



## Alba Reports Q1 2017 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 Q1 2017 Interim Condensed Consolidated Financial Statements posted at [www.albasmelter.com](http://www.albasmelter.com).

Alba's results for the First Quarter of 2017 are summarised below:

### Q1 2017 Industry Highlights

- Global physical demand remains healthy with world consumption up by **6% YoY**. Asian demand rose by **7% YoY** led by Chinese consumption (+8% YoY). MENA demand grew by **5% YoY** driven by major infrastructure spending in Saudi Arabia (+13% YoY). In addition, demand in North America surged by **3% YoY** supported by firm growth in the auto production while Europe consumption rose modestly by **2% YoY** attributed to good demand in construction and automotive sectors.
- World production rose by **9% YoY** supported by Chinese output (+17% YoY), leading the world market to be in surplus with China (+664Kt) and in deficit w/o China (-414Kt).
- LME inventories at **1.8 million** mt in March.
- LME cash-average for the first quarter of 2017 was **US\$ 1,850/t** up by 22% YoY.

### Q1 2017 Alba Highlights

- Continuous improvement in Safety Performance with the launch of Safety Tomorrowland initiatives.
- Sales volume up by 4.9% YoY (242,932 mt) and production up by 5.6% YoY (248,776 mt)
- Value-Added Sales averaged 56% of total shipments (versus 52% in Q1 2016)
- Line 6 on track
  - Feed Study completed in January 2017
  - 80 Packages have been awarded (out of 150 packages)



## Q1 2017 Financial Results

The Company's top-line and bottom-line performance for the first quarter of 2017 were driven primarily by higher LME prices and favourable management performance.

Alba Total Sales for the first quarter of 2017 jumped by 22% YoY to reach **BD 190.4 million (US\$ 506 million)** versus BD 156.4 million (US\$ 416 million) for the same period in 2016. The Company posted a Net Income of **BD 25.6 million (US\$ 68 million)** compared to BD 4.2 million (US\$ 11 million) in Q1 2016, an increase of 506% YoY.

During the AGM on 21<sup>st</sup> March 2017, Alba approved a dividend of **BD 29.6 million (US\$ 78.7 million)** to be paid from April 2<sup>nd</sup> 2017.

## 2017 Alba Priorities

- Focus on Safety Tomorrowland Initiatives
- Fully Restore Line 5 Production
- Deliver on Project Titan - Phase II
- Leverage Strong Demand on Value-Added Sales
- Line 6 on Schedule
  - Award Remaining Packages in 2<sup>nd</sup> half of 2017

Commenting on Alba's sound financial performance in Q1 2017, the Chairman of Alba's Board of Directors, Daij Bin Salman Bin Daij Al Khalifa:

"Alba has successfully closed the first quarter strong with an unparalleled performance in its top-line and bottom-line.

Together with our solid financial basis, we will be able to transform Alba as Line 6 will shape our future for the generations to come."



Alba's Chief Executive Officer, Tim Murray added:

“Alba continues to improve its underlining performance through leveraging the recent gains in LME prices. Despite the recent power outage incident, Alba still expects to deliver strong results in 2017.

Alba's Management will be holding a conference call on Tuesday, April 25, 2017 to discuss Alba's financial performance for the first quarter of 2017 as well as outline the Company's priorities for the remainder of the year.