

November 10, 2015



A-Mark Precious Metals Reports Fiscal First Quarter 2016 Results

SANTA MONICA, Calif., Nov. 10, 2015 (GLOBE NEWSWIRE) -- **A-Mark Precious Metals, Inc.** (NASDAQ:AMRK), a full-service precious metals trading company and an official distributor for all the major sovereign mints, reported results for its fiscal first quarter ended September 30, 2015.

Fiscal Q1 2016 Highlights (compared to the same year-ago quarter)

- Revenues increased 38% to \$2.01 billion
- Gross profit increased 152% to \$14.4 million
- Net income increased 371% to \$5.4 million from \$1.1 million
- Silver ounces sold increased 123% to 40.5 million ounces
- Gold ounces sold increased 102% to 895,685 ounces
- Trading ticket volume increased 50% to 28,910 tickets

Fiscal Q1 2016 Financial Results

Revenues increased 38% to \$2.01 billion from \$1.45 billion in the same year-ago quarter, driven primarily by an increase in the total amount of gold ounces and silver ounces sold during the quarter, which in turn was due to increased volatility and decreased commodity prices.

Gross profit increased 152% to \$14.4 million (0.72% of revenue) from \$5.7 million (0.39% of revenue) in the same year-ago quarter. The increase in gross margin was due, in part, to higher spreads on the company's primary products.

Selling, general and administrative expenses were \$6.4 million, an increase from \$4.2 million in the same year-ago quarter. The increase was due in part to performance-based compensation accruals and the operational cost of the Las Vegas logistic center established to provide fulfillment services to customers.

Net income increased 371% to \$5.4 million or \$0.76 per diluted share from \$1.1 million or \$0.16 per diluted share in the same year-ago quarter. The increase was primarily due to higher revenue and gross profits, offset by higher selling, general and administrative expenses.

Management Commentary

"The first quarter was exceptionally strong across the board, underscoring the earnings power of our unique business model," said A-Mark CEO Greg Roberts. "In fact, our Trading ticket volume increased 50% to near-record levels, and both our gold and silver ounce volume more-than-doubled compared to the same year ago period. These achievements

were driven by the unprecedented activity with our direct to consumer customers who service the online marketplace, as well as the strength in our core trading business.

“Q1 also marked the first full quarter of activity in our Las Vegas logistics facility. Since its opening, the facility has garnered significant interest from current and prospective customers who are now able to take full advantage of the facility’s value-added service offerings. Our financing subsidiary also posted a record number of loans outstanding, capitalizing on the growing number of borrowers in the market.

“This first quarter certainly meant a great start to the year. However, it’s important to keep in mind that historically our fiscal second quarter tends to be a slower quarter. Through the first six weeks of the second fiscal quarter we have seen a drop in our volumes and ticket counts, we attribute this to a combination of factors, including the US Mint’s declining sales numbers in October, supply and production constraints in our silver products, and a change in investor sentiment as major stock indices have rallied. If current market conditions remain the same, we could experience a lower performing second fiscal quarter when compared to the same year ago period.”

Conference Call

A-Mark will hold a conference call today (November 10, 2015) to discuss these financial results. The company's CEO, Greg Roberts and COO, Thor Gjerdrum, will host the call at 4:30 p.m. Eastern time (1:30 p.m. Pacific time). A question and answer session will follow management's presentation.

To participate, please dial the appropriate number at least five minutes prior to the start time, and ask for the A-Mark Precious Metals conference call.

U.S. dial-in number: 877-407-0789
International number: 201-689-8562
Conference ID: 13624076

The conference call will be broadcast simultaneously and available for replay via the Investor Information section of A-Mark’s website at www.amark.com. If you have any difficulty connecting with the conference call or webcast, please contact Liolios Group at 949-574-3860.

A replay of the call will be available after 7:30 p.m. Eastern time on the same day through November 24, 2015.

Toll-free replay number: 877-870-5176
International replay number: 858-384-5517
Conference ID: 13624076

About A-Mark Precious Metals

A-Mark Precious Metals, Inc. is a full-service precious metals trading company and an official distributor for many government mints throughout the world. The company offers gold, silver, platinum and palladium in the form of bars, plates, powder, wafers, grain, ingots and coins. Its Industrial unit services manufacturers and fabricators of products utilizing or incorporating precious metals, while its Coin & Bar unit deals in over 200 coin and bar

products in a variety of weights, shapes and sizes for distribution to dealers and other qualified purchasers. The company operates trading centers in Santa Monica, California, and Vienna, Austria, for buying and selling precious metals.

