



Sidoti & Company

Emerging Growth Institutional Investor Forum

January 22, 2008

Cautionary Statement Regarding Forward-looking Information

This presentation contains, and the Company may from time to time make, written or oral "forward-looking statements" within the safe harbor provisions of the Private Securities Litigations Reform Act of 1995. These statements include information with respect to the Company's financial condition and its results of operations and business. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "may," "will," "continue," "project" and similar expressions, as well as statements in the future tense, identify forward-looking statements.

These forward-looking statements are not guarantees of the Company's future performance and are subject to risks and uncertainties that could cause actual results to differ materially from the results contemplated by the forward-looking statements. These risks and uncertainties include:

- The Company's ability to obtain new contracts at attractive prices;
- The size and timing of customer orders and shipment;
- Fluctuations in customer demand;
- Changes to customer orders;
- Competitive factors;
- The timely completion of contracts;
- The timing and size of expenditures;
- The timely receipt of government approvals and permits;
- The adequacy of local labor supplies at the Company's facilities;
- Current or future limits on manufacturing capacity at our various operations
- The availability and cost of funds; and
- General economic conditions, both domestic and foreign, impacting the Company's business or the business of the end-market users it serves.

The effects of these factors are difficult to predict. New factors emerge from time to time and the Company cannot assess the potential impact of any such factor on the business or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Any forward-looking statement speaks only as of its date and the Company does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of such statement or to reflect the occurrence of unanticipated events.

You are encouraged to read the SEC reports of DMC, particularly its Form 10-K for the Fiscal Year Ended December 31, 2006 for meaningful cautionary language disclosing why actual results may vary materially from those anticipated by management.

Company Overview

Yvon Cariou
President and
Chief Executive Officer

Market Profile

As of Jan. 18, 2008

Stock:	NASDAQ GS: BOOM
Recent price:	\$45.82
52-week range:	\$26.64-\$66.30
Average daily trading volume:	409,000
Market capitalization:	\$573 million
Shares outstanding:	12.5 million
Approximate float:	11.9 million
Fiscal year end:	December 31

Business Segment Overview

1. **DMC** Clad Metal

- ✓ World's leading producer of explosion-welded clad-metal plates
- ✓ Plates used in capital equipment for industrial processing applications
- ✓ Explosion welding = approximately 80% of DMC revenue



2. **DYNA**energetics

Specialized explosive devices for growing oil & gas services industry



3. **DMC** AMK Welding

Specialized welding for aircraft engine and ground-based turbine sectors



Significant Challenges of Industrial Processing

- ✓ Corrosion
- ✓ Extreme Heat
- ✓ Intense Pressures



Clad Metals –

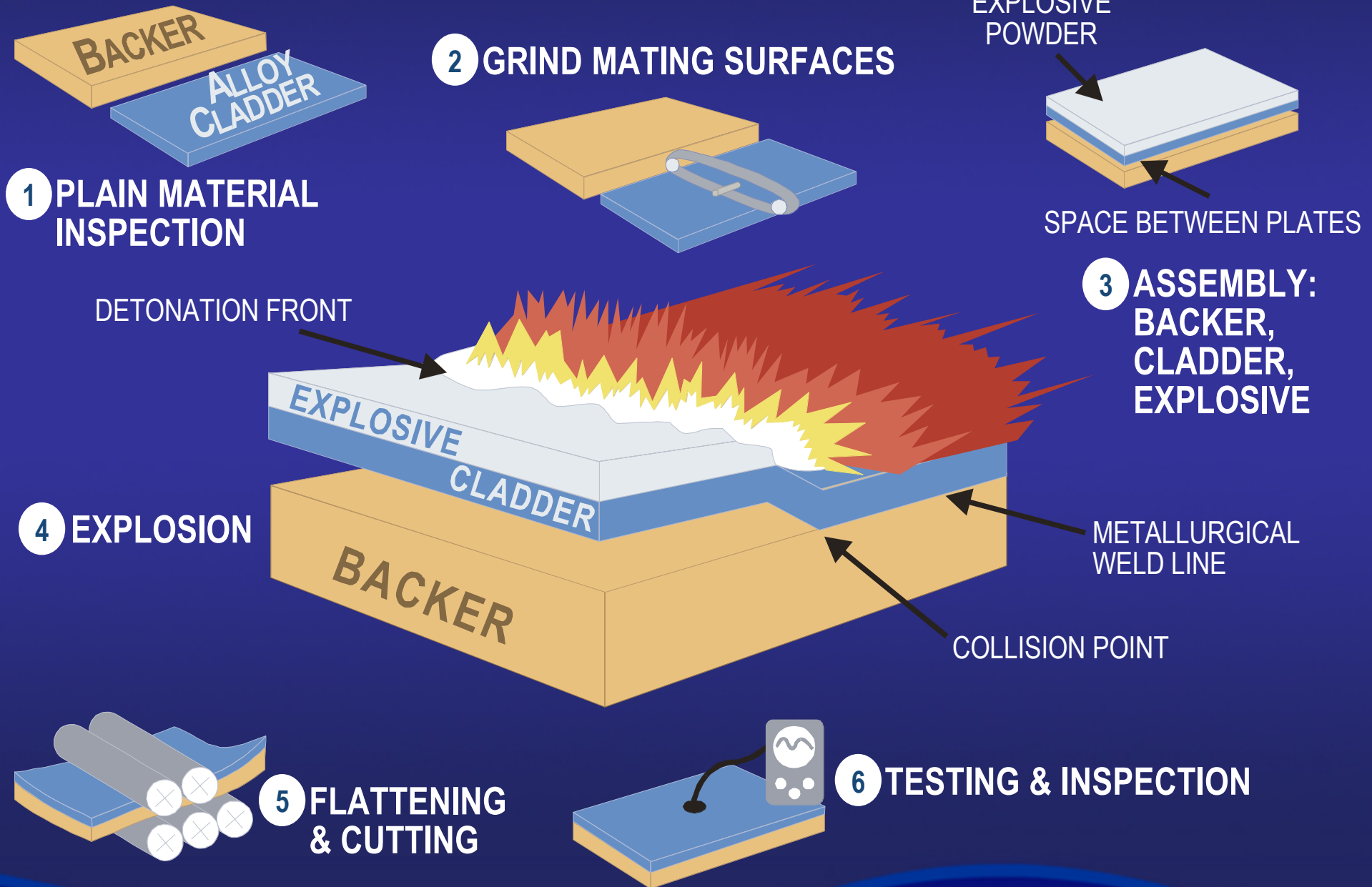
Critical materials for harsh environments

