decreased 66% in the third quarter 2009 compared to the same period a year ago. During the third quarter 2009, 39% of revenue was generated by sales of solar silicon and melting furnaces, down from 51% in the same period 2008. Revenue from remelting systems, primarily for the aerospace and specialty steel industries, decreased by 59% during the third quarter 2009. The recently implemented nuclear business contributed $1.8 million in revenue during the third quarter.

Despite these challenging markets, the Engineering Systems division was able to stabilize gross margin at 34% of revenue in the third quarter 2009 up from 33% in the same period in 2008. The stable gross margin was due to constant prices per unit and a slight decrease in raw material prices.

Third quarter 2009 EBITDA was $11.0 million, a 68% decrease over the same period in 2008. The EBITDA margin decreased to 18% during the third quarter 2009 compared to 25% for the same period in 2008. The EBITDA margin decrease was attributable to the economy of scale impact of lower revenue as well as one-time research and development expenses.

Capital expenditures decreased to $1.2 million for the third quarter 2009, 72% less than the comparable period in 2008. This decrease was a result of the completion of the expansion of the Berlin facility during 2008 and the focus on minimizing capital investment during the third quarter 2009.

Graphit Kropfmühl

	Q3'09	Q3'08	Change
Revenue	$33,665	$36,431	(8%)
Gross profit	3,576	(4,223)	N/A
Operating income	1,202	(7,847)	N/A
EBITDA	2,554	4,057	(37%)
Capital expenditures	385	1,727	(78%)

Graphit Kropfmühl ("GK") was impacted by the decline in global economic activity during the third quarter 2009, particularly in the natural graphite division. Third quarter 2009 revenue decreased by $2.8 million or 8% primarily due to a 30% reduction in natural graphite revenues.

Gross margin improved to 11% of revenue in the third quarter 2009. The third quarter 2008 gross profit of negative $4.2 million was a result of purchase accounting adjustments related to the acquisition of GK by AMG.

Third quarter 2009 EBITDA was $2.6 million, a 37% decrease compared to the third quarter 2008. The EBITDA margin decreased to 8% during the third quarter 2009 compared to 11% in the same period 2008. The EBITDA margin decrease was attributable to lower selling prices and volumes in both silicon and graphite, which were slightly offset by a decrease in SG&A expenses.

Capital expenditures decreased to $0.4 million for the third quarter 2009, 78% less than the same period 2008. The decrease in capital expenditures was a result of the completion of the expansion of the silicon metal facilities in 2008.

Timminco

AMG's ownership in Timminco decreased as the result of issuance of shares by Timminco. Following the decrease in AMG's common equity ownership of Timminco to 47.9% as of Septermber 30, 2009, AMG now accounts for its investment in Timminco via the equity accounting method. Timminco's net loss is included on its own line item on AMG's income statement and the carrying value of AMG's investment in Timminco of $41.8 million is listed as an asset on AMG's balance sheet. Additional information on Timminco and its third quarter 2009 financial statements can be found at www.Timminco.com.

Financial Review

Tax

AMG recorded a tax expense of $5.7 million in the quarter ended September 30, 2009 as compared to a tax expense of $11.9 million in the quarter ended September 30, 2008. A tax benefit for the pre-tax losses was not booked in the third quarter 2009 due to the losses being generated in jurisdictions where AMG already has significant net operating losses.

Liquidity

	Q3'09	Q4'08 (1)	Change
Total debt	$202,332	$183,352	10%
Cash & cash equivalents	124,391	139,786	(11%)
Net debt	77,941	43,566	79%

Notes:
(1) Restated to account for Timminco under IFRS equity accounting method.

AMG had a net debt position of $77.9 million as of September 30, 2009. The Company's liquidity position decreased by $34.4 million, due to $20.8 million of capital investments and $23.8 million of capital infusions in Timminco, offset by positive operating cash flows from continuing operations.

