

Alba Announces the financial close of EUR 204.5 million in Export Credit Financing

Aluminium Bahrain B.S.C. (Alba), home-base of the brownfield Line 6 Expansion Project, is pleased to announce that it has successfully closed the first part of 2nd tranche of **EUR 204.5 million** from Export Credit Agency (ECA) covered facilities to finance the Green Anode Plant, Gas Treatment Centres, Pot Tending Machines and Anode Bake Furnace as well as related equipment for Alba's Line 6 Expansion Project.

The facilities are made-up of: **EUR 156.9 million** Bpifrance Assurance Export ("BpiAE") supported facility with an interest margin of 60 basis point per annum over EURIBOR – the BpiAE-covered facility has 11-year tenor wherein the principal amount is to be repaid over 10-year period; **EUR 47.6 million** Euler Hermes guaranteed Export Credit with an interest margin of 55 basis point per annum over EURIBOR – the Euler Hermes-covered facility has 11-year tenor wherein the principal amount is to be repaid over 10-year period.

Commenting on this milestone, Alba's Chairman of Board of Directors, Shaikh Daij Bin Salman Bin Daij Al Khalifa said:

"We are extremely pleased with the support received from our banking partners in the ECA-covered facilities. Their commitment is a vote of confidence in Bahrain, Alba and its landmark project – Line 6 Expansion Project.

We also look forward to secure the final part of 2nd ECA-tranche as we progress with the construction of Line 6 Expansion Project."

The participating banks acting as the Mandated Lead Arrangers in the BpiAE-covered facility consist of Citibank N.A., Standard Chartered Bank and Crédit Agricole Corporate and Investment Bank wherein Standard Chartered Bank acted as the Facility Agent for BpiAE; with respect to Euler Hermes-covered facility, the Mandated Lead Arranger is Commerzbank AG and Commerzbank AG also acted as the Facility Agent for Euler Hermes-covered facilities.

Alba successfully closed a US\$ 1.5 Billion syndicated term-loan facility comprising two tranches: Conventional Facility & and Islamic Facility in October 2016 as well as the first tranche of the Export Credit Financing of c. US\$ 700 million for Euler Hermes and SERV-covered facilities in July 2017.

ENDS

Photo Caption

Shaikh Daij Bin Salman Bin Daij Al Khalifa, Alba's Chairman of BOD

About Alba

Aluminium Bahrain B.S.C. (Alba) - one of the largest and modern aluminium smelters in the world - is renowned for its premium grade aluminium products, technological strength and innovative policies, strict environmental guidelines and high track record for safety. Established in 1971 as a 120,000 tonnes per annum smelter, Alba today produces more than 981,000 metric tonnes per annum of the highest grade aluminium, with products including standard and T-ingots, extrusion billets, rolling slab, properzi ingots, and molten aluminium.

Alba is listed on both the Bahrain Bourse and London Stock Exchange, and the Company's shareholders are Bahrain Mumtalakat Holding Company (69.38%), SABIC Industrial Investment Company (20.62%) and the General Public (10%).

About Line 6 Expansion Project

Alba's Line 6 Expansion Project is one of the largest brownfield developments in the region. Expected to begin production by January 1st 2019, this Project will boost the smelter's per-annum production by 540,000 metric tonnes, bringing its total production capacity to 1.5 million metric tonnes per year.

With a CAPEX of approximately US\$ 3 billion, the Line 6 Expansion Project involves the construction of a sixth pot line utilising EGA's proprietary DX+ Ultra Technology, a 1,792 MW Power Station (Power Station 5) and other industrial services.

Bechtel is the EPCM contractor for the Line 6 Expansion Project smelter. For Power Station 5 (PS 5), GE and GAMA Consortium was awarded the EPC contract, while Siemens is the Power Distribution System contractor. J.P. Morgan, Gulf International Bank (GIB) and National Bank of Bahrain (NBB) are the Financial Advisors for this Project.

In June 2015, Alba Board approved the Line 6 Expansion Project and in November 2015, Alba secured the natural gas supply for this Project.

Alba successfully closed a US\$ 1.5 Billion syndicated term-loan facility comprising two tranches: Conventional Facility & and Islamic Facility in October 2016, the 1st tranche of the Export Credit Financing of c. US\$ 700 million for Euler Hermes and SERV-covered facilities in July 2017 and the first part of 2nd ECA-tranche of EUR 204.5 million for Bpifrance Assurance Export ("BpiAE") and Euler Hermes-covered facilities in April 2018. The Company is looking to secure the final part of 2nd ECA-tranche by Q3 2018.

The Front End Engineering Design (FEED) study for the Project was completed in the first quarter of 2017. The construction site-works have started in the second quarter of 2017 while the mass earthworks was completed by the end of the third quarter of 2017 as per schedule. Alba has also laid the First Concrete in Potline 6 Foundation in May 2017 wherein the concrete foundations will reach 85,000 m3 upon completion by December 2018. As of March 31, 2018, Line 6 Smelter's Overall Progress exceeded 49% (Engineering progressed more than 83% while



Contracts and Procurement advanced by more than 92%); Power Station 5 & Power Distribution System Overall Progress exceeded 58% and 82% respectively.

The Line 6 Expansion Project will make Alba the world's largest single-site aluminium smelter and be a significant economic boost for the Kingdom of Bahrain due to the many co-investment opportunities through local and foreign aluminium investments.

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