



## Alba Reports Q3 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 Q3 2017 Unaudited Financial Statements posted at [www.albasmelter.com](http://www.albasmelter.com).

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

### Q3 2017 Industry Highlights

- As the demand growth for Aluminium remains healthy, the world consumption rose by **6% Year-on-Year (YoY)**. Asian demand continues to be strong, up by **6% YoY**, supported by Chinese Consumption (**+7% YoY**) while MENA demand went up by **4% YoY** driven by infrastructure spending in Saudi Arabia (**+11% YoY**). Europe consumption remains firm, up by **4% YoY**, led by steady demand across the transport and packaging sectors; North America demand up by **3% YoY** driven by continued growth in auto and construction markets.
- World production up by **7.5% YoY** led by the Chinese output (**+13% YoY**).
- LME inventories at **1.3 million** metric tonnes in September
- Q3 2017 cash-average was **US\$ 2,012/t** with LME ranging between US\$ 1,877/t on July 12 and US\$ 2,164/t on September 20.

### Q3 2017 Alba Highlights

- Launch of 'Summer Challenge' Safety Campaign'
- Line 5 normalized and Alba sets the benchmark for speed of recovery
- Sales and production volume up by **0.5% YoY** (247,540 mt) and **3% YoY** (253,475 mt) respectively. Value-Added Sales averaged **59%** of total shipments in Q3.
- Project Titan -- Phase II: YTD savings of **US\$ 65/mt** (impacted by timing of Line 5 recovery)
- Line 6 Expansion Project on track with overall progress of 30% from inception till to-date [engineering advanced by more than 60% while contracts and procurement by more than 75%]



### Q3 & 9 Months 2017 Financial Results

Alba's top-line and bottom-line for the third and 9 months of 2017 were driven by higher LME prices (an increase of 24% YoY) and the speed recovery of Line 5 operations.

Alba's Total Sales for the third quarter of 2017 jumped by 35% YoY to BD 235.3 million (US\$ 625.8 million) versus BD 174.3 million (US\$ 463.5 million) in Q3 2016. For the nine months of 2017, Total Sales stood at BD 605 million (US\$ 1.609 billion), up by 22% YoY, versus BD 496.5 million (US\$ 1.32 billion) for the same period in 2016.

The Company reported a Net Income of BD 25.8 million (US\$ 68.5 million) in the third quarter of 2017, up 80% YoY, versus BD 14.3 million (US\$ 38.1 million) in Q3 2016. The Net Income for the 9 months of 2017 rose by 98% YoY to BD 69 million (US\$ 183.5 million) versus BD 34.8 million (US\$ 92.6 million) for the same period in 2016.

### 2017 Alba Priorities

- Continuous Focus on Safety TomorrowLand Initiatives
- Deliver on Project Titan - Phase II
- Increase Value-Added Sales
- Line 6 on Schedule
  - Secure Second Tranche of ECA-Covered Facility
  - Award Remaining Packages



Commenting on Q3 & 9 Months 2017 Financial Results, the Chairman of Alba's Board of Directors, Shaikh Daij Bin Salman Bin Daij Al Khalifa, said:

"I would like to thank all Alba employees and contractors for restoring Line 5 safely.

As we move ahead, we also look forward to make solid progress in our flagship development - Line 6 Expansion Project".

Alba's Chief Executive Officer, Tim Murray added:

"Alba set a new benchmark on Line 5 recovery which translated into strong operational results.

I would also like to thank our employees and contractors for maintaining safe operations through a difficult summer."

Alba's Management will be holding a conference call on Monday October 30, 2017 to discuss Alba's performance for the third quarter 2017 Financial Results as well as outline the Company's priorities for the remainder of this year.