Cash Flow

	Nine Months Ended	
	September '09	**September '08**
Cash Flows (used in) / from Operations	**$(6,033)**	**$76,038**
Capital expenditures	(20,755)	(42,060)
Acquisitions, net of cash	-	(66,484)
Other investing	(31,964)	(50,211)
Cash Flows used in Investing Activities	**(52,719)**	**(158,755)**
Cash Flows generated from Financing Activities	**35,415**	**73,124**

The significant decline in net income was partially offset by lower investments in working capital and lower tax payments during the nine months ended September 30, 2009 resulting in negative cash flows from operations totaling $6.0 million, down from positive operating cash flows of $76.0 million in the first nine months 2008. The lower level of cash flows from operations is primarily due to the operating loss from the Advanced Materials Division, and a decline in the operating income from the Engineering Systems Division offset by improvements in inventory and accounts receivable balances of approximately $40.0 million.

Cash flows used in investing activities of $52.7 million for the nine months ended September 30, 2009 decreased from $158.8 million in the first nine months of 2008. This is due to the $21.3 million decrease in capital investments, primarily in Advanced Materials and Engineering Systems, and the $62.9 million cost for the purchase of approximately 79.5% of Graphit Kropfmühl in April 2008.

Cash flows from financing activities were $35.4 million, a decrease of $37.7 million in the same period of 2008. This decrease was primarily the result of two factors, $20.0 million borrowed on the credit facility for the acquisition of approximately 79.5% of Graphit Kropfmühl in April 2008, and borrowings to fund the working capital increases in Advanced Materials during 2008, offset in the first nine months 2009 by a net draw down from various credit facilities.

Outlook

The markets continue to be challenging. Although signs of an ongoing bottoming of the severe drop in demand are evident, it is still undetermined if the markets are improving. Demand and prices remain fragile and are both subject to near term economic swings. Engineering Systems' order intake continues to be sluggish as companies delay investment decisions into the new year. Advanced Materials prices have rebounded from historic lows, but demand and pricing increases have moderated and they continue to be far below normal market conditions. AMG continues to address this situation by adjusting production levels, limiting capital investment and cost reduction programs. These actions position AMG to take advantage of opportunities as markets improve.

About AMG

AMG, incorporated in the Netherlands, is a global leader in the production of highly engineered specialty metal products and advanced vacuum furnace systems. AMG serves growing industries worldwide with its unique combination of metallurgical engineering expertise and production know-how. AMG is a market leader in many of its products and systems, which are critical to the production of key components for the aerospace, energy (including solar and nuclear), electronics, optics, chemicals, construction and transportation industries. AMG has two operating divisions, Advanced Materials and Engineering Systems, and owns interests in publicly-listed companies Graphit Kropfmühl AG (Deutsche Börse: GKR.DE) and Timminco Limited (TSX: "TIM").

The Advanced Materials Division develops and produces niche specialty metals and complex metals products, many of which are used in demanding, safety-critical, high-stress environments. AMG is one of a limited number of significant producers globally of niche specialty metals, such as ferrovanadium, ferronickel-molybdenum, aluminum master alloys and additives, chromium metal and ferrotitanium, used by steel, aluminum, chemical and superalloy producers for aerospace, automotive, energy, electronics, optics, chemicals, construction and other applications. Other key products produced by AMG include specialty alloys for titanium and superalloys, coating materials, tantalum and niobium oxides, vanadium chemicals and antimony trioxide.

The Engineering Systems Division designs, engineers and produces advanced vacuum furnace systems and operates vacuum heat treatment facilities. AMG is a global leader in supplying technologically-advanced vacuum furnace systems to customers in the aerospace, energy (including solar and nuclear), transportation, electronics, superalloys and specialty steel industries. Examples of furnace systems produced by AMG include vacuum remelting, solar silicon melting and crystallization, vacuum induction melting, vacuum heat treatment and high pressure gas quenching, vacuum precision casting, turbine blade coating and sintering. AMG also provides vacuum case-hardening heat treatment services on a tolling basis to customers through facilities equipped with vacuum heat treatment furnaces.

Graphit Kropfmühl AG is a majority controlled, publicly listed subsidiary of AMG. Based on its secure raw material sources in Africa, China and Europe, Graphit Kropfmühl is a specialist in the production of silicon metal and the extraction, processing and refining of natural crystalline graphite for a wide range of energy saving industrial applications.

