



Q2 Financial Performance

August 1, 2016

ALBANY
INTERNATIONAL

'Non-GAAP' Items and Forward-Looking Statements

This presentation contains the following non-GAAP measures:

- Percentage changes in net sales, excluding currency rate effects (for each segment, and the Company as a whole);
- Adjusted EBITDA (for each segment, and the Company as a whole);
- Net debt; and
- Net income per share attributable to the Company, excluding adjustments.

We think such items provide useful information to investors regarding the Company's core operational performance. See the Company's earnings release (which accompanies this presentation) for additional information including reconciliations to GAAP measures.

This presentation also may contain statements, estimates, or projections that constitute "forward-looking statements" as defined under U.S. federal securities laws. Forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from the Company's historical experience and our present expectations or projections. We disclaim any obligation to update any information in this presentation to reflect any changes or developments after the date on the cover page.

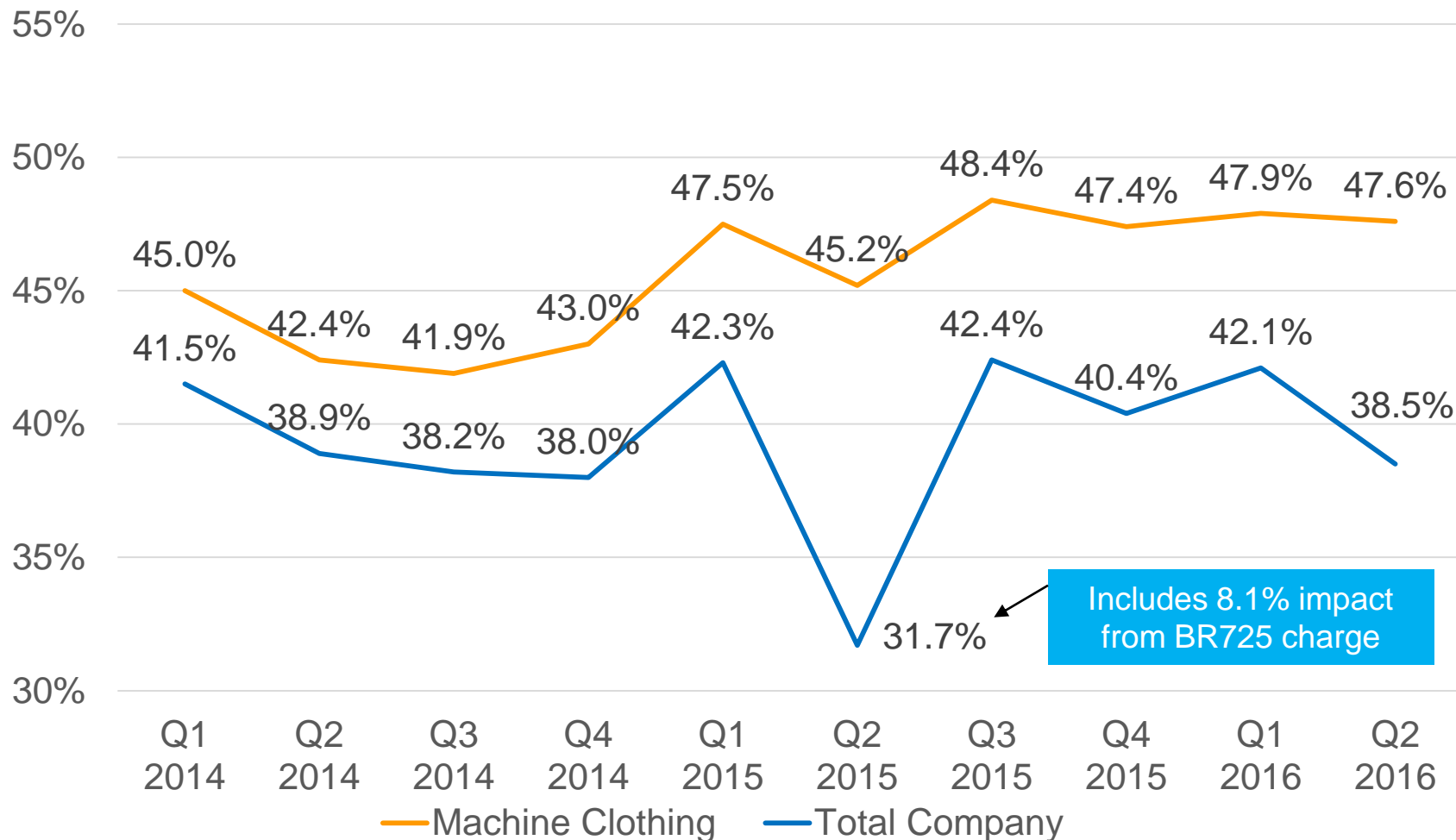
Certain additional disclosures regarding our use of these 'non-GAAP' items and forward-looking statements are set forth in our second-quarter earnings press release dated August 1, 2016, and in our SEC filings, including our most recent quarterly reports and our annual reports for the years ended December 31, 2013, 2014, and 2015. Our use of such items in this presentation is subject to those additional disclosures, which we urge you to read.

