

Aluminium Bahrain B.S.C.

INTERIM CONDENSED FINANCIAL STATEMENTS

30 JUNE 2014 (REVIEWED)

REPORT ON THE REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF ALUMINIUM BAHRAIN B.S.C.

Introduction

We have reviewed the accompanying interim condensed financial statements of Aluminium Bahrain B.S.C. ('the Company') as at 30 June 2014, comprising of the interim statement of financial position as at 30 June 2014 and the related interim statements of comprehensive income, cash flows and changes in equity for the six-month period then ended and explanatory notes. The Company's Board of Directors is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34.




26 July 2014
Manama, Kingdom of Bahrain

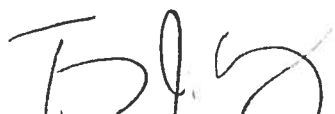
Aluminium Bahrain B.S.C.

INTERIM STATEMENT OF FINANCIAL POSITION

At 30 June 2014

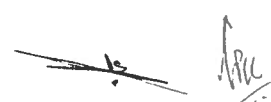
	Note	30 June 2014 Reviewed BD '000	31 December 2013 Audited BD '000
ASSETS			
Non-current assets			
Property, plant and equipment		848,333	868,318
Long term receivable		5,157	6,877
		<u>853,490</u>	<u>875,195</u>
Current assets			
Inventories		149,885	144,930
Current portion of long term receivable		3,438	3,438
Accounts receivable and prepayments		96,402	85,375
Other assets		4,800	4,800
Derivative financial instruments	4	192	-
Bank balances and cash		60,903	64,540
		<u>315,620</u>	<u>303,083</u>
TOTAL ASSETS		<u><u>1,169,110</u></u>	<u><u>1,178,278</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital		142,000	142,000
Treasury shares		(4,426)	(5,157)
Statutory reserve		71,000	71,000
Capital reserve		249	249
Retained earnings		644,601	629,381
Proposed dividend		16,942	30,978
Total equity		<u>870,366</u>	<u>868,451</u>
Non-current liabilities			
Borrowings		68,192	84,402
Derivative financial instruments	4	1,817	5,313
Employees' end of service benefits		1,069	930
		<u>71,078</u>	<u>90,645</u>
Current liabilities			
Borrowings		100,657	116,432
Accounts payable and accruals		120,850	97,960
Derivative financial instruments	4	6,159	4,790
		<u>227,666</u>	<u>219,182</u>
Total liabilities		<u>298,744</u>	<u>309,827</u>
TOTAL EQUITY AND LIABILITIES		<u><u>1,169,110</u></u>	<u><u>1,178,278</u></u>


 Dajj Bin Salman Bin Dajj Al Khalifa
 Chairman


 Tim Murray
 Chief Executive Officer


 Yousif Taqi
 Director

The attached notes 1 to 9 form part of these interim condensed financial statements.

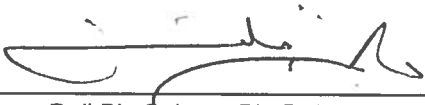


Aluminium Bahrain B.S.C.

INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2014 (Reviewed)

	Note	Three months ended		Six months ended	
		30 June 2014	30 June 2013	30 June 2014	30 June 2013
		BD '000	BD '000	BD '000	BD '000
Sales revenue	6	193,587	195,520	376,420	382,606
Cost of sales		(164,780)	(166,542)	(319,187)	(311,200)
GROSS PROFIT		28,807	28,978	57,233	71,406
Other income		1,141	466	741	1,261
Selling and distribution expenses		(5,612)	(4,372)	(9,463)	(8,369)
General and administrative expenses		(7,297)	(7,910)	(14,651)	(15,634)
Gain (loss) on foreign exchange		405	(22)	392	312
Finance costs		(1,201)	(1,634)	(2,399)	(3,148)
PROFIT FOR THE PERIOD BEFORE DERIVATIVE FINANCIAL INSTRUMENTS		16,243	15,506	31,853	45,828
(Loss) gain on revaluation/settlement of derivative financial instruments (net)	4	(1,007)	5,186	512	15,368
PROFIT AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD		15,236	20,692	32,365	61,196
Basic and diluted earnings per share (fils)	3	11	15	23	43


Daj Bin Salman Bin Daj Al Khalifa
Chairman


Tim Murray
Chief Executive Officer


Yousif Taqi
Director

The attached notes 1 to 9 form part of these interim condensed financial statements.



Aluminium Bahrain B.S.C.

