



Q4 Financial Performance

February 8, 2017

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.

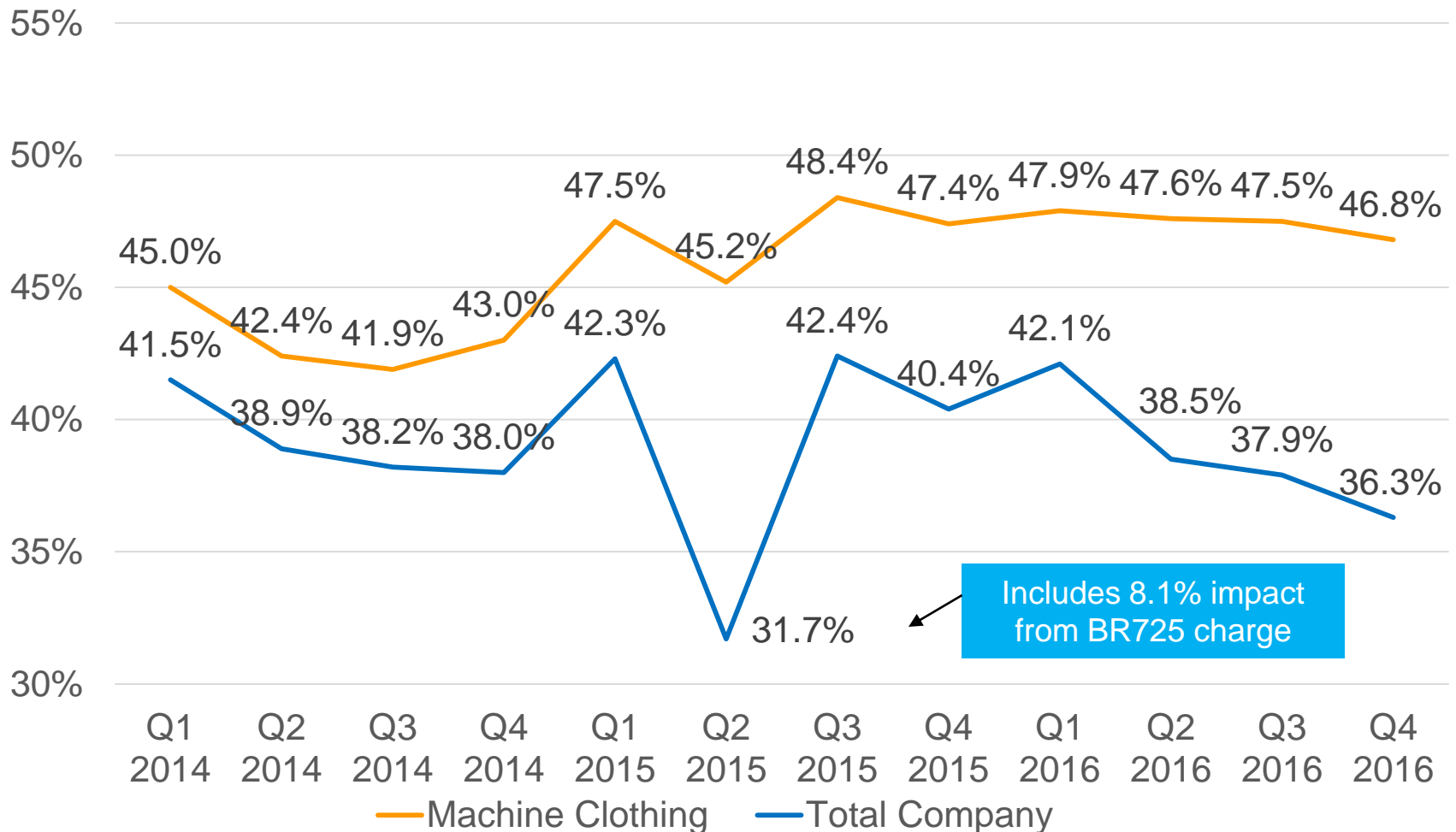
Certain additional disclosures regarding our use of these 'non-GAAP' items and forward-looking statements are set forth in our fourth-quarter earnings press release dated February 8, 2017, and in our SEC filings, including our most recent quarterly reports and our annual reports for the years ended December 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 December 31,		Percent Change	Impact of Changes in Currency Translation Rates	Percent Change excluding Currency Rate Effect
	2016	2015			
Machine Clothing (MC)	\$144,744	\$145,004	-0.2%	(\$968)	0.5%
Albany Engineered Composites (AEC)	68,302	32,462	110.4%	(201)	111.0%
Total	\$213,046	\$177,466	20.0%	(\$1,169)	20.7%

