

Empire Resources, Inc.

(NASDAQ: ERS)

INVESTOR PRESENTATION
AUGUST 2014

www.empireresources.com

EMPIRE RESOURCES: FORWARD LOOKING STATEMENTS

This presentation contains “forward-looking statements.” Such statements may be preceded by the words “intends,” “may,” “will,” “plans,” “expects,” “anticipates,” “projects,” “predicts,” “estimates,” “aims,” “believes,” “hopes,” “potential” or similar words. Forward-looking statements are not guarantees of future performance, are based on certain assumptions and are subject to various known and unknown risks and uncertainties, many of which are beyond the Company’s control, and cannot be predicted or quantified and consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, without limitation, risks and uncertainties associated with (i) the loss or default of one or more suppliers; (ii) the loss or default of one or more significant customers; (iii) a default by counterparties to derivative financial instruments; (iv) changes in general, national or regional economic conditions; (v) an act of war or terrorism that disrupts international shipping; (vi) changes in laws, regulations and tariffs; (vii) the imposition of anti-dumping duties on products the Company imports; (viii) changes in the size and nature of the Company’s competition; (ix) changes in interest rates, foreign currencies or spot prices of aluminum; (x) the loss of one or more key executives; (xi) increased credit risk from customers; (xii) the Company’s failure to grow internally or by acquisition and (xiii) the Company’s failure to improve operating margins and efficiencies. More detailed information about the Company and the risk factors that may affect the realization of forward-looking statements is set forth in the Company’s filings with the Securities and Exchange Commission (SEC), including the Company’s Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q. Investors and security holders are urged to read these documents free of charge on the SEC’s web site at <http://www.sec.gov>. The Company assumes no obligation to publicly update or revise its forward-looking statements as a result of new information, future events or otherwise.

EMPIRE RESOURCES: Overview

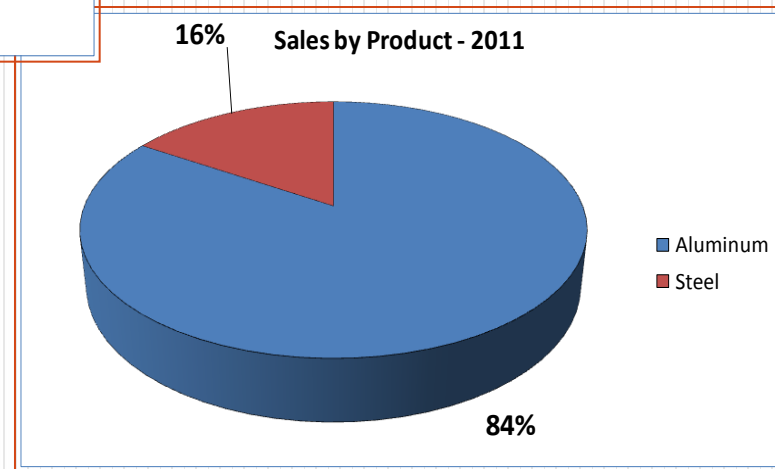
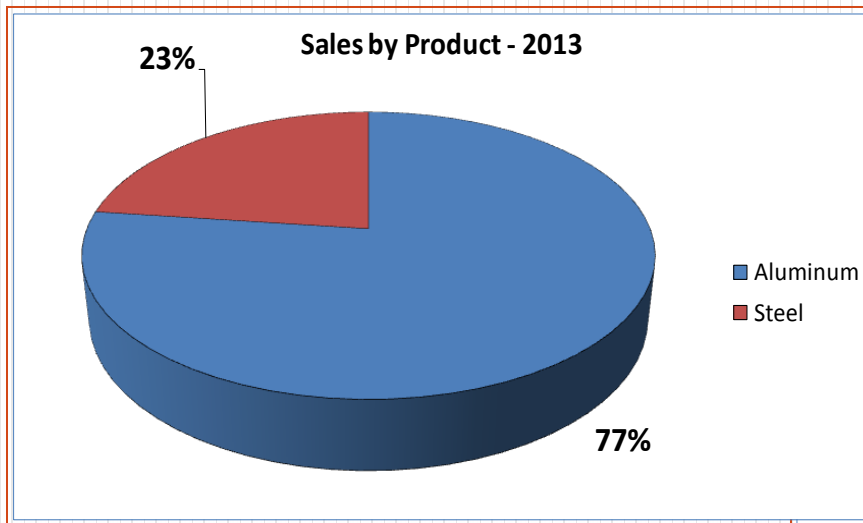
- Leading Master Distributor and Importer of Semi-Finished, Value-Added Aluminum and Steel Products
- 25+ Year Track Record in Specialized Metals Distribution Niche
- Essential Link between High Quality Rolling Mills Worldwide and Top-Tier Domestic Service Centers and Metal Working Industry
- Fills Need for Reliable, Lower-Cost Second or Third Supply Source
- Long-Standing Relationships with Suppliers and Customers
- Expert Sales Network
- Proven Management Team with Global Perspective

