

ALBANY
INTERNATIONAL

2014

Albany International Corp. Q4 Financial Performance



February 9, 2015

'Non-GAAP' Items and Forward-Looking Statements

This presentation contains certain items, such as net income attributable to the Company, excluding adjustments (absolute as well as per-share), earnings before interest, taxes, depreciation and amortization (EBITDA), adjusted EBITDA and net debt, that could be considered 'non-GAAP' financial measures under SEC rules. We think such items provide useful information to investors regarding the Company's operational performance.

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.

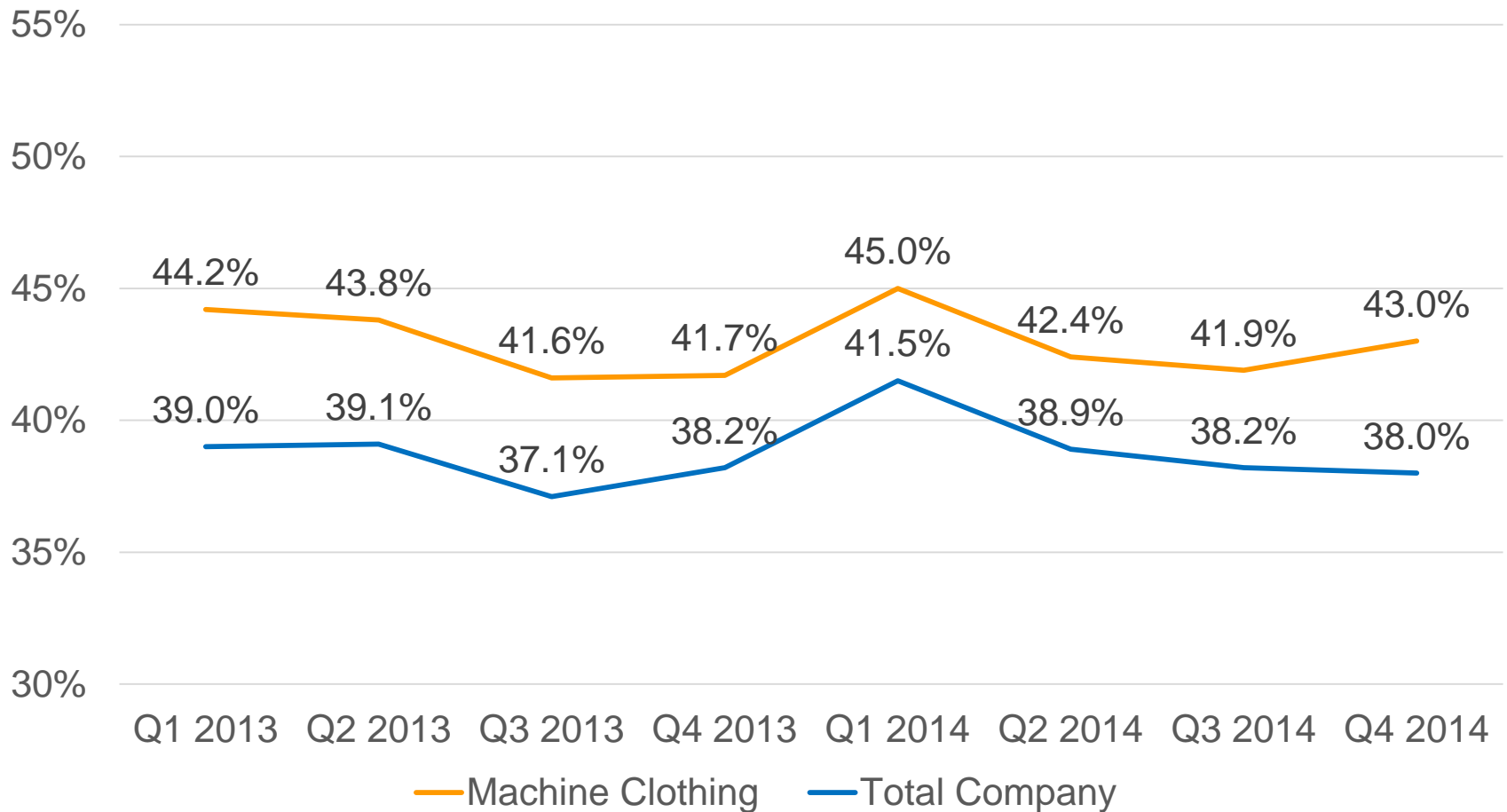
Certain additional disclosures regarding our use of these 'non-GAAP' items and forward-looking statements are set forth in our fourth-quarter earnings press release dated February 9, 2015, and in our SEC filings, including our most recent quarterly reports and our annual reports for the years ended December 31, 2011, 2012, and 2013. 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)	Net Sales Three Months ended December 31,		Percent Change	Impact of Changes in Currency Translation Rates	Percent Change excluding Currency Rate Effect
	2014	2013			
Machine Clothing (MC)	\$160,238	\$166,938	-4.0%	(\$4,999)	-1.0%
Albany Engineered Composites (AEC)	31,421	22,701	38.4%	-	38.4%
Total	\$191,659	\$189,639	1.1%	(\$4,999)	3.7%

Gross Profit Margin by Quarter

Percentage of Net Sales



Earnings Per Share

Per share amounts (Basic)	Three Months ended		Years Ended	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Net income attributable to the Company, as reported	\$0.25	\$0.27	\$1.31	\$0.55
Adjustments:				
Income from discontinued operations	-	(0.01)	-	-
Restructuring charges	0.04	(0.03)	0.12	0.49
Income tax adjustments	-	(0.02)	0.10	(0.06)
Foreign currency revaluation (gains)/losses	(0.10)	0.03	(0.21)	0.10
Pension settlement charge	0.16	-	0.16	-
Gain on insurance recovery or sale of former manufacturing facility	-	-	(0.04)	(0.08)
Net income attributable to the Company, excluding adjustments	\$0.35	\$0.24	\$1.44	\$1.00

Adjusted EBITDA

(in thousands)	Three Months ended December 31, 2014				Three Months ended December 31, 2013			
	Machine Clothing	Albany Engineered Composites	Corporate expenses and other	Total Company	Machine Clothing	Albany Engineered Composites	Corporate expenses and other	Total Company
Net income	\$33,120	(\$697)	(\$24,318)	\$8,105	\$34,083	(\$1,372)	(\$23,883)	\$8,828
Income from discontinued operations	-	-	-	-	-	-	(305)	(305)
Interest expense, net	-	-	2,592	2,592	-	-	2,703	2,703
Income tax expense	-	-	4,316	4,316	-	-	6,986	6,986
Depreciation and amortization	10,996	3,499	2,056	16,551	11,438	2,366	2,233	16,037
EBITDA	44,116	2,802	(15,354)	31,564	45,521	994	(12,266)	34,249
Restructuring and other, net	1,701	-	-	1,701	(2,105)	-	-	(2,105)
Foreign currency revaluation (gains)/losses	(2,115)	(249)	(2,559)	(4,923)	163	41	1,348	1,552
Pension settlement charge	-	-	8,190	8,190	-	-	-	-
Pretax (income)/loss attributable to non-controlling interest in ASC	-	(275)	-	(275)	-	(141)	-	(141)
Adjusted EBITDA	\$43,702	\$2,278	(\$9,723)	\$36,257	\$43,579	\$894	(\$10,918)	\$33,555

Debt

\$ thousands