Timminco Limited is a publicly listed associate of AMG. Timminco is a leader in the production of upgraded metallurgical silicon for the rapidly growing solar photovoltaic energy industry. Timminco also produces silicon metal for use in a broad range of industrial applications.

AMG operates globally with production facilities in Germany, the United Kingdom, France, Czech Republic, the United States, Canada, Mexico, Brazil, Sri Lanka and Australia and also has sales and customer service offices in Belgium, Russia, China and Japan (website: www.amg-nv.com).

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Disclaimer

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AMG Advanced Metallurgical Group N.V.
Condensed interim consolidated statement of income

For the three months ended September 30 *In thousands of US Dollars*	**2009** **Unaudited**	**2008** **Unaudited***
Continuing operations		
Revenue	205,406	370,982
Cost of sales	165,457	288,177
Gross profit	**39,949**	**82,805**
Selling, general and administrative expenses	31,876	39,069
Restructuring expense	5,302	-
Environmental expense	4,075	10
Other income, net	(1,194)	(1,883)
Operating (loss) profit	**(110)**	**45,609**
Interest expense	6,109	5,771
Interest income	(617)	(1,611)
Foreign exchange (gain) / loss	(27)	1,272
Net finance costs	5,465	5,432
Share of (loss) profit of associates	(1,285)	24
(Loss) profit before income tax	**(6,860)**	**40,201**
Income tax expense	5,694	11,921
(Loss) profit for the period from continuing operations	**(12,554)**	**28,280**
Loss after tax for the period from discontinued operations	(14,240)	(12,956)
(Loss) profit for the period	(26,794)	15,324
Attributable to:		
Shareholders of the Company	(20,302)	20,769
Minority interests	(6,492)	(5,445)
	(26,794)	**15,324**
(Loss)/Earnings per share		
Basic (loss) earnings per share	(0.76)	0.77
Diluted (loss) earnings per share	(0.76)	0.75
(Loss)/Earnings per share from continuing operations		
Basic (loss) earnings per share from continuing operations	(0.50)	1.02
Diluted (loss) earnings per share from continuing operations	(0.50)	0.99

*Restated

AMG Advanced Metallurgical Group N.V.
Condensed interim consolidated statement of income

For the nine months ended September 30 *In thousands of US Dollars*	2009 Unaudited	2008 Unaudited*
Continuing operations		
Revenue	636,059	1,000,045
Cost of sales	516,825	773,347
Gross profit	**119,234**	**226,698**
Selling, general and administrative expenses	94,932	101,473
Restructuring expense	5,696	129
Environmental expense	4,162	31
Other income, net	(4,277)	(4,896)
Operating profit	**18,721**	**129,961**
Interest expense	15,880	16,376
Interest income	(2,617)	(5,027)
Foreign exchange (gain) / loss	(176)	2,095
Net finance costs	13,087	13,444
Share of loss of associates	(2,685)	581
Profit before income tax	**2,949**	**117,098**
Income tax expense	17,642	33,092
(Loss) profit for the period from continuing operations	**(14,693)**	**84,006**
Loss after tax for the period from discontinued operations	(54,580)	(22,356)
(Loss) profit for the period	**(69,273)**	**61,650**
Attributable to:		
Shareholders of the Company	(45,415)	68,548
Minority interests	(23,858)	(6,898)
	(69,273)	**61,650**
(Loss)/Earnings per share		
Basic (loss) earnings per share	(1.69)	2.56
Diluted (loss) earnings per share	(1.69)	2.49
(Loss)/Earnings per share from continuing operations		
Basic (loss) earnings per share from continuing operations	(0.65)	2.98
Diluted (loss) earnings per share from continuing operations	(0.65)	2.90

*Restated

AMG Advanced Metallurgical Group N.V.

