

Press Release

Frankfurt, August 18, 2011

Almatis Group announces strong improvement in revenues and earnings

- ***New investments are being rolled out in line with growth strategy***

Almatis, a global leader in the development, manufacture and supply of premium specialty alumina products, has witnessed a sharp recovery in financial performance, following the financial restructuring one year ago. Revenues in 2010 surpassed \$0.5 billion, up 33 percent compared to 2009, and continued to grow by another 16 percent for the first half of 2011 compared to 2010. The Company saw even stronger growth in earnings. Demand in the Refractories, Ceramics and Polishing segments continues to be strong in the Americas, Asia and also Europe, as the steel industry and global GDP have continued to grow, and Almatis is working at full capacity.

David Smoot, Chairman of Almatis, commented:

“We are pleased to see a significant improvement in Almatis’ performance, which has exceeded targets that were put in place back in September 2010, when the Group completed its financial restructuring. This recovery has taken place following the global downturn which heavily impacted Almatis’ end markets. The restructuring has led to significant debt deleveraging and the level of indebtedness over earnings is now below that of many comparable companies. Furthermore, Almatis has already started to pay down some of its debt. The Board remains very supportive of management’s initiatives to expand capacity in order to maximize opportunities for further growth.”

In 2011, Almatis expects growth opportunities right across the markets in which it operates. After having implemented most of its cost saving potential over the recent months, the company will have to pass on price increases from its suppliers for raw material and energy, categories that have shown major upward trends over the last months. Although recent demand levels have led to some capacity constraints at several manufacturing facilities, progress in key projects and expansion plans are expected to create headroom at the beginning of next year. The construction of a full scale calcines facility in Huangdao (China) is progressing according to plan and production is expected to commence in early 2012.

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Taco Gerbranda, Chief Executive Officer of Almatis, said:

“We have increased investment in existing facilities, creating more capacity which will enable us to meet customer demand in an efficient and technologically advanced way. Strong cash generation, also through tighter working capital management, and a healthy financial structure have allowed the Group to self-finance and execute two significant investment projects so far this year. Total investment by Almatis will exceed \$45 million in 2011. Other growth initiatives are being explored and we expect Almatis to continue expanding capacity, as well as introducing new products, in the next couple of years.”

About Almatis

Almatis is a global leader in the development, manufacture and supply of premium specialty alumina products. With about 900 employees worldwide, the company's products are used in a wide variety of industries, including steel production, cement production, non-ferrous metal production, ceramics, carpet manufacturing and electronic industries. Almatis operates nine production facilities worldwide and serves customers around the world. Until 2004, the business was known as the chemical business of Alcoa. Almatis is now majority owned by Dubai International Capital LLC (DIC), a private equity investment company established in 2004 as a wholly owned subsidiary of Dubai Holding.