INTERIM STATEMENT OF CASH FLOWS

For the six months ended 30 June 2014 (Reviewed)

	30 June 2014	30 June 2013
<i>Note</i>	BD '000	BD '000
OPERATING ACTIVITIES		
Profit for the period	32,365	61,196
Adjustments for:		
Depreciation	39,505	38,859
Loss on disposal of property, plant and equipment	921	393
Provision for slow moving inventories	78	259
Provision for employees' end of service benefits	629	441
Provision for doubtful debts written back	(3)	(52)
Unrealised gain on revaluation of derivative financial instruments	(2,319)	(21,374)
4		
Interest income	(99)	(135)
Finance costs	2,399	3,148
(Reversal) amortisation of the cost of treasury shares held for Employees Stock Incentive Plan	(106)	298
	73,370	83,033
Working capital changes:		
Inventories	(5,033)	(10,185)
Accounts receivable and prepayments	(11,024)	(6,057)
Accounts payable and accruals	22,981	(7,670)
Cash from operations	80,294	59,121
Employees' end of service benefits paid	(490)	(291)
Net cash from operating activities	79,804	58,830
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(20,538)	(15,795)
Proceeds from disposal of property, plant and equipment	97	206
Other assets	-	(4,800)
Interest received	99	135
Net cash used in investing activities	(20,342)	(20,254)
FINANCING ACTIVITIES		
Amounts received from long term receivable	1,720	1,719
Borrowings availed	63,920	183,864
Borrowings repaid	(95,905)	(208,145)
Finance costs paid	(2,490)	(3,146)
Dividends paid	(31,040)	(19,774)
8		
Purchase of treasury shares - net	(1,310)	(1,608)
Proceeds from resale of treasury shares	2,006	57
Net cash used in financing activities	(63,099)	(47,033)
DECREASE IN CASH AND CASH EQUIVALENTS	(3,637)	(8,457)
Cash and cash equivalents at 1 January	64,540	61,605
CASH AND CASH EQUIVALENTS AT 30 JUNE	60,903	53,148

Non-cash item

The movement in finance costs of BD 91 thousand (2013: (BD 2 thousand)) which have been accrued but not yet paid have been excluded from the movement of accounts payable and accruals.

The attached notes 1 to 9 form part of these interim condensed financial statements.

Aluminium Bahrain B.S.C.

INTERIM STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2014 (Reviewed)

	Share capital BD '000	Treasury shares BD '000	Statutory reserve BD '000	Capital reserve BD '000	Retained earnings BD '000	Proposed dividend BD '000	Total BD '000
Balance at 1 January 2014	142,000	(5,157)	71,000	249	629,381	30,978	868,451
Total comprehensive income for the period	-	-	-	-	32,365	-	32,365
Net movement in treasury shares	-	837	-	-	-	-	837
Reversal of excess amortisation of the cost of treasury shares held for Employees Stock Incentive Plan	-	(106)	-	-	-	-	(106)
Loss on resale of treasury shares	-	-	-	-	(141)	-	(141)
Final dividend for 2013 approved and paid (note 8)	-	-	-	-	-	(31,040)	(31,040)
Shortage of final dividend paid for 2013	-	-	-	-	(62)	62	-
Dividend proposed (note 8)	-	-	-	-	(16,942)	16,942	-
Balance at 30 June 2014	142,000	(4,426)	71,000	249	644,601	16,942	870,366
Balance at 1 January 2013	142,000	(4,087)	71,000	249	600,683	19,773	829,618
Total comprehensive income for the period	-	-	-	-	61,196	-	61,196
Net movement in treasury shares	-	(1,482)	-	-	-	-	(1,482)
Amortisation of the cost of treasury shares held for Employees Stock Incentive Plan	-	298	-	-	-	-	298
Loss on resale of treasury shares	-	-	-	-	(68)	-	(68)
Final dividend for 2012 approved (note 8)	-	-	-	-	-	(19,774)	(19,774)
Shortfall of final dividend for 2012 provided	-	-	-	-	(1)	1	-
Dividend proposed (note 8)	-	-	-	-	(19,729)	19,729	-
Balance at 30 June 2013	142,000	(5,271)	71,000	249	642,081	19,729	869,788

The attached notes 1 to 9 form part of these interim condensed financial statements.

1 ACTIVITIES

Aluminium Bahrain B.S.C. ("the Company") was incorporated as a Bahrain Joint Stock Company (closed) in the Kingdom of Bahrain and registered with the Ministry of Industry and Commerce under commercial registration (CR) number 999.

Subsequent to the Initial Public Offering (IPO), the Company became a Bahrain Public Joint Stock Company effective 23 November 2010 and its shares were listed on Bahrain Stock Exchange (now Bahrain Bourse) and Global Depository Receipts were listed on the London Stock Exchange. The Company has its registered office at 150 Askar Road, Askar 951, Kingdom of Bahrain.