Condensed interim consolidated statements of financial position

housands of US Dollars

	September 30, 2009	December 31, 2008
	Unaudited	Audited
Assets		
Property, plant and equipment	220,308	313,470
Intangible assets	27,877	47,060
Investments in associates	55,269	15,700
Deferred tax assets	22,797	29,181
Restricted cash	13,578	15,889
Notes receivable	2,221	2,132
Derivative financial instruments	57	-
Other assets	12,481	11,612
Total non-current assets	**354,588**	**435,044**
Inventories	197,886	318,793
Trade and other receivables	149,277	173,422
Derivative financial instruments	5,821	6,393
Other assets	35,293	52,804
Short term investments	-	95
Cash and cash equivalents	124,391	143,473
Total current assets	**512,668**	**694,980**
Total assets	**867,256**	**1,130,024**

AMG Advanced Metallurgical Group N.V.

Condensed interim consolidated statements of financial position (continu

In thousands of US Dollars

Equity		
Issued capital	724	724
Share premium	379,297	379,297
Other reserves	28,049	(2,215)
Retained earnings (deficit)	(168,539)	(123,110)
Equity attributable to shareholders of the Company	**239,531**	**254,696**
Minority interests	19,627	57,115
Total equity	**259,158**	**311,811**
Liabilities		
Loans and borrowings	165,367	138,990
Employee benefits	91,004	103,176
Provisions	11,986	12,841
Government grants	750	291
Other liabilities	10,221	9,245
Derivative financial instruments	6,318	3,530
Deferred tax liabilities	44,247	56,013
Total non-current liabilities	**329,893**	**324,086**
Loans and borrowings	3,204	3,021
Short term bank debt	33,761	83,566
Related party debt	-	6,456
Government grants	2,330	8,360
Other liabilities	45,492	53,882
Trade and other payables	80,556	156,697
Derivative financial instruments	7,528	15,419
Advance payments	47,945	94,049
Unearned revenue	-	35,624
Current taxes payable	35,769	14,708
Provisions	21,620	22,345
Total current liabilities	**278,205**	**494,127**
Total liabilities	**608,098**	**818,213**
Total equity and liabilities	**867,256**	**1,130,024**

AMG Advanced Metallurgical Group N.V.

Condensed interim consolidated statement of cash flows

For the nine months ended September 30

In thousands of US Dollars

	2009 Unaudited	2008 Unaudited*
Cash flows (used in) / from operating activities		
(Loss) / Profit for the period from continuing operations	(14,693)	84,006
(Loss) for the period from discontinued operations	(54,580)	(22,356)
Profit for the period	(69,273)	61,650
Adjustments to reconcile profit to net cash flows:		
Depreciation and amortization	17,491	18,271
Amortization of purchase accounting adjustment to inventory	-	8,178
Restructuring expense	5,696	129
Environmental expense	4,162	31
Net finance costs	13,087	13,444
Share of loss / (profit) of associates	2,685	(581)
Equity-settled share-based payment transactions	10,451	7,439
Income tax expense	17,642	33,092
Change in working capital and provisions	(35,117)	(59,273)
Other	4,420	3,606
Interest paid, net	(7,502)	(4,663)
Income tax paid, net	(6,101)	(17,526)
Cash flows from discontinued operations	36,326	12,241
Net cash flows (used in) / from operating activities	**(6,033)**	**76,038**
Cash flows used in investing activities		
Proceeds from asset sales	-	90
Acquisition of associates, net of cash	-	(66,484)
Acquisition of property, plant and equipment and intangibles	(20,755)	(42,060)
Change in short-term investments	-	(842)
Change in restricted cash	1,228	(3,866)
Other	16	(5,217)
Cash flow from discontinued operations	(33,208)	(40,376)
Net cash flows used in investing activities	**(52,719)**	**(158,755)**
Cash flows from financing activities		
Proceeds from issuance of debt	19,255	48,984
Repayment of borrowings	(8,171)	-
Capital infusion	(23,832)	(180)
Other	439	379
Cash flow from discontinued operations	47,724	23,941
Net cash flows from financing activities	**35,415**	**73,124**
Net (decrease) in cash and cash equivalents	**(23,337)**	**(9,593)**
Cash and cash equivalents at January 1	143,473	172,558
Effect of exchange rate and consolidation changes on cash held	4,255	(8,803)
Cash and cash equivalents at September 30	**124,391**	**154,162**

*Restated