Net Sales by Segment

(in thousands, except percentages)	Net Sales Three Months ended June 30,		Percent Change	Impact of Changes in Currency Translation Rates	Percent Change excluding Currency Rate Effect
	2016	2015			
Machine Clothing (MC)	\$148,934	\$150,561	-1.1%	(\$246)	-0.9%
Albany Engineered Composites (AEC)	54,256	21,728	149.7%	91	149.3%
Total	\$203,190	\$172,289	17.9%	(\$155)	18.0%

(in thousands)	Net Sales Six Months ended June 30,		Percent Change	Impact of Changes in Currency Translation Rates	Percent Change excluding Currency Rate Effect
	2016	2015			
Machine Clothing (MC)	\$294,197	\$309,055	-4.8%	(\$2,085)	-4.1%
Albany Engineered Composites (AEC)	81,324	44,558	82.5%	34	82.4%
Total	\$375,521	\$353,613	6.2%	(\$2,051)	6.8%

Gross Profit Margin by Quarter Percentage of Net Sales



Earnings Per Share

Per share amounts (Basic)	Three Months ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Net income/(loss) attributable to the Company, as reported (GAAP)	\$0.32	(\$0.07)*	\$0.74	\$0.31*
Adjustments:				
Restructuring expenses, net	0.13	0.02	0.14	0.20
Discrete tax adjustments and effect of change in income tax rate	(0.01)	0.02	(0.03)	0.01
Foreign currency revaluation (gains)/losses	(0.04)	0.04	(0.01)	(0.06)
Acquisition expenses	0.08	-	0.11	-
Gain on sale of investment	-	-	-	(0.02)
Net income attributable to the Company, excluding adjustments (non-GAAP)	\$0.48	\$0.01	\$0.95	\$0.44

* Includes \$0.28 charge for BR725

Net Income (GAAP) and Adjusted EBITDA (non-GAAP) by Segment

(in thousands)	Three Months ended June 30, 2016				Three Months ended June 30, 2015			
	Machine Clothing	Albany Engineered Composites	Corporate expenses and other	Total Company	Machine Clothing	Albany Engineered Composites	Corporate expenses and other	Total Company
Net income/(loss) (GAAP)	\$35,405	(\$5,848)	(\$19,456)	\$10,101	\$33,323	(\$18,633) *	(\$16,810)	(\$2,120)
Interest expense, net	-	-	3,691	3,691	-	-	2,702	2,702
Income tax expense/(benefit)	-	-	6,082	6,082	-	-	(364)	(364)
Depreciation and amortization	9,496	6,354	2,109	17,959	10,212	2,869	2,103	15,184
EBITDA (non-GAAP)	44,901	506	(7,574)	37,833	43,535	(15,764)	(12,369)	15,402
Restructuring expenses, net	5,434	1,147	67	6,648	1,211	-	-	1,211
Foreign currency revaluation (gains)/losses	(330)	(1)	(1,571)	(1,902)	394	1	1,880	2,275
Acquisition expenses	-	3,771	-	3,771	-	-	-	-
Pretax (income)/loss attributable to non-controlling interest in ASC	-	276	-	276	-	(64)	-	(64)
Adjusted EBITDA (non-GAAP)	\$50,005	\$5,699	(\$9,078)	\$46,626	\$45,140	(\$15,827)	(\$10,489)	\$18,824