As of 30 June 2014, the majority shareholder of the Company is Bahrain Mumtalakat Holding Company B.S.C. (c) (Mumtalakat), a company wholly owned by the Government of the Kingdom of Bahrain through the Ministry of Finance, which holds 69.38% (31 December 2013: 69.38%) of the Company's share capital.

The Company is engaged in manufacturing aluminium and aluminium related products. The Company owns and operates a primary aluminium smelter and the related infrastructure. The Company also has branch offices in Zurich and Hong Kong.

On 3 September 1990, the Company entered into a Quota Agreement between the Company, the Government of the Kingdom of Bahrain (GB), SABIC Industrial Investments Company (SIIC) and Breton Investments Limited (Breton). The Quota Agreement remains in full force and effect and was not amended with respect to the transfer of GB's shareholding in the Company to Mumtalakat. Consequent to the purchase of shares held by Breton in 2010, Breton ceased to be a shareholder of the Company, thereby revoking its entitlement to rights and obligations under the Quota Agreement, including the right to require the Company to sell the eligible quota of aluminium to Breton at a specified price.

On 25 May 2010, Mumtalakat provided a letter to the Company whereby it irrevocably and unconditionally waived its rights under the Quota Agreement requiring the Company to sell the eligible quota of aluminium to Mumtalakat. Consequently, as a result of this waiver the Company is no longer under an obligation to sell any part of its production to Mumtalakat. The Company is now free to sell 69.38% of its production to third-party customers on commercial terms. Mumtalakat has also acknowledged that it is under an obligation to purchase its quota of aluminium produced by the Company, should the Company decide to sell Mumtalakat's quota in accordance with the Quota Agreement. SIIC has not given a corresponding written waiver to the Company as at the date of approval of these interim condensed financial statements.

The interim condensed financial statements were authorised for issue by the Board of Directors on 26 July 2014.

2 SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The interim condensed financial statements of the Company for the six month period ended 30 June 2014 have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting".

The interim condensed financial statements do not contain all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at 31 December 2013. In addition, results for the six month period ended 30 June 2014 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2014.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

New and amended standards and interpretations

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2013, except for the adoption of new Standards and Interpretation effective as of 1 January 2014, noted below, which did not have any impact on the accounting policies, financial position or performance of the Company:

Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)

These amendments provide an exception to the consolidation requirement for entities that meet the definition of an investment entity under IFRS 10 Consolidated Financial Statements. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss. These amendments have no impact to the Company as the Company does not have any investment in entities that qualifies to be an investment entity under IFRS 10.

Offsetting Financial Assets and Financial Liabilities - (Amendments to IAS 32)

These amendments clarify the meaning of 'currently has a legally enforceable right to set-off' and the criteria for non-simultaneous settlement mechanisms of clearing houses to qualify for offsetting. These amendments have no impact on the Company.

Novation of Derivatives and Continuation of Hedge Accounting – (Amendments to IAS 39)

These amendments provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. These amendments have no impact to the Company as the Company has not novated its derivatives during the current or prior periods.

Recoverable Amount Disclosures for Non-Financial Assets – (Amendments to IAS 36)

These amendments remove the unintended consequences of IFRS 13 Fair Value Measurement on the disclosures required under IAS 36 Impairment of Assets. In addition, these amendments require disclosure of the recoverable amounts for the assets or cash-generating units (CGUs) for which an impairment loss has been recognised or reversed during the period. These amendments have no impact on the Company.

IFRIC 21 Levies

IFRIC 21 is effective for annual periods beginning on or after 1 January 2014 and is applied retrospectively. It is applicable to all levies imposed by governments under legislation, other than outflows that are within the scope of other standards (e.g., IAS 12 Income Taxes) and fines or other penalties for breaches of legislation.

The interpretation clarifies that an entity recognises a liability for a levy no earlier than when the activity that triggers payment, as identified by the relevant legislation, occurs. It also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, no liability is recognised before the specified minimum threshold is reached. The interpretation requires these same principles to be applied in interim financial statements. These amendments have no impact on the Company.

Aluminium Bahrain B.S.C.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2014 (Reviewed)

3 EARNINGS PER SHARE

	<i>Three month period ended</i>		<i>Six month period ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	2014	2013	2014	2013
Profit for the period - BD '000	15,236	20,692	32,365	61,196
Weighted average number of shares outstanding - thousands of shares	1,411,578	1,410,866	1,410,738	1,411,969
Basic and diluted earnings per share – fils	11	15	23	43

No separate figure for diluted earnings per share has been presented as the Company has not issued financial instruments which may have a dilutive effect.

