



## ***Alba's Net Income in Q1 2018 surges by 32% YoY to BD 33.8 million***

### **Q1 2018 Industry Highlights**

- Global physical demand is to set to maintain the momentum with world consumption up by **4% YoY**. Asian demand rose by **5% YoY** mainly supported by Chinese demand (**+5% YoY**). MENA demand rose up by **8% YoY** on the back of major infrastructure spending in KSA (**+18% YoY**). North America continues to report solid demand (**+3% YoY**) supported by auto production. Europe consumption up by **3% YoY** due to strong demand in transport (auto body sheet) and construction sectors.
- Global production growth almost flat leading the world market to be in surplus with China (+22 Kt) and in deficit w/o China (-533 Kt). Chinese supply dips by **~1.5% YoY** due to slower ramp-ups and winter closure restarts while North America supply dropped by **5% YoY**.
- LME inventories at **~1.3 million mt** as of March-end.
- LME cash-average for the first quarter of 2018 was **US\$ 2,159/t**.

### **Q1 2018 Alba Highlights**

- Driving continuous improvement in Plant Safety with the launch of 'Safety ABC' Campaign.
- Sales volume up by **3.6% YoY** (251,637 mt) and production up by **4.3% YoY** (259,399 mt)
- Value-Added Sales averaged 58% of total shipments (versus 56% in Q1 2017)
- The achieved benefits of Titan – Phase III are US\$ 41/MT
- Line 6 on track
  - Line 6 Smelter [overall progress: 49%]
  - Power Expansion Project [PS 5 & PDS overall progress: 58% & 82%]

### **Q1 2018 Financial Results**



The Company's top-line and bottom-line performance for the first quarter of 2018 were driven primarily by **17% YoY** increase in LME prices coupled with favourable management performance.

Alba Total Sales stretched by **16% YoY** to reach **BD 221.3 million (US\$ 588 million)** versus BD 190.4 million (US\$ 506 million) in Q1 2017. The Company posted a Net Income of **BD 33.9 million (US\$ 90 million)** versus BD 25.6 million (US\$ 68 million) in Q1 2017, an increase of **32% YoY**.

During the Annual General Meeting (AGM) which was held on Wednesday 07 March 2018, Alba approved a dividend of **BD 36.8 million (US\$ 98 million)** and paid on 21<sup>st</sup> March 2018.

### 2018 Alba Priorities

- Focus on Safety Selfie Initiative
- Deliver on Project Titan - Phase III [2018: 1 Million MT & US\$ 60/t]
- Leverage strong physical demand on Value-Added Sales
- Focus on upstream opportunities
- Line 6 on Schedule
  - Close final tranche of ECA-covered facility
  - Award remaining packages by Q2 2018

Commenting on Alba's sound financial performance in Q1 2018, the Chairman of Alba's Board of Directors, Shaikh Daij Bin Salman Bin Daij Al Khalifa:

"Alba was off to a strong start in 2018 thanks to a solid operational performance. We intend to leverage this strong start as we progress with the construction of Line 6 Expansion Project.

We also look forward to fully secure the 2<sup>nd</sup> tranche of ECA-covered facility."

Alba's Chief Executive Officer, Tim Murray added:

"Alba continues to focus on resilience and was able to leverage the gains in LME prices to deliver solid bottom-line results. I would like to thank our dedicated workforce for their contributions in achieving this success."



Alba's Management will be holding a conference call on Monday April 30, 2018 to discuss Alba's financial performance for the first quarter of 2018 as well as outline the Company's priorities for the remainder of the year.