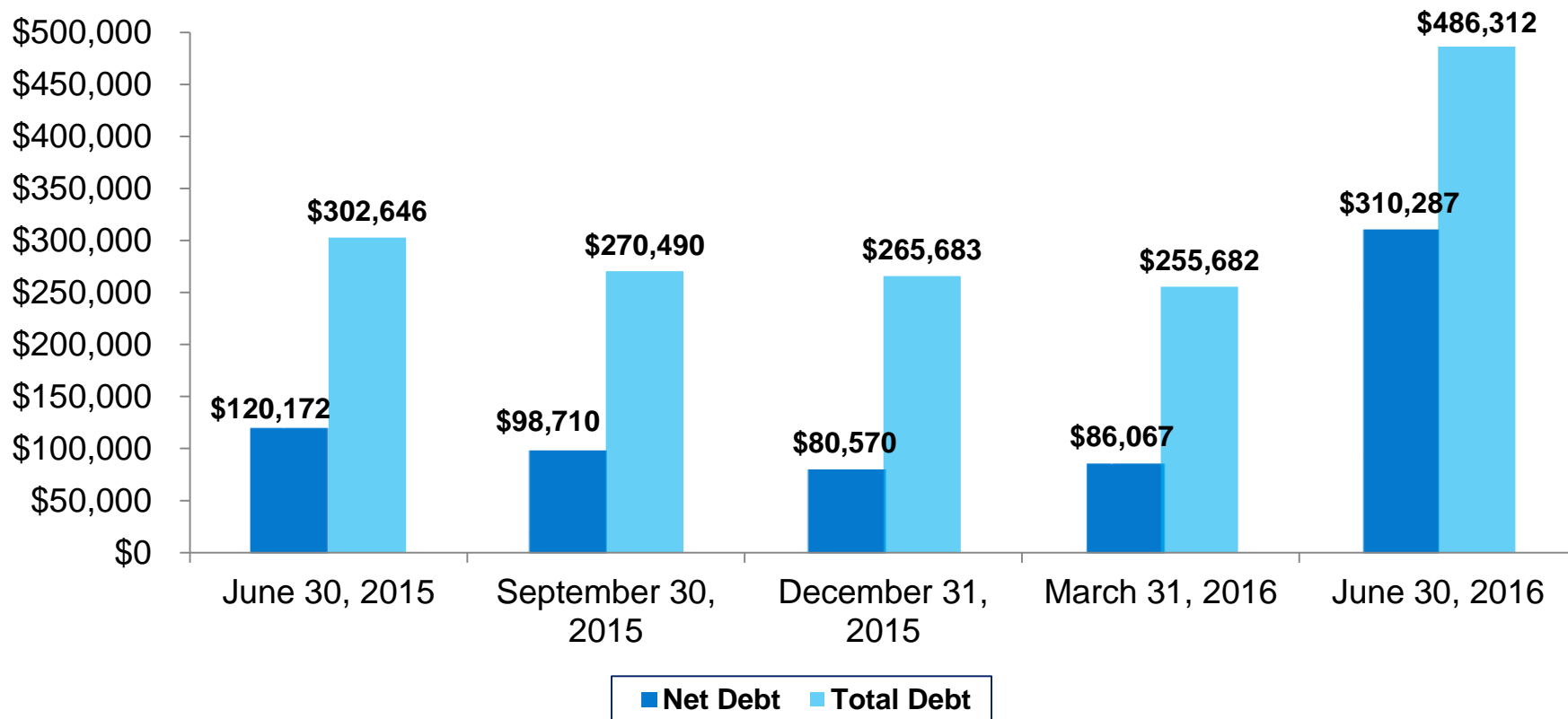
* Includes \$14 million charge for BR725

Net Income (GAAP) and Adjusted EBITDA (non-GAAP) by Segment

(in thousands)	Six Months ended June 30, 2016				Six Months ended June 30, 2015			
	Machine Clothing	Albany Engineered Composites	Corporate expenses and other	Total Company	Machine Clothing	Albany Engineered Composites	Corporate expenses and other	Total Company
Net income (GAAP)	\$72,543	(\$9,553)	(\$39,573)	\$23,417	\$69,013	(\$22,444) *	(\$36,450)	\$10,119
Interest expense, net	-	-	5,929	5,929	-	-	5,378	5,378
Income tax expense/(benefit)	-	-	13,125	13,125	-	-	8,155	8,155
Depreciation and amortization	18,813	9,750	4,216	32,779	20,416	5,865	4,257	30,538
EBITDA (non-GAAP)	91,356	197	(16,303)	75,250	89,429	(16,579)	(18,660)	54,190
Restructuring expenses, net	6,132	1,147	48	7,327	10,212	-	-	10,212
Foreign currency revaluation (gains)/losses	1,560	4	(2,047)	(483)	(2,529)	(17)	(551)	(3,097)
Acquisition expenses	-	5,367	-	5,367	-	-	-	-
Gain from sale of investment	-	-	-	-	-	-	(872)	(872)
Pretax (income)/loss attributable to non-controlling interest in ASC	-	463	-	463	-	(90)	-	(90)
Adjusted EBITDA (non-GAAP)	\$99,048	\$7,178	(\$18,302)	\$87,924	\$97,112	(\$16,686)	(\$20,083)	\$60,343

* Includes \$14 million charge for BR725

Total Debt (GAAP) and Net Debt* (non-GAAP) \$ thousands



*Total debt less cash see table 17 for reconciliation of total debt to net debt