Cladding processes

1. *Weld overlay*
2. *Rollbond*
3. *Explosion weld*



The DETACLAD® Process



Inspiration for a stock symbol...



Industrial diamond shot - Near Socorro, New Mexico

Explosion Welding – a key step in pre-fabrication process

Metal Suppliers

MITTAL



American Alloy Steel

Allegheny Technologies

Sourced Metals

- Carbon Steel
- Nickel Alloys
- Titanium
- Zirconium

DMC Explosion Welding



Fabricators



End Users



DMC is the market leader for explosion clad with unrivaled manufacturing and technological expertise

Pre-clad operations

Explosion cladding

Post-clad operations



Plate being moved to assembly work station



Automatic wet grinding of a plate before assembly



Detonation



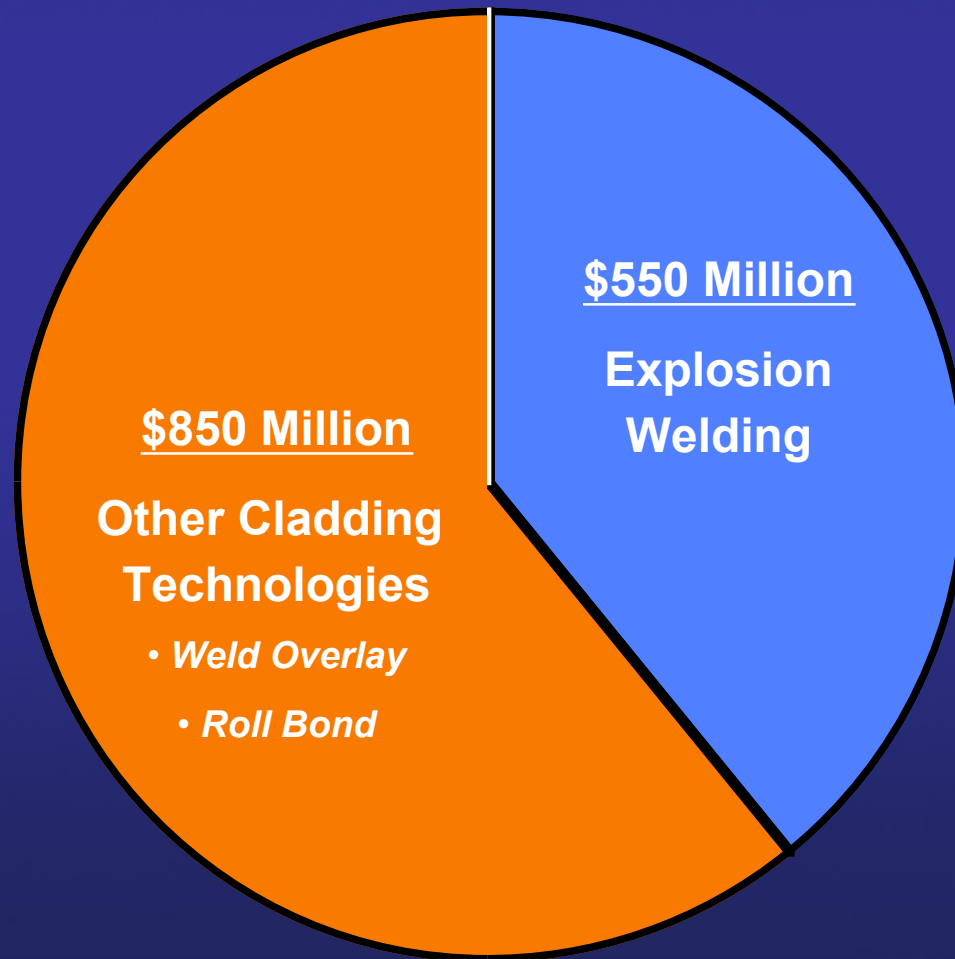
Clad plates after shooting



Multi-roll leveler flattens plates

2007 clad metals manufacturing market

Global Cladding Market estimated at \$1.4 Billion in 2007¹



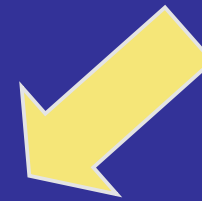
¹Based on Company estimates

Selected end markets served by Explosion Welding

- Oil & Gas industry
- Petrochemicals / chemicals
- Alternative energy
- Hydrometallurgy
- Power generation
- Aluminum production
- Shipbuilding
- Industrial refrigeration

Above are several of the many industries that rely on explosion welding

DMC's end user customers include leading players in respective fields



End Users

Chemicals



Refinery



Mining



Engineering



Geographic breakdown of fabrication customers

<u>2005</u>		<u>2006</u>	
United States	41%	United States	50%
Canada	10%	Canada	10%
South Korea	10%	Russia	10%
Spain	7%	France	4%
Malaysia	6%	India	3%
China	4%	Italy	3%
Netherlands	3%	South Korea	3%
Belgium	3%	Belgium	2%
France	3%	Spain	2%
Italy	3%	Germany	2%
Other countries	10%	Other countries	11%