(in thousands)	Net Sales Years ended December 31,		Percent Change	Impact of Changes in Currency Translation Rates	Percent Change excluding Currency Rate Effect
	2016	2015			
Machine Clothing (MC)	\$582,190	\$608,581	-4.3%	(\$2,840)	-3.9%
Albany Engineered Composites (AEC)	197,649	101,287	95.1%	(139)	95.3%
Total	\$779,839	\$709,868	9.9%	(\$2,979)	10.3%

Gross Profit Margin by Quarter Percentage of Net Sales



Earnings Per Share

Per share amounts (Basic)	Three Months ended December 31,		Years Ended December 31,	
	2016	2015	2016	2015
Net income attributable to the Company, as reported (GAAP)	\$0.49	\$1.17	\$1.64	\$1.79*
Adjustments:				
Restructuring expenses, net	0.01	0.21	0.16	0.48
Discrete tax adjustments and effect of change in income tax rate	(0.08)	(0.93)	(0.07)	(0.69)
Foreign currency revaluation (gains)/losses	(0.06)	0.01	(0.07)	(0.07)
Acquisition expenses	-	-	0.11	-
Gain on sale of investment	-	-	-	(0.02)
Net income attributable to the Company, excluding adjustments (non-GAAP)	\$0.36	\$0.46	\$1.77	\$1.49

* Includes \$0.28 charge for BR725

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

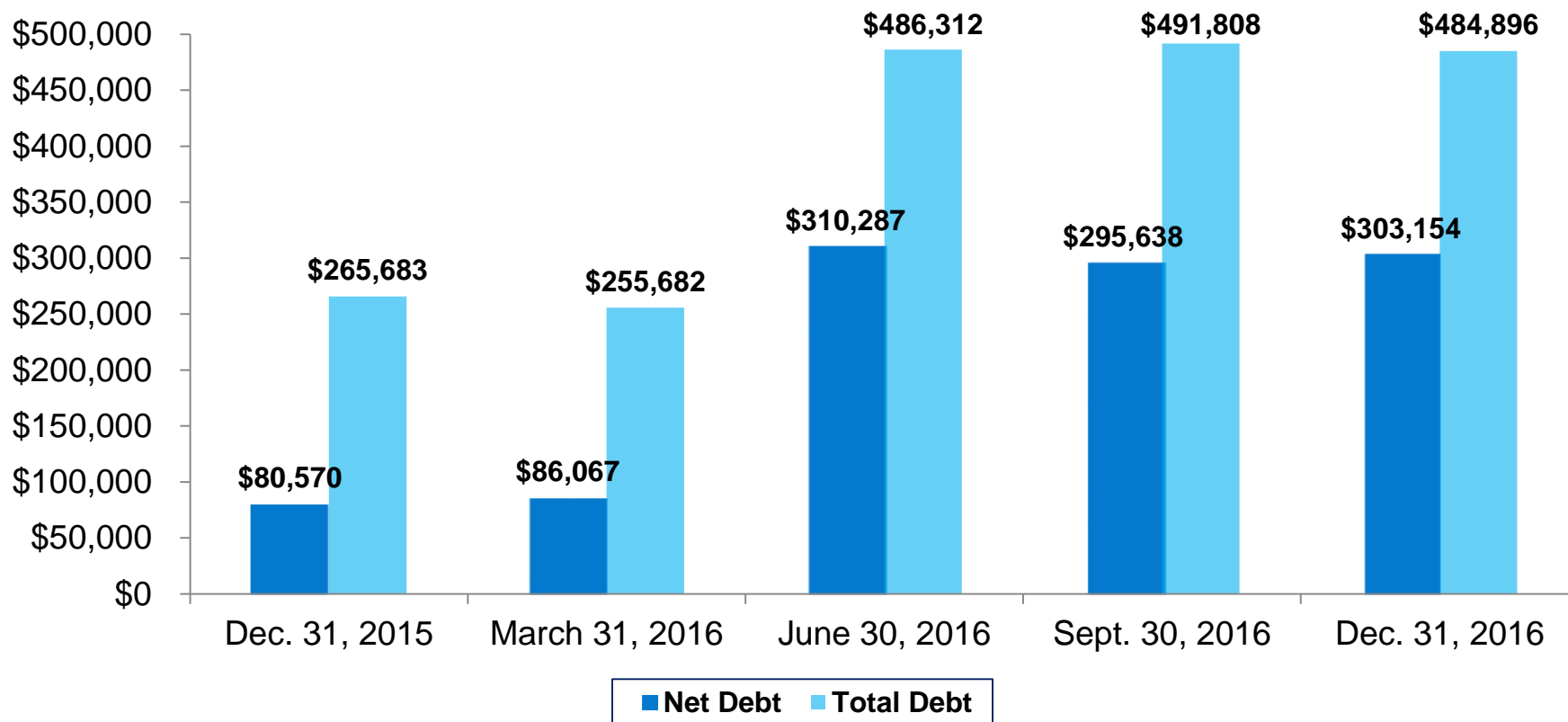
(in thousands)	Three Months ended December 31, 2016				Three Months ended December 31, 2015			
	Machine Clothing	Albany Engineered Composites	Corporate expenses and other	Total Company	Machine Clothing	Albany Engineered Composites	Corporate expenses and other	Total Company
Operating income/(loss) (GAAP)	\$39,946	\$(1,280)	\$(11,836)	\$26,830	\$30,342	\$(1,843)	\$(13,634)	\$14,865
Interest, taxes, other income/expense	-	-	(10,844)	(10,844)	-	-	22,601	22,601
Net income (GAAP)	39,946	(1,280)	(22,680)	15,986	30,342	(1,843)	8,967	37,466
Interest expense, net	-	-	3,854	3,854	-	-	1,935	1,935
Income tax expense/(benefit)	-	-	4,841	4,841	-	-	(26,185)	(26,185)
Depreciation and amortization	8,583	6,433	1,221	16,237	9,425	3,295	2,113	14,833
EBITDA (non-GAAP)	48,529	5,153	(12,764)	40,918	39,767	1,452	(13,170)	28,049
Restructuring expenses, net	150	526	47	723	8,282	-	1,635	9,917
Foreign currency revaluation (gains)/losses	(2,050)	11	(1,170)	(3,209)	(542)	-	1,092	550
Pretax (income)/loss attributable to non-controlling interest in ASC	-	(160)	-	(160)	-	135	-	135
Adjusted EBITDA (non-GAAP)	\$46,629	\$5,530	\$(13,887)	\$38,272	\$47,507	\$1,587	\$(10,443)	\$38,651