EMPIRE RESOURCES: Growth Driven Strategy

- Provide Customers with High Level of Service, Quality and Cost Effective Products
- Expand Product and Geographic Diversity
- Strengthen and Expand Customer and Supplier Relationships; Provide Additional Value-Added Services
- Optimize Margins and Cash Flow
- Maintain Strong Banking Relationships
- Build Shareholder Value

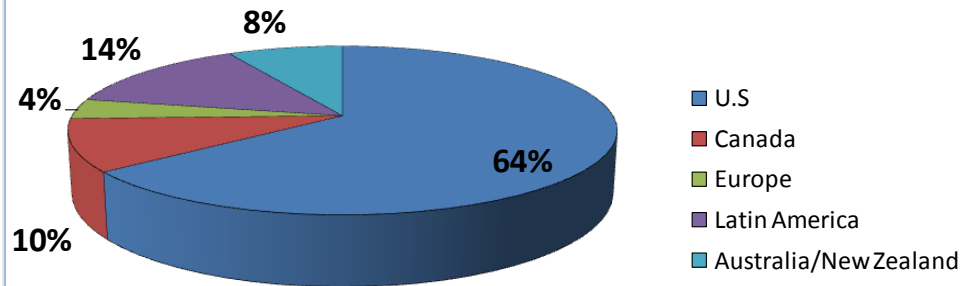
OBJECTIVE: Double Revenues in 5 Years, with Improving Profitability

EMPIRE RESOURCES: Initiative – Diversify Products

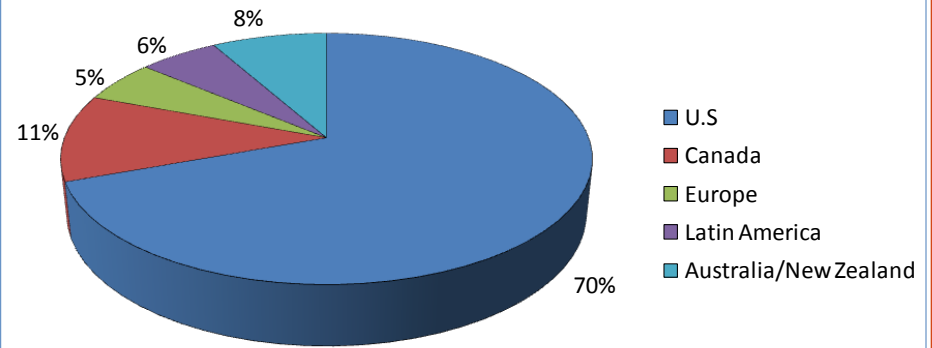


EMPIRE RESOURCES: Initiative – Diversify by Geography

Sales by Geography - 2013



Sales by Geography -2011



EMPIRE RESOURCES: 2011 – 2014 Highlights

- April 2011 – \$200 million working capital credit agreement completed with Rabobank International, JP Morgan Chase, ABN AMRO, BNP Paribas, RBS Citizens, Société Générale, Brown Brothers Harriman
- June 2011 – Completed private placement of \$12 million convertible note to investor group led by Leon Cooperman
- June 2011 – Empire provides \$10 million in financing to PT Alumindo, Indonesia, for multi-year, preferential and substantial supply position for Empire
- May 2012 – Registration of 3.1 million shares underlying convertible note declared effective; Empire returns as SEC registrant company
- July 2012 – Empire completes tender offer, repurchases 600,000 shares
- December 2012 – Empire declares special cash dividend of \$0.20 per share
- February 2013 – Empire shares begin trading on NASDAQ under stock symbol: ERS
- FY 2013 – Sales of steel products reach 23% of total sales
- June 2014 – Empire declares 45th consecutive quarterly cash dividend
- June 2014 – New, expanded \$225 million working capital credit agreement completed - led by Rabobank International