DMC's Global Explosion Welding facilities - a key competitive advantage

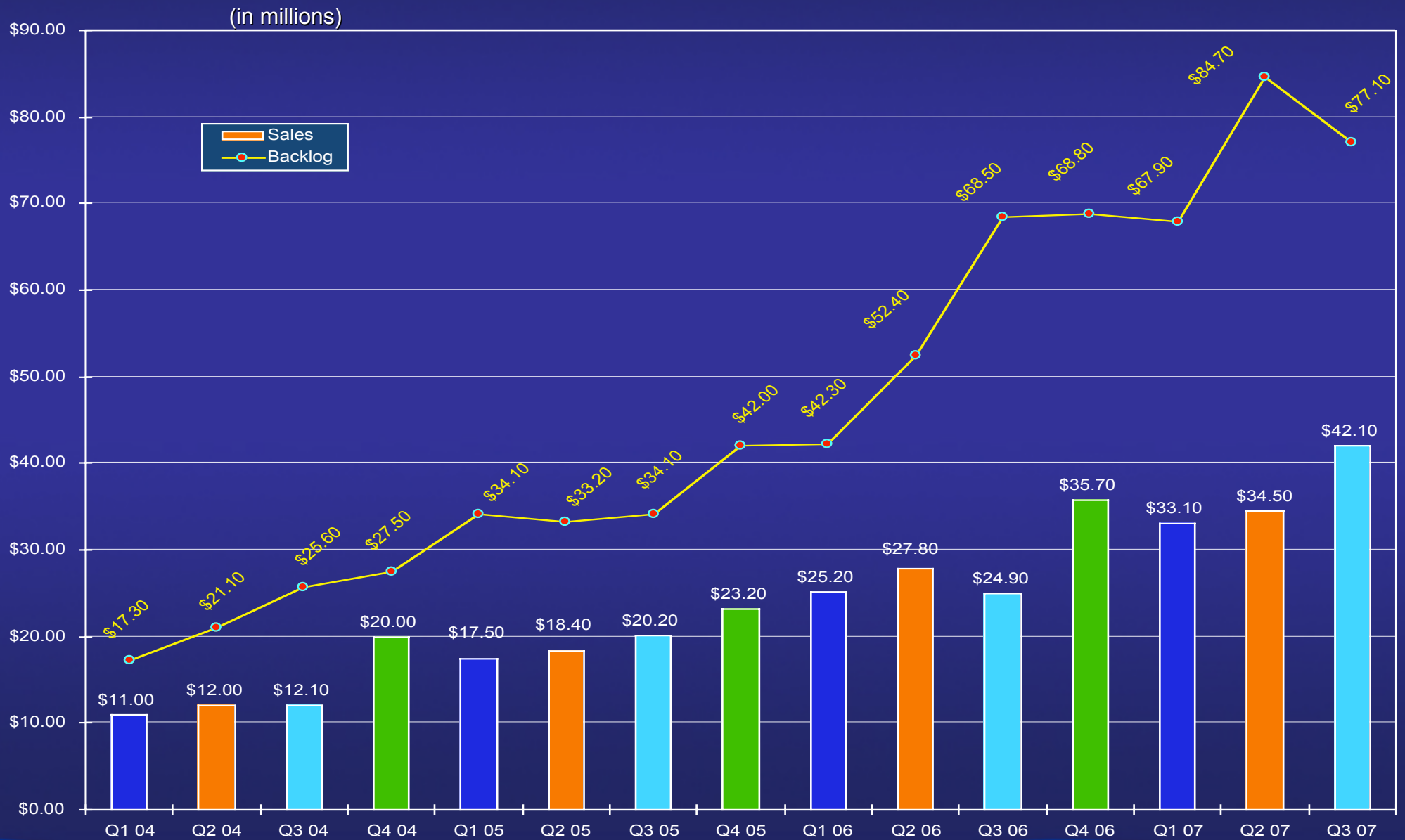


◆ Corporate Headquarters

★ Explosion Welding Centers

◆ Sales Offices and Agents

Sales and Explosion Welding Backlog Progression: Q1 2004 – Q3 2007



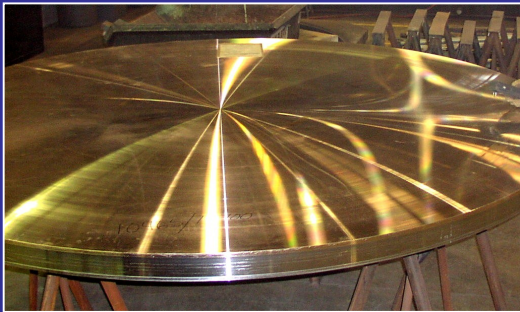
Recently completed \$21mm Capacity Expansion & Modernization Program

- Capacity expansion of Mt. Braddock facility positions DMC to capture expected growth of capital expenditures in end markets
- Doubles revenue opportunity from U.S. plant
- Most significant capital expansion in DMC's history
- Two-year program ('06 & '07) funded from DMC's earnings and cash on hand
- Ongoing modernization program focused on European cladding facilities

November 2007 Acquisition of *DYNAenergetics* Expands DMC's Explosion Welding Market Share; Provides Entry into Growing Oil & Gas Services Sector

DYNAenergetics

DYNAPLAT



Explosion Welded Metals

Approx. 55% of Revenue

DYNAWELL

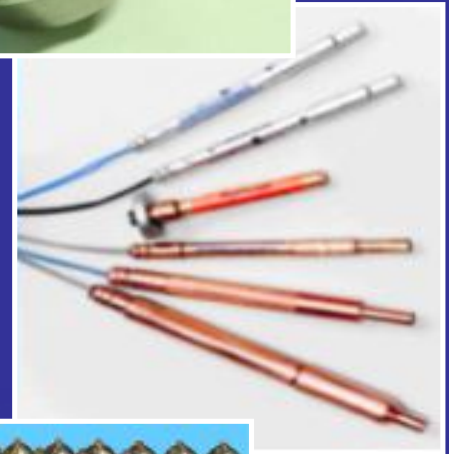


Oil Field Products

Approx. 45% of Revenue

- DYNAenergetics 2007 revenue approximately \$73.3 million