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

(in thousands)	Year ended December 31, 2016				Year ended December 31, 2015			
	Machine Clothing	Albany Engineered Composites	Corporate expenses and other	Total Company	Machine Clothing	Albany Engineered Composites	Corporate expenses and other	Total Company
Operating income/(loss) (GAAP)	\$152,529	(\$15,363)	(\$45,390)	\$91,776	\$141,311	(\$28,478)*	(\$48,938)	\$63,895
Interest, taxes, other income/expense	-	-	(38,964)	(38,964)	-	-	(6,630)	(6,630)
Net income (GAAP)	152,529	(15,363)	(84,354)	52,812	141,311	(28,478)	(55,568)	57,265
Interest expense, net	-	-	13,464	13,464	-	-	9,984	9,984
Income tax expense/(benefit)	-	-	25,454	25,454	-	-	(5,787)	(5,787)
Depreciation and amortization	36,428	24,211	6,822	67,461	39,503	12,140	8,471	60,114
EBITDA (non-GAAP)	188,957	8,848	(38,614)	159,191	180,814	(16,338)	(42,900)	121,576
Restructuring expenses, net	6,069	2,314	(7)	8,376	22,211	-	1,635	23,846
Foreign currency revaluation (gains)/losses	(404)	16	(3,525)	(3,913)	(5,075)	(17)	1,498	(3,594)
Acquisition expenses	-	5,367	-	5,367	-	-	-	-
Gain from sale of investment	-	-	-	-	-	-	(872)	(872)
Pretax (income)/loss attributable to non-controlling interest in ASC	-	(125)	-	(125)	-	20	-	20
Adjusted EBITDA (non-GAAP)	\$194,622	\$16,420	(\$42,146)	\$168,896	\$197,950	(\$16,335)	(\$40,639)	\$140,976

* 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