In addition to wholesale and trading activity, A-Mark offers customers a variety of services, including financing, consignment and various customized financial programs. As a U.S. Mint-authorized purchaser of gold, silver and platinum coins, A-Mark purchases bullion products directly from the U.S. Mint for sale to customers. A-Mark also has distributorships with other sovereign mints, including in Australia, Austria, Canada, China, Mexico and South Africa. Customers of A-Mark include mints, manufacturers and fabricators, refiners, coin and metal dealers, banks and other financial institutions, jewelers, investors and collectors. For more information about A-Mark Precious Metals, visit www.amark.com.

Through its subsidiary Collateral Finance Corporation, a licensed California Finance Lender, the company offers loans collateralized by numismatic and semi-numismatic coins and bullion to coin and metal dealers, investors and collectors. Through its Transcontinental Depository Services subsidiary, it offers a variety of managed storage options for precious metals products to financial institutions, dealers, investors and collectors around the world. Through its A-M Global Logistic subsidiary, the company offers storage and order fulfillment services to our retail customers.

Important Cautions Regarding Forward-Looking Statements

Statements in this press release that relate to future plans, objectives, expectations, performance, events and the like are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and the Securities Exchange Act of 1934. Future events, risks and uncertainties, individually or in the aggregate, could cause actual results to differ materially from those expressed or implied in these statements. Factors that could cause actual results to differ include the following: the failure to execute our growth strategy as planned; greater than anticipated costs incurred to execute this strategy; the favorable results that we are experiencing in the first fiscal quarter of 2016 not being indicative of activity for the full fiscal year; changes in the current international political climate which has favorably contributed to demand and volatility in the precious metals markets; increased competition for our higher margin services, which could depress pricing; the failure of our business model to respond to changes in the market environment as anticipated; general risks of doing business in the commodity markets; and other business, economic, financial and governmental risks as described in in the Company's public filings with the Securities and Exchange Commission.

The words "should," "believe," "estimate," "expect," "intend," "anticipate," "foresee," "plan" and similar expressions and variations thereof identify certain of such forward-looking statements, which speak only as of the dates on which they were made. Additionally, any statements related to future improved performance and estimates of revenues and earnings per share are forward-looking statements. The company undertakes no obligation to publicly update or revise any forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

A-MARK PRECIOUS METALS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(amounts in thousands, except share data)

	September 30, 2015	June 30, 2015
ASSETS		
Current assets:		
Cash	\$ 5,044	\$ 20,927
Receivables, net	47,899	30,025
Derivative assets	10,626	11,364
Secured loans receivables, net	49,766	48,666
Inventories:		
Inventories	204,476	152,076
Restricted inventories	50,030	39,425
	<u>254,506</u>	<u>191,501</u>
Income taxes receivable	6,024	7,846
Income taxes receivable from Former Parent	1,095	1,095
Prepaid expenses and other assets	1,074	1,202
Total current assets	<u>376,034</u>	<u>312,626</u>
Property and equipment, net	2,832	2,850
Goodwill	4,884	4,884
Intangibles, net	2,273	2,369
Long-term secured loans receivables	650	650
Long-term investments	2,500	2,500
Deferred tax assets - non-current	23	23
Total assets	<u>\$ 389,196</u>	<u>\$ 325,902</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Lines of credit	\$ 176,900	\$ 147,000
Liability on borrowed metals	4,009	9,500
Product financing arrangement	50,030	39,425
Accounts payable	78,499	50,639
Derivative liabilities	12,893	17,897
Accrued liabilities	4,242	5,330
Deferred tax liability - current	1,593	149
Total current liabilities	<u>328,166</u>	<u>269,940</u>
Commitments and contingencies	—	—
Stockholders' equity:		
Preferred stock, \$0.01 par value, authorized 10,000,000 shares; issued and outstanding: none as of September 30, 2015 and June 30, 2015	—	—
Common Stock, par value \$0.01; 40,000,000 authorized; 6,973,549 and 6,973,549 issued and outstanding as of September 30, 2015 and June 30, 2015, respectively	70	70
Additional paid-in capital	22,523	22,470
Retaining earnings	38,437	33,422
Total stockholders' equity	<u>61,030</u>	<u>55,962</u>
Total liabilities and stockholders' equity	<u>\$ 389,196</u>	<u>\$ 325,902</u>

A-MARK PRECIOUS METALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except for share and per share data)