- Revenue CAGR of approx. 25% during last five years
- Acquired for \$96.6 million in cash and stock & assumption of \$2.8 million in DYNAenergetics debt

- Manufactures explosive perforating systems and seismic devices for the international oil & gas services industry
- Products include:
 - ✓ shaped charges
 - ✓ detonators and detonating cords
 - ✓ bi-directional boosters
 - ✓ perforating guns
 - ✓ Seismic explosives and detonators
- Fiscal 2007 revenue of approximately \$33 million
- Business adds to DMC's involvement in specialized explosive manufacturing processes; positions Company in growing international oil & gas services industry

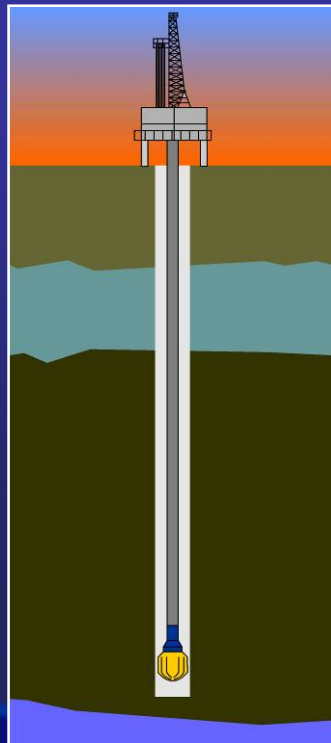


Explosive Perforating Overview

Explosive Perforating: A method of creating holes in a well casing downhole by exploding charges that propel steel projectiles through the casing wall. Such holes allow oil from the formation to enter the well.

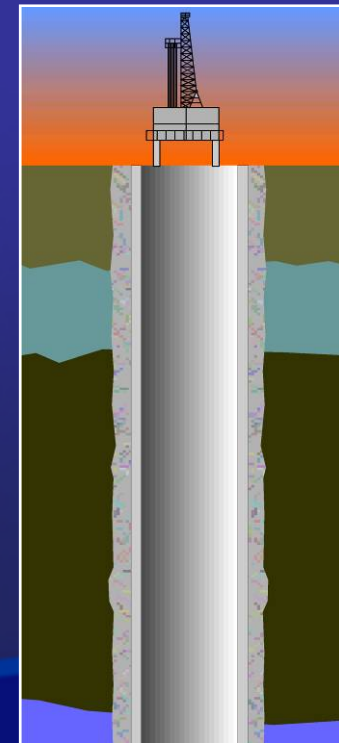
1. Wellbore Construction

- Drilling rig will penetrate rock formations down to the oil/gas reservoir.
- Oil/gas may flow freely into an open hole wellbore.