EMPIRE RESOURCES: Geographic Reach

Headquarters: Fort Lee, New Jersey

Main Distribution Center: Baltimore, Maryland

Principal Market: North America

Serving Latin America: Empire Resources de Mexico, San Pedro Garza Garcia

Serving Europe: Imbali Metals, Belgium

Serving Australia/New Zealand: Empire Resources Pacific

Americas:

- Baltimore, MD
- Camden, NJ
- Tampa, FL
- Miami, FL
- Little Rock, AR
- Houston, TX,
- Los Angeles, CA
- Oakland, CA
- Kent, WA
- Vancouver, BC
- Montreal, QC
- Toronto, ON
- San Pedro Garza Garcia, Mexico

Europe:

- Belgium
- UK
- France
- Germany
- Netherlands
- Italy
- Portugal
- Spain*
- Denmark*
- Poland*

***Recently Added**

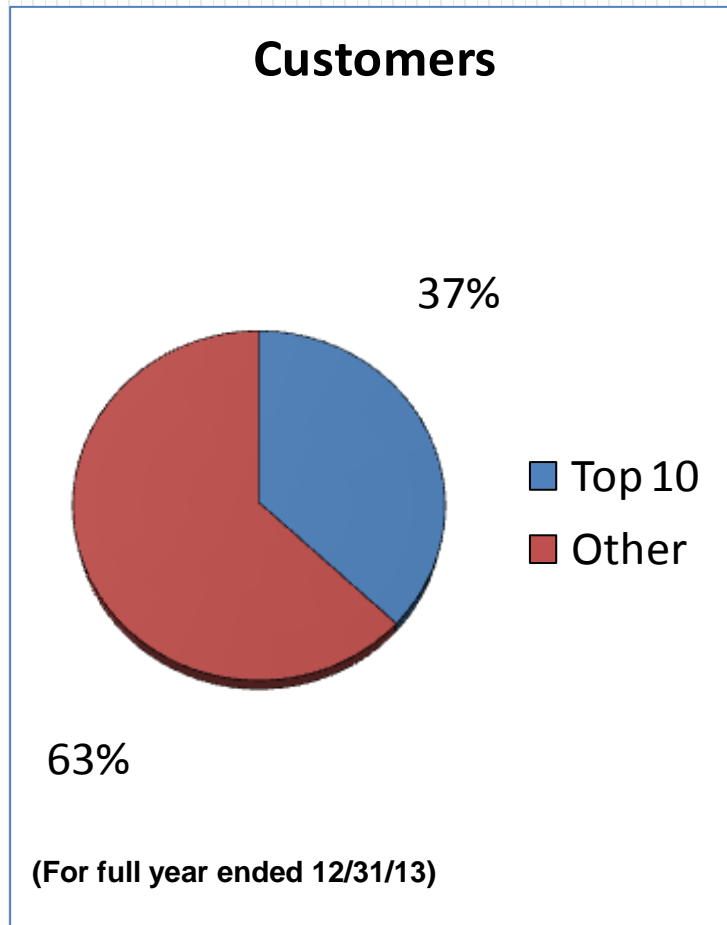
Asia-Pacific:

- Australia:
 - Sydney
 - Brisbane
 - Melbourne
 - Perth
 - Adelaide
- New Zealand:
 - Auckland
 - Christchurch

EMPIRE RESOURCES: Range of Semi-Finished Products

PRODUCT	END MARKET	APPLICATION
Aluminum Sheet/Coil	Transportation, Construction, Food Service	Road signs, Trailer gas tanks
Aluminum Plate	Transportation	Shipbuilding, auto and truck bodies
Aluminum Treadplate “Treadbright”	Industrial, Automotive	Toolboxes, auto runners, trimming
Aluminum Foil	Packaging	Candy/gum wrappers, gift wrap
Stainless Steel Coil, Sheet, Plate	Multi: For aseptic, non- corrosive surfaces	Food service, marine-related
Carbon Steel	Construction, Automotive, Consumer	Machinery, Automotive, Pipes, Furniture

