



## Alba Reports Full Year 2012 Results

*Aluminium Bahrain B.S.C (Alba) presents its financial results as per the International Financial Reporting Standards (IFRS) accounting rules. All investors and reporters are asked to read Alba's Full-Year 2012 Audited Financial Statements posted at [www.albasmelter.com](http://www.albasmelter.com).*

- *2012: Dividend of US\$ 105 million proposed by the Board (of which US\$ 52.6 million were paid as an interim dividend in August 2012)*
- *2012: Highest production in Alba's history*
- *2012: Bankable Feasibility Study for Line 6 expansion project commences*

### 2012 Industry Highlights:

- Aluminium demand still healthy with world consumption up by 3.9% year-on-year (YoY). Demand in North America continues to grow with 5.6% YoY driven by automotive and construction sectors; Asian consumption propelled by China (8% YoY) and India (6% YoY). MENA demand up by 5.5% YoY while demand in Europe down by 4.8% due to a decline in automotive production
- World production growing at 3.3% and is expected to rise with greenfield projects ramp-up in the Middle East, Russia and India
- Aluminium cash prices at the London Metals Exchange dropped by 16% in 2012 with an average cash price of US\$ 2,019 mt versus US\$ 2,398 mt in 2011

### 2012 Alba Highlights:

- Alba achieved recurrent savings of US\$ 40 million in 2012 ahead of the \$30 million target
- Alba increased production by 8,907 metric tonnes despite tough LME market conditions
- Sales of Value-Added products reached 65% of total shipments in 2012 versus 62% in 2011
- Pot Line 5 upgraded from AP30 to AP36 technology allowing an increase of current to 360 kA
- Bechtel Canada was selected to perform the Bankable Feasibility Study (BFS) for Line 6 expansion with Dubal DX+ technology as the base for BFS



### 2012 Full Year Results:

Alba's sales for the full-year of 2012 were US\$ 1,978 million, a decline of 16% on the back of low LME prices versus US\$ 2,349 million in 2011. The company has registered a Net Income for 2012 of US\$ 257 million vs. US\$ 564 million in 2011 which is a drop of 54% YoY driven by lower LME prices and higher energy costs.

In 2012, the actual cash delivered to the shareholders was US\$ 203 million vs. 267 million in 2011. The Board recommended an additional dividend of US\$ 52 million bringing the total dividend for 2012 to US\$ 105 million.

### 2013 Alba Priorities:

- Accelerate AlbaSafeWay programme
- Leverage high physical premiums in 2013 new contracts as well as maintain a sustained focus on Value-Added products
- Complete the refinancing of US\$ 169 million local bond facility in March 2013
- Finalise long-term contract to secure gas and power as well gear-up for Pot Line 6 expansion project

Alba released its full year and fourth quarter 2012 results during a meeting of the company's Board of Directors on Wednesday, February 13, 2013.

Commenting on the full-year results, Alba's Chief Executive, Tim Murray said:

"Despite tough LME market conditions, Alba's resilient business model has enabled the company to achieve a healthy financial performance in 2012 thanks to the sustained focus on Operational Excellence and the support of our dedicated workforce.

As the Aluminium industry outlook looks positive, Alba is well-positioned to embark on 2013 thanks to the milestones achieved in 2012 which will lay the foundations for a better overall performance."

The Chairman of Alba's Board of Directors, Mahmood Hashim Al Kooheji added:

"Alba turned in yet another record-breaking year, with production reaching 890,217 metric tonnes in 2012. Amid the downtrend in LME prices, the company was still able to sustain its healthy performance - a testament on our ability to execute against strategy thanks to the leadership of our Executive Management Team and the support showed by Alba's workforce.

Furthermore, distributing a cash dividend of US\$ 105 million for 2012 - 28 Fils per share - endorses the company's strong business fundamentals which continuously deliver value to its shareholders."



Alba's Chief Executive Officer, Tim Murray, Acting Chief Finance & Supply Officer, Ali Al Baqali and Investor Relations Manager, Eline Hilal will be holding a series of meetings with investors in Bahrain, London and New York City. They will be making a presentation on the Full Year and Fourth Quarter Results, discuss Alba's performance for 2012 as well as outline the company's priorities and plans for 2013.