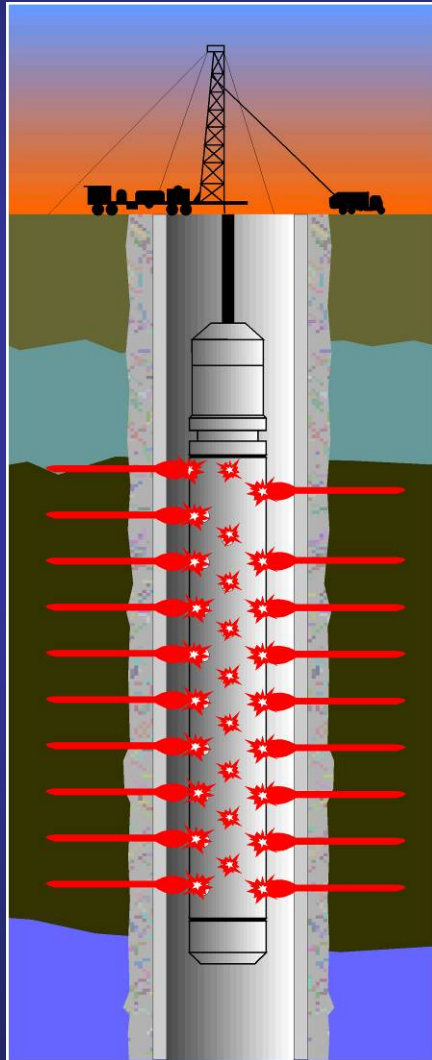
2. Casing

- Casing & cement temporarily isolate the wellbore from the reservoir.
- After casing has been cemented, drilling rig moves off of the well.



Explosive Perforating Overview ... *continued*

3.



Wellbore Construction

- Service rig moves onto well & installs casing flange, tubing hanger.
- Guns are deployed into the well either on wireline or production tubing.
- Guns perforate casing, cement and formation creating “perforation tunnels.”
- Oil or gas flows through perforation tunnels to well.

Explosive perforating business enjoys global reach and extensive customer network

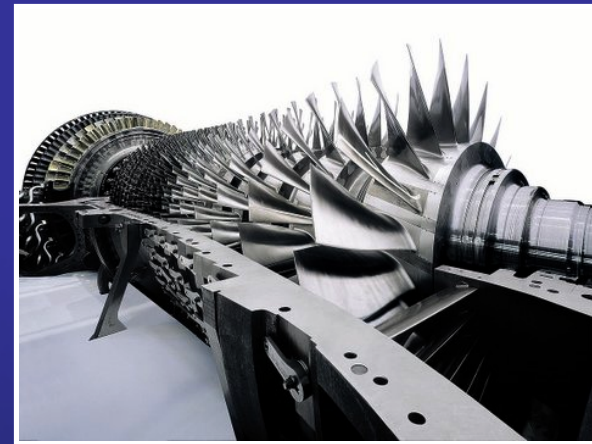
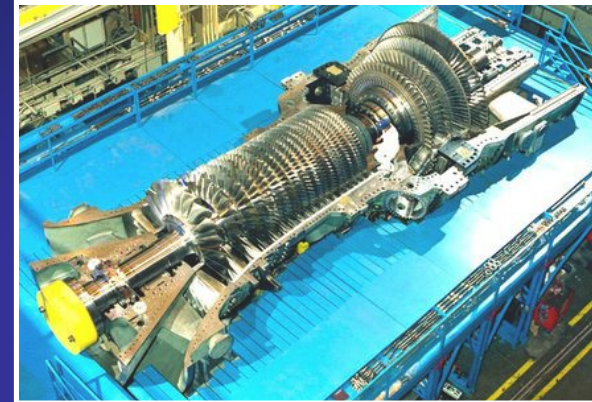


DYNAWELL®

★ Manufacturing facilities ● Sales agents

AMK Welding - a leading provider of precision welding services

- Serves ground-based turbine and commercial and military aircraft engine markets
- Less than 3% of total DMC revenue
- 5-year contract (signed in Q4 2005) to be exclusive provider of welding services for up to 6 gas turbine engines per year
 - Combined cycle gas turbine power plants forecast to increase market share due to higher thermal efficiency; Customer is the market leader with 26% share
 - AMK has supported the development of the new turbine and is well positioned to benefit from its growth
- Company doubling size of AMK facilities to facilitate growth



DMC Facilities

- Headquarters in Boulder, Colo.
- Operations in:



