



Alba Reports Q1 2012 Results

- *Q1 2012: Underlying performance maintained without the LME impact*
- *Q1 2012: Value-Added Sales rebounded*
- *Q1 2012: Demand for aluminium still healthy*

Q1 2012 Industry Highlights:

- World consumption up by 1% despite the slow start of January with China output levels growing at a fast pace with 15% Y-o-Y
- Demand for Aluminium still healthy with Asian markets driven by consumption in India and China at 7% and 4% respectively; Europe automotive segment remains relatively strong
- MENA consumption on the rise -- 3% YoY -- thanks to infrastructural spending in KSA and Qatar
- Inventories at London Metal Exchange (LME) recovered by 6% in Q1 2012 as compared to Q4 2011.
- The LME cash average was at US\$ 2,177 metric tonnes in Q1 2012 versus US\$ 2,500 in Q1 2011.

Q1 2012 Alba Highlights:

- Increase in production by 2% with sales remaining stable despite slowdown in Europe
- Additional recurrent savings of US\$5 million -- on par with Q1 target versus US\$30 million target for 2012
- Sales of Value-Added Products recovered at 63% of total shipments versus 52% in 4Q 2011
- Safety Excellence Programme in progress with 4 work streams launched in Q1 2012

Q1 2012 Financial Highlights:

- Sales for the quarter at US\$ 496 million
- EBITDA as well as Net Income at US\$ 115 million and US\$ 57 million respectively -- impacted by lower LME levels and higher gas costs
- Sound Cash Flow of US\$ 48 million despite the seasonal increase in inventory of raw materials as well as recovery of Value-Added Sales in Europe
- Shareholders and relevant regulatory authorities approved 2011 dividend of US\$ 252 million. The first instalment of US\$ 102 million was paid in 2011 and US\$ 150 million was paid in March 2012



Q1 2012 Alba Priorities:

- Alba STAR programme to achieve additional cash savings of US\$ 30 million and rollout of additional 8 Six-Sigma projects in 2012
- Alba to maintain sustained focus on value added sales
- On-going implementation for Alba SafeWay work streams

Aluminium Bahrain B.S.C. (Alba) announced the release of its first quarter 2012 results on Sunday, May 6, 2012.

Commenting on the Q1 2012 results, Alba's Chief Executive, Laurent Schmitt said:

"Without LME effect, Alba was able to maintain its performance despite the significant impact of gas price increase -- which took effect in January 01, 2012.

The overall financial performance was underpinned by a major focus on our Continuous Improvement Programme and Operational Efficiency initiatives. These measures enabled the company to maintain a momentum despite the downward trend of aluminium prices."

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

"Alba's performance in the first quarter reflects, once again, the company's strong business model that has provided a key foundation for continued growth.

A key reason for this success has been the teamwork shown by our skilful workforce and the inspiring leadership of the Management on board."

Alba's Chief Executive, Laurent Schmitt, Chief Financial Officer, Tim Murray and Investor & Public Relations Manager, Eline Hilal will be holding a conference call on May 08, 2012 to discuss Alba's performance for the first quarter of 2012 as well as outline the company's priorities for the remainder of 2012.