4 DERIVATIVE FINANCIAL INSTRUMENTS

The Company does not engage in proprietary trading activities in derivatives. However, the Company enters into derivative transactions to hedge economic risks under its risk management guidelines that may not qualify for hedge accounting under IAS 39. Consequently, gains or losses resulting from the re-measurement to fair value of these derivatives are taken to the interim statement of comprehensive income.

The Company has a number of derivative financial instruments comprising interest rate collars, knockout swaps, forward contracts and commodity options. The fair values of the derivative financial instruments at 30 June 2014 and 31 December 2013 were as follows:

	<i>30 June</i>		<i>31 December</i>	
	<i>2014</i>		<i>2013</i>	
	<i>Assets</i>	<i>Liabilities</i>	<i>Assets</i>	<i>Liabilities</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Commodity options	-	7,593	-	9,364
Commodity futures	192	-	-	38
Interest rate collars	-	383	-	701
Total	192	7,976	-	10,103

These are classified in the interim statement of financial position as follows:

	<i>30 June</i>		<i>31 December</i>	
	<i>2013</i>		<i>2013</i>	
	<i>Assets</i>	<i>Liabilities</i>	<i>Assets</i>	<i>Liabilities</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Non-current portion:				
Commodity options	-	1,817	-	5,232
Interest rate collars	-	-	-	81
	-	1,817	-	5,313
Current portion:				
Commodity options	-	5,776	-	4,132
Commodity futures	192	-	-	38
Interest rate collars	-	383	-	620
	192	6,159	-	4,790

Aluminium Bahrain B.S.C.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2014 (Reviewed)

4 DERIVATIVE FINANCIAL INSTRUMENTS (continued)

The fair valuation of the derivative financial instruments resulted in the following gains (losses) to the interim statement of comprehensive income for the three month and six month period ended 30 June.

	<i>Three month period ended</i>		<i>Six month period ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Revaluation:				
Commodity options and futures	(323)	6,792	2,000	20,069
Interest rate collars and knockout swaps	248	837	319	1,258
Forward foreign exchange contracts	-	-	-	47
Unrealised gains on derivative financial instruments	(75)	7,629	2,319	21,374
Realised:				
Commodity options and futures	(681)	(1,766)	(1,251)	(4,634)
Interest rate collars and knockout swaps	(251)	(677)	(556)	(1,372)
Realised losses on derivatives	(932)	(2,443)	(1,807)	(6,006)
Net (loss) gain on fair valuation taken to interim statement of comprehensive income	(1,007)	5,186	512	15,368

5 FINANCIAL INSTRUMENTS

Fair values

Financial instruments comprise of financial assets, financial liabilities and derivative financial instruments. Financial assets consist of bank balances and cash and receivables. Financial liabilities consist of borrowings and payables. Derivative financial instruments consist of interest rate collars, forward exchange contracts and commodity options and futures.

The Company assessed that the fair value of cash and short term deposits, trade receivables, current portion of long term receivable, trade payables, other current liabilities and borrowings approximate their carrying amounts, largely due to the short term maturities of these financial instruments. The Company also assessed that the fair value of non-current portion of long term receivable and borrowings approximate their carrying amounts.

Set out below is an overview of financial instruments, other than bank balances, held by the Company as at 30 June 2014 and 31 December 2013:

	<i>30 June 2014</i>		<i>31 December 2013</i>	
	<i>Loans and receivables</i>	<i>Fair value profit or loss</i>	<i>Loans and receivables</i>	<i>Fair value profit or loss</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Financial assets:				
Long term receivables	8,595	-	10,315	-
Trade and other receivables	91,986	-	82,797	-
Derivative financial instruments	-	192	-	-
	100,581	192	93,112	-
Financial liabilities:				
Borrowings	168,849	-	200,834	-
Accounts payable and accruals	85,791	-	60,633	-
Derivative financial instruments	-	7,976	-	10,103
	254,640	7,976	261,467	10,103

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2014 (Reviewed)

5 FINANCIAL INSTRUMENTS (continued)**Fair value hierarchy**

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 : Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities;

Level 2 : Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable); and

Level 3 : Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable).

As at 30 June 2014, the Company's derivative financial instruments, long term receivable and borrowings are measured at fair value. These are Level 2 as per the hierarchy above for the six months ended 30 June 2014. The Company does not have financial instruments qualifying for Level 1 or Level 3 classification.