Mt. Braddock, Penn - Clad Metal USA



Rivesaltes, France - Nobelclad Europe



South Windsor, Conn - AMK Welding



Likenas, Sweden - Nitro Metall



Würgendorf, Germany - DYNAPLAT



Troisdorf, Germany - DYNAWELL



Executive Management

- Yvon Pierre Cariou - *President and CEO*
- Richard A. Santa - *Vice President, CFO and Secretary*
- John G. Banker - *Vice President, Marketing and Sales, Clad Metal Division*
- Rolf Rospek, *President, DYNAenergetics*

Financial Overview

Financial Performance Review

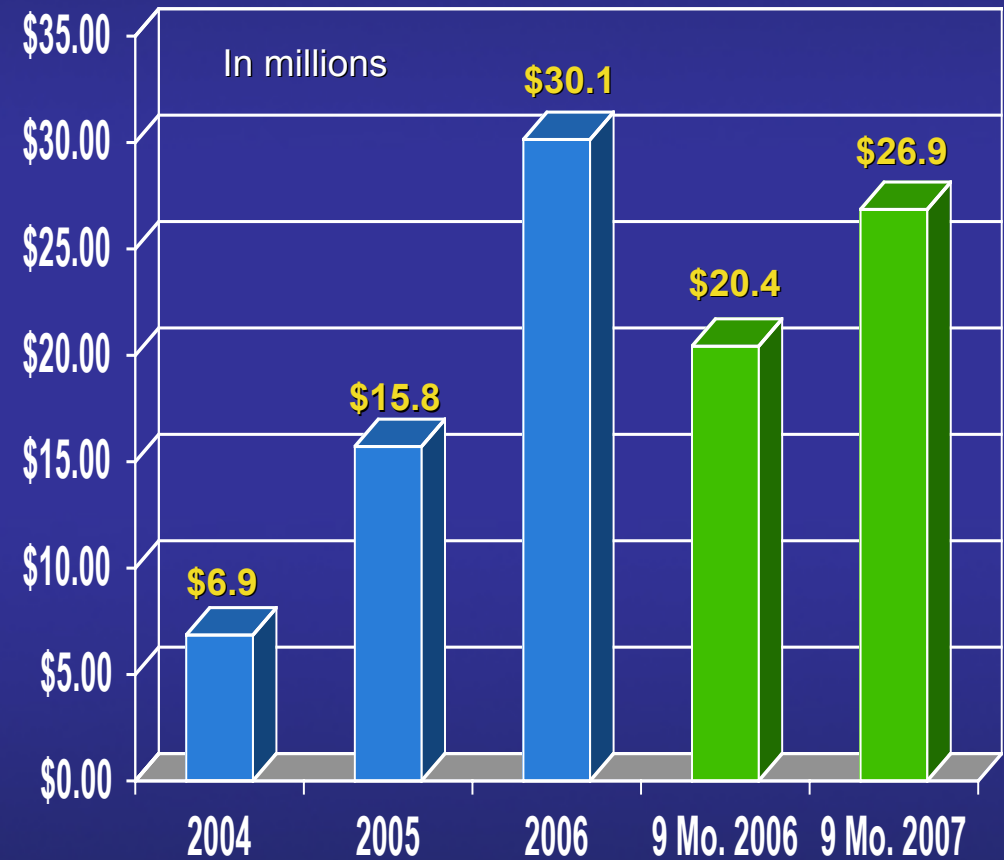
(\$mm)	2004	2005	2006	9 Mo. '06	9 Mo. '07
Sales	\$54.2	\$79.3	\$113.5	\$77.8	\$110.0
<i>% growth</i>	51%	46%	43%	39%	41%
Gross profit	\$13.6	\$23.4	\$42.0	\$27.5	\$37.2
<i>% margin</i>	25%	30%	37%	35%	34%
Operating profit	\$6.9	\$15.8	\$30.1	\$20.4	\$26.9
<i>% margin</i>	13%	20%	27%	26%	24%
Net income ¹	\$4.4	\$10.4	\$20.8	\$12.8	\$17.7
<i>% growth</i>	243%	136%	100%	86%	38%
EPS ¹ (\$)	\$0.41	\$0.86	\$1.70	\$1.05	\$1.44
<i>% growth</i>	223%	112%	98%	81%	37%
Dividend per share (\$)	---	\$0.10	\$0.15	\$0.15	\$0.15