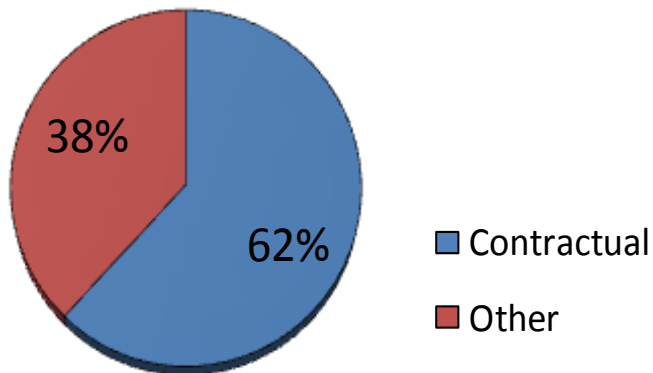
EMPIRE RESOURCES: Attractive Partner to Our Customers



- Top 10 customers accounted for 37% of 2013 sales
- Service center leaders Ryerson, Samuel Son & Co. and Reliance are among our largest customers
- We deliver value to our customers through cost-effective, quality products and high service level including:
 - Warehousing/Just-in-time delivery
 - Timely market/product intelligence
 - Arranging for metal processing or finishing services
 - Shipping from our stock to meet their short-term requirements

EMPIRE RESOURCES: Attractive Partner to Our Suppliers

Suppliers



(For full year ended 12/31/13)

- 62% of supply secured through long-term contracts and relationships in 2013
- Largest suppliers:
 - PT. Alumindo Light Metal Industry
 - Hulamin Ltd.
 - Elval Hellenic Aluminum
- We bring value to our suppliers:
 - We make bulk purchases
 - We serve as their marketing, distribution and service channel
 - We assume responsibility for product transportation
 - We eliminate their currency risk
 - We provide reliable and timely cash flow

EMPIRE RESOURCES: Service Center Industry Ranking

EMPIRE RESOURCES, INC.

YEAR	RANKING*	REVENUES (Millions)
2012	# 22	\$ 538.5
2011	# 23	\$ 514.6
2010	# 24	\$ 465.0
2009	# 30	\$ 246.1
2008	# 31	\$ 429.0

MCN TOP 50 COMBINED*

YEAR	TOTAL (Billions)	CHANGE
2012	\$ 51.7	+ 0.2%
2011	\$ 51.6	+ 10.3%
2010	\$ 46.8	+ 21.9%
2009	\$ 38.4	- 36.6%
2008	\$ 60.6	+ 5.4%

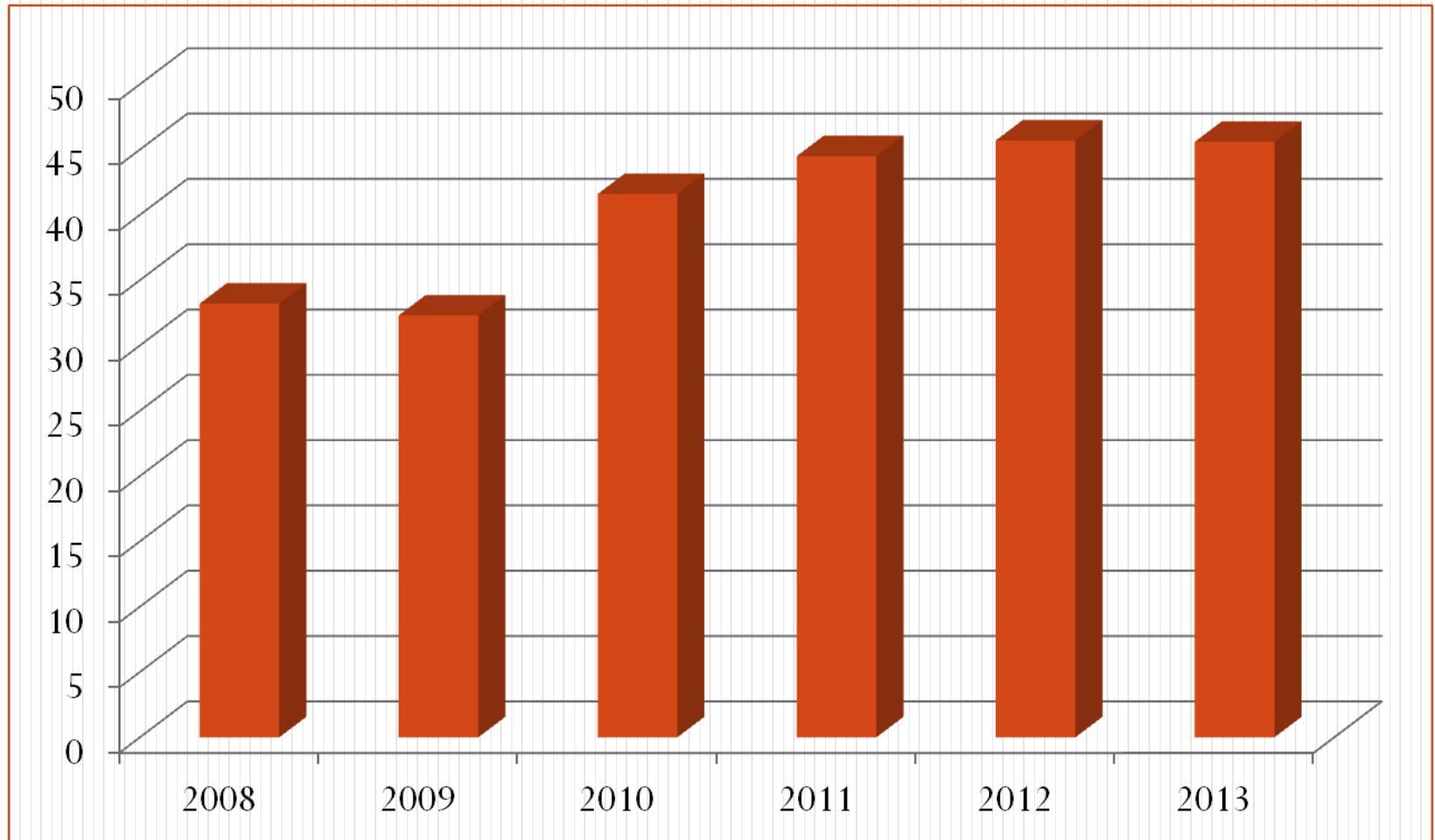
* Annual ranking of “Top 50 Service Center Industry Giants” in North America, based on revenues, compiled by *Metal Center News* – September 2013

