



Alba Reports 2013 Results and Raises Dividend

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 2013 Audited Financial Statements posted at www.albasmelter.com.

Alba's results for Full-Year 2013 are summarised below:

- Alba increases 2013 total dividend by 28% to US\$ 135 million (BD 50.7 million) versus US\$ 105 million (BD 39.5 million) in 2012
- Alba reports 2013 Net Income of US\$ 212 million (BD 79.8 million)
- Record breaking year with production reaching 912,700 metric tonnes

2013 Industry Highlights:

- Aluminium demand remains healthy with world consumption up by 5.3% year-on-year (YoY). Asian demand up by 7% YoY supported by a robust growth in China (+10% YoY); MENA demand up by 6% YoY on the back of major investments in infrastructure. Steady demand in North America (+2% YoY) mainly driven by automotive body sheets and aerospace production. In addition, Europe turned a corner with improved demand (+1% YoY) on the back of construction & packaging sectors.
- World production up by 4.3% YoY and is expected to rise with the greenfield projects ramp-up set to lift output in the Middle East (Ma'aden & Emal 2) as well as in China.
- Lower Aluminium cash prices at the London Metal Exchange will continue to pressure western marginal producers to further cut output.

2013 Alba Highlights:

- Significant improvement in safety performance.
- Alba increased its sales by 3.3% YoY to 919,722 metric tonnes (mt) while production rose by 2.5% YoY to reach 912,700 mt.
- Solid increase in physical premiums (+48% YoY).
- Value-Added Products accounted for 66% of total shipments versus 65% in 2012.
- Launch of Project Titan - 2 year program aimed to improve cash cost by \$150/ mt.

2013 Full-Year Results:

Alba's sales for the full-year of 2013 were US\$ 1.993 billion (BD 749.3 million) versus US\$ 1.978 billion (BD 743.7 million) in 2012. As for the fourth quarter of 2013, Alba's sales totalled US\$ 488 million (BD 183.4 million) versus US\$ 502 million (BD 188.8 million) in Q4 2012, down by 3% on the back of lower LME prices.

The company posted a Net Income for 2013 of US\$ 212 million (BD 79.8 million) compared to US\$ 257 million (BD 96.6 million) in 2012. The drop in Net Income was primarily driven by the US\$ 85



million (BD 32 million) one-time gain from the Alcoa settlement recorded in the fourth quarter of 2012 and lower LME prices. Net Income for the fourth quarter of 2013 stood at US\$ 36 million (BD 13.7 million), a drop of 74% from US\$ 140 million (BD 52.6 million) driven by the one-time gain from the Alcoa settlement recorded in 2012.

The total dividend proposed for fiscal year 2013 is US\$ 135 million (BD 50.7 million) versus 2012 total dividend of US\$ 105 million (BD 39.5 million). The Board recommended a final 2013 dividend of US\$ 82 million (BD 30.9 million) in addition to the interim dividend already paid in September 2013 of US\$ 53 million (BD 19.8 million).

2014 Alba Priorities:

- Continued focus on Safety and Training programs
- Deliver on Project Titan
- Leverage strong physical demand conditions with a focus on Value-Added Sales
- Finalise Line 6 Bankable Feasibility Study & long-term gas contract

Aluminium Bahrain B.S.C. (Alba) released its full-year and fourth quarter of 2013 results during a meeting of the company's Board of Directors on Wednesday, February 12, 2014.

Commenting on the full-year results of 2013, The Chairman of Alba's Board of Directors, Mahmood Hashim Al Kooheji said:

"2013 proved to be another breakthrough year in the company's history with Alba achieving record sales and production despite tough LME market conditions. Our focus to deliver value to our shareholders is evidenced by 28% increase in the 2013 dividend."

Alba's Chief Executive Officer, Tim Murray added:

"Alba continues to raise the bar by leveraging our operational excellence program to exceed our targets.

Our ability to generate cash during difficult economic times shows the commitment and ownership of all the employees in Alba. As we move into 2014 we believe the company is well positioned to excel to even higher levels."

Alba's Management will be holding a conference call on Thursday, February 13, 2014 to discuss Alba's performance for the full-year results of 2013 as well as outline the company's priorities for the remainder of 2014.