¹ Before discontinued operations

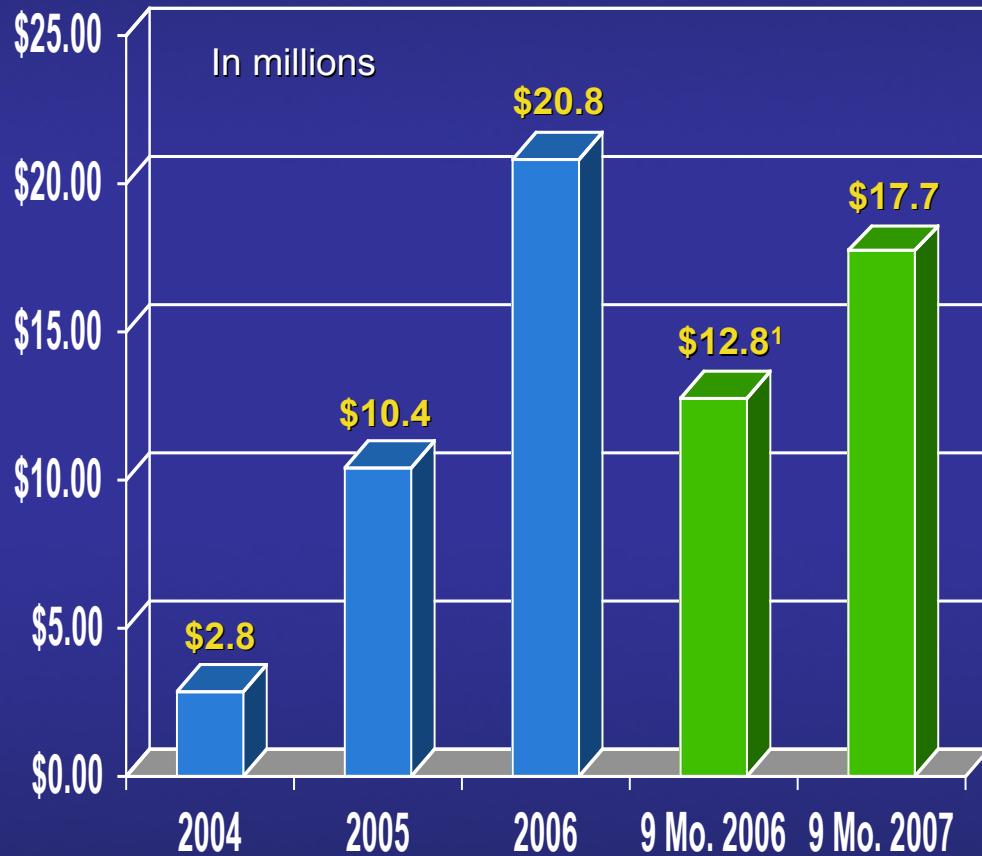
Net Sales



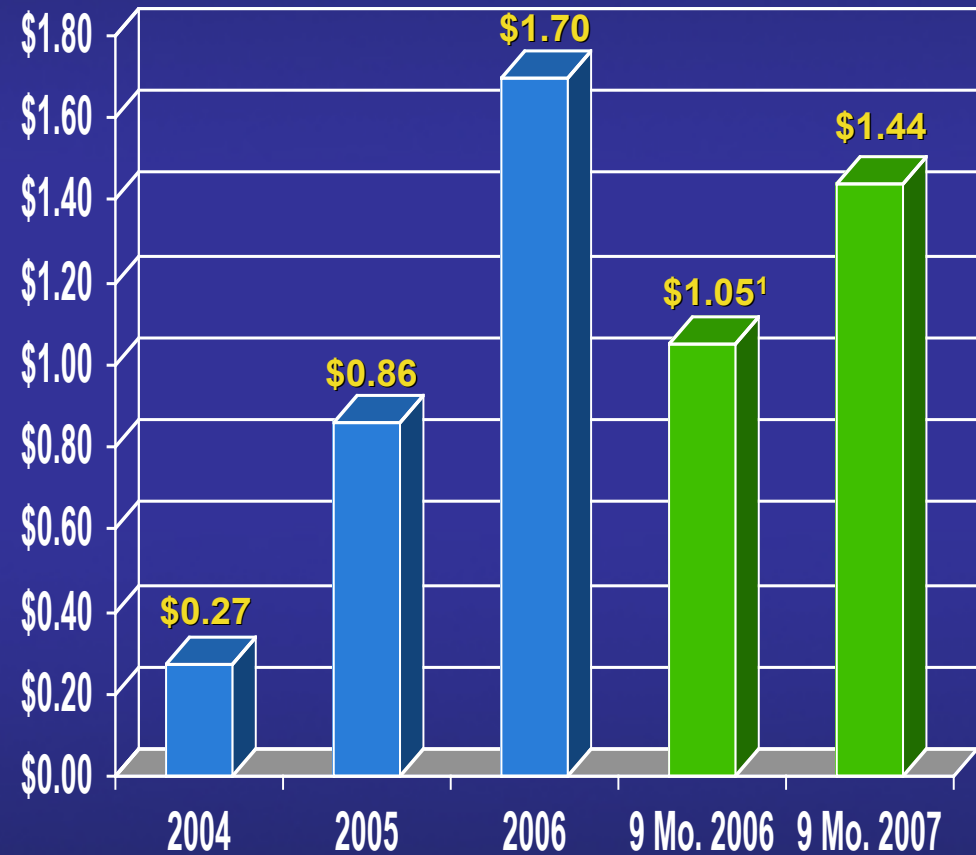
Income from Operations



Net Income

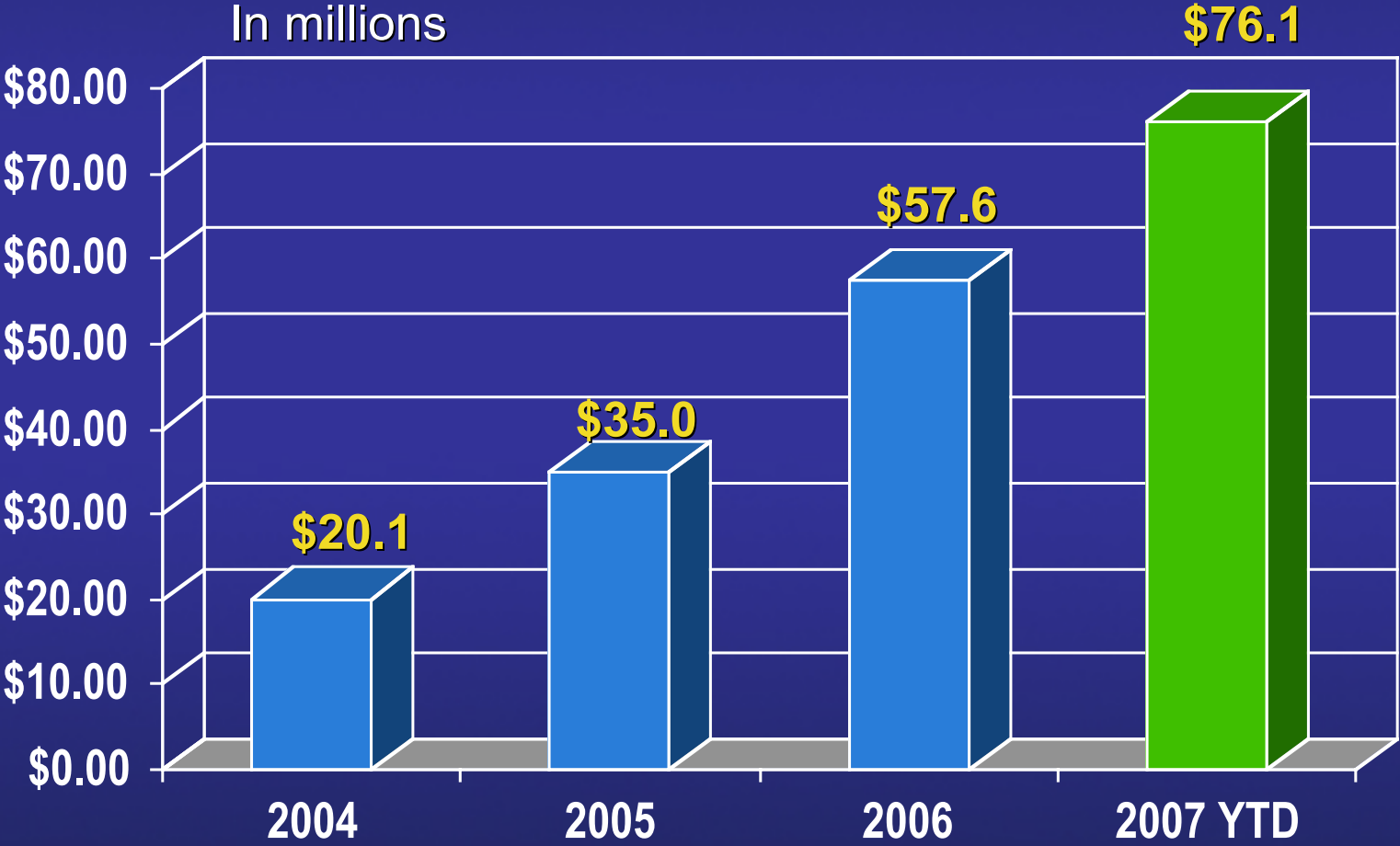


Diluted EPS



¹ Excluding discontinued operations

Stockholders' Equity



Balance Sheet Highlights

(in thousands except per share amounts)

	2005	2006	Q3 2007
<u>Assets</u>			
Cash, cash equivalents & restricted cash	\$ 5,763	\$ 20,945	\$ 22,044
Accounts receivables, net of allowance	\$ 15,576	\$ 21,549	\$ 20,077
Total current assets	\$ 36,552	\$ 63,847	\$ 78,901
Total assets	\$ 55,311	\$ 84,973	\$ 106,355
<u>Liabilities</u>			
Total current liabilities	\$ 14,838	\$ 25,297	\$ 28,647
Long-term debt	\$ 2,221	\$ 382	\$ ---
Total liabilities	\$ 20,356	\$ 27,393	\$ 30,299
Total stockholders' equity	\$ 34,955	\$ 57,580	\$ 76,056
Total liabilities and stockholders' equity	\$ 55,311	\$ 84,973	\$ 106,355

Investment Highlights

- Dominant position in worldwide explosion cladding industry
- Strong top- and bottom-line financial growth
- \$77.1 million backlog for Explosive Metalworking business
- Robust capital expenditures and demand expected in key end markets
- Acquisition of DYNAenergetics expands market share & production capacity of explosion welding business; provides entry into explosive perforating and explosive seismic services for oil & gas sector
- Active diversification strategy



Thank you.