Empire Resources: Metal Price Neutral



Additional information on Empire Resources' hedging transactions and non-cash mark-to-market gains/losses from underlying metals price changes is available in the Company's 2013 Annual Report on Form 10-K.

EMPIRE RESOURCES: Focus on Growth in Stockholders' Equity*



* Stockholders' Equity in \$ Millions before Dividends

EMPIRE RESOURCES:

Annual Financial Performance – 2008-2013

(in thousands)	2008	2009	2010	2011	2012	2013
Net sales	\$428,997	\$246,062	\$465,013	\$514,633	\$538,527	\$482,683
Gross profit	24,133	16,549	30,228	24,531	24,967	21,739
Op income before asset impairment/recovery	13,424	7,779	18,197	11,195	11,709	8,347
Operating income	13,424	4,813	18,543	11,195	11,709	8,347
Other income:						
Derivative liability change	--	--	--	896	(63)	(52)
Int. expense incl. debt discount amortization	7,176	5,622	3,997	4,039	5,225	4,514
Pre-tax income/(loss)	6,248	(809)	14,546	8,052	6,421	3,781
Net income/(loss)	\$3,851	(\$511)	\$9,145	\$4,961	\$3,964	\$2,396
Weighted shares-Diluted	9,874	9,437	9,435	10,987	12,028	8,852
EPS - Diluted	\$0.39	(\$0.05)	\$0.97	\$0.46	\$0.42	\$0.27

EMPIRE RESOURCES: Quarterly Financial Performance

(Unaudited, in thousands)	1Q13	2Q13	3Q13	4Q13	1Q14
Net sales	\$ 133,430	\$ 110,468	\$ 126,390	\$ 112,395	\$ 138,317
Cost of goods sold	126,800	105,201	121,082	107,861	131,830
Gross profit	6,630	5,267	5,308	4,534	6,487
SG&A	3,258	3,501	3,602	3,031	3,299
Operating income	3,372	1,766	1,706	1,503	3,188
Other income (expense):					
Derivative liability change*	(2,123)	(44)	1,715	400	(429)
Interest expense, net	(1,113)	(1,134)	(1,156)	(1,111)	(1,091)
Pre-tax income	136	588	2,265	792	1,668
Net income	\$ 85	\$ 367	\$ 1,471	\$ 473	\$ 1,026
Weighted shares-Diluted	8,852	8,871	11,835	11,855	8,886
EPS - Diluted	\$ 0.01	\$ 0.04	\$ 0.06	\$ 0.04	\$ 0.12

* Non-cash non-operating change in fair market valuation of derivative feature of convertible subordinated note

EMPIRE RESOURCES:

Quarterly Non-GAAP Income Statement

(Unaudited, in thousands)	1Q13	4Q13	1Q14
GAAP pre-tax income	136	792	1,668
Add back: Change in derivative liability value	2,123	(400)	429
Non-GAAP pre-tax income	2,259	392	2,097
Income taxes	847	158	807
Non-GAAP net income	\$ 1,412	\$ 234	\$ 1,290
Weighted shares-Diluted	8,852	8,842	8,886
Non-GAAP EPS - Diluted	\$ 0.16	\$ 0.03	\$ 0.15

Use of Non-GAAP Financial Measures

To supplement the Company's consolidated financial statements presented on a GAAP basis, the Company discloses non-GAAP net income, because management uses this supplemental non-GAAP financial measure to evaluate performance period over period, to analyze the underlying trends in its business, and to establish operational goals. In addition, the Company believes investors already use this non-GAAP measure to monitor the Company's performance. Non-GAAP net income is defined by the Company as net income excluding noncash, non-operating changes in value of derivative liability related to the conversion option on its convertible debt.

Generally, a non-GAAP financial measure is a numerical measure of a company's performance, financial position or cash flow that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with GAAP. The non-GAAP measure discussed above, however, should be considered in addition to, and not as a substitute for or superior to net income or other measures of financial performance prepared in accordance with GAAP. A reconciliation of non-GAAP to GAAP net income is set forth in the table above.

The Company believes that providing this information assists investors in understanding the Company's operating performance and the methodology used by management to evaluate and measure such performance.

EMPIRE RESOURCES: Balance Sheet Highlights

(in thousands)	2008	2009	2010	2011	2012	2013
Cash	2,485	1,142	1,270	4,274	3,136	2,477
Accounts receivable	41,115	28,109	41,174	56,504	53,511	52,696
Inventories	107,172	115,067	132,196	184,113	145,547	139,752
Total current assets	173,495	152,397	186,046	259,328	212,566	207,370
Total assets	181,250	156,822	190,124	269,728	224,790	215,820
Total senior secured debt	107,973	54,049	100,447	154,424	124,095	107,922
Total current liabilities	148,076	123,725	148,760	213,018	168,133	158,371
Subordinated debt	--	--	--	12,000	12,000	12,000
Total stockholders' equity	31,261	31,325	39,743	43,602	43,109	44,769

OF NOTE:

- 6/3/11: Private placement of \$12M Convertible Senior Subordinated Notes due 6/1/16
- 5/3/12: SEC declares registration of 3.1M shares related to convertible notes effective
- 5/4/12: Company returns to SEC registrant company status.
- 6/29/12: Company repurchases 600,000 shares through tender offer
- 6/23/14: New, expanded \$225M working capital credit agreement completed

EMPIRE RESOURCES: Debt Issuance

	Asset Based Lending	Convertible Debt
Total facility/issuance	\$225 million	\$12 million
Lead	Rabobank International and BNP Paribas	Private Placement
Maturity	June 19, 2017	June 1, 2016
Accordion	\$75 million	
Swingline	\$10 million	
Pricing	\$150M Committed Facility @ 2.35% over Libor; \$75M Uncommitted Facility @ 1.85% over Libor	10%

EMPIRE RESOURCES: Valuation Comparisons / Price Performance*

Service Center Industry Ranking	Company	Market Cap	Trailing P/E	Price/Sales	Price/Book	ROE	ROA	Dividend Yield
#1	Reliance Steel & Aluminum (RS)	5.3B	16.4	0.55	1.34	8.9%	5.1%	1.1%
#6	Russel Metals (RUS.TO)	2.2B	23.8	0.65	2.39	10.3%	5.5%	3.1%
#10	Olympic Steel (ZEUS)	240.7M	46.6	0.19	0.79	1.8%	1.4%	0.4%
#13	A.M. Castle (CAS)	194.5M	N/A	0.20	0.90	-39.5%	-2.7%	N/A
#22	Empire Resources (ERS)	41.9M	12.7	0.09	0.91	7.5%	2.3%	2.1%



EMPIRE RESOURCES: In Summary

- Leading Master Distributor of Imported Aluminum and Steel Products
- Essential Link between Rolling Mills and Service Centers/Metal Working Industry
- Filling Need for Second or Third Supply Source
- Long-Standing Relationships with Suppliers and Customers
- Expert Sales Network/Proven Management – with Global Perspective
- Fully Focused on Growing Sales, Profitability and Shareholder Value