During the six month period ended 30 June 2014 and the six month period ended 30 June 2013, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

6 OPERATING SEGMENT INFORMATION

For management purposes, the Company has a single operating segment which is the ownership and operation of a primary aluminium smelter and related infrastructure. Hence no separate disclosure of profit or loss, assets and liabilities is provided as this disclosure will be identical to the interim statement of financial position and interim statement of comprehensive income of the Company.

a) Product

An analysis of the sales revenue by product is as follows:

	<i>Three month period ended</i>		<i>Six month period ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Aluminium	171,366	187,187	352,391	374,273
Calcined coke	(16)	2,014	1,792	2,014
Alumina	22,237	6,319	22,237	6,319
	193,587	195,520	376,420	382,606

b) Geographic information

An analysis of the sales revenue by geographic location is as follows:

	<i>Three month period ended</i>		<i>Six month period ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Kingdom of Bahrain	80,805	85,193	160,667	176,197
Rest of the Middle East and North Africa	42,685	53,941	79,789	99,759
Europe	36,123	30,185	67,055	54,181
Asia	24,098	19,775	45,390	40,941
Americas	9,876	6,426	23,519	11,528
Total sales revenue	193,587	195,520	376,420	382,606

The revenue information above is based on the location of the customers.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2014 (Reviewed)

6 OPERATING SEGMENT INFORMATION (continued)**c) Customers**

Revenue from sale of metal to two of the major customers of the Company amounted to BD 129,195 thousand (2013: BD 138,076 thousand), each being more than 10% of the total sales revenue for the period.

7 COMMITMENTS AND CONTINGENCIES

As of 30 June 2014, there have been no significant changes to outstanding commitments and contingencies compared to 31 December 2013.

8 DIVIDEND

On 27 February 2014, the Company's shareholders approved the Board of Director's proposal to pay a final dividend of BD 0.022 per share (excluding treasury shares) totalling BD 31,040 thousand relating to 2013 which was fully paid as of 31 March 2014. On 26 July 2014, the Board of Directors proposed an interim dividend of BD 0.012 per share (excluding treasury shares) totalling BD16,942 thousand. This is subject to ratification by the Company's shareholders at the Annual General Meeting.

On 7 March 2013, the Company's shareholders approved the Board of Director's proposal to pay a final dividend of BD 0.014 per share (excluding treasury shares) totalling BD 19,773 thousand relating to 2012 which was fully paid as of 31 March 2013. On 28 July 2013, the Board of Directors proposed an interim dividend of BD 0.014 per share (excluding treasury shares) totalling BD19,729 thousand. This was approved by the Company's shareholders at the Annual General Meeting.

9 RELATED PARTY TRANSACTIONS

Related parties represent major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Board of Directors.

Transactions with shareholders

In the ordinary course of business, the Company purchases supplies and services from parties related to the Government of the Kingdom of Bahrain, principally natural gas and public utility services. A royalty, based on production, is also paid to the Government of the Kingdom of Bahrain.

Transactions with related parties included in the interim statement of comprehensive income are as follows:

	<i>Three-month period ended</i>		<i>Six-month period ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Other related parties				
Revenue and other income				
Sale of metal	23,982	23,361	48,722	51,785
Sale of water	292	210	596	480
Interest on long term receivable	36	52	70	104
	24,310	23,623	49,388	52,369
Cost of sales and expenses				
Purchase of natural gas and diesel	24,798	24,817	48,675	49,486
Purchase of electricity	367	146	1,195	886
Royalty	960	933	1,923	1,876
	26,125	25,896	51,793	52,248

Aluminium Bahrain B.S.C.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2014 (Reviewed)

9 RELATED PARTY TRANSACTIONS (continued)

Balances with related parties included in the interim statement of financial position are as follows:

	30 June	31 December
	2014	2013
	BD '000	BD '000
Other related parties		
Assets		
Long term receivable	8,596	10,315
Bank balances	9,640	14,986
Receivables	8,708	7,923
	26,944	33,224
Liabilities		
Borrowings	15,040	15,040
Payables	35,127	9,616
	50,167	24,656

Outstanding balances at the end of the period arise in the normal course of business. For the six month period ended 30 June 2014, the Company has not recorded any impairment on amounts due from related parties (2013: nil).

Compensation of key management personnel

The remuneration of members of key management during the period was as follows:

	<i>Three-month period ended</i>		<i>Six-month period ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	2014	2013	2014	2013
	BD '000	BD '000	BD '000	BD '000
Short term benefits	269	345	553	645
End of service benefits	15	16	32	33
Contributions to Alba Savings Benefit Scheme	13	15	26	29
Other benefits	-	111	-	111
	297	487	611	818