	Three Months Ended	
	September 30, 2015	September 30, 2014
Revenues	\$ 2,006,936	\$ 1,453,466
Cost of sales	1,992,512	1,447,736
Gross profit	14,424	5,730
Selling, general and administrative expenses	(6,408)	(4,219)
Interest income	1,933	1,477
Interest expense	(1,234)	(1,063)
Unrealized losses on foreign exchange	(39)	(9)
Net income before provision for income taxes	8,676	1,916
Provision for income taxes	(3,312)	(778)
Net income	\$ 5,364	\$ 1,138
 Basic and diluted income per share:		
Basic - net income	\$ 0.77	\$ 0.16
Diluted - net income	\$ 0.76	\$ 0.16
 Weighted average shares outstanding:		
Basic	6,973,500	6,962,742
Diluted	7,058,700	7,065,700

A-MARK PRECIOUS METALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(amounts in thousands)

	Three Months Ended	September 30, 2015	September 30, 2014
Cash flows from operating activities:			
Net Income		\$ 5,364	\$ 1,138
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Depreciation and amortization		303	228
Deferred income taxes		1,444	—
Interest added to principal of secured loans		(26)	(91)
Share-based compensation		53	62
Changes in assets and liabilities:			
Receivables		(17,223)	(19,286)
Secured loans		340	1,992
Secured loans to Former Parent		(710)	2,562
Derivative assets		738	(24,026)
Income tax receivable		1,822	—
Inventories		(63,005)	16,314
Prepaid expenses and other current assets		128	(115)
Accounts payable		27,860	5,816
Derivative liabilities		(5,004)	21,680
Liabilities on borrowed metals		(5,491)	3,289
Accrued liabilities		(1,088)	(2,135)
Income taxes payable		—	(1,794)
Net cash (used in) provided by operating activities		<u>(54,495)</u>	<u>5,634</u>
Cash flows from investing activities:			
Capital expenditures for property and equipment		(189)	(53)
Purchase of cost method investment		—	(1,111)
Secured loans, net		(1,355)	(1,809)
Net cash used in investing activities		<u>(1,544)</u>	<u>(2,973)</u>
Cash flows from financing activities:			
Product financing arrangement, net		10,605	(3,997)
Dividends paid		(349)	—
Borrowings under lines of credit, net		29,900	(7,200)
Net cash provided by (used in) financing activities		<u>40,156</u>	<u>(11,197)</u>
		(15,883)	(8,536)
Net decrease in cash and cash equivalents			
Cash and cash equivalents, beginning of period		<u>20,927</u>	<u>13,193</u>
Cash and cash equivalents, end of period		<u>\$ 5,044</u>	<u>\$ 4,657</u>
Supplemental disclosures of cash flow information:			
Cash paid during the period for:			
Interest expense		<u>\$ 1,134</u>	<u>\$ 1,003</u>
Income taxes		<u>\$ —</u>	<u>\$ 2,572</u>
Non-cash investing and financing activities:			
Interest added to principal of secured loans		<u>\$ 26</u>	<u>\$ 91</u>

RESULTS OF OPERATIONS

The operating results of our business for the three months ended September 30, 2015 and 2014 are as follows:

in thousands, except per share data

Three Months Ended September 30,	2015		2014		\$	%
	\$	% of revenue	\$	% of revenue		
Revenues	\$ 2,006,936	100.000 %	\$ 1,453,466	100.000 %	\$ 553,470	38.1 %
Gross profit	14,424	0.719 %	5,730	0.394 %	\$ 8,694	151.7 %
Selling, general and administrative expenses	(6,408)	(0.320)%	(4,219)	(0.290)%	\$ 2,189	51.9 %
Interest income	1,933	0.096 %	1,477	0.102 %	\$ 456	30.9 %
Interest expense	(1,234)	(0.061)%	(1,063)	(0.073)%	\$ 171	16.1 %
Unrealized losses on foreign exchange	(39)	(0.002)%	(9)	(0.001)%	\$ 30	NM
Net income before provision for income taxes	8,676	0.432 %	1,916	0.132 %	\$ 6,760	352.8 %
Provision for income taxes	(3,312)	(0.165)%	(778)	(0.054)%	\$ 2,534	325.7 %
Net income	\$ 5,364	0.267 %	\$ 1,138	0.078 %	\$ 4,226	371.4 %
Per Share Data:						
Basic	\$ 0.77		\$ 0.16		\$ 0.61	381.3 %
Diluted	\$ 0.76		\$ 0.16		\$ 0.60	375.0 %

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